OFFICIAL STATEMENT

NEW ISSUE — **SERIAL BOND**

STANDARD & POOR'S: "AA/STABLE OUTLOOK" — **See "BOND RATING" herein**

In the opinion of Bond, Schoeneck & King, PLLC, Syracuse, New York, Bond Counsel, 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"), interest on the Bonds is not includable in the gross income of the owners thereof for Federal income tax purposes under existing statutes and court decisions. Moreover, interest on the Bonds is not an "item of tax preference" for purposes of the alternative minimum tax imposed on individuals by the Code. 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). See "TAX MATTERS" herein for a discussion of certain Federal taxes applicable to corporate owners of the Bonds.

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

$4,000,000

COUNTY OF RENSSELAER, NEW YORK

GENERAL OBLIGATIONS

CUSIP BASE #: 759897

$4,000,000 Public Improvement (Serial) Bonds, 2020

(referred to herein as the "Bonds")

Dated: September 30, 2020 — **Due: September 15, 2021-2040**

MATURITIES**

Year	Amount	Rate	Yield	CSP	Year	Amount	Rate	Yield	CSP	Year	Amount	Rate	Yield	CSP
2021	$ 170,000	%	%		2028	$ 190,000	%	%		2035	$ 215,000*	%	%	
2022	170,000				2029	195,000*				2036	220,000*			
2023	175,000				2030	195,000*				2037	220,000*			
2024	180,000				2031	200,000*				2038	225,000*			
2025	180,000				2032	205,000*				2039	230,000*			
2026	185,000				2033	210,000*				2040	235,000*			
2027	190,000				2034	210,000*								

* The Bonds maturing in the years 2029-2040 are subject to redemption prior to maturity as described herein under the heading "Optional Redemption."

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

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

The Bonds will be issued as registered bonds and may be registered, at the option of the purchaser, in the name of the purchaser or in the name of Cede & Co., as nominee of The Depository Trust Company, New York, New York ("DTC"), which, if so elected by the purchaser, will act as securities depository for the Bonds. If the Bonds are issued in book-entry form, individual purchases will be in the principal amount of $5,000 or integral multiples thereof. Purchasers will not receive certificates representing their ownership interest in the Bonds. Interest on the Bonds will be payable on September 15, 2021 and semi-annually thereafter on March 15 and September 15 in each year until maturity. Principal and interest will be paid by the County to DTC, which will in turn remit such principal and interest to its participants, for subsequent distribution to the beneficial owners of the Bonds. See "BOOK-ENTRY-ONLY SYSTEM" herein. If the Bonds are issued in registered certificated form, the Bonds will be issued in denominations of $5,000 or any integral multiple thereof and the County will act as paying agent. Paying agent fees, if any, in such case are to be paid by the purchaser. The Bonds may not be converted into coupon bonds or be registered to bearer.

Proposals for the Bonds shall be for not less than $4,000,000 and accrued interest, if any, on the total principal amount of the Bonds. A good faith deposit will not be required.

The Bonds are offered when, as and if issued and received by the purchaser and subject to the receipt of the approving legal opinion as to the validity of the Bonds of Bond, Schoeneck & King, PLLC, Bond Counsel, Syracuse, New York. It is anticipated that the Bonds will be available for delivery through the facilities of DTC located in Jersey City, New Jersey or as may be agreed upon on or about September 30, 2020.

ELECTRONIC BIDS for the Bonds must be submitted via Fiscal Advisors Auction website ("Fiscal Advisors Auction") accessible via www.fiscaladvisorsauction.com on September 16, 2020 until 11:00 A.M., Eastern Time, pursuant to the Notice of Sale. No other form of electronic bidding services will be accepted. No bid will be received after the time for receiving bids specified above. Bids may also be submitted by facsimile at (315) 930-2354. Once the bids are communicated electronically via Fiscal Advisors Auction or facsimile to the County, each bid will constitute an irrevocable offer to purchase the Bonds pursuant to the terms provided in the Notice of Sale.

September 3, 2020

THE COUNTY DEEMS THIS OFFICIAL STATEMENT TO BE FINAL FOR PURPOSES OF SECURITIES AND EXCHANGE COMMISSION RULE 15c2-12 ("THE RULE"), EXCEPT FOR CERTAIN INFORMATION THAT HAS BEEN OMITTED HEREFROM IN ACCORDANCE WITH SAID RULE AND THAT WILL BE SUPPLIED WHEN THIS OFFICIAL STATEMENT IS UPDATED FOLLOWING THE SALE OF THE OBLIGATIONS HEREIN DESCRIBED. THIS OFFICIAL STATEMENT WILL BE SO UPDATED UPON REQUEST OF THE SUCCESSFUL BIDDERS, AS MORE FULLY DESCRIBED IN THE NOTICE OF PRIVATE COMPETITIVE BOND SALE WITH RESPECT TO THE OBLIGATIONS HEREIN DESCRIBED. FOR A DESCRIPTION OF THE DISTRICT'S AGREEMENT TO PROVIDE CONTINUING DISCLOSURE FOR THE BONDS AS DESCRIBED IN THE RULE, SEE "APPENDIX C – CONTINUING DISCLOSURE UNDERTAKING" HEREIN.

COUNTY OF RENSSELAER, NEW YORK

GOVERNING BODY AND COUNTY OFFICIALS

COUNTY EXECUTIVE

STEVEN F. MCLAUGHLIN

COUNTY LEGISLATURE

MICHAEL STAMMEL
Chairman

ROBERT R. LOVERIDGE
Vice Chairman-Finance

PETER GRIMM
Minority Leader

KELLY HOFFMAN
Vice Chairman

KENNETH H. HERRINGTON
Majority Leader

ROBERT W. BAYLY
SCOTT BENDETT
BOBBY BURNS
DAN CASALE
CYNTHIA B. DORAN

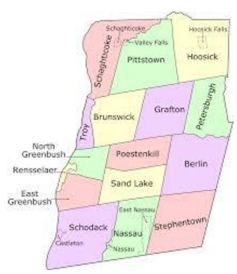
LEON B. FIACCO
MARK J. FLEMING
CAROLE C. WEAVER
BRUCE PATIRE
CHUCK PETER

TODD J. TESMAN
ERIN SULLIVAN-TETA
JEFFREY WYSOCKI
THOMAS GRANT

* * * * * * * * *

COUNTY OFFICIALS

MARK D. WOJCIK
Acting Chief Fiscal Officer



STACEY A. FARRAR
Budget Director

CARL J. KEMPF III, ESQ.
County Attorney

MUNICIPAL ADVISOR

Fiscal Advisors & Marketing, Inc.
250 South Clinton Street, Suite 502
Syracuse, New York 13202
(315) 752-0051

BOND COUNSEL

BOND SCHOENECK & KING

Bond, Shoeneck & King, PLLC
One Lincoln Center - 18th Floor
Syracuse, New York 13202-1355
(315) 218-8000

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

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PREPARED WITH THE ASSISTANCE OF

Fiscal Advisors & Marketing, Inc.
250 South Clinton Street, Suite 502
Syracuse, New York 13202
(315) 752-0051

http://www.fiscaladvisors.com

OFFICIAL STATEMENT

of the

COUNTY OF RENSSELAER, NEW YORK

Relating To

$4,000,000 Public Improvement (Serial) Bonds, 2020

This Official Statement, which includes the cover page and all appendices, has been prepared by the County of Rensselaer, New York (the "County" and "State", respectively) in connection with the sale by the County of $4,000,000, Public Improvement (Serial) Bonds, 2020 (the "Bonds").

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

All quotations from and summaries and explanations of provisions of the Constitution and laws of the State of New York, 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 proceedings of the County relating thereto are qualified in their entirety by reference to the definitive form of the Bonds and such proceedings.

NATURE OF OBLIGATION

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

Holders of any series of notes or bonds of the County may bring an action or commence a proceeding in accordance with the civil practice law and rules to enforce the rights of the holders of such series of notes or bonds.

The Bonds 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 as required by the Constitution and laws of the State. For the payment of such principal and interest, the County has power and statutory authorization to levy ad valorem taxes on all real property within the County subject to such taxation by the County, subject to applicable statutory limitations.

Although the State Legislature is restricted by Article VIII, Section 12 of the State Constitution from imposing limitations on the power to raise taxes to pay "interest on or principal of indebtedness theretofore contracted" prior to the effective date of any such legislation, the New York State Legislature may from time to time impose additional limitations or requirements on the ability to increase a real property tax levy or on the methodology, exclusions or other restrictions of various aspects of real property taxation (as well as on the ability to issue new indebtedness). On June 24, 2011, Chapter 97 of the Laws of 2011 was signed into law by the Governor (the "Tax Levy Limitation Law"). The Tax Levy Limitation Law applies to local governments and school districts in the State (with certain exceptions) and imposes additional procedural requirements on the ability of municipalities and school districts to levy certain year-to-year increases in real property taxes. 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 is required to raise real estate taxes, and without specification, other revenues, if such levy is necessary to repay such indebtedness. While the Tax Levy Limitation Law imposes a statutory limitation on the County's power to increase its annual tax levy with the amount of such increase limited by the formulas set forth in the Tax Levy Limitation Law, it also provides the procedural method to surmount that limitation.

The Constitutionally-mandated general obligation pledge of municipalities and school districts in New York State 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 this is what the courts have held they mean . . . 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 and 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 (1976) case has held that the payment of debt service on outstanding general obligation bonds and notes takes precedence over fiscal emergencies and the police power of political subdivisions in New York State.

The pledge has generally been understood as a promise to levy property taxes without limitation as to rate or amount to the extent necessary to cover debt service due to language in Article VIII Section 10 of the Constitution which provides an exclusion for debt service from Constitutional limitations on the amount of a real property tax levy, insuring the availability of the levy of property tax revenues to pay debt service. As the Flushing National Bank (1976) Court noted, the term "faith and credit" in its context is "not qualified in any way". Indeed, in Flushing National Bank v. Municipal Assistance Corp., 40 N.Y.2d 1088 (1977) the Court of Appeals described the pledge as a direct constitutional mandate. In Quirk v. Municipal Assistance Corp., 41 N.Y.2d 644 (1977), the Court of Appeals stated that, while holders of general obligation debt did not have a right to particular revenues such as sales tax, "with respect to traditional real estate tax levies, the bondholders are constitutionally protected against an attempt by the State to deprive the city of those revenues to meet its obligations." According to the Court in Quirk, the State Constitution "requires the city to raise real estate taxes, and without specification other revenues, if such a levy be necessary to repay indebtedness."

In addition, the Constitution of the State requires that every county, city, town, village, and school district in the State provide annually by appropriation for the payment of all interest and principal on its serial bonds and certain other obligations, and that, if at any time the respective appropriating authorities shall fail to make such appropriation, a sufficient sum shall be set apart from the first revenues thereafter received and shall be applied to such purposes. In the event that an appropriating authority were to make an appropriation for debt service and then decline to expend it for that purpose, this provision would not apply. However, the Constitution of the State does also provide that the fiscal officer of any county, city, town, village, or school district may be required to set apart and apply such first revenues at the suit of any holder of any such obligations.

In Quirk v. Municipal Assistance Corp., the Court of Appeals described this as a "first lien" on revenues, but one that does not give holders a right to any particular revenues. It should thus be noted that the pledge of the faith and credit of a political subdivision in New York State is a pledge of an issuer of a general obligation bond or note to use its general revenue powers, including, but not limited to, its property tax levy to pay debt service on such obligations, but that such pledge may not be interpreted by a court of competent jurisdiction to include a constitutional or statutory lien upon any particular revenues.

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

THE BONDS

Description of the Bonds

The Bonds will be dated their date of delivery, will mature in the principal amounts on each of the dates set forth on the inside cover page hereof. Interest will be calculated on a 30-day month and 360-day year basis, payable at maturity.

The Bonds maturing in the years 2029 through 2040, inclusive, are subject to redemption prior to maturity as described herein under the heading "THE BONDS – Optional Redemption".

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"), New York, New York. DTC will act as Securities Depository for the Bonds. Individual purchases will be made in book-entry form only, in the principal amount of $5,000, or integral multiples thereof. Purchasers will not receive certificates representing their interest in the Bonds. Interest on the Bonds will be payable on September 15, 2021 and semi-annually thereafter on March 15 and September 15 in each year until maturity. Upon issuance of the Bonds, a single fully-registered bond will be issued for each maturity. Principal and interest will be paid by the County to DTC, which will in turn remit such principal and interest to its Participants, for subsequent distribution to the Beneficial Owners of the Bonds, as described herein. The "Record Date" of the Bonds will be last business day of the month next preceding each such interest payment date. The Bonds may be transferred in the manner described on the Bonds and as referenced in certain proceedings of the County referred to therein.

Optional Redemption

The Bonds maturing on or before September 15, 2028 shall not be subject to redemption prior to maturity. The Bonds maturing on or after September 15, 2029 shall be subject to redemption prior to maturity as a whole or in part (and by lot if less than all of a maturity is to be redeemed) at the option of the County on September 15, 2028 or on any date thereafter at par (100.0%), plus accrued interest to the date of redemption.

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

Purpose of Issue

The Bonds are being issued pursuant to the Constitution and statutes of the State of New York, including among others, the County Law, the Local Finance Law and a bond resolution anticipated to be adopted by the County Legislature on September 8, 2020 authorizing $4,000,000 for the construction of a fire tower within the County. The Bonds will provide new money to permanently finance the aforementioned project.

BOOK-ENTRY-ONLY SYSTEM

The Depository Trust Company ("DTC"), New York, NY, will act as securities depository for the Bonds. The Bonds 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 issue, 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, Government Securities Clearing Corporation, MBS Clearing Corporation, and Emerging Markets Clearing Corporation and Fixed Income Clearing Corporation, all of which are registered clearing agencies. DTCC is owned by the users of its registered subsidiaries. Access to the DTC system is also available to others such as both U.S. and non-U.S. securities brokers and dealers, banks, trust companies, and clearing corporations that clear through or maintain a custodial relationship with a Direct Participant, either directly or indirectly ("Indirect Participants"). DTC has a Standard & Poor's rating of AA+. The DTC Rules applicable to its Participants are on file with the Securities and Exchange Commission. More information about DTC can be found at **www.dtcc.com**.

Purchases of Bonds under the DTC system must be made by or through Direct Participants, which will receive a credit for the Bonds on DTC's records. The ownership interest of each actual purchaser of each Bond ("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 are to be accomplished by entries made on the books of Direct and Indirect Participants acting on behalf of Beneficial Owners. Beneficial Owners will not receive certificates representing their ownership interests in Bonds, except in the event that use of the book-entry system for the Bonds is discontinued.

To facilitate subsequent transfers, all Bonds deposited by Direct Participants with DTC are registered in the name of DTC's partnership nominee, Cede & Co., or such other name as may be requested by an authorized representative of DTC. The deposit of Bonds 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; DTC's records reflect only the identity of the Direct Participants to whose accounts such Bonds 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 Bonds 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 Bonds 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 Bonds are credited on the record date (identified in a listing attached to the Omnibus Proxy).

Principal and interest payments on the Bonds 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 dates in accordance with their respective holdings shown on DTC's records. Payments by Participants to Beneficial Owners will be governed by standing instructions and customary practices, as is the case with securities held for the accounts of customers in bearer form or registered in "street name," and will be the responsibility of such Participant and not of DTC or the County, subject to any statutory or regulatory requirements as may be in effect from time to time. Payment of principal and interest to 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 at any time by giving reasonable notice to the County. Under such circumstances, in the event that a successor depository is not obtained, bond 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 certificates will be printed and delivered to DTC.

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

Source: The Depository Trust Company.

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

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

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

Certificated Bonds

DTC may discontinue providing its services with respect to the Bonds at any time by giving notice to the County and discharging its responsibilities with respect thereto under applicable law, or the County may terminate its participation in the system of book-entry-only transfers through DTC at any time. In the event that such book-entry-only system is discontinued, the following provisions will apply: the Bonds will be issued in fully registered form in denominations of $5,000 each or any integral multiple thereof for any single maturity. Principal of the Bonds when due will be payable upon presentation at the office of a bank or trust company located and authorized to do business in the State as a fiscal agent bank to be named by the County upon termination of the book-entry-only system. Interest on the Bonds will be payable on September 15, 2021 and semi-annually thereafter on March 15 and September 15 in each year until maturity. Such interest will be payable by check drawn on the fiscal agent and mailed to the registered owner on each interest payment date at the address as shown on the registration books of the fiscal agent as of the last business day of the calendar month preceding each such interest payment date. Bonds may be transferred or exchanged at no cost to the registered owner at any time prior to maturity at the office of the fiscal agent for Bonds of the same or any other authorized denomination or denominations in the same aggregate principal amount upon the terms set forth in the Bond Determinations Certificate of the Chief Fiscal Officer authorizing the sale of the Bonds and fixing the details thereof and in accordance with the Local Finance Law. The fiscal agent shall not be obligated to make any such transfer or exchange of Bonds between the last business day of the calendar month preceding an interest payment date and such interest payment date.

THE COUNTY

General Information

The County is situated in northeastern New York State across the Hudson River from the City of Albany, the State Capital. The County, with a land area of 665 square miles, is bounded on the west by the Hudson River, on the east by the States of Vermont and Massachusetts, and on the north and south by Washington and Columbia Counties, respectively.

The County is an integral part of the Tri-City Area (Albany, Troy and Schenectady) and of the Albany - Troy - Schenectady Metropolitan Statistical Area (M.S.A.), which consists of the capital district counties of Albany, Greene, Montgomery, Rensselaer, Saratoga, and Schenectady. Two cities, Rensselaer and Troy, fourteen towns and six villages constitute the twenty-two separate municipalities within the County. The County seat is situated in the City of Troy.

Source: County officials.

Recent Economic Developments

From 2016 thru present, the Rensselaer County Industrial Development Agency ("IDA") induced and or closed over $588.4 million in projects while creating and retaining over 2,807 jobs. Our overall strategy employed in targeting the industries that complemented our assets has the County optimistic for the future. Recently, many new development projects were completed and/or announced as new or pending industrial/commercial facilities. New projects completed, under construction or announced include the following:

Regeneron is increasing its workforce from 600 to 2,670 employees at its various manufacturing facilities with an average annual salary of $80,000 per year. The company scaled up a manufacturing process for a therapeutic drug line with an initial investment of $85 million. The company has already expanded into the old MapInfo headquarters located in the Rensselaer Technology Park in North Greenbush and two buildings in the East Greenbush Technology Park. Regeneron is also expanding with an additional $135.3 million in expansions in the Mill Creek Commerce Park with a 464,400 square-foot campus that will include a warehouse, offices and laboratories. The first building in the campus, the warehouse has been completed. A second 346,110 square-foot manufacturing building is in construction and is scheduled for completion in 2021 and will add approximately 300 jobs. A third building, the 238,481 square foot Science building with attached parking garage, will house approximately 1,050 workers. Regeneron is presently working on a cure for COVID, which will be manufactured in the East Greenbush plant once approved.

A new 101-room hotel was completed in the Mill Creek Commerce Park on Route 4 at I-90 Exit 9. On the Third Avenue Extension side of the Mill Creek Commerce Park, two strip commercial buildings are proposed that will flank the roadway to the Regeneron Campus. On the opposite side of I-90 on Route 4 (also in East Greenbush), Federal Express demolished the former Albany International building located on Route 4 and in 2013 completed a 250,000 square-foot facility for a business to business and business to residential small package transportation center. A 50,000 square-foot expansion of this facility was recently completed and employs an additional 65 full and part time jobs.

Also near Exit 9 of I-90, the East Greenbush Technology Park, introduced in 2003, is now home to 285,000 square feet of office and manufacturing space. The park's first tenant, X-Ray Optical Systems, moved its manufacturing and research facilities to a new 80,000 square-foot facility in 2003. In addition, at the park's entrance, a 72-room Marriot hotel was completed in 2005. The 62,856 square-foot facility for Phoenix Life Insurance was finished in 2006. A 52,000 square-foot, multi-tenant spec building was completed in 2007. A 32,500 square-foot addition was built on one of the existing building to accommodate Regeneron's offices. A new 2-story office/light assembly building will be built to house Autotask, its other growing tenant. The area currently occupied by Autotask will be reconfigured for Regeneron as additional office, lab and research space. The East Greenbush Technology Park is presently expanding to accommodate an additional 8 buildings and 440,000 square feet of office/ research/light industrial buildings to allow a total of 800,000 square feet in 16 buildings.

The University at Albany Research Center Foundation operates a 360,000 square-foot laboratory and office complex. The State appropriated $5 million for this project in 1996, to provide acquisition and renovation financing. This facility currently employs 1,250. University at Albany completed a $55 million cancer research facility in the complex. Within the same complex, Albany Molecular Research built a $12 million expansion with over 100 high paying new jobs added. Also nearby, CSC, a service provider for New York State, expanded into the previously-vacant Ames Shopping Plaza. Integrated Liner Technologies has moved into the former Fuji developing plant and is planning an expansion at the site. Additionally, a new development on Columbia Turnpike is proposed that will contain a three-story mixed-use commercial building and 300 apartment units. The old K-Mart building on Columbia Turnpike has not been reused as a training center for NYS Office of Family Services.

A section of Route 4 at the border of North and East Greenbush has experienced extensive retail and office growth. Greenbush Commons is a retail project anchored by a 132,000 square-foot Home Depot, Panera, PetSmart, a 125,000 square-foot Target retail store, a 79-bed Holiday Inn Express and a Super Wal-Mart store in the redeveloped Rensselaer County Plaza. Additional retail/office space was added in 2010 and is 100% rented. Additional mixed use development, including 200 apartments. Retail and office space north of the site has received approval and is home to a CVS pharmacy and Berkshire Bank branch office. 150 additional luxury apartments have been built further north of the site. Nearby, the old Phoenix Life Insurance building has become the consolidated headquarters for the New York State Independent System Operator (NYISO). NYISO has recently expanded its facilities by an additional 64,600 square feet and is in the midst of additional expansion.

Two new shopping plazas have been approved at the corner of Routes 4 and 43, with a 220-unit, high-end apartment complex across the street. On the north side, a 240,000 square foot shopping center is almost completely filled with a ShopRite, HomeGoods, TJ Maxx, Chili's, Five Below, Michael's, and other various shops. A Community Resource Federal Credit Union has also built a branch diagonal from the shopping center on the corner of Routes 4 and 43. On the south side of the intersection, Tech Valley Plaza has been approved for an additional 193,068 square feet of retail. A 144-unit senior apartment project was completed directly east of the Tech Valley Plaza. Nearby, a 200-unit apartment complex adjacent to I-90 Exit 8 has been completed in 2018.

In winter of 2009, General Electric had the grand opening of its new $135 million, 200,000 square foot, digital x-ray equipment manufacturing plant in the Rensselaer Tech Park, located in North Greenbush.

Nearby, in the City of Rensselaer, the Apartments at Tech Park, a 396-unit high-end apartment complex, along with approximately 100 condominiums and townhouses were built on lands that were annexed to the city. Also nearby, in the City of Rensselaer, the Apartments at Tech Park, a 396-unit high-end apartment complex, along with approximately 100 condominiums and townhouses were built on lands that were annexed to the city. Close to Exit 7 of I-90, the Franciscan Heights Senior Housing and Alzheimer's facility provides 85 units of senior housing and Alzheimer's care beds.

The Rensselaer Amtrak train station, which is Amtrak's sixth busiest terminal, was replaced by a new $52 million facility completed in 2002. High-speed rail funding was received to enable this station to recently expand its platforms and tracks to accommodate additional trains, as well as the future high-speed trains to New York City. Nearby, 30,000 square foot office building in the Capital View Office Park complex houses the New York State Office of Children and Family Services.

Also in the City of Rensselaer, a riverfront mixed use development on the site of the old Rensselaer Junior/Senior High School property has received approval for its Planned Development District. The development is proposed to consist of 515 residential units, 65,000 square feet of retail space, 250,000 square feet of office space, and 300-room hotel located directly across the Hudson River from the State Capitol. This project is also proposed to have a marina, promenade and park. The first building, a $21.2 million 132,000 square foot apartment building with 95 market rate apartments was completed in 2019. The waterfront promenade is completed and is the first part of a waterfront trail in the city of Rensselaer that will run from the Dunn Memorial Bridge to the City's boat launch 1.3 miles to the north. The Dunn Memorial Bridge will be the crossing point of the Empire State Trail over the Hudson River. The trail, which will connect Rensselaer County south to New York City, west to Buffalo and north to Canada, is expected to be complete in late 2020.

At Exit 10 of I-90, Atlantic Power, Questar, the Regional Board of Cooperative Educational Services and Dagen Trucking anchor the Capital Corporate Campus where building lots are still available for development. The campus is situated on over 75 acres and plans are to fill over one million square feet of office space and retail space upon completion. Across Miller Road, the retail portion of the park is home to a 79-room Comfort Inn hotel and Orleans House, a 20,949 square foot medical arts building has been completed. A second building is presently in the planning stages. At Exit 11 of I-90, in the County of Schodack, a 1,015,740 square-foot distribution warehouse for Amazon is in construction that will employ approximately 800 people. The warehouse is expected to be completed in November 2020. Nearby in the Village of Castleton-on-Hudson, PCC Castleton Corp./Hudson River Foods (HRF) purchased the vacated Hamilton Printing building and is producing organic food, employing 100 workers. The HRF management team purchased Dancing Deer Bakery of Massachusetts and Hodgson Mill of Illinois and is now operating these businesses from their Castleton site.

In 2002, a baseball stadium was completed on the Hudson Valley Community College ("HVCC") campus that houses the Valley Cats, a Class "A" baseball team affiliated with the Houston Astros. A new outdoor athletic complex was completed in 2016 and includes turf and natural grass fields, an eight-lane track, concession stand, grandstand seating and other facilities. In the past several years, the HVCC campus has expanded with new campus space as well as a parking garage to address parking needs created by the growth of the student population. Across Vandenburgh Avenue from the HVCC campus, the Hudson Valley Shopping Center includes a 120,000 square-foot supermarket. Additional retail space has been built near the Hudson Valley Plaza, including two small strip shopping centers with additional commercial space in the planning stages. Campus housing for HVCC was also built to the north of the campus in 2017. One 204-unit condominium complex directly south of the shopping plazas is in construction presently. A second 85-unit condominium complex nearby is in the planning stages. Additional retail development is occurring on Route 4 between HVCC and I-90 Exit 8 to cater to the business and residential growth occurring in the area.

Rensselaer Polytechnic Institute ("RPI") has completed a 218,000 square-foot Biotechnology & Interdisciplinary Studies Research Center on its campus in Troy. The biotech facility was part of a $255 million dollar campus expansion, which also included a 160,000 square-foot Experimental Media Performing Arts Center, physical plant upgrades and a parking garage. New playing fields, including a new football arena, were completed in 2009. Two buildings were also purchased to create additional dormitories for RPI. Additionally, private student apartments with first floor retail were completed in the summer of 2011. An additional apartment building for graduate students was built between the RPI and Russell Sage Campus.

Renovation has been completed on several buildings in downtown Troy. Renovation on the 4-story Quackenbush Building is complete and contains the Center for Gravity, a maker space, along with offices and commercial space. The old Troy Record Building is now 30 apartments with retail/commercial space on the ground floor. An additional 90 apartments were also built as an addition to the main building. The old Pioneer Bank offices are also 6 luxury apartments above ground floor retail. The 33,000 square-foot Chasan Building was recently renovated and is now office space for RPI. Columbia Development Cos. renovated the historic Proctor's Theater building, creating 24,000 square feet of space occupied in part by the Rensselaer County Regional Chamber of Commerce while mothballing the theater area for future rehabilitation. The total cost of renovation for both buildings is estimated at $14.4 million. The renovated historic Gurley Building is the home of Rensselaer Polytechnic Institute Lighting Center. The Conservatory, a vacant 6-story building was converted into apartment on the upper floors with two floors of retail space. A $12 million seawall stabilization project for the downtown waterfront will allow safer dockage for larger ships, including several river cruise ships which stop regularly in Troy.

The old Mooradian's Building has been redeveloped into 67 mixed-income apartments. The Powers Park Lofts is another conversion of an old mill building into apartments. Other new or proposed reuse of buildings into apartments are the old St. Augustine's school, 255 River Street (8 micro office suites, 2 retail/office areas & 19 Class A apartments), the Hendrick Hudson Hotel, the NIMO Office building and many of the old shirt manufacturing mills. The City of Troy now has a Community Land Bank which will be working with the City to revitalize abandoned buildings and areas within the city. The City of Troy has received a grant to help families purchase and rehabilitate abandoned houses to use as residences. The Ross Technology Park is a reuse of the old Gardenway (TroyBilt) manufacturing facilities. Additional renovations of historic buildings are underway or completed in other portions of Troy. The Troy Senior Center was purchased by Third Street Ventures, LLC to create the AI Center of Excellence.

A Hilton Garden was completed in 2009 on Route 7 in Troy, which provides over 100 rooms as well as conference facilities. Also, across the street on Route 7, the former Rite Aid drugstore was demolished to make way for a 60,000 square-foot medical office complex completed in 2012. The old riverfront Troy City Hall was demolished to make way for mixed used development which is in the planning stage. Several retail facilities have been overhauled in the city of Troy, including the new Congress Street Plaza and the old Hoosick Plaza which is now full as are the Hudson Gateway Plaza, and the Northern Drive Plaza, which was formerly a Grand Union supermarket.

A second hotel in Troy, Courtyard by Marriott, located on the Hudson River next to the Collar City Bridge was completed in 2018. This hotel includes a 5-story parking garage as well as the 132-room, 8-story hotel. A new $18 million 5-story apartment building is being built in downtown Troy on the site of a KeyBank building which will contain 80 units plus commercial ground floor space. Capital Roots Urban Grow Facility plans to commence a $4 million expansion of their new headquarters to include educational space, a community kitchen, a food hub, market and training greenhouses in North Central Troy.

In the South Troy Industrial Park, the vacant laundry facility has recently been purchased by Capital City Produce, which will employ 40+ employees which will do wholesale distribution and processing of produce. The New Penn trucking facility was purchased by R.L.R Investments, LLC along with12 additional acres. The South Troy Industrial Park will have only one lot still available after this purchase.

In the Town of Berlin, the former Seagroatt Floral greenhouse complex was purchased by Clearwater Aquaponics/Sustainable Aqua Farms and is now being used for hydroponic vegetables with a planned expansion for fish farming. Next door, Hoosick River Hardwoods, a WJ Cowee Inc. spin-off, was purchased by Green Renewable, Inc. which produces kiln-dried firewood, garden mulch, soil amendments and animal bedding/wood shavings.

The County has a number of industrial parks presently under development or proposed for development as follows:

- *South Troy Industrial Park* – Available for development with a size of approximately 4 acres. One lot remains. A 20,000 square-foot facility will be used for produce wholesale distribution and processing and employ 40 people. A 35,000 square foot commercial trucking facility that has been built on another lot with expectations of expansion. A roadway that will connect the park to downtown Troy is about to be built.

