

NEW ISSUE**BOND ANTICIPATION NOTES**

In the opinion of Hawkins Delafield & Wood LLP, Bond Counsel to the County, interest on the Notes is included in gross income for federal income tax purposes pursuant to Section 103 of the Internal Revenue Code of 1986, as amended. In addition, in the opinion of Bond Counsel to the County, under existing statutes, interest on the Notes is exempt from personal income taxes of New York State and its political subdivisions, including The City of New York. See "Tax Matters" herein.



\$8,000,000

COUNTY OF OSWEGO, NEW YORK

GENERAL OBLIGATIONS

\$8,000,000 Bond Anticipation Notes - 2025 (Federally Taxable) (the "Notes")

Dated: November 6, 2025**Due: November 6, 2026**

The Notes are general obligations of the County of Oswego, New York (the "County"), and will contain a pledge of the faith and credit of the County for the payment of the principal thereof and interest thereon and, unless paid from other sources, the Notes are payable from ad valorem taxes which may be levied upon all the taxable real property within the County, subject to certain statutory limitations imposed by Chapter 97 of the New York Laws of 2011, as amended (the "*Tax Levy Limit Law*"). (See "*TAX LEVY LIMIT LAW*" herein).

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

The Notes will be issued in registered form and at the option of the purchaser(s) the Notes will be (i) registered in the name of the successful bidder(s) or (ii) registered to Cede & Co., as the partnership nominee for The Depository Trust Company, New York, New York ("DTC") as book-entry notes.

For those Notes issued as book-entry notes, DTC will act as the securities depository for the Notes and Noteholders will not receive certificates representing their ownership interest in the Notes. Individual purchases of such registered Notes may be made in denominations of \$5,000 or integral multiples thereof. Payment of the principal of and interest on the Notes will be paid in lawful money of the United States of America (Federal Funds) by the County to DTC, which will in turn remit such principal and interest to its participants for subsequent distribution to the beneficial owners of the Notes as described herein. (See "*DESCRIPTION OF BOOK-ENTRY SYSTEM*" herein).

For those Notes registered to the purchaser(s), a single note certificate will be issued for those Notes bearing the same rate of interest in the aggregate principal amount awarded to such purchaser(s) at such interest rate. Principal of 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 selected by the successful bidder(s).

The Notes are offered subject to the final approving opinion of Hawkins Delafield & Wood LLP, New York, New York, Bond Counsel, and certain other conditions. It is expected that delivery of the Notes in definitive form will be made, on or about November 6, 2025.

This Preliminary Official Statement is in a form "deemed final" by the County for the purpose of Securities and Exchange Commission Rule 15c2-12 (the "Rule"). For a description of the County's agreement to provide notices of events as described in the Rule, see "CONTINUING DISCLOSURE" herein.

ELECTRONIC BIDS for the Notes must be submitted on Fiscal Advisor's Auction website ("Fiscal Advisors Auction") accessible via www.fiscaladvisorsauction.com, on October 23, 2025 no later than 11:00 A.M. EDT. Bids may also be submitted by facsimile at (315) 930-2354. No other form of electronic bidding services will be accepted. No phone bids will be accepted. No bid will be received after the time for receiving bids specified above. Once the bids are communicated electronically via Fiscal Advisors Auction or facsimile to the County, each bid will constitute an irrevocable offer to purchase the Notes pursuant to the terms provided in the Notice of Sale.

October __, 2025

* Preliminary, subject to change.

COUNTY OF OSWEGO, NEW YORK



COUNTY OFFICIALS

COUNTY LEGISLATURE

JAMES WEAHTERUP

Chairman

MARC GRECO, Vice Chair
MICHAEL G. YERDON
HERBERT G. YERDON
EDWARD GILSON
DAVID HOLST
ROY REEHIL
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MICHAEL SOLOWY
FRANK CASTIGLIA

* * * * *

PHILIP R. CHURCH

County Administrator

KEVIN L. GARDNER

County Treasurer

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No person has been authorized by the County of Oswego 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 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 County of Oswego.

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PREPARED WITH THE ASSISTANCE OF



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OFFICIAL STATEMENT
of the
COUNTY OF OSWEGO, NEW YORK
Relating To
\$8,000,000 Bond Anticipation Notes - 2025 (Federally Taxable)

This Official Statement, which includes the cover page and appendices, has been prepared by the County of Oswego, New York (the "County" and "State", respectively) in connection with the sale by the County of \$8,000,000 principal amount of Bond Anticipation Notes - 2025 (Federally Taxable) (referred to herein as the "Notes").

The factors affecting the County's financial condition and the Notes are described throughout this Official Statement. Since as many of these factors, including economic and demographic factors, are complex and may influence the County tax base, revenues, and expenditures, this Official Statement should be read in its entirety.

All quotations from and summaries and explanations of provisions of the Constitution and laws of the State and acts and proceedings of the County 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 Notes and the proceedings of the County relating thereto are qualified in their entirety by reference to the definitive forms of the Notes and such proceedings.

All financial and other information presented herein has been provided by the County from its records, except for the information expressly attributed to other sources. The presentation of such information is intended to show recent historical data and is not intended to indicate future or continuing trends in the financial position of other affairs of the County. No representation is made that past experience will necessarily continue or be repeated in the future.

NATURE OF THE OBLIGATION

Each Note when duly issued and paid for will constitute a contract between the County and the holder thereof.

The Notes are general obligations of the County and will contain a pledge of the faith and credit of the County for the payment of the principal thereof and the interest thereon, as required by the Constitution and laws of the State (State Constitution, Art. VIII, Section 2; Local Finance Law, Section 100.00). For the payment of such principal of and interest on the Notes, the County has the power and statutory authorization to levy ad valorem taxes on all taxable real property in the County, subject to certain statutory limitations imposed by the Tax Levy Limit Law. (See "*TAX LEVY LIMIT LAW*" herein).

Under the Constitution of the State, the County is required to pledge its faith and credit for the payment of the principal of and interest on the Notes, and the State is specifically precluded from restricting the power of the County to levy taxes on real estate for the payment of interest on or principal of indebtedness theretofore contracted. However, the Tax Levy Limit Law imposes a statutory limitation on the County's power to increase its annual tax levy. As a result, the power of the County to levy real estate taxes on all the taxable real property within the County is subject to statutory limitations set forth in Tax Levy Limit Law, unless the County complies with certain procedural requirements to permit the County to levy certain year-to-year increases in real property taxes. (See "*TAX LEVY LIMIT LAW*" herein).

THE NOTES

Description of the Notes

The Notes are dated November 6, 2025 and mature, without option of prior redemption, on November 6, 2026. Interest will be calculated on a 30-day month and 360-day year basis, payable at maturity.

The County will act as Paying Agent for any Notes issued in book-entry form and the purchaser(s) will serve as paying agent for the Notes registered in the name of the purchaser(s). Paying agent fees, if any, will be paid by the purchaser(s). The County Treasurer shall be the Paying Agent contact. The County's contact information is as follows: Mr. Kevin Gardner, County Treasurer and Chief Fiscal Officer, Oswego County Legislative Office Building, 46 E. Bridge St., Oswego, NY 13126, Phone: (315) 349-8393, Email: Kevin.Gardner@oswegocounty.com.

No Optional Redemption

The Notes are NOT subject to redemption prior to maturity.

Authority For and Purpose of Issue

The Bonds are being issued pursuant to the Constitution and statutes of the State of New York, including among others, the County Law, the Local Finance Law and a bond resolution dated February 13, 2025 authorizing the construction of a fiberoptic broadband/internet network in the County (the “Broadband Project”) at a maximum estimated cost of \$28,265,040, including the appropriation of \$4,000,015 in ARPA Funds and the issuance of up to \$24,265,025 bonds or notes of the County to finance the project.

The proceeds of the Notes will provide new money for the Broadband Project.

DESCRIPTION OF BOOK-ENTRY SYSTEM

If requested, the Depository Trust Company (“DTC”), New York, NY, will act as securities depository for the Notes. The Notes will 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 Notes bearing the same rate of interest and CUSIP number, and will be deposited with DTC.

DTC, a “banking organization” within the meaning of the New York Banking Law, is 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 3.5 million issues of U.S. and non-U.S. equity issues, corporate and municipal debt issues, and money market instruments (from over 100 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 is the holding company for DTC, National Securities Clearing Corporation, Government Securities Clearing Corporation, MBS Clearing Corporation, and Emerging Markets Clearing Corporation and Fixed Income Clearing Corporation, all of which are registered clearing agencies. DTCC is owned by the users of its registered subsidiaries. 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”). 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.

Purchases of the Notes under the DTC system must be made by or through Direct Participants, which will receive a credit for the Notes on DTC’s records. The ownership interest of each actual purchaser of each Bond or Note (“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 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 Notes, except in the event that use of the book-entry system for the Notes is discontinued.

To facilitate subsequent transfers, all 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 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 Notes; DTC’s records reflect only the identity of the Direct Participants to whose accounts such 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.

Neither DTC nor Cede & Co. (nor any other DTC nominee) will consent or vote with respect to the Notes unless authorized by a Direct Participant in accordance with DTC's MMI Procedures. Under its usual procedures, DTC mails an Omnibus Proxy to the County as soon as possible after the record date. The Omnibus Proxy assigns Cede & Co.'s consenting or voting rights to those Direct Participants to whose accounts Notes are credited on the record date (identified in a listing attached to the Omnibus Proxy).

Principal and interest payments on 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 County, 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 County, 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 Notes at any time by giving reasonable notice to the County. Under such circumstances, in the event that a successor depository is not obtained, bond and/or note certificates are required to be printed and delivered.

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

The information in this section concerning DTC and DTC's book-entry system has been obtained from sources that the County believes to be reliable, but the County takes no responsibility for the accuracy thereof.

Source: The Depository Trust Company.

THE COUNTY CANNOT AND DOES NOT GIVE ANY ASSURANCES THAT DTC, DIRECT PARTICIPANTS OR INDIRECT PARTICIPANTS OF DTC WILL DISTRIBUTE TO THE BENEFICIAL OWNERS OF THE NOTES (1) PAYMENTS OF PRINCIPAL OF OR INTEREST ON THE NOTES; (2) CONFIRMATIONS OF THEIR OWNERSHIP INTERESTS IN THE NOTES; OR (3) OTHER NOTICES SENT TO DTC OR CEDE & CO., ITS PARTNERSHIP NOMINEE, AS THE REGISTERED OWNER OF THE 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 COUNTY 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 OR REDEMPTION PREMIUM ON THE 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 NOTES.

THE INFORMATION CONTAINED HEREIN CONCERNING DTC AND ITS BOOK-ENTRY SYSTEM HAS BEEN OBTAINED FROM DTC AND THE COUNTY 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 Notes

For those Notes issued in book-entry form, the following provisions shall apply: DTC may discontinue providing its services with respect to the Notes at any time by giving reasonable notice to the County and discharging its responsibilities with respect thereto under applicable law, or the County 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 discontinued, notes will be registered in the name of the purchaser(s) in denominations of \$5,000 or integral multiples thereof. 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 to be named by the County as fiscal agent for the 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 Notes. All expenses in relation to the printing of CUSIP numbers on the Notes will be paid for by the County provided, however; the County assumes no responsibility for any CUSIP Service Bureau charge or other charge that may be imposed for the assignment of such numbers.

REMEDIES UPON DEFAULT

Neither the Notes, nor the proceedings with respect thereto, specifically provide any remedies which would be available to owners of the Notes should the County default in the payment of principal of or interest on the Notes, nor do they contain any provisions for the appointment of a trustee to enforce the interests of the owners of the Notes upon the occurrence of any such default. Each Note is a general obligation contract between the County and the owners for which the faith and credit of the County are pledged and while remedies for enforcement of payment are not expressly included in the County's contract with such owners, any permanent repeal by statute or constitutional amendment of a bond or note holder's remedial right to judicial enforcement of the contract should, in the opinion of Bond Counsel, be held unconstitutional.

Upon default in the payment of principal of or interest on the Notes, at the suit of the owner, a Court has the power, in proper and appropriate proceedings, to render judgment against the County. The present statute limits interest on the amount adjudged due to contract creditors to nine per centum per annum from the date due to the date of payment. As a general rule, property and funds of a municipal corporation serving the public welfare and interest have not been judicially subjected to execution or attachment to satisfy a judgment. A Court also has the power, in proper and appropriate proceedings, to order payment of a judgment on such Notes from funds lawfully available therefor or, in the absence thereof, to order the County to take all lawful action to obtain the same, including the raising of the required amount in the next annual tax levy. In exercising its discretion as to whether to issue such an order, the Court may take into account all relevant factors, including the current operating needs of the County and the availability and adequacy of other remedies. Upon any default in the payment of the principal of or interest on a the Notes, the owner of such Note could, among other remedies, seek to obtain a writ of mandamus from a Court ordering the governing body of the County to assess, levy and collect an *ad valorem* tax, upon all taxable property of the County subject to taxation by the County, sufficient to pay the principal of and interest on the Notes as the same shall come due and payable (and interest from the due date to date of payment) and otherwise to observe the covenants contained in the Notes and the proceedings with respect thereto all of which are included in the contract with the owners of the Notes. The mandamus remedy, however, may be impracticable and difficult to enforce. Further, the right to enforce payment of the principal of or interest on the Notes may be limited by bankruptcy, insolvency, reorganization, moratorium and similar laws and equitable principles, which may limit the specific enforcement of certain remedies.

In 1976, the New York Court of Appeals, the State's highest court, held in *Flushing National Bank v. Municipal Assistance Corporation for the City of New York*, 40 N.Y.2d 731 (1976), that the New York State legislation purporting to postpone the payment of debt service on New York City obligations was an unconstitutional moratorium in violation of the New York State constitutional faith and credit mandate included in all municipal debt obligations. While that case can be viewed as a precedent for protecting the remedies of holders of bonds or notes of the County, there can be no assurance as to what a Court may determine with respect to future events, including financial crises as they may occur in the State and in municipalities of the State, that require the exercise by the State of its emergency and police powers to assure the continuation of essential public services. (See also, *Flushing National Bank v. Municipal Assistance Corporation for the City of New York*, 40 N.Y.2d 1088 (1977), where the Court of Appeals described the pledge as a direct Constitutional mandate.)

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 county, city, 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 County.

Pursuant to Article VIII, Section 2 of the State Constitution, the County is required to provide an annual appropriation of monies for the payment of due and payable principal of and interest on indebtedness. Specifically this constitutional provision states: "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 constitutes a specific non-exclusive constitutional remedy against a defaulting municipality or school district; however, it does not apply in a context in which monies have been appropriated for debt service but the appropriating authorities decline to use such monies to pay debt service. However, Article VIII, Section 2 of the Constitution of the State also provides that the fiscal officer of any county, city, town, village or school district may be required to set apart and apply such revenues at the suit of any holder of any obligations of indebtedness issued with the pledge of the faith of the credit of such political subdivision. In *Quirk v. Municipal Assistance Corp.*, 41 N.Y.2d 644 (1977), the Court

of Appeals described this as a “first lien” on revenues, but one that does not give holders a right to any particular revenues. It should thus be noted that the pledge of the faith and credit of a political subdivision in the State is a pledge of an issuer of a general obligation bond or note to use its general revenue powers, including, but not limited to, its property tax levy, to pay debt service on such obligations, but that such pledge may or may not be interpreted by a court of competent jurisdiction to include a constitutional or statutory lien upon any particular revenues. The Constitutional provision providing for first revenue set asides does not apply to tax anticipation notes, revenue anticipation notes or bond anticipation notes.

While the courts in the State have historically been protective of the rights of holders of general obligation debt of political subdivisions, it is not possible to predict what a future court might hold.

In prior years, certain events and legislation affecting a holder’s remedies upon default have resulted in litigation. While courts of final jurisdiction have generally upheld and sustained the rights of holders of bonds or notes, such courts might hold that future events, including a financial crisis as such may occur in the State or in political subdivisions of the State, may require the exercise by the State or its political subdivisions of emergency and police powers to assure the continuation of essential public services prior to the payment of debt service.

MUNICIPAL BANKRUPTCY

The undertakings of the County should be considered with reference, specifically, to Chapter IX of the Bankruptcy Act, 11 U.S.C. §401, et seq., as amended (“Chapter IX”) and, in general, to other bankruptcy laws affecting creditors’ rights and municipalities. Chapter IX permits any political subdivision, public agency or instrumentality that is insolvent or unable to meet its debts (i) to file a petition in a Court of Bankruptcy for the purpose of effecting a plan to adjust its debts provided such entity is authorized to do so by applicable state law; (ii) directs such a petitioner to file with the court a list of a petitioner’s creditors; (iii) provides that a petition filed under such chapter shall operate as a stay of the commencement or continuation of any judicial or other proceeding against the petitioner; (iv) grants priority to debt owed for services or material actually provided within three (3) months of the filing of the petition; (v) directs a petitioner to file a plan for the adjustment of its debts; and (vi) provides that the plan must be accepted in writing by or on behalf of creditors holding at least two-thirds (2/3) in amount or more than one-half (1/2) in number of the listed creditors.

Bankruptcy proceedings by the County could have adverse effects on holders of bonds or notes including (a) delay in the enforcement of their remedies, (b) subordination of their claims to those supplying goods and services to the County after the initiation of bankruptcy proceedings and to the administrative expenses of bankruptcy proceedings and (c) imposition without their consent of a reorganization plan reducing or delaying payment of the Notes. The Bankruptcy Code contains provisions intended to ensure that, in any reorganization plan not accepted by at least a majority of a class of creditors such as the holders of general obligation bonds, such creditors will have the benefit of their original claim or the “indubitable equivalent”. The effect of these and other provisions of the Bankruptcy Code cannot be predicted and may be significantly affected by judicial interpretation.

Accordingly, enforceability of the rights and remedies of the owners of the Notes, and the obligations incurred by the County, may become subject to Chapter IX and applicable bankruptcy, insolvency, reorganization, moratorium, or similar laws relating to or affecting the enforcement of creditor’s rights generally, now or hereafter in effect, equity principles which may limit the specific enforcement under State law of certain remedies, the exercise by the United States of America of the powers delegated to it by the Constitution, the reasonable and necessary exercise, in certain exceptional situations, of the police powers inherent in the sovereignty of the State and its governmental bodies in the interest of serving a significant and legitimate public purpose and the limitations on remedies against public agencies in the State. Bankruptcy proceedings, or the exercise of powers by the federal or State government, if initiated, could subject the owners of the Notes to judicial discretion, interpretation and of their rights in bankruptcy or otherwise, and consequently may entail risks of delay, limitation, or modification of their rights.

The State has consented (see Title 6-A of the Local Finance Law) that any municipality in the State may file a petition with any United States district court or court of bankruptcy under any provision of the laws of the United States, now or hereafter in effect for the composition or adjustment of municipal indebtedness. However, it is noted that there is no record of any recent filings by a New York municipality. Since the New York City fiscal crisis in 1975, the State has legislated a finance control or review board and assistance corporations to monitor and restructure finance matters in addition to New York City, for the Cities of Yonkers, Troy and Buffalo and for the Counties of Nassau and Erie. Similar active intervention pursuant to State legislation to relieve fiscal stress for the County in the future cannot be assured.

No current state law purports to create any priority for holders of the Notes should the County be under the jurisdiction of any court, pursuant to the laws of the United States, now or hereafter in effect, for the composition or adjustment of municipal indebtedness.

The above references to the Bankruptcy Act are not to be construed as an indication that the County is currently considering or expects to resort to the provisions of the Bankruptcy Act.

FINANCIAL CONTROL BOARDS

Pursuant to Article IX Section 2(b)(2) of the State Constitution, any municipality in the State may request the intervention of the State in its “property, affairs and government” by a two-thirds vote of the total membership of its legislative body or on request of its chief executive officer concurred in by a majority of such membership. This has resulted in the adoption of special acts for the establishment of public benefit corporations with varying degrees of authority to control the finances (including debt issuance) of the Cities of Buffalo, Troy and Yonkers and the County of Nassau. The specific authority, powers and composition of the financial control boards established by these acts varies based upon circumstances and needs. Generally, the State legislature has granted such boards the power to approve or disapprove budget and financial plans and to issue debt on behalf of the municipality, as well as to impose wage and/or hiring freezes and in certain cases approve or disapprove collective bargaining agreements. Implementation is generally left to the discretion of the board of the public benefit corporation. Such a State financial control board was first established for New York City in 1975. In addition, upon the issuance of a certificate of necessity of the Governor reciting facts which in the judgment of the Governor constitute an emergency requiring enactment of such laws, with the concurrences of two-thirds of the members elected in each house of the State legislature, the State is authorized to intervene in the “property, affairs and governments” of local government units. This occurred in the case of the County of Erie in 2005. The authority of the State to intervene in the financial affairs of a local government is further supported by Article VIII, Section 12 of the Constitution which declares it to be the duty of the State legislature to restrict, subject to other provisions of the Constitution, the power of taxation, assessment, borrowing money and contracting indebtedness and loaning the credit of counties, cities, towns and villages so as to prevent abuses in taxation and assessment and in contracting indebtedness by them.

In 2013, the State established a new state advisory board to assist counties, cities, towns and villages in financial distress. The Financial Restructuring Board for Local Governments (the “FRB”), is authorized to conduct a comprehensive review of the finances and operations of any such municipality deemed by the FRB to be fiscally eligible for its services upon request by resolution of the municipal legislative body and concurrence of its chief executive. The FRB is authorized to make recommendations for, but cannot compel improvement of fiscal stability, management and delivery of municipal services, including shared services opportunities and is authorized to offer grants and/or loans of up to \$5,000,000 through a Local Government Performance and Efficiency Program to undertake certain recommendations. If a municipality agrees to undertake the FRB recommendations, it will be automatically bound to fulfill the terms in order to receive the aid.

The FRB is also authorized to serve as an alternative arbitration panel for binding arbitration.

Although from time to time there have been proposals for the creation of a statewide financial control board with broad authority over local governments in the State, the FRB does not have emergency financial control board powers to intervene in the finances and operations of entities such as the public benefit corporations established by special acts as described above.

Several municipalities in the State are presently working with the FRB. The County has not applied to the FRB and does not reasonably anticipate submission of a request to the FRB for a comprehensive review of its finances and operations. School districts and fire districts are not eligible for FRB assistance.

NO PAST DUE DEBT

No principal or interest payment on County indebtedness is past due.

MARKET MATTERS AFFECTING FINANCINGS OF THE MUNICIPALITIES OF THE STATE

There are certain potential risks associated with an investment in the Notes, and investors should be thoroughly familiar with this Official Statement, including its appendices, in order to make an informed investment decision. Investors should consider, in particular, the following factors:

The County’s credit rating could be affected by circumstances beyond the County’s control. Economic conditions such as the rate of unemployment and inflation, termination of commercial operations by corporate taxpayers and employers, as well as natural catastrophes, could adversely affect the assessed valuation of County property and its ability to maintain fund balances and other statistical indices commensurate with its current credit rating. As a consequence, a decline in the County’s credit rating could adversely affect the market value of the Notes.

If and when an owner of any of the Notes should elect to sell all or a part of the Notes prior to maturity, there can be no assurance that a market will have been established, maintained and continue in existence for the purchase and sale of any of those Notes. The market value of the Notes is dependent upon the ability of holder to potentially incur a capital loss if such Notes are sold prior to its maturity.

There can be no assurance that adverse events including, for example, the seeking by another municipality in the State or elsewhere of remedies pursuant to the Federal Bankruptcy Act or otherwise, will not occur which might affect the market price of and the market for the Notes. In particular, if a significant default or other financial crisis should occur in the affairs of the State or any of its municipalities, public authorities or other political subdivisions thereby possibly further impairing the acceptability of obligations issued by those entities, both the ability of the County to arrange for additional borrowings as well as the market for and market value of outstanding debt obligations, including the Notes, could be adversely affected.

The County is dependent in part upon financial assistance from the State in the form of State aid as well as grants and loans to be received ("State Aid"). The availability of such monies and the timeliness of such payment may be affected by a delay in the adoption of the State budget, the State's economy and financial condition and other circumstances, including State fiscal stress. State aid appropriated and apportioned to the County can be paid only if the State has such monies available therefore. The County's receipt of State aid may be delayed as a result of the State's failure to adopt its budget timely and/or to appropriate State Aid to municipalities and school districts. Should the County fail to receive all or a portion of the amounts of State Aid expected to be received from the State in the amounts and at the times anticipated, occasioned by a delay in the payment of such moneys or by a reduction in State Aid or its elimination, the County is authorized pursuant to the Local Finance Law to provide operating funds by borrowing in anticipation of the receipt of such uncollected State Aid, however, there can be no assurance that, in such event, the County will have market access for any such borrowing on a cost effective basis. The elimination of or any substantial reduction in State Aid would likely have a materially adverse effect upon the County requiring either a counterbalancing increase in revenues from other sources to the extent available or a curtailment of expenditures. (See also "*State and Federal Aid*" herein.)

Future amendments to applicable statutes whether enacted by the State or the United States of America affecting the treatment of interest paid on municipal obligations, including the Notes, for income taxation purposes could have an adverse effect on the market value of the Notes (see "*TAX MATTERS*" herein).

The enactment of the Tax Levy Limit Law, which imposes a tax levy limitation upon municipalities, school districts and fire districts in the State, including the County, without providing exclusion for debt service on obligations issued by municipalities and fire districts, may affect the market price and/or marketability for the Notes. (See "*THE TAX LEVY LIMIT LAW*" herein.)

An outbreak of disease or similar public health threat, such as the COVID-19 outbreak, or fear of such an event, could have an adverse impact on the County's financial condition and operating results by potentially delaying the receipt of real property taxes or resulting in a delay or reduction by the State in the payment of State aid.

Federal or State legislation imposing new or increased mandatory expenditures by municipalities, school districts and fire districts in the State, including the County could impair the financial condition of such entities, including the County and the ability of such entities, including the County to pay debt service on the Notes.

Cybersecurity

The County, like many other public and private entities, relies on technology to conduct its operations. As a recipient and provider of personal, private, or sensitive information, the County faces multiple cyber threats including, but not limited to, hacking, viruses, malware and other attacks on computer and other sensitive digital networks and systems. No assurances can be given that such security and operational control measures implemented would be completely successful to guard against cyber threats and attacks. The results of any such attack could impact business operations and/or damage County digital networks and systems and the costs of remedying any such damage could be substantial.

On January 19, 2022, the County was fraudulently induced by email to wire vendor payments in an aggregate amount of \$428,669 to an account controlled by alleged criminals. The fraudulent emails ostensibly originated from an employee account of the vendor. The County was unaware that the vendor employee's email account was compromised, and that such fraudulent emails, documents and confirmations were sent as a result an apparent cybersecurity breach of the vendor. The County did not receive any information from the vendor that the employee's email was compromised prior to receipt of the fraudulent emails and initiation of the wire transfers. The County did alert authorities to the cybersecurity breach involving its email system. The County now utilizes a third-party payment processor that vets County vendors and indemnifies against fraud for the bulk of all County transactions.

CONTINUING DISCLOSURE

At the time of the delivery of the Notes, the County will provide executed copies of its Undertaking to Provide Notices of Events with respect to the Notes substantially as set forth, in “*APPENDIX-B*” hereto.

Historical Continuing Disclosure Compliance

The County has not been subject to any continuing disclosure undertakings since April 1, 2021. The County has in the previous five years complied, in all material respects, with all previous undertakings pursuant to Rule 15c2-12.

LITIGATION

As is the case with many larger municipal governments, the County is subject to a number of lawsuits in the ordinary conduct of its operations and affairs. In the opinion of the County Attorney, and, in part, due to insurance policies in force, reserves and unappropriated fund balance on hand, such suits, individually or in the aggregate, are unlikely to have a material adverse effect on the financial condition of the County.

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 County, threatened against or affecting the County to restrain or enjoin the issuance, sale or delivery of the Notes or the levy and collection of taxes or assessments to pay same, or in any way contesting or affecting the validity of the Notes or any proceedings or authority of the County taken with respect to the authorization, issuance or sale of the Notes or contesting the corporate existence or boundaries of the County.

RATINGS

The Notes are NOT rated. Subject to the approval of the County, the purchaser(s) of the Notes may have a rating completed after the sale at the expense of the purchaser(s), including any fees to be incurred by the County, such as a rating action that may require the filing of a material event notification to EMMA. (See “*APPENDIX-B*”, attached hereto).

The County does not have any general obligation indebtedness outstanding as of the date of this Official Statement and does not have a current issuer or underlying bond rating with any rating agency as of the date of this Official Statement.

MUNICIPAL ADVISOR

Fiscal Advisors & Marketing, Inc. (the “Municipal Advisor”) is a Municipal Advisor registered with the Securities and Exchange Commission and the Municipal Securities Rulemaking Board. The Municipal Advisor serves as independent financial advisor to the County 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 Notes. The advice on the plan of financing and the structuring of the Notes was based on materials provided by the County and other sources of information believed to be reliable. The Municipal Advisor has not audited, authenticated, or otherwise verified the information provided by the County or the information set forth in this Official Statement or any other information available to the County 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 County to Fiscal Advisors are partially contingent on the successful closing of the Notes.

TAX MATTERS

Opinion of Bond Counsel

In the opinion of Bond Counsel to the County, interest on the Notes (i) is included in gross income for federal income tax purposes, and (ii) is exempt, under existing statutes, from personal income taxes of New York State and its political subdivisions, including The City of New York.

The following discussion is a brief summary of the principal United States federal income tax consequences of the acquisition, ownership and disposition of Notes by original purchasers of the Notes who are “U.S. Holders”, as defined herein. This summary (i) is based on the Code, Treasury Regulations, revenue rulings and court decisions, all as currently in effect and all subject to change at any time, possibly with retroactive effect; (ii) assumes that the Notes will be held as “capital assets”; and (iii) does not discuss all of the United States federal income tax consequences that may be relevant to a U.S. Holder in light of its particular circumstances or to U.S. Holders subject to special rules, such as insurance companies, financial institutions, tax-exempt organizations, dealers in securities or foreign currencies, persons holding the Notes as a position in a “hedge” or “straddle”, U.S. Holders whose functional currency (as defined in Section 985 of the Code) is not the United States dollar, holders who acquire Notes in the secondary market, or individuals, estates and trusts subject to the tax on unearned income imposed by Section 1411 of the Code.

Certain taxpayers that are required to prepare certified financial statements and file financial statements with certain regulatory or governmental agencies may be required to recognize income, gain and loss with respect to the Notes at the time that such income, gain or loss is set forth on such financial statements instead of under the rules described below.

U.S. Holders of Notes should consult with their own tax advisors concerning the United States federal income tax and other consequences with respect to the acquisition, ownership and disposition of the Notes as well as any tax consequences that may arise under the laws of any state, local or foreign tax jurisdiction.

Original Issue Discount

In general, if Original Issue Discount (“OID”) is greater than a statutorily defined de minimis amount, a holder of a Note must include in federal gross income (for each day of the taxable year, or portion of the taxable year, in which such holder holds such Note) the daily portion of OID, as it accrues (generally on a constant yield method) and regardless of the holder’s method of accounting. “OID” is the excess of (i) the “stated redemption price at maturity” over (ii) the “issue price”. For purposes of the foregoing: “issue price” means the first price at which a substantial amount of the Note is sold to the public (excluding bond houses, brokers, or similar persons or organizations acting in the capacity of underwriters, placement agents or wholesalers); “stated redemption price at maturity” means the sum of all payments, other than “qualified stated interest”, provided by such Note; “qualified stated interest” is stated interest that is unconditionally payable in cash or property (other than debt instruments of the issuer) at least annually at a single fixed rate; and “de minimis amount” is an amount equal to 0.25 percent of the Note’s stated redemption price at maturity multiplied by the number of complete years to its maturity. A holder may irrevocably elect to include in gross income all interest that accrues on a Note using the constant-yield method, subject to certain modifications.

Acquisition Discount on Short-Term Notes

Each U.S. Holder of a Note with a maturity not longer than one year (a “Short-Term Taxable Note”) is subject to rules of Sections 1281 through 1283 of the Code, if such U.S. Holder is an accrual method taxpayer, bank, regulated investment company, common trust fund or among certain types of pass-through entities, or if the Short-Term Taxable Note is held primarily for sale to customers, is identified under Section 1256(e)(2) of the Code as part of a hedging transaction, or is a stripped bond or coupon held by the person responsible for the underlying stripping transaction. In any such instance, interest on, and “acquisition discount” with respect to, the Short-Term Taxable Note accrue on a ratable (straight-line) basis, subject to an election to accrue such interest and acquisition discount on a constant-interest-rate basis using daily compounding. “Acquisition discount” means the excess of the stated redemption price of a Short-Term Taxable Note at maturity over the U.S. Holder’s tax basis therefor.

A U.S. Holder of a Short-Term Taxable Note not described in the preceding paragraph, including a cash-method taxpayer, must report interest income in accordance with the U.S. Holder’s regular method of tax accounting, unless such U.S. Holder irrevocably elects to accrue acquisition discount currently.

