

Sussex County, Delaware

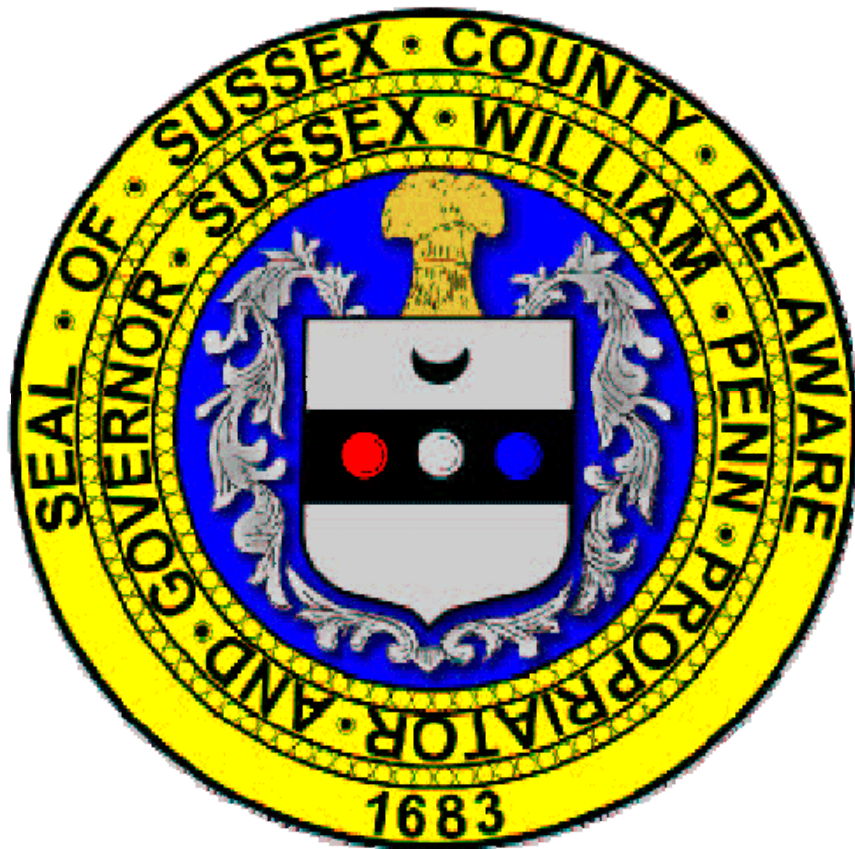
*Rooted in Our Past
Reaching for the Future*



*Comprehensive Annual Financial Report
For Fiscal Year Ended June 30, 2011*

COMPREHENSIVE ANNUAL FINANCIAL REPORT

For the Fiscal Year Ended June 30, 2011



Prepared by the Finance Department
Susan M. Webb, Finance Director

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Introductory Section



DAVID B. BAKER
COUNTY ADMINISTRATOR



Sussex County

ADMINISTRATIVE OFFICE BUILDING
2 THE CIRCLE
P.O. BOX 589
GEORGETOWN, DELAWARE 19947
TEL: 302-855-7742
FAX: 302-855-7749
E-MAIL: administration@sussexcountype.gov

December 21, 2011

The Honorable Sussex County Council President, Members of the Sussex County Council,
and the Citizens of Sussex County:

We are pleased to present to you the Comprehensive Annual Financial Report (CAFR) for the Sussex County Council for the fiscal year ended June 30, 2011. This report includes the annual financial statements as required by Delaware law, presented in conformity with generally accepted accounting principles (GAAP) in the United States of America and audited in accordance with auditing standards generally accepted in the United States of America.

This report consists of management's representations concerning the finances of Sussex County, Delaware (County). Consequently, management assumes full responsibility for the completeness and reliability of all of the information presented in this report. The County has established a comprehensive internal control framework that is designed to protect the government's assets from loss, theft, or misuse and to compile sufficient reliable information for the presentation of the County's financial statements in conformity with GAAP. Because the cost of internal controls should not outweigh their benefits, the County's internal control framework has been designed to provide reasonable rather than absolute assurance that the financial statements will be free from material misstatement. As management, we assert that, to the best of our knowledge and belief, this financial report is complete and reliable in all material respects.

The County's financial statements have been audited by Jefferson, Urian, Doane & Sterner, P.A., a firm of licensed certified public accountants. A goal of the independent audit was to provide reasonable assurance that the financial statements of the County for the fiscal year ended June 30, 2011, are free of material misstatement. The independent audit involved examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements; assessing the accounting principles used and significant estimates made by management; and evaluating the overall financial statement presentation. The independent auditor concluded, based upon their audit, that there was a reasonable basis for rendering an unqualified opinion that the County's financial statements for the year ended June 30, 2011, are fairly presented in conformity with GAAP. The auditor's report is presented as the first component of the financial section of this report.

The independent audit of the financial statements of the County was part of a broader, federally mandated "single audit" designed to meet the special needs of federal grantor agencies. The standards governing single audit engagements require the independent auditor to report not only on the fair presentation of the financial statements, but also on the audited government's internal controls and compliance with legal requirements, with special emphasis

on internal controls and legal requirements involving the administration of federal awards. The single audit section of this report includes these reports and related information. GAAP requires that management provide a narrative introduction, overview and analysis to accompany the basic financial statements in the form of Management's Discussion and Analysis (MD&A). This letter of transmittal is designed to complement the MD&A and should be read in conjunction with it. Sussex County's MD&A can be found immediately following the report from the independent auditor.

Profile of Sussex County

Sussex County is proud of its natural beauty, mix of small towns, rich history, and popular attractions that are found in our county. Sussex is home to numerous seaside resorts, small towns, industry and agriculture. Our county is the largest county in Delaware, comprising a total land area of approximately 938 square miles, or 48 percent of the State's total area; with a population of 197,145. The county is bordered on the east by the Atlantic Ocean, on the north by Kent County, Delaware, and on the south and west by a portion of the State of Maryland east of the Chesapeake Bay. The Town of Georgetown, the county seat, is situated in the center of the county. The county is within 200 miles of New York City, Philadelphia, Baltimore, and Washington, D.C.

The County Government was established on July 23, 1970, replacing the Levy Court Commission with a Council-Administrator form of government. The government is composed of a legislative body - the County Council - and an administrative body that includes operating departments and offices, some of which are administrated by officials elected at-large and also known as Row Offices. The County Council, which has legislative powers, consists of five members representing each of the County's respective districts with staggered terms. Council members are elected to four-year terms. The County Administrator, County Finance Director, and County Engineer are appointed by the County Council. The County Administrator is responsible for the entire range of executive, administrative, and fiscal duties performed by all County departments.

Sussex County, Delaware, is a rural county with beaches along the Delaware Bay and Atlantic Ocean. Sussex County has had a population increase of over 25 percent in the last ten years. More people move to Sussex County than are being born here. Our low property tax rate makes the county a desirable destination for new residents and retirees. The eastern portion of the county is home to most of Delaware's beaches and seaside resorts. Sussex's western side is the center of Delaware's agriculture industry.

Sussex County is proud of a unique tradition known as Return Day. Return Day originated around 1790 and is set on The Circle in Georgetown, the County seat. Return Day is held two days after Election Day and was started so 'voters' could come to Georgetown to hear the 'returns', or results, of the elections. During this day, election results were read, food was served, and candidates 'buried' the hatchet. Some time later, a parade was started with both the winning and losing candidates riding together in an open carriage.

The County Government provides a variety of services, which are mandated by State statute or County Code. Major public services include emergency medical services, land use, mapping and addressing, libraries, and sewer service. The County also owns and maintains the Sussex County Airport in Georgetown, the operation of which is leased to an independent

contractor. The airport is combined with the industrial park as is referred to as the Industrial Airpark in the financial statements. The County provides emergency services including paramedics, emergency preparedness, emergency operations, and local emergency planning and communications. The Department of Libraries includes three County-managed libraries and a bookmobile. The County has 489 full time employees and 176 retirees. In Sussex County, elected officials preside over certain “row offices”, or constitutional offices. These include Clerk of the Peace, Recorder of Deeds, Register of Wills, and the Sheriff’s Office. These four offices provide services, such as issuing marriage licenses, recording of legal papers, and performing court-related duties. Each row office is managed by an elected official, but the County government is responsible for their financial accountability.

The County provides a variety of grant-in-aid funding to its residents, the largest three being grants to fire companies, State and local police, and the independent libraries. The County also assesses, bills, and collects school taxes for eight school districts, as well as property taxes for the County government. The County is the primary funding source for 11 local libraries, which are managed by independent library boards.

Sussex County continues to work on the expansion of wastewater services that are vital in meeting our environmental and population needs. The County serves over 60,000 sewer and water customers, and maintains and operates four treatment facilities. Various sewer projects are in the construction phase and will be completed in fiscal year 2012. The sewer and water districts’ operating budget for fiscal year 2011 was over \$31 million. The County has three enterprise funds: Dewey Water District, Unified Sewer District, and the West Rehoboth Sewer District. Combined financial information is included for these sewer districts in the financial section.

The annual budget is recommended by the County Administrator and approved by the County Council prior to July 1 of each year, which is the start of the County’s fiscal year. The budget serves as a financial guide for the County. The budget includes a five-year capital project plan, with proposed financing for projects. Please see note “A” (Section 18 on page 36) for additional budget information. Budget-to-actual comparisons begin on page 63 through page 72, and also includes page 74.

Economic Condition of Sussex County

Local Economy

Sussex County has a diverse and dynamic local economy, one that prospered during the economic boom of the early 2000’s. The County has had its share of home foreclosures, but has weathered relatively well despite the national downturn of recent years. Sussex County employment is concentrated on a diverse assembly of sectors that continuously interact. These include agriculture, tourism, healthcare, construction, retail sales and education. Manufacturing production has increased to meet the needs of the growing infrastructure fields of aircraft and rail nationally. Expansion in the brewery industry, seafood and poultry processing, as well as specialty crop and grain production, have provided valuable support to agriculture. Employment in the financial sector shows growth with acquisitions, expansions and new branch openings. The level of healthcare and associated employment opportunities are continually growing along with the number of retirees, which put a demand on those health care services.

While the national unemployment rate - as stated by the Delaware Department of Labor - was 9.1 percent in June 2011 and Delaware's unemployment rate was 8.0 percent, Sussex County's unemployment was at 7.2 percent. A major focus of the County has been to create jobs through economic development. Our goal is to create new jobs through responsibly recruiting new business to the County and encouraging job retention and growth of existing businesses. Residential housing permits have maintained a constant level since 2008. Year to date, the County issued more building permits in total with greater value for new home construction when compared to the same timeframe in 2010. Comparable values for commercial/industrial permits are almost double 2010 figures. Seasonal home ownership grew by close to 40 percent from 2000 to 2010. They account for over 28.3 percent of all housing units in Sussex. The County makes every effort to take advantage of available programs to assist our local businesses, with the ultimate goal of providing employment opportunities for our residents. Announcements from existing businesses named more than 500 positions in 2011.

Agriculture related employment is the greatest in the County and is the leading industry, with the primary focus being grain production and poultry processing. This is evidenced by Sussex County's distinction as the top broiler producing county in the United States. According to the U.S. Department of Agriculture's 2007 Census, agriculture products sold was valued at more than \$848.9 million and ranked 28th out of 3,000 counties. This same census cites Sussex County as being ranked 54th in sales for vegetables, melons and potatoes. Top employers in the agricultural sector include nationally recognized names in poultry production. Specialty crop production is on the rise with greater farm market efforts, plus culinary coast and agri-tourism initiatives.

According to a 2010 report from the Delaware Economic Development Office, tourism is one of the largest private employers in the state, generating \$400 million in state and local government taxes/fees in 2010. Sussex County's Atlantic coastline offers sandy beaches, family activities, recreation and shopping. Along a two-mile stretch of Delaware Route 1, between Lewes and Rehoboth Beach, there are more than 130 outlet stores - employing more than 1,500 - offering a variety of products, such as clothing, tools, shoes, books, stereo equipment, gourmet food, and kitchen supplies. The Tanger Outlets have become a year-round attraction for those who are attracted by reasonable prices and tax free shopping in Delaware. Approximately 7.1 million people visit our County and enjoy our beach attractions.

Efforts are underway to improve the manufacturing sector of our county. Our leading manufacturer is the poultry processing industry including: Harim/Allen Family Foods, Perdue, and Mountaire. Perdue's Agribusiness recently announced plans to move their business administrative offices from Maryland to Seaford, Delaware, creating 100 jobs. There are more than 11,000 people employed in manufacturing in Sussex County. There are numerous success stories for manufacturing as it has evolved in Sussex County. Since 1995, PATS Aircraft Systems has offered innovative solutions in response to the distinctive needs of the business aviation industry. Other manufacturing examples in the county include the world's largest professional dental products manufacturer, a producer of specialized nylon products, a veterinary health corporation, a clam processor, and an antacid subsidiary.

Of all the sectors, healthcare is the fastest growing. Healthcare and associated employment opportunities are continually growing along with the number of retirees whose relocation to the County puts a demand on healthcare in general. The three major healthcare employers in the county are Bayhealth Medical Center in Milford, Beebe Medical Center in Lewes, and the Nanticoke Memorial Hospital in Seaford. These hospitals continually expand their services and build partnerships in order to accommodate the needs of an ever-growing and aging population. Satellite practices have been built in strategic locations in the County to provide more efficient medical services.

In order for any business or industry to succeed, a community must have a quality educational system at its foundation. When it comes to higher education, opportunity abounds. The Delaware Technical & Community College (DTCC), and its 146-acre campus in Georgetown, offers Associates' college degree programs in health, business, public service, engineering, and industrial education. The University of Delaware also has a strong presence in Sussex County that includes the DTCC campus, the College of Agriculture & Natural Resources near Georgetown, and the College of Earth, Ocean and Environment in Lewes. Additionally, Delaware State University and Wilmington University offer courses at the DTCC campus in Georgetown providing Bachelors and Masters Degrees.

Financial Planning

The economy has improved at a modest pace over the last year. Our local economy benefits from the attractiveness of our resorts and a strong agricultural base. Although still faced with budget reductions, the County has a strong financial foundation. The County took advantage of a variety of federal stimulus programs in the areas of sewer infrastructure, housing and energy. We are still mindful of a depressed real estate and credit market, and high unemployment. We know the recovery will be slow and we will continue to take this into account when budgeting both now and into the future.

The County has funded its non-sewer and water assets on a pay-as-you-go basis and has avoided issuing debt to pay for our Capital projects. We have even received a bond rating upgrade from Moody's Investor Service reflecting our healthy financial position. While business activity has slowed, the County has continued to make capital improvements using reserved funds. These improvements include airport and library expansions as well as building improvements. The County plans to fund these projects with Federal Aviation Administration (FAA) grants, State grants, and County funds.

During fiscal year 2011, many projects were in the planning, design or construction stages. Most sewer projects are located in environmentally sensitive areas of the county. The fiscal year 2011 Five-Year Capital Improvement Plan includes \$190.7 million for sewer expansion and upgrades. Funding for these projects include State Revolving Fund loans, State grants, Federal USDA loans and grants, American Recovery and Reinvestment funds, and County contributions. In the next fiscal year, it is our goal to continue to move towards uniform sewer service charge rates with in our sewer districts.

Significant Financial Policies

Typically, the County solicits bids from banks on a weekly basis for collateralized certificates of deposit. Collateralized money market accounts are also utilized to maximize interest earnings. The County conservatively requires collateralization with U.S. Treasury and

accepted Agency Obligations. Our financial policy is to invest with local Sussex County banks that can provide this collateral held by third-party banks. However, we are in the process of formulating a new investment policy in response to the changing bank and investment market. Please see Note B, on page 38 for additional information regarding cash and collateralization.

Keeping the Pension Trust Fund and the Post-Retirement Employee Benefit Trust Fund healthy is a major goal of Sussex County. The County funds a defined benefit pension plan and a post-retirement Employee Benefit Trust for its employees. They are treated as fiduciary funds in the financial sections. The Pension Trust Fund is held with diversified, but complimentary, investment managers. A pension committee oversees the management of both plans and is responsible for making recommendations to County Council regarding investments and funding. The County contracts with pension advisors to assist in providing the best strategy, protection and investment guidelines for our pension.

Sussex County continues to strive for balanced budgets and sound financial planning in providing services for our residents. In the last few years, our focus and challenge has been to balance our budget without using any appropriated reserves. A comprehensive review is done monthly by the Finance and Accounting Departments, which analyzes department expenditures and budget reports. These reviews are discussed in open forum with our County Council on a quarterly basis to keep them informed of the current economic impacts on revenues. Relevant financial topics and future strategies are also discussed with County Council. It is our goal to maintain an operating reserve within the range of 20 to 25 percent, which is considered, “best practice”.

Like so many other State and local governments, we are facing financial challenges and are under pressure to demonstrate fiscally sound policies and serve the public with fewer revenues. We practice financial conservatism that has served us well in a declining economy and time of economic change.

Awards and Acknowledgements

The Government Finance Officers Association of the United States and Canada (GFOA) awarded a Certificate of Achievement for Excellence in Financial Reporting to Sussex County for its comprehensive annual financial report for the fiscal year ended June 30, 2010. This was the ninth consecutive year that the government has achieved this prestigious award. In order to be awarded a Certificate of Achievement, a government must publish an easily readable and efficiently organized comprehensive annual financial report. This report must satisfy both generally accepted accounting principles and applicable legal requirements.

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

We believe that achieving this award is one example of Sussex County’s commitment and dedication to the highest standards of financial management. The preparation of this report on a timely basis is the result of the tremendous efforts of County employees in the Finance and

Accounting Departments. We would especially like to thank those employees and the County auditors for their dedication to the completion of this report.

During fiscal year 2010, Moody's Investor Service upgraded the County's bond rating from an Aa2 to Aa1. Moody's report on the County says, "This reflects the County's healthy financial position, maintained by prudent fiscal management that resulted in materially greater financial flexibility and stronger reserve levels". In addition to the above, Moody's cited our strengths being: "strong liquidity and fund balance levels, no appropriation nor expected use of fund balance in fiscal 2010 or 2011, and average socioeconomic indicators with a large tax base that is expected to remain stable".

We would also like to thank the County Council for their support in maintaining the strong financial position of our County by supporting fiscally sound financial policies. Appreciation is also expressed to all additional individuals who assisted in this effort.

Respectfully submitted,



David B. Baker
County Administrator



Susan M. Webb
Finance Director

DBB:SMW/klr

Certificate of Achievement for Excellence in Financial Reporting

Presented to

Sussex County
Delaware

For its Comprehensive Annual
Financial Report
for the Fiscal Year Ended
June 30, 2010

A Certificate of Achievement for Excellence in Financial Reporting is presented by the Government Finance Officers Association of the United States and Canada to government units and public employee retirement systems whose comprehensive annual financial reports (CAFRs) achieve the highest standards in government accounting and financial reporting.



Linda C. Danison

President

Jeffrey R. Enos

Executive Director

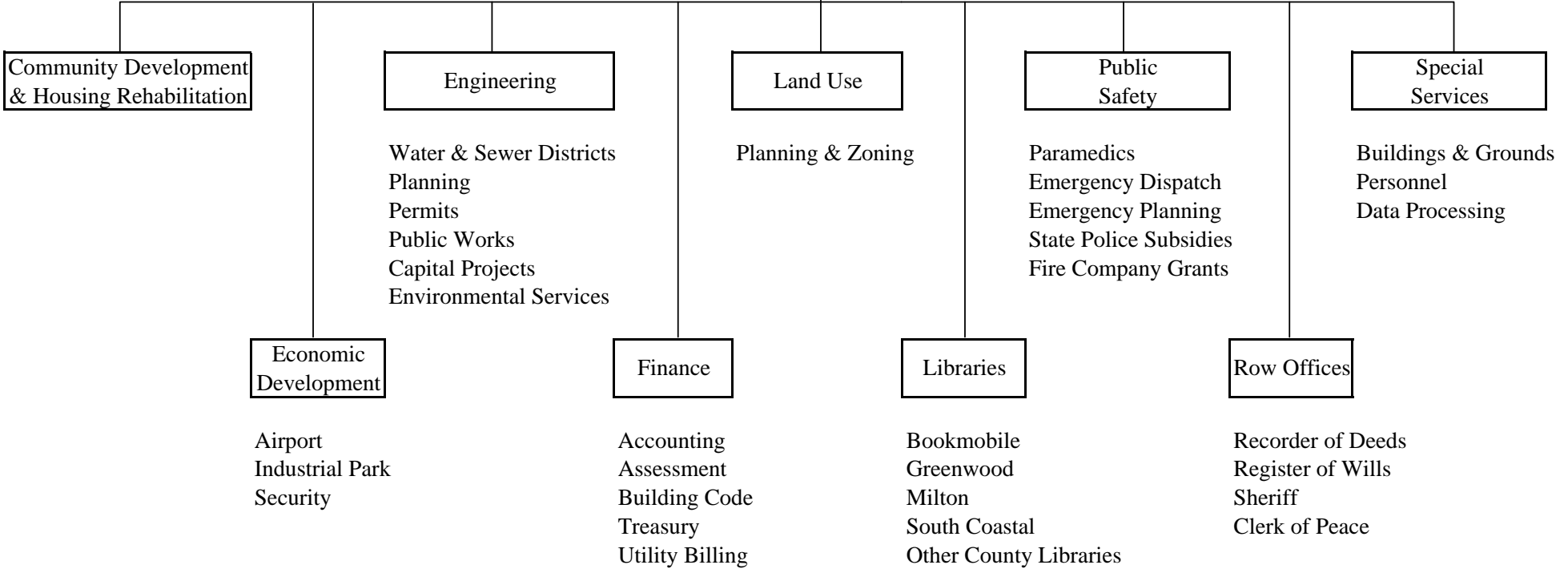
**SUSSEX COUNTY, DELAWARE
ORGANIZATIONAL CHART
FOR THE FISCAL YEAR 2011**



CITIZENS

COUNTY COUNCIL

COUNTY ADMINISTRATOR



SUSSEX COUNTY, DELAWARE

LIST OF ELECTED OFFICIALS

JUNE 30, 2011

<u>COUNCIL</u>	<u>Length of Service</u>	<u>Term Expires</u>
<i>District 1</i>		
Michael H. Vincent (President)	2 Years	Jan. 2013
<i>District 2</i>		
Samuel R. Wilson (Vice President)	2 Years	Jan. 2013
<i>District 3</i>		
Joan R. Deaver	2 Years	Jan. 2013
<i>District 4</i>		
George B. Cole	25 Years	Jan. 2015
<i>District 5</i>		
Vance C. Phillips	13 Years	Jan. 2015

<i>Clerk of the Peace</i>		
George Parish	6 Years	Jan. 2013
<i>Recorder of Deeds</i>		
Scott Dailey	1 Year	Jan. 2015
<i>Register of Wills</i>		
Cynthia Green	1 Year	Jan. 2015
<i>Sheriff</i>		
Jeffrey Christopher	1 Year	Jan. 2015

SUSSEX COUNTY, DELAWARE

COUNTY DEPARTMENT HEADS & OTHER OFFICIALS

JUNE 30, 2011

	<u>Length of Time in Position</u>	<u>Length of Service with the County</u>
<i>County Administrator</i> - David B. Baker	5 years	33 years
<i>County Attorney</i> - J. Everett Moore, Esquire	2 years	2 years
<i>Finance Director</i> - Susan M. Webb, CPA (not in public practice)	5 years	18 years
<i>County Engineer</i> - Michael A. Izzo, P.E.	15 years	27 years
<i>Accounting Division Director</i> - Gina A. Jennings, MBA, MPA	5 years	5 years
<i>Assessment Division Director</i> - Eddy J. Parker	21 years	31 years
<i>Community Development Program Director</i> - William C. Lecates	21 years	32 years
<i>Data Processing Director</i> - Bonnie O. Smith	24 years	42 years
<i>Director of Engineering Accounting</i> - Jeffrey James	17 years	32 years
<i>Director of Environmental Services</i> - Heather Sheridan	25 years	35 years
<i>Director of Sussex Airport and Industrial Park Operations</i> - James A. Hickin	5 years	6 years
<i>Economic Development Director</i> - Julia L. Wheatley	3 years	3 years
<i>Emergency Preparedness Director</i> - Joseph L. Thomas	14 years	25 years
<i>Facilities Manager</i> - Douglas J. Stoakley	1 year	17 years
<i>Human Resources Director</i> - Karen Brewington	5 months	5 months
<i>Library Director</i> - Kathy M. Graybeal	1 month	1 month
<i>Paramedic Director</i> - Robert A. Stuart	1 year	20 years
<i>Planning and Zoning Director</i> - Lawrence B. Lank	26 years	42 years
<i>Treasury Division Director</i> - Amanda M. Bennett	5 years	8 years
<i>Utility Billing Division Director</i> - Patricia Faucett	5 years	11 years

Financial Section



DAVID R. URIAN, CPA
DAVID C. DOANE, CPA
CHARLES H. STERNER, JR. CPA, CVA
SHELDON L. FORNEY, CPA
JAY M. STEVENS, CPA, PFS
ROGER R. REED, CPA
ELAINE E. GRAVES, CPA
BRYAN L. HUDSON, CPA

TRUITT W. JEFFERSON, CPA, DIRECTOR
RETIRED
ANITA Y. SMITH, MEd, DIRECTOR

INDEPENDENT AUDITOR'S REPORT

To the President and Members
of the County Council
Sussex County, Delaware
Georgetown, Delaware

We have audited the accompanying financial statements of the governmental activities, the business-type activities, and each major fund of Sussex County, Delaware, as of and for the year ended June 30, 2011, which collectively comprise the County's basic financial statements as listed in the table of contents. These financial statements are the responsibility of Sussex County, Delaware's management. Our responsibility is to express opinions on these financial statements based on our audit.

We conducted our audit in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and the significant estimates made by management, as well as evaluating the overall financial statement presentation. We believe that our audit provides a reasonable basis for our opinions.

In our opinion, the financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities, the business-type activities, and each major fund of Sussex County, Delaware, as of June 30, 2011, and the respective changes in financial position and cash flows, where applicable thereof, and the respective budgetary comparison for the general fund for the year then ended in conformity with accounting principles generally accepted in the United States of America.

In accordance with *Government Auditing Standards*, we have also issued our report dated December 21, 2011, on our consideration of Sussex County, Delaware'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 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 internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* and should be considered in assessing the results of our audit.

Accounting principles generally accepted in the United States of America require that the management's discussion and analysis on pages 3 through 17 and the required supplementary information on pages 59 through 62 be presented to supplement the basic financial statements. Such information, 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.

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise Sussex County, Delaware's basic financial statements. The individual fund financial schedules are presented for purposes of additional analysis and are not a required part of the basic financial statements. The schedule of expenditures of federal awards is presented for purposes of additional analysis as required by U.S. Office of Management and Budget Circular A-133, *Audits of States, Local Governments, and Non-Profit Organizations*, and is also not a required part of the basic financial statements. The individual fund financial schedules and the schedule of expenditures of federal awards are the responsibility of management and were derived from and relate directly to the underlying accounting and other records used to prepare the 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 financial statements or to the financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the information is fairly stated in all material respects in relation to the basic financial statements as a whole.

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise Sussex County, Delaware's basic financial statements. The introductory and statistical sections are presented for purposes of additional analysis and are not a required part of the basic financial statements. Such information has not been subjected to the auditing procedures applied in the audit of the basic financial statements, and accordingly, we do not express an opinion or provide any assurance on it.

Jefferson, Urian, Doane & Sterner, P.A.

Georgetown, Delaware
December 21, 2011

SUSSEX COUNTY, DELAWARE

MANAGEMENT'S DISCUSSION & ANALYSIS

FOR THE FISCAL YEAR ENDED JUNE 30, 2011

This section of the report offers an overview and analysis of the financial activity of Sussex County, Delaware, for the year ended June 30, 2011. Please consider this Management's Discussion and Analysis (MD & A) along with other additional information included in the letter of transmittal and other sections of the report.

Financial Highlights

Government-wide Financial Statements

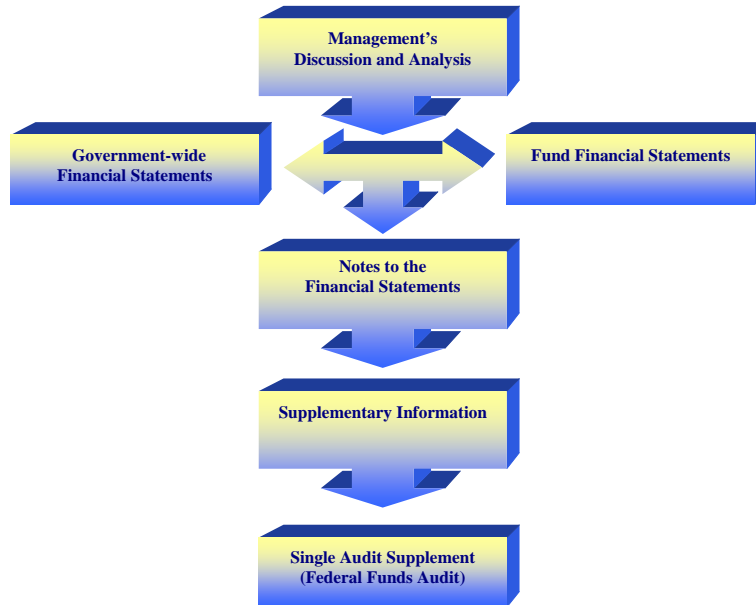
- As of June 30, 2011, assets exceeded liabilities by \$443 million. Of this amount, \$58 million was unrestricted and may be used for ongoing obligations to citizens and creditors.
- The County's total net assets increased by \$10 million during the year. The governmental activities' portion of the increase was \$4 million. The increase in the investment in capital assets, net of related debt was \$4 million, restricted realty transfer tax increased \$12 million, and the business-type activities increase in net assets was \$6 million. This increase is due to growth-related capital costs from sewer districts being built. The \$4 million increase in governmental activities' net assets, was from the County's continued efforts to become a more efficient government, by reduce operating cost.
- The County has no outstanding General Fund bonded debt.
- In fiscal year 2010, Moody's Investors Service has raised its rating for Sussex County from Aa2 to Aa1. Moody's report on the County says, "This rating upgrade was due to; the County's substantially improved and healthy financial position, maintained by prudent fiscal management that resulted in materially greater financial flexibility and stronger reserve levels". This reinforces our fiscal policies of conservative balanced budgeting and our commitment to maintaining healthy reserve levels.

Fund Financial Statements

- As of June 30, 2011, the County's governmental funds reported an ending fund balance of \$95 million. This increased \$3 million from the preceding year. About 18 percent, or \$17 million, was unassigned or available for use to meet the County's current and future needs.

Overview of the Financial Statements

Management's Discussion and Analysis introduces the County's basic financial statements. These basic financial statements include: (1) government-wide financial statements, (2) fund financial statements, and (3) notes to the financial statements. Supplementary information, in addition to the basic financial statements, is also included. The Single Audit (Federal Funds) Supplement follows the supplementary information.



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. This government-wide financial reporting includes two statements: the Statement of Net Assets and the Statement of Activities. Fiduciary activity is excluded from these statements because its resources are not available to finance other County programs.

The Statement of Net Assets presents information on all of the County's assets and liabilities, with the difference between the two reported as net assets. Over time, increases or decreases in net assets may serve as an indicator of whether the financial position of Sussex County is improving or deteriorating.

The Statement of Activities presents information showing how the County's net assets changed during the current fiscal year. Changes in net assets are reported when the underlying event occurs, regardless of the timing of related cash flows. Thus, some revenues and expenses reported in this statement will not impact cash flows until future fiscal periods.

Both the Statement of Net Assets and Statement of Activities account separately for governmental activities and business-type activities.

- Governmental activities include General Administration, Finance, Personnel, Building and Grounds, Data Processing, County Constable, Grant-in-Aid Programs, Planning and Zoning, Paramedic, Emergency Preparedness, Economic Development and Public Works, County Engineering, Library, Community Development and Housing Programs, and Constitutional Offices.

- Business-type activities - This includes Sussex County sewer and water districts, which are funded by user charges, assessment charges and connection fees.

The government-wide financial statements immediately follow this MD & A on pages 18 and 19 of this report.

Fund Financial Statements

The next group of financial statements, beginning on page 20 of this report, is the fund financial statements. A fund is an accounting entity that is used to maintain control over resources that have been segregated for specific activities or objectives. Sussex County, like other state and local governments, uses fund accounting to ensure compliance with finance-related legal requirements. Sussex County's funds are divided into three categories: governmental funds, proprietary funds, and fiduciary funds.

- *Governmental Funds* - Governmental funds account for essentially the same functions as governmental activities in the government-wide financial statements. Governmental fund financial statements do 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. This information may be useful in evaluating a government's near term financing requirements. Because the focus of governmental funds is for the current period, it is useful to compare this information with similar information presented for governmental activities in the government-wide financial statements. Readers may then better understand the long-term impact of the government's current financing decisions. The Governmental Fund Balance Sheet and Governmental Fund Statement of Revenues, Expenditures and Changes in Fund Balance include reconciliations to the government-wide financial statements (see pages 20 through 22).

Sussex County maintains two individual governmental funds. These include the following: General and Capital Project funds. They are presented in separate columns on the governmental funds financial statements.

The basic financial statements include a budgetary comparison statement for the General fund. A budgetary comparison schedule has been included for the capital projects fund in the supplemental information. Sussex County adopts an annual appropriated budget for its General and Capital Project funds.

- *Proprietary Funds* - Sussex County's proprietary funds are solely enterprise funds, which operate in a manner similar to private business enterprises. Sussex County's proprietary funds include: Unified Sewer District, West Rehoboth Sewer District, and the Dewey Water District (see pages 24 through 27).
- *Fiduciary Funds* - Sussex County has two fiduciary funds, the Pension Trust fund and the Post-retirement Employee Benefit Trust fund. Fiduciary funds are used to account for resources held for the benefit of parties outside the government. They are not reflected in the government-wide financial statements because the resources of these funds are not available to support the County's own programs. The separate accounting used for fiduciary funds is much like that used for proprietary funds.

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

Notes to the Financial Statements

Notes to the financial statements found on pages 30 through 58 of this report, provide additional information that is important for a better understanding of the data provided in the financial statements.

Other Information

Pages 59 through 62 include required supplementary information regarding our fiduciary funds. Following are General fund and Capital Project fund budgetary comparison schedules and General fund revenue and expenditure schedules. The statistical section follows on pages 75 through 93 with additional County information. The Single Audit, a separate federal awards audit, follows the statistical section.

Government-wide Financial Analysis

As previously noted, assets exceed liabilities by \$443 million as of June 30, 2011. Net assets over time may serve as a useful indicator of a government's financial position.

The following Table is a summary of the government-wide statement of net assets:

**SUSSEX COUNTY'S SCHEDULE OF NET ASSETS
As of June 30, 2011 and 2010**

	Governmental Activities		Business-type Activities		Total Government	
	2011	2010	2011	2010	2011	2010
Current and Other Assets	\$ 123,382,099	\$ 132,766,442	\$ 96,706,551	\$ 95,639,286	\$ 220,088,650	\$ 228,405,728
Capital Assets	64,237,068	65,310,596	371,352,101	341,203,088	435,589,169	406,513,684
Total Assets	<u>\$ 187,619,167</u>	<u>\$ 198,077,038</u>	<u>\$ 468,058,652</u>	<u>\$ 436,842,374</u>	<u>\$ 655,677,819</u>	<u>\$ 634,919,412</u>
Current and Other Liabilities	10,257,340	24,613,137	5,670,393	5,561,985	15,927,733	30,175,122
Long-term Liabilities						
Outstanding	6,311,378	6,474,552	190,913,086	165,996,461	197,224,464	172,471,013
Total Liabilities	<u>\$ 16,568,718</u>	<u>\$ 31,087,689</u>	<u>\$ 196,583,479</u>	<u>\$ 171,558,446</u>	<u>\$ 213,152,197</u>	<u>\$ 202,646,135</u>
Net Assets:						
Invested in Capital Assets, Net of Related Debt	64,237,068	65,292,609	181,908,359	176,649,726	246,145,427	241,942,335
Restricted	71,431,919	60,450,610	66,569,442	68,805,127	138,001,361	129,255,737
Unrestricted	35,381,462	41,246,130	22,997,372	19,829,075	58,378,834	61,075,205
Total Net Assets	<u>\$ 171,050,449</u>	<u>\$ 166,989,349</u>	<u>\$ 271,475,173</u>	<u>\$ 265,283,928</u>	<u>\$ 442,525,622</u>	<u>\$ 432,273,277</u>

A large portion of the County's net assets (56 percent) are not available for future use since they represent amounts invested in capital assets (e.g., land, buildings, machinery and equipment). This investment is net of any related debt that was used to acquire those assets that is still outstanding. It should be noted that the resources needed to repay outstanding debt must be provided from other sources, since the capital assets themselves cannot be used to liquidate these liabilities. This portion of net assets increased by \$4 million during fiscal year 2011, due to County sewer project expansion.

Of the remaining \$196 million in net assets, \$67 million is restricted for the repayment of the debt service on the bonds issued to finance sewer district costs or for capital costs incurred. For governmental activities, \$71 million represents realty transfer taxes, 911 fees received, and grant funds

on-hand, which are restricted for specific purposes. Realty transfer taxes must be used for public safety, economic development, public works, capital projects, infrastructure projects, or debt reduction. Planned uses of realty transfer taxes include buildings and improvements, Industrial Park infrastructure and County Airport Improvements. Available 911 fees are restricted for emergency dispatch purposes, i.e., software to maintain addressing and mapping.

The remaining \$58 million in net assets, a 4 percent decrease from fiscal year 2010, is unrestricted and may be used for ongoing obligations to citizens and creditors.

The following schedule shows the breakdown of changes in net assets for governmental and business-type activities for fiscal years 2011 and 2010.

SUSSEX COUNTY'S CHANGES IN NET ASSETS
For the Years Ended June 30, 2011 and 2010

	Governmental Activities		Business-type Activities		Total Government	
	2011	2010	2011	2010	2011	2010
Revenues:						
Program Revenues:						
Charges for Services	\$ 10,190,427	\$ 10,356,209	\$ 16,287,171	\$ 15,271,354	\$ 26,477,598	\$ 25,627,563
Operating Grants and Contributions	7,115,414	8,494,730	12,574,559	14,449,833	19,689,973	22,944,563
Capital Grants and Contributions	2,102,681	1,499,146	5,475,117	4,287,188	7,577,798	5,786,334
General Revenues						
Property Taxes	13,228,603	13,040,252	-	-	13,228,603	13,040,252
Capitation Taxes	259,229	253,785	-	-	259,229	253,785
Fire Service Taxes	821,702	791,472	-	-	821,702	791,472
Realty Transfer Taxes	14,310,725	13,141,813	-	-	14,310,725	13,141,813
Investment Income	212,684	824,259	59,861	77,831	272,545	902,090
Total Revenues	\$ 48,241,465	\$ 48,401,666	\$ 34,396,708	\$ 34,086,206	\$ 82,638,173	\$ 82,487,872
Expenses:						
Primary Government:						
General Government	\$ 9,037,273	\$ 9,640,728	\$ -	\$ -	\$ 9,037,273	\$ 9,640,728
Grant-in-aid Programs	6,765,994	6,625,144	-	-	6,765,994	6,625,144
Planning and Zoning	1,251,258	1,246,923	-	-	1,251,258	1,246,923
Paramedic Program	11,515,259	12,524,387	-	-	11,515,259	12,524,387
Emergency Preparedness	2,817,992	2,844,581	-	-	2,817,992	2,844,581
Economic Development and						
Public Works	2,136,706	1,878,717	-	-	2,136,706	1,878,717
County Engineer	1,683,158	1,850,683	-	-	1,683,158	1,850,683
Library	3,657,643	3,888,755	-	-	3,657,643	3,888,755
Community Development and Housing Programs	2,399,951	3,308,765	-	-	2,399,951	3,308,765
Constitutional Offices	2,161,054	2,315,381	-	-	2,161,054	2,315,381
Business-type Activities	-	-	28,959,540	29,283,330	28,959,540	29,283,330
Total Expenses	\$ 43,426,288	\$ 46,124,064	\$ 28,959,540	\$ 29,283,330	\$ 72,385,828	\$ 75,407,394
Increase in Net Assets Before						
Transfers	\$ 4,815,177	\$ 2,277,602	\$ 5,437,168	\$ 4,802,876	\$ 10,252,345	\$ 7,080,478
Transfers	(754,077)	(765,668)	754,077	765,668	-	-
Increase in Net Assets	\$ 4,061,100	\$ 1,511,934	\$ 6,191,245	\$ 5,568,544	\$ 10,252,345	\$ 7,080,478
Net Assets - Beginning	166,989,349	165,477,415	265,283,928	259,715,384	432,273,277	425,192,799
Net Assets - Ending	\$ 171,050,449	\$ 166,989,349	\$ 271,475,173	\$ 265,283,928	\$ 442,525,622	\$ 432,273,277

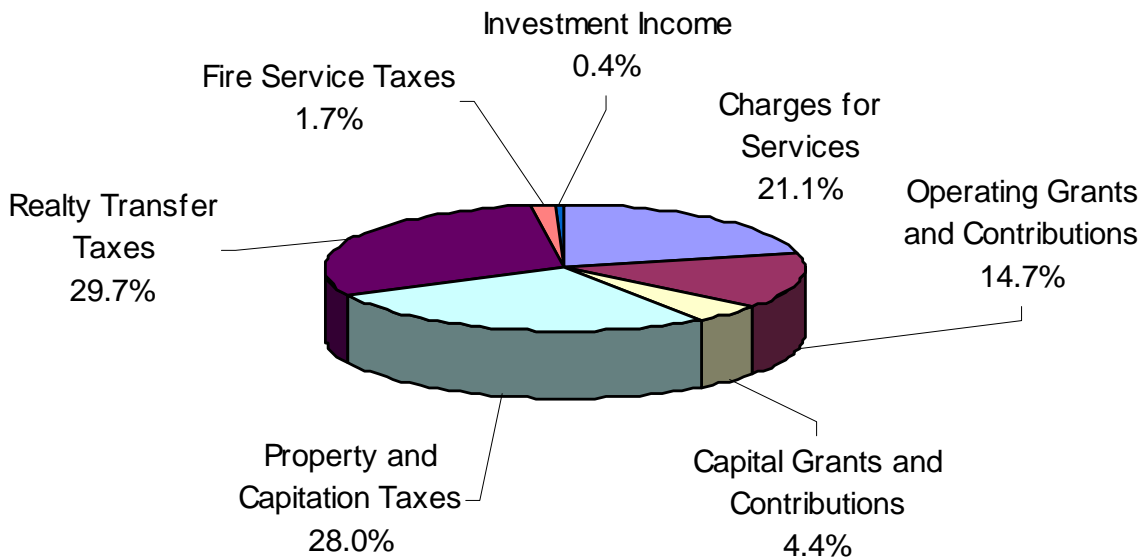
Governmental Activities

Governmental activities increased net assets by \$4 million during fiscal year 2011. This represents 40 percent of the total increase in net assets for the year. Governmental activities include the General fund and Capital Projects fund.

In the changes in net assets schedule, tax revenues total \$29 million for fiscal year 2011 for governmental activities. This includes \$14 million received from realty transfer taxes. This is comparable to the amount received in fiscal year 2010, which was \$13 million. This indicates that the recent drop in the real estate market has leveled off. Realty transfer tax, once our largest source of revenue, has declined to the point that it is nearly equal with our property tax revenue. This is a reflection of the effect of the housing market in Sussex County.

The pie chart below shows the allocation of our governmental revenues.

Revenues by Source - Governmental Activities

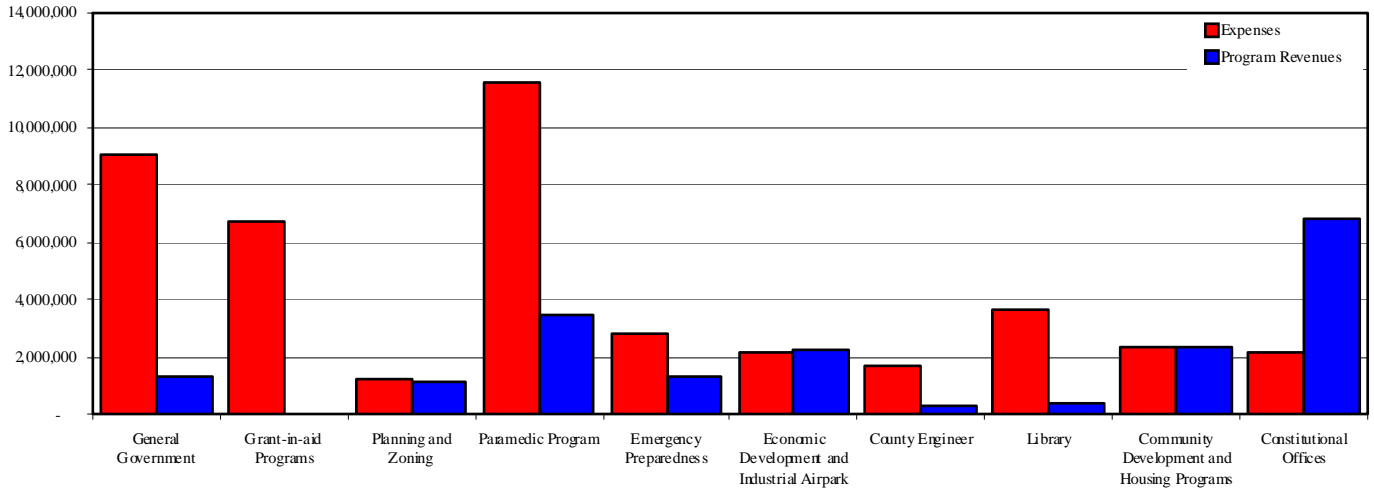


Charges for services reflect decreases in revenue from the Recorder of Deeds, Sheriff's Department and Building Inspection fees but overall charges for services was down only \$166,000 or 2 percent, from the previous year. This is an indication that economy sensitive revenues have leveled off and some stability in the housing market has returned. In both fiscal years 2011 and 2010 we have seen a small increase in Building Permit revenues. A large revenue decrease is in interest income which was down \$612,000 or 74% for fiscal year 2011. Unlike the slight upward trends showing on the real estate and construction related revenue, interest rates are still at historic lows.

Most all the governmental activity expenses have decreased due to a reduced budget as revenues have declined or leveled off due to the general economic conditions. Total expenses were down \$3 million, or 6%, from fiscal year 2010. Since revenues have shown no real sign of improving, budgets will remain flat. Those few departments that did have increases in expenses are mostly due to personnel costs from re-allocations of employees or an increase in utility costs.

The following bar chart compares revenues and expenses for each governmental activity.

Expenses and Program Revenues - Governmental Activities



The population growth of the county over the last few years has impacted the paramedic department possibly more than any other county service. The paramedic department is the County's largest department in terms of expenditures and employees. Our residents and visitors rely on this valuable County service. The County has had to develop cost-saving procedures without jeopardizing the quality of service being provided by the paramedics. Due to the shortage of qualified paramedics, the County has a partnership with Delaware Technical and Community College to provide a training program. This has proven to be a great success and keeps normal attrition manageable.

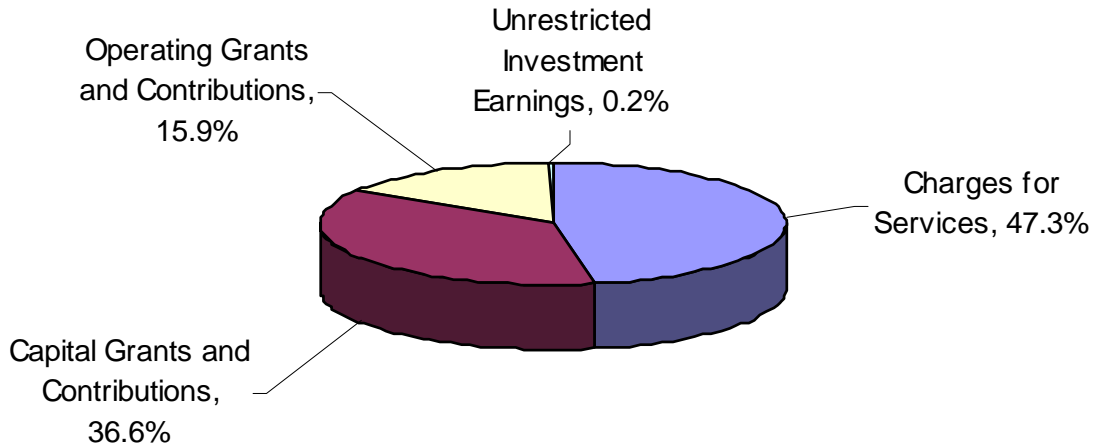
During fiscal year 2011, the County provided \$6.8 million in grant-in-aid programs, for a variety of local organizations as part of a program to benefit County residents. These grants included local historical societies, senior centers, educational, recreation, arts, and agriculture programs. The County also has grant programs to assist needy taxpayers in meeting their property tax obligation or sewer bills. The County continues to supplement the state police and local law enforcement with a \$2 million contribution. The volunteer fire service received over \$3 million in grant funding during fiscal year 2011. A variety of community grants was given to local non-project organizations, senior centers, libraries, food pantries, and housing assistance programs.

During fiscal year 2011, the County continued expansion projects at the Industrial Airpark. The County is committed to extending the main airport runway by 500 feet. This project is FAA eligible and is important for future expansion of aviation-related industry at our Industrial Park. Larger planes will be able to be serviced, maintained, and renovated at the airport. This transfers to additional jobs in our County.

Business-type Activities

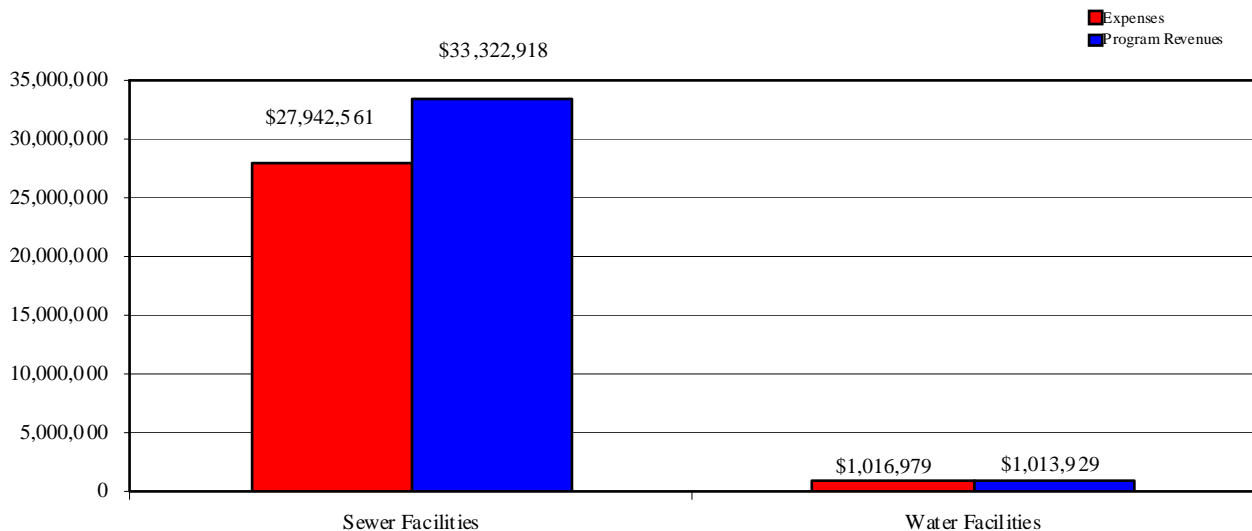
Sussex County’s water and sewer funds have an increase in net assets of \$6 million during fiscal year 2011. The loss before capital contributions and transfers was \$38,000. The most significant reason for this is the decrease in connection fees. Connection fees are an important source of revenue for the districts and the purpose of this fee is to recover the cost of transmission and treatment related growth. As growth has declined so has this fee. The pie chart reflects revenue by sources.

Revenues by Source - Business-type Activities



The following bar chart shows that program revenues exceeded expenses for both sewer and water facilities.

Expenses and Program Revenues - Business-type Activities



- The County received \$2 million in connection fees for new growth in the water and sewer districts. This is 43% lower than what was received in 2010. Connection fee income has decreased over the last few years due to the housing market which directly drives this revenue. Growth in County sewer and water districts' equivalent dwelling units (EDU'S) is growing at a much smaller pace now. One of the County's goals has always been to improve our inland bays by providing affordable central sewer.
- In Fiscal year 2011 the County successfully implemented the policy to consolidate our many individual sewer districts into a unified fund and to move towards uniform sewer service charge rates. We had a utility rate study done to provide a plan to accomplish this.
- Fiscal year 2011 expenses included projects to maintain, rebuild and renovate our current facilities. This ranges from vehicle replacements, treatment plant improvements, and pump station rebuilds.

Financial Analysis of the County's Funds

As previously noted, Sussex County uses fund accounting to ensure and demonstrate compliance with finance related legal requirements.

Governmental Funds

Governmental fund accounting provides information on available or spendable resources. This information is useful in assessing the County's financing requirements for operations. Unassigned fund balance may serve as a useful measure of the County's net resources available for current and future needs.

During fiscal year 2011, fund balances of the County's governmental funds increased \$3 million to \$95 million.

For the General fund, fiscal year 2011 finished with an increase in fund balance of \$3.5 million. Page 73 in the financial section shows a history of Sussex County's revenues and expenses for the General fund since 1978. As shown, we have had some financially strong years, in particular from 1991 through 2006.

In fiscal year 2011, the County put into place Governmental Accounting Standards Board Statement No. 54, "Fund Balance Reporting and Governmental Fund Type Definitions". Fund balance financial reporting is more detailed and there are increased disclosures to help with understanding the availability of resources. This improves the usefulness and understanding fund balance information. Some of the more significant assignments in fund balance are for economic development, engineering projects, and various grants. Assigned fund balance also includes an 8 percent tax rebate, \$1.9 million of additional contributions to our Pension and OPEB Funds, future park program and future reassessment.

During fiscal year 2001, the County defeased all tax supported bonded debt. The County has not incurred any tax supported bonded debt for the general fund since then.

Fiduciary Funds

Sussex County's pension fund is a defined benefit plan. The annual contribution is determined during the budgetary process. During fiscal year 2011, \$2.4 million was contributed to the pension plan. The market volatility decreased the Plan's funding level, however the County is 88.7% funded according to the latest actuarial report dated January 1, 2011. As of June 30, 2011, net assets held in this account were valued at over \$51 million.

During fiscal year 2005, the County established an irrevocable fund for post-retirement employee benefits. We are currently 72.7 percent funded. As of June 30, 2011, net assets held in this account were valued at over \$22 million. For fiscal year 2011, the contribution to this fund was \$1.4 million. Because of this commitment and forethought in prior years, our funding level of this fund is unusually high in comparison with other municipalities.

Because the County's General Fund finished the year with \$3.5 million revenue over expenditures, we will contribute an extra \$957,000 into each of these funds in December 2011.

Currently, actuary assumptions are being discussed and there may be changes in the future. Actuarial standards applicable to defined benefit plans are currently under review.

Proprietary Funds

The County's proprietary funds provide the same type of information as in the government-wide financial statements for business-type activities. Net assets, exclusive of amounts invested in capital costs, total \$90 million. Restricted net assets include amounts for West Rehoboth Sewer revenue bond debt service, as well as amounts set aside for construction costs, connection fee revenue, and assessment revenue. Connection fees received are to be used for capital costs and assessment fees received are used to pay debt service cost.

Please refer to the government-wide financial statement information, regarding business-type activities, for additional discussion regarding proprietary funds.

GENERAL FUND BUDGETARY HIGHLIGHTS

Budget Goals and Initiatives

The County prepares its budget with the following goals in mind; balanced budget, maintain an acceptable reserve, no General Fund debt, to continue to fund the pension and OPEB plans, and to provide high quality services to the residents of Sussex County. A major budget initiative for Sussex County is to promote economic development. The County strives to promote and develop new and existing businesses and expand and diversify the employment base. We encourage coordination efforts with other private and governmental agencies to proactively attempt to obtain additional and improved employment opportunities for Sussex County. A goal has been to diversify the county's economy to ensure business activity during economic down cycles.

Revenue and Appropriation Budgets

Total budgeted revenues, expenditures, and other financing uses are equal to the original approved budget, with adjustments for any approved budget transfers, for fiscal year 2011. During the year, the County Administrator approved budget transfers for expenditures from department heads. The approved budget transfers include increases in certain line items for requested expenditures, which were offset by decreases in other departmental line items and/or the budget for contingencies. Some of the largest transfers from budgeted contingencies to individual line items, as approved by the County Administrator during the year, were for Fire and Ambulance grants (\$163,070), local law and State Police enforcement grants (\$222,975) and legal department expenses (\$116,381).

Budget to Actual - Revenue

The fiscal 2011 budget increased 1.3% from the fiscal 2010 budget. This small increase reflects flat revenues from a depressed construction industry and overall sluggish economy, as well as maintaining spending constraints that have been put in place from prior years. In fiscal 2011, actual general fund revenues and other financing sources were over budgeted revenues by a modest \$115,000 as noted on page 64. Realty transfer tax was \$1.6 million over budget predictions. Interest income was under the budgeted revenues as interest rates declined throughout the fiscal year. The 2011 budget did not include any appropriated reserves to balance the budget.

