

PRELIMINARY OFFICIAL STATEMENT

NEW/RENEWAL ISSUES

SERIAL BONDS & BOND ANTICIPATION NOTES

S&P GLOBAL RATINGS: "A+" STABLE OUTLOOK

SEE "RATINGS" HEREIN

In the opinion of Bond, Schoeneck & King, PLLC, Syracuse, New York, Bond Counsel, assuming continuing compliance by the City with its covenants relating to certain requirements contained in the Internal Revenue Code of 1986, as amended (the "Code"), interest on the Bonds and Notes is excluded from the gross income of the owners thereof for Federal income tax purposes under existing statutes and court decisions. Moreover, interest on the Bonds and Notes is not an "item of tax preference" for purposes of the alternative minimum tax imposed by the Code on individuals however, interest on the Bonds and Notes that is included in the adjusted financial statement income of certain corporations is not excluded from the corporate alternative minimum tax imposed under the Code. Interest on the Bonds and Notes is exempt from personal income taxes imposed by the State of New York or any political subdivision therein (including The City of New York). See "TAX MATTERS" herein for discussion of certain Federal taxes applicable to corporate owners of the Bonds and Notes.

The Bonds and Notes will not be designated as "qualified tax-exempt obligations" pursuant to Section 265(b)(3) of the Code.



\$31,923,457
CITY OF ROME
ONEIDA COUNTY, NEW YORK
GENERAL OBLIGATIONS
CUSIP BASE NO. 776049

\$3,740,580 Public Improvement (Serial) Bonds, 2026
(the "Bonds")

Dated and Delivered: June 9, 2026

Due: June 1, 2027-2040

MATURITIES[†]

<u>Year</u>	<u>Amount</u> [†]	<u>Rate</u>	<u>Yield</u>	<u>CSP</u>	<u>Year</u>	<u>Amount</u> [†]	<u>Rate</u>	<u>Yield</u>	<u>CSP</u>	<u>Year</u>	<u>Amount</u> [†]	<u>Rate</u>	<u>Yield</u>	<u>CSP</u>
2027	\$375,580				2032	\$415,000				2037	\$165,000*			
2028	380,000				2033	370,000				2038	90,000*			
2029	390,000				2034	255,000*				2039	80,000*			
2030	390,000				2035	205,000*				2040	20,000*			
2031	400,000				2036	205,000*								

* The Bonds maturing in the years 2034-2040 are subject to redemption prior to maturity as described herein under the heading "Optional Redemption."

† Subject to change pursuant to the accompanying Notice of Bond Sale in order to achieve substantially level or declining annual debt service.

and

\$28,182,877 Bond Anticipation Notes, 2026
(the "Notes", and together with the Bonds the "Bonds and Notes")

Dated: June 9, 2026

Due: June 9, 2027

The Bonds and Notes are general obligations of the City of Rome, Oneida County, New York (the "City"), all the taxable real property within which is subject to the levy of ad valorem taxes to pay the Bonds and Notes and interest thereon, subject to applicable statutory limitations. (See "TAX LEVY LIMIT LAW" herein).

The Bonds will be issued as registered bonds and, at the option of the purchaser, will be registered in the name of Cede & Co., as nominee of The Depository Trust Company ("DTC"), New York, New York, which will act as securities depository for the Bonds. Individual purchases will be made in book-entry form only, in the principal amount of \$5,000 or integral multiples thereof, except for a necessary odd denomination maturing in 2027. Purchasers will not receive certificates representing their ownership interest in the Bonds. Interest on the Bonds will be payable on June 1, 2027, December 1, 2027 and semi-annually thereafter on June 1 and December 1 in each year until maturity. Principal and interest will be paid by the City to DTC, which will in turn remit such principal and interest to its Participants, for subsequent distribution to the Beneficial Owners of the Bonds, as described herein. The Bonds may not be converted into coupon Bonds or be registered to bearer. At the option of the purchaser, the Bonds may be registered in the name of the purchaser with the City acting as paying agent for the Bonds. If the purchaser elects to have the Bonds issued in registered form with the City acting as paying agent, one fully registered Bond certificate will be issued for each maturity of the Bonds, each in the aggregate principal amount of such maturity and will be registered in the name of the purchaser. Principal and interest payments on the Bonds will be paid by the City to the registered owner of the Bonds.

If the Bonds are issued in registered certificated form, the Bonds will be issued in denominations of \$5,000 or any integral multiple thereof, except for one necessary odd denomination maturing in 2027, and the City will act as paying agent. Paying agent fees, if any, in such case are to be paid by the purchaser. The Bonds may not be converted into coupon bonds or be registered to bearer.

Proposals shall be for not less than \$3,740,580 and accrued interest, if any, on the total principal amount of the Bonds. A good faith deposit is not required.

The Notes will not be subject to redemption prior to maturity. Interest on the Notes will be calculated on a 30-day month and a 360-day year basis and will be payable at maturity.

At the option of the successful bidder(s), the Notes will be registered in the name of the purchaser and issued in denominations of \$5,000 or multiples thereof, except for a necessary odd denomination. Principal and interest on the Notes will be payable in Federal Funds at maturity at such bank(s) or trust company(ies) located and authorized to do business in the State of New York, as may be determined by such successful bidder(s) with paying agent fees, if any paid by the successful bidder(s), or as stated below.

Alternatively, at the option of the purchaser(s), the Notes will be issued as registered notes, and, when issued, will be registered in the name of Cede & Co. as nominee of The Depository Trust Company ("DTC"), New York, New York, which will act as the securities depository for the Notes. Registered noteholders will not receive certificates representing their ownership interest in the Notes purchased. Under this option, payment of the principal of and interest on the Notes to the Beneficial Owner of the Notes will be made by DTC Participants and Indirect Participants in accordance with standing instructions and customary practices. Payment will be the responsibility of DTC, subject to any statutory and regulatory requirements as may be in effect from time to time. See "BOOK-ENTRY-ONLY SYSTEM" herein.

The Bonds and Notes are offered when, as and if issued and received by the Purchaser(s) and subject to the receipt of the respective unqualified legal opinions as to the validity of the Bonds and Notes of Bond, Schoeneck & King, PLLC, Bond Counsel, Syracuse, New York. It is anticipated that the Bonds and Notes will be available for delivery through the facilities of DTC located in Jersey City, New Jersey, or at such place as may be agreed upon with the Purchasers, on or about June 9, 2026.

May 13, 2026

ELECTRONIC BIDS for the Bonds and Notes must be submitted via Fiscal Advisors Auction website ("Fiscal Advisors Auction") accessible via www.fiscaladvisorsauction.com by May 21, 2026 no later than 11:00 A.M., Eastern Time, pursuant to the Notices of Sale. No other form of electronic bidding services will be accepted. No bid will be received after the time for receiving bids specified above. Bids may also be submitted by facsimile at (315) 930-2354. Once the bids are communicated electronically via Fiscal Advisors Auction or facsimile to the City, each bid will constitute an irrevocable offer to purchase the Bonds and Notes pursuant to the terms provided in the Notices of Sale.

THE CITY DEEMS THIS OFFICIAL STATEMENT TO BE FINAL FOR PURPOSES OF SECURITIES AND EXCHANGE COMMISSION RULE 15c2-12 ("THE RULE"), EXCEPT FOR CERTAIN INFORMATION THAT HAS BEEN OMITTED HEREFROM IN ACCORDANCE WITH SAID RULE AND THAT WILL BE SUPPLIED WHEN THIS OFFICIAL STATEMENT IS UPDATED FOLLOWING THE SALE OF THE OBLIGATIONS HEREIN DESCRIBED. THIS OFFICIAL STATEMENT WILL BE SO UPDATED UPON REQUEST OF THE SUCCESSFUL BIDDERS, AS MORE FULLY DESCRIBED IN THE NOTICES OF SALE WITH RESPECT TO THE OBLIGATIONS HEREIN DESCRIBED. SEE "APPENDIX – C, CONTINUING DISCLOSURE UNDERTAKING WITH RESPECT TO THE BONDS" AND "APPENDIX – D, MATERIAL EVENT NOTICES WITH RESPECT TO THE NOTES" HEREIN.

CITY OF ROME ONEIDA COUNTY, NEW YORK

JEFFREY LANIGAN
Mayor



COMMON COUNCIL

JOHN A. NASH
President

JOHN M. SPARACE
JOHN B. MORTISE

LINDA J. FAZIO
RAMONA L. SMITH
JOHN A. REILLY

RICCARDO D. DURSI, JR.
DAVID E. SBARAGLIA

* * * * *

BRIAN M. ADAMS
City Treasurer

R. WESLEY SLAGHT
Deputy City Treasurer

ERIC SEELIG
City Clerk

GERARD F. FEENEY, ESQ.
Corporation Counsel



FISCAL ADVISORS & MARKETING, INC.
Municipal Advisor

BOND SCHOENECK
& KING
BOND SCHOENECK & KING PLLC.
Bond Counsel

No person has been authorized by the City of Rome to give any information or to make any representations not contained in this Official Statement, and, if given or made, such information or representations must not be relied upon as having been authorized. This Official Statement does not constitute an offer to sell or solicitation of an offer to buy any of the Bonds and Notes in any jurisdiction to any person to whom it is unlawful to make such offer or solicitation in such jurisdiction. The information, estimates and expressions of opinion herein are subject to change without notice, and neither the delivery of this Official Statement nor any sale made hereunder shall, under any circumstances, create any implication that there has been no change in the affairs of the City of Rome.

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PREPARED WITH THE ASSISTANCE OF



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OFFICIAL STATEMENT
OF THE
CITY OF ROME
ONEIDA COUNTY, NEW YORK

RELATING TO
\$3,740,580 Public Improvement (Serial) Bonds, 2026
and
\$28,182,877 Bond Anticipation Notes, 2026

This Official Statement, which includes the cover page and appendices, has been prepared by the City of Rome, Oneida County, New York (the "City," "County," and "State," respectively), in connection with the sale by the City of \$3,740,580 principal amount Public Improvement (Serial) Bonds, 2026 (the "Bonds"), and its \$28,182,877 principal amount Bond Anticipation Notes, 2026 (the "Notes", and together with the Bonds, the "Bonds and Notes").

The factors affecting the City's financial condition and the Bonds and Notes are described throughout this Official Statement. Inasmuch as many of these factors, including economic and demographic factors, are complex and may influence the City tax base, revenues, and expenditures, this Official Statement should be read in its entirety, and no one factor should be considered more or less important than any other by reason of its relative position in this Official Statement.

All quotations from and summaries and explanations of provisions of the Constitution and laws of the State and acts and proceedings of the City contained herein do not purport to be complete and are qualified in their entirety by reference to the official compilations thereof, and all references to the Bonds and Notes and the proceedings of the City relating thereto are qualified in their entirety by reference to the definitive forms of the Bonds and Notes and such proceedings.

THE BONDS

Description of the Bonds

The Bonds are general obligations of the City, and will contain a pledge of its faith and credit for the payment of the principal of and interest on the Bonds as required by the Constitution and laws of the State (State Constitution, Art. VIII, Section 2; Local Finance Law, Section 100.00). All the taxable real property within the City is subject to the levy of ad valorem taxes to pay the Bonds and interest thereon, without limitation as to rate or amount, subject to certain statutory limitations imposed by Chapter 97 of the Laws of 2011 of the State of New York (the "Tax Cap Law"). See "TAX CAP LAW" herein.

The Bonds will be dated June 9, 2026 and will mature in the principal amounts as set forth on the cover page. The Bonds are subject to redemption prior to maturity as described below. The "Record Date" of the Bonds will be the fifteenth day of the calendar month preceding each such interest payment date.

The Bonds will be issued as registered bonds and, and at the option of the purchaser, will be registered in the name of Cede & Co., as nominee of The Depository Trust Company ("DTC"), which will act as securities depository for the Bonds. Individual purchases will be made in book-entry form only, in the principal amount of \$5,000 or integral multiples thereof, except for one necessary odd denomination with respect to the Bonds maturing in 2027. Purchasers will not receive certificates representing their ownership interest in the Bonds. Principal and interest will be paid by the City to DTC, which will in turn remit such principal and interest to its Participants, for subsequent distribution to the Beneficial Owners of the Bonds, as described herein. See "BOOK-ENTRY-ONLY SYSTEM" herein. At the option of the purchaser the Bonds may be registered in the name of the purchaser with the City acting as paying agent for the Bonds. If the purchaser elects to have the Bonds issued in registered form with the City acting as paying agent, one fully registered Bond certificate will be issued for each maturity of the Bonds, each in the aggregate principal amount of such maturity and will be registered in the name of the purchaser. Principal and interest payments on the Bonds will be paid by the City to the registered owner of the Bonds.

Interest on the Bonds will be payable on June 1, 2027, December 1, 2027, and semi-annually thereafter on June 1 and December 1 in each year until maturity.

Interest will be calculated on the basis of a 360-day year and a 30-day month.

Optional Redemption

The Bonds maturing on or before June 1, 2033 shall not be subject to redemption prior to maturity. The Bonds maturing on or after June 1, 2034 shall be subject to redemption prior to maturity as a whole or in part (and by lot if less than all of a maturity is to be redeemed) at the option of the City on June 1, 2033 or on any date thereafter at par (100.0%), plus accrued interest to the date of redemption.

If less than all of the Bonds of any maturity are to be redeemed, the particular Bonds of such maturity to be redeemed shall be selected by the City by lot in any customary manner of selection as determined by the City Treasurer. Notice of such call for redemption shall be given by mailing such notice to the registered holders not more than sixty (60) days nor less than thirty (30) days prior to such date. Notice of redemption having been given as aforesaid, the Bonds so called for redemption shall, on the date for redemption set forth in such call for redemption, become due and payable, together with interest to such redemption date, and interest shall cease to be paid thereon after such redemption date.

THE NOTES

Description of the Notes

The Notes are general obligations of the City, and will contain a pledge of its faith and credit for the payment of the principal of and interest on the Notes as required by the Constitution and laws of the State (State Constitution, Art. VIII, Section 2; Local Finance Law, Section 100.00). All the taxable real property within the City is subject to the levy of ad valorem taxes to pay the Notes and interest thereon, subject to statutory limits imposed by Chapter 97 of the Laws of 2011. (See "TAX LEVY LIMITATION LAW" herein).

The Notes will be dated June 9, 2026 and mature, without the option of prior redemption, on June 9, 2027. Interest on the Notes will be calculated on a 30-day month and a 360-day year basis, and will be payable at maturity. The Notes will be issued in either (i) registered in the name of the purchaser, in denominations of \$5,000 each or multiples thereof, except for one necessary odd denomination, with principal and interest payable in Federal Funds at such bank(s) or trust company(ies) located and authorized to do business in the State as may be selected by such successful bidder(s); or (ii) as registered notes, and, if so issued, registered in the name of Cede & Co. as nominee of DTC, which will act as the securities depository for the Notes. (See "BOOK-ENTRY-ONLY SYSTEM" herein).

No Optional Redemption

The Notes are not subject to redemption prior to maturity.

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AUTHORITY FOR AND PURPOSES OF ISSUE

Purpose of Issue - Bonds

The Bonds are being issued pursuant to the Constitution and statutes of the State of New York, including among others, the General City Law, the Local Finance Law and various bond ordinances for the following purposes:

	Ordinance	Authorization Dates	Authorized Amount	Amount Outstanding	Paydown	New Money	Amount To Borrow
Renewal:							
Railroad Street Bridge Rehabilitation	9338A	1/23/2019	\$ 5,400,000	\$ 213,611	\$ 10,899	\$ -	\$ 202,712
2020 Streets	9403	4/8/2020	2,513,338	708,424	205,561	-	502,863
2021 Streets	9439	4/28/2021	2,373,000	499,995	98,499	-	401,496
2022 Streets Project	9515	4/27/2022	3,136,962	1,130,603	314,407	-	816,196
City Hall - Elevator Renovations	9516	5/11/2022	200,000	149,872	18,547	-	131,325
Public Works Garage - Boiler Replacement	9516	5/11/2022	200,000	149,872	18,407	-	131,465
Increase in Cost of Boiler Replacement at Public Works Garage	9592	4/12/2023	30,000	27,150	9,585	-	17,565
Franklyn Field Clubhouse Rehab	9529	7/27/2022	75,000	67,875	3,832	-	64,043
Increase to Frankyn Field Clubhouse Rehab	9600	6/14/2023	86,878	86,878	4,433	-	82,445
Crane Truck	9539	9/28/2022	195,000	176,475	16,851	-	159,624
Wood Chipper	9610	6/28/2023	135,000	124,267	27,058	-	97,209
Laurel St Fire Station Roof	9618	7/26/2023	73,000	70,792	2,459	-	68,333
Columbus Ave Restore	9626	8/23/2023	1,693,746	-	-	110,671	110,671
Snowblower Replacement	9687	4/10/2024	160,000	140,349	24,502	-	115,847
Flusher Truck	9695	4/24/2024	427,000	420,573	10,011	-	410,562
Water Filtration Parking Lot Improvements	9698	4/24/2024	\$50,000	48,488	16,068	-	32,420
Guyer Field Court Resurfacing	9715	5/22/2024	118,000.00	31,460	5,693	-	25,767
Police Kardex	9773	3/12/2025	66,000.00	66,000	6,775	-	59,225
Skid Steer Replacement	9773	3/12/2025	75,000.00	75,000	13,964	-	61,036
Inside District Mower	9773	3/12/2025	135,000	135,000	12,920	-	122,080
Bob Cat	9596A	4/26/2023	65,000	54,406	18,651	-	35,755
Backhoe	9596A	4/26/2023	130,000	108,812	16,871	-	91,941
Sub-Totals Renewal:				\$ 4,485,902	\$ 855,993	\$ 110,671	\$ 3,740,580

The proceeds of the Bonds, along with \$855,993 available funds of the City, will redeem and permanently finance \$4,485,902 of the \$21,124,568 bond anticipation notes maturing June 10, 2026 for the and provide \$110,671 new monies for the abovementioned purposes.

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Purpose of Issue - Notes

The Notes are being issued pursuant to the Constitution and statutes of the State of New York, including among others, the General City Law, the Local Finance Law and various bond ordinances authorizing the following purposes:

	Ordinance	Authorization Dates	Authorized Amount	Amount Outstanding	Paydown	New Money	Amount To Borrow
Renewal:							
701 Lawrence St. ERP	9442	5/12/2021	\$ 250,000	\$ 16,434	\$ 2,416	\$ -	\$ 14,018
1333 East Dominick St. ERP	9442	5/12/2021	1,100,000	72,305	10,630	-	61,675
Traffic Light Controllers	9442	5/12/2021	22,000	19,132	809	-	18,323
Replace Return Sludge Pumps	9442	5/12/2021	32,000	29,923	585	-	29,338
Replace Pumps at Merrick & Tannery Rd's	9442	5/12/2021	30,000	28,053	549	-	27,504
Roof at Boyd Dam	9442	5/12/2021	44,000	28,922	4,252	-	24,670
City Hall - Record Retention Widow Replacement	9516	5/11/2022	50,000	42,695	2,682	-	40,013
City Hall - HVAC Upgrades	9516	5/11/2022	450,000	337,213	41,416	-	295,797
Mohawk River Trail Phase 2	9496	1/26/2022	2,424,000	926,718	52,319	-	874,399
2023 City Streets	9595	4/26/2023	3,246,367	1,199,814	125,647	-	1,074,167
Replacement Well	9596A	4/26/2023	200,000	181,000	10,218	-	170,782
Empire State Canalway Trail Path Improvement	9594	4/26/2023	514,000	117,378	6,627	-	110,751
City Hall HVAC	9694	4/24/2024	360,000	331,378	30,053	-	301,325
Main Bar Screen	9696	4/24/2024	320,000	305,170	15,571	-	289,599
High Level Pump Replacement	9696	4/24/2024	150,000	143,049	7,299	-	135,750
Kessinger Dam Electronics	9697	4/24/2024	\$150,000	145,464	4,763	-	140,701
Low Lift Pumps	9697	4/24/2024	125,000.00	115,062	10,435	-	104,627
Generator Replacement	9697	4/24/2024	125,000.00	115,062	10,435	-	104,627
Water Supply System Telemetry Upgrade	9697	4/24/2024	229,000.00	222,074	7,272	-	214,802
South James St Bridge	9698	4/24/2024	2,573,000	124,759	4,085	-	120,674
Power to Low Lift Crane	9698	4/24/2024	100,000	96,976	3,175	-	93,801
2024 Streets	9699	4/24/2024	4,780,000	1,979,065	179,482	-	1,799,583
Garbage Truck Replacement	9687	4/10/2024	290,000	254,382	37,399	-	216,983
2 - 10 Wheelers with Plow Equipment	9687	4/10/2024	600,000	526,307	77,376	-	448,931
John Deere Payloader	9687	4/10/2024	260,000	228,067	33,530	-	194,537
Demolition of 1030 E. Dominick St (Municipally owned bldg.)	9627	3/27/2024	1,222,512	1,185,540	1,100,260	-	85,280
Tornado Tree Removal & Replacement (1 of 2)	9743	9/11/2024	2,000,000	493,566	89,323	-	404,243
Acquisition of 425 Erie Blvd W (several separate acquisitions are sho	9758	11/13/2024	130,000	130,000	6,024	-	123,976
Demo of Tornado Damaged Properties	9744	9/11/2024	2,000,000	2,000,000	159,009	-	1,840,991
2025 Streets	9769	2/12/2025	4,200,000	2,256,158	179,375	-	2,076,783
6 Wheel Dump Truck with Wing, Plow, & Salter	9773	3/12/2025	300,000	300,000	36,846	-	263,154
Rehab Old Lab and Chlorine Storage Building	9777	4/23/2025	75,000	75,000	3,476	-	71,524
Repair/Replace Windows at RACC	9778	4/9/2025	30,000	30,000	907	-	29,093
Repair/Replace Access Roads Into & Around Waste Lagoons	9779	4/9/2025	150,000	150,000	11,926	-	138,074
Xylem Lift Pump and Adjacent Piping	9780	4/9/2025	225,000	225,000	3,387	-	221,613
Rehab of Water Pump Station Located at 210 March St.	9780	4/9/2025	100,000	100,000	1,505	-	98,495
Electronics and Controls in Claritrac Shed	9780	4/9/2025	150,000	150,000	2,258	-	147,742
Replace Pumps Located at Water Pump Station on Railroad St	9781	4/9/2025	98,000	98,000	1,475	-	96,525
Replace Aeration Blower	9781	4/9/2025	360,000	360,000	5,419	-	354,581
Replace Two Low Level Pumps at Low Level Pump Station	9781	4/9/2025	160,000	160,000	2,408	-	157,592
Replace Waste Water Pumps Located on Ellsworth Ave. (Station 21)	9781	4/9/2025	60,000	60,000	903	-	59,097
Replace Panels, Pumps, & Wet Welling Pipng on Craighurst Dr.	9781	4/9/2025	54,000	54,000	813	-	53,187
Acquisition of 328 Ridge St. (several separate acquisitions are shown)	9784	4/23/2025	275,000	275,000	140,744	-	134,256
Park Drive Complete Streets	9785	4/23/2025	850,000	850,000	39,391	-	810,609
Pedestrian Bridge Deck Repair	9786	4/23/2025	100,000	100,000	4,634	-	95,366
			Sub-Totals Renewal:	\$16,638,666	\$ 2,469,108	\$ -	\$ 14,169,558
New:							
Increase to Tornado Tree Removal & Replacement (2 of 2)	9743	9/11/2024	\$ 2,000,000	\$ -	\$ -	\$ 506,434	\$ 506,434
Demo Of Privately Owned Buildings - Tornado	9808	7/9/2025	850,000	-	-	500,000	500,000
City Hall Window Coverings	9846	1/28/2026	70,000	-	-	70,000	70,000
Sewer Plant Improvements & Upgrades	9857	3/25/2026	2,833,405	-	-	2,833,405	2,833,405
2026 Streets	9862	4/8/2026	3,800,000	-	-	1,743,000	1,743,000
6 Wheel Dump Truck with Wing, Plow, & Salter (Streets)	9852	3/11/2026	305,000	-	-	305,000	305,000
6 Wheel Dump Truck w/Front Plow - Alley Truck Replacement (Street	9853	3/11/2026	243,000	-	-	243,000	243,000
Pay Loader Replacement	9854	3/11/2026	275,000	-	-	275,000	275,000
6 Wheel Dump Truck (Water)	9847	2/25/2026	205,000	-	-	205,000	205,000
Sewer Improvements	9656	12/13/2023	7,332,480	-	-	7,332,480	7,332,480
			Sub-Totals New Money:				\$ 14,013,319
			Total New and Renewal:				\$ 28,182,877

The proceeds of the Notes, along with \$2,469,108 available funds of the City, will redeem and permanently finance \$16,638,666 of the \$21,124,568 bond anticipation notes maturing June 10, 2026 and provide \$14,013,319 new monies for the abovementioned purposes.

The City's Common Council approved a bond ordinance on January 28, 2026 regarding the purchase of blinds and/or window coverings for City Hall, as further detailed above. The City is in the process of complying with the estoppel procedure for this ordinance, which may not be complete before the anticipated closing of the Notes on June 9, 2026.

BOOK-ENTRY-ONLY SYSTEM

If requested by the purchaser, the Depository Trust Company (“DTC”), New York, NY, will act as securities depository for the Bonds and Notes. The Bonds will each be issued as fully-registered securities registered in the name of Cede & Co. (DTC’s partnership nominee) or such other name as may be requested by an authorized representative of DTC. One fully-registered Note certificate will be issued for each note which bears the same rate of interest and CUSIP number.

DTC is a limited-purpose trust company organized under the New York Banking Law, a “banking organization” within the meaning of the New York Banking Law, a member of the Federal Reserve System, a “clearing corporation” within the meaning of the New York Uniform Commercial Code, and a “clearing agency” registered pursuant to the provisions of Section 17A of the Securities Exchange Act of 1934. DTC holds and provides asset servicing for over 2 million issues of U.S. and non-U.S. equity issues, corporate and municipal debt issues, and money market instruments from over 85 countries that DTC’s participants (“Direct Participants”) deposit with DTC. DTC also facilitates the post-trade settlement among Direct Participants of sales and other securities transactions in deposited securities, through electronic computerized book-entry transfers and pledges between Direct Participants’ accounts. This eliminates the need for physical movement of securities certificates. Direct Participants include both U.S. and non-U.S. securities brokers and dealers, banks, trust companies, clearing corporations, and certain other organizations. DTC is a wholly-owned subsidiary of The Depository Trust & Clearing Corporation (“DTCC”). DTCC, in turn, is owned by a number of Direct Participants of DTC and Members of the National Securities Clearing Corporation, Government Securities Clearing Corporation, MBS Clearing Corporation, and Emerging Markets Clearing Corporation, (NSCC, GSCC, MBSCC, and EMCC, also subsidiaries of DTCC), as well as by the New York Stock Exchange, Inc., the American Stock Exchange LLC, and the National Association of Securities Dealers, Inc. Access to the DTC system is also available to others such as both U.S. and non-U.S. securities brokers and dealers, banks, trust companies, and clearing corporations that clear through or maintain a custodial relationship with a Direct Participant, either directly or indirectly (“Indirect Participants”). DTC has Standard & Poor’s highest rating: AAA. The DTC Rules applicable to its Participants are on file with the Securities and Exchange Commission. More information about DTC can be found at www.dtcc.com and www.dtc.org.

Purchases of Bonds and the Notes under the DTC system must be made by or through Direct Participants, which will receive a credit for the Bonds and the Notes on DTC’s records. The ownership interest of each actual purchaser of each Bonds and the Notes (“Beneficial Owner”) is in turn to be recorded on the Direct and Indirect Participants’ records. Beneficial Owners will not receive written confirmation from DTC of their purchase. Beneficial Owners are, however, expected to receive written confirmations providing details of the transaction, as well as periodic statements of their holdings, from the Direct or Indirect Participant through which the Beneficial Owner entered into the transaction. Transfers of ownership interests in the Bonds and the Notes are to be accomplished by entries made on the books of Direct and Indirect Participants acting on behalf of Beneficial Owners. Beneficial Owners will not receive certificates representing their ownership interests in Bonds and the Notes, except in the event that use of the book-entry system for the Bonds and the Notes is discontinued.

To facilitate subsequent transfers, all Bonds and the Notes deposited by Direct Participants with DTC are registered in the name of DTC’s partnership nominee, Cede & Co., or such other name as may be requested by an authorized representative of DTC. The deposit of Bonds and the Notes with DTC and their registration in the name of Cede & Co. or such other DTC nominee do not effect any change in beneficial ownership. DTC has no knowledge of the actual Beneficial Owners of the Bonds and the Notes; DTC’s records reflect only the identity of the Direct Participants to whose accounts such Bonds and the Notes are credited, which may or may not be the Beneficial Owners. The Direct and Indirect Participants will remain responsible for keeping account of their holdings on behalf of their customers.

Conveyance of notices and other communications by DTC to Direct Participants, by Direct Participants to Indirect Participants, and by Direct Participants and Indirect Participants to Beneficial Owners will be governed by arrangements among them, subject to any statutory or regulatory requirements as may be in effect from time to time.

Principal and interest payments on the Bonds and the Notes will be made to Cede & Co., or such other nominee as may be requested by an authorized representative of DTC. DTC’s practice is to credit Direct Participants’ accounts in accordance with their respective holdings shown on DTC’s records. Payments by Participants to Beneficial Owners will be governed by standing instructions and customary practices, as is the case with securities held for the accounts of customers in bearer form or registered in “street name,” and will be the responsibility of such Participant and not of DTC or the City, subject to any statutory or regulatory requirements as may be in effect from time to time. Payment of principal and interest to DTC is the responsibility of the City, disbursement of such payments to Direct Participants will be the responsibility of DTC, and disbursement of such payments to the Beneficial Owners will be the responsibility of Direct and Indirect Participants.

DTC may discontinue providing its services as depository with respect to the Bonds and the Notes at any time by giving reasonable notice to the City. Under such circumstances, in the event that a successor depository is not obtained, bond and note certificates are required to be printed and delivered.

The City may decide to discontinue use of the system of book-entry transfers through DTC (or a successor securities depository). In that event, bond and note certificates will be printed and delivered.

The information in this section concerning DTC and DTC's book-entry system has been obtained from sample offering document language supplied by DTC, but the City takes no responsibility for the accuracy thereof.

Source: The Depository Trust Company.

THE CITY CANNOT AND DOES NOT GIVE ANY ASSURANCES THAT DTC, DIRECT PARTICIPANTS OR INDIRECT PARTICIPANTS OF DTC WILL DISTRIBUTE TO THE BENEFICIAL OWNERS OF THE BONDS AND NOTES (1) PAYMENTS OF PRINCIPAL OF OR INTEREST ON THE BONDS AND NOTES; (2) CONFIRMATIONS OF THEIR OWNERSHIP INTERESTS IN THE BONDS AND NOTES; OR (3) OTHER NOTICES SENT TO DTC OR CEDE & CO., ITS PARTNERSHIP NOMINEE, AS THE REGISTERED OWNER OF THE BONDS AND NOTES, OR THAT THEY WILL DO SO ON A TIMELY BASIS, OR THAT DTC, DIRECT PARTICIPANTS OR INDIRECT PARTICIPANTS WILL SERVE AND ACT IN THE MANNER DESCRIBED IN THIS OFFICIAL STATEMENT.

THE CITY WILL NOT HAVE ANY RESPONSIBILITY OR OBLIGATIONS TO DTC, THE DIRECT PARTICIPANTS, THE INDIRECT PARTICIPANTS OF DTC OR THE BENEFICIAL OWNERS WITH RESPECT TO (1) THE ACCURACY OF ANY RECORDS MAINTAINED BY DTC OR ANY DIRECT PARTICIPANTS OR INDIRECT PARTICIPANTS OF DTC; (2) THE PAYMENT BY DTC OR ANY DIRECT PARTICIPANTS OR INDIRECT PARTICIPANTS OF DTC OF ANY AMOUNT DUE TO ANY BENEFICIAL OWNER IN RESPECT OF THE PRINCIPAL AMOUNT OF OR INTEREST ON THE BONDS AND NOTES; (3) THE DELIVERY BY DTC OR ANY DIRECT PARTICIPANTS OR INDIRECT PARTICIPANTS OF DTC OF ANY NOTICE TO ANY BENEFICIAL OWNER THAT IS REQUIRED OR PERMITTED TO BE GIVEN TO OWNERS; OR (4) ANY CONSENT GIVEN OR OTHER ACTION TAKEN BY DTC AS THE REGISTERED HOLDER OF THE BONDS AND NOTES.

THE INFORMATION CONTAINED HEREIN CONCERNING DTC AND ITS BOOK-ENTRY SYSTEM HAS BEEN OBTAINED FROM DTC AND THE CITY MAKES NO REPRESENTATION AS TO THE COMPLETENESS OR THE ACCURACY OF SUCH INFORMATION OR AS TO THE ABSENCE OF MATERIAL ADVERSE CHANGES IN SUCH INFORMATION SUBSEQUENT TO THE DATE HEREOF.

Certificated Bonds

DTC may discontinue providing its services with respect to the Bonds at any time by giving notice to the City and discharging its responsibilities with respect thereto under applicable law, or the City may terminate its participation in the system of book-entry-only transfers through DTC at any time. In the event that such book-entry-only system is discontinued, the following provisions will apply: the Bonds will be issued in fully registered form in denominations of \$5,000 each or any integral multiple thereof, except for one necessary odd denomination maturing in 2027. Principal of the Bonds when due will be payable upon presentation at the office of a bank or trust company located and authorized to do business in the State as a fiscal agent bank to be named by the City upon termination of the book-entry-only system. Interest on the Bonds will be payable on June 1, 2027 and December 1, 2027 and semi-annually thereafter on June 1 and December 1 in each year until maturity. Such interest will be payable by check drawn on the fiscal agent and mailed to the registered owner on each interest payment date at the address as shown on the registration books of the fiscal agent as of the fifteenth day of the calendar month preceding each such interest payment date of the Bonds. Bonds may be transferred or exchanged at no cost to the registered owner at any time prior to maturity at the office of the fiscal agent for Bonds of the same or any other authorized denomination or denominations in the same aggregate principal amount upon the terms set forth in the Bond Determinations Certificate of the Chief Financial Officer authorizing the sale of the Bonds and fixing the details thereof and in accordance with the Local Finance Law. The fiscal agent shall not be obligated to make any such transfer or exchange of Bonds between the fifteenth day of the calendar month preceding an interest payment date and such interest payment date.

Certificated Notes

DTC may discontinue providing its services with respect to the Notes at any time by giving notice to the City and discharging its responsibilities with respect thereto under applicable law or the City may terminate its participation in the system of book-entry-only system transfers through DTC at any time, In the event that such book-entry-only system is utilized by a purchaser of the Notes upon issuance and later discontinued, the following provisions will apply:

The Notes will be issued in registered form registered in the name of the Purchaser in denominations of \$5,000 or integral multiples thereof, except for one necessary odd denomination. Principal of and interest on the Notes will be payable at a principal corporate trust office of a bank or trust company located and authorized to do business in the State of New York to be named by the City or at the office of the City Treasurer.

THE CITY

General Information

The City is located in the central part of New York State, has an estimated 2024 U.S. Census population of 32,125 (See “Population Trends” herein) and a land area of 72.7 square miles.

The City is within the Utica-Rome Standard Metropolitan Statistical Area and is the second largest city in Oneida County, a county which has an estimated 2024 U.S. Census population of 228,347. The City is served by the New York State Thruway, the State Barge Canal, the Amtrak Rail System, the Griffiss International Airport and Syracuse Hancock International Airports and several State highways. It is within easy travel distance of all major metropolitan areas in the Northeast, Midwest and Canada. The City bus system is operated by Central New York Regional Transportation Authority (Centro of Oneida, Inc.).

The City’s architectural and cultural heritages comprise a large portion of its cultural facilities and programs. Several existing structures are on the National Register of Historic Buildings. The area has a number of prominent historical landmarks related to the Revolutionary Period and the Erie Canal and a variety of museums and community arts programs.

The area offers many summer and winter recreational opportunities ranging from City-owned facilities such as the John F. Kennedy Civic Arena (also known as Kennedy Arena) to Adirondack resorts such as Old Forge and Lake Placid.

Financial Institutions and Communications

There are four commercial banks, Key Bank, Adirondack Bank, NBT Bank, and M&T Bank, located in and serving the residents of the City. The City is served by numerous radio and television stations. The City also has three local newspapers: the Rome Daily Sentinel, the Observer Dispatch and the Rome Observer.

Utilities

Electricity and natural gas are supplied to the City by National Grid and the New York State Office of General Services. Telephone service is provided by Time Warner and Verizon. The City provides sewer facilities and water supply distribution to its residents, and is responsible for financing the construction, operation and maintenance of these systems.

City Services and Programs

The City is responsible for and provides the following services: police, fire, sanitation, water, sewer, solid waste management, wastewater treatment and street maintenance. The City also operates various park and recreational facilities. Pursuant to State law, the County, rather than the City, is responsible for providing health and social services. Public education is provided by the City School District of the City of Rome (the “District”). The District has a separately elected governing body and has independent taxing and debt issuance authority.

Source: City officials.

Economic Developments

The chart below shows the annual average (in thousands) for the nonfarm job count in the Utica-Rome metro area as provided by the New York State Department of Labor for the past five years:

<u>Year</u>	<u>Annual Average</u>
2021	118.5
2022	120.8
2023	122.0
2024	123.2
2025	124.0

Source: Department of Labor, State of New York. (Note: Data in thousands. Figures not seasonally adjusted).

Commercial development in the area has accelerated in the past few years. Growth has occurred both inside the Griffiss Business and Technology Park (“Griffiss Park”) and outside Griffiss Park within the City of Rome municipal jurisdiction.

Development outside Griffiss Park has flourished, most notably:

Residential Developments

- Nascentia Neighborhood development located on a 52-acre property former Beeches Manor is a state-of-the-art banquet hall with the ability to seat up to 350 guests. This year-round historical venue is ideal for weddings, meetings, and special events. In 2021 the property was purchased by Nascentia Health and is under redevelopment into a senior community campus/conference center, and will allow seniors to age in place and live independently with support from a wide range of professionals. Included is a 76 senior owner-occupied home subdivision, and an additional 36 smaller patio home rentals to support events at the manor. The total investment is over \$50 million and is scheduled for completion in 2028. The project is supported with American Rescue Plan Act funding.
- Delta Luxury Townhomes LLC, an affiliate of Buck Construction Management of Whitesboro, NY, is developing a 50-lot residential subdivision in Rome. The nearly \$10 million development is co-located with the recently built 64-unit, Delta Luxury Apartments complex. The project is supported with American Rescue Plan Act funding.
- Woodhaven Ventures LLC is continuing construction of its 36-lot residential single-family subdivision along Park Drive and is commencing construction of an additional 341-lot residential subdivision within the adjacent former Woodhaven neighborhood. Both projects together stretch over nearly 100 acres of urbanized area. They are also starting construction of 100 multifamily garden-style apartments along Floyd Avenue in 2026. Woodhaven Ventures, LLC (a related company of Bonacio Construction, Inc. of Saratoga Springs) is spearheading the redevelopment, marketing, and sales. Woodhaven Ventures will develop the homes over a 15-year period with a total estimated project cost of over \$82 million. The project is supported through an IDA Housing PILOT and American Rescue Plan Act funding.
- Air City Lofts, a mixed-use development that began construction during the height of the Covid-19 Pandemic, has blossomed into a current 250 unit residential/80,000 s/f commercial mixed-use destination within the Floyd Avenue gateway of the Griffiss Business and Technology Park. A total of 6 buildings are currently constructed that house 1- and 2-bedroom luxury apartments with modern amenities. The project is also home to the Chobani Recruitment and Development Offices.

Commercial Developments

- Rome Health’s Expansion & Renovations celebrated a major milestone with a ceremonial ribbon cutting for its new Main Entrance, Intensive Care Unit (ICU), and the Kaplan Center for Surgical Services. The event marked the nearing completion of Phase I of the hospital’s 30,000 s/f three-story addition. The \$45.7 million capital project will modernize surgical and critical care services. The next phases of renovations are ongoing.
- The Rome Humane Society is constructing a new 20,000 s/f \$8 million animal shelter which will include complete razing of their existing facility and ground-up construction. The project has started construction activities in 2026 and is scheduled to open in 2027.

- Kabari Wellness Institute (KWI) purchased a block of buildings located in downtown Rome at 214 W. Liberty Street, and is undertaking a complete facility renovation to house the new wellness institute. The KWI is focused on providing health, wellness, and beauty services to the community at a one stop facility. This project is a multi-year redevelopment project that will inject vitality and life back into the former St. Marys Church complex.
- MetLife announced in 2025 its strategic plans to a long-term commitment to upstate NY and construct a new brick and mortar office complex within Rome, NY. The Office will be located at 212 Hangar Road and includes over 100,000 s/f of space that will be occupied by 300 office workers. The project is scheduled to be completed and opened by then end of 2026.

Industrial Developments

- Chobani has selected Rome, NY as its next U.S. dairy processing facility. Announced in 2025, the project will include a \$1.2 billion investment and 1.4 million s/f of dairy manufacturing located on a portion of the former military runway at the Griffiss Business and Technology Park. This project will be the single largest domestic food manufacturing investment in U.S. history. The project anticipates generating thousands of construction jobs and 1,000+ manufacturing jobs once open. It's estimated that the total economic impact of construction activities between jobs and sales will be over \$600 million. Its also estimated that the total annual economic impact of on-site employment when operating between earnings and sales will be over \$300 million. The project is on schedule for construction completion of Phase 1 by 2027.
- The Whalen Company acquired Cold Point Corporation, an industrial HVAC manufacturer in Rome NY and recently completed construction on a new state of the art 50,000 square foot manufacturing facility at the former Rome Cable Complex site. The project preserves 35 jobs and adds 15 more from an additional third shift, and is co-located with the same industrial park as Worthington Steel Inc.
- Revere Copper Products Inc. has reached its 225th year in business in 2026. In 2026 Revere plans to undertake its largest capital improvement plan in history and it will be experiencing its biggest growth year to date by tripling its output through additional equipment and employees.

Regional Economic High Impacts Projects

- Griffiss Business & Technology Park is a ~3,500 acre multi use business, technology, industrial, and aviation campus on the grounds of the former Griffiss Air Force Base in Rome. As of the most recently published park data, Griffiss hosts approximately 90 tenants employing roughly 7,800 people, with continued growth underway.

Major employers and anchor federal operations at Griffiss include the Air Force Research Laboratory – Information Directorate (Rome Lab), the Defense Finance and Accounting Service (DFAS) – Rome, and the Eastern Air Defense Sector (EADS).

Private sector leaders at the park include Orgill's 780,000 s/f Northeast Distribution Center, Assured Information Security (AIS) headquarters, Collins Aerospace (an RTX business; facility historically listed as UTC Aerospace Systems/Goodrich at 104 Otis St.), HII Mission Technologies (Alion legacy), BAE Systems, Cathedral Corporation, Sovena USA (olive oil bottling and packaging), Kris Tech Wire (including its recent 84,000 sq ft expansion), Family Dollar Distribution Center, and a range of additional advanced manufacturing, logistics, technology, aviation, and service sector employers.

It was announced in 2025 that the Griffiss Park would be the home of Chobani's new ~2M square foot yogurt manufacturing facility, representing an investment of over \$1 Billion. This project is expected to result in over 1,000 new jobs on the Park, and bring total public and private investment at Griffiss to well over \$2 Billion since it was realigned from an Air Force Base in 1995.

- Wolfspeed Silicon Chip Manufacturer has invested \$1.2 billion in the new silicon carbide semiconductor facility located in Marcy, NY, and looks to increase its workforce to 600 jobs. Additionally, Danfoss Silicon Power, a worldwide supplier of Power Electronics continues its buildout of the Quad-C building at SUNYIT, investing over \$300 million. Packaging operations have been established and Danfoss has been ramping employment up to its 300 jobs goal. Danfoss and Wolfspeed are both working on the emerging silicone carbide chip technology.
- Micron Technology is developing a \$100 billion, 1,400-acre semiconductor campus in Clay, NY. Located 40 miles west of Rome, NY, the project anticipates completing phase 1 by 2030 and creating 50,000 direct and indirect jobs over a 20 year period. 9,000 of those jobs would be direct employment positions. Its estimated that \$16 billion in annual economic output will be generated in Central NY by 2041 directly related to the Micron project.

Brownfields

- Former General Cable Corporation Site located at 420 Harbor Way has been fully remediated and now anchors the Bellamy Harbor Park waterfront with a public navigation pavilion, public boat launch, community skatepark, and a \$3 million Hamilton College rowing facility. The brownfield remediation and public investment over the past 10 years totaling over \$6 million has lead towards private investments immediately adjacent to the site including several expansions of American Alloy Steel's (steel fabricator) facility and a \$3 million flex-industrial building located on Harbor Way.
- Former Rome Cable Site located at 314 South Jay Street has undergone a \$14 million environmental cleanup to raze the former building and remediate impacted soils. The project is now available for reuse and includes 20 acres of prime development property featuring environmental indemnification from the State.
- 109 Canal Street is located along a critical gateway into downtown and directly across from the Fort Stanwix National Monument. The property has undergone several rounds of environmental cleanups including being accepted into the NYS Brownfield Cleanup Program. The City has been working to facilitate the redevelopment of this property being located at such a prominent location.
- 701 Lawrence Street has completed all remedial measures to close the environmental work plan for this strategic waterfront brownfield site through a NYSDEC Environmental Restoration Program grant. This site will be actively marketing and is planned to return to active use within the next several years through a public Request for Proposals process.
- 1333 East Dominick Street, a longtime manufacturing site, located along a main street corridor has experience extreme environmental contamination through its history. The building and all contaminated site material have been removed and remediated and the site is actively being marketed. This more than 2 acre site has the potential for many desirable uses and will once again positively contribute to the community either through active or passive means in the near future.
- 112 Columbus Avenue, the Former Columbus School site, is under redevelopment. The project includes demolition of an existing 56,000 3 story 2.8-acre complex. The project is an identified Strategic Site within the Downtown Rome Brownfield Opportunity Area (BOA) and has been a public nuisance for decades since its decommissioning in the late 1990s. The city was awarded a BOA Implementation Grant to assess the redevelopment potential of the site and the final plan draft is under review. The site has the potential to catalyze the revitalization efforts and other economic development investments within the East Rome Residential area.
- 1030 East Dominick: This 2-acre site located on the East Dominick Street corridor has been awarded Environmental Restoration Program funding through NYSDEC. The site is under a full environmental remediation including removing the existing building and removing any impacted soils on the site. This site will be available for redevelopment proposals under a restricted residential use category which allows all but single-family redevelopment of the site. The estimated cleanup cost is over \$1 million.

Infrastructure Investments

- Water Filtration Plant Upgrades- The Frank Clark Water Filtration Facility has been upgraded over the past 8 years to include a new UV facility to protect the last drop of water before it enters the closed system. This is the best method to assure disinfection. This upgrade alone has a vested interest of over \$10 million dollars. The facility continues to be a vital protected component of the Public Water system with major improvements to buildings and private road access points to the water supply.
- Northwest Rome Water Expansion -The City of Rome along with funding partners at the New York State level and the Environmental Facilities Corporation on the Federal level to provide over \$25 million dollars of necessary improvements to the North West Rome sections of the City of Rome's Public Water system (PWS #3202405). The improvements included a new vertical 500,000-gallon elevated water tank and over 80,000 linear feet of new or replacement water service and transmission mains. We were able to add over 400 new end users to the new system and remove them from private well systems. The improvements also included new technology to monitor and regulate water quality. The addition of a new pump station on the system allows greater flows to serve a more expanded area and firefighting capabilities where there were none previously.
- Wastewater Treatment Plant Upgrades- Under the current ongoing improvements the Water Resource Recovery Facility is undertaking a \$8 million dollar project to improve the intake capacity and efficiency of the main pump and their controls. Future expected NYSDEC requirements on the working permit will require an anticipated major upgrade to this facility. With the expected effluent demands that are proposed from the new Chobani facility this Water Resource Recovery Facility will undergo upgrades in the tens of millions of dollars. The city has accepted this responsibility to be able to move a large food production facility into our city and spur regional development. This major investment in this facility will carry this plant for the next 20 plus years in technology and capacity paving the way for the City of Rome to grow.

- Kessinger Dam-Boyd Dam - Kessinger Dam and Boyd Dam are City owned water dams that are used to control the public water source to feed the Frank Clark Water Filtration Plant and subsequently the public water system for the City of Rome and neighboring communities. The City of Rome provides potable water to the Town of Lee, the Town of Whitestown, Town of Westmoreland, the town of Verona and the town of Floyd. The recent North West Water Improvement project allowed the added leg of providing water to the Town of Verona on the western edges of Rome. Kessinger Dam is currently undergoing a \$16 million dollar improvement project to resurface the dam face, improve the pumping capacity and efficiency in the gatehouse, increase useable power source to better control the monitoring and reporting of events at the dam and a new ice breaker in being installed to assist in breaking ice on the water surface to prohibit breaks on the new wall face and in the interior of the gatehouse. Boyd Dam is next in the quest to improve water's dams. Boyd Dam needs a new roof on its gatehouse structure and upgrades to the inflow system and controllability of monitoring the dam which is approx. 10 miles north of the City of Rome proper.

Related Entities

The Rome Industrial Development Corporation ("RIDC") is a private, not for profit, 501(c)(3) membership organization created to promote the economic welfare and prosperity of the City's inhabitants. The RIDC members have complete responsibility for management of the agency and accountability for its fiscal matters. The City is not liable for bonds, notes or other obligations of RIDC.

The Oneida-Herkimer Solid Waste Management Authority (the "Authority") was created by the State Legislature at the request of Oneida County and Herkimer County (collectively, the "Counties") by passage of Article 8, Title 13-FF of the New York Public Authority Law on September 1, 1988. The Authority is authorized to provide waste management services and to develop appropriate solid waste management facilities for the benefit of the Counties. Based on this foundation, the Authority has developed a comprehensive, integrated, system of facilities to serve all the residents, businesses, industries, and institutions, of the Counties. The Authority currently owns eight operational solid waste management facilities which include: a recycling center, three solid waste transfer stations, a green waste composting facility, a land clearing debris facility, a brush processing facility, and a household hazardous waste facility. The Authority's annual budget is approximately \$27 million and covers expenses for disposal of waste, recycling, household hazardous waste, composting, public education, administration, collection of waste and recyclables in Utica, operations, maintenance and debt service.

