

PRELIMINARY OFFICIAL STATEMENT DATED DECEMBER 4, 2024

NEW ISSUES

RATINGS: (See “RATINGS” herein)

BOOK-ENTRY-ONLY BONDS AND NOTES

In the opinion of Harris Beach PLLC, Bond Counsel to the County, under existing statutes, regulations, administrative rulings, and court decisions, and assuming continuing compliance by the County with its covenants relating to certain requirements contained in the Internal Revenue Code of 1986, as amended (the “Code”), and the accuracy of certain representations made by the County, interest on the Bonds and the Notes is excluded from gross income of the owners thereof for Federal income tax purposes and is not an “item of tax preference” for purposes of the Federal alternative minimum tax imposed on individuals. However, interest on the Bonds and the Notes held by certain corporations that are subject to the Federal corporate alternative minimum tax is included in the computation of “adjusted financial statement income” for purposes of the Federal alternative minimum tax imposed on such corporations. Bond Counsel is also of the opinion that under existing statutes interest on the Bonds and the Notes is exempt from personal income taxes imposed by the State of New York or any political subdivision thereof (including The City of New York). No opinion is expressed regarding other Federal or State tax consequences arising with respect to the Bonds and the Notes. See “TAX MATTERS” herein.

The Bonds and the Notes will NOT be designated by the County as “qualified tax-exempt obligations” pursuant to the provision of Section 265 of the Code.

**COUNTY OF SUFFOLK
NEW YORK**

\$350,000,000*

**TAX ANTICIPATION NOTES for 2025 TAXES
(the “Notes”)**

Date of Issue: December 20, 2024

Maturity Date: July 25, 2025

\$46,800,000**

**REFUNDING SERIAL BONDS – 2025 SERIES A
(the “Bonds”)**

Date of Issue: January 2, 2025

**Maturity Dates: May 1, 2025-2028
(as shown on the inside cover)**

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

The Bonds are dated the Date of Delivery thereof and will bear interest from such date until maturity at the annual rate or rates as specified by the purchaser of the Bonds, payable on May 1, 2025, November 1, 2025 and semi-annually thereafter on May 1 and November 1 in each year until maturity. The Bonds will mature on May 1, as shown on the inside cover page hereof. The Bonds are not subject to optional redemption prior to maturity.

The Notes are dated their Date of Issue and bear interest from that date until July 25, 2025, the maturity date thereof, at the annual rate(s) as specified by the purchaser(s) of the Notes. The Notes will not be subject to redemption prior to maturity.

The Bonds and the Notes will be issued in fully registered form, and when issued, will be registered in the name of Cede & Co., as nominee of The Depository Trust Company (“DTC”), Jersey City, New Jersey. DTC will act as securities depository for the Bonds and the Notes. Individual purchases may be made in book-entry form only, in the principal amount of \$5,000 or integral multiples thereof. Purchasers will not receive certificates representing their ownership interests in the Bonds and the Notes. Payment of the principal of and interest on the Bonds and the Notes will be made by the County to DTC, which will in turn remit such principal and interest to its participants for subsequent disbursement to the beneficial owners of the Bonds and the Notes as described herein. See “THE BONDS AND THE NOTES – Book-Entry-Only System” herein.

The Bonds and the Notes are each offered when, as, and if issued by the County and accepted by the purchaser(s) thereof, subject to the receipt of the respective final approving opinions of Harris Beach PLLC, Hempstead, New York, Bond Counsel, and certain other conditions. Hawkins Delafield & Wood LLP will deliver an opinion as to certain matters, as Disclosure Counsel to the County. Capital Markets Advisors, LLC has served as Municipal Advisor to the County in connection with the issuance of the Bonds and the Notes. It is expected that delivery of the Bonds and the Notes in book-entry form, will be made in Jersey City, New Jersey on their respective Dates of Issue.

Harris Beach PLLC has not participated in the preparation of the demographic, financial or statistical data contained in this Official Statement, or verified the accuracy, completeness or fairness thereof, and, accordingly, expresses no opinion with respect thereto.

THIS OFFICIAL STATEMENT IS IN A FORM DEEMED FINAL BY THE COUNTY FOR PURPOSES OF SECURITIES AND EXCHANGE COMMISSION RULE 15c2-12 (THE “RULE”) EXCEPT FOR CERTAIN INFORMATION THAT HAS BEEN OMITTED HEREFROM IN ACCORDANCE WITH SAID RULE. FOR A DESCRIPTION OF THE COUNTY’S AGREEMENT TO PROVIDE CONTINUING DISCLOSURE FOR THE BONDS AND THE NOTES AS DESCRIBED IN THE RULE, SEE “DISCLOSURE UNDERTAKINGS” HEREIN.

Dated: December __, 2024

* Preliminary, subject to change.

** Preliminary, subject to change pursuant to the accompanying Notice of Bond Sale, as described on the inside cover page hereof.

This Preliminary Official Statement and the information contained in it are subject to completion and amendment in a final Official Statement. This Preliminary Official Statement does not constitute an offer to sell or the solicitation of an offer to buy, and there may not be any sale of the Bonds and the Notes, in any jurisdiction in which such offer, solicitation or sale would be unlawful prior to the registration or qualification under the securities laws of that jurisdiction.

The Bonds mature on May 1 in each year as set forth below:

<u>Year</u>	<u>Amount*</u>	<u>Interest Rate</u>	<u>Yield</u>	<u>CUSIP**</u>	<u>Year</u>	<u>Amount*</u>	<u>Interest Rate</u>	<u>Yield</u>	<u>CUSIP**</u>
2025	\$14,965,000	%	%		2027	\$10,195,000	%	%	
2026	15,380,000				2028	6,260,000			

* The aggregate principal amount of the Bonds and the principal maturities thereof are subject to adjustment following their sale, pursuant to the terms of the accompanying Notice of Bond Sale to achieve substantially level or declining annual debt service as provided in the Local Finance Law and to permit the County to comply with the applicable Federal tax law restrictions.

** CUSIP numbers have been assigned by an independent company not affiliated with the County and are included solely for the convenience of the holders of the Bonds. The County is not responsible for the selection or uses of these CUSIP numbers and no representation is made to their correctness on the Bonds or as indicated above.

THE UNDERSIGNED HAS SERVED AS MUNICIPAL ADVISOR TO THE COUNTY REGARDING THIS FINANCING.

Capital Markets Advisors, LLC
Great Neck and New York, New York
(516) 487-9817

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

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OFFICIAL STATEMENT

of the

COUNTY OF SUFFOLK, NEW YORK

Relating to

\$350,000,000*

TAX ANTICIPATION NOTES FOR 2025 TAXES

and

\$46,800,000*

REFUNDING SERIAL BONDS – 2025 SERIES A

This Official Statement, including its cover page and appendices, presents information relating to the County of Suffolk, New York (the “County” and “State”, respectively), in connection with the sale of \$350,000,000* Tax Anticipation Notes for 2025 Taxes (the “Notes”) and \$46,800,000* Refunding Serial Bonds – 2025 Series A (the “Bonds”), by the County.

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

THE NOTES

Description of the Notes

The Notes are to be issued on December 20, 2024 (the “Date of Issue”) in the aggregate principal amount of \$350,000,000*, shall mature on July 25, 2025, and shall bear interest from the Date of Issue.

Interest on the Notes will be calculated based on the basis of a thirty (30) day month and a three hundred sixty (360) day year. The Notes are not subject to redemption prior to maturity. The Notes will be issued in registered form and, when issued, will be registered in the name of Cede & Co., as nominee of The Depository Trust Company, New York, New York (“DTC”). DTC will act as securities depository for the Notes. Individual purchases will be made in book-entry-only form in the principal amount of \$5,000 or integral multiples thereof. Purchasers will not receive certificates representing their interests in the Notes.

Principal and interest on the Notes will be paid by the County to DTC, which will in turn remit such principal and interest to its Participants (defined herein), for subsequent distribution to the Beneficial Owners (defined herein) of the Notes as described herein. The Notes may be transferred in the manner described on the Notes and as referenced in certain proceedings of the County referred to therein. (See also “THE BONDS AND THE NOTES – Book-Entry-Only System”, herein.)

* Preliminary, subject to change.

Authorization and Purpose of the Notes

The Notes are issued pursuant to the Constitution and laws of the State of New York, including the County Charter, Section 24.00 of the Local Finance Law of the State of New York (the "Local Finance Law"), Tax Anticipation Note Resolution No. 924-2024, adopted by the County Legislature on November 26, 2024 and approved by the County Executive on December 2, 2024, and other proceedings and determinations related thereto. Section 24.00 of the Local Finance Law authorizes the County to issue tax anticipation notes in anticipation of the collection of taxes or assessments levied, or to be levied, by the County for a fiscal year. Said notes may be issued within 30 days prior to the commencement of a fiscal year in anticipation of the collection of taxes to be levied in such fiscal year. Such notes may not be issued in an amount in excess of the amount of such taxes or assessments which are uncollected at the time of issuance of the Notes, less the outstanding amount of notes previously issued in anticipation of such taxes or assessments and the amount, if any, included in the annual budget for such fiscal year to offset in whole or in part, an anticipated deficiency in the collection before the end of such fiscal year of the taxes and assessments levied for such fiscal year. The proceeds of such notes may be used only for the purpose for which the taxes or assessments in anticipation of which they are issued were levied or are to be levied.

The Notes are being issued in anticipation of the collection of real property taxes or assessments for the County's fiscal year commencing January 1, 2025. The total amount of taxes and assessments levied, or to be levied, for County purposes for such period is \$836,738,890. The County tax warrant was adopted by the County Legislature on December 3, 2024. None of such taxes and assessments have been received as of the date of this Official Statement, no notes have heretofore been issued in anticipation of the collection of such taxes and assessments, nor has the County included in the annual budget for such fiscal year any amount to offset in whole or in part, an anticipated deficiency in the collection before the end of such fiscal year of the taxes and assessments levied for such fiscal year. (See "REAL PROPERTY TAXES – Real Property Tax Warrants and Collection Record" in Appendix A attached hereto.)

THE BONDS

Description

The Bonds are dated their Date of Delivery and will bear interest from that date until maturity at the annual rate or rates as specified by the purchaser, payable on May 1, 2025, November 1, 2025 and semi-annually thereafter on May 1 and November 1 in each year until maturity. The Bonds shall mature on May 1 in each year in the principal amounts specified on the inside cover page hereof. The Bonds will not be subject to optional redemption prior to maturity.

The Bonds will be issued in fully registered form and, when issued, will be registered in the name of Cede & Co., as nominee of The Depository Trust Company ("DTC"), Jersey City, New Jersey. DTC will act as Securities Depository for the Bonds. Individual purchases may be made in book-entry form only, in the principal amount of \$5,000 and integral multiples thereof. Purchasers will not receive certificates representing their ownership interests in the Bonds.

Payments of principal of and interest on the Bonds will be made by the County to DTC, which will in turn remit such principal and interest to its Participants, for subsequent disbursement to the Beneficial Owners of the Bonds as described under "THE BONDS AND THE NOTES – Book-Entry-Only System," herein. The Bonds may be transferred in the manner described on the Bonds and as referenced in certain proceedings of the County referred to therein.

The record date for payment of principal of and interest on the Bonds will be the fifteenth day of the calendar month preceding each interest payment date.

Authorization and the Refunding Plan for the Bonds

The Bonds are issued pursuant to the constitution and laws of the State, including the Local Finance Law, including specifically Sections 90.00 and 90.10, the County Charter and Refunding Bond Resolutions No. 666-2020 duly adopted by the County Legislature on September 9, 2020 and approved by the County Executive on September 10, 2020 and No. 339-2023 duly adopted by the County Legislature on May 2, 2023 and approved by the County Executive on May 9, 2023. A refunding financial plan has been prepared and is described below (the “Refunding Plan”).

The Bonds are being issued to refund up to \$36,205,000 outstanding principal of the County’s Refunding Serial Bonds – 2015 Series C, which mature in the years 2025 through 2028, inclusive (the “Refunded 2015C Bonds”) and up to \$11,245,000 outstanding principal of the County’s Refunding Serial Bonds – 2016 Series A, which mature in the years 2025 and 2026 (the “Refunded 2016A Bonds” and together with the Refunded 2015C Bonds, the “Refunded Bonds”).

Under the Refunding Plan, the Refunded Bonds are to be called for redemption on February 3, 2025 (the “Redemption Date”).

In accordance with the Refunding Plan, the net proceeds of the Bonds (after payment of the underwriting fee and other costs of issuance relating to the Bonds, as applicable) will be (1) deposited as cash in the Escrow Fund (as defined below) or (2) used to purchase non-callable, direct obligations of or obligations guaranteed by the United States of America (the “Government Obligations”) which, together with the remaining cash proceeds from the sale of the Bonds, as applicable, will be placed in an irrevocable trust fund (each, an “Escrow Fund”) to be held by U.S. Bank, National Association, (the “Escrow Holder”), a bank located and authorized to do business in the State, pursuant to the terms of an escrow contract by and between the County and the Escrow Holder, dated as of the delivery date of the Bonds (the “Escrow Contract”). The Government Obligations so deposited in the Escrow Fund, if any, will mature in amounts which, together with the cash so deposited, will be sufficient to pay the scheduled payments of principal and/or interest on the applicable Refunded Bonds through and including the Redemption Date and to pay the redemption price of the applicable series of Refunded Bonds on such Redemption Date.

The holders of the Refunded Bonds will have a first lien on all investment income from, and maturing principal of the Government Obligations, along with other available monies held in the applicable Escrow Fund. The Escrow Contract shall terminate upon final payment by the Escrow Holder to the paying agents/fiscal agents for the Refunded Bonds of amounts from each Escrow Fund sufficient for the payment, in full, of the applicable Refunded Bonds, including interest payable with respect thereto.

The Refunding Plan will permit the County to realize, as a result of the issuance of the Bonds, cumulative dollar and present value debt service savings.

Under the Refunding Plan, the Refunded Bonds will continue to be general obligation bonds of the County. However, inasmuch as the Government Obligations, if any, together with any remaining cash proceeds of the Bonds, held in the applicable Escrow Fund will be sufficient to pay all scheduled payments of interest on, and the redemption price of, the applicable Refunded Bonds when required in accordance with the Refunding Plan, it is not anticipated that any other source of payment will be required.

Refunded 2015C Bonds:

<u>Maturity Date</u>	<u>Principal*</u>	<u>Interest Rate</u>	<u>Redemption Date/Price*</u>	<u>CUSIP</u>
May 1, 2025	\$ 9,370,000	5.000%	February 3, 2025 @ 100%	86476PRE0
May 1, 2026	9,890,000	5.000	February 3, 2025 @ 100%	86476PRF7
May 1, 2027	10,435,000	5.000	February 3, 2025 @ 100%	86476PRG5
May 1, 2028	<u>6,510,000</u>	5.000	February 3, 2025 @ 100%	86476PRH3
Total:	<u>\$ 36,205,000</u>			

Refunded 2016A Bonds:

<u>Maturity Date</u>	<u>Principal*</u>	<u>Interest Rate</u>	<u>Redemption Date/Price*</u>	<u>CUSIP</u>
May 15, 2025	\$ 5,475,000	5.000%	February 3, 2025 @ 100%	86476PSC3
May 15, 2026	<u>5,770,000</u>	5.000	February 3, 2025 @ 100%	86476PSD1
Total:	<u>\$ 11,245,000</u>			

* Preliminary, subject to change.

Sources and Uses of Proceeds of the Bonds

Sources:

Par Amount:
Net Original Issue Premium/(Discount):

Total:

Uses:

Refunding Escrow Deposit:
Costs of Issuance ⁽¹⁾:
Underwriter's Discount:

Total:

(1) Includes the County's costs of issuance, underwriters' discount and contingency.

Verification of Mathematical Computations

Causey Public Finance, LLC will verify based upon the information provided to them, the mathematical accuracy, as of the delivery date of the Bonds, of: (1) the computations contained in the provided schedules to determine that the anticipated receipts from the Government Obligations, if any, and cash deposits listed in the purchaser's schedules, to be held in escrow, will be sufficient to pay, when due, the principal of and interest on the Bonds, and (2) the computations of the yield on both the Government Obligations, if any, and the Bonds contained in the provided schedules to be used by Bond Counsel in its determination that the interest on the Bonds is excludable from gross income for Federal income tax purposes.

THE BONDS AND THE NOTES

Optional Redemption

The Bonds and the Notes are not subject to optional redemption prior to maturity.

Nature of Obligation

The Bonds and the Notes when duly issued and paid for will constitute contracts between the County and the holder thereof.

The Bonds and the Notes will be general obligations of the County and will contain a pledge of the faith and credit of the County for the payment of the principal thereof and the interest thereon. For the payment of such principal and interest, the County has the power and statutory authorization to levy ad valorem taxes on all taxable real property in the County, subject to certain applicable statutory limitations (see "TAX LEVY LIMITATION LAW" herein).

Under the Constitution of the State, the County is required to pledge its faith and credit for the payment of the principal of and interest on the Bonds and the Notes, and the State is specifically precluded from restricting the power of the County to levy taxes on real estate therefor. However, Chapter 97 of the New York Laws of 2011 imposes a statutory limitation on the County's power to increase its annual tax levy (See "TAX LEVY LIMITATION LAW" herein).

Book-Entry-Only System

The Depository Trust Company ("DTC"), Jersey City, New Jersey, will act as securities depository for the Bonds and the Notes. The Bonds and the Notes will be issued as fully-registered securities registered in the name of Cede & Co. (DTC's partnership nominee) or such other name as may be requested by an authorized representative of DTC. One fully-registered bond certificate will be issued for each maturity of the Bonds, in the aggregate principal amount of such maturity, and will be deposited with DTC. One fully-registered note certificate will be issued for each Note which bears the same rate of interest and CUSIP number, in the aggregate principal amount of such Note, and will be deposited with DTC.

DTC, the world's largest depository, is a limited-purpose trust company organized under the New York Banking Law, a "banking organization" within the meaning of the New York Banking Law, a member of the Federal Reserve System, a "clearing corporation" within the meaning of the New York Uniform Commercial Code, and a "clearing agency" registered pursuant to the provisions of Section 17A of the Securities Exchange Act of 1934. DTC holds and provides asset servicing for over 3.5 million issues of U.S. and non-U.S. equity issues, corporate and municipal debt issues, and money market instruments (from over 100 countries) that DTC's participants ("Direct Participants") deposit with DTC. DTC also facilitates the post-trade settlement among Direct Participants of sales and other securities transactions in deposited securities, through electronic computerized book-entry transfers and pledges between Direct Participants' accounts. This eliminates the need for physical movement of securities certificates. Direct Participants include both U.S. and non-U.S. securities brokers and dealers, banks, trust companies, clearing corporations, and certain other organizations. DTC is a wholly-owned subsidiary of The Depository Trust & Clearing Corporation ("DTCC"). DTCC is the holding company for DTC, National Securities Clearing Corporation and Fixed Income Clearing Corporation, all of which are registered clearing agencies. DTCC is owned by the users of its regulated subsidiaries. Access to the DTC system is also available to others such as both U.S. and non-U.S. securities brokers and dealers, banks, trust companies, and clearing corporations that clear through or maintain a custodial relationship with a Direct Participant, either directly or indirectly ("Indirect Participants"). The DTC Rules applicable to its Participants are on file with the Securities and Exchange Commission. More information about DTC can be found at www.dtcc.com and www.dtc.org.

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

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

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

Redemption notices shall be sent to DTC. If less than all of the Securities within an issue are being redeemed, DTC's practice is to determine by lot the amount of the interest of each Direct Participant in such issue to be redeemed.

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

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

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

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

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

Source: The Depository Trust Company

TAX LEVY LIMITATION LAW

Chapter 97 of the New York Laws of 2011 (the "The Tax Levy Limitation Law"), restricts, among other things, the amount of real property taxes that may be levied by or on behalf of a municipality in a particular year. The Tax Levy Limitation Law applies to all local governments, including school districts (with the exception of New York City, the counties comprising New York City and the Big 5 City School Districts (Buffalo, Rochester, Syracuse, Yonkers and New York). It also applies to independent special districts and to town and county improvement districts as part of their parent municipalities' tax levies. Pursuant to the Tax Levy Limitation Law, the tax levy of a municipality cannot increase by more than the lesser of (i) two percent (2%) or (ii) the annual increase in the consumer price index ("CPI"), over the amount of the prior year's tax levy. Certain adjustments are permitted for taxable real property full valuation increases due to changes in physical or quantity growth in the real property base as defined in Section 1220 of the Real Property Tax Law. A municipality may exceed the tax levy limitation for the coming fiscal year only if the governing body of such municipality first enacts, by at least a sixty percent vote of the total voting strength of the board, a local law (resolution in the case of fire districts and certain special districts) to override such limitation for such coming fiscal year only. There are permissible exceptions to the tax levy limitation provided in the Tax Levy Limitation Law, including expenditures made on account of certain tort settlements and certain increases in the average actuarial contribution rates of the New York State and Local Employees' Retirement

System, the Police and Fire Retirement System, and the Teachers' Retirement System. Municipalities are also permitted to carry forward a certain portion of their unused levy limitation from a prior year. Each municipality prior to adoption of each fiscal year budget must submit for review to the State Comptroller any information that is necessary in the calculation of its tax levy for each fiscal year.

The Tax Levy Limitation Law does not contain an exception from the levy limitation for the payment of debt service on either outstanding general obligation debt of municipalities or such debt incurred after the effective date of the tax levy limitation provisions.

Article 8 Section 2 of the State Constitution requires every issuer of general obligation notes and bonds in the State to pledge its faith and credit for the payment of the principal thereof and the interest thereon. This has been interpreted by the Court of Appeals, the State's highest court, in *Flushing National Bank v. Municipal Assistance Corporation for the City of New York*, 40 N.Y.2d 731 (1976), as follows:

"A pledge of the city's faith and credit is both a commitment to pay and a commitment of the city's revenue generating powers to produce the funds to pay. Hence, an obligation containing a pledge of the City's "faith and credit" is secured by a promise both to pay and to use in good faith the city's general revenue powers to produce sufficient funds to pay the principal and interest of the obligation as it becomes due. That is why both words, "faith" and "credit", are used and they are not tautological. That is what the words say and that is what courts have held they mean."

Article 8 Section 12 of the State Constitution specifically provides as follows:

"It shall be the duty of the legislature, subject to the provisions of this constitution, to restrict the power of taxation, assessment, borrowing money, contracting indebtedness, and loaning the credit of counties, cities, towns and villages, so as to prevent abuses in taxation and assessments and in contracting of indebtedness by them. Nothing in this article shall be construed to prevent the legislature from further restricting the powers herein specified of any county, city, town, village or school district to contract indebtedness or to levy taxes on real estate. The legislature shall not, however, restrict the power to levy taxes on real estate for the payment of interest on or principal of indebtedness theretofore contracted."

On the relationship of the Article 8 Section 2 requirement to pledge the faith and credit and the Article 8 Section 12 protection of the levy of real property taxes to pay debt service on bonds subject to the general obligation pledge, the Court of Appeals in the *Flushing National Bank* case stated:

"So, too, although the Legislature is given the duty to restrict municipalities in order to prevent abuses in taxation, assessment, and in contracting of indebtedness, it may not constrict the city's power to levy taxes on real estate for the payment of interest on or principal of indebtedness previously contracted....While phrased in permissive language, these provisions, when read together with the requirement of the pledge of faith and credit, express a constitutional imperative: debt obligations must be paid, even if tax limits be exceeded".

In addition, the Court of Appeals in the *Flushing National Bank* case has held that the payment of debt service on outstanding general obligation bonds and notes may take precedence over fiscal emergencies and the police power of municipalities.

Therefore, while the Tax Levy Limitation Law may constrict an issuer's power to levy real property taxes for the payment of debt service on debt contracted after the effective date of said Tax Levy Limitation Law, it is clear that no statute is able (1) to limit an issuer's pledge of its faith and credit to the payment of any of its general obligation indebtedness or (2) to limit an issuer's levy of real property taxes to pay debt service on general obligation debt contracted prior to the effective date of the Tax Levy Limitation Law. Whether the Constitution grants a municipality authority to treat debt service payments as a constitutional exception to such statutory tax levy limitation outside of any statutorily determined tax levy amount is not clear.

It is possible that the Tax Levy Limitation Law will be subject to judicial review to resolve the constitutional issues raised by its adoption. Although courts in New York have historically been protective of the rights of holders of general obligation debt of political subdivisions, the outcome of any such legal challenge cannot be predicted.

RISK FACTORS

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

Financial Condition of the County

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

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

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

Changes in Law

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

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

Reliance on and Uncertainty of State Aid

The County is dependent in part on financial assistance from the State in the form of State aid. No delay in payment of State aid to the County is presently anticipated although no assurance can be given that there will not be a delay in payment thereof. In some years in the past, the County received delayed payments of State aid, which resulted from the State's delay in adopting its budget and appropriating State aid to municipalities and school districts, and consequent delay in State borrowing to finance such appropriations. See "State and Federal Aid" under "FINANCIAL FACTORS" in APPENDIX A herein.

Environmental Factors

Environmental factors, including climate change, pose significant risks to the region and the County. The magnitude of the impact on the County's operations, economy and financial condition of rising sea levels, coastal flooding and more frequent and extreme weather events is indeterminate and unpredictable. The County has experienced significant storm events in recent years and appropriate actions have been taken to increase resilience and provide for payment of expenses related to such events. No assurance can be given that the County will not encounter additional natural disaster risks, such as hurricanes, tropical storms, heatwaves or catastrophic sea level rise in the future, or that such risks will not have an adverse effect on the operation, economy or financial condition of the County. The Long Island Regional Planning Council has released the Long Island Economic Flood Risk Study, a study of businesses, revenues and jobs at risk in flood zones on Long Island's South Shore. The study can be found here: <https://lirpc.org/environment/long-islands-economic-flood-risk-study/>.

Cybersecurity

The County, like many other public and private entities, relies on technology to conduct its daily operations. As a recipient and provider of personal, private, or sensitive information, the County faces multiple cyber threats including, but not limited to, hacking, viruses, malware and other attacks on computer systems and other sensitive digital networks and systems. To mitigate the risk of business operations impact and/or damage from cyber incidents or cyber-attacks, the County, through its Department of Information Technology, invests in various forms of cybersecurity and operational controls, including firewalls, intrusion prevention systems, an advanced persistent threat detection system, network share monitoring systems, internet content filters, email content filters, and host based detection software controls and regularly evaluates the integrity of its cybersecurity and controls. In addition to these controls, all County employees are required to take cybersecurity awareness training on an annual basis and the County recently completed three simulated cybersecurity attacks. The 2025 Adopted Budget includes funding for personnel and operating costs to continue the implementation of network security architecture, development of a comprehensive response and recovery plan and funds for a cybersecurity policy, including the recent hiring of a Chief Information Security Officer ("CISO"). No assurances can be given, however, that such security and operational control measures will be completely successful to guard against all cyber threats and attacks. The results of any such attack could impact the County's business operations or finances and/or damage the County's digital networks and systems and the costs of remedying any such damage could be substantial.

TAX MATTERS

In the opinion of Harris Beach PLLC, Bond Counsel to the County, based on existing statutes, regulations, administrative rulings and court decisions and assuming compliance by the County with certain covenants and the accuracy of certain representations, interest on the Bonds and the Notes is excluded from gross income for Federal income tax purposes. Bond counsel is of the further opinion that the interest on the Bonds and the Notes is not an "item of tax preference" for purposes of the Federal alternative minimum tax imposed on individuals. However, the Internal Revenue Code of 1986, as amended (the "Code") imposes a federal corporate alternative minimum tax equal to 15 percent of the "adjusted financial statement income" of corporations (other than S corporations, regulated investment companies and real estate investment trusts) having an average annual "adjusted financial statement income" for the 3-taxable-year period ending with the tax year that exceeds \$1,000,000,000. Interest on tax-exempt obligations such as the Bonds and the Notes is included in the computation of a corporation's "adjusted financial statement income".

The Code also imposes various limitations, conditions and other requirements which must be met at and subsequent to the date of issue of the Bonds and the Notes in order for interest on the Bonds and the Notes to be and remain excluded from gross income for Federal income tax purposes. Included among these requirements are restrictions on the investment and use of proceeds of the Bonds and the Notes, as applicable, and in certain circumstances, payment of amounts in respect of such proceeds to the Federal government. Failure to comply with the requirement of the Code may cause interest on the Bonds or the Notes to be includable in gross income for purposes of Federal income tax, possibly from their date of issuance. In the respective Arbitrage and Use of Proceeds Certificates of the County to be executed in connection with the issuance of each of the Bonds and the Notes, the County will covenant to comply with certain procedures and it will make certain representations and certifications, designed to assure

satisfaction of the requirements of the Code with respect to the Bonds and the Notes. The opinion of Bond Counsel assumes compliance with such covenants and the accuracy, in all material respects, of such representations and certifications.

Prospective purchasers of the Bonds and the Notes should be aware that ownership of the Bonds and the Notes, and the accrual or receipt of interest thereon, may have collateral Federal income tax consequences for certain taxpayers, including financial institutions, property and casualty insurance companies, S corporations, certain foreign corporations, individual recipients of Social Security or Railroad benefits and taxpayers who may be deemed to have incurred or continued indebtedness to purchase or carry such obligations. Prospective purchasers should consult their tax advisors as to any possible collateral consequences of their ownership of the Bonds and the Notes and their accrual or receipt of interest thereon. Bond Counsel expresses no opinion regarding any such collateral Federal income tax consequences.

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

In the opinion of Bond Counsel, interest on the Bonds and the Notes is exempt from personal income taxes imposed by the State or any political subdivision thereof (including The City of New York).

Bond Counsel has not undertaken to determine (or to inform any person) whether any actions taken (or not taken) or events occurring (or not occurring) after the date of issuance and delivery of the Bonds and the Notes may affect the tax status of interest on the Bonds and the Notes.

No assurance can be given that any future legislation, including amendments to the Code or the State income tax laws, regulations, administrative rulings, or court decisions, will not, directly or indirectly, cause interest on the Bonds or the Notes to be subject to Federal or State income taxation, or otherwise prevent Bondholders or Noteholders from realizing the full current benefit of the tax status of such interest. Further, no assurance can be given that the introduction or enactment of any such future legislation, or any judicial decision or action of the Internal Revenue Service or any State taxing authority, including, but not limited to, the promulgation of a regulation or ruling, or the selection of the Bonds or the Notes for audit examination, or the course or result of any Internal Revenue Service examination of the Bonds or the Notes or of obligations which present similar tax issues, will not affect the market price or marketability of the Bonds and the Notes. Prospective purchasers of the Bonds and the Notes should consult their own tax advisors regarding the foregoing matters.

All summaries and explanations of provisions of law do not purport to be complete and reference is made to such laws for full and complete statements of their provisions.

ALL PROSPECTIVE PURCHASERS OF THE BONDS AND THE NOTES SHOULD CONSULT WITH THEIR TAX ADVISORS IN ORDER TO UNDERSTAND THE IMPLICATIONS OF THE CODE AS TO THE TAX CONSEQUENCES OF PURCHASING OR HOLDING THE BONDS AND THE NOTES.

LEGAL MATTERS

Legal matters incident to the authorization, issuance and sale of the Bonds and the Notes are subject to the respective approving legal opinions of Harris Beach PLLC, Hempstead, New York, Bond Counsel. Bond Counsel's opinions will be in substantially the forms attached hereto as Appendix D.

Certain legal matters will be passed upon for the County by its County Attorney.

Hawkins Delafield & Wood LLP will deliver an opinion as to certain matters as Disclosure Counsel to the County.

DISCLOSURE UNDERTAKINGS

Disclosure Undertaking for the Bonds

At the time of the delivery of the Bonds, the County will provide an executed copy of its “Undertaking to Provide Continuing Disclosure” (a “Bond Undertaking”). Such Bond Undertaking will constitute a written agreement or contract of the County for the benefit of holders of and owners of beneficial interests in the Bonds, to provide, or cause to be provided to the Electronic Municipal Market Access (“EMMA”) System implemented by the Municipal Securities Rulemaking Board established pursuant to Section 15B(b)(1) of the Securities Exchange Act of 1934, or any successor thereto or to the functions of such Board contemplated by the Bond Undertaking:

(1) (i) certain annual financial information, in a form generally consistent with the information contained or cross-referenced in this Official Statement in Appendix A under the headings: “THE COUNTY OF SUFFOLK,” “INDEBTEDNESS OF THE COUNTY,” “CAPITAL PLANNING AND BUDGETING,” “FINANCIAL FACTORS,” “ADDITIONAL FINANCIAL INFORMATION,” “REAL PROPERTY TAXES,” “STATISTICAL INFORMATION” and “LITIGATION” on or prior to the end of the sixth month following the end of each fiscal year, commencing with the fiscal year ending December 31, 2024 and (ii) the audited financial statement, if any, of the County for each fiscal year commencing with the fiscal year ending December 31, 2024 on or prior to the end of the six month following the end of such fiscal year, unless such audited financial statement, if any, shall not then be available in which case the unaudited financial statement shall be provided by the end of the sixth month following the end of such fiscal year and an audited financial statement shall be provided within 60 days after it becomes available and in no event later than the end of the twelfth month after the end of each fiscal year; provided, however, that the unaudited financial statement shall be provided for any fiscal year only if the County has made a determination that providing such unaudited financial statement would be compliant with federal securities laws, including Rule 10b-5 of the Securities Exchange Act of 1934 and Rule 17 (a)(2) of the Securities Act of 1933.

(2) timely notice, not in excess of ten (10) business days after the occurrence of such event, of the occurrence of any of the following events:

(i) principal and interest payment delinquencies; (ii) non-payment related defaults, if material; (iii) unscheduled draws on debt service reserves reflecting financial difficulties; (iv) unscheduled draws on credit enhancements reflecting financial difficulties; (v) substitution of credit or liquidity providers, or their failure to perform; (vi) adverse tax opinions, the issuance by the Internal Revenue Service of proposed or final determinations of taxability, Notices of Proposed Issue (IRS Form 5701-TEB) or other material notices of determinations with respect to the tax status of the Bonds, or other material events affecting the tax status of the Bonds; (vii) modifications to rights of Bondholders, if material; (viii) Bond calls, if material, and tender offers; (ix) defeasances; (x) release, substitution, or sale of property securing repayment of the Bonds, if material; (xi) rating changes; (xii) bankruptcy, insolvency, receivership or similar event of the County; [note to clause (xii): For the purposes of the event identified in clause (xii), the event is considered to occur when any of the following occur: the appointment of a receiver, fiscal agent or similar officer for the County in a proceeding under the U.S. Bankruptcy Code or in any other proceeding under state or federal law in which a court or government authority has assumed jurisdiction over substantially all of the assets or business of the County, or if such jurisdiction has been assumed by leaving the existing governing body and officials or officers in possession but subject to the supervision and orders of a court or governmental authority, or the entry of an order confirming a plan of reorganization, arrangement or liquidation by a court or governmental authority having supervision or jurisdiction over substantially all of the assets or business of the County]; (xiii) the consummation of a merger, consolidation, or acquisition involving the County or the sale of all or substantially all of the assets of the County, other than in the ordinary course of business, the entry into a definitive agreement to undertake such an action or the termination of a definitive agreement relating to any such actions, other than pursuant to its terms, if material; (xiv) appointment of a successor or additional trustee or the change of name of a trustee, if material; (xv) incurrence of a financial obligation of the County, if material, or agreement to covenants, events of default, remedies, priority rights, or other similar terms of a financial obligation of the County, any of which affect security holders, if material; and (xvi) default, event of acceleration, termination event, modification of terms, or other similar events under the terms of a financial obligation of the County, any of which reflect financial difficulties.

