

FY 2025 Annual Comprehensive Financial Report

A Snapshot of Fiscal Stewardship, Stability, and Strategic Growth.



FISCAL PERIOD: JULY 1, 2024 – JUNE 30, 2025

PREPARED BY THE DEPARTMENT OF FINANCE – FEBRUARY 2026

The City maintains a strong financial position across all primary indicators.

\$3.3M

Net Surplus

Revenues exceeded expenditures even after transfers to community programs.

\$115.0M

Total Fund Balance



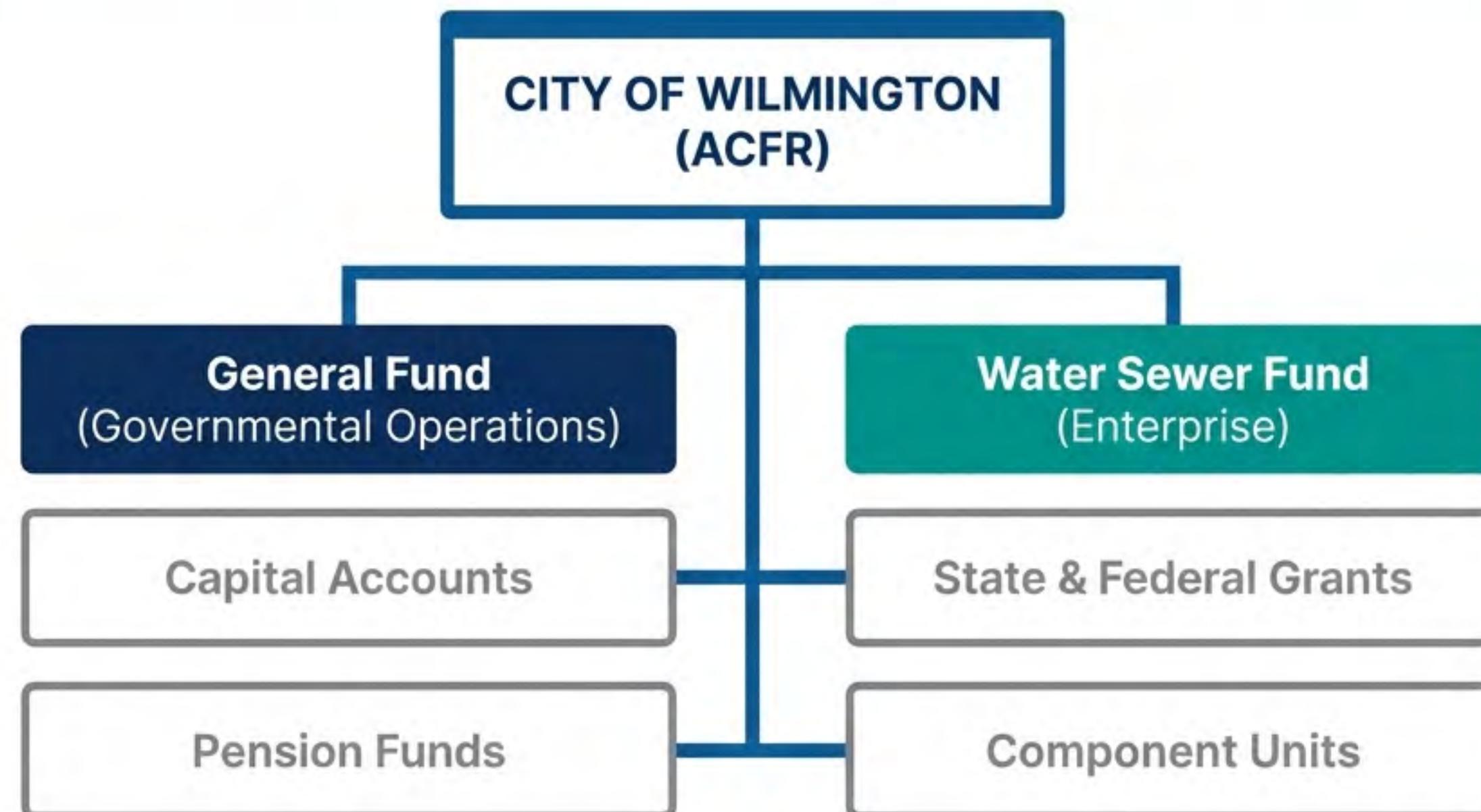
Up \$4.7M from FY 2024, signaling increased savings.