Budget to Actual - Expenditures

Expenditures and other financing uses were under the budget by \$3.4 million as noted on page 72. All departments, except one, finished the fiscal year under their budget projections. Large expenditure reductions in departments were due to staffing reductions. Two limited early retirement options and attrition are reason for these staffing reductions. The number of full time employees has dropped by 59 budgeted positions from 2009 to 2011. Most departments have had less work over the last few years due to the economic climate. Our largest department, the paramedics, was under budget by \$541,000 due largely to a decrease in personal services and employee benefits.

Capital Asset and Debt Administration

Capital Assets

As per the chart below, capital assets (net of depreciation) are valued at \$436 million as of June 30, 2011. Note E, on pages 40 and 41, includes additional information.

SUSSEX COUNTY'S CAPITAL ASSETS

As of June 30, 2011 and 2010

(net of depreciation)

	Governmental Activities		Business-type Activities		Total Government	
	2011	2010	2011	2010	2011	2010
Land	\$ 16,045,661	\$ 16,031,808	\$ 39,541,817	\$ 39,541,817	\$ 55,587,478	\$ 55,573,625
Construction in Progress	2,478,598	2,116,789	24,418,279	16,002,567	26,896,877	18,119,356
Buildings	29,999,565	30,485,566	24,922,776	25,950,993	54,922,341	56,436,559
Improvements Other Than Buildings	13,123,342	13,618,596	5,108,081	5,419,775	18,231,423	19,038,371
Machinery and Equipment	2,589,902	3,057,837	1,839,772	1,913,595	4,429,674	4,971,432
Infrastructure	-	-	275,521,376	252,374,341	275,521,376	252,374,341
Total	\$ 64,237,068	\$ 65,310,596	\$ 371,352,101	\$ 341,203,088	\$ 435,589,169	\$ 406,513,684

The major capital projects work done in fiscal year 2011 was expansion and improvement of our Industrial Airpark. These projects are seen as an economic development tool for Sussex County as approximately 900 employees work at the Sussex County Industrial Park. The biggest project is the 500-foot extension of the main runway at the Airport. This project is currently in the design stage.

The following are highlights of the major capital sewer projects underway during fiscal year 2011, which will expand the County’s sewer system to serve more residents and protect the environment.

- Major upgrades and renovations to existing infrastructure.
- Angola Neck, Johnson’s Corner, and the Oak Orchard expansion areas were in the construction phase. These new sewer districts will go on line in fiscal year 2012. These sewer districts have taken advantage of the Federal Stimulus funds available, making user rates affordable.
- Construction is in process on a major treatment plant expansion project at the Inland Bays Regional Wastewater Facility. This project is estimated to cost approximately \$15 million and will improve and increase treatment capacity. This expansion is needed to serve the new Angola Sewer District and current expansion of the Oak Orchard Sewer District.

Long-term Debt

As of June 30, 2011, the County had \$191 million in outstanding bonds payable. Of this amount, \$19 million was backed by specific sewer district revenues. The remaining \$172 million of debt is backed by the full faith and credit of the Sussex County Government, although revenues from sewer and water districts are being used to pay the debt service for this debt. This debt was solely used to fund business-type water and sewer activities. There is no general fund bonded debt.

SUSSEX COUNTY'S OUTSTANDING DEBT

As of June 30, 2011 and 2010

General Obligation and Revenue Bonds

	Governmental Activities		Business-type Activities		Total Government	
	2011	2010	2011	2010	2011	2010
General Obligation Bonds	\$ -	\$ -	\$ 172,030,209	\$ 145,652,932	\$ 172,030,209	\$ 145,652,932
Revenue Bonds	-	-	19,304,944	20,914,202	19,304,944	20,914,202
Total	\$ -	\$ -	\$ 191,335,153	\$ 166,567,134	\$ 191,335,153	\$ 166,567,134

During the year, funds were granted and borrowed from the State of Delaware Revolving Fund Loan Program and the United States Department of Agriculture for sewer construction. This funding from these agencies provides affordable sewer to our County residents. These funds are borrowed at a low interest rate for long terms.

In fiscal year 2010, Standard & Poor’s affirmed the County’s AA bond rating. They said the County has a “modest, but diverse, local economy, a tax base still experiencing growth, continued strong financial performance, and low debt levels due to self-supporting utilities and a capital improvement plan not expected to increase debt pressures”. Standard & Poor’s also said, “the stable outlook reflects the stability of Sussex County’s local economy and financial performance”. In addition, the outlook reflects Standard & Poor’s expectations that the County will continue to maintain its strong fund balance position and manageable debt burden as it continues to address its capital needs.

In fiscal year 2012, the County intends to publicly issue refunding bonds, from the sewer districts, of approximately \$79 million to take advantage of record-low rates. Because of low yields, this is an opportune time to refinance. This refunding is estimated to save approximately \$7 million over the next 23 years for the County sewer districts.

Additional debt information is included in Note I, on pages 48 through 53 of the report.

Economic Factors in Next Year's Budgets and Rates

Economic Factors

The budget committee continues to forecast the effect of the economy on our revenues. The challenge and goal is to maintain and supplement existing County services in the midst of a slowly growing economy. Our reserves are strong and healthy because of fiscally sound financial policies.

- The County experienced a 7.2 percent unemployment rate as of June 2011. This compares to 8.0 percent for the State of Delaware and 9.1 percent for the United States as reported by the Delaware Department of Labor. Even with the national outlook dim, Sussex County is resilient and has not experienced the same level of the housing decline as some parts of the country.
- As a result of the slow economic recovery we appear to be settling into the “new normal” of revenue, staffing and budgeting.

- Agriculture continues as a mainstay in Sussex County. The County continues to lead the nation in poultry production and is a strong vegetable producer.
- Retail sales are a major industry in Sussex County with outlet shopping located on the East Coast corridor. National economic indicators show a 7% growth over 2010. These outlets attract customers from other counties and states. Having no sales tax in the state is also a draw for the outlet shoppers.
- Leading the state, construction of 1200 new homes in Sussex for fiscal 2012 is estimated. This strong base reflects the attractive Sussex life style and low cost of living, which brings more tourists and retirees here.

Fiscal Year 2012 Budget and Rates

A goal of the fiscal year 2012 budget was economic development and to adjust to the economy while providing a strong financial base for the future. Again as in fiscal year 2011, we balanced the fiscal year 2012 General fund budget without using any of our appropriated reserves.

The fiscal year 2012 General fund budget only increased by 2.4 percent. Economy sensitive revenues have leveled off and are still projected very low compared to a few years ago. The County property tax rate remained at 44.5 cents for the 22nd straight year. The County is proud that there is not any general fund bonded debt. Conservative budgeting now and in the past has enabled the County to not raise property taxes to supplement revenue sources that have declined.

The fiscal year 2012 capital improvements budget includes the use of \$4.4 million of appropriated reserves. The fiscal year 2012 capital improvements budget uses funds set aside in previous years for these projects. Our goal will be to use available funds for these projects instead of borrowing through bond issues.

The fiscal year 2012 Sewer and Water budget increased by 1.48 percent. This budget continues the process to establish and move towards a uniform service charge rate for our sewer districts. This budget included a minimal service charge rate increase. This increase is to cover rising costs and major maintenance needs that we are incurring as our infrastructure ages. The new budget also includes a modest increase in sewer system connection charges. These charges are designed to recover costs needed for new expansion from new users. They are one-time charges for new sewer customers. The County's philosophy concerning growth is that new users should pay for their share of sewer infrastructure cost.

The five-year capital improvement plan of \$173 million includes \$140 million for sewer projects and improvements and \$33 million for other projects such as industrial airpark, industrial park expansion, library building improvements, and property acquisition.

The fiscal 2012 financial report reflects across the board reductions made in staffing levels, grants, supplies, etc. These adjustments coincide with reduced workloads in some departments such as Building Code, Assessment, and Planning and Zoning. Spending reductions also reflect the appropriate response to the changed economic climate.

Requests for Information

This Financial Report is designed to provide an overview of Sussex County's finances and provide a meaningful picture of our County. This report is available on the County's website at www.sussexcountyde.gov. Any questions concerning this report, or requests for additional information, should be addressed to:

Mrs. Susan M. Webb
Finance Director
Sussex County Council
2 The Circle
P.O. Box 589
Georgetown, DE 19947
Telephone: (302) 855-7741

BASIC FINANCIAL STATEMENTS

SUSSEX COUNTY, DELAWARE
STATEMENT OF NET ASSETS
JUNE 30, 2011

	Primary Government		
	Governmental Activities	Business-type Activities	Total
ASSETS			
Cash and cash equivalents	\$ 25,085,299	\$ 35,994,623	\$ 61,079,922
Receivables, net of allowance for doubtful accounts:			
Taxes	1,045,342	-	1,045,342
Service charges	-	1,764,019	1,764,019
Assessment, impact, connection, and expansion	312,823	1,234,758	1,547,581
Accrued interest	27,905	28,934	56,839
Miscellaneous	63,216	413,631	476,847
Due from other governmental agencies	3,826,011	3,131,582	6,957,593
Internal balances	21,129,595	(21,129,595)	-
Inventory	21,751	97,903	119,654
Prepaid items	15,813	-	15,813
Net pension asset	12,203,518	3,050,880	15,254,398
Net other postemployment benefit asset	1,777,670	444,417	2,222,087
Restricted assets:			
Cash and cash equivalents	57,041,225	71,109,609	128,150,834
Loans receivable	831,931	-	831,931
Bond issue cost, net of amortization	-	565,790	565,790
Capital assets:			
Land, improvements, and construction in progress	18,524,259	63,960,096	82,484,355
Other capital assets, net of depreciation	45,712,809	307,392,005	353,104,814
TOTAL ASSETS	187,619,167	468,058,652	655,677,819
LIABILITIES			
Accounts payable and other current liabilities	2,428,635	5,223,841	7,652,476
Accrued interest payable	-	446,552	446,552
Employee health claims payable	613,447	-	613,447
Unearned revenue	129,375	-	129,375
Deposits	7,085,883	-	7,085,883
Long-term liabilities:			
Due within one year	2,657,202	9,608,378	12,265,580
Due in more than one year	3,654,176	181,304,708	184,958,884
TOTAL LIABILITIES	16,568,718	196,583,479	213,152,197
NET ASSETS			
Invested in capital assets, net of related debt	64,237,068	181,908,359	246,145,427
Restricted for:			
Realty transfer tax	69,589,750	-	69,589,750
911 Reporting	1,052,185	-	1,052,185
Grant funds	789,984	-	789,984
Construction and debt service	-	32,691,984	32,691,984
Revenue bond debt service	-	33,877,458	33,877,458
Unrestricted	35,381,462	22,997,372	58,378,834
TOTAL NET ASSETS	\$ 171,050,449	\$ 271,475,173	\$ 442,525,622

The accompanying notes are an integral part of these financial statements.

SUSSEX COUNTY, DELAWARE
STATEMENT OF ACTIVITIES
FOR THE YEAR ENDED JUNE 30, 2011

Function/Programs	Expenses	Program Revenues			Net Revenue (Expense) and Changes in Net Assets		
		Charges for Services	Operating Grants and Contributions	Capital Grants and Contributions	Primary Government		
					Governmental Activities	Business-type Activities	Total
PRIMARY GOVERNMENT							
GOVERNMENTAL ACTIVITIES							
General government	\$ 9,037,273	\$ 1,238,309	\$ 65,480	\$ -	\$ (7,733,484)	\$ -	\$ (7,733,484)
Grant-in-aid programs	6,765,994	-	-	-	(6,765,994)	-	(6,765,994)
Planning and zoning	1,251,258	1,148,591	-	-	(102,667)	-	(102,667)
Paramedic program	11,515,259	-	3,393,849	94,107	(8,027,303)	-	(8,027,303)
Emergency preparedness	2,817,992	15,960	906,679	458,250	(1,437,103)	-	(1,437,103)
Economic development and public works	2,136,706	671,314	-	1,550,324	84,932	-	84,932
County engineer	1,683,158	281,451	192	-	(1,401,515)	-	(1,401,515)
Library	3,657,643	25,991	387,018	-	(3,244,634)	-	(3,244,634)
Community development and housing programs	2,399,951	-	2,362,196	-	(37,755)	-	(37,755)
Constitutional offices	2,161,054	6,808,811	-	-	4,647,757	-	4,647,757
TOTAL GOVERNMENTAL ACTIVITIES	43,426,288	10,190,427	7,115,414	2,102,681	(24,017,766)	-	(24,017,766)
BUSINESS-TYPE ACTIVITIES							
Sewer facilities	27,942,561	15,536,386	12,311,415	5,475,117	-	5,380,357	5,380,357
Water facilities	1,016,979	750,785	263,144	-	-	(3,050)	(3,050)
TOTAL BUSINESS-TYPE ACTIVITIES	28,959,540	16,287,171	12,574,559	5,475,117	-	5,377,307	5,377,307
TOTAL PRIMARY GOVERNMENT	\$ 72,385,828	\$ 26,477,598	\$ 19,689,973	\$ 7,577,798	(24,017,766)	5,377,307	(18,640,459)
GENERAL REVENUES							
Taxes: Property					13,228,603	-	13,228,603
Capitation					259,229	-	259,229
Fire service					821,702	-	821,702
Realty transfer					14,310,725	-	14,310,725
Unrestricted investment earnings					212,684	59,861	272,545
TRANSFERS					(754,077)	754,077	-
TOTAL GENERAL REVENUES AND TRANSFERS					28,078,866	813,938	28,892,804
CHANGE IN NET ASSETS					4,061,100	6,191,245	10,252,345
NET ASSETS - BEGINNING					166,989,349	265,283,928	432,273,277
NET ASSETS - ENDING					\$ 171,050,449	\$ 271,475,173	\$ 442,525,622

The accompanying notes are an integral part of these financial statements.

SUSSEX COUNTY, DELAWARE
BALANCE SHEET - GOVERNMENTAL FUNDS
JUNE 30, 2011

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	<u>General</u>	<u>Capital Projects</u>	<u>Total Governmental Funds</u>
ASSETS			
Cash and cash equivalents	\$ 25,067,864	\$ 17,435	\$ 25,085,299
Receivables, net of allowance for doubtful accounts:			
Taxes	1,045,342	-	1,045,342
Assessment, impact, connection, and expansion	312,823	-	312,823
Accrued interest	20,803	7,102	27,905
Miscellaneous	63,216	-	63,216
Due from other governmental agencies	2,253,455	1,572,556	3,826,011
Due from other funds	21,302,331	-	21,302,331
Inventory	21,751	-	21,751
Prepaid items	15,813	-	15,813
Restricted assets:			
Cash and cash equivalents	39,475,630	17,565,595	57,041,225
TOTAL ASSETS	<u>\$ 89,579,028</u>	<u>\$ 19,162,688</u>	<u>\$ 108,741,716</u>
LIABILITIES			
Accounts payable and other accrued expenditures	\$ 2,212,666	\$ 215,969	\$ 2,428,635
Due to other funds	51,942	120,794	172,736
Employee health claims payable	613,447	-	613,447
Deferred revenue:			
Taxes	955,982	-	955,982
Other	1,354,908	1,271,241	2,626,149
Deposits	7,085,883	-	7,085,883
TOTAL LIABILITIES	<u>12,274,828</u>	<u>1,608,004</u>	<u>13,882,832</u>
FUND BALANCES			
Nonspendable	140,442	-	140,442
Restricted	53,084,094	17,565,595	70,649,689
Committed	598,598	-	598,598
Assigned	6,641,109	-	6,641,109
Unassigned	16,839,957	(10,911)	16,829,046
TOTAL FUND BALANCES	<u>77,304,200</u>	<u>17,554,684</u>	94,858,884
TOTAL LIABILITIES AND FUND BALANCES	<u>\$ 89,579,028</u>	<u>\$ 19,162,688</u>	
Amounts reported for governmental activities in the Statement of Net Assets are different because:			
Capital assets used in governmental activities are not financial resources and therefore are not reported in the funds.			64,237,068
Other long-term assets are not available to pay for current period expenditures and, therefore, are deferred in the funds.			18,265,875
Long-term liabilities are not due and payable in the current period and therefore are not reported in the funds.			<u>(6,311,378)</u>
Net Assets of Governmental Activities			<u>\$ 171,050,449</u>

The accompanying notes are an integral part of these financial statements.

**STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES - GOVERNMENTAL FUNDS
FOR THE YEAR ENDED JUNE 30, 2011**

	General	Capital Projects	Total Governmental Funds
REVENUES			
Taxes	\$ 28,563,428	\$ -	\$ 28,563,428
Intergovernmental	6,593,969	949,990	7,543,959
Charges for services	10,318,704	-	10,318,704
Fines and forfeits	26,170	-	26,170
Miscellaneous	816,916	35,286	852,202
	<u>46,319,187</u>	<u>985,276</u>	<u>47,304,463</u>
TOTAL REVENUES			
	<u>46,319,187</u>	<u>985,276</u>	<u>47,304,463</u>
EXPENDITURES			
Current:			
General Government:			
General administration	1,232,612	-	1,232,612
Finance	4,002,906	-	4,002,906
Personnel	853,779	-	853,779
Buildings and grounds	1,176,920	-	1,176,920
Data processing	1,203,812	-	1,203,812
County constable	1,001,320	-	1,001,320
Grant-in-aid programs	6,765,994	-	6,765,994
Planning and zoning	1,239,740	-	1,239,740
Paramedic program	11,274,004	-	11,274,004
Emergency preparedness	2,425,889	-	2,425,889
Economic development and public works	1,200,621	-	1,200,621
County engineer	1,689,824	-	1,689,824
Library	3,483,833	-	3,483,833
Community development and housing programs	2,394,101	-	2,394,101
Constitutional offices	2,137,974	-	2,137,974
Capital projects	-	980,239	980,239
	<u>42,083,329</u>	<u>980,239</u>	<u>43,063,568</u>
TOTAL EXPENDITURES			
	<u>42,083,329</u>	<u>980,239</u>	<u>43,063,568</u>
EXCESS OF REVENUES OVER (UNDER) EXPENDITURES	<u>4,235,858</u>	<u>5,037</u>	<u>4,240,895</u>
OTHER FINANCING SOURCES (USES)			
Transfers in	55,151	-	55,151
Transfers out	(809,228)	-	(809,228)
	<u>(754,077)</u>	<u>-</u>	<u>(754,077)</u>
TOTAL OTHER FINANCING SOURCES (USES)			
	<u>(754,077)</u>	<u>-</u>	<u>(754,077)</u>
NET CHANGE IN FUND BALANCES	3,481,781	5,037	3,486,818
FUND BALANCES - BEGINNING	<u>73,822,419</u>	<u>17,549,647</u>	<u>91,372,066</u>
FUND BALANCES - ENDING	<u>\$ 77,304,200</u>	<u>\$ 17,554,684</u>	<u>\$ 94,858,884</u>

The accompanying notes are an integral part of these financial statements.

**RECONCILIATION OF THE STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES
OF GOVERNMENTAL FUNDS TO THE STATEMENT OF ACTIVITIES
FOR THE YEAR ENDED JUNE 30, 2011**

NET CHANGE IN FUND BALANCES - TOTAL GOVERNMENTAL FUNDS			\$ 3,486,818
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 (\$2,760,807) exceeded capital outlays (\$ 1,714,070) in the current period.			(1,046,737)
The net effect of various transactions involving capital assets (i.e. sales, trade-ins and contributions) is to increase (decrease) net assets.			(26,791)
Revenues in the statement of activities that do not provide current financial resources are not reported as revenues in the funds, as follows:			
Property taxes	\$	51,082	
Grants		<u>778,421</u>	829,503
Capitalized lease proceeds are recognized as financing sources in governmental funds, but are not revenue in the government-wide statement of activities, net of principal payments on capitalized leases.			17,987
Some expenses reported in the statement of activities do not require the use of current financial resources and therefore are not reported as expenditures in governmental funds. The net change is as follows:			
Compensated absences		(395,813)	
Net pension obligation		422,960	
Net other postemployment benefit asset		107,023	
Economic development and neighborhood stabilization loans		125,150	
Postclosure landfill care costs		<u>541,000</u>	<u>800,320</u>
CHANGE IN NET ASSETS OF GOVERNMENTAL ACTIVITIES			<u>\$ 4,061,100</u>

STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES - BUDGET AND ACTUAL -
GENERAL FUND
FOR THE YEAR ENDED JUNE 30, 2011

	Budgeted Amounts		Actual	Variance with Final Budget - Positive (Negative)
	Original	Final		
REVENUES				
Taxes	\$ 26,837,838	\$ 26,837,838	\$ 28,563,428	\$ 1,725,590
Intergovernmental	7,566,431	7,566,431	6,593,969	(972,462)
Charges for services	9,942,600	9,942,600	10,318,704	376,104
Fines and forfeits	22,000	22,000	26,170	4,170
Miscellaneous	932,170	932,170	816,916	(115,254)
TOTAL REVENUES	45,301,039	45,301,039	46,319,187	1,018,148
EXPENDITURES				
Current:				
General Government:				
General administration	1,254,459	1,321,932	1,232,612	89,320
Finance	4,631,665	4,334,235	4,002,906	331,329
Personnel	838,810	1,095,601	853,779	241,822
Buildings and grounds	1,170,443	1,192,227	1,176,920	15,307
Data processing	1,427,906	1,409,278	1,203,812	205,466
County constable	1,069,763	1,011,636	1,001,320	10,316
Grant-in-aid programs	7,114,664	6,861,582	6,765,994	95,588
Planning and zoning	1,240,041	1,239,740	1,239,740	-
Paramedic program	11,815,180	11,815,180	11,274,004	541,176
Emergency preparedness	2,610,176	2,535,253	2,425,889	109,364
Economic development and public works	1,213,754	1,226,913	1,200,621	26,292
County engineer	1,657,949	1,659,322	1,689,824	(30,502)
Library	3,607,229	3,666,087	3,483,833	182,254
Community development and housing programs	3,685,157	3,685,157	2,394,101	1,291,056
Constitutional offices	2,321,843	2,384,516	2,137,974	246,542
TOTAL EXPENDITURES	45,659,039	45,438,659	42,083,329	3,355,330
EXCESS OF REVENUES OVER (UNDER) EXPENDITURES	(358,000)	(137,620)	4,235,858	4,373,478
OTHER FINANCING SOURCES (USES)				
Reimbursements from funds	958,000	958,000	-	(958,000)
Transfers in	-	-	55,151	55,151
Transfers out	-	(820,380)	(809,228)	11,152
Reserved for contingencies	(600,000)	-	-	-
TOTAL OTHER FINANCING SOURCES (USES)	358,000	137,620	(754,077)	(891,697)
NET CHANGE IN FUND BALANCE	-	-	3,481,781	3,481,781
FUND BALANCE - BEGINNING	73,822,419	73,822,419	73,822,419	-
FUND BALANCE - ENDING	\$ 73,822,419	\$ 73,822,419	\$ 77,304,200	\$ 3,481,781

The accompanying notes are an integral part of these financial statements.

SUSSEX COUNTY, DELAWARE
STATEMENT OF NET ASSETS - PROPRIETARY FUNDS
JUNE 30, 2011

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ASSETS	Business-type Activities - Enterprise Funds			Total
	Unified Sewer	West Rehoboth Sewer	Dewey Water	
CURRENT ASSETS				
Cash and cash equivalents	\$ 30,538,846	\$ 4,557,132	\$ 898,645	\$ 35,994,623
Receivables, net of allowance for doubtful accounts:				
Service charges	795,066	341,940	73,515	1,210,521
Assessment, impact, connection, and expansion	197,013	433,359	3,237	633,609
Accrued interest	24,866	3,450	618	28,934
Miscellaneous	228,364	184,964	303	413,631
Due from other governmental agencies	3,131,582	-	-	3,131,582
Due from other funds	411,964	124	-	412,088
Inventory	81,607	9,993	6,303	97,903
TOTAL CURRENT ASSETS	35,409,308	5,530,962	982,621	41,922,891
NONCURRENT ASSETS				
Restricted assets:				
Cash and cash equivalents	35,011,376	35,435,269	662,964	71,109,609
Bond issue cost, net of amortization	341,480	224,310	-	565,790
Net pension asset	2,531,562	437,954	81,364	3,050,880
Net other postemployment benefit asset	368,769	63,796	11,852	444,417
Noncurrent accounts receivable:				
Service charges	319,769	229,641	4,088	553,498
Assessment, impact, connection, and expansion	143,762	456,643	744	601,149
Capital assets:				
Land, improvements, and construction in progress	59,955,022	3,969,308	35,766	63,960,096
Other capital assets, net of depreciation	223,913,598	81,851,970	1,626,437	307,392,005
TOTAL NONCURRENT ASSETS	322,585,338	122,668,891	2,423,215	447,677,444
TOTAL ASSETS	357,994,646	128,199,853	3,405,836	489,600,335
LIABILITIES				
CURRENT LIABILITIES				
Accounts payable and other current liabilities	5,021,073	94,468	108,300	5,223,841
Accrued interest payable	359,665	86,887	-	446,552
Due to other funds	21,151,068	390,615	-	21,541,683
Current portion of long-term liabilities	6,621,484	2,968,649	18,245	9,608,378
TOTAL CURRENT LIABILITIES	33,153,290	3,540,619	126,545	36,820,454
LONG-TERM LIABILITIES, LESS CURRENT PORTION	127,937,920	53,345,847	20,941	181,304,708
TOTAL LIABILITIES	161,091,210	56,886,466	147,486	218,125,162
NET ASSETS				
Invested in capital assets, net of related debt	150,528,450	29,717,706	1,662,203	181,908,359
Restricted for:				
Construction and debt service	30,471,209	1,557,811	662,964	32,691,984
Revenue bond debt service	-	33,877,458	-	33,877,458
Unrestricted	15,903,777	6,160,412	933,183	22,997,372
TOTAL NET ASSETS	\$ 196,903,436	\$ 71,313,387	\$ 3,258,350	\$ 271,475,173

The accompanying notes are an integral part of these financial statements.

**STATEMENT OF REVENUES, EXPENSES AND CHANGES IN FUND NET ASSETS - PROPRIETARY FUNDS
FOR THE YEAR ENDED JUNE 30, 2011**

	Business-type Activities - Enterprise Funds			Total
	Unified Sewer	West Rehoboth Sewer	Dewey Water	
OPERATING REVENUES				
Charges for services	\$ 10,438,609	\$ 4,481,771	\$ 681,935	\$ 15,602,315
Other operating revenue	403,127	96,563	4,092	503,782
TOTAL OPERATING REVENUES	10,841,736	4,578,334	686,027	16,106,097
OPERATING EXPENSES				
Amortization	38,844	18,976	-	57,820
Contractual services	1,259,120	396,021	487,562	2,142,703
Depreciation	7,472,223	2,521,461	109,179	10,102,863
Employee benefits	1,934,030	856,966	132,318	2,923,314
Equipment and tools	195,914	42,960	2,727	241,601
Maintenance and repairs	273,960	117,022	62,792	453,774
Miscellaneous	26,347	80,692	493	107,532
Process chemicals	228,465	17,279	-	245,744
Professional services	59,131	26,411	-	85,542
Salaries	3,742,734	772,670	149,891	4,665,295
Shared costs - operating	442,683	393,444	51,438	887,565
Supplies	199,554	58,156	9,511	267,221
Training and travel	261,570	77,417	11,068	350,055
Wastewater treatment	1,001,729	-	-	1,001,729
TOTAL OPERATING EXPENSES	17,136,304	5,379,475	1,016,979	23,532,758
OPERATING LOSS	(6,294,568)	(801,141)	(330,952)	(7,426,661)
NON-OPERATING REVENUES (EXPENSES)				
Investment earnings	165,087	57,085	3,600	225,772
Assessment and connection fees	7,411,975	4,736,889	259,784	12,408,648
Disposal of assets	1,500	-	-	1,500
Miscellaneous	114,816	-	64,758	179,574
Interest expense	(3,090,880)	(2,335,902)	-	(5,426,782)
TOTAL NON-OPERATING REVENUES (EXPENSES)	4,602,498	2,458,072	328,142	7,388,712
INCOME (LOSS) BEFORE CONTRIBUTIONS AND TRANSFERS	(1,692,070)	1,656,931	(2,810)	(37,949)
CAPITAL CONTRIBUTIONS	5,244,923	230,194	-	5,475,117
TRANSFERS IN	657,052	237,027	5,270	899,349
TRANSFERS OUT	(55,151)	(90,121)	-	(145,272)
CHANGE IN NET ASSETS	4,154,754	2,034,031	2,460	6,191,245
TOTAL NET ASSETS - BEGINNING	192,748,682	69,279,356	3,255,890	265,283,928
TOTAL NET ASSETS - ENDING	\$ 196,903,436	\$ 71,313,387	\$ 3,258,350	\$ 271,475,173

The accompanying notes are an integral part of these financial statements.

SUSSEX COUNTY, DELAWARE
 STATEMENT OF CASH FLOWS - PROPRIETARY FUNDS
 FOR THE YEAR ENDED JUNE 30, 2011

	Business-type Activities - Enterprise Funds			Total
	Unified Sewer	West Rehoboth Sewer	Dewey Water	
CASH FLOWS FROM OPERATING ACTIVITIES				
Receipts from customers	\$ 10,054,472	\$ 4,418,129	\$ 662,751	\$ 15,135,352
Payments to suppliers	(3,806,844)	(1,218,600)	(598,882)	(5,624,326)
Payments to employees	(5,933,719)	(1,492,606)	(268,535)	(7,694,860)
Other receipts	517,943	96,563	68,850	683,356
NET CASH FLOWS FROM OPERATING ACTIVITIES	<u>831,852</u>	<u>1,803,486</u>	<u>(135,816)</u>	<u>2,499,522</u>
CASH FLOWS FROM NONCAPITAL FINANCING ACTIVITIES				
Advances from other funds	19,733,231	389,898	277,618	20,400,747
Advances to other funds	(17,679,267)	(556,030)	(232,404)	(18,467,701)
NET CASH FLOWS FROM NONCAPITAL FINANCING ACTIVITIES	<u>2,053,964</u>	<u>(166,132)</u>	<u>45,214</u>	<u>1,933,046</u>
CASH FLOWS FROM CAPITAL AND RELATED FINANCING ACTIVITIES				
Acquisition of capital assets	(39,254,973)	(217,206)	(7,409)	(39,479,588)
Retirement of bonds and related costs	(5,523,646)	(2,794,045)	-	(8,317,691)
Bond proceeds	33,561,493	-	-	33,561,493
Assessment and connection fees	7,391,354	4,530,395	261,574	12,183,323
Capital contributions	2,678,033	-	-	2,678,033
Interest paid	(2,996,710)	(2,286,796)	-	(5,283,506)
Payments for bond issue costs	(19,530)	-	-	(19,530)
Transfers from other funds for capital activities	657,052	237,027	5,270	899,349
Transfers to other funds for capital activities	(55,151)	(90,121)	-	(145,272)
NET CASH FLOWS FROM CAPITAL AND RELATED FINANCING ACTIVITIES	<u>(3,562,078)</u>	<u>(620,746)</u>	<u>259,435</u>	<u>(3,923,389)</u>
CASH FLOWS FROM INVESTING ACTIVITIES				
Interest income	175,405	67,328	3,979	246,712
NET INCREASE (DECREASE) IN CASH	(500,857)	1,083,936	172,812	755,891
CASH AND CASH EQUIVALENTS - BEGINNING	<u>66,051,079</u>	<u>38,908,465</u>	<u>1,388,797</u>	<u>106,348,341</u>
CASH AND CASH EQUIVALENTS - ENDING	<u>\$ 65,550,222</u>	<u>\$ 39,992,401</u>	<u>\$ 1,561,609</u>	<u>\$ 107,104,232</u>
RECONCILIATION OF CASH AND CASH EQUIVALENTS TO THE BALANCE SHEET				
Cash and cash equivalents	\$ 30,538,846	\$ 4,557,132	\$ 898,645	\$ 35,994,623
Restricted cash and cash equivalents	35,011,376	35,435,269	662,964	71,109,609
TOTAL CASH AND CASH EQUIVALENTS	<u>\$ 65,550,222</u>	<u>\$ 39,992,401</u>	<u>\$ 1,561,609</u>	<u>\$ 107,104,232</u>

(continued)

SUSSEX COUNTY, DELAWARE
 STATEMENT OF CASH FLOWS - PROPRIETARY FUNDS - CONTINUED
 FOR THE YEAR ENDED JUNE 30, 2011

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	Business-type Activities - Enterprise Funds			Total
	Unified Sewer	West Rehoboth Sewer	Dewey Water	
RECONCILIATION OF OPERATING INCOME (LOSS) TO NET CASH PROVIDED BY OPERATING ACTIVITIES				
Operating loss	\$ (6,294,568)	\$ (801,141)	\$ (330,952)	\$ (7,426,661)
Adjustments to reconcile operating loss to net cash provided:				
Depreciation and amortization	7,511,067	2,540,437	109,179	10,160,683
Miscellaneous income	114,816	-	64,758	179,574
Changes in assets and liabilities:				
Accounts receivable	(233,376)	(69,766)	(20,414)	(323,556)
Inventory	(77,983)	(9,993)	643	(87,333)
Net pension asset	(346,693)	218,447	22,505	(105,741)
Net other postemployment benefit asset	(58,924)	29,291	2,878	(26,755)
Deposit	(150,761)	6,124	1,230	(143,407)
Compensated absences	148,662	(110,708)	(11,709)	26,245
Accounts payable	219,612	795	26,066	246,473
NET CASH FLOWS FROM OPERATING ACTIVITIES	\$ 831,852	\$ 1,803,486	\$ (135,816)	\$ 2,499,522
NONCASH INVESTING, CAPITAL AND FINANCING ACTIVITIES				
Capital assets contributed	\$ 557,825	\$ 230,194	\$ -	\$ 788,019
Increase in capital contributions receivable	1,533,282	-	-	1,533,282
Debt forgiveness through capital grant	475,783	-	-	475,783
Decrease in interest receivable	10,318	10,243	379	20,940

The accompanying notes are an integral part of these financial statements.

SUSSEX COUNTY, DELAWARE
STATEMENT OF FIDUCIARY NET ASSETS - FIDUCIARY FUNDS
JUNE 30, 2011

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	Pension and Other Employee Benefit Trusts
	<u> </u>
ASSETS	
Cash and cash equivalents	\$ 8,927,055
Investments	
Certificates of deposit	1,400,000
U.S. Treasuries	6,940,506
Corporate obligations	1,466,969
Municipal obligations	335,414
Delaware Local Government Retirement Investment Pool	33,710,937
Common stocks	5,555,544
Mutual funds	<u>15,674,307</u>
Total Investments	<u>65,083,677</u>
Accrued interest	<u>87,530</u>
TOTAL ASSETS	<u>74,098,262</u>
NET ASSETS HELD IN TRUST FOR PENSION AND OTHER EMPLOYEE BENEFITS	<u><u>\$ 74,098,262</u></u>

The accompanying notes are an integral part of these financial statements.

SUSSEX COUNTY, DELAWARE
STATEMENT OF CHANGES IN FIDUCIARY NET ASSETS - FIDUCIARY FUNDS
FOR THE YEAR ENDED JUNE 30, 2011

- 29 -

	Pension and Other Employee Benefit Trusts
	<u> </u>
ADDITIONS	
Employer contributions	\$ 3,727,205
Investment:	
Net appreciation (depreciation) of investments	6,989,175
Interest and dividends	<u>4,033,035</u>
	11,022,210
Less investment expenses	<u>121,036</u>
Net investment earnings	<u>10,901,174</u>
TOTAL ADDITIONS	14,628,379
DEDUCTIONS	
Beneficiary payments	<u>4,105,218</u>
NET INCREASE IN PLAN ASSETS	10,523,161
NET ASSETS HELD IN TRUST FOR PENSION AND OTHER EMPLOYEE BENEFITS - BEGINNING	<u>63,575,101</u>
NET ASSETS HELD IN TRUST FOR PENSION AND OTHER EMPLOYEE BENEFITS - ENDING	<u><u>\$ 74,098,262</u></u>

The accompanying notes are an integral part of these financial statements.

NOTE A - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Sussex County, Delaware (the County) was founded in 1683. Local government is provided by a five member elected County Council. The County principally provides general administrative services, emergency preparedness services, airport services, paramedics, Constitutional Row Offices, zoning, libraries, housing and economic development programs, and sewer and water services.

The County's financial statements are prepared in accordance with accounting principles generally accepted in the United States of America applicable to State and Local governments (GAAP). The Governmental Accounting Standards Board (GASB) is responsible for establishing GAAP for state and local governments through its pronouncements (Statements and Interpretations). Governments are also required to follow the pronouncements of the Financial Accounting Standards Board (FASB) issued through November 30, 1989 (when applicable) that do not conflict with or contradict GASB pronouncements. Although the County has the option to apply FASB pronouncements issued after that date to its business-type activities and enterprise funds, the County has chosen not to do so. The more significant accounting policies established in GAAP and used by the County are discussed below.

1. Reporting Entity

The accompanying financial statements include various agencies, departments, and offices that are legally controlled by or dependent on the County Council (the primary government). As defined by GASBS No. 14, the County's financial reporting entity is required to consist of all organizations for which the County is financially accountable or for which there is a significant relationship. The County has no component units in its reporting entity. The following do not meet the established criteria for inclusion in the reporting entity and, therefore, are excluded from this report: the towns, school districts and independent libraries within Sussex County.

2. Basic Financial Statements - Government-wide Statements

The County's basic financial statements include both government-wide (reporting the County as a whole) and fund financial statements (reporting the County's major funds). Both the government-wide and fund financial statements categorize primary activities as either governmental or business-type. The County's governmental activities consist of: general government, grant-in-aid programs, planning and zoning, paramedic program, emergency preparedness, economic development and public works, county engineer, airport, library, community development and housing programs, and constitutional offices. The County's water and sewer services are classified as business-type activities.

In the government-wide Statement of Net Assets, both the governmental and business-type activities columns are presented on a consolidated basis by column.

The government-wide Statement of Activities reports both the gross and net cost of each of the County's functions and business-type activities. The functions are also supported by general government revenues (property taxes, certain intergovernmental revenues, fines, permits and charges, etc.). The Statement of Activities reduces gross expenses (including depreciation) by related program revenues, operating and capital grants. Program revenues must be directly associated with the function or a business-type activity. Operating grants include operating-specific and discretionary (either operating or capital) grants while the capital grants column reflects capital-specific grants. Direct expenses are those that are clearly identifiable with a specific function.

NOTE A - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES - CONTINUED

2. Basic Financial Statements - Government-wide Statements - Continued

The net costs (by function or business-type activity) are normally covered by general revenue (property taxes, intergovernmental revenues, interest income, etc.). The County does not allocate indirect costs. An administrative service fee is charged by the General Fund to the other funds to recover the direct costs of General Fund services provided (finance, personnel, engineering, data processing, etc.). The reimbursement from funds is budgeted as an other financing source. For GAAP purposes, the charge is eliminated like a reimbursement, reducing the corresponding expenses in the General Fund.

This government-wide focus is more on the sustainability of the County as an entity and the change in the County's net assets resulting from the current year's activities.

3. Basic Financial Statements - Fund Financial Statements

The financial transactions of the County are reported in individual funds in the fund financial statements. Each fund is accounted for by providing a separate set of self-balancing accounts that comprises its assets, liabilities, fund equity, revenues and expenditures/expenses. The various funds are reported by generic classification within the financial statements. The following fund types are used by the County:

Governmental Funds

The focus of the governmental funds' measurement (in the fund statements) is upon determination of financial position and changes in financial position (sources, uses and balances of financial resources) rather than upon net income. The following is a description of the governmental funds of the County:

General fund is the general operating fund of the County. It is used to account for all financial resources except those required to be accounted for in another fund.

Capital projects fund is maintained to account for financial resources to be used for the acquisition or construction of major capital facilities (other than those financed by business-type/proprietary funds). These funds are provided by intergovernmental grants, investment income, and operating transfers from the General Fund. Some projects may take longer than one year to complete. Major capital projects expenditures in fiscal year 2011 were for industrial airpark expansion and improvements. As of June 30, 2011, the major projects being planned over the next five years include \$ 24 million for industrial airpark improvements and expansion, \$ 3 million for property acquisition, and \$ 5 million for various building improvements.

Proprietary Funds

The focus of proprietary fund measurement is upon determination of operating income, changes in net assets, financial position and cash flows. The generally accepted accounting principles applicable are those similar to businesses in the private sector. Proprietary funds are required to be used to account for operations for which a fee is charged to external users for goods or services and the activity (a) is financed with debt that is solely secured by a pledge of the net revenues, (b) has third party requirements that the cost of providing services, including capital costs, be recovered with fees and charges or (c) establishes fees and charges based on a pricing policy designed to recover similar costs. The following is a description of the proprietary funds of the County:

NOTE A - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES - CONTINUED

3. Basic Financial Statements - Fund Financial Statements - Continued

Enterprise funds are used to account for the provision of water and sewer services to customers in the County's Water and Sewer Districts. For presentation purposes, all funds are major and include the Unified Sewer Fund, Dewey Water Fund and West Rehoboth Sewer Fund. Activities of the enterprise funds include administration, operations and maintenance of the water and sewer system, and billing and collection activities.

Proprietary funds distinguish operating revenues and expenses from non-operating items. Operating revenues and expenses generally result from providing services and producing and delivering goods in connection with a proprietary fund's principal ongoing operations. The principal operating revenues are charges to customers for providing services. Operating expenses include the cost of services, administrative expenses and depreciation on capital assets. All revenues and expenses not meeting the above criteria are reported as non-operating revenues and expenses.

Fiduciary Funds

Fiduciary funds are used to report assets held in a trustee or agency capacity for others and therefore are not available to support County programs. The reporting focus is on net assets and changes in net assets, reported using accounting principles similar to proprietary funds. The Pension Trust Fund is used to account for the assets of the Sussex County Employee Pension Plan, which is part of the County's legal entity. It is a single employer defined benefit pension plan that provides benefits to eligible County employees. A stand-alone report is not issued for the Plan. The Post-retirement Employee Benefit Trust Fund is used to account for the assets of the Sussex County Post-retirement Employee Benefit Plan, which is part of the County's legal entity. A stand-alone report is not issued for the Plan.

The County's fiduciary funds are presented in the fiduciary funds financial statements. Combining financial statements for the fiduciary funds are presented in Note F to the financial statements. Since by definition these assets are being held for the benefit of a third party (other local governments, private parties, pension participants, etc.) and cannot be used to address activities or obligations of the government, these funds are not incorporated into the government-wide statements.

Major and Nonmajor Funds

The funds of the financial reporting entity are further classified as major or nonmajor. The emphasis in fund financial statements is on the major funds in either the governmental or business-type activities categories. GASBS No. 34 sets forth minimum criteria (percentage of the assets, liabilities, revenues or expenditures/expenses of either fund category or the governmental and enterprise combined) for the determination of major funds. The County does not have a nonmajor fund.

NOTE A - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES - CONTINUED

4. Measurement Focus and Basis of Accounting

Basis of accounting refers to the point at which revenues or expenditures/expenses are recognized in the accounts and reported in the financial statements. It relates to the timing of the measurements made regardless of the measurement focus applied.

Government-wide financial statements measure and report all assets (both financial and capital), liabilities, revenues, expenses, gains and losses using the economic resources measurement focus and the accrual basis of accounting, as do the proprietary and fiduciary fund statements. Revenues are recognized when earned and expenses are recognized when incurred.

All governmental funds are accounted for using a current financial resources measurement focus and are reported on the modified accrual basis of accounting. Revenues are recorded when susceptible to accrual; i.e., both measurable and available. "Measurable" means the amount of the transaction can be determined and "available" means collectible within the current period or soon enough thereafter to be used to pay liabilities of the current period that, for the County's purposes, is considered to be within 60 days after year end. Expenditures are generally recognized under the modified accrual basis of accounting when the related liability is incurred. The exception to this general rule is that principal and interest on general obligation long-term debt, if any, is recognized when due.

5. Cash and Cash Equivalents

The County has defined cash and cash equivalents to include cash on hand, demand deposits and all highly liquid investments (including restricted assets) with a maturity of three months or less when purchased.

Restricted cash mainly consists of amounts held by the County for the proceeds from grant programs, property sales, Constitutional Row Offices, 911 emergency reporting, realty transfer tax, fire service fee, and various sewer system reserves and construction funds.

6. Investments

The enterprise fund investments that have a remaining maturity at time of purchase of one year or less are reported at amortized cost. All other investments are stated at fair value. Fair values are determined by quoted market prices, where available. Restricted investments represent amounts held by the County for sewer fund construction and debt service, and for revenue bond required reserves. Information is not available concerning the indirect use of derivatives through the mutual funds and investment pools.

7. Accounts Receivable

Accounts receivable are reported at their gross value and, where appropriate, are reduced by the estimated portion that is expected to be uncollectible.

8. Inventory

Inventories are valued at cost using first-in, first-out (FIFO) or market and represent supplies owned by the County. The costs of these inventories are recorded as expenditures when consumed.

NOTE A - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES - CONTINUED

9. Capital Assets

Capital assets purchased or acquired with an original cost of \$ 3,000 or more are reported at historical cost or estimated historical cost. Contributed assets are reported at fair market value as of the date received. Additions, improvements and other capital outlays that significantly extend the useful life of an asset are capitalized. Other costs incurred for repairs and maintenance are expensed as incurred. Depreciation on all assets is provided on the straight-line basis over the following estimated useful lives:

Buildings	10 - 50 years
Improvements	5 - 50 years
Equipment	5 - 20 years
Infrastructure	10 - 50 years

The County's governmental activities infrastructure consists mainly of parking lots, airport aprons and airport runways.

10. Bond Premiums, Discounts and Issuance Costs

Bond premiums, discounts and issuance costs for proprietary funds are deferred and amortized over the term of the bonds, which range from one to forty years, using the straight-line method. Bonds payable are reported net of the applicable bond premium or discount.

11. Deposits and Deferred Revenue

Deposits represent monies held by the County to be remitted to others. Deferred revenue represents monies held by the County to be recognized as revenue in future periods.

12. Interest Capitalization

Interest costs incurred by a proprietary fund for the acquisition and/or construction of capital assets are subject to capitalization. The interest capitalization period begins when the following conditions are present:

- a. Expenditures for the capital asset have been made.
- b. Activities that are necessary to get the capital asset ready for its intended use are in progress.
- c. Interest cost is being incurred.

The amount of interest cost to be capitalized is based on the weighted-average amount of accumulated expenditures for the period multiplied by the proprietary fund's interest rate for the obligation incurred specifically to finance the construction of the capital asset. During fiscal 2011, proprietary fund interest expense is net of \$ 280,703 of capitalized interest.

13. Compensated Absences

Employees are granted vacation and sick leave in varying amounts. In the event of termination or retirement, an employee is reimbursed for accumulated vacation days up to two times their yearly vacation and, for sick days, up to a maximum of 90 days. The proprietary funds of the County accrue accumulated unpaid vacation and sick leave when earned (or estimated to be earned) by the employee. Compensated absences for governmental funds are a reconciling item between the fund and government-wide presentations.

NOTE A - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES - CONTINUED

14. Equity Classifications

Government-wide and Proprietary Fund Net Assets

Equity is classified as net assets and displayed in three components:

- a. Invested in capital assets, net of related debt - Consists of capital assets including restricted capital assets, net of accumulated depreciation and reduced by the outstanding balances of any bonds, mortgages, notes, or other borrowings that are attributable to the acquisition, construction, or improvement of those assets.
- b. Restricted net assets - Consists of net assets with constraints placed on the use either by (1) external groups such as creditors, grantors, contributors or laws or regulations of other governments; or (2) law through constitutional provisions or enabling legislation.
- c. Unrestricted net assets - All other net assets that do not meet the definition of "restricted" or "invested in capital assets, net of related debt."

Governmental Fund Balances

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

- a. Nonspendable - Amounts that cannot be spent either because they are in a nonspendable form or because they are legally or contractually required to be maintained intact.
- b. Restricted - Amounts that can be spent only for specific purposes because of the Delaware Code, state or federal laws, or externally imposed conditions by grantors or creditors.
- c. Committed - Amounts that can be used only for specific purposes determined by a formal action by Sussex County Council ordinance or resolution.
- d. Assigned - Amounts that are constrained by the government's intent to be used for a specific purpose and these decisions can be made by the County Council, County Administrator, Finance Director or Budget Committee.
- e. Unassigned - All amounts not included in other spendable classifications.

When an expense is incurred for business-type activities for which either restricted or unrestricted resources can be used, the County makes a decision on a transaction-by-transaction basis. For governmental funds, the County's policy is to first apply the expenditure toward restricted fund balance and then to other, less-restrictive classifications - committed and then assigned fund balances before using unassigned fund balances.

The County has a goal of 20 - 25% of the most recent approved budget for general fund expenditures for general fund unrestricted funds. In the event the balance drops below the established minimum level, the Finance Director may develop a plan to replenish the fund balance to the established minimum level within three years.

NOTE A - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES - CONTINUED

15. Revenues

Those revenues susceptible to accrual are property taxes, special assessments, interest revenue and charges for services, intergovernmental, and miscellaneous. All other revenue items are considered to be measurable and available only when cash is received by the County. Subsidies and grants to proprietary funds, which finance either capital or current operations, are reported as non-operating revenue based on GASBS No. 33. In applying GASBS No. 33 to grant revenues, the provider recognizes liabilities and expenses and the recipient recognizes receivables and revenue when the applicable eligibility requirements, including time requirements, are met. Resources transmitted before the eligibility requirements are met are reported as advances by the provider and deferred revenue by the recipient.

Program revenues include: charges to customers for goods, services or privileges provided, operating grants and contributions, and capital grants and contributions. General revenues include all taxes.

The County's property tax year runs from July 1 to June 30. Property taxes are recorded and attached as an enforceable lien on property on July 1, the date levied. Taxes are payable under the following terms: July 1 through September 30, face amount; after September 30, a 1.5% penalty per month is charged on the unpaid balance due. Property taxes are recognized as revenue in the budget year (beginning July 1 after the levy date) for which they are levied.

16. Expenditures

Expenditures are recognized when the related fund liability is incurred. Inventory costs are reported in the period when inventory items are used, rather than in the period purchased.

17. Interfund Activity

Interfund activity is reported as either loans, reimbursements or transfers. Loans are reported as interfund receivables and payables as appropriate and are subject to elimination upon consolidation. Reimbursements are when one fund incurs a cost, charges the appropriate benefiting fund and reduces its related cost as a reimbursement. All other interfund transactions are treated as transfers. Transfers between governmental or proprietary funds are netted as part of the reconciliation to the government-wide financial statements.

18. Budgets and Budgetary Accounting

Prior to March 1, the Budget Committee distributes budget request forms to each department and agency. The budget must identify the specific level of service provision and describe how priorities have been established and incorporated into the budget. These budgets are prepared by April 1. The Budget Committee then develops an annual operating budget, using these department budgets to evaluate the priority and costs of various services. The recommended annual operating budget is then presented to Council by the County Administrator. This submission includes proposed operating budget ordinances setting forth the proposed departmental appropriations and various tax rates to balance the budget. The Council reviews the budget both internally and through public hearings. Subsequently, the budget is adopted through legislation in Council prior to July 1. The operating budget ordinance and related revenue ordinances are officially adopted when approved by the County Council. The County legally adopts an annual budget for the general fund and the capital projects fund.

NOTE A - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES - CONTINUED

18. Budgets and Budgetary Accounting - Continued

Appropriations are legislated at the departmental level by object of expenditure. Although the County Code requires budget amendments to be adopted using the same procedures as its original adoption, the Council has authorized the County Administrator to make budgetary transfers within each fund. The aggregate amount of the budget cannot be changed without a public hearing. All unused and unencumbered annual appropriations lapse at fiscal year-end.

The budgets for the County's general fund and capital projects fund have been prepared on a basis materially consistent with GAAP. Final budgeted amounts are as amended through June 30, 2011. Unexpended appropriations in the operating budget lapse at year end, while encumbered amounts are reappropriated in the subsequent year.

19. Use of Estimates

The preparation of financial statements in conformity with generally accepted accounting principles requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities at the date of the financial statements and the reported amounts of revenues and expenditures/expenses during the reporting period. Actual results could differ from these estimates.

20. Explanation of Reconciling Item on the Governmental Fund Balance Sheet

The governmental fund balance sheet includes a reconciliation between fund balances - total governmental funds and net assets of governmental activities as reported in the government-wide statement of net assets. The details of the difference "Other long-term assets are not available to pay for current period expenditures and, therefore, are deferred in the funds" are as follows:

Loans receivable	\$	831,931
Net pension asset		12,203,518
Net postemployment benefit asset		1,777,670
Deferred tax revenue		955,982
Other deferred revenue		<u>2,496,774</u>
Net Adjustment to Increase Net Assets	\$	<u><u>18,265,875</u></u>

NOTE B - CASH AND INVESTMENTS

All deposits are in various financial institutions and are carried at cost. Transactions are made directly with the banks; services of brokers or securities dealers are not used. At June 30, 2011, the carrying amount of the County's deposits was \$ 135,661,679 and the bank balance was \$ 138,995,594. None of the County's deposits were uninsured or uncollateralized at year end.

Custodial Credit Risk - Custodial credit risk is the risk that, in the event of the failure of a depository financial institution, the County will not be able to recover deposits or will not be able to recover collateral securities that are in the possession of an outside party. In regards to investments, custodial credit risk is in the event of the failure of the counterparty to a transaction, a government will not be able to recover the value of investment or collateral securities that are in the possession of an outside party. The County's investment policy requires collateralization by each financial institution with direct obligations of the U.S. government and requires the collateral to be maintained at a third party.

Interest Rate Risk - Interest rate risk is the risk that changes in interest rates will adversely affect the fair value of the County's investment. The County's primary objective of its investment activities is the safety of principal in order to mitigate interest rate risk. The County's investment policy does not limit investment maturities as a means of managing its exposure to fair value losses arising from increasing interest rates. Investments in U.S. government securities earn interest at a stated fixed rate and are normally held until maturity when the full principal and interest is paid to the County.

Credit Risk - Credit risk is the risk that an issuer or other counterparty to an investment will not fulfill its obligations. The County's investment policy stresses safety of principal as investments are made with judgment and care. U.S. government securities are not considered to have credit risk and, therefore, their credit risk is not disclosed. Investments issued by Federal Home Loan Bank and Federal Home Loan Mortgage Corporation have an AAA credit rating at year end. The County does not have any other investments that are credit quality rated.

Concentration of Credit Risk - Concentration of credit risk is the risk of loss attributed to the magnitude of investment in a single issuer. The County has no formal policy to address the concentration of credit risk attributed to a single issuer. More than 5% of the County's investments are in the following issuers (other than those issued or guaranteed by the U.S. government, investments in mutual funds and external investment pools): Wilmington Trust repurchase agreements (21.1%).

The County's investment policy authorizes the following investments:

1. Bonds or other obligations of which the faith and credit of the United States of America are pledged;
2. Obligations of federal governmental agencies issued pursuant to Acts of Congress;
3. Repurchase agreements that are secured by any bond or other obligation for the payment of which the faith and credit of the United States are pledged;
4. Certificates of deposit and other evidences of deposit of financial institutions;
5. Money market mutual funds regulated by the Securities and Exchange Commission and whose portfolios consist of dollar-denominated securities; and
6. Local government investment pools administered by the State of Delaware. Additional information can be found in Note F sections for Pension Trust Assets and Post-retirement Employee Benefit Trust Assets.

NOTE B - CASH AND INVESTMENTS - CONTINUED

The County had the following investments at June 30, 2011:

Investment Type	Fair Value	Investment Maturities (in Years)			
		Less than 1	1 - 5	6 - 10	More than 10
U.S. Treasuries	\$ 42,101,253	\$ 35,675,591	\$ 4,473,613	\$ 1,952,049	\$ -
Corporate obligations	1,466,792	97,193	1,040,380	329,219	-
Municipal obligations	335,415	335,415	-	-	-
Repurchase agreements	28,726,751	28,726,751	-	-	-
Delaware Local Government Retirement Investment Pool	33,710,937	33,710,937	-	-	-
Common stocks	5,555,721	5,555,721	-	-	-
Mutual funds	15,674,307	15,674,307	-	-	-
Total Investments	\$ 127,571,176	\$119,775,915	\$ 5,513,993	\$ 2,281,268	\$ -

Reconciliation of cash and investments to the Government-wide Statement of Net Assets:

Cash on hand	\$ 8,633
Carrying amount of deposits	135,661,679
Carrying amount of investments	127,571,176
TOTAL	\$ 263,241,488
Cash and cash equivalents	\$ 61,079,922
Cash and cash equivalents - restricted	128,150,834
Fiduciary funds cash and investments (not included in government-wide statement)	74,010,732
TOTAL	\$ 263,241,488

NOTE C - ACCOUNTS RECEIVABLE

The allowance for uncollectible receivables at June 30, 2011 is \$ 17,818 for service and \$ 12,472 for assessment. The County does not have an allowance for uncollectible property taxes because all are considered collectible.