With respect to events (xv) and (xvi) above, the term “financial obligation” means a (i) debt obligation; (ii) derivative instrument entered into in connection with, or pledged as security or a source of payment for, an existing or planned debt obligation; or (iii) guarantee of (i) or (ii). The term “financial obligation” shall not include municipal securities as to which a final official statement has been provided to the Municipal Securities Rulemaking Board consistent with Rule 15c2-12 under the Securities Exchange Act of 1934, as amended (“Rule 15c2-12”).

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

(3) in a timely manner, notice of a failure to provide the annual financial information by the date specified.

The County may disseminate any other information in addition to that referred to in paragraph (1) above in the manner described herein or in any other manner. If the County disseminates any such other additional information, it shall have no obligation to update such information or to include it in any subsequent materials disseminated pursuant to the Undertaking.

The County’s Bond Undertaking shall remain in full force and effect until such time as the principal of, redemption premiums, if any, and interest on the Bonds shall have been paid in full or in the event that those portions of the Rule which require the Bond Undertaking, or such provision, as the case may be, do not or no longer apply to the Bonds. The sole and exclusive remedy for breach or default under a Bond Undertaking is an action to compel specific performance of the undertakings of the County, and no person or entity, including a holder of the Bonds, shall be entitled to recover monetary damages thereunder under any circumstances. Any failure by the County to comply with a Bond Undertaking will not constitute a default with respect to the Bonds.

The County reserves the right to amend or modify the Bond Undertaking under certain circumstances set forth therein; provided that any such amendment or modification will be done in a manner consistent with Rule 15c2-12 and provided further that such amendment or modification shall not adversely affect the interests of the holders of the Bonds in any material respect. In making such determinations, the County shall rely upon an opinion of nationally recognized bond counsel.

Disclosure Undertakings for the Notes

At the time of the delivery of the Notes, the County will provide an executed copy of its “Undertaking to Provide Notices of Events” (a “Note Undertaking”). The Note Undertaking will constitute a written agreement or contract of the County for the benefit of holders of and owners of beneficial interests in the Notes to provide, or cause to be provided, to the Electronic Municipal Market Access (“EMMA”) System implemented by the Municipal Securities Rulemaking Board established pursuant to Section 15B(b)(1) of the Securities Exchange Act of 1934, or any successor thereto, timely notice not in excess of ten (10) business days after the of the occurrence of any of the following events with respect to the Notes, as applicable:

- (i) principal and interest payment delinquencies; (ii) non-payment related defaults, if material;
- (iii) unscheduled draws on debt service reserves reflecting financial difficulties (the County has not established a debt service reserve in connection with the issuance of the Notes); (iv) unscheduled draws on credit enhancements reflecting financial difficulties; (v) substitution of credit or liquidity providers, or their failure to perform; (vi) adverse tax opinions, the issuance by the Internal Revenue Service of proposed or final determinations of taxability, Notices of Proposed Issue (IRS Form 5701-TEB) or other material notices of determinations with respect to the tax status of the Notes, as applicable, or other material events affecting the tax status of the Notes; (vii) modifications to rights of Noteholders, if material; (viii) Note calls, if material, and tender offers; (ix) defeasances; (x) release, substitution, or sale of property securing repayment of the Notes, if material; (xi) rating changes; (xii) bankruptcy, insolvency, receivership or similar event of the County; [note to clause (xii): For the purposes of the event identified in clause (xii) above, the event is considered to occur when any of the following occur: the appointment of a receiver, fiscal agent or similar officer for the County in a proceeding under the U.S. Bankruptcy

Code or in any other proceeding under state or federal law in which a court or government authority has assumed jurisdiction over substantially all of the assets or business of the County, or if such jurisdiction has been assumed by leaving the existing governing body and officials or officers in possession but subject to the supervision and orders of a court or governmental authority, or the entry of an order confirming a plan of reorganization, arrangement or liquidation by a court or governmental authority having supervision or jurisdiction over substantially all of the assets or business of the County]; (xiii) the consummation of a merger, consolidation, or acquisition involving the County or the sale of all or substantially all of the assets of the County, other than in the ordinary course of business, the entry into a definitive agreement to undertake such an action or the termination of a definitive agreement relating to any such actions, other than pursuant to its terms, if material; (xiv) appointment of a successor or additional trustee or the change of name of a trustee, if material; (xv) incurrence of a financial obligation of the County, if material, or agreement to covenants, events of default, remedies, priority rights, or other similar terms of a financial obligation of the County, any of which affect security holders, if material; and (xvi) default, event of acceleration, termination event, modification of terms, or other similar events under the terms of a financial obligation of the County, any of which reflect financial difficulties.

With respect to events (xv) and (xvi) above,, the term “financial obligation” means a (i) debt obligation; (ii) derivative instrument entered into in connection with, or pledged as security or a source of payment for, an existing or planned debt obligation; or (iii) guarantee of (i) or (ii). The term “financial obligation” shall not include municipal securities as to which a final official statement has been provided to the Municipal Securities Rulemaking Board consistent with Rule 15c2-12.

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

The Note Undertaking shall remain in full force and effect until such time as the principal of, redemption premium, if any, and interest on the Notes shall have been paid in full. The sole and exclusive remedy for breach or default under the Note Undertaking is an action to compel specific performance of the undertakings of the County, and no person or entity, including a holder of the Notes, shall be entitled to recover monetary damages thereunder under any circumstances. Any failure by the County to comply with a Note Undertaking will not constitute a default with respect to the Notes.

The County reserves the right to amend or modify the Note Undertaking under certain circumstances set forth therein; provided that, any such amendment or modification will be done in a manner consistent with Rule 15c2-12 as then in effect, and provided further that such amendment or modification shall not adversely affect the interests of the holders of the Notes in any material respect. In making such determinations, the County shall rely upon an opinion of nationally recognized bond counsel.

Compliance History

The continuing disclosure undertakings or agreements executed by the County in accordance with Rule 15c2-12 with respect to each of its general obligation serial bond borrowings require the County to annually file with EMMA, certain annual financial information in the form generally consistent with the information contained in or cross-referenced in the official statements for such serial bond issues and its audited financial statements for each fiscal year.

Due to factors related to the COVID-19 pandemic, the County was unable to timely finalize its audited financial statements for the fiscal year ended December 31, 2019. As such, neither the County’s audited nor unaudited financial statements for the fiscal year ended December 31, 2019 were timely filed pursuant to the County’s prior undertakings under Rule 15c2-12. On June 26, 2020, the County filed a notice of failure to timely file such audited or unaudited financial statements. The County filed its audited financial statements for the fiscal year ended December 31, 2019 once they became available on September 2, 2020.

Due to factors related to a cyber-intrusion in September 2022, the County was unable to timely finalize its audited financial statements for the fiscal year ended December 31, 2022. As such, neither the County's audited nor unaudited financial statements for the fiscal year ended December 31, 2022 were timely filed pursuant to the County's prior undertakings under Rule 15c2-12. On June 27, 2023 the County filed a notice of failure to timely file such audited or unaudited financial statements. The County filed its audited financial statements for the fiscal year ended December 31, 2022 once they became available on August 23, 2023.

Due to factors related to the implementation of new financial reporting software, the County was unable to timely finalize its audited financial statements for the fiscal year ended December 31, 2023. As such, neither the County's audited nor unaudited financial statements for the fiscal year ended December 31, 2023 were timely filed pursuant to the County's prior undertakings under Rule 15c2-12. On October 2, 2024, the County filed a notice of failure to timely file such audited or unaudited financial statements. The County filed its audited financial statements for the fiscal year ended December 31, 2023 once they became available on October 2, 2024.

The County has established procedures to ensure that future filings of continuing disclosure information will be in compliance with the County's obligations under continuing disclosure undertakings entered into in accordance with Rule 15c2-12, including transmitting such filings to the MSRB through EMMA. The County Comptroller adopted such written procedures entitled "Continuing Disclosure Procedures" which are available upon request.

RATINGS

The County has applied to S&P Global Ratings ("S&P") and Fitch Ratings, Inc. ("Fitch") for ratings on the Bonds and the Notes. Such applications are pending at this time.

The County did not apply to Moody's Investors Service, Inc. ("Moody's") for a rating on the Bonds or the Notes.

On October 16, 2024, S&P Global Ratings ("S&P") affirmed the County's long-term, underlying credit rating of 'AA-' with a stable outlook.

On October 16, 2024, Fitch Ratings, Inc. ("Fitch") affirmed the County's long-term, underlying credit rating of 'A' with a positive outlook.

On January 31, 2023, Moody's upgraded the County's long-term, underlying credit rating to 'A3' from 'Baa2' and retained the positive outlook.

Such ratings reflect only the views of such organizations and any desired explanation of the significance of such ratings should be obtained from the rating agency furnishing the same, at the following addresses: Moody's Investors Service, Inc., 7 World Trade Center at 250 Greenwich Street, New York, New York 10007; S&P Global Ratings, 55 Water Street, New York, New York 10041; and Fitch Ratings, Inc., One State Street Plaza, New York, New York 10004. Generally, a rating agency bases its rating on the information and materials furnished to it and on investigations, studies and assumptions of its own. There is no assurance such ratings will continue for any given period of time or that such ratings will not be revised downward or withdrawn entirely by the rating agencies, if in the judgment of such rating agencies, circumstances so warrant. Any such downward revision or withdrawal of any of the ratings may have an adverse effect on the market price of the Bonds and the Notes.

MUNICIPAL ADVISOR

Capital Markets Advisors, LLC, Great Neck and New York, New York (the "Municipal Advisor") is an independent municipal advisor registered with the United States Securities and Exchange Commission and the Municipal Securities Rulemaking Board. The Municipal Advisor has served as the independent municipal advisor to the County in connection with this transaction.

In preparing the Official Statement, the Municipal Advisor has relied upon governmental officials, and other sources, who have access to relevant data to provide accurate information for the Official Statement. The Municipal

Advisor has not been engaged, nor has it undertaken, to independently verify the accuracy of such information. The Municipal Advisor is not a public accounting firm and has not been engaged by the County to compile, review, examine or audit any information in the Official Statement in accordance with accounting standards. The Municipal Advisor is not a law firm and does not provide legal advice with respect to this or any debt offerings of the County. The Municipal Advisor is an independent advisory firm and is not engaged in the business of underwriting, trading or distributing municipal securities or other public securities and therefore will not participate in the underwriting of the Bonds or the Notes.

ADDITIONAL INFORMATION

Periodic public reports relating to the financial condition of the County, its operations and the balances, receipts and disbursements of the various funds of the County are prepared by the Department of Audit and Control and the Budget Office of the County, and in certain instances audited by independent certified public accountants. In addition, the County regularly receives reports from consultants, commissions, and special task forces relating to various aspects of the County's financial affairs, including capital projects, County services, taxation, revenue estimates, pensions, and other matters.

Additional information pertaining to the Official Statement may be obtained upon request from the Office of the County Comptroller, H. Lee Dennison Building, 9th Floor, 100 Veterans Memorial Highway, Hauppauge, New York 11788, telephone (631) 853-5040.

The County Comptroller will act as Fiscal Agent/Paying Agent with respect to the Bonds and the Notes. The County Comptroller, John M. Kennedy, Jr., (631) 853-5040, john.kennedy@suffolccountyny.gov shall be the Fiscal Agent/Paying Agent contact.

Any statements made in the Official Statement involving matters of opinion or estimates, whether or not expressly so stated, are intended as such and not as representations of fact. No representation is made that any of such statements will be realized. The Official Statement is not to be construed as a contract or agreement between the County and the holders of any of the Bonds and the Notes.

Any statements made in this Official Statement, and the documents included by specific reference, that are not historical facts are forward-looking statements, which are based on County management's beliefs as well as assumptions made by, and information available to, County management and staff. Because the statements are based on expectations about future events and economic performance and are not statements of fact, actual results may differ materially from those projected. Important factors that could cause future results to differ include legislative and regulatory changes, changes in the economy, and other factors discussed in this and other documents that the County files with EMMA. When used in County documents or oral presentations, the words "anticipate", "estimate", "expect", "objective", "projection", "forecast", "goal", or similar words are intended to identify forward-looking statements.

The prospective financial information set forth in this Official Statement, except for certain information sourced to parties other than the County, is solely the product of the County. Neither the County's independent auditors, nor any other independent auditors, have compiled, examined, or performed any procedures with respect to, or been consulted in connection with the preparation of, the prospective financial information contained herein. The County's independent auditors assume no responsibility for the content of the prospective financial information set forth in this Official Statement, disclaim any association with such prospective financial information, and have not, nor have any other independent auditors, expressed any opinion or any other form of assurance on such information or its achievability.

Capital Markets Advisors, LLC may place a copy of this Official Statement on its website at www.capmark.org. Unless this Official Statement specifically indicates otherwise, no statement on such website is included by specific reference or constitutes a part of this Official Statement. Capital Markets Advisors, LLC has prepared such website information for convenience, but no decisions should be made in reliance upon that information. Typographical or other errors may have occurred in converting original source documents to digital format, and neither the County nor Capital Markets Advisors, LLC assumes any liability or responsibility for errors or omissions on such website.

Further, Capital Markets Advisors, LLC and the County disclaim any duty or obligation either to update or to maintain that information or any responsibility or liability for any damages caused by viruses in the electronic files on the website. Capital Markets Advisors, LLC and the County also assume no liability or responsibility for any errors or omissions or for any updates to dated website information.

This Official Statement has been prepared only in connection with the sale of the Bonds and the Notes by the County and may not be reproduced or used in whole or in part for any other purpose.

COUNTY OF SUFFOLK, NEW YORK
Department of Audit & Control

BY: _____
John M. Kennedy, Jr.
County Comptroller

Dated: December __, 2024

APPENDIX A

THE COUNTY OF SUFFOLK

THE COUNTY OF SUFFOLK

General Overview

Suffolk County (the “County”) was established on November 1, 1683 as one of the ten original counties in New York State. The County comprises the eastern two-thirds of Long Island and its western border is approximately 15 miles from Queens and the greater New York City area. The County is bordered by Nassau County to the west, the Long Island Sound to the north, and the Atlantic Ocean to the south and east. Major population centers within the County are the Towns of Brookhaven, Islip, Babylon, Huntington, and Smithtown, each with populations in excess of 100,000. While land use within the County is predominantly suburban residential, significant amounts of land are also used for commercial, industrial, parkland, and agricultural purposes. In addition, the Atlantic Ocean, the Long Island Sound and the bays and harbors located within the County are prime attractions, providing swimming, boating and fishing activities for visitors and residents alike. County residents enjoy a high quality of life, supported by high median incomes, relatively low unemployment and crime rates, quality public school systems, and numerous cultural and recreational attractions.

Electricity within the County is supplied primarily by PSEG Long Island (a subsidiary of the Public Service Enterprise Group) under a contract with the Long Island Power Authority and natural gas is supplied by National Grid. The primary supplier of water within the County is the Suffolk County Water Authority, but in some areas it is provided by local water districts. Fire protection is provided by local volunteer fire departments and fire protection districts. Police protection is primarily provided by the Suffolk County Police Department, but in some areas it is provided by local town or village police forces.

Demographics

According to the U.S. Census Bureau’s Decennial Census, the County had a population of 1,525,920 in 2020, an increase of 2.2% since the 2010 Census figure. Between 2000 and 2010, the County’s population increased by 5.2%. A slow rate of population growth is expected in the near future. The County’s population is the largest of any county in New York State outside of New York City. According to the U.S. Census Bureau, the County ranks 26th in population out of all 3,143 counties in the United States and has a larger population than 12 states. According to the Census Bureau’s Population Estimates Program (PEP), the County population on July 1, 2023 (1,523,170) grew by 2.86% in the five years since July 1, 2018 (1,480,830).

According to the U.S. Bureau of Economic Analysis, total personal income of all County residents amounted to \$128.4 billion in 2022, an increase of 1.8% over the 2021 figure. The County’s 2022 per capita personal income was \$84,201, ranking 4th highest out of the 62 counties in New York State and in the top 4.5% out of all counties in the nation.

As the table below shows, the median household income in the County was \$124,045 in 2023, placing it 60% higher than the median household income in the nation as a whole (\$77,719) and ranking it 51% higher than New York State (\$82,095). In addition, the percentage of persons living in poverty in the County was 6.8% in 2023, significantly lower than the overall percentage in the State and the United States.

Median Household Income and Poverty Rate in the County, with Comparisons

Area	2018		2023	
	Median Household Income	Persons Below Poverty (%)	Median Household Income	Persons Below Poverty (%)
Suffolk County	\$100,468	7.2%	\$124,045	6.8%
New York State	67,844	13.6	82,095	14.2
United States	61,937	13.1	77,719	12.5

Source: U. S. Census Bureau (American Community Survey)

According to the New York State Department of Labor, the average annual pay in the County in 2023 amounted to \$74,753, an increase of 23.7% in the five years since 2018 (\$60,423). This increase was greater than the rate of inflation in the NY-NJ-PA metro area over the same period, which was 17.7%, according to the U.S. Bureau of Labor Statistics.

According to the U. S. Census Bureau, the County has a relatively well-educated population. Among residents age 25 and over in 2023, 91.4% were high school graduates and 40.4% held a bachelor’s degree or higher. These figures compare to 89.8% and 36.2%, respectively, for the nation as a whole.

Governmental Organization

The County is the easternmost county in New York State and is composed of 10 towns: Babylon, Brookhaven, East Hampton, Huntington, Islip, Riverhead, Shelter Island, Smithtown, Southampton and Southold. These towns are further broken down into 32 villages and over 100 hamlets and provide myriad local governmental services. The County provides police and law enforcement in five of these towns. Economic assistance, health and nursing care, preservation of open space and numerous other services are provided County-wide. The County also maintains many roads and waterways and operates the largest County parks system in the United States. The County is also home to the largest community college in the State University of New York (“SUNY”) system, a comprehensive publicly-supported, two-year, open enrollment institution, with campuses in Selden, Riverhead and Brentwood, and downtown centers in Sayville and Riverhead.

Since 1960, the County has operated under a charter form of government, which provides for executive administration of County affairs. As enacted by general election referendum, an 18-member County Legislature was established on January 1, 1970, which consisted of representatives elected from 18 districts of approximately equal population based on data from the decennial U. S. Census. In 2007, a Charter Law was enacted establishing a non-partisan Reapportionment Commission to provide a fair and objective process by which future County legislative districts are reapportioned.

The Suffolk County Legislature is the main lawmaking body of the County. The County Executive heads the executive branch of government. The County Comptroller, as chief fiscal officer, is responsible for auditing the records of the County departments and special districts, for examining and approving all payment vouchers, for ascertaining that funds to be paid are both appropriated and available, and for the issuance of all County debt obligations. The County Comptroller receives and has custody of all County funds, including County taxes and fees and reports the financial status of the County to the County Legislature.

In accordance with the Suffolk County Charter, the County Executive and the County Comptroller are elected to four-year terms and the 18 members of the County Legislature are elected to two-year terms. Twelve-year term limits have been established for County Legislators, the County Executive and the County Comptroller.

Economic Indicators

According to the U. S. Bureau of Economic Analysis, the County had a gross domestic product of \$125.2 billion in 2022. Its gross domestic product increased by 26.5% in the five-year period from 2017 to 2022. In real inflation adjusted terms, there was a 6.2% increase in that five-year period.

According to the New York State Department of Labor, as of September 2024, there were 1,374,500 jobs in the region, an increase of 24,900 or 1.8% since September 2023. The following table shows the employment by industry sector in the region in September 2023 versus 2024, along with the percent change in that period.

Non-Farm Employment in the Nassau-Suffolk Region, by Industry, in Thousands

Industry	September 2023	September 2024	% Change
Goods Producing			
Mining, Logging and Construction	84.1	87.5	+4.0%
Manufacturing	69.7	69.9	+0.3%
Service Providing			
Wholesale Trade	62.6	63.2	+1.0%
Retail Trade	143.7	141.0	-1.9%
Transportation, Warehousing and Utilities	45.6	46.9	+2.9%
Information	14.9	14.5	-2.7%
Financial Activities	71.3	71.4	+0.1%
Professional and Business Services	188.5	187.0	-0.8%
Private Education & and Health Services	281.2	292.3	+4.0%
Leisure and Hospitality	134.8	144.3	+7.1%
Other Services	57.0	57.7	+1.2%
Government	196.2	198.8	+1.3%
TOTAL NON-FARM	1,349.6	1,374.5	+1.8%

Source: New York State Department of Labor

As of September 2024, the County’s unemployment rate was 2.9%, compared to 3.4% in September 2023. The County unemployment rate in September 2024 was lower than the rate in the United States (3.9%), the State (4.0%) and in New York City (5.3%). As of September 2024, there were 779,500 employed residents in the County, more than any other county in the State outside of New York City. As of September 2024, the number of unemployed residents in the County is 23,400, 15% less than the 27,500 recorded in September 2023.

In its 2024 annual review, the New York State Comptroller confirmed the Suffolk County Industrial Development Agency (the “SCIDA”) is a leader in job creation, per 2022 data. The SCIDA’s 143 active projects resulted in the creation of the second largest number of new jobs by any county in the State with 13,085 jobs. Additionally, on Long Island, the 143 projects received the least amount of tax incentives per new job at \$1,062. In January 2024, the SCIDA approved \$2 million in local tax incentives over 20 years for Orbic Electronic Manufacturing. Orbic plans to convert 60,000 square feet of space at its Hauppauge facility to relocate its manufacturing of telecommunications devices (cell phones, laptops, etc.) from China, along with a commitment of 576 jobs in the first two years. Revitalization efforts in Huntington Station continued as the SCIDA approved the third mixed-use, 16-unit multi-family housing project near the train station.

The following is a selected list of non-governmental firms in the County with large numbers of employees, and the number of persons employed by each. Many of these firms are headquartered in the County and have made Forbes America’s Best Employers list for 2020 (Canon), and the Best Companies to Work For in New York list from Best Companies Group and NYSHRM (Henry Schein, Bohler Engineering, American Portfolio & SupplyHouse).

Mid-size to Large Employers in Suffolk County

Firm Name	Industry	Location	Total Number of Employees
Northwell Health	Health Care System	Melville	70,000
Henry Schein	Health Care Products & Services	Melville	20,000
Zebra Technologies	Marking, Tracking & Printing Technologies	Holtsville	7,400
Leviton	Electrical Products & Services	Melville	6,000
MSC Industrial Direct	Metalworking Products and Services	Melville	6,000
The Bountiful Company (Nature’s Bounty)	Vitamins and Nutritional Products	Ronkonkoma	4,500
Verint	Customer Analytics Software & Hardware Products	Melville	4,300+
Geico	Insurance	Woodbury	3,000
Canon	Optical, Imaging and Industrial Products Medical Products and Services	Melville	1,100
American Portfolio Group	Financial Services	Holbrook	1,000+
Bohler Engineering	Civil Engineering Consulting	Hauppauge	1,000+
Kurt Weiss Greenhouses	Growing & Affiliate Delivery	Center Moriches	1,000
Dime Community Bank	Business Banking & Commercial Lending	Hauppauge	800+
SupplyHouse	Plumbing/HVAC Products Supplier	Melville	500+

Source: Suffolk County Planning Department, May 2024.

According to the U.S. Bureau of Labor Statistics, there were 55,564 private business establishments located in the County in the first quarter of 2024, an increase of 5.2% since the first quarter of 2020 (52,795) and a 1.7% increase from the first quarter of 2023. The County has a mix of large and small employers. According to the U.S. Census Bureau, as of 2022, there were 24 businesses in the County that employed 1,000 or more persons, yet a majority are small businesses, as 89% of County business have fewer than 20 employees. Furthermore, 63% have 5 or fewer employees and 79% have 9 or fewer employees. According to the most recent data from the U.S. Census Bureau, in 2021, the County had 145,844 “non-employer” firms, mostly self-employed individuals. The number of these businesses increased by 14% in the five years between 2016 and 2021.

In July 2020, the SCIDA and Nassau County Industrial Development Agency released a study, conducted by HR&A Advisors (the “HR&A Study”), on the economic impact of the COVID-19 pandemic in the Long Island region. The region's hospitality sector experienced the greatest decline during the initial months of the crisis, with employment down two-thirds. Since that initial impact, the hospitality industry has performed well with regards to room and occupancy rates. According to Discover Long Island, the occupancy rate of the County's hotels was 75.5% in September 2024, higher than the 74.4% figure in September 2023. The average daily room rate (“ADR”) in September 2024 was \$227.80, higher than the \$224.13 ADR from September 2023. ADR in the County was higher than Nassau County (\$196.70), but lower than New York State (\$307.67). Revenue Per Available Room (“RevPAR”) in September 2024 was \$172.04, 3.2% higher than September 2023 (\$166.70). RevPar in the County was higher than RevPAR in Nassau County (\$166.25), but lower than in New York State (\$237.74).

Technology Sector

The County is well positioned to foster innovation with a cluster of key local science and research institutions. Cold Spring Harbor Laboratory (“CSHL”) is shaping contemporary biomedical research and education with programs in cancer, neuroscience, plant biology and quantitative biology. The private, not-for-profit laboratory employs 1,000 people including 600 scientists, students and technicians, hosts more than 12,000 scientists from around the world each year and has won eight Nobel Prizes. A recently announced collaboration between CSHL and Northwell Health, Long Island's largest hospital group, will expedite patients' access to cancer care and other novel treatments.

Primarily supported by the U.S. Department of Energy's (“DOE”) Office of Science, Brookhaven National Laboratory (“BNL”) is a multidisciplinary laboratory with seven Nobel Prize-winning discoveries, 37 R&D 100 Awards and more than 70 years of pioneering research. Stony Brook University became a partner in managing BNL for the DOE in 1998 and encourages cooperative initiatives that deliver discovery science and transformative technology to power and secure the nation's future. BNL employs more than 2,500 people, attracts more than 5,000 guest researchers annually and regularly welcomes more than 30,000 students and teachers for education and workforce development programs each year.

In January 2020, the DOE announced that a \$1.6 billion electron-ion collider will be constructed at BNL. The facility is expected to employ 1,000 people and attract nuclear research scientists from around the world to help them learn about the inner workings of the atomic nucleus. Construction of the facility is expected to take 10 years. In July 2020, the DOE committed \$115 million to BNL to establish one of five National Quantum Information Science Research Centers. BNL will lead a team of researchers from Stony Brook University (“SBU”), IBM and MIT to help resolve performance issues with today's quantum computers where quantum computers outperform classical computers. Previously, the DOE selected BNL for construction of the \$912 million National Synchrotron Light Source II (“NSLS II”) facility, which opened in 2015.

Researchers at SBU and BNL are also working on the building blocks of a “quantum internet,” which, still decades away from fruition, would be capable of sending enormous amounts of data faster than the speed of light. Qunnect LLC — a three-year-old spinoff company from the Quantum Information Technology group at SBU — is licensing quantum networking technology developed at SBU. The company plans to market a quantum memory device that can operate at room temperature. Accelerate Long Island, a public—private partnership funded in part by the New York State Empire State Development Corporation, connects the region's research institutions with businesses to provide early start funds to local technology startups.

Additionally, SBU and BNL researchers are studying ways to increase the efficiency and capacity of energy storage. In 2021, SBU's Institute for Electrochemically Stored Energy received a grant of over \$2 million from the DOE's Office of Energy Efficiency and Renewable Energy, Vehicles Technology Office for research aimed at establishing a new class of electrolytes to increase the efficiency of electric vehicle batteries. SBU also leads the DOE funded Center for Mesoscale Transport Properties (m2m), a multi-institutional Energy Frontier Research Center (“EFRC”) focused on advancing energy storage technology.

Broad Hollow Bioscience Park at Farmingdale State College, a 102,000 square foot incubator for biotech companies and Stony Brook University's 62,000 square foot Long Island High Technology Incubator are START-UP NY state tax-free zones. Stony Brook's incubator provides new technologically-innovative companies with support services and resources to foster their growth. SBU also operates two New York State Centers for Advanced Technology: one in Medical Biotechnology and another in Sensor Technologies. The University's Stony Brook Research and Development Park includes its Advanced Energy Research and Technology Center, the Center for Excellence in Wireless Information Technology and the Innovation and Discovery Center.

The County is the site of two offshore wind projects. South Fork Wind and Sunrise Wind, both projects of the Ørsted. South Fork Wind began producing power in December 2023, supplying 132 Megawatts of power to 70,000 homes in the Towns of Southampton and East Hampton on the South Fork. The project will offset tons of emissions each year, helping to meet the Town of East Hampton’s 100% renewable energy goal. Sunrise Wind is under construction, with a goal to start producing power in early 2026. Sunrise Wind will connect to Long Island’s electricity grid at the Holbrook substation at a 924-megawatt capacity, enough to power 600,000 homes.

Through a partnership between Farmingdale State College and SBU known as The New York Offshore Training Institute (“OWTI”), skilled workers will be trained as part of the largest public investment in offshore wind workforce development by any state in the country. Also located in the County, the National Offshore Wind Training Center (“NOWTC”) is planned for Brentwood. This partnership between the County, its Community College, the Long Island Federation of Labor-AFLCIO and many other partners is expected to train and certify hundreds, if not thousands, of workers under the Global Wind Organization (“GWO”) training standards for offshore wind.

Economic Base

The County has a substantial commercial office building market. According to the County’s Department of Economic Development & Planning, there are 27.3 million square feet of commercial office buildings located in the County. This figure includes more than 700,000 square feet of new office space constructed in the five years since 2019. An additional 2 million square feet of office space has been proposed for future construction. The office market in the County remains strong. According to CBRE, a multinational real estate firm, the office availability rate on Long Island was 15.6% in the 3rd quarter of 2024, 0.6% higher than in the 3rd quarter of 2023. The average office space rental rate for Long Island was \$30.71 per square foot in the 3rd quarter of 2024, a 2% year-over-year increase.

The Route 110 Corridor (the “Corridor”) in western Suffolk County is a hub of the Long Island business community. According to the County’s Department of Economic Development & Planning, the hamlet of Melville, located on Route 110, has 9.7 million square feet of office space and 1,485 acres in Melville and East Farmingdale are developed with light industrial uses. Sandoz Pharmaceuticals, formerly known as Fougera, spent \$88 million through 2021 to consolidate Melville and Hicksville manufacturing facilities in Melville, retaining all 400 employees. They were also recognized as a Top Global Employer in 2019 by the Top Employer’s Institute, a global authority on corporate excellence. Melville is also home to large corporate headquarters, such as Henry Schein, Inc., a Fortune 500 distributor of healthcare products and services. Melville is the U.S. headquarters for Canon and Nikon and a regional headquarters for Fortune 500 cosmetics producer Estee Lauder and large banks, including Capital One and TD Bank. After Melville, the next largest concentrations of private office space in the County are located in Hauppauge (3.8 million square feet), Islandia (1.8 million square feet), Bohemia (900,000 square feet), and Ronkonkoma (900,000 square feet).

In response to shifting commercial and office demand in the region, the Town of Huntington has worked with the Melville community in recent years on the Melville Town Centre plan, an effort to create a walkable downtown environment in the area south of the Long Island Expressway. The goal of this plan is to support the continued economic viability of Melville in the face of decreased office demand by introducing ground floor retail and commercial space. Over the past year, the Town has held multiple listening sessions and public hearings on proposed rezoning to support this plan.

This Corridor is also the subject of the County’s proposed Route 110 Bus Rapid Transit (“BRT”) service, a north-south rapid mass transit line that would run from the Amityville Long Island Railroad (“LIRR”) Station to downtown Huntington, with stops at the Farmingdale LIRR Station, Farmingdale State College, Huntington LIRR Station and other major employment centers and destinations. The service will feature frequent service, limited stops, dedicated bus lanes and enhanced station features. The County is currently in the final design phase of this project which is due to be completed in 2025.

The County has significant industrial space totaling more than 110 million square feet, according to the commercial real estate advisory firm Newmark. The industrial market fundamentals remain very strong in the County. According to Colliers, the County’s 6.2% industrial availability rate in the 2nd quarter of 2024 was higher than in Nassau County (5.4%). The County’s industrial asking rent was \$16.21 per square foot, 5.6% higher than in the 2nd quarter of 2023. Long Island’s industrial asking rent was \$17.11, higher than the \$16.41 recorded in the 2nd quarter

of 2023. The largest concentration of industrial space in the County is located in Hauppauge, with more than 13 million square feet of space. Additionally, significant light industrial space is located in the area around Long Island MacArthur Airport in Ronkonkoma and Bohemia and further east in the Yaphank area.

According to the County’s Department of Economic Development & Planning, there are 283 hotels, motels and inns located throughout the County. Together these lodging properties have over 12,000 rooms. Approximately 20% of these rooms are seasonal (open for half the year in the warmer months) and these seasonal rooms are located primarily in the eastern end of the County. Since 2018, more than 500 lodging rooms have been added in the County. This includes a 128-room Homewood Suites that opened in Lake Ronkonkoma in 2019, a 146-room Home2Suites by Hilton that opened in Yaphank in 2019 and the 25-room Canoe Place Inn & Cottages in Hampton Bays that opened in 2022. Proposals have been made for several additional new hotels in the County, which could result in an increase of more than 2,600 hotel rooms.

The County is a major retail market, with an annual retail demand of over \$21.5 billion in estimated retail sales, according to ArcGIS Business Analyst. Estimated retail sales per household in the County amounted to \$41,397, 29% higher than the State (\$32,096) and 38% higher than the nation as a whole (\$30,029) Three regional malls and two regional outlet centers serve the County. According to the County Department of Economic Development & Planning, shopping center space in the County totals 52.6 million square feet and more than 400,000 square feet of new retail space is proposed for construction. Many of the County’s downtown business districts have emerged as attractive and vibrant centers for dining and entertainment. Ground floor retail space in the County’s downtown centers totals approximately 9 million square feet.

The following table lists the major retail centers in the County.