**Trending
Downward**

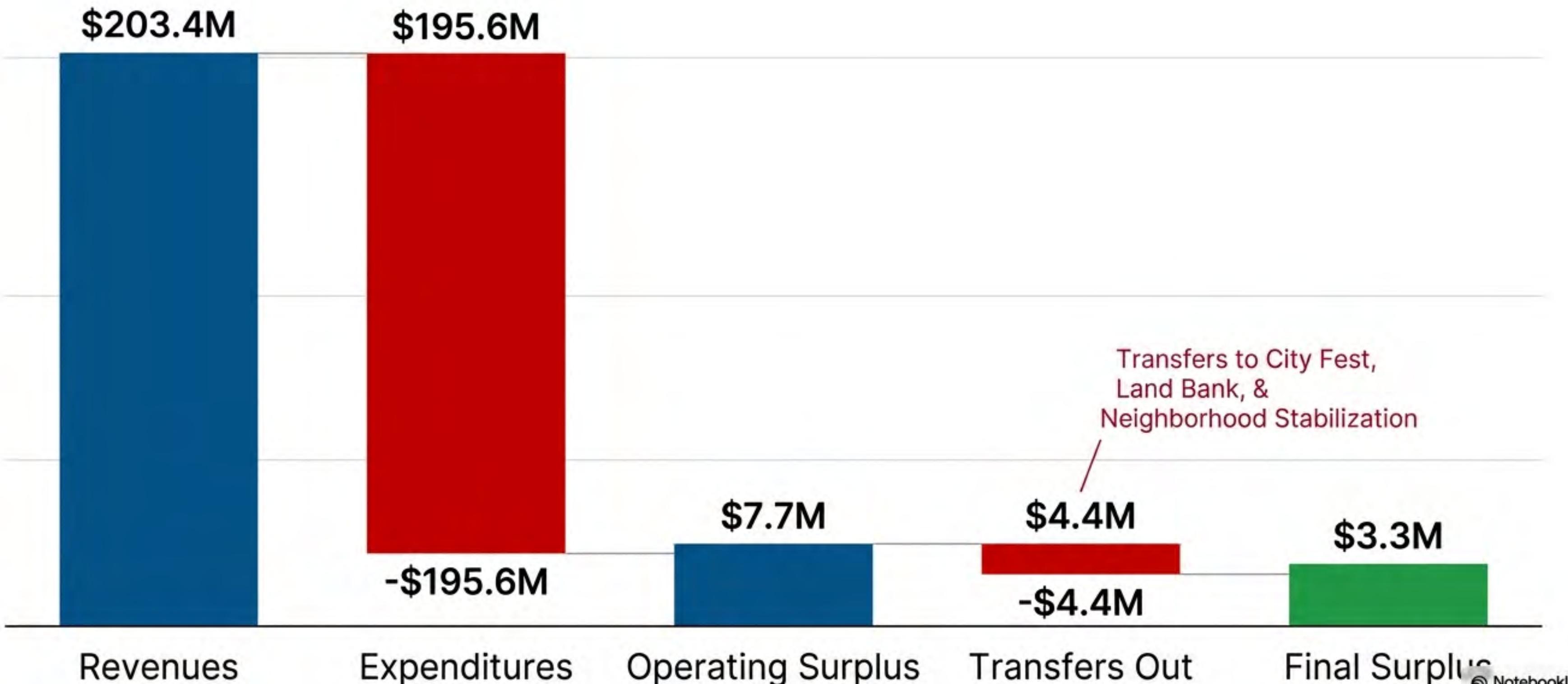
Total debt obligations dropped from \$335.1M (FY22) to \$282.2M (FY25).

The Annual Financial Statements capture a comprehensive snapshot in time.

This report consolidates the financial activities of all Governmental Units, ensuring total transparency.



Prudent management of the General Fund generated a \$3.3M net surplus.



