# County of Delaware, Pennsylvania

Financial Statements and
Supplementary Information

Year Ended December 31, 2024

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# Independent Auditors' Report

To the County Council of
County of Delaware, Pennsylvania

**Report on the Audit of the Financial Statements**

***Opinions***

We have audited the accompanying financial statements of the governmental activities, the business-type activity, the aggregate discretely presented component units, each major fund, the aggregate remaining fund information and the budgetary comparison for the General Fund of the County of Delaware, Pennsylvania (the County), as of and for the year ended December 31, 2024, and the related notes to the financial statements, which collectively comprise the County'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 activity, the aggregate discretely presented component units, each major fund and the aggregate remaining fund information of the County, as of December 31, 2024, and the respective changes in financial position and, where applicable, cash flows thereof and the budgetary comparison for the General Fund 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 Delaware County Solid Waste Authority, the Economic Development Corporation, the Redevelopment Authority of the County of Delaware, the Delaware County Chester Waterfront Industrial Development Authority or the Delaware County Interactive Gaming Revenue Authority, (collectively, the discretely presented component units), which represent 100% of the assets, net position and revenues of the discretely presented component units of the County. Those statements were audited by other auditors, whose reports have been furnished to us, and our opinion, insofar as it relates to the amounts included for the discretely presented component units are based solely on the reports of the other auditors.

***Basis for Opinions***

We conducted our audit in accordance with auditing standards generally accepted in the United States of America (GAAS) and the standards applicable to financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States (*Government Auditing Standards*). Our responsibilities under those standards are further described in the Auditors' Responsibilities for the Audit of the Financial Statements section of our report. We are required to be independent of the County 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 County's ability to continue as a going concern for 12 months beyond the financial statement date, including any currently known information that may raise substantial doubt shortly thereafter.

### *Auditors' 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 auditors' report that includes our opinions. Reasonable assurance is a high level of assurance but is not absolute assurance and therefore is not a guarantee that an audit conducted in accordance with GAAS and *Government Auditing Standards* will always detect a material misstatement when it exists. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations or the override of internal control. Misstatements are considered material if there is a substantial likelihood that, individually or in the aggregate, they would influence the judgment made by a reasonable user based on the financial statements.

In performing an audit in accordance with GAAS and *Government Auditing Standards*, we:

- Exercise professional judgment and maintain professional skepticism throughout the audit.

- Identify and assess the risks of material misstatement of the 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 County'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 County'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 the required supplementary information, as listed in the table of contents, 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 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.

***Supplementary Information***

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the County's basic financial statements. The schedule of expenditures of federal awards, as required by Title 2 U.S. *Code of Federal Regulations* Part 200, *Uniform Administrative Requirements, Cost Principles and Audit Requirements for Federal Awards*; the schedule of selected Commonwealth of Pennsylvania Department of Human Services assistance, as required by the Commonwealth of Pennsylvania Department of Human Services (DHS) *Single Audit Guidelines;* and the City of Philadelphia Schedules, as required by City of Philadelphia *Subrecipient Audit Guide,* 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 relate 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. In our opinion, the supplementary information is fairly stated in all material respects, in relation to the basic financial statements as a whole.

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

In accordance with *Government Auditing Standards*, we have also issued our report dated June 27, 2025 on our consideration of the County'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 County'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 County's internal control over financial reporting and compliance.

Baker Tilly US, LLP

Philadelphia, Pennsylvania
June 27, 2025 except for our report on the supplementary information for which the date is September 30, 2025.

## County of Delaware, Pennsylvania

## Management's Discussion and Analysis
## (Unaudited)

This Management's Discussion and Analysis (MD&A) is intended to provide a narrative overview and analysis of the financial activities of the County of Delaware for the year ended December 31, 2024, compared to 2023. The County's financial performance is discussed and analyzed within the context of the financial statements and the disclosures that follow. Additional information is provided in the Transmittal Letter preceding this MD&A, which can be found on pages 5-9 of this report. This discussion focuses on the County's primary government. Component units, unless otherwise noted, are not included in this discussion.

## Financial Highlights

During 2024, the County's governmental activities total net position as shown in the government-wide statements increased by $66.3 million. This increase in net position is primarily attributable to $16.8 million in revenues related to settlements received by the County from the Pennsylvania Opioid Misuse and Addiction Abatement Trust, as well as a $53.2 million decrease in government-wide reported expenditures as a result of the changes in the other post-employment benefit plan.

### Overview of the Financial Statements

This discussion and analysis is intended to serve as an introduction to the County's basic financial statements. The County's basic financial statements are comprised of 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 County's finances, in a manner similar to a private-sector business.

The *statement of net position* presents information on all of the County's assets, deferred outflows of resources, liabilities and deferred inflows of resources, with the difference between the two reported as *net position*. Over time, increases or decreases in net position may serve as a useful indicator of whether the financial position of the County is improving or deteriorating.

The *statement of activities* 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).

Both government-wide financial statements distinguish functions of the County 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 governmental activities of the County include general government, judicial, corrections, health and human services, highways, bridges and streets. The business-type activity of the County is a geriatric center.

The government-wide financial statements include not only the County itself (known as the *primary government*), but also a legally separate Solid Waste Authority, legally separate Economic Development Corporation, legally separate Redevelopment Authority, legally separate Chester Waterfront Industrial Development Authority and legally separate Interactive Gaming Revenue Authority, for which the County is financially accountable. Financial information for these *component units* is reported separately from the financial information presented for the primary government itself.

The government-wide financial statements can be found on pages 18-19 of this report.

**Fund Financial Statements.** A *fund* is a grouping of related accounts that is used to maintain control over resources that have been segregated for specific activities or objectives. The County, like other state and local governments, uses fund accounting to ensure and demonstrate compliance with fiscal-related legal requirements. All of the funds of the County can be divided into three categories: governmental funds, proprietary funds and fiduciary funds.

**Governmental Funds.** *Governmental funds* are used to account for essentially the same functions reported as *governmental activities* in the government-wide financial statements. However, unlike the government-wide financial statements, governmental fund financial statements focus on *near-term inflows and outflows of spendable resources,* as well as on *balances of spendable resources* available at the end of the fiscal year. Such information may be useful in evaluating a government's near-term financing requirements.

Since the focus of governmental funds is narrower than that of the government-wide financial statements, it is useful to compare the information presented for *governmental funds* with similar information presented for *governmental activities* in the government-wide financial statements. By doing so, readers may better understand the long-term impact of the government's near-term financing decisions. Both the governmental fund balance sheet and the governmental fund statement of revenues, expenditures and changes in fund balances provide a reconciliation to facilitate this comparison between *governmental funds* and *governmental activities*.

The County maintains 14 individual governmental funds. Information is presented separately in the governmental fund balance sheet and in the governmental fund statement of revenues, expenditures and changes in fund balances for the General Fund, Capital Projects Fund, the Health and Human Services Fund and the COVID-19 Relief Fund, all of which are considered to be major funds. Data from the other 10 governmental funds are combined into a single, aggregated presentation captioned "Other Governmental Funds." Individual fund data for each of these nonmajor governmental funds is provided in the form of combining statements and schedules elsewhere in this report.

The County adopts an annual appropriated budget for its General Fund. A budgetary comparison statement has been provided for the General Fund to demonstrate compliance with this budget.

The basic governmental fund financial statements can be found on pages 20-24 of this report.

**Proprietary Funds.** The County maintains two proprietary funds. Proprietary funds, or enterprise funds, are used to report the same functions presented as business-type activities in the government-wide financial statements. The County uses an enterprise fund to account for its Geriatric Center. Internal service funds are an accounting device used to accumulate and allocate costs internally among the County's various functions. The County uses internal service funds to account for its health, workers' compensation and casualty/liability insurance. Since these services predominantly benefit governmental rather than business-type functions, they have been included within governmental activities in the government-wide financial statements.

Proprietary funds provide the same type of information as the government-wide financial statements. The internal service funds are combined into a single, aggregated presentation in the proprietary fund financial statements. Individual fund data for the internal service funds is provided in the form of combining schedules elsewhere in this report.

The basic proprietary fund financial statements can be found on pages 25-27 of this report.

**Fiduciary Component Unit/ Fiduciary Funds.** The County maintains two fiduciary funds which consists of a fiduciary component unit pension trust fund (the Pension Trust Fund) and the Custodial Funds. The Pension Trust Fund is maintained to account for assets held by the County in a trustee capacity for individuals currently or previously employed by the County. The Custodial Funds are maintained to account for delinquent and transfer taxes collected by the County for other governments and then remitted to those other taxing authorities and refundable deposits held by the Sheriff's Office, Recorder of Deeds, Office of Judicial Support, Sheriff's sale proceeds payable to creditors, and inmate accounts held on behalf of the prison.

The basic fiduciary fund financial statements can be found on pages 28-29 of this report.

**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 on pages 30-77 of this report.

**Required Supplementary Information.** In addition to the Management's Discussion and Analysis, certain required supplementary information concerning the County's progress in funding its obligations to provide OPEB benefits to its employees and retirees and their dependents and changes in the County's pension liability, employer contributions and investment return can be found on pages 78-81 of this report.

## General Fund Budgetary Highlights

The General Fund final expenditure budget for fiscal year 2024 was approximately $290.7 million. This was an increase of approximately $10.7 million from the prior year final budget. Considering total expenditures and transfers, the County experienced an overall favorable budgetary variance of approximately $24.7 million, primarily because of lower than budgeted employee benefits and other program and grant expenditures lower than the budgeted by $20.0 million.

By law, the County's Budget Management Department may authorize budget line-item transfers within or among the budgets of County departments and offices after January 31. All interdepartmental budget transfers are subject to approval of County Council. The Budget Management Department may recommend County Council approve increased budget appropriations for necessary purposes, but increases may not exceed additional revenues.

County Council may amend the annual budget after its final adoption through approval of an ordinance. There were no council ordinances amending the 2024 General Fund budget. However, County Council did approve certain interdepartmental adjustments.

The General Fund budget complied with the financial policies approved by the County Council.

## Government-Wide Financial Analysis

The County's net position includes its net investment in capital assets (e.g., land, buildings and equipment); less any related debt used to acquire those assets that is still outstanding. The County uses these capital assets to provide services to citizens; consequently, these assets are not available for future spending. The County's investment in its capital assets, net of related debt, was $31,582,187.

### County's Condensed Statement of Net Position
(In Millions)

| | Governmental Activities | | Business-Type Activity | | Total | | % |
|---|---|---|---|---|---|---|---|
| | 2024 | 2023 | 2024 | 2023 | 2024 | 2023 | Change |
| Current assets | $ 334 | $ 385 | $ 17 | $ 23 | $ 351 | $ 408 | (14) % |
| Other noncurrent assets | 319 | 282 | 1 | 1 | 320 | 283 | 13 |
| Capital assets, net | 278 | 270 | 24 | 25 | 302 | 295 | 2 |
| Total assets | 931 | 937 | 42 | 49 | 973 | 986 | 1 |
| Deferred outflows | 87 | 142 | 14 | 21 | 101 | 163 | (38) |
| Current liabilities | 294 | 369 | 21 | 23 | 315 | 392 | (20) |
| Long-term liabilities outstanding | 677 | 668 | 31 | 40 | 708 | 708 | 0 |
| Total liabilities | 971 | 1,037 | 52 | 63 | 1,023 | 1,100 | (7) |
| Deferred inflows | 114 | 178 | 1 | 1 | 115 | 179 | (36) |
| Net position: | | | | | | | |
| Net investment in capital assets | 33 | 25 | (1) | (2) | 32 | 23 | 39 |
| Restricted | 90 | 57 | - | - | 90 | 57 | 58 |
| Unrestricted | (190) | (218) | 4 | 8 | (186) | (210) | (11) |
| Total net position | $ (67) | $ (136) | $ 3 | $ 6 | $ (64) | $ (130) | (51) |

## County's Condensed Statement of Activities
(In Millions)

| | Governmental Activities | | Business-Type Activity | | Total | | % |
|---|---|---|---|---|---|---|---|
| | 2024 | 2023 | 2024 | 2023 | 2024 | 2023 | Change |
| Program revenues: | | | | | | | |
| Charges for services | $ 28 | $ 22 | $ 64 | $ 63 | $ 92 | $ 85 | 8 % |
| Operating grants and contributions | 489 | 492 | - | 2 | 489 | 494 | (1) |
| Capital grants and contributions | 9 | 8 | - | - | 9 | 8 | 13 |
| General revenues: | | | | | | | |
| Property taxes | 184 | 176 | - | - | 184 | 176 | 5 |
| Gaming revenue | 5 | 5 | - | - | 5 | 5 | - |
| Other | 2 | 2 | 1 | 1 | 3 | 3 | - |
| Investment earnings | 13 | 12 | - | - | 13 | 12 | 8 |
| Total revenues | 730 | 717 | 65 | 66 | 795 | 783 | 2 |
| Program expenses: | | | | | | | |
| General government | 183 | 166 | - | - | 183 | 166 | 10 |
| Judicial | 46 | 42 | - | - | 46 | 42 | 10 |
| Corrections | 86 | 83 | - | - | 86 | 83 | 4 |
| Health and Human Services | 323 | 366 | - | - | 323 | 366 | (12) |
| Highways, streets and bridges | 10 | 10 | - | - | 10 | 10 | - |
| Interest on long-term debt | 7 | 5 | - | - | 7 | 5 | 40 |
| Geriatric Center | - | - | 74 | 72 | 74 | 72 | 3 |
| Total expenses | 655 | 672 | 74 | 72 | 729 | 744 | (2) |
| Net revenue (expense) before transfers | 75 | 45 | (9) | (6) | 66 | 39 | 69 |
| Transfers | (6) | (3) | 6 | 3 | - | - | - |
| Change in net position | 69 | 42 | (3) | (3) | 66 | 39 | 69 |
| Net position, beginning | (136) | (178) | 6 | 9 | (130) | (169) | (23) |
| Net position, ending | $ (67) | $ (136) | $ 3 | $ 6 | $ (64) | $ (130) | 51 |

**Governmental Activities**. Governmental activities increased the County's net position by approximately $69.1 million. Key elements of this increase are a result of the following:

- The County recognized $16.8 million of revenues for the 2024 settlement payment from the Pennsylvania Opioid Misuse and Addiction Abatement Trust.
- The decrease in post-employment benefit (OPEB) expense of $53.2 million was due to a change in the OPEB liability for differences between expected and actual healthcare costs.

**Business-Type Activity**. Business-type activities decreased the County's net position by approximately $2.9 million. The key element of this decrease was a result of the following:

- The Geriatric Center's operation, maintenance and housekeeping costs increased by $3.3 million, primarily for increases in payroll costs. This was partially offset by decreases in employee benefits expense for a decrease in the Geriatric Center' proportionate share of the net pension liability.
- The impact of these changes was partially offset by the $1.4 million increase in the Geriatric Center's charges for services as a result of increased Medicaid and Medicare reimbursement rates.
- The Geriatric Center's transfer from primary government was $5.8 million in 2024, an increase of $2.7 million from 2023.

**Financial Analysis of the Major Funds**

**General Fund**

Revenues of the General Fund totaled $241,201,814 for the year ended December 31, 2024. The following represents a summary of General Fund revenue, by source, along with changes from 2023:

| | 2024 Amount | 2023 Amount | Increase (Decrease) From 2023 | Percentage Increase (Decrease) |
|---|---|---|---|---|
| Real estate taxes | $ 183,252,139 | $ 174,340,833 | $ 8,911,306 | 5.1 % |
| Gaming revenue | 4,960,638 | 5,302,869 | (342,231) | (6.5) |
| Licenses and permits | 74,420 | 59,385 | 15,035 | 25.3 |
| General grants | 15,371,808 | 14,893,062 | 478,746 | 3.2 |
| Charges for services, fines and forfeits | 23,869,798 | 21,796,894 | 2,072,904 | 9.5 |
| Investment earnings | 7,379,809 | 9,873,779 | (2,493,970) | (25.3) |
| Other | 6,293,202 | 6,252,381 | 40,821 | 0.7 |
| Total | $ 241,201,814 | $ 232,519,203 | $ 8,682,611 | 3.7 |

Real estate taxes increased by $8.9 million as a result of an increase in the millage rate from 2.999 mills to 3.149 mils.

Charges for services, fines, and forfeits increased by $2.1 million as a result of increased activity within the register of wills and offender supervision fees.

Investment earnings decreased by $2.5 million as a result of the County spending down state and local fiscal recovery award funds and no longer accruing as much interest on the principal balance.

General Fund expenditures totaled $265,983,677 for 2024, which represents an increase of $12,184,718 or 4.8% from 2023. The following represents a summary of General Fund expenditures for the year ended December 31, 2024, by source, along with changes from 2023:

| | 2024 Amount | 2023 Amount | Increase (Decrease) From 2023 | Percentage Increase (Decrease) |
|---|---|---|---|---|
| General government | $ 40,019,921 | $ 40,186,999 | $ (167,078) | (0.4) % |
| Judicial | 45,362,436 | 42,617,134 | 2,745,302 | 6.4 |
| Corrections | 84,824,701 | 79,515,630 | 5,309,071 | 6.7 |
| Transportation | 10,135,811 | 9,941,258 | 194,553 | 2.0 |
| Other | 58,430,714 | 54,284,947 | 4,145,767 | 7.6 |
| Debt service: | | | | |
| Principal | 22,102,739 | 21,823,777 | 278,962 | 1.3 |
| Interest | 5,107,355 | 5,429,214 | (321,859) | (5.9) |
| Total | $ 265,983,677 | $ 253,798,959 | $ 12,184,718 | 4.8 |

Judicial expenses increased in 2024 primarily as a result of increased costs for juvenile residential and detention services. Corrections expense increased in 2024 as a result of increases in the prison payroll costs of approximately $2.7 million and contracted services of $1.1 million, as well as an increase in public defender office costs of approximately $1.7 million. Other operations increased in 2024 due to an approximately $10 million increase in employee benefit expense, offset partially by a $6.7 million decrease in the expenditure commitments associated with leases and subscription based IT arrangements during 2024.

The following shows the original and final revenue and expenditure budgets for the General Fund:

| | Original | Final | Increase (Decrease) |
|---|---|---|---|
| Revenues: | | | |
| Real estate taxes | $ 183,080,000 | $ 183,080,000 | $ - |
| Gaming revenue | 5,500,000 | 5,500,000 | - |
| Licenses and permits | 39,650 | 39,650 | - |
| General grants | 11,881,620 | 11,881,620 | - |
| Charges for services, fines and forfeits | 16,939,955 | 16,939,955 | - |
| Investment earnings | 2,536,000 | 2,536,000 | - |
| Other | 9,363,775 | 9,363,775 | - |
| Total revenues | $ 229,341,000 | $ 229,341,000 | $ - |
| Expenditures: | | | |
| General government | $ 43,609,327 | $ 44,027,184 | $ 417,857 |
| Judicial | 45,302,258 | 45,551,785 | 249,527 |
| Corrections | 85,726,056 | 85,557,556 | (168,500) |
| Transportation | 10,240,500 | 10,240,500 | - |
| Other | 74,681,695 | 76,975,485 | 2,293,790 |
| Debt service: | | | |
| Principal | 25,404,000 | 25,404,000 | - |
| Interest | 5,966,618 | 2,929,477 | (3,037,141) |
| Total expenditures | $ 290,930,454 | $ 290,685,987 | $ (244,467) |

**Expenditures**

Other - The budget for other expenditures was increased for employee benefits to cover unbudgeted amounts for retiree insurance.

Interest - the budget for debt service interest was decreased based on the capitalized interest component of the 2024 bond issuance reducing the expected interest expense.

**Capital Project Funds**

The County's Capital Project Funds account for financial resources expended to acquire or construct property and equipment. For the year ended December 31, 2024, the County expended $32,443,181 for such projects, which represents an increase of $6,047,027 from 2023. The Capital Projects Fund's fund balance at December 31, 2024, totaled $86,842,431, of which $5,475,000 is for an investment pledged by the Delaware County Solid Waste Authority as a Department of Environment Protection Agency bonding requirement. This was an increase of approximately $52.5 million, which was primarily the result of the issuance of the 2024 note proceeds of $80.8 million offset by the increase in spending of the prior debt issuance proceeds on capital outlay.

**Health and Human Services Funds**

The Health and Human Service Funds' revenues are derived from specific sources and are designated for specific uses. Such funds, primarily Commonwealth of Pennsylvania and federal grants, are restricted by law or other formal action to expenditures for specific purposes. The County match of $7,500,000 in 2024 to the Health and Human Service Funds is reflected as transfers from the General Fund to cover he deficiency of revenues over expenditures.

**Other Governmental Funds**

The Other Governmental Funds' revenues are derived from specific sources and are designated for specific uses. Such funds, primarily Commonwealth of Pennsylvania and federal grants, are restricted by law or other formal action to expenditure for specific purposes.

The County maintains 10 special revenue funds, which contain activity related to Office of Workforce Development and other grants; Opioid Settlement Funds to be used to address opioid misuse and addiction abatement in the County; operations of the 911 Program; providing Library Services; maintenance of County bridges and roads received through Pennsylvania Liquid Fuels funds; operations of the County of Delaware Services for the Aging (COSA); monitoring and administering development and rehabilitation grants; operations of the County of Delaware Health Department; administration of the hotel tax collected; and to accounting for Marcellus Shale Impact Fees. Revenues and expenditures totaled $111,001,162 and $99,702,921, respectively, for 2024. These amounts represent an increase in revenue of 30.6% and an increase in expenditures of 17.6% from 2023 amounts. The following programs had an excess of revenues over expenditures in 2024: Opioid Settlement - $12,920,971, Library - 642,216, Liquid Fuels - $739,037 and CDBG - $768,830.

### Pension Trust Fund

The net position reserved for employees' pension benefits was $680,909,898. The funding status of the employees' pension trust fund remains sound.

### Fund Balances

Management feels that the restrictions, commitments and assignments of its fund balances does not significantly affect the resources available for future use by the County for ongoing operations.

### Capital Assets

The County's investment in capital assets for its governmental and business-type activities as of December 31, 2024, amounts to $301,577,052 (net of accumulated depreciation). This investment in capital assets includes land, buildings and improvements and intangible right-to-use leased assets.

| | Governmental Activities | Business-Type Activity | Total |
|---|---|---|---|
| Land | $ 30,673,714 | $ - | $ 30,673,714 |
| Construction in progress | 28,200,518 | - | 28,200,518 |
| Land improvements | 6,122,344 | - | 6,122,344 |
| Buildings and improvements | 127,259,849 | 23,507,373 | 150,767,222 |
| Equipment | 35,240,272 | 441,333 | 35,681,605 |
| Infrastructure | 21,421,457 | - | 21,421,457 |
| Right-to-use leased assets | 25,998,119 | - | 25,998,119 |
| Subscription asset | 2,712,073 | - | 2,712,073 |
| Total | $ 277,628,346 | $ 23,948,706 | $ 301,577,052 |

Additional information on the County's capital assets can be found in Note 13 on page 53 of this report.

### Long-Term Debt

As of December 31, 2024, the County's actual general obligation debt of $355,547,735 is well below the legal limit of $2,158,340,352 by $1,802,792,617. Additional information on the County's long-term debt can be found in Note 17 on page 57 of this report.

### American Rescue Plan Act

The Coronavirus State and Local Fiscal Recovery Funds, a part of the American Rescue Plan (ARP), delivered $350 billion to state, local and Tribal governments across the country to mitigate public health and economic impacts caused by the pandemic. In 2021, the County was awarded $110,083,961 in total ARP funds. The County received its first tranche of ARP funds totaling $55,041,980 in May 2021 and its second tranche of ARP funds totaling $55,041,981 in June 2022. The County held public sessions to present, source and discuss the programming of these recovery funds into four major relief categories: (1) Public Health, (2) Negative Economic Impacts, (3) Premium Pay and (4) Water, Sewer and Broadband Infrastructure.

As of and through December 31, 2024, the County allocated $110,083,961 of the total ARP award. Expenditures to date from inception through December 31, 2024, were $95,293,375. ARP funds were entirely obligated by December 31, 2024, with the expectation they will be fully expended by December 31, 2026.

In the category of Public Health, County Council approved an allocation of $27,759,311, and expenditures of $18,936,376 through December 31, 2024.

- The largest project in this category was the continued expansion of Delaware County's Health Department, which used an allocation of $22,614,950 with $13,970,920 in expenditures,
- $773,348 was allocated towards the COVID-19 response, and $773,348 was expended.
- All $1,564,974 set aside for providing relief funds to the County's firehouses was expended.
- $1 million was allocated and expended for the Gun Violence Prevention program.

In the category of Negative Economic Impacts, a total of $21,805,247 was allocated and $18,945,850 was expended through December 31, 2024, for the following projects:

- All $5,000,000 allocated for the Childcare Professional Network was expended.
- $2,500,000 was allocated and expended to rehabilitate and reopen a historic theater in Lansdowne Borough.
- $1,483,709 of the allocated $1,907,375 was expended to preserve open space.
- $2,347,061 was allocated and was expended to renovate two County parks, Little Flower and Upland.
- County Council approved funding totaling $2,730,124 on a partnership with the Whole Home Repair Program, of which $1,037,507 was expended in 2024.

$59,694,903 was allocated under ARP's revenue loss clause, and $57,113,707 expended through December 31, 2024.

- $2.9 million was allocated through 2024 is for a building project at the County's geriatric center.
- $1 million was set aside in December 2023 to fund an economic development Micro Lending Grant Program through the Delaware County Economic Development Corporation. No dollars have been expended yet, but the allocation is now assigned in the General Fund.

A total of $57,500 in ARP funds were allocated towards two Water, Sewer and Broadband Infrastructure projects: a hydrology study of Upland Park and a flood study by Brandywine Conservancy. Zero dollars were expended through 2024.

For ARPA's administrative purposes, $767,000 was set aside and $298,023 was expended:

- An allocation of $68,000 was expended for grant writing assistance.
- County Council apportioned $500,000 for general administrative costs, of which $31,023 has been expended.
- $199,000 was allocated and spent on installation of cloud computing software to facilitate community engagement.

In summary, the allocation of ARP funds comprises the following classifications: 25.2% Public Health, 19.8% Negative Economic Impacts, 54.2% Revenue Loss and 0.8% Administrative and Infrastructure costs through December 31, 2024.

## Economic Outlook

Throughout 2024, the County continued to encourage and support economic development. According to the U.S. Bureau of Labor Statistics, the preliminary data shows a 5% increase in the number of businesses located in the County from 2023, and the number of employed residents totaled 297,446 as of December 2024, up from 293,033 the year prior. The County's unemployment rate as of December 2024 was 3.1%, while the statewide and national rates were 3.7% and 4.1%, respectively.

In November 2024, the Delaware County Commerce Center was renamed to the Delaware County Economic Development Corporation (Delco EDC). This renaming was a key initiative in the implementation of a strategic economic development plan to bolster the County's growth over the next five years. This plan examined Delaware County's economic landscape, identified key challenges and opportunities and set forth actionable strategies to support economic progress for businesses and residents alike.

In addition to this significant change, the Delaware County Authority voted to move its administrative operations under the Delco EDC. This strategic move provides the Authority with professional staff and savings, with an estimated $43,000 in cost reductions in 2024, driven primarily by shared staff time and integration of key resources. Projected savings for 2025 are anticipated to reach approximately $60,000.

In 2022, Delaware County Council appointed the Delaware County Redevelopment Authority (RDA) the Delaware County Land Bank. This program will prioritize strategic development utilizing vacant and abandoned property, allows for the transition of property from one use to another and permits multiple acquisitions for redevelopment purposes. County Council's appointment provides the RDA/Land Bank with priority bidding at real estate tax sales, a streamlined process for lien discharge and the ability to expedite quiet title proceedings. Delco EDC staff continued in earnest in 2024 to negotiate critical intergovernmental cooperation agreements with the County's 49 municipalities and 16 school districts. It is expected that the Land Bank will acquire its first properties in 2025.