Major Retail Centers in the County

Retail Center	Location	Anchor Stores
Smith Haven Mall	Lake Grove	Macy’s, Dick’s
Walt Whitman Shops	South Huntington	Macy’s, Bloomingdales, Saks, Pottery Barn
Westfield South Shore	Bay Shore	Macy’s, JCPenney, Dick’s
Tanger Outlets at the Arches	Deer Park	Saks Off 5 th , BJ’s, Old Navy
Tanger Outlet Center	Riverhead	Old Navy, Pottery Barn, Saks, WestElm
Huntington Business District	Huntington	Wild by Nature, Stop & Shop, Rite Aid, Value Drugs
Southampton Business District	Southampton	Hildreth’s, Stop & Shop, CVS, Rite Aid, Citarella
Great South Bay Shopping Center	West Babylon	Marshalls, JoAnn, Old Navy, Burlington
Airport Plaza	East Farmingdale	Home Depot, Staples, TJ Maxx, Stew Leonard’s
Riverhead Centre	Riverhead	Home Depot, Best Buy, Petco, ShopRite
Bay Shore Business District	Bay Shore	Boulton Center for the Performing Arts, Bridal Suite
Veterans Memorial Plaza	Commack	Target, Whole Foods, Hobby Lobby
Babylon Business District	Babylon	Village Pharmacy, Sole Provisions, Plesser’s Appliances
Centereach Square	Centereach	Walmart, Party City, Bob’s Furniture
Crooked Hill Commons	Commack	Home Depot, Walmart, Kohl’s
Sayville Plaza	Bohemia	Aldi, JoAnn, Old Navy
Islandia Center	Islandia	Walmart, Dave & Buster’s
Gardiner Manor	West Bay Shore	Target, King Kullen, Old Navy, HomeGoods
Patchogue Business District	Patchogue	Patchogue Theatre for the Performing Arts, Burlington
Gateway Plaza I and II	North Patchogue	Marshalls, Best Buy, HomeGoods, Dick’s
Riverhead Business District	Riverhead	Long Island Aquarium, Music & Arts
Town Center at Central Islip	Central Islip	Home Depot, Target, Dollar Tree
Huntington Commons	Huntington Station	Home Depot, Marshalls, Shop Rite, Old Navy
South Port	Shirley	Kohl’s, Stop & Shop, Michael’s, Marshalls
Port Jefferson Business District	Port Jefferson	Theatre Three, Ecolin Jewelers, LI Explorium
Nicolls Plaza II	Centereach	Target, Home Depot, Best Buy
Bridgehampton Commons	Bridgehampton	K Mart, TJ Maxx, King Kullen, Staples

Source: Suffolk County Department of Economic Development & Planning, Division of Planning & Environment.

There are 11 full-service hospitals located in the County. Several of these hospitals have spent or are spending hundreds of millions of dollars on major construction projects to expand and modernize their facilities. For example, Good Samaritan Hospital in West Islip broke ground on a more than \$500 million expansion in May 2022 that will include a 300,000 square foot patient care pavilion. The project is expected to be completed in 2025. Stony Brook

University Hospital is undergoing a \$450 million expansion of its hospital campus, including a new cancer center, the expansion of its emergency, surgical, and obstetrics departments, and a major expansion to its Children's Hospital that opened in 2019. In 2020, Peconic Bay Medical Center in Riverhead completed a \$67 million expansion. A \$60 million cardiac care center at Long Island Community Hospital in Patchogue opened in 2016 and a \$53 million expansion of Huntington Hospital's emergency room opened in 2017. A completely new \$305 million Stony Brook Southampton Hospital is proposed for completion in 2025, replacing the existing Southampton facility. Northwell's South Shore Hospital in Bay Shore is currently undergoing a planned \$500 million, five year campus transformation that includes a \$71 million, 34,450 square-foot Women and Infants Center.

The County has a significant agricultural sector. According to the most recent U.S. Census of Agriculture, the County has nearly 34,000 acres of active farmland and agricultural production. County agriculture is by far the most diverse in the State with field crops like corn, tomatoes, melons, potatoes, pumpkins, cauliflower and cabbage, grapes/wine, fruit trees and berries, greenhouse, sod and nursery, poultry including ducks, livestock such as bison and steer, hops and grains, and shellfish aquaculture. This \$364 million industry ranks fourth of all counties in the State (2022 USDA Census of Agriculture). Agriculture in the County directly employs 2,400 people and supports an additional 417 jobs across the County's economy, resulting in \$109 million in income from all jobs and a total economic output of \$353.2 million (IMPLAN economic analysis). In 2022, farms in the County averaged \$10,767 in agricultural sales per acre of farmland, nearly nine times the State average. Direct food sales at farmstands and farmers markets increased 81% from \$27.6 million in 2017 to \$50 million in 2022. This represents just under 14% of the total value of the County's agricultural products. Since 2012 (\$8.9 million), direct food sales have increased by 459%. Though agri-tourism is a large component of County agriculture (\$3 million in 2022), sales in this category decreased by 70.9% from \$10.3 million figure recorded in 2017. The County also participates in the New York State Department of Agriculture and Markets' Agricultural District Program. This program is based on a combination of landowner incentives and protections designed to encourage the continued use of farmland for agricultural production and forestall the conversion of farmland to non-agricultural uses.

The fishing industry and the shellfish industry are important sources of employment and income in the east end of the County. Commercial fishing is a heritage industry in the County that provides quality of life benefits, economic benefits and tourism revenue. According to the U.S. Bureau of Labor Statistics, in 2023, there were 28 commercial fishing establishments in the County, landing more than 20 million pounds of fish, valued at nearly \$23 million. The County's shellfish industry (mostly oysters) has been enhanced through the establishment and implementation of the Aquaculture Lease Program ("ALP") in Peconic Bay and Gardiners Bay. Based on landings reported to the New York State Department of Environmental Conservation in 2023, 15.8% of the oysters landed in the State were farmed by Leaseholders in the Suffolk County Shellfish Aquaculture Lease Program. As of October 2024, there are 31 shellfish aquaculture leases in place on approximately 545 acres of underwater lands in Peconic Bay and Gardiners Bay. The County is currently working to expand the current Aquaculture Lease Program to include seaweed cultivation. In Mastic Beach, the County has launched a pilot program that involves the lease of a portion of a former restaurant site in Violet Cove for the purpose of drying kelp. Violet Cove Oysters, LLC is the first company to receive a commercial license to grow kelp from the Department of Environmental Conservation ("DEC"). The kelp is grown in Moriches Bay and once harvested, the leased Violet Cove site, which is currently undergoing a redevelopment plan to promote education and recreation at the site, is utilized to dry the kelp.

Major Development Projects

Major construction and redevelopment projects completed or currently taking place in the County include the redevelopment of downtown Wyandanch in the Town of Babylon. The Town assembled 48 properties and a \$500 million mixed-use transit-oriented redevelopment project adjacent to the area's LIRR station. Sewer service was extended to the downtown area and the development's \$137 million first phase was completed in 2015, including a multi-level parking facility, a central pedestrian plaza and two multi-story mixed use buildings with a combined 177 rental units and 35,000 square feet of retail space. Redevelopment has continued at a steady pace in recent years. In 2018, a new LIRR train station and pedestrian overpass was completed and in 2020, a 119-unit apartment building north of the plaza was completed. In Fall 2022, construction was completed on a 94-unit affordable senior residential development with in-house social-service programs. This facility is operated by Selfhelp, Inc., one of New York's oldest and most respected not-for-profit senior service agencies. The residential units throughout the development have consistently experienced very low vacancy rates. Last year, ground was broken on the first new mixed-use building south of the LIRR tracks, at the corner of Straight Path and Long Island Avenue. This \$140 million building will feature 218 residential units and 6,400 square feet of community space.

In Huntington Station, revitalization continues on New York Avenue near the LIRR station. Northridge, a three-story, mixed-use building of 16 residential units and 6,000 square feet of ground floor retail space was completed in

2018 and Columbia Terrace (14 affordable condominiums for Veterans) was recently completed. Gateway Plaza, a three-story mixed-use building with 64 residential units and 16,500 square feet of ground floor commercial space was completed in 2020. The Landmark, a mixed-use building with 16 residential units and 2,800 square feet of ground floor retail space, was completed in 2023. Other proposals in the area include 49 affordable artists' lofts, a proposed hotel and a 100,000 square foot medical office building. Huntington Station was additionally awarded a \$10 million Downtown Revitalization Initiative ("DRI") grant from the State in 2023. As discussed under the heading "Economic Base" herein, plans are underway to rezone areas of Melville to attract new retail and commercial development into the area. In addition, the plan includes 2,500 new housing units designed to create a new hamlet center and provide housing opportunities in close proximity to employment centers.

The long-term redevelopment of the former Central Islip Psychiatric Center is continuing. Projects built on this site include the Long Island Ducks baseball team ballpark and a federal courthouse; the Touro Law School building; the renovation of a former hospital building into a 175,000 square foot office building; and more than 1,500 units of rental and owner-occupied attached housing. A 268-unit apartment complex, Hudson Place, completed in 2021, includes former Psychiatric Center buildings. On former Psychiatric Center property, a new Courtyard by Marriott opened in 2018, and Ascent Pharmaceuticals and AlphaMed Bottles built a \$47 million manufacturing facility in two adjacent buildings in 2018. Also in Central Islip, a consortium of Farmingdale and Bethpage builders received approval in 2021 for the adaptive reuse of the 87-acre former New York Institute of Technology ("NYIT") site with 354 units of rental housing and several amenities. The development opened for lease in 2023. Across Carleton Avenue from this multifamily redevelopment, another group of former NYIT buildings are being redeveloped and reused as 106 senior rental units and 24 additional rental units for disabled veterans and people with autism, along with a new grocery store. In nearby downtown Central Islip, the Town of Islip received \$10 million from New York State's DRI in 2018 for several projects to revitalize the downtown; including a \$3 million downtown streetscape effort which kicked off in 2023. As part of the DRI, the Town of Islip is also focused on redeveloping five underutilized adjacent parcels near the Central Islip train station into a mixed-use building with 96 affordable rental units along with arts and cultural, and commercial space. One of the lots, currently owned by the Suffolk County Landbank, was the previous home of a small chemical manufacturing company and, as a result, the site was contaminated and listed on the U.S. Environmental Protection Agency's National Priorities List. The site has since been remediated and will be sold to the project developer to be used as a parking lot to serve the mixed-use building. In March 2024, the County Legislature authorized \$3.5 million in land acquisition and infrastructure funding to help subsidize the affordable units in the project. Sewer service is also being extended to downtown Central Islip as a project of the DRI, with \$3 million in federal funding secured by congressional representatives. Construction is expected to begin in 2025.

Two complementary transit-oriented developments ("TOD") are also currently underway and planned for the area surrounding one of Long Island's busiest commuter transit hubs, the Ronkonkoma LIRR station. On the north side of the Ronkonkoma LIRR station, a 54-acre site is currently being redeveloped into a \$700 million mixed-use TOD known as Station Yards (formerly the Ronkonkoma Hub). An extension of sewer service to the area has been approved and \$50 million in State funding has been earmarked for infrastructure at the site. As of 2023, roughly 489 units of the 1,450 total units anticipated at full build-out in 2027 have been completed. Phase II of Station Yards began in October 2022 and is expected to construct an additional 388 residential units and roughly 70,000 square feet of retail space. On the south side of the Ronkonkoma LIRR station, the Midway Crossing TOD is currently being planned. At full-build-out, Midway Crossing, developed as a partnership between the County and the Town of Islip, would feature over 2 million square feet of collaborative technology and life science office and research space, a STEM/STEAM Education Center for education opportunities of local students and professional development opportunities for teachers, a 300,000 square foot Convention Center, Long Island's first, and a supportive 300-room hotel, and roughly 330,000 square feet of retail and entertainment space. The development of Midway Crossing is planned over four phases, with groundbreaking on the first phase anticipated to begin in 2025 and include construction of roadway and infrastructure improvements, the Convention Center, the STEM/STEAM Education Center and three buildings of the larger Life Sciences Center at Midway Crossing.

In Port Jefferson, the SCLB is making headway in redeveloping the 125-acre former Lawrence Aviation Industries ("LAI") property, a federally designated Superfund site. LAI represents SCLB's largest brownfield site to date. The property was declared a Superfund site in 2000 with the US Environmental Protection Agency ("EPA") clean-up ultimately costing over \$50 million. In 2017, the SCLB commissioned a Reuse Feasibility Study, facilitated by funding from the State. Over the past several years, the SCLB, in cooperation with the EPA, US Department of Justice, local municipal and elected officials and multiple claimants has advanced a multi-faceted disposition strategy designed to meet regional needs, community determination as to future uses and an agreed-upon process for distribution of the proceeds of a potential sale of the property. In 2023, the SCLB took ownership of the LAI property, saving the County over \$700,000 annually in ongoing tax liability. With a winning bid of \$5 million, a

solar developer is purchasing approximately 36 acres of zoned light industrial property on which it will install 5 MW of ground mount solar panels. An additional 31 acres on the northeast portion of the property is projected for railroad use. The remaining acreage on the southern portion of the property will be designated as Town of Brookhaven-owned open space. As of November 2024, the SCLB closed with the Town of Brookhaven on the open space portion. The partial delisting of the site from the National Priorities List is proceeding and is anticipated to be complete in early 2025. The SCLB is continuing to advance the sale of the remaining property.

In Yaphank, a \$100 million, 400,000 square foot expansion to Amneal Pharmaceuticals' industrial building was completed in 2015. The Boulevard at Yaphank, a large development consisting of retail, office, and 850 residential units is currently under construction near the intersection of the Long Island Expressway and William Floyd Parkway near Brookhaven National Laboratory. The development project has been expanded to include additional senior housing units and the commercial component is nearing completion with additional commercial sites under construction.

In downtown Riverhead, the 45-unit workforce housing complex Peconic Crossing was completed in 2018. Riverview Lofts, a \$56.8 million, 116-unit mixed-use apartment complex, was completed in 2021 and on an adjacent site, a 170-unit apartment building is proposed. At the end of 2021, the Town of Riverhead, was awarded \$10 million as the regional winner of the Empire State Development Downtown Revitalization Initiative. A new town square is proposed to be developed on the south side of East Main Street, opposite the Suffolk Theater. A five-story, mixed use building featuring 243 apartments, above ground-floor parking and amenity and commercial space is proposed on the municipal parking lot between Court Street and Railroad Avenue by RXR and Georgica Green Ventures, who were designated master developers for the Town of Riverhead's TOD project in February 2022. Calverton Executive Airpark, a former U. S. Navy aircraft test site used by Grumman Corporation, continues to be redeveloped for various light industrial purposes as the Enterprise Park at Calverton. At the site, a \$90 million, 134,000 square foot addiction treatment and research complex opened in 2020.

In the Town of Southampton, the 2015 *Riverside Revitalization Action Plan* calls for the re-zoning of 468 acres in Riverside that could result in 2,267 new housing units, 133,517 square feet of retail space and 62,000 square feet of professional offices. New wastewater treatment infrastructure would be needed to facilitate this development. The County-funded reconstruction of the Riverside traffic circle was completed in 2018. At the traffic circle, a blighted, long vacant diner was bulldozed in 2018 and a mixed workforce housing and office building opened in 2019 at the site. In the Town of Southampton, two rental workforce housing developments totaling 66 units were completed in 2019: Speonk Commons and Sandy Hollow Cove. On the formerly blighted site of the Canoe Place Inn in Hampton Bays, a \$60 million, 25 room hotel, restaurant, and 37-unit townhouse development began construction in 2018. This project is now complete and the Inn reopened in August 2022. In 2018, the Village of Westhampton Beach was awarded a \$5 million grant from the State DEC toward the construction of a new sewer district project to allow for new apartments and expanded dining options in the downtown village. Construction on the new sewer project began in April 2021. The new sewer connection was completed in March 2023.

A \$4 billion mixed-use development, Heartland Town Square, has been proposed for 452 acres of a surplus portion of the former Pilgrim State Psychiatric Center in Brentwood, located at the intersection of the Long Island Expressway and the Sagtikos Parkway. At completion, the development is proposed to include 1,030,000 square feet of lifestyle retail space, 9,130 units of mid-rise rental housing, 3,239,000 square feet of office space, a hotel, and an aquarium. The project is proposed to be constructed in phases. The change of zoning for a 116-acre portion of the site was approved by the Town of Islip in 2017, but the developer has not yet begun construction. In 2024, the Suffolk County Sewer Agency granted a one-year extension for County Legislature approval of the sewer connection agreement.

The Village of Amityville has joined the list of revitalizing downtowns in recent years. The village was the recipient of one of the State's \$10 million DRI awards and has laid out an ambitious yet achievable plan for pedestrian improvements, beautification and redevelopment in the downtown. The recently completed Avalon Amityville, just north of the commercial business district contains 388 residential units a short walk from the Amityville Train Station on a site that had been vacant for nearly a decade. The village will also serve as the southern anchor of the Route 110 Bus Rapid Transit corridor, a new mass transit linkage between Amityville and Huntington scheduled to begin service in 2028. The County has partnered with the Village to complete an Active Transportation study to analyze walkability in the downtown area, with completion expected by the end of 2024.

In other locations in the County, a number of additional significant development and redevelopment projects have recently been constructed or are proposed. In Greenport, a 50-unit affordable apartment complex, Vineyard View, completed construction in 2020, having received \$5.7 million in financing from the State in partnership with the

Community Development Corporation of Long Island. In Lindenhurst, construction of Tritec’s “The Wel,” a 260-unit residential development immediately across from the Lindenhurst Train Station and a block away from Lindenhurst’s downtown was completed in August 2021. In addition, several new restaurants, bars and cafes have opened in Lindenhurst in recent years. In 2023, the Village of Lindenhurst was awarded \$4.5 million from the State’s NY Forward Initiative to further support these efforts. A recent code change in Smithtown will now permit residential construction on some parcels in the Long Island Innovation Park at Hauppauge, representing a major opportunity for the future of what is one of the largest industrial parks in the northeast and employs more than 55,000 people across Long Island. The County also continues to work with the Town of Smithtown to extend sewer service to downtown Kings Park and Smithtown. Related to this effort, the Town of Smithtown approved the mixed-use redevelopment of an old lumber yard on Main Street in Smithtown with 71 rental units and 15,000 square feet of retail space. The Lofts at Maple and Main opened in 2024.

Housing

According to the U. S. Census Bureau, as of 2023, there were an estimated 581,867 housing units situated in the County. Single family homes dominate the housing stock, comprising 85% of all housing structures. The County has 508,809 households and 81% of the County’s occupied housing is owner-occupied. This rate of owner-occupied housing is significantly higher than both the State (54%) and in the nation (65%). The County’s owner-occupied housing percentage has remained at around 80% for more than 40 years.

Multi-family housing construction is robust in the County. According to the Suffolk County Department of Economic Development & Planning, since 2019, a total of 76 multi-family housing complexes containing a total of 7,361 units have been built in the County and more than 2,500 units are currently under construction. About 72% of the new units are in rental apartment complexes, and 28% are in ownership complexes. In addition, 86 multi-family housing complexes are currently proposed for construction in the County, which could add more than 7,500 housing units.

The table below shows the number of new housing units authorized by building permit in the County and the value of new residential construction. In 2023, building permits for 1,220 housing units were issued in the County, down from the 1,492 recorded in 2022. Residential construction in 2023 was valued at more than \$883.4 million in the County. Both permitted units and value of construction were at their highest in 2022 since at least 2015. As of September 2024, permits for 872 housing units were issued in the County.

Number and Value of New Housing Units Authorized by Building Permit in the County

Year	Housing Units	Value of New Residential Construction (in millions)
2024 (YTD through September)	872	\$ 581.1
2023	1,220	883.4
2022	1,492	1,048.2
2021	1,459	996.0
2020	590	501.7
2019	772	544.1
2018	1,002	585.4
2017	1,112	637.0
2016	1,067	648.3
2015	1,218	690.8

Source: U. S. Census Bureau, Construction Statistics Division

The housing market in the County remains strong. County home prices in September 2024 were about 54.8% higher than the New York State median as reported by the National Association of Realtors. As indicated in the table below, in September 2024, the median selling price of a home in the County was \$650,000, an increase of 10.2% compared to the median price in September 2023.

Existing Home Sales in the County, September of Each Year

Year	Median Sales Price	Percentage Change From Previous Year	Number of Homes Sold
2024	\$650,000	10.2%	1,122
2023	590,000	7.3%	1,149
2022	550,000	4.8%	1,344
2021	525,000	12.9%	1,685
2020	465,000	13.3%	1,822
2019	410,000	7.2%	1,425
2018	382,500	6.3%	1,477
2017	360,000	3.2%	1,593
2016	349,000	5.1%	1,445

Source: New York State Association of Realtors

County Initiatives – Environment

The County has an ongoing open space acquisition program, whereby a portion of the County’s sales tax is devoted to the acquisition of open space lands within the County. (See “FINANCIAL FACTORS – Drinking Water Protection, Environmental Protection and Property Tax Mitigation Programs” herein.) The County also has an ongoing Purchase of Development Rights program to preserve and protect working farmland. As of October 2024, the County has purchased the development rights to 11,385 acres of farmland under the program and the County has committed \$15 million in capital funding for the purchase of development rights to advance farmland preservation. Additionally, as of October 2024, there are 25.8 acres of farmland development rights in contract.

Construction began in Fall 2021 on the Suffolk County Coastal Resiliency Initiative (“SCCRI”) sewer projects, which will utilize \$390 million in federal and State financial aid to connect nearly 6,000 parcels along river corridors on the County’s south shore to sewers as part of the State’s Post-Sandy Coastal Resiliency initiatives. The projects represent the largest investment in sewer infrastructure in the County in more than 40 years and will eliminate nearly 6,000 cesspools and septic systems in these areas, a primary source of nitrogen pollution that has degraded water quality in local bays. Construction had been expected to begin in early 2021, but the COVID-19 pandemic delayed the project timetable and increased project cost estimates. In April 2021, the County announced it had secured \$70 million necessary to cover the increased project costs. \$46 million will come from the County’s allocation under the American Rescue Plan Act (“ARPA”) and \$24 million from the County sewer reserve fund.

In November 2024, County residents approved Proposition 2, Resolution No. 526-2025, “A Charter law Pursuant To The Suffolk County Water Quality Restoration Act (Chapter 58 of the New York State Laws of 2023, as Amended) to Amend Article XII of the Suffolk County Charter in Order to Extend and Revise the Suffolk County Drinking Water Protection Program and to Establish a New Water Quality Restoration Fund Supported by an Additional One Eighth Percent (1/8%) Sales and Use Tax.” (See “FINANCIAL FACTORS – Water Quality Restoration Act” herein.)

The County’s Reclaim Our Water initiative continues to advance the use of Innovative and Alternative Onsite Wastewater Treatment Systems (“IAOWTS”) as an alternative to cesspools and septic systems in areas where sewerage is not a practical or cost-effective alternative. In 2017, the County Legislature approved the Septic Improvement Program, which provides grants to homeowners to make voluntary replacement of cesspools and septic systems with nitrogen reducing IAOWTS technologies more affordable for homeowners. As of November 2024, 1,000 property owners have a pending grant application and an additional 700 property owners have active grants. The grant program is currently implementing streamlining initiatives to meet the high demand of the program. To date, a total of 2,225 nitrogen reducing I/A systems have been installed and paid for as part of the Septic Improvement Program. In addition, over 3,000 nitrogen reducing I/A systems have been installed outside of the grant program throughout the County. The State awarded the County an additional \$20 million in Septic System Replacement Program (“SSRP”) funds in 2024, bringing the total State funding for the SSRP grant program in the County to \$60.13 million. As of November 2024, over \$19.5 million in County funds and over \$21.2 million in State funds have been expended as part of the programs. In 2017, the County Legislature approved changes to the Suffolk

County Sanitary Code to ban the in-kind replacement of cesspools effective July 1, 2019. In 2020, the County Legislature approved changes to the Suffolk County Sanitary Code to require the installation of advanced septic systems for new residential construction effective July 1, 2021 and to permit wastewater treatment systems to double the sanitary flow up to 30,000 gallons per day, allowing for greater flexibility of small wastewater plants in downtown areas. In order to continue to expand on-site wastewater treatment options, the County and the Center for Clean Water Technology at Stony Brook University have piloted three versions of a non-proprietary Nitrogen Reducing Biofilter on County-owned parks.

The Suffolk County Water Quality Protection and Restoration Program and Land Stewardship Initiatives (“WQPRP”) is a grant program funded under the County’s 1/4% Drinking Water Protection Program for Environmental Protection pursuant to Article XII of the County Charter. WQPRP was implemented by Resolution 659-2002, amended by Resolution 770-2007 and has been extended until 2030 by voter approval. The program utilizes 11.75% of the total sales tax revenues generated each calendar year under the ¼% Drinking Water Protection Program to provide grant funding to municipalities and non-profit organizations for projects to protect and restore the County’s groundwater and surface water resources. Since WQPRP’s inception, the program has funded more than \$60 million in projects to improve water quality in the County. WQPRP supervises approximately 50 active water quality improvement projects on an on-going basis including stormwater mitigation, habitat restoration, wastewater treatment improvements, coastal resilience initiatives and other water pollution prevention initiatives.

In close coordination with the County Comptroller’s Office and Department of Health Services, the SCLB has facilitated the sale, remediation and redevelopment of 24 tax delinquent brownfield tax lots, comprising 16 “sites”, generating over \$2.6 million dollars in sales revenue and over \$880,000 in annual taxes. Additionally, since the creation of the Landbank in 2013, over \$10.6 million in back taxes have been collected from 99 formerly tax delinquent property owners. To further this goal, the SCLB has conducted 123 Limited Phase I Environmental Site Assessments and 50 Phase II Environmental Site Assessments in an effort to provide prospective purchasers with information regarding environmental contamination and associated remediation costs.

Car Free Day LI and LI Mobility Week generated a lot of press, including Newsday, News 12, Fox 5 NY and the Long Island Press. LI Mobility Week included a full schedule of virtual and live events. In 2024, 3,916 pledges participated, saving 59,536 miles of driving and 78 tons of CO2 emissions.

In recognition of the above and many more programs and projects, the County has been recognized as a Gold-Level SolSmart Community, which is a national award and is recognized by the State as a Silver-Level (the highest award available) Climate Smart Community. The County is also a New York State Clean Energy Community.

In 2024, the County Executive launched SolarUp Suffolk to encourage homeowners and businesses to install solar panels on rooftops.

County Initiatives – Economic Development

In Westhampton, County-owned land at Gabreski Airport has been developed for light industrial and research & development office space at the Hampton Business District. The Hampton Business District completed the fifth and final building for a total of approximately 377,000 square feet of new office space. The five buildings are currently 100% occupied. In addition to the Hampton Business District, construction began on the development of a 13-acre parcel for a second Fixed Base Operator (“FBO”) at Gabreski Airport. The second FBO will include two 31,250 square foot aircraft hangars, a 5,600 square foot terminal building, an aircraft fuel farm, approximately 278,000 square feet of aircraft parking apron and 122 vehicle parking spaces. The project is estimated to provide 140-150 construction jobs and more than 30 positions at the new facility. The second FBO is being developed by Signature Aviation. Signature Aviation is investing approximately \$48 million into Gabreski Airport by developing the new facilities. In addition to the second FBO, the airport is also in the permitting process for two general aviation hangar development projects. The two general aviation hangar development projects will construct 56 individual aircraft hangars on approximately 12 acres of airport property. These two projects are being developed to meet the current and future demand for single and multiengine aircraft hangar storage and will provide additional construction jobs during development.

Gabreski Airport is also continuing work on a new Air Traffic Control tower project to replace the original tower from the early 1940’s. The design phase of the Air Traffic Control Tower is being funded by the FAA and NYS DOT. Design is completed and construction is expected to begin in March 2025. The construction phase is

anticipated to take 2 years from groundbreaking to commissioning. The project will include a project labor agreement and will be funded with Federal, State and Airport funding sources.

Gabreski Airport has continued working on an FAA Airport Obstruction Remediation Environmental Assessment project as well. This project is a safety project designed to review and mitigate obstructions to the various airport surfaces that protect air navigation. The Phase II Environmental Assessment reviews the obstructions found during the Phase I survey and analysis. Phase II will look at the environmental impacts of potential mitigation options and provide recommendations that will lead to the Phase III design. This project is 95% funded by the FAA and 5% funded by NYSDOT. The Obstruction Remediation project will complete the environmental assessment in 2025 and the airport is planning to start the design phase in 2026.

Recently, NYSDOT completed an Economic Impacts of New York State Airports and Aviation 2024 report that estimated Gabreski Airport provided a total economic impact of \$116,127,800 and 1085 jobs in 2022. With the new airport development projects, Gabreski Airport will continue to grow as a strong economic facility for the County.

County Initiatives – Housing

Through the County's Housing Opportunities Program, the County has committed more than \$45 million since 2012 to assist in the construction of 30 new developments containing 2,212 affordable units for families and individuals earning at or below 120% of the area median income, with the majority reserved for families earning at or below 80% of the area median income. Most recently the County Legislature passed legislation, signed by the County Executive, that would limit County funding to only support housing units reserved for families earning at or below 80% of the area median income and to require multi-family projects connecting to County sewer districts from out of district to limit their affordable units to families earning 100% of the area median income or below.

Through its Acquire and Renovate Bank Owned Residences program, the County Landbank has invested over \$4 million in local communities, acquiring and renovating zombie properties and generating over \$4.3 million in sales revenue to be reinvested into the program. To date, 36 affordable homes have been sold to income qualified first time homebuyers, of which, 2 properties have been donated to United Way for the construction of energy efficient affordable homes and 8 properties have been donated to Habitat for Humanity for the construction of new homes built by the community and future homeowners. Two additional homes were donated to the Town of Brookhaven for demolition and open space/wetlands restoration. In addition to the homes sold and donated, 1 home is currently being marketed and 4 homes are in the pre-acquisition phase.

The County has acquired a property for the development of a community-based workforce and recreation facility that will utilize \$15 million of State funding along with a \$9 million investment by the County. The Brentwood Community and Workforce Center will serve as a hub for recreation and skills development helping to introduce the employment opportunities of emerging industries such as advanced manufacturing and offshore wind.

Transportation

The County's highway network includes the Northern and Southern State Parkways, which are located in the western portion of the County, and the Long Island Expressway (I-495) which extends eastward from New York City to the eastern portion of the County. Other major highways include Sunrise Highway, which connects the County's western border to its eastern town of Southampton, and the Sunken Meadow/Sagtikos Parkway which connects the north and south shores in the western part of the County.

According to the U. S. Census Bureau, as of 2023, 73.3% of employed County residents drove alone to work. The major employment centers and residential areas in the County are widely dispersed, making it difficult to effectively provide mass transit service. In 2020, the County began the planning of its Reimagine Transit initiative, the first comprehensive redesign of the County transit bus network since its inception, to ensure the County is making efficient use of its transit resources. The redesigned transit network includes 7 days a week/365 days a year service, extended morning and evening service systemwide, increases in service frequency on most routes, timed transfers at 7 major hubs across the County with 6 located at LIRR stations, more direct routes, a focus on areas and routes with high demand and two on-demand micro-transit zones, resulting in increased access to employment for County residents and a more useful transit network. The County's Reimagine Transit initiative launched on October 29, 2023. As a result, ridership has increased, with each month since launch having significantly higher ridership than the same month in the year prior. For example, February 2024 rides (227,862) were up 31.1% from February 2023 (173,795); September 2024 ridership was up 43.1% from the year before (318,539 rides compared to 222,572). The County is advancing the Route 110 Bus Rapid Transit project between Amityville and Huntington, with project

development wrapping up in 2024 and the final design phase due to be completed in 2025. The Town of Huntington operates its own 4 route bus system in the County.

The extensive commuter rail system in the County, the Long Island Railroad, is managed by the Metropolitan Transportation Authority (“MTA”). There are 41 LIRR stations located in the County. The LIRR provides public transportation between the County and New York City and is used by both commuters and leisure travelers. The MTA plans to spend \$5.7 billion in the coming years on LIRR infrastructure including funds to modernize switch and signal systems and purchase 160 new train cars, subject to any possible change based on pandemic-related MTA fiscal challenges. In September 2024, the MTA approved their proposed 2025-2029 capital plan. This plan was submitted to the New York State Capital Program Review Board in Albany for review and consideration. The plan includes proposed spending of approximately \$6 billion for the LIRR. These funds are allocated to needed investments in rolling stock, stations, track, line structures, communications and signals, shops and yards and power assets throughout the LIRR system. An additional \$800 million is set aside in the plan for other regional investments such as major projects and expansions. This fund source may be used for early planning and phasing work associated potential electrification extension of LIRR lines in the County.

Grand Central Madison – LIRR service to Grand Central Terminal commenced in 2023, greatly increasing electric service frequency to Manhattan with two Manhattan terminals, Penn Station and Grand Central Station, providing a more direct trip between Long Island and the east side of midtown Manhattan. Frequent reliable bi-direction service is now available for reverse commuters and intra-island travelers as part of this new service. The LIRR’s Third Track project between Floral Park and Hicksville in neighboring Nassau County completed construction in August 2022. In 2018, the LIRR completed the construction of 17 miles of second electrified track between Farmingdale and Ronkonkoma in the County. These additional tracks will allow the LIRR to more easily flow around rail disruptions and will increase rail capacity to better serve commuters to New York City and reverse commuters to Long Island. The expanded rail service has helped facilitate transit-oriented development planned near the Republic, Wyandanch, and Ronkonkoma LIRR stations in the County.

In December 2023, Amtrak was awarded a Federal Railroad Administration Corridor Identification and Development (Corridor ID) program grant to formally study the extension of Northeast regional service from New York City east to the LIRR station at Ronkonkoma. This corridor extension proposal was Amtrak’s highest priority among all other potential corridor extensions in the system. Amtrak sees a strong market for intercity service between Ronkonkoma and Washington DC. The Corridor ID grant provides \$500,000 that will be used to develop a detailed service plan that will provide three daily round trips between Ronkonkoma and Washington DC, with interim stops along the northeast corridor. As a Corridor ID grant recipient, Amtrak will work collaboratively with the Federal Railroad Administration to determine any additional funds needed for future phases of development including environmental review.

There are nine public use airports located in the County, but only one, Islip MacArthur Airport, has regularly scheduled commercial airline services. The Town of Islip owns and operates MacArthur Airport (ISP), located in Ronkonkoma, 50 miles outside New York City. More than 1.2 million passengers were served by the airport in 2023. The airport is currently served by Southwest, Frontier and Breeze Airways and JetBlue.

Ferry service to Connecticut is available from two ferry terminals located in the County, one in Port Jefferson and one in Orient Point. High-speed ferry service is also available between Orient Point and New London, Connecticut. In addition, each summer thousands of visitors are transported by ferries to several Fire Island communities.

Educational Facilities

According to the State Education Department, there are 69 public school districts located in the County. In the 2023-2024 school year, public school enrollment in school districts in the County was 218,164, a 5.4% decrease in the five years since 2018-2019 (230,541). In the 2024-2025 school year, the combined spending budget of public school districts in the County amounts to \$8.3 billion.

There are four four-year colleges and one law school (Touro Law Center) located in the County. Suffolk County Community College has an enrollment of 21,000 students on three campuses and continues to expand its facilities. Numerous other professional and technical schools are also located in the County.

Stony Brook University is the largest university located in the County with a Fall 2024 enrollment of 18,263 undergraduate and 8,426 graduate students. The University continues to expand its facilities. A new \$63 million student services building was completed in 2021. The University’s Research and Development Park continues to

expand with two additional buildings: the University's \$60 million Innovation and Discovery Center, base building completed in 2020 and construction of additional research and chemistry labs commenced in Spring 2021.

Tourism & Recreation

Tourism is a multi-billion dollar industry in the County. The County represents 57% of the region's tourism sales, with \$4.3 billion in direct tourism spending, as of 2023, according to the consulting firm Tourism Economics. Tourism supports 40,658 local jobs in the County and generated an estimated \$519 million in local and state tax revenues in 2023. The largest share of visitor spending in the County in 2023 was for food and beverages (\$1.2 billion), followed by lodging (\$1 billion) and retail/ service stations (\$640 million). The County is also home to 26 State parks. The COVID-19 pandemic and subsequent travel restrictions resulted in increased local awareness of the County's resources and a focus on health and wellness. The benefit to parks attendance has sustained since then with more than 17 million attendees in 2023, a 3.5% increase from 2022. The State parks in the County that were most frequently visited in 2023 were Robert Moses State Park (with 3.9 million visitors), Sunken Meadow State Park (with 3.6 million visitors), Captree State Park (with 1.4 million visitors), Heckscher Park (with 1.4 million visitors) and Montauk State Park (with 1.3 million visitors). Many of the other State, County, town and village parks are located inland and on beaches which attract hundreds of thousands of visitors each year.

