



**Fort DuPont Redevelopment and Preservation Corporation  
Board of Directors Meeting**

**August 14, 2024 9:30 a.m.**

Delaware City Fire Hall  
815 5th Street  
Delaware City DE 19706

**AGENDA**

1. Call to Order
2. Roll Call
3. Approval of Minutes - Fort DuPont Redevelopment and Preservation Corporation Meeting of July 10, 2024
4. FY 2023 Audit Report (George Fournaris of Belfint, Lyons & Shuman, P.A.)
5. Engagement Letter for FY 2024 Audit
6. FY 2025 Operating and Capital Budget Approval
7. Funding Request FY 26 Governor's Recommended Budget
8. Appointments to Board of Directors of Friends of Fort DuPont
9. Land Use Planning Committee Presentation
10. Treasurer's Report
11. Executive Director's Report
12. Committee Reports
  - a. FDRPC Finance and Audit Committee Meeting of June 10, 2024
  - b. FDRPC Executive Committee Meeting of June 24, 2024
13. Delaware City updates
14. Public comment
15. Recess Into Executive Session {Pursuant to 29 Del. C. §10004(b)(2) Preliminary discussions on site acquisitions for any publicly funded capital improvements, or sales or leases of real property and §10004(b)(9) Personnel matters in which the names, competency and abilities of individual employees or students are discussed, unless the employee or student requests that such a meeting be open.}

16. Actions to be voted upon from Executive Session (if applicable)
17. Next meeting date: September 11, 2024, at 9:30 a.m.
18. Adjournment

*Please note: Pursuant to 29 Del. C 10004(e)(2), this Agenda may be changed to include additional items including executive sessions or to delete items that arise at the time of the meeting.*

*Potential executive session pursuant to 29 Del. C. 10004(b)(9) (“Personnel matters in which the names, competency and abilities of individuals employees...are discussed.”)*

*Potential executive session pursuant to 29 Del. C. 10004(b)(2) (“discussions regarding sales or leases of real property) and 29 Del C. 10004 (b)(6) (discussion of the content of documents, excluded from the definition of “public record,” where such discussion may disclose the contents of such documents).*

*Potential executive session pursuant to 29 Del. C. 1004 (b)(4) (“Strategy sessions, including those involving legal advice or opinion from an attorney-at-law...”) and 29 Del. C. 10004(b)(6) (discussion of the contents of documents, excluded from the definition of “public record,” where such discussion may disclose the contents of such documents).*

**FORT DUPONT REDEVELOPMENT AND PRESERVATION CORPORATION**  
**BOARD OF DIRECTORS MEETING**

The Fort Dupont Redevelopment and Preservation Corporation Board of Directors meeting was held on July 10, 2024 at the Delaware City Fire Hall, 815 5th Street, Delaware City, with Chair John McMahon presiding.

**CALL TO ORDER**

Chair McMahon called the Fort DuPont Redevelopment and Preservation Corporation (FDRPC) Board of Directors meeting to order at 9:40 a.m.

**BOARD MEMBERS PRESENT**

Mr. David Edgell (Office of State Planning Coordination)  
Secretary Shawn Garvin, Department of Natural Resources and Environmental Control (DNREC)  
Mr. Michael Graci (Fort DuPont Resident)  
Ms. Britney Loveland (Interim Delaware City Manager)  
Ms. Ruth Ann Miller (Controller General of the State of Delaware)  
Ms. Wendy Rogers (Fort DuPont Resident)  
Dr. Courtney Stewart (Office of Management and Budget)

**BOARD MEMBERS ABSENT**

Mr. Rony Baltazar-Lopez (Secretary of State)  
Mr. Doug Eriksen (Delaware City Resident)  
Mr. Kurt Foreman (Delaware Prosperity Partnership)  
Ms. Winvenia Graham (Delaware City Resident)  
Senator Spiros Mantzavinos (Chair, Bond Bill Committee)  
Representative Sean Matthews (Co-Chair, Bond Bill Committee)

**STAFF MEMBERS PRESENT**

Mr. Tim Slavin, FDRPC Executive Director  
Ms. Janice Moturi, Deputy Director/Controller  
Mr. Bert Scoglietti (designee of Controller General of the State of Delaware)  
Mr. Richard Forsten, Saul Ewing Arnstein and Lehr LLP.  
Ms. Pam Scott, Saul Ewing Arnstein and Lehr LLP.  
Ms. Crystal Pini-McDaniel, FDRPC Operations Manager

**OTHERS PRESENT**

Ms. Grace Mudrick, NAI Emory Hill  
Mr. Bernhard Hansen

**APPROVAL OF MINUTES – FORT DUPONT REDEVELOPMENT AND PRESERVATION CORPORATION (FDRPC) BOARD MEETING OF JUNE 12, 2024**

**Dr. Stewart moved for approval of the FDRPC Board meeting minutes of June 12, 2024. The motion was seconded by Mr. Graci and unanimously carried.**

### **TREASURER'S REPORT**

Mr. Bert Scoglietti, Treasurer, reviewed the Fort DuPont Redevelopment and Preservation Corporation Budget vs. Actuals: Budget FY 24 P&L Draft 1 – FY24 P&L for July 2023 - June 2024 as of May 2024 and noted the following:

- 4010 State Appropriation – The rest of the FY24 appropriation from the state was drawn down in May. That number is at \$2.25 million under actual, which is actually up \$775,000. That was their last draw for the year.
- 6500 Professional Fees – In total, professional fees for May were up about \$75,000 in May. This includes engineering fees, which were up about \$35,000 and Legal and Accounting, which were up a total of about \$30,000.
- 6711 Building 20–PX – This line item is up \$16,000 and the work continues on that building.
- 6700 Total Improvements are up a total of \$33,000 in the month of May.
- 6800 Total Site Utilities – This line item is up \$15,000, but a lot of that is back-billed to some of the rentals.
- 7000 Operating Expenses – This line item is up by \$9,000.
- 7100 Common Area Maintenance – This line item is up about \$33,000, of which, as you expect, going from the spring to the summer, lawn care is up \$11,000 and landscaping is up about \$22,000 as the grounds need to be maintained.
- 7740 Total Salaries and Wages – These expenses are up about \$54,000 for the month of May and are tracking within budget.

Mr. Scoglietti noted that total expenses were up about \$255,000 over the month of April and the net income bottom line is showing a small positive because of the drawdown of the state money in the month of May.

**Dr. Stewart moved for acceptance of the Treasurer's Report, seconded by Secretary Garvin and unanimously carried.**

### **EXECUTIVE DIRECTOR'S REPORT**

Mr. Tim Slavin, Executive Director, reviewed the Executive Director's Monthly Report for the period June 1, 2024 to June 30, 2024 and noted the following:

**Bio basin Project** – The first of three bio basins is 90% complete. Work will soon begin on the second bio basin, with elevation staking expected next week. The same crew will continue working on bio basins along Cook Street.

**Battery Lane Duplexes** – A pre-construction meeting was held with DNREC, and A-DEL Construction is the contractor. Mobilization with erosion and sediment controls is set for the following week, with DNREC inspecting those controls before work starts. There is a supply chain issue with catch basins and manhole covers, which A-DEL is coordinating with the county to resolve. Once this is addressed, work can proceed.

**Surplus Warehouse on Old Battery Lane** – The surplus warehouse on Old Battery Lane will receive a new roof, with mobilization planned in the next day or two. The roof replacement is expected to take two to three days. The decision to proceed immediately, despite the heat, aims to quickly improve the property.

Roof work is frequent due to insurance coverage requirements. With a switch to a new insurance carrier, attention to roof conditions is necessary to avoid higher premiums.

**Chapel and Theater Projects** – The chapel needs work on the doors and entranceway to complete the exterior shell and the theater requires replacement of the failing porch and work on the exterior doors. Both projects will mobilize shortly.

**Land Use Planning Committee** – The work of the committee is making its way into the community. A presentation was made before the Planning Commission the previous week and was well received. A presentation will be made before the Mayor and Council on Monday, July 15, 2024 and then there will be a community information presentation on the land use planning sessions and updating residents of Delaware City on some of the capital projects.

**Branch Canal Revetment** – All necessary submissions for the Branch Canal Revetment project are under review by the Army Corps of Engineers. There is no estimated timeline for the review, but efforts are ongoing to expedite the process, including escalating if necessary.

**Marina Village 6F Swapping of Protections Issue** – Mr. Michael Tholstrup from DNREC has coordinated with the State Historic Preservation Office to set up a meeting to assess the cultural resources affected by the proposed land swap related to 6F protections. This assessment will detail the significance of the site, adverse effects of the removal, and future consequences on the National Register of Historic Districts, as part of the Section 106 consultation. Information on previous public involvement needs to be compiled, much of which is already available and needs repackaging. Additionally, consultation with federally recognized tribes under the National Historic Preservation Act is required and is in process.

**Real Estate** – 1311 Officers Row is still available for sale.

**FY2025 Funding Update** – For FY2025, the appropriation in the bond bill remained level at \$2.25 million, unchanged from last year. The request for a higher amount was not included in the Governor's recommended budget and did not change during the legislative process. Two proposals submitted to the Community Reinvestment Fund, totaling \$1.1 million for the theater and chapel, were not funded. Further details will be discussed when addressing the draft budget.

**Yorkston Consulting - Friends of Fort DuPont** – According to the strategic plan, this organization is now prepared to begin its activities. Initial board appointments will be made soon, starting with five members, to establish and adopt bylaws and key nonprofit policies.

The adopted set of bylaws only require amendments now. Additionally, Friends of Fort DuPont has its tax number and 501(c)(3) status, with its corporate status also in place, making them ready to proceed.

The goal is to have a total of nine to twelve board members by the end of the year, and staff is currently working on generating interest for these positions. The bylaws specify that one board member from the FDRPC board will serve as a liaison on the new board. Staff is are eager to move forward and support this initiative.

**Mr. Edgell moved for acceptance of the Executive Director's Report, seconded by Mr. Graci and unanimously carried.**

## **COMMITTEE REPORTS**

### **FDRPC Executive Committee Meeting of February 26, 2024**

**Dr. Stewart moved for acceptance of the FDRPC Executive Committee Report of February 26, 2024. The motion was seconded by Mr. Edgell and unanimously carried.**

### **FDRPC Finance and Audit Committee Meeting of May 13, 2024**

**Dr. Stewart moved for acceptance of the FDRPC Finance and Audit Committee Report of May 13, 2024. The motion was seconded by Mr. Edgell and unanimously carried.**

## **FY 2025 DRAFT OPERATING AND CAPITAL BUDGET**

Mr. Tim Slavin, Executive Director, reviewed the preliminary draft budget and noted that it would be revisited for final approval in August. He advised that the budget has been created with very conservative revenue projections, assuming level funding from our appropriation and minimal additional revenue. Potential revenue sources include property sales, federal grants, and financing existing properties. Any resulting additional revenue will lead to an amended budget.

Mr. Slavin explained that revenue projections are notably lower than in previous years, reflecting the anticipated challenging year. Expenses have also been conservatively estimated. Capital projects are projected at \$698 in the budget, with many more potential projects identified that are not yet funded. These projects will be authorized as revenue permits, with careful sequencing for cash flow management. Multi-year projects are budgeted across fiscal years, and some may be eligible for external funding.

Mr. Slavin noted, on the operational side, a 2% salary increase for five employees is projected, excluding himself and Ms. Moturi, whose salaries remain unchanged. New insurance benefits, including short-term and long-term disability and term life insurance, are being added, with costs shared following state guidelines.

Looking ahead to fiscal year 2025, they need to advocate more strongly for state support for deferred maintenance and infrastructure needs, and diversify revenue sources. This involves creating revenue-producing properties, potentially borrowing against assets, renegotiating existing agreements, and considering property sales. The goal is to make smart decisions to avoid being forced into asset sales due to revenue shortfalls.

## **DELAWARE CITY UPDATES**

Ms. Britney Loveland, interim Delaware City Manager, provided the following Delaware City Updates:

- The town's ongoing camera upgrade project is nearing completion, particularly the Delmarva Tower portion.
- The HVAC project at the community center is in progress and will continue through September.
- A generator upgrade project for the community center is in the early stages, preparing for bids.
- Proposals are being gathered to improve the ADA ramp, stairs, and front doors at the library.

Mr. Tim Slavin, FDRPC Executive Director, introduced Mr. Dave Tarley, the newest member of Delaware City Council.

**PUBLIC COMMENT**

Mr. Tim Dilliplane, 118 Clinton Street, Delaware City, asked about the meadow they have let grow in the rustic area of the parade ground. Mr. Tim Slavin, FDRPC Executive Director, advised that they created a no-mow zone, turning it into a meadow in the parade ground. The grass will not grow much higher, and it will likely be mowed in the fall. He noted that it has been very popular.

**RECESS INTO EXECUTIVE SESSION**

**Secretary Garvin moved to recess into Executive Session pursuant to 29 Del. C. §10004(b)(2) Preliminary discussions on site acquisitions for any publicly funded capital improvements, or sales or leases of real property and §10004(b)(9) Personnel matters in which the names, competency and abilities of individual employees or students are discussed, unless the employee or student requests that such a meeting be open. The motion was seconded by Dr. Stewart and unanimously carried.**

The meeting recessed at 9:40 a.m.

**RECONVENE**

**Mr. Edgell moved to reconvene the FDRPC Board meeting, seconded by Secretary Garvin and unanimously carried.**

The meeting reconvened at 10:39 a.m.

**ACTIONS TO BE VOTED UPON FROM EXECUTIVE SESSION**

None.

**NEXT MEETING DATE**

The next meeting is scheduled for August 14, 2024, at 9:30 a.m.

**ADJOURNMENT**

**Mr. Edgell moved for adjournment, seconded by Dr. Stewart and unanimously carried.**

**The meeting adjourned at 10:40 a.m.**

APPROVED: August 14, 2024

**FORT DUPONT REDEVELOPMENT AND  
PRESERVATION CORPORATION**

**(A Component Unit of the State of Delaware)**

**INDEPENDENT AUDITOR'S REPORT REQUIRED BY  
*GOVERNMENT AUDITING STANDARDS***

**JUNE 30, 2023**



**FORT DUPONT REDEVELOPMENT AND PRESERVATION CORPORATION**  
**(A Component Unit of the State of Delaware)**  
**TABLE OF CONTENTS**  
**JUNE 30, 2023**

	<u>Page No.</u>
<b>Independent Auditor’s Report on Internal Control Over Financial Reporting and on Compliance and Other Matters Based on an Audit of Financial Statements Performed in Accordance with <i>Government Auditing Standards</i></b>	1
Schedule of Findings and Recommendations	3
Summary Schedule of Prior Audit Findings	8



BELFINT • LYONS • SHUMAN  
Certified Public Accountants

[www.belfint.com](http://www.belfint.com)

---

***Independent Auditor's 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 Board of Directors  
Fort DuPont Redevelopment and Preservation Corporation

We have audited, in accordance with the auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States, the financial statements of the Fort DuPont Redevelopment and Preservation Corporation (the Organization), as of and for the year ended June 30, 2023, and the related notes to the financial statements, which collectively comprise the Fort DuPont Redevelopment and Preservation Corporation's basic financial statements and have issued our report thereon dated June 10, 2024.

***Report on Internal Control Over Financial Reporting***

In planning and performing our audit of the financial statements, we considered the Organization's internal control over financial reporting (internal control) as a basis for designing audit procedures that are appropriate in the circumstances for the purpose of expressing our opinion on the financial statements, but not for the purpose of expressing an opinion on the effectiveness of the Organization's internal control. Accordingly, we do not express an opinion on the effectiveness of the Organization's internal control.

A *deficiency in internal control* exists when the design or operation of a control does not allow management or employees, in the normal course of performing their assigned functions, to prevent, or detect and correct, a misstatement 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 Organization's financial statements will not be prevented, or detected and corrected, on a timely basis. A *significant deficiency* is a deficiency, or a combination of deficiencies, in internal control that is less severe than a material weakness, yet important enough to merit attention by those charged with governance.