The Authority's revenue structure is primarily a fee for service system. A fee (system tip fee) is charged for every ton of non-recyclable waste delivered to the Authority to cover all expenses. These fees cover the majority of the expenses included in the Authority budget. The Authority receives the remaining revenue from other sources such as investments, sale of recyclables and grants. The Authority receives no funds from the Counties. The City is not liable for bonds, notes or other obligations of the Authority. The City receives a fee of \$1 for every ton of non-recyclable waste dropped off at its transfer station on River Road which amounts to approximately \$50,000 - \$60,000 in revenues per year.

The City School District of the City of Rome (the "District") is governed by school board members who are elected by the qualified voters of the District. The District derives its revenues from property taxes, the assessment of which is based on the City's taxing procedures. The City is responsible for billing and collecting District taxes and makes the District whole for any uncollected taxes (see "Real Property Tax Collection Procedures and History", herein). The City guarantees collection on any District taxes in arrears. The Board of Education of the District appoints management and exercises complete responsibility for all fiscal matters. The City is not liable for bonds, notes or other obligations of the District.

The Mid-York Library System (the "System") is a nonprofit cooperative library system serving 47 public libraries in Herkimer, Madison, and Oneida Counties. The System, one of 23 public library systems in New York State, was chartered in 1960 by the Board of Regents of the University of the State of New York. The Jervis Public Library branch serves residents of the City. The City is not liable for bonds, notes or other obligations of the System.

The Mohawk Valley Economic Development Growth Enterprises Corporation ("EDGE") continues to market the entire region to site selectors, developers and businesses around the globe who are seeking to expand their presence and invest in the Northeast United States. Key development sites in the Mohawk Valley being aggressively marketed include Griffiss Business and Technology Park, Oneida County Airport Business Park, Route 5S North Industrial Park, Schuyler Business Park, West Frankfort Industrial Park, Dominick Assaro Business Park, and Utica Business Park. In addition, EDGE assisted local and national realtors and site selection firms seeking information on several local greenfield sites; assisted RIDC in rezoning its South Rome site for a possible distribution center; assisted the Town of New Hartford in a Tax Increment Financing plan for a new business park; and commenced consultant selection for a Master Plan for the former Oneida County Airport site in the Town of Whitestown.

Population Trends

<u>Year</u>	<u>City of Rome</u>	<u>County of Oneida</u>	<u>New York State</u>
1990	44,350	250,836	17,990,455
2000	34,950	235,469	18,976,457
2010	33,725	234,878	19,378,102
2020	32,127	232,125	20,201,249
2024 (estimate)	32,125	228,347	19,867,248

Source: U.S. Census Bureau.

Selected Wealth and Income Indicators

Per capita income statistics are available for the City, County and State. Listed below are select figures from the 2006-2010, 2016-2020 and 2020-2024 U.S. Census American Community Survey data.

	<u>Per Capita Income</u>			<u>Median Family Income</u>		
	<u>2006-2010</u>	<u>2016-2020</u>	<u>2020-2024</u>	<u>2006-2010</u>	<u>2016-2020</u>	<u>2020-2024</u>
City of:						
Rome	\$ 21,989	\$ 26,731	\$ 33,321	\$ 55,630	\$ 66,714	\$ 80,180
County of:						
Oneida	23,458	30,678	37,903	58,017	74,796	90,731
State of:						
New York	30,948	40,898	50,712	67,405	87,270	106,873

Note: 2021-2025 American Community Survey estimates are not available as of the date of this Official Statement.

Larger Employers

The following are the largest employers located within and in close proximity to the City:

<u>Employer</u>	<u>Type</u>	<u>Approximate Number of Employees</u>
Turning Stone Casino/Oneida Indian Nation ⁽¹⁾	Casino / Hotel	4,500
Mohawk Valley Healthcare System	Healthcare	4,300
Bassett Healthcare	Healthcare	4,267
County of Oneida	Government	1,700
Upstate Caring Partners	Social Services	1,670
Utica City School District	Education	1,522
Metlife Inc.	Insurance/Finance	1,300
Resource Center for Independent Living	Social Services	1,250
Air Force Research Lab	Research & Development	1,164
Utica National Insurance Group	Insurance/Finance	1,149
BNY Mellon	Insurance/Finance	1,140
Defense Finance and Accounting Service	Insurance/Finance	1,100
Colgate University	Education	1,045
Rome City School District	Education	1,035
Indium Corporation	Manufacturing	971

⁽¹⁾ Turning Stone Casino is located in the Town of Verona which is located approximately 12 miles from the City.

Source: Mohawk Valley Economic Development Growth Enterprises Corporation (EDGE) and New York State Department of Labor Current Employment by Industry.

Unemployment Rate Statistics

Unemployment statistics are available for the City as such. The information set forth below with respect to the City, County of Oneida, and the State of New York is included for informational purposes only. It should not be implied from the inclusion of such data in this Official Statement that the County or State is necessarily representative of the City, or vice versa.

	<u>Annual Average</u>						
	<u>2019</u>	<u>2020</u>	<u>2021</u>	<u>2022</u>	<u>2023</u>	<u>2024</u>	<u>2025</u>
City of Rome	4.4%	8.9%	5.8%	3.8%	3.9%	4.1%	N/A
Oneida County	4.0	7.7	5.1	3.6	3.5	3.7	N/A
New York State	3.9	9.8	7.1	4.3	4.0	4.2	4.3

	<u>2026 Monthly Figures</u>				
	<u>Jan</u>	<u>Feb</u>	<u>Mar</u>	<u>Apr</u>	<u>May</u>
City of Rome	4.3%	4.8%	N/A	N/A	N/A
Oneida County	4.4	4.6	N/A	N/A	N/A
New York State	4.7	5.2	N/A	N/A	N/A

Note: The annual unemployment rate for the City of Rome and Oneida County and the unemployment rates for the months of March, April and May 2026 are not available as of the date of this Official Statement

Source: Department of Labor, State of New York.

Employees

The City currently employs approximately 316 full-time employees. Police and Fire Department employees and general City employees are each represented by a collective bargaining agent. Those agents that represent them and the dates of expiration of their agreements are as follows:

<u>Labor Organization</u>	<u>Number of Members</u>	<u>Contract Expiration Date</u>
Civil Service Employees Association (“CSEA”)	80	December 31, 2027
Local 1088	73	December 31, 2025 ⁽¹⁾
Patrolmen Benevolent Association (“PBA”)	69	December 31, 2025 ⁽¹⁾
Firefighters	78	December 31, 2025 ⁽¹⁾

⁽¹⁾Currently in negotiations.

Source: City officials.

Status and Financing of Employee Pension Benefits

Substantially all employees of the City are members of the New York State and Local Employees’ Retirement System (“ERS”) or the New York State and Local Police and Fire Retirement System (“PFRS”; with ERS, the “Retirement Systems”). The ERS is generally also known as the “Common Retirement Fund”. The Retirement Systems are cost-sharing multiple public employer retirement systems. The obligation of employers and employees to contribute and the benefit to employees are governed by the New York State Retirement System and Social Security Law (the “Retirement System Law”). The Retirement Systems offers a wide range of plans and benefits which are related to years of service and final average salary, vesting of retirement benefits, death and disability benefits and optional methods of benefit payments. All benefits generally had vested after ten years of credited service; however, this was changed to five years as of April 9, 2022. The Retirement System Law generally provides that all participating employers in each retirement system are jointly and severally liable for any unfunded amounts. Such amounts are collected through annual billings to all participating employers. Generally, all employees, except certain part-time employees, participate in the Retirement Systems.

The ERS is non-contributory with respect to members hired prior to July 27, 1976 (Tier 1 & 2); members hired from July 27, 1976 through December 31, 2009 (Tier 3 & 4) contribute 3% for the first 10 years of service and then become non-contributory; members hired from January 1, 2010 through March 31, 2012 (Tier 5) must contribute 3% for their entire careers; members hired April 1, 2012 (Tier 6) or after will contribute between 3 and 6 percent for their entire careers based on their annual wage.

The PFRS is non-contributory with respect to members hired prior to January 8, 2010 (Tier 1, 2 & 3); members hired from January 9, 2010 through March 31, 2012 (Tier 5) must contribute 3% for their entire careers; members hired April 1, 2012 (Tier 6) or after will contribute between 3 and 6 percent for their entire careers based on their annual wage.

For both ERS & PFRS, Tier 5 provides for:

- Raising the minimum age at which most civilians can retire without penalty from 55 to 62 and imposing a penalty of up to 38% for any civilian who retires prior to age 62
- Requiring employees to continue contributing 3% of their salaries toward pension costs so long as they accumulate additional pension credits.
- Increasing the minimum years of service required to draw a pension from 5 years to 10 years, which has since been changed to 5 years as of April 9, 2022.
- Capping the amount of overtime that can be considered in the calculation of pension benefits for civilians at \$15,000 per year, and for police & firefighters at 15% of non-overtime wages.

For both ERS & PFRS, Tier 6 provides for:

- Increase contribution rates of between 3% and 6% base on annual wage
- Increase in the retirement age from 62 years to 63 years
- A readjustment of the pension multiplier
- The time period for final average salary calculation is 3 years
- Tier 6 employees will vest in the system after five years of employment and will continue to make employee pension contributions throughout employment

The City’s contributions to the Retirement Systems for the past five fiscal years, the unaudited contributions for 2025 and the budgeted contributions for the 2026 fiscal years are as follows:

<u>Year</u>	<u>ERS/PFRS</u>
2020	\$4,368,403
2021	4,682,330
2022	4,698,119
2023	4,656,606
2024	5,631,906
2025 (Unaudited)	6,184,647 ⁽¹⁾
2026 (Budgeted)	5,748,094

Source: City officials.

⁽¹⁾ Unaudited projections are based upon certain current assumptions and estimates and the audited results may vary therefrom.

Pursuant to various laws enacted between 1991 and 2002, the State Legislature authorized local governments to make available certain early retirement incentive programs to its employees.

Historical Trends and Contribution Rates: Historically there has been a State mandate requiring full (100%) funding of the annual actuarially required local governmental contribution out of current budgetary appropriations. With the strong performance of the Retirement System in the 1990s, the locally required annual contribution declined to zero. However, with the subsequent decline in the equity markets, the pension system became underfunded. As a result, required contributions increased substantially to 15% to 20% of payroll for the employees’ and the police and fire retirement systems, respectively. Wide swings in the contribution rate resulted in budgetary planning problems for many participating local governments.

A chart of average ERS and PFRS rates (2022 to 2027) is shown below:

<u>Year</u>	<u>ERS</u>	<u>PFRS</u>
2022	16.2%	28.3%
2023	11.6	27.0
2024	13.1	27.8
2025	15.2	31.2
2026	16.5	33.7
2027	17.6	36.5

Chapter 49 of the Laws of 2003 amended the Retirement and Social Security Law and Local Finance Law. The amendments empowered the State Comptroller to implement a comprehensive structural reform program that establishes a minimum contribution for any employer equal to 4.5% of pensionable salaries for required contributions due December 15, 2003 and for all years thereafter where the actual rate would otherwise be 4.5% or less. In addition, it instituted a billing system that will advise employers over one year in advance concerning actual pension contribution rates.

Chapter 57 of the Laws of 2010 (Part TT) amended the Retirement and Social Security Law to authorize participating local government employers, if they so elect, to amortize an eligible portion of their annual required contributions to both ERS and PFRS, when employer contribution rates rise above certain levels. The option to amortize the eligible portion began with the annual contribution due February 1, 2011. The amortizable portion of an annual required contribution is based on a “graded” rate by the State Comptroller in accordance with formulas provided in Chapter 57. Amortized contributions are to be paid in equal annual installments over a ten-year period, but may be prepaid at any time. Interest is to be charged on the unpaid amortized portion at a rate to be determined by State Comptroller, which approximates a market rate of return on taxable fixed rate securities of a comparable duration issued by comparable issuers. The interest rate is established annually for that year’s amortized amount and then applies to the entire ten years of the amortization cycle of that amount. When in any fiscal year, the participating employer’s graded payment eliminates all balances owed on prior amortized amounts, any remaining graded payments are to be paid into an employer contribution reserve fund established by the State Comptroller for the employer, to the extent that amortizing employer has no currently unpaid prior amortized amounts, for future such use.

The City amortized the maximum amount allowed in 2014 and 2015 fiscal years. The City did not amortize its contributions for the 2016 through 2025 fiscal years and does not anticipate doing so for the 2026 fiscal year.

Chapter 57 of the Laws of 2010 of the State of New York requires participating employers to make payments on a current basis, while amortizing existing unpaid amounts relating to the Retirement System’s fiscal years when the local employer opts to participate in the program. The liabilities are amortized over 10 years at an interest rate ranging from 3.00% to 3.75%. The total unpaid liability for the pension years 2012 to 2017 at December 31, 2024 was \$41,832 of which \$6,361 was reported in the Proprietary Funds and \$35,471 in the Schedule of Non-Current Governmental Liabilities. The City made the final payment of the unpaid amortized portion of the retirement bills in fiscal year ending December 31, 2025.

Stable Rate Pension Contribution Option: The Enacted 2013-14 State Budget includes a provision that provides local governments, including the County, with the option to “lock-in” long-term, stable rate pension contributions for a period of years determined by the State Comptroller and ERS and PFRS. The pension contribution rates under this program would reduce near-term payments for employers, but will require higher than normal contributions in later years.

The investment of monies and assumptions underlying same, of the Retirement System covering the County’s employees is not subject to the direction of the County. Thus, it is not possible to predict, control or prepare for future unfunded accrued actuarial liabilities (“UAALs”) of the Retirement System. The UAAL is the difference between total actuarially accrued liabilities and actuarially calculated assets available for the payment of such benefits. The UAAL is based on assumptions as to retirement age, mortality, projected salary increases attributed to inflation, across-the-board raises and merit raises, increases in retirement benefits, cost-of-living adjustments, valuation of current assets, investment return and other matters. Such UAALs could be substantial in the future, requiring significantly increased contributions from the County which could affect other budgetary matters. Concerned investors should contact the Retirement System administrative staff for further information on the latest actuarial valuations of the Retirement System.

Other Post-Employment Benefits

Healthcare Costs. It should also be noted that the City provides post-retirement healthcare benefits to various categories of former employees. These costs may be expected to rise substantially in the future. There is now an accounting rule that requires governmental entities, such as the City, to account for post-retirement healthcare benefits as it accounts for vested pension benefits.

OPEB. Other Post-Employment Benefits (“OPEB”) refers to “other post-employment benefits,” meaning other than pension benefits, disability benefits and OPEB consist primarily of health care benefits and may include other benefits such as disability benefits and life insurance. Until now, these benefits have generally been administered on a pay-as-you-go basis and have not been reported as a liability on governmental financial statements.

GASB 75. In 2015, the GASB released new accounting standards for public other postemployment benefits (OPEB) plans and participating employers. These standards, GASB Statement No. 75, *Accounting and Financial Reporting for Postemployment Benefits Other Than Pensions* (“GASB 75”), have substantially revised the valuation and accounting requirements previously mandated under GASB Statements No. 43 and 45. As of December 31, 2018 the City implemented GASB 75 which requires municipalities to report OPEB liabilities, OPEB expenses, deferred outflow of resources and deferred inflow of resources related to OPEB. GASB Statement No. 75 replaced GASB Statement 45, which also required municipalities to calculate and report a net other postemployment benefit obligation. However, under GASB 45 municipalities could amortize the OPEB liability over a period of years, whereas GASB 75 requires municipalities to report the entire OPEB liability on the statement of net position.

Summary of Changes from the Last Valuation. The City contracted with Brown and Brown Consulting, an actuarial firm, to calculate its actuarial valuations under GASB 75. The following outlines the changes to the Total OPEB Liability during the 2023 and 2024 fiscal years, by source.

Total OPEB Liability - Balance at:	January 1, 2023	January 1, 2024
	\$ 63,233,797	\$ 72,121,495
<u>Changes for the year:</u>		
Service cost	\$ 789,490	\$ 959,176
Interest	2,308,947	2,325,712
Changes in benefit terms	-	
Changes in assumptions or other inputs	4,375,740	(5,904,428)
Differences between expected and actual experience	-	-
Actuarial demographic (gain) or loss	4,403,021	-
Benefit payments	(2,989,500)	(3,212,000)
Net Change	8,887,698	(5,831,540)
Total OPEB Liability - Balance at:	December 31, 2023	December 31, 2024
	\$ 72,121,495	\$ 66,289,955

Source: The City’s GASB 75 actuarial valuations.

Note: The above table is not audited. The actuarial valuations under GASB 75 for the fiscal year ending December 31, 2025 is not available as of the date of this Official Statement.

There is no authority in current State law to establish a trust account or reserve fund for this liability. The City has reserved \$0 towards its OPEB liability. The City funds this liability on a pay-as-you-go basis.

The City’s unfunded actuarial accrued OPEB liability could have a material adverse impact upon the City’s finances and could force the City to reduce services, raise taxes or both.

Actuarial Valuation will be required every 2 years for OPEB plans with more than 200 members, every 3 years if there are less than 200 members.

Other Information

The statutory authority for the power to spend money for the object or purpose, or to accomplish the object or purpose, for which the Bonds and Notes are to be issued is the City Charter and the Local Finance Law.

Except as otherwise disclosed herein, the City is in compliance with the procedure for the publication of the estoppel notice with respect to the Bonds and Notes as provided in Title 6 of Article 2 of the Local Finance Law. (See "AUTHORITY FOR AND PURPOSES OF ISSUE - Purpose of Issue - Notes" herein)

No principal or interest upon any obligation of the City is past due. Due to clerical error, the City was one day late making interest payments due July 15, 2014 and May 15, 2015, three days late making an interest payment due March 1, 2017 and one day late making an interest payment due December 1, 2025. The City filed material event notifications with EMMA on July 23, 2014, May 19, 2015, April 3, 2017 and December 5, 2025, respectively.

The fiscal year of the City commences January 1 and ends December 31.

Except for as shown under “STATUS OF INDEBTEDNESS – Estimated Overlapping Indebtedness”, this Official Statement does not include the financial data of any political subdivision having power to levy taxes within the City.

The State Comptroller’s Fiscal Stress Monitoring System

The New York State Comptroller has reported that New York State’s school districts and municipalities are facing significant fiscal challenges. As a result, the Office of the State Comptroller has developed a Fiscal Stress Monitoring System (“FSMS”) to provide independent, objectively measured and quantifiable information to school district and municipal officials, taxpayers and policy makers regarding the various levels of fiscal stress under which the State’s school districts and municipalities are operating.

The fiscal stress scores are based on financial information submitted as part of each school district’s ST-3 report filed with the State Education Department annually, and each municipality’s annual report filed with the State Comptroller. Using financial indicators that include year-end fund balance, cash position and patterns of operating deficits, the system creates an overall fiscal stress score which classifies whether a school district or municipality is in “Significant Fiscal Stress”, in “Moderate Fiscal Stress,” as “Susceptible Fiscal Stress” or “No Designation”. Entities that do not accumulate the number of points that would place them in a stress category will receive a financial score but will be classified in a category of “no designation.” This classification should not be interpreted to imply that the entity is completely free of fiscal stress conditions. Rather, the entity’s financial information, when objectively scored according to the FSMS criteria, did not generate sufficient points to place them in one of the three established stress categories.

The reports of the State Comptroller for the past five years for the City are as follows:

<u>Fiscal Year Ending In</u>	<u>Stress Designation</u>	<u>Fiscal Score</u>
2025	No Designation	6.7
2024	No Designation	0.0
2023	No Designation	0.0
2022	No Designation	0.0
2021	No Designation	0.0

Note: Reference to website implies no warranty of accuracy of information therein.

Source: Website of the Office of the New York State Comptroller.

FINANCIAL FACTORS

Form of Government

The City has had the President-Common Council form of City government since 1960. The Common Council of the City (the “Common Council”) consists of the Common Council President who is elected at large every four years and seven Councilors elected by Council districts every two years.

Elected and Appointed Officials

It is the responsibility of the Common Council to approve all legislation, including ordinances and local laws, to adopt and modify, as required, operating and capital budgets, to levy real property taxes and to authorize the issuance of all indebtedness.

The Mayor is elected at a general election for a four-year term and there is no restriction on the number of terms that may be served. The Mayor is the Chief Executive Officer of the City.

The City Treasurer is the Chief Fiscal Officer and is responsible for the receiving and collecting of funds. It is the responsibility of the City Treasurer to disburse and account for all financial transactions.

The Treasurer’s Department is responsible for accounting for all revenues and disbursements of the City, for preparation and payment of employee payrolls, for custody and investment of all City funds, supervision of tax billing, tax and revenue collections including school tax billing and collection, administration of tax lien sales, management of bank accounts and the preparation and monitoring of the annual operating budget and five-year capital plan.

Budgetary Procedures

The budget is formulated and presented to the Board of Estimate and Contract, no later than September 15 of each year. The Board of Estimate and Contract, composed of the Mayor, President of the Common Council, City Treasurer, Commissioner of Public Works and Corporation Counsel review, modify and recommend the annual budget to the Common Council by October 1 of each year. The Common Council may not increase the budget, nor may it decrease revenues, salaries and wages, and debt service appropriations. The Common Council shall consider and adopt the annual budget as presented or as amended. Should the Common Council take no final action before October 31 of each year, the budget submitted by the Board of Estimate and Contract shall be deemed adopted.

Investment Policy and Permitted Investments

Pursuant to the statutes of the State, the City is permitted to invest only in the following investments: (1) special time deposits in, or certificates of deposits issued by a bank or trust company located and authorized to do business in the State; (2) obligations of the United States of America; (3) obligations guaranteed by agencies of the United States of America where the payment of principal and interest is guaranteed by the United States of America; (4) obligations of the State; (5) with the approval of the State Comptroller, tax anticipation notes and revenue anticipation notes issued by any New York municipality or district corporation, other than the City; (6) obligations of a New York public benefit corporations which are made lawful investments in which the City may invest pursuant to another provision of law; (7) certain certificates of participation issued on behalf of political subdivisions of the State; and (8) in the case of City moneys held in certain reserve funds established pursuant to law, obligations issued by the City. These statutes further require that all bank deposits, in excess of the amount insured under the Federal Deposit Insurance Act, be secured by either a pledge of eligible securities, an eligible surety bond or an eligible letter of credit, as those terms are defined in the law.

Consistent with the above statutory limitations, it is the City's current policy to invest only in: (1) certificates of deposit or time deposit accounts that are fully secured as required by statute, (2) obligations of the United States of America or (3) obligations guaranteed by agencies of the United States of America where the payment of principal and interest is guaranteed by the United States of America. In the case of obligations of the United States government, the City may purchase such obligations pursuant to a written repurchase agreement that requires the purchased securities to be delivered to a third party custodian.

Independent Audit

The City retains the independent Certified Public Accountants of D'Arcangelo & Co., LLP. The last audit report is for the period ending December 31, 2024 and is attached hereto "APPENDIX – E" to this Official Statement. The audit report for the period ending December 31, 2025 is not available as of the date of this Official Statement. Certain financial information may be found in the Appendices to this Official Statement. The financial affairs of the City are also subject to periodic compliance audits by the State Comptroller. (See "New York State Comptroller's Report of Examination" hereunder).

The City complies with the Uniform System of Accounts as prescribed for cities in the State by the Office of the State Comptroller. Except for the accounting for fixed assets, this system conforms to generally accepted accounting principles as prescribed by the American Institute of Certified Public Accountants' Industry Audit Guide, "Audits of State and Local Governmental Units," and codified in Government Accounting, Auditing and Financial Reporting (GAAFR), published by the Governmental Accounting Standards Board (GASB).

Beginning with the fiscal year ending December 31, 2003, the City is required and has issued its financial statements in accordance with GASB Statement No. 34. This statement includes reporting of all assets including infrastructure and depreciation in the Government Wide Statement of Activities, as well as the Management's Discussion and Analysis.

New York State Comptroller Report of Examination

The State Comptroller's office, i.e., the Department of Audit and Control, periodically performs a compliance review to ascertain whether the City has complied with the requirements of various State and Federal statutes. These audits can be found by visiting the Audits of Local Governments section of the Office of the State Comptroller website.

The State Comptroller's office released an audit report of the City on June 4, 2021. The purpose of the audit was to provide an independent evaluation of the City's adopted budget for the 2021 fiscal year.

Key Findings:

- Our review found that officials adequately assessed the impact of the pandemic on financial operations while developing estimates for significant revenues and expenditures in the 2021 adopted budget.

Key Recommendations:

- In consideration of the continually new and evolving impacts caused by the pandemic, City officials should carefully monitor their budgeted to actual revenues and expenditures and make amendments to the budget as needed throughout the year.

A copy of the completed report can be found via the website of the Office of the New York State Comptroller.

There are no other reports of the State Comptroller that are in currently progress or pending release.

Note: Reference to websites implies no warranty of accuracy of information therein.

Fund Structures and Accounts

The General Fund and the Special Revenue Funds are the principal funds used to account for the City's financial resources except those required to be accounted for in another fund. The General Fund accounts for substantially all of the City's operating and maintenance costs. The Special Revenue Funds are used to account for proceeds of specific revenue sources (other than major capital projects) that are restricted to expenditures for specified purposes. Special Revenue Funds maintained by the City are the Water Fund, the Sewer Fund and the Refuse Fund. There is also a Debt Service Fund which is used to account for transfers from all funds for the payment of debt service on the long-term obligations of these funds and a Capital Projects Fund which is used to account for financial resources such as proceeds from bonds, notes, transfers from government funds, and federal and state grants which are to be applied for permanent or semi-permanent capital improvements.

Basis of Accounting

The City utilizes the modified accrual basis of accounting for recording transactions in all governmental type funds. Under this method, (1) revenues are recorded when received in cash except for revenues which are material and susceptible to accrual (measurable and available to finance the current year's operations) which are recorded when earned, and (2) expenditures, other than retirement plan contributions, vacation and sick pay, and accrued interest on bond anticipation notes and general long-term debt, are recorded at the time liabilities are incurred

REVENUES

Property Taxes

The City derives a major portion of its general fund revenues from a tax on real property (see "Statement of Revenues, Expenditures and Changes in Fund Balance" in "APPENDIX – A", herein).

The following table sets forth total General Fund revenues and real property tax revenues during each of the below ten completed fiscal years, unaudited results for 2025 and the amount budgeted for the 2026 fiscal year.

Fiscal Year Ending December 31 st	GENERAL FUND ONLY		Real Property Taxes to to Revenues (%)
	Revenues	Real Property Taxes	
2015	\$ 41,447,308	\$ 16,855,591	40.67
2016	41,030,532	16,058,428	39.14
2017	42,742,908	16,353,112	38.26
2018	42,213,685	16,188,635	38.35
2019	43,192,107	15,526,345	35.95
2020	40,314,450	16,165,006	40.10
2021	48,427,951	16,479,603	34.03
2022	49,958,671	16,617,912	33.26
2023	57,560,013	16,246,190	28.22
2024	58,559,976	16,582,682	28.32
2025 (Unaudited)	55,762,957	17,508,410	31.40
2026 (Budgeted)	52,789,032	18,129,278	34.34

Note: This table is not audited. Unaudited projections are based upon certain current assumptions and estimates and the audited results may vary therefrom. Water, sewer, and refuse revenues are recorded in separate self-sustaining funds.

Source: Audited Financial Statements, 2025 unaudited results and 2026 Adopted Budgets of the City.

State Aid

The City also receives a significant portion of its revenues in the form of State aid. However, there is no assurance that the State appropriation for State aid to cities will continue, either pursuant to existing formulas or in any form whatsoever. The State is not constitutionally obligated to maintain or continue such aid.

State budgetary restrictions which eliminate or substantially reduce State aid could have a material adverse effect upon the City, requiring either a counterbalancing increase in revenues from other sources to the extent available, or a curtailment of expenditures.

The following table sets forth total General Fund revenues and State aid during each of the below ten completed fiscal years, unaudited results for 2025 and the amounts budgeted for the 2026 fiscal year.

<u>December 31st</u>	<u>GENERAL FUND ONLY</u>		<u>State Aid to Revenues (%)</u>
	<u>Revenues</u>	<u>State Aid</u>	
2015	\$ 41,447,308	\$ 10,416,990	25.13
2016	41,030,532	10,724,591	26.14
2017	42,742,908	10,672,385	24.97
2018	42,213,685	10,589,224	25.08
2019	43,192,107	10,600,268	24.54
2020	40,314,450	8,321,543	20.64
2021	48,427,951	13,264,127	27.39
2022	49,958,671	11,725,903	23.47
2023	57,560,013	11,702,663	20.33
2024	58,559,976	13,451,671	22.97
2025 (Unaudited)	55,762,957	12,980,013	23.28
2026 (Budgeted)	52,789,032	12,580,588	23.83

Note: This table is not audited.

Source: Audited Financial Statements, 2025 unaudited results and 2026 Adopted Budget of the City.

Sales Tax

The following table sets forth total General Fund revenues and Sales Tax during each of the below ten completed fiscal years, unaudited results for 2025 and the amounts budgeted for the 2026 fiscal year.

<u>Fiscal Year Ending December 31st</u>	<u>GENERAL FUND ONLY</u>		<u>Sales Tax to Revenues (%)</u>
	<u>Revenues</u>	<u>Sales Tax</u>	
2015	\$ 41,447,308	\$ 9,302,503	22.44
2016	41,030,532	9,486,713	23.12
2017	42,742,908	9,952,886	23.29
2018	42,213,685	10,689,709	25.32
2019	43,192,107	10,757,854	24.91
2020	40,314,450	10,393,366	25.78
2021	48,427,951	13,329,736	27.52
2022	49,958,671	12,776,441	25.57
2023	57,560,013	13,463,887	23.39
2024	58,559,976	13,687,180	23.37
2025 (Unaudited)	55,762,957	14,010,655	25.13
2026 (Budgeted)	52,789,032	14,966,857	28.35

Note: This table is not audited.

On July 14, 1999, the County Legislators extended a resolution dated October 27, 1982 imposing a County-wide sales tax of 3%. The City of Rome received 1-1/2% of the collections within its city boundaries and the County of Oneida keeps the remaining 1-1/2%.

The County also imposed, on September 1, 1992 an additional 1% increment to the sales tax. In July, 2007, the New York State Legislature (with the Governor signing into Law) authorized the extension of the County's 1% additional sales tax, originally passed in 1992, until November 30, 2009 which expired on November 30, 2013. On December 1, 2013, the extension was again approved and renewed until November 30, 2015 and an additional sales and compensating use tax of either three quarters of one percent or one-half of one percent was imposed for the same period. The County's "additional" 1% rate was reauthorized by the State and expires November 30, 2025. The City receives ½% of the collections within its boundaries and the County keeps the remaining ½%.

The collections are split between the municipalities as follows:

New York State	4.00%
Oneida County	2.75
City of Rome	<u>2.00</u>
	8.75%

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RECENT OPERATING RESULTS

The following table shows the General Fund Revenues and other sources, General Fund Expenditures and other sources, and the Total Fund Equity (fund balance) based on audited figures of the City for the below listed fiscal years.

Fiscal Year Ending December 31 st	<u>GENERAL FUND ONLY</u>		Total Other	Prior Period	Total Fund Equity
	<u>Revenues</u>	<u>Expenditures</u>	<u>Financing Sources</u> ⁽¹⁾	<u>Adjustment</u>	<u>(Fund Balance)</u>
2010	\$39,540,770	\$38,558,730	(\$660,008)	\$137,176	\$7,985,302
2011	39,607,038	39,258,211	(988,831) ⁽²⁾	1,214,777 ⁽³⁾	8,560,075
2012	39,411,925	38,406,240	(732,555)	(1) ⁽⁴⁾	8,833,204
2013	40,808,418	38,622,443	(952,425)	(2) ⁽⁴⁾	10,066,752
2014	40,708,818	39,726,625	(888,968)	(97,542)	10,062,435
2015	41,447,309	40,194,637	(959,093)	(51,641)	10,304,373
2016	41,030,532	39,755,233	(1,083,117)	-	10,496,554
2017	42,742,908	40,689,132	(1,070,673)	(97,000)	11,382,657
2018	43,213,688	41,052,112	(964,619)	41,606	12,621,217
2019	43,192,107	41,410,047	(1,276,315)	0	13,126,962
2020	40,314,450	39,524,334	(1,302,061)	0 ⁽⁵⁾	12,615,017
2021	48,427,951	42,588,842	(1,598,296)	0	16,855,829
2022	49,958,671	41,803,753	(3,742,961) ⁽⁶⁾	0	20,598,790
2023	57,560,013	46,018,235	(10,639,912) ⁽⁷⁾	0	21,500,656
2024	58,559,967	48,044,851	(11,558,222) ⁽⁸⁾	0	20,457,559
2025 (Projected Unaudited) ⁽¹⁰⁾	55,792,957	51,470,479	(6,042,323) ⁽⁹⁾	0	18,737,714

⁽¹⁾ Other financing uses represent a combination of either transfers to various capital fund projects of the City, net of premium received, proceeds of refunded debt in excess of payments to the escrow agent, and any payments to the escrow agent for a bond refunding in excess of additional proceeds received.

⁽²⁾ Other financing uses of \$981,823 represent transfers to various capital fund projects of the City in addition to \$7,008 of payments to the escrow agent for a bond refunding in excess of additional proceeds received.

⁽³⁾ The City closed 56 capital projects all related to the General Fund and completed prior to December 31, 2011. In the aggregate, the projects that did not have outstanding debt associated with them but had an aggregate deficit of \$871,120 which was charged to the General Fund's equity. In addition, the projects with residual equity from bond proceeds had an aggregate total of \$2,085,897 which was credited to the Reserve for Debt in accordance with New York State Local Finance Law. Reserve for Debt is a component of General Fund Balance. Further information regarding the closure of these projects can be found in Note 11 of the City's Management Discussion and Analysis and Financial Statements for the Year Ended December 31, 2011. See also "THE CITY – The New York State Comptroller's Report of Examination" herein.

⁽⁴⁾ Adjustment due to rounding and/or mathematical errors.

⁽⁵⁾ The City incurred a loss for the year ended December 31, 2020 primarily as a result of the delay in collection of \$735,170 of sales tax revenue due from Oneida County and \$2,398,763 of State Aid. While these funds were not collected in the City's 60 day window for accrual to the 2020 fiscal year, they were received later in the first and second quarters of 2021.

⁽⁶⁾ Net of Operating Transfers and Interfund Transfers. Operating Transfers includes \$1,554,190 distributed to capital projects being completed with Coronavirus State and Local Fiscal Recovery Funds.

⁽⁷⁾ Net of Operating Transfers and Interfund Transfers. Operating Transfers includes \$8,704,901.93 distributed to capital projects being completed with Coronavirus State and Local Fiscal Recovery Funds.

⁽⁸⁾ Net Operating Transfers and Interfund Transfers. Operating Transfer include \$7,832,856.39 distributed to capital projects being completed with Coronavirus State and Local Fiscal Recovery Funds.

⁽⁹⁾ Net Operating Transfers and Interfund Transfers. Operating Transfer include \$3,732,346 distributed to capital projects being completed with Coronavirus State and Local Fiscal Recovery Funds.

⁽¹⁰⁾ These projections are based upon certain current assumptions and estimates and the audited results may vary therefrom.

Source: City officials and the Audited Financial Statements of the City. Additionally, see "APPENDIX – A, A1, A2 & A3" attached hereto.

Water Fund

The Water Fund is used to account for transactions relating to the operation and maintenance of the City-owned water supply and distribution system. Substantially all of the fund's activities are financed through the sale of water; no tax moneys are contributed for the support of this service.

For the fiscal year ended December 31, 2023, based on audited figures, the City's Water Fund revenues were \$9,132,873 Water Fund expenditures were \$8,314,328, and other sources were \$5,354,755. Based on audited figures, the Water Fund's total net position as of December 31, 2023 was \$52,800,573.

For the fiscal year ended December 31, 2024, based on audited figures, the City's Water Fund revenues were \$9,140,788 Water Fund expenditures were \$9,887,701, and other sources were \$1,294,740. Based on audited figures, the Water Fund's total net position as of December 31, 2024 was \$53,180,950.

For the fiscal year ended December 31, 2025, based on unaudited figures, the City's Water Fund revenues were \$8,540,572 Water Fund expenditures were \$8,535,866, and other sources were \$1,700,590. Based on unaudited figures, the Water Fund's total net position as of December 31, 2025 was \$54,886,246.

Sewer Fund

The Sewer Fund is used to account for revenues and expenses of sewer services provided to the residents and businesses in the City.

For the fiscal year ended December 31, 2023, based on audited figures, the City's Sewer Fund revenues were \$4,434,486, and Sewer Fund expenditures were \$6,124,203 and other sources were \$2,849,841. Based on audited figures, the Sewer Fund's total net position as of December 31, 2023 was \$44,385,122.

For the fiscal year ended December 31, 2024, based on audited figures, the City's Sewer Fund revenues were \$5,312,454, and Sewer Fund expenditures were \$6,320,186 and other sources were \$1,566,887. Based on audited figures, the Sewer Fund's total net position as of December 31, 2024 was \$43,844,235.

For the fiscal year ended December 31, 2025, based on unaudited figures, the City's Sewer Fund revenues were \$4,839,510, and Sewer Fund expenditures were \$4,987,512 and other sources were \$1,329,357. Based on unaudited figures, the Sewer Fund's total net position as of December 31, 2025 was \$45,025,590.

Refuse Fund

The Refuse Fund is used to account for revenues and expenses of operating the waste management services.

For the fiscal year ended December 31, 2023, based on audited figures, the City's Refuse Fund revenues were \$2,532,961 and Refuse Fund expenditures were \$2,652,411, and other sources were \$82,648. Based on audited figures, the Refuse Fund's total net position as of December 31, 2023 was \$2,376,775.

For the fiscal year ended December 31, 2024, based on audited figures, the City's Refuse Fund revenues were \$2,521,384 and Refuse Fund expenditures were \$2,670,699 and other sources were \$96,836. Based on audited figures, the Refuse Fund's total net position as of December 31, 2024 was \$2,323,233.

For the fiscal year ended December 31, 2025, based on unaudited figures, the City's Refuse Fund revenues were \$2,526,789 and Refuse Fund expenditures were \$2,712,172, and other sources were \$56,355. Based on unaudited figures, the Refuse Fund's total net position as of December 31, 2025 was \$2,194,205.

2026 Budget Summary

For the fiscal year ending December 31, 2026, General Fund revenues are budgeted at \$52,789,032 with a budgeted reserve appropriation of \$111,500 appropriated fund balance of \$3,767,573 and General Fund Expenditures and other uses are budgeted at \$56,668,105.

TAX INFORMATION

Taxable Assessed Valuations

<u>Fiscal Year Ending December 31:</u>	<u>2022</u>	<u>2023</u>	<u>2024</u>	<u>2025</u>	<u>2026</u>
Assessed Valuation	\$ 834,570,755	\$ 837,206,042	\$ 842,920,616	\$ 858,718,783	\$ 860,469,781
New York State Equalization Rate	61.03%	53.51%	45.38%	45.37%	42.50%
Total Taxable Full Valuation	\$ 1,367,476,249	\$ 1,564,578,662	\$ 1,857,471,609	\$ 1,892,701,748	\$ 2,024,634,779

Tax Rates Per \$1,000 Assessed

<u>Fiscal Year Ending December 31:</u>	<u>2022</u>	<u>2023</u>	<u>2024</u>	<u>2025</u>	<u>2026</u>
General Fund	\$ 18.31	\$ 18.31	\$ 18.29	\$ 18.78	\$ 19.28

Tax Levy and Tax Collection Record

<u>Fiscal Year Ending December 31:</u>	<u>2022</u>	<u>2023</u>	<u>2024</u>	<u>2025</u>	<u>2026</u>
Total Tax Levy	\$ 15,283,994	\$ 15,331,884	\$ 15,417,415	\$ 16,124,170	\$ 16,587,471
Amount Uncollected ⁽¹⁾	586,642	629,642	551,445	683,039	N/A
% Uncollected	3.84%	4.11%	3.58%	4.23%	N/A

⁽¹⁾ See "Tax Collection Procedure" herein.

Tax Collection Procedure

The City is responsible for the collection of its own taxes, both current and delinquent. The City also collects the District's current and delinquent taxes and pays them to the District as collected.

Tax payments are due one-half from April 1 to April 30 and one-half from October 1 to October 31. On taxes remaining unpaid after May 1 and November 1, 2% is added for that initial month, and then 1% per month thereafter.

Total real property taxes in the City are comprised of three separate taxing elements: (1) City, (2) County; and (3) School. Real property taxes become payable upon the levy of such taxes by the Common Council, the County Legislature and the local Board of Education, respectively.

Preparation of the tax assessment roll is the statutory responsibility of the City under the Real Property Tax Law. The City Assessment Office undertakes regular inspections of property to ensure that new construction, improvements or demolitions are reflected in the annual roll of taxable properties.

The taxes levied by the City become a lien on January 1; County taxes are billed on a single statement and are levied January 1. City taxes are one-half payable on April 30 one-half payable on October 31. County taxes are payable February 28. The District taxes are levied July 1 and are one-half payable October 31 and one-half payable April 30. The City guarantees the District the full amount of its tax levy.

Constitutional Tax Margin

Computation of Constitutional Tax Margin for the City for the fiscal years ending December 31:

<u>Fiscal Year Ending December 31:</u>	<u>2024</u>	<u>2025</u>	<u>2026</u>
Five Year Average Full Valuation.....	\$ 1,463,292,545	\$ 1,590,088,999	\$ 1,741,372,609
Tax Limit - (2%).....	29,265,851	31,801,780	34,827,452
Total Tax Levy (General).....	15,417,415	16,149,170	16,604,971
Less: Exclusions from Tax Limit.....	6,771,676	7,019,919	7,703,876
Tax Levy Subject to Tax Limit.....	\$ 8,645,739	\$ 9,129,251	\$ 8,901,095
Percentage of Tax Limit Exhausted.....	29.54%	28.71%	25.56%
Constitutional Tax Margin.....	\$ 20,620,112	\$ 22,672,529	\$ 25,926,357

Source: City officials.

Ten Largest Taxpayers - 2025 Tax Rolls for 2026 Taxes

<u>Name</u>	<u>Type</u>	<u>Assessed Valuation</u>
Built in a Day (NY) LLC ⁽¹⁾	Commercial	\$40,335,000
Niagara Mohawk Power Corp.	Utility	36,545,793
Family Dollar Services, Inc.	Retail	30,044,400
B240 LLC ⁽¹⁾	Commercial	16,359,650
East Coast Olive Co. ⁽¹⁾	Commercial	8,400,000
Kris-Tech Wire Co Inc. ⁽¹⁾	Commercial	7,752,000
ORF IX Freedom Plaza, LLC	Commercial	7,218,027
Wal-Mart Real Estate Business Trust	Retail	6,800,000
Bryant Property Management LLC.	Apartments	6,533,100
New York Becknell	Manufacturing	5,739,500

⁽¹⁾ These taxpayers have PILOTS agreements (the following bracketed amounts indicate the annual loss in income to the City for the 2026 tax year when compared to taxes that would be collected absent the PILOT agreements): Built in a Day (NY) LLC (\$836,878), B240 LLC. (\$310,408), East Coast Olive Co.: (\$73,466), and Kris-Tech Wire Co. Inc.: (\$135,051).

The ten largest taxpayers listed above have a total estimated assessed valuation of \$149,749,882, which represents approximately 17.9% of the tax base of the City for the 2026 fiscal year.

As of the date of this Official Statement, the City has no pending tax certioraris. A certiorari judgment related to ROMNY, owner of shopping center located in the City, was recently awarded. The court order lowered their 2026 assessed value from \$705,000 to \$467,500. No refunds for prior years were included in the judgement. The 2027 Budget will be adjusted accordingly, representing the decreased tax revenue attained from ROMNY.

Source: City tax rolls and City officials.

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TAX LEVY LIMIT LAW

Prior to the enactment of Chapter 97 of the New York Laws of 2011, as amended (the "Tax Levy Limit Law") all the taxable real property within the City had been subject to the levy of ad valorem taxes to pay the bonds and notes of the City and interest thereon without limitation as to rate or amount. However, the Tax Levy Limit Law imposes a tax levy limitation upon the City, without providing an exclusion for debt service on obligations issued by the City. As a result, the power of the City to cause the levy of real estate taxes on all the taxable real property within the City, to pay the principal of and interest on the Bonds and the Notes, is subject to the statutory limitations imposed by the Tax Levy Limit Law.

The following is a brief summary of certain relevant provisions of Tax Levy Limit Law. The summary is not complete and the full text of the Tax Levy Limit Law should be read in order to understand the details and implications thereof.

The Tax Levy Limit Law imposes a limitation on increases in the real property tax levy of the City, subject to certain exceptions. The Tax Levy Limit Law permits the City to increase its overall real property tax levy over the tax levy of the prior year by no more than the "Allowable Levy Growth Factor", which is the lesser of one and two-one hundredths or the sum of one plus the Inflation Factor; provided, however that in no case shall the levy growth factor be less than one. The "Inflation Factor" is the quotient of: (i) the average of the 20 National Consumer Price Indexes determined by the United States Department of Labor for the twelve-month period ending six months prior to the start of the coming fiscal year minus the average of the National Consumer Price Indexes determined by the United States Department of Labor for the twelve-month period ending six months prior to the start of the prior fiscal year, divided by: (ii) the average of the National Consumer Price Indexes determined by the United States Department of Labor for the twelve-month period ending six months prior to the start of the prior fiscal year, with the result expressed as a decimal to four places. The City is required to calculate its tax levy limit for the upcoming year in accordance with the provisions above and provide all relevant information to the New York State Comptroller prior to adopting its budget. The Tax Levy Limit Law sets forth certain exclusions to the real property tax levy limitation of the City, including exclusions for certain portions of the expenditures for retirement system contributions and tort judgments payable by City. The Common Council can adopt a resolution, approved by a vote of sixty percent of the total voting power of the Common Council, to override the tax levy limit for a given year.

There can be no assurances that the Tax Levy Limit Law will not come under legal challenge for violating applicable law (i) for not providing an exception for debt service on obligations issued prior to the enactment of the Tax Levy Limit Law, (ii) by effectively eliminating the exception for debt service to general real estate tax limitations, and (iii) by limiting the pledge of its faith and credit by a City for the payment of debt service on obligations issued by such City because the Tax Levy Limit Law does not contain an exception from the levy limitation for the payment of debt service on either outstanding general obligation bonds or notes of the City or such indebtedness incurred after the effective date of the Tax Levy Limit Law.

STATUS OF INDEBTEDNESS

Constitutional Requirements

The New York State Constitution limits the power of the City (and other municipalities and certain school districts of the State) to issue obligations and to otherwise contract indebtedness. Such constitutional limitations in summary form, and as generally applicable to the City and the Bonds and Notes, include the following:

Payment and Maturity. Except for certain short-term indebtedness contracted in anticipation of taxes or to be paid within three fiscal year periods, indebtedness shall be paid in annual installments commencing no later than two years after the date such indebtedness shall have been contracted and ending no later than the expiration of the period of probable usefulness of the object or purpose as determined by statute; unless substantially level or declining annual debt service is authorized and utilized, no installment may be more than fifty percent in excess of the smallest prior installment. The City is required to provide an annual appropriation for the payment of interest due during the year on its indebtedness and for the amounts required in such year for amortization and redemption of its serial bonds and such required annual installments on its notes.

Debt Limit. The City has the power to contract indebtedness for any City purpose so long as the principal amount thereof, subject to certain limited exceptions, shall not exceed seven per centum of the average full valuation of taxable real estate of the City and subject to certain enumerated exclusions and deductions such as water and certain sewer facilities and cash or appropriations for current debt service. The constitutional method for determining full valuation is by taking the assessed valuation of taxable real estate as shown upon the latest completed assessment roll and dividing the same by the equalization rate as determined by the State Office of Real Property Services. The State Legislature is required to prescribe the manner by which such ratio shall be determined. Average full valuation is determined by taking the sum of the full valuation of the last completed assessment roll and the four preceding assessment rolls and dividing such sum by five.

Pursuant to Article VIII of the State Constitution and Title 9 of Article 2 of the Local Finance Law, the debt limit of the City is calculated by taking 7% of the latest five-year average of the full valuation of all taxable real property.

Statutory Procedure

In general, the State Legislature has authorized the power and procedure for the City to borrow and incur indebtedness by the enactment of the Local Finance Law subject, of course, to the provisions set forth above. The power to spend money, however, generally derives from other law, including specifically the City Charter and the General Municipal Law.

Pursuant to the Local Finance Law and its Charter, the City authorizes the issuance of bonds by the adoption of a bond resolution approved by at least two-thirds of the members of the Common Council, the finance board of the City. Customarily, the Common Council has delegated to the City Treasurer, as chief fiscal officer of the City, the power to authorize and sell bond anticipation notes in anticipation of authorized bonds. In certain instances there is a requirement of a down payment (as defined by the Local Finance Law) prior to the issuance of bonds or bond anticipation notes.

The Local Finance Law also provides that where a bond resolution is published with a statutory form of notice, the validity of the bonds authorized thereby, including bond anticipation notes issued in anticipation of the sale thereof, may be contested only if:

- (1) Such obligations are authorized for a purpose for which the City is not authorized to expend money, or
- (2) There has not been substantial compliance with the provisions of law which should have been complied with in the authorization of such obligations and an action contesting such validity, is commenced within twenty days after the date of such publication, or,
- (3) Such obligations are authorized in violation of the provisions of the Constitution.

Except on rare occasions the City complies with this estoppel procedure. It is a procedure that is recommended by Bond Counsel, but it is not an absolute legal requirement. The City's Common Council approved a bond ordinance on January 28, 2026 regarding the purchase of blinds and/or window coverings for City Hall (See "AUTHORITY FOR AND PURPOSES OF ISSUE - Purpose of Issue - Notes" herein). The City is in the process of complying with the estoppel procedure for this ordinance, which may not be complete before the anticipated closing of the Notes on June 9, 2026.

Each bond resolution usually authorizes the construction, acquisition or installation of the object or purpose to be financed, sets forth the plan of financing and specifies the maximum maturity of the bonds subject to the legal (Constitution, Local Finance Law and case law) restrictions relating to the period of probable usefulness with respect thereto. The City has authorized bonds for a variety of City objects or purposes.