- *Berkshire Business Park* – Totals approximately 35 acres with 14 available sites. Over 275,000 square feet of office and commercial space is currently proposed for the business park. A 30,000 square-foot facility is now being planned in the park to house Classbook.com, a growing internet company now based in the County. FluoroTechniques also maintains a 9,800-square-foot facility in this park.

- *Mill Creek Park* – totals approximately 300 acres along the I-90 corridor at exit 9. Approximately 150 acres has been sold to a private developer with a 100-room Hampton Inns and Suites hotel which has been built on one-quarter of the acreage; the remaining two-thirds will be offered for sale to private developers. Additionally, Regeneron is locating some of its new facilities in the Park, bringing infrastructure throughout the entire park.

- *Hudson Valley Corporate Park* – A 100-acre business park in the County of North Greenbush will be combined into a high density residential and office park. Already completed are 108 apartments, a not-for-profit day care center and a not-for-profit hospice. Plans for the park include the construction of buildings aggregating 300,000 square feet.

The County is aggressively pursuing economic expansion and diversification through activities like those described above. Active promotion of available land in the Rensselaer County Port on the Hudson River and along the Interstate 90 corridor is expected to continue through cooperative efforts of the County, the private sector and local municipalities.

Source: County officials.

County Services

The County provides a full range of services typical to county governments in New York State. Within the human services area, the County operates a social services department, a nursing home with both skilled nursing and health related components, and departmental programs which include aging, youth, health, mental health and job training. The County also maintains a highway department and road network of 338 miles, a sewer district, sheriff's road patrols, and a jail facility. In addition, the necessary support services including the County Executive, County Legislature, budget, finance and data processing are included in the 2020 operating budget.

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Population Trends

The following table presents population trends of the County, the Albany Metropolitan Statistical Area (the "M.S.A.," which consists of the six Counties of Albany, Greene, Montgomery, Rensselaer, Saratoga and Schenectady), the State, and the United States since 1970.

Population (1)

	Rensselaer County	Albany M.S.A.	New York State	United States
1970	152,510	777,977	18,241,400	203,235,000
1975	152,238	798,000	18,075,000	213,051,000
1980	151,966	795,019	17,558,000	226,504,825
1985	152,099	800,454	17,774,520	238,291,000
1990	154,429	874,304 (1)	17,990,455	248,709,873
1995	155,358	895,788	18,190,562	263,039,000
2000	152,538	892,196	18,976,457	281,421,906
2010	159,429	871,112	19,378,102	308,745,538
2019 (estimated)	158,714	880,381	19,453,561	328,239,523

(1) The Albany M.S.A. was expanded in 1990 to include Greene County (for a total of six counties). The 1990 population for the original M.S.A. was 829,565.

Source: U.S. Department of Commerce, Bureau of the Census.

Selected Wealth and Income Indicators

Per capita income statistics are available for the County and State. Listed below are select figures from the 2014-2018 American Community Survey data.

	2014-2018 Median Family Income	2014-2018 Per Capita Income
Rensselaer County	$ 83,505	$ 34,280
New York State	80,419	37,470

Note: 2015-2019 American Community Survey estimates are not available as of the date of this Official Statement.

Source: U.S. Census Bureau, and American Community Survey (ACS), 5-Year Estimates.

Ten Largest Employers

Name	Nature of Business	Estimated Number of Employees
St. Peter's Health	Service – Health	3,558
Regeneron Pharmaceuticals	Manufacturing/Research	2,670
Rensselaer Polytechnic Institute	Service – Education	1,717
Rensselaer County	Government	1,620
Hudson Valley Community College	Government – Education	1,251
Dake Bros./Stewarts Ice Cream Co.	Retail (multiple locations)	1,141
Community Care Physicians	Service – Health	1,037
East Greenbush Central School District	Government - Education	700
Hannaford Brothers	Retail, Distribution	630
Troy City School District	Government – Education	600

Source: Rensselaer County Planning.

Unemployment Rate Statistics

Unemployment statistics are for the County and State are shown below.

	Annual Average						
	2013	2014	2015	2016	2017	2018	2019
Rensselaer County	6.7%	5.4%	4.6%	4.3%	4.4%	3.9%	3.8%
New York State	7.7	6.3	5.3	4.9	4.7	4.1	4.0

	2020 Monthly Figures								
	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep
Rensselaer County	4.2%	4.1%	4.1%	12.3%	9.2%	9.9%	11.1%	N/A	N/A
New York State	4.1%	3.9%	4.2%	15.1%	14.2%	15.5%	16.0%	N/A	N/A

Note: Unemployment rates for August and September 2020 are unavailable as of the date of this Official Statement. Unemployment rates for the foreseeable future are expected to increase substantially over prior periods as a result of the COVID-19 pandemic. (See "MARKET AND RISK FACTORS – COVID-19" herein).

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

Form of County Government

The County is governed largely by acts of the County Executive and the County Legislature under the provisions of the County Charter, and functions under provisions of the State Constitution and various statutes.

In 1972, a new County Charter was approved by the voters that provided for the present County Executive form of government. The legislative body of government is the County Legislature composed of nineteen County legislators representing five legislative districts. The number of legislators varies per district depending on the population of the district. All legislators are elected at large within the district they represent for four-year terms.

The County Executive is the chief executive officer of the County and is elected at large within the County for a four-year term. The District Attorney is also elected for a four-year term. The terms of the County Executive and the County legislators run concurrently and expire on December 31, 2021.

DISCUSSION OF FINANCIAL OPERATIONS

Financial Conditions

Results of general fund operations for the past five fiscal years and budgeted for 2020 are as follows:

Fiscal Year	Revenue	Expense	Operating Surplus
2015	$ 231,378,450	$ 227,727,193	$ 3,651,257
2016	237,454,100	234,318,972	3,135,128
2017	240,723,466	230,306,920	10,416,546
2018	248,861,330	237,539,175	11,322,155
2019	255,724,909	242,766,650	12,958,259
2020 (Budgeted)	250,127,706	250,127,706	-

The County General Fund has generated surpluses during its eight most recent audited recent fiscal years.

The County is continuing its efforts to reduce personnel costs, employee benefits and other operating expenditures. The County undertaking an analysis of its technology needs and will be consolidating and improving its operations. The County continues to aggressively limit expenditures for personnel and fringe benefits. The County's cash position is in the most favorable position it has been in for many years. The County expects to continue to generate modest surpluses in the next few fiscal years.

Source: County officials.

Budgetary Procedures

On or before the 20th day of October of each calendar year, the Budget Director, on behalf of the County Executive, submits to the County Legislature a tentative budget for the fiscal year commencing the following January 1st. The tentative budget includes expenditures and sources of financing. Public hearings are conducted to obtain taxpayers' comments. The County Legislature acts on the tentative budget no later than December 5th for the fiscal year commencing the following January 1st. The Budget Director is authorized to approve all budget transfer requests within departmental budgets except for personnel service transfers and interdepartmental and inter-fund transfers, which must be approved by the County Legislature.

The 2019 and 2020 adopted budgets are set forth in the Appendices to this Continuing Disclosure Statement.

Recent Budget Votes

The County's budget for the fiscal year ending December 31, 2019 included no increase in the property tax levy, which was below the County's tax levy limit of 2.79%.

The County's budget for the fiscal year ending December 31, 2020 included a 1.63% increase in the property tax levy, which was below the County's tax levy limit of 4.33%.

The County has stayed within the tax cap each year since its inception. The County Legislature has never voted to override the tax cap.

Financial Control Procedures

The Budget Director has placed strict controls over expenditure items within the Budget. All requests to refill vacant personnel positions must be justified in writing. All purchases must receive prior approval of the Budget Office, and any purchase in excess of $1,500 can be made only after the solicitation of multiple price quotations. All travel and equipment purchases also must receive prior approval from the Bureau of Budget and Research. In addition, all contracts exceeding $5,000 must be approved by the County Legislature.

Revenues

The County derives its revenues from a direct tax levy on real property, state aid, federal aid, sales and use taxes, various fees and charges and certain other miscellaneous sources. County revenues for fiscal years 2015 through 2019 and budgeted revenues for fiscal year 2020 are summarized in "APPENDIX – A", attached hereto. The prior year's appropriated surplus is also available to support current operating expenditures.

Real Estate Property Tax. Tax rates are calculated using assessments prepared by individual town and city assessors as adjusted by the New York State Board of Equalization and Assessment for the purpose of comparability. The total taxable assessed value of real property included in the tax levy of 2019 is $7,429,429,667. The effective tax rate on this value is approximately $8.67 per thousand.

Collection Procedure. Tax payments are levied December 31 of each year and attached as an enforceable lien on January 1. Collections within the City of Troy are the responsibility of the city tax collector for the City of Troy. Collections within the Countys and the City of Rensselaer are the responsibility of the local receivers and collected through the return date of March 31. After this date, collections are remitted to the County and the remaining uncollected taxes are turned over for collection by the County.

Beginning in 1993 and ending with the 2012 tax year, the County sold tax sale certificates ("TSCs") pursuant to Section 1048 of the State Real Property Tax Law (RPTL) and County Local Law No. 3-93. The TSCs were sold to a trust that in turn issues certificates of participation in the trust. Under the terms of the sales, the County transferred all taxes and interest collected by the County for these TSCs to the trustee. The trustee uses these collections to redeem the certificates of participation, if necessary, and to make semi-annual interest payments to the holders of the certificates of participation. The funding for this redemption wass provided from the amounts held by the trust and a budget appropriation by the County. These certificates of participation did not constitute debt of the County.

The table on the following page shows the Tax Sale Certificates sold for 1991-2012 and the redemption amounts for each year.

Tax Year	Date of Sale	Amount Sold	Redemption Date	Redemption Amount Refund/Budget Appropriations
1991-1993	12/29/1993	$ 5,301,315	3/15/1996	$ (441,475)
1994	12/15/1994	2,749,761	3/15/1997	77,028
1995	1/11/1996	2,624,711	3/15/1998	(521,829)
1996	1/23/1997	2,662,339	3/15/1999	(437,961)
1997	12/30/1998	1,703,076	3/15/2000	(956,660)
1998	12/16/1999	1,724,881	3/15/2001	(23,332)
1999	12/27/2000	1,737,600	3/15/2002	(670,050)
2000-2001	12/14/2001	4,936,388	3/15/2004	(327,426)
2002	12/23/2002	3,383,190	3/15/2005	23,741
2003	12/5/2003	3,106,604	3/15/2006	52,500
2004	12/16/2004	3,377,579	3/15/2007	90,764
2005	12/15/2005	3,522,887	3/15/2008	60,091
2006	12/15/2006	3,215,732	3/15/2009	(262,696)
2007	12/20/2007	3,156,659	3/15/2010	(1,079,964)
2008	2/12/2009	3,432,348	3/15/2011	(666,941)
2009	2/12/2010	4,153,249	3/15/2012	(223,731)
2010	2/12/2011	4,105,782	3/15/2013	(758,101)
2011	2/15/2012	2,975,228	3/15/2014	(259,725)
2012	2/15/2013	3,500,000	3/15/2015	N/A

Note: Tax Sale Certificates have not been sold since 2012 and the County does not plan a sale in 2020.

Source: County officials.

Expenditures

The 2020 County Budget had a total General Fund appropriation of $250,127,706. The allocation of this appropriation is show in "APPENDIX – A", attached hereto.

Special Revenue Funds

Special revenue funds are used to account for the proceeds of specific revenue sources that are legally restricted for specified purposes. The County maintains the following special revenue funds: (1) Special Grant Fund; (2) Community Development Fund, (3) Highway Fund, (4) Sewer Fund; and (5) RTASC (Rensselaer Tobacco Asset Securitization Corporation) Fund. See "APPENDIX – A3", attached hereto, for results of operations of the County's Special Revenue Funds on a GAAP basis for 2015 through 2019.

General Fund

The County prepares and adopts a budget for each year pursuant to its Charter. The accounting policies of the County conform to Generally Accepted Accounting Principles (GAAP) as applicable to governmental units. The accounts of the County are organized on the basis of funds or account groups each of which is considered a separate accounting entity. The general fund is the general operating fund of the County. It is used to account for all financial resources except those required to be accounted for in another fund. See "APPENDIX – A", attached hereto, for results of operations of the County's General Fund on a GAAP basis for 2015 through 2019, and as budgeted for 2020 operations. Revenues and expenditures shown are before elimination of inter-fund transfers.

County Employees

The County employs approximately 1,339 full-time employees and 281 part-time employees. The bargaining units, approximate number of members and contract expiration dates are as follows:

Bargaining Unit	Number of Members	Contract Expiration Date
United Public Service Employees Union (UPSEU)	1,122	December 31, 2022
Police Benevolent Association (PBA)	34	December 31, 2022
Council 82	150	December 31, 2023
CSEA	38	December 31, 2022

Source: County officials.

Investment Policy

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

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

State Aid

The County receives substantial financial assistance from the State. If the State should not adopt its budget in a timely manner, municipalities and school districts in the State, including the County, may be affected by a delay in the payment of State Aid.

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

Due the outbreak of COVID-19 the State has declared a state of emergency and the Governor has taken steps designed to mitigate the spread and impacts of COVID-19, including closing schools and non-essential businesses. The outbreak of COVID-19 and the dramatic steps taken by the State to address it are expected to negatively impact the State's economy and financial condition. The full impact of COVID-19 upon the State is not expected to be known for some time; however, it is anticipated that the State will experience budgetary restrictions which will require certain gap-closing actions. Such actions may include, but are not limited to: reductions in State agency operations and/or delays or reductions in payments to local governments or other recipients of State aid including municipalities and school districts in the State. If this were to occur, reductions in the payment of State aid could adversely affect the financial condition of municipalities and school districts in the State, including the County. The State Budget Office has announced that they will be withholding 20% of reimbursements to counties for several of the major programs. These withholdings will become permanent reductions if the Federal government does not appropriate new stimulus aid to the State. (See "MARKET AND RISK FACTORS – COVID-19" herein).

Federal and State Aid Payments

The following table sets forth the percentage of General Fund revenues of the County comprised of Federal Aid and State Aid for the past five fiscal years and the budgeted amounts for the 2020 fiscal year.

Fiscal Year Ending December 31st	General Fund Revenues	Federal Aid	State Aid	Federal & State Aid as a % of General Fund Revenues
2015	$ 231,378,450	$ 22,768,514	$ 38,914,649	26.66%
2016	237,454,100	22,406,812	39,421,878	26.04%
2017	240,723,466	21,001,954	40,761,229	25.66%
2018	248,861,330	21,147,381	39,033,275	24.18%
2019	255,724,909	20,539,652	39,504,965	23.48%
2020 (Budgeted)	250,127,706	20,073,576	37,452,865	23.00%

Source: County officials.

Status and Financing of Employee Pension Benefits

Substantially all employees of the County are members of the New York State and Local Employees' Retirement System ("ERS"). The Retirement System is a cost-sharing multiple public employer retirement system. The obligation of employers and employees to contribute and the benefit to employees are governed by the New York State Retirement System and Social Security Law (the "Retirement System Law"). The Retirement System offers a wide range of plans and benefits which are related to years of service and final average salary, vesting of retirement benefits, death and disability benefits and optional methods of benefit payments. All benefits generally vest after five years of credited service. The Retirement System Law generally provides that all participating employers are jointly and severally liable for any unfunded amounts. Such amounts are collected through annual billings to all participating employers. Generally, all employees, except certain part-time employees, participate in the Retirement System. The Retirement System is non-contributory with respect to members hired prior to July 27, 1976. Other than members of Tier V and Tier VI described below, members hired on or after July 27, 1976, with less than 10 years of service must contribute 3% of gross annual salary toward the cost of retirement programs.

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

On March 16, 2012, the Governor signed into law the new Tier VI pension program, effective for new ERS employees hired after April 1, 2012. The Tier VI legislation provides for increased employee contribution rates of between 3% and 6%, an increase in the retirement age from 62 years to 63 years, a readjustment of the pension multiplier, and a change in the time period for final average salary calculation from 3 years to 5 years. Tier VI employees will vest in the system after ten years of employment and will continue to make employee contributions throughout employment.

The following table shows actual payments made by the County to ERS for fiscal years 2015 through and including 2019, as well as the budgeted amount for the 2020 fiscal year:

County Payments		
Fiscal Year Ending December 31st	Amounts	Hudson Valley CC Share
2015	$ 15,498,053	$ 2,944,094
2016	13,550,544	2,383,771
2017	13,503,414	2,495,397
2018	13,611,807	2,443,995
2019	13,262,458	2,383,263
2020 (Budgeted)	13,708,918	2,463,492

Source: County officials.

Pursuant to various laws enacted between 1991 and 2002, the State Legislature authorized local governments to make available certain early retirement incentive programs to its employees. In 2014, the County offered an incentive to employees meeting the New York State pension requirements who elected to retire prior to the year end. The cost of the incentive was $320,000. First year savings in the fiscal year ending 2015 were approximately $500,000. In 2016 and forward, ongoing savings were generated as a result the elimination of some positions and the lessening of salary and fringe costs for those positions that were refilled. The County does not have any early retirement incentives outstanding.

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

A chart of average ERS and PFRS rates (2017 to 2021) is shown below:

Year	ERS	PFRS
2017	15.5%	24.3%
2018	15.3	24.4
2019	14.9	23.5
2020	14.6	23.5
2021	14.6	24.4

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

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

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

The County has not amortized any retirement payments under the State Comptroller's optional pension contribution stabilization program since this option was made available in 2011.

The investment of monies and assumptions underlying same, of the Retirement Systems covering the County's employees is not subject to the direction of the County. Thus, it is not possible to predict, control or prepare for future unfunded accrued actuarial liabilities of the Retirement Systems ("UAALs"). UAALs are the difference between total actuarially accrued liabilities and actuarially calculated assets available for the payment of such benefits. UAALS are based on assumptions as to retirement age, mortality, projected salary increases attributed to inflation, across-the-board and merit raises, increases in retirement benefits, cost-of-living adjustments, valuation of current assets, investment returns and other matters. Such UAALs could be substantial in the future, requiring significantly increased contributions from the County which could affect other budgetary matters. Concerned investors should contact the Retirement Systems administrative staff for further information on the latest actuarial valuations of the Retirement Systems. While the County is aware of the potential negative impact on its budget and will take the appropriate steps to budget accordingly for future payments to the Retirement Systems, there can be no assurance that its financial position will not be negatively impacted.

Other Post-Employment Benefits

Healthcare Benefits. It should also be noted that the County provides post-retirement healthcare benefits to various categories of former employees. These costs may rise substantially in the future. Accounting rule, GASB Statement No. 45 ("GASB 45") of the Governmental Accounting Standards Board ("GASB"), requires governmental entities, such as the County, to account for post-retirement healthcare benefits with respect to vested pension benefits. GASB 45 is now fully implemented for all government entities.

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

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

Summary of Changes from the Last Valuation. The County contracted with Nyhart to calculate its first actuarial valuation under GASB 75 for the fiscal year ending December 31, 2019. Prior valuations performed under GASB 45 guidelines have not been restated and are not reflected in historic exhibits.

The following outlines the changes to the Total OPEB Liability during the 2019 fiscal year, by source.

	Governmental Activities	Business-type Activities
Balance at January 1, 2019:	$ 43,275,127	$ 13,104,144
Changes for the year:		
Service cost	2,235,591	672,885
Interest	1,839,499	559,204
Changes in assumptions	7,770,514	2,606,095
Differences between expected and actual experience	321,362	(95,844)
Changes of benefit terms	0	0
Benefit payments (including implicit subsidy)	(1,523,465)	(345,709)
Net Changes	10,643,501	3,396,631
Balance at December 31, 2019:	$ 53,918,628	$ 16,500,775

Source: Audited financial statement of the County for the fiscal year ended December 31, 2019.

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

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

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

In April 2015, the State Comptroller announced legislation 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 allow the following:

- Authorize the creation of irrevocable OPEB trusts, not part of the New York State Common Retirement Fund, so that New York state and its local governments can, at their option, 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 State Comptroller's proposal, there are no restrictions on the amount a government can deposit into the trust. The proposed legislation was not enacted into law in recent legislative sessions. It is not possible to predict whether the Comptroller's proposed legislation will be reintroduced or enacted if introduced.

Other Information

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

The fiscal year of the County is January 1 through December 31.

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

Financial Statements

The County retains an independent certified public accounting firm for a continuous independent audit of all financial transactions of the County. The last such audit covers the fiscal year ending December 31, 2019 and is attached hereto as "APPENDIX – D" to this Official Statement. Certain financial information may also be found in the Appendices to this Continuing Disclosure Statement.

Beginning with the fiscal year ended December 31, 2002, the County implemented Governmental Accounting Standards Board (GASB) Statement No. 34 Basic Financial Statements – and Management's Discussion and Analysis – for State and Local Governments; GASB Statement No. 37, Basic Financial Statements – and Management's discussion and Analysis – for State and Local Governments: Omnibus; and, GASB Statement No. 38, Certain Financial Note Disclosures.

GASB Statement No. 34 creates new basic financial statements for reporting the County's financial activities. The financial statements now include government-wide financial statements prepared on the accrual basis of accounting and fund financial statements which present information for individual major funds, rather than by fund type.

The full accrual basis of accounting is followed by the governmental funds and the fiduciary fund, as described in the financial statements of the County. Under the full accrual basis of accounting, revenues are recorded when they are susceptible to accrual, i.e., both measurable and available. Available means collectible within the current period or soon enough thereafter to be used to pay liabilities of the current period. Expenditures, other than interest on long-term debt, pension contributions, compensated absences and judgments and claims, are recorded when the liability is incurred, if measurable.

The County has completed the process of evaluating the impact of GASB Statement No. 39, *Determining Whether Certain Organizations are Component Units*, effective for the year ending December 31, 2004. As a result, the Rensselaer County Tobacco Asset Securitization Corporation is now included within the County's financial statements as a blended component unit.

New York State Comptroller Reports of Examination

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

There are no recent State Comptroller's audits of the County. The State Comptroller's office is currently in the process of conducting an audit of the County's Probation Department Restitution Program. The results and report of this audit are not available as of the date of this Official Statement.

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

The State Comptroller's Fiscal Stress Monitoring System

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

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

The reports of the State Comptroller for the 2016 through 2018 fiscal years for the County are as follows:

Fiscal Year Ending In	Stress Designation	Fiscal Score
2018	No Designation	0.0%
2017	No Designation	12.9%
2016	No Designation	25.4%

Note: Fiscal Stress Scores for the fiscal year ending in 2019 are unavailable as of the date of this Official Statement.

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

TAX INFORMATION

Assessed Valuation and Full Valuation

Valuations and Equalization Rates. Most municipalities within the State have traditionally assessed real property at less than true market (full) value. The State Office of Real Property Services is required by law to determine the full value of County real estate using market value surveys and to calculate the ratio of assessed value to full value. The ratio is referred to as the "State Equalization Rate." The State Equalization Rate is used to compute full value for the purpose of measuring the County's compliance with the constitutional debt and property tax limitations.

Year of County Tax Roll:	Assessed Valuation	State Equalization Rates	Full Valuation
2016	$ 6,916,997,705	67.87%	$ 10,191,539,274
2017	6,940,389,343	67.40%	10,297,313,565
2018	6,983,736,459	66.39%	10,519,259,616
2019	7,429,429,667	68.77%	10,803,300,374
2020	7,665,455,109	67.56%	11,346,144,329

Source: County officials.

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Tax Rates and Collection Record

The following table shows the tax rates and the levy and collection records of the County for the fiscal years ending December 31, 2016 through and including December 31, 2020:

Tax Rates Per $1,000 Assessed

Year of County Tax Roll:	2016	2017	2018	2019	2020
	$ 9.00	$ 9.09	$ 9.23	$ 8.67	$ 8.50

Tax Collection Record

Fiscal Year Ending December 31	2016	2017	2018	2019	2020
Tax Levy	$ 128,060,706	$ 129,347,759	$ 132,224,731	$ 133,361,945	$ 134,156,248
Amount Collected	123,233,569	123,246,151	126,465,945	126,631,873	64,571,076 (1)
% Uncollected	3.77%	4.72%	4.36%	5.05%	51.87%
% Collected	96.23%	95.28%	95.64%	94.95%	48.13%

(1) Amount collected as of May 19, 2020

The totals displayed above include the levies for towns, villages and unpaid school taxes, etc. The County ultimately is the collection agent for these taxes, after they become delinquent.

Source: County officials.

Computation of Constitutional Tax Margin

Tax Limit. In accordance with Section 10 of Article VIII of the State Constitution, the amount which may be levied in the County as taxes on real estate in any fiscal year for County purposes exclusive of amounts required to pay the principal of and interests of all indebtedness, and amounts appropriated for capital purposes in such fiscal year, may not exceed 1.5% of the five-year average full valuation of taxable real estate in the County. The following table shows the computation of the constitutional tax margin for fiscal years ending December 31, 2018 through 2020:

Fiscal Year Ending December 31:	2018	2019	2020
Five Year Average Full Valuation	$ 10,198,820,809	$ 10,351,901,067	$ 10,576,057,397
Tax Limit - (1.5%)	152,982,312	155,278,516	158,640,861
Total Tax Levy	71,926,332	72,224,545	73,496,683
Total Exclusions	6,870,307	6,329,434	6,329,434
Tax Levy Subject to Limit	65,056,025	65,895,111	67,173,394
Constitutional Tax Margin	$ 87,926,287	$ 89,383,405	$ 91,467,467
Percentage of Tax Limit Exhausted	42.53%	42.44%	42.34%

Source: County officials.

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Largest Taxpayers - 2019 Assessment Roll for 2020 County Tax Roll

The County's ten largest taxpayers are listed in the following table.

Name	Type	County Taxable Valuation	County Tax Levied
National Grid	Utility	$ 231,436,954	$ 1,939,616
Rensselaer County Plaza Association	Retail	28,969,710	183,004
Forrest Pointe II LLC	Apartments	26,534,800	128,070
Delhaize America Dist. LLC	Distribution	23,532,000	86,644
Rensselaer Polytechnic Institute	Office Bldgs	21,858,118	172,230
New York State Electric & Gas	Utility	17,811,210	110,076
Brunswick Associates Albany,LP	Apartments	10,862,150	138,787
Mansions Apartments, LLC	Apartments	10,231,000	148,494
AMRI Rensselaer Inc.	Manufacturer	6,312,350	88,189
Washington Complex LLC	Office Bldgs	5,740,000	86,116
		$ 383,288,292	

The ten largest taxpayers listed above have a total taxable valuation of $383,288,292, which represents 5.0% of the total full value of the County.

As of the date of this Official Statement, the County currently does not have any pending or outstanding tax certioraris that are known or believed to have a material impact on the County.

Source: County Tax Rolls.

Additional Tax Information

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

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

The taxable assessment roll of the County is constituted approximately as follows:

Residential	56.45%
Commercial	17.05
Other	26.50
Total:	100.00%

The total property tax bill of a typical residence in the County with a market value of $150,000 is currently estimated to be $4,722 including County, City and School District taxes.

Sales Tax and Non-Property Tax

Until September 1, 1994, the County collected a 3% County-wide sales tax. On September 1, 1994, this tax rate increased to 4%. Since then, the additional 1% sales tax has been extended periodically. The current extension began on December 1, 2017 and ends November 30, 2020. The County reinstated the local four percent sales tax on clothing commencing on March 1, 2007. The clothing sales tax had been suspended since 2004.

The table on the following page shows the County's Sales Tax Revenue History:

Fiscal Year Ending December 31st	Gross Sales Tax	Net Sales Tax
2010	$ 68,083,106	$ 44,146,733
2011	74,733,797	48,302,721
2012	75,478,087	48,767,839
2013	76,726,080	49,531,261
2014	79,307,739	51,154,971
2015	79,198,952	51,076,642
2016	80,551,198	51,921,746
2017	84,051,153	54,319,595
2018	88,868,347	57,820,301
2019	94,374,909	61,784,064
2020 (Budgeted)	91,275,641	59,631,672

The County is obligated to make payments in lieu of sales tax to the cities of Troy and Rensselaer pursuant to an agreement. The current agreement is effective for the 2015-2020 sales tax years. The terms of the contract call for the City of Rensselaer to receive approximately 2.86% of gross revenue. The City of Troy will receive about 19.75% of annual revenues, although their percentage is scheduled to decline slightly if certain levels of overall growth are achieved. In 2019, the City of Rensselaer's share amounted to $2,698,204, while the City of Troy received $17,315,615.

The fourteen towns and six villages within the County share a minimum amount equal to 11.5% of the County's annual gross sales tax receipts, which is allocated on taxable full value. Beginning in 2001, pursuant to a resolution of the County Legislature, the Countys received an additional 3.5% of any gross sales tax that exceeded the County's gross revenues in 1999. In 2019, the County/village shares amounted to $12,577,026.

Reductions in the receipt of sales tax receipts due to the COVID-19 pandemic could adversely affect the financial condition of municipalities in the State, including the County. The County is anticipating a 12-25% reduction in sales, occupancy and mortgage tax revenues for 2020 thru 2022. (See "MARKET AND RISK FACTORS – COVID-19" herein).

Source: County officials.

TAX CAP LAW

On June 24, 2011, Chapter 97 of the Laws of 2011 was signed into law by the Governor ("Chapter 97" or the "Tax Cap Law"). The Tax Cap Law applies to all local governments, including school districts (with the exception of New York City, and the counties comprising New York City and school districts in New York City, Buffalo, Rochester, Syracuse, and Yonkers, the latter four of which are indirectly affected by applicability to their respective city.)

The Tax Cap Law restricts, among other things, the amount of real property taxes (including assessments of certain special improvement districts) that may be levied by or on behalf of a municipality in a particular year, beginning with fiscal years commencing on or after January 1, 2012. It was set to expire on June 15, 2020, however recent legislation has made it permanent. Pursuant to the Tax Cap 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 would be 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 exceptions to the tax levy limitation provided in the Tax Cap 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 such fiscal year.

The Tax Cap 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 Cap Law (June 24, 2011).

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 the courts have held them to mean."

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

> "It shall be the duty of the legislature, subject to the provision 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 requirements 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 takes precedence over fiscal emergencies and the police power of municipalities.

Therefore, while the Tax Cap 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 Cap 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 Cap 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 likely that the Tax Cap Law will be subject to judicial review to resolve the constitutional issues raised by its adoption. Although Courts in New York State have historically been protective of the rights of holders of general obligation debt of political subdivisions, the outcome of any such challenge cannot be predicted.

STATUS OF INDEBTEDNESS

Constitutional Requirements

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

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

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

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

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

Statutory Procedure

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

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

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

(1) Such obligations are authorized for a purpose for which the County is not authorized to expend money, or

(2) There has not been substantial compliance with the provisions of law which should have been complied within the authorization of such obligations and an action contesting such validity, is commenced within twenty days after the date of such publication or,

(3) Such obligations are authorized in violation of the provisions of the Constitution.

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

Each bond resolution usually authorizes the construction, acquisition or installation of the object or purpose to be financed, sets forth the plan of financing and specifies the maximum maturity of the bonds subject to the legal (Constitution, Local Finance Law) restrictions relating to the period of probable usefulness with respect thereto.