The RDA has engaged a consultant to administer its $1 million Revolving Loan Fund (RLF) for Brownfield Remediation. This funding was awarded by the U.S. EPA in 2023. Work progressed in 2024 to structure the RLF program in compliance with grant guidelines. Additionally, the RDA applied again for $500,000 in Environmental Site Assessment funds to support Phase I and Phase II studies, for possible award in 2025. This funding would support a Brownfields Assessment Program that can align with the RLF.

In May 2024, Delco EDC was awarded a Keystone Communities Program Planning Grant. This funding, matched dollar-for-dollar by the Delco EDC, is intended to fund an open community process to create a regional downtown revitalization strategy for the six (6) boroughs along Chester Pike in Delaware County, five (5) of whom already collaborate through the Chester Pike Improvement Corridor. A consultant is expected to be engaged in Q2 2025 to produce a vision statement and five-year action strategy for the Corridor.

## Finance

Delco EDC staff made significant efforts in recent years to expand the County economic development toolset, initiating and supporting loan programs for businesses that want to start or expand in Delaware County. Delco EDC has connected many County small businesses with specific loan products and grant opportunities to support their growth and expansion. Delco EDC staff worked with a dozen small business owners through the loan underwriting process in 2023-2024, who collectively received over $4,400,000 in economic development loan funding to grow their businesses.

In March 2024, Delco EDC and Visit Delco co-hosted a roundtable discussion and tour at Sun Center Studios in Aston to discuss the role of film and TV incentives and to highlight the positive effects of the Pennsylvania Film Tax Credit program, including job creation, economic development and improving the overall vitality of Delaware County. It was during this event that the producers of Delco: The Movie discovered their eligibility as independent filmmakers for the PA Film Tax Credit. The film, which was shot in Delaware County using local talent, was made possible in part by receipt of the tax credit.

**Small Business**

In 2024, the EDC continued to support County small businesses through expanded technical assistance, mentoring and marketing and promotion activities to help stabilize or grow their business. These efforts included:

- **Expansion of the Veterans ID Discount Program to include active military personnel.** Subsequently, veterans and active military members will now receive various discounts and benefits at local businesses, reflecting Delaware County's commitment to supporting those who serve and have served.
- **Partnership with Delaware County Bar Association to enhance their existing Lawyer Referral and Information Service,** which provides direct access to qualified attorneys, free initial consultations and valuable legal resources. This program pairs County small business owners with solutions to their legal needs.
- **Expansion of small business mentoring services** to include sessions at a new location in Ridley Park Borough and the availability of Spanish-language sessions at the Upper Darby Township location.
- **Highlighting diverse small businesses across the County** that participate in the Veterans and Active Military ID Discount program and have benefitted from Delco EDC programs or assistance or through social media campaigns like #shopdelco. This included hosting visits by Deputy U.S. Commerce Secretary Don Graves, Governor Josh Shapiro, and Pennsylvania DCED Deputy Secretary for Community Affairs and Development Rick Vilello to Delaware County small businesses in the respective boroughs of Glenolden, Ridley Park and Media.

The following notable projects were initiated and ongoing in 2024:

- Brandywine Museum and Conservancy of Art initiated renovations and upgrades to their museum building with total estimated project costs over $4 million, assisted by the Delco EDC's administration of a $2 million State Capital Grant.
- An overhaul of the Delaware County 911 communication system upgrade estimated to exceed $40 million in cost is supported by $6 million in state grant funding facilitated by Delco EDC.
- Delaware County Community College (DCCC) is redeveloping a former Catholic high school in Upper Darby Township to increase enrollment and educational offerings including hospitality, early learning, skilled trades and advance manufacturing. This $80 million investment is supported with $12 million of funding. Construction is underway.
- Monroe Energy is making sustainable investments to their manufacturing facility by adding a cooling tower and increasing their electrical efficiency. These two projects will substantially decrease the plant's water and electric use, at a cost of +/- $15 million supported by $2.5 million in economic development funding.
- Main Line Health/Riddle Memorial Hospital embarked on a $18 million expansion of critical services in their ICU and emergency departments, supported by a $6 million state capital grant administered by Delco EDC.
- Elwyn, a non-profit human services organization, announced plans for the development and construction of its new $45 million school and renovations to its 260-acre campus. A total of $100 million will be spent over ten years to revitalize and transform the campus.

- The first phase of the Philadelphia Union's $75 million WSFS Bank Sportsplex project in the City of Chester was completed in 2023. In 2024, phase two includes development of a full-size indoor soccer field, multi-sport courts, performance space, flex space for athlete training, and a café for athletes and guests, totaling 100,000 square feet of space. Additionally, the Union unveiled Union Yards in April 2024, which features a 7,000 square foot brew hall and 32,500 square foot tailgate zone open to fans before and after games.
- Villanova University acquired the Cabrini University campus and kicked off a $100 million investment in the property expanding Villanova's presence in Radnor Township.
- ChristianaCare's $50 million investment in in Aston Township announced in December 2024 will include a 40,000 square foot hospital building with an emergency room, 10-bed hospital, and an ambulatory health center. ChristianaCare has plans for three (3) additional micro-hospital investments in Delaware County.

In 2024, a number of school districts within the County took advantage of state programs to redevelop their campuses:

- William Penn School District kicked off their master facilities improvement project focused on Kerr Athletic Fields and the district elementary schools. Work is set to include upgrades and expansions to the schools including HVAC and ADA Compliance. The project is supported by a $7 million state capital grant administered by the RDA.
- Interboro School District is embarking on a major capital investment at their high school in Prospect Park Borough, supported by a $4 million state capital grant administered by the IDA.
- Upper Darby School District has plans to invest $180 million in facilities over the coming years, beginning with a new middle school in Clifton Heights Borough supported in Phase I with a state capital grant of $3 million administered by the RDA.

Recent events may affect the County's future economic outlook:

Prospect Medical Holdings, the parent company of the Crozer Health System, filed for Chapter 11 bankruptcy on January 11, 2025, in the United States Bankruptcy Court in Northern Texas. As a result of the bankruptcy proceedings, Taylor Hospital, Crozer Chester Medical Center, the Behavioral Health Crisis Center at Crozer Chester and attendant medical facilities and practices in the System closed as of April 30, 2025. The County has responded by pursuing options for a stable, nonprofit transition of services in collaboration with state officials, regional health systems and community stakeholders. The County is also working closely with the Delaware County Workforce Development Board to support the approximately 3,000 Crozer employees who may be impacted by the closures. In addition, the County has authorized its Office of Emergency Medical Services, Department of Human Services and Delaware County Health Department to offer available guidance and assistance to County municipalities and residents affected by the closures.

The Southeastern Pennsylvania Transportation Authority (SEPTA) is currently facing a $213 million budget deficit in 2026. Without a funding increase from the Commonwealth of Pennsylvania, SEPTA has announced that it is expected to enact dramatic service cuts and fare hikes later in 2025, including the closure of 66 stations and elimination of 50 bus routes and five train lines. The SEPTA Board is scheduled to meet on the 2026 budget in the coming weeks. At this time, the potential funding crisis is still a very speculative and fluid situation. The Governor of Pennsylvania included funding for SEPTA in the most recent budget presented. The Commonwealth's budget is under consideration by the legislature and is being negotiated by the legislature and Governor's office. Every legislator from Southeastern Pennsylvania supports continued funding of SEPTA. At this point in time, events or changes in circumstances relating to SEPTA's funding and operations that may affect the County's financial position and economic outlook are currently unknown.

### Requests for Information

Questions concerning any of the information provided in this report or requests for additional financial information should be addressed to the Office of the Controller, County of Delaware, 201 West Front Street, Media, Pennsylvania 19063.

Complete financial statements for the individual component units can be obtained from their respective administrative offices as follows:

- Delaware County Solid Waste Authority
  610 East Baltimore Pike
  Media, Pennsylvania 19063

- Economic Development Corporation
  2 West Baltimore Pike, Suite 200
  Media, Pennsylvania 19063

- Delaware County Chester Waterfront Industrial Development Authority
  2 West Baltimore Pike, Suite 200
  Media, Pennsylvania 19063

- Redevelopment Authority of the County of Delaware
  2 West Baltimore Pike, Suite 200
  Media, Pennsylvania 19063

- Delaware County Interactive Gaming Revenue Authority
  201 West Front Street
  Media, Pennsylvania 19063

# Basic Financial Statements

**County of Delaware, Pennsylvania**
Statement of Net Position
December 31, 2024

| | Primary Government | | | |
|---|---|---|---|---|
| | Governmental Activities | Business-Type Activity | Total | Component Units |
| **Assets** | | | | |
| Cash and cash equivalents | $ 135,731,549 | $ 4,276,723 | $ 140,008,272 | $ 42,816,192 |
| Receivables (net of allowance for uncollectibles): | | | | |
| Taxes | 8,224,935 | - | 8,224,935 | - |
| Accounts | 1,211,244 | 11,502,855 | 12,714,099 | 5,842,582 |
| Grants | 155,719,587 | - | 155,719,587 | - |
| Leases | 5,517,835 | - | 5,517,835 | - |
| Notes | 20,954,204 | - | 20,954,204 | - |
| Other | 5,155,266 | - | 5,155,266 | 497,178 |
| Internal balances | (1,567,262) | 1,567,262 | - | - |
| Other assets | 3,452,203 | 3,852 | 3,456,055 | 464,362 |
| Investments | - | - | - | 21,631 |
| Due from component units | 7,475,000 | - | 7,475,000 | - |
| Restricted cash and cash equivalents | 163,784,329 | 1,208,431 | 164,992,760 | 147,518 |
| Investment in joint venture | 147,942,703 | - | 147,942,703 | - |
| Capital assets (net of accumulated depreciation): | | | | |
| Land | 30,673,714 | - | 30,673,714 | 8,873,485 |
| Construction in progress | 28,200,518 | - | 28,200,518 | 22,879,582 |
| Land improvements | 6,122,344 | - | 6,122,344 | 1,172,093 |
| Buildings and improvements | 127,259,849 | 23,507,373 | 150,767,222 | 14,682,500 |
| Equipment | 35,240,272 | 441,333 | 35,681,605 | 26,632,380 |
| Infrastructure | 21,421,457 | - | 21,421,457 | - |
| Right-to-use leased assets | 25,998,119 | - | 25,998,119 | 235,953 |
| Subscription assets | 2,712,073 | - | 2,712,073 | - |
| Total assets | 931,229,939 | 42,507,829 | 973,737,768 | 124,265,456 |
| **Deferred Outflows of Resources** | | | | |
| Deferred outflows of resources, other post-employment benefit liability | 37,687,275 | - | 37,687,275 | - |
| Deferred outflows of resources, pension | 49,532,092 | 13,581,024 | 63,113,116 | 379,917 |
| Total deferred outflows of resources | 87,219,367 | 13,581,024 | 100,800,391 | 379,917 |
| Total assets and deferred outflows of resources | $ 1,018,449,306 | $ 56,088,853 | $ 1,074,538,159 | $ 124,645,373 |
| **Liabilities** | | | | |
| Accounts payable and other current liabilities | $ 102,334,085 | $ 18,103,865 | $ 120,437,950 | $ 5,550,592 |
| Accrued interest payable | 2,170,182 | - | 2,170,182 | - |
| Other liabilities | 20,650,828 | - | 20,650,828 | - |
| Unearned revenue | 134,400,404 | - | 134,400,404 | 953,242 |
| Due to primary government | - | - | - | 7,475,000 |
| Due to fiduciary component unit | 19,206 | - | 19,206 | - |
| Long-term liabilities: | | | | |
| Due within one year: | | | | |
| Bonds and notes payable | 22,406,949 | 3,475,051 | 25,882,000 | 2,371,000 |
| Claims payable | 5,322,547 | - | 5,322,547 | - |
| Lease liability | 4,787,282 | - | 4,787,282 | 58,959 |
| Subscription liability | 1,264,778 | - | 1,264,778 | - |
| Due in more than one year: | | | | |
| Bonds and notes payable | 307,767,556 | 21,898,179 | 329,665,735 | 37,125,000 |
| Claims payable | 725,813 | - | 725,813 | - |
| Lease liability | 21,210,837 | - | 21,210,837 | 188,360 |
| Subscription liability | 1,447,295 | - | 1,447,295 | - |
| Total other post-employment benefit liability | 312,713,820 | - | 312,713,820 | - |
| Net pension liability | 33,556,186 | 9,200,650 | 42,756,836 | 534,083 |
| Accrued closure costs | - | - | - | 18,961,347 |
| Total liabilities | 970,777,768 | 52,677,745 | 1,023,455,513 | 73,217,583 |
| **Deferred Inflows of Resources** | | | | |
| Deferred inflows of resources, leases receivable | 5,517,835 | - | 5,517,835 | - |
| Deferred inflows of resources, other post-employment benefit liability | 106,895,755 | - | 106,895,755 | - |
| Deferred inflows of resources, pension | 1,860,642 | 510,163 | 2,370,805 | 175,738 |
| Total deferred inflows of resources | 114,274,232 | 510,163 | 114,784,395 | 175,738 |
| **Net Position** | | | | |
| Net investment in capital assets | 33,006,711 | (1,424,524) | 31,582,187 | 53,160,902 |
| Restricted for: | | | | |
| Highways and streets | 2,007,774 | - | 2,007,774 | - |
| Opioid remediation settlement | 77,081,174 | - | 77,081,174 | - |
| Library | 835,432 | - | 835,432 | - |
| Community development | 6,415,374 | - | 6,415,374 | - |
| Title IV D program | 4,122,907 | - | 4,122,907 | - |
| Economic development | - | - | - | 19,976 |
| Unrestricted | (190,072,066) | 4,325,469 | (185,746,597) | (1,928,826) |
| Total net position | (66,602,694) | 2,900,945 | (63,701,749) | 51,252,052 |
| Total liabilities, deferred inflows of resources and net position | $ 1,018,449,306 | $ 56,088,853 | $ 1,074,538,159 | $ 124,645,373 |

*See notes to financial statements*

| | | Program Revenues | | | Net (Expense) Revenue and Changes in Net Position | | | |
|---|---|---|---|---|---|---|---|---|
| | Expenses | Charges for Services | Operating Grants and Contributions | Capital Grants and Contributions | Governmental Activities | Business-Type Activity | Total | Component Units |
| **Functions/Programs** | | | | | | | | |
| **Primary Government** | | | | | | | | |
| Governmental activities: | | | | | | | | |
| General government | $ 182,523,994 | $ 11,572,146 | $ 153,654,651 | $ 16,684 | $ (17,280,513) | $ - | $ (17,280,513) | |
| Judicial | 46,101,535 | 8,211,255 | 13,816,908 | - | (24,073,372) | - | (24,073,372) | |
| Corrections | 86,556,855 | 8,315,358 | 892,742 | - | (77,348,755) | - | (77,348,755) | |
| Health and human services | 323,033,538 | - | 319,721,833 | - | (3,311,705) | - | (3,311,705) | |
| Highways, streets and bridges | 9,937,691 | - | 642,253 | 8,524,673 | (770,765) | - | (770,765) | |
| Interest on long-term debt | 7,035,394 | - | - | - | (7,035,394) | - | (7,035,394) | |
| Total governmental activities | 655,189,007 | 28,098,759 | 488,728,387 | 8,541,357 | (129,820,504) | - | (129,820,504) | |
| Business-type activity: | | | | | | | | |
| Geriatric Center | 74,450,271 | 64,626,943 | - | - | - | (9,823,328) | (9,823,328) | |
| Total primary government | $ 729,639,278 | $ 92,725,702 | $ 488,728,387 | $ 8,541,357 | (129,820,504) | (9,823,328) | (139,643,832) | |
| **Component Units** | | | | | | | | |
| Solid Waste Authority | $ 43,807,580 | $ 53,406,402 | $ - | $ - | | | | $ 9,598,822 |
| Economic Development | 1,042,157 | 86,561 | 985,566 | - | | | | 29,970 |
| Waterfront Industrial Development Authority | 978,833 | - | - | - | | | | (978,833) |
| Redevelopment Authority | 7,906,988 | - | 7,974,508 | - | | | | 67,520 |
| Interactive Gaming Revenue Authority | 766,243 | - | 1,102,156 | - | | | | 335,913 |
| Total component units | $ 54,501,801 | $ 53,492,963 | $ 10,062,230 | $ - | | | | 9,053,392 |
| **General Revenues** | | | | | | | | |
| Property taxes | | | | | 184,148,305 | - | 184,148,305 | - |
| Gaming revenue | | | | | 4,960,638 | - | 4,960,638 | - |
| Grants and charges not restricted to specific programs | | | | | 2,429,616 | - | 2,429,616 | - |
| Other revenues | | | | | - | 1,170,411 | 1,170,411 | 123,638 |
| Unrestricted investment earnings | | | | | 13,151,068 | 39,546 | 13,190,614 | 1,724,921 |
| **Transfers** | | | | | (5,751,188) | 5,751,188 | - | - |
| Total general revenues and transfers | | | | | 198,938,439 | 6,961,145 | 205,899,584 | 1,848,559 |
| Change in net position | | | | | 69,117,935 | (2,862,183) | 66,255,752 | 10,901,951 |
| **Net Position, Beginning** | | | | | (135,720,629) | 5,763,128 | (129,957,501) | 40,350,101 |
| **Net Position, Ending** | | | | | $ (66,602,694) | $ 2,900,945 | $ (63,701,749) | $ 51,252,052 |

## County of Delaware, Pennsylvania

Balance Sheet
Governmental Funds
December 31, 2024

| | General | Capital Projects | Health and Human Services | Other Governmental Funds | COVID-19 Relief Fund | Total Governmental Funds |
|---|---|---|---|---|---|---|
| **Assets** | | | | | | |
| Cash and cash equivalents | $ 4,322,041 | $ - | $ 17,195,367 | $ 61,433,346 | $ 48,338,784 | $ 131,289,538 |
| Receivables: | | | | | | |
| Taxes | 8,483,356 | - | - | - | - | 8,483,356 |
| Accounts | 1,211,244 | - | - | - | - | 1,211,244 |
| Grants | 4,919,737 | - | 71,897,859 | 21,057,236 | - | 97,874,832 |
| Leases | 2,254,970 | 3,262,865 | - | - | - | 5,517,835 |
| Notes | - | - | - | 20,954,204 | - | 20,954,204 |
| Due from component units | 2,000,000 | 5,475,000 | - | - | - | 7,475,000 |
| Due from other funds | 99,534,837 | 13 | 27,227,498 | 7,533,669 | - | 134,296,017 |
| Restricted cash and cash equivalents | 2,433,887 | 104,250,092 | 46,166,177 | 10,934,173 | - | 163,784,329 |
| Other assets | 1,330,731 | - | 271,427 | 74,839 | - | 1,676,997 |
| Total assets | $ 126,490,803 | $ 112,987,970 | $ 162,758,328 | $ 121,987,467 | $ 48,338,784 | $ 572,563,352 |
| **Liabilities, Deferred Inflows of Resources and Fund Balances** | | | | | | |
| Liabilities: | | | | | | |
| Vouchers and accounts payable | $ 15,696,359 | $ 11,337,835 | $ 69,524,099 | $ 5,428,758 | $ 347,034 | $ 102,334,085 |
| Payroll payable | 5,072,919 | - | - | - | - | 5,072,919 |
| Payable from restricted assets | 138,487 | - | - | - | - | 138,487 |
| Due to fiduciary component unit | 19,206 | - | - | - | - | 19,206 |
| Due to other funds | 28,575,582 | 11,544,839 | 38,982,168 | 23,390,669 | 33,201,164 | 135,694,422 |
| Unearned revenues | 2,058,811 | - | 53,206,363 | 64,344,644 | 14,790,586 | 134,400,404 |
| Other liabilities | 9,744,427 | - | 1,045,698 | 328,397 | - | 11,118,522 |
| Total liabilities | 61,305,791 | 22,882,674 | 162,758,328 | 93,492,468 | 48,338,784 | 388,778,045 |
| Deferred inflows of resources: | | | | | | |
| Unavailable revenues, taxes | 7,515,832 | - | - | - | - | 7,515,832 |
| Deferred inflows related to leases | 2,254,970 | 3,262,865 | - | - | - | 5,517,835 |
| Total deferred inflow of resources | 9,770,802 | 3,262,865 | - | - | - | 13,033,667 |
| Fund balances: | | | | | | |
| Nonspendable: | | | | | | |
| Prepaid items | 1,330,731 | - | - | - | - | 1,330,731 |
| Restricted for: | | | | | | |
| Highways and streets | - | - | - | 2,007,774 | - | 2,007,774 |
| Opioid remediation settlement | - | - | - | 19,236,419 | - | 19,236,419 |
| Library | - | - | - | 835,432 | - | 835,432 |
| Community development | - | - | - | 6,415,374 | - | 6,415,374 |
| Title IV D program | 4,122,907 | - | - | - | - | 4,122,907 |
| Capital projects | - | 86,842,431 | - | - | - | 86,842,431 |
| Assigned to: | | | | | | |
| Appropriated for 2025 budget | 26,967,390 | - | - | - | - | 26,967,390 |
| Reallocated for future revenue loss | 5,847,067 | - | - | - | - | 5,847,067 |
| Economic Development Micro Lending Program | 1,000,000 | - | - | - | - | 1,000,000 |
| Unassigned | 16,146,115 | - | - | - | - | 16,146,115 |
| Total fund balances | 55,414,210 | 86,842,431 | - | 28,494,999 | - | 170,751,640 |
| Total liabilities, deferred inflows of resources and fund balances | $ 126,490,803 | $ 112,987,970 | $ 162,758,328 | $ 121,987,467 | $ 48,338,784 | $ 572,563,352 |

*See notes to financial statements*

Amounts reported for governmental activities in the statement of net position (page 18) are different because:

| | | |
|---|---|---|
| Total fund balance - total governmental funds (page 20) | $ | 170,751,640 |
| Capital assets, including investment in joint venture, used in governmental activities are not financial resources and, therefore, are not reported in the funds | | 396,860,857 |
| Property taxes receivable will be collected in the future but are not available to pay for the current period's expenditures and, therefore, are not recognized as revenue on the governmental fund financial statements | | 7,515,832 |
| Establishment of an allowance for doubtful accounts, net of additional penalty and interest receivable on the statement of net position | | (258,421) |
| Opioid remediation settlement receivable included in grant receivable but are not available to pay for the current period's expenditures and, therefore, are not recognized as revenue on the governmental fund financial statements | | 57,844,755 |
| Long-term notes receivable will be collected in the future but are not available to pay for the current period's expenditures and, therefore, are not recognized as revenue on the governmental fund financial statements | | 5,155,266 |
| Accrued interest payable included on the statement of net position | | (2,170,182) |
| Long-term assets and liabilities are not due and payable in the current period and, therefore, are not reported in the funds: | | |
| Right-to-use leased assets | | 25,998,119 |
| Right-to-use subscription assets | | 2,712,073 |
| Bonds and notes payable | | (330,174,505) |
| Total other post-employment benefit liability | | (312,713,820) |
| Net pension liability | | (33,556,186) |
| Lease liability | | (25,998,119) |
| Subscription liability | | (2,712,073) |
| Pension and other post-employment benefit liability related deferred outflow of resources and deferred inflow of resources are not due and payable in the current year and, therefore, are not reported in the funds: | | |
| Deferred outflows related to the other post-employment benefit liability | | 37,687,275 |
| Deferred outflows related to the net pension liability | | 49,532,092 |
| Deferred inflows related to the other post-employment benefit liability | | (106,895,755) |
| Deferred inflows related to the net pension liability | | (1,860,642) |
| Accrued compensated absences and compensatory time included in other liabilities on the statement of net position | | (4,320,900) |
| Net position of governmental activities (page 18) | $ | (66,602,694) |

See notes to financial statements

Statement of Revenues, Expenditures and Changes in Fund Balances
Governmental Funds
Year Ended December 31, 2024

| | General | Capital Projects | Health and Human Service | Other Governmental Funds | COVID-19 Relief Fund | Total Governmental Funds |
|---|---|---|---|---|---|---|
| **Revenues** | | | | | | |
| Real estate taxes | $ 183,252,139 | $ - | $ - | $ - | $ - | $ 183,252,139 |
| Gaming revenue | 4,960,638 | - | - | - | - | 4,960,638 |
| Licenses and permits | 74,420 | - | - | - | - | 74,420 |
| General grants | 15,371,808 | 16,683 | - | 109,213,150 | 36,693,415 | 161,295,056 |
| Charges for services, fines and forfeits | 23,869,798 | - | - | - | - | 23,869,798 |
| Investment earnings | 7,379,809 | 3,759,169 | - | 1,788,012 | - | 12,926,990 |
| Health and human service grants | - | - | 319,721,833 | - | - | 319,721,833 |
| Other | 6,293,202 | 312,801 | - | - | - | 6,606,003 |
| Total revenues | 241,201,814 | 4,088,653 | 319,721,833 | 111,001,162 | 36,693,415 | 712,706,877 |
| **Expenditures** | | | | | | |
| Current: | | | | | | |
| General government | 40,019,921 | - | - | - | 594,073 | 40,613,994 |
| Judicial | 45,362,436 | - | - | - | 562,366 | 45,924,802 |
| Corrections | 84,824,701 | - | - | - | - | 84,824,701 |
| Transportation | 10,135,811 | - | - | - | 154,667 | 10,290,478 |
| Health and human services | - | - | 327,221,833 | - | - | 327,221,833 |
| Highways, streets and bridges | - | - | - | 9,260,062 | 499,411 | 9,759,473 |
| Other | 58,430,714 | - | - | 90,442,859 | 2,999,741 | 151,873,314 |
| Debt service: | | | | | | |
| Principal | 22,102,739 | - | - | - | - | 22,102,739 |
| Interest | 5,107,355 | - | - | - | - | 5,107,355 |
| Debt issuance costs | - | 435,255 | - | - | - | 435,255 |
| Capital outlay | - | 32,007,926 | - | - | 560,082 | 32,568,008 |
| Total expenditures | 265,983,677 | 32,443,181 | 327,221,833 | 99,702,921 | 5,370,340 | 730,721,952 |
| Excess (deficiency) of revenues over (under) expenditures | (24,781,863) | (28,354,528) | (7,500,000) | 11,298,241 | 31,323,075 | (18,015,075) |
| **Other Financing Sources (Uses)** | | | | | | |
| Issuance of debt | - | 73,875,000 | - | - | - | 73,875,000 |
| Premium on bond issuance | - | 6,982,383 | - | - | - | 6,982,383 |
| Issuance of extended term financing | 2,933,552 | - | - | - | - | 2,933,552 |
| Transfers in | 30,125,841 | - | 14,806,556 | 4,423,331 | - | 49,355,728 |
| Transfers out | (15,826,767) | - | (7,306,556) | (650,518) | (31,323,075) | (55,106,916) |
| Total other financing sources (uses) | 17,232,626 | 80,857,383 | 7,500,000 | 3,772,813 | (31,323,075) | 78,039,747 |
| Net change in fund balances | (7,549,237) | 52,502,855 | - | 15,071,054 | - | 60,024,672 |
| **Fund Balances, Beginning** | 62,963,447 | 34,339,576 | - | 13,423,945 | - | 110,726,968 |
| **Fund Balances, Ending** | $ 55,414,210 | $ 86,842,431 | $ - | $ 28,494,999 | $ - | $ 170,751,640 |

Reconciliation of the Statement of Revenues, Expenditures and Changes in Fund Balances of Governmental Funds to the Statement of Activities
Year Ended December 31, 2024