Note Premium

In general, if a Note is originally issued for an issue price (excluding accrued interest) that reflects a premium over the sum of all amounts payable on the Note other than “qualified stated interest” (a “Taxable Premium Note”), that Taxable Premium Note will be subject to Section 171 of the Code, relating to bond premium. In general, if the U.S. Holder of a Taxable Premium Note elects to amortize the premium as “amortizable bond premium” over the remaining term of the Taxable Premium Note, determined based on constant-yield principles (in certain cases involving a Taxable Premium Note callable prior to its stated maturity date, the amortization period and yield may be required to be determined on the basis of an earlier call date that results in the highest yield on such bond), the amortizable premium is treated as an offset to interest income; the U.S. Holder will make a corresponding adjustment to the U.S. Holder’s basis in the Taxable Premium Note. Any such election is generally irrevocable and applies to all debt instruments of the U.S. Holder (other than tax-exempt bonds) held at the beginning of the first taxable year to which the election applies and to all such debt instruments thereafter acquired. Under certain circumstances, the U.S. Holder of a Taxable Premium Note may realize a taxable gain upon disposition of the Taxable Premium Note even though it is sold or redeemed for an amount less than or equal to the U.S. Holder’s original acquisition cost.

Disposition and Defeasance

Generally, upon the sale, exchange, redemption, or other disposition (which would include a legal defeasance) of a Note, a holder generally will recognize taxable gain or loss in an amount equal to the difference between the amount realized (other than amounts attributable to accrued interest not previously includable in income) and such holder’s adjusted tax basis in the Note.

The County may cause the deposit of moneys or securities in escrow in such amount and manner as to cause the Notes to be deemed to be no longer outstanding. For federal income tax purposes, such defeasance could result in a deemed exchange under Section 1001 of the Code and a recognition by such owner of taxable income or loss, without any corresponding receipt of moneys. In addition, the character and timing of receipt of payments on the Notes subsequent to any such defeasance could also be affected.

Information Reporting and Backup Withholding

In general, information reporting requirements will apply to non-corporate holders of the Notes with respect to payments of principal, payments of interest, and the accrual of OID on a Note and the proceeds of the sale of a Note before maturity within the United States. Backup withholding may apply to holders of Notes under Section 3406 of the Code. Any amounts withheld under the backup withholding rules from a payment to a beneficial owner, and which constitutes over-withholding, would be allowed as a refund or a credit against such beneficial owner’s United States federal income tax provided the required information is furnished to the Internal Revenue Service.

U.S. Holders

The term “U.S. Holder” means a beneficial owner of a Note that is: (i) a citizen or resident of the United States, (ii) a corporation, partnership or other entity created or organized in or under the laws of the United States or of any political subdivision thereof, (iii) an estate the income of which is subject to United States federal income taxation regardless of its source or (iv) a trust whose administration is subject to the primary jurisdiction of a United States court and which has one or more United States fiduciaries who have the authority to control all substantial decisions of the trust.

Miscellaneous

Tax legislation, administrative actions taken by tax authorities, or court decisions, whether at the federal or state level, may adversely affect the tax-exempt status of interest on the Notes under state law and could affect the market price or marketability of the Notes.

Prospective purchasers of the Notes should consult their own tax advisors regarding the foregoing matters.

LEGAL MATTERS

Legal matters incident to the authorization, issuance and sale of the Notes are subject to the respective approving legal opinions of Hawkins Delafield & Wood LLP, New York, New York, Bond Counsel. The form of the opinion of Bond Counsel related to the Notes is attached hereto as “*APPENDIX-C*”.

THE COUNTY

General Information

The County is located in upstate New York bordering on the eastern shore of Lake Ontario. Cities within the County include the City of Fulton and the City of Oswego, with 2024 population estimates of 11,234 and 17,047, respectively. The City of Oswego is the County Seat. The land area of the County is 954 square miles including 3.5 square miles in the City of Fulton and 7.5 square miles in the City of Oswego. Additional cities in close proximity to the County include Syracuse, 20 miles to the south, Watertown, 25 miles to the north, Rome, 25 miles to the east and Auburn, 35 miles to the southwest.

The County Highway Department maintains a county road network consisting of approximately 530 lane miles. The County also owns and operates its own asphalt batch plant to assist with road maintenance. Expressways providing commercial routes through the County include Interstate 81, which runs north to Canada and south through Pennsylvania. Approximately 15 miles south, Route 81 connects with The New York State Thruway, extending as Interstate 90 from Boston to Buffalo and the west. Interstate 481 links the City of Oswego, the City of Fulton and the City of Syracuse with access to both Interstate Routes 81 and 90. Other modes of transportation include rail service provided by Conrail, bus service provided by Trailways Bus Lines and Syracuse-Oswego Bus Lines, and air service, which can be found at Syracuse Hancock International Airport.

Source: County officials.

Population Trends

	<u>County of Oswego</u>	<u>New York State</u>
1980	113,901	17,558,072
1990	121,771	17,990,455
2000	122,377	18,976,457
2010	122,109	19,378,102
2020	117,525	19,867,248
2024 (estimate)	118,305	19,867,248

Source: U.S. Census Bureau, Population Estimates Program.

Local Economy and Recent Economic Developments

The Village of Pulaski, within the Town of Richland, was awarded a \$10,000,000 Downtown Revitalization Initiative (DRI) grant in Spring of 2025. The Village of Pulaski is recommending 16 projects for funding through the Downtown Revitalization Initiative, which would represent a total investment of \$73,069,969. Additionally, the Village of Pulaski is proposing 14 projects for funding through the NY Forward Program, amounting to a total investment of \$13,069,896.

The Federal government established the Lake Ontario National Marine Sanctuary in 2024. The Lake Ontario National Marine Sanctuary is a historically rich area where the long interactions between human activity and the maritime environment has fostered a deep sense of meaning and place. The National Oceanic and Atmospheric Administration announced the designation to recognize the national significance of the area's historical, archaeological, and cultural resources and to manage this special place as part of the National Marine Sanctuary System. The sanctuary boundary encompasses 1,300 square nautical miles (1,722 square miles) of eastern Lake Ontario waters and borders Wayne, Cayuga, Oswego, and Jefferson counties. The sanctuary designation also complements other State efforts aimed at strengthening waterfront communities, like the Lake Ontario Resiliency and Economic Development Initiative (REDI), which was established to increase the resilience of shoreline communities and bolster economic development in the region in response to the extended pattern of flooding along the shores of Lake Ontario and the St. Lawrence River.

The Oswego County Micron Strategy Steering Committee was launched in early 2023 to bring together stakeholders and interested members of the public from across the County and beyond to discuss and plan for the County's role in contributing to Micron's planned investment of \$100 billion in the region over the next twenty years. Micron's mega-fab chip plant, located south of the County's border in the Town of Clay, is a catalyst for transformational renewal in the Central New York region and across the State.

The County also established a Department of Workforce Development, splitting these activities off from DSS, and strengthening them to better prepare for the workforce demands of the Micron project.

The County is building out broadband access to underserved and unserved areas of the County, expected to be completed by December 31, 2026. A \$26 million ConnectALL grant was awarded to the County to construct a fiber-to-the-home network that will expand broadband access to about 10,792 homes, businesses and community institutions across 22 towns and villages. The ConnectALL grant will be paid in arrears by ESD/ConnectAll. The project will construct 345 miles of fiber infrastructure, significantly expanding high-speed internet access throughout rural areas of the county. This grant is part of the State's Municipal Infrastructure Program. The County will own the broadband network and make it available for lease to internet service providers, including Empire Access, on a non-discriminatory and non-exclusive basis. The revenue generated from these leases will support the network's ongoing maintenance and future expansion. This innovative public infrastructure model is designed to provide sustainable, affordable access while promoting competition among service providers.

The County is also exploring the construction of a wastewater system across the southern portion of the County, from the north shore of Oneida Lake to a treatment facility in Fulton NY. See also “*STATUS OF INDEBTEDNESS - Estimate of Obligations to be Issued*” herein for additional information.

Source: County officials.

Larger Employers

The following are the top 10 larger employers within the County

<u>Name of Employer</u>	<u>Type of Business</u>	<u>Number of Employees</u>
Oswego State University	University	1,503
Exelon	Utility	1,411
Oswego Health, Inc.	Hospital/Human Services	1,365
Novelis Corporation	Aluminum Products	1,204
County of Oswego	Government	1,189
Oswego City School District	Education	793
Wal-Mart	Retail	880
Fulton City School District	Education	730
Central Square Central School District	Education	704
Oswego County Opportunities	Human Services	545

Source: Oswego County Business Magazine: Business Guide 2025 and County officials.

Selected Wealth and Income Indicators

Per capita and median family income statistics are available for the County and State as follows:

	<u>Per Capita Income</u>			<u>Median Family Income</u>		
	<u>2006-2010</u>	<u>2016-2020</u>	<u>2019-2023</u>	<u>2006-2010</u>	<u>2016-2020</u>	<u>2019-2023</u>
Oswego County	\$ 21,604	\$ 30,026	\$ 35,222	\$ 56,364	\$ 71,285	\$ 84,690
New York State	30,948	40,898	49,520	67,405	87,270	105,060

Note: 2020-2024 American Community Survey 5-Year estimates data are not available as of the date of this Official Statement.

Source: U.S. Census Bureau, 2006-2010, 2016-2020 and 2019-2023 American Community Survey 5-Year estimates data.

Unemployment Rate Statistics

	<u>Annual Average</u>						
	<u>2018</u>	<u>2019</u>	<u>2020</u>	<u>2021</u>	<u>2022</u>	<u>2023</u>	<u>2024</u>
Oswego County	5.3%	5.1%	8.5%	5.4%	4.0%	4.0%	4.1%
New York State	4.1	3.9	9.8	7.1	4.3	4.1	4.3

	<u>2025 Monthly Figures</u>								
	<u>Jan</u>	<u>Feb</u>	<u>Mar</u>	<u>Apr</u>	<u>May</u>	<u>Jun</u>	<u>Jul</u>	<u>Aug</u>	<u>Sep</u>
Oswego County	5.2%	5.4%	4.6%	3.5%	3.2%	3.6%	4.1%	4.3%	N/A
New York State	4.6%	4.3%	4.1%	3.7%	3.5%	3.8%	4.6%	4.7%	N/A

Note: Unemployment rates for the month of September 2025 are unavailable as of the date of this Official Statement.

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

Port of Oswego

In 1955, the New York State Legislature created the Port of Oswego Authority (the “Port”) for the purpose of developing, operating and promoting port facilities in the Port District, which includes the City of Oswego and part of the Town of Scriba. Today, the harbor at Oswego is a modern port containing all the facilities and personnel necessary to handle bulk commodities and general cargo. Imports include grain, cement, wood pulp, petroleum and general cargo. An 850-acre industrial site is located at the Port with all facilities and utilities provided.

As the easternmost port on Lake Ontario, the Port of Oswego is the first Great Lakes port within the United States for inbound overseas shipments. It is the Lake Ontario terminus of the New York State Barge Canal System, which provides a controlling depth of 12 feet to inland ports such as Buffalo, Syracuse, Ithaca, Watkins Glen and Whitehall. It is also the Great Lakes terminus of the Great Lakes-Hudson River Waterway, which provides a controlling depth of 13 feet to Utica, Schenectady, Albany, New York City and all ports along the Eastern Seaboard and the Intercoastal Waterway.

The Port is the State’s only grain export center on Lake Ontario and home to 14 companies that utilize the Port for both their domestic and international operations. A 2023 U.S./Canadian research study shows that the Port makes a \$513 million impact on the local and regional economy and supports 2,229 jobs by its maritime activity, generating \$201.2 million in wages, salaries, and local consumption expenditures for the regional economy.

Recent Developments

- The Port recently opened a new \$2.1 million Goble Marina for recreational boaters adjacent to the Port’s West Pier. In addition, \$40,000 was invested in the Port Authority Marina to replace 12 deteriorating docks and create 24 new slips. This marina is also home to 24 charter fishing captains which generate more than \$2 million in annual economic impact.
- In 2023, the Port moved over 11,000 tons of specialty freight. These included components for a new Lithium battery recycling facility in Rochester, a Novelis production line update, and a transformer for a nuclear power plant.
- In 2023, the Port became the only Foreign Trade Zone (FTZ) in Oswego County, which allows companies to save money on duties, tariffs and production costs.
- The Port is currently undergoing a \$5 million rail yard expansion, which includes the purchase of an all-electric rail engine, major upgrades to rail service at the Fitzgibbons Intermodal Terminal, and construction of a fifth storage track. This will make the port the largest operating yard in Oswego County. This project is expected to be completed in Fall/Winter 2026.
- The Port is currently undergoing a \$35 million break wall repair and reconstruction project, which will repair the major portion of the harbor break wall, including repairs to the foundation of Oswego’s iconic West Pierhead Lighthouse. The project is expected to be completed by Fall/Winter 2026.

Source: County officials.

County Receipt of Indian Casino Revenues

Under the Upstate New York Gaming and Economic Development Act, for the first time, every county in an Indian exclusivity zone, which includes the County, will share in Indian gaming facility revenues. Ten percent of the net gaming revenue retained by the State from Native American gaming facilities will be distributed to the counties in each respective exclusivity zone, and existing tribal payments will be preserved. The County is part of the Central New York/Mohawk Valley Region exclusivity zone.

The County received \$1.18 million in exclusivity payments to date for 2024 and expects to receive approximately \$1.2 million in 2025.

Nine Mile Point Clean Energy Center

Nine Mile Point Nuclear Station is a nuclear power plant with two nuclear reactors located in the Town of Scriba on the shore of Lake Ontario. The two nuclear reactors can produce up to 1,907 megawatts of electricity, enough energy to power the equivalent of more than 1.2 million homes. Constellation owns Unit 1 and 82 percent of Unit 2. Long Island Power Authority owns the remaining 18 percent share of Unit 2. Constellation operates the plant. On October 31, 2006, Constellation Energy announced that the Nuclear Regulatory Commission had granted 20-year license extensions to both units. Unit 1 is now licensed to operate until 2029, and Unit 2 is licensed until 2046.

The 900-acre site is also occupied by the James A. FitzPatrick Nuclear Power Plant. The single nuclear reactor can generate up to 842 megawatts of electricity, enough energy to power the equivalent of more than 600,000 homes. The Nuclear Regulatory Commission approved the initial license renewal for the reactor on September 8, 2008, authorizing it to operate through 2034.

In January 2025, it was reported in the press that Constellation Energy was applying for federal funding to evaluate building one or more small modular reactors at its Nine Mile Point site.

Health Care Facilities

The County is served by one private hospital, Oswego Hospital, with 164 beds. There are four private nursing homes. Mental health facilities are provided by the Oswego Health and various smaller, part-time clinics located throughout the County.

Education

The State University of Arts and Science at Oswego, with an enrollment of approximately 9,000, offers undergraduate and graduate programs leading to B.A., B.S., M.A. and M.S. degrees; Certificates of Advanced Study are also awarded. The 1,000-acre campus includes one mile of shoreline on Lake Ontario. The College, organized in 1861, became a charter member of the State University system in 1948.

Cayuga Community College's Fulton extension campus located in The River Glen Plaza offers residents of Oswego County and surrounding areas a wide array of courses, including several complete degree programs, within easy commuting distance. The Fulton extension has offered classes to Oswego County since 1994 and is currently serving over 1,000 students.

Solid Waste Disposal Facilities

County-operated facilities are used for the disposal of all solid waste produced in the County. The County has implemented "flow control", which requires all waste, including construction & demolition debris, generated or collected within the County to be delivered to County facilities. The County currently owns four solid waste transfer stations and the Bristol Hill Landfill. Refuse is brought to the transfer stations by municipal, contracted and private collectors and by individual residents. The County is not involved in waste collection and hauling, other than hauling waste from the County's transfer stations to the Bristol Hill Landfill.

In 1985, the County began operations of its Energy Recovery Facility (the "ERF"), a 200 ton per day waste to energy conversion facility. The ERF was retrofitted in 1998-1999 in order to meet the requirements of the revised Clean Air Act of 1996. The steam produced by ERF is sold to Alkegen. Excess steam is first used to generate electricity to power the facility. If more electricity is produced than what is needed by the ERF, then this electricity is sold to National Grid.

There remains potential future, contingent costs for the formal closure of the old Oswego City Hardfill, the old Fulton City Dump and other sites the County acquired from local municipalities and a former refuse district if required by a regulatory oversight authority. State and federal environmental regulations are also subject to change. Complying with future regulations may cause additional significant expense which the County may be required to budget for or issue obligations to finance such costs in future years. The U.S. District Court Silk Road Consent Decree continues to be monitored by the EPA, DEC and the County.

Oswego County Land Bank Corporation (the “Land Bank”)

The Land Bank, authorized by Oswego County Legislature Resolution 165 of 2025, was incorporated on March 9, 2016 in accordance with Article 16 of the Not-for-Profit Corporation Law of New York State (NPCL). The Land Bank is governed by a board of directors. The Land Bank is a not-for-profit corporation exempt from federal income taxes under Section 501(c)(3) of the Internal Revenue Code. As provided for under section 1603 of the NPCL, the real property of the Land Bank and its income and operations are exempt from all taxation by the state of New York and by any of its political subdivisions. The Land Bank is a blended component unit because the County is the sole corporate member of the Land Bank. The Land Bank component unit transforms blighted or vacant properties into appealing residential and productive commercial properties, in order to stimulate local planning, economic development, and neighborhood revitalization and to improve the quality of life in local communities throughout the County. On October 27, 2023, Oswego County Land Bank Holdings, LLC (LLC), a subsidiary of the Land Bank, was created to assist the Land Bank with its mission. The Land Bank is the sole member of the LLC and has an operating agreement with the LLC. The LLC is a disregarded entity of the Land Bank. The County is not liable for any debt or obligations issued by the Land Bank or its subsidiary LLC, to the extent that any such obligations are outstanding. A copy of the financial statements for the Land Bank may be obtained from the Oswego County Land Bank Corporation, 44 East Bridge Street, Suite 303, Oswego, New York 13126.

Oswego County Civic Facilities Corporation (the “OCCFC”)

The OCCFC is a not-for-profit local development corporation created on November 15, 2010 pursuant to a resolution of the Oswego County Legislature and is a separate legal entity from the County governed by its own board of directors. The County is the sole member of the OCCFC; however, it is separate and apart from, the County. In April 2023, the OCCFC entered into an agreement with the County of Oswego Industrial Development Agency (COIDA) whereby COIDA agreed to provide financial assistance directly to the OCCFC when and as needed by the OCCFC to fund its use of professional services to comply with statutory requirements should the OCCFC not have sufficient funds available to cover these costs. The current agreement runs through December 31, 2026. The purpose of the OCCFC is to foster and encourage the location or expansion of facilities of not-for-profit entities in the County through the issuance of negotiable revenue bonds, notes and other obligations on behalf of the County for the benefit of not-for-profit corporations to finance projects. Obligations issued by OCCFC on behalf of the County are not considered debt of the County. A copy of the financial statements for the OCCFC may be obtained from the Oswego County Civic Facilities Corporation, 44 West Bridge Street, Oswego, New York, 13126.

Oswego County Industrial Development Agency (the “Agency”)

The Agency was established by the enactment of New York State General Municipal Law section 911-b in 1973. The Agency is a corporate governmental entity, constituting a public benefit corporation. The Agency enjoys all the powers conferred by Article 18-a of the New York State General Municipal Law including powers to promote, develop, encourage and assist in the acquiring, constructing, reconstructing, improving, maintaining, equipping and furnishing industrial, manufacturing, warehousing, commercial, research, renewable energy and recreation facilities including industrial pollution control facilities, educational or cultural facilities, railroad facilities, horse racing facilities, automobile racing facilities, renewable energy projects and continuing care retirement communities within the County. Pursuant to New York State General Municipal Law section 856, board members of the Agency are appointed by, and serve at the pleasure of, the County Legislature, which exercises no oversight responsibility. Agency members have complete responsibility for management of the Agency and accountability of fiscal matters. The County Legislature appoints all of the Agency’s governing board and can remove members of the board at will and is, therefore, able to impose its will over the Agency. The County is not liable for any debt or obligations issued by the Agency. A copy of the financial statements for the Agency may be obtained from the County of Oswego Industrial Development Agency, 44 West Bridge Street, Oswego, New York, 13126.

Form of County Government

The County is governed by a County Legislature composed of 25 members. Each member of the Legislature is elected biannually. The Legislature has both legislative and executive powers. The Chairman of the County Legislature is elected annually by a majority vote of the members and is the chief executive officer of County Government. The Chairman heads the office of the Chairman. The County is a non-charter County.

The County Legislature has established by local law the Office of County Administrator who is responsible for the day-to-day operation and coordination of County Government. The balance of administrative responsibilities is assigned to various Departments and appointed Department heads, each responsible to the Office of the Chairman. This includes a Human Resources Department, headed by a Director; an Audit Department, headed by the County Auditor; and the County Attorney's Office, headed by the County Attorney.

Financial Organization

The County Treasurer is the Chief Fiscal Officer of the County whose duty it is to receive and disburse County funds and to account for all financial transactions. The County Treasurer is elected every four years.

Budgetary Procedures

The Budget Officer is responsible for the preparation of the proposed County Budget and submission of same to the County Legislature. A tentative budget is submitted in October. After a public information meeting and a public hearing, the budget is adopted by the County Legislature on or before December 20 of each year. Expenditures during the fiscal year may only be made pursuant to appropriations from the General Fund and other special funds established by the County. However, the County Legislature during the fiscal year may by resolution make additional appropriations from any unencumbered balances in appropriations, contingent funds or unanticipated revenues.

Investment Policy

Pursuant to the statutes of the State of New York, the County is permitted to invest only in the following investments: (1) special time deposits or certificates of deposits in a bank or trust company located and authorized to do business in the State of New York; (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 of New York; (5) with the approval of the New York State Comptroller, tax anticipation notes and revenue anticipation notes issued by any New York municipality or district corporation, other than the County; (6) obligations of a New York public corporation which are made lawful investments by the County pursuant to another provision of law; (7) certain certificates of participation issued on behalf of political subdivisions of the State of New York; and, (8) in the case of County moneys held in certain reserve funds established pursuant to law, obligations issued by the County. 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 County's current policy to invest all funds in: (1) certificates of deposit or time deposit accounts that are fully secured as required by statute, (2) obligations of New York State, (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) with the approval of the State Comptroller, revenue anticipation notes or tax anticipation notes of other local governments in the State, (5) obligations of public authorities, public housing authorities, urban renewal agencies and industrial development agencies where the general State statutes governing such entities or whose specific enabling legislation authorizes such investments and (6) Certificates of Participation issued pursuant to General Municipal Law Section 109-b. Only reserve funds may be invested in obligations issued by the County.

County Employees

The County provides services through 1,044 full-time and approximately 215 part-time employees. The following table provides a breakdown of employee representation by collective bargaining agents and their respective dates of expiration.

<u>Employees Represented</u>	<u>Union Representation</u>	<u>Contract Expiration Date</u>
628	CSEA, Oswego County Office Personnel Unit	December 31, 2025 ⁽²⁾
140	CSEA, Oswego County Public Works Employee Unit	December 31, 2026
93	Management / Elected	N/A ⁽¹⁾
87	Sheriff's Silver Star Association	December 31, 2025
62	OCPA, Management Personnel	December 31, 2025
73	Deputies Association	December 31, 2026

⁽¹⁾ Management / Elected has no expiration and is changed at the discretion of the County Legislature.

⁽²⁾ Currently under negotiation.

State and Federal Aid

The County receives financial assistance from the State. In its adopted budget for the 2025 fiscal year, approximately 21.4% of the revenues of the County are estimated to be received in the form of State aid. If the State should experience difficulty in borrowing funds in anticipation of the receipt of State taxes in order to pay State aid to municipalities and school districts in the State, including the County, in this year or future years, the County may be affected by a delay in the receipt of State aid until sufficient State taxes have been received by the State to make State aid payments. Additionally, if the State should not adopt its budget in a timely manner, municipalities and school districts in the State, including the County may be affected by a delay in the payment of State aid.

The State is not constitutionally obligated to maintain or continue State aid to the County. No assurance can be given that present State aid levels will be maintained in the future. State budgetary restrictions which eliminate or substantially reduce State aid could have a material adverse effect upon the County requiring either a counterbalancing increase in revenues from other sources to the extent available, or a curtailment of expenditures.

Should the County fail to receive State aid expected from the State in the amounts and at the times expected, occasioned by a delay in the payment of such monies or by a mid-year reduction in State aid, the County is authorized by the Local Finance Law to provide operating funds by borrowing in anticipation of the receipt of uncollected State aid.

There can be no assurance that the State's financial position will not change materially and adversely from current projections. If this were to occur, the State would be required to take additional gap-closing actions. Such actions may include, but are not limited to: reductions in State agency operations; delays or reductions in payments to local governments or other recipients of State aid including school districts in the State. Reductions in the payment of State aid could adversely affect the financial condition of school districts and municipalities in the State.

The County receives a substantial amount of federal aid. In its adopted budget for the 2025 fiscal year, approximately 11.9% of the revenues of the County are estimated to be received in the form of federal Aid. Many of the policies that drive this federal aid are subject to change upon changes in presidential administrations and/or the makeup of the Congress.

Federal policies involving taxation, appropriations, borrowing (including the debt ceiling), trade (including tariffs), immigration, climate change, clean energy and other topics can shift, sometimes dramatically, from one presidential administration or Congress to another. From time to time, such shifts can result in reductions to the level of federal funding for a variety of policy priorities, including transportation, housing, healthcare, social services and other federally funded programs. Recently, several such policy shifts, including delays in grants and other appropriations, have been proposed or promulgated through presidential executive orders and other official and unofficial actions at the federal level. As of the date of this Official Statement, there have been no known reductions to the grant funding awarded for the County's broadband project to be financed, in part, with proceeds of the Notes.

Reductions in federal funding levels could have a materially adverse impact on the State budget. In addition to the potential fiscal impact of policies that may be proposed and adopted by the new administration and Congress, the State budget may be adversely affected by other actions taken by the federal government, including audits, disallowances, and changes to federal participation rates or other Medicaid rules.

Pension Payments

Substantially all employees of the County are members of the New York State and Local Employees' Retirement System ("ERS"). The ERS is generally known as the "Common Retirement Fund". The Retirement System is a cost-sharing multiple public employer retirement system. The obligation of employers and employees to contribute, and the benefits to employees, are governed by the New York State Retirement System and Social Security Law (the "Retirement System"). The Retirement System offers several 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 generally provides that all participating employers in the 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 System. The Retirement System is non-contributory with respect to members hired prior to July 27, 1976. All members hired on or after July 27, 1976 must contribute 3% of gross annual salary towards the cost of retirement programs during their first ten years of service.

On December 12, 2009, a new Tier V was signed into law. The law is effective for new ERS hires on or after January 1, 2010 through March 31, 2012. Tier V ERS employees contribute 3 percent of their salaries. There is no provision for these contributions to cease after a certain period of service. Overtime pay in excess of \$15,000 will not be subject to ERS either in contribution from the County or the employee.

On March 16, 2012, the Governor signed into law the new Tier VI pension program, effective for new ERS employees hired after April 1, 2012. The Tier VI legislation provides for increased employee contribution rates of between 3% and 6%, an increase in the retirement age from 62 years to 63 years, a readjustment of the pension multiplier, and a change in the time period for final average salary calculation from 3 years to 5 years. Tier VI employees would vest in the system after ten years of employment; and employees will continue to make employee contribution throughout employment. As of April 9, 2022, vesting requirements were modified, resulting in employees becoming vested after five years. The State's 2024-25 Enacted Budget included a provision that modified the final average salary calculation from 5 years to 3 years. This measure was effective as of April 1, 2024 for PFRS Tier VI members and April 20, 2024 for ERS Tier VI members.

The County's contributions to ERS since 2020 and budgeted payments for 2025 are as follows:

<u>Year</u>	<u>ERS Contribution</u>
2020	\$ 6,786,363
2021	7,228,516
2022	8,141,263
2023	5,920,173
2024	6,930,188
2025 (Budgeted)	8,865,428

Source: County officials.

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 (2020 to 2026) is shown below:

<u>Year</u>	<u>ERS</u>
2020	14.6%
2021	14.6
2022	16.2
2023	11.6
2024	13.1
2025	15.2
2026	16.5

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 County is not amortizing payments nor does it intend to do so in the foreseeable future.

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. 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 County is not participating in this program at this time nor does it intend to do so in the foreseeable future.

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 of the Retirement System (“UAALs”). 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 Benefits. School districts and boards of cooperative educational services, unlike other municipal units of government in the State, have been prohibited from reducing retiree health benefits or increasing health care contributions received or paid by retirees below the level of benefits or contributions afforded to or required from active employees since the implementation of Chapter 729 of the Laws of 1994. Legislative attempts to provide similar protection to retirees of other local units of government in the State have not succeeded as of this date. Nevertheless, many such retirees of all varieties of municipal units in the State do presently receive such 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. GASB has issued Statement No. 75, *Accounting and Financial Reporting for Postemployment Benefits Other Than Pensions*, effective for the year ending December 31, 2018. This Statement replaces the requirements of Statements No. 45, *Accounting and Financial Reporting by Employers for Postemployment Benefits Other Than Pensions*, as amended, and No. 57, *OPEB Measurements by Agent Employers and Agent Multiple-Employer Plans*, for OPEB. Statement No. 74, *Financial Reporting for Postemployment Benefit Plans Other Than Pension Plans*, establishes new accounting and financial reporting requirements for OPEB plans. 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 Actuarial Valuations

The following outlines the changes to the Total OPEB Liability during the 2023 and 2024 fiscal years, by source:

	Balance ending at:	<u>December 31, 2022</u>	<u>December 31, 2023</u>
		<u>\$ 115,275,758</u>	<u>\$ 115,295,211</u>
<u>Changes for the year:</u>			
Service cost		4,365,474	4,039,437
Interest		4,364,649	3,808,288
Differences between expected and actual experience		(847,872)	-
Changes in assumptions or other inputs		(3,238,877)	(12,698,089)
Changes in benefit terms		-	-
Benefit payments		<u>(4,623,921)</u>	<u>(5,032,016)</u>
Net Changes		<u>\$ 19,453</u>	<u>\$ (9,882,380)</u>
	Balance ending at:	<u>December 31, 2023</u>	<u>December 31, 2024</u>
		<u>\$ 115,295,211</u>	<u>\$ 105,412,831</u>

Source: Other Post-Employment Benefits GASB Statement No. 75 Annual Reports. The above table is not audited.

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

The County's unfunded actuarial accrued OPEB liability could have a material adverse impact upon the County's finances and could force the County 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 fewer than 200 members.

Financial Statements

The County retains an independent certified public accounting firm for a continuous independent audit of all financial transactions of the County. The last completed audited financial statement was for the fiscal year ended December 31, 2024, and is attached hereto as "*APPENDIX-D*". Certain summary financial information may also be found in the Appendices to this Official Statement.

The County complies with the Uniform System of Accounts as prescribed for counties in New York State by the State Comptroller. This System differs from 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).

Changes to the Uniform System of Accounts as prescribed for counties have been made by the State Comptroller in order to conform the Uniform System of Accounts to certain of these principles. These changes require the County to maintain a record of fixed assets to be recorded at cost or at estimated historical cost.

Beginning with the fiscal year ending December 31, 2003 the County was required to issue 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.

Discussion of Fiscal Year Ending 2025 Budget

The County’s 2025 budget included a 4% increase in the property tax levy, which was below the County’s tax levy limit of 4.74% for the 2025 fiscal year. The County did not vote to exceed its Tax Levy Limit for the 2025 fiscal year.

Several key factors have increased costs in the 2025 budget by \$14.4 million or 5.7%, primarily labor costs, State-mandated pre-school services, and inflation. The impact of this increase on the tax levy has been mitigated down to \$1.9 million through budgetary cuts, the deletion of 30 positions, utilization of American Rescue Plan Act (ARPA) funds and Opioid settlement funds, elimination of deferred tax revenue and close examination of contractual costs.

The single largest factor driving costs is labor expense. To address recruitment and retention problems, the Legislature conducted a County-wide compensation study in 2023, and in 2024 enacted compensation changes to make the County's salaries and wages competitive in the current and future labor markets. It was found that most positions were being compensated 5% to 15% below competitive rates, and some were as much as 40% low. The combined cost of this system-wide correction with labor agreements already in place was over \$6.2 million.

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 to 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 2019-20 through 2023-24 fiscal years of the County are as follows:

<u>Fiscal Year Ending In</u>	<u>Stress Designation</u>	<u>Fiscal Score</u>
2024	No Designation	3.3
2023	No Designation	3.3
2022	No Designation	0.0
2021	No Designation	3.3
2020	No Designation	10.0

Source: Website of the Office of the New York State Comptroller. References to website addresses presented herein are for informational purposes only. Unless specified otherwise, such websites and the information or links contained therein are not incorporated into, and are not part of, this Continuing Disclosure Statement.

New York State Comptroller Reports of Examination

The State Comptroller's office, i.e., the Department of Audit and Control, periodically performs a compliance review to ascertain whether the County 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. State Comptrollers audits of the County that have been published in the last five years are summarized below.

