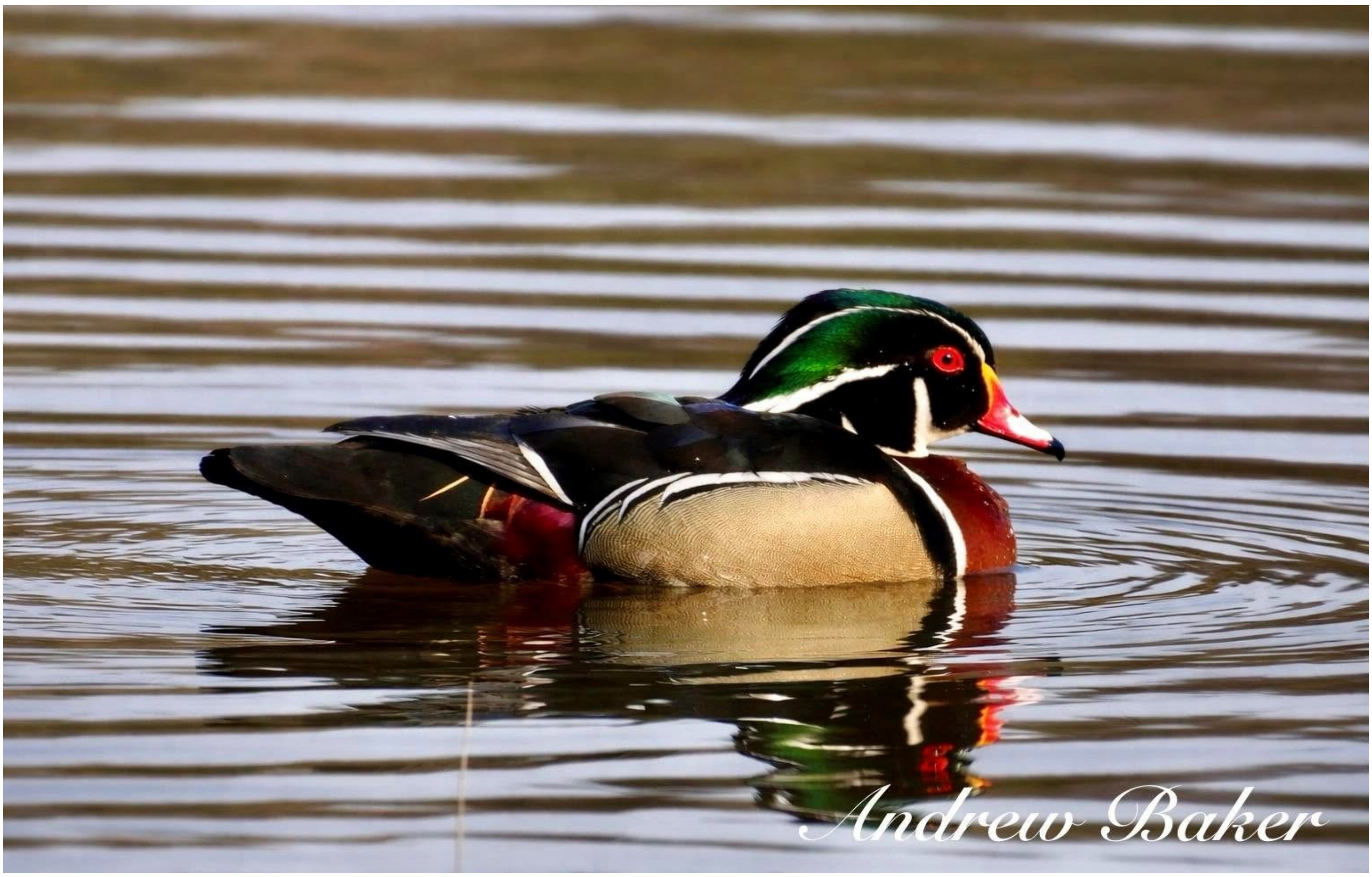
COUNTY OF SULLIVAN

NEW YORK



PHOTOGRAPHER: ANDREW BAKER

WOOD DUCK

ANNUAL COMPREHENSIVE FINANCIAL REPORT

FISCAL YEAR ENDED

DECEMBER 31, 2025

COUNTY OF SULLIVAN, NEW YORK

ANNUAL COMPREHENSIVE FINANCIAL REPORT
FOR THE FISCAL YEAR ENDED DECEMBER 31, 2025

PREPARED BY:
COUNTY OF SULLIVAN
TREASURER'S OFFICE
KATHLEEN LARA, TREASURER

COUNTY OF SULLIVAN, NEW YORK
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INTRODUCTORY SECTION

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Sullivan County Treasurer

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June 30, 2026

To the Legislature of the
County of Sullivan, New York
and the citizens of Sullivan County:

The Annual Comprehensive Financial Report ("ACFR") for the County of Sullivan, New York for the fiscal year ended December 31, 2025 is submitted herewith. New York State requires the County to submit an annual report of our financial records and transactions presented in conformity with generally accepted accounting principles ("GAAP") and audited in accordance with generally accepted auditing standards by a firm of licensed certified public accountants. This ACFR is issued pursuant to that requirement.

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

The County's basic financial statements have been audited by Drescher Malecki, LLP, an accounting firm of licensed certified public accountants specializing in governmental and not for profit entities. The goal of the independent audit was to provide reasonable assurance that the basic financial statements of the County for the fiscal year ended December 31, 2025 are free of material misstatement. The independent audit involved examining, on a test basis, evidence supporting the amounts and disclosures in the basic financial statements; assessing the accounting principles used and significant estimates made by management; and evaluating the overall financial statement presentation. The independent auditor concluded, based upon the audit, that there was a reasonable basis for rendering an unmodified opinion that the County of Sullivan's basic financial statements for the fiscal year ended December 31, 2025, are fairly presented in conformity with GAAP. The independent auditor's report is presented as the first component of the financial section of this report. The financial section also includes a narrative introduction, overview and analysis of the

December 31, 2025 financial statements to accompany the basic financial statements in the form of Management's Discussion and Analysis ("MD&A"). The letter of transmittal was designed to complement the MD&A and should be read in conjunction with it. The County's MD&A can be found immediately following the report of the independent auditor.

The independent audit of the basic financial statements of the County was part of a broader, federally mandated "Single Audit" designed to meet the special needs of Federal grantor agencies. The standards governing Single Audit engagements require the independent auditor to not only report on the fair presentation of the basic financial statements, but also on the audited government's internal controls and compliance with legal requirements, with special emphasis on internal controls and legal requirements involving the administration of Federal awards. These reports are available in the County's separately issued Single Audit Report.

GOVERNMENTAL STRUCTURE

The County operates under a Charter form of government, which allows the local community to have greater control over certain governmental issues. The Charter provides for a County Legislature form of government with nine members. Each Legislator has one vote representing a separate legislative district. Districts were determined by dividing the County on the basis of population. Each Legislator is elected to a four-year term. An appointed County Manager is the Chief Executive Officer of the County. The County Treasurer is the Chief Fiscal Officer of the County, and is elected for a four-year term.

In accordance with the Laws of the State of New York, the County has formally established budgetary accounting control for its operating funds. Budgetary control is maintained at the department or function level by the encumbrance of estimated purchase amounts before the release of purchase orders to vendors. Purchase orders that result in an overrun of division balances are not released until additional appropriations are made available through transfer from other accounts, either by approval of budget modifications by the County Legislature or by administrative transfer.

The charter mandates a review every 10 years, by a Charter Review Commission appointed to research and assess issues affecting the effectiveness of the County's government. This entity submits recommendations for change to the County Legislature, and if the legislature approves the recommendations, it adopts a local law(s), some of which may be subject to a public referendum, presented to the voters to accept or reject proposed changes to the County's form of government.

GENERAL INFORMATION

Sullivan County, formerly a part of Ulster County, was created by a special act of the New York State Legislature in 1809. The County's geographic location and economic history make it very unique in terms of its population trends and economic transition. Located approximately 85 miles northwest of the New York City Metropolitan Area, the County is experiencing steady growth as a result of the out-migration of individuals from the New York Metropolitan Area, Orange and Ulster counties, and an influx of second home owners. Much of this growth is driven by lower median sale prices of homes compared to other neighboring counties in the Hudson-Delaware Region (i.e. Orange, Putnam, Rockland), and the County's desirability as a place to live.

The year-round population of Sullivan County has remained relatively stable, while continuing to experience modest growth in recent years. According to the 2020 U.S. Census, Sullivan County had a population of 78,624. More recent Census estimates place the population at approximately 79,920 in 2023, reflecting a 1.7% increase since 2020, with projections and ongoing estimates indicating continued growth to approximately 80,450 in 2025 — a 2.3% increase from the 2020 Census count. This trend has been driven in part by the continued migration of New York City residents seeking more affordable housing, expanded remote work opportunities, and an improved quality of life. Located approximately 90 miles from New York City and supported by expanding broadband infrastructure, Sullivan County offers residents the ability to maintain metropolitan employment while benefiting from a more rural and scenic environment.

ECONOMIC CONDITION AND OUTLOOK

The NYS Comptroller's Office has designated Sullivan County free of fiscal stress, with the County's finances continuing to be in the best shape since reporting began. Sullivan County scored better than ever, once again earning the best rank of "No Designation" (meaning there are no indications of the County being susceptible to fiscal stress at this time). "No Designation" Is the Best Designation a municipality can receive from the Comptroller. In addition, for the fourth year in a row, the County also received 'No Designation' for environmental stress, meaning prospects are excellent for the County continuing that stability.

The past few years have seen ongoing improvement in Sullivan's fiscal situation. In 2020, the County earned a Fiscal Stress score of 35.8 points. That improved dramatically to 13.3 in 2021 (a lower score indicating better finances), then to 3.3 in 2022, dropping to the lowest (and best) score possible of 0 in 2023, which carried on into 2024. Information for 2025 was not yet available as of the date of the ACFR.

Meanwhile, the Environmental Stress score dropped from 23.3 in 2020 to 20 points in 2021, then a best-ever 13.3 for 2022, where it remained for both 2023 and 2024. Unlike Fiscal Stress, the data used to create the Environmental Stress score–population changes, poverty levels, tax base, unemployment rates, state/federal aid, and other items–represents issues that are not fully within the County's control.

Sullivan County is experiencing a tourism resurgence driven by a unique combination of natural beauty, strategic investment, changing travel trends, and renewed interest in the Catskills lifestyle. Once known primarily for the decline of the old Borscht Belt era, the County has reinvented itself as a four-season destination that attracts visitors from New York City, New Jersey, and beyond. A major reason for this growth is the County's ability to capitalize on modern tourism preferences. Travelers increasingly seek destinations that offer outdoor recreation, wellness, small-town charm, entertainment, and easy access from urban areas. Sullivan County delivers all of these. Located roughly two hours from Manhattan, the region offers lakes, hiking, fly fishing, skiing, music venues, breweries, farm-to-table dining, and boutique lodging all within a scenic Catskills setting.

The post-pandemic travel economy accelerated demand for drivable destinations and second-home communities, and Sullivan County has benefited significantly from that shift. Community discussions online regularly highlight the County's balance of accessibility and natural beauty as a major draw for both visitors and new property owners.

The growth of destination resorts and entertainment venues has also transformed the County's tourism economy. Resorts World Catskills and The Kartrite Resort & Indoor Waterpark have brought year-round visitation, hospitality jobs, conferences, concerts, and family tourism to the region. Resorts World alone has generated more than 1,400 jobs and helped stimulate additional commercial development in the Town of Thompson. Local officials and tourism leaders have credited the resort with helping revitalize surrounding businesses and restoring Sullivan County's reputation as a regional tourism hub.

Importantly, Sullivan County's tourism growth is no longer dependent on one industry or season. The County has diversified its attractions. Outdoor recreation in places like the Delaware River corridor, Bethel Woods concerts and cultural tourism, agritourism, craft beverage trails, boutique hotels, wedding venues, and wellness retreats have all expanded the visitor base. This diversification creates a more resilient tourism economy that supports small businesses throughout the County rather than concentrating activity in one area alone.

The County is also benefiting from broader demographic and economic trends. Remote work has encouraged more people to spend extended time in the Catskills, blurring the line between tourists and part-time residents. Many visitors who initially came for weekend escapes during the pandemic have since purchased homes, invested in businesses, or returned repeatedly as seasonal travelers. This has increased demand for restaurants, retail, lodging, entertainment, and local services throughout Sullivan County.

Public and private investment further reinforces this momentum. Sullivan County leaders continue pursuing infrastructure improvements, hospitality development, and redevelopment projects aimed at sustaining long-term tourism growth. Recent efforts surrounding the Adelaar and Resorts World properties demonstrate a continued commitment to protecting and expanding tourism-related economic activity in the region.

Perhaps most importantly, Sullivan County now offers something many destinations cannot: authenticity. Visitors are increasingly looking for experiences rooted in history, culture, nature, and community rather than overcrowded commercial tourism centers. The Catskills brand carries historic significance and nostalgia, while new businesses and attractions are modernizing the experience for a new generation of travelers. Sullivan County has successfully positioned itself at the intersection of heritage and reinvention.

In June 2025, fourteen local residents successfully graduated from a Sullivan County-funded electrical certification course, the fifth in an ongoing series of skilled trades classes the Center for Workforce Development (CWD) is offering in conjunction with Sullivan BOCES and SUNY Sullivan. The 10-week program was administered by the CWD, part of the County's Division of Community Resources. Open to those 18 and older who applied and passed a rigorous selection process, classes were held twice a week at SUNY Sullivan in Loch Sheldrake. Tuition for the course was entirely paid for by the County, with the expectation that graduates quickly secure local employment in that field (aided by the CWD). This was hands-on training by a skilled instructor, and graduates of this program were ready to work – or were already employed – with a number of local employers who value their newfound skills.

Building upon the popularity and success of construction, auto repair, security guard, welding and electrician courses offered in the last two years, Sullivan County's Center for Workforce Development (CWD) and SUNY Sullivan teamed up once again to offer a practical skills course, this time to become a Certified Nursing Assistant (CNA) – at no cost to up to 15 local residents who qualify. During the 11-week program, graduates will learn the skills necessary to be employable in the very much in-demand healthcare field. Graduates will also need to commit to finding local employment in this field at the conclusion of the class.

The Sullivan Promise Scholarship is an ongoing initiative in SUNY Sullivan and Sullivan County Legislature designed to expand access to higher education, strengthen the local workforce, and invest in the County's future. The program provides eligible Sullivan County students with the opportunity to attend SUNY Sullivan tuition-free after applicable federal, state, and institutional aid is applied, helping reduce the financial barriers associated with earning a college degree. By supporting local students and encouraging them to live, learn, and eventually work within the community, the Sullivan Promise Scholarship continues to serve as both an educational opportunity and an economic development strategy aimed at retaining young talent, reducing student debt, and building long-term prosperity throughout Sullivan County.

MAJOR INITIATIVES AND THE FUTURE

Archtop Fiber has officially broken ground in Sullivan County, launching a major broadband expansion made possible through New York State's ConnectALL Municipal Infrastructure Program. Sullivan County secured $29.9 million—the largest grant in its history—to build publicly owned broadband infrastructure that will finally bring high-speed, affordable internet to long-underserved communities. State and federal leaders emphasized that this investment will expand access to education, healthcare, economic opportunity, and essential digital services for more than 22,000 homes.

Supported by nearly 220 miles of new fiber, almost entirely underground, Archtop Fiber will deliver up to 10-gig symmetrical service, with customer installations beginning later this year and full buildout expected by the end of 2026. The project is also expected to create local jobs and attract new businesses and remote workers, strengthening the region's long-term economic outlook. County leaders celebrated the milestone as the result of years of planning and partnership, noting that Sullivan County is now positioned to close the digital divide and bring world-class connectivity to every corner of its 1,000 square miles.

In May 2025, Sullivan County was awarded $500,000, the maximum available through the County Emergency Medical Services Support Grant Program, to enhance the local emergency response system. In its application to the New York State Department of Health, the County identified gaps in EMS provider capabilities, patient outcomes, and response times. The funding supported initiatives focused on recruitment and retention, expanded affordable EMT and advanced EMT training opportunities, acquisition of diagnostic equipment, and seasonal staffing enhancements to address increased summer demand. County officials noted that 911 call volume historically tripled during the summer months, placing significant strain on both volunteer and career EMS providers. The grant funded a four-part initiative that included free EMT certification programs and supplies, a Countywide EMS recruitment and retention campaign, efforts to standardize Basic Life Support services across agencies, and the addition of EMS resources during peak summer months. Funding also allowed local agencies to obtain equipment to improve heart attack detection and supported the deployment of additional EMS units in June, July, and August to reduce response times and improve patient outcomes. County officials credited the successful award to extensive collaboration among the Division of Public Safety, the Department of Grants Administration, and EMS leadership, and described the funding as a significant investment in strengthening emergency medical services throughout Sullivan County

In 2025, Sullivan County established a $2 million Housing Trust Fund as part of its ongoing effort to address the growing need for affordable and workforce housing throughout the County. The initiative was included in the adopted County budget and represented one of the most significant local investments to date in expanding housing opportunities for residents. County officials identified housing availability and affordability as critical issues impacting economic growth, workforce retention, and overall quality of life. The fund was designed to support the development and preservation of housing options for working families, seniors, and individuals facing housing insecurity.

In addition to the Housing Trust Fund, the County allocated funding toward rental assistance and other housing-related support programs aimed at helping residents maintain stable housing while encouraging long-term community development. County leadership emphasized that the investment was intended to leverage additional state, federal, and private funding opportunities to maximize the impact of local taxpayer dollars. The initiative reflected Sullivan County's broader commitment to strengthening neighborhoods, supporting employers struggling with workforce housing shortages, and creating sustainable housing solutions that meet the needs of current and future residents.

In October 2025, Sullivan County and Sullivan Catskills Visitors Association launched the Sullivan County Tourism Grant Program, a $300,000 initiative funded by lodging tax revenue to strengthen the region's tourism economy. The program aims to boost overnight visitation, support arts and culture, and help communities build strong visitor-facing identities, all with an emphasis on measurable impact and sustainable growth.

Grants fall into four categories: Room/night-Focused Grants (60% of funds) to drive overnight stays; Arts & Culture Enhancement Grants for exhibitions and cultural programming; Village, Hamlet & Micro-Brand Grants to support local branding and storytelling; and Events & Festivals Support Grants to grow high-quality events. Applicants can pursue either Catalyst Grants for new ideas or Legacy Grants for proven initiatives. Two application rounds will run from late 2025 through spring 2026, with awards announced in January and May.

FINANCIAL POLICIES

Over the last few years the County has implemented or modified several policies, including Capital Planning, Strategic Planning, Performance Budgeting, the Delinquent Tax Installment Program, a Debt Management Plan, and a Fund Balance Policy.

The Capital Planning Program requires the preparation of a plan listing proposed capital projects to be undertaken during the succeeding six-year period. The plan includes a description of the project, total cost, method of financing, along with other pertinent information.

The Strategic Plan is similar to Capital Planning in that it outlines, in order of priority, the programs and fiscal priorities set by and for each department for the succeeding two years. In both programs, the Legislature has the authority to adopt and amend the plans as needed. These plans provide information necessary to prioritize departmental goals and prepare the County budget.

The County continues to offer an installment payment option to delinquent taxpayers. The program allows all property owners to enter into agreements which, after an initial down payment, converts the delinquent tax balance into 24 equal monthly payments and stays tax foreclosure proceedings. During the contract term, the property owner is required to pay any subsequent taxes when due in addition to the installment payments. Failure to do so results in a default of the agreement, forfeiture of payments made and eventual tax foreclosure.

The County also adopted a Debt Management Policy in 2013 in an effort to standardize and support the issuance and management of debt. This policy will help to establish conditions for the use of debt and create procedures and policies that minimize debt service and issuance costs, maintain the highest practical credit rating, and provide full and complete financial disclosure and reporting.

A Fund Balance Policy was created to establish clear policies and procedures for developing, appropriating, and managing the County's operating budget and capital program. This includes a policy for establishing year-end fund balances that meet specific targets for ensuring accounting and fiscal stability.

AWARDS

The Government Finance Officers Association of the United States and Canada ("GFOA") awarded a Certificate of Achievement for Excellence in Financial Reporting to the County for its Annual Comprehensive Financial Report for the fiscal year ended December 31, 2024.

In order to award a Certificate of Excellence, a governmental unit must publish an easily readable and efficiently organized Annual Comprehensive Financial Report, the contents of which conform to program standards. Such reports must satisfy both generally accepted accounting principles and applicable legal requirements.

A Certificate of Achievement is valid for a period of one year only. We believe our current report continues to conform to the Certificate of Achievement program requirements, and we are submitting it to the GFOA to determine its eligibility for another certificate.

The Sullivan County Budget Office has earned the Distinguished Budget Presentation Award from GFOA. A panel of judges reviewed over 1,700 budgets submitted to the GFOA. They judged the budgets on their excellence as policy documents, financial plans, operations guides, and communications devices, deeming Sullivan's to be proficient in all four categories.

CONCLUSION

The County, in anticipation of future expenditures, has assigned fund balance for various projects in excess of $49.9 million and has an unassigned fund balance for 2025 of approximately $5 million.

In the County's 2026 budget, we have continued to project our revenues at reasonable levels. The County's financial outlook continues to be optimistic; however, in the present economy, we are carefully monitoring expenses and capital commitments in light of revenues that are holding their own. We will continue to monitor as well as cut expenditures in the future as necessary, pending an upswing in the economy locally, statewide, and nationally.

ACKNOWLEDGMENTS

Preparation of this report on a timely basis could not be accomplished without the efficient and dedicated services of the entire staff of the Treasurer's Accounting Department, to whom I would like to express my sincere appreciation. My thanks are directed as well to our independent auditors, Drescher Malecki LLP, who assisted and contributed to its preparation. I would also like to thank the County Legislature, the County Manager, and the Budget Office staff for their dedication and support in the financial operations of the County.

Respectfully submitted,

Kathleen Lara

Kathleen Lara
Sullivan County Treasurer

Elected Officials:

County Treasurer .... Kathleen Lara

County Clerk .... Russell Reeves

District Attorney .... Brian Conaty

Sheriff .... Michael A. Schiff

Coroner .... Albee Bockman

Coroner .... Elton Harris

Coroner .... Alan Kesten

Coroner .... .Michael J. Speer

Legislature:

District 1 .... Matt McPhillips

District 2 .... Nadia Rajsz

District 3 .... Brian McPhillips

District 4 .... Nicholas Salamone Jr.

District 5 .... Catherine Scott

District 6 .... Luis Alvarez

District 7 .... Joseph Perrello

District 8 .... Amanda Ward

District 9 .... Terry Blosser-Bernardo

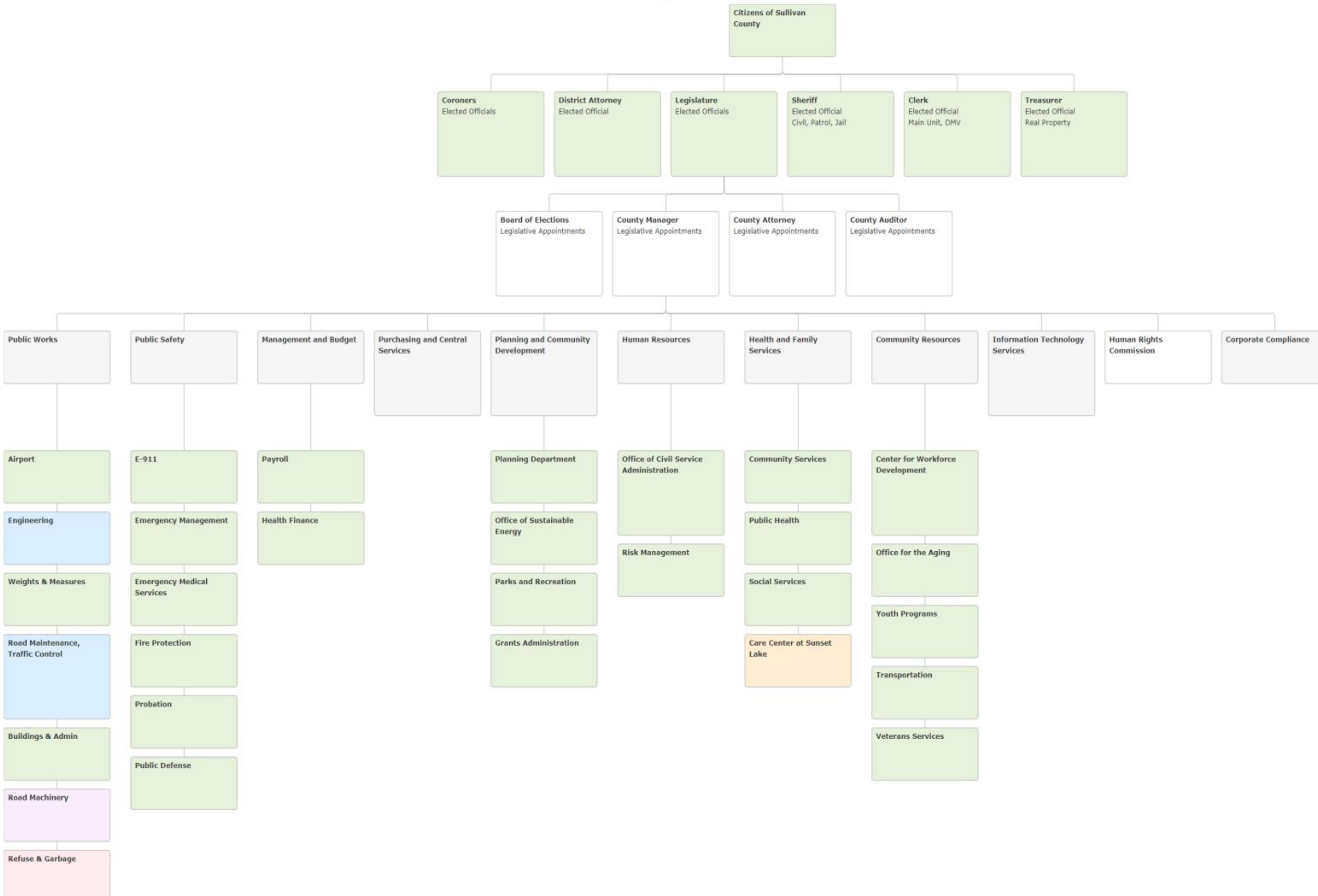
Appointed Officials:

County Manager .... Joshua Potosek

Assistant County Manager .... Michelle Bowers

Deputy County Treasurer .... Khristopher DiBartolo

Sullivan County Organizational Chart



Government Finance Officers Association

Certificate of Achievement for Excellence in Financial Reporting

Presented to

County of Sullivan
New York

For its Annual Comprehensive
Financial Report
For the Fiscal Year Ended

December 31, 2024

Christopher P. Morrill

Executive Director/CEO

FINANCIAL SECTION

DRESCHER & MALECKI LLP
2721 Transit Road, Suite 111
Elma, New York 14059
Telephone: 716.565.2299
Fax: 716.389.5178

INDEPENDENT AUDITORS' REPORT

The Honorable County Legislature of the
County of Sullivan, New York:

Report on the Audit of the Financial Statements

Opinions

We have audited the accompanying financial statements of the governmental activities, the business-type activities, the aggregate discretely presented component units, each major fund, and the aggregate remaining fund information of the County of Sullivan, New York (the "County"), as of and for the year ended December 31, 2025 (with the Sullivan County Community College for the fiscal year ended August 31, 2025), and the related notes to the financial statements, which collectively comprise the County's basic financial statements as listed in the table of contents.

In our opinion, based on our audit and the reports of the other auditors, the accompanying financial statements present fairly, in all material respects, the respective financial position of the governmental activities, the business-type activities, the aggregate discretely presented component units, each major fund, and the aggregate remaining fund information of the County, as of December 31, 2025, and the respective changes in financial position and, where applicable, cash flows thereof, for the year then ended in accordance with accounting principles generally accepted in the United States of America.

We did not audit the financial statements of the Sunset Lake Local Development Corporation, the Sullivan Tobacco Asset Securitization Corporation, the Sullivan County Funding Corporation, the Sullivan County Infrastructure Local Development Corporation, the Sullivan County Resort Facilities Local Development Corporation, or the Sullivan County Broadband Local Development Corporation, which represent 0.0 percent, 2.6 percent, 1.4 percent, 84.3 percent, 0.3% percent and 0.0 percent, respectively, of the assets, and 0.0 percent, 2.7 percent, 0.8 percent, 23.2 percent, 6.0 percent and 0.0 percent, respectively, of the revenues of the business-type activities. We did not audit the financial statements of the Sullivan County Community College, Sullivan County Industrial Development Agency, the Emerald Corporate Center Economic Development Corporation, or the Sullivan County Lank Bank Corporation, which represent 46.0 percent, 27.6 percent, 3.2 percent, and 8.7 percent, respectively, of the assets, and 84.3 percent, 3.8 percent, 0.2 percent, and 5.0 percent, respectively, of the program revenues of the aggregate discretely presented component units. Those financial statements were audited by other auditors whose reports thereon have been furnished to us, and our opinion, insofar as it relates to the amounts included for the Sunset Lake Local Development Corporation, the Sullivan Tobacco Asset Securitization Corporation, the Sullivan County Funding Corporation, the Sullivan County Infrastructure Local Development Corporation, the Sullivan County Resort Facilities Local Development Corporation, Sullivan County Broadband Local Development Corporation, Sullivan County Community College, Sullivan County Industrial Development Agency, the Emerald Corporate Center Economic Development Corporation, and the Sullivan County Land Bank Corporation, is based solely on the reports of the other auditors.

Basis for Opinions

We conducted our audit in accordance with auditing standard generally accepted in the United States of America ("GAAS"). 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 to our audit. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinions.

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 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 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 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 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, are presented for purposes of additional analysis and are 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. Such information has been subjected to the auditing procedures applied in the audit of the basic financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the basic financial statements or to the basic financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the 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 Information

Management is responsible for the other information provided in the County's Annual Comprehensive Financial Report. The other information comprises the Introductory Section and Statistical Section, as listed in the table of contents, but does not include the financial statements and our auditors' report thereon. Our opinions on the basic financial statements do not cover the other information, and we do not express an opinion or any form of assurance thereon. In connection with our audit of the basic financial statements, our responsibility is to read the other information and consider whether a material inconsistency exists between the other information and the basic financial statements, or the other information otherwise appears to be materially misstated. If, based on the work performed, we conclude that an uncorrected material misstatement of the other information exists, we are required to describe it in our report.

Drescher & Malecki LLP

June 30, 2026 (except as to the Sullivan County Community College, which is as of July 13, 2026)

As management of the County of Sullivan, New York (the "County"), we offer readers of the County's financial statements this narrative overview and analysis of the financial activities of the County for the year ended December 31, 2025. 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. For comparative purposes, certain items from the prior year have been reclassified to conform with the current year presentation.

Financial Highlights

- The liabilities and deferred inflows of resources of the County's primary government exceeded its assets and deferred outflows of resources at the close of the most recent fiscal year by $7,975,777 (*net position*). Of this amount $58,817,356 represents governmental activities net position and $(66,793,133) represents business-type activities net position.

- The County's primary government total net position increased $37,621,432 during the year ended December 31, 2025. Net position increased $32,083,612 for governmental activities and increased $5,537,820 for business-type activities.

- At the end of the current fiscal year, the County's governmental funds reported a combined ending fund balance of $97,258,784, a decrease of $18,904,119 in comparison with the prior year's fund balance of $116,162,903.

- At the end of the current fiscal year, *unassigned fund balance* for the General Fund was $5,122,811, or 2.0 percent of total General Fund expenditures and transfers out. This amount constitutes approximately 6.1 percent of the General Fund's total fund balance of $84,004,358 at December 31, 2025, and is available for spending per the County's policy on fund balance.

- The County's governmental activities net bonded indebtedness decreased by $5,955,000 as a result of scheduled principal payments.

Overview of the Financial Statements

This 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 Sullivan County Adult Care Center, a skilled nursing facility, the Sunset Lake Local Development Corporation ("SLLDC"), the Sullivan County Tobacco Asset Securitization Corporation ("STASC"), the Sullivan County Funding Corporation ("SCFC"), the Sullivan County Infrastructure Local Development Corporation ("ILDC"), the Sullivan County Resorts Facilities Local Development Corporation ("RFLDC"), and the Sullivan Broadband Local Development Corporation ("BLDC").

The government-wide financial statements include not only the County itself (known as the *primary government*), but also legally separate entities, reported as discretely presented component units (the Sullivan County Community College, the Sullivan County Soil and Water Conservation District, the Sullivan County Industrial Development Agency, the Emerald Corporate Center Economic Development Corporation, and the Sullivan County Land Bank Corporation) for which the County is financially accountable. Financial information for the County's 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 26-27 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 the fiduciary fund.

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 fund balance sheet and the governmental fund 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 seven 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, County Road, Refuse and Garbage, and Capital Projects Funds, which are considered to be major funds. Data from the other three governmental funds are combined into a single, aggregate presentation. Individual fund data for each of these nonmajor funds is provided in the form of the combining statements in the Supplementary Information section of this report.

The basic governmental fund financial statements can be found on pages 28-31 of this report.

Proprietary funds—The County maintains two different types of proprietary funds. *Enterprise funds* are used to report the same functions presented as *business-type activities* in the government-wide financial statements. The County uses enterprise funds to account for the Adult Care Center, the SLLDC, the STASC, the SCFC, the ILDC, the RFLDC and the BLDC. *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 operation of the workers' compensation and dental benefits self-insurance programs. Because 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 Adult Care Center, the SLLDC, the STASC, the SCFC, the ILDC, the RFLDC and the BLDC, all of which are considered to be major funds of the County. Conversely, the internal service funds are combined into a single, aggregated presentation in the proprietary fund financial statements.

The proprietary fund financial statements can be found on pages 32-35 of this report.

Fiduciary funds—Fiduciary funds are used to account for resources held for the benefit of parties outside the government. 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 36-37 of this report.

Component units—As discussed above, component units are legally separate entities for which the County is financially accountable. The component units addressed above are reported in the aggregate in the government-wide financial statements. The combining statements can be found on pages 38-39 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 40-93 of this report.

Other information—In addition to the basic financial statements and accompanying notes, this report also presents *required supplementary information* concerning the changes in the County's other post-employment benefits obligation, the County's net pension liability/(asset), and the County's budgetary comparisons for the General, County Road, and Refuse and Garbage funds. Required supplementary information and the related notes to the required supplementary information can be found on pages 94-103 of this report.

Detail schedules in connection with major governmental funds, combining statements referred to earlier in connection with nonmajor governmental funds, and combining statements for internal service funds are presented immediately following the Required Supplementary Information in the Supplementary Information—Combining and Individual Fund Financial Statements and Schedules section of this report on pages 104-124.

Finally, the Statistical Section can be found on pages 125-143 of this report.

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, liabilities and deferred inflows of resources exceeded assets and deferred outflows of resources by $7,975,777 at the close of the most recent fiscal year, as compared to $45,597,209, at the close of the fiscal year ended December 31, 2024.

Table 1—Condensed Statements of Net Position—Primary Government

	Governmental Activities		Business-type Activities		Total Primary Government	
	December 31,		December 31,		December 31,	
	2025	2024	2025	2024	2025	2024
Current and other assets	$ 188,471,410	$ 195,948,931	$ (4,742,870)	$ (6,760,213)	$ 183,728,540	$ 189,188,718
Capital assets	320,568,478	298,660,659	73,443,337	76,766,473	394,011,815	375,427,132
Total assets	509,039,888	494,609,590	68,700,467	70,006,260	577,740,355	564,615,850
Deferred outflows of resources	60,067,781	81,777,686	4,441,761	6,712,381	64,509,542	88,490,067
Current liabilities	62,294,055	50,497,041	3,507,524	2,948,154	65,801,579	53,445,195
Noncurrent liabilities	320,784,828	378,444,722	126,569,775	135,807,697	447,354,603	514,252,419
Total liabilities	383,078,883	428,941,763	130,077,299	138,755,851	513,156,182	567,697,614
Deferred inflows of resources	127,211,430	120,711,769	10,293,743	10,293,743	137,505,173	131,005,512
Net position:						
Net investment in capital assets	215,360,135	193,434,413	(13,404,897)	(12,108,382)	201,955,238	181,326,031
Restricted	8,692,616	11,628,644	-	-	8,692,616	11,628,644
Unrestricted	(165,235,395)	(178,329,313)	(53,388,236)	(60,222,571)	(218,623,631)	(238,551,884)
Total net position	$ 58,817,356	$ 26,733,744	$ (66,793,133)	$ (72,330,953)	$ (7,975,777)	$ (45,597,209)

The largest positive portion of the County's primary government net position, $201,955,238, reflects its net investment in capital assets (e.g. land, buildings, machinery, equipment, and infrastructure), net of accumulated depreciation, less any related outstanding 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 its capital assets is reported net of related debt, it should be noted that the resources needed to repay this debt must be provided from other sources, since the capital assets themselves cannot be used to liquidate these liabilities.

An additional portion of net position, $8,692,616, 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 component of the County's net position, $(218,623,631), represents unrestricted net position. This deficit does not mean that the County does not have resources available to meets 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 landfill post-closure costs, compensated absences, other post-employment benefits ("OPEB") obligations, claims payable, 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, 2025 and December 31, 2024.