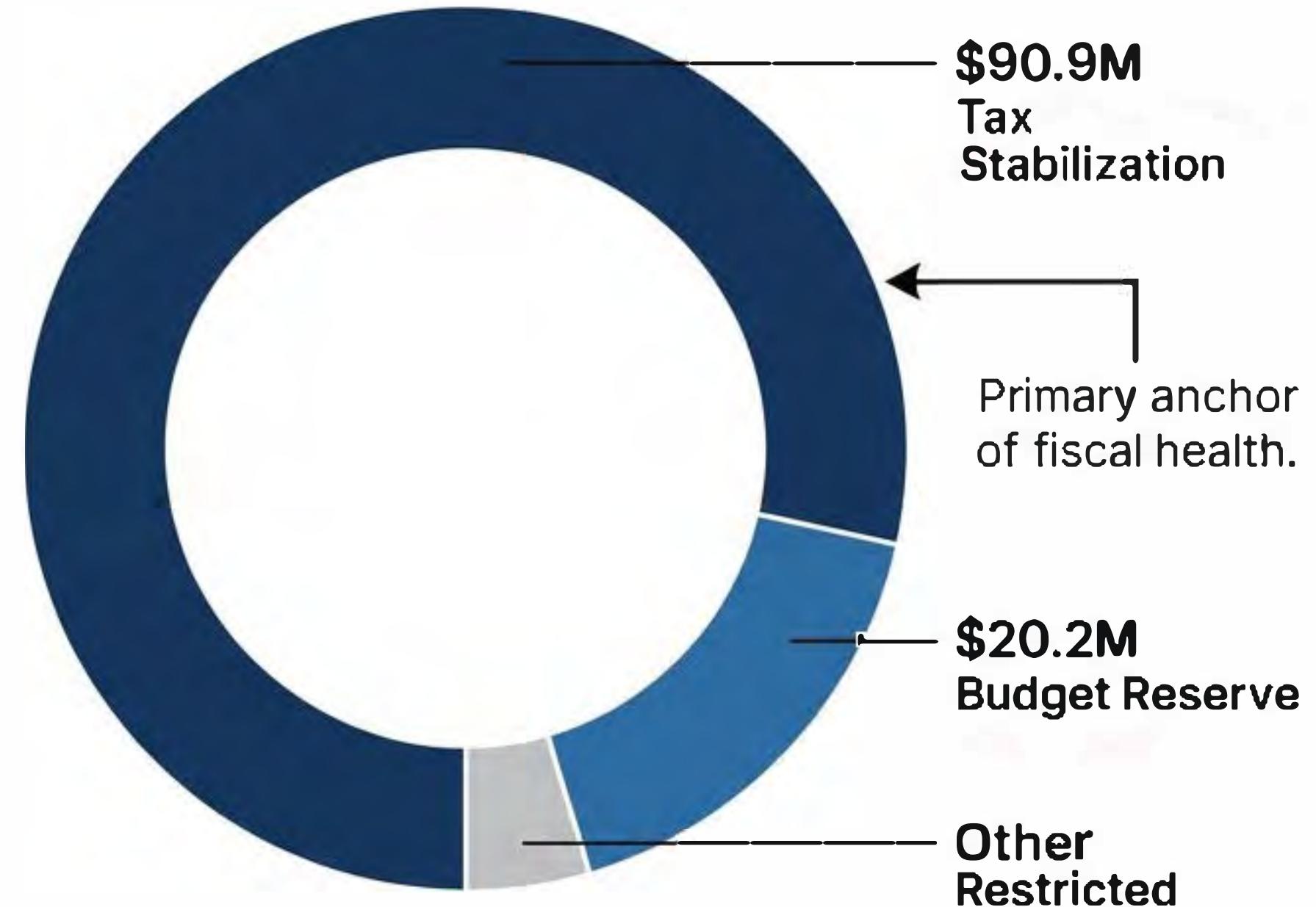
Robust reserves protect the City against economic volatility.

\$115.0 Million

Total General Fund Balance

(Up \$4.7M from FY 2024)

General Fund Balance Breakdown



Understanding the composition of our cash and revenue.



Bond Bill Proceeds

The City received significant Bond Bill proceeds in FY 2025. While treated as General Fund revenue, these funds are specifically allocated to community groups and projects. Unspent funds remain in cash/investments but are restricted.