The State Comptroller's office released an audit report of the County on November 23, 2022. The purpose of the audit was to determine whether County officials have established appropriate controls to safeguard and account for court and trust funds for the period January 1, 2019 through September 7, 2022.

A copy of the complete report can be found by visiting the Audits of Local Governments section of the Office of the State Comptroller website. <https://www.osc.ny.gov/local-government/audits>

As of the date of this Official Statement, there are presently no other State Comptrollers audits of the County that are currently in progress or pending release.

Source: Website of the Office of the New York State Comptroller. References to website addresses presented herein are for informational purposes only. Unless specified otherwise, such websites and the information or links contained therein are not incorporated into, and are not part of, this Official Statement.

Other Information

The statutory authority for the power to spend money for the objects or purposes, or to accomplish the objects or purposes for which the Notes are to be issued, is the County Law and the Local Finance Law.

The County is in compliance with the procedure for the validation of the Notes as provided in Title 6 of Article 2 of the Local Finance Law.

No principal or interest upon any obligation of this County is past due.

The fiscal year of the County is the calendar year.

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 County.

TAX INFORMATION

Taxable Valuations

<u>Year of County Tax Roll:</u>	<u>2021</u>	<u>2022</u>	<u>2023</u>	<u>2024</u>	<u>2025</u>
Assessed Valuation	\$ 5,481,959,829	\$ 5,782,311,110	\$ 6,022,956,138	\$ 6,045,469,003	\$ 6,628,860,067
New York State Equalization Rate	92.27%	91.95%	85.14%	74.37%	72.10%
Full Valuation	\$ 5,941,215,811	\$ 6,288,538,456	\$ 7,074,179,161	\$ 8,128,908,166	\$ 9,193,980,675

Source: County officials.

Tax Rate Per \$1,000 (Full Value)

<u>Year of County Tax Roll:</u>	<u>2021</u>	<u>2022</u>	<u>2023</u>	<u>2024</u>	<u>2025</u>
Per M Full Value	\$ 8.41	\$ 7.89	\$ 7.04	\$ 6.36	\$ 5.90

Source: County officials.

Tax Collection Procedure

Tax payments to the County, for properties within the various Towns, are payable during the month of January in each year without penalty. Thereafter, penalties are charged on the unpaid taxes as follows: 1% if the tax is paid during February, 2% if the tax is paid during March. For properties within the City of Oswego, the City collects the County taxes and remits to the County its full levy prior to the end of June. For properties within the City of Fulton, the City collects the County taxes and remits to the County its full levy during July. School Districts return their tax rolls to the County Treasurer during November for settlement in March. Town tax rolls are returned to the County Treasurer on April 1 for settlement during April. At settlement, the County reimburses the Towns for their uncollected items. Regarding delinquent School District taxes, penalties of 2% to 5% plus relevy fees of 7% are added. Regarding delinquent Town taxes, the County imposes a 5% penalty plus 12% interest per annum retroactive to January. Properties upon which taxes remain unpaid are advertised for tax lien sale starting in September and sold for taxes in October.

Tax Levy and Tax Collection Record

<u>Years Ending December 31:</u>	<u>2020</u>	<u>2021</u>	<u>2022</u>	<u>2023</u>	<u>2024</u>
Total Tax Levy ⁽¹⁾	\$ 99,666,892	\$ 99,117,305	\$ 100,131,260	\$ 103,462,813	\$ 107,541,749
Uncollected December 31 st	14,364,529	11,176,781	12,899,617	15,636,014	15,363,590
% Uncollected December 31 st	14%	11%	13%	15%	14%

⁽¹⁾ Includes County, Town and re-levied school district and Village taxes.

Source: County officials.

Constitutional Tax Margin

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

	<u>2023</u>	<u>2024</u>	<u>2025</u>
Five-Year Average Full Valuation	\$ 7,073,140,173	\$ 8,119,502,717	\$ 9,183,380,160
Tax Limit - 1.5%	106,097,103	121,792,541	137,750,702
Add: Exclusions From Limit	-0-	-0-	-0-
Total Taxing Power	106,097,103	121,792,541	137,750,702
Less: Total County-wide levy	44,703,586	46,361,834	48,226,224
Tax Margin	\$ 61,393,517	\$ 75,430,707	\$ 89,524,478

Source: County officials.

Hotel Tax

In 1989, pursuant to Chapter 764 of the Laws of 1984 of the State, Section 1202-C of the Tax Law was added whereby effective September 2, 1984, the County of Oswego was authorized and empowered to adopt and amend local laws to impose a three percent hotel or motel occupancy tax. The County, pursuant to State authorization, enacted the occupancy tax by local law. In accordance with the Local Law, the proceeds of the tax are used exclusively for activities designed to attract additional tourism to the County. The County will also begin to collect occupancy tax on short-term rental units in 2025.

Hotel Tax Revenues for the last five completed fiscal years and budgeted figures for the current year are outlined below:

<u>Year</u>	<u>Hotel Tax Revenues</u>
2020	\$479,817
2021	611,912
2022	753,211
2023	767,032
2024	812,016
2025 (Budgeted)	812,000

Source: County Officials. Table itself is not audited.

Ten Largest Taxpayers – 2024 Assessment Roll for 2025 County Tax Roll

<u>Name</u>	<u>Type</u>	<u>Taxable Full Valuation</u>
Niagara Mohawk dba Nat Grid	Public services	\$ 620,312,880
Oswego Harbor Power LLC	Public services	121,971,112
Erie Blvd Hydropower LP	Public services	56,330,738
Wal-Mart Real Estate Bus Trust	Commercial	35,900,000
CSX Transportation Inc	Public services	29,642,263
Novelis Corporation	Industrial	23,437,500
NY State Reforestation	Wild, forested, conservation lands	45,225,610
MHC Brennan Beach LLC	Recreation and entertainment	16,824,080
Spectrum Northeast Syracuse	Public services	14,797,253
Windstream New York Inc	Public services	12,929,552

The ten larger taxpayers listed above have a total taxable full valuation of \$977,370,988, which represents approximately 10.6% of the County's 2025 tax base.

As of the date of this Official Statement, the County does not have any pending or outstanding tax certioraris that if ruled adversely to the County, are known or expected to have a material impact on the County's finances.

Source: County officials.

Sales Tax

The County, under the general authority of Article 29 of the Tax Law, imposes a sales tax. Both the County and Cities imposed tax is administered and collected by the State Tax Commission in the same manner as that relating to the State imposed 4% sales and compensating use tax. Net collections, meaning monies collected after deducting therefrom expenses of administration and collections and amounts refunded or to be refunded, but inclusive to any applicable penalties and interest, are paid by the State to the County and the Cities, respectively. Of the total payments received, the money divided among the municipalities throughout the County. Towns receive their share based upon population as determined by the 2010 Census. The towns' share is divided and allocated between incorporated villages (located wholly or partially within the town) and the area of the towns outside said villages, on the basis of population. All the villages, townships and the City of Fulton are paid their share in cash.

<u>Sales Tax Revenues</u>		
<u>Year</u>	<u>County Sales Tax</u>	<u>County Share of Collections</u>
2015	\$ 40,438,356	\$ 30,761,812
2016	41,405,267	30,899,909
2017	48,012,867	36,919,852
2018	48,640,348	35,940,044
2019	47,666,233	35,773,155
2020	48,103,024	36,865,008
2021	55,287,148	43,041,782
2022	61,463,625	48,871,765
2023	62,610,022	50,006,410
2024	62,513,813	49,691,454
2025 (Budgeted)	61,140,000	48,300,600

Source: County officials.

Other Tax Information

Real property in the County is assessed by the local assessors of the component Towns and the Cities of Fulton and Oswego.

Senior citizens' and Veterans' exemptions are offered to those who qualify.

The assessment rolls of the County consist of approximately 47% residential property and 22.9% commercial, 5.29% vacant, and 24.81% Utility.

The total property tax bill of a typical residence in the County with a market value of \$106,297 is currently estimated to be \$3,773 including State, County, City/Town and School District taxes.

A hotel/motel tax is charged to room rates at Oswego County locations at the rate of 4%.

Motor vehicle use tax is charge annually at the rates of \$10.00 for Commercial Vehicles and \$5.00 all passenger vehicles under 3500lbs.

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 County had been subject to the levy of ad valorem taxes to pay the bonds and notes of the County and interest thereon without limitation as to rate or amount. However, the Tax Levy Limit Law imposes a tax levy limitation upon the County, without providing an exclusion for debt service on obligations issued by the County. As a result, the power of the County to cause the levy of real estate taxes on all the taxable real property within the County, to pay the principal of and interest on 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 County, subject to certain exceptions. The Tax Levy Limit Law permits the County 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 County 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 County, including exclusions for certain portions of the expenditures for retirement system contributions and tort judgments payable by County. The County Legislature can adopt a resolution, approved by a vote of sixty percent of the total voting power of the County Legislature, 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 County for the payment of debt service on obligations issued by such County 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 County 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 County (and other municipalities and certain school districts of the State) to issue obligations and to contract indebtedness. Such constitutional limitations in summary form and as generally applicable to the County include the following:

Purpose and Pledge. The County shall not give or loan any money or property to or in aid of any individual or private undertaking or give or loan its credit to or in aid of any of the foregoing or any public corporation.

The County may contract indebtedness only for a County purpose and shall pledge its faith and credit for the payment of principal of and interest thereon.

Payment and Maturity. Except for certain short-term indebtedness contracted in anticipation of taxes or to be paid in one of the two fiscal years immediately succeeding the fiscal year in which such indebtedness was contracted, 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 debt service is authorized and utilized, no installment may be more than fifty percent in excess of the smallest prior installment. The County 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 County has the power to contract indebtedness for any County 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 County 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.

General. The County is further subject to constitutional limitation by the general constitutionally imposed duty of the State Legislature to restrict the power of taxation, assessment, borrowing money, contracting indebtedness and loaning the credit of the County so as to prevent abuses in the exercise of such powers; however, as has been noted under “*NATURE OF THE OBLIGATION*” the State Legislature is prohibited by a specific constitutional provision from restricting the power of the County to levy taxes on real estate for the payment of interest on or principal of indebtedness theretofore contracted. However, the Tax Levy Limit Law imposes a statutory limitation on the County’s power to increase its annual tax levy, unless the County complies with certain procedural requirements to permit the County to levy certain year-to-year increases in real property taxes. (See “*TAX LEVY LIMIT LAW*” herein).

There is no constitutional limitation on the amount that may be raised by the County by tax on real estate in any fiscal year to pay principal of and interest on all indebtedness. However, the Tax Levy Limit Law, imposes a statutory limitation on the power of the County to increase its annual tax levy, unless the County complies with certain procedural requirements to permit the County to levy certain year to year increases in real property taxes. (See “*TAX LEVY LIMIT LAW*” herein).

Statutory Procedure

In general, the State Legislature has authorized the power and procedure for the County 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 County Law and the General Municipal Law.

Pursuant to the Local Finance Law, the County authorizes the issuance of bonds by the adoption of a bond resolution approved by at least two-thirds of the members of the County Legislature, the finance board of the County. Customarily, the County Legislature has delegated to the Commissioner of Finance, as chief fiscal officer of the County, the power to authorize and sell bond anticipation notes in anticipation of authorized bonds.

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 County 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 County complies with this estoppel procedure. It is a procedure that is recommended by Bond Counsel, but it is not an absolute legal requirement.

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 County Legislature, as the finance board of the County, has the power to enact bond resolutions. In addition, such finance board has the power to authorize the sale and issuance of obligations. However, such finance board may, and generally does, delegate the power to sell the obligations to the Commissioner of Finance, the chief fiscal officer of the County, pursuant to the Local Finance Law.

Statutory law in the State 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, with the exception of notes issued to finance assessable improvements, such renewals do not exceed five years beyond the original date of borrowing. (See "Payment and Maturity" under "Constitutional Requirements" herein, and "Details of Outstanding Indebtedness" herein.)

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

Debt Outstanding End of Fiscal Year

<u>Fiscal Years Ending December 31st:</u>	<u>2020</u>	<u>2021</u>	<u>2022</u>	<u>2023</u>	<u>2024</u>
Bonds	\$ 2,210,000	\$ 0	\$ 0	\$ 0	\$ 0
Bond Anticipation Notes	0	0	0	0	0
Lease Liabilities	<u>413,975</u>	<u>154,318</u>	<u>0</u>	<u>0</u>	<u>0</u>
Total Debt Outstanding	<u>\$ 2,623,975</u>	<u>\$ 154,318</u>	<u>\$ 0</u>	<u>\$ 0</u>	<u>\$ 0</u>

Details of Outstanding Indebtedness

The following table sets forth the indebtedness of the County evidenced by bonds and notes as of October 17, 2025:

<u>Type of Indebtedness</u>	<u>Maturity</u>	<u>Amount</u>
<u>Bonds</u>	--	\$ 0
<u>Bond Anticipation Notes</u>	--	<u>0</u>
Total Indebtedness:		<u>\$ 0</u>

Debt Statement Summary

Statement of Indebtedness, Debt Limit and Net Debt-Contracting Margin prepared as of October 17, 2025:

Five-Year Average Full Valuation	\$ 7,325,364,454
Debt Limit - 7% thereof.....	512,775,512

<u>Inclusions:</u>	
Bonds.....	\$ 0
Bond Anticipation Notes	0
Total Inclusions.....	\$ 0
<u>Exclusions:</u>	
Appropriations - Notes.....	\$ 0
Total Exclusions	\$ 0
Total Net Indebtedness	\$ 0
Net Debt-Contracting Margin.....	\$ 0
The percent of debt contracting power exhausted is.....	0%

Note: The issuance of the Notes will increase the total net-indebtedness of the County by \$8,000,000.

Bonded Debt Service

The County does not have any bonded indebtedness outstanding as of the date of this Official Statement.

Cash Flow Borrowings

The County has not found it necessary to issue revenue or tax anticipation notes in the recent past. The County does not anticipate any current or near-term need for cash flow borrowings related to County operations.

Estimate of Obligations to be Issued

The County reviews its plans and possible needs for future borrowings, however at this time, the County has no other indebtedness authorized.

The County is currently conceptualizing a plan for the construction of a 24-mile sewer line as part of a project referred to as the Southern Oswego County Regional Interceptor Sewer (“SOCRIS”). The County owns the former railroad bed running along the north shore of Oneida Lake from the Town of Constantia to the City of Fulton, traversing the towns of Constantia, West Monroe, Hastings, Schroepfel, and Volney. The former railroad bed is used as a recreation trail today. SOCRIS is a conceptual plan to bury a pipeline beneath the trail to carry sewage pumped from each town along the trail to the City of Fulton’s existing treatment plant. The City’s 3.4 million gallon per day (MGD) plant has excess capacity that can be sold to the towns. The project may move forward if sufficient grant funds are received toward the total estimated cost of around \$100 million. The plan is to have most of the project costs paid by State, federal, WIAA and Northern Border Commission grants. At this time, any estimates of the amount of future obligations expected to be issued for the project are not known. A main federal grant source denied the County's application early in 2025, but other applications are being submitted.

Tobacco Settlement Securitization

Oneida Tobacco Asset Securitization Corporation, (OTASC), was formed pursuant to New York State not-for-profit corporation law. The Corporation operates as a section 501 (c)(3) entity under the Internal Revenue Code. The Corporation was formed exclusively for the purpose of acquiring all or any portion of the rights, title and interest of the County of Oneida in, to and under the Consent Decree and Final Judgment of the Supreme Court of the State of New York dated December 23, 1998, all or any portion of the moneys due the County thereunder or under the Master Settlement Agreement (MSA) with respect to tobacco related litigation among various Settling States and participating manufacturers (defined as Tobacco Assets).

The Corporation in acquiring these Tobacco Assets can then issue and sell one or more series of negotiable bonds which would be secured by the Tobacco Assets.

In 2003, OTASC issued \$22,150,000 of Tobacco Settlement Asset Backed Bonds, Series 2003. The net proceeds of Series A Bonds were used to purchase from the County all of the County's right, title and interest, under the MSA and the Consent Decree, including the Tobacco Settlement Revenues ("TSR"). On September 22, 2016, OTASC issued \$12,445,000 of Tobacco Settlement Asset Backed Refunding Bonds, Series 2016B Serial Term Bonds and \$13,240,000 of Tobacco Settlement Asset Backed Refunding Bonds, Series 2016C Turbo Term Bonds. The Series 2016B and 2016C bonds along with additional consideration were used to refund all of OTASC's Tobacco Asset Backed Bonds, Series 2003 outstanding in the aggregate principal amount of \$9,405,000. In addition, as a result of the refunding OTASC made a payment of \$18,481,893 to provide the County with funds for capital purposes.

The Series 2016B Serial Term Bonds and the 2016C Turbo Term Bonds are secured by and payable solely from TSRs and investment earnings pledged under the Indenture and amounts established and held in accordance with the Indenture. In the event that OTASC has insufficient revenues to pay the debt service on the 2016B or 2016C bonds ("Event of Default"), Extraordinary Payment provisions of the trust are triggered. On each distribution date after the occurrence of any Event of Default arising from any failure to pay interest on or the principal of the Series 2016B or 2016C bonds when due, the OTASC Trustee will apply all amounts on deposit in various accounts to pay (or prepay) in the following order with respect to either bond, Pro Rata, without regard to their order of maturity: first, interest on overdue interest; second, overdue interest then due; third, interest then due; and fourth, the principal amount thereof without premium.

Principal is paid annually, interest is paid semi-annually and is recorded in the OTASC Debt Service Fund. The OTASC is considered a blended component unit of the County and its long-term debt is included within the long-term liabilities of the County. As of December 31, 2024, \$9,635,000 of 2016B and \$10,955,000 of 2016C series OTASC bonds remain outstanding.

Amortization of Bond Premiums. Bond premiums are being amortized on a straight-line basis over the life of the bonds. During 2016, the OTASC issued refunding bonds totaling \$25,685,000 and received a bond premium of \$2,063,256. The premium is being amortized using the effective interest rate method over the life of the bonds, which mature on June 6, 2051. The unamortized premium as of December 31, 2024 was \$725,400.

Estimated Overlapping Indebtedness

In addition to the County, 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 County. Bonded indebtedness, including bond anticipation notes, is estimated as of the close of the fiscal year of the respective municipalities, not adjusted to include subsequent bond issues, if any.

	Indebtedness ⁽¹⁾	Exclusions	Net Indebtedness	Percent of Indebtedness Applicable to County	Net Indebtedness Applicable to the County
City of Fulton	\$ 17,584,695	\$ 3,621,175 ⁽²⁾	\$ 13,963,520	100.00%	\$ 13,963,520
City of Oswego	81,709,914	47,169,979 ⁽²⁾	34,539,935	100.00%	34,539,935
Towns (22)	122,817,483	19,519,072 ⁽²⁾⁽³⁾	103,298,411	100.00%	103,298,411
Villages (9)	15,367,621	- ⁽²⁾⁽³⁾	15,367,621	100.00%	15,367,621
Fire Districts (6)	1,482,291	-	1,482,291	100.00%	1,482,291
School Districts (12)	384,623,843	346,900,822 ⁽⁴⁾	37,723,021	74.88%	28,247,958
			<u>\$ 206,374,799</u>		<u>\$ 196,899,736</u>

⁽¹⁾ Outstanding bonds and bond anticipation notes of the respective municipality. Not adjusted to include subsequent issuances, if any.

⁽²⁾ Water debt, sewer debt and budgeted appropriations as applicable for each respective municipality. Water Indebtedness excluded pursuant to Article VIII, Section 5B of the New York State Constitution. Sewer Indebtedness excluded pursuant to Article VIII, Section 5E of the New York State Constitution, as further prescribed under section 124.10 of the Local Finance Law. Appropriations are excluded pursuant to Section 136.00 of the Local Finance Law.

⁽³⁾ Information regarding excludable debt is not available for all municipalities. Excludable debt shown in the table above is only reflective of those municipalities where such data could be obtained from available sources.

⁽⁴⁾ Amount excluded represents State building aid on existing bonded indebtedness estimated to be received by the district pursuant to the Provisions of Chapter 760 of the Laws of New York State of 1963.

Source: Local government data provided by the State Comptroller's office for the most recent fiscal year such data is available for the respective municipality, or where available, more recent annual financial information & operating data filings or official statements of the respective municipality.

Debt Ratios

The following table sets forth certain ratios relating to the County's Gross Direct Indebtedness and Net Indebtedness, without giving effect to this financing, as of October 17, 2025:

	<u>Amount</u>	<u>Per Capita</u> ^(a)	<u>Percentage of Full Value</u> ^(b)
Gross Direct Indebtedness ^(c)	\$ 0	\$ 0	0.0%
Net Indebtedness ^(c)	0	0	0.0
Gross Direct Plus Net Overlapping Indebtedness ^(d)	196,899,736	1,664.34	2.14
Net Indebtedness Plus Net Overlapping Indebtedness ^(d)	196,899,736	1,664.34	2.14

- (a) The County's 2024 estimated population is 118,305. (See "THE COUNTY – Population Trends" herein.)
- (b) The County's full value of taxable real estate for its 2025 tax roll is \$9,193,980,675. (See "TAX INFORMATION - Taxable Assessed Valuations" herein.)
- (c) See "Debt Statement Summary" herein for the calculation of Net Direct Indebtedness, herein.
- (d) The County's applicable share of Net Overlapping Indebtedness is estimated to be \$196,899,736. (See "Estimated Overlapping Indebtedness" herein)

MISCELLANEOUS

So far as 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 holders of the Notes.

Statements in the Official Statement, and the documents included by specific reference, that are not historical facts are "forward-looking statements", within the meaning of Section 27A of the Securities Act of 1933, as amended, and Section 21E of the Securities Exchange Act of 1934, as amended, and as defined in the Private Securities Litigation Reform Act of 1995, which involve a number of risks and uncertainties, and which are based on the County of Oswego management's beliefs as well as assumptions made by, and information currently available to, the County of Oswego'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 County of Oswego files with the repositories. When used in County of Oswego documents or oral presentation, the words "anticipate", "believe", "intend", "plan", "foresee", "likely", "estimate", "expect", "objective", "projection", "forecast", "goal", "will", or "should", or similar words or phrases 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 Notes.

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 Notes, the County 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 limitation as to information in the Official Statement obtained from sources other than the County, as to which no representation can be made.

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

The County 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 County nor Fiscal Advisors & Marketing, Inc. assumes any liability or responsibility for errors or omissions on such website. Further, Fiscal Advisors & Marketing, Inc. and the County 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 County also assumes no liability or responsibility for any errors or omissions or for any updates to dated website information.

The County's contact information is as follows: Mr. Kevin Gardner, County Treasurer and Chief Fiscal Officer, Oswego County Legislative Office Building, 46 E. Bridge St., Oswego, NY 13126, Phone: (315) 349-8393, Email: Kevin.Gardner@oswegocounty.com.

This Official Statement has been duly executed and delivered by the Treasurer of the County of Oswego.

COUNTY OF OSWEGO

Dated: October 17, 2025

BY: _____
County 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>
<u>ASSETS</u>					
Cash and Cash Equivalents	\$ 1,933,423	\$ 9,834,223	\$ 2,867,065	\$ 4,838,705	\$ 8,551,327
Restricted Cash and Cash Equivalents	10,826,525	27,167,042	13,610,405	-	-
Investments	14,179,930	24,258,415	38,309,284	28,582,691	38,021,684
Restricted Investments	-	-	21,221,084	25,003,978	16,850,093
Taxes Receivables (Net)	14,467,650	11,299,922	12,918,542	14,767,449	15,609,856
Other Receivables (Net)	1,672,703	1,750,496	1,707,153	2,523,431	1,028,956
Intergovernmental Receivables	27,490,468	20,931,950	26,917,745	27,979,043	32,056,948
Due from Other Funds	76,309	-	325,525	4,944,340	-
Prepaid Items	1,457,585	1,673,746	1,212,629	1,439,365	1,858,399
	<u> </u>	<u> </u>	<u> </u>	<u> </u>	<u> </u>
TOTAL ASSETS	\$ 72,104,593	\$ 96,915,794	\$ 119,089,432	\$ 110,079,002	\$ 113,977,263
	<u> </u>	<u> </u>	<u> </u>	<u> </u>	<u> </u>
<u>LIABILITIES AND FUND EQUITY</u>					
Accounts Payable	\$ 3,878,343	\$ 3,755,678	\$ 4,908,685	\$ 7,450,442	\$ 6,410,544
Accrued Liabilities	939,028	555,095	538,930	751,133	857,439
Intergovernmental Receivables	10,463,093	10,157,365	11,000,483	13,313,781	14,174,161
Unearned Revenue	64,362	12,517,877	21,221,084	12,149,204	3,709,897
Deferred Inflows of Resources	5,448,149	3,553,508	4,659,385	5,029,580	5,803,192
	<u> </u>	<u> </u>	<u> </u>	<u> </u>	<u> </u>
TOTAL LIABILITIES	\$ 20,792,975	\$ 30,539,523	\$ 42,328,567	\$ 38,694,140	\$ 30,955,233
	<u> </u>	<u> </u>	<u> </u>	<u> </u>	<u> </u>
<u>FUND EQUITY</u>					
Nonspendable	\$ 1,457,585	\$ 1,673,746	\$ 1,212,629	\$ 1,439,365	\$ 1,858,399
Restricted	10,762,163	14,649,165	13,610,405	12,854,774	13,140,196
Assigned	581,802	1,152,932	983,428	2,754,935	4,947,879
Unassigned	38,510,068	48,900,428	60,954,403	54,335,788	63,075,556
	<u> </u>	<u> </u>	<u> </u>	<u> </u>	<u> </u>
TOTAL FUND EQUITY	\$ 51,311,618	\$ 66,376,271	\$ 76,760,865	\$ 71,384,862	\$ 83,022,030
	<u> </u>	<u> </u>	<u> </u>	<u> </u>	<u> </u>
TOTAL LIABILITIES and FUND EQUITY	<u>\$ 72,104,593</u>	<u>\$ 96,915,794</u>	<u>\$ 119,089,432</u>	<u>\$ 110,079,002</u>	<u>\$ 113,977,263</u>

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

GENERAL FUND

Revenues, Expenditures and Changes in Fund Balance

Fiscal Years Ending December 31:	<u>2020</u>	<u>2021</u>	<u>2022</u>	<u>2023</u>	<u>2024</u>
<u>REVENUES</u>					
Real Property Taxes	\$ 51,967,308	\$ 51,410,721	\$ 48,209,511	\$ 48,683,047	\$ 50,180,286
Real Property Tax Items	18,947,616	17,677,775	17,722,368	16,999,455	16,762,156
Non-Property Tax Items	53,138,166	55,736,844	62,471,523	63,241,335	63,203,350
Departmental Income	11,388,270	11,096,173	9,274,530	9,731,488	13,813,602
Intergovernmental Charges	878,819	966,288	1,038,065	1,106,254	969,196
Use of Money & Property	733,833	589,358	1,445,069	4,578,464	5,661,899
Licenses and Permits	57,748	60,116	111,886	66,475	57,120
Fines and Forfeitures	193,768	175,935	148,057	83,791	1,508
Sale of Property and Compensation for Loss	122,027	541,908	551,941	407,190	432,082
Miscellaneous	921,277	581,828	650,728	985,721	746,508
Interfund Revenues	-	-	-	-	-
Revenues from State Sources	24,346,581	30,303,310	30,868,611	41,675,496	45,322,546
Revenues from Federal Sources	21,422,639	20,836,032	29,352,568	36,400,413	41,201,800
Total Revenues	<u>\$ 184,118,052</u>	<u>\$ 189,976,288</u>	<u>\$ 201,844,857</u>	<u>\$ 223,959,129</u>	<u>\$ 238,352,053</u>
<u>EXPENDITURES</u>					
General Government Support	\$ 31,978,972	\$ 32,400,276	\$ 35,456,168	\$ 42,556,439	\$ 42,838,684
Education	9,355,211	10,616,501	9,995,444	11,440,665	13,270,987
Public Safety	22,735,345	24,262,290	26,922,282	30,634,296	32,544,077
Health	8,617,425	9,271,339	10,826,279	11,651,591	10,576,514
Transportation	1,993,527	1,839,281	1,845,360	1,953,588	1,926,885
Economic Assistance and Opportunity	67,942,451	63,828,233	69,963,525	80,385,790	87,092,562
Culture and Recreation	585,427	869,575	1,053,518	1,136,716	1,265,621
Home and Community Services	1,763,188	926,177	1,899,340	2,950,693	4,828,157
Employee Benefits	1,511,418	1,075,604	1,189,347	974,693	954,919
Debt Service (Principal & Interest)	-	-	-	-	-
Total Expenditures	<u>146,482,964</u>	<u>145,089,276</u>	<u>159,151,263</u>	<u>183,684,471</u>	<u>195,298,406</u>
Excess of Revenues Over (Under) Expenditures	<u>\$ 37,635,088</u>	<u>\$ 44,887,012</u>	<u>\$ 42,693,594</u>	<u>\$ 40,274,658</u>	<u>\$ 43,053,647</u>
Other Financing Sources (Uses):					
Operating Transfers In	-	3,649,515	467,106	43,891	1,508,387
Operating Transfers Out	<u>(24,810,756)</u>	<u>(33,471,874)</u>	<u>(32,776,106)</u>	<u>(45,694,552)</u>	<u>(32,924,866)</u>
Total Other Financing	<u>(24,810,756)</u>	<u>(29,822,359)</u>	<u>(32,309,000)</u>	<u>(45,650,661)</u>	<u>(31,416,479)</u>
Excess of Revenues and Other Sources Over (Under) Expenditures and Other Uses	<u>\$ 12,824,332</u>	<u>\$ 15,064,653</u>	<u>\$ 10,384,594</u>	<u>\$ (5,376,003)</u>	<u>\$ 11,637,168</u>
<u>FUND BALANCE</u>					
Fund Balance - Beginning of Year	38,487,286	51,311,618	66,376,271	76,760,865	71,384,862
Prior Period Adjustments (net)	-	-	-	-	-
Fund Balance - End of Year	<u>\$ 51,311,618</u>	<u>\$ 66,376,271</u>	<u>\$ 76,760,865</u>	<u>\$ 71,384,862</u>	<u>\$ 83,022,030</u>

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

GENERAL FUND

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

Fiscal Years Ending December 31:	2024			2025
	Adopted Budget	Final Budget	Audited Actual	Adopted Budget
REVENUES				
Real Property Taxes	\$ 49,761,834	\$ 49,761,834	\$ 50,180,286	\$ 52,676,224
Real Property Tax Items	16,658,448	16,658,448	16,762,156	16,300,796
Non-Property Tax Items	61,942,000	61,942,000	63,203,350	62,004,000
Departmental Income	11,811,414	12,323,485	13,813,602	11,228,155
Intergovernmental Charges	1,631,826	1,654,912	969,196	6,227,409
Use of Money & Property	2,415,364	3,583,825	5,661,899	2,492,550
Licenses and Permits	60,000	60,000	57,120	60,000
Fines and Forfeitures	187,800	187,800	1,508	162,000
Sale of Property and Compensation for Loss	45,000	476,932	432,082	47,880
Miscellaneous	935,201	942,932	746,508	1,849,677
Interfund Revenues	-	-	-	-
Revenues from State Sources	39,988,748	48,867,605	45,322,546	48,965,636
Revenues from Federal Sources	30,099,553	47,388,034	41,201,800	27,182,278
Total Revenues	<u>\$ 215,537,188</u>	<u>\$ 243,847,807</u>	<u>\$ 238,352,053</u>	<u>\$ 229,196,605</u>
EXPENDITURES				
General Government Support	\$ 43,416,447	\$ 49,950,347	\$ 42,838,684	\$ 38,969,320
Education	10,919,581	13,548,794	13,270,987	14,042,781
Public Safety	33,621,586	36,269,416	32,544,077	30,067,803
Health	12,072,322	14,631,021	10,576,514	14,539,628
Transportation	1,926,885	1,926,885	1,926,885	98,853
Economic Assistance and Opportunity	87,033,693	92,297,064	87,092,562	85,077,966
Culture and Recreation	1,607,523	1,705,254	1,265,621	1,733,972
Home and Community Services	819,500	11,181,459	4,828,157	1,505,148
Employee Benefits	1,486,307	1,516,575	954,919	16,151,048
Debt Service (Principal & Interest)	-	-	-	-
Total Expenditures	<u>192,903,844</u>	<u>223,026,815</u>	<u>195,298,406</u>	<u>202,186,519</u>
Excess of Revenues Over (Under) Expenditures	<u>\$ 22,633,344</u>	<u>\$ 20,820,992</u>	<u>\$ 43,053,647</u>	<u>\$ 27,010,086</u>
Other Financing Sources (Uses):				
Operating Transfers In	-	911,954	1,508,387	-
Operating Transfers Out	<u>(25,388,279)</u>	<u>(36,623,007)</u>	<u>(32,924,866)</u>	<u>(27,010,086)</u>
Total Other Financing	<u>(25,388,279)</u>	<u>(35,711,053)</u>	<u>(31,416,479)</u>	<u>(27,010,086)</u>
Excess of Revenues and Other Sources Over (Under) Expenditures and Other Uses	<u>\$ (2,754,935)</u>	<u>\$ (14,890,061)</u>	<u>\$ 11,637,168</u>	<u>\$ -</u>
FUND BALANCE				
Fund Balance - Beginning of Year	2,754,935	14,890,061	71,384,862	-
Prior Period Adjustments (net)	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Fund Balance - End of Year	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 83,022,030</u>	<u>\$ -</u>

Source: 2024 audited financial report and 2025 adopted budget (unaudited) of the County. This Appendix itself is not 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>SPECIAL GRANT FUND</u>					
Fund Equity - Beginning of Year	\$ 129,628	\$ 128,474	\$ 109,494	\$ (333,098)	\$ 259,138
Prior Period Adjustments (net)	-	-	-	-	-
Revenues & Other Sources	2,471,664	2,340,087	2,222,153	3,345,817	2,586,258
Expenditures & Other Uses	2,472,818	2,359,067	2,664,745	2,753,581	2,574,603
Fund Equity - End of Year	\$ 128,474	\$ 109,494	\$ (333,098)	\$ 259,138	\$ 270,793
<u>COUNTY ROAD FUND</u>					
Fund Equity - Beginning of Year	\$ 1,230,220	\$ 1,006,737	\$ 963,861	\$ -	\$ 64,641
Prior Period Adjustments (net)	-	-	-	-	-
Revenues & Other Sources	13,885,031	19,437,249	16,880,732	17,586,212	18,088,868
Expenditures & Other Uses	14,108,514	19,480,125	17,844,593	17,521,571	16,945,005
Fund Equity - End of Year	\$ 1,006,737	\$ 963,861	\$ -	\$ 64,641	\$ 1,208,504
<u>ROAD MACHINERY FUND</u>					
Fund Equity - Beginning of Year	\$ 44,528	\$ 29,109	\$ 25,096	\$ 17,667	\$ 201,133
Prior Period Adjustments (net)	-	-	-	-	-
Revenues & Other Sources	2,934,810	3,485,505	3,637,531	3,352,784	3,388,422
Expenditures & Other Uses	2,950,229	3,489,518	3,644,960	3,169,318	3,630,490
Fund Equity - End of Year	\$ 29,109	\$ 25,096	\$ 17,667	\$ 201,133	\$ (40,935)
<u>REFUSE AND GARBAGE FUND</u>					
Fund Equity - Beginning of Year	\$ 9,594,507	\$ 11,898,252	\$ 13,974,590	\$ 13,502,055	\$ 11,323,309
Prior Period Adjustments (net)	-	-	-	-	-
Revenues & Other Sources	9,726,245	11,385,614	9,623,169	9,087,847	11,657,216
Expenditures & Other Uses	7,422,500	9,309,276	10,095,704	11,266,593	18,909,061
Fund Equity - End of Year	\$ 11,898,252	\$ 13,974,590	\$ 13,502,055	\$ 11,323,309	\$ 4,071,464
<u>CAPITAL PROJECTS FUND</u>					
Fund Equity - Beginning of Year	\$ 5,177,231	\$ 541,860	\$ 3,695,244	\$ 6,601,278	\$ 20,703,493
Prior Period Adjustments (net)	-	-	-	-	-
Revenues & Other Sources	7,017,508	8,607,838	11,699,334	25,892,417	16,304,273
Expenditures & Other Uses	11,652,879	5,454,454	8,793,300	11,790,202	24,138,267
Fund Equity - End of Year	\$ 541,860	\$ 3,695,244	\$ 6,601,278	\$ 20,703,493	\$ 12,869,499

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

UNDERTAKING TO PROVIDE NOTICES OF EVENTS

Section 1. Definitions

“EMMA” shall mean Electronic Municipal Market Access System implemented by the MSRB.