NOTE D - LOANS RECEIVABLE

Under the County's Local Government Economic Development Stimulus Loan Program, loans are provided for certain public projects and for economic development and job growth purposes. The balances outstanding total \$ 293,449 at June 30, 2011. One loan bears no interest, matures on April 2026, and is secured with the full faith and credit of the borrowing municipality. The other loan bears interest at 2% per annum, matures on March 2019, and is secured with partner guarantees and a second mortgage on the property.

The County's Neighborhood Stabilization Program, in partnership with local nonprofits, provides zero percent interest loans for a term of thirty years for the purpose of providing affordable financing for moderate to low income families. The loans are secured by liens on the real property. The balances outstanding at June 30, 2011 total \$ 538,482. Loans receivable total \$ 831,931 at June 30, 2011, which are not reflected on the governmental funds balance sheet.

NOTE E - CAPITAL ASSETS

Capital asset activity for the year ended June 30, 2011, was as follows:

	Balance at June 30, 2010	Increases	Decreases	Balance at June 30, 2011
Governmental Activities:				
Capital assets, not being depreciated:				
Land	\$ 16,031,808	\$ 13,853	\$ -	\$ 16,045,661
Construction in progress	2,116,789	1,014,161	652,352	2,478,598
Total capital assets, not being depreciated	<u>18,148,597</u>	<u>1,028,014</u>	<u>652,352</u>	<u>18,524,259</u>
Other capital assets:				
Buildings	35,126,257	227,377	-	35,353,634
Improvements	20,695,010	340,063	-	21,035,073
Machinery and equipment	15,151,565	770,968	97,303	15,825,230
Total other capital assets	<u>70,972,832</u>	<u>1,338,408</u>	<u>97,303</u>	<u>72,213,937</u>
Less accumulated depreciation for:				
Buildings	4,640,691	713,378	-	5,354,069
Improvements	7,076,414	835,317	-	7,911,731
Machinery and equipment	12,093,728	1,212,112	70,512	13,235,328
Total accumulated depreciation	<u>23,810,833</u>	<u>2,760,807</u>	<u>70,512</u>	<u>26,501,128</u>
Other capital assets, net	47,161,999	(1,422,399)	26,791	45,712,809
Governmental Activities Capital Assets, Net	<u>\$ 65,310,596</u>	<u>\$ (394,385)</u>	<u>\$ 679,143</u>	<u>\$ 64,237,068</u>
Business-type Activities:				
Capital assets, not being depreciated:				
Land	\$ 39,541,817	\$ -	\$ -	\$ 39,541,817
Construction in progress	16,002,567	39,242,586	30,826,874	24,418,279
Total capital assets, not being depreciated	<u>55,544,384</u>	<u>39,242,586</u>	<u>30,826,874</u>	<u>63,960,096</u>
Other capital assets:				
Buildings	33,877,747	-	188,734	33,689,013
Improvements	10,465,417	34,867	-	10,500,284
Machinery and equipment	8,939,178	684,887	-	9,624,065
Infrastructure	350,767,942	31,305,144	-	382,073,086
Total other capital assets	<u>404,050,284</u>	<u>32,024,898</u>	<u>188,734</u>	<u>435,886,448</u>
Less accumulated depreciation for:				
Buildings	7,926,754	839,483	-	8,766,237
Improvements	5,044,013	348,190	-	5,392,203
Machinery and equipment	7,025,592	758,701	-	7,784,293
Infrastructure	98,395,221	8,156,489	-	106,551,710
Total accumulated depreciation	<u>118,391,580</u>	<u>10,102,863</u>	<u>-</u>	<u>128,494,443</u>
Other capital assets, net	285,658,704	21,922,035	188,734	307,392,005
Business-type Activities Capital Assets, Net	<u>\$ 341,203,088</u>	<u>\$ 61,164,621</u>	<u>\$ 31,015,608</u>	<u>\$ 371,352,101</u>

NOTE E - CAPITAL ASSETS - CONTINUED

Depreciation expense was charged to functions as follows:

Governmental activities:

General government	\$ 458,088
Planning and zoning	11,518
Paramedic program	619,221
Emergency preparedness	452,175
Economic development and public works	950,862
County engineer	14,349
Community development and housing programs	658
Library	210,575
Constitutional offices	43,361
	<hr/>
Total governmental activities depreciation expense	\$ 2,760,807
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Business-type activities:

Water	\$ 109,179
Sewer	9,993,684
	<hr/>
Total business-type activities depreciation expense	\$ 10,102,863
	<hr/> <hr/>

NOTE F - PENSION AND OTHER POST-RETIREMENT EMPLOYEE BENEFIT TRUSTS

Basis of Accounting

The pension and other post-retirement employee benefit (OPEB) trusts use the accrual basis of accounting. Employer contributions 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 plans. Administrative costs are financed through investment earnings.

Pension Plan Description and Provisions

The County established and administers a single-employer defined benefit pension plan for its employees. The Plan provides for retirement, disability and death benefits to plan members and their beneficiaries. Employees are not required to contribute to the plan. The pension plan is reported in the pension trust fiduciary fund in the County's financial statements. The County does not have a separate GAAP-basis pension plan audit performed. A covered employee is an employee who receives a regular salary or wages wholly, or in part, directly, or indirectly, from Sussex County provided, however, that an employee shall not be considered in covered employment if they are a part-time or seasonal employee who is not regularly employed for more than 120 working days in any one calendar year, per Ordinance No. 19, 6/10/75; No. 52, 12/16/80; No. 73, 9/22/81; No. 190, 7/24/84; No. 281, 7/23/85; No. 318, 11/12/85; No. 359, 3/25/86; No. 1375, 6/6/00 and No. 1485, 7/1/01. Also covered are elected officials, Justices of the Peace, and Constables for time worked prior to March 31, 1965. Cost-of-living adjustments (COLA) are provided at the discretion of the County Council. The County has authority to establish and amend benefit provisions of the plan.

NOTE F - PENSION AND OTHER POST-RETIREMENT EMPLOYEE BENEFIT TRUSTS - CONTINUED

To be eligible for retirement benefits, a covered employee who shall have service with Sussex County in continuous employment for at least eight years shall be considered eligible for retirement benefits within the meaning of this Ordinance, except as otherwise provided. The age for normal retirement is 62 with eight years of service, 60 for early retirement with 15 years of service, or after 30 years of service regardless of age, for most employees. Effective June 6, 2000, the number of years of service for normal retirement is 25 for paramedic and emergency communication specialists. For the year ended June 30, 2011, total payroll was \$ 20,340,411. Covered payroll refers to all compensation by the County to active employees covered by the plan.

Current membership in the plan (as of January 1, 2011) is as follows:

<u>Vested Actives</u>	<u>Nonvested Actives</u>	<u>Total Actives</u>	<u>Retirees and Beneficiaries</u>	<u>Terminated Vested</u>	<u>Covered Payroll</u>
257	228	485	156	73	\$ 19,207,909

Pension Funding Policy and Actuarial Method and Assumptions

The County's annual contribution to the pension trust is determined through the budgetary process and with reference to actuarial determined contributions. Plan members are not required to contribute. Contributions made were 12% of covered payroll. The contribution is designed to accumulate sufficient assets to pay benefits when due. The actuarial valuation of the plan as of January 1, 2011 was determined using the projected unit credit actuarial cost method. This measure is independent of the funding method used to determine contributions to the system. The actuarial assumptions used include:

- A rate of return on the investment of present and future assets of 8% per year compounded annually;
- Salary increases of 5% per year compounded annually;
- 2% annual increase after retirement for cost of living increases;
- Inflation of 4% per year underlying the salary scale and interest rates; and
- Five-year phase-in of asset gains and losses to value assets.

Actuarial calculations reflect a long-term perspective and actuarial methods and assumptions include techniques that are designed to reduce short-term volatility in actuarial accrued liabilities and the actuarial value of assets. A thirty-year open level percentage method is used to amortize the Annual Required Contribution and an adjustment to the Annual Required Contribution.

Annual Pension Cost and Net Pension Obligation

The County's annual pension cost and net pension obligation (asset) for the current year were as follows:

Annual required contribution	\$ 2,169,173
Interest on net pension obligation	(1,178,056)
Adjustment to annual required contribution	850,704
Annual Pension Cost	1,841,821
Contributions made	2,370,522
Increase in Net Pension Asset	(528,701)
Net Pension Obligation (Asset), Beginning of Year	(14,725,697)
Net Pension Obligation (Asset), End of Year	\$ (15,254,398)

NOTE F - PENSION AND OTHER POST-RETIREMENT EMPLOYEE BENEFIT TRUSTS - CONTINUED

Trend information is as follows:

<u>Year Ended June 30,</u>	<u>Annual Pension Cost (APC)</u>	<u>Percentage of APC Contributed</u>	<u>Net Pension Obligation (Asset)</u>
2009	\$ 1,488,633	211.6%	\$ (13,718,753)
2010	1,731,070	158.2	(14,725,697)
2011	1,841,821	128.7	(15,254,398)

Pension Funded Status and Funding Progress

As of January 1, 2011, the most recent actuarial valuation date, the plan was 88.7% funded. The actuarial accrued liability for benefits was \$ 59.4 million, and the actuarial value of assets was \$ 52.7 million, resulting in an unfunded actuarial accrued liability (UAAL) of \$ 6.7 million. The covered payroll (annual payroll of active employees covered by the plan) was \$ 19.2 million, and the ratio of the UAAL to the covered payroll was 34.9%.

The schedule of funding progress, presented as RSI following the notes to the financial statements, presents multiyear trend information about whether the actuarial value of plan assets are increasing or decreasing over time relative to the actuarial accrued liability for benefits.

The pension plan was funded with contributions as follows:

<u>Fiscal Year</u>	<u>Amount</u>	<u>Fiscal Year</u>	<u>Amount</u>
1976	\$ 75,000	1997	\$ 1,157,975
1982	50,000	1998	896,732
1983	150,000	1999	881,820
1984	80,995	2000	1,946,139
1985	100,000	2001	1,440,572
1986	234,000	2002	1,544,934
1987	419,532	2003	2,034,321
1988	484,224	2004	2,670,566
1989	182,262	2005	3,338,208
1990	342,739	2006	4,590,808
1991	355,582	2007	3,273,371
1992	463,552	2008	3,840,278
1993	890,882	2009	2,332,889
1994	950,736	2010	2,738,014
1995	1,040,285	2011	2,370,522
1996	1,175,078		

NOTE F - PENSION AND OTHER POST-RETIREMENT EMPLOYEE BENEFIT TRUSTS - CONTINUED

Pension Trust Assets

As authorized by Sussex County Council, the pension trust funds are invested in U.S. Treasury Notes, U.S. Government Agency Notes and Bonds, Sussex County Second Lien Revenue Bonds, the Delaware Local Government Retirement Investment Pool (DELRIP), Vanguard mutual funds, Fidelity Investments mutual funds, corporate obligations, municipal obligations, various common stocks and certificates of deposit. Wilmington Trust Company is the trustee of the Plan and has custody of the corporate obligations, municipal obligations and various common stocks. Certificates of deposit are held with Wilmington Savings Fund Society (WSFS). DELRIP was established to allow local governments the option to pool their pension assets with the Delaware Public Employees' Retirement System (DPERS). DELRIP is in the custody of the Delaware Board of Pension Trustees and is subject to oversight of the DPERS' Investment Committee and not of the Securities and Exchange Commission (SEC). The DELRIP investments are stated at fair value, which is the same as the value of the DPERS' Master Trust shares. Further details of the DELRIP investments are disclosed in the DPERS 40th Comprehensive Annual Financial Report, which may be obtained by calling 1-800-722-7300.

Investments at fair value (other than those issued or guaranteed by the U.S. government) in excess of 5% of the Plan's net assets held in trust for pension benefits at June 30, 2011 consist of:

	<u>Fair Value</u>
Delaware Local Retirement Investment Pool	\$ 33,710,937

Post-retirement Employee Benefit Plan Description and Provisions

The County established and administers a single-employer post-retirement employee benefit plan for its employees. During fiscal year 2005, the County established the "Sussex County Employment Benefit Plan" by Ordinance No. 1783. The plan is reported in the pension and other employee benefit trusts in the County's financial statements. Benefits include preventive care, prescription drug care, facility charges, professional services and office visits. The County has the authority to establish and amend benefit provisions of the plan. For employees who begin employment with the County prior to July 1, 2001, the County policy is to provide post-retirement healthcare benefits immediately after they leave County employment if they receive a pension at that time. Retirees hired subsequent to June 30, 2001, with 15 to 24 years of service, are eligible for coverage upon receipt of a County pension, with the County paying 50% of the premium. Retirees hired subsequent to June 30, 2001, with at least 25 years of service, receive full post-retirement healthcare benefits when they receive their pension. Employees, who began work prior to July 1, 2001, may elect the coverage available as if hired after June 30, 2001.

Current membership in the plan (as of January 1, 2011) is as follows:

<u>Total Actives</u>	<u>Retirees and Beneficiaries</u>	<u>Terminated Vested</u>
472	145	30

NOTE F - PENSION AND OTHER POST-RETIREMENT EMPLOYEE BENEFIT TRUSTS - CONTINUED

Post-retirement Employee Benefit Plan Funding Policy and Actuarial Method and Assumptions

The County's annual contribution to the post-retirement employee benefit plan is determined through the budgetary process and with reference to actuarial determined contributions. Plan members are not required to contribute. Contributions made of \$ 1,365,404 were 7.1% of covered payroll. The contribution is designed to accumulate sufficient assets to pay benefits when due. The actuarial valuation of the plan as of January 1, 2011 was determined using the projected unit credit actuarial cost method. This measure is independent of the funding method used to determine contributions to the system. The actuarial assumptions include:

- An investment return of 8% compounded annually;
- Projected salary increases of 5% per year compounded annually;
- Participation assumptions vary from zero to 100%, depending on age, date of hire and years of service; and
- A health care cost trend rate of 9.5% initially, declining to 5% ultimately.

Projections of benefits for financial reporting purposes are based on the substantive plan (the plan as understood by the employer and plan members) and include the types of benefits provided at the time of each valuation. Actuarial calculations reflect a long-term perspective and actuarial methods and assumptions include techniques that are designed to reduce short-term volatility in actuarial accrued liabilities and the actuarial value of assets, consistent with the long-term prospective of the calculations. A thirty-year open level percentage method is used to amortize the Annual Required Contribution and an adjustment to the Annual Required Contribution.

Annual OPEB Cost and Net OPEB Obligation

The County's annual other post-retirement employee benefit (OPEB) cost and net OPEB obligation (asset) for the current year were as follows:

Annual required contribution	\$ 1,278,049
Interest on net OPEB obligation	(167,065)
Adjustment to annual required contribution	120,642
Annual OPEB Cost	<u>1,231,626</u>
Contributions made	<u>1,365,404</u>
Increase in Net OPEB Asset	(133,778)
Net OPEB Obligation (Asset), Beginning of Year	<u>(2,088,309)</u>
Net OPEB Obligation (Asset), End of Year	<u><u>\$ (2,222,087)</u></u>

Trend information is as follows:

<u>Year Ended June 30,</u>	<u>Annual OPEB Cost (AOC)</u>	<u>Percentage of AOC Contributed</u>	<u>Net OPEB Obligation (Asset)</u>
2009	\$ 2,408,669	187.2%	\$ (2,223,623)
2010	2,883,303	95.3	(2,088,309)
2011	1,231,626	110.1	(2,222,087)

NOTE F - PENSION AND OTHER POST-RETIREMENT EMPLOYEE BENEFIT TRUSTS - CONTINUED

Post-retirement Employee Benefit Plan Funded Status and Funding Progress

As of January 1, 2011, the most recent actuarial valuation date, the plan was 70.6% funded. The actuarial accrued liability for benefits was \$ 33.0 million, and the actuarial value of assets was \$ 24.0 million, resulting in an unfunded actuarial accrued liability (UAAL) of \$ 9.0 million. The covered payroll (annual payroll of active employees covered by the plan) was \$ 19.2 million, and the ratio of the UAAL to the covered payroll was 46.92%.

The schedule of funding progress, presented as RSI following the notes to the financial statements, presents multiyear trend information about whether the actuarial value of plan assets are increasing or decreasing over time relative to the actuarial accrued liability for benefits.

The post-retirement employee benefit plan was funded with contributions as follows:

<u>Fiscal Year</u>	<u>Amount</u>	<u>Fiscal Year</u>	<u>Amount</u>
2007	\$ 5,837,419	2010	\$ 2,747,989
2008	5,784,797	2011	1,356,683
2009	4,674,927		

Post-retirement Employee Benefit Trust Assets

As authorized by Sussex County Council, the Post-retirement Employee Benefit funds are invested in various mutual funds through the custodian, Wilmington Trust Company. Certificates of deposit are held with Wilmington Savings Fund Society (WSFS).

**COMBINING STATEMENT OF FIDUCIARY NET ASSETS
 JUNE 30, 2011**

	<u>Pension Trust</u>	<u>Post-retirement Employee Benefit Trust</u>	<u>Total</u>
Assets			
Cash	\$ 57,195	\$ 8,869,860	\$ 8,927,055
Investments:			
Certificates of deposit	900,000	500,000	1,400,000
U.S. Treasuries	6,940,506	-	6,940,506
Corporate obligations	1,466,969	-	1,466,969
Municipal obligations	335,414	-	335,414
Delaware Local Government Retirement Investment Pool	33,710,937	-	33,710,937
Common stocks	5,555,544	-	5,555,544
Mutual funds	2,476,408	13,197,899	15,674,307
Accrued interest	86,720	810	87,530
Total Assets	<u>51,529,693</u>	<u>22,568,569</u>	<u>74,098,262</u>
Net Assets Held In Trust For Pension And Other Employee Benefits	<u>\$ 51,529,693</u>	<u>\$ 22,568,569</u>	<u>\$ 74,098,262</u>

NOTE F - PENSION AND OTHER POST-RETIREMENT EMPLOYEE BENEFIT TRUSTS - CONTINUED

**COMBINING STATEMENT OF CHANGES IN FIDUCIARY NET ASSETS
 FOR THE YEAR ENDED JUNE 30, 2011**

	Pension Trust	Post-retirement Employee Benefit Trust	Total
Additions			
Employer contributions	\$ 2,370,522	\$ 1,356,683	\$ 3,727,205
Investment:			
Net appreciation (depreciation) of investments	4,946,707	2,042,468	6,989,175
Interest and dividends	3,676,683	356,352	4,033,035
	<u>8,623,390</u>	<u>2,398,820</u>	<u>11,022,210</u>
Less investment expenses	115,540	5,496	121,036
Net investment earnings	<u>8,507,850</u>	<u>2,393,324</u>	<u>10,901,174</u>
TOTAL ADDITIONS	10,878,372	3,750,007	14,628,379
Deductions			
Beneficiary payments	<u>2,415,684</u>	<u>1,689,534</u>	<u>4,105,218</u>
Net Increase in Plan Net Assets	8,462,688	2,060,473	10,523,161
Net Assets Held in Trust for Pension and Other Employee Benefits - Beginning	<u>43,067,005</u>	<u>20,508,096</u>	<u>63,575,101</u>
Net Assets Held in Trust for Pension and Other Employee Benefits - Ending	<u>\$ 51,529,693</u>	<u>\$ 22,568,569</u>	<u>\$ 74,098,262</u>

NOTE G - DEFERRED COMPENSATION PLAN

The County offers its employees a deferred compensation plan created in accordance with Internal Revenue Code Section 457. The plan, available to all County employees, permits them to defer a portion of their salary until future years. Participation in the plan is optional and participants elect how their salary deferrals are invested. The deferred compensation is not available to employees until termination, retirement, death or unforeseeable emergency. The County is not matching employee contributions. Under custodial agreements, the custodians hold all assets and income in trust for the exclusive benefit of participants and their beneficiaries.

NOTE H - SHORT-TERM DEBT

Short-term financing is obtained from banks to provide interim financing for the Enterprise Funds. Interest on the line of credit is variable; the interest rate was 3.08% at June 30, 2011. The County had \$ 5,000,000 of unused line of credit to be drawn upon as needed. No balance was outstanding at June 30, 2011.

NOTE I - LONG-TERM LIABILITIES

Description of Bonds Payable

At June 30, 2011, bonds payable consisted of the following individual issues:

	<u>Business-type</u>
1994 wastewater general obligation bonds (West Rehoboth expansion sewer system), due in various installments through December 20, 2034, interest at 4.5%.	\$ 8,035,855
1994 SRF Subordinate Obligations (West Rehoboth Phase I and II), interest at 1.5%, final payment due December 2016. Repayment over 21 years beginning December 1995 from gross revenues of the West Rehoboth Expansion of the Dewey Beach Sanitary Sewer District but on a subordinate basis for the first 13 years to operations and management expenses, 1994 Series Bonds (\$ 19 million), Rural Development Administration loan, other project borrowings and SRF loans. Repayment the last 7 years based on equal installments. The subordinate obligations require various construction, operating and depreciation accounts.	4,874,944
1995A wastewater general obligation bonds (West Rehoboth expansion sewer system), due in various installments through March 9, 2035, interest at 4.5%.	2,931,828
1995B wastewater general obligation bonds (West Rehoboth expansion sewer system), due in various installments through June 27, 2035, interest at 4.5%.	5,367,977
1995C wastewater general obligation bonds (West Rehoboth expansion sewer system), due in various installments through September 26, 2035, interest at 4.5%.	4,907,458
1995D wastewater general obligation bonds (West Rehoboth expansion sewer system), due in various installments through December 22, 2035, interest at 4.5%.	2,467,800
1996 wastewater general obligation bonds (Ocean Way Estates expansion sewer system), due in quarterly installments of \$ 6,256 principal and interest, interest at 4.5%, final payment due October 17, 2036.	377,730
1997 wastewater general obligation bonds (West Rehoboth expansion sewer system), due in various installments through June 15, 2021, interest at 1.5%. Total bonds authorized are \$ 12,000,000.	5,468,499
2000 wastewater general obligation bonds (Ocean View, Holts Landing, Cedar Neck, North Millville and SCRWF), due in semi-annual installments, interest at 1.5%, final payment due December 31, 2023.	10,993,673
2000 wastewater general obligation bonds (Ellendale Sanitary Sewer District), due in semi-annual installments, interest at 1.5%, final payment due December 15, 2023. Total bonds authorized are \$ 1,726,000.	1,143,801
2001 wastewater general obligation bonds (West Rehoboth expansion sewer system), due in quarterly installments of \$ 135,087 principal and interest, interest at 4.5%, final payment due June 1, 2041.	8,859,702
2002 wastewater general obligation bonds (Miller Creek Sanitary Sewer District), due in semi-annual installments, interest at 1.5%, final payment due December 31, 2027. Total bonds authorized are \$ 3,300,000.	2,917,418

NOTE I - LONG-TERM LIABILITIES - CONTINUED

Description of Bonds Payable - Continued

	<u>Business-type</u>
2002 wastewater general obligation bonds (Bayview Estates and Sea Country Estates Sanitary Sewer District), due in semi-annual installments, interest at 1.5%, final payment due December 31, 2025. Total bonds authorized are \$ 2,636,000.	\$ 2,077,562
2002 wastewater general obligation bonds (SCRWF), due in semi-annual installments, interest at 3.175%, final payment due December 31, 2026. Total bonds authorized are \$ 13,000,000.	10,742,770
2002 wastewater general obligation bonds (Ellendale), due in semi-annual installments, no stated interest rate, final payment due June 13, 2042. Total bonds authorized are \$ 1,000,000.	794,872
2003 wastewater general obligation bonds (Oak Orchard Sanitary Sewer District), due in semi-annual installments, interest at 2%, final payment due December 31, 2024. Total bonds authorized are \$ 1,500,000.	1,162,681
2003 wastewater general obligation bonds (1992 and 1993 refunding), due in semi-annual installments, interest ranging from 4% to 5%, final payment due October 15, 2032.	19,395,000
2003 wastewater general obligation bonds (Ellendale), due in quarterly installments, interest at 4.25%, final payment due September 25, 2043. Total bonds authorized are \$ 815,000.	743,367
2003 wastewater general obligation bonds (Ellendale), due in quarterly installments, interest at 4.25%, final payment due September 25, 2043. Total bonds authorized are \$ 1,250,000.	1,140,147
2003 wastewater general obligation bonds (SCRWF), due in quarterly installments, interest at 4.25%, final payment due September 19, 2043. Total bonds authorized are \$ 1,965,000.	1,792,337
2003 wastewater general obligation bonds (Oak Orchard), due in semi-annual installments, interest at 1.5%, final payment due December 31, 2026. Total bonds authorized are \$ 1,203,000.	1,027,993
2004 wastewater general obligation bonds (Cedar Neck), due in quarterly installments, interest at 4.375%, final payment due June 22, 2044. Total bonds authorized are \$ 6,910,700.	6,385,991
2004 wastewater general obligation bonds (Inland Bays), due in semi-annual installments, interest at 1.5%, final payment due December 31, 2027. Total bonds authorized are \$ 16,000,000.	8,458,552
2005 wastewater general obligation bonds (Inland Bays), due in quarterly installments, interest at 4.125%, final payment due July 21, 2045. Total bonds authorized are \$ 7,000,000.	6,552,821

NOTE I - LONG-TERM LIABILITIES - CONTINUED

Description of Bonds Payable - Continued

	<u>Business-type</u>
2005 wastewater revenue refunding bonds (West Rehoboth 1995 refunding), due in semi-annual installments through June 15, 2025, interest ranging from 3.75% to 4.5%. The bonds are secured by and payable solely from the gross revenues of the West Rehoboth expansion sewer system. The revenue bonds require various project, construction, operating and depreciation accounts.	\$ 14,430,000
2006 wastewater general obligation bonds (Millville), due in semi-annual installments, interest at 1.5%, final payment due October 30, 2040. Total bonds authorized are \$ 8,000,000.	7,787,071
2006 wastewater general obligation bonds (South Ocean View), due in semi-annual installments, interest at 1.5%, final payment due June 30, 2040. Total bonds authorized are \$ 4,800,000.	4,476,991
2008 wastewater general obligation bonds (Dagsboro-Frankford), due in quarterly installments, interest at 4.5%, final payment due December 12, 2048. Total bonds authorized are \$ 73,000.	71,251
2008 wastewater general obligation bonds (Oak Orchard), due in quarterly installments, interest at 4.5%, final payment due September 26, 2048. Total bonds authorized are \$ 2,443,000.	2,378,483
2008 wastewater general obligation bonds (Angola Neck), due in semi-annual installments, interest at 1.5%, final payment due May 21, 2042. Total bonds authorized are \$ 15,000,000, of which \$ 1,500,000 will be forgiven at the project completion date.	13,646,739
2009 wastewater general obligation bonds (Johnson's Corner), due in semi-annual installments, interest at 1.5%, final payment due June 30, 2031. Total bonds authorized are \$ 6,000,000, of which \$ 1,248,033 will be forgiven at the project completion date.	5,083,986
2009 wastewater general obligation bonds (Oak Orchard), due in semi-annual installments, interest at 2%, final payment due December 15, 2031. Total bonds authorized are \$ 5,641,503, of which \$ 3,000,000 will be forgiven at the project completion date.	5,641,503
2010 wastewater general obligation bonds (Inland Bays), due in semi-annual installments, interest at 2%, final payment due November 1, 2031. Total bonds authorized are \$ 1,756,227, of which \$ 1,307,607 will be forgiven at the project completion date.	1,756,227
2010 wastewater general obligation bonds (SCRWF), due in quarterly installments, interest at 4%, final payment due March 19, 2050. Total bonds authorized are \$ 7,500,000.	7,402,707
2010A wastewater general obligation bonds (Inland Bays), due in quarterly installments, interest at 2.25%, final payment due December 3, 2050. Total bonds authorized are \$ 5,475,000.	3,775,567

NOTE I - LONG-TERM LIABILITIES - CONTINUED

Description of Bonds Payable - Continued

	<u>Business-type</u>
2010B wastewater general obligation bonds (Inland Bays), due in quarterly installments, interest at 2.25%, final payment due December 3, 2050. Total bonds authorized are \$ 5,000,000.	\$ 400,000
2010 wastewater general obligation bonds (SCRWF), due in quarterly installments, interest at 3%, final payment due December 3, 2050. Total bonds authorized are \$ 6,169,000.	457,992
2011 wastewater general obligation bonds (Prince Georges Acres), due in quarterly installments, interest at 4.25%, final payment due June 2, 2051. Total bonds authorized are \$ 500,000.	500,000
2011 wastewater general obligation bonds (Piney Neck), due in quarterly installments, interest at 4.125%, final payment due June 2, 2051. Total bonds authorized are \$ 2,113,000.	2,113,000
2011A wastewater general obligation bonds (Miller Creek), due in quarterly installments, interest at 4.25%, final payment due March 28, 2051. Total bonds authorized are \$ 1,725,000.	1,720,600
2011B wastewater general obligation bonds (Miller Creek), due in quarterly installments, interest at 4.25%, final payment due March 28, 2051. Total bonds authorized are \$ 1,075,000.	<u>1,072,258</u>
Subtotal	191,335,153
Unamortized bond premium	522,725
Unamortized bond discount	(20,156)
Deferred amount on refunding, net of amortization	<u>(2,393,980)</u>
TOTAL BONDS PAYABLE	<u>\$ 189,443,742</u>

Deferred amount on refunding is the difference between the reacquisition price and the net carrying amount of the refunded debt, net of amortization. This difference is reported in the accompanying financial statements as a deduction from bonds payable. Amortization of deferred amount on refunding charged to interest expense totaled \$ 230,037 for fiscal year 2011.

NOTE I - LONG-TERM LIABILITIES - CONTINUED

Contract Commitments

The County has obligated itself under contracts for various projects. At June 30, 2011, the obligated unrecorded amount was approximately \$ 19,104,240. The County's payment of these contracts will be contingent upon the contractors' satisfactory performance.

Bonds Authorized but Unissued

Bonds authorized but unissued at June 30, 2011 totaled \$ 43,443,702. The bonds are to finance various sewer district construction and improvement projects.

Long-term Liability Activity

Long-term liability activity for the year ended June 30, 2011, was as follows:

	<u>June 30, 2010</u>	<u>Additions</u>	<u>Reductions</u>	<u>June 30, 2011</u>	<u>Due Within One Year</u>
Governmental Activities:					
Compensated absences	\$ 4,879,565	\$ 2,802,015	\$ 2,406,202	\$ 5,275,378	\$ 2,406,202
Capital lease obligations	17,987	-	17,987	-	-
Estimated liability for landfill postclosure care	1,577,000	-	541,000	1,036,000	251,000
Total Governmental Activities	<u>\$ 6,474,552</u>	<u>\$ 28,020,150</u>	<u>\$ 2,965,189</u>	<u>\$ 1,036,000</u>	<u>\$ 251,000</u>
Business-type Activities:					
General obligation bonds	\$ 145,652,932	\$ 33,561,493	\$ 7,184,216	\$ 172,030,209	\$ 7,277,331
Revenue bond debt	20,914,202	-	1,609,258	19,304,944	1,646,921
Unamortized bond premium	631,713	-	108,988	522,725	-
Unamortized bond discount	(21,468)	-	(1,312)	(20,156)	-
Deferred amount of refunding, net of amortization	(2,624,017)	-	(230,037)	(2,393,980)	-
Total bonds payable	164,553,362	33,561,493	8,671,113	189,443,742	8,924,252
Compensated absences	1,443,099	710,372	684,127	1,469,344	684,126
Total Business-type Activities	<u>\$ 165,996,461</u>	<u>\$ 34,271,865</u>	<u>\$ 9,355,240</u>	<u>\$ 190,913,086</u>	<u>\$ 9,608,378</u>

For the governmental activities, compensated absences, capital lease obligations and estimated liability for landfill postclosure care are primarily liquidated by the General Fund.

NOTE I - LONG-TERM LIABILITIES - CONTINUED

Debt Maturity

The annual aggregate maturities for each bond type are as follows:

<u>Year ending June 30,</u>	<u>Business-type Activities - General Obligation</u>		
	<u>Principal</u>	<u>Interest</u>	<u>Total</u>
2012	\$ 7,277,331	\$ 5,102,040	\$ 12,379,371
2013	8,175,974	4,932,135	13,108,109
2014	8,101,309	4,643,511	12,744,820
2015	7,607,821	4,421,699	12,029,520
2016	7,588,285	4,211,535	11,799,820
2017 - 2021	38,102,697	17,927,790	56,030,487
2022 - 2026	29,445,501	13,253,018	42,698,519
2027 - 2031	22,547,154	9,422,877	31,970,031
2032 - 2036	18,825,258	5,876,248	24,701,506
2037 - 2041	13,801,511	3,213,838	17,015,349
2042 - 2046	6,972,359	1,293,275	8,265,634
2047 - 2051	3,585,009	300,209	3,885,218
TOTAL	\$ 172,030,209	\$ 74,598,175	\$ 246,628,384

<u>Year ending June 30,</u>	<u>Business-type Activities - Revenue Bonds</u>		
	<u>Principal</u>	<u>Interest</u>	<u>Total</u>
2012	\$ 1,646,921	\$ 670,863	\$ 2,317,784
2013	1,689,775	628,385	2,318,160
2014	1,732,822	584,588	2,317,410
2015	1,781,064	539,470	2,320,534
2016	1,829,505	490,629	2,320,134
2017 - 2021	5,629,857	1,764,841	7,394,698
2022 - 2025	4,995,000	562,610	5,557,610
TOTAL	\$ 19,304,944	\$ 5,241,386	\$ 24,546,330

NOTE J - INTERFUND BALANCES

Interfund balances at June 30, 2011 consisted of the following:

Receivable Fund	Payable Fund	Total Amount	Long-term Amount
General fund	Capital projects fund	\$ 120,794	\$ -
	West Rehoboth sewer fund	30,469	-
	Unified sewer fund	21,151,068	16,482,119
		<u>21,302,331</u>	<u>16,482,119</u>
West Rehoboth sewer fund	General fund	<u>124</u>	<u>-</u>
Unified sewer fund	West Rehoboth sewer fund	360,146	-
	General fund	51,818	-
		<u>411,964</u>	<u>-</u>
TOTAL		<u>\$ 21,714,419</u>	<u>\$ 16,482,119</u>

Balances resulted from the time lag between the dates that (1) interfund goods and services are provided or reimbursable expenditures occur, (2) transactions are recorded in the accounting system, and (3) payments between funds are made. At June 30, 2011, interfund balances largely represented interim financing for sewer projects, which are to be repaid when the County draws the permanent funding. Realty transfer tax financed \$ 20,144,527 of the interfund balances. The long-term portion indicated above is not scheduled to be collected in the subsequent year.

NOTE K - FUND BALANCES - GOVERNMENTAL FUNDS

The County adopted the provisions of GASB Statement No. 54, *Fund Balance Reporting and Governmental Fund Type Definitions*, in the current year. GASBS No. 54 establishes fund balance categories that comprise a hierarchy based primarily on the extent to which a government is bound to observe constraints imposed upon the use of the resources reported in governmental funds. The capital projects fund incurred expenditures in excess of the amounts restricted and therefore, is reporting a negative unassigned fund balance. Detailed information on fund balances of governmental funds is as follows:

	General	Capital Projects	Total
Nonspendable			
Inventory	\$ 21,751	\$ -	\$ 21,751
Prepaid items	15,813	-	15,813
Non-current assets	102,878	-	102,878
Total nonspendable	<u>140,442</u>	<u>-</u>	<u>140,442</u>
Restricted			
Realty transfer tax	52,024,155	17,565,595	69,589,750
911 emergency reporting	1,052,185	-	1,052,185
Rodent grant	7,754	-	7,754
Total restricted	<u>53,084,094</u>	<u>17,565,595</u>	<u>70,649,689</u>

NOTE K - FUND BALANCES - GOVERNMENTAL FUNDS - CONTINUED

	<u>General</u>	<u>Capital Projects</u>	<u>Total</u>
Committed			
Open space land program	\$ 598,598	\$ -	\$ 598,598
Assigned			
Grants	136,000	-	136,000
Property tax rebate	1,063,888	-	1,063,888
History book funds	2,500	-	2,500
Grant in aid for County tax subsidy program	40,341	-	40,341
Grant in aid discretionary grants	125,846	-	125,846
Economic development marketing program	1,000,000	-	1,000,000
Open space park program	1,000,000	-	1,000,000
Planning and zoning land use plan ordinance	17,298	-	17,298
Reassessment	530,000	-	530,000
Data processing projects	355,184	-	355,184
Recorder of Deeds maintenance fees	317,475	-	317,475
Pension and OPEB contribution	1,915,492	-	1,915,492
Economic development bond fees	137,085	-	137,085
Total assigned	<u>6,641,109</u>	<u>-</u>	<u>6,641,109</u>
Unassigned	<u>16,839,957</u>	<u>(10,911)</u>	<u>16,829,046</u>
TOTAL FUND BALANCES - GOVERNMENTAL FUNDS	<u>\$ 77,304,200</u>	<u>\$ 17,554,684</u>	<u>\$ 94,858,884</u>

NOTE L - RENT REVENUES

The County has entered into several long-term operating leases with local businesses to rent property, mainly located in the County's Industrial Airpark. These leases range in terms of one year to forty-five years and several of them are noncancelable. Buildings with a cost basis of \$ 7,000,157 and accumulated depreciation of \$ 1,332,241, equipment with a cost basis of \$ 55,058 and accumulated depreciation of \$ 55,058, and improvements of \$ 69,207 and accumulated depreciation of \$ 18,172 were being leased as of June 30, 2011.

The minimum future rental revenue under leases as of June 30, 2011 for each of the next five years and in the aggregate are:

<u>Year ending June 30,</u>	<u>Amount</u>
2012	\$ 585,322
2013	574,004
2014	478,041
2015	392,066
2016	365,506
Thereafter	<u>3,096,872</u>
MINIMUM LEASE PAYMENTS RECEIVABLE	<u>\$ 5,491,811</u>

NOTE M - INTERFUND TRANSFERS

Interfund transfers for the year ended June 30, 2011, consisted of the following:

Transfer to:	Transfer from			Total
	General Fund	Unified Sewer	West Rehoboth Sewer	
General fund	\$ -	\$ 55,151	\$ -	\$ 55,151
Unified sewer fund	566,931	-	90,121	657,052
West Rehoboth sewer fund	237,027	-	-	237,027
Dewey water fund	5,270	-	-	5,270
TOTAL	\$ 809,228	\$ 55,151	\$ 90,121	\$ 954,500

Transfers are used to (1) move revenues from the fund that statute or budget requires to collect them to the fund that statute or budget requires to expend them, and to (2) use unrestricted revenues collected in the general fund to finance various programs accounted for in other funds in accordance with budgetary authorizations

NOTE N - RISK MANAGEMENT

The County is exposed to various risks of loss related to torts; theft of, damage to and destruction of assets; omissions; injuries to employees; and natural disasters for which the County carries commercial insurance. There have been no significant reductions in coverage from the prior year end. Settlements have not exceeded coverage in the past three years.

The County is exposed to the risk of loss related to employee medical expenses. During fiscal year 2011, the County maintained a self-insured plan for employee medical expenses in which expenses per employee were covered annually up to \$ 250,000. Individual excess expenses are covered under a commercial policy. In addition, the County has a maximum aggregate limit of \$ 10,409,833 for the County's portion of medical expense liability, which is covered under a commercial policy. The County reports the risk management activity in the General Fund. The County recognizes expenditures/expenses in the General Fund, Water Fund and Sewer Funds. The employee health plan is administered by an outside agency.

Employee Health Plan

Contributions from the County and employee withholdings are deposited into a reserve fund to pay eligible claims. Estimated risks and losses are based upon historical costs, financial analyses, and estimated effects of plan changes. The claims liability reported at June 30, 2011 is based on the requirements of Governmental Accounting Standards Board Statement No. 10, which requires that a liability for claims be reported if information prior to the issuance of the financial statements indicates that it is probable that a liability has been incurred at the date of the financial statements and the amount of the loss can be reasonably estimated. These liabilities include an amount for claims that have been incurred but not reported. Costs related to these claims are normally paid within the following year and are therefore reported as a current liability.

NOTE N - RISK MANAGEMENT - CONTINUED

Changes in the employee health claims liability amounts in fiscal year 2011 and 2010 were as follows:

	<u>Beginning of Year Balance</u>	<u>Current-Year Claims and Changes in Estimates</u>	<u>Claims Payments</u>	<u>End of Year Balance</u>
2009 - 2010	\$ 844,110	\$ 9,199,362	\$ (8,940,933)	\$ 1,102,539
2010 - 2011	1,102,539	7,884,592	(8,373,684)	613,447

NOTE O - PROPRIETARY FUNDS CONTRACTS

The County has a contract with the Town of Georgetown for the Town to provide wastewater treatment and disposal for the County's Ellendale Sewer Treatment System. The contract was executed on May 25, 2000 and is in effect for a period of 40 years unless both parties mutually agree to terminate the contract. The County has a ten-year contract, effective November 1, 2010, with the City of Seaford for the purpose of discharging wastewater. The County has a contract with the Town of Millsboro for discharging wastewater for the Woodlands of Millsboro sewer system. The contract will remain in effect until terminated by mutual agreement of both parties. The County has a contract with the City of Rehoboth for the purpose of purchasing water for the Dewey Beach Water District. The contract was in effect at January 1, 2011 and will terminate on December 31, 2015.

NOTE P - LANDFILL POSTCLOSURE CARE COST

State and federal laws and regulations required the County to place a final cover on its six landfill sites when it stopped accepting waste and to perform certain maintenance and monitoring functions at these sites. The estimated liability for landfill postclosure care of \$ 1,036,000 at June 30, 2011 represented the cumulative amount reported to date based on the use of 100% of the estimated capacity of the landfill. This amount is based on what it would cost to perform all postclosure care in 2011. Actual cost may be higher because of inflation changes in technology or changes in regulations.

The annual operating costs for maintenance and monitoring the landfill sites will continue to be funded by the County and recorded as a long-term liability in the governmental activities on the Statement of Net Assets.

NOTE Q - CONTINGENCIES

The County is currently involved in a number of lawsuits involving construction projects, zoning ordinances, and other civil lawsuits. The amount of any contingent liability related to these suits either cannot be estimated or the outcome is uncertain.

The County has authorized the issuance of revenue bonds to provide funds for various commercial, industrial and agricultural development projects. In the opinion of bond counsel, the bonds are not subject to the debt limit imposed on the County by the Delaware Code, and are payable solely from payments made by the borrowing entities. Accordingly, these bonds are not reflected in the accompanying financial statements.

NOTE R - SUBSEQUENT EVENTS

Major Contracts

Subsequent to June 30, 2011, the County received \$ 11 million in loan draws for the construction of sewer systems. The County also approved the award of contracts totaling \$ 6.7 million for the construction of sewer systems.

Debt Refunding

Subsequent to June 30, 2011, the County approved debt refunding in an amount up to \$ 91 million to refinance debt in the sewer funds.

Pension and Other Employee Benefit Trusts

The County invests in various investment securities for its pension and other employee benefit trusts. Investment securities are exposed to various risks such as interest rate, market, and credit risks. Therefore, the value, liquidity, and related income of the securities are sensitive to changes in economic conditions, delinquencies or defaults, or both, and may be adversely affected by shifts in the market's perception of the users and changes in interest rates. Due to the level of risk associated with certain investment securities, it is at least reasonably possible that changes in the values of investment securities will occur in the near term and that such changes could materially affect the County's account balances and the amounts reported in the statement of net assets held in trust for pension and other employee benefits.

REQUIRED SUPPLEMENTARY INFORMATION

SUSSEX COUNTY, DELAWARE
 SCHEDULE OF FUNDING PROGRESS - PENSION TRUST
 FOR THE YEAR ENDED JUNE 30, 2011

Actuarial Valuation Date	Actuarial Value of Assets	Actuarial Accrued Liability - Projected Unit Credit	Unfunded Actuarial Accrued Liability	Funded Ratio	Covered Payroll	Unfunded Actuarial Accrued Liability as a % of Covered Payroll
01/01/2005	\$ 28,919,477	\$ 30,380,428	\$ 1,460,951	95.2 %	\$ 15,920,368	9.2 %
01/01/2006	34,091,663	34,224,683	133,020	99.6	17,401,966	0.8
01/01/2007	38,896,411	41,677,145	2,780,734	93.3	18,712,910	14.9
01/01/2008	45,144,691	46,183,103	1,038,412	97.8	20,222,895	5.1
01/01/2009	47,896,455	50,146,775	2,250,320	95.5	20,322,690	11.1
01/01/2010	50,212,221	54,751,314	4,539,093	91.7	19,672,456	23.1
01/01/2011	52,668,248	59,381,025	6,712,777	88.7	19,207,909	34.9

SUSSEX COUNTY, DELAWARE
SCHEDULE OF EMPLOYER CONTRIBUTIONS - PENSION TRUST
FOR THE YEAR ENDED JUNE 30, 2011

<u>Year Ended June 30</u>	<u>Annual Required Contribution</u>	<u>Percentage Contributed</u>
2005	\$ 1,407,930	234.7 %
2006	1,484,177	305.4
2007	1,518,921	202.1
2008	1,813,939	206.0
2009	1,866,222	168.8
2010	2,036,037	134.5
2011	2,169,173	109.2

**SCHEDULE OF FUNDING PROGRESS - POST-RETIREMENT EMPLOYEE BENEFIT TRUST
FOR THE YEAR ENDED JUNE 30, 2011**

Actuarial Valuation Date	Actuarial Value of Assets	Actuarial Accrued Liability - Projected Unit Credit	Unfunded Actuarial Accrued Liability	Funded Ratio	Covered Payroll	Unfunded Actuarial Accrued Liability as a % of Covered Payroll
01/01/2007	\$ 9,937,149	\$ 45,867,316	\$ 35,930,167	21.7 %	\$ 18,712,910	192.0 %
01/01/2008	15,373,920	40,170,716	24,796,796	38.3	20,222,895	122.6
01/01/2009	15,274,216	41,635,802	26,361,586	36.7	20,322,690	129.7
01/01/2010	22,028,993	31,027,028	8,998,035	71.0	19,672,456	45.7
01/01/2011	23,984,121	32,997,258	9,013,137	72.7	19,207,909	46.9

SUSSEX COUNTY, DELAWARE
SCHEDULE OF EMPLOYER CONTRIBUTIONS - POST-RETIREMENT EMPLOYEE BENEFIT TRUST
FOR THE YEAR ENDED JUNE 30, 2011

<u>Year Ended June 30</u>	<u>Annual Required Contribution</u>	<u>Percentage Contributed</u>
2008	\$ 3,561,234	162.4 %
2009	2,408,669	194.1
2010	2,932,734	93.7
2011	1,278,049	106.1

INDIVIDUAL FUND FINANCIAL SCHEDULES

GENERAL FUND

SUSSEX COUNTY, DELAWARE
 SCHEDULE OF GENERAL FUND REVENUES AND OTHER FINANCING SOURCES -
 BUDGET AND ACTUAL
 FOR THE YEAR ENDED JUNE 30, 2011

	<u>Final Budget</u>	<u>Actual</u>	<u>Variance with Final Budget - Positive (Negative)</u>
TAXES			
Real property - County	\$ 11,617,683	\$ 11,653,711	\$ 36,028
Real property - library	1,362,155	1,365,841	3,686
Realty transfer	12,700,000	14,310,725	1,610,725
Capitation	250,000	255,972	5,972
Fire service	780,000	821,702	41,702
Penalties and interest	128,000	155,477	27,477
TOTAL TAXES	<u>26,837,838</u>	<u>28,563,428</u>	<u>1,725,590</u>
INTERGOVERNMENTAL			
Federal grants:			
Emergency preparedness	100,000	136,013	36,013
Emergency management	-	184,537	184,537
Housing and Urban Development	3,464,024	1,805,221	(1,658,803)
Project income	-	329,570	329,570
Federal payments in lieu of taxes	6,400	5,749	(651)
State grants:			
Library	331,557	352,092	20,535
Paramedic	3,544,554	3,649,567	105,013
Local emergency plan commission	64,896	63,314	(1,582)
State sewer study	25,000	-	(25,000)
Gumboro Community Center	20,000	23,784	3,784
Department of Health - rodents	10,000	10,000	-
Other	-	34,122	34,122
TOTAL INTERGOVERNMENTAL	<u>7,566,431</u>	<u>6,593,969</u>	<u>(972,462)</u>
CHARGES FOR SERVICES			
Constitutional Office Fees			
Clerk of the Peace	109,000	115,560	6,560
Prothonotary	1,000	6,519	5,519
Recorder of Deeds	3,335,000	3,099,041	(235,959)
Register of Wills	836,200	944,737	108,537
Sheriff	2,400,000	2,642,954	242,954
Total Constitutional Office Fees	<u>6,681,200</u>	<u>6,808,811</u>	<u>127,611</u>
General Government Fees			
Building permit and zoning fees	1,100,000	1,133,542	33,542
Industrial bond fees	30,000	137,085	107,085
Building inspections	840,000	849,322	9,322
Security identification cards	-	780	780
Mobile home placement	105,000	84,473	(20,527)
911 reporting	556,000	656,604	100,604
Total General Government Fees	<u>2,631,000</u>	<u>2,861,806</u>	<u>230,806</u>

(continued)

SUSSEX COUNTY, DELAWARE
 SCHEDULE OF GENERAL FUND REVENUES AND OTHER FINANCING SOURCES -
 BUDGET AND ACTUAL - CONTINUED
 FOR THE YEAR ENDED JUNE 30, 2011

	<u>Final Budget</u>	<u>Actual</u>	<u>Variance with Final Budget - Positive (Negative)</u>
CHARGES FOR SERVICES - CONTINUED			
General Government Services			
Airport operations	\$ 197,000	\$ 195,261	\$ (1,739)
Data processing	20,000	17,992	(2,008)
Private road inspections and design fees	225,000	207,639	(17,361)
Industrial airpark water and sewer	900	400	(500)
Stormwater management plan review	9,000	14,870	5,870
Sewer and water inspections	63,000	63,012	12
Total General Government Services	<u>514,900</u>	<u>499,174</u>	<u>(15,726)</u>
Other Charges			
Miscellaneous	115,500	148,913	33,413
TOTAL CHARGES FOR SERVICES	<u>9,942,600</u>	<u>10,318,704</u>	<u>376,104</u>
FINES AND FORFEITS			
Library fines	20,000	25,991	5,991
Zoning violations	2,000	179	(1,821)
TOTAL FINES AND FORFEITS	<u>22,000</u>	<u>26,170</u>	<u>4,170</u>
MISCELLANEOUS			
Interest earnings	350,000	177,398	(172,602)
Rents			
Industrial airpark	337,500	333,568	(3,932)
County office building	65,200	10,876	(54,324)
Other	32,500	33,395	895
Sale of assets	10,000	61,075	51,075
Other	136,970	200,604	63,634
TOTAL MISCELLANEOUS	<u>932,170</u>	<u>816,916</u>	<u>(115,254)</u>
TOTAL REVENUES	<u>45,301,039</u>	<u>46,319,187</u>	<u>1,018,148</u>
OTHER FINANCING SOURCES			
Reimbursements from funds	958,000	-	(958,000)
Transfer in	-	55,151	55,151
TOTAL OTHER FINANCING SOURCES	<u>958,000</u>	<u>55,151</u>	<u>(902,849)</u>
TOTAL REVENUES AND OTHER FINANCING SOURCES	<u>\$ 46,259,039</u>	<u>\$ 46,374,338</u>	<u>\$ 115,299</u>

SUSSEX COUNTY, DELAWARE
 SCHEDULE OF GENERAL FUND EXPENDITURES AND OTHER FINANCING USES -
 BUDGET AND ACTUAL
 FOR THE YEAR ENDED JUNE 30, 2011

	<u>Final Budget</u>	<u>Actual</u>	<u>Variance with Final Budget - Positive (Negative)</u>
GENERAL ADMINISTRATION			
County Council			
Personal services	\$ 226,967	\$ 226,967	\$ -
Employee benefits	137,676	136,945	731
Contractual services	51,207	51,207	-
Supplies	18,717	18,329	388
Other expenditures	56,930	54,859	2,071
Travel and training	17,713	16,708	1,005
Total County Council	<u>509,210</u>	<u>505,015</u>	<u>4,195</u>
County Administration			
Personal services	311,566	254,021	57,545
Employee benefits	117,406	95,039	22,367
Contractual services	8,652	6,361	2,291
Supplies	7,625	6,073	1,552
Travel and training	6,092	4,722	1,370
Total County Administration	<u>451,341</u>	<u>366,216</u>	<u>85,125</u>
Legal Department			
Professional services	361,381	361,381	-
TOTAL GENERAL ADMINISTRATION	<u>1,321,932</u>	<u>1,232,612</u>	<u>89,320</u>
FINANCE			
Financial Administration			
Personal services	342,805	328,790	14,015
Employee benefits	165,603	162,919	2,684
Professional services	30,342	30,342	-
Contractual services	158,181	157,448	733
Supplies	6,060	6,060	-
Other expenditures	600	600	-
Travel and training	3,479	3,479	-
Total Financial Administration	<u>707,070</u>	<u>689,638</u>	<u>17,432</u>
Assessment			
Personal services	772,731	709,271	63,460
Employee benefits	470,065	431,295	38,770
Professional services	2,000	1,836	164
Contractual services	34,967	27,917	7,050
Supplies	34,514	30,247	4,267
Capital outlay	5,774	5,774	-
Other expenditures	1,015	819	196
Travel and training	2,284	1,279	1,005
Total Assessment	<u>1,323,350</u>	<u>1,208,438</u>	<u>114,912</u>

(continued)

SUSSEX COUNTY, DELAWARE
 SCHEDULE OF GENERAL FUND EXPENDITURES AND OTHER FINANCING USES -
 BUDGET AND ACTUAL - CONTINUED
 FOR THE YEAR ENDED JUNE 30, 2011

	<u>Final Budget</u>	<u>Actual</u>	<u>Variance with Final Budget - Positive (Negative)</u>
FINANCE - CONTINUED			
Building Code			
Personal services	\$ 306,638	\$ 303,648	\$ 2,990
Employee benefits	180,597	179,103	1,494
Professional services	1,000	400	600
Contractual services	15,528	13,120	2,408
Supplies	23,580	21,957	1,623
Other expenditures	700	437	263
Travel and training	1,789	832	957
Total Building Code	<u>529,832</u>	<u>519,497</u>	<u>10,335</u>
Mapping and Addressing			
Personal services	258,014	258,013	1
Employee benefits	152,001	147,629	4,372
Professional services	105,372	105,372	-
Contractual services	39,901	37,458	2,443
Supplies	13,776	13,634	142
Capital outlay	5,921	5,920	1
Other expenditures	3,287	3,286	1
Travel and training	2,100	775	1,325
Total Mapping and Addressing	<u>580,372</u>	<u>572,087</u>	<u>8,285</u>
Accounting			
Personal services	291,501	208,107	83,394
Employee benefits	188,408	131,336	57,072
Professional services	108,947	85,456	23,491
Contractual services	28,844	23,077	5,767
Supplies	10,182	7,010	3,172
Travel and training	1,555	990	565
Total Accounting	<u>629,437</u>	<u>455,976</u>	<u>173,461</u>
Treasury			
Personal services	283,791	280,387	3,404
Employee benefits	175,147	173,500	1,647
Professional services	15,844	15,844	-
Contractual services	84,882	83,203	1,679
Supplies	4,510	4,336	174
Total Treasury	<u>564,174</u>	<u>557,270</u>	<u>6,904</u>
TOTAL FINANCE	<u>4,334,235</u>	<u>4,002,906</u>	<u>331,329</u>

(continued)

SUSSEX COUNTY, DELAWARE
 SCHEDULE OF GENERAL FUND EXPENDITURES AND OTHER FINANCING USES -
 BUDGET AND ACTUAL - CONTINUED
 FOR THE YEAR ENDED JUNE 30, 2011

	<u>Final Budget</u>	<u>Actual</u>	<u>Variance with Final Budget - Positive (Negative)</u>
PERSONNEL			
Personnel Administration			
Personal services	\$ 254,731	\$ 224,130	\$ 30,601
Employee benefits	135,408	118,887	16,521
Professional services	110,794	97,323	13,471
Contractual services	5,841	4,051	1,790
Supplies	8,928	7,759	1,169
Other expenditures	85,324	75,073	10,251
Travel and training	1,150	153	997
Total Personnel Administration	<u>602,176</u>	<u>527,376</u>	<u>74,800</u>
General Employment and Retirement			
Employee and retiree benefits	356,574	189,552	167,022
Professional services	136,851	136,851	-
Total General Employment and Retirement	<u>493,425</u>	<u>326,403</u>	<u>167,022</u>
TOTAL PERSONNEL	<u>1,095,601</u>	<u>853,779</u>	<u>241,822</u>
BUILDING AND GROUNDS			
Maintenance			
Personal services	272,420	271,318	1,102
Employee benefits	145,005	143,559	1,446
Contractual services	28,439	27,077	1,362
Supplies	39,654	39,371	283
Other expenditures	5,066	5,066	-
Capital outlay	127,978	127,978	-
Travel and training	200	60	140
Total Maintenance	<u>618,762</u>	<u>614,429</u>	<u>4,333</u>
Operations - Administrative Buildings			
Personal services	130,380	130,380	-
Employee benefits	77,686	75,334	2,352
Contractual services	270,522	264,157	6,365
Supplies	77,434	76,137	1,297
Capital outlay	16,143	16,143	-
Other expenditures	1,300	340	960
Total Operations - Administrative Buildings	<u>573,465</u>	<u>562,491</u>	<u>10,974</u>
TOTAL BUILDING AND GROUNDS	<u>1,192,227</u>	<u>1,176,920</u>	<u>15,307</u>