Amounts reported for governmental activities in the statement of activities (page 19) are different because:

| | | |
|---|---|---|
| Net change in fund balances - total governmental funds (page 22) | | $ 60,024,672 |
| 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. This is the amount by which depreciation exceeded capital outlays in the current period: | | |
| Purchase of capital assets | $ 24,227,235 | |
| Assets financed through lease and IT contracts | 2,933,552 | |
| Depreciation expense | (11,936,031) | |
| Amortization of right-to-use leased assets and subscription based IT contracts | (7,455,200) | |
| | | 7,769,556 |
| Governmental funds report the County's capital contribution to SEPTA as expenditures. However, in the statement of activities the cost is capitalized as an investment in a joint venture and recognizes the amortization of the investment over the estimated life | | (9,022,146) |
| Revenues related to real estate taxes in the statement of activities that do not provide current financial resources are not reported as revenues in the funds | | 893,380 |
| An allowance for doubtful collections of real estate taxes receivable is reported on the statement of net position, net of additional penalty and interest on delinquent taxes | | 2,786 |
| Collections on long-term receivables due from the City of Chester and Eddystone Borough are reported as revenue in the funds, while the collection reduces long-term receivables in the statement of net position | | (330,379) |
| Revenues related to opioid settlement funds in the statement of activities that do not provide current financial resources are not reported as revenues in the funds | | 16,785,466 |
| The lease financings of the intangible right-to-use underlying assets provides current financial resources, to governmental funds while the repayment of the principal of the lease liability consumes the current financial resources of governmental funds. Neither transaction, however, has any effect on net position. Reconciling items related to lease liability activity for the year ended are as follows: | | |
| Financing of intangible right-to-use leased assets | (2,933,552) | |
| Scheduled principal payments on lease liability made current year | 7,455,200 | |
| | | 4,521,648 |
| The issuance of long-term debt provides current financial resources to governmental funds, while the repayment of the principal of long-term debt consumes the current financial resources of governmental funds. Neither transaction, however, has any effect on net position. Reconciling items related to long-term debt activity for the year ended are as follows: | | |
| Issuance of long-term debt | (73,875,000) | |
| Issuance of bond premium and current year accretion | (6,842,735) | |
| Scheduled principal payments on long-term debt made current year | 22,210,672 | |
| Allocation of debt to business type activity for capital assets | 1,403,494 | |
| | | (57,103,569) |
| Accrued interest expense on long-term debt is reported in the statement of activities but does not require the use of current financial resources. Therefore, accrued interest expense is not reported as expenditures in governmental funds. The net change in interest payable is recorded in the statement of activities. | | (2,067,687) |
| The other post-employment benefit liability is considered long-term in nature and is not reported as a liability at the fund level. This liability is, however, reported within the statement of net position, and changes in the liability are reflected within the County's statement of activities. This represents the change in the total other post-employment benefit liability and the associated deferred outflows of resources and deferred inflows of resources. | | 53,232,296 |
| The net pension liability is considered long-term in nature and is not reported as a liability at the fund level. This liability is, however, reported within the statement of net position, and changes in the liability are reflected within the County's statement of activities. This represents the change in the net pension liability and the associated deferred outflows of resources and deferred inflows of resources. | | (2,071,642) |
| Compensated absences and compensatory time is reported in the statement of net position within other liabilities but does not require the use of current financial resources. Therefore, compensated absences and compensatory time is not reported as expenditures in governmental funds. The net change in the liability is recorded in the statement of activities. | | (3,516,446) |
| Change in net position of governmental activities (page 19) | | $ 69,117,935 |

*See notes to financial statements*

## County of Delaware, Pennsylvania

Statement of Revenues, Expenditures and Changes in Fund Balances
Budget and Actual Comparison - General Fund
Year Ended December 31, 2024

| | General Fund Original | General Fund Final | General Fund Actual Amounts | Variance With Final Budget - Positive (Negative) |
|---|---|---|---|---|
| **Revenues** | | | | |
| Real estate taxes | $ 183,080,000 | $ 183,080,000 | $ 183,252,139 | $ 172,139 |
| Gaming revenue | 5,500,000 | 5,500,000 | 4,960,638 | (539,362) |
| Licenses and permits | 39,650 | 39,650 | 74,420 | 34,770 |
| General grants | 11,881,620 | 11,881,620 | 15,371,808 | 3,490,188 |
| Charges for services, fines and forfeits | 16,939,955 | 16,939,955 | 23,869,798 | 6,929,843 |
| Investment earnings | 2,536,000 | 2,536,000 | 7,379,809 | 4,843,809 |
| Other | 9,363,775 | 9,363,775 | 6,293,202 | (3,070,573) |
| Total revenues | 229,341,000 | 229,341,000 | 241,201,814 | 11,860,814 |
| **Expenditures** | | | | |
| Current: | | | | |
| General government | 43,609,327 | 44,027,184 | 40,019,921 | 4,007,263 |
| Judicial | 45,302,258 | 45,551,785 | 45,362,436 | 189,349 |
| Corrections | 85,726,056 | 85,557,556 | 84,824,701 | 732,855 |
| Transportation | 10,240,500 | 10,240,500 | 10,135,811 | 104,689 |
| Other | 74,681,695 | 76,975,485 | 58,430,714 | 18,544,771 |
| Debt service: | | | | |
| Principal | 25,404,000 | 25,404,000 | 22,102,739 | 3,301,261 |
| Interest | 5,966,618 | 2,929,477 | 5,107,355 | (2,177,878) |
| Total debt service | 31,370,618 | 28,333,477 | 27,210,094 | 1,123,383 |
| Total expenditures | 290,930,454 | 290,685,987 | 265,983,677 | 24,702,310 |
| Excess (deficiencies) of revenues over (under) expenditures | (61,589,454) | (61,344,987) | (24,781,863) | 36,563,124 |
| **Other Financing Sources (Uses)** | | | | |
| Issuance of extended term financing | - | - | 2,933,552 | 2,933,552 |
| Transfers in | 11,238,244 | 11,238,244 | 30,125,841 | 18,887,597 |
| Transfers out | (8,495,047) | (8,495,047) | (15,826,767) | (7,331,720) |
| Total other financing uses, net | 2,743,197 | 2,743,197 | 17,232,626 | 14,489,429 |
| Net change in fund balances | (58,846,257) | (58,601,790) | (7,549,237) | 51,052,553 |
| **Fund Balances, Beginning** | 62,963,447 | 62,963,447 | 62,963,447 | - |
| **Fund Balances, Ending** | $ 4,117,190 | $ 4,361,657 | $ 55,414,210 | $ 51,052,553 |

*See notes to financial statements*

## County of Delaware, Pennsylvania

Statement of Net Position
Proprietary Funds
December 31, 2024

| | Business-Type Activity Geriatric Care | Governmental Activities - Internal Service Fund |
|---|---|---|
| **Assets and Deferred Outflows** | | |
| Current assets: | | |
| Cash and cash equivalents | $ 4,276,723 | $ 4,442,011 |
| Accounts receivable, net | 11,502,855 | - |
| Due from other funds | 1,567,262 | 3,732,242 |
| Restricted cash and cash equivalents | 1,208,431 | - |
| Prepaid expense and other assets | 3,852 | 1,775,206 |
| Total current assets | 18,559,123 | 9,949,459 |
| Noncurrent assets: | | |
| Capital assets (net of accumulated depreciation): | | |
| Buildings and improvements | 23,507,373 | - |
| Equipment | 441,333 | - |
| Total noncurrent assets | 23,948,706 | - |
| Total assets | 42,507,829 | 9,949,459 |
| **Deferred Outflows of Resources, Pension** | 13,581,024 | - |
| Total assets and deferred outflows of resources | $ 56,088,853 | $ 9,949,459 |
| **Liabilities** | | |
| Current liabilities: | | |
| Vouchers and accounts payable | $ 18,103,865 | $ - |
| Due to General Fund | - | 3,901,099 |
| Claims payable | - | 5,322,547 |
| General obligation bonds and notes payable, current | 3,475,051 | - |
| Total current liabilities | 21,578,916 | 9,223,646 |
| Noncurrent liabilities: | | |
| General obligation bonds and notes payable | 21,898,179 | - |
| Net pension liability | 9,200,650 | - |
| Claims payable | - | 725,813 |
| Total noncurrent liabilities | 31,098,829 | 725,813 |
| Total liabilities | 52,677,745 | 9,949,459 |
| **Deferred Inflows of Resources, Pension** | 510,163 | - |
| **Net Position** | | |
| Net investment in capital assets | (1,424,524) | - |
| Unrestricted | 4,325,469 | - |
| Total net position | 2,900,945 | - |
| Total liabilities, deferred inflows of resources and net position | $ 56,088,853 | $ 9,949,459 |

*See notes to financial statements*

Statement of Revenues, Expenses and Changes in Net Position
Proprietary Funds
Year Ended December 31, 2024

| | Business-Type Activity Geriatric Care | Governmental Activities - Internal Service Fund |
|---|---|---|
| **Operating Revenues** | | |
| Charges for services | $ 64,626,943 | $ 66,254,084 |
| Total operating revenues | 64,626,943 | 66,254,084 |
| **Operating Expenses** | | |
| Administration | 10,933,337 | 1,503,701 |
| Operation, maintenance and housekeeping | 12,053,737 | - |
| Nursing | 23,384,113 | - |
| Dietary | 7,934,603 | - |
| Medical and physical therapy | 4,440,290 | - |
| Employee benefits | 12,420,881 | - |
| Insurance claims | - | 64,817,804 |
| Depreciation | 2,428,610 | - |
| Total operating expenses | 73,595,571 | 66,321,505 |
| Operating loss | (8,968,628) | (67,421) |
| **Nonoperating Revenues (Expenses)** | | |
| Investment earnings | 39,546 | 67,421 |
| Miscellaneous revenues | 1,170,411 | - |
| Interest expense | (854,700) | - |
| Total nonoperating revenues, net | 355,257 | 67,421 |
| **Transfers in** | 5,751,188 | - |
| Change in net position | (2,862,183) | - |
| **Net Position, Beginning** | 5,763,128 | - |
| **Net Position, Ending** | $ 2,900,945 | $ - |

*See notes to financial statements*

# County of Delaware, Pennsylvania

Statement of Cash Flows
Proprietary Funds
Year Ended December 31, 2024

| | Business-Type Activity Geriatric Care | Governmental Activities - Internal Service Fund |
|---|---|---|
| **Cash Flows From Operating Activities** | | |
| Receipts from customers and users | $ 67,368,137 | $ 64,878,366 |
| Payments to suppliers | (26,314,221) | (64,911,187) |
| Payments to employees for services | (41,224,117) | - |
| Resident trust account receipts | 9,752,873 | - |
| Resident trust account disbursements | (9,700,735) | - |
| Net cash used in operating activities | (118,063) | (32,821) |
| **Cash Flows From Capital and Related Financing Activities** | | |
| Acquisitions of capital assets | 1,248,641 | - |
| Issuance of debt for purchase of capital assets | (1,248,641) | - |
| Principal paid on capital debt | (3,192,325) | - |
| Interest paid on capital debt | (854,700) | - |
| Net cash used in capital and related financing activities | (4,047,025) | - |
| **Cash Flows (Used In) Provided by Investing Activities** | | |
| Interest received | 39,546 | 67,421 |
| Net (decrease) increase in cash and cash equivalents | (4,125,542) | 34,600 |
| **Cash and Cash Equivalents, Beginning** | 8,402,265 | 4,407,411 |
| **Cash and Cash Equivalents, Ending** | $ 4,276,723 | $ 4,442,011 |
| **Reconciliation of Operating Loss to Net Cash Used In Operating Activities** | | |
| Operating loss | $ (8,968,628) | $ (67,421) |
| Adjustments to reconcile operating loss to net cash provided by operating activities: | | |
| Depreciation | 2,421,106 | - |
| Nonoperating receipts from patients | 1,170,411 | - |
| Transfer in from General Fund | 5,751,188 | - |
| Decrease in accounts receivable | 1,570,783 | - |
| Increase in restricted cash and cash equivalents | (70,946) | - |
| Increase in prepaid expense and other assets | (777) | 954,422 |
| Increase in net pension liability and deferred outflows / inflows | 431,516 | - |
| Increase in due to other funds | (24,893) | (1,375,718) |
| Decrease in vouchers and accounts payable | (2,397,823) | - |
| Increase in claims payable | - | 455,896 |
| Total adjustments | 8,850,565 | 34,600 |
| Net cash used in operating activities | $ (118,063) | $ (32,821) |

*See notes to financial statements*

## County of Delaware, Pennsylvania

Statement of Fiduciary Net Position
Fiduciary Funds
December 31, 2024

| | Pension Trust Fund | Custodial Funds |
|---|---|---|
| **Assets** | | |
| Cash and cash equivalents | $ 8,623,082 | $ 40,093,145 |
| Due from other funds | 19,206 | - |
| Interest receivable | 653,644 | - |
| Investments: | | |
| Common stock | 142,427,646 | - |
| Equity mutual funds | 293,901,351 | - |
| Bond mutual funds | 46,539,748 | - |
| Corporate bonds | 47,007,657 | - |
| U.S. government securities | 84,682,533 | - |
| Municipal bonds | 10,834,093 | - |
| Asset-backed securities | 6,379,682 | - |
| Mortgage-backed securities | 359,520 | - |
| Annuity contracts | 3,974,091 | - |
| Guaranteed investment contracts | 30,657,236 | - |
| Private equity fund | 5,301,993 | - |
| Total investments | 672,065,550 | - |
| Total assets | 681,361,482 | 40,093,145 |
| **Liabilities** | | |
| Accounts payable and other liabilities | 451,584 | 32,519,257 |
| **Net Position** | | |
| Net position restricted for pension and other custodial funds | $ 680,909,898 | $ 7,573,888 |

*See notes to financial statements*

## County of Delaware, Pennsylvania

Statement of Changes in Fiduciary Net Position
Fiduciary Funds
Year Ended December 31, 2024

| | Pension Trust Fund | Custodial Funds |
|---|---|---|
| **Additions** | | |
| Contributions: | | |
| Plan members | $ 15,692,939 | $ - |
| Employer | 9,820,748 | - |
| Total contributions | 25,513,687 | - |
| Fee collections for government entities | - | 67,389,668 |
| Collections of delinquent taxes for other governments | - | 35,733,442 |
| Receipts from others | - | 36,470,870 |
| Total collections | - | 139,593,980 |
| Investment earnings: | | |
| Interest and dividends | 15,610,988 | - |
| Net appreciation in fair value of investments | 60,716,428 | - |
| Less investment expense | (1,672,157) | - |
| Net investment income | 74,655,259 | - |
| Total additions, net | 100,168,946 | 139,593,980 |
| **Deductions** | | |
| Death benefits | 914,660 | - |
| Refunds of contributions | 3,655,068 | - |
| Retirement allowance | 40,576,639 | - |
| Remittances to government entities | - | 71,254,957 |
| Remittances of delinquent taxes to other governments | - | 35,733,442 |
| Remittances to others | - | 29,020,209 |
| Total deductions | 45,146,367 | 136,008,608 |
| Net increase in net position | 55,022,579 | 3,585,372 |
| **Net Position, Restricted for Pensions and Other, Beginning** | 625,887,319 | 3,988,516 |
| **Net Position, Restricted for Pensions and Other, Ending** | $ 680,909,898 | $ 7,573,888 |

*See notes to financial statements*

## 1. Summary of Significant Accounting Policies

The accounting methods and procedures adopted by the County of Delaware, Pennsylvania (the County), conform to accounting principles generally accepted in the United States of America (GAAP) as applied to governmental entities. The Governmental Accounting Standards Board (GASB) is the accepted standard-setting body establishing governmental accounting and financial reporting principles. The following notes to the financial statements are an integral part of the County's financial statements.

### Financial Reporting Entity

The County was established under the laws of the Commonwealth of Pennsylvania in 1789 and operates under a Home Rule Charter form of government. As required by GAAP, the financial statements of the reporting entity include those of the County (the primary government) and its component units. The component units, discussed in Note 2, are included in the County's reporting entity as a fiduciary component unit and as discretely presented component units. Component units are legally separate organizations with which the County has a significant operational or financial relationship.

### 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 nonfiduciary activities of the primary government and its component units. The effect of interfund activity has been removed from these statements except for interfund services provided and used, which are not eliminated in the process of consolidation. G*overnmental 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. Likewise, the *primary government* is reported separately from certain legally separate *component units* for which the primary government is financially accountable.

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

Separate financial statements are provided for governmental funds, proprietary funds and fiduciary funds, even though the fiduciary funds 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.

### Measurement Focus, Basis of Accounting and Financial Statement Presentation

The government-wide financial statements are reported using the *economic resources measurement focus* and the *accrual basis of accounting*, as are the proprietary fund and fiduciary fund financial statements. Revenues are recorded when earned and expenses are recorded when a liability is incurred, regardless of the timing of related cash flows. Property taxes are recognized as revenues in the year for which they are levied. Grants and similar items are recognized as revenues as soon as all eligibility requirements imposed by the provider have been met.

Governmental fund financial statements are reported using the *current financial resources measurement focus* and the *modified accrual basis of accounting*. Revenues are recognized as soon as they are both measurable and available. Revenues are considered to be *available* when they are collectible within the current period or soon enough thereafter to pay liabilities of the current period. For this purpose, the County considers revenues to be available if they are collected within 60 days of the end of the current fiscal period. Expenditures generally are recorded when a liability is incurred, as under accrual accounting. However, debt service expenditures are recorded only when payment is due.

Property taxes, licenses and interest associated with the current fiscal period are all considered to be susceptible to accrual and have been recognized as revenues of the current fiscal period. All other revenue items are considered to be measurable and available only when cash is received by the County.

When both restricted and unrestricted resources are available for use, it is the County's policy to use restricted resources first, then unrestricted resources as they are needed.

The County reports the following major governmental funds:

The General Fund is the County's primary operating fund. It accounts for all financial resources of the general government, except those required to be accounted for in another fund.

Capital Projects Fund is used to account for financial resources received and used for the acquisition, construction or improvement of capital facilities other than those financed by other funds.

The Health and Human Services Fund accounts for operations and administration of various County health and human services programs. Financing is provided by state and federal grants with an appropriation from the County General Fund.

COVID-19 Relief Fund accounts for financial resources received and used for the purpose to provide economic relief to individuals and businesses impacted by the COVID-19 Public Health Emergency.

Other Governmental Funds account for financial resources derived from specific sources and are designated for specific uses. Such funds, primarily Commonwealth of Pennsylvania and federal grants, are restricted by law or other formal action to expenditure for specific purposes.

The County reports two proprietary funds:

The Business-Type Activity Fund is maintained to account for the operations of the County's Geriatric Center, which is intended to be self-supporting. The nature of the County's Business-Type Activity Fund is such that the determination of net income on a periodic basis is an important consideration and, as such, all operating expenses, including depreciation, are recorded.

The Internal Service Fund is maintained to account for the operations of the County's Health, Casualty/Liability and Workers' Compensation Self-Insurance Programs.

Proprietary funds distinguish operating revenues and expenses from nonoperating 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 enterprise fund are charges to patients for services. Operating expenses for the enterprise fund include the cost of services, administrative expenses and depreciation on capital assets. All revenues and expenses not meeting this definition are reported as nonoperating revenues and expenses.

The County's Fiduciary Funds account for the Pension Trust Fund and the Custodial Funds.

The Pension Trust Fund (a fiduciary component unit) is maintained to account for assets held by the County in a trustee capacity for individuals currently or previously employed by the County. The County's Pension Trust Fund reports using the economic resources measurement focus. Pension Plan member contributions are recognized in the period in which the contributions are due. Employer contributions to the plan are recognized when due and the employer has made a formal commitment to provide the contributions. Benefits and refunds are recognized when due and payable in accordance with the terms of the plan.

The Custodial Funds are custodial in nature and maintained to account for delinquent and transfer taxes collected by the County for other governments and then remitted to those other taxing authorities and refundable deposits held by the Sheriff's Office, Recorder of Deeds, Office of Judicial Support, Sheriff's sale proceeds payable to creditors and inmate accounts held on behalf of the prison. Amounts reported as program revenues include charges to customers or applicants for goods, services or privileges provided and operating grants and contributions. Internally dedicated resources are reported as general revenues rather than as program revenues. Likewise, general revenues include all taxes. Additional details can be found in the other supplemental information section under custodial funds.

### Budgetary Accounting Control

In accordance with the County's Home Rule Charter and Administrative Code, the County prepares and adopts a budget at least 10 days prior to December 31 for the subsequent calendar year. Expenditures cannot legally exceed budgeted appropriations at the fund level. Additionally, management may not revise the total budget amounts by fund level without the approval of County Council. Budgetary transfers and/or additional appropriations from additional revenues received or from unexpended funds appropriated, but not spent in prior years, must be approved by County Council. All appropriations lapse at the end of the year.

Budgets are prepared on a modified accrual basis and are adopted for the General Fund and the Liquid Fuels Nonmajor Special Revenue Fund.

### Cash Equivalents

For purposes of the statement of cash flows, the County considers all highly liquid investments with an original maturity of three months or less to be cash equivalents. Cash restricted for closure costs are not considered cash equivalents.

### Investments

Investments of the Pension Trust Fund are stated at fair value for both reporting and actuarial purposes. Investment purchases are recorded as of the trade date. Securities traded on a national or international exchange are valued at the last reported sales price at current exchange rates. Investments that do not have an established market are generally reported at cost, which is not expected to be materially different from fair value. The calculation of realized gains and losses are independent of the calculation of the net change in the fair value of pension plan investments. Realized gains and losses on investments that have been held in more than one reporting period and sold in the current period were included as a change in the fair value reported in the prior period(s) and the current period.

### Receivables and Payables

Activity between funds that are representative of lending/borrowing arrangements outstanding at the end of the fiscal year are referred to as either "due to/from other funds" (i.e., the current portion of interfund loans) or "advances to/from other funds" (i.e., the noncurrent portion of interfund loans).

All trade and property tax receivables are shown net of an allowance for uncollectibles. The property tax receivable allowance is calculated based on collection history and was $258,421 at December 31, 2024.

**Leases**

The County is a lessor because it leases its capital assets to other entities. As a lessor, the County reports a lease receivable and corresponding deferred inflow of resources in both the fund financial statements and government-wide financial statements. The County uses its estimated incremental borrowing rate as the discount rate for its lessor arrangements. The County continues to report and depreciate the capital assts being leased as capital assets of the primary government. The County monitors changes in circumstances that would require remeasurement of a lease and will remeasure the lease receivable and deferred inflows of resources if certain changes occur.

The County is a lessee because it leases capital assets from other entities. As a lessee the County reports a lease liability and an intangible right-to-use capital asset (known as the right-to-use leased asset) on the government-wide financial statements. The lease term includes the noncancelable period of the lease. Lease payments included in the measurement of the lease liability are composed of fixed payments that the County is reasonably certain to exercise. The County monitors changes in circumstances that would require remeasurement of a lease and will remeasure the lease asset and liability if certain changes occur. The County uses its estimated incremental borrowing rate as the discount rate as of the time the lease was placed in service. In the governmental fund financial statements, the County recognizes lease proceeds and capital outlay at initiation of the lease and the outflow of resources for the lease liability as a debt service payment.

**Subscription-Based Information Technology Arrangements**

The County reports a subscription liability and an intangible right-to-use capital asset (known as the subscription asset) on the government-wide financial statements. In the governmental fund financial statements, the County recognizes subscription proceeds and capital outlay at initiation of the subscription and the outflow of resources for the subscription liability as a debt service payment.

**Interfund Transactions**

As a result of its operations, the County affects a variety of transactions between funds to finance operations. Accordingly, to the extent that certain interfund transactions have not been paid or received as of December 31, 2024, appropriate interfund receivables or payables have been established.

**Restricted Assets**

Restricted assets represent resources deposited in financial institutions for liquidation of specific obligations.

**Capital Assets**

All capital assets (including right-to-use leased assets and subscription assets) are valued at historical cost or estimated historical cost if actual historical cost is not available. Donated capital assets, donated works of art and similar items and capital assets received in a service concession arrangement are reported at acquisition value rather than fair value.

General infrastructure assets acquired prior to December 31, 2001, consist of bridges and are reported at estimated historical cost using deflated replacement cost. The cost of normal maintenance and repairs that do not add to the value of the asset or materially extend assets' lives are not capitalized.

Capital outlay greater than $5,000 are capitalized and depreciated when placed in service. Capital assets are depreciated using the straight-line method over the following estimated useful lives:

| | Estimated Useful Lives |
|---|---|
| Infrastructure | 100 years |
| Land improvements | 20 years |
| Buildings and improvements | 45 years |
| Equipment | 5 - 20 years |
| Right-to-use leased assets | 3 - 20 years |
| Subscription assets | 3 - 20 years |

Right-to-use leased assets and subscription assets are amortized over the lease term.

### Compensated Absences and Compensatory Time

County employees are granted vacation and sick leave in varying amounts based on their length of employment, which are referred to as compensated absences. Vacation leave is earned by employees on a monthly basis each year. All vacation leave earned must be used by December 31 following the year earned for nonbargaining employees. Bargaining employees follow their respective collective bargaining agreements. Employees are not compensated for earned and unused vacation leave. Sick leave is earned by employees monthly and may be accumulated up to a maximum of 180 days or as per the respective collective bargaining agreements. One collective bargaining agreement allows for payout of accrued sick time when the employee separates from the County, other employees are not compensated for earned and unused sick leave.

Certain County employees can accrue compensatory time in lieu of overtime based upon their employment contract. Upon separation of employment from the County, the employee is paid out the balance of compensatory time at the hourly rate of pay as of the date or separation.

The County recognizes a liability for compensated absences and compensatory time that has not been used if (a) the leave is attributable to services already rendered, (b) the leave accumulates, and (c) the leave is more likely than not to be used for time off or otherwise paid in cash or settled through noncash means. The County estimates the portions of accrued leave that is more likely than not to be used for time off based on historical leave usage rates of its employees.

### Unearned Revenues

Unearned revenues arise when assets are recognized before revenue recognition criteria have been satisfied.

Grants and entitlements received before the eligibility requirements are met are recorded as unearned revenue on the governmental fund financial statements.

### Deferred Outflows/Inflows of Resources

A deferred outflow of resources is a consumption of net assets that is applicable to a future reporting period. Deferred outflows of resources have a positive effect on net position, like assets; however, the actual outflow of resources (net decrease in assets or net increase in liabilities) was incurred in a prior period, and the outflow of resources is applicable to a later period.

In the government-wide financial statements, the County reports the unamortized balance of differences in expected and actual experience and changes of assumptions related to the net other post-employment benefit liability and the net pension liability and the pension contributions made subsequent to the measurement date as deferred outflow of resources.

A deferred inflow of resources is an acquisition of net assets that is applicable to a future reporting period. Deferred inflows of resources have a negative effect on net position, like liabilities; however, the actual inflow of resources (net increase in assets or net decrease in liabilities) was incurred in a prior period, and the inflow of resources is applicable to a later period.

Under the modified accrual basis of accounting, governmental funds report unavailable revenues from lessor arrangements, which are deferred and recognized as an inflow of resources in the period that the amounts become available that qualifies for reporting in this category. In the government-wide financial statements, the County reports the differences between expected and actual experience and changes of assumptions related to the net other post-employment benefit liability and net pension liability.

### Long-Term Obligations

In the government-wide financial statements, long-term obligations are reported as liabilities in the governmental activities statement of net position. Where applicable, bond and note premiums and discounts are deferred and amortized over the life of the bonds and notes using the effective interest method.

In the fund financial statements, governmental fund types recognize bond and note premiums and discounts, as well as bond and note issuance costs as expense, during the current 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 the actual debt proceeds received, are reported as debt service expenditures.

### Fund Balances

Governmental fund balance classifications are hierarchical and are based primarily on the extent to which the County is bound to honor constraints on the specific purposes for which amounts in the funds may be spent. The County's accounting and finance policies are used to interpret the nature and/or requirements of the funds and their corresponding assignment of restricted, committed, assigned or unassigned.

The County reports the following classifications for governmental fund balances:

Nonspendable Fund Balance - Nonspendable fund balances are amounts that cannot be spent because they are either (a) not in spendable form, such as inventory or prepaid expenses or (b) legally or contractually required to be maintained intact, such as a trust that must be retained in perpetuity. Specifically included in this category are prepaid expenses.

Restricted Fund Balance - Restricted fund balances are restricted when constraints placed on the use of resources are either (a) externally imposed by creditors, grantors, contributors or laws or regulations of other governments or (b) imposed by law through constitutional provisions or enabling legislation. Specifically included in this category are amounts restricted for highways and streets, opioid remediation settlement, library, community development, the Title IV D program and economic development.