“Financial Obligation” shall mean “financial obligation” as such term is defined in the Rule.

“GAAP” shall mean generally accepted accounting principles as in effect from time to time in the United States.

“Holder” shall mean any registered owner of the Securities and any beneficial owner of Securities within the meaning of Rule 13d-3 under the Securities Exchange Act of 1934.

“Issuer” shall mean the County of Oswego, a municipal corporation of the State of New York.

“Municipal Advisor” shall mean Fiscal Advisors & Marketing, Inc., 250 South Clinton Street, Suite 502, Syracuse, New York 13202, or another nationally recognized municipal advisory firm.

“MSRB” shall mean the Municipal Securities Rulemaking Board established in accordance with the provisions of Section 15B(b)(1) of the Securities Exchange Act of 1934.

“Purchaser” shall mean the financial institution referred to in the Certificate of Determination, executed by the Country Treasurer as of November 6, 2025.

“Rule 15c2-12” shall mean Rule 15c2-12 under the Securities Exchange Act of 1934, as amended through the date of this Undertaking, including any official interpretations thereof.

“Securities” shall mean the Issuer’s \$8,000,000 Bond Anticipation Note-2025 (Federally Taxable) dated November 6, 2025, maturing on November 6, 2026, and delivered on the date hereof.

Section 2. Obligation to Provide Notices of Events. (a) The Issuer hereby undertakes, for the benefit of Holders of the Securities, to provide or cause to be provided either directly or through its Municipal Advisor to the Electronic Municipal Market Access (“EMMA”) System implemented by the Municipal Securities Rulemaking Board established pursuant to Section 15B(b)(1) of the Securities Exchange Act of 1934, or any successor thereto or to the functions of such Board contemplated by the Undertaking, in a timely manner, not in excess of ten (10) business days after the occurrence of any such event, notice of any of the following events with respect to the Securities:

- (i) principal and interest payment delinquencies;
- (ii) non-payment related defaults, if material;
- (iii) unscheduled draws on debt service reserves reflecting financial difficulties;
- (iv) unscheduled draws on credit enhancements reflecting financial difficulties;
- (v) substitution of credit or liquidity providers, or their failure to perform;
- (vi) 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 Securities, or other material events affecting the tax status of the Securities;
- (vii) modifications to rights of Securities holders, if material;
- (viii) Bond calls, if material, and tender offers;
- (ix) defeasances;

- (x) release, substitution, or sale of property securing repayment of the Securities, if material;
- (xi) rating changes;
- (xii) bankruptcy, insolvency, receivership or similar event of the Issuer;

Note to clause (12): For the purposes of the event identified in clause (12) above, the event is considered to occur when any of the following occur: the appointment of a receiver, fiscal agent or similar officer for the Issuer in a proceeding under the U.S. Bankruptcy Code or in any other proceeding under state or federal law in which a court or government authority has assumed jurisdiction over substantially all of the assets or business of the Issuer, or if such jurisdiction has been assumed by leaving the existing governing body and officials or officers in possession but subject to the supervision and orders of a court or governmental authority, or the entry of an order confirming a plan of reorganization, arrangement or liquidation by a court or governmental authority having supervision or jurisdiction over substantially all of the assets or business of the Issuer;

- (xiii) the consummation of a merger, consolidation, or acquisition involving the Issuer or the sale of all or substantially all of the assets of the Issuer, 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;
- (xiv) appointment of a successor or additional trustee or the change of name of a trustee, if material;
- (xv) Issuance of a Financial Obligation of the Issuer, if material, or agreement to covenants, events of default, remedies, priorities rights, or other similar terms of a Financial Obligation of the Issuer, any of which affect security holders, if material; and
- (xvi) Default, event of acceleration, termination event, modification of terms, or other similar events under the terms of a Financial Obligation of the Issuer, any of which reflect financial difficulties.

(b) Nothing herein shall be deemed to prevent the Issuer from disseminating any other information in addition to that required hereby in the manner set forth herein or in any other manner. If the Issuer disseminates any such additional information, the Issuer shall have no obligation to update such information or include it in any future materials disseminated hereunder.

(c) Nothing herein shall be deemed to prevent the Issuer from providing notice of the occurrence of certain other events, in addition to those listed above, if the Issuer determines that any such other event is material with respect to the Securities; but the Issuer does not undertake to commit to provide any such notice of the occurrence of any event except those events listed above.

Section 3. Remedies. If the Issuer shall fail to comply with any provision of this Undertaking, then any Holder of Securities may enforce, for the equal benefit and protection of all Holders similarly situated, by mandamus or other suit or proceeding at law or in equity, this Undertaking against the Issuer and any of the officers, agents and employees of the Issuer, and may compel the Issuer or any such officers, agents or employees to perform and carry out their duties under this Undertaking; provided that the sole and exclusive remedy for breach of this Undertaking shall be an action to compel specific performance of the obligations of the Issuer hereunder and no person or entity shall be entitled to recover monetary damages hereunder under any circumstances. Failure to comply with any provision of this Undertaking shall not constitute an event of default on the Securities.

Section 4. Parties in Interest. This Undertaking is executed to assist the Purchaser to comply with (b)(5) of the Rule and is delivered for the benefit of the Holders. No other person shall have any right to enforce the provisions hereof or any other rights hereunder.

Section 5. Amendments. Without the consent of any holders of Securities, the Issuer at any time and from time to time may enter into any amendments or changes to this Undertaking for any of the following purposes:

- (a) to comply with or conform to any changes in Rule 15c2-12 (whether required or optional);
- (b) to add a dissemination agent for the information required to be provided hereby and to make any necessary or desirable provisions with respect thereto;
- (c) to evidence the succession of another person to the Issuer and the assumption of any such successor of the duties of the Issuer hereunder;
- (d) to add to the duties of the Issuer for the benefit of the Holders, or to surrender any right or power herein conferred upon the Issuer;
- (e) to cure any ambiguity, to correct or supplement any provision hereof which may be inconsistent with any other provision hereof, or to make any other provisions with respect to matters or questions arising under this Undertaking which, in each case, comply with Rule 15c2-12 or Rule 15c2-12 as in effect at the time of such amendment or change;

provided that no such action pursuant to this Section 5 shall adversely affect the interests of the Holders in any material respect. In making such determination, the Issuer shall rely upon an opinion of nationally recognized bond counsel.

Section 6. Termination. This Undertaking shall remain in full force and effect until such time as all principal, redemption premiums, if any, and interest on the Securities shall have been paid in full or the Securities shall have otherwise been paid or legally defeased in accordance with their terms. Upon any such legal defeasance, the Issuer shall provide notice of such defeasance to the EMMA System. Such notice shall state whether the Securities have been defeased to maturity or to redemption and the timing of such maturity or redemption.

Section 7. Undertaking to Constitute Written Agreement or Contract. This Undertaking shall constitute the written agreement or contract for the benefit of Holders of Securities, as contemplated under Rule 15c2-12.

Section 8. Governing Law. This Undertaking shall be governed by the laws of the State of New York determined without regard to principles of conflict of law.

IN WITNESS WHEREOF, the undersigned has duly authorized, executed and delivered this Undertaking as of **November 6, 2025**.

COUNTY OF OSWEGO, NEW YORK

By _____
County Treasurer

FORM OF BOND COUNSEL OPINION

Hawkins Delafield & Wood LLP
140 Broadway - 42nd floor
New York, New York 10005

November 6, 2025

The County Legislature of the
County of Oswego, New York

Ladies and Gentlemen:

We have acted as Bond Counsel to the County of Oswego (the "County"), a municipal corporation of the State of New York, and have examined a record of proceedings relating to the authorization, sale and issuance of the \$8,000,000 Bond Anticipation Note-2025 (Federally Taxable) (the "Note"), dated and delivered the date hereof.

In such examination, we have assumed the genuineness of all signatures, the authenticity of all documents submitted to us as originals and the conformity with originals of all documents submitted to us as copies thereof. Based on and subject to the foregoing, and in reliance thereon, as of the date hereof, we are of the following opinions:

1. The Note is a valid and legally binding general obligation of the County for which the County has validly pledged its faith and credit and, unless paid from other sources, all the taxable real property within the County is subject to the levy of ad valorem real estate taxes to pay the Note and interest thereon, subject to certain statutory limitations imposed by Chapter 97 of the New York Laws of 2011, as amended. The enforceability of rights or remedies with respect to such Note may be limited by bankruptcy, insolvency or other laws affecting creditors' rights or remedies heretofore or hereafter enacted.

2. Interest on the Note is included in gross income for federal income tax purposes pursuant to Section 103 of the Internal Revenue Code of 1986, as amended (the "Code").

3. Under existing statutes, interest on the Note is exempt from personal income taxes of New York State and its political subdivisions, including The City of New York.

We express no opinion as to any other federal, state or local tax consequences arising with respect to the Note, or the ownership or disposition thereof, except as stated in paragraphs 2 and 3 above. We render our opinion under existing statutes and court decisions as of the date hereof, and assume no obligation to update, revise or supplement our opinion to reflect any action hereafter taken or not taken, any fact or circumstance that may hereafter come to our attention, any change in law or interpretation thereof that may hereafter occur, or for any other reason. We express no opinion as to the consequence of any of the events described in the preceding sentence or the likelihood of their occurrence. In addition, we express no opinion on the effect of any action taken or not taken in reliance upon an opinion of other counsel regarding federal, state or local tax matters relating to the Note.

We give no assurances as to the adequacy, sufficiency or completeness of the Preliminary Official Statement and/or Official Statement relating to the Note or any proceedings, reports, correspondence, financial statements or other documents, containing financial or other information relative to the County, which have been or may hereafter be furnished or disclosed to purchasers of ownership interests in the Note.

Very truly yours,

/s/ Hawkins Delafield & Wood LLP

COUNTY OF OSWEGO, NEW YORK

AUDITED FINANCIAL STATEMENTS

FO THE FISCAL YEAR ENDED 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.

The County's independent auditor has not been engaged to perform, and has not performed, since the date of its report included herein, any procedures on the financial statements addressed in that report. The County's independent auditor also has not performed any procedures relating to this Official Statement.

**COUNTY OF OSWEGO,
NEW YORK**

*Basic Financial Statements, Required Supplementary
Information and Supplementary Information for the
Year Ended December 31, 2024 and Independent
Auditors' Reports*

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DRESCHER & MALECKI LLP

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Telephone: 716.565.2299
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INDEPENDENT AUDITORS' REPORT

Honorable County Legislature
County of Oswego, New York:

Report on the Audit of the Financial Statements

Qualified and Unmodified Opinions

We have audited the financial statements of the governmental activities, the business-type activities, the discretely presented component units, each major fund, and the aggregate remaining fund information of the County of Oswego, New York (the "County"), as of and for the year ended December 31, 2024 (with the Oswego County Industrial Development Agency for the fiscal year ended July 31, 2024), and the related notes to the financial statements, which collectively comprise the County's basic financial statements as listed in the table of contents.

Unmodified Opinions on the Governmental Activities, Business-type Activities, Major Funds, and Aggregate Remaining Fund Information

In our opinion, based on our audit and the reports of other auditors, the accompanying financial statements present fairly, in all material respects, the respective financial position of the governmental activities, the business-type activities, each major fund, and the aggregate remaining fund information of the County, as of December 31, 2024, and the respective changes in financial position and, where applicable, cash flows thereof for the year then ended in accordance with accounting principles generally accepted in the United States of America.

Qualified Opinion on the Discretely Presented Component Units

In our opinion, based on the reports of other auditors, except for the effects of the matter described in the Matter Giving Rise to Qualified Opinion on the Discretely Presented Component Units section, the accompanying financial statements present fairly, in all material respects, the financial position of the discretely presented component units for the County, as of December 31, 2024, and the changes in financial position 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 the Oswego County Land Bank Corporation (the "Land Bank"), a blended component unit, which represents 100% of the assets and operating activities of the business-type activities. We also did not audit the Oswego County Industrial Development Agency (the "Agency"), which is shown as a discretely presented component unit. Those financial statements were audited by other auditors whose report thereon has been furnished to us, and our opinion, insofar as it relates to the amounts included for the Land Bank and Agency, is based solely on the reports of the other auditors.

Basis for Qualified and Unmodified Opinions

We conducted our audit in accordance with auditing standards generally accepted in the United States of America ("GAAS") and the standards applicable to financial audits contained in *Government Auditing Standards* ("GAS"), issued by the Comptroller General of the United States. Our responsibilities under those standards are further described in the Auditors' Responsibilities for the Audit of the Financial Statements section of our report. We are required to be independent of the County and to meet our other ethical

responsibilities, in accordance with the relevant ethical requirements relating our audit. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinions.

Matter Giving Rise to Qualified Opinion on the Discretely Presented Component Units

The financial statements of the Oswego County Soil and Water Conservation District (the “District”) have not been audited, and we were not engaged to audit the District’s financial statements as part of our audit of the County’s basic financial statements. The District’s financial activities are included in the County’s basic financial statements as a discretely presented component unit and represent 4.5 percent, 5.0 percent, and 74.3 percent of the assets, net position, and revenues, respectively, of the County’s aggregate discretely presented component units.

Responsibilities of Management for the Financial Statements

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

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

Auditors’ Responsibilities for the Audit of the Financial Statements

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

In performing an audit in accordance with GAAS and GAS, we:

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

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

Required Supplementary Information

Accounting principles generally accepted in the United States of America require that the 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 and other auditors have applied certain limited procedures to the required supplementary information in accordance with auditing standards generally accepted in the United States of America, which consisted of inquiries of management about the methods of preparing the information and comparing the information for consistency with management’s responses to our inquiries, the basic financial statements, and other knowledge we obtained during our audit of the basic financial statements. We do not express an opinion or provide any assurance on the information because the limited procedures do not provide us with sufficient evidence to express an opinion or provide any assurance.

Supplementary Information

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the County’s basic financial statements. The Supplementary Information, as listed in the table of contents, is presented for purposes of additional analysis and is not a required part of the basic financial statements.

The Supplementary Information, as listed in the table of contents, is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the basic financial statements. The information has been subjected to the auditing procedures applied in the audit of the basic financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the basic financial statements or to the basic financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the Supplementary Information, as listed in the table of contents, is fairly stated, in all material respects, in relation to the basic financial statements as a whole.

Other Reporting Required by Government Auditing Standards

In accordance with *Governmental Auditing Standards*, we have also issued our report dated September 26, 2025 on our consideration of the County’s internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements, and other matters. The purpose of that report is solely to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on the effectiveness of internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the County’s internal control over financial reporting and compliance.

Drescher & Malecki LLP

September 26, 2025

COUNTY OF OSWEGO, NEW YORK
Management's Discussion and Analysis
Year Ended December 31, 2024

As management of the County of Oswego, New York (the "County"), we offer readers of the County's financial statements this narrative overview and analysis of the County's financial activities for the fiscal year ended December 31, 2024. We encourage readers to consider the information presented here in conjunction with additional information that we have furnished in the County's financial statements, which follow this narrative.

Financial Highlights

- The assets and deferred outflows of resources of the County's primary government exceeded its liabilities and deferred inflows of resources at the close of the most recent fiscal year by \$68,747,788 (*net position*). This consists of \$147,346,895 net investment in capital assets, \$28,210,336 restricted for specific purposes, offset by an unrestricted net position of \$(106,809,443).
- The County's primary government total net position decreased \$9,936,841 during the year ended December 31, 2024. Governmental activities decreased the County's net position by \$10,902,018 and business-type activities increased net position by \$965,177.
- At the end of the current fiscal year, the County's governmental funds reported a combined ending fund balance of \$103,669,947, a decrease of \$2,230,227 in comparison with the prior year's fund balance of \$105,900,174.
- At the end of the current fiscal year, *unassigned fund balance* for the General Fund was \$63,075,556, or approximately 27.6 percent of General Fund expenditures and transfers out. This total amount is *available for spending* at the County's discretion, and constitutes approximately 76.0 percent of the General Fund's total fund balance of \$83,022,030 at December 31, 2024.
- The County's primary government total bonded indebtedness decreased by \$660,000 as a result of scheduled principal payments.

Overview of the Financial Statements

The discussion and analysis provided here are intended to serve as an introduction to the County's basic financial statements. The County's basic financial statements comprise of three components: 1) government-wide financial statements, 2) fund financial statements, and 3) notes to the financial statements. This report also includes supplementary information in addition to the basic financial statements themselves.

Government-wide financial statements—The *government-wide financial statements* are designed to provide readers with a broad overview of the County's finances, in a manner similar to a private-sector business.

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

The *statement of activities* presents information showing how the County's net position changed during the most recent fiscal year. All changes in net position are reported as soon as the underlying event giving rise to the change occurs, *regardless of the timing of related cash flows*. Thus, revenues and expenses are reported in this statement for some items that will only result in cash flows in future fiscal periods (e.g., uncollected taxes and earned but unused vacation leave).

Both of the government-wide financial statements distinguish functions of the County that are principally supported by taxes and intergovernmental revenues (*governmental activities*) from other functions that are intended to recover all, or a significant portion, of their costs through user fees and charges (*business-type activities*). The governmental activities of the County include general government support, education, public safety, health, transportation, economic assistance and opportunity, culture and recreation, and home and community services. The business-type activities of the County include the operations of the Oswego County Land Bank Corporation (the "Land Bank"), a blended component unit.

The government-wide financial statements include not only the County and its blended component units (known as the *primary government*), but also the discretely presented component units for which the County is financially accountable. Financial information for these component units are reported separately from the financial information presented for the primary government itself.

The government-wide financial statements can be found on pages 14-15 of this report.

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

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

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

The County maintains eight individual governmental funds. Information is presented separately in the governmental fund balance sheet and in the governmental fund statement of revenues, expenditures, and changes in fund balances for the General Fund, Refuse and Garbage Fund, County Road Fund, and the Capital Projects Fund, which are considered to be major funds. Data from the other four governmental funds are combined into a single, aggregated presentation. Individual fund data for each of these nonmajor funds is provided in the form of combining statements in the Supplementary Information section of this report.

The basic governmental fund financial statements can be found on pages 16-19 of this report.

Proprietary funds—The County maintains two different types of proprietary funds. An enterprise fund is used to report the same functions presented as business-type activities in the government-wide financial statements. The County uses an enterprise fund to account for the Land Bank Corporation, a blended component unit. Internal service funds are an accounting device used to accumulate and allocate costs internally among the County's various functions. The County uses internal service funds to account for the management of the self-insured workers' compensation and health insurance programs. Because both of these services predominantly benefit governmental rather than business-type functions, they have been included within *governmental activities* in the government-wide financial statements.

Proprietary funds provide the same type of information as the government-wide financial statements, only in more detail. The proprietary fund financial statements provide separate information for the Land Bank and the internal service funds. The internal service funds are aggregated for presentation in the proprietary fund financial statements. Individual fund data for the internal service funds are provided in the form of combining statements in the Supplementary Information section of this report.

The proprietary fund financial statements can be found on pages 20-22 of this report.

Fiduciary funds—Fiduciary funds are used to account for resources held for the benefit of parties outside the County. The fiduciary funds are not reflected in the government-wide financial statements because the resources of the funds are not available to support the County's own programs. The County maintains one fiduciary fund, the Custodial Fund.

The Custodial Fund reports resources held by the County in a custodial capacity for individuals, private organizations and other governments.

The fiduciary fund financial statements can be found on pages 23-24 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 25-56 of this report.

Other information—In addition to the basic financial statements and accompanying notes, this report also presents *Required Supplementary Information* concerning the County's net pension liability/(asset), the County's other postemployment benefits, and the County's budgetary comparison for the General Fund, Refuse and Garbage Fund, and County Road Fund. Required Supplementary Information and the related notes to the Required Supplementary Information can be found on pages 57-63 of this report.

The combining statements referred to earlier in connection with nonmajor governmental funds and internal service funds are presented immediately following the Required Supplementary Information in the Supplementary Information section of this report on pages 64-68.

Government-wide Financial Analysis

As noted earlier, net position over time may serve as a useful indicator of a government's financial position. In the case of the County's primary government, assets and deferred outflows of resources exceeded liabilities and deferred inflows of resources by \$68,747,788 at the close of the most recent fiscal year, as compared to \$78,684,629, at the close of the fiscal year ended December 31, 2023.

Table 1, shown below, presents a condensed statements of net position compared to the prior year:

Table 1—Condensed Statements of Net Position—Primary Government

	Governmental Activities		Business-type Activities		Total Primary Government	
	December 31,		December 31,		December 31,	
	2024	2023	2024	2023	2024	2023
Current assets	\$ 161,851,567	\$ 173,437,141	\$ 2,179,860	\$ 2,241,217	\$ 164,031,427	\$ 175,678,358
Noncurrent assets	167,435,359	164,837,837	1,837,287	925,208	169,272,646	165,763,045
Total assets	329,286,926	338,274,978	4,017,147	3,166,425	333,304,073	341,441,403
Deferred outflows of resources	44,632,638	63,732,956	-	-	44,632,638	63,732,956
Current liabilities	28,384,472	37,978,519	67,138	181,593	28,451,610	38,160,112
Noncurrent liabilities	210,058,962	234,350,891	-	-	210,058,962	234,350,891
Total liabilities	238,443,434	272,329,410	67,138	181,593	238,510,572	272,511,003
Deferred inflows of resources	70,678,351	53,978,727	-	-	70,678,351	53,978,727
Net position:						
Net investment in capital assets	145,509,608	139,281,906	1,837,287	925,208	147,346,895	140,207,114
Restricted	28,210,336	35,747,786	-	-	28,210,336	35,747,786
Unrestricted	(108,922,165)	(99,329,895)	2,112,722	2,059,624	(106,809,443)	(97,270,271)
Total net position	\$ 64,797,779	\$ 75,699,797	\$ 3,950,009	\$ 2,984,832	\$ 68,747,788	\$ 78,684,629

The largest portion of the County's primary government net position, \$147,346,895, reflects its net investment in capital assets (such as land, buildings, machinery, equipment, and infrastructure), net of accumulated depreciation, less any debt used to acquire those assets. The County uses these capital assets to provide services to citizens. Accordingly, these assets are not available for future spending. Although the County's investment in 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.

An additional portion of net position, \$28,210,336, represents resources that are subject to external restrictions imposed by creditors, grantors, contributors, or laws and regulations of other governments and restrictions imposed by law through constitutional provisions or enabling legislation.

The remaining balance of the County's net position, \$(106,809,443), is considered to be an unrestricted deficit. This deficit does not mean that the County does not have resources available to meet its obligations in the ensuing year; rather, it reflects liabilities not related to the County's capital assets and are not expected to be repaid from current resources. These long-term liabilities, including bonds payable, landfill obligation, health insurance, workers' compensation, compensated absences, OPEB obligation, and net pension liability, are funded annually within the funds.

Table 2, as presented below, shows the changes in net position for the years ended December 31, 2024 and December 31, 2023:

Table 2—Condensed Statements of Changes in Net Position—Primary Government

	Governmental Activities		Business-type Activities		Total Primary Government	
	Year Ended December 31,		Year Ended December 31,		Year Ended December 31,	
	2024	2023	2024	2023	2024	2023
Program revenues:						
Charges for services	\$ 32,994,994	\$ 27,087,027	\$ -	\$ -	\$ 32,994,994	\$ 27,087,027
Operating grants and contributions	81,182,864	75,229,687	1,556,403	446,788	82,739,267	75,676,475
Capital grants and contributions	16,743,797	16,042,977	-	-	16,743,797	16,042,977
General revenues	142,721,905	141,311,237	1,435,409	472,624	144,157,314	141,783,861
Total revenues	273,643,560	259,670,928	2,991,812	919,412	276,635,372	260,590,340
Program expenses	284,545,578	272,968,492	2,026,635	1,303,756	286,572,213	274,272,248
Change in net position	(10,902,018)	(13,297,564)	965,177	(384,344)	(9,936,841)	(13,681,908)
Net position—beginning	75,699,797	88,997,361	2,984,832	3,369,176	78,684,629	92,366,537
Net position—ending	\$ 64,797,779	\$ 75,699,797	\$ 3,950,009	\$ 2,984,832	\$ 68,747,788	\$ 78,684,629

Governmental activities—Governmental activities decreased the County’s primary government net position by \$10,902,018 for the year ended December 31, 2024. A summary of revenues for governmental activities for the years ended December 31, 2024 and December 31, 2023 is presented below in Table 3:

Table 3—Summary of Sources of Revenues—Governmental Activities

	Year Ended December 31,		Increase/(Decrease)	
	2024	2023	Dollars	Percent (%)
Charges for services	\$ 32,994,994	\$ 27,087,027	\$ 5,907,967	21.8
Operating grants and contributions	81,182,864	75,229,687	5,953,177	7.9
Capital grants and contributions	16,743,797	16,042,977	700,820	4.4
Property taxes and other tax items	67,716,054	66,052,697	1,663,357	2.5
Non-property taxes	63,203,350	63,241,335	(37,985)	(0.1)
Tobacco settlement revenues	1,327,172	1,720,633	(393,461)	(22.9)
Other general revenues	10,475,329	10,296,572	178,757	1.7
Total revenues	\$ 273,643,560	\$ 259,670,928	\$ 13,972,632	5.4

The County’s most significant source of revenues for governmental activities is operating grants and contributions, which accounts for \$81,182,864, or 29.7 percent of total revenues for the year ended December 31, 2024. The other significant sources of revenue include property taxes and other tax items which comprise \$67,716,054, or 24.7 percent of total revenues, and non-property taxes which comprise \$63,203,350, or 23.1 percent of total revenues. Similarly, for the year ended December 31, 2023, the County’s most significant source of revenues for governmental activities was operating grants and contributions, which accounts for \$75,229,687, or 29.0 percent of total revenues for the year ended December 31, 2023. The other significant sources of revenue include property taxes and other tax items which comprise \$66,052,697, or 25.4 percent of total revenues, and non-property taxes which comprise \$63,241,335, or 24.4 percent of total revenues.

During the year ended December 31, 2024, total revenues increased by 5.4 percent, primarily from increases in operating grants and contributions and charges for services. The increase in operating grants and contributions is primarily due to an increase in social services program funding, while the increase in charges for services is due to significant departmental income.

A summary of program expenses for the years ended December 31, 2024 and 2023 is presented in Table 4 below:

Table 4—Summary of Program Expenses—Governmental Activities

	Year Ended December 31,		Increase/(Decrease)	
	2024	2023	Dollars	Percent (%)
General government support	\$ 50,279,512	\$ 51,594,096	\$ (1,314,584)	(2.5)
Education	15,294,193	13,666,321	1,627,872	11.9
Public safety	40,690,240	39,197,028	1,493,212	3.8
Health	12,335,340	14,035,637	(1,700,297)	(12.1)
Transportation	36,653,091	34,235,095	2,417,996	7.1
Economic assistance and opportunity	103,546,316	99,486,579	4,059,737	4.1
Culture and recreation	1,464,125	1,362,812	101,313	7.4
Home and community services	23,457,818	18,547,119	4,910,699	26.5
Interest and other fiscal charges	824,943	843,805	(18,862)	(2.2)
Total program expenses	<u>\$ 284,545,578</u>	<u>\$ 272,968,492</u>	<u>\$ 11,577,086</u>	4.2

The County's most significant expense category for the year ended December 31, 2024 is economic assistance and opportunity, primarily comprised of social services program costs, of \$103,546,316, or 36.4 percent of program expenses. The other significant expenses include general government support of \$50,279,512, or 17.7 percent of total expenses, public safety of \$40,690,240, or 14.3 percent of total expenses, and transportation of \$36,653,091, or 12.9 percent of total expenses. Similarly, for the year ended December 31, 2023, the most significant expense was economic assistance and opportunity, primarily comprised of social services program costs, of \$99,486,579, or 36.4 percent of program expenses. The other significant expenses include general government support of \$51,594,096, or 18.9 percent of total expenses, public safety of \$39,197,028, or 14.4 percent of total expenses, and transportation of \$34,235,095, or 12.5 percent of total expenses.

Total expenses increased 4.2 percent from the prior year ended December 31, 2023. The overall increase was primarily due to increased costs associated with social services program funding and additional transportation services related to home and community services.

Business-type activities—Business-type activities increased the County's net position by \$965,177. The Oswego County Land Bank Corporation is the County's sole business-type activity. A summary of revenue and expenses for the County's business-type activities for the years ended December 31, 2024 and 2023 is presented in Table 5 on the following page.

Table 5—Summary of Revenues and Expenses—Business-type Activities

	Year Ended December 31,		Increase/(Decrease)	
	2024	2023	Dollars	Percent (%)
Revenues:				
Grants income	\$ 1,556,403	\$ 446,788	\$ 1,109,615	248.4
Donations of property	813,975	-	813,975	100.0
Sale of property	578,900	427,500	151,400	35.4
Other	42,534	45,124	(2,590)	(5.7)
Total revenues	<u>\$ 2,991,812</u>	<u>\$ 919,412</u>	<u>\$ 2,072,400</u>	225.4
Expenses:				
Contractual expenses	\$ 163,024	\$ 155,938	\$ 7,086	4.5
Cost of properties sold	1,863,314	1,147,488	715,826	62.4
Depreciation	297	330	(33)	(10.0)
Total expenses	<u>\$ 2,026,635</u>	<u>\$ 1,303,756</u>	<u>\$ 722,879</u>	55.4

During the year ended December 31, 2024, total business-type activities revenues increased by 225.4 percent, mainly due to increases in grant income and donations of property. The County's business-type activities expenses for the year ended December 31, 2024 increased 55.4 from the prior year, primarily due to increases in the cost of properties sold.