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,	
	2025	2024	2025	2024	2025	2024
Revenues:						
Program revenues:						
Charges for services	$ 38,645,964	$ 38,795,992	$ 25,125,917	$ 22,417,301	$ 63,771,881	$ 61,213,293
Operating grants and contributions	49,357,014	52,758,935	-	985,574	49,357,014	53,744,509
Capital grants and contributions	23,345,099	24,214,956	-	-	23,345,099	24,214,956
General revenues:						
Property taxes	74,817,050	71,264,056	-	-	74,817,050	71,264,056
Property tax items	6,539,941	7,363,945	-	-	6,539,941	7,363,945
Sales tax	74,818,090	80,212,238	-	-	74,818,090	80,212,238
Other nonproperty tax items	7,059,096	6,761,896	-	-	7,059,096	6,761,896
Use of money and property	3,562,641	4,158,646	243,429	288,601	3,806,070	4,447,247
Sale of property and compensation for loss	1,422,020	1,215,483	-	-	1,422,020	1,215,483
Miscellaneous	1,167,450	2,275,055	6,476,147	4,666,477	7,643,597	6,941,532
Total revenues	280,734,365	289,021,202	31,845,493	28,357,953	312,579,858	317,379,155
Expenses:						
General government support	46,023,657	47,273,645	-	-	46,023,657	47,273,645
Education	4,713,645	3,652,442	-	-	4,713,645	3,652,442
Public safety	40,776,480	38,704,512	-	-	40,776,480	38,704,512
Health	27,111,260	25,774,657	-	-	27,111,260	25,774,657
Transportation	38,693,295	43,846,230	-	-	38,693,295	43,846,230
Economic assistance and opportunity	70,652,676	68,672,217	-	-	70,652,676	68,672,217
Culture and recreation	3,111,800	2,935,375	-	-	3,111,800	2,935,375
Home and community services	14,136,728	20,287,877	-	-	14,136,728	20,287,877
Interest expense	2,844,362	3,063,332	-	-	2,844,362	3,063,332
Adult Care Center	-	-	15,515,498	18,624,173	15,515,498	18,624,173
SLLDC	-	-	412,049	540,316	412,049	540,316
STASC	-	-	559,280	577,198	559,280	577,198
Funding Corporation	-	-	139,493	226,510	139,493	226,510
ILDC	-	-	8,647,073	8,744,416	8,647,073	8,744,416
RFLDC	-	-	1,609,486	-	1,609,486	-
BLDC	-	-	11,644	13,159	11,644	13,159
Total expenses	248,063,903	254,210,287	26,894,523	28,725,772	274,958,426	282,936,059
Transfers	(586,850)	(530,417)	586,850	530,417	-	-
Change in net position	32,083,612	34,280,498	5,537,820	162,598	37,621,432	34,443,096
Net position—beginning	26,733,744	(7,546,754)	(72,330,953)	(72,493,551)	(45,597,209)	(80,040,305)
Net position—ending	$ 58,817,356	$ 26,733,744	$ (66,793,133)	$ (72,330,953)	$ (7,975,777)	$ (45,597,209)

Governmental activities—Governmental activities increased the County's net position by $26,733,744. The largest funding sources for the County's governmental activities, as a percent of total revenues, are sales tax which comprised 26.7 percent, property taxes which comprised 26.7 percent, and operating grants and contributions which comprised 17.6 percent.

The largest expense categories as a percent of total expenses for the County's governmental activities are economic assistance and opportunity which comprised 28.5 percent, general government support which comprised 18.5 percent and public safety which comprised 16.4 percent.

Significant changes from 2024 to 2025 in revenues and expenses for the County include the following:

- Total revenues decreased $8,286,837 primarily due to a decrease of $5,394,148 in sales tax collections.

- Total expenses decreased $6,146,384 from the prior year, primarily attributed to decreases in transportation expenditures which resulted from decreased activity related to the airport terminal rehabilitation project. Additionally, home and community services expenditures decreased primarily due to a decrease in operating activity related to the Refuse and Garbage District.

Business-type activities—Business-type activities increased the County's net position by $5,537,820. The majority of the change can be attributed to the Adult Care Center, in the amount of $7,642,337. The Adult Care Center received large intergovernmental transfers revenues totaling $5,676,870. The SLLDC, ILDC and BLDC net position decreased by $1,370,205, $1,201,337, and $10,126 respectively. Net position of STASC, SCFC and the RFLDC increased by $299,687, $116,950 and $60,514, respectively.

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, 2025, the County's governmental funds reported combined ending fund balances of $97,258,784, a decrease of $18,904,119 in comparison with the prior year. Approximately 5.3 percent of this amount, $5,122,811, constitutes *unassigned fund balance*, which is available for spending per the County's fund balance policy. The remainder of fund balance is either *nonspendable, restricted,* or *assigned* to indicate that it is: (1) not in spendable form, $23,619,533, (2) restricted for particular purposes, $8,524,999, or (3) assigned for particular purposes, $59,991,441.

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 $5,122,811, while total fund balance decreased to $84,004,358. Total fund balance in the General Fund decreased $11,228,253, primarily as a result of decreases in sales tax collections as well as increases in transfers out to help pay for capital projects and supplement other funds.

As a measure of the General Fund's liquidity, it may be useful to compare both the unassigned fund balance and total fund balance to the total General Fund expenditures and transfers out. Unassigned fund balance represents approximately 2.0 percent of the total General Fund expenditures and transfers out, while total fund balance represents approximately 32.5 percent of that same amount.

The fund balance in the County Road Fund decreased $1,296,933 from the prior year ended December 31, 2024, primarily due to transportation and paving costs outpacing state aid, federal aid and transfers in. The ending fund balance in the County Road Fund was $5,331,461, of which $1,359,048 represents amounts assigned for specific use and is available for spending towards this fund's activities.

The fund balance in the Refuse and Garbage Fund increased $104,061 from the prior year ended December 31, 2024, due to charges for services outpacing operating and contractual expenditures related to solid waste activities. The ending fund balance in the Refuse and Garbage Fund was $1,888,343 of which $1,492,373 represents amounts assigned for specific use and is available for spending towards this fund's activities.

The fund balance in the Capital Projects Fund decreased $3,981,572 from the prior year ended December 31, 2024, due to capital outlay exceeding revenues and other financing sources. The County's Capital Projects Fund ending fund balance was $2,731,891, all of which is restricted for future capital projects.

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

Factors concerning the finances of the enterprise funds have already been addressed in the aforementioned discussion of the County's business-type activities.

The Internal Service Fund is used to account for the County's self-insurance programs, including workers' compensation benefits and dental. The total net position at the end of the fiscal year was $(367,193). Total net position decreased by $2,897,362, primarily due to an increase in estimated claims payable charges.

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, 2025 is presented in Table 3 on the following page.

Table 3—General Fund Budget

	Budgeted Amounts		Actual	Variance with
	Original	Final	Amounts	Final Budget
Revenues and other financing sources	$ 246,037,032	$ 241,809,160	$ 247,259,666	$ 5,450,506
Expenditures and other financing uses	255,554,907	262,249,934	258,487,919	3,762,015
Excess (deficiency) of revenues over expenditures and other financing uses	$ (9,517,875)	$ (20,440,774)	$ (11,228,253)	$ 9,212,521

Original budget compared to final budget—During the year, the County's budgeted revenues and appropriations were amended to primarily adjust for increases in home and community services and transfers out. Additionally, public safety expenditures increased related to increased personnel costs and equipment upgrades.

Final budget compared to actual results—The General Fund recognized budget savings of $3,762,014 due primarily to positive variances realized in general government support and public safety expenditures. This was the result of savings realized within various federal-funded assistance programs as well as personnel and employee benefits costs.

Capital Assets and Debt Administration

Capital assets—The County's investment in capital assets for its governmental and business-type activities as of December 31, 2025 amounts to $394,011,815 (net of accumulated depreciation/amortization). This investment in capital assets includes land, construction in progress, land improvements, buildings and building improvements, infrastructure, machinery and equipment and right-to-use lease and subscription assets. All depreciable capital assets were depreciated/amortization from acquisition date to the end of the current year as outlined in the County's capital asset policy.

Capital assets net of depreciation/amortization for the governmental activities and business-type activities at December 31, 2025 and December 31, 2024 are presented in Table 4 below:

Table 4—Summary of Capital Assets (Net of Accumulated Depreciation/Amortization)

	Governmental Activities		Business-type Activities		Total Primary Government	
	December 31,		December 31,		December 31,	
	2025	2024	2025	2024	2025	2024
Land	$ 8,950,181	$ 8,950,181	$ 44,800	$ 44,800	$ 8,994,981	$ 8,994,981
Construction in progress	43,195,343	23,285,658	-	-	43,195,343	23,285,658
Land improvements	3,665,992	3,956,674	513,193	513,193	4,179,185	4,469,867
Buildings and improvements	110,257,894	112,224,647	446,838	403,985	110,704,732	112,628,632
Machinery and equipment	13,957,355	11,707,153	-	133,122	13,957,355	11,840,275
Infrastructure	135,245,883	133,540,710	72,438,506	75,671,373	207,684,389	209,212,083
Right-to-use lease assets	3,721,607	2,111,710	-	-	3,721,607	2,111,710
Right-to-use subscription assets	1,574,223	2,883,926	-	-	1,574,223	2,883,926
Total	$ 320,568,478	$ 298,660,659	$ 73,443,337	$ 76,766,473	$ 394,011,815	$ 375,427,132

Significant changes in capital assets from 2024 to 2025 include:

- Increase in construction in progress of $19,909,685 related to significant capital project activity throughout the County.

The County's infrastructure assets are recorded at historical cost in the government-wide financial statements. The County has elected to depreciate its infrastructure assets. Additional information on County's capital assets can be found in Note 5 of this report.

Long-term debt—At December 31, 2025, The County has approximately $206.9 million in net bonded debt for its governmental and business-type activities. This includes general obligation issued by the County itself, tobacco settlement bonds issued by the STASC, and revenue bonds issued by the ILDC.

A summary of the County's long-term liabilities at December 31, 2025 and December 31, 2024 is presented in Table 8 below:

Table 8—Summary of Long-Term Liabilities

	Governmental Activities		Business-type Activities		Total Primary Government	
	December 31,		December 31,		December 31,	
	2025	2024	2025	2024	2025	2024
General obligation bonds	$ 92,985,000	$ 98,940,000	$ -	$ -	$ 92,985,000	$ 98,940,000
Premium on bonds	1,856,943	2,037,371	-	-	1,856,943	2,037,371
Tobacco settlement bonds	-	-	12,960,000	13,325,000	12,960,000	13,325,000
Premium on bonds - STASC	-	-	926,915	984,846	926,915	984,846
Revenue bonds	-	-	98,845,000	100,925,000	98,845,000	100,925,000
Discount on bonds	-	-	(676,937)	(722,740)	(676,937)	(722,740)
Landfill post-closure costs	6,682,220	7,997,537	-	-	6,682,220	7,997,537
Lease liability	3,659,614	2,072,456	-	-	3,659,614	2,072,456
Subscription liability	1,432,620	2,652,012	-	-	1,432,620	2,652,012
Compensated absences	6,085,286	5,722,381	302,272	273,764	6,387,558	5,996,145
Other postemployment benefits	153,955,484	211,244,264	12,067,759	19,036,343	166,023,243	230,280,607
Claims payable	18,928,202	16,190,648	-	-	18,928,202	16,190,648
Net pension liability	35,199,459	31,588,053	2,144,766	1,985,484	37,344,225	33,573,537
Total	$ 320,784,828	$ 378,444,722	$ 126,569,775	$ 135,807,697	$ 447,354,603	$ 514,252,419

Through sound financial management and manageable debt levels, the County has been successful in maintaining its high-grade rating for its general obligation bonds. The County has enjoyed a favorable Moody's Investors Service and S&P Global Ratings bond rating of AA.

The New York State Constitution limits the amount of indebtedness, both long-term and short-term which the County may incur. The State Constitution provides that the County may not contract indebtedness in an amount greater than seven percent of the average full value of taxable real property in the County for the most recent five years. Certain indebtedness is excluded in ascertaining the County's authority to contract indebtedness with the constitutional limits; accordingly, debt of this kind, commonly referred to as "excluded debt", may be issued without regard to the constitutional limits and without affecting the County's authority to issue debt subject to the limit. At December 31, 2025, the County of Sullivan had used $99,934,177 or 12.34% of the constitutional debt limit leaving $709,951,703 remaining to be used.

For additional information on the County's long-term debt, refer to Note 11 of this report.

Economic Factors and Next Year's Budget

According to the New York State Department of Labor, the unemployment rate for the County of Sullivan was 3.6 percent in December 31, 2025, up from 3.1 percent in 2024. The County's December 2025 unemployment rate was less than the State-wide rate of 4.4 percent.

Labor Department data also indicates that the number of people employed in the County increased by 1.7 percent, from an average of 34,900 to 36,600 between 2024 and 2025, respectively.

The County's 2025 per capita income of $60,628 is 68.2% of the State's $88,847. The taxable assessed value of real property in the County decreased from $6,162,662,221 in 2024 to $5,808,838,736 in 2025, with the median sales price of residential properties increasing from $295,000 in 2024 to $350,000 in 2025.

All of these factors were taken into consideration in developing the fiscal 2026 budget.

Requests for Information

This financial report is designed to provide a general overview of the County's finances for all those with an interest in the government's finances. Questions concerning any of the information provided in this report or requests for additional financial information should be addressed to Kathleen Lara, County Treasurer, Sullivan County Government Center, P.O. Box 5012, 100 North Street, Monticello, New York, 12701, telephone (845) 807-0210, or visit the County's web site at https://www.sullivanny.us/.

BASIC FINANCIAL STATEMENTS

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COUNTY OF SULLIVAN, NEW YORK
Statement of Net Position
December 31, 2025

	Primary Government			Total Discretely Presented
	Governmental Activities	Business-type Activities	Total	Component Units
ASSETS				
Cash and cash equivalents	$ 72,296,508	$ 6,158,546	$ 78,455,054	$ 11,476,605
Restricted cash and cash equivalents	9,424,115	1,472,780	10,896,895	7,123,059
Resident trust cash	-	217,029	217,029	-
Restricted investments	-	3,703,803	3,703,803	2,176,287
Receivables (net of allowances):				
Taxes	29,282,866	-	29,282,866	-
Accounts receivable	21,084,233	3,468,114	24,552,347	6,371,977
Notes receivable	-	154,767	154,767	198,239
Loans receivable	-	-	-	88,757
Lease receivable	610,625	-	610,625	746,127
Intergovernmental receivables	31,936,389	1,014,000	32,950,389	549,978
Internal balances	21,247,921	(21,247,921)	-	-
Inventories	-	18,940	18,940	-
Prepaid items	2,588,753	297,072	2,885,825	309,960
Net pension asset	-	-	-	391,568
Capital assets, not being depreciated/amortization	52,145,524	44,800	52,190,324	3,346,522
Capital assets, net of accumulated depreciation/amortization	268,422,954	73,398,537	341,821,491	11,792,049
Total assets	509,039,888	68,700,467	577,740,355	44,571,128
DEFERRED OUTFLOWS OF RESOURCES				
Deferred charge on refunding	-	151,049	151,049	-
Deferred outflows—relating to pensions	21,183,708	1,242,794	22,426,502	1,632,658
Deferred outflows—relating to OPEB	38,884,073	3,047,918	41,931,991	4,473,287
Total deferred outflows of resources	60,067,781	4,441,761	64,509,542	6,105,945
LIABILITIES				
Accounts payable	26,793,583	2,194,084	28,987,667	17,173,809
Accrued liabilities	14,749,378	1,096,411	15,845,789	77,745
Intergovernmental payables	19,790,043	-	19,790,043	3,274,540
Due to retirement system	-	-	-	51,326
Unearned revenue	961,051	-	961,051	7,938,581
Deposits payable	-	217,029	217,029	64,269
Other liabilities	-	-	-	80,231
Noncurrent liabilities:				
Due within one year	11,072,803	2,717,301	13,790,104	5,888,403
Due in more than one year	309,712,025	123,852,474	433,564,499	47,450,755
Total liabilities	383,078,883	130,077,299	513,156,182	81,770,818
DEFERRED INFLOWS OF RESOURCES				
Deferred inflows—relating to tuition	-	-	-	172,967
Deferred inflows—relating to pensions	3,884,448	236,686	4,121,134	569,124
Deferred inflows—relating to OPEB	122,745,545	9,621,376	132,366,921	3,946,754
Deferred inflows—relating to leases	581,437	-	581,437	561,789
Total deferred inflows of resources	127,211,430	9,858,062	137,069,492	5,250,634
NET POSITION				
Net investment in capital assets	215,360,135	(13,404,897)	201,955,238	9,428,525
Restricted for:				
Grants and loans	-	-	-	3,971,560
Law enforcement	543,509	-	543,509	-
Opioid settlement funds	1,607,252	-	1,607,252	-
Debt service	251,993	-	251,993	-
Dental benefits	405,512	-	405,512	-
Pension	-	-	-	391,568
Room tax	3,281,472	-	3,281,472	-
Capital projects	2,493,996	-	2,493,996	-
Community Development	108,882	-	108,882	-
Unrestricted	(165,235,395)	(53,388,236)	(218,623,631)	(50,136,032)
Total net position	$ 58,817,356	$ (66,793,133)	$ (7,975,777)	$ (36,344,379)

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

COUNTY OF SULLIVAN, NEW YORK
Statement of Activities
Year Ended December 31, 2025

		Program Revenues			Net (Expense) Revenue and Changes in Net Position			
					Primary Government			Total Discretely Presented
Functions/Programs	Expenses	Charges for Services	Operating Grants and Contributions	Capital Grants and Contributions	Governmental Activities	Business-type Activities	Total	Component Units
Primary government:								
Governmental activities:								
General government support	$ 46,023,657	16,116,948	$ 4,135,199	$ -	$ (25,771,510)	$ -	$ (25,771,510)	$ -
Education	4,713,645	-	-	-	(4,713,645)	-	(4,713,645)	-
Public safety	40,776,480	1,914,387	1,298,455	-	(37,563,638)	-	(37,563,638)	-
Health	27,111,260	4,668,424	13,963,895	-	(8,478,941)	-	(8,478,941)	-
Transportation	38,693,295	1,741,887	1,028,792	23,345,099	(12,577,517)	-	(12,577,517)	-
Economic assistance and opportunity	70,652,676	2,442,070	26,500,752	-	(41,709,854)	-	(41,709,854)	-
Culture and recreation	3,111,800	100,033	2,422,787	-	(588,980)	-	(588,980)	-
Home and community services	14,136,728	11,662,215	7,134	-	(2,467,379)	-	(2,467,379)	-
Interest expense	2,844,362	-	-	-	(2,844,362)	-	(2,844,362)	-
Total governmental activities	248,063,903	38,645,964	49,357,014	23,345,099	(136,715,826)	-	(136,715,826)	-
Business-type activities:								
Adult Care Center	15,515,498	15,916,506	-	-	-	401,008	401,008	-
Sunset Lake LDC	412,049	-	-	-	-	(412,049)	(412,049)	-
STASC	559,280	-	-	-	-	(559,280)	(559,280)	-
SCFC	139,493	6,010	-	-	-	(133,483)	(133,483)	-
ILDC	8,647,073	7,281,883	-	-	-	(1,365,190)	(1,365,190)	-
RFLDC	1,609,486	1,920,000				310,514	310,514	
BLDC	11,644	1,518	-	-	-	(10,126)	(10,126)	-
Total business-type activities	26,894,523	25,125,917	-	-	-	(1,768,606)	(1,768,606)	-
Total primary government	$ 274,958,426	$ 63,771,881	$ 49,357,014	$ 23,345,099	(136,715,826)	(1,768,606)	(138,484,432)	-
Component units:								
Total discretely presented component units	$ 26,662,769	$ 5,493,876	$ 16,919,633	$ -				(4,249,260)
		General revenues:						
		Property taxes			74,817,050	-	74,817,050	-
		Property tax items			6,539,941	-	6,539,941	-
		Sales tax			74,818,090	-	74,818,090	-
		Other nonproperty tax items			7,059,096	-	7,059,096	-
		Use of money and property			3,562,641	243,429	3,806,070	277,735
		Sale of property and compensation for loss			1,422,020	-	1,422,020	-
		Miscellaneous			1,167,450	6,476,147	7,643,597	820,117
		Transfers			(586,850)	586,850	-	-
		Total general revenues and transfers			168,799,438	7,306,426	176,105,864	1,097,852
		Change in net position			32,083,612	5,537,820	37,621,432	(3,151,408)
		Net position—beginning, as previously stated			26,733,744	(72,330,953)	(45,597,209)	(31,940,358)
		Restatements			-	-	-	(1,252,613)
		Net position—beginning, as restated (see Note 2)			26,733,744	(72,330,953)	(45,597,209)	(33,192,971)
		Net position—ending			$ 58,817,356	$ (66,793,133)	$ (7,975,777)	$ (36,344,379)

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

COUNTY OF SULLIVAN, NEW YORK
Balance Sheet—Governmental Funds
December 31, 2025

	General	Special Revenue: County Road	Special Revenue: Refuse and Garbage	Capital Projects	Total Nonmajor Funds	Total Governmental Funds
ASSETS						
Cash and cash equivalents	$ 67,800,199	$ 2,365,196	$ 1,354,964	$ -	$ 269,872	$ 71,790,231
Restricted cash and cash equivalents	6,500,216	10,000	4,508	2,271,687	129,204	8,915,615
Receivables (net of allowances):						
Taxes	29,282,866	-	-	-	-	29,282,866
Accounts receivable	13,275,980	3,643	427,805	110,000	-	13,817,428
Lease receivable	610,625	-	-	-	-	610,625
Intergovernmental receivables	22,715,643	3,154,732	83,767	5,982,247	-	31,936,389
Due from other funds	21,365,311	2,205,157	662,732	-	3,305,494	27,538,694
Prepaid items	2,113,120	167,644	43,895	-	46,953	2,371,612
Total assets	$ 163,663,960	$ 7,906,372	$ 2,577,671	$ 8,363,934	$ 3,751,523	$ 186,263,460
LIABILITIES						
Accounts payable	$ 18,419,049	$ 2,023,379	$ 543,854	$ 5,512,061	$ 291,576	$ 26,789,919
Accrued liabilities	13,186,849	551,532	145,474	-	157,216	14,041,071
Intergovernmental payables	19,790,043	-	-	-	-	19,790,043
Due to other funds	16,537,241	-	-	119,982	-	16,657,223
Unearned revenue	850,820	-	-	-	-	850,820
Total liabilities	68,784,002	2,574,911	689,328	5,632,043	448,792	78,129,076
DEFERRED INFLOWS OF RESOURCES						
Unavailable revenue—property taxes	10,294,163	-	-	-	-	10,294,163
Deferred inflows—relating to leases	581,437	-	-	-	-	581,437
Total deferred inflows of resources	10,875,600	-	-	-	-	10,875,600
FUND BALANCES						
Nonspendable	23,361,041	167,644	43,895	-	46,953	23,619,533
Restricted	5,649,396	10,000	4,508	2,731,891	129,204	8,524,999
Assigned	49,871,110	5,153,817	1,839,940	-	3,126,574	59,991,441
Unassigned	5,122,811	-	-	-	-	5,122,811
Total fund balances	84,004,358	5,331,461	1,888,343	2,731,891	3,302,731	97,258,784
Total liabilities, deferred inflows of resources, and fund balances	$ 163,663,960	$ 7,906,372	$ 2,577,671	$ 8,363,934	$ 3,751,523	$ 186,263,460

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

COUNTY OF SULLIVAN, NEW YORK
Reconciliation of the Balance Sheet—
Governmental Funds to the Government-wide Statement of Net Position
December 31, 2025

Amounts reported for governmental activities in the statement of net position (page 26) are different because:

Total fund balances—governmental funds (page 28)		$ 97,258,784
Capital assets used in governmental activities are not financial resources and, therefore, are not reported in the fund statements. The cost of the assets is $659,957,641 and the accumulated depreciation/amortization is $339,389,163.		320,568,478
Real property taxes not collected within 60 days of year end are reported as deferred inflows of resources in the fund statements, but are recognized on the accrual basis for government-wide statements.		10,294,163
Internal service funds are used by the County to charge the costs of workers' compensation and dental benefits to individual funds. Assets in excess of liabilities of the internal service funds are included within governmental activities on the statement of net position.		(367,193)
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	$ 7,457,811	
Deferred outflows related to experience, changes in assumptions, investment earnings, and changes in proportion	13,725,897	
Deferred inflows of resources related to pensions	(3,884,448)	
Deferred outflows related to OPEB liability	38,884,073	
Deferred inflows related to OPEB liability	(122,745,545)	(66,562,212)
Net accrued interest expense for general obligation bonds is not reported in the fund statements.		(400,305)
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:		
General obligation bonds	$ (92,985,000)	
Premiums on bonds	(1,856,943)	
Landfill post-closure costs	(6,682,220)	
Lease liability	(3,659,614)	
Subscription liability	(1,432,620)	
Compensated absences	(6,085,286)	
OPEB obligation	(153,955,484)	
Net pension liability	(35,199,459)	
Claims payable	(117,733)	(301,974,359)
Net position of governmental activities		$ 58,817,356

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

COUNTY OF SULLIVAN, NEW YORK
Statement of Revenues, Expenditures, and Changes in Fund Balances—Governmental Funds
Year Ended December 31, 2025

	General	Special Revenue: County Road	Special Revenue: Refuse and Garbage	Capital Projects	Total Nonmajor Funds	Total Governmental Funds
REVENUES						
Real property taxes	$ 75,098,916	$ -	$ -	$ -	$ -	$ 75,098,916
Other property tax items	6,539,941	-	-	-	-	6,539,941
Non property tax items	81,877,186	-	-	-	-	81,877,186
Departmental income	17,424,425	-	11,214,710	-	1,192,490	29,831,625
Intergovernmental charges	966,023	295,256	-	-	-	1,261,279
Licenses and permits	2,522,037	4,305	-	-	-	2,526,342
Fines and forfeitures	250,873	-	-	-	-	250,873
Use of money and property	3,422,862	29,328	9,038	11,646	71,506	3,544,380
Sale of property and compensation for loss	682,276	364	302,780	-	331,736	1,317,156
Miscellaneous	1,149,485	20	16,445	-	1,500	1,167,450
State aid	31,917,784	6,803,132	7,134	3,984,256	-	42,712,306
Federal aid	21,072,637	4,897,576	-	4,019,594	-	29,989,807
Total revenues	242,924,445	12,029,981	11,550,107	8,015,496	1,597,232	276,117,261
EXPENDITURES						
Current:						
General government support	45,338,113	-	-	-	-	45,338,113
Education	5,806,796	-	-	-	-	5,806,796
Public safety	40,347,816	1,088,999	-	-	-	41,436,815
Health	30,217,409	-	-	-	-	30,217,409
Transportation	4,636,851	33,521,808	-	-	8,436,420	46,595,079
Economic assistance and opportunity	81,675,149	-	-	-	-	81,675,149
Culture and recreation	4,558,208	-	-	-	-	4,558,208
Home and community services	3,998,077	-	12,491,000	-	242,996	16,732,073
Debt service:						
Principal	3,850,065	-	-	-	5,955,000	9,805,065
Interest and other fiscal charges	132,883	-	-	-	2,936,150	3,069,033
Capital outlay	-	-	-	13,418,621	-	13,418,621
Total expenditures	220,561,367	34,610,807	12,491,000	13,418,621	17,570,566	298,652,361
Excess (deficiency) of revenues over expenditures	22,363,078	(22,580,826)	(940,893)	(5,403,125)	(15,973,334)	(22,535,100)
OTHER FINANCING SOURCES (USES)						
Transfers in	117,390	23,224,998	1,630,100	1,485,230	13,655,586	40,113,304
Transfers out	(37,926,552)	(1,941,105)	(585,146)	(63,677)	(183,674)	(40,700,154)
Leases issued	4,217,831	-	-	-	-	4,217,831
Total other financing sources (uses)	(33,591,331)	21,283,893	1,044,954	1,421,553	13,471,912	3,630,981
Net change in fund balances	(11,228,253)	(1,296,933)	104,061	(3,981,572)	(2,501,422)	(18,904,119)
Fund balances—beginning	95,232,611	6,628,394	1,784,282	6,713,463	5,804,153	116,162,903
Fund balances—ending	$ 84,004,358	$ 5,331,461	$ 1,888,343	$ 2,731,891	$ 3,302,731	$ 97,258,784

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

COUNTY OF SULLIVAN, NEW YORK
Reconciliation of the Statement of Revenues, Expenditures, and Changes in Fund Balances (Deficit)—Governmental Funds to the Government-wide Statement of Activities
Year Ended December 31, 2025

Amounts reported for governmental activities in the statement of activities (page 27) are different because:

Net change in fund balances—total governmental funds (page 30)		$ (18,904,119)
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/amortization expense and loss on disposition in the current period.		
Capital asset additions	$ 44,928,919	
Depreciation/amortization expense	(22,605,446)	
Loss on disposition	(415,654)	21,907,819
Governmental funds recognize real property taxes only if collected within 60 days after the end of the fiscal year; however, the government-wide statements recognize revenue on a full accrual basis.		(281,866)
Internal service funds are used by management to charge the costs of workers' compensation and dental benefits to individual funds. The change in net position of the internal service funds is reported within governmental activities.		(2,897,362)
Net differences between pension contributions recognized on the fund financial statements and the government-wide financial statements are as follows:		
Direct pension contributions	$ 9,646,425	
Cost of benefits earned net of employee contributions	(6,811,086)	2,835,339
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. This amount is shown net of current year amortization.		(41,737,476)
In the statement of activities, interest expense is recognized as it accrues, regardless of when it is paid.		44,243
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 related items is as follows:		
Repayment of general obligation bonds	$ 5,955,000	
Amortization of bond premiums	180,428	
Change in landfill post-closure costs	1,315,317	
Leases issued	(4,217,831)	
Repayment of leases	2,630,673	
Repayment of subscription liability	1,219,392	
Change in compensated absences	(362,905)	
Change in OPEB obligation	64,257,364	
Change in claims payable	139,596	71,117,034
Change in net position of governmental activities		$ 32,083,612

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

COUNTY OF SULLIVAN, NEW YORK
Statement of Net Position—Proprietary Funds
December 31, 2025

	Business-type Activities								Governmental Activities
	Adult Care Center	Sunset Lake LDC	STASC	SCFC	ILDC	RFLDC	BLDC	Total	Internal Service Funds
ASSETS									
Current assets:									
Cash and cash equivalents	$ 4,616,018	$ -	$ 240,906	$ 1,058,806	$ 25,275	$ 217,541	$ -	$ 6,158,546	$ 506,277
Restricted cash and cash equivalents	-	-	1,107,556	-	365,224	-	-	1,472,780	508,500
Resident trust cash	217,029	-	-	-	-	-	-	217,029	-
Restricted investments	-	-	-	-	3,703,803	-	-	3,703,803	-
Accounts receivable, net of allowances	3,449,727	-	-	5,687	12,700	-	-	3,468,114	7,266,805
Notes receivable	-	-	-	154,767	-	-	-	154,767	-
Intergovernmental receivables	-	-	1,014,000	-	-	-	-	1,014,000	-
Due from other funds	-	-	-	-	-	-	-	-	10,366,450
Inventories	18,940	-	-	-	-	-	-	18,940	-
Prepaid items	265,731	-	4,285	3,127	-	23,929	-	297,072	217,141
Total current assets	8,567,445	-	2,366,747	1,222,387	4,107,002	241,470	-	16,505,051	18,865,173
Noncurrent assets:									
Capital assets, not being depreciated	44,800	-	-	-	-	-	-	44,800	-
Capital assets, net of accumulated depreciation	1,639,175	-	-	-	71,759,362	-	-	73,398,537	-
Total noncurrent assets	1,683,975	-	-	-	71,759,362	-	-	73,443,337	-
Total assets	10,251,420	-	2,366,747	1,222,387	75,866,364	241,470	-	89,948,388	18,865,173
DEFERRED OUTFLOWS OF RESOURCES									
Deferred charge on refunding	-	-	151,049	-	-	-	-	151,049	-
Deferred outflows—relating to pensions	1,242,794	-	-	-	-	-	-	1,242,794	-
Deferred outflows—relating to OPEB	3,047,918	-	-	-	-	-	-	3,047,918	-
Total deferred outflows of resources	4,290,712	-	151,049	-	-	-	-	4,441,761	-
LIABILITIES									
Current liabilities:									
Accounts payable	2,007,737	-	-	-	5,391	180,956	-	2,194,084	3,664
Accrued liabilities	179,233	-	47,081	-	870,097	-	-	1,096,411	308,002
Due to other funds	21,247,921	-	-	-	-	-	-	21,247,921	-
Deposits payable	217,029	-	-	-	-	-	-	217,029	-
Current portion of noncurrent liabilities	177,301	-	360,000	-	2,180,000	-	-	2,717,301	1,881,047
Total current liabilities	23,829,221	-	407,081	-	3,055,488	180,956	-	27,472,746	2,302,944
Noncurrent liabilities:									
Due in more than one year	14,337,496	-	13,526,915	-	95,988,063	-	-	123,852,474	16,929,422
Total noncurrent liabilities	14,337,496	-	13,526,915	-	95,988,063	-	-	123,852,474	16,929,422
Total liabilities	38,166,717	-	13,933,996	-	99,043,551	180,956	-	151,325,220	19,232,366
DEFERRED INFLOWS OF RESOURCES									
Deferred inflows—relating to pensions	236,686	-	-	-	-	-	-	236,686	-
Deferred inflows—relating to OPEB	9,621,376	-	-	-	-	-	-	9,621,376	-
Total deferred inflows of resources	9,858,062	-	-	-	-	-	-	9,858,062	-
NET POSITION									
Net investment in capital assets	1,683,975	-	-	-	(15,088,872)	-	-	(13,404,897)	-
Restricted for:									
Dental benefits	-	-	-	-	-	-	-	-	405,512
Unrestricted	(35,166,622)	-	(11,416,200)	1,222,387	(8,088,315)	60,514	-	(53,388,236)	(772,705)
Total net position	$ (33,482,647)	$ -	$ (11,416,200)	$ 1,222,387	$ (23,177,187)	$ 60,514	$ -	$ (66,793,133)	$ (367,193)

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

COUNTY OF SULLIVAN, NEW YORK
Statement of Revenues, Expenses, and Changes in Net Position—Proprietary Funds
Year Ended December 31, 2025

	Business-type Activities								Governmental Activities
	Adult Care Center	Sunset Lake LDC	STASC	SCFC	ILDC	RFLDC	BLDC	Total	Internal Service Funds
Operating revenues:									
Net patient revenue	$ 15,916,047	$ -	$ -	$ -	$ -		$ -	$ 15,916,047	$ -
Charges for services	459	-	-	6,010	7,281,883	1,920,000	1,518	9,209,870	4,775,845
Tobacco settlement revenues	-	-	799,277	-	-	-	-	799,277	-
Insurance recoveries	-	-	-	-	-	-	-	-	104,864
Total operating revenues	15,916,506	-	799,277	6,010	7,281,883	1,920,000	1,518	25,925,194	4,880,709
Operating expenses:									
Professional care of residents	9,049,609	-	-	-	-	-	-	9,049,609	-
Administrative and general services	8,041,676	360,754	35,460	139,493	69,904	1,609,486	11,644	10,268,417	-
Employee benefits	2,596,330	-	-	-	-	-	-	2,596,330	7,796,332
Changes in pension and OPEB	(5,082,287)	-	-	-	-	-	-	(5,082,287)	-
New York State cash assessment	845,752	-	-	-	-	-	-	845,752	-
Depreciation	64,418	51,295	-	-	3,232,867	-	-	3,348,580	-
Total operating expenses	15,515,498	412,049	35,460	139,493	3,302,771	1,609,486	11,644	21,026,401	7,796,332
Operating (loss) income	401,008	(412,049)	763,817	(133,483)	3,979,112	310,514	(10,126)	4,898,793	(2,915,623)
Nonoperating revenues (expenses):									
Intergovernmental transfers	5,676,870	-	-	-	-	-	-	5,676,870	-
Interest income	19,432	21	59,690	433	163,853	-	-	243,429	18,261
Gain (loss) on disposal of property	1,545,027	(1,545,027)	-	-	-		-	-	-
Interest expense	-	-	(523,820)	-	(5,344,302)	-	-	(5,868,122)	-
Total nonoperating revenues (expenses)	7,241,329	(1,545,006)	(464,130)	433	(5,180,449)	-	-	52,177	18,261
Transfers in (out)	-	586,850	-	250,000	-	(250,000)	-	586,850	-
Change in net position	7,642,337	(1,370,205)	299,687	116,950	(1,201,337)	60,514	(10,126)	5,537,820	(2,897,362)
Net position—beginning	(41,124,984)	1,370,205	(11,715,887)	1,105,437	(21,975,850)	-	10,126	(72,330,953)	2,530,169
Net position—ending	$ (33,482,647)	$ -	$ (11,416,200)	$ 1,222,387	$ (23,177,187)	$ 60,514	$ -	$ (66,793,133)	$ (367,193)

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

COUNTY OF SULLIVAN, NEW YORK
Statement of Cash Flows—Proprietary Funds
Year Ended December 31, 2025

	Business-type Activities								Governmental Activities
	Adult Care Center	Sunset Lake LDC	STASC	SCFC	ILDC	RFLDC	BLDC	Total	Internal Service Funds
CASH FLOWS FROM OPERATING ACTIVITIES									
Receipts from services provided	$ 15,402,024	$ -	$ -	$ 82,951	$ 7,281,883	$ 1,920,000	$ 1,518	$ 24,688,376	$ 4,728,926
Receipts from tobacco settlement revenues	-	-	903,277	-	-	-	-	903,277	-
Receipts from insurance recoveries	-	-	-	-	-	-	-	-	104,864
Payments to suppliers of contracted services	(17,199,118)	-	(35,460)	(125,840)	(68,969)	(1,452,459)	(6,500)	(18,888,346)	-
Payments to employees	(2,469,338)	-	-	-	-	-	-	(2,469,338)	-
Payments to insurance carriers and claimants	-	(644,865)	-	-	-	-	-	(644,865)	(4,993,228)
Payments to other funds	-	-	-	-	-	-	-	-	216,968
Receipts from other operating revenue	459	-	-	-	-	-	-	459	-
Net cash provided by (used for) operating activities	(4,265,973)	(644,865)	867,817	(42,889)	7,212,914	467,541	(4,982)	3,589,563	57,530
CASH FLOWS FROM INVESTING ACTIVITIES									
Sale of investments	-	-	1,187,316	-	-	-	-	1,187,316	-
Proceeds from sale of property	-	-	-	-	-	-	-	-	-
Transfer (to) from related entity	-	-	-	250,000	-	(250,000)	-	-	-
Interest received	-	-	59,690	433	163,853	-	-	223,976	18,261
Net cash provided by investing activities	-	-	1,247,006	250,433	163,853	(250,000)	-	1,411,292	18,261
CASH FLOWS FROM NONCAPITAL FINANCING ACTIVITIES									
Payments to County	(795,024)	586,850	-	-	-	-	-	(208,174)	-
Receipts from intergovernmental transfer	5,676,870	-	-	-	-	-	-	5,676,870	-
Receipts from interest income	19,432	21	-	-	-	-	-	19,453	-
Principal payments on long-term debt	-	-	(365,000)	-	-	-	-	(365,000)	-
Interest paid	-	-	(573,779)	-	-	-	-	(573,779)	-
Net cash provided by (used for) noncapital financing activities	4,901,278	586,871	(938,779)	-	-	-	-	4,549,370	-
CASH FLOWS FROM CAPITAL AND RELATED FINANCING ACTIVITIES									
Capital purchases	(27,366)	-	-	-	-	-	-	(27,366)	-
Principal payments on short-term and long-term debt	-	-	-	-	(2,080,000)	-	-	(2,080,000)	-
Interest paid	-	-	-	-	(5,315,312)	-	-	(5,315,312)	-
Net cash (used for) capital and related financing activities	(27,366)	-	-	-	(7,395,312)	-	-	(7,422,678)	-
Increase (decrease) in cash and cash equivalents	607,939	(57,994)	1,176,044	207,544	(18,545)	217,541	(4,982)	2,127,547	75,791
Cash and cash equivalents—beginning (includes restricted cash and cash equivalents, investments and resident trust cash)	4,008,079	57,994	172,418	851,262	409,044	-	4,982	5,503,779	938,986
Cash and cash equivalents—ending (includes restricted cash and cash equivalents, investments and resident trust cash)	$ 4,616,018	$ -	$ 1,348,462	$ 1,058,806	$ 390,499	$ 217,541	$ -	$ 7,631,326	$ 1,014,777
Reconciliation to Statement of Net Position:									
Less:									
Restricted cash and cash equivalents	-	-	1,107,556	-	365,224	-	-	1,472,780	508,500
Total cash and cash equivalents	$ 4,616,018	$ -	$ 240,906	$ 1,058,806	$ 25,275	$ 217,541	$ -	$ 6,158,546	$ 506,277