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

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

Debt Outstanding End of Fiscal Year (Excludes Component Units)

Fiscal Years Ending December 31st:	2015	2016	2017	2018	2019
Bonds	$ 87,976,339	$ 81,597,000	$ 95,922,334	$ 87,962,000	$ 83,672,000
Bond Anticipation Notes	19,200,000	27,200,000	7,830,000	9,351,500	5,350,098
Other Debt [1]	60,424,786	57,254,998	57,690,333	53,843,622	49,963,322
Total Debt Outstanding	$ 167,901,124	$ 166,051,998	$ 161,442,667	$ 151,157,122	$ 138,985,420

[1] Represents Energy Performance Contracts. See "Installment Purchase Debt" herein.

Details of Outstanding Indebtedness

The following table sets forth the indebtedness of the County evidenced by bonds and notes as of September 3, 2020.

Type of Indebtedness	Maturity		Amount
Bonds	2020-2042		$ 93,612,000 [1]
Bond Anticipation Notes	-		0
		Total Indebtedness	$ 93,612,000

[1] Includes $21,675,000 serial bonds that are in the process of being refunded. The bonds will be paid from a fully funded escrow account on September 28, 2020.

Debt Statement Summary

Statement of Indebtedness, Debt Limit and Net Debt-Contracting Margin as of September 3, 2020:

Five-Year Average Full Valuation of Taxable Real Property			$ 10,631,511,432
Debt Limit - 7% thereof			744,205,800
Inclusions:			
Bonds	$ 93,612,000		
Bond Anticipation Notes	0		
Total Inclusions		$ 93,612,000	
Exclusions:			
Appropriations	$ 255,000		
Current refunded bonds outstanding	21,675,000		
Sewer Debt [1]	0		
Water Debt [2]	0		
Total Exclusions		$ 21,930,000	
Total Net Indebtedness Subject to Debt Limit			$ 71,682,000
Net Debt-Contracting Margin			$ 672,523,800
Percent of Debt Contracting Power Exhausted			9.63%

[1] Sewer Debt is excluded pursuant to Section 124.10 of the Local Finance Law.

[2] Water Debt is excluded pursuant to Article VIII, Section 5B of the New York State Constitution.

Note: The Bonds will increase the net indebtedness of the County by $4,000,000.

Bonded Debt Service

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

Cash Flow Borrowing

The County has not found it necessary to borrow revenue anticipation notes or tax anticipation notes since the 2010 fiscal year and does not anticipate issuing either in the foreseeable future.

Estimate of Future Obligations to be Issued

The County has authorized the following additional debt issuances:

- **Rensselaer County Sewer District:**

  The New York State Environmental Facilities Corporation has issued $5,830,000 Revolving Fund Short term loan to assist in funding the Sewer District's Pump Station Replacement Program. There is $5,361,500 remaining on this loan currently. The note matured on July 30, 2020 and was converted to long term debt.

Tobacco Settlement Securitization

The County, like all New York State counties, was entitled to receive a stream of revenue payments from the tobacco Master Settlement Agreement (MSA) that was entered into by participating cigarette manufacturers, 46 states and six other U.S. jurisdictions in November 1998 in settlement of certain smoking-related litigation. The Consent Decree and Final Judgment related thereto was sold by the County in December 2001 to the Rensselaer Tobacco Asset Securitization Corporation ("RTASC"). As a result of the sale, the County received a cash payment of $30,525,367 from proceeds of the Tobacco Settlement Bonds issued by RTASC. The County applied the funds from the sale to defease $26,415,100 in outstanding long-term debt and set the remaining net proceeds aside to fund capital projects.

The County retained rights to certain residual MSA payments up until November of 2005 when RTASC issued additional subordinate Capital Appreciation Bonds (CABs) backed by the residual payments. The net proceeds of the 2005 bond sale were $12,225,000 and the County used the funds for a capital project. As a consequence of the CAB sale, the County will forego any cash residual payments for the foreseeable future.

On December 14, 2015, the RTASC authorized the issuance and sale of a Series 2016 Bonds to refinance the 2001 senior bonds and facilitate the negotiation of the purchase of all or a portion of the related New York County Tobacco Trust V ("NYCTT V") Bonds for cancellation. RTASC joined with several other New York counties (together with the RTASC referred to as the "Participating Corporations") in the formation of a new trust ("NYCTT VI") that can issue bonds representing direct pass-through interests in new senior bonds of the Participating Corporations for the purpose of purchasing new senior bonds of the Participating Corporations (including the Series 2016 Bonds) and purchasing and submitting for cancellation certain NYCTT V Bonds of the Participating Corporations (including the related NYCTT V bonds to result in cancellation of the corresponding Series 2005 Bonds of RTASC). The County anticipates receiving $1,000,000 from the RTASC as a result of the issuance of the Series 2016 Bonds. The 2016 Bonds closed in September, 2016 and the County received $1,000,000 from the RTASC as a result of the issuance of the Series 2016 Bonds.

Installment Purchase Debt

During the year ended December 31, 2010, the County entered into Energy Performance Contracts for design and construction of more energy efficient systems within the sewer district sites and the County building. Principal and interest payments are made quarterly. The Installment Purchase Debt has interest rates ranging from approximately 3.0-3.2% and matures in August 2026.

During the year ended December 31, 2012, the County entered into additional Energy Performance Contracts for design and construction of more energy efficient systems with the sewer district sites. Principal and interest payments are made quarterly. The Installment Purchase Debt has interest rates ranging from approximately 2.46-2.53% and matures in October 2032.

During the year ended December 31, 2013, the County entered into additional EPCs for design and construction of more energy efficient systems with the sewer district sites and County Building. Principal and interest payments are made quarterly. The interest rate of the Installment Purchase Debt is approximately 2.60%.

During the year ended December 31, 2014, the County entered into an additional Energy Performance Contract for design and construction of more energy efficient systems with the County Building. Principal and interest payments are made quarterly. The Installment Purchase Debt has an interest rate of 2.96% and matures in October 2030.

During the year ended December 31, 2015, the County entered into an additional Energy Performance Contract for design and construction of more energy efficient systems with the County Building. Principal and interest payments are made quarterly. The Installment Purchase Debt has an interest rate of 2.39% and matures in October 2032.

During the year ended December 31, 2017, the County entered into an additional Energy Performance Contract for design and construction of more energy efficient systems with the County Building. Principal and interest payments are made quarterly. The Installment Purchase Debt has an interest rate of 2.76% and matures in November 2034

The table below summarizes requirements of the Installment Purchase Debt:

	Governmental Activities			
Year ended December 31,	Sewer District	County Building	Highway Machinery	Total
2020	$ 4,493,576	$ 797,334	$ 123,787	$ 5,414,697
2021	4,494,730	802,401	124,462	5,421,593
2022	4,495,919	812,862	126,079	5,434,860
2023	4,497,143	815,597	126,384	5,439,124
2024	4,498,405	822,455	127,265	5,448,125
2025-2029	17,124,737	4,224,811	664,324	22,013,872
2030 and beyond	4,952,744	3,397,484	387,151	8,737,379
Total minimum lease payments	44,557,254	11,672,944	1,679,452	57,909,650
Less: Amount representing imputed interest costs	(5,733,128)	(1,953,755)	(259,447)	(7,946,330)
Present value of minimum lease payment	$ 38,824,126	$ 9,719,189	$ 1,420,005	$ 49,963,320

Source: 2019 Audited Financial Statements of the County.

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Capital Planning and Budgeting

Pursuant to Section 99-g of the General Municipal Law, the County has undertaken the planning and execution of a capital program in accordance with the provisions of such section. The adoption of such program is not, in the case of the County, subject to referendum.

The following sets forth a summary of the 2020-2025 County Capital Program. It is noted that each planned project must be duly authorized before being undertaken, and that such programs may be modified by application of State and/or Federal aid.

DEPARTMENT/PROJECT	*TOTAL ESTIMATED COST*	*SIX YEAR COST ESTIMATES*											
		2020		**2021**		**2022**		**2023**		**2024**		**2025**	
AUTO MAINTENANCE													
Vehicle Replacement	50,000	50,000	a										
BRIS													
Disaster Recovery Site	200,000	200,000	a										
Computer Upgrades and Replacements	541,164	90,194	a	90,194	a	90,194	a	90,194	a	90,194	a	90,194	a
BUILDINGS													
COB Server Room Air Conditioning Improvements	20,000	20,000	a										
Expansion of Electrical Circuits to COB Generator	30,000	30,000	a										
Courthouse Parking Lot Improvements	13,000	13,000	a										
Schodack Storage Facility Improvements	20,000	20,000	a										
BUILDINGS / ENGINEERING													
Court Facilities Renovation	3,500,000	500,000	b	3,000,000	b								
Facility Master Plan Implementation	3,000,000	500,000	b	500,000	b	500,000	b	500,000	b	500,000	b	500,000	b
Relocation of Troy Senior Center	450,000	450,000	b										
COUNTY CLERK													
DMV Expansion and Modernization	700,000	400,000	b	300,000	b								
HEALTH													
Lead Paint Analyzer	15,750	15,750	a										
HIGHWAY													
CHIPS Funded Capital Improvements to Highway System	14,547,029	2,868,784	s	2,335,649	s	2,335,649	s	2,335,649	s	2,335,649	s	2,335,649	s
Highway Facilities Capital Improvements	1,350,000	400,000	b	350,000	b	150,000	b	150,000	b	150,000	b	150,000	b
Heavy Equipment Replacement and Upgrade	3,902,000	231,000	a	90,000	a	125,000	a	90,000	a	125,000	a	90,000	a
		1,071,000	b	360,000	b	500,000	b	360,000	b	500,000	b	360,000	b
Bridge/Large Culvert Restoration and Replacement	7,093,000	1,040,000	f	1,280,000	f								
		195,000	s	240,000	s								
		258,000	a	80,000	a	200,000	a	200,000	a	200,000	a	200,000	a
						800,000	b	800,000	b	800,000	b	800,000	b
Road Maintenance Program	5,768,410	300,000	a	1,030,000	a	1,060,900	a	1,092,727	a	1,125,509	a	1,159,274	a
Road Reconstruction Program	7,230,237	700,000	b	1,230,000	b	1,266,900	b	1,304,907	b	1,344,054	b	1,384,376	b
HUDSON VALLEY COMMUNITY COLLEGE													
Facility Master Plan	8,000,000			1,000,000	s	1,000,000	s	1,000,000	s	1,000,000	s		
				1,000,000	b	1,000,000	b	1,000,000	b	1,000,000	b		
Williams and Cogan Renovations	2,000,000	1,000,000	s										
		1,000,000	b										
Classrooms Renovation/Expansion	1,000,000	500,000	s										
		500,000	b										
LEGISLATURE													
Renovations to Legislative Chambers	321,617	321,617	p										
MENTAL HEALTH													
Clinic/Leasehold Improvements	70,000	45,000	s	25,000	s								
Computer Replacement / Acquisitions - Annual Upgrade	305,350	55,350	s	50,000	s	50,000	s	50,000	s	50,000	s	50,000	s
Vehicle Replacement	240,000			60,000	s	60,000	s	40,000	s	40,000	s	40,000	s
PROBATION													
Vehicle Replacement	69,193	35,193	a					34,000	a				

DEPARTMENT/PROJECT	*TOTAL ESTIMATED COST*	*SIX YEAR COST ESTIMATES*											
		2020		**2021**		**2022**		**2023**		**2024**		**2025**	
PUBLIC SAFETY													
Fire Training Tower	1,000,000	1,000,000	o										
Fire Training Equipment & Furniture	549,431	91,931	o										
		7,500	s										
		450,000	p										
Search & Rescue Maze Building	120,000	120,000	o										
Vehicle Replacement	162,000			52,000	a	110,000	a						
SEWER DISTRICT													
Grit & Aeration Upgrades (Wastewater Plant)	10,000,000	9,500,000	b										
		500,000	o										
Dump Truck	100,000	100,000	o										
Vacuum Truck	350,000	350,000	o										
SHERIFF/JAIL													
Computer Hardware and Software	210,000	35,000	a	35,000	a	35,000	a	35,000	a	35,000	a	35,000	a
Parking Lot Repaving	150,000					150,000	b						
Vehicle Replacement	1,363,338	154,528	a	198,000	a	217,800	a	239,580	a	263,538	a	289,892	a
Other Facility Equipment Replacement	290,337	150,000	a	140,337	a								
Public Safety Building - Interior and Exterior Modifications	6,250,000			1,750,000	b	1,500,000	b	1,500,000	b	1,500,000	b		
SOCIAL SERVICES													
Office Furniture Replacement	20,020	907	a	1,260	a	1,260	a	1,260	a	1,260	a	1,260	a
		1,109	f	1,540	f	1,540	f	1,540	f	1,540	f	1,540	f
		504	s	700	s	700	s	700	s	700	s	700	s
Vehicle Replacement	95,000			7,800	a					19,500	a	6,750	a
				8,000	f					20,000	f	10,000	f
				4,200	s					10,500	s	8,250	s
Computer Replacement	284,310	16,703	a	10,360	a	12,548	a	12,591	a	10,230	a	16,140	a
		30,065	f	25,900	f	16,730	f	12,591	f	13,640	f	21,520	f
		20,043	s	15,540	s	12,548	s	10,793	s	10,230	s	16,140	s
UNIFIED FAMILY SERVICES - AGING													
Vehicle Replacement	184,000	28,000	a	30,000	a	31,000	a	31,000	a	32,000	a	32,000	a
UNIFIED FAMILY SERVICES - VETERANS													
Vehicle Replacement	35,000									35,000	a		
VAN RENSSELAER MANOR													
Computers and Software	570,500	170,500	o	80,000	o	80,000	o	80,000	o	80,000	o	80,000	o
Dietary Equipment	121,750	71,750	o	10,000	o	10,000	o	10,000	o	10,000	o	10,000	o
Electronic Equipment	14,700	4,700	o	2,000	o	2,000	o	2,000	o	2,000	o	2,000	o
Equipment/Appliances	261,500	21,500	o	40,000	o	60,000	o	40,000	o	60,000	o	40,000	o
Furniture	179,600	129,600	o	10,000	o	10,000	o	10,000	o	10,000	o	10,000	o
Housekeeping/Laundry Equipment	948,080	8,080	o	900,000	o	10,000	o	10,000	o	10,000	o	10,000	o
Medical Equipment	624,370	249,370	o	75,000	o	75,000	o	75,000	o	75,000	o	75,000	o
Nurse Call Light System	350,000							350,000	o				
Tile Main Lobby Floor	80,000			80,000	o								
Vehicles	135,000			75,000	o			60,000	o				
TOTALS:	**84,011,522**	**25,598,483**		**16,483,286**		**11,384,574**		**11,439,338**		**11,370,350**		**7,735,491**	

Source: County officials.

Estimated Overlapping Indebtedness

In addition to the County, the following political subdivisions have the power to issue bonds and to levy taxes or cause taxes to be levied on taxable real property in the County. Bonded indebtedness, including bond anticipation notes, is estimated as of the close of the fiscal year of the respective municipalities, not adjusted to include subsequent bond issues, if any.

Municipality		Indebtedness	Exclusions [1]	Net Indebtedness
2	Cities	$ 64,915,318	$ 31,267,453 [2]	$ 33,647,865
14	Towns	64,236,503	32,193,192 [2]	32,043,311
6	Villages	17,423,784	15,503,904 [2]	1,919,880
12	School Districts	272,297,68	233,775,413 [3]	38,522,555
27	Fire Districts	11,687,835	1,663,710	10,024,125
			Total	$ 116,157,736

[1] Outstanding bonds and bond anticipation notes. Not adjusted to include subsequent bond or note sales, if any.
[2] Pursuant to applicable constitutional and statutory provisions, this indebtedness is deductible from gross indebtedness for debt limit purposes.
[3] Sewer and water debt, appropriations and cash on hand for debts.
[4] Estimated State Building aid.

Source: State Comptroller's reports for fiscal year ending 2018 for towns, cities and fire districts and fiscal year ending 2019 for school districts and villages.

Debt Ratios

The following table sets forth certain ratios relating to the County's net indebtedness as of September 3, 2020.

	Amount	Per Capita [a]	Percentage of Full Value [b]
Net Indebtedness [c]	$ 71,682,000	$ 451.64	0.63%
Net Indebtedness Plus Net Overlapping Indebtedness [d]	187,839,736	1,183.51	1.66

[a] The current estimated population of the County is 158,714. (See "THE COUNTY – Population" herein.)
[b] The County's full valuation of taxable real estate for the County's 2020 Tax Roll is $11,346,144,329. (See "TAX INFORMATION" herein).
[c] See "Calculation of Net Direct Indebtedness" herein.
[d] Estimated net overlapping indebtedness is $116,157,736. (See "Estimated Overlapping Indebtedness" herein.)

SPECIAL PROVISIONS AFFECTING REMEDIES UPON DEFAULT

General Municipal Law Contract Creditors' Provision. Each Bond and Note when duly issued and paid for will constitute a contract between the County and the holder thereof. Under current law, provision is made for contract creditors of the County to enforce payments upon such contracts, if necessary, through court action. Section 3-a of the General Municipal Law provides, subject to exceptions not pertinent, that the rate of interest to be paid by the County upon any judgment or accrued claim against it on an amount adjudged due to a creditor shall not exceed nine per centum per annum from the date due to the date of payment. This provision might be construed to have application to the holders of the Bonds in the event of a default in the payment of the principal of and interest on the Bonds.

Execution/Attachment of Municipal Property. As a general rule, property and funds of a municipal corporation serving the public welfare and interest have not been judicially subjected to execution or attachment to satisfy a judgment, although judicial mandates have been issued to officials to appropriate and pay judgments out of certain funds or the proceeds of a tax levy. In accordance with the general rule with respect to municipalities, judgments against the County may not be enforced by levy and execution against property owned by the County.

Authority to File for Municipal Bankruptcy. The Federal Bankruptcy Code allows public bodies, such as the County, recourse to the protection of a Federal Court for the purpose of adjusting outstanding indebtedness. Section 85.80 of the Local Finance Law contains specific authorization for any municipality in the State or its emergency control board to file a petition under any provision of Federal bankruptcy law for the composition or adjustment of municipal indebtedness.

The State has consented that any municipality in the State may file a petition with the United States District Court or court of bankruptcy under any provision of the laws of the United States, now or hereafter in effect, for the composition or adjustment of municipal indebtedness. Subject to such State consent, under the United States Constitution, Congress has jurisdiction over such matters and has enacted amendments to the existing federal bankruptcy statute, being Chapter 9 thereof, generally to the effect and with the purpose of affording municipal corporations, under certain circumstances, with easier access to judicially approved adjustment of debt including judicial control over identifiable and unidentifiable creditors.

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

The rights of the owners of Bonds and Notes to receive interest and principal from the County could be adversely affected by the restructuring of the County's debt under Chapter 9 of the Federal Bankruptcy Code. No assurance can be given that any priority of holders of debt obligations issued by the County (including the Bonds) to payment from monies retained in any debt service fund or from other cash resources would be recognized if a petition were filed by or on behalf of the County under the Federal Bankruptcy Code or pursuant to other subsequently enacted laws relating to creditors' rights; such monies might, under such circumstances, be paid to satisfy the claims of all creditors generally.

Under the Federal Bankruptcy Code, a petition may be filed in the Federal Bankruptcy court by a municipality which is insolvent or unable to meet its debts as they mature. Generally, the filing of such a petition operates as a stay of any proceeding to enforce a claim against the municipality. The Federal Bankruptcy Code also requires that a plan be filed for the adjustment of the municipality's debt, which may modify or alter the rights of creditors and which could be secured. Any plan of adjustment confirmed by the court must be approved by the requisite number of creditors. If confirmed by the bankruptcy court, the plan would be binding upon all creditors affected by it.

State Debt Moratorium Law. There are separate State law provisions regarding debt service moratoriums enacted into law in 1975.

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

As a result of the Court of Appeals decision in Flushing National Bank v. Municipal Assistance Corporation for the City of New York, 40 N.Y.2d 731 (1976), the constitutionality of that portion of Title 6-A of Article 2 of the Local Finance Law described below enacted at the 1975 Extraordinary Session of the State legislature authorizing any county, city, town or village with respect to which the State has declared a financial emergency to petition the State Supreme Court to stay the enforcement against such municipality of any claim for payment relating to any contract, debt or obligation of the municipality during the emergency period, is subject to doubt. In any event, no such emergency has been declared with respect to the City.

Right of Municipality or State to Declare a Municipal Financial Emergency and Stay Claims Under State Debt Moratorium Law. The State Legislature is authorized to declare by special act that a state of financial emergency exists in any county, city, town or village. (The provision does not by its terms apply to school districts or fire districts.) In addition, the State Legislature may authorize by special act establishment of an "emergency financial control board" for any county, city, town or village upon determination that such a state of financial emergency exists. Thereafter, unless such special act provides otherwise, a voluntary petition to stay claims may be filed by any such municipality (or by its emergency financial control board in the event said board requests the municipality to petition and the municipality fails to do so within five days thereafter). A petition filed in supreme court in county in which the municipality is located in accordance with the requirements of Title 6-A of the Local Finance Law ("Title 6-A") effectively prohibits the doing of any act for ninety days in the payment of claims, against the municipality including payment of debt service on outstanding indebtedness.

This includes staying the commencement or continuation of any court proceedings seeking payment of debt service due, the assessment, levy or collection of taxes by or for the municipality or the application of any funds, property, receivables or revenues of the municipality to the payment of debt service. The stay can be vacated under certain circumstances with provisions for the payment of amounts due or overdue upon a demand for payment in accordance with the statutory provisions set forth therein. The filing of a petition may be accompanied with a proposed repayment plan which upon court order approving the plan, may extend any stay in the payment of claims against the municipality for such "additional period of time as is required to carry out fully all the terms and provisions of the plan with respect to those creditors who accept the plan or any benefits thereunder." Court approval is conditioned, after a hearing, upon certain findings as provided in Title 6-A.

A proposed plan can be modified prior to court approval or disapproval. After approval, modification is not permissible without court order after a hearing. If not approved, the proposed plan must be amended within ten days or else the stay is vacated and claims including debt service due or overdue must be paid. It is at the discretion of the court to permit additional filings of amended plans and continuation of any stay during such time. A stay may be vacated or modified by the court upon motion of any creditor if the court finds after a hearing, that the municipality has failed to comply with a material provision of an accepted repayment plan or that due to a "material change in circumstances" the repayment plan is no longer in compliance with statutory requirements.

Once an approved repayment plan has been completed, the court, after a hearing upon motion of any creditor, or a motion of the municipality or its emergency financial control board, will enter an order vacating any stay then in effect and enjoining of creditors who accepted the plan or any benefits thereunder from commencing or continuing any court action, proceeding or other act described in Title 6-A relating to any debt included in the plan.

Title 6-A requires notice to all creditors of each material step in the proceedings. Court determinations adverse to the municipality or its financial emergency control board are appealable as of right to the appellate division in the judicial department in which the court is located and thereafter, if necessary, to the Court of Appeals. Such appeals stay the judgment or appealed from and all other actions, special proceedings or acts within the scope of Section 85.30 of Title 6-A pending the hearing and determination of the appeals.

Whether Title 6-A is valid under the Constitutional provisions regarding the payment of debt service is not known. However, based upon the decision in the Flushing National Bank case described above, its validity is subject to doubt.

While the State Legislature has from time to time adopted legislation in response to a municipal fiscal emergency and established public benefit corporations with a broad range of financial control and oversight powers to oversee such municipalities, generally such legislation has provided that the provisions of Title 6-A are not applicable during any period of time that such a public benefit corporation has outstanding indebtedness issued on behalf of such municipality.

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

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

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

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

Several municipalities in the State are presently working with the FRB. The County has not requested FRB assistance nor does it reasonably expect to do so in the foreseeable future. School districts and fire districts are not eligible for FRB assistance.

Constitutional Non-Appropriation Provision. There is in the Constitution of the State, Article VIII, Section 2, the following provision relating to the annual appropriation of monies for the payment of due principal of and interest on indebtedness of every county, city, town, village and school district in the State: "If at any time the respective appropriating authorities shall fail to make such appropriations, a sufficient sum shall be set apart from the first revenues thereafter received and shall be applied to such purposes. The fiscal officer of any county, city, town, village or school district may be required to set aside and apply such revenues as aforesaid at the suit of any holder of obligations issued for any such indebtedness." This constitutes a specific non-exclusive constitutional remedy against a defaulting municipality or school district; however, it does not apply in a context in which monies have been appropriated for debt service but the appropriating authorities decline to use such monies to pay debt service. However, Article VIII, Section 2 of the Constitution of the State also provides that the fiscal officer of any county, city, town, village or school district may be required to set apart and apply such revenues at the suit of any holder of any obligations of indebtedness issued with the pledge of the faith of the credit of such political subdivision. See "General Municipal Law Contract Creditors' Provision" herein.

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

Default Litigation. In prior years, certain events and legislation affecting a holder's remedies upon default have resulted in litigation. While courts of final jurisdiction have upheld and sustained the rights of bondholders, such courts might hold that future events including financial crises as they may occur in the State and in political subdivisions of the State require the exercise by the State or its political subdivisions of emergency and police powers to assure the continuation of essential public services prior to the payment of debt service. See "Nature of Obligation" and "State Debt Moratorium Law" herein.

No Past Due Debt. No principal of or interest on County indebtedness is past due. The County has never defaulted in the payment of the principal of and interest on any indebtedness.

MARKET AND RISK FACTORS

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

The financial and economic condition of the County as well as the market for the Bonds 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 and in other jurisdictions, including, for example, the seeking by a municipality or large taxable property owner of remedies pursuant to the Federal Bankruptcy Code or otherwise, will not occur which might affect the market price of and the market for the Bonds. If a significant default or other financial crisis should occur in the affairs of the State or another jurisdiction or 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 could be adversely affected.

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

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

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

Amendments to U.S. Internal Revenue Code could reduce or eliminate the favorable tax treatment granted to municipal debt, including the Bonds and other debt issued by the County. Any such future legislation would have an adverse effect on the market value of the Bonds (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 and continuing technical and constitutional issues raised by its enactment and implementation could have an impact upon the finances and operations of the County and hence upon the market price of the Bonds. See “TAX LEVY LIMITATION LAW” herein.

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

COVID -19. An outbreak of disease or similar public health threat, such as the COVID-19 outbreak, or fear of such an event, could have an adverse impact on the County’s financial condition and operating results by potentially delaying the receipt of real property taxes or resulting in a delay or reduction by the State in the payment of State aid. Currently, the spread of COVID-19, a respiratory disease caused by a new strain of coronavirus, has spread globally, including to the United States, and has been declared a pandemic by the World Health Organization. The outbreak of the disease has affected travel, commerce and financial markets globally and is widely expected to affect economic growth worldwide. The current outbreak has caused the Federal government to declare a national state of emergency. The State has also declared a state of emergency and the Governor has taken steps designed to mitigate the spread and impacts of COVID-19, including closing schools and non-essential businesses. The outbreak of COVID-19 and the dramatic steps taken by the State to address it are expected to negatively impact the State’s economy and financial condition. The full impact of COVID-19 upon the State is not expected to be known for some time. Similarly, the degree of the impact to the County’s operations and finances is extremely difficult to predict due to the dynamic nature of the COVID-19 outbreak, including uncertainties relating to its (i) duration, and (ii) severity, as well as with regard to what actions may be taken by governmental and other health care authorities, including the State, to contain or mitigate its impact. The continued spread of the outbreak could have a material adverse effect on the State and municipalities and school districts located in the State, including the County. The County is monitoring the situation and will take such proactive measures as may be required to maintain its operations and meet its obligations.

TAX MATTERS

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

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

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

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

In the opinion of Bond Counsel, assuming compliance with certain requirements of the Code, under existing laws interest on the Bonds is not includable in gross income for federal income tax purposes and is not an item of tax preference for purposes of the federal alternative minimum tax imposed on individuals. Bond Counsel expresses no opinion regarding other federal tax consequences arising with respect to the Bonds.

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

In addition, in the opinion of Bond Counsel, under existing laws, interest on the Bonds is exempt from personal income taxes imposed by the State or any political subdivision thereof, including the City of New York.

LEGAL MATTERS

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

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

LITIGATION

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

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

CONTINUING DISCLOSURE

In order to assist the purchasers in complying with Rule 15c2-12 promulgated by the Securities and Exchange Commission under the Securities Exchange Act of 1934, as amended ("Rule 15c2-12"), the County will enter into a Continuing Disclosure Undertaking, a description of which can be found in "APPENDIX – C".

Historical Compliance

The County is in compliance in all material respects within the last five years with all previous undertakings made pursuant to the Rule 15c2-12.

MUNICIPAL ADVISOR

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

CUSIP IDENTIFICATION NUMBERS

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

BOND RATING

S&P Global Ratings, a business unit of Standard & Poor's Financial Services LLC ("S&P") has assigned its rating of "AA" with a stable outlook to the Bonds. No application was made to any other rating agency for the purpose of obtaining an additional rating on the Bonds. A rating reflects only the view of the rating agency assigning such rating and any desired explanation of the significance of such rating should be obtained from S&P, Public Finance Ratings, 55 Water Street, 38th Floor, New York, New York 10041, Phone: (212) 553-0038, Fax: (212) 553-1390.

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

MISCELLANEOUS

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

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

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

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

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

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

The Financial Advisor may place a copy of this Official Statement on its website at www.fiscaladvisors.com. Unless this Official Statement specifically indicates otherwise, no statement on such website is included by specific reference or constitutes a part of this Official Statement. The Financial Advisor 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 the Financial Advisor assumes any liability or responsibility for errors or omissions on such website. Further, the Financial Advisor 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. The Financial Advisor and the County also assumes no liability or responsibility for any errors or omissions or for any updates to dated website information.

The County's contact information is as follows: Mr. Mark Wojcik, Acting Chief Fiscal Officer, 1600 Seventh Ave., Troy, New York 12180 telephone (518) 270-2748, email mwojcik@rensco.com.