Committed Fund Balance - Committed fund balances are amounts that can only be used for specific purposes as a result of constraints imposed by County Council by passing a resolution. Committed amounts cannot be used for any other purpose unless County Council removes those constraints by taking the same action. There are no fund balances meeting this category definition.

Assigned Fund Balance - Assigned fund balances are amounts that are constrained by the County's intent to be used for specific purposes, but are neither restricted nor committed. Intent is expressed by County Council or official to which County Council has delegated the authority to assign fund balances. County Council has delegated this authority to the Executive Director of the County as approved by the County fund balance policy. Specifically included in this category are amounts assigned for capital projects, appropriation for 2024 spending and contingency fund for constituent programs.

Assigned fund balance includes (a) all remaining amounts that are reported in governmental funds (other than the General Fund) that are not classified as nonspendable, restricted or committed and (b) amounts in the General Fund that are intended to be used for specific purpose. Specific amounts that are not restricted or committed in a special revenue or capital projects fund are assigned for purposes in accordance with the nature of their fund type. Assignment within the General Fund conveys that the intended use of those amounts is for a specific purpose that is narrower than the general purposes of the County itself.

Unassigned Fund Balance - Unassigned fund balances include the remaining amount available for appropriation within the General Fund which has not been classified with in the other above mentioned categories. Unassigned fund balance may also include negative balances for any governmental fund if the nonspendable amount exceeds amounts restricted, committed or assigned for those specific purposes.

In circumstances when an expenditure is made for a purpose for which amounts are available in multiple fund balance classifications, fund balance is depleted in the order of restricted, committed, assigned and unassigned.

**Net Position**

In the government-wide financial statements, net position is classified in the following categories.

Net Investment in Capital Assets - This amount consists of capital assets net of accumulated depreciation and reduced by outstanding debt attributable to the acquisition, construction or improvement of the assets.

Net investment in capital assets is calculated as follows:

| | Governmental Activities | Business-Type Activity | Total |
|---|---|---|---|
| Capital assets, net | $ 277,628,346 | $ 23,948,706 | $ 301,577,052 |
| Less general obligation debt | (330,174,433) | (25,373,230) | (355,547,663) |
| Less lease liability | (25,998,119) | - | (25,998,119) |
| Less subscription liability | (2,712,073) | - | (2,712,073) |
| Add back: | | | |
| Unspent capital-related bond proceeds | 104,250,092 | - | 104,250,092 |
| Noncapital long-term debt | 32,895,571 | - | 32,895,571 |
| Capital accounts payable and retainages payable | (22,882,673) | - | (22,882,673) |
| Net investment in capital assets | $ 33,006,711 | $ (1,424,524) | $ 31,582,187 |

Restricted Net Position - This amount is restricted by external creditors, grantors, contributors, laws or regulations or other governments, enabling legislation.

Unrestricted Net Position - This amount is all net position amounts that do not meet the definition of net investment in capital assets or restricted net position.

The County applies restricted resources first when an expense is incurred for purposes for which both restricted and unrestricted net position is available.

### Use of Estimates

The preparation of financial statements in conformity with accounting GAAP requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities at the date of the financial statements and the reported amounts of revenues and expenses during the reporting period. Actual results could differ from those estimates.

### Adoption of New Accounting Standards

In June 2022, the GASB issued Statement No.101, *Compensated Absences*. This Statement requires that liabilities for compensated absences be recognized in financial statements prepared using the economic resources measurement focus for (1) leave that has not been used and (2) leave that has been used but not yet paid in cash or settled through noncash means. A liability should be recognized for leave that has not been used if (a) the leave is attributable to services already rendered, (b) the leave accumulates, and (c) the leave is more likely than not to be used for time off or otherwise paid in cash or settled through noncash means. This standard was implemented January 1, 2024. The County recognized a liability of $3,419,386 on the government-wide financial statements.

## 2. Reporting Entity

This report includes all of the funds of the County. The reporting entity for the County consists of the primary government and its component units. Component units are legally separate organizations for which the primary government is financially accountable or other organizations for which the nature and significance of their relationship with the primary government are such that their exclusion would cause the reporting entity's financial statements to be misleading. The primary government is financially accountable if (1) it appoints a voting majority of the organization's governing body and it is able to impose its will on that organization, (2) it appoints a voting majority of the organization's governing body and there is a potential for the organization to provide specific financial benefits to or impose specific financial burdens on, the primary government and (3) the organization is fiscally dependent on and there is a potential for the organization to provide specific financial benefits to or impose specific financial burdens on, the primary government. Certain legally separate, tax-exempt organizations should also be reported as a component unit if all of the following criteria are met: (1) the economic resources received or held by the separate organization are entirely or almost entirely for the direct benefit of the primary government, its component units or its constituents; (2) the primary government or its component units, is entitled to or has the ability to access, a majority of the economic resources received or held by the separate organization; and (3) the economic resources received or held by an individual organization that the primary government or its component units, is entitled to or has the ability to otherwise access, are significant to the primary government.

### Fiduciary Component Unit

The Pension Trust Fund is established for the Delaware County Employees' Pension Plan (the Pension Plan). The Pension Plan functions for the benefit of these employees and is governed by the Retirement Board. The Retirement Board consists of three County Council members, the Controller and the County Treasurer. The County and the Pension Plan's participants are obligated to fund all Pension Plan costs based upon actuarial valuations. A primary government is considered to have a financial burden if it is legally obligated or has otherwise assumed the obligation to make contributions to the Pension Plan. Per the Commonwealth of Pennsylvania's Act 96 of 1971, contribution requirements of the Pension Plan members and the County may be amended by the General Assembly of the Commonwealth of Pennsylvania.

The Pension Trust Fund is reported as a fiduciary component unit and the data for the pension is included in the government's fiduciary fund financial statements as the Pension Trust Fund. No separate annual financial report is issued for the Pension Plan.

**Discretely Presented Component Units**

The County has determined that the Delaware County Solid Waste Authority (DCSWA), the Economic Development Corporation (EDC), the Redevelopment Authority of the County of Delaware (RDA), the Delaware County Chester Waterfront Industrial Development Authority (IDA), and the Delaware County Interactive Gaming Revenue Authority (DCIGRA) are separate legal entities for which the County has a significant operational or financial relationship and should be included in the County's financial statements as aggregate discretely presented component units.

The Delaware County Solid Waste Authority is governed by a board appointed by County Council and County Council has the ability to impose its will on the DCSWA. Additionally, the DCSWA is financially dependent on the County. Its purpose is to provide waste disposal almost entirely for citizens of the County.

The Economic Development Corporation is governed by a board appointed by County Council. County Council has the ability to impose its will and is financially responsible for the EDC. Its purpose is to encourage economic development in Delaware County by facilitating the retention of existing business, the formation of new business and the vitality of all business within the County of Delaware.

The Redevelopment Authority of the County of Delaware is governed by a board appointed by County Council. County Council has the ability to impose its will on the RDA. The RDA was created by the County for the delivery of services to County residents, pursuant to the Urban Redevelopment Law, Act of 1945. The RDA acts as the vehicle for condemnation and development within the County.

The Delaware County Chester Waterfront Industrial Development Authority is governed by a board whose voting majority is appointed by County Council. County Council has the ability to impose its will and is financially responsible for the IDA. The IDA is an industrial development authority incorporated in the Commonwealth of Pennsylvania on July 3, 2008. IDA was formed pursuant to the Economic Development Financing Law (73 P.S. Section 371) for the purpose of acquiring, constructing, financing, improving and maintaining industrial and commercial development projects and public facilities in certain geographic regions within the City of Chester.

The Delaware County Interactive Gaming Revenue Authority is governed by a board appointed by County Council. Its purpose is to receive a portion of the local share assessment equal to 1% of Harrah's Philadelphia's daily gross interactive gaming revenue to be used for certain grants within the County. DCIGRA was incorporated by the County for the purpose of receiving local share funds pursuant to 4 Pa C.S.A. Section 13B53 and utilizing the funds to provide grants to be used for economic development, municipal police and emergency services, and other purposes in the public interest.

Complete financial statements for the individual component units can be obtained from their respective administrative offices as follows:

- Delaware County Solid Waste Authority
  610 East Baltimore Pike
  Media, Pennsylvania 19063

- Economic Development Corporation
  2 West Baltimore Pike, Suite 200
  Media, Pennsylvania 19063

- Delaware County Chester Waterfront
  Industrial Development Authority
  2 West Baltimore Pike, Suite 200
  Media, Pennsylvania 19063
- Redevelopment Authority of the County of Delaware
  2 West Baltimore Pike, Suite 200
  Media, Pennsylvania 19063
- Delaware County Interactive Gaming Revenue Authority
  201 West Front Street
  Media, Pennsylvania 19063

The following presents the condensed financial statements for each of the discretely presented component units.

**Condensed Statement of Net Position**
**December 31, 2024**

| | Solid Waste Authority | Economic Development Corporation | Waterfront Industrial Development Authority | Redevelopment Authority | Interactive Gaming Revenue Authority | Totals |
|---|---|---|---|---|---|---|
| Assets: | | | | | | |
| Current assets | $ 44,900,055 | $ 2,442,736 | $ - | $ 1,476,839 | $ 800,684 | $ 49,620,314 |
| Long-term assets | 169,149 | - | - | - | - | 169,149 |
| Capital assets, net | 57,886,161 | 33,847 | 15,531,786 | 1,024,199 | - | 74,475,993 |
| Total assets | 102,955,365 | 2,476,583 | 15,531,786 | 2,501,038 | 800,684 | 124,265,456 |
| Deferred outflows of resources | 379,917 | - | - | - | - | 379,917 |
| Total | $ 103,335,282 | $ 2,476,583 | $ 15,531,786 | $ 2,501,038 | $ 800,684 | $ 124,645,373 |
| Liabilities: | | | | | | |
| Current liabilities | $ 7,821,205 | $ 337,803 | $ - | $ 773,205 | $ 1,580 | $ 8,933,793 |
| Due to primary government | 7,475,000 | - | - | - | - | 7,475,000 |
| Long-term liabilities | 56,808,790 | - | - | - | - | 56,808,790 |
| Total liabilities | 72,104,995 | 337,803 | - | 773,205 | 1,580 | 73,217,583 |
| Deferred inflows of resources | 175,738 | - | - | - | - | 175,738 |
| Net position: | | | | | | |
| Net investment in capital assets | 36,571,070 | 33,847 | 15,531,786 | 1,024,199 | - | 53,160,902 |
| Restricted | - | 19,976 | - | - | - | 19,976 |
| Unrestricted | (5,516,521) | 2,084,957 | - | 703,634 | 799,104 | (1,928,826) |
| Total net position | 31,054,549 | 2,138,780 | 15,531,786 | 1,727,833 | 799,104 | 51,252,052 |
| Total | $ 103,335,282 | $ 2,476,583 | $ 15,531,786 | $ 2,501,038 | $ 800,684 | $ 124,645,373 |

| | Condensed Statement of Activities | | | | | |
|---|---|---|---|---|---|---|
| | For the Year Ended December 31, 2024 | | | | | |
| | Solid Waste Authority | Economic Development Corporation | Waterfront Industrial Development Authority | Redevelopment Authority | Interactive Gaming Revenue Authority | Totals |
| Program revenues: | | | | | | |
| Charges for services | $ 53,406,402 | $ 86,561 | $ - | $ - | $ - | $ 53,492,963 |
| Operating grants and contributions | - | 985,566 | - | 7,974,508 | 1,102,156 | 10,062,230 |
| Total | 53,406,402 | 1,072,127 | - | 7,974,508 | 1,102,156 | 63,555,193 |
| Expenses: | | | | | | |
| Operating expenses | 43,807,580 | 1,042,157 | 978,833 | 7,906,988 | 766,243 | 53,501,801 |
| Net revenue (expense) | 9,598,822 | 29,970 | (978,833) | 67,520 | 335,913 | 9,053,392 |
| General revenues, net | 1,618,740 | 189,306 | - | 36,957 | 3,556 | 1,848,559 |
| Change in net position | 11,217,562 | 219,276 | (978,833) | 104,477 | 339,469 | 10,901,951 |
| Net position, beginning* | 19,836,987 | 1,919,504* | 16,510,619 | 1,623,356 | 459,635 | 40,350,101 |
| Net position, ending | $ 31,054,549 | $ 2,138,780 | $ 15,531,786 | $ 1,727,833 | $ 799,104 | $ 51,252,052 |

* The Economic Development Corporation net position balance was restated as of January 1, 2024 from $1,959,110 to $1,919,504, which is a decrease of $39,606. The adjustment was due to a restatement of other current assets of $39,606.

### Related Organizations

The following organizations are considered to be related organizations of the County because of their relationship and mutual interest. Although the County appoints a voting majority of the organizations' governing boards in most instances, the County has determined that these organizations are not component units. These related organizations are as follows:

- Delaware County Housing Authority
- Delaware County Housing Development Corporation
- Delaware County Regional Water Quality Control Authority
- Delaware County Industrial Development Authority
- Community Transit of Delaware County, Inc.
- Community Action Agency of Delaware County
- Delaware County Authority
- Delaware Valley Regional Finance Authority (DVRFA)

## 3. Component Units, Summary of Significant Accounting Policies

### Solid Waste Authority

#### Basis of Accounting

The measurement focus is on the flow of economic resources and the accrual basis of accounting, whereby revenues are recognized when earned and expenses are recorded when incurred. Proprietary and fiduciary fund financial statements are reported using the economic resources measurement focus and the accrual basis of accounting.

### Landfill Site/Depletion

The estimated value of the landfill at acquisition and additional purchases for expanding capacity is being depleted over the projected life of the landfill. Depletion is charged annually against income in a manner consistent with the physical usage of the site based upon the site's estimated capacity. The estimated remaining landfill life is a minimum of 10 years.

### Closure and Post Closure Costs

Municipal landfill owners and operators are required to incur costs to provide for protection of the environment both during the period of the landfill operation and during the post closure period. These costs are estimated annually and current cost is adjusted for changes in landfill capacity, operating conditions and increases or decreases in estimated costs. Closure and post closure costs include equipment installed and facilities constructed near or after the date of acceptance of solid waste, cost of the final capping and the cost of monitoring and maintaining the area during the post closure period. The DCSWA has established an account to accumulate the anticipated cost of closure and post closure based on usage of the landfill. An amount is charged annually to operations to recognize the current cost and resultant liability based on landfill capacity used to date.

The estimate of closure and post closure costs were determined taking into account capping, revegetation, maintenance, leachate treatment, water quality monitoring and gas control. In determining the closure and post closure costs, an inflation rate was utilized at the rate of 5.4%, plus administrative fees of 10% and a contingency charge of $956,623 that would anticipate covering unexpected changes in technology, inflation or applicable laws and regulations.

On October 5, 2022, DCSWA obtained a surety bond amounting to $25,871,604 to cover post closure costs. In 2023, the premium paid for the surety bond was $206,973.

Pursuant to the Municipal Waste Planning, Recycling and Waste Reduction Act of the Commonwealth of Pennsylvania, Act No. 101 of July 28, 1988, P.L. 556, DCSWA is required to pay to a trust, on a quarterly basis, $0.25 per ton of weighed waste to be used for remedial measures and emergency actions necessary to prevent or abate adverse effects on the environment subsequent to landfill closure. Any funds remaining in the trust subsequent to the final closure are divided between the host county and host authority.

Accrued closure and post closure costs, as reflected on the statement of net position, totaled $18,961,347 as of December 31, 2024. Accrued closure and post-closure costs are estimated using the DEP's cost requirement to close the landfill as a percentage of landfill capacity used to date. Post-closure costs ended for the year amounted to $954,007. The estimated closure and post closure costs total $25,871,604, comprised of $6,739,146 of closure costs and $19,132,458 of post closure costs. At December 31, 2024, there remains $6,910,257 in closure and post closure costs to be recognized in excess of the Act 101 requirements previously mentioned.

### Capital Assets

Capital assets are recorded at actual cost or estimated historical cost. Donated assets are valued at their estimated fair value on the date donated.

Depreciation of all exhaustible capital assets is charged as an expense against their operations. Depreciation is recorded on a straight-line basis over the estimated useful lives of the assets, which range from 2 to 37 years.

The DCSWA capitalizes assets in excess of $2,000 and an estimated useful life in excess of one year.

**Environmental Liability, Department of Environmental Protection**

In 2013, the DCSWA entered into a consent agreement with the Department of Environmental Protection (DEP) whereby the DCSWA agreed to update the leachate treatment facility to accommodate the treatment of the leachate. As a part of their settlement with the DEP regarding the treatment of leachate, the DCSWA established a reserve totaling $500,000 as ordered by the DEP to be used to pay for future environmental projects in the neighborhood. Interest earned on the account has been included in the total reserve balance. In 2024, the DCSWA did not pay any costs for local environmental projects. The total liability at December 31, 2024 was $147,518, which was included in accounts payable and other liabilities on the statement of net position.

**Reworld Waste, LLC, Revenues and Expenses**

As of May 1, 2022, DCSWA and Reworld Waste, LLC (Reworld) (formerly Covanta Delaware Valley LP) entered into an amended and restated service agreement for a three year term, with two one-year term options. Under the revised agreement, DCSWA has the right to deliver up to 375,000 tons of waste per year. Unlike previous years, DCSWA has no obligation to deliver any minimum amounts of waste. DCSWA is obligated to receive for disposal one ton of ash for each ton of waste they have processed by Reworld on an annual basis. The ash disposal commitment is subject to a 12-month renewal term. For cash management purposes, the two parties have agreed that the party owing the net balance shall pay to the order of the other party the statement balance within 30 days. During 2024, the DCSWA paid to Reworld $15,017,684, for its County waste processing expenses. Reworld paid to the DCSWA $9,469,105 in ash disposal charges.

**Folcroft Landfill Annex**

DCSWA is a party to a Landfill Settlement Group, with 14 other parties. In 2006, DCSWA entered into an Administrative Settlement Agreement and Order on Consent (Settlement Agreement) between the United States Environmental Protection Agency (USEPA) and Folcroft Landfill Steering Committee to properly close and remediate a former landfill that accepted a variety of waste to EPA standards. To date, the Settlement group has investigated different options regarding the remediation of the site. While the final cost share is unknown at this time, DCSWA anticipates final costs for remediation to be presented and paid in the 2024-2025 fiscal year.

**Waterfront Industrial Development Authority**

**Capital Assets**

Capital assets shown on these financial statements have been primarily financed by grants from both the County and the RDA. Depreciation is provided over the assets' useful lives using the straight-line method of depreciation.

**Lease and Development Agreement**

The IDA entered into a lease and development with F.C. Pennsylvania Stadium LLC, as tenant of the stadium property to acquire, construct, furnish and equip a new stadium with related improvements and amenities. Further, the tenant will occupy the stadium premises during the terms of the lease as the tenant's exclusive forum and location for playing and exhibition. The IDA retains legal ownership of and legal title to the stadium premises. However, during the term of the agreement, the tenant has legal and beneficial ownership of and legal title to leasehold interest in and to the stadium facility.

For the year ended December 31, 2024, the County contributed $21,825 to the Delaware County Economic Development Corporation for expenses incurred for IDA.

## 4. Deposits and Investments

The County's investments are included primarily in the Pension Trust Fund (the Fund) and are invested in accordance with Delaware County Retirement Board's (the Board) investment policy. The policy authorizes the County to invest in a diversified portfolio, including domestic and international equities, fixed income securities and cash and cash equivalents. The policy prohibits investments in letter stock or other unregistered securities, commodities or commodity contracts, short sales, margin transactions, private placements (with the exception of Rule 144A securities), derivatives, options or futures.

In defining the objectives of the Pension Trust Fund, the Board has carefully reviewed its current and projected financial obligations as well as the risk and return relationships included in various asset allocation strategies. Based on these considerations, the Fund objectives are:

1. To invest assets of the Pension Trust Fund in a manner consistent with the fiduciary standards of Act 96, namely: (a) all transactions undertaken must be for the sole interest of Fund participants and their beneficiaries and to provide maximum benefits and defray reasonable expenses in a prudent manner and (b) assets are to be diversified in order to minimize the impact of large losses in individual investments.

2. To provide for the funding and anticipated withdrawals on a continuing basis.

3. To conserve and enhance the capital value of the Pension Trust Fund in real terms through asset appreciation and income generation, while maintaining a moderate investment risk profile.

4. To minimize principal fluctuations over the investment cycle (three to five years).

5. To achieve a long-term level of return commensurate with contemporary economic conditions and equal to or exceeding the investment objective set forth in the policy of the Board.

Equity funds invested in common stock, preferred stocks and publicly traded real estate investment trusts shall be restricted to the high quality, readily marketable securities of corporations that are actively traded on a major exchange.

Not more than 5% of the total stock portfolio valued at market may be invested in the common stock of any one corporation. Ownership of the shares of one company shall not exceed 2% of those outstanding. Not more than 25% of stock valued at market may be held in any one industry category. Other than these constraints, there are no qualitative guidelines suggested as to issues, industry or individual security diversification.

To maintain an effective money management structure that is style neutral, the large capitalization growth equity portion of the investment portfolio shall not exceed the large capitalization value equity portion of the portfolio by more than a two-to-one ratio. Conversely, value shall not exceed growth by the same ratio. This same relationship should be followed for the portfolio's small capitalization equity money managers as well.

With regards to fixed income investments, all investments shall be high quality, marketable securities with a preponderance of the investments in (1) U.S. treasury, federal agencies and U.S. government-guaranteed obligations and (2) investment grade municipal or corporate issues, including convertibles.

### Credit Risk and Concentration of Credit Risks

Concentration of credit risk is the risk of loss attributed to magnitude of the County's investment in a single issuer. Fixed income securities of any one issuer shall not exceed 5% of the total bond portfolio at time of purchase. This does not apply to issues of the U.S. treasury or other federal agencies.

Credit risk is the risk that an issuer of an investment will not fulfill its obligation to the holder of the investment. This is measured by the assignment of a rating by a nationally recognized rating organization. The overall rating of the fixed income assets shall be at least "A," according to either Moody's or Standard & Poor's rating system. In cases where the yield spread adequately compensates for additional risk, Baa or BBB ratings can be purchased up to a maximum of 15% of total market value of fixed income securities. If the credit quality of any one issue should drop below Baa or BBB, the investment manager should notify the Board and the investment consultant immediately, detailing their plan of action regarding the security.

Active bond management is encouraged and may require transactions that will temporarily lower the return or change the maturity of the portfolio in anticipation of market changes. Holdings of individual securities should be liquid so as not to incur unnecessary transaction costs.

The following securities and transactions are not authorized and shall not be purchased: letter stock and other unregistered securities, commodities or commodity contracts, short sales, margin transactions, private placements (with exception of Rule 144A securities), derivatives, options of futures for the purpose of portfolio leveraging are also prohibited, issues of or by instrumentalities deemed to be in violation of the Prohibited Transactions Standards of Act 96. Neither real estate equity nor natural resource properties such as oil, gas or timber may be held except by purchase of publicly traded securities, except for existing real estate holdings. The purchase of collectibles is also prohibited.

All securities shall be held by a custodian appointed by the Board for safekeeping. The custodian shall produce statements at least quarterly listing the name and value of all assets held and the dates and nature of all transactions. Assets of the Fund held as liquidity of investment reserves shall, at all times, be invested in interest-bearing accounts.

At December 31, 2024, cash and cash equivalents consists of cash on hand of $14,047, deposits with financial institutions of $345,080,130 and cash equivalents of $8,623,082 held in uninsured investment funds. At December 31, 2024, the carrying amount of deposits with financial institutions and the bank balance was $345,080,130 and $354,060,404, respectively. The differences were caused primarily by items in transit.

### Custodial Credit Risk

Custodial credit risk is the risk that in the event of a bank failure, the County's deposits may not be returned to it. The County does not have a formal deposit policy for custodial credit risk. Commonwealth of Pennsylvania Act 72 of 1971 (Act 72), as amended, allows banking institutions to satisfy the collateralization requirement by pooling eligible investments to cover total public funds on deposit in excess of federal insurance. Such pooled collateral is pledged with the financial institutions' trust departments. At December 31, 2024, $1,250,000 of the County's bank balance was insured by the Federal Deposit Insurance Corporation (FDIC). The remaining balance of $352,810,404 is fully collateralized by securities pledged and held by the financial institution in accordance with Act 72, as indicated above. At December 31, 2024, the County's bank balance was exposed to custodial credit risk as follows:

| | |
|---|---|
| Uninsured and collateral held by pledging bank's trust department not in the County's name | $ 352,810,404 |

Custodial credit risk is the risk that in the event of a failure of the counterparty (trustee) to a transaction, the County will not be able to recover the value of its investment. The Board does not have a formal policy for custodial credit risk. As of December 31, 2024, the County's total cash equivalents and investments held with investment fund institutions, excluding its investment in joint venture of $147,942,703, were exposed to custodial credit risk, since the investments were uninsured securities held by its custodian, but not in the County's name.

### Interest Rate Risk

Interest rate risk is the risk that changes in market rates will adversely affect the fair value of an investment. Generally, the longer the maturity of an investment, the greater sensitivity of its fair value to changes in market interest rates. The Board's investment guidelines have no formal policy that limits investment maturities as a means of managing its exposure to interest rate risk. The Board has adopted a long-term investment horizon such that the chances and duration of investment losses are carefully weighed against the long-term potential for appreciation of assets.

### Foreign Currency Risk

Foreign currency risk is the risk that changes in the foreign exchange rates will adversely affect the fair value of an investment. The Board's policy allows 20% of the portfolio be invested in developed international markets. On December 31, 2024, the international equity fund represented approximately 13.4% of the total portfolio.