Financial Analysis of Governmental Funds

As noted earlier, the County uses fund accounting to ensure and demonstrate compliance with finance-related legal requirements.

Governmental funds—The focus of the County's *governmental funds* is to provide information on near-term inflows, outflows and balances of spendable resources. Such information is useful in assessing the County's financing requirements. In particular, *unassigned fund balance* may serve as a useful measure of a government's net resources available for discretionary use as they represent the portion of fund balance which has not yet been limited to use for a particular purpose by either an external party, the County itself, or a group or individual that has been delegated authority to assign resources for particular purposes by the County Legislature.

At December 31, 2024, the County's governmental funds reported combined ending fund balances of \$103,669,947, a decrease of \$2,230,227 in comparison with the prior year. Approximately 60.8 percent of this amount, \$63,007,450, constitutes *unassigned fund balance*, which is available for spending at the County's discretion. The remainder of fund balance is either *nonspendable*, *restricted*, or *assigned* to indicate that it is: (1) not in spendable form, \$2,213,896; (2) restricted for particular purposes, \$28,210,336; or (3) assigned for particular purposes, \$10,238,265.

The General Fund is the chief operating fund of the County. At the end of the current fiscal year, *unassigned fund balance* of the General Fund was \$63,075,556, while total fund balance increased \$11,637,168 from the prior year to an ending balance of \$83,022,030. The increase was primarily due to an increase in interest earnings, savings within general government support related to fewer salaries and wage expenses than anticipated, and reduced transfers out to fund capital projects. As a measure of the General Fund's liquidity, it may be useful to compare both unassigned fund balance and total fund balance to total expenditures and transfers out. Unassigned fund balance represents approximately 27.6 percent of General Fund expenditures and transfers out, while total fund balance represents 36.4 percent of that same amount.

At December 31, 2024, the Refuse and Garbage Fund reported ending fund balance of \$4,371,464, of which \$3,943,432 is assigned to specific refuse and garbage use, \$303,136 is assigned to encumbrances, and \$124,896 is recorded as nonspendable. The Refuse and Garbage Fund fund balance decreased \$6,951,845 primarily as a result of increased transfers out to the Capital Projects Fund for significant project costs.

At December 31, 2024, the County Road Fund reported ending fund balance of \$1,208,504, of which \$164,686 is recorded as nonspendable, and \$1,043,818 is assigned to encumbrances. The County Road Fund fund balance increased \$1,143,863, primarily due to less than anticipated expenditures related to transportation.

At December 31, 2024, the Capital Projects Fund reported ending fund balance of \$12,869,499, which is recorded entirely within restricted fund balance. The Capital Projects Fund fund balance decreased \$7,833,994 primarily due to capital outlays exceeding revenues and transfers in during the year.

Proprietary funds—The County’s proprietary funds provide the same type of information found in the government-wide financial statements, but in more detail.

The County’s proprietary funds include the operations of the Oswego County Land Bank Corporation, a blended component unit, and the internal service funds. Factors concerning the Corporation’s finances have already been addressed in the aforementioned discussion of the County’s business-type activities.

The internal service funds report the County’s administration of the workers’ compensation and health self-insurance plans. At December 31, 2024, these funds reported total unrestricted net position of \$3,402,372. The \$897,465 increase in net position of the internal service funds is primarily due to decreased costs of workers’ compensation claims during the year.

General Fund Budgetary Highlights

The County’s General Fund budget generally contains budget amendments during the year. The budget is allowed to be amended upward (increased) for prior year’s encumbrances since the funds were allocated under the previous year’s budget, and the County has appropriately assigned an equal amount of fund balance at year-end for this purpose. Furthermore, the budget is allowed to be amended upward (increased) for additional current year appropriations supported by an increase in budgeted revenues. A budgetary comparison schedule within the required supplementary information section of this report has been provided to demonstrate compliance with their budget.

A summary of the General Fund results of operations for the year ended December 31, 2024 is presented in Table 6 below:

Table 6—Summary of General Fund Results of Operations

	Budgeted Amounts		Actual Amounts	Variance with Final Budget
	Original	Final		
Revenues and other financing sources	\$ 215,537,188	\$ 244,759,761	\$ 239,860,440	\$ (4,899,321)
Expenditures and other financing uses	218,292,123	259,649,822	228,223,272	31,426,550
Excess (deficiency) of revenues and other financing sources over expenditures and other financing uses	\$ (2,754,935)	\$ (14,890,061)	\$ 11,637,168	\$ 26,527,229

Original budget compared to final budget—At the close of the fiscal year, the overall budgeted appropriations increased by \$41,357,699 primarily within transfers out, general government support, and economic assistance and opportunity. Significant transfers and amendments to the budget included \$11,234,728 supplemental appropriations within transfers out to provide funding for ongoing capital projects. Estimated revenue increases and transfers in totaling \$29,222,573 offset a portion of the increased budgeted appropriations, while the remaining increase of \$12,135,126 was an additional appropriation from fund balance.

Final budget compared to actual results—A review of actual revenues and expenditures compared to the estimated revenues and appropriations in the final budget yields certain variances. Total revenues and other financing sources were less than the final budget by \$4,899,321. This variance is primarily due to the County receiving less state and federal aid than anticipated, partially offset by increased interest earnings. Total expenditures and other financing uses were less than the final budget by \$31,426,550. The most significant savings were realized within general government support and home and community services, as a result of less expenditures related to levied tax payments and home and community project expenditures, respectively.

Capital Assets and Debt Administration

Capital assets—The County’s investment in capital assets for its governmental activities as of December 31, 2024 amounted to \$167,425,704 (net of accumulated depreciation). This investment in capital assets includes land, construction in progress, buildings and building improvements, machinery and equipment, and infrastructure. All depreciable capital assets were depreciated from acquisition date to the end of the current year as outlined in the County’s capital asset policy.

Capital assets, net of depreciation for the governmental and business-type activities at December 31, 2024 and 2023 are presented below in Table 7:

Table 7—Summary of Capital Assets (Net of Accumulated Depreciation)

	Governmental Activities		Business-type Activities		Total Primary Government	
	December 31,		December 31,		December 31,	
	2024	2023	2024	2023	2024	2023
Land	\$ 6,564,940	\$ 6,564,940	\$ 1,836,535	\$ 924,159	\$ 8,401,475	\$ 7,489,099
Construction in progress	18,722,991	18,708,260	-	-	18,722,991	18,708,260
Building and building improvements	31,076,011	33,402,826	-	-	31,076,011	33,402,826
Machinery and equipment	25,703,648	22,029,759	752	1,049	25,704,400	22,030,808
Infrastructure	85,358,114	81,922,455	-	-	85,358,114	81,922,455
Total	<u>\$ 167,425,704</u>	<u>\$ 162,628,240</u>	<u>\$ 1,837,287</u>	<u>\$ 925,208</u>	<u>\$ 169,262,991</u>	<u>\$ 163,553,448</u>

The County’s infrastructure assets are recorded at historical cost in the government-wide financials statements. The County has elected to depreciate its infrastructure assets. Additional information on County’s capital assets can be found in Note 4 of this report.

Long-term liabilities—At December 31, 2024, the County had long-term liabilities outstanding totaling \$210,058,962, which was a decrease of \$24,291,929 from the prior year. The majority of the decrease was due to changes in the OPEB obligation and the net pension liability when compared to the prior year.

At December 31, 2024, the County reports \$20,590,000 in total bonded debt outstanding for functions of the primary government, including blended component units; this represents bonds issued by the Oswego Tobacco Asset Securitization Corporation (the “OTASC”). The OTASC is considered a blended component unit of the County and its long-term debt is included within the long-term liabilities of the County. OTASC was created by the County in 2003 for the purpose of issuing bonds backed by the County’s interests in the national tobacco Master Settlement Agreement (“MSA”) in exchange for the County’s future rights to a portion of this revenue stream.

A summary of the County’s long-term liabilities at December 31, 2024 and 2023 is presented below in Table 8:

Table 8—Summary of Long-Term Liabilities

	December 31,	
	2024	2023
OTASC bonds	\$ 20,590,000	\$ 21,250,000
Premium on OTASC bonds	725,400	810,976
Landfill obligation	26,015,803	22,129,360
Workers' compensation	18,294,192	22,115,624
Health insurance	889,350	427,618
Compensated absences	7,019,264	6,238,043
Other postemployment benefits	105,412,831	115,295,211
Net pension liability	31,112,122	46,084,059
Total	<u>\$ 210,058,962</u>	<u>\$ 234,350,891</u>

Additional information on the County’s long-term debt can be found in Note 9 to the financial statements.

Economic Factors

The unemployment rate, not seasonally adjusted, for the County during December 2024 was 4.2 percent. This compares to the New York State rate of 4.6 percent.

The County considered current year operational expenses and estimated increases based on economic factors when establishing the 2025 budget. Of note, the County’s General Fund 2025 adopted budget includes the appropriation of \$1,750,000 of fund balance.

Request for Information

This financial report is designed to provide our citizens, taxpayers, creditors and investors with a general overview of the County’s finances and to show the County’s accountability for the money it receives. Questions concerning any of the information provided in this report or requests for additional financial information should be addressed to the County Treasurer, County of Oswego, 46 East Bridge Street, Oswego, NY 13126.

BASIC FINANCIAL STATEMENTS

COUNTY OF OSWEGO, NEW YORK
Statement of Net Position
December 31, 2024

				Component Units	
				Soil and Water	Industrial
	Governmental	Business-type	Total	Conservation District (Unaudited)	Development Agency (July 31, 2024)
	Activities	Activities			
ASSETS					
Cash and cash equivalents	\$ 35,844,204	\$ 2,094,069	\$ 37,938,273	\$ 314,790	\$ 2,890,430
Restricted cash and cash equivalents	16,310,218	-	16,310,218	622,254	10,658,550
Investments	38,021,684	-	38,021,684	-	-
Restricted investments	16,850,093	-	16,850,093	-	-
Receivables (net of allowances):					
Taxes	15,609,856	-	15,609,856	-	-
Loans	-	-	-	-	894,382
Other	2,455,378	85,791	2,541,169	-	-
Intergovernmental receivables	34,543,778	-	34,543,778	-	-
Prepaid items	2,216,356	-	2,216,356	2,654	-
Noncurrent loans receivable (net of allowances)	-	-	-	-	3,642,271
Noncurrent intergovernmental receivables	9,655	-	9,655	-	-
Capital assets not being depreciated	25,287,931	1,836,535	27,124,466	-	1,901,078
Capital assets, net of accumulated depreciation	142,137,773	752	142,138,525	-	-
Total assets	<u>329,286,926</u>	<u>4,017,147</u>	<u>333,304,073</u>	<u>939,698</u>	<u>19,986,711</u>
DEFERRED OUTFLOWS OF RESOURCES					
Deferred outflows—relating to pensions	28,855,546	-	28,855,546	-	-
Deferred outflows—relating to OPEB	15,777,092	-	15,777,092	-	-
Total deferred outflows of resources	<u>44,632,638</u>	<u>-</u>	<u>44,632,638</u>	<u>-</u>	<u>-</u>
LIABILITIES					
Accounts payable	8,318,561	52,594	8,371,155	2,202	12,935
Retainages payable	75,152	-	75,152	-	-
Accrued liabilities	1,261,279	14,544	1,275,823	-	-
Intergovernmental payables	14,816,383	-	14,816,383	-	91,960
Unearned revenue	3,913,097	-	3,913,097	-	-
Noncurrent liabilities:					
Due within one year	5,054,383	-	5,054,383	-	35,722
Due in more than one year	205,004,579	-	205,004,579	-	764,809
Total liabilities	<u>238,443,434</u>	<u>67,138</u>	<u>238,510,572</u>	<u>2,202</u>	<u>905,426</u>
DEFERRED INFLOWS OF RESOURCES					
Deferred inflows—relating to pensions	19,039,603	-	19,039,603	-	-
Deferred inflows—relating to OPEB	51,638,748	-	51,638,748	-	-
Deferred inflows—relating to loan payments	-	-	-	-	1,162,686
Total deferred inflows of resources	<u>70,678,351</u>	<u>-</u>	<u>70,678,351</u>	<u>-</u>	<u>1,162,686</u>
NET POSITION					
Net investment in capital assets	145,509,608	1,837,287	147,346,895	-	1,901,078
Restricted for:					
Insurance	591,287	-	591,287	-	-
Capital	23,628,878	-	23,628,878	-	-
OTASC debt service	1,968,592	-	1,968,592	-	-
Other	2,021,579	-	2,021,579	622,254	-
Economic development	-	-	-	-	14,009,589
Unrestricted	(108,922,165)	2,112,722	(106,809,443)	315,242	2,007,932
Total net position	<u>\$ 64,797,779</u>	<u>\$ 3,950,009</u>	<u>\$ 68,747,788</u>	<u>\$ 937,496</u>	<u>\$ 17,918,599</u>

The notes to the financial statements are an integral part of this statement.

COUNTY OF OSWEGO, NEW YORK
Statement of Activities
Year Ended December 31, 2024

					Net (Expense) Revenue and Changes in Net Position					
		Program Revenues			Primary Government			Component Units		
		Charges for	Operating	Capital	Governmental	Business-type		Soil and Water	Industrial	
Function/Program	Expenses	Services	Grants and	Grants and	Activities	Activities	Total	Conservation	Development	
			Contributions	Contributions				District	Agency	
								(Unaudited)	(July 31, 2024)	
Primary government:										
Governmental activities:										
General government support	\$ 50,279,512	\$ 7,776,302	\$ 7,271,304	\$ 253,170	\$ (34,978,736)	\$ -	\$ (34,978,736)	\$ -	\$ -	
Education	15,294,193	-	3,474,803	-	(11,819,390)	-	(11,819,390)	-	-	
Public safety	40,690,240	2,298,793	6,637,982	-	(31,753,465)	-	(31,753,465)	-	-	
Health	12,335,340	6,801,246	9,319,805	-	3,785,711	-	3,785,711	-	-	
Transportation	36,653,091	380,230	3,080,714	16,490,627	(16,701,520)	-	(16,701,520)	-	-	
Economic assistance and opportunity	103,546,316	4,282,056	48,637,404	-	(50,626,856)	-	(50,626,856)	-	-	
Culture and recreation	1,464,125	226,032	582,242	-	(655,851)	-	(655,851)	-	-	
Home and community services	23,457,818	11,230,335	2,178,610	-	(10,048,873)	-	(10,048,873)	-	-	
Interest and other fiscal charges	824,943	-	-	-	(824,943)	-	(824,943)	-	-	
Total governmental activities	284,545,578	32,994,994	81,182,864	16,743,797	(153,623,923)	-	(153,623,923)	-	-	
Buisness-type activities:										
Land Bank Corporation	2,026,635	-	1,556,403	-	-	(470,232)	(470,232)	-	-	
Total primary government	\$ 286,572,213	\$ 32,994,994	\$ 82,739,267	\$ 16,743,797	(153,623,923)	(470,232)	(154,094,155)	-	-	
Component units:										
Soil and Water Conservation District	\$ 2,597,908	\$ 20,468	\$ 2,836,703	\$ -				259,263	-	
Industrial Development Agency	922,101	633,864	-	-				-	(288,237)	
Total component units	\$ 3,520,009	\$ 654,332	\$ 2,836,703	\$ -				259,263	(288,237)	
General revenues:										
					67,716,054	-	67,716,054	-	227,788	
					63,203,350	-	63,203,350	-	-	
					6,172,528	-	6,172,528	6,852	106,884	
					2,125,799	578,900	2,704,699	355	-	
					2,177,002	856,509	3,033,511	13,948	27,449	
					1,327,172	-	1,327,172	-	-	
					142,721,905	1,435,409	144,157,314	21,155	362,121	
					(10,902,018)	965,177	(9,936,841)	280,418	73,884	
					75,699,797	2,984,832	78,684,629	657,078	17,844,715	
					\$ 64,797,779	\$ 3,950,009	\$ 68,747,788	\$ 937,496	\$ 17,918,599	

The notes to the financial statements are an integral part of this statement.

COUNTY OF OSWEGO, NEW YORK
Balance Sheet—Governmental Funds
December 31, 2024

	General	Refuse and Garbage	County Road	Capital Projects	Total Nonmajor Funds	Total Governmental Funds
ASSETS						
Cash and cash equivalents	\$ 8,551,327	\$ 3,795,946	\$ -	\$ -	\$ 220,792	\$ 12,568,065
Restricted cash and cash equivalents	-	203,200	708,218	13,339,792	2,059,008	16,310,218
Investments	38,021,684	-	-	-	-	38,021,684
Restricted investments	16,850,093	-	-	-	-	16,850,093
Receivables (net of allowances):						
Taxes	15,609,856	-	-	-	-	15,609,856
Other	1,028,956	1,083,848	27,659	-	68,867	2,209,330
Intergovernmental receivables	32,056,948	-	707,566	130,403	98,861	32,993,778
Prepaid items	1,858,399	124,896	164,686	-	65,915	2,213,896
Total assets	<u>\$ 113,977,263</u>	<u>\$ 5,207,890</u>	<u>\$ 1,608,129</u>	<u>\$ 13,470,195</u>	<u>\$ 2,513,443</u>	<u>\$ 136,776,920</u>
LIABILITIES						
Accounts payable	\$ 6,410,544	\$ 521,407	\$ 213,877	\$ 600,696	\$ 265,871	\$ 8,012,395
Accrued liabilities	857,439	111,819	185,748	-	49,122	1,204,128
Intergovernmental payables	14,174,161	-	-	-	-	14,174,161
Unearned revenue	3,709,897	203,200	-	-	-	3,913,097
Total liabilities	<u>25,152,041</u>	<u>836,426</u>	<u>399,625</u>	<u>600,696</u>	<u>314,993</u>	<u>27,303,781</u>
DEFERRED INFLOWS OF RESOURCES						
Unavailable revenue—property taxes	5,803,192	-	-	-	-	5,803,192
Total deferred inflows of resources	<u>5,803,192</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>5,803,192</u>
FUND BALANCES						
Nonspendable	1,858,399	124,896	164,686	-	65,915	2,213,896
Restricted	13,140,196	-	-	12,869,499	2,200,641	28,210,336
Assigned	4,947,879	4,246,568	1,043,818	-	-	10,238,265
Unassigned	63,075,556	-	-	-	(68,106)	63,007,450
Total fund balances	<u>83,022,030</u>	<u>4,371,464</u>	<u>1,208,504</u>	<u>12,869,499</u>	<u>2,198,450</u>	<u>103,669,947</u>
Total liabilities, deferred inflows of resources and fund balances	<u>\$ 113,977,263</u>	<u>\$ 5,207,890</u>	<u>\$ 1,608,129</u>	<u>\$ 13,470,195</u>	<u>\$ 2,513,443</u>	<u>\$ 136,776,920</u>

The notes to the financial statements are an integral part of this statement.

COUNTY OF OSWEGO, NEW YORK
Reconciliation of the Balance Sheet—Governmental Funds
to the Government-wide Statement of Net Position
December 31, 2024

Amounts reported for governmental activities in the statement of net position (page 14) are different because:

Total fund balances—governmental funds (page 16)		\$ 103,669,947
Capital assets used in governmental activities are not financial resources and, therefore, are not reported in the fund statements. The cost of these assets is \$588,077,177 and the accumulated depreciation is \$420,651,473.		167,425,704
Other long-term assets are not available to pay for current period expenditures and, therefore, are not reported in the fund statements.		1,550,000
Uncollected property taxes are not available to pay for current period expenditures and, therefore, are reported as deferred inflows of resources in the fund statements.		5,803,192
Deferred outflows and inflows of resources related to pensions and other postemployment benefits ("OPEB") are applicable to future periods and, therefore, are not reported in the fund statements:		
Deferred outflows related to employer contributions	\$ 6,649,071	
Deferred outflows related to experience, changes in assumptions, and investment earnings	22,206,475	
Deferred inflows related to pension plans	(19,039,603)	
Deferred outflows related to OPEB	15,777,092	
Deferred inflows related to OPEB	<u>(51,638,748)</u>	(26,045,713)
Retained percentages are not a current liability and, therefore, are not reported in the funds.		(75,152)
Internal service funds are used by the County to charge the cost of insurance, judgments, claims and related administrative expenses to individual funds. The assets and liabilities of the internal service funds are included within governmental activities on the statement of net position.		3,402,372
Net accrued interest expense for OTASC bonds is not reported in the fund statements.		(57,151)
Long-term liabilities are not due and payable in the current period and, therefore, are not reported in the fund statements. The effects of these items are:		
OTASC bonds	\$ (20,590,000)	
Premium on OTASC bonds	(725,400)	
Landfill obligation	(26,015,803)	
Compensated absences	(7,019,264)	
OPEB obligation	(105,412,831)	
Net pension liability	<u>(31,112,122)</u>	(190,875,420)
Net position of governmental activities		<u>\$ 64,797,779</u>

The notes to the financial statements are an integral part of this statement.

COUNTY OF OSWEGO, NEW YORK
Statement of Revenues, Expenditures, and Changes in Fund Balances—Governmental Funds
Year Ended December 31, 2024

	General	Refuse and Garbage	County Road	Capital Projects	Total Nonmajor Funds	Total Governmental Funds
REVENUES						
Real property taxes	\$ 50,180,286	\$ -	\$ -	\$ -	\$ -	\$ 50,180,286
Other property tax items	16,762,156	-	-	-	-	16,762,156
Non-property tax items	63,203,350	-	-	-	-	63,203,350
Departmental income	13,813,602	11,230,335	371,730	-	-	25,415,667
Intergovernmental charges	969,196	-	8,500	-	1,527,172	2,504,868
Use of money and property	5,661,899	8,467	43,634	25,000	453,779	6,192,779
Licenses and permits	57,120	-	4,694	-	-	61,814
Fines and forfeitures	1,508	-	-	-	-	1,508
Sale of property and compensation for loss	432,082	229,792	1,395,436	-	39,323	2,096,633
Miscellaneous	746,508	11,538	-	-	22,490	780,536
Interfund revenues	-	-	-	-	83,785	83,785
State aid	45,322,546	24,472	8,754,298	834,875	352,479	55,288,670
Federal aid	41,201,800	-	-	186,404	1,249,469	42,637,673
Total revenues	<u>238,352,053</u>	<u>11,504,604</u>	<u>10,578,292</u>	<u>1,046,279</u>	<u>3,728,497</u>	<u>265,209,725</u>
EXPENDITURES						
Current:						
General government support	42,838,684	-	-	-	66,301	42,904,985
Education	13,270,987	-	-	-	-	13,270,987
Public safety	32,544,077	-	-	-	-	32,544,077
Health	10,576,514	-	-	-	-	10,576,514
Transportation	1,926,885	-	16,845,846	-	2,860,825	21,633,556
Economic assistance and opportunity	87,092,562	-	-	-	2,574,603	89,667,165
Culture and recreation	1,265,621	-	-	-	-	1,265,621
Home and community services	4,828,157	10,937,535	-	-	-	15,765,692
Employee benefits	954,919	-	-	-	174,331	1,129,250
Debt service:						
Principal	-	-	-	-	660,000	660,000
Interest and other fiscal charges	-	-	-	-	913,052	913,052
Capital outlay	-	-	-	22,225,213	-	22,225,213
Total expenditures	<u>195,298,406</u>	<u>10,937,535</u>	<u>16,845,846</u>	<u>22,225,213</u>	<u>7,249,112</u>	<u>252,556,112</u>
Excess (deficiency) of revenues over expenditures	<u>43,053,647</u>	<u>567,069</u>	<u>(6,267,554)</u>	<u>(21,178,934)</u>	<u>(3,520,615)</u>	<u>12,653,613</u>
OTHER FINANCING SOURCES (USES)						
Transfers in	1,508,387	152,612	7,510,576	15,257,994	3,956,264	28,385,833
Transfers out	<u>(32,924,866)</u>	<u>(7,671,526)</u>	<u>(99,159)</u>	<u>(1,913,054)</u>	<u>(661,068)</u>	<u>(43,269,673)</u>
Total other financing sources (uses)	<u>(31,416,479)</u>	<u>(7,518,914)</u>	<u>7,411,417</u>	<u>13,344,940</u>	<u>3,295,196</u>	<u>(14,883,840)</u>
Net change in fund balances	11,637,168	(6,951,845)	1,143,863	(7,833,994)	(225,419)	(2,230,227)
Fund balances—beginning	71,384,862	11,323,309	64,641	20,703,493	2,423,869	105,900,174
Fund balances—ending	<u>\$ 83,022,030</u>	<u>\$ 4,371,464</u>	<u>\$ 1,208,504</u>	<u>\$ 12,869,499</u>	<u>\$ 2,198,450</u>	<u>\$ 103,669,947</u>

The notes to the financial statements are an integral part of this statement.

COUNTY OF OSWEGO, NEW YORK
Reconciliation of the Statement of Revenues, Expenditures, and Changes in Fund Balances—
Governmental Funds to the Government-wide Statement of Activities
Year Ended December 31, 2024

Amounts reported for governmental activities in the statement of activities (page 15) are different because:

Net change in fund balances—total governmental funds (page 18) \$ (2,230,227)

Governmental funds report capital outlays as expenditures. However, in the statement of activities, the cost of these assets is allocated over their estimated useful lives and reported as depreciation expense. This is the amount by which capital outlays exceeded depreciation expense and loss on disposals in the current period.

Capital asset additions, net	\$ 15,611,716	
Depreciation expense	<u>(10,814,252)</u>	4,797,464

Certain tax and other revenues in the statement of activities that do not provide current financial resources are not reported as revenues in the fund statements.

Change in other receivables	\$ (200,000)	
Change in deferred inflows of resources—property taxes	<u>773,612</u>	573,612

Net differences between pension contributions recognized on the fund financial statements and the government-wide financial statements are as follows:

County pension contributions	\$ 8,381,618	
Cost of benefits earned net of employee contributions	<u>(12,558,758)</u>	(4,177,140)

Deferred outflows and inflows of resources relating to OPEB result from actuarial changes in the census, changes in medical premiums that are different than expected healthcare cost trend rates, and changes in assumptions and other inputs. These amounts are shown net of current year amortization. (16,650,865)

Governmental funds report retained percentages expenditures on construction contracts when such retained percentage is paid. However, in the statement of activities retained percentages on construction contracts is reported as an expense as it accrues. (75,152)

Internal service funds are used by the County to charge the costs of insurance, judgments, claims and related administrative expenses to individual funds. The net income of certain activities is reported within governmental activities. 897,465

In the statement of activities, interest expense is recognized as it accrues, regardless of when it is paid. 2,533

The issuance of long-term debt provides current financial resources to governmental funds, while the repayment of the principal of long-term debt consumes the current financial resources of governmental funds. Neither transaction, however, has any effect on net position. Also, governmental funds report the effect of premiums, discounts, and similar items when debt is first issued, whereas these amounts are deferred and amortized in the statement of activities. Additionally, in the statement of activities, certain operating expenses are measured by the amounts earned during the year. In the governmental funds, however, expenditures for these items are measured by the amount of financial resources used (essentially, the amounts actually paid). The net effect of these differences in the treatment of long-term debt and the related items is as follows:

Repayment of OTASC bonds	\$ 660,000	
Amortization of premium on OTASC bonds	85,576	
Increase in landfill obligation	(3,886,443)	
Change in compensated absences	(781,221)	
Change in OPEB obligation	<u>9,882,380</u>	<u>5,960,292</u>

Change in net position of governmental activities		<u>\$ (10,902,018)</u>
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The notes to the financial statements are an integral part of this statement.

COUNTY OF OSWEGO, NEW YORK
Statement of Net Position—
Proprietary Funds
December 31, 2024

	Business-type Activities	Governmental Activities
	Land Bank Corporation	Internal Service Funds
ASSETS		
Current assets:		
Cash and cash equivalents	\$ 2,094,069	\$ 23,276,139
Receivables	85,791	246,048
Intergovernmental receivables	-	9,655
Prepaid items	-	2,460
Total current assets	<u>2,179,860</u>	<u>23,534,302</u>
Noncurrent assets:		
Capital assets, not being depreciated	1,836,535	-
Capital assets, net of accumulated depreciation	752	-
Total noncurrent assets	<u>1,837,287</u>	<u>-</u>
Total assets	<u>4,017,147</u>	<u>23,534,302</u>
LIABILITIES		
Current liabilities:		
Accounts payable	52,594	306,166
Accrued liabilities	14,544	-
Intergovernmental payables	-	642,222
Current portion of accrued workers' compensation	-	1,290,788
Total current liabilities	<u>67,138</u>	<u>2,239,176</u>
Noncurrent liabilities:		
Accrued health insurance	-	889,350
Accrued workers' compensation	-	17,003,404
Total noncurrent liabilities	<u>-</u>	<u>17,892,754</u>
Total liabilities	<u>67,138</u>	<u>20,131,930</u>
NET POSITION		
Net investment in capital assets	1,837,287	-
Unrestricted	<u>2,112,722</u>	<u>3,402,372</u>
Total net position	<u><u>\$ 3,950,009</u></u>	<u><u>\$ 3,402,372</u></u>

The notes to the financial statements are an integral part of this statement.

COUNTY OF OSWEGO, NEW YORK
Statement of Revenues, Expenses, and Changes in Net Position—
Proprietary Funds
Year Ended December 31, 2024

	<u>Business-type Activities</u>	<u>Governmental Activities</u>
	<u>Land Bank Corporation</u>	<u>Internal Service Funds</u>
Operating revenues:		
Charges for services - intergovernmental	\$ -	\$ 2,279,299
Charges for services - interfund	-	14,883,840
Participant assessments	-	4,107,741
Grants income	1,556,403	-
Donations of property	813,975	-
Sale of property	578,900	-
Other	42,534	1,466,745
Total operating revenues	<u>2,991,812</u>	<u>22,737,625</u>
Operating expenses:		
Salaries and wages	-	61,710
Fringe benefits	-	25,519
Claims payments and administration	-	20,070,663
Contractual expenses	163,024	1,688,706
Cost of properties sold	1,863,314	-
Depreciation	297	-
Total operating expenses	<u>2,026,635</u>	<u>21,846,598</u>
Operating income (loss)	<u>965,177</u>	<u>891,027</u>
Nonoperating revenues:		
Interest earnings	-	6,438
Total nonoperating revenues	<u>-</u>	<u>6,438</u>
Change in net position	965,177	897,465
Net position—beginning	<u>2,984,832</u>	<u>2,504,907</u>
Net position—ending	<u><u>\$ 3,950,009</u></u>	<u><u>\$ 3,402,372</u></u>

The notes to the financial statements are an integral part of this statement.

COUNTY OF OSWEGO, NEW YORK
Statement of Cash Flows—
Proprietary Funds
Year Ended December 31, 2024

	Business-type Activities	Governmental Activities
	Land Bank Corporation	Internal Service Funds
CASH FLOWS FROM OPERATING ACTIVITIES		
Receipts from services provided	\$ 9,186	\$ 24,213,069
Receipts from other operating revenues	2,285,799	1,466,745
Payments to employees and claimants	-	(23,496,132)
Payments to suppliers and service providers	(2,205,846)	(1,688,706)
Net cash provided by operating activities	<u>89,139</u>	<u>494,976</u>
CASH FLOWS FROM CAPITAL ACTIVITIES		
Interest received	-	6,438
Net cash provided by investing activities	-	6,438
Net change in cash and cash equivalents	89,139	501,414
Cash and cash equivalents—beginning	2,004,930	22,774,725
Cash and cash equivalents—ending	<u>\$ 2,094,069</u>	<u>\$ 23,276,139</u>
Reconciliation of operating income to net cash provided by operating activities:		
Operating income	\$ 965,177	\$ 891,027
Adjustments to reconcile operating income to net cash provided by operating activities:		
Depreciation	297	-
Decrease in receivables	150,496	2,300,422
(Increase) in prepaid items	-	(455)
(Increase) in land and property inventory	(912,376)	-
(Decrease) increase in payables	(106,951)	663,682
(Decrease) in accrued liabilities	(7,504)	(3,359,700)
Total adjustments	<u>(876,038)</u>	<u>(396,051)</u>
Net cash provided by operating activities	<u>\$ 89,139</u>	<u>\$ 494,976</u>

The notes to the financial statements are an integral part of this statement.

COUNTY OF OSWEGO, NEW YORK
Statement of Fiduciary Net Position—Custodial Fund
December 31, 2024

	<u>Custodial Fund</u>
ASSETS	
Restricted cash and cash equivalents	\$ 5,017,448
Total assets	<u>5,017,448</u>
LIABILITIES	
Accounts payable and other liabilities	<u>2,130,431</u>
Total liabilities	<u>2,130,431</u>
NET POSITION	
Restricted for:	
Bail and courts	109,528
Social services	1,969,526
Burials and community accounts	<u>807,963</u>
Total net position	<u>\$ 2,887,017</u>

The notes to the financial statements are an integral part of this statement.