To the Board of Directors  
Fort DuPont Redevelopment and Preservation Corporation

Our consideration of internal control was for the limited purpose described in the first paragraph of this section and was not designed to identify all deficiencies in internal control that might be material weaknesses or significant deficiencies and, therefore, material weaknesses or significant deficiencies may exist that were not identified. Given these limitations, during our audit we did not identify any deficiencies in internal control that we consider to be material weaknesses. We identified certain deficiencies in internal control described in the accompanying schedule of findings and recommendations as items 2023-001, 2023-002 and 2023-003 that we consider to be significant deficiencies.

***Report on Compliance and Other Matters***

As part of obtaining reasonable assurance about whether the Organization's financial statements are free from material misstatement, we performed tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements, noncompliance with which could have a direct and material effect on the financial statements. 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*.

***Fort DuPont Redevelopment and Preservation Corporation's Responses to Findings***

*Government Auditing Standards* require the auditor to perform limited procedures on the Organization's responses to the findings identified in our audit are described in the accompanying schedule of findings and recommendations. The Organization's responses were not subjected to the auditing procedures applied in the audit of the financial statements and, accordingly, we express no opinion on the responses.

***Purpose of this Report***

The purpose of this report is solely to describe the scope of our testing of internal control and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the Organization's internal control or on compliance. This report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the Organization's internal control and compliance. Accordingly, this communication is not suitable for any other purpose.

*Belfint, Lyons & Shuman, P.A.*

June 10, 2024  
Wilmington, Delaware

**FORT DUPONT REDEVELOPMENT AND PRESERVATION CORPORATION**  
**(A Component Unit of the State of Delaware)**  
**SCHEDULE OF FINDINGS AND RECOMMENDATIONS**  
**YEAR ENDED JUNE 30, 2023**

**Reference Number: 2023-001**

**Type of Finding: Significant Deficiency**

**Financial Reporting Close Process**

**Condition:** During our audit, we noted misstatements of general ledger balances requiring material adjusting journal entries. These adjustments should have been made during the year-end financial close process, but had not yet been made by the Organization, or were required as a result of our audit procedures. A similar finding was reported in the prior year.

1. Entries totaling \$521,266 to properly record real estate sales activity during the year ended June 30, 2023.
2. Entries totaling \$1,884,102 to properly record the cost of sales of properties during the year ended June 30, 2023.
3. Entries totaling \$3,219,956 to record capital asset acquisitions that had been expensed.
4. An entry of \$2,979,443 to reclassify capitalized expenses for the proper presentation of the Statement of Capital Expenses in the Supplementary Information to the Financial Statements.

**Criteria:** The Organization should require adequate review and adjustment of the year-end general ledger balances used to prepare the Organization's financial statements in accordance with generally accepted accounting principles (GAAP), in a timely manner, prior to the annual audit. The Organization's internal controls over financial reporting should allow management or employees, in the normal course of performing their assigned functions, to prevent, or detect and correct, misstatements on a timely basis.

**Cause:** While the Organization's financial closing procedures captured most routine entries, the existing procedures did not capture certain unusual or complex entries needed to present the financial statements in accordance with GAAP. Certain other entries were made but required correction.

**Effect:** The misstatements that were discovered during the audit required material adjustments for the fair presentation of the financial statements. We provided management with proposed adjustments, which management accepted for posting to the Organization's general ledger to correct these misstatements.

**FORT DUPONT REDEVELOPMENT AND PRESERVATION CORPORATION**  
**(A Component Unit of the State of Delaware)**  
**SCHEDULE OF FINDINGS AND RECOMMENDATIONS - CONTINUED**  
**YEAR ENDED JUNE 30, 2023**

**Reference Number:** 2023-001 - Continued

**Recommendation:** We recommend that management enhance its financial closing procedures in the current year so that it captures the types of activities that were not recorded during the fiscal year 2023 closing. As part of the process, management should evaluate all fiscal year 2023 post-closing and audit adjustments to ensure that procedures and controls are in place to properly identify and record similar entries in the future, on a timely basis.

**Views of Responsible Officials and Planned Corrective Actions:** Management agrees with the finding and appreciates the importance of providing comprehensive closing journal entries to ensure the accurate presentation of financial statements. The Corporation successfully implemented procedures to close the fiscal year's ledger by August 15, 2024. However, certain complex transactions, including sales of real estate occurring very late in the fiscal year, were not properly recorded. The Corporation will ensure that closing entries correctly reflect all activity during the fiscal year.

**Responsible Positions:** Management

**FORT DUPONT REDEVELOPMENT AND PRESERVATION CORPORATION**  
**(A Component Unit of the State of Delaware)**  
**SCHEDULE OF FINDINGS AND RECOMMENDATIONS - CONTINUED**  
**YEAR ENDED JUNE 30, 2023**

**Reference Number:** 2023-002

**Type of Finding:** Significant Deficiency

**Allocation of Costs, Cost of Properties Sold**

**Condition:** The Organization does not have a written policy controlling the capitalization of costs and the allocation of such costs incurred in preconstruction, construction, and overhead for its property development projects. Audit procedures resulted in the need for adjusting journal entries totaling \$3,219,956 to properly capitalize such costs. The Organization also did not allocate certain common costs to the properties sold during the fiscal year. The Organization used net cash received from the sales of properties as the basis to record revenue. This resulted in the need for adjusting entries totaling \$521,286 to properly gross-up sales revenue and \$1,884,102 to properly record the cost of real estate sold (see item 2023-001).

A similar finding was reported in the prior year.

**Criteria:** Written policies and procedures for the capitalization of costs and cost allocations are necessary for the consistent recording of property costs in accordance with generally accepted accounting principles.

**Cause:** The Organization does not have a formal property development cost capitalization or cost allocation policy.

**Effect:** The lack of written policies and procedures makes it more difficult to maintain consistent accounting over time and increases the difficulty in conducting the audit.

**Recommendation:** We recommend that accounting policies and procedures be written to document proper accounting for property sales and for costs incurred for preconstruction, construction, and overhead of the Organization's various property development projects and the allocation of such costs.

**Views of Responsible Officials and Planned Corrective Actions:** Management agrees with the finding. Utilizing financial best practices, the Corporation will develop a property development cost capitalization policy and procedures that will allocate costs for preconstruction, construction, and overhead for property development and preservation projects. The policy and procedures will be presented to the Board for its review and approval.

**Responsible Positions:** Management

**FORT DUPONT REDEVELOPMENT AND PRESERVATION CORPORATION**  
**(A Component Unit of the State of Delaware)**  
**SCHEDULE OF FINDINGS AND RECOMMENDATIONS - CONTINUED**  
**YEAR ENDED JUNE 30, 2023**

**Reference Number:** 2023-003

**Type of Finding:** Significant Deficiency

**Cash Disbursement Documentation and Approval**

**Condition:** Cash disbursements lacked proper documentary support approvals and recording to the correct accounts. We found the following:

- Of the 40 cash disbursements randomly selected for testing, supporting documents could not be located for nine of the transactions, four of which were payroll-related transactions. Of the transactions for which support was located and provided, one had no payment approvals recorded on the document.
- Of the 20 credit card transactions selected for testing, supporting documents could not be located for two transactions. However, these two transactions were approved during the Organization's credit card reconciliation process.

A similar finding was reported in the prior year; however, the Organization has made significant improvements to its internal controls over cash disbursements as evidenced in the decreased number of transactions lacking supporting documents and approvals in the current year as compared to the number of transactions identified in finding 2022-003.

**Criteria:** Strong internal controls over cash disbursements are necessary to safeguard the Organization's assets from possible misappropriation and to ensure expenses are recorded properly.

**Cause:** The Organization does not have a formal written policy concerning cash disbursement documentation and approval.

**Effect:** The lack of controls over cash disbursements increases the Organization's risk for misappropriation of assets and the lack of written policies and procedures makes it more difficult to maintain consistent accounting processes over time and increases the difficulty in conducting the audit.

**Recommendation:** We recommend that management implement written accounting policies over cash disbursements that include the following procedures:

- Management indicates its approval of expenditures by signing and dating the invoice or payment voucher before payments are made.

**FORT DUPONT REDEVELOPMENT AND PRESERVATION CORPORATION**  
**(A Component Unit of the State of Delaware)**  
**SCHEDULE OF FINDINGS AND RECOMMENDATIONS - CONTINUED**  
**YEAR ENDED JUNE 30, 2023**

**Reference Number: 2023-003 - Continued**

**Recommendation - Continued**

- Management maintains a record of supporting documentation for payroll transactions similar to that maintained for other non-payroll expenditures.
- For each credit card use, a receipt should be obtained and submitted to an authorizing official for review and approval. These receipts should be retained in the business office and compared with the details in the credit card's monthly statement. Any discrepancies should be investigated.

We also recommend that the Organization continue making improvements to its filing system, including creating a digital system, to store its paid invoices and other documentation.

**Views of Responsible Officials and Planned Corrective Actions:** Management agrees with the finding and appreciates the acknowledgment of our efforts during the past year to improve internal controls over cash management. The Corporation will develop written accounting policies over cash disbursements and present them to the Board for its review and approval. As noted in the recommendation, the Corporation will continue efforts to transition the storage of financial documentation from a paper to a digital system.

**Responsible Position:** Management



**FORT DUPONT REDEVELOPMENT AND PRESERVATION CORPORATION**  
**(A Component Unit of the State of Delaware)**  
**SUMMARY SCHEDULE OF PRIOR AUDIT FINDINGS**  
**YEAR ENDED JUNE 30, 2023**

**Reference Number: 2020-001**

**Type of Finding: Significant Deficiency**

**Valuation of Donated Capital Assets**

**Condition:** The Organization has recorded the buildings and improvements, originally donated by the State of Delaware at insured value, and the land, originally donated by the State of Delaware, at values assessed for property tax purposes. Accounting principles generally accepted in the United States of America (GAAP) require that donated capital assets be recorded at Acquisition Value, resulting in misstatements of the assets, net position, and expenses of the Organization. The amount by which this departure would affect the assets, net position, and expenses of the Fort DuPont Redevelopment and Preservation Corporation has not been determined.

**Current Status:** This condition was unchanged during the year ended June 30, 2023 and is not expected to be addressed due to the cost and effort involved in determining the donated assets' Acquisition Values.

**Reference Number: 2022-001**

**Type of Finding: Significant Deficiency**

**Financial Reporting Close Process**

**Condition:** During our audit, we noted misstatements of the general ledger balances requiring material adjusting journal entries. Many of these adjustments should have been made during the year-end financial close process, but had not yet been made by the Organization, or were required as a result of our audit procedures. A similar finding was reported in the prior year.

**Current Status:** A similar condition was noted during the year ended June 30, 2023. See current year finding 2023-001.

**Reference Number: 2022-002**

**Type of Finding: Significant Deficiency**

**Allocation of Costs, Cost of Properties Sold**

**Condition:** The Organization does not have a written policy for the capitalization of costs and the allocation of such costs incurred in preconstruction, construction, and overhead for its property development projects. Audit procedures resulted in adjusting journal entries totaling \$1,292,238 to properly capitalize such costs. The Organization also did not perform any allocation of costs to the properties it sold during the fiscal year. Full sales prices were recorded as revenue. This resulted in adjusting entries totaling \$2,701,904 to properly record the cost of real estate sold (see item 2022-001). A similar finding was reported in the prior year.

**Current Status:** A similar condition was noted during the year ended June 30, 2023. See current year finding 2023-002.

**FORT DUPONT REDEVELOPMENT AND PRESERVATION CORPORATION**  
**(A Component Unit of the State of Delaware)**  
**SUMMARY SCHEDULE OF PRIOR AUDIT FINDINGS - CONTINUED**  
**YEAR ENDED JUNE 30, 2023**

**Reference Number:** 2022-003

**Type of Finding:** Significant Deficiency

**Cash Disbursement Documentation and Approval**

**Condition:** Cash disbursements lacked proper documentary support approvals and recording to the correct accounts.

**Current Status:** A similar condition was noted during the year ended June 30, 2023. See current year finding 2023-003. The Organization has made significant improvements to its internal controls over cash disbursements including improvements to its filing procedures over supporting documents and credit card expense reconciliation procedures.



BELFINT • LYONS • SHUMAN  
Certified Public Accountants

[www.belfint.com](http://www.belfint.com)

August 1, 2024

Mr. Timothy Slavin, Executive Director  
Fort DuPont Redevelopment and Preservation Corporation  
P.O. Box 521  
260 Old Elm Avenue  
Delaware City, DE 19706

Belfint, Lyons & Shuman, P.A. is pleased to provide Fort DuPont Redevelopment and Preservation Corporation (“FDRPC,” “you,” or “your”) with the professional services described below. This letter, the attached Terms and Conditions Addendum, and any other attachments or modifications incorporated herein (collectively, “Agreement”), confirm our understanding of the terms and objectives of our engagement and the nature and limitations of the services we will provide. The engagement between you and our firm will be governed by the terms of this Agreement.

#### ***AUDIT SCOPE AND OBJECTIVES***

We will audit the financial statements of the business-type activities, and the disclosures, which collectively comprise the basic financial statements of FDRPC as of and for the year ending June 30, 2024. Management has omitted the management’s discussion and analysis that accounting principles generally accepted in the United States of America require to be presented to supplement the financial statements. Such missing information, although not a part of the financial statements, is required by the Governmental Accounting Standards Board, who considers it to be an essential part of financial reporting for placing the financial statements in the appropriate operational, economic, or historical context.

We have also been engaged to report on supplementary information, other than RSI, that accompanies FDRPC’s financial statements. We will subject the following supplementary information to the auditing procedures applied in our audit of the 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 GAAS, and we will provide an opinion on it in relation to the financial statements as a whole, in a report combined with our auditor’s report on the financial statements.

- Schedule of Operating Expenses
- Schedule of Capital Expenses

We will also assist in preparing the financial statements and related notes of the FDRPC in conformity with accounting principles generally accepted in the United States of America based on information provided by you.

1011 Centre Road • Suite 310 | Wilmington • DE 19805 | Phone: 302.225.0600 | Fax: 302.225.0625

These nonaudit services do not constitute an audit under *Government Auditing Standards* and such services will not be conducted in accordance with *Government Auditing Standards*. We will perform the services in accordance with applicable professional standards. The other services are limited to the financial statement services previously defined. We, in our sole professional judgment, reserve the right to refuse to perform any procedure or take any action that could be construed as assuming management responsibilities.

If you mine, buy, sell, or exchange virtual currency, use virtual currency to pay for goods or services, or receive virtual currency as payment for goods and services, you are responsible for reporting this information to us in order to accurately prepare your financial reports.

You may request that we perform additional services not addressed by this engagement letter. If this occurs, we will communicate with you regarding the scope of the additional services and estimated fees. In the absence of any other written communications from us documenting such additional services, our services will continue to be governed by the terms of this Agreement.

The deliverables presented as part of this engagement letter are not to be altered and used for any purpose without our express written consent. If we consent, you agree to provide us with copies of master's or printer's proof of the entire document in sufficient time for our review and approval before distribution or print. You also agree to provide us a copy of the final reproduced or printed material for our approval before it is distributed. Consent to distribute or publish any deliverable by us (either consistent with this provision or given separately) does not afford such third party any right to rely upon the deliverable or any rights as a third-party beneficiary and no such third-party beneficiary relationship is intended.

The objectives of our audit are to obtain reasonable assurance as to whether the financial statements as a whole are free from material misstatement, whether due to fraud or error; issue an auditor's report that includes our opinion about whether your financial statements are fairly presented, in all material respects, in conformity with GAAP; and report on the fairness of the supplementary information referred to in the second paragraph when considered in relation to the financial statements as a whole. Reasonable assurance is a high level of assurance but is not absolute assurance and therefore is not a guarantee that an audit conducted in accordance with GAAS and *Government Auditing Standards* will always detect a material misstatement when it exists. Misstatements, including omissions, can arise from fraud or error and are considered material if there is a substantial likelihood that, individually or in the aggregate, they would influence the judgment of a reasonable user made based on the financial statements.