(continued)

COUNTY OF SULLIVAN, NEW YORK
Statement of Cash Flows—Proprietary Funds
Year Ended December 31, 2025

	Business-type Activities								Governmental Activities
	Adult Care Center	Sunset Lake LDC	STASC	SCFC	ILDC	RFLDC	BLDC	Total	Internal Service Funds
Reconciliation of operating (loss) income to net cash provided by (used for) operating activities:									
Operating (loss) income	$ 401,008	$ (412,049)	$ 763,817	$ (133,483)	$ 3,979,112	$ 310,514	$ (10,126)	$ 4,898,793	$ (2,915,623)
Adjustments to reconcile operating (loss) income to net cash provided by (used for) operating activities:									
Depreciation expense	64,418	51,295	-	-	3,232,867	-	-	3,348,580	-
Bad debt expense	796,946	-	-	-	-	-	-	796,946	-
(Increase) in receivables	(514,023)	-	-	(5,169)	-	-	-	(519,192)	(98,229)
Decrease in intergovernmental receivable	-	-	-	-	-	-	-	-	2,000
Decrease in tobacco settlement receivable	-	-	104,000	-	-	-	-	104,000	-
Decrease in notes receivable	-	-	-	96,276	-	-	-	96,276	-
(Increase) in due from other funds	-	-	-	-	-	-	-	-	216,968
Decrease in inventories	4,918	-	-	-	-	-	-	4,918	-
Decrease in prepaid items	(36,273)	-	-	(513)	-	(23,929)	5,144	(55,571)	(177,926)
Decrease in deferred outflows of resources/ deferred inflows of resources, net	1,825,499	-	-	-	-	-	-	1,825,499	-
(Decrease) increase in accounts payable	658,619	(284,111)	-	-	935	180,956	-	556,399	57
Increase (decrease) in accrued and other liabilities	161,992	-	-	-	-	-	-	161,992	103,823
Increase in due to County General Fund	(721,291)	-	-	-	-	-	-	(721,291)	-
(Decrease) in unearned revenue	-	-	-	-	-	-	-	-	49,310
(Decrease) in compensated absences	(98,484)	-	-	-	-	-	-	(98,484)	-
(Decrease) in other postemployment benefits	(6,968,584)	-	-	-	-	-	-	(6,968,584)	-
Increase in claims payable	-	-	-	-	-	-	-	-	2,877,150
(Decrease) in accrued net pension liability	159,282	-	-	-	-	-	-	159,282	-
Total adjustments	(4,666,981)	(232,816)	104,000	90,594	3,233,802	157,027	5,144	(1,309,230)	2,973,153
Net cash provided by (used for) operating activities	$ (4,265,973)	$ (644,865)	$ 867,817	$ (42,889)	$ 7,212,914	$ 467,541	$ (4,982)	$ 3,589,563	$ 57,530
Noncash investing activities:									
Decrease in tobacco settlement bonds payable from amortization of original issue discount	$ -	$ -	$ 57,931	$ -	$ -	$ -	$ -	$ -	$ -
Decrease in deferred outflows of resources from amortization of loss on refunding bonds	$ -	$ -	$ 9,440	$ -	$ -	$ -	$ -	$ -	$ -

(concluded)

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

COUNTY OF SULLIVAN, NEW YORK
Statement of Fiduciary Net Position—Custodial Fund
December 31, 2025

	Custodial Fund
ASSETS	
Restricted cash and equivalents	$ 11,150,425
Total assets	11,150,425
LIABILITIES	
Accounts payable and other liabilities	10,394,685
Total liabilities	10,394,685
NET POSITION	
Restricted for organizations and other governments	$ 755,740

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

COUNTY OF SULLIVAN, NEW YORK
Statement of Changes in Fiduciary Net Position—Custodial Fund
Year Ended December 31, 2025

	Custodial Fund
ADDITIONS	
Funds received on behalf of others	$ 181,214
Total additions	181,214
DEDUCTIONS	
Funds distributed on behalf of others	-
Total deductions	-
Change in net position	181,214
Net position—beginning	574,526
Net position—ending	$ 755,740

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

COUNTY OF SULLIVAN, NEW YORK
Combining Statement of Net Position—Discretely Presented Component Units
December 31, 2025

	Sullivan County Community College (8/31/2025)	Sullivan County Soil and Water Conservation District	Sullivan County Industrial Development Agency	Emerald Corporate Center Economic Development Corporation	Sullivan County Land Bank Corporation	Total Discretely Presented Component Units
ASSETS						
Cash and cash equivalents	$ 2,663,521	$ 1,162,313	$ 6,820,571	$ 2,419	$ 827,781	$ 11,476,605
Restricted cash and cash equivalents	-	5,188,134	1,934,925	-	-	7,123,059
Investments	2,176,287	-	-	-	-	2,176,287
Receivables (net of allowance for uncollectibles):						
Accounts receivable	5,026,037	78,109	244,335	-	1,023,496	6,371,977
Notes receivable	-	-	198,239	-	-	198,239
Loans receivable	88,757	-	-	-	-	88,757
Leases receivable	-	-	746,127	-	-	746,127
Intergovernmental receivables	449,978	-	-	-	100,000	549,978
Inventory held for sale	-	-	-	-	228,841	228,841
Prepaid items	273,984	-	22,207	-	13,769	309,960
Net pension asset	391,568	-	-	-	-	391,568
Capital assets, not being depreciated	190,000	-	-	1,442,461	1,714,061	3,346,522
Capital assets, net of accumulated depreciation	9,353,094	50,711	2,388,244	-	-	11,792,049
Total assets	20,613,226	6,479,267	12,354,648	1,444,880	3,907,948	44,799,969
DEFERRED OUTFLOWS OF RESOURCES						
Deferred outflows—relating to pensions	1,498,677	133,981	-	-	-	1,632,658
Deferred outflows—relating to OPEB	4,473,287	-	-	-	-	4,473,287
Total deferred outflows of resources	5,971,964	133,981	-	-	-	6,105,945
LIABILITIES						
Accounts payable	17,025,184	71,527	6,905	44,506	25,687	17,173,809
Accrued liabilities	-	-	66,745	-	11,000	77,745
Intergovernmental payables	2,605,850	-	668,656	-	34	3,274,540
Due to retirement system	-	51,326	-	-	-	51,326
Unearned revenue	541,846	5,188,134	4,500	-	2,204,101	7,938,581
Deposits payable	64,269	-	-	-	-	64,269
Other liabilities	18,349	-	61,882	-	-	80,231
Noncurrent liabilities:						
Due within one year	5,858,527	4,600	25,276	-	-	5,888,403
Due in more than one year	47,065,811	242,592	142,352	-	-	47,450,755
Total liabilities	73,179,836	5,558,179	976,316	44,506	2,240,822	81,999,659
DEFERRED INFLOWS OF RESOURCES						
Deferred inflows—relating to tuition	172,967	-	-	-	-	172,967
Deferred inflows—relating to pensions	547,602	21,522	-	-	-	569,124
Deferred inflows—relating to OPEB	3,946,754	-	-	-	-	3,946,754
Deferred inflows—relating to leases	-	-	561,789	-	-	561,789
Total deferred inflows of resources	4,667,323	21,522	561,789	-	-	5,250,634
NET POSITION						
Net investment in capital assets	3,833,048	50,711	2,388,244	1,442,461	1,714,061	9,428,525
Restricted	3,109,442	-	1,253,686	-	-	4,363,128
Unrestricted	(58,204,459)	982,836	7,174,613	(42,087)	(46,935)	(50,136,032)
Total net position	$ (51,261,969)	$ 1,033,547	$ 10,816,543	$ 1,400,374	$ 1,667,126	$ (36,344,379)

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

COUNTY OF SULLIVAN, NEW YORK
Combining Statement of Activities—Discretely Presented Component Units
Year Ended December 31, 2025

	Sullivan County Community College (8/31/2025)	Sullivan County Soil and Water Conservation District	Sullivan County Industrial Development Agency	Emerald Corporate Center Economic Development Corporation	Sullivan County Land Bank Corporation	Total Discretely Presented Component Units
PROGRAM EXPENSES	$ 22,439,659	$ 1,465,864	$ 838,540	$ 64,723	$ 632,076	$ 25,440,862
PROGRAM REVENUES						
Charges for services	3,786,620	52,703	840,738	-	813,815	5,493,876
Operating grants and contributions	15,103,360	1,452,615	-	50,000	313,658	16,919,633
Capital grants and contributions	-	-	-	-	-	-
Total program revenues	18,889,980	1,505,318	840,738	50,000	1,127,473	22,413,509
Net (expense) program revenues	(3,549,679)	39,454	2,198	(14,723)	495,397	(3,027,353)
GENERAL REVENUES (EXPENSES)						
Use of money and property	207,879	33,626	36,230	-	-	277,735
Interest expense	(1,218,322)	-	(3,585)	-	-	(1,221,907)
Miscellaneous	595,865	211,978	9,764	-	2,510	820,117
Total general revenues (expenses)	(414,578)	245,604	42,409	-	2,510	(124,055)
Change in net position	(3,964,257)	285,058	44,607	(14,723)	497,907	(3,151,408)
Net position—beginning, as previously reported	(46,043,519)	748,489	10,771,936	1,415,097	1,167,639	(31,940,358)
Restatement for prior period adjustments	(1,254,193)	-	-	-	1,580	(1,252,613)
Net position—beginning, as restated	(47,297,712)	748,489	10,771,936	1,415,097	1,169,219	(33,192,971)
Net position—ending	$ (51,261,969)	$ 1,033,547	$ 10,816,543	$ 1,400,374	$ 1,667,126	$ (36,344,379)

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

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1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

The basic financial statements of the County of Sullivan, New York (the "County") have been prepared in conformity with accounting principles generally accepted in the United States of America 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 1809. Subject to the New York State Constitution, the County operates pursuant to its Charter and Administrative Code (the "Charter"), as well as various local laws. In addition, certain New York State laws govern the County to the extent that such laws are applicable to counties operating under a charter form of government. The charter was adopted by the Board of Supervisors (now County Legislature) of the County of Sullivan on August 25, 1993 by Local Law No. 4-1993, and approved at referendum on November 2, 1993. The Administrative Code was adopted by the Board of Supervisors (now County Legislature) of the County of Sullivan on December 14, 1995 by Local Law No. 11-1995, and amended in its entirety July 17, 1997 by Local Law No. 3-1997 (subsequent amendments noted within applicable sections). The County Legislature is the legislative, appropriating, governing and policymaking body of the County and the County Manager serves as the chief executive and administrative head of the County, and the County Treasurer serves as the chief financial officer of the County.

The County provides mandated social service programs such as Medicaid, Temporary Assistance for Needy Families and Safety Net. The County also provides services and facilities in the areas of culture, recreation, education, public safety, youth, health, senior services, roads, and sanitary sewerage. These general government programs and services are financed by various taxes, state and federal aid and departmental revenue (which are primarily comprised of service fees and various types of program-related charges). Additionally, the County also operates a nursing home.

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. Discretely presented component units are aggregated and 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 column in the government-wide financial statements includes the financial data of the County's discretely presented component units. These statements are presented separately from the financial data of the primary government to emphasize that they are legally separate from the County.

Sullivan County Community College—The Sullivan County Community College (the "College") was established in 1962 under Article 126 of the Education Act of the State of New York under the sponsorship of the County and is operated by a Board of Trustees under Paragraph (c) of Subdivision 6 of Section 6304 of the Education Act of the State of New York. The College is administered by a nine member Board of Trustees. Five members are appointed by the County Legislature and four members are appointed by the New York State Governor. The College's fiscal year-end is August 31. The Faculty Student Association of Sullivan County Community College, Inc. (the "Association") is organized under the not-for-profit laws of New York State to supplement and conduct activities and services for the students, faculty, staff and alumni of the College. The Association is presented as a component unit of the College, and its fiscal year end is August 31. The Sullivan County Community College Foundation, Inc. (the "Foundation") is organized under the not-for-profit laws of New York State to raise funds to provide scholarships and to provide support for initiatives that will have a significant and measurable impact on the students, faculty and staff of the College. The Foundation is a component unit of the College and its fiscal year end is August 31. The Sullivan County Community College Dormitory Corporation (the "Dormitory Corporation") is organized under the not-for-profit laws of New York State to manage the dormitory buildings of the College. The Dormitory Corporation is presented as a component unit of the College and its fiscal year end is August 31.

Pursuant to New York State Education Law relating to community colleges, title to real property is held by the County in trust for the use of the College in carrying out its institutional purposes. The accompanying debt is also a legal obligation of the County. No revenues or assets of the College have been pledged or will be available to pay the principal and interest on this debt. Principal and interest payments on the debt are payable from amounts appropriated each year by the State of New York pursuant to the State Education Law, and the County in the case of County-related debt through the College's budget, and from monies in the debt service reserve fund held by the Dormitory Authority of the State of New York (the "DASNY") trustees. Capital appropriations include the annual debt service requirements on the County debt. The provisions of the State Education Law regarding the State appropriations for principal and interest payments do not constitute a legally enforceable obligation of the State. The College recognizes State and County appropriation revenue for contributions of capital assets when the capital project is approved, the appropriation is made available and the expenditure is incurred. Equipment made available to the College from its inception are stated at cost and were purchased from appropriations of the County and New York State, designated for that purpose, and from Federal grants.

Separately issued financial statements for the College may be obtained by writing the Sullivan County Community College, 112 College Road, Loch Sheldrake, New York 12759.

Sullivan County Soil and Water Conservation District—The Sullivan County Soil and Water Conservation District (the "District") was established in 1966 pursuant to Chapter 727 of the Laws of the State of New York. The District is a nonprofit organization formed to coordinate state and federal conservation programs on a local level. The District is managed by a Board of Directors consisting of seven members. Members are appointed by the County Legislature and are subject to removal at the will of the County Legislature. Separately issued financial statements for the District may be obtained by writing the Sullivan County Soil and Water Conservation District, 64 Ferndale-Loomis Road, Liberty, New York 12754.

Sullivan County Industrial Development Agency—The Sullivan County Industrial Development Agency (the "IDA") is a public benefit corporation established in 1970 under the mandate of Article 18-A, "New York State Industrial Development Agency Act," of New York State general municipal law. The IDA was formed to promote and assist in acquiring or constructing various business and recreational facilities and, in the process, advances the job opportunities, health, general prosperity and economic welfare of the people of Sullivan County. The IDA's function is to authorize the issuance of industrial revenue bonds for industrial development projects. The IDA reviews and determines whether to recommend approval of those applicants wishing to obtain financing. The IDA receives application fees from applicants and closing fees from those accepted for industrial revenue financing, such fees are recorded when earned. The IDA is managed by a Board of Directors consisting of nine members. Members are appointed by the County Legislature and are subject to removal at the will of the County Legislature. Separately issued financial statements for the IDA may be obtained by writing the County of Sullivan Industrial Development Agency, at One Cablevision Center, Ferndale, NY 12734.

Emerald Corporate Center Economic Development Corporation—The Emerald Corporate Center Economic Development Corporation (the "ECCEDC") was established in 2000 pursuant to an act of the County Legislature. The ECCEDC was formed to operate and sell shovel-ready lots within the Emerald Corporate Park for commercial office uses. The County advances funds necessary to develop the park and is reimbursed upon the sale of property within the park. The ECCEDC is governed by a nine member board of directors. Members are appointed by the County Legislative Chair, confirmed by the County Legislature, and are subject to removal at the will of the County Legislature. Separately issued financial statements for the ECCEDC may be obtained by writing the Emerald Corporate Center, 198 Bridgeville Road, Monticello, NY 12701.

Sullivan County Land Bank Corporation—The Sullivan County Land Bank Corporation (the "Land Bank") was established under Article 16 of the Not-for-Profit Corporation Law of the State of New York pursuant to a resolution adopted by County on June 16, 2016. The Land Bank was formed to combat community deterioration by facilitating the return of vacant, abandoned, and tax-delinquent properties to productive use in order to eliminate the harms and liabilities caused by such properties, and lessen the burden of government and act in the public interest. The Land Bank's public objective and mission is to lessen the burdens of the government by undertaking, promoting, and facilitating the return of vacant, abandoned, and tax delinquent properties to productive use in order to eliminate the harms and liabilities caused by such properties and to combat community deterioration in the County, that will include real estate development and management, real estate project finance, and other community-based economic and human services development activities permissible under the Not-for-Profit Corporation Law. The Land Bank is governed by a nine member board of directors. Members are appointed by the County Legislative Chair, confirmed by the County Legislature, and are subject to removal at the will of the County Legislature. Separately issued financial statements for the Land Bank may be obtained by writing the Sullivan County Land Bank Corporation, 100 North Street, PO Box 5012, Monticello, New York 12701.

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 is combined with data of the primary government.

Sullivan Tobacco Asset Securitization Corporation—The Sullivan Tobacco Asset Securitization Corporation ("STASC") is a special purpose, bankruptcy remote, local development corporation organized under the Not-for-Profit Corporation Law of the State of New York and is an instrumentality of, but separate and apart from the County. STASC 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 STASC and are not legal obligations of the County. The Board of Directors of STASC consists of five members; the County Manager, the County's Commissioner of Financial Management, the Chairman of the County's Board of Legislators, the Majority Leader of the County's Board of Legislators and the Minority Leader of the County's Board of Legislators. Although legally separate and independent of the County, STASC 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. Separately issued financial statements for STASC may be obtained by writing the STASC, 100 North Street Monticello, New York 12701.

Sullivan County Funding Corporation—The Sullivan County Funding Corporation (the "SCFC") was incorporated in November 2010 under Section 1411 of the Not-For-Profit Corporation Law of the State of New York. The SCFC was formed to relieve and reduce unemployment, promote and provide for additional and maximum employment, improve and maintain job opportunities, and lessen the burden of government and act in the public interest. The SCFC's public objective and mission is to lessen of the burdens of government by undertaking and promoting economic development initiatives in the County. Such initiatives include real estate leasing, acquisition, development and management, real estate project finance, and other community-based economic development activities permissible under the Not-For-Profit Corporation Law. The County is the sole appointing member of the SCFC, acting by and through the County Manager on an ex-officio basis. The SCFC is managed by a Board of Directors consisting of nine members. Members are appointed by the County Manager and are subject to removal at the will of the County Manager. The County is the sole corporate member of the SCFC. Separately issued financial statements for the SCFC may be obtained by writing the Sullivan County Funding Corporation, One Cablevision Center, Ferndale, New York 12734.

Sullivan County Infrastructure Local Development Corporation—The Sullivan County Infrastructure Local Development Corporation (the "ILDC") was established under to section 1411 of the New York Not-For-Profit Corporation Law pursuant to a resolution adopted by the County on January 28, 2016. The ILDC was formed to develop, own, construct, maintain, certain infrastructure and related improvements located on approximately 1,700 acres of land located in the Town of Thompson exercised solely in connection with the Adelaar Resort Project and related properties. The ILDC's public objective and mission is to lessening of the burdens of government by undertaking and promoting economic development initiatives in the County that will include real estate leasing, acquisition, development and management, real estate project finance, and other community-based economic development activities permissible under the Not-For-Profit Corporation Law. The County is initial Member of the Corporation acting by and through the County Manager on an ex-officio basis. The Corporation is managed by a Board of Directors consisting of nine members. Members are appointed by the County Manager and are subject to removal at the will of the County Manager. The County is the sole corporate member of the ILDC. Separately issued financial statements for the ILDC may be obtained by writing the Sullivan County Infrastructure Local Development Corporation, 1 Cablevision Center, Ferndale, New York 12734.

Sunset Lake Local Development Corporation—The Sunset Lake Local Development Corporation (the "SLLDC") was formed by the Sullivan County Legislature on September 3, 2020 pursuant to Section 1411 of the New York State Not-for-Profit Corporation Law. Under Section 4.02(b) of IRS Rev. Proc. 95-48, the Corporation is treated as an affiliate of a governmental unit and is subject to the provisions of the New York State Public Authorities Law. The mission of the Corporation is to aid the County in the solicitation of bids and the identification of a private nursing home operator to run the Care Center at Sunset Lake in Liberty, New York on behalf of the County. The Corporation is comprised of four Board Members and one Chairman. Separately issued financial statements for the Corporation may be obtained by writing the Sunset Lake Local Development Corporation, 100 North Street, Monticello, NY 12701. The SLLDC has dissolved as of December 31, 2025.

Sullivan County Broadband Local Development Corporation—The Sullivan County Broadband Local Development Corporation (the "BLDC") was formed by the Sullivan County Legislature on January 31, 2021 to oversee the implementation of the County's Wireless Broadband Access Project, with a goal of providing wireless broadband service Countywide. The Corporation is a local development corporation created pursuant to the not-for-profit corporation law of the State of New York. Separately issued financial statements for the Corporation may be obtained by writing the Sullivan Broadband Local Development Corporation, 100 North Street, Monticello, NY 12701. The BLDC has dissolved as of December 31, 2025.

Sullivan County Resort Facilities Local Development Corporation—The Sullivan County Resort Facilities Local Development Corporation (the "RFLDC") was formed by the Sullivan County Legislature on April 25, 2025 to acquire, develop, own, construct and operate certain real and tangible property located within Sullivan County. The Corporation is a local development corporation created pursuant to the not-for-profit corporation law of the State of New York. Separately issued financial statements for the Corporation may be obtained by writing the Sullivan County Resort Facilities Local Development Corporation, 548 Broadway, Monticello, NY 12701.

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 funds. Separate financial statements are provided for governmental funds, proprietary funds, and fiduciary funds, even though the fiduciary funds are excluded from the government-wide financial statements.

As discussed earlier, the County has five discretely presented component units: the College, the District, the IDA, the ECCEDC, and the Land Bank. These are aggregately presented within a single column 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 fiduciary funds and its blended component unit. Separate statements for each fund category – governmental, proprietary, and fiduciary – are presented. The emphasis of fund financial statements is on major governmental and enterprise funds, each displayed in a separate column. All remaining governmental funds are aggregated and reported as nonmajor funds. Major individual governmental and proprietary funds are reported as separate columns in the fund financial statements.

The County reports the following major governmental funds:

- *General Fund*—The General Fund constitutes the primary operating fund of the County and is used to account for all operations not required to be accounted for in other funds.

- *County Road Fund*—The County Road Fund is used to record all revenues and expenditures related to road maintenance and construction throughout the County. The principal sources of revenue for the County Road Fund are state aid and an annual subsidy from the General Fund.

- *Refuse and Garbage Fund*—The Refuse and Garbage fund is used to record all revenues and expenditures related to the County's solid waste operations. The principal source of revenue for the Refuse and Garbage Fund is tonnage fees.

- *Capital Projects Fund*—The Capital Projects Fund is used to account for financial resources to be used for the acquisition, construction or renovation of major capital facilities or equipment.

The County reports the following nonmajor governmental funds:

Nonmajor Special Revenue Funds—These nonmajor governmental funds are used to account for the proceeds of specific revenue sources that are legally restricted to expenditures for specified purposes. The following special revenue funds are utilized:

- *Special Grant Fund*—The Special Grant Fund is used to account for financial assistance from Federal and State agencies.

- *Road Machinery Fund*—The Road Machinery Fund is used to record all revenues and expenditures related to purchase, repair, maintenance, and storage of highway machinery, tools, and equipment in accordance with New York State Laws.

- *Debt Service Fund*—The Debt Service Fund is provided to account for and report financial resources that are restricted, committed or assigned to expenditures for principal and interest and for financial resources that are being accumulated for principal and interest maturing in future years.

The County reports the following major enterprise funds:

- *Sullivan County Adult Care Center (the "Adult Care Center")*—The Adult Care Center is a nursing facility delivering long-term care and short-term rehabilitation services to the citizens of Sullivan County.

- *Sunset Lake Local Development Corporation (the "SLLDC")*—The SLLDC is a blended component unit used to aid the County in the solicitation of bids and the identification of a private nursing home operator to run the Care Center on behalf of the County.

- *Sullivan Tobacco Asset Securitization Corporation ("STASC")*—STASC is a blended component unit used to account for the receipt and disbursement of resources related to tobacco assets and related obligations.

- *Sullivan County Funding Corporation ("SCFC")*—SCFC is a blended component unit used to account for the creation, retention and expansion of jobs and economic opportunities within the County.

- *Sullivan County Infrastructure Local Development Corporation (the "ILDC")*—The ILDC is a blended component unit used to account for the development, ownership, construction, and maintenance of certain infrastructure and related improvements on approximately 1,700 acres within the County, to foster the creation, retention, and expansion of jobs and economic opportunities.

- *Sullivan County Resort Facilities Local Development Corporation (the "RFLDC")*—The RFLDC is a blended component created to manage certain real and tangible property located within the County of Sullivan, New York.

- *Sullivan County Broadband Local Development Corporation (the "BLDC")*—The BLDC is a blended component created to oversee the implementation of the County's Wireless Broadband Access Project.

Additionally, the County reports the following fund types:

Internal Service Funds—The Internal Service Funds account for the operations that provide services to other departments or agencies of the government, or to other governments, on a cost reimbursement basis. The County has established its Workers' Compensation Benefits Fund and Dental Fund as internal service funds.

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. The County's fiduciary funds include the *Custodial Fund*.

- *Custodial Fund*—Activities reported in the fiduciary funds included monies from outside entities, held 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/due to other funds and advances to/from other funds. While these balances are reported in fund financial statements, certain eliminations are made in the preparation of the government-wide financial statements. Balances between the funds included in governmental activities are eliminated so that only the net amount is included as internal balances in the governmental activities column. Similarly, balances between the funds included in business-type activities (i.e., proprietary funds) are eliminated so that only the net amount is included as internal balances in the business-type activities column.

Further, certain activity occurs during the year involving transfers of resources between funds. In fund financial statements these amounts are recorded at gross amounts as transfers in/out. While reported in 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. Similarly, balances between the funds included in business-type activities are eliminated so that only the net amount is included as transfers in the business-type 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 related cash flows. Property taxes are recognized as revenues in the year for which they are levied. Grants and similar items are recognized as revenue 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 *modified accrual basis of accounting*. Revenues are recognized as soon as they are both measurable and available. Revenues are considered to be 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 property tax revenues to be available if they are collected within 60 days of the end of the current fiscal period and considers all other revenues to be available to be available if they are collected within 90 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, and claims and judgments, 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 and subscriptions 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 sources (within 90 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 sources (within 90 days of year-end). 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, 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 of 90 days or less from the date of acquisition. State statutes and various resolutions of the County Legislature govern the County's investment policies. Permissible investments include obligations of the U.S. Treasury and U.S. Government agencies, repurchase agreements and obligations of New York State or its localities. Investments are stated at fair value based on quoted market prices. The County's business-type activities reported restricted investments of $3,703,803 at December 31, 2025.

Restricted Cash, Cash Equivalents and Investments—Restricted cash, cash equivalents and investments represent amounts to support restricted fund balance, debt proceeds, amounts with constraints placed on their use by either external parties and/or statute, and for unearned revenues.

Resident Trust Cash—Resident trust cash represents deposits held in custody for patients and as such represent fiduciary responsibilities of the Adult Care Center.

Receivables—Receivables are stated net of allowances for estimated 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.

Leases Receivables—The County is a lessor for various leases. The County recognizes a lease receivable and a deferred inflow of resources in the government-wide and governmental fund financial statements. At the commencement of a lease, the County initially measures the lease receivable at the present value of payments expected to be received during the lease term. Subsequently, the lease receivable is reduced by the principal portion of lease payments received. The deferred inflow of resources is initially measured as the initial amount of the lease receivable, adjusted for lease payments received at or before the lease commencement date. Subsequently, the deferred inflow of resources is recognized as revenue over the life of the lease term.

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 property, buildings, equipment, infrastructure assets, right-to-use leased assets and right-to-use subscription assets (e.g. roads, bridges, sidewalks, and similar items), are reported in the applicable governmental or business-type activities column in the government-wide financial statements, as well as within the individual proprietary funds. Capital assets are defined by the County as assets with an individual cost or fair market value of more than $25,000 and an estimated useful life in excess of two years. Donated capital assets are recorded at acquisition value. The costs of normal maintenance and repair that do not add to the value of the asset or materially extend assets lives are not capitalized. Subscription assets and right-to-use lease assets are initially measured as the initial amount of the liability, adjusted for payments made at or before the commencement date, plus certain initial direct costs and are amortized on a straight line basis over their useful lives. Major outlays for capital assets and improvements are capitalized as projects are incurred.

The County depreciates/amortizes capital assets using a straight-line method over the estimated useful lives as shown below:

	Years
Buildings, building and land improvements	20-50
Machinery and equipment	5-20
Infrastructure	25
Subscription assets	2-4
Right-to-use lease assets	3-6

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 highway vehicle included as part of *expenditures—transportation).* The amount reported as *capital outlays* in the Capital Projects Fund will also include non-capitalized, project-related costs (for example, furnishings).

Unearned Revenues—Certain cash receipts have not met the revenue recognition criteria for government-wide or fund financial statement purposes. At December 31, 2025, the County reported unearned revenues of $850,820 and $110,231 within the General Fund and Internal Service Funds, respectively. The County received funds related to grants, asset seizures, and workers' compensation contributions in advance but have not performed the associated services and therefore recognizes a liability.

Deferred Outflows/Inflows of Resources—In addition to assets, the statement of financial position will sometimes report a separate section for deferred outflows of resources. This separate financial statement element, *deferred outflows of resources*, represents a consumption of net assets 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, 2025, the County has three items that qualify for reporting in this category. The first item is a deferred charge on refunding which the County reports within its governmental and business-type activities. A deferred charge on refunding results from the difference in the carrying value of refunded debt and its reacquisition price. This amount is deferred and amortized over the shorter of the life of the refunded or refunding debt. The second item is related to OPEB reported in the government-wide and proprietary fund 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 net OPEB liability. The third item is related to pensions reported in the government-wide and proprietary fund financial statements. This 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 system made subsequent to the measurement date.

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 assets 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, 2025, the primary government of the County has four items that qualify for reporting in this category. The first item, reported within the governmental fund financial statements represents unavailable revenues from property taxes. This amount is deferred and recognized as an inflow of resources in the period that the amount becomes available. The second item represents the effect of the net change in the County's proportion of the collective OPEB liability and difference during the measurement period between certain employer's contributions and its proportionate share of the total of certain contributions from employers included in the collective OPEB liability and is reported on the government-wide and proprietary fund financial statements. The third item represents the effects of the 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 and proprietary fund financial statements. The final item relating to leases, reported on the government-wide statements and on the balance sheet of governmental funds, is recognized at the commencement of the County's lease receivable and amortized over the life of the lease.

Net Position Flow Assumption—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 and proprietary 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—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 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 specific purposes determined by a formal action of the government'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 an ordinance prior to the end of the fiscal year, commit fund balance. Once adopted, the limitation imposed by the ordinance remains in place until a similar action is taken (the adoption of another ordinance) 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. Fund balance is assigned through recommendation by the County Manager and County Treasurer, subsequent to review and acceptance and/or modification by the appropriate committee of the Legislature. 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 as program revenues.

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 Adult Care Center, SLLDC, STASC, SCFC, ILDC, RFLDC, BLDC and internal service funds are charges to customers and interfund/intergovernmental entities for sales and services. Operating expenses for enterprise funds and internal service funds include the professional care of residents cost of sales and services, administrative expenses, employee benefits and depreciation on capital assets. All revenues and expenses not meeting this definition are reported as nonoperating revenues and expenses.

Property Taxes—Real property taxes attach as an enforceable lien on real property and are levied on January 1st, payable without penalty to January 31st. The towns located within the County are responsible for the billing and collection of County taxes. The towns are responsible for collection through March 31st, at which time the collection process is transferred to the County. At that time, a 5% penalty is added to the unpaid amounts. Payments received subsequent to March 31st are also charged interest at 1 % per month on the unpaid tax. The towns retain from their gross tax collection the full amount of their respective levies and return the balance of such collections, which includes the collection of relevied school district taxes, where applicable, to the County.

The County is also responsible for collecting and enforcing delinquent school taxes. Such taxes are collected by the school districts located within the County between September 1st and November 15th. On or about November 15th, the tax receivers of the school districts transmit the school tax rolls together with a listing of unpaid taxes to the appropriate school authorities. The school districts must certify such listing of unpaid taxes and transmit said listing to the County. Unpaid school taxes are relevied as part of the County tax bill due on January 1st of the next calendar year and thereafter collected and enforced in the same manner as County real property taxes. The County must satisfy the full amount of the unpaid school taxes no later than April 1st of the year following the levy of such taxes.

At December 31, 2025, the total real property tax assets relating to the County of $29,282,866 included an allowance for uncollectible taxes of $737,890. Included in real property tax assets are current year returned school taxes of $17,973,584, which are offset by liabilities to the school districts. The remaining portion of tax assets is partially offset by deferred inflows of resources—property taxes of $10,294,163 in the General Fund and represents tax liens which were not collected within the first sixty (60) days of the subsequent year.

Compensated Absences—The County employees are entitled, with certain limitations, to accrue sick leave and vacation time. Estimated sick leave and vacation time is accumulated by governmental fund type employees and reported as a liability and expense in the government-wide financial statements under governmental activities. The General Fund is primarily used to liquidate compensated absences liabilities For proprietary fund type employees, the accumulation is recorded as a noncurrent liability of the proprietary fund type. The compensated absences liability for the County's governmental and business-type activities at December 31, 2025 totaled $6,085,286 and $302,272, respectively, and are reported in the government-wide financial statements and proprietary fund financial statements. Payment of sick leave and compensatory time 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 sick leave and compensatory time when such payment becomes due.

Pension Plans—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 of resources related to pensions, and pension expense, information about the fiduciary net position of the defined benefit pension plans, and changes thereof, have been determined on the same basis as they are reported by the respective defined benefit pension plans. The General Fund is primarily used to liquidate net pension liability obligations. 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 7.

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 disclosed in Note 8. The General Fund is primarily used to liquidate OPEB obligation liabilities for governmental activities.

Intergovernmental Transfer ("IGT")—The New York State Association of Counties ("NYSAC") and the State Division of the Budget agreed on a methodology to bring additional federal revenues to county nursing homes. This methodology, known as IGT, provides for certain Medicaid rate enhancements to all non-state operated, publicly sponsored nursing facilities. In order to receive these funds, the County is required to provide a 50% local share of the total funds to be received by the Adult Care Center.

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 reported period. Actual results could differ from those estimates.

Reclassifications—Certain amounts were reclassified from component unit financial statements to conform to the County's reporting presentation.

Adoption of New Accounting Pronouncements—During the year ended December 31, 2025, the County implemented GASB Statement No. 102, *Certain Risk Disclosures*, effective for the year ending December 31, 2025. GASB Statement No. 102 provides users of the government financial statements with essential information about risks related to a government's vulnerabilities due to certain concentrations or constraints. The implementation of GASB Statement No. 102 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. 103, *Financial Reporting Model Improvements;* and No. 104, *Disclosure of Certain Capital Assets* effective for the year ending December 31, 2026; and No. 105, *Subsequent Events,* effective for the year ending December 31, 2027. The County is, therefore, unable to disclose the impact that adopting GASB Statements No. 103, 104, and 105 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 described below.

- No later than November 15th, the County Manager 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 for all funds.
- After public hearings are conducted to obtain taxpayer comments, no later than December 20th, the governing board adopts the budget.
- Annual appropriations are adopted and employed for control of the General, County Road, Refuse and Garbage, Road Machinery and Debt Service Funds. These 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 reestablished as budgeted appropriations and expenditures.
- Capital projects funds are subject to individual project expenditures determined primarily by the cost of the project together with the requirements for external borrowings used to fund a particular

project rather than annual appropriations. These budgets do not lapse at year end and are carried over to the completion of the project.

Deficit Net Position—At December 31, 2025, business-type activities including the ACC, STASC and ILDC reported net position deficits of $(33,482,647, (11,416,200) and $(23,177,187), respectively. Additionally, the Internal Service Funds report a net position deficit of $(367,193). These deficits result primarily from the recognition of long-term liabilities related to the County OPEB obligation, tobacco settlement bonds and revenue bonds, respectively. The County anticipates the deficit will be eliminated as resources are obtained through future revenue streams, long-term debt issuances and state aid.

2. RESTATEMENT OF NET POSITION

During the year ended December 31, 2025, the Land Bank and College, discretely presented component units, reevaluated amounts related to grant revenues, TRS accruals and compensated absences, respectively. The Land Bank, College, and total discretely presented component units' net position has been restated as follows:

	Sullivan County Land Bank Corporation	Sullivan County Community College (8/31/2024)	Total Discretely Presented Component Units
Net position—December 31, 2024 (August 31, 2024 for College), as previously stated	$ 1,167,639	$ (46,043,519)	$ (31,940,358)
Land Bank and College restatements	1,580	(1,254,193)	(1,252,613)
Net position—December 31, 2024 (August 31, 2024 for College), as restated	$ 1,169,219	$ (47,297,712)	$ (33,192,971)

3. 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 FDIC-insured commercial banks or trust companies located within the State. Collateral is required for demand deposits and certificates of deposit not covered by federal deposit insurance. 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 at December 31, 2025 consisted of:

	Governmental Activities	Business-type Activities	Fiduciary Funds	Total
Petty cash (uncollateralized)	$ 16,180	$ 2,700	$ -	$ 18,880
Deposits	81,704,443	7,845,655	11,150,425	100,700,523
Total	$ 81,720,623	$ 7,848,355	$ 11,150,425	$ 100,719,403

Deposits—All deposits are carried at fair value, and are classified by custodial credit risk at December 31, 2025 as shown on the following page.

	Bank Balance	Carrying Amount
FDIC insured	$ 2,255,480	$ 2,255,480
Uninsured:		
Collateral held by pledging bank's agent in the County's name	90,500,247	98,445,043
Total	$ 92,755,727	$ 100,700,523

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, the State Statute all deposits in excess of FDIC insurance coverage must be collateralized.

Restricted Cash and Cash Equivalents—At December 31, 2025, governmental funds reported restricted cash of $8,915,615, of which $850,820 is restricted for unearned revenue, $2,271,687 is restricted for capital projects, and $5,793,108 is restricted to support restricted fund balances. The internal service fund reports restricted cash of $508,500. Total business-type activities reported restricted cash of $1,472,780 at December 31, 2025, of which $1,107,556 is restricted for debt service requirements within the STASC fund, and $365,224 is restricted for the ILDC.