The County has the largest County-owned parks system in the U.S. with 78 County parks and still hundreds more town and village parks and open space. More than 60,000 acres of trails, gardens, farmlands, woodlands, waterways, day camps, ball fields, and playgrounds provide County residents with recreation, relaxation and beauty. With 986 miles of shoreline, industries such as recreational boating, boat sales and service, marinas, and charter boat fishing are prominent in the County. Moreover, the beaches in the County are top ranked. Coopers Beach in Southampton has been on Forbes' top ten beaches in the United States since 2021. In 2024, Fire Island was ranked among the 25 best beaches on the East Coast by U.S. News and World Report.

There are 68 golf courses located in the County. In 2018, the U.S. Open Golf Championship was held at the Shinnecock Hills Golf Club in Southampton and will return again in 2026. In 2019, the PGA Championship was held at the Black Course at Bethpage State Park and the Ryder Cup is scheduled to be played there in 2025. These major sporting events bring tremendous economic benefit to the County and the Long Island region. The 2018 U.S. Open Golf Championship had an estimated regional economic impact of \$120 million, with over 8,000 hotel rooms booked and 200,000 attendees throughout the course of the week-long event. In 2024, the United States Golf Association announced that Shinnecock Hills will host both the Men's and Women's U.S. Open in 2036, becoming only the second venue to do so.

The County is home to numerous cultural and entertainment facilities. The County's 6,000-seat ballpark in Central Islip is home to the Long Island Ducks independent league baseball team. Thousands of patrons attend games there every year. Other recreational attractions in the County include Atlantis Marine World aquarium in Riverhead, Splish Splash, a large water park also located in Riverhead and Adventureland and a traditional amusement park located in Farmingdale. The County boasts several performing arts theaters in its downtowns, including the Paramount Theater in Huntington, the Engeman Theater in Northport, the Argyle Theatre in Babylon, the Boulton Center in Bay Shore, the Patchogue Theatre for the Performing Arts, the Gateway Theater in Bellport and the Suffolk Theater in downtown Riverhead.

Eastern Suffolk County is a popular tourist destination. A significant number of wineries are located on the east end of the County. According to the New York State Liquor Authority, the County has 68 vineyards, 39 craft breweries (the most of any county in the State), 3 cideries and 13 distilleries. According to the New York Wine & Grape Foundation, the County's wine and grape industry generates \$686.65 million in direct economic activity and draws 763,700 tourist visits annually.

The County is home to one of the largest concentrations of seasonal homes of any county in the nation. According to the U. S. Census Bureau, in 2023 there were 47,758 seasonal homes in the County (primarily in the eastern part of the County and on Fire Island), which draw part-time residents to the area during the summer months and on weekends. Seasonal second homes on Long Island generated significant economic activity in 2023 accounting for \$484 million in visitor spending, according to Tourism Economics.

According to the County Department of Economic Development & Planning, there are more than 5,200 lodging rooms located in eastern Suffolk, ranging from luxurious boutique hotels and bed & breakfast inns to traditional motels. These lodging properties draw thousands of tourists to the County's east end throughout the year, but primarily in the summer months. The department estimates that the resident population in eastern Suffolk increases

by more than 203,000 people during peak summer times due to tourism, which more than doubles the year-round population. Due to its proximity to New York City, the County is well situated to serve the vacation needs of New York City residents.

CERTIFICATE OF ACHIEVEMENT FOR EXCELLENCE IN FINANCIAL REPORTING

For the fortieth consecutive year the Government Finance Officers Association of the United States and Canada (the “GFOA”) awarded a Certificate of Achievement for Excellence in Financial Reporting (the “Certificate”) to the County for its Annual Comprehensive Financial Report for the fiscal year ended December 31, 2022.

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

A Certificate is valid for a period of one year. The County believes that its Annual Comprehensive Financial Report prepared for the fiscal year ended December 31, 2023 has conformed to the requirements necessary for the award of a Certificate.

INDEBTEDNESS OF THE COUNTY

Constitutional and Statutory Requirements

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

Purpose and Pledge – Subject to certain enumerated exceptions, the County shall not give or loan any money or property to or in aid of any individual, or private corporation or private undertaking, or give or loan its credit to or in aid of any of the foregoing or any public corporation. The County may contract indebtedness only for a County purpose and shall pledge its faith and credit for the payment of principal and interest.

Payment and Maturity – Except for certain short-term indebtedness contracted in anticipation of taxes or to be paid in one of the two fiscal years immediately succeeding the fiscal year in which such indebtedness was contracted, indebtedness shall be paid in annual installments commencing no later than two years after the date such indebtedness shall have been contracted and ending no later than the expiration of the period of probable usefulness of the object or purpose as determined by statute or, in the alternative, the weighted average period of probable usefulness of the several objects or purposes for which such indebtedness is to be contracted; no installment may be more than fifty per centum in excess of the smallest prior installment, unless the County determines to issue a particular debt obligation amortizing on the basis of substantially level or declining annual debt service. The County is required to provide an annual appropriation for the payment of interest due during the year on its indebtedness, for the amounts required in such year for amortization and redemption of its serial bonds, and for such required annual installments on its notes.

General – The County is further subject to constitutional limitation by the general constitutionally imposed duty of the State Legislature to restrict the power of taxation and contracting indebtedness to prevent abuses in the exercise of such powers. As has been noted in the section of this Official Statement entitled “THE BONDS AND THE NOTES – Nature of Obligation”, the State Legislature is prohibited by a specific constitutional provision from restricting the power of the County to levy taxes on real estate for the payment of interest on or principal of indebtedness theretofore contracted. However, the Tax Levy Limitation Law imposes a statutory limitation on the County’s power to increase its annual tax levy. The amount of such increase is limited by the formulas set forth in the Tax Levy Limitation Law unless the County complies with certain procedural requirements to permit the County to levy certain year-to-year increases in real property taxes. (See “TAX LEVY LIMITATION LAW” herein.)

Debt Limit – The County has the power to contract indebtedness for any County purpose so long as the aggregate outstanding principal amount thereof shall not exceed seven per centum of the most recent five-year average full valuation of taxable real estate of the County and subject to certain enumerated exclusions and deductions such as

water and certain sewer facilities and cash appropriations for current debt service. The constitutional method for determining full valuation is by taking the assessed valuation of taxable real estate for the last completed assessment roll and applying thereto the final equalization rate as determined by the State Board of Real Property Services. The State Legislature is required to prescribe the manner by which such rate shall be determined. The average full valuation is determined by taking the sum of full valuations of such last completed assessment roll and the four preceding assessment rolls and dividing such sum by five.

Computation of Debt Limit

As of the finalization of equalization rates in each year:	<u>Full Valuation</u>
2021	\$ 330,390,670,260
2022	336,452,430,142
2023	405,464,987,635
2024	470,458,646,033
2025	<u>498,075,873,830</u>
 Total Five-Year Valuation	 <u>\$2,040,842,607,900</u>
Five-Year Average Valuation	408,168,521,580
Debt Limit - 7% of Average Five-Year Full Valuation	<u>\$ 28,571,796,510</u>

See “Calculation of Total Net Indebtedness” herein.

Statutory Procedure

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

Pursuant to the County Charter and the Local Finance Law, as applicable, the County authorizes incurrence of indebtedness, including bonds and bond anticipation notes issued in anticipation of such bonds, by the adoption of a bond resolution, approved by at least two-thirds vote of the County Legislature and subject to the approval of the County Executive in accordance with the County Charter. The County Legislature as a whole constitutes the finance board of the County. Such resolutions are not subject to referendum unless the County Legislature specifically determines that a particular resolution shall be subject to referendum. The Local Finance Law also provides for a twenty-day statute of limitations after publication of a bond resolution (in summary or in full), together with a statutory notice which, in effect, estops thereafter legal challenges to the validity of obligations authorized by such bond resolution except for alleged constitutional violations. Each bond resolution usually authorizes the construction, acquisition or installation of the object or purpose to be financed, sets forth the plan of financing, the estimated maximum cost thereof and the maximum maturity of the bonds, subject to the legal restrictions relating to the period of probable usefulness with respect thereto. Annual principal reductions must commence within twenty-four months of the original issue date. Adoption of a bond resolution also authorizes the issuance of bond anticipation notes prior to the issuance of bonds. Statutory law in the State permits bond anticipation notes to be renewed each year provided that principal reductions commence within twenty-four months and provided that such renewals, except in the case of assessable improvement financings, generally do not extend more than five years beyond the original date of the borrowing (seven years for notes originally issued in 2015 through 2021). Notes issued in anticipation of the sale of serial bonds for assessable improvements are not subject to such five-year limit and may be renewed subject to annual reductions of principal, beginning within twenty-four months of the original issue date, for the entire period of probable usefulness assigned to the purpose for which such notes were originally issued. The County Legislature has delegated certain of its powers in relation to the sale of bonds and any notes issued in anticipation thereof to the County Comptroller, as the Chief Fiscal Officer of the County.

The County Legislature, as the finance board of the County, has the power, pursuant to the Local Finance Law, to adopt budget, deficiency, tax and revenue anticipation note resolutions by majority vote. Such resolutions may authorize the issuance of budget, deficiency, tax or revenue anticipation notes in an aggregate principal amount necessary to fund anticipated cash flow deficits, but, in the case of tax and revenue anticipation notes, not exceeding the amount of taxes or moneys estimated to be received by the County, less any tax or revenue anticipation note previously issued and less the amount of such taxes or revenues previously received by the County. The County Legislature has delegated certain of its powers in relation to the sale of tax and revenue anticipation notes to the County Comptroller, as the Chief Fiscal Officer of the County.

Calculation of Total Net Indebtedness

(as of December 4, 2024)

The debt limit of the County is \$28,571,796,510. (See “Computation of Debt Limit” herein.) The County’s total net indebtedness represents approximately 4.19% of the debt limit.

Inclusions:

Outstanding General Obligation Bonds:

General Purpose and Improvement Bonds and Refunding Bonds	\$912,201,757	
County Sewer District No. 1 (Port Jefferson)	1,879,229	
County Sewer District No. 2 (Holbrook)	531,066	
County Sewer District No. 3 (Southwest)	278,430,504	
County Sewer District No. 4 (Smithtown Galleria)	170,985	
County Sewer District No. 5 (Strathmore-Huntington)	1,152,207	
County Sewer District No. 6 (Kings Park)	2,894,392	
County Sewer District No. 7 (Medford)	4,730,768	
County Sewer District No. 9 (College Park)	515,930	
County Sewer District No. 10 (Stony Brook)	664,756	
County Sewer District No. 11 (Selden)	7,584,457	
County Sewer District No. 12 (Birchwood)	1,948,216	
County Sewer District No. 13 (Windwatch)	416,068	
County Sewer District No. 14 (Parkland)	2,599,041	
County Sewer District No. 15 (Nob Hill)	537,387	
County Sewer District No. 16 (Yaphank Municipal)	607,855	
County Sewer District No. 18 (Hauppauge Industrial)	39,507,296	
County Sewer District No. 20 (William Floyd-Leisure Village)	6,022,100	
County Sewer District No. 21 (SUNY)	498,430	
County Sewer District No. 22 (Hauppauge Municipal)	2,797,024	
County Sewer District No. 23 (Coventry Manor)	6,535,883	
County Sewer District No. 24 (Gabreski)	96,557	
County Sewer District No. 27 (Forge River)	5,025,000	
County Sewer District No. 28 (Fairfield)	<u>854,928</u>	
Subtotal: Outstanding Bonds		\$1,278,201,836
Outstanding General Obligation Notes:		
NYS EFC Clean Water Facility Note – 2022	\$ 3,158,408	
Subtotal: Outstanding Notes		<u>3,158,408</u>
Total Inclusions		<u>\$1,281,360,244</u>
Exclusions and Assets on Hand for Debt:		
Sewer District Bonds and Refunding Bonds ⁽¹⁾	<u>\$ 83,171,924</u>	
Subtotal: Exclusions		\$ 83,171,924
Assets on Hand for Debt:		
Appropriations (other than for debt already excluded):		
Outstanding Bonds	<u>\$ 226,450</u>	
Subtotal: Assets on Hand		<u>226,450</u>
Total Exclusions and Assets on Hand for Debt:		<u>\$ 83,398,374</u>
Total Net Indebtedness		<u><u>\$1,197,961,870</u></u>

(1) Excluded pursuant to certificates issued by the Comptroller of the State of New York dated October 5, 2020.

Source: Suffolk County Comptroller’s Office

Independent Auditors

The financial statements of the County as of and for the year ended December 31, 2023, a link to which is included in Appendix B to this Official Statement, have been audited by Deloitte & Touche LLP, independent auditors, as stated in their report dated September 30, 2024 appearing therein. The independent auditors’ report includes a reference to other auditors who audited the financial statements of Suffolk County Community College, the Suffolk Regional Off-Track Betting Corporation, and the Suffolk County Industrial Development Agency, as described in the report on the County’s financial statements.

Cash Flow Borrowings

The County periodically issues short-term tax anticipation notes to provide funds in anticipation of the receipt of taxes that are delayed to some extent by the Suffolk County Tax Act (the “SCTA”). (See “REAL PROPERTY TAXES – Real Property Tax Collection”.)

The following table shows the County’s cash flow borrowings for the last four fiscal years and the projected cash flow borrowings for 2024 and 2025:

	<u>2020</u>	<u>2021</u>	<u>2022</u>	<u>2023</u>	<u>2024⁽¹⁾</u>	<u>2025⁽¹⁾</u>
Revenue Anticipation Notes	\$104	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0
Tax Anticipation Notes	<u>507⁽²⁾</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>350</u>	<u>350</u>
Total	<u>\$611</u>	<u>\$ 0</u>	<u>\$ 0</u>	<u>\$ 0</u>	<u>\$350</u>	<u>\$350</u>

(1) Projected.

(2) Inclusive of \$79,480,000 Tax Anticipation Notes for 2021 Taxes – Series II which closed on January 6, 2021 as part of the County’s annual December tax anticipation note issuance.

Chapter 97 of the Laws of 2011 of the State of New York, as amended, imposes a limitation on increases in the real property tax levies of the County, subject to certain exceptions outlined in the law. The 2024 Adopted Budget is in compliance with all State and local tax and expenditure limitations. (See “TAX LEVY LIMITATION LAW” herein.)

Details of Short-Term Indebtedness Outstanding

(as of December 4, 2024)

The County presently has the following outstanding short-term obligations:

	<u>Dated</u>	<u>Maturity</u>	<u>Amount</u>
NYS EFC Clean Water Facility Note – 2022	03/30/22	03/30/27	3,158,408 ⁽¹⁾

(1) The maximum principal amount of this EFC note is \$3,400,000. The note is expected to be retired with the proceeds from an Empire State Development Grant.

Source: Suffolk County Comptroller’s Office

Summary of Bonded Debt (in thousands)

(as of December 31 in each year):

	<u>2019</u>	<u>2020</u>	<u>2021</u>	<u>2022</u>	<u>2023</u>
Total Bonded Debt ⁽¹⁾	\$ 1,361,650	\$ 1,320,100	\$ 1,267,510	\$ 1,444,768	\$ 1,278,648
Bonded Debt Excluded from Debt Limit	<u>(158)</u>	<u>(132,613)</u>	<u>(124,096)</u>	<u>(97,639)</u>	<u>(90,228)</u>
Bonded Debt Subject to Debt Limit	<u>\$ 1,361,492</u>	<u>\$ 1,187,487</u>	<u>\$ 1,143,414</u>	<u>\$ 1,347,129</u>	<u>\$ 1,188,420</u>

(1) Includes bonds issued by the County and bonds issued to EFC.

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

Authorized and Unissued Capital Indebtedness

As of October 30, 2024, the County had authorized and unissued indebtedness for general capital purposes of approximately \$575,080,000. Included in that amount is approximately \$261,410,473 of capital purposes that may be funded with bond anticipation notes issued in anticipation of expected Federal and/or State aid.

In addition to the above, the County adopted Resolutions 290-2020, 666-2020, 338-2023 and 339-2023 authorizing, in aggregate, the issuance of up to \$546,900,000 bonds to refund certain outstanding bonds of the County. As of October 30, 2024, the County has \$355,115,000 remaining authorized and unissued pursuant to these resolutions. The Bonds are being issued pursuant to Resolutions No. 666-2020 and 339-2023.

Anticipated Capital Borrowings

In recent years, the County has generally issued debt on an annual basis to finance its ongoing capital program.

During 2025, the County anticipates issuing serial bonds for general capital purposes, which may include \$5,500,000 in connection with the dredging of County waters, \$9,000,000 in connection with the construction of a Community Hub in Brentwood and \$2,100,000 for the rehabilitation of parking lots, sidewalks, drives and curbs at County facilities. In addition to issuing bonds for general capital purposes, the following material sewer related borrowings are authorized as described below.

The County Legislature has adopted Resolutions #1203-2011, #1134-2012 and #426-2015 authorizing the issuance of \$35,000,000, \$20,000,000 and \$207,000,000, respectively, in serial bonds to finance improvements of the Suffolk County Sewer District No. 3 – Southwest. \$242,000,000 of the above noted authorizations has been issued or reduced as follows:

- Suffolk County Sewer District Bonds - \$6,174,500;
- Suffolk County General Bonds issued to New York State Environmental Facilities Corporation (“EFC”) - \$180,052,255;
- Storm Mitigation Loan Program (“SMLP”) Grant Award - \$29,372,065;
- Redemption payments made to EFC during the short-term SMLP financing phase - \$7,859,999.
- Suffolk County General Bonds issued October 30, 2024 - \$18,541,181.

The County Legislature has adopted Resolutions #721-2015 and #827-2021 (to amend and restate Resolution #1167-2015 in its entirety) authorizing the issuance of \$2,000,000 and \$65,578,569, respectively, in serial bonds to finance a portion of the costs of Nitrogen Reduction Projects. \$50,400,000 is limited to the issuance of bond anticipation notes in advance of Federal or State aid. \$18,962,438 of the above noted authorizations has been issued or reduced as follows:

- Suffolk County Statutory Installment Bond issued to EFC - \$10,981,749;
- Clean Water Bond Anticipation Note issued to EFC - \$3,400,000 expected to be redeemed with the receipt of an Empire State Development Grant;
- Principal redemptions made to EFC during the short-term financing phase, \$4,580,689.

The County Legislature has adopted Resolution #812-2023 authorizing the issuance of \$7,000,000 in serial bonds to finance the cost of improvements to Suffolk County Sewer District No. 2 – Tallmudge Woods. No serial bonds have been issued pursuant to this resolution.

The County Legislature has adopted Resolution #1001-2017 authorizing the issuance of \$5,000,000 in serial bonds to finance the cost of improvements to Suffolk County Sewer District No. 11 – Selden. The County has issued bonds in the principal amount of \$3,600,000 pursuant to this resolution.

The County Legislature has adopted Resolutions #1204-2017 and #1057-2023 each authorizing the issuance of \$5,000,000 in serial bonds to finance the cost of improvements to Suffolk County Sewer District No. 20 – William Floyd, respectively. The County has issued bonds in the principal amount of \$5,000,000 pursuant to these resolutions.

The County Legislature has adopted Resolution #206-2018 authorizing the issuance of \$6,000,000 in serial bonds to finance a portion of the cost of improvements to Suffolk County Sewer District No. 18 – Hauppauge Industrial. No serial bonds have been issued pursuant to this authorization.

The Legislature has adopted Resolutions #467-2016, 851-2016, 856-2016, 860-2016, 862-2016, 972-2016, 989-2016, 76-2017, 538-2017, 703-2017, 389-2018, 705-2018, 728-2018, 49-2019 and 303-2020 authorizing, in the aggregate, the issuance of \$29,400,000 in serial bonds to finance projects under the New Enhanced Drinking Water Protection Program. \$26,986,737 in bonds has been issued pursuant to these resolutions. (See “FINANCIAL FACTORS – Drinking Water Protection, Sewer Tax Rate Stabilization, Environmental Protection and Property Tax Mitigation Programs” herein.)

The County Legislature has adopted Resolutions #423-2015, 292-2017, 301-2018, 591-2018, 1134-2019, 185-2020, 128-2022, 460-2022 and 822-2024 (to amend and restate Resolution #821-2023 in its entirety) authorizing, in the aggregate, the issuance of \$139,509,000 in serial bonds to finance the Replacement of the Smith Point Bridge in the Town of Brookhaven. Approximately \$109,527,200 of this amount is limited to the issuance of bond anticipation notes in advance of Federal or State aid. Pursuant to these authorizations, the County has issued serial bonds in the amount of \$4,049,800 as well as issued bond anticipation notes and/or recognized aid in the amount of \$4,340,000.

Underlying and Overlapping Indebtedness of Political Subdivisions Within the County

The estimated underlying and overlapping indebtedness of political subdivisions within the County as of the most recently completed fiscal year of the respective political subdivision as filed with the Office of the State Comptroller, State of New York is as follows:

	<u>Fiscal Year</u>	<u>Gross Debt⁽¹⁾⁽²⁾</u>
Towns	12/31/21	\$ 1,308,824
Villages	Various 2021	108,737
School Districts	06/30/21	2,124,349
Fire Districts	12/31/21	<u>155,765</u>
	Totals	<u>\$ 3,697,675</u>

- (1) Amounts in thousands.
- (2) Exclusive of local government exclusions.

Source: New York State Comptroller's Office, Division of Local Government and School Accountability Data Management Unit

Lease Payments

In October 2013, the County transferred the ownership of its H. Lee Dennison Executive Office Building to the Suffolk County Judicial Facilities Agency (“Agency”) in a sale leaseback arrangement. The Agency issued approximately \$69 million in Lease Revenue Bonds (the “Revenue Bonds”) to acquire the building, obligating the County to annual lease payments structured to mirror the debt service payments on the Revenue Bonds.

In November 2023, on the first available optional redemption date of the Revenue Bonds, the County repurchased the building from the Agency for approximately \$46 million, effectively generating savings to the County of more than \$11 million in interest and other expenses over the remaining life of the Revenue Bonds. The Agency called in and redeemed the outstanding Revenue Bonds on November 1, 2023. On December 31, 2023, the Judicial Facilities Agency was dissolved by the repeal of Title 16 of Article 8 of the New York Public Authorities Law.

Annual Debt Service Requirements

The following table sets forth the annual debt service requirements, rounded to the nearest dollar, on all outstanding general obligation bonds of the County, exclusive of the Bonds and refunded bonds.

Fiscal Year Ending <u>Dec. 31:</u>	Total <u>Principal</u>	Total <u>Interest</u>	Total Debt <u>Service</u> ⁽¹⁾⁽²⁾
2024 ⁽³⁾	\$ 159,427,807	\$ 46,620,321	\$ 206,048,128
2025	171,454,162	46,593,693	218,047,855
2026	168,359,314	39,846,581	208,205,895
2027	150,559,360	32,957,677	183,517,037
2028	125,874,360	27,197,906	153,072,266
2029	88,829,360	22,561,683	111,391,043
2030	74,649,360	19,061,375	93,710,735
2031	77,144,360	16,405,307	93,549,667
2032	57,119,360	13,765,276	70,884,636
2033	55,719,360	11,706,629	67,425,989
2034	47,769,360	9,816,989	57,586,349
2035	30,994,360	8,300,556	39,294,916
2036	32,004,360	7,089,261	39,093,621
2037	20,379,360	5,946,911	26,326,271
2038	20,884,360	5,250,262	26,134,622
2039	20,614,360	4,646,144	25,260,504
2040	21,069,360	4,036,142	25,105,502
2041	21,529,360	3,406,963	24,936,323
2042	21,999,360	2,758,138	24,757,498
2043	7,844,360	2,019,562	9,863,922
2044	7,924,360	1,791,455	9,715,815
2045	6,749,360	1,559,710	8,309,070
2046	6,799,360	1,377,831	8,177,191
2047	6,854,360	1,193,593	8,047,953
2048	6,904,360	1,006,760	7,911,120
2049	6,959,360	810,832	7,770,192
2050	7,014,360	612,216	7,626,576
2051	7,074,360	410,913	7,485,273
2052	<u>6,897,910</u>	<u>206,678</u>	<u>7,104,588</u>
Totals	<u>\$1,437,403,193</u>	<u>\$338,957,364</u>	<u>\$1,776,360,557</u>

- (1) The table includes the gross debt service on the County's \$27,438,877 Environmental Facilities Corporation Clean Water Bonds (the "2015 EFC Bonds"), \$48,229,800 Environmental Facilities Corporation Clean Water Bonds (the "2017 EFC Bonds"), \$93,221,698 Environmental Facilities Corporation Clean Water Bonds (the "2022 EFC Bonds"), \$10,981,749 Environmental Facilities Corporation Clean Water Statutory Installment Bond (the "2022 EFC SIB Bond" and together with the 2015 EFC Bonds, the 2017 EFC Bonds, and the 2022 EFC Bonds, the "Subsidized EFC Bonds"). However, the gross interest on the Subsidized EFC Bonds is subject to a 50% subsidy under the terms of the respective Project Financing Agreements entered into by the County and EFC in connection with the respective bonds. The Subsidized EFC Bonds are also subject to an Annual Administrative Fee.
- (2) In December 2022, the County issued \$6,793,302 Environmental Facilities Corporation Clean Water Statutory Installment Bond and \$80,037,254 Environmental Facilities Corporation Clean Water Statutory Serial Bonds. Such loans have a 0% interest rate and are not subject an annual administration fees by EFC.
- (3) For the entire fiscal year.

CAPITAL PLANNING AND BUDGETING

The County annually adopts a capital program which sets forth the capital projects, both new and previously authorized, expected to be undertaken or continued in the ensuing three fiscal years. No later than April 15 of each year, the proposed three-year capital program is submitted by the County Executive to the County Legislature. The Capital Budget and Program is adopted on or before June 30th of each year. The 2025-2027 Proposed Capital Budget and Program was submitted to the County Legislature on April 15, 2024 and must be adopted with or without amendments by the County Legislature no later than June 30, 2024. The 2025-2027 Capital Budget and Program was adopted on June 25, 2024. The adoption of the capital budget does not constitute an authorization to proceed with a project and the financing thereof. In the event the County wishes to finance a project through the issuance of bonds or notes, such issuance of bonds or notes requires further authorization by a two-thirds vote of the County Legislature.

The 2025-2027 Adopted Capital Budget and Program (the “2025-2027 Adopted Capital Program”) includes the following:

	2025-2027 <u>Capital Program</u> (\$000s)
Home & Community Services: Sanitation	\$ 1,230,805 ⁽¹⁾⁽²⁾
Transportation: Highways	233,735 ⁽³⁾
Public Safety and Law Enforcement	189,259 ⁽⁴⁾
Culture, Recreation and Preservation	115,171
General Government Support: Shared Services	139,575
Transportation: Other	133,590 ⁽⁵⁾
Home & Community Services: Other	65,580
Economic Assistance and Opportunity	50,750
Social Services	49,700 ⁽⁶⁾
General Government Support: Judicial	24,795
Transportation: Waterways	23,085
General Government Support: Elections	34,823
Education: Community College	19,100 ⁽⁷⁾
Health: Public Health	<u>3,515</u>
Total Program:	<u>\$ 2,313,483</u>

- (1) Includes amount anticipated to be funded by State aid of \$20.0 million and Federal aid of \$3.0 million.
- (2) Proposes to fund County Sewer District No. 3 (Southwest) projects in the amount of \$27.75 million through the Southwest Assessment Stabilization Reserve. (See “Anticipated Capital Borrowings” herein.)
- (3) Includes amount anticipated to be funded by Federal aid of \$39.40 million and State aid of \$36.10 million.
- (4) Includes amount anticipated to be funded by Federal aid of \$11.04 million.
- (5) Includes amount anticipated to be funded by Federal aid of \$82.14 million and State aid of \$5.69 million.
- (6) Includes amount anticipated to be funded with Federal aid of \$261 thousand and State aid of \$36.89 million.
- (7) Community college projects include anticipated 50% State aid.

Source: County Executive’s Budget Office

COUNTY INVESTMENT POLICY

Pursuant to Article V of the Suffolk County Charter, the County Comptroller is the custodian of all County funds and is charged with the responsibility for creating and administering, pursuant to written guidelines duly promulgated by the County Comptroller, the investment program of the County. The County Comptroller has a written investment policy which is consistent with the Investment Policies and Procedures guidelines of the Office of the State Comptroller. The County Investment Policy is approved by resolution of the Suffolk County Legislature. The banks and trust companies authorized for the deposit of County monies are authorized to arrange for the redeposit of County monies in one or more banking institutions, as defined in Section 9-r of New York Banking Law, for the account of the County through a deposit placement program that meets all of the conditions set forth in Section 10(2)(a)(ii) of New York General Municipal Law.

Pursuant to the County Comptroller's investment policy, investments of monies not required for immediate expenditure for terms not to exceed its projected cash flow needs may be made in certain obligations authorized by Section 11 of the General Municipal Law of the State, those being (a) Special time deposit accounts; (b) Certificates of deposit; (c) Obligations guaranteed by agencies of the United States of America where the payment of principal and interest are guaranteed by the United States of America; (d) Obligations of the State of New York to the extent that no more than 25% of invested monies are to be invested in obligations of the State of New York; (e) Obligations issued pursuant to Local Finance Law Section 24.00 or 25.00 (with approval of the State Comptroller) by any municipality, school district or district corporation of the State, other than the County to the extent that no more than 15% of invested monies are to be invested in obligations issued pursuant to Local Finance Law Section 24.00 or 25.00; (f) participation in a cooperative investment fund with another authorized governmental entity pursuant to Article 5-G of the General Municipal Law where such program meets all the requirements set forth in the Office of the State Comptroller Opinion No. 88-46 and the specific investment fund has been authorized by the County Legislature to the extent that no more than 30% of invested monies, exclusive of trust and agency funds, shall be invested in obligations issued by any one approved cooperative investment fund; and (g) tax anticipation notes and revenue anticipation notes issued by any school districts in New York State.

The County Comptroller's investment policy further provides that all investment obligations must be payable or redeemable at the option of the County in time to meet expenditures for the purposes for which monies were provided and, in the case of obligations purchased with the proceeds of bonds or notes, must be payable or redeemable at the option of the County within two years of the date of purchase. The investment policy also limits investment maturities of monies invested from current operating funds to 12 months or less while the maturities of monies invested from budgetary reserve funds are limited to 20 months or less.

The County Comptroller's investment policy further provides that, in accordance with the provisions of Section 10 of the General Municipal Law of the State, all deposits, including certificates of deposit and special time deposits, in excess of the amount insured under the provisions of the Federal Deposit Insurance Act, are secured by (a) a pledge of "eligible securities" with an aggregate "market value", as provided by General Municipal Law Section 10, equal to the aggregate amount of deposits from the categories designated in Appendix A to the Policy (the "Schedule of Eligible Securities"). Eligible securities used for collateralizing deposits shall be held by a third party bank or trust company subject to security and custodial agreements; (b) an eligible surety bond payable to the government for an amount at least equal to 100% of the aggregate amount of deposits and the agreed upon interest, if any, executed by an insurance company authorized to do business in New York State, whose claims-paying ability is rated in the highest rating category by at least two nationally recognized statistical rating organizations; or (c) an irrevocable letter of credit issued in favor of the County by a federal home loan bank whose commercial paper and other unsecured short term debt obligations are rated in the highest rating category by at least one nationally recognized statistical rating organization payable to the County as security for the payment of one hundred percent (100%) of the aggregate amount for the County deposits and the agreed upon interest, if any.

The County Comptroller's investment policy also authorizes the County to enter into repurchase agreements, subject to the following restrictions: (a) All repurchase agreements must be entered into subject to a master repurchase agreement; (b) Trading partners are limited to banks or trust companies authorized to do business in New York State and primary reporting dealers; (c) Obligations shall be limited to obligations of the United States of America and obligations of agencies of the United States of America where principal and interest are guaranteed by the United States of America; (d) No substitution of securities will be allowed; (e) The custodian shall be a party other than the trading partner; and (f) repurchase agreement maturities shall be limited to 30 days or less.

FINANCIAL FACTORS

Operating Budget

Pursuant to the County Charter, on or before the third Friday in September of each year, the County Executive, as Chief Budget Officer, must submit to the County Legislature the recommended operating budget for the following fiscal year, which includes the general fund and other fund budgets. The operating budget must be adopted as submitted or amended by the County Legislature not later than November 10 of each year or the 52nd day after the County Executive has submitted the recommended budget, whichever is later. In the event the County Legislature does not adopt such operating budget as submitted or amended within such time frame, the recommended budget as submitted by the County Executive is deemed adopted. The County Executive may veto legislative budget modifications in their entirety or by individual line item. Such budget amendment resolutions shall be approved or disapproved no later than the 10th day subsequent to submission of budget amendment resolutions to the County Executive.

The 2025 Recommended Budget was submitted to the County Legislature on September 20, 2024 and adopted on November 6, 2024. The 2025 Adopted Operating Budget (“2025 Adopted Budget”) is in compliance with the Tax Levy Limitation Law and local budget cap laws.

Operating adjustments may be made by either the County Executive or County Legislature, or both, during the course of the fiscal year to ensure that expenditures will not exceed revenues. While the County Executive may amend the operating budget as needed, the Legislature may only amend the operating budget four times during the year; provided that any such amendment must be balanced.

Sales Tax

The total County sales and compensating use tax rate is 8.625% and is comprised of State tax (4.0%), Metropolitan Commuter Transportation Mobility Tax (“MTA Tax”) (0.375%), Suffolk County tax (4.0%) and Suffolk County Drinking Water Protection Program tax (0.25%) (“One Quarter of One Percent Tax”).

A county must secure State legislative approval to impose a sales tax rate above 3%. The State grants that authority for a set period of time, usually two years. A county must then seek reauthorization from the State legislature. Resolution 646-2023, adopted on July 26, 2023 and Resolution 837-2023, adopted on October 11, 2023, extended the authorizations for the County’s 4% sales and compensating use tax rate for a two-year period, beginning December 1, 2023 and ending November 30, 2025.

- 2023 Sales Tax collections were \$1.93 billion. This was an increase of 1.2% over 2022 collections.
- 2024 year-to-date Sales Tax collections were \$1.498 billion. This amount is 0.16% or \$2.4 million more than the same time period in 2023. The lack of growth is largely driven by sales tax collections for gasoline sales which are 6.9% lower compared to the same time period in 2023.

Water Quality Programs

The Suffolk County Drinking Water Protection Act (the “Program”) is an environmental protection and property tax stabilization program funded with a dedicated revenue of 1/4 of 1% sales tax. The Program began in 1978 and has been modified by the electorate several times since inception. On August 7, 2007, the County Legislature adopted Resolution #770-2007, a Charter Law extending the 1/4 of 1% Sales Tax that was due to expire on December 31, 2013 was extended to November 30, 2030 (the “2007 Legislation”). The extension was approved by the State Legislature, signed by the Governor and approved by a majority of the County electorate at the November 6, 2007 general election.