The objectives also include reporting on internal control over financial reporting and compliance with provisions of laws, regulations, contracts, and award agreements, noncompliance with which could have a material effect on the financial statements in accordance with *Government Auditing Standards*.

#### ***AUDITOR'S RESPONSIBILITIES FOR THE AUDIT OF THE FINANCIAL STATEMENTS***

We will conduct our audit in accordance with GAAS and the standards for financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States, and will include tests of your accounting records of the Ft. DuPont Redevelopment and Preservation Corp. and other procedures we consider necessary to enable us to express such opinions. As part of an audit in accordance with GAAS and *Government Auditing Standards*, we exercise professional judgment and maintain professional skepticism throughout the audit.

We will evaluate the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management. We will also evaluate the overall presentation of the financial statements, including the disclosures, and determine whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation. We will plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement, whether from (1) errors, (2) fraudulent financial reporting, (3) misappropriation of assets, or (4) violations of laws or governmental regulations that are attributable to the government or to acts by management or employees acting on behalf of the government. Because the determination of waste and abuse is subjective, *Government Auditing Standards* do not expect auditors to perform specific procedures to detect waste or abuse in financial audits nor do they expect auditors to provide reasonable assurance of detecting waste or abuse.

Because of the inherent limitations of an audit, combined with the inherent limitations of internal control, and because we will not perform a detailed examination of all transactions, there is an unavoidable risk that some material misstatements may not be detected by us, even though the audit is properly planned and performed in accordance with GAAS and *Government Auditing Standards*. In addition, an audit is not designed to detect immaterial misstatements or violations of laws or governmental regulations that do not have a direct and material effect on the financial statements. However, we will inform the appropriate level of management of any material errors, fraudulent financial reporting, or misappropriation of assets that comes to our attention. We will also inform the appropriate level of management of any violations of laws or governmental regulations that come to our attention, unless clearly inconsequential. Our responsibility as auditors is limited to the period covered by our audit and does not extend to any later periods for which we are not engaged as auditors.

We will also conclude, based on the audit evidence obtained, whether there are conditions or events, considered in the aggregate, that raise substantial doubt about the government's ability to continue as a going concern for a reasonable period of time.

Our procedures will include tests of documentary evidence supporting the transactions recorded in the accounts tests of the physical existence of inventories, and direct confirmation of receivables and certain assets and liabilities by correspondence with selected funding sources, customers, creditors, and financial institutions. We will also request written representations from your attorneys as part of the engagement.

We have identified the following significant risk(s) of material misstatement as part of our audit planning:

- Improper Revenue Recognition
- Capital Asset Costs - Both Direct and Allocated

Our audit of the financial statements does not relieve you of your responsibilities.

#### ***AUDIT PROCEDURES - INTERNAL CONTROL***

We will obtain an understanding of the government and its environment, including internal control relevant to the audit, sufficient to identify and assess the risks of material misstatement of the financial statements, whether due to error or fraud, and to design and perform audit procedures responsive to those risks and obtain evidence that is sufficient and appropriate to provide a basis for our opinions. Tests of controls may be performed to test the effectiveness of certain controls that we consider relevant to preventing and detecting errors and fraud that are material to the financial statements and to preventing and detecting

misstatements resulting from illegal acts and other noncompliance matters that have a direct and material effect on the financial statements. Our tests, if performed, will be less in scope than would be necessary to render an opinion on internal control and, accordingly, no opinion will be expressed in our report on internal control issued pursuant to *Government Auditing Standards*. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentation, or the override of internal control. An audit is not designed to provide assurance on internal control or to identify significant deficiencies or material weaknesses. Accordingly, we will express no such opinion. However, during the audit, we will communicate to management and those charged with governance internal control related matters that are required to be communicated under AICPA professional standards and *Government Auditing Standards*.

#### ***AUDIT PROCEDURES - COMPLIANCE***

As part of obtaining reasonable assurance about whether the financial statements are free of material misstatement, we will perform tests of FDRPC's compliance with the provisions of applicable laws, regulations, contracts, agreements, and grants. However, the objective of our audit will not be to provide an opinion on overall compliance, and we will not express such an opinion in our report on compliance issued pursuant to *Government Auditing Standards*.

#### ***RESPONSIBILITIES OF MANAGEMENT FOR THE FINANCIAL STATEMENTS***

Our audit will be conducted on the basis that you acknowledge and understand your responsibility for designing, implementing, establishing, and maintaining effective internal controls relevant to the preparation and fair presentation of financial statements that are free from material misstatement, whether due to fraud or error, and for evaluating and monitoring ongoing activities to help ensure that appropriate goals and objectives are met; following laws and regulations; and ensuring that management and financial information is reliable and properly reported. Management is also responsible for implementing systems designed to achieve compliance with applicable laws, regulations, contracts, and grant agreements. You are also responsible for the selection and application of accounting principles, for the preparation and fair presentation of the financial statements and all accompanying information in conformity with accounting principles generally accepted in the United States of America, and for compliance with applicable laws and regulations and the provisions of contracts and grant agreements.

Management is responsible for making drafts of financial statements, all financial records, and related information available to us and for the accuracy and completeness of that information (including information from outside of the general and subsidiary ledgers); and for the evaluation of whether there are any conditions or events, considered in the aggregate, that raise substantial doubt about the government's ability to continue as a going concern for the 12 months after the financial statements date or shortly thereafter (for example, within an additional three months if currently known). You are also responsible for providing us with (1) access to all information, of which you are aware, that is relevant to the preparation and fair presentation of the financial statements, such as records, documentation, identification of all related parties and all related-party relationships and transactions, and other matters; (2) additional information that we may request for the purpose of the audit; and (3) unrestricted access to persons within the government from whom we determine it necessary to obtain audit evidence. At the conclusion of our audit, we will require certain written representations from you about your responsibilities for the financial statements; compliance with laws, regulations, contracts, and grant agreements; and other responsibilities required by GAAS and *Government Auditing Standards*.

Your responsibilities include adjusting the financial statements to correct material misstatements and for confirming to us in the written representation letter that the effects of any uncorrected misstatements aggregated by us during the current engagement and pertaining to the latest period presented are immaterial, both individually and in the aggregate, to the financial statements of each opinion unit taken as a whole.

You are responsible for the design and implementation of programs and controls to prevent and detect fraud, and for informing us about all known or suspected fraud affecting the government involving (1) management, (2) employees who have significant roles in internal control, and (3) others where the fraud could have a material effect on the financial statements. Your responsibilities include informing us of your knowledge of any allegations of fraud or suspected fraud affecting the government received in communications from employees, former employees, grantors, regulators, or others. In addition, you are responsible for identifying and ensuring that the government complies with applicable laws, regulations, contracts, agreements, and grants and for taking timely and appropriate steps to remedy fraud and noncompliance with provisions of laws, regulations, or contracts or grant agreements that we report. With regard to including the auditor's report in an exempt offering document, you agree that the aforementioned auditor's report, or reference to Belfint, Lyons & Shuman, P.A., will not be included in any such offering document without our prior permission or consent. Any agreement to perform work in connection with an exempt offering document, including an agreement to provide permission or consent, will be a separate engagement. With regard to an exempt offering document with which Belfint, Lyons & Shuman, P.A., is not involved, you agree to clearly indicate in the exempt offering document that Belfint, Lyons & Shuman, P.A., is not involved with the contents of such offering document.

You are responsible for the preparation of the supplementary information, which we have been engaged to report on, in conformity with accounting principles generally accepted in the United States of America (GAAP). You agree to include our report on the supplementary information in any document that contains, and indicates that we have reported on, the supplementary information. You also agree to include the audited financial statements with any presentation of the supplementary information that includes our report thereon or make the audited financial statements readily available to users of the supplementary information no later than the date the supplementary information is issued with our report thereon. Your responsibilities include acknowledging to us in the written representation letter that (1) you are responsible for presentation of the supplementary information in accordance with GAAP; (2) you believe the supplementary information, including its form and content, is fairly presented in accordance with GAAP; (3) the methods of measurement or presentation have not changed from those used in the prior period (or, if they have changed, the reasons for such changes); and (4) you have disclosed to us any significant assumptions or interpretations underlying the measurement or presentation of the supplementary information.

Management is responsible for establishing and maintaining a process for tracking the status of audit findings and recommendations. Management is also responsible for identifying and providing report copies of previous financial audits, attestation engagements, performance audits or other studies related to the objectives discussed in the *Audit Scope and Objectives* section of this letter. This responsibility includes relaying to us corrective actions taken to address significant findings and recommendations resulting from those audits, attestation engagements, performance audits, or other studies. You are also responsible for providing management's views on our current findings, conclusions, and recommendations, as well as your planned corrective actions, for the report, and for the timing and format for providing that information.

With regard to publishing the financial statements on your website, you understand that websites are a means of distributing information and, therefore, we are not required to read the information contained in those sites or to consider the consistency of other information on the website with the original document.

You agree to assume all management responsibilities relating to the financial statements, related notes, and any other nonaudit services we provide. You will be required to acknowledge in the management representation letter and our assistance with the preparation of the financial statements and related notes and that you have evaluated the adequacy of our services and have reviewed and approved the results of the services, the financial statements, and related notes prior to their issuance and have accepted responsibility for them. Further, you agree to assume all management responsibilities for the financial statement preparation services, and any other nonattest services we provide; you agree to oversee the nonaudit services by designating an individual, preferably from senior management, with suitable skill, knowledge, or experience; evaluate the adequacy and results of those services; and accept responsibility for them.

### ***REPORTING***

We will issue written reports upon completion of our audit. Our reports will be addressed to the Board of Directors of Ft. DuPont Redevelopment and Preservation Corp. Circumstances may arise in which our report may differ from its expected form and content based on the results of our audit. Depending on the nature of these circumstances, it may be necessary for us to modify our opinion, add a separate section, or add an emphasis-of-matter or other-matter paragraph to our auditor's report, or if necessary, withdraw from this engagement. If our opinion is other than unmodified, we will discuss the reasons with you in advance. If, for any reason, we are unable to complete the audit or are unable to form or have not formed an opinion, we may decline to express opinions or issue reports, or we may withdraw from this engagement. If circumstances occur related to the condition of your records, the availability of sufficient, appropriate audit evidence, or the existence of a significant risk of material misstatement of the financial statements caused by error, fraudulent financial reporting, or misappropriation of assets, that in our professional judgment prevent us from completing the audit or forming an opinion on the financial statements, we retain the right to take any course of action permitted by professional standards, including declining to express an opinion or issue a report, or withdrawing from the engagement. We shall still be entitled to compensation for services rendered even though we may decline to express an opinion or issue a report or withdraw from the engagement entirely in accordance with this provision.

### ***ENGAGEMENT TIMING***

The engagement will be scheduled at a mutually agreed-upon time, after receiving the signed engagement letter. We will plan the engagement based on the assumption that your personnel will cooperate and provide assistance by performing tasks such as preparing requested schedules and retrieving supporting documents. If, for whatever reason, your personnel are unavailable to provide the necessary assistance in a timely manner, it may substantially increase the work we have to do to complete the engagement within the established deadlines, resulting in an increase in fees over our original fee estimate. Our services will conclude with the delivery of our report to you or upon termination of the engagement, if earlier.

### ***ENGAGEMENT ADMINISTRATION***

George G. Fournaris, CPA, CGFM is the engagement director and is responsible for supervising the engagement and signing the reports or authorizing another individual to sign them.

We understand that your employees will prepare all cash, accounts receivable, or other confirmations we request and will locate any documents selected by us for testing.



We will provide copies of our reports to FDRPC; however, management is responsible for distribution of the reports and the financial statements. Unless restricted by law or regulation, or containing privileged and confidential information, copies of our reports are to be made available for public inspection.

The audit documentation for this engagement is the property of Belfint, Lyons & Shuman, P.A. and constitutes confidential information. However, subject to applicable laws and regulations, audit documentation and appropriate individuals will be made available upon request and in a timely manner to the State of Delaware or its designee, a federal agency providing direct or indirect funding, or the U.S. Government Accountability Office for the purposes of a quality review of the audit, to resolve audit findings, or to carry out oversight responsibilities. We will notify you of any such request. If requested, access to such audit documentation will be provided under the supervision of Belfint, Lyons & Shuman, P.A. personnel. Furthermore, upon request, we may provide copies of selected audit documentation to the aforementioned parties. These parties may intend, or decide, to distribute the copies or information contained therein to others, including other governmental agencies.

The audit documentation for this engagement will be retained for a minimum of five years after the report release date or for any additional period requested by the State of Delaware. If we are aware that a federal awarding agency or auditee is contesting an audit finding, we will contact the party(ies) contesting the audit finding for guidance prior to destroying the audit documentation.

#### ***ELECTRONIC SIGNATURES AND COUNTERPARTS***

Each party hereto agrees that any electronic signature is intended to authenticate a written signature, shall be valid, and shall have the same force and effect as a manual signature. For purposes hereof, “electronic signature” includes, but is not limited to, a scanned copy of a manual signature, an electronic copy of a manual signature affixed to a document, a signature incorporated into a document utilizing touchscreen capabilities, or a digital signature. This agreement may be executed in one or more counterparts, each of which shall be considered an original instrument, but all of which shall be considered one and the same agreement.

#### ***PROFESSIONAL FEES***

Our professional fee for the services outlined above is \$25,000 based upon our proposal. In addition, this fee depends upon the timely delivery, availability, quality, and completeness of the information you provide to us. You agree that you will deliver all records requested and respond to all inquiries made by our staff to complete this engagement on a timely basis. You agree to pay all fees incurred and expenses incurred whether or not we complete the engagement.

#### ***CLOSING***

We appreciate the opportunity to be of service to you and believe this Agreement accurately summarizes the significant terms of our engagement. This engagement letter, including the attached Terms and Conditions Addendum, and any other attachments, encompasses the entire agreement of the parties and supersedes all previous understandings and agreements between the parties, whether oral or written. Any modification to the terms of this Agreement must be made in writing and signed by an authorized person on behalf of the party to be charged therewith. If you have any questions, please let us know.

Ft. DuPont Development and Preservation Corp.

August 1, 2024

Page 8 of 8

If you agree with the terms of our engagement as described in this letter and the attached Terms and Conditions Addendum, please sign and date where indicated and return it to us.

Very truly yours,

*Belfint, Lyons & Shuman, P.A.*

**RESPONSE:**

This letter correctly sets forth the understanding of Fort DuPont Redevelopment and Preservation Corporation

\_\_\_\_\_  
Officer Name, Title

\_\_\_\_\_  
Date

**Additional services or returns requested, if any:**

\_\_\_\_\_  
\_\_\_\_\_

**OVERVIEW**

As accountants, we endeavor to provide quality services in a consistent and timely manner. This Terms and Conditions Addendum (“Addendum”) to the engagement letter describes the standard terms and conditions related to our provision of services to you and together with the accompanying engagement letter comprise your agreement with us (“Agreement”). If there is any inconsistency between the engagement letter and this Addendum, the terms of the engagement letter will govern to the extent of the inconsistency.

For purposes of this Addendum and our engagement letter, any references to Belfint, Lyons & Shuman, P.A. includes our firm and any of its subsidiaries, partners, principals, shareholders, officers, directors, members, employees, agents, successors, or assigns (collectively, “firm,” “we,” “us,” or “our”). Any reference to “you” or “your” is a reference to the party or parties that have engaged us to provide services. References to Agreement mean the engagement letter or other written document describing the scope of services, any other attachments or modifications incorporated therein, and this Addendum.