Statutory law in New York permits bond anticipation notes to be renewed each year provided annual principal installments are made in reduction of the total amount of such notes outstanding, commencing no later than two years from the date of the first of such notes and provided that such renewals do not exceed five years beyond the original date of borrowing. (See "Payment and Maturity" under "Constitutional Requirements" herein).

In general, the Local Finance Law contains provisions providing the City with power to issue certain other short-term general obligation indebtedness including revenue and tax anticipation notes and budget and capital notes (see "Details of Outstanding Indebtedness" herein.)

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Debt Outstanding End of Fiscal Year

<u>Fiscal Years Ending December 31:</u>	<u>2021</u>	<u>2022</u>	<u>2023</u>	<u>2024</u>	<u>2025</u>
Bonds	\$ 62,022,766	\$ 66,510,510	\$ 68,470,732	\$ 63,636,152	\$ 58,681,572
Bond Anticipation Notes	6,904,941	4,580,865	7,522,685	13,940,009	21,124,568
EFC Drinking Water Facility Note ⁽¹⁾	0	3,423,566	13,258,379	14,530,275	21,473,500
EFC Clean Water Facility Notes ⁽²⁾	9,014,507	6,716,707	0	6,073,616	12,700,000
Capital Lease Obligation ⁽³⁾	749,774	996,405	695,055	957,908	889,240
Capital Lease Obligation ⁽⁴⁾	<u>1,303,221</u>	<u>989,797</u>	<u>1,303,052</u>	<u>1,401,800</u>	<u>1,511,616</u>
Totals	<u>\$ 79,995,209</u>	<u>\$ 83,217,850</u>	<u>\$ 91,249,903</u>	<u>\$ 100,539,760</u>	<u>\$ 116,380,496</u>

⁽¹⁾ NYS EFC Drinking Water Facility Note represents an initial commitment of \$13.5 million for the Northwest Rome Rephase 3 Water Project. Original note was dated November 18, 2021. In addition, the City was awarded a \$3.0 million WIIA grant of which \$2,695,454.69 has been received as of March 2026. As a result of sharply higher construction costs since the original cost estimates were prepared, the City has authorized an increase to said project in the amount of \$12,465,000. This project will be going to long term bond, through EFC, in the coming months.

⁽²⁾ NYS EFC Clean Water Facility Note represents a total commitment of \$12,700,000. There has been one draw down in 2025, in the amount of \$6,626,384, relating to this project being the Railroad St. Interceptor. This brings the City's total draw to the maximum total authorized, being \$12,700,000. Accompanied with the drawn down the City has received a total of \$1,797,561.56 of the \$3,500,000 awarded WIIA grant. This will also be going to long term bond in 2026 through EFC.

⁽³⁾ Lease obligations outstanding for Water, Sewer and Refuse Funds. See "Capital Lease Payable" herein. As of December 31, 2025, the amounts included \$522,240 of auto and truck lease payables with original maturities of 3 to 5 years, and \$367,000 for a lease on the City's landfill.

⁽⁴⁾ Lease obligations outstanding for the General Fund. See "Capital Lease Payable" herein. As of December 31, 2025, the amount included \$1,286,163 of auto and truck lease payables with original maturities of 3 to 5 years, \$144,974 in printers and copiers, and \$80,480 in police body cameras and tasers.

Note: The capital lease obligations listed above are not included in the debt calculations herein.

Details of Outstanding Indebtedness

The following table sets forth the indebtedness of the City evidenced by bonds and notes as of May 15, 2026:

<u>Type of Obligation</u>	<u>Maturity</u>	<u>Amount</u>
<u>Bonds</u>	2026-2055	\$ 68,089,837
<u>Bond Anticipation Notes</u>		
Various City Projects	June 10, 2026	21,124,568
<u>NYS EFC Short-Term Financing</u>		
Northwest Rome Rephase 3 (Water Project)	November 18, 2026	24,157,030 ⁽¹⁾
Railroad St. Interceptor Project (Sewer Project)	June 15, 2026	<u>12,578,500</u> ⁽¹⁾
	Total	<u>\$ 125,949,935</u>

⁽¹⁾ See Capital Project Plans" herein for additional information relating to the City's NYS EFC Financings.

Debt Statement Summary

Summary of Indebtedness, Debt Limit and Net Debt-Contracting Power prepared and shown as of May 15, 2026:

Five-Year Average Full Valuation of Taxable Real Property	\$ 1,741,372,609
Debt Limit – 7% thereof	121,896,082

Inclusions:

Bonds	\$ 68,089,837
Bond Anticipation Notes (BANs):	21,124,568
EFC Short Term Financing	12,578,500
EFC Drinking Water Short Term Financing	<u>24,157,030</u>

Total Inclusions prior to issuance of the Bonds and Notes ... 125,949,935

Less: BANs being redeemed from appropriations	(2,469,108)
Add: New money proceeds of the Notes	14,013,319
Add: New money proceeds of the Bonds	<u>110,671</u>

Total Net Inclusions after issuance of the Notes \$137,604,817

Exclusions:

Appropriations	\$ 2,642,344
Sewer Debt ⁽¹⁾	4,620,728
Water Debt - Bonds ⁽²⁾	24,602,773
Water Debt – EFC Notes ⁽²⁾	<u>24,157,030</u>

Total Exclusions

\$ 56,022,875

Total Net Indebtedness Subject to Debt Limit	<u>\$ 81,581,942</u>
Net Debt-Contracting Margin	<u>\$ 40,314,140</u>
Percent of Debt Contracting Power Exhausted	66.93%

The proceeds of the Bonds will decrease the net indebtedness of the City by \$745,322.

The proceeds of the Notes will increase the net indebtedness of the City by \$11,544,211.

- (1) Sewer Debt is excluded pursuant to Section 124.10 of the Local Finance Law. Sewer debt can be excluded upon application to the State Comptroller office and the issuance of a certification for sewer debt exclusion. The City's application for this exclusion was approved and a certificate was issued August 14, 2017.
- (2) Water Debt is excluded pursuant to Article VIII, Section 5B of the New York State Constitution.

Bonded Debt Service

A schedule of Bonded Debt Service, including the principal of the Bonds, may be found attached hereto as "APPENDIX – B" of this Official Statement.

Cash Flow Borrowings

The City has found it necessary to borrow revenue and tax anticipation notes in the past; however, the last revenue anticipation note borrowing was on October 6, 2010. The City does not see the need to issue revenue or tax anticipation notes in the foreseeable future.

Authorized and Unissued Indebtedness

From time to time there are a number of projects which are continually being evaluated. Additional borrowings will depend on which projects the City elects to undertake.

The City's current projects are being financed using bond anticipation notes. Pending market conditions, the outstanding bond anticipation notes may be renewed or converted to serial bonds at maturity.

Capital Lease Payable

The City leases various equipment for its departments. The following table shows the year-end balances for the City's general fund and its water, sewer and refuse fund enterprise funds as of December 31, 2025:

Fiscal Year Ending December 31 st	General Fund		Water, Sewer & Refuse Fund	
	Principal	Interest	Principal	Interest
2026	\$ 332,933	\$ 68,435	\$ 112,122	\$ 48,270
2027	198,356	34,419	120,329	34,806
2028	132,135	13,221	95,032	22,338
2029-2040	46,253	1,498	222,335	105,038
Totals	\$ 709,677	\$ 117,573	\$ 549,818	\$ 210,452

Source: City officials.

Capital Project Plans

The City has two projects, one clean water, and one drinking water, that will be going long term in 2026 through EFC. The Northwest Rome Water Project will be going long term for approximately \$24 million. This is further broken down into \$14 million long-term interest-free financing and \$10 million long term leveraged financing. This project commenced in 2012, with multiple phases along the way, and will be completed mid-2026. Also, the Sewer Interceptor Project will be going long term through EFC in 2026. This project began back in 2016 and will be going long term with interest-free/hardship financing for approximately \$11.7 million.

Other plans include the repairs and improvements to the City's water infrastructure at an estimated cost of \$17 million of which approximately \$5 million would come from a dam repair reserve established by the Common Council in December 2021. These plans are in addition to the City's normal equipment replacement needs and annual street improvement projects.

In July 2024, the City experienced a tornado which brought devastating damage throughout the City including but not limited to several municipal buildings, trees, as well as privately owned parcels. Approximately \$2.4 million of the Notes are being issued for the cleanup and rebuilding process. The State has awarded the City a grant of \$4 million which will be used towards the purchase of property and demolition of buildings. The City will be reimbursed with grant proceeds once funds are spent.

The City is planning on constructing an Indoor Sports Facility, The Michael Jensen Legacy Center, in the coming years. The initial engineering has begun, with the majority of these expenditures having been covered by ARPA/SLFRF funds. The City anticipates bonding up to a maximum of \$10,000,000, all in, for this project. The City anticipates the remaining funding sources to stem from grants, donations, outsourcing facility management contributions, and the like. The City will not begin construction until the remaining revenue sources are established.

Below is the City's capital improvement plan summary chart, used for the planning and budgeting of the City's infrastructure needs over the next five years:

City Department	2026	2027	2028	2029	2030	Total
Public Works	\$ 3,525,000	\$ 7,250,000	\$ 3,350,000	\$ 3,320,000	\$ 3,475,000	\$ 20,920,000
Distribution and Transmission	1,500,000	5,000,000	1,800,000	1,000,000	1,000,000	10,300,000
Parks and Recreation	750,000	500,000	250,000	-	-	1,500,000
Refuse	-	-	-	141,000	-	141,000
Police Department and Public Safety	60,000	170,000	60,000	-	-	290,000
Fire Department	383,650	424,760	281,052	222,534	1,817,531	3,129,527
Public Works Maintenance of Streets	861,000	1,646,000	690,000	1,132,000	1,974,000	6,303,000
Public Works Sewer	426,000	410,000	120,000	280,000	75,000	1,311,000
Water Supply (Water Filtration Plant)	5,265,000	475,000	75,000	-	1,200,000	7,015,000
Community & Economic Development	44,598,453	48,310,000	23,210,000	2,660,000	4,360,000	123,138,453
Shade Trees	-	190,000	-	-	-	190,000
TOTAL:	\$ 57,369,103	\$ 64,375,760	\$ 29,836,052	\$ 8,755,534	\$ 13,901,531	\$ 174,237,980

Source: The City of Rome's 2026-2030 Capital Improvement Plan ("CIP").

With the announcement that Chobani will be coming to Rome in the next few years, the City will be required to upgrade their Sewer Plant, in order to handle the inflow of additional waste generated from the Chobani site. The additional waste from Chobani, along with any other future growth the City may experience, requires improvements to the Sewer Plant. We are in the early stages of the engineer study and there are no set dollar amounts provided at this point. The preliminary figures, at this early stage, are around \$50,000,000 at the low end and potentially higher. The City will be looking to team up with Chobani for potential assistance in funding. Further, the City will be looking for possible support from Oneida County and/or New York State relating to potential grants to further assist in the funding of the required sewer upgrades.

Estimated Overlapping Indebtedness

In addition to the City, the following political subdivisions have the power to issue bonds and to levy taxes or cause taxes to be levied on taxable real property in the City. Bonded indebtedness, including bond anticipation notes, is estimated as of the close of the fiscal year of respective municipalities, adjusted to include subsequent bond issues, if any.

<u>Local Government</u>	Status of <u>Debt as of</u>	Gross <u>Indebtedness</u> ⁽¹⁾	City <u>Share</u>	Gross Overlapping <u>Indebtedness</u>
County of:				
Oneida	12/31/2024	\$ 475,600,014	10.80%	\$ 51,364,802
School District:				
Rome City SD	6/30/2025	61,471,065	71.58%	44,000,988
Sherrill City SD	6/30/2025	29,125,363	2.67%	777,647
Westmoreland CSD	6/30/2025	7,802,739	4.22%	329,276
Oriskany CSD	6/30/2025	13,735,000	11.05%	1,517,718
Total:				<u>\$ 97,990,430</u>

⁽¹⁾ Not adjusted to include subsequent issuances, if any, from the date of the status of indebtedness stated in the table above for each respective municipality.

Note: Gross Indebtedness sourced from local government data provided by the State Comptroller’s office. Information regarding applicable exclusions, such as water debt, sewer debt, and budgeted appropriations for the municipalities and state building aid for the school districts is not available from source.

Debt Ratios

The following table sets forth certain ratios relating to the City's Gross and Net Indebtedness as of May 15, 2026:

	<u>Amount</u>	<u>Per Capita</u> ^(a)	<u>Percentage of Full Value</u> ^(b)
Gross Indebtedness ^(c)	\$ 81,581,942	\$ 2,539.52	4.03%
Gross Indebtedness Plus Net Overlapping Indebtedness ^(d)	179,572,372	5,589.80	8.87

- ^(a) The current population of the City is estimated to be 32,125. (See “THE CITY – Population Trends” herein.)
- ^(b) The City’s full value of taxable real estate for the 2026 fiscal year is \$2,024,634,779. (See “TAX INFORMATION – Taxable Valuations” herein.)
- ^(c) See "Debt Statement Summary" for the calculations of Gross and Net Indebtedness, herein.
- ^(d) The City’s applicable share of Gross Overlapping Indebtedness is estimated to be \$97,990,430. (See "Estimated Overlapping Indebtedness" herein.)

SPECIAL PROVISIONS AFFECTING REMEDIES UPON DEFAULT

Section 3-a of the General Municipal Law provides, subject to exceptions not pertinent, that the rate of interest to be paid by the City upon any judgment or accrued claim against it shall not exceed nine per centum per annum. This provision might be construed to have application to the holders of the Bonds and Notes in the event of a default in the payment of the principal of or interest on the Bonds and Notes.

In accordance with the general rule with respect to municipalities, judgments against the City may not be enforced by levy and execution against property owned by the City.

The Federal Bankruptcy Code allows public bodies recourse to the protection of a Federal Court for the purpose of adjusting outstanding indebtedness. Section 85.80 of the Local Finance Law contains specific authorization for any municipality in the State to file a petition under any provision of Federal bankruptcy law for the composition or adjustment of municipal indebtedness.

At the Extraordinary Session of the State Legislature held in November, 1975, legislation was enacted which purported to suspend the right to commence or continue an action in any court to collect or enforce certain short-term obligations of the City of New York. The effect of such act was to create a three-year moratorium on actions to enforce the payment of such obligations. On November 19, 1976, the Court of Appeals, the State's highest court, declared such act to be invalid on the ground that it violates the provisions of the State Constitution requiring a pledge by such City of its faith and credit for the payment of such obligations.

As a result of the Court of Appeals decision, the constitutionality of that portion of Title 6-A of Article 2 of the Local Finance Law enacted at the 1975 Extraordinary Session of the State legislature authorizing any City, county, town or village with respect to which the State has declared a financial emergency to petition the State Supreme Court to stay the enforcement against such municipality of any claim for payment relating to any contract, debt or obligation of the municipality during the emergency period, is subject to doubt. In any event, no such emergency has been declared with respect to the City.

There is in the State Constitution, Article VIII, Section 2, the following provision relating to the annual appropriation of monies for the payment of due principal of and interest on indebtedness of every county, City, town, village and school district in the State: "If at any time the respective appropriating authorities shall fail to make such appropriations, a sufficient sum shall be set apart from the first revenues thereafter received and shall be applied to such purposes. The fiscal officer of any county, City, town, village or school district may be required to set aside and apply such revenues as aforesaid at the suit of any holder of obligations issued for any such indebtedness."

This provision providing for first revenue set asides does not apply to tax anticipation notes, revenue anticipation notes or bond anticipation notes.

MARKET AND RISK FACTORS

There are various forms of risk associated with investing in the Bonds and Notes. The following is a discussion of certain events that could affect the risk of investing in the Notes. In addition to the events cited herein, there are other potential risk factors that an investor must consider. In order to make an informed investment decision, an investor should be thoroughly familiar with the entire Official Statement, including its appendices, as well as all areas of potential risk.

The financial condition of the City as well as the market for the Bonds and Notes could be affected by a variety of factors, some of which are beyond the City's control. There can be no assurance that adverse events in the State and in other jurisdictions in the country, including, for example, the seeking by a municipality or large taxable property owner of remedies pursuant to the Federal Bankruptcy Code or otherwise, will not occur which might affect the market price of and the market for the Bonds and Notes. If a significant default or other financial crisis should occur in the affairs of the State or another jurisdiction, or any of their respective agencies or political subdivisions thereby further impairing the acceptability of obligations issued by borrowers within the State, both the ability of the City to arrange for additional borrowings, and the market for and market value of outstanding debt obligations, including the Bonds and Notes, could be adversely affected.

The City is dependent in part on financial assistance from the State. However, if the State should experience difficulty in borrowing funds in anticipation of the receipt of State taxes and revenues in order to pay State aid to municipalities and school districts in the State, including the City, in this year or future years, the City may be affected by a delay, until sufficient taxes have been received by the State to make State aid payments to the City. In several recent years, the City has received delayed payments of State aid which resulted from the State's delay in adopting its budget and appropriating State aid to municipalities and school districts, and consequent delay in State borrowing to finance such appropriations. (See also "THE CITY - State Aid").

There are a number of general factors which could have a detrimental effect on the ability of the City to continue to generate revenues, particularly property taxes. For instance, the termination of a major commercial enterprise or an unexpected increase in tax certiorari proceedings could result in a significant reduction in the assessed valuation of taxable real property in the City. Unforeseen developments could also result in substantial increases in City expenditures, thus placing strain on the City's financial condition. These factors may have an effect on the market price of the Bonds and Notes.

If a holder elects to sell his investment prior to its scheduled maturity date, market access or price risk may be incurred. If and when a holder of any of the Bonds and Notes should elect to sell a Note prior to its maturity, there can be no assurance that a market shall have been established, maintained and be in existence for the purchase and sale of any of the Bonds and Notes. Recent global financial crises have included limited periods of significant disruption. In addition, the price and principal value of the Bonds and Notes is dependent on the prevailing level of interest rates; if interest rates rise, the price of a bond or note will decline, causing the bondholder or noteholder to incur a potential capital loss if such bond or note is sold prior to its maturity.

Amendments to U.S. Internal Revenue Code could reduce or eliminate the favorable tax treatment granted to municipal debt, including the Bonds and Notes and other debt issued by the City. Any such future legislation would have an adverse effect on the market value of the Bonds and Notes (See "TAX MATTERS" herein).

The enactment of the Tax Levy Limitation Law, which imposes a tax levy limitation upon municipalities, school districts and fire districts and have restrictions in the State, including the City without providing an exclusion for debt service on obligations issued by municipalities or fire districts, including the City, could have an impact upon the market price of the Bonds and Notes. See "TAX CAP LAW" herein.

Cybersecurity. The City, like many other public and private entities, relies on a large and complex technology environment to conduct its operations. As such, it may face multiple cybersecurity threats including, but not limited to, hacking, viruses, malware and other attacks on computer or other sensitive digital systems and networks. There can be no assurances that any security and operational control measures implemented by the City will be completely successful to guard against and prevent cyber threats and attacks. The result of any such attacks could impact business operations and/or digital networks and systems and the costs of remedying any such damage could be significant.

TAX MATTERS

The Internal Revenue Code of 1986, as amended (the "Code") establishes certain requirements that must be met subsequent to the issuance and delivery of the Bonds and Notes in order that interest on the Bonds and Notes be and remain excludable from gross income for federal income tax purposes. These requirements include provisions which prescribe yield and other limits relative to the investment and expenditures of the proceeds of the Bonds and Notes and other amounts and require that certain earnings be rebated to the federal government. The City will agree to comply with certain provisions and procedures, pursuant to which such requirements can be satisfied. Non-compliance with such requirements may cause interest on the Bonds and Notes to become included in gross income for federal income tax purposes retroactive to the date of issuance thereof, irrespective of the date on which non-compliance is ascertained.

The Code imposes a 30% branch profits tax on the earnings and profits of a United States branch of certain foreign corporations attributable to its income effectively connected (or treated as effectively connected) with a United States trade or business. Included in the earnings and profits of the United States branch of a foreign corporation is income that would be effectively connected with the United States trade or business if such income were taxable, such as the interest on the Bonds and Notes. Existing United States income tax treaties may modify, reduce, or eliminate the branch profits tax, except in cases of treaty shopping.

The Code further provides that interest on the Bonds and Notes is included in the calculation of modified adjusted gross income in determining whether a portion of Social Security or railroad retirement benefits is to be included in taxable income of individuals. In addition, certain S Corporations may have a tax imposed on passive income, including tax-exempt interest, such as interest on the Bonds and Notes.

Prospective purchasers should consult their tax advisors with respect to the calculations of the alternative minimum tax or foreign branch profits tax liability, and the tax on passive income of S Corporations or the inclusion of Social Security or other retirement payments in taxable income.

In the opinion of Bond Counsel, assuming compliance with certain requirements of the Code, under existing laws, interest on the Bonds and Notes is excluded from gross income for federal income tax purposes and is not an item of tax preference for purposes of the federal alternative minimum tax imposed by the Code. However, interest on the Bonds and Notes included in adjusted financial statement income of certain corporations is not excluded from the federal corporate alternative minimum tax imposed under the Code. Bond Counsel expresses no opinion regarding other federal tax consequences arising with respect to the Bonds and Notes.

The opinion of Bond Counsel described herein with respect to the federal income tax treatment of interest paid on the Bonds and Notes is based upon the current provisions of the Code. There can be no assurance that the Code will not be amended in the future so as to reduce or eliminate such favorable federal income tax treatment on the Bonds and Notes. Any such future legislation would have an adverse effect on the market value of the Bonds and Notes.

In addition, in the opinion of Bond Counsel, under existing laws, so long as interest is excluded from gross income for Federal income tax purposes, interest on the Bonds and Notes is exempt from personal income taxes imposed by the State or any political subdivision thereof, including the City of New York.

LEGAL MATTERS

The legality of the authorization and issuance of the Bonds and Notes will be covered by the unqualified legal opinions of Bond, Schoeneck & King, PLLC, Bond Counsel, Syracuse, New York. Such legal opinions will state that in the opinion of Bond Counsel (i) the Bonds and Notes have been authorized and issued in accordance with the Constitution and statutes of the State of New York and constitute valid and legally binding general obligations of the City, all the taxable property within which is subject to the levy of ad valorem taxes to pay the Bonds and Notes and interest thereon, without limitation as to rate or amount, subject to the statutory limitation imposed by the Tax Cap Law, (ii) interest on the Bonds and Notes is exempt from personal income taxes imposed by the State of New York or any political subdivision thereof, including the City of New York; and (iii) interest on the Bonds and Notes is excluded from gross income for federal income tax purposes and is not an item of tax preference for purposes of the federal alternative minimum tax imposed on individuals however, interest on the Bonds and Notes that is included in the adjusted financial statement income of certain corporations is not excluded from the corporate alternative minimum tax imposed under the Code. The opinions of Bond Counsel set forth in (iii) above are subject to the condition that the City comply with all requirements of the Code that must be satisfied subsequent to the issuance of the Bonds and Notes in order that interest thereon be, or continue to be, excluded from gross income for federal income tax purposes. The City has covenanted to comply with each such requirement. Failure to comply with certain of such requirements may cause the inclusion of interest on the Bonds and Notes in gross income for federal income tax purposes to be retroactive to the date of issuance of the Bonds and Notes. Bond Counsel expresses no opinion regarding other federal tax consequences arising with respect to the Bonds and Notes. It is to be understood that the rights of the holders of the Bonds and Notes and the enforceability thereof may be subject to bankruptcy, insolvency, reorganization, moratorium and other similar laws affecting creditors' rights heretofore or hereafter enacted to the extent constitutionally applicable and that their enforcement may be also subject to exercise of judicial discretion in appropriate cases. See "TAX CAP LAW" herein.

Bond Counsel has not been engaged or undertaken to review the accuracy, completeness or sufficiency of the Official Statement (except to the extent, if any, stated in the Official Statement) or any other offering material relating to the Bonds and Notes, and Bond Counsel expresses no opinion relating thereto (excepting only matters set forth as Bond Counsel's opinion in the Official Statement).

LITIGATION

The City is subject to a number of lawsuits in the ordinary conduct of its affairs. The City does not believe, however, that such suits, individually or in the aggregate, are likely to have a material adverse effect on the financial condition of the City.

There is no action, suit, proceedings or investigation, at law or in equity, before or by any court, public board or body pending or, to the best knowledge of the City, threatened against or affecting the City to restrain or enjoin the issuance, sale or delivery of the Bonds and Notes or the levy and collection of taxes or assessments to pay same, or in any way contesting or affecting the validity of the Bonds and Notes or any proceedings or authority of the City taken with respect to the authorization, issuance or sale of the Bonds and Notes or contesting the corporate existence or boundaries of the City.

MUNICIPAL ADVISOR

Fiscal Advisors & Marketing, Inc. (the "Municipal Advisor"), is a Municipal Advisor, registered with the Commission and the MSRB. The Municipal Advisor serves as independent financial advisor to the City on matters relating to debt management. The Municipal Advisor is a financial advisory and consulting organization and is not engaged in the business of underwriting, marketing, or trading municipal securities or any other negotiated instruments. The Municipal Advisor has provided advice as to the plan of financing and the structuring of the Bonds and Notes. The advice on the plan of financing and the structuring of the Bonds and Notes was based on materials provided by the City and other sources of information believed to be reliable. The Municipal Advisor has not audited, authenticated, or otherwise verified the information provided by the City or the information set forth in this Official Statement or any other information available to the City with respect to the appropriateness, accuracy, or completeness of disclosure of such information and no guarantee, warranty, or other representation is made by the Municipal Advisor respecting the accuracy and completeness of or any other matter related to such information and this Official Statement. The fees to be paid by the City to the Municipal Advisor may be contingent on the successful closing of the Bonds and Notes.

CUSIP IDENTIFICATION NUMBERS

It is anticipated that CUSIP (an acronym that refers to Committee on Uniform Security Identification Procedures) identification numbers will be printed on the Bonds and Notes. All expenses in relation to the printing of CUSIP numbers on the Bonds and Notes will be paid for by the City provided, however; the City assumes no responsibility for any CUSIP Service Bureau charge or other charge that may be imposed for the assignment of such numbers.

CONTINUING DISCLOSURE

In order to assist the purchasers in complying with Rule 15c2-12 promulgated by the Securities and Exchange Commission under the Securities Exchange Act of 1934, as amended (“Rule 15c2-12”), the City will enter into a Continuing Disclosure Undertaking Certificate with respect to the Bonds, the form of which is attached hereto as "Appendix - C" and an Undertaking to provide notice of certain material events with respect to the Notes, a description of which is attached hereto as “APPENDIX – D”.

Historical Compliance

The City is, in all material respects, in compliance with all prior continuing disclosure undertakings pursuant to Rule 15c2-12 of the United States Securities and Exchange Commission under the Securities Exchange Act of 1934 (the “Rule”) for the past five years, except as follows:

- The City issued \$13,500,000 bond anticipation notes to the New York State Environmental Facilities Corporation and filed a failure to file notice for the incurrence of a financial obligation on December 8, 2021.
- The City had an interest payment due on December 1, 2025 for their \$6,320,310 Public Improvement (Serial) Bonds, 2022. Due to a clerical error, the payment for the interest due on the Bonds was made to the Depository Trust Company on December 2, 2025. The City had the funds available in its account to make the payment at the time it was due.
- The City’s Audited Financial Statements for the fiscal year ended December 31, 2024 were required to be filed to the MSRB’s EMMA website no later than December 31, 2025. The Audited Financial Statements for the fiscal year ended December 31, 2024, are dated July 16, 2025. The Audited Financial Statements for the fiscal year ended December 31, 2024, were filed to EMMA on April 1, 2026

RATING

The Notes are not rated. Pending the approval of the City, the purchaser(s) of the Notes may choose to have a rating completed after the sale at the expense of the purchaser(s), including any fees to be incurred by the City, as such rating action may result in a material event notification to be posted to EMMA which is required by the City’s Undertaking to provide notice of certain Material Events, the description of which is attached hereto as “APPENDIX – C”.

S&P Global Ratings, a business unit of Standard & Poor’s Financial Services LLC (“S&P”) has assigned its rating of “A+” with a stable outlook to the Bonds. A rating reflects only the view of the rating agency assigning such rating and any desired explanation of the significance of such rating should be obtained from S&P Global Ratings, Public Finance Ratings, 55 Water Street, 38th Floor, New York, New York 10041, Phone: (212) 553-0038, Fax: (212) 553-1390.

Generally, rating agencies base their ratings on the information and materials furnished to it and on investigations, studies and assumptions by the respective rating agency. There is no assurance that a particular rating will apply for any given period of time or that it will not be lowered or withdrawn entirely if, in the judgment of the agency originally establishing the rating, circumstances so warrant. Any downward revision or withdrawal of the rating of the outstanding bonds may have an adverse effect on the market price of the outstanding bonds or the Bonds and Notes.

MISCELLANEOUS

So far as any statements made in this Official Statement involve matters of opinion or estimates in good faith, no assurance can be given that the facts will materialize as so opined or estimated. Neither this Official Statement nor any statement that may have been made verbally or in writing is to be construed as a contract with the holders of the Bonds and Notes.

Statements in this official statement, and the documents included by specific reference, that are not historical facts are forward-looking statements, which are based on the City management’s beliefs as well as assumptions made by, and information currently available to, the City’s management and staff. Because the statements are based on expectations about future events and economic performance and are not statements of fact, actual results may differ materially from those projected. Important factors that could cause future results to differ include legislative and regulatory changes, changes in the economy, and other factors discussed in this

and other documents that the City's files with the repositories. When used in City documents or oral presentation, the words "anticipate", "estimate", "expect", "objective", "projection", "forecast", "goal", or similar words are intended to identify forward-looking statements.

To the extent any statements made in this Official Statement involve matters of opinion or estimates, whether or not expressly stated, they are set forth as such and not as representations of fact, and no representation is made that any of the statements will be realized. Neither this Official Statement nor any statement which may have been made verbally or in writing is to be construed as a contract with the holder of the Bonds and Notes.

Bond, Schoeneck & King, PLLC, Utica, New York, Bond Counsel to the City, expressed no opinion as to the accuracy or completeness of information in any documents prepared by or on behalf of the City for use in connection with the offer and sale of the Bonds and Notes, including but not limited to, the financial or statistical information in this Official Statement.

References herein to the Constitution of the State and various State and federal laws are only brief outlines of certain provisions thereof and do not purport to summarize or describe all of such provisions.

Concurrently with the delivery of the Bonds and Notes, the City will furnish a certificate to the effect that as of the date of the Official Statement, the Official Statement did not contain any untrue statement of a material fact or omit to state a material fact necessary to make the statements herein, in the light of the circumstances under which they were made, not misleading, subject to a limitation as to information in the Official Statement obtained from sources other than the City.

The Official Statement is submitted only in connection with the sale of the Bonds and Notes by the City and may not be reproduced or used in whole or in part for any other purpose.

The City hereby disclaims any obligation to update developments of the various risk factors or to announce publicly any revision to any of the forward-looking statements contained herein or to make corrections to reflect future events or developments except to the extent required by Rule 15c2-12 promulgated by the Securities and Exchange Commission.

Fiscal Advisors & Marketing, Inc. may place a copy of this Official Statement on its website at www.fiscaladvisors.com. Unless this Official Statement specifically indicates otherwise, no statement on such website is included by specific reference or constitutes a part of this Official Statement. Fiscal Advisors & Marketing, Inc. has prepared such website information for convenience, but no decisions should be made in reliance upon that information. Typographical or other errors may have occurred in converting original source documents to digital format, and neither the City nor Fiscal Advisors & Marketing, Inc. assumes any liability or responsibility for errors or omissions on such website. Further, Fiscal Advisors & Marketing, Inc. and the City disclaim any duty or obligation either to update or to maintain that information or any responsibility or liability for any damages caused by viruses in the electronic files on the website. Fiscal Advisors & Marketing, Inc. and the City also assume no liability or responsibility for any errors or omissions or for any updates to dated website information.

The City contact information is as follows: Mr. Brain M. Adams, City Treasurer, City of Rome, City Hall, 198 Washington Street, Rome, New York 13440, Phone: (315) 339-7764, Email: badams@romecitygov.com.

Additional copies of the Notice of Sale and the Official Statement, Notice of Competitive Bond Sale, and Notice of Sale may be obtained upon request from the offices of Fiscal Advisors & Marketing, Inc., telephone number (315) 752-0051, or at www.fiscaladvisors.com.

This Official Statement has been duly executed and delivered by the City Treasurer of the City of Rome.

CITY OF ROME, NEW YORK

Dated: May 13, 2026

BRIAN M. ADAMS
CITY TREASURER & CHIEF FISCAL OFFICER

GENERAL FUND

Balance Sheets

Fiscal Years Ending December 31:	<u>2020</u>	<u>2021</u>	<u>2022</u>	<u>2023</u>	<u>2024</u>
ASSETS					
Cash and Cash Equivalents	\$ 3,196,073	\$ 15,993,244	\$ 17,671,907	\$ 18,687,133	\$ 11,384,570
Investments	-	-	10,004,687	-	-
Cash and Cash Equivalents - Restricted	3,224,151	4,340,747	4,968,614	3,528,767	2,668,042
Taxes Receivable	1,378,971	1,327,735	1,029,577	1,076,648	1,111,182
Tax Sale Certificates	403,802	403,802	187,451	187,451	187,451
Property Acquired for Taxes	2,106,933	1,906,033	2,121,131	1,673,501	1,395,654
Assessments Receivable	461	461	-	-	-
Accounts Receivable	632,280	870,243	608,015	688,408	657,585
Allowance for Receivables	(967,757)	(972,759)	(446,865)	(447,688)	(448,521)
Due from Other Funds	1,515,923	2,251,872	4,620,474	5,483,564	6,792,354
Due from Other Governments	4,957,477	3,822,671	2,400,584	4,745,521	3,530,779
Lease Receivables	-	-	831,082	798,441	761,765
Prepaid Expenditures	1,038,215	1,214,766	1,152,899	1,210,936	1,389,417
TOTAL ASSETS	\$ 17,486,529	\$ 31,158,815	\$ 45,149,556	\$ 37,632,682	\$ 29,430,278
LIABILITIES					
Accounts Payable	\$ 408,573	\$ 746,315	\$ 488,218	\$ 667,476	\$ 1,053,952
Accrued Liabilities	583,166	791,887	872,736	933,115	1,387,073
Accrued Interest Payable	-	-	-	-	-
Guaranty & Bid Deposits	-	-	-	-	-
Payroll Withholdings Payable	28,625	24,454	27,220	29,904	175,060
Other Liabilities	-	-	-	-	-
Due to Other Funds	-	-	-	-	-
State Retirement	-	-	-	-	-
Unearned Revenue - Grants/Other	3,138,856	12,067,212	21,772,083	13,067,181	4,916,715
Due to Other Governments	34,895	33,400	8,334	38,634	43,403
TOTAL LIABILITIES	4,194,115	13,663,268	23,168,591	14,736,310	7,576,203
DEFERRED INFLOWS OF RESOURCES					
Leases	-	-	831,082	771,568	712,053
Unavailable Revenue - Real Property Taxes and Grants	677,397	639,718	551,093	624,148	684,463
TOTAL DEFERRED INFLOWS OF RESOURCES	677,397	639,718	1,382,175	1,395,716	1,396,516
FUND BALANCE					
Nonspendable	\$ 3,145,448	\$ 4,121,246	\$ 4,753,475	\$ 2,884,738	\$ 2,785,921
Restricted	3,224,151	3,340,599	3,559,264	3,528,767	2,668,042
Assigned	1,155,789	1,148,741	2,090,564	2,932,745	4,060,046
Unassigned	5,089,629	8,245,243	10,195,487	12,154,406	10,943,550
TOTAL FUND BALANCE	12,615,017	16,855,829	20,598,790	21,500,656	20,457,559
TOTAL LIABILITIES, DEFERRED INFLOWS OF RESOURCES AND FUND BALANCE	\$ 17,486,529	\$ 31,158,815	\$ 45,149,556	\$ 37,632,682	\$ 29,430,278

GENERAL FUND

Revenues, Expenditures and Changes in Fund Balance

Fiscal Years Ending December 31:	<u>2019</u>	<u>2020</u>	<u>2021</u>	<u>2022</u>	<u>2023</u>
REVENUES					
Real Property Taxes	\$ 14,366,201	\$ 14,974,131	\$ 15,115,383	\$ 15,297,342	\$ 14,865,015
Real Property Tax Items	1,160,144	1,190,875	1,364,220	1,320,570	1,381,133
Non-Property Tax Items	11,698,961	11,218,882	14,051,843	13,659,251	14,307,869
Departmental Income	982,976	593,362	634,261	701,945	766,177
Intergovernmental Charges	1,003,478	677,762	796,752	952,726	1,050,196
Solar Power Credits	448,857	544,005	529,594	543,051	480,268
Use of Money & Property	591,121	432,123	405,665	820,440	1,728,594
Lease Revenue	-	-	-	32,492	59,514
Licenses and Permits	149,214	228,315	160,688	152,373	162,897
Fines and Forfeitures	69,863	56,348	40,650	33,950	39,270
Sale of Property and					
Compensation for Loss	72,782	123,281	92,920	246,962	260,441
Miscellaneous	266,045	127,626	210,652	241,577	163,420
Interfund Revenues	1,782,197	1,826,197	1,761,197	1,802,197	1,859,197
Revenues from State Sources	10,600,268	8,321,543	13,264,126	11,725,903	11,702,663
Revenues from Federal Sources	-	-	-	2,427,892	8,733,359
Total Revenues	\$ 43,192,107	\$ 40,314,450	\$ 48,427,951	\$ 49,958,671	\$ 57,560,013
EXPENDITURES					
General Government Support	\$ 4,776,526	\$ 4,450,541	\$ 4,745,945	\$ 5,138,809	\$ 5,718,650
Public Safety	14,198,242	13,961,379	14,502,492	15,179,648	17,132,108
Health	442	1,030	1,494	927	1,682
Transportation	4,540,340	4,060,289	4,273,760	4,368,784	4,096,095
Economic Assistance and					
Opportunity	-	-	-	-	-
Culture and Recreation	1,335,301	887,655	1,113,505	1,393,965	1,539,979
Home and Community Services	564,949	422,221	366,154	534,016	758,792
Employee Benefits	11,249,476	10,633,357	12,131,454	11,631,507	12,206,770
Debt Service	4,744,771	5,107,862	5,454,038	3,556,097	4,564,159
Total Expenditures	\$ 41,410,047	\$ 39,524,334	\$ 42,588,842	\$ 41,803,753	\$ 46,018,235
Excess of Revenues Over (Under)					
Expenditures	\$ 1,782,060	\$ 790,116	\$ 5,839,109	\$ 8,154,918	\$ 11,541,778
Other Financing Sources (Uses):					
Other Sources	-	-	-	-	-
Other Uses	-	-	-	-	-
Operating Transfers In	(1,276,315)	(79,061)	14,672	4,264	2,817
Operating Transfers Out	-	(1,223,000)	(1,612,969)	(4,416,221)	(10,642,729)
Total Other Financing	(1,276,315)	(1,302,061)	(1,598,297)	(4,411,957)	(10,639,912)
Excess of Revenues and Other					
Sources Over (Under) Expenditures					
and Other Uses	505,745	(511,945)	4,240,812	3,742,961	901,866
FUND BALANCE					
Fund Balance - Beginning of Year	12,621,217	13,126,962	12,615,017	16,855,829	20,598,790
Prior Period Adjustments (net)	-	-	-	-	-
Fund Balance - End of Year	\$ 13,126,962	\$ 12,615,017	\$ 16,855,829	\$ 20,598,790	\$ 21,500,656

Source: Audited financial reports of the City. This Appendix is not itself audited.

GENERAL FUND

Revenues, Expenditures and Changes in Fund Balance - Budget and Actual

Fiscal Years Ending December 31:	2024			2025	2026
	Adopted Budget	Ammended Budget	Actual	Adopted Budget	Adopted Budget
REVENUES					
Real Property Taxes	\$ 15,367,415	\$ 15,367,415	\$ 15,143,860	\$ 16,087,170	\$ 16,556,021
Real Property Tax Items	1,378,599	1,378,599	1,438,822	1,372,752	1,573,257
Non-Property Tax Items	15,102,894	15,102,893	14,530,267	15,317,387	16,042,357
Departmental Income	1,209,457	684,827	777,754	1,256,023	1,273,872
Intergovernmental Charges	944,660	944,660	943,546	1,174,624	1,415,215
Solar Power Credits	-	524,630	517,659	-	-
Use of Money & Property	953,432	953,433	1,260,281	694,696	390,864
Lease Revenue	-	-	59,514	-	-
Licenses and Permits	123,000	123,000	111,205	127,000	127,000
Fines and Forfeitures	31,500	31,500	35,285	33,500	41,250
Sale of Property and Compensation for Loss	59,000	59,000	168,695	101,000	586,000
Miscellaneous	130,000	130,000	60,744	161,200	160,900
Interfund Revenues	1,910,197	1,910,197	1,910,197	1,994,197	2,038,197
Revenues from State Sources	11,399,267	11,399,267	13,451,671	11,415,693	12,584,099
Revenues from Federal Sources	-	8,954,634	8,150,476	336,000	-
Total Revenues	\$ 48,609,421	\$ 57,564,055	\$ 58,559,976	\$ 50,071,242	\$ 52,789,032
EXPENDITURES					
General Government Support	\$ 6,522,291	\$ 6,317,657	\$ 5,534,873	\$ 6,696,463	\$ 6,535,935
Public Safety	18,865,602	17,266,778	16,966,144	19,720,938	20,367,346
Health	1,700	1,700	1,348	1,700	1,700
Transportation	7,064,931	4,902,733	4,448,055	7,365,731	7,838,938
Economic Assistance and Opportunity	-	-	-	-	-
Culture and Recreation	1,856,631	1,758,999	1,507,774	1,928,910	1,790,095
Home and Community Services	701,946	758,317	586,806	624,350	651,811
Employee Benefits	11,591,166	14,373,022	14,117,665	12,287,452	13,629,967
Debt Service	4,278,821	4,882,643	4,882,186	4,800,949	5,614,472
Total Expenditures	\$ 50,883,088	\$ 50,261,849	\$ 48,044,851	\$ 53,426,493	\$ 56,430,264
Excess of Revenues Over (Under) Expenditures	\$ (2,273,667)	\$ 7,302,206	\$ 10,515,125	\$ (3,355,251)	\$ (3,641,232)
Other Financing Sources (Uses):					
Appropriated Reserve	80,000	845,131	-	170,000	-
Appropriated Fund Balance	2,416,167	3,516,270	-	3,260,251	3,868,732
Operating Transfers In	-	-	105,385	-	-
Operating Transfers Out	(222,500)	(11,663,607)	(11,663,607)	(75,000)	(227,500)
Total Other Financing	2,273,667	(7,302,206)	(11,558,222)	3,355,251	3,641,232
Excess of Revenues and Other Sources Over (Under) Expenditures and Other Uses	-	-	(1,043,097)	-	-
FUND BALANCE					
Fund Balance - Beginning of Year	-	-	21,500,656	-	-
Prior Period Adjustments (net)	-	-	-	-	-
Fund Balance - End of Year	\$ -	\$ -	\$ 20,457,559	\$ -	\$ -

Source: 2024 Audited Financial Statement of the City and 2025 and 2026 budgets (unaudited). This Appendix is not itself audited.

CHANGES IN FUND EQUITY

Fiscal Years Ending December 31:	<u>2020</u>	<u>2021</u>	<u>2022</u>	<u>2023</u>	<u>2024</u>
<u>WATER FUND</u>					
Fund Equity - Beginning of Year	\$ 39,154,271	\$ 40,137,641	\$ 41,961,718	\$ 46,627,273	\$ 52,800,573
Cummulative Effect of Change in Accounting Principal - OPEB	-	-	-	-	-
Prior Period Adjustments (net)	-	-	-	-	(167,453)
Operating Revenue & Sources	9,367,370	10,181,635	9,166,372	9,132,873	10,435,531
Operating Expenses & Other Uses	8,384,000	8,357,558	7,268,815	8,314,328	9,887,701
Nonoperating Revenues	-	-	2,767,998	5,354,755	-
Fund Equity - End of Year	<u>\$ 40,137,641</u>	<u>\$ 41,961,718</u>	<u>\$ 46,627,273</u>	<u>\$ 52,800,573</u>	<u>\$ 53,180,950</u>
<u>SEWER FUND</u>					
Fund Equity - Beginning of Year	\$ 33,272,199	\$ 35,240,136	\$ 39,781,653	\$ 43,224,998	\$ 44,385,122
Prior Period Adjustments (net)	-	-	-	-	(100,042)
Operating Revenues & Sources	6,641,047	8,755,628	7,711,347	4,434,486	5,879,341
Operating Expenses & Other Uses	4,673,110	4,214,111	4,268,002	6,124,203	6,320,186
Nonoperating Revenues	-	-	-	2,849,841	-
Fund Equity - End of Year	<u>\$ 35,240,136</u>	<u>\$ 39,781,653</u>	<u>\$ 43,224,998</u>	<u>\$ 44,385,122</u>	<u>\$ 43,844,235</u>

Source: Audited Financial Statements of the City. This Appendix is not itself audited.

BONDED DEBT SERVICE

Fiscal Year Ending December 31st	Principal	Interest	Total
2026	\$ 4,814,502	\$ 1,421,557.27	\$ 6,236,059.27
2027	5,259,710	1,297,525.51	6,557,235.51
2028	3,614,710	1,175,128.61	4,789,838.61
2029	3,669,710	1,105,785.17	4,775,495.17
2030	3,729,595	1,032,867.12	4,762,462.12
2031	3,494,710	959,590.42	4,454,300.42
2032	3,534,710	882,768.57	4,417,478.57
2033	3,559,710	801,333.50	4,361,043.50
2034	3,639,710	715,582.66	4,355,292.66
2035	2,544,710	627,328.72	3,172,038.72
2036	2,514,710	573,516.07	3,088,226.07
2037	2,104,710	527,161.07	2,631,871.07
2038	2,109,710	488,625.99	2,598,335.99
2039	2,139,710	446,352.97	2,586,062.97
2040	2,174,710	402,996.69	2,577,706.69
2041	2,204,710	357,964.08	2,562,674.08
2042	2,249,710	310,760.66	2,560,470.66
2043	2,289,710	262,850.27	2,552,560.27
2044	2,129,710	216,378.74	2,346,088.74
2045	2,174,710	171,207.34	2,345,917.34
2046	2,214,710	125,098.18	2,339,808.18
2047	1,319,710	77,967.11	1,397,677.11
2048	1,334,710	60,507.24	1,395,217.24
2049	1,344,710	42,679.39	1,387,389.39
2050	1,359,710	24,483.56	1,384,193.56
2051	1,059,710	10,006.44	1,069,716.44
2052	627,700	-	627,700.00
2053	405,130	-	405,130.00
2054	405,130	-	405,130.00
2055	405,130	-	405,130.00
TOTALS	\$ 70,430,227	\$ 14,118,023.33	\$ 84,548,250.33

Note: Appendix B-B4 does not include leases or lease purchase agreements.