(continued)

SUSSEX COUNTY, DELAWARE
 SCHEDULE OF GENERAL FUND EXPENDITURES AND OTHER FINANCING USES -
 BUDGET AND ACTUAL - CONTINUED
 FOR THE YEAR ENDED JUNE 30, 2011

	<u>Final Budget</u>	<u>Actual</u>	<u>Variance with Final Budget - Positive (Negative)</u>
DATA PROCESSING			
Data Processing			
Personal services	\$ 249,158	\$ 213,687	\$ 35,471
Employee benefits	127,201	108,487	18,714
Contractual services	26,220	21,027	5,193
Supplies	12,919	11,058	1,861
Capital outlay	1,971	-	1,971
Other expenditures	113,049	96,955	16,094
Travel and training	900	600	300
Total Data Processing	<u>531,418</u>	<u>451,814</u>	<u>79,604</u>
Information Systems			
Personal services	365,613	289,625	75,988
Employee benefits	214,628	169,331	45,297
Contractual services	207,884	205,722	2,162
Supplies	20,725	18,778	1,947
Capital outlay	58,007	58,007	-
Travel and training	11,003	10,535	468
Total Information Systems	<u>877,860</u>	<u>751,998</u>	<u>125,862</u>
TOTAL DATA PROCESSING	<u>1,409,278</u>	<u>1,203,812</u>	<u>205,466</u>
COUNTY CONSTABLE			
Personal services	175,027	175,027	-
Employee benefits	117,885	112,435	5,450
Contractual services	33,886	32,701	1,185
Supplies	10,402	7,981	2,421
Other expenditures	674,436	673,176	1,260
TOTAL COUNTY CONSTABLE	<u>1,011,636</u>	<u>1,001,320</u>	<u>10,316</u>
GRANT-IN-AID PROGRAMS			
Fire companies	3,162,566	3,126,330	36,236
Agriculture Extension Work (4-H)	69,049	69,049	-
Erosion and sediment	115,195	115,195	-
Council grants	150,000	144,504	5,496
Cheers meal program	65,600	65,600	-
Sussex County Community Action Agency	9,600	9,600	-
Sussex state police program	1,691,178	1,691,178	-
Sussex local police grants	525,000	525,000	-
Human service grants	145,400	144,400	1,000
Town grants	90,000	90,000	-
Housing assistance program	30,000	29,970	30
Local library placement fee grants	105,000	84,509	20,491
Tax subsidy program	128	128	-
Local library grants	509,366	509,366	-
County wastewater relief program	136,000	119,881	16,119
Miscellaneous grants	17,500	17,500	-
Gumboro community center grant	40,000	23,784	16,216
TOTAL GRANT-IN-AID PROGRAMS	<u>6,861,582</u>	<u>6,765,994</u>	<u>95,588</u>

(continued)

SUSSEX COUNTY, DELAWARE
 SCHEDULE OF GENERAL FUND EXPENDITURES AND OTHER FINANCING USES -
 BUDGET AND ACTUAL - CONTINUED
 FOR THE YEAR ENDED JUNE 30, 2011

	<u>Final Budget</u>	<u>Actual</u>	<u>Variance with Final Budget - Positive (Negative)</u>
PLANNING AND ZONING			
Administration			
Personal services	\$ 523,906	\$ 523,906	\$ -
Employee benefits	298,972	298,972	-
Professional services	265,069	265,069	-
Contractual services	64,759	64,759	-
Supplies	21,793	21,793	-
Travel and training	2,241	2,241	-
Total Administration	1,176,740	1,176,740	-
Board of Adjustment			
Professional services	34,250	34,250	-
Commission			
Professional services	28,750	28,750	-
TOTAL PLANNING AND ZONING	1,239,740	1,239,740	-
PARAMEDIC PROGRAM			
Personal services	6,449,482	6,356,363	93,119
Employee benefits	3,828,045	3,374,491	453,554
Professional services	62,818	44,664	18,154
Contractual services	584,306	534,636	49,670
Supplies	481,821	456,391	25,430
Capital outlay	248,458	389,830	(141,372)
Other expenditures	99,525	86,918	12,607
Travel and training	60,725	30,711	30,014
TOTAL PARAMEDIC PROGRAM	11,815,180	11,274,004	541,176
EMERGENCY PREPAREDNESS			
Administration			
Personal services	96,763	96,763	-
Employee benefits	56,727	50,737	5,990
Contractual services	196,925	191,847	5,078
Supplies	22,710	14,542	8,168
Capital outlay	36,839	28,169	8,670
Other expenditures	29,239	29,139	100
Travel and training	2,150	30	2,120
Total Administration	441,353	411,227	30,126
Emergency Operations Center			
Personal services	970,102	970,102	-
Employee benefits	526,816	518,694	8,122
Contractual services	107,066	106,008	1,058
Supplies	15,313	10,483	4,830
Other expenditures	2,500	1,949	551
Travel and training	23,749	7,819	15,930
Total Emergency Operations Center	1,645,546	1,615,055	30,491

(continued)

SUSSEX COUNTY, DELAWARE
 SCHEDULE OF GENERAL FUND EXPENDITURES AND OTHER FINANCING USES -
 BUDGET AND ACTUAL - CONTINUED
 FOR THE YEAR ENDED JUNE 30, 2011

	<u>Final Budget</u>	<u>Actual</u>	<u>Variance with Final Budget - Positive (Negative)</u>
EMERGENCY PREPAREDNESS - CONTINUED			
Communications System			
Personal services	\$ 161,756	\$ 161,756	\$ -
Employee benefits	87,595	78,784	8,811
Contractual services	64,778	30,629	34,149
Supplies	35,003	32,712	2,291
Capital outlay	31,903	31,903	-
Other expenditures	900	509	391
Total Communications System	<u>381,935</u>	<u>336,293</u>	<u>45,642</u>
Local Emergency Planning Community Program			
Personal services	37,641	37,641	-
Employee benefits	25,684	22,812	2,872
Contractual services	454	481	(27)
Supplies	72	71	1
Travel and training	2,568	2,309	259
Total Local Emergency Planning Community Program	<u>66,419</u>	<u>63,314</u>	<u>3,105</u>
TOTAL EMERGENCY PREPAREDNESS	<u>2,535,253</u>	<u>2,425,889</u>	<u>109,364</u>
ECONOMIC DEVELOPMENT AND PUBLIC WORKS			
Economic Development			
Personal services	51,700	51,696	4
Employee benefits	27,920	25,341	2,579
Contractual services	2,585	1,852	733
Supplies	2,300	1,407	893
Travel and training	680	418	262
Total Economic Development	<u>85,185</u>	<u>80,714</u>	<u>4,471</u>
Industrial Airpark			
Personal services	239,931	230,618	9,313
Employee benefits	138,370	137,681	689
Contractual services	242,911	253,973	(11,062)
Supplies	25,721	23,964	1,757
Capital outlay	27,431	14,777	12,654
Other expenditures	143,572	143,072	500
Travel and training	2,000	756	1,244
Total Industrial Airpark	<u>819,936</u>	<u>804,841</u>	<u>15,095</u>

(continued)

SUSSEX COUNTY, DELAWARE
 SCHEDULE OF GENERAL FUND EXPENDITURES AND OTHER FINANCING USES -
 BUDGET AND ACTUAL - CONTINUED
 FOR THE YEAR ENDED JUNE 30, 2011

	<u>Final Budget</u>	<u>Actual</u>	<u>Variance with Final Budget - Positive (Negative)</u>
ECONOMIC DEVELOPMENT AND PUBLIC WORKS - CONTINUED			
Security			
Personal services	\$ 204,042	\$ 202,336	\$ 1,706
Employee benefits	110,987	107,657	3,330
Contractual services	1,440	1,502	(62)
Supplies	3,100	2,595	505
Capital outlay	1,247	-	1,247
Other expenditures	976	976	-
Total Security	<u>321,792</u>	<u>315,066</u>	<u>6,726</u>
TOTAL ECONOMIC DEVELOPMENT AND PUBLIC WORKS	<u>1,226,913</u>	<u>1,200,621</u>	<u>26,292</u>
COUNTY ENGINEER			
Administration			
Personal services	355,446	428,531	(73,085)
Employee benefits	317,615	304,843	12,772
Professional services	86,404	100,513	(14,109)
Contractual services	4,917	8,025	(3,108)
Supplies	9,679	8,626	1,053
Capital outlay	18,392	-	18,392
Other expenditures	35,629	35,629	-
Travel and training	3,835	3,668	167
Total Administration	<u>831,917</u>	<u>889,835</u>	<u>(57,918)</u>
Public Works			
Personal services	322,221	322,221	-
Employee benefits	174,109	170,306	3,803
Professional services	18,344	18,344	-
Contractual services	13,675	12,170	1,505
Supplies	14,814	14,098	716
Capital outlay	23,621	21,015	2,606
Other expenditures	192,161	180,713	11,448
Travel and training	475	-	475
Total Public Works	<u>759,420</u>	<u>738,867</u>	<u>20,553</u>
Records Management			
Personal services	33,378	33,378	-
Employee benefits	24,135	20,839	3,296
Contractual services	2,785	2,395	390
Supplies	1,183	990	193
Other expenditures	5,960	3,520	2,440
Travel and training	544	-	544
Total Records Management	<u>67,985</u>	<u>61,122</u>	<u>6,863</u>
TOTAL COUNTY ENGINEER	<u>1,659,322</u>	<u>1,689,824</u>	<u>(30,502)</u>

(continued)

SUSSEX COUNTY, DELAWARE
 SCHEDULE OF GENERAL FUND EXPENDITURES AND OTHER FINANCING USES -
 BUDGET AND ACTUAL - CONTINUED
 FOR THE YEAR ENDED JUNE 30, 2011

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	Final Budget	Actual	Variance with Final Budget - Positive (Negative)
LIBRARY			
Library administration	\$ 561,289	\$ 518,359	\$ 42,930
Library facilities	1,742,643	1,603,319	139,324
Local libraries	1,362,155	1,362,155	-
TOTAL LIBRARY	3,666,087	3,483,833	182,254
COMMUNITY DEVELOPMENT AND HOUSING PROGRAMS			
Administration			
Personal services	247,261	257,222	(9,961)
Employee benefits	145,910	146,647	(737)
Professional services	38,064	27,244	10,820
Contractual services	7,707	3,533	4,174
Supplies	3,300	3,300	-
Capital outlay	4,000	3,948	52
Other expenditures	793	-	793
Travel and training	11,822	12,602	(780)
Total Administration	458,857	454,496	4,361
Rehabilitation			
Contractual services	3,226,300	1,939,605	1,286,695
TOTAL COMMUNITY DEVELOPMENT AND HOUSING PROGRAMS	3,685,157	2,394,101	1,291,056
CONSTITUTIONAL OFFICES			
Clerk of the Peace	134,607	123,649	10,958
Recorder of Deeds	1,139,021	943,225	195,796
Register of Wills	454,619	414,841	39,778
Sheriff	656,269	656,259	10
TOTAL CONSTITUTIONAL OFFICES	2,384,516	2,137,974	246,542
TOTAL EXPENDITURES	45,438,659	42,083,329	3,355,330
OTHER FINANCING USES			
Transfer out	820,380	809,228	11,152
TOTAL EXPENDITURES AND OTHER FINANCING USES	\$ 46,259,039	\$ 42,892,557	\$ 3,366,482

SUSSEX COUNTY, DELAWARE
 SCHEDULE OF REVENUES AND EXPENDITURES (CONDENSED) - GENERAL FUND
 FOR THE THIRTY-FOUR YEARS THROUGH JUNE 30, 2011

<u>Year Ended</u>	<u>Total Revenues and Other Financing Sources</u>	<u>Total Expenditures and Other Financing Uses</u>	<u>Revenues Over (Under) Expenditures</u>
June 30, 1978	\$ 3,017,587	\$ 2,944,327	\$ 73,260
June 30, 1979	3,211,534	3,327,193	(115,659)
June 30, 1980	3,412,108	4,030,506	(618,398)
June 30, 1981	4,132,559	4,514,093	(381,534)
June 30, 1982	5,396,279	5,353,716	42,563
June 30, 1983	5,960,285	5,575,652	384,633
June 30, 1984	7,368,435	6,505,440	862,995
June 30, 1985	7,195,223	7,062,005	133,218
June 30, 1986	8,092,891	7,332,618	760,273
June 30, 1987	8,083,881	8,223,857	(139,976)
June 30, 1988	8,747,945	8,038,906	709,039
June 30, 1989	8,785,091	8,498,335	286,756
June 30, 1990	9,450,906	9,813,082	(362,176)
June 30, 1991	11,194,437	10,849,623	344,814
June 30, 1992	13,638,160	12,496,815	1,141,345
June 30, 1993	15,702,048	14,788,446	913,602
June 30, 1994	17,400,655	15,609,340	1,791,315
June 30, 1995	18,691,048	16,649,804	2,041,244
June 30, 1996	19,839,629	18,335,025	1,504,604
June 30, 1997	20,657,168	18,887,201	1,769,967
June 30, 1998	22,748,561	19,577,032	3,171,529
June 30, 1999	27,986,124	21,058,512	6,927,612
June 30, 2000	31,943,432	27,905,314	4,038,118
June 30, 2001	33,372,782	30,856,476	2,516,306
June 30, 2002	40,317,598	34,062,609	6,254,989
June 30, 2003	47,788,332	35,256,669	12,531,663
June 30, 2004	59,473,814	48,051,724	11,422,090
June 30, 2005	68,771,872	56,968,164	11,803,708
June 30, 2006	75,629,821	64,726,011	10,903,810
June 30, 2007	65,109,365	67,761,397	(2,652,032)
June 30, 2008	56,401,363	59,723,336	(3,321,973)
June 30, 2009	47,129,096	49,023,600	(1,894,504)
June 30, 2010	46,524,193	45,906,216	617,977
June 30, 2011	46,374,338	42,892,557	3,481,781

Note: Total expenditures and other financing uses include residual equity transfers prior to fiscal year 2003.

SCHEDULE OF CAPITAL PROJECTS FUND REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES -

BUDGET AND ACTUAL

FOR THE YEAR ENDED JUNE 30, 2011

	Budgeted Amounts		Actual	Variance with Final Budget - Positive (Negative)
	Original	Final		
REVENUES				
Intergovernmental	\$ 2,175,050	\$ 2,175,050	\$ 949,990	\$ (1,225,060)
Miscellaneous	50,000	50,000	35,286	(14,714)
TOTAL REVENUES	2,225,050	2,225,050	985,276	(1,239,774)
EXPENDITURES				
Capital projects	8,060,000	8,060,000	980,239	7,079,761
NET CHANGE IN FUND BALANCE	(5,834,950)	(5,834,950)	5,037	5,839,987
FUND BALANCE - BEGINNING	17,549,647	17,549,647	17,549,647	-
FUND BALANCE - ENDING	<u>\$ 11,714,697</u>	<u>\$ 11,714,697</u>	<u>\$ 17,554,684</u>	<u>\$ 5,839,987</u>



Statistical Section



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

<u>Contents</u>	<u>Pages</u>
<p>Financial Trends <i>These schedules contain trend information to help the reader understand how the County's financial performance and well-being have changed over time.</i></p>	76 - 80
<p>Revenue Capacity <i>These schedules contain information to help the reader assess the factors affecting the County's ability to generate its property taxes.</i></p>	81 - 84
<p>Debt Capacity <i>These schedules present information to help the reader assess the affordability of the County's current levels of outstanding debt and the County's ability to issue additional debt in the future.</i></p>	85 - 88
<p>Demographic and Economic Information <i>These schedules offer demographic and economic indicators to help the reader understand the environment within which the County's financial activities take place and to help make comparisons over time with other governments.</i></p>	89 - 90
<p>Operating Information <i>These schedules contain information about the County's operations and resources to help the reader understand how the County's financial information relates to the services the County provides and the activities it performs.</i></p>	91 - 93
<p>Bonded Debt Information <i>These schedules contain information about the County's principal and interest payments on bonded debt outstanding at the fiscal year end.</i></p>	94 - 180

Sources: *Unless otherwise noted, the information in these schedules is derived from the comprehensive annual financial reports for the relevant year. The County implemented GASB Statement Number 34 in 2003; schedules presenting government-wide information include information beginning in that year.*

SUSSEX COUNTY, DELAWARE
NET ASSETS BY COMPONENT
LAST NINE FISCAL YEARS
(accrual basis of accounting)

	Fiscal Year								
	2003	2004	2005	2006	2007	2008	2009	2010	2011
Governmental activities									
Invested in capital assets, net of related debt	\$ 20,520,112	\$ 21,778,122	\$ 27,029,978	\$ 34,140,268	\$ 43,377,418	\$ 52,193,513	\$ 63,679,024	\$ 65,292,609	\$ 64,237,068
Restricted	15,914,734	26,751,718	47,805,783	65,642,834	72,996,872	69,968,855	57,250,045	60,450,610	71,431,919
Unrestricted	34,836,034	45,108,733	39,791,889	37,870,448	35,105,979	35,242,364	44,548,346	41,246,130	35,381,462
Total governmental activities net assets	\$ 71,270,880	\$ 93,638,573	\$ 114,627,650	\$ 137,653,550	\$ 151,480,269	\$ 157,404,732	\$ 165,477,415	\$ 166,989,349	\$ 171,050,449
Business-type activities									
Invested in capital assets, net of related debt	\$ 60,012,101	\$ 79,179,482	\$ 93,526,220	\$ 111,947,402	\$ 150,185,092	\$ 166,434,682	\$ 172,029,870	\$ 176,649,726	\$ 181,908,359
Restricted	34,600,947	35,967,259	45,585,060	60,903,962	81,095,890	78,027,750	73,884,414	68,805,127	66,569,442
Unrestricted	2,670,928	8,115,999	18,923,370	22,596,611	(5,622,038)	5,367,852	13,801,100	19,829,075	22,997,372
Total business-type activities net assets	\$ 97,283,976	\$ 123,262,740	\$ 158,034,650	\$ 195,447,975	\$ 225,658,944	\$ 249,830,284	\$ 259,715,384	\$ 265,283,928	\$ 271,475,173
Primary government									
Invested in capital assets, net of related debt	\$ 80,532,213	\$ 100,957,604	\$ 120,556,198	\$ 146,087,670	\$ 193,562,510	\$ 218,628,195	\$ 235,708,894	\$ 241,942,335	\$ 246,145,427
Restricted	50,515,681	62,718,977	93,390,843	126,546,796	154,092,762	147,996,605	131,134,459	129,255,737	138,001,361
Unrestricted	37,506,962	53,224,732	58,715,259	60,467,059	29,483,941	40,610,216	58,349,446	61,075,205	58,378,834
Total primary government net assets	\$ 168,554,856	\$ 216,901,313	\$ 272,662,300	\$ 333,101,525	\$ 377,139,213	\$ 407,235,016	\$ 425,192,799	\$ 432,273,277	\$ 442,525,622

Notes:

1. Accrual basis financial information for the county government as a whole is available back to 2003 only, the year GASB Statement Number 34 was implemented.

SUSSEX COUNTY, DELAWARE
CHANGES IN NET ASSETS
LAST NINE FISCAL YEARS
(accrual basis of accounting)

	Fiscal Year								
	2003	2004	2005	2006	2007	2008	2009	2010	2011
Expenses									
Governmental activities:									
General government	\$ 8,416,614	\$ 9,622,999	\$ 11,592,273	\$ 11,293,426	\$ 13,627,710	\$ 13,494,301	\$ 9,578,284	\$ 9,640,728	\$ 9,037,273
Grant-in-aid programs	4,120,039	6,892,065	7,293,058	10,255,326	9,014,248	9,282,188	8,134,600	6,625,144	6,765,994
Planning and zoning	917,317	1,012,053	1,045,230	1,208,841	1,430,741	1,512,879	1,289,323	1,246,923	1,251,258
Paramedic program	5,914,818	6,840,784	8,467,637	9,963,348	11,626,354	12,802,503	12,079,831	12,524,387	11,515,259
Emergency preparedness	1,726,567	1,889,708	1,984,888	2,263,691	2,213,396	2,764,937	2,661,089	2,844,581	2,817,992
Economic development and public works	798,783	960,439	1,130,050	1,229,101	1,814,525	1,552,349	1,511,687	1,878,717	2,136,706
County engineer	1,418,560	1,079,543	2,025,846	3,332,568	2,994,201	2,713,328	2,407,043	1,850,683	1,683,158
Engineering - solid waste	1,956,518	33,544	-	-	-	-	-	-	-
Library	2,780,506	2,729,492	3,140,156	3,354,026	3,747,511	3,924,788	3,880,816	3,888,755	3,657,643
Community development and housing programs	1,522,300	1,488,969	1,829,012	2,561,943	1,959,365	1,501,117	1,508,755	3,308,765	2,399,951
Constitutional offices	1,728,453	1,985,946	2,268,066	2,372,219	2,486,465	2,630,085	2,449,069	2,315,381	2,161,054
Interest on long-term debt	-	-	-	-	3,285	-	-	-	-
Total governmental activities expenses	<u>31,300,475</u>	<u>34,535,542</u>	<u>40,776,216</u>	<u>47,834,489</u>	<u>50,917,801</u>	<u>52,178,475</u>	<u>45,500,497</u>	<u>46,124,064</u>	<u>43,426,288</u>
Business-type activities:									
Sewer facilities	19,264,562	18,676,091	21,327,548	23,011,584	25,102,767	26,132,596	27,079,247	28,355,108	27,942,561
Water facilities	771,541	747,923	770,503	812,592	852,902	856,120	962,162	928,222	1,016,979
Total business-type activities expenses	<u>20,036,103</u>	<u>19,424,014</u>	<u>22,098,051</u>	<u>23,824,176</u>	<u>25,955,669</u>	<u>26,988,716</u>	<u>28,041,409</u>	<u>29,283,330</u>	<u>28,959,540</u>
Total primary government expenses	<u>\$ 51,336,578</u>	<u>\$ 53,959,556</u>	<u>\$ 62,874,267</u>	<u>\$ 71,658,665</u>	<u>\$ 76,873,470</u>	<u>\$ 79,167,191</u>	<u>\$ 73,541,906</u>	<u>\$ 75,407,394</u>	<u>\$ 72,385,828</u>
Program Revenues									
Governmental activities:									
Charges for services:									
General government	\$ 2,222,981	\$ 2,199,845	\$ 2,580,027	\$ 3,007,205	\$ 2,189,982	\$ 1,549,000	\$ 1,307,616	\$ 1,295,912	\$ 1,238,309
Planning and zoning	1,761,250	2,024,755	2,343,693	2,782,428	2,079,324	1,599,688	1,098,577	1,130,043	1,148,591
Emergency preparedness	25,652	29,543	26,545	27,485	24,145	17,065	17,655	16,230	15,960
Economic development and public works	253,307	223,293	244,526	590,635	558,097	550,558	541,885	530,310	671,314
County engineer	709,021	1,535,980	2,080,536	2,681,308	1,206,998	599,865	3,223,485	324,623	281,451
Engineering - solid waste	4,828	13,465	-	-	-	-	-	-	-
Library	15,214	33,664	20,249	25,320	26,422	25,911	26,716	19,585	25,991
Constitutional offices	6,517,134	7,049,799	6,684,859	6,852,532	6,171,154	6,356,764	6,940,930	7,039,506	6,808,811
Operating grants and contributions	6,562,723	6,790,770	6,065,343	7,510,097	7,599,645	6,787,014	7,526,184	8,494,730	7,115,414
Capital grants and contributions	601,631	318,157	3,001,477	1,166,791	1,494,572	4,475,526	4,727,502	1,499,146	2,102,681
Total governmental activities program revenues	<u>18,673,741</u>	<u>20,219,271</u>	<u>23,047,255</u>	<u>24,643,801</u>	<u>21,350,339</u>	<u>21,961,391</u>	<u>25,410,550</u>	<u>20,350,085</u>	<u>19,408,522</u>

(continued)

SUSSEX COUNTY, DELAWARE
CHANGES IN NET ASSETS - CONTINUED
LAST NINE FISCAL YEARS
(accrual basis of accounting)

	Fiscal Year								
	2003	2004	2005	2006	2007	2008	2009	2010	2011
Business-type activities:									
Charges for services:									
Sewer facilities	\$ 9,456,583	\$ 10,548,270	\$ 12,072,903	\$ 13,591,594	\$ 13,357,511	\$ 13,750,827	\$ 14,458,789	\$ 14,530,668	\$ 15,536,386
Water facilities	568,271	583,897	583,889	591,991	635,186	695,038	689,335	740,686	750,785
Operating grants and contributions	14,535,829	16,033,341	18,806,360	22,841,920	21,060,417	21,288,672	15,926,530	14,449,833	12,574,559
Capital grants and contributions	7,015,899	15,113,921	15,586,276	17,112,386	17,606,829	12,252,630	5,226,686	4,287,188	5,475,117
Total business-type activities program revenues	<u>31,576,582</u>	<u>42,279,429</u>	<u>47,049,428</u>	<u>54,137,891</u>	<u>52,659,943</u>	<u>47,987,167</u>	<u>36,301,340</u>	<u>34,008,375</u>	<u>34,336,847</u>
Total primary government program revenues	<u>\$ 50,250,323</u>	<u>\$ 62,498,700</u>	<u>\$ 70,096,683</u>	<u>\$ 78,781,692</u>	<u>\$ 74,010,282</u>	<u>\$ 69,948,558</u>	<u>\$ 61,711,890</u>	<u>\$ 54,358,460</u>	<u>\$ 53,745,369</u>
Net (Expense)/Revenue									
Governmental activities	\$(12,626,734)	\$(14,316,271)	\$(17,728,961)	\$(23,190,688)	\$(29,567,462)	\$(30,217,084)	\$(20,089,947)	\$(25,773,979)	\$(24,017,766)
Business-type activities	11,540,479	22,855,415	24,951,377	30,313,715	26,704,274	20,998,451	8,259,931	4,725,045	5,377,307
Total primary government net (expense)/revenue	<u>\$ (1,086,255)</u>	<u>\$ 8,539,144</u>	<u>\$ 7,222,416</u>	<u>\$ 7,123,027</u>	<u>\$ (2,863,188)</u>	<u>\$ (9,218,633)</u>	<u>\$(11,830,016)</u>	<u>\$(21,048,934)</u>	<u>\$(18,640,459)</u>
General Revenues and Other Changes in Net Assets									
Governmental activities:									
Property taxes	\$ 9,114,721	\$ 9,568,521	\$ 8,161,118	\$ 10,692,069	\$ 11,521,348	\$ 12,315,444	\$ 12,763,282	\$ 13,040,252	\$ 13,228,603
Capitation taxes	221,690	237,282	224,294	241,699	240,030	247,041	252,741	253,785	259,229
Fire service taxes	1,285,885	1,510,691	1,785,613	2,093,729	1,535,864	1,106,321	758,837	791,472	821,702
Realty transfer taxes	17,917,521	27,399,572	36,329,843	35,269,800	27,058,083	20,636,949	13,621,270	13,141,813	14,310,725
Unrestricted investment earnings	890,505	892,938	1,747,718	4,216,741	5,829,443	4,379,147	2,157,202	824,259	212,684
Transfers	(2,153,000)	(2,925,040)	(9,530,548)	(6,297,450)	(2,790,587)	(2,543,355)	(1,390,702)	(765,668)	(754,077)
Total governmental activities	<u>27,277,322</u>	<u>36,683,964</u>	<u>38,718,038</u>	<u>46,216,588</u>	<u>43,394,181</u>	<u>36,141,547</u>	<u>28,162,630</u>	<u>27,285,913</u>	<u>28,078,866</u>
Business-type activities:									
Unrestricted investment earnings	190,215	198,309	289,985	802,160	716,108	629,534	234,467	77,831	59,861
Transfers	2,153,000	2,925,040	9,530,548	6,297,450	2,790,587	2,543,355	1,390,702	765,668	754,077
Total business-type activities	<u>2,343,215</u>	<u>3,123,349</u>	<u>9,820,533</u>	<u>7,099,610</u>	<u>3,506,695</u>	<u>3,172,889</u>	<u>1,625,169</u>	<u>843,499</u>	<u>813,938</u>
Total primary government program revenues	<u>\$ 29,620,537</u>	<u>\$ 39,807,313</u>	<u>\$ 48,538,571</u>	<u>\$ 53,316,198</u>	<u>\$ 46,900,876</u>	<u>\$ 39,314,436</u>	<u>\$ 29,787,799</u>	<u>\$ 28,129,412</u>	<u>\$ 28,892,804</u>
Change in Net Assets									
Governmental activities	\$ 14,650,588	\$ 22,367,693	\$ 20,989,077	\$ 23,025,900	\$ 13,826,719	\$ 5,924,463	\$ 8,072,683	\$ 1,511,934	\$ 4,061,100
Business-type activities	13,883,694	25,978,764	34,771,910	37,413,325	30,210,969	24,171,340	9,885,100	5,568,544	6,191,245
Total primary government	<u>\$ 28,534,282</u>	<u>\$ 48,346,457</u>	<u>\$ 55,760,987</u>	<u>\$ 60,439,225</u>	<u>\$ 44,037,688</u>	<u>\$ 30,095,803</u>	<u>\$ 17,957,783</u>	<u>\$ 7,080,478</u>	<u>\$ 10,252,345</u>

- Notes:**
1. Accrual basis financial information for the county government as a whole is available back to 2003 only, the year GASB Statement Number 34 was implemented.
 2. Airport expenses and charges for services for years 2003 through 2009 are included in economic development and public works line, due to this department being combined with the industrial park in fiscal year ending June 30, 2010.

SUSSEX COUNTY, DELAWARE
FUND BALANCES, GOVERNMENTAL FUNDS
LAST TEN FISCAL YEARS
(modified accrual basis of accounting)

	Fiscal Year									
	2002	2003	2004	2005	2006	2007	2008	2009	2010	2011
General Fund										
Reserved	\$ 17,578,416	\$ 23,135,130	\$ 36,610,789	\$ 41,702,138	\$ 56,560,314	\$ 64,675,385	\$ 67,436,807	\$ 61,679,946	\$ 61,988,419	\$ -
Unreserved										
Designated	9,100,374	14,023,982	11,585,639	14,509,355	11,257,954	3,859,850	2,706,165	2,078,768	2,413,855	-
Undesignated	7,732,890	9,784,231	10,169,005	13,957,648	13,254,683	9,885,684	4,955,974	9,445,728	9,420,145	-
Nonspendable	-	-	-	-	-	-	-	-	-	140,442
Restricted	-	-	-	-	-	-	-	-	-	53,084,094
Committed	-	-	-	-	-	-	-	-	-	598,598
Assigned	-	-	-	-	-	-	-	-	-	6,641,109
Unassigned	-	-	-	-	-	-	-	-	-	16,839,957
Total general fund	<u>\$ 34,411,680</u>	<u>\$ 46,943,343</u>	<u>\$ 58,365,433</u>	<u>\$ 70,169,141</u>	<u>\$ 81,072,951</u>	<u>\$ 78,420,919</u>	<u>\$ 75,098,946</u>	<u>\$ 73,204,442</u>	<u>\$ 73,822,419</u>	<u>\$ 77,304,200</u>
All Other Governmental Funds										
Reserved	\$ 167,543	\$ 2,427,669	\$ 9,803,499	\$ 12,800,198	\$ 21,203,720	\$ 27,760,247	\$ 27,461,371	\$ 20,188,022	\$ 17,815,212	\$ -
Unreserved - Capital Projects										
Designated	2,539,171	2,454,184	4,541,774	5,341,810	-	-	-	-	-	-
Undesignated	-	647,432	56,264	-	-	53,901	(711,332)	(416,723)	(265,565)	-
Restricted	-	-	-	-	-	-	-	-	-	17,565,595
Unassigned	-	-	-	-	-	-	-	-	-	(10,911)
Total all other governmental funds	<u>\$ 2,706,714</u>	<u>\$ 5,529,285</u>	<u>\$ 14,401,537</u>	<u>\$ 18,142,008</u>	<u>\$ 21,203,720</u>	<u>\$ 27,814,148</u>	<u>\$ 26,750,039</u>	<u>\$ 19,771,299</u>	<u>\$ 17,549,647</u>	<u>\$ 17,554,684</u>

Note:

1. GASB 54 was implemented in 2011, the previous nine years data for the new categories is not available.

SUSSEX COUNTY, DELAWARE
CHANGES IN FUND BALANCES, GOVERNMENTAL FUNDS
LAST TEN FISCAL YEARS
(modified accrual basis of accounting)

	Fiscal Year									
	2002	2003	2004	2005	2006	2007	2008	2009	2010	2011
Revenues										
Taxes	\$21,767,582	\$28,528,761	\$38,720,829	\$46,489,369	\$48,235,257	\$40,296,411	\$34,242,130	\$27,291,166	\$27,147,412	\$28,563,428
Intergovernmental	6,576,810	6,466,985	6,241,501	7,572,581	6,906,650	8,341,011	9,715,239	11,177,316	8,933,970	7,543,959
Charges for services	10,495,441	11,847,057	13,556,533	14,309,619	16,295,120	12,310,437	10,719,989	10,325,117	10,386,570	10,318,704
Fines and forfeits	20,699	15,826	19,103	22,197	29,195	25,607	24,593	23,971	20,225	26,170
Miscellaneous	1,386,988	1,219,214	1,219,234	2,634,424	5,300,742	6,847,662	5,800,939	3,638,590	1,548,279	852,202
Total revenues	<u>40,247,520</u>	<u>48,077,843</u>	<u>59,757,200</u>	<u>71,028,190</u>	<u>76,766,964</u>	<u>67,821,128</u>	<u>60,502,890</u>	<u>52,456,160</u>	<u>48,036,456</u>	<u>47,304,463</u>
Expenditures										
General government	8,592,202	9,454,480	10,071,924	11,162,849	13,653,314	13,944,902	14,587,416	12,109,120	10,356,155	9,471,349
Grant-in-aid programs	3,519,133	4,120,039	6,892,065	7,293,058	10,255,326	9,414,248	9,282,188	8,284,600	6,625,144	6,765,994
Planning and zoning	795,443	956,181	991,821	1,034,333	1,194,608	1,460,495	1,524,715	1,279,394	1,233,292	1,239,740
Paramedic program	5,656,071	6,153,005	6,884,569	8,603,643	10,196,835	11,961,544	13,213,202	12,520,985	12,272,121	11,274,004
Emergency preparedness	1,606,029	1,472,323	1,728,428	1,758,753	2,053,559	2,188,091	2,585,285	2,305,965	2,467,390	2,425,889
Economic development and public works	1,947,043	726,229	643,762	768,054	925,222	986,140	922,685	913,528	908,510	1,200,621
County engineer	1,275,187	1,396,688	1,074,001	2,237,346	3,010,396	2,952,789	2,704,747	2,391,805	1,874,153	1,689,824
Engineering - solid waste	148,394	118,812	103,837	-	-	-	-	-	-	-
Library	2,473,512	2,750,499	2,725,758	3,102,598	3,267,209	3,681,719	3,871,076	3,709,309	3,725,242	3,483,833
Community development and housing programs	1,628,246	1,563,005	1,488,969	1,831,004	2,563,573	1,965,771	1,501,809	1,509,447	3,308,909	2,394,101
Constitutional offices	1,561,081	1,730,535	1,994,038	2,307,731	2,387,371	2,500,483	2,685,563	2,442,663	2,315,419	2,137,974
Capital projects	763,553	409,419	1,982,196	5,948,148	7,040,918	10,126,509	9,535,878	12,477,328	3,788,128	980,239
Total expenditures	<u>29,965,894</u>	<u>30,851,215</u>	<u>36,581,368</u>	<u>46,047,517</u>	<u>56,548,331</u>	<u>61,182,691</u>	<u>62,414,564</u>	<u>59,944,144</u>	<u>48,874,463</u>	<u>43,063,568</u>
Excess of revenues over (under) expenditures	<u>10,281,626</u>	<u>17,226,628</u>	<u>23,175,832</u>	<u>24,980,673</u>	<u>20,218,633</u>	<u>6,638,437</u>	<u>(1,911,674)</u>	<u>(7,487,984)</u>	<u>(838,007)</u>	<u>4,240,895</u>
Other Financing Sources (Uses)										
Reimbursements from funds for services	532,610	-	-	-	-	-	-	-	-	-
Issuance of debt	-	280,606	43,550	94,054	44,339	110,546	68,947	5,442	-	-
Transfers in	2,886,638	2,661,873	10,527,512	7,338,247	8,921,148	13,914,628	4,301,295	166,082	54,213	55,151
Transfers out	(4,193,683)	(4,814,873)	(13,452,552)	(16,868,795)	(15,218,598)	(16,705,215)	(6,844,650)	(1,556,784)	(819,881)	(809,228)
Total other financing sources (uses)	<u>(774,435)</u>	<u>(1,872,394)</u>	<u>(2,881,490)</u>	<u>(9,436,494)</u>	<u>(6,253,111)</u>	<u>(2,680,041)</u>	<u>(2,474,408)</u>	<u>(1,385,260)</u>	<u>(765,668)</u>	<u>(754,077)</u>
Residual equity transfers	<u>(726,000)</u>	-	-	-	-	-	-	-	-	-
Net change in fund balances	<u>\$ 8,781,191</u>	<u>\$ 15,354,234</u>	<u>\$ 20,294,342</u>	<u>\$ 15,544,179</u>	<u>\$ 13,965,522</u>	<u>\$ 3,958,396</u>	<u>\$ (4,386,082)</u>	<u>\$ (8,873,244)</u>	<u>\$ (1,603,675)</u>	<u>\$ 3,486,818</u>
Debt service as a percentage of noncapital expenditures	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%

Note: Airport expenses and charges for services for years 2003 through 2009 are included in economic development and public works line, due to this department being combined with the industrial park in fiscal year ending June 30, 2010.

SUSSEX COUNTY, DELAWARE
ASSESSED VALUE AND ESTIMATED ACTUAL VALUE OF TAXABLE PROPERTY
LAST TEN FISCAL YEARS

Fiscal Year	Residential Property	Business Property	Agriculture Property	Trailer	Other	Less: Tax - Exempt Property	Total Taxable Assessed Value	Total Direct Tax Rate	Estimated Actual Taxable Value	Taxable Assessed Value as a Percentage of Actual Taxable Value
2002	\$ 1,409,687,109	\$ 326,990,073	\$ 103,165,650	\$ 98,085,008	\$ 179,958,129	\$ 204,715,276	\$ 1,913,170,693	\$0.445	\$ 15,943,089,108	12.0%
2003	1,480,149,764	333,231,570	104,807,150	99,705,208	182,243,422	205,965,614	1,994,171,500	0.445	19,744,272,277	10.1%
2004	1,564,853,342	346,300,218	105,925,330	102,131,908	184,584,322	208,371,893	2,095,423,227	0.445	26,192,790,338	8.0%
2005	1,668,856,812	349,668,986	109,717,513	107,313,408	189,749,972	215,012,079	2,210,294,612	0.445	31,575,637,314	7.0%
2006	1,788,672,680	358,027,255	111,038,978	112,213,158	191,692,422	216,246,316	2,345,398,177	0.445	36,083,048,877	6.5%
2007	1,942,430,139	367,785,080	113,725,678	111,714,076	202,949,661	218,117,769	2,520,486,865	0.445	39,630,296,619	6.4%
2008	2,101,384,126	406,044,024	115,469,649	113,419,034	200,009,962	222,961,073	2,713,365,722	0.445	39,324,140,899	6.9%
2009	2,197,966,019	418,057,225	116,526,199	113,690,921	208,199,836	230,109,902	2,824,330,298	0.445	36,537,261,294	7.7%
2010	2,250,982,140	433,413,708	117,458,414	113,085,347	216,129,487	238,465,723	2,892,603,373	0.445	34,791,957,818	8.3%
2011	2,298,908,548	422,542,584	117,910,978	112,535,610	218,265,711	239,297,617	2,930,865,814	0.445	34,159,275,221	8.6%

Notes:

1. Assessed values reflect the values utilized for initial property tax billings for each fiscal year, which are based on the May 1 assessments.
2. Real property is appraised based on 1973 market values.
3. The assessed value is 50% of the appraised value.
4. Assessed value ratio estimates were developed by the University of Delaware.
5. Assessed values are based on taxable assessments.

Sources: Sussex County Assessment Division and University of Delaware.

**SUSSEX COUNTY, DELAWARE
DIRECT AND OVERLAPPING PROPERTY TAX RATES
LAST TEN YEARS**

	Year Taxes Are Payable									
	2002	2003	2004	2005	2006	2007	2008	2009	2010	2011
County Direct										
County Tax	\$ 0.4017	\$ 0.4017	\$ 0.4017	\$ 0.4017	\$ 0.4017	\$ 0.3983	\$ 0.3983	\$ 0.3983	\$ 0.3983	\$ 0.3983
Library	0.0433	0.0433	0.0433	0.0433	0.0433	0.0467	0.0467	0.0467	0.0467	0.0467
Total direct rate	0.4450	0.4450	0.4450	0.4450	0.4450	0.4450	0.4450	0.4450	0.4450	0.4450
School Districts										
Cape Henlopen	2.0990	2.0990	2.1610	2.2360	2.9980	2.9980	2.8770	2.6660	2.5670	2.5670
Delmar	3.2300	3.2200	3.2100	3.2000	3.2000	3.1500	3.1500	3.1400	3.1200	3.1200
Indian River (3)	2.0290	1.9460	2.2130	2.2400	2.4470	2.5450	2.4750	2.5550	2.5700	2.5700
Laurel	2.3900	2.3900	2.3900	2.3900	2.3900	2.3900	2.3900	2.4900	2.4900	2.4900
Milford	2.7490	2.6210	2.7930	3.2897	3.3978	3.5468	3.5803	3.5101	3.6986	3.6986
Seaford	2.4700	2.4800	2.5800	2.5800	3.2300	3.2300	3.2300	3.2300	3.2900	3.2900
Woodbridge	2.9130	2.9030	2.9990	2.9990	3.3280	3.2950	3.2950	3.2850	3.2810	3.2810
Vo-Tech	0.2277	0.2293	0.2293	0.2293	0.2269	0.2363	0.2480	0.2676	0.2666	0.2666
Town Rates (2)										
Bethany Beach	1.1000	0.0800	0.0800	0.0800	0.0800	0.1600	0.1600	0.1650	0.1650	0.1650
Bethel	0.4000	0.4000	0.4000	0.4000	0.4000	0.4000	0.4000	0.4000	0.4000	0.4000
Blades	1.2500	1.4000	1.4000	1.4000	1.4000	1.4000	1.4000	1.4000	1.4000	1.4000
Bridgeville	1.8300	1.8300	1.8300	1.8300	1.7300	1.7300	1.7300	1.7300	2.0000	2.0000
Dagsboro	*	0.3800	0.3800	0.3800	0.3800	0.3800	0.3800	0.3800	0.3800	0.3800
Delmar	1.1000	1.1000	1.3100	1.3100	1.3100	1.3100	0.4000	0.5000	0.5000	0.5000
Dewey Beach	*	0.4000	0.4000	0.4000	0.4000	0.4000	0.4000	0.4000	0.4000	0.4000
Ellendale	1.0000	1.0000	1.0000	1.0000	1.0000	1.0000	1.0000	1.0000	1.0000	1.0000
Fenwick Island	1.4500	1.4500	1.6000	1.6000	1.9200	1.9200	1.9200	1.9200	1.9200	1.9200
Frankford	1.7500	1.7500	1.7500	1.7500	1.7500	1.9500	2.0500	2.2000	2.5000	2.5000
Georgetown	2.1500	2.1500	2.1500	2.4500	2.5300	2.5300	2.5300	2.5300	2.9300	3.1400
Greenwood	*	0.6000	0.6000	1.0000	1.2000	1.4000	1.7000	1.7000	1.8000	1.8000
Henlopen Acres	1.4500	1.4500	1.4500	1.8800	1.8800	1.8800	1.8800	2.1700	2.1700	2.1700
Laurel	1.9100	1.9100	1.9100	1.9100	1.9100	1.9100	1.9100	1.9100	2.0800	2.0800
Lewes	0.2600	0.2600	0.2600	0.3900	0.3900	0.3900	0.3900	0.4900	0.4900	0.5700
Milford	0.3100	0.4100	0.4100	0.4100	0.4100	0.4100	0.4600	0.4600	0.4600	0.4600
Millsboro	0.4600	0.4600	0.4600	0.4600	0.5100	0.5100	0.5100	0.5100	0.5600	0.5600
Millville	0.2000	0.2000	0.2000	0.2000	0.2000	0.2000	0.5000	0.5000	0.5000	0.5000
Milton	0.4100	0.4100	0.4100	0.4100	0.4100	0.4100	0.4100	0.4100	0.1800	0.1800
Ocean View	0.5000	0.5000	0.5000	0.5000	0.5000	0.0981	0.0981	0.1059	0.1144	0.1230
Rehoboth Beach	1.4000	1.4000	1.4000	1.4000	1.5500	1.5500	1.5500	1.5500	1.5500	1.7800
Seaford	0.4800	0.4800	0.5200	0.5200	0.5700	0.5700	0.2650	0.2800	0.2900	0.2900
Selbyville	1.8500	1.8500	1.8500	1.8500	1.8500	1.8500	1.8500	1.8500	1.8500	1.8500
Slaughter Beach	0.5000	0.5000	0.5000	0.5000	0.5000	0.5000	0.5000	0.5000	0.7500	0.7500
South Bethany	0.6500	0.6500	0.6500	0.6500	0.6500	0.6500	0.6500	1.3000	1.3000	1.3000

Notes:

1. The above rates are per \$ 100 of assessed value.
2. The town rate shown for Bethany Beach, Blades, Dagsboro, Delmar, Lewes, Milford, Millsboro, Milton, Ocean View, Rehoboth Beach, and Seaford are based on assessments established by the individual towns. The other town rates are based on County assessments.
3. The Indian River School District charged \$ 2.087, \$ 2.115, \$ 2.027, and \$ 2.289 for non-residential properties in fiscal years 2002 through 2005 respectively.

Sources: The Sussex County Department of Finance, Treasury Division, University of Delaware and various Sussex County Towns' offices.

* Figures not available

**SUSSEX COUNTY, DELAWARE
PRINCIPAL PROPERTY TAX PAYERS
CURRENT YEAR AND EIGHT YEARS AGO**

Taxpayer	Fiscal Year 2011			Fiscal Year 2003		
	Taxable Assessed Valuation	Rank	Percentage of Total Assessed Valuation	Taxable Assessed Valuation	Rank	Percentage of Total Assessed Valuation
Verizon	\$ 44,762,975	1	1.53%	\$ 35,639,325	1	1.79%
Delmarva Power & Light Co. (2)	23,147,252	2	0.82	19,734,824	2	0.99
Indian River Power LLC	12,786,471	3	0.44	12,737,071	3	0.64
Eastern Shore Natural Gas Co.	9,018,712	4	0.31	3,147,731	9	0.16
E. I. duPont de Nemours Company	8,385,865	5	0.32	9,484,250	4	0.48
Chesapeake Utilities Corporation	5,215,745	6	0.18	3,230,324	8	0.16
Delaware Electric Cooperative, Inc.	5,050,799	7	0.17	4,308,748	6	0.22
Mountaire Farms of Delaware, Inc.	4,363,650	8	0.15	4,355,000	5	0.22
Sussex Sports Amenities LLC	4,321,450	9	0.15	-	-	-
Millsboro Town Center LLC	3,679,250	10	0.13	-	-	-
M & T Bank	-	-	-	3,135,800	10	0.16
Carl M. Freeman Associates Inc.	-	-	-	3,327,600	7	0.17
	<u>\$ 120,732,169</u>		<u>4.20%</u>	<u>\$ 99,100,673</u>		<u>4.99%</u>

Notes:

1. Fiscal year 2003 is as far back as this information is available.
2. Taxpayer's name changed in Fiscal Year 2005 from Conectiv Power Delivery to Delmarva Power & Light, Co.

Sources: Sussex County Government Data Processing and Assessment Departments, Georgetown, Delaware.

**SUSSEX COUNTY, DELAWARE
PROPERTY TAX LEVIES AND COLLECTIONS
LAST TEN FISCAL YEARS**

Fiscal Year	Taxes Levied for Fiscal Year (Original Levy)		Total Adjusted Tax Levy	Collected within the Fiscal Year of the Levy		Collections in Subsequent Years	Total Collections to Date	
	Adjustments			Current Tax Collections	Percent of Levy		Amount	Percentage of Adjusted Levy
2002	\$ 8,740,663	\$ 102,636	\$ 8,843,299	\$ 8,527,586	96.4%	\$ 293,047	\$ 8,820,633	99.7%
2003	9,113,367	106,521	9,219,888	8,904,011	96.6	287,502	9,191,513	99.7
2004	9,578,379	140,252	9,718,631	9,393,462	96.7	291,252	9,684,714	99.7
2005	8,161,305	120,699	8,282,004	8,014,809	96.8	226,844	8,241,653	99.5
2006	10,686,666	175,555	10,862,221	10,584,949	97.4	227,481	10,812,430	99.5
2007	11,468,314	217,171	11,685,485	11,403,418	97.6	217,572	11,620,990	99.4
2008	12,329,504	140,690	12,470,194	12,206,827	97.9	179,658	12,386,485	99.3
2009	12,827,188	85,976	12,913,164	12,580,435	97.4	210,945	12,791,380	99.1
2010	13,134,779	56,957	13,191,736	12,842,730	97.4	163,410	13,006,140	98.6
2011	13,307,922	62,530	13,370,452	13,034,973	97.5	-	13,034,973	97.5

Notes:

1. Total tax levy includes initial annual levy plus quarterly supplemental additions.
2. The property tax levy for fiscal year 2005 is shown net of \$ 1,922,507 credit applied to eligible taxpayers under the 25% property tax credit program.

Source: Sussex County Treasury Division.

SUSSEX COUNTY, DELAWARE
RATIOS OF OUTSTANDING DEBT BY TYPE
LAST TEN FISCAL YEARS

Fiscal Year	Governmental Activities		Business-Type Activities		Total Primary Government	Percentage of Personal Income	Per Capita
	Capital Leases	General Obligation Bonds	Sewer Revenue Bonds				
2002	\$ 146,042	\$100,745,953	\$31,829,251		\$ 132,721,246	3.11%	\$ 814
2003	324,574	100,088,975	30,609,794		131,023,343	2.89	780
2004	267,259	119,930,460	29,359,095		149,556,814	3.04	870
2005	259,744	121,162,608	28,076,986		149,499,338	2.83	850
2006	181,346	133,549,727	26,953,295		160,684,368	2.84	891
2007	165,271	134,977,468	25,497,849		160,640,588	2.68	874
2008	136,587	137,819,192	24,005,471		161,961,250	2.52	859
2009	72,862	139,857,414	22,475,982		162,406,258	2.44	846
2010	17,987	145,652,932	20,914,202		166,585,121	*	845
2011	-	172,030,209	19,304,944		191,335,153	*	*

Note: The personal income and population data information is presented on the demographic and economic statistics schedule.

* Figures not available

SUSSEX COUNTY, DELAWARE
DIRECT AND OVERLAPPING GOVERNMENTAL ACTIVITIES DEBT
JUNE 30, 2011

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<u>Governmental Unit</u>	<u>Debt Outstanding</u>	<u>Estimated Percentage Applicable</u>	<u>Estimated Share of Direct and Overlapping Debt</u>
School Districts:			
Cape Henlopen	\$ 33,535,845	100%	\$ 33,535,845
Delmar	2,240,285	100%	2,240,285
Howard T Ennis, Sr.	815,375	100%	815,375
Indian River	34,783,573	100%	34,783,573
Laurel	3,528,710	100%	3,528,710
Milford	17,511,940	59%	10,332,045
Seaford	6,725,130	100%	6,725,130
Sussex Tech	7,617,848	100%	7,617,848
Woodbridge	6,326,819	99%	6,263,551
Total School Districts			<u>105,842,362</u>
Municipalities:			
Bethany Beach	545,026	100%	545,026
Frankford	61,008	100%	61,008
Milford	232,292	70%	162,604
Rehoboth Beach	4,114,433	100%	4,114,433
Seaford	174,634	100%	174,634
Total Municipalities			<u>5,057,705</u>
Subtotal, overlapping debt			110,900,067
County direct debt			<u>-</u>
Total direct and overlapping debt			<u><u>\$ 110,900,067</u></u>

Note: This report includes general obligation debt. It does not include revenue bonds or short-term debt.

Sources: Sussex County Department of Finance, Delaware State Treasurer's Office, and Sussex County Towns.

SUSSEX COUNTY, DELAWARE
RATIOS OF GENERAL BONDED DEBT OUTSTANDING AND LEGAL DEBT MARGIN
LAST TEN FISCAL YEARS

										Legal debt margin calculation for fiscal year 2011	
										Assessed value	\$ 2,996,113,381
										Debt limit (12% of assessed value)	359,533,606
										Total net debt applicable to limit	<u>172,030,209</u>
										Legal debt margin	<u>\$ 187,503,397</u>
										Fiscal Year	
	<u>2002</u>	<u>2003</u>	<u>2004</u>	<u>2005</u>	<u>2006</u>	<u>2007</u>	<u>2008</u>	<u>2009</u>	<u>2010</u>	<u>2011</u>	
General obligation bonds	<u>\$ 100,745,953</u>	<u>\$ 100,088,975</u>	<u>\$ 119,930,460</u>	<u>\$ 121,162,608</u>	<u>\$ 133,549,727</u>	<u>\$ 134,977,468</u>	<u>\$ 137,819,192</u>	<u>\$ 139,857,414</u>	<u>\$ 145,652,932</u>	<u>\$ 172,030,209</u>	
Percentage of estimated actual property value	0.63%	0.51%	0.46%	0.38%	0.37%	0.34%	0.35%	0.36%	0.42%	0.50%	
Per capita	\$ 618	\$ 596	\$ 698	\$ 689	\$ 741	\$ 734	\$ 731	\$ 728	\$ 739	*	
Total net debt applicable to debt limit	100,745,953	100,088,975	119,930,460	121,162,608	133,549,727	134,977,468	137,819,192	139,857,414	145,652,932	172,030,209	
Legal debt limit	<u>239,653,693</u>	<u>252,815,042</u>	<u>266,391,788</u>	<u>283,050,019</u>	<u>303,961,496</u>	<u>302,316,074</u>	<u>339,750,295</u>	<u>347,637,021</u>	<u>352,113,820</u>	<u>359,533,606</u>	
Legal debt margin	<u>\$ 138,907,740</u>	<u>\$ 152,726,067</u>	<u>\$ 146,461,328</u>	<u>\$ 161,887,411</u>	<u>\$ 170,411,769</u>	<u>\$ 167,338,606</u>	<u>\$ 201,931,103</u>	<u>\$ 207,779,607</u>	<u>\$ 206,460,888</u>	<u>\$ 187,503,397</u>	
Total net debt applicable to the limit as a percentage of debt limit	42.04%	39.59%	45.02%	42.81%	43.94%	44.65%	40.56%	40.23%	41.37%	47.85%	

Notes:

1. The statutory limitation for debt is 12% of the assessed value of taxable property as of June 30, 2011.
 2. The personal income and population data information is presented on the demographic and economic statistics schedule.
- * Figures not available

Source: Sussex County Assessment Division.