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

COUNTY OF RENSSELAER

Dated: September 3, 2020

MARK WOJCIK
CHIEF FISCAL OFFICER

GENERAL FUND

Balance Sheets

Fiscal Years Ending December 31:	2015	2016	2017	2018	2019
ASSETS					
Cash and Cash Equivalents	$ 25,139,449	$ 38,834,968	$ 22,797,835	$ 30,864,319	$ 41,695,775
Restricted Cash & Cash Equivalents	2,737,176	5,410,300	44,975,340	3,532,389	3,613,090
Receivables:					
Property Taxes (net of allowances)	27,775,145	25,906,326	25,767,436	24,202,547	25,163,286
Other	10,937,659	10,083,136	11,968,153	12,097,682	11,811,512
State & Federal Receivables	-	-	-	-	-
Intergovernmental receivables	20,181,393	21,176,841	22,998,224	24,447,550	30,027,657
Due from Other Funds	5,670,860	5,618,809	1,381,353	1,630,771	2,363,133
Inventories	-	-	-	-	-
Prepaid Expense	2,882,662	2,119,472	2,113,867	2,168,176	2,009,133
TOTAL ASSETS	$ 95,324,344	$ 109,149,852	$ 132,002,208	$ 98,943,434	$ 116,683,586
LIABILITIES AND FUND EQUITY					
Accounts Payable	$ 7,243,651	$ 7,061,453	$ 5,916,956	$ 6,435,994	$ 8,611,996
Accrued Liabilities	1,281,234	3,129,988	2,787,318	2,062,753	4,767,199
Bond Anticipation Notes Payable	-	-	-	-	-
Intergovernmental Payables	26,815,371	29,102,533	20,275,065	19,556,470	19,430,477
Due to Other Funds	13,827,735	21,791,324	43,935,894	4,454,726	3,663,351
Deferred Revenue	17,637,161	16,793,250	17,446,095	15,076,133	16,019,586
Unearned Revenue	2,919,913	2,722,847	2,861,109	1,440,518	1,488,362
Amounts held on behalf of HVCC	2,133,416	1,947,466	1,762,234	1,577,148	1,404,664
Pension Contributions Payable	-	-	-	-	-
TOTAL LIABILITIES	$ 71,858,481	$ 82,548,861	$ 94,984,671	$ 50,603,742	$ 55,385,635
FUND EQUITY					
Nonspendable	$ 2,882,662	$ 2,119,472	$ 2,113,867	$ 2,168,176	$ 2,009,133
Restricted	603,760	739,987	453,486	514,723	720,064
Assigned	5,291,225	8,026,195	8,589,347	7,372,074	19,903,781
Unassigned	14,688,216	15,715,337	25,860,837	38,284,719	38,664,973
TOTAL FUND EQUITY	$ 23,465,863	$ 26,600,991	$ 37,017,537	$ 48,339,692	$ 61,297,951
TOTAL LIABILITIES, DEFERRED REVENUES AND FUND EQUITY	$ 95,324,344	$ 109,149,852	$ 132,002,208	$ 98,943,434	$ 116,683,586

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

GENERAL FUND

Revenues, Expenditures and Changes in Fund Balance

Fiscal Years Ending December 31:	2015	2016	2017	2018	2019
REVENUES					
Real Property Taxes	$ 53,413,398	$ 55,860,312	$ 54,296,667	$ 58,387,711	$ 56,085,788
Other Tax Items	5,745,729	5,982,192	5,893,205	5,683,562	5,960,675
Non-Property Tax Items	81,574,670	83,266,942	86,637,487	91,700,117	97,522,914
Departmental Income	13,023,150	13,700,411	13,859,754	13,684,550	14,886,742
Intergovernmental Revenues	13,809,928	14,406,197	15,191,257	15,967,238	16,268,411
Use of Money & Property	86,794	119,599	194,672	1,161,852	1,273,097
Fines & Forfeitures	333,818	339,266	326,868	325,550	263,148
Sale of Property & Compensation for Loss	90,383	176,791	147,562	102,178	460,394
Miscellaneous	362,595	303,050	212,897	729,159	573,929
Interfund Revenues	1,165,011	1,470,650	2,015,105	2,153,824	2,385,194
State Aid	38,914,652	39,421,878	40,761,229	38,105,798	39,504,965
Federal Aid	22,768,513	22,406,812	21,001,954	20,857,333	20,539,652
TOTAL REVENUES	$ 231,288,641	$ 237,454,100	$ 240,538,657	$ 248,858,872	$ 255,724,909
EXPENDITURES					
General Government Support	$ 47,085,393	$ 49,259,492	$ 50,292,885	$ 52,942,467	$ 54,854,888
Education	17,814,417	19,075,504	18,694,621	19,707,058	19,941,743
Public Safety	35,801,439	37,093,926	36,950,866	38,430,614	40,249,845
Health	20,321,659	19,926,279	20,027,351	20,581,655	20,455,906
Transportation	554,708	567,099	575,799	579,214	599,211
Economic Assistance and Opportunity	93,692,809	99,869,572	94,456,170	93,476,598	94,456,661
Culture and Recreation	549,980	571,233	558,413	547,632	503,538
Home and Community Services	835,190	883,017	893,564	939,851	883,313
Debt Service	6,460,301	6,622,850	6,680,584	7,887,386	7,828,545
Other Financing Uses	-	-	-	-	-
TOTAL EXPENDITURES	$ 223,115,896	$ 233,868,972	$ 229,130,253	$ 235,092,475	$ 239,773,650
Excess of Revenues Over (Under) Expenditures	$ 8,172,745	$ 3,585,128	$ 11,408,404	$ 13,766,397	$ 15,951,259
Other Financing Sources (Uses):					
Operating Transfers In	89,809	-	184,809	2,458	-
Operating Transfers Out	(4,263,498)	(450,000)	(1,176,667)	(2,446,700)	(2,993,000)
Tax Sale Certificate Proceeds	-	-	-	-	-
Tax Sale Certificates Reserve & Insurance	(347,799)	-	-	-	-
TOTAL OTHER FINANCING	(4,521,488)	(450,000)	(991,858)	(2,444,242)	(2,993,000)
Excess of Revenues and Other Sources Over (Under) Expenditures and Other Uses	3,651,257	3,135,128	10,416,546	11,322,155	12,958,259
FUND BALANCE					
Fund Balance - Beginning of Year	$ 19,814,606	$ 23,465,863	$ 26,600,991	$ 37,017,537	$ 48,339,692
Prior Period Adjustments (net)	-	-	-	-	-
Fund Balance - End of Year	$ 23,465,863	$ 26,600,991	$ 37,017,537	$ 48,339,692	$ 61,297,951

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

GENERAL FUND

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

Fiscal Years Ending December 31:	2019 Original Budget	2019 Final Budget	2019 Audited Actual	2020 Adopted Budget
REVENUES				
Real Property Taxes	$ 56,469,609	$ 56,469,609	$ 56,085,788	$ 56,969,609
Other Tax Items	5,991,401	5,991,401	5,960,675	6,072,118
Non-Property Tax Items	89,830,613	92,230,613	97,522,914	93,993,641
Departmental Income	15,416,944	15,636,544	14,886,742	15,262,853
Intergovernmental Revenues	14,965,683	15,183,802	16,268,411	16,307,651
Use of Money & Property	1,156,473	1,156,473	1,273,097	1,206,673
Fines & Forfeitures	305,410	305,410	263,148	306,623
Sale of Property & Compensation for Loss	2,000	5,264	460,394	2,000
Miscellaneous	128,300	378,917	573,929	121,050
Interfund Revenues	2,216,927	2,216,927	2,385,194	2,359,047
State Aid	38,825,326	45,739,656	39,504,965	37,452,865
Federal Aid	20,913,824	23,606,136	20,539,652	20,073,576
TOTAL REVENUES	$ 246,222,510	$ 258,920,752	$ 255,724,909	$ 250,127,706
EXPENDITURES				
General Government Support	$ 53,894,737	$ 59,828,771	$ 54,854,888	$ 56,550,016
Education	20,116,760	20,116,760	19,941,743	20,850,540
Public Safety	39,875,318	41,669,797	40,249,845	41,214,399
Health	22,446,722	24,189,110	20,455,906	22,287,268
Transportation	583,661	599,212	599,211	609,361
Economic Assistance and Opportunity	99,228,713	100,856,853	94,456,661	97,705,974
Culture and Recreation	659,272	669,637	503,538	681,242
Home and Community Services	884,885	1,154,184	883,313	919,057
Debt Service	7,874,516	7,874,516	7,828,545	8,079,849
Other Financing Uses	-	-	-	-
TOTAL EXPENDITURES	$ 245,564,584	$ 256,958,840	$ 239,773,650	$ 248,897,706
Excess of Revenues Over (Under) Expenditures	$ 657,926	$ 1,961,912	$ 15,951,259	$ 1,230,000
Other Financing Sources (Uses):				
Operating Transfers In	-	-	-	-
Operating Transfers Out	(1,230,000)	(2,993,000)	(2,993,000)	(1,230,000)
Tax Sale Certificate Proceeds	-	-	-	-
Tax Sale Certificates Reserve & Insurance	-	-	-	-
TOTAL OTHER FINANCING	(1,230,000)	(2,993,000)	(2,993,000)	(1,230,000)
Excess of Revenues and Other Sources Over (Under) Expenditures and Other Uses	(572,074)	(1,031,088)	12,958,259	-
FUND BALANCE				
Fund Balance - Beginning of Year	$ 572,074	$ 1,031,088	$ 48,339,692	$ -
Prior Period Adjustments (net)	-	-	-	-
Fund Balance - End of Year	$ -	$ -	$ 61,297,951	$ -

Source: 2019 audited financial report of the County. This Appendix is not itself audited.

CHANGES IN FUND EQUITY

Fiscal Years Ending December 31:	2015	2016	2017	2018	2019
SPECIAL GRANT FUND					
Fund Equity - Beginning of Year	$ 33,601	$ 33,601	$ 33,601	$ 131,500	$ 131,500
Prior Period Adjustments (net)	-	-	-	-	
Revenues & Other Sources	1,393,657	1,360,183	1,468,103	1,311,793	1,350,682
Expenditures & Other Uses	1,393,657	1,360,183	1,370,204	1,311,793	1,350,683
Fund Equity - End of Year	$ 33,601	$ 33,601	$ 131,500	$ 131,500	$ 131,499
COMMUNITY DEVELOPMENT FUND					
Fund Equity - Beginning of Year	$ 371,136	$ 741,804	$ 1,664,649	$ 1,748,835	$ 2,007,744
Prior Period Adjustments (net)	-	-	-	-	
Revenues & Other Sources	570,673	206,864	402,749	499,400	947,864
Expenditures & Other Uses	200,005	216,047	318,563	240,491	726,857
Fund Equity - End of Year	$ 741,804	$ 1,664,649	$ 1,748,835	$ 2,007,744	$ 2,228,751
HIGHWAY FUND					
Fund Equity - Beginning of Year	$ 518,506	$ 1,273,810	$ 2,574,582	$ 4,036,818	$ 4,716,688
Prior Period Adjustments (net)	-	-	-	-	-
Revenues & Other Sources	12,633,925	13,156,615	15,116,179	14,665,990	15,494,935
Expenditures & Other Uses	11,878,621	11,855,843	13,653,943	13,986,120	16,248,530
Fund Equity - End of Year	$ 1,273,810	$ 2,574,582	$ 4,036,818	$ 4,716,688	$ 3,963,093
SEWER FUND					
Fund Equity - Beginning of Year	$ 2,606,183	$ 2,328,674	$ 3,454,851	$ 4,156,220	$ 4,337,559
Prior Period Adjustments (net)	-	-	-	-	
Revenues & Other Sources	8,962,681	10,534,425	10,054,368	10,522,730	10,268,263
Expenditures & Other Uses	9,240,190	9,408,248	9,352,999	10,341,391	10,541,557
Fund Equity - End of Year	$ 2,328,674	$ 3,454,851	$ 4,156,220	$ 4,337,559	$ 4,064,265
RTASC FUND (TOBACCO)					
Fund Equity - Beginning of Year	$ 2,685,648	$ 2,709,240	$ 2,232,490	$ 2,202,404	$ 2,172,579
Prior Period Adjustments (net)	-	-	-	-	-
Revenues & Other Sources	2,282,689	40,300,526	1,925,586	2,109,821	2,017,452
Expenditures & Other Uses	2,259,097	40,777,276	1,955,672	2,139,646	2,039,536
Fund Equity - End of Year	$ 2,709,240	$ 2,232,490	$ 2,202,404	$ 2,172,579	$ 2,150,495

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

BONDED DEBT SERVICE

Fiscal Year Ending December 31st	EXCLUDING THE BONDS Principal	Interest	Total	Principal of This Issue
2020	$ 8,465,000	$ 2,572,558.77	$ 11,037,558.77	$ -
2021	8,267,000	2,347,643.18	10,614,643.18	170,000
2022	7,765,000	2,092,733.90	9,857,733.90	170,000
2023	8,045,000	1,823,944.52	9,868,944.52	175,000
2024	8,360,000	1,525,577.56	9,885,577.56	180,000
2025	6,355,000	1,233,308.62	7,588,308.62	180,000
2026	5,030,000	1,040,672.03	6,070,672.03	185,000
2027	4,700,000	903,328.12	5,603,328.12	190,000
2028	4,850,000	765,213.05	5,615,213.05	190,000
2029	3,485,000	619,507.62	4,104,507.62	195,000
2030	1,620,000	510,134.24	2,130,134.24	195,000
2031	1,695,000	450,759.39	2,145,759.39	200,000
2032	1,460,000	388,415.40	1,848,415.40	205,000
2033	1,515,000	332,837.44	1,847,837.44	210,000
2034	1,570,000	275,005.80	1,845,005.80	210,000
2035	1,465,000	215,625.00	1,680,625.00	215,000
2036	1,515,000	159,800.00	1,674,800.00	220,000
2037	1,555,000	115,300.00	1,670,300.00	220,000
2038	1,600,000	69,600.00	1,669,600.00	225,000
2039	200,000	22,575.00	222,575.00	230,000
2040	205,000	17,325.00	222,325.00	235,000
2041	210,000	11,687.50	221,687.50	-
2042	215,000	5,912.50	220,912.50	-
TOTALS	$ 80,147,000	$ 17,499,464.64	$ 97,646,464.64	$ 4,000,000.00

Note: Does not include $21,675,000 serial bonds refunded by 2020 bonds and being redeemed on September 28, 2020.

CURRENT BONDS OUTSTANDING

Fiscal Year Ending December 31st	1991 Court Renovations Principal	Interest	Total
2020	$ 960,000	$ 82,209	$ 1,042,209
2021	747,000	25,025	772,025
TOTALS	$ 1,707,000	$ 107,234	$ 1,814,234

Fiscal Year Ending December 31st	2012 Refunding of 2005 & 2006 Serial Bonds			2014 * EFC		
	Principal	Interest	Total	Principal	Interest	Total
2020	$ 1,510,000	$ 454,838	$ 1,964,838	$ 125,000	$ 63,756	$ 188,756
2021	1,590,000	377,338	1,967,338	125,000	61,642	186,642
2022	1,675,000	295,713	1,970,713	125,000	59,228	184,228
2023	1,765,000	209,713	1,974,713	130,000	56,551	186,551
2024	1,855,000	119,213	1,974,213	130,000	53,559	183,559
2025	1,930,000	43,450	1,973,450	135,000	50,352	185,352
2026	450,000	7,031	457,031	135,000	46,560	181,560
2027	-	-	-	140,000	42,853	182,853
2028	-	-	-	140,000	38,332	178,332
2029	-	-	-	145,000	33,620	178,620
2030	-	-	-	145,000	28,534	173,534
2031	-	-	-	150,000	23,266	173,266
2032	-	-	-	155,000	17,665	172,665
2033	-	-	-	155,000	11,737	166,737
2034	-	-	-	160,000	5,681	165,681
2035	-	-	-	-	-	-
2036	-	-	-	-	-	-
2037	-	-	-	-	-	-
2038	-	-	-	-	-	-
TOTALS	$ 10,775,000	$ 1,507,294	$ 12,282,294	$ 2,095,000	$ 593,336	$ 2,688,336

CURRENT BONDS OUTSTANDING

Fiscal Year Ending December 31st	2014 Nursing Home & Energy Improvements			2015 Refunding of 2008 Serial Bonds		
	Principal	Interest	Total	Principal	Interest	Total
2020	$ 2,230,000	$ 345,663	$ 2,575,663	$ 1,020,000	$ 473,681	$ 1,493,681
2021	2,280,000	301,063	2,581,063	1,080,000	422,681	1,502,681
2022	2,335,000	255,463	2,590,463	1,140,000	368,681	1,508,681
2023	2,390,000	202,925	2,592,925	1,205,000	311,681	1,516,681
2024	2,465,000	131,225	2,596,225	1,275,000	251,431	1,526,431
2025	245,000	57,275	302,275	1,340,000	187,681	1,527,681
2026	255,000	49,925	304,925	1,405,000	120,681	1,525,681
2027	260,000	42,275	302,275	1,435,000	82,625	1,517,625
2028	270,000	34,475	304,475	1,475,000	43,000	1,518,000
2029	275,000	26,375	301,375	-	-	-
2030	285,000	18,125	303,125	-	-	-
2031	295,000	9,219	304,219	-	-	-
2032	-	-	-	-	-	-
2033	-	-	-	-	-	-
2034	-	-	-	-	-	-
TOTALS	$ 13,585,000	$ 1,474,006	$ 15,059,006	$ 11,375,000	$ 2,262,144	$ 13,637,144

*Figures do not include subsidy credit or annual administrative fee.

Fiscal Year Ending December 31st	2017 Various Capital Improvements		
	Principal	Interest	Total
2020	$ 1,620,000	$ 363,925	$ 1,983,925
2021	1,655,000	331,525	1,986,525
2022	1,685,000	298,425	1,983,425
2023	1,715,000	264,725	1,979,725
2024	1,755,000	230,425	1,985,425
2025	1,785,000	195,325	1,980,325
2026	1,820,000	159,625	1,979,625
2027	1,855,000	123,225	1,978,225
2028	1,895,000	83,806	1,978,806
2029	1,935,000	43,538	1,978,538
2030	-	-	-
2031	-	-	-
TOTALS	$ 17,720,000	$ 2,094,544	$ 19,814,544

CURRENT BONDS OUTSTANDING

Fiscal Year Ending December 31st	2019 Various Capital Improvements			2020 Refunding Bonds		
	Principal	Interest	Total	Principal	Interest	Total
2020	$ 130,000	$ 97,206	$ 227,206	$ -	$ -	$ -
2021	130,000	95,325	225,325	660,000	733,045	1,393,045
2022	135,000	92,075	227,075	670,000	723,150	1,393,150
2023	135,000	88,700	223,700	705,000	689,650	1,394,650
2024	140,000	85,325	225,325	740,000	654,400	1,394,400
2025	145,000	81,825	226,825	775,000	617,400	1,392,400
2026	150,000	78,200	228,200	815,000	578,650	1,393,650
2027	150,000	74,450	224,450	860,000	537,900	1,397,900
2028	155,000	70,700	225,700	915,000	494,900	1,409,900
2029	160,000	66,825	226,825	970,000	449,150	1,419,150
2030	160,000	62,825	222,825	1,030,000	400,650	1,430,650
2031	165,000	58,825	223,825	1,085,000	359,450	1,444,450
2032	170,000	54,700	224,700	1,135,000	316,050	1,451,050
2033	175,000	50,450	225,450	1,185,000	270,650	1,455,650
2034	180,000	46,075	226,075	1,230,000	223,250	1,453,250
2035	185,000	41,575	226,575	1,280,000	174,050	1,454,050
2036	190,000	36,950	226,950	1,325,000	122,850	1,447,850
2037	190,000	32,200	222,200	1,365,000	83,100	1,448,100
2038	195,000	27,450	222,450	1,405,000	42,150	1,447,150
2039	200,000	22,575	222,575	-	-	-
2040	205,000	17,325	222,325	-	-	-
2041	210,000	11,688	221,688	-	-	-
2042	215,000	5,913	220,913	-	-	-
TOTALS	$ 3,870,000	$ 1,299,181	$ 5,169,181	$ 18,150,000	$ 7,470,445	$ 25,620,445

APPENDIX – C

CONTINUING DISCLOSURE UNDERTAKING

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

(i) to the Electronic Municipal Market Access ("EMMA") system of the Municipal Securities Rulemaking Board ("MSRB") or any other entity designated or authorized by the Commission to receive reports pursuant to the Rule, during each fiscal year in which the Bonds are outstanding, (i) certain annual financial information and operating data for the preceding fiscal year in a form generally consistent with the information contained or cross-referenced in the Final Official Statement dated September 16, 2020 of the County relating to the Bonds under the headings "THE COUNTY", "TAX INFORMATION", "STATUS OF INDEBTEDNESS", "LITIGATION" and all Appendices (other Appendix C and other than any Appendix related to bond insurance) by the end of the sixth month following the end of each succeeding fiscal year, commencing with the fiscal year ending December 31, 2020, and (ii) a copy of the audited financial statement, if any, (prepared in accordance with accounting principles generally accepted in the United States of America in effect at the time of the audit) for the preceding fiscal year, commencing with the fiscal year ending December 31, 2020; such audit, if any, will be so provided on or prior to the later of either the end of the sixth month of each such succeeding fiscal year or, if an audited financial statement is not available at that time, within sixty days following receipt by the County of its audited financial statement for the preceding fiscal year, but, in any event, not later than the last business day of each such succeeding fiscal year; and provided further, in the event that the audited financial statement for any fiscal year is not available by the end of the sixth month following the end of any such succeeding fiscal year, unaudited financial statements in the form provided to the State, if available, will be provided no later than said date; provided however, that provision of unaudited financial statements in any year shall be further conditioned upon a determination by the County of whether such provision is compliant with the requirements of federal securities laws including Rule 10b-5 of the Securities Exchange Act of 1934 and Rule 17(a)(2) of the Securities Act of 1933;

(ii) in a timely manner not in excess of ten (10) business days after the occurrence of the event, notice of the occurrence of any of the following events with respect to the Bonds, to EMMA or any other entity designated or authorized by the Commission to receive reports pursuant to the Rule:

(a) principal and interest payment delinquencies;

(b) non-payment related defaults, if material;

(c) unscheduled draws on debt service reserves reflecting financial difficulties;

(d) unscheduled draws on credit enhancements reflecting financial difficulties;

(e) substitution of credit or liquidity providers, or their failure to perform;

(f) adverse tax opinions, the issuance by the Internal Revenue Service of proposed or final determinations of taxability, Notices of Proposed Issue (IRS Form 5701-TEB) or other material notices of determinations with respect to the tax status of the securities, or other material events affecting the tax status of the securities;

(g) modifications to rights of security holders, if material;

(h) bond or note calls, if material, and tender offers;

(i) defeasances;

(j) release, substitution, or sale of property securing repayment of the securities; if material;

(k) rating changes;

(l) bankruptcy, insolvency, receivership or similar event of the County;

(m) 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; and;

(n) appointment of a successor or additional trustee or the change of name of a trustee, if material.

(o) incurrence of a “financial obligation” (as defined in the Rule) of the 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 Bondholders, if material; and

(p) default, event of acceleration, termination event, modification of terms, or other similar events under the terms of a financial obligation of the County, any of which reflect financial difficulties.

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

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

For the purposes of the event identified in (l) of this section, 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 governmental authority has assumed jurisdiction over substantially all of the assets or business of the obligated person, 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 obligated person.

The County may from time to time choose to provide notice of the occurrence of certain other events in addition to those listed above, if the County 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 material event except those events listed above.

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

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

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

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

COUNTY OF RENSSELAER, NEW YORK

AUDITED FINANCIAL STATEMENTS

For the Year Ended December 31, 2019

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

COUNTY OF RENSSELAER, NEW YORK

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Year Ended December 31, 2019

(continued)

COUNTY OF RENSSELAER, NEW YORK
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Year Ended December 31, 2019

(concluded)

Drescher & Malecki LLP
3083 William Street, Suite 5
Buffalo, New York 14227
Telephone: 716.565.2299
Fax: 716.565.2201

Certified Public Accountants

INDEPENDENT AUDITORS' REPORT

Honorable County Executive and County Legislature
County of Rensselaer, New York:

Report on the Financial Statements

We have audited the accompanying financial statements of the governmental activities, the business-type activities, the discretely presented component units, each major fund, and the aggregate remaining fund information of the County of Rensselaer, New York (the "County"), as of and for the year ended December 31, 2019, and the related notes to the financial statements, which collectively comprise the County's basic financial statements as listed in the table of contents.

Management's Responsibility for the Financial Statements

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

Auditors' Responsibility

Our responsibility is to express opinions on these financial statements based on our audit. We did not audit the financial statements of the Rensselaer County Industrial Development Agency and the Hudson Valley Community College, which are shown as discretely presented component units. Those financial statements were audited by other auditors whose reports thereon have been furnished to us, and our opinion, insofar as it relates to the amounts included for the discretely presented component units, is based solely on the reports of other auditors. We conducted our audit in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control. Accordingly, we express no such opinion. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinions.

Opinions

In our opinion, based on our audit and the reports of other auditors, the financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities, the business-type activities, the discretely presented component units, each major fund, and the aggregate remaining fund information of the County, as of December 31, 2019, and the respective changes in financial position and, where applicable, cash flows thereof for the year then ended in accordance with accounting principles generally accepted in the United States of America.

Emphasis of Matter

As discussed in Note 2 to the financial statements, during the year ended December 31, 2019, the County implemented Governmental Accounting Standards Board ("GASB") Statement No. 84, *Fiduciary Activities.* Our opinion is not modified with respect to this matter.

Other Matters

Required Supplementary Information

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

Other Information

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

Other Reporting Required by *Government Auditing Standards*

In accordance with *Government Auditing Standards*, we have also issued our report dated May 6, 2020 on our consideration of the County's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements, and other matters. The purpose of that report is solely to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the County's internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the County's internal control over financial reporting and compliance.

Drescher & Malecki LLP

May 6, 2020

As management of the County of Rensselaer (the "County"), we offer readers of the County's financial statements this narrative overview and analysis of the financial activities of the County for the fiscal year ended December 31, 2019. This document should be read in conjunction with additional information that we have furnished in the County's financial statements, which follow this narrative. For comparative purposes, certain items from the prior year have been reclassified to conform with the current year presentation.

Financial Highlights

- The assets and deferred outflows of resources of the County's primary government exceeded its liabilities and deferred inflows of resources at the close of the most recent fiscal year by $120,726,101 (net position). This consists of $67,297,179 net investment in capital assets, $4,874,975 restricted for specific purposes and unrestricted net position of $48,553,947.

- The County's total primary government net position increased by $29,953,936 during the year ended December 31, 2019. Governmental activities increased the County's net position by $21,645,023, while net position of the business-type activities increased $8,308,913.

- At the close of the current fiscal year, the County's governmental funds reported a combined ending fund balance of $72,818,588, an increase of $12,158,990 from the prior year's combined ending fund balance of $60,659,598.

- At the end of the current fiscal year, *unassigned fund balance* for the General Fund was $38,664,973, or 15.9 percent of total General Fund expenditures and transfers out. This total amount is *available for spending* at the County's discretion and constitutes approximately 63.1 percent of the General Fund's total fund balance of $61,297,951 at December 31, 2019.

- The County's primary government and blended component units total bonded indebtedness decreased by $4,401,177. During the year scheduled principal payments of $8,545,000 were made, which were partially slightly by accreted interest of $273,823, and the issuance of $3,870,000 serial bonds on behalf of the Hudson Valley Community College ("HVCC").

Overview of the Financial Statements

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

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

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

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

Both of the government-wide financial statements distinguish functions of the County that are principally supported by taxes and intergovernmental revenues (*governmental activities*) from other functions that are intended to remove all, or a significant portion, of their costs through user fees and charges (*business-type activities*). The governmental activities of the County include general government support, education, public safety, health, transportation, economic assistance and opportunity, culture and recreation, and home and community services. The business-type activity of the County is the Van Rensselaer Manor nursing home.

The government-wide financial statements include not only the County itself (known as the *primary government*), but also a legally separate development agency (Rensselaer County Industrial Development Agency) and a legally separate college (Hudson Valley Community College) for which the County is financially accountable. Financial information for these discretely presented component units is reported separately from the financial information presented for the primary government itself.

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

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

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

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

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

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

Proprietary funds—The County maintains two different types of proprietary funds. *Enterprise funds* are used to report the same functions presented as *business-type activities* in the government-wide financial statements. The County uses an enterprise fund to account for its Van Rensselaer Manor (nursing home) operations. *Internal service funds* are an accounting device used to accumulate and allocate costs internally among the County's various functions. The County uses internal service funds to account for the operation of self-insurance for unemployment, dental and vision, workers' compensation and central internal services programs. Because these services predominantly benefit governmental rather than business-type functions, they have been included within *governmental activities* in the government-wide financial statements.

Proprietary funds provide the same type of information as the government-wide financial statements, only in more detail. The proprietary fund financial statements provide separate information for the Van Rensselaer Manor, which is considered to be a major fund of the County. Conversely, the internal service funds are combined into a single, aggregated presentation in the proprietary fund financial statements.

The proprietary fund financial statements can be found on pages 20-23 of this report.

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

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

The Custodial Fund financial statements can be found on pages 24-25 of this report.

Notes to the financial statements—The notes provide additional information that is essential to a full understanding of the data provided in the government-wide and fund financial statements. The notes to the financial statements can be found on pages 26-71 of this report.

Other information—In addition to the basic financial statements and accompanying notes, this report also presents certain *required supplementary information* concerning the County's net pension liability, the changes in the County's total other postemployment benefits ("OPEB") obligation, and the County's budgetary comparison for the General Fund. Required Supplementary Information and the related notes to the Required Supplementary Information can be found on pages 72-79 of this report.

The combining statements referred to earlier in connection with nonmajor governmental funds are presented immediately following the Required Supplementary Information in the Supplementary Information section of this report on pages 80-81.

Government-wide Financial Analysis

As noted earlier, net position over time may serve as a useful indicator of a government's financial position. In the case of the County's primary government, assets and deferred outflows of resources exceeded liabilities and deferred inflows of resources by $120,726,101 at the close of the most recent fiscal year, as compared to $90,772,165 at the close of the fiscal year ended December 31, 2019.

Table 1—Condensed Statements of Net Position—Primary Government

	Governmental Activities		Business-type Activities		Total	
	December 31,		December 31,		December 31,	
	2019	2018	2019	2018	2019	2018
Assets:						
Current assets	$ 176,853,698	$ 162,777,948	$ 59,759,691	$ 51,095,836	$ 236,613,389	$ 213,873,784
Capital assets	195,073,515	192,565,790	20,236,220	20,654,909	215,309,735	213,220,699
Total assets	371,927,213	355,343,738	79,995,911	71,750,745	451,923,124	427,094,483
Deferred outflows of resources	21,722,797	26,102,322	7,976,954	8,167,450	29,699,751	34,269,772
Liabilities:						
Current liabilities	46,058,923	49,158,868	4,461,917	4,659,077	50,520,840	53,817,945
Non-current liabilities	249,104,483	235,701,267	36,903,197	31,341,444	286,007,680	267,042,711
Total liabilities	295,163,406	284,860,135	41,365,114	36,000,521	336,528,520	320,860,656
Deferred inflows of resources	19,740,834	39,485,178	4,627,420	10,246,256	24,368,254	49,731,434
Net position:						
Net investment in capital assets	60,645,959	46,064,891	6,651,220	4,899,909	67,297,179	50,964,800
Restricted	4,038,369	3,538,499	836,606	-	4,874,975	3,538,499
Unrestricted	14,061,442	7,497,357	34,492,505	28,771,509	48,553,947	36,268,866
Total net position	$ 78,745,770	$ 57,100,747	$ 41,980,331	$ 33,671,418	$ 120,726,101	$ 90,772,165

The largest portion of the County's primary government net position, $67,297,179, reflects its net investment in capital assets (e.g. land, land improvements, buildings and improvements, infrastructure and machinery and equipment), less any debt used to acquire those assets. The County uses these capital assets to provide services to citizens. Accordingly, these assets are not available for future spending. Although the County's investment in its capital assets is reported net of related debt, it should be noted that the resources needed to repay this debt must be provided from other sources, since the capital assets themselves cannot be used to liquidate these liabilities.