CURRENT BONDS OUTSTANDING

Fiscal Year Ending December 31st	2016B NYS EFC			2015B Refunding of 2011			2015 Various Improvements		
	Principal	Interest	Total	Principal	Interest	Total	Principal	Interest	Total
2026	\$ 530,000	\$ 433,784.70	\$ 963,784.70	\$ 960,000	\$ 98,250.00	\$ 1,058,250.00	\$ 650,000	\$ 204,906.25	\$ 854,906.25
2027	540,000	425,893.00	965,893.00	1,005,000	50,250.00	1,055,250.00	670,000	185,406.25	855,406.25
2028	550,000	416,113.60	966,113.60	-	-	-	690,000	165,306.25	855,306.25
2029	560,000	404,239.10	964,239.10	-	-	-	715,000	144,606.25	859,606.25
2030	575,000	390,888.70	965,888.70	-	-	-	735,000	123,156.25	858,156.25
2031	585,000	376,151.46	961,151.46	-	-	-	755,000	101,106.25	856,106.25
2032	600,000	360,286.26	960,286.26	-	-	-	780,000	77,512.50	857,512.50
2033	615,000	343,708.26	958,708.26	-	-	-	805,000	53,137.50	858,137.50
2034	630,000	326,094.64	956,094.64	-	-	-	830,000	26,975.00	856,975.00
2035	650,000	307,553.76	957,553.76	-	-	-	-	-	-
2036	670,000	287,956.26	957,956.26	-	-	-	-	-	-
2037	680,000	267,360.46	947,360.46	-	-	-	-	-	-
2038	705,000	246,171.66	951,171.66	-	-	-	-	-	-
2039	725,000	221,264.02	946,264.02	-	-	-	-	-	-
2040	745,000	195,649.74	940,649.74	-	-	-	-	-	-
2041	770,000	169,328.90	939,328.90	-	-	-	-	-	-
2042	795,000	142,124.80	937,124.80	-	-	-	-	-	-
2043	820,000	115,476.40	935,476.40	-	-	-	-	-	-
2044	845,000	87,990.00	932,990.00	-	-	-	-	-	-
2045	875,000	59,665.60	934,665.60	-	-	-	-	-	-
2046	905,000	30,335.60	935,335.60	-	-	-	-	-	-
TOTALS	\$ 14,370,000	\$5,608,036.92	\$ 19,978,036.92	\$ 1,965,000	\$ 148,500.00	\$ 2,113,500.00	\$ 6,630,000	\$1,082,112.50	\$ 7,712,112.50

CURRENT BONDS OUTSTANDING

Fiscal Year Ending December 31st	2015 D EFC			2019 Various Improvements & Purchases of Equipment			2019 Various Improvements & Purchases of Equipment		
	Principal	Interest	Total	Principal	Interest	Total	Principal	Interest	Total
	2026	\$ 145,000	\$ 60,735.16	\$ 205,735.16	\$ 275,000	\$ 25,650.00	\$ 300,650.00	\$ 685,000	\$ 20,850.00
2027	150,000	54,907.60	204,907.60	280,000	20,100.00	300,100.00	700,000	7,000.00	707,000.00
2028	155,000	48,849.10	203,849.10	285,000	14,450.00	299,450.00	-	-	-
2029	160,000	42,573.16	202,573.16	285,000	8,750.00	293,750.00	-	-	-
2030	165,000	36,062.76	201,062.76	295,000	2,950.00	297,950.00	-	-	-
2031	170,000	29,315.90	199,315.90	-	-	-	-	-	-
2032	175,000	22,296.60	197,296.60	-	-	-	-	-	-
2033	180,000	15,070.86	195,070.86	-	-	-	-	-	-
2034	185,000	7,638.66	192,638.66	-	-	-	-	-	-
TOTALS	\$ 1,485,000	\$ 317,449.80	\$ 1,802,449.80	\$ 1,420,000	\$ 71,900.00	\$ 1,491,900.00	\$ 1,385,000	\$ 27,850.00	\$ 1,412,850.00

CURRENT BONDS OUTSTANDING

Fiscal Year Ending December 31st	2020 Various Projects			2020 EFC Drinking Water		
	Principal	Interest	Total	Principal	Interest	Total
	2026	\$ 185,000	\$ 84,356.25	\$ 269,356.25	\$ 255,000	\$ 146,612.80
2027	190,000	80,137.50	270,137.50	255,000	145,427.05	400,427.05
2028	195,000	75,806.25	270,806.25	255,000	143,960.80	398,960.80
2029	195,000	71,175.00	266,175.00	255,000	142,163.05	397,163.05
2030	200,000	66,237.50	266,237.50	260,000	140,063.30	400,063.30
2031	205,000	61,175.00	266,175.00	260,000	137,493.20	397,493.20
2032	210,000	55,987.50	265,987.50	260,000	134,130.10	394,130.10
2033	215,000	50,675.00	265,675.00	265,000	129,888.43	394,888.43
2034	225,000	45,175.00	270,175.00	265,000	124,883.91	389,883.91
2035	225,000	39,550.00	264,550.00	265,000	119,329.51	384,329.51
2036	165,000	34,675.00	199,675.00	270,000	113,338.56	383,338.56
2037	170,000	30,487.50	200,487.50	270,000	106,969.26	376,969.26
2038	175,000	26,175.00	201,175.00	275,000	100,265.98	375,265.98
2039	180,000	21,737.50	201,737.50	275,000	93,263.10	368,263.10
2040	185,000	17,175.00	202,175.00	280,000	86,309.60	366,309.60
2041	185,000	12,550.00	197,550.00	280,000	78,802.80	358,802.80
2042	190,000	7,743.75	197,743.75	285,000	70,505.78	355,505.78
2043	200,000	2,625.00	202,625.00	285,000	62,135.33	347,135.33
2044				290,000	53,691.45	343,691.45
2045				295,000	45,100.73	340,100.73
2046				295,000	36,799.43	331,799.43
2047				300,000	28,793.70	328,793.70
2048				305,000	20,653.43	325,653.43
2049				305,000	12,445.88	317,445.88
2050				310,000	4,171.05	314,171.05
2051				-	-	-
TOTALS	\$ 3,495,000	\$ 783,443.75	\$ 4,278,443.75	\$ 6,915,000	\$ 2,277,198.23	\$ 9,192,198.23

Fiscal Year Ending December 31st	2021 EFC Bonds			2021 Various Projects		
	Principal	Interest	Total	Principal	Interest	Total
	2026	\$ 185,000	\$ 139,418.36	\$ 324,418.36	\$ 210,000	\$ 40,093.75
2027	185,000	138,160.36	323,160.36	145,000	36,543.75	181,543.75
2028	185,000	136,698.86	321,698.86	150,000	33,593.75	183,593.75
2029	190,000	134,959.86	324,959.86	155,000	30,543.75	185,543.75
2030	190,000	132,964.86	322,964.86	150,000	27,493.75	177,493.75
2031	195,000	130,779.86	325,779.86	160,000	24,393.75	184,393.75
2032	195,000	128,361.86	323,361.86	150,000	21,293.75	171,293.75
2033	200,000	125,559.70	325,559.70	150,000	18,293.75	168,293.75
2034	200,000	122,171.70	322,171.70	155,000	15,243.75	170,243.75
2035	205,000	118,401.70	323,401.70	40,000	13,293.75	53,293.75
2036	210,000	114,252.50	324,252.50	40,000	12,493.75	52,493.75
2037	215,000	109,750.10	324,750.10	30,000	11,793.75	41,793.75
2038	220,000	104,869.60	324,869.60	35,000	11,143.75	46,143.75
2039	225,000	99,644.60	324,644.60	35,000	10,443.75	45,443.75
2040	230,000	94,118.60	324,118.60	35,000	9,743.75	44,743.75
2041	235,000	88,260.50	323,260.50	35,000	9,021.88	44,021.88
2042	245,000	82,108.20	327,108.20	35,000	8,278.13	43,278.13
2043	250,000	75,079.16	325,079.16	35,000	7,534.38	42,534.38
2044	260,000	67,906.66	327,906.66	35,000	6,790.63	41,790.63
2045	265,000	60,447.26	325,447.26	40,000	5,993.75	45,993.75
2046	275,000	52,844.40	327,844.40	40,000	5,118.75	45,118.75
2047	280,000	44,954.66	324,954.66	40,000	4,218.75	44,218.75
2048	290,000	36,535.06	326,535.06	40,000	3,318.75	43,318.75
2049	300,000	27,814.76	327,814.76	40,000	2,418.75	42,418.75
2050	310,000	18,793.76	328,793.76	40,000	1,518.75	41,518.75
2051	315,000	9,472.06	324,472.06	45,000	534.38	45,534.38
TOTALS	\$ 6,055,000	\$ 2,394,329.00	\$ 8,449,329.00	\$ 2,065,000	\$ 371,153.13	\$ 2,436,153.13

CURRENT BONDS OUTSTANDING

Fiscal Year Ending December 31st	2022 Various Projects			2022 EFC SIB		
	Principal	Interest	Total	Principal	Interest	Total
	2026	\$ 440,000	\$ 166,900.00	\$ 606,900.00	\$ 72,010	\$ -
2027	440,000	153,700.00	593,700.00	72,010	-	72,010.00
2028	450,000	140,350.00	590,350.00	72,010	-	72,010.00
2029	455,000	126,775.00	581,775.00	72,010	-	72,010.00
2030	460,000	113,050.00	573,050.00	72,010	-	72,010.00
2031	465,000	99,175.00	564,175.00	72,010	-	72,010.00
2032	465,000	82,900.00	547,900.00	72,010	-	72,010.00
2033	430,000	65,000.00	495,000.00	72,010	-	72,010.00
2034	450,000	47,400.00	497,400.00	72,010	-	72,010.00
2035	460,000	29,200.00	489,200.00	72,010	-	72,010.00
2036	460,000	10,800.00	470,800.00	72,010	-	72,010.00
2037	40,000	800.00	40,800.00	72,010	-	72,010.00
2038	-	-	-	72,010	-	72,010.00
2039	-	-	-	72,010	-	72,010.00
2040	-	-	-	72,010	-	72,010.00
2041	-	-	-	72,010	-	72,010.00
2042	-	-	-	72,010	-	72,010.00
2043	-	-	-	72,010	-	72,010.00
2044	-	-	-	72,010	-	72,010.00
2045	-	-	-	72,010	-	72,010.00
2046	-	-	-	72,010	-	72,010.00
2047	-	-	-	72,010	-	72,010.00
2048	-	-	-	72,010	-	72,010.00
2049	-	-	-	72,010	-	72,010.00
2050	-	-	-	72,010	-	72,010.00
2051	-	-	-	72,010	-	72,010.00
TOTALS	\$ 5,015,000	\$ 1,036,050.00	\$ 6,051,050.00	\$ 1,872,260	\$ -	\$ 1,872,260.00

Fiscal Year Ending December 31st	2023 EFC Sewer Bonds			2026 EFC Sewer Bonds		
	Principal	Interest	Total	Principal	Interest	Total
	2026	\$ 222,492	\$ -	\$ 222,492.00	\$ -	\$ -
2027	222,570	-	222,570.00	405,130	-	405,130.00
2028	222,570	-	222,570.00	405,130	-	405,130.00
2029	222,570	-	222,570.00	405,130	-	405,130.00
2030	222,570	-	222,570.00	405,015	-	405,015.00
2031	222,570	-	222,570.00	405,130	-	405,130.00
2032	222,570	-	222,570.00	405,130	-	405,130.00
2033	222,570	-	222,570.00	405,130	-	405,130.00
2034	222,570	-	222,570.00	405,130	-	405,130.00
2035	222,570	-	222,570.00	405,130	-	405,130.00
2036	222,570	-	222,570.00	405,130	-	405,130.00
2037	222,570	-	222,570.00	405,130	-	405,130.00
2038	222,570	-	222,570.00	405,130	-	405,130.00
2039	222,570	-	222,570.00	405,130	-	405,130.00
2040	222,570	-	222,570.00	405,130	-	405,130.00
2041	222,570	-	222,570.00	405,130	-	405,130.00
2042	222,570	-	222,570.00	405,130	-	405,130.00
2043	222,570	-	222,570.00	405,130	-	405,130.00
2044	222,570	-	222,570.00	405,130	-	405,130.00
2045	222,570	-	222,570.00	405,130	-	405,130.00
2046	222,570	-	222,570.00	405,130	-	405,130.00
2047	222,570	-	222,570.00	405,130	-	405,130.00
2048	222,570	-	222,570.00	405,130	-	405,130.00
2049	222,570	-	222,570.00	405,130	-	405,130.00
2050	222,570	-	222,570.00	405,130	-	405,130.00
2051	222,570	-	222,570.00	405,130	-	405,130.00
2052	222,570	-	222,570.00	405,130	-	405,130.00
2053	-	-	-	405,130	-	405,130.00
2054	-	-	-	405,130	-	405,130.00
2055	-	-	-	405,130	-	405,130.00
TOTALS	\$ 6,009,312	\$ -	\$ 6,009,312.00	\$ 11,748,655	\$ -	\$ 11,748,655.00

CONTINUING DISCLOSURE UNDERTAKING WITH RESPECT TO THE BONDS

In accordance with the requirements of Rule 15c2-12 as the same may be amended or officially interpreted from time to time (the "Rule"), promulgated by the Securities and Exchange Commission (the "Commission"), the City has agreed to provide, or cause to be provided, during the period in which the Bonds are outstanding:

- (i) to the Electronic Municipal Market Access ("EMMA") system of Municipal Securities Rulemaking Board ("MSRB") or any other entity designated or authorized by the commission to receive reports pursuant to the Rule, during any succeeding fiscal year in which the Bonds are outstanding certain annual financial information and operating data for the preceding fiscal year, in a form generally consistent with the information contained or cross-referenced under the heading(s) "THE CITY", "TAX INFORMATION", "STATUS OF INDEBTEDNESS", "LITIGATION", all Appendices (other than Appendices C, D, E, and those related to bond insurance) commencing with fiscal year ending December 31, 2026, and a copy of the audited financial statement (prepared in accordance with generally accepted accounting principles in effect at the time of audit) for the preceding fiscal year, commencing with the fiscal year ending December 31, 2025, if any; such information, data and audit, if any, will be so provided on or prior to the later of either the end of the sixth month of each such succeeding fiscal year or, if audited financial statements are prepared, but are not available at that time, within sixty days following receipt by the City of audited financial statements for the preceding fiscal year, but, in any event, not later than the last business day of each such succeeding fiscal year and provided further, in the event that the audited financial statement for any fiscal year is not available by the end of the sixth month following the end of any such succeeding fiscal year, unaudited financial statements in the form provided to the State, if available, will be provided no later than said date; provided however, that provision of unaudited financial statements in any year shall be further conditioned upon a determination by the Issuer of whether such provision is compliant with the requirements of federal securities laws including Rule 10b-5 of the Securities Exchange Act of 1934 and Rule 17(a)(2) of the Securities Act of 1933
- (ii) within 10 business days after the occurrence of such event, notice of the occurrence of any of the following events with respect to the Bonds, to EMMA or any other entity designated or authorized by the Commission to receive reports pursuant to the Rule:
 - (a) principal and interest payment delinquencies;
 - (b) non-payment related defaults; if material;
 - (c) unscheduled draws on debt service reserves reflecting financial difficulties;
 - (d) unscheduled draws on credit enhancements reflecting financial difficulties;
 - (e) substitution of credit or liquidity providers, or their failure to perform;
 - (f) adverse tax opinions, the issuance by the Internal Revenue Service of proposed or final determinations of taxability, Notices of Proposed Issue (IRS Form 5701-TEB) or other material notices of determinations with respect to the tax status of the Bonds, or other material events affecting the tax status of the Bonds;
 - (g) modifications to rights of Bondholders; if material;
 - (h) bond calls, if material, and tender offers;
 - (i) defeasances;
 - (j) release, substitution, or sale of property securing repayment of the Bonds; if material;
 - (k) rating changes;
 - (l) bankruptcy, insolvency, receivership or similar event of the City;
 - (m) the consummation of a merger, consolidation, or acquisition involving the City or the sale of all or substantially all of the assets of the City, other than in the ordinary course of business, the entry into a definitive agreement to undertake such an action or the termination of a definitive agreement relating to any such actions, other than pursuant to its terms, if material; and
 - (n) appointment of a successor or additional trustee or the change of name of a trustee, if material.
 - (o) incurrence of a financial obligation (as defined in the Rule) of the City, if material, or agreement to covenants, events of default, remedies, priority rights, or other similar terms of a financial obligation of the City, any of which affect Bondholders, if material; and
 - (p) default, event of acceleration, termination event, modification of terms, or other similar events under the terms of a financial obligation of the City, any of which reflect financial difficulties.

The City may from time to time choose to provide notice of the occurrence of certain other events in addition to those listed above, if the City determines that any such other event is material with respect to the Bonds; but the City does not undertake to commit to provide any such notice of the occurrence of any material event except those events listed above.

(iii) in a timely manner, to EMMA or any other entity designated or authorized by the Commission to receive reports pursuant to the Rule, notice of its failure to provide the aforescribed annual financial information and operating data and such audited financial statement, if any, on or before the date specified.

Event (c) is included pursuant to a letter from the Commission staff to the National Association of Bond Lawyers dated as of September 19, 1995. However, event (c) is not applicable, since no "debt service reserves" will be established for the Bonds.

With respect to event (d), the City does not undertake to provide any notice with respect to credit enhancement added after the primary offering of the Bonds.

The City reserves the right to terminate its obligations to provide the aforescribed annual financial information and operating data and such audited financial statement, if any, and notices of material events, as set forth above, if and when the City no longer remains an obligated person with respect to the Bonds within the meaning of the Rule. The City acknowledges that its undertaking pursuant to the Rule described under this heading is intended to be for the benefit of the holders of the Bonds (including holders of beneficial interests in the Bonds). The right of holders of the Bonds to enforce the provisions of the undertaking will be limited to a right to obtain specific enforcement of the City's obligations under its continuing disclosure undertaking and any failure by the City to comply with the provisions of the undertaking will neither be a default with respect to the Bonds nor entitle any holder of the Bonds to recover monetary damages.

The City reserves the right to modify from time to time the specific types of information provided or the format of the presentation of such information, to the extent necessary or appropriate in the judgment of the City, provided that, the City agrees that any such modification will be done in a manner consistent with the Rule.

A Continuing Disclosure Undertaking Certificate to this effect shall be provided to the purchaser at closing.

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MATERIAL EVENT NOTICES WITH RESPECT TO THE NOTES

In accordance with the provisions of the Rule, the City has agreed to provide or cause to be provided, in a timely manner not in excess of ten (10) business days after the occurrence of the event, during the period in which the Notes are outstanding, to EMMA or any other entity designated or authorized by the Commission to receive reports pursuant to the Rule, notice of the occurrence of any of the following events with respect to the Notes:

- (a) principal and interest payment delinquencies;
- (b) non-payment related defaults, if material;
- (c) unscheduled draws on debt service reserves reflecting financial difficulties;
- (d) in the case of credit enhancement, if any, provided in connection with the issuance of the Notes, unscheduled draws on credit enhancements reflecting financial difficulties;
- (e) substitution of credit or liquidity providers, or their failure to perform;
- (f) adverse tax opinions, the issuance by the Internal Revenue Service of proposed or final determinations of taxability, Notices of Proposed Issue (IRS Form 5701 TEB) or other material notices or determinations with respect to the tax status of the Note, or other material events affecting the tax status of the Notes;
- (g) modifications to rights of Noteholders, if material;
- (h) note calls, if material and tender offers;
- (i) defeasances;
- (j) release, substitution, or sale of property securing repayment of the Notes;
- (k) rating changes;
- (l) bankruptcy, insolvency, receivership or similar event of the City;
- (m) the consummation of a merger, consolidation, or acquisition involving the City or the sale of all or substantially all of the assets of the City, other than in the ordinary course of business, the entry into a definitive agreement to undertake such an action or the termination of a definitive agreement relating to any such actions, other than pursuant to its terms, if material; and
- (n) appointment of a successor or additional trustee or the change of name of a trustee, if material.
- (o) incurrence of a financial obligation (as defined in the Rule) of the City, if material, or agreement to covenants, events of default, remedies, priority rights, or other similar terms of a financial obligation of the City, any of which affect Note holders, if material; and
- (p) default, event of acceleration, termination event, modification of terms, or other similar events under the terms of a financial obligation of the City, any of which reflect financial difficulties.

Event (c) is included pursuant to a letter from the Commission staff to the National Association of Bond Lawyers dated September 19, 1995. However, event (c) is not applicable, since no "debt service reserves" will be established for the Notes.

With respect to event (d) the City does not undertake to provide any notice with respect to credit enhancement added after the primary offering of the Notes.

The City may from time to time choose to provide notice of the occurrence of certain other events, in addition to those listed above, if the City determines that any such other event is material with respect to the Notes; but the City does not undertake to commit to provide any such notice of the occurrence of any material event except those events listed above.

The City reserves the right to terminate its obligation to provide the aforescribed notices of events, as set forth above, if and when the City no longer remains an obligated person with respect to the Notes within the meaning of the Rule. The City acknowledges that its undertaking pursuant to the Rule described under this heading is intended to be for the benefit of the holders of the Notes (including holders of beneficial interests in the Notes). The right of holders of the Notes to enforce the provisions of the undertaking will be limited to a right to obtain specific enforcement of the City's obligations under its material event notices undertaking and any failure by the City to comply with the provisions of the undertaking will neither be a default with respect to the Notes nor entitle any holder of the Notes to recover monetary damages.

The City reserves the right to modify from time to time the specific types of information provided or the format of the presentation of such information, to the extent necessary or appropriate in the judgment of the City; provided that the City agrees that any such modification will be done in a manner consistent with the Rule.

An "Undertaking to Provide Notice of Material Events" to this effect shall be provided to the purchaser(s) at closing.

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CITY OF ROME

ONEIDA COUNTY, NEW YORK

AUDITED FINANCIAL STATEMENTS

DECEMBER 31, 2024

Such Audited Financial Statement and opinion were prepared as of date thereof and have not been reviewed and/or updated in connection with the preparation and dissemination of this Official Statement.



MANAGEMENT'S
DISCUSSION AND
ANALYSIS AND
FINANCIAL STATEMENTS

For the Year Ended
December 31, 2024

CITY OF ROME, NEW YORK
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D'Arcangelo & Co., LLP
Certified Public Accountants & Consultants

200 E. Garden St., P.O. Box 4300, Rome, N.Y. 13442-4300
315-336-9220 Fax: 315-336-0836

Independent Auditor's Report

Honorable Mayor, Jeffrey M. Lanigan and
Common Council
City of Rome, New York

Opinions

We have audited the accompanying financial statements of the governmental activities, the business-type activities, the discretely presented component unit, each major fund, and the aggregate remaining fund information of the City of Rome, New York (City), as of and for the year ended December 31, 2024, and the related notes to the financial statements, which collectively comprise the City of Rome, New York's basic financial statements as listed in the table of contents.

In our opinion, based on our audit and the report of the other auditors, the financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities, the business-type activities, the discretely presented component unit, each major fund, and the aggregate remaining fund information of the City of Rome, New York, as of December 31, 2024, and the respective changes in financial position, and, where applicable, cash flows thereof for the year then ended in accordance with accounting principles generally accepted in the United States of America.

We did not audit the financial statements of Rome Housing Authority, which is the City's sole component unit as of March 31, 2024. Those statements were audited by other auditors whose report(s) has been furnished to us, and our opinion, insofar as it relates to the amounts included for the Rome Housing Authority, is based solely on the report of the other auditor.

Basis for Opinions

We conducted our audit in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States. Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Financial Statements section of our report. We are required to be independent of the City of Rome, New York and to meet our other ethical responsibilities, in accordance with the relevant ethical requirements relating to our audit. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinions.

New Accounting Standard

As discussed in Notes 1 and 13 to the financial statements, the City changed its accounting policies related to the accounting and reporting of compensated absences by adopting the Governmental Accounting Standards Board's (GASB) Statement No. 101, *Compensated Absences*. The new pronouncement changes the criteria used and provides guidance on accounting and reporting for the compensated absences liability. Our opinion is not modified with respect to this matter.

Responsibilities of Management for the Financial Statements

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

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

Auditor's Responsibilities for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinions. Reasonable assurance is a high level of assurance but is not absolute assurance and therefore is not a guarantee that an audit conducted in accordance with generally accepted auditing standards will always detect a material misstatement when it exists. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control. Misstatements are considered material if there is a substantial likelihood that, individually or in the aggregate, they would influence the judgment made by a reasonable user based on the financial statements.

In performing an audit in accordance with generally accepted auditing standards, we:

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

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

Other-Matters

Required Supplementary Information

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

Other Supplementary Information

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the City of Rome, New York's basic financial statements. The combining General Fund financial statements are presented for purposes of additional analysis and are not a required part of the basic financial statements. The schedule of expenditures of federal awards is presented for purposes of additional analysis as required by Title 2 U.S. *Code of Federal Regulations* (CFR) Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards*, and is also not a required part of the basic financial statements.

The combining General Fund financial statements and the schedule of expenditures of federal awards are the responsibility of management and were derived from and relate directly to the underlying accounting and other records used to prepare the basic financial statements. Such information has been subjected to the auditing procedures applied in the audit of the basic financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the basic financial statements or to the basic financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the

combining fund financial statements and the schedule of expenditures of federal awards are fairly stated in all material respects in relation to the basic financial statements as a whole.

Other Reporting Required by *Government Auditing Standards*

In accordance with *Government Auditing Standards*, we have also issued our report dated July 16, 2025, on our consideration of the City of Rome, New York's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements and other matters. The purpose of that report is solely to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the City of Rome, New York's internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering City of Rome, New York's internal control over financial reporting and compliance.

D'Arcangelo + Co., LLP

July 16, 2025

Rome, New York

CITY OF ROME, NEW YORK
MANAGEMENT’S DISCUSSION AND ANALYSIS
For the Year Ended December 31, 2024

Our discussion and analysis of the City of Rome, New York’s financial performance provides an overview of the City’s financial activities for the year ended December 31, 2024 along with certain comparative data for the year ended December 31, 2023. This section is a summary of the City’s financial activities based on currently known facts, decisions, or conditions. It is also based on both government-wide and fund-based financial statements. This document should be read in conjunction with the City’s financial statements, which follows this narrative.

FINANCIAL HIGHLIGHTS

Governmental Activities

- The assets and deferred outflows of the City of Rome’s Governmental Activities exceeded its liabilities and deferred inflows at December 31, 2024, by \$47,003,986, which is illustrated in the financial statements as “Net Position” (Page 15).
- The total Net Position attributable to Governmental Activities increased by \$8,820,911 from 2023 (Page 16).
- At December 31, 2024, the City of Rome’s governmental funds reported combined ending fund balances of \$5,534,618, a decrease of \$8,210,757 from the prior year (Page 20). The deficit of \$6,721,749 in the Capital Projects Fund was due to timing differences between when the projects are expended and when they are financed.
- The amended 2024 budget anticipated a reduction in the General Fund reserves and fund balance of \$4,361,401; however, the actual operations for 2024 resulted in a deficit in the amount of \$1,043,097.
- The City of Rome has been awarded a federal grant through the Coronavirus State and Local Fiscal Recovery Funds - America Rescue Plan Act in the amount of \$24,134,423. The full amount of the grant was received during 2021 and 2022. At December 31, 2024, \$19,217,708 of the grant has been expended with the remaining recorded as unearned grant revenue in the General Fund.

Business-Type Activities

- The assets and deferred outflows of the City of Rome’s Business-Type Activities exceeded its liabilities and deferred inflows at December 31, 2024, by \$99,412,594, which is illustrated in the financial statements as “Net Position” (Page 15).
- The total Net Position attributable to Business-Type Activities decreased by \$710 (Page 16).
- The continued various capital projects for the Enterprise Funds had a total authorization of \$129,057,133. These projects include plant upgrades, water and sewer improvements, water extensions, and equipment. During 2024, the City expended \$19,072,346 for these projects. At December 31, 2024, the aggregate project to date amounts spent on these projects was \$97,963,571 leaving a remaining authorization of \$31,093,562.

OVERVIEW OF THE FINANCIAL STATEMENTS

Management’s discussion and analysis is intended to serve as an introduction to the City of Rome’s financial statements. These statements consist of three components: 1) government-wide financial statements, 2) fund financial statements, and 3) notes to the financial statements. The financial statements present two different views of the City through the use of government-wide statements and fund financial statements. Each view will be explained in more detail to follow in this narrative. In addition to the basic financial statements, this report contains other supplemental information that will enhance the reader’s understanding of the financial condition of the City of Rome.

GOVERNMENT-WIDE FINANCIAL STATEMENTS

The government-wide financial statements are designed to provide the reader with a broad overview of the City’s finances, similar in format to a financial statement of a private-sector business. The government-wide statements provide short and long-term information about the City’s financial status as a whole and can be found on Pages 15 and 16.

The two government-wide statements report the City’s Net Position and how they have changed. Net position is the difference between the City’s total assets, deferred outflows, total liabilities, and deferred inflows. Measuring net position is one way to gauge the City’s financial condition. The government-wide statements are divided into two categories: 1) governmental activities, and 2) business-type activities. The governmental activities include most of the City’s basic services such as police, fire, DPW, recreation, parks, transportation, and economic assistance and opportunity. Property taxes, sales tax, and State and Federal grant funds finance most of these activities. The business-type activities include water, sewer, and refuse services offered by the City of Rome. The City charges those customers separately for those particular services.

CITY OF ROME, NEW YORK
MANAGEMENT'S DISCUSSION AND ANALYSIS
For the Year Ended December 31, 2024

(Continued)

FUND FINANCIAL STATEMENTS

Our analysis of the City's major funds begins on Page 17 and provides detailed information about the most significant funds – not the City as a whole. Some funds are required to be established by State law; however, the City's Common Council may establish other funds to help it control and manage money for particular purposes. The City's three types of funds – *Governmental*, *Business-Type Activities*, and *Fiduciary* - use different accounting approaches.

Governmental Funds – Most of the City's basic services are reported in Governmental Funds, which focus on how money flows into and out of those funds and the balances left at year-end that are available for spending. These funds are reported using an accounting method called modified accrual accounting, which measures cash and all other financial assets that can readily be converted to cash. The Governmental Fund statements provide a detailed short-term view of the City's general government operations and the basic services it provides. Governmental Fund information helps you determine whether there are more or fewer financial resources that can be spent in the near future to finance the City's programs. We describe the relationship (of differences) between governmental activities (reported in the Statement of Net Position and the Statement of Activities) and governmental funds in a reconciliation on Page 19.

The City maintains various governmental funds. Information is presented separately in the Governmental Balance Sheet and in the Governmental Fund Statement of Revenues, Expenditures, and Changes in Fund Balances for the General Fund, Special Aid Fund, Miscellaneous Special Revenue Fund, and the Capital Projects Fund which are considered to be major funds.

Business-Type Activities – When the City charges customers for the services it provides - whether to outside customers or to other units of the City – these services are generally reported in business-type activities funds. Business-Type Activities Funds are reported in the same way that all activities are reported in the statement of net position and the statement of activities. In fact, the City's Enterprise Funds (the only Business-Type Activities funds of the City) are the same as the business-type activities we report in the government-wide statements but provide more detail and additional information, such as cash flows, for Business-Type Activities Funds. These statements begin on Page 22.

Fiduciary Funds – Fiduciary funds are used to account for resources held for the benefit of parties outside the government. Fiduciary funds are *not* reflected in the government-wide financial statement because the resources of those funds are *not* available to support the City's own programs. The accounting used for fiduciary funds is much like that used for Business-Type Activities. The basic fiduciary fund financial statements can be found on Pages 26 and 27 of this report.

Notes to the Financial Statements: The notes provide additional information that is essential to a full understanding of the data provided in the government-wide and fund financial statements. The notes to the financial statements can be found on Pages 28-69 of this report.

Other Information: In addition to the basic financial statements and accompanying notes, this report also presents certain *required supplementary information* regarding budgetary comparisons of the City's General Fund, OPEB, and Pension liabilities. Required supplementary information can be found on Pages 70-73 of this report.

GOVERNMENT-WIDE FINANCIAL ANALYSIS

As noted earlier, net position may serve over time as a useful indicator of a government's financial position. In the case of the City of Rome, assets and deferred outflows exceeded its liabilities and deferred inflows by \$47,003,986 at December 31, 2024.

By far the largest portion of the City's net position, \$113,482,892, represents its investment in capital assets (e.g. land, buildings, machinery, equipment, and leased assets), less any related debt used to acquire those assets that is still outstanding. The City uses these capital assets to provide services to citizens; consequently, these assets are *not* available for future spending. Although the City's investment in its capital assets is reported net of related debt, it should be noted that the resources needed to repay this debt must be provided from other sources, since the capital assets themselves cannot be used to liquidate these liabilities.

CITY OF ROME, NEW YORK
MANAGEMENT'S DISCUSSION AND ANALYSIS
For the Year Ended December 31, 2024

(Continued)

The following is a summary of the City's Statement of Net Position for the year's ended December 31, 2024 and 2023:

Table 1 - Net Position (In Thousands)

	Governmental Activities		Business-Type Activities		Primary Government	
	2024	2023 (Restated)	2024	2023 (Restated)	2024	2023 (Restated)
Current and Other Assets	\$ 38,925	\$ 43,297	\$ 26,337	\$ 32,491	\$ 65,262	\$ 75,788
Capital and Leased Assets, (Net)	<u>129,611</u>	<u>110,940</u>	<u>155,936</u>	<u>141,612</u>	<u>285,547</u>	<u>252,552</u>
Total Assets	<u>\$ 168,536</u>	<u>\$ 154,237</u>	<u>\$ 182,273</u>	<u>\$ 174,103</u>	<u>\$ 350,809</u>	<u>\$ 328,340</u>
Deferred Outflows of Resources	<u>\$ 19,134</u>	<u>\$ 23,694</u>	<u>\$ 1,347</u>	<u>\$ 1,908</u>	<u>\$ 20,481</u>	<u>\$ 25,602</u>
Non-Current Liabilities	\$ 85,006	\$ 92,333	\$ 53,912	\$ 55,984	\$ 138,918	\$ 148,317
Other Liabilities	<u>45,123</u>	<u>45,213</u>	<u>29,357</u>	<u>20,435</u>	<u>74,480</u>	<u>65,648</u>
Total Liabilities	<u>\$ 130,129</u>	<u>\$ 137,546</u>	<u>\$ 83,269</u>	<u>\$ 76,419</u>	<u>\$ 213,398</u>	<u>\$ 213,965</u>
Deferred Inflows of Resources	<u>\$ 10,537</u>	<u>\$ 2,201</u>	<u>\$ 939</u>	<u>\$ 179</u>	<u>\$ 11,476</u>	<u>\$ 2,380</u>
Net Investment in Capital Assets	\$ 113,483	\$ 92,320	\$ 86,084	\$ 79,094	\$ 199,567	\$ 171,414
Restricted	2,669	4,977	6,309	6,729	8,978	11,706
Unrestricted (Deficit)	<u>(69,148)</u>	<u>(59,113)</u>	<u>7,019</u>	<u>13,590</u>	<u>(62,129)</u>	<u>(45,523)</u>
Total Net Position	<u>\$ 47,004</u>	<u>\$ 38,184</u>	<u>\$ 99,412</u>	<u>\$ 99,413</u>	<u>\$ 146,416</u>	<u>\$ 137,597</u>

A portion of the City's net position (\$9.0 million) represents resources that are subject to external restrictions on how they may be used and, thus, are reported as restricted net position. The restrictions are for various reserves allowed by the New York State General Municipal Law. The *unrestricted net position* may be used to meet the government's ongoing obligations to citizens and creditors. At December 31, 2024, the unrestricted net position totaled negative \$62.1 million, which is the result of the accrual of \$66.3 million for the liability for Other Postemployment Benefits.

The City's proportionate share of Net Pension Liabilities and Deferred Outflows/Inflows of Resources for the New York State Employees' and Police and Fire Retirement Systems had a net effect on the City's net position in the amount of a negative \$7.4 million. The details are fully described on Pages 42 to 45 of the financial statements.

Net position may serve over time as one useful indicator of a government's financial condition. The assets of the City of Rome's Governmental Activities exceeded by its liabilities at December 31, 2024, by \$47,003,986. Governmental activities increased the City's net position by \$8,820,911. This increase was mainly the result of federal and State capital grants of \$17,428,960 resulting in a \$18,622,799 net increase in capital assets, an increase in the discount rate with the amortization of past changes for the OPEB liability resulting in an overall decrease in net position of \$1,447,406, and an increase in the proportionate share of net pension asset/liability and deferred inflows and out flows resulting in an overall decrease in the net position of \$972,661.

The deficit in the Business-Type Activities decreased the City's net position by \$710. For 2024, the rates for water, sewer, and refuse services did not change from 2023. For 2023, the increase in net position was \$7,342,102. The 2023 overall increase was primarily due to State and federal capital grants in the Water and Sewer Funds for a total of \$3,499,967. This amount includes \$2,356,234 of American Rescue Program Act grant funds transferred from the General fund. In addition, the Water Fund recognized a tax refund from a tax certiorari settlement in 2023 in the amount of \$2,132,627.

**CITY OF ROME, NEW YORK
MANAGEMENT'S DISCUSSION AND ANALYSIS
For the Year Ended December 31, 2024**

(Continued)

The following is a summary of the City's Statement of Activities for the year's ended December 31, 2024 and 2023:

Table 2 - Changes in Net Position (In Thousands)

	Governmental Activities		Business-Type Activities		Primary Government	
	2024	2023	2024	2023	2024	2023
Revenues						
Program Revenues						
Charges for Services	\$ 3,680	\$ 3,588	\$ 15,975	\$ 16,100	\$ 19,655	\$ 19,688
Operating Grants and Contributions	226	680	987	1,181	1,213	1,861
Capital Grants and Contributions	17,429	15,348	200	1,144	17,629	16,492
General Revenues						
Real Property Taxes, General Purpose	15,204	14,938			15,204	14,938
Real Property Tax Items	1,439	1,381			1,439	1,381
Nonproperty Tax Items	14,531	14,308			14,531	14,308
Solar Power Credits	518	480	182	296	700	776
General State Aid	10,446	9,762			10,446	9,762
Interest Income	1,260	1,729	1,079	1,072	2,339	2,801
Refund of Prior Year Taxes on Property				2,133		2,133
Interfund Transfers	(433)	(2,356)	433	2,356		
Miscellaneous	596	965	77	105	673	1,070
Total Revenue	<u>64,896</u>	<u>60,823</u>	<u>18,933</u>	<u>24,387</u>	<u>83,829</u>	<u>85,210</u>
Expenses						
General Support	8,492	7,627			8,492	7,627
Public Safety	30,219	25,121			30,219	25,121
Public Health	1	3,002			1	3,002
Transportation	8,291	8,899			8,291	8,899
Economic Assistance and Opportunity	4,140	618			4,140	618
Culture and Recreation	2,374	2,109			2,374	2,109
Home and Community Services	1,389	2,285			1,389	2,285
Debt Service-Unallocated Interest	1,169	989			1,169	989
Water			9,943	8,269	9,943	8,269
Sewer			6,320	6,124	6,320	6,124
Refuse District			2,671	2,652	2,671	2,652
Total Expenses	<u>56,075</u>	<u>50,650</u>	<u>18,934</u>	<u>17,045</u>	<u>75,009</u>	<u>67,695</u>
Total Change in Net Position	<u>\$ 8,821</u>	<u>\$ 10,173</u>	<u>\$ (1)</u>	<u>\$ 7,342</u>	<u>\$ 8,820</u>	<u>\$ 17,515</u>

The following are explanations of significant variances noted above:

- Capital Grant revenue increased \$1.2 million. This was mainly due to \$2 million in grant revenue for various capital projects.
- General State Aid increase \$684,000. This increase was mainly due to State Temporary Municipal Assistance aid for \$1,054,771, State Aid for the 2024 tornado damage for \$1,000,000, offset with decreases in State Aid Mortgage Tax and other prior year special Grants.
- The expenses in the governmental activities increased \$5.4 million. The increase is mainly due to increases for salaries and benefits. The increase was partially offset by the \$3.0 million decrease in the Public Health expense due to one-time \$3 million transfer to the Rome Health capital project funded by federal Coronavirus State and Local Fiscal Recovery Funds - America Rescue Plan Act.
- The Business-Type Activity revenues decreased \$5.4 million. The decrease was due to a 2023 \$2.1 million refund of property taxes and a 2023 \$2.4 million transfer from the General Fund for capital projects.

See Independent Auditor's Report.

**CITY OF ROME, NEW YORK
MANAGEMENT'S DISCUSSION AND ANALYSIS
For the Year Ended December 31, 2024**

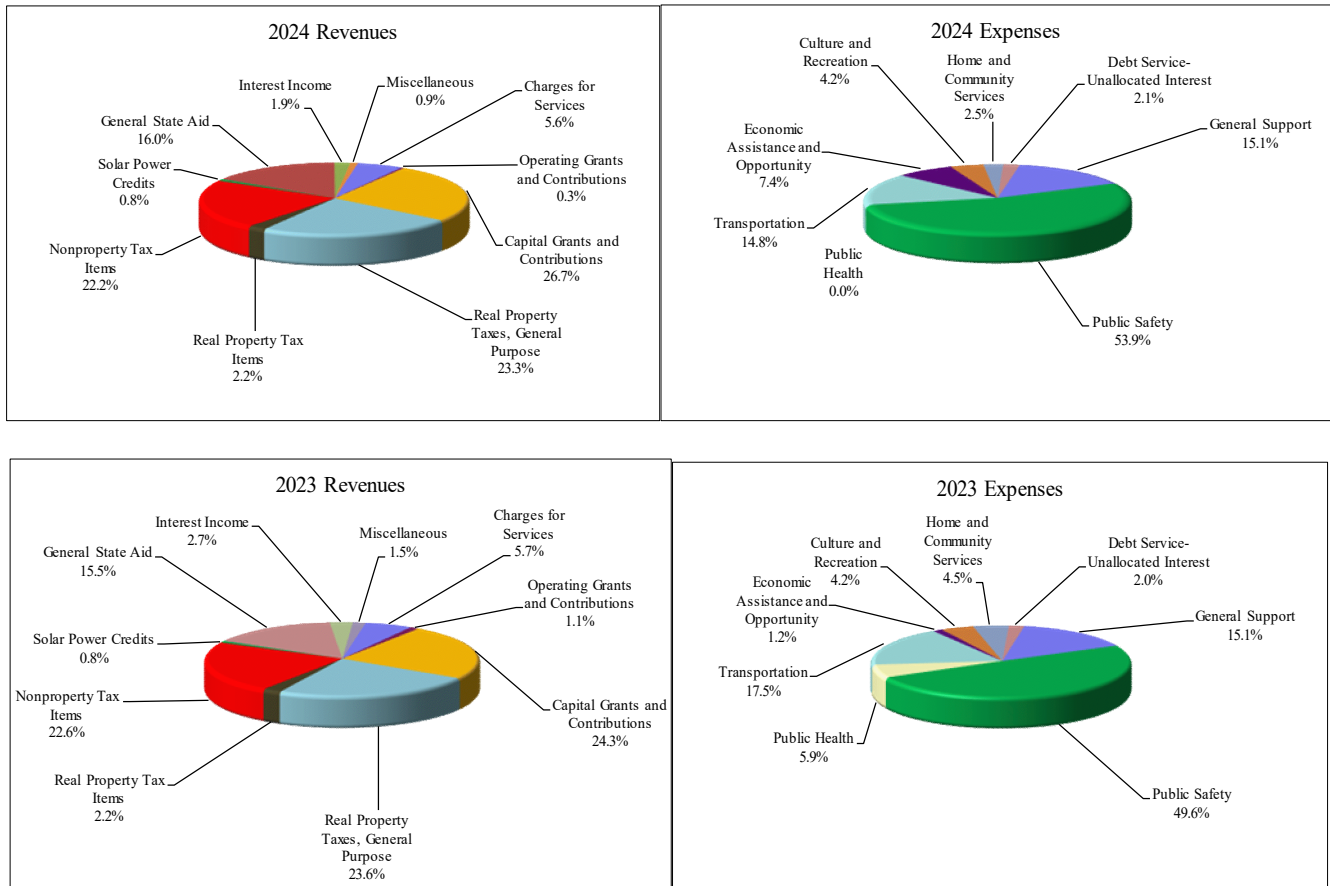
(Continued)

Table 3 presents the cost of each of the City's six largest governmental programs: Public Safety, Public Health, Culture and Recreation, Transportation, Economic Assistance and Opportunity, and Home and Community Services as well as each program's net cost (total cost less revenues generated by the activities). The net cost shows the financial burden that was placed on the City's taxpayers by each of these functions.

Table 3 - Governmental Activities (In Thousands)

	2024		2023	
	Total Cost of Services	Net Cost of Services	Total Cost of Services	Net Cost of Services
Public Safety	\$ 30,219	\$ 22,792	\$ 25,121	\$ 18,079
Transportation	8,291	(4,222)	8,899	2,748
Economic Assistance and Opportunity	4,140	(104)	618	(306)
Culture and Recreation	2,374	(2,104)	2,109	1,902
Home and Community Services	1,389	(1,379)	2,285	800
Total of Analysis	\$ 46,413	\$ 14,983	\$ 39,032	\$ 23,223

The following is a graphic presentation of the revenue and expenses of the Governmental Activities:



See Independent Auditor's Report.

CITY OF ROME, NEW YORK
MANAGEMENT'S DISCUSSION AND ANALYSIS
For the Year Ended December 31, 2024

(Continued)

Business-Type Activities: The City's Business-Type Activities consist of the water, sewer, and refuse district funds. The basic financial statements for the funds are included in this report. Because the focus on business-type funds is a cost-of-service measurement or capital maintenance, we have included these funds in Table 4, which demonstrates assets, net position, and changes in net position.

Table 4 - Business Type Activities (In Thousands)

	2024			2023		
	Water	Sewer	Refuse District	Water	Sewer	Refuse District
Total Assets and Deferred Outflows of Resources	\$ 104,162	\$ 75,381	\$ 4,013	\$ 103,728	\$ 69,230	\$ 3,808
Net Position	\$ 53,181	\$ 43,844	\$ 2,323	\$ 52,633	\$ 44,285	\$ 2,376
Change in Position	\$ 548	\$ (441)	\$ (53)	\$ 6,174	\$ 1,160	\$ (37)

Fund Financial Analysis

As the City completed the year, its governmental funds (as presented in the balance sheet on Pages 17 and 18) reported a *combined* fund balance of \$5,534,618, a decrease of \$8,210,757 from the prior year (Page 20). The deficit of \$12,971,133 in the Capital Project Fund was due to timing differences between when the projects are expended and when they are financed. The \$1,043,097 deficit in the General Fund was due to an unexpended budget of \$2,216,998 and actual revenues over budget by \$1,101,306, which was offset by \$4,361,401 for appropriated fund balance and reserves.

An overview of the General Fund results for 2024 and 2023 are as follows:

Table 5 - General Funds (In Thousands)

	2024		2023	
	Amount	% of Total	Amount	% of Total
Revenues				
Real Property Taxes	\$ 15,144	25.9%	\$ 14,865	25.8%
Other Real Property Tax Items	1,439	2.5%	1,381	2.4%
Nonproperty Tax Items (Sales Tax and Franchise Fees)	14,530	24.8%	14,308	24.9%
Departmental Income	778	1.3%	766	1.3%
Intergovernmental Charges	944	1.6%	1,050	1.8%
Solar Power Credits	518	0.9%	480	0.8%
Use of Money and Property Lease Revenue	1,260	2.2%	1,729	3.0%
	60	0.1%	60	0.1%
Interfund Revenues	1,910	3.3%	1,859	3.2%
State and Federal Aid	21,602	36.9%	20,436	35.5%
Miscellaneous	375	0.5%	626	1.1%
Total Revenue	58,560	100.0%	57,560	100.0%
Expenses				
General Support	5,535	11.5%	5,719	12.4%
Public Safety	16,966	35.3%	17,132	37.2%
Public Health	1	0.0%	2	0.0%
Transportation	4,448	9.3%	4,096	8.9%
Culture and Recreation	1,508	3.1%	1,540	3.3%
Home and Community Services	587	1.2%	759	1.6%
Employee Benefits	14,118	29.4%	12,206	26.5%
Debt Service-Principle	3,668	7.6%	3,393	7.4%
Debt Service-Interest	1,214	2.6%	1,171	2.5%
Total Expenditures	48,045	100.0%	46,018	100.0%
Other Financing Sources (Uses)	(11,558)		(10,640)	
Total Change in Net Position	\$ (1,043)		\$ 902	

Although there was no rate change, real property taxes increased by a net of \$279,000 due to reduction in the Property Acquired for Taxes account in 2023.

See Independent Auditor's Report.

**CITY OF ROME, NEW YORK
MANAGEMENT'S DISCUSSION AND ANALYSIS
For the Year Ended December 31, 2024**

(Continued)

GENERAL FUND BUDGET HIGHLIGHTS

The statement on Page 61 shows both original and final amended budget totals compared with actual results for the General Fund in 2024. The significant variances between the adopted and the final budget for 2024 were as follows:

Change from Adopted Budget to Final Budget

Adopted Budget	\$ 51,105,588
Add: Prior Year's Encumbrances	<u>516,578</u>
Original Budget	<u>51,622,166</u>
Amendments:	
Mayor's conference room executive chairs	7,000
2024 Streets Budget	49,176
emergency evaluation and demolition of the City owned building located at 233 W. Dominick St	250,000
Public Works Garage emergency purchase and installation of a heat exchanger	29,609
Police subscription and setup of PowerDMS Time Keeping Software	6,687
Police Health Insurance	241,050
ARPA Grant	8,954,634
Appropriated Capital Reserve	765,131
Other Adjustments	<u>3</u>
Total Budget Amendments	<u>10,303,290</u>
Final Budget	<u><u>\$ 61,925,456</u></u>

CAPITAL ASSET AND DEBT ADMINISTRATION

At December 31, 2024, the City had \$200 million (net of related outstanding debt) invested in a broad range of capital assets including equipment, buildings, roads, bridges, water and sewer lines and plant (see Pages 39-40).

Table 6 – Capital Assets at Year End
(Net of Depreciation, In Thousands)

	2024			2023		
	Governmental Activities	Business-Type Activities	Primary Government Totals	Governmental Activities	Business-Type Activities	Primary Government Totals
Land	\$ 6,868	\$ 191	\$ 7,059	\$ 6,868	\$ 191	\$ 7,059
Construction in Progress	60,567	68,484	129,051	37,777	52,242	90,019
Buildings and Improvements	9,338	18,343	27,681	10,126	19,153	29,279
Machinery and Equipment	5,227	2,335	7,562	5,776	1,989	7,765
Infrastructure	<u>46,345</u>	<u>65,904</u>	<u>112,249</u>	<u>49,176</u>	<u>67,462</u>	<u>116,638</u>
Total Net Capital Assets	<u><u>\$ 128,345</u></u>	<u><u>\$ 155,257</u></u>	<u><u>\$ 283,602</u></u>	<u><u>\$ 109,723</u></u>	<u><u>\$ 141,037</u></u>	<u><u>\$ 250,760</u></u>

**CITY OF ROME, NEW YORK
MANAGEMENT'S DISCUSSION AND ANALYSIS
For the Year Ended December 31, 2024**

(Continued)

Long-Term Debt

At year end, the City had \$66.1 million in bonds and leases outstanding (see Pages 52-55 for additional detail). The City also has short-term bond anticipation notes payable in the amount of \$34.5 million and \$20.8 million at December 31, 2024 and 2023, respectively. The City has utilized 41.8% and 43.2% of its constitutional debt limit at December 31, 2024 and 2023, respectively.

Table 7 – Debt Obligations Outstanding at Year End
(In Thousands)

	2024		
	Governmental Activities	Business-Type Activities	Primary Government Totals
General Obligation Bonds	\$ 18,217	\$ 46,005	\$ 64,222
Leases	1,174	686	1,860
Total	<u>\$ 19,391</u>	<u>\$ 46,691</u>	<u>\$ 66,082</u>
	2023		
	Governmental Activities	Business-Type Activities	Primary Government Totals
General Obligation Bonds	\$ 20,967	\$ 48,267	\$ 69,234
Leases	1,107	571	1,678
Total	<u>\$ 22,074</u>	<u>\$ 48,838</u>	<u>\$ 70,912</u>

Other Long-Term Debt

At year end, the City had other debt that totaled to \$72.8 million. The majority of this was due to the provisions of GASB No. 75, *Accounting and Financial Reporting by Employers for Post-Employment Benefits Other Than Pensions* which requires an accrual for postretirement benefits.

Table 8 – Other Outstanding Debt at Year End
(In Thousands)

	2024		
	Governmental Activities	Business-Type Activities	Primary Government Totals
OPEB Liability	\$ 60,700	\$ 5,590	\$ 66,290
Due to NYS Employees Retirement System	35	6	41
Workers' Compensation Claims Payable	2,981	1,072	4,053
Compensated Absences	1,899	553	2,452
Total	<u>\$ 65,615</u>	<u>\$ 7,221</u>	<u>\$ 72,836</u>
	2023		
	Governmental Activities	Business-Type Activities	Primary Government Totals
OPEB Liability	\$ 66,075	\$ 6,046	\$ 72,121
Due to NYS Employees Retirement System	155	23	178
Workers' Compensation Claims Payable	2,571	681	3,252
Compensated Absences	414	390	804
Total	<u>\$ 69,215</u>	<u>\$ 7,140</u>	<u>\$ 76,355</u>

See Independent Auditor's Report.