The terms of STASCs bond indenture provide for the establishment of a liquidity reserve. The reserve has been established at the maximum annual debt service requirements for Series 2016 Serial/Term Bonds and interest on 2016C Turbo Term Bonds in the current and any future fiscal year, assuming principal is paid in accordance with the requirements of the indenture.

Restricted Investments—Restricted investments are reported at fair value. The County's governmental activities reports no investments as of December 31, 2025. The County's business-type activities reported restricted investments totaling $3,703,803 as of December 31, 2025.

Interest Rate Risk—In the case of investments, this is the risk that potential purchasers of debt securities will not agree to pay face value for those securities if interest rates subsequently increase. There is the prospect of a loss should those securities be sold prior to maturity. There are no requirements limiting maturity of investments.

Custodial Credit Risk—Investments—In compliance with State law, the County's investments are limited to special time deposit accounts in an authorized banking depository or trust company secured in the same manner prescribed by General Municipal law, Section 10; obligations of the United States of America; obligations guaranteed by agencies of the United States of America where the payment of principal and interest are guaranteed by the United States of America; obligations of the State of New York; obligations of other municipalities, school districts, or district corporation other than the County issued pursuant to Local Finance Law Section 24 or 25 (with approval of the State Comptroller's Office); obligations of public benefit corporations, public housing authorities, urban renewal, agencies and industrial development agencies; certificates of deposit; and certain repurchase agreements and cooperative investments.

Fair Value Measurements—Accounting standards provide the framework for measuring fair value. That framework provides a fair value hierarchy that prioritizes the inputs to valuation techniques used to measure fair value. The hierarchy gives the highest priority to unadjusted quoted prices in active markets for identical assets or liabilities (level 1 measurements) and the lowest priority to unobservable inputs (level 3 measurements). The three levels of the fair value hierarchy described as shown on the following page.

Level 1	Inputs to the valuation methodology are unadjusted quoted prices for identical assets or liabilities in active markets.

Level 2 Inputs to the valuation methodology include:

- quoted prices for similar assets or liabilities in active markets;
- quoted prices for identical or similar assets or liabilities in inactive markets;
- inputs other than quoted prices that are observable for the asset or liability;
- inputs that are derived principally from or corroborated by observable market data by correlation or other means.

If the asset or liability has a specified (contractual) term, the level 2 input must be observable for substantially the full term of the asset or liability.

Level 3 Inputs to the valuation methodology are unobservable and significant to the fair value measurement.

Sullivan County Infrastructure Local Development Corporation

Investments within the County's business-type activities, which are securities held by the counter-party or by its trust department or agent, but not in the Corporation's name are reported at contract value, which represents Level 2 fair value input and consisted of $3,703,803 at December 31, 2025.

Sullivan County Community College

Cash and Cash Equivalents—Cash and cash equivalents for the College totaled $2,663,521 at August 31, 2025. As of August 31, 2025, none of the College's bank balance of $2,663,521 was exposed to custodial credit risk as they were either insured or collateralized.

Investments—Investments for the College totaled $2,176,827 at August 31, 2025, as reported by the Association, the Foundation, and Dormitory Corporation, component units of the College. The College's total investments represent Level 1 fair value input.

Sullivan County Soil and Water Conservation District

Cash and Cash Equivalents—Cash and cash equivalents for the District totaled $1,162,313 and were not fully collateralized or insured at December 31, 2025.

***Restricted Cash and Cash Equivalents*—**At December 31, 2025, restricted cash and cash equivalents at the District totaled $5,188,134.

Sullivan County Industrial Development Agency

Cash and Cash Equivalents—Cash and cash equivalents at the IDA totaled $6,820,571 at December 31, 2025. At December 31, 2025, the Agency's cash balances were fully collateralized with securities held by the Agency's third party custodian and not subject to custodial credit risk.

Restricted Cash and Cash Equivalents—At December 31, 2025, restricted cash and cash equivalents at the IDA totaled $1,934,925.

Emerald Corporate Center Economic Development Corporation

Cash and Cash Equivalents—Cash and cash equivalents at the ECCEDC totaled $2,419 at December 31, 2025. The balance was within FDIC insurance limits at December 31, 2025.

Sullivan County Land Bank Corporation

Cash and Cash Equivalents—Cash and cash equivalents at the Land Bank totaled $827,781 and were fully collateralized as of December 31, 2025.

4. RECEIVABLES

Taxes Receivable—Represents amounts due from County taxpayers that remain unpaid. At December 31, 2025, the County recorded $29,282,866 related to taxes receivable. These amounts are reported net of an allowance for uncollectible taxes provision of $737,890.

Accounts Receivable—Represents amounts due from various sources. The County's accounts receivable and related allowances for estimated uncollectible amounts at December 31, 2025 are presented below:

	Gross Receivable	Allowances for Uncollectables	Net Receivable
Governmental funds:			
General Fund	$ 13,275,980	$ -	$ 13,275,980
County Road Fund	3,643	-	3,643
Refuse and Garbage Fund	427,805	-	427,805
Capital Projects Fund	110,000	-	110,000
Total governmental funds	$ 13,817,428	$ -	$ 13,817,428
Proprietary funds:			
Adult Care Center	$ 4,978,727	$ (1,529,000)	$ 3,449,727
SCFC	5,687	-	5,687
ILDC	12,700	-	12,700
Internal Service Funds	7,266,805	-	7,266,805
Total proprietary funds	$ 12,263,919	$ (1,529,000)	$ 10,734,919

Lease Receivables—The County leases their cell tower, heavy equipment and office space to various third parties. The County will receive monthly payments which coincide with each contracted agreement between the lessor and lessee. The County recognized $113,870 in rental income in the County's General Fund during the fiscal year related to these leases. As of December 31, 2025, the County's outstanding receivable for lease payments were $610,625 within the General Fund. Also, the County reports a deferred inflow of resources associated with these lease that will be recognized as revenue over the lease term. As of December 31, 2025, the balance of the deferred inflow of resources was $581,437 within the General Fund.

Sullivan County Funding Corporation

Notes Receivable—Represents amounts due from various business entities within Sullivan County. At December 31, 2025, notes receivable for the SCFC totaled $154,767.

Intergovernmental Receivables—Represents amounts due from other units of government, such as Federal, New York State or other local governments. Intergovernmental receivables at December 31, 2025 are shown below:

Governmental funds:	
General Fund	$ 22,715,643
County Road Fund	3,154,732
Refuse and Garbage Fund	83,767
Capital Projects Fund	5,982,247
Total	$ 31,936,389
Proprietary funds:	
STASC	$ 1,014,000
Total	$ 1,014,000

Sullivan County Community College

Accounts Receivable—Accounts receivable at the College are shown net of allowance for doubtful accounts and consist of the amounts shown below at August 31, 2025.

	Gross Receivable	Allowances for Uncollectables	Net Receivable
Primary institution	$ 6,735,612	$ (1,759,199)	$ 4,976,413
Association	20,441	-	20,441
Corporation	24,262	-	24,262
Foundation	4,921	-	4,921
Total	$ 6,785,236	$ (1,759,199)	$ 5,026,037

Loans Receivable—Represents funds due from students advanced to the College by the Federal government under the Federal Perkins Loans Program.

5. CAPITAL ASSETS

Governmental activities—Capital asset activity for the primary government's governmental activities for the year ended December 31, 2025 is shown on the following page.

	Balance 1/1/2025	Increases	Decreases	Balance 12/31/2025
Capital assets, not being depreciated/amortized:				
Land	$ 8,950,181	$ -	$ -	$ 8,950,181
Construction in progress	23,285,658	21,125,871	1,216,186	43,195,343
Total capital assets, not being depreciated/amortized	32,235,839	21,125,871	1,216,186	52,145,524
Capital assets, being depreciated/amortized:				
Land improvements	22,545,335	49,497	-	22,594,832
Buildings and building improvements	148,627,920	1,930,282	1,569,296	148,988,906
Machinery and equipment	42,560,363	4,838,384	1,861,507	45,537,240
Infrastructure	362,254,080	13,983,240	-	376,237,320
Right-to-use leased assets - machinery and equipment	4,874,927	4,217,831	-	9,092,758
Right-to-use subscription assets	5,361,061	-	-	5,361,061
Total capital assets, being depreciated/amortized	586,223,686	25,019,234	3,430,803	607,812,117
Less accumulated depreciation/amortization for:				
Land improvements	18,588,661	340,179	-	18,928,840
Buildings and building improvements	36,403,273	3,489,018	1,161,279	38,731,012
Machinery and equipment	30,853,210	2,580,545	1,853,870	31,579,885
Infrastructure	228,713,370	12,278,067	-	240,991,437
Right-to-use leased assets - machinery and equipment	2,763,217	2,607,934	-	5,371,151
Right-to-use subscription assets	2,477,135	1,309,703	-	3,786,838
Total accumulated depreciation/amortization	319,798,866	22,605,446	3,015,149	339,389,163
Total capital assets, being depreciated/amortized, net	266,424,820	2,413,788	415,654	268,422,954
Governmental activities capital assets, net	$ 298,660,659	$ 23,539,659	$ 1,631,840	$ 320,568,478

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

General government support	$ 7,578,002
Education	526,310
Public safety	524,979
Public health	54,528
Transportation	12,789,079
Economic assistance and opportunity	9,106
Culture and recreation	94,221
Home and community services	1,029,221
Total governmental activities	$ 22,605,446

Business-type activities—Capital asset activity for the primary government's business-type activities for the year ended December 31, 2025, was as follows:

	Balance 1/1/2025	Increases	Decreases	Balance 12/31/2025
Capital assets, not being depreciated:				
Land	$ 44,800	$ -	$ -	$ 44,800
Total capital assets, not being depreciated	44,800	-	-	44,800
Capital assets, being depreciated:				
Buildings and improvements	12,378,249	12,891,442	-	25,269,691
Land improvements	513,193	-	-	513,193
Machinery and equipment	1,091,764	27,366	-	1,119,130
Infrastructure	97,665,162	-	-	97,665,162
Total capital assets, being depreciated	111,648,368	12,918,808	-	124,567,176
Less accumulated depreciation for:				
Buildings and improvements	11,461,071	12,712,637	-	24,173,708
Land improvements	513,193	-	-	513,193
Machinery and equipment	958,642	296,440	-	1,255,082
Infrastructure	21,993,789	3,232,867	-	25,226,656
Total accumulated depreciation	34,926,695	16,241,944	-	51,168,639
Total capital assets, being depreciated, net	76,721,673	(3,323,136)	-	73,398,537
Business-type activities capital assets, net	$ 76,766,473	$ (3,323,136)	$ -	$ 73,443,337

During the year ended December 31, 2025, the SLLDC executed a quit claim deed and bill of sale to transfer its assets to the County for no consideration in return. The cost of these assets as of December 31, 2025 was $12,891,442 with related accumulated depreciation of $11,346,415.

Sullivan County Community College

Capital asset activity for the College, for the year ended August 31, 2025, is shown on the following page.

	Balance 9/1/2024	Increases	Decreases	Balance 8/31/2025
Capital assets, not being depreciated:				
Land	$ 190,000	$ -	$ -	$ 190,000
Total capital assets, not being depreciated	190,000	-	-	190,000
Capital assets, being depreciated:				
Building and improvements	46,621,254	-	1,139,229	45,482,025
Furniture and equipment	2,843,314	375,032	-	3,218,346
Total capital assets, being depreciated	49,464,568	375,032	-	48,700,371
Less accumulated depreciation for:				
Building and improvements	36,286,916	412,809	-	36,699,725
Furniture and equipment	2,591,675	55,877	-	2,647,552
Total accumulated depreciation	38,878,591	468,686	-	39,347,277
Total capital assets, being depreciated, net	10,585,977	(93,654)	-	9,353,094
Total capital assets, net	$ 10,775,977	$ (93,654)	$ -	$ 9,543,094

Sullivan County Soil and Water Conservation District

Capital asset activity for the District, for the year ended December 31, 2025, was as follows:

	Balance 1/1/2025	Increases	Decreases	Balance 12/31/2025
Capital assets, being depreciated:				
Buildings	$ 55,197	$ -	$ -	$ 55,197
Machinery and equipment	256,692	31,695	-	288,387
Total capital assets, being depreciated	311,889	31,695	-	343,584
Less accumulated depreciation for:				
Buildings	49,998	1,539	-	51,537
Machinery and equipment	193,975	47,361	-	241,336
Total accumulated depreciation	243,973	48,900	-	292,873
Total capital assets, net	$ 67,916	$ (17,205)	$ -	$ 50,711

Sullivan County Industrial Development Agency

Capital asset activity for the IDA, for the year ended December 31, 2025, was as follows:

	Balance 1/1/2025	Increases	Decreases	Balance 12/31/2025
Capital assets, being depreciated:				
Buildings and improvements	$ 1,603,585	$ -	$ -	$ 1,603,585
Equipment	1,981,692	9,288	206,046	1,784,934
Less: accumulated depreciation	(995,802)	(172,468)	(167,995)	(1,000,275)
Total capital assets, net	$ 2,589,475	$ (163,180)	$ 38,051	$ 2,388,244

Emerald Corporate Center Economic Development Corporation

Capital asset activity for the ECCEDC, for the year ended December 31, 2025, was as follows:

	Balance 1/1/2025	Increases	Decreases	Balance 12/31/2025
Capital assets, not being depreciated:				
Deferred building costs	$ 1,442,461	$ -	$ -	$ 1,442,461

During 2002, ECCEDC acquired land and existing infrastructure from the County of Sullivan for the purpose of constructing a corporate center. All expenses related to the architectural, engineering, legal matters and construction of infrastructure are being capitalized.

Sullivan County Land Bank Corporation

In accordance with §2896(3) of the Public Authorities Law for New York State, the Land Bank reports it owns land and property with a recorded value of $1,942,902 at December 31, 2025. The land is located within the County.

6. ACCRUED LIABILITIES

Accrued liabilities reported by governmental funds at December 31, 2025, were as follows:

	General Fund	County Road Fund	Refuse and Garbage Fund	Nonmajor Funds	Total Governmental Funds
Salaries and employee benefits	$ 13,186,849	$ 551,532	$ 145,474	$ 157,216	$ 14,041,071

7. PENSION PLANS

Plan Descriptions and Benefits Provided

Employees' Retirement System—The County participates in the New York State and Local Employees' Retirement System ("ERS"), a cost-sharing multiple-employer retirement 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 who contribute three percent (3%) of their salary for the first ten years of membership, and employees who joined on or after January 1, 2010, who generally contribute three percent (3%) to three and one half percent

(3.5%) of their salary for their entire length of service. In addition, employee contribution rates under ERS Tier VI vary based on a sliding salary scale. 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 Liabilities, Pension Expense, Deferred Outflows of Resources, and Deferred Inflows of Resources Related to Pensions—At December 31, 2025, the County reported the liability on the following page for its proportionate share of the net pension liability for ERS. The net pension liability was measured as of March 31, 2025. The total pension liability used to calculate the net pension liability were determined by actuarial valuations as of April 1, 2024, with update procedures used to roll forward the total net pension liability to the measurement date. The County's proportion of the net pension liabilities were based on projections of the County's long-term share of contributions to the System relative to the projected contributions of all participating members, actuarially determined. This information was provided by the System in reports provided to the County.

	ERS		
	Governmental Activities	Business-type Activities	Total Primary Government
Measurement date		March 31, 2025	
Net pension liability	$ 35,199,459	$ 2,144,766	$ 37,344,225
County's portion of the Plan's total net pension liability	0.2052959%	0.0125090%	0.2178049%

For the year ended December 31, 2025, the County recognized pension expense of $6,710,910 and $408,908 for governmental activities and business-type activities, respectively. At December 31, 2025, the County reported deferred outflows of resources and deferred inflows of resources related to pensions from the sources shown below:

	ERS					
	Deferred Outflows of Resources		Deferred Inflows of Resources		Deferred Outflows	Deferred Inflows
	Governmental Activities	Business-type Activities	Governmental Activities	Business-type Activities	Total Primary Government	
Differences between expected and actual experiences	$ 8,736,743	$ 532,345	$ 412,117	$ 25,111	$ 9,269,088	$ 437,228
Changes of assumptions	1,476,195	89,947	-	-	1,566,142	-
Net difference between projected and actual earnings on pension plan investments	2,761,651	168,272	-	-	2,929,923	-
Changes in proportion and differences between the County's contributions and proportionate share of contributions	751,308	45,779	3,472,331	211,575	797,087	3,683,906
County contributions subsequent to the measurement date	7,457,811	406,451	-	-	7,864,262	-
Total	$ 21,183,708	$ 1,242,794	$ 3,884,448	$ 236,686	$ 22,426,502	$ 4,121,134

County contributions subsequent to the measurement date will be recognized as a reduction of the net pension liability in the year ending December 31, 2026. Other amounts reported as deferred outflows of resources and deferred inflow of resources related to pensions will be recognized in pension expense as shown on the following page.

	ERS		
Year Ending December 31,	Governmental Activities	Business-type Activities	Total Primary Government
2026	$ 4,838,568	$ 294,823	$ 5,133,391
2027	8,462,463	515,633	8,978,096
2028	(3,342,871)	(203,687)	(3,546,558)
2029	(116,711)	(7,112)	(123,823)

Actuarial Assumptions—The total pension liabilities as of the measurement date were determined by using an actuarial valuation as noted in the table on the following page, with update procedures used to roll forward the total pension liabilities to the measurement date. The actuarial valuation used the actuarial assumptions presented on the following page.

	ERS
Measurement date	March 31, 2025
Actuarial valuation date	April 1, 2024
Interest rate	5.9%
Salary scale	4.3%
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, 2024 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 is summarized below:

	ERS	
	Target Allocation	Long-Term Expected Real Rate of Return
Measurement date	March 31, 2024	
Asset class:		
Domestic equities	25.0 %	3.5 %
International equities	14.0	6.6
Private equity	15.0	7.3
Real estate	12.0	5.0
Opportunistic portfolio	3.0	5.3
Credit	4.0	5.4
Real assets	4.0	5.6
Fixed income	22.0	2.0
Cash	1.0	0.3
Total	100.0 %	

Discount Rate—The discount rate used to calculate the total pension liabilities 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 (Asset)/Liability to the Discount Rate Assumption—The chart below presents the County's proportionate share of the net pension (asset)/liability calculated using the discount rate of 5.9%, as well as what the County's proportionate share of the net pension (asset)/liability would be if they were 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% Decrease (4.9%)	Current Assumption (5.9%)	1% Increase (6.9%)
Governmental activities:			
Employer's proportionate share of the net pension liability/(asset)	$ 101,871,666	$ 35,199,459	$ (20,471,877)
Business-type activities:			
Employer's proportionate share of the net pension liability/(asset)	$ 6,207,223	$ 2,144,766	$ (1,247,388)
Total primary government	$ 108,078,889	$ 37,344,225	$ (21,719,265)

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

	(Dollars in Thousands)
	ERS
Valuation date	April 1, 2024
Employers' total pension liability	$ 247,600,239
Plan fiduciary net position	230,454,512
Employers' net pension liability	$ 17,145,727
System fiduciary net position as a percentage of total pension liability	93.1%

Sullivan County Community College

The College participates in the ERS and the Teachers' Retirement System ("TRS").

Plan Description and Benefits Provided

Teachers' Retirement System—The College participates in the New York State Teachers' Retirement System ("TRS"). This is a cost-sharing, multiple-employer defined benefit pension plan. TRS provides retirement benefits as well as death and disability benefits to plan members and beneficiaries as authorized by the Education Law and the New York State Retirement and Social Security Law ("NYSRSSL"). TRS is governed by a 10 member Board of Trustees. Membership is mandatory and automatic for all full-time teachers, teaching assistants, guidance counselors and administrators employed in New York State Public Schools and BOCES who elect to participate in TRS. Once a public employer elects to participate in TRS, 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. Additional information regarding TRS may be obtained by writing to the New York State Teachers' Retirement System, 10 Corporate Woods Drive, Albany, NY 12211-2395 or by referring to the NYSTRS Annual Comprehensive Financial Report, which can be found on TRS' website at www.nystrs.org.

Plan members who joined the TRS before July 27, 1976 are not required to make contributions. Those joining after July 27, 1976 are required to contribute 3.0% to 3.5% of their annual salary. Employees in the System more than ten years are no longer required to contribute. Pursuant to Article 11 of the Education Law, rates are established annually by the New York State Teachers' Retirement Board.

Employees' Retirement System—The plan description is the same as disclosed within the County's footnote.

Pension Liabilities, Pension Expense, Deferred Outflows of Resources, and Deferred Inflows of Resources Related to Pensions—At August 31, 2025, the College reported the following (asset)/liability for its proportionate share of the net pension (asset)/liability for each of the Systems. The net pension (asset)/liability was measured as of June 30, 2025 for TRS and March 31, 2025 for ERS. The total pension (asset)/liability used to calculate the net pension (asset)/liability was determined by actuarial valuations as of June 30, 2025 for TRS and April 1, 2024 for ERS. The College's proportion of the net pension (asset)/liability was based on a projection of the College's long-term share of contributions to the Systems relative to the projected contributions of all participating members, actuarially determined. This information was provided by TRS and ERS in reports provided to the College.

	TRS	ERS
Measurement date	June 30, 2025	March 31, 2025
Net pension (asset)/liability	$ (391,568)	$ 1,998,616
College's portion of the Plan's total net pension (asset)/liability	0.0066130%	0.0116580%

For the year ended August 31, 2025, the College recognized pension expense of $(14,793) for the TRS and $381,044 for ERS. At August 31, 2025, the College reported deferred outflows of resources and deferred inflows of resources related to pensions from the sources presented below:

	Deferred Outflows of Resources		Deferred Inflows of Resources	
	TRS	ERS	TRS	ERS
Differences between expected and actual experiences	$ 205,269	$ 496,070	$ -	$ 23,400
Changes of assumptions	155,010	83,818	4,222	-
Net difference between projected and actual earnings on pension plan investments	-	156,806	305,814	-
Changes in proportion and differences between the College's contributions and proportionate share of contributions	17,268	42,659	17,008	197,158
College contributions subsequent to the measurement date	131,277	210,500	-	-
Total	$ 508,824	$ 989,853	$ 327,044	$ 220,558

The College’s contributions subsequent to the measurement date will be recognized as a reduction of the net pension liability in the year ending August 31, 2026. Other amounts reported as deferred inflows of resources and deferred outflows of resources related to pensions will be recognized in pension expense as follows:

Year Ending August 31,	TRS	ERS
2026	$ 204,058	$ 274,733
2027	(83,274)	480,496
2028	(89,871)	(189,807)
2029	(21,129)	(6,627)
2030	33,541	-
Thereafter	7,178	-

Actuarial Assumptions— The total pension (asset)/liability as of the measurement dates were determined by using actuarial valuations as noted in the table below, with update procedures used to roll forward the total pension (asset)/liability to the measurement dates. The actuarial valuations used the following actuarial assumptions:

	TRS	ERS
Measurement date	June 30, 2025	March 31, 2025
Actuarial valuation date	June 30, 2024	April 1, 2024
Interest rate	6.95%	5.90%
Salary scale	1.95%-5.18%	4.30%
Decrement tables	July 1, 2015 - June 30, 2020	April 1, 2016 - March 31, 2020
Inflation rate	2.50%	2.90%
Cost-of-living adjustment	1.4%	1.5%

For ERS, the long-term rate of return on pension plan investments is the same as disclosed within the County's footnote.

For TRS, annuitant mortality rates are based on July 1, 2015 – June 30, 2020 System experience with adjustments for mortality improvements based on Society of Actuaries Scale MP2021, applied on a generational basis. The actuarial assumptions used in the June 30, 2024 valuation are based on the results of an actuarial experience study for the period July 1, 2016 – June 30, 2020.

The long-term expected rate of return on pension plan investments was determined in accordance with Actuarial Standards of Practice ("ASOP") No. 27, *Selection of Economic Assumptions for Measuring Pension Obligations*. ASOP No. 27 provides guidance on the selection of an appropriate assumed investment rate of return. Consideration was given to expected future real rates of return (expected returns, net of pension plan investment expenses and inflation) for each major asset class as well as historical investment data and plan performance. Best estimates of the arithmetic real rates of return for each major asset class included in the target asset allocation are summarized below:

	Target Allocation		Long-Term Expected Real Rate of Return	
	TRS	ERS	TRS	ERS
Measurement date			June 30, 2025	March 31, 2025
Asset class:				
Domestic equities	33.0 %	25.0 %	6.7 %	3.5 %
International equities	15.0	14.0	7.4	6.6
Global equities	4.0	0.0	7.0	0.0
Private equity	9.0	15.0	9.8	7.3
Real estate	11.0	12.0	6.5	5.0
Domestic fixed income securities	16.0	0.0	2.6	0.0
Global fixed income securities	2.0	22.0	2.4	2.0
High-yield fixed income securities	1.0	0.0	4.7	0.0
Opportunistic portfolio	0.0	3.0	0.0	5.3
Private debt	2.0	4.0	6.1	5.4
Real assets	0.0	4.0	0.0	5.6
Bonds and mortgages	6.0	0.0	3.8	0.0
Cash	1.0	1.0	60.0	25.0
Inflation-indexed bonds	0.0	0.0	0.0	0.0
Total	100.0 %	100.0 %		

Discount Rate—The discount rate used to calculate the total pension liabilities was 6.95% for TRS and 5.90% for ERS. 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/(asset).

Sensitivity of the Proportionate Share of the Net Pension (Asset)/Liability to the Discount Rate Assumption—The chart below presents the College's proportionate share of the net pension (asset)/liability calculated using the discount rate of 6.95% for TRS and 5.90% for ERS, as well as what the College's proportionate share of the net pension (asset)/liability would be if they were calculated using a discount rate that is one percentage-point lower (5.95% for TRS and 4.90% for ERS) or one percentage-point higher (7.95% for TRS and 6.90% for ERS) than the current assumption.

TRS	1% Decrease (5.95%)	Current Assumption (6.95%)	1% Increase (7.95%)
Employer's proportionate share of the net pension liability/(asset)	$ 752,403	$ (391,568)	$ (1,354,160)

ERS	1% Decrease (4.90%)	Current Assumption (5.90%)	1% Increase (6.90%)
Employer's proportionate share of the net pension liability/(asset)	$ 5,784,247	$ 1,998,616	$ (1,162,388)

Pension Plan Fiduciary Net Position—The components of the current-year net pension (asset)/liability of the employers as of the valuation dates were as follows:

	(Dollars in Thousands)		
	TRS	ERS	Total
Valuation date	June 30, 2025	April 1, 2024	
Employers' total pension liability	$ 148,272,068	$ 247,600,239	$ 395,872,307
Plan fiduciary net position	154,193,125	230,454,512	384,647,637
Employers' net pension liability	$ (5,921,057)	$ 17,145,727	$ 11,224,670
System fiduciary net position as a percentage of total pension (asset)/liability	104.0%	93.1%	97.2%

Voluntary Defined Contribution Plan—The College also offers a defined contribution plan to all non-union employees hired on or after July 1, 2013 and earning at the annual full-time salary rate of $75,000 or more. The employee contribution is between 3% and 6% depending on salary and the College will contribute 8%. Employer contributions vest after 366 days of service. No current employees participated in this program.

Teachers' Insurance and Annuity Association College Retirement Equities Fund—The College participates in the Teachers' Insurance and Annuity Association College Retirement Equities Fund ("TIAA-CREF"). TIAA-CREF is a cost sharing multiple-employer defined contribution pension plan. The System provides retirement, disability and death benefits to plan members. Obligations of employers and employees to contribute and benefits to employees are governed by the NYSRSSL. TIAA-CREF issues publicly available financial reports that include financial statements and required supplementary information. These reports may be obtained by writing the Teacher's Insurance and Annuity Association - College Retirement Equities Fund, 730 Third Avenue, New York, New York 10017.

TIAA-CREF is a privately operated defined contribution retirement plan which provides benefits to certain employees of the College. Under the plan, the College is required to make contributions based on gross salaries of the participants show below:

Tier	Dates	Contribution
Tier 1	Membership prior to July 1, 1973	12% of the first $16,500 of salary per calendar year, and 15% of all salary above $16,500
Tier 2	July 1, 1973 - July 26 1976	12% of the first $16,500 of salary per calendar year, and 15% of all salary above $16,500
Tier 3	July 27, 1976 - August 31, 1983	9% of the first $16,500 of salary per calendar year, and 12% of all salary above $16,500
Tier 4	September 1, 1983 - July 16, 1992	9% of the first $16,500 of salary per calendar year, and 12% of all salary above $16,500
Tier 5	July 17, 1992 - March 31, 2012	8% of the first seven years of service, and 10% thereafter
Tier 6	April 1, 2012 and thereafter	8% of the first seven years of service, and 10% thereafter

Upon the completion of 366 days of service a lump sum contribution is made by the College for this initial vesting period and each pay period thereafter. An employee contribution of 3% of pay is required for Tiers 3, 4 and 5 which is eliminated after 10 years of service when the College will make an additional 3% contribution for these employees. The Tier 6 employee contribution is required for the duration of their membership and varies based on salary scale.

For the year ended August 31, 2025, employee contributions totaled approximately $204,991 and the College recognized pension expense of $189,019.

Sullivan County Soil and Water Conservation District

Plan Descriptions and Benefits Provided

Employees' Retirement System—The plan description is the same as disclosed within the County's footnote.

Pension Liabilities, Pension Expense, Deferred Outflows of Resources and Deferred Inflows of Resources Related to Pensions—At December 31, 2025, the District reported the following liability for its proportionate share of the net pension liability for ERS. The net pension liability was measured as of March 31, 2025. The total pension liability used to calculate the net pension liability was determined by an actuarial valuation as of April 1, 2024, with update procedures used to roll forward the total pension liability to the measurement date. The District's proportion of the net pension liability was based on a projection of the District's long-term share of contributions to the System relative to the projected contributions of all participating members, actuarially determined. This information was provided by the System in reports provided to the District.

	ERS
Measurement date	March 31, 2025
Net pension liability	$ 201,069
District's portion of the Plan's total	
Net pension liability	0.0011727%

For the year ended December 31, 2025, the District recognized pension expense of $39,769. At December 31, 2025, the District reported deferred outflows of resources and deferred inflows of resources related to pensions from the sources presented below:

	ERS	
	Deferred Outflows of Resources	Deferred Inflows of Resources
Differences between expected and actual experiences	$ 49,907	$ 2,354
Changes of assumptions	8,432	-
Net difference between projected and actual earnings on pension plan investments	15,775	-
Changes in proportion and differences between the District's contributions and proportionate share of contributions	8,541	19,168
District contributions subsequent to the measurement date	51,326	-
Total	$ 133,981	$ 21,522

The District's contributions subsequent to the measurement date will be recognized as a reduction of the net pension liability in the year ending December 31, 2026. Other amounts reported as deferred outflows of resources and deferred inflows of resources related to pensions will be recognized in pension expense as follows:

Year Ending December 31,	ERS
2026	$ 33,463
2027	47,842
2028	(19,642)
2029	(530)

Actuarial Assumptions—The total pension liability as of the measurement date was determined by using the same actuarial valuation as disclosed within the County's disclosure.

Discount Rate—The discount rate used to calculate the total pension liability was the same as disclosed within the County's footnote.

Sensitivity of the Proportionate Share of the Net Pension Liability/(Asset) to the Discount Rate Assumption—The chart below presents the District's proportionate share of the net pension liability/(asset) calculated using the discount rate of 5.9%, as well as what the District's proportionate share of the net pension liability/(asset) would be if it were calculated using a discount rate that is one percentage-point lower (4.9%) or one percentage-point higher (6.9%) than the current assumption.

ERS	1% Decrease (4.9%)	Current Assumption (5.9%)	1% Increase (6.9%)
Employer's proportionate share of the net pension liability/(asset)	$ 581,920	$ 201,069	$ (116,941)

Pension Plan Fiduciary Net Position—The components of the current-year net pension liability of the employers as of the valuation date, was the same as disclosed within the County's footnote.

8. OTHER POSTEMPLOYMENT BENEFITS ("OPEB") OBLIGATION

Plan Description—In addition to providing pension benefits, the County provides certain health care benefits for retired employees through a single employer defined benefit plan. The various collective bargaining agreements stipulate the employees' covered and the percentage of contribution. This plan is not administered through a trust or equivalent arrangement and does not include any assets accumulated in a GASB-compliant trust.

Employees Covered by Benefit Terms—At December 31, 2025, the following employees were covered by the benefit terms:

Active employees	890
Retired employees	580
Total	1,470

Total OPEB Liability

The County's total OPEB liability for governmental and business-type activities of $153,955,484 and $12,067,759, respectively, was measured as of December 31, 2025, and was determined by an actuarial valuation as of January 1, 2025.

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, 2025 actuarial valuation, the entry age normal method, over a level percent of pay was used. The single discount rate increased from 4.28% effective December 31, 2024 to 4.43% effective December 31, 2025. The salary scale was assumed to increase at 3.00% per year. The PUB-2010 mortality table with MP-2021 projections were used for the mortality rates. In order to estimate the change in the cost of healthcare, the actuaries initial healthcare cost trend rate used is 8.50%, while the ultimate healthcare cost trend rate is 4.04% for years after 2025. An inflation rate of 3.00% was assumed for developing the rate of increase in healthcare costs. The actuarial assumptions used in the January 1, 2025 valuation were based on the results of an actuarial experience study for the period January 1, 2025 through December 31, 2025.

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

	Total OPEB Liability		
	Governmental Activities	Business-type Activities	Total Primary Government
Balances at December 31, 2024:	$ 211,244,264	$ 19,036,343	$ 230,280,607
Changes for the year:			
Service cost	2,993,518	182,699	3,176,217
Interest	6,119,336	487,286	6,606,622
Changes of assumptions	7,758,138	447,186	8,205,324
Differences between expected and actual experience	(62,312,718)	(7,469,687)	(69,782,405)
Contributions—employer	(5,794,275)	(503,788)	(6,298,063)
Benefit payments	(6,052,779)	(112,280)	(6,165,059)
Net changes	(57,288,780)	(6,968,584)	(64,257,364)
Balances at December 31, 2025	$ 153,955,484	$ 12,067,759	$ 166,023,243

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

	1% Decrease (3.43%)	Current Discount Rate (4.43%)	1% Increase (5.43%)
Governmental activities:			
Total OPEB liability	$ 178,102,819	$ 153,955,484	$ 134,462,893
Business-type activities:			
Total OPEB liability	$ 13,960,541	$ 12,067,759	$ 10,539,837
Total primary government	$ 192,063,360	$ 166,023,243	$ 145,002,730

Additionally, healthcare costs can be subject to considerable volatility over time. The following table presents the effect on the total OPEB liability of a 1% change in the initial (8.0%) and ultimate (4.4%) healthcare cost trend rates.

	1% Decrease (7.0% / 3.4%)	Healthcare Cost Trend Rates (8.0% / 4.4%)	1% Increase (9.0% / 5.4%)
Governmental activities:			
Total OPEB liability	$ 132,065,874	$ 153,955,484	$ 181,690,972
Business-type activities:			
Total OPEB liability	$ 10,351,948	$ 12,067,759	$ 14,241,798
Total primary government	$ 142,417,822	$ 166,023,243	$ 195,932,770

Funding Policy—Contributions by the primary government may vary according to length of service. The cost of providing post-employment health care benefits is shared between the County and the retired employee. Substantially all employees may become eligible for those benefits if they reach normal retirement age and length of service requirement while working for these entities. The cost of retiree health care benefits is recognized as an expenditure as premiums are paid within the governmental funds. For the year ended December 31, 2025, the County recognized OPEB expense of $(21,040,944), consisting of $(19,953,228) and $(1,087,716) for governmental and business-type activities, respectively).

OPEB Expense and Deferred Outflows of Resources and Deferred Inflows of Resources Related to OPEB—The County reports deferred outflows of resources and deferred inflows of resources due to differences during the measurement period between the employer's contributions and its proportionate share of the total of certain contributions from employers included in the collective total OPEB liability. At December 31, 2025, the County reported deferred outflows of resources and deferred inflows of resources related to OPEB from the sources shown below:

	Deferred Outflows of Resources			Deferred Inflows of Resources		
	Governmental Activities	Business-type Activities	Total Primary Government	Governmental Activities	Business-type Activities	Total Primary Government
Differences between expected and actual experience	$ 14,170,143	$ 1,110,723	$ 15,280,866	$ 65,874,000	$ 5,163,516	$ 71,037,516
Changes of assumptions	24,713,930	1,937,195	26,651,125	56,871,545	4,457,860	61,329,405
Total	$ 38,884,073	$ 3,047,918	$ 41,931,991	$ 122,745,545	$ 9,621,376	$ 132,366,921

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

Year Ending December 31,	Governmental Activities	Business-type Activities	Total Primary Government
2026	$ (22,232,334)	$ (1,742,676)	$ (23,975,010)
2027	(23,093,913)	(1,810,210)	(24,904,123)
2028	(8,243,018)	(646,127)	(8,889,145)
2029	(8,243,018)	(646,127)	(8,889,145)
2030	(8,627,160)	(676,238)	(9,303,398)
Thereafter	(13,422,029)	(1,052,080)	(14,474,109)

Sullivan County Community College

Plan Description—In addition to providing pension benefits, the College provides certain health care benefits for retired employees through a single employer defined benefit plan. The various collective bargaining agreements stipulate the employees covered and the percentage of contribution.

Employees Covered by Benefit Terms—At August 31, 2025, the following employees were covered by the benefit terms:

Active employees	100
Retired employees	127
Total	227

Total OPEB Liability

The College's total OPEB liability of $43,050,371 was measured as of August 31, 2025, and was determined by an actuarial valuation as of the same date.

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.

The College is required to accrue on the statement of revenues, expenses and changes in net position the amounts necessary to finance the plan as actuarially determined, which is equal to the balance not paid by plan members. Funding for the Plan has been established on a pay-as-you-go basis.

In the August 31, 2025 actuarial valuation, the entry age normal method, over a level percent of pay was used. The single discount rate is 5.25% effective August 31, 2025. In order to estimate the change in the cost of healthcare, the actuaries initial healthcare cost trend rate used is 8.0%, while the ultimate healthcare cost trend rate is 4.5% for years after 2040.

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

	Total OPEB Liability
Balance at August 31, 2024	$ 44,410,707
Changes for the year:	
Service cost	1,384,806
Interest	1,873,485
Changes of assumptions	(5,167,961)
Differences between expected and actual experience	2,520,102
Contributions—employer	(1,970,768)
Net changes	(1,360,336)
Balance at August 31, 2025	$ 43,050,371

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

	1% Decrease (4.25%)	Current Discount Rate (5.25%)	1% Increase (6.25%)
Total OPEB liability	$ 48,780,617	$ 43,050,371	$ 38,346,768

Additionally, healthcare costs can be subject to considerable volatility over time. The following table presents the effect on the total OPEB liability of a 1% change in the initial (8.0%) and ultimate (4.5%) healthcare cost trend rates.

