County of Putnam, New York



Annual Comprehensive Financial Report

Fiscal Year Ended:
December 31, 2025

The Annual Comprehensive Financial Report

FISCAL YEAR ENDED

DECEMBER 31, 2025

KEVIN M. BYRNE - County Executive

ALEXANDRA GORDON – Acting Commissioner of Finance

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County of Putnam, New York

Annual Comprehensive Financial Report
Year Ended December 31, 2025
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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 reveals about the County's overall financial health.

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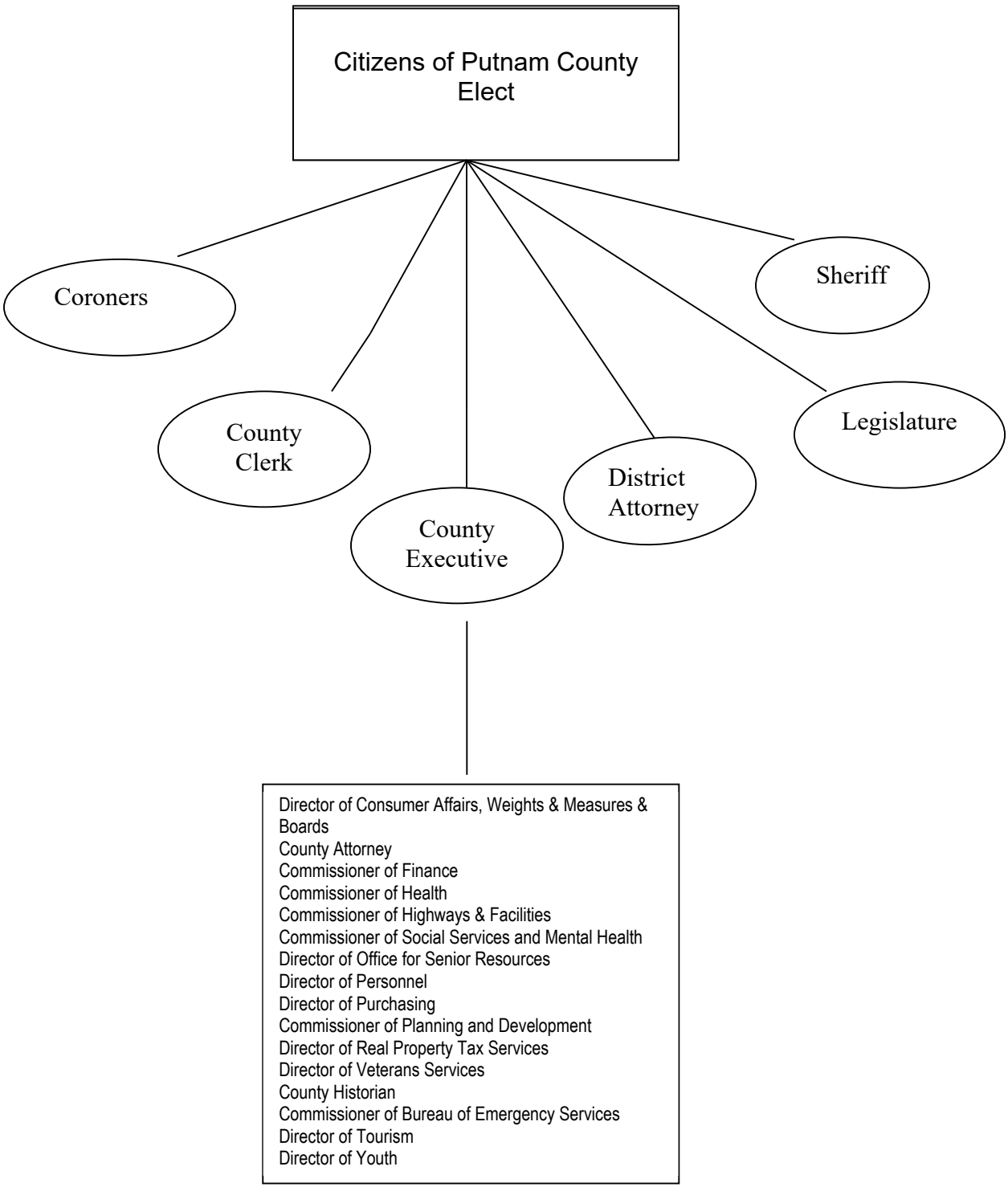
INTRODUCTORY SECTION

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COUNTY OF PUTNAM, NEW YORK PRINCIPAL OFFICIALS

OFFICE	OFFICE HOLDER	TERM EXPIRES
County Executive	Kevin M. Byrne	12/31/26
County Legislators		
District #1	Nancy Montgomery	12/31/27
District #2	William Gouldman	12/31/26
District #3	Toni E. Addonizio	12/31/26
District #4	Laura E. Russo	12/31/27
District #5	Greg E. Ellner	12/31/25
District #6	Paul Jonke (Chairperson)	12/31/25
District #7	Daniel G. Birmingham	12/31/27
District #8	Amy Sayegh	12/31/26
District #9	Erin L. Crowley	12/31/25
County Clerk	Michael C. Bartolotti	12/31/26
District Attorney	Robert V. Tendy, ESQ	12/31/27
Sheriff	Brian Hess	12/31/25
County Attorney	C. Compton Spain, ESQ.	12/31/26
Acting Commissioner of Finance	Alexandra Gordon	12/31/26

ORGANIZATIONAL CHART OF PUTNAM COUNTY EXECUTIVE BRANCH



ALEXANDRA GORDON
INTERIM COMMISSIONER OF FINANCE

KEVIN M. BYRNE
PUTNAM COUNTY EXECUTIVE

September 17, 2026

To The Residents, Honorable County Executive and County Legislature of the County of Putnam, New York:

The Annual Comprehensive Financial Report ("ACFR") for the County of Putnam, New York for the fiscal year ended December 31, 2025, is herewith submitted. New York State requires the County to submit an annual report of the 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. Consequently, management assumes full responsibility for the completeness and reliability of all the information presented in this report. To provide a reasonable basis for making these representations, management of the County has established a comprehensive internal control framework that is designed both to 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 financial statements have been audited by PKF O'Connor Davies, LLP, a firm of licensed certified public accountants. The goal of the independent audit was to provide reasonable assurance that the 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 unmodified opinions that the County'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 item in 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 is included in the financial section of this ACFR immediately following the independent auditor's report.

This report has also been prepared and organized to meet the requirements of the Government Finance Officers Association's Certificate of Achievement for Excellence in Financial Reporting program. In accordance with its guidelines, the report is presented as four major sections: Introductory Section, Financial Section, Statistical Section and Federal Awards Section.

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

PROFILE OF THE COUNTY

Putnam County, established in 1812, is located approximately 56 miles north of New York City and encompasses a land area of 246 square miles. The County is bordered by the County of Dutchess on the north, the County of Westchester on the south, the State of Connecticut on the east and the Hudson River on the west. Within the County are six towns (Carmel, Kent, Patterson, Philipstown, Putnam Valley and Southeast) and three villages (Brewster, Cold Spring and Nelsonville).

Putnam County is principally residential in character and combines suburban and rural settings. A wide range of housing arrangements including country estates, one-family homes, apartment units, condominiums and seasonal dwellings are available in the County. There are 116 lakes and ponds and 8 miles of Hudson River shoreline, which provide recreational activities including boating, swimming, and fishing. Businesses located in Putnam County are primarily mercantile in nature with some light manufacturing.

Putnam County is located approximately 56 miles north of New York City with Metro North trains departing at ½ and 1-hour intervals to Grand Central Station. The County is also located conveniently to several airports – 25 miles to Stewart Airport, 25 miles to Westchester County Airport and 45 miles to LaGuardia Airport.

The County operates under a Charter form of government that provides for separate, independent executive and legislative functions with an elected County Executive and a 9-person County Legislature. This current form of Government was adopted to the provisions of Local Law No. 1 of 1977 and became effective on January 1, 1979.

The County Executive, elected from the County at large in an even numbered year for a term of four years, not to exceed 2 four-year terms, is the Chief Executive Officer responsible for the administration of all County affairs and also acts as the County's Budget Officer.

The County Legislature is the legislative, appropriating and policy determining body of the County. The nine members represent legislative districts of approximately equal population. Members are elected to serve three-year staggered terms and are term limited to 4 three-year terms. The current membership of the County Legislature is included on the list

of Principal Officials. Duties of the Legislature include review and adoption of the County's annual budget; approval of budgetary modifications during the year; and authorization by resolution for the issuance of debt by the County. Legislative committees have been organized to oversee various aspects of County government. These committees are advisory in nature and formal actions must be approved by a vote of the Legislature as a whole.

The Chief Fiscal Officer of the County is the Commissioner of Finance, who is appointed by the County Executive and confirmed by the County Legislature. The Commissioner of Finance is responsible for the administration of the financial affairs of the County. Duties of this position include tax collection, financial accounting and reporting, payroll and accounts payable disbursements functions, cash and investment management, debt management, and preparing financial statements.

Other elected officials include the County Clerk, District Attorney, Sheriff and three County Coroners, who serve four-year terms.

Offices in the Executive Department include the Division of Planning and Development as well the departments of Bureau of Emergency Services, Finance and Real Property, Health, IT; Department of Public Works, Historian, Law, Mental Health, Office for Senior Resources, Personnel, Probation, Purchasing, Social Services, Tourism, Weights and Measures and Consumer Affairs, Veterans and the Youth Bureau. All department heads are appointed by the County Executive, and most are subject to approval by the County Legislature.

The County provides a full range of services to its residents, some of which include:

- Public safety and judiciary services including criminal justice, district attorney, corrections, and probation programs.
- Transportation services, which include maintenance of 117 miles of County roads; 31 bridges and the operation of the Putnam Area Rapid Transit ("PART") system.
- Economic Opportunity and Development programs including Social Services programs, Office for Senior Resources, Veterans' assistance, Tourism, Planning and Employment and Training services.
- Health services through the County Health and Mental Health Departments.

- Parks and recreation services including 23.5 miles of bikeways; 3000 acres of parks and recreational sites; a golf course and the Tilly Foster Farm.
- The County also provides general administrative support to all departments and is guarantor of towns, villages, and school district taxes

This report includes all the funds of the County. It includes all County organizations and activities for which the County is financially accountable. The County has considered all potential component units based on criteria set forth in the Government Accounting Standards Board ("GASB") Statement No. 61, including legal standing, fiscal dependency and financial accountability. Based upon the application of these criteria, the Putnam Tobacco Asset Securitization Corporation ("PTASC") is included in the financial statements as a blended component unit.

The County also maintains budgetary controls to ensure compliance with legal provisions embodied in the annual budget approved by the County Legislature. During the month of June, the various County departments are given notice to prepare their budgets. These preliminary budgets are due no later than August 15th or by a date set by the Commissioner of Finance and include the estimated revenues and expenditures for the following fiscal year. Budget meetings are scheduled with each department to occur during the months of August and September.

The County Executive prepares and submits a tentative budget for the ensuing year to the Clerk of the Legislature on or before October 1st of each year. Such budget includes an estimate of the expenditures needed to provide County services as well as the sources of revenue expected to fund these expenditures.

Within five days of submitting the tentative budget, the County Executive and Commissioner of Finance review the budget with the Budget and Finance Committee of the County Legislature. The Committee subsequently holds a public hearing on the tentative budget to obtain comments from the public. The Committee files a report, which includes its recommendations, to the full Legislature on or before October 20th.

A second public hearing before all members of the County Legislature is held no later than October 25th. Taxpayers are given the opportunity to express their views on the proposed budget; however, the County is not required to submit the budget to the taxpayers for their approval. After this hearing and prior to October 28th, the Legislature meets to consider and adopt the budget. According to the County Charter, the County Executive may veto all line items changed by the Legislature except for those items pertaining to the Legislature's own budget. An override of an Executive veto requires 2/3 majority vote of the County Legislature. The budget process is completed, and the final budget adopted by November 15th.

Beginning with the fiscal year ending December 31, 2011, the County was required to implement GASB Statement No. 54, *Fund Balance Reporting and Governmental Fund Type Definitions.* These financial statements are issued in full compliance with these standards.

For the year ended December 31, 2013, the County implemented GASB Statement No. 65, *"Items Previously Reported as Assets and Liabilities".* These financial statements are issued in full compliance with these standards.

For the year ended December 31, 2015, the County implemented the provisions of GASB Statement No. 68, "*Accounting and Financial Reporting for Pensions*". These financial statements are issued in full compliance with these standards.

For the fiscal year ended December 31, 2016, the County implemented the provisions of GASB Statement No. 77, "*Tax Abatement Disclosures."* These financial statements are issued in full compliance with these standards.

For fiscal year ending December 31, 2018, the County implemented GASB Statement No. 75 "*Accounting and Financial Reporting for Postemployment Benefits Other than Pensions"* ("OPEB"). This statement addresses accounting and financial reporting for OPEB by establishing standards for recognizing and measuring liabilities, deferred outflows/inflows of resources and expenses/expenditures. This statement supersedes the provisions of GASB Statement No. 45 *"Accounting and Financial Reporting by Employers for Postemployment Benefits Other Than Pensions."*

For fiscal year ending December 31, 2019, the County implemented GASB Statement No. 84 "*Fiduciary Activities"*. The objective of this statement is to improve guidance regarding the identification of fiduciary activities for accounting and financial reporting purposes and how those activities should be reported.

For fiscal year ending December 31, 2022, the County implemented GASB Statement No. 87 "Leases". The objective of this statement is to establish a single model for lease accounting based on the concept that leases are a financing of a "right-to-use" underlying asset. This statement requires a lessee to recognize a lease liability and an intangible right-to-use lease asset and a lessor to recognize a receivable and a deferred inflow of resources.

"The County previously reviewed the provisions of GASB Statement No. 96, *Subscription-Based Information Technology Arrangements (SBITA)*, for the fiscal year ended December 31, 2023. At that time, it was determined that the implementation of this standard was not required as it did not have a material impact on the financial statements. However, during the fiscal year ended December 31, 2025, the County entered into a qualifying IT arrangement that met the materiality threshold, resulting in the formal recognition of a right-to-use subscription asset and a corresponding subscription liability."

For fiscal year ending December 31, 2024, the County implemented GASB Statement No. 101 "Compensated Absences". The objective of this statement is to better meet the information needs of financial statement users by updating the recognition and measurement guidance for compensated absences. This statement requires that liabilities for compensated absences be recognized for (1) leave that has not been used and (2) leave that has been used but not yet paid in cash or settled through noncash means.

FACTORS AFFECTING FINANCIAL CONDITION

The information presented in the financial statements is perhaps best understood when it is considered from the broader perspective of the specific environment within which the County operates.

Local Economy

In 2025, the County's sales tax revenue dropped by $435,714. This decline was mostly due to cooling inflation, a leveling off in the local economy, and the first full year of the sales tax exemption on clothing and footwear under $110. Because that two-year exemption started on March 1, 2024, its impact was felt across the entire 2025 fiscal year budget."

The County's unemployment rate for December 2025 was 2.8% unchanged from December 2024. New York State ended 2025 with 4.4% unemployment rate as compared to the National rate of 4.1%. Single family home sales increased from 783 in 2024 to 815 in 2025, an increase of 4.1%. The median sale price of a single-family home increased from $560,000 to $580,000, an increase of 3.57% Home foreclosure filings initiated in Putnam County decreased from 144 in 2024 to 130 in 2025. The actual foreclosure judgments issued in 2025 were 43 as compared to 77in 2024.

The County' net taxable assessments increased from $18,604,888,165 in 2024 to $20,804,922,077 in 2025, an increase of 11.8%.

Under New York State law, property tax levy growth is capped at the lesser of 2% or the rate of inflation. For fiscal year 2025, the County adopted a budget that complied with this statutory limitation by maintaining flat property tax rates. Building on this fiscal discipline, the County went a step further in 2026 by enacting a historic $1,000,000 reduction to the property tax levy the largest single-year levy cut in County history, which successfully drove the property tax rate down to a near 20-year low of $2.39 per $1,000 of assessed valuation.

According to the Bureau of Economic Analysis ("BEA") statistics, Putnam County had a per capita personal income ("PCPI") of $88,460 in 2024. This PCPI ranked 5th in the state and was 103.4% of the state average of $85,552 and 120.8% of the national average of $73,204. The 2024 PCPI reflected an increase of 4.5% from 2023.

Putnam County has a median household income of $126,257 (2024) which is more than the State's median income of $85,974 (2024) and national median household income of $80,734 (2024).

The population of Putnam County is estimated to at 99,028 according to recent US Census Bureau Quick Facts, ranking it the 29th most populous county in New York.

The Federal Reserve began lowering interest rates in September 2024 with a total decrease of 1% by December 2024. Further reductions totaling 0.75% occurred in the fourth quarter of 2025 bringing the target rate to 3.50% - 3.76%. No rate changes have occurred in 2026, to date. The County will continue to invest in short-and long-term investments based on the competitive market interest rates.

Looking ahead to the fiscal year 2027 budget, the administration remains committed to fully funding county operations so departments can maintain their current service levels. As always, this planning process will carefully evaluate revenue streams alongside workforce salaries and benefits.

MAJOR INITIATIVES

The following major initiatives commenced or were in progress during calendar year 2025 by the various departments and agencies of the Putnam County government:

Sales Tax: In November 2023, the County Executive signed legislation eliminating the County's share (4%) of sales tax on clothing and footwear under $110. Originally enacted as a two-year measure starting March 1, 2024, the Legislature voted on October 7, 2025, to extend this exemption through February 28, 2027.

Intergovernmental Revenues and Tax Relief Initiatives: Following state authorization signed into law on August 7, 2025, extending the county's 1% local sales tax rate through late 2027, the county finalized Intermunicipal Agreements (IMAs) to share a portion of this revenue with our local municipalities.

Under this new framework, which officially took effect on December 1, 2025, the County is distributing one-ninth of that 1% extension directly to the County's six towns and three villages. To protect the county's broader fiscal balance, these distributions are governed by a population-based formula that guarantees a baseline minimum of $50,000 per municipality. Crucially, these funds are contractually restricted to local capital and infrastructure

improvements, ensuring that county dollars directly fund concrete municipal upgrades like road repairs and water systems.

Shared Services: The County currently deploys 10 specially trained Sheriff's Deputies as School Resource in addition to 2 Youth Bureau Sergeants and 12 Special Patrol Officers to our schools. They not only help keep the school secure but provide the students with information and education.

Short Term Borrowing: Driven by strong cash reserves and robust liquidity management, the County avoided issuing Tax Anticipation Notes (TANs) for cash flow purposes for the eleventh consecutive year.

Tax Cap: For the fifteenth consecutive year, the County has adopted a budget for fiscal year 2025 that remains within the New York State tax cap limit.

PROJECTS COMPLETED IN 2025

In 2025, the County completed the following improvement projects:

- Completed the Peekskill Hollow Road project
- The Sprout Brook Road Bridge over Canopus Creek was completed on time and under budget
- Constructed a 200'x45' Truck Storage Hub at the Fair Street DPW
- Rehabilitation of the 100-yr old Maybrook Bikeway Phase II railroad bridge
- Multiple upgrades of various Putnam County Facilities.

LONG-TERM PROJECTS

Capital Improvements: The County maintains a Charter-required six-year Capital Improvement Schedule that serves as a planning document to ensure that its facilities, equipment, and infrastructure are well maintained and operating in peak condition. Under the guidance of the Capital Projects Committee, this process gives the County the ability to plan for its capital needs and allocate short and long-term resources accordingly. Currently, the County is engaged in construction projects such as Fair Street, Stoneleigh Avenue and several bridge deck rehabilitation projects. using Federal, State, and County funds.

The following are some of the major capital programs for economic growth and public infrastructure approved as part of the $17,660,000 Capital Project Budget for 2025.

- $4.275 million for various facility projects
- $12.4 million for continued rehabilitation of the County's network of roads, bridges, culverts and bikeways.
- $700,000 for Highway equipment
- $285,000 for EI/Preschool buses

RELEVANT FINANCIAL POLICIES

The County operates under a host of comprehensive financial policies. The County maintains an investment policy which emphasizes a conservative financial approach based upon New York State Law. Available funds are invested in certificates of deposits, money market accounts, savings accounts, U.S. Treasury obligations and municipal cooperative investments authorized under New York State General Municipal Law

The County prepares its budgets, capital improvement plans and forecasts with various financials policies in mind and operates in compliance with the policies. The County does not foresee any issues with its ability to comply with the current policies in the implementation of its near-and long-term initiatives.

The County maintains a procurement policy in accordance with New York State General Municipal Law and is adopted by the Legislature. This policy outlines all bidding and

procurement procedures that County departments must adhere to when purchasing goods and services. The Department of Purchasing is responsible for the administration of this policy.

DEBT MANAGEMENT

During 2025, the County's long-term bonded debt decreased by $5,320,000 to $28,690,000 due to utilizing American Rescue Plan Act (ARPA) funds for Capital project funding. The availability of ARPA funds has precluded the issuances of general obligation bonds since 2021.

AWARDS AND ACKNOWLEDGEMENTS

GFOA – Certificate of Achievement for Excellence in Financial Reporting

The Government Finance Officers Association ("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. The County has received this prestigious award thirty-three of the last thirty-five years. The Certificate of Achievement, a national award recognizing conformance with the highest standards for preparation of state and local government financial reports.

To be awarded a Certificate of Achievement, a governmental unit must publish an easily readable and efficiently organized annual comprehensive financial report, whose contents conform to program standards. This report must satisfy both generally accepted accounting principles and applicable legal requirements.

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

Acknowledgements

I would like to thank all the personnel in the Finance Department along with the account clerks and fiscal managers throughout the County. They are a very competent group of professionals dedicated to their work and the long-term fiscal condition of the County. I would like to thank all County departments for their assistance in providing the data necessary to compile this report. I would like to thank our independent auditor, PKF O'Connor Davies, LLP, for their efforts throughout this audit engagement. I would also like to thank the County Executive and the members of the County Legislature for their interest and support in planning and conducting the financial operations of the County in a responsible and forward-looking manner.

Respectively Submitted,



Alexandra Gordon,
Acting Commissioner of Finance

Government Finance Officers Association

Certificate of Achievement for Excellence in Financial Reporting

Presented to

County of Putnam
New York

For its Annual Comprehensive
Financial Report
For the Fiscal Year Ended

December 31, 2024

Christopher P. Morrill

Executive Director/CEO

FINANCIAL SECTION

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PKF O'CONNOR DAVIES
ACCOUNTANTS AND ADVISORS

Independent Auditors' Report

The Honorable Legislature of the
County of Putnam, 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, each major fund and the aggregate remaining fund information of the County of Putnam, New York ("County") as of and for the year ended December 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, the accompanying financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities, the business-type activities, each major fund and the aggregate remaining fund information of the County, as of December 31, 2025, and the respective changes in financial position and, where applicable, cash flows thereof and the respective budgetary comparison for the General fund for the year then ended in accordance with accounting principles generally accepted in the United States of America.

Basis for Opinions

We conducted our audit in accordance with auditing standards 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.

PKF O'Connor Davies, LLP is a member firm of the PKF International Limited network of legally independent firms and does not accept any responsibility or liability for the actions or inactions on the part of any other individual member firm or firms.

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 judgement, 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 Management's Discussion and Analysis and the schedules included under Required Supplementary Information in the accompanying 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 for the year ended December 31, 2025 was conducted for the purpose of forming opinions on the financial statements that collectively comprise the County's basic financial statements. The combining and individual fund financial statements for the year ended December 31, 2025 are presented for purposes of additional analysis and are not a required part of the basic financial statements. Such information is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the basic financial statements. The information has been subjected to the auditing procedures applied in the audit of the basic financial statements for the year ended December 31, 2025 and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the basic financial statements or to the basic financial statements

themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the combining and individual fund financial statements are fairly stated, in all material respects, in relation to the basic financial statements as a whole for the year ended December 31, 2025.

We also previously audited, in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States the basic financial statements of the County as of and for the year ended December 31, 2024 (not presented herein), and have issued our report thereon dated October 29, 2025, which contained unmodified opinions on the respective financial statements of the governmental activities, the business-type activities**,** each major fund and the aggregate remaining fund information. The combining and individual fund financial statements and schedules for the year ended December 31, 2024 are presented for purposes of additional analysis and are not a required part of the basic financial statements. Such information is the responsibility of management and was derived from and related directly to the underlying accounting and other records used to prepare the 2024 financial statements. The information was subjected to the audit procedures applied in the audit of the 2024 basic financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare those financial statements or to those financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the combining and individual fund financial statements and schedules are fairly stated in all material respects in relation to the basic financial statements as a whole for the year ended December 31, 2024.

Other Information

Management is responsible for the other information included in the annual comprehensive financial report. The other information comprises the introductory and statistical sections but does not include the basic 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.

PKF O'Connor Davies, LLP

PKF O'Connor Davies, LLP
Harrison, New York
September 17, 2026

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Introduction

As management of the County of Putnam, New York ("County"), we offer readers of the County's financial statements this narrative overview and analysis of the financial activities of the County for the fiscal year ended December 31, 2025. We encourage readers to consider the information presented here in conjunction with additional information that we have furnished in our letter of transmittal.

Financial Highlights for Fiscal Year 2025

Key financial highlights for fiscal year 2025 are as follows:

- As of December 31, 2025, on the government-wide financial statements for governmental activities, assets and deferred outflows of resources exceed the liabilities, and deferred inflows of resources by $103,047,423. However, unrestricted net position, which is available to meet ongoing obligations of the County, reflects a deficit of $64,999,265 as of December 31, 2025. The unrestricted net position improved by $15,003,712 from the prior year. This was due to changes in the required accrual of the County's annual Other Post-employment Benefit cost ("OPEB"), in compliance with the provisions of Governmental Account Standards Board ("GASB") Statement No. 75 and net pension liability also in compliance with the provisions of GASB Statement No. 68.

- On the government-wide financial statements for business-type activities, the liabilities, and deferred inflows of resources of the County exceeded its assets and deferred outflows of resources at the close of the most fiscal year by $17,584,171. The unrestricted net position deteriorated by $423,759 from the prior year mainly due to an increase in Non-current liabilities due in more than one year.

- The County is committed to providing postemployment benefits to its employees in the form of pensions and healthcare. As a result, the County has recognized substantial liabilities in the government-wide financial statements for these benefits. As of December 31, 2025, the County had liabilities of $189,822,261 for other postemployment benefits recorded in accordance with the provisions of GASB Statement No. 75, *"Accounting and Financial Reporting for Postemployment Benefits other Than Pensions*" OPEB and $33,781,413 for its proportionate share of the net pension liability of the New York State and Local Retirement System ("ERS") recorded in accordance with the provision of GASB Statement No. 68, "*Accounting and Financial Reporting For Pensions".* More detailed information about the County's OPEB and pension reporting is presented in Note 3 in the notes to the financial statements.

- The total General Fund revenues and other financing sources exceeded general fund expenditures and other financing uses by $14,098,213.

- Government Activities expenses of $193,569,730 reported for fiscal year ended December 31, 2025, had a decrease of $1,693,051 (.87%) from government expenses of $195,262,781 reported for the year ended December 31, 2024.

- Net program expenses of $100.3 million were reported for the governmental activities for the fiscal year ended December 31, 2025. This compares with $116 million of net program expenses reported for fiscal year ended December 31, 2024.

- The County's total outstanding bonds payable, exclusive of the business-type activities, on December 31, 2025, were $28,690.000. During fiscal year 2025, the County retired $5,320,000 of general obligation debt. The County did not issue any general obligation bonds during 2025. The County also has not issued a Tax Anticipation Note for cash flow purposes since 2015.

- For the year ending December 31, 2015, the County implemented the provisions of the Governmental Accounting Standards Board ("GASB") Statement No. 68, "Accounting and Financial Reporting for Pensions". This pronouncement established new accounting and financial reporting requirements associated with the County's participation in the cost sharing multiple employer pension plans administered by the New York State and Local Retirement System ("ERS") and the New York State and Local Police and Fire Retirement System ("PFRS"). Under the new standards, cost sharing employers are required to report in their government-wide financial statements a net position liability (asset), pension expense and pension-related deferred inflows and outflows of resources based on their proportionate share of the collective amounts for all municipalities and school districts in the plan. On December 31, 2025, the County reported in its Statement of Net Position a net pension liability of $33,781,413 for its proportionate share of the ERS net pension liability. The net pension liability was measured as of March 31, 2025, and the total pension asset used to calculate the net pension liability was determined by an actuarial valuation as of that date. The County's proportion of the net pension liability was based on a computation of the actuarially determined indexed present value of future compensation by employer relative to the total of all participating members. On March 31, 2025, the County's proportion was 0.1970253%, which was a decrease of 0.0037439% from its proportion measured as of March 31, 2024.

More detailed information about the County's pension plan reporting in accordance with the provisions of GASB Statement No. 68, including amounts reported as pension expense and deferred inflows/outflows of resources, is presented in the notes to financial statements.

- The General Fund reported an ending total fund balance of $176,275,723, which represents an increase of $14,098,213 from fiscal year 2024. The unassigned portion of the total fund balance was $61,348,473 and represents a decrease of $16,477,440. The Capital Projects Fund reported an ending fund balance of $13,186,938, a decrease of $3,039,012 from fiscal year 2024.

- The County continues to maintain an Aa1 bond rating from Moody's Investors Services. This rating has been in effect since September 12, 2019.

Overview of the Financial Statements

This discussion and analysis are intended to serve as an introduction to the County's basic financial statements, which are comprised of three components: (1) government-wide financial statements, (2) fund financial statements and (3) notes to the financial statements. This report also contains other supplementary information in addition to the basic financial statements.

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 like private-sector business.

The *statement of net position* presents information on all 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 as to 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 (for example, uncollected taxes, earned but unused vacation leave, OPEB and net pension liabilities).

The government-wide financial statements distinguish functions of the County that are governmental activities (those principally supported by taxes and revenues from other governments) and functions of the County that are business-type activities (those that are intended to recover all or a significant portion of their costs through user fees and charges). The governmental activities of the County include general government support, education, public safety, health, transportation, economic opportunity and development, culture and recreation, home and community services and interest. The business-type activities of the County consist entirely of the Putnam Tobacco Asset Securitization Corporation.

The government-wide financial statements can be found on the pages immediately following this section as the first three pages of the basic financial statements.

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, use fund accounting to ensure and demonstrate compliance with finance-related legal requirements. All the funds of the County can be divided into three categories: governmental funds, proprietary funds, and fiduciary funds.

Governmental Funds

Governmental funds are used to account for essentially the same functions reported as governmental activities in the government-wide financial statements. However, unlike the governmental-wide financial statements, governmental fund financial statements focus on *near-term inflows and outflows of spendable resources*, as well as 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: General, Capital Projects, County Road, Road Machinery, Transportation, Special Purpose, and Debt Service 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 and Capital Projects Funds, both of which are considered major funds. Data for the other five governmental funds, which are considered non-major governmental funds, is combined into a single, aggregated presentation. Individual information on each of these non-major governmental funds is provided in the form of combining and individual fund schedules and statements elsewhere in this report.

The County adopts annual budgets for the General Fund, certain Special Revenue Funds, and the Debt Service Fund. Budgetary comparison statements have been provided for the major fund, the General Fund, within the basic financial statements to demonstrate compliance with the respective budgets.

The governmental fund financial statements can be found in the basic financial statements section 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 an enterprise fund to account for the operations of the Putnam Tobacco Asset Securitization Corporation, a blended component unit. Internal service funds are used to accumulate and allocate costs internally among the County's various functions. The County uses internal service funds to account for its self-insured workers' compensation benefits (the Workers' Compensation Benefits Fund), and its casualty reserve set aside to be used for a specific purpose in accordance with Sections 6N and 6J of the General Municipal Law (the Casualty Reserve Fund). These services have been classified as governmental activities in the government-wide financial statements because they predominantly benefit governmental, rather than business-type, functions.

Proprietary funds provide the same type of information as the government-wide financial statements, only in more detail. The proprietary fund financial statements provide information for the Putnam County Tobacco Asset Securitization Corporation, which is a major fund of the County. Both internal service funds are combined into a single aggregated presentation in the proprietary fund financial statements. Individual fund data for the internal service funds is provided in the form of combining individual fund schedules and statements elsewhere in this report.

The proprietary fund financial statements can be found in the basic financial statement section of this report.

Fiduciary Funds - These funds are used to account for resources held for the benefit of parties outside of the County. Fiduciary funds are not reflected in the government-wide financial statements because the resources of these funds are not available to support the activities of the County. The County maintains one type of fiduciary fund known as the Custodial Fund. The Custodial Fund reports resources, not in trust, that are held by the County for other parties outside of the County's reporting entity and, in the case of the County, primarily to account for real property taxes collected for other governments.

The fiduciary fund financial statements can be found in the basic financial statements section of this report.

Notes to Financial Statements

The notes to financial statements 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 financial statements are located following the basic financial statements section of this report.

Other Information

Additional statements and schedules can be found immediately following the notes to the financial statements. These include the required supplementary information schedules for the County's OPEB and net pension liabilities, the combining statements for the non-major governmental funds and schedules of budget to actual comparisons.

Government-Wide Financial Analysis

As noted earlier, net position and changes to net position may serve over time as a useful indicator of the County's financial position. In the case of the County, assets and deferred outflows of resources exceeded liabilities and deferred inflows of resources by $85,463,252 for fiscal year 2025 for the combined governmental and business type activities. The County's overall net position increased by $50,602,231 from the prior fiscal year. The reasons for this overall increase are discussed in the sections for 2025, governmental and business-type activities immediately after the following table.

COUNTY OF PUTNAM
NET POSITION
DECEMBER 31,

	Governmental Activities		Business-type Activities		Total	
	2025	2024	2025	2024	2025	2024
Current and Other Assets	$ 256,906,201	$ 254,697,918	$ 2,350,027	$ 2,406,185	$ 259,256,228	$ 257,104,103
Capital Assets	182,184,751	147,975,615	-	-	182,184,751	147,975,615
Total Assets	439,090,952	402,673,533	2,350,027	2,406,185	441,440,979	405,079,718
Deferred Outflows of Resources	54,618,712	76,158,647	330,401	421,058	54,949,113	76,579,705
Current Liabilities	24,567,444	33,288,821	61,417	61,938	24,628,861	33,350,759
Long-term Liabilities	277,092,535	296,292,623	20,203,182	19,925,717	297,295,717	316,218,340
Total Liabilities	301,659,979	329,581,444	20,264,599	19,987,655	321,924,578	349,569,099
Deferred inflows of Resources	89,002,262	97,229,303	-	-	89,002,262	97,229,303
NET POSITION						
Net investment in capital assets	159,801,848	124,344,532	-	-	159,801,848	124,344,532
Restricted	8,244,840	7,679,878	-	-	8,244,840	7,679,878
Unrestricted	(64,999,265)	(80,002,977)	(17,584,171)	(17,160,412)	(82,583,436)	(97,163,389)
Total Net Position	$ 103,047,423	$ 52,021,433	$ (17,584,171)	$ (17,160,412)	$ 85,463,252	$ 34,861,021

The largest component of the County's net position for governmental activities is its investment in capital assets, (e.g. Land, buildings and facilities, machinery and equipment, and infrastructure), less related debt used to acquire those assets that is still outstanding amounted to $159,801,848. The County uses these assets to provide a variety of services to its citizens and consequently, 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.

Deferred outflows of resources in governmental activities decreased by $21,630,592 in 2025. Pensions went down by $7,641,569 and OPEB related went down by $13,734,333 in accordance with GASB Statement No. 75.

Long-term liabilities, which consist of bonds payable, compensated absences, net pension liability, and other post-employment benefit costs decreased by $18,922,623 from the previous year for governmental and business-type activities combined. Bonds were down $5,320,000 and OPEB was down by $20,014,491. Compensated Absences increased by $1,055,217 and Net Pension Liability increased by $4,220,067.