**SUSSEX COUNTY, DELAWARE
 PLEDGED-REVENUE COVERAGE
 LAST TEN FISCAL YEARS**

Fiscal Year	Sewer Revenue Bonds					Coverage
	Utility Service Charges	Less: Operating Expenses	Net Available Revenue	Debt Service		
				Principal	Interest	
2002	\$ 9,455,029	\$ 1,458,191	\$ 7,996,838	\$ 1,819,103	\$ 735,163	3.13
2003	11,006,550	1,694,092	9,312,458	1,219,457	1,242,289	3.78
2004	10,861,191	1,805,308	9,055,883	1,250,698	1,209,897	3.68
2005	10,799,139	1,985,003	8,814,136	1,282,109	1,175,703	3.59
2006	13,550,763	2,140,366	11,410,397	1,293,972	991,553	4.99
2007	11,272,131	2,804,306	8,467,825	1,455,446	860,325	3.66
2008	11,999,456	2,743,615	9,255,841	1,492,378	825,293	3.99
2009	10,416,204	2,899,406	7,516,798	1,529,488	789,210	3.24
2010	9,406,784	3,068,983	6,337,801	1,561,781	752,067	2.74
2011	9,372,308	2,858,014	6,514,294	1,609,258	712,214	2.81

Notes:

1. Operating expenses do not include depreciation or interest expense, as per the bond indenture.
2. Utility service charges do not include capitalization fees, or capital contributions.
3. Debt service requirement reflects minimum amounts due for revenue bonds. It does not include any debt service amounts for additional bonds which are paid from district funds and are general obligation bonds. It does not include accrued interest. It does not include interest capitalized prior to the initial date of operations, December 29, 1995.
4. The coverage requirement per Bond resolutions is 1.25.
5. In April 1994, the County issued \$ 19,000,000 in revenue bonds which were advance refunded in December 1995 by revenue bonds totaling \$ 20,825,000. In 2006 the County refinanced the December 1995 issue for the Series 2005 revenue bond issue for \$ 18,500,000.
6. In April 1994, the County issued \$ 13,000,000 and \$ 4,000,000 in revenue bonds to the State of Delaware program. Debt service for these SRF bonds is based on level debt service payments.
7. The West Rehoboth system was under construction during fiscal year 1993, 1994 and 1995 and was placed in service on December 29, 1995. Receipt of revenues began during fiscal year 1996. Debt service paid prior to then was paid from capital funding. Interest was capitalized until fiscal year 1996.
8. The following revenue bond issues are included here as part of the debt service requirements:

	<u>Issuance Amount</u>
a. Series 2005 revenue bonds	\$ 18,500,000
b. Subordinated Obligations 1994 SRF-A	13,000,000
c. Subordinated Obligations 1994 SRF-B	4,000,000

**SUSSEX COUNTY, DELAWARE
DEMOGRAPHIC AND ECONOMIC STATISTICS
LAST TEN FISCAL YEARS**

<u>Year</u>	<u>Population (1)</u>	<u>Total Personal Income (2)</u>	<u>Per Capita Personal Income (2)</u>	<u>Median Age (3)</u>	<u>Public School Enrollment (4)</u>	<u>Unemployment Rate (5)</u>
2002	163,085	\$ 4,263,433	\$ 25,471	*	21,547	4.0%
2003	167,904	4,533,723	26,832	*	25,055	2.7%
2004	171,923	4,927,085	28,609	42.4	24,210	3.3%
2005	175,818	5,278,405	29,959	42.4	24,278	3.2%
2006	180,275	5,650,513	31,385	41.8	24,531	3.1%
2007	183,798	6,001,783	32,647	42.1	24,818	3.0%
2008	188,597	6,425,940	33,881	41.9	25,104	4.1%
2009	192,019	6,637,087	34,434	44.4	25,307	7.8%
2010	197,145	*	*	45.4	25,704	7.9%
2011	*	*	*	*	24,205	7.2%

Note: Total personal income is in thousands of dollars.

Sources:

1. U.S. Bureau of the Census and Delaware Population Consortium.
2. U.S. Department of Commerce, Bureau of Economic Analysis.
3. U.S. Bureau of the Census, American Community Survey.
4. Delaware Department of Education.
5. Office of Occupational & Labor Market Information.

* Figures not available

**SUSSEX COUNTY, DELAWARE
EMPLOYMENT BY TYPE OF EMPLOYER
CURRENT YEAR AND NINE YEARS AGO**

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<u>Type of Employer</u>	<u>2011</u>			<u>2002</u>		
	<u>Employees</u>	<u>Rank</u>	<u>Percentage of Total County Employment</u>	<u>Employees</u>	<u>Rank</u>	<u>Percentage of Total County Employment</u>
Manufacturing	11,259	1	17.6%	11,790	1	19.3%
Retail trade	10,557	2	16.5	10,681	2	17.4
Health care and social assistance	9,223	3	14.4	6,628	4	10.8
Government	7,888	4	12.3	6,032	5	9.9
Accommodation and food services	7,103	5	11.1	7,363	3	12.0
Construction	3,651	6	5.7	4,564	6	7.5
Administrative and waste services	2,307	7	3.6	2,354	8	3.8
Other services, except public administration	2,040	8	3.2	1,792	9	3.9
Finance and insurance	1,865	9	2.9	2,391	7	2.4
Real estate and rental and leasing	-	-	-	1,471	10	2.9
Professional and technical services	1,537	10	2.4	-	-	-
	<u>57,430</u>		<u>89.7%</u>	<u>55,066</u>		<u>89.9%</u>

Notes:

1. Data reported is for March of the respective year.
2. Top employer information is deemed confidential pursuant to 20 Code of Federal regulations Part 603.

Source: Delaware Department of Labor Office of Occupational & Labor Market Information.

SUSSEX COUNTY, DELAWARE
FULL-TIME EQUIVALENT COUNTY GOVERNMENT EMPLOYEES BY FUNCTION/PROGRAM
LAST TEN FISCAL YEARS

<u>Function/Program</u>	Full-time Equivalent Employees as of June 30									
	<u>2002</u>	<u>2003</u>	<u>2004</u>	<u>2005</u>	<u>2006</u>	<u>2007</u>	<u>2008</u>	<u>2009</u>	<u>2010</u>	<u>2011</u>
General government										
General administration	8	8	8	8	10	11	11	11	11	11
Finance	70	80	85	86	89	90	86	81	72	70
Personnel	5	5	5	5	6	6	6	6	6	6
Buildings and grounds	25	26	27	28	25	33	26	21	17	19
Data processing	5	10	13	13	13	12	14	12	14	15
County constable	3	3	4	4	4	3	4	4	5	5
Planning and zoning	14	14	14	14	15	16	15	14	13	12
Paramedic program	76	79	90	94	108	110	109	112	106	105
Emergency preparedness	27	27	28	27	29	28	28	27	28	28
Economic development and public works	10	10	11	15	14	13	12	12	12	11
County engineer	105	112	115	120	132	132	139	141	138	140
Library	27	28	35	32	30	41	33	31	27	27
Community development and housing programs	6	6	6	6	6	7	6	6	6	6
Constitutional offices	35	33	36	33	33	37	36	34	35	34
Total	416	441	477	485	514	539	525	512	490	489

Source: Sussex County Accounting Department.

**SUSSEX COUNTY, DELAWARE
OPERATING INDICATORS BY FUNCTION/PROGRAM
LAST TEN FISCAL YEARS**

Function/Program	Fiscal Year									
	2002	2003	2004	2005	2006	2007	2008	2009	2010	2011
Planning and Zoning										
Permits issued	9,388	9,741	10,811	11,075	11,299	9,896	8,436	6,553	6,302	6,658
Public Safety										
Paramedic incidents dispatched	12,236	10,421	11,018	11,612	11,955	12,701	13,759	13,500	13,697	14,077
911 calls	78,594	91,511	89,446	85,243	94,858	99,659	104,623	97,230	103,107	105,776
Sewer and Water Services										
Sewer customers, EDU's billed	40,786	41,431	44,240	47,524	50,809	53,439	56,200	57,673	59,154	60,167
Water customers, EDU's billed	3,523	3,530	3,548	3,530	3,543	3,553	3,574	3,600	3,611	3,613
Libraries										
Circulation	1,002,827	1,062,779	1,197,367	1,182,767	1,137,880	1,170,327	1,221,697	1,299,830	1,234,407	1,147,886
Industrial Airpark										
Number of businesses	19	18	18	20	20	20	18	18	18	17
Number of jobs provided by business	715	650	681	752	860	944	1,048	989	842	961
Number of landings (1)	16,811	15,106	16,306	18,625	17,508	19,259	20,222	20,000	20,000	17,500

Source: Individual Sussex County Departments.

Note:

1. The number of landings is an estimate provided by Sussex County's Airport FBO.

**SUSSEX COUNTY, DELAWARE
CAPITAL ASSET STATISTICS BY FUNCTION/PROGRAM
LAST TEN FISCAL YEARS**

<u>Function/Program</u>	Fiscal Year									
	<u>2002</u>	<u>2003</u>	<u>2004</u>	<u>2005</u>	<u>2006</u>	<u>2007</u>	<u>2008</u>	<u>2009</u>	<u>2010</u>	<u>2011</u>
Public Safety										
Paramedic stations	6	7	7	7	7	8	8	9	9	9
Volunteer fire and ambulance companies	24	24	24	24	24	24	24	24	24	24
Additional state police officers funded by County	16	16	20	24	28	32	36	40	40	40
Sewer and Water Services										
Miles of underground sanitary sewer pipe	506	517	554	595	655	682	747	770	778	1,564
Number of feet of ocean outfall sewer pipe	6,500	6,500	6,500	6,500	6,500	6,500	6,500	6,500	6,500	6,500
Pump stations	252	261	256	357	370	384	397	418	428	437
Lagoon treatment facilities with land application	3	3	3	3	3	3	3	3	3	3
Tertiary treatment facility with ocean discharge	1	1	1	1	1	1	1	1	1	1
Libraries										
Directly administered	3	3	3	3	3	3	3	3	3	3
Number of County funded, with independent board	11	11	11	11	11	11	11	11	11	11
Bookmobiles	1	1	1	1	1	1	1	1	1	1
Airport										
Paved runway footage	7,300	7,300	7,300	7,330	7,330	7,330	7,330	7,330	8,109	8,109
Number of hangars	20	20	20	24	27	28	30	30	30	30
Number of runways	2	2	2	2	2	2	2	2	2	2

Source: Individual Sussex County Departments.

SUSSEX COUNTY, DELAWARE
 BONDED DEBT GENERAL OBLIGATION - 1994
 (PRINCIPAL AND INTEREST PAYMENTS ONLY)
 JUNE 30, 2011

<u>Date of Maturity</u>	<u>Coupon</u>	<u>Principal Maturity</u>	<u>Interest Payable</u>
September 20, 2011	4.50 %	\$ 47,941	\$ 91,146
December 20, 2011	4.50	49,469	89,618
March 20, 2012	4.50	51,003	88,084
June 20, 2012	4.50	49,624	89,463
September 20, 2012	4.50	50,187	88,900
December 20, 2012	4.50	51,716	87,371
March 20, 2013	4.50	53,250	85,837
June 20, 2013	4.50	51,947	87,140
September 20, 2013	4.50	52,536	86,551
December 20, 2013	4.50	54,066	85,021
March 20, 2014	4.50	55,600	83,487
June 20, 2014	4.50	54,376	84,711
September 20, 2014	4.50	54,992	84,095
December 20, 2014	4.50	56,523	82,564
March 20, 2015	4.50	58,058	81,029
June 20, 2015	4.50	56,916	82,171
September 20, 2015	4.50	57,562	81,525
December 20, 2015	4.50	59,093	79,994
March 20, 2016	4.50	60,628	78,459
June 20, 2016	4.50	59,572	79,515
September 20, 2016	4.50	60,248	78,839
December 20, 2016	4.50	61,780	77,307
March 20, 2017	4.50	63,316	75,771
June 20, 2017	4.50	62,350	76,737
September 20, 2017	4.50	63,057	76,030
December 20, 2017	4.50	64,591	74,496
March 20, 2018	4.50	66,127	72,960
June 20, 2018	4.50	65,255	73,832
September 20, 2018	4.50	65,996	73,091
December 20, 2018	4.50	67,530	71,557
March 20, 2019	4.50	69,066	70,021
June 20, 2019	4.50	68,293	70,794
September 20, 2019	4.50	69,068	70,019
December 20, 2019	4.50	70,604	68,483
March 20, 2020	4.50	72,140	66,947
June 20, 2020	4.50	71,470	67,617
September 20, 2020	4.50	72,281	66,806
December 20, 2020	4.50	73,818	65,269
March 20, 2021	4.50	75,354	63,733
June 20, 2021	4.50	74,793	64,294
September 20, 2021	4.50	75,641	63,446
December 20, 2021	4.50	77,180	61,907
March 20, 2022	4.50	78,716	60,371
June 20, 2022	4.50	78,267	60,820
September 20, 2022	4.50	79,155	59,932
December 20, 2022	4.50	80,694	58,393
March 20, 2023	4.50	82,232	56,855
June 20, 2023	4.50	81,901	57,186
September 20, 2023	4.50	82,830	56,257
December 20, 2023	4.50	84,370	54,717
March 20, 2024	4.50	85,908	53,179
June 20, 2024	4.50	85,701	53,386
September 20, 2024	4.50	86,673	52,414

(continued)

SUSSEX COUNTY, DELAWARE
 BONDED DEBT GENERAL OBLIGATION - 1994
 (PRINCIPAL AND INTEREST PAYMENTS ONLY) - CONTINUED
 JUNE 30, 2011

<u>Date of Maturity</u>	<u>Coupon</u>	<u>Principal Maturity</u>	<u>Interest Payable</u>
December 20, 2024	4.50 %	\$ 88,215	\$ 50,872
March 20, 2025	4.50	89,753	49,334
June 20, 2025	4.50	89,674	49,413
September 20, 2025	4.50	90,692	48,395
December 20, 2025	4.50	92,235	46,852
March 20, 2026	4.50	93,773	45,314
June 20, 2026	4.50	93,830	45,257
September 20, 2026	4.50	94,894	44,193
December 20, 2026	4.50	96,439	42,648
March 20, 2027	4.50	97,978	41,109
June 20, 2027	4.50	98,176	40,911
September 20, 2027	4.50	99,289	39,798
December 20, 2027	4.50	100,836	38,251
March 20, 2028	4.50	102,375	36,712
June 20, 2028	4.50	102,720	36,367
September 20, 2028	4.50	103,885	35,202
December 20, 2028	4.50	105,434	33,653
March 20, 2029	4.50	106,973	32,114
June 20, 2029	4.50	107,473	31,614
September 20, 2029	4.50	108,692	30,395
December 20, 2029	4.50	110,242	28,845
March 20, 2030	4.50	111,782	27,305
June 20, 2030	4.50	112,443	26,644
September 20, 2030	4.50	113,718	25,369
December 20, 2030	4.50	115,270	23,817
March 20, 2031	4.50	116,811	22,276
June 20, 2031	4.50	117,641	21,446
September 20, 2031	4.50	118,975	20,112
December 20, 2031	4.50	120,529	18,558
March 20, 2032	4.50	122,070	17,017
June 20, 2032	4.50	123,076	16,011
September 20, 2032	4.50	124,472	14,615
December 20, 2032	4.50	126,028	13,059
March 20, 2033	4.50	127,570	11,517
June 20, 2033	4.50	128,760	10,327
September 20, 2033	4.50	130,221	8,866
December 20, 2033	4.50	131,778	7,309
March 20, 2034	4.50	133,321	5,766
June 20, 2034	4.50	134,705	4,382
September 20, 2034	4.50	136,233	2,854
December 20, 2034	4.50	115,410	1,298
		\$ 8,035,855	\$ 5,015,944

(continued)

SUSSEX COUNTY, DELAWARE
 SRF SUBORDINATE OBLIGATION - 1994
 (PRINCIPAL AND INTEREST PAYMENTS ONLY) - CONTINUED
 JUNE 30, 2011

<u>Date of Maturity</u>	<u>Coupon</u>	<u>Principal Maturity</u>	<u>Interest Payable</u>
June 15, 2012	1.50 %	\$ 856,921	\$ 73,125
June 15, 2013	1.50	869,775	60,271
June 15, 2014	1.50	882,822	47,224
June 15, 2015	1.50	896,064	33,982
June 15, 2016	1.50	909,505	20,541
December 15, 2016	1.50	459,857	3,449
		<u>\$ 4,874,944</u>	<u>\$ 238,592</u>

(continued)

SUSSEX COUNTY, DELAWARE
 BONDED DEBT GENERAL OBLIGATION - 1995 A
 (PRINCIPAL AND INTEREST PAYMENTS ONLY) - CONTINUED
 JUNE 30, 2011

<u>Date of Maturity</u>	<u>Coupon</u>	<u>Principal Maturity</u>	<u>Interest Payable</u>
September 9, 2011	4.50 %	\$ 17,170	\$ 33,254
December 9, 2011	4.50	17,724	32,700
March 9, 2012	4.50	18,280	32,144
June 9, 2012	4.50	17,773	32,651
September 9, 2012	4.50	17,975	32,449
December 9, 2012	4.50	18,529	31,895
March 9, 2013	4.50	19,085	31,339
June 9, 2013	4.50	18,605	31,819
September 9, 2013	4.50	18,816	31,608
December 9, 2013	4.50	19,371	31,053
March 9, 2014	4.50	19,927	30,497
June 9, 2014	4.50	19,475	30,949
September 9, 2014	4.50	19,696	30,728
December 9, 2014	4.50	20,251	30,173
March 9, 2015	4.50	20,808	29,616
June 9, 2015	4.50	20,385	30,039
September 9, 2015	4.50	20,616	29,808
December 9, 2015	4.50	21,172	29,252
March 9, 2016	4.50	21,728	28,696
June 9, 2016	4.50	21,337	29,087
September 9, 2016	4.50	21,579	28,845
December 9, 2016	4.50	22,135	28,289
March 9, 2017	4.50	22,691	27,733
June 9, 2017	4.50	22,332	28,092
September 9, 2017	4.50	22,586	27,838
December 9, 2017	4.50	23,141	27,283
March 9, 2018	4.50	23,698	26,726
June 9, 2018	4.50	23,373	27,051
September 9, 2018	4.50	23,638	26,786
December 9, 2018	4.50	24,195	26,229
March 9, 2019	4.50	24,751	25,673
June 9, 2019	4.50	24,461	25,963
September 9, 2019	4.50	24,739	25,685
December 9, 2019	4.50	25,296	25,128
March 9, 2020	4.50	25,852	24,572
June 9, 2020	4.50	25,599	24,825
September 9, 2020	4.50	25,890	24,534
December 9, 2020	4.50	26,447	23,977
March 9, 2021	4.50	27,004	23,420
June 9, 2021	4.50	26,789	23,635
September 9, 2021	4.50	27,094	23,330
December 9, 2021	4.50	27,651	22,773
March 9, 2022	4.50	28,208	22,216
June 9, 2022	4.50	28,034	22,390
September 9, 2022	4.50	28,353	22,071
December 9, 2022	4.50	28,910	21,514
March 9, 2023	4.50	29,468	20,956
June 9, 2023	4.50	29,336	21,088
September 9, 2023	4.50	29,669	20,755
December 9, 2023	4.50	30,227	20,197
March 9, 2024	4.50	30,785	19,639
June 9, 2024	4.50	30,697	19,727
September 9, 2024	4.50	31,046	19,378

(continued)

SUSSEX COUNTY, DELAWARE
 BONDED DEBT GENERAL OBLIGATION - 1995 A
 (PRINCIPAL AND INTEREST PAYMENTS ONLY) - CONTINUED
 JUNE 30, 2011

<u>Date of Maturity</u>	<u>Coupon</u>	<u>Principal Maturity</u>	<u>Interest Payable</u>
December 9, 2024	4.50 %	\$ 31,604	\$ 18,820
March 9, 2025	4.50	32,162	18,262
June 9, 2025	4.50	32,121	18,303
September 9, 2025	4.50	32,485	17,939
December 9, 2025	4.50	33,045	17,379
March 9, 2026	4.50	33,602	16,822
June 9, 2026	4.50	33,610	16,814
September 9, 2026	4.50	33,991	16,433
December 9, 2026	4.50	34,551	15,873
March 9, 2027	4.50	35,109	15,315
June 9, 2027	4.50	35,166	15,258
September 9, 2027	4.50	35,565	14,859
December 9, 2027	4.50	36,126	14,298
March 9, 2028	4.50	36,684	13,740
June 9, 2028	4.50	36,795	13,629
September 9, 2028	4.50	37,212	13,212
December 9, 2028	4.50	37,773	12,651
March 9, 2029	4.50	38,331	12,093
June 9, 2029	4.50	38,498	11,926
September 9, 2029	4.50	38,934	11,490
December 9, 2029	4.50	39,496	10,928
March 9, 2030	4.50	40,054	10,370
June 9, 2030	4.50	40,278	10,146
September 9, 2030	4.50	40,735	9,689
December 9, 2030	4.50	41,297	9,127
March 9, 2031	4.50	41,856	8,568
June 9, 2031	4.50	42,140	8,284
September 9, 2031	4.50	42,618	7,806
December 9, 2031	4.50	43,181	7,243
March 9, 2032	4.50	43,740	6,684
June 9, 2032	4.50	44,087	6,337
September 9, 2032	4.50	44,587	5,837
December 9, 2032	4.50	45,151	5,273
March 9, 2033	4.50	45,710	4,714
June 9, 2033	4.50	46,124	4,300
September 9, 2033	4.50	46,647	3,777
December 9, 2033	4.50	47,211	3,213
March 9, 2034	4.50	47,771	2,653
June 9, 2034	4.50	48,253	2,171
September 9, 2034	4.50	48,800	1,624
December 9, 2034	4.50	49,366	1,058
March 9, 2035	4.50	44,965	499
		<u>\$ 2,931,828</u>	<u>\$ 1,853,492</u>

(continued)

SUSSEX COUNTY, DELAWARE
 BONDED DEBT GENERAL OBLIGATION - 1995 B
 (PRINCIPAL AND INTEREST PAYMENTS ONLY) - CONTINUED
 JUNE 30, 2011

<u>Date of Maturity</u>	<u>Coupon</u>	<u>Principal Maturity</u>	<u>Interest Payable</u>
September 27, 2011	4.50 %	\$ 30,920	\$ 60,886
December 27, 2011	4.50	31,929	59,877
March 27, 2012	4.50	32,941	58,865
June 27, 2012	4.50	32,006	59,800
September 27, 2012	4.50	32,369	59,437
December 27, 2012	4.50	33,379	58,427
March 27, 2013	4.50	34,391	57,415
June 27, 2013	4.50	33,505	58,301
September 27, 2013	4.50	33,885	57,921
December 27, 2013	4.50	34,895	56,911
March 27, 2014	4.50	35,908	55,898
June 27, 2014	4.50	35,073	56,733
September 27, 2014	4.50	35,471	56,335
December 27, 2014	4.50	36,481	55,325
March 27, 2015	4.50	37,493	54,313
June 27, 2015	4.50	36,712	55,094
September 27, 2015	4.50	37,129	54,677
December 27, 2015	4.50	38,139	53,667
March 27, 2016	4.50	39,152	52,654
June 27, 2016	4.50	38,426	53,380
September 27, 2016	4.50	38,862	52,944
December 27, 2016	4.50	39,873	51,933
March 27, 2017	4.50	40,887	50,919
June 27, 2017	4.50	40,219	51,587
September 27, 2017	4.50	40,675	51,131
December 27, 2017	4.50	41,687	50,119
March 27, 2018	4.50	42,700	49,106
June 27, 2018	4.50	42,094	49,712
September 27, 2018	4.50	42,571	49,235
December 27, 2018	4.50	43,584	48,222
March 27, 2019	4.50	44,597	47,209
June 27, 2019	4.50	44,054	47,752
September 27, 2019	4.50	44,554	47,252
December 27, 2019	4.50	45,567	46,239
March 27, 2020	4.50	46,581	45,225
June 27, 2020	4.50	46,104	45,702
September 27, 2020	4.50	46,627	45,179
December 27, 2020	4.50	47,642	44,164
March 27, 2021	4.50	48,655	43,151
June 27, 2021	4.50	48,248	43,558
September 27, 2021	4.50	48,796	43,010
December 27, 2021	4.50	49,810	41,996
March 27, 2022	4.50	50,825	40,981
June 27, 2022	4.50	50,490	41,316
September 27, 2022	4.50	51,063	40,743
December 27, 2022	4.50	52,079	39,727
March 27, 2023	4.50	53,093	38,713
June 27, 2023	4.50	52,835	38,971
September 27, 2023	4.50	53,434	38,372
December 27, 2023	4.50	54,451	37,355
March 27, 2024	4.50	55,466	36,340
June 27, 2024	4.50	55,287	36,519
September 27, 2024	4.50	55,914	35,892

(continued)

SUSSEX COUNTY, DELAWARE
 BONDED DEBT GENERAL OBLIGATION - 1995 B
 (PRINCIPAL AND INTEREST PAYMENTS ONLY) - CONTINUED
 JUNE 30, 2011

<u>Date of Maturity</u>	<u>Coupon</u>	<u>Principal Maturity</u>	<u>Interest Payable</u>
December 27, 2024	4.50 %	\$ 56,932	\$ 34,874
March 27, 2025	4.50	57,947	33,859
June 27, 2025	4.50	57,851	33,955
September 27, 2025	4.50	58,508	33,298
December 27, 2025	4.50	59,526	32,280
March 27, 2026	4.50	60,541	31,265
June 27, 2026	4.50	60,533	31,273
September 27, 2026	4.50	61,220	30,586
December 27, 2026	4.50	62,239	29,567
March 27, 2027	4.50	63,255	28,551
June 27, 2027	4.50	63,337	28,469
September 27, 2027	4.50	64,056	27,750
December 27, 2027	4.50	65,076	26,730
March 27, 2028	4.50	66,092	25,714
June 27, 2028	4.50	66,271	25,535
September 27, 2028	4.50	67,022	24,784
December 27, 2028	4.50	68,043	23,763
March 27, 2029	4.50	69,060	22,746
June 27, 2029	4.50	69,337	22,469
September 27, 2029	4.50	70,124	21,682
December 27, 2029	4.50	71,146	20,660
March 27, 2030	4.50	72,163	19,643
June 27, 2030	4.50	72,544	19,262
September 27, 2030	4.50	73,367	18,439
December 27, 2030	4.50	74,391	17,415
March 27, 2031	4.50	75,408	16,398
June 27, 2031	4.50	75,899	15,907
September 27, 2031	4.50	76,760	15,046
December 27, 2031	4.50	77,784	14,022
March 27, 2032	4.50	78,801	13,005
June 27, 2032	4.50	79,406	12,400
September 27, 2032	4.50	80,307	11,499
December 27, 2032	4.50	81,333	10,473
March 27, 2033	4.50	82,350	9,456
June 27, 2033	4.50	83,074	8,732
September 27, 2033	4.50	84,016	7,790
December 27, 2033	4.50	85,044	6,762
March 27, 2034	4.50	86,062	5,744
June 27, 2034	4.50	86,910	4,896
September 27, 2034	4.50	87,896	3,910
December 27, 2034	4.50	88,925	2,881
March 27, 2035	4.50	89,943	1,863
June 27, 2035	4.50	77,950	884
		\$ 5,367,977	\$ 3,432,427

(continued)

SUSSEX COUNTY, DELAWARE
 BONDED DEBT GENERAL OBLIGATION - 1995 C
 (PRINCIPAL AND INTEREST PAYMENTS ONLY) - CONTINUED
 JUNE 30, 2011

<u>Date of Maturity</u>	<u>Coupon</u>	<u>Principal Maturity</u>	<u>Interest Payable</u>
September 26, 2011	4.50 %	\$ 27,797	\$ 55,663
December 26, 2011	4.50	28,714	54,746
March 26, 2012	4.50	29,634	53,826
June 26, 2012	4.50	28,775	54,685
September 26, 2012	4.50	29,101	54,359
December 26, 2012	4.50	30,018	53,442
March 26, 2013	4.50	30,939	52,521
June 26, 2013	4.50	30,122	53,338
September 26, 2013	4.50	30,464	52,996
December 26, 2013	4.50	31,382	52,078
March 26, 2014	4.50	32,302	51,158
June 26, 2014	4.50	31,532	51,928
September 26, 2014	4.50	31,890	51,570
December 26, 2014	4.50	32,808	50,652
March 26, 2015	4.50	33,728	49,732
June 26, 2015	4.50	33,006	50,454
September 26, 2015	4.50	33,380	50,080
December 26, 2015	4.50	34,299	49,161
March 26, 2016	4.50	35,220	48,240
June 26, 2016	4.50	34,548	48,912
September 26, 2016	4.50	34,939	48,521
December 26, 2016	4.50	35,859	47,601
March 26, 2017	4.50	36,780	46,680
June 26, 2017	4.50	36,159	47,301
September 26, 2017	4.50	36,570	46,890
December 26, 2017	4.50	37,489	45,971
March 26, 2018	4.50	38,411	45,049
June 26, 2018	4.50	37,845	45,615
September 26, 2018	4.50	38,275	45,185
December 26, 2018	4.50	39,195	44,265
March 26, 2019	4.50	40,116	43,344
June 26, 2019	4.50	39,608	43,852
September 26, 2019	4.50	40,057	43,403
December 26, 2019	4.50	40,979	42,481
March 26, 2020	4.50	41,900	41,560
June 26, 2020	4.50	41,452	42,008
September 26, 2020	4.50	41,922	41,538
December 26, 2020	4.50	42,844	40,616
March 26, 2021	4.50	43,765	39,695
June 26, 2021	4.50	43,380	40,080
September 26, 2021	4.50	43,872	39,588
December 26, 2021	4.50	44,795	38,665
March 26, 2022	4.50	45,716	37,744
June 26, 2022	4.50	45,396	38,064
September 26, 2022	4.50	45,911	37,549
December 26, 2022	4.50	46,834	36,626
March 26, 2023	4.50	47,756	35,704
June 26, 2023	4.50	47,505	35,955
September 26, 2023	4.50	48,044	35,416
December 26, 2023	4.50	48,967	34,493
March 26, 2024	4.50	49,890	33,570
June 26, 2024	4.50	49,710	33,750
September 26, 2024	4.50	50,273	33,187

(continued)

SUSSEX COUNTY, DELAWARE
 BONDED DEBT GENERAL OBLIGATION - 1995 C
 (PRINCIPAL AND INTEREST PAYMENTS ONLY) - CONTINUED
 JUNE 30, 2011

<u>Date of Maturity</u>	<u>Coupon</u>	<u>Principal Maturity</u>	<u>Interest Payable</u>
December 26, 2024	4.50 %	\$ 51,198	\$ 32,262
March 26, 2025	4.50	52,121	31,339
June 26, 2025	4.50	52,016	31,444
September 26, 2025	4.50	52,606	30,854
December 26, 2025	4.50	53,531	29,929
March 26, 2026	4.50	54,454	29,006
June 26, 2026	4.50	54,427	29,033
September 26, 2026	4.50	55,044	28,416
December 26, 2026	4.50	55,971	27,489
March 26, 2027	4.50	56,894	26,566
June 26, 2027	4.50	56,949	26,511
September 26, 2027	4.50	57,595	25,865
December 26, 2027	4.50	58,522	24,938
March 26, 2028	4.50	59,446	24,014
June 26, 2028	4.50	59,586	23,874
September 26, 2028	4.50	60,262	23,198
December 26, 2028	4.50	61,191	22,269
March 26, 2029	4.50	62,114	21,346
June 26, 2029	4.50	62,344	21,116
September 26, 2029	4.50	63,051	20,409
December 26, 2029	4.50	63,981	19,479
March 26, 2030	4.50	64,905	18,555
June 26, 2030	4.50	65,228	18,232
September 26, 2030	4.50	65,968	17,492
December 26, 2030	4.50	66,898	16,562
March 26, 2031	4.50	67,823	15,637
June 26, 2031	4.50	68,245	15,215
September 26, 2031	4.50	69,019	14,441
December 26, 2031	4.50	69,950	13,510
March 26, 2032	4.50	70,874	12,586
June 26, 2032	4.50	71,399	12,061
September 26, 2032	4.50	72,209	11,251
December 26, 2032	4.50	73,141	10,319
March 26, 2033	4.50	74,066	9,394
June 26, 2033	4.50	74,697	8,763
September 26, 2033	4.50	75,545	7,915
December 26, 2033	4.50	76,478	6,982
March 26, 2034	4.50	77,403	6,057
June 26, 2034	4.50	78,147	5,313
September 26, 2034	4.50	79,033	4,427
December 26, 2034	4.50	79,968	3,492
March 26, 2035	4.50	80,894	2,566
June 26, 2035	4.50	81,754	1,706
September 26, 2035	4.50	68,638	779
		\$ 4,907,458	\$ 3,174,119

(continued)

SUSSEX COUNTY, DELAWARE
 BONDED DEBT GENERAL OBLIGATION - 1995 D
 (PRINCIPAL AND INTEREST PAYMENTS ONLY) - CONTINUED
 JUNE 30, 2011

<u>Date of Maturity</u>	<u>Coupon</u>	<u>Principal Maturity</u>	<u>Interest Payable</u>
September 22, 2011	4.50 %	\$ 13,739	\$ 27,991
December 22, 2011	4.50	14,197	27,533
March 22, 2012	4.50	14,658	27,072
June 22, 2012	4.50	14,222	27,508
September 22, 2012	4.50	14,383	27,347
December 22, 2012	4.50	14,842	26,888
March 22, 2013	4.50	15,302	26,428
June 22, 2013	4.50	14,889	26,841
September 22, 2013	4.50	15,057	26,673
December 22, 2013	4.50	15,516	26,214
March 22, 2014	4.50	15,977	25,753
June 22, 2014	4.50	15,586	26,144
September 22, 2014	4.50	15,762	25,968
December 22, 2014	4.50	16,221	25,509
March 22, 2015	4.50	16,682	25,048
June 22, 2015	4.50	16,314	25,416
September 22, 2015	4.50	16,499	25,231
December 22, 2015	4.50	16,959	24,771
March 22, 2016	4.50	17,419	24,311
June 22, 2016	4.50	17,076	24,654
September 22, 2016	4.50	17,270	24,460
December 22, 2016	4.50	17,730	24,000
March 22, 2017	4.50	18,190	23,540
June 22, 2017	4.50	17,873	23,857
September 22, 2017	4.50	18,076	23,654
December 22, 2017	4.50	18,536	23,194
March 22, 2018	4.50	18,996	22,734
June 22, 2018	4.50	18,707	23,023
September 22, 2018	4.50	18,919	22,811
December 22, 2018	4.50	19,379	22,351
March 22, 2019	4.50	19,840	21,890
June 22, 2019	4.50	19,578	22,152
September 22, 2019	4.50	19,800	21,930
December 22, 2019	4.50	20,261	21,469
March 22, 2020	4.50	20,722	21,008
June 22, 2020	4.50	20,490	21,240
September 22, 2020	4.50	20,722	21,008
December 22, 2020	4.50	21,183	20,547
March 22, 2021	4.50	21,644	20,086
June 22, 2021	4.50	21,443	20,287
September 22, 2021	4.50	21,686	20,044
December 22, 2021	4.50	22,148	19,582
March 22, 2022	4.50	22,608	19,122
June 22, 2022	4.50	22,440	19,290
September 22, 2022	4.50	22,695	19,035
December 22, 2022	4.50	23,156	18,574
March 22, 2023	4.50	23,617	18,113
June 22, 2023	4.50	23,482	18,248
September 22, 2023	4.50	23,749	17,981
December 22, 2023	4.50	24,211	17,519
March 22, 2024	4.50	24,672	17,058
June 22, 2024	4.50	24,572	17,158
September 22, 2024	4.50	24,851	16,879

(continued)

SUSSEX COUNTY, DELAWARE
 BONDED DEBT GENERAL OBLIGATION - 1995 D
 (PRINCIPAL AND INTEREST PAYMENTS ONLY) - CONTINUED
 JUNE 30, 2011

<u>Date of Maturity</u>	<u>Coupon</u>	<u>Principal Maturity</u>	<u>Interest Payable</u>
December 22, 2024	4.50 %	\$ 25,313	\$ 16,417
March 22, 2025	4.50	25,775	15,955
June 22, 2025	4.50	25,713	16,017
September 22, 2025	4.50	26,004	15,726
December 22, 2025	4.50	26,467	15,263
March 22, 2026	4.50	26,928	14,802
June 22, 2026	4.50	26,905	14,825
September 22, 2026	4.50	27,210	14,520
December 22, 2026	4.50	27,673	14,057
March 22, 2027	4.50	28,135	13,595
June 22, 2027	4.50	28,151	13,579
September 22, 2027	4.50	28,471	13,259
December 22, 2027	4.50	28,934	12,796
March 22, 2028	4.50	29,396	12,334
June 22, 2028	4.50	29,456	12,274
September 22, 2028	4.50	29,789	11,941
December 22, 2028	4.50	30,254	11,476
March 22, 2029	4.50	30,715	11,015
June 22, 2029	4.50	30,819	10,911
September 22, 2029	4.50	31,168	10,562
December 22, 2029	4.50	31,633	10,097
March 22, 2030	4.50	32,095	9,635
June 22, 2030	4.50	32,245	9,485
September 22, 2030	4.50	32,611	9,119
December 22, 2030	4.50	33,075	8,655
March 22, 2031	4.50	33,538	8,192
June 22, 2031	4.50	33,736	7,994
September 22, 2031	4.50	34,119	7,611
December 22, 2031	4.50	34,584	7,146
March 22, 2032	4.50	35,047	6,683
June 22, 2032	4.50	35,295	6,435
September 22, 2032	4.50	35,696	6,034
December 22, 2032	4.50	36,162	5,568
March 22, 2033	4.50	36,624	5,106
June 22, 2033	4.50	36,926	4,804
September 22, 2033	4.50	37,345	4,385
December 22, 2033	4.50	37,812	3,918
March 22, 2034	4.50	38,274	3,456
June 22, 2034	4.50	38,632	3,098
September 22, 2034	4.50	39,070	2,660
December 22, 2034	4.50	39,537	2,193
March 22, 2035	4.50	40,000	1,730
June 22, 2035	4.50	40,415	1,315
September 22, 2035	4.50	40,874	856
December 22, 2035	4.50	34,633	386
		\$ 2,467,800	\$ 1,615,029

(continued)

SUSSEX COUNTY, DELAWARE
 BONDED DEBT GENERAL OBLIGATION - 1996
 (PRINCIPAL AND INTEREST PAYMENTS ONLY) - CONTINUED
 JUNE 30, 2011

<u>Date of Maturity</u>	<u>Coupon</u>	<u>Principal Maturity</u>	<u>Interest Payable</u>
July 17, 2011	4.50 %	\$ 2,018	\$ 4,238
October 17, 2011	4.50	1,994	4,262
January 17, 2012	4.50	2,017	4,239
April 17, 2012	4.50	2,132	4,124
July 17, 2012	4.50	2,110	4,146
October 17, 2012	4.50	2,088	4,168
January 17, 2013	4.50	2,112	4,144
April 17, 2013	4.50	2,225	4,031
July 17, 2013	4.50	2,206	4,050
October 17, 2013	4.50	2,186	4,070
January 17, 2014	4.50	2,211	4,045
April 17, 2014	4.50	2,323	3,933
July 17, 2014	4.50	2,306	3,950
October 17, 2014	4.50	2,288	3,968
January 17, 2015	4.50	2,314	3,942
April 17, 2015	4.50	2,426	3,830
July 17, 2015	4.50	2,410	3,846
October 17, 2015	4.50	2,395	3,861
January 17, 2016	4.50	2,423	3,833
April 17, 2016	4.50	2,533	3,723
July 17, 2016	4.50	2,520	3,736
October 17, 2016	4.50	2,507	3,749
January 17, 2017	4.50	2,536	3,720
April 17, 2017	4.50	2,645	3,611
July 17, 2017	4.50	2,634	3,622
October 17, 2017	4.50	2,625	3,631
January 17, 2018	4.50	2,654	3,602
April 17, 2018	4.50	2,762	3,494
July 17, 2018	4.50	2,754	3,502
October 17, 2018	4.50	2,747	3,509
January 17, 2019	4.50	2,778	3,478
April 17, 2019	4.50	2,885	3,371
July 17, 2019	4.50	2,879	3,377
October 17, 2019	4.50	2,875	3,381
January 17, 2020	4.50	2,908	3,348
April 17, 2020	4.50	3,013	3,243
July 17, 2020	4.50	3,010	3,246
October 17, 2020	4.50	3,009	3,247
January 17, 2021	4.50	3,043	3,213
April 17, 2021	4.50	3,147	3,109
July 17, 2021	4.50	3,147	3,109
October 17, 2021	4.50	3,149	3,107
January 17, 2022	4.50	3,185	3,071
April 17, 2022	4.50	3,287	2,969
July 17, 2022	4.50	3,291	2,965
October 17, 2022	4.50	3,295	2,961
January 17, 2023	4.50	3,333	2,923
April 17, 2023	4.50	3,433	2,823
July 17, 2023	4.50	3,440	2,816
October 17, 2023	4.50	3,449	2,807
January 17, 2024	4.50	3,488	2,768
April 17, 2024	4.50	3,586	2,670
July 17, 2024	4.50	3,597	2,659

(continued)

SUSSEX COUNTY, DELAWARE
 BONDED DEBT GENERAL OBLIGATION - 1996
 (PRINCIPAL AND INTEREST PAYMENTS ONLY) - CONTINUED
 JUNE 30, 2011

<u>Date of Maturity</u>	<u>Coupon</u>	<u>Principal Maturity</u>	<u>Interest Payable</u>
October 17, 2024	4.50 %	\$ 3,609	\$ 2,647
January 17, 2025	4.50	3,649	2,607
April 17, 2025	4.50	3,747	2,509
July 17, 2025	4.50	3,761	2,495
October 17, 2025	4.50	3,776	2,480
January 17, 2026	4.50	3,819	2,437
April 17, 2026	4.50	3,914	2,342
July 17, 2026	4.50	3,932	2,324
October 17, 2026	4.50	3,951	2,305
January 17, 2027	4.50	3,996	2,260
April 17, 2027	4.50	4,090	2,166
July 17, 2027	4.50	4,111	2,145
October 17, 2027	4.50	4,135	2,121
January 17, 2028	4.50	4,181	2,075
April 17, 2028	4.50	4,273	1,983
July 17, 2028	4.50	4,299	1,957
October 17, 2028	4.50	4,326	1,930
January 17, 2029	4.50	4,375	1,881
April 17, 2029	4.50	4,464	1,792
July 17, 2029	4.50	4,495	1,761
October 17, 2029	4.50	4,526	1,730
January 17, 2030	4.50	4,577	1,679
April 17, 2030	4.50	4,665	1,591
July 17, 2030	4.50	4,700	1,556
October 17, 2030	4.50	4,736	1,520
January 17, 2031	4.50	4,789	1,467
April 17, 2031	4.50	4,874	1,382
July 17, 2031	4.50	4,914	1,342
October 17, 2031	4.50	4,955	1,301
January 17, 2032	4.50	5,011	1,245
April 17, 2032	4.50	5,093	1,163
July 17, 2032	4.50	5,138	1,118
October 17, 2032	4.50	5,184	1,072
January 17, 2033	4.50	5,242	1,014
April 17, 2033	4.50	5,323	933
July 17, 2033	4.50	5,372	884
October 17, 2033	4.50	5,423	833
January 17, 2034	4.50	5,485	771
April 17, 2034	4.50	5,563	693
July 17, 2034	4.50	5,617	639
October 17, 2034	4.50	5,674	582
January 17, 2035	4.50	5,739	517
April 17, 2035	4.50	5,813	443
July 17, 2035	4.50	5,874	382
October 17, 2035	4.50	5,936	320
January 17, 2036	4.50	6,003	253
April 17, 2036	4.50	6,075	181
July 17, 2036	4.50	6,142	114
October 17, 2036	4.50	4,056	46
		\$ 377,730	\$ 258,228

(continued)

SUSSEX COUNTY, DELAWARE
 BONDED DEBT GENERAL OBLIGATION - 1997
 (PRINCIPAL AND INTEREST PAYMENTS ONLY) - CONTINUED
 JUNE 30, 2011

<u>Date of Maturity</u>	<u>Coupon</u>	<u>Principal Maturity</u>	<u>Interest Payable</u>
June 15, 2012	1.50 %	\$ 510,945	\$ 82,027
June 15, 2013	1.50	518,609	74,363
June 15, 2014	1.50	526,388	66,584
June 15, 2015	1.50	534,284	58,688
June 15, 2016	1.50	542,298	50,674
June 15, 2017	1.50	550,432	42,540
June 15, 2018	1.50	558,689	34,283
June 15, 2019	1.50	567,069	25,903
June 15, 2020	1.50	575,575	17,397
June 15, 2021	1.50	584,210	8,762
		<u>\$ 5,468,499</u>	<u>\$ 461,221</u>

(continued)

SUSSEX COUNTY, DELAWARE
 BONDED DEBT GENERAL OBLIGATION - 2000
 (PRINCIPAL AND INTEREST PAYMENTS ONLY) - CONTINUED
 JUNE 30, 2011

<u>Date of Maturity</u>	<u>Coupon</u>	<u>Principal Maturity</u>	<u>Interest Payable</u>
December 31, 2011	1.50 %	\$ 401,451	\$ 82,452
June 30, 2012	1.50	404,461	79,442
December 31, 2012	1.50	407,495	76,408
June 30, 2013	1.50	410,551	73,352
December 31, 2013	1.50	413,630	70,273
June 30, 2014	1.50	416,732	67,171
December 31, 2014	1.50	419,858	64,045
June 30, 2015	1.50	423,007	60,896
December 31, 2015	1.50	426,179	57,724
June 30, 2016	1.50	429,376	54,527
December 31, 2016	1.50	432,596	51,307
June 30, 2017	1.50	435,840	48,063
December 31, 2017	1.50	439,109	44,794
June 30, 2018	1.50	442,403	41,500
December 31, 2018	1.50	445,721	38,182
June 30, 2019	1.50	449,063	34,840
December 31, 2019	1.50	452,431	31,472
June 30, 2020	1.50	455,825	28,078
December 31, 2020	1.50	459,243	24,660
June 30, 2021	1.50	462,688	21,215
December 31, 2021	1.50	466,158	17,745
June 30, 2022	1.50	469,654	14,249
December 31, 2022	1.50	473,177	10,726
June 30, 2023	1.50	476,725	7,178
December 31, 2023	1.50	480,300	3,604
		\$ 10,993,673	\$ 1,103,903

(continued)

SUSSEX COUNTY, DELAWARE
 BONDED DEBT GENERAL OBLIGATION - 2000
 (PRINCIPAL AND INTEREST PAYMENTS ONLY) - CONTINUED
 JUNE 30, 2011

<u>Date of Maturity</u>	<u>Coupon</u>	<u>Principal Maturity</u>	<u>Interest Payable</u>
December 15, 2011	1.50 %	\$ 41,767	\$ 8,579
June 15, 2012	1.50	42,081	8,265
December 15, 2012	1.50	42,397	7,949
June 15, 2013	1.50	42,714	7,632
December 15, 2013	1.50	43,035	7,311
June 15, 2014	1.50	43,357	6,989
December 15, 2014	1.50	43,683	6,663
June 15, 2015	1.50	44,010	6,336
December 15, 2015	1.50	44,340	6,006
June 15, 2016	1.50	44,673	5,673
December 15, 2016	1.50	45,008	5,338
June 15, 2017	1.50	45,346	5,000
December 15, 2017	1.50	45,686	4,660
June 15, 2018	1.50	46,028	4,318
December 15, 2018	1.50	46,374	3,972
June 15, 2019	1.50	46,721	3,625
December 15, 2019	1.50	47,072	3,274
June 15, 2020	1.50	47,425	2,921
December 15, 2020	1.50	47,780	2,566
June 15, 2021	1.50	48,139	2,207
December 15, 2021	1.50	48,500	1,846
June 15, 2022	1.50	48,863	1,483
December 15, 2022	1.50	49,230	1,116
June 15, 2023	1.50	49,599	747
December 15, 2023	1.50	49,973	374
		<u>\$ 1,143,801</u>	<u>\$ 114,850</u>

(continued)

SUSSEX COUNTY, DELAWARE
 BONDED DEBT GENERAL OBLIGATION - 2001
 (PRINCIPAL AND INTEREST PAYMENTS ONLY) - CONTINUED
 JUNE 30, 2011

<u>Date of Maturity</u>	<u>Coupon</u>	<u>Principal Maturity</u>	<u>Interest Payable</u>
September 1, 2011	4.50 %	\$ 34,596	\$ 100,491
December 1, 2011	4.50	36,076	99,011
March 1, 2012	4.50	37,565	97,522
June 1, 2012	4.50	35,824	99,263
September 1, 2012	4.50	36,230	98,857
December 1, 2012	4.50	37,711	97,376
March 1, 2013	4.50	39,200	95,887
June 1, 2013	4.50	37,513	97,574
September 1, 2013	4.50	37,939	97,148
December 1, 2013	4.50	39,421	95,666
March 1, 2014	4.50	40,909	94,178
June 1, 2014	4.50	39,280	95,807
September 1, 2014	4.50	39,726	95,361
December 1, 2014	4.50	41,208	93,879
March 1, 2015	4.50	42,697	92,390
June 1, 2015	4.50	41,128	93,959
September 1, 2015	4.50	41,595	93,492
December 1, 2015	4.50	43,077	92,010
March 1, 2016	4.50	44,567	90,520
June 1, 2016	4.50	43,061	92,026
September 1, 2016	4.50	43,549	91,538
December 1, 2016	4.50	45,033	90,054
March 1, 2017	4.50	46,522	88,565
June 1, 2017	4.50	45,081	90,006
September 1, 2017	4.50	45,593	89,494
December 1, 2017	4.50	47,077	88,010
March 1, 2018	4.50	48,566	86,521
June 1, 2018	4.50	47,195	87,892
September 1, 2018	4.50	47,730	87,357
December 1, 2018	4.50	49,215	85,872
March 1, 2019	4.50	50,705	84,382
June 1, 2019	4.50	49,405	85,682
September 1, 2019	4.50	49,965	85,122
December 1, 2019	4.50	51,451	83,636
March 1, 2020	4.50	52,941	82,146
June 1, 2020	4.50	51,716	83,371
September 1, 2020	4.50	52,302	82,785
December 1, 2020	4.50	53,789	81,298
March 1, 2021	4.50	55,279	79,808
June 1, 2021	4.50	54,133	80,954
September 1, 2021	4.50	54,747	80,340
December 1, 2021	4.50	56,234	78,853
March 1, 2022	4.50	57,725	77,362
June 1, 2022	4.50	56,660	78,427
September 1, 2022	4.50	57,303	77,784
December 1, 2022	4.50	58,791	76,296
March 1, 2023	4.50	60,282	74,805
June 1, 2023	4.50	59,304	75,783
September 1, 2023	4.50	59,976	75,111
December 1, 2023	4.50	61,465	73,622
March 1, 2024	4.50	62,957	72,130
June 1, 2024	4.50	62,068	73,019
September 1, 2024	4.50	62,772	72,315

(continued)

SUSSEX COUNTY, DELAWARE
 BONDED DEBT GENERAL OBLIGATION - 2001
 (PRINCIPAL AND INTEREST PAYMENTS ONLY) - CONTINUED
 JUNE 30, 2011

<u>Date of Maturity</u>	<u>Coupon</u>	<u>Principal Maturity</u>	<u>Interest Payable</u>
December 1, 2024	4.50 %	\$ 64,262	\$ 70,825
March 1, 2025	4.50	65,753	69,334
June 1, 2025	4.50	64,959	70,128
September 1, 2025	4.50	65,695	69,392
December 1, 2025	4.50	67,187	67,900
March 1, 2026	4.50	68,678	66,409
June 1, 2026	4.50	67,981	67,106
September 1, 2026	4.50	68,752	66,335
December 1, 2026	4.50	70,245	64,842
March 1, 2027	4.50	71,737	63,350
June 1, 2027	4.50	71,143	63,944
September 1, 2027	4.50	71,950	63,137
December 1, 2027	4.50	73,443	61,644
March 1, 2028	4.50	74,935	60,152
June 1, 2028	4.50	74,449	60,638
September 1, 2028	4.50	75,293	59,794
December 1, 2028	4.50	76,788	58,299
March 1, 2029	4.50	78,281	56,806
June 1, 2029	4.50	77,906	57,181
September 1, 2029	4.50	78,790	56,297
December 1, 2029	4.50	80,285	54,802
March 1, 2030	4.50	81,779	53,308
June 1, 2030	4.50	81,522	53,565
September 1, 2030	4.50	82,446	52,641
December 1, 2030	4.50	83,943	51,144
March 1, 2031	4.50	85,437	49,650
June 1, 2031	4.50	85,303	49,784
September 1, 2031	4.50	86,270	48,817
December 1, 2031	4.50	87,769	47,318
March 1, 2032	4.50	89,262	45,825
June 1, 2032	4.50	89,257	45,830
September 1, 2032	4.50	90,269	44,818
December 1, 2032	4.50	91,769	43,318
March 1, 2033	4.50	93,263	41,824
June 1, 2033	4.50	93,392	41,695
September 1, 2033	4.50	94,451	40,636
December 1, 2033	4.50	95,952	39,135
March 1, 2034	4.50	97,447	37,640
June 1, 2034	4.50	97,716	37,371
September 1, 2034	4.50	98,824	36,263
December 1, 2034	4.50	100,327	34,760
March 1, 2035	4.50	101,822	33,265
June 1, 2035	4.50	102,238	32,849
September 1, 2035	4.50	103,397	31,690
December 1, 2035	4.50	104,902	30,185
March 1, 2036	4.50	106,398	28,689
June 1, 2036	4.50	106,967	28,120
September 1, 2036	4.50	108,180	26,907
December 1, 2036	4.50	109,686	25,401
March 1, 2037	4.50	111,183	23,904
June 1, 2037	4.50	111,913	23,174
September 1, 2037	4.50	113,182	21,905
December 1, 2037	4.50	114,690	20,397

(continued)

SUSSEX COUNTY, DELAWARE
 BONDED DEBT GENERAL OBLIGATION - 2001
 (PRINCIPAL AND INTEREST PAYMENTS ONLY) - CONTINUED
 JUNE 30, 2011

<u>Date of Maturity</u>	<u>Coupon</u>	<u>Principal Maturity</u>	<u>Interest Payable</u>
March 1, 2038	4.50 %	\$ 116,186	\$ 18,901
June 1, 2038	4.50	117,084	18,003
September 1, 2038	4.50	118,412	16,675
December 1, 2038	4.50	119,922	15,165
March 1, 2039	4.50	121,420	13,667
June 1, 2039	4.50	122,493	12,594
September 1, 2039	4.50	123,882	11,205
December 1, 2039	4.50	125,394	9,693
March 1, 2040	4.50	126,892	8,195
June 1, 2040	4.50	128,149	6,938
September 1, 2040	4.50	129,602	5,485
December 1, 2040	4.50	131,116	3,971
March 1, 2041	4.50	132,615	2,472
June 1, 2041	4.50	90,213	1,023
		<u>\$ 8,859,702</u>	<u>\$ 7,306,887</u>

(continued)

SUSSEX COUNTY, DELAWARE
 BONDED DEBT GENERAL OBLIGATION - 2002
 (PRINCIPAL AND INTEREST PAYMENTS ONLY) - CONTINUED
 JUNE 30, 2011

<u>Date of Maturity</u>	<u>Coupon</u>	<u>Principal Maturity</u>	<u>Interest Payable</u>
October 11, 2011	1.50 %	\$ 78,247	\$ 21,880
April 11, 2012	1.50	78,833	21,294
October 11, 2012	1.50	79,425	20,702
April 11, 2013	1.50	80,020	20,107
October 11, 2013	1.50	80,621	19,506
April 11, 2014	1.50	81,225	18,902
October 11, 2014	1.50	81,834	18,293
April 11, 2015	1.50	82,448	17,679
October 11, 2015	1.50	83,067	17,060
April 11, 2016	1.50	83,689	16,438
October 11, 2016	1.50	84,317	15,810
April 11, 2017	1.50	84,950	15,177
October 11, 2017	1.50	85,587	14,540
April 11, 2018	1.50	86,228	13,899
October 11, 2018	1.50	86,875	13,252
April 11, 2019	1.50	87,527	12,600
October 11, 2019	1.50	88,183	11,944
April 11, 2020	1.50	88,845	11,282
October 11, 2020	1.50	89,511	10,616
April 11, 2021	1.50	90,182	9,945
October 11, 2021	1.50	90,859	9,268
April 11, 2022	1.50	91,540	8,587
October 11, 2022	1.50	92,227	7,900
April 11, 2023	1.50	92,918	7,209
October 11, 2023	1.50	93,615	6,512
April 11, 2024	1.50	94,317	5,810
October 11, 2024	1.50	95,025	5,102
April 11, 2025	1.50	95,737	4,390
October 11, 2025	1.50	96,455	3,672
April 11, 2026	1.50	97,179	2,948
October 11, 2026	1.50	97,908	2,219
April 11, 2027	1.50	98,642	1,485
October 11, 2027	1.50	99,382	745
		\$ 2,917,418	\$ 386,773

(continued)

SUSSEX COUNTY, DELAWARE
 BONDED DEBT GENERAL OBLIGATION - 2002
 (PRINCIPAL AND INTEREST PAYMENTS ONLY) - CONTINUED
 JUNE 30, 2011

<u>Date of Maturity</u>	<u>Coupon</u>	<u>Principal Maturity</u>	<u>Interest Payable</u>
December 15, 2011	1.50 %	\$ 64,399	\$ 15,582
June 15, 2012	1.50	64,881	15,099
December 15, 2012	1.50	65,368	14,612
June 15, 2013	1.50	65,859	14,122
December 15, 2013	1.50	66,353	13,628
June 15, 2014	1.50	66,850	13,130
December 15, 2014	1.50	67,351	12,629
June 15, 2015	1.50	67,857	12,124
December 15, 2015	1.50	68,366	11,615
June 15, 2016	1.50	68,878	11,102
December 15, 2016	1.50	69,395	10,586
June 15, 2017	1.50	69,915	10,065
December 15, 2017	1.50	70,440	9,541
June 15, 2018	1.50	70,968	9,012
December 15, 2018	1.50	71,500	8,480
June 15, 2019	1.50	72,037	7,944
December 15, 2019	1.50	72,577	7,404
June 15, 2020	1.50	73,121	6,859
December 15, 2020	1.50	73,670	6,311
June 15, 2021	1.50	74,222	5,758
December 15, 2021	1.50	74,779	5,202
June 15, 2022	1.50	75,339	4,641
December 15, 2022	1.50	75,905	4,076
June 15, 2023	1.50	76,474	3,506
December 15, 2023	1.50	77,048	2,933
June 15, 2024	1.50	77,625	2,355
December 15, 2024	1.50	78,208	1,773
June 15, 2025	1.50	78,794	1,186
December 15, 2025	1.50	79,383	596
		\$ 2,077,562	\$ 241,871

