

Annual Comprehensive Financial Report



For the year ended
June 30, 2023

CITY OF WILMINGTON, DELAWARE
MICHAEL S. PURZYCKI, MAYOR

CITY OF WILMINGTON, DELAWARE

ANNUAL COMPREHENSIVE FINANCIAL REPORT

FOR THE FISCAL YEAR ENDED JUNE 30, 2023

Prepared by the Department of Finance
J. Brett Taylor, Director of Finance



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City of Wilmington



MICHAEL S. PURZYCKI
Mayor

February 29, 2024

Honorable Michael S. Purzycki, Mayor
Honorable Members of City Council
Citizens and Stakeholders of the City of Wilmington, Delaware

We are pleased to submit the Annual Comprehensive Financial Report (ACFR) of the City of Wilmington, Delaware (the City) for the fiscal year, which ended on June 30, 2023 as required by the City Charter. The ACFR is prepared in conformity with generally accepted accounting principles (GAAP) for governmental units and audited in accordance with generally accepted auditing standards by a firm of licensed certified public accountants.

Belfint, Lyons and Shuman PA, a firm of independent certified public accountants, audited the City's financial statements. The independent auditor expressed an opinion that the City's financial statements for the fiscal year 2023 are fairly stated in conformity with GAAP. This is the most favorable conclusion and is commonly known as an "unmodified" or "clean" opinion. The independent auditor's report is presented on pages 1 through 3.

Responsibility for the accuracy of the data and the completeness and fairness of the presentation, including all disclosures, rests with the City. The management of the City is responsible for establishing and maintaining an internal control structure designed to ensure that the assets of the City are protected from loss, theft or misuse, and to ensure that adequate financial information is compiled to allow for the preparation of financial statements in conformity with GAAP. Because the cost of internal control should not exceed the anticipated benefits, the objective is to provide reasonable, rather than an absolute, assurance that the financial statements are free from any material misstatements. We believe that the data presented is complete and reliable in all material respects.

The City is required to undergo an additional audit designed to meet the requirements of Title 2 *U.S. Code of Federal Regulations* (CFR) Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards* (Uniform Guidance). Information related to this audit is issued in a separate report.

GAAP requires that management provide a narrative introduction, overview, and analysis to accompany the basic financial statements in the form of Management's Discussion and Analysis (MD&A). This letter of transmittal is designed to complement the MD&A and should be read in conjunction with it. The MD&A can be found immediately following the report of the independent auditor.

The Government Finance Officers Association of the United States and Canada (GFOA) awarded a Certificate of Achievement for Excellence in Financial Reporting to the City for its ACFR for the fiscal year ending June 30, 2022. This was the 33rd consecutive year that the City has achieved this prestigious award. In order to be awarded a Certificate of Achievement, a government unit must publish an easily readable and

efficiently organized ACFR. The ACFR must satisfy both generally accepted accounting principles and applicable legal requirements.

A Certificate of Achievement is valid for a period of one year only. We believe our current report continues to conform to the Certificate of Achievement program requirements, and we are submitting it to GFOA to determine its eligibility for another certificate.

The professionalism, dedication, and efficiency of the entire staff of the Department of Finance, City Auditor, and the City Treasurer made the preparation of this report possible. We would like to express our appreciation to other staff within the City for their assistance and contribution.

Credit must also be given to other professional contributors Citywide.

Respectfully submitted,



J. Brett Taylor
Director of Finance

LETTER OF TRANSMITTAL

The Annual Comprehensive Financial Report (ACFR) is published annually by the Accounting Division of the Department of Finance on the City of Wilmington, Delaware's (City) financial condition and result of operations at the conclusion of the fiscal year. The ACFR is issued as part of the City Charter mandate to monitor and report on all matters relating to the City's fiscal health, keep the City's official financial records, and supervise expenditures of the City.

The Letter of Transmittal complements the ACFR, as it provides context for the City's financial statements in presenting basic information on the profile of the government, local economy, financial management policies, and major initiatives of the City government.

Balancing Growth, Revenue Stabilization and Cost Containment in City Government

The City of Wilmington continues its successful financial and economic renaissance. We continue to reinforce Wilmington's position of being residential and business-friendly, as well as a safer, cleaner, more efficiently managed, and more culturally rich City. Wilmington's financial position remains strong, due to strong reserves, and reductions in the cost of government. We continue to be guided by our five-year budgeting plan, which has kept the City in a very stable position that supports the underlying efforts of building stronger neighborhoods and more resilient businesses.

To put the City's financial trajectory in perspective, the total fund balance of the General Fund in FY 2017 was \$33.9 million — less than that required by bond rating agencies to maintain our bond rating. With the year ending June 30, 2023, our General Fund balance stands at a very healthy \$95.0 million, or 47.6% of revenues, up from \$71.7 million in FY 2022. This is well above the minimum 25% benchmark required by the bond rating agencies. The City also experienced in FY 2023 an increase in the net position of the Water/Sewer Fund by \$15.1 million to \$206.0 million, including an increase to the Operations and Maintenance Reserve and Rate Stabilization Reserve by \$5.4 million.

As we close FY 2023, we need to reflect on both the positive and challenging influences on our fiscal outlook. Over the past two years, we have declined to raise needed revenues through tax increases despite being faced with a severe pandemic. We relied on CARES Act and reserve funds to help us offset our losses of revenues due to reductions in several revenue sources. While finances have generally stabilized, there is an unsettling threat of a continued loss of revenue from several sources.

To put the City on a more solid fiscal footing for the future, there was a 6.0% increase to the Property Tax rate that resulted in an additional annual revenue of \$1.6 million. The median assessment homeowner will pay an additional \$41.76 annually or \$3.48 more per month.

In addition, there was a 5.0% increase in water and sewer rates. The fiscal impact of the rate changes was an increase of \$3.5 million in revenue to the Water/Sewer Fund in FY 2023. The typical residential customer in the City using 4,000 gallons of water per month saw an increase of \$2.82 to their monthly bill. There was no increase in stormwater rates.

The City continued its pandemic response by continuing to offer additional programs to assist residents and businesses, such as the Utility Assistance Program (UAP), funded by the federal Coronavirus Aid, Relief and Economic Security (CARES) Act and American Rescue Plan Act (ARPA). In addition, the City partnered with the State of Delaware Low-Income Household Water Assistance Program (LIHWAP) to provide over \$1.8 million in assistance to eliminate or reduce outstanding water and sewer delinquent payments for City households. The City also continued its payment agreement and penalty and interest assistance programs. Lastly, the City has formalized a \$250,000 set-aside in the Water/Sewer Fund to fund the UAP on an ongoing basis.

During the pandemic, businesses made decisions about remote work approaches that saw a reduction in the number of employees physically working in the City limits. Earned Income Tax regulations require businesses to withhold 100% of wage taxes for employees who claim their work location within the City. Employees working outside of the City, either part-time or full-time, may file for refunds of the wage tax. For FY 2022 and FY 2023, we have seen the amount of refunds increase from \$1.2 million pre-pandemic to a consistent \$4.0 million. We are also monitoring the wage tax and head tax revenues to ensure that the City is not severely impacted by reduced withholdings due to remote workplace policies. However, we expect wage tax filers to continue filing for refunds at this level rate for the foreseeable future.

Our efforts to innovate City government continue to bear fruit. By improving government operations, we are consistently improving the delivery of services to residents, businesses, and visitors. City government is becoming more efficient as we hold our managers more accountable and give them more room for innovation and creativity.

Profile of the Government

The City of Wilmington, located in the northern part of the State of Delaware, is the largest municipality in the State. Pursuant to Title 22, Delaware Code, 1953, the City was granted the right to exercise all expressed and implied powers and authority of local self-government and home rule under a Charter governed by the Delaware Constitution.

The Charter provides for a mayor and council form of government. Legislative authority is vested in a 13-member council. All members are elected to four-year terms. The City's Chief Executive and Administrative Officer is the Mayor, elected by citizens to a four-year term. The Mayor may veto any legislation passed by Council. A veto may be overridden by a two-thirds vote of all members of the Council. The City Council fixes compensation for all City employees and enacts ordinances and resolutions relating to City services, tax levies, appropriations and borrowings,

licensing and regulating of businesses and trades, and other municipal purposes. The City of Wilmington provides a full range of services, such as police and fire protection, maintenance and repairs of infrastructure, recreational activities, and promotes cultural events. The water, sewer, and stormwater services are provided through the Water and Sewer Fund, which has been included as an integral part of the City of Wilmington's financial statements. The annual budget serves as the foundation for the City of Wilmington's financial planning and control.

All departments of the City of Wilmington are required to submit their budget requests to the Office of Management and Budget for inclusion in the comprehensive budget. Annual appropriated budgets are adopted for the General Fund, Water/Sewer Fund, and certain Non-Major Governmental Funds. The appropriations for Non-Major Governmental Funds (Special) are made contingent of in upon the receipt funds and are utilized in the manner prescribed by the statutes, ordinances, regulations, resolutions, and/or grants from which they derive. For Fiscal Year 2023, Non-Major Governmental Funds with adopted budgets were Park Recreation Assistance, Community Development Block Grant, Home Partnership Program, Housing Strategic, Economic Strategic, Delaware Criminal Justice Planning and Cable Television. Ninety days prior to the commencement of a new fiscal year, the Mayor must submit to City Council a proposed operating budget. City Council reviews the budget, conducts hearings, and may propose changes in expenditure levels. City Council cannot modify the Mayor's estimates of revenues but may propose changes in the tax levy amount to balance total appropriations and estimated revenues.

Thirty days prior to the commencement of a new fiscal year, the annual operating budget must be enacted through legislation. Appropriations are legislated at the functional level. By legislative action, the annual appropriated budget may be amended. Budgetary transfers within a function at the expense category level (e.g., personal services or materials, supplies, equipment) may be made without legislative approval. Appropriation control is maintained through a budget-tracking process within the accounting system at the functional and object levels. Note 2-B presents expenditures and transfers over appropriations and the cause of these variances.

Economic Condition and Outlook

The City of Wilmington's economy withstood the pandemic and post-pandemic headwinds that threatened the revenues of city after city across the nation. The construction of apartments, hotels, and restaurants have energized Wilmington's economy. Building permits issued over the past three years indicate that the total value of new construction and renovation activity in the City has averaged a remarkable \$253 million annually. The Downtown District, the Riverfront, and our neighborhoods have all thrived economically. Most notably, despite the recent trend toward working from home, some of our major employers are holding firm to their commitment to Wilmington; JP Morgan Chase alone has invested \$250 million in the City. We applaud Chase and our other employers for their unwavering commitment to Wilmington.

The City was recently featured by Forbes as one of their 22 best places to travel. It has also been repeatedly featured in Virginia and Philly magazines for our restaurants, hotels, and amenities. The Washington, D.C. Thrillist listed Wilmington among seven cities to visit in 2022-2023.

The Chase Fieldhouse has become an unexpected economic driver for the City, drawing an astonishing 1.5 million participants and visitors to Wilmington in 2022, while the Christina Riverwalk counted well over one million visitors over this past year. In the Downtown District, Quoin joined La Fia, Bardea and Bardea Steak, and a host of other fine dining destinations. The Chancery joined DECO as a premiere food hall where our residents can socialize and eat a relaxing meal. The artist known as SZA rehearsed for a week in Wilmington at the \$20 million Pine Box Studios, which opened just this past year.

On the East Side, we have committed \$20 million of American Rescue Plan Act funds for up to 150 new and redeveloped houses for our residents. Habitat for Humanity has repaired or rebuilt 49 houses to date for City homeowners, with another 40 in process or scheduled for repairs. Overgrown alleys have been cleaned and the Hattie Phelan Park has been reclaimed. The Governor has committed almost \$100 million to the rebuilding of Bancroft School. The Wilmington Housing Authority and the Community Education Building have jointly purchased the Elwyn Building on East 11th Street to turn it into a social services support center for our residents. We continue to work with community partners like Central Baptist CDC to rebuild our historic East Side. And we have asked the State for \$1.5 million to remake Herman Holloway Park, hopefully, to include a likeness of the iconic state senator himself.

On the Lower Hilltop area, the Wilmington Land Bank has committed millions of dollars to rebuild another of our long-forgotten neighborhoods. It has acquired approximately 40 parcels, including five rehabilitated units nearing completion. Fifty-four new affordable units just opened in West Center City, while 72 dilapidated apartment units are undergoing complete rehabilitation.

Changes in the housing, construction, and building industries directly affect City revenue through the issuance of permits and the levying of increased property taxes and serve as an indicator of the overall health of the City's residential and commercial sectors. FY 2023 represents a return to roughly average overall construction activity, following larger-than-normal multi-family residential new construction in FY 2020 and FY 2022.

Industries located in and around the City of Wilmington promote economic development and job creation, as well as form the basis of the City's largest revenue source, Wage & Net Profits taxes. As such, the fiscal health of the City is closely connected to the health and stability of its employment base. While total employment has increased over the last four years, many industries are still below their pre-COVID employment peaks (although all but Manufacturing have improved relative to the reductions seen during COVID). Trade, Transport and Utilities remain the exception, up nearly 17% compared to 2019.

In 2021, the City received over \$55 million in funding from the federal American Rescue Plan Act (ARPA). ARPA gives us a once-in-a-generation opportunity to infuse large capital resources in impoverished neighborhoods, community development organizations and nonprofit agencies to revitalize the economic opportunities for citizens, particularly those on the East Side of Wilmington, one of our most historic and yet one of the most neglected parts of town. With the cooperation of the City Council, we have determined to invest ARPA funds in projects that will transform the City, economically and in its quality of living. Funding has been allocated to neighborhood property purchases and renovations, public safety initiatives, and economic development and business lending through the Wilmington Economic Development Corporation (WEDCO).

In addition, we are providing additional funding to public safety initiatives and community engagement projects. We have also agreed to set aside up to \$8 million of ARPA funding for violence reduction. We continue to fund our clean teams, and in fact, have expanded the footprints of affected neighborhoods. Nothing is more noticeable to visitors and residents alike than clean parks, streets, and sidewalks. Delmarva Power informs us that they have recently completed installing LED street lighting throughout the entire East Side and should have the balance of the 5,900 total lights in the City substantially completed by the end of this fall. The 1,300 city-owned lights have already been retrofitted for LED fixtures.

As with so many endeavors in life, it is difficult to succeed without the cooperation of partners. We selected the East Side in part because of the tremendous commitment made by Governor Carney to improving childhood education, starting with the construction of a new \$80 million-plus Bancroft School. Howard High remains an iconic City educational anchor. Woodlawn Trustees is committing to rehabilitating 60 of its existing residences and to building 20 more new ones. Habitat for Humanity is committed to building 20 more new homes, adding to the projects already completed on Bennett Street on the East Side. Reverend Keeling and Central Baptist Community Development Corporation are already reliable development partners on the East Side with whom we are working.

It is worth mentioning that the exciting development and rehabilitation of our neighborhoods will be largely performed by minority contractors and Disadvantaged Business Enterprises (DBEs), whose participation we have vigorously solicited and supported. In addition, we have partnered with the Vocational-Technical School District to provide paid training for our young people in the construction trades, a highly compensated gateway to upward social mobility.

Looking Forward in City Government: FY 2024 and Beyond:

General Fund:

Revenues:

Wage and Net Profit Taxes (FY 2024 Base Year: \$74,912,842 – 40% of Total Revenues): The City continues to be the hub for multiple industries, including financial and insurance services, healthcare and social assistance, government, and professional and technology services, accounting for 77% of all jobs in the City. According to the Delaware Department of Labor, the unemployment rate decreased from a high of 6.3% in May 2022 to 6.1% in May 2023.

Wage and Net Profits Taxes for FY 2024 are expected to increase by \$2.7 million to a new total of \$74.9 million. Wage Taxes make up nearly \$66.7 million of this total category and are expected to grow by almost \$2.0 million (or 3.1%) budget-to-budget in FY 2024. This is net of additional refund losses of \$3.9 million, which is \$2.7 million beyond the normal pre-COVID amount of \$1.2 million. This level of refunds is assumed to be the “new normal,” and is expected to continue into FY 2024 and beyond. In addition, FY 2024 includes projected employee compensation growth of 2.6% (mirroring Delaware Department of Labor wage growth estimates for the City of Wilmington), which expands Wage Tax revenues by nearly \$1.7 million. FY 2025 and beyond include a 3% annual increase, matching Delaware Economic and Financial Advisory Council (DEFAC) wage growth estimates. Finally, audit collection efforts are projected to yield \$1.5 million in FY 2023, with no changes expected in the out-years. Net Profits revenues for FY 2024 are budgeted to be \$8.2 million, up \$724,000 from the FY 2023 budget. For FY 2025 and beyond, revenues are projected to grow by 3.3% annually, based on the long-term average growth rate minus a standard deviation.

Property Tax (FY 2024 Base Year: \$46,480,386 – 25.4% of total revenues): Private investment in Wilmington was approximately \$503 million in calendar year 2022, including developments in the central business district, Riverside, South Wilmington, and the Riverfront. New development along the southeastern side of the Christina River continues, with new road infrastructure and property acquisition for multi-use development. Property tax revenues include real estate taxes along with associated penalties and interest, are projected to total \$46.5 million, an increase of \$569,000, or 1.2%, relative to the FY 2023 budget. Per New Castle County assessments, projected base billings for FY 2024 are \$45.8 million; this is up \$489,000 relative to FY 2023, driven by a reduction in tax-exempt properties. There is no change to the Property Tax rate. Lastly, one-time revenue from Penalty and Interest is expected to be \$1.5 million, which is consistent with historical trends. Because the City relies on New Castle County for its property tax assessments, and no systematic reassessment has been performed since 1983, Property Tax revenue will remain effectively flat unless the City increases the property tax rate. As the long-term average increase in property values is approximately 3%, for each year without a rate increase the City forgoes 3% in additional nominal property tax revenue, or a cumulative \$14.3 million over the outyear projection

period. At the same time, the City faces normal inflationary pressures on expenditures, meaning that periodic rate increases have been necessary simply to keep pace with inflation. While the County has begun the process of reassessing properties, the timing and overall impact are still unknown; consequently, no projection of the effects of this reassessment has been included in the out-years. For the out-year projection, we have not included any rate increases, with the assumption that some mix of expenditure cuts and revenue enhancements will be implemented as necessary to balance the budget. While this may include Property Tax rate increases, no specific rate increase plan has been proposed by the Administration or Council. Other outyear projection assumptions include net assessment reductions of \$225,000 per year. In addition, the cumulative amount added from expiring incentives totals nearly \$661,000 over the period of FY 2025 through FY 2028, with the bulk of the expirations occurring in FY 2028. Lastly, the 2% allowance for uncollectable accounts (approximately \$913,000 annually) and one-time penalty and interest collections (\$1.5 million annually) are expected to remain level for the projection period.

By investing in CDs and interest-bearing checking accounts, the City earns interest on its cash balances. The FY 2024 budget of \$7.2 million is based on a projected CD interest rate of 4.63%. The outyear projection assumes an interest rate of 4.31% in FY 2025 and 3.00% in FY 2026, based on Federal Reserve interest rate estimates, followed by annual 25 basis-point interest rate decreases for the remainder of the projection as rates begin to return to the historical average. These rate reductions result in interest revenues declining from their FY 2024 peak to slightly over \$3.9 million by FY 2028. The projection also includes interest earnings on the unspent portion of assumed capital borrowings in January 2026 (\$19.5 million) and January 2028 (\$20.0 million). Both borrowings are assumed to be 50% spent after one year, and fully spent after two years.

Other Taxes (FY 2024 Base Year: \$7,024,484 - 3.8% of total revenues): The category of Other Taxes collectively totals \$7.0 million, down \$187,000 from the prior year budget. It includes the following: Franchise Fees consist of 2% of the gross revenues from Delmarva Power electricity sales in the city (as Delmarva is the sole electricity distributor). This is projected to be nearly \$906,000 in FY 2024 (up \$47,000 from the FY 2023 budget), based on US Energy Information Administration estimates of electricity price increases. For the out-years, revenues are based on electricity price estimates provided by ENSTRAT, Inc., a consultant used by the Department of Public Works. This results in projected growth of around 6.5% in FY 2025 and FY 2026, nearly 2.0% in FY 2027, and 1.6% in FY 2028. Head Tax revenues are derived from a tax paid by businesses based on the number of individuals they employ. For FY 2024, revenues are projected to decrease by nearly \$354,000, to a new total of \$2.9 million. Based on long-term trends, Head Tax is projected to decline by 3.9% annually during the out-years. Real Estate Transfer Tax, which collectively includes Residential and Commercial Transfer Taxes, is projected to increase by \$121,000 relative to the FY 2023 budget, for a new FY 2024 total of nearly \$3.3 million. While transfer activity was boosted by historically low mortgage interest rates during FY 2021 through FY 2023, we expect that the recent increases in mortgage rates will result in a return to approximately normal transfer activity during FY 2024. The projected out-years include 4.2%

annual increases in residential transfer revenues and 3.0% annual increases in commercial transfer revenues, both consistent with historical trends.

Licenses, Permits, & Fees (FY 2024 Base Year: \$5,616,619 - 3.1% of total revenues):

Collectively, Licenses, Permits, and Fees revenues are up almost \$653,000 compared to the FY 2023 budget, largely due to Permits returning to historically average levels, along with process improvements to utility street cut collections. Independent of the passage of the FY 2024 budget, the City amended its business license, permit, and inspection and event fees, which is expected to provide an additional \$1.6 million in revenue annually. As this was not included in the original FY 2024 budget projection, we show this increase in FY 2025 and beyond. No additional increases are expected in the out-years.

Fines (FY 2024 Base Year: \$5,650,827 - 3.1% of total revenues): Fines are projected to total nearly \$5.7 million in FY 2024, which is down \$1.4 million from the FY 2023 budget. This consists of the following: Criminal / Instant Ticket revenues are composed of State Criminal Fines remittances and the L&I Instant Ticketing Program. Collectively these are budgeted to slightly decrease in FY 2024 to a new total of \$393,000. No out-year growth is expected. Parking revenues, which are derived from fines from parking violations and booting fees, are projected to be \$1.4 million in FY 2024, down nearly \$1.4 million from the FY 2023 budget. Three factors are driving the projected loss: first, an overall reduction in citations written, due to staffing issues; second, a \$290,000 loss due to changes in the City's Residential Parking Permit program; and third, a proposed change in parking fines from \$40 to \$25, resulting in a FY 2024 revenue loss of approximately \$535,000.

Other Revenues (FY 2024 Base Year: \$9,777,423 - 5.3% of total revenues): Other Revenues is comprised of Indirect Costs, General Government Charges, Rentals, and other miscellaneous revenues. In total, this category is projected to be up nearly \$247,000 from the FY 2023 budget. Only Indirect Costs (which are charged to the Water/Sewer Fund reimbursing costs incurred by the General Fund in support of water, sewer, and stormwater utilities) are projected to grow in the out-years, with an annual average increase of 3.5%. No out-year increases are expected in the other categories. Task Force Revenues (FY 2024 Base Year: \$7,425,231 - 4.1% of total revenues) Task Force Revenues are the revenue sources that were created because of the 2003 Governor's Task Force. As a result, each county seat in the State (including Wilmington, the county seat of New Castle County) receives revenue derived from the following:

- Corporate Filing Tax, projected to be \$1.5 million in the FY 2024 budget. Legislation recently approved by the Delaware General Assembly doubles the fee charged for corporate filings from \$20 to \$40; this results in FY 2025 revenues of nearly \$3.0 million. Beyond this, revenues are projected to grow by 2.4% annually, based on the five-year trend.

- Limited Liability Corporation (LLC) Filing Tax, projected to be \$4.4 million in the FY 2024 budget. Legislation recently approved by the Delaware General Assembly doubles the fee charged for LLC filings from \$20 to \$40; this results in FY 2025 revenues of \$8.7 million. Beyond this, revenues are projected to grow by 3.4% annually, based on the five-year trend.
- A 2% Lodging Tax on hotels in the City, are budgeted at nearly \$948,000 in FY 2024 with outyear revenues that are expected to grow at 3% per year. A Natural Gas Franchise Fee is budgeted at \$604,000 in FY 2024. This is expected to remain level for the rest of the projection period.
- County Seat Relief Package (FY 2024 Base Year: \$12,451,316 - 6.8% of total revenues)
The County Seat Relief Package is a bundle of revenue enhancements built upon the Governor's Task Force and intended to provide further diversification to support the three county seats in the State of Delaware. In FY 2024, the combined budget totals nearly \$12.5 million and consists of the following four components:
 - A Payment in Lieu of Taxes (PILOT) on State-owned properties in the City that would otherwise be tax-exempt. This is budgeted at \$3.3 million in FY 2024 (matching the FY 2023 actual) and is expected to remain level for the remainder of the projection period.
 - Statutory Trust Filing Fees of \$1.0 million, which is the capped amount. This is expected to remain flat during the projection period.
 - Uniform Commercial Code (UCC) filing fees of \$6.4 million. This is expected to grow by slightly less than 1.0% annually during the remainder of the projection, based on the five-year trend.
 - New Castle County Corporate Filing Fees of more than \$1.7 million. This is expected to grow by 1.5% annually for the remainder of the projected period, based on the five-year trend.

State Pension Contribution (FY 2024 Base Year: \$6,617,935 - 3.6% of total revenues): The State Pension Contribution is a pass-through grant that is offset against an equal amount appropriated for pension contribution expenses in the Fire and Police Departments. This is budgeted at \$6.6 million in FY 2024 and is projected to stay at this level for the remainder of the projection period.

CARES / ARPA (FY 2024 Base Year: \$0 - 0.0% of total revenues): For FY 2023, the budget included one-time American Rescue Plan Act (ARPA) revenue replacement funds of \$12.0 million. No ARPA revenue replacement is included in FY 2024 or in subsequent years.

Expenditures:

The FY 2024 General Fund operating budget expenditures total \$182,623,700 –up \$5,758,395 or 3.3% from FY 2023. There is no proposed increase to the Property Tax rate. The budget contains just over \$2.0 million to cover projected salary increases for union labor contracts and for a 2.5% cost-of-living-adjustment (COLA) salary increase for non-union employees. In addition, mandatory anniversary salary step increases for eligible employees added just over \$416,000 to the budget. Staffing increased by a net total of 3.42 full-time equivalents (FTE). There were 45 personnel actions, including changes in grades and shifts to split-funded positions, that resulted in a total net increase of \$272,992.

Salaries and Wages (FY 2024 Base Year: \$75,077,836 - 41.1% of total expenditures):

Estimates on the cost of labor agreements with the City's five bargaining units, as well as estimates of nonunion employee expenses and assumptions on City-wide staffing levels, form the basis of the Salary and Wage projection. The FY 2024 budget serves as the base year for estimating future costs, and all numbers are reported net of projected attrition. Police unions, which include rank and file employees as well as captains and inspectors, are under contract through FY 2024; for subsequent years the projection includes a 2.5% annual cost of living adjustment (COLA). In addition, Local 1590 (firefighters) recently signed a new contract that runs through FY 2025; the projection includes a 2.5% COLA for FY 2026 and beyond. Executive & Managerial employees are assumed to receive a 3.0% COLA each year from FY 2025 to FY 2028. The City recently completed a Classification and Compensation study, which is expected to result in adjusted pay scales for Local 320 (laborers), Local 1102 (clerical), and non-union positions. These increases have been included beginning in FY 2025, with the cumulative cost for the outyear period equal to \$10.1 million. In providing increased compensation, the City aims to promote greater employee retention and recognition of individuals who invest their working hours for the benefit of the public. Over the four-year projection period, the cumulative cost resulting from the changes in salaries and wages outlined above is \$24.8 million. This excludes an additional \$2.3 million for the associated employee benefits.

Health Benefits, Active Employees (FY 2024 Base Year: \$16,536,503 - 9.1% of total expenditures): In the Health and Welfare Fund, the Self-Insurance Cost account group includes the cost centers for employee medical claims, prescriptions usage, and dental claims. The Human Resources Department and USI (the City's insurance broker and consultant) project that, on an annual average basis during the period of FY 2025 to FY 2028, medical stop-loss insurance will increase 25.0%; medical costs will increase 7.0%; prescription costs will increase 8.25%; and dental costs will increase 4.0%. Along with other administrative costs, in total this equates to an overall weighted-average increase in base Healthcare costs of 7.9% annually through the projection period. In addition, the projection assumes a weighted-average employee contribution rate of 11.0%, which partially offsets the City's healthcare costs.

Pension and Retirement Healthcare (FY 2024 Base Year: \$17,540,527 - 9.6% of total expenditures): In FY 2012, the City closed the last of its pension plans to new employees. All employees hired since that time participate in a State-sponsored pension program in which the City pays the State of Delaware a set percentage of an employee's salary. For FY 2024, this is 12.74% for police officers and firefighters and 5.59% for civilian participants. The total General Fund cost of the State-sponsored pension plans is \$5.9 million in FY 2024, which is projected to grow to \$7.1 million by FY 2028. Because the State funding percentages are estimated to increase annually by only 25 basis points for police and firefighters and 15 basis points for civilians, most of the cost growth is due to the number of new employees hired each year that fill vacancies left by former employees that were in one of the older City-sponsored pension plans. The projection assumes that by FY 2025 for the Fire Department, and FY 2027 for the Police Department, all employees remaining on the City pension plan will have retired. For civilians in the old City plan, it is assumed that an average of 32 employees will retire each fiscal year. In contrast, the cost of the now-closed City-sponsored pension plans is based on the actuarially determined contribution (ARC) derived each year by the City's Actuary. The ARC for each of the City's closed plans is calculated to cover ongoing costs, plus provide a contribution to eliminate any unfunded liability within the next 10 years. The Actuary's most recent interim report indicates a decrease of 5.32% in the ARC for FY 2025; an increase of 3.15% for FY 2026; no change for FY 2027; and an increase of 6.87% for FY 2028. This formulates to a weighted-average funding target increase of 1.08% annually for the projection period. In FY 2000, the City developed a retiree healthcare program and opened it to all employees. Since then, the unfunded liability for the program has grown dramatically, forcing ever-increasing annual contributions to meet the actuarially required funding targets. In FY 2012, the Treasurer's Office implemented expansive revisions to the program to rein in the costs. Even with these changes, the Treasurer's Office foresees necessary annual increases of about \$215,000 (the General Fund's prorated contribution) for at least the next five years. These increases have been incorporated into the out-years of the projection. The General Fund retiree healthcare budget cost for FY 2024 is \$4.1 million and will grow to over \$4.9 million by FY 2028.

Other Employee Benefits (FY 2024 Base Year: \$2,951,099 - 1.6% of total expenditures): This category consists primarily of payroll taxes, as well as other costs, such as life insurance. These costs, in the aggregate, are projected to generally follow salary growth.

Equipment and Services (FY 2024 Base Year: \$35,648,425 - 19.5% of total expenditures): This is a relatively broad grouping of expenditures that includes costs such as professional services contracts, landfill fees and utilities, as well as basic materials, supplies, and equipment. To more accurately estimate future costs, account groups within this category were analyzed separately, such as water utilities, electricity, collection commissions on parking and traffic violations, and community activities.

In FY 2016, the City began a four-year phase-in to appropriately charge itself for water, sewer, and stormwater services used by departments in the General Fund. The fee was fully implemented in FY 2019. Starting with a base fee of \$1.2 million in FY 2024, the most recent water/sewer utility

study projects required rate increases in the out years that will raise the base fee to roughly \$1.4 million by FY 2028.

The City uses an energy procurement consulting firm (which specializes in designing and maintaining large-scale energy portfolios) to manage the City's energy contract purchases. In accordance with the City's current contracts with electricity providers, electricity costs are expected to increase 6.44% in 2025, 6.64% in 2026, 1.98% in 2027, and 1.58% in 2028.

The City has contracts to help in the collection of parking and redlight camera violations, as well as to administer certain parts of the respective citation programs. Outyear contract costs for Parking are expected to increase 2.5% annually and similar costs for Red Light cameras are expected to increase 2.0% annually. The total combined cost for the parking and redlight camera contracts is expected to increase from \$3.2 million in FY 2024 to nearly \$3.5 million by FY 2028.

The Mayor's Office and City Council each have a budget account group known as Community Activities, which includes expenditures such as grants to non-profit agencies and a scholarship tuition assistance program. For FY 2024, the total budget for Community Activities is approximately \$1.2 million (\$684,000 in the Mayor's Office and \$530,500 in City Council). It is assumed that this funding will remain constant through the projection period.

For this projection, the Contingency Fund and the Snow & Weather Emergencies Fund are included in the Equipment and Services category (although they are budgeted separately in the budget book summaries). The Contingency Fund was budgeted at \$500,000 for FY 2024. It is assumed it will remain at \$500,000 in the outyears of the projection. The Snow and Weather Emergencies Fund was budgeted at \$172,000 in FY 2024 and is projected to remain at that level through the projection period.

Excluding commissions, the Contingency and Weather Emergencies Funds, community activities, electricity, and the water/sewer utilities, the remaining base of the Equipment and Services category is expected to respond to overall inflationary pressures of 2.5% annually.

General Liability (FY 2024 Base Year: \$1,575,088 - 0.9% of total expenditures): Being self-insured, the City relies heavily on an actuary to annually review claims experience and rate potential liability. Once an accrued liability figure is determined, it is compared to that of the previous fiscal year. Changes in the liability figure on the balance sheet result in changes to the expenses booked under General Liability in the income statement. As a result, this cost category can experience extreme volatility in the short term. The long-term running average of actual experience was used to derive the FY 2024 budget of \$1.6 million. This figure is projected to increase by 2.5% annually.

Workers' Compensation (FY 2024 Base Year: \$3,559,865 - 1.9% of total expenditures): The FY 2024 budget, which was actuarially derived, is used as the base for forecasting purposes. Annual growth is projected to parallel the growth in Salaries and Wages.

Internal Services (FY 2024 Base Year: \$8,539,609 - 4.7% of total expenditures): This category encompasses various expenditures incurred by operating departments but budgeted centrally. Prior to FY 2020, this included charges for motor vehicles, telephone and radio usage, postage, data processing, document management, and mapping and graphics. Beginning in FY 2020, only motor vehicle charges remain in the category. In the Budget Book summaries, Internal Services also includes General Liability and Workers' Compensation; however, for this projection they are analyzed separately. According to J.P. Morgan's Research Group and J.D. Power, new motor vehicle prices are expected to remain elevated as suppliers pass along inflated costs, such as freight, labor, and electricity. While not expected to match their peak in December 2022, new car prices have subsequently grown slightly over 4.0% annually. Similarly, fuel cost increases have averaged 4.0% annually over the last five years. Given these trends, total motor vehicle costs, including fuel costs, are projected to increase 4.0% annually from FY 2025 to FY 2028, resulting in a total cost of \$10.0 million by FY 2028.

Debt Service (FY 2024 Base Year: \$14,285,714 - 7.8% of total expenditures): Debt Service is based on the existing debt schedules as provided by the Finance Department, with estimates added for any expected new borrowing or refinancing. To fund future capital budgets, a \$19.4 million bond issuance is assumed in July of 2024 (FY 2024) at an interest rate of 4.0%, a \$19.5 million bond issuance is assumed in January of 2026 (FY 2026) at an interest rate of 4.0%, and a \$20.0 million bond issuance is assumed in January of 2028 (FY 2028) at an interest rate of 4.0%. It is assumed that the debt service for all bond issues will be structured as level, semi-annual payments over a term of 20 years, with no capitalization of interest. Because debt service is paid on a semi-annual basis, special consideration is given to the timing of the out-year bond issuances.

Consequently, the FY 2024 issuance results in \$1.4 million in annual debt service beginning in FY 2025, which continues in each year thereafter. The FY 2026 issuance results in \$1.4 million of debt service in FY 2027 and FY 2028. Lastly, the FY 2028 issuance will not take effect until FY 2029, outside the range of the projection period.

Special Purpose (FY 2024 Base Year: \$291,099 - 0.2% of total expenditures): This expenditure category largely funds animal control. The City started utilizing the recently established State Office of Animal Welfare for animal control services in FY 2018. The base fee owed to the State Office of Animal Welfare for FY 2024 is approximately \$276,000 and is projected to grow by 2.5% per year through FY 2028. This category also includes a total of \$15,000 in FY 2024 for some smaller specialty items in City Council. The City Council funding is projected to grow annually by 2.5% per year starting in FY 2025.

State Pension Contribution (FY 2024 Base Year: \$6,617,935 - 3.6% of total expenditures):

The State Pension Contribution, a grant from the State that is booked as a pass-through in the General Fund to meet the requirements of GASB pronouncement #24, is about \$6.6 million for FY 2024. As such, an equal and offsetting amount is included as General Fund revenue. The out-year State pension contribution projection is expected to remain level for the remainder of the projection period.

The cost of employee healthcare is projected to grow by almost \$578,000 or 3.6%. It is important to note that the growth rate in healthcare cost for the City in FY 2024 is only about half of what is being projected nationally for most other employers by experts in the healthcare field.

Combined, pension and pension healthcare costs declined by a net total of just over \$1.0 million. Upon recommendation of the City's Actuary, the Pension Board implemented a new and more flexible layered amortization of the unfunded liability of the now-closed City-sponsored pension plans. The new amortization methodology saved almost \$2.1 million in FY 2024, offsetting the nearly \$1.1 million total cost increase in pension healthcare and the State-sponsored pension plans.

A total transfer of \$5.0 million from the Tax Stabilization Reserve was made to fund the newly created Neighborhood Stabilization Fund (NSF) and to provide additional support to the existing Economic Strategic Fund (ESF). The NSF received \$4.0 million, of which \$1.0 million will be granted to the Land Bank. The ESF received an infusion of \$1.0 million, of which \$300,000 will be used for the Minority Business Development Program.

Water/Sewer Fund:

Revenues:

In FY 2024, there is a 5.7% increase to water/sewer rates along with a 6.0% increase in stormwater rates. The projected fiscal impact of the rate changes is an increase of \$3.61 million in revenue. The typical residential customer in the City using 4,000 gallons of water per month will see an increase of \$3.70 to their monthly bill. The total overall revenue for the Water/Sewer Fund in FY 2024 is projected to be \$92,139,000, a net increase of nearly \$5.8 million, or 6.7% above the FY 2023 budget.

Expenditures:

The FY 2024 Water/Sewer Fund operating budget expenditures total \$84,543,234 – up \$2,398,777 or 2.9% from FY 2023. There is a 5.7% increase in water/sewer rates along with a 6.0% increase in stormwater rates. The projected fiscal impact of the rate changes is an increase of \$3.61 million in revenue to the Water/Sewer Fund in FY 2024. The typical residential customer in the City using 4,000 gallons of water per month will see an increase of \$3.70 to their monthly bill.

The FY 2024 Budget continues to support the high-priority initiatives essential to achieving financially self-sustaining and environmentally sound water, sewer, and stormwater utilities. These include an accelerated Combined Sewer Overflow (CSO) mitigation effort and finished water filtration and supply improvements that exceed EPA standards, contributing to the stability of northern Delaware's water supply, especially in times of drought.

The budget contains a \$254,421 allowance to cover salary increases as dictated by union labor contracts and for a 2.5% cost-of-living-adjustment (COLA) salary increase for non-union employees. In addition, mandatory anniversary salary step increases for eligible employees added \$51,559 to the budget. Staffing increased by a net total of 2.80 FTE. Personnel actions, including changes in grades and shifts to split-funded positions, resulted in a total net increase of \$193,510.

The budget for Bulk Chemicals was increased by \$1.05 million or 110.5%. Chemicals used for water treatment are byproducts of refining processes involved in producing chemicals for a variety of other major industries. When the pandemic curtailed production in those other industries, the availability of the byproducts plummeted as well. As a result of continued production volatility, the City's chemical vendors stopped honoring contract prices and are now requiring payments that are double what they were two years ago. The Water System Director expects that market volatility will continue into FY 2024.

Depreciation increased by \$932,217, reflecting the aggressive infrastructure replacement program adopted by the Public Works Department that increased both the number and value of the City's water, sewer, and stormwater infrastructure fixed assets.

The Low-Income Household Water Assistance Program (LIHWAP) was a temporary federal emergency grant program that helped low-income Wilmington families pay overdue water bills. Also, the City had created its own utility assistance program using American Rescue Plan Act (ARPA) federal funding. With both of these federal sources of funding ending, \$250,000 was added to the Finance Department to maintain a utility assistance program in FY 2024.

A total of \$265,000 was added to cover a wide-ranging list of items in the Engineering accounts of the Water System, Sewer Maintenance and Wastewater Treatment Plant Divisions. This includes additional support for the City's renewable energy bio-solids facility, technical assistance and guidance regarding EPA local limit requirements, and project management of the sewer collection system.

Economic Development Activity

Wilmington remains a key component of the \$478 billion Philadelphia-Wilmington-Camden metropolitan economy, enjoying all of the economic advantages of a region of almost 6.3 million people but with a lower comparable cost-of-living, shorter commutes, and a centralized location that allows easy access to all the major mid-Atlantic metro areas. These fundamental strengths will remain, despite the continued economic challenges. Ongoing investment in, and transformation of, the City's Downtown, Riverfront, and residential neighborhoods will help Wilmington remain regionally and nationally competitive.

Incentive Program

Through the Strategic Fund Incentive Program, the Office of Economic Development (OED) tracks employment figures across more than 60 companies of varying sizes and types. The wage taxes collected over the last year from this "index" of companies remained steady at around \$11 million. This reliable trend of annual wage taxes generated from the Program is a key indicator of its efficacy. As incentive contracts expire, participating businesses continue to generate wage tax revenue as they grow. Since the initial creation of the Strategic Fund in 2002, the Program has provided nearly \$18 million in incentive payments to businesses, yielding approximately \$137.5 million in Wage Taxes to the City's General Fund. As a result of the Program's continued success, a \$1 million infusion to the Economic Strategic Fund was approved as part of the FY 2024 Annual Operating Budget. Of that amount, \$300,000 is set aside for Small & Minority Business Development. Additionally, as part of the FY 2024 Capital Budget, OED will receive \$1.5 million for infrastructure and site improvement funds to be used for infrastructure expenses which include construction of new roads, utilities, site preparation work, and environmental remediation. The Capital Budget also includes \$1 million in site acquisition funds, which are focused on preventing the expansion of undesirable commercial uses in underutilized and blighted areas.

Businesses Development

Because Delaware is home to a talented financial services and technology workforce, Wilmington has a deep pool of existing financial services and technology talent. Nearly one-fourth of the jobs located in Wilmington are related to financial and technology services. The corporate banking community remains strong in Wilmington, with national brands like Barclays, Goldman Sachs, Bank of America, Capital One, JP Morgan Chase, Citi, Navient, and TD Bank having a strong presence in the city. Growth in the sector also includes local corporations such as Ally Financial, Investor Cash Management, College Ave, Acorns, Epic Research, Compass Red Analytics, Bounteous, and Carvertise. The sports and recreation sector continues to see growth in Wilmington following the success of the PGA Tour's BMW Championship in August 2022. In March 2023, the Chase Fieldhouse in South Wilmington hosted the Atlantic 10 women's basketball tournament which, according to the Delaware Tourism Office, brought in an estimated 13,000 people to the City of Wilmington and resulted in 1,000 hotel rooms booked, generating

more than \$2 million in estimated economic impact. According to BPG Sports, the Chase Fieldhouse had 1.5 million visitors in FY 2022 and is on track for 2 million visitors in 2023. Additionally, the Wilmington Blue Rocks entered a 10-year contract with the Washington Nationals as a High-A professional baseball affiliate and extended their lease at Judy Johnson Field at Daniel S. Frawley Stadium in Wilmington's Riverfront through at least the 2030 season. Additional business development highlights include:

Fair Square Financial, a Wilmington-based financial services company providing credit card products through analytics-based underwriting, was acquired by Ally Financial in Fall 2022 and announced plans to add 150 employees in order to expand their credit business in downtown Wilmington.

J.P. Morgan announced business expansion plans at the Wilmington Corporate Center and started renovations to 22 floors across several buildings in addition to construction of a new 700-space garage in lower Market Street.

Carvertise, an advertising company with 55 employees that utilizes custom-wrapped rideshare vehicles, completed a \$1.2 million investment into its new 15,000-square-foot headquarters located in the Shipyard Center in Wilmington's Riverfront in June 2023, with plans to hire technology roles to help build out its own proprietary systems.

Delaware State University acquired the former Capital One building located on the Wilmington Riverfront in February 2022, with plans to use the building for graduate, adult, and continuing education classes, a new workforce development center, and an incubation hub for small businesses with a focus on minority- and women-owned companies.

Nerdt Now, a Delaware-based R2 certified electronics recycling business, held a ribbon-cutting ceremony in December 2022 for its new electronics recycling headquarters on 3030 Bowers Street with plans to hire 75 people and offer workforce development training.

Insperty, a national human resources service company, opened its first Delaware office in downtown Wilmington office in Spring 2023. Insperty offers a variety of HR services to small to medium-sized businesses in the City with the goal of facilitating growth and accelerating business plans.

Bardea Food & Drink, a James Beard-nominated restaurant located in downtown Wilmington, expanded its restaurant footprint on Market Street with the opening of Bardea Steak in June 2022 and The Garden in May 2023. The Garden, located in a terrace between Bardea Food & Drink and Bardea Steak, offers a casual alfresco dining experience with outdoor seating and greenery. Bardea Steak, housed in a 5,000-square-foot space adjacent to Bardea Food & Drink, is a steakhouse that earned regional and national recognition in publications such as Vogue for its unique use of dry-aged meats and live fire in a custom-made open hearth.

The Quoin, a boutique hotel developed and designed by Philadelphia-based Method Co. in partnership with The Buccini/Pollin Group, opened in September 2022. The Quoin has 24 luxury hotel rooms and features a lobby cafe and bar, ground-floor restaurant, lower-level cocktail lounge, and rooftop bar. The project is a renovation of the historic Security Trust & Safe Company Building located at 519 North Market Street.

The Chancery Market project, managed by Brooklyn-based creative consulting and management firm Hospitality HQ, opened in December 2022. Located at the northern end of Wilmington's central business district, this 12,000-square-foot indoor-outdoor food hall offers a wide variety of vendor and entertainment options. This location has quickly become a popular spot for the lunch crowd and large happy hour groups.

Wilmington continues to have a strong pipeline of new financial services and technology talent coming from local colleges and universities. Business Administration, Management, Marketing, and related support services were the most popular degrees awarded in 2022, with 16,934 graduates within a 30-mile radius of Wilmington.

Real Estate Development

Investment and demand in the multi-family housing market has increased in the last year and remains an area of focus for the City. Continued expansion in this market allows for new residents to relocate to Wilmington, contributing to wage tax growth and expanding the City's professional workforce – a key consideration of business relocation. The changing demand for office space within the City has spurred investments into existing offices to create amenities-rich spaces that appeal to a hybrid workforce, and has led to the redevelopment of vacant offices into residential and hotel conversions. In all, OED has tracked 18 residential projects in development, accounting for 1,084 new units throughout the City. Riverfront Development Corporation initiated the first phase of the Riverfront East project which will include infrastructure construction for stormwater management, roadways, and parking areas, as well as a riverwalk and a central green space. The City of Wilmington was awarded a U.S. Department of Transportation RAISE grant in partnership with the Riverfront Development Corporation in 2021 to help fund the infrastructure improvements proposed for Riverfront East, and is currently going through the Department's National Environmental Policy Act process with a projected January 2024 end date. Additional real estate development highlights include:

Pennsylvania-based Westover Companies completed the construction of the office-to-residential conversion at 901 N. Market Street in January 2023. The 14-story building was a former masonry building previously known as the Equitable Building and the Bank of Delaware. The \$30 million office-to-residential conversion is now a full-service apartment complex with 82 units and commercial space on the first floor.

Driftwood Capital completed the construction of a \$31 million office-to-hotel conversion in July 2022. The 11-story Staybridge Suites hotel features 134 suite-style rooms and provides a new hotel option to accommodate travelers to downtown Wilmington.

The Buccini/Pollin Group announced the Market West project in downtown Wilmington, a mixed-use campus that includes the DuPont, Nemours, and Brandywine buildings. Recent investments include office amenities at the Brandywine Building, office conversions at the Nemours Building to create 355 apartments, an expansion of The Mill co-working space, a new upscale restaurant, and renovation of the 17,000-square-foot outdoor plaza connecting the former Nemours and Brandywine buildings. Westrum Development Company started construction on the Luxor apartments at 340 S. Market Street with plans to offer 193 market-rate apartment units in an amenities-rich apartment complex adjacent to Riverfront East.

Crosby Hill, a \$62 million apartment complex located at 5th and Shipley Street, completed construction in May 2023 and started leasing 203 market-rate units spread over two four-story buildings and one 11-story building.

Washington Place Equities is set to complete the construction of the River House Apartments by July 2023. The \$28 million project will bring 150 new residential units to South Wilmington.

Yada Properties completed renovations of the former Saville building located at 521 North King Street in May 2023. The 42,000-square-foot mixed-use building now features 42 residential units in Wilmington's Downtown area along with a commercial space on the first floor.

The Hercules Plaza located at 1313 N. Market Street continues to see investments in office building amenities with a recently completed 125-seat art theater available for events, in addition to a 10,000-square-foot outdoor plaza that will complement the Chancery Market.

Wilmington UDAG Corporation completed the sale of 801 N. Market Street to local developer 9SDC in 2022. 9SDC has already started construction with a project cost of \$6.4 million to convert the building to a mixed-use building with 15 market-rate units and three commercial spaces while preserving the historic elements of the building.

Awards

The Government Finance Officers Association of the United States and Canada (GFOA) awarded a Certificate of Achievement for Excellence in Financial Reporting to the City of Wilmington, Delaware, for its comprehensive annual financial report for the fiscal year ended June 30, 2022. This was the 33rd consecutive year that the City of Wilmington has received this prestigious award. To be awarded a Certificate of Achievement, the government published an easily readable and efficiently organized comprehensive annual financial report. This report satisfied both generally accepted accounting principles and applicable legal requirements.

A Certificate of Achievement is valid for one year. We believe that our current comprehensive annual financial report continues to meet the Certificate of Achievement Program's requirements, and we are submitting it to the GFOA to determine its eligibility for another certificate.

In addition, the City of Wilmington received the GFOA's Distinguished Budget Presentation Award for its annual budget document dated for the fiscal year beginning July 1, 2022. To qualify for the Distinguished Budget Presentation Award, the government's budget documentation was judged to be proficient in several categories, including a policy document, a financial plan, an operations guide, and a communications medium. To receive this award, a governmental unit must publish a budget document that meets program criteria as a policy document, as an operations guide, as a financial plan, and as a communications medium. The award is valid for one year.

Acknowledgments

The preparation of this report would not have been accomplished without the efficient and dedicated services of the staff of the Department of Finance, Office of Management and Budget, City Treasurer, Audit, Law, other City departments, various elected and appointed officials, and the efforts of our independent auditors, Belfint, Lyons and Shuman P.A. We would like to express our sincere appreciation to everyone who assisted and contributed to the preparation of this report. We wish to acknowledge the Mayor and City Council for their unfailing support for maintaining the highest standards of professionalism in the management of the City of Wilmington.



Government Finance Officers Association

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Presented to

**City of Wilmington
Delaware**

For its Annual Comprehensive
Financial Report
For the Fiscal Year Ended

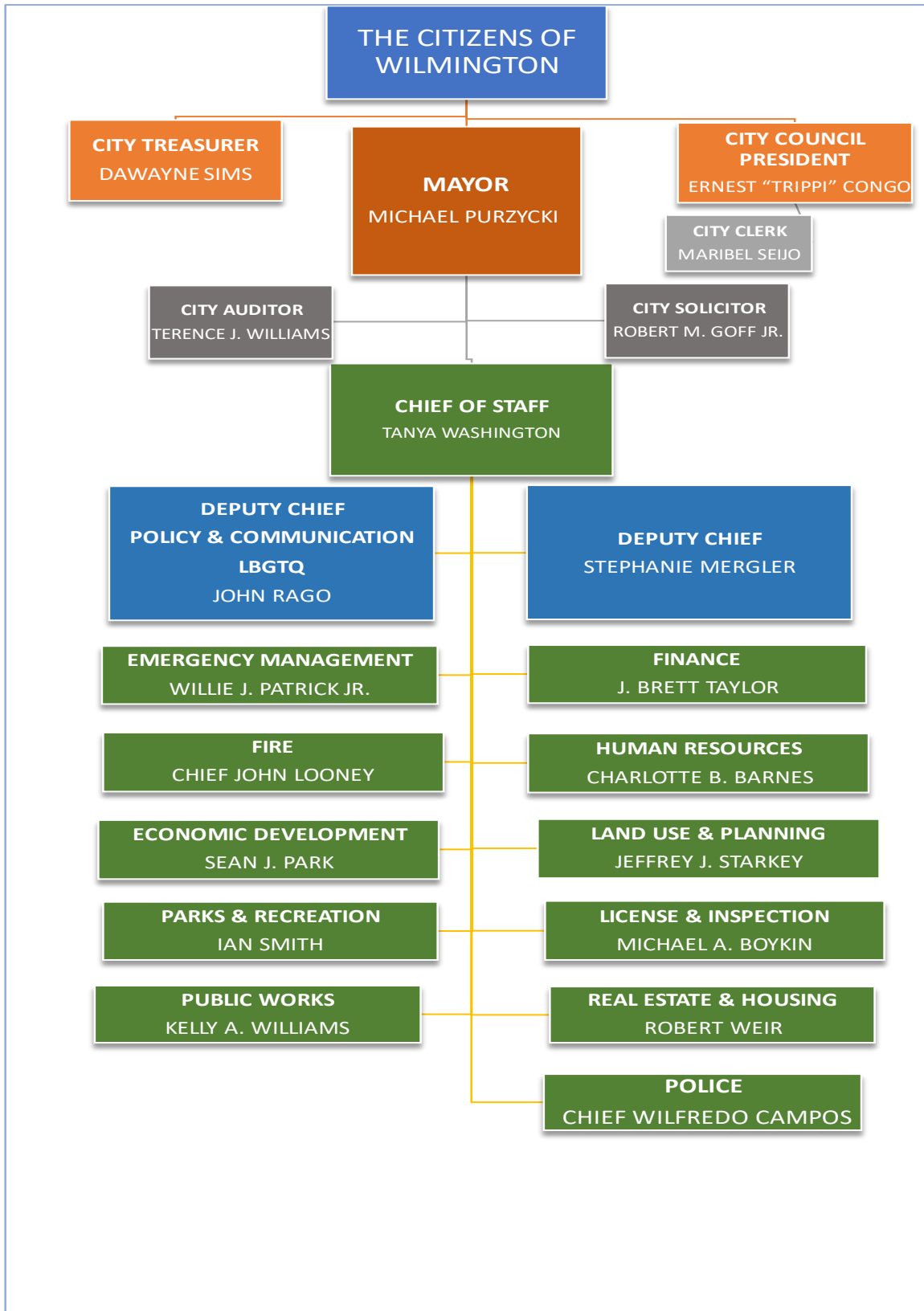
June 30, 2022

Christopher P. Morill

Executive Director/CEO

CITY OF WILMINGTON

Organization Chart



City of Wilmington
Listing of Principal Officials
June 30, 2023

Executive

Mayor
City Treasurer

Michael S. Purzycki
DaWayne Sims

City Council

President
1st District
2nd District
3rd District
4th District
5th District
6th District
7th District
8th District
Council Person at Large
Council Person at Large
Council Person at Large
Council Person at Large

Ernest “Trippi” Congo
Vincent M. White
Shane’ Darby
Zanthia Oliver
Michelle Harlee
Bregetta A. Fields
Yolanda McCoy
Chris Johnson
Nathan Field
Albert “Al” Mills
Latisha Bracy
Maria D. Cabrera
James Spadola

Department Heads

Chief of Staff

City Solicitor
City Auditor
Clerk of Council
Economic Development
Emergency Management
Finance
Fire
Human Resources
Land Use and Planning
Licenses and Inspections
Parks and Recreation
Police
Policy & Communications/LGBTQ
Public Works
Real Estate and Housing

Tanya Washington

Robert M. Goff, Jr.
Terence J. Williams
Maribel Seijo
Sean J. Park
Willie J. Patrick, Jr.
J. Brett Taylor
John Looney
Charlotte B. Barnes
Jeffrey J. Starkey
Michael A. Boykin
Ian Smith
Wilfredo Campos
John Rago
Kelly A. Williams
Robert L. Weir

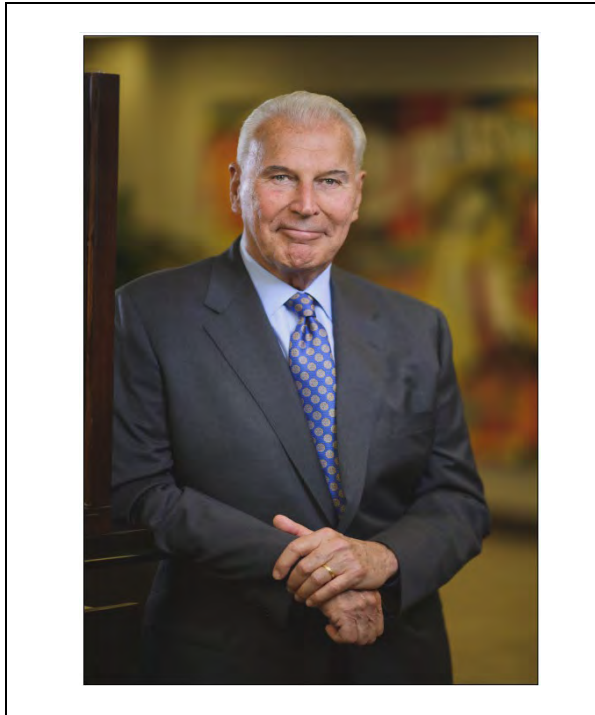
The Wilmington City Council is the legislative body of the City of Wilmington.



Its 13-member leadership includes the Council President, eight district Council members representing different geographical districts within the city, and four Council Members-at-Large. This is the 108th Session of the City Council.

City Of Wilmington
Delaware

Comprehensive Annual Financial Report
Fiscal Year Ended June 30, 2023



Michael S. Purzycki
Mayor

Prepared by:
Office of the Director of Finance

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BELFINT • LYONS • SHUMAN
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Independent Auditor's Report

To the Honorable Mayor and Members of City Council
City of Wilmington, Delaware

Report on the Audit of the Financial Statements

Opinions

We have audited the accompanying financial statements of the governmental activities, the business-type activities, the aggregate discretely presented component units, each major fund, and the aggregate remaining fund information of the City of Wilmington, Delaware (City), as of and for the year ended June 30, 2023, and the related notes to the financial statements, which collectively comprise the City's basic financial statements as listed in the table of contents.

In our opinion, based on our audit and the reports of other auditors, the financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities, the business-type activities, the aggregate discretely presented component units, each major fund, and the aggregate remaining fund information of the City, as of June 30, 2023, and the respective changes in financial position, and, where applicable, cash flows thereof for the year then ended in accordance with accounting principles generally accepted in the United States of America.

We did not audit the financial statements of the following discretely presented component units: Christina Gateway Corporation, Wilmington Parking Authority, Wilmington UDAG Corporation, and Riverfront Wilmington Business Improvement District, which represent 88.2%, 88.3%, and 62.3%, respectively, of the assets, net position, and revenues of the aggregate discretely presented component units. We also did not audit the financial statements of the following blended component units: Wilmington Park Trust Fund Commission and Cityfest, Inc. which are reported as nonmajor special revenue funds, which represent 38.6%, 55.5%, and 3.9%, respectively, of the assets, fund balance, and revenues of the aggregate remaining fund information. Those statements were audited by other auditors whose reports have been furnished to us, and our opinions, insofar as it relates to the amounts included for the Christina Gateway Corporation, Wilmington Parking Authority, Wilmington UDAG Corporation, Riverfront Wilmington Business Improvement District, Wilmington Park Trust Fund Commission, and Cityfest, Inc. are based solely on the reports of the other auditors.

To the Honorable Mayor and Members of City Council
City of Wilmington, Delaware

Basis for Opinions

We conducted our audit in accordance with 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. Our responsibilities under those standards are further described in the *Auditor's Responsibilities for the Audit of the Financial Statements* section of our report. We are required to be independent of the City and to meet our other ethical responsibilities, in accordance with the relevant ethical requirements relating to our audit. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinions.

Responsibilities of Management for the Financial Statements

Management is responsible for the preparation and fair presentation of the financial statements in accordance with accounting principles generally accepted in the United States of America, and for the design, implementation, and maintenance of internal control relevant to the preparation and fair presentation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, management is required to evaluate whether there are conditions or events, considered in the aggregate, that raise substantial doubt about the City's ability to continue as a going concern for twelve months beyond the financial statement date, including any currently known information that may raise substantial doubt shortly thereafter.

Auditor's Responsibilities for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an 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 generally accepted auditing standards and *Government Auditing Standards* will always detect a material misstatement when it exists. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control. Misstatements are considered material if there is a substantial likelihood that, individually or in the aggregate, they would influence the judgment made by a reasonable user based on the financial statements.

To the Honorable Mayor and Members of City Council
City of Wilmington, Delaware

In performing an audit in accordance with generally accepted auditing standards and *Government Auditing Standards*, we

- Exercise professional judgment and maintain professional skepticism throughout the audit.
- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, and design and perform audit procedures responsive to those risks. Such procedures include examining, on a test basis, evidence regarding the amounts and disclosures in the financial statements.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the City's internal control. Accordingly, no such opinion is expressed.
- Evaluate the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluate the overall presentation of the financial statements.
- Conclude whether, in our judgment, there are conditions or events, considered in the aggregate, that raise substantial doubt about the City's ability to continue as a going concern for a reasonable period of time.

We are required to communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit, significant audit findings, and certain internal control-related matters that we identified during the audit.

Required Supplementary Information

Accounting principles generally accepted in the United States of America require that Management's Discussion and Analysis on pages 5 through 18 and Schedules 1 through 7 on pages 111 through 143, be presented to supplement the basic financial statements. Such information is the responsibility of management and, although not a part of the basic financial statements, is required by the Governmental Accounting Standards Board who considers it to be an essential part of financial reporting for placing the basic financial statements in an appropriate operational, economic, or historical context. We and other auditors have applied certain limited procedures to the required supplementary information in accordance with auditing standards generally accepted in the United States of America, which consisted of inquiries of management about the methods of preparing the information and comparing the information for consistency with management's responses to our inquiries, the basic financial statements, and other knowledge we obtained during our audit of the basic financial statements. We do not express an opinion or provide any assurance on the information because the limited procedures do not provide us with sufficient evidence to express an opinion or provide any assurance.