Liquidity Reality

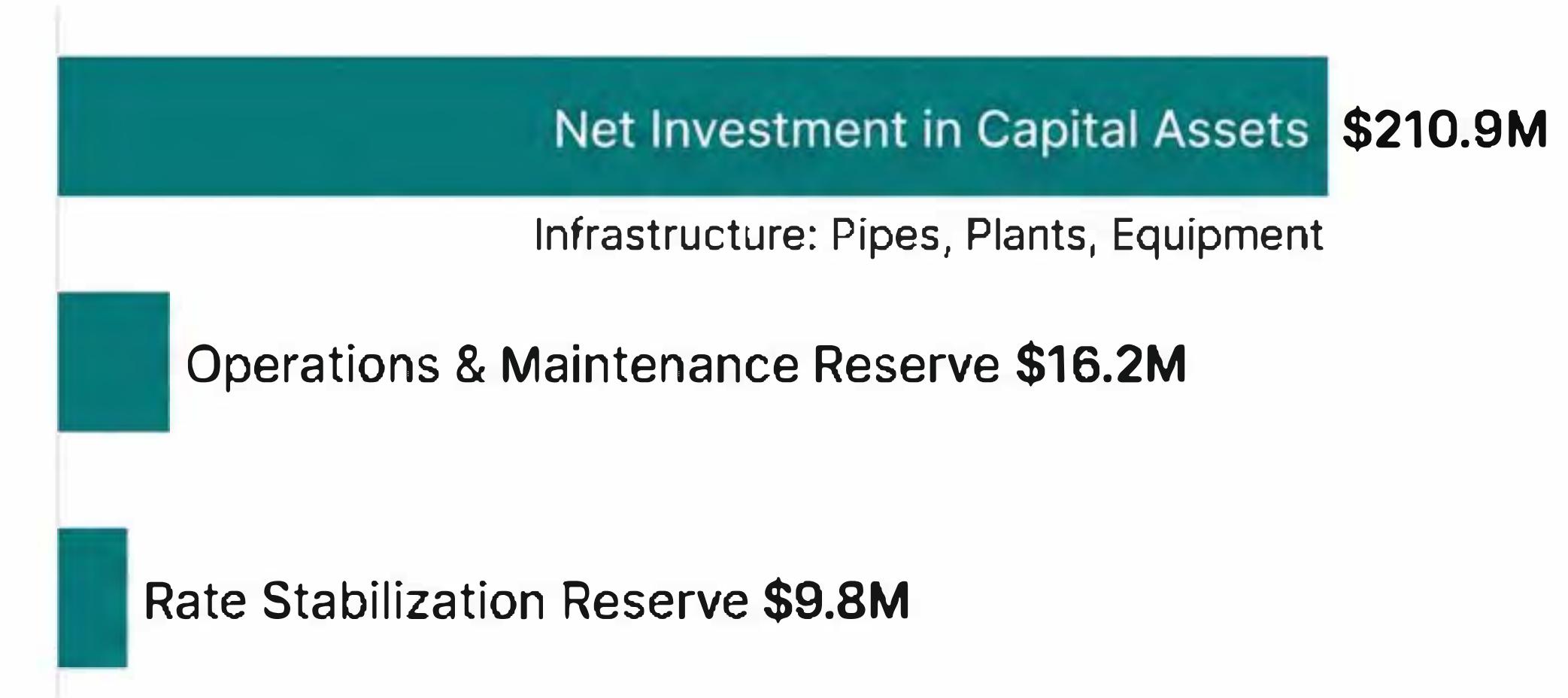
\$27.1M in Accounts Receivable.

These assets contribute to the Fund Balance tally but represent payments owed by customers. They are not immediately liquid cash.

The Water Sewer Fund is a capital-intensive enterprise with a strong asset base but weak cash position.