An additional portion of the net position of the primary government, $4,874,975 represents resources that are subject to external restrictions imposed by creditors, grantors, contributors, or laws and regulations of other governments and restrictions imposed by law through constitutional provisions or enabling legislation.

The remaining portion of the County's net position of the primary government, $48,553,947, is considered to be unrestricted net position.

Table 2, as presented below, shows the changes in net position for the years ended December 31, 2019 and December 31, 2018.

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

	Governmental activities		Business-type activities		Total	
	Year Ended December 31,		Year Ended December 31,		Year Ended December 31,	
	2019	2018	2019	2018	2019	2018
Revenues:						
Program revenues	$ 103,936,588	$ 106,650,605	$ 51,979,978	$ 52,013,897	$ 155,916,566	$ 158,664,502
General revenues	175,307,277	167,895,532	-	-	175,307,277	167,895,532
Total revenues	279,243,865	274,546,137	51,979,978	52,013,897	331,223,843	326,560,034
Total expenses	257,598,842	240,129,938	43,671,065	35,826,072	301,269,907	275,956,010
Change in net position	21,645,023	34,416,199	8,308,913	16,187,825	29,953,936	50,604,024
Net position—beginning	57,100,747	22,684,548	33,671,418	17,483,593	90,772,165	40,168,141
Net position—ending	$ 78,745,770	$ 57,100,747	$ 41,980,331	$ 33,671,418	$ 120,726,101	$ 90,772,165

Governmental activities—Governmental activities increased the County's net position by $21,645,023. Total revenues increased 1.7 percent primarily as a result of the increase in non-property taxes primarily due to an increase in sales tax revenue. This increase was partially offset by a decrease in operating and capital grants. Total expenses decreased 7.3 percent. The County received an updated actuarial valuation related to GASB Statement No. 75, which caused a significant increase in the OPEB liability due to changes in assumptions, service costs and interest, which are considered to be estimates and resulted in an increase in related allocable employee benefit expenses.

A summary of revenues for governmental activities for the years ended December 31, 2019 and 2018 is presented below.

Table 3—Summary of Sources of Revenues—Governmental Activities

	Year Ended December 31,		Increase/(Decrease)	
	2019	2018	Dollars	Percent (%)
Charges for services	$ 38,767,841	$ 37,610,619	$ 1,157,222	3.1
Operating and capital grants	65,168,747	69,039,986	(3,871,239)	(5.6)
Property taxes and tax items	69,646,213	68,357,607	1,288,606	1.9
Non-property taxes	98,499,301	92,662,791	5,836,510	6.3
Use of money and property	3,593,029	3,617,121	(24,092)	(0.7)
Tobacco settlement revenue	1,886,832	1,957,570	(70,738)	(3.6)
Other	1,681,902	1,300,443	381,459	29.3
Total revenues	$ 279,243,865	$ 274,546,137	$ 4,697,728	1.7

For the year ended December 31, 2019, the most significant source of revenues for governmental activities are non-property taxes, which account for $98,499,301, or 35.3 percent of total revenues. The other significant sources of revenue include property taxes and tax items which account for $69,646,213, or 24.9 percent of total revenues and operating and capital grants which account for $65,168,747, or 23.3 percent of total revenues. For the year ended December 31, 2018, the most significant source of revenues for governmental activities are non-property taxes, which account for $92,662,791, or 33.8 percent of total revenues. The other significant sources of revenue include operating and capital grants, which comprise $69,039,986, or 25.1 percent of total revenues, and property taxes and tax items, which comprise $68,357,607, or 24.9 percent of total revenues.

A summary of program expenses of governmental activities for the years ended December 31, 2019 and 2018 is presented below.

Table 4—Summary of Program Expenses—Governmental Activities

	Year Ended December 31,		Increase/(Decrease)	
	2019	2018	Dollars	Percent (%)
General government support	$ 53,550,863	$ 49,678,402	$ 3,872,461	7.8
Education	19,941,743	19,707,058	234,685	1.2
Public safety	41,742,711	35,601,533	6,141,178	17.2
Health	21,442,291	18,493,927	2,948,364	15.9
Transportation	14,347,105	14,157,301	189,804	1.3
Economic assistance and opportunity	94,407,371	91,408,381	2,998,990	3.3
Culture and recreation	510,023	552,924	(42,901)	(7.8)
Home and community services	7,174,633	5,930,024	1,244,609	21.0
Interest and fiscal charges	4,482,102	4,600,388	(118,286)	(2.6)
Total program expenses	$ 257,598,842	$ 240,129,938	$ 17,468,904	7.3

For the year ended December 31, 2019, the County's most significant expense category for governmental activities is economic assistance and opportunity (primarily composed of social service costs) of $94,407,371, or 36.6 percent of program expenses. The other significant expenses include general government support of $53,550,863, or 20.8 percent of total expenses, and public safety expenses of $41,742,711, or 16.2 percent of total expenses. Similarly, for the year ended December 31, 20182018, the County's most significant expense category for governmental activities is economic assistance and opportunity (primarily composed of social service costs) of $91,408,381, or 38.1 percent of program expenses. The other significant expenses include general government support of $49,678,402, or 20.7 percent of total expenses, and public safety expenses of $35,601,533, or 14.8 percent of total expenses.

Business-type activities—Business-type activities (Van Rensselaer Manor) increased the County's net position by $8,308,913. Operating revenues for the year ended December 31, 2019 remained consistent with 2018. The Manor's total operating expenses for the year ended December 31, 2019 increased 21.9 percent from the previous year.

A summary of operating revenues and operating expenses for the County's business-type activities for the years ended December 31, 2019 and 2018 is presented on the following page.

Table 5—Summary of Operating Revenues and Expenses—Business-Type Activities

	Year Ended December 31,		Increase/(Decrease)	
	2019	2018	Dollar	Percent (%)
Operating revenues:				
Charges for services	$ 38,097,613	$ 38,143,307	$ (45,694)	(0.1)
Operating grants and contributions	13,882,365	13,870,590	11,775	0.1
Total operating revenues	$ 51,979,978	$ 52,013,897	$ (33,919)	(0.1)
Operating expenses:				
Nursing and medical	$ 18,140,639	$ 17,649,310	$ 491,329	2.8
Ancillary	7,533,950	7,411,586	122,364	1.7
Administrative and general	5,427,154	5,164,841	262,313	5.1
Fringe benefits	10,787,395	3,476,679	7,310,716	210.3
Interest expense	329,150	366,795	(37,645)	(10.3)
Depreciation	1,323,349	1,072,396	250,953	23.4
Bad debt	91,216	640,948	(549,732)	(85.8)
Total operating expenses	$ 43,632,853	$ 35,782,555	$ 7,850,298	21.9

For the year ended December 31, 2019, the Manor's overall operating revenues decreased by 0.1 percent due to normal operations.

As detailed above, the Manor's total operating expenses for the year ended December 31, 2019 increased 21.9 percent from the previous year. The increase is primarily due to the increase in fringe benefits as a result of increases in other postemployment benefits obligation and the net pension liability.

The Manor's most significant expense items for the year ended December 31, 2019 are nursing and medical care, which accounts for $18,140,639 or 41.6 percent of total expenses and fringe benefit expenses which account for $10,787,394 or 24.7 percent of total expenses. For the year ended December 31, 2018, the most significant items are nursing and medical care, which accounts for $17,649,310 or 49.4 percent of total expenses and ancillary expenses which account for $7,411,586 or 20.7 percent of total expenses.

Financial Analysis of Governmental Funds

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

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

At December 31, 2019, the County's governmental funds reported combined ending fund balances of $72,818,588, an increase of $12,158,990 from the prior year. Approximately 51.7 percent of this amount, $37,647,507, constitutes *unassigned fund balance*, which is available for spending at the County's discretion. The remainder of fund balance is either *nonspendable, restricted,* or *assigned* to indicate that it is: (1) not in spendable form, $3,550,029, (2) restricted for particular purposes, $2,834,197, or (3) assigned for particular purposes, $28,786,855.

The General Fund is the chief operating fund of the County. At the end of the current fiscal year, unassigned fund balance of the General Fund was $38,664,973, while total fund balance increased to $61,297,951. As a measure of the General Fund's liquidity, it may be useful to compare both the unassigned fund balance and total fund balance to the total General Fund expenditures and transfers out. Unassigned fund balance represents approximately 15.9 percent of the total General Fund expenditures and transfers out, while total fund balance represents approximately 25.2 percent of that same amount. Fund balance in the General Fund increased $12,958,259 during the year, primarily as a result of budgetary savings in economic assistance and opportunity, general government support, and health expenditures combined with higher than anticipated non-property tax revenue related to sales tax.

The fund balance in the Capital Projects Fund increased $28,698 from December 31, 2018 resulting in an ending fund deficit of $1,017,466. This deficit is anticipated to be remedied primarily through proceeds from future debt issuances and the conversion of current bond anticipation notes to long-term financing.

General Fund Budgetary Highlights

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

A summary of the General Fund results of operations for the year ended December 31, 2019 is presented in Table 6 below:

Table 6—Summary of General Fund Results of Operations

	Budgeted Amounts			Variance with
	Original	Final	Actual	Final Budget
Revenues and other financing sources	$ 246,222,510	$ 258,920,752	$ 255,724,909	$ (3,195,843)
Expenditures and other financing uses	246,794,584	259,951,840	242,766,650	17,185,190
Excess (deficiency) of revenues over expenditures and other financing uses	$ (572,074)	$ (1,031,088)	$ 12,958,259	$ 13,989,347

Original budget compared to final budget—During the year, the budget is modified, primarily to reflect the acceptance of new grants. These grants explain some of the increases in appropriations and revenue from the original adopted budget final budget. Significant grants for which the budget was modified were for various social service programs. In addition, the budget was modified to reflect the higher than anticipated distribution of sales tax in general government support. A majority of the remaining increases in budgeted appropriations were a result of higher than anticipated operating expenses.

Final budget compared to actual results—The General Fund had a favorable variance from final budgetary appropriations of $17,185,190. The primary positive variances were realized in economic assistance and opportunity, general government support, and health expenditures. These positive variances were primarily a result of lower than anticipated program costs, personnel services and contractual services.

Capital Assets and Debt Administration

Capital assets—The County's primary government investment in capital assets for its governmental and business-type activities as of December 31, 2019 amounts to $215,309,735 (net of accumulated depreciation). This investment in capital assets includes land, construction in progress, land improvements, buildings and building improvements, infrastructure, and machinery and equipment.

All depreciable capital assets were depreciated from acquisition date to the end of the current year as outlined in the County's capital asset policy.

Capital assets of the primary government net of depreciation for the governmental activities and business-type activities at the years ended December 31, 2019 and December 31, 2018 are presented in Table 7 below:

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

	Governmental activities		Business-type activities		Total	
	December 31,		December 31,		December 31,	
	2019	2018	2019	2018	2019	2018
Land	$ 762,880	$ 762,880	$ 550,000	$ 550,000	$ 1,312,880	$ 1,312,880
Construction in progress	9,660,011	30,572,331	-	9,233,751	9,660,011	39,806,082
Land improvements	72,945	-	-	-	72,945	-
Buildings and building improvements	68,619,982	69,207,889	3,819,567	4,202,147	72,439,549	73,410,036
Infrastructure	88,345,326	86,022,350	-	-	88,345,326	86,022,350
Machinery and equipment	27,612,371	6,000,340	15,866,653	6,669,011	43,479,024	12,669,351
Total	$ 195,073,515	$ 192,565,790	$ 20,236,220	$ 20,654,909	$ 215,309,735	$ 213,220,699

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

Long-term liabilities—The County currently has approximately $113.2 million in total bonded debt for functions of the primary government and blended component units. This includes serial bonds and tobacco settlement bonds issued by the Rensselaer Tobacco Asset Securitization Corporation (the "RTASC").

As previously discussed, the RTASC is considered a component unit of the County and its long-term debt is included within the non-current liabilities of the County. The long-term debt, comprised of bonded debt and accreted interest, of RTASC at December 31, 2019 is $33,743,935. RTASC was created by the County in 2001 for the purpose of issuing bonds backed by the County's interests in the national tobacco Master Settlement Agreement ("MSA") in exchange for the County's future rights to a portion of this revenue stream.

The County's business-type activity, Van Rensselaer Manor, also has long-term debt issued and recorded as a liability. The amount outstanding consists of public improvement serial bonds totaling $16,500,775 as of December 31, 2019.

The County carries an AA rating from Standard & Poor's.

A summary of the County's long-term liabilities at December 31, 2019 and December 31, 2018 is presented in Table 8 below:

Table 8—Summary of Long-Term Liabilities

	Governmental activities		Business-type activities		Total	
	December 31,		December 31,		December 31,	
	2019	2018	2019	2018	2019	2018
Serial bonds	$ 40,198,266	$ 44,340,731	$ -	$ -	$ 40,198,266	$ 44,340,731
Serial bonds - HVCC	29,888,735	27,866,270	-	-	29,888,735	27,866,270
Unamortized premiums	1,631,535	1,829,885	-	-	1,631,535	1,829,885
RTASC bonds, and accreted interest	33,743,935	33,855,112	-	-	33,743,935	33,855,112
RTASC unamortized premium	1,303,616	1,320,607	-	-	1,303,616	1,320,607
Installment purchase debt	49,963,320	53,843,622	-	-	49,963,320	53,843,622
Compensated absences	14,715,377	14,056,034	-	-	14,715,377	14,056,034
Net OPEB obligation	53,918,628	43,275,127	13,585,000	13,104,144	67,503,628	56,379,271
Workers' compensation	7,619,762	7,749,025	-	-	7,619,762	7,749,025
Bond payable - Manor	-	-	16,500,775	15,755,000	16,500,775	15,755,000
Net pension liability	16,121,309	7,564,854	6,817,528	2,482,300	22,938,837	10,047,154
Total	$ 249,104,483	$ 235,701,267	$ 36,903,303	$ 31,341,444	$ 286,007,786	$ 267,042,711

For additional information on the County's long-term debt, refer to Note 12 of this report.

Economic Factors and Next Year's Budgets

New York State ("NYS") requires that counties expend significant local resources for unfunded mandates. In particular, the required contribution to the State run Medicaid program continues to place budgetary pressure upon the County. The County's expenditures for this program consume nearly fifty percent of the County's tax levy:

Year	Expense
2019	$ 33,361,115
2018	32,789,783
2017	31,948,053

Other areas of concern are:

- Impact of the Covid-19 virus on the County's economy as it relates to revenues derived from sales and use taxes and property taxes.

- Anticipated state budget cuts in reimbursement funding allocations and direct aid to local governments.

- Employee benefit costs in the form of contributions to the New York State and Local Retirement System, and for rising health insurance premiums.

- New York State's plan to increase the age of criminality from 17 to 18 years of age which will require the County to spend additional resources for support and services to support the family court and juvenile placements.

- Liabilities relating to postemployment benefits for retirees and net pension liability due to mandated participation in the NYS and Local Retirement System.

- Capital and maintenance funding of aging Highway infrastructure.

- Increasing home and community expenses, due to an aging sewer system and other capital assets requiring significant future investments in infrastructure.

- The ability of the County to continue to control costs at the Van Rensselaer Manor Nursing Home and the reliance on the federal IGT program revenue to offset County subsidies.

- Limitations on future property tax increases due to the NYS Tax Cap legislation.

Despite these factors, the County was able to develop a General Fund budget for 2020 which did not increase the property tax levy. The County has formulated a budget that stayed within the New York State Tax Cap every year since its inception. The County has generated General Fund surpluses over each of the last twelve fiscal years, continuing to strengthen its fund balance.

The County's economic development efforts have been successful in attracting new technology and pharmaceutical research jobs. The recent revitalization of the City of Troy's downtown has generated additional economic activity and a reinvestment into housing. Additionally, the commercial corridors in the Towns of Brunswick and North Greenbush are continuing to add retail businesses. As part of New York's Capital Region, the County continues to experience lower unemployment rates as compared to other regions of the State. The unemployment rate for the region for December 2019 was 3.8 percent.

Requests for Information

This financial report is designed to provide a general overview of the County's finances for all those with an interest in the government's finances. Questions concerning any of the information provided in this report or requests for additional financial information should be addressed to the Acting Chief Fiscal Officer, Rensselaer County Bureau of Finance, 1600 Seventh Avenue, Troy, New York 12180.

BASIC FINANCIAL STATEMENTS

COUNTY OF RENSSELAER, NEW YORK
Statement of Net Position
December 31, 2019

	Primary Government			Component Units	
	Governmental Activities	Business-type Activities	Total	Industrial Development Agency	Hudson Valley Community College August 31, 2019
ASSETS					
Cash and cash equivalents	$ 58,771,088	$ 44,416,379	$ 103,187,467	$ 4,580,859	$ 52,819,490
Restricted cash and cash equivalents	9,669,497	836,606	10,506,103	13,601	-
Cash with fiscal agent	1,154,402	-	1,154,402	-	-
Investments	-	-	-	-	10,517,469
Property taxes receivable (net of allowance)	25,163,286	-	- 25,163,286	-	-
Other receivables (net of allowance)	16,597,723	13,912,434	30,510,157	11,253	10,291,514
Intergovernmental receivables	33,077,695	-	33,077,695	-	-
Internal balances	185,415	(185,415)	-	-	-
Inventories	171,806	165,881	337,687	-	344,716
Prepaid items	2,174,051	613,806	2,787,857	-	1,179,312
Other assets	170,000	-	170,000	887,683	231,498
Assets held by trustee	-	-	-	-	3,094,475
Net pension asset	-	-	-	-	1,556,297
Due from component units/primary government	29,718,735	-	29,718,735	-	-
Capital assets not being depreciated	10,422,891	550,000	10,972,891	-	2,532,155
Capital assets, net of accumulated depreciation	184,650,624	19,686,220	204,336,844	11,218	156,185,028
Total assets	371,927,213	79,995,911	451,923,124	5,504,614	238,751,954
DEFERRED OUTFLOWS OF RESOURCES					
Deferred outflows—relating to pensions	13,696,586	5,607,777	19,304,363	75,286	6,813,088
Deferred outflows—relating to OPEB	7,282,689	2,369,177	9,651,866	-	1,034,543
Deferred loss on refunding	743,522	-	743,522	-	-
Total deferred outflows of resources	21,722,797	7,976,954	29,699,751	75,286	7,847,631
LIABILITIES					
Accounts payable	10,367,815	1,005,051	11,372,866	38,496	8,712,140
Accrued liabilities	5,744,870	3,456,866	9,201,736	-	6,090,712
Intergovernmental payables	19,432,066	-	19,432,066	-	-
Security deposits	-	-	-	7,710	-
Due to primary government	-	-	-	-	29,718,735
Unearned revenues	1,490,237	-	1,490,237	-	13,329,300
Bond anticipation notes payable	5,504,500	-	5,504,500	-	-
Amounts held on hehalf of HVCC	3,519,435	-	3,519,435	-	-
Noncurrent liabilities:			-		
Due within one year	13,298,827	2,230,000	15,528,827	-	417,745
Due within more than one year	235,805,656	34,673,197	270,478,853	42,851	50,005,039
Total liabilities	295,163,406	41,365,114	336,528,520	89,057	108,273,671
DEFERRED INFLOWS OF RESOURCES					
Rent advances applicable to future years	-	-	-	13,067	-
Deferred inflows—relating to pensions	7,532,364	3,185,306	10,717,670	14,982	4,428,347
Deferred inflows—relating to OPEB	4,287,763	1,442,114	5,729,877	-	1,143,088
Deferred gain on refunding	7,920,707	-	7,920,707	-	-
Total deferred inflows of resources	19,740,834	4,627,420	24,368,254	28,049	5,571,435
NET POSITION					
Net investment in capital assets	60,645,959	6,651,220	67,297,179	11,218	122,339,938
Restricted for:					
Tax stabilization	542,996	-	542,996	-	-
Handicapped parking	57,493	-	57,493	-	-
Debt service	2,114,133	-	2,114,133	-	-
Sheriff	119,575	-	119,575	-	-
Scholarships and fellowships	-	-	-	-	6,948,945
Capital projects and debt service	-	836,606	836,606	-	1,427,896
South Troy Industrial Park Project	-	-	-	13,601	-
Loans	1,204,172	-	1,204,172	-	-
Unrestricted	14,061,442	34,492,505	48,553,947	5,437,975	2,037,700
Total net position	$ 78,745,770	$ 41,980,331	$ 120,726,101	$ 5,462,794	$ 132,754,479

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

COUNTY OF RENSSELAER, NEW YORK
Statement of Activities
Year Ended December 31, 2019

Function/Program	Expenses	Program Revenues: Charges for Services	Program Revenues: Operating Grants and Contributions	Program Revenues: Capital Grants and Contributions	Net (Expense) Revenue and Changes in Net Position: Primary Government: Governmental Activities	Primary Government: Business-type Activities	Primary Government: Total	Component Units: Industrial Development Agency	Component Units: Hudson Valley Community College August 31, 2019
Primary government:									
Governmental activities:									
General government support	$ 53,550,863	$ 11,693,758	$ 3,720,102	$ -	$ (38,137,003)	$ -	$ (38,137,003)	$ -	$ -
Education	19,941,743	1,663,311	7,397,611	-	(10,880,821)	-	(10,880,821)	-	-
Public safety	41,742,711	5,368,409	2,867,610	-	(33,506,692)	-	(33,506,692)	-	-
Health	21,442,291	6,198,210	11,098,465	-	(4,145,616)	-	(4,145,616)	-	-
Transportation	14,347,105	29,979	3,345,147	45,676	(10,926,303)	-	(10,926,303)	-	-
Economic assistance and opportunity	94,407,371	3,356,490	36,261,797	-	(54,789,084)	-	(54,789,084)	-	-
Culture and recreation	510,023	-	364,911	-	(145,112)	-	(145,112)	-	-
Home and community services	7,174,633	10,457,684	67,428	-	3,350,479	-	3,350,479	-	-
Interest and fiscal charges	4,482,102	-	-	-	(4,482,102)	-	(4,482,102)	-	-
Total governmental activities	257,598,842	38,767,841	65,123,071	45,676	(153,662,254)	-	(153,662,254)	-	-
Business-type activities:									
Van Rensselaer Manor	43,671,065	38,097,613	13,882,365	-	-	8,308,913	8,308,913	-	-
Total primary government	$ 301,269,907	$ 76,865,454	$ 79,005,436	$ 45,676	(153,662,254)	8,308,913	(145,353,341)	-	-
Component units:									
Industrial Development Agency	$ 1,903,159	$ 3,103,607	$ -	$ -				1,200,448	-
Hudson Valley Community College	120,448,301	65,847,740	49,939,082	10,731,955				-	6,070,476
Total component units	$ 122,351,460	$ 68,951,347	$ 49,939,082	$ 10,731,955				1,200,448	6,070,476
General revenues:									
Real property taxes and tax items					69,646,213	-	69,646,213	-	-
Non-property taxes					98,499,301	-	98,499,301	-	-
Use of money and property					3,593,029	-	3,593,029	39,385	1,227,021
Fines and forfeitures					263,148	-	263,148	-	-
Sale of property and compensation for loss					833,715	-	833,715	-	-
Miscellaneous					585,039	-	585,039	-	4,921,640
Tobacco settlement revenue					1,886,832	-	1,886,832	-	-
Total general revenues					175,307,277	-	173,420,445	39,385	6,148,661
Change in net position					21,645,023	8,308,913	29,953,936	1,239,833	12,219,137
Net position—beginning					57,100,747	33,671,418	90,772,165	4,222,961	120,535,342
Net position—ending					$ 78,745,770	$ 41,980,331	$ 120,726,101	$ 5,462,794	$ 132,754,479

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

COUNTY OF RENSSELAER, NEW YORK
Balance Sheet—Governmental Funds
December 31, 2019

	General	Capital Projects	Total Nonmajor Funds	Total Governmental Funds
ASSETS				
Cash and cash equivalents	$ 41,695,775	$ -	$ 5,917,650	$ 47,613,425
Restricted cash and cash equivalents	3,613,090	3,940,399	2,116,008	9,669,497
Cash with fiscal agent	-	1,154,402	-	1,154,402
Property taxes receivable (net of allowance)	25,163,286	-	-	25,163,286
Other receivables	11,811,512	-	4,785,659	16,597,171
Intergovernmental receivables	30,027,657	1,022,076	109,743	31,159,476
Due from other funds	2,363,133	651,548	2,359,017	5,373,698
Inventories	-	-	171,806	171,806
Prepaid items	2,009,133	-	164,918	2,174,051
Total assets	$ 116,683,586	$ 6,768,425	$ 15,624,801	$ 139,076,812
LIABILITIES				
Accounts payable	$ 8,611,996	$ 124,370	$ 1,566,614	$ 10,302,980
Accrued liabilities	4,767,199	-	103,690	4,870,889
Due to other funds	3,663,351	42,250	1,412,930	5,118,531
Intergovernmental payables	19,430,477	-	1,589	19,432,066
Unearned revenues	1,488,362	-	1,875	1,490,237
Bond anticipation notes payable	-	5,504,500	-	5,504,500
Amounts held on behalf of HVCC	1,404,664	2,114,771	-	3,519,435
Total liabilities	39,366,049	7,785,891	3,086,698	50,238,638
DEFERRED INFLOWS OF RESOURCES				
Unavailable revenue—property taxes	16,019,586	-	-	16,019,586
Total deferred inflows of resources	16,019,586	-	-	16,019,586
FUND BALANCES (DEFICIT)				
Nonspendable	2,009,133	-	1,540,896	3,550,029
Restricted	720,064	-	2,114,133	2,834,197
Assigned	19,903,781	-	8,883,074	28,786,855
Unassigned	38,664,973	(1,017,466)	-	37,647,507
Total fund balances (deficit)	61,297,951	(1,017,466)	12,538,103	72,818,588
Total liabilities, deferred inflows of resources and fund balances (deficit)	$ 116,683,586	$ 6,768,425	$ 15,624,801	$ 139,076,812

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

COUNTY OF RENSSELAER, NEW YORK
Reconciliation of the Balance Sheet—Governmental Funds to the Government-wide Statement of Net Position
December 31, 2019

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

Total fund balances (deficit)—governmental funds (page 16)			$	72,818,588
Capital assets used in governmental activities are not financial resources and, therefore, are not reported in the funds. The cost of the assets is $385,167,493 and the accumulated depreciation is $190,093,978.				195,073,515
A long-term receivable from Hudson Valley Community College is not reported as a fund receivable, but rather is recognized when the resources are available. The asset is reported in the statement of net position.				29,888,735
A long-term asset owed to RTASC by New York State is not available to pay for current period expenditures and, therefore, is not reported in the funds.				1,918,219
Uncollected property taxes are not available to pay for current period expenditures and therefore are deferred inflows of resources in the funds.				16,019,586
Deferred charges associated with refunding of bonds are not reported in the governmental funds. The charge is reported as a deferred outflow of resources on the statement of net position and is recognized as a component of interest expense over the life of the related debt.				743,522
Deferred outflows and inflows of resources related to pensions and other postemployment benefits ("OPEB") are applicable to future periods and, therefore, are not reported in the funds.				
Deferred outflows related to employer contributions	$	6,170,227		
Deferred outflows related to experience, changes of assumptions, investment earnings, and changes in proportion		7,526,359		
Deferred inflows related to pension plans		(7,532,364)		
Deferred outflows related to OPEB		7,282,689		
Deferred inflows related to OPEB		(4,287,763)		9,159,148
Internal service funds are used by management to charge the costs of management information systems and other internal services in addition to health insurance and workers' compensation. The assets and liabilities of the internal service funds are included in the government-wide statement of net position.				3,365,324
Net accrued interest expense for serial bonds is not reported in the funds. Accrued interest for general obligation bonds is $702,268 and accrued interest on RTASC bonds is $133,171 at year end.				(835,439)
Long-term liabilities are not due and payable in the current period and, therefore, are not reported in the funds. The effects of these items are:				
Serial bonds	$	(40,198,266)		
Serial bonds - HVCC		(29,888,735)		
Unamortized premiums		(1,631,535)		
RTASC Tobacco Settlement Bonds and accreted interest		(33,743,935)		
Unamortized premium on RTASC Tobacco Settlement Bonds		(1,303,616)		
RTASC deferred gain on refunding		(7,920,707)		
Installment purchase debt		(49,963,320)		
Compensated absences		(14,715,377)		
Other post-employment benefits plan obligation		(53,918,628)		
Net pension liability		(16,121,309)		(249,405,428)
Total net position of governmental activities			$	78,745,770

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

COUNTY OF RENSSELAER, NEW YORK

Statement of Revenues, Expenditures, and Changes in Fund Balances (Deficit)—Governmental Funds

Year Ended December 31, 2019

	General	Capital Projects	Total Nonmajor Funds	Total Governmental Funds
REVENUES				
Real property taxes	$ 56,085,788	$ -	$ 6,656,297	$ 62,742,085
Real property tax items	5,960,675	-	-	5,960,675
Non-property tax items	97,522,914	-	976,387	98,499,301
Departmental income	14,886,742	-	10,388,226	25,274,968
Intergovernmental charges	16,268,411	-	-	16,268,411
Use of money and property	1,273,097	36,128	2,283,804	3,593,029
Licenses and permits	-	-	4,848	4,848
Fines and forfeitures	263,148	-	-	263,148
Sale of property and compensation for loss	460,394	-	373,321	833,715
Miscellaneous	573,929	8,898	2,212	585,039
Interfund revenues	2,385,194	-	-	2,385,194
State aid	39,504,965	45,676	3,212,353	42,762,994
Federal aid	20,539,652	-	1,885,553	22,425,205
Tobacco settlement revenue	-	-	1,953,195	1,953,195
Total revenues	255,724,909	90,702	27,736,196	283,551,807
EXPENDITURES				
Current:				
General government support	54,854,888	-	943,307	55,798,195
Education	19,941,743	-	-	19,941,743
Public safety	40,249,845	-	284,642	40,534,487
Health	20,455,906	-	-	20,455,906
Transportation	599,211	-	13,001,817	13,601,028
Economic assistance and opportunity	94,456,661	-	2,025,040	96,481,701
Culture and recreation	503,538	-	-	503,538
Home and community services	883,313	-	4,362,119	5,245,432
Employee benefits	-	-	2,329,386	2,329,386
Debt service:				
Principal	5,441,687	25,409	4,788,206	10,255,302
Interest	2,386,858	-	3,025,646	5,412,504
Capital outlay	-	833,595	-	833,595
Total expenditures	239,773,650	859,004	30,760,163	271,392,817
Excess (deficiency) of revenues over expenditures	15,951,259	(768,302)	(3,023,967)	12,158,990
OTHER FINANCING SOURCES (USES)				
Transfers in	-	797,000	2,343,000	3,140,000
Transfers out	(2,993,000)	-	(147,000)	(3,140,000)
Total other financing sources (uses)	(2,993,000)	797,000	2,196,000	-
Net change in fund balances (deficit)	12,958,259	28,698	(827,967)	12,158,990
Fund balances (deficit)—beginning	48,339,692	(1,046,164)	13,366,070	60,659,598
Fund balances (deficit)—ending	$ 61,297,951	$ (1,017,466)	$ 12,538,103	$ 72,818,588