Drinking Water Protection, Environmental Protection and Property Tax Mitigation Programs

The 2007 Legislation (as defined under “Sales Tax” above) extended, in modified form, the 1/4 of 1% Sales Tax and also amended the percentage allocation of collections as follows: (i) 31.10% for open space acquisition and farmland development rights initiatives; (ii) 11.75% for Water Quality Protection and Restoration Programs and Land Stewardship initiatives; (iii) 32.15% to reduce or stabilize the County’s general property taxes and/or police/public safety property taxes for the subsequent fiscal year by crediting to revenue in direct proportion to real property taxes

assessed and collected from parcels within the County; and (iv) 25.00% to be used to reduce or stabilize sewer taxpayer property taxes provided that the applicable sewer district experiences an increase in rates of at least 3% in the aggregate for user charges, operations and maintenance charges, per parcel charges and ad valorem assessments in the calendar year for which these revenues are being allocated. The amount of debt service and bond or note issuance costs paid from the Program for open space acquisition in any calendar year shall not exceed 80% of the unobligated projected sales tax revenues for such calendar year. Resolution No. 526 of 2024 (See “Water Quality Restoration Act” herein) amended the 25% allocation for sewer taxpayer stabilization ((iv) above) to require a percentage of the allocation be transferred to the new Water Quality Restoration Fund (the “WQR Fund”) each year. The percentage of revenues required to be transferred to the WQR Fund, consistent with section 1210-A(d)(iv) of the Tax Law, shall be as follows:

<u>Fiscal Year</u>	<u>Percentage</u>
2025 - 2028	05%
2029	20%
2030	30%
2031	40%
2032	50%
2033 – 2034	70%

For all subsequent fiscal years after fiscal year 2034, the percentage of such revenues transferred to the WQR Fund shall be fifty (50%) percent.

The Drinking Water Protection, Environmental Protection and Property Tax Mitigation Program received approximately \$110.3 million of sales tax revenue in 2023 and transferred \$35.5 million to the General Fund. The 2025 Adopted Budget includes \$113.3 million of sales tax revenues for the Program with a resulting transfer to the General Fund of \$36.4 million in 2025. Amounts are adjusted based on actual sales tax collections.

Enhanced Water Quality Protection Program: On July 29, 2014, the County Legislature adopted Resolution No. 579-2014, a Charter Law amending the Program for Enhanced Water Quality Protection, Wastewater Infrastructure and General Fund Property Tax Relief for the County. This legislation provides for an Enhanced Water Quality Protection Program (the “Enhanced Program”) designed to provide funding for the purpose of protecting the groundwater in the County’s sole source aquifer from discharges of pollutants. The purpose of the Enhanced Program is to acquire, by fee, lease or easement, interests in land and to protect and/or enhance groundwater, for water quality protection and restoration program and land stewardship initiatives, and for installation, improvements, maintenance and operation of sewer infrastructure and sewage treatment plants and for installation of residential and commercial enhanced nitrogen removal septic systems. This Enhanced Program became effective December 1, 2014 and expired December 31, 2023.

Water Quality Restoration Act

Chapter 58 of the New York State Laws of 2023, included the Suffolk County Water Quality Restoration Act (“WQRA”). The WQRA authorizes and empowers the County to:

- Extend the 1/4 of 1% Sales Tax dedicated to the Drinking Water Protection Act from the current expiration date of December 1, 2030 to November 30, 2060;
- Establish a County-wide wastewater management district;
- Establish the Suffolk County WQR Fund with a new dedicated funding stream of 1/8 of 1% Sales Tax.

The extension of the current 1/4 of 1% Sales Tax as well as the establishment of the 1/8 of 1% Sales Tax, required a voter referendum and a local resolution. Resolution No. 526 of 2024, adopting a Charter Law pursuant to the WQRA and amending the Suffolk County Drinking Water Protection Program, was adopted by the County Legislature on June 25, 2024 and signed by the County Executive on July 8, 2024. The required referendum was presented to the voters of the County on the November 5, 2024 ballot and was passed by a majority of the voters, thereby enacting the WQRA.

The WQRA addresses the need for a long term funding source that may be used for planning, design, construction, acquisition, enlargement, extension, or alteration of a county, town or village wastewater treatment facility, including individual hookups, or an individual septic system, including an alternative wastewater treatment facility

or an individual septic system with active treatment, to treat, neutralize, stabilize, eliminate or partially eliminate sewage or reduce pollutants, including permanent or pilot demonstration wastewater treatment projects, or equipment or furnishings thereof. The WQRA establishes the WQR Fund, where all revenues generated by the new 1/8 of 1% sales tax are required to be allocated, beginning March 1, 2025, the start date of the 1/8 of 1% sales tax collections, and continuing through the current expiration date of February 29, 2060.

The WQRA, and subsequent County-adopted resolutions, also provided the County with the necessary authority to create a County-wide wastewater management district through the consolidation of existing County sewer districts with currently unsewered areas of the County, that will provide an integrated and efficient approach to managing wastewater services across the County.

The County is in the process of reviewing the proposed activities, expenses and functions of the Consolidated Wastewater Management District (“CWMD”) which include grant management, construction oversight, enforcement and monitoring of Innovative and Alternative Onsite Wastewater Treatment Systems (I/A OWTSS) and the planning, design and construction of sewer extension projects, together with establishing a uniform method of billing sewer ratepayers.

The CWMD shall become effective on January 1, 2026.

State and Federal Aid

The County receives substantial financial assistance from State and Federal reimbursement, mainly for human services and other mandated entitlement programs. The 2025 Adopted Budget projects 17% of 2025 fund revenues (all funds) would be derived from State and Federal aid.

The State is not constitutionally obligated to maintain or continue to provide aid to the County. No assurance can be given that present State aid levels will be maintained in the future. State budgetary restrictions which eliminate or substantially reduce State aid could have a material adverse effect upon the County during its current fiscal year, as well as future years. Any such elimination or reduction would require the County to either counterbalance any such loss with, to the extent available, an increase in revenues from other sources or a curtailment of expenditures. If the State should experience difficulty in borrowing funds in anticipation of the receipt of State taxes in order to pay State aid to municipalities and school districts in the State, including the County, the County may be affected by a delay in the receipt of State aid, until sufficient State taxes have been received by the State to make such payments. If in any given year the State does not adopt its budget in a timely manner, municipalities and school districts in the State, including the County, may also be affected by a delay in the payment of State aid. (See also “RISK FACTORS” herein).

The State receives a substantial amount of Federal aid. However, the State’s current financial projections concerning Federal aid, and the assumptions on which they are based, are subject to revision.

On March 11, 2021, the American Rescue Plan Act of 2021 (“ARPA”) was signed into law. Included in this bill was \$350 billion in direct aid to state and local governments. The County’s allocation of the relief package was approximately \$286 million. The County received the first payment of \$143.4 million in May 2021 and the second payment of \$143.4 million in June 2022. Pursuant to U.S. Treasury rules, ARPA funds must be expended by December 31, 2026. See “2024 Adopted Budget with Updates” and “2025 Adopted Budget” herein.

Medicaid

On March 11, 2020, Congress passed the Families First Coronavirus Response Act (“FFCRA”). FFCRA provides a 6.2% enhanced Federal Medical Assistance Percentage (“eFMAP”) funding for Medicaid expenditures incurred by localities. The eFMAP funding was tied to the Public Health Emergency Order (“PHE”). The PHE expired at the end of the day on May 11, 2023. Effective January 1, 2023, the Consolidated Appropriations Act, 2023 (§5131 of P.L. 117-328) delinked the eFMAP from the PHE to provide a phased down elimination through December 31, 2023 of the eFMAP. The eFMAP ended entirely on January 1, 2024.

The 2023 Medicaid expense with the eFMAP was \$217.4 million. The 2024 estimate included in the 2025 Adopted Budget includes a \$37.1 million increase over the 2023 amount to fund cost increases related to the end of the phased down eFMAP, thereby fully funding Medicaid without discounts to the State capped rate for 2024 and 2025. Medicaid expense represents 8.9% of the General Fund expenditures included in the 2025 Adopted Budget. Since 2015, the State has implemented a 0% cap on growth for local Medicaid contributions. The State cap on Medicaid

expenses provides significant savings to the County each year, as well as providing an accurate method for budgeting for such expenses in future years.

The New York State 2024-2025 Enacted Budget continued the 0% cap on growth for local Medicaid contributions. Future State budgets could result in Medicaid increases for local governments. No assurance can be given that the present State Medicaid cap on growth for County Medicaid contributions will be maintained in future years. State budgetary restrictions that eliminate or otherwise increase the Medicaid growth cap for counties could have a material adverse effect upon the County in future years. Any such increase would require the County to either counterbalance any such loss with, to the extent available, an increase in revenues from other sources or a curtailment of expenditures.

2024 Adopted Budget with Updates

The 2024 Recommended Budget was submitted to the County Legislature on October 11, 2023. The 2024 Recommended Budget was adopted with amendments on November 8, 2023. The 2024 Adopted Budget is in compliance with the Tax Levy Limitation Law and local budget cap laws.

The 2024 Adopted Budget includes sales tax revenue of \$1.986 billion, 2% higher than the 2023 estimated collections and 2.8% higher than the 2023 actual collections. The County retains an outside economic firm to assist it in developing sales tax forecasts.

The 2024 Adopted Budget is structurally balanced. It does not utilize any pension amortization deferral or other non-recurring items for operations and continues the County's focus on fiscal sustainability.

The 2024 Adopted Budget includes the following:

2024 Adopted Budget Summary of Major Initiatives (\$ in Millions)

Increase to Major Reserve Funds (see chart below)	\$ 91.5
Contingent Reserve Funds (See chart below)	80.8
Transfer to Insurance Reserve Funds	30.0
Transfer to capital pay-as-you-go funds	54.9
Employee Benefit Accrued Liability Reserve	22.6
Repair Reserve Fund	20.0
Emerging Diseases	34.3
Emergency Mitigation Funds	21.5
FEMA Aid (revenue)	19.3

The 2024 budget includes two reserve funds that will reduce reliance on long-term debt. The Insurance Reserve provides funding for settlements and the Capital Reserve provides funding for capital improvements. The budget also includes two newly created reserve funds: the Employee Benefit Accrued Liability Reserve and the Repair Reserve Fund. The Employee Benefit Accrued Liability reserve fund is available to fund accrued salary deferral payments. The repair reserve fund is available to fund unexpected repairs to capital improvements or equipment.

The budget also includes appropriations to fund emergency public disasters. Emerging diseases provides appropriations in the event of a pandemic and Emergency Mitigation provides appropriations for storm mitigation or recovery.

Major Reserve Funds

New York State General Municipal Law allows counties to establish reserve funds to provide a degree of financial stability by reducing reliance on indebtedness and to help protect the budget against known or unknown risks amongst other uses. The County has taken the opportunity to use surplus sales tax and other revenues to replenish its reserves as follows:

Funds Held in Reserve for Unexpected Expenses or Revenue Shortfalls:	2023 Estimated	2024 Adopted	Increase to Reserves
Tax Stabilization Reserve Fund	\$254.6	\$275.1	\$ 20.5
Retirement Contribution Reserve Fund	\$210.0	\$240.0	\$ 30.0
Debt Service Reserve Fund	<u>\$166.3</u>	<u>\$207.3</u>	<u>\$ 41.0</u>
Totals	<u>\$630.9</u>	<u>\$722.4</u>	<u>\$ 91.5</u>

Contingent Reserve Funds

Under New York State General Municipal Law, the County has the ability to create contingency accounts to help plan for events both planned and unforeseen. The County has created the following contingent reserves accounts:

Fund	Contingent Reserve	2024 Reserve Amount (in millions)
001	Contingent Contract Agencies	\$ 0.34
001	Contingent Unfunded Mandates	10.50
001	Contingent – Vacation Pay	5.96
001	Contingent – Sick Leave	10.14
001	Contingent – IT	4.50
001	Contingent – Property tax	15.0
001	Contingent – Emergency Repair/Restoration	10.0
	Total Fund 001	\$56.44
105	Contingent – Snow and Ice Removal	\$10.00
	Total Fund 105	\$10.00
115	Contingent – Vacation Pay	5.11
115	Contingent – Sick Leave	9.27
	Total Fund 115	\$14.38
	Total Contingent Reserves – All Funds	<u>\$80.82</u>

Contingent reserves allow the County to address unforeseen expenses without having to use reserve funds or fund balance. These contingent reserve accounts were budgeted to provide funding for unexpected expenses including: accruals paid at separation from service in the event there were higher than expected separations, IT expenditures, infrastructure repairs, property tax losses or unfunded State mandates. A contingency for snow and ice removal and related road repair is also included.

2024 Estimates

- The 2024 Adopted Budget includes a 2023 Estimated General Fund balance of \$158.8 million. The actual fund balance was \$262.6 million, an increase of \$103.8 million. Included in the balance was \$23.4 million from the Employee Medical Health Plan (“EMHP”) Fund 39 in compliance with GASB 34 reporting requirements. In 2024, the \$23.4 million was transferred back to Fund 39 as a revenue. Following such transfer, the General Fund ending balance was \$239.1 million, \$80.3 million more than the estimated amount.
- The 2024 Adopted Budget includes a 2023 Estimated Police Fund balance of \$29.2 million. The actual fund balance was \$52.5 million, an increase of \$23.3 million. Included in the balance was \$11.5 million from the EMHP Fund 39 in compliance with GASB 34 reporting requirements. In 2024, the \$11.5 million was transferred back to Fund 39 as a revenue. Following such transfer, the Police District Fund ending balance was \$40.9 million, \$11.7 million more than the estimated amount.
- All transfers to reserve funds included in the 2024 Adopted Budget are expected to be completed in 2024.
- The County has filed claims totaling \$56.5 million to FEMA for reimbursement for pandemic related expenses incurred through May 2023. The 2024 Adopted Operating Budget includes \$10.7 million for reimbursement in 2023 and \$19.3 million in 2024. Actual revenue from approved claims for 2023 totaled \$23.5 million and estimated approved claims in 2024 total \$3 million. There is no assurance that FEMA will approve the remaining claims for the County to receive reimbursement in the amounts or years projected.
- Only 1.8% of funding included for emerging diseases are expected to be expended in 2024.
- Emergency mitigation expense is estimated at \$5.6 million in 2024 to fund projects associated with the flash flooding event that occurred in August 2024. On August 25, 2024, the event was declared a federal emergency. The County will pursue reimbursement for eligible expenses.
- The EMHP (Fund 39) is expected to end 2024 with an approximately \$16 million fund balance. Expenses are projected to exceed the plan costs included in the 2024 Adopted Budget and will require the use of \$15.7 million in reserved appropriations, leaving approximately \$16 million in reserved appropriations to carry into 2025.
- Transfers to the Capital Reserve (Paygo) fund were increased from \$54.9 million to \$61.4 million from all funds to offset the need for long-term borrowing.
- 2024 Estimated Capital Reserve Fund expenditures total \$54.9 million.
- The County anticipates issuing tax anticipation notes in 2024.
- Estimates include a projected payment of \$7.2 million in 2024 to fund the salary deferrals and lag payroll liabilities accrued for the Detectives Association (SDA) employees.
- Interest income across all funds is expected to be \$20 million higher than the amount included in the 2024 Adopted Budget, \$3.2 million of which is included in the General and Police District Fund.
- Sales tax revenue is projected to be \$46 million less than the amount included in the 2024 Adopted Budget. This shortfall is expected to be made up for by the greater than expected rollover fund balance from 2023.
- Contingent Reserve Funds are not expected to be expended in 2024.
- Major Reserve Funds are not expected to be accessed in 2024.

2025 Adopted Operating Budget

The 2025 Recommended Operating Budget (the “2025 Recommended Budget”) was submitted to the County Legislature on September 20, 2024 and adopted on November 6, 2024. The 2025 Adopted Budget is in compliance with the Tax Levy Limitation Law and local budget cap laws.

The 2025 Adopted Budget includes sales tax revenue of \$1.985 billion, 2.3% higher than the 2024 estimated amount included in the 2025 Adopted Budget. The 2025 Adopted Budget projects sales tax will remain flat over the 2024 Adopted Budget.

The County retains an outside economic consultant to assist it in developing sales tax forecasts.

The 2025 Adopted Budget does not utilize any pension amortization deferrals or reserve funds for operations and continues the County’s focus on fiscal sustainability.

The 2025 Adopted Budget includes the following:

**2025 Adopted Budget
Summary of Major Initiatives
(\$ in Millions)**

Contingent Reserves	\$33.2
Pension (Increase over 2024)	42.0
Employee Medical Health Care (Increase over 2024)	68.9
Property Tax Increase	27.7
Emerging Diseases	26.0
Emergency Mitigation Funds	13.0
EMHP Contingency	15.0

The 2025 Adopted Budget does not transfer funds from the Major Reserve funds for operating expenses. The Major Reserve fund balances of \$726.0 million equals an estimated 21.7% of the expenditures included in the 2025 Adopted Budget.

The 2025 Adopted Budget continues to include appropriations to fund emergency public disasters. Emerging diseases provides appropriations in the event of a pandemic and Emergency Mitigation provides appropriations for storm mitigation or recovery.

The 2025 pension bill is 19.6% higher than the 2024 bill. The 2025 Adopted Budget includes funding for the pension bill, without the need for amortization or other one-shot solutions. Funds are also included for the increased health care expenses, which are projected to grow by 11% over the 2024 estimated expenses.

The 2025 Adopted Budget includes a \$27.7 million increase in property taxes.

Major Reserve Funds

New York State General Municipal Law allows counties to establish reserve funds to provide a degree of financial stability by reducing reliance on indebtedness and to help protect the budget against known or unknown risks amongst other uses. The County has taken the opportunity to use operating surpluses to replenish its reserves as follows:

Major Reserve Fund Balances (in millions)							
	2019	2020	2021	2022	2023	2024	2025
	Actual	Actual	Actual	Actual	Actual	Est.	Rec.
Tax Stabilization Reserve (403)	49.8	49.9	196.5	254.1	255.6	277.1	278.5
Retirement Contrib (420)	0.0	41.4	25.0	35.0	210.0	240.0	240.0
Debt Service (425)	0.0	0.0	50.0	96.3	166.3	207.6	207.6
Total - Major Reserves	\$ 49.8	\$ 91.3	\$ 271.5	\$ 385.4	\$ 631.9	\$ 724.6	\$ 726.0
Other Reserve Fund Balances							
Insurance Reserve (438)	-	1.0	32.0	38.1	53.4	42.3	42.3
Capital Reserve (401)	2.5	6.5	6.6	2.0	50.6	57.0	49.3
Total - Ins & Capital Reserve	\$ 2.5	\$ 7.5	\$ 38.6	\$ 40.1	\$ 103.9	\$ 99.4	\$ 91.7
Emp Ben Acc Liab Reserve (421)	-	-	-	-	-	22.6	22.6
Repair Reserve Fund (422)	-	-	-	-	-	20.0	20.0
Total - Emp Liab & Repair	-	-	-	-	-	42.6	42.6
Total Reserves	\$ 52.3	\$ 98.8	\$ 310.2	\$ 425.5	\$ 735.9	\$ 866.6	\$ 860.3

Stabilization and Debt Service Reserve Funds

The County's Tax Stabilization Reserve Fund ("TSRF") is authorized under Section 6-e of New York State General Municipal Law and was established by Resolution No. 1154-1997.

The 2024 Estimated year-end balance of \$277.1 million is the highest year-end fund balance in the history of the TSRF.

The Debt Service Reserve Fund ("DSRF") is authorized under Section 6-h of the New York State General Municipal Law and was established by Resolution No. 137-1985. The 2024 Estimated year-end balance is \$207.5 million in the DSRF.

American Recovery Act Fund

The County has allocated approximately \$240 million of its ARPA funds for critical wastewater infrastructure and other projects that increase resiliency and improve ground and surface water quality throughout the County with an additional approximately \$46 million to economic recovery projects.

Opioid Abatement, Recovery and Support Fund

The County was the lead agency in the lawsuits against the opioid industry and has received over \$113 million in settlement awards from 2021 through October 2024. The County awarded \$57.7 million to be paid out over a three-year period to more than 75 non-profit/healthcare organizations to treat, educate and prevent opioid substance abuse in the County.

A new process is being developed for future opioid funding initiatives which will be distributed by legislative resolution.

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Revenues and Expenditures – General, Police District, Suffolk Tobacco Asset Securitization Corp. and Non-major Governmental Funds

The following table sets forth revenues and expenditures of the County’s General, Police District, Suffolk Tobacco Asset Securitization Corp. and Non-major Governmental Funds for the five years ended December 31, 2023. On June 24, 2011, the Tax Levy Limitation Law was enacted, which imposes a tax levy limitation upon the municipalities, school districts and fire districts in the State, including the County, without providing an exclusion for debt service on obligations issued by municipalities and fire districts, including the County. (See also “TAX LEVY LIMITATION LAW” herein.)

Revenues and other financing sources:	<u>2019</u>
Real property taxes and tax items	\$ 741,012,960
Sales taxes	1,531,413,321
Departmental	340,520,933
State aid	333,260,124
Federal aid	219,490,902
Other revenues	<u>148,074,802</u>
Total revenues.....	3,313,733,042
Transfers from other funds and other financing sources.....	<u>403,091,372</u>
Total revenues and other financing sources.....	<u>3,716,864,414</u>
Expenditures and other financing uses:	
General government support.....	283,081,076
Education.....	213,926,045
Public Safety.....	753,265,869
Health	126,981,591
Transportation.....	129,109,976
Economic assistance and opportunity.....	638,271,624
Culture and recreation.....	22,643,569
Home & community services	57,898,077
Employee Benefits.....	793,684,215
Debt Service	194,448,731
Capital Outlay.....	<u>88,581,465</u>
Total expenditures	3,301,892,238
Transfers to other funds	<u>394,572,010</u>
Total expenditures and other financing uses.....	<u>3,696,464,248</u>
Excess/(deficiency) of revenues and other financing sources over/(under) expenditures and other financing uses	20,400,166
Fund balances, beginning of year	<u>60,234,931</u>
Fund balances, end of year	<u>\$ 80,635,097</u>

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<u>2020</u>	<u>2021</u>	<u>2022</u>	<u>2023</u>
\$ 709,759,088	\$ 721,862,209	\$ 761,075,684	\$ 764,825,946
1,489,919,645	1,836,692,631	1,933,944,207	1,965,005,923
320,783,176	377,927,962	362,057,629	352,541,873
308,149,288	308,251,706	323,711,196	351,170,208
500,237,105	223,341,461	336,564,698	420,263,013
<u>142,287,456</u>	<u>190,672,179</u>	<u>201,971,730</u>	<u>255,765,925</u>
3,471,135,758	3,658,748,148	3,919,325,144	4,109,572,888
<u>542,437,916</u>	<u>806,811,136</u>	<u>482,290,988</u>	<u>365,715,041</u>
<u>4,013,573,674</u>	<u>4,465,559,284</u>	<u>4,401,616,132</u>	<u>4,475,287,929</u>
268,473,291	307,495,674	294,147,206	289,851,905
221,043,967	217,524,306	237,502,181	244,962,403
755,739,137	786,057,420	786,102,201	846,829,716
134,276,981	140,768,913	143,501,142	160,687,651
135,762,531	133,927,331	141,795,063	136,889,622
598,688,036	534,550,357	582,031,839	641,294,997
22,829,709	23,007,219	24,839,946	28,472,631
52,932,461	57,992,533	62,484,069	70,010,841
749,579,685	905,192,751	974,801,491	904,316,302
200,110,676	207,577,181	232,380,183	297,482,095
<u>87,635,210</u>	<u>36,491,978</u>	<u>107,646,834</u>	<u>220,270,659</u>
3,227,071,684	3,350,585,663	3,587,232,155	3,841,068,822
<u>544,703,482</u>	<u>780,495,170</u>	<u>339,640,479</u>	<u>370,311,421</u>
<u>3,771,775,166</u>	<u>4,131,080,833</u>	<u>3,926,872,634</u>	<u>4,211,380,243</u>
241,798,508	334,478,451	474,743,498	263,907,686
<u>80,635,097</u>	<u>322,433,605</u>	<u>656,912,056</u>	<u>1,131,655,554</u>
<u>\$ 322,433,605</u>	<u>\$ 656,912,056</u>	<u>\$1,131,655,554</u>	<u>\$1,395,563,240</u>

Sources: 2019-2023: Derived from 2019-2023 audited financial statements. Summary itself is not audited.

County Budgets – 2024 Adopted Budget, 2024 Estimates, and 2025 Adopted Budget

The following table sets forth revenues and expenditures for County Governmental Funds prepared on a budget basis. The table excludes internal funds for inter-department services, self-insurance and medical insurance. (See “TAX LEVY LIMITATION LAW” herein.)

	2024 Adopted Budget			
Revenues and other financing sources:	General Fund	Police District	Other Funds ⁽¹⁾⁽²⁾⁽³⁾	All Funds
Real property taxes and tax items	\$ 99,094,421	\$ 631,414,780	\$ 48,606,839	\$ 779,116,040
Sales taxes	1,752,712,595	120,325,958	121,186,639	1,994,225,192
Other taxes	11,134,328	0	28,842,301	39,976,629
Departmental	154,102,986	3,980,804	122,165,226	280,249,016
State Aid	323,731,473	200,000	25,344,431	349,275,904
Federal Aid	264,317,178	1,945,000	29,026,134	295,288,312
Other revenues	<u>24,376,734</u>	<u>1,688,674</u>	<u>23,109,462</u>	<u>49,174,870</u>
Total revenues	2,629,469,715	759,555,216	398,281,032	3,787,305,963
Transfers from other funds and other financing sources	<u>69,072,581</u>	<u>22,754,391</u>	<u>336,932,880</u>	<u>428,759,852</u>
Total revenues and other financing sources	2,698,542,296	782,309,607	735,213,912	4,216,065,815
Expenditures and other financing uses:				
General government support	332,439,703	18,338,404	34,490,701	385,268,808
Education	263,402,991	0	0	263,402,991
Public Safety	383,599,011	433,811,871	20,600,851	838,011,733
Health	194,938,830	549,670	24,009,265	219,497,765
Transportation	146,428,047	0	15,468,066	161,896,113
Economic assistance and opportunity	692,574,651	0	56,488,305	749,062,956
Culture and recreation	22,258,981	0	10,630,648	32,889,629
Home & community services	8,274,699	0	67,706,744	75,981,443
Employee Benefits	162,089,599	132,071,812	7,396,715	301,558,126
Debt Service	<u>135,355,909</u>	<u>7,436,702</u>	<u>44,004,594</u>	<u>186,797,205</u>
Total expenditures	2,341,362,421	592,208,459	280,795,889	3,214,366,769
Transfers to other funds	<u>516,011,319</u>	<u>219,339,110</u>	<u>314,942,594</u>	<u>1,050,293,023</u>
Total expenditures and other financing uses	2,857,373,740	811,547,569	595,738,483	4,264,659,792
Excess/(deficiency) of revenues and other financing sources over/under expenditures and other financing uses	(158,831,444)	(29,237,962)	139,475,429	(48,593,977)
Fund balances, beginning of year	<u>158,831,444</u>	<u>29,237,962</u>	<u>1,015,156,804</u>	<u>1,203,226,210</u>
Fund balances, end of year	<u>\$ 0</u>	<u>\$ 0</u>	<u>\$1,154,632,233</u>	<u>\$1,154,632,233</u>

(1) Does not include ARPA fund balance.

(2) Includes \$46.5 million reserved for Local Law 35-1999 (Water Quality Protection, Open Space Acquisition and Farmland Acquisition Programs) and Local Law 24-2007 (Water Quality Protection & Land Stewardship and Land Acquisition Programs).

(3) Includes \$48.4 million for Opioid funds.

2024 Estimated Results⁽⁴⁾

2025 Adopted Budget

General Fund	Police District	Other Funds ⁽⁵⁾⁽⁶⁾⁽⁷⁾	All Funds	General Fund	Police District	Other Funds ⁽⁵⁾⁽⁸⁾⁽⁹⁾	All Funds
\$ 84,532,186	\$631,414,780	\$ 50,609,761	\$ 766,556,727	\$ 101,517,365	\$656,430,892	\$ 47,023,564	\$ 804,971,821
1,709,584,563	120,325,958	110,471,729	1,940,382,250	1,763,328,303	108,575,286	113,273,427	1,985,177,016
1,300,000	0	36,952,465	38,252,465	1,763,000	0	38,207,161	39,970,161
158,332,247	3,540,512	122,274,824	284,147,583	159,943,712	3,839,788	108,190,808	271,974,308
336,071,579	223,084	75,463,763	411,758,426	343,138,674	200,000	24,628,279	367,966,953
249,435,917	0	64,800,176	314,236,093	264,579,622	2,595,992	28,413,062	295,588,676
<u>27,424,044</u>	<u>2,261,071</u>	<u>38,767,358</u>	<u>68,452,473</u>	<u>20,929,768</u>	<u>1,697,256</u>	<u>25,650,706</u>	<u>48,277,730</u>
2,566,680,536	757,765,405	499,340,076	3,823,786,017	2,655,200,444	773,339,214	385,387,007	3,813,926,665
<u>74,866,252</u>	<u>27,570,463</u>	<u>364,585,588</u>	<u>467,022,303</u>	<u>71,257,504</u>	<u>13,749,566</u>	<u>168,269,468</u>	<u>253,276,538</u>
2,641,546,788	785,335,868	863,925,664	4,290,808,320	2,726,457,948	787,088,780	553,656,475	4,067,203,203
268,378,171	1,371,845	46,134,033	315,884,049	305,702,875	12,518,808	27,725,799	345,947,482
224,619,403	0	0	224,619,403	240,972,517	0	0	240,972,517
406,439,837	452,457,936	44,140,431	903,038,204	422,161,198	468,700,664	21,546,369	912,408,231
161,612,862	549,670	48,120,463	210,282,995	191,774,273	560,663	24,174,511	216,509,447
143,746,545	0	17,201,784	160,948,329	154,244,633	0	18,972,184	173,216,817
698,346,821	0	63,213,229	761,560,050	727,121,587	0	55,039,309	782,160,896
24,350,687	0	11,217,701	35,568,388	28,384,170	0	11,002,105	39,386,275
7,995,415	0	68,895,947	76,891,362	9,368,339	0	75,087,541	84,455,880
161,424,189	130,938,407	7,196,457	299,559,053	192,786,327	147,081,111	7,632,597	347,500,035
<u>135,355,909</u>	<u>7,436,702</u>	<u>44,004,594</u>	<u>186,797,205</u>	<u>154,879,085</u>	<u>8,542,843</u>	<u>46,538,235</u>	<u>209,960,163</u>
2,232,269,839	592,754,560	350,124,640	3,175,149,039	2,427,395,004	637,404,089	287,718,650	3,352,517,743
<u>545,991,733</u>	<u>207,679,118</u>	<u>365,807,220</u>	<u>1,119,478,071</u>	<u>424,958,629</u>	<u>187,106,247</u>	<u>271,890,352</u>	<u>883,955,228</u>
<u>2,778,261,572</u>	<u>800,433,678</u>	<u>715,931,860</u>	<u>4,294,627,110</u>	<u>2,852,353,633</u>	<u>824,510,336</u>	<u>559,609,002</u>	<u>4,236,472,971</u>
(136,714,784)	(15,097,810)	147,993,804	(3,818,790)	(125,895,685)	(37,421,556)	(5,952,527)	(169,269,768)
<u>262,610,469</u>	<u>52,519,366</u>	<u>1,066,774,974</u>	<u>1,381,904,809</u>	<u>125,895,685</u>	<u>37,421,556</u>	<u>1,214,768,778</u>	<u>1,378,086,019</u>
<u>\$125,895,685</u>	<u>\$37,421,556</u>	<u>\$1,214,768,778</u>	<u>\$1,378,086,019</u>	<u>\$ 0</u>	<u>\$ 0</u>	<u>\$1,208,816,251</u>	<u>\$1,208,816,251</u>

(4) Beginning fund balances based upon audited results for the fiscal year ended December 31, 2023. The results are shown on a budget basis for presentation purposes.

(5) Does not include ARPA fund balance.

(6) Includes \$32.4 million reserved for Local Law 35-1999 (Water Quality Protection & Land Stewardship and Land Acquisition) and Local Law 24-2007 (Water Quality Protection & Land Stewardship and Land Acquisition Programs).

(7) Includes \$101.6 million for Opioid funds.

(8) Includes \$55.4 million reserved for Local Law 35-1999 (Water Quality Protection, Open Space Acquisition and Farmland Acquisition) and Local Law 24-2007 (Water Quality Protection & Land Stewardship and Land Acquisition Programs).

(9) Includes \$93.2 million for Opioid funds.

Source: Suffolk County Budget Office.

ADDITIONAL FINANCIAL INFORMATION

Hotel Motel Occupancy Tax

In December 2022, the Governor signed into law Chapter 813 of the Laws of New York. The law authorized the following changes:

Permitted the County to increase the Suffolk County Hotel Motel Occupancy Tax from the current rate of 3% to a new rate of 5.5%, effective June 1, 2023.

Expanded the permissible uses of the revenues generated by the hotel and motel tax including, but not limited to, funds for a new Suffolk County Infrastructure Fund.

Removed the expiration and re-authorization requirement for the imposition of the tax, thereby making the tax permanent.

On April 18, 2023, the County passed Resolution No. 223-2023 adopting a local law to implement the changes.

The new law provides set funding amounts to be distributed annually to various culture, historical and economical based organizations and/or projects in the County and directs any excess funds collected to be deposited into a new Suffolk County Infrastructure Fund (Fund 402) which will provide funding for capital infrastructure or debt service related to the planning, design and construction of a convention center and surrounding infrastructure. For the period from June 1, 2023 to December 31, 2023, the revenue collected for Fund 402 was \$8.2 million. The 2024 Estimated amount includes revenue of \$11.9 million for this purpose and the amount included in the 2025 Adopted Budget is an additional \$13.9 million.

Pension Payments

Substantially all employees of the County are members of the New York State and Local Employees Retirement System (“ERS”) or the New York State and Local Police and Fire Retirement System (“PFRS”), (ERS and PFRS are referred to collectively hereinafter as the “Retirement Systems” or “NYSLRS”). These Retirement Systems are cost-sharing multiple public employee retirement systems. The obligation of employers and employees to contribute and the benefits to employees are governed by the New York State Retirement System and Social Security Law (the “Retirement System Law”). The Retirement Systems offer a wide range of plans and benefits which are related to years of service and final average salary, vesting of retirement benefits, death and disability benefits and optional methods of benefit payments. All retirement benefits vest after five (5) years of credited service. Legislation effective April 9, 2022 reduced the vesting period for Tier 5 and 6 members from ten years to five years of service. The Retirement System Law generally provides that all participating employers in each retirement system are jointly and severally liable for any unfunded amounts. Such amounts are collected through annual billings to all participating employers. The Retirement Systems are non-contributory for members hired prior to July 1, 1976 (Tiers 1-3). All members hired on or after July 1, 1976 through and including December 31, 2009 (Tier 4) must contribute 3% of gross annual salary toward the cost of retirement programs, until they attain ten years in the Retirement System.

On December 10, 2009, the Governor signed into law the creation of Tier 5, which was effective for new ERS employees hired after January 1, 2010. ERS employees in Tier 5 also contribute 3% of their salaries throughout their employment.