	1% Decrease (7.0% / 3.5%)	Healthcare Cost Trend Rates (8.0% / 4.5%)	1% Increase (9.0% / 5.5%)
Total OPEB liability	$ 37,732,500	$ 43,050,371	$ 49,542,801

Funding Policy—Authority to establish and amend the benefit terms and financing requirements rests with the College Board of Trustees through negotiations with its employee groups. Contributions by the College may vary according to length of services. The cost of providing post-employment health care benefits is shared between the College and the retired employee. Substantially all of the College's employees may become eligible for those benefits if they reach normal retirement age while working for the College. For the year ended August 31, 2025, the College recognized OPEB expense of $151,770.

OPEB Expense and Deferred Outflows of Resources and Deferred Inflows of Resources Related to OPEB—The College reports deferred outflows of resources and deferred inflows of resources due to differences during the measurement period between the employer's contributions and its proportionate share of the total of certain contributions from employers included in the collective total OPEB liability. At August 31, 2025, the College reported deferred outflows of resources and deferred inflows of resources related to OPEB from the sources are shown below:

	Deferred Outflows of Resources	Deferred Inflows of Resources
Differences between expected and actual experience	$ 3,496,006	$ 318,092
Changes of assumptions	977,281	3,628,662
Total	$ 4,473,287	$ 3,946,754

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

Year Ending August 31,	
2026	$ 1,409,152
2027	(882,619)

9. RISK MANAGEMENT

The County assumes liability for some risk including, but not limited to, 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 General Fund. The long-term portion (i.e., liabilities to be paid from future resources) is recorded within noncurrent liabilities debt in the government-wide financial statements.

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 holds various insurance policies including package, excess property, excess liability, boiler and machinery, excess employers, accidental death and dismemberment ("AD&A") volunteers, and AD&D workforce development. In addition, the County held builders risk and pollution liability policies related to the County's jail project. The County's package policy provides coverage for property, general liability, automobile liability, employee benefits liability, public officials liability, and law enforcement liability. Liability coverage under the package policy contains a $75,000 self-insured retention and property coverage under the package policy contains a $100,000 self-insured retention. The excess property policy provides flood, earthquake, business income, vehicle, and mobile equipment coverage ranging from $1,000,000 to $3,659,658 with blanket coverage of $139,466,060 per occurrence. The general liability policy provides coverage up to $9,000,000 per claim and in the aggregate. The County has not incurred claims over the respective coverage limits in any of the last three fiscal years.

The County adopted a self-insured workers' compensation program under the provisions of Local Law No. 1 of 1967. 15 towns and 5 villages located within the geographical boundaries of the County have elected to become participants in the self-insurance plan. As provided by Local Law No. 5-1979, the plan is operated on an accrued liability basis whereby the amounts charged to participants are based on the estimated total liability of participants actuarially computed, arising each year. The apportionment of costs among participants is determined on the basis of two elements: (1) claims incurred within the preceding three-year period and (2) total assessed valuation, in the manner provided in §67 of the Workers' Compensation Law.

The County reports workers' compensation and dental benefits liabilities within the Internal Service Fund and governmental activities. Additionally, the County reports general liability and assessment claim liabilities within the General Fund and governmental activities. These liabilities are based upon estimates of the ultimate cost of claims (including future claim adjustment expenses) that have been reported, but not settled, and of claims that have been incurred but not reported. The length of time for which such costs must be estimated varies depending on the coverage involved. As actual claim costs depend on such complex factors as inflation, changes in doctrines of legal liability and damage awards, the process used in computing claim liabilities does not necessarily result in an exact amount. Claim liabilities are recomputed periodically using a variety of actuarial and statistical techniques to produce current estimates that reflect recent settlements, claim frequency and other economic and social factors. A provision for inflation in the calculation of estimated future claims costs is implicit in the calculation because reliance is placed both on actual historical data that reflects past inflation and other factors that are considered to be appropriate modifiers of past experience. The changes in reported workers' compensation, dental benefits, and general liability claims since January 1, 2024 are presented below:

	Balance 1/1/2025	Claims and Adjustments	Claim Payments	Balance 12/31/2025	Due Within One Year
Workers' compensation	$ 15,933,319	$ 9,297,603	$ 6,420,453	$ 18,810,469	$ 1,881,047
General liability	257,329	-	139,596	117,733	29,433
Total	$ 16,190,648	$ 9,297,603	$ 6,560,049	$ 18,928,202	$ 1,910,480

	Balance 1/1/2024	Claims and Adjustments	Claim Payments	Balance 12/31/2024	Due Within One Year
Workers' compensation	$ 15,909,894	$ 2,916,178	$ 2,892,753	$ 15,933,319	$ 1,593,332
General liability	134,240	145,747	22,658	257,329	64,332
Total	$ 16,044,134	$ 3,061,925	$ 2,915,411	$ 16,190,648	$ 1,657,664

Sullivan County Community College

The College is one of 22 participants in the Sullivan County Workers' Compensation Self Insurance Plan, a risk sharing pool, administered by Sullivan County, to insure workers' compensation claims. This is a public entity risk pool created under Article 5, Workers' Compensation Law, to finance liability and risks related to workers' compensation claims.

The College is exposed to various risks of loss related to torts, theft of, damage to, and destruction of assets and natural disasters. These risks are covered by commercial insurance purchased by Sullivan County that extends coverage to the College. The self-insured retention under these policies is $1,000,000 per claim and $2,000,000 in the aggregate. The College also purchases an umbrella policy with coverage up to $10,000,000.

10. LEASE AND SUBSCRIPTION LIABILITIES

The County is a lessee for various leases and a subscriber of various information technology agreements. Under GASB Statement No. 87, *Leases*, the County recognizes a lease liability and an intangible right-to-use lease asset (lease asset) in the financial statements. Under GASB Statement No. 96, *Subscription Based Information Technology Agreements*, the County recognizes a subscription liability and a subscription asset in the government-wide financial statements. The County recognizes lease and subscription liabilities when they are considered significant individually or in the aggregate, to the financial statements.

At the commencement of a lease, the County initially measures the lease/subscription liability at the present value of payments expected to be made during the lease/subscription term. Subsequently, the lease/subscription liability is reduced by the principal portion of lease/subscription payments made. The lease/subscription asset is initially measured as the initial amount of the lease/subscription liability, adjusted for lease/subscription payments made at or before the lease commencement date, plus certain initial direct costs. Subsequently, the lease/subscription asset is amortized on a straight-line basis over its useful life.

Key estimates and judgments related to leases/subscriptions include how the County determines (1) the discount rate it uses to discount the expected lease/subscription payments to present value, (2) lease/subscription term, and (3) lease/subscription payments.

- The County uses the interest rates charged by the lessor as the discount rate. When the interest rate charged by the lessor is not provided, the County generally uses its estimated incremental borrowing rate as the discount rate for leases.

- The lease/subscription terms include the noncancellable period of the lease/subscription. Lease/subscription payments included in the measurement of the liability are composed of fixed payments and purchase option price that the County is reasonably certain to exercise.

The County monitors changes in circumstances that would require a remeasurement of its lease/subscription and will remeasure the asset and liability if certain changes occur that are expected to significantly affect the amount of the liability.

Lease/subscription assets are reported with other capital assets and lease/subscription liabilities are reported with long-term debt on the statement of net position.

The County entered into various long-term lease agreements. As of December 31, 2025, the value of the lease liability was $3,659,614. The County is required to make monthly lease payments on all of the agreements. The County uses their estimated incremental borrowing rate of 3.00% to determine the value of their principal and interest payments. The value of the leased assets as of the end of the current fiscal year was $9,092,758 and had accumulated amortization of $5,371,151.

At December 31, 2025, the County maintained various subscription based information technology arrangements. As of December 31, 2025, the value of the subscription liability was $1,432,620. The arrangements have interest rates of 3.0%. The value of the subscription assets as of the end of the current fiscal year was $5,361,061 and had accumulated amortization of $3,786,838.

The future principal and interest payments as of December 31, 2025, are shown below:

Fiscal Year Ending December 31	Lease Liability		Subscription Liability		
	Principal	Interest	Principal	Interest	Total
2026	$ 991,962	$ 38,392	$ 716,865	$ 42,978	$ 1,790,197
2027	978,422	22,135	307,737	21,473	1,329,767
2028	843,561	6,685	216,956	12,240	1,079,442
2029	845,669	-	125,034	5,732	976,435
2030	-	-	66,028	1,981	68,009
Totals	$ 3,659,614	$ 67,212	$ 1,432,620	$ 84,404	$ 5,243,850

11. LONG-TERM DEBT

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 bonds payable, premium on bond payable, landfill post-closure costs, lease liability, subscription liability, compensated absences, OPEB obligation, claims payable, and net pension liability. A summary of changes in the County’s long-term liabilities for the year ended December 31, 2025 is presented on the following page.

	Balance 1/1/2025	Additions	Reductions	Balance 12/31/2025	Due Within One Year
Governmental activities:					
Bonds payable:					
General obligation bonds	$ 98,940,000	$ -	$ 5,955,000	$ 92,985,000	$ 6,090,000
Premiums on bonds	2,037,371	-	180,428	1,856,943	163,787
Net bonds payable	100,977,371	-	6,135,428	94,841,943	6,253,787
Landfill post-closure costs	7,997,537	-	1,315,317	6,682,220	591,180
Lease liability	2,072,456	4,217,831	2,630,673	3,659,614	991,962
Subscription liability	2,652,012	-	1,219,392	1,432,620	716,865
Compensated absences*	5,722,381	362,905	-	6,085,286	608,529
OPEB obligation	211,244,264	9,112,854	66,401,634	153,955,484	-
Claims payable	16,190,648	9,297,603	6,560,049	18,928,202	1,910,480
Net pension liability*	31,588,053	3,611,406	-	35,199,459	-
Total governmental activities	$ 378,444,722	$ 26,602,599	$ 84,262,493	$ 320,784,828	$ 11,072,803
Business-type activities:					
Bonds payable:					
Tobacco settlement bonds	$ 13,325,000	$ -	$ 365,000	$ 12,960,000	$ 360,000
Premiums on bonds	984,846	-	57,931	926,915	-
Revenue bonds	100,925,000	-	2,080,000	98,845,000	2,180,000
Discount on revenue bonds	(722,740)	-	(45,803)	(676,937)	-
Total bonds payable	114,512,106	-	2,457,128	112,054,978	2,540,000
Compensated absences*	273,764	28,508	-	302,272	177,301
OPEB obligation	19,036,343	669,985	7,638,569	12,067,759	-
Net pension liability*	1,985,484	159,282	-	2,144,766	-
Total business-type activities	$ 135,807,697	$ 857,775	$ 10,095,697	$ 126,569,775	$ 2,717,301

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

Serial bonds—The County borrows money in order to acquire land or equipment or construction of buildings and improvements. This enables the cost of these capital assets to be borne by the present and future taxpayers receiving the benefit of the capital assets. These long-term liabilities are full faith and credit debt of the local government.

A default will have occurred if the payment of principal or interest are not paid when due and payable. Upon default in payment in full of the principal or interest on the bonds, a holder of such defaulted bond has a contractual right to sue the County of the amount due thereon. The County does not have any lines of credit.

A summary of additions and payments of general obligation bonds for the year ended December 31, 2025 is shown on the following page.

Description	Original Issue	Year of Issue/ Maturity	Interest Rate (%)	Balance 1/1/2025	Increases	Decreases	Balance 12/31/2025
Governmental activities:							
Public improvements	23,822,000	2016/2030	2.00-5.00	$ 11,255,000	$ -	$ 1,770,000	$ 9,485,000
Public improvements	85,000,000	2016/2046	3.00-3.25	70,130,000	-	2,365,000	67,765,000
Jail construction	10,000,000	2018/2038	3.00-3.50	7,770,000	-	555,000	7,215,000
Public improvements	4,000,000	2018/2038	2.00-5.00	3,010,000	-	215,000	2,795,000
Public improvements	1,140,000	2018/2038	3.00-3.25	870,000	-	45,000	825,000
Public improvements	6,000,000	2019/2036	3.00	4,510,000	-	320,000	4,190,000
Refunding	3,355,000	2021/2026	1.00-4.00	1,395,000	-	685,000	710,000
Total governmental activities				$ 98,940,000	$ -	$ 5,955,000	$ 92,985,000

Revenue Bonds—The ILDC issued $110,075,000 in authorized revenue bonds to finance public infrastructure improvements, to fund a debt service reserve fund, to fund the payment of interest on the bonds prior to and during construction, and to pay costs of issuing the bonds. The Town of Thompson, New York, on behalf of the ILDC, impose and collect special assessments in an amount sufficient to pay the annual Service Fee. The bonds are special limited obligations of the ILDC payable solely from and secured by a pledge of the Service Fee and certain funds held by the Trustee. The bonds were issued at a discount totaling $1,115,750, which is being amortized using the effective interest method over the life of the bonds.

A summary of additions and payments of revenue bonds for the year ended December 31, 2025 is shown below:

Description	Original Issue	Year of Issue/ Maturity	Interest Rate (%)	Balance 1/1/2025	Increases	Decreases	Balance 12/31/2025
Series 2016A	$ 64,170,000	2016/2049	4.85-5.35	$ 58,835,000	$ -	$ 1,215,000	$ 57,620,000
Series 2016B	9,170,000	2016/2049	4.85-5.35	8,405,000	-	175,000	8,230,000
Series 2016C	9,035,000	2017/2049	4.85-5.35	8,285,000	-	170,000	8,115,000
Series 2016D	5,935,000	2017/2049	4.85-5.35	5,440,000	-	110,000	5,330,000
Series 2016E	21,765,000	2017/2049	4.85-5.35	19,960,000	-	410,000	19,550,000
Total				$ 100,925,000	$ -	$ 2,080,000	$ 98,845,000

Amortization of Bond Premiums—In past years, the County issued public improvement serial bonds and received bond premiums. There premiums are being amortized on a straight-line annual basis over the life of the respective bonds. Total unamortized bond premiums at December 31, 2025 are $1,856,943 and $926,915 for governmental and business-type activities, respectively.

Amortization of Bond Discounts—As noted above, the ILDC issued revenue bonds totaling $110,075,000 and received a bond discount of $1,115,750. The discount is being amortized using the effective interest method over the life of the bonds, which mature in 2049. Total unamortized bond discounts at December 31, 2025 are $676,937.

Tobacco Settlement Bonds—On August 8, 2001, STASC issued $16,965,000 of Tobacco Settlement Asset-Backed Bonds, Series 2001 pursuant to an indenture dated as of August 1, 2001. The net proceeds of the Series 2001 Bonds were used to purchase from the County all of the County's right, title and interest to Tobacco Settlement Revenues ("TSRs") to which the County would otherwise be entitled under the Master Settlement Agreement ("MSA") and Consent Decree and Final Judgment (the "Decree"). The tobacco settlement bonds were issued at a discount of $197,383 with interest rates ranging from 5.00%-6.00%.

On September 22, 2016, STASC issued $16,685,000 of Tobacco Settlement Asset Backed Refunding Bonds, Series 2016, pursuant to an indenture dated as of September 1, 2016. The $16,685,000 bond issuance was comprised of $8,100,000 Tobacco Settlement Pass-Through Bonds, Series 2016B Term Bonds and $8,585,000 Tobacco Settlement Pass-Through Bonds, Series 2016C Turbo Term Bonds. The proceeds of the Series 2016 Bonds and the release of certain reserve funds were used to defease $10,810,000 of the outstanding Series 2001 Bonds, make a payment to the County, fund the Series 2016B and Series 2016C Liquidity Reserve Accounts, fund the Operating Expense Reserve Account, pay a portion Series 2016B and Series 2016C interest due June 1, 2016, and pay the costs of issuance. The tobacco settlement bonds were issued at a premium of $1,448,294 with interest rates ranging from 2.45%-5.00%. The County's liability balance for tobacco settlement bonds amounts to $12,960,000 at December 31, 2025 for business-type activities.

A summary of tobacco settlement bonds additions and payments for the year ended December 31, 2025 is shown below:

Description	Original Issue	Year of Issue/ Maturity	Interest Rate (%)	Balance 1/1/2025	Increases	Decreases	Balance 12/31/2025
Business-type activities:							
Tobacco settlement bonds:							
Series 2016B	$ 8,100,000	2016/2041	5.00	$ 6,270,000	$ -	$ 340,000	$ 5,930,000
Series 2016C	8,585,000	2016/2051	2.45-4.00	7,055,000	-	25,000	7,030,000
Total				$ 13,325,000	$ -	$ 365,000	$ 12,960,000

Landfill Post-Closure—State and federal laws and regulations require the County to place a final cover on a section of the landfill site when it reaches final elevation and to perform certain maintenance and monitoring functions at the site for a minimum of thirty years after closure. The $6,682,220 landfill post-closure liability reported at December 31, 2025 represents the estimated cost of post-closure based on the use of 100 percent of the landfill capacity, less closure expenditures of $31,947,451. These expenditures have been charged to the Capital Projects Fund, which had a total project budget of $32,061,004. Actual costs may be higher due to inflation, changes in technology, or changes in regulations.

Lease Liability**—**The County entered into long-term leases for various agreements. The outstanding balance at December 31, 2025 was $3,659,614. Refer to Note 10 for additional information related to the County's leases.

Subscription Liability**—**The County entered into long-term subscription based information technology agreements. The outstanding balance at December 31, 2025 was $1,432,620. Refer to Note 10 for additional information related to the County's subscription liability.

Compensated Absences—As explained in Note 1, the County records the value of governmental fund type compensated absences in the government-wide and proprietary fund financial statements. The payment of compensated absences is dependent on many factors and, therefore, cannot be reasonable estimated as to future timing of payment. The General Fund is used to liquidate compensated absences liabilities. Under the terms of existing collective bargaining agreements, County employees are granted vacation and sick leave in varying amounts. Upon retirement or separation of service, employees may be compensated for unused vacation time to a maximum of 30 days at the current daily rate of pay. Employees represented by the Brotherhood of Teamsters can accumulate up to 200 days of sick leave. Upon retirement, those employees who have accumulated more than 165 sick leave days shall receive a sum equal to 25% of the employees' daily rate of pay for sick leave accumulations in excess of 165 days up to a maximum of 200 days. The other collective bargaining agreements provide that employees can accumulate up to 200 days of sick leave. Upon retirement, those employees can apply 50% for each unused sick leave day in excess of 120 days to their share of retiree medical premiums. The compensated absences liability for the County's governmental and business-type activities at December 31, 2025 totaled $6,085,286 and $302,272, respectively, and are reported in the government-wide and proprietary fund financial statements. The County estimates $608,529 and $177,301 of governmental activities and business-type activities, respectively, is due within one year.

OPEB Obligation—As explained in Note 8, the County provides medical, dental, and life insurance benefits for retirees, spouses, and their covered dependents while contributing a portion of the expenses. The General Fund is used to liquidate OPEB obligation liabilities. The County's annual OPEB cost is measured as the portion of the present value of projected benefit payments to be provided to current active and inactive employees that is attributed to those employees' past periods of service (total OPEB liability), less the amount of the OPEB plan's fiduciary net position. The County's long-term OPEB obligation is estimated to be $153,955,484 and $12,067,759 at December 31, 2025, for governmental and business-type activities, respectively.

Claims Payable—As discussed in Note 9, the County reports workers' compensation and general liabilities within the Internal Service Fund and governmental activities. Additionally, the County reports general liability claims liabilities within the General Fund and governmental activities. The total claims payable liability for workers' compensation, dental benefits, general liabilities, and assessments at December 31, 2025 is $18,928,202 of this amount, the County estimates $1,910,480 is due within a year.

A maturity schedule of the County's indebtedness is presented as follows:

Year	Governmental Activities					
Ending December 31,	Serial Bonds	Premiums on Serial Bonds	Landfill Post-Closure	Lease Liability	Subscription Liability	Compensated Absences
2026	$ 6,090,000	$ 163,787	$ 591,180	$ 991,962	$ 716,865	$ 608,529
2027	5,525,000	113,856	-	978,422	307,737	-
2028	5,645,000	113,856	-	843,561	216,956	-
2029	5,770,000	113,856	-	845,669	125,034	-
2030	5,895,000	93,539	-	-	66,028	-
2031-2035	20,865,000	447,355	-	-	-	-
2036-2040	19,760,000	375,150	-	-	-	-
2041-2045	19,260,000	370,670	-	-	-	-
Thereafter	4,175,000	64,874	6,091,040	-	-	5,476,757
Total	$ 92,985,000	$ 1,856,943	$ 6,682,220	$ 3,659,614	$ 1,432,620	$ 6,085,286

(continued)

(concluded)

Year Ending December 31,	OPEB Obligation	Claims Payable	Net Pension Liability	Total
2026	$ -	$ 1,910,480	$ -	$ 11,072,803
2027	-	-	-	6,925,015
2028	-	-	-	6,819,373
2029	-	-	-	6,854,559
2030	-	-	-	6,054,567
2031-2035	-	-	-	21,312,355
2036-2040	-	-	-	20,135,150
2041-2045	-	-	-	19,630,670
Thereafter	153,955,484	17,017,722	35,199,459	221,980,336
Total	$ 153,955,484	$ 18,928,202	$ 35,199,459	$ 320,784,828

	Business-type Activities							
Year Ending December 31,	Tobacco Settlement Bonds	Premiums on Bonds	Revenue Bonds	Discount on Revenue Bonds	Compensated Absences	OPEB Obligation	Net Pension Liability	Total
2026	$ 360,000	$ -	$ 2,180,000	$ -	$ 177,301	$ -	$ -	$ 2,717,301
2027	845,000	-	2,280,000	-	-	-	-	3,125,000
2028	885,000	-	2,395,000	-	-	-	-	3,280,000
2029	930,000	-	2,510,000	-	-	-	-	3,440,000
2030	975,000	-	2,630,000	-	-	-	-	3,605,000
2031-2035	-	-	15,325,000	-	-	-	-	15,325,000
2036-2040	-	-	19,855,000	-	-	-	-	19,855,000
2041-2045	-	-	25,755,000	-	-	-	-	25,755,000
2046-2050	-	-	25,915,000	-	-	-	-	25,915,000
Thereafter	8,965,000	926,915	-	(676,937)	124,971	12,067,759	2,144,766	23,552,474
Total	$ 12,960,000	$ 926,915	$ 98,845,000	$ (676,937)	$ 302,272	$ 12,067,759	$ 2,144,766	$ 126,569,775

Interest requirements on the primary government's bonds payable, lease liability and subscription liability are as follows:

Year Ending	Governmental Activities			Business-type Activities	
December 31,	Serial Bonds	Lease Liability	Subscription Liability	Tobacco Settlement Bonds	Revenue Bonds
2026	$ 2,721,700	$ 38,392	$ 42,978	$ 487,175	$ 5,214,433
2027	2,577,499	22,135	21,473	451,988	5,108,702
2028	2,429,750	6,685	12,240	414,925	4,998,123
2029	2,276,326	-	5,732	375,325	4,881,965
2030	2,117,118	-	1,981	333,375	4,760,230
2031-2035	8,653,729	-	-	1,340,250	21,663,330
2036-2040	5,478,663	-	-	-	17,118,127
2041-2045	2,576,495	-	-	-	11,208,785
2046-2050	135,688	-	-	-	3,547,051
Total	$ 28,966,968	$ 67,212	$ 84,404	$ 3,403,038	$ 78,500,746

Sullivan County Community College

Changes in the College's long-term liabilities for the year ended August 31, 2025 were as follows:

	Balance 9/1/2024 (as restated)	Additions	Reductions	Balance 8/31/2025	Due Within One Year
Perkins loan fund liability	$ 152,534	$ -	$ 35,658	$ 116,876	$ -
Mortgage payable	5,841,666	16,861	-	5,858,527	5,858,527
Compensated absences*	1,761,180	138,768	-	1,899,948	-
OPEB obligation	44,410,707	-	1,360,336	43,050,371	-
Net pension liability*	1,837,851	160,765	-	1,998,616	-
Total	$ 54,003,938	$ 316,394	$ 1,395,994	$ 52,924,338	$ 5,858,527

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

Perkins Loans Fund Liability—Funds provided by the U.S. Department of Education under the Federal Perkins Loan Program are loaned to qualified students and may be reloaned after collection. These funds are ultimately refundable to the U.S. Department of Education and are therefore reported as liabilities. At August 31, 2025, the College reported $116,876 as a liability related to Perkin Loans.

Mortgage Payable—Mortgage payable consists of the issuance of $7,442,000 Sullivan County Community College Dormitory Corporation Project Series 2014A Tax-Exempt Revenue Bonds with interest at 4.30% payable in 300 monthly installments of $40,791 with the final maturity on July 1, 2039 and $558,000 Sullivan County Community College Dormitory Corporation Project Series 2014B Taxable Revenue Bonds with interest at 5.34% payable in 120 monthly installments of $6,033 with the final maturity on July 1, 2024. The balances on these mortgages are $5,718,527 and $140,000 at August 31, 2025. The Corporation has granted a first priority mortgage lien on and security interest in the Mortgaged Property consisting of the two buildings of dormitory housing to Sterling National Bank, as agent of the Issuer, Sullivan County Funding Corporation.

Compensated Absences—The College recognizes a liability for vested sick leave and other compensated absences with similar characteristics to the extent it is probable that the College will compensate the employees for the benefits through cash payments at retirement rather than be taken as absences due to illness or other contingencies. The collective bargaining agreement between the College and the Teamsters Local 445 Union provides that upon death, retirement or separation from the College in good standing, employees will be paid the monetary value of accumulated unused vacation and compensatory time at the employee's current pay rate. Under the terms of the other existing collective bargaining agreement, the Professional Staff Association Agreement, any employee who is eligible for retirement and retires from either the New York State Retirement System or from TIAA/CREF and who has unused days of sick leave shall be paid at the current rate of pay for each employee.

OPEB Obligation—As explained in Note 8, the College provides medical, dental, and life insurance benefits for retirees, spouses, and their covered dependents while contributing a portion of the expenses. The College's annual OPEB cost is calculated based on the annual required contributions of the employer, an amount actuarially determined in accordance with GASB. The College's long-term OPEB obligation is estimated to be $43,050,371 at August 31, 2025.

Net Pension Liability—The College reports a liability for its proportionate share of the net pension liabilities for the Employees' Retirement System. The net pension liability is estimated to be $1,998,616 at August 31, 2025. Refer to Note 7 for additional information related to the College's net pension liabilities.

Sullivan County Soil and Water Conservation District

A summary of the District's long-term debt at December 31, 2024 follows:

	Balance 1/1/2025	Additions	Reductions	Balance 12/31/2025	Due Within One Year
Compensated absences*	$ 38,872	$ 7,251	$ -	$ 46,123	$ 4,600
Net pension liability*	194,267	6,802	-	201,069	-
Total	$ 233,139	$ 14,053	$ -	$ 247,192	$ 4,600

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

Compensated Absences—At December 31, 2025 the liability for the District's compensated absences is $46,123, of which $4,600 is estimated to be due within one year.

Net Pension Liabilty—The District reports a liability for its proportionate share of the net penion liability for the Employees' Retirement System. At December 31, 2025 the liability for the District's net pension liability is $201,069. Refer to Note 7 for additional information related to the Districts net pension liability.

Sullivan County Industrial Development Agency

A summary of the IDA's long-term debt at December 31, 2025 follows:

	Balance 1/1/2025	Additions	Reductions	Balance 12/31/2025	Due Within One Year
RMAP note payable	$ 193,561	$ -	$ 25,933	$ 167,628	$ 25,276

RMAP Note Payable—The IDA entered into an agreement with the United States Department of Agriculture (USDA) to create a Rural Microloan Revolving Fund (RMRF), which will provide loans to local eligible businesses. The funds drawn down from the USDA, which must be used to capitalize a Rural Microentrepreneur Assistance Program (RMAP), are in the form of a loan that must be repaid to the USDA. The outstanding balance accrues interest at 2% per annum and must be repaid in equally amortized monthly payments of principal and interest over a period not to exceed 20 years. The first payment, consisting of principal and interest, was due in May 2014.

The following is a summary of the IDA's future debt service requirements:

Year Ending December 31,	Principal	Interest
2026	$ 25,276	$ 3,148
2027	25,786	2,637
2028	26,307	2,117
2029	26,837	1,587
2030	27,379	1,045
2031-2032	36,043	492
Total	$ 167,628	$ 11,026

12. 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/amortization 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 and business-type activities net investment in capital assets is presented below:

Governmental activities:		
Capital assets, net of accumulated depreciation/amortization		$ 320,568,478
Less related debt:		
General obligation bonds	$ (92,985,000)	
Unamortized bond premiums	(1,856,943)	
Lease liability	(3,659,614)	
Subscription liability	(1,432,620)	
Capital projects fund accounts payables	(5,512,061)	
Unspent debt proceeds	237,895	(105,208,343)
Net investment in capital assets		$ 215,360,135
Business-type activities:		
Capital assets, net of accumulated depreciation		$ 73,443,337
Less related debt:		
Revenue bonds	$ (87,461,585)	
Unamortized bond discount	613,351	(86,848,234)
Net investment in capital assets		$ (13,404,897)

- ***Restricted Net Position*—**This category represents 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 for governmental activities was $8,692,616 at December 31, 2025, of which $543,509 is restricted for law enforcement, $1,607,252 is restricted for opioid settlement funds, $251,993 for debt service, $405,512 for dental benefits, $3,281,472 for room occupancy taxes, $2,493,996 for capital projects and $108,882 for community development.

- ***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, 2025 is presented on the following page.

- ***Long-term Due from Other Funds***—Represents the long-term portion of funds, $21,247,921, reported within the County's General Fund as receivable from the Adult Care Center not expected to be received within one year of the financial statement date.

- ***Prepaids***—Represents funds set aside for prepaid expenses. At December 31, 2025, the nonspendable amounts related to prepaids are $2,113,120, $167,644, $43,895 and $46,953, within the General Fund, County Road Fund, Refuse and Garbage Fund and Nonmajor Funds, respectively.

In the fund financial statements, restricted fund balances are amounts constrained to specific purposes (such as creditors, grants, contributors, or laws and regulations of other governments) through constitutional provisions or enabling legislation. As of December 31, 2025, the County reported restricted fund balances as shown below:

	General Fund	County Road Fund	Refuse and Garbage Fund	Capital Projects Fund	Total Nonmajor Funds	Total
Law enforcement	$ 543,509	$ -	$ -	$ -	$ -	$ 543,509
Debt service	217,163	10,000	4,508	-	20,322	251,993
Opioid settlement funds	1,607,252	-	-	-	-	1,607,252
Room tax	3,281,472	-	-	-	-	3,281,472
Capital projects	-	-	-	2,731,891		2,731,891
Community development	-	-	-	-	108,882	108,882
Total	$ 5,649,396	$ 10,000	$ 4,508	$ 2,731,891	$ 129,204	$ 8,524,999

- ***Restricted for Law Enforcement***—Represents the proceeds of seized funds which are restricted by New York State Law for use in law enforcement activities.

- ***Restricted for Debt Service***—Represents reserves which will be used for the reduction of future debt service requirements.

- ***Restricted for Opioid Settlement Funds***—Represents direct payments of opioid settlement funds to support future treatment and recovery requirements.

- ***Restricted for Room Tax***—Represents proceeds of room occupancy taxes to be used for future tourism activities.

- ***Restricted for Capital Projects***—Represents amounts restricted to fund future capital projects within the County.

- ***Restricted for Community Development***—Represents representing amounts related to the rehabilitation loan program with constraints placed on their use by the United States Department of Housing and Urban Development.

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, 2025, the County does not record any commitments.

In the fund financial statements, assignments are not legally required segregations, but are subject to a purpose constraint that represents an intended use established by the County's Legislature, or by its 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, 2025, the County reported the following fund balances assignments:

	General Fund	County Road Fund	Refuse and Garbage Fund	Total Nonmajor Funds	Total
Encumbrances	$ 2,227,726	$ 2,890,587	$ 347,567	$ 1,770,752	$ 7,236,632
Capital projects	1,540,788	-	-	-	1,540,788
Subsequent year's expenditures	6,605,965	904,182	1,492,373	665,676	9,668,196
Fund balance policy	34,200,000	-	-	-	34,200,000
Other purposes	5,296,631	-	-	-	5,296,631
Specific use	-	1,359,048	-	690,146	2,049,194
Total	$ 49,871,110	$ 5,153,817	$ 1,839,940	$ 3,126,574	$ 59,991,441

- ***Assigned to Encumbrances***—Represents commitments related to unperformed contracts or purchase orders for goods or services.

- ***Assigned to Capital Projects***—Represents amounts assigned for future capital projects.

- ***Assigned to Subsequent Year's Expenditures***—Represents available fund balance being appropriated to meet expenditure requirements in the 2026 fiscal year.

- ***Assigned to Fund Balance Policy***—Represents two months of expenditures set aside to offset potential future financial downturns.

- ***Assigned to Other Purposes***—Represents funds set aside for building construction ($1,964,402), a Planning Department program ($873,856), soil and water ($85,862), community services ($1,255,280), and District Attorney ($1,117,231).

- ***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.

13. 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. With the exception of loans with business-type activities interfund balances are expected to be collected/paid within the subsequent year. Interfund transfers are routine annual events for both the budget and accounting process and are necessary to present funds in their proper fund classification. The composition of interfund balances as of December 31, 2025 is shown on the following page.

Fund	Interfund Receivable	Interfund Payable
Governmental funds:		
General Fund	$ 21,365,311	$ 16,537,241
County Road Fund	2,205,157	-
Refuse and Garbage Fund	662,732	-
Capital Projects Fund	-	119,982
Nonmajor governmental funds	3,305,494	-
Enterprise funds:		
Sullivan County Adult Care Center	-	21,247,921
Internal service funds:		
Workers' Compensation Benefits Fund	10,366,450	-
Total	$ 37,905,144	$ 37,905,144

During the current year end, transfers were utilized for the General Fund to cover the annual operating expenditures for the County Road and Road Machinery Funds. Additionally, the General Fund transferred funds to the Debt Service Fund and Capital Projects Fund to cover debt service requirements and capital project expenditures, respectively. Finally, the General Fund transferred funding to the proprietary funds to help support daily operations and share of annual costs.

The County made transfers during the year ended December 31, 2025, as shown below:

	Transfers in:						
	Governmental funds						
Transfers out:	General Fund	County Road Fund	Refuse and Garbage Fund	Capital Projects Fund	Total Nonmajor Funds	Proprietary Funds	Total
Governmental funds:							
General Fund	$ -	$ 23,224,563	$ 1,630,100	$ 1,485,230	$ 10,999,809	$ 586,850	$ 37,926,552
County Road Fund	-	-	-	-	1,941,105	-	1,941,105
Refuse and Garbage Fund	-	-	-	-	585,146	-	585,146
Capital Projects Fund	32,000	-	-	-	31,677	-	63,677
Nonmajor funds	85,390	435	-	-	97,849	-	183,674
Total	$ 117,390	$ 23,224,998	$ 1,630,100	$ 1,485,230	$ 13,655,586	$ 586,850	$ 40,700,154

14. LABOR CONTRACTS

The County's employees operate under six collective bargaining units: The New York State Nurses Association is settled through December 31, 2024. The CSEA Sheriff Corrections contract; the Sullivan County Patrolmen's Benevolent Association contract; the Teamster Local 445, Probation contract; the DPW Laborers' International Union of North America; and the DPW Supervisory Unit Teamsters Local 445, International Brotherhood of Teamsters are settled through December 31, 2025.

15. TAX ABATEMENTS

The County is subject to tax abatements granted by the Sullivan County Industrial Development Agency ("SCIDA"). These programs have the stated purpose of increasing business activity and employment in the region. Economic development agreements are entered into by the SCIDA 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 SCIDA, the County collected $1,067,821 during 2025 in payments in lieu of taxes ("PILOT"), these collections were made in lieu of $10,849,237 in property taxes.

16. COMMITMENTS AND CONTINGENCIES

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. Open encumbrances are reported as an assignment of fund balance since such commitments will be honored through budget appropriations in the subsequent year.

The County considers encumbrances to be significant for amounts that are encumbered in excess of $100,000 for all funds. As of December 31, 2025, the County reported significant encumbrances as shown below:

Fund	Description	Amount
Refuse and Garbage	Heavy equipment	$ 177,583
Capital Projects	Broadband upgrades	642,750
Nonmajor Funds	Heavy equipment	155,627
Nonmajor Funds	Heavy equipment	103,377

Litigation—The County is involved in litigation in the ordinary course of its operations. Various legal actions are pending against the County. The outcome of these matters is not presently determinable but, in the opinion of management, the ultimate liability will not have a material adverse effect on the County's financial condition or results of operation.

Grants—In the normal course of operations, the County receives grant funds from various Federal and State agencies. These grant programs are subject to audit by agents of the granting authority, the purpose of which is to ensure compliance with conditions precedent to the granting of funds. any disallowed expenditures resulting from such audits could become a liability of the governmental funds. The amount of disallowance, if any, cannot be determined at this time, although the County expects any such amounts to be immaterial.

Adult Care Center—The Center participates in a premium based general and professional liability insurance plan. The plan assumes liability for most risks included, but not limited to, personal injury, malpractice, vehicle, and general liability. At December 31, 2025, no claims or outstanding premiums exist that meet the liability criteria.

The health care industry is subject to numerous laws and regulations imposed by federal, state, and local governments. Compliance with these laws and regulations, specifically those relating to the Medicare and Medicaid programs, can be subject to government review and interpretation, as well as regulatory actions unknown and unasserted at this time. In addition, certain cost reports, which serve as the basis for final settlement with the Medicare program, remain open for audit and settlement, as are New York State Medicaid cost reports for prior years. Federal government activity has increased with respect to investigations and allegations concerning possible violations by health care providers of regulations, which could result in the imposition of significant fines and penalties, as well as significant repayments of previously billed and collected revenue from patient services. Furthermore, noncompliance with such laws and regulations could result in fines, penalties and exclusion from such programs. Accordingly, there is at least a reasonable possibility that recorded estimates for health care revenue will change in the near term and the change could be material to the Center's financial condition, results of operations and cash flows.

The Center's operations have been affected by the recent and ongoing outbreak of the coronavirus disease (COVID-19), which was declared a pandemic by the World Health Organization in March 2020. Many countries around the world, including the United States, have significant governmental measures being implemented to control the spread of COVID-19, including temporary closures of businesses, severe restrictions on travel and the movement of people and other material limitation on the conduct of business. As a result of the COVID-19 pandemic, the Center is experiencing a reduction in patient census that is having a direct negative effect on the Center's operations. The rise in demand for health care supplies and potential staffing shortages will likely increase costs incurred by the Center as well. The Center has taken steps to strengthen its financial position and balance sheet to maintain financial liquidity and flexibility including the receipt of government awards. The full duration and extent of the COVID-19 pandemic, related business and travel restrictions and changes to behavior intended to reduce its spread are uncertain as of the date these financial statements were available for issuance, as the pandemic continues to evolve globally. Therefore, the full extent of any adverse impact on the results of operations, financial position and cash flows in 2022 cannot be reasonably estimated at this time.