(continued)

SUSSEX COUNTY, DELAWARE
 BONDED DEBT GENERAL OBLIGATION - 2002
 (PRINCIPAL AND INTEREST PAYMENTS ONLY) - CONTINUED
 JUNE 30, 2011

<u>Date of Maturity</u>	<u>Coupon</u>	<u>Principal Maturity</u>	<u>Interest Payable</u>
December 13, 2011	3.175 %	\$ 270,927	\$ 170,541
June 13, 2012	3.175	275,226	166,241
December 13, 2012	3.175	279,595	161,872
June 13, 2013	3.175	284,034	157,433
December 13, 2013	3.175	288,543	152,924
June 13, 2014	3.175	293,124	148,343
December 13, 2014	3.175	297,777	143,690
June 13, 2015	3.175	302,504	138,963
December 13, 2015	3.175	307,306	134,161
June 13, 2016	3.175	312,185	129,282
December 13, 2016	3.175	317,141	124,326
June 13, 2017	3.175	322,175	119,292
December 13, 2017	3.175	327,290	114,177
June 13, 2018	3.175	332,486	108,981
December 13, 2018	3.175	337,764	103,703
June 13, 2019	3.175	343,126	98,341
December 13, 2019	3.175	348,573	92,894
June 13, 2020	3.175	354,107	87,360
December 13, 2020	3.175	359,728	81,739
June 13, 2021	3.175	365,439	76,028
December 13, 2021	3.175	371,240	70,227
June 13, 2022	3.175	377,134	64,333
December 13, 2022	3.175	383,120	58,347
June 13, 2023	3.175	389,203	52,264
December 13, 2023	3.175	395,381	46,086
June 13, 2024	3.175	401,658	39,809
December 13, 2024	3.175	408,034	33,433
June 13, 2025	3.175	414,512	26,955
December 13, 2025	3.175	421,092	20,375
June 13, 2026	3.175	427,777	13,690
December 13, 2026	3.175	434,569	6,897
		<u>\$ 10,742,770</u>	<u>\$ 2,942,707</u>

(continued)

SUSSEX COUNTY, DELAWARE
 BONDED DEBT GENERAL OBLIGATION - 2002
 (PRINCIPAL AND INTEREST PAYMENTS ONLY) - CONTINUED
 JUNE 30, 2011

<u>Date of Maturity</u>	<u>Coupon</u>	<u>Principal Maturity</u>	<u>Interest Payable</u>
December 13, 2011	- %	\$ 12,820	\$ -
June 13, 2012	-	12,821	-
December 13, 2012	-	12,820	-
June 13, 2013	-	12,821	-
December 13, 2013	-	12,820	-
June 13, 2014	-	12,821	-
December 13, 2014	-	12,820	-
June 13, 2015	-	12,821	-
December 13, 2015	-	12,820	-
June 13, 2016	-	12,821	-
December 13, 2016	-	12,820	-
June 13, 2017	-	12,821	-
December 13, 2017	-	12,820	-
June 13, 2018	-	12,821	-
December 13, 2018	-	12,820	-
June 13, 2019	-	12,821	-
December 13, 2019	-	12,820	-
June 13, 2020	-	12,821	-
December 13, 2020	-	12,820	-
June 13, 2021	-	12,821	-
December 13, 2021	-	12,820	-
June 13, 2022	-	12,821	-
December 13, 2022	-	12,820	-
June 13, 2023	-	12,821	-
December 13, 2023	-	12,820	-
June 13, 2024	-	12,821	-
December 13, 2024	-	12,820	-
June 13, 2025	-	12,821	-
December 13, 2025	-	12,820	-
June 13, 2026	-	12,821	-
December 13, 2026	-	12,820	-
June 13, 2027	-	12,821	-
December 13, 2027	-	12,820	-
June 13, 2028	-	12,821	-
December 13, 2028	-	12,820	-
June 13, 2029	-	12,821	-
December 13, 2029	-	12,820	-
June 13, 2030	-	12,821	-
December 13, 2030	-	12,820	-
June 13, 2031	-	12,821	-
December 13, 2031	-	12,820	-
June 13, 2032	-	12,821	-
December 13, 2032	-	12,820	-
June 13, 2033	-	12,821	-
December 13, 2033	-	12,820	-
June 13, 2034	-	12,821	-
December 13, 2034	-	12,820	-
June 13, 2035	-	12,821	-
December 13, 2035	-	12,820	-
June 13, 2036	-	12,821	-
December 13, 2036	-	12,820	-
June 13, 2037	-	12,821	-
December 13, 2037	-	12,820	-

(continued)

SUSSEX COUNTY, DELAWARE
 BONDED DEBT GENERAL OBLIGATION - 2002
 (PRINCIPAL AND INTEREST PAYMENTS ONLY) - CONTINUED
 JUNE 30, 2011

<u>Date of Maturity</u>	<u>Coupon</u>	<u>Principal Maturity</u>	<u>Interest Payable</u>
June 13, 2038	- %	\$ 12,821	\$ -
December 13, 2038	-	12,820	-
June 13, 2039	-	12,821	-
December 13, 2039	-	12,820	-
June 13, 2040	-	12,821	-
December 13, 2040	-	12,820	-
June 13, 2041	-	12,821	-
December 13, 2041	-	12,820	-
June 13, 2042	-	12,822	-
		<u>\$ 794,872</u>	<u>\$ -</u>

(continued)

SUSSEX COUNTY, DELAWARE
 BONDED DEBT GENERAL OBLIGATION - 2003
 (PRINCIPAL AND INTEREST PAYMENTS ONLY) - CONTINUED
 JUNE 30, 2011

<u>Date of Maturity</u>	<u>Coupon</u>	<u>Principal Maturity</u>	<u>Interest Payable</u>
December 8, 2011	2.00 %	\$ 39,379	\$ 11,627
June 8, 2012	2.00	39,772	11,233
December 8, 2012	2.00	40,170	10,835
June 8, 2013	2.00	40,572	10,434
December 8, 2013	2.00	40,978	10,028
June 8, 2014	2.00	41,387	9,618
December 8, 2014	2.00	41,801	9,204
June 8, 2015	2.00	42,220	8,786
December 8, 2015	2.00	42,641	8,364
June 8, 2016	2.00	43,068	7,938
December 8, 2016	2.00	43,499	7,507
June 8, 2017	2.00	43,933	7,072
December 8, 2017	2.00	44,373	6,632
June 8, 2018	2.00	44,817	6,189
December 8, 2018	2.00	45,265	5,741
June 8, 2019	2.00	45,717	5,288
December 8, 2019	2.00	46,175	4,831
June 8, 2020	2.00	46,636	4,369
December 8, 2020	2.00	47,103	3,903
June 8, 2021	2.00	47,574	3,432
December 8, 2021	2.00	48,050	2,956
June 8, 2022	2.00	48,530	2,476
December 8, 2022	2.00	49,015	1,990
June 8, 2023	2.00	49,506	1,500
December 8, 2023	2.00	50,001	1,005
June 8, 2024	2.00	50,499	504
		<u>\$ 1,162,681</u>	<u>\$ 163,462</u>

(continued)

SUSSEX COUNTY, DELAWARE
 BONDED DEBT GENERAL OBLIGATION - 2003
 (PRINCIPAL AND INTEREST PAYMENTS ONLY) - CONTINUED
 JUNE 30, 2011

<u>Date of Maturity</u>	<u>Coupon</u>	<u>Principal Maturity</u>	<u>Interest Payable</u>
October 15, 2011	5.000 %	\$ 2,670,000	\$ 412,938
April 15, 2012	-	-	346,188
October 15, 2012	4.000	2,810,000	346,188
April 15, 2013	-	-	289,988
October 15, 2013	4.000	2,570,000	289,988
April 15, 2014	-	-	238,588
October 15, 2014	4.000	1,945,000	238,588
April 15, 2015	-	-	199,688
October 15, 2015	4.000	1,790,000	199,688
April 15, 2016	-	-	163,888
October 15, 2016	4.125	1,875,000	163,888
April 15, 2017	-	-	125,216
October 15, 2017	4.250	1,185,000	125,216
April 15, 2018	-	-	100,034
October 15, 2018	4.250	1,235,000	100,034
April 15, 2019	-	-	73,791
October 15, 2019	4.375	1,290,000	73,791
April 15, 2020	-	-	45,572
October 15, 2020	4.375	1,345,000	45,572
April 15, 2021	-	-	16,150
October 15, 2021	4.750	45,000	16,150
April 15, 2022	-	-	15,081
October 15, 2022	4.750	50,000	15,081
April 15, 2023	-	-	13,894
October 15, 2023	4.750	50,000	13,894
April 15, 2024	-	-	12,706
October 15, 2024	4.750	55,000	12,706
April 15, 2025	-	-	11,400
October 15, 2025	4.750	55,000	11,400
April 15, 2026	-	-	10,094
October 15, 2026	4.750	60,000	10,094
April 15, 2027	-	-	8,669
October 15, 2027	4.750	65,000	8,669
April 15, 2028	-	-	7,125
October 15, 2028	4.750	65,000	7,125
April 15, 2029	-	-	5,581
October 15, 2029	4.750	70,000	5,581
April 15, 2030	-	-	3,919
October 15, 2030	4.750	75,000	3,919
April 15, 2031	-	-	2,138
October 15, 2031	4.750	75,000	2,138
April 15, 2032	-	-	356
October 15, 2032	4.750	15,000	356
		\$ 19,395,000	\$ 3,793,070

(continued)

SUSSEX COUNTY, DELAWARE
 BONDED DEBT GENERAL OBLIGATION - 2003
 (PRINCIPAL AND INTEREST PAYMENTS ONLY) - CONTINUED
 JUNE 30, 2011

<u>Date of Maturity</u>	<u>Coupon</u>	<u>Principal Maturity</u>	<u>Interest Payable</u>
September 25, 2011	4.25 %	\$ 2,657	\$ 7,963
December 25, 2011	4.25	2,771	7,849
March 25, 2012	4.25	2,887	7,733
June 25, 2012	4.25	2,746	7,874
September 25, 2012	4.25	2,775	7,845
December 25, 2012	4.25	2,889	7,731
March 25, 2013	4.25	3,005	7,615
June 25, 2013	4.25	2,868	7,752
September 25, 2013	4.25	2,899	7,721
December 25, 2013	4.25	3,014	7,606
March 25, 2014	4.25	3,129	7,491
June 25, 2014	4.25	2,996	7,624
September 25, 2014	4.25	3,028	7,592
December 25, 2014	4.25	3,142	7,478
March 25, 2015	4.25	3,258	7,362
June 25, 2015	4.25	3,129	7,491
September 25, 2015	4.25	3,162	7,458
December 25, 2015	4.25	3,277	7,343
March 25, 2016	4.25	3,392	7,228
June 25, 2016	4.25	3,268	7,352
September 25, 2016	4.25	3,303	7,317
December 25, 2016	4.25	3,417	7,203
March 25, 2017	4.25	3,532	7,088
June 25, 2017	4.25	3,412	7,208
September 25, 2017	4.25	3,449	7,171
December 25, 2017	4.25	3,564	7,056
March 25, 2018	4.25	3,678	6,942
June 25, 2018	4.25	3,564	7,056
September 25, 2018	4.25	3,602	7,018
December 25, 2018	4.25	3,716	6,904
March 25, 2019	4.25	3,831	6,789
June 25, 2019	4.25	3,721	6,899
September 25, 2019	4.25	3,761	6,859
December 25, 2019	4.25	3,875	6,745
March 25, 2020	4.25	3,990	6,630
June 25, 2020	4.25	3,886	6,734
September 25, 2020	4.25	3,927	6,693
December 25, 2020	4.25	4,042	6,578
March 25, 2021	4.25	4,156	6,464
June 25, 2021	4.25	4,057	6,563
September 25, 2021	4.25	4,101	6,519
December 25, 2021	4.25	4,215	6,405
March 25, 2022	4.25	4,329	6,291
June 25, 2022	4.25	4,236	6,384
September 25, 2022	4.25	4,281	6,339
December 25, 2022	4.25	4,396	6,224
March 25, 2023	4.25	4,510	6,110
June 25, 2023	4.25	4,423	6,197
September 25, 2023	4.25	4,470	6,150
December 25, 2023	4.25	4,584	6,036
March 25, 2024	4.25	4,699	5,921
June 25, 2024	4.25	4,617	6,003
September 25, 2024	4.25	4,667	5,953

(continued)

SUSSEX COUNTY, DELAWARE
 BONDED DEBT GENERAL OBLIGATION - 2003
 (PRINCIPAL AND INTEREST PAYMENTS ONLY) - CONTINUED
 JUNE 30, 2011

<u>Date of Maturity</u>	<u>Coupon</u>	<u>Principal Maturity</u>	<u>Interest Payable</u>
December 25, 2024	4.25 %	\$ 4,781	\$ 5,839
March 25, 2025	4.25	4,895	5,725
June 25, 2025	4.25	4,820	5,800
September 25, 2025	4.25	4,872	5,748
December 25, 2025	4.25	4,986	5,634
March 25, 2026	4.25	5,100	5,520
June 25, 2026	4.25	5,032	5,588
September 25, 2026	4.25	5,086	5,534
December 25, 2026	4.25	5,200	5,420
March 25, 2027	4.25	5,314	5,306
June 25, 2027	4.25	5,253	5,367
September 25, 2027	4.25	5,310	5,310
December 25, 2027	4.25	5,424	5,196
March 25, 2028	4.25	5,538	5,082
June 25, 2028	4.25	5,484	5,136
September 25, 2028	4.25	5,543	5,077
December 25, 2028	4.25	5,657	4,963
March 25, 2029	4.25	5,770	4,850
June 25, 2029	4.25	5,724	4,896
September 25, 2029	4.25	5,786	4,834
December 25, 2029	4.25	5,900	4,720
March 25, 2030	4.25	6,013	4,607
June 25, 2030	4.25	5,975	4,645
September 25, 2030	4.25	6,039	4,581
December 25, 2030	4.25	6,153	4,467
March 25, 2031	4.25	6,267	4,353
June 25, 2031	4.25	6,237	4,383
September 25, 2031	4.25	6,304	4,316
December 25, 2031	4.25	6,418	4,202
March 25, 2032	4.25	6,531	4,089
June 25, 2032	4.25	6,510	4,110
September 25, 2032	4.25	6,580	4,040
December 25, 2032	4.25	6,694	3,926
March 25, 2033	4.25	6,807	3,813
June 25, 2033	4.25	6,795	3,825
September 25, 2033	4.25	6,868	3,752
December 25, 2033	4.25	6,981	3,639
March 25, 2034	4.25	7,095	3,525
June 25, 2034	4.25	7,092	3,528
September 25, 2034	4.25	7,168	3,452
December 25, 2034	4.25	7,282	3,338
March 25, 2035	4.25	7,395	3,225
June 25, 2035	4.25	7,402	3,218
September 25, 2035	4.25	7,481	3,139
December 25, 2035	4.25	7,595	3,025
March 25, 2036	4.25	7,708	2,912
June 25, 2036	4.25	7,726	2,894
September 25, 2036	4.25	7,808	2,812
December 25, 2036	4.25	7,922	2,698
March 25, 2037	4.25	8,034	2,586
June 25, 2037	4.25	8,063	2,557
September 25, 2037	4.25	8,149	2,471
December 25, 2037	4.25	8,262	2,358

(continued)

SUSSEX COUNTY, DELAWARE
 BONDED DEBT GENERAL OBLIGATION - 2003
 (PRINCIPAL AND INTEREST PAYMENTS ONLY) - CONTINUED
 JUNE 30, 2011

<u>Date of Maturity</u>	<u>Coupon</u>	<u>Principal Maturity</u>	<u>Interest Payable</u>
March 25, 2038	4.25 %	\$ 8,375	\$ 2,245
June 25, 2038	4.25	8,415	2,205
September 25, 2038	4.25	8,505	2,115
December 25, 2038	4.25	8,618	2,002
March 25, 2039	4.25	8,730	1,890
June 25, 2039	4.25	8,782	1,838
September 25, 2039	4.25	8,876	1,744
December 25, 2039	4.25	8,989	1,631
March 25, 2040	4.25	9,101	1,519
June 25, 2040	4.25	9,165	1,455
September 25, 2040	4.25	9,263	1,357
December 25, 2040	4.25	9,376	1,244
March 25, 2041	4.25	9,488	1,132
June 25, 2041	4.25	9,564	1,056
September 25, 2041	4.25	9,667	953
December 25, 2041	4.25	9,780	840
March 25, 2042	4.25	9,891	729
June 25, 2042	4.25	9,981	639
September 25, 2042	4.25	10,088	532
December 25, 2042	4.25	10,201	419
March 25, 2043	4.25	10,312	308
June 25, 2043	4.25	10,416	204
September 25, 2043	4.25	8,652	90
		<u>\$ 743,367</u>	<u>\$ 624,735</u>

(continued)

SUSSEX COUNTY, DELAWARE
 BONDED DEBT GENERAL OBLIGATION - 2003
 (PRINCIPAL AND INTEREST PAYMENTS ONLY) - CONTINUED
 JUNE 30, 2011

<u>Date of Maturity</u>	<u>Coupon</u>	<u>Principal Maturity</u>	<u>Interest Payable</u>
September 25, 2011	4.25 %	\$ 4,075	\$ 12,213
December 25, 2011	4.25	4,250	12,038
March 25, 2012	4.25	4,427	11,861
June 25, 2012	4.25	4,211	12,077
September 25, 2012	4.25	4,256	12,032
December 25, 2012	4.25	4,432	11,856
March 25, 2013	4.25	4,609	11,679
June 25, 2013	4.25	4,399	11,889
September 25, 2013	4.25	4,446	11,842
December 25, 2013	4.25	4,621	11,667
March 25, 2014	4.25	4,798	11,490
June 25, 2014	4.25	4,594	11,694
September 25, 2014	4.25	4,643	11,645
December 25, 2014	4.25	4,819	11,469
March 25, 2015	4.25	4,996	11,292
June 25, 2015	4.25	4,798	11,490
September 25, 2015	4.25	4,850	11,438
December 25, 2015	4.25	5,025	11,263
March 25, 2016	4.25	5,202	11,086
June 25, 2016	4.25	5,011	11,277
September 25, 2016	4.25	5,065	11,223
December 25, 2016	4.25	5,241	11,047
March 25, 2017	4.25	5,417	10,871
June 25, 2017	4.25	5,233	11,055
September 25, 2017	4.25	5,289	10,999
December 25, 2017	4.25	5,465	10,823
March 25, 2018	4.25	5,641	10,647
June 25, 2018	4.25	5,465	10,823
September 25, 2018	4.25	5,524	10,764
December 25, 2018	4.25	5,699	10,589
March 25, 2019	4.25	5,875	10,413
June 25, 2019	4.25	5,707	10,581
September 25, 2019	4.25	5,768	10,520
December 25, 2019	4.25	5,943	10,345
March 25, 2020	4.25	6,119	10,169
June 25, 2020	4.25	5,959	10,329
September 25, 2020	4.25	6,023	10,265
December 25, 2020	4.25	6,198	10,090
March 25, 2021	4.25	6,374	9,914
June 25, 2021	4.25	6,222	10,066
September 25, 2021	4.25	6,288	10,000
December 25, 2021	4.25	6,464	9,824
March 25, 2022	4.25	6,639	9,649
June 25, 2022	4.25	6,496	9,792
September 25, 2022	4.25	6,566	9,722
December 25, 2022	4.25	6,741	9,547
March 25, 2023	4.25	6,917	9,371
June 25, 2023	4.25	6,782	9,506
September 25, 2023	4.25	6,855	9,433
December 25, 2023	4.25	7,030	9,258
March 25, 2024	4.25	7,206	9,082
June 25, 2024	4.25	7,081	9,207
September 25, 2024	4.25	7,157	9,131

(continued)

SUSSEX COUNTY, DELAWARE
 BONDED DEBT GENERAL OBLIGATION - 2003
 (PRINCIPAL AND INTEREST PAYMENTS ONLY) - CONTINUED
 JUNE 30, 2011

<u>Date of Maturity</u>	<u>Coupon</u>	<u>Principal Maturity</u>	<u>Interest Payable</u>
December 25, 2024	4.25 %	\$ 7,332	\$ 8,956
March 25, 2025	4.25	7,507	8,781
June 25, 2025	4.25	7,393	8,895
September 25, 2025	4.25	7,472	8,816
December 25, 2025	4.25	7,647	8,641
March 25, 2026	4.25	7,822	8,466
June 25, 2026	4.25	7,717	8,571
September 25, 2026	4.25	7,800	8,488
December 25, 2026	4.25	7,975	8,313
March 25, 2027	4.25	8,150	8,138
June 25, 2027	4.25	8,056	8,232
September 25, 2027	4.25	8,143	8,145
December 25, 2027	4.25	8,318	7,970
March 25, 2028	4.25	8,492	7,796
June 25, 2028	4.25	8,410	7,878
September 25, 2028	4.25	8,500	7,788
December 25, 2028	4.25	8,675	7,613
March 25, 2029	4.25	8,849	7,439
June 25, 2029	4.25	8,779	7,509
September 25, 2029	4.25	8,873	7,415
December 25, 2029	4.25	9,048	7,240
March 25, 2030	4.25	9,222	7,066
June 25, 2030	4.25	9,164	7,124
September 25, 2030	4.25	9,262	7,026
December 25, 2030	4.25	9,436	6,852
March 25, 2031	4.25	9,611	6,677
June 25, 2031	4.25	9,565	6,723
September 25, 2031	4.25	9,668	6,620
December 25, 2031	4.25	9,842	6,446
March 25, 2032	4.25	10,016	6,272
June 25, 2032	4.25	9,984	6,304
September 25, 2032	4.25	10,091	6,197
December 25, 2032	4.25	10,265	6,023
March 25, 2033	4.25	10,439	5,849
June 25, 2033	4.25	10,421	5,867
September 25, 2033	4.25	10,532	5,756
December 25, 2033	4.25	10,706	5,582
March 25, 2034	4.25	10,880	5,408
June 25, 2034	4.25	10,876	5,412
September 25, 2034	4.25	10,993	5,295
December 25, 2034	4.25	11,167	5,121
March 25, 2035	4.25	11,340	4,948
June 25, 2035	4.25	11,352	4,936
September 25, 2035	4.25	11,473	4,815
December 25, 2035	4.25	11,647	4,641
March 25, 2036	4.25	11,820	4,468
June 25, 2036	4.25	11,848	4,440
September 25, 2036	4.25	11,975	4,313
December 25, 2036	4.25	12,148	4,140
March 25, 2037	4.25	12,321	3,967
June 25, 2037	4.25	12,365	3,923
September 25, 2037	4.25	12,497	3,791
December 25, 2037	4.25	12,671	3,617

(continued)

SUSSEX COUNTY, DELAWARE
 BONDED DEBT GENERAL OBLIGATION - 2003
 (PRINCIPAL AND INTEREST PAYMENTS ONLY) - CONTINUED
 JUNE 30, 2011

<u>Date of Maturity</u>	<u>Coupon</u>	<u>Principal Maturity</u>	<u>Interest Payable</u>
March 25, 2038	4.25 %	\$ 12,844	\$ 3,444
June 25, 2038	4.25	12,905	3,383
September 25, 2038	4.25	13,043	3,245
December 25, 2038	4.25	13,216	3,072
March 25, 2039	4.25	13,389	2,899
June 25, 2039	4.25	13,468	2,820
September 25, 2039	4.25	13,612	2,676
December 25, 2039	4.25	13,785	2,503
March 25, 2040	4.25	13,957	2,331
June 25, 2040	4.25	14,055	2,233
September 25, 2040	4.25	14,205	2,083
December 25, 2040	4.25	14,379	1,909
March 25, 2041	4.25	14,550	1,738
June 25, 2041	4.25	14,668	1,620
September 25, 2041	4.25	14,825	1,463
December 25, 2041	4.25	14,998	1,290
March 25, 2042	4.25	15,169	1,119
June 25, 2042	4.25	15,307	981
September 25, 2042	4.25	15,471	817
December 25, 2042	4.25	15,643	645
March 25, 2043	4.25	15,814	474
June 25, 2043	4.25	15,973	315
September 25, 2043	4.25	13,405	146
		<u>\$ 1,140,147</u>	<u>\$ 958,268</u>

(continued)

SUSSEX COUNTY, DELAWARE
 BONDED DEBT GENERAL OBLIGATION - 2003
 (PRINCIPAL AND INTEREST PAYMENTS ONLY) - CONTINUED
 JUNE 30, 2011

<u>Date of Maturity</u>	<u>Coupon</u>	<u>Principal Maturity</u>	<u>Interest Payable</u>
September 19, 2011	4.25 %	\$ 6,404	\$ 19,200
December 19, 2011	4.25	6,680	18,924
March 19, 2012	4.25	6,958	18,646
June 19, 2012	4.25	6,619	18,985
September 19, 2012	4.25	6,690	18,914
December 19, 2012	4.25	6,966	18,638
March 19, 2013	4.25	7,244	18,360
June 19, 2013	4.25	6,913	18,691
September 19, 2013	4.25	6,987	18,617
December 19, 2013	4.25	7,264	18,340
March 19, 2014	4.25	7,542	18,062
June 19, 2014	4.25	7,221	18,383
September 19, 2014	4.25	7,298	18,306
December 19, 2014	4.25	7,575	18,029
March 19, 2015	4.25	7,852	17,752
June 19, 2015	4.25	7,542	18,062
September 19, 2015	4.25	7,622	17,982
December 19, 2015	4.25	7,899	17,705
March 19, 2016	4.25	8,176	17,428
June 19, 2016	4.25	7,876	17,728
September 19, 2016	4.25	7,961	17,643
December 19, 2016	4.25	8,237	17,367
March 19, 2017	4.25	8,514	17,090
June 19, 2017	4.25	8,225	17,379
September 19, 2017	4.25	8,313	17,291
December 19, 2017	4.25	8,590	17,014
March 19, 2018	4.25	8,866	16,738
June 19, 2018	4.25	8,590	17,014
September 19, 2018	4.25	8,682	16,922
December 19, 2018	4.25	8,958	16,646
March 19, 2019	4.25	9,234	16,370
June 19, 2019	4.25	8,969	16,635
September 19, 2019	4.25	9,066	16,538
December 19, 2019	4.25	9,341	16,263
March 19, 2020	4.25	9,618	15,986
June 19, 2020	4.25	9,366	16,238
September 19, 2020	4.25	9,466	16,138
December 19, 2020	4.25	9,742	15,862
March 19, 2021	4.25	10,018	15,586
June 19, 2021	4.25	9,779	15,825
September 19, 2021	4.25	9,884	15,720
December 19, 2021	4.25	10,160	15,444
March 19, 2022	4.25	10,436	15,168
June 19, 2022	4.25	10,210	15,394
September 19, 2022	4.25	10,320	15,284
December 19, 2022	4.25	10,595	15,009
March 19, 2023	4.25	10,871	14,733
June 19, 2023	4.25	10,661	14,943
September 19, 2023	4.25	10,774	14,830
December 19, 2023	4.25	11,050	14,554
March 19, 2024	4.25	11,326	14,278
June 19, 2024	4.25	11,130	14,474
September 19, 2024	4.25	11,249	14,355

(continued)

SUSSEX COUNTY, DELAWARE
 BONDED DEBT GENERAL OBLIGATION - 2003
 (PRINCIPAL AND INTEREST PAYMENTS ONLY) - CONTINUED
 JUNE 30, 2011

<u>Date of Maturity</u>	<u>Coupon</u>	<u>Principal Maturity</u>	<u>Interest Payable</u>
December 19, 2024	4.25 %	\$ 11,524	\$ 14,080
March 19, 2025	4.25	11,800	13,804
June 19, 2025	4.25	11,619	13,985
September 19, 2025	4.25	11,743	13,861
December 19, 2025	4.25	12,019	13,585
March 19, 2026	4.25	12,294	13,310
June 19, 2026	4.25	12,130	13,474
September 19, 2026	4.25	12,260	13,344
December 19, 2026	4.25	12,535	13,069
March 19, 2027	4.25	12,810	12,794
June 19, 2027	4.25	12,662	12,942
September 19, 2027	4.25	12,798	12,806
December 19, 2027	4.25	13,073	12,531
March 19, 2028	4.25	13,348	12,256
June 19, 2028	4.25	13,219	12,385
September 19, 2028	4.25	13,360	12,244
December 19, 2028	4.25	13,635	11,969
March 19, 2029	4.25	13,909	11,695
June 19, 2029	4.25	13,798	11,806
September 19, 2029	4.25	13,946	11,658
December 19, 2029	4.25	14,220	11,384
March 19, 2030	4.25	14,495	11,109
June 19, 2030	4.25	14,403	11,201
September 19, 2030	4.25	14,557	11,047
December 19, 2030	4.25	14,832	10,772
March 19, 2031	4.25	15,105	10,499
June 19, 2031	4.25	15,034	10,570
September 19, 2031	4.25	15,195	10,409
December 19, 2031	4.25	15,469	10,135
March 19, 2032	4.25	15,743	9,861
June 19, 2032	4.25	15,692	9,912
September 19, 2032	4.25	15,860	9,744
December 19, 2032	4.25	16,134	9,470
March 19, 2033	4.25	16,408	9,196
June 19, 2033	4.25	16,379	9,225
September 19, 2033	4.25	16,554	9,050
December 19, 2033	4.25	16,828	8,776
March 19, 2034	4.25	17,101	8,503
June 19, 2034	4.25	17,095	8,509
September 19, 2034	4.25	17,278	8,326
December 19, 2034	4.25	17,552	8,052
March 19, 2035	4.25	17,824	7,780
June 19, 2035	4.25	17,842	7,762
September 19, 2035	4.25	18,033	7,571
December 19, 2035	4.25	18,307	7,297
March 19, 2036	4.25	18,579	7,025
June 19, 2036	4.25	18,621	6,983
September 19, 2036	4.25	18,821	6,783
December 19, 2036	4.25	19,094	6,510
March 19, 2037	4.25	19,366	6,238
June 19, 2037	4.25	19,435	6,169
September 19, 2037	4.25	19,643	5,961
December 19, 2037	4.25	19,916	5,688

(continued)

SUSSEX COUNTY, DELAWARE
 BONDED DEBT GENERAL OBLIGATION - 2003
 (PRINCIPAL AND INTEREST PAYMENTS ONLY) - CONTINUED
 JUNE 30, 2011

<u>Date of Maturity</u>	<u>Coupon</u>	<u>Principal Maturity</u>	<u>Interest Payable</u>
March 19, 2038	4.25 %	\$ 20,187	\$ 5,417
June 19, 2038	4.25	20,283	5,321
September 19, 2038	4.25	20,500	5,104
December 19, 2038	4.25	20,773	4,831
March 19, 2039	4.25	21,043	4,561
June 19, 2039	4.25	21,168	4,436
September 19, 2039	4.25	21,395	4,209
December 19, 2039	4.25	21,667	3,937
March 19, 2040	4.25	21,937	3,667
June 19, 2040	4.25	22,091	3,513
September 19, 2040	4.25	22,327	3,277
December 19, 2040	4.25	22,600	3,004
March 19, 2041	4.25	22,869	2,735
June 19, 2041	4.25	23,054	2,550
September 19, 2041	4.25	23,301	2,303
December 19, 2041	4.25	23,572	2,032
March 19, 2042	4.25	23,842	1,762
June 19, 2042	4.25	24,058	1,546
September 19, 2042	4.25	24,316	1,288
December 19, 2042	4.25	24,588	1,016
March 19, 2043	4.25	24,856	748
June 19, 2043	4.25	25,106	498
September 19, 2043	4.25	21,378	230
		<u>\$ 1,792,337</u>	<u>\$ 1,506,583</u>

(continued)

SUSSEX COUNTY, DELAWARE
 BONDED DEBT GENERAL OBLIGATION - 2003
 (PRINCIPAL AND INTEREST PAYMENTS ONLY) - CONTINUED
 JUNE 30, 2011

<u>Date of Maturity</u>	<u>Coupon</u>	<u>Principal Maturity</u>	<u>Interest Payable</u>
December 27, 2011	1.50 %	\$ 29,579	\$ 7,710
June 27, 2012	1.50	29,801	7,488
December 27, 2012	1.50	30,024	7,265
June 27, 2013	1.50	30,250	7,039
December 27, 2013	1.50	30,476	6,813
June 27, 2014	1.50	30,705	6,584
December 27, 2014	1.50	30,935	6,354
June 27, 2015	1.50	31,168	6,121
December 27, 2015	1.50	31,401	5,888
June 27, 2016	1.50	31,637	5,652
December 27, 2016	1.50	31,874	5,415
June 27, 2017	1.50	32,113	5,176
December 27, 2017	1.50	32,354	4,935
June 27, 2018	1.50	32,596	4,693
December 27, 2018	1.50	32,841	4,448
June 27, 2019	1.50	33,087	4,202
December 27, 2019	1.50	33,335	3,954
June 27, 2020	1.50	33,586	3,703
December 27, 2020	1.50	33,837	3,452
June 27, 2021	1.50	34,091	3,198
December 27, 2021	1.50	34,347	2,942
June 27, 2022	1.50	34,604	2,685
December 27, 2022	1.50	34,864	2,425
June 27, 2023	1.50	35,125	2,164
December 27, 2023	1.50	35,389	1,900
June 27, 2024	1.50	35,654	1,635
December 27, 2024	1.50	35,921	1,368
June 27, 2025	1.50	36,191	1,098
December 27, 2025	1.50	36,462	827
June 27, 2026	1.50	36,736	553
December 27, 2026	1.50	37,010	279
		\$ 1,027,993	\$ 127,966

(continued)

SUSSEX COUNTY, DELAWARE
 BONDED DEBT GENERAL OBLIGATION - 2004
 (PRINCIPAL AND INTEREST PAYMENTS ONLY) - CONTINUED
 JUNE 30, 2011

<u>Date of Maturity</u>	<u>Coupon</u>	<u>Principal Maturity</u>	<u>Interest Payable</u>
September 22, 2011	4.375 %	\$ 21,284	\$ 70,421
December 22, 2011	4.375	22,282	69,423
March 22, 2012	4.375	23,285	68,420
June 22, 2012	4.375	22,021	69,684
September 22, 2012	4.375	22,264	69,441
December 22, 2012	4.375	23,262	68,443
March 22, 2013	4.375	24,265	67,440
June 22, 2013	4.375	23,034	68,671
September 22, 2013	4.375	23,288	68,417
December 22, 2013	4.375	24,286	67,419
March 22, 2014	4.375	25,288	66,417
June 22, 2014	4.375	24,091	67,614
September 22, 2014	4.375	24,357	67,348
December 22, 2014	4.375	25,355	66,350
March 22, 2015	4.375	26,357	65,348
June 22, 2015	4.375	25,196	66,509
September 22, 2015	4.375	25,474	66,231
December 22, 2015	4.375	26,471	65,234
March 22, 2016	4.375	27,474	64,231
June 22, 2016	4.375	26,349	65,356
September 22, 2016	4.375	26,640	65,065
December 22, 2016	4.375	27,638	64,067
March 22, 2017	4.375	28,640	63,065
June 22, 2017	4.375	27,554	64,151
September 22, 2017	4.375	27,858	63,847
December 22, 2017	4.375	28,856	62,849
March 22, 2018	4.375	29,858	61,847
June 22, 2018	4.375	28,813	62,892
September 22, 2018	4.375	29,131	62,574
December 22, 2018	4.375	30,129	61,576
March 22, 2019	4.375	31,130	60,575
June 22, 2019	4.375	30,127	61,578
September 22, 2019	4.375	30,460	61,245
December 22, 2019	4.375	31,457	60,248
March 22, 2020	4.375	32,459	59,246
June 22, 2020	4.375	31,500	60,205
September 22, 2020	4.375	31,847	59,858
December 22, 2020	4.375	32,846	58,859
March 22, 2021	4.375	33,847	57,858
June 22, 2021	4.375	32,934	58,771
September 22, 2021	4.375	33,297	58,408
December 22, 2021	4.375	34,296	57,409
March 22, 2022	4.375	35,296	56,409
June 22, 2022	4.375	34,432	57,273
September 22, 2022	4.375	34,812	56,893
December 22, 2022	4.375	35,810	55,895
March 22, 2023	4.375	36,810	54,895
June 22, 2023	4.375	35,996	55,709
September 22, 2023	4.375	36,393	55,312
December 22, 2023	4.375	37,392	54,313
March 22, 2024	4.375	38,392	53,313
June 22, 2024	4.375	37,630	54,075
September 22, 2024	4.375	38,045	53,660

(continued)

SUSSEX COUNTY, DELAWARE
 BONDED DEBT GENERAL OBLIGATION - 2004
 (PRINCIPAL AND INTEREST PAYMENTS ONLY) - CONTINUED
 JUNE 30, 2011

<u>Date of Maturity</u>	<u>Coupon</u>	<u>Principal Maturity</u>	<u>Interest Payable</u>
December 22, 2024	4.375 %	\$ 39,044	\$ 52,661
March 22, 2025	4.375	40,044	51,661
June 22, 2025	4.375	39,337	52,368
September 22, 2025	4.375	39,771	51,934
December 22, 2025	4.375	40,769	50,936
March 22, 2026	4.375	41,769	49,936
June 22, 2026	4.375	41,119	50,586
September 22, 2026	4.375	41,573	50,132
December 22, 2026	4.375	42,571	49,134
March 22, 2027	4.375	43,571	48,134
June 22, 2027	4.375	42,981	48,724
September 22, 2027	4.375	43,455	48,250
December 22, 2027	4.375	44,454	47,251
March 22, 2028	4.375	45,453	46,252
June 22, 2028	4.375	44,926	46,779
September 22, 2028	4.375	45,422	46,283
December 22, 2028	4.375	46,420	45,285
March 22, 2029	4.375	47,418	44,287
June 22, 2029	4.375	46,957	44,748
September 22, 2029	4.375	47,475	44,230
December 22, 2029	4.375	48,474	43,231
March 22, 2030	4.375	49,471	42,234
June 22, 2030	4.375	49,078	42,627
September 22, 2030	4.375	49,620	42,085
December 22, 2030	4.375	50,618	41,087
March 22, 2031	4.375	51,616	40,089
June 22, 2031	4.375	51,294	40,411
September 22, 2031	4.375	51,860	39,845
December 22, 2031	4.375	52,859	38,846
March 22, 2032	4.375	53,856	37,849
June 22, 2032	4.375	53,608	38,097
September 22, 2032	4.375	54,200	37,505
December 22, 2032	4.375	55,198	36,507
March 22, 2033	4.375	56,195	35,510
June 22, 2033	4.375	56,026	35,679
September 22, 2033	4.375	56,644	35,061
December 22, 2033	4.375	57,642	34,063
March 22, 2034	4.375	58,639	33,066
June 22, 2034	4.375	58,550	33,155
September 22, 2034	4.375	59,196	32,509
December 22, 2034	4.375	60,195	31,510
March 22, 2035	4.375	61,191	30,514
June 22, 2035	4.375	61,188	30,517
September 22, 2035	4.375	61,862	29,843
December 22, 2035	4.375	62,861	28,844
March 22, 2036	4.375	63,857	27,848
June 22, 2036	4.375	63,942	27,763
September 22, 2036	4.375	64,647	27,058
December 22, 2036	4.375	65,646	26,059
March 22, 2037	4.375	66,641	25,064
June 22, 2037	4.375	66,818	24,887
September 22, 2037	4.375	67,555	24,150
December 22, 2037	4.375	68,555	23,150

(continued)

SUSSEX COUNTY, DELAWARE
 BONDED DEBT GENERAL OBLIGATION - 2004
 (PRINCIPAL AND INTEREST PAYMENTS ONLY) - CONTINUED
 JUNE 30, 2011

<u>Date of Maturity</u>	<u>Coupon</u>	<u>Principal Maturity</u>	<u>Interest Payable</u>
March 22, 2038	4.375 %	\$ 69,549	\$ 22,156
June 22, 2038	4.375	69,823	21,882
September 22, 2038	4.375	70,593	21,112
December 22, 2038	4.375	71,593	20,112
March 22, 2039	4.375	72,586	19,119
June 22, 2039	4.375	72,962	18,743
September 22, 2039	4.375	73,766	17,939
December 22, 2039	4.375	74,766	16,939
March 22, 2040	4.375	75,758	15,947
June 22, 2040	4.375	76,240	15,465
September 22, 2040	4.375	77,080	14,625
December 22, 2040	4.375	78,080	13,625
March 22, 2041	4.375	79,072	12,633
June 22, 2041	4.375	79,664	12,041
September 22, 2041	4.375	80,542	11,163
December 22, 2041	4.375	81,542	10,163
March 22, 2042	4.375	82,533	9,172
June 22, 2042	4.375	83,239	8,466
September 22, 2042	4.375	84,157	7,548
December 22, 2042	4.375	85,157	6,548
March 22, 2043	4.375	86,148	5,557
June 22, 2043	4.375	86,974	4,731
September 22, 2043	4.375	87,933	3,772
December 22, 2043	4.375	88,933	2,772
March 22, 2044	4.375	89,923	1,782
June 22, 2044	4.375	75,239	828
		\$ 6,385,991	\$ 5,703,431

(continued)

SUSSEX COUNTY, DELAWARE
 BONDED DEBT GENERAL OBLIGATION - 2004
 (PRINCIPAL AND INTEREST PAYMENTS ONLY) - CONTINUED
 JUNE 30, 2011

<u>Date of Maturity</u>	<u>Coupon</u>	<u>Principal Maturity</u>	<u>Interest Payable</u>
December 31, 2011	1.50 %	\$ 226,862	\$ 63,439
June 30, 2012	1.50	228,564	61,738
December 31, 2012	1.50	230,278	60,024
June 30, 2013	1.50	232,005	58,296
December 31, 2013	1.50	233,745	56,557
June 30, 2014	1.50	235,498	54,803
December 31, 2014	1.50	237,265	53,037
June 30, 2015	1.50	239,044	51,257
December 31, 2015	1.50	240,837	49,465
June 30, 2016	1.50	242,643	47,658
December 31, 2016	1.50	244,463	45,839
June 30, 2017	1.50	246,296	44,005
December 31, 2017	1.50	248,144	42,158
June 30, 2018	1.50	250,005	40,296
December 31, 2018	1.50	251,880	38,422
June 30, 2019	1.50	253,769	36,532
December 31, 2019	1.50	255,672	34,629
June 30, 2020	1.50	257,590	32,712
December 31, 2020	1.50	259,522	30,780
June 30, 2021	1.50	261,468	28,833
December 31, 2021	1.50	263,429	26,872
June 30, 2022	1.50	265,405	24,897
December 31, 2022	1.50	267,395	22,906
June 30, 2023	1.50	269,401	20,901
December 31, 2023	1.50	271,421	18,880
June 30, 2024	1.50	273,457	16,845
December 31, 2024	1.50	275,508	14,794
June 30, 2025	1.50	277,574	12,727
December 31, 2025	1.50	279,656	10,646
June 30, 2026	1.50	281,753	8,548
December 31, 2026	1.50	283,867	6,435
June 30, 2027	1.50	285,996	4,305
December 31, 2027	1.50	288,140	2,162
		\$ 8,458,552	\$ 1,121,398

(continued)

SUSSEX COUNTY, DELAWARE
 BONDED DEBT GENERAL OBLIGATION - 2005
 (PRINCIPAL AND INTEREST PAYMENTS ONLY) - CONTINUED
 JUNE 30, 2011

<u>Date of Maturity</u>	<u>Coupon</u>	<u>Principal Maturity</u>	<u>Interest Payable</u>
July 21, 2011	4.125 %	\$ 22,139	\$ 67,391
October 21, 2011	4.125	21,629	67,901
January 21, 2012	4.125	21,854	67,676
April 21, 2012	4.125	23,547	65,983
July 21, 2012	4.125	23,056	66,474
October 21, 2012	4.125	22,565	66,965
January 21, 2013	4.125	22,800	66,730
April 21, 2013	4.125	24,483	65,047
July 21, 2013	4.125	24,012	65,518
October 21, 2013	4.125	23,541	65,989
January 21, 2014	4.125	23,786	65,744
April 21, 2014	4.125	25,457	64,073
July 21, 2014	4.125	25,007	64,523
October 21, 2014	4.125	24,558	64,972
January 21, 2015	4.125	24,813	64,717
April 21, 2015	4.125	26,473	63,057
July 21, 2015	4.125	26,044	63,486
October 21, 2015	4.125	25,617	63,913
January 21, 2016	4.125	25,884	63,646
April 21, 2016	4.125	27,531	61,999
July 21, 2016	4.125	27,125	62,405
October 21, 2016	4.125	26,721	62,809
January 21, 2017	4.125	26,999	62,531
April 21, 2017	4.125	28,633	60,897
July 21, 2017	4.125	28,251	61,279
October 21, 2017	4.125	27,871	61,659
January 21, 2018	4.125	28,161	61,369
April 21, 2018	4.125	29,781	59,749
July 21, 2018	4.125	29,424	60,106
October 21, 2018	4.125	29,069	60,461
January 21, 2019	4.125	29,372	60,158
April 21, 2019	4.125	30,978	58,552
July 21, 2019	4.125	30,646	58,884
October 21, 2019	4.125	30,318	59,212
January 21, 2020	4.125	30,633	58,897
April 21, 2020	4.125	32,225	57,305
July 21, 2020	4.125	31,920	57,610
October 21, 2020	4.125	31,618	57,912
January 21, 2021	4.125	31,947	57,583
April 21, 2021	4.125	33,524	56,006
July 21, 2021	4.125	33,246	56,284
October 21, 2021	4.125	32,974	56,556
January 21, 2022	4.125	33,316	56,214
April 21, 2022	4.125	34,877	54,653
July 21, 2022	4.125	34,629	54,901
October 21, 2022	4.125	34,385	55,145
January 21, 2023	4.125	34,743	54,787
April 21, 2023	4.125	36,287	53,243
July 21, 2023	4.125	36,069	53,461
October 21, 2023	4.125	35,856	53,674
January 21, 2024	4.125	36,229	53,301
April 21, 2024	4.125	37,757	51,773
July 21, 2024	4.125	37,569	51,961

(continued)

SUSSEX COUNTY, DELAWARE
 BONDED DEBT GENERAL OBLIGATION - 2005
 (PRINCIPAL AND INTEREST PAYMENTS ONLY) - CONTINUED
 JUNE 30, 2011

<u>Date of Maturity</u>	<u>Coupon</u>	<u>Principal Maturity</u>	<u>Interest Payable</u>
October 21, 2024	4.125 %	\$ 37,389	\$ 52,141
January 21, 2025	4.125	37,778	51,752
April 21, 2025	4.125	39,287	50,243
July 21, 2025	4.125	39,133	50,397
October 21, 2025	4.125	38,986	50,544
January 21, 2026	4.125	39,391	50,139
April 21, 2026	4.125	40,882	48,648
July 21, 2026	4.125	40,762	48,768
October 21, 2026	4.125	40,650	48,880
January 21, 2027	4.125	41,072	48,458
April 21, 2027	4.125	42,544	46,986
July 21, 2027	4.125	42,459	47,071
October 21, 2027	4.125	42,383	47,147
January 21, 2028	4.125	42,824	46,706
April 21, 2028	4.125	44,275	45,255
July 21, 2028	4.125	44,227	45,303
October 21, 2028	4.125	44,189	45,341
January 21, 2029	4.125	44,649	44,881
April 21, 2029	4.125	46,079	43,451
July 21, 2029	4.125	46,070	43,460
October 21, 2029	4.125	46,071	43,459
January 21, 2030	4.125	46,550	42,980
April 21, 2030	4.125	47,958	41,572
July 21, 2030	4.125	47,989	41,541
October 21, 2030	4.125	48,032	41,498
January 21, 2031	4.125	48,531	40,999
April 21, 2031	4.125	49,916	39,614
July 21, 2031	4.125	49,989	39,541
October 21, 2031	4.125	50,075	39,455
January 21, 2032	4.125	50,595	38,935
April 21, 2032	4.125	51,956	37,574
July 21, 2032	4.125	52,073	37,457
October 21, 2032	4.125	52,203	37,327
January 21, 2033	4.125	52,745	36,785
April 21, 2033	4.125	54,082	35,448
July 21, 2033	4.125	54,244	35,286
October 21, 2033	4.125	54,420	35,110
January 21, 2034	4.125	54,986	34,544
April 21, 2034	4.125	56,296	33,234
July 21, 2034	4.125	56,506	33,024
October 21, 2034	4.125	56,730	32,800
January 21, 2035	4.125	57,320	32,210
April 21, 2035	4.125	58,604	30,926
July 21, 2035	4.125	58,863	30,667
October 21, 2035	4.125	59,138	30,392
January 21, 2036	4.125	59,752	29,778
April 21, 2036	4.125	61,008	28,522
July 21, 2036	4.125	61,318	28,212
October 21, 2036	4.125	61,646	27,884
January 21, 2037	4.125	62,287	27,243
April 21, 2037	4.125	63,512	26,018
July 21, 2037	4.125	63,876	25,654
October 21, 2037	4.125	64,259	25,271

(continued)

SUSSEX COUNTY, DELAWARE
 BONDED DEBT GENERAL OBLIGATION - 2005
 (PRINCIPAL AND INTEREST PAYMENTS ONLY) - CONTINUED
 JUNE 30, 2011

<u>Date of Maturity</u>	<u>Coupon</u>	<u>Principal Maturity</u>	<u>Interest Payable</u>
January 21, 2038	4.125 %	\$ 64,927	\$ 24,603
April 21, 2038	4.125	66,122	23,408
July 21, 2038	4.125	66,542	22,988
October 21, 2038	4.125	66,981	22,549
January 21, 2039	4.125	67,678	21,852
April 21, 2039	4.125	68,841	20,689
July 21, 2039	4.125	69,319	20,211
October 21, 2039	4.125	69,818	19,712
January 21, 2040	4.125	70,544	18,986
April 21, 2040	4.125	71,674	17,856
July 21, 2040	4.125	72,213	17,317
October 21, 2040	4.125	72,773	16,757
January 21, 2041	4.125	73,530	16,000
April 21, 2041	4.125	74,625	14,905
July 21, 2041	4.125	75,228	14,302
October 21, 2041	4.125	75,852	13,678
January 21, 2042	4.125	76,641	12,889
April 21, 2042	4.125	77,701	11,829
July 21, 2042	4.125	78,368	11,162
October 21, 2042	4.125	79,061	10,469
January 21, 2043	4.125	79,883	9,647
April 21, 2043	4.125	80,905	8,625
July 21, 2043	4.125	81,641	7,889
October 21, 2043	4.125	82,404	7,126
January 21, 2044	4.125	83,260	6,270
April 21, 2044	4.125	84,243	5,287
July 21, 2044	4.125	85,051	4,479
October 21, 2044	4.125	85,886	3,644
January 21, 2045	4.125	86,779	2,751
April 21, 2045	4.125	87,721	1,809
July 21, 2045	4.125	90,102	927
		\$ 6,552,821	\$ 5,714,288

(continued)

SUSSEX COUNTY, DELAWARE
 BONDED DEBT REVENUE BONDS - 2005
 (PRINCIPAL AND INTEREST PAYMENTS ONLY) - CONTINUED
 JUNE 30, 2011

<u>Date of Maturity</u>	<u>Coupon</u>	<u>Principal Maturity</u>	<u>Interest Payable</u>
December 15, 2011	- %	\$ -	\$ 298,869
June 15, 2012	3.750	790,000	298,869
December 15, 2012	-	-	284,057
June 15, 2013	3.750	820,000	284,057
December 15, 2013	-	-	268,682
June 15, 2014	3.750	850,000	268,682
December 15, 2014	-	-	252,744
June 15, 2015	4.000	885,000	252,744
December 15, 2015	-	-	235,044
June 15, 2016	4.000	920,000	235,044
December 15, 2016	-	-	216,644
June 15, 2017	4.000	955,000	216,644
December 15, 2017	-	-	197,544
June 15, 2018	4.000	990,000	197,544
December 15, 2018	-	-	177,744
June 15, 2019	4.250	1,035,000	177,744
December 15, 2019	-	-	155,751
June 15, 2020	4.250	1,070,000	155,751
December 15, 2020	-	-	133,013
June 15, 2021	4.250	1,120,000	133,013
December 15, 2021	-	-	109,213
June 15, 2022	4.250	1,170,000	109,213
December 15, 2022	-	-	84,351
June 15, 2023	4.350	1,220,000	84,351
December 15, 2023	-	-	57,816
June 15, 2024	4.375	1,275,000	57,816
December 15, 2024	-	-	29,925
June 15, 2025	4.500	1,330,000	29,925
		<u>\$ 14,430,000</u>	<u>\$ 5,002,794</u>

(continued)

SUSSEX COUNTY, DELAWARE
 BONDED DEBT GENERAL OBLIGATION - 2006
 (PRINCIPAL AND INTEREST PAYMENTS ONLY) - CONTINUED
 JUNE 30, 2011

<u>Date of Maturity</u>	<u>Coupon</u>	<u>Principal Maturity</u>	<u>Interest Payable</u>
December 1, 2011	1.50 %	\$ 107,664	\$ 58,403
June 1, 2012	1.50	108,471	57,596
December 1, 2012	1.50	109,285	56,782
June 1, 2013	1.50	110,104	55,963
December 1, 2013	1.50	110,930	55,137
June 1, 2014	1.50	111,762	54,305
December 1, 2014	1.50	112,600	53,467
June 1, 2015	1.50	113,445	52,622
December 1, 2015	1.50	114,296	51,771
June 1, 2016	1.50	115,153	50,914
December 1, 2016	1.50	116,016	50,051
June 1, 2017	1.50	116,887	49,180
December 1, 2017	1.50	117,763	48,304
June 1, 2018	1.50	118,647	47,420
December 1, 2018	1.50	119,537	46,530
June 1, 2019	1.50	120,433	45,634
December 1, 2019	1.50	121,336	44,731
June 1, 2020	1.50	122,247	43,820
December 1, 2020	1.50	123,163	42,904
June 1, 2021	1.50	124,087	41,980
December 1, 2021	1.50	125,018	41,049
June 1, 2022	1.50	125,955	40,112
December 1, 2022	1.50	126,900	39,167
June 1, 2023	1.50	127,851	38,216
December 1, 2023	1.50	128,810	37,257
June 1, 2024	1.50	129,777	36,290
December 1, 2024	1.50	130,750	35,317
June 1, 2025	1.50	131,730	34,337
December 1, 2025	1.50	132,718	33,349
June 1, 2026	1.50	133,714	32,353
December 1, 2026	1.50	134,717	31,350
June 1, 2027	1.50	135,727	30,340
December 1, 2027	1.50	136,745	29,322
June 1, 2028	1.50	137,771	28,296
December 1, 2028	1.50	138,804	27,263
June 1, 2029	1.50	139,845	26,222
December 1, 2029	1.50	140,894	25,173
June 1, 2030	1.50	141,950	24,117
December 1, 2030	1.50	143,015	23,052
June 1, 2031	1.50	144,088	21,979
December 1, 2031	1.50	145,168	20,899
June 1, 2032	1.50	146,257	19,810
December 1, 2032	1.50	147,354	18,713
June 1, 2033	1.50	148,459	17,608
December 1, 2033	1.50	149,573	16,494
June 1, 2034	1.50	150,694	15,373
December 1, 2034	1.50	151,825	14,242
June 1, 2035	1.50	152,963	13,104
December 1, 2035	1.50	154,111	11,956
June 1, 2036	1.50	155,266	10,801
December 1, 2036	1.50	156,431	9,636
June 1, 2037	1.50	157,604	8,463
December 1, 2037	1.50	158,786	7,281

(continued)

SUSSEX COUNTY, DELAWARE
 BONDED DEBT GENERAL OBLIGATION - 2006
 (PRINCIPAL AND INTEREST PAYMENTS ONLY) - CONTINUED
 JUNE 30, 2011

<u>Date of Maturity</u>	<u>Coupon</u>	<u>Principal Maturity</u>	<u>Interest Payable</u>
June 1, 2038	1.50 %	\$ 159,977	\$ 6,090
December 1, 2038	1.50	161,177	4,890
June 1, 2039	1.50	162,386	3,681
December 1, 2039	1.50	163,604	2,463
June 1, 2040	1.50	164,831	1,236
		<u>\$ 7,787,071</u>	<u>\$ 1,844,815</u>

(continued)

SUSSEX COUNTY, DELAWARE
 BONDED DEBT GENERAL OBLIGATION - 2006
 (PRINCIPAL AND INTEREST PAYMENTS ONLY) - CONTINUED
 JUNE 30, 2011