Deferred inflows of resources in governmental activities decreased $8,227,041 in 2025. Lease related went down by $270,438; pension decreased by $14,906,431 and OPEB related went up by $6,94,828 in accordance with GASB Statement No. 68 and GASB No. 75.

Restricted Net Position

	2025	2024	Change
Casualty Reserve Benefits	$ 1,645,576	$ 1,583,074	$ 62,502
Workers' Compensation Benefits	651,305	651,305	-
Law Enforcement	1,459,903	1,980,654	(520,751)
Health	14,321	14,321	-
Opioids	1,817,433	1,844,936	(27,503)
JUUL	192,726	-	192,726
Driving while intoxicated program	301,495	170,423	131,072
Grants and Obligations	1,866,264	1,041,402	824,862
Debt Service	55,395	155,841	(100,446)
Special Revenue Funds - Trust	240,422	237,922	2,500
Total Restricted Net Position	$ 8,244,840	$ 7,679,878	$ 564,962

Restricted net position totaled $8,244,840 on December 31, 2025. This amount represents resources that are subject to external restrictions imposed by creditors, grantors, contributors, or laws or regulations of other governments, or imposed by law through constitutional provisions or enabling legislation.

There was a net increase of $564,962 in restricted net position reported in connection with the County's governmental activities compared to prior years. The change in restricted net position is mainly due to Grants and Obligations ($824,862) due to unspent grant funds; JUUL ($192,726) unspent funding received for e-cigarettes; Driving While Intoxicated Program ($131,072;) due to an increase in DWI fines received from the State; and Causality Reserve Benefits ($62,502) due to increased interest rates. These were offset by a decrease of $520,751 for the spending down of DEA funds for Seized Assets received in 2024; and $100,446 in Debt Service. These factors combined for most of the change in the County's restricted position.

The remaining portion of net position, unrestricted net position, is a negative $82,583,436 with a deficit of $64,999,265 reported in governmental activities and a deficit of $17,584,171 reported in business-type activities. The governmental activities deficit does not mean that the County does not have resources available to meet its obligations in the ensuing year. Rather, it is partly the result of having long-term commitments, including claims payable ($4,308,898); compensated absences ($11,361,813), net pension liability ($33,781,413); post closure care costs ($1,010,797); and other postemployment benefit obligations

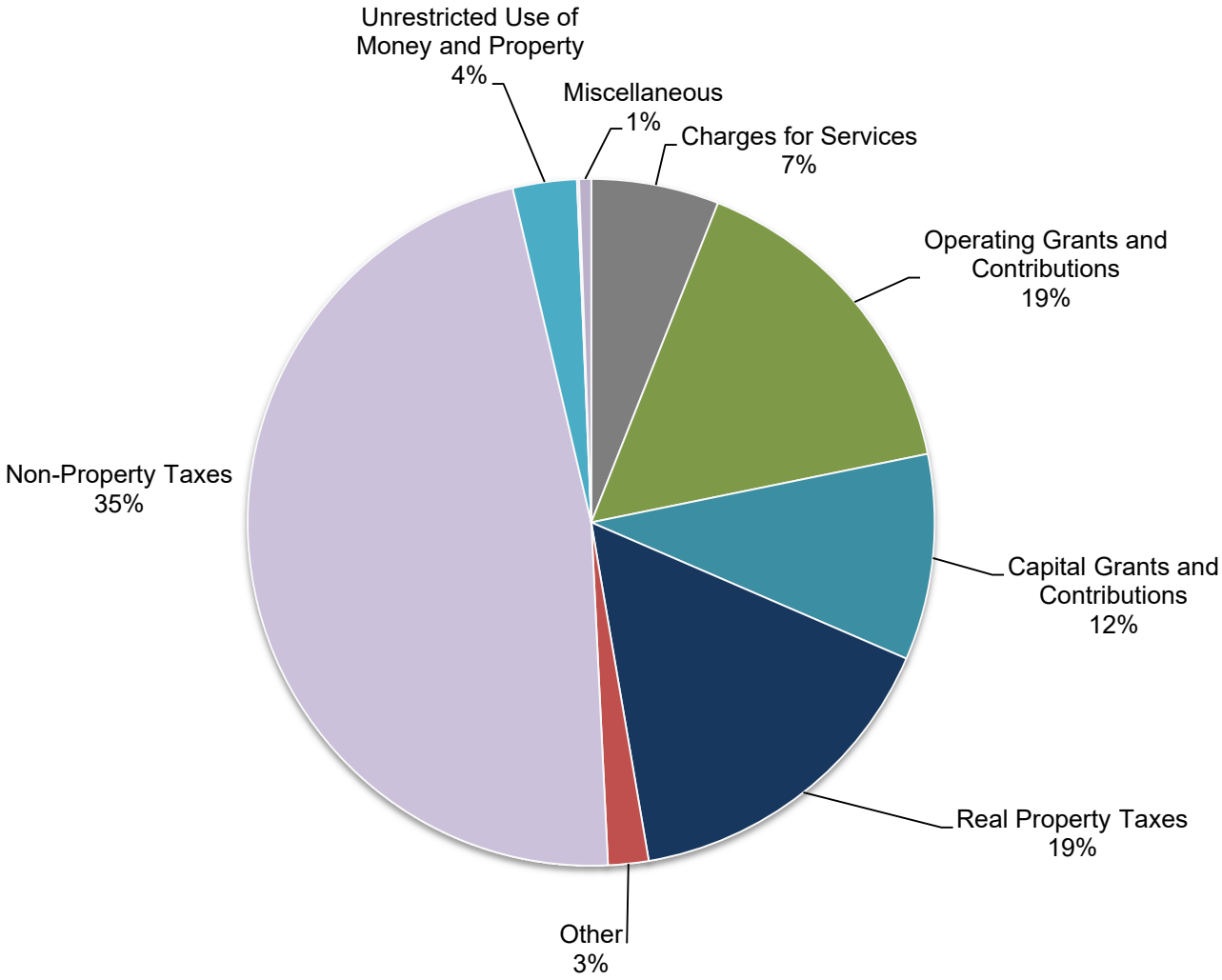
payable (“OPEB”) ($189,822,261). Additional information on all these long-term liabilities can be found in Note 3G, in the notes to the financial statements.

The activities of the Putnam Tobacco Asset Securitization (PTASC”) are reflected as a business-type blended component unit. The County has no obligation for the debt of PTASC. The business-type activity reflected a deficit balance of $17,584,171, an increase of $423,759 for 2025.

CHANGES IN NET POSITION
YEAR ENDED DECEMBER 31,

	Governmental Activities		Business-type Activities		Total	
	2025	2024	2025	2024	2025	2024
REVENUES						
Program Revenues						
Charges for Services	$ 17,810,203	$ 16,317,925	$ 783,794	$ 907,256	$ 18,593,997	$ 17,225,181
Operating Grants and Contributions	46,734,605	47,368,263	-	-	46,734,605	47,368,263
Capital Grants and Contributions	28,685,814	15,520,588	-	-	28,685,814	15,520,588
General Revenues						
Real Property Taxes	46,821,238	50,432,678	-	-	46,821,238	50,432,678
Other Tax Items	5,869,061	4,137,383	-	-	5,869,061	4,137,383
Non-Property Taxes	86,886,433	87,279,881	-	-	86,886,433	87,279,881
Unrestricted Use of Money and Property	8,946,520	8,689,486	65,415	83,466	9,011,935	8,772,952
Sale of Property and Compensation for loss	266,447	186,148	-	-	266,447	186,148
Opioid Settlement	376,924	1,413,033	-	-	376,924	1,413,033
JUUL Settlement	511,067	-	-	-	511,067	-
Miscellaneous	1,687,408	507,384	-	-	1,687,408	507,384
Total Revenues	244,595,720	231,852,769	849,209	990,722	245,444,929	232,843,491
PROGRAM EXPENSES						
General Government Support	41,001,146	39,581,241	-	-	41,001,146	39,581,241
Education	14,884,542	15,285,810	-	-	14,884,542	15,285,810
Public Safety	50,177,465	50,911,065	-	-	50,177,465	50,911,065
Health	16,601,129	18,376,502	-	-	16,601,129	18,376,502
Transportation	18,229,008	18,972,710	-	-	18,229,008	18,972,710
Economic Opportunity	40,637,016	39,891,425	-	-	40,637,016	39,891,425
Culture and Recreation	9,047,152	9,163,364	-	-	9,047,152	9,163,364
Home and Community Services	2,060,623	2,041,067	-	-	2,060,623	2,041,067
Interest	931,649	1,039,597			931,649	1,039,597
Putnam Tobacco Asset Securitization Corp.	-	-	1,272,968	1,261,444	1,272,968	1,261,444
Total Expenses	193,569,730	195,262,781	1,272,968	1,261,444	194,842,698	196,524,225
Change in Net Position	51,025,990	36,589,988	(423,759)	(270,722)	50,602,231	36,319,266
Cumulative Effect of Change in Accounting Principle	-	(5,226,606)	-	-	-	(5,226,606)
Net Position - Beginning	52,021,433	(17,584,171)	(17,160,412)	85,463,252	34,861,021	67,879,081
Net Position - Ending	$ 103,047,423	$ 13,779,211	$ (17,584,171)	$ 85,192,530	$ 85,463,252	$ 104,198,347

Revenues
Governmental Activities
2025



Governmental activities. Governmental activities increased the County's net position by $51,025,990 in 2025.

For the fiscal year that ended December 31, 2025, revenues from governmental activities totaled $244,595,720. Tax revenues of $139,576,732 comprised of real property taxes, other tax items and non-property taxes, represent the largest revenue source (57%). Collections of the current tax levy remains very strong at 97.02%, while averaging 95.72% over the last ten years. Program Revenues totaled $93,230,622 (38%) and other general revenues totaled $11,788,366 (4.45%). The $12,528,019 increase in total governmental activities revenues from the prior year is the result of a combination of the following major factors:

- Charges for Services increased by $1,492,278 in 2025 to $17,810,203. This is primarily due to an increase in the volume of services provided.

- Operating Grants and Contributions decreased by $633,658 in 2025 to $46,734,605, the decrease was mainly due to federal aid related to general government support – ARPA.

- Capital Grants and Contributions increased by $13,165,226 to $28,685,814. This was mainly due to the Fair Street reconstruction project ($9,643,717) and the Maybrook II Bikeway project ($3,075,793).

- Taxes on Real Property had a decrease of $3,611,440 in 2025 due to a year end entry to adjust deferred tax revenue.

- Other Tax Items include interest and penalties on real property taxes; and payments in lieu of taxes increased by $1,516,746 mainly due to an increase in Interest and penalties as more people entered payment plans.

- Non-property taxes which include sales tax; automobile use tax and E911 surcharge decreased by $393,448 because of a $110 tax exemption on clothing effective April 1 ,2024 for the County's 4% share.

- Unrestricted use of Money and Property increased by $257,034 mainly due to an increase in invested balances.

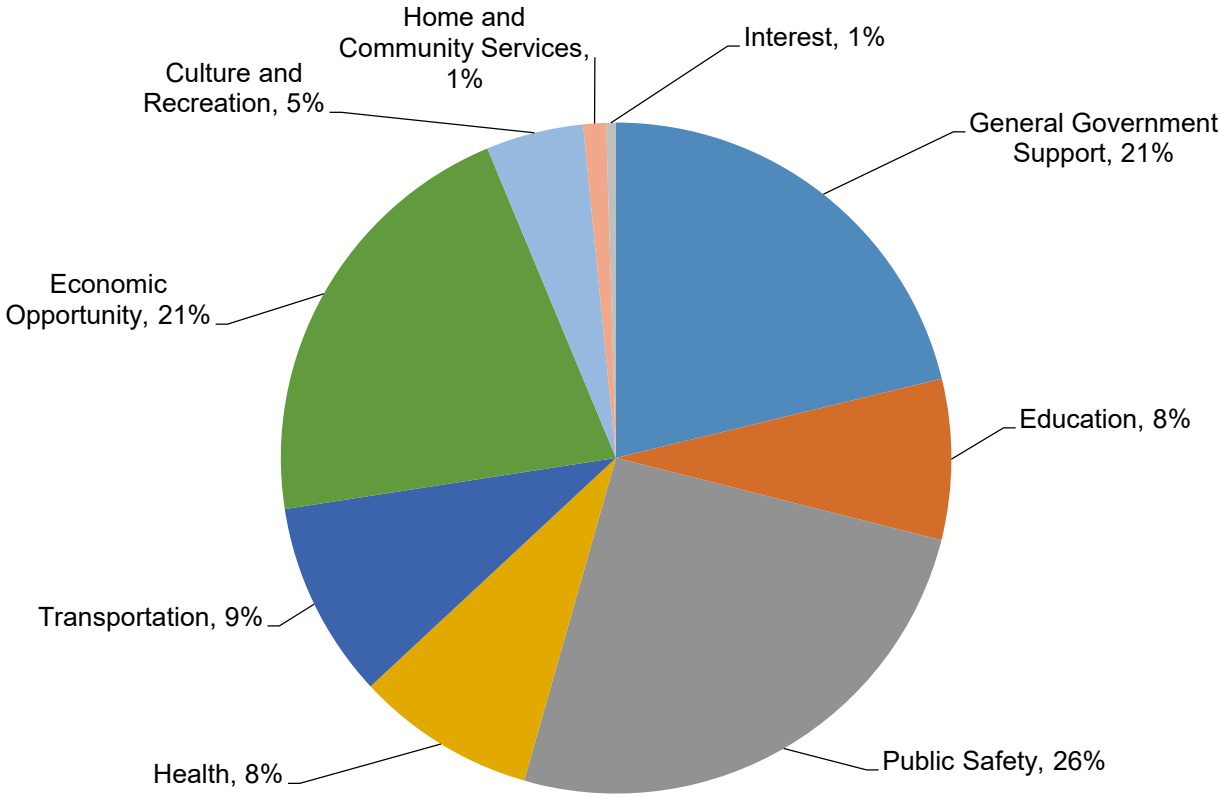
- Sale of Property and Compensation for Loss increased by $80,299 mainly due to vehicles and machinery being auctioned off in 2025.

- Opioid Settlement decreased by $1,036,109 in 2025 as the funds were spent down.

- The County recognized a $511,607 increase in one-time revenues from the statewide JUUL settlement. In accordance with the settlement terms, these resources are restricted to funding youth vaping prevention, tobacco cessation programs, and enforcement activities.

- Miscellaneous revenues increase by $1.18 million, primarily driven by a $531,139 write-off of aged accounts and a $533,189 correction to third quarter ARPA revenues.

Expenditures
Governmental Activities
2025



For the fiscal year ended December 31, 2025, expenses from governmental activities totaled $193,569,730. The largest components of governmental activities included Public Safety (i.e., sheriff's department and jail) $50,177,465 (26%); General Government Support $41,001,146 (21%) and Economic Opportunity (i.e., social services programs) $40,637,016 (21%). The $1,693,051 decrease in total governmental activities expenses from the prior year is a result of a combination of the following factors:

- Public Safety, which includes the Sheriff, Jail, Probation and Emergency Services, decreased by $733,600. Decreases were primarily due to equipment purchases made in 2024 utilizing Seized Asset funding, Inmate T Commission funds, and Homeland Security funding ($812,235); retro payments for two ratified contracts paid out in 2024 ($304,676), vacant positions or positions filled at a lower salary due to retirements ($234,553) and the remaining variance due to decreases in various contractual lines.

- Health, which includes Public Health, Mental Health and Early Intervention, decreased by $1,775,373. Of this amount, $1,017,416 was in sub-contractors due to the close out of various 2020/2021 programs which resulted in less money being paid out to outside programs**.** $536,195 due to the spending down of grants and the use of Opioid funding in 2024. $109,339 was in Early Intervention because of fewer children in the Center Based programs.

- Transportation, which includes County Road, Road Maintenance and Transportation, had a net decrease of $743,702. These decreases were mainly due to GASB 34 entries to record disposals of fully depreciated assets and to reclassify interfund revenues.

- Education which includes the 3-5 Special Needs Program and Community Colleges decreased by $401,268. Of this amount, $227,257 was in Community Colleges due mainly to a decrease in tuition rates for Westchester Community College, which has the largest enrollment from Putnam County. The 3-5 program decreased by $166,768 as a result of fewer children receiving SEIT services.

- Culture and Recreation decrease by $116,212 mainly due to payments from 2023 being paid in 2024.

These were offset by increases in:

- General Government Support (GGS) are those services provided by the governmental entity for the benefit of the public or the governmental body increased by $1,419,905 mainly due to an increase in ARPA spending and legal aid services.

- Economic Opportunity increased by $745,591 mainly due to GASB Statements Nos 34 and 68 adjusting entries.

- Home and Community Services increased by $19,556 due to the recording of GASB Statement No 75 OPEB payables to record OPEB Payable.

Business-type activities

Business-type activities net position decreased the County's total net position by $423,759 mainly due to a decrease in Tobacco Settlement revenues.

Financial Analysis of the Government's 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. Unassigned *fund balance* may serve as a useful measure of a government's net resources available for discretionary use as it represents 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 an individual that has been delegated the authority to assign resources for use for purposes by the County Legislature.

At the end of the current fiscal year, the County's governmental funds reported combined fund balances of $200 million, an increase of $9.9 million in comparison with the prior year. Of the total combined fund balance $61.8 million constitutes unassigned fund balance, which is available for spending at the County's discretion. The remainder of the fund balance is either non-spendable, restricted, or assigned to indicate that it is: 1) not in spendable form $6.7 million; 2) restricted for a particular purposes $19.1 million; and 3) assigned for a particular purposes $113.2 million.

The **General Fund** is the County's primary operating fund, and the majority of the County's programs and activities are supported by this fund. At the end of the current fiscal year, unassigned fund balance of $61,348,473 represents 34.5% of the total General Fund balance of $176,275,723. Two useful measures of liquidity are the percentage of unassigned fund balance to total expenditures and total fund balance to total expenditures. At the end of the current fiscal year, the General Fund showed a healthy 32.9% unassigned fund balance as compared to total expenditures and other financing uses, while total fund balance represents 94% of that same amount.

Of the $176.2 million total fund balance, $6.6 million is in non-spendable form (prepaid items, leases and long-term receivables). The remaining $169.6 million of fund balance is allocated as follows: $5.7 million is restricted and includes reserves for DWI, Public Safety, Health and grants and obligations. $102.2 million has been assigned and includes $13.2 million assigned by the Legislature for subsequent year's expenditures as part of the 2025 adopted budget; $5.8 million assigned for Insurance; $10.5 million for retirement; $12.5 million for tax stabilization; $1.5 million for encumbrances, $8.0 million for postemployment, $6.0 million for State aid; $2.0 million for Disaster Recovery; $3.4 million for Judgements and Claims; $2.1 for Mental Health; and $30.7 million for capital projects. The remaining $61.8 million represents unassigned fund balance.

When the fiscal 2025 budget was adopted, it anticipated the use of $1.9 million of general fund balance. However, actual results of operations resulted in an increase of $14.1 million to fund balance. This increase in total fund balance was the result of overall revenues increasing by $1.2 million; increase in other financing sources, i.e. Subscription Financing Proceeds and Transfers In and a significant decrease in Transfers out. This, coupled with expenditures, increasing less than expected. After accounting for specific reserves and $13.2 million of fund balance appropriated to balance the 2026 budget, the unassigned general fund balance decreased to $61.8 million in 2025 from $78.3 million in 2024.

The **County Road Fund's** total fund balance at the end of the current fiscal year was $2,833,017, a decrease of $1,400,727 from the previous year.

The **Road Machinery Fund's** total fund balance at the end of the current fiscal year was $604,345, a decrease of $416,473 from 2024.

The **Capital Projects Fund** is used to account for capital project activity throughout the County. The Capital Projects Fund ending fund balance was $13,186,938 for fiscal year 2025. This represents an decrease of $3,0390,012 due to the spending down of capital projects.

The **Transportation Fund** reported a fund balance of $7,683,542 an increase of $750,404 over 2024. This was mainly due to CARES ACT funds received from the Federal government for COVID-19 and ARPA funds.

The **Debt Service Fund** reported a fund balance of $55,395 on December 31, 2025, a decrease of $100,446.

The **Causality Reserve Benefits Fund** reported a fund balance of $1,645,576 and an increase of $62,502 due to an increase in interest rates.

General Fund Budgetary Highlights

The General Fund had an original budget for revenues and other financing sources of $175,571,088 and a final budget of $197,756,767, a difference of $22,185,679 primarily because of the following factors:

- Federal Aid increased by $7,582,470 mainly due to the following factors:

  Major variances in Federal Aid were $6,022,761 for the American Rescue Plan Act (offset by an increase in expenses); $750,570 in Homeland Security Grants and SCAAP grants; various Social Services programs including Temporary Assistance for Needy Families (TANF) ($149,214); and $96,078 for the Home Energy Assistance Program, $287,461 in Cares Act funding for Transportation.

- Use of Money and Property increased by $4,688,760 due to the County's cash management strategies provided by the County's Cash Management advisor and an increase of cash in which to invest.

- Miscellaneous which includes Refund of Prior Year Expenditure; Gifts and Donations; Retire Health Insurance and Opioids exceeded the original budget by $3,628,087. Refund of Prior Year Expenditure increased by $1,602,422 for contractual payments owed; Opioid Settlement Monies increased by $931,940 as a result of unspent 2024 funds being rolled over into 2025 and JUUL settlement monies received in 2025 of $191,650.

- State Aid was up by $2,693,108 mainly due to increases; various Mental Health Programs (777,314); Social Services Administration programs ($501,353); Criminal Justice Grant ($275,279); Veteran's Services' Peer 2 Peer grant ($207,615); and Environmental Conservation grant ($45,079).

This was offset by decreases of $258,408 in Departmental Income; $214,932 in Other Tax Items; and $550,320 in Non-Property Taxes. .

The General Fund had an original budget of $185,695,317 for expenditures and other financing uses and a final budget of $208,807,941, a difference of $23,112,624 primarily due to the following factors:

- The major increase was in Other Financing Uses which increased by $9,173,719. This included $9,130,659 in rollover ARPA funds from 2024 to fund capital projects and $43,060 to purchase equipment in the County Road Fund.

- Public Safety expenditures which encompass the Sheriff's and Correction's Department, the Bureau of Emergency Services, Probation, and the District Attorney increased by $6,278,332. This variance was primarily driven by a GASB Statement No. 96 accounting entry of $2,771,760 for Subscription-Based Information Technology Arrangements (SBITA). Additional increases included $1,323,968 in various grants (including Homeland Security); $926,615 in rollover grants from 2024; $631,563 in Seized Asset funds, $501,538 in carry-forward encumbrances; $328,170 for the PCSEA contract ratification, and $150,000 in Federal Forfeited Funds**.**

- Health, which includes Public Health and Mental Health, had an overall increase of $2,380,576. Major factors included $964,407 in Opioid funding, $722,760 in Mental Health State Aid; $388,561 in grant rollovers; $191,650 in JUUL settlements;

- Economic Opportunity and Development increased by $2,145,744. Increases included $535,896 for the CSEA ratified contract; $223,358 from 2024 encumbrances; $210,625 in various grants including Child Advocacy and Victims Advocacy programs as well as Safe Harbor and Code Blue. The Veterans Department received $207,615 in funding for the Peer 2 Peer program; $180,358 for TANF and HEAP programs; and $89,472 in Child Advocacy and Victim Advocacy programs. The remaining balance was from various smaller programs within Social Services and the Office of Senior Resources.

- Education, which includes Community Colleges, and the 3-5 Special Needs Program increased by $1,135,183. This increase was primarily in the 3-5 programs due to increases in tuition rates and the number of children being served

- Culture and Recreation saw an increase of $886,125 mainly due to the Golf Course and Tilly's Table and was offset by an increase in revenues due to increased events held at both the golf course and Tilly's Table.

- General Government increased by $740,916 mainly due to Hurrell Harring funding for Legal Aid. This was offset by an increase in revenues.

- Employee Benefits increased by $214,822. Of this $143,822 was in health insurance and $71,000 was in Unemployment Insurance.

- Smaller increases were seen in Home and Community Services ($99,436) and Transportation ($57,771).

ACTUALS

Overall, actual General Fund revenues and other financing sources for December 31, 2025, was $201,882,854 which was $4,126,087 more than the final budget due to the following:

- Non-Property Taxes which include Sales Tax; Automobile Use Tax; and Emergency telephone system surcharge exceeded the final budget by $6,472,035. This was mainly due to an increase in Sales Tax of $6,320,957 driven by persistent inflation and higher consumer goods prices driven by federal tariffs.

- Real Property Taxes was more by $1,180,913 due to recording additional tax deferred revenues.

- Departmental Income increased by $1,361,750 because of various Social Services Programs ($717,222); Motor Vehicles fees ($329,469); and various Public Safety programs ($231,750).

This was offset by the following negative variances:

- State Aid decreased by $2,691,307, directly corresponding to lower that projected local program expenditures eligible for State reimbursement in Mental Health Services ($1,170,645); Education 3-5 program ($913,869); and Public Safety ($209,530).

- Other negative variances included Miscellaneous ($2,028,399) and Federal Aid ($1.037,131)

Actual General Fund expenditures and Other Financing Uses was $187,784,641, which was $21,023,300 less than the final budget of $208,807,941.

The major areas where spending was less than final budget were General Government Support ($5,288,680); Public Safety ($5,120,912); Health ($3,985,380); Economic Opportunity and Development ($3,595,934); and Education (1,233,864).

The County typically realizes various expenditure savings throughout the year due to its very conservative budgeting practices and its use of a vacancy control account to monitor and control personnel costs.

Capital Asset and Debt Administration

Capital Assets

The County's investment in capital assets for its governmental activities as of December 31, 2025, amounts to $182,184,751 (net of accumulated depreciation), an increase of $34,209,136. This reflects the County's investment in all its capital assets including land, building and improvements, machinery and equipment, infrastructure, and construction-in-progress.

Capital Assets (Net of Depreciation) (in thousands)

	Governmental Activities 2025	Governmental Activities 2024
Land	$ 6,618	$ 6,618
Buildings and Improvements	36,019	35,017
Machinery and Equipment	10,269	8,803
Infrastructure	48,646	38,966
Right-to-use Buildings and Improvements	480	603
Right-to-use Machinery and Equipment	276	438
Right-to-use Infrastructure	690	780
Right-to-use Subscription Assets	2,217	
Construction-in-Progress	76,970	56,750
Total (Net of Depreciation)	$ 182,185	$ 147,975

Major capital activities during the current fiscal year included the following:

- The purchase of various vehicles and equipment totaling $4,062,913.
- Various Construction in Progress works totaling $26,070,299.
- Numerous projects for infrastructure including bikeways were completed this year for a total cost of $14,403,835.
- Improvement of various County facilities at a cost of $4,055,674.
- Depreciation expense of $4,724,379 charged against infrastructure.
- Depreciation expense of $3,054,196 charged against buildings and improvements.
- Depreciation expense of $2,597,421 charged against machinery and equipment.

Additional information on the County's capital assets can be found in Note 3E of this report.

Long-Term Liabilities

At the end of the current fiscal year, the County had total long-term outstanding of $28,690,000 exclusive of the Tobacco Securitization Corporation. As required by New York State Law, all bonds issued by the County are general obligation bonds backed by the full faith and credit of the County.

Outstanding Debt
General Obligations Bonds
(in thousands)

	Governmental Activities	
	2025	2024
Total general obligation bonds	$ 28,690	$ 34,010

The Other Postemployment Benefit Obligations decreased by $20,014,491.

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 had enjoyed a very favorable bond rating of Aa2 for over ten years. In 2007 the County was downgraded to Aa3 by Moody's "based upon deterioration of the County's cash position and fund balance following two consecutive years of operating deficits". However, in April 2010, the County was upgraded to Aa2 because of Moody's recalibration of all municipal ratings and was upgraded to Aa1 in September 2020.

The 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 within 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. On December 31, 2025, the County of Putnam had used $26,343,621 or 2.17% of the constitutional debt limit leaving $1,187,605,966 remaining to be used.

Additional information on the County's long-term debt can be found in Note 3G of this report.

Economic Factors and Next Year's Budget

According to the United States Bureau of Labor Statistics, the unemployment rate for Putnam County in April 2026 was 3.0 %, up from 2.7% in April 2025. The County's unemployment rate compared favorably to the State-wide rate of 4.2%.

The Labor Department data also indicated that the number of people employed in the County decreased by less than 1% from 50,248 in 2023 to 49,884 in 2024.

Data compiled by the U.S. Census Bureau shows that the wealth indicators for County residents generally compare favorably to State and national indicators.

The County's estimated median household income for 2024 was $126,257, a decrease of less than 1% from $127,405 in 2023. New York State's median household income was $85,974 (2024). The median income for the nation was $83,730 (2024).

The net taxable assessed value of real property in Putnam County increased from $18,604,888,165 in 2024 to $20,804,922,077 in 2025, an increase of 11.83%.

The median sales price of a single-family home increased from $560,000 in 2024 to $580,000 in 2025, a 3.45% increase. The number of Single-family houses sold in 2024 was 783 compared to 814 units sold in 2025, an increase of 3.96%. Home foreclosure filings initiated in Putnam County decreased from 144 in 2024 to 130 in 2025 as the state's moratorium backlog finally cleared out. The actual foreclosure judgments issued in 2025 was 43 as compared to 77 in 2024.

While Putnam County remains on solid financial footing, our local economy remains exposed to broader national pressures. Regional inflation and short-term consumer expectations are still hovering around 3.6%. This persistent inflation, combined with shifting federal tariff policies, introduces a real risk of rising operating costs for the county. Higher tariffs are expected to drive up supply chain prices and squeeze the profit margins of our local businesses.

Beyond these external factors, the county faces significant internal budget pressures in the upcoming fiscal years. Rising employee salaries and wages, alongside escalating healthcare expenses for both active workers and retirees, will heavily strain future budgets. We are also confronting steep increases in pension contributions and state-level financial shifts. Most notably, the phased removal of enhanced Federal Medical Assistance Percentage (e-FMAP) funding is driving up local Medicaid costs, while state budget cutbacks and mandated Early Intervention and Preschool Programs continue to hit our bottom line.

The budget will adhere to the requirements of the Property Tax Levy Limit ("Tax Cap") law enacted in 2011.

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

The County has appropriated $13,213,491 of the fund balance of the general fund for spending in the 2026 fiscal year budget. The 2025, the County budget maintained a flat tax levy of $46,212,312. For 2026, the County enacted a $1,000,000 reduction to the property tax levy, the largest single-year levy reduction in County history, this strategic initiative effectively lowered the property tax rate to $2.39 per $1,000 assessed valuation, marking a near 20-year low for the county.

Additional information on this law can be found in Note 2B in the notes to financial statements.

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 those finances. Questions and comments concerning any of the information provided in this report should be addressed to Alexandra Gordon, Interim Commissioner of Finance, Putnam County 40 Gleneida Avenue, Carmel, New York 10512, telephone (845) 808-1075, or visit the County's web site at www.putnamcountyny.gov.