To the Honorable Mayor and Members of City Council
City of Wilmington, Delaware

Supplementary Information

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the City's basic financial statements. The combining and individual fund financial statements and schedules (as listed in the table of contents) are presented for purposes of additional analysis and are not a required part of the basic financial statements. Such information is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the basic financial statements. The information has been subjected to the auditing procedures applied in the audit of the basic financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the basic financial statements or to the basic financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America by us and other auditors. In our opinion, based on our audit and the reports of the other auditors, the combining and individual fund financial statements, and schedules (as listed in the table of contents) are fairly stated, in all material respects, in relation to the basic financial statements as a whole.

Other Information

Management is responsible for the other information included in the annual report. The other information comprises the introductory section and statistical sections but does not include the basic financial statements and our auditor's report thereon. Our opinions on the basic financial statements do not cover the other information, and we do not express an opinion or any form of assurance thereon.

In connection with our audit of the basic financial statements, our responsibility is to read the other information and consider whether a material inconsistency exists between the other information and the basic financial statements, or the other information otherwise appears to be materially misstated. If, based on the work performed, we conclude that an uncorrected material misstatement of the other information exists, we are required to describe it in our report.

Other Reporting Required by Government Auditing Standards

In accordance with *Government Auditing Standards*, we have also issued our report dated February 29, 2024, on our consideration of the City'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 City'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 City's internal control over financial reporting and compliance.

Belfint, Lyons & Shuman, P.A.

February 29, 2024
Wilmington, Delaware

CITY OF WILMINGTON, DELAWARE

Management's Discussion and Analysis

June 30, 2023

The Mayor and City Council of the City of Wilmington are pleased to present to readers of the financial statements of the City of Wilmington this narrative overview and analysis of the financial activities of the City of Wilmington for the fiscal year ended June 30, 2023. We encourage readers to consider the information presented in conjunction with the additional information furnished in the letter of transmittal.

Financial Highlights

Government-wide

- The assets and deferred outflows of resources of the City exceeded its liabilities and deferred inflows of resources at the close of the fiscal year by \$366,309,242 (net position), an increase of \$69,005,442 from the previous year. The net position of governmental activities increased by \$52,300,894 from the prior year, while the net position from business activities increased by \$16,704,549.
- Discretely presented component units reported net position of \$53,889,382, a decrease of \$1,069,688 from the previous year.

Fund Level

- As of the close of the current fiscal year, the City of Wilmington's governmental funds reported combined ending fund balances of \$111,679,549, an increase of \$18,740,168 from the previous year. The Fund Balance reported is: Non-spendable Fund Balance of \$3,803,317; Restricted Fund Balance of \$13,209,069; Committed Fund Balance of \$95,311,671, and Unassigned Fund Balance of (\$644,508). (See page 22 for a detailed breakdown).
- The General Fund had a combined fund balance of \$94,958,644 consisting of \$2,844,992 of non-spendable fund balance and \$92,113,652 of committed fund balance.
- The Capital Projects Fund had a restricted fund balance in the amount of \$3,919,075 to fund current and future City capital improvements.
- The Total Non-Major Funds have a combined fund balance of \$12,801,830 consisting of \$958,325 of non-spendable, \$3,198,019 of committed, \$9,289,994 of restricted, and (\$644,508) of unassigned fund balance.

Long-Term Debt

- The City's total net general obligation debt decreased to \$294,302,628 at June 30, 2023, a decrease of \$20,865,769. Water and sewer projects had a net decrease in debt of \$11,284,104 and governmental capital projects had a net decrease in debt of \$9,581,665.

Overview of the Financial Statements

This discussion and analysis is an introduction to the City of Wilmington's basic financial statements. The City's basic financial statements comprise three components: 1) government-wide financial statements, 2) fund financial statements, and 3) notes to the financial statements. This report also contains other supplementary information in addition to the basic financial statements themselves.

Government-Wide Financial Statements. The government-wide financial statements are designed to provide readers with a broad overview of the City of Wilmington's finances, in a manner similar to a private-sector business.

The Statement of Net Position (page 20) presents information on the City's assets and liabilities, with the difference between the two reported as net position. Over time, increases or decreases in net position may serve as useful indicators as to whether the financial position of the City is improving or deteriorating.

The Statement of Activities (page 21) presents information showing how the government's net position changed during the most recent fiscal year. All changes in net position are reported as soon as the underlying event giving rise to the change occurs, regardless of the timing of related cash flows. Thus, revenues and expenses are reported in this statement for some items that will only result in cash flows in future fiscal periods (e.g., uncollected taxes and earned but unused vacation leave).

The government-wide financial statements distinguish functions of the City that are principally supported by taxes and intergovernmental revenues (governmental activities) from other functions that are intended to recover all or a significant portion of their costs through user fees and charges (business-type activities). The statements also present financial information for the City's component units.

- *Governmental Activities* – Most of the City's basic services are reported in this category. Taxes and intergovernmental revenues generally support these services. Services provided include General Governmental Services, Real Estate and Housing, Public Works, Parks and Recreation, and Public Safety. Also included is the Wilmington Park Trust Commission (The Trust), Cityfest, Inc. and the Wilmington Housing Partnership Corporation (WHPC) which are presented as blended component units. The Trust was organized for the purpose of financing the maintenance and improvements of the parks in and around the City of Wilmington, Cityfest, Inc. manages cultural events and WHPC supports housing initiatives.
- *Business-type Activities* – The City charges fees to customers to help cover all or most of the cost of certain services provided. The City provides water, wastewater, and stormwater treatment services. Business-type Activities also include the operations of the Wilmington Neighborhood Conservancy Land Bank, a blended component unit that was formed to address blight and vacant property issues with the City of Wilmington.
- *Discretely Presented Component Units* – Component units are legally separate organizations for which the City is financially accountable. The City includes the following component units in this report: Christina Gateway Corporation, Wilmington UDAG Corporation, Wilmington Parking Authority, Rock Manor Golf Corporation, Wilmington Downtown Business Improvement District (Downtown Visions), and Riverfront Wilmington Business Improvement District.

Fund Financial Statements. The fund financial statements begin on page 22 and provide detailed information about the major individual funds. A fund is a fiscal and accounting entity with a self-balancing set of accounts that the City uses to keep track of specific sources of funding and spending for a particular purpose. The funds of the City can be divided into three categories: governmental, proprietary, and fiduciary.

- *Governmental Funds* – Most of the City's basic services are reported in the governmental funds, which focus on how cash flows into and out of those funds and the balances left at year end that are available for future spending. The governmental fund financial statements provide a detailed, short-term view of the City's general government operations and the basic services it provides. Governmental fund information helps to determine whether there are more or fewer financial resources that can be spent in the near future to finance the City's programs. Because this information does not encompass the long-term focus of the government-wide statements, reconciliations are provided to explain the differences between the Governmental Funds Balance Sheet and the Statement of Net Position and between the Governmental Funds Statement of Revenues, Expenditures, and Changes in Fund Balances (page 23) and the Statement of Activities (page 25). These funds are reported using the modified accrual basis of accounting, which primarily measures cash and other financial assets available to satisfy current liabilities. Governmental funds of the City include the General Fund, the American Rescue Plan Act Fund, Special Revenue Funds (Other Governmental Funds), and the Capital Projects Fund.
- *Proprietary Funds* – When the City charges for the services it provides, these services are generally reported in proprietary funds. Proprietary funds (enterprise and internal service) utilize the accrual basis of accounting, the same method used by private sector businesses. The Enterprise funds report activities that provide supplies and services to the general public: water, sewer, and stormwater management services through the Water and Sewer Fund, and the development of vacant and abandoned property through the Wilmington Neighborhood Conservancy Land Bank Corporation (a blended component unit). The Internal Service Funds report activities that provide supplies and services for the City's other programs and activities – motor vehicle charges, health insurance, and workers' compensation and risk management.
- *Fiduciary Funds* – The City acts as a fiduciary to account for resources held for the benefit of parties outside the government. Fiduciary funds are not reflected in the government-wide financial statements because the resources of those funds are not available to support the City of Wilmington's own programs. The accounting used for fiduciary funds is much like that used for proprietary funds. The basic fiduciary fund financial statements can be found beginning on page 34 of this report. These funds are used where the City holds assets in trust for others and includes the pension trust funds. Complete financial statements with accompanying notes of the Firefighter's Pension Plan and the Police Pension Plan can be obtained from the City of Wilmington, Treasurer's Office.

Notes to the Financial Statements. The notes provide additional information that is essential to a full understanding of the data provided in the government-wide and fund financial statements. The notes to the financial statements can be found beginning on page 38 of this report.

Required Supplementary Information. In addition to the basic financial statements and accompanying notes, this report presents certain required supplementary information concerning the City's progress in funding its obligation to provide pension and other post-employment benefits to its employees. The required supplementary information can be found beginning on page 111.

Other Information. Other information includes combining financial statements for non-major governmental funds. These funds are added together, by fund type, and presented in a single column in the basic financial statements, but they are not reported individually, as with major funds, on the governmental

fund financial statements. Detailed General Fund budget information as well as combining and individual fund statements begin on page 144.

Statistical Section. The City provides certain unaudited informational and statistical schedules that begin on page 166.

Financial Analysis of the Government as a Whole

Net Position. A year-to-year comparison of net position is as follows:

	<u>Governmental Activities</u>		<u>Business-type Activities</u>		<u>Total</u>	
	<u>2023</u>	<u>2022</u>	<u>2023</u>	<u>2022</u>	<u>2023</u>	<u>2022</u>
Current and other assets	\$204,542,433	\$224,244,801	\$65,374,993	\$61,856,035	\$269,917,426	\$286,100,836
Capital assets(net)	223,913,545	218,354,168	371,631,050	365,597,388	595,544,595	583,951,556
Total Assets	\$428,455,978	\$442,598,969	437,006,043	427,453,423	865,462,021	870,052,392
Deferred outflows of resources	41,812,538	33,194,519	2,429,913	2,132,112	44,242,451	35,326,631
Long-term liabilities	239,993,165	265,902,020	213,114,931	226,000,744	453,108,096	491,902,764
Other Liabilities	58,016,369	48,747,571	17,049,680	10,053,489	75,066,049	58,801,060
Total Liabilities	298,009,534	314,649,591	230,164,611	236,054,233	528,174,145	550,703,824
Deferred inflows of resources	15,105,101	56,290,910	115,983	1,080,491	15,221,084	57,371,401
Net Position						
Net Investment in Capital						
Assets	124,509,390	109,045,808	172,764,750	163,129,284	297,274,140	272,175,092
Restricted	16,950,418	63,611,817	34,248,984	28,751,928	51,199,402	92,363,745
Unrestricted	15,694,073	(67,804,638)	2,141,627	569,600	17,835,700	(67,235,038)
Total Net Position	\$157,153,881	\$104,852,987	\$209,155,361	\$192,450,812	\$366,309,242	\$297,303,799

By far the largest portion of the City's net position reflects its investment in capital assets (e.g., land, buildings, infrastructure, machinery, and equipment); less any related debt used to acquire those assets that is still outstanding, \$366,309,242. The City uses these capital assets to provide services; consequently, these assets are not currently available for future spending. Although the City's investment in its capital assets is reported net of related debt, it should be noted that the resources needed to repay this debt must be provided from other sources, since the capital assets themselves cannot be used to liquidate these liabilities.

The remaining portions of the City's net position are either restricted or unrestricted and show balances of \$16,950,418 and \$15,694,073 respectively. Unrestricted net position may be used to meet the government's ongoing obligations. At the end of the current fiscal year, the City's total net position was \$366,309,242.

Changes in Net Position. A schedule of a comparison of year-to-year changes in activity is below. The combined net position of the City increased by \$69,005,443, over the course of this year’s operations. The net position of governmental activities increased \$52,300,894 and the net position of business-type activities increased by \$16,704,549.

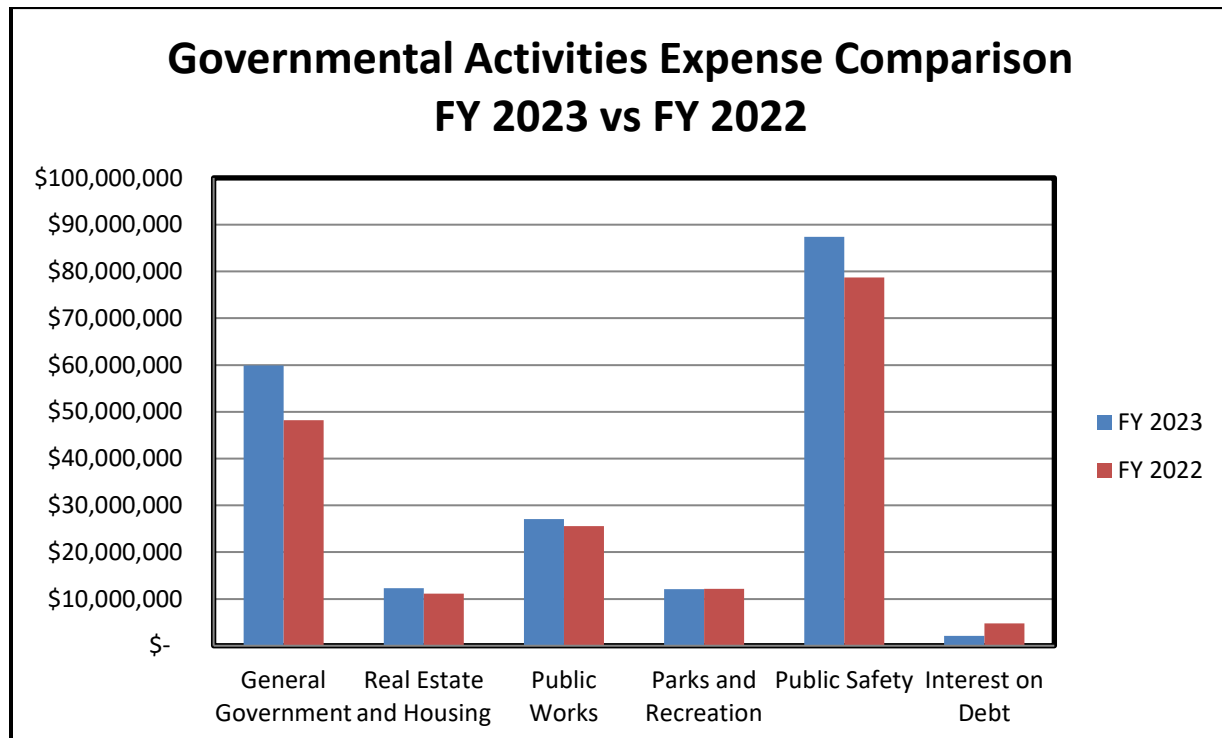
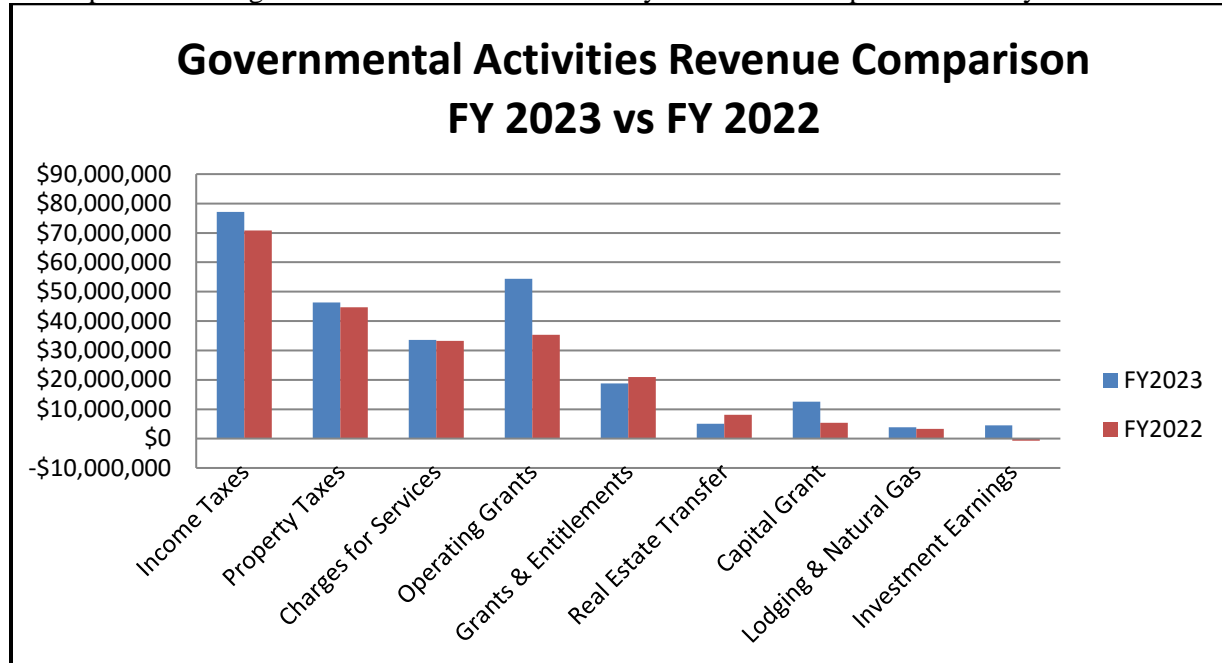
City of Wilmington's Changes in Net Position
Year Ended June 30, 2023

	Governmental Activities		Business-type Activities		Total	
	2023	2022	2023	2022	2023	2022
REVENUES						
Program Revenues:						
Charges for Services	\$ 33,614,918	\$ 33,292,131	\$ 94,023,981	\$ 89,825,406	\$ 127,638,899	\$ 123,117,537
Operating Grants & Contributions	54,372,913	35,310,480	-	-	54,372,913	35,310,480
Capital Grants & Contributions	12,518,757	5,326,298	1,072,621	230,512	13,591,378	5,556,810
General Revenues:						
Total Taxes	132,413,586	126,877,197	-	-	132,413,586	126,877,197
Investment Earnings	4,475,011	(772,567)	-	68	4,475,011	(772,499)
Other Revenues	18,771,401	20,973,667	11,294	-	18,782,695	20,973,667
Extraordinary Item:						
Loan Forgiveness	-	-	-	-	-	-
Total Revenues	<u>256,166,586</u>	<u>221,007,206</u>	<u>95,107,896</u>	<u>90,055,986</u>	<u>351,274,482</u>	<u>311,063,192</u>
EXPENSES						
General Government	59,896,655	48,213,853	-	-	59,896,655	48,213,853
Real Estate and Housing	12,291,098	11,160,706	-	-	12,291,098	11,160,706
Public Works	27,059,410	25,550,617	-	-	27,059,410	25,550,617
Parks and Recreation	12,116,594	12,169,473	-	-	12,116,594	12,169,473
Public Safety	87,433,366	78,688,169	-	-	87,433,366	78,688,169
Interest on Long Term Debt	2,140,938	4,745,811	-	-	2,140,938	4,745,811
Business Type Activities	-	-	81,330,978	82,084,721	81,330,978	82,084,721
Total Expenses	<u>200,938,061</u>	<u>180,528,629</u>	<u>81,330,978</u>	<u>82,084,721</u>	<u>282,269,039</u>	<u>262,613,350</u>
Transfers In	(2,927,631)	-	2,927,631	-	-	-
Change in Net Position	<u>52,300,894</u>	<u>40,478,577</u>	<u>16,704,549</u>	<u>7,971,265</u>	<u>69,005,443</u>	<u>48,449,842</u>
Net Position - Beginning	<u>104,852,987</u>	<u>64,374,410</u>	<u>192,450,812</u>	<u>184,479,547</u>	<u>297,303,799</u>	<u>248,853,957</u>
Prior Period Adjustment	-	-	-	-	-	-
Net Position - Ending	<u>\$ 157,153,881</u>	<u>\$ 104,852,987</u>	<u>\$ 209,155,361</u>	<u>\$ 192,450,812</u>	<u>\$ 366,309,242</u>	<u>\$ 297,303,799</u>

The increase in the combined net position for the City reflects increases due to a 6.0 percent property tax increase and approximately \$12 million in revenue replacement funding through the federal American Rescue Plan Act (ARPA) allocation to the City. In addition, the Water / Sewer Fund increased its net position through a 5.0 percent increase to water and sewer rates. Lastly, both the General Fund and Water/Sewer Fund had net decreases in personnel (full-time equivalent positions).

Governmental Activities

Revenues of governmental activities for fiscal year 2023 increased from 2022 by \$35,159,380. This net increase reflects an increase in charges for services of \$322,787. General revenues increased by \$8,581,701. Operating grants increased by \$19,062,433 and capital grants increased by \$7,192,459. The key revenue elements are discussed later in the fund statement comparisons. Expenses of governmental activities for fiscal year 2023 increased by \$20,409,432 compared to 2022. Key cost elements are discussed later in the fund statement comparison. The charts on the following page depict a comparative view of the revenues and expenses of the governmental activities for fiscal year 2023 as compared to fiscal year 2022.



Business-type Activities

Net position of business-type activities increased by \$16,704,549 for the current fiscal year, primarily as a result of increased operating grants and capital grants and transfers from the General Fund. Detailed explanations of the variances are contained in the financial analysis of the City's Funds - Proprietary Funds section on page 14.

Financial Analysis of the City's Funds

As the City completed the fiscal year, its governmental funds reported fund balances of \$111,679,549. Of the current ending fund balance, the following categories are recorded, and primary uses noted in accordance with GASB 54:

- \$3,803,317 is recorded as Non-Spendable due to a \$2,680,199 advance to the Motor Vehicle Fund by the General Fund, \$928,315 in the Wilmington Park Trust Fund Commission and \$194,803 in other nonspendable.
- \$13,209,069 is recorded as Restricted; \$3,919,075 for capital projects, \$4,381,832 for park operations, \$4,908,162 for Other Purposes.
- \$95,311,671 is recorded as Committed; \$18,262,370 for the Budget Reserve Account, \$1,330,538 for Economic Development, \$73,851,282 for the Tax Stabilization Reserve and \$1,867,481 for Other Purposes;
- (\$644,508) is recorded as Unassigned.

Governmental Funds**General Fund – Comparison to Prior Year**

The General Fund is the City's chief operating fund. At June 30, 2023, the fund balance composition included:

- \$2,680,199 and \$164,793 are recorded as non-spendable due to an advance to the Motor Vehicle Fund and prepaid expense, respectively.
- \$18,262,370 is recorded as Committed for the Budget Reserve Account. The Budget Reserve Account is determined at the end of each fiscal year and shall be equal to ten percent of the general fund operating budget (excluding extraordinary or one-time items) as authorized by City Council as required by City Code. The amount designated as the budget reserve account shall only be accessed for adverse economic conditions or public emergency and when declared by council by ordinance enacted by a two-thirds vote (nine) of city council, following certification by the mayor of such economic conditions or public emergency.
- \$73,851,282 is recorded as Tax Stabilization Reserve. The Tax Stabilization Reserve provides future tax stabilization for the General Fund. This reserve is funded based on the amount of the General Fund's net unrestricted fund balance. The City is authorized to access the Tax Stabilization Reserve as may be necessary when authorized by City Council by ordinance.

The schedule in the following page presents General Fund revenues and expenditures for fiscal year 2023 compared to budget and fiscal year 2022.

City of Wilmington, Delaware
General Fund Activity vs Prior Year and Budget

	<u>2022</u> <u>Actual</u>	<u>2023</u> <u>Actual</u>	<u>Variance</u> <u>Positive</u> <u>(Negative)</u>	<u>Final</u> <u>Budget</u>	<u>2023</u> <u>Actual</u>	<u>Variance</u> <u>Positive</u> <u>(Negative)</u>
Revenues:						
Taxes:						
Property	\$ 43,637,012	\$ 44,789,172	\$ 1,152,160	\$ 45,911,800	\$ 44,789,172	\$ (1,122,628)
Wage	63,467,109	66,596,291	3,129,182	64,689,576	66,596,291	1,906,715
Net Profit	9,467,500	9,084,881	(382,619)	7,515,204	9,084,881	1,569,677
Franchise	837,945	872,315	34,370	859,160	872,315	13,155
Real Estate Transfer	8,074,103	5,065,425	(3,008,678)	3,146,020	5,065,425	1,919,405
Head	3,085,601	2,990,182	(95,419)	3,205,867	2,990,182	(215,685)
Lodging & Natural Gas	1,352,635	1,668,439	315,804	1,328,797	1,668,439	339,642
Intergovernmental	27,590,661	39,809,978	12,219,317	37,934,153	39,809,978	1,875,825
Licenses and Permits	6,520,759	5,685,003	(835,756)	5,199,595	5,685,003	485,408
Fines and Forfeitures	8,067,327	7,441,378	(625,949)	6,778,632	7,441,378	662,746
Charges for Services	9,413,938	9,715,859	301,921	9,413,366	9,715,859	302,493
Investment Earnings	136,559	4,662,032	4,525,473	413,000	4,662,032	4,249,032
Total Revenues	<u>181,651,149</u>	<u>198,380,955</u>	<u>16,729,806</u>	<u>186,395,170</u>	<u>198,380,955</u>	<u>11,985,785</u>
Expenditures:						
General Governmental Services:						
Mayor's Office	6,635,160	5,499,070	1,136,090	7,587,668	5,499,070	2,088,598
City Council	1,722,349	1,912,459	(190,110)	1,904,439	1,912,459	(8,020)
Audit	890,518	941,023	(50,505)	928,125	941,023	(12,898)
Law	2,423,294	2,539,308	(116,014)	2,628,943	2,539,308	89,635
Finance	9,481,100	9,826,268	(345,168)	10,760,252	9,826,268	933,984
Human Resources	1,731,207	2,126,091	(394,884)	2,340,811	2,126,091	214,720
Treasurer	400,044	407,198	(7,154)	449,620	407,198	42,422
Planning	1,336,092	3,405,500	(2,069,408)	3,835,057	3,405,500	429,557
Information Technologies	8,886,432	8,684,489	201,943	9,620,507	8,684,489	936,018
Real Estate and Housing	5,694,459	3,560,847	2,133,612	4,246,989	3,560,847	686,142
Public Works	26,353,422	27,385,249	(1,031,827)	29,550,914	27,385,249	2,165,665
Parks and Recreation	9,113,087	9,399,540	(286,453)	9,773,984	9,399,540	374,444
Public Safety:						
Licenses and Inspection	5,360,002	3,130,759	2,229,243	3,515,676	3,130,759	384,917
Fire	27,353,523	30,024,121	(2,670,598)	27,541,869	30,024,121	(2,482,252)
Police	63,513,100	64,763,516	(1,250,416)	63,775,754	64,763,516	(987,762)
Total Expenditures	<u>170,893,789</u>	<u>173,605,438</u>	<u>(2,711,649)</u>	<u>178,460,608</u>	<u>173,605,438</u>	<u>\$4,855,170</u>
Excess (Deficiency) of Revenues						
Over (Under) Expenditures	<u>10,757,360</u>	<u>24,775,517</u>	<u>14,018,157</u>	<u>7,934,562</u>	<u>24,775,517</u>	<u>16,840,955</u>
Other Financing Sources (Uses)						
Proceeds from Bond Anticipation Note	34,500	-	(34,500)	-	-	-
Bond Issuance Costs	-	(32,500)	(32,500)	-	(32,500)	(32,500)
Subscription-based IT Contract	-	1,011,894	1,011,894	-	1,011,894	1,011,894
Proceeds from Laease Issuance	-	1,108,460	1,108,460	-	1,108,460	1,108,460
Gain on Sale of Assets	199,924	-	(199,924)	-	-	-
Transfer Out	(1,843,027)	(3,571,132)	(1,728,105)	(1,300,000)	(3,571,132)	(2,271,132)
Total Other Financing Sources (Uses)	<u>(1,608,603)</u>	<u>(1,483,278)</u>	<u>125,325</u>	<u>(1,300,000)</u>	<u>(1,483,278)</u>	<u>(183,278)</u>
Net Change in Fund Balances	<u>\$ 9,148,757</u>	<u>\$ 23,292,239</u>	<u>\$ 14,143,482</u>	<u>\$ 6,634,562</u>	<u>\$ 23,292,239</u>	<u>\$ 16,657,677</u>

The revenues for fiscal year 2023 increased by \$16,729,806, compared to the prior fiscal year. Primary factors in these results are:

- Property Taxes increased by \$1,152,160, due mainly to a tax increase of 6% in FY2023, that was projected to yield an annual average increase of 2.2%.
- Wage Taxes increased by \$3,129,182, while Net Profit Taxes decreased by (\$382,619).
- Real Estate Transfer Taxes decreased by (\$3,008,678), due to decreased activity caused by rising interest rates.
- Fines and Forfeitures are collected by the City for red light photo citations, parking tickets, criminal, and booting fines. The City recognizes revenues when the citizen pays the fine or forfeiture as opposed to when the fine is imposed. These revenues decreased by (\$625,949), due to a decrease in revenue due to policy changes in parking restrictions and collections.
- Charges for Services increased by \$31,921, due mainly to a decrease in indirect costs charged.

The current year's expenditures increased by \$2,363,275 and transfers out totaled \$3,571,132, which was an increase, compared to fiscal year 2022.

- Mayor's Office expenditures decreased by \$1,136,090, primarily due to a decrease in Personal Services and Debt Service.
- Real Estate & Housing expenditures decreased by \$2,133,612, primarily due to a decrease in Debt Service for fiscal year 2023.
- Public Works expenditures, which represented 16% of the City's General Fund expenditures, increased by \$1,031,827, due primarily to an increase in Materials, Supplies and Equipment.
- Planning expenditures decreased by \$2,069,408, primarily due to an increase in Personal Services.
- Fire expenditures, which represented 17% of the City's General Fund expenditures increased by \$2,670,598, primarily due to an increase in Personal Services.
- Licenses and Inspection expenditures decreased by \$2,229,243, primarily due to a decrease in Personal Services and Material Supplies and Equipment.

Other Major Funds – Comparison to Prior Year

The fund balance of \$3,919,075 for the Capital Projects Fund was \$5,406,182 less than fiscal year 2022 due to an increase in capital spending.

Proprietary Funds**Water/Sewer Funds – Comparison to Prior Year**

The operation of the Business-type activities increased the City's net position by \$16,704,549 in fiscal year 2023.

- Direct User Charges for water, sewer, and storm water increased by \$1,529,871.
- New Castle County sewer charges increased by \$1,867,830.
- Capital Grant and Contribution revenue increased from \$230,512 in 2022 to \$1,072,621 in 2023.
- Other Income increased by \$119,573 .

Compared to fiscal year 2022, total expenses decreased by \$753,743 or 0.92%. This was driven mostly by a decrease in interest expense.

General Fund Budgetary Highlights

The City adopted the fiscal year 2023 budget on May 20, 2022 and amended it to meet operational needs during the year. The City's practice is to (a) amend budgeted revenue only for grants or new revenue streams and (b) amend budgeted expenditures primarily to approve new spending authority.

The final General Fund budget contained \$186,395,170 of revenues, an increase of \$19,966,046 or 12.02% from 2022 and \$178,460,608 of expenditures – up \$7,566,819, or 4.43%, from FY 2022.

- Wage Tax revenues, representing 33.3% of General Fund revenues, were over budget by \$1,906,715, due to increases in residents living in the City, employee compensation and decreasing refunds as employees return to work.
- Net Profit Tax revenues, representing 11.9% of General Fund revenues were over budget by \$1,569,677, due to stronger earnings from partnership and LLC members.
- Real Estate Transfer Taxes were over budget by \$1,919,405 primarily due to a stronger than expected housing market.
- Intergovernmental Revenues were over budget by \$1,875,825 due to an increase in state shared revenues.
- Charges for services were \$302,493 over projections due an increase in miscellaneous revenues.
- Investment Earnings were \$4,249,032 over budget due to increasing interest rates.
- Debt Service was lower in FY 2023 due to use of State Revolving Funds, with loan forgiveness opportunities, increased use of cash financing, and lack of entering into the public markets for capital.
- Personal Service expenditures in various departments were lower primarily due to protracted vacancies and a dearth of candidates.

- Mayor's Office expenditures were under budget by \$2,088,598, primarily due to a decrease in Personal Services and Debt Service.
- Finance Department expenditures were under budget by \$933,984, due to decreases in both Personal Services and Material Supplies and Equipment.
- Public Works expenditures were under budget by \$2,165,665 due mainly to a decrease in Personal Services.
- Planning expenditures were under budget by \$429,557, due to decreases in both Personal Services.
- Information Technologies expenditures were under budget by \$936,018 due to a decrease in Material, Supplies and Equipment.
- Fire expenditures were over budget by \$2,482,252 due to an increase in Personal Services.

Capital Assets and Debt Administration

Capital Assets. As of June 30, 2023, the City had invested \$595,177,724, net of accumulated depreciation, in a broad range of capital assets. The table on the following page presents fiscal year 2023 asset balances compared to fiscal year 2022 balances (further detail in Note 6 as required by GASB 34). Major capital asset events during the current fiscal year included the following:

Governmental Activities:

- Vehicles Equipment and Other Assets increased \$1.3 million due to an increase in vehicle upgrades to achieve a regularized replacement of inventory.
- Parks and Recreation Facilities increased by \$462 thousand due to the revitalization of City Parks and Community Centers.
- Streets and Signals increased by \$1.7 million as the City completes necessary renewals of infrastructure.
- Buildings and Improvements decreased by \$962 thousand primarily due to current year depreciation expense.

Business-type Activities:

- Construction in Progress decreased \$7.6 million during Fiscal Year 2023 due to completion of projects and assets going into service.
- Water Reservoirs, Facilities, and Water Lines increased \$7 million as the City continues to retire and replace aging water lines.

Additional information regarding the City's capital assets is contained in Note 6 to the financial statements.

	Governmental		Business-type		Total	
	Activities		Activities			
	2023	2022	2023	2022	2023	2022
Land	\$ 24,090,181	\$ 24,090,181	\$ 4,060,443	\$ 4,060,443	\$ 28,150,624	\$ 28,150,624
Art	3,145,344	3,144,601	-	-	3,145,344	3,144,601
Construction in Progress	6,912,514	3,872,874	31,138,429	38,783,749	38,050,943	42,656,623
Buildings & Improvements	54,947,123	55,909,923	26,279,717	20,789,957	81,226,840	76,699,880
Parks & Recreation Facilities	22,150,053	21,688,380	-	-	22,150,053	21,688,380
Streets & Signals	84,553,409	82,838,826	-	-	84,553,409	82,838,826
Water Reservoirs, Facilities & Water Lines	-	-	178,324,145	171,249,385	178,324,145	171,249,385
Wastewater Facilities & Sewer Lines	-	-	131,457,696	130,700,374	131,457,696	130,700,374
Vehicles, Equipment & Other	28,114,921	26,809,390	3,745	13,480	28,118,666	26,822,870
Totals	\$ 223,913,545	\$ 218,354,175	\$ 371,264,175	\$ 365,597,388	\$ 595,177,720	\$ 583,951,563

Long-Term Debt. At the end of the current fiscal year, the City had total bonded (backed by the full faith and credit of the government) debt outstanding of \$294,302,628. Of this amount, \$96,638,582 comprises debt related to Governmental Activities and \$197,664,046 is supported by Business-Type activities. Additionally, there are \$131,357,189 in long-term liabilities, such as leases, insurance claims payables, compensated absences, net pension liability and net OPEB liability in Governmental Activities. Similar long-term liabilities of \$4,863,557 exist on the Business-Type activities.

On May 23rd, 2022, the City issued General Obligation Bond Anticipation Notes (BAN) Series of 2022. The BANs maturity date was November 23, 2023. 2022 BAN (Capital Budgets 2020 and 2022) was issued in the amount of \$15,000,000, bearing interest at 4.34% of the daily London Interbank Offered Rate (LIBOR) plus 0.22%, not to exceed 5%. Subsequent to the year end, the City repaid the outstanding balance of \$131,401 with cash financing.

Subsequent to year end the City issued the following bonds:

In July 2023, the City issued five bond issuances through the State of Delaware Water Pollution Revolving Loan Fund-totaling \$51,884,000.

In August 2023, the City issued four bond issuances through the State of Delaware Drinking Water Revolving Loan Fund-totaling \$35,489,277.

In February 2024, the City issued two bond issuances through the State of Delaware Water Pollution Revolving Loan Fund-totaling \$19,200,000.

The City maintains an Aa2 rating from Moody's Investors Service and AA rating from Standard & Poor's Corporation for general obligation debt. Additional information on the City's long-term debt can be found in Note 9 to the financial statements.

**City of Wilmington's Outstanding Debt
General Obligations Bonds**

	Governmental Activities		Business-type Activities		Total	
	2023	2022	2023	2022	2023	2022
	General Obligation Bonds	\$ 96,638,582	\$ 116,220,247	\$ 197,664,046	\$ 208,948,150	\$ 294,302,628

Economic Factors and 2023 Budgets and Rates

The City of Wilmington’s economy withstood the pandemic and post-pandemic headwinds that threatened the revenues of city after city across the nation. The real estate economy continued to reflect strong sales and market values increasing as interest rates remained low through the June 30, 2022, fiscal year. We experienced higher interest rates for mortgages as the Federal Reserve tries to control inflation. Nonetheless, property transfers continue to be robust despite the interest rate environment. Also, the City is benefiting from increased interest on investments due to the Federal Reserve interest rate increases.

Residential investments also continue as office buildings are converted into residential complexes. Investments in commercial and residential construction and infrastructure are beginning on the eastern side of the Christina Riverfront. The Reach Riverside purpose-built community in entering phase II of its development, with phase I properties almost fully leased.

Funds from the American Rescue Plan Act (ARPA), of which the City received \$55 million, are being made in securing vacant and uneconomic properties for rehabilitation and redevelopment in critical and underserved areas, such as the East Side and the Hilltop area of Wilmington. In addition, the City has allocated funds to nonprofit organizations to stimulate community investment and provided the Wilmington Economic Development Corporation (WEDCO) with over \$2 million in loan support for small businesses. In addition, we are providing additional funding to public safety initiatives and community engagement projects.

The Fiscal Year 2023 budget includes a 6.0% increase in its property tax rate, projected to add \$2.6 million in annual revenue. The median assessment for a homeowner is projected to be \$41.76 annually.

There was a 5.0% increase to water and sewer rates in FY 2023. The projected revenue impact of the rate increase is projected at \$2.49 million. The typical residential customer in the City using 4,000 per month will see an increase of \$2.82 in their monthly bill.

The City continues to be the hub for multiple industries. Wage taxes are expected to continue to increase and wage tax refunds due to remote work have stabilized.

Requests for Information

This financial report is designed to provide a general overview of the City of Wilmington's finances to its citizens and other users of such data. Requests for additional copies of this report, questions concerning any of the information in this report, and requests for additional financial information should be addressed to J. Brett Taylor, Director of Finance, 800 N. French Street, 5th Floor, City of Wilmington, Delaware 19801.

The component units issue their own audited financial statements. These statements may be obtained directly from the component units from sources listed in Note 1, page 40 and the financial statements are listed on pages 36 and 37.

BASIC FINANCIAL STATEMENTS

City of Wilmington, Delaware

Statement of Net Position
June 30, 2023

	Primary Government			
	Governmental Activities	Business-type Activities	Total	Component Units
ASSETS				
Cash and Investments (Note 3)	\$ 138,717,859	\$ 24,705,480	\$ 163,423,339	\$ 7,152,809
Restricted Cash (Note 3)	-	1,481,930	1,481,930	-
Receivables, Net (Note 4)	28,869,468	21,931,995	50,801,463	2,808,273
Lease Receivable	-	-	-	1,086,379
Internal Balances	584,990	(584,990)	-	-
Due from Other Funds (Note 7)	11,000,242	-	11,000,242	-
Due from Other Governments	2,631,168	732,226	3,363,394	-
Due from Component Unit	275,000	-	275,000	-
Prepaid Items & Other Assets	626,353	255,085	881,438	51,729
Property Held for Future Use	1,000	409,422	410,422	-
Net Pension Asset	6,831,760	290,322	7,122,082	1,639,620
Restricted Cash and Investments (Note 3)	15,004,593	16,153,523	31,158,116	20,849,120
Capital Assets, Net (Note 6):				
Land	24,090,181	4,060,443	28,150,624	9,524,867
Intangible Assets	-	-	-	5,000,000
Art	3,145,344	-	3,145,344	-
Construction in Progress	6,912,514	31,138,429	38,050,943	802,387
Buildings & Improvements	54,947,123	26,279,717	81,226,840	20,423,352
Parks & Recreation Facilities	22,150,053	-	22,150,053	-
Streets & Street Signals	84,553,409	-	84,553,409	-
Water & Sewer Systems	-	309,781,845	309,781,845	-
Vehicles, Equipment, and Other	28,114,921	3,745	28,118,666	474,628
Property Held for Future Use	-	366,871	366,871	-
Total Assets	428,455,978	437,006,043	865,462,021	69,813,164
DEFERRED OUTFLOWS OF RESOURCES				
Deferred amounts on pensions and OPEB	40,951,913	1,698,147	42,650,060	894,519
Deferred on refunding of bonds	860,625	731,766	1,592,391	-
Total Deferred Outflows of Resources	41,812,538	2,429,913	44,242,451	894,519
LIABILITIES				
Accounts Payable & Accrued Expenses	17,212,876	9,957,033	27,169,909	483,372
Due to Primary Government	-	-	-	275,000
Salaries and Benefits Payable	1,994,771	139,512	2,134,283	400,198
Unearned Revenue	36,321,314	5,662,054	41,983,368	9,494
Other Liabilities	2,487,407	1,291,082	3,778,489	-
Long Term Liabilities				
Due Within One Year:				
Bonds Payable	8,982,300	8,814,034	17,796,334	819,679
Notes Payable	-	-	-	94,617
Leases	651,877	-	651,877	-
Claims Liabilities	7,154,764	-	7,154,764	-
Compensated Absences	6,193,690	612,512	6,806,202	-
Contracts	321,814	-	321,814	-
Due in More Than One Year:				
Bonds Payable	98,653,673	199,437,340	298,091,013	8,401,997
Notes Payable	1,000,000	-	1,000,000	858,034
Leases	941,198	-	941,198	-
Claims liabilities	17,630,253	-	17,630,253	-
Subscription Based Information Technology Contracts	337,100	-	337,100	-
Compensated Absences	3,740,800	-	3,740,800	-
Refundable Advances - ARPA	-	-	-	2,737,071
Net Other Post Employment Benefits Liability	10,489,898	-	10,489,898	-
Net Pension Liability	83,895,799	4,251,045	88,146,844	-
Total Liabilities	298,009,534	230,164,612	528,174,146	14,079,462
DEFERRED INFLOWS OF RESOURCES				
Deferred amounts on pensions and OPEB	14,666,961	115,983	14,782,944	1,598,622
Deferred on refunding of bonds	438,140	-	438,140	-
Deferred lease revenue	-	-	-	99,663
Deferred parking revenue	-	-	-	1,040,554
Total Deferred Inflows of Resources	15,105,101	115,983	15,221,084	2,738,839
NET POSITION				
Net Investment in Capital Assets	124,509,390	172,764,750	297,274,140	26,050,907
Restricted for:				
Net Pension Asset	6,831,760	290,322	7,122,082	1,639,620
Donor Imposed	-	-	-	332,166
Capital Projects	-	-	-	-
Operation and Maintenance Reserve	-	15,737,808	15,737,808	-
Rate Stabilization Reserve	-	18,220,854	18,220,854	-
Debt Service	-	-	-	605,857
Park Operations & Other - Expendable	-	-	-	-
Park Operations & Other - Nonexpendable	5,277,407	-	5,277,407	-
Under Contractual Agreement	-	-	-	2,430,637
Other Purposes	4,908,162	-	4,908,162	-
Unrestricted	15,627,162	2,141,627	17,768,789	22,830,195
Total Net Position	\$ 157,153,881	\$ 209,155,361	\$ 366,309,242	\$ 53,889,382

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

City of Wilmington, Delaware
Statement of Activities
For the Year Ended June 30, 2023

Functions/Programs	Expenses	Program Revenues			Net (Expense) Revenues and Changes in Net Position			Component Units
		Charges for Services	Grants and Contributions		Governmental Activities	Primary Government		
			Operating	Capital		Business-type Activities	Total	
Primary Government:								
Governmental Activities:								
General Governmental Services	59,896,655	16,695,268	20,666,374	6,873,170	(15,661,843)	-	(15,661,843)	-
Real Estate and Housing	12,291,098	37,326	16,321,800	-	4,068,028	-	4,068,028	-
Public Works	27,059,410	2,643,586	1,128,306	1,334,835	(21,952,683)	-	(21,952,683)	-
Parks and Recreation	12,116,594	-	4,498,101	1,762,456	(5,856,037)	-	(5,856,037)	-
Public Safety	87,433,366	14,238,738	11,758,332	2,548,296	(58,888,000)	-	(58,888,000)	-
Interest on Long-term Debt	2,140,938	-	-	-	(2,140,938)	-	(2,140,938)	-
Total Governmental Activities	<u>200,938,061</u>	<u>33,614,918</u>	<u>54,372,913</u>	<u>12,518,757</u>	<u>(100,431,473)</u>	<u>-</u>	<u>(100,431,473)</u>	<u>-</u>
Business Type Activities	81,330,978	94,023,981	-	1,072,621	-	13,765,624	13,765,624	-
Total Primary Governments	<u>\$ 282,269,039</u>	<u>\$ 127,638,899</u>	<u>\$ 54,372,913</u>	<u>\$ 13,591,378</u>	<u>(100,431,473)</u>	<u>13,765,624</u>	<u>(86,665,849)</u>	<u>-</u>
Component Units:								
Christina Gateway Corporation	14,279	-	-	-	-	-	-	(14,279)
Wilmington UDAG Corporation	56,583	-	-	-	-	-	-	(56,583)
Wilmington Parking Authority	5,333,131	4,973,377	-	-	-	-	-	(359,754)
Downtown Visions	2,977,800	2,698,501	-	-	-	-	-	(279,299)
Riverfront Business Improvement District	673,665	598,164	-	-	-	-	-	(75,501)
Rock Manor Golf Corporation	333,542	435,059	-	-	-	-	-	101,517
Total Component Units	<u>\$ 9,389,000</u>	<u>\$ 8,705,101</u>	<u>\$ -</u>	<u>\$ -</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>(683,899)</u>
General Revenues:								
Taxes:								
Property Taxes, Levied for General Purposes					46,275,753	-	46,275,753	-
Income Taxes					77,174,104	-	77,174,104	-
Real Estate Transfer					5,065,425	-	5,065,425	-
Lodging & Franchise Taxes					3,898,304	-	3,898,304	-
Investment Earnings					4,475,011	-	4,475,011	(863,119)
Other Revenues including Capital Asset Gains					(251,210)	11,294	(239,916)	-
Grants, Entitlements, and Contributions not Restricted to Specific Programs					19,022,611	-	19,022,611	477,330
Total General Revenues					<u>155,659,998</u>	<u>11,294</u>	<u>155,671,292</u>	<u>(385,789)</u>
Transfers					(2,927,631)	2,927,631	-	-
Total General Revenues after Transfers					<u>152,732,367</u>	<u>2,938,925</u>	<u>155,671,292</u>	<u>(385,789)</u>
Change in Net Position					52,300,894	16,704,549	69,005,443	(1,069,688)
Net Position - Beginning					<u>104,852,987</u>	<u>192,450,812</u>	<u>297,303,799</u>	<u>54,959,070</u>
Prior Period Adjustment (Note 18)					<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Net Position - Ending					<u>\$ 157,153,881</u>	<u>\$ 209,155,361</u>	<u>\$ 366,309,242</u>	<u>\$ 53,889,382</u>

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

City of Wilmington, Delaware

**Balance Sheet
Governmental Funds
June 30, 2023**

	General	American Rescue Plan	Capital Projects	Other Governmental Funds	Total Governmental Funds
ASSETS					
Cash and Cash Equivalents (Note 3)	\$ 69,750,785	\$ 24,023,875	\$ 6,663,821	\$ 11,607,128	\$ 112,045,609
Receivables, Net (Note 4)	25,333,609	-	-	1,411,600	26,745,209
Due from Other Funds (Note 7)	27,000,690	-	-	-	27,000,690
Due from Other Component Unit	275,000	-	-	-	275,000
Due From Other Governments	-	-	466,202	2,296,976	2,763,178
Property Held for Future Use	-	-	-	1,000	1,000
Restricted Cash and Investments (Note 3)	-	-	10,061,322	4,943,271	15,004,593
Prepaid Items & Other Assets	164,793	-	-	39,987	204,780
TOTAL ASSETS	122,524,877	24,023,875	17,191,345	20,299,962	184,040,059
LIABILITIES, DEFERRED INFLOWS OF RESOURCES, AND FUND BALANCES					
Liabilities:					
Accounts Payable	\$ 8,861,867	\$ 1,798,196	\$ 2,169,134	\$ 1,458,537	\$ 14,287,734
Salaries and Benefits Payable	1,922,730	-	-	34,766	1,957,496
Due to Other Funds	-	-	13,450	864,632	878,082
Unearned Revenue	-	22,225,679	10,657,415	3,438,220	36,321,314
Other Liabilities	2,484,369	-	-	-	2,484,369
Total Liabilities	13,268,966	24,023,875	12,839,999	5,796,155	55,928,995
Deferred Inflows of Resources:					
Unavailable Revenues	14,297,267	-	432,271	1,701,977	16,431,515
Fund Balances:					
Nonspendable					
Advance to Motor Vehicle Fund (Note 7)	2,680,199	-	-	-	2,680,199
Trust for Park Operations	-	-	-	928,315	928,315
Other nonspendable	164,793	-	-	30,010	194,803
Restricted					
Capital Projects	-	-	3,919,075	-	3,919,075
Park Operations	-	-	-	4,381,832	4,381,832
Other Purposes	-	-	-	4,908,162	4,908,162
Committed					
Budget Reserve Account	18,262,370	-	-	-	18,262,370
Economic Development	-	-	-	1,330,538	1,330,538
Other Purposes	-	-	-	1,867,481	1,867,481
Tax Stabilization Reserve	73,851,282	-	-	-	73,851,282
Assigned	-	-	-	-	-
Unassigned	-	-	-	(644,508)	(644,508)
Total Fund Balances	94,958,644	-	3,919,075	12,801,830	111,679,549
Total Liabilities, Deferred Inflows of Resources and Fund Balances	\$ 122,524,877	\$ 24,023,875	\$ 17,191,345	\$ 20,299,962	\$ 184,040,059

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

City of Wilmington, Delaware
Reconciliation of Governmental Funds Balance Sheet
To the Statement of Net Position
June 30, 2023

The Total Net Position reported for governmental activities in the Statement of Position (Page 20) is different because:

Total Fund Balances for Government Funds (Page 22)	\$ 111,679,549
Capital Assets used in governmental activities are not financial resources and, therefore, are not reported in the funds. Capital assets net of accumulated depreciation as detailed in Note 6 are included in the Statement of Net Position. Also excluded are \$23,964,128 of internal service fund assets accounted for in the following line.	207,385,723
Long-Term receivables applicable to the Governmental Activities are not due and receivable in the current year and accordingly, are not reported as fund assets	
Notes Receivable (Net)	748,682
Internal Service funds are used by management to charge the costs of centrally managed services to using funds and departments. The assets and liabilities of the internal service funds are included in governmental activities in the Statement of Net Position. The increase is equal to the internal service Net Position.	3,357,538
Net Pension Asset	6,831,760
Some of the city's taxes and other revenues will be collected after yearend, but are not available soon enough to pay current-year's expenditures and, therefore, are reported as deferred inflows of resources in the fund statements.	16,431,515
Deferred Outflows of Resources:	
Deferred amounts on refunding of bonds	847,669
Deferred amounts on pensions	40,951,913
Long-term liabilities applicable to the governmental activities including bonds payable are not due and payable in the current year and, accordingly, are not reported as fund liabilities.	
Compensated Absences	\$ (9,832,309)
Other Post Employment Benefit (OPEB) Liability	(10,489,898)
Accrued Interest on Long Term Debt	(1,930,832)
Subscription Based Information Technology	(658,914)
Capital Leases	(1,593,075)
Bonds and Notes Payable	(107,574,540)
Net Pension Liability	<u>(83,895,799)</u>
	(215,975,367)
Deferred Inflows of Resources:	
Deferred amounts on bond refunding	(438,140)
Deferred amounts on pensions	<u>(14,666,961)</u>
Total Net Position of Governmental Activities (Page 20)	<u>\$ 157,153,881</u>

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

City of Wilmington, Delaware

**Statement of Revenues, Expenditures and Changes in Fund Balances
Governmental Funds
For the Year Ended June 30, 2023**

	General	American Rescue Plan	Capital Projects	Other Governmental Funds	Total Governmental Funds
REVENUES					
Taxes:					
Property	\$ 44,789,172	\$ -	\$ -	\$ -	\$ 44,789,172
Wage	66,596,291	-	-	-	66,596,291
Net Profit	9,084,881	-	-	-	9,084,881
Franchise	872,315	-	-	948,127	1,820,442
Real Estate Transfer	5,065,425	-	-	-	5,065,425
Head	2,990,182	-	-	-	2,990,182
Lodging & Natural Gas	1,668,439	-	-	-	1,668,439
Intergovernmental	39,809,978	22,449,013	12,599,160	9,068,342	83,926,493
Licenses and Permits	5,685,003	-	-	-	5,685,003
Fines and Forfeitures	7,441,378	-	-	-	7,441,378
Charges for Services	9,715,859	-	3,188,599	3,164,588	16,069,046
Investment Earnings	4,662,032	-	-	190,739	4,852,771
Total Revenues	<u>198,380,955</u>	<u>22,449,013</u>	<u>15,787,759</u>	<u>13,371,796</u>	<u>249,989,523</u>
EXPENDITURES					
Current:					
General Governmental Services	34,106,798	18,914,008	1,785,870	3,096,549	57,903,225
Real Estate and Housing	1,663,138	120,087	364,518	3,014,553	5,162,296
Public Works	20,922,532	-	2,992,797	1,213,598	25,128,927
Parks and Recreation	7,071,877	887,287	715,085	2,394,048	11,068,297
Public Safety	94,806,919	100,000	1,360,748	4,387,905	100,655,572
Debt service:					
Principal retirement	10,198,803	-	-	-	10,198,803
Interest and other charges	4,623,477	-	-	-	4,623,477
Capital Outlays	1,011,894	-	13,174,925	1,577,039	15,763,858
Total Expenditures	<u>174,405,438</u>	<u>20,021,382</u>	<u>20,393,943</u>	<u>15,683,692</u>	<u>230,504,455</u>
Excess (Deficiency) of Revenues Over (Under) Expenditures	<u>23,975,517</u>	<u>2,427,631</u>	<u>(4,606,184)</u>	<u>(2,311,896)</u>	<u>19,485,068</u>
OTHER FINANCING SOURCES (USES)					
Net Appreciation in fair value of investments	-	-	-	94,875	94,875
Transfers Out	(2,771,132)	(2,427,631)	(800,000)	-	(5,998,763)
Transfers In	-	-	-	3,071,132	3,071,132
Subscription-based Information Technology Contract	1,011,894	-	-	-	1,011,894
Proceed from Lease Issuance	1,108,460	-	-	-	1,108,460
Bond Anticipation Note Issued	(32,500)	-	-	-	(32,500)
Total Other Financing Sources (Uses)	<u>(683,278)</u>	<u>(2,427,631)</u>	<u>(800,000)</u>	<u>3,166,007</u>	<u>(744,902)</u>
Net Change in Fund Balances	23,292,239	-	(5,406,184)	854,111	18,740,166
Fund Balance - Beginning	<u>71,666,405</u>	<u>-</u>	<u>9,325,259</u>	<u>11,947,719</u>	<u>92,939,383</u>
Fund Balance - Ending	<u>\$ 94,958,644</u>	<u>\$ -</u>	<u>\$ 3,919,075</u>	<u>\$ 12,801,830</u>	<u>\$ 111,679,549</u>

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

City of Wilmington, Delaware
Reconciliation of Statement of Revenues,
Expenditures and Changes in Fund Balances of Governmental Funds
To the Statement of Activities
For the Year Ended June 30, 2023

Amounts reported for governmental activities in the Statement of Activities (Page 21) are different because:

Net Change in Fund Balances - Total Governmental Funds (Page 24) \$ 18,740,166

Governmental funds report capital outlays as expenditures; however, in the Statement of Activities the cost of those assets is allocated over their estimated useful lives and reported as depreciation expense.

The following is the amount by which capital asset acquisitions exceeded depreciation expense.

Capital Assets Acquisition	\$ 14,750,024	
Depreciation and Amortization Expense	(9,399,755)	4,866,357
Gain(Loss) Disposals	<u>(483,912)</u>	

Revenues in the Statement of Activities that do not provide current financial resources are not reported as revenues in the funds. The following are the net changes in these non-current resources.

Property and Other Taxes	2,979,513	
Fees and Fines	<u>(1,484,443)</u>	1,495,070

The issuance of long-term debt (e.g., bonds, leases) provides current financial resources to governmental funds, while the repayment of the principal of long-term debt consumes current financial resources of governmental funds. Neither transaction, however, has any effect on net position. Also governmental funds report the effect of premiums, discounts, and similar items when debt is first issued, whereas these amounts are deferred and amortized in the Statement of Activities.

	Debt Issued	Repayments	
General Obligation Bond Issued	\$ -	\$ 9,380,539	
Bond Premiums	-	1,992,490	
Deferred Refunding Gain	-	-	
Capital Lease	(1,108,460)	634,156	
Amortization of Premiums and Deferred Losses	(194,434)	352,980	
Net Adjustment	<u>\$ (1,302,894)</u>	<u>\$ 12,360,165</u>	\$ 11,057,271

The governmental fund reports outlays for properties held for future use as expenditures. However in the government-wide statement of net position these amounts are reported as the cost of assets held for development, net of a subsidy allowance.

(36,174)

Under the modified accrual basis of accounting used in governmental funds, expenditures are not recognized for transactions that are not normally paid with expendable available financial resources. In the Statement of Activities, however, which is presented on the accrual basis, expenses and liabilities are reported regardless of when financial resources are available. Other post employment benefit (OPEB) expenditures are reported in the Statement of Activities based on the Annual Required Contribution (ARC) regardless of the expended amount. In addition, interest on long-term debt is not recognized under the modified basis of accounting until due, rather than as it accrues. The following are the impact of the net changes in balances.