COUNTY OF OSWEGO, NEW YORK
Statement of Changes in Fiduciary Net Position—Custodial Fund
Year Ended December 31, 2024

	<u>Custodial Fund</u>
ADDITIONS	
Funds collected on behalf of others	\$ 1,973,410
Total additions	<u>1,973,410</u>
DEDUCTIONS	
Funds distributed on behalf of others	<u>1,416,286</u>
Total deductions	<u>1,416,286</u>
Change in fiduciary net position	557,124
Net position—beginning	<u>2,329,893</u>
Net position—ending	<u>\$ 2,887,017</u>

The notes to the financial statements are an integral part of this statement.

COUNTY OF OSWEGO, NEW YORK
Notes to the Financial Statements
Year Ended December 31, 2024

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

The basic financial statements of the County of Oswego, New York (the “County”) have been prepared in conformity with accounting principles generally accepted in the United States of America (“GAAP”) as applied to governmental units. The Governmental Accounting Standards Board (“GASB”) is the accepted standard setting body for establishing governmental accounting and financial reporting principles. The more significant of the County’s accounting principles are described below.

Description of Government-wide Financial Statements

The government-wide financial statements (i.e., the statement of net position and the statement of activities) report information on all of the nonfiduciary activities of the primary government and its component units. All fiduciary activities are reported only in the fund financial statements. *Governmental activities*, which normally are supported by taxes, intergovernmental revenues, and other nonexchange transactions, are reported separately from *business-type activities*, which rely to a significant extent on fees and charges to external customers for support. Likewise, the *primary government* is reported separately from certain legally separate *component units* for which the primary government is financially accountable.

Reporting Entity

The County was established in 1816 and is governed by County Law and other laws of the State of New York and various local laws. The County Legislature, which is the legislative body responsible for the overall operation of the County, consists of twenty-five legislators, one from each district. Each County Legislator has one vote. The Chairman of the County Legislature serves as Chief Executive Officer and the County Treasurer serves as Chief Fiscal Officer of the County. The County provides the following basic services: general administrative services, public safety, education, health, mental health, social services, highway maintenance, culture and recreation programs, landfill, and resource recovery programs.

The County’s financial statements include those entities for which the County has clear oversight responsibility. This responsibility is determined through a review of such factors as the selecting of governing boards, financial interdependency and the ability to influence management and operations on a continuing basis. The accompanying financial statements present the government and its component units, entities for which the government is considered to be financially accountable. Blended component units are, in substance, part of the primary government’s operations, even though they are legally separate entities. Thus, blended component units are appropriately presented as funds of the primary government. The discretely presented component units are reported in a separate column in the government-wide financial statements to emphasize that they are legally separate from the government.

Discretely Presented Component Units—The component unit columns in the government-wide financial statements include the financial data of the County’s discretely presented component units. These units are reported in a separate column to emphasize that they are legally separate from the County.

Oswego County Industrial Development Agency (the “Agency”)—The Agency is a public benefit corporation created by state legislation to promote the economic welfare, recreation opportunities, and prosperity of County inhabitants. Members of the Agency are appointed by the County Legislature, which exercises no oversight responsibility. The Agency members have

complete responsibility for management of the Agency and accountability of fiscal matters. The County is not liable for Agency bonds or notes. The County Legislature appoints a voting majority of the Agency's governing board and can remove members of the board at will and is, therefore, able to impose its will over the Agency. The Agency's fiscal year end is July 31, and the amounts reported in the financial statements are for the year ended July 31, 2024. A copy of the financial statements for the Agency may be obtained from the County of Oswego Industrial Development Agency, 44 West Bridge Street, Oswego, New York, 13126.

Oswego County Soil and Water Conservation District (the "District")—The District was established in October of 1945 under provisions of Article 3, Section 30, of the General Municipal Law. The District is a nonprofit organization set up to coordinate state and federal conservation programs on a local level. The District provides education and technical assistance on managing soil, water and related natural resources to municipalities, farmers, business owners and homeowners. The County Legislature appoints a voting majority of the District's governing board and can remove members of the board at will and is, therefore, able to impose its will over the District. The District financial statements for the year ended December 31, 2024 were not audited.

Blended Component Units—The following blended component units are legally separate entities from the County, but are, in substance, part of the County's operations and therefore data from these units are combined with data of the primary government.

Oswego Tobacco Asset Securitization Corporation ("OTASC")—OTASC is a special purpose local development corporation and is an instrumentality of, but separate and apart from the County. OTASC was incorporated for the sole purpose of issuing tobacco settlement asset backed bonds in order to provide funds to purchase from the County all of the County's right, title, and interest in annual payments to be received in settlement of certain smoking-related litigation. Tobacco settlement bonds are payable only from the assets of OTASC and are not legal obligations of the County. Although legally separate and independent of the County, OTASC is considered an affiliated organization under GASB and reported as a component unit of the County for financial reporting purposes and, accordingly, is included in the County's financial statements. A copy of the financial statements for OTASC may be obtained from the County Treasurer's Office, 46 East Bridge Street, Oswego, New York, 13126.

Oswego County Land Bank Corporation (the "Land Bank")—The Land Bank was created on March 9, 2016 by the Oswego County Legislature under the provisions of the 1973 Laws of New York State. The Land Bank is a nonprofit organization exempt from federal income taxes under Section 501(c)(3) of the Internal Revenue Code. The Land Bank is a blended component unit because the County is the sole corporate member of the Land Bank. The Land Bank's annual financial report can be obtained by writing the Oswego County Land Bank Corporation, 44 East Bridge Street Suite 303, Oswego, NY 13126.

Basis of Presentation—Government-wide Financial Statements

While separate government-wide and fund financial statements are presented, they are interrelated. The governmental activities column incorporates data from governmental funds and internal service funds, while business-type activities incorporate data from the government's enterprise fund. Separate financial statements are provided for governmental funds, proprietary funds, and fiduciary funds, even though the fiduciary funds are excluded from the government-wide statements.

As discussed earlier, the County has two discretely presented component units. While the Oswego County Soil and Water Conservation District is not considered to be a major component unit, it is nevertheless shown in a separate column, alongside the major component unit, the Oswego County Industrial Development Agency, in the government-wide financial statements.

As a general rule, the effect of interfund activity has been eliminated from the government-wide financial statements. Exceptions to this general rule are payments in lieu of taxes where the amounts are reasonably equivalent in value to the interfund services provided and various other functions of the County. Elimination of these changes would distort the direct costs and program revenues reported for the various functions concerned.

Basis of Presentation—Fund Financial Statements

The fund financial statements provide information about the County's funds, including its blended component units. Separate statements for each fund category—governmental, proprietary and fiduciary—are presented. The emphasis of fund financial statements is on major governmental and proprietary funds, each displayed in a separate column. All remaining governmental funds are aggregated and reported as nonmajor funds.

The County reports the following major governmental funds:

- *General Fund*—The General Fund is the primary operating fund of the County and accounts for all financial resources of the general government, except those required to be accounted for in other funds. The principal sources of revenue for the General Fund are property taxes and sales tax.
- *Refuse and Garbage Fund*—The Refuse and Garbage Fund accounts for activities of the County's three landfill sites for which the County is responsible for monitoring and maintaining.
- *County Road Fund*—The County Road Fund is used to account for expenditures for highway purposes authorized by Section 114 of the Highway Law.
- *Capital Projects Fund*—The Capital Projects Fund is used to account for and report financial resources to be used for the acquisition, construction or renovation of major capital facilities or equipment.

The County reports the following major enterprise fund:

- *Land Bank Corporation*—As an enterprise fund, the Land Bank, a blended component unit, is used to account for operations aimed to help communities recover from the effects of foreclosures.

Additionally, the County reports the following fund types:

Internal Service Funds—The Internal Service Funds are used to account for self-insurance programs related to workers' compensation claims as well as the administration of health, vision, and dental claims.

- *Workers' Compensation Fund*—This fund is used to account for the County's self-insurance program for workers' compensation claims. Additionally, the fund is utilized to account for amounts due from other local governments within the County related to their workers' compensation liability.
- *Health Insurance Fund*—This fund is used to account for the County's insurance program for healthcare, vision, and dental benefits.

Fiduciary Funds—These funds are used to account for assets held by the County in a trustee capacity or as an agent for individuals, private organizations, other governmental units, and/or other funds. Custodial funds account for resources received and disbursements made in accordance with trust agreements or applicable legislative enactments for each particular fund. Fiduciary funds include the *Custodial Fund*. Activities reported in the fiduciary fund include monies from outside entities, controlled and administered by the County for the benefit of others.

During the course of operations the County has activity between funds for various purposes. Any residual balances outstanding at year-end are reported as due from/to other funds. While these balances are reported in the fund financial statements, certain eliminations are made in the preparation of the government-wide financial statements. Balances between the funds included in governmental activities (i.e., the governmental and the internal service fund) are eliminated so that only the net amount is included as internal balances in the governmental activities column.

Further, certain activity occurs during the year involving transfers of resources between funds. In the fund financial statements these amounts are reported at gross amounts as transfers in/out. While reported in the fund financial statements, certain eliminations are made in the preparation of the government-wide financial statements. Transfers between the funds included in governmental activities are eliminated so that only the net amount is included as transfers in the governmental activities column.

Measurement Focus and Basis of Accounting

The accounting and financial reporting treatment is determined by the applicable measurement focus and basis of accounting. Measurement focus indicates the type of resources being measured such as *current financial resources* or *economic resources*. The basis of accounting indicates the timing of transactions or events for recognition in the financial statements.

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

The governmental fund financial statements are reported using the *current financial resources measurement focus* and the *modified accrual basis of accounting*. Revenues are recognized as soon as they are both measurable and available. Revenues are considered available when they are collectible within the current period, or soon enough thereafter to pay liabilities of the current period. For this purpose, the County considers revenues to be available if they are collected within 60 days of the end of the current fiscal period. Expenditures generally are recorded when a liability is incurred, as under accrual accounting. However, debt service expenditures, as well as expenditures related to compensated absences, are recorded only when payment is due. General capital asset acquisitions are reported as expenditures in governmental funds. Issuance of long-term debt and acquisitions under leases are reported as other financing sources.

Property taxes, sales taxes, franchise taxes, licenses, and interest associated with the current fiscal period are all considered to be susceptible to accrual and so have been recognized as revenues of the current fiscal period. Entitlements are recorded as revenues when all eligibility requirements are met, including any time requirements, and the amount is received during the period or within the availability period for this revenue source (within 60 days of year-end). Expenditure-driven grants are recognized as revenue when the qualifying expenditures have been incurred and all other eligibility requirements have been met, and the amount is received during the period or within the availability period for this revenue source. All other revenue items are considered to be measurable and available only when cash is received by the government.

The proprietary and fiduciary funds are reported using the *economic resources measurement focus* and the *accrual basis of accounting*.

Assets, Liabilities, Deferred Outflows/Inflows of Resources, and Net Position/Fund Balance

Cash and Cash Equivalents and Investments—Cash and cash equivalents include cash on hand, demand deposits, time deposits and short-term, highly liquid investments which are readily convertible to known amounts of cash and have a maturity date within 90 days or less from the date of acquisition. The County's investments consist entirely of certificates of deposits with a maturity greater than three months. The County's policy is to record these investments at fair value, in accordance with GASB.

Restricted Cash and Cash Equivalents and Investments—Restricted cash and cash equivalents and investments represent amounts to support fund balance restrictions, resources received in advance relating to unearned revenue and amounts held on behalf of others.

Receivables—Receivables are stated net of estimated allowances for uncollectible amounts. Amounts due from state and federal governments represent amounts owed to the County to reimburse it for expenditures incurred pursuant to state and federally funded programs. All major revenues of the County are considered "susceptible to accrual" under the modified accrual basis. These include property tax, sales tax, State and Federal aid, and various grant program revenues.

Prepaid Items—Certain payments to vendors reflect costs applicable to future accounting periods and are recorded as prepaid items in both the government-wide and fund financial statements. The cost of prepaid items is recorded as expenses/expenditures when consumed rather than when purchased.

Capital Assets—Capital assets, which include buildings and building improvements, machinery and equipment, and infrastructure assets (e.g. roads, bridges, sidewalks, and similar items) are reported in the government-wide financial statements. Capital assets, except for buildings and building improvements, and infrastructure assets, are defined by the County as assets with an initial, individual cost of more than \$5,000 and an estimated useful life in excess of five years. For buildings and building improvements and infrastructure assets, they are defined by the County as assets with an initial, individual cost of more than \$100,000 and \$200,000, respectively, and an estimated useful life in excess of 40 years. Such assets are recorded at historical cost or estimated historical cost. The reported value excludes normal maintenance and repairs, which are essentially amounts spent in relation to capital assets that do not increase the capacity or efficiency of the item or increase its estimated useful life. Donated capital assets are recorded at acquisition value at the date of donation.

Land and construction in progress are not depreciated. The capital assets of the primary government are depreciated using a straight-line method over the following estimated useful lives:

Capital assets	Years
Buildings and building improvements	40
Machinery and equipment	5-20
Infrastructure	40

The *capital outlays* character classification is employed only for expenditures reported in the Capital Projects Fund. Routine capital expenditures in the General Fund and other governmental funds are included in the appropriate functional category (for example, the purchase of a new police vehicle included as part of *expenditures—public safety*). At times, amounts reported as *capital outlays* in the Capital Projects Fund will also include non-capitalized, project-related costs (for example, furnishings).

Deferred Outflows/Inflows of Resources—In addition to assets, the statement of financial position and the balance sheet 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. At December 31, 2024, the County’s primary government has two items that qualify for reporting in this category. The first item is related to pensions and is reported in the government-wide financial statements. This item represents the effect of the net change in the County’s proportion of the collective net pension liability, the difference during the measurement period between the County’s contributions and its proportionate share of the total contribution to the pension systems not included in the pension expense, and any contributions to the pension systems made subsequent to the measurement date. The second item is related to OPEB and is reported in the government-wide financial statements. This item represents the effects of the change in the County’s proportion of the collective OPEB liability and difference during the measurement period between certain of the employer’s contributions and its proportionate share of the total of certain contributions from employers included in the collective OPEB liability.

In addition to liabilities, the statement of financial 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. At December 31, 2024, the County’s primary government has three items that qualify for reporting in this category. The first item, unavailable revenues from property taxes, arises only under the modified accrual basis of accounting. Accordingly, a deferred inflow of resources for property taxes is reported only in the governmental fund balance sheet. The second item represents the effect of the net change in the County’s proportion of the collective net pension liability and the difference during the measurement periods between the County’s contributions and its proportionate share of total contributions to the pension systems not included in pension expense and is reported on the government-wide financial statements. The final item is related to OPEB and is reported on the government-wide financial statements, and represents the effects of the change in the County’s proportion of the collective OPEB liability and difference during the measurement period between certain of the employer’s contributions and its proportionate share of the total of certain contributions from employers included in the collective OPEB liability.

Net Position Flow Assumptions—Sometimes the County will fund outlays for a particular purpose from both restricted (e.g., restricted bond or grant proceeds) and unrestricted resources. In order to calculate the amounts to report as restricted-net position and unrestricted-net position in the government-wide financial statements, a flow assumption must be made about the order in which the resources are considered to be applied. It is the County’s policy to consider restricted-net position to have been depleted before unrestricted-net position is applied.

Fund Balance Flow Assumptions—Sometimes the County will fund outlays for a particular purpose from both restricted and unrestricted resources (the total of committed, assigned, and unassigned fund balance). In order to calculate the amounts to report as restricted, committed, assigned, and unassigned fund balance in the governmental fund financial statements a flow assumption must be made about the order in which the resources are considered to be applied. It is the County’s policy to consider restricted fund balance to have been depleted before using any of the components of unrestricted fund balance. Further, when the components of unrestricted fund balance can be used for the same purpose, committed fund balance is depleted first, followed by assigned fund balance. Unassigned fund balance is applied last.

Fund Balance Policies—Fund balance of governmental funds is reported in various categories based on the nature of any limitations requiring the use of resources for specific purposes. The County itself can establish limitations on the use of resources through either a commitment (committed fund balance) or an assignment (assigned fund balance).

The committed fund balance classification includes amounts that can be used only for the specific purposes determined by a formal action of the County’s highest level of decision-making authority. The County Legislature is the highest level of decision-making authority for the County that can, by adoption of a resolution prior to the end of the fiscal year, commit fund balance. Once adopted, the limitation imposed by the resolution remains in place until a similar action is taken (the adoption of another resolution) to remove or revise the limitation.

Amounts in the assigned fund balance classification are intended to be used by the County for specific purposes but do not meet the criteria to be classified as committed. The County Legislature (“Legislature”) has by resolution authorized the County Treasurer to assign fund balance. The Legislature may also assign fund balance as it does when appropriating fund balance to cover a gap between estimated revenue and appropriations in the subsequent year’s appropriated budget. Unlike commitments, assignments generally only exist temporarily. In other words, an additional action does not normally have to be taken for the removal of an assignment. Conversely, as discussed above, an additional action is essential to either remove or revise a commitment.

Revenues and Expenses/Expenditures

Program Revenues—Amounts reported as program revenues include 1) charges to customers or applicants who purchase, use, or directly benefit from goods, services, or privileges provided by a given function or segment and 2) grants and contributions (including special assessments) that are restricted to meeting the operational or capital requirements of a particular function or segment. All taxes, including those dedicated for specific purposes, and other internally dedicated resources are reported as general revenues rather than program revenues.

Property Taxes—County property taxes are levied annually on January 1st based on County budget requirements. These taxes are apportioned among the subdivisions of the County (the cities of Fulton and Oswego and 22 towns) on the basis of the calculated full valuation of taxable property and among properties within the subdivisions on an ad valorem basis. Included in the amount levied by the County and spread upon the tax rolls are: taxes for town, fire protection and fire district, and special improvement district purposes; non-city school district taxes transmitted to the County for collection in accordance with statutory provisions and certain other items.

The City of Fulton assumes the responsibility for enforcing collection of delinquent City of Fulton and County taxes within its boundaries. County taxes levied within the City of Oswego are enforced by the County. City taxes levied prior to January 1, 2000 within the City of Oswego are enforced by the City of Oswego. Taxes levied on or after January 1, 2000 are enforced by the County. All other jurisdictions normally receive payment in full from the collecting officers or the County, and tax assets arising from the levy or re-levy of taxes and tax items of those jurisdictions become the property and enforcement responsibility of the County. Real property taxes not paid within a timely period are generally included in County tax sale proceedings, and the County may ultimately take title to those parcels for which taxes have not been paid.

City school district tax delinquencies relating to parcels located outside the cities are also the enforcement responsibility of the County. City school district taxes which remain unpaid are subject to tax sale proceedings without being re-levied, and, subject to normal processing delays, the districts are generally made whole at the time of collection or tax sale, whichever is earlier.

At December 31, 2024, the net real property tax receivable is recorded at \$15,609,856, which is reported net of an allowance for uncollected taxes of \$153,098. The portion of the receivable, \$9,474,405, that represents taxes re-levied for schools and villages is recognized as a liability and is included in intergovernmental payables. Another portion of the receivable, \$5,803,192, that is not considered available under the modified accrual basis of accounting (i.e. not collected within 60 days) is recorded as a deferred inflow of resources within the fund financial statements of the County.

Constitutional Tax Limit—The amount that may be raised by the County-wide tax levy on real estate in any fiscal year (for purposes other than debt service on County indebtedness) is limited to one and one-half percent of the five-year average of full valuations of taxable real estate of the County, per New York State statutes.

The County constitutional tax limit for the fiscal year ended December 31, 2024 is computed as presented below:

Five-year average full valuation of taxable real estate (2020-2024)	\$ 7,319,995,478
Tax limit at 2.0%	<u>146,399,910</u>
Total taxing power	146,399,910
Tax levy	<u>53,015,224</u>
Tax margin	<u>\$ 93,384,686</u>

Unearned Revenue—Certain cash receipts have not met the revenue recognition criteria for government-wide or fund financial statement purposes. At December 31, 2024, the County reported unearned revenues within the General Fund and Refuse and Garbage Fund in the amounts of \$3,709,897 and \$203,200, respectively. The County received cash in advance related to grants and tipping fees but has not performed the services and therefore recognizes a liability. Included within unearned revenue at December 31, 2024, the County reported \$2,702,100 within the General Fund for unspent American Rescue Plan Act (“ARPA”) federal funds. The County obligated \$2,702,100 in ARPA funds and is required to be spent by December 31, 2026.

Proprietary Funds Operating and Nonoperating Revenues and Expenses—Proprietary funds distinguish operating revenues and expenses from nonoperating items. Operating revenues and expenses generally result from providing services and producing and delivering goods in connection with a proprietary fund’s

principal ongoing operations. The principal operating revenues of the Land Bank and the Internal Service Funds are sale of property, grants and charges to other funds and other governments for workers' compensation costs, and charges to other funds for health insurance costs, respectively. Operating expenses for the Land Bank and Internal Service Funds include cost of properties sold and payments of and administration of self-insurance workers' compensation claims, and payments of and administration of health insurance plans, respectively. All revenues and expenses not meeting this definition are reported as nonoperating revenues and expenses.

Compensated Absences—Most County employees earn vacation, which vests immediately. In the event of termination or upon retirement, an employee is entitled to payment for accumulated vacation at various rates subject to certain maximum limitations. Most employees who retire and have accrued sick leave shall be entitled to continuation of health insurance coverage for a period equal to a percentage of the number of accrued sick leave days accumulated depending on the labor contracts (i.e. CSEA may accrue 75% of sick time at retirement, OCPA and Public Works may accrue 90% of sick time, and the remaining unions may accrue all accumulated sick time). These amounts have been accrued as a liability in the government-wide financial statements of the County's governmental activities.

Payment of sick time compensated absences recorded in the government-wide financial statements is dependent upon many factors; therefore, timing of future payments is not readily determinable. However, management believes that sufficient resources will be made available for the payments of compensated absences when such payments become due.

Pension Plan—The County is mandated by New York State law to participate in the New York State Local Employees' Retirement System ("ERS"). For purposes of measuring the net pension liability, deferred outflows/inflows of resources related to pensions, and pension expense, information about the fiduciary net position of the defined benefit pension plan, and changes thereof, have been determined on the same basis as they are reported by the respective defined benefit pension plan. For this purpose, benefit payments (including refunds of employee contributions) are recognized when due and payable in accordance with the benefit terms. Investments are reported at fair value. More information regarding pensions is included in Note 6.

Other Postemployment Benefits—In addition to providing pension benefits, the County provides health insurance coverage and/or payments for fractional values of unused sick leave for certain retired employees at the time of retirement as discussed in Note 7.

Interfund Revenues—The County allocates Special Grant Fund costs incurred in the general administration of the County to other funds based on their proportionate benefit of the total costs allocated. In 2024, the County reported interfund revenues of \$83,785 in the Special Grant Fund. The amount reported in the Special Grant Fund is reported as economic assistance and opportunity in the Special Grant Fund as well as the benefitting funds.

Insurance—The County assumes liability for most risk including, but not limited to, property damage, personal injury liability and workers' compensation. Asserted and incurred but not reported claims and judgments 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. Such recording is consistent with the requirements of GASB.

Governmental fund type estimated current contingent liabilities (i.e. those to be liquidated with available financial resources in the ensuing year) for property damage and personal injury liabilities are recorded in the fund financial statements. The long-term portion (i.e. liabilities to be paid from future resources) is recorded in the government-wide financial statements.

Other

Estimates—The preparation of the financial statements in conformity with GAAP requires management to make estimates and assumptions that affect the reported amounts of revenues, expenditures, assets, liabilities, deferred outflows/inflows of resources, and disclosures of contingent liabilities at the date of the financial statements and during the reporting period. Actual results could differ from those estimates.

Adoption of New Accounting Pronouncements—During the year ended December 31, 2024, the County implemented the remainder of GASB Statement No. 99, *Omnibus 2022*; and No. 100, *Accounting Changes and Error Corrections—an amendment of GASB Statement No. 62*; and No. 101, *Compensated Absences*. GASB Statement No. 99 enhances comparability in accounting and financial reporting and to improves the consistency of authoritative literature by addressing practice issues related to financial guarantees and the classification and reporting of derivative instruments within the scope of Statement No. 53. GASB Statement No. 100 improves financial reporting by enhancing 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. GASB Statement No. 101 will result in a liability for compensated absences that more appropriately reflects when a government incurs an obligation. The implementation of GASB Statements No. 99, 100, and 101 did not have a material impact on the County’s financial position or results from operations.

Future Impacts of Accounting Pronouncements—The County has not completed the process of evaluating the impact that will result from adopting GASB Statements No. 102, *Certain Risk Disclosures*, effective for the year ending December 31, 2025; and No. 103, *Financial Reporting Model Improvements*; and No. 104, *Disclosure of Certain Capital Assets*, effective for the year ending December 31, 2026. The County is, therefore, unable to disclose the impact that adopting GASB Statements No. 102, 103, and 104 will have on its financial position and results of operations when such statements are adopted.

Stewardship, Compliance and Accountability

Legal Compliance—Budgets—The County’s annual procedures in establishing the budgetary data reflected in the basic financial statements are as follows:

- No later than November 15th, the Budget Officer submits a tentative budget to the County Legislature for the fiscal year commencing the following January 1st. The tentative budget includes proposed expenditures and the proposed means of financing them for all funds, except the Capital Projects Fund and Internal Service Fund.
- A public hearing is conducted by the County Legislature to obtain public comment on the preliminary budget.
- After public hearings are conducted to obtain taxpayer comments, no later than December 20th, the County Legislature adopts the budget.
- The budgets are adopted on a GAAP basis under the modified accrual basis of accounting except that encumbrances, if any, are reported as a budgetary expenditure in the year of incurrence of the commitment for the purchase, as well when the actual expenditure occurs in the subsequent fiscal year. All unencumbered appropriations lapse at the end of the fiscal year. At January 1st, encumbrances carried forward from the prior year are re-established as budgeted appropriations and expenditures.

- Budgetary controls are also established for the Capital Projects Fund through resolutions authorizing individual projects and remain in effect for the life of the project. Budgetary controls for the Internal Service Fund are established through separate annual resolutions.

Deficit Fund Balance—At December 31, 2024, the Road Machinery Fund reported a fund balance deficit of \$40,935. The County anticipates that this deficit will be remedied through future interest earnings.

2. CASH, CASH EQUIVALENTS AND INVESTMENTS

The County's investment policies are governed by State statutes. In addition, the County has its own written investment policy. County monies must be deposited in Federal Deposit Insurance Corporation ("FDIC") insured commercial banks or trust companies located within the State. The County Treasurer is authorized to use demand accounts and certificates of deposit. 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 demand deposit accounts, time deposit accounts and certificates of deposit at 100% of all deposits not covered by Federal deposit insurance (FDIC). The County has entered into custodial agreements with the various banks which hold their deposits. These agreements authorize the obligation that may be pledged as collateral. Obligations that may be pledged as collateral are outlined in Chapter 623 of the laws of the State of New York.

Cash and cash equivalents and investments at December 31, 2024 are as follows:

	Governmental Activities	Business-type Activities	Fiduciary Funds	Total
Petty cash (uncollateralized)	\$ 14,215	\$ -	\$ -	\$ 14,215
Deposits and discount notes	52,140,207	2,094,069	5,017,448	59,251,724
Total	<u>\$ 52,154,422</u>	<u>\$ 2,094,069</u>	<u>\$ 5,017,448</u>	<u>\$ 59,265,939</u>

Deposits—All deposits are carried at fair value, and are classified by custodial credit risk at December 31, 2024 as presented below:

	Bank Balance	Carrying Amount
FDIC insured	\$ 19,633,258	\$ 19,633,258
Uninsured:		
Collateral held by pledging bank's agent in the County's name	<u>41,138,881</u>	<u>39,618,466</u>
Total deposits	<u>\$ 60,772,139</u>	<u>\$ 59,251,724</u>

Custodial Credit Risk—Deposits—Custodial credit risk is the risk that in the event of a bank failure, the County's deposits may not be returned to it. As noted above, by State statute all deposits in excess of FDIC insurance coverage must be collateralized. As of December 31, 2024, the County's deposits were either FDIC insured or collateralized with securities held by the pledging bank's agent in the County's name.

Restricted Cash and Cash Equivalents—Governmental activities restricted cash and cash equivalents totals \$16,310,218, which is set aside for future payments toward insurance, approved capital project spending, unearned revenues, and community development activities. Total Custodial Fund restricted cash and cash equivalents totals \$5,017,448, and includes amounts held on behalf of others. These deposits were fully covered by FDIC insurance or collateral held by escrow agents in the name of the County.

Fair Value Measurement—The County reports its investment fair value measures using a three-level hierarchy that prioritizes the inputs used to measure fair value. This hierarchy, established by GAAP, requires that entities maximize the use of observable inputs and minimize the use of unobservable inputs when measuring fair value. The three levels of inputs used to measure fair value are shown below:

- Level 1. Quoted prices for identical assets or liabilities in active markets to which the County has access at the measurement date.
- Level 2. Inputs other than quoted prices included in Level 1 that are observable for the asset or liability, either directly or indirectly. Level 2 inputs include:
 - Quoted prices for similar assets or liabilities in active markets;
 - Quoted prices for identical or similar assets in markets that are not active;
 - Observable inputs other than quoted prices for the asset or liability (for example, interest rates and yield curves); and,
 - Inputs derived principally from, or corroborated by, observable market data by correlation or by other means.
- Level 3. Unobservable inputs for the asset or liability. Unobservable inputs should be used to measure fair value to the extent that observable inputs are not available.

Investments and Restricted Investments—At December 31, 2024, the County’s governmental activities reports investments in securities of \$54,871,777, which consist of twelve-month certificates of deposit. At December 31, 2024, \$16,850,093 is restricted to support restricted fund balance and unearned revenues. Investments at December 31, 2024 are presented in the following table:

	Fair Value
Certificates of deposit (Level 1 input)	<u>\$ 54,871,777</u>

Concentration of Credit Risk—To promote competition in rates and service cost, and to limit the risk of institutional failure, County deposits and investments are placed with multiple institutions.

Interest Rate Risk—The County does not have a formal investment policy that limits investment maturities as a means of managing its exposure to fair value losses arising from increasing interest rates.

Custodial Credit Risk—Investments—In compliance with the State law, County investments are limited to obligations of the Federal government, obligations guaranteed by the Federal government where the payment of principal and interest are guaranteed by the Federal government, obligations of the State, time deposit accounts and certificates of deposit issued by a bank or trust company located in, and authorized to do business in, the State, and certain joint or cooperative investment programs.

Industrial Development Agency

Cash and Cash Equivalents—The Agency considers all short-term investments purchased with a maturity of three months or less to be cash equivalents. At various times during the year, the Agency’s cash and cash equivalent balances may exceed the insured limits of the FDIC. The Agency reported \$2,890,430 at July 31, 2024.

Restricted Cash and Cash Equivalents—The segregation of cash is a contractual requirement, except for the designated funds. At July 31, 2024, the Agency maintains separate cash accounts for federal funds, payments in lieu of taxes (“PILOT”) revolving economic development funds, micro enterprise revolving loan funds and designated grant funds as presented below:

Federal funds	\$ 1,289,782
PILOT funds	8,385,985
Micro enterprise	210,265
Intermediary relending program funds	<u>772,518</u>
Total	<u>\$ 10,658,550</u>

3. RECEIVABLES

Revenues accrued by the County at December 31, 2024 consisted of the following:

Taxes Receivable—Represents unpaid county, school and village taxes. At December 31, 2024, the General Fund reported net taxes receivable of \$15,609,856. These amounts are reported net of an allowance for uncollectible taxes provision of \$153,098.