The following is the carrying value of deposits and investments at December 31, 2024:

| | Moody's Rating (1) | Duration (Range) (1) | Carrying Value |
|---|---|---|---|
| Cash and cash equivalents | N/A | N/A | $ 353,717,259 |
| Investments: | | | |
| Common and preferred stocks and stock funds | N/A | N/A | 142,427,646 |
| Equity mutual funds | N/A | N/A | 293,901,351 |
| Bond mutual funds | N/A | N/A | 46,539,748 |
| Corporate bonds | A1 | 0.29-17.57 | 7,520,142 |
| | A2 | 0.17-29.31 | 4,625,116 |
| | A3 | 0.20-21.10 | 7,503,703 |
| | AA2 | 0.14-17.38 | 1,202,998 |
| | AA3 | 0.63-39.64 | 1,961,709 |
| | AAA | 2.87-45.44 | 395,778 |
| | BAA1 | 0.16-28.18 | 10,645,969 |
| | BAA2 | 0.06-30.72 | 8,820,679 |
| | BAA3 | 0.41-39.81 | 3,742,412 |
| | N/A | 0.20-9.83 | 589,151 |
| U.S. government securities | AAA | 1.37-29.89 | 57,963,009 |
| | N/A | 1.00-29.77 | 26,719,524 |
| Municipal bonds | A1 | 28.06 | 130,453 |
| | A2 | 0.50 | 133,261 |
| | A3 | 1.75-26.52 | 946,125 |
| | AA1 | 0.58 | 248,448 |
| | AA2 | 0.84-24.35 | 2,996,889 |
| | AA3 | 0.50-28.56 | 1,612,361 |
| | AAA | 14.93-29.52 | 741,413 |
| | N/A | 1.16-26.43 | 4,025,143 |
| Asset-backed securities | AA2 | 1.68-37.33 | 4,313,699 |
| | N/A | 2.30-44.40 | 2,065,983 |
| Mortgage-backed securities | AA2 | 22.45 | 75,215 |
| | AAA | 25.81-33.56 | 98,557 |
| | N/A | 28.15-30.15 | 185,748 |
| Annuity contracts | AA- | N/A | 3,974,091 |
| Guaranteed investment contracts | A+ | 27.00 | 30,657,236 |
| Private equity fund | N/A | N/A | 5,301,993 |
| Total investments in pension trust fund | | | 672,065,550 |
| Total | | | $ 1,025,782,809 |

(1) N/A - not applicable

## 5. Fair Value Measurements

The County's cash and cash equivalents and investments measured at fair value include the following assets from each major fund classification at December 31, 2024:

| | Cash and Cash Equivalents | Restricted Cash and Cash Equivalents | Investments | Total |
|---|---|---|---|---|
| Governmental activities | $ 135,731,549 | $ 163,784,329 | $ - | $ 299,515,878 |
| Business-type activity | 4,276,723 | 1,208,431 | - | 5,485,154 |
| Pension Trust Fund | 8,623,082 | - | 672,065,550 | 680,688,632 |
| Custodial Funds | 40,093,145 | - | - | 40,093,145 |
| Total cash and cash equivalent and investments | $ 188,724,499 | $ 164,992,760 | $ 672,065,550 | $ 1,025,782,809 |

The County measures its cash and cash equivalents and investments on a recurring basis in accordance with the fair value hierarchy. The investments were measured with the following inputs at December 31, 2024:

| | Carrying Value | Quoted Prices in Active Markets (Level 1) | Other Observable Inputs (Level 2) | Significant Unobservable Inputs (Level 3) | Total |
|---|---|---|---|---|---|
| Cash and cash equivalents | $ 353,717,259 | $ 353,717,259 | $ - | $ - | $ 353,717,259 |
| Common stock | 142,427,646 | 142,427,646 | - | - | 142,427,646 |
| Equity mutual funds | 293,901,351 | 293,901,351 | - | - | 293,901,351 |
| Bond mutual funds | 46,539,748 | 46,539,748 | - | - | 46,539,748 |
| Fixed income securities: | | | | | |
| Corporate bonds | 47,007,657 | - | 47,007,657 | - | 47,007,657 |
| U.S. government securities | 84,682,533 | - | 84,682,533 | - | 84,682,533 |
| Municipal bonds | 10,834,093 | - | 10,834,093 | - | 10,834,093 |
| Asset-backed securities | 6,379,682 | - | 6,379,682 | - | 6,379,682 |
| Mortgage-backed securities | 359,520 | - | 359,520 | - | 359,520 |
| Annuity contracts | 3,974,091 | - | - | 3,974,091 | 3,974,091 |
| Guaranteed investment contracts | 30,657,236 | - | - | 30,657,236 | 30,657,236 |
| Total cash, cash equivalents, and investments at fair value | | $ 836,586,004 | $ 149,263,485 | $ 34,631,327 | |
| Investments valued at net asset value: | | | | | |
| Private equity fund | 5,301,993 | | | | 5,301,993 |
| Total cash, cash equivalents and investments | $ 1,025,782,809 | | | | $ 1,025,782,809 |

Fair value is 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. Inputs to valuation techniques refer to the assumptions that market participants would use in pricing the asset or liability. Inputs may be observable, meaning those that reflect the County's own belief about the assumptions market participants would use in pricing the asset or liability based upon the best information available in the circumstances. Additionally, the inputs are prioritized based on a three-level hierarchy that gives the highest priority to quoted prices in active markets for identical assets or liabilities and the lowest priority to unobservable inputs.

The fair value hierarchy is as follows:

Level 1 - Valuations are based on unadjusted quoted prices in active markets that are accessible at the measurement date for identical assets or liabilities.

Level 2 - Valuations are based on quoted prices in markets that are not active, or inputs that are observable either directly or indirectly, for substantially the full term of the asset or liability.

Level 3 - Valuations are based on prices or valuation techniques that require inputs that are both significant to the fair value measurement and unobservable (i.e., supported by little or no market activity).

The following is a description of the valuation methodologies used for assets measured at fair value:

*Cash and cash equivalents:* The carrying amounts approximate fair value because of the short maturity of this financial instrument.

*Common stock:* Valued at fair value based upon quoted market prices.

*Mutual funds:* Valued at fair value based upon quoted market prices

*Fixed income:* Valued at fair value based upon quoted market prices, if available, or estimated using quoted market prices for similar securities.

Annuity contracts: Valued at contract value, which approximates fair value, based on the Prudential Insurance Company of America's (Prudential) ability to pay the guaranteed amounts in accordance with the terms of the contract. As of December 31, 2024, Prudential's credit ratings were as follows: A+ by A.M. Best Company, AA- by Fitch Ratings, A1 by Moody's Investors Service and AA- by Standard & Poor's. Management believes the credit ratings of Prudential as of the measurement date uphold the firm's ability to meet obligations set forth in the contracts.

Guaranteed investment contracts: Valued at contract value, which approximates fair value, based on Nationwide Life Insurance Company's (Nationwide) ability to pay the guaranteed interest rate in accordance with the terms of the contract. As of December 31, 2024, Nationwide's credit ratings were as follows: A+ by A.M. Best Company, A1 by Moody's Investors Service and A+ by Standard & Poor's. Management believes the credit ratings of Nationwide as of the measurement date uphold the firm's ability to meet obligations set forth in the contracts.

Private equity investment: The County's investment in a private equity investment is reported at net asset value (NAV) of the County's proportionate share of the total private equity investment fund. The estimated NAV per share is determined based on the fair value of the underlying assets held by the private equity investment fund. The County will receive distributions of its initial capital contribution and accumulated earnings on a periodic basis. The County cannot redeem or exit the private equity investment until the termination date of the fund. The termination date of the fund is the earlier of June 28, 2031, or the date on which all the fund's assets have been distributed. The unfunded portion of the County's funding commitment as of December 31, 2024, is $595,000.

## 6. Component Units, Deposits, Investments and Fair Value

### Solid Waste Authority

On December 31, 2024, the DCSWA held $38,626,205 in cash and cash equivalents without restriction.

On December 31, 2024, restricted cash consists of $147,518 in cash balance held in settlement with the Department of Environmental Protection.

At December 31, 2024, the carrying amount of the DCSWA's deposits was $38,773,723, and the bank balance was $41,315,661. Of the bank balance, $397,518 was covered by federal depository insurance, and $392,253 was collateralized by pooled securities in accordance with the Act 72. The deposits collateralized in accordance with Act 72 were exposed to custodial credit risk because they were uninsured, and the collateral held by the depository's agent was not in the DCSWA's name. The remaining cash deposits of the Authority in the amount of $40,525,890 was held with the Pennsylvania Local Government Investment Trust (PLGIT). Although not registered with the Securities and Exchange Commission and not subject to regulatory oversight, PLGIT acts like a money market mutual fund in that its objective is to maintain a stable net asset value of $1 per share, is rated by a nationally recognized statistical rating organization, and is subject to an independent annual audit. As of December 31, 2024, PLGIT was rated as AAAm by a nationally recognized statistical rating agency.

### Economic Development Corporation

On December 31, 2024, the total carrying amount of EDC's cash and cash equivalents were $2,189,309, and the corresponding bank balances were $2,189,309.

The EDC's policy is to place deposits only in FDIC insured institutions. Deposits in excess of the FDIC limit are collateralized pursuant to Act 72, which allows depositories to satisfy collateralization requirements by pooling eligible investments to cover total public funds on deposit in excess of federal insurance. In the normal course of business, EDC may have deposits that exceed insured balances.

### Redevelopment Authority

On December 31, 2024, the RDA held $1,463,721 in cash and cash equivalents without restriction.

On December 31, 2024, the total carrying amount of RDA's cash and cash equivalents were $1,463,721, and the corresponding bank balances were $1,463,721.

The RDA does not have a policy for custodial credit risk. In the normal course of business, the RDA may have deposits that exceed insured balances.

### Interactive Gaming Revenue Authority

The DCIGRA's deposits are held in a bank account which is covered by federal depository insurance up to $250,000. Custodial credit risk is the risk that in the event of a bank failure, the government's deposits may not be returned. DCIGRA does not have a policy for custodial credit risk on deposits. At December 31, 2024, the carrying amount of DCIGRA's deposits was equal to the bank balance of $536,957, and the bank balance was $544,888. Of the bank balance, $250,000 was covered by the FDIC. The remaining balance of $294,888 was uninsured and subject to custodial credit risk.

## 7. Property Taxes

### Real Estate Property Taxes

Real estate property taxes attach as an enforceable lien on property on January 1. Taxes are levied on February 1, payable on the following terms: 2% discount February 1 through April 1; face amount April 2 through June 1; and 10% penalty after June 2. The County bills and collects its own property taxes. Revenues are recognized in the period in which they become susceptible to accrual, which is when they become both measurable and available. Real estate taxes receivable are recorded net of an allowance for uncollectibles totaling $258,421 as of December 31, 2024, on the statement of net position.

The County is permitted by law to levy taxes of an unlimited rate of mills on every dollar of assessed value of real property for general governmental services. At December 31, 2024, the millage rate was 3.149 mills on each dollar of assessed valuation, or $3.149 on each one thousand dollars of assessed valuation.

## 8. Accounts and Grants Receivable, Net

Business-type activity net accounts receivable of $11,502,855 consists of amounts due from the Commonwealth of Pennsylvania, Department of Human Service Medical Assistance of $10,065,385; Private Pay Patients of $2,618,146; Medicare Part A and B of $1,855,603 and other patient-related receivables of $337,481. The accounts receivable allowance for uncollectibles is calculated based on historical data and currently known facts and was $3,373,760 at December 31, 2024.

Governmental activities net accounts receivable of $1,211,244 consists of amounts due from the Commonwealth of Pennsylvania and Harrah's Chester for gaming revenue of $771,505; ACT 164 Rideshare fees for $325,508 and various miscellaneous receivables of $114,231.

Governmental activities net grants receivable of $155,719,587 consists of the receivables due from the Commonwealth of Pennsylvania and federal granting agencies to the General Fund of $4,919,737, to Health and Human Services of $71,897,859, and to Other Governmental Funds of $21,057,236, as well as amounts due from the Pennsylvania Opioid Misuse and Addiction Abatement Trust of $57,844,755 for payment under the opioid remediation settlement (Note 34).

## 9. Other Receivables

Other receivables of $5,155,266 in the governmental activities consist of amounts due from the City of Chester of $4,662,266 (Note 31), $435,000 note receivable from the City of Chester and $58,000 due from the Borough of Eddystone related to the General Obligation Notes, 2021 Series (Note 17).

## 10. Lessor, Leases Receivable

The County has multiple building and cell tower lease agreements in effect as of December 31, 2024. The deferred inflow of resources associated with these leases have been recognized as a receivable in both the fund financial statements and government-wide statement of net position based on the present value of future rental payments expected to be received during the lease term.

Lease terms may include options to extend or terminate certain leases. The value of the lease is reflected in the valuation if it is reasonably certain an option to extend or terminate is exercised.

The County has certain leases that are for periods of 12 months or less. Leases with an initial term of 12 months or less are not recorded on the government-wide statement of net position since the County has elected the practical expedient to exclude these leases from lease receivable and deferred inflow of resources. Short-term lease revenues are recognized on a straight-line basis over the lease term as program revenues.

| Lease Receivables Description | Weighted Average Lease Term (Years) | Interest Rates | Receivable Balance |
|---|---|---|---|
| Buildings | 11.48 | 2.29 % | $ 1,223,391 |
| Cell phone towers | 15.53 | 2.29 | 4,294,444 |
| | | | $ 5,517,835 |

The present value of future payments receivable are as follows:

| | Principal Receivable | Interest Receivable | Total Principal and Interest Receivable |
|---|---|---|---|
| Years: | | | |
| 2025 | $ 754,794 | $ 111,992 | $ 866,786 |
| 2026 | 612,624 | 95,923 | 708,547 |
| 2027 | 633,701 | 81,212 | 714,913 |
| 2028 | 651,030 | 66,085 | 717,115 |
| 2029 | 670,712 | 50,581 | 721,293 |
| 2030 - 2034 | 1,720,226 | 118,690 | 1,838,916 |
| 2035 - 2039 | 390,865 | 25,215 | 416,080 |
| 2040 | 83,883 | 41 | 83,924 |
| Total | $ 5,517,835 | $ 549,739 | $ 6,067,574 |

The County recognized $956,546 in rental revenue included in other revenue on the statement of revenues, expenditures and changes in fund balances.

## 11. Component Units, Accounts Receivable, Net

The DCSWA manages the County owned transfer stations and is responsible for the receipt and transfer of solid waste materials as provided by commercial or private haulers. Beginning in January 1995, it was determined by agreement between the DCSWA and the County that the fees and permits collected from commercial or private haulers would remain with the DCSWA and represent income. Fees that were due relative to the receipt of solid waste at December 31, 2024, are represented by receivables in the amount of $5,839,268, net of an allowance for doubtful accounts of $0.

**12. Restricted Assets**

Assets whose use is limited to a specific purpose have been classified as "restricted" cash and cash equivalents in the statement of net position. As of December 31, 2024, restricted cash and cash equivalents are held for the following:

| | |
|---|---|
| Primary government: | |
| District Attorney asset forfeiture funds represent monies confiscated from arrested individuals, which ultimately will be distributed based upon court order. (The aggregate amount has been classified as other restricted assets on the General Fund balance sheet) | $ 261,242 |
| Marcellus Shale Funds are restricted pursuant to PA Act 13, for replacement or repair of locally owned, at-risk, deteriorated bridges and the planning, acquisition, development, rehabilitation and repair of greenways, recreational trails, open space, natural areas, community conservation and beautification projects, community and heritage parks and water resources management | 10,934,173 |
| Workers' Compensation Escrow Funds are to be utilized for payment of major workers' compensation claims | 2,172,645 |
| Capital Project Funds held for debt service payments and to be utilized for various capital improvement projects as defined in the corresponding note agreements | 104,250,092 |
| Health and Human Service Funds to be utilized for Health Choices reinvestment plans | 28,731,297 |
| Health and Human Service Funds to be utilized for Health Choices risk and contingency payments associated with in-plan services or to be utilized for future reinvestments. | 17,434,880 |
| Residents' Accounts are to be utilized by the residents; Residents Special Aid and Entertainment Escrow Funds are to be utilized for entertainment of the Geriatric Center's residents and are distributed by a resident's council; both are classified as other restricted assets on the proprietary funds statement of net position | 1,208,431 |
| Total primary government | 164,992,760 |
| Component units: | |
| Delaware County Solid Waste Authority deposited funds with an escrow agent | 147,518 |
| Total | $ 165,140,278 |

## 13. Capital Assets

A summary of changes in capital assets follows:

| | January 1, 2024 | Additions | Reclassifications/ Disposals | December 31, 2024 |
|---|---|---|---|---|
| Governmental activities: | | | | |
| Capital assets not being depreciated: | | | | |
| Land | $ 30,673,714 | $ - | $ - | $ 30,673,714 |
| Construction in progress | 19,694,854 | 8,505,664 | - | 28,200,518 |
| Total capital assets not being depreciated | 50,368,568 | 8,505,664 | - | 58,874,232 |
| Capital assets being depreciated: | | | | |
| Land improvements | 23,823,994 | - | - | 23,823,994 |
| Buildings and improvements | 266,652,399 | 12,428,532 | - | 279,080,931 |
| Equipment | 150,565,136 | 3,293,039 | - | 153,858,175 |
| Infrastructure | 27,742,342 | - | - | 27,742,342 |
| Right-to-use leased assets | 38,265,642 | 2,933,552 | (813,359) | 40,385,835 |
| Subscription assets | 5,764,610 | - | - | 5,764,610 |
| Total capital assets being depreciated | 512,814,123 | 18,655,123 | (813,359) | 530,655,887 |
| Less accumulated depreciation for: | | | | |
| Land improvements | 17,034,329 | 667,321 | - | 17,701,650 |
| Buildings and improvements | 146,788,379 | 5,032,703 | - | 151,821,082 |
| Equipment | 112,663,933 | 5,953,970 | - | 118,617,903 |
| Infrastructure | 6,038,848 | 282,037 | - | 6,320,885 |
| Right-to-use leased assets | 9,326,893 | 5,874,182 | (813,359) | 14,387,716 |
| Subscription assets | 1,471,519 | 1,581,018 | - | 3,052,537 |
| Total accumulated depreciation | 293,323,901 | 19,391,231 | (813,359) | 311,901,773 |
| Total capital assets being depreciated, net | 219,490,222 | (736,108) | - | 218,754,114 |
| Governmental activities, capital assets, net | $ 269,858,790 | $ 7,769,556 | $ - | $ 277,628,346 |

| | January 1, 2024 | Additions | Reclassifications/ Disposals | December 31, 2024 |
|---|---|---|---|---|
| Business-type activity: | | | | |
| Geriatric Center: | | | | |
| Capital assets being depreciated: | | | | |
| Buildings and improvements | $ 75,344,330 | $ 444,932 | $ - | $ 75,789,262 |
| Equipment | 43,520,770 | 958,561 | - | 44,479,331 |
| Total capital assets being depreciated | 118,865,100 | 1,403,493 | - | 120,268,593 |
| Less accumulated depreciation for: | | | | |
| Buildings and improvements | 50,810,732 | 1,626,009 | - | 52,436,741 |
| Equipment | 43,088,053 | 795,093 | - | 43,883,146 |
| Total accumulated depreciation | 93,898,785 | 2,421,102 | - | 96,319,887 |
| Total capital assets being depreciated, net | 24,966,315 | (1,017,609) | - | 23,948,706 |
| Business-type activity, capital assets, net | $ 24,966,315 | $ (1,017,609) | $ - | $ 23,948,706 |

Depreciation expense was charged to governmental activities as follows:

| | |
|---|---|
| General government | $ 8,544,508 |
| Judicial | 5,696,338 |
| Corrections | 1,057,633 |
| Public ways and facilities, including depreciation of general infrastructure assets | 282,037 |
| Health and human service | 1,239,842 |
| Recreation | 1,051,848 |
| Other | 1,519,025 |
| Total | $ 19,391,231 |

The following is a summary of capital assets by source:

| | |
|---|---|
| December 31, 1983 and prior | $ 63,888,593 |
| General obligation bonds | 399,044,298 |
| General fund | 1,832,021 |
| State grants | 19,556,914 |
| Restricted 911 special revenue | 59,057,848 |
| Right-to-use, leased asset (intangible asset) | 40,385,835 |
| Right-to-use, subscription asset (intangible asset) | 5,764,610 |
| Total | $ 589,530,119 |

### 14. Component Units, Capital Assets

The capital asset activity for the DCSWA for the year ended December 31, 2024, was as follows:

| | January 1, 2024 | Additions | Reclassifications/ Disposals | December 31, 2024 |
|---|---|---|---|---|
| Capital assets not being depreciated: | | | | |
| Land | $ 7,000,000 | $ - | $ - | $ 7,000,000 |
| Construction in progress | - | 22,879,582 | - | 22,879,582 |
| Total capital assets not being depreciated | 7,000,000 | 22,879,582 | - | 7,000,000 |
| Capital assets being depreciated or depleted: | | | | |
| Land improvements | 51,135,989 | - | - | 51,135,989 |
| Equipment | 119,857,187 | 2,056,161 | (40,253) | 121,873,095 |
| Right-to-use leased assets | 314,604 | - | - | 314,604 |
| Total capital assets being depreciated | 171,307,780 | 2,056,161 | (40,253) | 173,323,688 |
| Less accumulated depreciation and depletion for: | | | | |
| Landfill | 49,879,342 | 84,554 | - | 49,963,896 |
| Equipment | 94,091,044 | 1,223,468 | (39,950) | 95,274,562 |
| Right-to-use leased assets | 15,730 | 62,921 | - | 78,651 |
| Total accumulated depreciation and depletion | 143,986,116 | 1,370,943 | (39,950) | 145,317,109 |
| Total capital assets being depreciated or depleted, net | 27,321,664 | 685,218 | (303) | 28,006,579 |
| Capital assets, net | $ 34,321,664 | $ 23,564,800 | $ (303) | $ 57,886,161 |

The capital asset activity for the IDA for the year ended December 31, 2024, was as follows:

| | January 1, 2024 | Additions | Reclassifications/ Disposals | December 31, 2024 |
|---|---|---|---|---|
| Capital assets not being depreciated: | | | | |
| Land | $ 849,286 | $ - | $ - | $ 849,286 |
| Capital assets being depreciated: | | | | |
| Building and improvements | 29,365,000 | - | - | 29,365,000 |
| Less accumulated depreciation for: | | | | |
| Building and improvements | 13,703,667 | 978,833 | - | 14,682,500 |
| Total capital assets being depreciated, net | 15,661,333 | (978,833) | - | 14,682,500 |
| Capital assets, net | $ 16,510,619 | $ (978,833) | $ - | $ 15,531,786 |

The EDC as capital assets of computer equipment, furniture, and other equipment with a cost basis of $82,672 and accumulated depreciation of $48,825 as of December 31, 2024. The EDC governmental activities capital assets, net of accumulated deprecation was $33,847 as of December 31, 2024.

The RDA owns numerous parcels of real estate, including several homes. These parcels were acquired at either no cost or minimal cost and there has been no dollar value assigned to the real estate for financial statement purposes with the exception of land purchased at a total cost of $1,024,199 during 2009 and 2010 with funding provided by the County.

## 15. Investment in Joint Venture

Southeastern Pennsylvania Transportation Authority (SEPTA) runs a multi-modal system of vehicles and route services in Delaware County along with other areas such as Chester, Montgomery, Philadelphia and selected areas in New Jersey and Delaware. SEPTA has five participants - Delaware, Chester, Bucks, Montgomery and Philadelphia Counties, each of which appoints two members to the Governing Board. Four members are appointed by the Pennsylvania State House and Senate. The fifteenth member is appointed by the Governor's office. Delaware County has an ongoing financial responsibility as it is obligated for the Transportation Bonds of SEPTA, and the continued existence of SEPTA depends on continued funding by the County and the other four participants.

The County recognizes its participation in SEPTA as a joint venture based on the County's participation in governance and its ongoing financial responsibility for SEPTA, an independent legal entity that is subject to joint control by the participating counties and Pennsylvania State House and Senate representatives. The County recognizes its investment of the joint venture in SEPTA based on its annual capital additions under the assumption that the County has rights to the underlying assets, including infrastructure and transportation assets. Under state law, the County is required to subsidize SEPTA's operating and capital budget annually. During 2024, the County's operating budget contribution was $10,135,811, and capital additions were $1,163,383.

Complete financial statements for SEPTA can be obtained from the administrative offices of SEPTA or at septa.org/strategic-plan/reports.html.

## 16. Long-Term Liabilities

### Primary Government

The following is a summary of changes in noncurrent liabilities excluding other post-employment benefit (Note 25) and net pension liability (Note 26) for the year ended December 31, 2024:

| | Beginning Balance | Additions | Reductions | Ending Balance | Due Within One Year |
|---|---|---|---|---|---|
| Governmental activities: | | | | | |
| Liability for general obligation debt | $ 273,070,936 | $ 80,857,383 | $ (23,753,814) | $ 330,174,505 | $ 22,406,949 |
| Liability for claims payable | 5,592,464 | 66,321,505 | (65,865,609) | 6,048,360 | 5,322,547 |
| Lease liability | 28,938,749 | 2,933,552 | (5,874,182) | 25,998,119 | 4,787,282 |
| Subscription liability | 4,293,091 | - | (1,581,018) | 2,712,073 | 1,264,778 |
| Governmental activity: | | | | | |
| Long-term liabilities | $ 311,895,240 | $ 150,112,440 | $ (97,074,623) | $ 364,933,057 | $ 33,781,556 |
| Business-type activity: | | | | | |
| Liability for general obligation debt | $ 27,162,064 | $ 1,403,494 | $ (3,192,328) | $ 25,373,230 | $ 3,475,051 |

The long-term liabilities are generally liquidated by the fund to which they relate. The significant funds to which they relate are the General Fund and Business-type Activity Fund.

**Component Unit**

The following is a summary of changes in noncurrent liabilities of the DCSWA for the year ended December 31, 2024:

| | Beginning Balance | Additions | Reductions | Ending Balance | Due Within One Year |
|---|---|---|---|---|---|
| Liability for revenue notes payable | $ 5,104,000 | $ 35,000,000 | $ (608,000) | $ 39,496,000 | $ 2,371,000 |
| Net pension liability | 865,501 | - | (331,418) | 534,083 | - |
| Liability for accrued closure costs | 18,007,340 | 954,007 | - | 18,961,347 | - |
| Lease liability | 301,576 | - | (54,257) | 247,319 | 58,959 |
| Long-term liabilities | $ 24,278,417 | $ 35,954,007 | $ (936,675) | $ 59,238,749 | $ 2,429,959 |

## 17. General Obligation Debt

The following are summaries of changes in general obligation debt, by type, for the year ended December 31, 2024:

| | Governmental Activities | Business-Type Activity | Total |
|---|---|---|---|
| Outstanding at beginning of the year | $ 273,070,936 | $ 27,162,064 | $ 300,233,000 |
| Issuance of debt | 73,875,000 | - | 73,875,000 |
| Unamortized bond premium | 6,982,383 | - | 6,982,383 |
| Allocation of debt for capital assets | (1,403,494) | 1,403,494 | - |
| Reduction of borough notes | (115,000) | - | (115,000) |
| Retirements and repayments | (22,095,672) | (3,192,328) | (25,288,000) |
| Amortization of bond premium | (139,648) | - | (139,648) |
| Outstanding at end of year | $ 330,174,505 | $ 25,373,230 | $ 355,547,735 |

The following summarizes general obligation debt, by type, outstanding at December 31, 2024:

| | Governmental Activities | Business-Type Activity | Total |
|---|---|---|---|
| Serial bonds and notes | $ 330,174,505 | $ 25,373,230 | $ 355,547,735 |

A summary of general obligation debt outstanding at December 31, 2024, is as follows:

| Year of Issue/Final Maturity | Amount of Original Issue | Purpose | Outstanding at December 31, 2024 | Current Portion |
|---|---|---|---|---|
| 2007/2027 | $ 26,720,000 | Refinance the 2004 Note and to refinance a portion of the 2002 Note | $ 3,456,000 | $ 1,136,000 |
| 2010/2028 | 45,180,000 | Refund the 2008 General Obligation Note and for various other capital projects at the County | 21,179,000 | 5,025,000 |
| 2012/2032 | 20,000,000 | Fund SEPTA projects, construction and renovations of County buildings and various other County projects | 16,244,000 | 1,918,000 |
| 2013/2033 | 25,000,000 | Fund SEPTA projects, construction and renovations of County buildings and various other County projects | 20,344,000 | 1,405,000 |
| 2014/2025 | 42,459,000 | Partially refund the 1997 and 2002 notes payable to level debt service payments | 15,244,000 | 15,244,000 |
| 2015/2035 | 25,000,000 | Fund SEPTA projects, construction and renovations of County buildings and various other County projects | 24,991,000 | 1,000 |
| 2018/2038 | 40,000,000 | Fund construction and renovations of County buildings, equipment, SEPTA and open space projects | 39,994,000 | 1,000 |
| 2019/2039 | 22,710,000 | Refund the 2009 bond that provided funds in the form of a grant to the Waterfront Industrial Development Authority, which were used to acquire, construct and equip a soccer stadium | 17,892,000 | 1,026,000 |
| 2020/2040 | 40,000,000 | Fund construction and renovations of buildings, parking garages, prison and juvenile detention facilities, acquisition of equipment, and improvement to Geriatric Center | 39,996,000 | 1,000 |
| 2021/2029 | 837,000 | Municipal loans for the City of Chester and the Borough of Eddystone | 493,000 | 118,000 |
| 2022/2042 | 40,000,000 | Fund construction and renovations of County buildings, parking garages, prison, acquisition of equipment and vehicles, and improvement to Fair Acres Geriatric Center | 39,998,000 | 1,000 |
| 2023/2043 | 35,000,000 | Fund construction and renovations of County buildings, parking garages, prison, acquisition of equipment and vehicles, and improvement to Fair Acres Geriatric Center | 34,999,000 | 1,000 |
| 2024/2048 | 73,875,000 | Fund renovations to buildings and facilities; parks, trails and open spaces; Enterprise Resource Planning and other information technology infrastructure; and transportation | 73,875,000 | 5,000 |
| | | Total | 348,705,000 | 25,882,000 |
| | | Unamortized bond premium | 6,842,735 | - |
| | | Total general obligation debt | $ 355,547,735 | $ 25,882,000 |

The outstanding balance at December 31, 2024, related to governmental activities of $330,174,505 includes $8,038,050 of debt used to fund the capital assets of SEPTA.