CITY OF ROME, NEW YORK
MANAGEMENT'S DISCUSSION AND ANALYSIS
For the Year Ended December 31, 2024

(Continued)

FUTURE ECONOMIC FACTORS AND BUDGET

The City of Rome, located in the central part of New York State, has an estimated 2020 U.S. Census population of 32,127, and a land area of 75.7 square miles.

The City is within the Utica-Rome Standard Metropolitan Statistical Area and is the second largest city in Oneida County, a County which has an estimated 2020 U.S. Census population of 232,125. Rome is served by the New York State Thruway, the State Barge Canal, Amtrak Rail System, the Griffiss International Airport and Syracuse Hancock International Airport, and several County and State highways. It is within easy travel distance of all major metropolitan areas in the Northeast, Midwest, and Canada. The City bus system is operated by Central New York Regional Transportation Authority (Centro of Oneida, Inc.).

The City of Rome's architectural and cultural heritages comprise a large portion of its cultural facilities and programs. Several existing structures are on the National Register of Historic Buildings and in 2025 the Rome Residential Historic District was adopted to the NYS and National Registry of Historic Places and includes over 800 properties. The area has a number of landmarks prominent from the Revolutionary Period, the Erie Canal days, and a variety of museums and community arts programs. The City is home to the National Parks Service site Fort Stanwix National Monument, a reconstructed Revolutionary War fortress which attracts approximately 100,000 visitors annually into downtown Rome. In addition, the area offers many summer and winter recreational opportunities including Delta Lake State Park and Woods Valley Ski Area which are located just minutes north of the City as well as access to Adirondack resorts, including Old Forge and Lake Placid.

According to the New York State Department of Labor, for the 12-month period ending May 2025, the nonfarm job count in the Utica-Rome metro decreased -300, or -0.2%, to 122,900. Private sector employment grew +100, or +0.1%, to 93,100. Job gains were posted in private education and health services (+400) and leisure and hospitality (+300). Job losses occurred in government (-400), manufacturing (-400), and professional and business services (-300). The unemployment rate in the Utica-Rome metro decreased from 3.5% in May 2024 to 3.1% in May 2025. The unemployment rate was 3.3% in April.

In May 2024, the national unemployment rate was 4.0%, while New York State's seasonally adjusted unemployment rate was 4.2%, according to the Bureau of Labor Statistics. The national rate increased slightly from 3.9% in April, while New York's rate remained steady, according to the Department of Labor.

The City of Rome issued 301 building permits, and the taxable assessment grew by \$15,698,588.

PRIVATE DEVELOPMENTS

Residential, commercial, and industrial development has proven strong over the past several years within the City. Notable residential development include a \$50 million mixed-use development focusing around the newly constructed Air City Boulevard providing 200 units of housing and ground floor commercial space, a \$10 million investment in Delta Luxury Townhomes located on Merrick Road providing 50 single family townhomes, an \$82 million investment in Woodhaven Park which will provide 250 single family homes located on Park Drive, and a \$25 million investment at Copper City Artist Lofts, an affordable 64 unit housing complex located in downtown Rome.

Notable commercial developments include a new Seven Brews on Erie Blvd, a Starbucks located on Black River Boulevard, Nascentia Health's rehabilitation of the Beeches Manor banquet facility, Kabari Wellness Institute on Liberty Street into health and wellness facility, Bonacio Construction's 40,000 s/f Sensitive Compartmented Information Facility (SCIF) office complex on Brooks Road, and Hamilton College's construction of a \$2 million boathouse facility to service the College's rowing teams on the Erie Barge Canal. The Hamilton College facility opened in 2022 and provides a state-of-the-art boathouse facility for Hamilton's award-winning crew teams with a stunning viewing deck of the rowing events on the barge canal. In addition, a number of small businesses have set roots within downtown Rome through support from New York State and the City. Coupled with the recently renovated Capitol Arts Complex which is discussed further below under Transportation & Infrastructure, they have created a local entertainment destination.

Industrial developments include the Cold Point Corporation 50,000 s/f manufacturing facility with an investment of \$10 million, and Orgill, Inc., the largest independent hardware distributor in the world, opened their first Northeast Distribution Center (DC) on 64 acres of land at the Griffiss and Business Technology Park in 2021. The \$72 million DC is almost 800,000 square feet and employs 300 people. On April 22, 2024, Chobani announced that it will be investing \$1.2 billion to construct a \$1.8 billion s/f manufacturing and distribution facility that will create more than 1,000 jobs. Early estimates indicate that the economic impact of the new facility will be \$58.8 million of wages related directly to those 1,000 jobs and over 500 additional indirect jobs, resulting in an additional \$28.7 million of wages. Combined sales (direct by Chobani, its employees, and the indirect economic activity) of over \$265 million. This is the largest domestic food production investment in history.

See Independent Auditor's Report.

CITY OF ROME, NEW YORK
MANAGEMENT'S DISCUSSION AND ANALYSIS
For the Year Ended December 31, 2024

(Continued)

BROWNFIELD REVITALIZATION

- Former Rome Cable Site: nearly \$5 million environmental clean-up and demolition effort on the former Rome Cable site in downtown Rome. Five acres of prime development property featuring environmental indemnification from the State, are now made available for redevelopment.
- 510-14 West Liberty Street: The City of Rome is partnering with MV EDGE to utilize EPA Brownfields Revolving Loan Fund Grants for partial demolition and remediation. Once complete, the City will market this building.
- 701 Lawrence Street: This waterfront site is being actively marketed and should be sold for active use within the next few years.
- 1333 East Dominick Street: A longtime manufacturing site, this 2-acre main street property has been remediated and is being actively marketed and zoned for commercial and residential use.
- 112 Columbus Avenue: The 56,000 3 story 2.8-acre former elementary school complex has been completely razed. The project mitigated public nuisances occurring for decades since its decommissioning in the late 1990s. A reuse strategy is currently being developed.
- 1030 East Dominick: This 2-acre site is slated for full environmental remediation, including removing the existing building and any impacted soils. It will be available for redevelopment proposals under a restricted residential use category, which allows all but single-family redevelopment.

TRANSPORTATION & INFRASTRUCTURE

By far, the largest and most impactful transportation project in Rome is the final phase of construction of NYS 825 (Griffiss Parkway), which is now complete. The multi-phase \$21 million investment by the NYS DOT since 2008 converted the two-lane road with no pedestrian infrastructure into a four-lane divided highway with dedicated pedestrian walkways. The roadway serves over 15,000 motorists daily. The Griffiss International Sculpture Trail further complements the new parkway and park road network.

The business park has invested nearly \$1 million in the development of a world-class cultural trail network, anchored by almost two dozen sculptures set amidst a range of ecotypes and crowned by the recent paving of the entire network – making the trail accessible to more than 6,000 employees on the park. In 2018, the final connection between the Mohawk River Trail and the Griffiss International Sculpture Garden was forged, connecting the business & technology park to downtown Rome and the waterfront.

The City recently completed a \$2.5 million construction of the Mohawk River Trail – a fully paved and accessible multiple-use urban trail system – after nearly a decade of intensive visioning, planning, and development. From the very beginning, usage of the trail has surged, making it one of the most popular recreational destinations in the City. This greenway system is well integrated into the NYS Canalway/Empire State Trail system, attracting visitors from all over the world. Once completed, the project will connect downtown to Delta Lake State Park.

The City was the recipient of New York State's Downtown Revitalization Initiative (DRI) \$10 million-dollar award in 2017. All priority projects have been substantially completed and the City is looking at its next revitalization implementation plan. The DRI focused on revitalizing Rome's downtown district through selective demolition, new construction, and activation of public spaces through context sensitive design solutions.

Over the last several years, the City of Rome has made significant improvements to its water and sewer infrastructure. Those investments have paid off and were a determining factor in the City of Rome being selected by Chobani for their state-of-the-art manufacturing facility. As a result of the Chobani plant being constructed, Oneida County and the City of Rome will be partnering together to increase capacity at the City's Water Pollution Control Facility, securing its national and regional position for dairy-based manufacturing.

The Kearney Group from Baldwin, NY has completed construction of the downtown infill site now known as Copper City Lofts. The Lofts, a \$16 million investment, feature 68 loft-style apartment units with an emphasis on supporting the arts corridor. Kearney broke ground for the apartment complex in early Fall 2021 and construction was completed in Spring 2024. The City has also completed the demolition of the existing Fort Stanwix Parking garage and has replaced it with a 150-space surface parking lot. Renovations to City Hall are nearing completion and will include a new community room with handicap-accessible restrooms for public use, as well as enhanced programming of the City Green. The City also opened a new Centro bus transfer facility in downtown Rome. This \$800,000 investment in the transportation sector is a component of Rome's Downtown Revitalization Initiative (DRI).

CITY OF ROME, NEW YORK
MANAGEMENT'S DISCUSSION AND ANALYSIS
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(Continued)

GRIFFISS BUSINESS & TECHNOLOGY PARK: AN ECONOMIC ENGINE

Griffiss Business and Technology Park (“Griffiss Park”) is a 3,500-acre multi-use business, technology and industrial park on the grounds of the former Griffiss Air Force Base in Rome. More than 6,000 people work for almost 80 employers at Griffiss Park. Major employers include the Air Force Research Laboratory, Defense Finance Accounting Service, Eastern Air Defense Sector, Orgill, Inc., Goodrich Corporation, Alion Science & Technology, Assured Information Security, BAE Systems, Cathedral Corporation, Kris-Tech Wire, Sovena Olive Oil, Harris Corporation, Family Dollar Distribution, Premier Aviation, MGS Manufacturing, Birnie Bus Services, the Rome City School District and now Chobani.

Oneida County, in conjunction with the City of Rome, State of New York, SUNY Research Foundation, Griffiss Institute, and Griffiss Local Development Corporation, have completed a \$12 million renovation of Building 100, creating an Open Innovation Campus to support the Air Force Research Laboratory (Rome Lab). Innovare Advancement Center opened in July 2021, and hosts academics and research scientists from around the world to collaborate on new software initiatives, defense related products, quantum computing, artificial intelligence (AI), machine learning, unmanned aerial systems technology and much more in an unclassified setting. Innovare presents a great opportunity for Rome Lab and the community to display the innovative work performed at the Lab, as well as Rome Lab being named the headquarters lab for quantum computing for the Air Force and Space Force. In its first year of full operations, Innovare hosted over 3,600 visitors including academic and scientific research specialists, interns and entrepreneurs.

In addition to Innovare, the renovation of Building 100 also features the first of its kind in the country, Skydome, a massive indoor testing ground for unmanned aerial systems (UAS). This \$9 million upgrade features a secure indoor/outdoor flying space for drone testing to complement the FAA designated test site and will be open for operations this year.

More than \$500 million in public and private funding has been invested in the development of Griffiss Park since 1995. These capital projects included demolition of more than nine million square feet of obsolete former military buildings and housing to facilitate new development in transportation, business retention & attraction, and advanced technology.

Almost one million square feet of demolition has given way to the construction of new, modern, and regionally-significant facilities. Griffiss Business and Technology Park is transforming into a hustling, bustling residential/commercial workspace with the addition of AirCity Lofts. AirCity offers market rate apartments with common area lifestyle amenities and commercial spaces creating a mixed-use community to complement the growth of the Park.

REGIONAL ECONOMIC DEVELOPMENT FACTORS

In April 2022, Wolfspeed cut the ribbon on the world’s first, largest, and only 200-millimeter silicon carbide semiconductor facility at Marcy Nanocenter. Wolfspeed has hired over 300 of its estimated 614 jobs forecasted for the Mohawk Valley Fab by 2027. To support this growth, EDGE is working closely with Mohawk Valley Community College, SUNY Polytechnic Institute, and BOCES on a workforce development pipeline to support continued growth of this region’s advanced manufacturing sector. Wolfspeed invested \$1 billion in the new chip fab facility specializing in silicon carbide products. Additionally, Danfoss Silicon Power, a worldwide supplier of Power Electronics continues its buildout of the Quad-C building at SUNYIT. Packaging operations have been established and Danfoss has been ramping employment to 300 employee threshold. Danfoss and Wolfspeed are both working on the emerging silicon carbide chip technology. Micron Technology is planning a massive semiconductor manufacturing complex, referred to as a "megafab," in Clay, New York, a town near Syracuse. The project, with an estimated \$100 billion investment over 20 years, is the largest private investment in New York state history. The megafab is expected to create up to 50,000 jobs in the region, including 9,000 direct jobs at Micron and 40,000 community jobs.

CONTACTING THE CITY’S FINANCIAL MANAGEMENT

This financial report is designed to provide our citizens, taxpayers, customers, investors, and creditors with a general overview of the City’s finances and to show the City’s accountability for the money it receives. If you have questions about this report or need additional financial information, contact the Treasurer, City Hall, Rome, New York, 13440.

CITY OF ROME, NEW YORK
STATEMENT OF NET POSITION
December 31, 2024
(Rome Housing Authority March 31, 2024)

	Governmental Activities	Business-Type Activities	Primary Government Total	Component Unit Rome Housing Authority
Assets				
Cash and Cash Equivalents	\$ 19,538,665	\$ 16,918,608	\$ 36,457,273	\$ 3,641,270
Restricted Cash and Cash Equivalents	2,669,376	6,309,355	8,978,731	9,424
Cash and Cash Equivalents with Fiscal Agent		12,573	12,573	
Investments				711,116
Receivables				
Taxes Receivable, Net	2,245,766		2,245,766	
Other Receivables, Net	865,103	2,641,652	3,506,755	1,261,020
Loans Receivable, Net				6,464,735
Due From				
Other Governments	12,721,966	16,816	12,738,782	
Governmental Funds		437,645	437,645	
Lease Receivables	761,765		761,765	
Other Assets	122,000		122,000	37,383
Capital Assets (Net of Accumulated Depreciation)	128,345,381	155,256,837	283,602,218	399,820
Subscription-Based IT Arrangement Asset				32,871
Right to Use Leased Assets (Net of Accumulated Amortization)	<u>1,265,284</u>	<u>679,028</u>	<u>1,944,312</u>	
Total Assets	<u>168,535,306</u>	<u>182,272,514</u>	<u>350,807,820</u>	<u>12,557,639</u>
Deferred Outflows of Resources				
Pension	17,567,056	1,207,355	18,774,411	232,573
OPEB	1,438,234	29,441	1,467,675	58,158
Deferred Charge on Refunding of Serial Bonds	<u>128,839</u>	<u>110,358</u>	<u>239,197</u>	
Total Deferred Outflows of Resources	<u>19,134,129</u>	<u>1,347,154</u>	<u>20,481,283</u>	<u>290,731</u>
Total Assets and Deferred Outflows of Resources	<u>\$ 187,669,435</u>	<u>\$ 183,619,668</u>	<u>\$ 371,289,103</u>	<u>\$ 12,848,370</u>
Liabilities				
Accounts Payable	\$ 2,368,446	\$ 3,336,499	\$ 5,704,945	\$ 174,228
Accrued Liabilities	1,645,459	1,486,499	3,131,958	251,858
Payroll Withholdings Payable	175,060		175,060	
Due To				
Business-Type Activities	437,645		437,645	
Fiduciary Funds	249,536		249,536	
Unearned Revenue - Grants	11,731,623	45,512	11,777,135	39,876
Bond Anticipation Note Payable	11,250,621	23,293,279	34,543,900	
Overpayments and Collections in Advance		44,400	44,400	9,424
Net Pension Liability - Proportionate Share	17,265,020	1,150,125	18,415,145	269,700
Noncurrent Liabilities				
Due Within One Year	3,880,129	2,637,917	6,518,046	36,220
Due in More Than One Year	<u>81,125,445</u>	<u>51,274,370</u>	<u>132,399,815</u>	<u>1,421,747</u>
Total Liabilities	<u>130,128,984</u>	<u>83,268,601</u>	<u>213,397,585</u>	<u>2,203,053</u>
Deferred Inflows of Resources				
Leases	712,053		712,053	
OPEB	2,708,273	261,468	2,969,741	59,414
Pension	<u>7,116,139</u>	<u>677,005</u>	<u>7,793,144</u>	<u>171,968</u>
Total Deferred Inflows of Resources	<u>10,536,465</u>	<u>938,473</u>	<u>11,474,938</u>	<u>231,382</u>
Total Liabilities and Deferred Inflows of Resources	<u>140,665,449</u>	<u>84,207,074</u>	<u>224,872,523</u>	<u>2,434,435</u>
Net Position				
Investment in Capital Assets (Net of Related Debt)	<u>113,482,892</u>	<u>86,083,873</u>	<u>199,566,765</u>	<u>399,777</u>
Restricted				
Reserve for Liability Insurance	319,000	340	319,340	
Capital Reserves	339,871		339,871	
Reserve for Repairs		4,720,500	4,720,500	
Reserve for Debt	702,842	1,573,640	2,276,482	
Reserve for Workers' Compensation	<u>1,307,663</u>	<u>14,875</u>	<u>1,322,538</u>	
Total Restricted	<u>2,669,376</u>	<u>6,309,355</u>	<u>8,978,731</u>	
Unrestricted (Deficit)	<u>(69,148,282)</u>	<u>7,019,366</u>	<u>(62,128,916)</u>	<u>10,014,158</u>
Total Net Position	<u>47,003,986</u>	<u>99,412,594</u>	<u>146,416,580</u>	<u>10,413,935</u>
Total Liabilities, Deferred Inflows, and Net Position	<u>\$ 187,669,435</u>	<u>\$ 183,619,668</u>	<u>\$ 371,289,103</u>	<u>\$ 12,848,370</u>

The Accompanying Notes are an Integral Part of These Financial Statements.

CITY OF ROME, NEW YORK

STATEMENT OF ACTIVITIES

For the Year Ended December 31, 2024

(Rome Housing Authority For the Year Ended March 31, 2024)

	Program Revenues			Net (Expense) Revenue and Changes in Net Position			Component Unit Rome Housing Authority
	Expenses	Charges for Services	Operating Grants and Contributions	Capital Grants and Contributions	Primary Government		
					Governmental Activities	Business-Type Activities	
Primary Government							
Governmental Activities							
General Government Support	\$ 8,491,721	\$ 838,666	\$	\$	\$ (7,653,055)	\$	\$ (7,653,055)
Public Safety	30,219,409	1,094,782	120,319	6,211,906	(22,792,402)		(22,792,402)
Public Health	1,348	55,796		3,000,000	3,054,448		3,054,448
Transportation	8,291,115	1,433,622	94,782	4,169,914	(2,592,797)		(2,592,797)
Economic Assistance and Opportunity	4,139,957			4,035,930	(104,027)		(104,027)
Culture and Recreation	2,374,129	257,351	1,250	11,210	(2,104,318)		(2,104,318)
Home and Community Services	1,388,581		9,649		(1,378,932)		(1,378,932)
Interest on Long-Term Debt	1,169,128				(1,169,128)		(1,169,128)
Total Governmental Activities	<u>56,075,388</u>	<u>3,680,217</u>	<u>226,000</u>	<u>17,428,960</u>	<u>(34,740,211)</u>		<u>(34,740,211)</u>
Business-Type Activities							
Water	9,942,914	9,140,788		191,513	(610,613)		(610,613)
Sewer	6,320,186	4,312,454	987,369	8,007	(1,012,356)		(1,012,356)
Refuse District	2,670,699	2,521,384			(149,315)		(149,315)
Total Business-Type Activities	<u>18,933,799</u>	<u>15,974,626</u>	<u>987,369</u>	<u>199,520</u>	<u>(1,772,284)</u>		<u>(1,772,284)</u>
Total Primary Government	<u>\$ 75,009,187</u>	<u>\$ 19,654,843</u>	<u>\$ 1,213,369</u>	<u>\$ 17,628,480</u>	<u>(34,740,211)</u>	<u>(1,772,284)</u>	<u>(36,512,495)</u>
Component Unit							
Rome Housing Authority	\$ 4,269,193	\$ 581,072	\$ 3,276,686	\$ 1,219,419			807,984
General Revenues							
Real Property Taxes, Levied for General Purposes					15,204,175		15,204,175
Real Property Tax Items					1,438,822		1,438,822
Nonproperty Tax Items (Sales Tax and Franchise Fees)					14,530,266		14,530,266
Solar Power Credits					517,659	182,492	700,151
General State Aid					10,446,036		10,446,036
Sale of Property and Compensation for Gain					283,252	18,746	301,998
Use of Money and Property					1,260,463	1,078,519	2,338,982
Interfund Transfers					(432,837)	432,837	
Miscellaneous					313,286	58,980	372,266
Total General Revenues					<u>43,561,122</u>	<u>1,771,574</u>	<u>45,332,696</u>
Transfer to Other Entity							(1,170,214)
Change in Net Position					<u>8,820,911</u>	<u>(710)</u>	<u>8,820,201</u>
Net Position, Beginning of Year					39,227,128	99,687,437	138,914,565
Cumulative Effect of Change in Accounting Principle					(1,044,053)	(274,133)	(1,318,186)
Net Position, Beginning of Year (Restated)					<u>38,183,075</u>	<u>99,413,304</u>	<u>137,596,379</u>
Net Position, End of Year					<u>\$ 47,003,986</u>	<u>\$ 99,412,594</u>	<u>\$ 146,416,580</u>

The Accompanying Notes are an Integral Part of These Financial Statements.

CITY OF ROME, NEW YORK
BALANCE SHEET - GOVERNMENTAL FUNDS
December 31, 2024

	General	Special Aid	Miscellaneous Special Revenue	Capital Projects	Total Governmental Funds
Assets					
Cash and Cash Equivalents	\$ 11,384,570	\$ 778,992	\$ 133,355	\$ 4,312,133	\$ 16,609,050
Cash and Cash Equivalents - Restricted	2,668,042				2,668,042
Taxes Receivable	1,111,182				1,111,182
Tax Sale Certificates	187,451				187,451
Property Acquired for Taxes	1,395,654				1,395,654
Accounts Receivable	657,585	176,757			834,342
Allowance for Receivables	(448,521)				(448,521)
Due from Other Funds	6,792,354	270,550		3,402,628	10,465,532
Due from Other Governments	3,530,779	2,000,542		7,234,048	12,765,369
Lease Receivables	761,765				761,765
Prepaid Expenditures	1,389,417				1,389,417
Total Assets	<u>\$ 29,430,278</u>	<u>\$ 3,226,841</u>	<u>\$ 133,355</u>	<u>\$ 14,948,809</u>	<u>\$ 47,739,283</u>
Liabilities					
Accounts Payable	\$ 1,053,952	\$ 142,415		\$ 1,068,773	\$ 2,265,140
Accrued Liabilities	1,387,073				1,387,073
Payroll Withholdings Payable	175,060				175,060
Bond Anticipation Notes Payable				11,250,621	11,250,621
Due to Other Funds		2,303,247		8,785,640	11,088,887
Unearned Revenue - Grants	4,916,715				4,916,715
Due to Other Governments	43,403				43,403
Total Liabilities	<u>7,576,203</u>	<u>2,445,662</u>		<u>21,105,034</u>	<u>31,126,899</u>
Deferred Inflows of Resources					
Leases	712,053				712,053
Unavailable Revenue - Real Property Taxes and Grants	684,463	2,866,342		6,814,908	10,365,713
Deferred Inflows of Resources	1,396,516	2,866,342		6,814,908	11,077,766
Total Liabilities and Deferred Inflows of Resources	<u>8,972,719</u>	<u>5,312,004</u>		<u>27,919,942</u>	<u>42,204,665</u>

(Continued)

CITY OF ROME, NEW YORK
BALANCE SHEET - GOVERNMENTAL FUNDS
December 31, 2024

	General	Special Aid	Miscellaneous Special Revenue	Capital Projects	Total Governmental Funds
	(Continued)				
Fund Balance					
Nonspendable	2,785,921				2,785,921
Restricted	2,668,042				2,668,042
Assigned	4,060,046		133,355		4,193,401
Unassigned (Deficit)	10,943,550	(2,085,163)		(12,971,133)	(4,112,746)
Total Fund Balance (Deficit)	20,457,559	(2,085,163)	133,355	(12,971,133)	5,534,618
Total Liabilities, Deferred Inflow of Resources, and Fund Balance (Deficit)	\$ 29,430,278	\$ 3,226,841	\$ 133,355	\$ 14,948,809	\$ 47,739,283

The Accompanying Notes are an Integral Part of These Financial Statements.

CITY OF ROME, NEW YORK
RECONCILIATION OF TOTAL GOVERNMENTAL FUND BALANCE TO
NET POSITION OF GOVERNMENTAL ACTIVITIES
December 31, 2024

Amounts reported for governmental activities in the Statement of Net Position are different due to the following:

Governmental Fund Balance		\$ 5,534,618
Capital and leased assets used in governmental activities are not financial resources and therefore are not reported in the funds. This amount does not include the capital assets of \$192,174 in the Internal Service fund included below.		129,418,491
Other long-term assets are not available to pay for current-period expenditures and, therefore, are deferred in the funds.		3,550,805
Internal Service fund is used by management to allocate costs of vehicle maintenance to the various functions and funds. The assets and liabilities of the Internal Service fund are included in the governmental activities in the Statement of Net Position. The total Internal Service fund net position at December 31, 2024, is \$1,198,887. Of this balance, \$64,176 is allocated to the Business-Type Activities, and the remaining \$1,134,711 is allocated to the Governmental Funds.		1,134,711
Proportionate share of long-term liability associated with participation in the state retirement system are not current financial resources or obligations and are not reported in the funds. This amount excludes the net (\$86,588) for the respective amounts for the Internal Service fund reported above.		
	Decrease in Prepaid for Pension	(1,267,417)
	Deferred Outflows - Pensions	17,335,000
	Net Pension Liability - Proportionate Share	(17,043,964)
	Deferred Inflows - Pensions	(6,986,018)
		(7,962,399)
Long-term liabilities, including bonds payable, are not due and payable in the current-period and, therefore, are not reported in the funds.		
	Accrued Interest on Long-term Debt	(166,052)
	Long-term liabilities, Deferred Outflows of Resources - Refundings of debt	128,839
	Serial Bonds Payable	(17,775,484)
	Unamortized Premiums on Bonds	(415,728)
	Lease Payables	(1,129,144)
		(19,357,569)
Other Long-term liabilities, OPEB Liability and Compensated Absences, are not due and payable in the current-period and therefore are not reported in the funds. This amount excludes the \$1,833,137 for the Compensated Absences, Due to Employees Retirement System, Workers' Compensation Claims Payable, and OPEB Liability and Deferred Outflows/Deferred Inflows for the Internal Service fund reported above. Long-term liabilities consisted of the following at year end:		
	Compensated Absences	(1,825,583)
	Accrued Postemployment Benefit Liability	(59,337,306)
	Deferred Outflows - OPEB	1,405,953
	Deferred Inflows - OPEB	(2,647,487)
	Workers' Compensation Claims Payable	(2,876,199)
	Due to Employees' Retirement System	(34,049)
		(65,314,671)
Net Position of Governmental Activities		\$ 47,003,986

CITY OF ROME, NEW YORK
STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE
GOVERNMENTAL FUNDS
For the Year Ended December 31, 2024

	General	Special Aid	Miscellaneous Special Revenue	Capital Projects	Total Governmental Funds
Revenues					
Real Property Taxes	\$ 15,143,860	\$	\$	\$	\$ 15,143,860
Other Real Property Tax Items	1,438,822				1,438,822
Nonproperty Tax Items	14,530,267				14,530,267
Departmental Income	777,754				777,754
Intergovernmental Charges	943,546				943,546
Solar Power Credits	517,659				517,659
Use of Money and Property	1,260,281	9	27		1,260,317
Lease Revenue	59,514				59,514
Licenses and Permits	111,205				111,205
Fines and Forfeitures	35,285				35,285
Sale of Property and Compensation for Loss	168,695	124,266			292,961
Gifts and Donations		329,157		824,636	1,153,793
Miscellaneous	60,744	25,086			85,830
Interfund Revenues	1,910,197				1,910,197
State Aid	13,451,671	619,125		3,152,191	17,222,987
Federal Aid	8,150,476	1,157,862		1,581,688	10,890,026
Total Revenues	<u>58,559,976</u>	<u>2,255,505</u>	<u>27</u>	<u>5,558,515</u>	<u>66,374,023</u>
Expenditures					
General Government Support	5,534,873			516,543	6,051,416
Public Safety	16,966,144	345,002	1,131	86,820	17,399,097
Public Health	1,348				1,348
Transportation	4,448,055		8,186	9,457,003	13,913,244
Economic Assistance and Opportunity		1,742,606		7,709,910	9,452,516
Culture and Recreation	1,507,774	72,122		871,572	2,451,468
Home and Community Services	586,806	496,003		5,865,109	6,947,918
Employee Benefits	14,117,665				14,117,665
Debt Service - Principal	3,668,334				3,668,334
Debt Service - Interest	1,213,852				1,213,852
Total Expenditures	<u>48,044,851</u>	<u>2,655,733</u>	<u>9,317</u>	<u>24,506,957</u>	<u>75,216,858</u>
Excess (Deficit) Revenues Over Expenditures	<u>10,515,125</u>	<u>(400,228)</u>	<u>(9,290)</u>	<u>(18,948,442)</u>	<u>(8,842,835)</u>
Other Financing Sources (Uses)					
Interfund Transfers To	(11,663,607)	(36,393)		(5,386)	(11,705,386)
Interfund Transfers From	105,385			11,167,164	11,272,549
BANs Redeemed from Appropriations				524,285	524,285
Proceeds of Long-Term Debt - Installment Purchase Debt				540,630	540,630
Total Other Financing Sources (Uses)	<u>(11,558,222)</u>	<u>(36,393)</u>		<u>12,226,693</u>	<u>632,078</u>
Deficit of Revenues Over Expenditures and Other Financing Sources (Uses)	<u>(1,043,097)</u>	<u>(436,621)</u>	<u>(9,290)</u>	<u>(6,721,749)</u>	<u>(8,210,757)</u>
Fund Balance (Deficit), Beginning of Year	<u>21,500,656</u>	<u>(1,648,542)</u>	<u>142,645</u>	<u>(6,249,384)</u>	<u>13,745,375</u>
Fund Balance (Deficit), End of Year	<u>\$ 20,457,559</u>	<u>\$ (2,085,163)</u>	<u>\$ 133,355</u>	<u>\$ (12,971,133)</u>	<u>\$ 5,534,618</u>

The Accompanying Notes are an Integral Part of These Financial Statements.

CITY OF ROME, NEW YORK
RECONCILIATION OF THE STATEMENT OF REVENUES AND
EXPENDITURES, AND CHANGES IN FUND BALANCE OF THE GOVERNMENTAL FUNDS
TO THE STATEMENT OF ACTIVITIES
For the Year Ended December 31, 2024

Net Changes in Fund Balances - Total Governmental Funds \$ (8,210,757)

Capital Outlays to purchase or build or lease capital assets are reported in Governmental Funds as expenditures. However, for governmental activities those costs are shown in the Statement of Net Position and allocated over their useful lives as depreciation and amortization expense in the statement of activities. This is the amount by which capital outlays and leases exceeded depreciation and amortization in the period.

Acquired Right to Use Leased Assets	643,543	
Amortization of Leased Assets	(595,551)	
Capital Outlays	23,423,658	
Loss on the Disposition of Assets	(9,709)	
Depreciation	<u>(4,840,699)</u>	18,621,242

Revenue in the Statement of Activities that do not provide current financial resources are not reported in the funds. (473,678)

Bond proceeds provide current financial resources to Governmental Funds, but issuing debt increases long-term liabilities in the Statement of Net Position. Repayments of bond principal is an expenditure in Governmental Funds, but the repayment reduces long-term liabilities in the statement of Net Position.

Lease Proceeds	(540,630)	
Principal Payments on Long Term Debt	2,625,844	
Amortization of Advance Refunding Charge	(53,731)	
Amortization of Bond Premiums	113,151	
Principal Payments on Leases	518,205	
Accrued Interest	<u>(14,696)</u>	2,648,143

The internal service fund is used by management to allocate the costs of vehicle maintenance to the various functions and funds. Any excess revenue or expense of this fund is eliminated in the respective function and/or fund. The total net deficit for the internal service fund for 2024 was \$482,126. Of this amount, \$426,913 is allocated to the Government Activities, and \$55,213 is allocated to the Business-Type Activities. (426,913)

Decreases in proportionate share of net pension asset/liability reported in the Statement of Activities do not provide for or require the use of current financial resources and therefore are not reported as revenues or expenditures in the governmental funds. (1,192,809)

Certain expenses in the Statement of Activities do not require the use of current financial resources and therefore are not reported as expenditures in Governmental Funds.

OPEB Liability and Deferred Inflow and Outflows	(1,415,516)	
Due to Employees Retirement System	124,980	
Workers' Compensation Claims Payable	(422,064)	
Compensated Absences	<u>(431,717)</u>	(2,144,317)

Change in Net Position Governmental Activities \$ 8,820,911

CITY OF ROME, NEW YORK
STATEMENT OF NET POSITION - PROPRIETARY FUNDS
December 31, 2024

	Business Type Activities - Enterprise Funds				Governmental
	Water	Sewer	Refuse District	Total	Activities - Internal Service Fund
Assets					
Current Assets					
Cash and Cash Equivalents	\$ 8,390,538	\$ 5,856,947	\$ 2,671,123	\$ 16,918,608	\$ 2,929,615
Cash and Cash Equivalents - Restricted	5,329,678	979,677		6,309,355	1,334
Cash and Cash Equivalents with Fiscal Agent		12,573		12,573	
Accounts Receivable	1,384,409	764,109	253,740	2,402,258	30,761
Assessments Receivable	315,649	11,228		326,877	
Allowance for Receivables	(27,019)	(35,693)	(24,771)	(87,483)	
Due from Other Funds	203,026	163,211	7,545	373,782	516
Due from Other Governments			16,816	16,816	
Total Current Assets	<u>15,596,281</u>	<u>7,752,052</u>	<u>2,924,453</u>	<u>26,272,786</u>	<u>2,962,226</u>
Fixed Assets					
Land	188,561	2,103		190,664	
Buildings and Improvements	1,641,781	27,484,928		29,126,709	
Infrastructure	73,168,591	42,308,851		115,477,442	
Machinery and Equipment	2,470,004	1,678,654	2,274,982	6,423,640	373,099
Construction in Progress	42,392,749	25,976,841	114,223	68,483,813	
Total Fixed Assets	<u>119,861,686</u>	<u>97,451,377</u>	<u>2,389,205</u>	<u>219,702,268</u>	<u>373,099</u>
Accumulated Depreciation	32,296,915	30,593,960	1,554,556	64,445,431	180,925
Net Fixed Assets	<u>87,564,771</u>	<u>66,857,417</u>	<u>834,649</u>	<u>155,256,837</u>	<u>192,174</u>
Intangible Assets					
Subscription-Based IT Arrangement Asset	12,943			12,943	
Right to Use Leased Assets	493,131	331,805	240,220	1,065,156	
Total Leased Assets	<u>506,074</u>	<u>331,805</u>	<u>240,220</u>	<u>1,078,099</u>	
Accumulated Amortization	204,911	156,231	37,929	399,071	
Net Right to Use Leased Assets	<u>301,163</u>	<u>175,574</u>	<u>202,291</u>	<u>679,028</u>	
Total Assets	<u>103,462,215</u>	<u>74,785,043</u>	<u>3,961,393</u>	<u>182,208,651</u>	<u>3,154,400</u>
Deferred Outflows of Resources					
Deferred Charge on Refunding Serial Bonds	10,377	99,981		110,358	
OPEB	16,437	13,004		29,441	32,281
Pensions	673,433	482,811	51,111	1,207,355	232,056
Total Deferred Outflows of Resources	<u>700,247</u>	<u>595,796</u>	<u>51,111</u>	<u>1,347,154</u>	<u>264,337</u>
Total Assets and Deferred Outflows of Resources	<u>\$ 104,162,462</u>	<u>\$ 75,380,839</u>	<u>\$ 4,012,504</u>	<u>\$ 183,555,805</u>	<u>\$ 3,418,737</u>

(Continued)

CITY OF ROME, NEW YORK
STATEMENT OF NET POSITION - PROPRIETARY FUNDS
December 31, 2024

	(Continued)				Governmental Activities - Internal Service Fund
	Business Type Activities - Enterprise Funds				
	Water	Sewer	Refuse District	Total	
Liabilities and Net Position					
Current Liabilities					
Accounts Payable	\$ 1,461,103	\$ 1,471,024	\$ 404,372	\$ 3,336,499	\$ 103,306
Accrued Liabilities	960,847	104,057	4,720	1,069,624	92,255
Due to Other Governments	3,988	7,007		10,995	
Accrued Interest Payable	272,245	117,423	16,212	405,880	79
Due to Other Funds			313	313	166
Bond Anticipation Notes Payable	15,888,911	6,788,636	615,732	23,293,279	
Customer Deposits	41,400	3,000		44,400	
Total Current Liabilities	<u>18,628,494</u>	<u>8,491,147</u>	<u>1,041,349</u>	<u>28,160,990</u>	<u>195,806</u>
Long-Term Liabilities					
Serial Bonds Payable and Premiums	26,372,872	19,314,739	317,001	46,004,612	26,000
Lease Liabilities	287,082	174,480	224,347	685,909	44,408
Accrued Other Postemployment Benefit Liability	3,121,013	2,469,254		5,590,267	1,362,382
Net Pension Liability-Proportionate Share	641,512	459,925	48,688	1,150,125	221,056
Due to Employees Retirement System	3,934	2,242	187	6,363	1,422
Workers' Compensation Claims Payable	1,052,791	19,214		1,072,005	104,617
Compensated Absences	304,709	219,383	29,039	553,131	73,252
Total Long-Term Liabilities	<u>31,783,913</u>	<u>22,659,237</u>	<u>619,262</u>	<u>55,062,412</u>	<u>1,833,137</u>
Total Liabilities	<u>50,412,407</u>	<u>31,150,384</u>	<u>1,660,611</u>	<u>83,223,402</u>	<u>2,028,943</u>
Deferred Inflows of Resources					
Deferred Grant Revenue	45,512			45,512	
OPEB	145,976	115,492		261,468	60,786
Pensions	377,617	270,728	28,660	677,005	130,121
Total Deferred Inflows of Resources	<u>569,105</u>	<u>386,220</u>	<u>28,660</u>	<u>983,985</u>	<u>190,907</u>
Net Position					
Investment in Capital Assets (Net of Related Debt)	45,317,069	40,755,136	11,668	86,083,873	166,174
Restricted					
Reserve for Liability Insurance	340			340	
Reserve for Workers Compensation	14,875			14,875	1,334
Reserve for Repairs	4,720,500			4,720,500	
Reserve for Debt	593,963	979,677		1,573,640	
Unassigned	2,534,203	2,109,422	2,311,565	6,955,190	1,031,379
Total Net Position	<u>53,180,950</u>	<u>43,844,235</u>	<u>2,323,233</u>	<u>99,348,418</u>	<u>1,198,887</u>
Total Liabilities, Deferred Inflows, and Net Position	<u>\$ 104,162,462</u>	<u>\$ 75,380,839</u>	<u>\$ 4,012,504</u>	<u>\$ 183,555,805</u>	<u>\$ 3,418,737</u>
Adjustments to reflect the consolidation of the internal service fund activities related to the enterprise funds.				64,176	
Net Position of Business-Type Activities				<u>\$ 99,412,594</u>	

The Accompanying Notes are an Integral Part of These Financial Statements.

CITY OF ROME, NEW YORK
STATEMENT OF REVENUES, EXPENSES, AND
CHANGES IN NET POSITION - PROPRIETARY FUNDS
For the Year Ended December 31, 2024

	Business - Type Activities - Enterprise Funds				Governmental
	Water	Sewer	Refuse District	Total	Activities - Internal Service Fund
Operating Revenues					
Service Revenues	\$ 9,140,788	\$ 4,312,454	\$ 2,521,384	\$ 15,974,626	\$ 1,175,800
Operating Expenses					
Personnel Services	1,822,715	1,388,398	396,177	3,607,290	467,017
Depreciation and Amortization	1,974,863	1,890,362	166,628	4,031,853	24,062
Contractual	2,642,842	2,061,695	2,010,247	6,714,784	320,293
Taxes on Property	1,219,439			1,219,439	
Employee Benefits	1,554,883	669,082	52,161	2,276,126	983,256
Debt Service - Interest	672,959	310,649	45,486	1,029,094	4,483
Total Operating Expenses	<u>9,887,701</u>	<u>6,320,186</u>	<u>2,670,699</u>	<u>18,878,586</u>	<u>1,799,111</u>
Operating Income	<u>(746,913)</u>	<u>(2,007,732)</u>	<u>(149,315)</u>	<u>(2,903,960)</u>	<u>(623,311)</u>
Nonoperating Revenues and Expense					
Special Assessment	31,550	8,007		39,557	
Use of Money and Property	712,216	299,367	66,936	1,078,519	116,560
Premium on Debt Issuance	9,470	4,984	4,292	18,746	
Minor Sales	19,552	40,625		60,177	24,600
Other Government Capital Grant	159,963			159,963	
Solar Power Credits	71,256	111,236		182,492	
Transfer From Other Funds	288,459	118,770	25,608	432,837	
Solid Waste Authority		248,242		248,242	
Septic Receiver		739,127		739,127	
Miscellaneous	2,274	(3,471)		(1,197)	25
Total Nonoperating Revenues and Expense	<u>1,294,740</u>	<u>1,566,887</u>	<u>96,836</u>	<u>2,958,463</u>	<u>141,185</u>
Net Income (Loss)	<u>547,827</u>	<u>(440,845)</u>	<u>(52,479)</u>	<u>54,503</u>	<u>(482,126)</u>
Net Position, Beginning of Year	52,800,573	44,385,122	2,376,775	99,562,470	1,729,724
Cumulative Effect of Change in Accounting Principal - Compensated Absences	<u>(167,450)</u>	<u>(100,042)</u>	<u>(1,063)</u>	<u>(268,555)</u>	<u>(48,711)</u>
Net Position, Beginning of Year (Restated)	<u>52,633,123</u>	<u>44,285,080</u>	<u>2,375,712</u>	<u>99,293,915</u>	<u>1,681,013</u>
Net Position, End of Year	<u>\$ 53,180,950</u>	<u>\$ 43,844,235</u>	<u>\$ 2,323,233</u>	<u>\$ 99,348,418</u>	<u>\$ 1,198,887</u>

The Accompanying Notes are an Integral Part of These Financial Statements.

CITY OF ROME, NEW YORK
STATEMENT OF CASH FLOWS - PROPRIETARY FUNDS
For the Year Ended December 31, 2024

	Business-Type Activities				Governmental Activities -
	Water	Sewer	Refuse District	Total	Internal Service Fund
Cash Flows from (Used by) Operating Activities					
Cash Flows from Providing Services	\$ 9,301,660	\$ 4,329,428	\$ 2,520,647	\$ 16,151,735	\$
Cash Flows From Providing Interfund Services					1,149,811
Cash Payments for Interfund Services	(96,133)	(38,519)		(134,652)	
Cash Flows Payments for Taxes	(1,219,439)			(1,219,439)	
Cash Payments Contractual Expenses	(2,889,355)	(2,104,797)	(1,670,925)	(6,665,077)	(246,079)
Cash Payments Personal Services and Benefits	(2,838,293)	(1,877,310)	(410,655)	(5,126,258)	(1,324,337)
Other Operating Revenues	239,180	1,936,193		2,175,373	
Net Cash Flows from Operating Activities	<u>2,497,620</u>	<u>2,244,995</u>	<u>439,067</u>	<u>5,181,682</u>	<u>(420,605)</u>
Cash Flows from (Used by) Noncapital Financing Activities					
Transfers to/from Other Funds	(89,789)	(118,278)	(241,906)	(449,973)	(5,614)
Net Cash Flows From (Used by) Noncapital Financing Activities	<u>(89,789)</u>	<u>(118,278)</u>	<u>(241,906)</u>	<u>(449,973)</u>	<u>(5,614)</u>
Cash Flows from (Used by) Capital and Related Financing Activities					
Special Assessments	86,601	9,162		95,763	
Proceeds from Debt	2,827,277	6,698,042	425,000	9,950,319	44,408
Premium on Debt	(12,581)	(36,431)	4,292	(44,720)	
Principal Payments on Debt	(1,635,426)	(1,444,763)	(162,247)	(3,242,436)	(2,000)
Interest Expense	(645,549)	(262,752)	(38,379)	(946,680)	(4,316)
Payments to Contractors	(11,132,081)	(5,441,925)	(467,659)	(17,041,665)	(73,610)
Proceeds from Sale of Equipment	24,000			24,000	24,600
Capital Grants Received from Other Governments	7,742		(1,628)	6,114	
Miscellaneous			(2)	(2)	
Transfers to/from Other Funds	288,459	117,548		406,007	22
Net Cash Flows (Used by) Capital and Related Financing Activities	<u>(10,191,558)</u>	<u>(361,119)</u>	<u>(240,623)</u>	<u>(10,793,300)</u>	<u>(10,896)</u>
Cash Flows from Investing Activities					
Interest Income	712,216	299,367	66,938	1,078,521	116,561
Net Increase (Decrease) in Cash and Cash Equivalents	(7,071,511)	2,064,965	23,476	(4,983,070)	(320,554)
Cash and Cash Equivalents, Beginning of Year	20,791,727	4,784,232	2,647,647	28,223,606	3,251,503
Cash and Cash Equivalents, End of Year	<u>\$ 13,720,216</u>	<u>\$ 6,849,197</u>	<u>\$ 2,671,123</u>	<u>\$ 23,240,536</u>	<u>\$ 2,930,949</u>

Reconciliation of Net Income (Loss) to Net Cash Flows from (Used by) Operating Activities

Net Income (Loss)	\$ 547,827	\$ (440,845)	\$ (52,479)	\$ 54,503	\$ (482,126)
Adjustment to Reconcile Operating Income to Net Cash					
Flows from by Operating Activities					
Depreciation	1,974,863	1,890,362	166,628	4,031,853	24,062
Loss (Gain) on the Disposition of Property	(19,552)			(19,552)	(24,600)
Deferred Outflows of Resources, Pension	218,520	35,040	(4,436)	249,124	11,954
Deferred Inflows of Resources, Pension	145,976	206,997	22,916	375,889	100,091
Deferred Outflows of Resources, OPEB	149,748	120,532		270,280	92,404
Deferred Inflows of Resources, OPEB	267,847	115,492		383,339	60,786
Amortization of Bond Issuance on Advance Refunding	4,678	36,356		41,034	
(Increase) Decrease in Assets Other Than Cash					
Accounts Receivable	106,360	813,924	(737)	919,547	(25,989)
Increase (Decrease) in Liabilities					
Accounts Payable and Accrued Expenses	(79,102)	(99,007)	65,648	(112,461)	196,818
Net Pension Liability-Proportionate Share	(457,182)	(177,956)	(8,805)	(643,943)	(79,512)
Liability for Workers' Compensation	223,992			223,992	(60,925)
Liability for OPEB	(231,499)	(224,621)		(456,120)	(121,300)
Other	45,512		26,074	71,586	
Nonoperating Activities					
Special Assessments	(31,550)	(9,162)		(40,712)	
Debt Interest	650,680	299,108	45,486	995,274	4,316
Capital Grants					
Interest Revenue	(721,572)	(335,723)	(66,938)	(1,124,233)	(116,561)
Bond Premium	(9,470)	(4,984)	(4,292)	(18,746)	
Interfund Transfers	(288,459)	(730)	250,000	(39,189)	(1)
Miscellaneous	3	20,212	2	20,217	(22)
Net Cash Flows from Operating Activities	<u>\$ 2,497,620</u>	<u>\$ 2,244,995</u>	<u>\$ 439,067</u>	<u>\$ 5,181,682</u>	<u>\$ (420,605)</u>

The Accompanying Notes are an Integral Part of These Financial Statements.

CITY OF ROME, NEW YORK
STATEMENT OF FIDUCIARY NET POSITION
December 31, 2024

	Custodial Fund
Assets	
Cash and Cash Equivalents	\$ 122,876
School District Taxes Receivable	16,501,746
Due From Other Funds	249,536
Total Assets	\$ 16,874,158
Liabilities	
Taxes Collected for Other Governments	\$ 94,345
Tax Redemptions	38,927
Surplus from Tax Sales	190,708
Total Liabilities	323,980
Net Position	
Restricted For	
Taxes and Fees for Other Governments	16,501,962
Hospital Scholarship Fund	48,216
Total Net Position	16,550,178
Total Liabilities and Net Position	\$ 16,874,158

The Accompanying Notes are an Integral Part of These Financial Statements.

CITY OF ROME, NEW YORK
STATEMENT OF CHANGES IN FIDUCIARY NET POSITION
For the Year Ended December 31, 2024

	Custodial Funds
Additions	
Real Property Tax Collections for Other Governments	\$ 43,087,658
Fee Collections for Other Governments	125,816
Interest	175,205
Total Additions	43,388,679
Deductions	
Payments of Real Property Tax to Other Governments	43,067,317
Change in Net Position	321,362
Net Position, Beginning of Year	16,228,816
Net Position, End of Year	\$ 16,550,178

The Accompanying Notes are an Integral Part of These Financial Statements.

CITY OF ROME, NEW YORK
NOTES TO FINANCIAL STATEMENTS
For the Year Ended December 31, 2024

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Background

The City of Rome, New York (City) (which was incorporated as a city in 1870) is governed by (the Charter of The City of Rome, New York) the Municipal Law and other general laws of the State of New York (and various local laws and ordinances). According to the 2020 census data, the City has a population of 32,127 and an area of 72.7 square miles.

The Common Council, which consists of seven elected members and a president, is the legislative body responsible for overseeing the overall operations of the City of Rome. The Mayor serves as chief executive officer and the Treasurer serves as chief fiscal officer of the City. The Mayor is elected for a four-year term.

The Board of Estimate and Contract (E & C) is an administrative body responsible for overseeing the day-to-day operations of the City. The Board of E & C consists of the Mayor, the Corporate Counsel, the Commissioner of Public Works, the Treasurer, and the President of the Common Council.

The following basic services are provided: police, fire, public works, water, sewer, recreation parks, civil defense, transportation, civic arenas, tourism, and economic assistance and opportunity grants. All governmental activities and functions performed for the City are its direct responsibility.