Compensated Absences	\$ (418,613)	
Other Post Employment Benefit (OPEB) Liability	4,409,062	
Accrued Interest on Long-Term Debt	<u>41,006</u>	4,031,455

The cost of pension benefits earned 12,146,749

Change in Net Position of Governmental Activities (page 21) \$ 52,300,894

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



ROCKFORD PARK

City of Wilmington, Delaware
General Fund
Statement of Revenues, Expenditures, and Changes in Fund Balances – Budget and Actual
For the Year Ended June 30, 2023

	Budgeted Amounts		Actual Amounts	Variance with Final Budget -
	Original	Final		Positive (Negative)
Revenues:				
Taxes:				
Property	\$ 45,911,800	\$ 45,911,800	\$ 44,789,172	\$ (1,122,628)
Wage	64,689,576	64,689,576	66,596,291	1,906,715
Net Profit	7,515,204	7,515,204	9,084,881	1,569,677
Franchise	859,160	859,160	872,315	13,155
Real Estate Transfer	3,146,020	3,146,020	5,065,425	1,919,405
Head	3,205,867	3,205,867	2,990,182	(215,685)
Lodging & Natural Gas	1,328,797	1,328,797	1,668,439	339,642
Intergovernmental	37,934,153	37,934,153	39,809,978	1,875,825
Licenses and Permits	5,199,595	5,199,595	5,685,003	485,408
Fines and Forfeitures	6,778,632	6,778,632	7,441,378	662,746
Charges for Services	9,413,366	9,413,366	9,715,859	302,493
Investment Earnings	413,000	413,000	4,662,032	4,249,032
Total Revenues	<u>186,395,170</u>	<u>186,395,170</u>	<u>198,380,955</u>	<u>11,985,785</u>
Expenditures:				
General Governmental Services:				
Mayor's Office	7,775,376	7,587,668	6,299,070	1,288,598
City Council	1,901,598	1,904,439	1,912,459	(8,020)
Audit	906,125	928,125	941,023	(12,898)
Law	2,628,829	2,628,943	2,539,308	89,635
Finance	10,569,461	10,760,252	9,826,268	933,984
Human Resources	2,340,811	2,340,811	2,126,091	214,720
Treasurer	449,620	449,620	407,198	42,422
Planning	3,835,055	3,835,057	3,405,500	429,557
Information Technologies	9,335,368	9,620,507	8,684,489	936,018
Real Estate and Housing	4,228,829	4,246,989	3,560,847	686,142
Public Works	28,564,575	29,550,914	27,385,249	2,165,665
Parks and Recreation	9,759,457	9,773,984	9,399,540	374,444
Public Safety:				
Licenses and Inspection	3,506,796	3,515,676	3,130,759	384,917
Fire	27,533,747	27,541,869	30,024,121	(2,482,252)
Police	63,543,459	63,775,754	64,763,516	(987,762)
Total Expenditures	<u>176,879,106</u>	<u>178,460,608</u>	<u>174,405,438</u>	<u>4,055,170</u>
Excess (Deficiency) of Revenues Over (Under) Expenditures	<u>9,516,064</u>	<u>7,934,562</u>	<u>23,975,517</u>	<u>16,040,955</u>
Other Financing Sources (Uses)				
Bond Issuance Costs	-	-	(32,500)	(32,500)
Subscription-based Information Technology Contract	-	-	1,011,894	-
Proceed from Lease Issuance	-	-	1,108,460	1,108,460
Transfers Out*	(1,300,000)	(1,300,000)	(2,771,132)	(4,071,132)
Total Other Financing Sources (Uses)	<u>(1,300,000)</u>	<u>(1,300,000)</u>	<u>(683,278)</u>	<u>(2,995,172)</u>
Net Change in Fund Balances	<u>\$ 8,216,064</u>	<u>\$ 6,634,562</u>	<u>23,292,239</u>	<u>\$ 13,045,783</u>
Fund Balance - Beginning			<u>71,666,405</u>	
Fund Balance - Ending			<u>\$ 94,958,644</u>	

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

*Reference Note 2C



DOWNTOWN FARMERS MARKET



ROBERTO CLEMENTE FIELD

City of Wilmington, Delaware
Statement of Net Position
Proprietary Funds
June 30, 2023

	Business-type Activities			Governmental
	Water/Sewer	Wilmington Land Bank	Total Enterprise Funds	Activities Internal Service Funds
ASSETS				
Current assets:				
Cash and Cash Equivalents (Note 3)	\$ 23,849,091	\$ 856,389	\$ 24,705,480	\$ 27,806,094
Restricted Cash (Note 3)	-	1,481,930	1,481,930	-
Receivables, Net (Note 4)	21,217,770	714,225	21,931,995	1,375,678
Prepaid Items & Other Assets	-	253,440	253,440	384,378
Property Held for Development, Net	-	409,422	409,422	-
Due from Other Funds (Note 7)	-	-	-	-
Due From Other Governments	732,226	-	732,226	-
Total Current Assets	45,799,087	3,715,406	49,514,493	29,566,150
Noncurrent assets:				
Restricted Cash and Investments (Note 3)	16,153,523	-	16,153,523	-
Net Pension Asset	290,322	-	290,322	-
Capital Assets, Net (Note 6):				
Land	4,060,443	-	4,060,443	-
Construction in Progress	31,138,429	-	31,138,429	37,530
Building and Improvements	26,279,717	-	26,279,717	2,743,262
Reservoirs and Water Filter Facilities	121,979,250	-	121,979,250	-
Water Lines	56,344,899	-	56,344,899	-
Facilities	94,818,854	-	94,818,854	-
Sewer Lines	36,638,842	-	36,638,842	-
Vehicles, Machinery & Equipment	-	3,745	3,745	14,208,292
Security Deposit	-	1,645	1,645	-
Property Held for Future Use, Net	-	366,871	366,871	-
Total Noncurrent Assets	387,704,279	372,261	388,076,540	16,989,084
Total Assets	433,503,366	4,087,667	437,591,033	46,555,234
DEFERRED OUTFLOWS OF RESOURCES				
Deferred amounts on pensions	1,698,147	-	1,698,147	-
Deferred amounts on refunding of bonds	731,766	-	731,766	12,956
Resources	2,429,913	-	2,429,913	12,956
LIABILITIES				
Current Liabilities:				
Accounts Payable	9,861,265	95,768	9,957,033	2,693,632
Salaries and Benefits Payable	139,512	-	139,512	30,551
Due to Other Funds	584,990	-	584,990	11,857,176
Unearned Revenue	4,180,124	1,481,930	5,662,054	-
Other Liabilities	233,580	128,980	362,560	-
Accrued Interest Payable	917,083	9,794	926,877	30,553
Bonds Payable	8,814,034	-	8,814,034	32,523
Capital Leases	-	-	-	-
Compensated Absences	612,512	-	612,512	102,091
Claims Liability	-	-	-	7,154,764
Total Current Liabilities	25,343,100	1,716,472	27,059,572	21,901,290
Noncurrent Liabilities:				
Due to Other Funds (Note 7)	-	-	-	2,680,199
Bonds Payable	199,287,340	150,000	199,437,340	998,910
Claims Liabilities	-	-	-	17,630,253
Security Deposit	-	1,645	1,645	-
Net Pension Liability	4,251,045	-	4,251,045	-
Total Noncurrent Liabilities	203,538,385	151,645	203,690,030	21,309,362
Total Liabilities	228,881,485	1,868,117	230,749,602	43,210,652
DEFERRED INFLOWS OF RESOURCES				
Deferred Amounts on Pensions	115,983	-	115,983	-
NET POSITION				
Net investment in capital assets	172,761,005	3,745	172,764,750	13,355,610
Restricted for:				
Net Pension Asset	290,322	-	290,322	-
Operation and Maintenance Reserve	15,663,630	74,178	15,737,808	-
Rate Stabilization Reserve	18,220,854	-	18,220,854	-
Unrestricted	-	2,141,627	2,141,627	-
Unallocated	-	-	-	(9,998,072)
Total Net Position	\$ 206,935,811	\$ 2,219,550	\$ 209,155,361	\$ 3,357,538

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

City of Wilmington, Delaware

Statement of Revenues, Expenses, and Changes in Net Position
Proprietary Funds
For the Year Ended June 30, 2023

	Business-type Activities			Governmental Activities
	Water/Sewer	Wilmington Land Bank	Total Enterprise Funds	Internal Service Funds
OPERATING REVENUES				
Charges for Services				
Sewer Charges for New Castle County	\$ 22,616,476	-	\$ 22,616,476	\$ -
Water & Sewer Charges for Direct Users	64,076,779	-	64,076,779	-
Other Charges for Services	47,632	-	47,632	34,567,267
Employee Contributions	-	-	-	2,571,512
Other	4,287,836	244,872	4,532,708	562,905
Government Grants	-	2,750,386	2,750,386	-
Total Operating Revenues	91,028,723	2,995,258	94,023,981	37,701,684
OPERATING EXPENSES				
Personnel Services	11,283,152	318,488	11,601,640	1,071,472
Materials, Supplies and Contracted Services	49,868,924	3,849,796	53,718,720	5,987,280
Subsidy Allowance on Properties Held	-	99,300	99,300	-
Depreciation and Amortization	10,916,346	4,244	10,920,590	3,273,265
Claims Expense	-	-	-	8,219,901
Insurance Premiums	-	46,143	46,143	19,364,935
Total operating expenses	72,068,422	4,317,971	76,386,393	37,916,853
Operating Income (loss)	18,960,301	(1,322,713)	17,637,588	(215,169)
NON-OPERATING REVENUES (EXPENSES)				
Investment Earnings	-	-	-	-
Interest Expense	(4,940,445)	(4,140)	(4,944,585)	(17,531)
Bond Issuance Costs	-	-	-	-
Gain on Sale of Assets	-	11,294	11,294	232,700
Total Non-Operating Revenues (Expenses)	(4,940,445)	7,154	(4,933,291)	215,169
Income (Loss) Before Capital Grants and Contributions and Transfers	14,019,856	(1,315,559)	12,704,297	-
Capital Grants and Contributions	1,072,621	-	1,072,621	-
Transfers In	-	2,927,631	2,927,631	-
Change in net position	15,092,477	1,612,072	16,704,549	-
Total Net Position - Beginning	191,843,334	607,478	192,450,812	3,357,538
Total Net Position - Ending	\$ 206,935,811	\$ 2,219,550	\$ 209,155,361	\$ 3,357,538

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

City of Wilmington, Delaware
Statement of Cash Flows
Proprietary Funds
For the Year Ended June 30, 2023

	Business Type Activities			Governmental
	Water and Sewer Fund	Wilmington Land Bank	Total Enterprise Funds	Activities Internal Service Funds
Cash Flows From Operating Activities:				
Receipts from Customers and Users	\$ 89,225,715	\$ 3,406,498	\$ 92,632,213	\$ 35,810,566
Receipts from Corporate Grants	-	5,000	5,000	-
Miscellaneous Receipts	-	13,216	13,216	-
Payments to Suppliers	(44,413,372)	(386,861)	(44,800,233)	(29,765,250)
Payments to Employees	(11,747,485)	(318,090)	(12,065,575)	(1,212,595)
Sale of Property	-	92,659	92,659	-
Cash Other	-	-	-	562,905
Acquisition of Property	-	(3,885,311)	(3,885,311)	-
Net Cash Provided by Operating Activities	33,064,858	(1,072,889)	31,991,969	5,395,626
Cash Flows from Noncapital Financing Activities:				
Interest Paid	-	(641)	(641)	-
Advances (To) From Other Funds	556,654	2,927,631	3,484,285	32,444
Net Cash Provided by (Used in) Noncapital Financing Activities	556,654	2,926,990	3,483,644	32,444
Cash Flows From Capital and Related Financing Activities:				
Capital Grants and Contributions	584,637	-	584,637	-
Proceeds from Capital Debt	5,114,571	-	5,114,571	-
Acquisition and Construction of Capital Assets	(16,592,872)	-	(16,592,872)	(2,980,754)
Principal Paid on Bonds	(16,354,633)	-	(16,354,633)	(201,127)
Interest Paid on Bonds	(6,973,019)	-	(6,973,019)	(44,207)
Proceeds from Sale of Capital Assets	-	16,786	16,786	261,005
Net Cash (Used in) Capital and Related Financing Activities	(34,221,316)	16,786	(34,204,530)	(2,965,083)
Cash Flows From Investing Activities:				
Restitution Received	-	16,000	16,000	-
Net Cash provided by Investing Activities	-	16,000	16,000	-
Net Increase (Decrease) in Cash and Cash Equivalents	(599,804)	1,886,887	1,287,083	2,462,987
Cash and Cash Equivalents - June 30, 2022 (including \$22,732,709 reported in restricted accounts)	40,602,418	451,432	41,053,850	25,343,107
Cash and Cash Equivalents - June 30, 2023 (including \$16,153,523 reported in restricted accounts)	\$ 40,002,614	\$ 2,338,319	\$ 42,340,933	\$ 27,806,094
Reconciliation of Operating Income to Net Cash Provided by Operating Activities:				
Operating Income	\$ 18,960,301	\$ (1,322,713)	\$ 17,637,588	\$ (215,169)
Adjustments to Reconcile Operating Income to Cash Provided by Operating Activities:				
Subsidy on Allowance on Properties Held	-	2,893,314	2,893,314	-
Cost of Property Sold	-	575,056	575,056	-
Contributed Property Revenue	-	(60,000)	(60,000)	-
Purchases of Property Held	-	(3,408,371)	(3,408,371)	-
Depreciation and Amortization	10,916,346	4,244	10,920,590	3,273,267
Changes in Assets and Liabilities:				
Other Receivables	-	(6,250)	(6,250)	-
Government Grants Receivable	-	(555,802)	(555,802)	-
(Increase) decrease in Receivables	(2,538,430)	-	(2,538,430)	2,169,486
(Increase) decrease in Prepaid Expense	-	-	-	335,618
Increase (decrease) Pension Assets	883,964	-	883,964	-
(Increase) decrease Pension Deferred Charges	(297,801)	-	(297,801)	-
(Increase) decrease in Property Acquisition Deposit	-	(39,577)	(39,577)	-
Increase (decrease) in Accounts Payable	5,262,290	27,754	5,290,044	1,291,294
Increase in Accrued Salaries	(371,325)	-	(371,325)	(49,376)
Decrease in Other Liabilities	193,262	(53,747)	139,515	-
Increase in Compensated Absences	69,331	-	69,331	(91,746)
Increase (decrease) in Unearned Revenue	735,422	1,339,385	2,074,807	-
(Increase) decrease Property Held	-	(438,012)	(438,012)	-
Increase (decrease) in Claims Liability	-	-	-	(1,317,744)
Increase (decrease) in Environmental Liability	-	(28,170)	(28,170)	-
Increase (decrease) Pension Liability	216,006	-	216,006	-
Increase (decrease) Pension Deferred Inflows	(964,508)	-	(964,508)	-
Net Cash Provided by Operating Activities	\$ 33,064,858	\$ (1,072,889)	\$ 31,991,969	\$ 5,395,630

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



DUPONT ENVIRONMENTAL CENTER

City of Wilmington
Statement of Fiduciary Net Position

June 30, 2023

ASSETS	
Cash and Cash Equivalents (Note 3)	\$ 11,063,743
Receivables:	
Accrued Interest & Other Receivables	1,795,360
Prepaid Assets	<u>112,339</u>
Total Receivables	1,907,699
Investments, at Fair Value:	
Money Market Funds	3,414,911
U.S. Treasury Obligations	7,995,261
U.S. Government Agencies - Guaranteed	10,752,465
Municipal Obligations	-
Corporate & Foreign Bonds and Funds	11,713,848
Common Equity & Marketable Securities	149,142,524
Mutual Funds	
Global & International Funds	52,000,534
Domestic Equity Funds	22,419,107
Fixed Income Funds	5,125,746
Real Estate Investment Trust and Other	<u>46,583,127</u>
Total Investments	<u>309,147,523</u>
Due From Other Pension Trust Funds	<u>1,556,305</u>
Total Assets	323,675,270
 LIABILITIES	
Accounts Payable	331,997
Salaries and Benefits Payable	7,245
Due to Other Pension Trust Funds	1,556,305
Due to Other Governments	11,000,242
Compensated Absences	104,953
Liability for Stale-dated Pension Checks	<u>178,646</u>
Total Liabilities	13,179,388
 Net Position:	
Net Position Restricted for Pensions	274,929,622
Net Position Restricted for OPEB Benefits	<u>35,566,260</u>
 Total Net Position	 <u>\$ 310,495,882</u>

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

City of Wilmington, Delaware
Statement of Changes in Fiduciary Net Position

For the Year Ended June 30, 2023

ADDITIONS

Contributions:

City	
Paid Directly by the City	\$ 15,279,699
Paid by the State	
On-Behalf of the City	8,787,399
Employees	1,360,707
Federal Drug Subsidies & Other Revenue	<u>11,880</u>

Total Contributions 25,439,685

Investment Income

Investment Earnings	2,866,770
Net (Depreciation) in Fair Value	<u>22,482,627</u>
Total Investment Income	<u>25,349,397</u>
Less: Investment Expense	<u>(362,363)</u>

Net Investment Income 24,987,034

Total Additions 50,426,719

DEDUCTIONS

Benefits Paid	33,340,670
Administrative Expenses	<u>883,854</u>

Total Deductions 34,224,524

Net Increase

in Plans' Net Position 16,202,195

Net Position - Beginning 294,293,687

Net Position - Ending \$ 310,495,882

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

City of Wilmington, Delaware
Combining Statement of Net Position (Deficit)
Discretely Presented Component Units
June 30, 2023

ASSETS	Christina Gateway Corporation	Wilmington UDAG Corporation	Wilmington Parking Authority	Downtown Visions	Riverfront Business Improvement District	Rock Manor Golf Corporation	Total
Cash and Cash Equivalents (Note 3)	\$ 1,447,127	\$ 2,718,679	\$ 656,829	\$ 1,624,716	\$ 350,349	\$ 355,109	\$ 7,152,809
Investments at Fair Value	-	1,029,965	15,658,021	-	-	-	16,687,986
Receivables, Net	-	1,212,492	1,383,028	130,255	49,999	32,499	2,808,273
Lease Receivables	-	-	422,842	-	-	663,537	1,086,379
Restricted Assets:							
Cash and Cash Equivalents (Note 3)	-	-	2,744,909	-	-	-	2,744,909
Investments at Cost	-	810,368	-	-	-	-	810,368
Investments at Fair Value	-	-	605,857	-	-	-	605,857
Net Pension Asset	-	-	1,639,620	-	-	-	1,639,620
Due From Other Governments	-	-	-	-	-	-	-
Deferred Charges & Other Assets	-	-	-	51,729	-	-	51,729
Capital Assets, Net:							
Land	-	-	9,524,867	-	-	-	9,524,867
Intangible Assets	-	-	5,000,000	-	-	-	5,000,000
Construction in Progress	-	412,626	379,061	10,700	-	-	802,387
Building and Improvements	-	-	15,346,885	591,832	-	4,484,635	20,423,352
Vehicles, Machinery & Equipment	-	-	155,851	149,734	51,996	117,047	474,628
Total Assets	1,447,127	6,184,130	53,517,770	2,558,966	452,344	5,652,827	69,813,164
DEFERRED OUTFLOWS OF RESOURCES							
Deferred Amounts on Pensions	-	-	894,519	-	-	-	894,519
LIABILITIES							
Accounts Payable & Accrued Expenses	1,952	48,226	198,028	118,595	116,571	-	483,372
Due to Primary Government	-	-	275,000	-	-	-	275,000
Salaries and Benefits Payable	-	-	185,030	215,168	-	-	400,198
Unearned Revenue	-	-	-	9,494	-	-	9,494
Long-term Liabilities							
Due within One Year							
Bonds Payable	-	-	819,679	-	-	-	819,679
Loans Payable	-	-	-	-	-	-	-
Notes Payable	-	-	-	31,408	-	63,209	94,617
Due in More than One Year							
Bonds Payable	-	-	8,401,997	-	-	-	8,401,997
Notes Payable	-	-	-	374,899	-	483,135	858,034
Refundable Advances - ARPA	-	-	2,737,071	-	-	-	2,737,071
Total Liabilities	1,952	48,226	12,616,805	749,564	116,571	546,344	14,079,462
DEFERRED INFLOWS OF RESOURCES							
Deferred Lease Revenues	-	-	422,842	-	-	617,712	1,040,554
Deferred Parking Revenue	-	-	99,663	-	-	-	99,663
Deferred Pension Related Activities	-	-	1,598,622	-	-	-	1,598,622
Total Deferred Inflows of Resources	-	-	2,121,127	-	-	617,712	2,738,839
NET POSITION (DEFICIT)							
Net Investment in Capital Assets	-	412,626	21,184,988	345,959	51,996	4,055,338	26,050,907
Restricted for:							
Donor Imposed	-	-	-	332,166	-	-	332,166
Restricted for Net Pension Asset	-	-	1,639,620	-	-	-	1,639,620
Debt Service	-	-	605,857	-	-	-	605,857
Under Contractual Agreement	-	810,368	1,620,269	-	-	-	2,430,637
Unrestricted	1,445,175	4,912,910	14,623,623	1,131,277	283,777	433,433	22,830,195
Total Net Position	\$ 1,445,175	\$ 6,135,904	\$ 39,674,357	\$ 1,809,402	\$ 335,773	\$ 4,488,771	\$ 53,889,382

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

City of Wilmington, Delaware
Combining Statement of Activities
Discretely Presented Component Units
For the Year Ended June 30, 2023

	Program Revenues		Net (Expense) Revenues and Changes in Net Position						
	Expenses	Charges for Services	Christina Gateway Corporation	UDAG Corporation	Wilmington Parking Authority	Downtown Visions	Riverfront Business Improvement District	Rock Manor Golf Corporation	Total
Christina Gateway Corporation	\$ 14,279	\$ -	\$ (14,279)	\$ -	\$ -	\$ -	\$ -	\$ -	\$ (14,279)
Wilmington UDAG Corporation	56,583	-	-	(56,583)	-	-	-	-	(56,583)
Wilmington Parking Authority	5,333,131	4,973,377	-	-	(359,754)	-	-	-	(359,754)
Downtown Visions	2,977,800	2,698,501	-	-	-	(279,299)	-	-	(279,299)
Riverfront Business Improvement District	673,665	598,164	-	-	-	-	(75,501)	-	(75,501)
Rock Manor Golf Corporation	333,542	435,059	-	-	-	-	-	101,517	101,517
	<u>9,389,000</u>	<u>8,705,101</u>	<u>(14,279)</u>	<u>(56,583)</u>	<u>(359,754)</u>	<u>(279,299)</u>	<u>(75,501)</u>	<u>101,517</u>	<u>(683,899)</u>
General Revenues									
Investment Earnings			-	87,091	195,412	1,053	310	-	283,866
Grants, Entitlements, and Contributions			-	-	237,242	240,088	-	-	477,330
Other Revenues including Capital Asset Gains/Losses			-	-	(1,130,835)	8,750	-	(24,900)	(1,146,985)
Total General Revenues			<u>-</u>	<u>87,091</u>	<u>(698,181)</u>	<u>249,891</u>	<u>310</u>	<u>(24,900)</u>	<u>(385,789)</u>
Change in Net Position			(14,279)	30,508	(1,057,935)	(29,408)	(75,191)	76,617	(1,069,688)
Net Position (Deficit) - Beginning			<u>1,459,454</u>	<u>6,105,396</u>	<u>40,732,292</u>	<u>1,838,810</u>	<u>410,964</u>	<u>4,412,154</u>	<u>54,959,070</u>
Net Position (Deficit) - Ending			<u>\$ 1,445,175</u>	<u>\$ 6,135,904</u>	<u>\$ 39,674,357</u>	<u>\$ 1,809,402</u>	<u>\$ 335,773</u>	<u>\$ 4,488,771</u>	<u>\$ 53,889,382</u>

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

1. Summary of Significant Accounting Policies

Pursuant to Title 22, Delaware Code, 1953, the City of Wilmington, Delaware (the City), was granted the rights to exercise all expressed and implied powers and authority of local self-government and home rule under Charter governed by the Delaware Constitution. The City operates under a Mayor-Council form of government.

The financial statements of the City have been prepared in conformity with accounting principles generally accepted in the United States (GAAP) as applied to governmental units. The Governmental Accounting Standards Board (GASB) is the accepted standard-setting body for establishing governmental accounting and financial reporting principles. The City has adopted all applicable GASB statements effective through the June 30, 2023. The more significant of the City's accounting policies are described below. These policies should be recognized by the reader as integral to the preparation and use of the accompanying financial statements.

A. Financial Reporting Entity

For financial reporting purposes, the City's primary government includes activities of all elected officials, departments and agencies, bureaus, boards, commissions, and authorities that make up the City's legal entity. The City's reporting entity is also comprised of its component units; legally separate organizations for which the City's elected officials are financially accountable. Discretely presented component units are reported in a separate column in the government-wide financial statements to emphasize that they are legally separate from the primary government. Blended component units are, in substance, part of the primary government even though they are legally separate entities.

The City is financially accountable for legally separate organizations if it appoints a voting majority of the organization's board and it is able to impose its will on that organization or there is a potential for the organization to provide specific financial benefits to, or impose specific financial burdens on, the City. The City may also be financially accountable if an organization is fiscally dependent on the City regardless of whether the organization has a separately elected governing board, a governing board appointed by a higher level of government, or a jointly appointed board.

Blended Component Units

Wilmington Park Trust Commission (WPC) is a municipal trust. WPC was organized for the purpose of financing the maintenance and improvements of the parks in and around the City of Wilmington. WPC consists of three Commissioners: two appointed by the Mayor of the City of Wilmington, and the third is the Director of Parks and Recreation of the City. WPC is included in the City's non-major funds.

Cityfest, Inc. was organized to supplement City contributions to arts and cultural programs. The City appoints the corporation's entire governing board (most of whom are City officials), and provides all executive, administrative and support services, and maintains the books and records. The City has a significant influence over programs, projects, and activities of the Corporation. Cityfest, Inc. is included in the City's non-major funds.

Wilmington Neighborhood Conservancy Land Bank Corporation (Land Bank) was organized to address blight and vacant property issues in the City of Wilmington and is dedicated to the productive and adaptive re-use of problem parcels. The source of funding, decisions about what property to buy and other operational decisions are made by a 15-member board comprised of City Council members, City officials, officials from Wilmington Housing Partnership and representatives from the Governor's office, State Senate and State House of Representatives. The corporation is engaged in only business-type activities and has a December 31 fiscal year end. Land Bank is included in the City's business type activities.

Wilmington Housing Partnership Corporation (WHP) is a nonprofit organization. WHP was organized to assist residents of the City of Wilmington in obtaining affordable housing. It collaborates with select private, nonprofit, and government entities to increase the City's affordable housing stock by promoting renovation and rehabilitation of existing homes and limited construction of new homes in strategically selected areas. The Director of the City's Department of Real Estate and Housing serves as President of the Corporation. WHP is included in the City's non-major funds as part of the Housing Strategic Fund.

Discretely Presented Component Units

The component units' columns in the entity-wide financial statements include the financial data of the City's six other active component units. These units are reported in a separate column to emphasize that they are legally separate from the City's primary government operations.

Rock Manor Golf Course Corporation (Rock Manor) was organized for the purpose of assisting the City in the administration of the golf course operations of the Rock Manor Golf Course and the Ed "Porky" Oliver Golf Course. The City appoints Rock Manor's entire governing board. The City has a significant influence over programs, projects, and activities of the Corporation.

Christina Gateway Corporation offers small business loans and other financial assistance within the City. The City appoints a majority of the governing body (most of whom are City officials), provides all executive, administrative, and support services, and maintains the books and records. The City has significant influence over programs, projects, and activities of the Corporation.

Wilmington UDAG Corporation (UDAG) was organized to enhance urban development and educational, charitable, and philanthropic purposes within the boundaries of the city. The City appoints the corporation's entire governing board (most of whom are City officials), and provides all executive, administrative and support services, and maintains the books and records. The City has a significant influence over programs, projects, and activities of the Corporation.

Wilmington Parking Authority (WPA) owns and operates multistory and surface parking facilities within the boundaries of Wilmington. The Board of Directors of the WPA is appointed by the Mayor and confirmed by the Wilmington City Council. The authority operates within the boundaries of the City. Substantially all the WPA's outstanding revenue bonds are guaranteed by the City. The WPA is the general partner in 800 Garage Associates, L.P. and owns 80% interest in the limited partnership.

Wilmington Downtown Business Improvement District (WDBID) Management Company (d/b/a Downtown Visions) was organized to supplement City safety and cleaning services in the downtown business district. The corporation's services are funded by charges assessed on taxable property in the district at a rate approved by the City. WDBID was created by Ordinance with a specified duration that currently expires on October 1, 2029. WDBID's net position reverts to the City of Wilmington upon dissolution unless City Council extends the Ordinance.

Riverfront Wilmington Business Improvement District (RWBID) was organized to supplement City safety and cleaning service in the Wilmington Riverfront area. The City appoints the corporation's entire board. The corporation's services are funded by charges assessed on taxable property in the district at a rate approved by the City. The corporation has a December 31 fiscal year end.

The financial information for the above component units is presented in the financial statements. Complete financial statements with accompanying notes pertaining to the individual component units can be obtained directly from their administrative offices:

Wilmington Park Trust Commission c/o City of Wilmington Department of Parks and Recreation 500 Wilmington Avenue Wilmington, Delaware 19801	Wilmington Downtown Business Improvement District 409 Orange Street Wilmington, Delaware 19801
Riverfront Wilmington Business Improvement District 800 South Madison Street Wilmington, Delaware 19805	Christina Gateway Corporation, and Wilmington UDAG Corporation c/o City of Wilmington Economic Development Department 800 French Street Wilmington, Delaware 19801
Wilmington Parking Authority 625 North Orange Street Wilmington, Delaware 19801	Rock Manor Golf Corporation c/o City of Wilmington City Treasurer 800 French Street Wilmington, Delaware 19801
Cityfest Inc. c/o City of Wilmington Office of the Mayor 800 French Street Wilmington, Delaware 19801	Wilmington Housing Partnership c/o City of Wilmington Real Estate and Housing Department 800 French Street Wilmington, Delaware 19801
Wilmington Neighborhood Conservancy Land Bank Corporation 404 N Market Street Wilmington, DE 19801	

Related Organizations

Officials of the City's primary government appoint a voting majority of the governing board of the Wilmington Housing Authority, the Wilmington Economic Development Corporation, and the Hope Commission. Although the City appoints the majority of the governing board members, these members do not represent substantially the same governing body of the City. The City is not able to impose its will on the organizations and the organizations do not provide specific financial benefits or impose specific financial burdens to the City. Accordingly, the financial activities of the Wilmington Housing Authority, the Wilmington Economic Development Corporation, and the Hope Commission are not included in the City's financial statements.

B. Government-wide and Fund Financial Statements

The government-wide financial statements (i.e., the statement of net position and the statement of activities) report information on all of the non-fiduciary activities of the City (the primary government) and its component units. As a general rule, the effect of inter-fund activity has been eliminated from the government-wide financial statements. All internal balances in the statement of net position have been eliminated with the exception of those representing balances between the governmental activities and the business-type activities, which are presented as offsetting internal balances and eliminated. In the statement of activities, internal service fund transactions have been eliminated; however, those transactions between government and business-type activities have not been eliminated. Governmental activities, which normally are supported by taxes and intergovernmental revenues, are reported separately from business-type activities, which rely to a significant extent on fees and charges for support.

The statement of activities demonstrates the degree to which the direct expenses relate to a given function or segment and amount of related program revenues. Direct expenses are those that are clearly identifiable with a specific function or segment. Program revenues include 1) charges to customers who purchase, use, or directly benefit from goods, services, or privileges provided by a function or segment, and 2) grants and contributions that are restricted to meeting the operational or capital requirements of a function or segment. Taxes and other items not properly included among program revenues are reported instead as general revenues.

Separate financial statements are provided for governmental funds, proprietary funds, and fiduciary funds, although the latter are excluded from the government-wide financial statements. Major individual governmental funds and major individual enterprise funds are reported as separate columns in the fund financial statements. All remaining governmental funds are aggregated and reported as non-major funds. In addition, the fund financial statements present internal service funds and fiduciary funds by fund type.

C. Measurement Focus, Basis of Accounting, and Financial Statement Presentation

Government-Wide, Proprietary, and Fiduciary Fund Financial Statements

The government-wide, proprietary, and fiduciary fund financial statements are reported using the economic resources measurement focus and the accrual basis of accounting. Revenues are recorded when earned and expenses are recorded at the time liabilities are incurred, regardless of the timing of the related cash flows. Property taxes are recognized as revenue in the year for which they are levied. Grants and similar items (non-exchange transactions) are recognized as revenue as soon as all eligibility requirements imposed by the provider have been satisfied.

Governmental Fund Financial Statements

The governmental fund financial statements are reported using the current financial resources measurement focus and the modified accrual basis of accounting. Revenues are recognized when they become measurable and available. "Measurable" means the amount of the transaction can be determined and "available" means collectible within the current period or soon enough thereafter to be used to pay liabilities of the current period. The City considers Governmental fund revenues to be available if they are collected within 60 days after yearend. Revenues for 2023 include property taxes levied principally on July 1, 2022 and collected within 60 days after yearend. Other major revenue types considered measurable and "susceptible to" accrual include expenditure-reimbursement type grants (when all applicable eligibility requirements have been met) and certain intergovernmental revenues. Governmental fund expenditures are recognized in the accounting period the liability is incurred, if measurable and payable from current available resources.

Expenses are recorded when the related fund liability is incurred (upon receipt of goods or services), except for principal and interest on general long-term debt, claims and judgments, and compensated absences, which are recognized as expenses to the extent they have matured. General capital asset acquisitions are reported as expenditures in governmental funds. Long-term debt and acquisitions under capital leases are reported as other financing sources.

The City reports the following major governmental funds:

The General Fund is the City's primary operating fund. It accounts for all financial transactions of the City except those resources required to be accounted for in another fund. Revenues are derived principally from property taxes, municipal user taxes, employee wage taxes, and intergovernmental revenues. This fund accounts for expenditures for the general administrative

services of the City, parks and recreation, public safety, public works, licenses and inspections, real estate and housing, and debt service on general long-term obligations.

The Capital Projects Fund is used to account for the acquisition or construction of major capital facilities other than those financed by Proprietary Funds or other Governmental Funds. Revenue sources include bond proceeds, state and federal grants, and project revenues.

The American Rescue Plan Act Fund is used to account for the funds allocated to the City of Wilmington through the American Rescue Plan Act by the U.S. Department of the Treasury.

The City reports the following major enterprise fund:

The Water and Sewer Fund reports City water and sewer utility operations and storm water management activities that provide services financed primarily by user charges.

The City also reports the following fund types:

Internal Service Funds are used to account for goods or services provided by the City to other departments and funds or to other governmental units on a cost-reimbursement basis. The services accounted for in these funds include the motor vehicle pool, self-insurance, workers' compensation, and health and welfare benefits.

Pension Trust Funds reports the City's six pension retirement funds and a pension healthcare trust fund which accumulate resources for pension benefit payments to qualified employees.

With limited exceptions, the effects of internal activity have been eliminated from the government-wide financial statements. Exceptions include charges by one government function to another where services have been provided. Elimination of these charges would distort the direct costs and program revenues reported for various functions.

Amounts recorded as program revenues include a) charges to customers or applicants for materials, services or privileges provided, b) operating grants and contributions, and c) capital grants and contributions. Internally dedicated resources including all taxes are reported as general revenues.

The preparation of the City's financial statements requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities, the disclosure of contingent items at the date of the financial statements, and the reported amounts of revenues and expenditures/expenses during the fiscal year. Actual results could differ from those estimates.

Proprietary funds distinguish operating revenues and expenses from non-operating items. Operating revenues and expenses generally result from providing services and producing and delivering goods in connection with a proprietary fund's principal ongoing operations. The principal operating revenues of the Water and Sewer fund and internal service funds are charges to customers for sales and services.

The Water and Sewer fund recognizes operating revenues for the portion of connection fees related to the cost to connect customers to the system. Operating expenses for enterprise and internal service funds include the cost of sales and services, administrative expenses, and depreciation on capital assets. All revenues and expenses not meeting this definition are reported as non-operating revenues and expenses.

When an expense is incurred that can be paid using either restricted or unrestricted resources (net position), the City's policy is to first apply the expense toward restricted resources and then toward unrestricted resources.

D. Assets, Liabilities and Fund Equity**Deposits and Investments**

Cash and Cash Equivalents The City's cash and cash equivalents are considered to be cash on hand, demand deposits, and short-term investments with original maturities within one year from the date of acquisition. The City and its component units invest all temporary cash surpluses except for funds managed and invested by outside custodians. These temporary investments consist of certificates of deposit, U.S. Government securities, and time deposits. It is the City's and its component units' policies that all repurchase agreements be secured with U.S. Government securities. It is also their policies to consider demand deposits and highly liquid investments with maturities of one year or less when purchased and not under management of custodians or restricted as "cash and cash equivalents." Accordingly, cash and cash equivalents do not include "pooled investments" and "restricted investments," discussed below, and therefore, the two latter categories are excluded from beginning and ending balances for cash and cash equivalents in the statements of cash flows although restricted cash and cash equivalents are included.

Pooled Investments include pension investments pooled under management of outside custodians, are external in nature, and not considered highly liquid. These pooled investments consist of individual securities with identifiable street names, except for amounts invested in mutual funds as presented in Note 3.

Restricted Investments may occur in connection with various bond and trust agreements. Investments are deposited into restricted accounts for the purpose of constructing capital additions, or expenditures in a blended component unit. Earnings from these three cash and investment categories discussed above are credited to their respective funds. An analysis of the cash and investments is presented in Note 3.

Investments in the Fiduciary Funds are recorded at fair value as measured by quoted prices in an active market. The change for the fiscal year in the aggregate fair value of investments is reflected in the Statement of Changes in Fiduciary Net Position as "Net Appreciation (Depreciation) in Fair Value."

Investment Policies

Primary Government - Pooled Cash - The City's investment policy for surplus cash and investments is governed by the State of Delaware's Constitution. The City is authorized to make direct investments in:

- Certificates of Deposits from financial institutions which are insured by the Federal Deposit Insurance Corporation or the Federal Savings and Loan Insurance Corporation or, to the extent not insured, collateralized by U.S. Government securities,
- U.S. Government securities,
- Obligations issued or guaranteed by any U.S. Government agency,
- Collateralized repurchase agreements with respect to a U.S. Government securities or U.S. Government agency securities and, Obligations of States, Counties or Cities with a rating of "A" or better.

The City is not authorized to invest in:

- Any speculative type investments,
- Corporate equities,
- Corporate debt securities.

Primary Government - Fiduciary Funds - Deposits and Investments - The investment policy for the City's Pension Trust Funds is in accordance with the Investment Policy Statement of the City of Wilmington Board of Pensions and Retirement. The Investment Policy Statement's general policy is to apply the prudent person rule. Investments are made as a prudent person would act, with discretion and intelligence, to seek reasonable income, preserve capital and avoid speculative investments. The City's Pension Trust Funds may be invested in domestic equities, international equities, fixed income securities, real estate investment trusts, U.S. Government securities, U.S. Government agency securities, U.S. certificates of deposit, bankers' acceptances, commercial paper or alternate investments.

The Investment Policy Statement of the City of Wilmington Board of Pensions and Retirement delineates the following asset mix, intended to meet the Funds' investment objectives while limiting investment risk by assuring an acceptable level of diversification in the portfolio. The following is a summary of investment policy statement targets adopted by the Board of Pensions and Retirement: U.S. Equities at 49%, Non-U.S. Equities at 14%, Fixed Income at 26%, Real Estate at 7%, and Private Infrastructure 4%. The Policy emphasizes having adequate liquidity to permit benefit payments when due, while at the same time fostering growth in response to the Funds' long-term liabilities through asset allocation and investment guidelines. The Policy seeks to optimize diversification through asset allocation and certain other constraints.

Component Units - The Wilmington Park Trust Fund Commission (a blended component unit) has authority to invest in corporate equities and debt through a 1935 Act of the State Legislature. The Wilmington Parking Authority has authority to invest cash from operations and bond issues, and the assets of its pension funds under the Investment Policy Statement approved by its Board of Directors.

Receivables

Property Taxes are recorded as receivables at the time the tax is levied and billed on July 1 of each year and each quarter thereafter. The taxes become a lien when levied. Annual property taxes are due August 31. Penalty and interest on delinquent property taxes are recorded when imposed. A one-time penalty is imposed on delinquent taxes on August 31 at a ten percent (10%) rate (\$20 minimum) and interest is imposed on October 1 and the first of each month thereafter at the rate of one and one-half percent (1 ½%) on the unpaid principal balance.

Water, Sewer, and Stormwater Customer Charges are recorded when billed except that an estimated amount is recorded for services rendered but not yet billed as of the close of the fiscal year. Generally, this estimate is based on actual billings made subsequent to yearend after giving effect to charges for the subsequent reporting period. Thereafter, interest and penalty on delinquent water and sewer charges are recorded when imposed. A one-time penalty is imposed on the fifteenth (15) day after the due date of the charge at a ten percent (10%) rate (\$20 minimum) and interest is imposed on the first day of each month thereafter at the rate of one and one-half percent (1 ½%) on the unpaid principal balance.

Business License Fees are recorded when billed on January 1 of each year. Accounts become delinquent thirty (30) days after billing, at which time a one-time five percent (5%) penalty or a minimum of \$5 is imposed; this penalty becomes part of the base fee. Thereafter, interest and penalty are each assessed at a rate of one and one-half percent (1 ½%) per month.

Wage Taxes are recorded when paid. Wage taxes withheld by employers and remittable to the City at yearend are recorded as receivables. Receivables are also recorded when employers' payments are reconciled to submitted employee W-2 information due January 31. A one-time penalty of five percent (5%) or a minimum of \$5 is imposed on receivables after February 1 with interest imposed at a rate of one and one-half percent (1 ½%) per month until paid; in certain circumstances penalties of 5% per month may be applied. Additional fines and potential criminal penalties may be imposed under certain circumstances.

Parking Citations are recorded at the time the citation is issued. Accounts become delinquent 21 days after issuance; penalties of \$20 are added after 21 days, 45 days, and 90 days for a total penalty of \$60.

Revenues in the government-wide financial statements are susceptible to accrual in the period in which they become measurable unless accorded other treatment by GASB standards. All revenue and receivables in the government-wide and governmental fund statements are shown net of allowances for uncollectible accounts. Allowances are based on historic trends or specific evaluation as necessary.

Due to/Due from Other Funds which are recorded in the fund financial statements are the yearend outstanding balances of a variety of transactions between funds, including cash transactions, operating expenditures and transfers of resources to provide services, to construct assets and to service debt.

Due to/from Other Governments (or Component Units) primarily consist of amounts arising from transfer payments and amounts due from grantors. Certain revenues collected by the State and remitted to the City are recorded as derived revenue transactions; all amounts are remitted to the City within 60 days of yearend and are recorded as receivable.

Internal Balances are the residual balances outstanding between governmental activities and business-type activities as reported in the government-wide financial statements.

Prepaid Items

Significant prepayments to vendors are recorded as prepaid items and recorded as expenditures when consumed rather than when purchased.

Capital Assets

Capital assets are reported in the Government-wide and Proprietary Fund financial statements. The City has defined capital assets as assets with a minimum cost of \$5,000 (\$25,000 to \$50,000 for land improvements, buildings, and infrastructure) and an estimated useful life in excess of one year. Capital assets may be purchased or constructed and are recorded at cost or estimated historical cost. Donated capital assets including donated works of art and capital assets received in a service concession arrangement are recorded at acquisition value at the date of donation. Collections of art (primarily sculptures) are capitalized but not depreciated if they are preserved and not held for investment. The cost of normal maintenance and repairs that does not add to the value of the asset or materially extend the asset's life are not capitalized.

Capital assets of the City and its component units are depreciated using the straight-line method over the estimated useful lives of the related assets. The City records six months of depreciation in the year the asset is acquired.

The City and its component units generally use the following estimated useful lives unless an asset's life has been adjusted based on actual experience:

<u>Asset Class</u>	<u>Years</u>
Streets & Street Signals	20 - 35
Buildings	50 - 60
Parks and Recreation Facilities	50 - 60
Reservoirs and Water Filter Facilities	50 - 60
Water/Sewer Lines	50 - 60
Wastewater Pump and Treatment Facilities	50 - 60
Machinery and Equipment	10 - 15
Vehicles	5 - 10

Subscription-Based Information Technology Arrangements

A Subscription-Based Information Technology, (SBITA), is defined as a contract that conveys control of the right to use another party's (a SBITA vendor's) information technology (IT) software, alone or in combination with tangible capital assets (the underlying IT assets), as specified in the contract for a period of time in an exchange or exchange-like transaction. The City's threshold to record SBITAs is based on its asset capitalization policy.

Unearned Revenue

Unearned revenue consists of revenues that have not met all requirements of revenue recognition. Unearned items primarily consist of reimbursement-type grants where costs have not yet been incurred and funding has been advanced; this includes instances where the City receives periodic advance funding, but has not expended the funds nor met all the criteria to claim the funds as revenue for the current fiscal period.

Compensated Absences

City employees are granted vacation, sick leave and compensatory time in varying amounts based on length of service and bargaining unit. A limited number of vacation, sick days, and compensatory time may be carried forward from year to year, and upon termination, employees are paid accumulated vacation, sick days, and compensatory time at the appropriate rates. Other than for Governmental Funds, the unpaid vested vacation, sick pay, and compensatory time liabilities have been accrued. In the Governmental Funds, (General Fund and Special Revenue Funds) compensated absences are recorded as expenditures in the year paid, as it is the City's policy to liquidate unpaid vacation, sick leave, and compensatory time at June 30 from future resources (typically, of the General Fund) rather than from currently available, expendable resources.

Long-Term Liabilities

In the government-wide financial statements and the proprietary fund types in the fund statements, long-term debt and other long-term obligations are reported as liabilities in the applicable government activities, business-type activities, or proprietary fund type statement of net position. Bond premiums and discounts are amortized over the life of the bonds using the effective interest rate method. Bonds payable are reported net of the applicable bond premium or discount. Under GASB No. 65, bond issuance costs are expensed when incurred.

In the fund financial statements, governmental fund types recognize bond premiums, discounts, and bond issuance costs during the current financial period. The face amount of debt issued is reported as other financing sources. Premiums received on debt issuances are reported as other financing sources while

discounts on debt issuances are reported as other financing uses. Issuance costs, whether or not withheld from actual debt proceeds received, are reported as expenditure.

Deferred Inflows and Outflows

The statements of net position report a separate section for deferred outflows or deferred inflows of resources. Deferred outflows of resources represent a consumption of net assets that applies to future periods. Deferred inflows of resources represent an acquisition of net assets that applies to a future period. The City had unavailable revenues, which qualifies as a deferred inflow of resources. This arises under the modified accrual basis of accounting and therefore only reported in the governmental funds balance sheet. The City also had deferred inflows of resources related to pensions and OPEB that are occurring primarily as a result from changes in the components of the net pension liability and net OPEB liability. Deferred outflows of resources represent consumption of net position that applies to a future period(s) and so will not be recognized as an outflow of resources (expense/expenditure) until then. The City has a deferred charge on refunding reported in the government-wide statement of net position and proprietary fund statement of net position. A deferred charge on refunding results from the difference in the carrying value of refunded debt and its reacquisition price. This amount is deferred and amortized over the shorter of the life of the refunded or refunding debt. The City also had deferred outflows of resources related to pensions that are occurring primarily as a result from changes in the components of the net pension liability and net OPEB liability.

Self-Insurance

The City is exposed to various risks of losses relating to general liability, commercial automobile liability, law enforcement liability, employee benefits liability, employment practices liability, management liability, and abuse/molestation liability (hereinafter “Commercial General Liability”); and inland marine liability. The City has commercial general liability and excess/umbrella insurance to cover these risks, after self-insured retentions, which are covered with Internal Service Funds.

The City also maintains commercial insurance coverage for its commercial property, large value commercial automobiles, inland marine hull, flood, crime, cyberrisk and certain other insurable losses. The City is self-insured for workers compensation and general health claims, which are covered by Internal Service Funds; the City has medical stop loss insurance for large general health claims and specific excess insurance for workers compensation claims.

The claims liabilities included in the Risk Management, Workers’ Compensation and Health and Welfare Funds are based on the results of actuarial studies, and include amounts for claims previously incurred, and including both reported and unreported claims. Claims liabilities are calculated considering the effects of inflation, multi-year loss development trends, and other economic and social factors. It is the City’s practice to obtain actuarial studies annually. Costs are charged back to other funds by these three internal service funds using various allocation methods.

Net Position and Fund Balance

The difference between fund assets, deferred outflows and inflows of resources, and liabilities is “Net Position” on the government-wide, proprietary, and fiduciary fund statements and “Fund Balance” on governmental fund statements. Net position is comprised of three categories: (1) net investment in capital assets; (2) restricted; and (3) unrestricted. The first component of net position consists of capital assets, net of accumulated depreciation, reduced by the outstanding balances of bonds, mortgages, notes, or other borrowings that are attributable to the acquisition, construction, or improvement of those assets. The restricted component of net position consists of restricted assets reduced by liabilities and deferred inflows

of resources related to those assets. Restricted assets reflect those assets whose use is restricted by outside parties or legal constraints. The unrestricted component of net position consists of the net amount of assets, deferred outflows of resources, liabilities, and deferred inflows of resources that are not included in the determination of net investment in capital assets or the restricted component of net position.

In the governmental fund financial statements, fund balances are classified as follows:

- **Nonspendable** – Amounts that cannot be spent either because they are in a nonspendable form or because they are legally or contractually required to be maintained intact.
- **Restricted** – Amounts that can be spent only for specific purposes because of the City Charter, the City Code, state or federal laws, or externally imposed conditions by grantors or creditors.
- **Committed** – Committed funds can only be used for specific purposes pursuant to constraints imposed by City Council, the highest level of decision-making authority in the City. City Council’s formal action to establish committed funds, and to rescind committed funds, is through passage of an ordinance.
- **Assigned** – Amounts that are allocated for a future use by the Mayor but are not spendable until a budget ordinance is passed by City Council.
- **Unassigned** – All amounts not included in other spendable classifications. The General Fund is the only fund that reports a positive unassigned fund balance.

When both restricted and unrestricted resources are available for use, it is the City’s policy to use restricted resources first, and then unrestricted resources as they are needed. When committed resources, assigned resources, and unassigned resources are available for use, it is the City’s policy to use committed resources first, then assigned resources, and then unassigned resources as they are needed.

2. Stewardship, Compliance, and Accountability

A. Legally Adopted Governmental Fund Budgets

Budgets for Governmental funds have been legally adopted for the year ended June 30, 2023. Governmental funds include the General Fund and the non-major funds, which are shown on page 155. Special Revenue funds adopt budgets equal to the expenditures available for reimbursement by grants. All budgets for the above funds are adopted on a basis consistent with generally accepted accounting principles. Budgetary comparison schedules for the General Fund are presented as part of the Basic Statements. Similar comparison schedules for the non-major funds as well as additional detail on General Fund expenditures are presented in the combining and individual fund financial statements and schedule section of this report. More detailed information on the budgeting process is included on pages 145 and 146.

B. Expenditures Over Appropriations

Expenditures for the year ended June 30, 2023, exceeded appropriations in the following funds:

General Fund	Budget Amount	Actual Amount	Variance
City Council	\$ 1,904,439	\$ 1,912,459	\$ (8,020)
Audit	928,125	941,023	(12,898)
Police	63,775,754	64,763,516	(987,762)
Fire	27,541,869	30,024,121	(2,482,252)
Total General Funds	94,150,187	97,641,119	(3,490,932)
Non-Major Funds			
Home Partnership Program	671,179	727,787	(56,608)
Economic Strategic	715	521,938	(521,223)
Housing Strategic	112,683	299,662	(186,979)
Total Non-Major Funds	784,577	1,549,387	(764,810)
	\$ 94,934,764	\$ 99,190,506	\$ (4,255,742)

C. Transfers

During the year ended June 30, 2023, the City of Wilmington's General Fund transferred \$50,322 to Wilmington Early Care and Education Council, \$1,300,000 to City Council for Community Support Grants and \$1,531,310 to Cityfest, Inc, and \$2,927,631 to Wilmington Neighborhood Conservancy Land Bank.

3. Deposits and Investments

The City pools surplus cash and investments of all funds for investment purposes with the City Treasurer. The City also separately pools pension funds with the City Treasurer. Pension funds are held by the City Treasurer and outside custodians; they are managed by the City Treasurer and outside investment managers. Component units use both internal and external management of deposits and investments. Some component units consider certificates of deposit to be investments.

	<u>Primary Government</u>	<u>Fiduciary Funds</u>	<u>Discretely Presented Component Units</u>
<u>Deposits</u>			
Insured Deposits (FDIC)	\$ 1,481,963	\$ 11,063,743	\$ 1,500,000
Uninsured Deposits - Collateral held by pledging bank's agent in the City or Unit's name	187,288,561	-	2,468,679
Certificate of Deposits due within One Year - Collateral held by pledging bank's agent in the City or Unit's name	-	-	1,029,965
Certificate of Deposits due within One year - Uncollateralized	-	-	-
Uninsured and Uncollateralized	<u>2,352,200</u>	<u>-</u>	<u>5,929,039</u>
Total Deposits	<u>\$ 191,122,724</u>	<u>\$ 11,063,743</u>	<u>\$ 10,927,683</u>
<u>Investments</u>			
Money Market Funds	\$ 4,940,661	\$ 3,414,911	\$ 5,201,831
U.S. Treasury Obligations	-	7,995,261	8,377,720
U.S. Government Agencies - Guaranteed	-	10,752,465	-
Municipal Obligations	-	-	-
Corporate & Foreign Bonds and Funds	-	11,713,848	2,684,327
Common Equity & Marketable Securities	-	149,142,524	-
Mutual Funds	-	79,545,386	810,368
Real Estate Investment Trust and Other	<u>-</u>	<u>46,583,127</u>	<u>-</u>
Total Investments	<u>\$ 4,940,661</u>	<u>\$ 309,147,522</u>	<u>\$ 17,074,246</u>
Total Deposits and Investments	<u>\$ 196,063,385</u>	<u>\$ 320,211,265</u>	<u>\$ 28,001,929</u>

Custodial Credit Risk – Deposits

Primary Government and Fiduciary Funds - Custodial credit risk for deposits exists when, in the event of a failure of a depository financial institution, the City may be unable to recover deposits or recover collateral deposits that are in the possession of an outside party. As required by law, all City deposits are federally insured or, to the extent not insured, collateralized by direct obligations of the United States of America.

Custodial Credit Risk – Investments

Primary Government and Fiduciary Funds - Custodial credit risk for investments exists when, in the event of a failure the counterparty to a transaction, a government may be unable to recover the value of investments or collateral securities that are in the possession of an outside party. The table above provides information about the custodial credit risk associated with the Fiduciary Funds' investments. The investments disclosed in the table are uninsured and uncollateralized and held by the City's brokerage firm or bank trust department which is also the counterparty for the securities. The government's investment policy calls for annual reviews of investment custodians and managers.

Interest Rate Risk

Interest rate risk exists when there is a possibility that changes in interest rates could adversely affect an investment's fair value.

Primary Government - The City's policy is to limit interest rate risk and to maximize safety and liquidity by investing excess general cash in insured and fully collateralized certificates of deposit and interest bearings bearing checking accounts. The Wilmington Park Trust Fund Commission (a blended component) is exposed to this risk in that it held exchange traded funds and mutual fund assets amounting to \$4,940,661.

Component Units - The Wilmington Parking Authority is exposed to this risk in that it held certificates of deposits and money market fund assets amounting to \$5,757,831 due within one year, U.S. Treasury Notes amounting to \$7,821,720 and due within five years and Corporate & Foreign Bonds amounting to \$2,684,327 due within five years as of June 30,2023. Wilmington UDAG Corporation is exposed to interest rate risk in its investment in the Grow Wilmington Fund (GWF.) The GWF operates a small business loan program. The program makes loans with varying terms and interest rates. As of June 30,2023, there were six program loans outstanding (including two in default that are considered impaired) with 85% concentrated in one borrower.

Fiduciary Funds - The Investment Policy Statement's policy with regards to interest rate risk is that the average duration of fixed income securities held shall never be more than nine months greater or less than the most recently published average duration of the Barclays Capital Intermediate Government/Credit Index. The following is a maturity schedule summarizing fixed income and short-term investments as of June 30,2023.

Investment Type	Fair Value	Investment Maturities (in Years)				
		< 1 year	1-4.9	5-9.9	10-19.9	> 20
U.S. Treasuries	\$ 7,995,262	\$ 448,463	\$ 1,994,165	\$ 2,825,530	\$ 1,533,641	\$ 1,193,463
U.S. Govt. Agencies -						
Guaranteed	10,752,466	-	1,164,137	-	2,190,994	7,397,335
Municipal Bonds	-	-	-	-	-	-
Corporate & Foreign Bonds	11,713,846	-	8,232,973	2,222,329	994,139	264,405
Total	\$ 30,461,574	\$ 448,463	\$ 11,391,275	\$ 5,047,859	\$ 4,718,774	\$ 8,855,203

Fair Value Measurements

The City follows the provisions of GASBS No.72, *Fair Value Measurement and Application*. Under GASBS No. 72, fair value is defined as the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date. GASBS No.72 establishes a fair value hierarchy for inputs used in measuring fair value that maximizes the use of observable inputs and minimizes the use of unobservable inputs by requiring that the most observable inputs be used when available.

The fair value hierarchy is categorized into three levels based on the inputs as follows:

Level 1 - Valuations based on unadjusted quoted prices in active markets for identical assets or liabilities that the organization has the ability to access. Since valuations are based on quoted prices that are readily and regularly available in an active market, valuation of these securities does not entail a significant degree of judgment.

Level 2 - Valuations based on quoted prices in markets that are not active or for which all significant inputs are observable, either directly or indirectly.

Level 3 - Valuations based on inputs that are unobservable and significant to the overall fair value measurement.

The City has the following recurring fair value measurements as of June 30,2023:

	June 30, 2023	Quoted Prices in Active Markets for Identical Assets (Level 1)	Significant Other Observable Inputs (Level 2)	Significant Unobservable Inputs (Level 3)
Other Governmental Funds				
Exchange Traded Funds	\$ 3,228,912	\$ 3,228,912	\$ -	\$ -
Mutual Funds	1,711,749	1,711,749	-	-
Total Other Governmental Funds	<u>\$ 4,940,661</u>	<u>\$ 4,940,661</u>	<u>\$ -</u>	<u>\$ -</u>
Fiduciary Funds Investments				
Money Market	\$ 3,414,911	\$ 3,414,911	\$ -	\$ -
Fixed Income Securities	-	-	-	-
U.S. Treasury Obligations	7,995,261	7,995,261	-	-
U.S. Government Agencies				
Guaranteed	10,752,465	10,752,465	-	-
Municipal Bonds	-	-	-	-
Corporate Bonds	11,713,848	11,713,848	-	-
Total Debt Securities	<u>\$ 33,876,485</u>	<u>\$ 33,876,485</u>	<u>\$ -</u>	<u>\$ -</u>

	June 30, 2023	Quoted Prices in Active Markets for Identical Assets (Level 1)	Significant Other Observable Inputs (Level 2)	Significant Unobservable Inputs (Level 3)
Common Equity Securities				
Materials	\$ 3,813,973	\$ 3,813,973	\$ -	\$ -
Industrials	13,378,841	13,378,841	-	-
Telecommunication Services	5,522,821	5,522,821	-	-
Consumer Discretionary	8,925,740	8,925,740	-	-
Consumer Staples	4,535,200	4,535,200	-	-
Energy	4,115,669	4,115,669	-	-
Financial	11,682,645	11,682,645	-	-
Health Care	12,093,052	12,093,052	-	-
Information Technology	20,336,217	20,336,217	-	-
Utilities	2,744,978	2,744,978	-	-
Real Estate	2,551,432	2,551,432	-	-
Miscellaneous	17,455	17,455		
Total Common Equity Securities	<u>89,718,023</u>	<u>89,718,023</u>	-	-
Mutual Funds	59,424,500	59,424,500	-	-
Common Collective Funds	79,545,387	79,545,387	-	-
Other Investments	688,285	688,285		
Total Fiduciary Funds Investments	<u>\$263,252,680</u>	<u>\$ 263,252,680</u>	<u>\$ -</u>	<u>\$ -</u>

**Fiduciary Funds Investments Measured
at Net Asset Value**

Real Estate Investment Trust	<u>\$ 45,894,842</u>
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The Real Estate Investment consists of investment in two partnerships, the objective of the investments is to combine an attractive income yield with long-term capital growth by investing primarily in institutional quality real estate assets and real estate related investments within the United States. These investments are valued at the net asset value (NAV) of interests in the partnerships. The NAV, as provided by the General Partners, is used as a practical expedient to estimate fair value. The NAV is based on the fair value of the underlying investments held by the fund less its liabilities. The General Partners will generally determine the NAV of the Funds on at least a quarterly basis. Limited Partners may elect, upon at least 90 days' written notice to the General Partners, to have some or all their Interests redeemed at the Net Asset Value Per Share as of the last day the calendar quarter immediately preceding the date of the redemption. To the extent that liquid assets of the Funds, as determined by the General Partners, are insufficient to satisfy redemption requests, interests are generally expected to be redeemed on a pro rata basis as liquid assets become available. The General Partners cannot be required to sell investments to satisfy redemption requests. As of June 30,2023, the fair value for this investment was \$45,894,842.

Component Units**Wilmington Parking Authority**

	<u>June 30, 2023</u>	<u>Quoted Prices in Active Markets for Identical Assets (Level 1)</u>	<u>Significant Other Observable Inputs (Level 2)</u>	<u>Significant Unobservable Inputs (Level 3)</u>
Unrestricted Investments				
Money Market Mutual Funds	\$ 5,201,831	\$ 5,201,831	\$ -	\$ -
U.S. Treasury Obligations	7,771,863	7,771,863	-	-
Municipal Bonds	-	-	-	-
Corporate Bonds	2,684,327	2,684,327	-	-
Total Unrestricted Investments	<u>\$ 15,658,021</u>	<u>\$ 15,658,021</u>	<u>\$ -</u>	<u>\$ -</u>
Restricted Investments				
Treasury obligation fund	\$ 605,857	\$ 605,857	-	-
Total Restricted Investments	<u>\$ 605,857</u>	<u>\$ 605,857</u>	<u>\$ -</u>	<u>\$ -</u>

Credit Risk

The Investment Policy Statement requires that the average quality of fixed income investments in any fixed income manager's portfolio shall equal or exceed Moody's AA or equivalent rating and the minimum quality of any single fixed income investment purchased or retained shall equal Moody's Baa or equivalent rating. As of June 30,2023, the Pension Trust Funds' fixed income and short-term investments had the following risk characteristics.

<u>Moody's Ratings or Comparable</u>	<u>Percent of Total Benefit Trust Funds</u>	<u>Fair Value</u>
Baa and higher	6.7%	\$ 17,637,930
Government	<u>4.2%</u>	<u>11,056,613</u>
	<u>10.9%</u>	<u>\$ 28,694,543</u>

Concentration of Credit Risk

When investments are concentrated in one issuer (excluding the U.S. Government), this concentration presents a heightened risk of loss. As of June 30, 2023, there were no investments with a fair value in excess of 5% of the Funds' net position invested in any one particular issue.

Foreign Currency Risk

There are no Pension Funds exposed to foreign currency.

Investment Commitments

The Pension Funds had no investment commitments at June 30,2023.

Reconciliation to Statements of Net Position

The following provides the reconciliation between amounts disclosed above and the amounts presented in the Statements of Net Position.

	<u>Primary Government</u>	<u>Pension Trust Funds</u>	<u>Component Units</u>
Cash and Cash Equivalents	\$ 191,122,724	\$ 11,063,743	\$ 9,897,718
Investments	<u>4,940,661</u>	<u>309,147,523</u>	<u>18,104,211</u>
	<u>\$ 196,063,385</u>	<u>\$ 320,211,266</u>	<u>\$ 28,001,929</u>
Unrestricted	\$ 158,054,427	\$ -	\$ 5,577,359
Restricted	38,008,958	-	22,424,570
Fiduciary Funds	<u>-</u>	<u>320,211,266</u>	<u>-</u>
	<u>\$ 196,063,385</u>	<u>\$ 320,211,266</u>	<u>\$ 28,001,929</u>

Restricted Cash and Investments

At June 30,2023, the City had \$4,940,661 of investments in a non-major special revenue fund. These are shown as restricted assets in the Statement of Net Position as they are in separate accounts within a blended component unit and are available only for park operations.

The city also had \$26,217,455 in temporarily restricted cash at June 30,2023. The components were: \$3,434,308 related to Water and Sewer Fund contractual requirements and \$12,719,215 related to unspent proceeds of bond offerings in the Water and Sewer Fund, and \$10,063,932 related to unspent bond proceeds in the Capital Projects Fund. The proceeds are invested primarily in certificates of deposit and are tracked and managed separately from operating cash by the City Treasurer. The funds can only be spent on capital projects. The City classifies these as restricted funds due to the source, the management of the funds, and the expenditure restrictions. The funds have never been used for temporary purposes and City policies prevent this from occurring.

Component Unit**UDAG- Grow Wilmington Fund**

On October 28, 2014 Wilmington UDAG Corp (WUC) entered into a Multi-Party Loan and Participation Agreement (MPLPA) with Grow America Fund, Inc. (GAF) and Discover Bank to establish a revolving loan fund (the Grow Wilmington Fund) intended to make loans to small businesses (Program Loans) in the City of Wilmington under the Small Business Act. As of June 30,2023, WUC's equity interest in the Grow Wilmington Fund was \$810,368 with \$0 related liability. At the termination of the MPLPA, originally set for 2024 or earlier as mutually agreed, WUC will receive back its equity interest in the Grow Wilmington Fund, plus earnings, minus fees and any defaults not covered by collateral. WUC will provide assistance in marketing the Grow Wilmington Fund to potential borrowers. The Program Loans are made in GAF's name as the lender. GAF, with input from WUC, determines the terms for each Program Loan, including the amount of the loan and the security collateral for repayment of the loan. At June 30,2023 there were six Program Loans outstanding (including two loans which were in default/liquidation status and fully reserved) with approximately 85% of outstanding unreserved portfolio concentrated in one borrower.