Interest rates on the above obligations are fixed. Fixed interest rates range 1.031% to 3.20%. Variable interest rates are limited to a maximum potential variable rate of 15.00%.

There are a number of limitations and restrictions contained in the various general obligation debt agreements. In the event of any default, the debt holder may declare all repayments to be immediately due and payable; however, upon such declaration the County shall have a period of 180 days after the date of such declaration to make all repayments and pursue any and all remedies with the debt holder.

Amounts due from governmental funds are expected to be repaid from the General Fund. A summary of principal and interest maturities on general obligation serial bonds and notes outstanding at December 31, 2024, is presented below:

| | Governmental Activities | | Business-Type Activity | | Total Principal and Interest Maturities |
|---|---|---|---|---|---|
| | Principal Maturity | Interest Maturity [(1)] | Principal Maturity | Interest Maturity [(1)] | |
| Years: | | | | | |
| 2025 | $ 22,407,912 | $ 8,995,732 | $ 3,474,088 | $ 763,648 | $ 35,641,380 |
| 2026 | 19,379,112 | 7,995,082 | 3,252,888 | 696,815 | 31,323,897 |
| 2027 | 19,678,995 | 7,607,901 | 3,301,005 | 630,850 | 31,218,751 |
| 2028 | 19,029,069 | 7,230,673 | 3,206,931 | 566,797 | 30,033,470 |
| 2029 | 15,804,859 | 6,893,603 | 2,332,141 | 510,716 | 25,541,319 |
| 2030 - 2034 | 79,688,828 | 28,947,356 | 11,621,172 | 1,799,889 | 122,057,245 |
| 2035 - 2039 | 62,304,386 | 19,875,630 | 7,939,614 | 669,710 | 90,789,340 |
| 2040 - 2044 | 42,430,523 | 12,293,885 | 2,543,477 | 63,920 | 57,331,805 |
| 2045 - 2048 | 30,310,000 | 3,871,750 | - | - | 34,181,750 |
| Total | $ 311,033,684 | $ 103,711,612 | $ 37,671,316 | $ 5,702,345 | $ 458,118,957 |

(1) Includes interest at year-end rates for fixed rate notes. Interest on the fixed rate notes is $7,175,042 for the year ended December 31, 2024.

DVRFA was formed for the purpose of establishing a pooled loan program for the benefit of local governmental units in the Delaware Valley region. The County has entered into general obligation notes with DVRFA of which $274,830,000 is outstanding at December 31, 2024.

DVRFA has entered into interest rate swap agreements with third party financial institution counterparties related to the bonds DVRFA issued, the proceeds of which fund the pooled loan program. If the swap agreements were terminated, DVRFA would receive or be obligated to pay the market value of the swap agreements at the termination date. If DVRFA were obligated to make a payment and sufficient funds were not available, each borrower would be assessed its allocable share of the termination payment. A related interest rate swap agreement may be terminated under the following circumstances: (1) DVRFA and the counterparty mutually consent to the termination, (2) the borrower defaults on its loan or (3) DVRFA or the counterparty default or their financial conditions deteriorate to make a default imminent. DVRFA would seek to replace the terminated underlying swap agreement with a new agreement with similar terms and conditions upon termination.

DVRFA enters into interest rate swap agreements to provide fixed interest rates to borrowers. The agreement would normally only be terminated if the borrower requested it, including prepayment of the outstanding note, or if the borrower defaulted on its loan. The borrower would be responsible for any termination payment. The borrower is not entitled to receive any payments DVRFA would receive from the counterparty as a result of a termination.

As of December 31, 2024, the market value of interest rate swap agreements related to outstanding general obligation notes outstanding are as follows:

| General Obligation Note Year of Issue | Balance Outstanding | Market Value of Related Allocable Interest Rate Swap | Market Value of Related Fixed Rate Loan Swap |
|---|---|---|---|
| 2007 | $ 4,576,000 | $ 163,574 | $ 152,622 |
| 2010 | 26,185,000 | 936,010 | 887,771 |
| 2012 | 18,132,000 | 648,147 | 1,025,173 |
| 2013 | 21,724,000 | 776,547 | 1,507,043 |
| 2014 | 30,129,000 | 1,076,993 | 499,160 |
| 2015 | 24,992,000 | 893,365 | 697,715 |
| 2018 | 39,995,000 | 1,429,663 | (17,549) |
| 2019 | 18,896,000 | 675,457 | 1,425,240 |
| 2020 | 39,997,000 | 1,429,735 | 6,873,379 |
| 2021 | 608,000 | 21,734 | 31,767 |
| 2022 | 39,999,000 | 1,429,806 | 3,215,613 |
| 2023 | 35,000,000 | 1,251,111 | 2,585,085 |

## 18. Right-to Use Leased Assets and Lease Liability

The County is obligated as a lessee under 28 lease arrangements with remaining commitments of approximately 2 to 29 years as of December 31, 2024. As a lessee, the County reports a lease liability and an intangible right-to-use asset on its government-wide statement of net position based on the present value of future rental payments expected. In governmental fund financial statements, the County recognizes proceeds from extended term financing and a capital outlay at the initiation of the lease, and an outflow of resources as lease payments are made during the lease term.

The right-of-use leased asset activity by major classes of underlying asset type for the County for the year ended December 31, 2024, was as follows:

| | January 1, 2024 | Additions | Reclassifications/ Disposals | December 31, 2024 |
|---|---|---|---|---|
| Right-to-use leased assets being depreciated: | | | | |
| Buildings | $ 33,482,533 | $ 677,071 | $ - | $ 34,159,604 |
| Cell phone towers | 2,553,708 | 2,256,481 | 813,359 | 3,996,830 |
| Equipment, copiers | 2,229,401 | - | - | 2,229,401 |
| Total right-to-use leased assets | 38,265,642 | 2,933,552 | 813,359 | 40,385,835 |
| Less accumulated depreciation for: | | | | |
| Buildings | 7,771,425 | 4,703,869 | - | 12,475,294 |
| Cell phone towers | 466,133 | 503,938 | 813,359 | 156,712 |
| Equipment, copiers | 1,089,335 | 666,375 | - | 1,755,710 |
| Total accumulated depreciated, net | 9,326,893 | 5,874,182 | 813,359 | 14,387,716 |
| Right-to-use leased assets, net | $ 28,938,749 | $ (2,940,630) | $ - | $ 25,998,119 |

Lease terms may include options to extend or terminate certain leases. The value of the lease is reflected in the valuation if it is reasonably certain an option to extend or terminate is exercised.

The County has certain leases that are for periods of 12 months or less. Leases with an initial term of 12 months or less are not recorded on the government-wide statement of net position since the County has elected the practical expedient to exclude these leases from right-to-use leased assets and lease liabilities.

The County's governmental activity lease activity for the year ended December 31, 2024 is as follows:

| Lease Type | Weighted Average Lease Term (Years) | Interest Rates | Lease Liability Balance |
|---|---|---|---|
| Building | 8.1 | 2.30 % | $ 21,684,310 |
| Cell phone towers | 8.3 | 2.33 | 3,840,118 |
| Equipment | 0.8 | 2.29 | 473,691 |
| Total lease | | | 25,998,119 |
| Lease liability, due within one year | | | 4,787,282 |
| Lease liability, due in more than one year | | | $ 21,210,837 |

Lease commitment requirements are as follows:

| | Principal | Interest | Total Lease Commitment |
|---|---|---|---|
| Years: | | | |
| 2025 | $ 4,787,282 | $ 570,611 | $ 5,357,893 |
| 2026 | 3,159,828 | 473,808 | 3,633,636 |
| 2027 | 2,903,916 | 403,050 | 3,306,966 |
| 2028 | 2,730,922 | 336,065 | 3,066,987 |
| 2029 | 2,582,837 | 272,067 | 2,854,904 |
| 2030 - 2034 | 7,811,549 | 696,114 | 8,507,663 |
| 2035 - 2039 | 1,775,701 | 89,500 | 1,865,201 |
| 2040 - 2044 | 67,840 | 26,483 | 94,323 |
| 2045 – 2049 | 81,375 | 17,664 | 99,039 |
| 2050 – 2054 | 96,869 | 7,121 | 103,990 |
| Total | $ 25,998,119 | $ 2,892,483 | $ 28,890,602 |

## 19. Subscription Liability

The County is obligated under 10 subscription arrangements for data management tools, cloud based ERP systems, cloud based data storage, and various other subscriptions with remaining commitments of approximately 1 to 4 years as of December 31, 2024. The weighted average discount rate of the subscription based arrangement is 2.41%.

As a subscription liability, the County reports a liability and an intangible right-to-use subscription asset on its government-wide statement of net position based on the present value of future rental payments expected. In governmental fund financial statements, the County recognizes proceeds from extended term financing and a capital outlay at the initiation of the subscription, and an outflow of resources as subscription payments are made during the subscription term.

Subscription terms may include options to extend or terminate certain subscriptions. The value of the subscription is reflected in the valuation if it is reasonably certain an option to extend or terminate is exercised.

The County has certain subscription arrangements that are for periods of 12 months or less. Subscriptions with an initial term of 12 months or less are not recorded on the government-wide statement of net position since the County has elected the practical expedient to exclude these subscription arrangements from right-to-use subscription assets and subscription liabilities.

Subscription lease commitment requirements are as follows:

| | Principal | Interest | Total Commitment |
|---|---|---|---|
| Years: | | | |
| 2025 | $ 1,264,778 | $ 62,919 | $ 1,327,697 |
| 2026 | 498,767 | 26,739 | 525,506 |
| 2027 | 458,373 | 22,879 | 481,252 |
| 2028 | 490,155 | 11,855 | 502,010 |
| Total | $ 2,712,073 | $ 124,392 | $ 2,836,465 |

## 20. Component Unit, Notes Payable

### Revenue Notes Payable

On March 25, 2009, the DCSWA authorized the issuance of Guaranteed Revenue Notes, 2009 Series (the 2009 Notes) totaling $7,200,000. The 2009 Notes were used for certain capital projects consisting of (a) the construction of leachate collection and treatment facilities, (b) the acquisition of vehicles and equipment, (c) the construction of and improvements to the Rolling Hills Landfill, (d) the rehabilitation of wells and (e) the payment of the costs of issuance of the 2009 Notes. The 2009 Notes were issued over a two year period.

On March 25, 2009, the DVRFA issued on behalf of the DCSWA, Guaranteed Revenue Notes, 2009 A Series (the 2009 A Notes) in the amount of $2,400,000, 2009 B Series (the 2009 B Notes) in the amount of $2,400,000 and 2009 C Series (the 2009 C Notes) in the amount of $2,400,000. Principal is payable annually on March 25 and interest is payable monthly at a rate of 3.38% for Series A, 1.28% for Series B and 3.39% for Series C as per the Notice of Fixed Rate Conversion. The Notes are collateralized by the security interest in the revenue of DCSWA.

On March 26, 2012, the DCSWA authorized the issuance of Guaranteed Revenue Notes, 2012 Series (the 2012 Notes) totaling $4,000,000. The 2012 Notes were used for certain capital projects consisting of (a) the construction of leachate collection and treatment facilities, (b) the acquisition of vehicles and equipment, (c) the construction of and improvements to the Rollings Hills Landfill, (d) the rehabilitation of wells and (e) the payment of the costs of issuance of the Notes. Principal is payable annually on June 25 beginning June 25, 2013. Interest is payable monthly at a rate of 2.485% as per the Notice of Fixed Rate Conversion. The Notes are collateralized by the security interest in the revenue of DCSWA.

The County has guaranteed the 2009 and 2012 loan agreements listed above between the DCSWA (component unit) and DVRFA in accordance with the laws of Commonwealth of Pennsylvania. In the event that the DCSWA is unable to make payment, the County will be required to make payment. The guarantees are for the term and amount of the debt. There are no arrangements for recovery of payments. Since inception, DCSWA has met each of its debt service payment requirements on the 2009 and 2012 Notes.

On June 18, 2024, the Delaware Valley Regional Finance Authority issued on behalf of the Authority, Guaranteed Revenues Notes, 2024 A Series (the 2024 A Notes) in the amount of $13,797,000, interest and principal payable annually from September 2024 through September 2031, and the 2024 B Series (the 2024 B Notes) in the amount of $21,203,000, interest and principal payable annually from September 2024 through September 2039. Principal is payable on September 25, and interest is payable monthly at a rate of 3.865% for Series A, and 3.865% for Series B as per the Notice of Fixed Rate Conversion. The Notes are collateralized by the security interest in the revenue of the Authority.

The aggregate annual principal and interest payments for each of the following years ending December 31 are as follows:

| | Principal | Interest |
|---|---|---|
| Years ending: | | |
| 2025 | $ 2,371,000 | $ 5,353,908 |
| 2026 | 2,457,000 | 5,074,891 |
| 2027 | 2,547,000 | 4,785,918 |
| 2028 | 2,642,000 | 4,485,492 |
| 2029 | 2,738,000 | 4,173,173 |
| 2030 - 2034 | 12,718,000 | 15,870,946 |
| 2035 - 2039 | 14,023,000 | 6,476,100 |
| Total | $ 39,496,000 | $ 46,220,428 |

For the year ended December 31, 2024, interest expense amounted to $1,060,112.

## 21. Other Liabilities

Other liabilities represent accrued expense and other obligations with third parties payable expected to be settled and paid within one year. On the statement of net position, governmental activities, other liabilities of $20,650,828 consists of $9,393,819 of accrued payroll expenses, $10,151,695 of accrued expense payable to vendors, and $1,105,314 of funds to be refunded or escheated.

## 22. Interfund Receivables and Payables

Interfund receivable and payable balances as of December 31, 2024, are as follows:

| | Due From Other Funds | Due to Other Funds |
|---|---|---|
| General Fund | $ 99,534,837 | $ 28,575,582 |
| General Fund, due to fiduciary component unit | - | 19,206 |
| Capital Projects Fund | 13 | 11,544,839 |
| Health and Human Service Fund | 27,227,498 | 38,982,168 |
| Other Governmental Funds | 7,533,669 | 23,390,669 |
| COVID-19 Relief Fund | - | 33,201,164 |
| Fiduciary Component Unit, Pension Trust Fund | 19,206 | - |
| Proprietary Fund | 1,567,262 | - |
| Internal Service Funds | 3,732,242 | 3,901,099 |
| Total | $ 139,614,727 | $ 139,614,727 |

These balances resulted from the time lag between the dates that (1) interfund goods and services are provided or reimbursable expenditures occur and (2) transactions are recorded in the accounting system and payments between the funds are made.

## 23. Amounts Due To/From Component Units

The following is a summary of amounts due to/from component unit (the DCSWA) at December 31, 2023, activity for 2024, and amounts due at December 31, 2024:

| | General Fund | Capital Projects Fund | Total |
|---|---|---|---|
| Balance, December 31, 2023 | $ 2,000,000 | $ 5,475,000 | $ 7,475,000 |
| Additions | 22,403 | - | 22,403 |
| Repayments | (22,403) | - | (22,403) |
| Balance, December 31, 2024 | $ 2,000,000 | $ 5,475,000 | $ 7,475,000 |

The County has made advances to the DCSWA from time to time for operations and/or capital purchases and improvements. The amount due from the DCSWA to the County's Capital Project fund of $5,475,000 reflects a pledged investment, which is not expected to be liquidated within the current operating cycle.

## 24. Interfund Transfers

Interfund transfers for the year ended December 31, 2024, are as follows:

| | Transfers In | Transfers Out |
|---|---|---|
| General Fund | $ 30,125,841 | $ 15,826,767 |
| Health and Human Service Fund | 14,806,556 | 7,306,556 |
| Other Governmental Funds | 4,423,331 | 650,518 |
| COVID-19 Relief Fund | - | 31,323,075 |
| Proprietary Fund | 5,751,188 | - |
| Total | $ 55,106,916 | $ 55,106,916 |

Transfers from the General Fund to the Health and Human Service Fund and the other governmental funds are unrestricted revenues collected in the General Fund used for the County's match for various grant agreements. Transfers from the General Fund to the Proprietary Fund are unrestricted revenues collected in the General Fund used to subsidize operating shortfalls in the proprietary fund. Transfers from the Health and Human Services Funds represent the transfer of funds from the human services administrative fund, which handles centralized costs that are allocated, to the other health and human services funds. Transfers from the Covid-19 Relief Fund are American Rescue Plan Act funds used to subsize the expenditures related to the Health Department and to replace lost revenue to the General Fund.

## 25. Other Post-Employment Benefits

### Plan Description

The Delaware County Health Plan (the OPEB Plan) is a single-employer plan administered by the County. The OPEB Plan is a welfare plan designed to provide hospital, medical-surgical, major medical and prescription benefits to eligible employees and their dependents.

The County pays premiums for medical insurance on behalf of eligible retirees and their dependents. Eligible retirees are defined as individuals who retire with a normal or early pension and who have attained the age of 60 with five years of service or who have attained the age of 55 with 20 years of service. An eligible employee may also be an individual who has been employed by the County for five years of service and, before reaching superannuation retirement age, is disabled while in service and is unable to continue as a County employee. Employees hired, rehired, or changed to full-time status on or after January 1, 2021, are not eligible for medical benefits through the County at retirement. A dependent is defined as a lawful spouse and unmarried children under 27 years of age. Dependent children may be included up through age 26. The County offers unsubsidized dental insurance to retirees. Retirees are eligible for life insurance dependent on their employment classification at retirement.

The OPEB Plan is unfunded and no financial report is prepared. The County expressly reserves the right, in its sole discretion, at any time and from time to time to amend or terminate the existence, amount or nature of a benefit; alter or postpone the conditions for or method of payment of a benefit; amend or rescind a provision of the OPEB Plan; merge the OPEB Plan with another plan; and terminate the OPEB Plan in its entirety. The OPEB Plan is authorized and under the control, maintenance and operation of the County.

### Plan Membership

At December 31, 2024, the OPEB Plan membership consisted of the following:

| | |
|---|---|
| Inactive members or beneficiaries currently receiving benefits | 1,910 |
| Active members | 3,043 |
| Total membership | 4,953 |

### Funding Policy

Members do not contribute to the OPEB Plan for medical coverage; the County pays 100% of the cost of coverage for retired covered employees. The required contribution is based on pay-as-you-go financing requirements. County Council has the authority to amend the OPEB Plan, including changing the obligations of the plan members and the County to contribute to the OPEB Plan.

The OPEB Plan is not administered through a trust or equivalent arrangement, therefore there are no assets accumulated in funding of the OPEB plan.

### Total OPEB Liability of the County

The County total OPEB liability was measured as of December 31, 2024 and was determined by an actuarial valuation as of that date.

| | |
|---|---|
| Total other post-employment benefit liability | $ 312,713,820 |
| OPEB Plan fiduciary net position | - |
| Net other post-employment benefit liability | $ 312,713,820 |
| OPEB Plan fiduciary net position as a percentage of the total OPEB liability | 0.00% |

The calculations are based on the types of benefits provided under the terms of the OPEB Plan at the time of the valuation. The projection of benefits for financial reporting purposes does not incorporate the potential effects of legal or contractual funding limitations on the provisions of benefits or the pattern of cost sharing between the employer and plan members in the future.

### Actuarial Assumptions

The total OPEB liability was determined by an actuarial valuation as of January 1, 2024, utilizing the entry age actuarial cost method. The following actuarial assumptions, applied to all periods included in the measurement, were used in determination of the total OPEB liability:

*Discount rate* - 4.28% as of December 31, 2024

*Salary increase rate* - 3.50% per annum

*Healthcare cost trend rates* - The current health care trend rate starts at 8.0% decreasing to an ultimate rate 4.50%.

*Per capita health claim cost* - the expected annual per capita claim costs range from $2,700 to $10,000 dependent on ages ranging from 50-75+ and dependent on gender of claimant.

*Medicare eligibility* - All current and future retirees are assumed to be eligible for Medicare at age 65

*Plan participation percentage* - 100% of all employees and their dependents will participate in the Plan

*Mortality rates* - SOA Pub-2010 General Headcount Weighted Mortality Table fully generational using Scale MP-2021 and SOA Pub-2010 Continuing Survivor Headcount Weighted Mortality Table fully generational using Scale MP-2021

### Discount Rate

The discount rate used to measure the total OPEB liability was 4.28%. The discount rate is used to reflect the time value of money. Discount rates are used in determining the present value as of the valuation date of future cash flows currently expected to be required to satisfy the post-retirement benefit obligation. As the County's plan is unfunded, the discount rate is determined using the long-term expected rate of return on tax-exempt, high-quality municipal bond.

### Changes in the Total OPEB Liability

| | Total OPEB Liability |
|---|---|
| Balance at January 1, 2024 | $ 328,338,867 |
| Service cost | 5,702,541 |
| Interest | 13,126,395 |
| Differences between expected and actual experience | (18,195,295) |
| Changes of assumptions or other inputs | (4,379,133) |
| Benefit payments | (11,879,555) |
| Balance at December 31, 2024 | $ 312,713,820 |

### Sensitivity of the Total OPEB Liability to Changes in the Discount Rate

The following presents the total OPEB liability of the County, as well as what the County's total OPEB liability would be if it were calculated using a discount rate that is 1 percentage point lower or 1 percentage point higher than the current discount rate:

| | 1% Decrease (3.28%) | Current Discount Rate (4.28%) | 1% Increase (5.28%) |
|---|---|---|---|
| 2024 Total OPEB liability | $ 365,806,426 | $ 312,713,820 | $ 270,694,423 |

### Sensitivity of the Total OPEB Liability to Changes in the Healthcare Cost Trend Rates

The following presents the total OPEB liability of the County, as well as what the County's net OPEB liability would be if it were calculated using healthcare cost trend rates that are 1 percentage point lower or 1 percentage point higher than the current healthcare cost trend rates:

| | 1% Decrease (7.0% Decreasing to 3.5%) | Healthcare Cost Trend Rates (8.0% Decreasing to 4.5%) | 1% Increase (9.0% Decreasing to 5.5%) |
|---|---|---|---|
| 2024 Total OPEB liability | $ 267,219,201 | $ 312,713,820 | $ 370,530,661 |

### OPEB Expense and Deferred Outflows of Resources and Deferred Inflows of Resources Related to OPEB

For the year ended December 31, 2024, the County recognized OPEB expense of $12,179,323. The General Fund has been used to liquidate the OPEB liability and recognize the cost for participant benefits.

Gains and losses related to the difference between assumptions and actual experience are amortized over a period of five years. At December 31, 2024, the County reported deferred outflows of resources and deferred inflows of resources related to OPEB from the following sources:

| | Deferred Outflow of Resources | Deferred Inflow of Resources |
|---|---|---|
| Changes in assumptions | $ 37,687,275 | $ (66,111,149) |
| Differences between expected and actual experience | - | (40,784,606) |
| | $ 37,687,275 | $ (106,895,755) |

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

| | |
|---|---|
| Years ending December 31: | |
| 2025 | $ (61,307,066) |
| 2026 | 1,543,911 |
| 2027 | (4,930,441) |
| 2028 | (4,514,884) |
| Total | $ (69,208,480) |

## 26. Net Pension Liability

### Plan Description and Administration

The Delaware County Employees' Pension Plan (the Pension Plan) is a single-employer defined benefit pension plan that covers all full-time employees of the County. The Pension Plan is included in the accompanying financial statements of the County as a pension trust fund and does not issue a separate plan financial statement.

The Pension Plan is governed by the Delaware County Employees' Retirement System Trust, Amended and Restated Effective January 1, 2016 plan document. The retirement trust is administered in good-faith compliance with the applicable provisions of the Internal Revenue Code (IRC) and consistent with Commonwealth of Pennsylvania's Act 96 of 1971, as amended, commonly referred to as the County Pension Law. The plan is managed by the Delaware County Retirement Board, which consists of five members - three elected County Council members, the County Controller and the County Treasurer.

The County reports the actuarially determined net pension liability measurement date of December 31, 2023 for its December 31, 2024 financial statements. The valuation as of December 31, 2023 includes actuarial inputs as of January 1, 2023.

At January 1, 2023, the measurement date, members of the Pension Plan was as follows:

| | |
|---|---|
| Inactive plan members currently receiving benefits | 2,102 |
| Inactive plan members entitled to benefits but not yet receiving them | 256 |
| Current employees | 2,839 |
| Total membership | 5,197 |
| Number of participating employers | 1 |

### Benefits Provided

The Pension Plan provides retirement, disability and death benefits. Retirement benefits for Pension Plan members are calculated as a percentage of the member's highest three-year average salary times the number of years of service depending on class basis. Pension Plan members with 20 years of service are eligible to retire at age 55. Plan members that have attained age 60 are eligible to retire. All plan members are eligible for disability benefits after five years of service if disabled while in service and unable to continue as a County employee. Disability retirement benefits are equal to 25% of the highest average salary at time of retirement. Death benefits for a member who dies with 10 years of service prior to retirement is the total present value of member's retirement paid in a lump sum. A plan member who leaves County service with less than five years of service may withdraw his or her contributions, plus any accumulated interest.

On an ad hoc basis, cost-of-living adjustments to each member's retirement allowance shall be reviewed at least once in every three years subsequent to the member's retirement date. The adjustment, should the County elect to give one, is a percentage of the change in the Consumer Price Index for All Urban Consumers for the Pennsylvania, New Jersey, Delaware and Maryland area for the 12-month period ending August 31. Benefits are determined by the Pension Plan document, which is in accordance with the Commonwealth of Pennsylvania's Act 96 of 1971, as amended, commonly referred to as the County Pension Law.

### Funding Policy and Contributions

Employees are required to contribute 7% of their salaries to the Pension Plan and employees may elect to contribute up to 17% of their salaries. Per the County Pension Law, contribution requirements of the Pension Plan members and the County may be amended by the General Assembly of the Commonwealth of Pennsylvania. Interest is credited each year in an amount allowed by the County Retirement Board to each member's account. Administrative costs of the Pension Plan are financed through investment earnings.

The Pension Plan's funding policy provides for periodic employer contributions at actuarially determined rates. The actuarially determined rate is the estimated amount necessary to finance the costs of benefits earned by Pension Plan members during the year, with an additional amount to finance any unfunded accrued liability. Level percentages of payroll employer contribution rates are determined using the entry age normal actuarial cost funding method.

For the 2023 measurement period, the annual contribution by the County was $9,233,377 based on the January 1, 2023 actuarial valuation using the entry age normal cost method. For the year ended December 31, 2024, the annual contribution by the County was $9,820,748 based on the January 1, 2024 actuarial valuation using the entry age normal cost method.

The actuarial assumptions include projected salary increases of 3.5% per year and an inflation component of 3.0%. The actuarial value of assets is calculated using the greater of the market value of assets as of the valuation date or the actuarial value of assets as of the prior valuation date, plus contributions and other deposits (except investment income) minus benefit payments, administrative expenses, or other payments, plus credited interest at 1% less than the Pension Plan's assumed rate to the valuation date. The actuarial value of assets will be limited to a maximum of 120% and a minimum of 80% of the market value of assets as of the valuation date.

### Deposits and Investments

The Pension Plan allows funds to be invested pursuing a strategy that reduces risk through the prudent diversification of the portfolio across a broad selection of distinct asset classes. The following was the Board's asset allocation policy for the 2023 measurement period.

| Asset Class | Target | Long-Term Expected Real Rate of Return |
|---|---|---|
| Domestic equity | 40 - 50 % | 5.4 - 6.4 % |
| International equity | 15 - 25 | 5.5 - 6.5 |
| Fixed income | 25 - 35 | 1.3 - 3.3 |
| Real estate/Alternative | 0 - 10 | 4.5 - 5.5 |
| Cash and cash equivalents | 0 - 10 | 0.0 - 1.0 |

The long-term expected rate of return on Pension Plan investments was determined using a building-block method, 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 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 for the 2023 measurement period are summarized in the above table.