BASIC
FINANCIAL STATEMENTS

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County of Putnam, New York

Statement of Net Position
December 31, 2025

	Governmental Activities	Business-type Activities	Total
ASSETS			
Cash and equivalents	$ 37,070,100	$ 134,922	$ 37,205,022
Restricted cash	285,564	-	285,564
Investments	133,528,774	-	133,528,774
Receivables			
Taxes, net	20,002,617	-	20,002,617
Accounts	13,738,620	994,000	14,732,620
State and Federal aid	33,241,142	-	33,241,142
Due from other governments	1,731,500	-	1,731,500
Leases	632,005	-	632,005
Prepaid expenses	2,685,813	8,171	2,693,984
Restricted cash and equivalents	-	1,212,934	1,212,934
Due from fiduciary fund	13,990,066	-	13,990,066
Capital assets			
Not being depreciated	83,587,699	-	83,587,699
Being depreciated/amortized, net	98,597,052	-	98,597,052
Total Assets	439,090,952	2,350,027	441,440,979
DEFERRED OUTFLOWS OF RESOURCES			
Deferred charge on refunding bonds	1,237,513	330,401	1,567,914
Pension related	20,525,967	-	20,525,967
OPEB related	32,855,232	-	32,855,232
Total Deferred Outflows of Resources	54,618,712	330,401	54,949,113
LIABILITIES			
Accounts payable	10,149,605	-	10,149,605
Accrued liabilities	2,702,817	61,417	2,764,234
Unearned revenues	10,971,483	-	10,971,483
Accrued interest payable	387,204	-	387,204
Deposits payable	308,840	-	308,840
Employee tax deductions	47,495	-	47,495
Non-current liabilities			
Due within one year	13,415,971	400,000	13,815,971
Due in more than one year	263,676,564	19,803,182	283,479,746
Total Liabilities	301,659,979	20,264,599	321,924,578
DEFERRED INFLOWS OF RESOURCES			
Lease related	567,296	-	567,296
Pension related	2,351,764	-	2,351,764
OPEB related	86,083,202	-	86,083,202
Total Deferred Inflows of Resources	89,002,262	-	89,002,262
NET POSITION			
Net investment in capital assets	159,801,848	-	159,801,848
Restricted for			
Casualty reserve benefits	1,645,576	-	1,645,576
Workers' compensation benefits	651,305	-	651,305
Law enforcement	1,459,903	-	1,459,903
Health	14,321	-	14,321
Opioid	1,817,433	-	1,817,433
JUUL	192,726	-	192,726
Driving while intoxicated program	301,495	-	301,495
Grants and obligations	1,866,264	-	1,866,264
Debt service	55,395	-	55,395
Special Revenue Funds			
Trusts			
Health	144,396	-	144,396
Public safety	74,998	-	74,998
Transportation	21,028	-	21,028
Unrestricted	(64,999,265)	(17,584,171)	(82,583,436)
Total Net Position	$ 103,047,423	$ (17,584,171)	$ 85,463,252

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

County of Putnam, New York

Statement of Activities
Year Ended December 31, 2025

Functions/Programs	Expenses	Program Revenues: Charges for Services	Program Revenues: Operating Grants and Contributions	Program Revenues: Capital Grants and Contributions
Governmental activities				
General government support	$ 41,001,146	$ 6,163,487	$ 9,225,296	$ 146,551
Education	14,884,542	-	6,883,245	-
Public safety	50,177,465	3,315,461	1,492,462	1,036,802
Health	16,601,129	878,879	9,148,405	-
Transportation	18,229,008	986,269	3,403,635	26,478,556
Economic opportunity and development	40,637,016	2,717,373	15,709,442	-
Culture and recreation	9,047,152	3,658,053	517,449	674,616
Home and community services	2,060,623	90,681	354,671	99,615
Interest	931,649	-	-	249,674
Total Governmental Activities	193,569,730	17,810,203	46,734,605	28,685,814
Business-type activities				
Putnam Tobacco Asset Securitization Corporation	1,272,968	783,794	-	-
Total	$ 194,842,698	$ 18,593,997	$ 46,734,605	$ 28,685,814
General revenues				
Real property taxes				
Other tax items				
Interest and penalties on real property taxes				
Payments in lieu of taxes				
Non-property taxes				
Sales taxes				
Automobile use tax				
Emergency telephone system surcharge				
Unrestricted use of money and property				
Sale of property and compensation for loss				
Opioid Settlement				
JUUL Settlement				
Miscellaneous				
Total General Revenues				
Change in Net Position				
Net Position - Beginning				
Net Position - Ending				

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

Net (Expense) Revenue and Changes in Net Position		
Governmental Activities	Business-type Activities	Total
$ (25,465,812)	$ -	$ (25,465,812)
(8,001,297)	-	(8,001,297)
(44,332,740)	-	(44,332,740)
(6,573,845)	-	(6,573,845)
12,639,452	-	12,639,452
(22,210,201)	-	(22,210,201)
(4,197,034)	-	(4,197,034)
(1,515,656)	-	(1,515,656)
(681,975)	-	(681,975)
(100,339,108)	-	(100,339,108)
-	(489,174)	(489,174)
(100,339,108)	(489,174)	(100,828,282)
46,821,238	-	46,821,238
5,808,585	-	5,808,585
60,476	-	60,476
85,640,675	-	85,640,675
766,937	-	766,937
478,821	-	478,821
8,946,520	65,415	9,011,935
266,447	-	266,447
376,924	-	376,924
511,067	-	511,067
1,687,408	-	1,687,408
151,365,098	65,415	151,430,513
51,025,990	(423,759)	50,602,231
52,021,433	(17,160,412)	34,861,021
$ 103,047,423	$ (17,584,171)	$ 85,463,252

County of Putnam, New York

Balance Sheet
Governmental Funds
December 31, 2025

	General	Capital Projects	Non-Major Governmental	Total Governmental Funds
ASSETS				
Cash and equivalents	$ 33,652,968	$ 1,530,829	$ 240,722	$ 35,424,519
Restricted cash	-	285,564	-	285,564
Investments	125,968,994	3,108,266	-	129,077,260
Taxes receivable, net	20,002,617	-	-	20,002,617
Other receivables				
Accounts	13,725,869	-	12,751	13,738,620
State and Federal aid	16,958,512	14,970,020	1,312,610	33,241,142
Due from other governments	1,731,500	-	-	1,731,500
Due from other funds	-	-	10,442,581	10,442,581
Due from fiduciary fund	13,990,066	-	-	13,990,066
Leases	632,005	-	-	632,005
	47,037,952	14,970,020	11,767,942	73,775,914
Prepaid expenditures	2,563,254	-	122,559	2,685,813
Total Assets	$ 229,225,785	$ 19,894,679	$ 12,131,223	$ 261,251,687
LIABILITIES, DEFERRED INFLOWS OF RESOURCES AND FUND BALANCES				
Liabilities				
Accounts payable	$ 6,503,774	$ 3,099,184	$ 546,647	$ 10,149,605
Accrued liabilities	2,534,962	-	167,855	2,702,817
Unearned revenues	7,862,746	3,108,737	-	10,971,483
Due to other funds	10,451,445	499,820	-	10,951,265
Deposits payable	308,840	-	-	308,840
Employee tax deductions	47,495	-	-	47,495
Total Liabilities	27,709,262	6,707,741	714,502	35,131,505
Deferred inflows of resources				
Deferred tax revenues	18,147,840	-	-	18,147,840
Unavailable revenues	4,020,599	-	-	4,020,599
Lease related	567,296	-	-	567,296
Opioid related	2,185,648	-	-	2,185,648
JUUL related	319,417	-	-	319,417
Total Deferred inflow of resources	25,240,800	-	-	25,240,800
Total Liabilities and Deferred Inflows of Resources	52,950,062	6,707,741	714,502	60,372,305
Fund balances				
Nonspendable	6,563,254	-	122,559	6,685,813
Restricted	5,652,142	13,186,938	295,817	19,134,897
Assigned	102,211,854	-	10,998,345	113,210,199
Unassigned	61,848,473	-	-	61,848,473
Total Fund Balances	176,275,723	13,186,938	11,416,721	200,879,382
Total Liabilities, Deferred Inflows of Resources and Fund Balances	$ 229,225,785	$ 19,894,679	$ 12,131,223	$ 261,251,687

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

County of Putnam, New York

Reconciliation of Governmental Funds Balance Sheet to
the Government-Wide Statement of Net Position - Governmental Activities
December 31, 2025

Amounts Reported for Governmental Activities in the Statement of Net Position are Different Because

Total Fund Balances - Governmental Funds		$ 200,879,382
Capital assets used in governmental activities are not financial resources and, therefore, are not reported in the funds		
Capital assets - non-depreciable	83,587,699	
Capital assets - depreciable/amortizable	296,087,190	
Accumulated depreciation/amortization	(197,490,138)	
		182,184,751
Differences between expected and actual experiences, assumption changes and net differences between projected and actual earnings and contributions subsequent to the measurement date for the postretirement benefits (pension and OPEB) are recognized as deferred outflows of resources and deferred inflows of resources on the statement of net position.		
Deferred outflows - pension related	20,525,967	
Deferred outflows - OPEB related	32,855,232	
Deferred inflows - pension related	(2,351,764)	
Deferred inflows - OPEB related	(86,083,202)	
		(35,053,767)
Other long-term assets that are not available to pay for current period expenditures and, therefore, are either deferred or not reported in the funds.		
Real property taxes	18,147,840	
Unavailable revenues	4,020,599	
Opioid related	2,185,648	
JUUL related	319,417	
		24,673,504
Internal service funds are used by management to charge insurance and dental benefits to individual funds. The assets and liabilities of the internal service funds are included in governmental activities in the statement of net position.		2,296,881
Long-term liabilities that are not due and payable in the current period and are not reported in the funds.		
Accrued interest payable	(387,204)	
General obligation bonds payable	(28,690,000)	
Energy performance contract payable	(3,219,205)	
Leases payable	(1,426,051)	
Subscriptions Payable	(2,271,760)	
Compensated absences	(11,361,813)	
Net pension liability	(33,781,413)	
Total OPEB liability	(189,822,261)	
Postclosure care costs	(1,010,797)	
		(271,970,504)
Governmental funds report the effect of premiums, discounts, and refundings and similar items when debt is first issued, whereas these amounts are deferred and amortized in the statement of activities.		
Deferred amount on refunding	1,237,513	
Premium on general obligation bonds	(1,200,337)	
		37,176
Net Position of Governmental Activities		$ 103,047,423

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

County of Putnam, New York

Statement of Revenues, Expenditures and Changes
in Fund Balances
Governmental Funds
Year Ended December 31, 2025

	General	Capital Projects	Non-Major Governmental	Total Governmental Funds
REVENUES				
Real property taxes	$ 34,963,157	$ -	$ 12,430,068	$ 47,393,225
Other tax items	5,654,129	-	-	5,654,129
Non-property taxes	86,886,433	-	-	86,886,433
Departmental income	13,921,248	-	176,273	14,097,521
Intergovernmental charges	-	-	811,896	811,896
Use of money and property	9,181,950	-	249,674	9,431,624
Licenses and permits	978,829	-	-	978,829
Fines and forfeitures	255,963	-	-	255,963
Sale of property and compensation for loss	266,447	-	-	266,447
Interfund revenues	-	-	592,663	592,663
State aid	26,072,555	7,459,367	1,534,492	35,066,414
Federal aid	16,634,660	20,793,066	741,031	38,168,757
Miscellaneous	3,017,382	183,707	208,383	3,409,472
Total Revenues	197,832,753	28,436,140	16,744,480	243,013,373
EXPENDITURES				
Current				
General government support	35,393,690	-	-	35,393,690
Education	14,792,360	-	-	14,792,360
Public safety	48,508,544	-	-	48,508,544
Health	15,836,051	-	-	15,836,051
Transportation	1,638,047	-	10,993,675	12,631,722
Economic opportunity and development	39,226,806	-	-	39,226,806
Culture and recreation	7,646,692	-	-	7,646,692
Home and community services	2,011,986	-	-	2,011,986
Employee benefits Undistributed	8,147,381	-	-	8,147,381
Debt service				
Principal	-	-	5,560,853	5,560,853
Interest	-	-	1,049,016	1,049,016
Capital outlay	-	45,085,573	-	45,085,573
Total Expenditures	173,201,557	45,085,573	17,603,544	235,890,674
Excess (Deficiency) of Revenues Over Expenditures	24,631,196	(16,649,433)	(859,064)	7,122,699
OTHER FINANCING SOURCES (USES)				
Subscription Financing Proceeds	2,771,760	-	-	2,771,760
Transfers in	1,278,341	14,540,024	45,341	15,863,706
Transfers out	(14,583,084)	(929,603)	(351,019)	(15,863,706)
Total Other Financing Sources (Uses)	(10,532,983)	13,610,421	(305,678)	2,771,760
Net Change in Fund Balances	14,098,213	(3,039,012)	(1,164,742)	9,894,459
FUND BALANCES				
Beginning of Year	162,177,510	16,225,950	12,581,463	190,984,923
End of Year	$ 176,275,723	$ 13,186,938	$ 11,416,721	$ 200,879,382

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

County of Putnam, New York

Reconciliation of the Statement of Revenues,
Expenditures, and Changes in Fund Balances of Governmental Funds
to the Statement of Activities
Year Ended December 31, 2025

Amounts Reported for Governmental Activities in the Statement of Activities are Different Because

Net Change in Fund Balances - Total Governmental Funds	$	9,894,459
Governmental funds report capital outlays as expenditures. However, in the statement of activities, the cost of those assets is allocated over their estimated useful lives and reported as depreciation/amortization expense.		
Capital outlay expenditures		45,514,446
Depreciation/amortization expense		(11,305,310)
		34,209,136
Revenues in the statement of activities that do not provide current financial resources are not reported as revenues in the funds.		
Real property taxes		(571,987)
State and Federal aid		1,469,685
Opioid related		44,956
JUUL related		319,417
		1,262,071
Proceeds from the issuance of bonds and leases provide current financial resources to governmental funds, but issuing debt increases long-term liabilities in the statement of net position. Repayment of bond and lease principal is an expenditure in the governmental funds, but the repayment reduces long-term liabilities in the statement of 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 on the statement of activities.		
Subscriptions issued		(2,771,760)
Principal paid on subscriptions		500,000
Principal paid on general obligation bonds		5,320,000
Principal paid on energy performance contract		203,034
Principal paid on financed purchase debt		494,926
Principal paid on leases		394,279
		4,140,479
Some expenses reported in the statement of activities do not require the use of current financial resources and, therefore, are not reported as expenditures in governmental funds.		
Accrued interest		(10,559)
Changes in pension liabilities and related deferred outflows and inflows of resources		3,044,795
Compensated absences		(1,055,217)
Changes in OPEB liabilities and related deferred outflows and inflows of resources		(669,670)
Postclosure care costs		1,280
Amortization of loss on refunding bonds and issuance premium		146,714
		1,457,343
Internal service funds are used by management to charge the costs of risk to individual funds. The net revenue of the internal service funds are reported within governmental activities.		62,502
Change in Net Position of Governmental Activities	$	51,025,990

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

County of Putnam, New York

General Fund
Statement of Revenues, Expenditures and
Changes in Fund Balance - Budget and Actual
Year Ended December 31, 2025

	Original Budget	Final Budget	Actual	Variance with Final Budget
REVENUES				
Real property taxes	$ 33,782,244	$ 33,782,244	$ 34,963,157	$ 1,180,913
Other tax items	5,258,200	5,043,268	5,654,129	610,861
Non-property taxes	80,464,718	80,414,398	86,886,433	6,472,035
Departmental income	12,817,906	12,559,498	13,921,248	1,361,750
Use of money and property	4,501,163	9,189,923	9,181,950	(7,973)
Licenses and permits	914,200	914,200	978,829	64,629
Fines and forfeitures	97,850	91,350	255,963	164,613
Sale of property and compensation for loss	157,038	203,152	266,447	63,295
State aid	26,984,133	29,677,241	26,072,555	(3,604,686)
Federal aid	9,175,942	16,758,412	16,634,660	(123,752)
Miscellaneous	1,417,694	5,045,781	3,017,382	(2,028,399)
Total Revenues	175,571,088	193,679,467	197,832,753	4,153,286
EXPENDITURES				
Current				
General government support	39,941,454	40,682,370	35,393,690	5,288,680
Education	14,891,041	16,026,224	14,792,360	1,233,864
Public safety	47,351,124	53,629,456	48,508,544	5,120,912
Health	17,440,855	19,821,431	15,836,051	3,985,380
Transportation	1,580,276	1,638,047	1,638,047	-
Economic opportunity and development	40,676,996	42,822,740	39,226,806	3,595,934
Culture and recreation	7,377,049	8,263,174	7,646,692	616,482
Home and community services	2,303,582	2,403,018	2,011,986	391,032
Employee benefits Undistributed	7,952,940	8,167,762	8,147,381	20,381
Total Expenditures	179,515,317	193,454,222	173,201,557	20,252,665
Excess (Deficiency) of Revenues Over Expenditures	(3,944,229)	225,245	24,631,196	24,405,951
OTHER FINANCING SOURCES (USES)				
Subscription Financing Proceeds	-	2,771,760	2,771,760	-
Transfers in	-	1,305,540	1,278,341	(27,199)
Transfers out	(6,180,000)	(15,353,719)	(14,583,084)	770,635
Total Other Financing Uses	(6,180,000)	(11,276,419)	(10,532,983)	743,436
Net Change in Fund Balance	(10,124,229)	(11,051,174)	14,098,213	25,149,387
FUND BALANCE				
Beginning of Year	10,124,229	11,051,174	162,177,510	151,126,336
End of Year	$ -	$ -	$ 176,275,723	$ 176,275,723

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

County of Putnam, New York

Statement of Net Position
Proprietary Funds
December 31, 2025

	Business -type Activities Enterprise Fund	
	Putnam Tobacco Asset Securitization Corporation	Governmental Activities Internal Service Funds
ASSETS		
Current assets		
Cash and equivalents	$ 134,922	$ 1,645,581
Investments	-	4,451,514
Accounts receivable	994,000	-
Prepaid expenses	8,171	-
Due from other funds	-	508,684
Total Current Assets	1,137,093	6,605,779
Noncurrent assets		
Restricted cash and equivalents	1,212,934	-
Total Assets	2,350,027	6,605,779
DEFERRED OUTFLOWS OF RESOURCES		
Deferred loss on refunding bonds	330,401	-
LIABILITIES		
Current liabilities		
Accrued liabilities	61,417	-
Current portion of claims payable	-	431,000
Current maturities of bonds payable	400,000	-
Total Current Liabilities	461,417	431,000
Noncurrent liabilities		
Claims payable, less current portion	-	3,877,898
Bonds payable, less current maturities	19,803,182	-
Total Noncurrent Liabilities	19,803,182	3,877,898
Total Liabilities	20,264,599	4,308,898
NET POSITION		
Restricted for		
Workers' compensation benefits	-	651,305
Casualty reserve benefits	-	1,645,576
Unrestricted	(17,584,171)	-
Total Net Position	$ (17,584,171)	$ 2,296,881

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

County of Putnam, New York

Statement of Revenues, Expenses and Changes in Net Position
Proprietary Funds
Year Ended December 31, 2025

	Business -type Activities Enterprise Fund	
	Putnam Tobacco Asset Securitization Corporation	Governmental Activities Internal Service Funds
OPERATING REVENUES		
Tobacco settlement revenues	$ 783,794	$ -
Charges for services	-	845,277
Total Operating Revenues	783,794	845,277
OPERATING EXPENSES		
Administration	-	393,123
Professional fees	14,571	-
Insurance	8,171	-
Administrative charges	42,500	-
Employee benefits	-	630,552
Total Operating Expenses	65,242	1,023,675
Income (Loss) from Operations	718,552	(178,398)
NON-OPERATING REVENUES (EXPENSES)		
Interest income	65,415	240,900
Interest expense	(1,207,726)	-
Total Non-Operating Revenues (Expenses)	(1,142,311)	240,900
Change in Net Position	(423,759)	62,502
NET POSITION		
Beginning of Year	(17,160,412)	2,234,379
End of Year	$ (17,584,171)	$ 2,296,881

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

County of Putnam, New York

Statement of Cash Flows
Proprietary Funds
Year Ended December 31, 2025

	Business-type Activities Enterprise Fund	
	Putnam Tobacco Asset Securitization Corporation	Governmental Activities Internal Service Funds
CASH FLOWS FROM OPERATING ACTIVITIES		
Cash received from interfund services provided	$ -	$ 1,028,724
Cash received from tobacco settlement revenues	885,794	-
Cash payments to insurance carriers and claimants	-	(638,927)
Cash payments to vendors	(65,242)	(393,123)
Net Cash From Operating Activities	820,552	(3,326)
CASH FLOWS FROM INVESTING ACTIVITIES		
Earnings on investments	65,415	240,900
Sale (Purchase) of investments	1,261,031	(178,354)
Net Cash From Investing Activities	1,326,446	62,546
CASH FLOWS FROM NON-CAPITAL FINANCING ACTIVITIES		
Repayment of bonds	(100,000)	-
Interest paid	(740,125)	-
Net Cash From Non-Capital Financing Activities	(840,125)	-
Net Change in Cash and Equivalents	1,306,873	59,220
CASH AND EQUIVALENTS		
Beginning of Year	40,983	1,586,361
End of Year	$ 1,347,856	$ 1,645,581
RECONCILIATION OF CASH AND EQUIVALENTS TO THE STATEMENT OF NET POSITION		
Cash and equivalents	$ 134,922	$ 1,645,581
Restricted cash and equivalents	1,212,934	-
	$ 1,347,856	$ 1,645,581
RECONCILIATION OF INCOME (LOSS) FROM OPERATIONS TO NET CASH FROM OPERATING ACTIVITIES		
Income (loss) from operations	$ 718,552	$ (178,398)
Adjustments to reconcile income (loss) from operations to net cash from operating activities		
Changes in assets and liabilities		
Accounts receivable	102,000	-
Due from other funds	-	183,447
Claims payable	-	(8,375)
Net Cash From Operating Activities	$ 820,552	$ (3,326)
NONCASH INVESTING ACTIVITIES		
Increase in bonds payable from amortization of original issue discount	$ 25,564	$ -
Increase in bonds payable from accreted interest on Series 2005 capital appreciation bonds	351,901	-
Decrease in deferred outflows of resources from amortization of loss on refunding bonds	90,657	-

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

County of Putnam, New York

Statement of Fiduciary Net Position
Fiduciary Fund
December 31, 2025

	Custodial Fund
ASSETS	
Cash and equivalents	$ 6,985,813
Real property taxes receivable for other governments	24,028,905
Total Assets	$ 31,014,718
LIABILITIES	
Deposits	$ 2,689,340
Due to other governments	14,335,312
Due to other funds	13,990,066
Total Liabilities	$ 31,014,718

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

County of Putnam, New York

Statement of Changes in Fiduciary Net Position
Fiduciary Fund
Year Ended December 31, 2025

	Custodial Fund
ADDITIONS	
Real property taxes collected for other governments	$ 23,307,602
DEDUCTIONS	
Payments of real property taxes to other governments	23,307,602
Net Change in Fiduciary Net Position	-
NET POSITION	
Beginning of Year	-
End of Year	$ -

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

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Note 1 - Summary of Significant Accounting Policies

The County of Putnam, New York ("County") was established pursuant to an act of the New York State Legislature on June 12, 1812. The County operates under a Legislature/County Executive form of government in accordance with its Charter approved by the voters on November 8, 1977. The County Legislature is the legislative body responsible for overall operation. The County Executive serves as the chief executive officer and the Commissioner of Finance serves as the chief financial officer. The County provides the following services to its residents: education, public safety, health, transportation, economic opportunity and development, culture and recreation, home and community services and general and administrative support.

The financial statements of the County have been prepared in conformity with accounting principles generally accepted in the United States of America as applied to governmental units and the Uniform System of Accounts as prescribed by the State of New York. The Governmental Accounting Standards Board ("GASB") is the accepted standard setting body for establishing governmental accounting and financial reporting principles. The County's significant accounting policies are described below:

A. Financial Reporting Entity

The financial reporting entity consists of a) the primary government, which is the County, b) organizations for which the County is financially accountable and c) other organizations for which the nature and significance of their relationship with the County are such that exclusion would cause the reporting entity's financial statements to be misleading or incomplete as set forth by GASB.

In evaluating how to define the County, for financial reporting purposes, management has considered all potential component units. The decision to include a potential component unit in the County's reporting entity was made by applying the criteria set forth by GASB, including legal standing, fiscal dependency and financial accountability. Based upon the application of these criteria, the following entity is included in the financial statements as a blended component unit.

The Putnam Tobacco Asset Securitization Corporation ("PTASC") is a not-for-profit local development corporation organized pursuant to Section 1411 of the Not-For-Profit Corporation Law of the State of New York. The sole member of the PTASC is the County Executive of Putnam County, New York. That member shall appoint the Board of Directors of the PTASC. The Board of Directors have complete responsibility for management of the PTASC and accountability for fiscal matters. The County is not liable for any deficits or PTASC bonds or notes. Based on the guidance provided by Governmental Accounting Standards Board ("GASB") Technical Bulletin No. 2004-1, *"Tobacco Settlement Recognition and Financial Reporting Entity Issues"*, as amended and/or superseded by GASB Statement No. 48, *"Sales and Pledges of Receivables and Future Revenues and Intra-Entity Transfers of Assets and Future Revenues"*, the PTASC is reported as a blended component unit of the County in its financial statements. The guidance provided for prospective, rather than retrospective treatment, of the intra-entity sale of future revenues. The original sale of the PTASC's future revenue stream was consummated several years prior to the effective date of GASB Statement No. 48, and no additional sale of future revenues has occurred since that time. The revenue from the sale was recognized at that time based on existing guidance. Therefore, there is no deferred inflow of resources to be reported for this purpose on the County's financial statements or a deferred outflow of resources to be reported on the PTASC financial statements.

Note 1 - Summary of Significant Accounting Policies (Continued)

B. 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 non-fiduciary activities of the primary government as a whole. For the most part, the effect of interfund activity has been removed from these statements, except for interfund services provided and used. Governmental activities, which 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 for support.

The Statement of Net Position presents the financial position of the County at the end of its fiscal year. The Statement of Activities demonstrates the degree to which direct expenses of a given function or segment are offset by program revenues. Direct expenses are those that are clearly identifiable with a specific function or segment. Program revenues include (1) charges to customers or applicants who purchase, use or directly benefit from goods or services, or privileges provided by a given function or segment, (2) grants and contributions that are restricted to meeting the operational or capital requirements of a particular function or segment and (3) interest earned on grants that is required to be used to support a particular program. Taxes and other items not identified as program revenues are reported as general revenues. The County does not allocate indirect expenses to functions in the Statement of Activities.

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 County's enterprise fund. Separate financial statements are provided for governmental funds, proprietary funds and fiduciary funds, even though the latter are excluded from the government-wide financial statements. Major individual governmental funds are reported as separate columns in the fund financial statements.

Proprietary funds distinguish operating revenues and expenses from non-operating items. Operating revenues and expenses generally result from providing services in connection with a proprietary fund's principal ongoing operation. The principal operating revenues of the Enterprise Fund is tobacco settlement revenues and the principal operating expenses are professional fees and insurance. The principal operating revenues of the Internal Service Funds are charges to customers for services and operating expenses include administrative expenses and employee benefits. All revenues and expenses not meeting this definition are reported as non-operating revenues and expenses.

C. Fund Financial Statements

The accounts of the County are organized and operated on the basis of funds. A fund is an independent fiscal and accounting entity with a self-balancing set of accounts which comprise its assets, deferred outflows of resources, liabilities, deferred inflows of resources, fund balances/net position, revenues and expenditures/expenses. Fund accounting segregates funds according to their intended purpose and is used to aid management in demonstrating compliance with finance related legal and contractual provisions. The County maintains the minimum number of funds consistent with legal and managerial requirements. The focus of governmental fund financial statements is on major funds as that term is defined in professional pronouncements. Each major fund is to be presented in a separate column, with non-major funds, if any, aggregated and presented in a single column. Proprietary and Fiduciary funds are reported by type. Since the governmental fund statements are presented on a different measurement focus and basis of accounting than the

Note 1 - Summary of Significant Accounting Policies (Continued)

government-wide statements' governmental activities column, a reconciliation is presented on the pages following, which briefly explain the adjustments necessary to transform the fund based financial statements into the governmental activities column of the government-wide presentation. The County's resources are reflected in the financial statements in three broad fund categories in accordance with generally accepted accounting principles as follows:

Fund Categories

a. Governmental Funds - Governmental Funds are those through which most general government functions are financed. The acquisition, use and balances of expendable financial resources and the related liabilities are accounted for through governmental funds. The following are the County's major governmental funds.

General Fund - The General Fund constitutes the primary operating fund of the County in that it includes all revenues and expenditures not required by law to be accounted for in other funds.

Capital Projects Fund - The Capital Projects Fund is utilized to account for financial resources that are restricted, committed or assigned for expenditures for capital outlays, including the acquisition or construction of major capital facilities and other capital assets, other than those financed by proprietary funds.

The County also reports the following non-major governmental funds:

Special Revenue Funds - Special revenue funds are used to account for and report the proceeds of specific revenue sources that are restricted, committed or assigned to expenditures for specified purposes other than debt service or capital projects. The non-major special revenue funds of the County are as follows:

County Road Fund - The County Road Fund is used to account for the maintenance and repair of County roads and bridges and snow removal costs, as defined in New York State Highway Law.

Road Machinery Fund - The Road Machinery Fund is used to account for the purchase, repair and maintenance of highway machinery, tools and equipment and for the construction, purchase and maintenance of buildings for the storage and repair of highway machinery and equipment.

Transportation Fund - The Transportation Fund is used to account for the activities of a County-wide bus system, which is funded in part under the auspices of the Urban Mass Transportation Administration and the New York State Department of Transportation.

Special Purpose Fund - The Special Purpose Fund is used to account for assets held by the County in accordance with terms of a trust agreement.

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.

Note 1 - Summary of Significant Accounting Policies (Continued)

b. Proprietary Funds - Proprietary funds include enterprise and internal service funds. Enterprise funds are used to account for operations that are financed and operated in a manner similar to private enterprises or where the governing body has decided that periodic determination of revenues earned, expenses incurred and/or net income is necessary for management accountability. Enterprise funds are used to account for those operations that provide services to the public. Internal service funds account for operations that provide services to other departments or agencies of the government, or to other governments, on a cost reimbursement basis. The operations of the Putnam Tobacco Asset Securitization Corporation are recorded as a major enterprise fund. The County has established its Workers' Compensation Benefits and Casualty Reserve Benefits funds as internal service funds.

c. Fiduciary Funds (Not included in Government-Wide Financial Statements) - The Fiduciary Funds are used to account for assets held by the County on behalf of others. The Custodial Fund is used to account for real property taxes collected for other governments.

D. Measurement Focus, Basis of Accounting and Financial Statement Presentation

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 (current assets less current liabilities) or economic resources (all assets and liabilities). 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,* as are the Proprietary and Fiduciary funds. 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.

Governmental fund financial statements are reported using the *current financial resources measurement focus* and the *modified accrual basis of accounting*. Revenues are recognized when they have been earned and 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. Property taxes are considered to be available if collected within sixty days of the fiscal year end. If expenditures are the prime factor for determining eligibility, revenues from Federal and State grants are recognized as revenues when the expenditure is made and the amounts are expected to be collected within one year of the fiscal year end. A ninety day availability period is generally used for revenue recognition for most other governmental fund revenues. 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, net pension liability, certain pension costs and claims, other postemployment benefit liability and postclosure care costs, are recognized later based on specific accounting rules applicable to each, generally when payment is due. General capital assets acquisitions are reported as expenditures in governmental funds. Issuances of long-term debt are reported as other financing sources.

Note 1 - Summary of Significant Accounting Policies (Continued)

E. Assets, Liabilities, Deferred Outflows/Inflows of Resources and Net Position or Fund Balances

Cash and Equivalents, Investments and Risk Disclosure

Cash and Equivalents - Cash and equivalents consist of funds deposited in demand deposit accounts, time deposit accounts and short-term investments with original maturities of less than three months from the date of acquisition.

The County's deposits and investment policies are governed by State statutes. The County has adopted its own written investment policy which provides for the deposit of funds in FDIC insured commercial banks or trust companies located within the State. The County is authorized to use demand deposit accounts, time deposit accounts and certificates of deposit.

Collateral is required for demand deposit accounts, time deposit accounts and certificates of deposit at 100% of all deposits not covered by Federal deposit insurance. The County has entered into custodial agreements with the various banks which hold their deposits. These agreements authorize the obligations that may be pledged as collateral. Such obligations include, among other instruments, obligations of the United States and its agencies and obligations of the State and its municipal and school district subdivisions.

Investments - Permissible investments include obligations of the U.S. Treasury, U.S. Agencies, repurchase agreements and obligations of New York State or its political subdivisions.

The County follows the provisions of GASB Statement No. 72, "*Fair Value Measurement and Application",* which defines fair value and establishes a fair value hierarchy organized into three levels based upon the input assumptions used in pricing assets. Level 1 inputs have the highest reliability and are related to assets with unadjusted quoted prices in active markets. Level 2 inputs relate to assets with other than quoted prices in active markets which may include quoted prices for similar assets or liabilities or other inputs which can be corroborated by observable market data. Level 3 inputs are unobservable inputs and are used to the extent that observable inputs do not exist.

The County participates in the Cooperative Liquid Assets Securities System ("CLASS"), a cooperative investment pool, established pursuant to Articles 3A and 5G of General Municipal Law of the State of New York. CLASS has designated Public Trust Advisors, LLC as its registered investment advisor. Public Trust Advisors, LLC is registered with the Securities and Exchange Commission ("SEC") and is subject to all of the rules and regulations of an investment advisor handling public funds. As such, the SEC provides regulatory oversight of CLASS.

The pool is authorized to invest in various securities issued by the United States and its agencies, obligations of the State of New York and repurchase agreements. These investments are reported at fair value. CLASS issues separately available audited financial statements with a year end of June 30th.

Note 1 - Summary of Significant Accounting Policies (Continued)

The County's position in the pool, $16,764,372 is equal to the value of the pool shares. The maximum maturity for any specific investment in the portfolio is 397 days. CLASS is rated AAAm by Standard & Poor's Financial Services. Local government investment cooperatives in this rating category meet the highest standards for credit quality, conservative investment policies and safety of principle. The cooperative invests in a high-quality portfolio of investments legally permissible for municipalities and school districts in the State.

Additional information concerning the cooperative is presented in the annual report of CLASS, which may be obtained from Public Trust Advisors, LLC, 717 17th Street, Suite 1850, Denver, CO 80202.

Risk Disclosure

Interest Rate Risk - Interest rate risk is the risk that the government will incur losses in fair value caused by changing interest rates. The County does not have a formal investment policy that limits investment maturities as a means of managing its exposure to fair value losses arising from changing interest rates. Generally, the County does not invest in any long-term investment obligations.

Custodial Credit Risk - Custodial credit risk is the risk that in the event of a bank failure, the County's deposits may not be returned to it. GASB Statement No. 40, "*Deposit and Investment Risk Disclosures - an amendment of GASB Statement No. 3"*, directs that deposits be disclosed as exposed to custodial credit risk if they are not covered by depository insurance and the deposits are either uncollateralized, collateralized by securities held by the pledging financial institution or collateralized by securities held by the pledging financial institution's trust department but not in the County's name. The County's aggregate bank balances that were not covered by depository insurance were not exposed to custodial credit risk at December 31, 2025.

Credit Risk - Credit risk is the risk that an issuer or other counterparty will not fulfill its specific obligation even without the entity's complete failure. The County does not have a formal credit risk policy other than restrictions to obligations allowable under General Municipal Law of the State of New York.

Concentration of Credit Risk - Concentration of credit risk is the risk attributed to the magnitude of a government's investments in a single issuer. The County's investment policy limits the amount on deposit at each of its banking institutions.

Restricted Cash - Restricted cash in the Capital Projects Fund consist of unspent proceeds held by an escrow agent from the County's Energy Performance Contract.

Taxes Receivable - The County levies property taxes for both the County and towns on January 1st, based on an enforceable lien date established November 1st. These taxes are due in March and/or July depending upon the taxpayer's election. These taxes are collected initially by the various towns, and the uncollected taxes are returned to the County on April 1st and/or August 1st depending upon the taxpayer's election to make payment either in full or in two installments. School districts taxes are levied by the school districts, with all uncollected taxes returned to the County on November 1st. Village taxes are levied by the Villages, with all uncollected taxes returned to the County on February 1st. The County guarantees the collection of town, school districts and village taxes and assumes responsibility for the ultimate collection of these receivables. Taxes receivable are reported net of an allowance for uncollectible amounts. Thus the County's fiduciary responsibility is from the date of

Note 1 - Summary of Significant Accounting Policies (Continued)

the levy until the due date of the respective tax warrant at which time the County must satisfy its obligations regardless of the amounts collected. School districts taxes collected prior to the satisfaction of the respective warrants are considered a fiduciary activity under the provisions of GASB Statement No. 84*, "Fiduciary Activities"*, and therefore have been accounted for within the Custodial Fund.

Other Receivables - Other receivables include amounts due from other governments and individuals for services provided by the County. Receivables are recorded and revenues recognized as earned or as specific program expenditures/expenses are incurred. Allowances are recorded when appropriate.

Leases Receivable - The County is a lessor for noncancellable leases of real property. The County recognizes a lease receivable and a deferred inflow of resources in the government-wide and General 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 commence date. Subsequently, the deferred inflow of resources is recognized as revenue over the life of the lease term.

Key estimates and judgements include how the County determines (1) the discount rate it uses to discount the expected lease receipts to present value, 2) lease-term, and (3) lease receipts.

- The County uses its estimated incremental borrowing rate as the discount rate for leases.
- The lease term includes the noncancellable period of the lease. Lease receipts included in the measurement of the lease receivable is composed of fixed payments from the lessee.

The County monitors changes in circumstances that would require remeasurement of its lease, and will remeasure the lease receivable and deferred inflows of resources if certain changes occur that are expected to significantly affect the amount of the lease receivable.

Due From/To Other Funds and Due From/To Fiduciary Fund - During the course of its operations, the County has numerous transactions between funds to finance operations, provide services and construct assets. To the extent that certain transactions between funds had not been paid or received as of December 31, 2025, balances of interfund amounts receivable or payable have been recorded in the fund financial statements. Any residual balances outstanding between the governmental activities and business-type activities are reported in the government-wide financial statements as internal balances.

Inventory - There are no inventory values presented in the balance sheets of the respective funds of the County. Purchases of inventoriable items at various locations are recorded as expenditures at the time of purchase and year-end balances at these locations are not material.

Prepaid Expenses/Expenditures - Certain payments to vendors reflect costs applicable to future accounting periods and are recorded as prepaid items using the consumption method in both the government wide and fund financial statements. Prepaid expenses/expenditures consist of employee retirement and other costs which have been satisfied prior to the end of the fiscal year, but represent items which have been provided for in the subsequent year's budget and/or will benefit such periods. Reported amounts in governmental funds are equally offset by nonspendable

Note 1 - Summary of Significant Accounting Policies (Continued)

fund balance in the fund financial statements, which indicates that these amounts do not constitute "available spendable resources" even though they are a component of current assets.

Restricted Cash and Equivalents - The terms of the bond indenture of the Putnam Tobacco Asset Securitization Corporation provide for the establishment of a liquidity reserve. The reserve has been established at the maximum annual debt service requirements in the current and any future fiscal year, assuming principal is paid in accordance with the requirements of the indenture.

The terms of the bond indenture also provide for the establishment of a trapping account. Following the occurrence of a trapping event, amounts that otherwise would have been paid on the residual certificate to the County will be deposited in the trapping account and will be restricted to pay interest, required planned structured principal payments and turbo redemption payments, in such order, to the extent collections or other available amounts are insufficient for such purposes.

Capital Assets - Capital assets are tangible and intangible assets, which include property, plant, equipment, construction-in-progress and infrastructure assets (e.g., roads, bridges, sidewalks and similar items) and are reported in the governmental activities column in the government-wide financial statements. Capital assets are defined by the County as assets with an initial, individual cost of more than $5,000 and an estimated useful life in excess of one year. Such assets (except intangible right-to-use assets, which are discussed in Note 3E) are recorded at historical cost or estimated historical cost if purchased or constructed. Donated capital assets are recorded at acquisition value at the date of donation. Acquisition value is the price that would be paid to acquire an asset with equivalent service potential on the date of donation. Intangible assets follow the same capitalization policies as tangible assets and are reported with tangible assets in the appropriate capital asset class.