Additionally, on March 16, 2012, the Governor signed into law the new Tier 6 pension program, effective for new ERS employees hired after April 1, 2012. The Tier 6 legislation provides, among other things, for increased employee contribution rates of between 3% and 6% made throughout employment, an increase in the retirement age from 62 years to 63 years, a readjustment of the pension multiplier, and a change in the time period for final average salary calculation from 3 years to 5 years. The 2024-2025 State Enacted Budget changed the final average salary calculation for Tier 6 employees from the last five years’ earnings to the highest consecutive 3 years’ earnings. It also extended the exclusion of overtime earnings in employee contribution calculations for Tier 5 and Tier 6 employees.

The County will have an increase of \$42.3 million in pension costs in 2025 due to rate increases set by the State Actuary for the Office of the NYS Comptroller (“OSC”). Per the OSC report, nearly 50% of the increase is due to

Tier 6 benefit improvements included in the 2024/2025 State Budget. The County has a reserve fund credit of \$5.5 million which will be applied to the 2025 bill. Sufficient funds are included in the 2025 Recommended Budget to cover the net balance of \$255 million.

The employer contribution for a given fiscal year is based on the value of the pension fund on the prior April 1; the County is notified of and can include the actual cost of the employer contribution in its budget. Current law requires a minimum payment of 4.5% of payroll each year, including years in which investment performance of the fund would make a lower employer contribution possible. The pension payment is due February 1, but may be prepaid by December 15 at a discounted amount.

In fiscal 2011, the Employer Contribution Stabilization Program authorized local governments to amortize a portion of annual pension costs during periods when actuarial contribution rates exceed thresholds established by the program. Amortizations are paid in equal installments over a ten-year period at an interest rate that is set annually and fixed over the ten-year repayment period.

Commencing with the 2014 payment, the County elected to utilize the State’s “Alternate Contribution Stabilization Program.” Per the program guidelines, the interest rate charged is the 12-year US Treasury bond yield plus 1% and is fixed over the twelve-year repayment period.

The following table sets forth the County’s total bills, amounts amortized and annual payments related to the County’s pension obligations for ERS and PFRS, including Suffolk County Community College:

Year Paid	2014	2015	2016	2017	2018	2019	2020	2021	2022	2023	2024	2025 ²
Invoice Period	4/2013-3/2014	4/2014-3/2015	4/2015-3/2016	4/2016-3/2017	4/2017-3/2018	4/2018-3/2019	4/2019-3/2020	4/2020-3/2021	4/2021-3/2022	4/2022-3/2023	4/2023-3/2024	4/2023-3/2024
Gross Invoice Amounts (excluding Installments on Prior Deferrals)	\$ 233,865,448	\$ 228,960,795	\$ 195,059,113	\$ 195,346,037	\$ 205,491,878	\$ 202,134,461	\$ 206,582,649	\$ 207,710,871	\$ 238,171,000	\$ 205,384,873	\$ 218,361,806	\$ 266,708,107
Graded Payment- Reserve Account ¹										\$ 4,954,721	\$ -	\$ (5,455,815)
Installments on Prior Deferrals ³	\$ 15,154,187	\$ 24,306,282	\$ 30,494,139	\$ 35,082,374	\$ 38,524,402	\$ 41,807,773	\$ 41,807,773	\$ 41,807,774	\$ 32,306,175	\$ -	\$ -	\$ -
Gross Invoice Amount	\$ 249,049,635	\$ 253,267,077	\$ 225,553,252	\$ 230,408,411	\$ 244,016,280	\$ 243,942,234	\$ 248,390,422	\$ 249,518,645	\$ 270,477,175	\$ 210,339,594	\$ 218,361,806	\$ 261,252,292
Less: Pension amounts deferred ⁽¹⁾⁽³⁾	\$ (87,101,698)	\$ (59,795,324)	\$ (44,642,145)	\$ (35,234,699)	\$ (32,086,087)	\$ -	\$ -	\$ (22,996,642)	\$ -	\$ -	\$ -	\$ -
Pension Amount	\$ 161,947,937	\$ 193,471,753	\$ 180,911,107	\$ 195,173,712	\$ 211,930,193	\$ 243,942,234	\$ 248,390,422	\$ 226,522,003	\$ 270,477,175	\$ 210,339,594	\$ 218,361,806	\$ 261,252,292
						2019	2020	2021	2022	2023	2024	2025
Employees Retirement System (ERS)	\$ 84,793,660	\$ 114,086,596	\$ 95,752,292	\$ 99,577,355	\$ 107,823,546	\$ 128,126,363	\$ 130,243,787	\$ 114,179,715	\$ 134,006,823	\$ 88,664,842	\$ 92,936,551	\$ 108,603,335
Police and Fire Retirement System (PFRS)	\$ 77,154,277	\$ 79,375,157	\$ 85,168,815	\$ 95,596,357	\$ 104,106,647	\$ 115,815,871	\$ 118,146,635	\$ 112,342,288	\$ 136,470,352	\$ 121,674,752	\$ 125,425,255	\$ 152,648,957
Total Net Pension Costs	\$ 161,947,937	\$ 193,471,753	\$ 180,911,107	\$ 195,173,712	\$ 211,930,193	\$ 243,942,234	\$ 248,390,422	\$ 226,522,003	\$ 270,477,175	\$ 210,339,594	\$ 218,361,806	\$ 261,252,292

- (1) Represents amounts deferred and paid over time. 2011 through 2013, inclusive, pension amounts have been removed from the table. The final amortization payment for 2011 deferrals of \$2,470,993 was paid in 2021. The final amortization payment for 2012 and 2013 deferrals were paid in 2022.
- (2) Estimated.
- (3) All deferral balances have been paid in full.
- (4) Graded payments will first be used to pay off existing amortizations. If all amortizations have been paid, NYSLRS will set up a reserve account for the employer and any excess will be deposited into that account.

In 2022, the County paid a total of \$158.8 million to payoff all outstanding pension deferrals which resulted in an interest savings of \$12.8 million over the outstanding amortization period through 2033.

Source: Suffolk County Budget Office.

Employee Medical Health Plan

On May 14, 2019, the Suffolk County Legislature ratified a new contract with the Suffolk Coalition of Public Employees (“SCOPE”), a legal entity representing all nine County unions for the Employee Medical Health Plan (“EMHP”). The new contract, developed with the help of outside consultants, became effective July 16, 2019 (60 days after notification) and expires December 31, 2025. On April 19, 2024, SCOPE and EMHP executed a Memorandum of Agreement, subject to ratification, which will extend the May 2019 agreement through December 31, 2028 with modifications including:

Beginning on January 1, 2025, EMHP will transition its third-party administrator services to Aetna, providing employees with more expanded in-network providers and lower administrative fees for the County with estimated program and administrative savings of \$100 million over a five-year period.

In addition, the agreement reduces primary care physician copays for employees from \$25 to \$20 effective July 1, 2024.

Additional enhancements of the health care agreement include:

- Member premium contributions will be capped and continued at the 2025 rate (2.5%) and the \$4,000 maximum cap for 2025. (The 2024 maximum cap remains at \$3,750).
- Any employee retiring on or before December 31, 2028 will keep reimbursement for the cost of Medicare Part B, including IRMAA.

NYS Fiscal Stress Monitoring System

A Fiscal Stress Monitoring System (“FSMS”) was developed by the New York State Comptroller in 2012 as a way to identify local governments facing fiscal stress, factors influencing fiscal stress and ways in which local governments can manage fiscal stress. The FSMS evaluates local governments on the basis of financial and environmental indicators to create a Fiscal Stress score and an Environmental Stress score. In January 2018, the State Comptroller implemented changes to the FSMS scoring calculations. From September 2018, under the new scoring system, until September 2020, the County ranked in the “significant fiscal stress” category. In 2021, the County’s improved score moved it up to the “moderate stress” category. The Fiscal Stress report issued by the State in September 2022 showed the County’s score improved again, moving the County to the highest category of “no designation”. The County remains in the top category of “no designation” as of the latest State Fiscal Stress Report issued September 2023. The County’s Environmental Stress score has been in the top category of “no designation” from September 2019 to date.

See the State Comptroller’s official website for more information on FSMS. References to websites and/or website addresses presented herein are for informational purposes only and implies no warranty of accuracy of information therein. Unless specified otherwise, such websites and the information or links contained therein are not incorporated into, and are not part of, this Official Statement.

Strategic Fiscal/Organizational Initiatives

The current administration took office January 1, 2024 and has implemented new fiscal and organizational initiatives to increase efficiency and fiscal strength:

- **Centralized Grants Management Initiative:** The purpose of the centralized grant management initiative is to streamline, coordinate and aggressively pursue the increased Federal and State aid opportunities available to municipalities to leverage government resources to offset capital project costs and increase service efficiencies.

The centralized grants management initiative will work collaboratively with all County departments, agencies and community-based organizations to identify new or renewal grant opportunities through internal and external sources and to provide necessary support to streamline the application process and secure grant funding in accordance with County established initiatives and priorities.

- **Constituent Response 311 System:** The Suffolk County Constituent Response 311 unit will move from the Department of Informational Technology to be under the direct management of the County Executive’s Office of Community Affairs.
 - **Improved services:** In February 2024, the administration implemented improvements to Suffolk 311 that have improved user experiences, enhanced the center’s case management software to allow designated employees to seamlessly become auxiliary call center staff during high volume periods and reduced the data entry requirements.
 - **Reduced wait times:** As a result of these changes, Suffolk 311 wait times have been significantly reduced from wait times that could be greater than 1 hour to an average wait time of 3 minutes.

- **Department of Social Services:** Upon taking office in January 2024, the administration immediately implemented strategies to enhance the leadership, training and operations at the Department of Social Services (“DSS”).
 - **Established a Quality Management, Planning and Research (“QMPR”) Division:** QMPR will assess, develop, monitor and align the DSS’s Key Performance Indicators accordingly. Division initiated monthly QMPR reports will be presented to the County Legislature.
 - **Program mandates and improvements:** The 2025 Adopted Budget also includes funds to cover State mandated program costs and County implemented improvement programs such as expedited SNAP services which were re-instituted under the current administration.

- **Traffic Violations Bureau (“TVB”):** Improvements to streamline customer service and ticket processing have significantly improved the efficiency of TVB operations. Legislation for the County’s Red Light Safety Program sunset on December 1, 2024. In addition, a State law enacted in 2023 requires that the County offer payment plans for violations to qualified individuals. The 2025 Adopted Budget included minimal revenue for the County’s Red Light Safety Program tickets processed prior to December 1, 2024.
 - **Veterans Court:** The new program allows veterans the opportunity to receive guidance and assistance in any traffic matter past or pending. Veterans will also be connected to the Department of Veterans Services, located directly above the traffic court, upon arrival. Veterans are able to connect there with County and third-party resources to assist with any unmet needs, including mental health, financial services and acquiring VA benefits.

- **Information Technology – Cybersecurity:** Information technology initiatives for the modernization and hardening of the County’s IT systems were fast-tracked and updated following the 2022 cyber-intrusion into County systems. In November 2024, the County’s application for a cyber-insurance policy was approved and the policy is currently in effect. The 2025 Adopted Budget includes funding for personnel and operating costs to continue the implementation of network security architecture, development of a comprehensive response and recovery plan and funds for a cybersecurity policy. Improvements include:
 - **Cybersecurity:** The County is working closely with the Cybersecurity Infrastructure Security Agency, a component of the US Department of Homeland Security, to provide assessments and testing to ensure those experts have accurate data to aid them in that pursuit.
 - **CISO:** In addition to the hiring of a Chief Information Security Officer (“CISO”), the 2025 Adopted Budget includes virtual CISO services. This hybrid of the physical role and virtual services ensures strong security procedures, protocols and postures to protect critical data are being enforced.
 - **Incident Response Plan:** Funding for the preparation of a comprehensive response and recovery plan and the recently enacted cyber insurance policy are included in the 2025 Adopted Budget.
 - **Technology upgrades:** Implementing advanced data backup, retention and integrity solutions across all departments and agencies within the County.

Sewer Tax Rate Stabilization

Resolution #625-2011, a Charter Law regarding use of Assessment Stabilization Reserve Fund (“ASRF”) surpluses to enhance sewer capacity and provide tax relief, was adopted on August 2, 2011 by the County Legislature. This legislation established a limit for the balance of the Sewer District Tax Rate Stabilization Fund at \$140 million for the fiscal years 2011 through 2021, inclusive. In fiscal years 2011, 2012 and 2013, when the fund balance exceeded \$140 million, 62.5% of the excess funds were required to be used for sewer projects approved by the County Legislature and 37.5% were appropriated by resolution to a reserve fund for bonded indebtedness or to a retirement contribution reserve. Should the fund balance exceed \$140 million in 2014 through 2021, the excess fund balance was to be used exclusively for sewer projects as approved by legislative resolutions. In September 2011, two environmental groups filed a lawsuit to block the County Executive and the County Legislature from using the surplus in this manner without voter approval. In a decision by the New York State Supreme Court on July 19, 2012,

the Court found that the plaintiffs lacked the necessary standing to challenge the law. Plaintiffs appealed the decision and the Appellate Division, Second Department declared the law to be null and void and remanded the case to the New York State Supreme Court for, *inter alia*, entry of judgment. Judgment has been entered nullifying the 2011 law, but no damages were awarded in the judgment. Plaintiffs appealed the judgment and briefs were filed. The appeal was argued before the Appellate Division, Second Department, on October 17, 2018, and decision was reserved. On January 21, 2020, the Appellate Division denied the County's motion to reargue or appeal to the Court of Appeals. The County has a notice of appeal pending in the Appellate Division over the order to immediately transfer funds to the ASRF and the County is also seeking leave to appeal the Appellate Division decision to the Court of Appeals. (See also "Litigation" herein.)

Pursuant to Resolution 625-2011, the amount appropriated from the ASRF for the retirement contribution reserve fund to provide general fund relief was \$5.4 million in 2011, \$15.6 million in 2012 and \$8.5 million in 2013.

The 2014 Adopted Budget included a \$32.8 million transfer to the Debt Service Reserve Fund as well as a \$5.0 million transfer to fund sewer infrastructure projects. However, in March 2014, two environmental groups filed a lawsuit to void resolutions passed in 2013 which permitted the transfers from the ASRF. To settle the matter, two resolutions were adopted. Resolution 68-2014 requires a referendum to amend, modify, alter or repeal Local Law 24-2007. Resolution 579-2014 authorized a November 2014 mandatory referendum on a ballot proposal to adopt a charter law which created a \$29.4 million program for environmental protection and restoration. Resolution 579-2014 was approved by a majority of the electorate voting on the measure. In 2017, the County issued bonds for \$1.3 million under this program. In 2018, the County issued \$5.9 million in bonds under this program.

The charter law authorized the County to borrow from the ASRF in 2014, 2015, 2016 and 2017 to provide tax relief. All amounts borrowed from the ASRF were required to be repaid by 2029, with annual payments of no less than 5% of the amount borrowed commencing in 2018. Amounts transferred from the ASRF were \$32.8 million in 2014 and \$32.8 million in 2015. The 2016 Adopted Budget included a \$28.2 million transfer; however, a transfer of an additional \$60 million in fiscal 2016 was approved.

A transfer of \$17.5 million was made from the ASRF in 2017. As required by Charter Law, the 2019 Adopted Budget and the 2020 Adopted Budget include paybacks to the ASRF, in the amounts of \$8.565 million and \$12.1 million, representing 5.3% and 7.8%, respectively, of the balance owed. Due to the passing of the November 2020 proposition (as described below), the 2020 payment of \$12.1 million and all future repayment requirements were waived.

On July 21, 2020, the County Legislature adopted resolution #547-2020 A Charter law to transfer excess funds in the Sewer Assessment Stabilization Reserve Fund to the Suffolk County Taxpayers Trust Fund and to eliminate the requirement that Interfund Transfers be made from the General Fund to the Sewer Assessment Stabilization Fund. Said resolution authorized a Proposition included on the November 3, 2020 election ballot. The Proposition was passed by a majority of voters of the County. Said proposition authorized a Charter Law to provide property tax relief with the excess Sewer Assessment Stabilization Reserve Fund balance. The local law applied to all budgetary actions approved for, or occurring during any fiscal year beginning with January 1, 2020 and in all subsequent fiscal years. In Fiscal Year 2020 or in Fiscal Year 2021, \$44,409,109, which included the \$29,409,109 that was required to be paid into the Assessment Stabilization Reserve Fund by Judgment of the Honorable Justice Joseph Farneti dated December 12, 2019 in the Matter of the Long Island Pine Barrens Society Inc., et al vs. County of Suffolk, et al, was transferred and deposited in the Suffolk County Taxpayers Trust Fund created by this local law. This transfer and deposit was in addition to any other sum allocated and deposited to such fund pursuant to the resolution for enhanced County wide property tax protection. The appropriation for this transfer and deposit was effectuated via duly approved legislative resolution. All transfers were completed in 2020 and 2021.

The Resolution also repealed subdivisions (L) of Section C4-6 of Article IV of the Suffolk County Charter which required interfund transfers of no less than 5% of the outstanding balance due for funds allocated from the ASRF for fiscal years 2014 – 2017, inclusive.

Long Island Pine Barrens Society, Inc., et al. filed a declaratory judgment action in January 2022 seeking to invalidate LL 50-2020 and its implementing resolution 971-2020. LL 50-2020 is a local law duly adopted via mandatory public referendum in November 2020 which amended provisions of County Charter Article XII, commonly known as the Drinking Water Protection Program. As part of the lawsuit, plaintiffs are seeking an order directing the County to transfer approximately \$198,574,109 to the ASRF, claiming that LL 50-2020 and its implementing resolution 971-2020 violated a prior stipulation of settlement and a prior court judgment relative to the ASRF. The County's pre-answer motion to dismiss the complaint was denied on June 29, 2023. Plaintiff moved

for summary judgment in September 2023, and defendants cross-moved for summary judgment in December 2023. Both motions were marked fully submitted on February 29, 2024, and the parties are awaiting a decision. See “LITIGATION” herein.

Resolution No. 526-2024 (See “Water Quality Restoration Act” herein), amended the 25% allocation from the ¼ of 1% sales tax (see “Drinking Water Protection Program”) to the Assessment Stabilization Reserve Fund (“ASRF”) for sewer taxpayer stabilization. The WQRA requires a percentage of the 25% ASRF allocation be transferred to the new WQR Fund each year.

Employees

The County employs approximately 8,920 active employees as of September 30, 2024, approximately 93% of whom are represented by collective bargaining units. This includes the completion of several classes of Police Officers and corrections officers who replace higher paid officers that are retiring. The Association of Municipal Employees (“AME”) represents approximately 50% of the County’s employees, the Suffolk County Police Benevolent Association (“PBA”) represents approximately 19% of the County’s employees and the remaining employees are represented by various other collective bargaining units or are management.

The collective bargaining units representing employees of the County include:

<u>Association</u>	<u>Expiration Date</u>
Association of Municipal Employees	12/31/24 ⁽¹⁾
SC PBA, Probation Officers Association Unit	12/31/24 ⁽¹⁾
Superior Officers Association	12/31/24 ⁽¹⁾
Deputy Sheriffs Benevolent Association	12/31/24 ⁽¹⁾
Suffolk Detectives Association	12/31/24 ⁽¹⁾
Police Benevolent Association	12/31/24 ⁽¹⁾
Detectives Investigators Police Benevolent Association	12/31/24 ⁽¹⁾
Correction Officers Association	12/31/24 ⁽¹⁾
Faculty Association of Suffolk Community College	08/31/26
Guild of Administrative Officers of Suffolk County Community College	08/31/23 ⁽¹⁾

(1) In negotiations.

- **Resolution No. 437-2019 Adopting a Salary Plan for Employees Excluded From Bargaining Units** - Adopted by County Legislature on May 14, 2019. This resolution provides salary settlements, comparable to the increases offered to AME employees, for management and exempt employees who are excluded from bargaining units and who do not receive salary increases through other salary plans:

2017	2.5%, effective 1/1/19	2021	1.0%, effective 7/1/21
2018	1.5%, effective 7/1/20	2022	1.5%, effective 7/1/22
2019	0%	2023	2.0%, effective 7/1/23
2020	1.0%, effective 12/1/20	2024	2.5%, effective 7/1/24

Union Contracts – There are currently no outstanding labor contracts.

- **Association of Municipal Employees (AME)** – The Memorandum of Agreement dated May 8, 2019 was approved by the County Legislature via Resolution No. 434-2019 on May 14, 2019, signed by the County Executive on May 15, 2019 and ratified by union members on June 3, 2019. This agreement provides for an eight year contract from 2017 – 2024 with the following wage increases:

2017	2.5%, effective 1/1/19	2021	1.0%, effective 7/1/21
2018	1.5%, effective 7/1/20	2022	1.5%, effective 7/1/22
2019	0%	2023	2.0%, effective 7/1/23
2020	1.0%, effective 12/1/20	2024	2.5%, effective 7/1/24

Retro payments for the period from January 1, 2019 through date of payroll implementation were paid to employees in 2022.

- **PBA, Police Benevolent Association Inc.** – The Memorandum of Agreement dated May 8, 2019 was approved by the County Legislature via Resolution No. 435-2019 on May 14, 2019, signed by the County Executive on May 15, 2019 and ratified by union members on May 20, 2019. The agreement provides for a six-year contract from 2019-2024 and includes the following wage increases:

2019	0.0 %	effective 1/1/19	2023	1.0 %	effective 1/1/23
2020	2.25%	effective 1/1/20		1.0 %	effective 7/1/23
2021	1.0 %	effective 1/1/21	2024	1.5 %	effective 1/1/24
		effective 7/1/21		1.5 %	effective 7/1/24
2022	1.0 %	effective 1/1/22			
	1.0 %	effective 7/1/22			

- **SC PBA, Probation Officers Association Unit** – The Memorandum of Agreement dated August 28, 2019 was approved on September 4, 2019 by the County Legislature via Resolution 810-2019, signed by the County Executive on September 5, 2019 and ratified by union members. The agreement provides an eight-year contract from 2017-2024 and includes the following wage increases:

2017	2.5%, effective 1/1/19	2021	1.5%, effective 7/1/21
2018	2.5%, effective 7/1/20	2022	1.75%, effective 7/1/21
2019	0.0%, effective 1/1/19	2023	2.0%, effective 7/1/23
2020	1.0%, effective 7/1/20	2024	2.75%, effective 7/1/24

Retro payments for the period January 1, 2019 through September 6, 2019 were deferred and are payable upon retirement.

- **Superior Officer’s Association (SOA)** – The stipulation of agreement dated December 9, 2019 was approved by the County Legislature on December 17, 2019 via Resolution 1197-2019, signed by the County Executive on December 24, 2019 and ratified by union members. The agreement provides a six-year contract from 2019-2024 and includes the following wage increases:

2019	0.0 %	effective 1/1/19	2023	1.0 %	effective 1/1/23
2020	2.25%	effective 1/1/20		1.0 %	effective 7/1/23
2021	1.0 %	effective 1/1/21	2024	1.5 %	effective 1/1/24
		effective 7/1/21		1.5 %	effective 7/1/24
2022	1.0 %	effective 1/1/22			
	1.0 %	effective 7/1/22			

- **Deputy Sheriffs Benevolent Association (DSBA)** – A Memorandum of Agreement dated March 3, 2020 was adopted by the County Legislature on March 17, 2020 and signed by the County Executive on April 1, 2020. The Agreement provides a six-year contract from 2019-2024 and includes the following wage increases:

Effective January 1, 2019	0.00%
Effective January 1, 2020	2.00%
Effective July 1, 2021	1.50%
Effective July 1, 2022	1.75%
Effective July 1, 2023	2.00%
Effective July 1, 2024	2.75%

- **Suffolk Detective’s Association (SDA)** – The stipulation of agreement dated January 14, 2020 was approved on February 11, 2020 by the County Legislature via Resolution 36-2020, signed by the County Executive on February 19, 2020 and ratified by union members. The agreement provides a six-year contract from 2019-2024 and includes the following wage increases:

2019	0.0 %	effective 1/1/19	2023	1.0 %	effective 1/1/23
2020	2.25%	effective 1/1/20		1.0 %	effective 7/1/23
2021	1.0 %	effective 1/1/21	2024	1.5 %	effective 1/1/24
		effective 7/1/21		1.5 %	effective 7/1/24
2022	1.0 %	effective 1/1/22			
	1.0 %	effective 7/1/22			

- **Detectives Investigators PBA (DIPBA)** – A Memorandum of Agreement dated March 18, 2021 was adopted by the County Legislature on April 20, 2021 and signed by the County Executive on April 23, 2021. The Agreement provides a six-year contract from 2019-2024 and includes the following wage increases:

2019	0.0 %	effective 1/1/19	2023	1.0 %	effective 1/1/23
2020	2.25%	effective 1/1/20		1.0 %	effective 7/1/23
2021	1.0 %	effective 1/1/21	2024	1.5 %	effective 1/1/24
		effective 7/1/21		1.5 %	effective 7/1/24
2022	1.0 %	effective 1/1/22			
	1.0 %	effective 7/1/22			

- **Correction Officer’s Association (COA)** – The Memorandum of Agreement was approved by the County Legislature on July 16, 2019 via Resolution 737-2019, signed by the County Executive on July 18, 2019 and ratified by union members. The agreement provides for a six-year contract from 2019-2024 and includes the following wage increases:

Effective January 1, 2019	0.00%
Effective January 1, 2020	2.00%
Effective July 1, 2021	1.50%
Effective July 1, 2022	1.75%
Effective July 1, 2023	2.00%
Effective July 1, 2024	2.75%

Retroactive payments for the raises that were effective in 2014 and 2015, other than for overtime and compensatory time payouts, were paid to employees in 2022.

- **Faculty Association of Suffolk County Community College – Resolution No. 791-2023 Authorizing the County Executive to execute an Agreement with the Suffolk County Faculty Association, Suffolk County Community College**, covering the terms and conditions of employment for employees covered under Bargaining Unit No. 3 for the period September 1, 2022 through August 31, 2026 was adopted by the County Legislature on October 11, 2023 and signed by the County Executive on October 18, 2023. The agreement provides for a four-year contract from 2022-2026 and includes the following wage increases:

Effective September 1, 2022	1.60% at each step
Effective September 1, 2023	2.75% at each step
Effective September 1, 2024	2.95% at each step
Effective September 1, 2025	2.95% at each step

- **Guild of Administrative Officers of Suffolk County Community College – Resolution No. 410-2022 Authorized the County Executive to execute an Agreement with the Guild of Administrative Officers, Suffolk County Community College**, covering the terms and conditions of employment for employees covered under Bargaining Unit No. 4 for the period September 1, 2019 through August 31, 2023 was adopted by the County Legislature on June 1, 2022 and signed by the County Executive on June 21, 2022. The agreement provides for a four-year contract from 2019-2023 and includes the following wage increases:

Effective September 1, 2020	1.6% at each step
Effective September 1, 2021	1.6% at each step
Effective September 1, 2022	1.6% at each step
Effective August 31, 2023	1.6% at each step

Retroactive payments for the 2020 and 2021 increases were paid not later than ninety days after the date of approval and ratification of the Stipulation of Agreement.

- **2024 Memorandum of Agreements:** In March 2024, Memorandum of Agreements were signed by the County and PBA, DSPBA and COA. In April 2024, Memorandum of Agreements were signed by the County and the SOA and SDA. The police (sworn) MOAs made changes increasing the daily and hourly rates of pay effective June 10, 2024. The sheriff (sworn) MOAs made changes to the policies governing the payment of overtime effectively increasing the rate of overtime pay effective June 10, 2024.
- **Smith Point Lifeguard Association NYSUT – Resolution 405-2023 Authorized the County Executive to execute an Agreement with the Smith Point Lifeguard Association NYSUT**, covering the terms and conditions of employment for the period from January 21, 2020 through December 31, 2024.

Other Post Employment Benefits

GASB Statement No. 75 (“GASB 75”) of the Governmental Accounting Standards Board (“GASB”), replaces GASB Statement No. 45. GASB 75 requires state and local governments to account for and report their costs associated with post-retirement healthcare benefits and other non-pension benefits, known as other post-employment benefits (“OPEB”). GASB 75 generally requires that employers account for and report the annual cost of the OPEB and the outstanding obligations and commitments related to OPEB similarly to GASB Statement No. 68 reporting requirements for pensions.

GASB 75 requires state and local governments to measure a defined benefit OPEB plan as the portion of the present value of projected benefit payments to be provided to current active and inactive employees, attributable to past periods of service in order to calculate the total OPEB liability. Total OPEB liability generally is required to be determined through an actuarial valuation using a measurement date that is no earlier than the end of the employer’s prior fiscal year and no later than the end of the employer’s current fiscal year.

GASB 75 requires that most changes in the OPEB liability be included in OPEB expense in the period of the changes. Based on the results of an actuarial valuation, certain changes in the OPEB liability are required to be included in OPEB expense over current and future years.

The County’s OPEB obligation determined by an actuarial valuation as of December 31, 2023, in accordance with GASB 75, determined that as of December 31, 2023, the County’s total OPEB liability was approximately \$5,600,000,000 using a discount rate of 4.00% and healthcare cost trend rates of 8.0% decreasing to 4.5%. For the year ended December 31, 2023, the County reported deferred outflows of \$880,230,000 and deferred inflows of \$1,539,480,000.

Should the County be required to fund the total OPEB liability, it could have a material adverse impact upon the County’s finances and could force the County to reduce services, raise taxes or both. At the present time, however, there is no current or planned requirement for the County to partially fund its OPEB liability.

At this time, New York State has not developed guidelines for the creation and use of irrevocable trusts for the funding of OPEB and there is no authority under present State law to establish a trust account or reserve fund for this liability. As a result, the County will continue funding this expenditure on a pay-as-you-go basis.

State Legislation has been introduced to create an optional investment pool to help the State and local governments fund retiree health insurance and other post-employment benefits. The proposed legislation would authorize the creation of irrevocable OPEB trusts so that the State and its local governments can help fund their OPEB liabilities, establish an OPEB investment fund in the sole custody of the State Comptroller for the investment of OPEB assets of the State and participating eligible local governments, designate the president of the Civil Service Commission as the trustee of the State's OPEB trust and the governing boards as trustee for local governments and allow school districts to transfer certain excess reserve balances to an OPEB trust once it is established. Under the proposed legislation, there would be no limits on how much a local government can deposit into the trust. The County cannot predict whether such legislation will be enacted into law in the foreseeable future.

REAL PROPERTY TAXES

Constitutional Real Property Tax Limit

In accordance with Section 10 of Article VIII of the State Constitution, the amount which may be levied in the County by taxes on real property in any fiscal year for County purposes, in addition to providing for the interest on and the principal of all indebtedness, may not exceed an amount equal to 1.5 percent of the five-year average full valuation of taxable real property of the County, less certain deductions as prescribed therein. In addition, the Tax Levy Limitation Law imposes a statutory limitation on the County's power to increase its annual tax levy. As a result, the power of the County to levy real estate taxes on all the taxable real property within the County is subject to statutory limitations set forth in the Tax Levy Limitation Law, unless the County complies with certain procedural requirements to permit the County to levy certain year-to-year increases in real property taxes. See "TAX LEVY LIMITATION LAW" herein. The total real estate tax levy for 2025 for County purposes subject to the tax levy limit is \$641,874,968. This figure was obtained from the recommended budget for fiscal year 2025 and may differ slightly in the adopted budget.

Real Property Tax Collection

Real property tax payments become a lien on December 1 and may be paid in two equal installments, the first half without penalty until January 10 and the second half without penalty until May 31. A one percent per month interest charge accrues on delinquent payments, and an additional five percent penalty accrues on delinquent payments outstanding after May 31.

Under The Suffolk County Tax Act ("Tax Act"), taxes levied for school district, town, and County purposes are collected by the appropriate town receiver of taxes in two installments. In January, each town distributes to the school districts within such town, as the first installment, one-half of the total taxes levied for school district purposes, or such part thereof as does not in the aggregate exceed one-half of the total amount of taxes collected by the receiver at the time, and retains the remainder for town tax purposes. In June, each town pays to the school districts within such town the balance of the amount of school district taxes levied for school district purposes, or such part thereof as does not in the aggregate exceed one-half of the total amount collected by the receiver at the time of such payment. After making payment to the school districts, each town retains the amount necessary to satisfy its tax levy and returns to the County any remaining moneys as a payment, in part, for taxes levied for County purposes. At the same time, each receiver returns to the County the tax roll indicating the amount of uncollected taxes for school district, town, and County purposes. Pursuant to Resolution No. 206-1998, prior to the return to the County, the towns are authorized to collect delinquent property taxes through additional partial or installment payments. It is the County's responsibility for collecting such unpaid taxes. The County may borrow in anticipation of the collection of these uncollected real property taxes as well as exercising foreclosure remedies as set forth in the Tax Act. (See "TAX LEVY LIMITATION LAW" herein.)

Taxable Full Valuation - Six-Year Summary

The table below sets forth for 2020 through 2025, a summary of tax rates, assessed valuation, and full valuation of taxable real property within the County:

<u>Year</u>	<u>Assessed Valuation of Taxable Real Property in the County⁽¹⁾</u>	<u>Full Valuation of Taxable Real Property in the County⁽¹⁾</u>	<u>County Tax Rate Per \$1,000 of Full Valuation⁽²⁾</u>	<u>Full Valuation of Taxable Real Property in the Police District⁽²⁾</u>	<u>Police District Tax Rate Per \$1,000 of Full Valuation⁽²⁾</u>
2020	\$83,900,870,559	\$320,677,173,986	\$0.15	\$180,862,088,310	\$3.36
2021	84,616,418,334	330,390,670,260	0.15	190,066,004,845	3.26
2022	84,333,014,706	336,452,430,142	0.15	195,722,032,846	3.17
2023	86,451,135,510	405,464,987,635	0.12	225,645,913,392	2.75
2024	87,370,293,710	470,458,646,033	0.10	258,973,239,068	2.39
2025	88,256,850,505	498,075,873,830	0.10	268,062,746,991 ⁽³⁾	2.40 ⁽³⁾

- (1) The full valuation of taxable real property is determined by totaling the full valuation of the component towns. See “Assessed and Taxable Full Valuation - Towns.” These figures reflect the most current amounts available from the New York State Office of Real Property Tax Services and not necessarily those of the adopted budget for said fiscal years.
- (2) Obtained from final budgets for the respective fiscal years.
- (3) Obtained from recommended budget for fiscal year 2025.

State Equalization Rates

Equalization rates are calculated each year based on the prior year’s assessment roll and current market values.

<u>Town</u>	<u>2019</u>	<u>2020</u>	<u>2021</u>	<u>2022</u>	<u>2023</u>	<u>2024</u>
Babylon	0.97%	0.91%	0.87%	0.78%	0.66%	0.67%
Brookhaven	0.79	0.77	0.74	0.62	0.54	0.53
East Hampton	0.56	0.58	0.58	0.45	0.37	0.35
Huntington	0.76	0.74	0.74	0.64	0.55	0.49
Islip	10.77	9.70	9.28	8.28	7.28	7.10
Riverhead	12.35	12.30	11.80	10.14	9.29	8.34
Shelter Island	100.00	100.00	100.00	89.00	73.00	68.00
Smithtown	1.16	1.15	1.12	0.98	0.87	0.86
Southampton	100.00	100.00	100.00	79.00	69.50	63.00
Southold	0.93	0.88	0.88	0.70	0.57	0.55

Source: New York State Office of Real Property Services.