### Rate of Return

For the 2023 measurement period, the annual money-weighted rate of return on Pension Plan investments, net of pension plan investment expense, was 16.0%. The money-weighted rate of return expresses investment performance, net of investment expense, adjusted for the changing amounts actually invested.

### Net Pension Liability

The components of net pension liability of the Pension Plan as of December 31, 2024, were as follows:

| | |
|---|---|
| Total pension liability | $ 668,644,155 |
| Pension Plan fiduciary net position | 625,887,319 |
| Pension Plan net pension liability | $ 42,756,836 |
| Pension Plan fiduciary net position as a percentage of total pension liability | 93.61% |

### Changes in the Net Pension Liability

The changes in the County's net pension liability during the year ended December 31, 2024 (measurement period of 2023), are as follows:

| | Increases (Decreases) | | |
|---|---|---|---|
| | Total Pension Liability (a) | Pension Plan Fiduciary Net Position (b) | Net Pension Liability (a) - (b) |
| Balances at January 1, 2024 | $ 635,090,387 | $ 558,011,617 | $ 77,078,770 |
| Changes for the year: | | | |
| Service cost | 15,646,619 | - | 15,646,619 |
| Interest cost | 45,176,262 | - | 45,176,262 |
| Difference between expected and actual experience | 15,816,740 | - | 15,816,740 |
| Contributions, employer | - | 9,233,377 | (9,233,377) |
| Contributions, plan member | - | 14,503,097 | (14,503,097) |
| Net investment income | - | 87,225,081 | (87,225,081) |
| Benefit payments, including refunds | (43,085,853) | (43,085,853) | - |
| Net changes | 33,553,768 | 67,875,702 | (34,321,934) |
| Balances at December 31, 2024 | $ 668,644,155 | $ 625,887,319 | $ 42,756,836 |

The schedule of changes in the employer's net pension liability and related ratios, presented as required supplementary information following the notes to the financial statements, presents multi-year trend information related to the funded status of the Pension Plan.

### Actuarial Assumptions

The net pension liability above was determined by an actuarial valuation performed as of December 31, 2024, using the following actuarial methods and assumptions:

| | |
|---|---|
| Actuarial valuation date | January 1, 2023 rolled-forward to December 31 |
| Actuarial cost method | Entry-age normal |
| Actuarial assumptions: | |
| Projected salary increases | 3.5% |
| Inflation | 3.0% |
| Interest rate | 7.0% |
| Cost-of-living adjustments | 0.0% |
| Asset valuation method | Market value adjusted for unrecognized gains and losses from prior years |

Mortality rates were based on the PubG-2010 Mortality Table for males and females set forward one year with generational mortality improvement using MP20.

The actuarial assumptions used in the valuation for the 2023 measurement period were based on past experience under the plan and reasonable future expectations which represent our best estimate of anticipated experience under the plan. An actuarial experience study was performed during 2016; however, no modifications to assumptions were made as a result.

No ad hoc postemployment benefit changes were included in future liability.

### Discount Rate

The discount rate used to measure the net pension liability for the Pension Plan was 7.0%. The projection of cash flows used to determine the discount rate assumed that member contributions will be made at the current contribution rate and that County contributions will be made at rates equal to actuarially determined contribution rates. Based on those assumptions, the Pension Fund'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 pension plan investments was applied to all periods of projected benefit payments to determine the net pension liability.

### Discount Rate Sensitivity

The following is a sensitivity analysis of the net pension liability to changes in the discount rate. The table below presents the pension liability of the Pension Plan calculated using the discount rate of 7.0% as well as what the net pension liability (asset) would be if it were to be calculated using a discount rate that is 1 percentage point lower (6.0%) or 1 percentage point higher (8.0%) than the current rate:

| | 1% Decrease (6.0%) | Current Discount Rate (7.0%) | 1% Increase (8.0%) |
|---|---|---|---|
| Net pension liability | $ 113,612,227 | $ 42,756,836 | $ (11,739,159) |

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

For the year ended December 31, 2024, the County recognized pension expense of $12,323,904, which was allocated $10,052,986 and $2,270,918 to governmental activities and business-type activities, respectively. The pension plan expense is allocated to the associated funds based on the employee participant headcount to each associated fund. At December 31, 2024, the County reported deferred outflows and inflows of resources related to the pension from the following sources:

| | Deferred Outflow of Resources | Deferred Inflow of Resources |
|---|---|---|
| Differences between expected and actual experience | $ 21,176,791 | $ - |
| Net difference between projected and actual earning | 19,660,016 | - |
| Changes in assumptions | 12,455,561 | (2,370,805) |
| Contributions made subsequent to measurement date | 9,820,748 | - |
| Total | $ 63,113,116 | $ (2,370,805) |

Amounts reported as deferred outflows of resources and deferred inflows of resources related to the pension will be recognized in pension expense as follows:

| | |
|---|---|
| Years ended December 31: | |
| 2025 | $ 16,316,963 |
| 2026 | 19,331,307 |
| 2027 | 23,601,419 |
| 2028 | (8,328,126) |
| Total | $ 50,921,563 |

## 27. Supplemental Retirement Plans

The County maintains tax deferred plans qualified under Section 457(b) of the IRC (the 457(b) plans). The 457(b) plans cover all full time employees who are eligible for enrollment after completing 90 days of service, at which time the employees become 100% vested. The County does not make any contributions to the plan. Employees who elect to participate may elect to contribute up to 100% of their pretax annual compensation, as defined in the 457(b) plans documents, up to the maximum contribution limits in the IRC.

## 28. Self-Insurance Program

Effective January 1, 1987, the County elected to self-insure potential obligations applicable to workers' compensation, casualty/liability and health insurance. By doing so, the County is exposed to certain risks of losses associated with these types of transactions. These programs are contractually administered by private agencies. Three separate internal service funds were established to account for all transactions associated with self-insurance.

The County purchased reinsurance coverage to limit its liability per incident to a maximum of:

| | Workers' Compensation | Casualty/ Liability (Excluding Vehicles) | Health Benefits | Vehicles |
|---|---|---|---|---|
| 1988 to 1992 | $ 300,000 | $ - | $ 75,000 | $ 100,000 |
| 1993 to 1999 | 300,000 | 100,000 | 75,000 | 100,000 |
| 2000 to 2001 | 250,000 | 100,000 | 75,000 | 100,000 |
| 2002 to 2006 | 325,000 | 250,000 | 90,000 | 100,000 |
| 2007 to 2013 | 500,000 | 250,000 | 200,000 | 100,000 |
| 2014 to 2020 | 650,000 | 250,000 | 210,000* | 100,000 |
| 2021 to May 2022 | 650,000** | 150,000 | 210,000 | 100,000 |
| 2022 to 2024 | 650,000** | 250,000*** | 210,000 | 250,000 |

* includes a $365,000 corridor deductible
** reinsurance coverage to limit for police and fire personnel of $750,000
*** law enforcement legal liability of $500,000 as of June 2023

The County's reinsurance policy has provided enough coverage to the County such that no settlements within the past three years have exceeded the reinsurance coverage. The cost of providing this coverage is charged directly to the County fund, which benefits from the coverage. Such charges are reflected as operating revenues into the self-insurance funds. Costs of the self-insurance program charged to the current year expenses were $66,321,505, which includes insurance claims of $64,817,804 and administrative costs of $1,503,701. Expenditures and claims are recognized when it is probable that a loss has occurred and the amount of the loss can be reasonably estimated. In determining claims, events that might create claims, but for which none have been reported, are considered. Additional administrative costs of the self-insurance funds are paid by the General Fund and totaled $334,809 for the fiscal year.

An analysis of the claims activity is presented as follows:

| | 2024 | | | |
|---|---|---|---|---|
| | **Balance at Beginning of Year** | **Current Year Claims and Changes in Estimate** | **Actual Claim Payments** | **Balance at End of Year** |
| Self-Insured Health Insurance Fund | $ 3,166,293 | $ 58,355,990 | $ 57,787,888 | $ 3,734,395 |
| Self-Insured Workers' Compensation Fund | 1,308,171 | 843,079 | 1,304,379 | 846,871 |
| Self-Insured Casualty/Liability Fund | 1,118,000 | 7,122,436 | 6,773,342 | 1,467,094 |
| Total | $ 5,592,464 | $ 66,321,505 | $ 65,865,609 | $ 6,048,360 |

| | 2023 | | | |
|---|---|---|---|---|
| | **Balance at Beginning of Year** | **Current Year Claims and Changes in Estimate** | **Actual Claim Payments** | **Balance at End of Year** |
| Self-Insured Health Insurance Fund | $ 2,816,081 | $ 45,345,500 | $ 44,995,288 | $ 3,166,293 |
| Self-Insured Workers' Compensation Fund | 1,851,191 | 428,167 | 971,187 | 1,308,171 |
| Self-Insured Casualty/Liability Fund | 966,279 | 7,245,562 | 7,093,841 | 1,118,000 |
| Total | $ 5,633,551 | $ 53,019,229 | $ 53,060,316 | $ 5,592,464 |

## 29. Other Revenues

Other revenues of $6,606,003 in the governmental funds consist of funds received related to gaming proceeds for economic development of $919,883; rental income of $1,400,990; funds received from the state equalization board of $870,300; revenues related to Act 164 Rideshare fees of $1,559,904; payments from Chester City of $596,430, and various other revenues of $1,258,496.

## 30. Unearned Revenues

Unearned revenues are those where asset recognition criteria have been met, but for which revenue recognition criteria have not been met. On the statement of net position, governmental activities unearned revenue of $134,400,404 consists of the General Fund of $2,058,811 representing grants and other fees, Health and Human Service of $53,206,363, Other Governmental Funds of $64,344,644, and Coronavirus Relief Funds of $14,790,586, representing grants received which were not earned at December 31, 2024.

## 31. Grant to the Delaware County Chester Waterfront Industrial Development Authority

The IDA was formed for the purpose of acquiring, constructing, financing, improving and maintaining industrial and commercial development projects within the City of Chester and is a discretely presented component unit of the County (Note 2). On February 15, 2009, the County and the IDA executed a grant agreement, which states that the County will grant funds in an amount up to $30,000,000 for eligible costs as defined for the construction of a stadium project. The County financed the grant through the issuance of its General Obligation Bonds, Series of 2009 refunded by the 2019 Bonds (Note 17). The stadium was completed in 2010.

On February 15, 2009, the County and the City of Chester (the City) executed a contribution agreement whereby the City unconditionally agreed to pay the County $13,445,635 through May 31, 2039, in semi-annual payments to fund a portion of the capital grant to the IDA. The present value of this asset amounting to $4,662,266 has been recorded in other receivables on the government-wide statement of net position at December 31, 2024 (Note 9).

## 32. Contingencies

The use of grant monies received is subject to compliance audits by the disbursing governmental agency. The County believes it is in compliance with all significant grant requirements.

The County is involved in various litigation matters arising in the normal course of business which are still pending. The ultimate outcome of these cases or the County's exposure to liability, if any, cannot be determined at this time. Consequently, no provision has been made in these financial statements for this uncertainty. It is the opinion of management that the amount of potential claims not covered by insurance resulting from claims against the County would not materially affect the financial position of the County at December 31, 2024.

## 33. COVID-19

In December 2019, a novel strain of coronavirus was reported in Wuhan, Hubei Province, China. In the first several months of 2020, the virus, SARS-CoV-2 and resulting disease, COVID-19, spread to the United States, including to areas impacting the County. In response to the virus, the Coronavirus Aid, Relief, and Economic Security Act (CARES Act) was signed into law in March 2020, and created the Coronavirus Relief Fund which provided $150 billion in general assistance for domestic governments. Payments to states were subject to reduction based on payments to eligible local governments. Amounts paid to states and eligible local governments were based on 2019 population data from the U.S. Census Bureau.

The federal government passed the American Rescue Plan Act on March 11, 2021, to respond to the COVID-19 public health emergency and its negative economic impacts. Amounts were appropriated for fiscal year 2021 to units of local government to mitigate the fiscal effects stemming from the public health emergency. The County's award is $110,083,961, which will be used as permitted by the American Rescue Plan Act, including meeting pandemic response needs, rebuilding the County's economy and replacing lost County revenue. The first tranche of funds was received in May 2021 in the amount of $55,041,980 and the second tranche was received in June 2022 in the amount of $55,041,981. The funds are to cover costs obligated by December 31, 2024, and performed by December 31, 2026. The County incurred $36,693,415 of expenditures for allowable costs and recognized $29,362,028 for lost revenues during the year ended December 31, 2024. $14,790,586 was considered unearned revenue as of December 31, 2024 and has been obligated to be spent before the December 31, 2026 deadline.

### 34. Opioid Settlement

The Commonwealth of Pennsylvania, Office of Attorney General participated in the negotiation of two settlements in July 2022 related to the opioid crisis involving distributors, AmerisourceBergen, Cardinal Health and McKesson, and Johnson & Johnson, Janssen Pharmaceuticals, Inc., Ortho-McNeil-Janssen Pharmacueticals, Inc. and Janssen Pharmacuetica, Inc. (the Opioid Settlement Funds). In November and December of 2022, five additional defendants have entered into National Opioid Settlements (2022 National Settlements): Tdedeva, Allergan, CVS, Walgreens and Walmart. On April 6, 2023, the County joined a nationwide opioid settlement, related to defendants Teva, Allergan, CVS, Walmart and Walgreens. Additional settlements were finalized in 2024 and an additional $30,793,737 is expected to be received over the next 15 years. To allocate those funds among the Commonwealth and its subdivisions, the Office of Attorney General, established the Pennsylvania Opioid Misuse and Addiction Abatement Trust to collect the settlement funds and allocate the funding to Pennsylvania counties. The Opioid Settlement Funds must be expended solely for purposes specified on the Pennsylvania Opioid Misuse and Addiction Abatement Trust's List of Opioid Remediation Uses.

The County received its first settlement payment 2022 and will continue to receive its settlement allocation annually through 2038. The County collected $16,655,636 during 2024. The remaining $65,289,236 unpaid balance is reported at its net present value of $57,844,755 in Nonmajor Governmental Funds as unavailable revenues. The County expects to fully spend the settlement funds within 18 months of receipt in compliance with the terms of the settlement.

The Commonwealth of Pennsylvania is currently in the process of determining allocations for these settlements, so the payment schedule and amounts for these are not able to be disclosed at this time.

| | |
|---|---|
| Years ending December 31: | |
| 2025 | $ 5,690,230 |
| 2026 | 4,442,305 |
| 2027 | 5,237,213 |
| 2028 | 5,734,799 |
| 2029 | 6,113,227 |
| 2030 - 2034 | 23,680,161 |
| 2035 - 2038 | 14,391,301 |
| Total payments receivable | 65,289,236 |
| Present value discount | (7,444,481) |
| Opioid settlement receivable included in grant receivable | $ 57,844,755 |

### 35. Subsequent Events

On July 22, 2021, the County initiated eminent domain proceedings to acquire real property in Marple Township, Delaware County, for certain public uses, including a public park. Estimated Just Compensation (EJC) was paid at the time of the taking. Because the property consisted of two (2) adjoining tax parcels owned by different entities, a Declaration of Taking was necessary for each parcel. The condemnees filed litigation to seek additional compensation from the County claiming the fair market value of the property exceeded the EJC. Boards of View were appointed by the Court of Common Pleas for each property; however, the same members were appointed to both boards.

The Boards of View issued decisions pertaining to value on February 11, 2025, determining that additional compensation above the EJC was due from the County to the condemnees in the amount of $26,649,957 plus interest. The County appealed the decisions of the Boards to the Court of Common Pleas. The appeals will be heard de novo by the Court and assembled jury in each matter to determine just compensation. Delaware County is actively litigating these matters. At this time, it cannot be determined whether additional compensation will be awarded by a jury in each matter and if so, how much that compensation would be. Appraisals will not be exchanged until the court sets deadlines, or the parties mutually agree upon a deadline to exchange trial appraisals.

To address accrual of additional interest, payment of additional estimated just compensation plus accrued interest in the amount of $7,219,816 was paid to the condemnees on April 25, 2025.

## 36. New Accounting Pronouncements

The GASB has approved the following statements:

- Statement No. 102, *Certain Risk Disclosures*, effective for the County's year ending December 31, 2025.
- Statement No. 103, *Financial Reporting Model Improvements,* effective for the County's year ending December 31, 2026.
- Statement No. 104, *Disclosure of Certain Capital Assets,* effective for the County's year ending December 31, 2026.

County management is in the process of analyzing these pending changes in accounting principles and the impact they will have on the financial reporting process.

# Required Supplementary Information

## County of Delaware, Pennsylvania

Required Supplementary Information
Schedule of Changes in Total Other Post-Employment Benefit Liability and Related Ratios
Years Ending December 31
(Unaudited)

| | 2017 | 2018 | 2019 | 2020 | 2021 | 2022 | 2023 | 2024 |
|---|---|---|---|---|---|---|---|---|
| **Total OPEB Liability** | | | | | | | | |
| Service cost | $ 18,068,533 | $ 18,690,090 | $ 15,870,584 | $ 17,521,129 | $ 21,490,798 | $ 13,099,335 | $ 8,070,044 | $ 5,702,541 |
| Interest cost | 14,518,005 | 17,101,669 | 18,969,509 | 12,438,024 | 11,154,286 | 10,407,585 | 13,518,321 | 13,126,395 |
| Change in benefit terms | - | - | - | - | - | - | 9,877,821 | - |
| Changes of assumptions or other inputs | 29,018,463 | (52,656,643) | 28,501,362 | 52,772,639 | 17,247,110 | (125,540,787) | 27,584,106 | (4,379,133) |
| Differences between expected and actual | - | - | (61,125,471) | - | (91,704,964) | (29,495,852) | (29,661,885) | (18,195,295) |
| Benefit payments | 13,198,969 | (13,837,017) | (13,472,942) | (13,979,506) | (15,096,452) | (11,653,143) | (13,120,851) | (11,879,555) |
| Net change in total OPEB liability | 74,803,970 | (30,701,901) | (11,256,958) | 68,752,286 | (56,909,222) | (143,182,862) | 16,267,556 | (15,625,047) |
| **Total OPEB Liability, Beginning** | 410,565,998 | 485,369,968 | 454,668,067 | 443,411,109 | 512,163,395 | 455,254,173 | 312,071,311 | 328,338,867 |
| **Total OPEB Liability, Ending** | $ 485,369,968 | $ 454,668,067 | $ 443,411,109 | $ 512,163,395 | $ 455,254,173 | $ 312,071,311 | $ 328,338,867 | $ 312,713,820 |
| **Covered-Employee Payroll (Estimated)** | $ 167,229,090 | $ 173,082,000 | $ 138,782,000 | $ 138,782,000 | $ 123,198,991 | $ 127,510,956 | $ 160,109,944 | $ 106,252,339 |
| **County's Net Pension Liability as a Percentage of Covered-Employee Payroll** | 290.24% | 262.69% | 319.50% | 369.04% | 369.53% | 244.74% | 205.07% | 294.31% |

**Notes to Schedule**

The County implemented GASB Statements No. 75 in fiscal year 2017. Information prior to fiscal year 2017 is not available.

The County does not accumulate assets in a trust to pay related benefits under the other post-employment benefit plan.

In 2018, the actuarial valuation was updated for a change in assumed discount rate related to total OPEB liability and deferred inflows of approximately $52.7 million.

In 2019, the actuarial valuation discount rate decreased, the mortality tables were updated to more recent studies, and actual Medicare claims experience were lower than expected which resulted in a change in the assumptions related to the total OPEB liability and deferred outflows of approximately $32.6 million.

In 2021, the actuarial valuation discount rate decreased, the mortality tables were updated to more recent studies, and actual Medicare claims experience were lower than expected which resulted in a change in the assumptions related to the total OPEB liability and deferred outflows of approximately $58.4 million.

In 2022, the actuarial valuation was updated for a change in assumed discount rate related to total OPEB liability and deferred inflows of approximately $125.5 million.

In 2023, the actuarial valuation was updated for a change in assumed discount rate base don the yield for the 20 year tax-exempt general obligation bond this. This caused an increase in the County's liabilities

## County of Delaware, Pennsylvania

Required Supplementary Information
Schedule of Changes in the County's Net Pension Liability (Asset) and Related Ratios
Years Ending December 31
(Unaudited)

| | 2014 | 2015 | 2016 | 2017 | 2018 | 2019 | 2020 | 2021 | 2022 | 2023 |
|---|---|---|---|---|---|---|---|---|---|---|
| **Total Pension Liability** | | | | | | | | | | |
| Service cost | $ 15,697,227 | $ 14,885,666 | $ 15,542,585 | $ 15,286,753 | $ 11,079,249 | $ 11,407,742 | $ 11,844,349 | $ 12,110,110 | $ 12,140,181 | $ 15,646,619 |
| Interest | 30,516,421 | 32,103,699 | 33,824,984 | 35,056,767 | 35,620,617 | 37,094,044 | 38,672,973 | 41,034,286 | 43,017,038 | 45,176,262 |
| Difference between expected and actual experience | (5,424,058) | (385,840) | (363,424) | (8,234,316) | (2,408,168) | 3,547,553 | 6,008,688 | 21,706,062 | (4,346,475) | 15,816,740 |
| Changes in assumptions | - | - | (17,616,575) | - | 19,338,805 | - | - | - | 22,835,195 | - |
| Benefit payments, including refunds of member contributions | (25,266,392) | (23,917,898) | (24,299,440) | (24,782,858) | (29,288,903) | (29,773,200) | (35,098,792) | (42,539,232) | (44,164,580) | (43,085,853) |
| Net change in total pension liability | 15,523,198 | 22,685,627 | 7,088,130 | 17,326,346 | 34,341,600 | 22,276,139 | 21,427,218 | 32,311,226 | 29,481,359 | 33,553,768 |
| **Total Pension Liability, Beginning** | 432,629,544 | 448,152,742 | 470,838,369 | 477,926,499 | 495,252,845 | 529,594,445 | 551,870,584 | 573,297,802 | 605,609,028 | 635,090,387 |
| **Total Pension Liability, Ending (a)** | $ 448,152,742 | $ 470,838,369 | $ 477,926,499 | $ 495,252,845 | $ 529,594,445 | $ 551,870,584 | $ 573,297,802 | $ 605,609,028 | $ 635,090,387 | $ 668,644,155 |
| **Plan Fiduciary Net Position** | | | | | | | | | | |
| Employer contributions | $ 4,159,063 | $ 3,987,098 | $ 5,160,038 | $ 4,762,155 | $ 1,527,490 | $ 3,997,875 | $ 5,231,379 | $ 6,112,362 | $ 5,607,640 | $ 9,233,377 |
| Employee contributions | 10,929,265 | 10,301,611 | 10,747,880 | 10,584,568 | 10,798,327 | 11,251,629 | 11,566,554 | 10,970,568 | 13,176,789 | 14,503,097 |
| Net investment income (loss) | 25,701,117 | (4,799,203) | 31,600,871 | 68,708,453 | (36,709,229) | 99,652,455 | 66,282,854 | 91,998,623 | (93,920,986) | 87,225,061 |
| Benefit payments, including refunds of member contributions | (25,266,392) | (23,917,898) | (24,299,440) | (24,782,858) | (29,288,903) | (29,773,200) | (35,098,792) | (42,539,232) | (44,164,580) | (43,085,853) |
| Administration | (48,804) | (48,803) | (48,803) | - | - | - | - | - | - | - |
| Net change in plan fiduciary net position | 15,474,249 | (14,477,195) | 23,160,546 | 59,272,318 | (53,672,315) | 85,128,759 | 47,981,995 | 66,542,321 | (119,301,137) | 67,875,682 |
| **Plan Fiduciary Net Position, Beginning** | 447,902,076 | 463,376,325 | 448,899,130 | 472,059,676 | 531,331,994 | 477,659,679 | 562,788,438 | 610,770,433 | 677,312,754 | 558,011,617 |
| **Plan Fiduciary Net Position, Ending (b)** | $ 463,376,325 | $ 448,899,130 | $ 472,059,676 | $ 531,331,994 | $ 477,659,679 | $ 562,788,438 | $ 610,770,433 | $ 677,312,754 | $ 558,011,617 | $ 625,887,299 |
| Plan net pension (asset) liability, ending (a) - (b) | $ (15,223,583) | $ 21,939,239 | $ 5,866,823 | $ (36,079,149) | $ 51,934,766 | $ (10,917,854) | $ (37,472,631) | $ (71,703,726) | $ 77,078,770 | $ 42,756,856 |
| **Plan Fiduciary Net Position as a Percentage of the Total Pension (Asset) Liability** | 103.40% | 95.34% | 98.77% | 107.28% | 90.19% | 101.98% | 106.54% | 111.84% | 87.86% | 93.61% |
| **Covered Payroll** | $ 134,056,126 | $ 130,961,008 | $ 135,127,843 | $ 132,195,406 | $ 131,211,477 | $ 131,220,398 | $ 135,464,334 | $ 138,229,701 | $ 131,449,528 | $ 163,742,396 |
| **County's Net Pension (Asset) Liability as a Percentage of Covered Payroll** | -11.36% | 16.75% | 4.34% | -27.29% | 39.58% | -8.32% | -27.66% | -51.87% | 58.64% | 26.11% |

**Notes to Schedule**

The County used the 2023 Actuarial Valuation to determine the net pension liability as of December 31, 2024, as allowed under GASB No. 67.

In 2016, the actuarial valuation was updated for the impact of member contributions and the member's reserve which resulted in a change in the assumptions related to the pension liability and deferred outflows of approximately $17.6 million.

In 2018, the actuarial valuation discount rate decreased from 7.5% to 7.0% as a result of the long-term expected rate of return on pension plan investments which resulted in a change in the assumptions related to the pension liability and deferred outflows of approximately $19.3 million.

In 2021, the actuarial valuation reflects a difference between expected investment earnings of $41.8 million and actual investment earnings of $92.0 million. Portions of the difference between expected and actual experience for investment earnings are recognized in the current period and the remainder amortized as deferred inflows.

In 2022, the actuarial valuation reflects a difference between expected investment losses of $46.5 million and actual investment losses of $93.9 million. Portions of the difference between expected and actual experience for investment earnings are recognized in the current period and the remainder amortized as deferred inflows.