4. Receivables**Primary Government**

Receivables as of yearend for the Government's major and non-major funds (including applicable allowances for uncollectible accounts) are as follows:

	Governmental Activities			Business-type Activities			
	General	Non-Major Funds	Internal Service Funds	Total Governmental Funds	Water & Sewer Fund	Wilmington Land Bank	Total Business Type Activities
Receivables:							
Property Taxes	\$ 5,497,861	\$ -	\$ -	\$ 5,497,861	\$ -	\$ -	\$ -
Wage taxes	18,445,612	-	-	18,445,612	-	-	-
Parking & Red Light Citations	14,923,879	-	-	14,923,879	-	-	-
Business Licenses	2,383,493	-	-	2,383,493	-	-	-
Signs and Licenses	9,848,364	-	-	9,848,364	-	-	-
Stop Loss & Prescription Rebates	-	-	1,333,164	1,333,164	-	-	-
Other	1,047,877	2,638,596	42,514	3,728,987	-	714,225	714,225
Utility Bills	-	-	-	-	34,986,896	-	34,986,896
Gross Receivables	52,147,085	2,638,596	1,375,677	56,161,359	34,986,896	714,225	35,701,121
Less: Allowance for Uncollectibles	(26,813,477)	(478,415)	-	(27,291,891)	(13,769,126)	-	(13,769,126)
Net Total Receivables	\$ 25,333,609	\$ 2,160,182	\$ 1,375,677	\$ 28,869,468	\$ 21,217,770	\$ 714,225	\$ 21,931,995

Revenues of the Water and Sewer Fund are reported net of the change in uncollectible amounts; the change in 2023 increased revenues by \$1,275,966.

Discretely Presented Component Units

Net receivables as of yearend for the Component Units are as follows:

	Riverfront					Total
	Downtown Visions	Business Improvement District	Wilmington UDAG Corporation	Rock Manor Golf Corporation	Wilmington Parking Authority	
Receivables:						
Accounts	\$ 130,255	\$ 49,999	\$ -	\$ 32,499	\$ 1,383,028	\$ 1,595,781
Mortgages and Loans	-	-	1,212,492	-	-	1,212,492
Total Receivables	\$ 130,255	\$ 49,999	\$ 1,212,492	\$ 32,499	\$ 1,383,028	\$ 2,808,273

5. Notes Receivable**Primary Government**

The City of Wilmington provided a line of construction funding to the Wilmington Housing Partnership Corporation up to a maximum of \$4,000,000 outstanding at any one time. During the year ended June 30, 2019, due to economic factors, the receivable from Wilmington Housing Partnership Corporation became impaired and an allowance for the doubtful portion of the receivable was established by the City. The net receivable at June 30, 2023, is \$0 (\$3,378,371 in principal and \$151,112 in interest less allowance of \$3,529,483) and is included in the government-wide statement of net position and governmental funds balance sheet. The Wilmington Housing Partnership is a blended component unit of the City of Wilmington, as discussed in Note 1. On October 3, 2019 City of Wilmington entered into a forbearance agreement with the Wilmington Housing Partnership Corporation for eighteen months. On November 16, 2021, the forbearance agreement was extended through May 3, 2023. On May 1, 2023, the forbearance agreement was extended through November 1, 2024.

A note receivable was established with the Wilmington Housing Partnership Corporation on November 30, 2018 in the amount of \$274,737. Interest at the rate of 3% accrues on the unpaid principal balance. All outstanding sums of principal, interest and other charges are due and payable on November 21, 2038. The net receivable at June 30, 2023 is \$0. (\$274,737 in principal less allowance of \$274,737) is included in the government-wide statement of net position and governmental funds balance sheet.

6. Capital Assets**A. Primary Government**

The capital asset activity for Governmental Activities for the year ended June 30, 2023 was as follows:

	<u>June 30, 2022</u>	<u>Increases</u>	<u>Decreases</u>	<u>June 30, 2023</u>
Governmental activities:				
Capital Assets Not Being Depreciated:				
Land	\$ 24,090,181	\$ -	\$ -	\$ 24,090,181
Art	3,144,601	743	-	3,145,344
Construction-In-Progress	3,872,874	5,517,858	(2,478,218)	6,912,514
Total Capital Assets not being Depreciated	<u>31,107,656</u>	<u>5,518,601</u>	<u>(2,478,218)</u>	<u>34,148,039</u>
Capital Assets Being Depreciated:				
Buildings and Improvements	92,569,482	994,252	-	93,563,734
Parks and Recreation Facilities	45,027,408	1,307,644	-	46,335,052
Streets and Street Signals	141,051,658	6,182,090	(3,466,951)	143,766,797
Vehicles, Equipment and Other Assets	84,682,152	6,502,114	(2,397,762)	88,786,504
Total Capital Assets Being Depreciated	<u>363,330,700</u>	<u>14,986,100</u>	<u>(5,864,713)</u>	<u>372,452,087</u>
Less Accumulated Depreciation For:				
Buildings	(36,659,559)	(1,957,052)	-	(38,616,611)
Parks and Recreation Facilities	(23,339,028)	(845,971)	-	(24,184,999)
Streets and Street Signals	(58,212,832)	(4,467,507)	3,466,951	(59,213,388)
Vehicles, Equipment and Other Assets	(57,872,770)	(5,065,193)	2,266,380	(60,671,583)
Total Accumulated Depreciation	<u>(176,084,189)</u>	<u>(12,335,723)</u>	<u>5,733,331</u>	<u>(182,686,581)</u>
Total Capital Assets Being Depreciated, Net	<u>187,246,511</u>	<u>2,650,377</u>	<u>(131,382)</u>	<u>189,765,506</u>
Governmental Activities Capital Assets, Net	<u>\$ 218,354,167</u>	<u>\$ 8,168,978</u>	<u>\$ (2,609,600)</u>	<u>\$ 223,913,545</u>

The capital asset activity for Business-type Activities for the year ended June 30, 2023 was as follows:

	<u>June 30, 2022</u>	<u>Increases</u>	<u>Decreases</u>	<u>June 30, 2023</u>
Business-type Activities				
Capital Assets Not Being Depreciated:				
Land	\$ 4,060,443	\$ -	\$ -	\$ 4,060,443
Construction-In-Progress	38,783,749	16,187,437	(23,832,757)	31,138,429
Total Capital Assets not being Depreciated	<u>42,844,192</u>	<u>16,187,437</u>	<u>(23,832,757)</u>	<u>35,198,872</u>
Capital Assets Being Depreciated:				
Buildings and Improvements	28,776,310	6,591,949	-	35,368,259
Vehicles, Equipment and Other Assets	29,956	-	-	29,956
Reservoirs and Water Filter Facilities	170,118,236	2,602,580	-	172,720,816
Water Lines	75,665,754	9,498,404	(1,979,665)	83,184,493
Wastewater Pump and Treatment Facilities	204,588,717	641,894	-	205,230,611
Sewer Lines	43,232,788	4,903,361	(1,021,962)	47,114,187
Total Capital Assets Being Depreciated	<u>522,411,761</u>	<u>24,238,188</u>	<u>(3,001,627)</u>	<u>543,648,322</u>
Less Accumulated Depreciation For:				
Buildings and Improvements	(7,986,353)	(1,102,189)	-	(9,088,542)
Vehicles, Equipment and Other Assets	(16,476)	(9,735)	-	(26,211)
Reservoirs and Water Filter Facilities	(47,763,246)	(2,978,320)	-	(50,741,566)
Water Lines	(26,771,359)	(2,047,899)	1,979,665	(26,839,593)
Wastewater Pump and Treatment Facilities	(106,508,195)	(3,903,563)	-	(110,411,758)
Sewer Lines	(10,612,936)	(884,375)	1,021,962	(10,475,349)
Total Accumulated Depreciation	<u>(199,658,565)</u>	<u>(10,926,081)</u>	<u>3,001,627</u>	<u>(207,583,019)</u>
Total Capital Assets Being Depreciated, Net	<u>322,753,196</u>	<u>13,312,107</u>	<u>-</u>	<u>336,065,303</u>
Business-type Activities Capital Assets, Net	<u>\$ 365,597,388</u>	<u>\$ 29,499,544</u>	<u>\$ (23,832,757)</u>	<u>\$ 371,264,175</u>

The total amount of the City's subscription-based information technology assets, as of June 30, 2023, in the Governmental Activities, are \$1,011,894 and the related amortization expense and accumulated amortization are \$337,298

Depreciation expense was charged to functions/programs of the primary government as follow:

Governmental Activities

General Government	\$ 1,019,663
Real Estate and Housing	69,851
Public Works	8,177,672
Parks and Recreation	989,669
Public Safety	<u>2,078,868</u>

Total Depreciation Expense - Governmental Activities \$ 12,335,723

Business-type Activities

Water/Sewer	<u>\$ 10,926,081</u>
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Total Depreciation Expense - Business-type Activities \$ 10,926,081

Construction Commitments

The City of Wilmington has active construction contracts as of June 30, 2023. The programs include street paving, an emergency communications system, and a reservoir and other water and wastewater facilities.

<u>Project</u>	<u>Spent-to-Date</u>	<u>Remaining Commitment</u>
General Capital Projects	\$ 62,429,156	\$ 15,183,842
Reservoirs & Other Water and Wastewater Projects	<u>63,784,597</u>	<u>14,877,943</u>
Total	<u>\$ 126,213,753</u>	<u>\$ 30,061,785</u>

B. Component Units

The Capital asset activity for the City's component units for the year ended June 30, 2023, was as follows:

	<u>Beginning Balance</u>	<u>Increases</u>	<u>Decreases</u>	<u>Ending Balance</u>
Capital Assets Not Being Depreciated:				
Land	\$ 16,319,059	\$ -	\$ (6,794,192)	\$ 9,524,867
Intangible Assets	5,000,000	-	-	5,000,000
Construction-In-Progress	<u>1,316,268</u>	<u>477,877</u>	<u>(991,758)</u>	<u>802,387</u>
Total Capital Assets Not Being Depreciated	<u>22,635,327</u>	<u>477,877</u>	<u>(7,785,950)</u>	<u>15,327,254</u>
Capital Assets Being Depreciated:				
Buildings and Improvements	74,686,983	285,211	(3,709,778)	71,262,416
Machinery and Equipment	4,763,603	43,039	(342,257)	4,464,385
Vehicles & Other Assets	<u>796,601</u>	<u>159,891</u>	<u>(29,282)</u>	<u>927,210</u>
Total Capital Assets Being Depreciated	<u>80,247,187</u>	<u>488,141</u>	<u>(4,081,317)</u>	<u>76,654,011</u>
Less Accumulated Depreciation For:				
Buildings and Improvements	(52,356,621)	(1,876,693)	3,238,811	(50,994,503)
Machinery and Equipment	(4,470,463)	(95,324)	342,232	(4,223,555)
Vehicles & Other Assets	<u>(516,084)</u>	<u>(49,316)</u>	<u>27,427</u>	<u>(537,973)</u>
Total Accumulated Depreciation	<u>(57,343,168)</u>	<u>(2,021,333)</u>	<u>3,608,470</u>	<u>(55,756,031)</u>
Total Capital Assets Being Depreciated, Net	<u>22,904,019</u>	<u>(1,533,192)</u>	<u>(472,847)</u>	<u>20,897,980</u>
Capital Assets, Net	<u>\$ 45,539,346</u>	<u>\$ (1,055,315)</u>	<u>\$ (8,258,797)</u>	<u>\$ 36,225,234</u>

7. Interfund Balances and Transfers

Interfund balances arise primarily from the General Fund's role as receiver, investor, and disbursing officer of cash. The payable from the Internal Service Funds (primarily the Motor Vehicle Fund) arises from vehicle purchases that will be collected through charges to the General and other funds. Interfund balances are expected to be repaid within one year.

The General Fund is owed \$11,000,242 by the Fiduciary Funds at June 30, 2023. The liability relates to the pension payments disbursed from the General Fund on behalf of the Fiduciary Funds during the year.

The General Fund is owed \$2,680,199 by the Motor Vehicle Fund at June 30, 2023; the liability relates to the acquisition of garage assets and motor vehicles and is shown as an advance to Other Funds as management intends to repay this advance from internal service charges based in part on depreciation incurred over the life of the assets.

The General Fund is also owed \$11,857,176 by the Motor Vehicle Fund, the Risk Management Fund, and the Health and Welfare Fund due to the General Fund's role as receiver, investor, and distributor of cash.

During the year ended June 30, 2023, the City of Wilmington transferred \$1,531,310 to Cityfest, Inc., \$1,300,000 to City Council for Community Support Grants, \$2,927,631 to the Wilmington Neighborhood Conservancy Land Bank Corporation and \$50,322 to Wilmington Early Care and Education Council.

The composition of interfund balances as of June 30, 2023, is as follows:

	Payable Funds					Total
	General	Other Governmental Funds	Internal Service Funds	Water & Sewer	Fiduciary Funds	
Receivable Funds						
General Fund	\$ -	\$ 878,082	\$ 14,537,375	\$ 584,991	\$ 11,000,242	\$ 27,000,690

8. Subscription-based Information Technology Arrangements

The City implemented the provisions of GASBS No. 96 Subscription-Based Information Technology Arrangements (SBITA) effective July 1, 2022. The City recognized and measured its SBITAs using the facts and circumstances that existed as of July 1, 2022.

Fiscal Year	Principal	Interest
2024	\$ 321,814	\$ 31,298
2025	337,100	16,012
Total	\$ 658,914	\$ 47,310

On October 15, 2020, the City entered an agreement with Axon Enterprises, Inc. for police body cameras and a five-year subscription for related licenses, software and services. The Axon software processes and stores video evidence from the police body cameras. Future minimum payments required for the software are as follows:

For financial statement purposes the City has used the prime rate in effect as of the initial measurement date of 4.75%.

9. Long-Term Debt – Primary Government**A. Changes in Long-Term Liabilities**

The following is a summary of debt transactions of the City (primary government) for the year ended June 30, 2023.

	Balance			Balance	Due Within
	June 30, 2022	Additions	Reductions	June 30, 2023	One Year
Governmental Activities:					
Bonds Payable	\$ 106,220,247	-	\$ (9,581,665)	\$ 96,638,582	\$ 8,982,300
Premium on Debts Issued	14,310,168	-	(2,312,777)	11,997,391	-
Total Bonds Payable	120,530,415	-	(11,894,442)	108,635,973	8,982,300
Leases	1,118,771	1,108,460	(634,155)	1,593,076	651,877
Insurance Claims Payables	26,102,761	26,475,236	(27,792,981)	24,785,017	7,154,764
Compensated Absences	9,607,623	6,520,557	(6,193,690)	9,934,490	6,193,690
Subscription Based Information Technology Arrangement	-	1,011,894	(352,980)	658,914	321,814
Net Pension Liability	93,643,495	1,334,788	(11,082,484)	83,895,799	-
Net OPEB Liability	14,898,955	(4,409,062)	-	10,489,893	-
Government Activity					
Long-Term Liabilities	<u>\$ 265,902,020</u>	<u>\$ 32,041,873</u>	<u>\$ (57,950,732)</u>	<u>\$ 239,993,162</u>	<u>\$ 23,304,445</u>
Business-type Activities					
Bonds Payable	\$ 208,948,150	\$ 5,114,571	\$ (16,398,675)	\$ 197,664,046	\$ 8,814,034
Premium on Debt Issue	12,474,374	-	(1,887,046)	10,587,328	-
Total Bonds Payable	221,422,524	5,114,571	(18,285,721)	208,251,374	8,814,034
Net Pension Liability	4,035,039	216,006	-	4,251,045	-
Compensated Absences	543,181	639,956	(570,625)	612,512	612,512
Business-type Activities					
Long-Term Liabilities	<u>\$ 226,000,744</u>	<u>\$ 5,970,533</u>	<u>\$ (18,856,346)</u>	<u>\$ 213,114,931</u>	<u>\$ 9,426,546</u>

	Balance			Balance	Due Within
	<u>June 30, 2022</u>	<u>Additions</u>	<u>Reductions</u>	<u>June 30, 2023</u>	<u>One Year</u>
Discretely Presented Component Units					
Wilmington Parking Authority	\$ 10,006,355	\$ -	\$ (784,679)	\$ 9,221,676	\$ 819,679
Downtown Visions	436,458	-	(30,151)	406,307	31,408
Rock Manor	663,865	-	(117,521)	546,344	63,209
Component Units					
Long-Term Liabilities	<u>\$ 11,106,678</u>	<u>\$ -</u>	<u>\$ (932,351)</u>	<u>\$ 10,174,327</u>	<u>\$ 914,296</u>

B. General Obligation Bonds

The City of Wilmington issues general obligation bonds to provide funds for the acquisition and construction of major capital assets.

General Fund revenues are used to satisfy general obligation bonds payable recorded in the governmental activities section of the government-wide statement of net position, and General obligation bonds recorded in the business-type activities section are payable from revenues of the Water & Sewer Fund. These include general obligation financing agreements with the Delaware Drinking Water State Revolving Fund (DDWSRF) acting through the Delaware Department of Health & Social Services and the Delaware Water Pollution Control Revolving Fund (DWPCRF) of the Delaware Department of Natural Resources and Environmental Control. General obligation bonds are secured by the full faith and credit of the City.

Bonds issued by the Wilmington Parking Authority (a discretely presented component unit) are guaranteed by the City if the resources of the Authority are insufficient to cover debt service on the bonds.

The City is subject to the rules and regulations established by the Internal Revenue Code and the U.S. Treasury that, under certain conditions, may create an arbitrage rebate to be paid to the federal government.

The City's governmental funds debt service payments of \$14,687,491 in fiscal year 2023 were within the statutory debt limit of \$31,230,607.

The following is a summary of general obligation bonds outstanding as of June 30, 2023:

Date of Issue/ Maturity	Amount of Original Issue	Description	Interest Rates	Balance Outstanding June 30, 2023
2002/2025	\$ 11,000,000	STATE REV LOAN - 2002	2.96%	\$ 1,528,028
2005/2028	13,700,000	STATE REV LOAN - 2005 C	2.37%	4,726,743
2007/2028	2,548,501	STATE REV LOAN - 2006 SRF	2.50%	945,737
2007/2028	1,246,499	STATE REV LOAN - 2006B SRF	2.50%	462,129
2007/2028	3,185,000	STATE REV LOAN - 2007 SRF	2.69%	1,192,376
2009/2030	18,975,000	STATE REV LOAN - 2008 SRF	2.92%	10,094,004
2009/2030	5,000,000	STATE REV LOAN - 2008B SRF	2.92%	2,405,350
2009/2031	8,899,999	STATE REV LOAN - 2009 ARRA/SRF	3.24%	2,137,351
2009/2031	2,800,000	STATE REV LOAN - 2009C DWPCRF	2.00%	1,354,795
2011/2032	2,500,000	STATE REV LOAN - 2011 DDWSRF	2.00%	1,538,603
2011/2032	2,500,000	STATE REV LOAN - 2011A DDWSRF	2.00%	1,338,960
2012/2022	1,556,594	STATE REV LOAN - 2011 SEU	1.99%	383
2012/2033	2,500,000	STATE REV LOAN - 2012A DDWSRF	2.41%	1,731,228
2012/2034	2,000,000	STATE REV LOAN - 2012B DDWSRF	2.41%	1,267,063
2012/2035	1,200,000	STATE REV LOAN - 2012C DWPCRF	2.41%	804,544
2012/2032	1,500,000	STATE REV LOAN - 2012D DWPCRF	3.00%	245,993
2014/2034	36,060,000	STATE REV LOAN SRF CO-GEN	3.00%	24,752,897
2014/2036	4,000,000	STATE REV LOAN 2014-A SRF LOAN	2.20%	2,994,541
2014/2036	2,500,000	STATE REV LOAN 2014 SRF LOAN	2.20%	1,747,348
2016/2037	5,000,000	STATE REV LOAN SERIES 2016A SRF	2.00%	4,256,327
2018/2034	3,490,753	STATE REV LOAN SERIES 2017A SRF	2.50%	2,258,722
2018/2039	2,000,000	STATE REV LOAN SERIES 2018A SRF	2.00%	1,908,775
2018/2039	4,000,000	STATE REV LOAN SERIES 2018B SRF	2.39%	3,728,156
2019/2041	15,107,399	STATE REV LOAN SERIES 2019A SRF	2.00%	15,107,399
2019/2039	4,000,000	STATE REV LOAN SERIES 2019D SRF	1.57%	3,632,613
2020/2040	5,000,000	STATE REV LOAN SERIES 2020A-DWSRF	3.00%-5.00%	4,801,015
2020/2040	1,206,460	STATE REV LOAN SERIES 2020B-WPCRF	2.00%	1,179,353
2020/2042	2,120,708	STATE REV LOAN SERIES 2020C-SEPRLF	2.00%	1,945,273
2022/2044	1,369,500	STATE REV LOAN SERIES 2021-WPCRF	2.00%	48,649
2022/2041	11,400,000	STATE REV LOAN SERIES 2022-WPCRF	2.00%	3,035,127
2022/2042	7,500,000	STATE REV LOAN SERIES 2022A-DWSRF	2.64%	1,324,074
2011/2030	2,700,000	BONDS PAYABLE - 2011 C CREB	4.63%	2,700,000
2013/2025	37,535,000	BONDS PAYABLE - 2013 A	2.22%	22,303,742
2015/2035	39,425,000	2015 GO BOND PAYABLE	2.00%-5.00%	30,770,000
2017/2028	40,785,000	BONDS PAYABLE - 2017 REF	2.00%-5.00%	30,330,450
2018/2038	37,030,000	2018 GO BOND PAYABLE	3.00%	20,140,000
2020/N/A (1)	1,000,000	2020 Bond Bill (1)	N/A (1)	1,000,000
2020	150,000	U.S. SBA NOTE PAYABLE (LAND BANK)	2.75%	150,000
2021/2041	88,880,000	BONDS PAYABLE - 2020A	3.00%-5.00%	82,282,614
2022/2023	15,000,000	BONDS PAYABLE - 2022 BAN		132,266
Total General Obligation Bonds Payable				<u>\$ 294,302,628</u>

Primary Government

On May 23rd, 2022, the City issued General Obligation Bond Anticipation Notes (BAN) Series of 2022. The BANs mature on November 23, 2023. 2022 BAN (Capital Budgets 2020 and 2022) was issued in the amount of \$15,000,000 and bears interest at 4.34% of the daily London Interbank Offered Rate (LIBOR through June 30, 2023) plus 0.22%, not to exceed 5%.

The State of Delaware FY2020 Bond Bill (SB 150) allocated \$1,000,000 to the City for property acquisition. The City and State of DE entered into a Memorandum of Agreement dated December 12, 2019 pursuant to which the City and State agreed that the City shall only use the State allocation for the purchase of a commercial property on Market Street in Wilmington, Delaware. The Bond Bill stipulates that proceeds resulting from any subsequent sale of the property shall be subject to a future agreement regarding the use of such proceeds that shall be mutually acceptable to the State, and City.

The City has entered into General Obligation Financing agreements with the DDWSRF acting through the Delaware Department of Health & Social Services, Division of Public Health and the DWPCRF of the Delaware Department of Natural Resources and Environmental Control, but loan amounts have not yet been drawn down and thus are not included in the schedule of outstanding debt. The program related to the loan must start construction within one year of the agreement date. A final loan closing will occur at the end of each project. Unless noted below, the loans' interest rates are set at the time the loans are drawn down. Payments are due every six months, with a term of twenty years. The loans supplement other funding for the costs for the projects specified and are recorded in the Water and Sewer Fund.

- A WPCRF agreement dated July 28, 2023, for an amount not exceeding \$12,000,000 with an interest rate of 2% is related to cost associated to the Rehabilitation of Price's Run Interceptor Sanitary Sewer Line.
- A WPCRF agreement dated July 28, 2023, for an amount not exceeding \$14,500,000 with an interest rate of 2% is related to cost associated to the Finance Design and Installation of a Dry Weather Pump Station at the 11th Street Pump Station location.
- A WPCRF agreement dated July 28, 2023, for an amount not exceeding \$5,406,000 with an interest rate of 2% is related to cost associated to the Rehabilitation of Digester number 5 at the Wilmington Wastewater Treatment Plant.
- A WPCRF agreement dated July 28, 2023, for an amount not exceeding \$16,590,000 with an interest rate of 2% is related to cost associated to the Wastewater Treatment Aeration Process upgrades.
- A WPCRF agreement dated July 28, 2023, for an amount not exceeding \$3,388,000 with an interest rate of 2% is related to cost associated to the Dewatering Process Rehabilitation at Wilmington Wastewater Treatment Plant.
- A DWSRF agreement dated August 4, 2023, for an amount not exceeding \$1,200,000 with an interest rate of 2% is related to cost associated to the Clearwell / Storage Improvements Design Phase 1 Project.
- A DWSRF agreement dated August 4, 2023, for an agreement not exceeding \$11,000,000 with an interest rate of 2% is related to cost associated to the Reliability Improvement Project.
- A DWSRF agreement dated August 4, 2023, for an agreement not exceeding \$18,501,872 with an interest rate of 2% is related to cost associated to the Water Distribution and Transmission Improvements – Lead Removal Project.
- A DWSRF agreement dated August 4, 2023, for an agreement not exceeding \$4,787,405 with an interest rate of 2% is related to cost associated to the PFAS Removal Design Phase 1 Project.
- A DWSRF agreement dated February 15, 2024, for an agreement not exceeding \$1,500,000 with an interest rate of 2% is related to cost associated to the Replacement of Water Mains.

- A DWSRF agreement dated February 15, 2024, for an agreement not exceeding \$17,700,000 with an interest rate of 2% is related to cost associated with the PFAS Removal Design Phase II Project.

Annual debt service requirements to maturity for general obligation bonds including the State Revolving Funds are as follows:

General Obligation Bonds						
Year Ending June 30	Governmental Activities		Business-type Activities			
	Principal	Interest	Principal	Interest		
2024	\$ 8,982,300	\$ 4,265,916	\$ 16,381,665	\$ 6,106,953		
2025	10,040,842	3,862,073	16,624,858	5,529,187		
2026	8,959,310	3,423,319	16,589,238	4,946,229		
2027	7,974,038	2,964,683	16,721,556	4,304,418		
2028	7,384,896	2,609,540	16,076,956	3,728,453		
2029-2033	29,759,645	9,028,717	61,157,943	11,886,948		
2034-2038	16,089,694	3,891,931	27,794,143	4,095,520		
2039-2042	7,315,591	721,262	6,802,438	489,389		
	96,506,316	\$ 30,767,441	178,148,797	\$ 41,087,097		
Add: Construction Bonds	132,266		19,515,249			
Total	\$ 96,638,582		\$ 197,664,046			

Component Units

Annual debt service requirements to maturity for general obligation bonds of component units are as follows:

Component Units' Debt Service Schedule						
Year Ending June 30	Wilmington Parking Authority		Downtown Visions		Rock Manor	
	Principal	Interest	Principal	Interest	Principal	Interest
2024	\$ 785,000	\$ 297,765	\$ 31,408	\$ -	\$ 63,209	\$ 13,799
2025	820,000	266,365	33,089	-	64,931	12,078
2026	855,000	233,565	34,802	-	66,699	10,309
2027	875,000	210,053	307,008	-	68,516	8,493
2028	900,000	183,803	-	-	70,382	6,627
2029-2033	4,650,000	467,233	-	-	212,607	8,183
Total	\$ 8,885,000	\$ 1,658,784	\$ 406,307	\$ -	\$ 546,344	\$ 59,489

C. Conduit Debt Obligations

From time to time, the City has issued revenue bonds for the express purpose of providing capital financing to third parties that are not part of the City or its component units. Although the debt bears the City's name, the City has no obligation for this debt beyond the resources of the third party or the related project as provided for in the bonds. Because the City has no liability for this debt, it is not recorded in the City's financial statements. As of June 30, 2023, four issues with debt of \$4,398,671 remain outstanding.

D. Compensated Absences

The compensated absences liability, attributable to governmental activities will be liquidated by the City's governmental and internal service funds. In the past, approximately 92% has been paid by the General Fund and the remainder by other governmental and internal service funds.

10. Leases**A. Lease – Lessee - Primary Government**

The City authorized the use of lease agreements for the acquisition of equipment through enactment of City Council of Ordinance No. 08-084 on December 11, 2008. Under this ordinance, the City was authorized to enter into leases not to exceed \$10,000,000, interest of no more than 7 percent, and with lease terms no longer than 5 years.

In April 2022, the City's Bond Committee authorized a new lease agreement with M&T Bank. On September 6, 2022, the City entered a Master Equipment Lease / Purchase Agreement with M&T Bank. The M&T Bank Agreement has a maximum principal amount not to exceed \$6,000,000 and includes a 2% prepayment penalty if a lease is prepaid prior to the halfway point in the term of the lease payment schedule.

On September 8, 2022, the City's initial draw from the Master Equipment Lease / Purchase Agreement was used to finance \$1.1 million of information system network equipment.

As of June 30, 2023, payments under these capital leases and capital assets shown at original costs are as follows:

<u>Year Ending June 30</u>	<u>Primary Government</u>		<u>Type of Property</u>	<u>Primary Government</u>	
	<u>General</u>			<u>General</u>	
2024	\$	710,386	Equipment	\$	3,704,564
2025		447,264	Total		3,704,564
2026		243,343	Less: Accumulated Depreciation		(1,881,311)
2027		243,343			
2028		60,366			
Total Minimum Lease Payments		1,704,702			
Less: Amount Representing Interest		(111,627)	Net Assets Under Lease	\$	1,823,253
Present Value of Lease Payments	\$	1,593,075			

B. Leases - Lessee - Primary Government

On October 18, 2018, the City entered an lease agreement to lease Baynard Stadium, an athletic stadium located in the City's Brandywine Park, to Salesianum School, Inc., a private high school located in the City near the stadium. The lease term is fifty years with the option to renew for fifty additional one-year terms. The annual lease amount is \$10. Future minimum lease payments total \$470 over the original term. Salesianum School, Inc. was required to renovate Baynard Stadium with an investment of \$15 million to \$20 million and provide existing users of the stadium with access to use the facility. The City's cost and carrying amounts of Baynard Stadium are not determinable. The stadium was renamed Abessino Stadium.

C. Leases - Lessee - Component Unit - Downtown Visions

On May 31, 2016, Downtown Visions signed a 5 year lease agreement for 4,000 square feet of warehouse space in Wilmington, Delaware. The lease requires Downtown Visions to pay \$1 per month. Effective June 1, 2021, the lease was extended on a month-to-month basis.

Downtown Visions extended an lease agreement to lease office space in Wilmington, Delaware through October 31, 2023, and was extended to October 31, 2024 on August 1, 2023. The lease requires bargain rent of \$0 per month. Downtown Visions recorded the fair market value of the contributed rent at the inception of the lease as a contribution.

Contributions receivable, as of June 30, 2023, totaled \$3,720 for contributed rent expected to be received during the fiscal year ending June 30, 2024.

D. Leases - Lessor - Component Units

Wilmington Parking Authority

The Authority adopted GASB 87 effective July 1, 2021, adjustments for lease assets and liabilities did not result in a change to the net position. As of June 30, 2023 there were no impaired lease assets.

When a contract contains a lease or a lease contains a non-cancellable term in excess of 12 months (including any options to extend or terminate the lease when exercise is reasonably certain), the Authority records a lease receivable and a deferred inflow of resources which is calculated based on the value of discount future lease payments over the term of the lease. Whenever the interest rate implicit in the lease is not explicit, the Authority may apply the guidance for imputation of interest as a means of determining the interest rate.

As of June 30, 2023 the Authority is the lessor for several non-cancellable leases of certain real estate. As a result, a lease receivable of \$422,842 and a related deferral of inflow of resources of \$422,842 has been reflected in the statement of net position.

The following tables summarize the outstanding leases at June 30, 2023:

<u>Principal</u>				<u>Interest</u>			
	Brandywine Gateway Garage Wilmington, Delaware	Brandywine Gateway Garage Day Care Wilmington, Delaware	Net Present Value		Brandywine Gateway Garage Wilmington, Delaware	Brandywine Gateway Garage Day Care Wilmington, Delaware	Net Present Value
Contract payment per year	\$ 6,000	\$ 93,000					
Extension period payment		95,790		2024	\$ 5,397	\$ 7,459	\$ 12,856
Implicit interest rate	4.00%	3.00%		2025	5,373	4,858	10,231
2024	\$ 603	\$ 85,541	\$ 86,144	2026	5,347	2,177	7,524
2025	627	88,142	88,769	2027	5,320	116	5,436
2026	653	90,823	91,476	2028	5,293	-	5,293
2027	680	23,134	23,814	2029-2033	26,007	-	26,007
2028	707	-	707	2034-2038	25,125	-	25,125
2029-2033	3,993	-	3,993	2039-2043	24,047	-	24,047
2034-2038	4,876	-	4,876	Thereafter	110,890	-	110,890
2039-2043	5,953	-	5,953				
Thereafter	117,110	-	117,110				
Total minimum future rent income	\$ 135,202	\$ 287,640	\$ 422,842	Total minimum future rent interest income	\$ 212,799	\$ 14,610	\$ 227,409

Rock Manor Golf Corporation

The Rock Manor Golf Corporation has entered into agreements with the City of Wilmington and an independent management company to license the operations of Rock Manor Golf Course and Ed "Porky" Oliver Golf Course. These licenses are for initial 20-year terms beginning in 2007 and 2009, respectively, and provide the management company the full use of these golf course facilities and require it to be responsible for staffing and the acquisition of certain equipment.

The following is a schedule of minimum future annual base license fee income for the lease agreement license arrangements:

Year Ending June 30,	Porky Oliver			Rock Manor		
	Payments	Principal	Interest	Payments	Principal	Interest
2024	\$ 35,000	\$ 28,543	\$ 6,457	\$ 100,000	\$ 81,553	\$ 18,447
2025	35,000	29,702	5,298	100,000	84,864	15,136
2026	35,000	30,909	4,091	100,000	88,310	11,690
2027	35,000	32,164	2,836	100,000	91,896	8,104
2028	35,000	33,469	1,531	100,000	95,627	4,373
2029	17,500	17,240	259	50,000	49,260	740
Totals	\$ 192,500	\$ 172,027	\$ 20,472	\$ 550,000	\$ 491,510	\$ 58,490

Year Ending June 30,	Total			
	Payments	Principal	Interest	Revenue
2024	\$ 135,000	\$ 110,096	\$ 24,904	\$ 112,311
2025	135,000	114,566	20,434	112,311
2026	135,000	119,219	15,781	112,311
2027	135,000	124,060	10,940	112,311
2028	135,000	129,096	5,904	112,311
2029	67,500	66,499	999	56,157
Totals	\$ 742,500	\$ 663,536	\$ 78,962	\$ 617,712

E. Lease Right to Use Assets - Rock Manor

Lease right to use assets were as follows:

	<u>July 1, 2022</u>	<u>Increase</u>	<u>Decrease</u>	<u>June 30, 2023</u>
Lease Right to Use Assets	\$ 297,939	\$ -	\$ -	\$ 297,939
Less: Accumulated Amortization	<u>(142,500)</u>	<u>(38,392)</u>	<u>-</u>	<u>(180,892)</u>
	<u>\$ 155,439</u>	<u>\$ (38,392)</u>	<u>\$ -</u>	<u>\$ 117,047</u>

Amortization charges for assets recorded under lease property is included with depreciation. Amortization expense for lease property under lease for the years ended June 30, 2023 was \$38,392, calculated using the effective interest method.

11. Deferred Revenues and Deferred Inflows of Resources

Governmental Funds report unavailable revenue as deferred inflows of resources in connection with receivables for revenues that are not considered to be available to liquidate liabilities of the current period.

	Governmental Fund Financial Statements	Government-wide Financial Statements
Deferred Inflows of Resources:		
<u>Unavailable Revenue</u>		
General Fund		
Property and Wage Taxes	\$ 9,820,476	\$ -
Citations and Other Revenues	4,476,790	-
Total General Fund	14,297,266	-
Major Fund		
Capital Projects	432,271	-
	432,271	-
Other Governmental Funds		
Delaware Criminal Justice Planning	274,651	-
Extra Duty Revenue	772,922	-
Home for People with AIDS	32,167	-
Home Partnership Program	130,836	-
HUD Community Development	10,810	-
HUD Emergency Shelter Grant	61,074	-
Park Recreation Assistance	28,349	-
Special Projects	391,169	-
Total Other Governmental Funds	1,701,978	-
Total Deferred Inflows of Resources	\$ 16,431,515	\$ -

Unearned revenues are those where asset recognition criteria have been met, but for which revenue recognition criteria have not been met.

	Governmental Fund Financial Statements	Government-wide Financial Statements
<u>Unearned Revenues</u>		
Major Fund		
Capital Projects	\$ 10,657,415	\$ 10,657,415
American Rescue Plan Act	22,225,679	22,225,679
Total Major Funds	32,883,094	32,883,094
Non-Major Funds		
Unearned Grant Revenues		
Delaware Criminal Justice Planning	810,688	810,688
Home for People with AIDS	25,886	25,886
Home Partnership Program	154,066	154,066
HUD Community Development	40,809	40,809
HUD Emergency Shelter Grant	317,581	317,581
Municipal Street Aid	685,171	685,171
Park Recreation Assistance	450,089	450,089
Special Projects	953,930	953,930
Total Non-Major Funds	3,438,220	3,438,220
Total Unearned Revenue	\$ 36,321,314	\$ 36,321,314
Water & Sewer Fund		
Unearned Service Charges		\$ 5,662,054

12. Fund Balance/Net Position

The details of the fund balances are included in the Balance Sheet of Governmental Funds (page 22). As noted in Note 1, restricted funds are used first as appropriate. Assigned Funds are reduced to the extent that expenditure authority has been budgeted by Council or the Assignment has been changed by the Mayor. Decreases to fund balance first reduce Unassigned Fund balance; in the event that Unassigned becomes zero, then Assigned and Committed Fund Balances are used in that order.

General Fund

The General Fund had no Unassigned Fund Balance as of June 30, 2023. Of the \$14,537,375 due from the Motor Vehicle Fund, \$2,680,199 related to the acquisition of garage assets and motor vehicles and is considered an Advance (discussed in Note 7) and therefore is classified as Nonspendable Fund Balance.

The General Fund has Committed Funds consisting of the Budget Reserve Account and the Tax Stabilization Reserve.

- The Budget Reserve Account of \$18,262,370 was legislated to set aside resources to cover unanticipated deficits or revenue reductions that may be caused by adverse economic conditions or a public emergency. This is equal to 10% of the fiscal year 2024 budgeted expenditures.
- The Tax Stabilization Reserve provides future tax stabilization for the General Fund. This reserve of \$73,851,282 is funded based on the amount of the General Fund's net unrestricted fund balance. The City is authorized to access the Tax Stabilization Reserve as may be necessary when authorized by City Council by ordinance.

Other Funds

The following fund had Fund Balances designated for specific purposes: the Non major Fund, Wilmington Park Related Commissions (including one blended component) had Park Maintenance Nonspendable Fund Balance of \$928,315 and Restricted Fund Balance of \$4,381,832 for Park Operations.

The Other Non-Major Special Revenue Funds had a Restricted Fund Balances of \$4,908,162 related to cable television and internal capital and related programs. The Other Non-Major Special Revenue Funds had Fund Balances Committed for Economic Development of \$1,330,538 and \$1,867,481 committed for parks.

Business Type Activities / Water and Sewer Fund

The Water and Sewer Fund had a net position of \$206,935,811 as of June 30, 2023. The Operation and Maintenance Reserve provides funding in the event of adverse economic conditions or a public emergency as certified by the Mayor that impacts the operations and maintenance of the Water and Sewer Fund such that immediate action is required. This reserve is determined at the end of each fiscal year and is equal to seventeen percent of the following fiscal year's Water and Sewer Fund operating budget as authorized by City Council by ordinance. The restricted net position for the Operation and Maintenance Reserve as of June 30, 2023 was \$15,663,630.

The Rate Stabilization Reserve within the Water and Sewer Fund provides a reserve to provide future rate stabilization for the Water and Sewer fund. The Water and Sewer Fund Rate Stabilization Reserve amount is the net unrestricted Water and Sewer Fund balance as determined at the fiscal year end. The City is authorized to access the Rate Stabilization Reserve when approved by City Council by ordinance. The restricted net position for the Rate Stabilization Reserve as of June 30, 2023 was \$18,220,854. Restricted net position also includes \$290,322, restricted for net pension asset.

13. Self - Insurance Funds**A. Risk Management**

The City is self-insured up to the State Tort Immunity Law limitation of \$300,000 for state law claims, and insurance threshold/retention of \$750,000 for claims not covered by tort immunity for actuarially determined exposure of general liability, automotive liability, law enforcement liability, employee benefits liability, employment practices liability, management liability, abuse/molestation liability, and inland marine liability, and cyber risk (\$100,000 retention). Resources are allocated to the Risk Management Fund (an Internal Service Fund) from the operating funds to provide for expected future payments on claims previously incurred, including both reported and unreported claims. The claims liability includes amounts for incremental claim adjustment expenses and estimates of subrogation. An actuarial valuation is performed on an annual basis. These amounts were not discounted and were adjusted by a risk margin calculated to provide a statistical confidence level of 80%. An analysis of claims liabilities recorded in the Risk Management Fund is presented below:

	Beginning Liability		Claims and Changes in		Ending Liability			
	Fiscal Year		Estimates		Claim Payments		Fiscal Year	
2021 - 2022	\$	5,211,983	\$	3,256,744	\$	(2,939,248)	\$	5,529,479
2022 - 2023		5,529,479		2,161,358		(1,631,623)		6,059,214

B. Workers' Compensation

The City is also self-insured for workers' compensation up to the insurance retention of \$3 million. The City's compensation payments are calculated based upon the Workers' Compensation Law of the State of Delaware. Resources are allocated to the Workers' Compensation Fund (an Internal Service Fund) from operating funds to provide for expected future payments on claims previously incurred, including both reported and unreported claims. An actuarial valuation is performed on an annual basis. This valuation is not discounted and is adjusted by a risk margin calculated to provide a statistical confidence level of 55%. An analysis of the claim liabilities recorded in the Workers' Compensation Fund is presented below:

	Beginning Liability		Claims and Changes in		Ending Liability			
	Fiscal Year		Estimates		Claim Payments		Fiscal Year	
2021 - 2022	\$	17,006,293	\$	3,450,492	\$	(3,661,725)	\$	16,795,060
2022 - 2023		16,795,060		3,370,186		(3,148,444)		17,016,802

C. Health Insurance

The City is self-insured under an employee health and welfare plan administered by Highmark Blue Cross/Blue Shield of Delaware. The City is self-insured for an employee dental plan administered by an insurance company. The City has medical stop loss insurance for large general health and prescription claims exceeding \$200,000 in any year. Resources are allocated to the Health and Welfare Fund (an Internal Service Fund) from the operating funds to provide for expected future payments on claims previously incurred including both reported and unreported claims. USI calculates the City's claims exposure annually. An analysis of claims liabilities recorded in the Health and Welfare Fund is presented below:

	Beginning Liability	Claims and		Ending Liability
	Fiscal Year	Changes in	Claim Payments	Fiscal Year
		Estimates		
2021 - 2022	\$ 1,361,000	\$ 19,850,936	\$ (17,433,714)	\$ 3,778,222
2022 - 2023	3,778,222	17,642,793	(17,962,612)	3,458,403 *

*Includes \$1,749,402 of claims that are reported as accounts payable on the statement of net position.

14. Commitments and Contingencies**A. Grant Compliance**

The City receives Federal and State funding under a number of programs. Payments made by these sources under contractual agreements are provisional and subject to redetermination based on the filing of reports and audits of those reports. Final settlements due from or to these sources are recorded in the year in which the related services are performed. Any adjustment resulting from subsequent examinations is recognized in the year in which the results of such examinations become known. City officials do not expect any significant adjustment because of these examinations.

B. Legal Actions – Primary Government

The City a co-permittee on the Post-Closure Permit for the Pigeon Point Landfill operated by the Delaware Solid Waste Authority (DSWA). The City is currently a party to an appeal before the Environmental Appeals Board, appealing DNREC's issuance of a Notice of Violation to DSWA and the City. Management is of the opinion that the outcome of this matter will not have a material adverse effect on the City's financial position.

The City also is involved in lawsuits arising in the ordinary course of business, including claims alleging property damage, personal injury, discriminatory personnel practices, constitutional violations and/or conduct otherwise inconsistent with federal, state or city law. Based on the advice of the City Solicitor, City management is of the opinion that the outcome of this pending litigation will not have a material adverse effect on the City's financial position on June 30, 2023.

C. Contractual Agreements

The city has entered into the following multi-year contractual agreements:

Fleet Services

On October 1, 2017, the City of Wilmington signed a 5-year contract for the maintenance and repairs of all city vehicles. The approved contract includes the option for 3 one-year extensions. The City of Wilmington has exercised its option to extend the contract for fiscal year 2023 and again for fiscal year 2024.

Refuse Disposal

On July 1, 2021, the City of Wilmington signed a 3-year contract with the Delaware Solid Waste Authority for solid waste and recyclable materials collections.

Traffic Signal Monitoring Systems

On March 14, 2019, City Council approved a three-year contract for the supply of property and services for the City's traffic signal monitoring systems totaling \$4,664,340. The approved contract includes the option for 2 one-year extensions at the same annual price. The City of Wilmington has exercised its options to extend the contract for an additional year in fiscal year 2023 and again for fiscal year 2024.

Wastewater Treatment Plant Services

On March 19, 2020, City Council approved a twenty-year contract for the management, administration, operation, and maintenance of the Wilmington Wastewater Treatment Plant, Renewable Energy and Biosolids Facility, Main Pump Stations, and Storage and Control Structures. This agreement is effective July 1, 2020, at an annual estimated price of \$20 million per year.

New Castle County Sewer Treatment Contract

In May 2022, the City of Wilmington approved a wastewater treatment service agreement with New Castle County for the period of July 1, 2021 through July 30, 2031. The agreement provides for, among other things, the allocation between the City and the County of operations and maintenance costs, capital costs and debt service costs related to wastewater treatment services.

15. Pension Trust Funds - Retirement Funds**General Description of the Plans**

The City of Wilmington covers substantially all full-time employees by one of its five single-employer plans and a plan of the Wilmington Parks Trust Fund Commission blended component unit (collectively the “City Sponsored Plans”), as well as Delaware’s County and Municipal Police/Firefighter and Other Employees’ Pension Plans (collectively the “State Plans”), two cost-sharing, multi-employer defined benefit pension plans discussed below. The City's current-year covered payroll and membership of the City Sponsored Plans consisted of the following:

	Firefighters	Police	Plan I Non- uniformed	Plan II Non- uniformed	Plan III Non- uniformed	Park Trust
Number of Retirees & Beneficiaries Receiving Benefits	276	441	92	164	344	1
Number of Terminated Employees Entitled to Benefits	0	0	0	110	105	0
Number of Fully Vested, Partially Vested, & Non-Vested Active Employees	2	11	0	3	275	1
Current Year Annual Covered Payroll	\$ 203,973	\$ 1,204,464	\$ -	\$ 8,941	\$15,111,934	\$55,807

The City's current-year total payroll for all employees was \$93,584,250

City Council is responsible for setting benefits and contributions and amending plan provisions of the City Sponsored Plans, which are authorized according to provisions of Chapter 39 of the City Code.

The funding policy, annual pension costs, and funding status and funding progress are presented in a schedule on pages 88 through 92 of the Notes. Actuarial valuations involve estimates of the value of reported amounts and assumptions about the probability of events far into the future; examples include assumptions about future employment, mortality, and investment rate of return. Amounts determined regarding the funded status of the plan and the annual required contributions of the employer are subject to continual revision as actual results are compared to past expectations and new estimates are made about the future. The pension funding status and progress for the last nine fiscal years of the City Sponsored Plans is reported as Required Supplementary Information (RSI) immediately following the Notes to the Financial Statements. The RSI schedule presents multiyear trend information that shows whether the actual value of plan assets is increasing or decreasing over time relative to the actual accrued liabilities for benefits.

Cash and Investments

The Board of Pension and Retirement (Trustees) of the Pension Funds receives contributions from the City and State and is responsible for the funding policy. The City Treasurer is the custodian of the Funds' investment assets, effects disbursements from the Funds, and executes other transactions therein. The City Treasurer and outside custodians, both under the direction of the Board of Trustees, manage the Funds' investments. The Trustees have authorized certain cash and investments of the Funds to be pooled for investing by outside custodians. The Funds' portion is reported on the balance sheet as "pooled investments." Funds under outside management at June 30, 2023, represented 96.8% of all available funds. The investment policy of the funds is in accordance with the Objectives and Guidelines Statement and is adopted by the Trustees (Note 3).

As of June 30, 2023, there were no cash or investments with any one organization or issuer in excess of 5% of the individual plans' net positions.

Membership, Benefit and Contribution Provisions

A description of the individual plans including eligibility provisions, types of benefits, and contribution requirements is presented below in general terms on the following pages. The City Board of Pensions and Retirements, various boards of trustees, and the City Treasurer administer the City Sponsored Plans. Financial statements for the City Firefighters' and Police Pension Plans are available from the City Treasurer's Office, Louis L. Redding Building, 800 French Street, Wilmington, Delaware 19801. The State Board of Pension Trustees and the State Office of Pensions administer the State Plans. Benefit provisions of the plans are established under the provisions of the State law and may be amended by an act of the State legislature. The State Plans provide retirement, disability, and death benefits to plans' members and beneficiaries. Ten-year historical trend and solvency test information has not been included in the City's basic financial statements. This information is included in the publicly available Annual Comprehensive Financial Report of the Delaware Public Employees' Retirement System. This can be obtained from the Office of Pensions, 680 Silver Lake Boulevard, Dover, Delaware, 19904-2402 or website at www.delawarepensions.com.

Member pension benefits and refunds are recognized when due and payable in accordance with the terms of the plans. Plan administrative costs are paid from plan assets as approved by the Pension Trustees. Contributions to the City Sponsored Plans by the State of Delaware on behalf of the City are recorded as intergovernmental revenue and pension expense in the City's governmental fund and government-wide statements. The contributions (Firefighters - \$6,547,336 Police - \$2,240,063) are included in the pension statements as separately presented component of City contributions to the trusts. Total pension expense recognized by the City for the ended June 30, 2023 was \$10,859,014.

Separate pension fund financial statements have not been issued for the Non-Uniformed Pension plans, and the Wilmington Parks Trust Fund Commission; accordingly, they are presented below as required by GASB Statement No. 34.

City of Wilmington, Delaware
Statements of Fiduciary Net Position
For the Year Ended June 30, 2023

	Plan I Non- uniformed Pension	Plan II Non- uniformed Pension	Plan III Non- uniformed Pension	Wilmington Park Trust Pension
ASSETS				
Cash and Cash Equivalents	\$ 1,593	\$ 1,000	\$ 584,702	\$ 5,931
Accrued Interest & Other Receivables	5,760	16,345	178,702	-
Investments, at Fair Value:				
Money Market Funds	62,088	176,179	1,330,176	-
U.S. Treasury Obligations	147,745	419,241	3,165,326	-
U.S. Government Agencies - Guaranteed	198,696	563,817	4,256,904	-
U.S. Government Agencies - Other	-	-	-	-
Corporate & Foreign Bonds	216,462	614,230	4,637,515	-
Common Equity & Marketable Securities	2,751,643	7,808,047	58,951,759	236,928
Mutual Funds				
Global & International Funds	862,291	2,446,833	18,473,906	-
Domestic Equity Funds	18,713	53,099	400,907	87,953
Fixed Income Funds	94,719	268,778	2,029,283	-
Real Estate Investment Trust	667,110	1,892,987	14,292,294	-
Total Investments	<u>5,019,467</u>	<u>14,243,211</u>	<u>107,538,070</u>	<u>324,881</u>
Total Assets	<u>5,026,820</u>	<u>14,260,556</u>	<u>108,301,474</u>	<u>330,812</u>
LIABILITIES				
Accounts Payable	37,346	4,196	16,958	5,940
Salaries and Benefits Payable	419	738	2,705	-
Due to Other Pension Trust Fund	-	-	1,556,305	-
Due to Other Governments	-	-	11,000,242	-
Compensated Absences	16,852	18,200	26,233	-
Liability for Stale-dated Pension Checks	38,911	8,517	8,453	-
Total Liabilities	<u>93,528</u>	<u>31,651</u>	<u>12,610,896</u>	<u>5,940</u>
Net Position				
Net Position Restricted for Pensions	<u>\$ 4,933,292</u>	<u>\$ 14,228,905</u>	<u>\$ 95,690,578</u>	<u>\$ 324,872</u>

City of Wilmington, Delaware
Statements of Changes in Fiduciary Net Position
For the Year Ended June 30, 2023

	Plan I	Plan II	Plan III	Wilmington
	Non-	Non-	Non-	Park
	uniformed	uniformed	uniformed	Trust
	Pension	Pension	Pension	Pension
ADDITIONS				
Contributions:				
City				
Paid Directly by the City	-	-	\$ 5,055,555	\$ 14,367
Employees	-	-	305,731	-
Other Contributions	-	11,880	-	-
Total Contributions	-	11,880	5,361,286	14,367
Investment Income				
Investment Earnings	35,788	100,147	658,461	12,574
Net Appreciation (Depreciation) in Fair Value	385,016	1,077,384	7,083,730	30,556
Total Investment Earnings	420,804	1,177,531	7,742,191	43,130
Less: Investment Expense	(7,008)	(19,610)	(128,916)	-
Net Investment Income	413,796	1,157,921	7,613,275	43,130
Total Additions	413,796	1,169,801	12,974,561	57,497
DEDUCTIONS				
Benefits Paid	383,047	931,177	7,024,387	11,880
Administrative Expenses	76,666	63,046	298,906	2,984
Total Deductions	459,713	994,223	7,323,293	14,864
Net Change in Plan Net Position	(45,917)	175,578	5,651,268	42,633
Net Position - Beginning	4,979,209	14,053,327	90,039,310	282,239
Net Position - Ending	\$ 4,933,292	\$14,228,905	\$ 95,690,578	\$ 324,872
Change in Total Pension Liability				
Service Cost	\$ -	\$ 5,828	\$ 1,032,558	\$ 8,757
Interest	211,204	894,147	8,623,521	21,551
Difference between expected and actual experience	(368,178)	(416,218)	4,554,496	(6,684)
Benefit Payments	(383,047)	(919,298)	(7,024,387)	(11,880)
Net Change	(540,021)	(435,541)	7,186,188	11,744
Pension Liability - Beginning	3,489,763	13,280,764	117,635,208	335,328
Pension Liability - Ending	2,949,742	12,845,223	124,821,396	347,072
Net Pension (Asset) / Liability	\$ (1,983,550)	\$ (1,383,682)	\$ 29,130,818	\$ 22,200

Firefighters Pension Plan (Closed) and Police Pension Plan (Closed)

Plans' Description and Eligibility: The Firefighters Pension Plan and Police Pension Plans are single-employer defined benefit plans covering all firefighters and police officers, respectively, employed by the City of Wilmington before August 1, 1991. The plans are each split into two benefit groups: pre-1984 and 1984. The 1984 groups include firefighters and police officers hired after June 30, 1984 and pre-July 1, 1984, firefighters and police officers who opted to participate in the new plans. The pre-1984 groups include those firefighters and police officers hired prior to July 1, 1984 that did not opt to participate in the new plans. The Firefighters Pension Plan and Police Pension Plans are administered by boards of trustees comprised of Chief of Fire and Chief of Police, respectively, the City Treasurer, the Director of Finance, the Human Resources Director, the Chairman of the Finance Committee of the City Council, the Chairman of the Public Safety Committee of the City Council, and five members of the Fire and Police Departments of the City, respectively.

Service Benefits: For pre-1984 groups, 50% of final salary plus 2% of final earnings for each year of credited service beyond 20 years; for 1984 groups, 50% of final earnings plus 2.5% of final earnings for each year of credited service beyond 20 years with a total benefit limit of 62.5% of final earnings.

Vesting: 50% with 5 years of credited service, 10% more for each additional full year, with 100% at 10 years.

Retirement: Normal - 20 years of credited service. Early - for the 1984 group only, 15 years of credited service; benefit equal to 2.5% of final salary for each year of credited service reduced by 0.4% for each month benefits commence before normal retirement date.

Disability Benefits: Duty-related total disability - 75% of salary. Ordinary with 7 years of credited service, for the pre-1984 groups, 50% of salary and for the 1984 groups, a benefit equal to 2.5% of salary for each year of credited service times the vesting percentage.

Survivor Benefit: On death of a retiree, 50% of the pension the participant was receiving. For the pre-1984 groups, this is a minimum of \$1,344 monthly; if retiree has no surviving spouse, the benefit is payable to the sole surviving dependent parent.

Contributions: Employee - 6% of compensation. Employer - actuarially determined. State of Delaware Senate Bill 74 provided a one time contribution \$3,723,000 (Firefighters - \$1,470,000; Police - \$2,253,000) to fund a one time benefit payment to current retirees.

Death Benefit: Duty - for the pre-1984 groups, surviving spouse receives a lump sum equal to 100% of the final full-year salary and a pension of 50% of final annual salary until death or remarriage. Each child under the age of 18 shall receive \$30 a month starting one year after the employee's death; there is a \$90

family maximum and benefits discontinue at age 18. If the employee is not survived by a spouse, a pension equal to 50% is paid to the sole surviving dependent parent. For the 1984 groups, benefits are the same except the amounts change to \$50 a month per child with a maximum of \$150 per family.

Changes in the Plans' Net Pension Liability: Changes in the Plans' net pension liability for the year ended June 30, 2023 were as follows:

	<u>Total Pension Liability</u>	<u>Plan Fiduciary Net Position</u>	<u>Net Pension Liability</u>
Police Plan			
Balance June 30, 2022	\$ 139,232,911	\$ 96,456,376	\$ 42,776,535
Changes for the Year			
Service Cost	103,720	-	103,720
Interest	9,546,076	-	9,546,076
Contributions - Other Entities	-	2,240,063	(2,240,063)
Contributions - Employer	-	5,232,253	(5,232,253)
Contributions - Employees	-	69,412	(69,412)
Net Investment Income	-	7,828,071	(7,828,071)
Difference between expect and actual experiences	(840,861)	-	(840,861)
Benefit Payments	(12,214,130)	(12,214,130)	-
Administrative Expense	-	(164,227)	164,227
Net Changes	<u>(3,405,195)</u>	<u>2,991,442</u>	<u>(6,396,637)</u>
Balance June 30, 2023	<u>\$ 135,827,716</u>	<u>\$ 99,447,818</u>	<u>\$ 36,379,898</u>
Firefighters Plan			
Balance June 30, 2022	\$ 78,399,150	\$ 51,146,139	\$ 27,253,011
Changes for the Year			
Service Cost	-	-	-
Interest	5,385,884	-	5,385,884
Contributions - Other Entities	-	6,547,336	(6,547,336)
Contributions - Employer	-	-	-
Contributions - Employees	-	12,238	(12,238)
Net Investment Income	-	4,000,406	(4,000,406)
Difference between expect and actual experiences	427,456	-	427,456
Benefit Payments	(8,187,579)	(8,187,579)	-
Administrative Expense	-	(107,557)	107,557
Net Changes	<u>(2,374,239)</u>	<u>2,264,844</u>	<u>(4,639,083)</u>
Balance June 30, 2023	<u>\$ 76,024,911</u>	<u>\$ 53,410,983</u>	<u>\$ 22,613,928</u>

Nonuniformed Employees Plan I (Closed)

Plan Description and Eligibility: The Nonuniformed Employees Plan I is a single-employer defined benefit plan that covers all Nonuniformed City employees hired before July 1, 1979, who have not opted to convert to a later plan. The Plan is administered by the City's Board of Pensions and Retirement which consists of the following: the Director of Finance, the Mayor's Chief of Staff, the City Auditor, the City Solicitor, the Human Resources Director, the City Treasurer, a Member of Council, chosen by the Council, and four other employees who shall be appointed by the Mayor and confirmed by the City Council.

Service Benefits: 2½% of final average earnings (five consecutive years out of the last ten that produce the highest average) times years of service; benefit is not less than \$1,000 or more than \$4,500 annually.

Vesting/Retirement: 20 years of credited service; age 60 and 15 years of credited service; or age 65.

Disability Benefits: Eligible with 15 years of credited service, benefit same as retirement reduced by workers' compensation and the excess of earnings over the last rate of pay, if the participant is gainfully employed.

Survivor Benefit: Eligible if actively employed with 20 years of credited service or age 60 and 15 years of credited service; benefit to surviving spouse equal to 50% of retirement as if retirement commenced the day before death; payments continue until death or remarriage.

Death Benefit: Same as Survivor Benefit.

Contributions: Employee - none. Employer - actuarially determined.

Nonuniformed Employees Plan II (Closed)

Plan Description and Eligibility: The Nonuniformed Employees Plan II is a single-employer defined benefit plan that covers all nonuniformed City employees hired after June 30, 1979, and before January 1, 1991, employees hired before June 30, 1979, but not eligible for Plan I, employees who have opted to convert from Plan I, and not employees who have opted to convert to a later plan. The Plan is administered by the City's Board of Pensions and Retirement which consists of the following: the Director of Finance, the Mayor's Chief of Staff, the City Auditor, the City Solicitor, the Human Resources Director, the City Treasurer, a Member of Council, chosen by the Council, and four other employees who shall be appointed by the Mayor and confirmed by the City Council.

Service Benefits: 1.75% of final average earnings (five consecutive years out of the last ten that produce the highest average) times credited years of service (maximum 25 years) with a maximum benefit of \$11,000; a credited year of service for every year with 1,500 hours of service.

Vesting: 50% with 5 years of credited service, 10% more for each additional full year, with 100% at 10 years.

Retirement: Normal - Age 65 and 5 years of credited service. Early - retirement at age 60 with 5 years of credited service; benefits reduced by .4% for each month benefits commence before age 65.

Disability Benefits: Eligible with 15 years of credited service, benefit same as early retirement (without reduction for early commencement) reduced by workers' compensation and the excess of earnings over the last rate of pay, if the participant is gainfully employed.

Survivor Benefit: Eligible if actively employed, attained age 60 and 5 years of credited service; benefit to surviving spouse equals to 50% of retirement as if retirement commenced the day before death (without reduction for early commencement); payments continue until death or remarriage. If employee is unmarried, a designated beneficiary receives a total equal to 120 monthly payments.

Contributions: Employee - none. Employer - actuarially determined.

Death Benefit: Same as Survivor Benefit.