In the case of the initial capitalization of general infrastructure assets (i.e., those reported by governmental activities), the County chose to include all such items regardless of their acquisition date or amount. The County was able to estimate the historical cost for the initial reporting of these assets through backtrending (i.e., estimating the current replacement cost of the infrastructure to be capitalized and used an appropriate price level index to deflate the cost to the acquisition year or estimated acquisition year).

Major outlays for capital assets and improvements are capitalized as projects are constructed. The cost of normal maintenance and repairs that do not add to the value of the asset or materially extend assets lives is not capitalized.

Land and construction-in-progress are not depreciated. The other tangible and intangible property, plant, equipment and infrastructure and right-to-use assets of the County are depreciated/amortized using the straight line method over the following estimated useful lives.

Class	Life in Years
Buildings and improvements	20-50
Machinery and equipment	5-10
Infrastructure	30-50
Right-to-use Buildings and Improvements	2-10
Right-to-use Machinery and Equipment	2-7
Right-to-use Infrastructure	4-14

Note 1 - Summary of Significant Accounting Policies (Continued)

The costs associated with the acquisition or construction of capital assets are shown as capital outlay expenditures on the governmental fund financial statements. Capital assets are not shown on the governmental funds balance sheet.

Unearned Revenues - Unearned revenues arise, when assets are recognized before revenue recognition criteria has been satisfied. In the government-wide financial statements, unearned revenues consist of amounts received in advance and/or revenue from grants received before the eligibility requirements have been met.

Unearned revenues in fund financial statements are those where asset recognition criteria have been met, but for which revenue recognition criteria have not been met. The County has reported unearned revenues of $4,542,880 in American Rescue Plan Act funds received in advance in the General Fund and has reported unearned revenues of $3,319,866 for State aid and other items received in advance in the General Fund. The County has also reported unearned revenues of $3,108,737 for water shed aid received in advance in the Capital Projects Fund. Such amounts have been deemed to be measurable but not "available" pursuant to generally accepted accounting principles.

Deferred Outflows/Inflows of Resources - In addition to assets, the statement of financial position includes a separate section for deferred outflows of resources. This separate financial statement element represents a consumption of net assets that applies to a future period and so will not be recognized as an outflow of resources (expense/expenditure) until then.

In addition to liabilities, the statement of financial position includes a separate section for deferred inflows of resources. This separate financial statement element represents an acquisition of net assets that applies to a future period and so will not be recognized as an inflow of resources (revenue) until that time.

The County reported deferred inflows of resources of $18,147,840 for real property taxes, unavailable revenues of $4,020,599, lease related of $567,296, Opioid related of $2,185,648 and JUUL related of $319,417 in the General Fund. These amounts are deferred and recognized as an inflow in the period that the amounts become available.

The County reported deferred amounts on refunding bonds resulting from the difference in the carrying value of the refunded debt and its reacquisition price in the government-wide financial statement for governmental activities. This amount is being deferred and amortized over the shorter of the life of the refunded or refunding debt.

The County has also reported deferred outflows of resources and deferred inflows of resources in relation to its pension and other postemployment benefit liabilities in the government-wide financial statement for governmental activities. These amounts are detailed in the discussion of the County's pension and other postemployment benefit liabilities in Note 3G.

Long-Term Liabilities - In the government-wide financial statements, long-term debt and other long-term obligations are reported as liabilities in the Statement of Net Position. Bond premiums and discounts are deferred and amortized over the life of the bonds. Bonds payable are reported net of the applicable bond premium or discount. Bond issuance costs are expensed as incurred.

In the fund financial statements, governmental funds recognize bond premiums and discounts, as well as bond issuance costs, during the current period. The face amount of the debt issued is reported as other financing sources. Premiums received on debt issuances are reported as other

Note 1 - Summary of Significant Accounting Policies (Continued)

financing sources while discounts on debt issuances are reported as other financing uses. Issuance costs, whether or not withheld from the actual debt proceeds received, are reported as Debt Service or Capital Projects funds expenditures.

Leases - The County is a lessee for noncancellable leases of equipment. The County recognizes a lease liability and an intangible right-to-use lease asset ("lease asset") in the government-wide financial statements. The County recognizes lease liabilities with an initial, individual value of $10,000 or more.

At the commencement of a lease, the County initially measures the lease liability at the present value of payments expected to be made during the lease term. Subsequently, the lease liability is reduced by the principal portion of lease payments made. The lease asset is initially measured as the initial amount of the lease liability, adjusted for lease payments made at or before the lease commencement date, plus certain initial direct costs. Subsequently, the lease asset is amortized on a straight-line basis over its useful life. Key estimates and judgments related to leases include how the County determines (1) the discount rate it uses to discount the expected lease payments to present value, (2) lease term, and (3) lease payments.

The County uses the interest rate 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 term includes the noncancellable period of the lease. Lease payments included in the measurement of the lease liability are comprised 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 and will remeasure the lease asset and liability if certain changes occur that are expected to significantly affect the amount of the lease liability.

Right-to-use lease assets are reported with other capital assets and right-to-use lease liabilities are reported with long-term liabilities on the Statement of Net Position.

Subscription-Based Information Technology Arrangements – The County has entered into subscription-based information technology arrangements ("SBITA's") with various vendors. SBITA's are defined as arrangements in which a government entity contracts with a vendor to access and use software applications and related data posted by the vendor on the vendors' servers. The County recognizes right-to-use subscription assets associated with its SBITA agreements and discloses the total amount of subscription assets and the related accumulated amortization, disclosed separately from other capital assets. The County also discloses any payments not included in the measurement of subscription assets.

Compensated Absences - The liability for compensated absences represents the vacation and sick time ("leave"/"leave days") and salary related payments which have been earned for services previously rendered by employees in accordance with the County's various collective bargaining agreements, accumulates, is allowed to be carried over to subsequent year(s) and is deemed more likely than not (by management) to be used for time off or otherwise paid/settled in the future. The liability is calculated based on each employees' rate of pay and the number of unused leave days accumulated as of year-end, management's assumption that the likelihood of future use (either by use during employment or settlement/payment upon separation from service) is probable, and the salary-related payments that are directly and incrementally associated with payments for the leave. The County utilizes historical data of past usage patterns to estimate the expected usage and payment of compensated absences. The liability for compensated absences is reflected in the

Note 1 - Summary of Significant Accounting Policies (Continued)

government-wide financial statements as current and long-term liabilities. In the fund financial statements, only the compensated absences liability that has matured through employee resignation or retirement and is expected to be payable from expendable available financial resources is reported. The financial reporting of these amounts are presented in accordance with the provisions of GASB Statement No. 101 "*Compensated Absences*".

Net Pension Liability (Asset) - The net pension liability (asset) represents the County's proportionate share of the net pension liability (asset) of the New York State and Local Employees' Retirement System. The financial reporting of these amounts are presented in accordance with the provisions of GASB Statement No. 68, *"Accounting and Financial Reporting for Pensions"* and GASB Statement No. 71, *"Pension Transition for Contributions Made Subsequent to the Measurement Date – An Amendment of GASB Statement No. 68"*.

Other Postemployment Benefit Liability ("OPEB") – In addition to providing pension benefits, the County provides health care benefits for certain retired employees and their survivors. The financial reporting of these amounts are presented in accordance with the provisions of GASB Statement No. 75, *"Accounting and Financial Reporting for Postemployment Benefits Other Than Pensions".*

Net Position - represents the difference between assets and deferred outflows of resources less liabilities and deferred inflows of resources. Net position is comprised of three components: net investment in capital assets, restricted, and unrestricted.

Net investment in capital assets consists of capital assets, net of accumulated depreciation/amortization and reduced by outstanding balances of bonds and other debt that are attributable to the acquisition, construction, or improvement of those assets. Deferred outflows of resources and deferred inflows of resources that are attributable to the acquisition, construction, or improvement of those assets or related debt are also included in this component of net position.

Restricted net position consists of restricted assets and deferred outflows of resources reduced by liabilities and deferred inflows of resources related to those assets. Assets are reported as restricted when constraints are placed on asset use either through enabling legislation adopted by the County or through external restrictions imposed by creditors, grantors, or laws or regulations of other governments. Restricted net position of the County includes restricted for casualty reserve benefits, workers' compensation benefits, law enforcement, health, opioid, driving while intoxicated program, grants and obligations, debt service, and special revenue funds.

Unrestricted net position is the net amount of the assets, deferred outflows of resources, liabilities, and deferred inflows of resources that does not meet the definition of the two preceding categories.

Sometimes the County will fund outlays for a particular purpose from both restricted 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.

Note 1 - Summary of Significant Accounting Policies (Continued)

Fund Balance - Generally, fund balance represents the difference between current assets and deferred outflows of resources and current liabilities and deferred inflows of resources. In the fund financial statements, governmental funds report fund classifications that comprise a hierarchy based primarily on the extent to which the County is bound to honor constraints on the specific purposes for which amounts in those funds can be spent. Under this standard the fund balance classifications are as follows:

Nonspendable fund balance includes amounts that cannot be spent because they are either not in spendable form (inventories, prepaid amounts, long-term receivables, advances) or they are legally or contractually required to be maintained intact (the corpus of a permanent fund).

Restricted fund balance is reported when constraints placed on the use of the resources are imposed by grantors, contributors, laws or regulations of other governments or imposed by law through enabling legislation. Enabling legislation includes a legally enforceable requirement that these resources be used only for the specific purposes as provided in the legislation. This fund balance classification is used to report funds that are restricted for debt service obligations and for other items contained in the General Municipal Law of the State of New York.

Committed fund balance is reported for amounts that can only be used for specific purposes pursuant to formal action of the entity's highest level of decision making authority. The County Legislature is the highest level of decision making authority for the County that can, by the adoption of a resolution prior to the end of the fiscal year, commit fund balance. Once adopted, these funds may only be used for the purpose specified unless the County removes or changes the purpose by taking the same action that was used to establish the commitment. This classification includes certain amounts established and approved by the County Legislature.

Assigned fund balance, in the General Fund, represents amounts constrained either by policies of the County Legislature for amounts assigned for balancing the subsequent year's budget or the County Commissioner of Finance for amounts assigned for encumbrances. Unlike commitments, assignments generally only exist temporarily, in that additional action does not normally have to be taken for the removal of an assignment. An assignment cannot result in a deficit in the unassigned fund balance in the General Fund. Assigned fund balance in all funds except the General Fund includes all remaining amounts, except for negative balances, that are not classified as nonspendable and are neither restricted nor committed.

Unassigned fund balance, in the General Fund, represents amounts not classified as nonspendable, restricted, committed or assigned. The General Fund is the only fund that would report a positive unassigned fund balance. For all governmental funds other than the General Fund, any deficit fund balance is reported as unassigned.

In order to calculate the amounts to report as restricted and unrestricted 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. When both restricted and unrestricted amounts of fund balance are available for use for expenditures incurred, it is the County's policy to use restricted amounts first and then unrestricted amounts as they are needed.

Note 1 - Summary of Significant Accounting Policies (Continued)

For unrestricted amounts of fund balance, it is the County's policy to use fund balance in the following order: committed, assigned, and unassigned.

F. Encumbrances

In governmental funds, encumbrance accounting, under which purchase orders, contracts and other commitments for the expenditure of monies are recorded in order to reserve applicable appropriations, is generally employed as an extension of formal budgetary integration in the General, County Road, Transportation and Road Machinery funds. Encumbrances outstanding at year-end are generally reported as assigned fund balance since they do not constitute expenditures or liabilities.

G. Use of Estimates

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

H. Subsequent Events Evaluation by Management

Management has evaluated subsequent events for disclosure and/or recognition in the financial statements through the date that the financial statements were available to be issued, which date is September 17, 2026.

Note 2 - Stewardship, Compliance and Accountability

A. Budgetary Data

The County generally follows the procedures enumerated below in establishing the budgetary data reflected in the financial statements:

a) On or before October 1st, the County Executive submits to the County Legislature a tentative operating budget for the fiscal year commencing the following January 1st. The tentative budget includes proposed expenditures and the means of financing.

b) The County Executive and Commissioner of Finance meet with the Budget and Finance Committee of the Legislature within five days after transmittal of the tentative budget to review the budget document.

c) The Committee conducts a public hearing on the tentative budget to obtain taxpayer comments.

d) A report of the Committee must be filed by October 20th, which includes the Committee's recommendations.

Note 2 - Stewardship, Compliance and Accountability (Continued)

e) On or before October 25th, the Legislature conducts a public hearing on the tentative budget.

f) After the public hearing and prior to October 28th, the Legislature meets to consider and adopt the budget.

g) All line item changes with the exception of the Legislature's own budget are subject to Executive veto and such vetoes require two thirds majority by the Legislature to override. This process is completed and the final budget is adopted by November 15th.

h) Formal budgetary integration is employed during the year as a management control device for General, County Road, Road Machinery, Transportation and Debt Service funds.

i) Budgets for General, County Road, Road Machinery, Transportation and Debt Service funds are legally adopted annually on a basis consistent with generally accepted accounting principles. The Capital Projects Fund is budgeted on a project basis. Annual budgets are not legally adopted for the Proprietary or Special Purpose funds since other means control the use of these resources (e.g., grant awards) and sometimes span a period of more than one fiscal year.

j) The County Legislature has established legal control of the budget at the function level of expenditures. The County Auditor, who must approve all expenditures from General, County Road, Road Machinery, Transportation and Capital Projects funds, may not authorize the disbursement of funds by the Commissioner of Finance unless the necessary funds have been appropriated. All functional transfers shall be subject to the following authorization:

(1) Transfers less than $5,000 may be authorized by the Commissioner of Finance.
(2) Transfers between $5,000 and $10,000 may be authorized by the County Executive.
(3) Transfers less than $10,000 must be approved by the Chairperson of Audit or his/her designee.
(4) Transfers between $10,000 and $25,000 must be approved by the Audit and Administrative Committee.
(5) Transfers over $25,000 shall require approval of the Legislature for transfers between functions of a fund. Management may transfer the budgeted amounts within a function of a fund without a dollar limitation.
(6) Amendments which increase total fund appropriations require approval by the Legislature.

k) Appropriations in the General, County Road, Road Machinery, Transportation and Debt Service funds lapse at the end of the fiscal year, except that outstanding encumbrances are reappropriated in the succeeding year pursuant to the Uniform System of Accounts promulgated by the Office of the State Comptroller.

B. Property Tax Limitation

The County is permitted by the Constitution of the State of New York to levy taxes for purposes other than debt service up to 1-1/2% of the five-year average full valuation of taxable real estate located within the County. In accordance with this provision, the maximum amount of the tax levy for 2025 was $258,598,059, which exceeded the actual levy by $212,385,747.

Note 2 - Stewardship, Compliance and Accountability (Continued)

Chapter 97 of the New York State Laws of 2011, as amended ('Tax Levy Limitation Law") modified previous law by imposing a limit on the amount of real property taxes a local government may levy. The following is a brief summary of certain relevant provisions of the Tax Levy Limitation Law. The summary is not complete and the full text of the Tax Levy Limitation Law should be read in order to understand the details and implementations thereof.

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

C. Fund Deficit

The Putnam Tobacco Asset Securitization Corporation Enterprise Fund reflects a deficit at December 31, 2025 of $17,584,171. This deficit will be reduced annually with the receipt of tobacco revenues.

D. New Accounting Pronouncement

GASB Statement No. 102, "*Certain Risk Disclosures*", provides guidance on disclosure for risks related to a government's vulnerabilities due to certain concentrations or constraints. A concentration is defined as a lack of diversity related to an aspect of a significant inflow of resources or outflow of resources. A constraint is a limitation imposed on a government by an external party or by formal action of the government's highest level of decision-making authority. Concentrations and constraints may limit a government's ability to acquire resources or control spending. Under this Statement, a government is required to assess whether an event or events associated with a concentration or constraint that could cause substantial impact have occurred, have begun to occur, or are more likely than not to begin to occur within 12 months of the date the financial statements are issued. The requirements of GASB Statement No. 102 are effective for the County's fiscal year ended December 31, 2025. Management has determined that no events have occurred, have begun to occur or are more likely than not to begin to occur within 12 months of the date the financial statements are issued.

Note 3 - Detailed Notes on All Funds

A. Investments

Investments in the General Fund and Capital Projects Fund at December 31, 2025 consist of the following:

General Fund	
CLASS-see Note 1	$ 13,656,106
Certificates of deposit (maturities greater than 3 months)	106,247,478
NY Munitrust	6,065,410
	125,968,994
Capital Fund	
CLASS-see Note 1	3,108,266
Total	$ 129,077,260

Restricted Cash and Equivalents – Proprietary Fund

Restricted cash and equivalents, Enterprise Fund, at December 31, 2025 consisted of US Treasury Money Market of $1,212,934 at December 31, 2025.

B. Taxes Receivable

Taxes receivable at December 31, 2025 consisted of the following:

Returned school and village taxes	$ 496,060
Tax liens	19,617,717
Taxes receivable - Pending	5,759,682
Property acquired for taxes	774,473
	26,647,932
Allowance for uncollectible taxes	(6,645,315)
	$ 20,002,617

Returned school and village taxes have been relevied in the subsequent year as County taxes. Taxes receivable are also partially offset by deferred tax revenues of $18,147,840, which represents an estimate of the receivable which will not be collected within the first sixty days of the subsequent year.

C. Interfund Receivables/Payables

The composition of due from/to other funds at December 31, 2025 were as follows:

Fund	Due From	Due To
General	$ -	$ 10,451,445
Capital Projects	-	499,820
Non-Major Governmental	10,442,581	-
Internal Service	508,684	-
	$ 10,951,265	$ 10,951,265

Note 3 - Detailed Notes on All Funds (Continued)

The composition of due from/to the fiduciary fund at December 31, 2025 were as follows:

Fund	Due From	Due To
General	$ 13,990,066	$ -
Fiduciary	-	13,990,066
	$ 13,990,066	$ 13,990,066

The outstanding balances between funds results mainly from the time lag between the dates that 1) interfund goods and services are provided or reimbursable expenditures occur, 2) transactions are recorded in the accounting system and 3) payments between funds are made.

D. Leases Receivable

The County leases real property. The leases range from twenty-three to one hundred eighty months and the County will receive monthly payments ranging from $800 to $14,200. The County recognized $270,438 in lease revenue and $8,689 in interest revenue during the current fiscal year related to these leases. As of December 31, 2025, the County's receivable for lease payments was $632,005. Also, the County has a deferred inflow of resources associated with these leases that will be recognized as revenue over the lease term. As of December 31, 2025, the balance of the deferred inflow of resources was $567,296.

Leases receivable at December 31, 2025 are due as follows:

	Principal	Interest
2026	$ 144,528	$ 7,102
2027	38,524	6,476
2028	39,054	5,946
2029	39,591	5,409
2030	40,136	4,864
2031-2035	270,682	14,318
2036	59,490	510
	$ 632,005	$ 44,625

E. Capital Assets

Changes in the County's capital assets are as follows:

	Balance January 1, 2025	Additions	Deletions	Balance December 31, 2025
Capital Assets, not being depreciated				
Land	$ 6,617,653	$ -	$ -	$ 6,617,653
Construction-in-Progress	56,749,782	26,070,299	5,850,035	76,970,046
Total Capital Assets, not being Depreciated	$ 63,367,435	$ 26,070,299	$ 5,850,035	$ 83,587,699

Note 3 - Detailed Notes on All Funds (Continued)

	Balance January 1, 2025	Additions	Deletions	Balance December 31, 2025
Capital Assets, being depreciated/amortized:				
Buildings and Improvements	$ 117,228,251	$ 4,055,674	$ 618,545	$ 120,665,380
Machinery and Equipment	37,932,209	4,062,913	1,306,377	40,688,745
Infrastructure	114,562,591	14,403,835	-	128,966,426
Right-to-use Buildings and Improvements	989,181	-	-	989,181
Right-to-use Machinery and Equipment	951,392	-	-	951,392
Right-to-use Infrastructure	1,054,306	-	-	1,054,306
Right-to-use Subscription assets	-	2,771,760	-	2,771,760
Total Capital Assets, being Depreciated/Amortized	272,717,930	25,294,182	1,924,922	296,087,190
Less Accumulated Depreciation/Amortization for:				
Buildings and Improvements	82,210,922	3,054,196	618,545	84,646,573
Machinery and Equipment	29,128,773	2,597,421	1,306,377	30,419,817
Infrastructure	75,596,394	4,724,379	-	80,320,773
Right-to-use Buildings and Improvements	385,901	123,410	-	509,311
Right-to-use Machinery and Equipment	513,720	161,486	-	675,206
Right-to-use Infrastructure	274,040	90,066	-	364,106
Right-to-use Subscription assets	-	554,352	-	554,352
Total Accumulated Depreciation/ Amortization	188,109,750	11,305,310	1,924,922	197,490,138
Capital Assets, being Depreciated/Amortized, net	$ 84,608,180	$ 13,988,872	$ -	$ 98,597,052
Capital Assets, net	$ 147,975,615	$ 40,059,171	$ 5,850,035	$ 182,184,751

Depreciation/Amortization expense was charged to the County's functions and programs as follows:

Governmental Activities	
General Government Support	$ 1,302,658
Education	84,385
Public Safety	2,251,735
Health	79,473
Transportation	5,348,933
Economic Opportunity and Development	773,206
Culture and Recreation	1,460,362
Home and Community Services	4,558
Total Depreciation/Amortization Expense	$ 11,305,310

Note 3 - Detailed Notes on All Funds (Continued)

F. Accrued Liabilities

Accrued Liabilities at December 31, 2025 were as follows:

	Governmental Activities	Business - Type Activities	Total
Payroll and employee benefits	$ 1,760,308	$ -	$ 1,760,308
Other	942,509	61,417	1,003,926
Total Accrued Liabilities	$ 2,702,817	$ 61,417	$ 2,764,234

G. Long-Term Liabilities

The following table summarizes changes in the County's long-term liabilities for the year ended December 31, 2025:

	Balance January 1, 2025	New Issues and/or Additions	Maturities and/or Payments	Balance December 31, 2025	Due Within One Year
Governmental Activities					
General Obligation Bonds Payable	$ 34,010,000	$ -	$ 5,320,000	$ 28,690,000	$ 4,450,000
Plus					
Unamortized premium on bonds	1,511,084	-	310,747	1,200,337	236,657
	35,521,084	-	5,630,747	29,890,337	4,686,657
Energy Performance Contract Payable	3,422,239	-	203,034	3,219,205	208,717
Financed Purchases Payable	494,926	-	494,926	-	-
Leases Payable	1,820,330	-	394,279	1,426,051	225,009
Subscriptions Payable	-	2,771,760	500,000	2,271,760	926,588
Other Non-current Liabilities					
Compensated Absences	10,306,596	1,055,217 *	-	11,361,813	1,136,000
Net Pension Liability	29,561,346	4,220,067	-	33,781,413	-
Claims Payable	4,317,273	630,552	638,927	4,308,898	431,000
Other Postemployment Benefit Liability	209,836,752	13,207,248	33,221,739	189,822,261	5,800,000
Postclosure Care Costs	1,012,077	-	1,280	1,010,797	2,000
Total Other Non-Current Liabilities	255,034,044	19,113,084	33,861,946	240,285,182	7,369,000
Governmental Activities Long-Term Liabilities	$ 296,292,623	$ 19,113,084	$ 40,584,932	$ 277,092,535	$ 13,415,971
Business-Type Activities					
PTASC Bonds Payable	$ 21,020,424	$ -	$ 100,001	$ 20,920,423	$ 400,000
Plus					
Unamortized original issue discount and unaccreted amounts on bonds	(1,094,707)	-	(377,466)	(717,241)	-
Business-Type Activities Long-Term Liabilities	$ 19,925,717	$ -	$ (277,465)	$ 20,203,182	$ 400,000

* The change in the compensated absences liability is presented as a net change.

Note 3 - Detailed Notes on All Funds (Continued)

Governmental fund liabilities for general obligation bonds and leases are liquidated by the Debt Service Fund, which is funded by other governmental funds and property taxes. The liability for leases payable, subscriptions, compensated absences, net pension liability, claims payable, other postemployment benefit liability and postclosure care costs are liquidated by the General, County Road, Road Machinery, and Worker Compensation funds.

General Obligation Bonds Payable

General obligation bonds payable at December 31, 2025 are comprised of the following individual issues:

Purpose	Year of Issue	Original Issue Amount	Final Maturity	Interest Rates	Amount Outstanding at December 31, 2025
Public improvement	2010	$ 4,740,000	November, 2028	6.436 - 7.213 %	$ 1,065,000
Refunding	2013	19,965,000	January, 2036	3.000 - 3.25	9,975,000
Public improvement	2014	3,478,274	November, 2031	2.125 - 3.000	1,485,000
Refunding	2015	11,060,000	January, 2031	2.750 - 5.000	5,555,000
Public improvement	2016	2,114,575	June, 2031	2.000 - 2.250	990,000
Public improvement	2016	2,100,000	June, 2028	2.250 - 2.500	630,000
Public improvement	2017	3,333,350	June, 2028	2.000	1,080,000
Public improvement	2017	800,000	June, 2027	2.750 - 2.875	195,000
Public improvement	2018	2,033,125	June, 2030	3.000	1,000,000
Public improvement	2020	5,845,300	June, 2033	1.000 - 1.125	4,005,000
Refunding	2020	2,865,000	November, 2026	4.000	525,000
Public improvement	2021	3,058,000	June, 2032	1.000 - 2.000	2,185,000
					$ 28,690,000

Interest expenditures of $952,812 were recorded in the fund financial statements in the Debt Service Fund. Interest expense of $756,464 was recorded in the government-wide financial statements for governmental activities.

Energy Performance Contract Payable

The County, during 2020, entered into a $4,184,693 contractual agreement to install energy saving equipment and/or to upgrade existing facilities to enhance performance. The agreement provides for annual payments of $298,823, including interest at 2.799% through April 2038. The contract further provides that the savings in energy costs resulting from this modernization will equal or exceed the payment terms. Interest expenditures of $95,788 were recorded in the fund financial statements in the Debt Service Fund. Interest expense of $91,999 was recorded in the government-wide financial statements for governmental activities. The balance due at December 31, 2025 was $3,219,205.

Financed Purchases Payable

During 2025, the County amended its financed purchase agreement, which was reclassified as a software subscription liability in accordance with GASB Statement No. 96. As a result, the financed purchase payable was extinguished during the year, and the balance outstanding at December 31, 2025 was $0. Interest expenditures of $416 incurred prior to the modification were recognized in the Debt Service Fund and in the government-wide financial statements for governmental activities. See the Software Subscription Liability note for additional information.

Note 3 - Detailed Notes on All Funds (Continued)

Leases Payable

Leases payable as of December 31, 2025 are comprised of the following individual agreements:

Purpose	Year of Issue	Original Issue Amount	Final Maturity	Amount Outstanding at December 31, 2025
Buildings	2016	$ 69,980	2026	$ 2,998
Buildings	2016	804,674	2031	488,311
Equipment	2024	480,970	2027	152,439
Equipment	2022	74,692	2028	32,430
Infrastructure	2021	994,141	2035	749,873
				$ 1,426,051

Interest expense of $22,878 was recorded in the fund financial statements in the Debt Service Fund and in the government-wide financial statements for governmental activities.

Subscription Liability

During 2025, the County amended an existing financing agreement related to the Sheriff's Office body camera system. As a result of the modification, the agreement met the definition of a subscription-based information technology arrangement (SBITA) under GASB Statement No. 96, *Subscription-Based Information Technology Arrangements*. Accordingly, the previously reported financed purchase payable was derecognized, and a software subscription liability and corresponding subscription asset were recognized.

The subscription arrangement provides the Sheriff's Office with the right to use the vendor's cloud-based software platform for body-worn camera management, digital evidence storage, retrieval, and related software functionality over the subscription term. The subscription asset is amortized over the term of the agreement.

Interest expenditures of $-0- was recorded in the fund financial statements and interest expense of $63,982 was recorded in the government-wide financial statements for governmental activities.

Subscriptions payable at December 31, 2025 are comprised of the following individual agreements:

Purpose	Fiscal Year of Issue	Original Issue Amount	Final Maturity	Interest Rates	Amount Outstanding at December 31, 2025
Body Cameras	2025	$ 2,771,760	January, 2029	2.90 %	$ 2,271,760

Note 3 - Detailed Notes on All Funds (Continued)

Payments to Maturity

The annual requirements to amortize debt outstanding as of December 31, 2025 including interest payments of $4,114,461 are as follows:

Year Ended December 31,	Bonds		Energy Performance Contract		Leases	
	Principal	Interest	Principal	Interest	Principal	Interest
2026	$ 4,450,000	$ 783,102	$ 208,717	$ 90,106	$ 225,009	$ 15,711
2027	4,050,000	633,311	214,559	84,264	259,677	13,553
2028	4,090,000	500,464	220,564	78,258	164,852	11,023
2029	3,220,000	380,625	226,738	72,084	162,683	8,966
2030	3,315,000	300,125	233,084	65,738	167,298	6,899
2031-2035	8,500,000	620,419	1,267,013	227,100	446,532	10,877
2036-2038	1,065,000	17,306	848,530	47,938	-	-
	$ 28,690,000	$ 3,235,352	$ 3,219,205	$ 665,488	$ 1,426,051	$ 67,029

	Subscriptions		Total	
	Principal	Interest	Principal	Interest
2026	$ 926,588	$ 66,764	$ 5,810,314	$ 955,683
2027	435,468	39,532	4,959,704	770,660
2028	448,265	26,735	4,923,681	616,480
2029	461,439	13,561	4,070,860	475,236
2030	-	-	3,715,382	372,762
2031-2035	-	-	10,213,545	858,396
2036-2038	-	-	1,913,530	65,244
	$ 2,271,760	$ 146,592	$ 35,607,016	$ 4,114,461

The above general obligation bonds are direct borrowings of the County for which its full faith and credit are pledged and are payable from taxes levied on all taxable real property within the County.

Bonds payable of the Putnam Tobacco Asset Securitization Corporation (“PTASC”) at December 31, 2025 are comprised of the following:

	Balance January 1, 2025	Maturities and/or Payments	Balance December 31, 2025	Due Within One Year
Blended Component Unit				
Bonds Payable	$ 21,020,424	$ 100,001	$ 20,920,423	$ 400,000
Less:				
Unamortized Original Issue Discount on Term Bonds	(118,741)	25,564	(93,177)	-
Unaccreted amounts on Turbo Capital Appreciation Bonds	(975,966)	351,902	(624,064)	-
Business-Type Activities Long-Term Liabilities	$ 19,925,717	$ 477,467	$ 20,203,182	$ 400,000

Note 3 - Detailed Notes on All Funds (Continued)

PTASC issued bonds on August 25, 2005 and June 1, 2010 as follows:

$3,400,000 of Turbo Term Bonds due June 1, 2041 with interest at 6.25% and a projected final Turbo Redemption date of June 1, 2026.* Balance due at December 31, 2025 is $1,800,000.

$9,165,000 of Turbo Term Bonds due June 1, 2042 with interest at 5.0% and a projected final Turbo Redemption date of June 1, 2026.* Balance due at December 31, 2025 is $9,165,000.

$3,325,000 of Turbo Term Bonds due June 1, 2045 with interest at 5.0% and a projected final Turbo Redemption date of June 1, 2026.* Balance due at December 31, 2025 is $3,325,000.

$2,983,473 (net of unaccreted amounts of $127,522) of Turbo Capital Appreciation Bonds due June 1, 2050 with a yield of 5.875% and a projected final Turbo Redemption date of June 1, 2027.*

$3,022,886 (net of unaccreted amounts of $496,543) of Turbo Capital Appreciation Bonds due June 1, 2055 with a yield of 6.375% and a projected final Turbo Redemption date of June 1, 2029.*

*Assumes Turbo Redemption payments are made based on the receipt of surplus pledged TSR's in accordance with the Global Insight Base Case Forecast of future tobacco consumption.

A payment schedule, based upon planned structured principal maturities, is as follows:

Year Ended December 31,	Principal	Interest	Total
2026	$ 16,420,233 *	$ 368,500	$ 16,788,733
2027	1,789,063	-	1,789,063
2028	1,812,299	-	1,812,299
2029	898,828	-	898,828
2030	-	-	-
2031 and thereafter	-	-	-
	20,920,423	$ 368,500	$ 21,288,923
Unamortized Original Issue Discount on Term Bonds	(93,177)		
Unaccreted amounts on Capital Appreciation Bonds	(624,064)		
	$ 20,203,182		

* Principal payment assumes "catch up" payment is made June 1, 2026.

Note 3 - Detailed Notes on All Funds (Continued)

The required plan structured principal payments are as follows:

Year Ending December 31,	Amount
2026	$ 400,000
2027	400,000
2028	400,000
2029	500,000
2030	500,000
2031 and thereafter	18,720,424
	$ 20,920,423

Legal Debt Margin

The County is subject to legal limitations on the amount of debt that it may issue. The County's legal debt margin is 7% of the five year average full valuation of taxable real property.

Compensated Absences

County employees who are members of a labor union earn vacation leave based upon the terms of their particular collective bargaining agreement. Vacation leave is accumulated on a monthly basis up to a maximum of forty days and is payable upon termination. The maximum sick leave accumulation is 180 days. Sick leave accumulates on a monthly basis with all union employees earning twelve days per year. Accumulated sick leave lapses when employees leave the service of the County, with the exception of Deputy Sheriff's Benevolent Association employees. These employees, upon retirement from the County, are entitled to a sick leave buyout at daily rates ranging from $40 to $100 per day, depending on the number of days accumulated. The value of compensated absences has been reflected in the government-wide financial statements.

Pension Plans

New York State and Local Retirement System

The County participates in the New York State and Local Employees' Retirement System ("ERS") ("System"). This is a cost-sharing, multiple-employer defined benefit pension plan. 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 ("Fund"), which was established to hold all net assets and record changes in plan net position. The Comptroller of the State of New York serves as the trustee of the Fund and is the administrative head of the System. The Comptroller is an elected official determined in a direct statewide election and serves a four year term. Obligations of employers and employees to contribute and benefits to employees are governed by 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 County also participates in the Public Employees' Group Life Insurance Plan, which provides death benefits in the form of life insurance. The System is included in the State's financial report as a pension trust fund. That report, including information with regard to benefits provided may be found

Note 3 - Detailed Notes on All Funds (Continued)

at www.osc.state.ny.us/retire/about_us/financial_statements_/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 after July 2, 1976, who contribute 3% of their salary for the first ten years of membership, and employees who joined on or after January 1, 2010, who generally contribute between 3% and 6% of their salary for their entire length of service. Under the authority of the NYSRSSL, the Comptroller annually certifies the actuarially determined rates expressly used in computing the employers' contributions based on salaries paid during the System's fiscal year ending March 31. The employer contribution rates for the plan year ended March 31, 2025 are as follows:

Tier/Plan	Rate
2 75l	21.5 %
3 553	28.9
3 A14	17.8
4 553	28.9
4 89PBE	22.0
4 A15	17.8
5 553	26.8
5 89PBE	19.4
5 A15	15.3
6 553	22.5
6 89PBE	15.1
6 A15	11.3

At December 31, 2025, the County reported the following for its proportionate share of the net pension liability for ERS:

Measurement date	March 31, 2025
Net pension liability	$ 33,781,413
County's proportion of the net pension liability	0.1970253%
Change in proportion since the prior measurement date	(0.0037439)

The net pension liability was measured as of March 31, 2025 and the total pension liability used to calculate the net pension liability was determined by an actuarial valuation as of that date. The County's proportion of the net pension liability was based on a computation of the actuarially determined indexed present future value of future compensation by employer relative to the total of all participating members.