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

COUNTY OF RENSSELAER, NEW YORK

Reconciliation of the Statement of Revenues, Expenditures and Changes in Fund Balances (Deficit)—Governmental Funds to the Government-wide Statement of Activities

Year Ended December 31, 2019

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

Net change in fund balances (deficit)—total governmental funds (page 18)		$ 12,158,990
Governmental funds report capital outlays as expenditures. However, in the statement of activities, assets with an initial, individual cost of more than $5,000 are capitalized and the cost is allocated over their estimated useful lives and reported as depreciation expense. This is the amount by which capital outlays exceeded depreciation expense and capital disposals in the current period.		
Capital asset additions	$ 13,628,035	
Loss on disposal	(2,877,496)	
Depreciation expense	(8,242,814)	2,507,725
Certain tax and other revenue in the governmental funds is deferred or not recognized because it is not available soon enough after year end to pay for the current period's expenditures. On the accrual basis, however, this is recognized regardless of when it is collected.		
Change in RTASC long-term receivable	$ (66,363)	
Change in property tax revenue	943,453	
HVCC principal reimbursement	(1,847,535)	(970,445)
Some expenses reported in the statement of activities do not require the use of current financial resources and, therefore, are not reported as expenditures in the funds.		(89,223)
Net differences between pension contributions recognized on the fund financial statements and the government-wide statements are as follows:		
Direct pension contributions	$ 6,170,227	
Cost of benefits earned net of employee contributions	(5,145,923)	(1,024,304)
Deferred outflows and deferred inflows of resources relating to OPEB result from actuarial changes in the census, changes in medical premiums that are differnte than expected healthcare cost trend rates, and changes in assumptions and other inputs.These amounts are shown net of current year amortization and are		
Changes of assumptions	$ 7,338,198	
Differences between expected and actual experience	480,461	7,818,659
Internal service funds are used by management to charge the costs of management information systems and other internal services in addition to health insurance and workers' compensation. The net revenue of certain activities of internal service funds is reported within the governmental activities.		2,223,841
In the statement of activities, interest expense is recognized as it accrues, regardless of when it is paid.		22,572
The issuance of long-term debt provides current financial resources to governmental funds, while the repayment of principal on long-term debt consumes the current financial resources of governmental funds. Neither transaction, however, has any effect on net position. Also, governmental funds report the effect of premiums, discounts and similar items when debt is first issued, whereas these amounts are deferred and amortized in the statement of activities. Additionally, in the statement of activities, certain operating expenses are measured by the amounts earned during the year. In the governmental funds, however, expenditures for these items are measured by the amount of financial resources used (essentially, the amounts actually paid). The net effect of these differences in the treatment of long-term debt and the related items is as follows:		
Principal payments on serial bonds	$ 4,142,465	
Principal payments on serial bonds - HVCC	1,847,535	
Amortization of bond premiums	198,350	
Accreted interest on RTASC Subordinate Turbo CABs	(273,823)	
Principal payments on RTASC Tobacco Settlement Bonds	385,000	
Amortization of RTASC Tobacco Settlement Bonds premium	16,991	
Change in RTASC deferred gain on refunding	103,232	
Payment of installment purchase debt	3,880,302	
Change in compensated absences	(659,343)	
Change in net other postemployment benefits plan obligation	(10,643,501)	(1,002,792)
Change in net position of governmental activities		$ 21,645,023

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

COUNTY OF RENSSELAER, NEW YORK
Statement of Net Position
Proprietary Funds
December 31, 2019

	Business-type Activities	Governmental Activities
	Van Rensselaer Manor	Internal Service Funds
ASSETS		
Current assets:		
Cash and cash equivalents	$ 44,416,379	$ 11,157,663
Restricted cash and cash equivalents	836,606	-
Other receivables, net of allowance for uncollectibles	13,912,434	552
Due from other funds	-	963,912
Inventories	165,881	-
Prepaid items	613,806	-
Total current assets	59,945,106	12,122,127
Noncurrent assets:		
Capital assets not being depreciated	550,000	-
Capital assets, net of accumulated depreciation	19,686,220	-
Total noncurrent assets	20,236,220	-
Total assets	80,181,326	12,122,127
DEFERRED OUTFLOWS OF RESOURCES		
Deferred outflows—relating to pensions	5,607,777	-
Deferred outflows—relating to OPEB	2,369,177	-
Total deferred outflows of resources	7,976,954	-
LIABILITIES		
Current liabilities:		
Accounts payable	1,005,051	64,835
Accrued liabilities	3,456,866	38,542
Due to other funds	185,415	1,033,664
Long-term debt—current	2,230,000	-
Total current liabilities	6,877,332	1,137,041
Noncurrent liabilities:		
Accrued workers' compensation liability	-	7,619,762
Accrued other post employment benefits	16,500,775	-
Long-term debt—excluding current portion	11,355,000	-
Net pension liability	6,817,422	-
Total noncurrent liabilities	34,673,197	7,619,762
Total liabilities	41,550,529	8,756,803
DEFERRED INFLOWS OF RESOURCES		
Deferred inflows—relating to pensions	3,185,306	-
Deferred inflows—relating to OPEB	1,442,114	-
Total deferred inflows of resources	4,627,420	-
NET POSITION		
Net investment in capital assets	6,651,220	-
Restricted for capital purposes	836,606	-
Unrestricted	34,492,505	3,365,324
Total net position	$ 41,980,331	$ 3,365,324

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

COUNTY OF RENSSELAER, NEW YORK
Statement of Revenues, Expenses and Changes in Net Position
Proprietary Funds
Year Ended December 31, 2019

	Business-type Activities	Activities
	Van Rensselaer Manor	Internal Service Funds
Operating revenues:		
Net patient service revenue	$ 38,097,613	$ -
Charges for services—interfund	-	24,719,067
Charges for services—intergovernmental	12,188,375	1,386,107
Other operating revenues	1,693,990	-
Total operating revenues	51,979,978	26,105,174
Operating expenses:		
Nursing and medical services	18,140,639	-
Dietary	3,392,648	-
Household and plant operation	4,141,302	-
Administrative and general services	5,427,154	-
Fringe benefits	10,787,395	1,726,688
Interest expense	329,150	-
Depreciation	1,323,349	-
Contractual expenses	-	22,337,340
Bad debt expense	91,216	-
Total operating expenses	43,632,853	24,064,028
Operating income	8,347,125	2,041,146
Nonoperating revenues (expenses):		
Other non-operating expenses	(38,212)	-
Interest income	-	182,695
Total non-operating revenues (expenses)	(38,212)	182,695
Change in net position	8,308,913	2,223,841
Total net position—beginning	33,671,418	1,141,483
Total net position—ending	$ 41,980,331	$ 3,365,324

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

COUNTY OF RENSSELAER, NEW YORK

Statement of Cash Flows
Proprietary Funds
Year Ended December 31, 2019

	Business-type Activities	Governmental Activities
	Van Rensselaer Manor	Internal Service Funds
CASH FLOWS FROM OPERATING ACTIVITIES		
Receipts for patient care or services provided	$ 35,806,782	$ 26,122,342
Receipts for intergovernmental transfer	12,783,318	-
Payments to suppliers for goods and services	(12,823,158)	(22,394,701)
Payments to employees for services	(26,705,111)	(1,927,783)
Payments for interest	(329,357)	-
Other operating revenue	1,693,991	-
Net cash provided by operating activities	10,426,465	1,799,858
CASH FLOWS FROM NONCAPITAL FINANCING ACTIVITIES		
(Payments to) advances from other funds	(67,400)	24,539
Other non-operating expenses	(38,212)	-
Interest earned on bank accounts	-	182,695
Net cash (used for) provided by non-capital financing activities	(105,612)	207,234
CASH FLOWS FROM CAPITAL AND RELATED FINANCING ACTIVITIES		
Capital purchases	(904,660)	-
Principal payments on long-term debt	(2,170,000)	-
Net cash (used for) capital and related financing activities	(3,074,660)	-
Net increase in cash and cash equivalents	7,246,193	2,007,092
Cash and cash equivalents—beginning	38,006,792	9,150,571
Cash and cash equivalents—ending	$ 45,252,985	$ 11,157,663

(continued)

COUNTY OF RENSSELAER, NEW YORK
Statement of Cash Flows
Proprietary Funds
Year Ended December 31, 2019

(concluded)

	Business-type Activities — Van Rensselaer Manor	Governmental Activities — Internal Service Funds
Reconciliation of operating income to net cash provided by operating activities:		
Operating income	$ 8,347,125	$ 2,041,146
Adjustments to reconcile operating income to net cash provided by operating acitivites:		
Depreciation expense	1,323,349	-
(Increase) decrease in accounts receivable	(1,604,672)	17,168
(Increase) in inventory	(1,505)	-
Decrease in prepaid expenses	18,336	-
Decrease in deferred outflows of resources	190,496	-
Increase (decrease) in accounts payable	231,953	(57,361)
Increase (decrease) in accrued liabilities	(191,534)	(201,095)
Increase in other post employment benefits	3,396,631	-
Increase in net pension liability	4,335,122	-
(Decrease) in deferred inflows of resources	(5,618,836)	-
Total adjustments	2,079,340	(241,288)
Net cash provided by operating activities	$ 10,426,465	$ 1,799,858

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

COUNTY OF RENSSELAER, NEW YORK
Statement of Net Position—Fiduciary Fund
December 31, 2019

	Custodial Fund
ASSETS	
Restricted cash and cash equivalents	3,225,527
Total assets	$ 3,225,527
LIABILITIES	
Accounts payable	1,465,691
Total liabilities	1,465,691
NET POSITION	
Restricted for resident trust funds	226,215
Restricted for other	1,533,621
Total restricted net position	$ 1,759,836

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

COUNTY OF RENSSELAER, NEW YORK
Statement of Changes in Net Position—Fiduciary Fund
Year Ended December 31, 2019

	Custodial Fund
ADDITIONS	
Funds received on behalf of others	$ 4,282,256
Total additions	4,282,256
DEDUCTIONS	
Funds distributed to others	4,091,701
Total deductions	4,091,701
Change in net position	190,555
Net position—beginning, as restated	1,569,281
Net position—ending	$ 1,759,836

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

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

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

Description of Government-Wide Financial Statements

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

Reporting Entity

The County was established in 1791 and is governed by County Law, other general laws of the State of New York and various local laws. The County Charter was adopted September 7, 1972, effective January 1, 1974. The County Executive and County Legislature govern the County. The County Executive appoints the Chief Fiscal Officer, the Administrator of the Bureau of Finance.

Independently elected officials of the County include:

County Executive	County Clerk
County Legislators (19)	Sheriff
District Attorney	

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

The accompanying financial statements present the government and its component units, entities for which the government is considered to be financially accountable. Blended component units are, in substance, part of the primary government's operations, even though they are legally separate entities. Thus, blended component units are appropriately presented as funds of the primary government. Each discretely presented component unit is reported in a separate column in the government-wide financial statements to emphasize that it is legally separate from the government.

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

Rensselaer County Industrial Development Agency—The Rensselaer County Industrial Development Agency (the "Agency") was created April 1, 1974 by a special act of the New York State Legislature based upon the need to maintain and stimulate the economy and industry of Rensselaer County by providing attractive programs of industrial financing. The financial statements of the Agency have been prepared on an accrual basis.

The Agency does not record the property and related bond financing on its books since it only assists in obtaining monies for such projects. Equipment owned by the Agency is stated at cost less accumulated depreciation. Depreciation is recognized on a straight-line basis over the estimated useful life of the asset. The annual financial report can be obtained by writing the Rensselaer County Industrial Development Agency, Rensselaer County Economic Development and Planning Department, 1600 Seventh Avenue, Troy, New York 12180.

Hudson Valley Community College—The Hudson Valley Community College ("HVCC") was established under Article 126 of the Education Act of the State of New York under the sponsorship of Rensselaer County. A Board of Trustees operates the College under paragraph (C) of the Subdivision 6 of Section 6304 of the Education Act of the State of New York. There are ten board members, five are appointed by the County Legislature, the Governor appoints four, and one is an elected student. HVCC is included based on its August 31, 2019 fiscal year end. The annual financial report can be obtained by writing the Chief Fiscal Officer, Hudson Valley Community College, 80 Vandenburgh Avenue, Troy, New York 12180.

The financial statements of HVCC have been prepared on the accrual basis.

To the extent that current funds are used to finance plant assets, the amounts so provided are accounted for as: (1) expenditures, in the case of normal replacement of moveable equipment and library books; (2) mandatory transfers, in the case of required provisions for debt amortization and interest and equipment renewal and replacement; and (3) transfers of a non-mandatory nature for all other cases.

The financial statements of HVCC include two discretely presented component units; the Faculty Student Association and the Hudson Valley Community College Endowment Corporation.

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

Rensselaer Tobacco Asset Securitization Corporation—The Rensselaer Tobacco Asset Securitization Corporation ("RTASC") is a special purpose, bankruptcy remote, local development corporation organized under the Not-for-Profit Corporation Law of the State of New York and is an instrumentality of, but separate and apart from, the County. Although legally separate and independent of the County, RTASC is considered an affiliated organization and, therefore, is reported as a blended component unit of the County. The annual financial report may be obtained by writing the Rensselaer County Bureau of Finance, Rensselaer County Office Building, 1600 Seventh Avenue, Troy, New York 12180.

Rensselaer County Capital Resource Corporation—The Rensselaer County Capital Resource Corporation ("RCCRC") was formed under New York State Not-for-Profit Corporation Law in 2018 for the purpose of promoting community and economic development and the creation of jobs in the County. The County is the sole member of the RCCRC which comprises of seven directors including the Chairman of the RCIDA, the Treasurer of the RCIDA and any additional members of the RCIDA so appointed as directors by the County Executive. The RCCRC has been reflected as a blended component unit of the County. The RCCRC had no financial activity for the year ended December 31, 2019 and therefore no related activity has been reflected in the County's financial statements.

Basis of Presentation—Government-wide Financial Statements

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

As discussed earlier, the County has two discretely presented component units. While neither the Rensselaer County Industrial Development Agency nor the Hudson Valley Community College are considered to be a major component unit, they are nevertheless shown in separate columns in the government-wide financial statements.

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

Basis of Presentation—Fund Financial Statements

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

The County reports the following major governmental funds:

- *General Fund*—The General Fund is the primary operating fund of the County and accounts for all financial resources of the general government, except those required to be accounted for in other funds. The principal sources of revenue for the General Fund are property taxes and sales tax.

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

The County reports two proprietary funds as follows:

- *Van Rensselaer Manor*—This enterprise fund is used to account for operations which provide goods or services to the general public. These ongoing activities are similar to those found in the private sector; therefore, the determination of net income is necessary for sound financial administration. The County maintains one enterprise fund to account for the Van Rensselaer Manor, which is a New York State licensed 362-bed skilled nursing and health related facility.

- *Internal Service Funds*—The Internal Service Funds are used to account for the financing of goods or services provided by one department to other departments on a cost-reimbursement basis. Combined in the internal service fund, the County accounts for self-insurance programs for workers' compensation benefits, insurance program for health, dental, and unemployment benefits, the County's insurance program for liability coverage as well as a variety of services including data processing, purchasing, printing, automotive maintenance and several finance-oriented services.

Additionally, the County reports the following fund types:

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

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

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

Measurement Focus and Basis of Accounting

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

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

The governmental fund financial statements are reported using the *current financial resources measurement focus* and the *modified accrual basis of accounting*. Revenues are recognized as soon as they are both measurable and available. Revenues are considered available when they are collectible within the current period, or soon enough thereafter to pay liabilities of the current period. For this purpose, the County considers revenues to be available if they are collected within 180 days of the end of the current fiscal period. Expenditures generally are recorded when a liability is incurred, as under accrual accounting. However, debt service expenditures, as well as expenditures related to compensated absences, are recorded only when payment is due. General capital asset acquisitions are reported as expenditures in governmental funds. Issuance of long-term debt and acquisitions under capital leases are reported as other financing sources.

Property taxes, sales taxes, franchise taxes, licenses, and interest associated with the current fiscal period are all considered to be susceptible to accrual and have been recognized as revenues of the current fiscal period. Entitlements are recorded as revenues when all eligibility requirements are met, including any time requirements, and the amount is received during the period or within the availability period for this revenue source (within 60 days of year-end). Expenditure-driven grants are recognized as revenue when the qualifying expenditures have been incurred and all other eligibility requirements have been met, and the amount is received during the period or within the availability period for this revenue source (within 180 days of year-end). All other revenue items are considered to be measurable and available only when cash is received by the government.

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

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

Cash, Cash Equivalents and Investments—Cash and cash equivalents include cash on hand, demand deposits, time deposits and short-term, highly liquid investments which are readily convertible to known amounts of cash and have a maturity date within six months or less from the date of acquisition. State statutes and various resolutions of the County Legislature govern the County's investment policies. Permissible investments include obligations of the U.S. Treasury and U.S. Government agencies, repurchase agreements and obligations of New York State or its localities. Investments are stated at fair value based on quoted market prices. The County's primary government reports no investments at December 31, 2019.

Restricted Cash and Cash Equivalents and Cash with Fiscal Agent—Restricted cash and cash with fiscal agent represents debt proceeds, unearned revenues, amounts held on behalf of HVCC, amounts to support restricted fund balance held by the County, trustee banks to be drawn down as the County and/or College incurs eligible project costs, deposits held in custody for patients of the Van Rensselaer Manor, and deposits held on behalf of others.

Inventories—All inventories, which are comprised of general supplies, prescription drugs, and medical and other supplies, are valued at the lower of cost using the first-in/first out (FIFO) method or market value. Inventories of governmental funds are recorded as expenditures when consumed rather than when purchased.

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

Amounts held on behalf of Hudson Valley Community College ("HVCC")—The County temporarily holds assets on behalf of the HVCC for various purposes, including for debt payments.

Capital Assets—Capital assets include property, buildings, equipment and infrastructure assets (e.g. roads, bridges, drainage systems and similar items) are reported in the applicable governmental or business-type activities columns in the government-wide financial statements. The County defines capital assets as assets with an initial individual cost of more than $5,000 and an estimated useful life in excess of two years. Such assets are recorded at historical cost or estimated historical cost if purchased or constructed. Donated capital assets are recorded at estimated fair market value at the date of donation.

The costs of normal maintenance and repairs that do not add to the value of the asset or materially extend assets lives are not capitalized.

Major outlays for capital assets and improvements are capitalized as projects are incurred.

The County depreciates capital assets using the straight-line method over the following estimated useful lives:

Assets	Years
Buildings	40
Building improvements	20
Land improvements	20
Infrastructure:	
Dams and drainage systems	100
Water and sewer systems	50
Traffic control systems	40
Bridges and culverts	30
Roads	20
Machinery and equipment	3-10

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

Unearned Revenue—Certain cash receipts have not met the revenue recognition criteria for government-wide or fund financial purposes. At December 31, 2019, the County reported unearned revenues within the General Fund of $2,893,026 and within other governmental funds of $1,875.

Deferred Outflows/Inflows of Resources—In addition to assets, the statement of financial position and the balance sheet will sometimes report a separate section for deferred outflows of resources. This separate financial statement element, *deferred outflows of resources*, represents a consumption of net position that applies to a future period(s) and so will *not* be recognized as an outflow of resources (expense/expenditure) until then. At December 31, 2019, the County's primary government has three items that qualify for reporting in this category. The first item is related to pensions reported in the government-wide financial statements, as well as within individual proprietary funds. This represents the effect of the net change in the County's proportion of the collective net pension liability, the difference during the measurement period between the County's contributions and its proportionate share of the total contribution to the pension systems not included in the pension expense, and any contributions to the pension system made subsequent to the measurement date. The second item represents the effects of the change in the County's proportion of the collective net OPEB liability and the difference during the measurement period between certain of the employer's contributions and its proportionate share of the total of certain contributions from employers included in the collective net OPEB liability, and is reported on the government-wide statements. The third item is a deferred loss on refunding bonds.

In addition to liabilities, the statement of financial position and the balance sheet will sometimes report a separate section for deferred inflows of resources. This separate financial statement element, *deferred inflows of resources,* represents an acquisition of net position that applies to a future period(s) and so will *not* be recognized as an inflow of resources (revenue) until that time. The County's primary government has four items that qualify for reporting in this category. The first arises under a modified accrual basis of accounting. Accordingly, the item *unavailable revenue*, is reported only in the governmental funds balance sheet. The governmental funds report unavailable revenues from property taxes. These amounts are deferred and recognized as an inflow of resources in the period that the amounts become available. The second item represents the effect of the net change in the County's proportion of the collective net pension liability and the difference during the measurement periods between the County's contributions and its proportionate share of total contributions to the pension systems not included in pension expense and is reported on the government-wide financial statements. The third item represents the effects of the change in the County's proportion of the collective net OPEB liability and difference during the measurement period between certain of the employer's contributions and its proportionate share of the total of certain contributions from employers included in the collective net OPEB liability and is reported on the government-wide financial statements. The final item is a deferred gain on RTASC refunding bonds.

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

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

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

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

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

Revenues and Expenditures/Expenses

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

Proprietary Funds Operating and Nonoperating Revenues and Expenses—Proprietary funds distinguish *operating* revenues and expenses from *nonoperating* items. Operating revenues and expenses generally result from providing services and producing and delivering goods in connection with a proprietary fund's principal ongoing operations. The principal operating revenues of the Van Rensselaer Manor (the "Manor") and internal service funds are charges to customers and interfund/ intergovernmental entities for sales and services. Operating expenses for enterprise funds and internal service funds include the cost of sales and services, administrative expenses, and depreciation on capital assets. All revenues and expenses not meeting this definition are reported as nonoperating revenues and expenses.

The Manor records patient revenue at established rates for services rendered to all patients. Payments for services rendered to patients covered by Medicare, Medicaid and certain other prospective rate or cost based third-party payers are generally less than established rates, and contractual allowances are recorded to reflect these differences. Final determination of amounts due the Manor under these cost reimbursement programs are subject to audit or review by the respective administrative agencies, and provision has been made for estimated adjustments that may result. Differences between estimated amounts and accrued final settlements are reported in operations in the year of settlement. The Medicare cost report has been settled through 2018.

Property Taxes and Non-Property Taxes—Real property tax levies are fully accrued at the beginning of the fiscal year and are received and accounted for in the General Fund. Accruals for "due to other funds" are recorded in the General Fund for the portion of the tax revenue allocated to other funds. The current year's property taxes are levied and the prior year's unpaid school taxes are re-levied on a warrant to collect taxes by December 31 based on the fully assessed value of real property within the County. The fourteen towns are responsible for collection of the tax warrant until March 31. At that time, settlement proceedings take place whereby the County becomes the collecting agent and the towns receive full credit for their entire levy. The County becomes the enforcement agent for tax liens on all County real property except property within the cities of Troy and Rensselaer. The County has entered into agreements with these cities whereby the cities assess and collect all City and County taxes on property within each City and serve as enforcement agent for tax liens on such property. County taxes collected by the cities are remitted to the County periodically.

Uncollected property taxes assumed by the County as a result of the settlement proceedings are reported as receivables in the General Fund to maintain central control and provide for tax settlement and enforcement proceedings. Net property taxes receivable at December 31, 2019 are $25,163,286. The portion of the receivable, $7,347,332, that represents taxes re-levied for schools and villages is recognized as a liability and is included in intergovernmental payables. Another portion of the receivable, $16,019,586, that is not considered available under the modified accrual basis of accounting, i.e. not collected within sixty days, is recorded as a deferred inflow of resources.

Tax rates are calculated using assessments prepared by individual town and city assessors as adjusted by the New York State Board of Equalization and Assessment for the purpose of comparability. The total taxable assessed value of real property included in the tax levy of 2019 is approximately $10.78 billion. The total County levy, including all charge-backs, for 2019 was $73,496,683. County tax rates vary by each assessing unit due to differences in equalization rates. The statutory maximum tax rate is 1.5% of the 5-year average of the equalized assessment. The 2019 levy represents approximately 42.34% of the maximum statutory levy.

Effective September 1, 1994, the County-wide sales tax was increased from seven percent to eight percent. The County received authorization to impose an additional one percent sales tax that commenced on December 1, 2009 and extended through November 30, 2011. During the fiscal year ended December 31, 2011 the County received authorization to continue a one percent extension on its local share of sales tax for the period commencing December 1, 2011 and ending on November 30, 2013. During the fiscal year ended December 31, 2013 the County received authorization to continue a one percent extension on its local share of sales tax for the period commencing December 1, 2013 and ending on November 30, 2015. During the fiscal year ended December 31, 2015, the County received authorization to continue a one percent extension on its local share of sales tax for the period commencing December 1, 2015 and ending November 30, 2017. During the fiscal year ended December 31, 2017, the County received authorization to continue a one percent extension on its local share of sales tax for the period commencing December 1, 2017 and ending November 30, 2019. The County allocates a percentage of the sales tax to the cities, towns and villages within the County. The agreements with cities relating to calculation and distribution of their proportional share of sales tax have been negotiated and approved by the New York State Office of the Comptroller through March 31, 2021.

Compensated Absences**—**According to various union contracts, County employees are entitled to personal leave, sick leave and vacations annually as follows:

Personal leave	0-5 days
Sick leave	13 days
Vacation	10-25 days

Vacation time vests for both union and non-union employees to a maximum of 30 days. Accordingly, liabilities for vacation time of $3,643,390 are reported as long-term debt in the government-wide financial statements. These payments are also budgeted annually without accrual and expenditure will be recorded when paid. Similar liabilities related to services rendered to the Manor are included in accrued liabilities of the enterprise fund in the amount of $661,851.

An additional accrued liability of $11,071,987 is reported within long-term debt in the government-wide financial statements for the value of sick leave, which will eventually be used to pay the retired employee's share of postemployment health insurance premiums. A similar liability is included in accrued liabilities of the enterprise fund in the amount of $566,127.

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

Pensions—The County is mandated by New York State law to participate in the New York State Teacher's Retirement System ("TRS") and the New York State Local Employees' Retirement System ("ERS"). For purposes of measuring the net pension (asset)/liability, deferred outflows of resources related to pensions, and pension expense, information about the fiduciary net position of the defined benefit pension plans, and changes thereof, have been determined on the same basis as they are reported by the respective defined benefit pension plans. For this purpose, benefit payments (including refunds of employee contributions) are recognized when due and payable in accordance with the benefit terms. Investments are reported at fair value. More information regarding pensions is included in Note 7.

Other Postemployment Benefits ("OPEB")—In addition to providing pension benefits, the County provides health insurance benefits for retired employees as required by the union contracts. The employees become eligible for these benefits if they reach normal retirement age while working for the County. More information regarding OPEB is included in Note 8.

Intergovernmental Transfer ("IGT")—The County is required to advance a percentage of the total Intergovernmental Transfer payments, which is determined by the Federal Matching Rate approved by the Centers for Medicare & Medicaid Services. The qualifying nursing homes are entitled to 100% of the share amount which is allocated based upon the ratio of each facility's reported Medicaid days divided by the total reported Medicaid days for all eligible activities.

Interfund Revenues—The County allocates General Fund costs incurred in the general administration of the County to other funds based on their proportionate benefit of the total costs allocated. In 2019, the County has reported interfund revenues in the General Fund of $2,385,194 representing an allocation of costs to various special revenue funds and the Manor. The amounts are reported as general government support expenditures in the General Fund as well as in the benefiting funds.

Other

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

Reclassifications—Certain amounts were classified from HVCC's financial statements to conform to the County's reporting presentation. In the HVCC's statement of net position, $29,718,735 previously classified as long term liabilities was reclassified as due to component units. This amount has been included in the County's statement of net position as due from component units and included in long term liabilities. This amount represents serial bonds that are funded by the College, but are issued by the County on behalf of the College.

Medicaid Services—The New York State Department of Health processes payments for Medicaid services through a third-party contractor. The County is subsequently billed for its share of expenditures as established by State laws and regulations. Chapter 58 of Laws of 2006 capped County Medicaid costs at calendar 2006 levels and an annual growth rate of 3.0 percent, based on each County's local share of expenditures in 2005. In 2012, the state legislature amended the law (Part F) to reduce the counties increase to 2.0 percent in 2013, 1.0 percent in 2014 and 0.0 percent thereafter.

Adoption of New Accounting Pronouncements—During the year ended December 31, 2019, the County implemented GASB Statements No. 84, *Fiduciary Activities*, and No. 95, *Postponement of the Effective Dates of Certain Authoritative Guidance*. GASB Statement No. 84 improves guidance regarding the identification of fiduciary activities for accounting and financial reporting purposes and how those activities should be reported. GASB Statement No. 95 provides temporary relief to governments and other stakeholders in light of the COVID-19 pandemic by postponing effective dates of certain provisions in Statements. Other than matter discussed in Note 2, the implementation of GASB Statements No. 84 and 95 did not have a material impact on the County's financial position or results from operations.

Future Impacts of Accounting Pronouncements—The County has not completed the process of evaluating the impact that will result from adopting GASB Statements No. 83, *Certain Asset Retirement Obligations*; No. 88, *Certain Disclosures Related to Debt, including Direct Borrowings and Direct Placements*; and No. 90, *Majority Equity Interests—an amendment of GASB Statements No. 14 and No. 61*, effective for the year ending December 31, 2020, No. 87, *Leases*; and No. 89, *Accounting for Interest Cost Incurred before the End of a Construction Period*, effective for the year ending December 31, 2021, No. 91, *Conduit Debt Obligations*; No. 92, *Omnibus 2020*; and No. 93, *Replacement of Interbank Offered Rates*, effective for the year ending December 31, 2022, and No. 94, *Public-Private and Public-Public Partnerships and Availability Payment Arrangements*, effective for the year ending December 31, 2023. The County is, therefore, unable to disclose the impact that adopting GASB Statements No. 83, 87, 88, 89, 90, 91, 92, 93, and 94 will have on its financial position and results of operations when such statements are adopted.

Stewardship, Compliance and Accountability

Legal Compliance—Budgets

Budgets and Budgetary Accounting—The County's annual procedures in establishing the budgetary data reflected in the basic financial statements are as follows:

- Prior to October 20th, the Budget Director, on behalf of the County Executive, submits to the County Legislature a tentative budget for the following fiscal year to commence on January 1st.

- The tentative budget includes expenditures and the sources of financing. Public hearings are conducted to obtain taxpayers' comments, prior to November 28th.

- The Legislature acts on the tentative budget prior to December 10th.

- The Budget Director is authorized to approve all budget transfer requests within departmental budgets except for personal service transfers and interdepartmental and interfund transfers, which must be approved by the Legislature.

- Formal annual budgetary accounts are adopted and employed for control of all governmental funds except the Capital Projects Fund. Budgetary control over individual capital projects is provided by Legislative approval or bond authorizations and provision of bond indebtedness.