Nonuniformed Employees Plan III (Closed)

Plan Description and Eligibility: The Nonuniformed Employees Plan III is a single-employer defined benefit plan that covers all Nonuniformed City employees hired after December 31, 1990, and employees who have opted to convert from Plan I or Plan II. As of July 1, 2011, this plan became closed to new employees. The Plan is administered by the City's Board of Pensions and Retirement which consists of the following: the Director of Finance, the Mayor's Chief of Staff, the City Auditor, the City Solicitor, the Human Resources Director, the City Treasurer, a Member of Council, chosen by the Council, and four other employees who shall be appointed by the Mayor and confirmed by the City Council.

Service Benefits: Effective July 1, 2008, 2.0% of final average earnings (five consecutive years out of the last ten that produce the highest average) times credited years of service (maximum 35 years); a credited year of service for every year with 1,500 hours of service after hire, buyback or December 31, 1990. Previously, this was 1.85% of final average earnings with a maximum service of 30 years.

Vesting: 50% with 5 years of credited service, 10% more for each additional full year, with 100% at 10 years. Contributions and interest are refunded for less than 5 years of credited service.

Retirement: Normal - Age 65 and 5 years of credited service; age plus years of service equal 85. Early - retirement at age 55 with 5 years of credited service; benefits reduced by .4% for each month benefits commence before age 65.

Disability Benefits: Eligible with 15 years of credited service, benefit same as early retirement (without reduction for early commencement) reduced by workers' compensation and the excess of earnings over the last rate of pay, if the participant is gainfully employed.

Survivor Benefit: Eligible if actively employed, attained age 55 and 5 years of credited service; benefit to surviving spouse equal to 50% of retirement, if retirement commenced the day before death (without

reduction for early commencement); payments continue until death or remarriage. If employee is unmarried, a designated beneficiary receives a total equal to 120 monthly payments.

Contributions: Employee - 2% of compensation. Employer - actuarially determined.

Death Benefit: Same as Survivor Benefit.

Wilmington Parks Trust Commission Pension Plan

Plan Description and Eligibility: The Park Trust Commission Pension Fund is a single-employer defined benefit plan that covers all Park Trust Commission employees. The Plan is managed by three commissioners who are appointed by the Mayor of the City of Wilmington.

Service Benefits: 2.0% of average monthly earnings multiplied by total years of service (maximum 35 years)

Vesting: 50% with 5 years of credited service, 10% more for each additional full year, with 100% at 10 years. Contributions and interest are refunded for less than 5 years of credited service.

Retirement: Normal - Age 65 and 5 years of credited service: age plus years of service, equal 85. Early - retirement at age 55 with 5 years of credited service; benefits reduced by .4% for each month benefits commence before age 65.

Disability Benefits: Eligible with 5 years of credited service, benefit same as early retirement (without reduction for early commencement) reduced by workers' compensation and the excess of earnings over the last rate of pay, if the participant is gainfully employed.

Survivor Benefit: Eligible if actively employed, attained age 55 and 5 years of credited service; benefit to surviving spouse equal to 50% of retirement as if retirement commenced the day before death (without reduction for early commencement); payments continue until death or remarriage. If employee is unmarried, a designated beneficiary receives a total equal to 120 monthly payments.

Contributions: Employee - 2% of compensation. Employer - actuarially determined.

Death Benefit: Same as Survivor Benefit.

State of Delaware's County and Municipal Police and Firefighters' Pension Plan

Plan Description and Eligibility: The City contributes to a governmental cost-sharing multiple-employer defined benefit pension plan administered by the Delaware Public Employees' Retirement System and managed by its Board of Pension Trustees (the Board). The plan, which is the Delaware's County and Municipal Police and Firefighter Pension Plan, covers City police and firefighter employees hired on or after February 1, 1993. The State of Delaware General Assembly is responsible for setting benefits and amending plan provisions. The State Board of Pension Trustees determines the contributions required. The board is comprised of five members appointed by the Governor and confirmed by the State Senate, plus two ex officio members.

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. The final monthly compensation is the monthly average of the highest three years of compensation.

Vesting: 5 years of credited service.

Retirement: Normal - 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.

Disability Benefits: Duty - Total Disability - 75% of final average compensation plus 10% for each dependent not to exceed 25% for all dependents. Duty - Partial Disability - Same as Service Benefits, subject to minimum 50% of final average compensation. Non-Duty - Same as Service Benefits, total disability subject to a minimum 50% of final average monthly compensation plus 5% for each dependent not to exceed 20% for all dependents. Partial disability to a minimum of 30% of final average monthly compensation.

Survivor Benefits: If employee is receiving a pension, then eligible survivor receives 50% of pension; if employee is active, eligible survivor receives 50% 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.

Contributions: Employee - 7% of compensation. Employer - determined annually by the Board of Pension Trustees.

The Employer contribution policy is set by State law and requires contributions by active members and by participating employers. The contributions required of participating employers are based on an actuarial valuation and are expressed as a percentage of annual covered payrolls during the period for which the amount is determined. The employer contribution rate in fiscal year 2022 was 16.03% of covered payroll.

State of Delaware's County and Municipal Other Employees' Pension Plan

Plan Description and Eligibility: The City contributes to a governmental cost-sharing multiple-employer defined benefit pension plan administered by the Delaware Public Employees' Retirement System and managed by its Board of Pension Trustees. The plan, which is the Delaware's County and Municipal Other Employees' Pension Plan, covers all full-time non-uniformed and uniformed City employees hired on or after July 1, 2011, and all officials who are elected or appointed on or after July 1, 2011. The State of Delaware General Assembly is responsible for setting benefits and amending plan provisions. The State Board of Pension Trustees determines the contributions required. The board is comprised of five members appointed by the Governor and confirmed by the State Senate, plus two ex officio members.

Service Benefits: 1/60th of final average monthly compensation multiplied by years of credited service, subject to maximum limitations. For this plan, final average monthly compensation is the monthly average of the highest five years of compensation.

Vesting: 5 years of credited service.

Retirement: Normal - Age 62 with 5 years of service; age 60 with 15 years of credited service; or after 30 years of credited service.

Disability Benefits: Same as Service Benefits. Employee must have 5 years of credited service.

Survivor Benefits: If employee is receiving a pension, then eligible survivor receives 50% of pension; if employee is active, eligible survivor receives 50% of pension the employee would have received at age 62.

Contributions: Employee - 3% of earnings in excess of \$6,000. Employer - determined annually by the Board of Pension Trustees.

The Employer contribution policy is set by State law and requires contributions by active members and by participating employers. The contributions required of participating employers are based on an actuarial valuation and are expressed as a percentage of annual covered payrolls during the period for which the amount is determined. The employer contribution rate in fiscal year 2022 was 6.78% of covered payroll.

NET PENSION LIABILITY AND DEFERRED INFLOWS AND OUTFLOWS OF RESOURCES

The City aggregate net pension and OPEB liabilities and deferred inflows and outflows of resources are as follows:

Plan	Net Pension Asset	Deferred Outflows of Resources	Net Pension Liability	Net OPEB Liability	Deferred Inflows of Resources
Nonuniformed Employees Plan I (Closed)	\$ 1,983,550	\$ 160,659	\$ -	\$ -	\$ -
Nonuniformed Employees Plan II (Closed)	1,383,682	493,071	-	-	-
Nonuniformed Employees Plan III (Closed)	-	6,730,803	29,130,818	-	78,527
Wilmington Park Trust	-	1,867	22,200	-	12,407
Firefighters Plan	-	2,061,376	22,613,928	-	-
Police Plan	-	3,615,878	36,379,898	-	-
State of Delaware's County and Municipal Police and Firefighters' Pension Plan	3,568,564	18,363,260	-	-	4,702,603
State of Delaware's County and Municipal Other Employees' Pension Plan	186,286	2,936,950	-	-	457,358
Other Post-Employment Benefits - OPEB	-	8,286,196	-	10,489,898	9,532,049
	\$ 7,122,082	\$ 42,650,060	\$ 88,146,844	\$ 10,489,898	\$ 14,782,944

Funding Policy, Annual Pension Cost, and Funded Status and Funding Progress

The following are the annual pension costs, actuarial methods, assumptions and funding status and funding progress of the City Sponsored Plans and the multi-employer plans administered by the Delaware Public Employees' Retirement System (1)

	<u>Firefighters Pension</u>	<u>Police Pension</u>	<u>Plan I Non-uniformed Pension</u>	<u>Plan II Non-uniformed Pension</u>	<u>Plan III Non-uniformed Pension</u>	<u>Wilmington Park Trust Pension</u>	<u>County & Municipal Police and Firefighters (3)</u>	<u>County & Municipal Other Employees (3)</u>
Plan Type	Single Employer	Single Employer	Single Employer	Single Employer	Single Employer	Single Employer	Cost sharing Multi-Employer	Cost sharing Multi-Employer
Employer Contributions								
Required Contribution	\$ 4,690,815	\$ 7,472,316	\$ -	\$ -	\$ 5,040,638	\$ 14,678	\$ 4,400,396	\$ 1,050,896
Actual Contribution	6,547,336	7,472,316	-	-	5,055,554	14,367	4,400,396	1,050,896
Contribution Excess (Deficiency)	<u>\$ 1,856,521</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 14,916</u>	<u>\$ (311)</u>	<u>\$ -</u>	<u>\$ -</u>
Actuarial Valuation Date	July 1, 2022 (2)	July 1, 2022 (2)	July 1, 2022 (2)	July 1, 2022 (2)	July 1, 2022 (2)	July 1, 2022 (2)	June 30, 2021	June 30, 2021
Measurement Date	June 30, 2023	June 30, 2023	June 30, 2023	June 30, 2023	June 30, 2023	June 30, 2023	June 30, 2022	June 30, 2022
Net Pension Liability								
Total Pension Liability	76,024,911	135,827,716	2,949,742	12,845,223	124,821,396	347,072	188,253,686	23,628,785
Plan Fiduciary Net Position	<u>53,410,983</u>	<u>99,447,818</u>	<u>4,933,292</u>	<u>14,228,905</u>	<u>95,690,578</u>	<u>324,872</u>	<u>(191,822,250)</u>	<u>23,815,071</u>
Net Pension Liability (Asset)	<u>\$ 22,613,928</u>	<u>\$ 36,379,898</u>	<u>\$ (1,983,550)</u>	<u>\$ (1,383,682)</u>	<u>\$ 29,130,818</u>	<u>\$ 22,200</u>	<u>\$ (3,568,564)</u>	<u>\$ (186,286)</u>
Plan Fiduciary Net Position as a Percentage of Total Pension Liability	70.25%	73.22%	167.24%	110.77%	76.66%	93.60%	101.95%	100.79%
City's Proportionate Share of the Net Pension Liability	100%	100%	100%	100%	100%	100%	35%	27%

Funding Policy, Annual Pension Cost, and Funded Status and Funding Progress - Continued

The following are the annual pension costs, actuarial methods, assumptions and funding status and funding progress of the City Sponsored Plans and the multi-employer plans administered by the Delaware Public Employees' Retirement System (1)

	Firefighters Pension	Police Pension	Plan I Non- uniformed Pension	Plan II Non- uniformed Pension	Plan III Non- uniformed Pension	Wilmington Park Trust Pension	County & Municipal Police and Firefighters	County & Municipal Other Employees
Deferred Outflows of Resources								
Net Difference Due to Change in Proportion	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 138,379	\$ 136,993
Net Difference Between Projected and Actual Earnings on Plan Investments	2,061,376	3,615,878	160,659	493,071	3,694,472	-	6,251,001	717,187
Differences Between Expected and Actual Experience	-	-	-	-	3,036,331	1,867	6,251,147	838,265
Changes Of Assumption Contributions Made After the Measurement Date	-	-	-	-	-	-	1,322,337	193,609
	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>4,400,396</u>	<u>1,050,896</u>
	<u>\$ 2,061,376</u>	<u>\$ 3,615,878</u>	<u>\$ 160,659</u>	<u>\$ 493,071</u>	<u>\$ 6,730,803</u>	<u>\$ 1,867</u>	<u>\$ 18,363,260</u>	<u>\$ 2,936,950</u>
Deferred Inflows of Resources								
Net Difference Between Projected and Actual Earnings on Plan Investments	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 7,951	\$ -	\$ -
Net Difference Due to Change in Proportion	-	-	-	-	-	-	191,292	8,229
Changes Of Assumption	-	-	-	-	-	-	2,983,219	148,521
Differences Between Expected and Actual Experience	-	-	-	-	78,527	4,456	1,528,092	300,608
	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>78,527</u>	<u>4,456</u>	<u>1,528,092</u>	<u>300,608</u>
	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 78,527</u>	<u>\$ 12,407</u>	<u>\$ 4,702,603</u>	<u>\$ 457,358</u>
2024	294,049	472,540	11,694	54,165	2,149,122	2,169	(312,864)	59,467
2025	72,327	86,876	(8,173)	(2,805)	1,809,372	(8,280)	(882,712)	(5,864)
2026	1,750,450	3,265,742	171,449	477,878	2,933,655	531	(83,526)	(649)
2027	(55,450)	(209,280)	(14,311)	(36,167)	(161,346)	(4,960)	9,789,178	1,172,293
2028	-	-	-	-	-	-	703,499	54,801
Thereafter	-	-	-	-	-	-	46,686	148,648
Total	<u>\$ 2,061,376</u>	<u>\$ 3,615,878</u>	<u>\$ 160,659</u>	<u>\$ 493,071</u>	<u>\$ 6,730,803</u>	<u>\$ (10,540)</u>	<u>\$ 9,260,261</u>	<u>\$ 1,428,696</u>

Funding Policy, Annual Pension Cost, and Funded Status and Funding Progress - Continued

The following are the annual pension costs, actuarial methods, assumptions and funding status and funding progress of the City Sponsored Plans and the multi-employer plans administered by the Delaware Public Employees' Retirement System (1)

	Firefighters Pension		Police Pension		Plan I Non-uniformed Pension		Plan II Non-uniformed Pension		Plan III Non-uniformed Pension		Wilmington Park Trust Pension		County & Municipal Police and Firefighters		County & Municipal Other Employees	
Actuarial Assumptions																
Discount Rate	7.2% (4)		7.2% (4)		7.2% (4)		7.2% (4)		7.2% (4)		6.5%(5)		7%(6)		7%(6)	
Investment Rate of Return (7)	7.20%		7.20%		7.20%		7.20%		7.20%		6.50%		7.00%		7.00%	
Asset Class:	Target		Target		Target		Target		Target		Target		Target		Target	
	<u>Allocation (10)</u>	<u>Return</u>	<u>Allocation (10)</u>	<u>Return</u>	<u>Allocation (10)</u>	<u>Return</u>	<u>Allocation (10)</u>	<u>Return</u>	<u>Allocation (10)</u>	<u>Return</u>	<u>Allocation</u>	<u>Return</u>	<u>Allocation</u>	<u>Return</u>	<u>Allocation</u>	<u>Return</u>
Domestic Equity	49.0%	5.5%	49.0%	5.5%	49.0%	5.5%	49.0%	5.5%	49.0%	5.5%	40.7%	6.5%	31.8%	5.7%	31.8%	5.7%
International Equity	14.0%	5.6%	14.0%	5.6%	14.0%	5.6%	14.0%	5.6%	14.0%	5.6%	13.2%	7.3%	15.0%	5.7%	15.0%	5.7%
Real Estate	7.0%	4.7%	7.0%	4.7%	7.0%	4.7%	7.0%	4.7%	7.0%	4.7%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%
Fixed Income	26.0%	1.8%	26.0%	1.8%	26.0%	1.8%	26.0%	1.8%	26.0%	1.8%	39.2%	3.7%	23.6%	2.0%	23.6%	2.0%
Alternative Investments	4.0%	12.0%	4.0%	12.0%	4.0%	12.0%	4.0%	12.0%	4.0%	12.0%	n/a	n/a	n/a	n/a	n/a	n/a
Cash	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	0.0%	4.3%	21.5%	7.8%	21.5%	7.8%
	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	6.9%	1.0%	8.1%	0.0%	8.1%	0.0%
Projected Salary Increases	3.00%		3.00%		4.00% per year graded to 3.00% per year based on age (8)						4.00%		2.5% + Merit		2.5% + Merit	
Includes Inflation Rate of	3.00%		3.00%		3.00%		3.00%		3.00%		n/a		Projected Salary Increases includes inflation of 2.50%			
Cost-of-Living Adjustments	None		None		None		None		None		None		0.0%			
Mortality Rates	<i>Healthy Lives:</i> RP-2000 Mortality Table projected with Scale AA				<i>Healthy Lives:</i> RP-2000 Combined Healthy Mortality Table projected fully generational with Scale AA.						<i>Pre-retirement:</i> None		Pub-2010 mortality tables with gender adjustments for employees, healthy annuitants and disabled retirees and an adjusted version of MP-2020 mortality improvement scale on a fully generational basis			
	<i>Disabled Lives:</i> 2018 PBGC Disability Mortality Tables, 100% Non-Social Security Eligible Participants				<i>Disabled Lives:</i> RP-2000 Disabled Mortality Table						<i>Post-Retirement:</i> RP-2000 Mortality Table projected with Scale AA for 15 years.					
Sensitivity of the Net Pension Liability (Asset) to Changes in the Discount Rate																
1% Decrease	\$	28,413,536	\$	48,115,611	\$	(1,797,668)	\$	(306,087)	\$	42,295,513	\$	62,998	\$	24,456,268	\$	3,519,639
Discount Rate		22,613,928		36,379,898		(1,983,550)		(1,383,682)		29,130,818		22,000		(3,568,564)		(186,286)
1% Increase		17,552,647		26,257,165		(2,149,196)		(2,316,726)		17,933,170		(12,688)		(26,597,568)		(3,214,670)
Money-Weighted Rate of Return		8.02%		8.30%		9.36%		8.51%		8.16%		6.50%		n/a		n/a

Funding Policy, Annual Pension Cost, and Funded Status and Funding Progress - Continued
Explanations to Funding Policy, Annual Pension Cost, and Funded Status and Funding Progress Schedule

1. Actuarial valuations involve estimates of the value of reported amounts and assumptions about the probability of events far into the future, therefore actuarially determined amounts are subject to continual revision as results are compared to past expectations and new estimates are made about the future.
2. The actuarial valuation is done every other year. The last valuation was completed as of July 1, 2022. The valuation calculates an Annual Required Contribution for each of the following two years; this may be recalculated to reflect significant changes in staff levels or salary increases. Actual contributions are based on the higher of percentage of pay (actual amounts may vary based on actual payroll) or level dollar. The Total Pension Liability as of June 30, 2023 was determined by a roll forward of the actuarial valuation.
3. The City's proportion of the Plans' collective net pension liability, collective deferred inflows, collective outflows of resources, and collective pension expense is based on the ratio of the City's contributions to the Plans' total employer contribution (excluding contributions for specific individual employer liabilities) during the measurement period.
4. The discount rate as of June 30, 2023 is 6.5%, which is assumed long-term expected rate of return on plan investments. Projections of the Plan's fiduciary net position have indicated that it is expected to be sufficient to make projected benefit payment for current plan members following the procedures described in paragraphs 39-45 of GASBS No. 67.
5. The discount rate as of June 30, 2023 is 6.5%, which is assumed long-term expected rate of return on plan investments. Projections of the Plan's fiduciary net position have indicated that it is expected to be sufficient to make projected benefit payment for current plan members following the procedures described in paragraphs 39-45 of GASBS No. 67.
6. The discount rate used to measure the total pension liability as of June 30, 2022 was 7.00% including inflation at 2.5%. 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 the rates determined by the Board of Pension Trustees, actuarially determined. Based on those assumptions, the pension plan's fiduciary net position was projected to be available to make all future benefit payments of current plan members. Therefore, the long term expected rate of return on pension plan investments was applied to all periods of projected benefit payments to determine the total pension liability.
7. The long-term expected rate of return for each pension plan's investment net of investment expenses, was determined using a building-block method in which best-estimate ranges of expected future real rates of return (expected returns, net of pension plan 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 the target asset allocation percentage and by adding expected inflation. Best estimates of arithmetic real rates of return for each major asset class included in the pension plan's target asset allocation as of the measurement date are summarized by plan.
8. 4.00% per year until age 30, 3.50% from ages 30 through 44, 3.00% per year from ages 45 and thereafter.

Component Units (Wilmington Parking Authority)

The Wilmington Parking Authority Pension Plan (the Plan) is non-contributory single-employer defined-benefit pension plan that covers substantially all employees of the Authority. The participant data as of June 30, 2023 was measured as of January 1, 2023 and the financial information as of June 30, 2023 was measured as of the time.

Benefits Provided

The Plan provides retirement benefits to Plan members and beneficiaries. A member may retire after reaching normal retirement, which occurs at the latter of the participant's sixty-fifth birthday or the completion of ten years of service. Vesting begins after five years of service at 50 percent and increases 10 percent per year, fully vesting after ten years of service. Normal retirement benefits are calculated at 1.75 percent of the participant's average monthly compensation, times years of service as of the normal retirement date (maximum of thirty years).

As of June 30, 2023 and 2022, the following category of employees were covered by the Authority's Pension Plan:

Category	Number	
	2023	2022
Active employees	17	16
Inactive employees or beneficiaries currently receiving benefits	16	18
Inactive employees entitled to but not yet receiving benefits	17	17
Total employees	50	51

Contributions

The Authority's policy is to contribute, at a minimum, the annual pension cost as determined by the Plan's actuary. The actuarial funding method being used to develop costs under the plan is the aggregate actuarial cost method. This method assumes that an annual contribution (normal cost) is made each year, determined by spreading the unfunded present value of future benefits as a level percentage of future payrolls.

Net Pension Asset

The net pension asset for the year ended June 30, 2023 was determined by an actuarial valuation as of June 30, 2023. The total pension liability in the June 30, 2023 actuarial valuation was determined using the following actuarial assumptions, applied to all periods included in the measurement:

Description	Percentage
Inflation	3.00 percent
Salary increases	4.50 percent, including inflation
Investment rate of return	6.00 percent, including inflation

The actuarial assumptions used in the June 30, 2023 valuation were based on the recommendation of the actuary and adopted by the Plan's management. In addition, mortality rates are based on the RP-2014 Combined Mortality Table without any collar adjustment with future mortality improvement on a generational basis using Scale MP-2020.

The long-term expected rate of return of 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 are summarized in the following table:

Asset Class	Asset Allocation	Long-term Expected Real Rate of Return	
		Before Inflation	After Inflation
Domestic equity	70%	3.54%	6.54%
Fixed income	30%	0.49%	3.49%

Discount Rate

The discount rate used to measure the total pension liability was 6.00 percent. The projection of cash flows used to determine the discount rate assumed that employee contributions will be made at the current contribution rate and that contributions from the employer will be made at rates determined by the Plan's management actuarially determined. 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. Therefore, the long-term expected rate of return on Plan investments was applied to all periods of projected benefit payments to determine the total pension liability.

Changes in the Authority's Net Pension Asset

The following table reflects changes in the Authority's net pension asset as of and for the year ended June 30, 2023:

Description	Increase (Decrease)		
	Total Pension Liability [a]	Plan Fiduciary Net Position [b]	Net Pension (Asset) Liability [a]-[b]
Beginning balances	\$ 5,061,795	\$ 6,042,920	\$ (981,125)
Changes for the year:			
Service cost	85,593	-	85,593
Interest	295,091	-	295,091
Contributions - employer	-	-	-
Net investment income	-	1,036,734	(1,036,734)
Benefit payments, including refunds of employee contributions	(180,530)	(180,530)	-
Difference between expected and actual experience	(8,395)	-	(8,395)
Changes of assumptions	-	-	-
Administrative expenses	-	(5,950)	5,950
Net changes	191,759	850,254	(658,495)
Ending balances	\$ 5,253,554	\$ 6,893,174	\$ (1,639,620)

Sensitivity of the Net Pension Asset to Changes in the Discount Rate

The following presents the net pension asset calculated using the discount rate of 6.00 percent, as well as what the net pension asset would be if it were calculated using a discount rate that is 1-percentage point lower or 1-percentage point higher than the current rate:

Description	1% Decrease 5.00%	Current Discount Rate 6.00%	1% Increase 7.00%
Net pension liability (asset)	\$ (1,026,278)	\$ (1,639,620)	\$ (2,161,936)

Expected and Actual Experience Differences

The difference between expected and actual experience with regard to economic and demographic factors is amortized over a closed period equal to the average of the expected remaining service lives, which is 5.00 years. The first year of amortization is recognized as pension expense with the remaining years as either deferred outflows or deferred inflows. For the years ended June 30, 2023 and 2022, the collective amount of the difference between expected and actual experience is \$11,230 and \$459,567, respectively.

Change in Assumptions

The change in assumptions about future economic or demographic factors or other inputs is amortized over the weighted average of the expected remaining service life of active and inactive members, which is 5.00 years. The first year of amortization is recognized as pension expense with the remaining years as either deferred outflows or deferred inflows. For the years ended June 30 2023 and 2022, the collective amount of change in assumptions is \$41,371 and \$240,934, respectively.

Difference Between Expected and Actual Investment Earnings on Pension Plan Investments

The difference between the actual earnings on plan investments compared to the Plan's expected rate of return of 6.00% is amortized over a closed period of 5 years. The first year of amortization is recognized as pension expense with the remaining years to be shown as either deferred outflows or deferred inflows of resources. For the years ended June 30, 2023 and 2022, the collective amount of the difference between expected and actual earnings is \$200,287 and \$98,618, respectively.

Pension Expense, Deferred Outflows of Resources, and Deferred Inflows of Resources

The following table presents the components of pension expense for the fiscal years ended June 30:

Description	2023	2022
Service Cost	\$ 85,593	\$ 92,394
Interest	295,091	291,561
Administrative expense	5,950	6,714
Amortization of difference between expected and actual experience	(79,129)	(77,030)
Expected earnings on plan investments	(356,981)	(404,364)
Amortization of changes in assumptions	36,140	36,140
Amortization of investment return differences	(258,308)	(164,947)
Pension expense	\$ (271,644)	\$ (219,532)

Pension Expense, Deferred Outflows of Resources, and Deferred Inflows of Resources (Continued)

As of and for the year ended June 30, 2023, the Authority reported deferred outflows of resources and deferred inflows of resources related to the pension from the following sources:

Description	Deferred Resources	
	Outflows	Inflows
Contributions made subsequent to the measurement date	\$ -	\$ -
Net difference between expected and actual earnings	61,309	450,142
Net difference between expected and actual experience	600,860	27,556
Changes in assumptions	232,350	1,120,924
Totals	\$ 894,519	\$ 1,598,622

The following table reflects amounts reported as deferred outflows of resources and deferred inflows of resources that will be recognized in pension expense:

Fiscal Years Ending June 30,	Amount
2024	\$ (273,904)
2025	(260,524)
2026	24,989
2027	(151,441)
2028	(15,588)
Thereafter	(27,635)
Total	\$ (704,103)

Funding Policy

The Authority's policy is to contribute to an insurance company, at a minimum, the annual pension cost as determined by the Plan's actuary. Administrative costs of the Plan are paid by the Authority. Annual required contributions for the years ended June 30, 2023 and 2022 were \$0 and \$0, respectively. Contributions made by the Authority for the years ended June 30, 2023 and 2022 were \$0 and \$0. The annual required contribution amount was determined as part of the June 30, 2023 and June 30, 2022 actuarial valuations using the following actuarial methods and assumptions:

Description	Percentages
Actuarial cost method	Aggregate
Asset valuation method	Fair market value
Investment rate of return	6.00%
Projected salary increases	4.50%

Funded Status

The Schedule of Funding Progress presented as Required Supplementary Information (RSI) following the notes to the financial statements presents multi-year trend information about whether the actuarial valuation of Plan assets is increasing or decreasing over time relative to the actuarial accrued liability for benefits. The following table provides an analysis of the funding progress of the Plan as of June 30, 2023, the most recent value date:

Actuarial Valuation Date	Actuarial Value of Assets (1)	Actuarial Accrued Liability (AAL) (2)	(Over) or Under- funded AAL (2-1)	Funded Ratios (1/2)	Covered Annualized Covered Payroll (5)	UAAL as a Percentage of Covered Payroll ((2-1)/5)
06/30/2023	\$ 6,896,174	\$ 5,253,554	\$ (1,639,620)	131.21%	\$ 885,401	(185.18%)

For purposes of the above schedule, the AAL for the Plan is determined using the entry age actuarial cost method. The annual required contribution for the plan is calculated using the aggregate actuarial cost method. The purpose of doing this is to provide information that serves as a surrogate to the funded state and funding progress of the plan.

Stand-alone financial statements for the Plan are not available; however, the funds have a valuation performed every year, a copy of which is available at the request of the Finance Director of the Authority.

Post-Retirement Benefits

The Authority provides a \$3,000 post-retirement death benefit for all regular full-time employees retiring on or after their normal retirement date, or after the sum of their age and years of service equal to or exceed 90. At June 30, 2023 and 2022, the Authority accrued \$33,000 and \$36,000 for these benefits, respectively.

16. Post-Retirement Healthcare Benefit Fund (Other Post-Employment Benefits - OPEB)**General Description of the Plan**

The City under City Code Section 39-5 provides post-retirement health care benefits (the Retired City Employees Medical Program) to all active full-time employees employed by the City as of and after January 1, 2000 who are eligible for a City pension or retired employees receiving a pension pursuant to the State "County and Municipal Pension" with not less than 20 years of service as city employees. The Plan is administered by the city's Board of Pension and Retirements which consists of the following: the Director of Finance, the Mayor's Chief of Staff, the City Auditor, the City Solicitor, the Human Resources Director, the City Treasurer, a Member of Council, chosen by the Council, and four other employees who shall be appointed by the mayor and confirmed by the City Council. The plan's benefit terms and contribution requirements were established by, can be diminished or eliminated by the City Council. Under certain conditions, spouses of retirees and employees receiving a disability pension are also covered. Eligibility and healthcare benefits are different based on certain criteria significantly based on employee's hire date.

- a. Benefits for employees employed with the City as of January 1, 2000, or hired after January 1, 2000 and before July 1, 2011, are provided healthcare coverage including: the Program pays not less than 80% of the blended rate up to a maximum of \$8,000 for eligible retirees who are less than 65 years of age. The Program pays not less than 80% of the blended rate up to \$4,000 for retirees who are 65 years or older. The blended rate is the average cost of medical coverage to the City for all active participants in the medical coverage program.
- b. Benefits for employees hired on or after July 1, 2011 are provided healthcare coverage including: the Program pays not less than 80% of the actual cost of insuring the employee up to a maximum of \$4,000 for eligible retirees. Enrollment in Medicare when eligible is required.
- c. Eligible retirees may participate in the dental program, but the retiree pays the full premium.

Separate financial statements are not issued and accordingly are included here. As of June 30, 2023, the plan's participants are summarized as follows:

Inactive Plan Members Currently Receiving Benefits	
Retirees	363
Spouses and Widows	66
 Inactive Plan Members Entitled to Receive Future Benefits	 10
 Active Plan Members	 <u>979</u>
 Total Plan Members	 <u><u>1,418</u></u>

Total OPEB expense for the year ended June 30, 2023 was \$1,257,853 due to plan changes and claims experience.

Statement of Fiduciary Net Position

	<u>2023</u>
ASSETS	
Cash and Cash Equivalents	\$ 3,619,656
Accrued Interest & Other Receivables	216,436
Prepaid Assets	112,339
Due From Pension Trust Fund	1,556,305
Investments, at Fair Value:	
Money Market Funds	55,034
Mutual Funds	
Global & International Funds	5,337,500
Domestic Equity Funds	15,113,619
Bond Funds	9,794,094
Total Investments	<u>30,300,247</u>
Total Assets	<u>35,804,983</u>
LIABILITIES	
Accounts Payable	<u>238,723</u>
Total Liabilities	<u>238,723</u>
NET POSITION	
Restricted for OPEB	<u><u>\$ 35,566,260</u></u>

Statement of Changes in Fiduciary Net Position

	<u>2023</u>
ADDITIONS	
Contribution:	
Paid Directly by the City	\$ 4,977,524
Employees/Pensioners	973,326
Total Contributions	<u>5,950,850</u>
Investment Income	
Investment Earnings	501,657
Net Appreciation in Fair Value	2,400,352
Total Investment Earnings	<u>2,902,009</u>
Less: Investment Expense	(8,308)
Net Investment Income	<u>2,893,701</u>
Total Additions	<u>8,844,551</u>
DEDUCTIONS	
Benefits Paid	4,407,940
Administrative Expenses	164,518
Total Deductions	<u>4,572,458</u>
Net Increase in Plan Net Position	4,272,093
Net Position Restricted For OPEB - Beginning	<u>31,294,167</u>
Net Position Restricted For OPEB - Ending	<u>\$ 35,566,260</u>

Contribution Requirements

The City's funding policy is for its governmental activities to fund at least the actuarially determined Annual Required Contribution (ARC), of the explicit liability and the City's business-activities fund its full ARC. For the year ended June 30, 2023, the city contributed \$4,977,524 and retiree premium sharing added \$973,326.

Investments

The Plan's assets are invested in accordance with the City's Board of Pension and Retirement's Investment Policy Statement.

No investment from a single issuer that is not insured by the U.S Government represented 5% or more of the Plan's investments as of June 30, 2023.

The Plan's long-term expected rate of return 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 weighting the expected future real rates of return by the target asset allocation percentage and by adding expected inflation. Best estimates of arithmetic real rates of return excluding inflation for each major asset class and the Plan's target asset allocation as of June 30, 2023, are as follows:

Asset Class	Expected Long-Term Real Rate of Return	Target Asset Allocation
Domestic Equity	5.50%	49.00%
International Equity	5.60%	14.00%
Real Estate	4.70%	8.00%
Fixed Income	1.80%	28.00%
Cash	0.00%	1.00%

For the year ended June 30, 2023, the annual money-weighted rate of return on investments, net of investment expense, was 9.83%. The money-weighted rate of return expresses investment performance, net of investment expense, adjusted for the changing amounts actually invested.

Plan's Total OPEB Liability, Plan Fiduciary Net Position and Net OPEB Liability

The following summarizes the changes in Plan's Total OPEB Liability, Plan Fiduciary Net Position and Net OPEB Liability for the year ended June 30, 2023:

	<u>Total OPEB Liability</u>	<u>Plan Fiduciary Net Position</u>	<u>Net OPEB Liability</u>
Balance June 30, 2022	<u>\$ 46,193,122</u>	<u>\$ 31,294,167</u>	<u>\$ 14,898,955</u>
Changes for the Year			
Service Cost	1,440,989	-	1,440,989
Interest	3,185,905	-	3,185,905
Differences between expected and actual experience	5,908,143	-	5,908,143
Changes of assumptions	(6,264,061)	-	(6,264,061)
Contributions - Employer	-	4,977,524	(4,977,524)
Contribution - Member	-	973,326	(973,326)
Net Investment Income	-	2,893,701	(2,893,701)
Benefit Payments	(4,407,940)	(4,407,940)	-
Administrative Expense	-	(164,518)	164,518
Net Changes	<u>(136,964)</u>	<u>4,272,093</u>	<u>(4,409,057)</u>
Balance June 30, 2023	<u>\$ 46,056,158</u>	<u>\$ 35,566,260</u>	<u>\$ 10,489,898</u>
Plan Fiduciary Net Position as a Percentage of the Total OPEB Liability			77.22%
Covered Payroll			\$ 62,313,910
Net OPEB Liability as a Percentage of Covered Payroll			16.83%

OPEB Liability Actuarial Assumptions

Projections of benefits for financial reporting purposes are based on the substantive plan (the plan as understood by the employer and plan members) and include the types of benefits provided at the time of each valuation. Actuarial calculations reflect a long-term perspective and employ methods and assumptions designed to reduce short-term volatility in the value of actuarial assets and liabilities. Actuarially determined amounts are subject to continual revision as results are compared to past expectations and new estimates are made about the future. Significant methods and assumptions are as follows:

Measurement Date	June 30, 2023, updated from the June 30, 2022 actuarial valuation
Actuarial Cost Method	Entry Age Normal
Discount Rate	7.2%
Expected Return on Plan Assets	7.2% per year, net of investment expenses
Healthcare Trend Rate - As follows from July 1, 2023 through July 1, 2043	
Pre-Medicare	4.00% in 2023, 6.50% in 2024 decreasing to 4.24% in 2043 and beyond
Medicare Eligible	0% in 2023, 6.00% in 2024 decreasing to 4.24% in 2043 and beyond
Payroll Increase	3% Annually
Rate of Mortality	
Healthy Lives	RP-2000 Combined Healthy Mortality Table projected fully generational with Scale AA
Uniformed Disabled Lives	2016 PBGC Disabled Mortality Tables, 100% Non-Social Security Disabled
Non-Uniformed Disabled Lives	RP-2000 Disabled Mortality Table
Administrative Expenses	Average monthly per capita costs for 2022-2023 of \$32.46 and \$0.00 for Pre-Medicare and Medicare participants, respectively.

The actuarial assumptions used in the June 30, 2022 valuation were based on the results of an actuarial experience study for the period from July 1, 2010 through July 1, 2022.

Schedule of Deferred Inflows and Outflows

	Deferred Outflows of Resources	Deferred Inflows of Resources
Differences between expected and actual experience	\$ 4,923,452	\$ 3,478,683
Changes in assumptions	1,531,533	6,053,366
Net difference between projected and actual earnings on OPEB plan investments	1,831,211	-
	<u>\$ 8,286,196</u>	<u>\$ 9,532,049</u>

Amortization of Net Deferred Outflows and Inflows

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

Year Ended June 30:	Year Ended June 30:
2024	(127,646)
2025	(190,053)
2026	244,116
2027	(1,112,947)
2028	(59,323)
Thereafter	-

Sensitivity of the Net OPEB Liability

The following presents the Plan's net OPEB liability using a discount rate that is 1-percentage point lower and 1-percentage-point higher than the current discount rate:

	1% Decrease 6.20%	Discount Rate 7.20%	1% Increase 8.20%
Total OPEB Liability	\$ 50,534,590	\$ 46,056,158	\$ 42,219,483
Plan Fiduciary Net Position	35,566,260	35,566,260	35,566,260
Net OPEB Liability	<u>\$ 14,968,330</u>	<u>\$ 10,489,898</u>	<u>\$ 6,653,223</u>

Plan Fiduciary Net Position as a Percentage of the Total OPEB Liability	70.4%	77.2%	84.2%
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Sensitivity of Health Care Trend

The following presents the Plan's net OPEB liability using a healthcare trend rate that is 1-percentage point lower and 1-percentage-point higher than the current healthcare trend rate:

	<u>1% Decrease</u>	<u>Healthcare Trend</u>	<u>1% Increase</u>
Total OPEB Liability	\$ 43,555,420	\$ 46,056,158	\$ 49,015,164
Plan Fiduciary Net Position	35,566,260	35,566,260	35,566,260
Net OPEB Liability	<u>\$ 7,989,160</u>	<u>\$ 10,489,898</u>	<u>\$ 13,448,904</u>
 Plan Fiduciary Net Position as a Percentage of the Total OPEB Liability	 81.7%	 77.2%	 72.6%

17. Tax Abatements

The City of Wilmington offers a comprehensive array of services designed to assist businesses considering moving to or expanding within Wilmington. To facilitate capital investment and encourage employment within the boundaries of Wilmington, the City offers several tax abatement programs:

- A 5-year abatement of the employer's Head Tax (\$15/month/employee) for businesses new to the City that hire at least 50 new employees, or if less than 25 employees, invest in a City location or commit to a City tenure of at least 5 years; abatements are also available for existing businesses meeting certain conditions. The Head Tax abatement is authorized under City Code section 5-102A. The following is the current status of the City's head tax abatements.
 - A Chemical Company – Under the abatement program and an agreement with the City, the Company agreed to retain approximately 550 full-time employees in the City. The City of Wilmington would forgo \$99,000 a year in head tax revenue but in return receive approximately \$875,000 a year in wage tax revenue. The Company agreed to maintain an average payroll of \$70M a year for 10 years. Additionally, under an Employment Incentive Agreement, the Company received a cash advance in the amount of \$1.65M for committing to keep its location within the City of Wilmington and \$350,000 for building infrastructure improvements. This abatement expired July 1, 2022. The Company complied with the Employment Incentive Agreement and also fulfilled the conditions of the building infrastructure agreement.
 - A Financial Services Company – This Company relocated approximately 135 full-time employees to the City. The City of Wilmington would forgo \$22,500 per year in head tax revenue but in return receive approximately \$285,000 per year in wage tax revenue. This abatement expired July 1, 2022. The Company fulfilled its obligations under the Employment Incentive Agreement.
 - An Advertising & Marketing Company – This Company agreed to maintain at least 70 full-time employees with an annual payroll of at least \$6.5M for 10 ½ years. In return, the City would forgo \$8,400 a year in head tax revenue but receive approximately \$81,250 a year in wage tax revenue. Additionally, the company received a \$300,000 for capital improvements to its leased space. In August 2022, the Company was acquired by another Company which chose not to maintain its employees in the City. The Company complied with the terms of the Employment Incentive Agreement from calendar year 2016 until 2020. The City is in the process of performing a final reconciliation with the Company, to determine any amounts receivable or payable.
 - A Port Operator and Logistics Company – Under the abatement program and an agreement with the City, effective October 3, 2018, this Company received a 5-year head tax exemption to retain 130 new employees for the same period. Annually, the City forgoes \$15,600 in head tax revenue but in return receives approximately \$80,000 in wage tax revenue. Effective July 28, 2023, the Company transferred its interest to another port operator. This change did not reduce employment or wage taxes. This Head Tax abatement is due to expire in October 2023

- Effective July 1, 2019, the abatement of City Real Estate Taxes, based on increased assessments for new or renovated commercial property was authorized by ordinance, creating a straight 5-year, 100% abatement program with no phase-in. The Property Tax abatement is authorized under sections 44-54, 44-56, 44-71, 44-68, 44-70, and 44-71 in City Code. As of June 30, 2023, the City of Wilmington had an assessment reduction of \$56,699,800, resulting in a \$1,199,201 reduction in property tax revenue. The benefits of these reductions are unquantifiable but include increased jobs, wage tax revenue, head tax revenue, and license and inspection fees.
- The following exemptions are available for residential properties per City Code Section 44-71(d)&(e):
 - 5-Year Abatement – 100% of City of Wilmington Real Estate Taxes attributable to qualified improvements for any residential or mixed-use property in those areas of the City identified as market types c through h in the 2015 market value analysis of the City of Wilmington performed by the Reinvestment Fund.
 - 10-Year Abatement – Abatement of City of Wilmington Real Estate Taxes attributable to qualified improvements for any market-rate multi-family residential or market-rate mixed-use property located in designated Mixed Use & Market Rate Multifamily Corridor areas. First five years will be at 100% of City of Wilmington Real Estate Taxes attributable to qualified improvements, then starting with year six, the abatement will be reduced by 20% until fully eliminated at year ten per Section 44-71(d)
 - 5-Year Abatement – Conversion of Commercial Properties to Multi-family Residential or Mixed Use. 100% of City of Wilmington Real Estate Taxes attributable to qualified improvements or substantial improvements for any commercial property that is converted to a market-rate multi-family residential or market-rate mixed-use property properties in designated Mixed Use & Market Rate Multifamily areas per Section 44-71(e).
- Registered vacant properties are eligible for 5-Year Abatement – 100% abatement of City of Wilmington Real Estate Taxes provided that qualified improvements are made to the building, a certificate of occupancy is issued, qualified improvements are permitted for the property's zoning classification, and the building on the vacant property is occupied upon completion of the rehabilitation and remains continuously occupied for a period of no less than five years per Section 68.
- The following exemption is available for new construction or renovated structures for any property that is located within the boundaries of any of the city's duly designated city historic districts or is listed on the national register of historic places per Section 44-70:
 - 5-Year Abatement - 100% of City of Wilmington Real Estate Taxes attributable to qualified improvements for new construction of a structure on any designated historic property in accordance with the requirements of the City historic designations.
 - 10-Year Abatement - 100% of City of Wilmington Real Estate Taxes attributable to qualified improvements for renovations of existing structures on any designated historic property in accordance with the requirements of the City historic designations.

18. Subsequent Events

Management has evaluated subsequent events through the date of the independent's auditor's report, which was the date that the financial statements were available to be issued, for possible adjustment to the financial statements or disclosures in the notes to the financial statements.

Schedule 1 - Schedule of Contributions

In accordance with GASB No. 67 and 68, the following required supplementary information is provided with respect to historical contributions. Information prior to 2014 is not readily available.

<u>Plan</u>	<u>Year Ended June 31</u>	<u>Actuarially Determined Contribution</u>	<u>Actual Contribution</u>	<u>Contribution Deficiency (Excess)</u>	<u>Covered Payroll</u>	<u>Actual Contribution as a % of Covered Payroll</u>
Firefighters	2023	\$ 4,690,815	\$ 6,547,336	\$ (1,856,521)	\$ 203,973	3210%
Police	2023	7,472,316	7,472,316	-	1,204,464	620%
Plan I	2023	-	-	-	-	0
Plan II	2023	-	-	-	8,941	0.00%
Plan III	2023	5,040,638	5,055,554	(14,916)	15,111,934	33.45%
County & Municipal						
Police and Firefighters	2023	4,400,396	4,400,396	-	39,002,913	11.28%
Other Employees	2023	1,050,896	1,050,896	-	18,935,076	5.55%
Park Trust	2023	14,678	14,367	311	55,807	25.74%
Firefighters	2022	\$ 4,700,463	\$ 4,613,835	\$ 86,628	\$ 399,917	1154%
Police	2022	7,493,631	7,580,259	(86,628)	1,392,489	544%
Plan I	2022	-	-	-	-	0
Plan II	2022	-	-	-	28,205	0.00%
Plan III	2022	5,078,980	5,078,980	-	15,967,221	31.81%
County & Municipal						
Police and Firefighters	2022	6,001,403	6,001,403	-	36,388,273	16.49%
Other Employees	2022	1,130,314	1,130,314	-	16,669,452	6.78%
Park Trust	2022	14,367	5,002	9,365	55,807	8.96%
Firefighters	2021	\$ 4,478,022	\$ 3,105,958	\$ 1,372,064	\$ 1,037,078	299%
Police	2021	7,526,482	5,532,031	1,994,451	1,374,519	402%
Plan I	2021	-	20,000	(20,000)	-	0
Plan II	2021	85,938	108,939	(23,001)	65,251	166.95%
Plan III	2021	4,771,601	4,798,611	(27,010)	16,449,655	29.17%
County & Municipal						
Police and Firefighters	2021	5,508,300	5,508,300	-	33,202,551	16.59%
Other Employees	2021	1,108,361	1,108,361	-	15,700,255	7.06%
Park Trust	2021	-	11,435	(11,435)	52,158	21.92%
Firefighters	2020	4,482,869	5,485,114	(1,002,245)	1,232,108	445.18%
Police	2020	7,577,035	7,464,815	112,220	1,499,092	497.96%
Plan I	2020	-	47,342	(47,342)	-	0.00%
Plan II	2020	87,721	272,739	(185,018)	97,005	281.16%
Plan III	2020	4,808,468	4,959,670	(151,202)	17,005,254	29.17%
County & Municipal						
Police and Firefighters	2020	5,148,321	5,148,321	-	30,567,215	16.84%
Other Employees	2020	1,062,337	1,062,337	-	14,593,642	7.28%
Park Trust	2020	4,716	-	4,716	51,326	0.00%
Firefighters	2019	4,942,448	4,942,448	-	1,531,410	322.74%
Police	2019	7,696,573	7,696,573	-	2,227,697	345.49%
Plan I	2019	47,342	47,342	-	-	0.00%
Plan II	2019	260,859	260,859	-	97,005	268.91%
Plan III	2019	4,958,725	4,958,725	-	17,672,347	28.06%
County & Municipal						
Police and Firefighters	2019	4,895,097	4,895,097	-	29,337,662	16.69%
Other Employees	2019	898,846	898,846	-	12,328,634	7.29%
Park Trust	2019	6,719	6,438	281	50,301	12.80%

Sch. 1 (Cont.)

<u>Plan</u>	<u>Year Ended June 30</u>	<u>Actuarially Determined Contribution</u>	<u>Actual Contribution</u>	<u>Contribution Deficiency (Excess)</u>	<u>Covered Payroll</u>	<u>Actual Contribution as a % of Covered Payroll</u>
Firefighters	2018	5,010,577	6,468,505	(1,457,928)	1,965,421	329.12%
Police	2018	7,843,831	8,660,811	(816,980)	3,189,901	271.51%
Plan I	2018	47,224	46,834	390	-	0.00%
Plan II	2018	260,899	260,899	-	99,991	260.92%
Plan III	2018	5,005,567	5,010,567	(5,000)	18,998,060	26.37%
County & Municipal						
Police and Firefighters	2018	3,167,943	3,167,943	-	28,199,642	11.23%
Other Employees	2018	729,010	729,010	-	3,068,239	23.76%
Park Trust	2018	6,871	-	6,871	50,810	0.00%
Firefighters	2017	\$ 4,818,613	\$ 5,694,748	\$ (876,135)	\$ 2,749,624	207.11%
Police	2017	7,720,417	7,792,823	(72,406)	4,207,671	185.21%
Plan I	2017	142,697	142,271	426	-	0
Plan II	2017	327,005	344,825	(17,820)	125,182	275.46%
Plan III	2017	5,329,433	5,334,462	(5,029)	20,323,708	26.25%
County & Municipal						
Police and Firefighters	2017	3,144,860	3,144,860	-	27,538,276	11.42%
Other Employees	2017	572,848	572,848	-	8,079,653	7.09%
Park Trust	2017	6,871	-	6,871	48,589	0.00%
Firefighters	2016	4,976,363	5,763,606	(787,243)	2,512,968	229.35%
Police	2016	7,924,320	7,951,533	(27,213)	4,050,903	196.29%
Plan I	2016	191,336	181,075	10,261	-	0.00%
Plan II	2016	344,868	344,868	-	154,882	222.66%
Plan III	2016	5,281,751	5,281,751	-	21,315,013	24.78%
County & Municipal						
Police and Firefighters	2016	3,936,472	3,936,472	-	28,557,308	13.78%
Other Employees	2016	620,566	620,566	-	9,213,913	6.74%
Park Trust	2016	12,370	14,147	(1,777)	49,790	28.41%
Firefighters	2015	4,715,554	4,250,239	465,315	3,057,532	139.01%
Police	2015	7,949,984	7,806,453	143,531	4,900,751	159.29%
Plan I	2015	260,008	193,527	66,481	42,426	456.15%
Plan II	2015	420,806	341,395	79,411	189,905	179.77%
Plan III	2015	5,504,662	5,436,184	68,478	21,571,117	25.20%
County & Municipal						
Police and Firefighters	2015	3,343,522	3,343,522	-	24,141,030	13.85%
Other Employees	2015	483,619	483,619	-	7,787,744	6.21%
Park Trust	2015	12,370	48,765	(36,395)	47,875	101.86%
Firefighters	2014	4,715,554	4,715,554	-	3,527,279	133.69%
Police	2014	7,949,984	7,949,984	-	5,496,728	144.63%
Plan I	2014	260,008	260,008	-	86,057	302.13%
Plan II	2014	420,806	420,806	-	286,614	146.82%
Plan III	2014	5,504,662	5,504,662	-	22,807,717	24.14%
County & Municipal						
Police and Firefighters	2014	3,348,608	3,348,608	-	23,615,373	14.18%
Other Employees	2014	363,062	363,062	-	5,527,605	6.57%
Park Trust	2014	12,370	24,740	(12,370)	47,875	51.68%

*Schedule is intended to show information for 10 years. Additional years will be displayed as they become available.

† The FYE 2020 Contributions in Relation to the Actuarially Determined Contribution exclude the additional State contributions of \$2,253,000 and \$1,470,000 for the Police and Fire plans, respectively, due to the plan change that provided a one-time increase to retiree pension benefits.

**Schedule 2 - Schedule of Changes in the Employers' Net Pension Liability
And Related Ratios**

In accordance with GASB No. 67 and 68, the following required supplementary information is provided with respect to the City's Net Pension Liability. Information prior to 2014 is not readily available.

<i>Fiscal Year Ended June 30,</i>	<u>Firefighters</u>	<u>Police</u>	<u>Plan I Non-</u> <u>uniformed</u>	<u>Plan II Non-</u> <u>uniformed</u>	<u>Plan III Non-</u> <u>uniformed</u>	<u>Park</u> <u>Trust</u>
	2023	2023	2023	2023	2023	2023
Total Pension Liability						
Service Cost	\$ -	\$ 103,720	\$ -	\$ 5,828	\$ 1,032,558	\$ 8,757
Interest	5,385,884	9,539,629	211,204	894,147	8,623,521	21,551
Changes of benefit terms	-	-	-	-	-	-
Difference between expected and actual experience	427,456	(840,861)	(368,178)	(416,218)	4,554,496	(6,684)
Benefit Payments	(8,187,579)	(12,214,130)	(383,047)	(919,298)	(7,024,387)	(11,880)
Net Change in Total Pension Liability	(2,374,239)	(2,570,781)	(540,021)	(435,541)	7,186,188	11,744
Total Pension Liability, beginning	78,399,150	139,232,911	3,489,763	13,280,764	117,635,208	335,328
Total Pension Liability, ending (a)	\$ 76,024,911	\$ 136,662,130	\$ 2,949,742	\$ 12,845,223	\$ 124,821,396	\$ 347,072
Plan Fiduciary Net Position						
Contributions from Employer	\$ -	\$ 5,232,253	\$ -	\$ -	\$ 5,055,555	\$ 14,367
Contributions from Member	12,238	69,412	-	-	305,731	-
Contributions from State / Other	6,547,336	2,240,063	-	11,880	-	-
Net Investment Income	4,000,406	7,828,071	413,796	1,157,921	7,613,275	43,130
Administrative Expenses	(107,557)	164,227	(76,666)	(63,046)	(298,906)	(11,880)
Benefit Payments	(8,187,579)	(12,214,130)	(383,047)	(931,177)	(7,024,387)	(2,984)
Net Change in Fiduciary Net Position	2,264,844	3,319,896	(45,917)	175,578	5,651,268	42,633
Plan Fiduciary Net Position, Beginning	51,146,139	96,456,376	4,979,209	14,053,327	90,039,310	282,239
Plan Fiduciary Net Position, Ending (b)	\$ 53,410,983	\$ 99,776,272	\$ 4,933,292	\$ 14,228,905	\$ 95,690,578	\$ 324,872
Net Pension Liability / (Asset) - Ending (a) - (b)	\$ 22,613,928	\$ 36,885,858	\$ (1,983,550)	\$ (1,383,682)	\$ 29,130,818	\$ 22,200
Plan Fiduciary Net Position as a % of						
Total Pension Liability	70%	73%	167%	111%	77%	94%
Covered Payroll	\$ 203,973	\$ 1,204,464	\$ -	\$ 8,941	\$ 15,111,934	\$ 55,807
Net Pension Liability as a % of						
Covered Payroll	11086.73%	3062.43%	0.00%	-15475.70%	192.77%	39.78%

Sch. 2 (Cont.)

<i>Fiscal Year Ended June 30,</i>	<u>Firefighters</u>	<u>Police</u>	<u>Plan I Non-</u>	<u>Plan II Non-</u>	<u>Plan III Non-</u>	<u>Park</u>
	<u>2022</u>	<u>2022</u>	<u>uniformed</u>	<u>uniformed</u>	<u>uniformed</u>	<u>Trust</u>
	<u>2022</u>	<u>2022</u>	<u>2022</u>	<u>2022</u>	<u>2022</u>	<u>2022</u>
Total Pension Liability						
Service Cost	\$ 58,564	\$ 194,187	\$ -	\$ 8,294	\$ 1,037,078	\$ 8,757
Interest	5,595,606	9,849,618	248,419	923,098	8,130,226	20,833
Changes of benefit terms	-	-	-	-	-	-
Difference between expected and actual experience	-	-	-	-	-	-
Benefit Payments	(9,658,561)	(14,580,520)	(410,699)	(910,446)	(6,712,977)	(11,880)
Net Change in Total Pension Liability	(4,004,391)	(4,536,715)	(162,280)	20,946	2,454,327	17,710
Total Pension Liability, beginning	82,403,541	143,769,626	3,652,043	13,259,818	115,180,881	317,618
Total Pension Liability, ending (a)	<u>\$ 78,399,150</u>	<u>\$ 139,232,911</u>	<u>\$ 3,489,763</u>	<u>\$ 13,280,764</u>	<u>\$ 117,635,208</u>	<u>\$ 335,328</u>
Plan Fiduciary Net Position						
Contributions from Employer	\$ 10,051	\$ 5,566,108	\$ -	\$ -	\$ 5,078,980	\$ 5,002
Contributions from Member	23,995	80,464	-	-	319,830	-
Contributions from State / Other	4,603,784	2,014,151	-	-	-	-
Net Investment Income	(4,811,439)	(9,484,812)	(516,557)	(1,420,287)	(8,699,804)	(8,241)
Administrative Expenses	(142,569)	(247,690)	(410,699)	(67,683)	(286,195)	(11,880)
Benefit Payments	(9,658,561)	(14,580,520)	(41,222)	(910,446)	(6,712,977)	(3,069)
Net Change in Fiduciary Net Position	(9,974,739)	(16,652,299)	(968,478)	(2,398,416)	(10,300,166)	(18,188)
Plan Fiduciary Net Position, Beginning	61,120,878	113,108,675	5,947,687	16,451,743	100,339,476	300,427
Plan Fiduciary Net Position, Ending (b)	<u>\$ 51,146,139</u>	<u>\$ 96,456,376</u>	<u>\$ 4,979,209</u>	<u>\$ 14,053,327</u>	<u>\$ 90,039,310</u>	<u>\$ 282,239</u>
Net Pension Liability / (Asset) - Ending (a) - (b)	<u>\$ 27,253,011</u>	<u>\$ 42,776,535</u>	<u>\$ (1,489,446)</u>	<u>\$ (772,563)</u>	<u>\$ 27,595,898</u>	<u>\$ 53,089</u>
Plan Fiduciary Net Position as a % of						
Total Pension Liability	65%	69%	143%	106%	77%	84%
Covered Payroll	\$ 399,917	\$ 1,392,489	\$ -	\$ 28,205	\$ 15,967,221	\$ 55,807
Net Pension Liability as a % of						
Covered Payroll	6814.67%	3071.95%	0.00%	-2739.10%	172.83%	95.13%

Sch. 2 (Cont.)

<i>Fiscal Year Ended June 30,</i>	<u>Firefighters</u>	<u>Police</u>	<u>Plan I Non-uniformed</u>	<u>Plan II Non-uniformed</u>	<u>Plan III Non-uniformed</u>	<u>Park Trust</u>
	<i>2021</i>	<i>2021</i>	<i>2021</i>	<i>2021</i>	<i>2021</i>	<i>2021</i>
Total Pension Liability						
Service Cost	\$ 151,870	\$ 191,681	\$ -	\$ 19,188	\$ 1,068,412	\$ 8,054
Interest	5,704,875	9,928,161	259,800	921,798	7,953,533	18,295
Changes of benefit terms	1,470,000	2,253,000	-	-	478,966	-
Difference between expected and actual experience	1,403,340	(2,679,904)	(478,783)	(485,991)	(314,111)	-
Benefit Payments	(7,874,583)	(12,389,979)	(424,799)	(913,587)	(6,366,140)	(11,880)
Net Change in Total Pension Liability	855,502	(2,697,041)	(643,782)	(458,592)	2,820,660	14,469
Total Pension Liability, beginning	81,548,039	146,466,667	4,295,825	13,718,410	112,360,221	293,720
Total Pension Liability, ending (a)	<u>\$ 82,403,541</u>	<u>\$ 143,769,626</u>	<u>\$ 3,652,043</u>	<u>\$ 13,259,818</u>	<u>\$ 115,180,881</u>	<u>\$ 308,189</u>
Plan Fiduciary Net Position						
Contributions from Employer	\$ -	\$ 5,999,923	\$ 20,000	\$ 108,939	\$ 4,798,600	\$ 11,435
Contributions from Member	62,224	85,555	-	-	382,037	-
Contributions from State / Other	6,045,958	4,038,108	-	11,880	11	-
Net Investment Income	11,997,736	22,507,543	1,252,064	3,376,406	19,112,803	49,335
Administrative Expenses	(151,755)	(189,313)	(28,446)	(925,467)	(6,366,140)	(2,835)
Benefit Payments	(7,874,583)	(12,389,979)	(424,799)	(57,463)	(240,776)	(11,880)
Net Change in Fiduciary Net Position	10,079,580	20,051,837	818,819	2,514,295	17,686,535	46,055
Plan Fiduciary Net Position, Beginning	51,041,298	93,056,838	5,128,868	13,937,448	82,652,941	254,372
Plan Fiduciary Net Position, Ending (b)	<u>\$ 61,120,878</u>	<u>\$ 113,108,675</u>	<u>\$ 5,947,687</u>	<u>\$ 16,451,743</u>	<u>\$ 100,339,476</u>	<u>\$ 300,427</u>
Net Pension Liability / (Asset) - Ending (a) - (b)	<u>\$ 21,282,663</u>	<u>\$ 30,660,951</u>	<u>\$ (2,295,644)</u>	<u>\$ (3,191,925)</u>	<u>\$ 14,841,405</u>	<u>\$ 7,762</u>
Plan Fiduciary Net Position as a % of						
Total Pension Liability	74%	79%	163%	124%	87%	97%
Covered Payroll	\$ 1,037,078	\$ 1,374,519	\$ -	\$ 65,251	\$ 16,449,655	\$ 52,158
Net Pension Liability as a % of						
Covered Payroll	2052.18%	2230.67%	0.00%	-4891.76%	90.22%	14.88%

Sch. 2 (Cont.)