**PROFESSIONAL FEES, BILLING AND PAYMENT TERMS**

Our professional fees for services are based upon the complexity of the work to be performed and the level of skill and time required by the individuals assigned to your engagement. We will bill you for our professional fees and any approved out-of-pocket costs monthly as work progresses, and the invoices rendered to you are payable on presentation. If payment is not received within thirty (30) days from the date of the invoice, you may, at our sole discretion, be assessed interest charges of one percent per month (12% per annum) on the unpaid balance.

We reserve the right to suspend or terminate our work due to nonpayment of fees and such services will not be resumed until your account is brought current. If our work is suspended or terminated due to nonpayment, you agree that we are not responsible for your failure to meet governmental and other deadlines, for any penalties or interest that may be assessed against you resulting from your failure to meet such deadlines, and for any other damages including, but not limited to, consequential, indirect, lost profits, or punitive damages incurred as a result of the suspension or termination of our services. If we elect to terminate our services for nonpayment, our engagement will be deemed to have been completed upon written notification to you. We are not required to issue or release any reports or returns to you, even if completed, unless and until payment in full has been received for such services and you will be obligated to compensate us for all time expended and any out-of-pocket expenditures incurred through the date of termination.

If a retainer is applicable to this engagement, our firm’s practice requires payment of the retainer upon execution of this Agreement and prior to commencement of services. You agree that the retainer will be earned as our professional time to complete the engagement is incurred and additional invoices will be rendered as the work progresses. The retainer will be applied to the final billing and any unused balance will be refunded at the end of the engagement.

**ELECTRONIC DATA COMMUNICATION, STORAGE, AND USE OF THIRD-PARTY SERVICES**

To enhance our availability to meet your professional service needs while maintaining service quality and timeliness, we may use third-party service providers to assist us in the provision of services to you, which may include receipt of your confidential information. These providers have established procedures and controls designed to protect client confidentiality and maintain data security. As the paid provider of professional services, our firm remains responsible for exercising reasonable care in providing such services, and our work product will be subjected to our firm’s customary quality control procedures. By accepting the terms and conditions of our engagement, you are providing your consent and authorization to disclose your confidential information to a third-party service provider, solely to the extent such disclosure is necessary to deliver professional service or provide support services to our firm.

In the interest of facilitating our services to you, we may send data over the Internet, store electronic data via computer software applications hosted remotely on the Internet, or utilize cloud-based storage. Your confidential electronic data may be transmitted or stored using these methods. We may use third-party service providers to store or transmit this data, such as providers of tax return preparation software. In using these data communication and storage methods, our firm employs measures designed to maintain data security. We use reasonable efforts to keep such communications and electronic data access secure in accordance with our obligations under applicable laws, regulations, and professional standards and we require that our third-party vendors do the same.

Due to the nature of the Internet and use of online services, you recognize and accept that we have no control over the unauthorized interception or breach of any communications or electronic data once it has been transmitted or if it has been subject to unauthorized access while stored, notwithstanding all reasonable security measures employed by us or our third-party vendors. You expressly consent to our use of these electronic devices and applications and submission of confidential client information to third-party service providers during this engagement with knowledge of the risks described herein.

To further enhance our services to you, we will make secure email and a secure portal available which allows us and you to electronically share data, engagement information, knowledge, and deliverables in a protected, online environment. If you choose to use the portal, you agree that we have no responsibility for the activities of the portal or the portal provider and agree to indemnify and hold us harmless with respect to any and all claims arising from or related to the operation of the portal. We recommend that you also maintain your own backup files of any records stored on the portal.

We also understand that some clients prefer to use other services for exchanging information with us such as Dropbox, Fileshare, Adobe files with passwords, or one of the many other third-party services that are designed to share information. If you choose to utilize these other methods to exchange your confidential information with us, we will generally accommodate this request; however, we cannot be held liable in any way for the security and safety of your confidential information and you accept full responsibility for any and all unauthorized access to your confidential information when using these methods.

***RECORD RETENTION, OWNERSHIP, REQUESTS, AND CONFIDENTIALITY***

It is our firm's policy to store our work product, correspondence, and client-provided documents electronically. By signing the engagement letter, you acknowledge that electronically stored documents and signatures will be considered original documents.

We will return all of your original records and documents provided to us at the conclusion of the engagement. Your records are the primary records for your operations and comprise the backup and support for your work product. Our copies of your records and documents are not a substitute for your own records and do not mitigate your record retention obligations under any applicable laws or regulations.

Workpapers and other documents created by us are our property and will remain in our control. Copies are not to be distributed without both your written request and our prior written consent. Our workpapers will be maintained by us in accordance with our firm's record retention policy and any applicable legal and regulatory requirements.

Our firm destroys workpaper files after a period of eight (8) years. Catastrophic events or physical deterioration may cause our firm's records to be unavailable before the expiration of the retention period stated in our record retention policy. A copy of our record retention policy is available upon request.

All information you provide to us in connection with this engagement will be maintained by us on a strictly confidential basis and we will only use such information for the purposes of rendering services under the Agreement. If we receive a summons, subpoena, or investigative demand which requires us to produce documents from this engagement or testify about this engagement, and we are not prohibited from doing so by applicable law or regulation, we agree to inform you of any such requests as soon as practicable and before complying with such request, if possible. You may, within the time permitted for our firm to respond to any such request, initiate such legal action as you deem appropriate, at your sole expense, to protect this information from discovery. If you take no action within the time permitted for us to respond, or if your action does not result in a judicial order protecting us from supplying requested information, we may construe your inaction or failure as consent to comply with the request. If we are not a party to the proceeding in which the information is sought, you agree to reimburse us for our reasonable professional time and reasonable expenses, as well as the fees and expenses of our counsel incurred in responding to such requests. This paragraph will survive termination of this Agreement.

If you provide our firm with copies of bank and/or brokerage (or investment advisory) statements and/or read-only access to your accounts, we will use the information solely for the purpose described in the *Services* section of the engagement letter. We will rely on the accuracy of the information provided in the statements and will not undertake any action to verify this information, except for any procedures required under the *Services* section. We will not monitor transactions or investment activity, provide investment advice, or supervise the actions of the entity or individuals entering into transactions or investment activities on your behalf. We recommend that you receive and carefully review all statements upon receipt, and direct any questions regarding account activity to your banker, broker, or investment advisor.

You acknowledge that proprietary information, documents, materials, management techniques, and other intellectual property we use are a material source of the services we perform and were developed prior to our association with you. Any new forms, software, documents, or intellectual property we develop during this engagement for your use shall belong to us, and you shall have the limited right to use them solely within your business. All reports, templates, manuals, forms, checklists, questionnaires, letters, agreements, and other documents which we make available to you are confidential and proprietary to us. Neither you, nor any of your agents, will copy, electronically store, reproduce, or make any such documents available to anyone other than your personnel. This provision will apply to all materials whether in digital, "hard copy" format, or other medium.

Internal Revenue Code §7525, *Confidentiality Privileges Related to Taxpayer Communication*, provides a limited confidentiality privilege which applies to tax advice included in taxpayer communications with federally authorized tax practitioners in certain limited situations. While we will cooperate with you with respect to the privilege, asserting the privilege is your responsibility. Inadvertent disclosure of otherwise privileged information may result in a waiver of the privilege. Please contact us immediately if you have any questions or need further information about this matter.

***MANAGEMENT RESPONSIBILITIES***

While Belfint, Lyons & Shuman, P.A. can provide assistance and recommendations, you are responsible for management decisions and functions, and for designating an individual with suitable skill, knowledge, and experience to oversee any non-attest services that we provide. You are responsible for evaluating the adequacy and results of the non-attest services performed and accepting responsibility for such services. You are ultimately responsible for establishing and maintaining internal controls, including monitoring ongoing activities.

***CONFLICTS OF INTEREST AND INDEPENDENCE***

If we, in our sole discretion, believe a conflict has arisen affecting our ability to deliver services to you in accordance with the ethical standards of our profession, we may be required to suspend or terminate our services without completing the engagement. You agree that our suspension or termination of services due to a conflict shall not constitute a breach of any of our obligations.

Independence is an important component, and requirement, of many of the services we provide to our clients. We have a system of quality controls that includes monitoring employee and firm independence to ensure that we are independent both in fact and in appearance. Our professional standards include a provision that an employee of the firm who is offered a position of employment with a client is no longer independent. By signing the engagement letter, you agree to notify us immediately when you make an offer of employment to any of our employees. In the event that we identify a potential threat to our independence as a result of an offer of employment that you made to an employee of our firm, you agree to pay us for all reasonable professional time and reasonable expenses incurred by us that may be deemed necessary or appropriate, in our judgment, to re-perform procedures, reissue any reports, and communicate such information to known third parties as required by professional standards.

***DISPUTE RESOLUTION AND INDEMNIFICATION***

We strive to provide professional services in a timely and effective manner in accordance with applicable professional standards and your satisfaction is important to us. If you think that we made an error or otherwise created a dispute in connection with our engagement, we will work with you to attempt to resolve such issue to your satisfaction wherever possible. If a dispute arises out of or otherwise relates to our Agreement with you, including the scope of services of the engagement, or the breach thereof, you agree to first bring the dispute to our attention by informing our Managing Director, in writing, of the nature of the dispute, what damages you claim, and/or what you view as an appropriate resolution of the dispute. You agree that we shall have no less than fourteen (14) days to respond to you. The parties agree that this dispute resolution procedure shall be deemed concluded if no agreement or resolution is reached within thirty (30) days after the dispute is first communicated by you unless the parties agree to extend this period.

If the dispute cannot be settled through discussions with our Managing Director, the parties agree to try to resolve the dispute by mediation administered by the American Arbitration Association (“AAA”) under the *AAA Professional Accounting and Related Services Dispute Resolution Rules* before resorting to arbitration, litigation, or some other dispute resolution procedure. The parties may also agree to conduct a private mediation utilizing the same rules. The mediator will be selected by the mutual agreement of the parties. If the parties cannot agree on a mediator, a mediator shall be designated by the AAA and any mediator so designated must be neutral and unbiased. The mediation will be conducted in New Castle County, Delaware. The mediation will be treated as a settlement discussion and, therefore, all conversations during the mediation will be completely confidential. The mediator may not testify for either party in any later proceeding related to the dispute. No recording or transcript shall be made of the mediation proceedings. The costs of any mediation proceedings shall be shared equally by all parties. Any costs for legal representation shall be borne by the party retaining such legal representation. Any mediation must be completed within one hundred eighty (180) days of the date that the claim was first asserted unless the parties otherwise agree.

Our liability for claims, damages, and costs that you may assert that relates to or otherwise arises out of this Agreement or the services to be provided hereunder, shall be limited to two (2) times the total amount of fees actually paid by you to us for the services rendered under this Agreement except that our liability shall not be limited on any attest services provided as part of this engagement.

Any claim, demand, or cause of action arising out of or otherwise relating to this Agreement, or the services to be provided under this Agreement, must be brought or commenced within two (2) years after the date that is the later of the date that services have concluded

or the date that you first become aware, or should have become aware, of such claim, demand, or cause of action. For purposes of this paragraph, services shall be deemed to have concluded as of the date we have provided the report or returns incident to such services, or the date we provide written notice to you that we have suspended or terminated services hereunder due to nonpayment or for any other reason provided in this Agreement.

*If we provide non-attest services including tax, bookkeeping, advisory, preparation and/or compilation services as part of this engagement, you agree to indemnify, defend, and hold us harmless with respect to any and all claims made by third parties arising from this engagement and the non-attest services performed hereunder even if such claims allege that we were negligent, grossly negligent, or engaged in willful misconduct. The provisions of this paragraph shall apply regardless of the nature of the claim and you understand and agree that your obligation to indemnify, defend, and hold us harmless shall continue unless and until a tribunal of competent jurisdiction fully and finally determines that our gross negligence or willful misconduct was the substantial cause of the injuries and/or damages sustained by the third party.*

*If we provide attest services including audit, review or agreed-upon procedures as part of this engagement, you agree to indemnify, defend, and hold us harmless from any and all claims which arise from knowing misrepresentations made to us, or the intentional withholding or concealment of information from us by your management or employees. You also agree to indemnify and defend us for any claims made against us by third parties, which arise from any of these actions by your management or employees even if such claims allege that we were negligent, grossly negligent, or engaged in willful misconduct. Our identification to you of any such knowing misrepresentation or withholding or concealment of information in connection with any claim shall automatically trigger the obligation to indemnify, defend, and hold us harmless. The provisions of this paragraph shall apply regardless of the nature of the claim.*

As provided in the preceding paragraphs and to the extent permitted by applicable law, regulations, ethics rules, or professional standards that apply to our firm or the services being provided, you agree to either pay all of our attorneys' fees and costs in defending against claims asserted by third parties against us or, at our request, agree to tender a defense on our behalf at your sole cost and expense. This requirement for a defense (or indemnification of defense costs) and indemnification shall apply even if a claim is asserted against us for negligence, gross negligence, or willful misconduct, unless and until there has been a final determination that we were, in fact, grossly negligent or that our conduct was willful misconduct and that such gross negligence or willful misconduct was the substantial cause of the injuries and/or damages sustained by the third party.

If we successfully pursue any collection activities because of your failure to timely pay fees due in connection with this engagement, you agree that we shall be entitled to recover reasonable attorneys' fees, not to exceed 20% of the amount awarded, together with any costs of collection or court costs that we may incur. You agree that any claim for fees and costs due to us may be brought in a Delaware state court of competent jurisdiction and that each of us expressly waives any right to a trial by jury.

Notwithstanding anything contained herein, you and we agree that regardless of where you are domiciled and regardless of where this Agreement is physically signed, this Agreement shall have been deemed to have been entered into at our office located in New Castle County, Delaware. New Castle County, Delaware shall be the exclusive venue and jurisdiction for resolving disputes related to or otherwise arising out of this Agreement or the services performed hereunder. This Agreement shall be interpreted and governed in accordance with laws of the State of Delaware without regard to principles of conflicts of law.

#### ***TERMINATION AND WITHDRAWAL***

We reserve the right to withdraw from the engagement without completing services for any reason, including, but not limited to, your failure to comply with the terms of the Agreement, or as we determine professional standards require. You further agree that we are not responsible for your failure to meet governmental and other deadlines, for any penalties or interest that may be assessed against you resulting from your failure to meet such deadlines, and for any other damages including, but not limited to, consequential, indirect, lost profits, or punitive damages incurred as a result of the suspension or termination of our services.

#### ***ENTIRE AGREEMENT***

The engagement letter, including this Addendum and any other attachments, encompass the entire Agreement of the parties and supersedes all previous understandings and agreements between the parties, whether oral or written. Any modification to the terms of this Agreement must be made in writing and signed by both parties.

If any portion of the Agreement is deemed to be invalid or unenforceable, the remainder of the terms set forth in the engagement letter and this Addendum shall remain in full force and effect and shall be unaffected. To the extent that a provision is deemed invalid or unenforceable as written, such provision shall be applied or interpreted in such manner as to comport with the spirit and intent of such provision, rendering it valid and enforceable under the law.