Financial Reporting Entity

The accompanying financial statements of the City have been prepared in conformity with accounting principles generally accepted in the United States of America (U.S. GAAP) for governments as prescribed by the Governmental Accounting Standards Board (GASB) which is the primary standard-setting body for establishing governmental accounting and financial reporting principles. The financial statements have been prepared primarily from accounts maintained by the City.

The Governmental Accounting Standards Board (GASB) is responsible for establishing U.S. GAAP for State and local governments through its pronouncements (Statements and Interpretations). The more significant accounting policies established in U.S. GAAP and used by the City are discussed in the following notes to the financial statements:

(a) *Reporting Entity*

The financial statements present the City, as well as the component unit determined to be included in the City's financial reporting entity, in accordance with GASB.

The decision to include a potential component unit in the City's reporting entity is based on several criteria set forth by GASB including legal standing, fiscal dependency, and financial accountability. GASB defines financial accountability of the primary government as being determined on the basis of fiscal dependency, appointment of a voting majority of a governing board, ability to impose its will or potential for the organization to provide specific financial benefits to or to impose specific financial burdens on, the primary government.

Based on the application of these criteria, the following is a brief review of certain entities considered in determining the City's reporting entity as a whole.

(b) *City's Component Unit Included in the Reporting Entity*

Discretely Presented Component Unit - Based on the foregoing criteria and the significant factors presented below, the following organization is included in the reporting entity. The Component Unit column in the government-wide financial statements include financial data of the City's Component Unit. The Organization is reported in a separate column to illustrate they are legally separate from the City.

Rome Housing Authority was created in 1947 by the New York State Legislature for the purpose of administering Federal and State grants to provide low-income housing in The City of Rome, New York. The governing Board members are appointed by the Mayor of the City, and the Mayor may also remove the board for inefficiency, neglect of duty, or misconduct of office. The City is liable for any deficits that arise from the Low-Income Housing Program. The City is also contingently liable for any loans made by the State to the Authority. Since the Authority is financially accountable to the City, it should be discretely presented as a Component Unit of the City.

CITY OF ROME, NEW YORK
NOTES TO FINANCIAL STATEMENTS
For the Year Ended December 31, 2024

The above discretely presented financial statements are presented in the financial statements as an Enterprise Fund. The complete financial statements for March 31, 2024 may be obtained at the administrative office as follows:

Rome Housing Authority
Colonial Apartments
205 St. Peter's Avenue
Rome, New York 13440

(c) Excluded From the Reporting Entity

Although the following organizations, functions, or activities are related to the City, they are not included in the City reporting entity because of the reasons noted:

The Rome City School District was created by State legislation which designates the School Board of Education as the governing authority. School Board members are elected by the qualified voters of the district. The Board designates management and exercises complete responsibility for all fiscal matters. Also, the City is not responsible for any debt or operating losses. The City Common Council exercises no oversight over School operations.

Jervis Public Library Association was created by the authority of the laws of New York State. Although the Association is substantially supported by the City, the Association is excluded from the reporting entity. This exclusion is based upon the fact that the City does not approve the Association's budget, appoint board members or management, nor does it have any authority over the daily operations. Also, the City is not responsible for any debt or operating losses.

Financial Statements - Government-Wide

The City's financial statements include both government-wide (reporting the City as a whole) and fund financial statements (reporting the City's major funds). Both the government-wide and fund financial statements categorize primary activities as either governmental or business type. Public safety, maintenance of roads, public works, recreation, and general administrative services are classified as governmental activities. The City's Sewer, Water, and Refuse Funds are classified as business-type activities.

In the government-wide Statement of Net Position, both the governmental and business-type activities columns (a) are presented on a consolidated basis by column, (b) and are reported on a full accrual, economic resource basis, which recognizes all long-term assets and receivables as well as long-term debt and obligations. The City's net position is reported in three parts: invested in capital assets, net of related debt; restricted net position; and unrestricted net position. The City first utilizes restricted resources to finance qualifying activities.

The government-wide Statement of Activities reports both the gross and net cost of each of the City's functions and business-type activities. The functions are also supported by general government revenues (property, sales and use taxes, certain intergovernmental revenues, fines, permits and charges, etc.). The Statement of Activities reduces gross expenses (including depreciation) by related program revenues, operating and capital grants. Program revenues must be directly associated with the function or a business-type activity. Operating grants include operating-specific and discretionary (either operating or capital) grants while the capital grants column reflects capital-specific grants. All direct expenses incurred are charged to the corresponding function. Capital asset additions that cannot be identified to a specific function are allocated based on total expenses by program.

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

Employee benefits are reported as a separate function on the fund financial statements. These costs have been allocated for the government-wide financial statements based on the respective payroll for each function.

The net costs (by function or business-type activity) are normally covered by general revenues (property, non-property, or sales taxes, intergovernmental revenues, interest income, etc.).

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

CITY OF ROME, NEW YORK
NOTES TO FINANCIAL STATEMENTS
For the Year Ended December 31, 2024

Basic Financial Statements - Fund Financial Statements

The fund statements provide information about the City's funds, including fiduciary funds. Separate statements for each fund category (governmental and fiduciary) are presented. The emphasis of fund financial statements is on major governmental funds, each displayed in a separate column. The City reports the following major governmental funds:

(a) Major Funds:

General Fund – The principal operating fund and includes all operations not required to be reported in other funds. Activities accounted for and reported in the General Fund include those activities financed by City-wide taxation.

Special Aid – Used to account for and reports the proceeds of specific revenues, such as Federal and State grants, that are legally restricted to expenditures for the specific purpose of the grant.

Miscellaneous Special Revenue – Used to account for and reports service fee payments made by property owners located in the Griffiss Park and other miscellaneous grants and donations. The funds are to be used to fund the maintenance and improvement of the infrastructure located in the Griffiss Park or for the purpose of the grants and donations.

Capital Projects – Used to account for and reports financial resources to be used for the acquisition or construction of major capital facilities (other than those financed by the Business-Type Activities).

(b) Business-Type Activities – The focus of Business-Type Activities measurement is upon determination of operating income, changes in net position, financial position, and cash flows. The U.S. generally accepted accounting principles applicable are those similar to businesses in the private sector. Operating and non-operating revenues are defined based on how individual transactions are categorized for purposes of preparing a statement of cash flows using the standards required by GASB. Transactions for which cash flows are reported as capital and related financing activities, non-capital financing activities, or investing activities normally would not be reported as components of operating income. The following is a description of the Business-Type Activities of the City:

Water Fund – is used to account for and reports water services to residents and businesses within the City. The Fund recognizes capital grants as a nonrevenue source of funds. Fixed assets are depreciated on a straight-line basis over their estimated useful lives from 5 to 50 years.

Sewer Fund – is used to account for and reports sewer services to residents and businesses within the City. The Fund recognizes capital grants as a nonrevenue source of funds. Fixed assets are depreciated on a straight-line basis over their estimated useful lives from 5 to 50 years.

Refuse District Fund – is used to account for and reports waste removal services to residents and businesses within the City. The City contracts with a third party for this service. Therefore, there are no physical assets associated with the fund.

(c) Internal Service Fund - The Central Maintenance Fund is used to account for and report the financing of maintenance services provided to various departments of the City. The reimbursements from those departments are treated as operating revenues of the Internal Service Fund and as expenditures/expenses of the reimbursing fund.

(d) Fiduciary Fund Types – Fiduciary funds are used to account for and report assets in a custodial capacity for others and therefore, are not available to support City programs. The City's Fiduciary fund consists of only the Custodial Fund. The Custodial Fund is used to account for real property taxes for Oneida County and the Rome City School District. In addition, the fund is also used to account for the fees collected and remitted to the State of New York by the Rome City Clerk's Office.

Since by definition these assets are being held for the benefit of a third party (other local governments) and cannot be used to address activities or obligations of the government, these funds are not incorporated into the government-wide statements.

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

Accrual – Both governmental business-type activities in the government-wide financial statements and the proprietary and fiduciary fund financial statements are reported using the economic resources measurement focus and the accrual basis of accounting. Revenues are recognized when earned and expenses are recognized when incurred. Non-exchange transactions are transactions in which the City gives or receives value without directly receiving or giving equal value in exchange, which include property taxes, grants, and donations. Non-exchange revenues are generally reported as non-operating revenues. On an

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accrual basis, revenue from property taxes is recognized in the fiscal year for which the taxes are levied. Revenues from grants and donations are recognized in the fiscal year in which all eligibility requirements have been satisfied.

Modified Accrual – The governmental funds financial statements are reported using the current financial resources measurement focus and the modified accrual basis of accounting. Revenues are recorded when susceptible to accrual; i.e., both measurable and available. “Available” means collectible within the current period or within 60 days after year end for collections of real property taxes. Expenditures are generally recognized under the modified accrual basis of accounting when the related liability is incurred.

Material revenues that are accrued include real property taxes, Federal and State aid, sales tax, and certain user charges. If expenditures are the prime factor for determining eligibility, revenues from Federal and State grants are accrued when the expenditure is made.

Expenditures are recorded when the fund liability is incurred except that:

- a. Expenditures for prepaid expenses and inventory-type items are recognized at the time of the disbursements.
- b. Principal on indebtedness is not recognized as an expenditure until due.
- c. Compensated absences, such as vacation and sick leave, which vest or accumulate, are charged as an expenditure when paid.

Differences Between Governmental Fund Statements and Government-Wide Statements

Due to the differences in the measurement focus and basis of accounting used in the governmental fund statements and the Government-wide statements, certain financial transactions are treated differently. The basic financial statements contain a full reconciliation of these items. The differences result primarily from the economic resource management focus of the Statement of Activities, compared with the current financial resource management focus of the governmental funds.

Total Fund Balances of Governmental Funds Compared To Net Positions of Governmental Activities

Total fund balances of the City’s governmental funds differs from “net positions” of governmental activities reported in the Statement of Net Position. This difference primarily results from the additional long-term economic focus of the Statement of Net Position versus the solely current financial resources focus of the governmental fund Balance Sheet.

a. Statement of Revenues, Expenditures, and Changes in Fund Balance Compared to Statement of Activities

Differences between the governmental funds Statement of Revenues, Expenditures, and Changes in Fund Balance and the Statement of Activities fall into one of six broad categories. The amounts shown below represent:

1. ***Long-Term Revenue Differences*** - Long-term revenue differences arise because governmental funds report revenues only when they are considered “available,” whereas the Statement of Activities reports revenues when earned. Differences in long-term expenses arise because governmental funds report on a modified accrual basis, whereas the accrual basis of accounting is used on the Statement of Activities.
2. ***Capital Related Differences*** - Capital related differences include the difference between proceeds for the sale of capital assets reported on governmental fund statements and the gain or loss on the sale of assets as reported on the Statement of Activities, and the difference between recording an expenditure for the purchase of capital items in the governmental fund statements and depreciation expense on those items as recorded in the Statement of Activities.
3. ***Long-Term Debt Transaction Differences*** - Long-term debt transaction differences occur because both interest and principal payments are recorded as expenditures in the governmental fund statements, whereas interest payments are recorded in the Statement of Activities as incurred, and principal payments are recorded as a reduction of liabilities in the Statement of Net Position.
4. ***Employee Benefit Allocation*** - Expenditures for employee benefits are not allocated to a specific function on the Statement of Revenues, Expenditures, and Changes in Fund Equity based on the requirements of New York State. These costs have been allocated based on total salary for each function on the Statement of Activities.
5. ***Pension Differences*** - Pension differences occur as a result of changes in the City’s proportion of the collective net position, asset/liability, and differences between the City’s contributions and its proportionate share of the total contributions to pension expense.
6. ***OPEB Differences*** - OPEB differences occur as a result of changes in the City’s total OPEB liability and differences between the City’s contributions and OPEB expense.

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Budget Policies - The budget policies are as follows:

- a. On or before the fifteenth day of September, the Mayor submits to the Board of Estimate and Contract a proposed operating budget for the fiscal year commencing the following January 1. The operating budget includes proposed expenditures and the means of financing them.
- b. Upon adoption of the operating budget as proposed or amended, the Board of Estimate and Contract submits the final form to the Common Council no later than the first day of October.
- c. Public hearings are conducted to obtain taxpayer comments.
- d. After such hearings, and within thirty days after such estimate shall have been submitted to it, the Council shall adopt such estimate so submitted or shall diminish or reject any item therein, and adopt said estimate as so amended. The Council shall not have the power to diminish any items which relate to salaries, the indebtedness or estimated revenues, nor shall the Council increase any item for any purpose contained in said estimate.
- e. Encumbrance accounting, under which purchase orders are recorded in order to reserve that portion of the applicable appropriation, is employed in the General and Capital Projects Funds. On a GAAP basis, encumbrances outstanding at year end are reported as reservations of fund balance as neither expenditures nor liabilities exist.
- f. The City Treasurer may not disburse money unless appropriated and not in excess of such amounts. With the exception of personal services and debt service, department heads are authorized to transfer budgeted amounts within major objects of expense; however, any revisions that alter the total expenditures of any fund must be approved by the Common Council.

Legally Adopted Budget – The General Fund has a legally adopted budget. Appropriations for all budgets lapse at fiscal year-end. The General Fund’s budget is adopted on a departmental level of expenditure basis in which expenditures may not legally exceed appropriations on a departmental and object of expenditure level.

Individual governmental fund comparisons of budget and actual data at the legal level of control established by the adopted budget (i.e., minimally at the department and object level) are not presented in this report for those funds with annual adopted budgets due to the excessive detail involved. However, a separate budgetary comparison report is available which contains this information.

Budget Basis of Accounting - Budgets are adopted annually on a basis generally consistent with U.S. GAAP. Appropriations authorized for the current year are increased by the amount of encumbrances carried forward from the prior year. Appropriations lapse at the end of the year unless expended or encumbered. The budget may be amended by the Legislature for increased grants or State aid received during the year.

Interfund Activity

Interfund activity is reported as either loans, services provided, reimbursements or transfers. Loans are reported as interfund receivables and payables as appropriate and are subject to elimination upon consolidation. Services provided, deemed to be at market or near market rates, are treated as revenues and expenditures/expenses. Reimbursements are when one fund incurs a cost, charges the appropriate benefiting fund and reduces its related cost as a reimbursement. All other interfund transactions are treated as transfers.

Deferred outflows/inflows of resources

In addition to assets, the statement of financial position will sometimes report a separate section for deferred outflows of resources. This separate financial statement element, deferred outflows of resources, represents a consumption of net position that applies to a future period(s) and so will not be recognized as an outflow of resources (expense/ expenditure) until then. The City has three items that qualifies for reporting in this category. The first item is the deferred charge on refunding reported in the government-wide Statement of Net Position. A deferred charge on refunding results from the difference in the carrying value of refunded debt and its reacquisition price. This amount is deferred and amortized over the shorter of the life of the refunded or refunding debt. The second item is related to pensions reported in the Statement of Net Position. This represents the effect of the net change in the City’s proportionate share of the collective net pension asset or liability and difference during the measurement period between the City’s contributions and its proportionate share of total contributions not included in pension expense. The third item is related to other postemployment benefits (OPEB) reported on the Statement of Net Position and represents the effect of differences between expected and actual experience and changes in assumptions during the year. These amounts are deferred and will be recognized in OPEB expense over the next several years.

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In addition to liabilities, the Statement of Net Position will sometimes report a separate section for deferred inflows of resources. This separate financial statement element, deferred inflows of resources, represents an acquisition of net position that applies to a future period(s) and so will not be recognized as an inflow of resources (revenue) until that time. The City has only two types of items for the governmental funds. The first of which arises only under a modified accrual basis of accounting that qualifies for reporting in this category. Accordingly, the item, unavailable revenue, is reported only in the governmental funds balance sheet. The governmental funds report unavailable revenues from two sources: property taxes and special assessments. These amounts are deferred and recognized as an inflow of resources in the period that the amounts become available. The second item is related to agreements in which the City acts as a lessor and is deferring the lease receivable and any initial payments received over the term of the lease. The other item that qualifies are related to pension liabilities reported in the City's Government-Wide and Enterprise Statements of Net Position. This item represents the effect of the net change in the City's proportion of the collective net pension asset or liability and difference during the measurement period between the City's contributions and its proportion share of the contributions to the pension systems not included in pension expense.

Equity Classifications

(a) Government-Wide Financial Statements

In the Government-Wide statements there are three classes of Net Position:

Investment in capital assets, net of related debt – consists of net capital assets (cost less accumulated depreciation) reduced by outstanding balances of related debt obligations from the acquisition, construction or improvements of those assets.

Restricted Net Position – reports Net Position when constraints placed on the assets are either externally imposed by creditors (such as through debt covenants), grantors, contributors, laws or regulations of other governments or imposed by law through constitutional provisions or enabling legislation.

Unrestricted Net Position – reports all other Net Position that do not meet the definition of the above two classifications and are deemed to be available for general use by the City.

(b) Fund Balance – Reserves and Designations

The following classifications describe the relative strength of the spending constraints:

Non-spendable

This category includes amounts that cannot be spent because they are either not in spendable form or legally or contractually required to be maintained intact. This category consists of the prepaid expenditures, noncurrent loans receivable, property acquired for taxes, and collateral pledged for the purchase of Street Lights (See Note 12).

Restricted Resources

This category includes amounts with constraints placed on the use of resources either externally imposed by creditors, grantors, contributors or laws or regulations of other governments; or imposed by law through constitutional provisions or enabling legislation. Generally, the City's policy is to use restricted resources only when appropriated by the Common Council. When an expenditure is incurred for purposes for which both restricted and unrestricted net position are available, the City's policy concerning which to apply first varies with the intended use, and with associated legal requirements. The City has established the following restricted fund balances:

- ***Reserve for Liability Insurance***

This reserve is used to accumulate funds to pay liability claims incurred. The total amount accumulated in the reserve may not exceed 3% of the total annual budget. The reserve is accounted for in the General and Water Funds.

- ***Capital Reserve***

The Capital Reserve is used to pay the cost of any object or purpose for which bonds may be issued. This reserve was established to offset future capital project expenditures for the General Fund – General City, and is accounted for in the General Fund. The reserve amount at December 31, 2024 was \$339,871.

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- ***Reserve for Debt***

This reserve is used to account for proceeds from the prior years' additional sales tax collected for the debt of Rome Hospital prior to privatization, earnings on outstanding obligations, and remaining bond proceeds not to be utilized for the intended purpose. These monies must be used to pay the debt service of the obligations from and for which they originated. This reserve is accounted for in the respective funds.

- ***Reserve for Workers' Compensation***

Workers' Compensation Reserve (GML §6-j) is used to pay for compensation benefits and other expenses authorized by Article 2 of the Workers' Compensation Law and for payment of expenses of administering this self-insurance program. The reserve is established by Board action, and is funded by budgetary appropriations and such other funds as may be legally appropriated. Within sixty days after the end of any fiscal year, excess amounts may either be transferred to another reserve or the excess applied to the appropriations of the next succeeding fiscal year's budget. The reserve is accounted for in the General and Water Funds.

- ***Reserve for Repairs***

The Repair Reserve (GML §6-d) is used to accumulate funds for the purpose of financing of certain repairs to capital improvements or equipment, including repairs to City dams. The type of repairs must not recur annually or at shorter intervals. A Common Council resolution appropriating moneys from a repair reserve fund is subject to a public hearing and at least five days must elapse between the publication of the notice of hearing and the date specified for the hearing. In an emergency, moneys in a repair reserve fund may be expended without giving notice and without holding a public hearing. To make such an emergency expenditure, the governing board must pass a resolution approved by at least a two-thirds vote. In addition, at least one-half of the expenditure must be repaid in the next fiscal year and the balance repaid by the end of the fiscal year after that. The reserve amount at December 31, 2024 was \$4,720,500. The reserve is accounted for in the Water Fund.

Unrestricted Resources

When an expenditure is incurred for which committed, assigned, or unassigned fund balances are available, the City considers amounts to have been spent first out of committed funds, then assigned funds, and finally unassigned funds, as needed, unless the City has provided otherwise in its commitment or assignment actions.

- ***Committed*** - Includes amounts that can only be used for the specific purposes pursuant to constraints imposed by formal action of the City's highest level of decision-making authority, i.e., the Common Council. The City has no committed fund balances as of December 31, 2024.
- ***Assigned*** - Includes amounts that are constrained by the City's intent to be used for specific purposes, but are neither restricted nor committed. Intent is expressed by (a) the Board or (b) the designated official, such as the City's Purchasing Agent, to which the Board has delegated the authority to assign amounts to be used for specific purposes. All encumbrances, other than in the Capital Fund, are classified as Assigned Fund Balance in the applicable fund. The amount appropriated for the subsequent year's budget of the General fund is also classified as Assigned Fund Balance in the General Fund.
- ***Unassigned*** - Includes all other fund net position that do not meet the definition of the above classifications and are deemed to be available for general use by the City. In other governmental funds, if expenditures incurred for specific purposes exceeded the amounts restricted, committed, or assigned to those purposes, it may be necessary to report a negative unassigned fund balance in the respective fund.

Leave, Sick Leave, and Compensated Absences

City employees are granted vacation and sick leave and earn compensated absences in varying amounts and determined by negotiated contracts. In the event of termination or upon retirement, an employee is entitled to payment for accumulated vacation leave, sick leave, and unused compensated absences at various rates subject to certain maximum limitations.

For the government-wide financial statements and proprietary funds, it is the City's policy to accrue all costs associated with earned, but not yet paid, compensated absences of all employees involved in the operations of the City's reporting entity. Government funds record an expenditure when paid. (See Note 2, page 52 for the amount of liability).

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Other Benefits

Employees participate in the New York State Employees' Retirement System and the New York State and Local Police and Fire Retirement System.

In addition to providing pension benefits, the City provides health insurance coverage and survivor benefits for retired employees and their survivors. Substantially all of the City's employees may become eligible for these benefits if they reach normal retirement age while working for the City. Currently, 345 retirees meet those eligibility requirements. Health care benefits are provided through plans whose premiums are based on the benefits paid during the year. The retired employee reimburses the City monthly for the amount needed to make the above percentages equal to 100%. The percentage reimbursed varies on the type of employee and type of coverage.

Statements of Cash Flows – Cash Equivalents

For purposes of the Statements of Cash Flows, the City considers all unrestricted highly liquid investments with an initial maturity of three months or less to be cash equivalents. Cash and cash equivalents include all unrestricted as well as restricted assets.

Capital Assets/Property, Plant, and Equipment

Capital assets purchased or acquired with an original cost of \$1,000 or more are reported at historical cost or estimated historical cost. Contributed assets are reported at fair market value as of the date received. Additions, improvements, and other capital outlays that significantly extend the useful life of an asset are capitalized. Other costs incurred for repairs and maintenance are expensed as incurred. Depreciation on all assets is provided on the straight-line basis over the following estimated useful lives:

Buildings and Improvements	40 Years
Machinery and Equipment	3-15 Years
Infrastructure	20-50 Years

Right to Use Leased Assets

The City has recorded right to use lease assets as a result of implementing GASB 87, *Leases*. The right to use assets are initially measured at an amount equal to the initial measurement of the related lease liability plus any lease payments made prior to the lease term. The right to use assets are amortized on a straight-line basis over the life of the related lease, which range from 3-19 years.

Deferred Revenues/Grants

The City follows the policy that if an expenditure of funds is the prime factor for determining the release of grant funds, revenues are recognized at the time of the expenditure. If release of grant funds is not contingent upon expenditure of funds, revenues are recorded when received or when the grant becomes an obligation of the grantor.

Insurance

The City is self-insured for health insurance and general liability except for certain property damage. Judgments and claims are recorded when it is probable that an asset has been impaired or a liability has been incurred and the amount of loss can be reasonably estimated.

Allowance for Uncollectible Accounts Receivable

The City has established allowances for certain uncollectible receivables. At December 31, 2024 an allowance of \$446,668 for uncollectible real property taxes has been established in the General Fund based on past experience. In addition, the City's Community Development Block Grant Loan Program has an established allowance of \$720,440. All other receivables have been deemed fully collectible.

Although receivables in the proprietary funds are guaranteed and enforced by the General Fund, an allowance of \$87,483 has been established.

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Use of Estimates

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

Differences between Statement of Revenues, Expenses, and Changes in Net position – Proprietary Funds and Statement of Activities

Total Operating Expense (page 24)	\$ 18,878,586
Internal Service-Central	
Maintenance	<u>55,213</u>
Total Expense (page 16)	<u>\$ 18,933,799</u>

Changes in Accounting Standards

Governmental Accounting Standards Board Statement No. 100, *Accounting Changes and Error Corrections*, was implemented for the year ended December 31, 2024. The primary objective of this Statement is to enhance accounting and financial reporting requirements for accounting changes and error corrections to provide more understandable, reliable, relevant, consistent, and comparable information for making decisions or assessing accountability.

Governmental Accounting Standards Board Statement No. 101, *Compensated Absences*, was implemented as of the beginning of the year ended December 31, 2024. This Statement requires that liabilities for compensated absences be recognized for (1) leave that has not been used and (2) leave that has been used but not yet paid in cash or settled through noncash means. A liability should be recognized for leave that has not been used if (a) the leave is attributable to services already rendered, (b) the leave accumulates, and (c) the leave is more likely than not to be used for time off or otherwise paid in cash or settled through noncash means.

Future Change in Accounting Standards

GASB Statement No. 102, *Certain Risk Disclosures*, requires a government to assess whether a concentration or constraint makes the primary government reporting unit or other reporting units that report a liability for revenue debt vulnerable to the risk of a substantial impact. This Statement is effective for fiscal years beginning after June 15, 2024.

2. DETAILED NOTES ON ALL FUNDS AND ACCOUNT GROUPS

Assets

(a) Cash and Cash Equivalents

The City's investment policies are governed by State statutes. In addition, the City has its own investment policy. City monies must be deposited in commercial banks or trust companies insured by the Federal Deposit Insurance Corporation (FDIC) and located within the State. The City is authorized to use demand accounts, certificates of deposit, and investment pools. Permissible investments include obligations of the U.S. treasury and U.S. agencies, repurchase agreements, and obligations of New York State or its localities.

Collateral is required for applicable deposits not covered by FDIC coverage. Obligations that may be pledged as collateral are obligations of the United States and its agencies and obligations of the State and its municipalities.

The written investment policy requires repurchase agreements to be purchased from banks located within the State and that underlying securities must be obligations of the Federal Government. Underlying securities must have a market value of at least 105 percent of the cost of the repurchase agreement.

Custodial credit risk is the risk that in the event of a bank failure, the City's deposits may not be returned to it. While the City does not have a specific policy for custodial credit risk, New York State statutes govern the City's investment policies, as discussed previously in these Notes.

As of December 31, 2024, the City's bank balances of \$26,259,340 were not exposed to custodial credit risk because the deposits were fully covered by FDIC coverage and pledged collateral held in a trust department in an account in the City's name.

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(b) Investment Pool

The City participates in a multi-municipal cooperation investment pool agreement pursuant to New York State General Municipal Law Article 5-G, Section 119-o, whereby it holds a portion of the investments in cooperation with other participants. The investments are highly liquid and are considered to be cash equivalents.

The following amounts are included as unrestricted cash equivalents:

Fund	Cost	Fair Value
Governmental Activities		
General Fund	\$ 7,780,959	\$ 7,780,959
Business Type Enterprise		
Water	4,720,500	4,720,500
Total	\$ 12,501,459	\$ 12,501,459

The above amounts represent the cost of the investment pool share and are considered to approximate market value. The investment pool is categorically exempt from the New York State collateral requirements. The Investment Pool issues a publicly available financial report that contains financial statements and required supplementary information for the System. The report may be obtained by writing to MBIA/CLASS, 113 King Street, Albany, New York 10504.

(d) General Fund – Aggregated Accounts

The General Fund’s balance sheet includes asset accounts that have been aggregated for financial statement presentation purposes. The following is a detail of the significant aggregations at December 31, 2024:

Description	Amount
Due from Other Governments	
Oneida County	\$ 1,126,106
New York State Sales Tax	1,068,628
Solar Power Credits	114,157
NYS Arterial Maintenance	94,772
NYS Home & Community Renewal	1,000,000
Federal CDBG	126,000
Miscellaneous	1,116
Total Due from Other Governments	\$ 3,530,779

(c) Property Taxes and Collection

Property taxes are levied on January 1 and may be paid in two installments (without discount or penalty), one-half to be paid on or before April 30; and the second half on or before October 31. If the total amount is paid on or before April 30, 1% may be deducted. If neither of the above options are complied with, then a penalty of 2% for the first month will be added on the amount, and 1% per month additional penalty after the first month will be added through the date of payment. The City enforces all delinquent taxes. The City is also responsible for collecting and guaranteeing school taxes due to the Rome City School District for properties within the City.

The recognition of revenue from real property taxes is considered available to finance current operations if collected within 60 days after the end of the year. The net receivables collected during the 2024 fiscal year and within the first sixty days of the subsequent fiscal year are recognized as revenues at year end.

Uncollected property taxes for the School District are turned over to the City for enforcement on June 1. The City has two years to collect the delinquent taxes and remit to the School District. After two years have passed, the City assumes the remaining delinquent taxes and remits the unpaid amount to the School District.

The assessed valuation of taxable real estate, as established by the City Assessor's Office, upon which the 2024 levy was based, was \$842,920,616. The tax levy is limited to 2% of the five-year average of the above valuation by the New York State Constitution.

Assessment receivables due to governmental spending funds are reported on their balance sheets, in spite of their measurement focus. Recognition of governmental fund type revenues represented by these receivables are deferred until the funds are received.

CITY OF ROME, NEW YORK
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Assessment receivables due to Proprietary Fund Types are recognized as revenues when earned.

Water Fund revenues are based upon quarterly meter readings and cyclical billings to customers. Unreceived billings at year end are accrued and reported in the financial statements.

(d) Sales Tax

The Sales tax in the City is 8.75% at December 31, 2024. The collections are split between the municipalities as follows:

New York State	4.00%
Oneida County	2.75%
City of Rome	<u>2.00%</u>
	<u>8.75%</u>

The City receives its 1.5% sales tax payments from the State on a bi-monthly basis and .5% from Oneida County on a quarterly basis. Effective September 1992 the County imposed a 1% increase from 7% to 8% in sales tax. Pursuant to State statute and Resolution of the Oneida County Board of Legislators, of all sales generated within The City of Rome, the additional 1% Sales tax increase will be split between the County and the City. In addition, the County imposed an additional 1% to cover its Medicaid costs. On November 30, 2007, 3% of the additional Sales tax was decreased to 2.75%. This resulted in an overall Sales tax rate of 8.75%.

The General Fund’s nonproperty tax item mainly consists of sales tax revenues which are recorded on an accrual basis to the extent that such accrued amounts were received by New York State and Oneida County (the intermediary governments) from vendors through December 31. The City also accrues its portion of such revenue attributable to the current year but remitted to the State (and ultimately the County) in the subsequent year.

The General Fund’s nonproperty tax item, recognized as revenue during the year ended December 31, 2024, consists mainly of \$13,687,180 in Sales tax. This amount included a receivable of \$1,883,632 in Sales tax from the State of New York and the County of Oneida.

(e) Property Tax Abatements

The City is subject to property tax abatement programs entered into by the Oneida County Industrial Development Agency (OCIDA). These programs have the stated purpose of increasing economic development and employment in the region. Economic development agreements are entered into by the OCIDA include property tax abatements for any increased assessment value of incentivized projects from the investment of private capital. The abatement agreements include a stipulated reduction pursuant to the limits set forth in State statute and rules. In the future, these abatements will decrease periodically until the project is taxed at the full assessed value. The City property tax revenue was reduced by \$2,356,003 for these abatements in 2024. OCIDA paid the City \$1,065,077 during 2024 and had no outstanding balance at December 31, 2024.

In addition, the City negotiates property tax abatement agreements on an individual basis. The City has tax abatement agreements with the following entities as of December 31, 2024:

<u>Entity</u>	<u>Purpose</u>	<u>Amount of Taxes Abated</u>	<u>Received During Year</u>
Liberty Gardens Housing			
Devopment	To develop affordable housing	\$ 170,712	\$ 16,316
Park Drive II	To develop affordable housing	\$ 150,237	\$ 48,204
Colonial I Associates LP	To develop affordable housing	\$ 147,430	\$ 7,701
Colonial II Associates LP	To develop affordable housing	\$ 31,304	\$ 6,866
Stanwix Associates	To develop affordable housing	\$ 141,424	\$ 24,032
DePaul Rome Housing			
Development	To develop affordable housing	\$ 87,852	\$ 7,544
Copper City Lofts Housing			
Development	To develop affordable housing	\$ 42,411	\$ 20,189

Each agreement was negotiated under Section 125 of the Private Housing Finance Law, allowing localities to abate property taxes for which a redevelopment company housing project is to be located to enter into a contract with such redevelopment company to provide for an exemption from local and municipal taxes, other than assessment for local improvements, of all or part of the value of the property included in such project which represents an increase over the

CITY OF ROME, NEW YORK
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assessed valuation of the real property, both land and improvements, acquired for the project at the time of its acquisition by the redevelopment company which originally undertook the project for such definite period of years as such contract may provide.

(f) Capital Assets

1. Capital asset activity for the Governmental Activities for the year ended December 31, 2024, was as follows:

	Beginning Balance	Additions	Deletions	Ending Balance
Governmental Activities				
Capital Assets Not Being Depreciated				
Land	\$ 6,868,223	\$	\$	\$ 6,868,223
Construction in Progress	<u>37,776,503</u>	<u>23,819,450</u>	<u>1,028,773</u>	<u>60,567,180</u>
Total	<u>44,644,726</u>	<u>23,819,450</u>	<u>1,028,773</u>	<u>67,435,403</u>
Capital Assets Being Depreciated				
Buildings and Improvements	38,239,561	43,231		38,282,792
Machinery and Equipment	17,290,514	623,041	59,004	17,854,551
Infrastructure	<u>125,407,097</u>	<u>37,359</u>		<u>125,444,456</u>
Total	<u>180,937,172</u>	<u>703,631</u>	<u>59,004</u>	<u>181,581,799</u>
Accumulated Depreciation				
Buildings and Improvements	28,113,499	831,844		28,945,343
Machinery and Equipment	11,514,856	1,161,777	49,295	12,627,338
Infrastructure	<u>76,230,961</u>	<u>2,868,179</u>		<u>79,099,140</u>
Total	<u>115,859,316</u>	<u>4,861,800</u>	<u>49,295</u>	<u>120,671,821</u>
Net Capital Assets Being Depreciated	<u>65,077,856</u>	<u>(4,158,169)</u>	<u>9,709</u>	<u>60,909,978</u>
Net Capital Assets	<u>\$ 109,722,582</u>	<u>\$ 19,661,281</u>	<u>\$ 1,038,482</u>	<u>\$ 128,345,381</u>

CITY OF ROME, NEW YORK
NOTES TO FINANCIAL STATEMENTS
For the Year Ended December 31, 2024

2. Capital asset activity of the Business-Type Activities for the year ended December 31, 2024, was as follows:

	Beginning Balance	Additions	Deletions	Ending Balance
Business-Type Activities				
Capital Assets Not Being Depreciated				
Land	\$ 190,664		\$	\$ 190,664
Construction in Progress	<u>52,241,775</u>	<u>18,051,823</u>	<u>1,809,785</u>	<u>68,483,813</u>
Total	<u>52,432,439</u>	<u>18,051,823</u>	<u>1,809,785</u>	<u>68,674,477</u>
Capital Assets Being Depreciated				
Buildings and Improvements	28,858,782	267,927		29,126,709
Machinery and Equipment	5,665,261	766,246	7,867	6,423,640
Infrastructure	<u>114,662,394</u>	<u>819,435</u>	<u>4,387</u>	<u>115,477,442</u>
Total	<u>149,186,437</u>	<u>1,853,608</u>	<u>12,254</u>	<u>151,027,791</u>
Accumulated Depreciation				
Buildings and Improvements	9,705,526	1,077,798		10,783,324
Machinery and Equipment	3,676,134	416,153	3,294	4,088,993
Infrastructure	<u>47,200,361</u>	<u>2,372,753</u>		<u>49,573,114</u>
Total	<u>60,582,021</u>	<u>3,866,704</u>	<u>3,294</u>	<u>64,445,431</u>
Net Capital Assets Being Depreciated	<u>88,604,416</u>	<u>(2,013,096)</u>	<u>8,960</u>	<u>86,582,360</u>
Net Capital Assets	<u>\$ 141,036,855</u>	<u>\$ 16,038,727</u>	<u>\$ 1,818,745</u>	<u>\$ 155,256,837</u>

3. Depreciation was charged to the functions/programs as follows:

Governmental Activities

Function/Program

General Government Support	\$ 459,717
Public Safety	591,343
Transportation	3,440,351
Culture and Recreation	349,288
Capital Assets held by the Central Maintenance Internal Service Fund are charged to various functions based on usage.	<u>21,101</u>
Total Governmental Depreciation	<u>\$ 4,861,800</u>

Business-Type Activities

Function/Program

Water	\$ 1,885,292
Sewer	1,827,427
Refuse	<u>153,985</u>
Total Business-Type Depreciation	<u>\$ 3,866,704</u>

CITY OF ROME, NEW YORK
NOTES TO FINANCIAL STATEMENTS
For the Year Ended December 31, 2024

4. Right to use leased asset activity for the year ended December 31, 2024, is as follows:

	Beginning			Ending
	Balance	Additions	Deletions	Balance
Governmental Activities				
Leased Assets Being Amortized				
SBITA	\$ 91,363	\$	\$	\$ 91,363
Leased Vehicles and Equipment	<u>2,092,857</u>	<u>643,543</u>	<u></u>	<u>2,736,400</u>
Total	<u>2,184,220</u>	<u>643,543</u>	<u></u>	<u>2,827,763</u>
Accumulated Amortization				
SBITA	18,273	18,272		36,545
Leased Vehicles and Equipment	<u>948,655</u>	<u>577,279</u>	<u></u>	<u>1,525,934</u>
Total	<u>966,928</u>	<u>595,551</u>	<u></u>	<u>1,562,479</u>
Net Capital Assets Being Depreciated	<u>1,217,292</u>	<u>47,992</u>	<u></u>	<u>1,265,284</u>
Net Leased Assets	<u>\$ 1,217,292</u>	<u>\$ 47,992</u>	<u>\$</u>	<u>\$ 1,265,284</u>
	Beginning			Ending
	Balance	Additions	Deletions	Balance
Business-Type Activities				
Leased Assets Being Amortized				
Land Improvements	\$ 240,220	\$	\$	\$ 240,220
SBITA	12,943			12,943
Leased Vehicles and Equipment	<u>555,539</u>	<u>269,398</u>	<u></u>	<u>824,937</u>
Total	<u>808,702</u>	<u>269,398</u>	<u></u>	<u>1,078,100</u>
Accumulated Amortization				
Land Improvements	25,286	12,643		37,929
SBITA	2,589	149,918		152,507
Leased Vehicles and Equipment	<u>206,047</u>	<u>2,589</u>	<u></u>	<u>208,636</u>
Total	<u>233,922</u>	<u>165,150</u>	<u></u>	<u>399,072</u>
Net Leased Assets	<u>\$ 574,780</u>	<u>\$ 104,248</u>	<u>\$</u>	<u>\$ 679,028</u>

5. Amortization was charged to the functions/programs as follows:

Governmental Activities

Function/Program

General Government Support	\$ 154,115
Public Safety	358,507
Transportation	<u>82,929</u>
Total Governmental Amortization	<u>\$ 595,551</u>

Business-Type Activities

Function/Program

Water	\$ 89,572
Sewer	62,935
Refuse	<u>12,643</u>
Total Business-Type Amortization	<u>\$ 165,150</u>

CITY OF ROME, NEW YORK
NOTES TO FINANCIAL STATEMENTS
For the Year Ended December 31, 2024

Liabilities

(a) Pension Plan

- a. Plan Descriptions** - The City participates in the New York State and Local Employees' Retirement System (ERS) and the New York State and Local Police and Fire Retirement System (PFRS) which are collectively referred to as New York State and Local Retirement System (the System). These are cost-sharing multiple-employer retirement systems. The System provides retirement benefits as well as death and disability benefits. The net position of the System is held in the New York State Common Retirement Fund (the Fund), which was established to hold all net assets and record changes in plan net position allocated to the System. The Comptroller of the State of New York serves as the trustee of the Fund and is the administrative head of the System. The Comptroller is an elected official determined in a direct statewide election and serves a four-year term. Thomas P. DiNapoli has served as Comptroller since February 7, 2007. In November, 2018, he was elected for a new term commencing January 1, 2019. System benefits are established under the provisions of the New York State Retirement and Social Security Law (RSSL). Once a public employer elects to participate in the System, the election is irrevocable. The New York State Constitution provides that pension membership is a contractual relationship and plan benefits cannot be diminished or impaired. Benefits can be changed for future members only by enactment of a State statute. The City also participates in the Public Employees' Group Life Insurance Plan (GLIP), which provides death benefits in the form of life insurance. The System is included in the State's financial report as a pension trust fund. That report, including information with regard to benefits provided, may be found at www.osc.state.ny.us/retire/publications/index.php or obtained by writing to the New York State and Local Retirement System, 110 State Street, Albany, NY 12244.
- b. Funding Policy** - The System is noncontributory except for employees who joined the New York State and Local Employees' Retirement System after July 27, 1976, who contribute 3 percent of their salary for the first ten years of membership, and employees who joined on or after January 1, 2010 (ERS) or January 9, 2010 (PFRS) who generally contribute 3 percent of their salary for their entire length of service. Those who joined on or after April 1, 2012 contribute at a rate ranging from 3% to 6% based on their total annualized salary. Under the authority of the NYSRSSL, the Comptroller annually certifies the actuarially determined rates expressly used in computing the employers' contributions based on salaries paid during the Systems' fiscal year ending March 31.

The City's contributions made to the Systems were equal to 100 percent of the contributions required for each year. The contribution for the March 31, 2024 billings was made in December 2024. The City prepaid 25% of this billing at December 31, 2024.

The required contributions for the current year and two preceding years were:

		ERS	PFRS	Total
2023	\$	1,262,467	\$ 3,049,735	\$ 4,312,202
2024	\$	1,305,275	\$ 3,211,387	\$ 4,516,662
2025	\$	1,501,888	\$ 4,066,605	\$ 5,568,493

* Net of amortization described below in Note 2(a)(c).

The City's contributions made to the Systems were equal to 100% of the contributions required for each year.

- c.** Chapter 57 of the Laws of 2010 of the State of New York was enacted that allows local employers to amortize a portion of retirement bill for 10 years in accordance with the following stipulations:

For State fiscal year 2010-2011, the amount in excess of the graded rate of 9.5 percent of employees' covered pensionable salaries, with the first payment of those pension costs not due until the fiscal year succeeding that fiscal year in which the amortization was instituted.

For subsequent State fiscal years, the graded rate will increase or decrease by up to one percent depending on the gap between the increase or decrease in the System's average rate and the previous graded rate.

For subsequent State fiscal years in which the System's average rates are lower than the graded rates, the employer will be required to pay the graded rate. Any additional contributions made will first be used to pay off existing amortizations, and then any excess will be deposited into a reserve account and will be used to offset future increases in contribution rates.

CITY OF ROME, NEW YORK
NOTES TO FINANCIAL STATEMENTS
For the Year Ended December 31, 2024

This law requires participating employers to make payments on a current basis, while amortizing existing unpaid amounts relating to the System's fiscal years when the local employer opts to participate in the program. The liabilities are amortized over 10 years at an interest rate ranging from 3.00% to 3.75%. The total unpaid liability for the pension years 2012 to 2017 at December 31, 2024 was \$41,834 of which \$6,363 is reported in the Proprietary Funds and \$35,471 in the Non-Current Governmental Liabilities.

Annual debt service requirements to maturity for the unpaid amortized portion of the retirement bills is as follows:

	Government Activities		Business-Type Activities	
	Principal	Interest	Principal	Interest
2025	\$ 35,471	\$ 1,138	\$ 6,363	\$ 204

d. Pension Liabilities, Pension Expense, and Deferred Outflows of Resources and Deferred Inflows of Resources Related to Pensions

At December 31, 2024, the City reported an PFRS liability of \$13,558,387 and an ERS asset of \$4,856,758 for its proportionate share of the net pension liability. The net pension liability (asset) was measured as of March 31, 2024, and the total pension liability used to calculate the net pension liability was determined by an actuarial valuation as of that date. The City's proportion of the net pension liability(asset) was based on a projection of the City's long-term share of contributions to the pension plan relative to the projected contributions of all participating members, actuarially determined.

At December 31, 2024 and 2023, the City's proportion was 0.032985 and 0.032978 percent respectively for ERS and 0.285872 and 0.310182 percent respectively for PFRS.

For the year ended December 31, 2024, the City recognized pension expense of \$6,522,267 (ERS \$2,015,114 and PFRS \$4,507,153). At December 31, 2024, the City reported deferred outflows and inflows of resources related to pensions from the following sources:

Deferred Outflows of Resources	ERS	PFRS	Total
Differences Between Expected and Actual Experience:	\$ 1,564,358	\$ 4,177,157	\$ 5,741,515
Change of Assumptions	1,836,231	5,114,235	6,950,466
Changes in Proportion and Differences Between Contributions and Proportionate Share of Contributions	195,954	317,983	513,937
Contributions Subsequent to the Measurement Date	1,501,888	4,066,605	5,568,493
Total	\$ 5,098,431	\$ 13,675,980	\$ 18,774,411
Deferred Inflows of Resources	ERS	PFRS	Total
Differences Between Expected and Actual Experience:	\$ 132,431	\$	\$ 132,431
Net Difference Between Projected and Actual Earnings on Pensions Plan Investments	2,372,501	3,680,447	6,052,948
Changes in Proportion and Differences Between Contributions and Proportionate Share of Contributions	353,928	1,253,837	1,607,765
Total	\$ 2,858,860	\$ 4,934,284	\$ 7,793,144

CITY OF ROME, NEW YORK
NOTES TO FINANCIAL STATEMENTS
For the Year Ended December 31, 2024

Other amounts reported as deferred outflows of resources and deferred inflows of resources related to pensions will be recognized in pension expense as follows:

<u>Year Ended June 30,</u>	<u>ERS</u>	<u>PFRS</u>	<u>Total</u>
2025	\$ (967,886)	\$ (1,217,634)	\$ (2,185,520)
2026	\$ 838,667	\$ 3,806,124	\$ 4,644,791
2027	\$ 1,400,562	\$ 2,099,855	\$ 3,500,417
2028	\$ (533,660)	\$ (501,796)	\$ (1,035,456)
2029	\$	\$ 488,542	\$ 488,542

e. Actuarial Assumptions

The total pension liability at March 31, 2024 was determined by using an actuarial valuation as of April 1, 2023, with update procedures used to roll forward the total pension liability to March 31, 2024. The actuarial valuation used the following actuarial assumptions.

Significant actuarial assumptions used in the April 1, 2023 valuation were as follows:

	<u>ERS</u>	<u>PFRS</u>
Investment rate of return (net of investment expense, including inflation)	5.90%	5.90%
Salary Increases	4.40%	6.20%
Inflation rate	2.90%	2.90%
 Assumptions Based on	 April 1, 2015 - March 31, 2020 System's Actual Experience Study	
Annuitant Mortality Rates	Society of Actuaries Scale MP-2021	

The long term expected rate of return on pension plan investments was determined using a building block method in which best estimate ranges of expected future real rates of return (expected returns net of investment expense and inflation) are developed for each major asset class. These ranges are combined to produce the long term expected rate of return by weighting the expected future real rates of return by the target asset allocation percentage and by adding expected inflation. Best estimates of arithmetic real rates of return for each major asset class included in the target asset allocation as of March 31, 2024 are summarized below.

CITY OF ROME, NEW YORK
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For the Year Ended December 31, 2024

Asset Class	Target Allocation	Long-Term Expected Real Rate of Return*
Domestic equity	32%	4.00%
International equity	15%	6.85%
Private equity	10%	7.25%
Real estate	9%	4.60%
Opportunistic/Absolute return strategies	3%	5.25%
Credit	4%	5.40%
Real assets	3%	5.79%
Fixed Income	23%	1.50%
Cash	1%	0.25%
	100.00%	

*The real rate of return is net of the long-term inflation assumption of 2.9%

f. Discount Rate

The discount rate used to calculate the total pension liability was 5.9%. The projection of cash flows used to determine the discount rate assumes that contributions from plan members will be made at the current contribution rates and that contributions from employers will be made at statutorily required rates, actuarially. Based upon the assumptions, the System's fiduciary net position was projected to be available to make all projected future benefit payments of current plan members. Therefore, the long term expected rate of return on pension plan investments was applied to all periods of projected benefit payments to determine the total pension asset/liability.

g. Sensitivity of the Proportionate Share of the Net Pension Liability (Asset) to the Discount Rate Assumption

The following presents the City's proportionate share of the net pension liability ()calculated using the discount rate of 5.9 percent, as well as what the City's proportionate share of the net pension liability would be if it were calculated using a discount rate that is 1-percentage point lower or 1-percentage-point higher than the current rate:

	1% Decrease (4.9%)	Current Assumption (5.9%)	1% Increase (6.9%)
Proportionate Share of the Net Pension Liability (Asset)			
ERS	\$ 15,270,145	\$ 4,856,758	\$ (3,840,579)
PFRS	\$ 31,689,129	\$ 13,558,387	\$ (1,420,257)

h. Pension Plan Fiduciary Net Position

Detailed information about the Plan's fiduciary net position is available in the separately issued System financial report that can be accessed on the Comptroller's website at www.osc.state.ny.us/pension/cafr.htm.

CITY OF ROME, NEW YORK
NOTES TO FINANCIAL STATEMENTS
For the Year Ended December 31, 2024

(b) Postretirement Health Care Benefits

(a) Plan Description

City of Rome (the City) administers the City of Rome Retiree Medical Plan (the Plan) as a single-employer defined benefit plan. The Plan provides for continuation of medical and life insurance benefits for certain retirees and their spouses and can be amended by action of the City subject to applicable collective bargaining and employment agreements as follows:

- **AFSCME Local 1088, Council 66** - Members are eligible in accordance with the New York State Employees' Retirement System (NYSERS). Member must be at least 55 years old with at least 20 years of service, or must have an approved disability. For medical, hospitalization, vision, and dental, the City will pay 100% for members hired before January 1, 1985, and 75% for those hired after that date. Surviving spouses and retiree dependents are required to pay 100% of the costs.