<i>Fiscal Year Ended June 30,</i>	<u>Firefighters</u>	<u>Police</u>	<u>Plan I Non-</u> <u>uniformed</u>	<u>Plan II Non-</u> <u>uniformed</u>	<u>Plan III Non-</u> <u>uniformed</u>	<u>Park</u> <u>Trust</u>
	<i>2020</i>	<i>2020</i>	<i>2020</i>	<i>2020</i>	<i>2020</i>	<i>2020</i>
Total Pension Liability						
Service Cost	\$ 154,323	\$ 293,517	\$ -	\$ 20,275	\$ 1,094,570	\$ 8,054
Interest	5,691,624	10,189,238	308,907	958,747	7,758,391	18,295
Changes of benefit terms	1,578,000	2,325,000	-	-	-	-
Difference between expected and actual experience	-	-	-	-	-	-
Changes of Assumptions	-	-	-	-	-	-
Benefit Payments	(9,380,799)	(14,871,078)	(596,554)	(1,093,542)	(6,183,705)	(11,880)
Net Change in Total Pension Liability	(1,956,852)	(2,063,323)	(287,647)	(114,520)	2,669,256	14,469
Total Pension Liability, beginning	83,504,891	148,529,990	4,583,473	13,832,930	109,691,505	279,251
Total Pension Liability, ending (a)	<u>\$ 81,548,039</u>	<u>\$ 146,466,667</u>	<u>\$ 4,295,825</u>	<u>\$ 13,718,410</u>	<u>\$ 112,360,761</u>	<u>\$ 293,720</u>
Plan Fiduciary Net Position						
Contributions from Employer	\$ 1,393,193	\$ 5,771,270	\$ 47,342	\$ 260,859	\$ 4,958,725	\$ -
Contributions from Member	73,927	89,944	-	1,279	339,158	-
Contributions from State / Other	5,669,921	4,018,545	-	11,880	945	-
Net Investment Income	2,474,532	4,628,139	271,891	700,860	3,639,278	(24,307)
Administrative Expenses	(113,331)	(185,274)	(38,386)	(72,644)	(253,345)	(2,912)
Benefit Payments	(9,380,799)	(14,871,078)	(596,554)	(1,093,542)	(6,183,705)	(11,880)
Net Change in Fiduciary Net Position	117,443	(548,454)	(315,707)	(191,308)	2,501,056	(39,099)
Plan Fiduciary Net Position, Beginning	50,923,855	93,605,292	5,444,574	14,128,756	80,151,885	293,471
Plan Fiduciary Net Position, Ending (b)	<u>\$ 51,041,298</u>	<u>\$ 93,056,838</u>	<u>\$ 5,128,867</u>	<u>\$ 13,937,448</u>	<u>\$ 82,652,941</u>	<u>\$ 254,372</u>
Net Pension Liability / (Asset) - Ending (a) - (b)	<u>\$ 30,506,741</u>	<u>\$ 53,409,829</u>	<u>\$ (833,042)</u>	<u>\$ (219,038)</u>	<u>\$ 29,707,820</u>	<u>\$ 39,348</u>
Plan Fiduciary Net Position as a % of						
Total Pension Liability	63%	64%	119%	102%	74%	87%
Covered Payroll	\$ 1,232,108	\$ 1,499,092	\$ -	\$ 97,005	\$ 17,005,254	\$ 51,326
Net Pension Liability as a % of						
Covered Payroll	2475.98%	3562.81%	0.00%	-225.80%	174.70%	76.66%

Sch. 2 (Cont.)

<i>Fiscal Year Ended June 30,</i>	<u>Firefighters</u>	<u>Police</u>	<u>Plan I Non-</u> <u>uniformed</u>	<u>Plan II Non-</u> <u>uniformed</u>	<u>Plan III Non-</u> <u>uniformed</u>	<u>Park</u> <u>Trust</u>
	<i>2019</i>	<i>2019</i>	<i>2019</i>	<i>2019</i>	<i>2019</i>	<i>2019</i>
Total Pension Liability						
Service Cost	\$ 191,811	\$ 436,175	\$ -	\$ 20,275	\$ 1,137,508	\$ 7,893
Interest	5,862,901	10,374,193	317,753	950,371	7,554,561	17,412
Changes of benefit terms	109,000	180,000	114,000	152,000	164,000	-
Difference between expected and actual experience	(1,477,323)	(814,787)	(757,923)	(1,420,620)	(2,807,347)	-
Changes of Assumptions	1,296,546	2,569,476	60,225	241,886	2,204,630	(37,452)
Benefit Payments	(7,659,300)	(12,011,676)	(514,101)	(922,046)	(5,802,182)	(11,880)
Net Change in Total Pension Liability	(1,676,365)	733,381	(780,046)	(978,134)	2,451,170	(24,027)
Total Pension Liability, beginning	85,181,256	147,796,609	5,363,519	14,811,066	107,240,335	303,278
Total Pension Liability, ending (a)	<u>\$ 83,504,891</u>	<u>\$ 148,529,990</u>	<u>\$ 4,583,473</u>	<u>\$ 13,832,930</u>	<u>\$ 109,691,505</u>	<u>\$ 279,251</u>
Plan Fiduciary Net Position						
Contributions from Employer	\$ 1,240,836	\$ 5,849,070	\$ 47,342	\$ 260,859	\$ 4,958,725	\$ 6,438
Contributions from Member	91,885	133,661	-	-	504,771	-
Contributions from State / Other	3,701,612	1,847,503	-	11,880	8,787	2,970
Net Investment Income	3,504,110	6,653,119	410,758	1,014,431	4,498,094	12,988
Administrative Expenses	(125,613)	(199,210)	(60,036)	(81,529)	(277,140)	(11,880)
Benefit Payments	(7,659,300)	(12,011,676)	(514,101)	(922,046)	(5,802,182)	(2,899)
Net Change in Fiduciary Net Position	753,530	2,272,467	(116,037)	283,595	3,891,055	7,617
Plan Fiduciary Net Position, Beginning	50,170,325	91,332,825	5,560,611	13,845,161	76,260,830	293,854
Plan Fiduciary Net Position, Ending (b)	<u>\$ 50,923,855</u>	<u>\$ 93,605,292</u>	<u>\$ 5,444,574</u>	<u>\$ 14,128,756</u>	<u>\$ 80,151,885</u>	<u>\$ 293,471</u>
Net Pension Liability / (Asset) - Ending (a) - (b)	<u>\$ 32,581,036</u>	<u>\$ 54,924,698</u>	<u>\$ (861,101)</u>	<u>\$ (295,826)</u>	<u>\$ 29,539,620</u>	<u>\$ (14,220)</u>
Plan Fiduciary Net Position as a % of						
Total Pension Liability	60.98%	63.02%	118.79%	102.14%	73.07%	105.09%
Covered Payroll	\$ 1,531,410	\$ 2,227,697	\$ -	\$ 97,005	\$ 17,672,347	\$ 50,301
Net Pension Liability as a % of						
Covered Payroll	2127.52%	2465.54%	0.00%	-304.96%	167.15%	-28.27%

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	<u>Firefighters</u>	<u>Police</u>	<u>Plan I Non- uniformed</u>	<u>Plan II Non- uniformed</u>	<u>Plan III Non- uniformed</u>	<u>Park Trust</u>
<i>Fiscal Year Ended June 30,</i>	<i>2018</i>	<i>2018</i>	<i>2018</i>	<i>2018</i>	<i>2018</i>	<i>2018</i>
Total Pension Liability						
Service Cost	\$ 234,550	\$ 478,819	\$ -	\$ 20,454	\$ 1,258,925	\$ 8,092
Interest Cost	6,130,822	10,583,509	386,632	1,053,054	7,575,252	19,062
Difference Between Expected and Actual expenses	-	-	-	-	-	-
Changes in Assumptions	-	-	-	-	-	-
Benefit Payments	(7,463,842)	(11,410,939)	(487,026)	(928,307)	(5,311,556)	(17,820)
Net Change in Total Pension Liability	(1,098,470)	(348,611)	(100,394)	145,201	3,522,621	9,334
Total Pension Liability, beginning	86,279,726	148,145,220	5,463,913	14,665,865	103,717,714	293,944
Total Pension Liability, ending (a)	<u>\$ 85,181,256</u>	<u>\$ 147,796,609</u>	<u>\$ 5,363,519</u>	<u>\$ 14,811,066</u>	<u>\$ 107,240,335</u>	<u>\$ 303,278</u>
Plan Fiduciary Net Position						
Contributions from Employer	\$ 1,651,227	\$ 6,848,501	\$ 45,666	\$ 260,899	\$ 5,010,567	\$ -
Contributions from Member	117,647	191,395	-	-	542,262	-
Contributions from State / Other	4,817,278	1,812,310	1,168	17,820	1,636	-
Net Investment Income	3,947,989	7,503,707	488,340	1,169,645	6,228,920	14,583
Administrative Expenses	(115,730)	(195,036)	(52,385)	(74,794)	(255,838)	(17,820)
Benefit Payments	(7,463,842)	(11,410,939)	(487,026)	(928,307)	(5,311,556)	(3,032)
Net Change in Fiduciary Net Position	2,954,569	4,749,938	(4,237)	445,263	6,215,991	(6,269)
Plan Fiduciary Net Position, Beginning	47,215,756	86,582,890	5,564,848	13,399,898	70,044,838	292,123
Plan Fiduciary Net Position, Ending (b)	<u>\$ 50,170,325</u>	<u>\$ 91,332,828</u>	<u>\$ 5,560,611</u>	<u>\$ 13,845,161</u>	<u>\$ 76,260,829</u>	<u>\$ 285,854</u>
Net Pension Liability - Ending (a) - (b)	<u>\$ 35,010,931</u>	<u>\$ 56,463,781</u>	<u>\$ (197,092)</u>	<u>\$ 965,905</u>	<u>\$ 30,979,506</u>	<u>\$ 17,424</u>
Plan Fiduciary Net Position as a % of						
Total Pension Liability	58.90%	61.80%	103.67%	93.48%	71.11%	94.25%
Covered Payroll	\$ 1,965,421	\$ 3,189,901	\$ -	\$ 99,991	\$ 18,998,060	\$ 50,810
Net Pension Liability as a % of						
Covered Payroll	1781.35%	1770.08%	0.00%	965.99%	163.07%	34.29%

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<i>Fiscal Year Ended June 30,</i>	<u>Firefighters</u>	<u>Police</u>	<u>Plan I Non-</u> <u>uniformed</u>	<u>Plan II Non-</u> <u>uniformed</u>	<u>Plan III Non-</u> <u>uniformed</u>	<u>Park</u> <u>Trust</u>
	<i>2017</i>	<i>2017</i>	<i>2017</i>	<i>2017</i>	<i>2017</i>	<i>2017</i>
Total Pension Liability						
Service Cost	\$ 328,135	\$ 631,591	\$ -	\$ 25,607	\$ 1,346,770	\$ 7,738
Interest Cost	6,197,043	10,602,014	397,681	1,043,065	7,316,385	18,493
Difference Between Expected and Actual expenses	(1,367,656)	(3,766,323)	(464,924)	(566,350)	(721,159)	862
Changes in Assumptions	2,579,588	5,081,048	101,205	237,807	(622,120)	-
Benefit Payments	(7,193,939)	(11,253,686)	(604,889)	(928,766)	(4,850,914)	(17,820)
Net Change in Total Pension Liability	543,171	1,294,644	(570,927)	(188,637)	2,468,962	9,273
Total Pension Liability, beginning	85,736,555	146,850,576	6,034,840	14,854,502	101,248,752	284,671
Total Pension Liability, ending (a)	<u>\$ 86,279,726</u>	<u>\$ 148,145,220</u>	<u>\$ 5,463,913</u>	<u>\$ 14,665,865</u>	<u>\$ 103,717,714</u>	<u>\$ 293,944</u>
Plan Fiduciary Net Position						
Contributions from Employer	\$ 4,061,268	\$ 6,064,563	\$ 137,532	\$ 327,005	\$ 5,329,433	\$ -
Contributions from Member	170,902	252,462	-	-	415,868	-
Contributions from State / Other	1,633,480	1,728,260	4,739	17,820	5,029	-
Net Investment Income	4,605,151	8,770,524	605,454	1,391,930	6,479,038	22,030
Administrative Expenses	(91,387)	(127,240)	(56,438)	(95,206)	(275,564)	(2,961)
Benefit Payments	(7,193,939)	(11,253,686)	(604,889)	(928,766)	(4,850,914)	(17,820)
Net Change in Fiduciary Net Position	3,185,475	5,434,883	86,398	712,783	7,102,890	1,249
Plan Fiduciary Net Position, Beginning	44,030,281	81,148,007	5,478,450	12,687,120	62,941,948	290,874
Plan Fiduciary Net Position, Ending (b)	<u>\$ 47,215,756</u>	<u>\$ 86,582,890</u>	<u>\$ 5,564,848</u>	<u>\$ 13,399,903</u>	<u>\$ 70,044,838</u>	<u>\$ 292,123</u>
Net Pension Liability - Ending (a) - (b)	<u>\$ 39,063,970</u>	<u>\$ 61,562,330</u>	<u>\$ (100,935)</u>	<u>\$ 1,265,962</u>	<u>\$ 33,672,876</u>	<u>\$ 1,821</u>
Plan Fiduciary Net Position as a % of						
Total Pension Liability	54.72%	58.44%	101.85%	91.37%	67.53%	99.38%
Covered Payroll	\$ 2,749,624	\$ 4,207,671	\$ -	\$ 125,182	\$ 20,323,708	\$ 48,589
Net Pension Liability as a % of						
Covered Payroll	1420.70%	1463.10%	0.00%	1011.30%	165.68%	3.75%

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<i>Fiscal Year Ended June 30,</i>	<u>Firefighters</u>	<u>Police</u>	<u>Plan I Non-uniformed</u>	<u>Plan II Non-uniformed</u>	<u>Plan III Non-uniformed</u>	<u>Park Trust</u>
	<i>2016</i>	<i>2016</i>	<i>2016</i>	<i>2016</i>	<i>2016</i>	<i>2016</i>
Total Pension Liability						
Service Cost	\$ 500,997	\$ 1,066,300	\$ 2,224	\$ 17,301	\$ 1,617,572	\$ 7,512
Interest Cost	6,237,408	10,636,025	443,380	1,070,180	7,223,825	17,927
Benefit Payments	(7,202,381)	(10,999,382)	(629,168)	(952,272)	(4,504,066)	(17,820)
Net Change in Total Pension Liability	(463,976)	702,943	(183,564)	135,209	4,337,331	7,619
Total Pension Liability, beginning	86,200,531	146,147,633	6,218,404	14,719,293	96,911,421	277,052
Total Pension Liability, ending (a)	<u>\$ 85,736,555</u>	<u>\$ 146,850,576</u>	<u>\$ 6,034,840</u>	<u>\$ 14,854,502</u>	<u>\$ 101,248,752</u>	<u>\$ 284,671</u>
Plan Fiduciary Net Position						
Contributions from Employer	\$ 1,605,363	\$ 6,007,320	\$ 176,336	\$ 344,868	\$ 5,281,751	\$ 14,147
Contributions from Member	157,144	253,095	-	-	442,476	-
Contributions from State / Other	4,158,242	1,944,213	4,739	17,820	6,242	-
Net Investment Income	877,188	1,668,329	115,105	258,960	1,434,763	(2,312)
Administrative Expenses	(100,096)	(112,632)	(64,380)	(97,803)	(250,752)	(3,058)
Benefit Payments	(7,202,381)	(10,999,382)	(629,168)	(952,272)	(4,504,066)	(17,820)
Net Change in Fiduciary Net Position	(504,540)	(1,239,057)	(397,368)	(428,427)	2,410,414	(9,043)
Plan Fiduciary Net Position, Beginning	44,534,821	82,387,064	5,875,818	13,115,547	60,531,534	299,917
Plan Fiduciary Net Position, Ending (b)	<u>\$ 44,030,281</u>	<u>\$ 81,148,007</u>	<u>\$ 5,478,450</u>	<u>\$ 12,687,120</u>	<u>\$ 62,941,948</u>	<u>\$ 290,874</u>
Net Pension Liability - Ending (a) - (b)	<u>\$ 41,706,274</u>	<u>\$ 65,702,569</u>	<u>\$ 556,390</u>	<u>\$ 2,167,382</u>	<u>\$ 38,306,804</u>	<u>\$ (6,203)</u>
Plan Fiduciary Net Position as a % of						
Total Pension Liability	51.36%	55.26%	90.78%	85.41%	62.17%	102.18%
Covered Payroll	\$ 2,512,968	\$ 4,050,903	\$ -	\$ 154,882	\$ 21,315,013	\$ 49,790
Net Pension Liability as a % of						
Covered Payroll	1659.64%	1621.92%	0.00%	1399.38%	179.72%	-12.46%

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<i>Fiscal Year Ended June 30,</i>	<u>Firefighters</u>	<u>Police</u>	<u>Plan I Non-uniformed</u>	<u>Plan II Non-uniformed</u>	<u>Plan III Non-uniformed</u>	<u>Park Trust</u>
	<i>2015</i>	<i>2015</i>	<i>2015</i>	<i>2015</i>	<i>2015</i>	<i>2015</i>
Total Pension Liability						
Service Cost	\$ 493,756	\$ 1,066,523	\$ 4,490	\$ 31,183	\$ 1,640,457	\$ 7,512
Interest Cost	6,263,481	10,575,592	457,445	1,061,258	6,916,987	17,462
Differences between Actual and Expected Experience	(1,493,659)	(3,633,046)	(333,954)	(97,011)	(1,621,340)	(3,327)
Benefit Payments	(7,025,062)	(10,678,644)	(664,604)	(966,673)	(4,384,851)	(17,820)
Net Change in Total Pension Liability	(1,761,484)	(2,669,575)	(536,623)	28,757	2,551,253	3,827
Total Pension Liability, beginning	87,962,015	148,817,208	6,755,027	14,690,536	94,360,168	273,225
Total Pension Liability, ending (a)	<u>\$ 86,200,531</u>	<u>\$ 146,147,633</u>	<u>\$ 6,218,404</u>	<u>\$ 14,719,293</u>	<u>\$ 96,911,421</u>	<u>\$ 277,052</u>
Plan Fiduciary Net Position						
Contributions from Employer	\$ 435,261	\$ 5,904,595	\$ 240,339	\$ 435,503	\$ 5,719,954	\$ 48,765
Contributions from Member	177,087	295,781	-	-	430,845	-
Contributions from State / Other	3,814,978	1,901,858	14,574	17,820	20,895	-
Net Investment Income	791,946	1,510,221	109,348	235,490	1,115,920	3,485
Administrative Expenses	(75,866)	(100,852)	(52,508)	(85,230)	(229,666)	(3,207)
Benefit Payments	(7,025,062)	(10,678,644)	(664,605)	(966,673)	(4,384,850)	(17,820)
Net Change in Fiduciary Net Position	(1,881,656)	(1,167,041)	(352,852)	(363,090)	2,673,098	31,223
Plan Fiduciary Net Position, Beginning	46,416,477	83,554,105	6,228,670	13,478,637	57,858,436	268,694
Plan Fiduciary Net Position, Ending (b)	<u>\$ 44,534,821</u>	<u>\$ 82,387,064</u>	<u>\$ 5,875,818</u>	<u>\$ 13,115,547</u>	<u>\$ 60,531,534</u>	<u>\$ 299,917</u>
Net Pension Liability - Ending (a) - (b)	<u>\$ 41,665,710</u>	<u>\$ 63,760,569</u>	<u>\$ 342,586</u>	<u>\$ 1,603,746</u>	<u>\$ 36,379,887</u>	<u>\$ (22,865)</u>
Plan Fiduciary Net Position as a % of						
Total Pension Liability	51.66%	56.37%	94.49%	89.10%	62.46%	108.25%
Covered Payroll	\$ 3,057,532	\$ 4,900,751	\$ 42,426	\$ 189,905	\$ 21,571,117	\$ 47,875
Net Pension Liability as a % of						
Covered Payroll	1362.72%	1301.04%	807.49%	844.50%	168.65%	-47.76%

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Schedule of Net Pension Liability of Pension Plans Administered by the Delaware Public Employees Retirement System

	Proportion of Collective Net Pension Asset	Proportion of Total Pension Asset (Liability)	Covered Payroll	Net Pension Asset(Liability) as a Percentage of Covered Payroll	Plan's Fiduciary Net Position as a Percentage of Total Pension Asset / Liability
County & Municipal Pension Plans as of June 30, 2023					
Police and Firefighters	34.96%	\$ (3,568,564)	\$ 38,949,423	-9.42%	101.95%
Other Employees	27.45%	(186,286)	18,935,076	-0.98%	100.79%
County & Municipal Pension Plans as of June 30, 2022					
Police and Firefighters	34.23%	(47,006,527)	\$ 36,788,190	-127.78%	-128.00%
Other Employees	29.29%	(6,134,797)	16,669,452	-36.80%	-128.00%
County & Municipal Pension Plans as of June 30, 2021					
Police and Firefighters	33.00%	(9,535,437)	29,337,664	-32.50%	93.25%
Other Employees	27.75%	(1,271,564)	12,328,634	-10.03%	92.74%
County & Municipal Pension Plans as of June 30, 2020					
Police and Firefighters	33.49%	(5,147,440)	\$ 30,567,215	-16.84%	96.67%
Other Employees	29.70%	(630,685)	14,593,642	-4.30%	96.95%
County & Municipal Pension Plans as of June 30, 2019					
Police and Firefighters	33.00%	(9,535,437)	29,337,664	-32.50%	93.25%
Other Employees	27.75%	(1,271,564)	12,328,634	-10.03%	92.74%
County & Municipal Pension Plans as of June 30, 2018					
Police and Firefighters	33.00%	(7,692,573)	28,199,642	-27.28%	94.00%
Other Employees	26.00%	(811,886)	3,068,239	-26.40%	94.41%
County & Municipal Pension Plans as of June 30, 2017					
Police and Firefighters	34.00%	(3,464,628)	27,538,276	-12.58%	97.00%
Other Employees	21.58%	(1,553,472)	8,079,653	-19.23%	87.62%
County & Municipal Pension Plans as of June 30, 2016					
Police and Firefighters	33.00%	(5,234,459)	28,557,308	-18.33%	94.70%
Other Employees	21.58%	(1,337,306)	9,213,913	-14.51%	86.38%
County & Municipal Pension Plans as of June 30, 2015					
Police and Firefighters	33.08%	1,743,533	24,141,030	-7.22%	101.97%
Other Employees	21.78%	(9,293)	7,787,744	0.12%	99.89%
County & Municipal Pension Plans as of June 30, 2014					
Police and Firefighters	33.96%	3,698,693	23,615,373	-15.66%	104.47%
Other Employees	20.75%	76,367	5,527,605	-1.38%	101.07%

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Notes to Required Supplementary Information

Note 1 - Methods and Assumptions Used to Determine Contributions Rates

	<u>Firefighters</u>		<u>Police</u>		<u>Plan I Non-uniformed</u>		<u>Plan II Non-uniformed</u>		<u>Plan III Non-uniformed</u>		<u>Park Trust</u>	
	June 30, 2023											
Actuarial Valuation Date	July 1, 2022		July 1, 2022		July 1, 2022		July 1, 2022		July 1, 2022		July 1, 2022	
Measurement Date	June 30, 2023		June 30, 2023		June 30, 2023		June 30, 2023		June 30, 2023		June 30, 2023	
Actuarial Cost Method	Entry Age Normal											
Amortization Method	Level Percent of Pay											
Remaining Amortization	Fully amortized on June 30, 2029											
Asset Valuation Method	5 Year Smoothed Market											
Discount Rate	7.20%		7.20%		7.20%		7.20%		7.20%		6.50%	
Investment Rate of Return	7.20%		7.20%		7.20%		7.20%		7.20%		6.50%	
Asset Class:	Target		Target		Target		Target		Target		Target	
	<u>Allocation (10)</u>	<u>Return</u>	<u>Allocation (10)</u>	<u>Return</u>	<u>Allocation (10)</u>	<u>Return</u>	<u>Allocation (10)</u>	<u>Return</u>	<u>Allocation (10)</u>	<u>Return</u>	<u>Allocation</u>	<u>Return</u>
Domestic Equity	49.0%	5.5%	49.0%	5.5%	49.0%	5.5%	49.0%	5.5%	49.0%	5.5%	40.7%	6.5%
Non-U.S. Equity	14.0%	5.6%	14.0%	5.6%	14.0%	5.6%	14.0%	5.6%	14.0%	5.6%	13.2%	7.3%
Real Estate	7.0%	4.7%	7.0%	4.7%	7.0%	4.7%	7.0%	4.7%	7.0%	4.7%	0.0%	0.0%
Fixed Income	26.0%	1.8%	26.0%	1.8%	26.0%	1.8%	26.0%	1.8%	26.0%	1.8%	39.9%	3.7%
Alternative Investments	4.0%	12.0%	4.0%	12.0%	4.0%	12.0%	4.0%	12.0%	4.0%	12.0%	n/a	n/a
Cash	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	0.0%	4.3%
Projected Salary Increases	0.0%	3.00%	0.0%	3.00%	0.0%	3.00%	0.0%	3.00%	0.0%	3.00%	6.9%	4.00%
Includes Inflation Rate of	3.00%		3.00%		3.00%		3.00%		3.00%		n/a	
Cost-of-Living Adjustments	None		None		None		None		None		None	
Mortality Rates	<p><i>Healthy Lives:</i> RP-2000 Mortality Table projected with Scale AA</p> <p><i>Disabled Lives:</i> 2018 PBGC Disability Mortality Tables, 100% Non-Social Security Eligible Participants</p> <p><i>Healthy Lives:</i> RP-2000 Combined Healthy Mortality Table projected fully generational with Scale AA.</p> <p><i>Disabled Lives:</i> RP-2000 Disabled Mortality Table</p> <p><i>Pre-retirement:</i> None</p> <p><i>Post-Retirement:</i> RP-2000 Mortality Table projected with Sacc AA for 15 years.</p>											

*Effective October 1, 2021, the Pension Board approved the following changes to target to the Target Allocation. Decrease fixed income targets from 29% to 26%; Add infrastructure assets to a total of 4%; Decrease private real estate targets from 8% to 7%. Motion was approved unanimously

	<u>Firefighters</u>		<u>Police</u>		<u>Plan I Non-uniformed</u>		<u>Plan II Non-uniformed</u>		<u>Plan III Non-uniformed</u>		<u>Park Trust</u>	
	June 30, 2022											
Actuarial Valuation Date	July 1, 2020		July 1, 2020		July 1, 2020		July 1, 2020		July 1, 2020		July 1, 2020	
Measurement Date	June 30, 2022		June 30, 2022		June 30, 2022		June 30, 2022		June 30, 2022		June 30, 2022	
Actuarial Cost Method	Entry Age Normal											
Amortization Method	Level Percent of Pay											
Remaining Amortization	Fully amortized on June 30, 2029											
Asset Valuation Method	5 Year Smoothed Market											
Discount Rate	7.20%		7.20%		7.20%		7.20%		7.20%		6.50%	
Investment Rate of Return	7.20%		7.20%		7.20%		7.20%		7.20%		6.50%	
Asset Class:	Target		Target		Target		Target		Target		Target	
	<u>Allocation (*)</u>	<u>Return</u>	<u>Allocation (*)</u>	<u>Return</u>	<u>Allocation (*)</u>	<u>Return</u>	<u>Allocation (*)</u>	<u>Return</u>	<u>Allocation (*)</u>	<u>Return</u>	<u>Allocation</u>	<u>Return</u>
Domestic Equity	49.0%	5.5%	49.0%	5.5%	49.0%	5.5%	49.0%	5.5%	49.0%	5.5%	53.0%	6.5%
Non-U.S. Equity	14.0%	5.6%	14.0%	5.6%	14.0%	5.6%	14.0%	5.6%	14.0%	5.6%	4.5%	7.3%
Real Estate	7.0%	4.7%	7.0%	4.7%	7.0%	4.7%	7.0%	4.7%	7.0%	4.7%	0.0%	0.0%
Fixed Income	26.0%	1.8%	26.0%	1.8%	26.0%	1.8%	26.0%	1.8%	26.0%	1.8%	39.8%	3.7%
Alternative Investments	4.0%	12.0%	4.0%	12.0%	4.0%	12.0%	4.0%	12.0%	4.0%	12.0%	n/a	n/a
Cash	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	0.0%	4.3%
Projected Salary Increases	3.00%		3.00%		4.00%		per year graded to 3.00%		per year based on age		4.00%	
Includes Inflation Rate of	3.00%		3.00%		3.00%		3.00%		3.00%		n/a	
Cost-of-Living Adjustments	None		None		None		None		None		None	
Mortality Rates	<p><i>Healthy Lives:</i> RP-2000 Mortality Table projected with Scale AA</p> <p><i>Disabled Lives:</i> 2011 Sex Distinct PBGC Disability Mortality Tables, 100% Non-Social Security Eligible Participants</p> <p><i>Healthy Lives:</i> RP-2000 Combined Healthy Mortality Table projected fully generational with Scale AA.</p> <p><i>Disabled Lives:</i> RP-2000 Disabled Mortality Table</p> <p><i>Pre-retirement:</i> None</p> <p><i>Post-Retirement:</i> RP-2000 Mortality Table projected with Sacc AA for 15 years.</p>											

*Effective October 1, 2021, the Pension Board approved the following changes to target to the Target Allocation. Decrease fixed income targets from 29% to 26%; Add infrastructure assets to a total of 4%; Decrease private real estate targets from 8% to 7%. Motion was approved unanimously

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June 30, 2021												
Actuarial Valuation Date	July 1, 2020	July 1, 2020	July 1, 2020	July 1, 2020	July 1, 2020	July 1, 2020	July 1, 2020	July 1, 2020	July 1, 2020	July 1, 2020	July 1, 2020	
Measurement Date	June 30, 2021	June 30, 2021	June 30, 2021	June 30, 2021	June 30, 2021	June 30, 2021	June 30, 2021	June 30, 2021	June 30, 2021	June 30, 2021	June 30, 2021	
Actuarial Cost Method	Entry Age Normal											
Amortization Method	Level Percent of Pay										Level Dollar	
Remaining Amortization	Fully amortized on June 30, 2029										15 years	
Asset Valuation Method	5 Year Smoothed Market										Market Value	
Discount Rate	7.20%	7.20%	7.20%	7.20%	7.20%	7.20%	7.20%	7.20%	7.20%	7.20%	6.50%	
Investment Rate of Return	7.20%	7.20%	7.20%	7.20%	7.20%	7.20%	7.20%	7.20%	7.20%	7.20%	6.50%	
Asset Class:	Target		Target		Target		Target		Target		Target	
	<u>Allocation*</u>	<u>Return</u>	<u>Allocation*</u>	<u>Return</u>	<u>Allocation*</u>	<u>Return</u>	<u>Allocation*</u>	<u>Return</u>	<u>Allocation*</u>	<u>Return</u>	<u>Allocation</u> <u>Return</u>	
Domestic Equity	49.0%	5.5%	49.0%	5.5%	49.0%	5.5%	49.0%	5.5%	49.0%	5.5%	28.3% 6.5%	
Non-U.S. Equity	14.0%	5.6%	14.0%	5.6%	14.0%	5.6%	14.0%	5.6%	14.0%	5.6%	0.2% 7.3%	
Real Estate	8.0%	4.7%	8.0%	4.7%	8.0%	4.7%	8.0%	4.7%	8.0%	4.7%	0.0% 0.0%	
Fixed Income	28.0%	1.8%	28.0%	1.8%	28.0%	1.8%	28.0%	1.8%	28.0%	1.8%	60.8% 3.7%	
Alternative Investments	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a 4.3%	
Cash	1.0%	0.0%	1.0%	0.0%	1.0%	0.0%	1.0%	0.0%	1.0%	0.0%	10.8% 1.0%	
Projected Salary Increases	3.00%	3.00%	3.00%	3.00%	4.00% per year graded to 3.00% per year based on age						4.00%	
Includes Inflation Rate of	3.00%	3.00%	3.00%	3.00%	3.00%	3.00%	3.00%	3.00%	3.00%	3.00%	n/a	
Cost-of-Living Adjustments	None	None	None	None	None	None	None	None	None	None	None	
Mortality Rates	<i>Healthy Lives:</i> RP-2000 Mortality Table projected with Scale AA				<i>Healthy Lives:</i> RP-2000 Combined Healthy Mortality Table projected fully generational with Scale AA.				<i>Pre-retirement:</i> None			
	<i>Disabled Lives:</i> 2011 Sex Distinct PBGC Disability Mortality Tables, 100% Non-Social Security Eligible Participants				<i>Disabled Lives:</i> RP-2000 Disabled Mortality Table				<i>Post-Retirement:</i> RP-2000 Mortality Table projected with Sace AA for 15 years.			
June 30, 2020												
Actuarial Valuation Date	July 1, 2018	July 1, 2018	July 1, 2018	July 1, 2018	July 1, 2018	July 1, 2018	July 1, 2018	July 1, 2018	July 1, 2018	July 1, 2018	July 1, 2018	
Measurement Date	June 30, 2020	June 30, 2020	June 30, 2020	June 30, 2020	June 30, 2020	June 30, 2020	June 30, 2020	June 30, 2020	June 30, 2020	June 30, 2020	June 30, 2020	
Actuarial Cost Method	Entry Age Normal											
Amortization Method	Level Percent of Pay										Level Dollar	
Remaining Amortization	Fully amortized on June 30, 2029										15 years	
Asset Valuation Method	5 Year Smoothed Market										Market Value	
Discount Rate	7.20%	7.20%	7.20%	7.20%	7.20%	7.20%	7.20%	7.20%	7.20%	7.20%	6.50%	
Investment Rate of Return	7.20%	7.20%	7.20%	7.20%	7.20%	7.20%	7.20%	7.20%	7.20%	7.20%	6.50%	
Asset Class:	Target		Target		Target		Target		Target		Target	
	<u>Allocation*</u>	<u>Return</u>	<u>Allocation*</u>	<u>Return</u>	<u>Allocation*</u>	<u>Return</u>	<u>Allocation*</u>	<u>Return</u>	<u>Allocation*</u>	<u>Return</u>	<u>Allocation</u> <u>Return</u>	
Domestic Equity	49.0%	5.5%	49.0%	5.5%	49.0%	5.5%	49.0%	5.5%	49.0%	5.5%	28.3% 6.5%	
Non-U.S. Equity	14.0%	5.6%	14.0%	5.6%	14.0%	5.6%	14.0%	5.6%	14.0%	5.6%	0.2% 7.3%	
Real Estate	8.0%	4.7%	8.0%	4.7%	8.0%	4.7%	8.0%	4.7%	8.0%	4.7%	0.0% 0.0%	
Fixed Income	28.0%	1.8%	28.0%	1.8%	28.0%	1.8%	28.0%	1.8%	28.0%	1.8%	60.8% 3.7%	
Alternative Investments	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a 4.3%	
Cash	1.0%	0.0%	1.0%	0.0%	1.0%	0.0%	1.0%	0.0%	1.0%	0.0%	10.8% 1.0%	
Projected Salary Increases	3.00%	3.00%	3.00%	3.00%	4.00% per year graded to 3.00% per year based on age						4.00%	
Includes Inflation Rate of	3.00%	3.00%	3.00%	3.00%	3.00%	3.00%	3.00%	3.00%	3.00%	3.00%	n/a	
Cost-of-Living Adjustments	None	None	None	None	None	None	None	None	None	None	None	
Mortality Rates	<i>Healthy Lives:</i> RP-2000 Mortality Table projected with Scale AA				<i>Healthy Lives:</i> RP-2000 Combined Healthy Mortality Table projected fully generational with Scale AA.				<i>Pre-retirement:</i> None			
	<i>Disabled Lives:</i> 2011 Sex Distinct PBGC Disability Mortality Tables, 100% Non-Social Security Eligible Participants				<i>Disabled Lives:</i> RP-2000 Disabled Mortality Table				<i>Post-Retirement:</i> RP-2000 Mortality Table projected with Sace AA for 15 years.			

*The prior year allocations were used through October 24, 2019. These allocations were effective October 25, 2019

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	<u>Firefighters</u>		<u>Police</u>		<u>Plan I Non-uniformed</u>		<u>Plan II Non-uniformed</u>		<u>Plan III Non-uniformed</u>		<u>Park Trust</u>	
June 30, 2019												
Actuarial Valuation Date	July 1, 2018		July 1, 2018		July 1, 2018		July 1, 2018		July 1, 2018		July 1, 2018	
Measurement Date	June 30, 2019		June 30, 2019		June 30, 2019		June 30, 2019		June 30, 2019		June 30, 2019	
Actuarial Cost Method	Entry Age Normal											
Amortization Method	Level Percent of Pay											
Remaining Amortization	Fully amortized on June 30, 2029											
Asset Valuation Method	5 Year Smoothed Market											
Discount Rate	7.20%		7.20%		7.20%		7.20%		7.20%		6.50%	
Investment Rate of Return	7.40%		7.40%		7.40%		7.40%		7.40%		6.50%	
Asset Class:	Target		Target		Target		Target		Target		Target	
	<u>Allocation</u>	<u>Return</u>	<u>Allocation</u>	<u>Return</u>	<u>Allocation</u>	<u>Return</u>	<u>Allocation</u>	<u>Return</u>	<u>Allocation</u>	<u>Return</u>	<u>Allocation</u>	<u>Return</u>
Domestic Equity	45.0%	5.5%	45.0%	5.5%	45.0%	5.5%	45.0%	5.5%	45.0%	5.5%	29.2%	6.5%
Non-U.S. Equity	18.0%	5.6%	18.0%	5.6%	18.0%	5.6%	18.0%	5.6%	18.0%	5.6%	9.6%	6.5%
Real Estate	5.0%	4.7%	5.0%	4.7%	5.0%	4.7%	5.0%	4.7%	5.0%	4.7%	0.0%	0.0%
Fixed Income	32.0%	1.8%	32.0%	1.8%	32.0%	1.8%	32.0%	1.8%	32.0%	1.8%	38.1%	6.5%
Alternative Investments	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a
Cash	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	23.1%	0.0%
Projected Salary Increases	3.00%		3.00%		4.00% per year graded to 3.00% per year based on age						4.00%	
Includes Inflation Rate of	3.00%		3.00%		3.00%		3.00%		3.00%		n/a	
Cost-of-Living Adjustments	None		None		None		None		None		None	
Mortality Rates	<i>Healthy Lives:</i> RP-2000 Mortality Table projected with Scale AA				<i>Healthy Lives:</i> RP-2000 Combined Healthy Mortality Table projected fully generational with Scale AA.				<i>Pre-retirement:</i> None			
	<i>Disabled Lives:</i> 2011 Sex Distinct PBGC Disability Mortality Tables, 100% Non-Social Security Eligible Participants				<i>Disabled Lives:</i> RP-2000 Disabled Mortality Table				<i>Post-Retirement:</i> RP-2000 Mortality Table projected with Sacc AA for 15 years.			
June 30, 2018												
Actuarial Valuation Date	July 1, 2017		July 1, 2017		July 1, 2017		July 1, 2017		July 1, 2017		July 1, 2017	
Measurement Date	June 30, 2018		June 30, 2018		June 30, 2018		June 30, 2018		June 30, 2018		June 30, 2018	
Actuarial Cost Method	Entry Age Normal											
Amortization Method	Level Percent of Pay											
Remaining Amortization	Fully amortized on June 30, 2029											
Asset Valuation Method	5 Year Smoothed Market											
Discount Rate	7.40%		7.40%		7.40%		7.40%		7.40%		6.50%	
Investment Rate of Return	7.40%		7.40%		7.40%		7.40%		7.40%		6.50%	
Asset Class:	Target		Target		Target		Target		Target		Target	
	<u>Allocation</u>	<u>Return</u>	<u>Allocation</u>	<u>Return</u>	<u>Allocation</u>	<u>Return</u>	<u>Allocation</u>	<u>Return</u>	<u>Allocation</u>	<u>Return</u>	<u>Allocation</u>	<u>Return</u>
Domestic Equity	45.0%	5.5%	45.0%	5.5%	45.0%	5.5%	45.0%	5.5%	45.0%	5.5%	29.2%	6.5%
Non-U.S. Equity	18.0%	5.6%	18.0%	5.6%	18.0%	5.6%	18.0%	5.6%	18.0%	5.6%	9.6%	6.5%
Real Estate	5.0%	4.7%	5.0%	4.7%	5.0%	4.7%	5.0%	4.7%	5.0%	4.7%	0.0%	0.0%
Fixed Income	32.0%	1.8%	32.0%	1.8%	32.0%	1.8%	32.0%	1.8%	32.0%	1.8%	38.1%	6.5%
Alternative Investments	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a
Cash	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a
Projected Salary Increases	3.00%		3.00%		4.00% per year graded to 3.00% per year based on age						4.00%	
Includes Inflation Rate of	3.00%		3.00%		3.00%		3.00%		3.00%		n/a	
Cost-of-Living Adjustments	None		None		None		None		None		None	
Mortality Rates	<i>Healthy Lives:</i> RP-2000 Mortality Table projected with Scale AA				<i>Healthy Lives:</i> RP-2000 Combined Healthy Mortality Table projected fully generational with Scale AA.				<i>Pre-retirement:</i> None			
	<i>Disabled Lives:</i> 2011 Sex Distinct PBGC Disability Mortality Tables, 100% Non-Social Security Eligible Participants				<i>Disabled Lives:</i> RP-2000 Disabled Mortality Table				<i>Post-Retirement:</i> RP-2000 Mortality Table projected with Sacc AA for 15 years.			

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	<u>Firefighters</u>		<u>Police</u>		<u>Plan I Non-uniformed</u>		<u>Plan II Non-uniformed</u>		<u>Plan III Non-uniformed</u>		<u>Park Trust</u>	
	June 30, 2017											
Actuarial Valuation Date	July 1, 2016		July 1, 2016		July 1, 2016		July 1, 2016		July 1, 2016		July 1, 2016	
Measurement Date	June 30, 2017		June 30, 2017		June 30, 2017		June 30, 2017		June 30, 2017		June 30, 2017	
Actuarial Cost Method	Entry Age Normal											
Amortization Method	Level Percent of Pay											
Remaining Amortization	Fully amortized on June 30, 2029											
Asset Valuation Method	5 Year Smoothed Market											
Discount Rate	7.40%		7.40%		7.40%		7.40%		7.40%		6.50%	
Investment Rate of Return	7.40%		7.40%		7.40%		7.40%		7.40%		6.50%	
Asset Class:	Target		Target		Target		Target		Target		Target	
	<u>Allocation</u>	<u>Return</u>	<u>Allocation</u>	<u>Return</u>	<u>Allocation</u>	<u>Return</u>	<u>Allocation</u>	<u>Return</u>	<u>Allocation</u>	<u>Return</u>	<u>Allocation</u>	<u>Return</u>
Domestic Equity	49.0%	7.0%	49.0%	7.0%	49.0%	7.0%	49.0%	7.0%	49.0%	7.0%	30.0%	6.5%
Non-U.S. Equity	16.0%	8.3%	16.0%	8.3%	16.0%	8.3%	16.0%	8.3%	16.0%	8.3%	5.4%	6.5%
Fixed Income	35.0%	1.5%	35.0%	1.5%	35.0%	1.5%	35.0%	1.5%	35.0%	1.5%	37.5%	6.5%
Alternative Investments	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a
Cash	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	27.0%	0.0%
Projected Salary Increases	5.50%		5.50%		5.50%		5.50%		5.50%		4.00%	
Includes Inflation Rate of	3.00%		3.00%		3.00%		3.00%		3.00%		Not Provided	
Cost-of-Living Adjustments	Ad Hoc		Ad Hoc		None		None		None		None	
Mortality Rates	Healthy Lives: RP-2000 Mortality Table projected with Scale AA for 15 years none for Park Trust Disabled											
	June 30, 2016											
Actuarial Valuation Date	July 1, 2014		July 1, 2014		July 1, 2014		July 1, 2014		July 1, 2014		July 1, 2014	
Measurement Date	June 30, 2016		June 30, 2016		June 30, 2016		June 30, 2016		June 30, 2016		June 30, 2016	
Actuarial Cost Method	Entry Age Normal											
Amortization Method	Level Percent of Pay											
Remaining Amortization	Fully amortized on June 30, 2029											
Asset Valuation Method	5 Year Smoothed Market											
Discount Rate	7.50%		7.50%		7.50%		7.50%		7.50%		6.50%	
Investment Rate of Return	7.50%		7.50%		7.50%		7.50%		7.50%		6.50%	
Asset Class:	Target		Target		Target		Target		Target		Target	
	<u>Allocation</u>	<u>Return</u>	<u>Allocation</u>	<u>Return</u>	<u>Allocation</u>	<u>Return</u>	<u>Allocation</u>	<u>Return</u>	<u>Allocation</u>	<u>Return</u>	<u>Allocation</u>	<u>Return</u>
Domestic Equity	7.00%	7.00%	7.00%	7.00%	7.00%	7.00%	7.00%	7.00%	7.00%	7.00%	6.50%	
Non-U.S. Equity	8.30%	8.30%	8.30%	8.30%	8.30%	8.30%	8.30%	8.30%	8.30%	8.30%	6.50%	
Fixed Income	1.50%	1.50%	1.50%	1.50%	1.50%	1.50%	1.50%	1.50%	1.50%	1.50%	6.50%	
Alternative Investments	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	6.50%	
Cash	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	
Projected Salary Increases	5.50% (1)		5.50% (1)		5.50% (1)		5.50% (2)		5.50% (2)		4.00%	
Includes Inflation Rate of	3.00%		3.00%		3.00%		3.00%		3.00%		Not Provided	
Cost-of-Living Adjustments	Ad Hoc		Ad Hoc		None		None		None		None	
Mortality Rates	Healthy Lives: RP-2000 Mortality Table projected with Scale AA for 15 years. Disabled Lives: 2011 Sex Distinct PBGC Disability Mortality Table blended 50%/50% for Social Security Eligible Participants and Non-Social Security Eligible Participants											

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	<u>Firefighters</u>	<u>Police</u>	<u>Plan I Non-uniformed</u>	<u>Plan II Non-uniformed</u>	<u>Plan III Non-uniformed</u>	<u>Park Trust</u>
June 30, 2015						
Actuarial Valuation Date	July 1, 2014	July 1, 2014	July 1, 2014	July 1, 2014	July 1, 2014	July 1, 2014
Measurement Date	June 30, 2015	June 30, 2015	June 30, 2015	June 30, 2015	June 30, 2015	June 30, 2015
Actuarial Cost Method	Entry Age Normal					Aggregate Cost
Amortization Method	Level Percent Closed Period					n/a
Remaining Amortization	14 years					n/a
Asset Valuation Method	5 Year Smoothed Market					Market Value
Discount Rate	7.50%	7.50%	7.50%	7.50%	7.40%	6.50%
Investment Rate of Return	7.50%	7.50%	7.50%	7.50%	7.40%	6.50%
Asset Class:						
Domestic Equity	7.00%	7.00%	7.00%	7.00%	7.00%	6.50%
Non-U.S. Equity	8.30%	8.30%	8.30%	8.30%	8.30%	6.50%
Fixed Income	1.50%	1.50%	1.50%	1.50%	1.50%	6.50%
Alternative Investments	n/a	n/a	n/a	n/a	n/a	6.50%
Cash	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%
Projected Salary Increases	5.50% (1)	5.50% (1)	5.50% (1)	5.50% (2)	5.50% (2)	4.00%
Includes Inflation Rate of	3.00%	3.00%	3.00%	3.00%	3.00%	Not Provided
Cost-of-Living Adjustments	Ad Hoc	Ad Hoc	None	None	None	None
Mortality Rates	Healthy Lives: RP-2000 Mortality Table projected with Scale AA for 15 years. Disabled Lives: 2011 Sex Distinct PBGC Disability Mortality Table blended 50%/50% for Social Security Eligible Participants and Non-Social Security Eligible Participants					

June 30, 2014						
Actuarial Valuation Date	July 1, 2012	July 1, 2012	July 1, 2012	July 1, 2012	July 1, 2012	July 1, 2012
Measurement Date	June 30, 2014	June 30, 2014	June 30, 2014	June 30, 2014	June 30, 2014	June 30, 2014
Actuarial Cost Method	Aggregate Entry Age					Aggregate Cost
Amortization Method	Level Percent Closed Period					n/a
Remaining Amortization	17 years					n/a
Asset Valuation Method	5 Year Smoothed Market					Market Value
Discount Rate	7.50%	7.50%	7.50%	7.50%	7.50%	6.50%
Investment Rate of Return	7.50%	7.50%	7.50%	7.50%	7.50%	6.50%
Asset Class:						
Domestic Equity	7.00%	7.00%	7.00%	7.00%	7.00%	6.50%
Non-U.S. Equity	8.30%	8.30%	8.30%	8.30%	8.30%	6.50%
Fixed Income	1.50%	1.50%	1.50%	1.50%	1.50%	6.50%
Alternative Investments	n/a	n/a	n/a	n/a	n/a	6.50%
Cash	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%
Projected Salary Increases	5.50% (1)	5.50% (1)	5.50% (1)	5.50% (2)	5.50% (2)	4.00%
Includes Inflation rate of	3.00%	3.00%	3.00%	3.00%	3.00%	Not Provided
Cost of Living Adjustments	Ad Hoc	Ad Hoc	None	None	None	None
Mortality Rates	Healthy Lives: RP-2000 Mortality Table projected with Scale AA for 15 years. Disabled Lives: 2011 Sex Distinct PBGC Disability Mortality Table blended 50%/50% for Social Security Eligible Participants and Non-Social Security Eligible Participants					

(1) Based on a service dependent scale, with 5.5% for service of less than 19 years, 4.5% thereafter.

(2) For employees under 30, 5.5%; 5% thereafter

For the periods presented, there were no changes in benefit terms, changes in size or composition of the population covered or changes in assumptions which significantly affect trends in the amounts reported.

Schedule 3 - Schedule of Investment Returns

In accordance with GASB No. 67, the following required supplementary information is provided indicating the annual money-weighted rate of return, net of investment expense. Information prior to 2014 is not readily available.

<u>Year Ended</u>			Plan I Non-	Plan II Non-	Plan III Non-	Park
<u>June 30</u>	<u>Firefighters</u>	<u>Police</u>	<u>uniformed</u>	<u>uniformed</u>	<u>uniformed</u>	<u>Trust</u>
2023	8.02%	8.30%	9.36%	8.51%	8.16%	6.50%
2022	-6.63%	-10.51%	-8.54%	-8.58%	-6.51%	6.50%
2021	18.97%	24.41%	25.71%	23.28%	32.36%	6.50%
2020	6.83%	6.11%	6.10%	5.52%	8.88%	6.50%
2019	8.32%	8.79%	8.36%	7.96%	6.15%	6.50%
2018	8.91%	9.10%	9.41%	9.19%	8.88%	6.50%
2017	11.15%	11.36%	11.83%	11.57%	11.09%	6.50%
2016	2.27%	2.27%	2.48%	2.22%	2.42%	6.50%
2015	2.27%	2.37%	2.25%	2.31%	2.15%	6.50%
2014	11.80%	11.60%	2.80%	11.50%	24.60%	6.50%

Schedule 4
Schedule of Changes in the Employer's Net OPEB Liability
and Related Ratios
Post-Retirement Healthcare Benefit Fund

In accordance with GASB No. 74, the following required supplementary information is provided with respect to the City's Net OPEB Liability. Information prior to 2017 is not readily available.

	<u>2023</u>	<u>2022</u>	<u>2021</u>	<u>2020</u>	<u>2019</u>	<u>2018</u>	<u>2017</u>
Total OPEB Liability							
Service Cost	\$ 1,440,989	\$ 1,976,831	\$ 1,763,814	\$ 2,186,769	\$ 2,072,507	\$ 2,077,031	\$ 1,829,043
Difference between expected and actual experience	5,908,143	-	(5,088,596)	-	(1,998,188)	-	-
Changes of assumptions	(6,264,061)	-	(1,458,301)	-	5,360,358	-	-
Changes of Benefit Payments	-	-	(22,328,857)	-	-	-	-
Interest Cost	3,185,905	3,139,041	3,117,444	4,990,730	4,605,559	4,404,968	4,218,769
Benefit Payments	(4,407,940)	(3,294,062)	(5,781,915)	(2,498,752)	(3,518,770)	(4,010,507)	(3,308,910)
Net Change in Total OPEB Liability	(136,969)	1,821,810	(29,776,411)	4,678,747	6,521,466	2,471,492	2,738,902
Total OPEB Liability, beginning	46,193,122	44,371,312	74,147,723	69,468,976	62,947,510	60,476,018	57,737,116
Total OPEB Liability, ending (a)	<u>46,056,153</u>	<u>46,193,122</u>	<u>\$ 44,371,312</u>	<u>\$ 74,147,723</u>	<u>\$ 69,468,976</u>	<u>\$ 62,947,510</u>	<u>\$ 60,476,018</u>
Plan Fiduciary Net Position							
Contributions from Employer	4,977,524	4,581,038	4,481,367	4,240,630	\$ 4,525,548	\$ 3,237,230	\$ 3,468,492
Contributions from Member	973,326	913,985	864,153	949,470	933,503	948,969	98,998
Contributions from State/Other	-	-	-	-	26,985	123,141	749,554
Net Investment Income	2,893,701	(4,296,979)	6,535,952	1,466,220	1,511,431	1,438,784	1,741,353
Administrative Expenses	(164,518)	(173,523)	(43,293)	(50,272)	(57,292)	(42,347)	(52,610)
Benefit Payments	(4,407,940)	(3,294,062)	(5,781,915)	(2,498,752)	(3,518,770)	(4,010,507)	(3,308,910)
Net Change in Fiduciary Net Position	4,272,093	(2,269,541)	6,056,264	4,107,296	3,421,405	1,695,270	2,696,877
Plan Fiduciary Net Position, Beginning	31,294,167	33,563,708	27,507,444	23,400,148	19,978,743	18,283,473	15,586,596
Plan Fiduciary Net Position, Ending (b)	<u>\$ 35,566,260</u>	<u>\$ 31,294,167</u>	<u>\$ 33,563,708</u>	<u>\$ 27,507,444</u>	<u>\$ 23,400,148</u>	<u>\$ 19,978,743</u>	<u>\$ 18,283,473</u>
Net OPEB Liability - Ending (a) - (b)	<u>\$ 10,489,898</u>	<u>\$ 14,898,955</u>	<u>\$ 10,807,604</u>	<u>\$ 46,640,279</u>	<u>\$ 46,068,828</u>	<u>\$ 42,968,767</u>	<u>\$ 42,192,545</u>
Plan Fiduciary Net Position as a % of Total OPEB Liability	77.22%	67.75%	75.64%	37.10%	33.68%	31.74%	30.23%
Covered Payroll	62,313,910	60,172,231	\$ 57,775,546	\$ 55,773,289	\$ 53,652,529	\$ 52,664,700	\$ 57,356,023
Net OPEB Liability as a % of Covered Employee Payroll	16.83%	24.76%	18.71%	83.62%	85.87%	81.59%	73.56%

Schedule 4 (Cont.)
Notes to Required Supplementary Information
OPEB Liability Methods and Assumptions
June 30, 2023

Actuarial Valuation Date	June 30, 2022	
Actuarial Cost Method	Individual Entry Age Actuarial Cost Method	
Discount Rate	7.20%	
Investment Rate of Return	7.20%	
Asset Class:		
	<u>Target Allocation</u>	<u>Long-term Expected Return</u>
Domestic Equity	49.00%	5.50%
Non-U.S. Equity	22.00%	10.30%
Fixed Income	28.00%	1.80%
Cash	1.00%	0.00%
Payroll Increase	3% Annually	
Healthcare Trend Rate - Increasing as follows from July 1, 2023 through July 1, 2043		
Pre-Medicare	4.00% in 2023, 6.50% in 2024 decreasing to 4.24% in 2043 and beyond	
Medicare Eligible	0% in 2023, 6.00% in 2024 decreasing to 4.24% in 2043 and beyond	
Rate of Mortality		
Healthy Lives	RP-2000 Combined Health Mortality Table projected fully generational with Scale AA	
Uniformed Disabled Lives	2016 PBGC Disabled Mortality Tables, 100% Non-Social Security Disabled	
Non-Uniformed Disabled Lives	RP-2000 Disabled Mortality Table	
Administrative Expenses	Average monthly per capita cost of \$32.46 and \$0.00 for Pre-Medicare and Medicare participants, respectively.	

June 30, 2022

Actuarial Valuation Date	July 1, 2020	
Actuarial Cost Method	Individual Entry Age Actuarial Cost Method	
Discount Rate	7.20%	
Investment Rate of Return	7.20%	
Asset Class:		
	<u>Target Allocation</u>	<u>Long-term Expected Return</u>
Domestic Equity	47.00%	6.90%
Non-U.S. Equity	18.00%	8.10%
Fixed Income	35.00%	1.80%
Cash	0.00%	0.00%
Payroll Increase	3% Annually	
Healthcare Trend Rate - Decreasing as follows from July 1, 2022 through July 1, 2041		
Pre-Medicare	.25% per year from 8.25% to 4.35%	
Medicare Eligible	.2% per year from 6.4% to 4.35%	
Rate of Mortality		
Healthy Lives	Healthy Lives: RP-2000 Combined Health Mortality Table projected fully generational with Scale AA	
Uniformed Disabled Lives	2016 PBGC Disabled Mortality Tables, 100% Non-Social Security Disabled	
Non-Uniformed Disabled Lives	RP-2000 Disabled Mortality Table	
Administrative Expenses	Average monthly per capita cost of \$36.45 and \$52.79 for Pre-Medicare and Medicare participants, respectively.	

Schedule 4 (Cont.)

June 30, 2021

Actuarial Valuation Date	July 1, 2020	
Actuarial Cost Method	Individual Entry Age Actuarial Cost Method	
Discount Rate	7.20%	
Investment Rate of Return	7.20%	
Asset Class:		
	<u>Target Allocation</u>	<u>Long-term Expected Return</u>
Domestic Equity	47.00%	6.90%
Non-U.S. Equity	18.00%	8.10%
Fixed Income	35.00%	1.80%
Cash	0.00%	0.00%
Payroll Increase	3% Annually	
Healthcare Trend Rate - Decreasing as follows from July 1, 2022 through July 1, 2041		
Pre-Medicare	from 8.25% to 3.78%	
Medicare Eligible	from 6.40% to 3.78%	
Rate of Mortality		
Healthy Lives	Healthy Lives: RP-2000 Combined Health Mortality Table projected fully generational with Scale AA	
Uniformed Disabled Lives	2016 PBGC Disabled Mortality Tables, 100% Non-Social Security Disabled	
Non-Uniformed Disabled Lives	RP-2000 Disabled Mortality Table	
Administrative Expenses	Average monthly per capita cost of \$36.45 and \$52.79 for Pre-Medicare and Medicare participants, respectively.	

June 30, 2020

Actuarial Valuation Date	July 1, 2018	
Actuarial Cost Method	Individual Entry Age Actuarial Cost Method	
Discount Rate	7.20%	
Investment Rate of Return	7.20%	
Asset Class:		
	<u>Target Allocation</u>	<u>Long-term Expected Return</u>
Domestic Equity	47.00%	6.90%
Non-U.S. Equity	18.00%	8.10%
Fixed Income	35.00%	1.80%
Cash	0.00%	0.00%
Payroll Increase	3% Annually	
Healthcare Trend Rate - Decreasing as follows from July 1, 2019 through July 1, 2032		
Pre-Medicare	.3% per year from 8.4% to 4.5%	
Medicare Eligible	.1% per year from 5.8% to 4.5%	
Rate of Mortality		
Healthy Lives	Healthy Lives: Combined Health Mortality Table projected fully generational with Scale AA	
Uniformed Disabled Lives	2016 PBGC Disabled Mortality Tables, 100% Non-Social Security Disabled	
Non-Uniformed Disabled Lives	RP-2000 Disabled Mortality Table	
Administrative Expenses	Average monthly per capita cost of \$35.81 and \$51.57 for Pre-Medicare and Medicare participants, respectively.	

Schedule 4 (Cont.)

June 30, 2019

Actuarial Valuation Date	July 1, 2018	
Actuarial Cost Method	Individual Entry Age Actuarial Cost Method	
Discount Rate	7.20%	
Investment Rate of Return	7.20%	
Asset Class:		
	<u>Target Allocation</u>	<u>Long-term Expected Return</u>
Domestic Equity	47.00%	6.90%
Non-U.S. Equity	18.00%	8.10%
Fixed Income	35.00%	1.80%
Cash	0.00%	0.00%
Payroll Increase	3% Annually	
Healthcare Trend Rate - Decreasing as follows from July 1, 2019 through July 1, 2032		
Pre-Medicare	.3% per year from 8.4% to 4.5%	
Medicare Eligible	.1% per year from 5.8% to 4.5%	
Rate of Mortality		
Healthy Lives	Healthy Lives: RP-2000 Mortality Table projected with Scale AA for 15 years	
Uniformed Disabled Lives	2016 PBGC Disabled Mortality Tables, 100% Non-Social Security Disabled	
Non-Uniformed Disabled Lives	RP-2000 Disabled Mortality Table	
Administrative Expenses	Average monthly per capita cost of \$35.81 and \$51.57 for Pre-Medicare and Medicare participants, respectively.	

June 30, 2018

Actuarial Valuation Date	July 1, 2016	
Actuarial Cost Method	Individual Entry Age Actuarial Cost Method	
Discount Rate	7.40%	
Investment Rate of Return	7.40%	
Asset Class:		
	<u>Target Allocation</u>	<u>Long-term Expected Return</u>
Domestic Equity	47.00%	6.80%
Non-U.S. Equity	18.00%	8.30%
Fixed Income	35.00%	1.10%
Cash	0.00%	0.00%
Payroll Increase	3% Annually	
Healthcare Trend Rate - Decreasing as follows from July 1, 2017 through July 1, 2032		
Pre-Medicare	.3% per year from 9% to 4.5%	
Medicare Eligible	.1% per year from 6% to 4.5%	
Rate of Mortality		
Healthy Lives	Healthy Lives: RP-2000 Mortality Table projected with Scale AA for 15 years	
Uniformed Disabled Lives	2016 PBGC Disabled Mortality Tables, 100% Non-Social Security Disabled	
Non-Uniformed Disabled Lives	RP-2000 Disabled Mortality Table	
Administrative Expenses	Average monthly per capita cost of \$35.81	

June 30, 2017

Actuarial Valuation Date	July 1, 2016	
Actuarial Cost Method	Entry Age Actuarial Cost Method	
Discount Rate	7.40%	
Investment Rate of Return	7.40%	
Asset Class:		
	<u>Target Allocation</u>	<u>Long-term Expected Return</u>
Domestic Equity	47.00%	6.80%
Non-U.S. Equity	18.00%	8.30%
Fixed Income	35.00%	1.10%
Cash	0.00%	0.00%
Payroll Increase	3% Annually	
Healthcare Trend Rate - Decreasing as follows from July 1, 2017 through July 1, 2032		
Pre-Medicare	.3% per year from 9% to 4.5%	
Medicare Eligible	.1% per year from 6% to 4.5%	
Rate of Mortality		
Healthy Lives	Healthy Lives: RP-2000 Mortality Table projected with Scale AA for 15 years	
Uniformed Disabled Lives	2016 PBGC Disabled Mortality Tables, 100% Non-Social Security Disabled	
Non-Uniformed Disabled Lives	RP-2000 Disabled Mortality Table	
Administrative Expenses	Average monthly per capita cost of \$35.81	

The following changes were made between the July 1, 2014 and July 1, 2016 valuations:

- Healthy mortality rates were updated to fully incorporate fully generational mortality improvement.
- NonUniform and Uniform disabled mortality rates were updated from the Sex Distinct PBGC Disability Mortality with a 50% / 50% blend based on Social Security eligibility to RP-2000
- Retirement Rates were updated for non-uniform Plan II actives with 34 or more years of service and extended from age 65 to age 70 for City Council Plan II.
- The discount rate was increased from 4.78% to 7.4% .
- Salary scale was adjusted from 4% to 3% .