In July 2020, the County authorized the formation of the Sunset Lake Local Development Corporation (the "LDC") for the purpose of transferring the Center's capital assets and identifying a management company to assume operations of the Center through a lease agreement. On December 5, 2020 the Center's building and land improvements in the amount of $1,342,391 were transferred to the LDC and an agreement was entered into whereby the LDC will lease the facility back to the County for $1 and the County will continue to operate the Center. Effective May 1, 2021, the County entered into an initial service agreement with Infinite Care LLC, ("Infinite Care") an unrelated party, whereby Infinite Care will provide certain administrative services to the Center for a monthly fee of $30,000.

Effective October 1, 2021, the County entered into a consulting agreement with Infinite Care whereby Infinite Care will provide a more extensive level of services to the Center and the County remains the licensed operator of the facility. On March 16, 2023, the County and Infinite Care filed a Certificate of Need ("CON") application with the New York State Department of Health and is awaiting approval for Infinite Care to be established as the licensed operator of the Center. On November 2, 2023, the NYS DOH held a pre-meeting to review the CON application. At that time, the NYS DOH did not recommend that the CON is moved to the full board to be formally approved. In September 2025, the LDC dissolved and no further action has been taken regarding the future of the facility. As a result of the dissolution of the LDC, the ownership of the building has been transferred back to the Center.

Sullivan County Tobacco Asset Securitization Corporation—The enforceability of the rights and remedies of the State (and thus the bondholders) and of the obligations of a participating manufacturer under the MSA are subject to the Bankruptcy Code and the other applicable insolvency, moratorium or similar laws relating to or affecting the enforcement of creditors' rights. Some of the risks include risks of delay in or reduction of amounts of payment or of non-payment under the MSA and the risk that the State (and thus the County and/or STASC) may be stayed for an extended time from enforcing any rights under the MSA and the Consent Decree or with respect to the payments owed by the bankrupt participating manufacturer or from commencing legal proceedings against the bankrupt participating manufacturer. As a result, if a participating manufacturer becomes a debtor in a bankruptcy case and defaults in making payment, funds available to STASC to pay bondholders may be reduced or eliminated. The bonds are payable only from the assets of STASC. The bonds are neither legal nor moral obligations of the County or the State of New York, and no recourse may be had thereto for payment of amounts owing on the bonds. STASC's only source of funds for payments on the bonds is the collections and amounts on deposit in pledged accounts pursuant to the indenture. STASC has no taxing power and no significant assets other than the rights to receive tobacco settlement revenues.

Sullivan County Community College

Litigation—The College is involved in litigation in the ordinary course of its operations. Various legal actions are pending against the College. The outcome of these matters is not presently determinable but, in the opinion of management, the ultimate liability will not have a material adverse effect on the College's financial condition or results of operation.

State and Federal Grant Programs and State Aid—The College participates in various State and Federal grant programs. These programs are subject to program compliance audits by the grantors or their representative. The audits of these programs are an ongoing process and many have not yet been conducted or completed. Accordingly, the College's compliance with applicable grant requirements will be established at a future date. The amount, if any, of expenditures which may be disallowed by the granting agencies cannot be determined at this time, although the College anticipates such amounts, if any, will not be material. The College's Federal compliance audit under Title 2 U.S. Code of Federal Regulations Part 200, Uniform Guidance Requirements, as applicable, is performed in conjunction with the audit of the College and is included in the College's report. The College is subject to audits of State aid by New York State. The amount of aid previously paid to the College which may be disallowed cannot be determined at this time, although the College anticipates such amounts, if any, to be immaterial.

Sullivan County Soil and Water Conservation District

Litigation—The District is subject to various litigation and claims arising out of the course of its operations. While the results of the lawsuits cannot be predicted with certainty, management does not believe these matters will have an adverse effect on the District's overall financial position.

The District is exposed to various risks of loss related to property damage and destruction of assets, vehicle liability, injuries to employees, health insurance and unemployment insurance. The District purchases commercial insurance to cover such potential risks. The general liability and auto policies provide coverage for up to a maximum of $2,000,000. The District also purchases conventional health insurance coverage for its employees and participates in the Sullivan County Workers' Compensation Benefits Fund, a risk sharing pool, which provides coverage at statutory levels. Settled claims have not exceed this commercial coverage in the last three fiscal years.

17. DISSOLUTION OF COMPONENT UNITS

During the year ended December 31, 2025, the SLLDC and the BLDC were legally dissolved through action of the board of directors. Any assets remaining after the dissolution were transferred to the County. Prior to dissolution, the current year operating activity for both the SLLDC and BLDC are still included within business-type activities for the primary government's statement of activities.

18. SUBSEQUENT EVENTS

Management has evaluated subsequent events through June 30, 2026, except as to the Sullivan County Community College, which is as of July 13, 2026, which is the date the financial statements are available for issuance, and have determined, that there are no subsequent events that require disclosure under generally accepted accounting principles.

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REQUIRED SUPPLEMENTARY INFORMATION

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COUNTY OF SULLIVAN, NEW YORK
Schedule of Changes in the Total OPEB Liability and Related Ratios
Last Nine Fiscal Years*

	2025	2024	2023	2022	2021	2020	2019	2018	2017
Governmental activities:									
Total OPEB Liability									
Service cost	$ 2,993,518	$ 6,988,705	$ 5,950,466	$ 11,030,705	$ 7,499,034	$ 5,740,016	$ 4,108,250	$ 5,023,750	$ 4,993,306
Interest	6,119,336	8,750,573	8,325,798	6,082,631	5,364,967	7,560,063	8,516,890	8,111,525	7,906,838
Changes in assumptions	7,758,138	(12,851,268)	17,490,629	(120,970,170)	(20,359,454)	49,008,851	(22,598,294)	(18,319,064)	-
Differences between expected and actual experience	(62,312,718)	-	(8,436,138)	35,259,165	6,870,759	(9,753,783)	13,877,437	(14,007,747)	4,419,853
Changes in benefit terms	(6,052,779)	-	-	-	-	-	-	-	-
Benefit payments	(5,794,275)	(6,838,737)	(6,354,614)	(7,045,317)	(6,982,100)	(5,980,586)	(5,981,394)	(5,949,623)	(5,424,068)
Net changes in total OPEB liability	(57,288,780)	(3,950,727)	16,976,141	(75,642,986)	(7,606,794)	46,574,561	(2,077,111)	(25,141,159)	11,895,929
Total OPEB liability—beginning	211,244,264	215,194,991	198,218,850	273,861,836	281,468,630	234,894,069	236,971,180	262,112,339	250,216,410
Total OPEB liability—ending	$ 153,955,484	$ 211,244,264	$ 215,194,991	$ 198,218,850	$ 273,861,836	$ 281,468,630	$ 234,894,069	$ 236,971,180	$ 262,112,339
Covered-employee payroll	$ 63,019,589	$ 59,481,199	$ 55,544,879	$ 50,819,499	$ 49,899,457	$ 50,465,779	$ 53,787,933	$ 51,819,981	$ 46,092,209
County's total OPEB liability as a percentage of covered-employee payroll	244.3%	355.1%	387.4%	390.0%	548.8%	557.7%	436.7%	457.3%	568.7%
Business-type activities:									
Total OPEB Liability									
Service cost	$ 182,699	$ 679,319	$ 575,931	$ 1,501,549	$ 1,248,738	$ 955,824	$ 724,986	$ 945,949	$ 940,216
Interest	487,286	789,726	746,357	643,512	437,931	572,437	576,534	526,096	512,821
Changes in assumptions	447,186	(1,202,659)	1,855,968	(14,142,690)	(1,919,641)	4,869,543	1,341,716	(1,188,136)	-
Differences between expected and actual experience	(7,469,687)	-	(3,295,636)	3,763,822	6,768,449	(767,215)	(546,415)	(908,512)	(383,147)
Changes in benefit terms	(112,280)								
Benefit payments	(503,788)	(587,749)	(575,046)	(633,163)	(618,218)	(380,322)	(372,214)	(350,478)	(298,346)
Net changes in total OPEB liability	(6,968,584)	(321,363)	(692,426)	(8,866,970)	5,917,259	5,250,267	1,724,607	(975,081)	771,544
Total OPEB liability—beginning	19,036,343	19,357,706	20,050,132	28,917,102	22,999,843	17,749,576	16,024,969	17,000,050	16,228,506
Total OPEB liability—ending	$ 12,067,759	$ 19,036,343	$ 19,357,706	$ 20,050,132	$ 28,917,102	$ 22,999,843	$ 17,749,576	$ 16,024,969	$ 17,000,050
Covered-employee payroll	$ 4,280,809	$ 3,802,182	$ 4,733,418	$ 5,140,468	$ 5,268,889	$ 4,123,745	$ 4,064,441	$ 3,504,281	$ 6,829,079
County's total OPEB liability as a percentage of covered-employee payroll	281.9%	500.7%	409.0%	390.0%	548.8%	557.7%	436.7%	457.3%	248.9%
Total Primary Government:									
Total OPEB Liability									
Service cost	$ 3,176,217	$ 7,668,024	$ 6,526,397	$ 12,532,254	$ 8,747,772	$ 6,695,840	$ 4,833,236	$ 5,969,699	$ 5,933,522
Interest	6,606,622	9,540,299	9,072,155	6,726,143	5,802,898	8,132,500	9,093,424	8,637,621	8,419,659
Changes in assumptions	8,205,324	(14,053,927)	19,346,597	(135,112,860)	(22,279,095)	53,878,394	(21,256,578)	(19,507,200)	-
Differences between expected and actual experience	(69,782,405)	-	(11,731,774)	39,022,987	13,639,208	(10,520,998)	13,331,022	(14,916,259)	4,036,706
Benefit payments	(6,298,063)	(7,426,486)	(6,929,660)	(7,678,480)	(7,600,318)	(6,360,908)	(6,353,608)	(6,300,101)	(5,722,414)
Net changes in total OPEB liability	(64,257,364)	(4,272,090)	16,283,715	(84,509,956)	(1,689,535)	51,824,828	(352,504)	(26,116,240)	12,667,473
Total OPEB liability—beginning	230,280,607	234,552,697	218,268,982	302,778,938	304,468,473	252,643,645	252,996,149	279,112,389	266,444,916
Total OPEB liability—ending	$ 166,023,243	$ 230,280,607	$ 234,552,697	$ 218,268,982	$ 302,778,938	$ 304,468,473	$ 252,643,645	$ 252,996,149	$ 279,112,389
Covered-employee payroll	$ 67,300,398	$ 63,283,381	$ 60,278,297	$ 55,959,967	$ 55,168,346	$ 54,589,524	$ 57,852,374	$ 55,324,262	$ 52,921,288
County's total OPEB liability as a percentage of covered-employee payroll	246.7%	363.9%	389.1%	390.0%	548.8%	557.7%	436.7%	457.3%	527.4%

There are no assets accumulated in a trust that meets the criteria of GASB codification P22.101 or P52.101 to pay related benefits for the pension/OPEB plan.

(continued)

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

COUNTY OF SULLIVAN, NEW YORK
Schedule of Changes in the Total OPEB Liability and Related Ratios
Last Nine Fiscal Years*

(concluded)

County's total OPEB liability as a percentage of covered-employee payroll	246.7%	363.9%	389.1%	390.0%	548.8%	557.7%	436.7%	457.3%

	2025	2024	2023	2022	2021	2020	2019	2018
Sullivan County Community College:								
Total OPEB Liability								
Service cost	$ 1,384,806	$ 1,040,340	$ 1,087,220	$ 1,582,239	$ 1,842,883	$ 1,714,435	$ 1,982,185	$ 1,825,162
Interest	1,873,485	1,569,325	1,554,732	1,096,774	1,237,345	1,722,528	2,185,731	1,937,827
Changes in benefit terms	-	-	-	-	-	-	(8,133,017)	-
Changes in assumptions	(5,167,961)	2,931,841	(733,414)	(10,259,580)	(490,386)	8,466,455	3,096,439	(1,714,796)
Differences between expected and actual experience	2,520,102	5,447,816	(1,272,365)	79,947	(8,295,358)	(5,566,269)	(4,659,061)	4,548
Benefit payments	(1,970,768)	(1,590,717)	(1,539,200)	(1,393,570)	(1,485,854)	(1,461,781)	(1,664,296)	(1,598,483)
Net changes in total OPEB liability	(1,360,336)	9,398,605	(903,027)	(8,894,190)	(7,191,370)	4,875,368	(7,192,019)	454,258
Total OPEB liability—beginning	44,410,707	35,012,102	35,915,129	44,809,319	52,000,689	47,125,321	54,317,340	53,863,082
Total OPEB liability—ending	$ 43,050,371	$ 44,410,707	$ 35,012,102	$ 35,915,129	$ 44,809,319	$ 52,000,689	$ 47,125,321	$ 54,317,340

There are no assets accumulated in a trust that meets the criteria of GASB codification P22.101 or P52.101 to pay related benefits for the pension/OPEB plan.

*Information prior to the year ended December 31, 2017 (August 31, 2018 as to the College) is not available.

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

COUNTY OF SULLIVAN, NEW YORK

Schedule of the Local Government's Proportionate Share of the Net Pension Liability/(Asset)—Teachers' Retirement System Last Ten Fiscal Years

	Year Ended August 31, 2025	2024	2023	2022	2021	2020	2019	2018	2017	2016
Sullivan County Community College:										
Measurement date	June 30, 2025	June 30, 2024	June 30, 2023	June 30, 2022	June 30, 2021	June 30, 2020	June 30, 2019	June 30, 2018	June 30, 2017	June 30, 2016
Plan fiduciary net position as a percentage of the total pension liability	104.0%	102.1%	99.2%	98.6%	113.3%	97.8%	102.2%	101.5%	100.7%	99.0%
College's proportion of the net pension liability (asset)	0.006613%	0.006558%	0.006488%	0.006101%	0.006502%	0.006370%	0.0072050%	0.0072170%	0.0074050%	0.0084310%
College's proportionate share of the net pension liability (asset)	$ (391,568)	$ (195,661)	$ 74,196	$ 117,076	$ (1,126,778)	$ 176,038	$ (187,192)	$ (130,550)	$ (56,285)	$ 90,296
College's covered payroll	$ 1,298,491	$ 1,270,249	$ 1,268,825	$ 1,080,854	$ 1,103,641	$ 1,117,336	$ 1,202,674	$ 1,175,550	$ 1,222,471	$ 1,300,935
College's proportionate share of the net pension liability (asset) as a percentage of its covered payroll	(30.2)%	(15.4)%	5.8%	10.1%	(102.1)%	15.8%	(15.6)%	(11.1)%	(4.6)%	6.9%

COUNTY OF SULLIVAN, NEW YORK
Schedule of the Local Government's Contributions—
Teachers' Retirement System
Last Ten Fiscal Years

	Year Ended August 31,									
	2025	2024	2023	2022	2021	2020	2019	2018	2017	2016
Sullivan County Community College:										
Contractually required contributions	$ 157,882	$ 146,478	$ 147,307	$ 124,793	$ 105,177	$ 95,803	$ 127,724	$ 115,204	$ 137,528	$ 172,504
Contributions in relation to the contractually required contribution	(157,882)	(146,478)	(147,307)	(124,793)	(105,177)	(95,803)	(127,724)	(115,204)	(137,528)	(172,504)
Contribution deficiency (excess)	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -
College's covered payroll	1,298,491	1,270,249	1,154,798	1,128,830	1,103,641	1,117,336	1,202,674	1,175,550	1,222,471	1,300,935
Contributions as a percentage of covered payroll	12.2%	11.5%	12.8%	11.1%	9.5%	8.6%	10.6%	9.8%	11.3%	13.3%

COUNTY OF SULLIVAN, NEW YORK
Schedule of the Local Government's Proportionate Share of the Net Pension Liability/(Asset)—Employees' Retirement System
Last Ten Fiscal Years

	Year Ended December 31,									
	2025	2024	2023	2022	2021	2020	2019	2018	2017	2016
Measurement date	March 31, 2025	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
Plan fiduciary net position as a percentage of the total pension liability	93.1%	93.9%	90.8%	103.7%	100%	86.4%	96.3%	98.2%	94.7%	90.7%
Governmental activities:										
County's proportion of the net pension liability/(asset)	0.2052959%	0.2158293%	0.1979922%	0.1958730%	0.2159072%	0.2191124%	0.1928306%	0.1828922%	0.1851387%	0.1899655%
County's proportionate share of the net pension liability/(asset)	$ 35,199,459	$ 31,588,053	$ 42,457,441	$ (16,011,785)	$ 214,988	$ 51,246,179	$ 13,662,643	$ 5,902,738	$ 17,396,061	$ 30,490,042
County's covered payroll	$ 71,804,980	$ 57,011,052	$ 55,476,230	$ 46,963,836	$ 47,184,985	$ 62,852,518	$ 48,460,129	$ 46,409,406	$ 44,100,576	$ 52,288,877
County's proportionate share of the net pension liability/(asset) as a percentage of its covered payroll	49.0%	55.4%	76.5%	(34.1)%	0.5%	81.5%	28.2%	12.7%	39.4%	58.3%
Business-type activities:										
County's proportion of the net pension liability	0.025090%	0.0135661%	0.0170416%	0.0193335%	0.0247511%	0.0255888%	0.0248519%	0.0240865%	0.0257297%	0.0261291%
County's proportionate share of the net pension liability/(asset)	$ 2,144,766	$ 1,985,484	$ 3,654,407	$ (1,580,431)	$ 24,646	$ 6,776,067	$ 1,760,832	$ 777,379	$ 2,417,622	$ 4,193,799
County's covered payroll	$ 4,635,055	$ 4,337,504	$ 4,733,418	$ 5,322,629	$ 6,359,134	$ 9,363,057	$ 7,052,583	$ 6,872,926	$ 6,676,520	$ 8,063,774
County's proportionate share of the net pension liability/(asset) as a percentage of its covered payroll	46.3%	45.8%	77.2%	(29.7)%	0.4%	72.4%	25.0%	11.3%	36.2%	52.0%
Total Primary Government:										
County's proportion of the net pension liability	0.2303859%	0.2293954%	0.2150338%	0.2152065%	0.2406583%	0.2447012%	0.2176825%	0.2069787%	0.2108684%	0.2160946%
County's proportionate share of the net pension liability/(asset)	$ 37,344,225	$ 33,573,537	$ 46,111,848	$ (17,592,216)	$ 239,634	$ 58,022,246	$ 15,423,475	$ 6,680,117	$ 19,813,683	$ 34,683,841
County's covered payroll	$ 76,440,035	$ 61,348,556	$ 60,209,648	$ 52,286,465	$ 53,544,119	$ 72,215,575	$ 55,512,712	$ 53,282,332	$ 50,777,096	$ 60,352,651
County's proportionate share of the net pension liability/(asset) as a percentage of its covered payroll	48.9%	54.7%	76.6%	(33.6)%	0.4%	80.3%	27.8%	12.5%	39.0%	57.5%
Soil and Water Conservation District:										
District's proportion of the net pension liability	0.0011727%	0.0013194%	0.0013250%	0.0013496%	0.0011164%	0.0013788%	0.0014610%	0.0013698%	0.0011771%	0.0011839%
District's proportionate share of the net pension liability/(asset)	$ 201,069	$ 194,267	$ 284,135	$ (110,326)	$ 1,112	$ 365,119	$ 103,514	$ 44,208	$ 110,602	$ 190,018
District's covered payroll	$ 495,639	$ 472,006	$ 464,324	$ 413,839	$ 403,703	$ 445,184	$ 381,403	$ 392,135	$ 372,042	$ 373,268
District's proportionate share of the net pension liability/(asset) as a percentage of its covered payroll	40.6%	41.2%	61.2%	(26.7)%	0.3%	82.0%	27.1%	11.3%	29.7%	50.9%

	Year Ended August 31,									
	2025	2024	2023	2022	2021	2020	2019	2018	2017	2016
Measurement date	March 31, 2025	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
Plan fiduciary net position as a percentage of the total pension liability	93.1%	93.9%	90.8%	103.7%	100.0%	86.4%	96.2%	98.2%	94.7%	90.7%
Sullivan County Community College:										
College's proportion of the net pension liability	0.0116566%	0.0112689%	0.01110500%	0.0116930%	0.0129950%	0.0116940%	0.0119330%	0.0111630%	0.0113090%	0.0124080%
College's proportionate share of the net pension liability/(asset)	$ 1,998,616	$ 1,837,851	$ 2,381,423	$ (955,876)	$ 12,939	$ 3,096,521	$ 845,482	$ 360,287	$ 1,062,603	$ 1,991,469
College's covered payroll	$ 3,546,987	$ 3,458,523	$ 2,887,085	$ 2,887,204	$ 3,128,688	$ 3,403,276	$ 3,067,362	$ 2,866,780	$ 2,673,112	$ 2,763,108
College's proportionate share of the net pension liability/(asset) as a percentage of its covered payroll	56.3%	53.1%	82.5%	(33.1)%	0.4%	91.0%	27.6%	12.6%	39.8%	72.1%

COUNTY OF SULLIVAN, NEW YORK
Schedule of the Local Government's Contributions—
Employees' Retirement System
Last Ten Fiscal Years

	Year Ended December 31,									
	2025	2024	2023	2022	2021	2020	2019	2018	2017	2016
Governmental activities:										
Contractually required contributions	$ 9,646,425	$ 8,231,419	$ 7,105,281	$ 7,068,751	$ 7,769,566	$ 7,389,125	$ 6,764,327	$ 6,593,679	$ 6,569,798	$ 7,341,500
Contributions in relation to the contractually required contribution	(9,646,425)	(8,231,419)	(7,105,281)	(7,068,751)	(7,769,566)	(7,389,125)	(6,764,327)	(6,593,679)	(6,569,798)	(7,341,500)
Contribution deficiency (excess)	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -
County's covered payroll	$ 63,019,589	$ 59,458,966	$ 55,476,230	$ 54,491,011	$ 49,304,844	$ 50,026,454	$ 53,622,816	$ 48,231,045	$ 46,070,276	$ 43,988,174
Contributions as a percentage of covered payroll	15.3%	13.8%	12.8%	13.0%	15.8%	14.8%	12.6%	13.7%	14.3%	16.7%
Business-type activities:										
Contractually required contributions	$ 541,189	$ 559,194	$ 633,086	$ 728,920	$ 924,033	$ 971,332	$ 876,444	$ 880,248	$ 910,645	$ 1,009,798
Contributions in relation to the contractually required contribution	(541,189)	(559,194)	(633,086)	(728,920)	(924,033)	(971,332)	(876,444)	(880,248)	(910,645)	(1,009,798)
Contribution deficiency (excess)	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -
County's covered payroll	$ 4,280,809	$ 3,801,332	$ 4,733,418	$ 5,942,036	$ 5,857,720	$ 7,071,004	$ 7,981,865	$ 7,062,896	$ 6,829,079	$ 6,683,257
Contributions as a percentage of covered payroll	12.6%	14.7%	13.4%	12.3%	15.8%	13.7%	11.0%	12.5%	13.3%	15.1%
Total Primary Government:										
Contractually required contributions	$ 10,187,614	$ 8,790,613	$ 7,738,367	$ 7,797,671	$ 8,693,599	$ 8,360,457	$ 7,640,771	$ 7,473,927	$ 7,480,443	$ 8,351,298
Contributions in relation to the contractually required contribution	(10,187,614)	(8,790,613)	(7,738,367)	(7,797,671)	(8,693,599)	(8,360,457)	(7,640,771)	(7,473,927)	(7,480,443)	(8,351,298)
Contribution deficiency (excess)	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -
County's covered payroll	$ 67,300,398	$ 63,260,298	$ 60,209,648	$ 60,433,047	$ 55,162,564	$ 57,097,458	$ 61,604,681	$ 55,293,941	$ 52,899,355	$ 50,671,431
Contributions as a percentage of covered payroll	15.1%	13.9%	12.9%	12.9%	15.8%	14.6%	12.4%	13.5%	14.1%	16.5%
Soil and Water Conservation District:										
Contractually required contributions	$ 47,891	$ 58,092	$ 47,891	$ 43,254	$ 53,918	$ 58,200	$ 53,664	$ 53,692	$ 51,260	$ 44,656
Contributions in relation to the contractually required contribution	(47,891)	(58,092)	(47,891)	(43,254)	(53,918)	(58,200)	(53,664)	(53,692)	(51,260)	(44,656)
Contribution deficiency (excess)	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -
District's covered payroll	$ 564,051	$ 490,437	$ 473,262	$ 448,315	$ 418,666	$ 433,543	$ 418,513	$ 385,726	$ 388,023	$ 346,261
Contributions as a percentage of covered payroll	8.5%	11.8%	10.1%	9.6%	12.9%	13.4%	12.8%	13.9%	13.2%	12.9%
	Year Ended August 31,									
	2025	2024	2023	2022	2021	2020	2019	2018	2017	2016
Sullivan County Community College:										
Contractually required contributions	$ 464,532	$ 406,927	$ 386,651	$ 474,366	$ 463,483	$ 411,109	$ 410,304	$ 392,290	$ 381,778	$ 479,513
Contributions in relation to the contractually required contribution	(464,532)	(406,927)	(386,651)	(474,366)	(463,483)	(411,109)	(410,304)	(392,290)	(381,778)	(479,513)
Contribution deficiency (excess)	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -
College's covered payroll	$ 3,546,987	$ 3,458,523	$ 2,887,085	$ 2,887,204	$ 3,128,688	$ 3,403,276	$ 3,067,362	$ 2,866,780	$ 2,673,112	$ 2,763,108
Contributions as a percentage of covered payroll	13.1%	11.8%	13.4%	16.4%	14.8%	12.1%	13.4%	13.7%	14.3%	17.4%

COUNTY OF SULLIVAN, NEW YORK
Schedule of Revenues, Expenditures, and Changes in Fund Balances—Budget and Actual—General Fund
Year Ended December 31, 2025

	Budgeted Amounts		Actual	Variance with
	Original	Final	Amounts	Final Budget
REVENUES				
Real property taxes	$ 74,100,000	$ 74,100,000	$ 75,098,916	$ 998,916
Other property tax items	5,978,646	5,978,646	6,539,941	561,295
Non property tax items	86,134,000	81,927,012	81,877,186	(49,826)
Departmental income	19,598,306	19,981,730	17,424,425	(2,557,305)
Intergovernmental charges	1,000,455	1,019,152	966,023	(53,129)
Licenses and permits	2,550,000	2,550,000	2,522,037	(27,963)
Fines and forfeitures	131,000	131,000	250,873	119,873
Use of money and property	2,152,580	3,220,080	3,422,862	202,782
Sale of property and compensation for loss	539,300	549,273	682,276	133,003
Miscellaneous	3,703,102	703,102	1,149,485	446,383
State aid	29,780,710	30,369,695	31,917,784	1,548,089
Federal aid	20,368,933	21,279,470	21,072,637	(206,833)
Total revenues	246,037,032	241,809,160	242,924,445	1,115,285
EXPENDITURES				
Current:				
General government support	56,604,709	53,549,658	45,338,113	8,211,545
Education	5,975,000	5,985,980	5,806,796	179,184
Public safety	41,040,885	42,457,224	40,347,816	2,109,408
Health	30,871,444	30,511,874	30,217,409	294,465
Transportation	5,320,174	5,205,867	4,636,851	569,016
Economic assistance and opportunity	73,065,700	72,560,548	81,675,149	(9,114,601)
Culture and recreation	5,378,867	5,564,219	4,558,208	1,006,011
Home and community services	2,987,894	4,505,063	3,998,077	506,986
Debt service:				
Principal	-	3,850,065	3,850,065	-
Interest and other fiscal charges	-	132,883	132,883	-
Total expenditures	221,244,673	224,323,381	220,561,367	3,762,014
Excess of revenues over expenditures	24,792,359	17,485,779	22,363,078	4,877,299
OTHER FINANCING SOURCES (USES)				
Transfers in	-	-	117,390	117,390
Transfers out	(34,310,234)	(37,926,553)	(37,926,552)	1
Leases issued	-	-	4,217,831	4,217,831
Total other financing sources (uses)	(34,310,234)	(37,926,553)	(33,591,331)	4,335,222
Net change in fund balance*	(9,517,875)	(20,440,774)	(11,228,253)	9,212,521
Fund balances—beginning	95,232,611	95,232,611	95,232,611	-
Fund balances—ending	$ 85,714,736	$ 74,791,837	$ 84,004,358	$ 9,212,521

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

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

COUNTY OF SULLIVAN, NEW YORK
Schedule of Revenues, Expenditures, and Changes in Fund Balances—
Budget and Actual—County Road Fund
Year Ended December 31, 2025

	Budgeted Amounts Original	Budgeted Amounts Final	Actual Amounts	Variance with Final Budget
REVENUES				
Intergovernmental charges	$ 100,000	$ 100,000	$ 295,256	$ 195,256
Licenses and permits	4,000	4,000	4,305	305
Use of money and property	-	-	29,328	29,328
Sale of property and compensation for loss	50	50	364	314
Miscellaneous	500	500	20	(480)
State aid	3,500,000	6,742,629	6,803,132	60,503
Federal aid	5,284,622	5,284,622	4,897,576	(387,046)
Total revenues	8,889,172	12,131,801	12,029,981	(101,820)
EXPENDITURES				
Current:				
Public safety	1,187,173	1,160,654	1,088,999	71,655
Transportation	34,755,085	37,860,032	33,521,808	4,338,224
Total expenditures	35,942,258	39,020,686	34,610,807	4,409,879
(Deficiency) of revenues over expenditures	(27,053,086)	(26,888,885)	(22,580,826)	4,308,059
OTHER FINANCING SOURCES (USES)				
Transfers in	23,279,563	23,224,563	23,224,998	435
Transfers out	(1,941,106)	(1,941,106)	(1,941,105)	1
Total other financing sources (uses)	21,338,457	21,283,457	21,283,893	436
Net change in fund balance*	(5,714,629)	(5,605,428)	(1,296,933)	4,308,495
Fund balances—beginning	6,628,394	6,628,394	6,628,394	-
Fund balances—ending	$ 913,765	$ 1,022,966	$ 5,331,461	$ 4,308,495

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

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

COUNTY OF SULLIVAN, NEW YORK
Schedule of Revenues, Expenditures, and Changes in Fund Balances—
Budget and Actual—Refuse and Garbage Fund
Year Ended December 31, 2025

	Budgeted Amounts		Actual	Variance with
	Original	Final	Amounts	Final Budget
REVENUES				
Departmental income	$ 15,006,000	$ 14,331,000	$ 11,214,710	$ (3,116,290)
Use of money and property	-	-	9,038	9,038
Sale of property and compensation for loss	380,000	380,000	319,205	(60,795)
Miscellaneous	-	-	20	20
State aid	83,741	83,741	7,134	(76,607)
Total revenues	15,469,741	14,794,741	11,550,107	(3,244,634)
EXPENDITURES				
Current:				
Home and community services	15,170,251	15,540,715	12,491,000	3,049,715
Total expenditures	15,170,251	15,540,715	12,491,000	3,049,715
Excess (deficiency) of revenues over expenditures	299,490	(745,974)	(940,893)	(194,919)
OTHER FINANCING SOURCES (USES)				
Transfers in	-	630,100	1,630,100	1,000,000
Transfers out	(585,146)	(585,146)	(585,146)	-
Total other financing sources (uses)	(585,146)	44,954	1,044,954	1,000,000
Net change in fund balance*	(285,656)	(701,020)	104,061	805,081
Fund balances—beginning	1,784,282	1,784,282	1,784,282	-
Fund balances—ending	$ 1,498,626	$ 1,083,262	$ 1,888,343	$ 805,081

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

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

1. OPEB LIABILITY

Changes of Assumptions—The rate used to discount future plan cash flows was updated from 4.28% to 4.43% as of December 31, 2025 based on a review of the S&P Municipal Bond 20-Year High Grade Municipal Bond Index.

Sullivan County Community College:

Changes of Assumptions—The rate used to discount future plan cash flows was updated from 4.18% to 5.25% as of August 31, 2025 based on a review of the Bond Buyer 20-Year Bond GO Index.

2. BUDGETARY INFORMATION

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

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 functional classification.

Appropriations in all budgeted funds lapse at the end of the fiscal 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 and 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. The General Fund, County Road Fund, and Refuse and Garbage Fund original budgets for the year ended December 31, 2025 include encumbrances from the prior year of $1,397,875, $3,716,517 and $285,656, respectively.

Excess of Expenditures over Appropriations—For the year ended December 31, 2025, the County had budgetary expenditures in the General Fund in excess of the final budget amount within economic assistance and opportunity of $9,114,601 as a result of larger than anticipated costs within County programs.

SUPPLEMENTARY INFORMATION— INDIVIDUAL SCHEDULES AND COMBINING STATEMENTS

MAJOR GOVERNMENTAL FUNDS

GENERAL FUND

The General Fund is the principal operating fund of the County and includes all operations not required to be recorded in a separate fund.

COUNTY ROAD FUND

The County Road Fund is a separate revenue fund required by Highway Law Section 114 and accounts for salaries and expenditures of the County Highway Superintendent's office, maintenance of county roads and bridges, snow removal and construction and reconstruction of county roads.

REFUSE AND GARBAGE FUND

The Refuse and Garbage Fund is a special revenue fund used to record all revenues and expenditures related to solid waste operations.

CAPITAL PROJECTS FUND

The Capital Projects Fund accounts for financial resources to be used for the acquisition or construction of capital facilities, other than those financed by proprietary funds and equipment purchases financed in whole or in part from the proceeds of obligations.