Deficit Fund Balance—At December 31, 2019, the County's Capital Projects Fund reported a deficit fund balance of $1,017,466. This deficit fund balance is caused by the County's issued bond anticipation notes ("BANs"), which do not qualify for treatment as a long-term liability. Accordingly, the BANs are reported as fund liabilities in the balance sheet (rather than an inflow on the statement of revenues, expenditures, and changes in fund balances). When the cash from the BANs is spent, expenditures are reported and fund balance is reduced. Because the BANs are the main source of resources for the fund, the result are overall deficit fund balance. The deficit will be eliminated as resources are obtained (e.g., from revenues, long-term debt issuances, and transfers in) to make the scheduled debt service principal and interest payments on the BANs.

2. RESTATEMENT OF NET POSITION

During the year ended December 31, 2019, the County implemented GASB Statement No. 84, *Fiduciary Activities*. The implementation of GASB Statement No. 84 establishes criteria for identifying fiduciary activities of state and local governments. This Statement also provides for the recognition of a liability to the beneficiaries in a fiduciary fund when an event has occurred that compels the government to disburse fiduciary resources.

The effect of these restatements to the County's fiduciary funds are summarized as follows:

	Custodial Fund
Net position—December 31, 2018, as previously stated	$ -
GASB Statement No. 84 implementation	1,569,281
Net position—December 31, 2018, restated	$ 1,569,281

3. CASH AND CASH EQUIVALENTS

County monies must be deposited in FDIC-insured commercial banks or trust companies located within the state. Collateral is required for demand deposits and certificates of deposit not covered by federal deposit insurance. Obligations that may be pledged as collateral are outlined in Chapter 623 of the laws of the State of New York.

Total cash and cash equivalents (including restricted cash) reported by the County's primary government at December 31, 2019 is presented below.

	Governmental Activities	Business-type Activities	Fiduciary Funds	Total
Petty cash (uncollateralized)	$ 3,650	$ 2,500	$ -	$ 6,150
Deposits	68,436,935	45,250,485	3,225,527	116,912,947
Cash held by fiscal agent	1,154,402	-	-	1,154,402
Total	$ 69,594,987	$ 45,252,985	$ 3,225,527	$ 118,073,499

The County's cash and cash equivalents were comprised of the following at December 31, 2019:

	Fair Value
Petty cash (uncollateralized)	$ 6,150
Deposits with financial institutions	114,798,814
Cash held by fiscal agent (uncollateralized)	1,154,402
Money market funds	4,360
Discount note	2,109,773
Total	$ 118,073,499

Deposits with financial institutions—All deposits are carried at fair value, and are classified by credit risk category as follows:

	December 31, 2019	
	Bank Balance	Carrying Amount
FDIC insured	$ 2,368,605	$ 2,365,837
Uninsured:		
Collateral held by pledging bank's agent in County's name	114,173,417	112,432,977
Total deposits	$ 116,542,022	$ 114,798,814

Cash equivalents—Cash equivalents, in the case of RTASC, include money market accounts and a discount note with a maturity date within six months of year end, and are, therefore, considered to be cash equivalents at December 31, 2019. These cash equivalents are carried at fair value as presented below.

	Bank Balance	Carrying Amount
Money market funds	$ 4,360	$ 4,360
Discount note	2,109,773	2,109,773
Total	$ 2,114,133	$ 2,114,133

Custodial credit risk—deposits—Custodial credit risk is the risk that in the event of a bank failure, the County's deposits may not be returned to it. As noted above, by State Statute all deposits in excess of FDIC insurance coverage must be collateralized. As of December 31, 2019, the County's deposits were either FDIC insured or collateralized with securities held by the pledging bank's agent in the County's name.

Restricted cash—Total governmental funds restricted cash totals $9,669,497, of which $1,404,664 represents cash held on behalf of HVCC, $1,490,237 related to unearned revenue, $2,834,197 represents amounts to support restricted fund balance and $3,940,399 is related to capital projects. Custodial fund restricted cash totals $3,225,527 which represents funds held on behalf of other entities. Finally, the business-type activities report restricted cash totaling $836,606 which represents Van Rensselaer Manor interest income earned from interest-bearing deposits, which are considered restricted following the establishment of an equipment reserve reported as restricted net position.

Cash with Fiscal Agent—The County reports cash with a fiscal agent of $1,154,402 for capital projects at December 31, 2019. Due to the nature of these deposits, they do not require FDIC insurance coverage or collateral held by escrow agents.

Rensselaer County Industrial Development Agency

Deposits for the Agency totaled $4,594,460 (includes restricted cash of $13,601) and were fully collateralized at December 31, 2019.

Hudson Valley Community College

Deposits and investments for HVCC (including amounts held by trustee banks) totaled $52,819,490 and were fully collateralized or insured at August 31, 2019.

4. RECEIVABLES

Major revenues accrued by the County at December 31, 2019 consisted of the following:

Property Taxes Receivable—Represents amounts due to the County for real property taxes and tax items of $26,166,903. These amounts are reported net of an allowance for uncollectible taxes provision of $1,003,617.

Other Receivables—Represent amounts due from various sources. The County's accounts receivable at December 31, 2019 are as shown below:

Governmental Funds:	
General Fund	$ 11,811,512
Other nonmajor funds	4,785,659
Enterprise Fund, net of allowance of $300,800	13,912,434
Internal Service Funds	552
Total	$ 30,510,157

Intergovernmental Receivables—Represents amounts due from other local municipalities for chargebacks and claims for reimbursement of expenditures in administering various mental health and social service programs. Amounts are net of related advances from New York State. Amounts accrued at December 31, 2019 are shown below:

Governmental Funds:	
General Fund	$ 30,027,657
Capital Projects Fund	1,022,076
Other nonmajor funds	109,743
Total	$ 31,159,476

Rensselaer County Industrial Development Agency

The Agency reports grants and accounts receivable of $11,253. These items are non-interest bearing and are carried at their estimated collectible amounts. Grants and accounts receivable are periodically evaluated for collectability based on a review of outstanding receivables, historical collection information and current economic conditions.

Hudson Valley Community College

Accounts Receivable—Accounts receivable of HVCC for the fiscal year ended August 31, 2019 was as follows:

Sponsor and other counties	$ 369,430
Grants and contracts	5,201,893
Students, less $4,688,061 allowance for doubtful accounts	1,175,045
State aid and other	1,571,533
Total	$ 8,317,901

HVCC's component units, the Faculty Student Association and the Hudson Valley Community College Foundation report accounts receivable of $1,376,463 and $57,150, respectively.

Notes Receivable—HVCC reports notes receivable of $540,000 at December 31, 2019.

5. CAPITAL ASSETS

Governmental activities—Capital asset activity for governmental activities for the year ended December 31, 2019 was as follows:

	Balance 1/1/2019	Increases	Decreases	Balance 12/31/2019
Capital assets, not being depreciated:				
Land	$ 762,880	$ -	$ -	$ 762,880
Construction in progress	30,572,331	688,123	(21,600,443)	9,660,011
Total capital assets, not being depreciated	31,335,211	688,123	(21,600,443)	10,422,891
Capital assets, being depreciated:				
Land improvements	6,338,250	74,497	-	6,412,747
Buildings and improvements	134,123,452	1,399,977	-	135,523,429
Infrastructure	170,435,586	6,687,197	-	177,122,783
Machinery and equipment	35,283,274	26,378,684	(5,976,315)	55,685,643
Total capital assets, being depreciated	346,180,562	34,540,355	(5,976,315)	374,744,602
Less accumulated depreciation for:				
Land improvements	(6,338,250)	(1,552)	-	(6,339,802)
Buildings and improvements	(64,915,563)	(1,987,884)	-	(66,903,447)
Infrastructure	(84,413,236)	(4,364,221)	-	(88,777,457)
Machinery and equipment	(29,282,934)	(1,889,157)	3,098,819	(28,073,272)
Total accumulated depreciation	(184,949,983)	(8,242,814)	3,098,819	(190,093,978)
Total capital assets, being depreciated, net	161,230,579	26,297,541	(2,877,496)	184,650,624
Governmental activities capital assets, net	$ 192,565,790	$ 26,985,664	$ (24,477,939)	$ 195,073,515

Depreciation expense was charged to the functions and programs of the primary government as follows:

Governmental activities:	
General government support	$ 1,388,054
Public safety	2,145,753
Health	25,102
Transportation	3,045,564
Economic assistance and opportunity	121,642
Culture and recreation	6,485
Home and community services	1,510,214
Total depreciation expense—governmental activities	$ 8,242,814

Business-type activities—Capital asset activity for business-type activities (Enterprise Fund) for the year ended December 31, 2019 as presented below:

	Balance 1/1/2019	Increases	Decreases	Balance 12/31/2019
Capital assets, not being depreciated:				
Land	$ 550,000	$ -	$ -	$ 550,000
Construction in progress	9,233,751	-	(9,233,751)	-
Total capital assets, not being depreciated	9,783,751	-	(9,233,751)	550,000
Capital assets, being depreciated:				
Buildings	20,439,030	-	-	20,439,030
Fixed equipment	15,133,861	9,541,382	-	24,675,243
Major moveable equipment	4,891,109	597,029	(165,362)	5,322,776
Total capital assets, being depreciated	40,464,000	10,138,411	(165,362)	50,437,049
Less accumulated depreciation for:				
Buildings	(16,236,885)	(382,578)	-	(16,619,463)
Fixed equipment	(11,320,297)	(477,747)	-	(11,798,044)
Major moveable equipment	(2,035,660)	(463,024)	165,362	(2,333,322)
Total accumulated depreciation	(29,592,842)	(1,323,349)	165,362	(30,750,829)
Total capital assets, being depreciated, net	10,871,158	8,815,062	-	19,686,220
Business-type activities capital assets, net	$ 20,654,909	$ 8,815,062	$ (9,233,751)	$ 20,236,220

Rensselaer County Industrial Development Agency

Capital asset activity for the Agency for the fiscal year ended December 31, 2019 was as follows:

	Balance 12/31/19
Machinery and equipment	$ 149,718
Less: accumulated depreciation	(138,500)
Total capital assets, net	$ 11,218

Hudson Valley Community College

Capital asset activity for HVCC for the fiscal year ended August 31, 2019 was as follows:

	Balance 8/31/2019
Land, land improvements and infrastructure	$ 33,128,850
Buildings and building improvements	236,672,748
Machinery and equipment	38,944,292
Construction in progress	2,532,155
Total capital assets	311,278,045
Less: accumulated depreciation	(161,488,880)
Total Hudson Valley Community College	$ 149,789,165

Additionally, net capital assets of $8,928,018 were reported for HVCC Component Unit, the Faculty Student Association.

6. ACCRUED LIABILITIES

Accrued liabilities reported by the County's governmental funds at December 31, 2019 were as follows:

	General Fund	Other Nonmajor Funds	Total Governmental Funds
Salary and employee benefits	$ 1,185,234	$ 103,690	$ 1,288,924
Intergovernmental transfer	1,449,179	-	1,449,179
Social services accruals	1,950,183	-	1,950,183
Other	182,603	-	182,603
Total	$ 4,767,199	$ 103,690	$ 4,870,889

7. PENSION OBLIGATIONS

Plan Descriptions and Benefits Provided

Employees' Retirement System—The County participates in the New York State and Local Employees' Retirement System ("ERS"), a cost-sharing multiple-employer retirement system (the "System"). The System provides retirement benefits as well as death and disability benefits. The net position of the System is held in the New York State Common Retirement Fund (the "Fund"), which was established to hold all assets and record changes in fiduciary net position allocated to the System. The Comptroller of the State of New York serves as the trustee of the Fund and is the administrative head of the System. System benefits are established under the provisions of the NYSRSSL. Once a public employer elects to participate in the System, the election is irrevocable. The New York State Constitution provides that pension membership is a contractual relationship and plan benefits cannot be diminished or impaired. Benefits can be changed for future members only by enactment of a State statute. The System is included in the State's financial report as a pension trust fund. That report, including information with regards to benefits provided, may be found at www.osc.state.ny.us/retire/publications/index.php or obtained by writing to the New York State and Local Retirement System, 110 State Street, Albany, NY 12244.

The System is noncontributory, except for employees who joined the ERS after July 27, 1976 who contribute three percent (3%) of their salary for the first ten years of membership, and employees who joined on or after January 1, 2010, who generally contribute three percent (3%) to three and one half percent (3.5%) of their salary for their entire length of service. In addition, employee contribution rates under ERS Tier VI vary based on a sliding salary scale. The Comptroller annually certifies the actuarially determined rates expressly used in computing the employers' contributions based on salaries paid during the System's fiscal year ending March 31.

Pension Liabilities, Pension Expense, Deferred Outflows of Resources and Deferred Inflows of Resources Related to Pensions—At December 31, 2019, the County reported the following liabilities for its proportionate share of the net pension liabilities for ERS. The net pension liabilities were measured as of March 31, 2019. The total pension liabilities used to calculate the net pension liabilities were determined by actuarial valuations as of April 1, 2018, with update procedures used to roll forward the total net pension liabilities to the measurement date. The County's proportion of the net pension liabilities were based on projections of the County's long-term share of contributions to the System relative to the projected contributions of all participating members, actuarially determined. This information was provided by the System in reports provided to the County.

	ERS	
	Governmental Activities	Business-type Activities
Measurement date	March 31, 2019	
Net pension liability	$ 16,121,309	$ 6,817,422
County's portion of the Plan's total net pension liability	0.2275316%	0.0962192%

For the year ended December 31, 2019, the County recognized pension expenses of $9,302,341 and $3,933,799 for ERS for governmental activities and business-type activities, respectively. At December 31, 2019, the County reported deferred outflows of resources and deferred inflows of resources related to pensions from the following sources:

	ERS			
	Deferred Outflows of Resources		Deferred Inflows of Resources	
	Governmental Activities	Business-type Activities	Governmental Activities	Business-type Activities
Differences between expected and actual experiences	$ 3,174,623	$ 1,342,493	$ 1,082,193	$ 457,641
Changes of assumptions	4,052,238	1,713,621	-	-
Net difference between projected and actual earnings on pension plan investments	-	-	4,137,619	1,749,727
Changes in proportion and differences between the County's contributions and proportionate share of contributions	299,498	126,652	2,312,552	977,938
County contributions subsequent to the measurement date	6,170,227	2,425,011	-	-
Total	$ 13,696,586	$ 5,607,777	$ 7,532,364	$ 3,185,306

The County's contributions subsequent to the measurement date will be recognized as a reduction of the net pension liability in the year ending December 31, 2020. Other amounts reported as deferred outflows/inflows of resources related to pensions will be recognized in pension expense as follows:

	ERS	
Year Ending December 31,	Governmental Activities	Business-type Activities
2020	$ 2,441,623	$ 1,032,520
2021	(3,797,444)	(1,605,873)
2022	(669,036)	(282,924)
2023	2,018,852	853,737

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

	ERS
Measurement date	March 31, 2019
Actuarial valuation date	April 1, 2018
Interest rate	7.00%
Salary scale	4.20%
Decrement tables	April 1, 2010- March 31, 2015
Inflation rate	2.5%
Cost-of-living adjustments	1.3%

Annuitant mortality rates are based on April 1, 2010 – March 31, 2015 System's experience with adjustments for mortality improvements based on Society of Actuaries' Scale MP-2014. The actuarial assumptions used in the April 1, 2015 valuation are based on the results of an actuarial experience study for the period April 1, 2010 – March 31, 2015.

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

	ERS	
	Target Allocation	Long-Term Expected Real Rate of Return
Measurement date	March 31, 2019	
Asset class:		
Domestic equities	36.0 %	4.6 %
International equities	14.0	6.4
Private equity	10.0	7.5
Real estate	10.0	5.6
Absolute return strategies	2.0	3.8
Opportunistic portfolio	3.0	5.7
Real assets	3.0	5.3
Bonds and mortgages	17.0	1.3
Cash	1.0	(0.3)
Inflation-indexed bonds	4.0	1.3
Total	100.0 %	

Discount Rate—The discount rate used to calculate the total pension liabilities was 7.0%. The projection of cash flows used to determine the discount rate assumes that contributions from plan members will be made at the current contribution rates and that contributions from employers will be made at statutorily required rates, actuarially. Based upon the assumptions, the System's fiduciary net position was projected to be available to make all projected future benefit payments of current plan members. Therefore, the long-term expected rate of return on pension plan investments was applied to all periods of projected benefit payments to determine the total pension liability.

Sensitivity of the Proportionate Share of the Net Pension Liability to the Discount Rate Assumption—The chart below presents the County's proportionate share of the net pension liabilities calculated using the discount rate of 7.0%, as well as what the County's proportionate share of the net pension liabilities would be if they were calculated using a discount rate that is one percentage-point lower (6.0%) or one percentage-point higher (8.0%) than the current assumption.

	1% Decrease (6.0%)	Current Assumption (7.0%)	1% Increase (8.0%)
Governmental Activities:			
Employer's proportionate share of the net pension liability—ERS	$ 70,484,936	$ 16,121,309	$ (29,547,993)
Business-type Activities:			
Employer's proportionate share of the net pension liability—ERS	$ 29,806,857	$ 6,817,422	$ (12,495,334)

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

	(Dollars in Thousands)
	ERS
Valuation date	April 1, 2018
Employers' total pension liability	$ 189,803,429
Plan fiduciary net position	182,718,124
Employers' net pension liability	$ 7,085,305
System fiduciary net position as a percentage of total pension liabilitiy	96.3%

Rensselaer County Industrial Development Agency

The Agency participates in the ERS.

Pension Liabilities, Pension Expense, and Deferred Outflows of Resources and Inflows of Resources Related to Pensions—At December 31, 2019, the Agency reported a net pension liability of $42,851 for its proportionate share of the net pension liability. At the March 31, 2019 measurement date, the Agency's proportion was 0.0006048%.

For the year ended December 31, 2019, the Agency recognized pension expense of $39,690. At December 31, 2019, the Agency reported deferred outflows of resources and deferred inflows of resources related to pensions from the following sources:

	Deferred Outflows of Resources	Deferred Inflows of Resources
	ERS	
Differences between expected and actual experiences	$ 8,438	$ 2,876
Changes of assumptions	10,771	-
Net difference between projected and actual earnings on pension plan investments	-	10,998
Changes in proportion and differences between the Agency's contributions and proportionate share of contributions	18,164	1,108
Agency contributions subsequent to the measurement date	37,913	-
Total	$ 75,286	$ 14,982

The Agency's contributions subsequent to the measurement date will be recognized as a reduction in the net pension liability in the year ending December 31, 2020. Other amounts reported as net deferred inflows of resources related to pensions will be recognized in pension expense as follows:

Year Ending December 31,	ERS
2020	$ 18,858
2021	(3,561)
2022	494
2023	6,600

Sensitivity of the Proportionate Share of the Net Pension Liability to the Discount Rate Assumption—The chart below represents the Agency's proportionate share of the net pension liability calculated using the discount rate of 7.0%, as well as what the Agency's proportionate share of the net pension liability would be if they were calculated using a discount rate that is one percentage-point lower (6.0%) or one percentage point higher (8.0%) than the current assumption.

	1% Decrease (6.0%)	Current Assumption (7.0%)	1% Increase (8.0%)
Employer's proportionate share of the net pension liability—ERS	$ 187,347	$ 42,851	$ (78,538)

The actuarial assumptions, asset allocations and pension plan fiduciary net position are the same as those disclosed for the System within the County's portion of the footnote.

Hudson Valley Community College

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

Plan Description and Benefits Provided

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

Teachers' Retirement System—HVCC participates in the New York State Teachers' Retirement System ("TRS"). This is a cost-sharing multiple-employer retirement system. TRS provides retirement benefits as well as death and disability benefits to plan members and beneficiaries as authorized by the Education Law and Retirement and the New York State Retirement and Social Security Law ("NYSRSSL"). TRS is governed by a 10 member Board of Trustees. TRS benefits are established under New York State Law. Membership is mandatory and automatic for all full-time teachers, teaching assistants, guidance counselors and administrators employed in New York State Public Schools and BOCES who elect to participate in TRS. Once a public employer elects to participate in TRS, the election is irrevocable. The New York State Constitution provides that pension membership is a contractual relationship and plan benefits cannot be diminished or impaired. Benefits can be changed for future members only by enactment of a State statute. Additional information regarding TRS may be obtained by writing to the New York State Teachers' Retirement System, 10 Corporate Woods Drive, Albany, NY 12211-2395 or by referring to the NYSSTR Comprehensive Annual Financial Report which can be found on TRS' website at www.nystrs.org.

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

Pension Liabilities, Pension Expense, and Deferred Outflows of Resources and Inflows of Resources Related to Pensions—At August 31, 2019, HVCC reported the following liability/(asset) for its proportionate share of the net pension liability/(asset) for each of the Systems. The net pension liability/(asset) was measured as of March 31, 2019 for ERS and June 30, 2018 for TRS. The total pension liability(asset) used to calculate the net pension liability/(asset) was determined by an actuarial valuation. HVCC's proportion of the net pension liability/(asset) was based on a projection of HVCC's long-term share of contributions to the Systems relative to the projected contributions of all participating members, actuarially determined. This information was provided by ERS and TRS in reports provided to HVCC.

	TRS	ERS
Measurement date	June 30, 2018	March 31, 2019
Net pension (asset)/liability	$ (1,556,297)	$ 5,024,673
HVCC's portion of the Plan's total net pension liability	0.059903%	0.070917%

For the year ended August 31, 2019, HVCC recognized pension expense of approximately $2,016,000 for the TRS and pension expense of approximately $2,852,000 for ERS. At August 31, 2019, HVCC reported deferred outflows of resources and deferred inflows of resources related to pensions from the following sources:

	Deferred Outflows of Resources		Deferred Inflows of Resources	
Year Ending August 31,	TRS	ERS	TRS	ERS
Differences between expected and actual experiences	$ 1,054,663	$ 989,463	$ 115,729	$ 337,297
Changes of assumptions	2,940,053	1,262,997	716,868	-
Net difference between projected and actual earnings on pension plan investments	-	-	1,248,070	1,289,609
Changes in proportion and differences between HVCC's contributions and proportionate share of contributions	472,564	93,348	-	720,774
Total	$ 4,467,280	$ 2,345,808	$ 2,080,667	$ 2,347,680

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

Year Ending August 31,	TRS	ERS
2020	$ 796,667	$ 761,003
2021	137,253	(1,183,584)
2022	794,115	(208,525)
2023	549,879	629,234
2024	123,581	-
Thereafter	(14,882)	-

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

	TRS	ERS
Measurement date	June 30, 2018	March 31, 2019
Actuarial valuation date	June 30, 2017	April 1, 2018
Interest rate	7.10%	7.00%
Salary scale	1.90%-4.72%	4.20%
Decrement tables	July 1, 2009- June 30, 2014	April 1, 2010- March 31, 2015
Inflation rate	2.20%	2.5%
Cost-of-living adjustment	1.3%	1.3%

For TRS, annuitant mortality rates are based on July 1, 2009 – June 30, 2014 System experience with adjustments for mortality improvements based on Society of Actuaries Scale MP2018, applied on a generational basis. The actuarial assumptions used in the June 30, 2018 valuation are based on the results of an actuarial experience study for the period July 1, 2009 – June 30, 2014.

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

	Target Allocation		Long-Term Expected Real Rate of Return	
	TRS	ERS	TRS	ERS
Measurement date			June 30, 2019	March 31, 2019
Asset class:				
Domestic equities	33.0 %	36.0 %	6.3 %	4.6 %
International equities	16.0	14.0	7.8	6.4
Global equities	4.0	0.0	7.2	0.0
Private equity	8.0	10.0	9.9	7.5
Real estate	11.0	10.0	4.6	5.6
Absolute return strategies	0.0	2.0	0.0	3.8
Domestic fixed income securities	16.0	0.0	1.3	0.0
Global fixed income securities	2.0	0.0	0.9	0.0
High-yield fixed income securities	1.0	0.0	0.0	0.0
Opportunistic portfolio	0.0	3.0	0.0	5.7
Private debt	1.0	0.0	6.5	0.0
Real assets	0.0	3.0	3.6	5.3
Bonds and mortgages	7.0	17.0	2.9	1.3
Short-term	1.0	1.0	0.3	(0.3)
Inflation-indexed bonds	0.0	4.0	0.0	1.3
Total	100.0 %	100.0 %		

Discount Rate—The discount rate used to calculate the total pension liability/(asset) was 7.1% for TRS and 7.0% for ERS. The projection of cash flows used to determine the discount rate assumes that the contributions from plan members will be made at the current contribution rates and that contributions from employers will be made at statutorily required rates, actuarially. Based upon the assumptions, the Systems' fiduciary net position was projected to be available to make all projected future benefit payments of current plan members. Therefore, the long-term expected rate of return on pension plan investments was applied to all periods of projected benefit payments to determine the total pension liability/(asset).

Sensitivity of the Proportionate Share of the Net Pension Liability/(Asset) to the Discount Rate Assumption—The chart below presents the HVCC's proportionate share of the net pension liability/(asset) calculated using the discount rate of 7.1% for TRS and 7.0% for ERS, as well as what the HVCC's proportionate share of the net pension liability/(asset) would be if it were calculated using a discount rate that is one percentage-point lower (6.1% for TRS and 6.0% for ERS) or one percentage-point higher (8.1% for TRS and 8.0% for ERS) than the current assumption.

TRS	1% Decrease (6.1%)	Current Assumption (7.1%)	1% Increase (8.1%)
Employer's proportionate share of the net pension liability/(asset)	$ 7,024,962	$ (1,556,297)	$ (8,755,005)

ERS	1% Decrease (6.0%)	Current Assumption (7.0%)	1% Increase (8.0%)
Employer's proportionate share of the net pension liability/(asset)	$ 21,968,673	$ 5,024,673	$ (9,209,488)

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

	(Dollar in Thousands)	
	TRS	ERS
Valuation date	June 30, 2018	March 31, 2018
Employers' total pension liability	$ 119,879,474	$ 189,803,429
Plan fiduciary net position	122,477,481	182,718,124
Employers' net pension liability/(asset)	$ (2,598,007)	$ 7,085,305
System fiduciary net position as a percentage of total pension liability/(asset)	102.2%	96.3%

TIAA-CREF—HVCC also participates in the SUNY Optional Retirement Program ("ORP") TIAA-CREF. TIAA-CREF provides benefits through annuity contracts and provides retirement and death benefits to those employees who elected to participate in the ORP. Benefits are determined by the amount of individual accumulations and the retirement income option selected. All benefits generally vest after the completion of one year of service if the employee is retained thereafter. TIAA/CREF is contributory for employees who joined after July 27, 1976, who contribute 3 percent of their salary. Employer contributions range from 8 percent to 15 percent depending upon when the employee was hired. Employee contributions are deducted from their salaries and remitted on a current basis to TIAA/CREF. The payroll for 2019 for HVCC employees covered by TIAA/CREF was $16,536,749. Employer contributions and employee contributions for 2019 were $2,000,177 and $152,901, respectively.

8. OTHER POSTEMPLOYMENT BENEFITS ("OPEB") OBLIGATION

Plan Description—The County pays for a portion of eligible retirees' health insurance, depending on the type of health plan provided. Eligibility for postemployment benefits requires a minimum age of 55 with at least ten (10) years of service. In addition, the employee must qualify for retirement as a member of the New York State retirement system and immediately begin receiving a New York State pension upon leaving the County. The estimated cost of such benefits totaled $1,523,465 and $345,709 for governmental activities and business-type activities, respectively.

Employees Covered by Benefit Terms—At December 31, 2019, the following employees were covered by the benefit terms:

	Governmental Activities	Business-type Activities
Active employees	993	353
Retired employees	359	98
Total	1,352	451

Under GASB Statement No. 75, the total OPEB liability represents the sum of expected future benefit payments which may be attributed to past service (or "earned"), discounted to the end of the fiscal year using the current discount rate. The total OPEB liability is analogous to the Unfunded Actuarial Accrued Liability ("UAAL") under GASB Statement No. 45.

Total OPEB Liability

The County's total OPEB liability for governmental activities and business-type activities of $53,918,628 and $16,500,775, respectively, was measured as of December 31, 2019, and was determined by an actuarial valuation as of January 1, 2018 projected to January 1, 2019.

Actuarial Methods and Assumptions—Calculations are based on the types of benefits provided under the terms of the substantive plan, the plan as understood by the employer and the plan members, at the time of the valuation and on the pattern of cost sharing between the employer and plan members. The projection of benefits does not incorporate the potential effect of a change in the pattern of cost sharing between the employer and plan members in the future. Calculations reflect a long-term perspective, so methods and assumptions used include techniques that are designed to reduce short-term volatility.

In the January 1, 2018 actuarial valuation, the Entry Age Normal actuarial cost method, over a level percent of pay was used. The single discount rate changed from 4.11% effective December 31, 2018 to 3.26% effective December 31, 2019. Payroll growth rates are based on the assumptions used in the NYS ERS actuarial valuation as of April 1, 2019. Rates include 2.50% general inflation plus merit/productivity increases. In order to estimate the change in the cost of healthcare, the actuary's initial healthcare trend rate used is 8.0% while the ultimate healthcare cost trend rate is 4.5%. An inflation rate of 2.5% per year was assumed.

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

	Total OPEB Liability	
	Governmental Activities	Business-type Activities
Balances at December 31, 2018	$ 43,275,127	$ 13,104,144
Changes for the year:		
Service cost	2,235,591	672,885
Interest	1,839,499	559,204
Changes in assumptions	7,770,514	2,606,095
Differences between expected and actual experience	321,362	(95,844)
Benefit payments	(1,523,465)	(345,709)
Net changes	10,643,501	3,396,631
Balances at December 31, 2019	$ 53,918,628	$ 16,500,775

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

	1% Decrease (2.26%)	Current Discount Rate (3.26%)	1% Increase (4.26%)
Governmental activities:			
Net OPEB liability	$ 61,820,147	$ 53,918,628	$ 47,419,324
Business-type activities:			
Net OPEB liability	19,164,876	16,500,775	14,339,405

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

	1% Decrease (7.0% / 3.5%)	Healthcare Cost Trend Rates (8.0% / 4.5%)	1% Increase (9.0% / 5.5%)
Governmental activities:			
Net OPEB liability	$ 46,016,749	$ 53,918,628	$ 63,977,472
Business-type activities:			
Net OPEB liability	13,867,497	16,500,775	19,926,515

Funding Policy—Authorization for the County to pay a portion of retiree health insurance premiums was enacted by resolution of the County Legislature or through union contracts, which are ratified by the County Legislature. Upon retirement, the then dollar equivalent of a retiree's accumulated sick leave shall be credited to such retiree, and such retiree shall be reimbursed for the premium cost of the health insurance program that is available to the retiree group, should the retiree be eligible and elect to enroll in such coverage after retirement. For the year ended December 31, 2019, the County's governmental activities and business-type activities recognized OPEB expense of $4,348,307 and $1,309,741. The County's contributions plan are based on negotiated contracts with its bargaining units, as discussed in Note 17. Any amendments to the employer's contributions are subject to the bargaining units.

OPEB Expense and Deferred Outflows of Resources and Deferred Inflows of Resources Related to OPEB—The County reports deferred outflows of resources and deferred inflows of resources due to differences during the measurement period between the employer's contributions and its proportionate share of the total of certain contributions from employers included in the collective net OPEB liability. The County did not report any deferred outflows of resources related to OPEB at December 31, 2019. The table below presents the County's deferred outflows of resources and deferred inflows of resources at December 31, 2019.