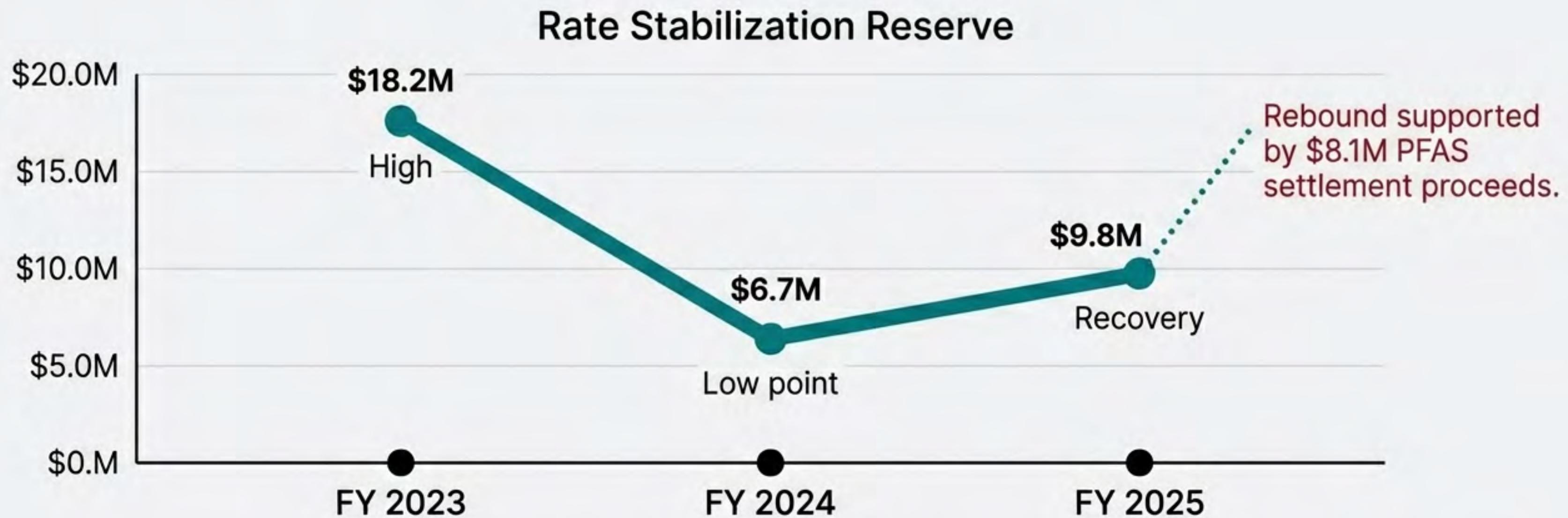
**\$237.5
Million**

Total Net Position



The enterprise fund operates on an accrual basis, reflecting the long-term value of infrastructure. The \$25.7 million reported surplus contains \$7.5 of physical assets and only \$18.2 million in actual spendable cash. The cash is just enough to cover the O&M budget reserve (\$16.2 m).

Strategic use of reserves and one-time revenues supported operations.



The Rate Stabilization Reserve is the residual asset after Capital and O&M deductions. It acts as a buffer against volatility.

We are on a clear path to full pension solvency by 2031.