COUNTY OF SULLIVAN, NEW YORK
Detail Schedule of Revenues and Other Financing Sources—Budget and Actual—General Fund
Year Ended December 31, 2025

	Budgeted Amounts Original	Budgeted Amounts Final	Actual Amounts	Variance with Final Budget
REVENUES				
Real property taxes	$ 74,100,000	$ 74,100,000	$ 75,098,916	$ 998,916
Other property tax items:				
Gain from sale of tax acquired property	-	-	225,603	225,603
Other payments in lieu of taxes	978,647	978,647	1,067,821	89,174
Interest and penalties on real property taxes	5,000,000	5,000,000	5,246,517	246,517
Total property tax items	5,978,647	5,978,647	6,539,941	561,294
Non property tax items:				
Sales and use tax	80,000,000	75,493,012	74,818,090	(674,922)
Tax on hotel room occupancy	4,000,000	4,000,000	4,210,071	210,071
Tax on adult use cannabis	17,000	17,000	104,131	87,131
Automobile use tax	500,000	500,000	558,196	58,196
Emergency telephone system surcharge	310,000	310,000	351,957	41,957
OTB surtax	50,000	50,000	32,195	(17,805)
Other non property tax	1,257,000	1,557,000	1,802,546	245,546
Total non property tax items	86,134,000	81,927,012	81,877,186	(49,826)
Departmental income:				
General government support:				
Treasurer's fees	6,000	6,000	47,805	41,805
Tax collector's fees	2,670	2,670	4,265	1,595
Clerk's fees	1,732,350	1,734,850	1,593,519	(141,331)
Personnel fees	12,000	12,000	11,536	(464)
Attorney's fees	1,068,114	1,068,114	780,128	(287,986)
Other general governmental income	4,105,961	4,410,115	2,765,546	(1,644,569)
Public safety:				
Sheriff's fees	1,596,367	1,596,367	1,464,803	(131,564)
Probation fees	101,250	101,250	117,892	16,642
Other public safety departmental income	9,000	9,000	-	(9,000)
Health:				
Nursing home care	3,392,225	3,392,225	3,943,242	551,017
Mental health fees	1,491,034	1,491,034	1,463,377	(27,657)
Early intervention fees for services	1,200,000	1,200,000	386,011	(813,989)
Other health department income	29,532	29,532	1,011	(28,521)

(continued)

COUNTY OF SULLIVAN, NEW YORK

Detail Schedule of Revenues and Other Financing Sources—Budget and Actual—General Fund

Year Ended December 31, 2025

	Budgeted Amounts		Actual	Variance with
	Original	Final	Amounts	Final Budget
Departmental income (continued):				
Transportation:				
Public works charges	1,734,562	1,811,332	1,807,757	(3,575)
Airport fees and rentals	141,100	141,100	126,422	(14,678)
Other transportation income	327,600	327,600	369,008	41,408
Economic assistance and opportunity:				
Repayment of medical assistance	20,000	20,000	480	(19,520)
Repayment of family assistance	300,000	300,000	197,011	(102,989)
Repayment of child care	1,418,599	1,418,599	1,394,307	(24,292)
Repayment of juvenile delinquent care	20,000	20,000	-	(20,000)
Repayment of safety net assistance	250,000	250,000	247,447	(2,553)
Repayment of home energy assistance (HEAP)	100,000	100,000	65,846	(34,154)
Repayment of emergency care for adults	25,000	25,000	60,645	35,645
Repayment of day care	2,500	2,500	60	(2,440)
Social services recovery charges	51,500	51,500	8,114	(43,386)
Social services charges	101,292	101,292	170,895	69,603
Charges, programs for the aging	36,500	36,500	16,288	(20,212)
Other economic assistance and opportunity income	261,500	261,500	297,265	35,765
Culture and recreation:				
Parks and recreation charges	61,400	61,400	83,569	22,169
Recreation concessions	250	250	176	(74)
Total departmental income	19,598,306	19,981,730	17,424,425	(2,557,305)
Intergovernmental charges:				
General government support:				
General services, other governments	750,857	769,554	570,333	(199,221)
Election service charges	-	-	205	205
Education:				
Jail facilities, other governments	30,000	30,000	20,104	(9,896)
Health:				
Health services, other governments	219,598	219,598	375,381	155,783
Total intergovernmental charges	1,000,455	1,019,152	966,023	(53,129)
Licenses and permits:				
Business and occupational license	50,000	50,000	76,140	26,140
Games of chance	2,500,000	2,500,000	2,444,397	(55,603)
Permits, other	-	-	1,500	1,500
Total licenses and permits	2,550,000	2,550,000	2,522,037	(27,963)

(continued)

	Budgeted Amounts		Actual	Variance with
	Original	Final	Amounts	Final Budget
Fines and forfeitures:				
Fines and forfeited bail	6,000	6,000	111,847	105,847
Stop DWI fines	125,000	125,000	139,026	14,026
Total fines and forfeitures	131,000	131,000	250,873	119,873
Use of money and property:				
Interest and earnings	2,000,400	3,000,400	3,133,679	133,279
Rental of real property	133,780	133,780	171,242	37,462
Commissions	18,400	85,900	117,941	32,041
Total use of money and property	2,152,580	3,220,080	3,422,862	202,782
Sale of property and compensation for loss:				
Sales, other	1,300	1,300	3,100	1,800
Insurance recoveries	-	-	13,026	13,026
Fuel sales	538,000	547,973	666,150	118,177
Total sale of property and compensation for loss	539,300	549,273	682,276	133,003
Miscellaneous:				
Gifts and donations	65,700	65,700	35,877	(29,823)
Opioid settlement funds	-	-	203,652	203,652
VLT/Tribal compact monies	308,570	308,570	308,570	-
Other unclassified revenues	3,328,832	328,832	601,386	272,554
Total miscellaneous	3,703,102	703,102	1,149,485	446,383
State aid:				
General government support:				
Court facilities	226,755	226,755	307,413	80,658
Indigent legal services fund	2,500,163	2,500,163	2,587,750	87,587
District attorney salary	76,176	76,176	76,176	-
Medical examiner	3,000	3,000	6,282	3,282
Other general government state aid	102,430	182,250	561,146	378,896
Education:				
Education of handicapped children	5,792,175	5,792,175	5,706,287	(85,888)
Public safety:				
Probation services	-	-	-	-
Navigation law enforcement	7,000	7,000	8,233	1,233
Other public safety state aid	610,000	684,981	846,041	161,060

(continued)

COUNTY OF SULLIVAN, NEW YORK
Detail Schedule of Revenues and Other Financing Sources—Budget and Actual—General Fund
Year Ended December 31, 2025

	Budgeted Amounts		Actual	Variance with
	Original	Final	Amounts	Final Budget
State aid (continued):				
Health:				
Public health	1,374,117	1,374,117	1,358,489	(15,628)
Veterans services	45,000	45,000	56,022	11,022
Early intervention	231,798	231,798	309,809	78,011
Narcotics addiction control	143,547	143,547	91,638	(51,909)
Mental health	4,207,391	4,207,391	4,617,486	410,095
Other public health state aid	4,131,151	972,840	709,265	(263,575)
Transportation:				
Buses and other mass transportation projects	850,000	850,000	1,028,792	178,792
Economic assistance and opportunity:				
Medical assistance	(80,000)	(80,000)	3,867	83,867
Family assistance	1,608,360	1,608,360	609,049	(999,311)
Social services administration	4,032,598	4,122,723	4,096,828	(25,895)
Child care	1,210,645	4,565,585	4,099,948	(465,637)
Juvenile delinquent	466,637	466,637	156,303	(310,334)
Safety net	870,000	870,000	1,489,269	619,269
Emergency assistance for adults	115,000	115,000	387,294	272,294
Day care	30,000	30,000	89,144	59,144
Services for recipients	234,296	234,296	1,552,393	1,318,097
Program for aging	856,055	1,003,485	1,091,936	88,451
Other economic assistance and opportunity state aid	2,000	2,000	2,284	284
Culture and recreation:				
Youth programs	134,416	134,416	68,640	(65,776)
Total state aid	29,780,710	30,369,695	31,917,784	1,548,089
Federal aid:				
Public safety:				
Crime control	180,000	180,000	24,474	(155,526)
Other public safety federal aid	32,678	365,897	532,787	166,890

(continued)

COUNTY OF SULLIVAN, NEW YORK
Detail Schedule of Revenues and Other Financing Sources—Budget and Actual—General Fund
Year Ended December 31, 2025

(concluded)

	Budgeted Amounts Original	Budgeted Amounts Final	Actual Amounts	Variance with Final Budget
Federal aid (continued):				
Health:				
Public health departmental aid	360,039	360,039	415,033	54,994
Other health federal aid	413,569	984,501	982,900	(1,601)
Economic assistance and opportunity:				
Medicaid assistance	(35,000)	(35,000)	33,904	68,904
Family assistance	9,497,633	9,497,633	9,887,855	390,222
Social services administration	6,022,472	6,028,458	6,932,557	904,099
Flexible funding for family services (FFFS)	1,672,890	1,672,890	583,058	(1,089,832)
Safety net	10,000	10,000	14,477	4,477
Programs for the aging	796,800	797,200	911,353	114,153
Other economic assistance and opportunity	366,657	366,657	231,162	(135,495)
Workforce investment act	699,553	699,553	523,077	(176,476)
Home and community services:				
Other home and community services federal aid	351,641	351,641	-	(351,641)
Total federal aid	20,368,932	21,279,469	21,072,637	(206,832)
Total revenues	$ 246,037,032	$ 241,809,160	$ 242,924,445	$ 1,115,285
OTHER FINANCING SOURCES				
Transfers in:				
Transfer from Capital Projects Fund	$ -	$ -	$ 32,000	$ 32,000
Transfer from Debt Service Fund	-	-	85,390	85,390
Leases issued	-	-	4,217,831	4,217,831
Subscription liability issued	-	-	-	-
Total other financing sources	$ -	$ -	$ 4,335,221	$ 4,335,221
Total revenues and other financing sources	$ 246,037,032	$ 241,809,160	$ 247,259,666	$ 5,450,506

COUNTY OF SULLIVAN, NEW YORK
Detail Schedule of Expenditures and Other Financing Uses—Budget and Actual—General Fund
Year Ended December 31, 2025

	Budgeted Amounts Original	Budgeted Amounts Final	Actual Amounts	Variance with Final Budget
EXPENDITURES				
General government support:				
Legislative board	$ 904,831	$ 907,789	$ 1,054,808	$ (147,019)
District attorney	3,661,943	3,922,517	3,560,852	361,665
Public defender	4,583,856	4,147,706	3,994,354	153,352
Medical examiner and coroner	605,941	605,941	433,877	172,064
Municipal executive	939,890	1,474,184	1,333,696	140,488
Auditor	1,018,480	1,015,125	947,565	67,560
Treasurer	702,983	725,883	770,760	(44,877)
Tax collector	1,172,891	1,172,805	1,345,317	(172,512)
Budget	3,007,526	3,010,293	2,983,389	26,904
Purchasing	659,311	634,661	522,055	112,606
Assessment	482,677	503,227	489,265	13,962
Clerk	3,068,364	2,861,320	2,519,954	341,366
Law	2,395,287	2,334,823	2,164,895	169,928
Personnel	1,387,062	1,386,439	1,176,016	210,423
Elections	1,591,948	1,588,688	1,509,322	79,366
Records management	91,994	91,994	78,269	13,725
Public works administration	1,564,258	1,533,210	1,421,215	111,995
Central services administration	241,663	240,612	239,073	1,539
Operation of plant	11,259,841	12,146,174	8,677,071	3,469,103
Central data processing	7,726,891	7,535,241	6,557,209	978,032
Unallocated insurance	1,751,185	1,751,185	1,276,633	474,552
Municipal association dues	66,494	54,599	42,370	12,229
Judgments and claims	200,000	200,000	171,677	28,323
Other general government support	7,519,393	3,705,242	2,068,471	1,636,771
Total general government support	56,604,709	53,549,658	45,338,113	8,211,545
Education:				
Community college tuition	1,675,000	1,675,000	1,506,796	168,204
Contribution to community college	4,300,000	4,310,980	4,300,000	10,980
Total education	5,975,000	5,985,980	5,806,796	179,184

(continued)

Detail Schedule of Expenditures and Other Financing Uses—Budget and Actual—General Fund
Year Ended December 31, 2025

	Budgeted Amounts		Actual	Variance with
	Original	Final	Amounts	Final Budget
Public safety:				
Public safety administration	4,153,936	4,790,736	4,600,657	190,079
Public safety communication system (911)	3,227,641	2,701,988	2,399,856	302,132
Sheriff	13,570,857	13,169,708	12,853,403	316,305
Probation	2,995,618	3,250,749	3,037,922	212,827
Jail	15,278,788	15,724,837	15,640,428	84,409
Stop DWI	190,300	190,570	111,652	78,918
Fire protection	315,982	314,585	246,938	67,647
Other animal controls	60,000	60,000	75,000	(15,000)
Safety inspection	16,800	16,800	14,045	2,755
Other public safety	1,230,963	2,237,251	1,367,915	869,336
Total public safety	41,040,885	42,457,224	40,347,816	2,109,408
Health:				
Public health	8,211,812	7,526,900	6,487,612	1,039,288
Physically handicapped	235	235	-	235
Public health, other	1,626,767	1,548,291	1,419,299	128,992
Early intervention program	10,498,596	10,533,039	11,199,497	(666,458)
Narcotics addiction control	101,250	532,765	581,312	(48,547)
Narcotics addiction control services	907,469	907,469	856,096	51,373
Mental health administration	1,639,162	1,599,675	1,605,471	(5,796)
Mental health programs	4,034,728	3,958,075	4,066,727	(108,652)
Contracted mental health services	3,196,742	3,196,742	3,293,357	(96,615)
Other health	654,683	708,683	708,038	645
Total health	30,871,444	30,511,874	30,217,409	294,465
Transportation:				
Airport	2,039,727	1,908,448	1,347,861	560,587
Other airport	3,201,937	3,200,909	3,192,421	8,488
Other transportation	78,510	96,510	96,569	(59)
Total transportation	5,320,174	5,205,867	4,636,851	569,016

(continued)

County of Sullivan, New York

Detail Schedule of Expenditures and Other Financing Uses—Budget and Actual—General Fund
Year Ended December 31, 2025

	Budgeted Amounts		Actual	Variance with
	Original	Final	Amounts	Final Budget
Economic assistance and opportunity:				
Social services administration	21,953,767	21,728,592	20,241,249	1,487,343
Day care	2,333,330	2,333,330	5,842,892	(3,509,562)
Services for recipients	1,388,500	1,388,500	1,303,707	84,793
Medicaid	21,796,456	21,821,419	23,484,995	(1,663,576)
Family assistance	4,596,500	4,596,500	4,730,191	(133,691)
Child care	9,026,879	9,026,879	11,068,676	(2,041,797)
Juvenile delinquent	603,043	603,043	1,734,991	(1,131,948)
State training school	225,000	225,000	264,098	(39,098)
Safety net (formerly home relief)	3,000,000	3,000,000	5,348,343	(2,348,343)
Home energy assistance	75,000	75,000	34,868	40,132
Emergency aid for adults	230,000	230,000	755,802	(525,802)
Workforce investment act	1,698,143	1,616,803	1,484,105	132,698
Publicity	3,750,000	3,465,000	2,893,851	571,149
Veterans service	620,337	620,337	674,251	(53,914)
Consumer affairs	142,027	128,527	112,582	15,945
Other economic development	1,626,718	1,701,618	1,700,548	1,070
Total economic assistance and opportunity	73,065,700	72,560,548	81,675,149	(9,114,601)
Culture and recreation:				
Parks	1,311,261	1,442,782	982,765	460,017
Youth programs	675,997	640,997	409,393	231,604
Museum	65,418	60,819	47,209	13,610
Historical property	2,868	2,700	996	1,704
Program for the aging	3,183,395	3,247,993	2,951,066	296,927
Other culture and recreation	139,928	168,928	166,779	2,149
Total culture and recreation	5,378,867	5,564,219	4,558,208	1,006,011
Home and community services:				
Planning	1,503,208	2,972,499	2,559,378	413,121
Human rights commission	125,834	110,187	88,362	21,825
Fish and game	100,677	76,827	49,003	27,824
Flood and erosion control	442,098	442,098	403,346	38,752
Cemeteries	16,440	30,815	25,634	5,181
Other home and community services	799,637	872,637	872,354	283
Total home and community services	2,987,894	4,505,063	3,998,077	506,986

(continued)

COUNTY OF SULLIVAN, NEW YORK

Detail Schedule of Expenditures and Other Financing Uses—Budget and Actual—General Fund
Year Ended December 31, 2025

(concluded)

	Budgeted Amounts		Actual	Variance with
	Original	Final	Amounts	Final Budget
Debt service:				
Principal	-	3,850,065	3,850,065	-
Interest and other fiscal charges	-	132,883	132,883	-
Total debt service	-	3,982,948	3,982,948	-
Total expenditures	$ 221,244,673	$ 224,323,381	$ 220,561,367	$ 3,762,014
OTHER FINANCING USES				
Transfers out:				
Transfer to Capital Projects Fund	$ -	$ 1,485,230	$ 1,485,230	$ -
Transfer to County Road Fund	23,279,563	23,224,563	23,224,563	-
Transfer to Road Machinery Fund	4,761,463	4,730,602	4,730,602	-
Transfer to Debt Service Fund	6,269,208	6,269,207	6,269,207	-
Transfer to Refuse and Garbage Fund	-	1,630,100	1,630,100	-
Transfer to Proprietary Funds	-	586,850	586,850	-
Total other financing uses	$ 34,310,234	$ 37,926,552	$ 37,926,552	$ -
Total expenditures and other financing uses	$ 255,554,907	$ 262,249,933	$ 258,487,919	$ 3,762,014

COUNTY OF SULLIVAN, NEW YORK

Detail Schedule of Revenues and Other Financing Sources—Budget and Actual—County Road Fund
Year Ended December 31, 2025

	Budgeted Amounts		Actual	Variance with
	Original	Final	Amounts	Final Budget
REVENUES				
Intergovernmental charges:				
Transportation:				
Transportation services, other governments	$ 30,000	$ 30,000	$ 41,045	$ 11,045
Snow removal, other governments	70,000	70,000	254,211	184,211
Total intergovernmental charges	100,000	100,000	295,256	195,256
Licenses and permits:				
Permits, other	4,000	4,000	4,305	305
Total licenses and permits	4,000	4,000	4,305	305
Use of money and property:				
Interest and earnings	-	-	29,328	29,328
Total use of money and property	-	-	29,328	29,328
Sale of property and compensation for loss:				
Sales, other	50	50	-	(50)
Insurance recoveries	-	-	364	364
Total sale of property and compensation for loss	50	50	364	314
Miscellaneous:				
Other unclassified revenues	500	500	20	(480)
Total miscellaneous	500	500	20	(480)
State aid:				
Transportation:				
Consolidated highway improvement program ("CHIPS")	3,500,000	6,742,629	6,787,443	44,814
Other transportation	-	-	15,689	15,689
Total state aid	3,500,000	6,742,629	6,803,132	60,503
Federal aid:				
Transportation:				
Other transportation	5,284,622	5,284,622	4,897,576	(387,046)
Total federal aid	5,284,622	5,284,622	4,897,576	(387,046)
Total revenues	$ 8,889,172	$ 12,131,801	$ 12,029,981	$ (101,820)
OTHER FINANCING SOURCES				
Transfers in:				
Transfer from Debt Service Fund	$ -	$ -	$ 435	$ 435
Transfer from General Fund	23,279,563	23,224,563	23,224,563	-
Total other financing sources	$ 23,279,563	$ 23,224,563	$ 23,224,998	$ 435
Total revenues and other financing sources	$ 32,168,735	$ 35,356,364	$ 35,254,979	$ (101,385)

COUNTY OF SULLIVAN, NEW YORK
Detail Schedule of Expenditure and Other Financing Uses—Budget and Actual—County Road Fund
Year Ended December 31, 2025

	Budgeted Amounts		Actual	Variance with
	Original	Final	Amounts	Final Budget
EXPENDITURES				
Public safety:				
Traffic control	$ 1,040,945	$ 1,035,426	$ 963,791	$ 71,635
Other public safety	146,228	125,228	125,208	20
Total public safety	1,187,173	1,160,654	1,088,999	71,655
Transportation:				
Engineering	2,801,658	3,716,247	2,091,027	1,625,220
Maintenance of roads	25,971,999	30,568,248	27,844,952	2,723,296
Snow removal	5,204,034	2,668,142	2,674,218	(6,076)
Other transportation	777,395	907,395	911,611	(4,216)
Total transportation	34,755,086	37,860,032	33,521,808	4,338,224
Total expenditures	$ 35,942,259	$ 39,020,686	$ 34,610,807	$ 4,409,879
OTHER FINANCING USES				
Transfers out:				
Transfer to Debt Service Fund	$ 1,941,105	$ 1,941,105	$ 1,941,105	$ -
Total other financing uses	$ 1,941,105	$ 1,941,105	$ 1,941,105	$ -
Total expenditures and other financing uses	$ 37,883,364	$ 40,961,791	$ 36,551,912	$ 4,409,879

COUNTY OF SULLIVAN, NEW YORK

Detail Schedule of Revenues and Other Financing Sources—
Budget and Actual—Refuse and Garbage Fund
Year Ended December 31, 2025

	Budgeted Amounts		Actual	Variance with
	Original	Final	Amounts	Final Budget
REVENUES				
Departmental income:				
Home and community services:				
Refuse and garbage charges	$ 15,006,000	$ 14,331,000	$ 11,214,710	$ (3,116,290)
Total departmental income	15,006,000	14,331,000	11,214,710	(3,116,290)
Use of money and property:				
Interest and earnings	-	-	9,038	9,038
Total use of money and property	-	-	9,038	9,038
Sale of property and compensation for loss:				
Sales of refuse for recycling	380,000	380,000	319,205	(60,795)
Total sale of property and compensation for loss	380,000	380,000	319,205	(60,795)
Miscellaneous:				
Miscellaneous fee reimbursement	-	-	20	20
Total miscellaneous	-	-	20	20
State aid:				
Home and community services:				
Other home and community service	83,741	83,741	7,134	(76,607)
Total state aid	83,741	83,741	7,134	(76,607)
Total revenues	$ 15,469,741	$ 14,794,741	$ 11,550,107	$ (3,244,634)
OTHER FINANCING SOURCES				
Transfers in:				
Transfer from General Fund	$ -	$ 630,100	$ 1,630,100	$ 1,000,000
Total other financing sources	$ -	$ 630,100	$ 1,630,100	$ 1,000,000
Total revenues and other financing sources	$ 15,469,741	$ 15,424,841	$ 13,180,207	$ (2,244,634)

COUNTY OF SULLIVAN, NEW YORK

Detail Schedule of Expenditures and Other Financing Uses—
Budget and Actual—Refuse and Garbage Fund
Year Ended December 31, 2025

	Budgeted Amounts		Actual	Variance with
	Original	Final	Amounts	Final Budget
EXPENDITURES				
Home and community services:				
Refuse and garbage	$ 15,028,256	$ 15,394,320	$ 12,344,585	$ 3,049,735
Other home and community services	141,995	146,395	146,415	(20)
Total home and community services	15,170,251	15,540,715	12,491,000	3,049,715
Total expenditures	$ 15,170,251	$ 15,540,715	$ 12,491,000	$ 3,049,715
OTHER FINANCING USES				
Transfers out:				
Transfer to Debt Service Fund	585,146	585,146	585,146	-
Total other financing uses	$ 585,146	$ 585,146	$ 585,146	$ -
Total expenditures and other financing uses	$ 15,755,397	$ 16,125,861	$ 13,076,146	$ 3,049,715

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NONMAJOR GOVERNMENTAL FUNDS

SPECIAL GRANT FUND

The Special Grant Fund is used to account for projects financed by entitlements from the U.S. Department of Housing and Urban Development.

ROAD MACHINEY FUND

The Road Machinery Fund is a special revenue fund required by Highway Law Section 133 and accounts for purchases, repairs and maintenance of highway machinery, tools and equipment; for constriction, purchase and maintenance of buildings for the storage and repair of highway machinery and equipment; and for the purchase of materials and supplies to provide an adequate central stockpile for highway, snow removal and bridge purposes.

DEBT SERVICE FUND

The Debt Service Fund accounts for the accumulation of resources for the payment of principal and interest on long-term debt. Debt Service Funds are not required unless segregation of resources is legally mandated. Such legally mandated instances include: proceeds from the sale of property on which debt is outstanding, State and Federal Aid received for a project on which debt is outstanding, interest earned on the proceeds of long-term debt which was not budgeted as a source of financing for the project, unexpected proceeds of long-term debt, and resources for a “Reserve Fund for Payment on Bonded Indebtedness” established pursuant to General Municipal Law Section 6-h.

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COUNTY OF SULLIVAN, NEW YORK
Combining Balance Sheet—Nonmajor Governmental Funds
December 31, 2025

	Special Grant	Road Machinery	Debt Service	Total Nonmajor Funds
ASSETS				
Cash and cash equivalents	$ -	$ 269,872	$ -	$ 269,872
Restricted cash and cash equivalents	108,882	20,322	-	129,204
Due from other funds	-	3,305,494	-	3,305,494
Prepaid items	-	46,953	-	46,953
Total assets	$ 108,882	$ 3,642,641	$ -	$ 3,751,523
LIABILITIES				
Accounts payable	$ -	$ 291,576	$ -	$ 291,576
Accrued liabilities	-	157,216	-	157,216
Total liabilities	-	448,792	-	448,792
FUND BALANCES				
Nonspendable	-	46,953	-	46,953
Restricted	108,882	20,322	-	129,204
Assigned	-	3,126,574	-	3,126,574
Total fund balances	108,882	3,193,849	-	3,302,731
Total liabilities and fund balances	$ 108,882	$ 3,642,641	$ -	$ 3,751,523

COUNTY OF SULLIVAN, NEW YORK
Combining Statement of Revenues, Expenditures, and Changes in Fund Balances—
Nonmajor Governmental Funds
Year Ended December 31, 2025

	Special Grant	Road Machinery	Debt Service	Total Nonmajor Funds
REVENUES				
Departmental income	$ 245,594	$ 946,896	$ -	$ 1,192,490
Use of money and property	15,160	41	56,305	71,506
Sale of property and compensation for loss	-	331,736	-	331,736
Miscellaneous	-	1,500	-	1,500
Total revenues	260,754	1,280,173	56,305	1,597,232
EXPENDITURES				
Current:				
Transportation	-	8,436,420	-	8,436,420
Home and community services	242,996	-	-	242,996
Debt service:				
Principal	-	-	5,955,000	5,955,000
Interest and other fiscal charges	-	-	2,936,150	2,936,150
Total expenditures	242,996	8,436,420	8,891,150	17,570,566
Excess (deficiency) of revenues over expenditures	17,758	(7,156,247)	(8,834,845)	(15,973,334)
OTHER FINANCING SOURCES (USES)				
Transfers in	-	4,732,759	8,922,827	13,655,586
Transfers out	-	(95,692)	(87,982)	(183,674)
Total other financing sources (uses)	-	4,637,067	8,834,845	13,471,912
Net change in fund balances	17,758	(2,519,180)	-	(2,501,422)
Fund balances—beginning	91,124	5,713,029	-	5,804,153
Fund balances—ending	$ 108,882	$ 3,193,849	$ -	$ 3,302,731

COUNTY OF SULLIVAN, NEW YORK

Schedule of Revenues, Expenditures, and Changes in Fund Balances—
Budget and Actual—Road Machinery Fund
Year Ended December 31, 2025

	Budgeted Amounts		Actual	Variance with
	Original	Final	Amounts	Final Budget
REVENUES				
Departmental income	$ 900,000	$ 900,000	$ 946,896	$ 46,896
Use of money and property	-	-	41	41
Sale of property and compensation for loss	-	136,000	331,736	195,736
Miscellaneous	2,000	2,000	1,500	(500)
Total revenues	902,000	1,038,000	1,280,173	242,173
EXPENDITURES				
Current:				
Transportation	10,596,956	9,567,475	8,436,420	1,131,055
Total expenditures	10,596,956	9,567,475	8,436,420	1,131,055
(Deficiency) of revenues over expenditures	(9,694,956)	(8,529,475)	(7,156,247)	1,373,228
OTHER FINANCING SOURCES (USES)				
Transfers in	4,761,463	4,730,602	4,732,759	2,157
Transfers out	(95,693)	(95,693)	(95,692)	1
Total other financing sources (uses)	4,665,770	4,634,909	4,637,067	2,158
Net change in fund balance*	(5,029,186)	(3,894,566)	(2,519,180)	1,375,386
Fund balances—beginning	5,713,029	5,713,029	5,713,029	-
Fund balances—ending	$ 683,843	$ 1,818,463	$ 3,193,849	$ 1,375,386

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

COUNTY OF SULLIVAN, NEW YORK

Schedule of Revenues, Expenditures, and Changes in Fund Balances—
Budget and Actual—Debt Service Fund
Year Ended December 31, 2025

	Budgeted Amounts		Actual	Variance with
	Original	Final	Amounts	Final Budget
REVENUES				
Use of money and property	$ -	$ -	$ 56,305	$ 56,305
Total revenues	-	-	56,305	56,305
EXPENDITURES				
Debt service:				
Principal	5,955,000	5,955,000	5,955,000	-
Interest and other fiscal charges	2,936,153	2,936,153	2,936,150	3
Total expenditures	8,891,153	8,891,153	8,891,150	3
(Deficiency) of revenues over expenditures	(8,891,153)	(8,891,153)	(8,834,845)	56,308
OTHER FINANCING SOURCES (USES)				
Transfers in	8,891,153	8,891,153	8,922,827	31,674
Transfers out	-	-	(87,982)	(87,982)
Total other financing sources (uses)	8,891,153	8,891,153	8,834,845	(56,308)
Net change in fund balances	-	-	-	-
Fund balances—beginning	-	-	-	-
Fund balances—ending	$ -	$ -	$ -	$ -

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INTERNAL SERVICE FUNDS

The internal service funds account for and may be used to report any activity that provides goods or services to other funds, departments or agencies of the primary government, and its component units or to other governments on a cost reimbursement basis. These funds should only be used when the reporting government is the predominant participant in the activity.

WORKERS' COMPENSATION BENEFITS FUND

The Workers' Compensation Benefits Fund is used to account for the County's 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 liabilities.

SELF-INSURED DENTAL FUND

The Self-Insured Dental Fund is used to account for the County's self-insurance program for dental benefits.

COUNTY OF SULLIVAN, NEW YORK
Combining Statement of Net Position—Internal Service Funds
December 31, 2025

	Workers' Compensation Benefits	Self-Insured Dental	Total Internal Service Funds
ASSETS			
Cash and cash equivalents	$ 506,277	$ -	$ 506,277
Restricted cash and cash equivalents	110,231	398,269	508,500
Accounts receivable	7,255,898	10,907	7,266,805
Due from other funds	10,366,450	-	10,366,450
Prepaid items	217,141	-	217,141
Total assets	18,455,997	409,176	18,865,173
LIABILITIES			
Accounts payable	-	3,664	3,664
Accrued liabilities	308,002	-	308,002
Unearned revenue	110,231	-	110,231
Noncurrent liabilities:			
Due within one year	1,881,047	-	1,881,047
Due in more than one year	16,929,422	-	16,929,422
Total liabilities	19,228,702	3,664	19,232,366
NET POSITION			
Restricted for:			
Dental benefits	-	405,512	405,512
Unrestricted	(772,705)	-	(772,705)
Total net position	$ (772,705)	$ 405,512	$ (367,193)

COUNTY OF SULLIVAN, NEW YORK
Combining Statement of Revenues, Expenses, and Changes in Net Position—
Internal Service Funds
Year Ended December 31, 2025

	Workers' Compensation Benefits	Self-Insured Dental	Total Internal Service Funds
Operating revenues:			
Charges for services	4,401,824	374,021	$ 4,775,845
Insurance recoveries	104,864	-	104,864
Total operating revenues	4,506,688	374,021	4,880,709
Operating expenses:			
Employee benefits	7,348,579	447,753	7,796,332
Total operating expenses	7,348,579	447,753	7,796,332
Operating (loss)	(2,841,891)	(73,732)	(2,915,623)
Nonoperating revenues:			
Interest income	5,923	12,338	18,261
Total nonoperating revenues	5,923	12,338	18,261
Change in net position	(2,835,968)	(61,394)	(2,897,362)
Net position—beginning	2,063,263	466,906	2,530,169
Net position—ending	$ (772,705)	$ 405,512	$ (367,193)

COUNTY OF SULLIVAN, NEW YORK
Combining Statement of Cash Flows—Internal Service Funds
Year Ended December 31, 2025

	Workers' Compensation Benefits	Self-Insured Dental	Total Internal Service Funds
CASH FLOWS FROM OPERATING ACTIVITIES			
Receipts from services provided	$ 4,324,633	$ 404,293	$ 4,728,926
Receipts from insurance recoveries	104,864	-	104,864
Payments to insurance carriers and claimants	(4,545,532)	(447,696)	(4,993,228)
Payments on behalf of other funds	216,968	-	216,968
Net cash provided by (used for) operating activities	100,933	(43,403)	57,530
CASH FLOWS FROM INVESTING ACTIVITIES			
Interest received	5,923	12,338	18,261
Net cash provided by investing activities	5,923	12,338	18,261
Increase (decrease) in cash and cash equivalents	106,856	(31,065)	75,791
Cash and cash equivalents—beginning	509,652	429,334	938,986
Cash and cash equivalents—ending	$ 616,508	$ 398,269	$ 1,014,777
Reconciliation of operating (loss) to net cash provided by (used for) operating activities:			
Operating (loss)	$ (2,841,891)	$ (73,732)	$ (2,915,623)
Adjustments to reconcile operating (loss) to net cash provided by (used for) operating activities:			
(Increase) decrease in receivables	(128,501)	30,272	(98,229)
Decrease in due from other funds	216,968	-	216,968
Decrease in intergovernmental receivables	2,000	-	2,000
(Increase) in prepaids	(177,926)	-	(177,926)
Increase in accounts payable	-	57	57
Increase in accrued liabilities	103,823	-	103,823
Increase in unearned revenue	49,310	-	49,310
Increase in claims payable	2,877,150	-	2,877,150
Total adjustments	2,942,824	30,329	2,973,153
Net cash provided by (used for) operating activities	$ 100,933	$ (43,403)	$ 57,530

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Statistical Section (Unaudited)

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

Contents: Page

These schedules contain trend information to help the reader understand how the County's financial performance and well-being have changed over time.

These schedules contain information to help the reader assess the County's most significant local revenue source, the property tax.

These schedules present information to help the reader assess the affordability of the County's current level of outstanding debt and the County's ability to issue additional debt in the future.

These schedules offer demographic and economic indications to help the reader understand the environment within which the County's financial activities take place.

These schedules contain service and infrastructure data to help the reader understand how the information in the County's financial report relates to the services the County provides and the activities it performs.

Sources: Unless otherwise noted, the information in these schedules is derived from the annual comprehensive financial report for the relevant year.

COUNTY OF SULLIVAN, NEW YORK

Schedule I—Net Position by Component
Last Ten Fiscal Years
(Unaudited, accrual basis of accounting)

	2016	2017[1]	2018	2019	2020	2021[2]	2022	2023[3]	2024	2025
Governmental activities:										
Net investment in capital assets	$ 115,374,686	$ 128,836,832	$ 130,242,152	$ 140,876,073	$ 129,259,214	$ 136,846,516	$ 154,823,463	$ 170,391,508	$ 193,434,413	$ 215,360,135
Restricted	2,220,351	2,115,629	2,288,884	2,442,518	2,013,233	1,842,885	4,621,385	12,690,294	11,628,644	8,692,616
Unrestricted	(70,062,234)	(254,002,129)	(251,536,534)	(265,820,644)	(266,061,769)	(232,225,125)	(197,077,078)	(190,628,556)	(178,329,313)	(165,235,395)
Total net position—governmental activities	$ 47,532,803	$ (123,049,668)	$ (119,005,498)	$ (122,502,053)	$(134,789,322)	$ (93,535,724)	$ (37,632,230)	$ (7,546,754)	$ 26,733,744	$ 58,817,356
Business-type activities:										
Net investment in capital assets	$ 2,011,150	$ 8,998,212	$ 6,372,769	$ (11,840,765)	$ (13,912,777)	$ (15,663,485)	$ (8,518,677)	$ (10,259,353)	$ (12,108,382)	$ (13,404,897)
Restricted	202,718	203,094	203,016	203,704	203,112	-	-	-	-	-
Unrestricted	(29,698,669)	(38,661,588)	(46,876,931)	(38,615,828)	(45,242,925)	(48,806,886)	(60,498,333)	(62,234,198)	(60,222,571)	(53,388,236)
Total net position—business-type activities	$ (27,484,801)	$ (29,460,282)	$ (40,301,146)	$ (50,252,889)	$ (58,952,590)	$ (64,470,371)	$ (69,017,010)	$ (72,493,551)	$ (72,330,953)	$ (66,793,133)
Primary government:										
Net investment in capital assets	$ 117,385,836	$ 137,835,044	$ 136,614,921	$ 129,035,308	$ 115,346,437	$ 121,183,031	$ 146,304,786	$ 160,132,155	$ 181,326,031	$ 201,955,238
Restricted	2,423,069	2,318,723	2,491,900	2,646,222	2,216,345	1,842,885	4,621,385	12,690,294	11,628,644	8,692,616
Unrestricted	(99,760,903)	(292,663,717)	(298,413,465)	(304,436,472)	(311,304,694)	(280,352,867)	(257,575,411)	(252,862,754)	(238,551,884)	(218,623,631)
Total net position—primary government	$ 20,048,002	$ (152,509,950)	$ (159,306,644)	$ (172,754,942)	$(193,741,912)	$ (157,326,951)	$ (106,649,240)	$ (80,040,305)	$ (45,597,209)	$ (7,975,777)

[1] Governmental Accounting Standards Board Statement No. 80, "Blending Requirements for Certain Component Units - an amendment of GASB Statement No. 14" required the Sullivan County Funding Corporation and Sullivan County Infrastructure Local Development Corporation to be presented as blended component units of the County's primary government.

[2] Governmental Accounting Standards Board Statement No. 87 "Leases" required a restatement of net position for the year ending December 31, 2021.

[3] Governmental Accounting Standards Board Statement No. 101 "Compensated Absences" required a restatement of net position for the year ending December 31, 2023.

County of Sullivan, New York

Schedule II—Changes in Net Position
Last Ten Fiscal Years
(Unaudited, accrual basis of accounting)

	2016	2017	2018	2019	2020	2021	2022	2023	2024	2025
Primary government:										
Expenses:										
Governmental activities:										
General government support	$ 29,873,350	$ 29,115,461	$ 30,139,092	$ 28,413,693	$ 39,158,085	$ 36,386,184	$ 45,840,640	$ 37,261,620	$ 47,273,645	$ 46,023,657
Education	5,975,783	5,936,169	6,021,019	5,878,828	5,703,608	5,720,075	5,347,952	5,983,963	3,652,442	4,713,645
Public safety	29,407,686	31,261,509	29,511,914	33,757,361	37,762,123	32,379,222	33,570,623	36,778,961	38,704,512	40,776,480
Health	24,825,500	24,935,401	25,103,386	24,447,844	26,155,263	24,960,512	22,766,590	29,877,133	25,774,657	27,111,260
Transportation	22,258,819	25,778,147	27,724,623	26,599,958	40,503,345	24,303,352	25,576,272	33,328,161	43,846,230	38,693,295
Economic assistance and opportunity	65,156,303	63,261,879	62,440,445	65,549,246	62,485,095	53,654,010	55,062,763	63,152,404	68,672,217	70,652,676
Culture and recreation	3,909,500	3,831,391	3,420,293	3,538,998	3,710,605	3,223,714	3,338,516	3,733,505	2,935,375	3,111,800
Home and community services	12,723,655	12,381,033	9,726,977	21,452,276	5,788,849	10,783,761	12,101,224	20,940,177	(13,404,897)	14,136,728
Interest expense	2,732,282	4,962,053	4,554,786	4,594,955	4,681,276	4,554,329	3,604,911	3,319,679	3,063,332	2,844,362
Total governmental activities	196,862,878	201,463,043	198,642,535	214,233,159	225,948,249	195,965,159	207,209,491	234,375,603	(53,388,236)	248,063,903
Business-type activities:										
Adult Care Center	19,012,834	18,456,483	18,862,205	18,920,719	20,548,864	17,541,436	15,518,540	18,512,742	18,624,173	15,515,498
Sunset Lake LDC	-	-	-	-	25,349	625,632	520,639	530,897	540,316	412,049
Sullivan County TASC	9,184,711	695,551	676,604	667,283	657,806	635,092	618,019	597,100	577,198	559,280
SCFC	-	198,759	640,440	319,027	122,244	85,814	66,874	252,601	226,510	139,493
ILDC	-	81,111	7,480,240	9,101,036	9,089,250	9,001,399	8,926,650	8,877,736	8,744,416	8,647,073
RFLDC	-	-	-	-	-	-	-	-	-	1,609,486
BLDC	-	-	-	-	-	2,162	18,439	12,382	13,159	11,644
Total business-type activities	28,197,545	19,431,904	27,659,489	29,008,065	30,443,513	27,891,535	25,669,161	28,783,458	28,725,772	26,894,523
Total expenses	225,060,423	220,894,947	226,302,024	243,241,224	256,391,762	223,856,694	232,878,652	263,159,061	(24,662,464)	274,958,426
Program revenues:										
Governmental activities:										
Charges for services:										
General government support	6,588,102	8,682,448	8,342,601	7,753,744	7,622,169	14,045,509	15,014,677	15,226,934	15,615,975	16,116,948
Education	-	-	-	-	-	-	-	-	-	-
Public safety	3,611,717	1,515,057	2,095,264	2,187,090	1,606,395	1,709,450	1,818,865	1,881,795	2,276,339	1,914,387
Health	7,444,976	3,644,505	4,889,871	4,067,333	3,913,713	4,407,170	5,232,413	5,108,597	5,137,791	4,668,424
Transportation	6,032,541	5,642,509	3,962,107	3,338,634	3,296,340	1,352,167	1,490,773	1,507,126	1,957,592	1,741,887
Economic assistance and opportunity	4,323,812	2,473,064	2,162,368	2,280,770	2,533,592	2,919,292	2,103,614	2,176,424	2,137,135	2,442,070
Culture and recreation	618,995	125,490	1,435,142	3,440,060	1,188,172	74,677	67,950	73,468	97,014	100,033
Home and community services	12,138,306	12,088,922	12,944,255	11,894,485	11,793,390	9,911,206	10,203,937	11,990,319	11,574,146	11,662,215
Operating grants and contributions	35,877,893	38,487,037	37,316,230	40,413,261	40,646,663	41,782,968	48,923,554	50,569,069	52,758,935	49,357,014
Capital grants and contributions	5,487,781	5,590,759	4,168,943	7,343,927	7,646,373	8,733,543	12,592,042	11,590,906	24,214,956	23,345,099
Total governmental activities	82,124,123	78,249,791	77,316,781	82,719,304	80,246,807	84,935,982	97,447,825	100,124,638	115,769,883	111,348,077

(continued)

Schedule II—Changes in Net Position
Last Ten Fiscal Years
(Unaudited, accrual basis of accounting)

	2016	2017	2018	2019	2020	2021	2022	2023	2024	2025
Business-type activities:										
Adult Care Center:										
Charges for services	10,632,154	11,542,085	10,886,587	9,903,623	8,304,766	10,036,379	9,561,182	13,321,374	15,126,563	15,916,506
Operating grants and contribution	10,804,326	6,804,913	4,414,457	5,501,316	4,860,162	2,285,023	-	-	-	-
Sunset Lake LDC	-	-	-	-	-	373,875	-	-	-	-
Funding Corporation	-	323,903	213,776	11,178	8,415	8,582	6,677	9,558	993,400	6,010
ILDC	-	-	-	2,009,028	7,326,991	7,395,503	7,407,814	7,393,842	7,270,162	7,281,883
RFLDC	-	-	-	-	-	-	-	-	-	1,920,000
BLDC	-	-	-	-	-	-	-	-	12,750	1,518
Total program revenues	21,436,480	18,670,901	15,514,820	17,425,145	20,500,334	20,099,362	16,975,673	20,724,774	23,402,875	25,125,917
	103,560,603	96,920,692	92,831,601	100,144,449	100,747,141	105,035,344	114,423,498	120,849,412	139,172,758	136,473,994
Net revenue (expense):										
Governmental activities	(114,738,755)	(123,213,252)	(121,325,754)	(131,513,855)	(145,701,442)	(111,029,177)	(109,761,666)	(134,250,965)	169,158,119	(136,715,826)
Business-type activities	(6,761,065)	(761,003)	(12,144,669)	(11,582,920)	(9,917,830)	(7,792,173)	(8,693,488)	(8,058,684)	(5,322,897)	(1,768,606)
Total net (expense) revenue	(121,499,820)	(123,974,255)	(133,470,423)	(143,096,775)	(155,619,272)	(118,821,350)	(118,455,154)	(142,309,649)	163,835,222	(138,484,432)
General revenues and transfers:										
Governmental activities:										
Property taxes	56,874,718	60,879,911	62,865,543	64,409,687	66,236,154	68,358,963	72,276,595	69,778,877	71,264,056	74,817,050
Other property tax items	8,403,849	8,138,632	7,705,974	9,418,795	11,452,202	7,386,285	11,646,192	12,677,591	7,363,945	6,539,941
Non-property taxes	41,659,523	42,510,038	49,628,569	47,193,801	52,560,318	70,967,544	77,192,898	78,667,225	86,974,134	81,877,186
Use of money and property	220,060	677,800	565,422	3,950,446	377,362	297,941	738,827	3,439,960	4,158,646	3,562,641
Sale of property and compensation for loss	1,212,261	1,566,166	487,364	771,543	1,220,135	1,322,636	1,339,984	1,135,657	1,215,483	1,422,020
Miscellaneous	8,660,361	3,253,317	4,137,449	823,383	1,568,002	3,925,633	4,192,424	767,721	2,275,055	1,167,450
Transfers	-	(573,750)	(20,397)	1,449,645	-	-	(1,721,760)	(208,057)	(530,417)	(586,850)
Total governmental activities	117,030,772	116,452,114	125,369,924	128,017,300	133,414,173	152,259,002	165,665,160	166,258,974	172,720,902	168,799,438
Business-type activities:										
Use of money and property	1,019,048	16,203	296,115	199,506	73,126	62,112	119,756	256,961	288,601	243,429
Miscellaneous	1,349,457	851,806	987,293	854,779	1,170,352	2,219,780	1,626,189	4,303,837	4,666,477	6,476,147
Transfers	-	573,750	20,397	-	-	-	1,721,760	208,057	530,417	586,850
Total business-type activities	2,368,505	1,441,759	1,303,805	1,054,285	1,243,478	2,281,892	3,467,705	4,768,855	5,485,495	7,306,426
Total primary government	119,399,277	117,893,873	126,673,729	129,071,585	134,657,651	154,540,894	169,132,865	171,027,829	178,206,397	176,105,864
Change in net position:										
Governmental activities	2,292,017	(6,761,138)	4,044,170	(3,496,555)	(12,287,269)	41,229,825	55,903,494	32,008,009	341,879,021	32,083,612
Business-type activities	(4,392,560)	680,756	(10,840,864)	(10,528,635)	(8,699,701)	(5,510,281)	(5,225,783)	(3,289,829)	162,598	5,537,820
Total change in net position	$ (2,100,543)	$ (6,080,382)	$ (6,796,694)	$ (14,025,190)	$ (20,986,970)	$ 35,719,544	$ 50,677,711	$ 28,718,180	$342,041,619	$ 37,621,432

[1] Governmental Accounting Standards Board Statement No. 80, "Blending Requirements for Certain (concluded)
County Funding Corporation and Sullivan County Infrastructure Local Development Corporation to be presented as blended component units of the County's primary government.