Selected Listing of Large Taxable Properties

The following table sets forth the larger taxable properties in the County, their location by town, the type of business, and the estimated full valuation on the 2023 assessment roll⁽¹⁾:

<u>Name</u>	<u>Town</u>	<u>Assessed Value</u>	<u>Type</u>	<u>Full Valuation⁽¹⁾</u>
National Grid	Various	\$262,907,264	Utility	\$10,118,695,701
PSEG LI	Various	323,171,672	Utility	5,752,961,145
Fairfield Apartments LLC	Various	26,504,490	Utility	596,087,458
Verizon New York Inc	Various	12,041,746	Utility	448,045,304
South Shore Mall	Islip	29,349,550	Commercial	403,153,159
Blue Turtles Inc	Southampton	267,858,500	Commercial	385,407,914
The Retail Property Trust	Huntington	2,000,000	Commercial	363,636,364
Mall At Smith Haven LLC	Brookhaven	1,732,447	Commercial	287,647,701
Heatherwood House	Various	13,688,940	Residential	235,533,099
P.J. Venture Co. LLC	Various	1,029,265	Commercial	171,904,817
Tanger Properties LP	Riverhead	14,427,500	Commercial	155,301,399
Target Corporation	Various	6,111,520	Retail	139,794,357
Airport Plaza LLC	Babylon	922,550	Commercial	139,780,303
Islandia Property	Islip	9,895,600	Residential	135,928,571
Point Of Woods Association	Brookhaven	697,715	Residential	129,206,481
Pr Ivc Rosemont Property LLC	Brookhaven	628,020	Residential	116,300,000
Peconic Landing At Southold	Southold	514,000	Residential	114,473,684
Renaissance Hill	Islip	8,277,980	Residential	113,708,516
Hogan-Riverhead LLC	Riverhead	10,515,300	Commercial	113,189,451
Serota Brooktown LLC	Brookhaven	<u>602,400</u>	Commercial	<u>111,555,556</u>
Totals		<u>\$992,876,459</u>		<u>\$20,032,310,982</u>

⁽¹⁾ Assessment rolls established in 2023 for levy and collection of taxes during 2024 fiscal year. Full valuation is calculated by dividing 2023 Assessed Value by the 2023 Equalization Rate.

Sources: Assessors' Offices of the respective towns located within the County.

Real Property Tax Warrants and Collection Record

The following table sets forth for 2020 through 2023, and as available for 2024 and 2025, the tax warrants for all purposes, the amounts collected and the amounts remaining uncollected at the end of each year as well as the tax warrant for the current year.

	Fiscal Year Ended December 31		
	<u>2020</u> ⁽³⁾	<u>2021</u>	<u>2022</u> ⁽⁴⁾
County Taxes:			
County General Tax	\$ 49,036,632	\$ 49,036,632	\$ 49,035,700
Suffolk County Community College Tax	5,250,467	5,250,467	5,250,467
Police District Tax	607,963,890	619,515,204	619,515,204
Sewer Districts	30,398,555	24,665,892	25,938,421
MTA Commuter Tax	2,852,197	2,852,227	2,852,205
Other Items ⁽¹⁾	<u>77,791,582</u>	<u>69,853,081</u>	<u>89,431,565</u>
Subtotal	<u>773,293,323</u>	<u>771,173,503</u>	<u>792,023,562</u>
Town Taxes	1,173,852,052	1,214,214,824	1,240,373,786
School District Taxes	<u>\$4,287,302,106</u>	<u>\$4,399,839,578</u>	<u>\$4,483,204,669</u>
Total Tax Warrant	<u>\$6,234,447,481</u>	<u>\$6,385,227,905</u>	<u>\$6,515,602,017</u>
Collected During Year	\$6,107,971,961	\$6,276,669,148	\$6,420,479,528
Uncollected End of Year ⁽²⁾ :			
Amount	\$126,475,520	\$108,558,757	\$95,122,489
Percent	2.03%	1.70%	1.46%
Uncollected as of October 31, 2024	\$32,923,375	\$44,545,233	\$48,922,741
	Fiscal Year Ending December 31		
	<u>2023</u> ⁽⁵⁾	<u>2024</u> ⁽⁶⁾	<u>2025</u> ⁽⁶⁾
County Taxes:			
County General Tax	\$ 49,036,634	\$ 49,036,631	\$ 50,017,365
Suffolk County Community College Tax	5,250,467	5,250,467	5,250,467
Police District Tax	619,515,203	619,515,203	644,531,315
Sewer Districts	26,361,020	26,175,279	27,214,018
MTA Commuter Tax	2,852,204	2,852,204	2,977,429
Other Items ⁽¹⁾	<u>74,885,131</u>	<u>77,252,194</u>	<u>106,748,296</u>
Subtotal	<u>777,900,659</u>	<u>780,081,978</u>	<u>836,738,890</u>
Town Taxes	1,283,969,165	1,321,142,323	1,427,721,502
School District Taxes	<u>\$4,570,624,032</u>	<u>\$4,684,281,473</u>	<u>\$4,839,037,989</u>
Total Tax Warrant	<u>\$6,632,493,856</u>	<u>\$6,785,505,774</u>	<u>\$7,103,498,381</u>
Collected During Year	\$6,535,078,459	N/A	N/A
Uncollected End of Year ⁽²⁾ :			
Amount	\$97,415,397	N/A	N/A
Percent	1.47%	N/A	N/A
Uncollected as of October 31, 2024	\$68,573,205	N/A	N/A

(1) Includes various debits and credits, District Court taxes, relieved items, etc.

(2) Net of penalties and interest.

(3) Amended pursuant to Resolution 1178-2019.

(4) Amended pursuant to Resolution 48-2022.

(5) Amended pursuant to Resolution 952-2022.

(6) Amended pursuant to Resolution 1141-2023

Assessed and Taxable Full Valuation - Towns

There are ten towns in the County within which are also included 32 incorporated villages. Valuations of real estate of the towns taxable by the County for fiscal years 2020 through 2025, are shown below:

<u>Town</u>	2020 <u>Assessed Valuation</u> ⁽¹⁾	2020 <u>Full Valuation</u>	2021 <u>Assessed Valuation</u> ⁽²⁾	2021 <u>Full Valuation</u>
Babylon	\$ 247,719,202	\$ 25,538,062,062	\$ 248,401,430	\$ 27,296,860,440
Brookhaven	462,261,030	58,514,054,430	462,741,154	60,096,253,766
East Hampton	203,834,055	36,398,938,393	205,527,935	35,435,850,862
Huntington	323,087,888	42,511,564,211	320,597,772	43,324,023,243
Islip	4,384,244,906	40,707,937,846	4,411,333,380	45,477,663,711
Riverhead	846,890,126	6,857,409,927	847,506,336	6,890,295,415
Shelter Island	3,719,621,085	3,719,621,085	3,744,046,755	3,744,046,755
Smithtown	245,484,620	21,162,467,241	246,557,353	21,439,769,826
Southampton	73,356,963,200	73,356,963,200	74,018,230,674	74,018,230,674
Southold	<u>110,764,447</u>	<u>11,910,155,591</u>	<u>111,475,545</u>	<u>12,667,675,568</u>
Totals	<u>\$83,900,870,559</u>	<u>\$320,677,173,986</u>	<u>\$84,616,418,334</u>	<u>\$330,390,670,260</u>

<u>Town</u>	2022 <u>Assessed Valuation</u> ⁽³⁾	2022 <u>Full Valuation</u>	2023 <u>Assessed Valuation</u> ⁽⁴⁾	2023 <u>Full Valuation</u>
Babylon	\$ 249,097,481	\$ 28,631,894,368	\$ 249,692,902	\$ 32,011,910,513
Brookhaven	462,953,842	62,561,330,000	463,390,335	74,740,376,613
East Hampton	206,348,794	35,577,378,276	207,823,530	46,183,006,667
Huntington	317,168,716	42,860,637,297	315,449,990	49,289,060,938
Islip	4,416,827,868	47,595,127,888	4,425,106,830	53,443,319,203
Riverhead	830,782,944	7,040,533,424	831,738,587	8,202,550,168
Shelter Island	3,771,457,872	3,771,457,872	3,788,684,550	4,256,948,933
Smithtown	247,272,742	22,077,923,393	248,050,285	25,311,253,571
Southampton	73,720,083,079	73,720,083,079	75,808,735,547	95,960,424,743
Southold	<u>111,021,368</u>	<u>12,616,064,545</u>	<u>112,462,954</u>	<u>16,066,136,286</u>
Totals	<u>\$84,333,014,706</u>	<u>\$336,452,430,142</u>	<u>\$86,451,135,510</u>	<u>\$405,464,987,635</u>

<u>Town</u>	2024 <u>Assessed Valuation</u> ⁽⁵⁾	2024 <u>Full Valuation</u>	2025 <u>Assessed Valuation</u> ⁽⁶⁾	2025 <u>Full Valuation</u>
Babylon	\$ 249,664,652	\$ 37,827,977,576	\$ 249,617,912	\$ 37,256,404,776
Brookhaven	462,454,968	85,639,808,889	462,029,540	87,175,384,906
East Hampton	209,427,014	56,601,895,676	210,579,611	60,165,603,143
Huntington	313,574,878	57,013,614,182	309,768,081	63,217,975,714
Islip	4,414,225,271	60,634,962,514	4,407,327,811	62,075,039,592
Riverhead	834,176,031	8,979,289,892	835,817,557	10,021,793,249
Shelter Island	3,835,038,348	5,253,477,189	3,877,061,095	5,701,560,434
Smithtown	247,518,867	28,450,444,483	248,510,222	28,896,537,442
Southampton	76,691,871,474	110,348,016,509	77,543,495,036	123,084,912,756
Southold	<u>112,342,207</u>	<u>19,709,159,123</u>	<u>112,643,640</u>	<u>20,480,661,818</u>
Totals	<u>\$87,370,293,710</u>	<u>\$470,458,646,033</u>	<u>\$88,256,850,505</u>	<u>\$498,075,873,830</u>

(1) Per Resolution 982-2019.

(2) Per Resolution 864-2020.

(3) Per Resolution 889-2021.

(4) Per Resolution 851-2022.

(5) Per Resolution 899-2023.

(6) Per Resolution 857-2024.

Source: New York State Office of Real Property Services.

Other Tax and Assessment Information

Real property subject to County taxes is assessed by the ten towns (See “Real Property Tax Collection” herein). Veterans’ and Senior Citizens’ Exemptions are offered to those who qualify.

The total taxable valuation of the County consists of approximately 94.3% residential properties and 5.7% non-residential properties.

The total tax bill of an average residential property located in the County, outside of a village is approximately \$11,925. This includes all school, town, county and special district taxes, but excludes the small amounts of taxes raised separately by villages.

Source: Budget Review Office.

STATISTICAL INFORMATION

Population and Land Areas - By Towns

The 2020 population of the County is 1,525,920⁽¹⁾ according to the U.S. Census Bureau.

<u>Town</u>	<u>Area In Square Miles</u>	<u>U. S. Census</u>				
		<u>1980</u>	<u>1990</u>	<u>2000</u>	<u>2010</u>	<u>2020</u>
Babylon	52.3	203,483	202,940	211,792	213,603	218,223
Brookhaven	259.4	365,015	407,977	448,248	486,040	485,773
East Hampton	73.3	14,029	16,132	19,719	21,457	28,385
Huntington	94.0	201,512	191,474	195,289	203,264	204,127
Islip	105.2	298,897	299,587	322,612	335,543	339,938
Riverhead	67.4	20,243	23,011	27,680	33,506	35,902
Shelter Island	12.1	2,071	2,263	2,228	2,392	2,411
Smithtown	53.6	116,663	113,406	115,715	117,801	116,296
Southampton	140.2	43,146	45,351	54,712	56,790	69,036
Southold	<u>53.7</u>	<u>19,172</u>	<u>19,836</u>	<u>20,899</u>	<u>21,968</u>	<u>23,732</u>
County Total	<u>911.2</u>	<u>1,284,231</u>	<u>1,321,977</u>	<u>1,418,894</u>	<u>1,492,364</u>	<u>1,523,823</u>

(1) The total County population is also inclusive of the population of the Shinnecock and Poospatuck Indian reservations (2,097) which are not included in any of the town populations.

Source: U.S. Bureau of the Census

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Employment Statistics

The average number of persons employed and unemployed in the County, plus the County, State, and United States average unemployment rates, for the last ten years and monthly for 2024, as available, are set forth below (unemployment rates are not seasonally adjusted).

<u>Year</u>	Number of Persons <u>Employed</u>	Number of Persons <u>Unemployed</u>	<u>Unemployment Rate</u>		
			<u>County</u>	New York <u>State</u>	United <u>States</u>
2014	723,600	41,500	5.4%	6.3%	6.2%
2015	738,100	36,800	4.7	5.2	5.3
2016	740,000	34,300	4.4	4.9	4.9
2017	755,800	35,200	4.5	4.6	4.4
2018	762,900	30,300	3.8	4.1	3.9
2019	769,100	28,300	3.6	3.8	3.7
2020	715,900	63,100	8.1	9.9	8.1
2021	741,000	35,400	4.6	7.0	5.4
2022	777,500	25,000	3.1	4.3	3.7
2023	782,000	27,400	3.4	4.2	3.6

2024 Actual Employment Statistics

January	766,400	32,000	4.0%	4.3%	4.1%
February	764,200	32,900	4.1	4.5	4.2
March	767,500	30,600	3.8	4.2	3.9
April	770,500	26,500	3.3	3.9	3.5
May	771,200	27,900	3.5	4.2	3.7
June	782,900	27,200	3.4	4.3	4.3
July	784,900	32,300	3.9	4.9	4.5
August	772,200	31,500	3.9	4.9	4.4
September	779,500	23,400	2.9	4.0	3.9

Source: New York State and United States Department of Labor.

The following table shows the number of residents of the County employed in various categories of non-agricultural work in 2000, 2010 and 2020.

<u>Categories</u>	<u>2000</u>	<u>Percent</u>	<u>2010</u>	<u>Percent</u>	<u>2020</u>	<u>Percent</u>
Construction	51,079	7.5%	56,469	7.9%	56,860	7.6%
Manufacturing	65,316	9.6	55,922	7.8	50,045	6.7
Transportation, Utilities	40,393	5.9	40,414	5.6	41,785	5.6
Information	27,290	4.0	20,802	2.9	18,312	2.4
Trade	112,235	16.5	113,105	15.7	108,076	14.4
Services, Misc.	292,746	43.0	339,463	47.2	383,891	51.2
Public Administration	38,124	5.6	40,745	5.7	38,356	5.1
Finance, Insurance & Real Estate	<u>53,510</u>	<u>7.9</u>	<u>51,642</u>	<u>7.2</u>	<u>52,332</u>	<u>7.0</u>
Total	<u>680,693</u>	<u>100.0</u>	<u>718,562</u>	<u>100.0</u>	<u>749,657</u>	<u>100.0</u>

Source: U.S. Census Bureau.

LITIGATION

In the opinion of the County Attorney, unless otherwise set forth in this section and apart from matters provided for by applicable insurance coverage, there are no claims or actions pending which, if determined against the County, would have a material adverse effect on the financial condition of the County and its ability to make timely payments of debt service on its bonds and notes.

The County is subject to a number of lawsuits and claims in the ordinary conduct of its affairs. The County has elected to self-insure for workers' compensation claims, general liability claims, automobile liability claims, and medical malpractice claims. The County maintains catastrophic excess coverage for general liability and automobile liability with self-insured retentions in the amount of \$3,000,000 per occurrence for 2012 incidents, \$4,000,000 per occurrence for 2013 incidents, \$5,000,000 per occurrence for incidents in 2014 through 2019, inclusive, \$6,000,000 per occurrence for incidents in 2020 and 2021 and \$10,000,000 per occurrence for incidents in 2022 and thereafter.

As a result of the forecasting in budgeting by the County, it is the opinion of the County that the County's Insurance Budget included, in all prior years, adequate amounts for the payment of general liability, automobile liability, medical malpractice and workers' compensation claims to be paid during such year. To the extent that the amount of medical malpractice claims exceeds amounts appropriated in the County's Insurance Budget for those claims, the County intends to issue bonds to finance the amount of the claims not covered by appropriations in the County's Insurance Budget. Other than as stated herein, general liability, automobile liability, medical malpractice and worker's compensation claims, individually or in the aggregate, are not likely to have a material adverse effect on the financial condition or operations of the County.

Medical Malpractice Infant Claims: There are several medical malpractice claims against the County involving infants that have been in the notice of claim stage for quite some time. The statute of limitations is tolled in each of those cases due to infancy and some, all or none of those cases could result in lawsuits being filed in the future. At this time the potential for damages in these cases is unknown and in most instances where this situation occurs, no lawsuits are filed.

Ahmad, Hifsa as admin of the Estate of Zahid, Farhan; Farrel, James as admin of the Estates of Farrel, James Jr. and Farrell, Michael; Kiess, Kurt as admin of the Estate of Kiess, Ryan; Maglio, Joseph as parent and natural guardian of Maglio, Brianna; and Perez, Aida as admin of the Estate of Mendez, Justin v. County of Suffolk et al. These cases arose out of a two-vehicle accident that occurred on County Road 80 in Quogue. Justin Perez was fleeing from the Quogue Police when he crossed over the double yellow line and struck an Uber being driven by Farhan Zahid. Three of the four passengers in the Uber, James and Michael Farrel and Kurt Kiess, were killed. Brianna Maglio sustained injuries. The claim against the County is a road design case. Discovery is proceeding.

Atelek, Amina v. County of Suffolk et al. Plaintiff was an inmate at the Suffolk County Correctional Facility when she was allegedly sexually assaulted by a Correction Officer. A Notice of Claim and a complaint were filed. The civil proceedings are being held in abeyance until the conclusion of the criminal proceeding against the correction officer.

Ayo, Barbara, et al. v. County of Suffolk, et al.: This lawsuit is brought by thirty plaintiffs in connection with a residual firefighting suppressant alleged to be a groundwater contaminant that was used by the Air National Guard at County-owned Gabreski Airport. The plaintiffs allege that the firefighting suppressant has contaminated the water supply to their homes. In addition to the County, numerous corporate entities have been sued, including: the 3M Company, Tyco Fire Products, the Ansul Company, Angus Fire Company, National Foam, Buckeye Fire Protection Company, Kidde PLC, Inc. and Chemguard. This case, along with similar cases from across the country, have been transferred by the Judicial Panel on Multidistrict Litigation to Judge Gergel in the District of South Carolina. Discovery is proceeding.

Bonsignore, Carmela, as Admin. of Estate of Bonsignore, Jesse v. County of Suffolk, et al.: This is a federal case based on a fatal police shooting. The involved officer intentionally and fatally fired his weapon after he and decedent struggled hand-to-hand and decedent attempted to grab the officer's firearm. Paper discovery is almost complete and defense depositions are being scheduled.

Booker, Gregory as administrator of Mary Alice Booker, Jacqueline & Anthony McCoy v. County of Suffolk: The police were allegedly pursuing a vehicle stolen by Londell Skinner when Skinner crashed into the Booker vehicle, killing Mary Alice Booker and Jacqueline and Anthony McCoy. Mary Alice was Gregory's mother;

Jacqueline was his sister; and Anthony was his brother. The claim is of an improper pursuit. A complaint has been served and discovery is proceeding. The plaintiff has advised that he will be discontinuing the case against the County. The County is waiting for the stipulation.

Brownyard, et al. v. County of Suffolk, et al.: This is a potential class action lawsuit commenced in Supreme Court Suffolk County on February 2, 2015. Plaintiffs are seeking: to have declared null and void a reserve fund for the Southwest Sewer District as having been illegally established, holding an excess balance having its balance returned to the taxpayers of the District and to have the Court grant injunctive relief. The amount in question alleged in the original complaint was the fund balance of approximately \$117 million. The County answered the complaint and the plaintiffs served an amended complaint, enlarging the damage claim by an additional \$104 million. Plaintiffs then sought, by motion, to serve a second amended complaint to enlarge the amount in dispute by \$145 million and have moved for class certification and for summary judgment. The Court directed a conference to resolve the issues raised by the pending motions. Following the Court conference, the plaintiffs served a third amended complaint, pursuant to leave granted by the Court, seeking the return of a total of approximately \$255 million. The County answered, moved to dismiss the amended complaint, opposed the plaintiffs' motions for summary judgment and class certification and cross-moved to disqualify plaintiffs' counsel. The County's cross-motion to disqualify counsel was granted and all other substantive motions, including the request for class certification, were denied by the Court. Plaintiffs have requested e-mails and documents from the County since 1995 and the County filed a motion for a protective order objecting to the request as overbroad and burdensome. The Court ruled on the motion for a protective order by issuing directives regarding discovery. A second motion for a protective order was denied. The County filed a Notice of Appeal which acts as a stay on the denial of the protective order. The appeal has been perfected. There is no date set for oral argument of the appeal.

Jannie Butler, as Administratrix of the Estate of Arthur Lee Thomas, deceased v. the County of Suffolk, et al. A Notice of Claim and complaint were served on the County alleging medical malpractice, negligence and a violation of decedent-plaintiff's civil rights. It is alleged that from April 12, 2012 through June 12, 2012, while decedent-plaintiff was incarcerated at the Riverhead Correctional Facility, the County deviated from acceptable medical care in the community by failing to care and treat decedent-plaintiff's tracheotomy and failing to transfer decedent-plaintiff to a facility where proper medical care could be rendered. It is claimed that as a result, decedent-plaintiff died. An answer was interposed and the matter is in discovery. Plaintiff is still seeking the depositions of two retired Corrections Officers. This matter is certified for trial. There is no scheduled trial date.

Butler (class action) v. County of Suffolk: This is a federal class action lawsuit brought by present and former inmates of the Suffolk County Correctional Facilities. The plaintiffs claim that various conditions at the jails violate their civil rights. Plaintiffs have made an \$85 million settlement demand. Discovery is complete. Both sides have submitted motions for summary judgment. It was questionable whether class representatives had exhausted their administrative remedies prior to filing suit, but plaintiffs have located several potential representatives who had moved to have them join the case. Both summary judgment motions were denied. Plaintiffs have made a monetary settlement demand of \$128,169,820. The case did not settle. The trial was scheduled to begin on November 12, 2024. The County has submitted a motion to decertify the class. The plaintiffs' opposition has not yet been served.

Castaneda, Orellana v. County of Suffolk: This is a federal civil rights lawsuit challenging the detention of illegal immigrants in the Suffolk County Jail past their release date based upon Department of Homeland Security ("DHS"/Immigration and Customs Enforcement ("ICE") detainers and warrants. In November 2018, the New York State Appellate Division ruled that the detainers and warrants from ICE were insufficient to hold individuals as they were civil in nature. The County's motion for summary judgment was denied. The magistrate judge issued a report and recommendation granting the plaintiff's motion for class certification. The County filed an objection with the District Court. Plaintiffs filed a motion for summary judgment. The judge certified the class and granted both parties permission to re-file their summary judgment motions. All papers are to be submitted by December 6, 2024. The Plaintiffs' demand is \$14 million exclusive of attorneys' fees.

Collier, Italia, as Admin. of Estate of Johnson, Emanuel Eshawn v. County of Suffolk: This is a federal case based on a fatal police shooting. Officers were attempting to arrest decedent who resisted and attempted to flee. The officers tasered him but could not bring him under control. Decedent brandished a gun at the officers and one of them shot and killed him. Discovery is ongoing.

Ferguson, Joseph v. The County of Suffolk, et al.: A Notice of Claim was served on the County in June 2021 alleging medical malpractice, negligence and a violation of claimant's civil rights during claimant's stay at the County's Yaphank Correctional Facility. It is alleged that from March 2021 until May 2021, the County failed to, among other things, diagnose and treat claimant's esophageal stricture, ignored claimant's complaints of inability to

swallow, ignored claimant's symptoms, failed to treat or provide diagnostic testing for claimant's condition, and failed to transfer claimant to a hospital and refer claimant to a specialist. It is claimed that as a result, claimant has suffered serious personal and psychological injuries, requiring the need for surgical intervention and hospitalization. After the State statute of limitations had run, plaintiff filed suit in federal court on March 15, 2024. Discovery will proceed. A mediation was held on September 3, 2024. Plaintiff's initial demand was \$1 million. The case did not settle.

Giarraputo, Steven v. County of Suffolk: Plaintiff, who was intoxicated and acting in a belligerent manner, was refused entry to a passenger bus. As the bus drove away, plaintiff ran into the bus, fell, and had his leg run over by one of the bus wheels. Plaintiff is claiming significant and serious injuries. Discovery is proceeding.

Gonzales-Mugaburu, Cesar v. County of Suffolk: Plaintiff was a foster parent who fostered over 140 children at his home in the County. In January 2016, two of plaintiff's foster children told County social workers that plaintiff was having sexual relations with the family dog. As a result, all foster children were removed from plaintiff's home. Eventually, numerous other foster children advised Suffolk County Detectives that they had been sexually assaulted by plaintiff. Plaintiff was indicted on 17 counts of sexual abuse and was incarcerated for sixteen months before being found not guilty on all counts after a jury trial. Plaintiff sued the County and the two detectives who investigated the charges for both federal and state claims of false arrest; malicious prosecution; denial of a fair trial; abuse of process; defamation; and coercion and intimidation of defense witnesses. Discovery is complete. The County filed a motion for summary judgment. Plaintiff's opposition is due on December 4, 2024.

Green, Isaac, et al. v. County of Suffolk, et al.: A proposed class action suit was filed by fifteen individual plaintiffs in Suffolk County Supreme Court in connection with a residual firefighting suppressant alleged to be a groundwater contaminant that was used by the Air National Guard, a tenant at County-owned Gabreski Airport. In addition to the County, several corporate entities have been sued: the 3M Company; Tyco Fire Products; the Ansul Company; Angus Fire Company; National Foam; Buckeye Fire Protection Company and Chemguard. This case, along with similar cases from across the country, have been transferred by the Judicial Panel on Multidistrict Litigation to Judge Gergel in the District of South Carolina. Discovery is proceeding.

Jackson, Shanta as admin of the Estate of Jackson, Willie: This is a federal case arising out of an interaction between Willie Jackson and members of the Suffolk County Police Department. Police were called to a Motorcycle Club due to a disturbance. The 911 caller reported that Jackson was intoxicated and causing a disturbance. The police confronted Jackson and he slipped and fell backwards, hitting his head. Jackson subsequently died at the hospital. Plaintiff's wife, Shanta Jackson, was present at the scene and alleges that the police pushed Jackson and struck him with a "stick." The case is currently on the trial calendar. Plaintiff demanded \$1 million to settle. The case settled for \$900,000, pending legislative approval.

Long Island Pine Barrens Society, Inc., et al. v. County of Suffolk, et al. (Index No: 600050/2022): Plaintiffs filed this declaratory judgment action in January 2022 seeking to invalidate Local Law 50-2020 and its implementing resolution 971-2020. Local Law 50-2020 was a local law duly adopted via mandatory public referendum in November 2020 which amended provisions of County Charter Article XII, commonly known as the Drinking Water Protection Program. As part of the lawsuit, plaintiffs are seeking an order directing the County to transfer approximately \$198,574,109 to the County's Assessment Stabilization Reserve Fund ("ASRF"), claiming that Local Law 50-2020 and its implementing resolution 971-2020 violated a prior stipulation of settlement and a prior court judgment relative to the ASRF. The County's pre-answer motion to dismiss the complaint was denied on June 29, 2023. Plaintiff moved for summary judgment in September 2023, and defendants cross-moved for summary judgment in December 2023. Both motions were marked fully submitted on February 29, 2024, and the parties are awaiting a decision.

Long Island Power Authority and Long Island Lighting Company d/b/a LIPA v. County of Suffolk, Suffolk County Comptroller: LIPA has commenced this action seeking a declaratory judgment and permanent injunction declaring that purported tax liens and tax sales held by the County on LIPA properties are illegal and void and should be canceled. LIPA seeks to permanently enjoin the County from taking liens, holding any tax sales and issuing any tax deeds regarding LIPA properties in the future. The County Comptroller has previously purchased tax liens and has indicated its intent to issue tax deeds to remedy partial remittances by LIPA to towns and/or school districts for sums owed as payments in lieu of taxes ("PILOTs"). Pursuant to the Public Authorities Law, the PILOT payments are to be made to the subject taxing jurisdictions, however, year over year increases are not to exceed two percent. As a result of an ongoing billing dispute between LIPA and the other taxing jurisdictions, the remitted PILOTs are less than the amounts actually charged. Due to the method by which payments are remitted and dispersed in the County under law, school districts and towns take one hundred percent of their respective amounts

billed and the County is owed the difference between what was billed and what was actually paid by LIPA. Successful prosecution of this action by LIPA could render the unpaid PILOT charges for which the liens were issued uncollectable by the County. LIPA's motion for preliminary injunction was granted. The towns moved to dismiss the County's impleader action. The motion was denied. The County filed an answer, counterclaims and third-party complaint. LIPA filed a reply to counterclaims, and the 10 towns in the County filed their answer to plaintiffs' complaint and to the County's counterclaims and third-party complaint. All parties have filed motions for Summary Judgment. The County's motion for Summary Judgment was granted and LIPA was ordered to pay the County for back taxes, which the County calculates at over \$58 million. LIPA has filed a notice of appeal. LIPA has filed its appellate brief and the County has responded. The appeal is pending.

Matayoshi, Gensho v. County of Suffolk et al. A federal class action lawsuit brought by property owners whose properties were taken by the County due to outstanding taxes. When the properties were sold, the County did not return any excess money to the property owners. That procedure has recently been declared unconstitutional by the US Supreme Court. The complaint alleges violation of the takings clause of the federal and state constitutions; excessive fines under state and federal law; unjust enrichment; money had and received; and inverse condemnation. The complaint seeks the return of any excess money received by the County over and above the amount owned in taxes. Discovery is ongoing.

Matter of a Remedial Program for Suffolk County Firematics, Order on Consent and Administrative Settlement: This is a Consent Order between the County and the New York State Department of Environmental Conservation pertaining to the implementation of a remediation program at Suffolk County Firematics, the County Fire Academy in Yaphank. The Order provides for the initial expenditure by the County of not less than \$1.2 million to fund certain initial remedial measures for contamination caused by a foam firefighting suppressant used at the Academy. Interim remediation measures include connection of certain affected properties to the public water supply or to alternative water supply filtration systems, investigative and feasibility studies, and associated site management. Remediation is ongoing.

McGrath, Robert v. County of Suffolk: This is an action pending in Suffolk County Supreme Court wherein Plaintiff is challenging the constitutionality of the Traffic Violations Bureau's \$30.00 administrative fee, which is added to the \$50.00 fine for red light camera convictions. The County made a motion for summary judgment; the plaintiff cross-moved. The court granted plaintiff's motion, finding that the administrative fee is unconstitutional. The County filed a Notice of Appeal. The court granted plaintiff's motion for class certification and the County has filed its notice of appeal. Oral argument of the County's appeal on the summary judgment decision was held on January 16, 2024. The County's appeal of the order granting class certification was argued on May 24, 2024. Plaintiff's motion and the County's cross-motion for summary judgment on class damages were submitted on December 13, 2023 to the trial court, but the judge is holding his decision on those motions in abeyance pending decisions from the Second Department on both of the County's appeals.

Newkirk, Lance, et al. v Pierre, Frances, Commissioner of DSS: This is a federal class action lawsuit brought by plaintiffs who allege that they are impoverished individuals with physical or mental disabilities who have applied for or are receiving benefits and services from DSS. They allege that DSS has failed to provide legally required accommodations to the class plaintiffs. The parties have come to a settlement agreement, which is before the court for approval. The parties agreed to settle the issue of attorney's fees for \$800,000. The settlement was approved by the legislature and payment has been issued. This case is resolved, but the settlement agreement allows plaintiffs to seek attorney's fees for monitoring compliance. The plaintiffs have submitted two requests for attorney's fees, both of which have been paid. The monitoring period set forth in the settlement agreement was scheduled to terminate on November 15, 2024. The monitoring period will be extended by stipulation of the parties.

Plaintiffs #1-21, individually and on behalf of all others similarly situated v. County of Suffolk, et al.: This is a federal lawsuit wherein plaintiffs claim that they were the victims of discriminatory policing by the Suffolk County Police Department ("SCPD"), in that Latinos have been subjected to unlawful arrests and seizures; subjected to a violation of equal protection in that the SCPD has failed to provide police services to Latino individuals; that two individual SCPD police officers have stolen property from Latino individuals; and that the County has created a policy sanctioning all of these constitutional violations. This matter was settled for a total of \$3.75 million, which has been paid. The parties also entered into a Class Action Settlement Agreement that requires the SCPD to take certain actions regarding its policies and procedures. The District Court will retain jurisdiction over the case until the SCPD has met substantial compliance with the terms of the settlement agreement.

Posillico Skanska JV v. County of Suffolk, Suffolk County Department of Public Works in connection with Capital Project No. 8108, FEPS Improvement Project: This suit involves the replacement of pumps at the Final

Effluent Pump Station. Plaintiff is seeking \$3.9 million and the County counterclaimed for \$2.2 million based on the liquidated damages clause in the project contract and extensive delays caused by the contractor. The case is in discovery.

Posillico/Skanska JV v. County of Suffolk, Suffolk County Department of Public Works in connection with Capital Project No. 8183, Expansion of Bergen Point Wastewater Treatment Plant: This suit involves the Expansion Project, which was designed to increase the maximum amount of wastewater that could be processed by the facility. Plaintiff seeks damages of over \$13 million due to alleged delays in the project caused by the County. The County has asserted a counterclaim for the same amount, placing the blame of the delays on the contractor and asserting the County's rights to liquidated damages in the project contract. The case is in discovery.

Posillico/Skanska JV v. County of Suffolk, Suffolk County Department of Public Works in connection with Capital Project No. 8170, GRIT Removal and Improvements Project: The project at issue in this matter is known as the GRIT project and involves work on the GRIT Washer Building and attendant operating facilities. Plaintiff is seeking \$3.8 million for delay damages and the County has counterclaimed for \$6 million based on liquidated damages for delays caused by the contractor. The case is in discovery.

Py, et al. v. County of Suffolk: This is a class action lawsuit arising out of alleged groundwater water contamination in the area surrounding the Suffolk County Fire Academy in Yaphank. Plaintiffs, who are homeowners who live near the Academy, allege that their water supply has been contaminated by a foam firefighting suppressant used at the Academy. The plaintiffs sued the County and the manufacturers of the foam. This case, along with similar cases from across the country, have been transferred by the Judicial Panel on Multidistrict Litigation to Judge Gergel in the District of South Carolina. Discovery is proceeding.

Reyes, Oralia v. Peconic Bay Medical Center, et al.: Medical malpractice case whereby plaintiff is alleging that between November 15, 2010 and December 2, 2010, she was treated for her pregnancy, delivery and symphyseal separation. It is further alleged that the doctors failed to appropriately deliver the plaintiff's child by caesarean section and caused traumatic damage to her urethra. It is alleged that as a result of the foregoing, and due to the doctors' failure to properly suture the plaintiff, plaintiff has been severely damaged. None of plaintiff's injuries are itemized in the complaint. No Notice of Claim was served. A summons and verified complaint were served and the County interposed an answer on behalf of one of the doctors. Discovery is complete. The independent medical examination of the plaintiff was recently held. No trial date has been set.