**Fort DuPont Redevelopment and Preservation Corporation**  
**Budget vs. Actuals: Budget\_FY25\_P&L - FY25 P&L**  
**July 2024 - June 2025**

	Actual FY 23	Actual FY 24	Budget FY 24	Proposed FY 25
<b>Income</b>	\$ -	\$ -	\$ -	
4010 State Appropriation	\$ 2,575,000.00	\$ 2,250,000.00	\$ 2,250,000.00	2,250,000.00
4100 Rental Income Residential	\$ 121,919.96	\$ 218,401.29	\$ 159,623.08	218,221.29
4101 Old Battery Lane Duplexes				80,000.00
4101 Commercial DNREC	\$ 10,500.00	\$ 10,500.00	\$ 10,500.00	10,500.00
4100 Garden Plot Rental		\$ 1,050.00		1,050.00
4100 Commercial OMB		\$ 9,315.00	\$ 9,315.00	9,315.00
4110 Special Event Revenue	\$ 1,100.00	\$ 5,550.00	\$ 6,600.00	5,600.00
4111 Misc Events	\$ 5,250.00	\$ 1,750.00		0.00
<b>Total 4110 Special Event Revenue</b>	<b>\$ 6,350.00</b>	<b>\$ 7,300.00</b>	<b>\$ 6,600.00</b>	<b>\$ 5,600.00</b>
4130 Cam Revenue	\$ -	\$ -	\$ -	0.00
4131 Lawncare - Cam (State Tenants)	\$ 16,040.00	\$ 12,840.00	\$ 3,200.00	16,040.00
4132 Snow/Ice - Cam (State Tenants)	\$ 25,112.00	\$ 12,598.00	\$ 15,000.00	25,112.00
<b>Total 4130 Cam Revenue</b>	<b>\$ 41,152.00</b>	<b>\$ 25,438.00</b>	<b>\$ 18,930.00</b>	<b>\$ 41,152.00</b>
4150 Tenant Reimbursements	\$ -	\$ -	\$ -	0.00
4151 Utility Reimbursements	\$ 104,182.72	\$ 90,118.53	\$ 133,776.00	133,776.00
<b>Total 4150 Tenant Reimbursements</b>	<b>\$ 104,182.72</b>	<b>\$ 90,118.53</b>	<b>\$ 133,776.00</b>	<b>\$ 133,776.00</b>
<b>Total 4100 Rental Income</b>	<b>\$ 284,104.68</b>	<b>\$ 362,122.82</b>	<b>\$ 338,744.08</b>	<b>\$ 499,614.29</b>
4200 Real Estate Sales	\$ 645,378.90	\$ (61,520.26)	\$ 1,216,200.00	125,000.00
4500 HTC Credits			\$ 185,000.00	188,000.00
Operations Funding				0.00
<b>Total Income</b>	<b>\$ 3,855,608.58</b>	<b>\$ 2,550,602.56</b>	<b>\$ 3,989,944.08</b>	<b>\$ 3,062,614.29</b>
Cost Of Goods Sold				
50000 *Cost Of Goods Sold	\$ 1,531,015.51			0.00
<b>Total Cost Of Goods Sold</b>				<b>\$ 0.00</b>
<b>Gross Profit</b>	<b>\$ 2,324,593.07</b>	<b>\$ 2,550,602.56</b>	<b>\$ 3,989,944.08</b>	<b>\$ 3,062,614.29</b>
<b>Expenses</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	
6030 Bank Charges	\$ 432.19	\$ 132.00	\$ 1,000.00	900.00
6400 Building Improvements			\$ -	0.00
<b>Total 6400 Building Improvements</b>			<b>\$ -</b>	<b>\$ 900.00</b>
6460 Environmental	\$ 76,640.36	\$ 118,177.93	\$ -	118,000.00
6464 Soil Analysis	\$ -			0.00
<b>Total 6460 Environmental</b>	<b>\$ 76,640.36</b>	<b>\$ 118,177.93</b>		<b>\$ 118,000.00</b>
6480 Special Event Expenses	\$ 500.00	\$ 6,066.05	\$ -	6,000.00
6500 Professional Fees	\$ 26,785.47	\$ 59,285.18	\$ -	59,285.18
6505 Prof Fees - Engineering	\$ 14,821.50	\$ 6,820.25	\$ -	183,000.00
6515 Prof Fees - Architectural	\$ 240.00	\$ 1,687.50	\$ -	1,600.00
6520R Prof Fees - Legal	\$ 224,564.10	\$ 96,023.47	\$ 240,000.00	200,000.00
6525R Prof Fees - Accounting	\$ 43,904.00	\$ 69,880.00	\$ 38,196.60	51,500.00
6545 Roadways/Utilities	\$ 7,986.00	\$ 249.49		0.00
<b>Total 6500 Professional Fees</b>	<b>\$ 405,251.05</b>	<b>\$ 409,758.40</b>	<b>\$ 278,196.60</b>	<b>\$ 495,385.18</b>
6535 Permitting	\$ 8,387.34	\$ 4,606.38	\$ 2,795.78	8,300.00
6600R Fees - Other	\$ 7,499.50	\$ -	\$ -	0.00
6610 Bank Fees	\$ 207.26	\$ 548.37	\$ 1,838.65	1,000.00
6625 Bank Charges	\$ 16.95	\$ 16.95	\$ -	0.00

	Actual FY 23	Actual FY 24	Budget FY 24	Proposed FY 25
6627 Applied Bank Fees	\$ 8,905.53	\$ 13.00	\$ -	9,000.00
<b>Total 6625 Bank Charges</b>	<b>\$ 8,922.48</b>	<b>\$ 29.95</b>	<b>\$ -</b>	<b>\$ 9,000.00</b>
6631 Del City Rental Tax			\$ 1,329.56	3,988.68
Total 6600R Fees - Other	<b>\$ 26,104.96</b>	<b>\$ 578.32</b>	<b>\$ 12,255.63</b>	<b>\$ 13,988.68</b>
<b>6700 Improvements</b>	<b>\$ -</b>	<b>\$ 751,368.57</b>	<b>\$ 1,850,000.00</b>	<b>700,000.00</b>
<b>Total 6700 Improvements</b>	<b>\$ 7,517.40</b>	<b>\$ 751,368.57</b>	<b>\$ 1,850,000.00</b>	<b>\$ 700,000.00</b>
6769 Dnrec Relocation				0.00
6800 Site Utilities	\$ 210.15	\$ 424.02	\$ -	0.00
6810 Electric	\$ 183,865.86	\$ 205,807.55	\$ 144,000.00	212,776.00
6815 Gas	\$ 4,195.40	\$ (2,044.83)	\$ 4,400.00	4,000.00
6820 Water	\$ 12,524.92	\$ 14,711.72	\$ 14,000.00	14,000.00
6825 Sewer	\$ 11,293.97	\$ 8,384.46	\$ 20,000.00	12,000.00
6835 Trash	\$ 3,681.23	\$ 3,060.00		4,000.00
<b>Total 6800 Site Utilities</b>	<b>\$ 215,771.53</b>	<b>\$ 230,342.92</b>	<b>\$ 192,600.00</b>	<b>\$ 246,776.00</b>
7000 Operating Expenses	\$ -	\$ -	\$ -	0.00
7009 Computer Support	\$ 2,337.18	\$ 6,869.22	\$ -	6,000.00
7010 Office Supplies	\$ 12,145.00	\$ 15,453.41	\$ 12,000.00	15,500.00
7015 Taxes & Licenses		\$ 253.63		300.00
7020 Travel			\$ 1,000.00	5,000.00
7030 Utilities - Office	\$ 8,894.97	\$ 44,182.97	\$ 6,700.00	14,076.00
7035 Phone/Internet - Office	\$ 5,940.90	\$ 152.18	\$ -	3,600.00
7040 Repairs & Maintenance	\$ 2,551.00	\$ 3,972.10	\$ 5,200.00	6,000.00
7051 Uniforms	\$ 3,077.09	\$ 3,990.07		3,000.00
<b>Total 7000 Operating Expenses</b>	<b>\$ 35,072.45</b>	<b>\$ 75,553.89</b>	<b>\$ 39,010.00</b>	<b>\$ 53,476.00</b>
7100 Common Area Maintenance	\$ 22,648.97	\$ 25,177.47	\$ -	25,000.00
7105 Lawn Care	\$ 119,958.20	\$ 113,840.00	\$ 113,000.00	114,000.00
7110 Storm Water Management			\$ 2,200.00	3,100.00
7115 Pest Control	\$ 1,660.00	\$ 1,612.78	\$ 3,200.00	1,700.00
7120 Fire & Security Monitoring	\$ 4,561.23	\$ 4,292.00	\$ 4,600.00	4,600.00
7125 Snow & Ice Removal		\$ 9,160.00	\$ 3,800.00	10,000.00
7130 Building Repairs & Maintenance		\$ 2,462.50	\$ 19,000.00	2,500.00
7140 Landscaping Maintenance	\$ 70,965.41	\$ 72,122.49	\$ 20,000.00	73,000.00
7141 Auto	\$ 2,584.57	\$ 5,620.91	\$ 9,600.00	5,000.00
7145 Equipment Expense	\$ 13,415.61	\$ 2,442.25	\$ 42,000.00	15,000.00
7830 Utilities	\$ 19,047.39	\$ 13,843.18	\$ 17,000.00	20,000.00
Total 7100 Common Area Maintenance	<b>\$ 257,924.37</b>	<b>\$ 250,573.58</b>	<b>\$ 245,800.00</b>	<b>\$ 273,900.00</b>
7200 Debt Expense	\$ -	\$ -	\$ -	0.00
<b>Total 7200 Debt Expense</b>	<b>\$ 122,699.09</b>	<b>\$ 162,183.30</b>	<b>\$ 417,710.45</b>	<b>\$ 134,586.00</b>
7300 Depreciation Expense			\$ -	0.00
7500 Marketing Expenses	\$ 400.00	\$ 7,000.00	\$ -	42,000.00
<b>Total 7500 Marketing Expenses</b>	<b>\$ 34,025.04</b>	<b>\$ 30,684.53</b>	<b>\$ 44,000.00</b>	<b>\$ 42,000.00</b>
7710 401K	\$ 8,015.44	\$ 9,967.60	\$ 8,634.00	17,500.00
7720 Employee Benefits - Health	\$ 69,571.20	\$ 80,518.40	\$ 80,004.00	80,528.40
7721 Employee Benefits - Dental	\$ 91.02	\$ (19.67)	\$ 4,050.00	92.00
7722 Employee Benefits - Vision	\$ -	\$ -	\$ -	1,021.20
7723 Employee Benefits - Life	\$ -	\$ -	\$ -	1,148.40
7724 Employee Benefits - Short Term Life	\$ -	\$ -	\$ -	3,585.92
7725 Employee Benefits - Long term Life	\$ -	\$ -	\$ -	3,560.54
7730 Payroll Tax Expense	\$ 43,489.86	\$ 41,325.00	\$ 17,809.80	41,335.00
<b>Total 7740 Salaries &amp; Wages</b>	<b>\$ 509,441.25</b>	<b>\$ 576,479.63</b>	<b>\$ 578,172.58</b>	<b>\$ 646,727.13</b>



	Actual FY 23	Actual FY 24	Budget FY 24	Proposed FY 25
7750 Payroll Service Fees	\$ 2,227.44	\$ 3,372.67	\$ 2,500.00	2,627.44
<b>Total 7700 Payroll Expenditures</b>	<b>\$ 632,836.21</b>	<b>\$ 729,914.46</b>	<b>\$ 691,170.38</b>	<b>\$ 798,126.03</b>
7850 Insurance	\$ 3,700.31	\$ (40,388.25)	\$ -	135,249.93
<b>Total 7850 Insurance</b>	<b>\$ 89,862.65</b>	<b>\$ 87,383.80</b>	<b>\$ 132,221.06</b>	<b>\$ 135,249.93</b>
Administrative Expenses			\$ 417.00	0.00
Legal Fees - Operating	\$ 18,507.00	\$ 104.00	\$ -	0.00
Property Management	\$ -	\$ -	\$ -	31,803.63
<b>Total Property Management</b>	<b>\$ 8,074.54</b>	<b>\$ 10,169.76</b>	<b>\$ 1,787.00</b>	<b>\$ 31,803.63</b>
<b>Total Expenses</b>	<b>\$ 3,118,734.42</b>	<b>\$ 2,867,597.89</b>	<b>\$ 3,907,546.90</b>	<b>\$ 3,058,491.45</b>
<b>Net Operating Income</b>	<b>\$ (794,141.35)</b>	<b>\$ (164,157.28)</b>	<b>\$ 82,397.18</b>	<b>\$ 4,122.84</b>
Other Income	\$ -	\$ -	\$ -	\$ -
Reimbursed Expenses	\$ -	\$ -	\$ -	\$ -
<b>Total Other Income</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>
Other Expenses	\$ -	\$ -	\$ -	\$ -
Miscellaneous	\$ (65.59)	\$ 1,000.00	\$ -	\$ -
<b>Total Other Expenses</b>	<b>\$ (65.59)</b>	<b>\$ 631.10</b>	<b>\$ -</b>	<b>\$ 0.00</b>
<b>Net Other Income</b>	<b>\$ 1,855.38</b>	<b>\$ (631.10)</b>	<b>\$ -</b>	<b>\$ 4,122.84</b>
<b>Net Income</b>	<b>\$ (792,285.97)</b>	<b>\$ (164,788.38)</b>	<b>\$ 82,397.18</b>	<b>\$ 4,122.84</b>

## FY 2024-2026 Capital Investment Plan

Fort Dupont Redevelopment and Preservation Corporation

**Project #** FY24-001  
**Project Name** Dip and Old Elm Ave.

**Description:** This project will complete the connection between the roundabout and Old Elm Ave.  
Complete top coat of asphalt for Old Elm Ave.  
Project is complete.

**Justification:** This is a public safety issue.

<b>Expenditures</b>	<b>FY 24</b>	<b>FY 25</b>	<b>FY 26</b>	<b>FY 27</b>	<b>FY 28</b>	<b>Total</b>
Design						0.0
Remediation						0.0
Construction						0.0
Contingency						0.0
<b>Total</b>	300,000.0					300,000.0

### Funding Sources

Appropriation						
<b>Total</b>		0.0	0.0	0.0	0.0	0.0

### Budget Impact/Other



# FY 2024-2026 Capital Investment Plan

Fort Dupont Redevelopment and Preservation Corporation

**Project #** FY24-002  
**Project Name** Brady Complex

**Description:** Complete water and sewer connections and site work for Brady Complex on OBL

**Justification:** Completion of project will allow for four units to be placed in residential leasing. Project kick off occurred on June 18, 2024.

<b>Expenditures</b>	<b>FY 24</b>	<b>FY 25</b>	<b>FY 26</b>	<b>FY 27</b>	<b>FY 28</b>	<b>Total</b>
Design						0.0
Remediation						0.0
Construction	300,000.0					300,000.0
Contingency						0.0
Total						0.0

### Funding Sources

Appropriation						
Total	0.0	0.0	0.0	0.0	0.0	0.0

### Budget Impact/Other

Obtaining a Certificates of Occupancy for these four units will result in annual net income of \$120,000.



# FY 2024-2026 Capital Investment Plan

Fort Dupont Redevelopment and Preservation Corporation

**Project #** FY24-003  
**Project Name** Old Battery Lane duplexes finish work

**Description:** Side porches, front porches, finish out interior, landscaping, sidewalks.

### Justification:

<b>Expenditures</b>	<b>FY 24</b>	<b>FY 25</b>	<b>FY 26</b>	<b>FY 27</b>	<b>FY 28</b>	<b>Total</b>
Design						0.0
Remediation						0.0
Construction						0.0
Contingency						0.0
Total	150,000.0					150,000.0

### Funding Sources

Appropriation						
Total		0.0	0.0	0.0	0.0	0.0

### Budget Impact/Other



# FY 2024-2026 Capital Investment Plan

Fort Dupont Redevelopment and Preservation Corporation

**Project #** FY24-004  
**Project Name** Marina Village Surcharge Test

**Description:** Testing area to determine amount of materials and time needed.  
Project is in permitting.

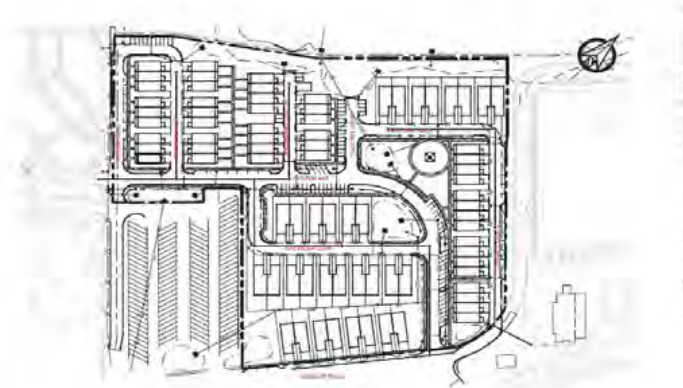
**Justification:**

<b>Expenditures</b>	<b>FY 24</b>	<b>FY 25</b>	<b>FY 26</b>	<b>FY 27</b>	<b>FY 28</b>	<b>Total</b>
Design						0.0
Remediation						0.0
Construction						0.0
Contingency						0.0
<b>Total</b>	100,000.0					100,000.0

**Funding Sources**

Appropriation						
<b>Total</b>		0.0	0.0	0.0	0.0	0.0

**Budget Impact/Other**



## FY 2024-2026 Capital Investment Plan

Fort Dupont Redevelopment and Preservation Corporation

**Project #** 24-005  
**Project Name** Post Theater

### Description:

This project includes the design, remediation of environmental hazards, rehabilitation of the exterior shell, interior fit-out, and site work. Absent external funding sources, this project will be phased: Phase I exterior, Phase II systems, Phase III interior fit-out.