<u>Date of Maturity</u>	<u>Coupon</u>	<u>Principal Maturity</u>	<u>Interest Payable</u>
November 1, 2011	1.50 %	\$ 66,063	\$ 33,577
May 1, 2012	1.50	66,558	33,082
November 1, 2012	1.50	67,058	32,583
May 1, 2013	1.50	67,560	32,080
November 1, 2013	1.50	68,067	31,573
May 1, 2014	1.50	68,577	31,063
November 1, 2014	1.50	69,092	30,548
May 1, 2015	1.50	69,610	30,030
November 1, 2015	1.50	70,132	29,508
May 1, 2016	1.50	70,658	28,982
November 1, 2016	1.50	71,188	28,452
May 1, 2017	1.50	71,722	27,918
November 1, 2017	1.50	72,260	27,380
May 1, 2018	1.50	72,802	26,839
November 1, 2018	1.50	73,348	26,293
May 1, 2019	1.50	73,898	25,742
November 1, 2019	1.50	74,452	25,188
May 1, 2020	1.50	75,011	24,630
November 1, 2020	1.50	75,573	24,067
May 1, 2021	1.50	76,140	23,500
November 1, 2021	1.50	76,711	22,929
May 1, 2022	1.50	77,286	22,354
November 1, 2022	1.50	77,866	21,774
May 1, 2023	1.50	78,450	21,190
November 1, 2023	1.50	79,038	20,602
May 1, 2024	1.50	79,631	20,009
November 1, 2024	1.50	80,228	19,412
May 1, 2025	1.50	80,830	18,810
November 1, 2025	1.50	81,436	18,204
May 1, 2026	1.50	82,047	17,593
November 1, 2026	1.50	82,663	16,978
May 1, 2027	1.50	83,282	16,358
November 1, 2027	1.50	83,907	15,733
May 1, 2028	1.50	84,536	15,104
November 1, 2028	1.50	85,170	14,470
May 1, 2029	1.50	85,809	13,831
November 1, 2029	1.50	86,453	13,188
May 1, 2030	1.50	87,101	12,539
November 1, 2030	1.50	87,754	11,886
May 1, 2031	1.50	88,413	11,228
November 1, 2031	1.50	89,075	10,565
May 1, 2032	1.50	89,744	9,896
November 1, 2032	1.50	90,416	9,224
May 1, 2033	1.50	91,095	8,545
November 1, 2033	1.50	91,778	7,862
May 1, 2034	1.50	92,466	7,174
November 1, 2034	1.50	93,160	6,480
May 1, 2035	1.50	93,858	5,782
November 1, 2035	1.50	94,562	5,078
May 1, 2036	1.50	95,272	4,368
November 1, 2036	1.50	95,986	3,654
May 1, 2037	1.50	96,706	2,934
November 1, 2037	1.50	97,432	2,209

(continued)

SUSSEX COUNTY, DELAWARE
BONDED DEBT GENERAL OBLIGATION - 2006
(PRINCIPAL AND INTEREST PAYMENTS ONLY) - CONTINUED
JUNE 30, 2011

<u>Date of Maturity</u>	<u>Coupon</u>	<u>Principal Maturity</u>	<u>Interest Payable</u>
May 1, 2038	1.50 %	\$ 98,162	\$ 1,478
November 1, 2038	1.50	<u>98,899</u>	<u>742</u>
		<u>\$ 4,476,991</u>	<u>\$ 1,003,218</u>

(continued)

SUSSEX COUNTY, DELAWARE
 BONDED DEBT GENERAL OBLIGATION - 2008
 (PRINCIPAL AND INTEREST PAYMENTS ONLY) - CONTINUED
 JUNE 30, 2011

<u>Date of Maturity</u>	<u>Coupon</u>	<u>Principal Maturity</u>	<u>Interest Payable</u>
September 12, 2011	4.50 %	\$ 179	\$ 808
December 12, 2011	4.50	190	797
March 12, 2012	4.50	200	787
June 12, 2012	4.50	185	802
September 12, 2012	4.50	188	799
December 12, 2012	4.50	198	789
March 12, 2013	4.50	209	778
June 12, 2013	4.50	194	793
September 12, 2013	4.50	196	791
December 12, 2013	4.50	207	780
March 12, 2014	4.50	218	769
June 12, 2014	4.50	204	783
September 12, 2014	4.50	206	781
December 12, 2014	4.50	217	770
March 12, 2015	4.50	227	760
June 12, 2015	4.50	213	774
September 12, 2015	4.50	216	771
December 12, 2015	4.50	226	761
March 12, 2016	4.50	237	750
June 12, 2016	4.50	223	764
September 12, 2016	4.50	226	761
December 12, 2016	4.50	236	751
March 12, 2017	4.50	247	740
June 12, 2017	4.50	234	753
September 12, 2017	4.50	237	750
December 12, 2017	4.50	247	740
March 12, 2018	4.50	258	729
June 12, 2018	4.50	245	742
September 12, 2018	4.50	248	739
December 12, 2018	4.50	259	728
March 12, 2019	4.50	269	718
June 12, 2019	4.50	256	731
September 12, 2019	4.50	259	728
December 12, 2019	4.50	270	717
March 12, 2020	4.50	281	706
June 12, 2020	4.50	269	718
September 12, 2020	4.50	272	715
December 12, 2020	4.50	282	705
March 12, 2021	4.50	293	694
June 12, 2021	4.50	281	706
September 12, 2021	4.50	284	703
December 12, 2021	4.50	295	692
March 12, 2022	4.50	306	681
June 12, 2022	4.50	295	692
September 12, 2022	4.50	298	689
December 12, 2022	4.50	309	678
March 12, 2023	4.50	319	668
June 12, 2023	4.50	308	679
September 12, 2023	4.50	312	675
December 12, 2023	4.50	322	665
March 12, 2024	4.50	333	654
June 12, 2024	4.50	323	664
September 12, 2024	4.50	326	661

(continued)

SUSSEX COUNTY, DELAWARE
 BONDED DEBT GENERAL OBLIGATION - 2008
 (PRINCIPAL AND INTEREST PAYMENTS ONLY) - CONTINUED
 JUNE 30, 2011

<u>Date of Maturity</u>	<u>Coupon</u>	<u>Principal Maturity</u>	<u>Interest Payable</u>
December 12, 2024	4.50 %	\$ 337	\$ 650
March 12, 2025	4.50	348	639
June 12, 2025	4.50	338	649
September 12, 2025	4.50	342	645
December 12, 2025	4.50	352	635
March 12, 2026	4.50	363	624
June 12, 2026	4.50	354	633
September 12, 2026	4.50	358	629
December 12, 2026	4.50	369	618
March 12, 2027	4.50	379	608
June 12, 2027	4.50	370	617
September 12, 2027	4.50	374	613
December 12, 2027	4.50	385	602
March 12, 2028	4.50	396	591
June 12, 2028	4.50	388	599
September 12, 2028	4.50	392	595
December 12, 2028	4.50	403	584
March 12, 2029	4.50	414	573
June 12, 2029	4.50	405	582
September 12, 2029	4.50	410	577
December 12, 2029	4.50	421	566
March 12, 2030	4.50	432	555
June 12, 2030	4.50	425	562
September 12, 2030	4.50	430	557
December 12, 2030	4.50	440	547
March 12, 2031	4.50	451	536
June 12, 2031	4.50	444	543
September 12, 2031	4.50	450	537
December 12, 2031	4.50	460	527
March 12, 2032	4.50	471	516
June 12, 2032	4.50	465	522
September 12, 2032	4.50	470	517
December 12, 2032	4.50	481	506
March 12, 2033	4.50	492	495
June 12, 2033	4.50	487	500
September 12, 2033	4.50	492	495
December 12, 2033	4.50	503	484
March 12, 2034	4.50	514	473
June 12, 2034	4.50	510	477
September 12, 2034	4.50	515	472
December 12, 2034	4.50	526	461
March 12, 2035	4.50	537	450
June 12, 2035	4.50	533	454
September 12, 2035	4.50	539	448
December 12, 2035	4.50	550	437
March 12, 2036	4.50	561	426
June 12, 2036	4.50	558	429
September 12, 2036	4.50	564	423
December 12, 2036	4.50	575	412
March 12, 2037	4.50	586	401
June 12, 2037	4.50	584	403
September 12, 2037	4.50	590	397
December 12, 2037	4.50	601	386

(continued)

SUSSEX COUNTY, DELAWARE
 BONDED DEBT GENERAL OBLIGATION - 2008
 (PRINCIPAL AND INTEREST PAYMENTS ONLY) - CONTINUED
 JUNE 30, 2011

<u>Date of Maturity</u>	<u>Coupon</u>	<u>Principal Maturity</u>	<u>Interest Payable</u>
March 12, 2038	4.50 %	\$ 612	\$ 375
June 12, 2038	4.50	611	376
September 12, 2038	4.50	618	369
December 12, 2038	4.50	629	358
March 12, 2039	4.50	639	348
June 12, 2039	4.50	639	348
September 12, 2039	4.50	646	341
December 12, 2039	4.50	657	330
March 12, 2040	4.50	668	319
June 12, 2040	4.50	669	318
September 12, 2040	4.50	676	311
December 12, 2040	4.50	687	300
March 12, 2041	4.50	698	289
June 12, 2041	4.50	700	287
September 12, 2041	4.50	708	279
December 12, 2041	4.50	719	268
March 12, 2042	4.50	729	258
June 12, 2042	4.50	732	255
September 12, 2042	4.50	741	246
December 12, 2042	4.50	751	236
March 12, 2043	4.50	762	225
June 12, 2043	4.50	766	221
September 12, 2043	4.50	775	212
December 12, 2043	4.50	786	201
March 12, 2044	4.50	796	191
June 12, 2044	4.50	801	186
September 12, 2044	4.50	811	176
December 12, 2044	4.50	822	165
March 12, 2045	4.50	830	157
June 12, 2045	4.50	839	148
September 12, 2045	4.50	848	139
December 12, 2045	4.50	859	128
March 12, 2046	4.50	870	117
June 12, 2046	4.50	877	110
September 12, 2046	4.50	887	100
December 12, 2046	4.50	898	89
March 12, 2047	4.50	909	78
June 12, 2047	4.50	918	69
September 12, 2047	4.50	928	59
December 12, 2047	4.50	939	48
March 12, 2048	4.50	950	37
June 12, 2048	4.50	960	27
September 12, 2048	4.50	971	16
December 12, 2048	4.50	454	6
		\$ 71,251	\$ 76,272

(continued)

SUSSEX COUNTY, DELAWARE
 BONDED DEBT GENERAL OBLIGATION - 2008
 (PRINCIPAL AND INTEREST PAYMENTS ONLY) - CONTINUED
 JUNE 30, 2011

<u>Date of Maturity</u>	<u>Coupon</u>	<u>Principal Maturity</u>	<u>Interest Payable</u>
September 26, 2011	4.50 %	\$ 6,027	\$ 26,978
December 26, 2011	4.50	6,388	26,617
March 26, 2012	4.50	6,751	26,254
June 26, 2012	4.50	6,245	26,760
September 26, 2012	4.50	6,315	26,690
December 26, 2012	4.50	6,676	26,329
March 26, 2013	4.50	7,040	25,965
June 26, 2013	4.50	6,543	26,462
September 26, 2013	4.50	6,617	26,388
December 26, 2013	4.50	6,978	26,027
March 26, 2014	4.50	7,341	25,664
June 26, 2014	4.50	6,854	26,151
September 26, 2014	4.50	6,932	26,073
December 26, 2014	4.50	7,293	25,712
March 26, 2015	4.50	7,657	25,348
June 26, 2015	4.50	7,180	25,825
September 26, 2015	4.50	7,262	25,743
December 26, 2015	4.50	7,623	25,382
March 26, 2016	4.50	7,986	25,019
June 26, 2016	4.50	7,521	25,484
September 26, 2016	4.50	7,606	25,399
December 26, 2016	4.50	7,968	25,037
March 26, 2017	4.50	8,331	24,674
June 26, 2017	4.50	7,878	25,127
September 26, 2017	4.50	7,967	25,038
December 26, 2017	4.50	8,328	24,677
March 26, 2018	4.50	8,692	24,313
June 26, 2018	4.50	8,250	24,755
September 26, 2018	4.50	8,344	24,661
December 26, 2018	4.50	8,706	24,299
March 26, 2019	4.50	9,069	23,936
June 26, 2019	4.50	8,640	24,365
September 26, 2019	4.50	8,738	24,267
December 26, 2019	4.50	9,100	23,905
March 26, 2020	4.50	9,463	23,542
June 26, 2020	4.50	9,048	23,957
September 26, 2020	4.50	9,151	23,854
December 26, 2020	4.50	9,512	23,493
March 26, 2021	4.50	9,876	23,129
June 26, 2021	4.50	9,474	23,531
September 26, 2021	4.50	9,581	23,424
December 26, 2021	4.50	9,944	23,061
March 26, 2022	4.50	10,307	22,698
June 26, 2022	4.50	9,920	23,085
September 26, 2022	4.50	10,032	22,973
December 26, 2022	4.50	10,395	22,610
March 26, 2023	4.50	10,759	22,246
June 26, 2023	4.50	10,386	22,619
September 26, 2023	4.50	10,504	22,501
December 26, 2023	4.50	10,866	22,139
March 26, 2024	4.50	11,230	21,775
June 26, 2024	4.50	10,874	22,131
September 26, 2024	4.50	10,997	22,008

(continued)

SUSSEX COUNTY, DELAWARE
 BONDED DEBT GENERAL OBLIGATION - 2008
 (PRINCIPAL AND INTEREST PAYMENTS ONLY) - CONTINUED
 JUNE 30, 2011

<u>Date of Maturity</u>	<u>Coupon</u>	<u>Principal Maturity</u>	<u>Interest Payable</u>
December 26, 2024	4.50 %	\$ 11,360	\$ 21,645
March 26, 2025	4.50	11,723	21,282
June 26, 2025	4.50	11,384	21,621
September 26, 2025	4.50	11,513	21,492
December 26, 2025	4.50	11,876	21,129
March 26, 2026	4.50	12,239	20,766
June 26, 2026	4.50	11,917	21,088
September 26, 2026	4.50	12,052	20,953
December 26, 2026	4.50	12,415	20,590
March 26, 2027	4.50	12,779	20,226
June 26, 2027	4.50	12,474	20,531
September 26, 2027	4.50	12,616	20,389
December 26, 2027	4.50	12,979	20,026
March 26, 2028	4.50	13,343	19,662
June 26, 2028	4.50	13,058	19,947
September 26, 2028	4.50	13,206	19,799
December 26, 2028	4.50	13,569	19,436
March 26, 2029	4.50	13,933	19,072
June 26, 2029	4.50	13,667	19,338
September 26, 2029	4.50	13,823	19,182
December 26, 2029	4.50	14,186	18,819
March 26, 2030	4.50	14,550	18,455
June 26, 2030	4.50	14,305	18,700
September 26, 2030	4.50	14,467	18,538
December 26, 2030	4.50	14,831	18,174
March 26, 2031	4.50	15,196	17,809
June 26, 2031	4.50	14,972	18,033
September 26, 2031	4.50	15,142	17,863
December 26, 2031	4.50	15,506	17,499
March 26, 2032	4.50	15,870	17,135
June 26, 2032	4.50	15,670	17,335
September 26, 2032	4.50	15,847	17,158
December 26, 2032	4.50	16,212	16,793
March 26, 2033	4.50	16,576	16,429
June 26, 2033	4.50	16,399	16,606
September 26, 2033	4.50	16,585	16,420
December 26, 2033	4.50	16,949	16,056
March 26, 2034	4.50	17,314	15,691
June 26, 2034	4.50	17,162	15,843
September 26, 2034	4.50	17,357	15,648
December 26, 2034	4.50	17,721	15,284
March 26, 2035	4.50	18,086	14,919
June 26, 2035	4.50	17,959	15,046
September 26, 2035	4.50	18,163	14,842
December 26, 2035	4.50	18,528	14,477
March 26, 2036	4.50	18,893	14,112
June 26, 2036	4.50	18,794	14,211
September 26, 2036	4.50	19,006	13,999
December 26, 2036	4.50	19,372	13,633
March 26, 2037	4.50	19,737	13,268
June 26, 2037	4.50	19,666	13,339
September 26, 2037	4.50	19,889	13,116
December 26, 2037	4.50	20,255	12,750

(continued)

SUSSEX COUNTY, DELAWARE
 BONDED DEBT GENERAL OBLIGATION - 2008
 (PRINCIPAL AND INTEREST PAYMENTS ONLY) - CONTINUED
 JUNE 30, 2011

<u>Date of Maturity</u>	<u>Coupon</u>	<u>Principal Maturity</u>	<u>Interest Payable</u>
March 26, 2038	4.50 %	\$ 20,619	\$ 12,386
June 26, 2038	4.50	20,578	12,427
September 26, 2038	4.50	20,812	12,193
December 26, 2038	4.50	21,178	11,827
March 26, 2039	4.50	21,542	11,463
June 26, 2039	4.50	21,532	11,473
September 26, 2039	4.50	21,776	11,229
December 26, 2039	4.50	22,143	10,862
March 26, 2040	4.50	22,508	10,497
June 26, 2040	4.50	22,530	10,475
September 26, 2040	4.50	22,786	10,219
December 26, 2040	4.50	23,152	9,853
March 26, 2041	4.50	23,517	9,488
June 26, 2041	4.50	23,573	9,432
September 26, 2041	4.50	23,840	9,165
December 26, 2041	4.50	24,208	8,797
March 26, 2042	4.50	24,573	8,432
June 26, 2042	4.50	24,664	8,341
September 26, 2042	4.50	24,944	8,061
December 26, 2042	4.50	25,311	7,694
March 26, 2043	4.50	25,677	7,328
June 26, 2043	4.50	25,805	7,200
September 26, 2043	4.50	26,098	6,907
December 26, 2043	4.50	26,466	6,539
March 26, 2044	4.50	26,831	6,174
June 26, 2044	4.50	26,998	6,007
September 26, 2044	4.50	27,305	5,700
December 26, 2044	4.50	27,673	5,332
March 26, 2045	4.50	28,039	4,966
June 26, 2045	4.50	28,246	4,759
September 26, 2045	4.50	28,567	4,438
December 26, 2045	4.50	28,935	4,070
March 26, 2046	4.50	29,301	3,704
June 26, 2046	4.50	29,551	3,454
September 26, 2046	4.50	29,886	3,119
December 26, 2046	4.50	30,256	2,749
March 26, 2047	4.50	30,621	2,384
June 26, 2047	4.50	30,916	2,089
September 26, 2047	4.50	31,267	1,738
December 26, 2047	4.50	31,636	1,369
March 26, 2048	4.50	32,002	1,003
June 26, 2048	4.50	32,343	662
September 26, 2048	4.50	26,022	293
		\$ 2,378,483	\$ 2,532,572

(continued)

SUSSEX COUNTY, DELAWARE
 BONDED DEBT GENERAL OBLIGATION - 2008
 (PRINCIPAL AND INTEREST PAYMENTS ONLY) - CONTINUED
 JUNE 30, 2011

<u>Date of Maturity</u>	<u>Coupon</u>	<u>Principal Maturity</u>	<u>Interest Payable</u>
December 30, 2011	1.50 %	\$ -	\$ 102,351
June 30, 2012	1.50	180,933	102,351
December 30, 2012	1.50	182,290	100,994
June 30, 2013	1.50	183,657	99,627
December 30, 2013	1.50	185,035	98,249
June 30, 2014	1.50	186,423	96,861
December 30, 2014	1.50	187,821	95,463
June 30, 2015	1.50	189,230	94,054
December 30, 2015	1.50	190,649	92,635
June 30, 2016	1.50	192,079	91,205
December 30, 2016	1.50	193,519	89,765
June 30, 2017	1.50	194,971	88,313
December 30, 2017	1.50	196,433	86,851
June 30, 2018	1.50	197,906	85,378
December 30, 2018	1.50	199,390	83,894
June 30, 2019	1.50	200,886	82,398
December 30, 2019	1.50	202,392	80,892
June 30, 2020	1.50	203,910	79,374
December 30, 2020	1.50	205,440	77,844
June 30, 2021	1.50	206,981	76,303
December 30, 2021	1.50	208,533	74,751
June 30, 2022	1.50	210,097	73,187
December 30, 2022	1.50	211,673	71,611
June 30, 2023	1.50	213,260	70,024
December 30, 2023	1.50	214,860	68,424
June 30, 2024	1.50	216,471	66,813
December 30, 2024	1.50	218,095	65,189
June 30, 2025	1.50	219,730	63,554
December 30, 2025	1.50	221,378	61,906
June 30, 2026	1.50	223,039	60,245
December 30, 2026	1.50	224,711	58,573
June 30, 2027	1.50	226,397	56,887
December 30, 2027	1.50	228,095	55,189
June 30, 2028	1.50	229,805	53,479
December 30, 2028	1.50	231,529	51,755
June 30, 2029	1.50	233,265	50,019
December 30, 2029	1.50	235,015	48,269
June 30, 2030	1.50	236,778	46,506
December 30, 2030	1.50	238,553	44,731
June 30, 2031	1.50	240,343	42,941
December 30, 2031	1.50	242,145	41,139
June 30, 2032	1.50	243,961	39,323
December 30, 2032	1.50	245,791	37,493
June 30, 2033	1.50	247,634	35,650
December 30, 2033	1.50	249,492	33,792
June 30, 2034	1.50	251,363	31,921
December 30, 2034	1.50	253,248	30,036
June 30, 2035	1.50	255,147	28,137
December 30, 2035	1.50	257,061	26,223
June 30, 2036	1.50	258,989	24,295
December 30, 2036	1.50	260,931	22,353
June 30, 2037	1.50	262,888	20,396
December 30, 2037	1.50	264,860	18,424

(continued)

SUSSEX COUNTY, DELAWARE
BONDED DEBT GENERAL OBLIGATION - 2008
(PRINCIPAL AND INTEREST PAYMENTS ONLY) - CONTINUED
JUNE 30, 2011

<u>Date of Maturity</u>	<u>Coupon</u>	<u>Principal Maturity</u>	<u>Interest Payable</u>
June 30, 2038	1.50 %	\$ 266,846	\$ 16,437
December 30, 2038	1.50	268,848	14,436
June 30, 2039	1.50	270,864	12,420
December 30, 2039	1.50	272,896	10,388
June 30, 2040	1.50	274,942	8,342
December 30, 2040	1.50	277,004	6,279
June 30, 2041	1.50	279,081	4,202
December 30, 2041	1.50	281,176	2,110
		<u>\$ 13,646,739</u>	<u>\$ 3,452,651</u>

(continued)

SUSSEX COUNTY, DELAWARE
 BONDED DEBT GENERAL OBLIGATION - 2009
 (PRINCIPAL AND INTEREST PAYMENTS ONLY) - CONTINUED
 JUNE 30, 2011

<u>Date of Maturity</u>	<u>Coupon</u>	<u>Principal Maturity</u>	<u>Interest Payable</u>
December 31, 2011	1.50 %	\$ -	\$ 38,130
June 30, 2012	1.50	109,459	38,130
December 31, 2012	1.50	110,280	37,309
June 30, 2013	1.50	111,107	36,482
December 31, 2013	1.50	111,940	35,648
June 30, 2014	1.50	112,780	34,809
December 31, 2014	1.50	113,626	33,963
June 30, 2015	1.50	114,478	33,111
December 31, 2015	1.50	115,336	32,252
June 30, 2016	1.50	116,202	31,387
December 31, 2016	1.50	117,073	30,516
June 30, 2017	1.50	117,951	29,638
December 31, 2017	1.50	118,836	28,753
June 30, 2018	1.50	119,727	27,862
December 31, 2018	1.50	120,625	26,964
June 30, 2019	1.50	121,530	26,059
December 31, 2019	1.50	122,441	25,148
June 30, 2020	1.50	123,359	24,229
December 31, 2020	1.50	124,285	23,304
June 30, 2021	1.50	125,217	22,372
December 31, 2021	1.50	126,156	21,433
June 30, 2022	1.50	127,102	20,487
December 31, 2022	1.50	128,055	19,534
June 30, 2023	1.50	129,016	18,573
December 31, 2023	1.50	129,983	17,606
June 30, 2024	1.50	130,958	16,631
December 31, 2024	1.50	131,940	15,648
June 30, 2025	1.50	132,930	14,659
December 31, 2025	1.50	133,927	13,662
June 30, 2026	1.50	134,931	12,657
December 31, 2026	1.50	135,943	11,645
June 30, 2027	1.50	136,963	10,626
December 31, 2027	1.50	137,990	9,599
June 30, 2028	1.50	139,025	8,564
December 31, 2028	1.50	140,068	7,521
June 30, 2029	1.50	141,118	6,471
December 31, 2029	1.50	142,177	5,412
June 30, 2030	1.50	143,243	4,346
December 31, 2030	1.50	144,317	3,271
June 30, 2031	1.50	145,400	2,189
December 31, 2031	1.50	146,492	1,104
		<u>\$ 5,083,986</u>	<u>\$ 857,704</u>

(continued)

SUSSEX COUNTY, DELAWARE
 BONDED DEBT GENERAL OBLIGATION - 2009
 (PRINCIPAL AND INTEREST PAYMENTS ONLY) - CONTINUED
 JUNE 30, 2011

<u>Date of Maturity</u>	<u>Coupon</u>	<u>Principal Maturity</u>	<u>Interest Payable</u>
December 15, 2011	2.00 %	\$ -	\$ 56,415
June 15, 2012	2.00	-	56,415
December 15, 2012	2.00	118,988	56,415
June 15, 2013	2.00	120,178	55,225
December 15, 2013	2.00	121,380	54,023
June 15, 2014	2.00	122,594	52,810
December 15, 2014	2.00	123,820	51,584
June 15, 2015	2.00	125,058	50,345
December 15, 2015	2.00	126,308	49,095
June 15, 2016	2.00	127,572	47,832
December 15, 2016	2.00	128,847	46,556
June 15, 2017	2.00	130,136	45,268
December 15, 2017	2.00	131,437	43,966
June 15, 2018	2.00	132,751	42,652
December 15, 2018	2.00	134,079	41,324
June 15, 2019	2.00	135,420	39,984
December 15, 2019	2.00	136,774	38,629
June 15, 2020	2.00	138,142	37,262
December 15, 2020	2.00	139,523	35,880
June 15, 2021	2.00	140,918	34,485
December 15, 2021	2.00	142,328	33,076
June 15, 2022	2.00	143,751	31,652
December 15, 2022	2.00	145,188	30,215
June 15, 2023	2.00	146,640	28,763
December 15, 2023	2.00	148,107	27,297
June 15, 2024	2.00	149,588	25,816
December 15, 2024	2.00	151,084	24,320
June 15, 2025	2.00	152,594	22,809
December 15, 2025	2.00	154,120	21,283
June 15, 2026	2.00	155,662	19,742
December 15, 2026	2.00	157,218	18,185
June 15, 2027	2.00	158,790	16,613
December 15, 2027	2.00	160,378	15,025
June 15, 2028	2.00	161,982	13,421
December 15, 2028	2.00	163,602	11,801
June 15, 2029	2.00	165,238	10,165
December 15, 2029	2.00	166,890	8,513
June 15, 2030	2.00	168,559	6,844
December 15, 2030	2.00	170,245	5,160
June 15, 2031	2.00	171,947	3,456
December 15, 2031	2.00	173,667	1,742
		<u>\$ 5,641,503</u>	<u>\$ 1,312,063</u>

(continued)

SUSSEX COUNTY, DELAWARE
 BONDED DEBT GENERAL OBLIGATION - 2010
 (PRINCIPAL AND INTEREST PAYMENTS ONLY) - CONTINUED
 JUNE 30, 2011

<u>Date of Maturity</u>	<u>Coupon</u>	<u>Principal Maturity</u>	<u>Interest Payable</u>
December 15, 2011	2.00 %	\$ -	\$ 17,562
June 15, 2012	2.00	-	17,562
December 15, 2012	2.00	38,218	17,562
June 15, 2013	2.00	38,600	17,180
December 15, 2013	2.00	38,986	16,794
June 15, 2014	2.00	39,376	16,404
December 15, 2014	2.00	39,770	16,010
June 15, 2015	2.00	40,168	15,613
December 15, 2015	2.00	40,569	15,211
June 15, 2016	2.00	40,975	14,805
December 15, 2016	2.00	41,385	14,396
June 15, 2017	2.00	41,798	13,982
December 15, 2017	2.00	42,216	13,564
June 15, 2018	2.00	42,639	13,142
December 15, 2018	2.00	43,065	12,715
June 15, 2019	2.00	43,495	12,285
December 15, 2019	2.00	43,931	11,850
June 15, 2020	2.00	44,370	11,410
December 15, 2020	2.00	44,814	10,967
June 15, 2021	2.00	45,262	10,518
December 15, 2021	2.00	45,714	10,066
June 15, 2022	2.00	46,172	9,609
December 15, 2022	2.00	46,633	9,147
June 15, 2023	2.00	47,100	8,681
December 15, 2023	2.00	47,571	8,210
June 15, 2024	2.00	48,046	7,734
December 15, 2024	2.00	48,527	7,253
June 15, 2025	2.00	49,012	6,768
December 15, 2025	2.00	49,502	6,278
June 15, 2026	2.00	49,998	5,782
December 15, 2026	2.00	50,498	5,282
June 15, 2027	2.00	51,002	4,778
December 15, 2027	2.00	51,512	4,268
June 15, 2028	2.00	52,028	3,752
December 15, 2028	2.00	52,548	3,233
June 15, 2029	2.00	53,073	2,707
December 15, 2029	2.00	53,604	2,177
June 15, 2030	2.00	54,140	1,640
December 15, 2030	2.00	54,681	1,099
June 15, 2031	2.00	55,229	561
		<u>\$ 1,756,227</u>	<u>\$ 398,557</u>

(continued)

SUSSEX COUNTY, DELAWARE
 BONDED DEBT GENERAL OBLIGATION - 2010
 (PRINCIPAL AND INTEREST PAYMENTS ONLY) - CONTINUED
 JUNE 30, 2011

<u>Date of Maturity</u>	<u>Coupon</u>	<u>Principal Maturity</u>	<u>Interest Payable</u>
September 19, 2011	4.00 %	\$ 19,564	\$ 74,636
December 19, 2011	4.00	20,571	73,629
March 19, 2012	4.00	21,583	72,617
June 19, 2012	4.00	20,187	74,013
September 19, 2012	4.00	20,390	73,810
December 19, 2012	4.00	21,396	72,804
March 19, 2013	4.00	22,407	71,793
June 19, 2013	4.00	21,038	73,162
September 19, 2013	4.00	21,250	72,950
December 19, 2013	4.00	22,254	71,946
March 19, 2014	4.00	23,264	70,936
June 19, 2014	4.00	21,923	72,277
September 19, 2014	4.00	22,144	72,056
December 19, 2014	4.00	23,148	71,052
March 19, 2015	4.00	24,157	70,043
June 19, 2015	4.00	22,844	71,356
September 19, 2015	4.00	23,074	71,126
December 19, 2015	4.00	24,077	70,123
March 19, 2016	4.00	25,086	69,114
June 19, 2016	4.00	23,803	70,397
September 19, 2016	4.00	24,043	70,157
December 19, 2016	4.00	25,045	69,155
March 19, 2017	4.00	26,052	68,148
June 19, 2017	4.00	24,800	69,400
September 19, 2017	4.00	25,050	69,150
December 19, 2017	4.00	26,052	68,148
March 19, 2018	4.00	27,058	67,142
June 19, 2018	4.00	25,838	68,362
September 19, 2018	4.00	26,099	68,101
December 19, 2018	4.00	27,099	67,101
March 19, 2019	4.00	28,104	66,096
June 19, 2019	4.00	26,918	67,282
September 19, 2019	4.00	27,190	67,010
December 19, 2019	4.00	28,189	66,011
March 19, 2020	4.00	29,193	65,007
June 19, 2020	4.00	28,042	66,158
September 19, 2020	4.00	28,325	65,875
December 19, 2020	4.00	29,324	64,876
March 19, 2021	4.00	30,326	63,874
June 19, 2021	4.00	29,212	64,988
September 19, 2021	4.00	29,507	64,693
December 19, 2021	4.00	30,504	63,696
March 19, 2022	4.00	31,505	62,695
June 19, 2022	4.00	30,429	63,771
September 19, 2022	4.00	30,736	63,464
December 19, 2022	4.00	31,733	62,467
March 19, 2023	4.00	32,732	61,468
June 19, 2023	4.00	31,696	62,504
September 19, 2023	4.00	32,015	62,185
December 19, 2023	4.00	33,011	61,189
March 19, 2024	4.00	34,009	60,191
June 19, 2024	4.00	33,014	61,186
September 19, 2024	4.00	33,347	60,853

(continued)

SUSSEX COUNTY, DELAWARE
 BONDED DEBT GENERAL OBLIGATION - 2010
 (PRINCIPAL AND INTEREST PAYMENTS ONLY) - CONTINUED
 JUNE 30, 2011

<u>Date of Maturity</u>	<u>Coupon</u>	<u>Principal Maturity</u>	<u>Interest Payable</u>
December 19, 2024	4.00 %	\$ 34,341	\$ 59,859
March 19, 2025	4.00	35,337	58,863
June 19, 2025	4.00	34,386	59,814
September 19, 2025	4.00	34,732	59,468
December 19, 2025	4.00	35,725	58,475
March 19, 2026	4.00	36,720	57,480
June 19, 2026	4.00	35,813	58,387
September 19, 2026	4.00	36,174	58,026
December 19, 2026	4.00	37,165	57,035
March 19, 2027	4.00	38,159	56,041
June 19, 2027	4.00	37,298	56,902
September 19, 2027	4.00	37,674	56,526
December 19, 2027	4.00	38,664	55,536
March 19, 2028	4.00	39,656	54,544
June 19, 2028	4.00	38,844	55,356
September 19, 2028	4.00	39,235	54,965
December 19, 2028	4.00	40,224	53,976
March 19, 2029	4.00	41,214	52,986
June 19, 2029	4.00	40,452	53,748
September 19, 2029	4.00	40,860	53,340
December 19, 2029	4.00	41,847	52,353
March 19, 2030	4.00	42,835	51,365
June 19, 2030	4.00	42,125	52,075
September 19, 2030	4.00	42,550	51,650
December 19, 2030	4.00	43,536	50,664
March 19, 2031	4.00	44,522	49,678
June 19, 2031	4.00	43,867	50,333
September 19, 2031	4.00	44,309	49,891
December 19, 2031	4.00	45,294	48,906
March 19, 2032	4.00	46,278	47,922
June 19, 2032	4.00	45,679	48,521
September 19, 2032	4.00	46,140	48,060
December 19, 2032	4.00	47,122	47,078
March 19, 2033	4.00	48,105	46,095
June 19, 2033	4.00	47,565	46,635
September 19, 2033	4.00	48,045	46,155
December 19, 2033	4.00	49,025	45,175
March 19, 2034	4.00	50,005	44,195
June 19, 2034	4.00	49,528	44,672
September 19, 2034	4.00	50,027	44,173
December 19, 2034	4.00	51,006	43,194
March 19, 2035	4.00	51,984	42,216
June 19, 2035	4.00	51,569	42,631
September 19, 2035	4.00	52,089	42,111
December 19, 2035	4.00	53,067	41,133
March 19, 2036	4.00	54,042	40,158
June 19, 2036	4.00	53,695	40,505
September 19, 2036	4.00	54,236	39,964
December 19, 2036	4.00	55,211	38,989
March 19, 2037	4.00	56,184	38,016
June 19, 2037	4.00	55,906	38,294
September 19, 2037	4.00	56,470	37,730
December 19, 2037	4.00	57,443	36,757

(continued)

SUSSEX COUNTY, DELAWARE
 BONDED DEBT GENERAL OBLIGATION - 2010
 (PRINCIPAL AND INTEREST PAYMENTS ONLY) - CONTINUED
 JUNE 30, 2011

<u>Date of Maturity</u>	<u>Coupon</u>	<u>Principal Maturity</u>	<u>Interest Payable</u>
March 19, 2038	4.00 %	\$ 58,413	\$ 35,787
June 19, 2038	4.00	58,207	35,993
September 19, 2038	4.00	58,794	35,406
December 19, 2038	4.00	59,765	34,435
March 19, 2039	4.00	60,733	33,467
June 19, 2039	4.00	60,601	33,599
September 19, 2039	4.00	61,212	32,988
December 19, 2039	4.00	62,182	32,018
March 19, 2040	4.00	63,147	31,053
June 19, 2040	4.00	63,093	31,107
September 19, 2040	4.00	63,729	30,471
December 19, 2040	4.00	64,696	29,504
March 19, 2041	4.00	65,659	28,541
June 19, 2041	4.00	65,686	28,514
September 19, 2041	4.00	66,349	27,851
December 19, 2041	4.00	67,313	26,887
March 19, 2042	4.00	68,272	25,928
June 19, 2042	4.00	68,384	25,816
September 19, 2042	4.00	69,074	25,126
December 19, 2042	4.00	70,036	24,164
March 19, 2043	4.00	70,992	23,208
June 19, 2043	4.00	71,192	23,008
September 19, 2043	4.00	71,910	22,290
December 19, 2043	4.00	72,869	21,331
March 19, 2044	4.00	73,822	20,378
June 19, 2044	4.00	74,114	20,086
September 19, 2044	4.00	74,861	19,339
December 19, 2044	4.00	75,818	18,382
March 19, 2045	4.00	76,768	17,432
June 19, 2045	4.00	77,154	17,046
September 19, 2045	4.00	77,932	16,268
December 19, 2045	4.00	78,886	15,314
March 19, 2046	4.00	79,833	14,367
June 19, 2046	4.00	80,318	13,882
September 19, 2046	4.00	81,128	13,072
December 19, 2046	4.00	82,079	12,121
March 19, 2047	4.00	83,022	11,178
June 19, 2047	4.00	83,610	10,590
September 19, 2047	4.00	84,453	9,747
December 19, 2047	4.00	85,402	8,798
March 19, 2048	4.00	86,340	7,860
June 19, 2048	4.00	87,036	7,164
September 19, 2048	4.00	87,914	6,286
December 19, 2048	4.00	88,859	5,341
March 19, 2049	4.00	89,794	4,406
June 19, 2049	4.00	90,601	3,599
September 19, 2049	4.00	91,515	2,685
December 19, 2049	4.00	92,457	1,743
March 19, 2050	4.00	82,347	810
		\$ 7,402,707	\$ 7,187,250

(continued)

SUSSEX COUNTY, DELAWARE
 BONDED DEBT GENERAL OBLIGATION - 2010A
 (PRINCIPAL AND INTEREST PAYMENTS ONLY) - CONTINUED
 JUNE 30, 2011

<u>Date of Maturity</u>	<u>Coupon</u>	<u>Principal Maturity</u>	<u>Interest Payable</u>
December 3, 2011	2.25 %	\$ -	\$ 70,544
December 3, 2012	2.25	-	84,950
March 3, 2013	2.25	16,072	20,947
June 3, 2013	2.25	15,698	21,321
September 3, 2013	2.25	15,787	21,232
December 3, 2013	2.25	16,106	20,913
March 3, 2014	2.25	16,425	20,593
June 3, 2014	2.25	16,061	20,958
September 3, 2014	2.25	16,152	20,867
December 3, 2014	2.25	16,469	20,549
March 3, 2015	2.25	16,787	20,232
June 3, 2015	2.25	16,432	20,587
September 3, 2015	2.25	16,525	20,493
December 3, 2015	2.25	16,841	20,178
March 3, 2016	2.25	17,156	19,863
June 3, 2016	2.25	16,812	20,207
September 3, 2016	2.25	16,907	20,112
December 3, 2016	2.25	17,221	19,798
March 3, 2017	2.25	17,534	19,485
June 3, 2017	2.25	17,200	19,819
September 3, 2017	2.25	17,298	19,721
December 3, 2017	2.25	17,609	19,410
March 3, 2018	2.25	17,920	19,099
June 3, 2018	2.25	17,597	19,421
September 3, 2018	2.25	17,697	19,322
December 3, 2018	2.25	18,006	19,012
March 3, 2019	2.25	18,315	18,704
June 3, 2019	2.25	18,004	19,015
September 3, 2019	2.25	18,106	18,913
December 3, 2019	2.25	18,413	18,606
March 3, 2020	2.25	18,719	18,299
June 3, 2020	2.25	18,419	18,600
September 3, 2020	2.25	18,523	18,495
December 3, 2020	2.25	18,828	18,191
March 3, 2021	2.25	19,133	17,886
June 3, 2021	2.25	18,844	18,175
September 3, 2021	2.25	18,951	18,068
December 3, 2021	2.25	19,253	17,766
March 3, 2022	2.25	19,555	17,464
June 3, 2022	2.25	19,278	17,741
September 3, 2022	2.25	19,387	17,631
December 3, 2022	2.25	19,688	17,331
March 3, 2023	2.25	19,987	17,031
June 3, 2023	2.25	19,722	17,296
September 3, 2023	2.25	19,834	17,185
December 3, 2023	2.25	20,132	16,887
March 3, 2024	2.25	20,430	16,589
June 3, 2024	2.25	20,177	16,842
September 3, 2024	2.25	20,291	16,728
December 3, 2024	2.25	20,587	16,432
March 3, 2025	2.25	20,882	16,137
June 3, 2025	2.25	20,641	16,377
September 3, 2025	2.25	20,758	16,260

(continued)

SUSSEX COUNTY, DELAWARE
 BONDED DEBT GENERAL OBLIGATION - 2010A
 (PRINCIPAL AND INTEREST PAYMENTS ONLY) - CONTINUED
 JUNE 30, 2011

<u>Date of Maturity</u>	<u>Coupon</u>	<u>Principal Maturity</u>	<u>Interest Payable</u>
December 3, 2025	2.25 %	\$ 21,052	\$ 15,967
March 3, 2026	2.25	21,344	15,675
June 3, 2026	2.25	21,117	15,902
September 3, 2026	2.25	21,236	15,782
December 3, 2026	2.25	21,527	15,492
March 3, 2027	2.25	21,817	15,202
June 3, 2027	2.25	21,603	15,416
September 3, 2027	2.25	21,725	15,294
December 3, 2027	2.25	22,013	15,006
March 3, 2028	2.25	22,300	14,718
June 3, 2028	2.25	22,100	14,919
September 3, 2028	2.25	22,225	14,794
December 3, 2028	2.25	22,510	14,508
March 3, 2029	2.25	22,795	14,224
June 3, 2029	2.25	22,608	14,411
September 3, 2029	2.25	22,736	14,283
December 3, 2029	2.25	23,019	14,000
March 3, 2030	2.25	23,301	13,718
June 3, 2030	2.25	23,128	13,891
September 3, 2030	2.25	23,259	13,760
December 3, 2030	2.25	23,539	13,480
March 3, 2031	2.25	23,818	13,201
June 3, 2031	2.25	23,659	13,359
September 3, 2031	2.25	23,794	13,225
December 3, 2031	2.25	24,071	12,948
March 3, 2032	2.25	24,347	12,672
June 3, 2032	2.25	24,203	12,816
September 3, 2032	2.25	24,340	12,678
December 3, 2032	2.25	24,615	12,404
March 3, 2033	2.25	24,888	12,131
June 3, 2033	2.25	24,759	12,260
September 3, 2033	2.25	24,900	12,119
December 3, 2033	2.25	25,171	11,848
March 3, 2034	2.25	25,441	11,578
June 3, 2034	2.25	25,328	11,691
September 3, 2034	2.25	25,471	11,547
December 3, 2034	2.25	25,740	11,279
March 3, 2035	2.25	26,007	11,012
June 3, 2035	2.25	25,909	11,109
September 3, 2035	2.25	26,056	10,962
December 3, 2035	2.25	26,322	10,697
March 3, 2036	2.25	26,585	10,433
June 3, 2036	2.25	26,504	10,515
September 3, 2036	2.25	26,655	10,364
December 3, 2036	2.25	26,917	10,102
March 3, 2037	2.25	27,177	9,842
June 3, 2037	2.25	27,112	9,906
September 3, 2037	2.25	27,266	9,753
December 3, 2037	2.25	27,525	9,494
March 3, 2038	2.25	27,782	9,237
June 3, 2038	2.25	27,735	9,284
September 3, 2038	2.25	27,892	9,127
December 3, 2038	2.25	28,147	8,871

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SUSSEX COUNTY, DELAWARE
 BONDED DEBT GENERAL OBLIGATION - 2010A
 (PRINCIPAL AND INTEREST PAYMENTS ONLY) - CONTINUED
 JUNE 30, 2011

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<u>Date of Maturity</u>	<u>Coupon</u>	<u>Principal Maturity</u>	<u>Interest Payable</u>
March 3, 2039	2.25 %	\$ 28,401	\$ 8,618
June 3, 2039	2.25	28,371	8,648
September 3, 2039	2.25	28,532	8,487
December 3, 2039	2.25	28,784	8,235
March 3, 2040	2.25	29,034	7,985
June 3, 2040	2.25	29,021	7,997
September 3, 2040	2.25	29,186	7,833
December 3, 2040	2.25	29,435	7,584
March 3, 2041	2.25	29,681	7,337
June 3, 2041	2.25	29,687	7,332
September 3, 2041	2.25	29,855	7,164
December 3, 2041	2.25	30,100	6,918
March 3, 2042	2.25	30,343	6,675
June 3, 2042	2.25	30,367	6,652
September 3, 2042	2.25	30,539	6,479
December 3, 2042	2.25	30,781	6,238
March 3, 2043	2.25	31,020	5,998
June 3, 2043	2.25	31,063	5,956
September 3, 2043	2.25	31,239	5,780
December 3, 2043	2.25	31,477	5,541
March 3, 2044	2.25	31,713	5,306
June 3, 2044	2.25	31,775	5,244
September 3, 2044	2.25	31,955	5,064
December 3, 2044	2.25	32,190	4,830
March 3, 2045	2.25	32,421	4,598
June 3, 2045	2.25	32,503	4,516
September 3, 2045	2.25	32,687	4,332
December 3, 2045	2.25	32,917	4,101
March 3, 2046	2.25	33,145	3,874
June 3, 2046	2.25	33,247	3,772
September 3, 2046	2.25	33,435	3,583
December 3, 2046	2.25	33,662	3,357
March 3, 2047	2.25	33,886	3,133
June 3, 2047	2.25	34,008	3,011
September 3, 2047	2.25	34,201	2,818
December 3, 2047	2.25	34,424	2,595
March 3, 2048	2.25	34,643	2,376
June 3, 2048	2.25	34,787	2,232
September 3, 2048	2.25	34,984	2,035
December 3, 2048	2.25	35,202	1,816
March 3, 2049	2.25	35,418	1,601
June 3, 2049	2.25	35,583	1,436
September 3, 2049	2.25	35,785	1,234
December 3, 2049	2.25	35,999	1,020
March 3, 2050	2.25	36,210	809
June 3, 2050	2.25	36,397	622
September 3, 2050	2.25	36,604	415
December 3, 2050	2.25	36,611	197
		\$ 3,775,567	\$ 2,006,572

(continued)

SUSSEX COUNTY, DELAWARE
 BONDED DEBT GENERAL OBLIGATION - 2010B
 (PRINCIPAL AND INTEREST PAYMENTS ONLY) - CONTINUED
 JUNE 30, 2011

<u>Date of Maturity</u>	<u>Coupon</u>	<u>Principal Maturity</u>	<u>Interest Payable</u>
December 3, 2011	2.25 %	\$ -	\$ 9,000
December 3, 2012	2.25	-	9,000
March 3, 2013	2.25	1,703	2,219
June 3, 2013	2.25	1,663	2,259
September 3, 2013	2.25	1,673	2,249
December 3, 2013	2.25	1,706	2,216
March 3, 2014	2.25	1,740	2,182
June 3, 2014	2.25	1,702	2,220
September 3, 2014	2.25	1,711	2,211
December 3, 2014	2.25	1,745	2,177
March 3, 2015	2.25	1,778	2,143
June 3, 2015	2.25	1,741	2,181
September 3, 2015	2.25	1,751	2,171
December 3, 2015	2.25	1,784	2,138
March 3, 2016	2.25	1,818	2,104
June 3, 2016	2.25	1,781	2,141
September 3, 2016	2.25	1,792	2,131
December 3, 2016	2.25	1,824	2,097
March 3, 2017	2.25	1,858	2,064
June 3, 2017	2.25	1,822	2,100
September 3, 2017	2.25	1,833	2,089
December 3, 2017	2.25	1,866	2,056
March 3, 2018	2.25	1,899	2,023
June 3, 2018	2.25	1,864	2,058
September 3, 2018	2.25	1,875	2,047
December 3, 2018	2.25	1,908	2,014
March 3, 2019	2.25	1,940	1,982
June 3, 2019	2.25	1,907	2,015
September 3, 2019	2.25	1,918	2,004
December 3, 2019	2.25	1,951	1,971
March 3, 2020	2.25	1,983	1,939
June 3, 2020	2.25	1,951	1,971
September 3, 2020	2.25	1,962	1,959
December 3, 2020	2.25	1,995	1,927
March 3, 2021	2.25	2,027	1,895
June 3, 2021	2.25	1,996	1,926
September 3, 2021	2.25	2,008	1,914
December 3, 2021	2.25	2,040	1,882
March 3, 2022	2.25	2,072	1,850
June 3, 2022	2.25	2,042	1,880
September 3, 2022	2.25	2,054	1,868
December 3, 2022	2.25	2,086	1,836
March 3, 2023	2.25	2,118	1,804
June 3, 2023	2.25	2,089	1,832
September 3, 2023	2.25	2,101	1,821
December 3, 2023	2.25	2,133	1,789
March 3, 2024	2.25	2,164	1,758
June 3, 2024	2.25	2,138	1,784
September 3, 2024	2.25	2,150	1,772
December 3, 2024	2.25	2,181	1,741
March 3, 2025	2.25	2,212	1,710
June 3, 2025	2.25	2,187	1,735
September 3, 2025	2.25	2,199	1,723

(continued)

SUSSEX COUNTY, DELAWARE
 BONDED DEBT GENERAL OBLIGATION - 2010B
 (PRINCIPAL AND INTEREST PAYMENTS ONLY) - CONTINUED
 JUNE 30, 2011

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<u>Date of Maturity</u>	<u>Coupon</u>	<u>Principal Maturity</u>	<u>Interest Payable</u>
December 3, 2025	2.25 %	\$ 2,230	\$ 1,691
March 3, 2026	2.25	2,261	1,661
June 3, 2026	2.25	2,237	1,685
September 3, 2026	2.25	2,250	1,672
December 3, 2026	2.25	2,281	1,641
March 3, 2027	2.25	2,311	1,611
June 3, 2027	2.25	2,289	1,633
September 3, 2027	2.25	2,302	1,620
December 3, 2027	2.25	2,332	1,590
March 3, 2028	2.25	2,363	1,559
June 3, 2028	2.25	2,341	1,581
September 3, 2028	2.25	2,355	1,567
December 3, 2028	2.25	2,385	1,537
March 3, 2029	2.25	2,415	1,507
June 3, 2029	2.25	2,395	1,527
September 3, 2029	2.25	2,409	1,513
December 3, 2029	2.25	2,439	1,483
March 3, 2030	2.25	2,469	1,453
June 3, 2030	2.25	2,450	1,472
September 3, 2030	2.25	2,464	1,458
December 3, 2030	2.25	2,494	1,428
March 3, 2031	2.25	2,523	1,399
June 3, 2031	2.25	2,507	1,415
September 3, 2031	2.25	2,521	1,401
December 3, 2031	2.25	2,550	1,372
March 3, 2032	2.25	2,579	1,343
June 3, 2032	2.25	2,564	1,358
September 3, 2032	2.25	2,579	1,343
December 3, 2032	2.25	2,609	1,314
March 3, 2033	2.25	2,637	1,285
June 3, 2033	2.25	2,623	1,299
September 3, 2033	2.25	2,638	1,284
December 3, 2033	2.25	2,667	1,255
March 3, 2034	2.25	2,695	1,227
June 3, 2034	2.25	2,683	1,239
September 3, 2034	2.25	2,699	1,223
December 3, 2034	2.25	2,727	1,195
March 3, 2035	2.25	2,755	1,167
June 3, 2035	2.25	2,745	1,177
September 3, 2035	2.25	2,761	1,161
December 3, 2035	2.25	2,789	1,133
March 3, 2036	2.25	2,817	1,105
June 3, 2036	2.25	2,808	1,114
September 3, 2036	2.25	2,824	1,098
December 3, 2036	2.25	2,852	1,070
March 3, 2037	2.25	2,879	1,043
June 3, 2037	2.25	2,872	1,050
September 3, 2037	2.25	2,889	1,033
December 3, 2037	2.25	2,916	1,006
March 3, 2038	2.25	2,943	979
June 3, 2038	2.25	2,938	984
September 3, 2038	2.25	2,955	967
December 3, 2038	2.25	2,982	940

(continued)

SUSSEX COUNTY, DELAWARE
 BONDED DEBT GENERAL OBLIGATION - 2010B
 (PRINCIPAL AND INTEREST PAYMENTS ONLY) - CONTINUED
 JUNE 30, 2011

<u>Date of Maturity</u>	<u>Coupon</u>	<u>Principal Maturity</u>	<u>Interest Payable</u>
March 3, 2039	2.25 %	\$ 3,009	\$ 913
June 3, 2039	2.25	3,006	916
September 3, 2039	2.25	3,023	899
December 3, 2039	2.25	3,049	872
March 3, 2040	2.25	3,076	846
June 3, 2040	2.25	3,075	847
September 3, 2040	2.25	3,092	830
December 3, 2040	2.25	3,118	803
March 3, 2041	2.25	3,144	777
June 3, 2041	2.25	3,145	777
September 3, 2041	2.25	3,163	759
December 3, 2041	2.25	3,189	733
March 3, 2042	2.25	3,215	707
June 3, 2042	2.25	3,217	705
September 3, 2042	2.25	3,235	686
December 3, 2042	2.25	3,261	661
March 3, 2043	2.25	3,286	635
June 3, 2043	2.25	3,291	631
September 3, 2043	2.25	3,310	612
December 3, 2043	2.25	3,335	587
March 3, 2044	2.25	3,360	562
June 3, 2044	2.25	3,366	556
September 3, 2044	2.25	3,385	536
December 3, 2044	2.25	3,410	512
March 3, 2045	2.25	3,435	487
June 3, 2045	2.25	3,443	478
September 3, 2045	2.25	3,463	459
December 3, 2045	2.25	3,487	435
March 3, 2046	2.25	3,512	410
June 3, 2046	2.25	3,522	400
September 3, 2046	2.25	3,542	380
December 3, 2046	2.25	3,566	356
March 3, 2047	2.25	3,590	332
June 3, 2047	2.25	3,603	319
September 3, 2047	2.25	3,623	299
December 3, 2047	2.25	3,647	275
March 3, 2048	2.25	3,670	252
June 3, 2048	2.25	3,685	236
September 3, 2048	2.25	3,706	216
December 3, 2048	2.25	3,729	192
March 3, 2049	2.25	3,752	170
June 3, 2049	2.25	3,770	152
September 3, 2049	2.25	3,791	131
December 3, 2049	2.25	3,814	108
March 3, 2050	2.25	3,836	86
June 3, 2050	2.25	3,856	66
September 3, 2050	2.25	3,878	52
December 3, 2050	2.25	3,881	24
		\$ 400,000	\$ 214,123

(continued)

SUSSEX COUNTY, DELAWARE
 BONDED DEBT GENERAL OBLIGATION - 2010
 (PRINCIPAL AND INTEREST PAYMENTS ONLY) - CONTINUED
 JUNE 30, 2011

<u>Date of Maturity</u>	<u>Coupon</u>	<u>Principal Maturity</u>	<u>Interest Payable</u>
December 3, 2011	3.00 %	\$ -	\$ 13,267
December 3, 2012	3.00	-	13,740
March 3, 2013	3.00	1,672	3,388
June 3, 2013	3.00	1,610	3,450
September 3, 2013	3.00	1,622	3,438
December 3, 2013	3.00	1,671	3,389
March 3, 2014	3.00	1,721	3,339
June 3, 2014	3.00	1,660	3,401
September 3, 2014	3.00	1,672	3,388
December 3, 2014	3.00	1,722	3,338
March 3, 2015	3.00	1,771	3,289
June 3, 2015	3.00	1,711	3,349
September 3, 2015	3.00	1,724	3,336
December 3, 2015	3.00	1,773	3,287
March 3, 2016	3.00	1,823	3,237
June 3, 2016	3.00	1,765	3,296
September 3, 2016	3.00	1,778	3,283
December 3, 2016	3.00	1,827	3,233
March 3, 2017	3.00	1,876	3,184
June 3, 2017	3.00	1,819	3,241
September 3, 2017	3.00	1,833	3,227
December 3, 2017	3.00	1,882	3,178
March 3, 2018	3.00	1,930	3,130
June 3, 2018	3.00	1,876	3,184
September 3, 2018	3.00	1,890	3,170
December 3, 2018	3.00	1,939	3,122
March 3, 2019	3.00	1,987	3,073
June 3, 2019	3.00	1,934	3,126
September 3, 2019	3.00	1,949	3,112
December 3, 2019	3.00	1,997	3,063
March 3, 2020	3.00	2,045	3,015
June 3, 2020	3.00	1,994	3,066
September 3, 2020	3.00	2,009	3,051
December 3, 2020	3.00	2,057	3,003
March 3, 2021	3.00	2,105	2,955
June 3, 2021	3.00	2,056	3,005
September 3, 2021	3.00	2,071	2,989
December 3, 2021	3.00	2,119	2,941
March 3, 2022	3.00	2,167	2,893
June 3, 2022	3.00	2,120	2,941
September 3, 2022	3.00	2,135	2,925
December 3, 2022	3.00	2,183	2,877
March 3, 2023	3.00	2,231	2,829
June 3, 2023	3.00	2,185	2,876
September 3, 2023	3.00	2,201	2,859
December 3, 2023	3.00	2,249	2,811
March 3, 2024	3.00	2,297	2,764
June 3, 2024	3.00	2,252	2,808
September 3, 2024	3.00	2,269	2,791
December 3, 2024	3.00	2,317	2,744
March 3, 2025	3.00	2,364	2,696
June 3, 2025	3.00	2,322	2,738
September 3, 2025	3.00	2,339	2,721