County of Sullivan, New York
Schedule III—Fund Balances of Governmental Funds
Last Ten Fiscal Years
(Unaudited, modified accrual basis of accounting)

	2016	2017	2018	2019	2020	2021	2022	2023	2024	2025
General Fund:										
Nonspendable	$ -	$ -	$ -	$ 16,789	$ -	$ 18,393,712	$ 17,061,172	$ 19,212,379	$ 23,730,482	$ 23,361,041
Restricted	636,878	522,901	750,528	727,132	547,258	418,548	2,154,591	4,507,057	4,800,505	5,649,396
Committed	6,718,564	6,098,969	4,084,579	3,720,418	3,778,410	26,985	-	-	-	-
Assigned	19,123,085	12,868,232	10,976,878	6,471,176	3,189,539	13,850,119	39,176,116	45,854,032	53,230,295	49,871,110
Unassigned	11,862,438	13,507,895	14,917,926	12,754,275	18,690,533	21,832,935	15,766,681	17,712,294	13,471,329	5,122,811
Total General Fund	$ 38,340,965	$ 32,997,997	$ 30,729,911	$ 23,689,790	$ 26,205,740	$ 54,522,299	$ 74,158,560	$ 87,285,762	$ 95,232,611	$ 84,004,358
All other governmental funds:										
Nonspendable	$ -	$ -	$ -	$ -	$ -	$ 232,629	$ -	$ 214,916	$ 234,475	$ 258,492
Restricted	87,503,330	35,965,308	9,006,421	1,217,376	872,209	852,857	2,956,574	8,527,093	6,836,826	2,875,603
Assigned	5,532,960	4,764,106	4,973,130	5,126,288	7,737,442	9,960,371	10,177,794	10,207,673	13,858,991	10,120,331
Unassigned	-	-	-	(3,619,790)	(6,035,394)	(5,887,235)	-	-	-	-
Total all other governmental funds	$ 93,036,290	$ 40,729,414	$ 13,979,551	$ 2,723,874	$ 2,574,257	$ 5,158,622	$ 13,134,368	$ 18,949,682	$ 20,930,292	$ 13,254,426

COUNTY OF SULLIVAN, NEW YORK
Schedule IV—Changes in Fund Balances, Governmental Funds
Last Ten Fiscal Years
(Unaudited, modified accrual basis of accounting)

	2016	2017	2018	2019	2020	2021	2022	2023	2024	2025
Revenues:										
Real property taxes	$ 57,546,461	$ 62,000,021	$ 62,522,849	$ 64,073,474	$ 63,936,357	$ 69,786,508	$ 73,704,140	$ 67,531,658	$ 71,062,211	$ 75,098,916
Other property tax items	8,403,849	8,138,632	7,705,974	9,418,795	11,452,202	7,386,285	11,646,192	6,259,726	7,363,945	6,539,941
Non property tax items	41,659,523	42,510,038	49,628,569	51,144,247	52,568,003	70,967,544	77,192,898	85,085,090	86,974,134	81,877,186
Departmental income	30,740,210	28,623,104	29,587,334	27,151,449	26,769,737	26,863,600	27,680,157	30,478,011	29,741,622	29,831,625
Intergovernmental charges	711,042	1,266,050	1,248,680	960,173	765,049	888,956	808,614	686,642	1,280,924	1,261,279
Licenses and permit	63,920	64,832	1,391,343	3,391,001	1,257,710	2,903,117	3,263,351	2,594,653	2,511,930	2,526,342
Fines and forfeitures	345,342	193,011	450,167	272,268	182,814	114,822	277,760	184,737	292,237	250,873
Use of money and property	219,709	677,375	539,583	707,550	375,896	297,790	736,594	3,419,780	4,132,130	3,544,380
Sale of property and compensation for loss	1,078,866	1,372,488	487,364	651,600	1,116,809	1,313,652	1,758,363	1,046,290	1,056,061	1,317,156
Miscellaneous	11,951,802	3,708,080	4,520,710	1,449,645	1,616,759	3,925,633	4,264,782	794,155	2,275,055	1,167,450
State aid	24,480,445	23,500,054	23,439,564	28,484,017	24,426,579	28,439,994	33,172,695	37,121,620	50,098,442	42,712,306
Federal aid	16,493,632	20,159,355	17,657,400	19,270,171	23,861,782	22,076,517	30,098,628	25,018,245	27,715,339	29,989,807
Total revenues	193,694,801	192,213,040	199,179,537	206,974,390	208,329,697	234,964,418	264,604,174	260,220,607	284,504,030	276,117,261
Expenditures:										
Current:										
General government support	25,812,349	27,036,128	30,560,187	30,268,536	31,502,585	31,781,240	42,468,682	38,038,875	42,813,205	45,338,113
Education	5,654,545	5,604,562	5,694,596	5,552,405	5,377,185	5,446,351	5,475,911	5,904,790	6,042,655	5,806,796
Public safety	25,713,246	26,411,869	28,459,071	31,684,622	29,757,124	30,736,331	32,966,609	35,080,300	36,976,767	41,436,815
Health	22,800,971	23,325,203	24,355,241	23,680,551	23,961,690	24,873,824	23,660,274	29,053,605	28,151,473	30,217,409
Transportation	19,731,940	24,138,202	20,972,839	24,128,284	17,780,750	23,710,753	32,687,485	34,362,105	37,305,049	46,595,079
Economic assistance and opportunity	60,597,993	60,227,151	60,941,593	64,244,497	58,573,564	53,175,154	57,360,827	61,376,203	73,344,960	81,675,149
Culture and recreation	3,397,302	3,367,706	3,301,287	3,292,914	3,107,125	3,099,787	3,385,710	3,653,589	4,351,616	4,558,208
Home and community services	8,562,276	10,444,056	11,172,990	13,462,167	11,167,602	12,788,049	15,525,518	18,932,855	18,140,169	16,732,073
Debt service:										
Principal	7,018,541	7,840,779	9,832,854	9,765,149	9,292,982	13,087,454	9,970,053	10,900,274	10,622,575	9,805,065
Interest	1,913,945	5,501,801	4,878,078	4,931,441	4,820,902	4,871,071	4,186,286	3,600,727	3,313,587	3,069,033
Capital outlay	22,265,807	56,415,915	43,179,803	20,807,572	11,564,541	4,622,205	7,405,243	4,217,459	15,478,701	13,418,621
Total expenditures	203,468,915	250,313,372	243,348,539	231,818,138	206,906,050	208,192,219	235,092,598	245,120,782	276,540,757	298,652,361
Other financing sources (uses)										
Transfers in	32,084,354	39,601,829	34,839,669	38,208,878	37,423,229	42,843,469	58,885,518	48,942,035	46,749,223	40,113,304
Transfers out	(32,084,354)	(40,175,579)	(34,860,066)	(38,208,878)	(37,423,229)	(42,843,469)	(61,206,462)	(49,150,092)	(47,279,640)	(40,700,154)
Other financing sources[1]	111,387,420	1,024,238	15,171,450	6,547,950	942,686	4,128,725	421,375	4,050,748	2,494,603	4,217,831
Total other financing sources (uses)	111,387,420	450,488	15,151,053	6,547,950	942,686	4,128,725	(1,899,569)	3,842,691	1,964,186	3,630,981
Net change in fund balances	$ 101,613,306	$ (57,649,844)	$ (29,017,949)	$ (18,295,798)	$ 2,366,333	$ 30,900,924	$ 27,612,007	$ 18,942,516	$ 9,927,459	$(18,904,119)
Debt service as a percentage of noncapital expenditures	5.19%	7.25%	7.69%	7.46%	7.23%	9.27%	6.68%	6.70%	5.80%	5.07%

[1] Includes debt, lease and subscription issuance proceeds and premiums.

(concluded)

COUNTY OF SULLIVAN, NEW YORK
Schedule V—Governmental Funds Tax Revenues by Source
Last Ten Fiscal Years
(Unaudited, modified accrual basis of accounting)

		Non-Property Taxes							
Year	General Property Taxes	General Sales Taxes	Room Occupancy Taxes	E-911 Taxes	Off-Track Betting Taxes	Mortgage Taxes	Automobile Use Taxes	Stumpage Taxes	Total
2016	$ 57,546,461	$ 39,296,629	$ 809,462	$ 283,076	$ 167,899	$ 584,996	$ 512,916	$ 4,575	$ 99,206,014
2017	62,000,021	39,990,156	916,761	266,238	108,797	690,853	533,607	3,626	104,510,059
2018	62,522,849	46,583,305	1,328,714	341,277	80,557	791,187	497,421	6,108	112,151,418
2019	64,073,474	47,193,801	2,184,020	322,941	78,468	803,761	554,619	6,637	115,217,721
2020	63,936,357	48,943,642	1,676,542	352,702	32,398	1,060,928	498,523	3,268	116,504,360
2021	69,786,508	65,069,481	3,159,765	370,706	64,485	1,706,851	543,406	4,419	140,705,621
2022	73,704,140	70,552,668	3,756,788	353,117	50,497	1,957,352	508,658	13,818	150,897,038
2023	67,531,658	78,667,225	4,039,483	332,716	70,701	1,416,200	549,788	8,977	152,616,748
2024	71,062,211	80,212,238	4,222,644	328,503	43,140	1,581,101	533,290	3,976	157,987,103
2025	75,098,916	74,818,090	4,210,071	351,957	32,195	1,764,618	558,196	6,091	156,840,134

County of Sullivan, New York

Schedule VI—Assessed and Estimated Actual Value of Taxable Property
Last Ten Fiscal Years
(Unaudited)

	Real Property									
Year[1]	Residential/ Commercial	State Lands	Special Franchises	Utilities	Railroad Property	Less Exempt Property	Total Taxable Assessed Value[2]	Estimated Actual Value[3]	Ratio of Assessed Value to Estimated Actual Value	Total Effective Rate[4]
2016	$ 6,639,053,293	$ 25,753,365	$ 86,390,807	$ 108,947,813	$ 15,643,730	$ 1,403,594,994	$ 5,472,194,014	$ 7,661,276,567	71.43%	28.37
2017	6,792,060,647	25,533,245	91,227,929	107,750,039	17,625,430	1,460,919,507	5,573,277,783	7,769,422,629	71.73%	30.29
2018	6,799,515,570	25,519,475	89,736,987	109,961,655	17,625,430	1,452,112,742	5,590,246,375	7,807,141,187	71.60%	30.97
2019	7,402,110,351	34,545,275	91,230,782	119,385,920	15,594,216	1,833,099,415	5,829,767,129	7,846,771,200	74.30%	24.64
2020	7,606,668,851	34,670,460	92,318,218	117,776,171	15,595,810	1,932,387,402	5,572,548,557	8,199,831,017	67.96%	24.96
2021	7,665,513,780	34,626,195	97,568,730	115,359,454	17,625,430	1,970,551,971	5,623,050,781	8,735,393,400	64.37%	25.50
2022	7,014,390,602	34,590,145	96,518,075	174,919,606	17,625,430	1,322,912,118	5,664,467,254	9,135,859,715	62.00%	26.04
2023	7,711,382,961	34,694,695	86,403,024	174,827,864	17,625,430	1,948,672,390	6,076,261,584	10,942,913,441	55.53%	24.92
2024	7,784,389,552	34,694,695	83,420,891	174,720,070	17,625,430	1,932,188,417	6,162,662,221	13,397,923,964	46.00%	23.82
2025	7,085,438,659	34,620,795	95,787,233	212,383,809	17,625,430	1,637,017,190	5,808,838,736	15,636,900,908	37.15%	24.46

[1] The years indicated relate to the tax levy year. Assessments are compiled from the County's tax rolls for the preceding year and the equalization rate (see 2 and 3 below) shown relates to such.

[2] The taxable assessed values are determined by the various town governments located within the County.

[3] The estimated actual values represed the weighted average New York State equalization rate established for each town within the County.

[4] The total effective rate represents the average of all county tax rates per $1,000 of assessed property value of the County of Sullivan.

Source: Sullivan County tax rolls for assessed values by type, County Legislature resolution for estimated actual full value, and County tax abstracts for direct tax rates

COUNTY OF SULLIVAN, NEW YORK
Schedule VII—Direct and Overlapping Property Tax Rates
Last Ten Fiscal Years
(Unaudited)

			Overlapping Rates[3]				
Year	County Effective Rates[1]	County Direct Rates[2]	Cities, Towns & Villages	School Districts	Fire Districts	Sewer Districts	Other Special Districts
2016	28.37	7.60-199.03	17.38	14.85-722.60	0.31-33.29	1.04-1,214.30	0.06-414.84
2017	30.29	8.00-209.38	17.73	15.00-723.67	0.53-30.90	0.75-1,990.52	0.04-422.74
2018	30.97	8.17-214.22	17.98	14.90-710.47	0.53-34.26	0.76-6,333.95	0.08-458.42
2019	24.64	8.15-214.30	15.09	13.89-735.67	0.53-34.63	0.76-15,771.86	0.23-445.26
2020	24.96	7.99-219.00	15.37	14.49-741.33	0.24-35.76	0.87-1,376,237	0.05-2,400.692
2021	25.50	7.72-223.82	15.54	14.55-742.91	0.24-37.48	0.64-1,289,106	0.0008-2,423.140
2022	26.04	7.55-228.88	15.81	14.87-718.57	0.24-38.86	0.64-941,614	0.0009-2,427,173
2023	24.92	7.19-211.19	16.38	15.35-580.13	0.24-38.92	0.65-924,105	0.0007-2,422,595
2024	23.82	7.09-194.54	17.01	14.83-546.20	0.24-27.28	0.65-940,565	0.0001-2,382,071
2025	24.46	7.28-197.55	17.69	14.86-515.67	0.24-32.88	1.38-1,373,201	0.0001-2,382,447

[1] The County has a complex rate structure that would make the calculation of a direct rate extremely difficult, since its revenue base cannot be sufficiently disagregated for each applicable rate. The County substituted an effective rate instead.

[2] Equalization rates vary by town making it necessary to present the County tax rate as a range

[3] Overlapping rates are those of local governments that apply to property owners within the County of Sullivan. Not all overlapping rates apply to all the County's property owners.

Notes about District Rates: With development of Resorts World Catskills, the Town of Thompson created several special districts in the Adelaar resort area. The largest amounts above for sewer and other special dstricts are those in the resort area.

Source: Annual Report of the Division of Real Property Tax, Department of Finance, County of Sullivan, New York and various Village Treasurers.

COUNTY OF SULLIVAN, NEW YORK
Schedule VIII—Principal Taxpayers
Current Year and Nine Years Ago
(Unaudited)

		2025			2016		
Taxpayer	Type of Business	Assessed Valuation	Rank	Percentage of Total Assessed Valuation	Assessed Valuation	Rank	Percentage of Total Assessed Valuation
EPT Concord II, LLC	Resort Casino	$ 168,156,900	1	2.90%	$ -	-	n/a
EPR Concord II LP	Resort Casino	100,043,700	2	1.72%	-	-	n/a
Millennium Pipeline Co	Development	97,799,881	3	1.69%	-	-	n/a
Veria Lifestyle Inc	Health & Wellness	43,223,900	4	0.74%	-	-	n/a
Garnet Health Medical Center	Hospital	35,185,700	5	0.61%	-	-	n/a
NYSEG	Utility Company	27,776,508	6	0.48%	105,732,674	1	2.07%
City of New York	Local Government	20,458,134	7	0.35%	17,926,350	6	0.35%
Monticello Raceway Mgmt, Inc	Raceway	20,449,200	8	0.35%	-	-	n/a
SPT Ivey 61 Emerald MOB LLC	Medical	15,608,500	9	0.27%	-	-	n/a
Kohl's	Retail	10,597,500	10	0.18%	-	-	n/a
Orange & Rockland	Local Government	-	-	n/a	31,656,417	2	0.62%
State of New York	State Government	-	-	n/a	24,796,865	3	0.49%
Catskill Development	Housing Development	-	-	n/a	20,449,200	4	0.40%
Verizon	Utility Company	-	-	n/a	19,198,731	5	0.38%
Wal-Mart	Banking	-	-	n/a	10,000,000	7	0.20%
Eagle Creek	Water Company	-	-	n/a	8,687,201	8	0.17%
Citizens	Banking	-	-	n/a	7,180,409	9	0.14%
Thompson Station, Inc	Retail	-	-	n/a	5,509,646	10	0.11%
Total		$ 539,299,923		9.29%	$ 251,137,493		

Source: Sullivan County Treasurer's Office

COUNTY OF SULLIVAN, NEW YORK

Schedule IX—Property Tax Levies and Collections
Last Ten Fiscal Years
(Unaudited)

Fiscal Year Ended December 31,	County Taxes Levied for the Fiscal Year[1]	Collected within the Fiscal Year of the Levy		Delinquent Collections in Subsequent Periods	Total Collections to Date	
		Amount	Percentage of Total Levy		Amount	Percentage of Levy
2016	$ 145,006,335	$ 123,298,082	85.03%	$ 20,849,171	$ 144,147,253	99.41%
2017	149,103,138	128,771,216	86.36%	18,798,271	147,569,487	98.97%
2018	151,324,662	130,455,434	86.21%	18,118,772	148,574,206	98.18%
2019	155,351,402	133,096,207	85.67%	16,389,650	149,485,857	96.22%
2020	165,030,380	139,776,922	84.70%	13,545,902	153,322,824	92.91%
2021	167,630,607	146,948,513	87.66%	11,334,713	158,283,226	94.42%
2022	171,678,535	152,361,416	88.75%	18,038,080	170,399,496	99.25%
2023	171,706,531	152,102,511	88.58%	9,796,804	161,899,315	94.29%
2024	176,614,354	154,033,384	87.21%	11,994,126	166,027,510	94.01%
2025	184,089,541	162,797,004	88.43%	12,903,270	175,700,274	95.44%

[1] Town receivers of taxes collect real property taxes for the respective town and County. The respective town receivers distribute the collected tax monies to the towns prior to distributing the balance collected to the County. The towns, thereby, are assured of full collections. Each year, the town receivers turn over uncollected items to the County. The County satisfies the full of the unpaid school taxes. Responsibility for the unpaid taxes rests with the County.

Source: County of Sullivan Treasurer's Office

COUNTY OF SULLIVAN, NEW YORK
Schedule X—Ratios of Outstanding Debt by Type
Last Ten Fiscal Years
(Unaudited)

	Governmental Activities			Business-type Activities					
Fiscal Year	General Obligation Bonds[1]	Lease Liability	Subscription Liability	Adult Care Center Bonds	Sullivan County Infrastructure LDC	Sullivan County TASC Bonds[1 2]	Total Primary Government	Percentage of Personal Income[3]	Debt per Capita[3]
2016	$ 153,097,743	$ -	$ -	$ 16,139	$ 73,340,000	$ 16,685,000	$ 243,138,882	0.02%	$3,247.18
2017	145,059,234	799,320	-	-	110,075,000	16,360,000	272,293,554	0.02%	3,607.25
2018	150,156,722	617,916	-	-	110,075,000	16,040,000	276,889,638	0.02%	3,652.03
2019	146,463,810	660,115	-	-	110,075,000	15,770,000	272,968,925	0.03%	3,615.58
2020	137,215,825	1,119,819	-	-	108,435,000	15,250,000	262,020,644	0.02%	3,473.60
2021	127,819,059	3,185,644	-	-	106,710,000	14,850,000	252,564,703	0.02%	3,348.24
2022	118,142,200	2,951,966	-	-	104,905,000	14,305,000	240,304,166	0.02%	3,011.10
2023	109,663,040	1,937,297	2,425,143	-	102,900,000	14,033,410	230,958,890	0.02%	2,889.88
2024	100,977,371	2,072,456	2,652,012	-	100,925,000	13,587,106	220,213,945	0.02%	2,755.43
2025	94,841,943	3,659,614	1,432,620	-	98,845,000	13,209,978	211,989,155	0.03%	2,630.60

[1] Presented net of related premiums or discounts.

[2] The activities of the Sullivan County Tobacco Asset Securitization Corporation that had previously been accounted from under governmental activities have been reclassified and presented under business-type activities beginning in 2008.

[3] See Schedule XIV for personal income and population data.

[4] During the year ended December 31, 2022, the County implemented Governmental Accounting Standards Board Statement No. 87, "Leases". As a result, the amount reported for Lease Liability for 2021 has been restated to conform to the new standards.

COUNTY OF SULLIVAN, NEW YORK
Schedule XI—Ratios of General Bonded Debt Outstanding
Last Ten Fiscal Years
(Unaudited)

		General Bonded Debt Outstanding				Percentage of	
Year	Population	Estimated Actual Value of Property	Gross Bonded Debt[1]	Less: Debt Service Funds[2]	Net Bonded Debt	Net Bonded Debt to Estimated Actual Value[3]	Net Bonded Debt per Capita[4]
2016	74,877	$ 7,661,276,567	$ 153,113,882	$ 8,015	$ 153,105,867	2.00%	$ 2,044.76
2017	75,485	7,769,422,629	145,059,234	29,717	145,029,517	1.87%	1,921.30
2018	75,818	7,807,141,187	150,156,722	40,823	150,115,899	1.92%	1,979.95
2019	75,498	7,846,771,200	146,463,810	64,828	146,398,982	1.87%	1,939.11
2020	75,432	8,199,831,017	137,215,825	17,982	137,197,843	1.67%	1,818.83
2021	79,806	8,735,393,400	127,819,059	2,905	127,816,154	1.46%	1,601.59
2022	79,658	9,135,859,715	115,690,000	5,214	115,684,786	1.27%	1,452.27
2023	79,920	10,942,913,441	107,430,000	45,314	107,384,686	0.98%	1,343.65
2024	80,450	13,397,923,964	98,940,000	59,539	98,880,461	0.74%	1,229.09
2025	80,586	15,636,900,908	92,985,000	87,982	92,897,018	0.59%	1,152.77

Notes: Detail regarding the County's outstanding debt can be found in the notes to the financial statements.

[1] General bonded debt of both governmental and business-type activities, net of original issuance discounts and premiums excluding amounts for Tobacco Settlement Bonds and revenue bonds.

[2] Amount restricted for debt service principal payments.

[3] See Schedule VI for property value data.

[4] See Schedule XIV for personal income and population data.

Source: County of Sullivan Annual Financial Report to the State of New York, Office of the State Comptroller and US Bureau of the Census, and Trial Balance

COUNTY OF SULLIVAN, NEW YORK
Schedule XII—Computation of Estimated Direct and Overlapping Debt
As of December 31, 2025
(Unaudited)

Governmental Unit	Gross Indebtedness[1]	Estimated Exclusions[2]	Net Indebtedness	Percentage Applicable[3]	County of Sullivan Portion
Estimated direct debt:					
County of Sullivan	$ 99,934,177	$ -	$ 99,934,177	100.00%	$ 99,934,177
Estimated overlapping debt:					
Towns:					
Bethel	13,019,851	-	13,019,851	3.35%	435,795
Callicoon	400,000	-	400,000	0.10%	411
Delaware	643,867	-	643,867	0.17%	1,066
Fallsburg	26,568,411	2,325,000	24,243,411	6.83%	1,655,884
Liberty	2,052,800	1,200,000	852,800	0.53%	4,501
Rockland	4,870,241	4,870,241	-	1.25%	-
Thompson	7,717,295	553,866	7,163,429	1.98%	142,120
Tusten	960,984	760,000	200,984	0.25%	497
Villages:					
Bloomingburg	65,000	-	65,000	0.02%	11
Jeffersonville	40,000	-	40,000	0.01%	4
Liberty	13,153,976	12,007,198	1,146,778	3.38%	38,780
Monticello	10,102,790	482,020	9,620,770	2.60%	249,874
Woodridge	13,743,158	875,533	12,867,625.00	3.53%	454,627
Wurtsboro	1,839,100	-	1,839,100	0.47%	8,695
School districts:					
Eldred	11,165,000	-	11,165,000	2.87%	320,470
Fallsburg	111,363,314	-	111,363,314	28.63%	31,882,679
Liberty	2,531,452	-	2,531,452	0.65%	16,474
Monticello	41,673,667	-	41,673,667	10.71%	4,464,717
Rockland	7,847,373	-	7,847,373	2.02%	158,314
Sullivan West	15,989,522	-	15,989,522	4.11%	657,266
Tri-Valley	3,300,000	-	3,300,000	0.85%	27,996
Total estimated overlapping debt	289,047,801	23,073,858	265,973,943		38,279,910
Total estimated direct and overlapping debt	$ 388,981,978	$ 23,073,858	$ 365,908,120		$ 140,454,360

[1] Direct debt includes the full amount of all long-term debt instruments of the governmental activities—including bonds, certificates of participation, loans, and leases.

[2] Exclusions reflect the amount available for repayment in debt service reserves.

[3] Overlapping governments are those that coincide, at least in part, with the geographic boundaries of the County. This schedule estimates the portion of the outstanding debt of those overlapping governments that is borne by the residents and businesses of Sullivan County. This process recognizes that, when considering the County's ability to issue and repay long-term debt, the entire debt burden borne by the residents and businesses should be taken into account. However this does not imply that every taxpayer is a resident, and therefore responsible for repaying the debt, of each overlapping government.

Source: Debt information is obtained from the towns, villages and school districts within the County. County debt information is provided by the County's Treasurer's Office.

COUNTY OF SULLIVAN, NEW YORK
Schedule XIII—Legal Debt Margin Information
As of December 31, 2025
(Unaudited)

Legal Debt Margin Calculation for Fiscal Year 2025	
Estimated Actual Value of Real Property (After Exemptions):	
2021	$ 8,735,393,400
2022	9,135,859,715
2023	10,942,913,441
2024	13,397,923,964
2025	15,636,900,908
Total five-year valuation	57,848,991,428
Average full valuation	11,569,798,286
Debt limit - 7% of average full valuation[1]	$ 809,885,880
Debt applicable to limit:	
Governmental activities - general obligation bonds	$ 94,841,943
Governmental activities - lease and subscription liabilities	5,092,234
Total amount of net indebtedness applicable to debt limit	99,934,177
Legal debt margin[3]	$ 709,951,703
Percentage of debt contracting power exhausted	12.34%

	2016	2017	2018	2019	2020	2021	2022	2023	2024	2025
Debt limit	$ 552,590,799	$ 543,435,220	$ 539,046,100	$ 541,188,633	$ 549,982,196	$ 560,164,896	$ 584,149,951	$ 737,350,739	$ 705,766,902	$ 809,885,880
Total net debt applicable to limit	151,900,500	141,889,320	151,097,916	152,430,115	147,612,319	136,108,228	118,641,966	111,792,440	105,701,839	99,934,177
Legal debt margin	$ 400,690,299	$ 401,545,900	$ 387,948,184	$ 388,758,518	$ 402,369,877	$ 424,056,668	$ 465,507,985	$ 625,558,299	$ 600,065,063	$ 709,951,703
Total net debt applicable to the limit as a percentage of debt	27.49%	26.11%	28.03%	28.17%	26.84%	24.30%	20.31%	15.16%	14.98%	12.34%

[1] The provisions of Section 104 of the Local Finance Law specifies debt limits of Counties of New York State.

[2] Under the State Constitution, indebtedness contracted for the construction of sewer facilities may be excluded, in ascertaining the debt incurring power of the County upon application to and the technical approval of the State Comptroller. The County has not submitted such application, so it cannot formally exclude such indebtedness.

[3] There is no constitutional limitation of the amount that may be raised by the County by tax on real estate in any fiscal year to pay interest and principal on all indebtedness.

Sources: County of Sullivan Annual Financial Report to the State of New York, and Office of the State Comptroller.

COUNTY OF SULLIVAN, NEW YORK
Schedule XIV—Demographic and Economic Statistics
Last Ten Fiscal Years
(Unaudited)

Calendar Year	Population	Per Capita Personal Income[1]	Personal Income[2]	Unemployment Rate[3]
2016	74,877	$ 42,053	$ 3,148,802	4.8%
2017	75,485	42,528	3,210,226	5.2%
2018	75,818	44,707	3,389,595	3.9%
2019	75,498	46,303	3,495,810	3.7%
2020	75,432	48,753	3,677,559	6.2%
2021	79,806	52,249	3,960,582	3.1%
2022	79,658	53,874	4,299,492	2.8%
2023	79,920	54,451	4,337,477	3.9%
2024	80,450	57,831	4,621,893	3.1%
2025	80,586	60,628	4,877,502	3.6%

[1] Data represents per capita income for Sullivan County.

[2] Estimated, in thousands.

[3] Unemployment rates obtained from the New York State Department of Labor.

Sources: U.S. Bureau of the Census, New York State Department of Labor/Empire State Development, U.S. Department of Labor—Bureau of Labor Statistics and the Bureau of Economic Analysis.

COUNTY OF SULLIVAN, NEW YORK
Schedule XV—Principal Employers—Current Year and Nine Years Ago
Current Year and Nine Years Ago
(Unaudited)

Employer	Type	2025 Approx. No. of Employees	2025 Rank	2025 Percentage of Labor Force[1]	2016 Approx. No. of Employees	2016 Rank	2016 Percentage of Total County Employment
SDTC the Center for Discovery	Non-profit	1,814	1	5.19%	1,515	1	4.66%
Resorts World Catskills	Hotel/Gaming	1,206	2	3.45%	-	-	0.00%
Sullivan County Government	Local Government	921	3	2.64%	1,021	2	3.14%
Monticello Central School District	Public Schools	719	4	2.06%	685	4	2.11%
New Hope Community Inc.	Non-profit	675	5	1.93%	610	6	1.88%
Hudson Valley Foie Gras	Health	506	6	1.45%	n/a	n/a	n/a
NYSARC Inc	Non-profit	369	7	1.06%	556	7	1.71%
Villa Roma Resort	Health/Wellness	341	8	0.98%	n/a	n/a	n/a
Kohls Corp	Retail	328	9	0.94%	n/a	n/a	n/a
Shop Rite	Retail	324	10	0.94%	n/a	n/a	n/a
Catskill Regional Medical Center	Health	n/a	n/a	n/a	818	3	2.52%
Murray Bresky Consultants	Consulting	n/a	n/a	n/a	640	5	1.97%
Wal-Mart	Retail	n/a	n/a	n/a	519	8	1.60%
Sullivan Correctional Facility	Corrections	n/a	n/a	n/a	424	9	1.30%
Woodbourne Correctional Facility	Corrections	n/a	n/a	n/a	421	10	1.30%

[1] Estimated.

Sources: Sullivan County Partnership for Economic Development and New York State Department of Labor.

COUNTY OF SULLIVAN, NEW YORK

Schedule XVI—Full-time Equivalent County Government Employees by Function/Program
Last Ten Fiscal Years
(Unaudited)

Function/Program:	2016	2017	2018	2019	2020	2021	2022	2023	2024	2025
General government support	181	187	192	192	190	196	193	196	202	209
Public safety	218	228	235	235	230	231	236	230	238	227
Health/Adult Care Center	283	278	271	271	233	208	197	163	168	188
Transportation	84	94	95	95	80	76	84	92	92	88
Economic assistance and opportunity	196	195	192	192	174	168	172	165	179	163
Culture and recreation	33	34	34	34	29	33	34	35	31	23
Home and community services	26	28	29	29	23	25	27	25	27	23
Total	1,021	1,044	1,048	1,048	959	937	943	906	937	921

Source: Annual Sullivan County Budgets.

COUNTY OF SULLIVAN, NEW YORK
Schedule XVII—Operating Indicators
Last Ten Fiscal Years
(Unaudited)

	2016	2017	2018	2019	2020	2021	2022	2023	2024	2025
Sheriff:										
Arrests	1,290	1,171	1,317	1,218	770	801	945	1,327	1,333	1,336
Traffic summons	2,249	2,003	1,878	1,774	1,340	1,356	1,911	3,224	3,013	2,676
DWI summons	44	65	63	38	34	22	33	38	26	32
Jail:										
Inmates	1,249	1,152	1,245	1,061	310	489	585	532	578	556
Public Works:										
Road paving (miles)	31.90	25.40	35.20	32.20	28.90	33.50	32.40	27.20	25.80	26.00
Road chip seal (miles)	45.00	24.80	35.60	26.20	24.70	19.00	35.70	25.60	36.80	36.30
Bridge replacement	4	3	4	6	2	3	2	2	5	4
Bridge rehabilitation	-	-	-	-	-	2	1	1	1	1
Parks and Recreation:										
Park and pavilion permits	32	56	50	37	-	28	41	56	56	56
Lake Superior attendance	14,183	10,037	10,955	12,088	-	10,821	9,234	12,240	12,891	15,623
Fort Delaware attendance	2,708	3,529	2,507	2,348	-	-	-	-	-	-
Refuse Collection:										
Refuse collected (tons per day)	173.00	206.00	231.00	244.00	199.00	239.00	252.00	308.00	301.00	257.62
Recyclables collected (tons per day)	17.50	20.30	18.95	14.62	16.62	15.57	14.90	21.00	9.00	12.63

Source: Various County Departments.

COUNTY OF SULLIVAN, NEW YORK
Schedule XVIII—Capital Asset Statistics by Function/Program
Last Ten Fiscal Years
(Unaudited)

Function/Program:	2016	2017	2018	2019	2020	2021	2022	2023	2024	2025
Sheriff:										
Jail	1	1	1	1	1	1	1	1	1	1
Vans	5	5	6	7	5	5	5	7	5	5
Cars	32	32	30	36	36	39	42	38	43	46
SUVs	12	12	14	17	14	13	13	14	18	27
Pickups	2	2	3	3	3	3	3	2	2	2
Electric cars	3	3	3	3	3	3	3	3	3	3
ATVs	5	5	5	5	5	5	5	5	5	5
Boats	2	2	2	2	3	3	3	3	3	3
Tactical vehicle	1	1	1	1	1	1	1	1	1	1
Humvee	1	1	1	1	1	1	1	1	1	1
Jet ski	1	1	1	1	1	1	1	1	1	1
Transportation:										
Roads (miles)	385.20	385.20	385.20	385.2	385.2	385.2	385.2	384.4	384.6	384.6
Traffic signals	10	10	10	11	11	11	11	11	11	11
Flashing beacons	26	26	26	26	26	26	26	26	26	26
Bridges	400	398	398	396	396	396	396	396	399	396
Culture and Recreation:										
Parks acreage	1,572	1,572	1,572	1,572	1,572	1,572	1,624	1,624	1,624	1,624
Playgrounds	2	2	2	2	2	2	2	2	2	2
Home and Community Services:										
Landfill acres	45.8	45.8	45.8	45.8	45.8	45.8	45.8	45.8	45.8	45.8
Transfer stations	6	6	6	6	6	6	6	6	6	6
Haul trucks	6	6	6	9	9	9	9	9	9	9

Source: Various County Departments.

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