### Justification:

The project is eligible for historic preservation tax credits.

<b>Expenditures</b>	<b>FY 24</b>	<b>FY 25</b>	<b>FY 26</b>	<b>FY 27</b>	<b>FY 28</b>	<b>Total</b>
Design	50,000.0	50,000.0				100,000.0
Remediation						0.0
Construction		250,000.0	250,000.0	250,000.0		750,000.0
Contingency	0.0	150,000.0				150,000.0
Total	50,000.0	450,000.0	250,000.0	250,000.0	0.0	1,000,000.0

### Funding Sources

Appropriation						
Total	50,000.0	450,000.0	250,000.0	250,000.0	0.0	0.0

### Budget Impact/Other

# FY 2024-2026 Capital Investment Plan

Fort Dupont Redevelopment and Preservation Corporation

**Project #** FY24-006

**Project Name** Chapel

**Description:** Restoration of chapel building for use as community amenity.

This project includes the design, remediation of environmental hazards, rehabilitation of the exterior shell, interior. Absent external funding sources, this project will be phased: Phase I exterior, Phase II systems, Phase III interior f

### Justification:

<b>Expenditures</b>	<b>FY 24</b>	<b>FY 25</b>	<b>FY 26</b>	<b>FY 27</b>	<b>FY 28</b>	<b>Total</b>
Design						0.0
Remediation						0.0
Construction						0.0
Contingency						0.0
<b>Total</b>		375,000.0				375,000.0

### Funding Sources

Appropriation						
<b>Total</b>	0.0	375,000.0	0.0	0.0	0.0	375,000.0

### Budget Impact/Other

FDRPC will need to budget for new costs associated with bringing this building into use in FY 25. This includes util



# FY 2024-2026 Capital Investment Plan

Fort Dupont Redevelopment and Preservation Corporation

**Project #** FY24-007  
**Project Name** DNREC Archive

**Description:** Completion of exterior shell and interior fit-out for object storage facility.

### Justification:

<b>Expenditures</b>	<b>FY 24</b>	<b>FY 25</b>	<b>FY 26</b>	<b>FY 27</b>	<b>FY 28</b>	<b>Total</b>
Design						0.0
Remediation						0.0
Construction						0.0
Contingency						0.0
<b>Total</b>	<b>383,000.0</b>					<b>383,000.0</b>

### Funding Sources

Appropriation						
<b>Total</b>	<b>383,000.0</b>	<b>0.0</b>	<b>0.0</b>	<b>0.0</b>	<b>0.0</b>	<b>383,000.0</b>

### Budget Impact/Other





# FY 2024-2026 Capital Investment Plan

Fort Dupont Redevelopment and Preservation Corporation

**Project #** FY24-008  
**Project Name** Bio Basins- Branch Canal

**Description:** Completion of three bio-basins per DNREC regulations.  
Basin #5: Entrance to campus  
Basin#4: Cook Street  
Basin #3: Crawford Street

**Justification:**

<b>Expenditures</b>	<b>FY 24</b>	<b>FY 25</b>	<b>FY 26</b>	<b>FY 27</b>	<b>FY 28</b>	<b>Total</b>
Design						0.0
Remediation						0.0
Construction						0.0
Contingency						0.0
Total	300,000.0					300,000.0

### Funding Sources

Appropriation						
Total	300,000.0	0.0	0.0	0.0	0.0	300,000.0

### Budget Impact/Other



# FY 2024-2026 Capital Investment Plan

Fort Dupont Redevelopment and Preservation Corporation

**Project #** FY24-009  
**Project Name** Chapel Grove

**Description:** Continued development of Chapel Grove using native and sustainable landscaping. Materials only; labor provided by FDRCP grounds team. Project is complete.

**Justification:**

<b>Expenditures</b>	<b>FY 24</b>	<b>FY 25</b>	<b>FY 26</b>	<b>FY 27</b>	<b>FY 28</b>	<b>Total</b>
Design						0.0
Remediation						0.0
Construction	20.0					20.0
Contingency						0.0
Total						0.0

**Funding Sources**

Appropriation						
Total		0.0	0.0	0.0	0.0	0.0

**Budget Impact/Other**



## FY 2024-2026 Capital Investment Plan

Fort Dupont Redevelopment and Preservation Corporation

**Project #** FY24-010

**Project Name** Complete moth-balling of three historic properties--buildings 9, 10, 11.  
Implement U.S. Secr. of Interior historic preservation standard for moth-balling.

**Description:** Secure exterior shell (roof, windows, doors). Board up windows.  
Allow for passive ventilation. Install intrusion alarm systems.  
Continue monthly monitoring and inspection of moth-balled properties.  
Project is complete.

### Justification:

<b>Expenditures</b>	<b>FY 24</b>	<b>FY 25</b>	<b>FY 26</b>	<b>FY 27</b>	<b>FY 28</b>	<b>Total</b>
Design						0.0
Remediation						0.0
Construction						0.0
Contingency						0.0
<b>Total</b>	100,000.0					100,000.0

### Funding Sources

Appropriation						
<b>Total</b>	100,000.0	0.0	0.0	0.0	0.0	100,000.0

### Budget Impact/Other



## FY 2024-2026 Capital Investment Plan

Fort Dupont Redevelopment and Preservation Corporation

**Project #** FY-012  
**Project Name** Roof & Mothball OBL Duplex

**Description:** Secure exterior shell (roof, windows, doors). Board up windows.  
Allow for passive ventilation. Install intrusion alarm systems.  
Continue monthly monitoring and inspection of moth-balled properties.  
Project is complete.

**Justification:**

<b>Expenditures</b>	<b>FY 24</b>	<b>FY 25</b>	<b>FY 26</b>	<b>FY 27</b>	<b>FY 28</b>	<b>Total</b>
Design						0.0
Remediation						0.0
Construction						0.0
Contingency						0.0
Total	100,000.0					100,000.0

**Funding Sources**

Appropriation						
Total	100,000.0	0.0	0.0	0.0	0.0	100,000.0

**Budget Impact/Other**



# FY 2024-2026 Capital Investment Plan

Fort Dupont Redevelopment and Preservation Corporation

**Project #** FY24-013  
**Project Name** Maintenance Shop Interior

**Description:** Paint and flooring for areas within maintenance shop.

**Justification:** Material costs only; labor will be provided by FDRPC maintenance team. Project is complete.

<b>Expenditures</b>	<b>FY 24</b>	<b>FY 25</b>	<b>FY 26</b>	<b>FY 27</b>	<b>FY 28</b>	<b>Total</b>
Design						0.0
Remediation						0.0
Construction	10,000.0					10,000.0
Contingency						0.0
Total						0.0

### Funding Sources

Appropriation						
Total	10,000.0	0.0	0.0	0.0	0.0	10,000.0

### Budget Impact/Other



# FY 2024-2026 Capital Investment Plan

Fort Dupont Redevelopment and Preservation Corporation

**Project #** FY24-014  
**Project Name** Bakery

**Description:** Placeholder for any latent remediation prior to sale.

### Justification:

<b>Expenditures</b>	<b>FY 24</b>	<b>FY 25</b>	<b>FY 26</b>	<b>FY 27</b>	<b>FY 28</b>	<b>Total</b>
Design						0.0
Remediation						0.0
Construction						0.0
Contingency		50,000.0				50,000.0
Total						0.0

### Funding Sources

Appropriation	50,000.0					
Total	50,000.0					50,000.0

### Budget Impact/Other



## FY 2024-2026 Capital Investment Plan

Fort Dupont Redevelopment and Preservation Corporation

**Project #** FY25-001  
**Project Name** Subdivision

**Description:** This project will legally subdivide parcels south of Old Elm Ave.

**Justification:** Previous subdivision only addressed north of Old Elm Ave.

<b>Expenditures</b>	<b>FY 24</b>	<b>FY 25</b>	<b>FY 26</b>	<b>FY 27</b>	<b>FY 28</b>	<b>Total</b>
Design		50,000.0				50,000.0
Remediation						0.0
Construction						0.0
Contingency						0.0
Total						0.0

### Funding Sources

Appropriation						
Total	0.0	50,000.0	0.0	0.0	0.0	50,000.0

### Budget Impact/Other

# FY 2024-2026 Capital Investment Plan

Fort Dupont Redevelopment and Preservation Corporation

**Project #** FY25-002  
**Project Name** Post Exchange roof and stabilization

**Description:** Replace roofing system on Post Exchange building.  
Stabilize exterior shell.  
Project was completed in FY 24.

**Justification:**

<b>Expenditures</b>	<b>FY 25</b>	<b>FY 26</b>	<b>FY 27</b>	<b>FY 28</b>	<b>Total</b>
Design					0.0
Remediation					0.0
Construction					0.0
Contingency					0.0
Total					0.0

## Funding Sources

Appropriation					
Total	0.0	0.0	0.0	0.0	0.0

## Budget Impact/Other





# FY 2024-2026 Capital Investment Plan

Fort Dupont Redevelopment and Preservation Corporation

**Project #** FY25-003  
**Project Name** Canal Bank Revetment and Promenade

**Description:** Revetment of canal bank and finishing of Promenade.

**Justification:** Grant funding approved by FEMA; project is in permitting with USACE and DNREC. Project expected to be bid in July 2025 and amended budget submitted to FEMA for possible

<b>Expenditures</b>	<b>FY 25</b>	<b>FY 26</b>	<b>FY 27</b>	<b>FY 28</b>	<b>Total</b>
Design					0.0
Remediation					0.0
Construction	400,000.0				400,000.0
Contingency					0.0
Total					0.0

<b>Funding Sources</b>	<b>FY 25</b>	<b>FY 26</b>	<b>FY 27</b>	<b>FY 28</b>	<b>Total</b>
Appropriation	400,000.0				400,000.0
Total	400,000.0	0.0	0.0	0.0	400,000.0

### Budget Impact/Other



## FY 2024-2026 Capital Investment Plan

Fort Dupont Redevelopment and Preservation Corporation

**Project #** FY25-004  
**Project Name** Governor Bacon prep

**Description:** Remedial actions in advance of listing and marketing the Gov. Bacon Bldg.

### Justification:

<b>Expenditures</b>	<b>FY 24</b>	<b>FY 25</b>	<b>FY 26</b>	<b>FY 27</b>	<b>FY 28</b>	<b>Total</b>
Design		50,000.0				50,000.0
Remediation						0.0
Construction						0.0
Contingency						0.0
Total						0.0

### Funding Sources

Appropriation						
Total		50,000.0	0.0	0.0	0.0	50,000.0

### Budget Impact/Other



# FY 2024-2026 Capital Investment Plan

Fort Dupont Redevelopment and Preservation Corporation

**Project #** FY25-005  
**Project Name** Exterior of Maintenance Shop

**Description:** Repairs and re-painting to exterior of Maintenance shop.

**Justification:**

<b>Expenditures</b>	<b>FY 24</b>	<b>FY 25</b>	<b>FY 26</b>	<b>FY 27</b>	<b>FY 28</b>	<b>Total</b>
Design						0.0
Remediation						0.0
Construction		10,000.0				10,000.0
Contingency						0.0
Total						0.0

**Funding Sources**

Appropriation						
Total		10,000.0	0.0	0.0	0.0	10,000.0

**Budget Impact/Other**



# FY 2024-2026 Capital Investment Plan

Fort Dupont Redevelopment and Preservation Corporation

**Project #** FY25-006  
**Project Name** Park Amenities

**Description:** Move from conceptual design to build out of park amenities.  
 Project deferred pending jurisdictional wetlands review by USACE.

**Justification:**

Expenditures	FY 24	FY 25	FY 26	FY 27	FY 28	Total
Design		75,000.0				75,000.0
Remediation						0.0
Construction						0.0
Contingency						0.0
Total						0.0

**Funding Sources**

Appropriation		75,000.0				
Total	75,000.0	#REF!	0.0	0.0	0.0	#REF!

**Budget Impact/Other**



**Concept 1 - Overlay**  
**Fort DuPont Park Design**  
 Delaware City, Delaware

Delaware City, Delaware

## FY 2024-2026 Capital Investment Plan

Fort Dupont Redevelopment and Preservation Corporation

**Project #** FY25-007  
**Project Name** Invasive Management

**Description:** Three-year campaign to reduce number of invasive species.

### Justification:

<b>Expenditures</b>	<b>FY 24</b>	<b>FY 25</b>	<b>FY 26</b>	<b>FY 27</b>	<b>FY 28</b>	<b>Total</b>
Design						0.0
Remediation		10,000.0	10,000.0			20,000.0
Construction						0.0
Contingency						0.0
Total						0.0

<b>Funding Sources</b>	<b>FY 24</b>	<b>FY 25</b>	<b>FY 26</b>	<b>FY 27</b>	<b>FY 28</b>	<b>Total</b>
Appropriation		10,000.0	10,000.0			20,000.0
Total		10,000.0	10,000.0	0.0	0.0	20,000.0

### Budget Impact/Other

## FY 2024-2026 Capital Investment Plan

Fort Dupont Redevelopment and Preservation Corporation

**Project #** FY25-008  
**Project Name** Pump station re-design and build

**Description:** Complete re-design of existing pump station and replacement.

**Justification:** This is critical infrastructure to address stormwater management on campus.  
Current pump station is beyond its useful life.  
Project may be eligible for FEMA funding.

<b>Expenditures</b>	<b>FY 24</b>	<b>FY 25</b>	<b>FY 26</b>	<b>FY 27</b>	<b>FY 28</b>	<b>Total</b>
Design		50,000.0				50,000.0
Remediation						0.0
Construction		100,000.0				100,000.0
Contingency						0.0
Total						0.0

### **Funding Sources**

Appropriation						
Total	150,000.0	0.0	0.0	0.0		150,000.0

### **Budget Impact/Other**

# FY 2024-2026 Capital Investment Plan

Fort Dupont Redevelopment and Preservation Corporation

**Project #** FY26-001  
**Project Name** Marina Village full surcharge

**Description:** Full surcharge of lands of Marina Village.  
Requires all approvals in place.

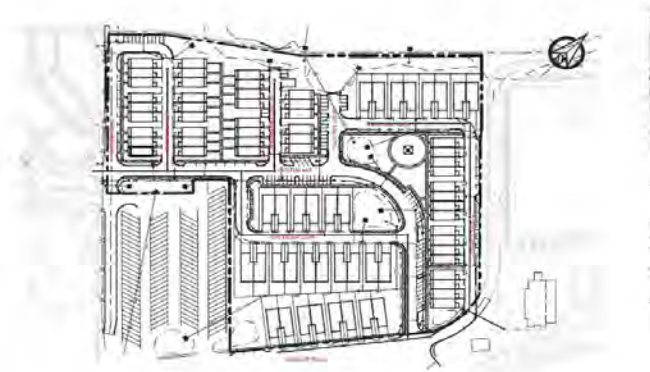
### Justification:

<b>Expenditures</b>	<b>FY 24</b>	<b>FY 25</b>	<b>FY 26</b>	<b>FY 27</b>	<b>FY 28</b>
Design					
Remediation					
Construction		1,000,000.0			
Contingency					
Total		1,000,000.0			

### Funding Sources

Appropriation					
Total		0.0	0.0	0.0	0.0

### Budget Impact/Other



**Total**  
0.0  
0.0  
1,000,000.0  
0.0  
1,000,000.0

0.0



## FY 2024-2026 Capital Investment Plan

Fort Dupont Redevelopment and Preservation Corporation

**Project #** FY26-002  
**Project Name** Levee-Trail

**Description:** Design and build out of levee-trail system.  
Project delayed due to jurisdictional determination needed by USACE.