Other Receivables—Represent amounts due from various sources. The County’s other receivables at December 31, 2024 are as shown below:

Governmental Funds:	
General Fund	\$ 1,028,956
Refuse and Garbage Fund	1,083,848
County Road Fund	27,659
Nonmajor governmental funds	<u>68,867</u>
Total governmental funds	<u>\$ 2,209,330</u>

Proprietary Funds:	
Land Bank	\$ 85,791
Internal Service Funds	<u>246,048</u>
Total proprietary funds	<u>\$ 331,839</u>

Intergovernmental Receivables—Primarily represents claims for reimbursement of expenditures in administering various state and federal programs and amounts due from other local municipalities for chargebacks and other miscellaneous items. Amounts accrued at December 31, 2024 are presented below:

Governmental Funds:

General Fund:

Due from New York State	\$ 24,327,064	
Due from Federal government	7,659,827	
Due from towns and cities	<u>70,057</u>	\$ 32,056,948

County Road Fund:

Due from New York State	707,228	
Due from towns	<u>338</u>	\$ 707,566

Capital Projects Fund:

Due from New York State		130,403
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Nonmajor governmental funds:

Due from Federal government		<u>98,861</u>
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Total governmental funds		<u><u>\$ 32,993,778</u></u>
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Proprietary Funds:

Internal Service Funds:

Due from towns and cities		<u><u>\$ 9,655</u></u>
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Industrial Development Agency

Loans Receivable—The Agency, per contractual requirements, maintains revolving economic development funds in which principal and interest repayments on current financing are a source of funds for future financing to business. Such balances are, therefore, also restricted. Agency receivables at July 31, 2024 are shown below:

Loans receivable:

Loans receivable - short-term	\$ 894,382
Loans receivable - long-term	4,093,752
Allowance for uncollectible loans receivable	<u>(451,481)</u>
Total loans receivable	<u><u>\$ 4,536,653</u></u>

4. CAPITAL ASSETS

Governmental activities—Capital asset activity for the primary government's governmental activities for the year ended December 31, 2024 was as follows:

	Balance 1/1/2024	Increases	Decreases	Balance 12/31/2024
Capital assets, not being depreciated:				
Land	\$ 6,564,940	\$ -	\$ -	\$ 6,564,940
Construction in progress	18,708,260	10,708,613	10,693,882	18,722,991
Total capital assets, not being depreciated	<u>25,273,200</u>	<u>10,708,613</u>	<u>10,693,882</u>	<u>25,287,931</u>
Capital assets, being depreciated:				
Buildings and building improvements	134,291,209	89,894	-	134,381,103
Machinery and equipment	87,845,245	8,877,624	-	96,722,869
Infrastructure	325,055,807	6,629,467	-	331,685,274
Total capital assets, being depreciated	<u>547,192,261</u>	<u>15,596,985</u>	<u>-</u>	<u>562,789,246</u>
Less accumulated depreciation for:				
Buildings and building improvements	100,888,383	2,416,709	-	103,305,092
Machinery and equipment	65,815,486	5,203,735	-	71,019,221
Infrastructure	243,133,352	3,193,808	-	246,327,160
Total accumulated depreciation	<u>409,837,221</u>	<u>10,814,252</u>	<u>-</u>	<u>420,651,473</u>
Total capital assets, being depreciated, net	<u>137,355,040</u>	<u>4,782,733</u>	<u>-</u>	<u>142,137,773</u>
Governmental activities capital assets, net	<u>\$ 162,628,240</u>	<u>\$ 15,491,346</u>	<u>\$ 10,693,882</u>	<u>\$ 167,425,704</u>

Depreciation expense was charged to the functions and programs of the primary government's governmental activities as follows:

Governmental activities:	
General government support	\$ 502,855
Public safety	1,994,287
Health	80,268
Transportation	7,215,237
Economic assistance and opportunity	142,976
Culture and recreation	5,555
Home and community services	873,074
Total governmental activities	<u>\$ 10,814,252</u>

Business-type activities—Capital assets activity for the primary government’s business-type activities for the year ended December 31, 2024 was as follows:

	Balance 1/1/2024	Increases	Decreases	Balance 12/31/2024
Capital assets, not being depreciated:				
Land	\$ 924,159	\$ 912,376	\$ -	\$ 1,836,535
Total capital assets, not being depreciated	<u>924,159</u>	<u>912,376</u>	<u>-</u>	<u>1,836,535</u>
Capital assets, being depreciated:				
Property and equipment	<u>9,754</u>	<u>-</u>	<u>-</u>	<u>9,754</u>
Total capital assets, being depreciated	<u>9,754</u>	<u>-</u>	<u>-</u>	<u>9,754</u>
Less accumulated depreciation for:				
Property and equipment	<u>8,705</u>	<u>297</u>	<u>-</u>	<u>9,002</u>
Total accumulated depreciation	<u>8,705</u>	<u>297</u>	<u>-</u>	<u>9,002</u>
Total capital assets, being depreciated, net	<u>1,049</u>	<u>(297)</u>	<u>-</u>	<u>752</u>
Business-type activities capital assets, net	<u>\$ 925,208</u>	<u>\$ 912,079</u>	<u>\$ -</u>	<u>\$ 1,837,287</u>

Industrial Development Agency

The following is a summary of the cost of the Agency’s project assets for the year ended July 31, 2024, which are reported as capital assets in the Statement of Net Position:

	Balance 8/1/2023	Increases	Decreases	Balance 7/31/2024
Project assets, not being depreciated:				
Land	\$ 1,695,477	\$ -	\$ -	\$ 1,695,477
Property held for sale	<u>205,601</u>	<u>-</u>	<u>-</u>	<u>205,601</u>
Total project assets, not being depreciated	<u>\$ 1,901,078</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 1,901,078</u>

5. ACCRUED LIABILITIES

Accrued liabilities reported by the County’s governmental funds at December 31, 2024 were as follows:

	General Fund	Refuse and Garbage Fund	County Road Fund	Nonmajor Funds	Total Governmental Funds
Salaries and employee benefits	<u>\$ 857,439</u>	<u>\$ 111,819</u>	<u>\$ 185,748</u>	<u>\$ 49,122</u>	<u>\$ 1,204,128</u>

6. PENSION PLAN

Employees' Retirement System ("ERS")—The County participates in the New York State and Local Employees' Retirement System ("ERS"), a cost-sharing multiple employer retirement system (the "System"). 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 assets and record changes in fiduciary 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. System benefits are established under the provisions of the New York State Retirement and Social Security Law ("NYSRSSL"). 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 System is included in the State's financial report as a pension trust fund. That report, including information with regards 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.

The System is noncontributory, except for employees who joined the ERS after July 27, 1976 (Tiers 3 & 4) who contribute three percent (3%) of their salary for the first ten years of membership. Employees who joined on or after January 1, 2010 (Tier 5) contribute three percent (3%) of their salary for all years of public service. Employees who joined on or after April 1, 2012 (Tier 6) contribute three to six percent (3% - 6%) based on their annual salary for all years of public service. The Comptroller annually certifies the actuarially determined rates expressly used in computing the employers' contributions based on salaries paid during the System's fiscal year ending March 31.

Pension Liability, Pension Expense, Deferred Outflows of Resources and Deferred Inflows of Resources Related to Pensions—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 as of April 1, 2023, with update procedures used to roll forward the total pension liability to the measurement date. The County's proportion of the net pension liability was based on a projection of the County's long-term share of contributions to the ERS relative to the projected contributions of all participating members, actuarially determined. This information was provided by the ERS in reports provided to the County. At December 31, 2024, the County reported the following liability for its proportionate share of the net pension liability for ERS.

	ERS
Measurement date	March 31, 2024
Net pension liability	\$ 31,112,122
County's portion of the Plan's total net pension liability	0.2113014%

For the year ended December 31, 2024, the County recognized pension expense of \$12,434,410 for ERS. At December 31, 2024, the County reported deferred outflows of resources and deferred inflows of resources related to pensions from the following sources:

	ERS	
	Deferred Outflows of Resources	Deferred Inflows of Resources
Differences between expected and actual experiences	\$ 10,021,190	\$ 848,346
Changes in assumptions	11,762,794	-
Net difference between projected and actual earnings on pension plan investments	-	15,198,106
Changes in proportion and differences between the County's contributions and proportionate share of contributions	422,491	2,993,151
County contributions subsequent to the measurement date	6,649,071	-
Total	<u>\$ 28,855,546</u>	<u>\$ 19,039,603</u>

The County's contributions subsequent to the measurement date will be recognized as a reduction of the net pension liability in the year ending December 31, 2025. Other amounts reported as deferred outflows of resources and deferred inflows of resources related to pensions will be recognized in pension expense as presented below:

Year Ending December 31,	ERS
2025	\$ (6,587,229)
2026	5,063,559
2027	8,404,711
2028	(3,714,169)

Actuarial Assumptions—The total pension liability as of the measurement date was determined by using an actuarial valuation as noted in the table below, with update procedures used to roll forward the total pension liability to the measurement date. The actuarial valuation used the following actuarial assumptions:

	ERS
Measurement date	March 31, 2024
Actuarial valuation date	April 1, 2023
Interest rate	5.9%
Salary scale	4.4%
Decrement tables	April 1, 2015- March 31, 2020
Inflation rate	2.9%
Cost-of-living adjustments	1.5%

Annuitant mortality rates are based on April 1, 2015 – March 31, 2020 System’s experience with adjustments for mortality improvements based on Society of Actuaries’ Scale MP-2021. The actuarial assumptions used in the April 1, 2023 valuation are based on the results of an actuarial experience study for the period April 1, 2015 – March 31, 2020.

The long-term 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 each the target asset allocation percentage and by adding expected inflation. Best estimates of the arithmetic real rates of return for each major asset class included in the target asset allocation are summarized as follows:

Measurement date	ERS	
	Target Allocation	Long-Term Expected
		Real Rate of Return
	March 31, 2024	
Asset class:		
Domestic equities	32.0 %	4.0 %
International equities	15.0	6.7
Private equity	10.0	7.3
Real estate	9.0	4.6
Opportunistics/absolute return strategies	3.0	5.3
Credit	4.0	5.4
Real assets	3.0	5.8
Fixed income	23.0	1.5
Cash	1.0	0.3
Total	<u>100 %</u>	

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 liability.

Sensitivity of the Proportionate Share of the Net Pension Liability to the Discount Rate Assumption—

The chart below presents the County’s proportionate share of the net pension liability calculated using the discount rate of 5.9%, as well as what the County’s proportionate share of the net pension liability/(asset) would be if it was calculated using a discount rate that is one percentage-point lower (4.9%) or one percentage-point higher (6.9%) than the current assumption.

	1.0% Decrease (4.9%)	Current Assumption (5.9%)	1.0% Increase (6.9%)
Employer's proportionate share of the net pension liability/(asset)—ERS	\$ 97,819,691	\$ 31,112,122	\$ 24,602,537

Pension Plan Fiduciary Net Position—The components of the current-year net pension liability of the employers as of the valuation date, were as follows:

	(Dollars in Thousands)
	ERS
Valuation date	April 1, 2023
Employers' total pension liability	\$ 240,696,851
Plan fiduciary net position	225,972,801
Employers' net pension liability	<u>\$ 14,724,050</u>
System fiduciary net position as a percentage of total pension liability	93.9%

7. OTHER POSTEMPLOYMENT BENEFITS (“OPEB”) OBLIGATION

Plan Description—In addition to providing pension benefits, the County may pay for a portion of eligible retirees’ health insurance dependent upon such factors as age, years of service, accumulated sick leave and associated group or union.

Employees Covered by Benefit Terms—As of the January 1, 2023 valuation date, the following employees were covered by the benefit terms:

Inactive employees or beneficiaries currently receiving benefit payments	876
Active employees	<u>817</u>
Total	<u><u>1,693</u></u>

Total OPEB Liability

The County’s total OPEB liability of \$105,412,831 was measured as of December 31, 2024, and was determined by an actuarial valuation as of January 1, 2023.

Actuarial Methods and Assumptions—Calculations are based on the types of benefits provided under the terms of the substantive plan (the plan as understood by the employer and the plan members) at the time of the valuation and on the pattern of cost sharing between the employee and plan members. Calculations reflect a long-term perspective, so methods and assumptions used include techniques that are designed to reduce short-term volatility.

In the January 1, 2023 actuarial valuation, the Entry Age Normal method over a level percent of pay was used. The discount rate changed from 3.26% effective for the year ended December 31, 2023 to 4.08% effective for the year ended December 31, 2024, based on the index provided by Bond Buyer 20-Bond General Obligation Index based on the 20 year AA municipal bond rate. The Pub-2010 Mortality with Scale MP-2021 was used for mortality rates. Upon retirement, it is assumed that 100% of eligible retirees, 25% of retiree spouses, and 5% of surviving spouses will elect for postemployment health care benefits, while it is assumed that 70% of retirees will be married at the time of their retirement. In order to estimate the change in the cost of healthcare, the actuary’s initial healthcare cost trend rate used is 5.90%, while the ultimate healthcare cost trend rate is 4.14%.

Changes in the Total OPEB Liability—The following table presents the changes to the total OPEB liability during the fiscal year, by source:

	Total OPEB Liability
Balance at December 31, 2023	<u>\$ 115,295,211</u>
Changes for the year:	
Service cost	4,039,437
Interest	3,808,288
Changes in assumptions	(12,698,089)
Benefit payments	<u>(5,032,016)</u>
Net changes	<u>(9,882,380)</u>
Balance at December 31, 2024	<u>\$ 105,412,831</u>

Sensitivity of the Total OPEB Liability to the Change in the Discount Rate and Healthcare Cost Trend Rate—The discount rate assumption can have a profound impact on total liabilities. The table below presents the effect a 1% change in the discount rate assumption would have on the total OPEB liability.

	1% Decrease (3.08%)	Current Discount Rate (4.08%)	1% Increase (5.08%)
Total OPEB liability	\$ 121,218,769	\$ 105,412,831	\$ 92,647,989

Additionally, healthcare costs can be subject to considerable volatility over time. The table presented below presents the effect on the total OPEB liability of a 1% change in the initial (5.90%) and ultimate (4.14%) healthcare cost trend rates.

	1% Decrease (4.90%/3.14%)	Healthcare Cost Trend Rates (5.90%/4.14%)	1% Increase (6.90%/5.14%)
Total OPEB liability	\$ 89,795,633	\$ 105,412,831	\$ 125,419,737

Funding Policy—Authorization for the County to pay a portion of retiree health insurance premiums was enacted through various union contracts as specified above, which were ratified by the County's Legislature. The County recognizes the cost of providing these benefits by expensing the annual insurance premiums when invoiced by the health insurance provider. County governmental activities estimated contribution is \$5,032,016 for the fiscal year ended December 31, 2024. The County's contributions to the OPEB plan are based on negotiated contracts with six bargaining units, as discussed in Note 13. Any amendments to the employer's contributions are subject to the collective bargaining agreements.

OPEB Expense and Deferred Outflows of Resources and Deferred Inflows of Resources Related to OPEB—The County reports deferred outflows and inflows of resources due to differences during the measurement period between certain of the employer's contributions and its proportionate share of the total of certain contributions from employers included in the collective total OPEB liability are required to be determined. The table on the following page presents the County's deferred outflows and inflows of resources at December 31, 2024.

	Deferred Outflows of Resources	Deferred Inflows of Resources
Differences between expected and actual experience	\$ -	\$ 14,224,929
Changes in assumptions	15,777,092	37,413,819
Total	<u>\$ 15,777,092</u>	<u>\$ 51,638,748</u>

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

<u>Year Ending December 31,</u>		
2025	\$	(5,600,823)
2026		(7,414,217)
2027		(7,414,217)
2028		(7,414,217)
Thereafter		(8,018,182)

8. RISK MANAGEMENT

The County is exposed to various risks of loss related to property damage and destruction of assets, vehicle liability, injuries to employees, and unemployment insurance. The County purchases commercial insurance to cover such potential risks. The County purchases insurance for general liability, property, automobile, building, law enforcement, crime, earthquake, flood and miscellaneous liability. The general liability insurance is limited to \$1 million per occurrence and an aggregate \$2 million limit. All other policies have limits ranging from \$1 million to \$202 million. The County has not incurred claims over the respective coverage limits in any of the last three fiscal years.

The County assumes the liability for most risk for workers' compensation and health care losses associated with the self-insurance plans. Asserted and incurred but not reported claims and judgments are recorded, when it is probable that an asset has been impaired or a liability has been incurred and the amount of the loss can be reasonably estimated. Such recording is consistent with the requirements of GASB.

The County established a Workers' Compensation Fund pursuant to Workers' Compensation Law to finance the liability and risks related to workers' compensation claims. The workers' compensation plan (the "Plan") is a municipal risk sharing pool, which is administered by the County and insures workers' compensation for all employees of the participants. In addition to the County, participation in the Plan is available to, and includes, each of the 22 towns, 9 villages, and 2 cities within the County. Funding of the Plan is determined annually by the County Legislature. Payments are collected through the annual tax levy for towns and cities, and are billed annually to villages. The County purchases an excess workers' compensation policy with a \$100,000 self-insured retention.

The changes since January 1, 2023 in risk financing activities for workers' compensation claims are presented below:

Year Ended December 31,	Liability Beginning of Year	Claims and Adjustments	Claim Payments and Adjustments	Liability, End of Year
2024	\$ 22,115,624	\$ 190,819	\$ 4,012,251	\$ 18,294,192
2023	23,401,479	29,324	1,315,179	22,115,624

Accounts payable from other plan participants, relating to their share of the aforementioned liability at December 31, 2024, amounted to \$642,222, and are recorded as an intergovernmental payable in the governmental activities and Internal Service Fund.

The changes since January 1, 2023 in risk financing activities for health insurance claims are presented below:

Year Ended December 31,	Liability Beginning of Year	Claims and Adjustments	Claim Payments and Adjustments	Liability, End of Year
2024	\$ 427,618	\$ 17,401,019	\$ 16,939,287	\$ 889,350
2023	734,035	16,755,962	17,062,379	427,618

9. LONG-TERM LIABILITIES

In the government-wide financial statements, long-term debt and other long-term obligations are reported as noncurrent liabilities in the statement of net position.

In the fund financial statements, governmental funds recognize bond premiums and discounts during the current period. The face amount of debt issued is reported as other financing sources. Premiums received on debt issuances are reported as other financing sources, while discounts on debt issuances are reported as other financing uses. Further, the unmatured principal of general long-term debt does not require current appropriations and expenditure of governmental fund financial resources.

The County's outstanding long-term liabilities include OTASC bonds payable and premium, landfill obligation, workers' compensation, health insurance, compensated absences, OPEB obligation, and net pension liability. The serial bonds of the County are secured by its general credit and revenue raising powers, as per State statute.

A summary of changes in the County's long-term debt for the year ended December 31, 2024 is presented below:

	Balance 1/1/2024	Increases	Decreases	Balance 12/31/2024	Due Within One Year
Governmental activities:					
OTASC bonds	\$ 21,250,000	\$ -	\$ 660,000	\$ 20,590,000	\$ 3,340,000
Premium on OTASC bonds	810,976	-	85,576	725,400	72,632
Landfill obligation	22,129,360	3,886,443	-	26,015,803	-
Workers' compensation	22,115,624	190,819	4,012,251	18,294,192	1,290,788
Health insurance	427,618	17,401,019	16,939,287	889,350	-
Compensated absences	6,238,043	781,221	-	7,019,264	350,963
OPEB obligation	115,295,211	7,847,725	17,730,105	105,412,831	-
Net pension liability*	46,084,059	-	14,971,937	31,112,122	-
Total governmental activities	<u>\$ 234,350,891</u>	<u>\$ 30,107,227</u>	<u>\$ 54,399,156</u>	<u>\$ 210,058,962</u>	<u>\$ 5,054,383</u>

*(Additions/reductions to compensated absences and the net pension liability are shown net of reductions/additions.)

OTASC Bonds—In 2003, OTASC issued \$22,150,000 of Tobacco Settlement Asset Backed Bonds, Series 2003. The net proceeds of Series A Bonds were used to purchase from the County all of the County's right, title and interest, under the MSA and the Decree, including the Tobacco Settlement Revenues ("TSR"). On September 22, 2016, OTASC issued \$12,445,000 of Tobacco Settlement Asset Backed Refunding Bonds, Series 2016B Serial Term Bonds and \$13,240,000 of Tobacco Settlement Asset Backed Refunding Bonds, Series 2016C Turbo Term Bonds. The Series 2016B and 2016C bonds along with additional consideration were used to refund all of OTASC's Tobacco Asset Backed Bonds, Series 2003 outstanding in the aggregate principal amount of \$9,405,000. In addition, as a result of the refunding OTASC made a payment of \$18,481,893 to provide the County with funds for capital purposes.

The Series 2016B Serial Term Bonds and the 2016C Turbo Term Bonds are secured by and payable solely from TSRs and investment earnings pledged under the Indenture and amounts established and held in accordance with the Indenture. In the event that OTASC has insufficient revenues to pay the debt service on the 2016B or 2016C bonds ("Event of Default"), Extraordinary Payment provisions of the trust are triggered. On each distribution date after the occurrence of any Event of Default arising from any failure to pay interest on or the principal of the Series 2016B or 2016C bonds when due, the OTASC Trustee will apply all amounts on deposit in various accounts to pay (or prepay) in the following order with respect to either bond, Pro Rata, without regard to their order of maturity: first, interest on overdue interest; second, overdue interest then due; third, interest then due; and fourth, the principal amount thereof without premium.

Principal is paid annually, interest is paid semi-annually and are recorded in the OTASC Debt Service Fund.

A summary of increases and decreases for the year ended December 31, 2024 is shown below:

Description	Original Issue	Year of Issue/ Maturity	Interest Rate (%)	Balance 1/1/2024	Increases	Decreases	Balance 12/31/2024	Due* Within One Year
Governmental activities bonds issued by OTASC:								
Series 2016B	\$ 12,445,000	2016/2041	3.00-5.00	\$ 10,135,000	\$ -	\$ 500,000	\$ 9,635,000	\$ 525,000
Series 2016C	13,240,000	2016/2041	3.00-5.00	11,115,000	-	160,000	10,955,000	2,815,000
Total governmental activities				<u>\$ 21,250,000</u>	<u>\$ -</u>	<u>\$ 660,000</u>	<u>\$ 20,590,000</u>	<u>\$ 3,340,000</u>

*Actual payments due within one year may vary based on the receipt of TSRs and OTASC's ability to make the payment of principal and interest.

Amortization of Bond Premiums—Bond premiums are being amortized on a straight-line basis over the life of the bonds. During 2016, the OTASC issued refunding bonds totaling \$25,685,000 and received a bond premium of \$2,063,256. The premium is being amortized using the effective interest rate method over the life of the bonds, which mature on June 6, 2051. The unamortized premium as of December 31, 2024 was \$725,400.

Landfill Obligation—The County maintains three landfill sites, two of which are not accepting additional waste. State and Federal laws and regulations require the County to place final covers on its landfill sites when they stop accepting waste, and to perform certain maintenance and monitoring functions at the sites for 30 years after closure.

East Seneca Street Site: This site is still subject to negotiations between the Department of Environmental Conservation and the County. Outside engineers have estimated landfill closure costs on this site to be in the range of \$10.0 to \$10.5 million using contract closure. Future postclosure care costs should be approximately \$50,000 per year for 10 years.

Volney (Silk Road) Landfill: The long-term management of the closed site includes groundwater monitoring, remediation, landfill gas control, leachate removal, and general site maintenance, which has been estimated at \$116,042 per year for 30 years. These costs are currently budgeted by the County.

Bristol Hill Landfill: This site accepts waste currently and has expanded its capacity to have approximately 132,652 cubic yards of capacity remaining. This site has a capacity at current filling rates to last approximately another 1.31 years. Actual cost may be higher due to inflation, changes in technology, or changes in regulations. The liability associated with the site for closure and postclosure care costs is based on the landfill capacity used to date.

Total future costs and postclosure expenses at December 31, 2024 are estimated at \$26,015,803.

Workers' Compensation and Health Insurance—As explained in Note 8, the County reports workers' compensation and health insurance liabilities from administering their self-insurance plan within its governmental activities. The total workers' compensation and health insurance liabilities outstanding at December 31, 2024 are \$18,294,192 and \$889,350, respectively.

Compensated Absences—As explained in Note 1, the County records the value of compensated absences (primarily accrued vacation and sick time benefits) in long-term liabilities of the governmental activities. The annual budget of the operating funds provides funding for the current portion of these benefits. The value recorded at December 31, 2024 for governmental activities is \$7,019,264, of which management considers \$350,963 as due within one year.

OPEB Obligation—As explained in Note 7, the County provides medical, dental, and life insurance benefits for retirees, spouses, and their covered dependents while contributing a portion of the expenses. The long-term OPEB liability for governmental activities is estimated to be \$105,412,831 at December 31, 2024.

Net Pension Liability—The County reported a liability of \$31,112,122 for its proportionate share of the net pension liability for the Employees' Retirement System, respectively. Refer to Note 6 for additional information related to the County's net pension liability.

The following is a maturity schedule of the County's indebtedness:

Year Ending December 31,	OTASC Bonds	Premium on OTASC Bonds	Landfill Obligation	Workers' Compensation	Health Insurance	Compensated Absences	OPEB Obligation	Net Pension Liability	Total
2025	\$ 3,340,000	\$ 72,632	\$ -	\$ 1,290,788	\$ -	\$ 350,963	\$ -	\$ -	\$ 5,054,383
2026	1,235,000	59,861	-	-	-	-	-	-	1,294,861
2027	1,300,000	55,943	-	-	-	-	-	-	1,355,943
2028	1,360,000	54,841	-	-	-	-	-	-	1,414,841
2029	1,430,000	47,964	-	-	-	-	-	-	1,477,964
2030-2034	7,930,000	214,069	-	-	-	-	-	-	8,144,069
2035-2039	2,840,000	170,939	-	-	-	-	-	-	3,010,939
2040-2041	1,155,000	49,151	-	-	-	-	-	-	1,204,151
Thereafter	-	-	26,015,803	17,003,404	889,350	6,668,301	105,412,831	31,112,122	187,101,811
Total	<u>\$ 20,590,000</u>	<u>\$ 725,400</u>	<u>\$ 26,015,803</u>	<u>\$ 18,294,192</u>	<u>\$ 889,350</u>	<u>\$ 7,019,264</u>	<u>\$ 105,412,831</u>	<u>\$ 31,112,122</u>	<u>\$ 210,058,962</u>

Interest requirements on governmental activities bonds payable are as follows:

Year Ending December 31,	OTASC Interest
2025	\$ 837,496
2026	749,775
2027	695,556
2028	638,556
2029	577,650
2030-2034	1,867,400
2035-2039	645,500
2040-2041	57,875
Total	<u>\$ 6,069,808</u>

Industrial Development Agency

The Agency's outstanding long-term liability balances and activity for the year ended July 31, 2024 are summarized below:

	Balance 8/1/2023	Increases	Decreases	Balance 7/31/2024	Due within One year
Loans payable	<u>\$ 560,393</u>	<u>\$ 279,244</u>	<u>\$ 39,106</u>	<u>\$ 800,531</u>	<u>\$ 35,722</u>
Total	<u>\$ 560,393</u>	<u>\$ 279,244</u>	<u>\$ 39,106</u>	<u>\$ 800,531</u>	<u>\$ 35,722</u>

The Agency's loans payable are through the Intermediary Relending Program ("IRP") with the United States Department of Agriculture – Rural Development. The IRP loans payable are for loans not to exceed \$750,000 over a term of 30 years at 1% interest, with annual payments.

The following is a maturity schedule of the Agency's long-term indebtedness:

Year Ending July 31,	Loan Payable	
	Principal	Interest
2025	\$ 35,722	\$ 8,043
2026	36,079	7,686
2027	36,440	7,325
2028	36,804	6,960
2029	37,172	6,592
2030-2034	191,512	27,311
2035-2039	201,281	17,541
2040-2044	139,716	7,899
2045-2049	85,805	2,539
Total	<u>\$ 800,531</u>	<u>\$ 91,896</u>

10. NET POSITION AND FUND BALANCE

The government-wide financial statements utilize a net position presentation. Net position is categorized as net investment in capital assets, restricted and unrestricted.

- ***Net Investment in Capital Assets***—This category groups all capital assets, including infrastructure, into one component of net position. Accumulated depreciation and the outstanding balances of debt that are attributable to the acquisition, construction or improvement of these assets reduce the balance in this category. A reconciliation of the County's governmental activities net investment in capital assets is presented below:

Capital assets, net of accumulated depreciation		\$ 167,425,704
Related debt:		
Serial bonds—OTASC	\$ (20,590,000)	
Unamortized bond premiums	(725,400)	
Capital Projects Fund accounts payable	(600,696)	(21,916,096)
Net investment in capital assets		<u>\$ 145,509,608</u>

The table below is a reconciliation of the County's business-type activities net investment in capital assets:

Capital assets, net of accumulated depreciation	<u>\$ 1,837,287</u>
Net investment in capital assets	<u>\$ 1,837,287</u>

- ***Restricted Net Position***—This category presents external restrictions imposed by creditors, grantors, contributors, or laws and regulations of other governments and restrictions imposed by law through constitutional provisions or enabling legislation. The total restricted component of net position of \$28,210,336 is restricted for insurance, capital, OTASC debt service, and other purposes in the amounts of \$591,287, \$23,628,878, \$1,968,592, and \$2,021,579, respectively.
- ***Unrestricted Net Position***—This category represents net position of the County not restricted for any project or other purpose.

In the fund financial statements, nonspendable amounts represent net current financial resources that cannot be spent because they are either not in spendable form or legally or contractually required to be maintained intact. Nonspendable fund balance maintained by the County at December 31, 2024 includes prepaid items.

- ***Prepaid Items***—Represents amounts prepaid to the retirement system that are applicable to future accounting periods. The General Fund, Refuse and Garbage Fund, County Road Fund, and nonmajor governmental funds reported amounts of \$1,858,399, \$124,896, \$164,686, and \$65,915, respectively, at December 31, 2024.

In the fund financial statements, restricted fund balances are amounts constrained to specific purposes (such as creditors, grantors, contributors, or laws and regulations of other governments) through constitutional provisions or enabling legislation. As of December 31, 2024, the County reported the following restricted fund balances:

	Insurance	Capital	Debt Service	Other	Total Restricted
General Fund	\$ 591,287	\$ 10,759,379	\$ -	\$ 1,789,530	\$ 13,140,196
Capital Projects Fund	-	12,869,499	-	-	12,869,499
Nonmajor governmental funds	-	-	1,968,592	232,049	2,200,641
Total	<u>\$ 591,287</u>	<u>\$ 23,628,878</u>	<u>\$ 1,968,592</u>	<u>\$ 2,021,579</u>	<u>\$ 28,210,336</u>

- ***Restricted for Insurance***—Represents reserve established within the General Fund which will be used to pay claims, actions or judgments against the County that results from personal injuries or property damage; to pay self-insured workers' compensation claims and expenses in excess of claims and expenses paid from current appropriations; and to pay non-insured unemployment losses. At December 31, 2024, the County had \$591,287 restricted for insurance.
- ***Restricted for Capital***—Represents funds accumulated to finance all or part of the cost of construction, reconstruction or acquisition of specific items. At December 31, 2024, the County had \$23,628,878 restricted for capital purposes.
- ***Restricted for Debt Service***—Represents OTASC funds of \$1,968,592 that are restricted for the reduction of future debt service requirements.
- ***Restricted for Other***—Represents funds, \$2,021,579, restricted from the Opioid Settlement funds and Special Grant Fund.

In the fund financial statements, commitments are amounts that are subject to a purpose constraint imposed by a formal action of the County's highest level of decision-making authority. As of December 31, 2024, the County reported no committed fund balance.

In the fund financial statements, assignments are not legally required segregations but are segregated for a specific purpose by the County Legislature, or by their designated body or official. The purpose of the assignment must be narrower than the purpose of the General Fund, and in funds other than the General Fund, assigned fund balance represents the residual amount of fund balance.

As of December 31, 2024, the County reported the following fund balance assignments:

	Encumbrances	Subsequent Year's Expenditures	Specific Use	Total Assigned
General Fund	\$ 3,197,879	\$ 1,750,000	\$ -	\$ 4,947,879
Refuse and Garbage Fund	303,136	-	3,943,432	4,246,568
County Road Fund	1,043,818	-	-	1,043,818
Total	<u>\$ 4,544,833</u>	<u>\$ 1,750,000</u>	<u>\$ 3,943,432</u>	<u>\$ 10,238,265</u>

- ***Assigned to Encumbrances***—Represents commitments related to unperformed contracts or purchase orders for goods or services.
- ***Assigned to Subsequent Years Expenditures***—Represents available fund balance being appropriated to meet expenditure requirements in the 2025 fiscal year.
- ***Assigned to Specific Use***—Represents fund balance within the special revenue funds that is assigned for a specific purpose. The assignments' purpose relates to each fund's operations and represent the remaining amounts within funds that are not restricted or committed.

It is the County's policy to expend fund balances in the following order: nonspendable fund balance, restricted fund balance, committed fund balance, assigned fund balance, and unassigned fund balance at the end of the fiscal year.

11. INTERFUND BALANCES AND ACTIVITY

Interfund receivables and payables are short-term in nature and exist because of temporary advances or payments made on behalf of other funds. All interfund balances are expected to be collected/paid within the subsequent year.

Interfund transfers of the County for the year ended December 31, 2024 are presented on the following page.

Fund	Interfund	
	Transfers In	Transfers Out
Governmental Funds:		
General Fund	\$ 1,508,387	\$ 32,924,866
Refuse and Garbage Fund	152,612	7,671,526
County Road Fund	7,510,576	99,159
Capital Projects Fund	15,257,994	1,913,054
Nonmajor funds:		
Road Machinery Fund	3,014,884	595,334
Special Grant Fund	875,646	-
OTASC General Fund	65,734	-
OTASC Debt Service Fund	-	65,734
Total governmental funds	<u>28,385,833</u>	<u>43,269,673</u>
Internal Service Funds:		
Health Insurance Fund	<u>14,883,840</u>	<u>-</u>
Total internal service funds	<u>14,883,840</u>	<u>-</u>
Total	<u>\$ 43,269,673</u>	<u>\$ 43,269,673</u>

Transfers are used primarily to (1) move revenues from the fund that statute or budget requires to collect them to the fund that statute or budget required to expend them, (2) move receipts restricted to debt service from the funds collecting the receipts to the fund making payments when due, and (3) move residual cash from closed projects.