(continued)

SUSSEX COUNTY, DELAWARE
 BONDED DEBT GENERAL OBLIGATION - 2010
 (PRINCIPAL AND INTEREST PAYMENTS ONLY) - CONTINUED
 JUNE 30, 2011

<u>Date of Maturity</u>	<u>Coupon</u>	<u>Principal Maturity</u>	<u>Interest Payable</u>
December 3, 2025	3.00 %	\$ 2,386	\$ 2,675
March 3, 2026	3.00	2,434	2,627
June 3, 2026	3.00	2,394	2,666
September 3, 2026	3.00	2,412	2,649
December 3, 2026	3.00	2,459	2,601
March 3, 2027	3.00	2,505	2,555
June 3, 2027	3.00	2,467	2,593
September 3, 2027	3.00	2,486	2,574
December 3, 2027	3.00	2,533	2,528
March 3, 2028	3.00	2,579	2,481
June 3, 2028	3.00	2,543	2,517
September 3, 2028	3.00	2,563	2,498
December 3, 2028	3.00	2,609	2,451
March 3, 2029	3.00	2,655	2,405
June 3, 2029	3.00	2,622	2,438
September 3, 2029	3.00	2,641	2,420
December 3, 2029	3.00	2,688	2,372
March 3, 2030	3.00	2,734	2,326
June 3, 2030	3.00	2,703	2,358
September 3, 2030	3.00	2,723	2,337
December 3, 2030	3.00	2,769	2,291
March 3, 2031	3.00	2,815	2,246
June 3, 2031	3.00	2,786	2,274
September 3, 2031	3.00	2,807	2,253
December 3, 2031	3.00	2,852	2,208
March 3, 2032	3.00	2,898	2,162
June 3, 2032	3.00	2,872	2,188
September 3, 2032	3.00	2,893	2,167
December 3, 2032	3.00	2,939	2,122
March 3, 2033	3.00	2,984	2,076
June 3, 2033	3.00	2,960	2,100
September 3, 2033	3.00	2,983	2,077
December 3, 2033	3.00	3,027	2,033
March 3, 2034	3.00	3,072	1,988
June 3, 2034	3.00	3,051	2,009
September 3, 2034	3.00	3,074	1,986
December 3, 2034	3.00	3,119	1,941
March 3, 2035	3.00	3,163	1,897
June 3, 2035	3.00	3,145	1,915
September 3, 2035	3.00	3,169	1,891
December 3, 2035	3.00	3,213	1,847
March 3, 2036	3.00	3,257	1,803
June 3, 2036	3.00	3,242	1,819
September 3, 2036	3.00	3,266	1,794
December 3, 2036	3.00	3,310	1,750
March 3, 2037	3.00	3,354	1,706
June 3, 2037	3.00	3,341	1,719
September 3, 2037	3.00	3,367	1,693
December 3, 2037	3.00	3,410	1,650
March 3, 2038	3.00	3,453	1,607
June 3, 2038	3.00	3,444	1,616
September 3, 2038	3.00	3,470	1,590
December 3, 2038	3.00	3,513	1,547

(continued)

SUSSEX COUNTY, DELAWARE
 BONDED DEBT GENERAL OBLIGATION - 2010
 (PRINCIPAL AND INTEREST PAYMENTS ONLY) - CONTINUED
 JUNE 30, 2011

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<u>Date of Maturity</u>	<u>Coupon</u>	<u>Principal Maturity</u>	<u>Interest Payable</u>
March 3, 2039	3.00 %	\$ 3,556	\$ 1,504
June 3, 2039	3.00	3,550	1,511
September 3, 2039	3.00	3,576	1,485
December 3, 2039	3.00	3,619	1,441
March 3, 2040	3.00	3,662	1,398
June 3, 2040	3.00	3,659	1,401
September 3, 2040	3.00	3,686	1,374
December 3, 2040	3.00	3,729	1,332
March 3, 2041	3.00	3,771	1,289
June 3, 2041	3.00	3,771	1,289
September 3, 2041	3.00	3,799	1,261
December 3, 2041	3.00	3,842	1,219
March 3, 2042	3.00	3,883	1,178
June 3, 2042	3.00	3,887	1,173
September 3, 2042	3.00	3,916	1,144
December 3, 2042	3.00	3,957	1,103
March 3, 2043	3.00	3,999	1,061
June 3, 2043	3.00	4,006	1,054
September 3, 2043	3.00	4,036	1,024
December 3, 2043	3.00	4,077	983
March 3, 2044	3.00	4,118	942
June 3, 2044	3.00	4,129	932
September 3, 2044	3.00	4,160	900
December 3, 2044	3.00	4,200	860
March 3, 2045	3.00	4,241	820
June 3, 2045	3.00	4,255	805
September 3, 2045	3.00	4,287	773
December 3, 2045	3.00	4,328	733
March 3, 2046	3.00	4,368	692
June 3, 2046	3.00	4,385	675
September 3, 2046	3.00	4,419	642
December 3, 2046	3.00	4,458	602
March 3, 2047	3.00	4,498	563
June 3, 2047	3.00	4,520	540
September 3, 2047	3.00	4,554	506
December 3, 2047	3.00	4,593	467
March 3, 2048	3.00	4,633	428
June 3, 2048	3.00	4,658	402
September 3, 2048	3.00	4,693	367
December 3, 2048	3.00	4,732	328
March 3, 2049	3.00	4,771	289
June 3, 2049	3.00	4,801	260
September 3, 2049	3.00	4,837	223
December 3, 2049	3.00	4,875	185
March 3, 2050	3.00	4,914	146
June 3, 2050	3.00	4,947	113
September 3, 2050	3.00	4,985	76
December 3, 2050	3.00	4,977	42
		\$ 457,992	\$ 338,127

(continued)

SUSSEX COUNTY, DELAWARE
 BONDED DEBT GENERAL OBLIGATION - 2011
 (PRINCIPAL AND INTEREST PAYMENTS ONLY) - CONTINUED
 JUNE 30, 2011

<u>Date of Maturity</u>	<u>Coupon</u>	<u>Principal Maturity</u>	<u>Interest Payable</u>
September 2, 2011	4.25 %	\$ 1,159	\$ 5,356
December 2, 2011	4.25	1,229	5,286
March 2, 2012	4.25	1,300	5,215
June 2, 2012	4.25	1,199	5,317
September 2, 2012	4.25	1,211	5,304
December 2, 2012	4.25	1,282	5,233
March 2, 2013	4.25	1,353	5,162
June 2, 2013	4.25	1,252	5,263
September 2, 2013	4.25	1,266	5,249
December 2, 2013	4.25	1,336	5,179
March 2, 2014	4.25	1,407	5,108
June 2, 2014	4.25	1,309	5,206
September 2, 2014	4.25	1,323	5,192
December 2, 2014	4.25	1,393	5,122
March 2, 2015	4.25	1,464	5,051
June 2, 2015	4.25	1,368	5,147
September 2, 2015	4.25	1,382	5,133
December 2, 2015	4.25	1,453	5,062
March 2, 2016	4.25	1,523	4,992
June 2, 2016	4.25	1,429	5,086
September 2, 2016	4.25	1,444	5,071
December 2, 2016	4.25	1,515	5,000
March 2, 2017	4.25	1,585	4,930
June 2, 2017	4.25	1,493	5,022
September 2, 2017	4.25	1,509	5,006
December 2, 2017	4.25	1,579	4,936
March 2, 2018	4.25	1,650	4,865
June 2, 2018	4.25	1,560	4,955
September 2, 2018	4.25	1,576	4,939
December 2, 2018	4.25	1,647	4,868
March 2, 2019	4.25	1,717	4,798
June 2, 2019	4.25	1,629	4,886
September 2, 2019	4.25	1,647	4,868
December 2, 2019	4.25	1,717	4,798
March 2, 2020	4.25	1,788	4,727
June 2, 2020	4.25	1,702	4,813
September 2, 2020	4.25	1,720	4,795
December 2, 2020	4.25	1,790	4,725
March 2, 2021	4.25	1,861	4,654
June 2, 2021	4.25	1,778	4,737
September 2, 2021	4.25	1,797	4,718
December 2, 2021	4.25	1,867	4,648
March 2, 2022	4.25	1,938	4,577
June 2, 2022	4.25	1,857	4,658
September 2, 2022	4.25	1,877	4,638
December 2, 2022	4.25	1,947	4,568
March 2, 2023	4.25	2,017	4,497
June 2, 2023	4.25	1,939	4,576
September 2, 2023	4.25	1,960	4,555
December 2, 2023	4.25	2,030	4,485
March 2, 2024	4.25	2,101	4,414
June 2, 2024	4.25	2,025	4,490
September 2, 2024	4.25	2,047	4,468

(continued)

SUSSEX COUNTY, DELAWARE
 BONDED DEBT GENERAL OBLIGATION - 2011
 (PRINCIPAL AND INTEREST PAYMENTS ONLY) - CONTINUED
 JUNE 30, 2011

<u>Date of Maturity</u>	<u>Coupon</u>	<u>Principal Maturity</u>	<u>Interest Payable</u>
December 2, 2024	4.25 %	\$ 2,117	\$ 4,398
March 2, 2025	4.25	2,188	4,327
June 2, 2025	4.25	2,115	4,400
September 2, 2025	4.25	2,138	4,377
December 2, 2025	4.25	2,208	4,307
March 2, 2026	4.25	2,278	4,237
June 2, 2026	4.25	2,209	4,306
September 2, 2026	4.25	2,232	4,283
December 2, 2026	4.25	2,302	4,213
March 2, 2027	4.25	2,373	4,142
June 2, 2027	4.25	2,306	4,209
September 2, 2027	4.25	2,331	4,184
December 2, 2027	4.25	2,402	4,114
March 2, 2028	4.25	2,471	4,044
June 2, 2028	4.25	2,408	4,107
September 2, 2028	4.25	2,434	4,081
December 2, 2028	4.25	2,504	4,011
March 2, 2029	4.25	2,574	3,941
June 2, 2029	4.25	2,514	4,001
September 2, 2029	4.25	2,541	3,974
December 2, 2029	4.25	2,611	3,904
March 2, 2030	4.25	2,682	3,833
June 2, 2030	4.25	2,625	3,890
September 2, 2030	4.25	2,653	3,862
December 2, 2030	4.25	2,723	3,792
March 2, 2031	4.25	2,794	3,721
June 2, 2031	4.25	2,741	3,774
September 2, 2031	4.25	2,770	3,745
December 2, 2031	4.25	2,840	3,675
March 2, 2032	4.25	2,910	3,605
June 2, 2032	4.25	2,861	3,654
September 2, 2032	4.25	2,892	3,623
December 2, 2032	4.25	2,962	3,553
March 2, 2033	4.25	3,032	3,483
June 2, 2033	4.25	2,987	3,528
September 2, 2033	4.25	3,019	3,496
December 2, 2033	4.25	3,089	3,426
March 2, 2034	4.25	3,159	3,356
June 2, 2034	4.25	3,119	3,396
September 2, 2034	4.25	3,152	3,363
December 2, 2034	4.25	3,222	3,293
March 2, 2035	4.25	3,292	3,223
June 2, 2035	4.25	3,256	3,259
September 2, 2035	4.25	3,290	3,225
December 2, 2035	4.25	3,360	3,155
March 2, 2036	4.25	3,430	3,085
June 2, 2036	4.25	3,398	3,117
September 2, 2036	4.25	3,435	3,080
December 2, 2036	4.25	3,505	3,010
March 2, 2037	4.25	3,574	2,940
June 2, 2037	4.25	3,547	2,968
September 2, 2037	4.25	3,585	2,930
December 2, 2037	4.25	3,655	2,860

(continued)

SUSSEX COUNTY, DELAWARE
 BONDED DEBT GENERAL OBLIGATION - 2011
 (PRINCIPAL AND INTEREST PAYMENTS ONLY) - CONTINUED
 JUNE 30, 2011

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<u>Date of Maturity</u>	<u>Coupon</u>	<u>Principal Maturity</u>	<u>Interest Payable</u>
March 2, 2038	4.25 %	\$ 3,725	\$ 2,790
June 2, 2038	4.25	3,703	2,812
September 2, 2038	4.25	3,743	2,772
December 2, 2038	4.25	3,812	2,703
March 2, 2039	4.25	3,882	2,633
June 2, 2039	4.25	3,865	2,650
September 2, 2039	4.25	3,906	2,608
December 2, 2039	4.25	3,976	2,539
March 2, 2040	4.25	4,046	2,469
June 2, 2040	4.25	4,034	2,481
September 2, 2040	4.25	4,077	2,437
December 2, 2040	4.25	4,147	2,368
March 2, 2041	4.25	4,217	2,298
June 2, 2041	4.25	4,211	2,304
September 2, 2041	4.25	4,256	2,259
December 2, 2041	4.25	4,326	2,189
March 2, 2042	4.25	4,395	2,120
June 2, 2042	4.25	4,395	2,120
September 2, 2042	4.25	4,442	2,073
December 2, 2042	4.25	4,512	2,003
March 2, 2043	4.25	4,581	1,934
June 2, 2043	4.25	4,587	1,928
September 2, 2043	4.25	4,636	1,879
December 2, 2043	4.25	4,706	1,809
March 2, 2044	4.25	4,775	1,740
June 2, 2044	4.25	4,787	1,728
September 2, 2044	4.25	4,839	1,676
December 2, 2044	4.25	4,908	1,607
March 2, 2045	4.25	4,977	1,538
June 2, 2045	4.25	4,996	1,519
September 2, 2045	4.25	5,050	1,465
December 2, 2045	4.25	5,119	1,396
March 2, 2046	4.25	5,188	1,327
June 2, 2046	4.25	5,214	1,301
September 2, 2046	4.25	5,270	1,245
December 2, 2046	4.25	5,340	1,175
March 2, 2047	4.25	5,408	1,107
June 2, 2047	4.25	5,442	1,073
September 2, 2047	4.25	5,500	1,015
December 2, 2047	4.25	5,569	946
March 2, 2048	4.25	5,638	877
June 2, 2048	4.25	5,679	836
September 2, 2048	4.25	5,740	775
December 2, 2048	4.25	5,809	706
March 2, 2049	4.25	5,878	637
June 2, 2049	4.25	5,927	588
September 2, 2049	4.25	5,990	525
December 2, 2049	4.25	6,059	456
March 2, 2050	4.25	6,128	387
June 2, 2050	4.25	6,185	330

(continued)

SUSSEX COUNTY, DELAWARE
BONDED DEBT GENERAL OBLIGATION - 2011
(PRINCIPAL AND INTEREST PAYMENTS ONLY) - CONTINUED
JUNE 30, 2011

<u>Date of Maturity</u>	<u>Coupon</u>	<u>Principal Maturity</u>	<u>Interest Payable</u>
September 2, 2050	4.25 %	\$ 6,251	\$ 264
December 2, 2050	4.25	6,320	195
March 2, 2051	4.25	6,389	126
June 2, 2051	4.25	5,683	59
		<u>\$ 500,000</u>	<u>\$ 541,625</u>

(continued)

SUSSEX COUNTY, DELAWARE
 BONDED DEBT GENERAL OBLIGATION - 2011
 (PRINCIPAL AND INTEREST PAYMENTS ONLY) - CONTINUED
 JUNE 30, 2011

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<u>Date of Maturity</u>	<u>Coupon</u>	<u>Principal Maturity</u>	<u>Interest Payable</u>
September 2, 2011	4.125 %	\$ 5,057	\$ 21,969
December 2, 2011	4.125	5,347	21,679
March 2, 2012	4.125	5,640	21,386
June 2, 2012	4.125	5,223	21,803
September 2, 2012	4.125	5,278	21,748
December 2, 2012	4.125	5,568	21,458
March 2, 2013	4.125	5,861	21,165
June 2, 2013	4.125	5,451	21,575
September 2, 2013	4.125	5,508	21,518
December 2, 2013	4.125	5,799	21,227
March 2, 2014	4.125	6,091	20,935
June 2, 2014	4.125	5,689	21,337
September 2, 2014	4.125	5,748	21,278
December 2, 2014	4.125	6,039	20,987
March 2, 2015	4.125	6,331	20,695
June 2, 2015	4.125	5,936	21,090
September 2, 2015	4.125	5,998	21,028
December 2, 2015	4.125	6,289	20,737
March 2, 2016	4.125	6,580	20,446
June 2, 2016	4.125	6,194	20,832
September 2, 2016	4.125	6,259	20,767
December 2, 2016	4.125	6,549	20,477
March 2, 2017	4.125	6,841	20,185
June 2, 2017	4.125	6,463	20,563
September 2, 2017	4.125	6,530	20,496
December 2, 2017	4.125	6,820	20,206
March 2, 2018	4.125	7,112	19,914
June 2, 2018	4.125	6,743	20,283
September 2, 2018	4.125	6,813	20,213
December 2, 2018	4.125	7,103	19,923
March 2, 2019	4.125	7,394	19,632
June 2, 2019	4.125	7,035	19,991
September 2, 2019	4.125	7,108	19,918
December 2, 2019	4.125	7,397	19,629
March 2, 2020	4.125	7,688	19,338
June 2, 2020	4.125	7,339	19,687
September 2, 2020	4.125	7,415	19,611
December 2, 2020	4.125	7,704	19,322
March 2, 2021	4.125	7,995	19,031
June 2, 2021	4.125	7,655	19,371
September 2, 2021	4.125	7,735	19,291
December 2, 2021	4.125	8,024	19,002
March 2, 2022	4.125	8,314	18,712
June 2, 2022	4.125	7,985	19,041
September 2, 2022	4.125	8,068	18,958
December 2, 2022	4.125	8,357	18,669
March 2, 2023	4.125	8,647	18,379
June 2, 2023	4.125	8,329	18,697
September 2, 2023	4.125	8,416	18,610
December 2, 2023	4.125	8,704	18,322
March 2, 2024	4.125	8,994	18,032
June 2, 2024	4.125	8,687	18,339
September 2, 2024	4.125	8,777	18,249

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SUSSEX COUNTY, DELAWARE
 BONDED DEBT GENERAL OBLIGATION - 2011
 (PRINCIPAL AND INTEREST PAYMENTS ONLY) - CONTINUED
 JUNE 30, 2011

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<u>Date of Maturity</u>	<u>Coupon</u>	<u>Principal Maturity</u>	<u>Interest Payable</u>
December 2, 2024	4.125 %	\$ 9,066	\$ 17,960
March 2, 2025	4.125	9,356	17,670
June 2, 2025	4.125	9,060	17,966
September 2, 2025	4.125	9,154	17,872
December 2, 2025	4.125	9,443	17,583
March 2, 2026	4.125	9,732	17,294
June 2, 2026	4.125	9,449	17,577
September 2, 2026	4.125	9,547	17,479
December 2, 2026	4.125	9,835	17,191
March 2, 2027	4.125	10,124	16,902
June 2, 2027	4.125	9,854	17,172
September 2, 2027	4.125	9,956	17,070
December 2, 2027	4.125	10,244	16,782
March 2, 2028	4.125	10,533	16,493
June 2, 2028	4.125	10,276	16,750
September 2, 2028	4.125	10,383	16,643
December 2, 2028	4.125	10,670	16,356
March 2, 2029	4.125	10,959	16,067
June 2, 2029	4.125	10,715	16,311
September 2, 2029	4.125	10,827	16,199
December 2, 2029	4.125	11,114	15,912
March 2, 2030	4.125	11,402	15,624
June 2, 2030	4.125	11,174	15,852
September 2, 2030	4.125	11,290	15,736
December 2, 2030	4.125	11,577	15,449
March 2, 2031	4.125	11,864	15,162
June 2, 2031	4.125	11,651	15,375
September 2, 2031	4.125	11,772	15,254
December 2, 2031	4.125	12,059	14,967
March 2, 2032	4.125	12,346	14,680
June 2, 2032	4.125	12,148	14,878
September 2, 2032	4.125	12,274	14,752
December 2, 2032	4.125	12,561	14,465
March 2, 2033	4.125	12,848	14,178
June 2, 2033	4.125	12,666	14,360
September 2, 2033	4.125	12,798	14,228
December 2, 2033	4.125	13,084	13,942
March 2, 2034	4.125	13,371	13,655
June 2, 2034	4.125	13,206	13,820
September 2, 2034	4.125	13,343	13,683
December 2, 2034	4.125	13,629	13,397
March 2, 2035	4.125	13,915	13,111
June 2, 2035	4.125	13,768	13,258
September 2, 2035	4.125	13,912	13,114
December 2, 2035	4.125	14,197	12,829
March 2, 2036	4.125	14,483	12,543
June 2, 2036	4.125	14,354	12,672
September 2, 2036	4.125	14,504	12,522
December 2, 2036	4.125	14,789	12,237
March 2, 2037	4.125	15,074	11,952
June 2, 2037	4.125	14,965	12,061
September 2, 2037	4.125	15,121	11,905
December 2, 2037	4.125	15,406	11,620

(continued)

SUSSEX COUNTY, DELAWARE
 BONDED DEBT GENERAL OBLIGATION - 2011
 (PRINCIPAL AND INTEREST PAYMENTS ONLY) - CONTINUED
 JUNE 30, 2011

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<u>Date of Maturity</u>	<u>Coupon</u>	<u>Principal Maturity</u>	<u>Interest Payable</u>
March 2, 2038	4.125 %	\$ 15,690	\$ 11,336
June 2, 2038	4.125	15,601	11,425
September 2, 2038	4.125	15,763	11,263
December 2, 2038	4.125	16,048	10,978
March 2, 2039	4.125	16,332	10,694
June 2, 2039	4.125	16,264	10,762
September 2, 2039	4.125	16,433	10,593
December 2, 2039	4.125	16,717	10,309
March 2, 2040	4.125	17,000	10,026
June 2, 2040	4.125	16,955	10,071
September 2, 2040	4.125	17,131	9,895
December 2, 2040	4.125	17,414	9,612
March 2, 2041	4.125	17,697	9,329
June 2, 2041	4.125	17,674	9,352
September 2, 2041	4.125	17,858	9,168
December 2, 2041	4.125	18,141	8,885
March 2, 2042	4.125	18,423	8,603
June 2, 2042	4.125	18,423	8,603
September 2, 2042	4.125	18,615	8,411
December 2, 2042	4.125	18,898	8,128
March 2, 2043	4.125	19,179	7,847
June 2, 2043	4.125	19,205	7,821
September 2, 2043	4.125	19,404	7,622
December 2, 2043	4.125	19,687	7,339
March 2, 2044	4.125	19,967	7,059
June 2, 2044	4.125	20,018	7,008
September 2, 2044	4.125	20,226	6,800
December 2, 2044	4.125	20,508	6,518
March 2, 2045	4.125	20,789	6,237
June 2, 2045	4.125	20,866	6,160
September 2, 2045	4.125	21,083	5,943
December 2, 2045	4.125	21,365	5,661
March 2, 2046	4.125	21,644	5,382
June 2, 2046	4.125	21,749	5,277
September 2, 2046	4.125	21,976	5,050
December 2, 2046	4.125	22,256	4,770
March 2, 2047	4.125	22,535	4,491
June 2, 2047	4.125	22,670	4,356
September 2, 2047	4.125	22,905	4,121
December 2, 2047	4.125	23,186	3,840
March 2, 2048	4.125	23,464	3,562
June 2, 2048	4.125	23,629	3,397
September 2, 2048	4.125	23,874	3,152
December 2, 2048	4.125	24,154	2,872
March 2, 2049	4.125	24,431	2,595
June 2, 2049	4.125	24,628	2,398
September 2, 2049	4.125	24,884	2,142
December 2, 2049	4.125	25,163	1,863
March 2, 2050	4.125	25,439	1,587
June 2, 2050	4.125	25,668	1,358

(continued)

SUSSEX COUNTY, DELAWARE
BONDED DEBT GENERAL OBLIGATION - 2011
(PRINCIPAL AND INTEREST PAYMENTS ONLY) - CONTINUED
JUNE 30, 2011

<u>Date of Maturity</u>	<u>Coupon</u>	<u>Principal Maturity</u>	<u>Interest Payable</u>
September 2, 2050	4.125 %	\$ 25,935	\$ 1,091
December 2, 2050	4.125	26,214	812
March 2, 2051	4.125	26,490	536
June 2, 2051	4.125	26,257	272
		<u>\$ 2,113,000</u>	<u>\$ 2,210,663</u>

(continued)

SUSSEX COUNTY, DELAWARE
 BONDED DEBT GENERAL OBLIGATION - 2011A
 (PRINCIPAL AND INTEREST PAYMENTS ONLY) - CONTINUED
 JUNE 30, 2011

<u>Date of Maturity</u>	<u>Coupon</u>	<u>Principal Maturity</u>	<u>Interest Payable</u>
September 28, 2011	4.250 %	\$ 4,045	\$ 18,432
December 28, 2011	4.250	4,290	18,188
March 28, 2012	4.250	4,533	17,944
June 28, 2012	4.250	4,183	18,294
September 28, 2012	4.250	4,228	18,249
December 28, 2012	4.250	4,471	18,006
March 28, 2013	4.250	4,716	17,761
June 28, 2013	4.250	4,372	18,105
September 28, 2013	4.250	4,419	18,058
December 28, 2013	4.250	4,662	17,815
March 28, 2014	4.250	4,906	17,571
June 28, 2014	4.250	4,568	17,909
September 28, 2014	4.250	4,617	17,860
December 28, 2014	4.250	4,860	17,617
March 28, 2015	4.250	5,105	17,372
June 28, 2015	4.250	4,774	17,703
September 28, 2015	4.250	4,825	17,652
December 28, 2015	4.250	5,068	17,409
March 28, 2016	4.250	5,312	17,165
June 28, 2016	4.250	4,987	17,490
September 28, 2016	4.250	5,041	17,436
December 28, 2016	4.250	5,284	17,193
March 28, 2017	4.250	5,528	16,949
June 28, 2017	4.250	5,211	17,266
September 28, 2017	4.250	5,266	17,211
December 28, 2017	4.250	5,509	16,968
March 28, 2018	4.250	5,754	16,723
June 28, 2018	4.250	5,444	17,033
September 28, 2018	4.250	5,502	16,975
December 28, 2018	4.250	5,745	16,732
March 28, 2019	4.250	5,989	16,488
June 28, 2019	4.250	5,686	16,791
September 28, 2019	4.250	5,748	16,729
December 28, 2019	4.250	5,990	16,487
March 28, 2020	4.250	6,234	16,243
June 28, 2020	4.250	5,940	16,537
September 28, 2020	4.250	6,004	16,473
December 28, 2020	4.250	6,246	16,231
March 28, 2021	4.250	6,490	15,987
June 28, 2021	4.250	6,205	16,272
September 28, 2021	4.250	6,271	16,206
December 28, 2021	4.250	6,514	15,963
March 28, 2022	4.250	6,757	15,720
June 28, 2022	4.250	6,480	15,997
September 28, 2022	4.250	6,550	15,927
December 28, 2022	4.250	6,792	15,685
March 28, 2023	4.250	7,036	15,441
June 28, 2023	4.250	6,768	15,709
September 28, 2023	4.250	6,841	15,636
December 28, 2023	4.250	7,083	15,394
March 28, 2024	4.250	7,326	15,151
June 28, 2024	4.250	7,068	15,409
September 28, 2024	4.250	7,144	15,333

(continued)

SUSSEX COUNTY, DELAWARE
 BONDED DEBT GENERAL OBLIGATION - 2011A
 (PRINCIPAL AND INTEREST PAYMENTS ONLY) - CONTINUED
 JUNE 30, 2011

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<u>Date of Maturity</u>	<u>Coupon</u>	<u>Principal Maturity</u>	<u>Interest Payable</u>
December 28, 2024	4.250 %	\$ 7,386	\$ 15,091
March 28, 2025	4.250	7,629	14,847
June 28, 2025	4.250	7,381	15,096
September 28, 2025	4.250	7,460	15,017
December 28, 2025	4.250	7,702	14,775
March 28, 2026	4.250	7,946	14,531
June 28, 2026	4.250	7,708	14,769
September 28, 2026	4.250	7,790	14,687
December 28, 2026	4.250	8,033	14,444
March 28, 2027	4.250	8,275	14,202
June 28, 2027	4.250	8,049	14,428
September 28, 2027	4.250	8,135	14,342
December 28, 2027	4.250	8,377	14,100
March 28, 2028	4.250	8,619	13,858
June 28, 2028	4.250	8,404	14,073
September 28, 2028	4.250	8,494	13,983
December 28, 2028	4.250	8,736	13,741
March 28, 2029	4.250	8,978	13,499
June 28, 2029	4.250	8,775	13,702
September 28, 2029	4.250	8,869	13,608
December 28, 2029	4.250	9,111	13,366
March 28, 2030	4.250	9,353	13,124
June 28, 2030	4.250	9,161	13,316
September 28, 2030	4.250	9,260	13,217
December 28, 2030	4.250	9,501	12,976
March 28, 2031	4.250	9,744	12,733
June 28, 2031	4.250	9,565	12,912
September 28, 2031	4.250	9,668	12,809
December 28, 2031	4.250	9,909	12,568
March 28, 2032	4.250	10,151	12,326
June 28, 2032	4.250	9,986	12,491
September 28, 2032	4.250	10,093	12,384
December 28, 2032	4.250	10,335	12,142
March 28, 2033	4.250	10,576	11,901
June 28, 2033	4.250	10,425	12,052
September 28, 2033	4.250	10,537	11,940
December 28, 2033	4.250	10,778	11,699
March 28, 2034	4.250	11,020	11,457
June 28, 2034	4.250	10,883	11,594
September 28, 2034	4.250	11,000	11,477
December 28, 2034	4.250	11,241	11,236
March 28, 2035	4.250	11,482	10,995
June 28, 2035	4.250	11,361	11,116
September 28, 2035	4.250	11,483	10,994
December 28, 2035	4.250	11,724	10,753
March 28, 2036	4.250	11,965	10,512
June 28, 2036	4.250	11,859	10,618
September 28, 2036	4.250	11,987	10,490
December 28, 2036	4.250	12,227	10,249
March 28, 2037	4.250	12,468	10,009
June 28, 2037	4.250	12,379	10,098
September 28, 2037	4.250	12,512	9,965
December 28, 2037	4.250	12,753	9,724

(continued)

SUSSEX COUNTY, DELAWARE
 BONDED DEBT GENERAL OBLIGATION - 2011A
 (PRINCIPAL AND INTEREST PAYMENTS ONLY) - CONTINUED
 JUNE 30, 2011

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<u>Date of Maturity</u>	<u>Coupon</u>	<u>Principal Maturity</u>	<u>Interest Payable</u>
March 28, 2038	4.250 %	\$ 12,993	\$ 9,484
June 28, 2038	4.250	12,922	9,555
September 28, 2038	4.250	13,060	9,417
December 28, 2038	4.250	13,301	9,176
March 28, 2039	4.250	13,541	8,936
June 28, 2039	4.250	13,488	8,989
September 28, 2039	4.250	13,632	8,845
December 28, 2039	4.250	13,873	8,604
March 28, 2040	4.250	14,113	8,364
June 28, 2040	4.250	14,078	8,399
September 28, 2040	4.250	14,229	8,248
December 28, 2040	4.250	14,469	8,008
March 28, 2041	4.250	14,709	7,768
June 28, 2041	4.250	14,694	7,783
September 28, 2041	4.250	14,851	7,626
December 28, 2041	4.250	15,092	7,385
March 28, 2042	4.250	15,331	7,146
June 28, 2042	4.250	15,336	7,141
September 28, 2042	4.250	15,500	6,977
December 28, 2042	4.250	15,741	6,736
March 28, 2043	4.250	15,980	6,497
June 28, 2043	4.250	16,006	6,471
September 28, 2043	4.250	16,178	6,299
December 28, 2043	4.250	16,418	6,059
March 28, 2044	4.250	16,656	5,821
June 28, 2044	4.250	16,705	5,772
September 28, 2044	4.250	16,884	5,593
December 28, 2044	4.250	17,124	5,353
March 28, 2045	4.250	17,362	5,115
June 28, 2045	4.250	17,435	5,042
September 28, 2045	4.250	17,622	4,855
December 28, 2045	4.250	17,861	4,616
March 28, 2046	4.250	18,099	4,378
June 28, 2046	4.250	18,195	4,282
September 28, 2046	4.250	18,390	4,087
December 28, 2046	4.250	18,630	3,847
March 28, 2047	4.250	18,867	3,610
June 28, 2047	4.250	18,989	3,488
September 28, 2047	4.250	19,192	3,285
December 28, 2047	4.250	19,431	3,046
March 28, 2048	4.250	19,669	2,808
June 28, 2048	4.250	19,817	2,660
September 28, 2048	4.250	20,029	2,448
December 28, 2048	4.250	20,268	2,209
March 28, 2049	4.250	20,505	1,972
June 28, 2049	4.250	20,680	1,797
September 28, 2049	4.250	20,902	1,575
December 28, 2049	4.250	21,141	1,336
March 28, 2050	4.250	21,377	1,100

(continued)

SUSSEX COUNTY, DELAWARE
 BONDED DEBT GENERAL OBLIGATION - 2011A
 (PRINCIPAL AND INTEREST PAYMENTS ONLY) - CONTINUED
 JUNE 30, 2011

<u>Date of Maturity</u>	<u>Coupon</u>	<u>Principal Maturity</u>	<u>Interest Payable</u>
June 28, 2050	4.250 %	\$ 21,581	\$ 896
September 28, 2050	4.250	21,813	664
December 28, 2050	4.250	22,051	426
March 28, 2051	4.250	18,160	191
		<u>\$ 1,720,600</u>	<u>\$ 1,849,116</u>

(continued)

SUSSEX COUNTY, DELAWARE
 BONDED DEBT GENERAL OBLIGATION - 2011B
 (PRINCIPAL AND INTEREST PAYMENTS ONLY) - CONTINUED
 JUNE 30, 2011

<u>Date of Maturity</u>	<u>Coupon</u>	<u>Principal Maturity</u>	<u>Interest Payable</u>
September 28, 2011	4.250 %	\$ 2,522	\$ 11,486
December 28, 2011	4.250	2,673	11,335
March 28, 2012	4.250	2,826	11,182
June 28, 2012	4.250	2,607	11,401
September 28, 2012	4.250	2,635	11,373
December 28, 2012	4.250	2,787	11,221
March 28, 2013	4.250	2,940	11,068
June 28, 2013	4.250	2,725	11,283
September 28, 2013	4.250	2,754	11,254
December 28, 2013	4.250	2,906	11,102
March 28, 2014	4.250	3,058	10,950
June 28, 2014	4.250	2,848	11,160
September 28, 2014	4.250	2,878	11,130
December 28, 2014	4.250	3,030	10,978
March 28, 2015	4.250	3,182	10,826
June 28, 2015	4.250	2,975	11,033
September 28, 2015	4.250	3,007	11,001
December 28, 2015	4.250	3,159	10,849
March 28, 2016	4.250	3,311	10,697
June 28, 2016	4.250	3,109	10,899
September 28, 2016	4.250	3,142	10,866
December 28, 2016	4.250	3,294	10,714
March 28, 2017	4.250	3,446	10,562
June 28, 2017	4.250	3,248	10,760
September 28, 2017	4.250	3,283	10,725
December 28, 2017	4.250	3,434	10,574
March 28, 2018	4.250	3,587	10,421
June 28, 2018	4.250	3,393	10,615
September 28, 2018	4.250	3,429	10,579
December 28, 2018	4.250	3,581	10,427
March 28, 2019	4.250	3,733	10,275
June 28, 2019	4.250	3,545	10,463
September 28, 2019	4.250	3,582	10,426
December 28, 2019	4.250	3,734	10,274
March 28, 2020	4.250	3,886	10,122
June 28, 2020	4.250	3,703	10,305
September 28, 2020	4.250	3,742	10,266
December 28, 2020	4.250	3,894	10,114
March 28, 2021	4.250	4,046	9,962
June 28, 2021	4.250	3,867	10,141
September 28, 2021	4.250	3,909	10,099
December 28, 2021	4.250	4,060	9,948
March 28, 2022	4.250	4,212	9,796
June 28, 2022	4.250	4,039	9,969
September 28, 2022	4.250	4,083	9,925
December 28, 2022	4.250	4,234	9,774
March 28, 2023	4.250	4,385	9,623
June 28, 2023	4.250	4,219	9,789
September 28, 2023	4.250	4,264	9,744
December 28, 2023	4.250	4,415	9,593
March 28, 2024	4.250	4,566	9,442
June 28, 2024	4.250	4,406	9,602
September 28, 2024	4.250	4,453	9,555

(continued)

SUSSEX COUNTY, DELAWARE
 BONDED DEBT GENERAL OBLIGATION - 2011B
 (PRINCIPAL AND INTEREST PAYMENTS ONLY) - CONTINUED
 JUNE 30, 2011

<u>Date of Maturity</u>	<u>Coupon</u>	<u>Principal Maturity</u>	<u>Interest Payable</u>
December 28, 2024	4.250 %	\$ 4,604	\$ 9,404
March 28, 2025	4.250	4,756	9,252
June 28, 2025	4.250	4,601	9,407
September 28, 2025	4.250	4,650	9,358
December 28, 2025	4.250	4,801	9,207
March 28, 2026	4.250	4,953	9,055
June 28, 2026	4.250	4,805	9,203
September 28, 2026	4.250	4,856	9,152
December 28, 2026	4.250	5,007	9,001
March 28, 2027	4.250	5,158	8,850
June 28, 2027	4.250	5,017	8,991
September 28, 2027	4.250	5,071	8,937
December 28, 2027	4.250	5,222	8,786
March 28, 2028	4.250	5,373	8,635
June 28, 2028	4.250	5,238	8,770
September 28, 2028	4.250	5,295	8,713
December 28, 2028	4.250	5,445	8,563
March 28, 2029	4.250	5,596	8,412
June 28, 2029	4.250	5,470	8,538
September 28, 2029	4.250	5,528	8,480
December 28, 2029	4.250	5,679	8,329
March 28, 2030	4.250	5,830	8,178
June 28, 2030	4.250	5,711	8,297
September 28, 2030	4.250	5,772	8,236
December 28, 2030	4.250	5,923	8,085
March 28, 2031	4.250	6,073	7,935
June 28, 2031	4.250	5,962	8,046
September 28, 2031	4.250	6,026	7,982
December 28, 2031	4.250	6,177	7,831
March 28, 2032	4.250	6,327	7,681
June 28, 2032	4.250	6,225	7,783
September 28, 2032	4.250	6,291	7,717
December 28, 2032	4.250	6,442	7,566
March 28, 2033	4.250	6,593	7,415
June 28, 2033	4.250	6,498	7,510
September 28, 2033	4.250	6,568	7,440
December 28, 2033	4.250	6,718	7,290
March 28, 2034	4.250	6,869	7,139
June 28, 2034	4.250	6,784	7,224
September 28, 2034	4.250	6,856	7,152
December 28, 2034	4.250	7,007	7,001
March 28, 2035	4.250	7,157	6,851
June 28, 2035	4.250	7,082	6,926
September 28, 2035	4.250	7,158	6,850
December 28, 2035	4.250	7,308	6,700
March 28, 2036	4.250	7,458	6,550
June 28, 2036	4.250	7,392	6,616
September 28, 2036	4.250	7,472	6,536
December 28, 2036	4.250	7,622	6,386
March 28, 2037	4.250	7,772	6,236
June 28, 2037	4.250	7,716	6,292
September 28, 2037	4.250	7,799	6,209
December 28, 2037	4.250	7,949	6,059

(continued)

SUSSEX COUNTY, DELAWARE
 BONDED DEBT GENERAL OBLIGATION - 2011B
 (PRINCIPAL AND INTEREST PAYMENTS ONLY) - CONTINUED
 JUNE 30, 2011

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<u>Date of Maturity</u>	<u>Coupon</u>	<u>Principal Maturity</u>	<u>Interest Payable</u>
March 28, 2038	4.250 %	\$ 8,099	\$ 5,909
June 28, 2038	4.250	8,055	5,953
September 28, 2038	4.250	8,141	5,867
December 28, 2038	4.250	8,291	5,717
March 28, 2039	4.250	8,441	5,567
June 28, 2039	4.250	8,407	5,601
September 28, 2039	4.250	8,498	5,510
December 28, 2039	4.250	8,647	5,361
March 28, 2040	4.250	8,797	5,211
June 28, 2040	4.250	8,775	5,233
September 28, 2040	4.250	8,869	5,139
December 28, 2040	4.250	9,019	4,989
March 28, 2041	4.250	9,169	4,839
June 28, 2041	4.250	9,159	4,849
September 28, 2041	4.250	9,257	4,751
December 28, 2041	4.250	9,407	4,601
March 28, 2042	4.250	9,556	4,452
June 28, 2042	4.250	9,560	4,448
September 28, 2042	4.250	9,662	4,346
December 28, 2042	4.250	9,812	4,196
March 28, 2043	4.250	9,960	4,048
June 28, 2043	4.250	9,977	4,031
September 28, 2043	4.250	10,084	3,924
December 28, 2043	4.250	10,234	3,774
March 28, 2044	4.250	10,382	3,626
June 28, 2044	4.250	10,413	3,595
September 28, 2044	4.250	10,525	3,483
December 28, 2044	4.250	10,674	3,334
March 28, 2045	4.250	10,822	3,186
June 28, 2045	4.250	10,868	3,140
September 28, 2045	4.250	10,984	3,024
December 28, 2045	4.250	11,133	2,875
March 28, 2046	4.250	11,282	2,726
June 28, 2046	4.250	11,342	2,666
September 28, 2046	4.250	11,463	2,545
December 28, 2046	4.250	11,612	2,396
March 28, 2047	4.250	11,761	2,247
June 28, 2047	4.250	11,837	2,171
September 28, 2047	4.250	11,963	2,045
December 28, 2047	4.250	12,112	1,896
March 28, 2048	4.250	12,260	1,748
June 28, 2048	4.250	12,353	1,655
September 28, 2048	4.250	12,485	1,523
December 28, 2048	4.250	12,633	1,375
March 28, 2049	4.250	12,781	1,227
June 28, 2049	4.250	12,891	1,117
September 28, 2049	4.250	13,029	979
December 28, 2049	4.250	13,178	830
March 28, 2050	4.250	13,325	683
June 28, 2050	4.250	13,452	556

(continued)

SUSSEX COUNTY, DELAWARE
BONDED DEBT GENERAL OBLIGATION - 2011B
(PRINCIPAL AND INTEREST PAYMENTS ONLY) - CONTINUED
JUNE 30, 2011

- 180 -

<u>Date of Maturity</u>	<u>Coupon</u>	<u>Principal Maturity</u>	<u>Interest Payable</u>
September 28, 2050	4.250 %	\$ 13,596	\$ 412
December 28, 2050	4.250	13,745	263
March 28, 2051	4.250	11,073	116
		<u>\$ 1,072,258</u>	<u>\$ 1,152,195</u>



Single Audit Supplement



SUSSEX COUNTY, DELAWARE
 SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
 FOR THE YEAR ENDED JUNE 30, 2011

<u>Federal Grantor / Pass-through Grantor/Program Title / Program or Cluster Title</u>	<u>Federal CFDA Number</u>	<u>Pass-Through Entity Identifying Number</u>	<u>Federal Expenditures</u>
U.S. DEPARTMENT OF AGRICULTURE			
Direct Programs:			
Rural Housing Preservation Grants	10.433	HPG 09-10 HPG 10-11	\$ 24,704
Water and Waste Disposal Systems for Rural Communities*	10.760		8,194,367
ARRA - Water and Waste Disposal Systems for Rural Communities*	10.781		<u>19,345,620</u>
Total Water and Waste Disposal Systems for Rural Communities Cluster			<u>27,539,987</u>
TOTAL U.S. DEPARTMENT OF AGRICULTURE			<u>27,564,691</u>
U.S. DEPARTMENT OF HOUSING AND URBAN DEVELOPMENT			
Passed through State - Delaware State Housing Authority:			
Community Development Block Grants/Entitlement Grants	14.218	NSP 03-08	728,234
Community Development Block Grants/State's Program	14.228	CD 03-08 CD 03-09 CD 03-10	1,203,165
Home Investment Partnerships Program	14.239	HM 03-09 HM 03-10	<u>79,233</u>
TOTAL U.S. DEPARTMENT OF HOUSING AND URBAN DEVELOPMENT			<u>2,010,632</u>
U.S. DEPARTMENT OF TRANSPORTATION			
Direct Program:			
Airport Improvement Program	20.106	3-10-0007-024-2010 3-10-0007-025-2010 3-10-0007-021-2007 3-10-0007-022-2008	456,796
Passed through State - Delaware Emergency Management Agency:			
Interagency Hazardous Materials Public Sector Training and Planning Grants	20.703	HM-HMP-0211-10-01-00	<u>1,078</u>
TOTAL U.S. DEPARTMENT OF TRANSPORTATION			<u>457,874</u>

(continued)

SUSSEX COUNTY, DELAWARE
 SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS - CONTINUED
 FOR THE YEAR ENDED JUNE 30, 2011

Federal Grantor / Pass-through Grantor/Program Title / Program or Cluster Title	Federal CFDA Number	Pass-Through Entity Identifying Number	Federal Expenditures
U.S. ENVIRONMENTAL PROTECTION AGENCY			
Direct Program:			
Congressionally Mandated Projects	66.202	XP-96304201-0	\$ 291,000
Passed through State - Department of Natural Resources and Environmental Control:			
Capitalization Grants for Clean Water State Revolving Funds*	66.458	12100003	10,131,083
ARRA - Capitalization Grants for Clean Water State Revolving Funds*	66.458	12000031 12000035 12000036 12000038	<u>6,080,776</u>
Total Capitalization Grants for Clean Water State Revolving Funds			<u>16,211,859</u>
TOTAL U.S. ENVIRONMENTAL PROTECTION AGENCY			<u>16,502,859</u>
U.S. DEPARTMENT OF ENERGY			
Direct Program:			
ARRA - Energy Efficiency and Conservation Block Grant Program (EECBG)*	81.128	DE-SC0001263	<u>458,250</u>
TOTAL U.S. DEPARTMENT OF ENERGY			<u>458,250</u>
U.S. DEPARTMENT OF HOMELAND SECURITY			
Passed through State - Delaware Emergency Management Agency:			
Emergency Management Performance Grants	97.042	2010-EP-E0-0037	205,614
Homeland Security Grant Program	97.067	2006-GE-T6-0060 2007-GE-T7-0020 2009-SS-T9-0038	<u>98,087</u>
TOTAL U.S. DEPARTMENT OF HOMELAND SECURITY			<u>303,701</u>
TOTAL EXPENDITURES OF FEDERAL AWARDS			<u>\$ 47,298,007</u>

*Denotes major program.

NOTE A - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Reporting Entity

The accompanying Schedule of Expenditures of Federal Awards presents the activity of all federal financial assistance programs of Sussex County, Delaware (the County). The County's reporting entity is defined in Note A of the notes to basic financial statements. Federal awards that are passed through other governmental agencies are included on the schedule. Matching funds are excluded from the schedule and program income generated from federal grants is classified as federal expenditures when spent.

Basis of Accounting

The accompanying Schedule of Expenditures of Federal Awards is presented using the accrual and the modified accrual bases of accounting, which are described in Note A of the notes to basic financial statements. The information in this schedule is presented in accordance with the requirements of OMB Circular A-133, *Audits of States, Local Governments, and Non-Profit Organizations*. Therefore, some amounts presented in this schedule may differ from amounts presented in, or used in the preparation of, the basic financial statements.

NOTE B - LOANS

The County had the following federal expenditures that have been or will be funded by loans from the U.S. Department of Agriculture and the U.S. Environmental Protection Agency for the year ended June 30, 2011.

Program Title	Federal CFDA Number	Loan Amount
Water and Waste Disposal Systems for Rural Communities	10.760	\$ 2,781,367
ARRA - Water and Waste Disposal Systems for Rural Communities	10.781	13,404,797
Capitalization Grants for Clean Water State Revolving Funds	66.458	10,131,083
ARRA - Capitalization Grants for Clean Water State Revolving Funds	66.458	6,080,776

NOTE C - LOAN AND LOAN GUARANTEE PROGRAM

The County's federal expenditure for CFDA No. 10.760 balance totaling \$ 8,194,367 and CFDA No. 10.781 balance totaling \$ 19,345,620 includes \$ 5,413,000 and \$ 4,633,559 of loan proceeds, respectively, received in the current fiscal year. Those loan proceeds have continuing compliance requirements, and are therefore considered to be Federal awards expended at June 30, 2011.

NOTE D - LOANS OUTSTANDING

The County administers low-income housing loan programs under the Community Development Block Grants/Entitlement Grants for CFDA No. 14.218. The total amount outstanding at June 30, 2011 is \$ 538,482 of which \$ 327,811 is included in the current fiscal year's federal expenditure balance for that program.

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RETIRED
ANITA Y. SMITH, MEd, DIRECTOR

**INDEPENDENT AUDITOR'S REPORT ON COMPLIANCE WITH REQUIREMENTS
THAT COULD HAVE A DIRECT AND MATERIAL EFFECT ON EACH MAJOR PROGRAM
AND ON INTERNAL CONTROL OVER COMPLIANCE IN ACCORDANCE
WITH OMB CIRCULAR A-133**

To the County Council
Sussex County, Delaware
Georgetown, Delaware

Compliance

We have audited Sussex County, Delaware's compliance with the types of compliance requirements described in the *OMB Circular A-133 Compliance Supplement* that could have a direct and material effect on each of Sussex County, Delaware's major federal programs for the year ended June 30, 2011. Sussex County, Delaware's major federal programs are identified in the summary of auditor's results section of the accompanying schedule of findings and questioned costs. Compliance with the requirements of laws, regulations, contracts, and grants applicable to each of its major federal programs is the responsibility of Sussex County, Delaware's management. Our responsibility is to express an opinion on Sussex County, Delaware's compliance based on our audit.

We conducted our audit of compliance in accordance with auditing standards generally accepted in the United States of America; the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States; and OMB Circular A-133, *Audits of States, Local Governments, and Non-Profit Organizations*. Those standards and OMB Circular A-133 require that we plan and perform the audit to obtain reasonable assurance about whether noncompliance with the types of compliance requirements referred to above that could have a direct and material effect on a major federal program occurred. An audit includes examining, on a test basis, evidence about Sussex County, Delaware's compliance with those requirements and performing such other procedures as we considered necessary in the circumstances. We believe that our audit provides a reasonable basis for our opinion. Our audit does not provide a legal determination of Sussex County, Delaware's compliance with those requirements.

In our opinion, Sussex County, Delaware complied, in all material respects, with the compliance requirements referred to above that could have a direct and material effect on each of its major federal programs for the year ended June 30, 2011.

Internal Control Over Compliance

Management of Sussex County, Delaware is responsible for establishing and maintaining effective internal control over compliance with the requirements of laws, regulations, contracts, and grants applicable to federal programs. In planning and performing our audit, we considered Sussex County, Delaware's internal control over compliance with the requirements that could have a direct and material effect on a major federal program to determine the auditing procedures for the purpose of expressing our opinion on compliance and to test and report on internal control over compliance in accordance with OMB Circular A-133, but not for the purpose of expressing an opinion on the effectiveness of internal control over compliance. Accordingly, we do not express an opinion on the effectiveness of Sussex County, Delaware's internal control over compliance.

Internal Control Over Compliance - Continued

A deficiency in internal control over compliance exists when the design or operation of a control over compliance does not allow management or employees, in the normal course of performing their assigned functions, to prevent, or detect and correct, noncompliance with a type of compliance requirement of a federal program on a timely basis. *A material weakness in internal control over compliance* is a deficiency, or combination of deficiencies, in internal control over compliance, such that there is a reasonable possibility that material noncompliance with a type of compliance requirement of a federal program will not be prevented, or detected and corrected, on a timely basis.

Our consideration of internal control over compliance was for the limited purpose described in the first paragraph of this section and was not designed to identify all deficiencies in internal control over compliance that might be deficiencies, significant deficiencies, or material weaknesses. We did not identify any deficiencies in internal control over compliance that we consider to be material weaknesses, as defined above.

This report is intended solely for the information and use of management, the County Council, others within the entity, federal awarding agencies, and pass-through entities and is not intended to be and should not be used by anyone other than these specified parties.

Jefferson, Urian, Doane & Sterner, P.A.

Georgetown, Delaware
December 21, 2011

DAVID R. URIAN, CPA
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**REPORT ON INTERNAL CONTROL OVER FINANCIAL REPORTING AND ON COMPLIANCE
AND OTHER MATTERS BASED ON AN AUDIT OF FINANCIAL STATEMENTS PERFORMED
IN ACCORDANCE WITH *GOVERNMENT AUDITING STANDARDS***

To the County Council
Sussex County, Delaware
Georgetown, Delaware

We have audited the financial statements of the governmental activities, the business-type activities, and each major fund of Sussex County, Delaware, as of and for the year ended June 30, 2011, which collectively comprise Sussex County, Delaware's basic financial statements and have issued our report thereon dated December 21, 2011. We conducted our audit in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States.

Internal Control Over Financial Reporting

In planning and performing our audit, we considered Sussex County, Delaware's internal control over financial reporting as a basis for designing our auditing procedures for the purpose of expressing our opinions on the financial statements, but not for the purpose of expressing an opinion on the effectiveness of Sussex County, Delaware's internal control over financial reporting. Accordingly, we do not express an opinion on the effectiveness of Sussex County, Delaware's internal control over financial reporting.

A deficiency in internal control exists when the design or operation of a control does not allow management or employees, in the normal course of performing their assigned functions, to prevent, or detect and correct misstatements on a timely basis. A *material weakness* is a deficiency, or a combination of deficiencies, in internal control such that there is a reasonable possibility that a material misstatement of the entity's financial statements will not be prevented, or detected and corrected on a timely basis.

Our consideration of internal control over financial reporting was for the limited purpose described in the first paragraph of this section and was not designed to identify all deficiencies in internal control over financial reporting that might be deficiencies, significant deficiencies, or material weaknesses. We did not identify any deficiencies in internal control over financial reporting that we consider to be material weaknesses, as defined above.

Compliance and Other Matters

As part of obtaining reasonable assurance about whether Sussex County, Delaware's financial statements are free of material misstatement, we performed tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements, noncompliance with which could have a direct and material effect on the determination of financial statement amounts. However, providing an opinion on compliance with those provisions was not an objective of our audit, and accordingly, we do not express such an opinion. The results of our tests disclosed no instances of noncompliance or other matters that are required to be reported under *Government Auditing Standards*.

We noted certain matters that we reported to management of Sussex County, Delaware in a separate letter dated December 21, 2011.

This report is intended solely for the information and use of management, the County Council, others within the entity, and federal awarding agencies and pass-through entities and is not intended to be and should not be used by anyone other than these specified parties.

Jefferson, Urian, Doane & Sterner, P.A.

Georgetown, Delaware
December 21, 2011

SECTION I - SUMMARY OF INDEPENDENT AUDITOR'S RESULTS

Financial Statements

Type of auditor's report issued: Unqualified

Internal control over financial reporting:

- Material weakness(es) identified? Yes No
- Significant deficiency(ies) identified that are not considered to be material weakness? Yes None Reported
- Noncompliance material to financial statements noted? Yes No

Federal Awards

Internal control over major programs:

- Material weakness(es) identified? Yes No
- Significant deficiency(ies) identified that are not considered to be material weakness(es)? Yes None Reported

Type of auditor's report issued on compliance for major programs: Unqualified

Any audit findings disclosed that are required to be reported in accordance with section 510(a) of OMB Circular A-133? Yes No

Identification of Major Programs:

<u>Program Name/Cluster</u>	<u>CFDA Number(s)</u>
Water and Waste Disposal Systems for Rural Communities Cluster	10.760 & 10.781
Capitalization Grants for Clean Water State Revolving Funds Cluster	66.458
ARRA - Energy Efficiency Conservation Block Grant Program (EECBG)	81.128

Dollar threshold used to distinguish between type A and type B programs: \$ 300,000
 Auditee qualified as low-risk auditee? Yes No

SECTION II - FINDINGS RELATED TO THE FINANCIAL STATEMENTS REPORTED IN ACCORDANCE WITH GOVERNMENT AUDITING STANDARDS

None - Current and Prior

SECTION III - FINDINGS RELATED TO THE FEDERAL AWARDS

None - Current and Prior