### Justification:

<b>Expenditures</b>	<b>FY 24</b>	<b>FY 25</b>	<b>FY 26</b>	<b>FY 27</b>	<b>FY 28</b>	<b>Total</b>
Design		50,000.0				50,000.0
Remediation						0.0
Construction		200,000.0	500,000.0			700,000.0
Contingency						0.0
Total		250,000.0	500,000.0			750,000.0

### Funding Sources

Appropriation						
Total		0.0	0.0	0.0	0.0	0.0

### Budget Impact/Other

# FY 2024-2026 Capital Investment Plan

Fort Dupont Redevelopment and Preservation Corporation

**Project #** FY26-003  
**Project Name** Old Battery Lane-Street design and construction

**Description:** Complete street re-design and construction of Old Battery Lane.

### Justification:

<b>Expenditures</b>	<b>FY 24</b>	<b>FY 25</b>	<b>FY 26</b>	<b>FY 27</b>	<b>FY 28</b>	<b>Total</b>
Design		75,000.0				75,000.0
Remediation						0.0
Construction			500,000.0			500,000.0
Contingency						0.0
Total						0.0

### Funding Sources

Appropriation						
Total		0.0	0.0	0.0	0.0	0.0

### Budget Impact/Other



## FY 2024-2026 Capital Investment Plan

Fort Dupont Redevelopment and Preservation Corporation

**Project #** FY26-004  
**Project Name** Delmarva Infrastructure

**Description:** Establish metering on all property on campus.  
FDRPC is working with Energize Delaware to design solutions.

### Justification:

<b>Expenditures</b>	<b>FY 24</b>	<b>FY 25</b>	<b>FY 26</b>	<b>FY 27</b>	<b>FY 28</b>	<b>Total</b>
Design		50,000.0				50,000.0
Remediation						0.0
Construction			250,000.0	250,000.0		500,000.0
Contingency						0.0
Total						0.0

### Funding Sources

Appropriation						
Total		0.0	0.0	0.0	0.0	0.0

### Budget Impact/Other

## FY 2024-2026 Capital Investment Plan

Fort Dupont Redevelopment and Preservation Corporation

**Project #** FY26-005  
**Project Name** Battery Elder #1

**Description:** Preservation plan established for bunkers.

### Justification:

<b>Expenditures</b>	<b>FY 24</b>	<b>FY 25</b>	<b>FY 26</b>	<b>FY 27</b>	<b>FY 28</b>	<b>Total</b>
Design						0.0
Remediation						0.0
Construction						0.0
Contingency						0.0
Total						0.0

### Funding Sources

Appropriation						
Total		0.0	0.0	0.0	0.0	0.0

### Budget Impact/Other

## FY 2024-2026 Capital Investment Plan

Fort Dupont Redevelopment and Preservation Corporation

**Project #** FY26-006  
**Project Name** Battery Elder #2

**Description:** Preservation plan established for bunkers.

### Justification:

<b>Expenditures</b>	<b>FY 24</b>	<b>FY 25</b>	<b>FY 26</b>	<b>FY 27</b>	<b>FY 28</b>	<b>Total</b>
Design						0.0
Remediation						0.0
Construction						0.0
Contingency						0.0
<b>Total</b>	0.0					0.0

### Funding Sources

Appropriation						
<b>Total</b>		0.0	0.0	0.0	0.0	0.0

### Budget Impact/Other

## FY 2024-2026 Capital Investment Plan

Fort Dupont Redevelopment and Preservation Corporation

**Project #** FY26-007  
**Project Name** Battery Elder #3

**Description:** Preservation plan established for bunkers.

### Justification:

<b>Expenditures</b>	<b>FY 24</b>	<b>FY 25</b>	<b>FY 26</b>	<b>FY 27</b>	<b>FY 28</b>	<b>Total</b>
Design						0.0
Remediation						0.0
Construction						0.0
Contingency						0.0
<b>Total</b>	0.0					0.0

### Funding Sources

Appropriation						
<b>Total</b>		0.0	0.0	0.0	0.0	0.0

### Budget Impact/Other

# FY 2024-2026 Capital Investment Plan

Fort Dupont Redevelopment and Preservation Corporation

**Project #** No FY-001  
**Project Name** Colter Road-Street design and construction

**Description:**

**Justification:**

<b>Expenditures</b>	<b>FY 24</b>	<b>FY 25</b>	<b>FY 26</b>	<b>FY 27</b>	<b>FY 28</b>
Design					
Remediation					
Construction					
Contingency					
<b>Total</b>	0.0				

<b>Funding Sources</b>	<b>FY 24</b>	<b>FY 25</b>	<b>FY 26</b>	<b>FY 27</b>	<b>FY 28</b>
Appropriation					
<b>Total</b>		0.0	0.0	0.0	0.0

**Budget Impact/Other**

**Total**

0.0

0.0

0.0

0.0

0.0

0.0



# FY 2024-2026 Capital Investment Plan

Fort Dupont Redevelopment and Preservation Corporation

**Project #** No FY-002  
**Project Name** Battery Reed-Gibson

**Description:**

**Justification:**

<b>Expenditures</b>	<b>FY 24</b>	<b>FY 25</b>	<b>FY 26</b>	<b>FY 27</b>	<b>FY 28</b>	<b>Total</b>
Design						0.0
Remediation						0.0
Construction	1,000,000.0					1,000,000.0
Contingency						0.0
<b>Total</b>	<b>1,000,000.0</b>					<b>1,000,000.0</b>

## Funding Sources

Appropriation						
<b>Total</b>		<b>0.0</b>	<b>0.0</b>	<b>0.0</b>	<b>0.0</b>	<b>0.0</b>

**Budget Impact/Other**



# FORT DUPONT

SHAPED BY HISTORY & ANCHORED IN NATURE

August 8, 2024

Honorable Cerron Cade, Director  
Office of Management & Budget  
122 Martin Luther King Jr. Blvd, South  
Dover DE 19901

Dear Director Cade:

On behalf of the Board of Directors of the Fort DuPont Redevelopment and Preservation Corporation (FDRPC), I am submitting a funding request FY 26 Governor's Recommended Budget for **\$ 13,900,000**.

The request includes:

- **Deferred maintenance, environmental remediation, land management, maintenance of campus buildings and lands, and funding for operations and administration. \$2,750,000.**
- **Infrastructure upgrades to campus. \$ 3,000,000.** Funds will be used to establish new infrastructure on the south campus of Fort DuPont, to include water, wastewater, stormwater management, electric, and data.
  - **Old Battery Lane street, sidewalk, and lighting. \$750,000.** This project will include new roads, sidewalks, and street lighting for Old Battery Lane from Polktown Road to Maple Boulevard.

- **Energy solution for the campus. \$500,000.** More than half of the Fort DuPont campus relies on a single feed for electricity delivery from Delmarva Power. (All electricity from Delmarva for the Canal District and Officers Row residential districts is modern and is not included in this issue.) FDRPC is responsible for distribution of electricity to separate buildings on the campus from this feed. FDRPC is working with Energize Delaware to create a solution to this issue, which will require the upgrading of existing energy infrastructure.
- **Stormwater management solution for the balance of campus. \$1,250,000.** Stormwater management remains a critical infrastructure issue for FDRPC. The Canal District and Officers Row residential districts were re-engineered with a modern stormwater management system. The balance of the campus—more than half of the campus—relies on older infrastructure which is in need of re-engineering and replacement. This includes the use of catch basins, bio basins, and the design and re-build of an existing pumphouse.
- **Brownfield testing and remediation of additional areas of the campus. \$500,000.** There are currently twelve (12) Operable Units (OUs) in various stages of brownfield testing and remediation on the campus of Fort DuPont. This does not encompass the entirety of lands on the campus. Funding is requested to identify, test, and remediate additional areas, including use for recreational parklands.
- **Governor Bacon Building A/E design. \$1,000,000.** Funds will be used to perform an architectural and engineering assessment and design documents for the building's adaptive re-use for mixed use. This building is the responsibility of FDRPC, having been transferred from the Department of Health and Social Services after DHSS ceased operations of the site. FDRPC maintains the facility out of existing revenues.
- **Fort DuPont Chapel. \$350,000.** When complete, the Chapel will serve as a community center for arts-based programs, meetings, events, and social gatherings. FDRPC has invested in restoring the exterior of the facility and remediating environmental hazards. The requested funds will complete renovations to the exterior and interior and add a small modern addition to the building to ensure ADA compatibility. **Estimated project costs are \$700,000; private funding is being sought by the Friends of Fort DuPont.**

- **Park Amenities. \$1,000,000.** Funds will be used to construct the first phase of park amenities currently under design by FDRPC and the Delaware City community. The park amenities will be open to the public and will include active recreation (pickle ball, basketball, and tennis courts), a playground, an activities course for older children and adolescents, and a dog park.
- **Fort DuPont Theater. \$750,000.** The Theater is a unique structure on the Fort DuPont campus, having served members of the military as a venue for entertainment. Consistent with its original use, we envision the theater to serve as a resource for local community and arts groups to provide programming and arts events for the Delaware City community. FDRPC provided resources to stabilize the facility's exterior, remediate environmental hazards, and begin restoring the building systems. The requested funding would be applied to interior renovations. **Estimated project costs are \$1,500,000; private funding is being sought by the Friends of Fort DuPont.**
- **Canal Bank Revetment and Promenade. \$750,000.** Along with a grant from the Federal Emergency Management Agency (FEMA) of \$960,000, funds will be used to stabilize the south side of the Branch Canal bank. This will address deferred maintenance issues which have resulted in erosion, invasive species, and stormwater management issues. Upon completion of the canal bank revetment and stabilization, a bike/ped path will be built to ensure connectivity from Route 9 along the canal to the DNREC boat ramp.
- **Post Exchange (PX) Building \$400,000.** Funds will be used to stabilize the exterior of the Post Exchange (PX) building on the Parade Grounds. Available funding after the stabilization of the exterior will be used to bring new systems (electric, HVAC, communications) into the building.
- **Pedestrian and Biking Trail. \$900,000.** Funds will be used for building a pedestrian and biking trail comprising about two miles. The elevated trail is currently at a 75% design completion and is awaiting final concurrence from the U.S. Army Corps of Engineers (ACOE). The trail will span all four sides of the campus and connect pedestrians and bicyclists to Route 9 and downtown Delaware City. The trailhead parking lot for the Mike Castle Trail (running from Delaware City to Chesapeake City along the C & D Canal) is located across Route 9 from the termination of this trail.
- **DNREC Maintenance Building. \$3,000,000.** Funds will be used to create a maintenance shop for DNREC/Delaware State Parks.

The Fort DuPont Redevelopment and Preservation Corporation maintains its fiduciary responsibility in the governance of all assets. This includes monetary, real estate, land conservation, and cultural assets which exist across our campus. The challenges of addressing the deferred maintenance of buildings, infrastructure, and land while also introducing improvements to the campus remains our objective. The Board of Directors approved a multi-year Capital Investment Program (CIP) for all capital projects; the projects included in this request align with the CIP.

Thank you for your consideration of this request. We are available to answer any questions you may have about the Fort DuPont Redevelopment and Preservation Corporation.

Sincerely,



John McMahon

Chair, Board of Directors



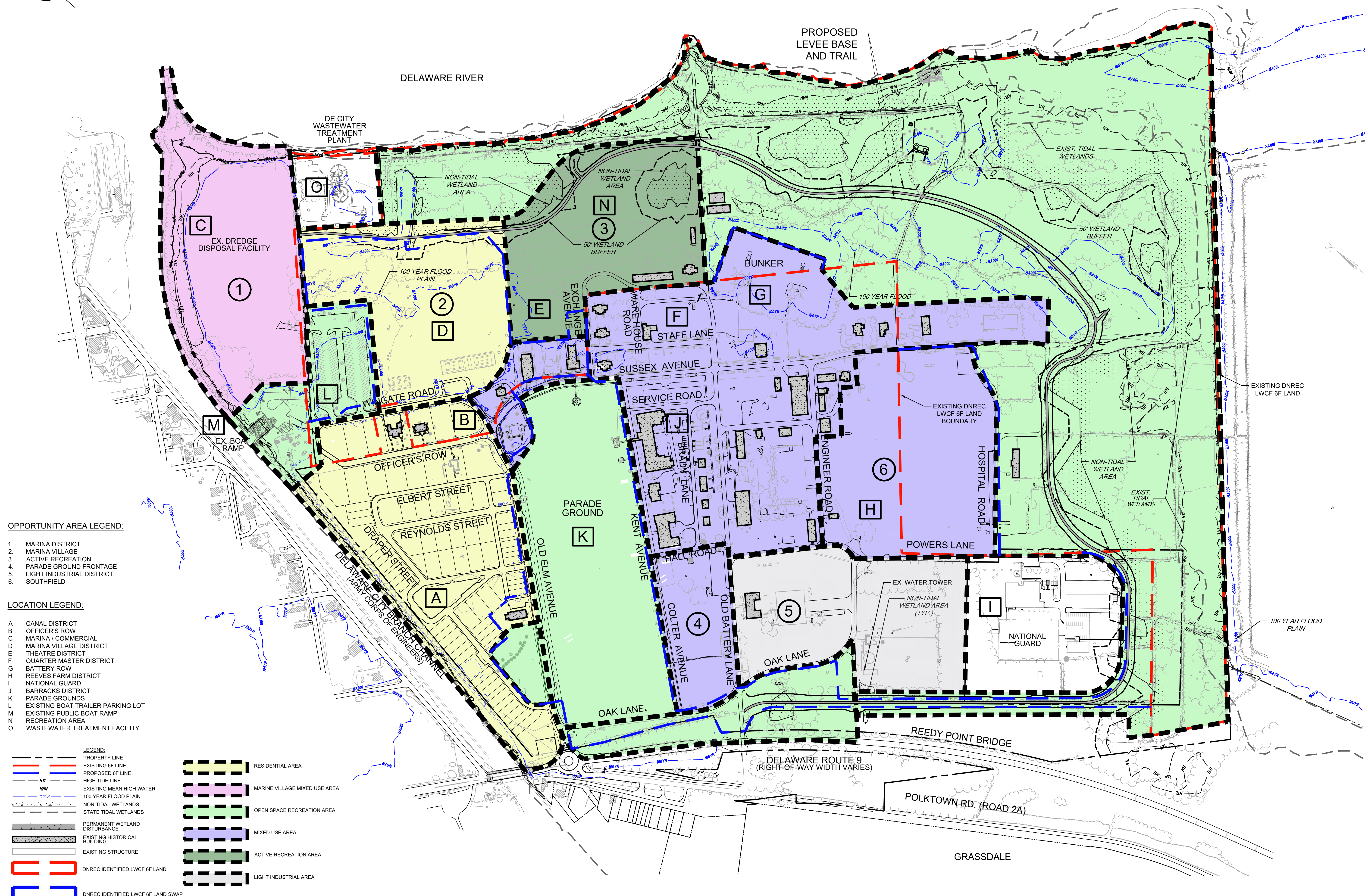
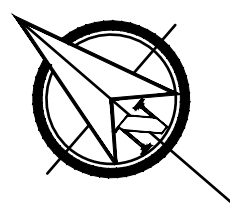
Tim Slavin