For the year ended December 31, 2025, the County recognized its proportionate share of pension expense in the government-wide financial statements of $6,671,141 for ERS. Pension expenditures of $9,715,936 for ERS were recorded in the fund financial statements and were charged to the following funds:

Note 3 - Detailed Notes on All Funds (Continued)

Fund	Amount
General	$ 9,250,847
County Road	358,277
Road Machinery	103,464
Transportation	3,348
	$ 9,715,936

At December 31, 2025, the County reported its proportionate share of deferred outflows of resources and deferred inflows of resources related to ERS:

	Deferred Outflows of Resources	Deferred Inflows of Resources
Differences between expected and actual experience	$ 8,384,774	$ 395,515
Changes of assumptions	1,416,725	-
Net difference between projected and actual earnings on pension plan investments	2,650,395	-
Changes in proportion and differences between County contributions and proportionate share of contributions	508,752	1,956,249
County contributions subsequent to the measurement date	7,565,321	-
	$ 20,525,967	$ 2,351,764

$7,565,321 reported as deferred outflows of resources related to ERS, resulting from the County's accrued contributions subsequent to the measurement date will be recognized as a reduction of the net pension liability in the plan's year ended March 31, 2026. Other amounts reported as deferred outflows of resources and deferred inflows of resources related to ERS will be recognized in pension expense as follows:

Year Ended March 31,	
2026	$ 5,618,473
2027	8,037,757
2028	(3,214,862)
2029	167,514
	$ 10,608,882

Note 3 - Detailed Notes on All Funds (Continued)

The total pension liability for the ERS measurement date was determined by using an actuarial valuation date as noted below, with update procedures used to roll forward the total pension liability to that measurement date. Significant actuarial assumptions used in the valuation were as follows:

Measurement Date	March 31, 2025
Actuarial valuation date	April 1, 2024
Investment rate of return	5.9% *
Salary scale	4.3%
Inflation rate	2.9%
Cost of living adjustments	1.5%

*Compounded annually, net of pension plan investment expenses, including inflation.

Annuitant mortality rates are based on the System's experience with adjustments for mortality improvements based on Society of Actuaries Scale MP-2021.

The actuarial assumptions used in the valuation are based on the results of an actuarial experience study for the period April 1, 2015 - March 31, 2020.

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

Asset Type	Target Allocation	Long-Term Expected Real Rate of Return
Domestic Equity	25 %	3.54 %
International Equity	14	6.57
Private Equity	15	7.25
Real Estate	12	4.95
Opportunistic / ARS Portfolio	3	5.25
Credit	4	5.40
Real Assets	4	5.55
Fixed Income	22	2.00
Cash	1	0.25
	100 %	

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

Note 3 - Detailed Notes on All Funds (Continued)

The discount rate used to calculate the total pension liability was 5.9%. The projection of cash flows used to determine the discount rate assumes that contributions from plan members will be made at the current contribution rates and that contributions from employers will be made at statutorily required rates, actuarially determined. Based upon those 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.

The following presents the County's proportionate share of the net pension liability (asset) calculated using the discount rate of 5.9%, as well as what the County's proportionate share of the net pension liability (asset) would be if it were calculated using a discount rate that is 1 percentage point lower (4.9%) or 1 percentage point higher (6.9%) than the current rate:

	1% Decrease (4.90%)	Current Discount Rate (5.90%)	1% Increase (6.90%)
County's proportionate share of the net pension liability (asset)	$ 97,767,663	$ 33,781,413	$ (19,647,147)

The components of the collective net pension liability (asset) for ERS as of the March 31, 2025 measurement date were as follows:

Total pension liability	$ 247,600,239,000
Fiduciary net position	230,454,512,000
Employers' net pension liability	$ 17,145,727,000
Fiduciary net position as a percentage of total pension asset	93.08%

Employer contributions to ERS are paid annually and cover the period through the end of the System's fiscal year, which is March 31st. Retirement contributions as of December 31, 2025 represent the employer contribution for the period of April 1, 2025 through December 31, 2025 based on prior year ERS wages multiplied by the employers' contribution rate, by tier. Retirement contributions to ERS for the nine months ended December 31, 2025 were $7,565,321.

Voluntary Defined Contribution Plan

The County can offer 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 County will contribute 8%. Employer contributions vest after 366 days of service. No current employees participated in this program.

Unpaid Claim Liabilities

The Internal Service Funds reflect workers' compensation claim liabilities which are based upon estimates of the ultimate cost of claims (including future claim adjustment expenses) that have been

Note 3 - Detailed Notes on All Funds (Continued)

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. Because 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.

An analysis of the activity of unpaid claim liabilities is as follows:

	2025	2024
Balance - Beginning of Year	$ 4,317,273	$ 4,326,737
Provision for Claims and Claims Adjustment Expenses	630,552	990,204
Claims and Claims Adjustment Expenses Paid	(638,927)	(999,668)
Balance - End of Year	$ 4,308,898	$ 4,317,273
Due Within One Year	$ 431,000	$ 432,000

Other Postemployment Benefit Liability ("OPEB")

In addition to providing pension benefits, the County provides certain health care benefits for retired employees through a single employer defined benefit OPEB plan. The various collective bargaining agreements stipulate the employees covered and the percentage of contribution. Contributions by the County may vary according to length of service. The cost of providing postemployment health care benefits is shared between the County and the retired employee as noted below. Substantially all of the County's employees may become eligible for those benefits if they reach normal retirement age while working for the County. No assets are accumulated in a trust that meets the criteria in paragraph 4 of GASB Statement No. 75, "*Accounting and Financial Reporting for Postemployment Benefits Other than Pensions*", so the net OPEB liability is equal to the total OPEB liability. Separate financial statements are not issued for the plan.

At December 31, 2025, the following employees were covered by the benefit terms:

Inactive employees currently receiving benefit payments	416
Active employees	572
	988

The County's total OPEB liability of $189,822,261 was measured as of January 1, 2025 and was determined by an actuarial valuation as of January 1, 2024.

Note 3 - Detailed Notes on All Funds (Continued)

The total OPEB liability in the January 1, 2024 actuarial valuation was determined using the following actuarial assumptions and other inputs, applied to all periods included in the measurement, unless otherwise specified:

Salary increases	2.00%, average, including 2.7% inflation
Discount rate	4.08%
Healthcare cost trend rates	6.4% for 2025, decreasing up to 0.87% per year to an ultimate rate of 4.5% for 2094 and later years
Retirees' share of benefit-related costs	Varies from 8% to 50%, depending on applicable retirement year and bargaining unit

The discount rate was based on Bond Buyer Weekly 20-Bond GO Index.

Mortality rates were based on the RPH-2014 Mortality Table for employees and healthy annuitants, sex distinct, with generational mortality adjusted to 2006 using scale MP-2014, and projected forward with scale MP-2021.

The County's change in the total OPEB liability for the year ended December 31, 2025 is as follows:

Total OPEB Liability - Beginning of Year	$ 209,836,752
Service cost	6,256,834
Interest	6,950,414
Changes of benefit terms	-
Differences between expected and actual experience	-
Changes in assumptions or other inputs	(27,440,322)
Benefit payments	(5,781,417)
Total OPEB Liability - End of Year	$ 189,822,261

The following presents the total OPEB liability of the County, as well as what the County's total OPEB liability would be if it were calculated using a discount rate that is 1 percentage point lower (3.08%) or 1 percentage point higher (5.08%) than the current discount rate:

	1% Decrease (3.08%)	Current Discount Rate (4.08%)	1% Increase (5.08%)
Total OPEB Liability	$ 224,046,317	$ 189,822,261	$ 162,750,064

The following presents the total OPEB liability of the County, as well as what the County's total OPEB liability would be if it were calculated using healthcare cost trend rates that are 1 percentage point lower (5.4% decreasing to 3.5%) or 1 percentage point higher (7.4% decreasing to 5.5%) than the current healthcare cost trend rates:

Note 3 - Detailed Notes on All Funds (Continued)

	1% Decrease (5.4% decreasing to 3.5%)	Healthcare Cost Trend Rates (6.4% decreasing to 4.5%)	1% Increase (7.4% decreasing to 5.5%)
Total OPEB Liability	$ 158,936,927	$ 189,822,261	$ 230,196,286

For the year ended December 31, 2025, the County recognized OPEB expense of $6,876,298 in the government-wide financial statements. At December 31, 2025, the County reported deferred outflows of resources and deferred inflows of resources related to OPEB from the following sources:

	Deferred Outflows of Resources	Deferred Inflows of Resources
Changes of assumptions or other inputs	$ 24,861,027	$ 58,029,116
Differences between expected and actual experience	1,787,577	28,054,086
County's contributions subsequent to the measurement date	6,206,628	-
	$ 32,855,232	$ 86,083,202

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

Year Ended December 31,	
2026	$ (7,289,643)
2027	(11,893,447)
2028	(14,482,096)
2029	(14,947,084)
2030	(6,438,380)
2031 and Thereafter	(4,383,948)
	$ (59,434,598)

Postclosure Care Costs

In 2008, the County recognized a pollution remediation expense amounting to $650,000 and a corresponding liability was recorded in the statement of net position. The liability related to future remediation activities associated with the removal of materials and soil contamination of a landfill. The expense provision was measured at its current value utilizing the prescribed expected cash

Note 3 - Detailed Notes on All Funds (Continued)

flow method. The pollution remediation obligation is an estimate and is subject to revision due to price increases or reductions, change in technology, or change in applicable laws or regulations and estimated recoveries reducing the liability. In 2009, the liability was decreased to $265,000 based on the County's intention to move the waste and reclaim and sell the land. In 2010, the liability was increased to $1,200,000 based on the County's revised plan to continue operating the landfill and capping it. In 2012 the landfill was capped. The remaining liability of $1,010,797 at December 31, 2025 is the estimated postclosure care costs that will be paid in the future for certain maintenance and monitoring costs at the site for the next 30 years. Actual costs may be higher due to inflation, changes in technology, or changes in regulations.

H. Significant Commitments - Encumbrances

As discussed in Note 2A, Budgetary Data, encumbrance accounting is utilized to the extent necessary to assure effective budgetary control and accountability and to facilitate effective cash planning and control. At December 31, 2025, the amount of encumbrances expected to be honored upon performance by the vendor in the next year were as follows:

Fund	Amount
General	$ 1,517,678
Non-Major Governmental	270,073
Total	$ 1,787,751

I. Revenues and Expenditures

Interfund Transfers

Interfund transfers are defined as the flow of assets, such as cash or goods and services, without the equivalent flow of assets in return. The interfund transfers reflected below have been reflected as transfers:

	Transfers In			
Transfers Out	General Fund	Capital Projects Fund	Non-Major Governmental Funds	Total
General Fund	$ -	$ 14,540,024	$ 43,060	$ 14,583,084
Capital Projects Fund	927,322	-	2,281	929,603
Non-Major Governmental Funds	351,019	-	-	351,019
	$ 1,278,341	$ 14,540,024	$ 45,341	$ 15,863,706

Transfers are used to 1) move amounts earmarked in the operating funds to fulfill commitments for Capital Projects Fund expenditures and to move funds from the fund with collection authorization to the funds where additional amounts are needed.

Note 3 - Detailed Notes on All Funds (Continued)

J. Net Position

The components of net position are detailed below:

Net Investment in Capital Assets - the component of net position that reports the difference between capital assets less both the accumulated depreciation and the outstanding balance of debt, excluding unexpended proceeds, that is directly attributable to the acquisition, construction or improvement of those assets.

Restricted for Casualty Reserve Benefits and Workers' Compensation Benefits - the component of net position that have been established to set aside funds to be used for a specific purpose in accordance with Section 6N and 6J of General Municipal Law.

Restricted for Law Enforcement - the component of net position that represents the unexpended proceeds of seized funds which are restricted by New York State Law for use in law enforcement activities.

Restricted for Health - Adolescent Tobacco Use Prevention Act - the component of net position restricted by state regulations representing 50% of collections of tobacco related infractions to be used to support health education related activities.

Restricted for Opioid – the component of net position restricted by State Finance Law section 99-nn, *Opioid Settlement Fund.* Money shall only be expended on eligible expenditures as defined in section 25.18, pursuant to the terms of the statewide opioid settlement agreements.

Restricted for JUUL – The component of net position restricted by the terms of the JUUL Labs, Inc. Settlement Agreement. Monies shall only be expended on eligible expenditures in accordance with the requirements and conditions of the settlement agreement.

Restricted for Driving While Intoxicated Program - the component of net position that represents State revenues that are limited by State directive to be used in accordance with the parameters of the Driving While Intoxicated Program.

Restricted for Grants and Obligations - the component of net position that represents a segregation of fund balance to fund shortfalls of outstanding grants and obligations.

Restricted for Debt Service - the component of net position that reports the difference between assets and liabilities of the Debt Service Fund with constraints placed on their use by Local Finance Law.

Restricted for Special Revenue Funds - the component of net position that represents funds restricted for specific purposes under New York State law or by external parties and/or statutes.

Unrestricted - all other amounts that do not meet the definition of "restricted" or "net investment in capital assets".

Note 3 - Detailed Notes on All Funds (Continued)

K. Fund Balances

	2025				2024			
	General Fund	Capital Projects Fund	Non-Major Governmental	Total	General Fund	Capital Projects Fund	Non-Major Governmental	Total
Nonspendable								
Prepaid expenditures	$ 2,563,254	$ -	$ 122,559	$ 2,685,813	$ 2,180,632	$ -	$ 97,410	$ 2,278,042
Long-term receivables	4,000,000	-	-	4,000,000	4,000,000	-	-	4,000,000
Total Nonspendable	6,563,254	-	122,559	6,685,813	6,180,632	-	97,410	6,278,042
Restricted								
Law enforcement	1,459,903	-	-	1,459,903	1,980,654	-	-	1,980,654
Health	14,321	-	-	14,321	14,321	-	-	14,321
Driving while intoxicated program	301,495	-	-	301,495	170,423	-	-	170,423
Opioid	1,817,433	-	-	1,817,433	1,844,936	-	-	1,844,936
Juul	192,726	-	-	192,726	-	-	-	-
Grants and obligations	1,866,264	-	-	1,866,264	1,041,402	-	-	1,041,402
Capital projects	-	13,186,938	-	13,186,938	-	16,225,950	-	16,225,950
Debt service	-	-	55,395	55,395	-	-	30,841	30,841
Debt service for subsequent year's expenditures	-	-	-	-	-	-	125,000	125,000
Trusts	-	-	240,422	240,422	-	-	237,922	237,922
Total Restricted	5,652,142	13,186,938	295,817	19,134,897	5,051,736	16,225,950	393,763	21,671,449
Assigned								
Purchases on order								
General government support	602,858	-	-	602,858	770,363	-	-	770,363
Education	790	-	-	790	221	-	-	221
Public safety	564,181	-	7,605	571,786	81,541	-	9	81,550
Health	26,393	-	-	26,393	13,596	-	-	13,596
Transportation	95,993	-	262,468	358,461	47,109	-	195,573	242,682
Economic opportunity	60,726	-	-	60,726	215,309	-	-	215,309
Culture and recreation	166,546	-	-	166,546	26,003	-	-	26,003
Home and community services	191	-	-	191	62,064	-	-	62,064
	1,517,678	-	270,073	1,787,751	1,216,206	-	195,582	1,411,788
For subsequent year's expenditures								
General Fund	13,213,491	-	-	13,213,491	1,878,023	-	-	1,878,023
Retirement	1,500,000	-	-	1,500,000	500,000	-	-	500,000
Future Capital projects	5,545,000	-	-	5,545,000	6,180,000	-	-	6,180,000
Insurance	350,000	-	-	350,000	-	-	-	-
Retirement	9,000,000	-	-	9,000,000	5,500,000	-	-	5,500,000
Future Capital projects	25,135,685	-	-	25,135,685	17,820,000	-	-	17,820,000
Tax stabilization	12,500,000	-	-	12,500,000	10,000,000	-	-	10,000,000
Insurance	5,450,000	-	-	5,450,000	5,800,000	-	-	5,800,000
Post Employment	8,000,000	-	-	8,000,000	6,000,000	-	-	6,000,000
State Aid	6,000,000	-	-	6,000,000	6,000,000	-	-	6,000,000
Mental health	2,100,000	-	-	2,100,000	-	-	-	-
Tax Rebate Program	6,500,000	-	-	6,500,000	-	-	-	-
Callable Bond	-	-	-	-	4,725,000	-	-	4,725,000
Disaster Recovery	2,000,000	-	-	2,000,000	2,000,000	-	-	2,000,000
Judgements and Settlements	3,400,000	-	-	3,400,000	5,000,000	-	-	5,000,000
County Road Fund	-	-	2,518,551	2,518,551	-	-	3,993,142	3,993,142
Road Machinery Fund	-	-	529,848	529,848	-	-	975,361	975,361
Transportation Fund	-	-	7,679,873	7,679,873	-	-	6,926,205	6,926,205
Total Assigned	102,211,854	-	10,998,345	113,210,199	72,619,229	-	12,090,290	84,709,519
Unassigned	61,848,473	-	-	61,848,473	78,325,913	-	-	78,325,913
Total Fund Balances	$ 176,275,723	$ 13,186,938	$ 11,416,721	$ 200,879,382	$ 162,177,510	$ 16,225,950	$ 12,581,463	$ 190,984,923

Note 3 - Detailed Notes on All Funds (Continued)

L. Fund Balances

Certain elements of fund balance are described above. Those additional elements which are not reflected in the Statement of Net Position but are reported in the governmental funds balance sheet are described below.

Prepaid Expenditures has been established to account for retirement and health insurance payments made in advance. The amount is classified as nonspendable to indicate that funds are not "available" for appropriation or expenditure even though they are a component of current assets.

Long-Term Receivables represents funds set aside to indicate that certain receivables will not be collected in sufficient time to use the funds to satisfy liabilities of the period. A reserve has been established to indicate that the funds are not "available" for appropriation or expenditure even though the amounts are a component of current assets.

The amounts restricted for trusts have been established to set aside funds in accordance with the terms of the grants.

Purchases on order are assigned and represent the County's intention to honor the contracts in process at year-end. The subsequent year's appropriations will be amended to provide authority to complete the transactions.

Subsequent year's expenditures represent that at December 31, 2025, the County Legislature has assigned the above amounts to be appropriated for the ensuing year's budget.

Assigned for Retirement represents funds set aside for the purpose of financing retirement contributions to the New York State and Local Employees' Retirement System.

Assigned for Future Capital Projects represents funds set aside for the purpose of financing future capital projects.

Assigned for Tax Stabilization represents funds set aside for an emergency to prevent a large tax increase.

Assigned for Insurance has been established to fund uninsured losses, claims, actions, or judgments that the County is authorized or required to purchase or maintain insurance.

Assigned for Postemployment has been established to fund future increasing postemployment costs.

Assigned for State Aid has been established to fund potential declining state aid reimbursements.

Assigned for Mental Health has been established to fund potential declining reimbursements.

Assigned for Tax Rebate Program represents amounts established to fund potential property tax rebates.

Assigned for Callable Bond has been established to fund potential principal payment on bond called prior to maturity.

Assigned for Disaster Recovery has been established to fund potential unanticipated disaster.

Assigned for Judgements and Settlements has been established to fund potential claims.

Unassigned fund balance in the General Fund represents amounts not classified as nonspendable, restricted or assigned.

Note 4 - Summary Disclosure of Significant Contingencies

A. Litigation

The County receives numerous notices of claims for damages arising generally from personal injury, wrongful death, false arrest, negligence, bodily injury, breach of contract, defamation of character and invasion of privacy. The County currently carries both conventional general liability insurance to cover possible losses arising from these actions.

The County is also a defendant in numerous pending tax certiorari proceedings, the results of which cannot be determined at this time. Any future refunds resulting from adverse settlements will be funded in the year in which the payments are made.

B. Contingencies

The County participates in various Federal grant programs, principal of which are programs of the Department of Health and Human Services. These programs are subject to program compliance audits pursuant to the Uniform Guidance. The amount of expenditures which may be disallowed by the granting agencies cannot be determined at this time, although the County anticipates such amounts, if any, to be immaterial.

C. Significant Contingencies - Putnam 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 PTASC) 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 PTASC to pay bondholders may be reduced or eliminated.

The bonds are payable only from the assets of PTASC. 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. PTASC's only source of funds for payments on the bonds is the collections and amounts on deposit in pledged accounts pursuant to the indenture. PTASC has no taxing power and no significant assets other than the rights to receive tobacco settlement revenues.

Note 4 - Summary Disclosure of Significant Contingencies (Continued)

D. Risk Management

The County and other villages, counties, towns, cities and district corporations within the State have formed a reciprocal insurance company to be owned by these municipalities. This reciprocal operates under an agreement effective September 1, 1993. The purpose of this reciprocal is to provide local governments with the opportunity to gain control over their insurance programs and bring stability to their insurance costs. The reciprocal provides general liability, automobile, property, umbrella and police and public officials' liability coverage. The reciprocal retains a management company, which is responsible for the overall supervision and management of the reciprocal. The reciprocal is managed by a Board of Governors and an Attorney-in-fact. The Board of Governors is comprised of employees of the subscribers. The subscribers have elected those who sit on the board and each subscriber has a single vote. The Attorney-in-fact derives all of its authority from the Board of Governors and New York State Insurance Laws, and is the entity which enters into contracts on behalf of the reciprocal. The reciprocal is an "assessable" insurance company, in that, the subscribers are severally liable for any financial shortfall of the reciprocal and can be assessed their proportionate share by the State Insurance Department if the funds of the reciprocal are less than what is required to satisfy its liabilities. The subscribers are required to pay premiums as well as a minimal capital contribution.

The County purchases various insurance coverages from the reciprocal to reduce its exposure to loss. The County maintains general liability and automobile liability policies with coverage of $1 million per occurrence and $2 million in the aggregate, bodily injury and property damage are subject to a $250,000 deductible. The County maintains public officials and law enforcement liability policies with coverage of $1 million per occurrence and $2 million in the aggregate. The County also maintains an umbrella policy with coverage up to $10 million per occurrence and $20 million in the aggregate. Settled claims resulting from these risks have not exceeded commercial coverage in any of the past three fiscal years.

The County is self-insured for workers' compensation. The County purchases a stop loss policy which limits the County's exposure to $1.5 million per occurrence. The policy is excess workers' compensation over the County's self- insurance subject to a $1,500,000 Self-Insured Retention. The policy covers over the Self Insured Retention Part One, Workers Compensation for Statutory Limits and Part Two, Employers Liability of $1,000,000 each accident & each employee. The Employer's Liability portion is "unlimited" in New York. The limit refers to any other state.

Management has determined that no events have occurred, have begun to occur, or are more likely than not to begin to occur within 12 months of the date the financial statements are issued, except for the following:

The County administers the Supplemental Nutrition Assistance Program ("SNAP") through its Department of Social Services, with oversight and guidance from the New York State Office of Temporary and Disability Assistance. In 2025, federal legislation changed the funding structure for SNAP administration and benefits. Effective October 1, 2026, the federal share of eligible SNAP administrative costs is scheduled to decrease from 50 percent to 25 percent, increasing the nonfederal share from 50 percent to 75 percent.

Note 4 - Summary Disclosure of Significant Contingencies (Continued)

The New York State Association of Counties has estimated that this administrative funding change will result in significant additional annual costs for New York counties and New York City, including an estimated annual cost increase of approximately $273,000 for the County. The actual impact on the County may differ from this estimate and will depend on final federal and State implementation guidance, eligible administrative expenditures, caseload levels, staffing and system needs, and any future State or federal funding actions.

In addition, beginning in federal fiscal year 2028, states with SNAP payment error rates above specified thresholds may be required to fund a portion of SNAP benefit costs. New York State has reported payment error rates above the threshold that would require a State share of SNAP benefit costs if such rates continue to apply. Whether any portion of that State-level benefit cost would be passed through to counties has not been determined. Management is monitoring federal and State guidance and considering the potential impact of these changes in its budgetary planning.

Note 5 - Tax Abatements

The County has real property tax abatement agreements exempt under Real Property Tax Law, Section 412-a and General Municipal Law, Section 874. The total tax abatement for the year ended December 31, 2025 was determined not to be material.

Note 6 - Recently Issued GASB Pronouncements

GASB Statement No. 103, "*Financial Reporting Model Improvements*", has been issued to improve key components of the financial reporting model to enhance its effectiveness in providing information that is essential for decision making and assessing a government's accountability. The requirements of this Statement are effective for reporting periods beginning after June 15, 2025.

GASB Statement No. 104**, "***Disclosure of Certain Capital Assets"***,** requires certain types of capital assets to be disclosed separately in the capital assets note disclosures. Governments must separately present lease assets, right-to-use assets from public-private or public-public partnerships, subscription assets and all other intangible assets by major class. For capital assets held for sale—assets a government has decided to sell with completion of the sale probable within one year of the financial statement date—governments must disclose the historical cost, accumulated depreciation (or amortization), and the carrying amount of any pledged debt related to those assets. This Statement affects only presentation and disclosure of capital assets, not recognition or measurement requirements. The requirements of this Statement are effective for reporting periods beginning after June 15, 2025.

GASB Statement No. 105, "*Subsequent Events*", has been issued to improve the financial reporting requirements for subsequent events, thereby enhancing consistency in their application and better meeting the information needs of financial statement users. The requirements of this Statement are effective for reporting periods beginning after June 15, 2026.

This is not an all-inclusive list of recently issued GASB pronouncements but rather a listing of Statements that the County believes will most impact its financial statements. The County will evaluate the impact this and other pronouncements may have on its financial statements and will implement them as applicable and when material.

*****

REQUIRED SUPPLEMENTARY INFORMATION

Required Supplementary Information - Schedule of Changes in the
County's Total OPEB Liability and Related Ratios
Last Ten Fiscal Years (1) (2)

	2025	2024 (6)	2023	2022 (5)
Total OPEB Liability:				
Service cost	$ 6,256,834	$ 5,550,237	$ 9,324,306	$ 8,576,710
Interest	6,950,414	8,269,111	5,714,531	5,499,285
Changes of benefit terms	-	-	-	-
Differences between expected and actual experience	-	(38,947,153)	-	4,856,381
Changes of assumptions or other inputs *	(27,440,322)	21,412,241	(60,248,496)	4,062,925
Benefit payments	(5,781,417)	(6,370,787)	(5,894,676)	(5,582,828)
Net Change in Total OPEB Liability	(20,014,491)	(10,086,351)	(51,104,335)	17,412,473
Total OPEB Liability – Beginning of Year	209,836,752	219,923,103	271,027,438	253,614,965
Total OPEB Liability – End of Year	$ 189,822,261	$ 209,836,752	$ 219,923,103	$ 271,027,438
County's covered-employee payroll	$ 53,906,182	$ 49,954,911	$ 49,241,912	$ 46,230,711
Total OPEB liability as a percentage of covered-employee payroll	352%	420%	447%	586%
* Discount Rate	4.08%	3.26%	3.72%	2.06%

Notes to Schedule:

(1) Data not available prior to fiscal year 2018 implementation of Governmental Accounting Standards Board Statement No. 75, "*Accounting and Financial Reporting for Postemployment Benefits Other Than Pensions*".

(2) No assets are accumulated in a trust that meets the criteria in paragraph 4 of this Statement to pay related benefits.
(3) Restated for the implementation of the provisions of GASB Statement No. 75.
(4) Additional Changes in assumptions or other inputs. Updated the mortality tables, updated the NYS Retirement System rates for withdrawals and retirements, Healthcare trend rates were updated for 2020.

(5) Changes in experience include demographic shifts that occurred between 2020 and 2022 as there are 23 fewer full-time employee and 7 more retirees. Changes to assumptions and other inputs include updated mortality tables and a change in the discount rate.

(6) Differences between expected and actual experience is attributable to 4 fewer active employees and 17 more retirees in this valuation, age-adjusted pre-65 premiums and post-65 premiums are approximately 6.9% and 17.7% lower than the assumed trend and actual pre-65 premiums and post-65 premiums are approximately 8.9% and 27.9% higher than the assumed trend.

See independent auditors' report.

2021	2020 (4)	2019	2018	
$ 7,304,629	$ 4,666,517	$ 6,007,886	$ 5,198,127	
6,128,180	7,310,319	6,619,486	7,158,707	
-	1,346,900	-	(4,628,868)	
-	(1,743,281)	-	2,614,909	
26,313,374	35,934,064	(20,969,154)	(3,796,795)	
(4,965,585)	(4,628,212)	(4,258,403)	(4,366,980)	
34,780,598	42,886,307	(12,600,185)	2,179,100	
218,834,367	175,948,060	188,548,245	186,369,145	(3)
$ 253,614,965	$ 218,834,367	$ 175,948,060	$ 188,548,245	
$ 48,489,899	$ 45,054,266	$ 43,699,125	$ 47,001,125	
523%	486%	403%	401%	
2.12%	2.74%	4.10%	3.44%	

County of Putnam, New York

Required Supplementary Information
New York State and Local Employees' Retirement System
Last Ten Fiscal Years

Schedule of the County's Proportionate Share of the Net Pension Liability (asset) (1)

	2025 (2)	2024 (3)	2023 (2)	2022 (3)
County's proportion of the net pension liability (asset)	0.1970253%	0.2007692%	0.2077654%	0.2256138%
County's proportionate share of the net pension liability (asset)	$ 33,781,413	$ 29,561,346	$ 44,553,287	$ (18,442,994)
County's covered payroll	$ 53,066,478	$ 51,385,773	$ 48,838,456	$ 48,949,590
County's proportionate share of the net pension liability (asset) as a percentage of its covered payroll	63.66%	57.53%	91.23%	-37.68%
Plan fiduciary net position as a percentage of the total pension liability (asset)	93.08%	93.88%	90.78%	103.65%
Discount Rate	5.90%	5.90%	5.90%	5.90%

Schedule of Contributions

	2025	2024	2023	2022
Contractually required contribution	$ 10,087,094	$ 8,602,485	$ 7,295,604	$ 6,921,091
Contributions in relation to the contractually required contribution	(10,087,094)	(8,602,485)	(7,295,604)	(6,921,091)
Contribution excess	$ -	$ -	$ -	$ -
County's covered payroll	$ 57,050,180	$ 53,845,568	$ 50,652,178	$ 48,917,392
Contributions as a percentage of covered payroll	17.68%	15.98%	14.40%	14.15%

(1) The amounts presented for each fiscal year were determined as of the March 31 measurement date within the current fiscal year.
(2) Increase in proportionate share of the net pension liability mainly attributable to decrease in plan fiduciary net position due to investment losses.
(3) Decrease in the County's proportionate share of the net pension liability (asset) mainly attributable to increase in plan fiduciary net position due to investment gains.

See independent auditors' report.

2021 (3)	2020 (2)	2019	2018	2017	2016
0.1989045%	0.2025755%	0.2148007%	0.2163465%	0.2080991%	0.2116106%
$ 198,057	$ 53,643,160	$ 15,219,284	$ 6,982,464	$ 19,553,458	$ 33,964,087
$ 51,443,392	$ 46,299,019	$ 45,978,543	$ 46,596,425	$ 46,735,501	$ 43,741,198
0.38%	115.86%	33.10%	14.98%	41.84%	77.65%
99.95%	86.39%	96.27%	98.20%	94.70%	90.70%
5.90%	6.80%	7.00%	7.00%	7.00%	7.00%

2021	2020	2019	2018	2017	2016
$ 9,924,453	$ 7,705,778	$ 7,655,574	$ 7,841,062	$ 8,573,018	$ 7,689,383
(9,924,453)	(7,705,778)	(7,655,574)	(7,841,062)	(8,573,018)	(7,689,383)
$ -	$ -	$ -	$ -	$ -	$ -
$ 48,929,310	$ 52,597,729	$ 46,001,051	$ 45,824,106	$ 46,576,602	$ 44,716,201
20.28%	14.65%	16.64%	17.11%	18.41%	17.20%

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MAJOR GOVERNMENTAL FUNDS

GENERAL FUND

The General Fund constitutes the primary operating fund of the County in that it includes all revenues and expenditures not required by law to be accounted for in other funds.

CAPITAL PROJECTS FUND

The Capital Projects Fund is utilized to account for financial resources to be used for the acquisition or construction of major capital facilities, other than those financed by proprietary funds.

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County of Putnam, New York

General Fund
Comparative Balance Sheet
December 31,

	2025	2024
ASSETS		
Cash and equivalents	$ 33,652,968	$ 27,440,805
Investments	125,968,994	135,362,106
Taxes receivable		
Returned school and village taxes	496,060	698,011
Tax liens	19,617,717	21,454,619
Taxes receivable - Pending	5,759,682	4,184,183
Property acquired for taxes	774,473	1,041,280
	26,647,932	27,378,093
Allowance for uncollectible taxes	(6,645,315)	(7,259,110)
	20,002,617	20,118,983
Other receivables		
Accounts	13,725,869	13,705,164
State and Federal aid	16,958,512	16,957,840
Due from other governments	1,731,500	2,539,864
Due from fiduciary fund	13,990,066	12,987,121
Leases	632,005	904,345
	47,037,952	47,094,334
Prepaid expenditures	2,563,254	2,180,632
Total Assets	$ 229,225,785	$ 232,196,860
LIABILITIES, DEFERRED INFLOWS OF RESOURCES AND FUND BALANCE		
Liabilities		
Accounts payable	$ 6,503,774	$ 7,160,385
Accrued liabilities	2,534,962	2,129,694
Unearned revenues	7,862,746	14,438,091
Due to other funds	10,451,445	21,160,303
Deposits	308,840	851,386
Employee tax deductions	47,495	45,324
Total Liabilities	27,709,262	45,785,183
Deferred inflows of resources		
Deferred tax revenues	18,147,840	18,719,827
Unavailable revenues	4,020,599	2,535,914
Lease related	567,296	837,734
Opioid related	2,185,648	2,140,692
JUUL related	319,417	-
Total Deferred inflows of resources	25,240,800	24,234,167
Total Liabilities and Deferred Inflows of Resources	52,950,062	70,019,350
Fund balance		
Nonspendable	6,563,254	6,180,632
Restricted	5,652,142	5,051,736
Assigned	102,211,854	72,619,229
Unassigned	61,848,473	78,325,913
Total Fund Balance	176,275,723	162,177,510
Total Liabilities, Deferred Inflows of Resources and Fund Balance	$ 229,225,785	$ 232,196,860

See independent auditors' report.

County of Putnam, New York

General Fund
Comparative Schedule of Revenues, Expenditures and
Changes in Fund Balance - Budget and Actual
Years Ended December 31,

	2025			
	Original Budget	Final Budget	Actual	Variance with Final Budget
REVENUES				
Real property taxes	$ 33,782,244	$ 33,782,244	$ 34,963,157	$ 1,180,913
Other tax items	5,258,200	5,043,268	5,654,129	610,861
Non-property taxes	80,464,718	80,414,398	86,886,433	6,472,035
Departmental income	12,817,906	12,559,498	13,921,248	1,361,750
Use of money and property	4,501,163	9,189,923	9,181,950	(7,973)
Licenses and permits	914,200	914,200	978,829	64,629
Fines and forfeitures	97,850	91,350	255,963	164,613
Sale of property and compensation for loss	157,038	203,152	266,447	63,295
State aid	26,984,133	29,677,241	26,072,555	(3,604,686)
Federal aid	9,175,942	16,758,412	16,634,660	(123,752)
Miscellaneous	1,417,694	5,045,781	3,017,382	(2,028,399)
Total Revenues	175,571,088	193,679,467	197,832,753	4,153,286
EXPENDITURES				
Current				
General government support	39,941,454	40,682,370	35,393,690	5,288,680
Education	14,891,041	16,026,224	14,792,360	1,233,864
Public safety	47,351,124	53,629,456	48,508,544	5,120,912
Health	17,440,855	19,821,431	15,836,051	3,985,380
Transportation	1,580,276	1,638,047	1,638,047	-
Economic opportunity and development	40,676,996	42,822,740	39,226,806	3,595,934
Culture and recreation	7,377,049	8,263,174	7,646,692	616,482
Home and community services	2,303,582	2,403,018	2,011,986	391,032
Employee benefits Undistributed	7,952,940	8,167,762	8,147,381	20,381
Total Expenditures	179,515,317	193,454,222	173,201,557	20,252,665
Excess (Deficiency) of Revenues Over Expenditures	(3,944,229)	225,245	24,631,196	24,405,951
OTHER FINANCING SOURCES (USES)				
Subscription Financing Proceeds	-	2,771,760	2,771,760	-
Transfers in	-	1,305,540	1,278,341	(27,199)
Transfers out	(6,180,000)	(15,353,719)	(14,583,084)	770,635
Total Other Financing Uses	(6,180,000)	(11,276,419)	(10,532,983)	743,436
Net Change in Fund Balance	(10,124,229)	(11,051,174)	14,098,213	25,149,387
FUND BALANCE				
Beginning of Year	10,124,229	11,051,174	162,177,510	151,126,336
End of Year	$ -	$ -	$ 176,275,723	$ 176,275,723

See independent auditors' report.