Rios, Maira Bartola Alcantara, as Parent and Natural Guardian of Dylan Marcelo Ochoa Alcantara an Infant and Maira Bartola Alcantara Rios, individually v. Suffolk County (The Dolan Family Health Center at Greenlawn) and Robert B. Blando, M.D.: A Notice of Claim was served in the County alleging negligence and medical malpractice. The claimant alleges that starting from November 11, 2017 and continuing thereafter, the County, through its agents, The Dolan Family Health Center at Greenlawn ("Health Center") and Robert B. Blando, M.D., having been a substantial medical provider for Dylan Marcelo Ochoa Alcantara, committed negligence and malpractice in failing to, among other things, test the infant claimant's blood for the existence of lead in a timely fashion, take a proper history, treat the infant claimant for elevated lead levels, screen the infant claimant for lead, and implement proper protocols to ensure the infant claimant was screened for lead in accordance with the U.S. Department of Health and Human Services guidelines. It is claimed that as a result of such negligence/malpractice, the infant claimant suffered lead poisoning and/or additional lead poisoning and its sequelae, psychological injuries, brain damage, development delay and other damages. The County does not own or operate the Health Center or employ Dr. Blando and pursuant to a County contract, the County requested defense and indemnification from Huntington Hospital, the owner of the Health Center. Huntington Hospital has agreed to defend and indemnify the County. The file was transferred to the hospital's attorney.

Santomauro, John v County of Suffolk and Suffolk County Sheriff's Office: Plaintiff, an inmate at the Yaphank Correctional Facility, was assaulted by another inmate and sustained head injuries that required surgery to replace a portion of his skull and put him into a coma for 23 days. Plaintiff alleges that the correction officers failed to conduct timely tours and failed to protect him from the assault. Discovery is complete. The County will be submitting a motion for summary judgment. Plaintiff's demand is \$3 million.

Sarni, Jr., Jerry W. and Maureen Sarni, as Administrators of the Estate of Jerry W. Sarni, III v. County of Suffolk: A Notice of Claim and summons and complaint were served on the County alleging negligence and medical malpractice relating to Jerry W. Sarni, III's incarceration at the County jail between July 2017 and November 2017. It is alleged that during Mr. Sarni's incarceration, the County failed to adequately care for Mr. Sarni notwithstanding its knowledge of certain congenital problems from which Mr. Sarni suffered. It is further

alleged that due to the County's negligence and malpractice, Mr. Sarni died. Discovery is on-going. Further court conference is scheduled for December 12, 2024.

Singer, Diane, et al. v. County of Suffolk: This is a class action lawsuit arising out of alleged groundwater contamination issue at the Yaphank Firematics Training Facility (the "Training Facility"). Plaintiffs are residents of the neighborhoods surrounding the Training Facility and allege that the use of aqueous firefighting foam containing perfluorooctane sulfonate (PFOS) and perfluorooctanoic acid (PFOA) chemicals at the facility has resulted in contamination of their water supply. In addition to the County, the plaintiffs have sued the manufacturers of the firefighting foam. This case, along with similar cases from across the country have been transferred by the Judicial Panel on Multidistrict Litigation to Judge Gergel in the District of South Carolina. Discovery is proceeding. This case has settled for a total of \$7 million: \$3.5 million from the excess carrier and \$3.5 million from the County, pending legislative approval.

Taouil, Elvis v. County of Suffolk, et al.: A notice of claim was served on the County setting forth allegations of negligence, medical malpractice and civil rights violations (Section 1983) in connection with a Suffolk County Correctional Facility inmate who alleges that in August 2018 he was severely injured by other inmates and not given the proper medical care for the injuries he sustained. The claimant alleges, among other things, that the County was negligent in failing to separate inmates who had a history of violence, in acting with deliberate indifference in allowing the claimant to face a substantial risk of harm and in failing to control the safety of inmates. The injuries alleged in the notice of claim include permanent loss of vision to left eye, ruptured globe, orbital medial wall fracture, skull fracture, disfigurement, loss of teeth and emotional and psychological injuries. A General Municipal Law §50-h hearing was conducted. A summons and complaint was served. Discovery is completed and an agreement was reached by the parties. Judge Hurley issued an order wherein the Civil Rights claims were dismissed with prejudice and without costs to all parties and the cause of action against the Warden Michael Franchi was dismissed with prejudice and without costs to all parties. The State causes of action for negligence were dismissed without prejudice and plaintiff filed a State court summons and complaint; the County filed an answer.

Torres, Blanca Molina as Parent and Natural Guardian of Elenia Torres Molina and Infant and Blanca Molina Torres, Individually v. Suffolk County (The Dolan Family Health Center at Greenlawn) and Robert B. Blando, M.D.: A Notice of Claim was served on the County alleging negligence and medical malpractice. The claimant alleges that from December 20, 2019 and continuing thereafter, the County, through its agents, The Dolan Family Health Center at Greenlawn ("Health Center") and Robert B. Blando, M.D., having been a substantial medical provider/pediatric medical provider for the infant claimant, committed negligence and malpractice in failing to, among other things, test the infant claimant's blood for the existence of lead in a timely fashion, take a proper history, treat the infant claimant for elevated lead levels, screen the infant claimant for lead, and implement proper protocols to ensure the infant claimant was screened for lead in accordance with the U. S. Department of Health and Human Services guidelines. It is being claimed that as a result of such negligence/malpractice, the infant claimant suffered lead poisoning and/or additional lead poisoning and its sequelae, psychological injuries, brain damage, development delay and other damages. The County does not own or operate the Health Center and there is no contractual relationship between the County and Huntington Hospital, the owner of the Health Center. No complaint has been filed as of this date.

Vella, Joseph as administrator of the Estate of Vella, Brittany v County of Suffolk: Plaintiff, a young woman driving an unregistered car with stolen plates fled from a traffic stop. The officer engaged in a pursuit that ended up with both the plaintiff and the officer driving westbound in the eastbound lanes of the Northern State Parkway. The pursuit ended when plaintiff struck another vehicle head-on and both vehicles caught fire; both plaintiff and the driver of the other vehicle died. The complaint contains both State and federal causes of action and also requests punitive damages. Discovery is complete. The plaintiff has made a demand of \$3.75 million to settle. The County filed a motion to dismiss, which has been denied. The case will proceed to trial. There is no scheduled trial date.

Wasilewicz, Elizabeth and Minnicozzi, Paul v. County of Suffolk, et al. This is a State class action lawsuit seeking damages on behalf of all individuals who received tickets and paid fines pursuant to the County's "School Bus Camera" program. The complaint alleges unlawful delegation of executive and prosecutorial authority; due process and equal protection violations under the State constitution; unjust enrichment; conversion; fraudulent concealment; excessive fines; and federal due process and equal protection violations under Section 1983. The complaint also contains a cause of action for declaratory judgement and seeks return of fines paid.

Zubko-Valva, Justyna , as admin of Thomas Valva v. County of Suffolk: This is a federal civil rights case brought by the biological mother of the deceased infant, Thomas Valva. Thomas Valva was in the custody of his father, Michael Valva, who abused Thomas and locked him in a freezing garage causing Thomas to freeze to death.

Plaintiff alleges that Suffolk County Child Protective Services (“CPS”) failed to properly monitor Michael Valva’s custody of Thomas and failed to protect and remove Thomas from his father’s custody. Plaintiff filed a complaint in federal court, naming several Suffolk County CPS workers as defendants. Discovery is proceeding. The County made a motion to dismiss the complaint, which was denied. A mediation was held on this case. Prior to the mediation, plaintiff’s counsel indicated he felt he could settle the case between \$4 and \$6 million. In response, the County offered \$3 million. At the mediation, the plaintiff demanded \$30 million. Plaintiff has obtained new counsel. Discovery will proceed. The plaintiff’s new counsel has made a demand of \$47 million.

End of Appendix A

APPENDIX B

Link to Audited Financial Statements*

For the Year Ended

December 31, 2023

(With Auditors' Report Thereon)

*** The County's financial statements for the year ended December 31, 2018 and opinion are intended to be representative only as of the date thereof. The financial statements referenced above are hereby incorporated by referral into the attached Official Statement. Deloitte & Touche LLP, Independent Auditors, has not been requested by the County to further review and/or update such Financial Statements or opinion in connection with the preparation and dissemination of this Official Statement.**

The County's financial statements for the fiscal year ended December 31, 2023 have been filed with the Municipal Securities Rulemaking Board through its Electronic Municipal Market Access system ("EMMA").

Copies of the County's audited financial statements for the fiscal year ended December 31, 2023 are available on EMMA and can be viewed and downloaded at the following web address: (<https://emma.msrb.org/P21861306.pdf>).

APPENDIX C

Cash Flow Statements

The County of Suffolk (the "County") does not as a matter of course make public projections as to future cash flows. However, the County has prepared the prospective financial information set forth below to present the projected portion of the operating cash flow for fiscal years 2024 and 2025. The accompanying prospective financial information was not prepared with a view toward complying with the guidelines established by the American Institute of Certified Public Accountants with respect to prospective financial information, but, in the view of the County, was prepared on a reasonable basis, reflects the best currently available estimates and judgments and presents, to the best of management's knowledge and belief, the expected course of action and the expected future financial performance of the County. However, this information is not fact and should not be relied upon as necessarily indicative of future results, and readers of this projected portion of the operating cash flow for fiscal years 2024 and 2025 are cautioned not to place undue reliance on the prospective financial information.

Neither the County's independent auditors, nor any other independent accountants, have compiled, examined, or performed any procedures with respect to the prospective financial information contained herein, nor have they expressed any opinion or any other form of assurance on such information or its achievability, and assume no responsibility for, and disclaim any association with, the prospective financial information.

The assumptions and estimates underlying the projected financial information are inherently uncertain and, though considered reasonable by the County as of the date hereof, are subject to a wide variety of significant uncertainties that could cause actual results to differ materially from those contained in the projected financial information. Accordingly, there can be no assurance that the projected results are indicative of the future performance of the County or that actual results will not be materially different than those contained in the projected financial information. Inclusion of the projected financial information in this official statement should not be regarded as a representation by any person that the results contained in the projected financial information will be achieved.

SUFFOLK COUNTY

ALL FIGURES IN THOUSANDS

PROJECTED CASHFLOW FOR FISCAL YEAR 2024

	ACTUAL	ACTUAL	ACTUAL	ACTUAL	ACTUAL	ACTUAL	ACTUAL	ACTUAL	ACTUAL	PROJECTED			CASH EST
	JAN	FEB	MARCH	APRIL	MAY	JUNE	JULY	AUGUST	SEPT	OCT	NOV	DEC	
CASH BALANCE	728,258	434,590	334,566	451,341	304,007	166,055	732,361	694,447	652,293	526,585	129,036	76,420	
TOTAL CASH RECEIPTS	416,661	254,122	383,192	205,270	292,489	891,250	364,345	295,568	246,305	346,767	233,767	367,773	4,297,508
REAL PROPERTY TAX	6,855	6,449	5,025	6,820	7,288	569,375	43,828	26,504	7,219	11,000	18,000	25,637	734,000
PAYMENTS IN LIEU OF TAXES	1,095	19	5,207	764	240	3,072	0	1,576	0	100	100	2,827	15,000
INT AND PENALTIES	868	991	632	829	822	1,573	1,894	3,017	1,160	3,000	3,000	5,214	23,000
SALES TAX	113,184	144,443	128,298	149,619	138,512	198,484	122,138	155,079	155,180	180,000	137,000	192,063	1,814,000
DEPT. AND OTHER	18,118	19,843	21,799	15,308	27,331	27,905	24,101	27,976	22,352	23,000	18,000	22,267	268,000
INTERFUNDS - BUDGETARY	2,274	11,259	2,039	2,670	2,783	3,988	2,189	3,116	3,118	2,000	6,000	21,564	63,000
INTERFUNDS - NON-BUDGET	237,459	25,149	130,976	1,149	28,592	39,554	67,604	7,086	10,939	70,667	3,667	3,667	626,508
FEDERAL AND STATE AID	24,734	6,926	40,398	13,733	15,611	4,264	79,933	13,308	24,855	33,000	24,000	51,238	332,000
FEDERAL & STATE AID - SOCIAL SERVICES	8,473	13,979	43,805	6,368	31,471	26,441	19,264	53,270	19,601	22,000	22,000	40,328	307,000
SEWERS	3,601	25,064	5,013	8,010	39,839	16,594	3,394	4,636	1,881	2,000	2,000	2,968	115,000
TOTAL CASH AVAILABLE	1,144,919	688,712	717,758	656,611	596,496	1,057,305	1,096,706	990,015	898,598	873,352	362,803	444,192	4,297,508
TOTAL CASH DISBURSEMENTS	710,329	354,146	266,417	352,604	430,441	324,944	402,259	337,722	372,013	744,315	286,383	734,818	5,316,392
PAYROLL	69,690	77,470	68,096	105,641	107,179	85,160	102,700	92,077	77,283	138,000	78,000	135,704	1,137,000
EQUIPMENT	276	704	556	351	470	287	665	880	614	1,000	1,000	2,197	9,000
SUPPLIES	3,809	11,364	6,701	4,629	4,852	4,319	3,728	5,388	3,689	10,000	9,000	28,521	96,000
UTILITIES & OTHER EXPENSES	4,229	3,598	4,396	3,881	4,150	3,556	3,353	4,085	4,860	4,000	6,000	15,892	62,000
FEES FOR SERVICES	3,243	2,987	2,229	2,595	2,266	2,653	2,483	1,413	1,859	9,000	2,000	18,272	51,000
CHILDREN WITH SPECIAL NEEDS	22,320	7,198	27,749	19,109	23,467	18,031	11,821	16,816	19,200	13,000	13,000	12,289	204,000
MISCELLANEOUS EXPENSE	3,953	7,058	9,311	6,285	3,500	6,602	2,537	5,535	4,471	8,000	13,000	11,748	82,000
CONTRACTED SERVICES	25,273	13,466	21,504	15,722	18,776	13,857	33,596	38,637	20,812	17,800	20,000	9,557	249,000
DEBT SERVICE	0	20,811	4,353	8,348	32,097	26,010	0	24,354	0	45,665	11,419	3,725	176,782
FRINGE BENEFITS	235,760	47,345	30,624	45,184	27,676	66,713	25,575	68,076	22,320	35,000	56,000	30,727	691,000
INTERFUNDS - BUDGETARY	0	0	0	0	9,000	23,000	54,748	0	0	85,384	21,000	74,501	267,633
INTERFUNDS - NON-BUDGET	276,685	92,689	24,022	79,101	32,651	26,443	94,944	21,879	160,421	316,811	3,667	300,667	1,429,979
FUND 16	5,621	6,071	3,945	5,622	6,410	4,051	5,361	4,351	3,938	7,000	7,000	43,630	103,000
SEWERS	9,043	15,474	6,140	4,486	111,053	5,887	5,100	5,816	5,380	3,500	4,000	3,121	179,000
SOCIAL SERVICES	18,255	26,392	26,268	24,152	26,046	19,578	27,412	21,242	18,287	24,000	19,000	15,368	266,000
MMIS	26,117	20,894	20,894	23,326	18,660	18,660	23,326	18,660	18,660	23,326	18,660	23,816	254,999
CERTIORARI PAYMENTS	6,055	625	9,629	4,172	2,188	137	4,910	8,513	10,219	2,830	3,637	5,084	57,999
TOTAL CASH	434,590	334,566	451,341	304,007	166,055	732,361	694,447	652,293	526,585	129,036	76,420	(290,626)	(1,018,884)
NEW BORROWINGS	0	0	0	0	0	0	0	0	0	0	0	350,000	350,000
REPAYMENTS	0	0	0	0	0	0	0	0	0	0	0	0	0
NET CASH AVAILABLE	434,590	334,566	451,341	304,007	166,055	732,361	694,447	652,293	526,585	129,036	76,420	59,374	
RESTRICTED CASH, ADDITIONS	0	0	0	0	0	0	0	0	0	0	0	0	0
RESTRICTED CASH, DELETIONS	0	0	0	0	0	0	0	0	0	0	0	0	0
TOTAL RESTRICTED YTD	0	0	0	0	0	0	0	0	0	0	0	0	0
TOTAL CASH-RESTRICTED & NON	434,590	334,566	451,341	304,007	166,055	732,361	694,447	652,293	526,585	129,036	76,420	59,374	
ALTERNATIVE LIQUIDITY :	314,867	349,277	301,083	308,013	384,785	380,740	422,657	430,840	570,351	831,780	845,367	1,112,250	

Beginning cash is estimate based on actual cashflow through December 2023

Disbursements for the retirement bill in January totals \$207.899 million and is reflected as follows: Fringe Benefits \$203.085 million; Fund 016 \$1.985 million; Sewers \$2.828 million.

Notice of disclaimer: This projection has been prepared based on the 2023 cash flow and the latest available information from the adopted budget

Sales tax is actual through September, 2024

SUFFOLK COUNTY
OPERATING CASH FLOW - FUNDS 001, 003, 016, 102, 105, 115, 121, 133, AND SEWERS
PROJECTED CASHFLOW FOR FISCAL YEAR 2025

ALL FIGURES IN THOUSANDS

	PROJECTED 2025												CASH EST
	JAN	FEB	MARCH	APRIL	MAY	JUNE	JULY	AUGUST	SEPT	OCT	NOV	DEC	
CASH BALANCE	59,374	53,175	28,695	44,613	55,301	47,642	221,586	166,990	206,628	224,827	167,423	145,518	
TOTAL CASH RECEIPTS	503,666	230,666	261,666	320,666	330,667	836,667	637,667	310,667	270,667	310,667	223,667	346,667	4,584,000
REAL PROPERTY TAX	9,000	8,000	8,000	8,000	8,000	554,000	70,000	37,000	14,000	12,000	13,000	28,000	769,000
PAYMENTS IN LIEU OF TAXES	1,000	3,000	3,000	0	0	1,000	3,000	2,000	0	0	0	0	13,000
INT AND PENALTIES	3,000	2,000	1,000	1,000	1,000	2,000	3,000	5,000	4,000	3,000	4,000	7,000	36,000
SALES TAX	115,000	147,000	118,000	171,000	136,000	206,000	114,000	158,000	153,000	211,000	139,000	210,000	1,878,000
DEPT. AND OTHER	19,000	16,000	18,000	21,000	21,000	22,000	25,000	21,000	18,000	21,000	18,000	37,000	257,000
INTERFUNDS - BUDGETARY	7,000	5,000	8,000	5,000	7,000	5,000	6,000	5,000	3,000	3,000	4,000	3,000	61,000
INTERFUNDS - NON-BUDGET	303,666	3,666	3,666	78,666	88,667	3,667	353,667	3,667	3,667	3,667	3,667	3,667	854,000
FEDERAL AND STATE AID	24,000	12,000	48,000	11,000	46,000	13,000	40,000	55,000	40,000	31,000	26,000	25,000	371,000
FEDERAL & STATE AID - SOCIAL SERVICES	17,000	29,000	44,000	14,000	15,000	24,000	18,000	20,000	31,000	23,000	14,000	24,000	273,000
SEWERS	5,000	5,000	10,000	11,000	8,000	6,000	5,000	4,000	4,000	3,000	2,000	9,000	72,000
TOTAL CASH AVAILABLE	563,040	283,841	290,361	365,279	385,968	884,309	859,253	477,657	477,295	535,494	391,090	492,185	4,584,000
TOTAL CASH DISBURSEMENTS	509,865	255,146	245,748	309,978	338,326	662,723	342,263	271,029	252,468	368,071	245,572	784,760	4,585,949
PAYROLL	81,000	74,000	76,000	114,000	117,000	92,000	118,000	88,000	85,000	138,000	78,000	103,000	1,164,000
EQUIPMENT	1,500	500	2,000	0	1,000	1,000	1,000	1,000	2,000	1,000	1,000	2,000	14,000
SUPPLIES	8,000	7,000	7,000	6,000	6,000	7,000	6,000	6,000	5,000	5,000	5,000	7,000	75,000
UTILITIES & OTHER EXPENSES	6,000	5,000	6,000	4,000	3,000	4,000	4,000	5,000	13,000	3,000	5,000	3,000	61,000
FEES FOR SERVICES	5,000	3,500	3,000	3,000	2,500	4,000	3,500	3,000	2,000	9,000	2,000	8,500	49,000
CHILDREN WITH SPECIAL NEEDS	22,000	16,000	20,000	18,000	24,000	20,000	19,000	14,000	12,000	16,000	16,000	11,000	208,000
MISCELLANEOUS EXPENSE	6,000	5,000	10,000	7,000	4,000	3,000	5,000	3,000	3,000	5,000	11,000	4,000	66,000
CONTRACTED SERVICES	21,000	19,000	13,800	18,800	13,800	11,800	20,800	34,800	16,800	15,800	21,000	46,600	254,000
DEBT SERVICE	0	21,188	4,055	7,680	24,154	34,619	8,672	5,215	19,100	48,305	11,295	3,666	187,949
FRINGE BENEFITS	287,000	36,000	37,000	55,000	57,000	45,000	57,000	43,000	41,000	67,000	38,000	49,000	812,000
INTERFUNDS - BUDGETARY	7,000	8,000	3,000	4,000	25,000	27,000	31,000	9,000	2,000	0	5,000	11,000	132,000
INTERFUNDS - NON-BUDGET	3,666	3,666	3,666	3,666	3,667	353,667	3,667	3,667	3,667	3,667	3,667	463,667	854,000
FUND 16	9,000	7,000	6,000	7,000	4,000	7,000	6,000	6,000	5,000	5,000	5,000	8,000	75,000
SEWERS	9,000	6,000	7,000	5,000	5,000	6,000	6,000	5,000	5,000	5,000	5,000	10,000	74,000
SOCIAL SERVICES	23,000	21,000	25,000	27,000	23,000	23,000	24,000	21,000	12,000	24,000	16,000	28,000	267,000
MMIS	18,660	18,660	18,660	24,628	19,703	19,703	24,628	19,703	24,628	19,703	19,703	24,620	252,999
CERTIORARI PAYMENTS	2,038	3,632	3,567	5,204	5,502	3,934	3,996	3,644	1,273	2,596	2,907	1,707	40,000
TOTAL CASH	53,175	28,695	44,613	55,301	47,642	221,586	516,990	206,628	224,827	167,423	145,518	(292,575)	(1,949)
NEW BORROWINGS	0	0	0	0	0	0	0	0	0	0	0	350,000	350,000
REPAYMENTS	0	0	0	0	0	0	350,000	0	0	0	0	0	350,000
NET CASH AVAILABLE	53,175	28,695	44,613	55,301	47,642	221,586	166,990	206,628	224,827	167,423	145,518	57,425	
RESTRICTED CASH, ADDITIONS	0	0	0	0	0	350,000	0	0	0	0	0	0	350,000
RESTRICTED CASH, DELETIONS	0	0	0	0	0	0	350,000	0	0	0	0	0	350,000
TOTAL RESTRICTED YTD	0	0	0	0	0	350,000	0	0	0	0	0	0	
TOTAL CASH-RESTRICTED & NON	53,175	28,695	44,613	55,301	47,642	571,586	166,990	206,628	224,827	167,423	145,518	57,425	
ALTERNATIVE LIQUIDITY :	820,807	824,157	832,734	765,797	686,351	694,928	703,506	711,734	720,312	722,972	731,321	1,113,201	

Beginning cash is estimate based on actual cashflow through September 2024

Disbursements for the retirement bill in January totals \$247.760 million and is reflected as follows: Fringe Benefits \$242.796 million; Fund 016 \$2.029 million; Sewers \$2.935 million.

Notice of disclaimer: This projection has been prepared based on the 2024 cash flow and the latest available information from the recommended budget.

However, it is subject to change based upon a reconciliation to the published adopted budget.

APPENDIX D

Forms of Bond Counsel's Legal Opinions

January 2, 2025

The County Legislature of
the County of Suffolk, New York

Re: County of Suffolk, New York
\$46,800,000 Refunding Serial Bonds - 2025 Series A

Ladies and Gentlemen:

We have examined a record of proceedings relating to the sale and issuance of \$46,800,000 Refunding Serial Bonds – 2025 Series A (the “**Bonds**”) of the County of Suffolk (the “**County**”), New York.

The Bonds are authorized and issued in accordance with (a) the Constitution and statutes of the State of New York, including, in particular, the provisions of the Local Finance Law, constituting Chapter 33-a of the Consolidated Laws of the State of New York, (b) various bond resolutions duly adopted and amended by the County Legislature on their respective dates, authorizing the issuance of bonds of the County to finance various projects in and for the County (collectively, the “**Bond Resolutions**”), and (c) a Certificate of Determination executed by the County Comptroller as of December 4, 2024 and a Certificate of Award executed by the County Comptroller as of December 20, 2024, determining the terms, form and details of issuance of the Bonds and providing for their public sale (said Certificate of Determination and said Certificate of Award are hereinafter collectively referred to as the “**Certificate of Determination**”).

The Bonds are dated, mature, are payable, bear interest and are subject to redemption as provided in the Certificate of Determination.

The Bonds are issued in fully registered form without interest coupons, in the name of Cede & Co., as registered owner and nominee for The Depository Trust Company, an automated depository for securities and clearinghouse for securities transactions which will maintain a book-entry system for recording the ownership interests in the Bonds. Only one Bond will be initially issued for each maturity in the aggregate principal amount of such maturity. Purchases of ownership interests in the Bonds will be made only in book-entry form in denominations of \$5,000 or any integral multiple thereof, not exceeding the aggregate principal amount of Bonds maturing in any year.

In our opinion, said Bonds have been authorized and issued in accordance with the Constitution and statutes of the State of New York, the Bond Resolutions, and the Certificate of Determination, and constitute valid and legally binding general obligations of the Village, all the taxable real property within which is subject to the levy of ad valorem taxes to pay said Bonds and interest thereon, subject to certain applicable statutory limitations imposed by Chapter 97 of the New York Laws of 2011, as amended; provided that the enforceability (but not the validity)

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of said Bonds may be limited by any applicable existing or future bankruptcy, insolvency or other law (State or Federal).

We are further of the opinion that, subject to the limitations set forth herein under existing statutes, regulations, administrative rulings, and court decisions, and assuming continuing compliance by the County with its covenants relating to certain requirements contained in the Internal Revenue Code of 1986, as amended (the “Code”), and the accuracy of certain representations made by the Village, interest on the Bonds is excluded from gross income of the owners thereof for Federal income tax purposes and is not an “item of tax preference” for purposes of the Federal alternative minimum tax imposed on individuals. However, interest on the Bonds held by certain corporations that are subject to the Federal corporate alternative minimum tax is included in the computation of “adjusted financial statement income” for purposes of the Federal alternative minimum tax imposed on such corporations. Bond Counsel is also of the opinion that under existing statutes interest on the Bonds is exempt from personal income taxes imposed by the State of New York or any political subdivision thereof (including The City of New York). No opinion is expressed regarding other Federal or State tax consequences arising with respect to the Bonds.

Based upon our examination of law and review of the Arbitrage and Use of Proceeds Certificate, dated January 2, 2025 (the “**Arbitrage Certificate**”), executed by the County Comptroller pursuant to Section 148 of the Code and the regulations thereunder, the facts, estimates and circumstances as set forth in said Arbitrage Certificate are sufficient to satisfy the criteria which are necessary under Section 148 of the Code to support the conclusion that the Bonds will not be “arbitrage bonds” within the meaning of said section, and no matters have come to our attention which makes unreasonable or incorrect the representations made in said Arbitrage Certificate. We express no opinion regarding other Federal income tax consequences arising with respect to the Bonds.

The Code contains several provisions which are required to be adhered to by the County subsequent to the issuance and delivery of the Bonds in order for interest thereon to be and remain excludable from gross income for Federal income tax purposes. Included among these provisions are certain restrictions and prohibitions on the use of bond proceeds, restrictions on the investment of bond proceeds and other moneys or properties, periodic rebate of certain arbitrage profits, and information reporting to the Federal government. Failure to comply with the requirements of the Code may cause interest on the Bonds to be includable in gross income for federal income tax purposes, retroactive to the date of issue of the Bonds. In the Arbitrage Certificate, the County has covenanted to comply with certain procedures and it has made certain representations and certifications designed to assure compliance with the requirements of the Code.

In rendering the opinions expressed herein, we have assumed the accuracy and truthfulness of all public records, documents and proceedings examined by us which have been executed or certified by public officials acting within the scope of their official capacities, and have not verified the accuracy or truthfulness thereof, and we also have assumed the genuineness of the signatures appearing upon such public records, documents and proceedings and such

The County Legislature of
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certifications. The scope of our engagement in relation to the issuance of the Bonds has extended solely to the examination of the facts and law incident to rendering the opinions expressed herein.

The opinions expressed herein are not intended and should not be construed to express or imply any conclusion that the amount of real property subject to taxation within the boundaries of the County, together with other legally available sources of revenue, if any, will be sufficient to enable the County to pay the principal of or interest on said Bonds as the same respectively become due and payable. Reference should be made to the Official Statement of the County relating to the Bonds for factual information which, in the judgment of the County, would materially affect the ability of the County to pay such principal and interest. Further, although we have participated in the preparation of the Official Statement relating to the Bonds, we have not verified the accuracy, completeness or fairness of the factual information contained therein, and accordingly we express no opinion as to whether the County, in connection with the sale of the Bonds, has made any untrue statement of a material fact, or omitted to state a material fact necessary in order to make any statements made therein, in light of the circumstances under which they were made, not misleading.

We have examined the executed Bonds, and in our opinion the form of the Bonds and their execution is regular and proper.

Very truly yours,

HARRIS BEACH PLLC

December 20, 2024

The County Legislature of
the County of Suffolk, New York

Re: County of Suffolk, New York
\$350,000,000 Tax Anticipation Notes for 2025 Taxes

Ladies and Gentlemen:

We have examined a record of proceedings relating to the sale and issuance of \$350,000,000 Tax Anticipation Notes for 2024 Taxes (the “**Notes**”) of the County of Suffolk, New York (the “**County**”). Said Notes are dated December 20, 2024, bear interest at the rate of ____% per annum, to be computed on the basis of a 360-day year, payable at maturity, and mature on July 25, 2025. The Notes are not subject to redemption prior to maturity.

The Notes are issued pursuant to: (a) the provisions of the Local Finance Law, constituting Chapter 33-a of the Consolidated Laws of the State of New York; (b) a tax anticipation resolution of the County Legislature, duly adopted on November 26, 2024 and approved by the County Executive on December 2, 2024 (the “**Resolution**”); and (c) the Certificate of Determination of the County Comptroller executed and filed with the Clerk of the County Legislature on or before December 20, 2024 (the “**Certificate of Determination**”).

The Notes are payable as to both principal and interest at the office of the County Comptroller, Hauppauge, New York, and are in the form of a single, fully registered note, in the name of Cede & Co., as registered owner and nominee for The Depository Trust Company, an automated depository for securities and clearing house for securities transactions which will maintain a book-entry system for recording the ownership interests in the Notes. Purchases of ownership interests in the Notes will be made only in book-entry form in denominations of \$5,000 or any integral multiple thereof.

In our opinion, said Notes have been authorized and issued in accordance with the Constitution and statutes of the State of New York, the Resolution, and the Certificate of Determination, and constitute valid and legally binding general obligations of the County, all the taxable real property within which is subject to the levy of ad valorem taxes to pay said Notes and interest thereon, subject to certain applicable statutory limitations imposed by Chapter 97 of the New York Laws of 2011, as amended; provided that the enforceability (but not the validity) of said Notes may be limited by any applicable existing or future bankruptcy, insolvency or other law (State or Federal).

We are further of the opinion that, subject to the limitations set forth herein under existing statutes, regulations, administrative rulings, and court decisions, and assuming continuing compliance by the County with its covenants relating to certain requirements contained in the Internal Revenue Code of 1986, as amended (the “**Code**”), and the accuracy of

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certain representations made by the County, interest on the Notes is excluded from gross income of the owners thereof for Federal income tax purposes and is not an “item of tax preference” for purposes of the Federal alternative minimum tax imposed on individuals. However, interest on the Notes held by certain corporations that are subject to the Federal corporate alternative minimum tax is included in the computation of “adjusted financial statement income” for purposes of the Federal alternative minimum tax imposed on such corporations. Bond Counsel is also of the opinion that under existing statutes interest on the Notes is exempt from personal income taxes imposed by the State of New York or any political subdivision thereof (including The City of New York). No opinion is expressed regarding other Federal or State tax consequences arising with respect to the Notes.

Based upon our examination of law and review of the Arbitrage and Use of Proceeds Certificate, dated December 20, 2024 (the “**Arbitrage Certificate**”), executed by the County Comptroller pursuant to Section 148 of the Code and the regulations thereunder, the facts, estimates and circumstances as set forth in said Arbitrage Certificate are sufficient to satisfy the criteria which are necessary under Section 148 of the Code to support the conclusion that the Notes will not be “arbitrage notes” within the meaning of said section, and no matters have come to our attention which makes unreasonable or incorrect the representations made in said Arbitrage Certificate. We express no opinion regarding other Federal income tax consequences arising with respect to the Notes.

The Code contains several provisions which are required to be adhered to by the County subsequent to the issuance and delivery of the Notes in order for interest thereon to be and remain excludable from gross income for Federal income tax purposes. Included among these provisions are certain restrictions and prohibitions on the use of bond proceeds, restrictions on the investment of bond proceeds and other moneys or properties, periodic rebate of certain arbitrage profits, and information reporting to the Federal government. Failure to comply with the requirements of the Code may cause interest on the Notes to be includable in gross income for federal income tax purposes, retroactive to the date of issue of the Notes. In the Arbitrage Certificate, the County has covenanted to comply with certain procedures and it has made certain representations and certifications designed to assure compliance with the requirements of the Code.

In rendering the opinions expressed herein, we have assumed the accuracy and truthfulness of all public records, documents and proceedings examined by us which have been executed or certified by public officials acting within the scope of their official capacities, and have not verified the accuracy or truthfulness thereof, and we also have assumed the genuineness of the signatures appearing upon such public records, documents and proceedings and such certifications. The scope of our engagement in relation to the issuance of the Notes has extended solely to the examination of the facts and law incident to rendering the opinions expressed herein.

The opinions expressed herein are not intended and should not be construed to express or imply any conclusion that the amount of real property subject to taxation within the boundaries of the County, together with other legally available sources of revenue, if any, will be sufficient

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to enable the County to pay the principal of or interest on said Notes as the same respectively become due and payable. Reference should be made to the Official Statement of the County relating to the Notes for factual information which, in the judgment of the County, would materially affect the ability of the County to pay such principal and interest. Further, although we have participated in the preparation of the Official Statement relating to the Notes, we have not verified the accuracy, completeness or fairness of the factual information contained therein, and accordingly we express no opinion as to whether the County, in connection with the sale of the Notes, has made any untrue statement of a material fact, or omitted to state a material fact necessary in order to make any statements made therein, in light of the circumstances under which they were made, not misleading.

We have examined the executed Note No. 1, and in our opinion the form of said note and its execution is regular and proper. .

Very truly yours,

HARRIS BEACH PLLC