The City also pays 50% of the cost of life insurance coverage for retiree (\$4,000), with coverage of \$2,000 for spouse for members retired on or after January 1, 1984.

- **Rome Phillip S. McDonald Police Benevolent Association, Inc.** - Members are eligible in accordance with the New York State Police and Fire Retirement System (NYSPFRS). Member must have at least 20 years of service, or must have an approved disability. For medical, hospitalization, vision, and dental, the City will pay 100% for members hired before January 1, 1986, and 75% for those hired after that date. For retirees hired after January 1, 2007, the City pays 75% of the cost for medical coverage under the City "PPO Plan". Additionally, for any full-time officer employed as of July 31, 2004 who retires with at least 20 years of service, the City pays 100% of the cost of coverage until age 65, and 75% of the cost thereafter. If the retiree dies before age 65, the City pays 100% of the coverage of the surviving spouse and dependents. Surviving spouses and retiree dependents are required to pay 100% of the costs when the retiree would have reached age 65.

The City also pays 50% of the cost of life insurance coverage for retiree (\$4,000), with coverage of \$2,000 for spouse.

- **Rome Professional Firefighters Association Local #694 AFL-CIO** - Members are eligible in accordance with the NYSPFRS. Member must be at least 55 years old with at least 20 years of service, or must have an approved disability. For medical, hospitalization, vision, and dental, the City will pay 100% for members hired before January 1, 1985, and 75% for those hired after that date. Surviving spouses and retiree dependents are required to pay 100% of the costs.

The City also pays 50% of the cost of coverage for retiree (\$4,000), with coverage of \$2,000 for spouse.

- **The City of Rome Unit Civil Service Employees Association, Inc.** - Members are eligible in accordance with the NYSPFRS. Member must be at least 55 years old with at least 20 years of service, or must have an approved disability. For medical, hospitalization, vision, and dental, the City will pay 100% for members hired before January 1, 1985, and 75% for those hired after that date. Surviving spouses and retiree dependents are required to pay 100% of the costs.

The City also pays 50% of the cost of life insurance coverage for retiree (\$4,000), with coverage of \$2,000 for spouse.

For all retirees, medical benefits coordinate with Medicare primary and the City Plan secondary for retirees eligible for Medicare. Medicare eligible retirees and dependents are required to enroll in Medicare Part B. The City does not reimburse Medicare eligible retirees and dependents for the Medicare Part B premium. The City does receive a subsidy from Medicare for providing prescription drug coverage to Medicare eligible retirees and dependents. The Medicare Part D subsidy is not considered in this valuation.

The Plan does not issue a stand alone publicly available financial report since there are no assets legally segregated for the sole purpose of paying benefits under the Plan.

(b) Funding Policy

The obligations of the Plan members and the City are established by action of the City pursuant to applicable collective bargaining and employment agreements. The required contribution rates of the employer and the members vary depending on the applicable agreement. For the year ended December 31, 2024, the City's Plan contributions ranged from 75% to 100% of the cost of coverage. The employer currently contributes enough money to the Plan to satisfy current obligations on a pay-as-you go basis. The costs of administering the Plan are paid by the City.

CITY OF ROME, NEW YORK
NOTES TO FINANCIAL STATEMENTS
For the Year Ended December 31, 2024

(c) Employees covered by benefit terms

	<u>Governmental</u>	<u>Enterprise</u>	<u>Total</u>
Inactive employees currently receiving benefit payments	306	26	332
Active employees	233	27	260
Total	<u>539</u>	<u>53</u>	<u>592</u>

(d) Components of the OPEB liability

	<u>Governmental</u>	<u>Enterprise</u>	<u>Total</u>
Balances, 12/31/23	\$ 66,075,108	\$ 6,046,387	\$ 72,121,495
Changes recongnized for the year:			
Service cost	841,355	117,821	959,176
Interest on Total OPEB Liability	2,129,369	196,343	2,325,712
Changes in assumptions or other inputs	(5,395,244)	(509,184)	(5,904,428)
Benefit payments	<u>(2,950,900)</u>	<u>(261,100)</u>	<u>(3,212,000)</u>
Net changes	<u>(5,375,420)</u>	<u>(456,120)</u>	<u>(5,831,540)</u>
Balances, 12/31/24	<u>\$ 60,699,688</u>	<u>\$ 5,590,267</u>	<u>\$ 66,289,955</u>

(e) Sensitivity of the OPEB Liability to changes in the discount rate

	1% Decrease (3.08%)	Current Assumption (4.08%)	1% Increase (5.08%)
Total OPEB liability			
Governmental	\$ 69,678,660	\$ 60,699,688	\$ 53,481,886
Enterprise	\$ 6,401,550	\$ 5,590,267	\$ 4,933,297

(f) Sensitivity of the total OPEB liability to changes in the healthcare trend rate

	1% Decrease (7.5% to 3.5%)	Current Assumption (8.50% to 4.5%)	1% Increase (9.50% to 5.5%)
Total OPEB liability			
Governmental	\$ 52,933,453	\$ 60,699,688	\$ 70,381,156
Enterprise	\$ 4,885,479	\$ 5,590,267	\$ 6,458,493

**(g) OPEB expense and Deferred Outflows of Resources and
Deferred Inflows of Resources Related to OPEB**

	<u>Governmental</u>		<u>Enterprise</u>	
	Deferred Outflows of Resources	Deferred Inflows of Resources	Deferred Outflows of Resources	Deferred Inflows of Resources
Differences between expected and actual experience	\$ 1,438,234	\$	\$ 29,441	\$
Changes of assumptions or other inputs		<u>2,708,273</u>		<u>261,468</u>
Total	<u>\$ 1,438,234</u>	<u>\$ 2,708,273</u>	<u>\$ 29,441</u>	<u>\$ 261,468</u>

CITY OF ROME, NEW YORK
NOTES TO FINANCIAL STATEMENTS
For the Year Ended December 31, 2024

(h) Projected Recognition of Deferred Outflows and Inflows of Resources

Year ended December 31:	<u>Governmental</u>	<u>Enterprise</u>
2025	\$ 1,427,583	\$ 22,565
2026	(1,348,811)	(127,296)
2027	<u>(1,348,811)</u>	<u>(127,296)</u>
Total	<u>\$ (1,270,039)</u>	<u>\$ (232,027)</u>

(i) Actuarial Assumptions

Valuation Date	December 31, 2023
Measurement Date	December 31, 2024
Reporting Date	December 31, 2024
Actuarial Cost Method	Entry Age Normal Cost
Plan Type	Single Employer Defined Benefit Plan
Inflation rate	2.50%
Healthcare Cost Trend Rates	8.50% to 4.50%
Discount Rate	4.08% based on “The Bond Buyer 20-Bond GO Index” as December 31, 2024 (2023 rate was 3.26%)
Pre-Retirement	U.S. Public Pension Plan Mortality (2010) Headcount-Weighted Healthy Employee Male / Female Mortality Projected with Scale MP-2021
Post-Retirement	U.S. Public Pension Plan Mortality (2010) Headcount-Weighted Healthy Annuitant Male / Female Mortality Projected with Scale MP-2021
Disability	U.S. Public Pension Plan Mortality (2010) Headcount-Weighted Disabled Retiree Male / Female Mortality Projected with Scale MP-2021

(c) Short-Term Debt

The City may issue Bond Anticipation Notes (BANs), in anticipation of proceeds from the subsequent sale of bonds. These notes are recorded as current liabilities of the funds that will actually receive the proceeds from the issuance of bonds. State law requires that BANs issued for capital purposes be converted to long-term financing within five years after the original issue date.

The following is a summary of the BAN’s outstanding at December 31, 2024:

<u>Payable From/Description</u>	<u>Date of Original Issue</u>	<u>Original Amount</u>	<u>Date of Final Maturity</u>	<u>Interest Rate (%)</u>	<u>Outstanding Amount</u>
Governmental					
General Fund	6/11/2024	\$ 11,250,621	6/11/2025	4.50	<u>\$ 11,250,621</u>
Enterprise					
Water	6/11/2024	\$ 1,358,636	6/11/2025	4.50	\$ 1,358,636
Sewer	6/11/2024	\$ 715,020	6/11/2025	4.50	715,020
Refuse	6/11/2024	\$ 615,732	6/11/2025	4.50	<u>615,732</u>
Total Enterprise Funds					<u>\$ 2,689,388</u>

CITY OF ROME, NEW YORK
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The following is a summary of the BAN interest expense for the year ended December 31, 2024:

	Business-Type Activities				
	Enterprise Funds				
	General	Water	Sewer	Refuse	Total
Interest Paid	\$ 323,085	\$ 7,902	\$ 12,083	\$ 13,264	\$ 33,249
Less: Interest Accrued in the Prior Year	(175,751)	(4,299)	(6,573)	(7,215)	(18,087)
Plus: Interest Accrued in the Current Year	<u>281,574</u>	<u>34,003</u>	<u>17,895</u>	<u>15,410</u>	<u>67,308</u>
Total Interest Expense on Short-Term Debt	<u>\$ 428,908</u>	<u>\$ 37,606</u>	<u>\$ 23,405</u>	<u>\$ 21,459</u>	<u>\$ 82,470</u>

CITY OF ROME, NEW YORK
NOTES TO FINANCIAL STATEMENTS
For the Year Ended December 31, 2024

Changes in the City's short-term outstanding debt, excluding EFC debt noted on page 52, for the year ended December 31, 2024, are as follows:

Description	Outstanding Beginning Balance	Issued	Refinanced	Paid	Outstanding Ending Balance
Governmental Activities					
701 Lawrence Street ERP	\$ 20,925	\$	\$	\$ 2,191	\$ 18,734
1333 East Dominick Street ERP	92,071			9,642	82,429
2021 Road Reconstruction	636,676			66,674	570,002
Traffic Light Controller	20,636			734	19,902
Rome City Hall Façade Repairs	19,821			3,587	16,234
Bridge Rehabilitations	233,877			9,886	223,991
2020 Road Reconstruction	946,814			116,288	830,526
2022 Road Reconstruction	1,262,678			64,427	1,198,251
Record Retention Bldg Window Replacment	47,683			2,433	45,250
City Hall Elevator Renovations	184,099			16,696	167,403
City Hall HVAC Upgrades	414,223			37,566	376,657
Public Works Garage Boiler Replacement	184,099			16,696	167,403
Bobcat	65,000			5,168	59,832
Mohawk River Trail Phase 2	1,024,000			47,455	976,545
Franklyn Field Clubhouse	75,000			3,476	71,524
Public Works Garage	30,000			1,390	28,610
Canal Towpath Trail	129,700			6,011	123,689
Reconstruction Various Roads	1,433,442			113,965	1,319,477
Laurel St Fire Station Roof		73,000			73,000
Demolition of 1030 E. Dominick St (Municipally owned bldg.)		1,222,512			1,222,512
2 - 10 Wheelers with Plow Equipment		600,000			600,000
Snowblower Replacement		160,000			160,000
John Deere Payloader		260,000			260,000
City Hall HVAC		360,000			360,000
South James St Bridge		128,650			128,650
2024 Road Reconstruction		2,150,000			2,150,000
Total Governmental	6,820,744	4,954,162		524,285	11,250,621
Business-Type Activities					
Replace Return Sludge Pumps	31,012			531	30,481
Replace Pumps at Merrick & Tannery Rd, Sites	29,074			498	28,576
Machinery & Apparatus Crane Truck	195,000			9,037	185,963
Replace Roof at Boyd Dam	36,829			3,857	32,972
Backhoe	130,000			10,336	119,664
Replace 2 Wellls at Landfil	80,026			80,026	
Wells Landfill	200,000			9,268	190,732
Wood Chipper		135,000			135,000
Garbage Truck Replacement		290,000			290,000
Replacement		470,000			470,000
Flusher Truck		427,000			427,000
Kessinger Dam Electronics, Low Lift Pumps, Generator Replacement, & Telemetry Upgrade		629,000			629,000
Power to Low Lift Crane		100,000			100,000
Filtration Parking Lot Improvements		50,000			50,000
Total Business-Type Activities	701,941	2,101,000		113,553	2,689,388
Total Bond Anticipation Note	\$ 7,522,685	\$ 7,055,162	\$	\$ 637,838	\$ 13,940,009

CITY OF ROME, NEW YORK
NOTES TO FINANCIAL STATEMENTS
For the Year Ended December 31, 2024

Environmental Facilities Corporation-Short Term Notes –

The City has entered into loan agreements with the NYS Environmental Facilities Corporation (EFC). The EFC is the registered owner of the bond anticipation notes. The interest free “hardship” loans are subsidized by the NYS EFC. The following is a summary of the projects with outstanding debt:

<u>Payable From/Description</u>	<u>Date of Original Issue</u>	<u>Original Amount</u>	<u>Date of Final Maturity</u>	<u>Interest Rate (%)</u>	<u>Outstanding Amount</u>
Enterprise					
Sewer					
Railroad St Interceptor Project	6/15/2023	\$ 12,700,000	3/14/2026	0.00%	\$ 6,073,616
Water					
Northwest Rome Rephase 3 Water Project	11/18/2021	\$ 13,500,000	12/18/2026	0.00%	<u>14,530,275</u>
Total Enterprise Funds					<u>\$ 20,603,891</u>

Changes in the City’s short-term outstanding NYS EFC debt for the year ended December 31, 2024, are as follows:

<u>Description</u>	<u>Outstanding Beginning Balance</u>	<u>Issued</u>	<u>Paid</u>	<u>Outstanding Ending Balance</u>
Enterprise				
Sewer				
Railroad St Interceptor Project	\$	\$ 6,073,616	\$	\$ 6,073,616
Water				
Northwest Rome Rephase 3 Water Project	<u>13,258,379</u>	<u>1,537,396</u>	<u>265,500</u>	<u>14,530,275</u>
Total Enterprise Funds	<u>\$ 13,258,379</u>	<u>\$ 7,611,012</u>	<u>\$ 265,500</u>	<u>\$ 20,603,891</u>

CITY OF ROME, NEW YORK
NOTES TO FINANCIAL STATEMENTS
For the Year Ended December 31, 2024

(d) Long-Term Debt

a. **Debt Limit** – At December 31, 2024, \$42,814,524 of the City’s \$98,180,052 in serial bonds and bond anticipation notes were subject to the constitutional debt limit and represented approximately 41.8% of its statutory debt limit.

b. The following is a summary of the long-term debt activity for the year:

Description	Outstanding	Change in		Paid & Amortized	Outstanding Ending Balance	Due Within One Year
	Beginning Balance	Accounting Principle	Issued			
Governmental Activities						
Bonds Payable	\$ 20,438,518	\$	\$	\$ 2,637,034	\$ 17,801,484	\$ 2,708,085
Unamortized Premiums on Bonds	<u>528,879</u>			<u>113,151</u>	<u>415,728</u>	<u>107,669</u>
Total Bonds and Unamortized Premiums	20,967,397			2,750,185	18,217,212	2,815,754
Lease Payables	1,106,719		578,703	511,870	1,173,552	463,540
OPEB Liability	66,075,108		2,970,724	8,346,144	60,699,688	
Due to NYS ERS	155,095			119,624	35,471	35,471
Workers' Compensation Claims Payable	2,570,966		797,371	387,521	2,980,816	
Compensated Absences	<u>413,647</u>	<u>1,044,053</u>	<u>441,135</u>		<u>1,898,835</u>	<u>565,364</u>
Total Governmental Activities	<u>\$ 91,288,932</u>	<u>\$ 1,044,053</u>	<u>\$ 4,787,933</u>	<u>\$ 12,115,344</u>	<u>\$ 85,005,574</u>	<u>\$ 3,880,129</u>

Description	Outstanding	Change in		Paid & Amortized	Outstanding Ending Balance	Due Within One Year
	Beginning Balance	Accounting Principle	Issued			
Business-Type Activities						
Bonds Payable	\$ 48,032,214	\$	\$	\$ 2,197,546	\$ 45,834,668	\$ 2,246,495
Unamortized Premiums on Bonds	<u>234,334</u>			<u>64,390</u>	<u>169,944</u>	<u>54,226</u>
Total Bonds and Unamortized Premiums	48,266,548			2,261,936	46,004,612	2,300,721
Lease Payables	570,589		265,256	149,936	685,909	133,968
OPEB Liability	6,046,387		314,164	770,284	5,590,267	
Due to NYS ERS	22,879			16,516	6,363	6,363
Workers' Compensation Claims Payable	681,326		561,462	170,783	1,072,005	
Compensated Absences	<u>120,939</u>	<u>268,555</u>	<u>163,637</u>		<u>553,131</u>	<u>196,865</u>
Total Business Type Activities	<u>\$ 55,708,668</u>	<u>\$ 268,555</u>	<u>\$ 1,304,519</u>	<u>\$ 3,369,455</u>	<u>\$ 53,912,287</u>	<u>\$ 2,637,917</u>

c. **General Obligation Bonds** – The City borrows money in order to acquire land or equipment, construct buildings, or make improvements. This enables the cost of these capital assets to be borne by the present and future taxpayers receiving the benefit of the capital assets. These long-term liabilities are full faith and credit debt of the local government. General obligation bonds have been issued for both governmental and business-type activities.

Annual debt service requirements to maturity for general obligation debt are as follows:

	Government Activities		Business-Type Activities	
	Principal	Interest	Principal	Interest
2025	\$ 2,708,085	\$ 549,388	\$ 2,246,495	\$ 995,733
2026	2,755,142	461,612	2,059,360	959,945
2027	2,763,832	371,993	2,090,748	925,533
2028	1,293,330	285,990	1,916,250	889,139
2029	1,315,265	250,917	1,949,315	854,868
2030-2034	5,938,330	719,375	9,994,570	3,672,768
2035-2039	1,027,500	41,806	8,360,400	2,621,179
2040-2044			9,022,900	1,550,950
2045-2049			6,362,900	477,459
2050-2051			1,831,730	34,490
Total	<u>\$ 17,801,484</u>	<u>\$ 2,681,082</u>	<u>\$ 45,834,668</u>	<u>\$ 12,982,064</u>

CITY OF ROME, NEW YORK
NOTES TO FINANCIAL STATEMENTS
For the Year Ended December 31, 2024

d. Serial Bond Schedule - The following is a schedule of the serial bonds outstanding at December 31, 2024:

	Date Issued	Date of Maturity	Interest Rate %	Outstanding Balance 1/1/2024	Bonds Issued	Paid	Outstanding Balance 12/31/2024
General Fund							
Public Improvement - Refinance of 2006 & 2005	4/15	12/25	3.0-4.0	\$ 26,998	\$	\$ 13,469	\$ 13,529
Public Improvement - Refinance of 2011 (Series 2015 B)	10/15	8/27	2.0-5.0	3,421,425		793,770	2,627,655
Public Improvement - 2015	9/15	9/34	2.0-3.25	5,330,780		413,190	4,917,590
Public Improvement - 2019A	6/19	5/27	2.0	2,284,000		555,000	1,729,000
Public Improvement - 2019B	8/19	6/30	2.0	1,552,315		207,505	1,344,810
Public Improvement - 2020	1/20	5/43	2.25-2.625	574,300		50,400	523,900
Public Improvement - 2021	6/21	6/29	2.00-2.375	1,539,000		180,000	1,359,000
Public Improvement - 2022	6/22	6/38	3.0-3.4	5,681,700		421,700	5,260,000
Total General Fund				<u>\$ 20,410,518</u>	<u>\$</u>	<u>\$ 2,635,034</u>	<u>\$ 17,775,484</u>
Internal Service - Central Maintenance Fund							
Public Improvement - 2022	6/22	6/38	3.0-3.4	\$ 28,000	\$	\$ 2,000	\$ 26,000
Enterprise Funds							
Water Fund							
Public Improvement - Refinance of 2006 & 2005	4/15	12/25	3.0-4.0	\$ 423,002	\$	\$ 206,531	\$ 216,471
Public Improvement - Refinance of 2011 (Series 2015 B)	10/15	8/27	2.0-5.0	271,350		62,950	208,400
Public Improvement - 2015	9/15	9/34	2.0-3.25	615,340		47,690	567,650
NYS Environmental Facilities Corporation-2016B	9/16	8/46	.061-3.35	15,410,000		515,000	14,895,000
Public Improvement - 2019A	6/19	5/27	2.0	111,000		27,000	84,000
Public Improvement - 2019B	8/19	6/30	2.0	392,685		52,495	340,190
Public Improvement - 2020	1/20	5/43	2.25-2.625	2,950,100		120,700	2,829,400
NYS Environmental Facilities Corporation - 2020 B	12/20	12/50	0.25-2.937	7,420,000		250,000	7,170,000
Public Improvement - 2022	6/22	6/38	3.0-3.4	25,400		1,700	23,700
Total Water Fund				<u>27,618,877</u>		<u>1,284,066</u>	<u>26,334,811</u>
Sewer Fund							
Public Improvement - Refinance of 2011	10/15	8/27	2.0-5.0	57,225		32,000	25,225
EFC NYS Environmental 2015 Refinance of 2005B	10/15	4/34	3.5-4.1	1,765,000		13,280	1,751,720
Public Improvement - 2015	9/15	9/34	2.0-3.25	1,923,880		140,000	1,783,880
Public Improvement - 2019A	6/19	5/27	2.0	135,000		149,120	(14,120)
Public Improvement - 2020	1/20	5/43	2.25-2.625	350,600		13,900	336,700
Public Improvement - 2021	6/21	6/29	2.00-2.375	910,600		23,300	887,300
NYS Environmental Facilities Corporation - 2021 B	12/21	8/51	.18-3.007	6,420,000		180,000	6,240,000
NYS Environmental Facilities Corporation - 2022	12/21	8/51	0	2,016,280		72,010	1,944,270
NYS Environmental Facilities Corporation - 2023	1/23	1/52	0	6,454,452		222,570	6,231,882
Total Sewer Fund				<u>20,033,037</u>		<u>846,180</u>	<u>19,186,857</u>
Refuse District Fund							
Public Improvement - 2019A	6/19	5/27	2.0	190,000		46,000	144,000
Public Improvement - 2022	6/22	6/38	3.0-3.4	190,300		21,300	169,000
Total Refuse District Fund				<u>380,300</u>		<u>67,300</u>	<u>313,000</u>
Total Enterprise Fund				<u>\$ 48,032,214</u>	<u>\$</u>	<u>\$ 2,197,546</u>	<u>\$ 45,834,668</u>

CITY OF ROME, NEW YORK
NOTES TO FINANCIAL STATEMENTS
For the Year Ended December 31, 2024

Advance Refunding-Remaining Principal on Bonds Refinanced

In prior years, the City defeased serial bonds by placing the proceeds of the new bonds in an irrevocable trust to provide for all future debt service payments on the old bonds. Accordingly, the trust account assets and liabilities are not included in the City's financial statements.

The following outstanding bonds at December 31, 2024, are considered defeased:

<u>Description</u>	<u>Governmental</u>	<u>Enterprise</u>
2005	\$ 15,000	\$ 24,000
2005 EFC		1,625,000
2011	<u>2,755,273</u>	<u>1,149,727</u>
Total	<u>\$ 2,770,273</u>	<u>\$ 2,798,727</u>

Deferred Charge on Advance Refunding

The charge on advance refundings is the difference between the acquisition price and the net carrying value of proprietary refunded debt are capitalized and amortized over the term of the respective bonds using a method, which approximates the effective interest rate. Presently, the above refunded debt had issue costs of \$1,112,176 which are being amortized over seven to thirteen years.

	<u>Beginning Balance</u>	<u>Issued</u>	<u>Expensed/ Redeemed</u>	<u>Ending Balance</u>
Governmental Activities	\$ 182,570	\$	\$ 53,731	\$ 128,839
Business-Type Activities	\$ 151,392	\$	\$ 41,034	\$ 110,358

Special Provisions Affecting Remedies Upon Default

In the event of a default in the payment of the principal of and/or interest of the Bonds, the State Comptroller is required to withhold, under certain conditions prescribed by Section 99-b of the State Finance Law, state aid and assistance to the City and to apply the amount thereof so withheld to the payment of such defaulted principal and/or interest, which requirement constitutes a covenant by the State with the holders from time to time of the Bonds.

- e. **Lease Payables** - The City is obligated under various leases for land, vehicles, and equipment. The lease agreements qualify as other than short-term leases under GASB 87, *Leases* and, therefore, have been recorded at the present value of the future minimum lease payments as of the date of the inception of the implementation of the new standard. The leased assets and related obligations are accounted for in the Governmental Funds and in the Propriety Funds. The terms of the leases are 5 to 15 years and have interest rates that range from 2.89% per annum to 12.55% per annum, respectively. The total lease payments in the General Fund and Propriety Funds for the year ended December 31, 2024, were \$511,870 and \$149,936, respectively.

The following is a schedule of future minimum lease payments under capital leases:

	<u>Government Activities</u>		<u>Business-Type Activities</u>	
	<u>Principal</u>	<u>Interest</u>	<u>Principal</u>	<u>Interest</u>
2025	\$ 463,540	\$ 111,999	\$ 133,968	\$ 61,268
2026	334,754	68,091	114,246	48,270
2027	201,209	34,184	120,328	34,807
2028	129,272	13,099	95,032	22,338
2029	44,777	1,480	32,798	14,774
2030-2034			66,635	58,365
2035-2039			98,793	30,207
2040			24,109	1,692
Total	<u>\$ 1,173,552</u>	<u>\$ 228,853</u>	<u>\$ 685,909</u>	<u>\$ 271,721</u>

CITY OF ROME, NEW YORK
NOTES TO FINANCIAL STATEMENTS
For the Year Ended December 31, 2024

f. Interest - The City's interest expense for the above obligations for 2024 is as follows:

Governmental-Type Activities

General Fund

Amount Paid	\$ 1,199,156
Prior Year Accrual	(151,356)
Current Year Accrual	<u>166,052</u>
Total General Fund	1,213,852

Government-Wide

Change in Accrued Interest	14,696
Amortization of Premium	(113,151)
Amortization of Deferred Charge	<u>53,731</u>

Total Governmental-Type \$ 1,169,128

Governmental-Type Activities

Serial Bonds	\$ 633,789
Bond Anticipation Notes	428,908
Capital Lease	146,396
NYS Retirement	<u>4,759</u>
Total General Fund	1,213,852
Government-Wide Serial Bond	<u>(44,724)</u>
Total Governmental-Type	<u><u>\$ 1,169,128</u></u>

Business-Type Activities

Enterprise Fund

Amount Paid	\$ 964,409
Prior Year Accrual	(364,029)
Current Year Accrual	405,880
Amortization of Premium	63,868
Amortization of Deferred Charge	<u>(41,034)</u>
Total Business-Type	<u><u>\$ 1,029,094</u></u>

Serial Bonds	\$ 879,698
Bond Anticipation Notes	82,470
Capital Lease	66,218
NYS Retirement	<u>708</u>
Total Business-Type	<u><u>\$ 1,029,094</u></u>

CITY OF ROME, NEW YORK
NOTES TO FINANCIAL STATEMENTS
For the Year Ended December 31, 2024

g. Other Long-Term Liabilities – In addition to the above long-term debt, the City had the following other long-term liabilities:

1. Compensated Absences – Compensated absences represent unused vacation and sick time payable in the future estimated to be either used or paid upon retirement or termination. The current portion of the liability is determined from past use or payments.
2. Litigation – The City is self-insured in several areas of liability, in addition to those areas of liabilities for which insurance is not available. At December 31, 2024, the City had several outstanding tax certioraris claims in various legal stages. It is the opinion of the City’s Council, the majority of the claims have an aggregate possible liability of \$20,000 to \$200,000. Since these amounts are not considered probable, no liability has been recognized.

(e) General Fund – Aggregated Accounts

The General Fund’s balance sheet includes liability accounts that have been aggregated for financial statement presentation purposes. The following is a detail of the significant aggregations at December 31, 2024:

Description	Amount
Accrued Liabilities	
Health Insurance Claims Lag	\$ 842,613
Interest Accrual	281,574
Payroll Accrual	262,886
Total Accrued Liabilities	\$ 1,387,073

3. INTERFUND TRANSACTIONS

Fund Type	Interfund		Interfund	
	Receivables	Payables	Revenues	Expenditures
Governmental Funds				
General	\$ 6,792,354	\$	\$ 105,385	\$ 11,663,607
Special Aid	270,550	2,303,247		36,393
Capital Fund	3,402,628	8,785,640	11,167,164	5,386
Proprietary Funds				
Water	203,026		288,459	
Sewer	163,211		118,770	
Refuse	7,545	313	25,608	
Internal Service Fund	516	166		
Custodial Fund	249,536			
Total	\$ 11,089,366	\$ 11,089,366	\$ 11,705,386	\$ 11,705,386

All interfund receivables and payables are considered current. The purpose of the above balances are to provide cash flow for various projects and to correct misclassifications. The transfer from the General Fund to the Capital and Proprietary Funds was to fund various street, American Rescues Program Act, and tornado recovery capital projects.

CITY OF ROME, NEW YORK
NOTES TO FINANCIAL STATEMENTS
For the Year Ended December 31, 2024

4. CONTINGENCIES

Potential Grantor Liability

Amounts received or receivable from grantor agencies are subject to audit and adjustment by grantor agencies, principally the Federal government. Any disallowed claims, including amounts already collected, may constitute a liability of the applicable funds. The amount, if any, of expenditures which may be disallowed by the grantor cannot be determined at this time although the government expects such amounts, if any, to be immaterial.

Litigation [See Note 2 Liabilities Long Term Debt (d) g.]

Construction Commitments

The Common Council and the Board of Estimate and Contract have authorized various projects. These projects are in various stages of completion. The unexpended amounts of the projects are the result of uncompleted contracts. The City will be obligated for the contract as the work is performed. The following is a summary of the unexpended construction commitments:

Governmental	\$ 11,946,053
Proprietary	\$ 5,210,381

Self-Insured

The City is self-insured for health insurance and general liability. The City is covered for general liability but is liable for prior claims. For the City's health insurance plan, the City has aggregate and specific excess loss insurance. In aggregate, the City is covered up to \$1,000,000 for losses that exceed a calculated amount that cannot be less than \$8,010,428. The City also has specific excess loss insurance for each participant in excess from \$225,000 for each contract period. The City currently reports its risk management activities in the fund in which the liability is incurred. Claims expenditures/expenses and liabilities are reported when it is probable that a loss has occurred and the amount of the loss can be reasonably estimated. These losses include an estimate of claims that have been incurred but not reported.

	Beginning of Year <u>Liability</u>	Current Year Claims and Changes <u>on Estimates</u>	Claim <u>Payments</u>	End of Year <u>Liability</u>
2024	\$ <u>592,000</u>	\$ <u>7,406,501</u>	\$ <u>6,925,501</u>	\$ <u>1,073,000</u>
2023	\$ <u>619,135</u>	\$ <u>5,462,013</u>	\$ <u>5,489,148</u>	\$ <u>592,000</u>
2022	\$ <u>660,000</u>	\$ <u>6,062,162</u>	\$ <u>6,103,027</u>	\$ <u>619,135</u>

The liability for health insurance is recorded in the various governmental and proprietary funds as accrued liabilities.

The City is also self-insured for workers' compensation claims. The liabilities are record based on an evaluation that the claims are probable and the amount can is reasonably estimated. The estimated accrued claims payable are recorded as follows at December 31, 2024: Enterprise Funds \$1,072,005 and Governmental Activities \$2,980,816. The changes in the total workers' compensation liability are as follows:

	Beginning of Year <u>Liability</u>	Current Year Claims and Changes <u>on Estimates</u>	Claim <u>Payments</u>	End of Year <u>Liability</u>
2024	\$ <u>3,252,292</u>	\$ <u>1,358,834</u>	\$ <u>558,305</u>	\$ <u>4,052,821</u>
2023	\$ <u>2,663,279</u>	\$ <u>1,172,428</u>	\$ <u>583,415</u>	\$ <u>3,252,292</u>
2022	\$ <u>2,711,238</u>	\$ <u>644,119</u>	\$ <u>692,078</u>	\$ <u>2,663,279</u>

CITY OF ROME, NEW YORK
NOTES TO FINANCIAL STATEMENTS
For the Year Ended December 31, 2024

Employees' Collective Bargaining Units

The City currently employs approximately 299 employees. Police and fire department employees and general city employees are each represented by a collective bargaining agent. Those agents which represent them and the dates of expiration of their agreements are as follows:

<u>Number of Members</u>	<u>Labor Organization</u>	<u>Expiration Date</u>
80	Civil Service Employees Association	December 31, 2027
74	AFSCME Council #66 - Local #1088	December 31, 2025
68	Patrolmen Benevolent Association ("PBA")	December 31, 2025
77	Firefighters	December 31, 2025

5. CONSTITUTIONAL TAX LIMIT

The constitution of the State of New York limits the amount of real property taxes which may be levied by the City. Basically, the City may levy an amount of real property tax which is limited to 2% of the 5-year average full valuation of taxable real estate within the City taking into consideration any applicable exclusion. At December 31, 2024, the City utilized 29.5% of its constitutional taxing power.

6. REFUNDABLE GRANT AWARDS

The City awards housing improvement grants from the U.S. Department of Housing and Urban Development's Community Development Block Grant program to qualifying recipients. If the property is transferred within 3 years for liens to another party, the principal of the grant is to be repaid to the City. These commitments to the City are currently secured by liens against the residents' improved property. At December 31, 2024, the total liens payable to the City amounted to \$679,500. If the City receives the funds, they are recorded as program income, and the lien is cleared. Program income must generally be used to expand the program.

These liens have not been recognized because they do not meet the availability criteria and the actual amount to be received cannot be reasonably estimated. They are recognized upon receipt in the Special Revenue Fund.

7. UNEARNED GRANT AWARDS – GENERAL FUND

In March 2021, Congress passed and President Biden signed into law the American Rescue Plan of 2021. The City was awarded \$24,134,423 half of which it received in May 2021 and the other half of which was received in 2022. Since \$4,916,715 of the grant was not expended as of December 31, 2024, the amount is recorded in the General Fund as unearned grant revenue.

The stated goals of the Plan are:

- Support urgent COVID-19 response efforts to continue to decrease spread of the virus and bring the pandemic under control
- Replace lost revenue for eligible state, local, territorial, and Tribal governments to strengthen support for vital public services and help retain jobs
- Support immediate economic stabilization for households and businesses
- Address systemic public health and economic challenges that have contributed to the inequal impact of the pandemic

The City's Common Council created the American Rescue Plan Committee consisting of two councilors and the President of the Common Council to work with the City Administration to determine appropriate activities and projects to fund with the award. All funds will be utilized pursuant to sections 602(c)(1)(C) and 603(c)(1)(C) of the Act regarding the use of Lost Revenues for the acquisition of government services.

CITY OF ROME, NEW YORK
NOTES TO FINANCIAL STATEMENTS
For the Year Ended December 31, 2024

Under the Treasury’s Interim Final Rule, jurisdictions receiving funding must obligate the funds by December 31, 2024 and fully spend the funds by December 31, 2026. The longer time frame to actually spend obligated funds is to permit recipients investing in long term infrastructure projects sufficient time to complete the designated projects.

8. DEFICIT FUND BALANCES AND NET POSITION

Capital Fund

The Capital Fund had deficit fund balance at December 31, 2024, of \$12,971,133. This deficit is due to the issuance of bond anticipation notes totaling \$11,250,621. As BAN proceeds are expended, the liability remains until permanent financing is issued or payments are made from General Fund appropriations.

Special Aid Fund

The Special Aid Fund had deficit fund balance at December 31, 2024, of \$2,085,163. This deficit is due receivables that are not currently available. The receivables are from expenditures for which reimbursement from grants has not been received. The deficit will be eliminated as funds are received.

9. BUDGET REVISIONS

During 2024, the following budget revisions were authorized for the General Fund:

Change from Adopted Budget to Final Budget

Adopted Budget	\$ 51,105,588
Add: Prior Year's Encumbrances	<u>516,578</u>
Original Budget	<u>51,622,166</u>
Amendments:	
Mayor's conference room executive chairs	7,000
2024 Streets Budget	49,176
emergency evaluation and	250,000
demolition of the City owned building located at 233 W. Dominick St	
Public Works Garage emergency purchase and installation	29,609
of a heat exchanger	
Police subscription and setup of PowerDMS Time	6,687
Keeping Software	
Police Health Insurance	241,050
ARPA Grant	8,954,634
Appropriated Capital Reserve	765,131
Other Adjustments	<u>3</u>
Total Budget Amendments	<u>10,303,290</u>
Final Budget	<u><u>\$ 61,925,456</u></u>

10. LEASE RECEIVABLE AND LESSOR AGREEMENTS

The City has entered into agreements with Districts to lease parcels of land. The lease agreements qualify as other than short-term leases under GASB 87 and, therefore, have been recorded as a receivable at the present value of the future minimum lease payments as of the date of the inception of the agreements. The agreements were executed for a term of 10-20 years. The City has recorded a lease receivable and a deferred inflow of resources at December 31, 2024. The interest rate used for all leases is 6.0%. For the year ended December 31, 2024, the City recognized \$59,514 in lease revenue and \$46,917 in lease interest revenue.

CITY OF ROME, NEW YORK
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Future payments due to the City and deferred inflow recognition under these agreements are as follows for the year ended December 31, 2024:

Year	Payments To be Received	Deferred Inflow
2025	\$ 81,477	\$ 59,514
2026	62,106	39,173
2027	63,488	39,173
2028	64,911	39,173
2029	66,377	39,173
2030-2034	351,633	195,274
2035-2039	342,666	159,019
2040-2043	<u>221,668</u>	<u>141,554</u>
Total	1,254,326	712,053
Less Interest	<u>492,561</u>	
Present Value of Lease Receivables	<u>\$ 761,765</u>	<u>\$ 712,053</u>

11. FUND BALANCE

(a) The following is a summary of the change in General Fund restricted reserve funds during the year ended December 31, 2024:

	Beginning Balance	Increases	Decreases	Ending Balance
Restricted				
General Fund				
Liability Insurance	\$ 319,000	\$	\$	\$ 319,000
Capital Reserve	1,234,167	100,000	994,296	339,871
Debt Service	777,457	5,385	80,000	702,842
Workers' Compensation	<u>1,198,143</u>	<u>108,186</u>		<u>1,306,329</u>
Total General Fund Restricted	<u>\$ 3,528,767</u>	<u>\$ 213,571</u>	<u>\$ 1,074,296</u>	<u>\$ 2,668,042</u>

(b) The following is the disaggregation of the fund balance that is reported in summary on the Governmental Fund's Balance Sheet at December 31, 2024:

	General	Special Aid	Miscellaneous Special Revenue	Capital	Total
Nonspendable	<u>\$ 2,785,921</u>	<u>\$</u>	<u>\$</u>	<u>\$</u>	<u>\$ 2,785,921</u>
Restricted					
Liability Insurance	319,000				319,000
Capital Reserve	339,871				339,871
Debt Service	702,842				702,842
Workers' Compensation	<u>1,306,329</u>	<u></u>	<u></u>	<u></u>	<u>1,306,329</u>
Total Restricted	<u>2,668,042</u>	<u></u>	<u></u>	<u></u>	<u>2,668,042</u>
Assigned					
Designated for Subsequent Year's Expenditures	3,260,251				3,260,251
Reserve for Encumbrances	799,795				799,795
Other	<u></u>	<u></u>	133,355	<u></u>	133,355
Total Assigned	<u>4,060,046</u>	<u></u>	<u>133,355</u>	<u></u>	<u>4,193,401</u>
Unassigned (Deficit)	<u>10,943,550</u>	<u>(2,085,163)</u>	<u></u>	<u>(12,971,133)</u>	<u>(4,112,746)</u>
Total Fund Equity	<u>\$ 20,457,559</u>	<u>\$ (2,085,163)</u>	<u>\$ 133,355</u>	<u>\$ (12,971,133)</u>	<u>\$ 5,534,618</u>

CITY OF ROME, NEW YORK
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For the Year Ended December 31, 2024

12. SOLAR FARM POWER PURCHASE AGREEMENT

In 2014, the City entered into two power purchase agreements with Global Resource Options, Inc. (dba:groSolar). The agreements allow for the company to construct, operate, and maintain solar powered electric generating systems on City property known as Lamphear Road Pump Site and the Tannery Road Landfill. The term of the agreement for the Lamphear Road site is 20 years and the term of the agreement for the Tannery Road site is 25 years. Both have options by which Global Resource can extend the agreements for an additional 5 years. The aggregate anticipated power to be generated from both sites is 6.9 megawatts. The City will participate in the Niagara Mohawks Power Corporation's Remote Net Metering for Non-Residential Solar Electric Customer Generators, Rule 36.7 of the Niagara Mohawks Power Corporation's electric tariff. Based on this participation the City expects to receive a monthly delivery and supply credit from Niagara Mohawks Power Corporation at approximately 13 cents per kwh. The City is required to make an operating lease payment to Global Resource Options, Inc. at a starting rate of 9 cent per kwh at the Lamphear Road site and 9.5 cents at the Tannery Road site, both with a 2% escalator per year. During the 25-year term of the lease, the City expects to realize a net savings as well as \$347,000 from annual lease payments received from Global Resource for the two sites.

13. RESTATEMENTS

Governmental Accounting Standards Board Statement No. 101, Compensated Absences, was implemented as of the beginning of the year ended December 31, 2024. This Statement requires that liabilities for compensated absences be recognized for (1) leave that has not been used and (2) leave that has been used but not yet paid in cash or settled through noncash means. A liability should be recognized for leave that has not been used if (a) the leave is attributable to services already rendered, (b) the leave accumulates, and (c) the leave is more likely than not to be used for time off or otherwise paid in cash or settled through noncash means.

The beginning net position is restated as follows:

	Governmental	Business-Type Activities					Primary
	Activities						Government
		Total					
		Water	Sewer	Refuse District	Internal Service Fund - Central Maintenance	Total	
Net Position - Beginning of Year, As Previously Stated	\$ 39,227,128	\$ 52,800,573	\$ 44,385,122	\$ 2,376,775	\$ 124,967	\$ 99,687,437	\$ 138,914,565
Cumulative Effect of Change in Accounting Principle							
GASB Statement No. 101, <i>Compensated Absences</i> Implementation:							
Internal Service Fund Allocated	(43,133)				(5,578)	(5,578)	(48,711)
	(1,044,053)	(167,450)	(100,042)	(1,063)	(5,578)	(274,133)	(1,318,186)
Net Position - Beginning of Year, As Restated	<u>\$ 38,183,075</u>	<u>\$ 52,633,123</u>	<u>\$ 44,285,080</u>	<u>\$ 2,375,712</u>	<u>\$ 119,389</u>	<u>\$ 99,413,304</u>	<u>\$ 137,596,379</u>

14. SIGNIFICANT EVENTS

2024 Tornado – In July 2024, the City experienced a tornado which brought devastating damage throughout the City including but not limited to several municipal buildings, trees, as well as privately owned parcels. The estimated cost for the cleanup and rebuilding process is \$9,395,000. The State has awarded the City grants of \$5 million which will be used towards the purchase of property and demolition of buildings. In addition, insurance is expected to reimburse the City \$3,000,000.

CITY OF ROME, NEW YORK
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For the Year Ended December 31, 2024

15. ROME HOUSING AUTHORITY

Organization

The Rome Housing Authority (the Authority) was established to function in the community for purposes of administering the housing funds granted to Rome and for the additional purpose of operating and governing, under a single operating entity and board as the Rome Housing Authority. The Authority has the power to transact business and other powers as defined by law. Programs for which grants are received by the Authority include contracts with the U.S. Department of Housing and Urban Development (HUD) and the New York State Housing Program.

The Authority is an independent agency, operations of which are separate from those of The City of Rome, New York. Five of the seven commissioners are appointed by the Mayor of the City of Rome to serve for periods of three to five years. The other two members of the commission are elected by the tenants. The City may thereafter dissolve the Authority and either act as the Authority or appoint another Authority. Other than as indicated above, The City has no control over the acts of the Authority. Obligations of the Authority, including loans through direct borrowing or from sale of bonds, are not obligations of The City of Rome, New York.

Accounting records of the Authority are maintained separately from those of The City. The fiscal year of the Authority and the contracts provide for a year ending March 31.

Blended Component Units of the Rome Housing Authority

Liberty Gardens Housing Development Fund Company, Inc. - Formed pursuant to Article XI of the Private Housing Finance Law Section 402 of the Not-for-Profit Corporation Law on January 24, 2011, exclusively for the charitable purpose of providing housing accommodations for persons and families of low -income, as defined in Section 2 of the Private Housing Finance Law, which housing accommodations shall be situated and located at/or near 200 North Levitt Street, City of Rome, County of Oneida, State of New York, and/or such other locations, if any, as the members of the board of directors of the Corporation shall hereafter authorize. Liberty Gardens Housing Development Fund Company, Inc., is exempt from federal income taxes under Section 501(c)(3) of the Internal Revenue Code. Separately issued financial statements are not available for the entity. A tax return for the entity can be obtained from Rome Housing Authority.

Liberty Gardens Area Community Development, L.L.C. - Formed under Section 203 of the Limited Liability Company law on May 11, 2011, and is wholly owned by Rome Housing Authority as its sole member. Separately issued financial statements are not available for the entity.

Liberty Gardens II Housing Development Fund Company, Inc. - Formed pursuant to Article XI of the Private Housing Finance Law and Section 402 of the Not-for-Profit Corporation Law on October 24, 2012, exclusively for the charitable purpose of providing housing accommodations for persons and families of low-income, as defined in Section 2 of the Private Housing Finance Law, which housing accommodations shall be situated and located at/or near 200 North Levitt Street, City of Rome, County of Oneida, State of New York, and/or such other locations, if any, as the members of the board of directors of the Corporation shall hereafter authorize. Liberty Gardens II Housing Development Fund Company, Inc., is exempt from federal income taxes under Section 501(c)(3) of the Internal Revenue Code. Separately issued financial statements are not available for the entity. A tax return for the entity can be obtained from Rome Housing Authority.

Liberty Gardens III Housing Development Fund Company, Inc. - Formed pursuant to Article XI of the Private Housing Finance Law and Section 402 of the Not-for-Profit Corporation Law on February 26, 2014, exclusively for the charitable purpose of providing housing accommodations for persons and families of low -income, as defined in Section 2 of the Private Housing Finance Law, which housing accommodations shall be situated and located at/or near 200 North Levitt Street, City of Rome, County of Oneida, State of New York, and/or such other locations, if any, as the members of the board of directors of the Corporation shall hereafter authorize. Liberty Gardens III Housing Development Fund Company, Inc., is exempt from federal income taxes under Section 501(c)(3) of the Internal Revenue Code. Separately issued financial statements are not available for the entity. A tax return for the entity can be obtained from Rome Housing Authority.

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Colonial Housing Development Fund Company, Inc. - Formed pursuant to Article XI of the Private Housing Finance Law and Section 402 of the Not-for-Profit Corporation Law on October 16, 2017, exclusively for the charitable purpose of providing housing accommodations for persons and families of low -income, as defined in Section 2 of the Private Housing Finance Law, which housing accommodations shall be situated and located at/or near 200 North Levitt Street, City of Rome, County of Oneida, State of New York, and/or such other locations, if any, as the members of the board of directors of the Corporation shall hereafter authorize. Colonial Housing Development Fund Company, Inc., is exempt from federal income taxes under Section 501(c)(3) of the Internal Revenue Code. Separately issued financial statements are not available for the entity. A tax return for the entity can be obtained from Rome Housing Authority.

Colonial Housing II Development Fund Company, Inc. - Formed pursuant to Article XI of the Private Housing Finance Law and Section 402 of the Not-for-Profit Corporation Law on 2022, exclusively for the charitable purpose of providing housing accommodations for persons and families of low -income, as defined in Section 2 of the Private Housing Finance Law, which housing accommodations shall be situated and located at/or near 200 North Levitt Street, City of Rome, County of Oneida, State of New York, and/or such other locations, if any, as the members of the board of directors of the Corporation shall hereafter authorize. Colonial Housing II Development Fund Company, Inc., is exempt from federal income taxes under Section 501(c)(3) of the Internal Revenue Code. Separately issued financial statements are not available for the entity. A tax return for the entity can be obtained from Rome Housing Authority.

Basis of Accounting

The Rome Housing Authority currently prepares their financial statements on the accrual basis of accounting in accordance with accounting principles generally accepted in the United States of America (GAAP) as applied to government units. The Governmental Accounting Standards Board (GASB) is the accepted standard setting body for establishing governmental accounting and financial reporting principles.

The following is a summary of significant accounting policies followed by the Authority:

- Basis of Accounting - The Authority uses the accrual basis of accounting in the proprietary funds. Under this method, revenues are recorded when earned, and expenses are recorded when liabilities are incurred, regardless of when the related cash flow takes place.
- Enterprise Fund - This type of fund is reported using an economic resources measurement focus. Additionally, it is used to account for operations that are financed and operated in a manner similar to private businesses where a fee is charged to external users for services provided. When both restricted and unrestricted net positions are available for use, generally it is the Authority's policy to use restricted resources first.
- Revenues and Expenses - Revenues and expenses are recognized in essentially the same manner as used in commercial accounting. Revenues relating to the Authority are operating activities including rental related income, interest income and other sources of revenues are recognized in the accounting period in which they are earned. Other major sources of revenues include the operating subsidy from HUD and other HUD funding for capital and operating expenses. In accordance with GASB standards dwelling income has been netted with bad debt expense of \$20,672. Collection losses on accounts receivable are expensed, in the appropriate Fund, on the specific write-off method.
- Operating Revenue - Proprietary funds distinguish operating revenues and expenses from non-operating items. Operating revenues and expenses generally result from providing services and producing and delivering goods in connection with a proprietary fund's principal ongoing operations. The principal operating revenues of the Authority are charges to customers for rents. Operating expenses include the cost of sales and services, administrative expenses, and depreciation on capital assets. All revenues and expenses not meeting this definition are reported as non-operating revenues and expenses. Subsidies received from HUD or other grantor agencies, for operating purposes, are recorded as operating revenue in the operating statement while capital grant funds are added to the net position below the non -operating revenue and expense.
- Accounts receivable consists of all amounts earned at year end and not yet received. Allowances for uncollectible accounts are based upon historical trends and periodic aging of accounts receivable. Accounts for which no possibility of collection is anticipated are charged to bad debts expense which is netted against dwelling rent revenues on the statement of revenues, expenses, and changes in net position. Amounts due from other housing authorities related to Housing Choice Voucher Port In vouchers are deemed by management as fully collectible and no allowance has been established for those types of accounts receivable.