2024			
Original Budget	Final Budget	Actual	Variance with Final Budget
$ 30,737,843	$ 30,737,843	$ 35,290,763	$ 4,552,920
5,263,000	4,140,494	4,137,383	(3,111)
78,645,000	87,378,058	87,279,881	(98,177)
12,104,084	13,604,473	12,727,148	(877,325)
3,270,804	8,956,248	8,791,498	(164,750)
913,450	986,298	985,765	(533)
95,450	188,879	202,210	13,331
85,100	188,000	226,148	38,148
24,016,953	28,713,484	27,702,347	(1,011,137)
9,043,833	27,193,803	15,578,020	(11,615,783)
1,289,162	4,596,613	3,741,905	(854,708)
165,464,679	206,684,193	196,663,068	(10,021,125)
35,986,997	35,633,988	31,891,936	3,742,052
13,262,297	15,328,797	15,186,388	142,409
44,984,288	48,172,926	42,533,791	5,639,135
16,830,261	18,754,176	16,669,741	2,084,435
1,555,276	1,575,353	1,575,353	-
39,452,463	40,597,208	37,014,801	3,582,407
7,272,623	8,414,170	7,609,217	804,953
2,051,564	2,154,982	1,904,117	250,865
7,630,849	7,692,641	7,675,835	16,806
169,026,618	178,324,241	162,061,179	16,263,062
(3,561,939)	28,359,952	34,601,889	6,241,937
-	-	-	-
-	-	-	-
(7,805,200)	(28,302,807)	(16,727,240)	11,575,567
(7,805,200)	(28,302,807)	(16,727,240)	11,575,567
(11,367,139)	57,145	17,874,649	17,817,504
11,367,139	(57,145)	144,302,861	144,360,006
$ -	$ -	$ 162,177,510	$ 162,177,510

County of Putnam, New York

General Fund
Schedule of Revenues Compared to Budget
Year Ended December 31, 2025
(With Comparative Actuals for 2024)

	Original Budget	Final Budget	Actual	Variance with Final Budget	2024 Actual
REAL PROPERTY TAXES	$ 33,782,244	$ 33,782,244	$ 34,963,157	$ 1,180,913	$ 35,290,763
OTHER TAX ITEMS					
Gain from sale of tax acquired property	-	(214,932)	(214,932)	-	(2,241,062)
Interest and penalties on real property taxes	5,200,000	5,200,000	5,808,585	608,585	6,318,556
Payments in lieu of taxes	58,200	58,200	60,476	2,276	59,889
Total Other Tax Items	5,258,200	5,043,268	5,654,129	610,861	4,137,383
NON-PROPERTY TAXES					
Sales taxes	79,319,718	79,319,718	85,640,675	6,320,957	86,076,389
Automobile use tax	670,000	670,000	766,937	96,937	735,713
Emergency telephone system surcharge	475,000	424,680	478,821	54,141	467,779
Total Non-Property Taxes	80,464,718	80,414,398	86,886,433	6,472,035	87,279,881
DEPARTMENTAL INCOME					
General					
Clerk fees	750,250	750,250	840,505	90,255	786,128
Board of elections	-	-	574	574	-
Motor vehicle fees	1,400,000	1,418,500	1,747,969	329,469	1,609,553
Vacancy factor	300,000	-	-	-	-
Real property tax services - Computer	46,000	46,000	53,600	7,600	51,978
Commissioner of Finance fees	11,000	11,000	21,687	10,687	13,627
County share - Examination fees	15,000	15,000	18,996	3,996	24,882
Department fees - Other	115,000	88,388	96,547	8,159	48,326
Charges for tax advertising	70,000	54,900	59,700	4,800	60,100
Central services chargebacks	417,976	425,008	327,067	(97,941)	305,105
Mortgage tax fees	352,019	352,019	352,019	-	352,019
	3,477,245	3,161,065	3,518,664	357,599	3,251,718
Public safety					
Sheriff fees	97,000	97,000	87,890	(9,110)	88,629
Prisoner board	810,000	761,950	754,740	(7,210)	810,237
Restitution surcharge	23,000	23,000	11,088	(11,912)	12,305
SRO/SPO program	1,544,443	1,479,567	1,533,813	54,246	1,427,305
Deputy outside services	174,000	183,444	369,228	185,784	346,739
Court protection	15,600	15,600	15,562	(38)	15,990
Child Advocacy Center Grant	25,247	25,247	25,247	-	25,247
Stop DWI contributions	60,450	60,450	50,084	(10,366)	54,490
Other	147,970	179,590	209,946	30,356	173,291
	2,897,710	2,825,848	3,057,598	231,750	2,954,233
Health					
Public health fees	259,900	259,900	255,598	(4,302)	308,234
DWI program	-	-	2,091	2,091	-
Early Learning fees for service	90,200	90,200	55,000	(35,200)	60,729
Local conservation grant	180,000	180,000	185,284	5,284	185,125
New York City Department of Environmental Protection	270,000	270,000	298,087	28,087	272,915
Civil Defense	-	14,864	14,864	-	-
Health - Other	74,700	92,300	67,955	(24,345)	95,905
	874,800	907,264	878,879	(28,385)	922,908

(Continued)

General Fund
Schedule of Revenues and Other Financing Sources Compared to Budget (Continued)
Year Ended December 31, 2025
(With Comparative Actuals for 2024)

	Original Budget	Final Budget	Actual	Variance with Final Budget	2024 Actual
Economic Opportunity and Development					
Medical assistance	$ 200,000	$ 200,000	$ 496,558	$ 296,558	$ 198,266
Child support	38,316	38,316	97,557	59,241	26,972
Child care	10,000	10,000	490	(9,510)	2,657
Home relief	50,000	50,000	59,927	9,927	24,687
Home Energy Assistance Program	16,535	16,535	38,555	22,020	45,330
Contribution from schools	1,421,200	1,471,200	1,791,786	320,586	1,752,611
Services for recipients	-	-	310	310	82
Temporary Assistance for Needy Families	50,000	50,000	60,183	10,183	12,418
Juvenile Delinquent Repayments	-	-	25	25	2,308
Inspection fees	25,000	25,000	25,500	500	6,370
Outreach	61,500	61,500	76,794	15,294	59,549
Nutrition	77,600	77,600	69,688	(7,912)	97,217
	1,950,151	2,000,151	2,717,373	717,222	2,228,467
Culture and Recreation					
Parks and recreation	32,000	26,170	49,125	22,955	42,406
Putnam National	3,389,300	3,442,300	3,608,928	166,628	3,269,516
	3,421,300	3,468,470	3,658,053	189,583	3,311,922
Home and Community Services					
Waste haulers permit fees	86,700	86,700	85,159	(1,541)	31,300
Other	110,000	110,000	5,522	(104,478)	26,600
	196,700	196,700	90,681	(106,019)	57,900
Total Departmental Income	12,817,906	12,559,498	13,921,248	1,361,750	12,727,148
USE OF MONEY AND PROPERTY					
Earnings on investments	4,000,350	8,694,460	8,705,620	11,160	8,449,733
Rental income - Co-op extension	492,813	487,463	476,330	(11,133)	330,338
Commissions	8,000	8,000	-	(8,000)	11,427
Total Use of Money and Property	4,501,163	9,189,923	9,181,950	(7,973)	8,791,498
LICENSES AND PERMITS					
Business and occupational licenses	914,200	914,200	978,829	64,629	985,765
FINES AND FORFEITURES					
Fines and forfeited bail	14,250	7,750	22,200	14,450	20,831
Fines and penalties - other	2,500	2,500	1,500	(1,000)	11,750
Stop DWI fines	81,100	81,100	232,263	151,163	169,629
Total Fines and Forfeitures	97,850	91,350	255,963	164,613	202,210
SALE OF PROPERTY AND COMPENSATION FOR LOSS					
Minor sales	114,538	121,276	184,571	63,295	147,643
Other compensation for Loss	42,500	42,500	42,500	-	40,000
Insurance recoveries	-	39,376	39,376	-	38,505
Total Sale of Property and Compensation for Loss	157,038	203,152	266,447	63,295	226,148

(Continued)

General Fund
Schedule of Revenues and Other Financing Sources Compared to Budget (Continued)
Year Ended December 31, 2025
(With Comparative Actuals for 2024)

	Original Budget	Final Budget	Actual	Variance with Final Budget	2024 Actual
STATE AID					
General					
Court facilities	$ 275,000	$ 308,992	$ 308,992	$ -	$ 275,001
District attorney salary	77,934	77,934	77,934	-	77,934
Criminal justice grant	131,826	171,665	97,831	(73,834)	338,945
Miscellaneous	382,093	892,974	928,316	35,342	755,278
Indigent Legal Services	1,860,284	1,636,184	1,636,184	-	2,314,658
	2,727,137	3,087,749	3,049,257	(38,492)	3,761,816
Education					
Education and transportation of handicapped children	5,670,435	6,279,735	5,365,866	(913,869)	5,768,598
	5,670,435	6,279,735	5,365,866	(913,869)	5,768,598
Public safety					
Probation services	206,462	206,462	206,462	-	206,462
Prisoner board	-	33,000	33,000	-	-
Alternatives to incarceration	12,811	12,811	12,811	-	8,431
Grants	173,633	448,912	239,382	(209,530)	148,825
Civil defense	220,000	196,000	196,000	-	214,375
	612,906	897,185	687,655	(209,530)	578,093
Health					
Public health	2,559,744	2,521,327	2,576,464	55,137	2,351,069
Early intervention	499,500	499,500	423,926	(75,574)	394,679
Mental Health OASIS	308,169	331,837	375,408	43,571	262,814
Mental health administration	396,817	413,367	363,506	(49,861)	363,150
Mental health Local Governmental Unit SPOA	140,476	140,476	147,281	6,805	143,467
Environmental conservation	59,500	59,500	63,803	4,303	25,305
Rabies	25,987	25,987	32,144	6,157	20,792
Communicable diseases	35,001	35,001	36,991	1,990	37,215
Mental health services	2,736,876	3,089,019	1,918,374	(1,170,645)	2,626,542
Mental health - Local Governmental Unit	136,135	136,135	141,091	4,956	137,540
Mental health - Commissioner's performance	1,861,576	2,227,584	1,776,260	(451,324)	2,003,005
Mental Health - CSS Int case management	390,986	409,931	234,624	(175,307)	399,314
Drinking supply	200,000	200,000	204,636	4,636	159,529
Opioid	-	-	-	-	672,206
Other	-	31,286	23,286	(8,000)	12,099
	9,350,767	10,120,950	8,317,794	(1,803,156)	9,608,726
Transportation					
Transportation grants	10,400	10,400	15,783	5,383	15,913

(Continued)

General Fund
Schedule of Revenues and Other Financing Sources Compared to Budget (Continued)
Year Ended December 31, 2025
(With Comparative Actuals for 2024)

	Original Budget	Final Budget	Actual	Variance with Final Budget	2024 Actual
Economic Opportunity and Development					
Social Services administration	$ 3,661,510	$ 4,062,863	$ 3,053,550	$ (1,009,313)	$ 3,278,974
Child care	522,284	522,284	697,149	174,865	615,295
Child advocacy center	175,663	184,856	176,116	(8,740)	151,679
Day care	1,037,272	1,037,272	791,441	(245,831)	775,803
Juvenile delinquents	107,241	107,241	57,758	(49,483)	32,721
Emergency aid for adults	5,400	5,400	8,932	3,532	3,244
Petro Octane testing	3,000	3,000	5,399	2,399	3,501
Veterans' service agency	25,000	232,615	226,722	(5,893)	182,413
Office for Senior resources	485,094	499,791	541,182	41,391	224,298
TANF	202,067	202,067	48,931	(153,136)	65,366
Unmet needs - OSR	793,480	793,480	1,170,767	377,287	1,030,232
Safety Net	121,500	121,500	180,666	59,166	115,233
I Love New York - Tourism	60,000	50,808	50,808	-	51,739
Refund prior year's expenditures	-	(11)	(10)	1	7,924
Medical assistance	(90,000)	(90,000)	(235,569)	(145,569)	(126,422)
Expanded services	260,550	260,550	303,432	42,882	372,928
Services to the elderly	100,909	100,909	105,007	4,098	-
Services for recipients	541,903	541,903	749,181	207,278	388,877
	8,012,873	8,636,528	7,931,462	(705,066)	7,173,805
Culture and Recreation					
Programs for the aging	220,784	220,784	233,433	12,649	226,952
Youth programs	252,831	252,831	284,016	31,185	247,626
	473,615	473,615	517,449	43,834	474,578
Home and Community Services					
Soil and water	66,000	66,000	66,000	-	60,000
County planning	10,000	10,000	10,000	-	10,000
Waste water DEP grant	50,000	50,000	73,652	23,652	46,491
Environmental conservation	-	45,079	37,637	(7,442)	103,418
Other	-	-	-	-	100,909
	126,000	171,079	187,289	16,210	320,818
Total State Aid	26,984,133	29,677,241	26,072,555	(3,604,686)	27,702,347
FEDERAL AID					
General					
American Rescue Plan Act	-	6,022,761	5,956,512	(66,249)	5,422,209
Miscellaneous	178,674	245,340	219,527	(25,813)	246,468
	178,674	6,268,101	6,176,039	(92,062)	5,668,677
Education					
Medicaid 3-5	60,000	60,000	97,479	37,479	108,932
Public Safety					
Sheriff	93,294	228,911	163,121	(65,790)	83,562
Homeland security grant	104,215	737,785	257,033	(480,752)	201,945
Public safety other	148,678	168,828	116,225	(52,603)	127,948
Grants	145,764	262,764	199,601	(63,163)	91,663
	491,951	1,398,288	735,980	(662,308)	505,118

(Continued)

General Fund
Schedule of Revenues and Other Financing Sources Compared to Budget (Continued)
Year Ended December 31, 2025
(With Comparative Actuals for 2024)

	Original Budget	Final Budget	Actual	Variance with Final Budget	2024 Actual
Health					
Public Health Emergency Preparedness grant	$ 403,842	$ 415,617	$ 393,302	$ (22,315)	$ 512,446
Early intervention	130,000	130,000	126,607	(3,393)	126,569
Wellness grant	3,365	5,755	5,765	10	3,396
Early intervention	85,232	85,232	88,594	3,362	77,328
Mental Health - Local Governmental Unit	117,857	117,857	151,558	33,701	109,845
	740,296	754,461	765,826	11,365	829,584
Transportation					
Transportation grants	912,419	1,199,880	918,946	(280,934)	1,533,840
Economic Opportunity and Development					
Social Services administration	2,690,237	2,707,813	3,057,000	349,187	2,452,781
Food stamp program administration	643,167	643,167	745,765	102,598	702,948
Services for recipients	58,008	58,008	(3,670)	(61,678)	77,652
Child care	77,500	77,500	105,846	28,346	131,880
Safety net	-	-	262	262	-
Day care	-	-	913,379	913,379	710,903
Nutrition	238,329	238,329	235,765	(2,564)	248,485
Fuel crisis - Home Energy Assistance Program	-	96,078	58,980	(37,098)	58,904
Community service elderly	34,160	19,463	19,346	(117)	34,160
Workforce Investment Act	253,020	253,020	208,384	(44,636)	169,388
Incentive program	1,285,003	1,285,003	1,444,007	159,004	1,146,968
Temporary Assistance for Needy Families	706,699	855,913	697,719	(158,194)	791,816
Caregiver grant	114,768	114,768	120,612	5,844	105,621
OSR - MIPPA	16,181	16,181	23,113	6,932	17,779
Medical assistance	(90,000)	(90,000)	(258,806)	(168,806)	(92,192)
Crime victims	415,530	452,439	405,306	(47,133)	374,776
	6,442,602	6,727,682	7,773,008	1,045,326	6,931,869
Home and Community Services					
Planning	350,000	350,000	167,382	(182,618)	-
Total Federal Aid	9,175,942	16,758,412	16,634,660	(123,752)	15,578,020
MISCELLANEOUS					
Refund of prior year's expenditures	-	1,602,422	1,111,168	(491,254)	281,328
Gift and donations	90,967	90,967	4,972	(85,995)	4,128
Other	44,800	165,312	120,455	(44,857)	224,784
Opioid settlement	70,000	1,001,940	331,968	(669,972)	393,212
JUUL settlement	-	191,650	191,650	-	-
OTB distributed earnings	2,500	2,500	(1,322)	(3,822)	1,272
Retiree health contribution	1,158,127	1,158,127	1,189,664	31,537	1,106,097
Proceeds of seized property	51,300	832,863	68,827	(764,036)	1,731,084
Total Miscellaneous	1,417,694	5,045,781	3,017,382	(2,028,399)	3,741,905
TOTAL REVENUES	175,571,088	193,679,467	197,832,753	4,153,286	196,663,068

(Continued)

General Fund
Schedule of Revenues and Other Financing Sources Compared to Budget (Continued)
Year Ended December 31, 2025
(With Comparative Actuals for 2024)

	Original Budget	Final Budget	Actual	Variance with Final Budget	2024 Actual
OTHER FINANCING SOURCES					
Subscription Financing Proceeds	$ -	$ 2,771,760	$ 2,771,760	$ -	$ -
Transfers in					
Capital Projects Fund	-	954,521	927,322	(27,199)	-
Road Machinery Fund	-	30,000	30,000	-	-
Debt Service Fund	-	321,019	321,019	-	-
Total Transfers In	-	1,305,540	1,278,341	(27,199)	-
TOTAL OTHER FINANCING SOURCES	-	4,077,300	4,050,101	(27,199)	-
TOTAL REVENUES AND OTHER FINANCING SOURCES	$ 175,571,088	$ 197,756,767	$ 201,882,854	$ 4,126,087	$ 196,663,068

See independent auditors' report.

County of Putnam, New York

General Fund
Schedule of Expenditures and Other Financing Uses Compared to Budget
Year Ended December 31, 2025
(With Comparative Actuals for 2024)

	Original Budget	Final Budget	Actual	Variance with Final Budget	2024 Actual
GENERAL GOVERNMENT SUPPORT					
County Legislature	$ 1,412,386	$ 1,476,794	$ 1,297,747	$ 179,047	$ 1,284,159
County share of judicial expenditures	226,588	258,688	171,053	87,635	230,870
District Attorney	3,083,796	3,179,755	2,972,753	207,002	2,583,429
Legal Aid Society	2,262,484	2,981,997	2,981,998	(1)	2,159,515
Audit	637,261	679,614	676,589	3,025	614,751
Court appointed legal defense of indigents	1,000,000	1,600,000	1,599,999	1	1,229,131
Justice of the Peace and Constables	4,000	4,000	2,910	1,090	2,500
Coroners	457,468	466,056	355,812	110,244	370,777
County Executive	939,338	956,661	939,633	17,028	871,325
Department of Finance	1,809,546	1,901,750	1,834,480	67,270	2,280,285
Division of Purchasing - Central services	716,655	691,032	601,813	89,219	522,301
Real property tax services	331,112	342,078	309,189	32,889	309,169
Tax advertising and expense	70,000	71,380	71,379	1	64,377
Expenditures on property acquired for taxes	150,000	144,617	98,668	45,949	40,174
County Clerk as Registrar	1,748,924	1,729,906	1,605,002	124,904	1,542,023
County Clerk as Motor Vehicles Commissioner	1,430,243	1,458,818	1,400,293	58,525	1,287,624
Department of Law	2,237,211	2,209,133	2,061,531	147,602	2,211,080
Personnel Department	1,629,662	1,604,795	1,427,967	176,828	1,382,627
Highway Engineering	331,873	338,289	226,098	112,191	201,902
Board of Elections	2,357,181	2,370,214	1,949,620	420,594	2,175,161
Records Management	403,649	430,869	424,927	5,942	398,937
Department of Highway and Facilities	4,465,298	4,707,718	4,321,907	385,811	4,101,285
Central services administration	2,338,508	2,415,203	1,819,965	595,238	1,628,168
Insurance	1,605,000	1,605,000	1,343,988	261,012	1,039,200
Dues	36,653	38,153	37,792	361	35,289
Taxes on County property	165,000	165,000	163,427	1,573	165,807
Judgments and claims	330,000	1,930,000	1,664,905	265,095	694,938
Metropolitan Commuter Transportation Mobility Tax	218,000	148,588	148,588	-	188,524
Information Technology and GIS	4,661,931	4,623,525	2,814,111	1,809,414	2,220,893
Office for Disabled	67,463	67,538	59,546	7,992	55,715
County Contribution - Community Engagement & Police Advisory Bd.	10,000	10,000	10,000	-	-
Contingency fund	2,804,224	75,199	-	75,199	-
Total General Government Support	39,941,454	40,682,370	35,393,690	5,288,680	31,891,936
EDUCATION					
Community college tuition	4,100,000	4,100,000	3,645,616	454,384	3,872,873
Education of handicapped children	10,791,041	11,926,224	11,146,744	779,480	11,313,515
Total Education	14,891,041	16,026,224	14,792,360	1,233,864	15,186,388
PUBLIC SAFETY					
Bureau of Emergency Services	7,582,384	8,529,740	7,379,714	1,150,026	7,109,348
Sheriff	24,401,594	28,952,640	26,598,110	2,354,530	21,406,863
Probation Department	2,623,123	2,615,239	2,275,702	339,537	2,295,034
Jail	12,626,523	13,332,037	12,151,847	1,180,190	11,593,184
Stop DWI	117,500	117,500	101,190	16,310	118,387
Homeland Security Grant	-	82,300	1,981	80,319	10,975
Total Public Safety	47,351,124	53,629,456	48,508,544	5,120,912	42,533,791

(Continued)

General Fund
Schedule of Expenditures and Other Financing Uses Compared to Budget (Continued)
Year Ended December 31, 2025
(With Comparative Actuals for 2024)

	Original Budget	Final Budget	Actual	Variance with Final Budget	2024 Actual
HEALTH					
Public health	$ 7,275,180	$ 7,811,595	$ 6,722,945	$ 1,088,650	$ 6,645,029
Early Intervention Program	1,907,815	1,854,146	1,709,306	144,840	1,617,203
Communicable disease treatment	20,000	7,000	1,149	5,851	21,067
Substance abuse	339,482	344,006	333,727	10,279	221,009
Alcoholism	158,276	165,606	148,967	16,639	122,513
Mental health administration	1,404,517	2,448,411	1,456,003	992,408	1,499,569
Mental health - Clinic	636,527	664,692	448,679	216,013	646,951
Mental health - Eliot House	2,228,621	2,565,640	1,576,386	989,254	2,471,338
Family Support Services	965,903	1,278,720	1,091,112	187,608	1,115,223
Mental health - Reinvestment	792,418	830,811	701,021	129,790	809,296
Mental health - County Contribution	443,480	443,480	443,480	-	443,480
Mental health - LGU Services	453,628	477,296	477,296	-	408,273
Mental health - LGU SPOA	681,408	805,418	666,163	139,255	532,915
Litter program	118,600	109,610	44,817	64,793	115,875
County Contribution - Behavioral Health	15,000	15,000	15,000	-	-
Total Health	17,440,855	19,821,431	15,836,051	3,985,380	16,669,741
TRANSPORTATION					
Metropolitan Transportation Authority subsidy	380,276	380,276	380,276	-	380,276
Metropolitan Transportation Authority station maintenance	1,200,000	1,257,771	1,257,771	-	1,195,077
Total Transportation	1,580,276	1,638,047	1,638,047	-	1,575,353
ECONOMIC OPPORTUNITY AND DEVELOPMENT					
Social services administration	10,672,577	11,495,570	10,127,980	1,367,590	9,310,738
County Contribution	9,840,000	9,950,000	9,843,008	106,992	9,829,927
Purchase of services	1,400,000	1,305,371	1,305,284	87	1,205,553
Medical assistance	20,000	20,000	-	20,000	47,589
Aid to dependent children	2,050,000	960,526	896,096	64,430	805,900
Child care	3,665,000	4,110,000	3,980,732	129,268	3,899,107
Juvenile delinquents	378,212	178,212	93,159	85,053	52,777
Safety net	507,935	705,849	662,136	43,713	441,018
State fuel assistance	-	96,078	81,208	14,870	86,482
Emergency aid for adults	20,000	20,000	10,606	9,394	5,766
Grants	150,000	329,214	234,772	94,442	381,497
Child advocacy center	185,375	272,710	263,334	9,376	256,123
Day care	1,100,000	1,860,000	1,813,422	46,578	1,542,444
Putnam workforce partnership	246,533	267,563	212,556	55,007	169,976
Putnam tourism promotional agency	499,331	497,459	487,208	10,251	404,112
SNAP program	90	1,698	-	1,698	553,300
Veterans' Service Agency	317,217	579,544	522,156	57,388	423,628
Veterans' Home	32,888	32,888	24,819	8,069	21,617
Consumer affairs and weights and measures	599,873	606,993	558,945	48,048	549,786
Office for Senior Resources - Title III	3,357,118	3,893,673	3,421,174	472,499	3,211,992
Office for Senior Resources - RSVP	816	-	-	-	211,066
Office for Senior Resources - General	953,932	981,881	754,006	227,875	943,431
Nutrition for the elderly	3,442,196	3,180,299	2,728,818	451,481	1,384,053
In-Home Service Program	771	-	-	-	390,049
Workforce Partnership	710	860	841	19	860
Community services for the elderly	814,722	841,907	798,109	43,798	512,118
Victim of crimes	408,783	571,528	393,520	178,008	360,975
Community Action Program Cap	12,917	62,917	12,917	50,000	12,917
Total Economic Opportunity and Development	40,676,996	42,822,740	39,226,806	3,595,934	37,014,801

(Continued)

General Fund
Schedule of Expenditures and Other Financing Uses Compared to Budget (Continued)
Year Ended December 31, 2025
(With Comparative Actuals for 2024)

	Original Budget	Final Budget	Actual	Variance with Final Budget	2024 Actual
CULTURE AND RECREATION					
Parks and recreation administration	$ 2,955,038	$ 3,739,288	$ 3,497,476	$ 241,812	$ 3,782,274
Youth Bureau	1,236,951	1,268,656	1,156,479	112,177	1,002,557
Library board	505,042	505,042	505,042	-	487,942
County Historian	178,751	185,749	169,016	16,733	134,517
Arts Council	54,897	68,890	68,890	-	68,890
Contribution to the Arts	-	22,900	22,900	-	-
County Museum	57,093	57,093	57,093	-	57,093
Constitution Island Association	10,350	11,100	10,959	141	10,350
Southeast Museum	36,211	36,211	36,211	-	36,211
Recreation for the elderly	313,802	295,959	209,121	86,838	200,716
Department of Highway Parks and Recreation	2,028,914	2,072,286	1,913,505	158,781	1,828,667
Total Culture and Recreation	7,377,049	8,263,174	7,646,692	616,482	7,609,217
HOME AND COMMUNITY SERVICES					
Planning	1,181,603	1,213,368	927,187	286,181	1,007,623
Soil and water	214,670	248,168	220,584	27,584	157,339
Recycling	250,715	259,888	207,715	52,173	94,606
Humane Society	154,720	154,720	154,720	-	154,720
Fish and game	24,164	24,164	24,164	-	24,164
Extension	374,977	399,977	374,977	25,000	364,055
SPCA	102,733	102,733	102,639	94	101,610
Total Home and Community Services	2,303,582	2,403,018	2,011,986	391,032	1,904,117
EMPLOYEE BENEFITS - UNDISTRIBUTED					
Unemployment benefits	15,000	86,000	65,619	20,381	13,194
Disability, accident and health insurance	7,937,940	8,081,762	8,081,762	-	7,662,641
Total Employee Benefits - Undistributed	7,952,940	8,167,762	8,147,381	20,381	7,675,835
TOTAL EXPENDITURES	179,515,317	193,454,222	173,201,557	20,252,665	162,061,179
OTHER FINANCING USES					
Transfers out					
Capital Projects Fund	6,180,000	15,310,659	14,540,024	770,635	16,678,469
County Road Fund	-	43,060	43,060	-	-
Debt Service Fund	-	-	-	-	48,771
TOTAL OTHER FINANCING USES	6,180,000	15,353,719	14,583,084	770,635	16,727,240
TOTAL EXPENDITURES AND OTHER FINANCING USES	$ 185,695,317	$ 208,807,941	$ 187,784,641	$ 21,023,300	$ 178,788,419

See independent auditors' report.

County of Putnam, New York

Capital Projects Fund
Comparative Balance Sheet
December 31,

	2025	2024
ASSETS		
Cash and equivalents	$ 1,530,829	$ 1,495,111
Investments	3,108,266	2,981,434
Restricted cash	285,564	502,407
Receivables		
State and Federal aid receivable	14,970,020	10,772,078
Due from other funds	-	8,027,736
Total Assets	$ 19,894,679	$ 23,778,766
LIABILITIES AND FUND BALANCE		
Liabilities		
Accounts payable	$ 3,099,184	$ 4,535,001
Unearned revenues	3,108,737	3,017,815
Due to other funds	499,820	-
Total Liabilities	6,707,741	7,552,816
Fund balance		
Restricted	13,186,938	16,225,950
Total Liabilities and Fund Balance	$ 19,894,679	$ 23,778,766

See independent auditors' report.

County of Putnam, New York

Capital Projects Fund
Comparative Statement of Revenues, Expenditures and Changes in Fund Balance
Years Ended December 31,

	2025	2024
REVENUES		
State aid	$ 7,459,367	$ 4,512,495
Federal aid	20,793,066	10,626,803
Miscellaneous	183,707	79,544
Total Revenues	28,436,140	15,218,842
EXPENDITURES		
Capital outlay	45,085,573	29,171,570
Deficiency of Revenues Over Expenditures	(16,649,433)	(13,952,728)
OTHER FINANCING SOURCES		
Lease Obligations Issued	-	480,970
Transfers in	14,540,024	16,678,469
Transfers out	(929,603)	-
Total Other Financing Sources	13,610,421	17,159,439
Net Change in Fund Balance	(3,039,012)	3,206,711
FUND BALANCE		
Beginning of Year	16,225,950	13,019,239
End of Year	$ 13,186,938	$ 16,225,950

See independent auditors' report.

NON-MAJOR GOVERNMENTAL FUNDS

SPECIAL REVENUE FUNDS

- **County Road Fund** - The County Road Fund is established pursuant to New York State Highway Law and is used to account for the maintenance and repair of County roads and bridges and snow removal costs.

- **Road Machinery Fund** - The Road Machinery Fund is used to account for the purchase, repair and maintenance of highway machinery, tools and equipment and for the purchase, construction and maintenance of buildings for the storage and repair of highway machinery and equipment.

- **Transportation Fund** - The Transportation Fund is used to account for the activities of a County-wide bus system funded under the auspices of the Urban Mass Transportation Administration and the New York State Department of Transportation.

- **Special Purpose Fund** - The Special Purpose Fund is used to account for assets held by the County in accordance with the terms of a trust agreement.

DEBT SERVICE FUND

- The Debt Service Fund is provided to account for the accumulation of resources to be used for the redemption of principal and interest on long-term debt.

County of Putnam, New York

Combining Balance Sheet
Non-Major Governmental Funds
Year Ended December 31, 2025
(With Comparative Totals for 2024)

	County Road	Road Machinery	Transportation	Special Purpose
ASSETS				
Cash and equivalents	$ 300	$ -	$ -	$ 240,422
Receivables				
Accounts	12,599	152	-	-
State and Federal aid	1,076,038	-	236,572	-
Due from other funds	2,009,740	711,629	7,665,817	-
	3,098,377	711,781	7,902,389	-
Prepaid expenditures	94,998	26,450	1,111	-
Total Assets	$ 3,193,675	$ 738,231	$ 7,903,500	$ 240,422
LIABILITIES, DEFERRED INFLOWS OF RESOURCES AND FUND BALANCE				
Liabilities				
Accounts payable	$ 217,165	$ 110,557	$ 218,925	$ -
Accrued liabilities	143,493	23,329	1,033	-
Total Liabilities	360,658	133,886	219,958	-
Deferred inflows of resources				
Grants received in advance	-	-	-	-
Total Liabilities and Deferred Inflows of Resources	360,658	133,886	219,958	-
Fund balances				
Nonspendable	94,998	26,450	1,111	-
Restricted	-	-	-	240,422
Assigned	2,738,019	577,895	7,682,431	-
Total Fund Balances	2,833,017	604,345	7,683,542	240,422
Total Liabilities, Deferred Inflows and of Resource and Fund Balances	$ 3,193,675	$ 738,231	$ 7,903,500	$ 240,422

See independent auditors' report.

Debt Service	Total Non-Major Governmental Funds 2025	2024
$ -	$ 240,722	$ 238,222
-	12,751	19,907
-	1,312,610	534,968
55,395	10,442,581	12,440,436
55,395	11,767,942	12,995,311
-	122,559	97,410
$ 55,395	$ 12,131,223	$ 13,330,943
$ -	$ 546,647	$ 602,129
-	167,855	132,351
-	714,502	734,480
-	-	15,000
-	714,502	749,480
-	122,559	97,410
55,395	295,817	393,763
-	10,998,345	12,090,290
55,395	11,416,721	12,581,463
$ 55,395	$ 12,131,223	$ 13,330,943

County of Putnam, New York

Combining Statement of Revenues, Expenditures and Changes in Fund Balances
Non-Major Governmental Funds
Year Ended December 31, 2025
(With Comparative Totals for 2024)

	County Road	Road Machinery	Transportation	Special Purpose
REVENUES				
Real property taxes	$ 3,449,300	$ 1,400,000	$ 1,000,000	$ -
Departmental income	-	-	173,773	2,500
Intergovernmental charges	811,896	-	-	-
Use of money and property	-	-	-	-
Interfund revenues	-	496,425	96,238	-
State aid	15,000	-	1,519,492	-
Federal aid	-	-	741,031	-
Miscellaneous	203,199	5,184	-	-
Total Revenues	4,479,395	1,901,609	3,530,534	2,500
EXPENDITURES				
Current				
Health	-	-	-	-
Transportation	5,925,463	2,288,082	2,780,130	-
Debt service				
Principal				
Serial bonds	-	-	-	-
Energy Performance Contract	-	-	-	-
Installment Purchase	-	-	-	-
	5,925,463	2,288,082	2,780,130	-
Interest				
Serial bonds	-	-	-	-
Energy Performance Contract	-	-	-	-
Installment Purchase	-	-	-	-
	-	-	-	-
Total Expenditures	5,925,463	2,288,082	2,780,130	-
Excess (Deficiency) of Revenues Over Expenditures	(1,446,068)	(386,473)	750,404	2,500
OTHER FINANCING SOURCES				
Transfers in	45,341	-	-	-
Transfers out	-	(30,000)	-	-
Total Other Financing Sources (Uses)	45,341	(30,000)	-	-
Net Change in Fund Balances	(1,400,727)	(416,473)	750,404	2,500
FUND BALANCES				
Beginning of Year	4,233,744	1,020,818	6,933,138	237,922
End of Year	$ 2,833,017	$ 604,345	$ 7,683,542	$ 240,422

See independent auditors' report.