**Schedule 5 - Schedule of Actuarially Determined Contributions
Post-Retirement Healthcare Benefit Fund (OPEB)**

In accordance with GASB No. 74, the following required supplementary information is provided with respect to the City's Actuarially Determined OPEB Contribution. Information prior to 2017 is not readily available.

Fiscal Year End	Actuarially Determined Contribution	Contributions Recognized by Plan	Contribution Deficiency (Excess)	Covered Payroll	Actual Contribution as a Percentage of Covered Payroll
2023	\$2,072,608	\$ 4,977,524	\$ (2,904,916)	\$ 62,313,910	7.99%
2022	\$2,065,470	\$ 4,581,038	\$ (2,515,568)	\$ 60,172,231	7.61%
2021	4,333,599	4,481,367	(147,768)	57,775,546	7.76%
2020	4,277,311	4,240,630	36,681	55,773,289	7.60%
2019	3,883,050	4,552,534	(669,484)	53,652,529	8.49%
2018	3,848,008	3,360,372	487,636	52,664,700	6.38%
2017	7,846,287	3,567,490	4,278,797	57,356,023	6.22%

Schedule 5 (Cont.)

Notes to Schedule of Contribution

June 30, 2023

Actuarial Valuation Date	June 30, 2020
Timing	Actuarially determined contribution rates are calculated based on the actuarial valuation
Actuarial Cost Method:	Entry Age Normal
Asset Valuation Method:	Market Value
Amortization Method	26-year closed amortization as of July 1, 2020
Discount Rate	7.20%
Ultimate Medical Trend	3.78%
Salary Increases	3.00%
Mortality Rates:	Healthy: RP-2000 Healthy Mortality Table projected fully generational with Scale AA. Disabled: - Uniform: 2016 PBGC Disabled Mortality Tables - Non-Uniform: RP-2000 Disabled Mortality Tables
Administrative Expenses	
Per Person Cost Trends:	Average monthly per capita cost of \$36.45 and \$52.79 for Pre-Medicare and Medicare participants, respectively.

June 30, 2022

Actuarial Valuation Date	June 30, 2020
Timing	Actuarially determined contribution rates are calculated based on the actuarial valuation
Actuarial Cost Method:	Entry Age Normal
Asset Valuation Method:	Market Value
Amortization Method	26-year closed amortization as of July 1, 2018
Discount Rate	7.20%
Ultimate Medical Trend	3.78%
Salary Increases	3.00%
Mortality Rates:	Healthy: RP-2000 Healthy Mortality Table projected fully generational with Scale AA. Disabled: - Uniform: 2016 PBGC Disabled Mortality Tables - Non-Uniform: RP-2000 Disabled Mortality Tables
Administrative Expenses	
Per Person Cost Trends:	Average monthly per capita cost of \$36.45 and \$52.79 for Pre-Medicare and Medicare participants, respectively.

Schedule 5 (Cont.)

June 30, 2021

Actuarial Valuation Date	June 30, 2020
Timing	Actuarially determined contribution rates are calculated based on the actuarial valuation
Actuarial Cost Method:	Entry Age Normal
Asset Valuation Method:	Market Value
Amortization Method	28-year closed amortization as of July 1, 2018
Discount Rate	7.20%
Ultimate Medical Trend	4.50%
Salary Increases	3.00%
Mortality Rates:	Healthy: RP-2000 Healthy Mortality Table projected fully generational with Scale AA. Disabled: - Uniform: 2016 PBGC Disabled Mortality Tables - Non-Uniform: RP-2000 Disabled Mortality Tables
Administrative Expenses	
Per Person Cost Trends:	Average monthly per capita cost of \$36.45 and \$52.79 for Pre-Medicare and Medicare participants, respectively.

June 30, 2020

Actuarial Valuation Date	June 30, 2018
Timing	Actuarially determined contribution rates are calculated based on the actuarial valuation
Actuarial Cost Method:	Entry Age Normal
Asset Valuation Method:	Market Value
Amortization Method	28-year closed amortization as of July 1, 2018
Discount Rate	7.20%
Ultimate Medical Trend	4.50%
Salary Increases	3.00%
Mortality Rates:	Healthy: RP-2000 Healthy Mortality Table projected fully generational with Scale AA. Disabled: - Uniform: 2016 PBGC Disabled Mortality Tables - Non-Uniform: RP-2000 Disabled Mortality Tables
Administrative Expenses	
Per Person Cost Trends:	Average monthly per capita cost of \$35.81 and \$51.57 for Pre-Medicare and Medicare participants, respectively.

Schedule 5 (Cont.)**June 30, 2019**

Actuarial Valuation Date	June 30, 2018
Timing	Actuarially determined contribution rates are calculated based on the actuarial valuation
Actuarial Cost Method:	Entry Age Normal
Asset Valuation Method:	Market Value
Amortization Method	28-year closed amortization as of July 1, 2018
Discount Rate	7.20%
Ultimate Medical Trend	4.50%
Salary Increases	3.00%
Mortality Rates:	Healthy: RP-2000 Healthy Mortality Table projected fully generational with Scale AA. Disabled: - Uniform: 2016 PBGC Disabled Mortality Tables - Non-Uniform: RP-2000 Disabled Mortality Tables
Administrative Expenses	
Per Person Cost Trends:	Average monthly per capita cost of \$35.81 and \$51.57 for Pre-Medicare and Medicare participants, respectively.

June 30, 2018

Actuarial Valuation Date	June 30, 2016
Timing	Actuarially determined contribution rates are calculated based on the actuarial valuation
Actuarial Cost Method:	Entry Age Normal
Asset Valuation Method:	Market Value
Amortization Method	30-year closed amortization as of July 1, 2016
Discount Rate	7.40%
Amortization growth Rate	3.00%
Ultimate Medical Trend	4.50%
Salary Increases	3.00%
Mortality Rates:	Healthy: RP-2000 Healthy Mortality Table projected fully generational with Scale AA. Disabled: - Uniform: 2016 PBGC Disabled Mortality Tables - Non-Uniform: RP-2000 Disabled Mortality Tables
Administrative Expenses	
Per Person Cost Trends:	Average monthly per capita cost of \$35.81.

Schedule 5 (Cont.)**June 30, 2017**

Valuation Date:	June 30, 2014
Timing	Actuarially determined contribution rates are calculated based on the actuarial valuation
Actuarial Cost Method:	Projected Unit Cost
Amortization Method	30 year open amortization
Asset Valuation Method:	Market Value.
Actuarial Assumptions:	
Amortization Growth Rate	4.00%
Projected Salary Increases	4.00%
Discount Rate	4.78%
Ultimate Rate of Medical Inflation	4.50%
Mortality Rates	RP-2000 projected with Scale AA 15 years.
Administrative Expenses	
Per Person Cost Trends:	Average monthly per capita cost of \$38.05.

See additional information regarding assumption in the notes to the schedule of changes in net pension liability.

**Schedule 6 - Schedule of OPEB Investment Returns
Post-Retirement Healthcare Benefit Fund (OPEB)**

In accordance with GASBS No. 74, the following required supplementary information is provided indicating the annual money-weighted rate of return, net of investment expense. Information prior to 2017 is not readily available.

<u>Year Ended June 30</u>	<u>Money Weighted Rate of Return</u>
2023	9.83%
2022	-12.41%
2021	26.55%
2020	6.05%
2019	6.57%
2018	13.32%
2017	10.60%

Schedule 7**Component Units (Wilmington Parking Authority)**SCHEDULE OF CHANGES IN NET PENSION ASSET AND RELATED RATIOS
AS OF AND YEARS ENDED JUNE 30

	<u>2023</u>	<u>2022</u>	<u>2021</u>	<u>2020</u>
Total OPEB Liability				
Service Cost	\$ 85,593	\$ 92,394	\$ 138,265	\$ 131,187
Difference between expected and actual experience	(8,395)	(89,118)	(365,199)	84,529
Changes of assumptions	-	-	138,868	(15,880)
Interest Cost	295,091	291,561	297,419	267,774
Benefit Payments	(180,530)	(192,112)	(138,022)	(156,147)
Net Change in Total OPEB Liability	<u>191,759</u>	<u>102,725</u>	<u>71,331</u>	<u>311,463</u>
Total OPEB Liability, beginning	<u>5,061,795</u>	<u>4,959,070</u>	<u>4,887,739</u>	<u>4,576,276</u>
Total OPEB Liability, ending (a)	<u>\$ 5,253,554</u>	<u>\$ 5,061,795</u>	<u>\$ 4,959,070</u>	<u>\$ 4,887,739</u>
Plan Fiduciary Net Position				
Net Investment Income	\$ 1,036,734	\$ (597,070)	1,720,803	365,673
Administrative Expenses	(5,950)	(6,714)	(7,260)	(7,783)
Benefit Payments	(180,530)	(192,112)	(138,022)	(156,147)
Net Change in Fiduciary Net Position	<u>850,254</u>	<u>(795,896)</u>	<u>1,575,521</u>	<u>201,743</u>
Plan Fiduciary Net Position, Beginning	<u>6,042,920</u>	<u>6,838,816</u>	<u>5,263,295</u>	<u>5,061,552</u>
Plan Fiduciary Net Position, Ending (b)	<u>\$ 6,893,174</u>	<u>\$ 6,042,920</u>	<u>\$ 6,838,816</u>	<u>\$ 5,263,295</u>
Net OPEB Liability - Ending (a) - (b)	<u>\$(1,639,620)</u>	<u>\$(981,125)</u>	<u>\$(1,879,746)</u>	<u>\$(375,556)</u>
Plan Fiduciary Net Position as a % of Total OPEB Liability	<u>131.21%</u>	<u>119.38%</u>	<u>137.91%</u>	<u>107.68%</u>
Covered Payroll	<u>\$ 885,401</u>	<u>\$ 824,517</u>	<u>\$ 786,713</u>	<u>1,224,287</u>
Net OPEB Liability as a % of Covered Employee Payroll	<u>-185.18%</u>	<u>-118.99%</u>	<u>-238.94%</u>	<u>-30.68%</u>

Schedule 7 (Cont.)

SCHEDULE OF PENSION CONTRIBUTIONS
YEARS ENDED JUNE 30 2023

	<u>2023</u>	<u>2022</u>	<u>2021</u>	<u>2020</u>
Actuarially determined contribution	\$ -	\$ -	\$ 67,736	\$ 146,573
Contributions in relation to the actuarially determined contribution	-	-	-	-
Contribution deficiency (excess)	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 67,736</u>	<u>\$ 146,573</u>
Covered payroll	<u>\$ 885,401</u>	<u>\$ 824,517</u>	<u>\$ 786,713</u>	<u>\$ 1,224,287</u>
Contributions as a percentage of covered payroll	<u>0.00%</u>	<u>0.00%</u>	<u>0.00%</u>	<u>0.00%</u>

Schedule 7 (Cont.)

NOTES TO SCHEDULE OF PENSION CONTRIBUTIONS

Valuation date: June 30, 2023

Actuarially determined rates are calculated as of June 30, twelve months prior to the end of the fiscal year in which contributions will be reported in.

Methods and assumptions used to determine contribution rates:

Actuarial cost method	Aggregate Cost Method
Amortization method	Over average future service
Remaining amortization period	4.45 years
Asset valuation method	Fair Market Value
Inflation	3.00%
Salary increases	4.50%, including inflation
Investment rate of return	6.00%, including inflation

Retirement age A member may retire after reaching normal retirement, which occurs at the latter of the participant's sixty-fifth birthday and the completion of ten years of service.

Mortality Mortality rates were based on RP-2014 Combined Mortality Table for Males or Females without any collar adjustment with future mortality improvement on a generational basis using Scale MP-2020.

Valuation date: June 30, 2022

Actuarially determined rates are calculated as of June 30, twelve months prior to the end of the fiscal year in which contributions will be reported in.

Methods and assumptions used to determine contribution rates:

Actuarial cost method	Aggregate Cost Method
Amortization method	Over average future service
Remaining amortization period	4.45 years
Asset valuation method	Fair Market Value
Inflation	3.00%
Salary increases	4.50%, including inflation
Investment rate of return	6.00%, including inflation

Retirement age A member may retire after reaching normal retirement, which occurs at the latter of the participant's sixty-fifth birthday and the completion of ten years of service.

Mortality Mortality rates were based on RP-2014 Combined Mortality Table for Males or Females without any collar adjustment with future mortality improvement on a generational basis using Scale MP-2019.

Valuation date: June 30, 2021

Actuarially determined rates are calculated as of June 30, twelve months prior to the end of the fiscal year in which contributions will be reported in.

Methods and assumptions used to determine contribution rates:

Actuarial cost method	Aggregate Cost Method
Amortization method	Over average future service
Remaining amortization period	9.16 years
Asset valuation method	Fair Market Value
Inflation	2.25%
Salary increases	4.50%, including inflation
Investment rate of return	6.00%, including inflation

Retirement age A member may retire after reaching normal retirement, which occurs at the latter of the participant's sixty-fifth birthday and the completion of ten years of service.

Mortality Mortality rates were based on RP-2014 Combined Mortality Table for Males or Females without any collar adjustment with future mortality improvement on a generational basis using Scale MP-2019.

Schedule 7 (Cont.)**Component Units (Wilmington Parking Authority)**SCHEDULE OF FUNDING PROGRESS
AS OF AND YEARS ENDED JUNE 30

The following table provides an analysis of the funding progress. For purposes of this schedule, the AAL for the Plan is determined using the entry age actuarial cost method. The annual required contribution for the plan is calculated using the aggregate actuarial cost method. The purpose of doing this is to provide information that serves as a surrogate to the funded state and funding progress of the plan

Actuarial Valuation Date	Actuarial Value of Assets (1)	Actuarial Accrued Liability (AAL) (2)	(Over) or Underfunded AAL (UAAL) (2-1)	Funded Ratios (1/2)	Covered Payroll (5)	UAAL as a percentage of covered payroll ((2-1)/5)
June 30, 2023	\$6,893,174	\$5,253,554	(\$1,639,620)	131.21%	\$885,401	-185.18%
June 30, 2022	\$6,042,920	\$5,061,795	(\$981,125)	119.38%	\$824,517	-118.99%
June 30, 2021	\$6,838,816	\$4,959,070	(\$1,879,746)	137.91%	\$786,716	-238.94%
June 30, 2020	\$5,263,295	\$4,887,749	(\$375,546)	107.68%	\$1,224,287	-30.67%
June 30, 2019	\$5,061,552	\$4,576,276	(\$485,276)	110.60%	\$1,161,247	-41.79%
June 30, 2018	\$4,789,675	\$4,507,711	(\$281,964)	106.26%	\$1,078,319	-26.15%
June 30, 2017	\$4,297,130	\$4,160,346	(\$136,784)	103.29%	\$1,144,093	-11.96%
June 30, 2016	\$3,754,617	\$3,869,343	\$114,726	97.04%	\$1,075,130	10.67%
June 30, 2015	\$3,579,968	\$3,568,620	(\$11,348)	100.32%	\$1,075,130	-1.06%
June 30, 2014	\$3,265,644	\$3,381,553	\$115,909	96.57%	\$1,104,488	10.49%

**COMBINING AND INDIVIDUAL FUND
FINANCIAL STATEMENTS AND SCHEDULES**

CITY OF WILMINGTON, DELAWARE

MAJOR GOVERNMENTAL FUND

GENERAL FUND

The General Fund is the general operating fund of the City of Wilmington. It is used to account for all financial resources except those required to be recorded in another fund.

The following budget and actual schedule presents General Fund activity at its lowest level of legal budgetary control – the department.

Budgetary Accounting Control

Budgets are adopted on a basis consistent with GAAP. Annual appropriated budgets are adopted for the General Fund and certain Non-major Funds and, in addition, the annual appropriated Capital Budget is adopted. Unexpended appropriations in the operating budget of the General Fund lapse at year-end. Annual budgets are adopted on the basis that revenue estimates and/or accumulated unreserved fund balance are sufficient to fully fund appropriations. Budgets presented in these financial schedules include all amendments adopted during the year. Legally adopted Governmental Fund Budgets are discussed in Note 2 A.

Budgets for the other Special Revenue Funds, which are non-major funds, are appropriated based on grant agreements with various State, Federal, and private agencies. Based on the duration of these agreements, budget appropriations often overlap the City's fiscal year and remain open until completion of the grant. Therefore, the Special Revenue Funds' actual results of operations also represent the Funds' final appropriations through June 30, 2021, with the unspent appropriations becoming the succeeding year's authorization. The Director of Finance has the authority to re-appropriate these unspent appropriations into the succeeding fiscal year. Consequently, the budgeted appropriations for Special Revenue Funds represent the City's final appropriations for the fiscal year supported by the corresponding grant revenues. Budgetary comparison schedules for non-major special revenue funds with legally adopted budgets are presented in the combining and individual fund financial statements and schedules section of this report.

Ninety (90) days prior to the commencement of a new fiscal year, the Mayor must submit to City Council a proposed operating budget. City Council reviews the budget, conducts hearings, and proposes changes in expenditure levels. City Council cannot modify the Mayor's estimates of revenues, but may propose changes in the tax levy in the amount necessary, in the Mayor's estimate, to balance total appropriations and estimated revenues. The annual budget may not be adopted until City Council has enacted required revenue measures.

Thirty (30) days prior to the commencement of a new fiscal year, the annual operating budget is enacted through legislation. Appropriations are legislated at the functional level. By legislative action, the annual appropriated budget may be amended. Budgetary transfers within a function at the expense category (e.g., personal services or travel, materials, supplies) may be made without legislative approval. Appropriation control is maintained through a budget-tracking process within the accounting system at both the functional and object levels.

CITY OF WILMINGTON, DELAWARE

MAJOR GOVERNMENTAL FUND

GENERAL FUND

Budgetary Accounting Control (continued)

The actual results of operations as compared to the City Council-adopted appropriations at the functional level are presented in the Schedule of Revenues, Expenditures and Changes in Fund Balances. Budget and Actual (GAAP Basis) is presented for the General Fund to provide a meaningful comparison of actual results with the budget.

Appropriations for the Capital Projects Fund that remain open and carry over to succeeding years until the related expenditures are made, modified or canceled are adopted on a multi-year basis. Appropriations for this fund are controlled on a project basis, and therefore, budgetary comparison schedules on an annual basis do not provide meaningful information and, accordingly, are not presented.

City of Wilmington, Delaware
General Fund
Schedule of Departmental Expenditures - Budget and Actual
For the Year Ended June 30, 2023

	<u>Budgeted Amounts</u>		<u>Actual Amounts</u>	<u>Variance from Final Budget - Positive (Negative)</u>
	<u>Original</u>	<u>Final</u>		
MAYOR'S OFFICES				
Office of the Mayor				
Personal Services	\$ 1,703,154	\$ 1,703,154	\$ 1,739,521	\$ (36,367)
Materials, Supplies and Equipment	920,241	1,033,685	755,223	278,462
Special Purpose	672,000	179,625	-	179,625
Debt Service	<u>771,588</u>	<u>771,588</u>	<u>771,588</u>	<u>-</u>
Office of the Mayor	<u>4,066,983</u>	<u>3,688,052</u>	<u>3,266,332</u>	<u>421,720</u>
Management and Budget				
Personal Services	610,507	610,507	656,674	(46,167)
Materials, Supplies and Equipment	<u>4,863</u>	<u>4,963</u>	<u>5,400</u>	<u>(437)</u>
Management and Budget	<u>615,370</u>	<u>615,470</u>	<u>662,074</u>	<u>(46,604)</u>
Office of Emergency Management				
Personal Services	77,058	77,058	81,822	(4,764)
Materials, Supplies and Equipment	154,680	167,292	162,042	5,250
Debt Service	<u>96,601</u>	<u>96,601</u>	<u>96,601</u>	<u>-</u>
Office of Emergency Management	<u>328,339</u>	<u>340,951</u>	<u>340,465</u>	<u>486</u>
Economic Development				
Personal Services	627,384	627,384	417,973	209,411
Materials, Supplies and Equipment	188,773	146,273	125,235	21,038
Debt Service	<u>639,188</u>	<u>639,188</u>	<u>638,919</u>	<u>269</u>
Economic Development	<u>1,455,345</u>	<u>1,412,845</u>	<u>1,182,127</u>	<u>230,718</u>
Cultural Affairs				
Personal Services	308,532	308,532	280,956	27,576
Materials, Supplies and Equipment	<u>564,450</u>	<u>810,461</u>	<u>312,032</u>	<u>498,429</u>
Cultural Affairs	<u>872,982</u>	<u>1,118,993</u>	<u>592,988</u>	<u>526,005</u>
Constituent Services				
Personal Services	343,357	343,357	216,447	126,910
Materials, Supplies and Equipment	<u>93,000</u>	<u>68,000</u>	<u>38,637</u>	<u>29,363</u>
Constituent Services	<u>436,357</u>	<u>411,357</u>	<u>255,084</u>	<u>156,273</u>
Mayor's Offices Total				
Personal Services	3,669,992	3,669,992	3,393,393	276,599
Materials, Supplies and Equipment	1,926,007	2,230,674	1,398,569	832,105
Special Purpose	672,000	179,625	-	179,625
Debt Service	<u>1,507,377</u>	<u>1,507,377</u>	<u>1,507,108</u>	<u>269</u>
Mayor's Offices Total	<u>\$ 7,775,376</u>	<u>\$ 7,587,668</u>	<u>\$ 6,299,070</u>	<u>\$ 1,288,598</u>
CITY COUNCIL				
City Council				
Personal Services	\$ 617,605	\$ 617,605	\$ 665,129	\$ (47,524)
Materials, Supplies and Equipment	248,992	291,530	288,948	2,582
Special Purpose	44,500	39,905	39,512	393
Debt Service	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
City Council	<u>\$ 911,097</u>	<u>\$ 949,040</u>	<u>\$ 993,589</u>	<u>\$ (44,549)</u>

City of Wilmington, Delaware
General Fund
Schedule of Departmental Expenditures - Budget and Actual (Continued)
For the Year Ended June 30, 2023

	<u>Budgeted Amounts</u>		<u>Actual Amounts</u>	Variance from Final Budget - Positive (Negative)
	<u>Original</u>	<u>Final</u>		<u>(Negative)</u>
CITY COUNCIL (Continued)				
City Clerk				
Personal Services	\$ 830,681	\$ 830,681	\$ 798,481	\$ 32,200
Materials, Supplies and Equipment	159,820	124,718	120,389	4,329
City Clerk	<u>990,501</u>	<u>955,399</u>	<u>918,870</u>	<u>36,529</u>
City Council Offices Total				
Personal Services	1,448,286	1,448,286	1,463,610	(15,324)
Materials, Supplies and Equipment	408,812	416,248	409,337	6,911
Special Purpose	44,500	39,905	39,512	393
Debt Service	-	-	-	-
City Council Offices Total	<u>\$ 1,901,598</u>	<u>\$ 1,904,439</u>	<u>\$ 1,912,459</u>	<u>\$ (8,020)</u>
AUDIT				
Audit Department				
Personal Services	\$ 682,249	\$ 682,249	\$ 710,048	\$ (27,799)
Materials, Supplies and Equipment	223,876	245,876	230,975	14,901
Audit Department	<u>\$ 906,125</u>	<u>\$ 928,125</u>	<u>\$ 941,023</u>	<u>\$ (12,898)</u>
LAW				
Law Department				
Personal Services	\$ 2,175,839	\$ 2,175,839	\$ 2,154,166	\$ 21,673
Materials, Supplies and Equipment	452,990	453,104	385,142	67,962
Law Department	<u>\$ 2,628,829</u>	<u>\$ 2,628,943</u>	<u>\$ 2,539,308</u>	<u>\$ 89,635</u>
FINANCE				
Finance Administrative				
Personal Services	\$ 294,776	\$ 280,975	\$ 240,305	\$ 40,670
Materials, Supplies and Equipment	148,570	208,770	88,178	120,592
Debt Service	54,949	54,949	54,949	-
Finance Administrative	<u>498,295</u>	<u>544,694</u>	<u>383,432</u>	<u>161,262</u>
Earned Income Tax				
Personal Services	1,493,920	1,493,920	1,357,391	136,529
Materials, Supplies and Equipment	610,183	656,940	366,503	290,437
Earned Income Tax	<u>2,104,103</u>	<u>2,150,860</u>	<u>1,723,894</u>	<u>426,966</u>
Accounting				
Personal Services	872,397	872,397	872,049	348
Materials, Supplies and Equipment	179,803	220,803	225,240	(4,437)
Accounting	<u>\$ 1,052,200</u>	<u>\$ 1,093,200</u>	<u>\$ 1,097,289</u>	<u>\$ (4,089)</u>

City of Wilmington, Delaware
General Fund
Schedule of Departmental Expenditures - Budget and Actual (Continued)
For the Year Ended June 30, 2023

	<u>Budgeted Amounts</u>		<u>Actual Amounts</u>	<u>Variance from Final Budget - Positive (Negative)</u>
	<u>Original</u>	<u>Final</u>		
FINANCE (Continued)				
Procurement and Records				
Personal Services	\$ 457,867	\$ 457,867	\$ 465,639	\$ (7,772)
Materials, Supplies and Equipment	95,419	94,431	87,379	7,052
Procurement and Records	<u>553,286</u>	<u>552,298</u>	<u>553,018</u>	<u>(720)</u>
Delinquent Accounts Division				
Personal Services	308,718	308,718	306,311	2,407
Materials, Supplies and Equipment	186,418	185,794	129,228	56,566
Delinquent Accounts Division	<u>495,136</u>	<u>494,512</u>	<u>435,539</u>	<u>58,973</u>
Central Cashier				
Personal Services	460,500	460,500	446,885	13,615
Materials, Supplies and Equipment	456,219	506,289	399,207	107,082
Central Cashier	<u>916,719</u>	<u>966,789</u>	<u>846,092</u>	<u>120,697</u>
Billing & Customer Service				
Personal Services	167,472	167,472	196,519	(29,047)
Materials, Supplies and Equipment	73,770	88,770	85,546	3,224
Billing & Customer Service	<u>241,242</u>	<u>256,242</u>	<u>282,065</u>	<u>(25,823)</u>
Finance Parking				
Personal Services	1,299,051	1,299,051	1,122,750	176,301
Materials, Supplies and Equipment	3,409,429	3,402,606	3,382,189	20,417
Finance Parking	<u>4,708,480</u>	<u>4,701,657</u>	<u>4,504,939</u>	<u>196,718</u>
Finance Department Total				
Personal Services	5,354,701	5,340,900	5,007,849	333,051
Materials, Supplies and Equipment	5,159,811	5,364,403	4,763,470	600,933
Debt Service	54,949	54,949	54,949	-
Finance Department Total	<u>\$ 10,569,461</u>	<u>\$ 10,760,252</u>	<u>\$ 9,826,268</u>	<u>\$ 933,984</u>
HUMAN RESOURCES				
Personnel - Admin				
Personal Services	\$ 427,478	\$ 427,478	\$ 405,349	\$ 22,129
Materials, Supplies and Equipment	34,222	35,734	29,304	6,430
Personnel - Admin	<u>461,700</u>	<u>463,212</u>	<u>434,653</u>	<u>28,559</u>
Human Resource and Services				
Personal Services	1,435,347	1,435,347	1,310,161	125,186
Materials, Supplies and Equipment	405,220	403,708	342,733	60,975
Debt Service	38,544	38,544	38,544	-
Human Resource and Services	<u>1,879,111</u>	<u>1,877,599</u>	<u>1,691,438</u>	<u>186,161</u>
Human Resources Department Total				
Personal Services	1,862,825	1,862,825	1,715,510	147,315
Materials, Supplies and Equipment	439,442	439,442	372,037	67,405
Debt Service	38,544	38,544	38,544	-
Human Resources Department Total	<u>\$ 2,340,811</u>	<u>\$ 2,340,811</u>	<u>\$ 2,126,091</u>	<u>\$ 214,720</u>
TREASURER				
Treasurer's Office				
Personal Services	\$ 347,977	\$ 347,977	\$ 360,783	\$ (12,806)
Materials, Supplies and Equipment	101,643	101,643	46,415	55,228
Treasurer's Office	<u>\$ 449,620</u>	<u>\$ 449,620</u>	<u>\$ 407,198</u>	<u>\$ 42,422</u>

City of Wilmington, Delaware
General Fund
Schedule of Departmental Expenditures - Budget and Actual (Continued)
For the Year Ended June 30, 2023

	<u>Budgeted Amounts</u>		<u>Actual Amounts</u>	Variance from Final Budget - Positive (Negative)
	<u>Original</u>	<u>Final</u>		<u>(Negative)</u>
LAND USE & PLANNING				
Land Use and Planning				
Personal Services	\$ 2,869,783	\$ 2,869,783	\$ 2,603,878	\$ 265,905
Materials, Supplies and Equipment	702,959	702,961	539,309	163,652
Debt Service	262,313	262,313	262,313	-
Land Use and Planning	<u>\$ 3,835,055</u>	<u>\$ 3,835,057</u>	<u>\$ 3,405,500</u>	<u>\$ 429,557</u>
REAL ESTATE & HOUSING				
Real Estate and Housing - Admin				
Personal Services	\$ 136,193	\$ 98,573	\$ 104,673	\$ (6,100)
Materials, Supplies and Equipment	1,352,472	1,348,458	648,358	700,100
Debt Service	702,692	702,692	702,692	-
Real Estate and Housing - Admin	<u>2,191,357</u>	<u>2,149,723</u>	<u>1,455,723</u>	<u>694,000</u>
Real Estate and Housing - Rehabilitation				
Personal Services	145,944	183,650	189,811	(6,161)
Materials, Supplies and Equipment	508,727	530,815	530,794	21
Debt Service	1,382,801	1,382,801	1,384,519	(1,718)
Real Estate and Housing - Rehabilitation	<u>2,037,472</u>	<u>2,097,266</u>	<u>2,105,124</u>	<u>(7,858)</u>
Real Estate & Housing Department Total				
Personal Services	282,137	282,223	294,484	(12,261)
Materials, Supplies and Equipment	1,861,199	1,879,273	1,179,152	700,121
Debt Service	2,085,493	2,085,493	2,087,211	(1,718)
Real Estate & Housing Department Total	<u>\$ 4,228,829</u>	<u>\$ 4,246,989</u>	<u>\$ 3,560,847</u>	<u>\$ 686,142</u>
PUBLIC WORKS				
Public Works - Admin				
Personal Services	\$ 670,797	\$ 670,797	\$ 655,325	\$ 15,472
Materials, Supplies and Equipment	453,049	506,564	523,878	(17,314)
Debt Service	30,939	30,939	30,939	-
Public Works - Admin	<u>1,154,785</u>	<u>1,208,300</u>	<u>1,210,142</u>	<u>(1,842)</u>
Street Maintenance				
Personal Services	141,339	141,339	127,959	13,380
Materials, Supplies and Equipment	493,403	887,602	772,344	115,258
Debt Service	3,459,349	3,459,349	3,459,649	(300)
Street Maintenance	<u>4,094,091</u>	<u>4,488,290</u>	<u>4,359,952</u>	<u>128,338</u>
Transportation/WILDOT				
Personal Services	1,713,538	1,713,538	1,302,382	411,156
Materials, Supplies and Equipment	1,298,722	1,581,641	1,480,500	101,141
Debt Service	1,400,135	1,400,135	1,530,376	(130,241)
Transportation/WILDOT	<u>\$ 4,412,395</u>	<u>\$ 4,695,314</u>	<u>\$ 4,313,258</u>	<u>\$ 382,056</u>

City of Wilmington, Delaware
General Fund
Schedule of Departmental Expenditures - Budget and Actual (Continued)
For the Year Ended June 30, 2023

	<u>Budgeted Amounts</u>		<u>Actual Amounts</u>	<u>Variance from Final Budget - Positive (Negative)</u>
	<u>Original</u>	<u>Final</u>		
PUBLIC WORKS (Continued)				
Street Cleaning				
Personal Services	\$ 3,439,456	\$ 3,439,456	\$ 3,077,211	\$ 362,245
Materials, Supplies and Equipment	<u>2,415,778</u>	<u>2,301,848</u>	<u>1,976,949</u>	<u>324,899</u>
Street Cleaning	<u>5,855,234</u>	<u>5,741,304</u>	<u>5,054,160</u>	<u>687,144</u>
Rubbish Collection				
Personal Services	3,852,631	3,852,631	3,648,603	204,028
Materials, Supplies and Equipment	3,921,910	3,688,018	3,422,428	265,590
Debt Service	<u>330,796</u>	<u>345,796</u>	<u>344,175</u>	<u>1,621</u>
Rubbish Collection	<u>8,105,337</u>	<u>7,886,445</u>	<u>7,415,206</u>	<u>471,239</u>
Property Maintenance				
Personal Services	468,734	468,734	523,234	(54,500)
Materials, Supplies and Equipment	3,565,918	4,154,446	3,601,220	553,226
Debt Service	<u>908,081</u>	<u>908,081</u>	<u>908,081</u>	<u>-</u>
Property Maintenance	<u>4,942,733</u>	<u>5,531,261</u>	<u>5,032,535</u>	<u>498,726</u>
Public Works Department Total				
Personal Services	10,286,495	10,286,495	9,334,714	951,781
Materials, Supplies and Equipment	12,148,780	13,120,119	11,777,315	1,342,804
Debt Service	<u>6,129,300</u>	<u>6,144,300</u>	<u>6,273,220</u>	<u>(128,920)</u>
Public Works Department Total	<u>\$ 28,564,575</u>	<u>\$ 29,550,914</u>	<u>\$ 27,385,249</u>	<u>\$ 2,165,665</u>
PARKS & RECREATION				
Parks and Recreation - Admin				
Personal Services	\$ 493,094	\$ 493,094	\$ 451,483	\$ 41,611
Materials, Supplies and Equipment	201,761	201,761	259,065	(57,304)
Debt Service	<u>602,533</u>	<u>602,533</u>	<u>602,533</u>	<u>-</u>
Parks and Recreation - Admin	<u>1,297,388</u>	<u>1,297,388</u>	<u>1,313,081</u>	<u>(15,693)</u>
Park Maintenance				
Personal Services	2,173,381	2,173,381	1,879,042	294,339
Materials, Supplies and Equipment	1,478,417	1,491,801	1,583,312	(91,511)
Debt Service	<u>1,640,835</u>	<u>1,640,835</u>	<u>1,640,835</u>	<u>-</u>
Park Maintenance	<u>5,292,633</u>	<u>5,306,017</u>	<u>5,103,189</u>	<u>202,828</u>
Recreation				
Personal Services	777,751	777,751	743,371	34,380
Materials, Supplies and Equipment	<u>286,066</u>	<u>299,066</u>	<u>290,730</u>	<u>8,336</u>
Recreation	<u>\$ 1,063,817</u>	<u>\$ 1,076,817</u>	<u>\$ 1,034,101</u>	<u>\$ 42,716</u>

City of Wilmington, Delaware
General Fund
Schedule of Departmental Expenditures - Budget and Actual (Continued)
For the Year Ended June 30, 2023

	<u>Budgeted Amounts</u>		<u>Actual Amounts</u>	Variance from Final Budget - Positive (Negative)
	<u>Original</u>	<u>Final</u>		<u>(Negative)</u>
PARKS & RECREATION (Continued)				
William Hicks Anderson Center				
Personal Services	\$ 481,020	\$ 481,020	\$ 445,432	\$ 35,588
Materials, Supplies and Equipment	398,960	387,042	380,911	6,131
Debt Service	134,616	134,616	134,616	-
William Hicks Anderson Center	<u>1,014,596</u>	<u>1,002,678</u>	<u>960,959</u>	<u>41,719</u>
Youth and Families				
Personal Services	929,404	929,404	854,458	74,946
Materials, Supplies and Equipment	161,619	161,680	133,752	27,928
Youth and Families	<u>1,091,023</u>	<u>1,091,084</u>	<u>988,210</u>	<u>102,874</u>
Parks and Recreation Department Total				
Personal Services	4,854,650	4,854,650	4,373,786	480,864
Materials, Supplies and Equipment	2,526,823	2,541,350	2,647,770	(106,420)
Debt Service	2,377,984	2,377,984	2,377,984	-
Parks and Recreation Department Total	<u>\$ 9,759,457</u>	<u>\$ 9,773,984</u>	<u>\$ 9,399,540</u>	<u>\$ 374,444</u>
LICENSE & INSPECTION				
License and Inspection				
Personal Services	\$ 2,742,088	\$ 2,742,088	\$ 2,508,887	\$ 233,201
Materials, Supplies and Equipment	492,552	501,432	380,042	\$ 121,390
Special Purpose	269,365	269,365	239,039	30,326
Debt Service	2,791	2,791	2,791	-
License and Inspection	<u>\$ 3,506,796</u>	<u>\$ 3,515,676</u>	<u>\$ 3,130,759</u>	<u>\$ 384,917</u>
FIRE DEPARTMENT				
Fire - Admin				
Personal Services	\$ 6,248,063	\$ 6,248,063	\$ 8,022,062	\$ (1,773,999)
Materials, Supplies and Equipment	567,397	556,701	524,396	32,305
Debt Service	1,479,778	1,479,778	1,436,054	43,724
Fire - Admin	<u>8,295,238</u>	<u>8,284,542</u>	<u>9,982,512</u>	<u>(1,697,970)</u>
Fire - Suppression				
Personal Services	16,226,108	16,226,108	16,901,818	(675,710)
Materials, Supplies and Equipment	1,970,064	1,988,882	2,124,575	(135,693)
Fire - Suppression	<u>18,196,172</u>	<u>18,214,990</u>	<u>19,026,393</u>	<u>(811,403)</u>
Fire - Prevention				
Personal Services	629,035	629,035	574,568	54,467
Materials, Supplies and Equipment	413,302	413,302	440,648	(27,346)
Fire - Prevention	<u>1,042,337</u>	<u>1,042,337</u>	<u>1,015,216</u>	<u>27,121</u>
Fire Department Total				
Personal Services	23,103,206	23,103,206	25,498,448	(2,395,242)
Materials, Supplies and Equipment	2,950,763	2,958,885	3,089,619	(130,734)
Debt Service	1,479,778	1,479,778	1,436,054	43,724
Fire Department Total	<u>\$ 27,533,747</u>	<u>\$ 27,541,869</u>	<u>\$ 30,024,121</u>	<u>\$ (2,482,252)</u>

City of Wilmington, Delaware
General Fund
Schedule of Departmental Expenditures - Budget and Actual (Continued)
For the Year Ended June 30, 2023

	<u>Budgeted Amounts</u>		<u>Actual Amounts</u>	<u>Variance from Final Budget - Positive (Negative)</u>
	<u>Original</u>	<u>Final</u>		
POLICE DEPARTMENT				
Police - Admin				
Personal Services	\$ 5,826,768	\$ 5,826,768	\$ 6,291,105	\$ (464,337)
Materials, Supplies and Equipment	1,317,945	1,296,097	1,388,029	(91,932)
Debt Service	124,065	124,065	175,700	(51,635)
Police - Admin	<u>7,268,778</u>	<u>7,246,930</u>	<u>7,854,834</u>	<u>(607,904)</u>
Police - Patrol				
Personal Services	24,491,163	24,491,163	23,927,053	564,110
Materials, Supplies and Equipment	2,830,462	2,830,462	3,864,065	(1,033,603)
Debt Service	114,772	114,772	114,772	-
Police - Patrol	<u>27,436,397</u>	<u>27,436,397</u>	<u>27,905,890</u>	<u>(469,493)</u>
Police - Special Operations				
Personal Services	4,730,811	4,730,811	5,040,392	(309,581)
Materials, Supplies and Equipment	585,308	598,758	660,991	(62,233)
Police - Special Operations	<u>5,316,119</u>	<u>5,329,569</u>	<u>5,701,383</u>	<u>(371,814)</u>
Police - Support Services				
Personal Services	2,722,712	2,722,712	2,618,142	104,570
Materials, Supplies and Equipment	1,879,751	2,111,857	1,982,243	129,614
Police - Support Services	<u>4,602,463</u>	<u>4,834,569</u>	<u>4,600,385</u>	<u>234,184</u>
Police - Investigations				
Personal Services	12,265,179	12,265,179	12,646,343	(381,164)
Materials, Supplies and Equipment	1,184,657	1,186,415	1,105,023	81,392
Police - Investigations	<u>13,449,836</u>	<u>13,451,594</u>	<u>13,751,366</u>	<u>(299,772)</u>
Police - Communications				
Personal Services	4,393,821	4,393,821	3,683,366	710,455
Materials, Supplies and Equipment	533,605	540,285	587,194	(46,909)
Debt Service	-	-	-	-
Police - Communications	<u>4,927,426</u>	<u>4,934,106</u>	<u>4,270,560</u>	<u>663,546</u>
Police Operations				
Materials, Supplies and Equipment	542,440	542,589	679,098	(136,509)
Police Operations	<u>542,440</u>	<u>542,589</u>	<u>679,098</u>	<u>(136,509)</u>
Police Department Total				
Personal Services	54,430,454	54,430,454	54,206,401	224,053
Materials, Supplies and Equipment	8,874,168	9,106,463	10,266,643	(1,160,180)
Debt Service	238,837	238,837	290,472	(51,635)
Police Department Total	<u>\$ 63,543,459</u>	<u>\$ 63,775,754</u>	<u>\$ 64,763,516</u>	<u>\$ (987,762)</u>

City of Wilmington, Delaware
General Fund
Schedule of Departmental Expenditures - Budget and Actual (Continued)
For the Year Ended June 30, 2023

	<u>Budgeted Amounts</u>		<u>Actual Amounts</u>	<u>Variance from Final Budget - Positive (Negative)</u>
	<u>Original</u>	<u>Final</u>		<u>(Negative)</u>
INFORMATION TECHNOLOGIES				
Data Processing				
Personal Services	\$ 1,559,675	\$ 1,559,675	\$ 1,395,770	\$ 163,905
Materials, Supplies and Equipment	4,900,817	5,174,942	4,776,678	398,264
Debt Service	414,364	414,364	316,872	97,492
Data Processing	<u>6,874,856</u>	<u>7,148,981</u>	<u>6,489,320</u>	<u>659,661</u>
Document Management				
Personal Services	38,121	38,121	38,747	(626)
Materials, Supplies and Equipment	25,179	25,196	13,082	12,114
Document Management	<u>63,300</u>	<u>63,317</u>	<u>51,829</u>	<u>11,488</u>
Mail Service				
Personal Services	69,852	69,852	70,485	(633)
Materials, Supplies and Equipment	186,312	186,312	140,651	45,661
Mail Service	<u>256,164</u>	<u>256,164</u>	<u>211,136</u>	<u>45,028</u>
Duplication & Printing				
Personal Services	38,126	38,126	38,318	(192)
Materials, Supplies and Equipment	219,064	219,064	134,320	84,744
Duplication & Printing	<u>257,190</u>	<u>257,190</u>	<u>172,638</u>	<u>84,552</u>
Mapping & Graphics				
Personal Services	229,963	229,963	225,824	4,139
Materials, Supplies and Equipment	59,088	56,688	42,986	13,702
Mapping & Graphics	<u>289,051</u>	<u>286,651</u>	<u>268,810</u>	<u>17,841</u>
Communications				
Personal Services	297,378	297,378	277,173	20,205
Materials, Supplies and Equipment	1,293,141	1,306,538	1,209,295	97,243
Debt Service	4,288	4,288	4,288	-
Communications	<u>1,594,807</u>	<u>1,608,204</u>	<u>1,490,756</u>	<u>117,448</u>
Information Technologies Total				
Personal Services	2,233,115	2,233,115	2,046,317	186,798
Materials, Supplies and Equipment	6,683,601	6,968,740	6,317,012	651,728
Debt Service	418,652	418,652	321,160	97,492
Information Technologies Total	<u>\$ 9,335,368</u>	<u>\$ 9,620,507</u>	<u>\$ 8,684,489</u>	<u>\$ 936,018</u>
TOTAL EXPENDITURES	<u>\$ 176,879,106</u>	<u>\$ 178,460,608</u>	<u>\$ 174,405,438</u>	<u>\$ 4,055,170</u>

CITY OF WILMINGTON, DELAWARE

NON-MAJOR GOVERNMENTAL FUNDS

SPECIAL REVENUE FUNDS

Special Revenue Funds account for the proceeds of specific revenue sources that are legally restricted to expenditures for a specific purpose.

The **Park Recreation Assistance Fund** accounts for special park programs sponsored by the City of Wilmington. Monies designated for specific programs are contributed by the State of Delaware or private sources.

The **Wilmington Park Related Commissions** accounts for private funds received to finance the renovation and maintenance of parks, fountains, and other receptacles for water in the City of Wilmington. The Fund includes the blended component unit Wilmington Park Trust Fund Commission.

The **Community Development & Recovery Block Grant Fund** accounts for the City's Community Development Block Grants from the United States Department of Housing and Urban Development. Monies are specifically designated to revitalize certain underdeveloped areas of the City, remove artificial barriers, and improve slum areas.

The **Home Partnership Program Fund** accounts for United States Department of Housing and Urban Development Grants designated to carry out multi-year housing strategies through acquisition, rehabilitation, new construction of housing, and tenant-based rental assistance.

The **Housing Strategic Fund** accounts for the City's efforts to acquire and redevelop properties in the City. It includes the Wilmington Housing Partnership Corporation, a not-for-profit organization which is a blended component unit.

The **Economic Strategic Fund** accounts for the City's efforts to attract and retain businesses and jobs in the City by offering employment-based incentives.

The **Delaware Criminal Justice Planning Fund** accounts for grants from the State of Delaware and the federal government for specific local law enforcement-related programs such as training, consulting, counseling, drug enforcement, and equipment.

The **Cityfest Fund** accounts for arts and cultural programs sponsored by the City of Wilmington and private contributions.

The **Cable Television Fund** accounts for cable television franchise revenues in excess of operating expenses designated by City Code to support equipment and capital needs of the cable and television division of City Council.

The **Special Projects and Other Miscellaneous Special Revenue Funds** account for various small grants received by the City. The monies are received from various government and private sources.

City of Wilmington, Delaware
Combining Balance Sheet
Non-Major Governmental Funds - Special Revenue Funds
June 30, 2023

ASSETS	Park Recreation Assistance	Wilmington Park Related Commissions	Community Development & Recovery Block Grants	HOME Partnership Program	Housing Strategic	Economic Strategic	Delaware Criminal Justice Planning	City Fest	Cable Television	Other Non-Major Special Revenue Funds	Total Nonmajor Governmental Funds
Cash and Cash Equivalents (Note 3)	\$ 2,072,154	\$ 381,739	\$ 168,717	\$ 1,484,926	\$ 119,202	\$ 1,327,928	\$ 594,790	\$ 380,497	\$ 2,526,353	\$ 2,550,822	\$ 11,607,128
Restricted Assets:											
Cash and Investments (Note 3)	-	4,940,661	-	-	-	2,610	-	-	-	-	4,943,271
Receivables, Net (Note 4)	100,000	-	-	-	-	-	-	75,587	-	1,236,013	1,411,600
Due from Other Governments	233,295	5,611	339,596	211,312	-	-	433,512	-	-	1,073,650	2,296,976
Property Held for Future Use	-	-	-	-	1,000	-	-	-	-	-	1,000
Prepaid Items & Other Assets	-	9,977	-	-	30,000	-	-	10	-	-	39,987
Total Assets	2,405,449	5,337,988	508,313	1,696,238	150,202	1,330,538	1,028,302	456,094	2,526,353	4,860,485	20,299,962
LIABILITIES AND FUND BALANCES											
Liabilities:											
Accounts Payable	58,667	-	145,670	76,382	65,876	-	11,281	662,410	22,916	415,335	1,458,537
Salaries and Benefits Payable	865	-	10,810	1,911	-	-	6,378	-	13,932	870	34,766
Due to Other Funds	-	127,492	-	-	68,806	-	35,537	-	-	632,797	864,632
Unearned Revenue	450,088	-	40,809	154,066	-	-	810,688	-	-	1,982,569	3,438,220
Total Liabilities	509,620	127,492	197,289	232,359	134,682	-	863,884	662,410	36,848	3,031,571	5,796,155
Deferred Inflows of Resources:											
Unavailable Revenues	28,348	-	10,810	130,836	-	-	274,651	-	-	1,257,332	1,701,977
Fund Balances:											
Nonspendable	-	928,315	-	-	30,000	-	-	10	-	-	958,325
Restricted	-	4,381,832	300,214	1,333,043	-	-	-	2,489,505	-	785,400	9,289,994
Committed	1,867,481	-	-	-	-	1,330,538	-	-	-	-	3,198,019
Assigned	-	-	-	-	-	-	-	-	-	-	-
Unassigned	-	(99,651)	-	-	(14,480)	-	(110,233)	(206,326)	-	(213,818)	(644,508)
Total Fund Balances	1,867,481	5,210,496	300,214	1,333,043	15,520	1,330,538	(110,233)	(206,316)	2,489,505	571,582	12,801,830
Total Liabilities, Deferred Inflows of Resources, and Fund Balances	\$ 2,405,449	\$ 5,337,988	\$ 508,313	\$ 1,696,238	\$ 150,202	\$ 1,330,538	\$ 1,028,302	\$ 456,094	\$ 2,526,353	\$ 4,860,485	\$ 20,299,962

City of Wilmington, Delaware
Combining Statement of Revenues, Expenditures, and Changes in Fund Balances
Non-Major Governmental Funds - Special Revenue Funds
For the Year Ended June 30, 2023

	Park Recreation Assistance	Wilmington Park Related Commissions	Community Development & Recovery Block Grants	Home Partnership Program	Housing Strategic	Economic Strategic	Delaware Criminal Justice Planning	City Fest	Cable Television	Other Non-Major Special Revenue Funds	Total Nonmajor Governmental Funds
REVENUES											
Intergovernmental	\$ 1,278,113	\$ -	\$ 1,180,644	\$ 566,845	\$ -	\$ -	\$ 2,282,063	\$ 168,413	\$ -	\$ 3,592,262	\$ 9,068,342
Franchise Tax Revenue	-	-	-	-	-	-	-	948,127	-	-	948,127
Program Revenue	249,662	-	333,171	104,333	55,299	715	-	120,000	1,863,158	2,726,338	
Public Contributions	-	1,103	-	-	57,384	-	-	133,816	206,490	398,793	
Other/Private Contributions	-	-	-	-	-	-	-	19,537	19,920	39,457	
Investment Earnings	-	190,739	-	-	-	-	-	-	-	190,739	
Total Revenues	1,527,775	191,842	1,513,816	671,179	112,683	715	2,282,063	321,766	1,068,127	5,681,830	13,371,796
EXPENDITURES											
Current:											
General Governmental Services	-	80,421	-	-	-	521,938	-	572,461	880,837	1,040,892	3,096,549
Real Estate and Housing	-	-	1,144,747	727,787	299,662	-	-	-	-	842,356	3,014,553
Public Works	-	-	-	-	-	-	-	-	-	1,213,598	1,213,598
Parks and Recreation	1,304,133	163,576	-	-	-	-	-	824,980	-	101,359	2,394,048
Public Safety	-	-	-	-	-	-	1,780,548	-	-	2,607,357	4,387,905
Debt Service:											
Interest and Fiscal Charges	-	-	-	-	-	-	-	-	-	-	-
Capital Outlays	-	-	-	-	-	-	-	1,577,039	-	-	1,577,039
Total Expenditures	1,304,133	243,997	1,144,747	727,787	299,662	521,938	1,780,548	2,974,480	880,837	5,805,562	15,683,692
Excess (Deficiency) of Revenues Over (Under) Expenditures	223,642	(52,155)	369,068	(56,609)	(186,979)	(521,223)	501,515	(2,652,714)	187,290	(123,731)	(2,311,896)
Other Financing Sources(Uses)											
Bonds Issued	-	-	-	-	-	-	-	-	-	-	-
Net depreciation in fair value of investments	-	94,875	-	-	-	-	-	-	-	-	94,875
Transfers In	-	-	-	-	189,500	-	-	1,531,310	-	1,350,322	3,071,132
Transfers Out	-	-	-	-	-	-	-	-	-	-	-
Total Other Financing Sources (Uses)	-	94,875	-	-	189,500	-	-	1,531,310	-	1,350,322	3,166,007
Extraordinary Item											
Debt Forgiveness	-	-	-	-	-	-	-	-	-	-	-
Disposal of operations	-	-	-	-	-	-	-	-	-	-	-
Net change in Fund Balances	223,642	42,720	369,068	(56,609)	2,521	(521,223)	501,515	(1,121,404)	187,290	1,226,591	854,111
Fund Balance - Beginning	1,643,839	5,167,776	(68,854)	1,389,652	12,999	1,851,761	(611,748)	915,088	2,302,215	(655,009)	11,947,719
Fund Balance - Ending	\$ 1,867,481	\$ 5,210,496	\$ 300,214	\$ 1,333,043	\$ 15,520	\$ 1,330,538	\$ (110,233)	\$ (206,316)	\$ 2,489,505	\$ 571,582	\$ 12,801,830

City of Wilmington, Delaware
Schedule of Revenues, Expenditures
Changes in Fund Balances - Budget and Actual
Non-Major Funds - Special Revenue Funds
For the Year Ended June 30, 2023

	<u>Budgeted Amounts</u>		<u>Actual Amounts</u>	Variance with Final Budget-
	<u>Original</u>	<u>Final</u>		Positive (Negative)
Park Recreation Assistance				
Revenues	\$ 1,527,775	\$ 1,527,775	\$ 1,527,775	\$ -
Expenditures	<u>1,527,775</u>	<u>1,527,775</u>	<u>1,304,133</u>	<u>223,642</u>
Deficiency of Revenues Under Expenditures	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 223,642</u>	<u>\$ (223,642)</u>
Community Development Block Grant				
Revenues	\$ 1,513,816	\$ 1,513,816	\$ 1,513,816	\$ -
Expenditures	<u>1,513,816</u>	<u>1,513,816</u>	<u>1,144,748</u>	<u>369,067</u>
Deficiency of Revenues Under Expenditures	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 369,067</u>	<u>\$ (369,067)</u>
Home Partnership Program				
Revenues	\$ 671,179	\$ 671,179	\$ 671,179	\$ -
Expenditures	<u>671,179</u>	<u>671,179</u>	<u>727,788</u>	<u>(56,609)</u>
Deficiency of Revenues Under Expenditures	<u>\$ -</u>	<u>\$ -</u>	<u>\$ (56,609)</u>	<u>\$ 56,609</u>
Housing Strategic				
Revenues	\$ 112,683	\$ 112,683	\$ 112,683	\$ -
Expenditures	<u>112,683</u>	<u>112,683</u>	<u>299,662</u>	<u>(186,979)</u>
Deficiency of Revenues Under Expenditures	<u>\$ -</u>	<u>\$ -</u>	<u>\$ (186,979)</u>	<u>\$ (186,979)</u>
Economic Strategic				
Revenues	\$ 715	\$ 715	\$ 715	\$ -
Expenditures	<u>715</u>	<u>715</u>	<u>521,938</u>	<u>(521,223)</u>
Deficiency of Revenues Under Expenditures	<u>\$ -</u>	<u>\$ -</u>	<u>\$ (521,223)</u>	<u>\$ 521,223</u>
Delaware Criminal Justice Planning				
Revenues	\$ 2,282,063	\$ 2,282,063	\$ 2,282,063	\$ -
Expenditures	<u>2,282,063</u>	<u>2,282,063</u>	<u>1,780,548</u>	<u>501,515</u>
Deficiency of Revenues Under Expenditures	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 501,515</u>	<u>\$ (501,515)</u>
Cable Television				
Revenues	\$ 1,068,127	\$ 1,068,127	\$ 1,068,127	\$ -
Expenditures	<u>1,068,127</u>	<u>1,068,127</u>	<u>880,837</u>	<u>187,290</u>
Deficiency of Revenues Under Expenditures	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 187,290</u>	<u>\$ (187,290)</u>
HUD Emergency Shelter				
Revenues	\$ 133,072	\$ 133,072	\$ 133,072	\$ -
Expenditures	<u>133,072</u>	<u>133,072</u>	<u>96,359</u>	<u>36,713</u>
Deficiency of Revenues Under Expenditures	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 36,713</u>	<u>\$ (36,713)</u>
National Endowment for Art				
Revenues	\$ 101,195	\$ 101,195	\$ 101,195	\$ -
Expenditures	<u>101,195</u>	<u>101,195</u>	<u>91,512</u>	<u>9,683</u>
Deficiency of Revenues Under Expenditures	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 9,683</u>	<u>\$ (9,683)</u>
Delaware Neighborhood Stabilization Program				
Revenues	\$ 43,500	\$ 43,500	\$ 43,500	\$ -
Expenditures	<u>43,500</u>	<u>43,500</u>	<u>-</u>	<u>43,500</u>
Deficiency of Revenues Under Expenditures	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 43,500</u>	<u>\$ (43,500)</u>

CITY OF WILMINGTON, DELAWARE

INTERNAL SERVICE FUNDS

The Internal Service Funds account for certain services provided to operating departments of the City.

The Motor Vehicle Fund accounts for the acquisition and operation of the City's motor vehicle fleet. Activities include short-term rentals for use by employees traveling on City business and long-term vehicles to meet the City's ongoing operational needs.

Additional internal service funds are as follows:

The Risk Management Fund accounts for the City's risk management efforts and includes an actuarially determined reserve under its self-insurance program. Under the self-insurance program, the City assumes the risk for general liability, automobile liability, police professional liability, public officials' liability, and certain property losses. The City pays insurance premiums to cover specific city-owned properties.

The Workers' Compensation Fund accounts for the administration and funding of the City's employee injury claims subject to the Workers' Compensation Laws of the State of Delaware. The City was completely self-insured for its workers' compensation exposure during the period of 1995 through June 30, 2017. Effective July 1, 2017, the City began to pay insurance premiums for specific excess loss insurance for workers compensation exposure. The City has contracted an actuary to determine those losses. The City reflects the liability in the Workers' Compensation Fund.

The Health and Welfare Fund accounts for the administration and funding of the City's employee health, life, and dental coverages in addition to an employee assistance program.