CITY OF ROME, NEW YORK
NOTES TO FINANCIAL STATEMENTS
For the Year Ended December 31, 2024

- Buildings and equipment are carried at cost, less accumulated depreciation. Donated assets are carried at fair market value at the date of donation, less accumulated depreciation. Maintenance and repairs are charged to operations. Gains and losses from the sale of equipment are included in income. Depreciation is calculated on a straight-line basis utilizing the following assets' estimated useful lives:

Buildings and Improvements	10-40 Years
Furniture and Equipment	3-15 Years

- Deferred Inflows/Outflows of Resources - In addition to assets, the statement of financial position will sometimes report a separate section for deferred outflows of resources. This separate financial statement element, *Deferred Outflows of Resources*, represents a consumption of net position that applies to a future period and so will not be recognized as an expense or expenditure until then. The deferred outflows of resources are all related to the Pension and OPEB. Also, in addition to liabilities, the statement of net position will sometimes report a separate section for deferred inflows of resources. This separate financial statement element, *Deferred Inflows of Resources*, represents an acquisition of net position that applies to a future period and so will not be recognized as revenue until then. The deferred inflows of resources are all related to the Pension and OPEB.
- Other Post-Employment Benefits (OPEB) - For purposes of measuring the net Other Post-Employment Benefits (OPEB) liability, deferred outflows of resources and deferred inflows of resources related to OPEB and OPEB expense, information about the fiduciary net position of our plan (OPEB Plan) and additions to/deductions from the OPEB Plan's fiduciary net position have been determined on the same basis. For this purpose, benefit payments are recognized when currently due and payable in accordance with the benefit terms. Investments are reported at fair value.
- Compensated Absences - Employees of the Authority are entitled to paid vacation days depending on job classification, length of service and other factors. Management has estimated the amount of compensation for future absences computed based on yearend conditions. The cost of accrued unpaid vacation pay of all employees at the end of the fiscal year is \$82,965, which includes the current portion of \$8,296.
- Dwelling Rental - Rents charged to Authority tenants under lease agreements, in accordance with HUD guidelines, are based on percentages of family income levels, and accordingly may not represent fair market rent. Residents may opt to pay a flat rent under HUD guidelines. Leases may be cancelled by the tenant at any time however, the Authority may cancel the lease only for cause.
- Insurance - The primary technique used for risk financing is the purchase of insurance policies from commercial insurers that include a large deductible amount. The use of a large deductible clause reduces the cost of insurance, but should losses occur, the portion of the uninsured loss is not expected to be significant with respect to the financial position of the Authority. As of the date of the report, the Authority had necessary insurance coverage in force.
- The preparation of financial statements in conformity with accounting principles generally accepted in the United States of America requires management to make estimates and assumptions that affect certain reported amounts and disclosures. The Authority has elected to follow GASB for financial reporting.

New Accounting Standards Implemented

The Authority implemented the following Governmental Accounting Standards Board (GASB) during the fiscal year ended March 31, 2024. GASB Statement No. 96, Subscription-Based Information Technology Arrangements (SBITA) - Effective Date: The requirements of this statement are effective for fiscal years beginning after June 15, 2022, and all reporting periods thereafter. The objective of this statement is to better meet the information needs of financial statement users by improving accounting and financial reporting for SBITA by governments. This statement provides guidance on the accounting and financial reporting for subscription-based information technology arrangements (SBITAs) for government end users (governments). This statement (1) defines a SBITA; (2) establishes that a SBITA results in a right - to-use subscription asset-an intangible asset-and a corresponding subscription liability; (3) provides the capitalization criteria for outlays other than subscription payments, including implementation costs of a SBITA; and (4) requires note disclosures regarding a SBITA. To the extent relevant, the standards for SBITAs are based on the standards established in Statement No. 87, Leases, as amended. As of March 31, 2024, the Authority's management has analyzed their contracts, and have found one SBITA contract to be material to the financial statements for Rome Housing Authority.

CITY OF ROME, NEW YORK
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Net Position

Net position represents the difference between assets and liabilities. GASB reports equity as "net position" rather than "fund balances." Net position is classified into three categories according to external donor restrictions or availability of assets for satisfaction of Authority obligations. The Authority's net position is classified as follows:

Net Investment in Capital Assets - This represents the Authority's total investment in capital assets, net of outstanding debt obligations related to those capital assets. To the extent debt has been incurred but not yet expended for capital assets, such amounts are not included as a component of net investment in capital assets.

Restricted Net Position - This includes resources that are restricted when there are limitations imposed on their use through external restrictions imposed by creditors, grantors, laws or regulations of other governments.

Unrestricted Net Position - This represents resources derived from operating revenue. These resources are used for transactions relating to the general operations of the Authority, and may be used at the discretion of the Authority's management to meet current expenses for any purpose.

Summary of HUD Programs

The accompanying financial statements consist of the activities of the housing programs subsidized by HUD. A summary of each of these programs and the related contracts with HUD is provided below.

Annual Contributions Contract NY-034

- a) Low Rent Public Housing - This type of housing consists of apartments and single-family dwellings owned and operated by the Authority. Funding is provided by tenant rent payments and subsidies provided by HUD.
- b) Capital Fund Program - Substantially all additions to land, buildings, and equipment are accomplished through the capital fund program. This program adds to, replaces or materially upgrades deteriorated portions of the Authority's housing units. Funding is provided through programs established by HUD.
- c) Housing Choice Voucher - HUD provides grants to the Authority to subsidize rents paid by low income families and individuals who rent dwelling units from private landlords. Under this program, qualified applicants are issued vouchers which may be used by the applicant to obtain housing in the private rental market. The Authority will subsidize the landlord for the difference between the rent requested and the tenant's share of the rent not to exceed a predetermined payment standard.

Significant Assets

(a) Deposits

At March 31, 2024, the Authority's deposit amounted to \$3,650,694. Of the bank balances held in various financial institutions, \$250,000 was covered by Federal Depository Insurance and the remainder was covered by collateral held under the Dedicated Method.

(b) Fixed Assets

A summary of changes in capital assets were as follows:

	4/1/2023			3/31/2024
	Balance	Additions	Deletions	Balance
Capital Assets Not Being Depreciated				
Land	\$ 71,545	\$	\$	\$ 71,545
Construction in Progress	<u>26,502</u>		26,502	
Total	<u>98,047</u>		<u>26,502</u>	<u>71,545</u>
Capital Assets Being Depreciated				
Buildings and Improvements	4,577,927	116,536		4,694,463
Machinery and Equipment	298,915			298,915
SBITA	164,354			164,354
Total	<u>5,041,196</u>	<u>116,536</u>		<u>5,157,732</u>
Accumulated Depreciation	4,579,715	85,388		4,665,103
Accumulated Amortization	<u>98,612</u>	<u>32,871</u>		<u>131,483</u>
Total	<u>4,678,327</u>	<u>118,259</u>		<u>4,796,586</u>
Net Capital Assets Being Depreciated	<u>362,869</u>	<u>(1,723)</u>		<u>361,146</u>
Net Capital Assets	<u>\$ 460,916</u>	<u>\$ (1,723)</u>	<u>\$ 26,502</u>	<u>\$ 432,691</u>

CITY OF ROME, NEW YORK
NOTES TO FINANCIAL STATEMENTS
For the Year Ended December 31, 2024

Notes Receivable

Notes receivable with Liberty Gardens Associates, L.P., in the principal sum of \$1,633,200. Repayment of principal and interest due August 9, 2041. Interest accruing at 3.86% per annum amounted to \$56,248 with a cumulative total of \$706,864 for the year ended March 31, 2024.	\$ 1,457,200
Notes receivable with Liberty Garden Associates II, L.P., in the principal sum of \$1,111,050. Repayment of principal and interest due October 25, 2042. Interest accruing at 2.36% per annum amounted to \$26,221 with a cumulative total of \$293,311 for the year ended March 31, 2024.	1,111,050
Notes receivable with Liberty Gardens Area Community Development, L.L.C., in the principal sum of \$308,354. Repayment of principal and interest due May 17, 2048. Interest accruing at 1.0% per annum amounted to \$3,084 with a cumulative total of \$17,354 for the year ended March 31, 2024.	308,354
Notes receivable with Colonial I Associates, L.P., in the principal sum of \$628,550. Repayment of principal and interest due May 17, 2048. Interest accruing at 1.0% per annum amounted to \$6,286 with a cumulative total of \$35,373 for the year ended March 31, 2024.	628,550
Notes receivable with Colonial II Associates, L.P., in the principal sum of \$2,000,000. Repayment of principal and interest due March 31, 2072. Interest accruing at 0.0%.	1,906,679
	5,411,833
Total Notes Receivable - Principal	5,411,833
Accrued Interest on Notes Receivable	1,052,902
	\$ 6,464,735
Total Notes Receivable	\$ 6,464,735

Pension

The Authority participates in the New York State Employees' Retirement System (NYSERS). This pension system is described in the City's Liability Note above. The Authorities contributions to the System were equal to 100% of the required contributions. The required contributions to the System were as follows:

2024	\$	91,892
2023	\$	82,321
2022	\$	113,581

Pension Liabilities, Pension Expense, and Deferred Outflows of Resources and Deferred Inflows of Resources Related to Pensions

At March 31, 2024, the Authority reported the following liability for its proportionate share of the net pension asset/(liability) for the ERS System. The net pension liability was measured as of March 31, 2024. The total pension liability used to calculate the net pension liability was determined by an actuarial valuation. The Authority's proportionate share of the net pension liability was based on a projection of the Authority's long-term share of contributions to the System relative to the projected contributions of all participating members, actuarially determined. This information was provided by the ERS System in reports provided to the Authority.

Actuarial valuation date	4/1/2023
Net pension liability	\$ 269,700
Authority's proportion of the Plan's net pension liability	0.0018317%

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For the Year Ended December 31, 2024

For the year ended March 31, 2024, the Authority recognized a pension expense of \$130,522. At March 31, 2024 the Authority's reported deferred outflows of resources related to the pension from the following sources:

	<u>Deferred Outflows</u>	<u>Deferred Inflows</u>
Differences between expected and actual experience	\$ 86,870	\$ 7,354
Changes in Assumptions	101,967	
Net difference between projected and actual earnings on pension plan investments		131,747
Changes in proportion and differences between the Authority's contributions and proportionate share of Contributions	<u>43,736</u>	<u>32,867</u>
Total	<u>\$ 232,573</u>	<u>\$ 171,968</u>

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

2024	\$ (40,587)
2025	57,287
2026	77,042
2027	(33,137)
2028	0

Actuarial Assumptions

The actuarial assumptions are listed in the City's pension ERS plan note to the financials statement.

Other Postemployment Benefits

Plan Descriptions:

The Authority's defined benefit other post-employment benefits plan (OPEB) provides benefits for all permanent full-time general and public safety employees of the Authority. The plan is a single-employer defined benefit OPEB plan administered by the Authority. No assets are accumulated in a trust that meets the criteria in paragraph 5 of GASB Statement No. 75. The Plan does not issue financial statements and is not a trust. Eligibility for benefits is based on covered employees who retire from the Authority at age 55 or older and have met vesting requirements.

Benefits Provided:

The Authority provides health insurance benefits for retirees and their dependents. The benefit terms are depended on which contract each employee falls under. The specifics of each contract are on file at the Authority offices and are available upon request.

Employees Covered by Benefit Terms:

At March 31, 2024, the total number of participants in the OPEB plan were comprised as follows:

Active employees, eligible to retire	6
Retired employees and surviving spouses	<u>16</u>
Total	<u>22</u>

Total OPEB Liability:

The Authority's total OPEB liability of \$1,391,986 was measured as of March 31, 2024 and was determined by an actuarial valuation as of that date.

CITY OF ROME, NEW YORK
NOTES TO FINANCIAL STATEMENTS
For the Year Ended December 31, 2024

Actuarial Assumptions and Other Inputs:

The total OPEB liability in the March 31, 2024 actuarial valuation was determined using the following actuarial assumptions and other inputs, applied to all periods included in the measurement, unless otherwise specified:

Healthcare cost trend rates – Pre-Medicare 7.25% graded down to 4.5% by 0.25% per year. Post-Medicare (Plan C & D), 5.50% graded down to 4.5% by 0.25% per year; Dental 3.00%.

Inflation – 2.50%

Salary increases – 2.00%

Mortality – Society of Actuaries Pub -2010 Public Retirement Plans Healthy Male and Female Total Dataset Headcount-Weighted Mortality tables with adjustments for mortality improvements based on the SOA Scale MP-2021.

Discount rate – 4.23% for March 31, 2024 (4.05% for March 31, 2023) The discount rate is based on a 20-year AA/Aa tax-exempt municipal bond yield.

Changes in the Total OPEB Liability -

Balance at March 31, 2023	\$ 1,355,473
Charges for the year:	
Service Cost	23,080
Interest	53,434
Differences between expected and actual experience	104,016
Changes in Assumptions and other inputs	(25,574)
Benefit payments	<u>(118,443)</u>
Net Changes	<u>36,513</u>
Balance at March 31, 2024	<u>\$ 1,391,986</u>

Sensitivity of the Total OPEB Liability to the Change in the Discount Rate and Healthcare Cost Trend Rate. The following table presents the total OPEB liability of the Authority, as well as what the Authority's total OPEB liability would be if it were calculated using a discount rate that is 1 percentage point higher or lower than the current discount rate.

	1% Decrease <u>(3.23%)</u>	Discount Rate <u>(4.23%)</u>	1% Increase <u>(5.23%)</u>
Total OPEB liability	<u>\$ 1,546,726</u>	<u>\$ 1,391,986</u>	<u>\$ 1,262,671</u>

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

The following table presents the total OPEB liability of the Authority, as well as what the Authority's total OPEB liability would be if it were calculated using a rate that is 1% higher or lower than the current healthcare cost trend rates:

	<u>1% Decrease</u>	<u>Trend Rate</u>	<u>1% Increase</u>
Total OPEB liability	<u>\$ 1,255,318</u>	<u>\$ 1,391,986</u>	<u>\$ 1,555,367</u>

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

For the year ended March 31, 2024, the Authority recognized a negative OPEB expense of \$103,374. At March 31, 2024, the Authority reported deferred outflows of resources and deferred inflows of resources related to OPEB from the following sources:

	<u>Deferred Outflows of Resources</u>	<u>Deferred Inflows of Resources</u>
Differences between expected and actual experience	\$ 58,158	\$
Changes of assumptions or other inputs	<u> </u>	<u>59,414</u>
Total	<u>\$ 58,158</u>	<u>\$ 59,414</u>

CITY OF ROME, NEW YORK
NOTES TO FINANCIAL STATEMENTS
For the Year Ended December 31, 2024

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

Years ending March 31,	<u>Amount</u>
2024	\$ (8,388)
2025	7,132
Thereafter	0

Commitments and Contingencies

State/Local Programs - The Authority was administering one New York Low-Income Housing Project within Rome, New York. This project is known as Liberty Gardens (NYS-51). As of December 1, 2010, 52 units of the original 180 units of the program was converted to Low Rent Public Housing Units. Pursuant to the contract entered into between the State of New York and the City of Rome, the City agreed to subsidize the accumulated deficits of the project over and above the New York State Subsidy. However, the City has declined to make these payments on the basis the City's allocations of Community Development Block Grants, in prior years for the benefit of the Project, more than offset a payment due. At March 31, 2001, this disputed receivable amounts to \$243, 984, and was removed from the books of the Authority. Between March 31, 2001 and March 31, 2010, the Authority has accrued subsidy shortages of \$254,973. On the GAAP basis financial statements, this accrual was removed from the books of the Authority. During 2012, State Program housing units were sold to Liberty Gardens Associates, L.P., and Liberty Gardens Associates II, L.P. The State Program was transferred to Liberty Gardens Area Community Development, L.L.C., as part of this transaction.

Grants and Contracts - The Authority participates in various federally assisted grant programs that are subject to review and audit by the grantor agencies. Entitlement to these resources is generally conditional based upon compliance with terms and conditions of grant agreements and applicable federal regulations, including the expenditure of resources for allowable purposes. Any disallowance resulting from a federal audit may become a liability of the Authority. There were no such liabilities recorded as of March 31, 2024.

The Section 8 Housing Choice Voucher Program (the Program) under the implementation of the Consolidated Appropriations Act 2005, Funding Provisions for the Housing Choice Voucher Program, changed the funding methodology, and in addition the Authority, is no longer required to complete a settlement statement. As a result, in accordance with GASB Statement No. 33 and PIH Notice 2009-9, the cumulative amount of unspent Housing Assistance Payment subsidy as of March 31, 2024, is being reflected in restricted net position in the basic financial statements.

Capital Fund - The Authority receives capital funding each year for ongoing capital improvements, and repairs and maintenance.

Insurance - The Authority is exposed to various risks of loss related to tort; theft of, damage to, and destruction of assets, errors, and omissions; injuries to employees; and natural disasters. These risks are covered by commercial insurance purchased from independent third parties. Settled claims for these risks have not exceeded commercial insurance coverage for the past three years.

Contingent Liabilities to the City - Pursuant to the contract entered into between the State of New York and the City of Rome, the City agreed to subsidize the accumulated deficits of the Project over and above the New York State subsidy. However, the City has declined to make these payments on the basis that City allocations of Community Development Block Grants, in prior years for the benefit of the Project, more than offset any payment due. At March 31, 2001, this disputed receivable amounted to \$243,984, and was removed from the books of the Authority. Between March 31, 2001 and March 31, 2010, the Authority has accrued subsidy shortages of \$254,973. On the GAAP basis financial statements, this accrual was removed from the books of the Authority. During 2012, State Program housing units were sold to Liberty Gardens Associates, L.P. and Liberty Gardens Associates II, L.P. The State Program has been transferred to Liberty Gardens Area Community Development LLC as part of this transaction.

CITY OF ROME, NEW YORK
SCHEDULE OF REVENUES, EXPENDITURES, AND OTHER FINANCING SOURCES (USES)
BUDGET AND ACTUAL - GENERAL FUND
For the Year Ended December 31, 2024

	Original Budget	Amended Budget	Actual	Encumbrances	Variance Favorable (Unfavorable)
Revenues					
Real Property Taxes	\$ 15,367,415	\$ 15,367,415	\$ 15,143,860		\$ (223,555)
Other Real Property Tax Items	1,378,599	1,378,599	1,438,822		60,223
Nonproperty Tax Items	15,102,893	15,102,893	14,530,267		(572,626)
Departmental Income	684,827	684,827	777,754		92,927
Intergovernmental Charges	944,660	944,660	943,546		(1,114)
Solar Power Credits	524,630	524,630	517,659		(6,971)
Use of Money and Property	953,433	953,433	1,260,281		306,848
Lease Revenue			59,514		59,514
Licenses and Permits	123,000	123,000	111,205		(11,795)
Fines and Forfeitures	31,500	31,500	35,285		3,785
Sale of Property and Compensation for Loss	59,000	59,000	168,695		109,695
Miscellaneous	130,000	130,000	60,744		(69,256)
Interfund Revenues	1,910,197	1,910,197	1,910,197		
State Aid	11,399,267	11,399,267	13,451,671		2,052,404
Federal Aid		8,954,634	8,150,476		(804,158)
Total Revenues	<u>48,609,421</u>	<u>57,564,055</u>	<u>58,559,976</u>		<u>995,921</u>
Expenditures					
General Government Support	6,434,124	6,317,657	5,534,873	\$ 203,192	579,592
Public Safety	17,995,636	17,266,778	16,966,144	216,150	84,484
Public Health	1,700	1,700	1,348		352
Transportation	5,088,543	4,902,733	4,448,055	152,790	301,888
Culture and Recreation	1,882,262	1,758,999	1,507,774	81,729	169,496
Home and Community Services	760,023	758,317	586,806	145,934	25,577
Employee Benefits	13,243,231	14,373,022	14,117,665		255,357
Debt Service - Principal	3,211,980	3,668,363	3,668,334		29
Debt Service - Interest	<u>1,066,840</u>	<u>1,214,280</u>	<u>1,213,852</u>		<u>428</u>
Total Expenditures	<u>49,684,339</u>	<u>50,261,849</u>	<u>48,044,851</u>	<u>799,795</u>	<u>1,417,203</u>
Excess (Deficit) Revenues Over Expenditures	<u>(1,074,918)</u>	<u>7,302,206</u>	<u>10,515,125</u>	<u>(799,795)</u>	<u>2,413,124</u>
Other Financing Sources (Uses)					
Interfund Transfers From			105,385		105,385
Interfund Transfers To	(1,937,827)	(11,663,607)	(11,663,607)		0
Appropriated Reserve	80,000	845,131			(845,131)
Appropriated Fund Balance	<u>2,932,745</u>	<u>3,516,270</u>			<u>(3,516,270)</u>
Total Other Financing Sources (Uses)	<u>1,074,918</u>	<u>(7,302,206)</u>	<u>(11,558,222)</u>		<u>(4,256,016)</u>
Revenues Over Expenditures and Other Financing Sources (Uses)	<u>\$ 0</u>	<u>\$ 0</u>	<u>\$ (1,043,097)</u>	<u>\$ (799,795)</u>	<u>\$ (1,842,892)</u>

Notes to Required Supplementary Information:

The City administration prepares a proposed budget for approval by the Common Council for the General Fund, the only fund with a legally adopted budget.

The budget is adopted annually on a basis consistent with GAAP. Appropriations authorized for the year are increased by the amount of encumbrances carried forward from the prior year.

CITY OF ROME, NEW YORK
SCHEDULES OF CHANGES IN THE CITY'S TOTAL OPEB LIABILITY AND RELATED RATIOS
For the Year Ended December 31, 2024

Governmental Activities	2024	2023	2022	2021	2020	2019	2018*
Service cost	\$ 841,355	\$ 707,101	\$ 1,114,018	\$ 1,483,708	\$ 1,222,581	\$ 964,638	\$ 1,192,853
Interest	2,129,369	2,105,228	1,503,834	2,101,001	2,451,226	3,147,827	2,877,004
Changes in assumptions or other inputs	(5,395,244)	4,014,480	(16,002,276)	1,392,218	7,722,967	12,568,746	(9,665,462)
Actuarial demographic (gain) or loss		4,314,700		(26,279,045)		(3,184,707)	(694,227)
Expected benefit payments	(2,950,900)	(2,743,306)	(2,579,800)	(2,823,365)	(3,366,690)	(3,253,135)	(3,376,051)
Net change in total OPEB liability	(5,375,420)	8,398,203	(15,964,224)	(24,125,483)	8,030,084	10,243,369	(9,665,883)
Total OPEB liability - beginning	66,075,108	57,676,905	73,641,129	97,766,612	89,736,528	79,493,159	89,159,042
Total OPEB liability - ending	\$ 60,699,688	\$ 66,075,108	\$ 57,676,905	\$ 73,641,129	\$ 97,766,612	\$ 89,736,528	\$ 79,493,159
Covered employee payroll	\$ 21,719,572	\$ 21,086,679	\$ 18,755,497	\$ 18,209,072	\$ 17,031,348	\$ 17,776,525	\$ 16,838,417
Total OPEB liability as a percentage of covered payroll	279.47%	313.35%	307.52%	404.42%	574.04%	504.80%	472.09%
Business-Type Activities	2024	2023	2022	2021	2020	2019	2018*
Service cost	\$ 117,821	\$ 82,389	\$ 123,767	\$ 164,307	\$ 135,596	\$ 123,346	\$ 151,158
Interest	196,343	203,719	145,042	203,694	235,694	280,040	253,761
Changes in assumptions or other inputs	(509,184)	361,260	(1,560,285)	135,089	765,696	1,417,022	(906,960)
Actuarial demographic (gain) or loss		88,321		(2,627,325)		(12,614)	(61,039)
Expected benefit payments	(261,100)	(246,194)	(224,900)	(245,135)	(282,407)	(212,464)	(220,492)
Net change in total OPEB liability	(456,120)	489,495	(1,516,376)	(2,369,370)	854,579	1,595,330	(783,572)
Total OPEB liability - beginning	6,046,387	5,556,892	7,073,268	9,442,638	8,588,059	6,992,729	7,776,301
Total OPEB liability - ending	\$ 5,590,267	\$ 6,046,387	\$ 5,556,892	\$ 7,073,268	\$ 9,442,638	\$ 8,588,059	\$ 6,992,729
Covered employee payroll	\$ 2,972,123	\$ 2,885,415	\$ 2,498,603	\$ 2,425,758	\$ 2,319,465	\$ 2,284,714	\$ 2,125,011
Total OPEB liability as a percentage of covered payroll	188.09%	209.55%	222.40%	291.59%	407.10%	375.89%	329.07%

* 10 years of historical information will not be available upon implementation. An additional year of historical information will be added each year subsequent to the year of implementation until 10 years of historical data is available.

Notes to Schedule:

Changes of benefit terms: Not Applicable.

Changes of Assumptions:

1. The single discount rate changed from 3.26% to 4.08% as of December 31, 2024.

Plan Assets: No assets are accumulated in a trust that meets all of the criteria of GASBS No. 75, paragraph 4, to pay benefits.

CITY OF ROME, NEW YORK
SCHEDULE OF CITY'S PENSION CONTRIBUTIONS
For the Year Ended December 31, 2024

		ERS Pension Plan									
		Last 10 Fiscal Years									
		2025	2024	2023	2022	2021	2020	2019	2018	2017	2016
Contractually Required Contribution	\$	1,501,888	\$ 1,305,275	\$ 1,262,467	\$ 1,326,818	\$ 1,293,339	\$ 1,223,397	\$ 1,212,335	\$ 1,201,530	\$ 1,290,050	\$ 1,498,191
Contributions in Relation to the Contractually Required Contribution		<u>1,501,888</u>	<u>1,305,275</u>	<u>1,262,467</u>	<u>1,326,818</u>	<u>1,293,339</u>	<u>1,223,397</u>	<u>1,212,335</u>	<u>1,201,530</u>	<u>1,290,050</u>	<u>1,498,191</u>
Contribution Deficiency (Excess)	\$	<u> </u>	<u> </u>	<u> </u>	<u> </u>	<u> </u>	<u> </u>	<u> </u>	<u> </u>	<u> </u>	<u> </u>
City's Covered- ERS Employee Payroll	\$	10,788,754	\$ 9,919,931	\$ 9,275,488	\$ 8,556,433	\$ 9,375,930	\$ 8,851,601	\$ 8,527,086	\$ 8,247,928	\$ 8,387,342	\$ 8,259,173
Contributions as a Percentage of Covered-Employee Payroll		13.92%	13.16%	13.61%	15.51%	13.79%	13.82%	14.22%	14.57%	15.38%	18.14%
		PFRS Pension Plan									
		Last 10 Fiscal Years									
		2025	2024	2023	2022	2021	2020	2019	2018	2017	2016
Contractually Required Contribution	\$	4,066,605	\$ 3,211,387	\$ 3,049,735	\$ 2,918,317	\$ 2,625,541	\$ 2,453,091	\$ 2,534,874	\$ 2,671,000	\$ 2,532,874	\$ 2,437,114
Contributions in Relation to the Contractually Required Contribution		<u>4,066,605</u>	<u>3,211,387</u>	<u>3,049,735</u>	<u>2,918,317</u>	<u>2,625,541</u>	<u>2,453,091</u>	<u>2,534,874</u>	<u>2,671,000</u>	<u>2,532,874</u>	<u>2,437,114</u>
Contribution Deficiency (Excess)	\$	<u> </u>	<u> </u>	<u> </u>	<u> </u>	<u> </u>	<u> </u>	<u> </u>	<u> </u>	<u> </u>	<u> </u>
City's Covered- PFRS Employee Payroll	\$	13,288,027	\$ 11,895,983	\$ 11,642,980	\$ 10,880,972	\$ 11,131,056	\$ 11,062,517	\$ 10,873,273	\$ 11,407,658	\$ 10,647,389	\$ 10,396,866
Contributions as a Percentage of Covered-Employee Payroll		30.60%	27.00%	26.19%	26.82%	23.59%	22.17%	23.31%	23.41%	23.79%	23.44%

See Independent Auditor's Report.

CITY OF ROME, NEW YORK
SCHEDULE OF THE CITY'S PROPORTIONATE SHARE OF THE NET PENSION LIABILITY
For the Year Ended December 31, 2024

NYS Employees Retirement System Pension Plan										
	2024	2023	2022	2021	2020	2019	2018	2017	2016	2015
City's proportion of the net pension liability (asset)	0.0329852%	0.0329781%	0.0308069%	0.0343547%	0.0328130%	0.0327028%	0.0320929%	0.0331176%	0.0034559%	0.0345204%
City's proportionate share of the net pension liability (asset)	\$ 4,856,758	\$ 7,071,841	\$ (2,518,340)	\$ 34,208	\$ 8,689,078	\$ 2,317,095	\$ 1,035,779	\$ 3,111,804	\$ 5,546,770	\$ 1,166,183
City's covered-employee payroll	\$ 9,919,931	\$ 9,275,488	\$ 8,556,433	\$ 9,375,930	\$ 8,851,601	\$ 8,527,086	\$ 8,247,928	\$ 8,387,342	\$ 8,259,173	\$ 8,126,119
City's proportionate share of the net pension liability (asset) as a percentage of its covered-employee payroll	48.96%	76.24%	-29.43%	0.36%	98.16%	27.17%	12.56%	37.10%	67.16%	14.35%
Plan fiduciary net position as a percentage of total pension liability (asset)	93.88%	90.78%	103.65%	99.95%	86.39%	96.27%	98.24%	94.70%	90.70%	97.90%

NYS Police and Fire Retirement System Pension Plan										
	2024	2023	2022	2021	2020	2019	2018	2017	2016	2015
City's proportion of the net pension liability	0.285872%	0.310182%	0.303936%	0.283087%	0.300191%	0.289192%	0.298134%	0.294491%	0.313404%	0.311106%
City's proportionate share of the net pension liability	\$ 13,558,387	\$ 17,092,510	\$ 1,726,493	\$ 4,915,177	\$ 16,045,031	\$ 4,849,933	\$ 3,013,409	\$ 6,103,782	\$ 9,279,219	\$ 856,350
City's covered-employee payroll	\$ 11,895,983	\$ 11,642,980	\$ 10,880,972	\$ 11,131,056	\$ 11,062,517	\$ 10,873,273	\$ 11,407,658	\$ 10,647,389	\$ 10,396,866	\$ 10,430,851
City's proportionate share of the net pension liability as a percentage of its covered-employee payroll	113.97%	146.81%	15.87%	44.16%	145.04%	44.60%	26.42%	57.33%	89.25%	8.21%
Plan fiduciary net position as a percentage of total pension liability	89.72%	87.43%	98.66%	95.79%	84.86%	95.09%	96.93%	93.50%	90.20%	99.00%

CITY OF ROME, NEW YORK
COMBINING BALANCE SHEET
GENERAL FUND
December 31, 2024

	General City	Inside District	Total General
Assets			
Current Assets			
Cash and Cash Equivalents	\$ 10,617,398	\$ 767,172	\$ 11,384,570
Cash and Cash Equivalents - Restricted	2,575,042	93,000	2,668,042
Taxes Receivable	859,298	251,884	1,111,182
Tax Sale Certificates	187,451		187,451
Property Acquired for Taxes	1,395,654		1,395,654
Accounts Receivable	600,724	56,861	657,585
Allowance for Receivables	(329,301)	(119,220)	(448,521)
Due from Other Funds	6,464,961	327,393	6,792,354
Due from Other Governments	2,942,119	588,660	3,530,779
Lease Receivables	761,765		761,765
Prepaid Expenditures	948,990	440,427	1,389,417
Total Assets	\$ 27,024,101	\$ 2,406,177	\$ 29,430,278
Liabilities			
Current Liabilities			
Accounts Payable	\$ 1,021,821	\$ 32,131	\$ 1,053,952
Accrued Liabilities	1,014,759	372,314	1,387,073
Payroll Withholdings Payable	175,060		175,060
Unearned Revenue - Grants	4,916,715		4,916,715
Due to Other Governments	43,403		43,403
Total Current Liabilities	7,171,758	404,445	7,576,203
Deferred Inflows of Resources			
Leases	712,053		712,053
Unavailable Revenue - Real Property Taxes	682,819	1,644	684,463
Total Deferred Inflows of Resources	1,394,872	1,644	1,396,516
Fund Balances			
Nonspendable	2,345,494	440,427	2,785,921
Restricted			
Reserve for Liability Insurance	226,000	93,000	319,000
Capital Reserves	339,871		339,871
Reserve for Debt	702,842		702,842
Reserve for Workers Compensation	1,306,329		1,306,329
Total Restricted	2,575,042	93,000	2,668,042
Assigned			
Designated for Subsequent Year's Expenditures	2,287,002	973,249	3,260,251
Reserve for Encumbrances	714,902	84,893	799,795
Total Assigned	3,001,904	1,058,142	4,060,046
Unassigned	10,535,031	408,519	10,943,550
Total Fund Balances	18,457,471	2,000,088	20,457,559
Total Liabilities, Deferred Inflow of Resources, and Fund Balances	\$ 27,024,101	\$ 2,406,177	\$ 29,430,278

See Independent Auditor's Report.

CITY OF ROME, NEW YORK
COMBINING STATEMENT OF REVENUES, EXPENDITURES, AND
CHANGES IN FUND BALANCE

GENERAL FUND

For the Year Ended December 31, 2024

	<u>General City</u>	<u>Inside District</u>	<u>Total General</u>
Revenues			
Real Property Taxes	\$ 10,950,980	\$ 4,192,880	\$ 15,143,860
Other Real Property Tax Items	957,049	481,773	1,438,822
Nonproperty Tax Items	10,420,119	4,110,148	14,530,267
Departmental Income	659,253	118,501	777,754
Intergovernmental Charges	448,967	494,579	943,546
Solar Power Credits	517,659		517,659
Use of Money and Property	1,239,650	20,631	1,260,281
Lease Revenue	59,514		59,514
Licenses and Permits	111,205		111,205
Fines and Forfeitures	17,930	17,355	35,285
Sale of Property and Compensation for Loss	137,217	31,478	168,695
Miscellaneous	59,775	969	60,744
Interfund Revenues	1,511,197	399,000	1,910,197
State Aid	10,938,672	2,512,999	13,451,671
Federal Aid	8,150,476		8,150,476
Total Revenues	<u>46,179,663</u>	<u>12,380,313</u>	<u>58,559,976</u>
Expenditures			
General Government Support	5,279,122	255,751	5,534,873
Public Safety	9,362,454	7,603,690	16,966,144
Public Health	1,348		1,348
Transportation	4,448,055		4,448,055
Culture and Recreation	1,507,774		1,507,774
Home and Community Services	586,806		586,806
Employee Benefits	9,337,324	4,780,341	14,117,665
Debt Service - Principal	3,382,618	285,716	3,668,334
Debt Service - Interest	1,142,339	71,513	1,213,852
Total Expenditures	<u>35,047,840</u>	<u>12,997,011</u>	<u>48,044,851</u>
Excess (Deficit) Revenues Over Expenditures	<u>11,131,823</u>	<u>(616,698)</u>	<u>10,515,125</u>
Other Financing (Uses)			
Interfund Transfers From	105,385		105,385
Interfund Transfers To	(11,663,607)		(11,663,607)
Total Other Financing (Uses)	<u>(11,558,222)</u>		<u>(11,558,222)</u>
Excess (Deficit) Revenues Over Expenditures and Other Financing (Uses)	<u>(426,399)</u>	<u>(616,698)</u>	<u>(1,043,097)</u>
Fund Balance, Beginning of Year	<u>18,883,870</u>	<u>2,616,786</u>	<u>21,500,656</u>
Fund Balances, End of Year	<u>\$ 18,457,471</u>	<u>\$ 2,000,088</u>	<u>\$ 20,457,559</u>

See Independent Auditor's Report.

D'Arcangelo & Co., LLP
Certified Public Accountants & Consultants

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315-336-9220 Fax: 315-336-0836

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 Honorable Mayor, Jeffrey M. Lanigan and Common Council
City of Rome, New York

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 governmental activities, the business-type activities, each major fund, and the aggregate remaining fund information of City of Rome, New York, as of and for the year ended December 31, 2024, and the related notes to the financial statements, which collectively comprise City of Rome, New York's basic financial statements, and have issued our report thereon dated July XX, 2025. Our report includes a reference to other auditors who audited the financial statements of the Rome Housing Authority, a discretely presented component unit, as described in our report on the City of Rome, New York's financial statements. This report does not include the results of the other auditors' testing of internal control over financial reporting or compliance and other matters that are reported on separately by those auditors.

Report on Internal Control over Financial Reporting

In planning and performing our audit of the financial statements, we considered City of Rome, New York'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 opinions on the financial statements, but not for the purpose of expressing an opinion on the effectiveness of City of Rome, New York's internal control. Accordingly, we do not express an opinion on the effectiveness of City of Rome, New York'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, misstatements, on a timely basis. A *material weakness* is a deficiency, or a combination of deficiencies, in internal control, such that there is a reasonable possibility that a material misstatement of the entity's financial statements will not be prevented, or detected and corrected, on a timely basis. 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.

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. Given these limitations, during our audit we did not identify any deficiencies in internal control that we consider to be material weaknesses. However, material weaknesses or significant deficiencies may exist that were not identified.

Report on Compliance and Other Matters

As part of obtaining reasonable assurance about whether City of Rome, New York'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*.

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 City'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 City's internal control and compliance. Accordingly, this communication is not suitable for any other purpose.

D'Arcangelo & Co., LLP

July 16, 2025

Rome, New York

D'Arcangelo & Co., LLP
Certified Public Accountants & Consultants

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Independent Auditor's Report on Compliance for Each Major Program and on Internal Control Over Compliance Required by the
Uniform Guidance

To the Honorable Mayor, Jeffrey M. Lanigan and Common Council
City of Rome, New York

Report on Compliance for Each Major Federal Program

Opinion on Each Major Federal Program

We have audited City of Rome, New York's compliance with the types of compliance requirements identified as subject to audit in the OMB *Compliance Supplement* that could have a direct and material effect on each of City of Rome, New York's major federal programs for the year ended December 31, 2024. City of Rome, New York's major federal programs are identified in the summary of auditor's results section of the accompanying schedule of findings and questioned costs.

In our opinion, City of Rome, New York complied, in all material respects, with the types of compliance requirements referred to above that could have a direct and material effect on each of its major federal programs for the year ended December 31, 2024.

Other Matters—Federal Expenditures Not Included in the Compliance Audit

City of Rome, New York's basic financial statements include the operations of the Rome Housing Authority, a discretely presented component unit, which expended \$4,496,105 in federal awards which is not included in City of Rome, New York's schedule of expenditures of federal awards during the year ended December 31, 2024. Our audit, described in the Opinion on Each Major Federal Program section, did not include the operations of Rome Housing Authority because the Authority engaged other auditors to perform an audit of compliance.

Basis for Opinion on Each Major Federal Program

We conducted our audit of compliance in accordance with auditing standards generally accepted in the United States of America; the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States; and the audit requirements of Title 2 U.S. *Code of Federal Regulations* Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards* (Uniform Guidance). Our responsibilities under those standards and the Uniform Guidance are further described in the Auditor's Responsibilities for the Audit of Compliance section of our report.

We are required to be independent of City of Rome, New York and to meet our other ethical responsibilities, in accordance with relevant ethical requirements relating to our audit. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion on compliance for each major federal program. Our audit does not provide a legal determination of City of Rome, New York's compliance with the compliance requirements referred to above.

Responsibilities of Management for Compliance

Management is responsible for compliance with the requirements referred to above and for the design, implementation, and maintenance of effective internal control over compliance with the requirements of laws, statutes, regulations, rules, and provisions of contracts or grant agreements applicable to City of Rome, New York's federal programs.

Auditor's Responsibilities for the Audit of Compliance

Our objectives are to obtain reasonable assurance about whether material noncompliance with the compliance requirements referred to above occurred, whether due to fraud or error, and express an opinion on City of Rome, New York's compliance based on our audit. Reasonable assurance is a high level of assurance but is not absolute assurance and therefore is not a guarantee that an audit conducted in accordance with generally accepted auditing standards, *Government Auditing Standards*, and the Uniform Guidance will always detect material noncompliance when it exists. The risk of not detecting material noncompliance resulting from fraud is higher than for that resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control. Noncompliance with the compliance requirements referred to above is considered material if there is a substantial likelihood that, individually or in the aggregate, it would influence the judgment made by a reasonable user of the report on compliance about City of Rome, New York's compliance with the requirements of each major federal program as a whole.

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

- Exercise professional judgment and maintain professional skepticism throughout the audit.
- Identify and assess the risks of material noncompliance, whether due to fraud or error, and design and perform audit procedures responsive to those risks. Such procedures include examining, on a test basis, evidence regarding City of Rome, New York's compliance with the compliance requirements referred to above and performing such other procedures as we considered necessary in the circumstances.
- Obtain an understanding of City of Rome, New York's internal control over compliance relevant to the audit in order to design audit procedures that are appropriate in the circumstances and to test and report on internal control over compliance in accordance with the Uniform Guidance, but not for the purpose of expressing an opinion on the effectiveness of City of Rome, New York's internal control over compliance. Accordingly, no such opinion is expressed.

We are required to communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and any significant deficiencies and material weaknesses in internal control over compliance that we identified during the audit.

Report on Internal Control over Compliance

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

Our consideration of internal control over compliance was for the limited purpose described in the Auditor's Responsibilities for the Audit of Compliance section above and was not designed to identify all deficiencies in internal control over compliance that might be material weaknesses or significant deficiencies in internal control over compliance. Given these limitations, during our audit we did not identify any deficiencies in internal control over compliance that we consider to be material weaknesses, as defined above. However, material weaknesses or significant deficiencies in internal control over compliance may exist that were not identified.

Our audit was not designed for the purpose of expressing an opinion on the effectiveness of internal control over compliance. Accordingly, no such opinion is expressed.

The purpose of this report on internal control over compliance is solely to describe the scope of our testing of internal control over compliance and the results of that testing based on the requirements of the Uniform Guidance. Accordingly, this report is not suitable for any other purpose.

D'Arcangelo & Co., LLP

July 16, 2025

Rome, New York

CITY OF ROME, NEW YORK
SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
For the Year Ended December 31, 2024

<u>Federal Grantor/Pass-Through Grantor/Program Title</u>	<u>Pass-Through Entity Identifying Number</u>	<u>Federal ALN Number</u>	<u>Current Expenditures</u>	<u>Expenditures to Subrecipients</u>
<u>U.S. Department of Housing and Urban Development</u>				
Direct				
Economic Development Initiative, Community Project Funding, and Miscellaneous Grants				
Griffiss-Woodhaven Revitalization	B-22-CP-NY-0655	14.251	\$ 1,254,386	\$
Park Drive Complete Streets Project	B-25-CP-NY-1162	14.251	<u>124,883</u>	
Total Economic Development Initiative, Community Project Funding, and Miscellaneous Grants			<u>1,379,269</u>	
CDBG - Entitlement Grants Cluster				
Community Development Block Grant – Entitlement Grant	B-21-MC-36-0106	14.218	13,149	62,615
Community Development Block Grant – Entitlement Grant	B-22-MC-36-0106	14.218	159,417	48,000
Community Development Block Grant – Entitlement Grant	B-23-MC-36-0106	14.218	581,716	
Community Development Block Grant – Entitlement Grant	B-24-MC-36-0106	14.218	<u>138,227</u>	
Total CDBG - Entitlement Grants Cluster			<u>892,511</u>	<u>110,615</u>
Total U.S. Department of Housing and Urban Development			<u>2,271,779</u>	<u>110,615</u>
<u>U.S. Department of Agriculture</u>				
Title IC – Volunteer Fire Assistance Grant Program 2023		10.698	<u>1,879</u>	
Total U.S. Department of Agriculture			<u>1,879</u>	
<u>U.S. Department of Justice</u>				
DEA Forfeiture for US Dept. of Justice		16.922	<u>2,507</u>	
Total U.S. Department of Justice			<u>2,507</u>	
<u>U.S. Department of Transportation</u>				
Highway Safety Cluster				
Pass through Governor’s Traffic Safety Committee				
State and Community Highway Safety	T006887	20.600	6,371	
Child Passenger Safety Program	SA00002691	20.616	<u>297</u>	
Total Highway Safety Cluster			<u>6,668</u>	
Highway Planning and Construction Cluster				
Pass through NYS Department of Transportation				
Highway Planning and Construction	D040238	20.205	24,517	
Highway Planning and Construction	D040489	20.205	117,484	
Highway Planning and Construction	D040693	20.205	<u>43,703</u>	
Total Highway Planning and Construction Cluster			<u>185,704</u>	
Total U.S. Department of Transportation			<u>192,372</u>	
<u>U.S. Department of Homeland Security</u>				
FEMA – Hazard Mitigation Grant Program	Proj4625-0007	97.039	478,747	
FEMA – Disaster 4625 Remnants of Tropical Storm Fred	Proj 667071	97.036	692,928	
FEMA – Disaster 4625 Remnants of Tropical Storm Fred	Proj 667080	97.036	<u>88,103</u>	
Total U.S. Department of Homeland Security			<u>1,259,778</u>	

(Continued)

See Independent Auditor’s Report and Notes to the Schedule of Expenditure of Federal Awards.

CITY OF ROME, NEW YORK
SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
For the Year Ended December 31, 2024

(Continued)

<u>Federal Grantor/Pass-Through Grantor/Program Title</u>	<u>Pass-Through Entity Identifying Number</u>	<u>Federal ALN Number</u>	<u>Current Expenditures</u>	<u>Expenditures to Subrecipients</u>
<u>U.S. Department of Treasury</u>				
Direct				
COVID-19 Coronavirus State and Local Fiscal Recovery Funds (ARPA)	OMB#1505-0271	21.019	8,150,466	_____
Total US Department of Treasury			<u>8,150,466</u>	<u>_____</u>
<u>Total Federal Financial Assistance</u>			<u>\$ 11,878,781</u>	<u>\$ 110,615</u>

See Independent Auditor's Report and Notes to the Schedule of Expenditure of Federal Awards.

CITY OF ROME, NEW YORK
NOTES TO SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
For the Year Ended December 31, 2024

1. SIGNIFICANT ACCOUNTING POLICIES

Organization

The accompanying Schedule of Expenditures of Federal Awards (the Schedule) includes the federal award activity of the City of Rome, New York, an entity defined in Note I to The City’s financial statements under programs of the federal government for the year ended December 31, 2024. The information in this Schedule is presented in accordance with the requirements of Title 2 U.S. Code of Federal Regulations Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards* (Uniform Guidance). Because the Schedule presents only a selected portion of the operations of the City of Rome, New York, it is not intended to and does not present the financial position, changes in net assets, or cash flows of the City of Rome, New York.

Basis of Accounting

Expenditures reported on the schedule are reported on the accrual basis of accounting. Such expenditures are recognized following the cost principles contained in Uniform Guidance wherein certain types of expenditures are not allowable or are limited as to reimbursement. The amounts reported as federal expenditures were obtained from the financial records detail, which is the source of the financial statements.

Cluster Programs

The following programs are identified by the Uniform Guidance to be part of a cluster of programs:

U.S. Department of Housing and Urban Development

CDBG – Entitlement Grants Cluster

AL# 14.218 Community Development Block Grant – Entitlement Grant

U.S. Department of Transportation

Highway Safety Cluster

AL# 20.600 State and Community Highway Safety

AL# 20.616 Child Passenger Safety Program

Highway Planning and Construction Cluster

AL# 20.205 Highway Planning and Construction

2. SUBRECIPIENTS

Of the Federal expenditures presented in the Schedule, the City of Rome, New York provided the following Federal Awards to subrecipients:

Community Development Block Grant – Entitlement Grant (AL# 14.218)

The Abraham House	\$ 16,000
YMCA	5,615
Rome Alliance for Education	44,500
Rome Art and Community Center	16,000
YWCA of the Mohawk Valley	<u>28,500</u>
Total	<u>\$ 110,615</u>

3. De Minimis Indirect Cost Rate

The City of Rome, New York has not elected to use the 10 percent de minimis indirect cost rate as allowed under the Uniform Guidance.

CITY OF ROME, NEW YORK
SCHEDULE OF FINDINGS AND QUESTIONED COSTS UNIFORM GUIDANCE
For the Year Ended December 31, 2024

Summary of Auditor's Results

(d)(1)(i)	Type of Financial Statement Opinion	Unmodified
(d)(1)(ii)	Were there any material control weakness conditions reported at the financial statement level (GAGAS)?	No
(d)(1)(ii)	Were there any other significant deficiencies reported at the financial statement level (GAGAS)?	No
(d)(1)(iii)	Was there any reported material noncompliance at the financial statement level (GAGAS)?	No
(d)(1)(iv)	Was there any material internal control weakness conditions reported for major Federal programs?	No
(d)(1)(iv)	Were there any other significant deficiencies over internal controls reported for major Federal programs?	No
(d)(1)(v)	Type of Major Programs' Compliance Opinion	Unmodified
(d)(1)(vi)	Are there any reportable findings under 2 CFR section 200.516 (a)?	No
(d)(1)(vii)	Major Programs (list):	<u>U.S. Department of Housing and Urban Development</u> Griffiss-Woodhaven Revitalization (AL #14.251) <u>U.S. Department of Homeland Security</u> FEMA – Hazard Mitigation Grant Program (AL #97.039) FEMA Disaster 4625 Remnants of Tropical Storm Fred (AL# 97.036) <u>U.S. Department of Treasury</u> Coronavirus State and Local Fiscal Recovery Funds (ARPA) (AL# 21.019)
(d)(1)(viii)	Dollar Threshold: Type A\B Programs	Type A: > \$ 750,000 Type B: all others
(d)(1)(ix)	Low Risk Auditee?	Yes

CITY OF ROME, NEW YORK
SCHEDULE OF FINDINGS AND QUESTIONED COSTS
For the Year Ended December 31, 2024

(Continued)

I. FINDINGS—FINANCIAL STATEMENT AUDIT

None

II. FINDINGS AND QUESTIONED COSTS—FEDERAL AWARD PROGRAMS AUDITS

None

CITY OF ROME, NEW YORK
STATUS OF PRIOR-YEAR FINDINGS AND QUESTIONED COSTS
For the Year Ended December 31, 2024

I. FINDINGS—FINANCIAL STATEMENT AUDIT

None

II. FINDINGS AND QUESTIONED COSTS —FEDERAL AWARD PROGRAMS AUDITS

None