Debt Service	Total Non-Major Governmental Funds 2025	2024
$ 6,580,768	$ 12,430,068	$ 15,474,469
-	176,273	196,887
-	811,896	758,053
249,674	249,674	301,746
-	592,663	577,814
-	1,534,492	1,486,379
-	741,031	811,898
-	208,383	149,107
6,830,442	16,744,480	19,756,353
-	-	145,320
-	10,993,675	10,593,101
5,320,000	5,320,000	5,135,000
203,034	203,034	197,506
37,819	37,819	258,922
5,560,853	16,554,528	16,329,849
952,812	952,812	1,125,253
95,788	95,788	101,317
416	416	10,672
1,049,016	1,049,016	1,237,242
6,609,869	17,603,544	17,567,091
220,573	(859,064)	2,189,262
-	45,341	125,684
(321,019)	(351,019)	(76,913)
(321,019)	(305,678)	48,771
(100,446)	(1,164,742)	2,238,033
155,841	12,581,463	10,343,430
$ 55,395	$ 11,416,721	$ 12,581,463

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County of Putnam, New York

County Road Fund
Comparative Balance Sheet
December 31,

	2025	2024
ASSETS		
Cash and equivalents	$ 300	$ 300
Receivables		
Accounts	12,599	18,934
State and Federal aid	1,076,038	264,142
Due from other funds	2,009,740	4,314,235
	3,098,377	4,597,311
Prepaid expenditures	94,998	73,283
Total Assets	$ 3,193,675	$ 4,670,894
LIABILITIES, DEFERRED INFLOWS OF RESOURCES AND FUND BALANCE		
Liabilities		
Accounts payable	$ 217,165	$ 316,529
Accrued liabilities	143,493	105,621
Total Liabilities	360,658	422,150
Deferred inflows of resources		
Grants received in advance	-	15,000
Total Liabilities and Deferred Inflows of Resources	360,658	437,150
Fund balance		
Nonspendable	94,998	73,283
Assigned	2,738,019	4,160,461
Total Fund Balance	2,833,017	4,233,744
Total Liabilities, Deferred Inflows of Resources and Fund Balance	$ 3,193,675	$ 4,670,894

See independent auditors' report.

County of Putnam, New York

County Road Fund
Comparative Schedule of Revenues, Expenditures and Changes
in Fund Balance - Budget and Actual
Years Ended December 31,

	2025			
	Original Budget	Final Budget	Actual	Variance with Final Budget
REVENUES				
Real property taxes	$ 3,449,300	$ 3,449,300	$ 3,449,300	$ -
Intergovernmental charges	780,000	835,178	811,896	(23,282)
State aid	-	15,000	15,000	-
Miscellaneous	85,000	194,197	203,199	9,002
Total Revenues	4,314,300	4,493,675	4,479,395	(14,280)
EXPENDITURES				
Current				
Transportation	6,140,364	6,419,402	5,925,463	493,939
Total Expenditures	6,140,364	6,419,402	5,925,463	493,939
Excess (Deficiency) of Revenues Over Expenditures	(1,826,064)	(1,925,727)	(1,446,068)	479,659
OTHER FINANCING SOURCES (USES)				
Transfers in	-	45,341	45,341	-
Transfers out	-	-	-	-
Total Other Financing Source (Uses)	-	45,341	45,341	-
Net Change in Fund Balance	(1,826,064)	(1,880,386)	(1,400,727)	479,659
FUND BALANCE				
Beginning of Year	1,826,064	1,880,386	4,233,744	2,353,358
End of Year	$ -	$ -	$ 2,833,017	$ 2,833,017

See independent auditors' report.

2024			
Original Budget	Final Budget	Actual	Variance with Final Budget
$ 5,163,547	$ 5,163,547	$ 5,163,547	$ -
780,000	780,000	758,053	(21,947)
-	15,000	-	(15,000)
10,000	126,418	138,394	11,976
5,953,547	6,084,965	6,059,994	(24,971)
6,105,382	5,801,325	5,594,331	206,994
6,105,382	5,801,325	5,594,331	206,994
(151,835)	283,640	465,663	182,023
-	-	-	-
-	(76,913)	(76,913)	-
-	(76,913)	(76,913)	-
(151,835)	206,727	388,750	182,023
151,835	(206,727)	3,844,994	4,051,721
$ -	$ -	$ 4,233,744	$ 4,233,744

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County of Putnam, New York

Road Machinery Fund
Comparative Balance Sheet
December 31,

	2025	2024
ASSETS		
Receivables		
Accounts	$ 152	$ 973
Due from other funds	711,629	1,049,547
	711,781	1,050,520
Prepaid expenditures	26,450	24,114
Total Assets	$ 738,231	$ 1,074,634
LIABILITIES AND FUND BALANCE		
Liabilities		
Accounts payable	$ 110,557	$ 27,922
Accrued liabilities	23,329	25,894
Total Liabilities	133,886	53,816
Fund balance		
Nonspendable	26,450	24,114
Assigned	577,895	996,704
Total Fund Balance	604,345	1,020,818
Total Liabilities and Fund Balance	$ 738,231	$ 1,074,634

See independent auditors' report.

County of Putnam, New York

Road Machinery Fund
Comparative Schedule of Revenues, Expenditures and Changes
in Fund Balance - Budget and Actual
Years Ended December 31,

	2025			
	Original Budget	Final Budget	Actual	Variance with Final Budget
REVENUES				
Real property taxes	$ 1,400,000	$ 1,400,000	$ 1,400,000	$ -
Interfund revenues	536,450	536,450	496,425	(40,025)
Miscellaneous	-	5,185	5,184	(1)
Total Revenues	1,936,450	1,941,635	1,901,609	(40,026)
EXPENDITURES				
Current				
Transportation	2,392,969	2,432,137	2,288,082	144,055
Deficiency of Revenues Over Expenditures	(456,519)	(490,502)	(386,473)	104,029
OTHER FINANCING SOURCES				
Transfers in	-	-	-	-
Transfers out	-	(30,000)	(30,000)	-
Total Other Financing Sources (Uses)	-	(30,000)	(30,000)	-
Net Change in Fund Balance	(456,519)	(520,502)	(416,473)	104,029
FUND BALANCE				
Beginning of Year	456,519	520,502	1,020,818	500,316
End of Year	$ -	$ -	$ 604,345	$ 604,345

See independent auditors' report.

2024			
Original Budget	Final Budget	Actual	Variance with Final Budget
$ 1,752,719	$ 1,752,719	$ 1,752,719	$ -
528,100	529,148	479,597	(49,551)
-	-	-	-
2,280,819	2,281,867	2,232,316	(49,551)
2,304,291	2,293,771	2,246,688	47,083
(23,472)	(11,904)	(14,372)	(2,468)
-	76,913	76,913	-
-	-	-	-
-	76,913	76,913	-
(23,472)	65,009	62,541	(2,468)
23,472	(65,009)	958,277	1,023,286
$ -	$ -	$ 1,020,818	$ 1,020,818

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County of Putnam, New York

Transportation Fund
Comparative Balance Sheet
December 31,

	2025	2024
ASSETS		
Receivables		
State and Federal aid	$ 236,572	$ 270,826
Due from other funds	7,665,817	6,920,813
	7,902,389	7,191,639
Prepaid expenditures	1,111	13
Total Assets	$ 7,903,500	$ 7,191,652
LIABILITIES AND FUND BALANCE		
Liabilities		
Accounts payable	$ 218,925	$ 257,678
Accrued liabilities	1,033	836
Total Liabilities	219,958	258,514
Fund balance		
Nonspendable	1,111	13
Assigned	7,682,431	6,933,125
Total Fund Balance	7,683,542	6,933,138
Total Liabilities and Fund Balance	$ 7,903,500	$ 7,191,652

See independent auditors' report.

County of Putnam, New York

Transportation Fund
Comparative Schedule of Revenues, Expenditures and Changes
in Fund Balance - Budget and Actual
Years Ended December 31,

	2025			
	Original Budget	Final Budget	Actual	Variance with Final Budget
REVENUES				
Real property taxes	$ 1,000,000	$ 1,000,000	$ 1,000,000	$ -
Departmental income	187,960	181,902	173,773	(8,129)
Interfund revenues	122,000	122,000	96,238	(25,762)
State aid	1,084,400	1,084,400	1,519,492	435,092
Federal aid	328,000	328,000	741,031	413,031
Miscellaneous	-	-	-	-
Total Revenues	2,722,360	2,716,302	3,530,534	814,232
EXPENDITURES				
Current				
Transportation	3,835,991	3,836,713	2,780,130	1,056,583
Net Change in Fund Balance	(1,113,631)	(1,120,411)	750,404	1,870,815
FUND BALANCE				
Beginning of Year	1,113,631	1,120,411	6,933,138	5,812,727
End of Year	$ -	$ -	$ 7,683,542	$ 7,683,542

See independent auditors' report.

2024			
Original Budget	Final Budget	Actual	Variance with Final Budget
$ 2,114,593	$ 2,114,593	$ 2,114,593	$ -
182,000	182,000	192,335	10,335
122,600	122,600	98,217	(24,383)
884,400	884,400	1,486,379	601,979
323,600	900,938	811,898	(89,040)
-	10,542	10,542	-
3,627,193	4,215,073	4,713,964	498,891
3,630,693	2,923,440	2,752,082	171,358
(3,500)	1,291,633	1,961,882	670,249
3,500	(1,291,633)	4,971,256	6,262,889
$ -	$ -	$ 6,933,138	$ 6,933,138

County of Putnam, New York

Special Purpose Fund
Comparative Balance Sheet
December 31,

	2025	2024
ASSETS		
Cash and equivalents	$ 240,422	$ 237,922
FUND BALANCE		
Restricted	$ 240,422	$ 237,922

See independent auditors' report.

County of Putnam, New York

Special Purpose Fund
Comparative Schedule of Revenues, Expenditures and
Changes in Fund Balance
Years Ended December 31,

	2025	2024
REVENUES		
Departmental income	$ 2,500	$ 4,552
Miscellaneous	-	171
Total Revenues	2,500	4,723
EXPENDITURES		
Current		
Health	-	145,320
Excess (Deficiency) of Revenues Over Expenditures	2,500	(140,597)
FUND BALANCE		
Beginning of Year	237,922	378,519
End of Year	$ 240,422	$ 237,922

See independent auditors' report.

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County of Putnam, New York

Debt Service Fund
Comparative Balance Sheet
December 31,

	2025	2024
ASSETS		
Due from other funds	$ 55,395	$ 155,841
FUND BALANCE		
Restricted	$ 55,395	$ 155,841

See independent auditors' report.

County of Putnam, New York

Debt Service Fund
Comparative Schedule of Revenues, Expenditures and Changes
in Fund Balance - Budget and Actual
Years Ended December 31,

	2025			
	Original Budget	Final Budget	Actual	Variance with Final Budget
REVENUES				
Real property taxes	$ 6,580,768	$ 6,580,768	$ 6,580,768	$ -
Use of money and property	225,120	249,620	249,674	54
Total Revenues	6,805,888	6,830,388	6,830,442	54
EXPENDITURES				
Debt service				
Principal				
Serial bonds	5,320,000	5,320,000	5,320,000	-
Energy Performance Contract	203,034	203,034	203,034	-
Financed Purchase	358,838	37,819	37,819	-
	5,881,872	5,560,853	5,560,853	-
Interest				
Serial bonds	952,812	952,812	952,812	-
Energy Performance Contract	95,788	95,788	95,788	-
Financed Purchase	416	416	416	-
	1,049,016	1,049,016	1,049,016	-
Total Expenditures	6,930,888	6,609,869	6,609,869	-
Excess (Deficiency) of Revenues Over Expenditures	(125,000)	220,519	220,573	54
OTHER FINANCING SOURCES (USES)				
Transfers out	-	(321,019)	(321,019)	-
Transfers in	-	-	-	-
Total Other Financing Source (Uses)	-	(321,019)	(321,019)	-
Net Change in Fund Balance	(125,000)	(100,500)	(100,446)	54
FUND BALANCE				
Beginning of Year	125,000	100,500	155,841	55,341
End of Year	$ -	$ -	$ 55,395	$ 55,395

See independent auditors' report.

2024			
Original Budget	Final Budget	Actual	Variance with Final Budget
$ 6,443,610	$ 6,443,610	$ 6,443,610	$ -
211,289	301,903	301,746	(157)
6,654,899	6,745,513	6,745,356	(157)
5,135,000	5,135,000	5,135,000	-
197,506	197,506	197,506	-
212,404	258,922	258,922	-
5,544,910	5,591,428	5,591,428	-
1,125,253	1,125,253	1,125,253	-
101,317	101,317	101,317	-
8,419	10,672	10,672	-
1,234,989	1,237,242	1,237,242	-
6,779,899	6,828,670	6,828,670	-
(125,000)	(83,157)	(83,314)	(157)
-	-	-	-
-	48,771	48,771	-
-	48,771	48,771	-
(125,000)	(34,386)	(34,543)	(157)
125,000	34,386	190,384	155,998
$ -	$ -	$ 155,841	$ 155,841

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ENTERPRISE FUND

Enterprise Funds are used to account for operations that are financed and operated in a manner similar to private enterprises or where the governing body has decided that periodic determination of revenues earned, expenses incurred and/or net income is necessary for management accountability. Enterprise funds are used to account for those operations that provide services to the public. The operations of the Putnam Tobacco Asset Securitization Corporation, a blended component unit, are recorded as an enterprise fund.

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County of Putnam, New York

Enterprise Fund -
Putnam Tobacco Asset Securitization Corporation
Comparative Statement of Net Position
December 31,

	2025	2024
ASSETS		
Current assets		
Cash and equivalents	$ 134,922	$ 39,271
Investments	-	49,143
Accounts receivable	994,000	1,096,000
Prepaid expenses	8,171	8,171
Total Current Assets	1,137,093	1,192,585
Noncurrent assets		
Restricted cash and equivalents	1,212,934	1,712
Restricted investments	-	1,211,888
Total Noncurrent Assets	1,212,934	1,213,600
Total Assets	2,350,027	2,406,185
DEFERRED OUTFLOWS OF RESOURCES		
Deferred loss on refunding bonds	330,401	421,058
LIABILITIES		
Current liabilities		
Accrued liabilities	61,417	61,938
Current maturities of bonds payable	400,000	400,000
Total Current Liabilities	461,417	461,938
Noncurrent liabilities		
Bonds payable, less current maturities	19,803,182	19,525,717
Total Liabilities	20,264,599	19,987,655
NET POSITION		
Unrestricted	$ (17,584,171)	$ (17,160,412)

See independent auditors' report.

County of Putnam, New York

Enterprise Fund -
Putnam Tobacco Asset Securitization Corporation
Comparative Statement of Revenues, Expenses and Changes in Net Position
Years Ended December 31,

	2025	2024
OPERATING REVENUES		
Tobacco settlement revenues	$ 783,794	$ 907,256
OPERATING EXPENSES		
Professional fees	14,571	14,820
Insurance	8,171	8,171
Administrative charges	42,500	40,000
Total Operating Expenses	65,242	62,991
Income from Operations	718,552	844,265
NON-OPERATING REVENUES (EXPENSES)		
Interest income	65,415	83,466
Interest expense	(1,207,726)	(1,198,453)
Total Non-Operating Expenses	(1,142,311)	(1,114,987)
Change in Net Position	(423,759)	(270,722)
NET POSITION		
Beginning of Year	(17,160,412)	(16,889,690)
End of Year	$ (17,584,171)	$ (17,160,412)

See independent auditors' report.

County of Putnam, New York

Enterprise Fund -
Putnam Tobacco Asset Securitization Corporation
Comparative Statement of Cash Flows
Years Ended December 31,

	2025	2024
CASH FLOWS FROM OPERATING ACTIVITIES		
Cash received from tobacco settlement revenues	$ 885,794	$ 971,256
Cash payments to vendors	(65,242)	(62,991)
Net Cash From Operating Activities	820,552	908,265
CASH FLOWS FROM INVESTING ACTIVITIES		
Interest income	65,415	83,466
Sale (Purchase) of investments	1,261,031	67,194
Net Cash From Investing Activities	1,326,446	150,660
CASH FLOWS FROM NON-CAPITAL FINANCING ACTIVITIES		
Repayment of bonds	(100,000)	(300,000)
Interest paid	(740,125)	(752,625)
Net Cash From Non-Capital Financing Activities	(840,125)	(1,052,625)
Net Change in Cash and Equivalents	1,306,873	6,300
CASH AND EQUIVALENTS		
Beginning of Year	40,983	34,683
End of Year	$ 1,347,856	$ 40,983
RECONCILIATION OF CASH AND EQUIVALENTS TO THE COMPARATIVE STATEMENT OF NET POSITION		
Cash and equivalents	$ 134,922	$ 39,271
Restricted cash and equivalents	1,212,934	1,712
	$ 1,347,856	$ 40,983
RECONCILIATION OF INCOME FROM OPERATIONS TO NET CASH FROM OPERATING ACTIVITIES		
Income from operations	$ 718,552	$ 844,265
Adjustments to reconcile income from operations to net cash from operating activities		
Changes in assets and liabilities		
Accounts receivable	102,000	64,000
Net Cash From Operating Activities	$ 820,552	$ 908,265
NONCASH INVESTING ACTIVITIES		
Increase in bonds payable from amortization of original issue discount	$ 25,564	$ 25,564
Increase in bonds payable from accreted interest on Series 2005 capital appreciation bonds	351,901	331,169
Decrease in deferred outflows of resources from amortization of loss on refunding bonds	90,657	90,657

See independent auditors' report.

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INTERNAL SERVICE FUNDS

Internal Service Funds account for 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 and Casualty Reserve Benefits funds as internal service funds.

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County of Putnam, New York

Internal Service Funds
Combining Statement of Net Position
December 31, 2025
(With Comparative Totals for 2024)

	Workers' Compensation Benefits	Casualty Reserve Benefits	Totals 2025	Totals 2024
ASSETS				
Cash and equivalents	$ 5	$ 1,645,576	$ 1,645,581	$ 1,586,361
Investments	4,451,514	-	4,451,514	4,273,160
Due from other funds	508,684	-	508,684	692,131
Total Assets	4,960,203	1,645,576	6,605,779	6,551,652
LIABILITIES				
Current liabilities				
Current portion of claims payable	431,000	-	431,000	432,000
Noncurrent liabilities				
Claims payable, less current portion	3,877,898	-	3,877,898	3,885,273
Total Liabilities	4,308,898	-	4,308,898	4,317,273
NET POSITION				
Restricted	$ 651,305	$ 1,645,576	$ 2,296,881	$ 2,234,379

See independent auditors' report.

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County of Putnam, New York

Internal Service Funds
Combining Statement of Revenues, Expenses and
Changes in Net Position
Year Ended December 31, 2025
(With Comparative Totals for 2024)

	Workers' Compensation Benefits	Casualty Reserve Benefits	Totals 2025	Totals 2024
OPERATING REVENUES				
Charges for services	$ 845,277	$ -	$ 845,277	$ 1,129,420
OPERATING EXPENSES				
Administration	393,123	-	393,123	318,089
Employee benefits	630,552	-	630,552	990,204
Total Operating Expenses	1,023,675	-	1,023,675	1,308,293
Loss from Operations	(178,398)	-	(178,398)	(178,873)
NON-OPERATING REVENUES				
Interest income	178,398	62,502	240,900	239,753
Change in Net Position	-	62,502	62,502	60,880
NET POSITION				
Beginning of Year	651,305	1,583,074	2,234,379	2,173,499
End of Year	$ 651,305	$ 1,645,576	$ 2,296,881	$ 2,234,379

See independent auditors' report.

County of Putnam, New York

Internal Service Funds
Combining Statement of Cash Flows
Year Ended December 31, 2025
(With Comparative Totals for 2024)

	Workers' Compensation Benefits	Casualty Reserve Benefits
CASH FLOWS FROM OPERATING ACTIVITIES		
Cash received from interfund services provided	$ 1,028,724	$ -
Cash received from miscellaneous	-	-
Cash payments to insurance carriers and claimants	(638,927)	-
Cash payments to vendors	(393,123)	-
Net Cash From Operating Activities	(3,326)	-
CASH FLOWS FROM INVESTING ACTIVITIES		
Interest income	178,398	62,502
Purchase of investments	(178,354)	-
Net Cash From Investing Activities	44	62,502
Net Change in Cash and Equivalents	(3,282)	62,502
CASH AND EQUIVALENTS		
Beginning of Year	3,287	1,583,074
End of Year	$ 5	$ 1,645,576
RECONCILIATION OF LOSS FROM OPERATIONS TO NET CASH FROM OPERATING ACTIVITIES		
Loss from operations	$ (178,398)	$ -
Adjustments to reconcile loss from operations to net cash from operating activities		
Changes in operating assets and liabilities		
Accounts receivable	-	-
Due from other funds	183,447	-
Claims payable	(8,375)	-
Net Cash From Operating Activities	$ (3,326)	$ -

See independent auditors' report.

Totals	
2025	2024
$ 1,028,724	$ 1,303,643
-	22,738
(638,927)	(999,668)
(393,123)	(318,089)
(3,326)	8,624
240,900	239,753
(178,354)	(4,273,160)
62,546	(4,033,407)
59,220	(4,024,783)
1,586,361	5,611,144
$ 1,645,581	$ 1,586,361
$ (178,398)	$ (178,873)
-	22,738
183,447	174,223
(8,375)	(9,464)
$ (3,326)	$ 8,624

County of Putnam, New York

Internal Service Fund - Workers' Compensation Benefits Fund
Comparative Statement of Net Position
December 31,

	2025	2024
ASSETS		
Cash and equivalents	$ 5	$ 3,287
Investments	4,451,514	4,273,160
Due from other funds	508,684	692,131
Total Assets	4,960,203	4,968,578
LIABILITIES		
Current liabilities		
Current portion of claims payable	431,000	432,000
Noncurrent liabilities		
Claims payable, less current portion	3,877,898	3,885,273
Total Liabilities	4,308,898	4,317,273
NET POSITION		
Restricted	$ 651,305	$ 651,305

See independent auditors' report.

County of Putnam, New York

Internal Service Fund - Workers' Compensation Benefits Fund
Comparative Statement of Revenues, Expenses and Changes in Net Position
Years Ended December 31,

	2025	2024
OPERATING REVENUES		
Charges for services	$ 845,277	$ 1,129,420
OPERATING EXPENSES		
Administration	393,123	318,089
Employee benefits	630,552	990,204
Total Operating Expenses	1,023,675	1,308,293
Loss from Operations	(178,398)	(178,873)
NON-OPERATING REVENUES		
Interest income	178,398	178,873
Change in Net Position	-	-
NET POSITION		
Beginning of Year	651,305	651,305
End of Year	$ 651,305	$ 651,305

See independent auditors' report.

County of Putnam, New York

Internal Service Fund - Workers' Compensation Benefits Fund
Comparative Statement of Cash Flows
Years Ended December 31,

	2025	2024
CASH FLOWS FROM OPERATING ACTIVITIES		
Cash received from interfund services provided	$ 1,028,724	$ 1,303,643
Cash received from miscellaneous	-	22,738
Cash payments to insurance carriers and claimants	(638,927)	(999,668)
Cash payments to vendors	(393,123)	(318,089)
Net Cash From Operating Activities	(3,326)	8,624
CASH FLOWS FROM INVESTING ACTIVITIES		
Interest income	178,398	178,873
Purchase of investments	(178,354)	(4,273,160)
Net Cash From Investing Activities	44	(4,094,287)
Net Change in Cash and Equivalents	(3,282)	(4,085,663)
CASH AND EQUIVALENTS		
Beginning of Year	3,287	4,088,950
End of Year	$ 5	$ 3,287
RECONCILIATION OF LOSS FROM OPERATIONS TO NET CASH FROM OPERATING ACTIVITIES		
Loss from operations	$ (178,398)	$ (178,873)
Adjustments to reconcile loss from operations to net cash from operating activities		
Changes in operating assets and liabilities		
Accounts receivable	-	22,738
Due from other funds	183,447	174,223
Claims payable	(8,375)	(9,464)
Net Cash From Operating Activities	$ (3,326)	$ 8,624

See independent auditors' report.

County of Putnam, New York

Internal Service Fund - Casualty Reserve Benefits Fund
Comparative Statement of Net Position
December 31,

	2025	2024
ASSETS		
Cash and equivalents	$ 1,645,576	$ 1,583,074
NET POSITION		
Restricted	$ 1,645,576	$ 1,583,074

See independent auditors' report.

County of Putnam, New York

Internal Service Fund - Casualty Reserve Benefits Fund
Comparative Statement of Revenues, Expenses and Changes in Net Position
Years Ended December 31,

	2025	2024
OPERATING REVENUES	$ -	$ -
OPERATING EXPENSES	-	-
Income from Operations	-	-
NON-OPERATING REVENUES		
Interest income	62,502	60,880
Change in Net Position	62,502	60,880
NET POSITION		
Beginning of Year	1,583,074	1,522,194
End of Year	$ 1,645,576	$ 1,583,074

See independent auditors' report.

County of Putnam, New York

Internal Service Fund - Casualty Reserve Benefits Fund
Comparative Statement of Cash Flows
Years Ended December 31,

	2025	2024
CASH FLOWS FROM INVESTING ACTIVITIES		
Interest income	$ 62,502	$ 60,880
CASH AND EQUIVALENTS		
Beginning of Year	1,583,074	1,522,194
End of Year	$ 1,645,576	$ 1,583,074
RECONCILIATION OF INCOME FROM OPERATIONS TO NET CASH FROM OPERATING ACTIVITIES		
Income from operations	$ -	$ -

See independent auditors' report.

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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 County's overall financial health.

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Financial Trends

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 include:

Net Position by Component

Changes in Net Position

Fund Balances of Governmental Funds

Changes in Fund Balances of Governmental Funds

County of Putnam, New York

Net Position By Component
Last Ten Fiscal Years

	2016	2017	2018	2019
Governmental Activities:				
Net Investment in Capital Assets	$ 43,366,761	$ 44,759,518	$ 46,926,061	$ 52,651,372
Restricted	4,941,107	5,546,032	4,817,914	5,361,753
Unrestricted	(80,343,037)	(88,289,627)	(138,584,471)	(136,810,909)
Total Governmental Activities Net Position	$ (32,035,169)	$ (37,984,077)	$ (86,840,496)	$ (78,797,784)
Business - Type Activities (1) - Unrestricted	$ (15,712,150)	$ (16,114,189)	$ (16,364,851)	$ (16,747,866)
Primary Government:				
Net Invested in Capital Assets	$ 43,366,761	$ 44,759,518	$ 46,926,061	$ 52,651,372
Restricted	4,941,107	5,546,032	4,817,914	5,361,753
Unrestricted	(96,055,187)	(104,403,816)	(154,949,322)	(153,558,775)
Total Primary Government Net Position	$ (47,747,319)	$ (54,098,266)	$ (103,205,347)	$ (95,545,650)

(1) The activities of the Putnam Tobacco Asset Securitization Corporation have been included as a blended component unit effective with the 2004 fiscal year in accordance with Governmental Accounting Standards Board Technical Bulletin 2004-1.

2020	2021	2022	2023	2024	2025
$ 57,507,148	$ 69,747,477	$ 87,425,200	$ 100,001,919	$ 124,344,532	$ 159,801,848
5,911,605	6,590,759	4,582,856	6,387,114	7,679,878	8,244,840
(138,143,085)	(121,934,230)	(101,492,693)	(85,730,982)	(80,002,977)	(64,999,265)
$ (74,724,332)	$ (45,595,994)	$ (9,484,637)	$ 20,658,051	$ 52,021,433	$ 103,047,423
$ (16,861,479)	$ (16,904,283)	$ (16,842,515)	$ (16,889,690)	$ (17,160,412)	$ (17,584,171)
$ 57,507,148	$ 69,747,477	$ 87,425,200	$ 100,001,919	$ 124,344,532	$ 159,801,848
5,911,605	6,590,759	4,582,856	6,387,114	7,679,878	8,244,840
(155,004,564)	(138,838,513)	(118,335,208)	(102,620,672)	(97,163,389)	(82,583,436)
$ (91,585,811)	$ (62,500,277)	$ (26,327,152)	$ 3,768,361	$ 34,861,021	$ 85,463,252

County of Putnam, New York

Changes In Net Position
Last Ten Fiscal Years

	2016	2017	2018	2019
Expenses				
Governmental Activities:				
General government support	$ 28,652,223	$ 27,992,898	$ 27,004,646	$ 28,623,123
Education	9,617,363	10,423,919	11,030,390	11,792,890
Public safety	40,992,057	42,110,925	40,565,332	43,324,029
Health	15,173,052	14,694,859	13,991,655	13,165,335
Transportation	17,657,346	16,749,862	17,785,751	17,033,546
Economic opportunity and development	36,955,938	36,666,894	35,563,347	35,231,120
Culture and recreation	5,619,737	6,049,103	7,683,154	7,788,837
Home and community services	1,706,362	1,893,965	1,673,642	1,741,520
Interest	2,074,647	1,993,587	1,853,636	1,774,441
Total Governmental Activities Expenses	158,448,725	158,576,012	157,151,553	160,474,841
Business-type Activities (1) -				
Putnam Tobacco Asset Securitization Corporation	1,219,183	1,199,494	1,247,113	1,255,515
Total Primary Government Expenses	$ 159,667,908	$ 159,775,506	$ 158,398,666	$ 161,730,356
Program Revenues				
Governmental Activities:				
Charges for Services:				
General government support	$ 5,205,591	$ 5,614,047	$ 5,533,225	$ 5,612,413
Public safety	2,329,177	2,431,110	2,540,504	2,936,152
Health	889,807	860,578	808,316	797,551
Transportation	1,053,074	1,391,748	1,510,055	1,463,351
Economic opportunity and development	1,695,010	1,681,662	1,464,989	1,817,343
Culture and recreation	2,493,753	2,480,154	2,966,723	3,269,013
Home and community services	26,205	25,232	25,379	51,194
Operating Grants and Contributions	27,796,595	26,756,792	28,459,366	27,689,882
Capital Grants and Contributions	5,205,333	3,670,446	5,357,376	7,386,047
Total Governmental Activities Program Revenues	46,694,545	44,911,769	48,665,933	51,022,946
Business-type Activities -				
Charges for Services -				
Putnam Tobacco Asset Securitization Corporation	1,309,584	815,054	969,450	836,968
Total Primary Government Program Revenues	$ 48,004,129	$ 45,726,823	$ 49,635,383	$ 51,859,914

2020	2021	2022	2023	2024	2025
$ 34,378,393	$ 30,745,529	$ 30,954,017	$ 35,918,632	$ 39,581,241	$ 41,001,146
10,415,221	11,271,247	11,990,756	13,150,774	15,285,810	14,884,542
47,556,214	46,003,787	43,918,619	50,583,957	50,911,065	50,177,465
15,911,465	15,034,635	15,563,463	18,408,647	18,376,502	16,601,129
16,659,571	16,815,999	18,469,275	18,125,300	18,972,710	18,229,008
36,738,696	32,007,436	33,289,812	36,170,882	39,891,425	40,637,016
6,774,939	7,315,762	8,078,852	8,719,063	9,163,364	9,047,152
					2,060,623
1,962,064	2,412,947	2,120,436	2,110,326	1,039,597	931,649
1,670,510	1,596,626	1,479,602	1,256,389	2,041,067	
172,067,073	163,203,968	165,864,832	184,443,970	195,262,781	193,569,730
1,254,725	1,262,596	1,251,718	1,253,866	1,261,444	1,272,968
$ 173,321,798	$ 164,466,564	$ 167,116,550	$ 185,697,836	$ 196,524,225	$ 194,842,698
$ 5,575,030	$ 5,948,188	$ 5,757,977	$ 5,945,467	$ 5,685,345	$ 6,163,487
2,899,064	4,080,578	3,612,088	3,344,032	3,157,904	3,315,461
798,160	807,082	760,318	912,039	922,908	878,879
824,553	960,142	1,056,241	908,502	953,479	986,269
2,185,220	1,913,583	1,419,639	1,571,129	2,228,467	2,717,373
2,533,460	3,240,268	3,048,461	3,361,698	3,311,922	3,658,053
27,750	48,195	49,785	73,300	57,900	90,681
30,713,513	29,971,614	33,357,880	38,650,463	47,368,263	46,734,605
7,457,186	15,008,390	13,844,520	12,125,927	15,520,588	28,685,814
53,013,936	61,978,040	62,906,909	66,892,557	79,206,776	93,230,622
1,128,270	1,219,723	1,294,075	1,126,093	907,256	783,794
$ 54,142,206	$ 63,197,763	$ 64,200,984	$ 68,018,650	$ 68,018,650	$ 94,014,416

(Continued) (Continued)

Changes in Net Position (Continued)
Last Ten Fiscal years

	2016	2017	2018	2019
Net Expense/Revenue:				
Governmental Activities	$ (111,754,180)	$ (113,664,243)	$ (108,485,620)	$ (109,451,895)
Business-type Activities	90,401	(384,440)	(277,663)	(418,547)
Total Primary Government Net Expense	$ (111,663,779)	$ (114,048,683)	$ (108,763,283)	$ (109,870,442)
General Revenues				
Governmental Activities:				
Taxes:				
Real Property Taxes	$ 35,664,434	$ 41,792,992	$ 43,134,059	$ 42,793,970
Other Tax Items	5,479,429	4,692,425	4,877,949	5,464,888
Non-property Taxes	60,120,626	60,000,569	64,525,488	67,710,168
Unrestricted Use of Money and Property	103,012	215,857	465,110	744,452
Sale of Property and Compensation for Loss	107,346	57,812	111,591	119,219
Opioid Settlement	-	-	-	-
JUUL Settlement	-	-	-	-
Miscellaneous	536,640	925,680	520,599	661,910
Transfers	25,000	30,000	-	-
Total Governmental Activities	102,036,487	107,715,335	113,634,796	117,494,607
Business-type Activities:				
Unrestricted Use of Money and Property	3,618	12,401	27,001	35,532
Transfers	(25,000)	(30,000)	-	-
Total Business-type Activities	(21,382)	(17,599)	27,001	35,532
Total Primary Government				
General Revenues	$ 102,015,105	$ 107,697,736	$ 113,661,797	$ 117,530,139
Change in Net Position				
Governmental Activities	$ (9,717,693)	$ (5,948,908)	$ 5,149,176	$ 8,042,712
Business-type Activities	69,019	(402,039)	(250,662)	(383,015)
Total Primary Government	$ (9,648,674)	$ (6,350,947)	$ 4,898,514	$ 7,659,697

(1) The activities of the Putnam Tobacco Asset Securitization Corporation have been included as a blended component unit effective with the 2004 fiscal year in accordance with Governmental Accounting Standards Board Technical Bulletin 2004-1.