City of Wilmington, Delaware
Combining Statement of Net Position
Internal Service Funds
June 30, 2023

	<u>Motor Vehicle</u>	<u>Risk Management</u>	<u>Workers' Compensation</u>	<u>Health and Welfare</u>	<u>Internal Service Funds</u>
ASSETS					
Current Assets:					
Cash and Cash Equivalents (Note 3)	\$ -	\$ 6,736,555	\$ 16,819,969	\$ 4,249,570	\$ 27,806,094
Receivables, Net (Note 4)	42,514	-	-	1,333,164	1,375,678
Due From Other Governments	-	-	-	-	-
Prepaid Items & Other Assets	6,196	-	355,001	23,181	384,378
Total Current Assets	<u>48,710</u>	<u>6,736,555</u>	<u>17,174,970</u>	<u>5,605,915</u>	<u>29,566,150</u>
Noncurrent Assets:					
Capital Assets, Net:					
Construction in Progress	37,530	-	-	-	37,530
Building and Improvements	2,743,262	-	-	-	2,743,262
Machinery & Equipment	616,151	-	7,234	-	623,385
Vehicles	13,584,907	-	-	-	13,584,907
Total Noncurrent Assets	<u>16,981,850</u>	<u>-</u>	<u>7,234</u>	<u>-</u>	<u>16,989,084</u>
Total Assets	<u>17,030,560</u>	<u>6,736,555</u>	<u>17,182,204</u>	<u>5,605,915</u>	<u>46,555,234</u>
DEFERRED OUTFLOWS OF RESOURCES					
Deferred on Refunding of Bonds	12,956	-	-	-	12,956
Total Deferred Outflows of Resources	<u>12,956</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>12,956</u>
LIABILITIES					
Current Liabilities:					
Accounts Payable	606,265	136,171	98,152	1,853,044	2,693,632
Salaries and Benefits Payable	-	3,751	18,262	8,538	30,551
Accrued Interest Payable	14,409	8,072	8,072	-	30,553
Due to Other Funds	11,857,176	-	-	-	11,857,176
Bonds Payable	32,523	-	-	-	32,523
Claims Liability	-	1,652,661	3,793,103	1,709,000	7,154,764
Compensated Absences	-	25,842	40,916	35,333	102,091
Total Current Liabilities	<u>12,510,373</u>	<u>1,826,497</u>	<u>3,958,505</u>	<u>3,605,915</u>	<u>21,901,290</u>
Noncurrent Liabilities:					
Due to Other Funds (Note 7)	2,680,199	-	-	-	2,680,199
Bonds Payable	998,910	-	-	-	998,910
Claims Liabilities	-	4,406,554	13,223,700	-	17,630,253
Total Noncurrent Liabilities	<u>3,679,109</u>	<u>4,406,554</u>	<u>13,223,700</u>	<u>-</u>	<u>21,309,362</u>
Total Liabilities	<u>16,189,482</u>	<u>6,233,051</u>	<u>17,182,205</u>	<u>3,605,915</u>	<u>43,210,652</u>
NET POSITION					
Net investment in capital assets	13,348,376	-	7,234	-	13,355,610
Unassigned	(12,494,342)	503,504	(7,234)	2,000,000	(9,998,072)
Total Net Position	<u>\$ 854,034</u>	<u>\$ 503,504</u>	<u>\$ -</u>	<u>\$ 2,000,000</u>	<u>\$ 3,357,538</u>

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

City of Wilmington, Delaware

**Combining Statement of Revenues, Expenditures, and Changes in Net Position
Internal Service Funds
For the Year Ended June 30, 2023**

	<u>Motor Vehicle</u>	<u>Risk Management</u>	<u>Workers' Compensation</u>	<u>Health and Welfare</u>	<u>Total Internal Service Funds</u>
OPERATING REVENUES					
Charges for Services	\$ 8,251,790	\$ 3,349,653	\$ 4,403,044	\$ 18,562,780	\$ 34,567,267
Employee Contributions	-	-	-	2,571,512	2,571,512
Other	5,333	557,572	-	-	562,905
Total Operating Revenues	<u>8,257,123</u>	<u>3,907,225</u>	<u>4,403,044</u>	<u>21,134,292</u>	<u>37,701,684</u>
OPERATING EXPENSES					
Personal Services	-	156,012	492,268	423,192	1,071,472
Materials, Supplies, Equipment and Contracted Services	5,199,418	262,514	351,871	173,477	5,987,280
Depreciation and Amortization	3,272,874	-	391	-	3,273,265
Claims Expense	-	2,161,358	3,370,185	2,688,358	8,219,901
Insurance Premiums	-	1,327,341	188,329	17,849,265	19,364,935
Total Operating Expenses	<u>8,472,292</u>	<u>3,907,225</u>	<u>4,403,044</u>	<u>21,134,292</u>	<u>37,916,853</u>
Operating Income (Loss)	<u>(215,169)</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>(215,169)</u>
NONOPERATING REVENUES (EXPENSES)					
Interest Expense	(17,531)	-	-	-	(17,531)
Gain on Sales of Assets	232,700	-	-	-	232,700
Total Non-Operating Revenues (Expenses)	<u>215,169</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>215,169</u>
Change in Net Position	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Total Net Position - Beginning	<u>854,034</u>	<u>503,504</u>	<u>-</u>	<u>2,000,000</u>	<u>\$ 3,357,538</u>
Total Net Position - Ending	<u>\$ 854,034</u>	<u>\$ 503,504</u>	<u>\$ -</u>	<u>\$ 2,000,000</u>	<u>\$ 3,357,538</u>

City of Wilmington, Delaware
Combining Statement of Cash Flows
Internal Service Funds

June 30, 2023

	Motor Vehicle	Risk Management	Workers' Compensation	Health and Welfare	Total Internal Service Funds
Cash Flows From Operating Activities:					
Receipts from Customers and Users	\$ 8,256,740	\$ 3,349,653	\$ 4,403,045	\$ 19,801,128	\$ 35,810,566
Payments to Suppliers, net	(5,329,434)	(3,303,072)	(3,678,091)	(17,454,653)	(29,765,250)
Payments to Employees	-	(199,350)	(560,613)	(452,632)	(1,212,595)
Cash Other	5,333	557,572	-	-	562,905
Net Cash Provided by (Used in) Operating Activities	<u>2,932,639</u>	<u>404,803</u>	<u>164,341</u>	<u>1,893,843</u>	<u>5,395,626</u>
Cash Flows from Noncapital Financing Activities					
Advances (To) From Other Funds	32,444	-	-	-	32,444
Net Cash Provided by (Used in) Noncapital Financing Activities	<u>32,444</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>32,444</u>
Cash Flows from Capital and Related Financing Activities:					
Acquisition and Construction of Capital Assets	(2,980,754)	-	-	-	(2,980,754)
Principal Paid on Bonds	(201,127)	-	-	-	(201,127)
Interest Paid / Accrued on Bonds	(44,207)	-	-	-	(44,207)
Disposal Fixed Assets	261,005	-	-	-	261,005
Net Cash Used in Noncapital and Related Financing Activities	<u>(2,965,083)</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>(2,965,083)</u>
Net Increase (Decrease) in Cash and Cash Equivalents	-	404,803	164,341	1,893,843	2,462,987
Cash and Cash Equivalents - June 30, 2022	<u>-</u>	<u>6,331,752</u>	<u>16,655,628</u>	<u>2,355,727</u>	<u>25,343,107</u>
Cash and Cash Equivalents - June 30, 2023	<u>\$ -</u>	<u>\$ 6,736,555</u>	<u>\$ 16,819,969</u>	<u>\$ 4,249,570</u>	<u>\$ 27,806,094</u>
Reconciliation of Operating Income (Loss) to Net Cash Provided (Used) by Operating Activities:					
Operating Income	\$ (215,171)	\$ -	\$ -	\$ -	\$ (215,169)
Adjustments to Reconcile Operating Income to Cash Provided by (Use in) Operating Activities:					
Depreciation and Amortization	3,272,874	-	391	-	3,273,267
Changes in assets and liabilities:					
(Increase) Decrease in Receivables	4,950	-	-	2,164,536	2,169,486
(Increase) Decrease in Prepaid Expense	(6,196)	-	178,503	163,311	335,618
Increase (Decrease) in Accounts Payable	(123,818)	(81,595)	(167,951)	1,664,658	1,291,294
Increase (Decrease) in Compensated Absences	-	(38,083)	(35,748)	(17,915)	(91,746)
Increase (Decrease) in Accrued Salaries	-	(5,255)	(32,596)	(11,525)	(49,376)
Increase (Decrease) in Claims Liability	-	529,736	221,742	(2,069,222)	(1,317,744)
Net cash Provided (Used) by Operating Activities	<u>\$ 2,932,639</u>	<u>\$ 404,803</u>	<u>\$ 164,341</u>	<u>\$ 1,893,843</u>	<u>\$ 5,395,630</u>

CITY OF WILMINGTON, DELAWARE

FIDUCIARY FUNDS

Retirement Funds

The following pension funds account for the City's pension plans in the following six pension funds:

Uniformed Plans

Firefighter's Pension
Police Pension

Non-Uniformed Plans

Plan I
Plan II
Plan III
Park Trust
Wilmington Parking Authority

The Police and Fire Pension Funds represent the consolidated financial activity of the old and 1984 Police and Fire Pension Plans, respectively. Both funds include contributions from employees, the State of Delaware, and the City. These plans are closed

Non-Uniformed Plan I and Plan II represent the old and 1979 pension plans for non-uniformed employees and are noncontributory plans solely funded by the City. Both plans are closed.

In fiscal year 1991 and again in 2006, the City offered its active non-uniformed employees an option to transfer to Plan III. This plan is contributory for employees based on options taken. The City also contributes to the plan. This plan is closed

The Park Trust Commission and Wilmington Parking Authority Employees plans are a single-employer defined benefit plans that cover all Park Trust Commission and Wilmington Paring Authority employees.

Post-Retirement Healthcare Benefit Fund

The Retiree Medical Program is a post-employment healthcare benefit program that provides post-retirement health care benefits to all employees who retire from the City on or after January 1, 2000, and meet certain eligibility requirements.

City of Wilmington
Combining Statement of Fiduciary Net Position
Pension Trust Funds
June 30, 2023

	<u>Firefighters Pension</u>	<u>Police Pension</u>	<u>Plan I Non- uniformed Pension</u>	<u>Plan II Non- uniformed Pension</u>	<u>Plan III Non- uniformed Pension</u>	<u>Wilmington Park Trust Pension</u>	<u>The Wilmington Parking Authority</u>	<u>Total Retirement Funds</u>	<u>Post - Retirement Healthcare Benefit</u>	<u>Total Pension Trust Funds</u>
ASSETS										
Cash and Cash Equivalents (Note 3)	\$ 6,302,204	\$ 548,657	\$ 1,593	\$ 1,000	\$ 584,702	\$ 5,931	\$ -	7,444,087	\$ 3,619,656	\$ 11,063,743
Receivables:										
Accrued Interest & Other Receivables	122,944	1,255,173	5,760	16,345	178,702	-	-	1,578,924	216,436	1,795,360
Prepaid Assets	-	-	-	-	-	-	-	-	112,339	112,339
Investments, at Fair Value:										
Money Market Funds	582,143	1,209,291	62,088	176,179	1,330,176	-	-	3,359,877	55,034	3,414,911
U.S. Treasury Obligations	1,385,284	2,877,665	147,745	419,241	3,165,326	-	-	7,995,261	-	7,995,261
U.S. Government Agencies - Guaranteed	1,863,006	3,870,042	198,696	563,817	4,256,904	-	-	10,752,465	-	10,752,465
U.S. Government Agencies - Other	-	-	-	-	-	-	-	-	-	-
Corporate & Foreign Bonds and funds	2,029,578	4,216,063	216,462	614,230	4,637,515	-	-	11,713,848	-	11,713,848
Common Equity & Marketable Securities	25,799,848	53,594,299	2,751,643	7,808,047	58,951,759	236,928	-	149,142,524	-	149,142,524
Mutual Funds										
Global & International Funds	8,084,983	16,795,021	862,291	2,446,833	18,473,906	-	-	46,663,034	5,337,500	52,000,534
Domestic Equity Funds	175,454	364,473	18,713	53,099	400,907	87,953	6,204,889	7,305,488	15,113,619	22,419,107
Fixed Income Funds	888,102	1,844,864	94,719	268,778	2,029,283	-	-	5,125,746	-	5,125,746
Real Estate Investment Trust and Other	6,254,928	12,993,429	667,110	1,892,987	14,292,294	-	688,285	36,789,033	9,794,094	46,583,127
Total Investments	<u>47,063,326</u>	<u>97,765,147</u>	<u>5,019,467</u>	<u>14,243,211</u>	<u>107,538,070</u>	<u>324,881</u>	<u>6,893,174</u>	<u>278,847,276</u>	<u>30,300,247</u>	<u>309,147,523</u>
Due from Other Pension Trust Fund	-	-	-	-	-	-	-	-	1,556,305	1,556,305
Total Assets	<u>53,488,474</u>	<u>99,568,977</u>	<u>5,026,820</u>	<u>14,260,556</u>	<u>108,301,474</u>	<u>330,812</u>	<u>6,893,174</u>	<u>287,870,287</u>	<u>35,804,983</u>	<u>323,675,270</u>
LIABILITIES										
Accounts Payable	10,792	18,042	37,346	4,196	16,958	5,940	-	93,274	238,723	331,997
Salaries and Benefits Payable	1,233	2,150	419	738	2,705	-	-	7,245	-	7,245
Due to Other Pension Trust Fund	-	-	-	-	1,556,305	-	-	1,556,305	-	1,556,305
Due to Other Governments	-	-	-	-	11,000,242	-	-	11,000,242	-	11,000,242
Compensated Absences	20,040	23,628	16,852	18,200	26,233	-	-	104,953	-	104,953
Liability for Stale-dated Pension Checks	45,426	77,339	38,911	8,517	8,453	-	-	178,646	-	178,646
Total Liabilities	<u>77,491</u>	<u>121,159</u>	<u>93,528</u>	<u>31,651</u>	<u>12,610,896</u>	<u>5,940</u>	<u>-</u>	<u>12,940,665</u>	<u>238,723</u>	<u>13,179,388</u>
Net Position										
Held in Trust for Pension & OPEB Benefits	<u>\$ 53,410,983</u>	<u>\$ 99,447,818</u>	<u>\$ 4,933,292</u>	<u>\$ 14,228,905</u>	<u>\$ 95,690,578</u>	<u>\$ 324,872</u>	<u>\$ 6,893,174</u>	<u>\$ 274,929,622</u>	<u>\$ 35,566,260</u>	<u>\$ 310,495,882</u>

City of Wilmington, Delaware
Combining Statement of Changes in Fiduciary Net Position
Pension Trust Funds
For the Year Ended June 30, 2023

	<u>Firefighters Pension</u>	<u>Police Pension</u>	<u>Plan I Non- uniformed Pension</u>	<u>Plan II Non- uniformed Pension</u>	<u>Plan III Non- uniformed Pension</u>	<u>Wilmington Park Trust Pension</u>	<u>The Wilmington Parking Authority</u>	<u>Total Retirement Funds</u>	<u>Post - Retirement Healthcare Benefit</u>	<u>Total Pension Trust Funds</u>
ADDITIONS										
Contributions:										
City										
Paid Directly by the City	\$ -	\$ 5,232,253	\$ -	\$ -	\$ 5,055,555	\$ 14,367	\$ -	\$ 10,302,175	\$ 4,977,524	\$ 15,279,699
Paid by the State										
On-Behalf of the City	6,547,336	2,240,063	-	-	-	-	-	8,787,399	-	8,787,399
Employees/Pensioners	12,238	69,412	-	-	305,731	-	-	387,381	973,326	1,360,707
Other Revenue	-	-	-	11,880	-	-	-	11,880	-	11,880
Total Contributions	<u>6,559,574</u>	<u>7,541,728</u>	<u>-</u>	<u>11,880</u>	<u>5,361,286</u>	<u>14,367</u>	<u>-</u>	<u>19,488,835</u>	<u>5,950,850</u>	<u>25,439,685</u>
Investment Income										
Investment Earnings	345,847	677,027	35,788	100,147	658,461	12,574	535,269	2,365,113	501,657	2,866,770
Net Appreciation										
(Depreciation) in Fair Value	3,720,638	7,283,486	385,016	1,077,384	7,083,730	30,556	501,465	20,082,275	2,400,352	22,482,627
Total Investment Earnings	4,066,485	7,960,513	420,804	1,177,531	7,742,191	43,130	1,036,734	22,447,388	2,902,009	25,349,397
Less: Investment Expense	(66,079)	(132,442)	(7,008)	(19,610)	(128,916)	-	-	(354,055)	(8,308)	(362,363)
Net Investment Income	<u>4,000,406</u>	<u>7,828,071</u>	<u>413,796</u>	<u>1,157,921</u>	<u>7,613,275</u>	<u>43,130</u>	<u>1,036,734</u>	<u>22,093,333</u>	<u>2,893,701</u>	<u>24,987,034</u>
Total Additions	<u>10,559,980</u>	<u>15,369,799</u>	<u>413,796</u>	<u>1,169,801</u>	<u>12,974,561</u>	<u>57,497</u>	<u>1,036,734</u>	<u>41,582,168</u>	<u>8,844,551</u>	<u>50,426,719</u>
DEDUCTIONS										
Benefits Paid	8,187,579	12,214,130	383,047	931,177	7,024,387	11,880	180,530	28,932,730	4,407,940	33,340,670
Administrative Expenses	107,557	164,227	76,666	63,046	298,906	2,984	5,950	719,336	164,518	883,854
Total Deductions	<u>8,295,136</u>	<u>12,378,357</u>	<u>459,713</u>	<u>994,223</u>	<u>7,323,293</u>	<u>14,864</u>	<u>186,480</u>	<u>29,652,066</u>	<u>4,572,458</u>	<u>34,224,524</u>
Net Increase in Plan Net Position	<u>2,264,844</u>	<u>2,991,442</u>	<u>(45,917)</u>	<u>175,578</u>	<u>5,651,268</u>	<u>42,633</u>	<u>850,254</u>	<u>11,930,102</u>	<u>4,272,093</u>	<u>16,202,195</u>
Net Position - Beginning	<u>51,146,139</u>	<u>96,456,376</u>	<u>4,979,209</u>	<u>14,053,327</u>	<u>90,039,310</u>	<u>282,239</u>	<u>6,042,920</u>	<u>262,999,520</u>	<u>31,294,167</u>	<u>294,293,687</u>
Net Position - Ending	<u>\$ 53,410,983</u>	<u>\$ 99,447,818</u>	<u>\$ 4,933,292</u>	<u>\$ 14,228,905</u>	<u>\$ 95,690,578</u>	<u>\$ 324,872</u>	<u>\$ 6,893,174</u>	<u>\$ 274,929,622</u>	<u>\$ 35,566,260</u>	<u>\$ 310,495,882</u>

CITY OF WILMINGTON, DELAWARE

STATISTICAL SECTION (Unaudited)

This part of the City of Wilmington’s comprehensive annual financial report presents detailed information as a context for understanding what the information in the financial statements, note disclosures, and required supplementary information says about the City’s overall financial health.

Contents	<u>Page</u>
Financial Trends These schedules contain trend information to help the reader understand how the City’s financial performance and well-being have changed over time.	167
Revenue Capacity These schedules contain information to help the reader assess the City’s most consistent year-to-year revenue source, the property tax.	172
Debt Capacity These schedules present information to help the reader assess the affordability of the City’s current levels of outstanding debt and the City’s ability to issue additional debt in the future.	176
Demographic and Economic Information These schedules offer demographic and economic indicators to help the reader understand the environment within which the City’s financial activities take place.	180
Operating Information These schedules contain service and infrastructure data to help the reader understand how the information in the City’s financial report relates to the services the City provides and the services it performs.	184

Sources: Unless otherwise noted, the information in these schedules is derived from the comprehensive annual reports for the relevant year.

Table 1

**NET POSITION BY COMPONENT
LAST TEN FISCAL YEARS
(Accrual Basis of Accounting)
(Unaudited)**

	2014	2015	2016	2017	2018	2019	2020	2021	2022	2023
GOVERNMENTAL ACTIVITIES										
Net Investment in Capital Assets	\$ 70,032,240	\$ 74,784,855	\$ 73,262,924	\$ 80,030,613	\$ 85,923,514	\$ 92,711,517	\$ 100,713,342	\$ 101,680,177	\$ 109,045,808	\$ 124,509,390
Restricted	18,685,810	12,380,914	5,493,479	7,584,160	8,771,679	8,984,278	10,079,262	14,930,228	63,611,817	17,017,329
Unrestricted	(119,636,657)	(116,324,021)	(104,130,565)	(123,390,154)	(120,687,342)	(115,292,703)	(106,335,174)	(52,235,995)	(67,804,638)	15,627,162
Total Governmental Activities Net Position	\$ (30,918,607)	\$ (29,158,252)	\$ (25,374,162)	\$ (35,775,381)	\$ (25,992,149)	\$ (13,596,908)	\$ 4,457,430	\$ 64,374,410	\$ 104,852,987	\$ 157,153,881
BUSINESS-TYPE ACTIVITIES										
Net Investment in Capital Assets	\$ 116,604,537	\$ 116,858,039	\$ 117,697,946	\$ 120,943,085	\$ 127,230,361	\$ 131,329,111	\$ 141,559,269	\$ 156,439,637	\$ 163,129,284	\$ 172,764,750
Restricted	-	-	-	-	35,165,006	39,571,786	35,649,991	13,526,488	28,751,928	34,248,984
Unrestricted	(3,290,174)	5,835,485	17,194,095	27,456,260	-	2,215,818	1,057,494	13,674,516	569,600	2,141,627
Total Business-type Activities Net Position	\$ 113,314,363	\$ 122,693,524	\$ 134,892,041	\$ 148,399,345	\$ 162,395,367	\$ 173,116,715	\$ 178,266,754	\$ 183,640,641	\$ 192,450,812	\$ 209,155,361
PRIMARY GOVERNMENT										
Net Investment in Capital Assets	\$ 186,636,777	\$ 191,642,894	\$ 190,960,870	\$ 200,973,698	\$ 213,153,875	\$ 224,040,628	\$ 242,272,611	\$ 258,119,814	\$ 272,175,092	\$ 297,274,140
Restricted	18,685,810	12,380,914	5,493,479	7,584,160	43,936,685	48,556,064	45,729,253	28,456,716	92,363,745	51,266,313
Unrestricted	(122,926,831)	(110,488,536)	(86,936,470)	(95,933,894)	(120,687,342)	(113,076,885)	(105,277,680)	(38,561,479)	(67,235,038)	17,768,789
Total Primary Government Net Position	\$ 82,395,756	\$ 93,535,272	\$ 109,517,879	\$ 112,623,964	\$ 136,403,218	\$ 159,519,807	\$ 182,724,184	\$ 248,015,051	\$ 297,303,799	\$ 366,309,242

Note: Net position reflects any prior year restatements.

Table II

**CHANGES IN NET POSITION
LAST TEN FISCAL YEARS
(Accrual Basis of Accounting)
(Unaudited)**

	2014	2015	2016	2017	2018	2019	2020	2021	2022	2023
EXPENSES										
Governmental Activities:										
General Government	\$ 27,630,002	\$ 28,495,073	\$ 28,460,217	\$ 33,209,538	\$ 28,701,894	\$ 31,837,983	\$ 43,376,300	\$ 34,607,485	\$ 48,213,853	\$ 59,896,655
Real Estate and Housing	5,431,791	6,434,211	6,874,842	6,310,506	6,708,205	5,934,884	7,577,533	6,887,434	11,160,706	12,291,098
Public Works	23,807,433	23,447,957	25,374,633	24,429,688	24,080,545	25,703,685	24,813,642	21,251,659	25,550,617	27,059,410
Parks and Recreation	9,077,378	10,317,892	9,939,326	11,161,909	11,098,419	13,040,301	11,898,388	10,529,555	12,169,473	12,116,594
Public Safety	90,737,719	83,938,497	89,768,212	103,283,261	90,296,885	92,335,897	91,077,683	65,023,708	78,688,169	87,433,366
Interest on Long-Term Debt	4,743,372	4,342,767	4,602,942	4,316,733	3,883,054	5,096,566	3,439,214	1,344,121	4,745,811	2,140,938
Total Governmental Activities Expenses	161,427,695	156,976,397	165,020,172	182,711,635	164,769,002	173,949,316	182,182,760	139,643,962	180,528,629	200,938,061
Business-type Activities:										
Water/Sewer	64,984,276	64,092,907	65,443,575	70,327,604	73,655,464	75,342,455	81,414,113	73,278,921	82,084,721	81,330,978
Total Business-Type Activities Expenses	64,984,276	64,092,907	65,443,575	70,327,604	73,655,464	75,342,455	81,414,113	73,278,921	82,084,721	81,330,978
Total Primary Government Expenses	\$ 226,411,971	\$ 221,069,304	\$ 230,463,747	\$ 253,039,239	\$ 238,424,466	\$ 249,291,771	\$ 263,596,873	\$ 212,922,883	\$ 262,613,350	\$ 282,269,039
PROGRAM REVENUES										
Governmental Activities:										
Charges for Services:										
General Government	\$ 10,378,709	\$ 10,471,882	\$ 11,935,090	\$ 13,029,923	\$ 12,349,560	\$ 14,809,049	\$ 15,790,231	\$ 15,536,758	\$ 15,173,601	\$ 16,695,268
Real Estate and Housing	-	247,075	339,598	317,489	576,854	135,260	264,168	-	810,728	37,326
Public Works	224,135	162,702	148,264	165,377	154,446	181,463	138,563	169,609	1,500,782	2,643,586
Parks and Recreation	190,332	79,359	20,714	510,646	226,823	151,455	67,339	21,470	100,602	-
Public Safety	15,380,748	14,612,394	14,447,109	12,147,225	12,752,764	12,110,695	13,029,392	12,347,146	15,706,418	14,238,738
Operating Grants and Contributions	16,907,582	19,095,300	18,746,664	14,684,689	16,805,129	18,001,181	26,658,603	33,281,312	35,310,480	54,372,913
Capital Grants and Contributions	1,377,611	2,341,802	1,136,175	1,544,083	202,539	2,872,181	5,546,307	1,706,448	5,326,298	12,518,757
Total Governmental Activities Revenues	44,459,117	47,010,514	46,773,614	42,399,432	43,068,115	48,261,284	61,494,603	63,062,743	73,928,909	100,506,588
Business-type Activities:										
Charges for Services:										
Water	76,491,666	73,926,346	77,136,007	83,541,753	83,329,958	84,633,077	79,971,543	84,332,101	89,825,406	94,023,981
Capital Grants and Contributions	67,784	167,892	502,438	293,155	4,264,405	1,320,726	6,592,609	1,000,000	230,512	1,072,621
Total Business-type Activities Revenues	76,559,450	74,094,238	77,638,445	83,834,908	87,594,363	85,953,803	86,564,152	85,332,101	90,055,918	95,096,602
Total Primary Government Revenues	\$ 121,018,567	\$ 121,104,752	\$ 124,412,059	\$ 126,234,340	\$ 130,662,478	\$ 134,215,087	\$ 148,058,755	\$ 148,394,844	\$ 163,984,827	\$ 195,603,190

Table II

**CHANGES IN NET POSITION
LAST TEN FISCAL YEARS
(Accrual Basis of Accounting)
(Unaudited)**

	2014	2015	2016	2017	2018	2019	2020	2021	2022	2023
GENERAL REVENUES AND OTHER CHANGES IN NET POSITION										
Governmental Activities:										
Taxes										
Property Taxes	\$ 40,031,479	\$ 40,289,471	\$ 40,785,515	\$ 40,691,422	\$ 42,912,480	\$ 43,926,250	\$ 42,656,450	\$ 42,339,714	\$ 44,652,510	\$ 46,275,753
Income Taxes	62,058,990	62,286,478	63,093,666	66,747,652	67,549,952	69,881,277	66,599,449	66,104,832	70,857,682	77,174,104
Other Taxes	2,117,563	2,501,244	2,174,189	4,459,923	3,182,700	3,508,035	5,918,475	4,472,847	8,074,103	5,065,425
Lodging & Natural Gas Taxes	1,184,326	1,270,638	1,167,563	1,207,278	3,366,921	3,466,672	2,968,181	3,012,716	3,292,902	3,898,304
Investment Earnings	1,004,623	324,461	270,511	1,254,149	1,253,510	2,499,919	735,622	1,578,423	(772,567)	4,475,011
Other Revenues including Capital Asset Sales Gains	84,681	-	-	176,448	347,572	191,643	370,142	339,579	700,388	(251,210)
Grants, Entitlements, and Contributions not Restricted to Specific Programs	13,621,030	14,137,931	14,539,204	14,743,680	15,726,381	16,484,735	16,648,490	18,591,971	20,273,279	19,022,611
Loan Forgiveness	-	-	-	-	-	-	2,845,684	-	-	-
Transfers	-	2,976	-	-	-	-	-	-	-	(2,927,631)
Total Governmental Activities	<u>120,102,692</u>	<u>120,813,199</u>	<u>122,030,648</u>	<u>129,280,552</u>	<u>134,339,516</u>	<u>139,958,531</u>	<u>138,742,493</u>	<u>136,440,082</u>	<u>147,078,297</u>	<u>152,732,367</u>
Business-type Activities:										
Investment Earnings	4,135	3,502	3,647	-	-	-	-	-	-	-
Transfers	-	-	-	-	-	-	-	-	-	2,927,631
Other Revenues including Capital Asset Sales Gains	-	-	-	-	-	110,000	1,683	-	-	11,294
Total Business-type Activities	<u>4,135</u>	<u>3,502</u>	<u>3,647</u>	<u>-</u>	<u>-</u>	<u>110,000</u>	<u>1,683</u>	<u>-</u>	<u>-</u>	<u>2,938,925</u>
Total Primary Government	<u>\$ 120,106,827</u>	<u>\$ 120,816,701</u>	<u>\$ 122,034,295</u>	<u>\$ 129,280,552</u>	<u>\$ 134,339,516</u>	<u>\$ 140,068,531</u>	<u>\$ 138,744,176</u>	<u>\$ 136,440,082</u>	<u>\$ 147,078,297</u>	<u>\$ 155,671,292</u>
CHANGE IN NET POSITION										
Governmental Activities	\$ 3,134,114	\$ 10,847,316	\$ 3,784,090	\$ (11,031,651)	\$ 12,638,629	\$ 14,270,499	\$ 18,054,336	\$ 59,858,863	\$ 40,478,577	\$ 52,300,894
Business-type Activities	<u>11,579,309</u>	<u>10,004,833</u>	<u>12,198,517</u>	<u>13,507,304</u>	<u>13,938,899</u>	<u>10,721,348</u>	<u>5,151,722</u>	<u>12,053,180</u>	<u>7,971,197</u>	<u>16,704,549</u>
Total Primary Government	<u>\$ 14,713,423</u>	<u>\$ 20,852,149</u>	<u>\$ 15,982,607</u>	<u>\$ 2,475,653</u>	<u>\$ 26,577,528</u>	<u>\$ 24,991,847</u>	<u>\$ 23,206,058</u>	<u>\$ 71,912,043</u>	<u>\$ 48,449,774</u>	<u>\$ 69,005,443</u>

Table III

**FUND BALANCES OF GOVERNMENTAL FUNDS
LAST TEN FISCAL YEARS
(Modified Accrual Basis of Accounting)
(Unaudited)**

	2014	2015	2016	2017	2018	2019	2020	2021	2022	2023
GENERAL FUND										
Nonspendable										
Long-term Note Receivable	\$ 5,460,671	\$ 3,184,707	\$ 3,121,642	\$ 3,058,580	\$ 2,995,512	\$ 2,932,453	\$ 2,869,385	\$ 2,806,321	\$ 2,743,257	\$ 2,680,199
Other nonspendable	-	-	-	-	-	-	-	1,649,659	1,325,384	164,793
Restricted										
Other Purposes	-	-	-	-	-	-	-	-	164,793	-
Committed										
Budget Reserve Account	15,003,965	15,169,686	15,403,864	15,730,559	15,730,559	16,229,900	16,350,105	17,270,240	17,686,531	18,262,370
Tax Stabilization Reserve	-	-	-	-	21,348,108	27,434,463	28,725,708	40,791,428	49,746,440	73,851,282
Unassigned										
Other Purposes	25,592,630	24,694,765	23,788,856	15,139,635	-	-	-	-	-	-
Total General Fund	\$ 46,057,266	\$ 43,049,158	\$ 42,314,362	\$ 33,928,774	\$ 40,074,179	\$ 46,596,816	\$ 47,945,198	\$ 62,517,648	\$ 71,666,405	\$ 94,958,644
ALL OTHER GOVERNMENTAL FUNDS										
Nonspendable										
Advance to Motor Vehicle Fund (Note 7)	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 2,680,199
Park Operations	991,205	977,910	968,468	1,023,792	1,059,631	1,084,776	934,863	1,123,568	962,737	928,315
Other nonspendable	-	-	-	-	-	-	-	-	-	194,803
Restricted										
Capital Projects Funds	11,551,577	6,778,734	21,340,305	16,024,754	9,815,380	6,113,837	166,676	14,955,113	9,325,257	3,919,075
Park Operations	6,143,028	5,123,545	4,931,600	5,163,418	5,215,212	4,809,017	4,270,394	5,034,922	4,235,049	4,381,832
Other Purposes	245,392	478,635	433,004	78,540	2,761,566	3,090,485	4,029,000	3,904,663	4,003,039	4,908,162
Committed										
Affordable Housing	631,127	(346,207)	1,115,369	386,312	-	-	-	-	-	-
Economic Development	5,550,802	5,215,443	6,732,194	2,924,787	2,059,323	742,102	528,344	1,620,278	1,851,761	1,330,538
Other Purposes	1,742,099	1,891,276	1,694,095	2,064,464	-	214,372	1,175,450	1,778,894	1,643,839	1,867,481
Assigned	-	-	-	-	-	-	-	-	915,078	-
Unassigned	(118,672)	(127,655)	(100,017)	(263,146)	(2,546,052)	(3,340,662)	(4,389,798)	(1,577,516)	(1,663,784)	(644,508)
Total All Other Governmental Funds	\$ 26,736,559	\$ 19,991,681	\$ 37,115,018	\$ 27,402,921	\$ 18,365,060	\$ 12,713,927	\$ 6,714,929	\$ 26,839,922	\$ 21,272,976	\$ 19,565,897

Table IV

**CHANGES IN FUND BALANCES OF GOVERNMENTAL FUNDS
LAST TEN FISCAL YEARS
(Modified Accrual Basis of Accounting)
(Unaudited)**

	2014	2015	2016	2017	2018	2019	2020	2021	2022	2023
REVENUES										
Taxes, Related Penalties and Interest										
Property Taxes	\$ 38,140,803	\$ 40,046,863	\$ 40,246,355	\$ 40,596,912	\$ 43,266,138	\$ 42,747,587	\$ 43,698,151	\$ 44,728,292	\$ 43,637,012	\$ 44,789,172
Wage Taxes	55,819,469	57,891,999	57,554,177	60,334,780	60,924,351	61,686,959	58,325,963	57,470,355	63,467,109	66,596,291
Net Profit	5,547,134	5,746,392	5,545,183	6,577,048	6,449,989	6,746,611	7,311,221	7,973,882	9,467,500	9,084,881
Franchise	916,631	899,239	952,421	921,140	2,082,618	2,110,972	1,791,204	2,021,855	1,831,831	1,820,442
Real Estate Transfer	2,117,563	2,501,244	2,174,189	4,459,923	3,182,700	3,508,035	5,918,475	4,472,847	8,074,103	5,065,425
Head Taxes	4,071,552	4,260,172	3,926,973	3,853,010	3,693,366	3,764,224	3,532,970	3,451,363	3,085,601	2,990,182
Lodging & Natural Gas	1,184,326	1,270,638	1,167,563	1,207,278	1,268,092	1,425,278	1,184,616	919,825	1,352,635	1,668,439
Intergovernmental	32,162,180	36,276,503	35,513,456	31,643,707	31,468,695	33,970,313	44,132,779	52,052,657	56,925,625	83,926,493
Licenses and Permits	3,880,469	4,296,561	4,829,292	4,694,187	5,734,367	5,108,362	5,925,045	4,866,404	6,520,759	5,685,003
Fines and Forfeitures	8,466,787	7,387,420	7,889,370	5,936,872	5,670,871	6,553,856	5,129,680	5,487,633	8,067,327	7,441,378
Charges for Services	6,626,184	6,826,272	7,083,670	8,815,269	10,244,245	12,403,678	14,328,858	13,270,193	16,248,654	16,069,046
Investment Earnings	1,004,623	324,455	326,238	997,789	1,321,628	2,176,752	1,474,094	1,413,227	411,458	4,852,771
Other	-	-	1,704,229	-	-	-	-	-	-	-
Total Revenues	159,937,721	167,727,758	168,913,116	170,037,915	175,307,060	182,202,627	192,753,056	198,128,533	219,089,614	249,989,523
EXPENDITURES										
General Government	26,295,676	28,053,730	27,773,804	30,533,408	26,747,981	31,978,559	36,375,921	33,363,808	47,072,336	57,903,225
Real Estate and Housing	5,411,073	6,544,038	6,849,812	6,407,812	6,902,264	6,448,197	7,106,635	7,308,713	10,688,129	5,162,296
Public Works	19,342,030	19,682,837	20,505,252	19,744,936	20,642,668	21,399,743	20,609,358	20,995,372	21,256,775	25,128,927
Parks and Recreation	8,104,354	9,537,746	8,861,133	10,081,649	10,248,387	10,249,471	9,760,979	10,293,473	10,921,833	11,068,297
Public Safety	87,586,989	91,138,795	88,769,676	100,782,119	94,437,075	93,196,217	98,639,258	97,557,070	98,798,386	100,655,572
Debt Service:										
Principal	6,840,368	7,570,521	8,041,584	8,540,841	7,507,637	9,900,113	9,250,285	6,320,813	9,839,416	10,198,803
Interest	5,196,196	4,937,476	5,087,280	4,988,228	4,796,604	4,574,958	4,386,425	3,842,568	5,247,934	4,623,477
Capital Outlay - Capital Projects	4,775,999	6,747,270	8,634,350	6,957,569	8,822,122	12,612,170	20,499,140	14,566,690	11,797,866	15,763,858
Total Expenditures	163,552,685	174,212,413	174,522,891	188,036,562	180,104,738	190,359,428	206,628,001	194,248,507	215,622,675	230,504,455
Excess (Deficiency) of Revenues Over (Under) Expenditures	(3,614,964)	(6,484,655)	(5,609,775)	(17,998,647)	(4,797,678)	(8,156,801)	(13,874,945)	3,880,026	3,466,939	19,485,068
OTHER FINANCING SOURCES (USES)										
Proceeds from Sales of Capital Assets	-	-	-	-	-	-	-	-	199,924	-
Capital Lease Issued	-	413,828	-	-	505,499	658,289	1,425,265	-	-	-
Bond Anticipation Notes	-	-	-	-	1,399,724	5,532,872	10,655,965	-	132,266	-
Bond Anticipation Note Repayment	-	-	-	(232,485)	-	-	-	(12,823,356)	-	-
Bonds Issued	-	-	18,317,711	-	-	12,084,876	-	59,219,258	-	-
Bond Refunding	-	-	-	18,887,944	-	-	-	-	-	-
Premium on Debt Issued	-	-	3,145,040	-	-	850,073	-	12,838,514	-	-
Payment to Refunded Bond Escrow Agent	-	-	(238,505)	(21,523,660)	-	(6,662,166)	-	(28,431,065)	-	-
Transfers In	139,434	43,421	2,125,000	1,841,656	523,244	1,889,746	775,850	2,143,914	2,621,687	3,071,132
Transfers Out	(54,753)	(40,445)	(2,180,727)	(1,841,656)	(523,244)	(1,889,746)	(363,576)	(2,143,914)	(2,621,687)	(5,998,763)
Subscription-based Information Technology Contract	-	-	-	-	-	-	-	-	-	1,011,894
Proceeds from Lease Issuance	-	-	-	-	-	-	-	-	-	1,108,460
Net Appreciation in fair value of investment	-	-	-	-	-	-	-	-	-	94,875
Bond Anticipation Note Issued	-	-	-	-	-	-	-	-	-	(32,500)
Bond Issuance Cost	-	-	-	-	-	-	(48,575)	-	-	-
Net Appreciation (Depreciation) in Fair Value	-	-	-	-	-	-	(611,195)	-	(947,603)	-
Internal Service Fund Integration (Note 19)	-	-	-	-	-	-	(2,076,719)	-	-	-
Bank Line of Credit Repayment	-	-	-	-	-	-	(3,378,370)	-	-	-
Total Other Financing Sources (Uses)	84,681	416,804	21,168,519	1,905,223	12,463,944	6,378,645	30,803,351	(615,413)	(744,902)	
EXTRAORDINARY ITEM										
Debt Forgiveness	-	-	-	-	-	-	2,845,684	65,553	-	-
Loan Forgiveness	-	-	-	-	-	-	(109,609)	730,285	-	-
Net Change in Fund Balances	(3,530,283)	(6,067,851)	15,558,744	(17,998,647)	(2,892,455)	4,307,143	(4,650,616)	34,639,321	3,581,811	18,740,166
Prior Period Adjustments	(25,329)	(372,073)	-	134,752	-	(3,435,639)	-	-	-	-
Net Change in Fund Balances	\$ (3,555,612)	\$ (6,439,924)	\$ 16,388,601	\$ (17,863,895)	\$ (2,892,455)	\$ 871,504	\$ (4,650,616)	\$ 34,639,321	\$ 3,581,811	\$ 18,740,166
Debt Service as a Percentage of Noncapital Expenditures	7.58%	7.47%	7.91%	7.47%	7.18%	8.14%	7.33%	5.66%	7.40%	6.90%

Table V

**ASSESSED VALUE AND ESTIMATED ACTUAL VALUE
OF TAXABLE PROPERTY
LAST TEN FISCAL YEARS
(Unaudited)**

Fiscal Year Ended June 30	Real Property		Personal Property		Less: Tax Exempt Property ¹	Total Taxable Assessed Value ¹	Total Direct Tax Rate
	Residential Property ¹	Commercial / Industrial ¹	Public Utilities ¹	Other ¹			
2023	998,883,650	1,012,740,260	108,807,300	1,386,167,548	1,377,863,139	2,128,735,619	2.1150
2022	1,033,963,750	999,994,460	108,863,100	1,400,497,848	1,400,115,230	2,143,203,928	1.9950
2021	1,032,939,750	1,020,818,260	105,490,900	1,402,981,448	1,404,987,732	2,157,242,626	1.9950
2020	1,028,627,550	1,036,650,160	104,208,400	1,392,820,648	1,380,317,549	2,181,989,209	1.9950
2019	1,023,907,450	1,019,988,766	103,171,800	1,394,118,648	1,375,986,077	2,165,200,587	1.9950
2018	1,024,296,850	1,021,750,260	101,395,100	1,399,855,748	1,386,497,563	2,160,800,395	1.9950
2017	1,023,680,150	1,043,252,760	102,091,200	1,396,165,748	1,390,336,833	2,174,853,025	1.9950
2016	1,022,984,750	1,035,348,960	101,798,000	1,399,989,148	1,409,849,628	2,150,271,230	1.8550
2015	1,023,886,650	1,044,702,260	99,982,500	1,397,270,150	1,417,368,498	2,148,473,062	1.8550
2014	1,024,679,550	1,082,958,860	98,233,600	1,375,022,050	1,435,955,650	2,144,938,410	1.7670

Source: New Castle County Board of Taxable Assessment

Notes: Property in the city is assessed at estimated actual value; therefore, the assessed values are equal to actual value.

¹ Assessment and Exemption values as established annually by the Board of Assessment of the City of Wilmington's Certification of Assessment Role.

Table VI

**DIRECT AND OVERLAPPING
PROPERTY TAX RATES
(per \$100 of Assessed Value)
LAST TEN FISCAL YEARS
(Unaudited)**

Fiscal Year	City of Wilmington			New Castle County			School Districts		Total School District	Total Direct & Overlapping Rates
	Operating Millage	Debt Service Millage	Total City Millage	Operating Millage	Debt Service Millage	Total County Millage	Operating Millage	Debt Service Millage	Millage	
2023	1.9650	0.1500	2.1150	0.2523	-	0.2523	2.2980	-	2.2980	4.6653
2022	1.8550	0.1400	1.9950	0.2633	0.0168	0.2801	2.2980	-	2.2980	4.5731
2021	1.8550	0.1400	1.9950	0.2689	0.0112	0.2801	2.3080	-	2.3080	4.5831
2020	1.8550	0.1400	1.9950	0.2577	0.0224	0.2801	2.3080	-	2.3080	4.5831
2019	1.8550	0.1400	1.9950	0.2577	0.0224	0.2801	2.3140	-	2.3140	4.5891
2018	1.8550	0.1400	1.9950	0.2241	0.0195	0.2436	2.3140	-	2.3140	4.5526
2017	1.7250	0.1300	1.8550	0.2265	0.0171	0.2436	2.1740	-	2.1740	4.2726
2016	1.7050	0.1500	1.8550	0.2265	0.0171	0.2436	1.9840	-	1.9840	4.0826
2015	1.7250	0.1300	1.8550	0.2217	0.0219	0.2436	1.7710	-	1.7710	3.8696
2014	1.6470	0.1200	1.7670	0.2217	0.0219	0.2436	1.7410	-	1.7410	3.7516

Source: City of Wilmington, Revenue Division

Notes: The City's basic property tax rate may be increased by majority vote of the thirteen City Council members. Real property was taxed at 100% of the assessed value of the property. Overlapping rates are those of State, Local and County governments that apply to property owners within the City of Wilmington.

Not all information was available from the sources listed above

Table VII

**PRINCIPAL PROPERTY TAXPAYERS
CURRENT FISCAL YEAR AND NINE YEARS AGO
(Unaudited)**

Taxpayer	2014			2023		
	Taxable Assessed Value	Rank	Percentage of Total Assessed Value	Taxable Assessed Value	Rank	Percentage of Total Assessed Value
Buccini Pollin Group	\$ 100,000,000	1	4.60%	\$ 147,683,900	1	6.90%
JP Morgan Chase	63,700,000	2	2.94%	56,882,200	2	2.70%
Delmarva Power & Light	36,900,000	7	1.70%	53,984,700	3	2.50%
1201 Market Street LLC	35,000,000	8	1.61%	35,000,000	4	1.60%
Calpine Mid-Atlantic	32,300,000	9	1.49%	32,703,400	5	1.50%
M&T Bank	52,300,000	5	2.40%	29,707,300	6	1.40%
TRC 300 Delaware, LLC	29,300,000	11	1.35%	28,548,300	7	1.30%
1313 Owner, LLC	-	-	-	27,900,000	8	1.30%
CCI-Bracebridge	-	-	-	22,967,500	9	1.10%
Verizon Delaware, LLC	-	-	-	22,534,300	10	1.10%
Oak Street	-	-	-	17,308,200	11	0.80%
Bank of America (MBNA)	54,250,000	4	2.50%	15,672,900	12	0.70%
DCL Leasing Partners	41,000,000	6	1.89%	-	-	-
Hub Properties Trust	31,100,000	10	1.44%	-	-	-
E.I. DuPont Nemours & Co	58,500,000	3	1.52%	-	-	-
Totals	<u>\$ 403,750,000</u>		<u>18.59%</u>	<u>\$ 490,892,700</u>		<u>22.90%</u>

Sources: City of Wilmington, Finance Department
City of Wilmington, Office of Management and Budget

Table VIII

**PROPERTY TAX LEVIES AND COLLECTIONS
LAST TEN FISCAL YEARS
(Unaudited)**

Fiscal Year	Total Tax Levy¹	Collected within the Fiscal Year of Levy		Collections in	Total Collections to Date	
	for Fiscal Year	Amount	Percentage of Levy	Subsequent Years	Amount	Percentage of Levy
2023	45,054,353	43,899,412	97.4%	283,183	44,182,595	98.1%
2022	43,384,137	40,058,816	92.3%	126,166	40,184,982	92.6%
2021	42,087,729	41,348,521	97.0%	200,971	41,147,550	98.0%
2020	44,189,398	42,689,502	97.0%	98,070	42,787,572	97.0%
2019	45,615,595	42,338,103	93.0%	127,455	42,465,558	93.0%
2018	44,048,151	42,013,651	95.4%	134,236	42,147,887	95.7%
2017	40,668,276	39,149,761	96.3%	145,857	39,295,618	96.6%
2016	40,870,003	38,674,616	94.6%	85,165	38,759,781	94.8%
2015	40,483,896	39,025,330	96.4%	106,780	39,132,110	96.7%
2014	38,093,079	37,124,677	97.5%	185,624	37,310,301	97.9%

Source: City of Wilmington, Finance Department

Note: ¹ For presentation purposes, the City considers Tax Levy to be the taxes levied during the normal tax year and excludes adjustments to prior year taxes.

Table IX

**RATIOS OF OUTSTANDING DEBT BY TYPE
LAST TEN FISCAL YEARS
(Unaudited)**

Fiscal Year	Governmental Activities		Business-Type Activities		Total Primary Government	Percentage of Personal Income	Per Capita ¹
	General Obligation Bonds	Capital Leases	General Obligation Bonds	Capital Leases			
2023	\$ 108,802,318	\$ 1,593,076	\$ 208,251,374	-	\$ 318,646,768	17.60%	\$ 4,520
2022	120,530,415	1,118,771	221,422,524	-	343,071,710	14.45%	4,849
2021	132,680,801	2,007,146	233,374,318	-	368,062,265	17.17%	5,191
2020	110,729,761	4,028,738	199,688,398	-	314,446,897	14.82%	4,481
2019	113,278,478	4,509,973	209,826,762	-	327,615,213	15.61%	4,638
2018	113,331,514	6,336,576	200,618,903	-	320,286,993	16.64%	4,504
2017	121,071,460	8,906,107	205,942,497	-	335,920,064	17.90%	4,702
2016	130,158,601	8,002,476	212,336,961	-	350,498,038	18.77%	4,880
2015	118,554,593	6,342,315	188,301,573	-	313,198,481	17.31%	4,361
2014	123,749,602	8,923,438	185,462,754	-	318,135,794	17.56%	4,473

Sources: City of Wilmington, Treasurer's Office
State of Delaware, Department of Labor

Notes: Details regarding the City's outstanding debt can be found in the note 9 to the financial statements.

¹ See Table XIII for population data.

This ratio uses population data from the prior calendar year.

Table X

**RATIOS OF GENERAL BONDED DEBT OUTSTANDING
LAST TEN FISCAL YEARS**

(Unaudited)

Fiscal Year	General Obligation Bonds	Percentage of Actual Taxable Value of Property¹	Per Capita²
2023	294,308,921	13.83%	\$ 4,175
2022	314,980,650	13.26%	\$ 4,452
2021	334,341,502	15.50%	\$ 4,716
2020	295,940,402	13.56%	\$ 4,218
2019	323,105,240	14.92%	\$ 4,592
2018	313,950,417	14.53%	\$ 4,415
2017	327,013,957	15.04%	\$ 4,577
2016	342,495,562	15.93%	\$ 4,769
2015	306,856,166	14.28%	\$ 4,273
2014	309,212,356	14.42%	\$ 4,348

Source: City of Wilmington, Treasurer's Office

Notes: ¹ See Table V for Actual Taxable Value of Property data.

² See Table XIII for population data.

Table XI

**DIRECT AND OVERLAPPING GOVERNMENTAL ACTIVITIES DEBT
AS OF JUNE 30, 2023
(Unaudited)**

<u>Government Unit</u>	<u>Debt Outstanding</u>	<u>Estimated Percentage Applicable</u>	<u>Estimated Share of Overlapping Debt</u>
New Castle County Debt*	\$ 180,575,587	15.3%	\$ 27,628,065
Various School Districts	<u>255,046,988</u>	15.6%	<u>39,787,330</u>
Subtotal - Overlapping Debt	435,622,575		67,415,395
City of Wilmington Direct Debt	94,827,239	100%	<u>94,827,239</u>
Totals			<u>\$ 162,242,634</u>

Sources: New Castle County Finance Department
State of Delaware, Treasurer's Office

Note: The Estimated Percentage Applicable is based on the real estate assessable base estimated to be within City boundaries.

Table XII

**CITY OF WILMINGTON
LEGAL DEBT MARGIN INFORMATION
LAST TEN FISCAL YEARS
(Unaudited)**

	2014	2015	2016	2017	2018	2019	2020	2021	2022	2023
Operating Budget	\$ 147,325,316	\$ 150,039,645	\$ 151,696,858	\$ 154,038,640	\$ 154,923,078	\$ 162,299,001	\$ 167,387,739	\$ 167,387,739	\$ 174,866,185	\$ 176,865,305
Debt Service Limit	25,781,930	26,256,938	26,546,950	26,956,762	27,111,539	28,402,325	29,292,854	28,612,684	30,222,920	30,951,428
Total Net Debt Service Applicable to Limit	<u>10,768,172</u>	<u>12,478,444</u>	<u>13,078,215</u>	<u>13,474,832</u>	<u>12,220,563</u>	<u>12,901,708</u>	<u>13,636,710</u>	<u>9,688,331</u>	<u>15,506,487</u>	<u>14,596,018</u>
Legal Debt Service Margin	<u>\$ 15,013,758</u>	<u>\$ 13,778,494</u>	<u>\$ 13,468,735</u>	<u>\$ 13,481,930</u>	<u>\$ 14,890,976</u>	<u>\$ 15,500,617</u>	<u>\$ 15,656,144</u>	<u>\$ 18,924,353</u>	<u>\$ 14,716,433</u>	<u>\$ 16,355,410</u>
Total Net Debt Service Applicable to the Limit as a Percentage of Debt Limit	42.00%	48.00%	49.00%	50.00%	45.00%	45.00%	47.00%	34.00%	51.00%	47.00%

Note: The City is limited to the issuance of general obligation debt provided that the payments of principal and interest in the fiscal year do not exceed 17.5% of the annual operating budget of that fiscal year. The limitation excludes amounts issued for Water and Sewer purposes.

Table XIII

**DEMOGRAPHIC AND ECONOMIC STATISTICS
LAST TEN CALENDAR YEARS
(Unaudited)**

Calendar Year	Population	Personal Income	Per Capita Income	Employment	Unemployment Rate	Median Age	Median Household Effective Buying Income
2023	70,500	1,810,863,000	25,686	32,602	6.20%	36.30	52,768
2022	70,750	2,374,865,250	33,567	31,392	6.80%	35.90	49,354
2021	70,898	2,143,813,724	30,238	31,881	8.40%	35.60	45,032
2020	70,166	2,121,679,508	30,238	31,881	8.40%	35.80	45,032
2019	70,635	2,098,283,310	29,706	30,393	3.70%	35.70	42,854
2018	71,106	1,924,270,572	27,062	33,460	4.30%	35.00	40,221
2017	71,442	1,876,281,246	26,263	31,918	7.50%	35.30	40,065
2016	71,948	1,867,122,548	25,951	32,622	7.00%	35.10	38,979
2015	71,817	1,809,142,047	25,191	30,320	5.10%	34.80	38,727
2014	71,119	1,811,472,049	25,471	28,652	9.60%	34.80	39,761

Sources: Delaware Office of Occupational and Labor
 Delaware Office of State Planning
 United States Census Bureau
 United State Department of Labor - Bureau of Labor Statistics

Notes: ¹ Numbers for prior years revised due to releases of updated data by the United States Census Bureau and the United States Department of Labor.

Table XIV

PRINCIPAL EMPLOYERS
CURRENT YEAR AND NINE YEARS AGO
(Unaudited)

Taxpayer	Calendar Year 2014			Calendar Year 2023		
	Employees	Rank	Percentage of Total ¹ Employment	Employees	Rank	Percentage of Total ¹ Employment
State of Delaware	14,573	1	5.18%	32,200	1	11.82%
Christiana Care Health System	7,300	4	2.59%	9,994	3	3.67%
JP Morgan Chase	3,500	8	1.24%	11,500	2	4.22%
Amazon (DE Fulfillment Centers)	-	-	0.00%	7,000	4	2.57%
Dover Air Force Base	-	-	0.00%	6,156	5	2.26%
Bank of America (MBNA)	10,326	2	3.67%	6,000	6	2.20%
Federal Government	2,709	12	0.96%	5,900	7	2.17%
Perdue Farms, Inc.	-	-	0.00%	5,780	8	2.12%
Mountaire Farms, Inc.	-	-	0.00%	5,032	9	1.85%
University of Delaware	3,860	7	1.37%	4,746	11	1.74%
Walmart Stores, Inc.	3,068	9	1.09%	4,491	12	1.65%
Bayhealth	-	-	0.00%	4,150	13	1.52%
Nemours (A.I. DuPont Hospital)	2,566	13	0.91%	4,893	10	1.80%
DuPont Company (Science and Engineering)	1,900	-	0.67%	2,700	16	0.99%
W.L. Gore & Associates, Inc.	-	-	0.00%	3,500	14	1.28%
Beebe Healthcare	-	-	0.00%	2,800	17	1.03%
Citibank Delaware	1,984	16	0.70%	-	-	0.00%
Delaware Tech. Comm. College (Public Ed.)	-	-	0.00%	2,600	18	0.95%
AstraZeneca Pharmaceuticals LP	4,500	6	1.60%	2,500	19	0.92%
Christina School District	2,789	11	0.99%	3,300	15	1.21%
Red Clay School District	1,862	17	0.66%	2,300	20	0.84%
New Castle County Government	-	-	0.00%	2,100	21	0.77%
Capital One	-	-	0.00%	1,889	22	0.69%
M&T Bank (Wilmington Trust Corp.)	2,289	14	0.81%	1,857	23	0.68%
WSFS Bank	-	-	0.00%	1,838	24	0.67%
Colonial School District	1,400	23	0.50%	1,629	26	0.60%
Brandywine School District	1,355	25	0.48%	1,541	30	0.57%
Caesar Rodney School District	-	-	0.00%	1,098	42	0.40%
Agilent Technologies	-	-	0.00%	1,000	44	0.37%
Barclays Bank Delaware	-	-	0.00%	1,000	-	0.37%
Chemours	-	-	0.00%	991	45	0.36%
Amtrak	-	-	0.00%	990	46	0.36%
Siemens Healthcare Diagnostics	-	-	0.00%	1,150	39	0.42%
A.I. Dupont Institute	-	-	0.00%	-	-	0.00%
YMCA of Delaware	1,700	-	0.60%	1,550	28	0.57%
Comcast	-	-	0.00%	-	-	0.00%
Allen Harim	-	-	0.00%	1,100	41	0.40%
Delaware Park	-	-	0.00%	1,050	43	0.39%
St. Francis Healthcare	1,500	-	0.53%	-	-	0.00%
Delmarva Power	1,482	22	0.53%	1,116	40	0.41%
Walgreen's Inc	1,397	24	0.50%	1,385	32	0.51%
PNC Financial Services Group	1,705	19	0.61%	-	-	0.00%
E.I. Du Pont Nemours & Company	9,900	3	3.52%	-	-	0.00%
Bally's Dover	-	-	0.00%	1,150	38	0.42%
Wilmington VA Medical	-	-	0.00%	1,200	36	0.44%
Food Lion	-	-	0.00%	1,200	37	0.44%
Indian River School District	-	-	0.00%	1,661	25	0.61%
Acme Markets	1,700	-	0.60%	1,553	27	0.57%
Capital School District	-	-	0.00%	1,261	35	0.46%
Appoquinimink School District	-	-	0.00%	1,543	29	0.57%
Discover Financial Services	-	-	0.00%	1,400	31	0.51%
Grotto Pizza	-	-	0.00%	1,360	33	0.50%
CSC	-	-	0.00%	1,350	34	0.50%
TidalHealth	-	-	0.00%	900	47	0.33%
Bank of New York	1,400	-	0.50%	-	-	0.00%
Sears, Roebuck & Co	1,557	20	0.55%	-	-	0.00%
Delaware National Guard	1,500	21	0.53%	-	-	0.00%
General Motors Corp	1,845	18	0.66%	-	-	0.00%
Diamlar Chrysler Corp	2,235	15	0.79%	-	-	0.00%
Bank One Card Services	2,800	10	0.99%	-	-	0.00%
Total County/Municipal Government	6,800	5	2.42%	-	-	0.00%
Greenwood Trust	1,900	-	0.67%	-	-	0.00%
Totals	105,402		37.42%	165,404		60.70%

Sources: City of Wilmington, Department of Finance
City of Wilmington, Office of Management and Budget

Note: ¹ Total Employment in New Castle County

Table XV

TEN LARGEST WAGE TAX WITHHOLDERS ⁽¹⁾
CURRENT YEAR
 (Unaudited)

Company	2023 Withholdings	% of Total
Total of Ten Largest	\$ 21,784,355	33.60%
Total Wage Tax Collected	\$ 64,914,974	100.00%

Source: City Finance Department - Wage Tax
⁽¹⁾ Prepared on a calendar year basis.

Table XVI

**FULL-TIME EQUIVALENT CITY GOVERNMENT EMPLOYEES
BY FUNCTION
LAST TEN FISCAL YEARS
(Unaudited)**

<u>Function</u>	<u>2014</u>	<u>2015</u>	<u>2016</u>	<u>2017</u>	<u>2018</u>	<u>2019</u>	<u>2020</u>	<u>2021</u>	<u>2022</u>	<u>2023</u>
General Government										
Mayor's Office	60	59	59	59	57	55	34	34	34	30
City Council	29	29	29	29	29	29	28	28	26	27
Audit	4	4	4	4	4	5	5	5	5	5
Law	21	20	20	20	18	17	17	17	17	17
Finance	87	88	88	86	85	84	85	84	84	81
Human Resources	21	22	22	24	23	24	26	26	26	26
Treasurer	6	6	6	6	7	7	7	7	7	7
Planning	11	11	11	10	10	10	10	10	9	26
Information Technologies	-	-	-	-	-	-	22	21	21	21
Real Estate & Housing	15	12	12	11	11	11	11	11	11	10
Parks & Recreation	44	42	41	41	40	39	41	41	40	40
Public Safety										
Police	382	382	382	381	376	378	380	379	380	373
Fire	177	177	177	177	161	161	161	161	160	160
License and Inspection	38	38	38	38	38	42	43	42	42	26
Public Works	<u>224</u>	<u>223</u>	<u>223</u>	<u>221</u>	<u>219</u>	<u>221</u>	<u>223</u>	<u>225</u>	<u>225</u>	<u>224</u>
Totals	<u>1,119</u>	<u>1,113</u>	<u>1,112</u>	<u>1,107</u>	<u>1,078</u>	<u>1,083</u>	<u>1,093</u>	<u>1,091</u>	<u>1,087</u>	<u>1,073</u>

Source: City of Wilmington, Office of Management and Budget

Note: Budgeted Positions at the end of the fiscal year.

Table XVII

OPERATING INDICATORS BY FUNCTION
LAST TEN FISCAL YEARS
(Unaudited)

Function	2014	2015	2016	2017	2018	2019	2020	2021	2022	2023
Public Safety										
Physical Arrests/Charges	17,143	9,765	10,259	10,335	10,578	10,892	11,134	6,397	8,087	2,721
Police Calls - Incident	102,903	96,703	103,786	97,747	130,263	116,708	100,588	100,979	91,314	94,749
Police Calls - Administrative	60,972	61,544	50,863	104,208	174,733	164,093	152,618	150,726	74,796	81,368
Fire/EMS Calls	20,401	21,992	22,448	23,829	19,819	24,367	24,362	25,757	25,801	26,387
Inspections	1,959	1,756	1,682	1,538	2,356	1,625	1,799	2,452	2,568	3,792
Parking Violations Issued	68,365	66,300	68,365	60,069	55,228	60,475	44,932	27,988	57,317	50,390
Redlight Tickets Issued	41,861	37,764	42,711	38,044	30,080	29,174	34,176	54,357	56,388	58,557
Building Permits Issued	3,150	2,818	2,818	2,961	2,882	3,105	3,045	3,668	4,589	3,280
Health and Welfare										
Meals served-Summer	161,948	225,392	209,052	169,486	169,994	150,160	696,778	808,701	335,936	101,159
Meals served-Evening	91,888	136,437	150,120	154,000	207,415	120,352	181,390	120,223	111,410	100,549
Emergency Shelter	1,370	1,449	672	2,649	2,010	508	736	438	662	547
HOPWA (Housing) *	114	114	210	211	191	121	102	173	119	112
Water										
Water Production (millions of gallons)	5,749	5,561	5,547	5,760	5,785	5,740	5,464	5,386	5,403	5,558
Water Sold (millions of gallons)	3,262	3,270	3,152	3,337	3,383	3,308	3,301	3,338	3,372	3,456
Wastewater										
Average Daily Sewage Treatment (Millions of gallons)	75.00	70.38	65.83	65.83	65.00	81.40	66.00	71.26	63.90	65.00
Landfill										
Annual Tons of Refuse	17,922	20,329	19,853	21,016	23,353	19,331	20,090	29,003	25,282	23,320

Source: Various City of Wilmington Departments

Notes: Quantifiable and meaningful operating indicators are not available for all functions.
* = Housing for Persons with AIDS
n/a = Not available

Table XVIII

**CAPITAL ASSET STATISTICS BY FUNCTION
LAST TEN FISCAL YEARS
(Unaudited)**

Function	2014	2015	2016	2017	2018	2019	2020	2021	2022	2023
Public Safety										
Police Patrol Units	213	213	206	203	211	209	260	236	235	240
Paramedic Units	3	3	3	3	3	3	3	3	3	3
Fire Units	42	42	41	41	38	38	26	26	26	24
Highways, Streets, and Bridges										
Roads & Streets (miles)	148	148	148	148	148	148	148	148	148	148
Health and Welfare										
Buses	3	3	3	3	3	3	3	3	4	2
Water										
Production Capacity (millions of gallons per day)	50	42	42	42	40	40	36	36	36	36
Wastewater										
Wastewater Treatment Capacity (millions of gallons per day)	168	168	168	168	168	105	340	340	340	340

Source: Various City of Wilmington departments

Notes: Quantifiable and meaningful capital asset indicators are not available for all functions.
Public Safety Police Patrol Units report the units in active duty use.