12. DEFERRED COMPENSATION PLAN

The County offers its employees a deferred compensation plan created in accordance with Internal Revenue Code Section 457. The plan permits employees to defer a portion of their salary until future years. The deferred compensation is not available to employees until termination, retirement, death or unforeseeable emergency. All assets at December 31, 2024 were held by a third-party in trust for the exclusive benefit of participants.

13. LABOR CONTRACTS

The County's employees operate under six collective bargaining units: the CSEA Local 1000 Office Personnel Unit 8000; the CSEA Local 1000 Public Works Employees; the Sheriff's Silver Star Association; the Oswego County Deputies Association; the Oswego County Professional Association; and the Management Personnel contract. The CSEA Local 1000 Public Works Employees is settled through December 31, 2022. This contract is under negotiations as of December 31, 2024. The CSEA Local 1000 Office Personnel Unit 8000 and Management Personnel Contract are settled through December 31, 2024. The Oswego County Professional Association and Sheriff's Silver Star Association are settled through December 31, 2025. The Oswego County Deputies Association is settled through December 31, 2026.

14. COMMITMENTS

Encumbrances—Encumbrances are commitments related to unperformed (executory) contracts for goods or services (i.e., purchase orders, contracts, and commitments). Encumbrance accounting is utilized to the extent necessary to assure effective budgetary control and accountability and to facilitate effective cash planning and control. While all appropriations and encumbrances lapse at year end, valid outstanding encumbrances (those for which performance under the executory contract is expended in the next year) are re-appropriated and become part of the subsequent year's budget pursuant to state regulations. The County considers encumbrances to be significant for amounts that are encumbered in excess of \$100,000. Significant encumbrances as of December 31, 2024, are as follows:

Fund	Purpose	Amount Encumbered
General Fund	Professional services	\$ 410,108
General Fund	Professional services	110,908
General Fund	Equipment	139,017
General Fund	Professional services	338,400
General Fund	Professional services	100,000
General Fund	Professional services	330,000
General Fund	Professional services	138,715
General Fund	Equipment	192,520
County Road Fund	Equipment	699,477
County Road Fund	Equipment	627,508
County Road Fund	Equipment	254,506
County Road Fund	Equipment	128,425

At December 31, 2024, encumbrances in excess of total fund balance within the County Road Fund and Road Machinery Fund which are anticipated to be liquidated with resources received within the year ended December 31, 2025.

15. TAX ABATEMENTS

The County is subject to tax abatements granted by the Oswego County Industrial Development Agency (the "Agency"). These programs have the stated purpose of increasing business activity and employment in the region. Economic development agreements are entered into by the Agency and include the abatement of state, county, local and school district taxes, in addition to other assistance. In the case of the County, the abatements have resulted in reductions of property taxes, which the County administers as a temporary reduction in the assessed value of the property involved. The abatement agreements stipulate a percentage reduction of property taxes, which can be as much as 100 percent. Under the agreements entered into by Agency, the County collected \$14,672,346 during 2024 in payments in lieu of taxes ("PILOT"), these collections were made in lieu of \$19,124,469 in property taxes.

16. CONTINGENCIES

Grants—In the normal course of operations, the County receives significant financial assistance from various federal and state agencies in the form of grants. The disbursement of funds received under these programs generally requires compliance with terms and conditions, specified in the grant agreements and is subject to audit. Any disallowed expenditure resulting from such audits could become a liability of the governmental funds. While the amount of expenditures, if any, which may be disallowed cannot be determined at this time, management expects any amounts to be immaterial.

Litigation—The County is involved in litigation in the ordinary course of its operations. The County believes that its ultimate liability, if any, in connection with these matters will not have a material effect on the County's financial condition or results of operations.

OTASC Debt Service—The ability of OTASC to meet debt service payments of bonds is contingent upon the receipt of TSRs. TSRs are principally dependent upon future levels of domestic consumption. A significant decline in the overall consumption of cigarettes could have a material adverse effect on the payments by the OPMs under the MSA and the amounts available to OTASC to make payments of principal and interest on their bonds.

Certain smokers, smokers' rights organizations, consumer groups, cigarette importers, cigarette distributors, cigarette manufacturers, Native American tribes, taxpayers, taxpayers' groups and other parties have filed actions against some, and in certain cases all, of the signatories to the MSA. In the event of an adverse court ruling in such types of litigation, Bondholders could incur a complete loss of their investment.

Landfill Post-closure—As discussed in Note 9, the County is responsible to perform specified operation and maintenance functions at three landfill sites for a period of thirty years. At December 31, 2024, the County's outstanding liability is \$26,015,803. The landfill post-closure liability is an estimate and is subject to changes resulting from inflation, deflation, technology or changes in applicable laws or regulations.

17. SUBSEQUENT EVENTS

Management has evaluated subsequent events through September 26, 2025, which is the date the financial statements are available for issuance, and have determined there are no subsequent events that require disclosure under generally accepted accounting principles.

* * * * *

REQUIRED SUPPLEMENTARY INFORMATION

COUNTY OF OSWEGO, NEW YORK
Schedule of the County's Proportionate Share of the
Net Pension Liability—Employees' Retirement System
Last Ten Fiscal Years

	Year Ended December 31,									
	<u>2024</u>	<u>2023</u>	<u>2022</u>	<u>2021</u>	<u>2020</u>	<u>2019</u>	<u>2018</u>	<u>2017</u>	<u>2016</u>	<u>2015</u>
Measurement date	March 31, 2024	March 31, 2023	March 31, 2022	March 31, 2021	March 31, 2020	March 31, 2019	March 31, 2018	March 31, 2017	March 31, 2016	March 31, 2015
County's proportion of the net pension liability/(asset)	0.2113014%	0.2149039%	0.2125753%	0.2108227%	0.1983710%	0.1952391%	0.1945034%	.1926220%	0.1974617%	0.2030306%
County's proportionate share of the net pension liability/(asset)	<u>\$ 31,112,122</u>	<u>\$ 46,084,059</u>	<u>\$ (17,377,147)</u>	<u>\$ 209,925</u>	<u>\$ 52,529,784</u>	<u>\$ 13,833,285</u>	<u>\$ 6,277,491</u>	<u>\$ 18,099,194</u>	<u>\$ 31,693,146</u>	<u>\$ 6,858,871</u>
County's covered payroll	\$ 57,033,058	\$ 51,003,976	\$ 49,216,418	\$ 48,270,655	\$ 47,743,695	\$ 44,873,220	\$ 43,965,813	\$ 43,085,104	\$ 41,688,013	\$ 40,626,242
County's proportionate share of the net pension liability/(asset) as a percentage of its covered payroll	54.6%	90.4%	(35.3%)	0.4%	110.0%	30.8%	14.3%	42.0%	76.0%	16.9%
Plan fiduciary net position as a percentage of the total pension liability	93.9%	90.8%	103.7%	100.0%	86.4%	96.3%	98.2%	94.7%	90.7%	97.9%

COUNTY OF OSWEGO, NEW YORK
Schedule of the County's Contributions—
Employees' Retirement System
Last Ten Fiscal Years

	Year Ended December 31,									
	<u>2024</u>	<u>2023</u>	<u>2022</u>	<u>2021</u>	<u>2020</u>	<u>2019</u>	<u>2018</u>	<u>2017</u>	<u>2016</u>	<u>2015</u>
Contractually required contribution	\$ 8,381,618	\$ 6,677,684	\$ 6,475,446	\$ 7,913,076	\$ 7,117,978	\$ 6,782,209	\$ 6,790,518	\$ 6,830,461	\$ 6,885,595	\$ 7,509,815
Contributions in relation to the contractually required contribution	<u>(8,381,618)</u>	<u>(6,677,684)</u>	<u>(6,475,446)</u>	<u>(7,913,076)</u>	<u>(7,117,978)</u>	<u>(6,782,209)</u>	<u>(6,790,518)</u>	<u>(6,830,461)</u>	<u>(6,885,595)</u>	<u>(7,509,815)</u>
Contribution deficiency (excess)	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>
County's covered payroll	\$ 59,374,359	\$ 52,527,429	\$ 48,794,808	\$ 47,046,230	\$ 48,243,561	\$ 42,402,196	\$ 37,583,470	\$ 40,513,161	\$ 41,748,294	\$ 40,882,605
Contributions as a percentage of covered payroll	14.1%	12.7%	13.3%	16.8%	14.8%	16.0%	18.1%	16.9%	16.5%	18.4%

COUNTY OF OSWEGO, NEW YORK
Schedule of Changes in the County's Total OPEB Liability and Related Ratios
Last Eight Fiscal Years*

	2024	2023	2022	2021	2020	2019	2018	2017
Total OPEB Liability								
Service cost	\$ 4,039,437	\$ 4,365,474	\$ 6,559,894	\$ 9,726,387	\$ 9,466,991	\$ 9,214,513	\$ 5,149,631	\$ 5,112,715
Interest	3,808,288	4,364,649	5,548,974	6,897,717	6,356,312	6,093,707	5,424,775	5,617,967
Changes in experience	-	(847,872)	-	-	-	-	-	-
Changes in assumptions	(12,698,089)	(3,238,877)	(37,098,432)	22,378,936	-	75,901,116	-	(6,557,646)
Differences between expected and actual experience	-	-	-	(23,931,980)	-	(12,629,551)	2,061,432	3,993,458
Plan change	-	-	-	(109,249,710)	-	-	-	-
Benefit payments	(5,032,016)	(4,623,921)	(4,681,498)	(5,779,268)	(5,801,479)	(5,646,758)	(4,744,020)	(5,409,161)
Net changes in total OPEB liability	(9,882,380)	19,453	(29,671,062)	(99,957,918)	10,021,824	72,933,027	7,891,818	2,757,333
Total OPEB liability—beginning	115,295,211	115,275,758	144,946,820	244,904,738	234,882,914	161,949,887	145,884,566	143,127,233
Restatement	-	-	-	-	-	-	8,173,503	-
Total OPEB liability—ending	<u>\$ 105,412,831</u>	<u>\$ 115,295,211</u>	<u>\$ 115,275,758</u>	<u>\$ 144,946,820</u>	<u>\$ 244,904,738</u>	<u>\$ 234,882,914</u>	<u>\$ 161,949,887</u>	<u>\$ 145,884,566</u>
Plan fiduciary net position								
Contributions—employer	\$ 5,032,016	\$ 4,623,921	\$ 4,681,498	\$ 5,779,268	\$ 5,801,479	\$ 5,646,758	\$ 4,744,020	\$ 5,409,161
Benefit payments	(5,032,016)	(4,623,921)	(4,681,498)	(5,779,268)	(5,801,479)	(5,646,758)	(4,744,020)	(5,409,161)
Net change in plan fiduciary net position	-	-	-	-	-	-	-	-
Plan fiduciary net position—beginning	-	-	-	-	-	-	-	-
Plan fiduciary net position—ending	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>
County's net OPEB liability—ending	<u>\$ 105,412,831</u>	<u>\$ 115,295,211</u>	<u>\$ 115,275,758</u>	<u>\$ 144,946,820</u>	<u>\$ 244,904,738</u>	<u>\$ 234,882,914</u>	<u>\$ 161,949,887</u>	<u>\$ 145,884,566</u>
Plan's fiduciary net position as a percentage of the total OPEB liability	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%
Covered-employee payroll	\$ 62,709,129	\$ 55,723,590	\$ 50,817,453	\$ 48,270,084	\$ 40,236,772	\$ 39,447,816	\$ 37,583,470	\$ 40,513,161
County's net OPEB liability as a percentage of covered-employee payroll	168.1%	206.9%	226.8%	300.3%	608.7%	595.4%	430.9%	360.1%

*Information prior to the year ended December 31, 2017 is not available.

The notes to the required supplementary information are an integral part of this schedule.

COUNTY OF OSWEGO, NEW YORK
Schedule of Revenues, Expenditures, and Changes in Fund Balances—
Budget and Actual—General Fund
Year Ended December 31, 2024

	Budgeted Amounts		Actual	Variance with
	Original	Final	Amounts	Final Budget
REVENUES				
Real property taxes	\$ 49,761,834	\$ 49,761,834	\$ 50,180,286	\$ 418,452
Other property tax items	16,658,448	16,658,448	16,762,156	103,708
Non-property tax items	61,942,000	61,942,000	63,203,350	1,261,350
Departmental income	11,811,414	12,323,485	13,813,602	1,490,117
Intergovernmental charges	1,631,826	1,654,912	969,196	(685,716)
Use of money and property	2,415,364	3,583,825	5,661,899	2,078,074
Licenses and permits	60,000	60,000	57,120	(2,880)
Fines and forfeitures	187,800	187,800	1,508	(186,292)
Sale of property and compensation for loss	45,000	476,932	432,082	(44,850)
Miscellaneous	935,201	942,932	746,508	(196,424)
State aid	39,988,748	48,867,605	45,322,546	(3,545,059)
Federal aid	30,099,553	47,388,034	41,201,800	(6,186,234)
Total revenues	<u>215,537,188</u>	<u>243,847,807</u>	<u>238,352,053</u>	<u>(5,495,754)</u>
EXPENDITURES				
Current:				
General government support	43,416,447	49,950,347	42,838,684	7,111,663
Education	10,919,581	13,548,794	13,270,987	277,807
Public safety	33,621,586	36,269,416	32,544,077	3,725,339
Health	12,072,322	14,631,021	10,576,514	4,054,507
Transportation	1,926,885	1,926,885	1,926,885	-
Economic assistance and opportunity	87,033,693	92,297,064	87,092,562	5,204,502
Culture and recreation	1,607,523	1,705,254	1,265,621	439,633
Home and community services	819,500	11,181,459	4,828,157	6,353,302
Employee benefits	1,486,307	1,516,575	954,919	561,656
Total expenditures	<u>192,903,844</u>	<u>223,026,815</u>	<u>195,298,406</u>	<u>27,728,409</u>
Excess of revenues over expenditures	<u>22,633,344</u>	<u>20,820,992</u>	<u>43,053,647</u>	<u>22,232,655</u>
OTHER FINANCING SOURCES (USES)				
Transfers in	-	911,954	1,508,387	596,433
Transfers out	(25,388,279)	(36,623,007)	(32,924,866)	3,698,141
Total other financing sources (uses)	<u>(25,388,279)</u>	<u>(35,711,053)</u>	<u>(31,416,479)</u>	<u>4,294,574</u>
Net change in fund balances *	(2,754,935)	(14,890,061)	11,637,168	26,527,229
Fund balances—beginning	<u>71,384,862</u>	<u>71,384,862</u>	<u>71,384,862</u>	<u>-</u>
Fund balances—ending	<u>\$ 68,629,927</u>	<u>\$ 56,494,801</u>	<u>\$ 83,022,030</u>	<u>\$ 26,527,229</u>

* The net change in fund balances was included in the budget as an appropriation (i.e., spenddown) of fund balance and a re-appropriation of prior year encumbrances.

The notes to the required supplementary information are an integral part of this schedule.

COUNTY OF OSWEGO, NEW YORK
Schedule of Revenues, Expenditures, and Changes in Fund Balances—
Budget and Actual—Refuse and Garbage Fund
Year Ended December 31, 2024

	Budgeted Amounts		Actual	Variance with
	Original	Final	Amounts	Final Budget
REVENUES				
Departmental income	\$ 9,359,413	\$ 9,359,413	\$11,230,335	\$ 1,870,922
Use of money and property	-	-	8,467	8,467
Sale of property and compensation for loss	240,000	240,000	229,792	(10,208)
Miscellaneous	-	-	11,538	11,538
State aid	50,000	74,471	24,472	(49,999)
Total revenues	<u>9,649,413</u>	<u>9,673,884</u>	<u>11,504,604</u>	<u>1,830,720</u>
EXPENDITURES				
Current:				
Home and community services	10,677,655	11,976,833	10,937,535	1,039,298
Total expenditures	<u>10,677,655</u>	<u>11,976,833</u>	<u>10,937,535</u>	<u>1,039,298</u>
Excess (deficiency) of revenues over expenditures	<u>(1,028,242)</u>	<u>(2,302,949)</u>	<u>567,069</u>	<u>2,870,018</u>
OTHER FINANCING SOURCES (USES)				
Transfers in	-	152,612	152,612	-
Transfers out	-	(7,671,526)	(7,671,526)	-
Total other financing sources (uses)	<u>-</u>	<u>(7,518,914)</u>	<u>(7,518,914)</u>	<u>-</u>
Net change in fund balances *	(1,028,242)	(9,821,863)	(6,951,845)	2,870,018
Fund balances—beginning	<u>11,323,309</u>	<u>11,323,309</u>	<u>11,323,309</u>	<u>-</u>
Fund balances—ending	<u>\$10,295,067</u>	<u>\$ 1,501,446</u>	<u>\$ 4,371,464</u>	<u>\$ 2,870,018</u>

* The net change in fund balances was included in the budget as a re-appropriation of prior year encumbrances.

The notes to the required supplementary information are an integral part of this schedule.

COUNTY OF OSWEGO, NEW YORK
Schedule of Revenues, Expenditures, and Changes in Fund Balances—
Budget and Actual—County Road Fund
Year Ended December 31, 2024

	Budgeted Amounts		Actual	Variance with
	Original	Final	Amounts	Final Budget
REVENUES				
Departmental income	\$ 409,200	\$ 409,200	\$ 371,730	\$ (37,470)
Intergovernmental charges	8,500	8,500	8,500	-
Use of money and property	6,000	6,000	43,634	37,634
Licenses and permits	10,000	10,000	4,694	(5,306)
Sale of property and compensation for loss	1,150,000	1,150,000	1,395,436	245,436
State aid	9,930,603	11,930,603	8,754,298	(3,176,305)
Total revenues	<u>11,514,303</u>	<u>13,514,303</u>	<u>10,578,292</u>	<u>(2,936,011)</u>
EXPENDITURES				
Current:				
Transportation	<u>19,024,879</u>	<u>27,737,590</u>	<u>16,845,846</u>	<u>10,891,744</u>
Total expenditures	<u>19,024,879</u>	<u>27,737,590</u>	<u>16,845,846</u>	<u>10,891,744</u>
Excess (deficiency) of revenues over expenditures	<u>(7,510,576)</u>	<u>(14,223,287)</u>	<u>(6,267,554)</u>	<u>7,955,733</u>
OTHER FINANCING SOURCES (USES)				
Transfers in	7,510,576	7,510,576	7,510,576	-
Transfers out	<u>-</u>	<u>(1,299,159)</u>	<u>(99,159)</u>	<u>1,200,000</u>
Total other financing sources (uses)	<u>7,510,576</u>	<u>6,211,417</u>	<u>7,411,417</u>	<u>1,200,000</u>
Net change in fund balances	-	(8,011,870)	1,143,863	9,155,733
Fund balances—beginning	<u>64,641</u>	<u>64,641</u>	<u>64,641</u>	<u>-</u>
Fund balances—ending	<u>\$ 64,641</u>	<u>\$ (7,947,229)</u>	<u>\$ 1,208,504</u>	<u>\$ 9,155,733</u>

The notes to the required supplementary information are an integral part of this schedule.

COUNTY OF OSWEGO, NEW YORK
Notes to the Required Supplementary Information
Year Ended December 31, 2024

1. OPEB LIABILITY

Changes in Assumptions—Changes in assumptions reflect the effects of changes in the long-term discount rate and the mortality rate. The discount changed from 3.26% effective December 31, 2023 to 4.08% effective December 31, 2024.

2. BUDGETARY INFORMATION

Budgetary Basis of Accounting—Annual budgets are adopted on a basis consistent with accounting principles generally accepted in the United States of America for all governmental funds, except the Capital Projects Fund. These funds are appropriated on a project-length basis; appropriations are approved through a County Legislature resolution at the project's inception and lapse upon completion/termination of the project.

The appropriated budget is prepared by fund, function, and department. Transfers of appropriations require the approval of the County Legislature. The legal level of budgetary control (i.e., the level at which expenditures may not legally exceed appropriations) is the departmental level.

Appropriations in all budgeted funds lapse at the end of the year even if they have related encumbrances.

Actual results of operations presented in accordance with GAAP and the County's accounting policies do not recognize encumbrances and restricted fund balance as expenditures until the period in which the actual goods or services are received and a liability is incurred. Encumbrances are only reported on the balance sheet of the governmental funds included within restricted, committed or assigned fund balance. Significant encumbrances are disclosed in the notes to the financial statements.

SUPPLEMENTARY INFORMATION

COUNTY OF OSWEGO, NEW YORK
Combining Balance Sheet—Nonmajor Governmental Funds
December 31, 2024

	<u>Special Revenue</u>			<u>OTASC</u>	<u>Total</u>
	<u>Road</u>	<u>Special</u>	<u>OTASC</u>	<u>Debt</u>	<u>Nonmajor</u>
	<u>Machinery</u>	<u>Grant</u>	<u>General</u>	<u>Service</u>	<u>Funds</u>
ASSETS					
Cash and cash equivalents	\$ 220,792	\$ -	\$ -	\$ -	\$ 220,792
Restricted cash and cash equivalents	-	90,416	-	1,968,592	2,059,008
Other receivables	-	68,867	-	-	68,867
Intergovernmental receivables	838	98,023	-	-	98,861
Prepaid items	27,171	38,744	-	-	65,915
Total assets	<u>\$ 248,801</u>	<u>\$ 296,050</u>	<u>\$ -</u>	<u>\$ 1,968,592</u>	<u>\$ 2,513,443</u>
LIABILITIES					
Accounts payable	\$ 263,917	\$ 1,954	\$ -	\$ -	\$ 265,871
Accrued liabilities	25,819	23,303	-	-	49,122
Total liabilities	<u>289,736</u>	<u>25,257</u>	<u>-</u>	<u>-</u>	<u>314,993</u>
FUND BALANCES					
Nonspendable	27,171	38,744	-	-	65,915
Restricted	-	232,049	-	1,968,592	2,200,641
Unassigned	(68,106)	-	-	-	(68,106)
Total fund balances (deficit)	<u>(40,935)</u>	<u>270,793</u>	<u>-</u>	<u>1,968,592</u>	<u>2,198,450</u>
Total liabilities and fund balances (deficit)	<u>\$ 248,801</u>	<u>\$ 296,050</u>	<u>\$ -</u>	<u>\$ 1,968,592</u>	<u>\$ 2,513,443</u>

COUNTY OF OSWEGO, NEW YORK
Combining Statement of Revenues, Expenditures, and Changes in Fund Balances—
Nonmajor Governmental Funds
Year Ended December 31, 2024

	Special Revenue			OTASC	Total
	Road Machinery	Special Grant	OTASC General	Debt Service	Nonmajor Funds
REVENUES					
Intergovernmental charges	\$ -	\$ -	\$ -	\$ 1,527,172	\$ 1,527,172
Use of money and property	334,215	2,389	-	117,175	453,779
Sale of property and compensation for loss	39,323	-	-	-	39,323
Miscellaneous	-	22,490	-	-	22,490
Interfund revenues	-	83,785	-	-	83,785
State aid	-	352,479	-	-	352,479
Federal aid	-	1,249,469	-	-	1,249,469
Total revenues	<u>373,538</u>	<u>1,710,612</u>	<u>-</u>	<u>1,644,347</u>	<u>3,728,497</u>
EXPENDITURES					
Current:					
General government support	-	-	66,301	-	66,301
Transportation	2,860,825	-	-	-	2,860,825
Economic assistance and opportunity	-	2,574,603	-	-	2,574,603
Employee benefits	174,331	-	-	-	174,331
Debt service:					
Principal	-	-	-	660,000	660,000
Interest and other fiscal charges	-	-	-	913,052	913,052
Total expenditures	<u>3,035,156</u>	<u>2,574,603</u>	<u>66,301</u>	<u>1,573,052</u>	<u>7,249,112</u>
'Excess (deficiency) of revenues over expenditures	<u>(2,661,618)</u>	<u>(863,991)</u>	<u>(66,301)</u>	<u>71,295</u>	<u>(3,520,615)</u>
OTHER FINANCING SOURCES (USES)					
Transfers in	3,014,884	875,646	65,734	-	3,956,264
Transfers out	<u>(595,334)</u>	<u>-</u>	<u>-</u>	<u>(65,734)</u>	<u>(661,068)</u>
Total other financing sources (uses)	<u>2,419,550</u>	<u>875,646</u>	<u>65,734</u>	<u>(65,734)</u>	<u>3,295,196</u>
Net change in fund balances	(242,068)	11,655	(567)	5,561	(225,419)
Fund balances—beginning	201,133	259,138	567	1,963,031	2,423,869
Fund balances (deficit)—ending	<u>\$ (40,935)</u>	<u>\$ 270,793</u>	<u>\$ -</u>	<u>\$ 1,968,592</u>	<u>\$ 2,198,450</u>

COUNTY OF OSWEGO, NEW YORK
Combining Statement of Net Position—Internal Service Funds
December 31, 2024

	<u>Workers'</u> <u>Compensation</u>	<u>Health</u> <u>Insurance</u>	<u>Total</u> <u>Internal</u> <u>Service Funds</u>
ASSETS			
Current assets:			
Cash and cash equivalents	\$ 19,666,951	\$ 3,609,188	\$ 23,276,139
Receivables	2,412	243,636	246,048
Intergovernmental receivables	9,655	-	9,655
Prepaid items	2,460	-	2,460
Total current assets	<u>19,681,478</u>	<u>3,852,824</u>	<u>23,534,302</u>
Total assets	<u>19,681,478</u>	<u>3,852,824</u>	<u>23,534,302</u>
LIABILITIES			
Current liabilities:			
Accounts payable	306,166	-	306,166
Intergovernmental payables	642,222	-	642,222
Accrued workers' compensation	1,290,788	-	1,290,788
Total current liabilities	<u>2,239,176</u>	<u>-</u>	<u>2,239,176</u>
Noncurrent liabilities:			
Accrued health insurance	-	889,350	889,350
Accrued workers' compensation	17,003,404	-	17,003,404
Total noncurrent liabilities	<u>17,003,404</u>	<u>889,350</u>	<u>17,892,754</u>
Total liabilities	<u>19,242,580</u>	<u>889,350</u>	<u>20,131,930</u>
NET POSITION			
Unrestricted	438,898	2,963,474	3,402,372
Total net position	<u>\$ 438,898</u>	<u>\$ 2,963,474</u>	<u>\$ 3,402,372</u>

COUNTY OF OSWEGO, NEW YORK
Combining Statement of Revenue, Expenses, and Changes in Net Position—
Internal Service Funds
Year Ended December 31, 2024

	<u>Workers'</u> <u>Compensation</u>	<u>Health</u> <u>Insurance</u>	<u>Total</u> <u>Internal</u> <u>Service Funds</u>
Operating revenues:			
Charges for services - intergovernmental	\$ 2,279,299	\$ -	\$ 2,279,299
Charges for services - interfund	-	14,883,840	14,883,840
Participant assessments	-	4,107,741	4,107,741
Other	523,802	942,943	1,466,745
Total operating revenues	<u>2,803,101</u>	<u>19,934,524</u>	<u>22,737,625</u>
Operating expenses:			
Salaries and wages	61,710	-	61,710
Fringe benefits	25,519	-	25,519
Claims payments and administration	560,120	19,510,543	20,070,663
Contractual expenses	504,802	1,183,904	1,688,706
Total operating expenses	<u>1,152,151</u>	<u>20,694,447</u>	<u>21,846,598</u>
Operating income (loss)	<u>1,650,950</u>	<u>(759,923)</u>	<u>891,027</u>
Nonoperating revenues:			
Interest earnings	6,438	-	6,438
Total nonoperating revenues	<u>6,438</u>	<u>-</u>	<u>6,438</u>
Change in net position	1,657,388	(759,923)	897,465
Net position—beginning	<u>(1,218,490)</u>	<u>3,723,397</u>	<u>2,504,907</u>
Net position—ending	<u>\$ 438,898</u>	<u>\$ 2,963,474</u>	<u>\$ 3,402,372</u>

COUNTY OF OSWEGO, NEW YORK
Combining Statement of Cash Flows—Internal Service Funds
Year Ended December 31, 2024

	Workers'	Health	Total
	Compensation	Insurance	Internal
			Service Funds
CASH FLOWS FROM OPERATING ACTIVITIES			
Receipts from services provided	\$ 5,240,045	\$ 18,973,024	\$ 24,213,069
Receipts from other operating revenues	523,802	942,943	1,466,745
Payments to employees	(87,229)	-	(87,229)
Payments to suppliers and service providers	(504,802)	(1,183,904)	(1,688,706)
Payments for claims	(4,360,092)	(19,048,811)	(23,408,903)
Net cash provided by (used for) operating activities	<u>811,724</u>	<u>(316,748)</u>	<u>494,976</u>
CASH FLOWS FROM INVESTING ACTIVITIES			
Interest income earned	<u>6,438</u>	<u>-</u>	<u>6,438</u>
Net cash provided by investing activities	<u>6,438</u>	<u>-</u>	<u>6,438</u>
Net change in cash and cash equivalents	818,162	(316,748)	501,414
Cash and cash equivalents—beginning	<u>18,848,789</u>	<u>3,925,936</u>	<u>22,774,725</u>
Cash and cash equivalents—ending	<u>\$ 19,666,951</u>	<u>\$ 3,609,188</u>	<u>\$ 23,276,139</u>
Reconciliation of operating income (loss) to net cash provided by (used for) operating activities:			
Operating income (loss)	\$ 1,650,950	\$ (759,923)	\$ 891,027
Adjustments to reconcile operating income (loss) to net cash provided by (used for) operating activities:			
Decrease (increase) in receivables	2,318,979	(18,557)	2,300,422
(Increase) in prepaid items	(455)	-	(455)
Increase in payables	663,682	-	663,682
(Decrease) increase in accrued liabilities	(3,821,432)	461,732	(3,359,700)
Total adjustments	<u>(839,226)</u>	<u>443,175</u>	<u>(396,051)</u>
Net cash provided by (used for) operating activities	<u>\$ 811,724</u>	<u>\$ (316,748)</u>	<u>\$ 494,976</u>

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INDEPENDENT AUDITORS' 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

Honorable County Legislature
County of Oswego, New York:

We have audited, 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 ("*Government Auditing Standards*"), the financial statements of the governmental activities, the business-type activities, the discretely presented component units, each major fund, and the aggregate remaining fund information of the County of Oswego, New York (the "County") as of and for the year ended December 31, 2024 (with the Oswego County Industrial Development Agency for the fiscal year ended July 31, 2024), and the related notes to the financial statements, which collectively comprise the County's basic financial statements, and have issued our report thereon dated September 26, 2025. Our report is qualified on the Oswego County Soil and Water Conservation District discretely presented component unit and includes a reference to other auditors who audited the financial statements of the Oswego County Industrial Development Agency and the Oswego County Land Bank Corporation, as described in our report on the County'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 the County'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 the County's internal control. Accordingly, we do not express an opinion on the effectiveness of the County'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 County'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 and therefore, material weaknesses or significant deficiencies may exist that were not identified. Given these limitations, during our audit we did not identify any deficiencies in internal control that we consider to be material weaknesses. We identified a certain deficiency in internal control, described in the accompanying schedule of findings as item 2024-001 that we consider to be a significant deficiency.

Report on Compliance and Other Matters

As part of obtaining reasonable assurance about whether the County'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*.

County's Response to Finding

Government Auditing Standards requires the auditor to perform limited procedures on the County's response to the finding identified in our audit and described in the accompanying schedule of findings. The County's response was not subjected to the other auditing procedures applied in the audit of the financial statements and, accordingly, we express no opinion on the response.

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 County'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 County's internal control and compliance. Accordingly, this communication is not suitable for any other purpose.

Drescher & Malecki LLP

September 26, 2025

COUNTY OF OSWEGO, NEW YORK
Schedule of Findings
Year Ended December 31, 2024

We consider the deficiency presented below to be a significant deficiency in internal control.

Finding 2024-001—Journal Entries

Criteria: All journal entries posted to the County's general ledger subsequent to providing the trial balance to the external auditors should be communicated to ensure completeness and accuracy of financial statement amounts tested.

Condition and Context: The County posted several journal entries to the general ledger for the December 31, 2023 audit period, yet did not provide such entries to the external auditors.

Cause: The County's fiscal year end closing procedures did not ensure timely communication of journal entries posted subsequent to providing the trial balances for the external audit.

Effect or Potential Effect: Increased risk of financial statement misstatement. Beginning fund balances for the fiscal year December 31, 2024 were not reconciled to audited financial statements for the year ended December 31, 2023.

Recommendation: We recommend that the County implement procedures during fiscal year end closing to ensure journal entries posted during performance of the audit are communicated in a timely manner.

Management's Response: Going forward, a reminder will be sent to all departments reiterating the policy to submit all financial data as of the date of the audited financial statements. The Treasurer's office will adhere to the strict cut-off dates and adjustments will only be made in the current fiscal year.