2020	2021	2022	2023	2024	2025
$ (119,053,137)	$ (101,225,928)	$ (102,957,923)	$ (117,551,413)	$ (116,056,005)	$ (100,339,108)
(126,455)	(42,873)	42,357	(127,773)	(354,188)	(489,174)
$ (119,179,592)	$ (101,268,801)	$ (102,915,566)	$ (117,679,186)	$ (116,410,193)	$ (100,828,282)
$ 49,146,545	$ 43,848,387	$ 45,879,692	$ 45,795,974	$ 50,432,678	$ 46,821,238
5,053,180	4,849,033	5,390,190	5,410,056	4,137,383	5,869,061
67,683,950	79,874,243	83,550,054	89,627,893	87,279,881	86,886,433
220,874	125,615	1,223,652	6,174,795	8,689,486	8,946,520
140,990	450,993	189,595	120,612	186,148	266,447
-	-	2,005,089	-	1,413,033	376,924
-	-	-	-	-	511,067
881,050	1,205,995	831,008	564,771	507,384	1,687,408
-	-	-	-	-	-
123,126,589	130,354,266	139,069,280	147,694,101	152,645,993	151,365,098
12,842	69	19,411	80,598	83,466	65,415
-	-	-	-	-	
12,842	69	19,411	80,598	83,466	65,415
$ 123,139,431	$ 130,354,335	$ 139,088,691	$ 147,774,699	$ 152,729,459	$ 151,430,513
$ 4,073,452	$ 29,128,338	$ 36,111,357	$ 30,142,688	$ 36,589,988	$ 51,025,990
(113,613)	(42,804)	61,768	(47,175)	(270,722)	(423,759)
$ 3,959,839	$ 29,085,534	$ 36,173,125	$ 30,095,513	$ 36,319,266	$ 50,602,231

County of Putnam, New York

Fund Balances of Governmental Funds
Last Ten Fiscal Years

	2016	2017	2018	2019
General Fund				
Nonspendable	$ 3,848,189	$ 3,986,893	$ 3,929,419	$ 3,881,182
Restricted	1,870,489	1,847,169	1,903,800	2,375,913
Committed	-	-	-	-
Assigned	18,057,991	18,101,617	15,715,837	14,510,528
Unassigned	13,869,403	15,845,855	21,977,572	29,864,516
Total General Fund	$ 37,646,072	$ 39,781,534	$ 43,526,628	$ 50,632,139
All Other Governmental Funds				
Nonspendable	$ 127,105	$ 109,101	$ 95,281	$ 93,783
Restricted	5,412,111	5,505,991	6,857,500	8,274,205
Assigned	2,580,944	2,583,857	2,250,627	2,478,311
Unassigned	-	-	-	-
Total All Other Governmental Funds	$ 8,120,160	$ 8,198,949	$ 9,203,408	$ 10,846,299
Total Governmental Funds	$ 45,766,232	$ 47,980,483	$ 52,730,036	$ 61,478,438

(1) - The County implemented the provisions of Governmental Accounting Standards Board Statement No. 54, "Fund Balance Reporting and Governmental Fund Type Definitions", for the fiscal year ended December 31, 2010.

2020	2021	2022	2023	2024	2025
$ 5,895,830	$ 6,409,653	$ 6,127,791	$ 6,158,798	$ 6,180,632	$ 6,563,254
3,026,400	3,768,389	1,793,327	3,644,712	5,051,736	5,652,142
-	-	-	-	-	-
15,612,466	14,733,372	33,122,859	56,167,139	72,619,229	102,211,854
43,267,359	65,679,390	71,425,850	78,332,212	78,325,913	61,848,473
$ 67,802,055	$ 90,590,804	$ 112,469,827	$ 144,302,861	$ 162,177,510	$ 176,275,723
$ 98,045	$ 125,380	$ 92,512	$ 98,657	$ 97,410	$ 122,559
11,909,281	10,687,875	15,663,576	13,588,142	16,619,713	13,482,755
4,133,130	4,750,720	7,031,213	9,675,870	12,090,290	10,998,345
-	-	-	-	-	-
$ 16,140,456	$ 15,563,975	$ 22,787,301	$ 23,362,669	$ 28,807,413	$ 24,603,659
$ 83,942,511	$ 106,154,779	$ 135,257,128	$ 167,665,530	$ 190,984,923	$ 200,879,382

Changes in Fund Balances of Governmental Funds
Last Ten Fiscal Years

	2016	2017	2018	2019
Revenues				
Real property taxes	$ 39,304,229	$ 41,793,023	$ 40,231,841	$ 41,177,572
Other tax items	5,479,429	4,692,425	4,877,949	5,464,888
Non-property taxes	60,120,626	60,000,569	64,525,488	67,710,168
Departmental income	11,111,171	11,348,444	11,421,718	12,560,243
Intergovernmental charges	753,928	1,124,919	1,275,182	1,230,723
Use of money and property	638,292	872,168	1,026,855	1,248,370
Licenses and permits	861,486	805,881	924,395	879,168
Fines and forfeitures	249,508	201,658	218,697	312,323
Sale of property and compensation for loss	107,346	57,812	111,591	119,219
Interfund revenues	372,217	385,281	595,917	569,536
State aid	19,323,125	19,738,249	21,935,041	23,021,242
Federal aid	12,418,266	9,937,788	11,195,803	11,428,019
Miscellaneous	1,970,646	2,004,772	1,618,224	1,594,518
Total Revenues	152,710,269	152,962,989	159,958,701	167,315,989
Expenditures				
Current				
General government support	24,070,985	23,754,954	23,863,181	24,869,527
Education	9,618,908	10,423,919	11,030,625	11,793,506
Public safety	36,303,280	36,767,396	36,368,645	37,283,576
Health	12,945,287	13,026,106	12,878,133	11,791,534
Transportation	10,642,584	10,890,372	11,670,153	11,446,902
Economic opportunity and development	34,241,746	33,639,289	33,492,969	32,905,063
Culture and recreation	4,686,558	4,983,259	5,916,734	6,329,687
Home and community services	1,640,432	1,742,315	1,593,484	1,636,429
Employee benefits	4,578,254	4,750,314	5,053,139	5,178,712
Debt Service:				
Principal	4,063,274	4,210,000	4,609,575	4,973,350
Interest	2,203,331	2,134,655	2,058,557	1,952,089
Refunding bond issuance costs	-	-	-	63,045
Capital Outlay	7,524,553	8,628,997	8,732,562	8,407,212
Total Expenditures	152,519,192	154,951,576	157,267,757	158,630,632
Excess (Deficiency) of Revenues Over Expenditures	191,077	(1,988,587)	2,690,944	8,685,357
Other Financing Sources (Uses)				
Bonds issued	4,214,575	4,133,350	2,033,125	-
Refunding bonds issued	-	-	-	3,315,000
Issuance premium	-	39,488	25,484	239,641
Energy performance contract issued	-	-	-	-
Financed purchase debt issued	-	-	-	-
Payment to refunded bond escrow agent	-	-	-	(3,491,596)
Leases Issued	-	-	-	-
Subscription financing proceeds	-	-	-	-
Transfers in	936,561	2,151,816	3,148,201	3,145,001
Transfers out	(911,561)	(2,121,816)	(3,148,201)	(3,145,001)
Total Other Financing Sources	4,239,575	4,202,838	2,058,609	63,045
Net Change in Fund Balances	$ 4,430,652	$ 2,214,251	$ 4,749,553	$ 8,748,402
Debt Service as a Percentage of Non-Capital Expenditures	4.3%	4.4%	4.5%	4.6%

2020	2021	2022	2023	2024	2025
$ 47,543,092	$ 43,470,407	$ 45,701,801	$ 45,606,412	$ 50,765,232	$ 47,393,225
2,335,370	4,628,143	5,390,190	5,410,056	4,137,383	5,654,129
67,683,950	79,874,243	83,550,054	89,627,893	87,279,881	86,886,433
11,933,405	13,882,209	12,256,866	12,668,682	12,924,035	14,097,521
717,182	817,977	898,920	737,181	758,053	811,896
716,562	759,126	2,030,866	6,910,712	9,093,244	9,431,624
961,520	951,118	999,600	954,255	985,765	978,829
222,760	173,583	125,420	174,283	202,210	255,963
140,990	450,993	189,595	120,612	186,148	266,447
457,236	615,900	634,764	605,076	577,814	592,663
24,485,166	24,319,540	27,880,240	30,480,059	33,701,221	35,066,414
12,921,128	17,107,225	18,121,917	19,495,119	27,016,721	38,168,757
2,228,230	2,861,847	2,182,145	3,095,260	4,010,556	3,409,472
172,346,591	189,912,311	199,962,378	215,885,600	231,638,263	243,013,373
24,904,477	26,294,133	26,549,089	29,353,041	31,891,936	35,393,690
10,508,173	11,214,715	11,891,287	13,045,098	15,186,388	14,792,360
36,339,893	38,530,921	36,971,966	39,310,568	42,533,791	48,508,544
12,623,328	13,276,228	13,933,738	16,106,583	16,815,061	15,836,051
9,550,576	10,970,715	11,432,589	11,024,052	12,168,454	12,631,722
31,943,130	29,800,621	30,521,966	32,484,018	36,999,801	39,226,806
5,077,068	6,081,277	6,475,356	7,003,291	7,624,217	7,646,692
1,743,828	2,290,104	1,847,333	1,873,341	1,904,117	2,011,986
5,395,673	5,325,954	6,007,920	6,813,171	7,675,835	8,147,381
5,228,125	5,585,249	5,907,109	6,448,612	5,591,428	5,560,853
1,793,359	1,812,858	1,664,182	1,450,047	1,237,242	1,049,016
54,589	56,580	-	-		-
14,988,031	19,635,121	18,688,830	18,745,710	29,171,570	45,085,573
160,150,250	170,874,476	171,891,365	183,657,532	208,799,840	235,890,674
12,196,341	19,037,835	28,071,013	32,228,068	22,838,423	7,122,699
5,845,300	3,058,000	-	-	-	-
2,865,000	2,485,000	-	-	-	-
408,135	253,453	-	-	-	-
4,184,693	-	-	-	-	-
183,150	-	868,086	180,334	-	-
(3,218,546)	(2,622,020)		-	-	-
-	-	163,250	-	480,970	-
-	-	-	-	-	2,771,760
2,362,778	524,431	9,674,379	5,254,469	16,804,153	15,863,706
(2,362,778)	(524,431)	(9,674,379)	(5,254,469)	(16,804,153)	(15,863,706)
10,267,732	3,174,433	1,031,336	180,334	480,970	2,771,760
$ 22,464,073	$ 22,212,268	$ 29,102,349	$ 32,408,402	$ 23,319,393	$ 9,894,459
4.9%	4.9%	4.9%	4.8%	4.1%	3.5%

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Revenue Capacity

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

Sales Tax Rates

Taxable Sales by Industry

Assessed Value and Estimated Actual Value of Taxable Property

Direct and Overlapping Property Tax Rates, Per $1,000 of Assessed Valuation

Principal Taxpayers

Property Tax Levies and Collections

County of Putnam, New York

Sales Tax Rates
Last Ten Fiscal Years

	2016	2017	2018	2019
New York State *	4.000 %	4.000 %	4.000 %	4.000 %
MTA (1) **	0.375	0.375	0.375	0.375
County ***	4.000	4.000	4.000	4.000
Total	8.375 %	8.375 %	8.375 %	8.375 %

(1) Metropolitan Transit Authority

* Effective June 1, 2003 - May 31, 2005 the NYS rate increased from 4% to 4 1/2%
Effective June 1, 2005 the NYS rate decreased from 4 1/2% to 4%.

** Effective June 1, 2005 the MTA rate increased from 1/4% to 3/8%

*** Effective September 1, 2005 the County rate increased from 3% to 3.5%
Effective September 1, 2007 the County rate increased from 3.5% to 4%.

2020	2021	2022	2023	2024	2025
4.000 %	4.000 %	4.000 %	4.000 %	4.000 %	4.000 %
0.375	0.375	0.375	0.375	0.375	0.375
4.000	4.000	4.000	4.000	4.000	4.000
8.375 %	8.375 %	8.375 %	8.375 %	8.375 %	8.375 %

County of Putnam, New York

Taxable Sales By Industry
Ten Years Stated

Industry	March 2016 to February 2017	March 2017 to February 2018	March 2018 to February 2019	March 2019 to February 2020
Utilities (excluding residential energy)	$ 24,815	$ 28,617	$ 34,821	$ 39,119
Construction	34,852	37,287	41,167	39,991
Manufacturing	65,696	48,896	57,512	62,888
Wholesale Trade	90,728	92,545	109,290	106,242
Retail Trade:				
Motor Vehicles and Parts	228,186	235,809	250,563	247,632
Furniture and Home Furnishings	23,857	25,652	25,100	26,766
Electronics and Appliances	12,703	12,253	13,106	12,845
Building Materials and Garden Equipment	100,704	105,540	112,374	112,179
Food and Beverage	87,001	92,896	106,514	120,105
Health and Personal Care	17,097	17,472	17,903	18,057
Gasoline Stations	118,981	123,321	121,930	119,384
Clothing	29,570	32,474	35,323	41,241
Sporting Goods, Hobby, Book and Music Stores	15,878	15,374	15,623	17,565
General Merchandise	37,506	37,648	36,791	30,257
Miscellaneous Retail	44,646	43,767	44,700	44,229
Nonstore Retail	59,051	68,017	77,091	114,975
Information	74,351	71,183	69,986	78,956
Professional, Scientific, and Technical	14,045	13,493	15,902	19,941
Admin/Support/Waste Mgmt/Remediation Services	40,776	41,005	47,483	59,576
Health Care	2,231	2,293	3,746	3,574
Arts, Entertainment, and Recreation	18,337	19,175	20,627	21,316
Accommodation and Food Services:				
Accommodation	1,753	1,590	1,940	1,878
Food Services	115,983	118,604	119,966	123,957
Other Services:				
Repair and Maintenance	52,362	53,804	56,782	56,629
Personal and Laundry Services	6,097	7,842	7,886	7,959
All Other Services	646	618	580	569
Ag., Mining, Trans., Fire, Educ., Govt.	128,661	125,771	132,192	139,176
Unclassified by Industry	500	354	526	513
Grand Total	$ 1,447,013	$ 1,473,300	$ 1,577,424	$ 1,667,519

March 2020 to February 2021	March 2021 to February 2022	March 2022 to February 2023	March 2023 to February 2024**	March 2024 to February 2025**	March 2025 to February 2026*
$ 37,175	$ 39,169	$ 42,631	$ 35,417	$ 40,899	$ 50,605
36,604	44,337	49,967	56,699	52,778	61,085
73,216	84,454	93,409	88,569	79,666	85,274
107,158	134,400	157,057	179,611	231,624	216,416
230,784	266,302	277,879	293,312	293,312	296,150
27,795	35,160	1,933	32,783	35,105	38,300
15,443	17,563	4,266	19,228	17,533	18,476
132,902	145,830	159,091	150,654	145,743	147,694
122,532	127,405	127,638	142,053	141,055	137,248
18,607	18,982	20,702	20,040	17,625	16,307
88,956	125,746	106,412	145,797	153,302	157,420
41,320	50,901	53,374	59,898	29,884	31,650
24,043	22,690	22,478	21,498	18,911	18,870
26,821	32,317	217,194	228,465	201,642	215,037
52,727	61,740	48,192	53,257	51,276	51,068
197,015	219,876	-	-	-	
85,206	87,088	13,430	70,932	73,212	78,430
19,006	31,574	27,949	32,475	36,625	34,817
48,045	51,484	54,059	65,309	67,667	79,947
4,446	4,040	2,852	2,420	1,449	687
14,170	19,994	21,257	18,325	18,381	19,486
1,885	3,300	3,605	4,076	4,006	4,187
102,058	142,420	159,749	172,325	175,651	178,927
50,255	63,095	69,453	83,495	75,283	78,237
5,656	8,188	11,503	13,367	13,476	12,696
229	382	455	599	512	456
144,349	160,164	179,550	197,003	191,809	157,656
1,146	1,003	150,459	1,460	2,768	2,983
$ 1,709,550	$ 2,000,074	$ 2,076,544	$ 2,189,067	$ 2,171,194	$ 2,190,109

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Assessed Value and Estimated Actual Value of Taxable Property
Last Ten Fiscal Years

Year	Commercial Property (3)	Residential Property (3)	Total Net Taxable Assessed Value (1)	State Special Equalization Rate (2)	Estimated Actual Taxable Value	Total Direct Tax Rate
2016	1,824,882,385	8,577,549,147	10,402,431,532	77.89 %	$ 13,355,285,058	$ 3.08
2017	1,904,362,639	8,500,005,949	10,404,368,588	77.55	13,416,336,026	3.09
2018	2,297,915,761	10,214,081,096	12,511,996,857	91.48	13,677,303,079	3.10
2019	2,318,696,605	10,822,488,745	13,141,185,350	91.67	14,335,317,279	3.10
2020	2,388,805,649	11,147,809,447	13,536,615,096	91.39	14,811,921,541	3.10
2021	2,361,825,418	11,608,162,852	13,969,988,270	89.19	15,663,177,789	3.10
2022	2,390,706,247	11,581,545,064	13,972,251,311	90.57	15,427,019,224	3.02
2023	1,118,930,728	13,234,950,996	14,353,881,724	87.18	16,464,649,833	2.76
2024	4,018,493,575	14,586,394,590	18,604,888,165	83.46	22,291,981,985	2.44
2025	4,527,096,370	16,277,825,707	20,804,922,077	88.11	23,612,441,354	2.32

(1) Assessed valuations are established by the Town governments comprising the County.
(2) The equalization rate is the average of the equalization rates for each of the six towns within the County. The Town's equalization rates are established by the New York State Board of Equalization and Assessment.
(3) Real Property Department
N/A Breakout of total taxable assessed value between commercial and residential is not readily available

Note: Estimated actual taxable value is calculated by dividing taxable assessed value by the state special equalization rate. Tax rates are per $1,000 of assessed value.

County of Putnam, New York

Direct and Overlapping Property Tax Rates,
Per $1,000 Of Assessed Valuation
Last Ten Fiscal Years

	2016	2017	2018	2019	2020
County Direct Rates	$ 3.88	$ 3.08	$ 3.09	$ 3.10	$ 3.10
Town Rates	1.42 - 8.20	1.42 - 8.34	1.46 - 8.08	1.95-7.52	1.37-7.52
Village Rates	4.69 - 10.97	4.76 - 11.03	4.76 - 12.04	4.65-11.36	4.54-11.51
School Districts	9.45 - 57.31	9.64 - 67.50	9.85 - 53.95	9.96-52.22	9.93-52.45

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

2021	2022	2023	2024	2025
$ 3.10	$ 3.02	$ 2.76	$ 2.44	$ 2.32
1.36-7.49	1.31-7.46	1.76-7.24	1.15-7.50	1.62-8.19
4.38-11.51	4.45-11.71	4.16-11.92	4.16-12.26	4.04-12.16
9.75-52.52	9.46-56.15	8.72-65.96	2.55-55.93	8.18-58.64

County of Putnam, New York

Principal Taxpayers
Current Year and Nine Years Ago

2025

Rank	Taxpayer	Type of Business	Taxable Assessed Valuation	Percent of Taxable Assessed Valuation
1	City of New York	Government	$ 734,097,945	7.06 %
2	NYSEG	Public Utility	298,546,638	2.87
3	State of New York	Government	122,342,460	1.18
4	Algonquin Gas Trans Co	Public Utility	119,336,554	1.15
5	Brewster Industrial Owner LLC	Private Corp	45,859,800	0.44
6	Verizon NY Inc	Public Utility	28,424,051	0.27
7	Central Hudson Elec & Gas	Public Utility	27,247,897	0.26
8	UB Putnam LLC	Private Corp	23,432,219	0.23
9	Highlands Center LLC	Private Corp	22,562,260	0.22
10	Putnam Hospital Center	Private Corp	19,827,410	0.19
	Total		$ 1,441,677,234	13.86 %

2016

Rank	Taxpayer	Type of Business	Taxable Assessed Valuation	Percent of Taxable Assessed Valuation
1	NYC D.E.P	Government	$ 727,819,903	7.00 %
2	State of New York	Government	166,446,672	1.60
3	New York State Electric & Gas	Public Utility	113,745,115	1.09
4	Algonquin Gas	Public Utility	77,397,774	0.74
5	Verizon	Public Utility	38,425,160	0.37
6	Consolidated Edison	Public Utility	28,773,699	0.28
7	Emgee Highlands	Private Corp.	22,038,000	0.21
8	Central Hudson	Public Utility	21,691,314	0.21
9	Plaza, LLC (Lakeview Plaza)	Private Corp.	21,662,400	0.21
10	Putnam Ridge Estate	Private Corp.	20,200,000	0.19
	Total		$ 1,238,200,037	11.90 %

Source: Putnam County Real Property

County of Putnam, New York

Property Tax Levies and Collections
Last Ten Fiscal Years

Year	County Taxes Levied for the Fiscal Year (1)	Collected within the Fiscal Year of the Levy		Collections in Subsequent Years	Total Collections to Date	
		Amount	Percentage of Levy		Amount	Percentage of Levy
2016	141,120,725	134,230,717	95.12 %	$ 5,691,600	139,922,317	99.15 %
2017	142,130,612	135,232,547	95.15	5,811,817	140,884,344	99.12
2018	145,037,281	138,975,993	95.82	5,697,244	144,484,562	99.62
2019	149,166,923	142,212,778	95.34	5,493,458	147,462,289	98.86
2020	151,924,021	144,400,715	95.05	6,350,008	150,334,532	98.95
2021	155,662,727	148,991,961	95.71	5,186,254	153,464,105	98.59
2022	158,772,926	151,954,200	95.71	4,481,736	155,512,589	97.95
2023	161,364,358	154,932,204	96.01	3,559,645	157,776,389	97.78
2024	166,671,381	160,436,892	96.26	2,388,468	161,523,479	96.91
2025	169,745,260	164,684,951	97.02	0	164,684,951	97.02

(1) The total tax levy includes County taxes, as well as relevied school taxes and that portion of current school tax returned to the County for collection and enforcement in November of the previous year.

Source: Putnam County Finance Department

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Debt Capacity

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

Ratios of Outstanding Debt by Type

Direct and Underlying Governmental Activities Debt

Legal Debt Margin Information

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County of Putnam, New York

Ratios of Outstanding Debt By Type
Last Ten Fiscal Years

Fiscal Year	Governmental Activities				
	General Obligation Bonds	Less Debt Service Funds Available	Net	Energy Performance Contract Payable	Financed Purchases Payable
2016	$ 63,525,194	$ 226,176	$ 63,299,018	$ -	$ -
2017	63,231,512	167,987	63,063,525	-	-
2018	60,420,802	158,467	60,262,335	-	-
2019	55,240,764	325,566	54,915,198	-	-
2020	55,636,295	233,470	55,402,825	4,184,693	183,150
2021	53,182,147	187,919	52,994,228	3,998,770	148,824
2022	47,330,926	165,662	47,165,264	3,811,873	816,998
2023	40,987,005	190,384	40,796,621	3,619,745	753,848
2024	35,521,084	155,841	35,365,243	3,422,239	494,926
2025	29,890,337	55,395	29,834,942	3,219,205	357,105

(1) - Population and personal income data can be found in the schedule of demographic and economic statistics

(2) - The financial statements of the Putnam Tobacco Asset Securitization Corporation have been reflected as a blended component unit of the County beginning in 2004 in accordance with the Governmental Accounting Standards Board Technical Bulletin 2004-1.

(3) - Personal income and population divided by gross general obligations and tobacco securitization bonds.

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

*Data not available

Leases Payable	Percentage of Actual Taxable Value of Property	Business-type Activities Tobacco Securitization Bonds (2)	Total Primary Government, Net	Gross Percentage of Personal Income (1)(3)
$ -	0.48 %	$ 19,246,192	$ 82,545,210	1.40 %
-	0.47	19,433,722	82,497,247	1.31
-	0.44	19,559,794	79,822,129	1.23
-	0.39	22,520,423	77,435,621	1.14
-	0.38	22,320,423	77,723,248	1.08
2,350,659	0.34	22,020,423	75,014,651	0.88
2,169,848	0.31	21,620,424	68,785,688	0.75
1,823,087	0.25	21,320,424	62,117,045	0.75
1,820,330	0.16	21,020,424	56,385,667	0.65
1,426,051	0.12658724	20,920,424	50,755,366	*

Ratios of Outstanding Debt By Type (Continued)
Last Ten Fiscal Years

Fiscal Year	Gross Per Capita (1)(3)	Gross Percentage of Personal Income (1)(3)	Gross Per Capita (1)(3)
2016	$ 834.63	1.40	831.08
2017	830.60	1.31	834.87
2018	807.80	1.23	811.86
2019	787.59	1.14	785.89
2020	788.81	1.08	793.61
2021	765.96	0.97	765.96
2022	702.31	0.87	702.31
2023	633.93	0.75	633.93
2024	575.01	0.65	575.01
2025	*	*	*

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County of Putnam, New York

Direct and Underlying Governmental Activities Debt
As of December 31, 2025

UNDERLYING DEBT

Municipality or School District	Gross Long-Term Debt (1)	Exclusions (2)	Amount Applicable To County (3)
Towns: (as of December 31, 2025)			
Carmel	$ 23,095,000	$ 3,055,697	$ 20,039,303
Kent	*	*	*
Patterson	*	*	-
Philipstown	32,243	32,243	-
Putnam Valley	3,005,000	164,185	2,840,815
Southeast	7,685,000	1,905,618	5,779,382
Villages: (as of May 31, 2025)			
Brewster	*	*	-
Cold Spring	*	*	*
Nelsonville	*	*	*
Schools: (as of June 30, 2025)			
Brewster	27,510,000	*	27,510,000
Carmel	24,967,475	*	24,967,475
Garrison	7,080,000	*	7,080,000
Haldane	4,503,764	*	4,503,764
Mahopac	28,775,000	*	28,775,000
Putnam Valley	12,039,911	*	12,039,911
Total Underlying Debt			133,535,650
Direct Bonded Debt of the County			36,807,352
Direct and Underlying Debt			$ 170,343,002

(1) Excludes proprietary funds.
(2) Exclusions reflect the amount available for repayment in the Debt Service Fund. For School Districts, the State School building aid has also been excluded.
(3) County percentage is 100% since all of the above municipalities and School Districts fall within the boundaries of the County.
* Not Available at time of Audit

Legal Debt Margin Information
Last Ten Fiscal Years

	2016	2017	2018	2019
Debt Limit	$ 941,949,445	$ 935,047,662	$ 934,869,548	$ 947,069,184
Total Net Debt Applicable to Limit	55,063,068	54,537,478	51,656,421	46,207,778
Legal Debt Margin	$ 886,886,377	$ 880,510,184	$ 883,213,127	$ 900,861,406
Total Net Debt Applicable to the Limit as a Percentage of Debt Limit	5.85%	5.83%	5.53%	4.88%

Legal Debt Margin Calculation for Fiscal Year 2025

Assessment Roll Year	Budget Year	Assessed Valuation	State Special Equalization Ratio	Full Valuation
2021	2021	13,577,806,988	89.19	$ 15,223,463,379
2022	2022	13,972,251,311	90.57	15,427,019,224
2023	2023	14,977,840,952	87.18	17,180,363,560
2024	2024	16,242,512,410	83.46	19,461,433,513
2025	2025	17,109,556,757	88.11	19,418,405,127
Total Five Year Full Valuation				$ 86,710,684,803
Five Year Average Full Valuation of Taxable Real Property				$ 17,342,136,961
Debt Limit - 7% of Five Year Average Full Valuation				1,213,949,587
Outstanding County Debt:				
Serial Bonds			28,690,000	
Lease Purchase			3,576,312	32,266,312
Less:				
Exclusion for Water and Sewer Districts Appropriations in 2025 Budget, Exclusive of Water and Sewer Districts			5,922,691	5,922,691
Net Indebtedness Subject to Debt Limit				26,343,621
Net Debt Contracting Margin				$ 1,187,605,966

(1) Full valuations are furnished by the State Comptroller based on finalized town assessment rolls at the time of determination. Full valuations presented differ from values in other tables due to timing differences for establishing final rolls in the County's six component towns.

(2) Excludes enterprise fund bonds.

2020	2021	2022	2023	2024	2025
$ 974,346,282	$ 1,006,656,780	$ 1,018,446,991	$ 1,067,489,838	$ 1,183,028,922	$ 1,213,949,587
50,394,245	48,078,679	49,082,100	39,145,000	31,903,201	26,343,621
$ 923,952,037	$ 958,578,101	$ 969,364,891	$ 1,028,344,838	$ 1,151,125,721	$ 1,187,605,966
5.17%	4.78%	4.82%	3.69%	2.70%	2.17%

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Demographic and Economic Information

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

Demographic Statistics

County of Putnam, New York

Demographic Statistics
Last Ten Fiscal Years

Fiscal Year Ended December 31,	Population (1)	Personal Income (1)	Per Capita Income (1)	Annual Average Unemployment Rate (2)
2016	98,900	5,903,623,000	59,693	4.0 %
2017	99,323	6,303,935,000	63,469	4.2 %
2018	98,814	6,510,366,000	65,833	3.7 %
2019	98,320	6,819,961,000	69,365	3.5 %
2020	98,532	7,207,862,000	73,152	7.6 %
2021	97,936	7,712,854,000	78,754	5.3 %
2022	97,942	7,873,943,000	80,309	2.6 %
2023	97,988	8,295,643,000	84,598	2.9 %
2024	98,060	8,705,241,000	88,460	3.1 %
2025 *	99,028 **	*	*	3.3 %

Sources:
(1) U.S. Bureau of Economic Analysis
(2) New York State Department of Labor

*Data not available
**Estimate

Operating Information

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. These schedules include:

Construction Permit Data

Principal Employers

Full-Time Equivalent Town Government Employees by Function

Operating Indicators by Function/Program

Capital Asset Statistics by Function

County of Putnam, New York

Construction Permit Data
Last Ten Fiscal Years

Year	Value of Residential Construction (1)	Number of Building Permits (1)
2016	$ 12,369,758.00	41
2017	12,859,223	36
2018	11,725,068	45
2019	14,263,050	36
2020	8,593,947	21
2021	17,376,576	52
2022	14,136,353	43
2023	13,685,017	43
2024	21,565,975	67
2025	24,269,933	72

Sources:
(1) U.S. Census Bureau

County of Putnam, New York

Principal Employers
Current Year and Nine Years Ago

EMPLOYER	2025 EMPLOYEES	2025 PERCENTAGE OF TOTAL EMPLOYMENT
Carmel Central School District	833	1.58 %
Mahopac Central School District	829	1.57
Putnam Hospital Center	800	1.52
Brewster Central School District	730	1.38
Putnam County	699	1.32
Ace Endico	650	1.23
Green Chimneys	500	0.95
Putnam Valley Central School District	393	0.74
Arms Acres	300	0.57
Hudson Valley Cerebral Palsy Assoc	260	0.49
	5,994	11.35 %

EMPLOYER	2016 EMPLOYEES	2016 PERCENTAGE OF TOTAL EMPLOYMENT
Putnam Hospital Center	1,041	1.93 %
Mahopac Central School District	773	1.44
Carmel Central School District	712	1.32
County of Putnam	700	1.30
Brewster Central School District	520	0.97
Green Chimneys Children's Services	502	0.93
Putnam Associated Resource Centers	375	0.70
Putnam Valley Central School District	290	0.54
Cerebral Palsy Association of Putnam & Southern Dutchess	264	0.49
Big V Shop Rite Supermarkets, Inc.	250	0.46
	5,378	10.09 %

Full-Time Equivalent County Government Employees By Function
Last Ten Fiscal Years

Function	Full-time Equivalent Employees as of December 31, 2016	2017	2018	2019
General Government	153	144	152	165
Education	1	1	1	1
Public Safety	196	203	206	215
Health	54	49	50	48
Transportation	38	36	37	38
Economic Opportunity and Development	157	153	156	168
Culture and Recreation	14	13	17	20
Home and Community Services	7	7	8	8
Total	620	606	627	663

Source: Putnam County Finance Department

2020	2021	2022	2023	2024	2025
155	153	152	161	160	169
1	1	1	1	2	2
207	204	203	204	211	210
47	49	50	55	54	57
35	39	38	34	36	35
159	161	163	154	163	160
22	20	21	24	26	27
9	8	6	9	8	10
635	635	634	642	660	670

County of Putnam, New York

Operating Indicators by Function/Program
Last Ten Fiscal Years

Function:	2016	2017	2018	2019
General Government:				
Motor Vehicles				
Number of drivers' licenses issued	11,861	21,250	30,190	35,000
County Clerk				
Number of mortgages recorded	2,808	2,655	2,414	2,946
Number of foreclosures initiated	303	276	244	233
Finance				
Number of certificates of residence issued	1,786	1,816	1,720	1,604
Highway:				
Number of permits issued	16	22	13	13
Public Safety:				
Emergency Services				
Number of calls at 911 center	35,173	36,688	36,599	35,781
Corrections				
Total Inmate admissions	680	628	608	435
Probation				
Average Monthly # Criminal Court Supervision Cases	517	453	431	406
Health:				
Number of Vaccines (Immunization & flu)	4,375	4,153	4,635	4,063
Number of Vaccines (COVID-19)				
Culture and Recreation:				
Number of rounds of golf played	32,917	30,515	26,815	26,297
Home and Community Services:				
Transportation				
Ridership on public buses	143,681	132,931	120,711	121,212
Economic Assistance and Opportunity				
OSR				
Meals				
Homebound	33,298	34,608	36,589	31,843
Senior Centers	53,078	56,747	52,034	49,174

*For 2020 - the Senior Centers were closed most of the year . This figure includes Grab & Go and Congregate meals.

Source: Various County Departments

	2020	2021	2022	2023	2024	2025
	23,874	21,089	17,992	15,738	17,121	30,488
	3,425	4,780	3,084	1,884	1,948	2,218
	75	43	111	160	144	130
	1,335	1,149	1,062	1,152	1,151	1,171
	25	25	15	6	7	6
	33,942	32,116	31,199	32,491	52,098	46,875
	226	330	320	450	423	572
	373	314	335	335	325	324
	2,460	2,656	2,614	2,557	2,384	528
		24,624	2,225	24	513	4
	35,752	35,188	32,141	35,184	37,139	37,980
	58,246	80,515	88,246	96,321	106,006	103,220
	55,099	53,415	38,376	24,483	25,854	25,608
*	23,432	22,371	26,973	42,579	43,894	45,022

County of Putnam, New York

Capital Asset Statistics By Function
Last Ten Fiscal Years

Function	2016	2017	2018	2019
General Government -				
Buildings	9	9	9	9
Public Safety -				
Buildings	4	5	5	6
Health -				
Buildings	3	3	3	3
Transportation -				
Buildings	5	5	5	5
Culture and Recreation -				
Parks acreage	2,698	2,698	2,698	2,698
Buildings	8	8	8	8
Economic Opportunity -				
Buildings	6	6	6	6
Home & Community Services -				
Buildings	1	1	1	1

Source - Various County departments

2020	2021	2022	2023	2024	2025
9	8	8	8	8	8
6	6	6	6	6	6
3	3	3	3	3	3
5	5	5	5	5	5
2,698	2,698	2,698	2,698	2,698	2,698
8	8	8	8	8	8
6	6	6	6	6	6
1	1	1	1	1	1

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ADDITIONAL REPORTS

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PKF O'CONNOR DAVIES
ACCOUNTANTS AND ADVISORS

Report on Internal Control Over Financial Reporting and on Compliance and Other Matters Based on an Audit of Financial Statements Performed in Accordance With *Government Auditing Standards*

Independent Auditors' Report

The Honorable Legislature
of the County of Putnam, New York

We have audited, in accordance with the auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States, the financial statements of the governmental activities, the business-type activities, each major fund and the aggregate remaining fund information of the County of Putnam, New York ("County") as of and for the year ended December 31, 2025, and the related notes to the financial statements, which collectively comprise the County's basic financial statements, and have issued our report thereon dated September 17, 2026.

Report on Internal Control Over Financial Reporting

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

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

Our consideration of internal control was for the limited purpose described in the first paragraph of this section and was not designed to identify all deficiencies in internal control that might be material weaknesses or significant deficiencies. Given these limitations, during our audit we did not identify any deficiencies in internal control that we consider to be material weaknesses. However, material weaknesses or significant deficiencies may exist that were not identified.

PKF O'Connor Davies, LLP is a member firm of the PKF International Limited network of legally independent firms and does not accept any responsibility or liability for the actions or inactions on the part of any other individual member firm or firms.

Report on Compliance and Other Matters

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

We noted certain matters that we reported to the management of the County in a separate letter.

Purpose of This Report

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

PKF O'Connor Davies, LLP

PKF O'Connor Davies, LLP
Harrison, New York
September 17, 2026