Required Supplementary Information
Schedule of Employer Contributions
Last Ten Fiscal Years
(Unaudited)

| | 2015 | 2016 | 2017 | 2018 | 2019 | 2020 | 2021 | 2022 | 2023 | 2024 |
|---|---|---|---|---|---|---|---|---|---|---|
| **Actuarially Determined Contribution** | $ 3,987,098 | $ 5,160,038 | $ 4,762,155 | $ 1,527,490 | $ 3,997,875 | $ 5,231,379 | $ 6,112,362 | $ 5,607,640 | $ 9,233,377 | $ 9,820,748 |
| **Contributions in Relation to the Actuarially Determined Contribution** | 3,987,098 | 5,160,038 | 4,762,155 | 1,527,490 | 3,997,875 | 5,231,379 | 6,112,362 | 5,607,640 | 9,233,377 | 9,820,748 |
| Contribution deficiency (excess) | $ - | $ - | $ - | $ - | $ - | $ - | $ - | $ - | $ - | $ - |
| **Covered Payroll** | $ 130,961,008 | $ 135,127,843 | $ 132,195,406 | $ 131,211,477 | $ 131,220,398 | $ 135,464,334 | $ 138,229,701 | $ 131,449,528 | $ 163,742,396 | $ 181,012,958 |
| **Contributions as a Percentage of Covered Payroll** | 3.04% | 3.82% | 3.60% | 1.16% | 3.05% | 3.86% | 4.42% | 4.27% | 5.64% | 5.43% |

**Notes to Schedule**

Valuation date: January 1

Methods and assumptions used to determine contribution rates:

| | |
|---|---|
| Actuarial cost method | Entry Age |
| Amortization method | Level dollar |
| Remaining amortization period | 15 years |
| Asset valuation method | Market value adjusted by unrecognized gains and losses from prior years |
| Inflation | 3.0% |
| Salary increases | 3.5% average, including inflation |
| Investment rate of return | 7.0%, net of pension plan investment expense, including inflation |
| Retirement age | Age 60 or 55 with 20 years of service |
| Mortality | PubG-2010 Mortality Table for males and females set forward one year with generational mortality improvement using MP20 |

## County of Delaware, Pennsylvania

Required Supplementary Information
Schedule of Investment Returns
Years Ending December 31
(Unaudited)

| | 2014 | 2015 | 2016 | 2017 | 2018 | 2019 | 2020 | 2021 | 2022 | 2023 |
|---|---|---|---|---|---|---|---|---|---|---|
| **Annual Money-Weighted Rate of Return, Net of Investment Expense** | 6.50% | (0.65)% | 7.90% | 15.27% | (6.88)% | 21.40% | 15.10% | 15.70% | (13.80)% | 16.00% |

| Federal Grantor/Pass-Through Grantor/ Program or Cluster Title | Assistance Listing Number | Pass-Through ID | Total Federal Expenditures | Passed Through to Subrecipients Expenditures |
|---|---|---|---|---|
| **U.S. Department of Agriculture** | | | | |
| Snap Cluster: | | | | |
| Pass-through Pennsylvania Department of Human Services: | | | | |
| State Matching Grants for Supplemental Nutrition Assistance Program | 10.561 | DC23159948 | $ 79,694 | $ - |
| Food Distribution Cluster: | | | | |
| Pass-through Pennsylvania Department of Agriculture: | | | | |
| Emergency Food Assistance Program | 10.568 | N/A | 48,281 | - |
| Total U.S. Department of Agriculture | | | 127,975 | - |
| **U.S. Department of Housing and Urban Development** | | | | |
| CDBG - Entitlement Grants Cluster: | | | | |
| Community Development Block Grants/Entitlement Grants | 14.218 | N/A | 4,322,276 | - |
| Community Development Block Grants | 14.225 | N/A | 6,251,250 | - |
| Total CDBG - Entitlement Grants Cluster: | | | 10,573,526 | - |
| Emergency Solutions Grant | 14.231 | N/A | 400,119 | - |
| Supportive Housing Program | 14.235 | N/A | 207,015 | - |
| Shelter Plus Care Program | 14.238 | N/A | 230,337 | 109,320 |
| Home Investment Partnerships Program | 14.239 | N/A | 131,681 | - |
| Continuum of Care Program | 14.267 | N/A | 198,300 | 119,789 |
| Pass-through City of Philadelphia Division of Housing and Community Development: | | | | |
| Housing Opportunities for Persons with AIDS | 14.241 | 2420053 | 276,408 | 87,808 |
| Housing Opportunities for Persons with AIDS | 14.241 | 2520083 | 250,782 | 112,872 |
| Total Housing Opportunities for Persons with AIDS | | | 527,190 | 200,680 |
| Total U.S. Department of Housing and Urban Development | | | 12,268,168 | 429,789 |
| **National Park Service** | | | | |
| Historic Preservation Fund Grants-in-Aid | 15.904 | N/A | 40,414 | - |
| Total National Park Service | | | 40,414 | - |
| **U.S. Department of Justice** | | | | |
| Missing Children's Assistance | 16.543 | N/A | 586,618 | - |
| Edward Bryne Memorial Justice Assistance Grant Program | 16.738 | N/A | 92,229 | - |
| Pass-through Office for Victims of Crime: | | | | |
| Services for Trafficking Victims | 16.320 | 15POVC-21-GK-04100-HT | 188,679 | - |
| Pass-through Pennsylvania Commission on Crime and Delinquency: | | | | |
| Crime Victims Assistance | 16.575 | 37831 | 25,990 | - |
| Total U.S. Department of Justice | | | 893,516 | - |
| **U.S. Department of Labor** | | | | |
| Reentry Employment Opportunities | 17.270 | N/A | 397,195 | - |
| Pass-through the Pennsylvania Department of Labor and Industry: | | | | |
| Employment Service Cluster: | | | | |
| Employment Service/Wagner-Peyser funded activities | 17.207 | N/A | 81,479 | - |
| Jobs for Veterans state grant | 17.801 | N/A | 24,859 | - |
| Total Employment Service Cluster | | | 106,338 | - |
| Unemployment Insurance | 17.225 | N/A | 32,200 | - |
| WIOA National Dislocated Worker Grants/WIA National Emergency Grants | 17.277 | N/A | 67,376 | - |
| Registered apprenticeship | 17.285 | W035222206 | 51,726 | - |
| Registered apprenticeship | 17.285 | n/a | 11,952 | - |
| WIOA Cluster: | | | | |
| WIOA Adult Program | 17.258 | N/A | 1,723,459 | - |
| WIOA Youth Activities | 17.259 | N/A | 1,457,924 | - |
| WIOA Dislocated Worker Formula Grant | 17.278 | N/A | 949,770 | - |
| Total WIOA Cluster | | | 4,131,153 | - |
| Community Project Funding/Congressionally Directed Spending | 17.289 | 24A60CP000346-01-01 | 168,265 | - |
| Community Project Funding/Congressionally Directed Spending | 17.289 | N/A | 19,877 | - |
| Total Community Project Funding/Congressionally Directed Spending | | | 188,142 | - |
| Total U.S. Department of Labor | | | 4,986,082 | - |

*See notes to schedule of expenditures of federal awards and selected Commonwealth of Pennsylvania Department of Human Services Assistance*

| Federal Grantor/Pass-Through Grantor/ Program or Cluster Title | Assistance Listing Number | Pass-Through ID | Total Federal Expenditures | Passed Through to Subrecipients Expenditures |
|---|---|---|---|---|
| **U.S. Department of Transportation** | | | | |
| Pass-through Pennsylvania Department of Transportation: | | | | |
| Highway Planning and Construction Cluster: | | | | |
| Highway Planning and Construction | 20.205 | N/A | $ 3,409,699 | $ - |
| Pass-through Delaware Valley Regional Planning Commission: | | | | |
| Metropolitan Transportation Planning and State And Non-Metropolitan Planning and Research | 20.505 | N/A | 165,413 | - |
| Pass-through Pennsylvania Department of Transportation: | | | | |
| Highway Safety Cluster: | | | | |
| State and Community Highway Safety | 20.600 | EG00900009 | 101,326 | - |
| Total U.S. Department of Transportation | | | 3,676,438 | - |
| **U.S. Department of the Treasury** | | | | |
| COVID-19 - Emergency Rental Assistance Program | 21.023 | N/A | 109,450 | - |
| COVID-19 - Coronavirus State and Local Fiscal Recovery Funds | 21.027 | N/A | 36,693,415 | 3,255,060 |
| Pass-through Pennsylvania Community and Economic Development: | | | | |
| COVID-19 - Coronavirus State and Local Fiscal Recovery Funds | 21.027 | C000084527 | 1,060,324 | 1,060,324 |
| Pass-through Pennsylvania Commission on Crime and Delinquency: | | | | |
| COVID-19 - Coronavirus State and Local Fiscal Recovery Funds | 21.027 | 36733 | 1,049,165 | - |
| COVID-19 - Coronavirus State and Local Fiscal Recovery Funds | 21.027 | 39165 | 380,247 | - |
| Local Assistance and Tribal Consistency Fund | 21.032 | N/A | 17,239 | - |
| Total U.S. Department of the Treasury | | | 39,309,840 | 4,315,384 |
| **The Institute of Museum and Library Services** | | | | |
| Pass-through Pennsylvania Department of Education | | | | |
| Grants to States | 45.310 | N/A | 532,610 | - |
| Total the Institute of Museum and Library Services | | | 532,610 | - |
| **U.S. Department of Education** | | | | |
| Pass-through the Pennsylvania Department of Labor and Industry: | | | | |
| Rehabilitation Services-Vocational Rehabilitation Grants to States | 84.126 | N/A | 45,598 | - |
| Pass-through Pennsylvania Department of Human Services: | | | | |
| Special Education Grants for Infants and Families | 84.181 | N/A | 831,763 | - |
| Total U.S. Department of Education | | | 877,361 | - |
| **U.S. Election Assistance Commission** | | | | |
| Help America Vote College Program | 90.400 | N/A | 13,315 | - |
| Pass-through the Pennsylvania Department of State: | | | | |
| Hava Election Security Grants | 90.404 | 4100093982 | 51,226 | - |
| Total U.S. Election Assistance Commission | | | 64,541 | - |
| **U.S. Department of Health and Human Services** | | | | |
| Congressional Directives | 93.493 | N/A | 107,369 | - |
| Pass-through Pennsylvania Department of Health: | | | | |
| Medical Reserve Corps Small Grant Program | 93.008 | 4100096200 | 48,376 | - |
| Public Health Emergency Preparedness | 93.069 | 4100096200 | 485,704 | - |
| Immunization Cooperative Agreements | 93.268 | 4100092485 | 502,961 | - |
| Epidemiology and Laboratory Capacity for Infectious Diseases (ELC) | 93.323 | 4100094700 | 1,238,409 | - |
| Center for Disease Control and Prevention Collaboration with Academia to Strengthen Public Health | 93.967 | 4100095601 | 522,125 | - |
| HIV Prevention Activities Health Department Based | 93.940 | 4100095580 | 203,175 | - |
| Maternal and Child Health Services Block Grant to the States | 93.994 | 4100095845 | 282,700 | - |
| Pass-through Pennsylvania Department of Aging: | | | | |
| Special Programs for the Aging Title VII, Chapter 3 - Programs for Prevention of Elder Abuse, Neglect and Exploitation | 93.041 | 4100089716 | 7,045 | - |
| Special Programs for the Aging Title VII, Chapter 2 - Long-Term Care Ombudsman Services for Older Individuals | 93.042 | 4100089716 | 16,585 | - |
| Special Programs for the Aging Title III, Part D - Disease Prevention and Health Promotion Services | 93.043 | 4100089716 | 33,339 | - |
| National Family Caregiver Support, Title III, Part E | 93.052 | 4100089716 | 283,466 | - |
| Medicare Enrollment Assistance Program | 93.071 | 4100089716 | 20,946 | - |
| State Health Insurance Assistance Program | 93.324 | 4100089716 | 38,899 | - |
| Aging Cluster: | | | | |
| Special Programs for the Aging Title III, Part B - Grants for Supportive Services and Senior Centers | 93.044 | N/A | 10,167 | - |
| Pass-through Pennsylvania Department of Aging: | | | | |
| Special Programs for the Aging Title III, Part B - Grants for Supportive Services and Senior Centers | 93.044 | 4100089716 | 884,135 | - |
| Special Programs for the Aging Title III, Part C - Nutrition Services | 93.045 | 4100089716 | 1,207,091 | - |
| Nutrition Services Incentive Program | 93.053 | 4100089716 | 128,128 | - |
| Total Aging Cluster | | | 2,229,521 | - |

*See notes to schedule of expenditures of federal awards and selected Commonwealth of Pennsylvania Department of Human Services Assistance*

| Federal Grantor/Pass-Through Grantor/ Program or Cluster Title | Assistance Listing Number | Pass-Through ID | Total Federal Expenditures | Passed Through to Subrecipients Expenditures |
|---|---|---|---|---|
| **U.S. Department of Health and Human Services (continued)** | | | | |
| Pass-through Pennsylvania Department of Human Services: | | | | |
| Guardianship Assistance | 93.090 | N/A | $ 209,856 | $ - |
| Comprehensive Community Mental Health Services for Children with Serious Emotional Disturbances (SED) | 93.104 | N/A | 245,512 | 245,512 |
| Projects for Assistance in Transition from Homelessness (PATH) | 93.150 | N/A | 131,919 | 131,919 |
| Title IV-E Prevention Program | 93.472 | N/A | 67,597 | - |
| Marylee Allen promoting safe and stable families program | 93.556 | N/A | 262,507 | 257,735 |
| Pass-through Pennsylvania Office of Child Development and Early Learning: | | | | |
| Marylee Allen Promoting Safe and Stable Families Program | 93.556 | N/A | 224,913 | - |
| Child Support Services | 93.563 | N/A | 7,400,680 | - |
| Pass-through Pennsylvania Office of Child Development and Early Learning: | | | | |
| Childcare Development Fund Cluster: | | | | |
| Childcare and Development Block Grant | 93.575 | N/A | 21,257,721 | - |
| Childcare Mandatory and Matching Funds of the Child Care and Development Fund | 93.596 | N/A | 11,428,710 | - |
| Temporary Assistance for Needy Families | 93.558 | N/A | 4,002,693 | - |
| Social Services Block Grant | 93.667 | DC23159948 | 1,788,411 | - |
| Total Child Care Development Fund Cluster | | | 38,477,535 | - |
| Stephanie Tubbs Jones Child Welfare Services Program | 93.645 | 2201PACWSS | 74,581 | 74,581 |
| Foster Care - Title IV-E | 93.658 | N/A | 3,560,743 | 1,427,802 |
| Adoption Assistance | 93.659 | N/A | 2,248,194 | - |
| Social Services Block Grant | 93.667 | N/A | 690,082 | 293,886 |
| Social Services Block Grant | 93.667 | 2001PASOSR | 669,333 | - |
| John H. Chafee Foster Care Program for Successful Transition to Adulthood | 93.674 | N/A | 106,145 | 69,772 |
| Block Grants for Community Mental Health Services | 93.958 | N/A | 797,514 | 120,000 |
| Pass-through the Pennsylvania Department of Labor and Industry: | | | | |
| Community services block grant | 93.569 | n/a | 9,295 | - |
| TANF Cluster: | | | | |
| Pass-through Pennsylvania Department of Human Services: | | | | |
| Temporary Assistance for Needy Families | 93.558 | N/A | 1,619,400 | - |
| Pass-through the Pennsylvania Department of Labor and Industry: | | | | |
| Temporary Assistance for Needy Families | 93.558 | N/A | 4,844,089 | - |
| Total TANF Cluster | | | 6,463,489 | - |
| Medicaid Cluster: | | | | |
| Pass-through Pennsylvania Department of Aging: | | | | |
| Medical Assistance Program | 93.778 | 4100089148 | 64,275 | - |
| Pass-through Pennsylvania Department of Human Services: | | | | |
| Medical Assistance Program | 93.778 | N/A | 4,393,197 | 2,157,530 |
| Total Medicaid Cluster | | | 4,457,472 | 2,157,530 |
| Pass-through Pennsylvania Department of Drug and Alcohol Programs: | | | | |
| Opioid STR | 93.788 | 4100086629 | 1,880,743 | - |
| Block Grants for Prevention and Treatment of Substance Abuse | 93.959 | N/A | 2,045,573 | - |
| Total U.S. Department of Health and Human Services | | | 76,044,303 | 4,778,737 |
| **Corporation for National and Community Service** | | | | |
| Foster Grandparent/Senior Companion Cluster: | | | | |
| Americorps Senior Foster Grandparent Program | 94.011 | 22SFBPA002 | 323,432 | - |
| Total Corporation for National and Community Service | | | 323,432 | - |
| **Executive Office of the President** | | | | |
| High Intensity Drug Trafficking Areas Program | 95.001 | N/A | 22,184 | - |
| Total Executive Office of the President | | | 22,184 | - |
| **U.S. Department of Homeland Security** | | | | |
| Pass-through Pennsylvania Emergency Management Agency: | | | | |
| Disaster Grants - Public Assistance (Presidentially Declared Disasters) | 97.036 | N/A | 5,695,997 | 5,695,997 |
| Emergency Management Performance Grants | 97.042 | N/A | 150,417 | - |
| BRIC: Building Resilient Infrastructure and Communities | 97.047 | N/A | 17,325 | - |
| Homeland Security Grant Program | 97.067 | N/A | 1,452,877 | - |
| Total U.S. Department of Homeland Security | | | 7,316,616 | 5,695,997 |
| Total expenditures of federal awards | | | $ 146,483,480 | $ 15,219,907 |

*See notes to schedule of expenditures of federal awards and selected Commonwealth of Pennsylvania Department of Human Services Assistance*

# County of Delaware, Pennsylvania

Schedule of Selected Commonwealth of Pennsylvania
Department of Human Services Assistance
Year Ended December 31, 2024

| Grantor/Program Title | Combined Federal and State Expenditures |
|---|---|
| **Commonwealth of Pennsylvania Department of Human Services** | |
| State Matching Grants for Supplemental Nutrition Assistance Program | $ 79,694 |
| Special Education Grants for Infants & Families with Disabilities | 831,763 |
| Guardianship Assistance | 209,856 |
| Comprehensive Community Mental Health Services for Children with Serious Emotional Disturbances (SED) | 245,512 |
| Projects for Assistance in Transition From Homelessness | 131,919 |
| Title IV-E Prevention Program | 67,597 |
| Promoting Safe and Stable Families | 487,420 |
| Temporary Assistance for Needy Families | 5,622,093 |
| Child Support Enforcement | 7,400,680 |
| Childcare and Development Block Grant | 21,257,721 |
| Childcare Mandatory and Matching Funds of the Childcare and Development Fund | 11,428,710 |
| Stephanie Tubbs Jones Child Welfare Services Program | 74,581 |
| Foster Care Title IV-E | 3,560,743 |
| Adoption Assistance | 2,248,194 |
| Social Services Block Grant | 3,147,826 |
| John H. Chafee Foster Care Program for Successful Transition to Adulthood | 106,145 |
| Medical Assistance Program | 4,393,197 |
| Block Grants for Community Mental Health Services | 797,514 |
| Total selected Commonwealth of Pennsylvania Department of Human Services Assistance | $ 62,091,165 |

*See notes to schedule of expenditures of federal awards and selected Commonwealth of Pennsylvania Department of Human Services Assistance*

## 1. Basis of Presentation

The accompanying Schedule of Expenditures of Federal Awards (the Schedule) includes the federal award activity of the County of Delaware, Pennsylvania (the County) under programs of the federal government for the year ended December 31, 2024. The information in the Schedule is presented in accordance with the requirements of Title 2 U.S. *Code of Federal Regulations* Part 200, *Uniform Administrative Requirements, Cost Principles and Audit Requirements for Federal Awards* (Uniform Guidance). Because the Schedule presents only a selected portion of the operations of the County, it is not intended to and does not present the financial position, changes in financial position or cash flows of the County.

## 2. Basis of Accounting

Expenditures reported in the Schedule are reported on the modified accrual basis of accounting. Such expenditures are recognized following the cost principles contained in the Uniform Guidance, wherein certain types of expenditures are not allowable or are limited as to reimbursement. Negative amounts shown on the Schedule represent adjustments or credits made in the normal course of business to amounts reported as expenditures in prior years.

## 3. Indirect Cost

The County has elected not to use the 10% de minimis indirect cost rate allowed under the Uniform Guidance.

## 4. Subrecipients of City of Philadelphia Grants

The County passed through funds to the following subrecipients on City of Philadelphia grants:

| Program Title | Assistance Listing Number | Contract ID No. | Subrecipient Name | Passed Through to Subrecipient |
|---|---|---|---|---|
| Housing Opportunities for Persons with AIDS | 14.241 | 2420053 | Catholic Social Services | $ 87,808 |
| | 14.241 | 2520083 | Catholic Social Services | 112,872 |
| Total passed through funds to subrecipients on City of Philadelphia grants | | | | $ 200,680 |

## County of Delaware, Pennsylvania

Housing Opportunities for Persons With AIDS, City of Philadelphia
Contract Number 2420053
Schedule of Source and Status of Funds
Period From January 1, 2024 to December 31, 2024

| | CDBG Funds | Program Income | Other City Funds | Non City Funds | Total |
|---|---|---|---|---|---|
| **Total Contract** | $ 674,100 | | | | $ 674,100 |
| (Final authorized budget) | | | | | |
| Less: | | | | | |
| Funds drawn down, prior year * | - | | | | - |
| Funds drawn down, current year * | 368,608 | | | | 368,608 |
| Total funds drawn | 368,608 | | | | 368,608 |
| Funds available for draw | $ 305,492 | None | None | $ 3,325 | $ 305,492 |
| Total funds drawn | $ 368,608 | | | | $ 368,608 |
| Add: | | | | | |
| Program income | - | | | | - |
| Total funds received | 368,608 | | | | 368,608 |
| Less: | | | | | |
| Program income expended | | | | | - |
| Funds applied, prior year * | 282,100 | | | | 282,100 |
| Funds applied, current year * | 279,994 | | | | 279,994 |
| Total funds applied | 562,094 | | | | 562,094 |
| Total funds due from funding source | None | None | None | None | None |
| Total funds available for disposition | $ 112,006 | None | None | None | $ 112,006 |

* For purposes of this schedule, current year represents the period from January 1, 2024 to December 31, 2024

## County of Delaware, Pennsylvania

Housing Opportunities for Persons With AIDS, City of Philadelphia
Contract Number 2420053
Schedule of Program Expenditures
Period From January 1, 2024 to December 31, 2024

| | Budget | Expenditures Prior to 1/1/2024 | Expenditures 1/1/2024 to 12/31/2024 | Expenditures Cumulative to 12/31/2024 |
|---|---|---|---|---|
| **Expenditures** | | | | |
| Direct personnel | $ 5,882 | $ 1,686 | $ 1,311 | $ 2,997 |
| Direct fringe benefits | 8,955 | 813 | 893 | 1,706 |
| Professional services | 186,259 | 77,716 | 77,454 | 155,170 |
| Travel | 2,410 | 599 | 911 | 1,510 |
| Occupancy | 17,796 | 708 | 13,766 | 14,474 |
| Consumable supplies | 13,109 | 427 | 12,474 | 12,901 |
| Equipment | 1,700 | 7 | - | 7 |
| Admin costs | - | - | - | - |
| Program costs | 427,403 | 200,144 | 168,517 | 368,661 |
| Security | 10,586 | - | 4,668 | 4,668 |
| Total | $ 674,100 | $ 282,100 | $ 279,994 | $ 562,094 |

## County of Delaware, Pennsylvania

Housing Opportunities for Persons With AIDS, City of Philadelphia
Contract Number 2420053
Reconciliation Schedule
Period From January 1, 2024 to December 31, 2024

| | Amount Per Books and Records | Amount Per Subrecipient Invoice | Difference | |
|---|---|---|---|---|
| **Contract Amount** | $ 674,100 | $ 674,100 | $ - | |
| Program Costs | | | | |
| Prior Year * | $ 285,686 | $ 282,100 | $ 3,586 | ^ |
| Current Year * | 276,408 | 279,994 | (3,586) | ^ |
| Cumulative | $ 562,094 | $ 562,094 | $ - | |
| Funds Drawn Down | | | | |
| Prior Year * | $ 285,686 | $ - | $ 285,686 | + |
| Current Year * | 276,408 | 368,608 | (92,200) | + |
| Cumulative | $ 562,094 | $ 368,608 | $ 193,486 | |

* For purposes of this schedule, current year represents the period of January 1, 2024 from December 31, 2024
^ Difference result of reporting of expenditures through invoice submissions as of December 31, 2023. Corrections to be applied in subsequent invoices within the program operating year.
+ Difference is the result of timing of recognition of revenues under generally accepted accounting principles and submission of draw requests and the timing of when program expenditures has been submitted.

## County of Delaware, Pennsylvania

Housing Opportunities for Persons With AIDS, City of Philadelphia
Contract Number 2420053
Schedule of Program Income
Period From January 1, 2024 to December 31, 2024

| | Sales Proceeds | Other (Specify) | Total |
|---|---|---|---|
| **Program Income** | | | |
| Program Income Beginning Balance, January 1, 2024 | $ - | $ - | $ - |
| Add: | | | |
| Program income received in current year | - | - | - |
| Less: | | | |
| Program income expended in current year | - | - | - |
| Ending Balance, December 31, 2024 | $ - | $ - | $ - |

## County of Delaware, Pennsylvania

Housing Opportunities for Persons With AIDS, City of Philadelphia
Contract Number 2520083
Schedule of Source and Status of Funds
Period From January 1, 2024 to December 31, 2024

| | CDBG Funds | Program Income | Other City Funds | Non-City Funds | Total |
|---|---|---|---|---|---|
| **Total Contract** | $ 674,100 | | | | $ 674,100 |
| (Final authorized budget) | | | | | |
| Less: | | | | | |
| Funds drawn down, prior year * | - | | | | - |
| Funds drawn down, current year * | - | | | | - |
| Total funds drawn | - | | | | - |
| Funds available for draw | $ 674,100 | None | None | None | $ 674,100 |
| Total funds drawn | $ - | | | | $ - |
| Add: | | | | | |
| Program income | - | | | | - |
| Total funds received | - | | | | - |
| Less: | | | | | |
| Program income expended | - | | | | - |
| Funds applied, prior year * | - | | | | - |
| Funds applied, current year * | 266,417 | | | | 266,417 |
| Total funds applied | 266,417 | | | | 266,417 |
| Total funds due from funding source | None | None | None | None | None |
| Total funds available for disposition | $ 407,683 | None | None | None | $ 407,683 |

* For purposes of this schedule, current year represents the period from January 1, 2024 to December 31, 2024

## County of Delaware, Pennsylvania

Housing Opportunities for Persons With AIDS, City of Philadelphia
Contract Number 2520083
Schedule of Program Expenditures
Period From January 1, 2024 to December 31, 2024

| | Budget | Expenditures Prior to 1/1/2024 | Expenditures 1/1/2024 to 12/31/2024 | Expenditures Cumulative to 12/31/2024 |
|---|---|---|---|---|
| **Expenditures** | | | | |
| Direct personnel | $ 29,927 | $ - | $ 1,752 | $ 1,752 |
| Direct fringe benefits | 4,254 | - | 785 | 785 |
| Professional services | 139,398 | - | 77,026 | 77,026 |
| Travel | 33,644 | - | 732 | 732 |
| Occupancy | 15,134 | - | 6,975 | 6,975 |
| Consumable supplies | 9,000 | - | 138 | 138 |
| Equipment | - | - | - | - |
| Admin costs | - | - | - | - |
| Program costs | 433,243 | - | 179,009 | 179,009 |
| Security | 9,500 | - | - | - |
| Total | $ 674,100 | $ - | $ 266,417 | $ 266,417 |

## County of Delaware, Pennsylvania

Housing Opportunities for Persons With AIDS, City of Philadelphia
Contract Number 2520083
Reconciliation Schedule
Period From January 1, 2024 to December 31, 2024

| | Amount Per Books and Records | Amount Per Subrecipient Invoice | Difference | |
|---|---|---|---|---|
| **Contract Amount** | $ 674,100 | $ 674,100 | $ - | |
| Program Costs | | | | |
| Prior Year * | $ - | $ - | $ - | |
| Current Year * | 250,782 | 266,417 | (15,635) | ^ |
| Cumulative | $ 250,782 | $ 266,417 | $ (15,635) | |
| Funds Drawn Down | | | | |
| Prior Year * | $ - | $ - | $ - | |
| Current Year * | 250,782 | - | 250,782 | + |
| Cumulative | $ 250,782 | $ - | $ 250,782 | |

* For purposes of this schedule, current year represents the period of January 1, 2024 from December 31, 2024
^ Difference result of account coding of expenditures as of December 31, 2024. Corrections to be applied in subsequent months within the program operating year.
+ Difference is the result of timing of recognition of revenues under generally accepted accounting principles and submission of draw requests and the timing of when program expenditures has been submitted.

## County of Delaware, Pennsylvania

Housing Opportunities for Persons With AIDS, City of Philadelphia
Contract Number 2520083
Schedule of Program Income
Period From January 1, 2024 to December 31, 2024

| | Sales Proceeds | Other (Specify) | Total |
|---|---|---|---|
| **Program Income** | | | |
| Program Income Beginning Balance, January 1, 2024 | $ - | $ - | $ - |
| Add: | | | |
| Program income received in current year | - | - | - |
| Less: | | | |
| Program income expended in current year | - | - | - |
| Ending Balance, December 31, 2024 | $ - | $ - | $ - |