Executive Director

## **Friends of Fort DuPont, Inc.**

### **Proposed candidates for founding board of directors**

<b>Michael Lutz</b>	Resident of Fort DuPont. Member of the Land Use Planning Committee. Vice President of Avalere Health.
<b>Corinth (Corie) Ford</b>	Senior Project Manager, Interpos Consulting City Councilwoman, City of Newark President, Reedy Point Players (Delaware City)
<b>Laura Lee</b>	Former Superintendent, Fort DuPont State Park. Co-author, <i>Images of American: Fort DuPont</i> , Arcadia Publishing, 2011. Board member, African Union Church Cemetery (Delaware City) Board member, Port Penn Historical Society
<b>Jane Graci</b>	Resident of Fort DuPont Senior Business Administrator University of Delaware
<b>John McMahon</b>	Chair, FDRPC Board of Directors Liaison to FDRPC Board
<b>Tim Slavin</b>	Executive Director, FDRPC Ex officio (voting)



**OPPORTUNITY AREA LEGEND:**

- 1. MARINA DISTRICT
- 2. MARINA VILLAGE
- 3. ACTIVE RECREATION
- 4. PARADE GROUND FRONTAGE
- 5. LIGHT INDUSTRIAL DISTRICT
- 6. SOUTHFIELD

**LOCATION LEGEND:**

- A CANAL DISTRICT
- B OFFICER'S ROW
- C MARINA / COMMERCIAL
- D MARINA VILLAGE DISTRICT
- E THEATRE DISTRICT
- F QUARTER MASTER DISTRICT
- G BATTERY ROW
- H REEVES FARM DISTRICT
- I NATIONAL GUARD
- J BARRACKS DISTRICT
- K PARADE GROUNDS
- L EXISTING BOAT TRAILER PARKING LOT
- M EXISTING PUBLIC BOAT RAMP
- N RECREATION AREA
- O WASTEWATER TREATMENT FACILITY

**LEGEND:**

- PROPERTY LINE
- EXISTING 6F LINE
- PROPOSED 6F LINE
- HIGH TIDE LINE
- EXISTING MEAN HIGH WATER
- 100 YEAR FLOOD PLAIN
- NON-TIDAL WETLANDS
- STATE TIDAL WETLANDS
- PERMANENT WETLAND DISTURBANCE
- EXISTING HISTORICAL BUILDING
- EXISTING STRUCTURE
- DNREC IDENTIFIED LWCF 6F LAND
- DNREC IDENTIFIED LWCF 6F LAND SWAP

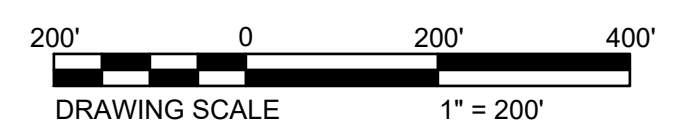
- RESIDENTIAL AREA
- MARINE VILLAGE MIXED USE AREA
- OPEN SPACE RECREATION AREA
- MIXED USE AREA
- ACTIVE RECREATION AREA
- LIGHT INDUSTRIAL AREA



# FORT DUPONT MASTER PLAN 2024



JUNE 2024





## Executive Director Monthly Report

For the period July 1, 2024, to July 31, 2024

Our board meeting will be held on August 14, 2024, at 9:30 a.m. at the **Delaware City Fire Hall**. Board packets will be distributed via email (as a pdf attachment).

**Audit for FY 23.** The audit for FY 23 is scheduled to be presented at the August 14, 2024, board of directors meeting.

**Land Use Master Plan.** The Land Use Committee has now completed its task, and the new Land Use Plan will be before the board for approval at the August 14<sup>th</sup> meeting. The public presentation of the plan was made on July 1 to the Delaware City Planning Commission, July 15 to the Delaware City Mayor and Council, and July 29 as part of a Community Information Session sponsored by FDRPC.

## Capital Projects

- **Marina Village.** DNREC/State Parks has scheduled an August 5<sup>th</sup> meeting with the State Historic Preservation Office to discuss the request for conversion of lands related to the Land and Water Conservation Fund section 6f. The meeting is at a staff level and will focus on identifying cultural assets within the affected areas.
- **Branch canal bank revetment and promenade.** The bid for the revetment of the Branch canal bank has been published and is being advertised in both the News Journal and The Weekly. A pre-bid meeting with interested parties was held on July 30<sup>th</sup>. The submission date for the bids is Thursday, August 15<sup>th</sup> at 3:00 p.m.



- **Bio Basins.** Bio Basin #2 is now complete and awaiting final inspection and approval by DNREC. Bio Basin #3 has been surveyed and staked, with mobilization of the site expected on August 1<sup>st</sup>. Note: Bio Basin 1 was previously completed; there are five bio basins in the Canal District.
  
- **Branch canal ownership.** Nicole Comisky, staff to the Senate Environment and Public Works (EPW) Committee, requested a status update on concerns raised about the transfer of the uplands area of the branch canal. The U.S. Army Corps of Engineers (ACOE) staff had previously mentioned that DNREC staff were concerned about the potential loss of the area for dredge spoil use.
  
- **Old Battery Lane (OU-6).**
  - a. The Environmental Covenant was recorded with New Castle County on November 21, 2023.
  - b. The Certificate of Completion of Remedy (COCR) was issued by DNREC on January 23, 2024, and recorded on January 30, 2024.
  - c. The Sediment and Stormwater Permit was issued by DNREC on January 30, 2024.
  - d. Brady Lane project.
    - This project will bring sewer and water online for the two duplexes completed by FDRPC in 2022.
    - The project resides inside the boundaries for OU-8.
    - The project was successfully bid, and an award has been made to A-Del.
    - The pre-construction meeting was held June 8, 2024 with representatives of DNREC, A-Del, and FDRPC.
    - Utility identification and marking has occurred on the construction in advance of environmental controls. An unexpected delay is the discovery of previously unknown utilities in the area; FDRPC has contracted for additional identification and marking.
    - An inspection of the site was conducted by DNREC on July 30 and the site meets requirements.
  
- **Archives Building (OU-10)**
  - a. The Environmental Covenant was recorded with New Castle County on February 2, 2024.
  - b. The Certificate of Completion of Remedy (COCR) was issued by DNREC on May 2, 2024.
  - c. FDRPC has finished removing the wells and submitted the necessary paperwork to DNREC for approval.
  - d. The Sediment and Stormwater Permit was issued by DNREC on January 30, 2024.

- e. Project estimates are received and within the estimated budget. FDRPC will serve as the general contractor on this project and manage the sub-contractors.

## **Operations**

- **Real estate update.**
  - a. Real Estate for sale
    - 1311 Officers Row remains listed at \$125,000.
  - b. Leasing: As of April 1, 2024, two rental units are available and being marketed by Emory Hill:
    - 1605 Maple Boulevard has been rented with a move-in date of August 30<sup>th</sup>, 2024.
  
- **Friends of Fort DuPont.** Appointments to the founding board of the Friends of Fort DuPont will be presented to the Board of Directors for approval on August 14<sup>th</sup>, 2023. Per the existing by-laws, the initial appointments are made by the FDRPC board; thereafter, appointments will be made by the Friends board.
  
- **FOIA Officer.** There were no FOIA requests presented for July 2024.

## **Cultivation**

August 12: Tri State Bird Rescue site visit to Fort DuPont.

### **Upcoming special events:**

October 5: Delaware City Day

October 11: Pints and Pumpkins hosted by FDRPC on Fort DuPont campus for residents.

October 25: Family Movie Night. Open to the public outside on the Fort DuPont campus.

**FORT DUPONT REDEVELOPMENT AND PRESERVATION CORPORATION**  
**FINANCE AND AUDIT COMMITTEE**

The FDRPC Finance and Audit Committee meeting was held on June 10, 2024 at 4:00 p.m. via Zoom with the anchor location at the FDRPC Office at 260 Old Elm Avenue, Delaware City, Delaware, with Chair Michael Graci presiding.

**BOARD MEMBERS PRESENT**

Mr. Michael Graci- Chair

Dr. Courtney Stewart (Office of Management and Budget)

Mr. Bert Scoglietti (FDRPC Treasurer) joined 4:18pm

Ms. Ruth Ann Miller (Controller General of the State of Delaware) connection issues

**BOARD MEMBERS ABSENT**

None

**STAFF MEMBERS PRESENT**

Janice Moturi- Deputy Director

Tim Slavin- Executive Director

**OTHERS PRESENT**

None

**APPROVAL OF MINUTES – FDRPC FINANCE AND AUDIT COMMITTEE MEETING OF June 10, 2024**

Mike Moved for approval of the FDRPC Finance and Audit Committee meeting minutes of May 13, 2024. The motion was seconded and unanimously carried.

**NEW BUSINESS**

1. Monthly Financial report- April
  - State appropriation/Sales/other revenues
  - Upcoming Large expenditures
  - Cash flow
  - Balances
2. Capital projects update
3. Procedures Detailed Draft part 2- review stage
4. Draft Budget FY 25

**OLD BUSINESS**

None

**RECESS INTO EXECUTIVE SESSION**

**Legal notices discussion**

**RECONVENE**

None

**POTENTIAL ACTION TO BE VOTED UPON FROM EXECUTIVE SESSIONES**

None

**NEXT MEETING DATE**

The next meeting is scheduled for August 12, 2024, at 4:00 p.m.

**ADJOURNMENT**

Motion: to adjourn

Made by Mr. Scogletti and seconded by Dr. Courtney

Meeting adjourned at 4:50 p.m.

APPROVED: July 19, 2024

**FORT DUPONT REDEVELOPMENT AND PRESERVATION CORPORATION**  
**EXECUTIVE COMMITTEE MEETING**

The Fort DuPont Redevelopment and Preservation Corporation (FDRPC) Executive Committee meeting was held June 24, 2024 via Zoom with the anchor location at the FDRPC office at 260 Old Elm Avenue, Delaware City, Delaware with Chair John McMahon presiding.

**CALL TO ORDER**

Chair McMahon called the FDRPC Executive Committee meeting to order at 9:32 a.m.

**COMMITTEE MEMBERS PRESENT**

Ms. Ruth Ann Miller (Controller General of the State of Delaware) (arrived at 9:36 a.m.)

Ms. Wendy Rogers (Resident of Fort DuPont)

Dr. Courtney Stewart (Office of Management and Budget) (departed at 10:06 a.m. returned at 10:10 a.m.)

Mr. Bert Scoglietti (FDRPC Treasurer)

**COMMITTEE MEMBERS ABSENT**

None

**STAFF MEMBERS PRESENT**

Mr. Tim Slavin, FDRPC Executive Director

Ms. Janice Moturi, FDRPC Deputy Director/Controller

Mr. Richard Forsten, Saul Ewing Arnstein and Lehr LLP

Ms. Pam Scott, Saul Ewing Arnstein and Lehr LLP

**OTHERS PRESENT**

None

**APPROVAL OF MINUTES – FDRPC EXECUTIVE COMMITTEE MEETING OF FEBRUARY 26, 2024**

**Mr. Scoglietti moved for approval of the February 26, 2024 FDRPC Executive Committee meeting minutes. The motion was seconded by Dr. Stewart and unanimously carried.**

**STATUS ON KEY PROJECTS**

Mr. Tim Slavin, Executive Director of the FDRPC, provided updates on the following key projects:

**Canal Bank Revetment Project**

Verdantas now has the green light to bid the Canal Bank Revetment Project for the purposes of establishing a new budget. The bidding will be fully managed by Verdantas, and an award can be made based on this bid, although an amended budget request to FEMA for additional funds will be necessary.

The U.S. Army Corps of Engineers is currently reviewing the initial results of additional geotechnical work submitted to them. These results, which included deeper borings into the canal and canal bank, confirmed previous findings with no new issues identified. The project is now awaiting further review and approval from the Army Corps, with the project team actively following up to expedite this process.

### Old Battery Lane Duplexes

The pre-construction meeting was held on-site the previous week to officially kick off the project. A-DEL Construction is currently waiting on a few supply items and plans to mobilize the site in about two weeks. They anticipate a mobilization period of four to five weeks to complete this phase.

Simultaneously, they are working with the State Historic Preservation Office (SHPO) to finalize the historic preservation tax credits for these buildings. All the necessary documentation has been gathered and is being organized for submission to SHPO. The initial credit they planned to sell for cash was valued at \$180,000. However, a higher amount may be received due to additional project-related costs that could be eligible for credits. This will be determined as they progress through SHPO's review process.

### Bio Basins

The vendor for the bio basins is Cutting Edge in Delaware City. They're going to provide a hard date for mobilization. They may be a little overextended with workforce and they have been notified that if they can't get to this project by a certain date, we'll simply turn the corner and select another vendor. There are three bio basins to do across the north side of the campus and we want to get them all done before the fall sets in.

### 6F Issue

The 6F issue remains and they are waiting for DNREC and the Historic Preservation Office to submit their findings to the National Park Service. Lennar may be viewing this as a stall and they may be looking at breach of contract issues if they don't see some activity.

The remediation project at Marina Village is encountering issues due to naturally occurring arsenic. Brightfield's additional testing revealed more contamination hotspots, forming a small line across the property. More testing and remediation are needed, increasing project costs. Additionally, there are concerns about delays in the approvals process.

### Pump House

The pump house managing stormwater on the south side of the campus, near the Painter Building and food warehouse, is failing and beyond its useful life. Despite a dry spell, it has gone offline for four consecutive weekends, causing water build-up and requiring intervention. Alarms notify staff of these failures. Temporary fixes with new relays and new equipment are being implemented, but a project to design a new pump house and possibly upgrade the stormwater management system, including a potential retention pond, is planned.

### ABC Crab Feast

The ABC Crab Feast is in its third year of a 10-year contract, and accommodating the event is becoming increasingly challenging. The event draws over a thousand attendees from 3 PM to 7 PM on a weekday, causing significant disruption on campus, affecting residents, and impacting city traffic. Although there were no major issues with the organizers this year, last year was more difficult. Looking ahead, there are concerns about the growing encroachment issues with campus residents.

### Brownfields

The strategy for addressing brownfields on campus involves dealing with 13 operable units identified by DNREC, but these units don't cover the entire campus. Remediation isn't necessary for all areas, particularly those with no planned redevelopment, but some areas need testing and remediation.

The remediation process typically takes two years. The preference is to identify all areas, consolidate them into one large operating unit, and start remediation to increase land value. An example is a pending land sale in an area not covered by a brownfield agreement, necessitating an independent process for those parcels. DNREC found an extra \$100,000 for additional testing and remediation on the operating unit. The new owner may be eligible for Brownfield grant funding from DNREC since they were not involved in creating the brownfield issue.

The process is costly and time-consuming, requiring significant paperwork. The goal is to show tangible improvements, not just permits, to justify funding. Additionally, major subdivision of the remaining campus is required. Previous efforts include minor subdivision for the Canal District and Officers Row, creating up to three parcels, including the Fort DuPont office building and 1605 Maple Boulevard. The focus now is on subdividing the rest of the campus.

#### Salary Increases

A 2% increase for Fort DuPont employees is proposed, in alignment with the state government increases.

#### **EXECUTIVE SESSION**

**Mr. Scoglietti moved to recess into executive session, seconded by Dr. Stewart and unanimously carried.**

Meeting recessed at 9:49 a.m.

Meeting reconvened at 10:16 a.m.

#### **ACTIONS TO BE VOTED UPON FROM THE EXECUTIVE SESSION**

There was no action to be taken as a result of the executive session.

#### **ADJOURNMENT**

**Mr. Scoglietti moved for adjournment, seconded by Ms. Rogers and unanimously carried.**

Meeting Adjourned at 10:17 a.m.

APPROVED: July 29, 2024