**\$362.3
Million**

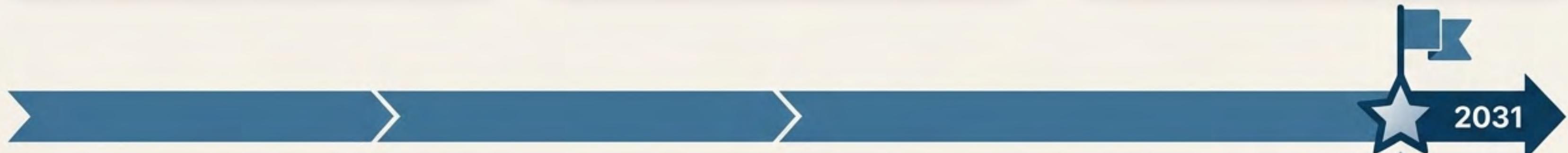
Net Position Pension
Fiduciary Fund

**\$38.9
Million**

FY25 Investment Income
& Appreciation

**\$38.8
Million**

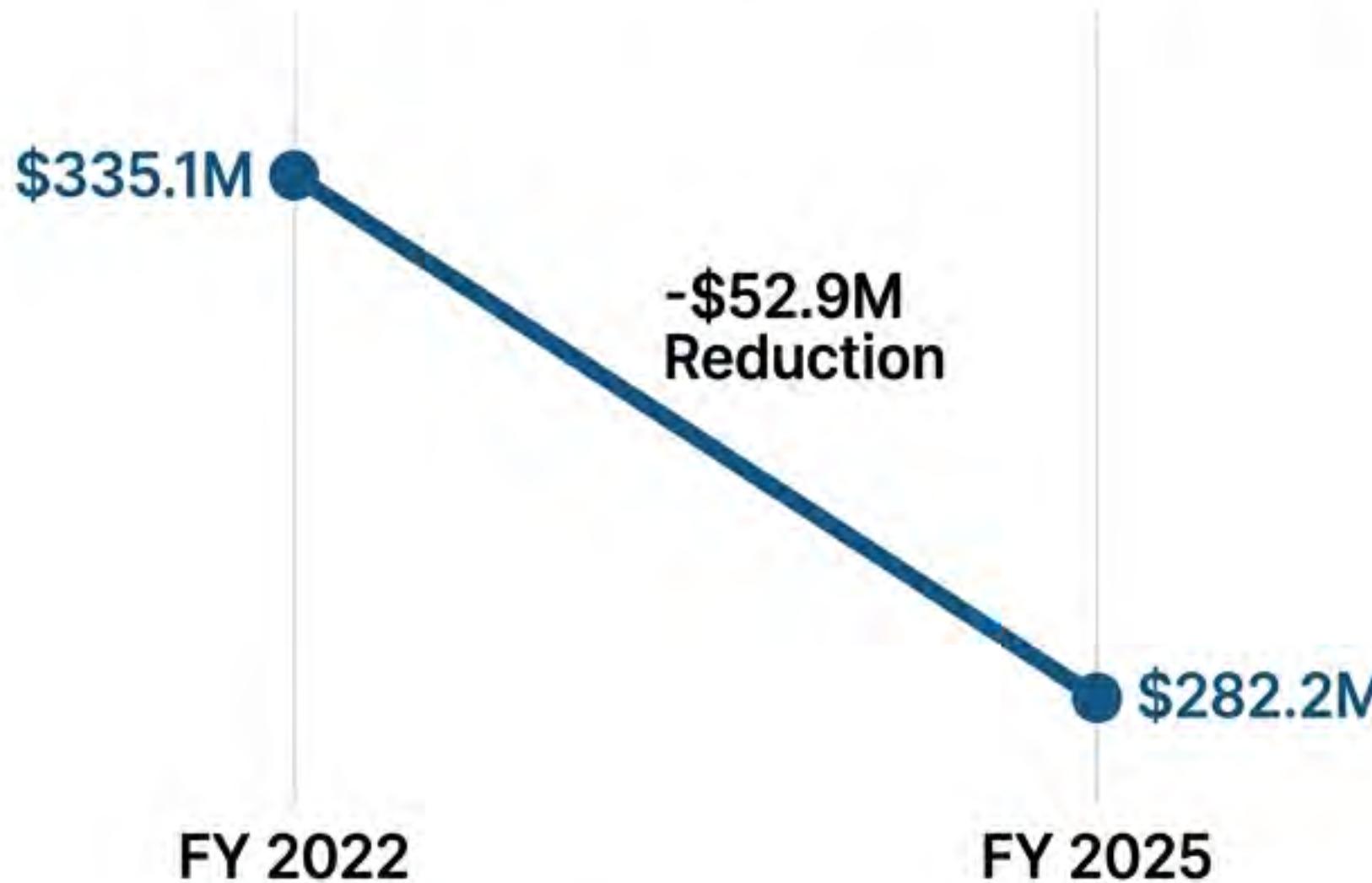
Net Position OPEB



Goal: Fully Funded Liability

Consistent contributions and strategic investments are driving long-term financial stability.

Total debt obligations have decreased significantly from FY 2022 highs.



FY 2025 Debt Composition

- State Revolving Loans: **\$117.3M**
- Water Sewer GO Bonds: **\$84.2M**
- General Obligation Bonds: **\$78.0M**
- Bond Anticipation Notes: **\$2.2M**

The City is actively reducing leverage, freeing up future capacity.

General Fund: Statement of Revenues and Expenditures

Revenues	
Taxes	\$136,278,184
Intergovernmental	\$34,101,425
Charges for Services	\$10,870,604
Licenses and Permits	\$9,847,977
Investment Earnings	\$7,801,443
Fines and Forfeitures	\$4,450,879
Total Revenues:	\$203,350,512

Expenditures	
Current Department	\$180,129,679
Debt Service	\$13,804,068
Total Expenditures:	\$193,933,747

Water Sewer Fund: Statement of Revenues and Expenses

Operating Revenues

Water & Sewer (Direct Users)	\$70,558,746
New Castle County Sewer Charges	\$23,645,843
Other	\$9,202,269
Total Operating Revenues	\$103,601,262

Expenses & Non-Operating

Materials/Supplies	\$57,333,042
Personnel Services	\$12,803,205
Depreciation	\$12,112,801
Interest Expense	(\$4,496,961)
Change in Net Position	+\$25,672,680

FY 2025 affirms a trajectory of growth, stability, and responsibility



- Growing Assets:
General Fund Balance increased to \$115M.
- Managed Infrastructure:
Water Sewer Net Position reached \$237.5M.
- Reduced Liability:
Debt trending down;
pensions on track for 2031.