	Deferred Outflows of Resources		Deferred Inflows of Resources	
	Governmental Activities	Business-type Activities	Governmental Activities	Business-type Activities
Differences between expected and actual experience	$ 289,226	$ -	$ 1,529,880	$ 491,349
Changes in assumptions	6,993,463	2,369,177	2,757,883	950,765
Total	$ 7,282,689	$ 2,369,177	$ 4,287,763	$ 1,442,114

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

Year Ending December 31,	Governmental Activities	Business-type Activities
2020	$ 273,217	$ 77,652
2021	273,217	77,652
2022	273,217	77,652
2023	273,217	77,652
2024	273,217	77,652
Thereafter	1,628,841	538,803

Hudson Valley Community College

Plan Description—HVCC provides certain health care benefits for retired employees and their covered dependents. Certain classes of HVCC's employees may become eligible for those benefits if they reach normal retirement while working for HVCC. HVCC administers its retiree health insurance plan (the "Plan") as a single-employer defined benefit other postemployment benefit ("OPEB") plan. The Plan provides for continuation of medical insurance benefits for certain qualifying retirees and their covered dependents and can be amended by action of HVCC subject to applicable collective bargaining and employment agreements. The Plan does not currently issue a standalone financial report since there are no assets legally segregated for the sole purpose of paying benefits under the Plan. The estimated cost of such benefits totaled $234,666 for HVCC.

Employees Covered by Benefit Terms—At September 1, 2018, the actuarial valuation date, the following employees were covered by the benefit terms:

Active employees	529
Retired employees	276
Total	805

Under GASB Statement No. 75, the total OPEB liability represents the sum of expected future benefit payments which may be attributed to past service (or "earned"), discounted to the end of the fiscal year using the current discount rate. The total OPEB liability is analogous to the Unfunded Actuarial Accrued Liability ("UAAL") under GASB Statement No. 45.

Total OPEB Liability

HVCC's total OPEB liability of $17,640,284 was measured as of September 1, 2018, and was determined by an actuarial valuation as of September 1, 2018.

Actuarial Methods and Assumptions—Actuarial valuations of an ongoing plan involve estimates of the value of reported amounts and assumptions about the probability of occurrence of events far into the future. Examples include assumptions about future employment, mortality, and the healthcare cost trends. Amounts determined regarding the funded status of the plan and the annual required contributions of the employer are subject to continual revision as actual results are compared with past expectations and new estimates are made about the future. Projections of benefits for financial reporting purposes are based on the substantive plan and include the types of benefits provided at the time of each valuation and the historical pattern of sharing of benefit costs (if any) between the employer and plan members to that point. The actuarial methods and assumptions used include techniques that are designed to reduce the efforts of short-term volatility in actuarial accrued liabilities and the actuarial value of assets, consistent with the long-term perspective of the calculations.

In the September 1, 2018 actuarial valuation, the single discount rate changed from 3.53% effective September 1, 2017 to 3.25% effective September 1 2018. The discount rate was based on the Bond Buyer General Obligation 20-year municipal bond index. Mortality rates were based on the Society of Actuaries' RP-2014 mortality tables with adjustments for mortality improvements based on MP-2014 scales. In order to estimate the change in the cost of healthcare, the actuary's initial healthcare trend rate used is 7.5% while the ultimate healthcare cost trend rate is 5.0%.

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

	Total OPEB Liability
Balance at August 31, 2018, as restated:	$ 19,383,263
Changes for the year:	
Service cost	1,163,050
Interest	702,630
Changes of benefit terms	1,762,416
Differences bewteen expected and actual experience	(5,726,315)
Changes of assumptions or other inputs	589,906
Benefit payments	(234,666)
Net changes	(1,742,979)
Balance at August 31, 2019	$ 17,640,284

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

	1% Decrease (2.25%)	Current Assumption (3.25%)	1% Increase (4.25%)
Net OPEB liability	$ 20,407,835	$ 17,640,284	$ 15,473,068

Additionally, healthcare costs can be subject to considerable volatility over time. The following table presents the effect on the OPEB liability of a 1% change in the initial (7.5%)/ultimate (5.0%) healthcare cost trend rates.

	1% Decrease (6.5%/4.0%)	Current Assumption (7.5%/5.0%)	1% Increase (8.5%/6.0%)
Net OPEB liability	$ 16,468,109	$ 17,640,284	$ 18,333,322

Funding Policy—The obligations of the plan members and HVCC are established by action of HVCC pursuant to applicable collective bargaining and employment agreements. The required contribution rates of HVCC and the members varies depending on the applicable collective bargaining or employment agreement covering the retiree, the retiree's hire date and number of years of service to HVCC. HVCC currently contributes enough money to the plan to satisfy current obligations on a pay-as-you-go basis, with the possibility of pre-funding additional benefits if so determined by HVCC. The costs of administering this plan are paid by HVCC.

OPEB Expense and Deferred Outflows of Resources and Deferred Inflows of Resources Related to OPEB—For the year ended August 31, 2019, HVCC recognized OPEB expense of approximately $3,945,000. At August 31, 2019, HVCC reported deferred outflows of resources and deferred inflows of resources related to OPEB from the following sources:

	Deferred Outflows of Resources	Deferred Inflows of Resources
Differences between expected and actual experiences	$ 795,184	$ 189,962
Changes of assumptions and other inputs	-	953,126
Expected benefit payments subsequent to the measurement date	239,359	-
Total	$ 1,034,543	$ 1,143,088

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

Year ending August 31,	
2020	$ (84,344)
2021	(84,344)
2022	(84,344)
2023	(84,344)
2024	(84,344)
Thereafter	73,816

9. RISK MANAGEMENT

The County is exposed to various risks of loss related to damage and destruction of assets, vehicle liability, injuries to employees, health insurance, workers' compensation and unemployment insurance. The County purchases commercial insurance to cover such potential risks. The County purchases insurance for: general liability, property, boiler and machinery, building ordinance or law, crime, earthquake, flood, and miscellaneous liability. The general liability insurance is limited to $1 million per occurrence and an aggregate $2 million limit. All other policies have limits ranging from $100,000 to $377,624,538.

The County also holds a professional liability policy on behalf of the Van Rensselaer Manor, which is limited to $1 million per incident and an aggregate limit of $3 million. The aggregate claim amount for general liability in the current year remains at $2,000,000. There have not been any settlements which have exceeded commercial insurance coverage during the last three fiscal years.

The County is exposed to various risks of losses related to torts: theft of, damage to, and destruction of assets; business interruption; errors or omissions, injuries to employees and natural disasters. The County assumes some risk of loss relating to unemployment and workers' compensation. The County has established internal service funds to account for losses, claims and judgments relating to these exposures. These internal service funds are used to account for and finance the County, the Van Rensselaer Manor and in the case of the workers' compensation, its plan members' uninsured risk of loss. The County insures itself ("self-insures") for all unemployment claims. The County purchases insurance for claims in excess of coverage provided by the internal service funds and for all other risks or loss. Settled claims have not exceeded the annual self-insurance funding in any of the past three fiscal years.

All funds of the County and the Van Rensselaer Manor participate in the self-insurance programs and make payments to the internal service funds based on actuarial estimates of the amounts needed to pay prior and current year claims and to establish reserves for unforeseen losses. Claims and judgments are recognized consistent with the requirements of GASB which requires that claims and judgments be recognized when it is probable that an asset has been impaired or a liability has been incurred and the amount of loss can be reasonably estimated. Internal service fund claim liabilities reported for unemployment, dental, and vision at December 31, 2019 were $34,593.

Year Ended December 31,	Liability Beginning of Year	Claims and Adjustments	Claim Payments	Liability End of Year
2019	$ 109,265	22,214,409	$ 22,289,081	$ 34,593
2018	39,483	22,581,496	22,511,714	109,265

Workers' compensation liability, reported in the Internal Service Fund, for the County and 35 other plan members at December 31, 2019 was $7,619,762. Other plan members participate in the program and make payments on the same basis as County funds and departments. The liability for workers' compensation is also established based on the requirements of GASB.

Year Ended December 31,	Liability Beginning of Year	Claims and Adjustments	Claim Payments	Liability End of Year
2019	$ 7,749,025	$ 1,478,236	$ 1,607,499	$ 7,619,762
2018	9,157,292	2,571	1,410,838	7,749,025

The County's governmental activities, excluding the internal service fund, and business-type activities do not report liabilities for Workers' Compensation at December 31, 2019. The net assets of the plan exceeded the liabilities by $1,161,047 and $1,156,270, respectively, resulting in the reduction of the workers' compensation liabilities in both governmental activities, excluding the internal service fund, and business-type activities to $0.

10. LEASE OBLIGATIONS

***Operating Leases*—**The County leases certain property and equipment. Leased property having elements of ownership is recorded in the government-wide financial statements. The related obligation, in amounts equal to the present value of minimum lease payments payable during the remaining term of the leases, is also recorded in the government-wide financial statements. Other leased property, not having elements of ownership, are classified as operating leases. Both capital and operating lease payments are recorded as expenditures when payable in the fund financial statements. Total expenditures on operating leases for the fiscal year ended December 31, 2019 were approximately $1,892,841.

The County had future minimum payments under operating leases with a remaining term in excess of one year for its governmental activities as presented below:

December 31,	Operating Leases
2020	$ 1,875,768
2021	1,591,503
2022	1,455,868
2023	816,856
2024	110,273
2025 and beyond	84,472
Future minimum payments	$ 5,934,740

Installment Purchase Debt**—**During the year ended December 31, 2010, the County entered into Energy Performance Contracts for design and construction of more energy efficient systems within the sewer district sites and the County building. Principal and interest payments are made quarterly. The Installment Purchase Debt has interest rates ranging from approximately 3.0-3.2% and matures in August 2026.

During the year ended December 31, 2012, the County entered into additional Energy Performance Contracts for design and construction of more energy efficient systems with the sewer district sites. Principal and interest payments are made quarterly. The Installment Purchase Debt has interest rates ranging from approximately 2.46-2.53% and matures in October 2032.

During the year ended December 31, 2013, the County entered into additional Energy Performance Contracts for design and construction of more energy efficient systems with the sewer district sites and County Building. Principal and interest payments are made quarterly. The Installment Purchase Debt has an interest rate approximately 2.60% and matured in December 2018.

During the year ended December 31, 2014, the County entered into an additional Energy Performance Contract for design and construction of more energy efficient systems with the County Building. Principal and interest payments are made quarterly. The Installment Purchase Debt has an interest rate of 2.96% and matures in October 2030.

During the year ended December 31, 2015, the County entered into an additional Energy Performance Contract for design and construction of more energy efficient systems with the County Building. Principal and interest payments are made quarterly. The Installment Purchase Debt has an interest rate of 2.39% and matures in October 2032.

During the year ended December 31, 2017, the County entered into an additional Energy Performance Contract for design and construction of more energy efficient systems with the County Building. Principal and interest payments are made quarterly. The Installment Purchase Debt has an interest rate of 2.76% and matures in November 2034.

The table below summarizes requirements of the Installment Purchase Debt:

	Governmental Activities			
Year ended December 31,	Sewer District	County Building	Highway Machinery	Total
2020	$ 4,493,576	$ 797,334	$ 123,787	$ 5,414,697
2021	4,494,730	802,401	124,462	5,421,593
2022	4,495,919	812,862	126,079	5,434,860
2023	4,497,143	815,597	126,384	5,439,124
2024	4,498,405	822,455	127,265	5,448,125
2025-2029	17,124,737	4,224,811	664,324	22,013,872
2030 and beyond	4,952,744	3,397,484	387,151	8,737,379
Total minimum lease payments	44,557,254	11,672,944	1,679,452	57,909,650
Less: Amount representing imputed interest costs	(5,733,128)	(1,953,755)	(259,447)	(7,946,330)
Present value of minimum lease payment	$ 38,824,126	$ 9,719,189	$ 1,420,005	$ 49,963,320

The assets acquired through the capital lease are as follows:

	Governmental Activities
Assets:	
Infrastructure	$ 47,467,758
Less: Accumulated depreciation	(7,810,305)
Total	$ 39,657,453

Rensselaer County Industrial Development Agency (the "Agency")

The Agency entered into a non-cancellable operating lease for office space that expires in December 2024, with the option to renew to up to one additional terms of five year. Rent expense related to this lease was approximately $144,000 for the year ended December 31, 2019. Future minimum lease payments are as follows:

Year Ended December 31,	
2020	$ 141,600
2021	141,600
2022	141,600
2023	141,600
2024	141,600
Total	$ 708,000

The Agency has entered into non-cancellable subleases for portions of the office space noted above. Total future minimum lease payments have not been reduced by the following amount of sublease rentals to be received under non-cancellable subleases:

Year Ended December 31,	
2020	$ 65,631
2021	14,765
Total	$ 80,396

11. SHORT-TERM DEBT

Liabilities for bond anticipation notes ("BANs") are generally accounted for in the Capital Projects Fund. State law requires that BANs issued for capital purposes be converted to long-term obligations within five years after the original issue date. However, BANs issued for assessable improvement projects may be renewed for periods equivalent to the life of permanent financing, provided that annual reductions of principal are made. The following is a summary of the County's short-term debt as of, and for the year ended, December 31, 2019:

Description	Interest Rate	Balance 1/1/2018	Issues	Redemptions	Balance 12/31/2018
Capital Projects Fund:					
Clean Water Facility Note 2018A	0.00% - 0.50%	$ 5,651,500	$ -	$ 147,000	$ 5,504,500
General Obligation Note 2018	3.25%	3,700,000	-	3,700,000	-
Total		$ 9,351,500	$ -	$ 3,847,000	$ 5,504,500

12. LONG-TERM LIABILITIES

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

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

The County's outstanding long-term liabilities include bonds payable, installment purchase debt, compensated absences, retirement obligations, other postemployment benefits ("OPEB") obligations, workers' compensation and net pension liability.

A summary of changes in the County's long-term liabilities at December 31, 2019 is shown on the following page.

	Balance 1/1/2019	Additions	Reductions	Balance 12/31/2019	Due Within One Year
Governmental activities:					
Serial bonds	$ 44,340,731	$ -	$ 4,142,465	$ 40,198,266	$ 4,251,903
Serial bonds - HVCC	27,866,270	3,870,000	1,847,535	29,888,735	1,983,097
Unamortized premiums	1,829,885	-	198,350	1,631,535	198,350
RTASC bonds and accreted interest	33,855,112	273,823	385,000	33,743,935	1,915,000
RTASC unamortized premium	1,320,607	-	16,991	1,303,616	84,510
Installment purchase debt	53,843,622	-	3,880,302	49,963,320	4,130,198
Compensated absences	14,056,034	659,343	-	14,715,377	735,769
Net OPEB obligation	43,275,127	12,166,966	1,523,465	53,918,628	-
Workers' compensation	7,749,025	1,478,236	1,607,499	7,619,762	-
Net pension liability*	7,564,854	8,556,455	-	16,121,309	-
Total governmental activities	$ 235,701,267	$ 27,004,823	$ 13,601,607	$ 249,104,483	$ 13,298,827
Business type activities:					
Bonds payable	$ 15,755,000	$ -	$ 2,170,000	$ 13,585,000	$ 2,230,000
Net OPEB obligation	13,104,144	3,838,184	441,553	16,500,775	-
Net pension liability*	2,482,300	4,335,122	-	6,817,422	-
Total business-type activities	$ 31,341,444	$ 8,173,306	$ 2,611,553	$ 36,903,197	$ 2,230,000

*Additions to the net pension liability are shown net of reductions.

	Discretely Presented Component Units				
	Balance 1/1/2019	Increases	Decreases	Balance 12/31/2019	Due Within One Year
IDA:					
Net pension liability	$ 20,019	$ 22,832	$ -	42,851	$ -
Total IDA	$ 20,019	$ 22,832	$ -	$ 42,851	$ -

	Balance 9/1/2018	Increases	Decreases	Balance 8/31/2019	Due Within One Year
HVCC:					
Termination benefits	$ 17,531,135	$ 646,962	$ -	18,178,097	$ -
Net OPEB obligation	19,383,263	4,218,002	5,960,981	17,640,284	-
Association financing agreement	7,925,044	-	1,707,241	6,217,803	417,745
Other long-term liabilities	2,902,443	459,484	-	3,361,927	-
Net pension liability	2,306,215	2,718,458	-	5,024,673	-
Total HVCC	$ 50,048,100	$ 8,042,906	$ 7,668,222	$ 50,422,784	$ 417,745

Serial bonds—The County issues bonds to provide funds for the acquisition and construction of major capital facilities. Bonds have been issued for both governmental and business-type activities and the Hudson Valley Community College discretely presented component unit.

On November 20, 2019, $3,870,000 in 2019 Public Improvement Serial Bonds were issued on behalf of the Hudson Valley Community College. The bonds bear interest of 2.50-2.75 percent. The first principal payment is due November 15, 2020 and the bonds mature in 2042.

The County reports amounts due from component units of $29,718,735 which represents funds owed from HVCC for the payment on serial bonds issued on behalf of HVCC.

A summary of additions and payments of serial bonds for the year ended December 31, 2019 is shown below:

Description	Original Issue	Interest Rate	Year of Maturity	Balance 1/1/2019	Additions	Payments	Balance 12/31/2019	Due Within One Year
Governmental activities serial bonds issued by the County:								
General:								
Public Safety Building	$19,245,000	6.7	2021	$ 2,247,200	$ -	$ 750,100	$ 1,497,100	$ 750,100
Facilities Master Plan	930,287	3.0/5.0	2028	646,986	-	78,596	568,390	82,883
Jail Expansion	3,100,932	3.0/5.0	2025	2,156,601	-	261,983	1,894,618	276,274
Jail Expansion	4,078,947	3.0/3.25	2025	3,469,000	-	126,000	3,343,000	129,000
Public Improvement refunding	12,898,755	2.0/5.0	2038	11,980,350	-	948,590	11,031,760	988,900
2017 Various Projects	12,573,333	2.07	2028	11,630,298	-	954,883	10,675,415	975,969
Highway:								
2005 Improvements	1,240,377	3.0-5.0	2025	862,643	-	104,794	757,849	110,510
2005 Machinery	1,550,468	3.0-5.0	2025	1,078,301	-	130,992	947,309	138,136
2017 Highway Improvements	5,194,000	2.07	2029	4,804,436	-	394,459	4,409,977	403,170
2017 Machinery	928,000	2.07	2029	858,397	-	70,477	787,920	72,033
Sewer:								
EFC	2,829,338	0.15-3.55	2034	2,220,000	-	125,000	2,095,000	125,000
Public Improvements	406,245	2.0-5.0	2028	374,650	-	31,410	343,240	31,100
2017 Grit Collection	2,175,000	2.07	2029	2,011,869	-	165,181	1,846,688	168,828
Total serial bonds				44,340,731	-	4,142,465	40,198,266	4,251,903
Unamortized premium				1,829,885	-	198,350	1,631,535	198,350
Total governmental activities bonded debt				$ 46,170,616	$ -	$ 4,340,815	$ 41,829,801	$ 4,450,253

Description	Original Issue	Interest Rate	Year of Maturity	Balance 1/1/2019	Additions	Payments	Balance 12/31/2019	Due Within One Year
Governmental activities serial bonds issued on behalf of the Discretely Presented Component Unit—HVCC:								
HPER Center	$ 2,000,000	6.90-7.00	2019	$ 60,000	$ -	$ 60,000	$ -	$ -
HPER Center	5,500,000	6.70	2020	419,800	-	209,900	209,900	209,900
Admin/Campus/Various	10,287,936	3.0-5.0	2026	7,465,470	-	858,635	6,606,835	902,197
HVCC Project	23,578,862	3.0-3.25	2038	19,921,000	-	719,000	19,202,000	741,000
HVCC Facilities Upgrade	3,870,000	2.50-2.75	2042	-	3,870,000	-	3,870,000	130,000
Total serial bonds—component units				$ 27,866,270	$ 3,870,000	$ 1,847,535	$ 29,888,735	$ 1,983,097
Business-type activities—Van Rensselaer Manor:								
Enterprise Fund:								
2014 Serial Bonds	24,000,000	2.0-3.1	2,031	$ 15,755,000	$ -	$ 2,170,000	$ 13,585,000	$ 2,230,000
Total business-type activities				$ 15,755,000	$ -	$ 2,170,000	$ 13,585,000	$ 2,230,000

The annual repayment of principal and interest on bonded debt are as follows:

	Governmental Activities Serial Bond		Issued on behalf of the Discretely Presented Component Unit - HVCC		Business-Type Activities Van Rensselaer Manor	
	Principal	Interest	Principal	Interest	Principal	Interest
2020	$ 4,251,903	$ 1,225,070	$ 1,983,097	$ 969,948	$ 2,230,000	$ 345,663
2021	4,379,241	1,055,414	1,842,759	892,482	2,280,000	301,063
2022	3,763,920	905,213	1,921,080	817,626	2,335,000	255,463
2023	3,904,596	774,322	1,995,404	739,354	2,390,000	202,925
2024	4,054,274	637,469	2,080,726	657,786	2,465,000	131,225
2025-2029	17,221,332	1,520,724	6,973,669	2,497,779	1,305,000	210,325
2030-2034	1,732,000	277,513	6,398,000	1,612,560	580,000	27,344
2035-2039	891,000	73,016	6,064,000	580,428	-	-
2040 and beyond	-	-	630,000	34,925	-	-
Total	$ 40,198,266	$ 6,468,741	$ 29,888,735	$ 8,802,888	$ 13,585,000	$ 1,474,008

Debt service expenditures are recorded in the fund that benefited from the capital project financed by the debt.

The County is guarantor of, and makes debt service payments on bonds issued on behalf of HVCC. Regular debt service related to the bonds issued for the College are funded by the College and are reported in the General Fund as intergovernmental charges. Regular payments funded in the current year amounted to $1,847,535 in principal and $952,303 in interest.

Rensselaer Tobacco Asset Securitization Corporation ("RTASC")—Changes in RTASC's long-term debt for the year ended December 31, 2019 are as follows:

	Balance 1/1/2019	Increases	Decreases	Balance 12/31/2019	Due Within One Year
Tobacco Settlement Bonds:					
Series 2016	$ 29,925,000	$ -	$ 385,000	$ 29,540,000	$ 1,915,000
Plus: Bond premium	1,320,607	-	16,991	1,303,616	84,510
Net Tobacco Settlement Bonds	31,245,607	-	401,991	30,843,616	1,999,510
Subordinate Turbo CABs	3,930,112	273,823	-	4,203,935	-
Total RTASC	$ 35,175,719	$ 273,823	$ 401,991	$ 35,047,551	$ 1,999,510

Series 2001A—In 2001, the RTASC issued $34,555,000 of Tobacco Settlement Asset Backed Bonds, Series 2001A pursuant to an indenture dated as of December 1, 2001. The net proceeds of the Series 2001A Bonds were used to purchase from the County all of the County's right, title and interest, under the MSA and the Decree, including the Tobacco Settlement Revenues ("TSR"). On September 22, 2016, RTASC issued $30,525,000 of Tobacco Settlement Asset Backed Refunding Bonds, Series 2016. The Series 2016 bonds and additional consideration received as a result of the refunding transaction were used to redeem or exchange all of RTASC's Tobacco Settlement Asset Backed Bonds Series 2001A outstanding in the aggregate principal amount of $22,225,000, to acquire by negotiated purchase the initial principal amount of outstanding NYCTT Subordinate Bonds component S4B attributable to RTASC, to cancel the related NYCTT Subordinate Bonds component S2, and redeem NYCTT Subordinate Bonds component S1 bonds. In addition, as a result of the refunding RTASC made a payment of $1,000,000 to provide Rensselaer County with funds for capital purposes.

In the event sufficient funds are not available to meet Planned Payment Maturities, Rated Maturity dates will be used.

On November 15, 2005, RTASC participated in New York Counties Tobacco Trust V ("NYCTT"), along with 23 other New York County Tobacco Corporations, and issued Tobacco Settlement Pass-Through Bonds—Subordinate Turbo CABs in various series for the purpose of securitizing additional future tobacco settlement revenues. The net proceeds of the 2005 series, after closing costs, amounted to $12,225,328, and were used to purchase tobacco settlement rights from the County. The issuance has four components and payments on the Subordinate Turbo CABs which are subordinate to the Series 2001 Bonds. As a result of the Tobacco Settlement Asset Backed Refunding Bonds, Series 2016 transaction described above, only the Series 2005 S3 Subordinate Turbo CABs remain.

RTASC debt service requirements based upon planned principal payments for Tobacco Settlement Bonds, Series 2016 are shown below:

	Principal	Interest	Total
2020	$ 1,915,000	$ 1,544,191	$ 3,459,191
2021	1,190,000	1,456,863	2,646,863
2022	1,250,000	1,388,238	2,638,238
2023	1,325,000	1,315,816	2,640,816
2024	1,395,000	1,238,906	2,633,906
2024-2029	8,465,000	4,840,706	13,305,706
2030-2034	11,400,000	2,143,763	13,543,763
2035	2,600,000	65,000	2,665,000
	$ 29,540,000	$ 13,993,483	$ 43,533,483

Subordinate Turbo CABs*—*Interest on the Subordinate Turbo CABs is compounded semiannually on June 1 and December 1, but is not payable until bond maturity. Interest accretes until both principal and accreted interest are paid. Future interest accretion has been recorded as bond discount and amortized as the current interest accretes. The accrued interest on the Subordinate Turbo CABs is reflected within the Subordinate Turbo CABs payable liability.

Redemption of the Subordinate Turbo CABs as outlined in the New York Counties Tobacco Trust VI Tobacco Settlement Pass-Through Bonds, Series 2016 official statement totals $13,736,443 and is scheduled to be paid from 2035 to 2040, while early payment is allowed. During the year ended December 31, 2019, RTASC did not make any redemption payments. Outstanding Subordinate Turbo CABs consist of one installment, Series 2005 S3.

Installment Purchase Debt—As explained in Note 10, the County has entered into Energy Performance Contracts for design and construction of more energy efficient systems within the sewer district sites and the County building. At December 31, 2019, the County reports installment purchase debt outstanding of $49,963,320.

Compensated Absences—As explained in Note 1, the County records the value of governmental fund type compensated absences in the governmental activities. The payment of both compensated absences and judgments and claims is dependent on many factors and, therefore, cannot be reasonably estimated as to future timing of payment. The annual budgets of the operating funds provide for such as amounts become payable.

Net OPEB Obligation—As discussed in Note 8, the County's net OPEB obligation at December 31, 2019 is $53,918,628, and $16,500,775 for governmental activities and business type activities, respectively.

Workers' Compensation—As discussed in Note 9, the County reports the workers' compensation liability within the Internal Service fund and in governmental activities. The total of this liability at December 31, 2019 is $7,619,762.

Net Pension Liability—The County reports a liability for its proportionate share of the net pension liability for the Employee Retirement System. The net pension liability is estimated to be $16,121,309 and $6,817,528 at December 31, 2019 for governmental activities and business-type activities, respectively. Refer to Note 7 for additional information related to the County's net pension liability.

Rensselaer County Industrial Development Agency (the "Agency")

Net Pension Liability—The Agency reports a liability for its proportionate share of the net pension liability for the Employees' Retirement System. The net pension liability is estimated to be $42,851 at December 31, 2019.

Hudson Valley Community College ("HVCC")

Termination Benefits—HVCC recognizes a liability for vested sick leave and other compensated absences with similar characteristics. HVCC also recognizes a liability for additional salary related payments as employees earn benefits. Termination benefits/compensated absences for current employees approximated $17,034,452 at August 31, 2019. HVCC's component units reported termination benefits of $1,143,645.

Net OPEB Obligation—As discussed in Note 8, HVCC provides certain health care benefits for retired employees and their covered dependents. Certain classes of HVCC employees may become eligible for those benefits if they reach normal retirement age while working for the HVCC. HVCC's net OPEB obligation at August 31, 2019 is $17,640,284.

Association Financing Agreement—HVCC has entered into financing agreements with the Dormitory Authority of the State of New York ("DASNY") to finance its educational facilities. DASNY bonds issued for these educational facilities have a maximum 30 year term. The College elected to pay off the outstanding balance during the year ended August 31, 2019. HVCC's component units reported financing agreement liabilities of $6,217,803.

Other Long-Term Liabilities—HVCC accrues expenses for termination benefits (retirees), retirement, health insurance, and payroll, vacation and other. HVCC's other long-term liabilities balance at August 31, 2019 is $3,361,927.

Net Pension Liability—HVCC reports a liability for its proportionate share of the net pension liability for the Employees' Retirement System as well as the Teachers' Retirement System. The net pension liability is estimated to be $5,024,673 for its ERS share at August 31, 2019.

13. NET POSITION AND FUND BALANCE

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

- ***Net Investment in Capital Assets***—This category groups all capital assets, including infrastructure, into one component of net position. Accumulated depreciation and the outstanding balances of debt that are attributable to the acquisition, construction or improvement of these assets reduce the balance in this category. The tables on the following page are a reconciliation of the County's governmental activities and business type activities net investment in capital assets.

Governmental activities:		
Capital assets, net of accumulated depreciation		$ 195,073,515
Related debt:		
Serial bonds issued	(40,198,266)	
Bond anticipation notes	(5,504,500)	
Deferred charge on refunding bonds	743,522	
Unamortized premium on serial bonds	(1,631,535)	
Installment purchase debt	(49,963,320)	
RTASC Tobacco Settlement Bonds and CABs initial principal	(33,743,935)	
Related RTASC unamortized premium	(1,303,616)	
RTASC deferred gain on refunding	(7,920,707)	
Unspent proceeds reported within the Capital Projects Fund	5,094,801	
Net debt		(134,427,556)
Net investment in capital assets—governmental activities		$ 60,645,959

Business-type activities:	
Capital assets, net of accumulated depreciation	20,236,220
Debt issued for capital assets	(13,585,000)
Net investment in capital assets—business-type activities	$ 6,651,220

- ***Restricted Net Position***—This category represents external restrictions imposed by creditors, grantors, contributors or laws and regulations of other governments and restrictions imposed by law through constitutional provisions or enabling legislation.

Rensselaer County Industrial Development Agency

The Agency reports restricted net position of $13,601. This amount represents resources restricted for the South Troy Industrial Park Project.

Hudson Valley Community College

HVCC reports restricted net position of $8,376,841. Of this amount, $6,948,945 represents resources restricted for scholarships and fellowships, while $1,427,896 represents resources restricted for capital projects and debt service.

- ***Unrestricted net position***—This category represents net investment in assets of the County not restricted for any project or other purpose.

In the fund financial statements, nonspendable amounts represent net current financial resources that cannot be spent because they are either not in spendable form or legally or contractually required to be maintained intact. Nonspendable fund balance maintained by the County at December 31, 2019 includes:

- ***Inventories***—Represents the portion of fund balance composed of inventory of $171,806 that is nonspendable because inventory is not an available spendable resource.

- ***Prepaid Items***—Represents amounts prepaid to vendors and employees of $2,174,051, that are applicable to future accounting periods.

- ***Rehabilitation Loans Receivable***—Represents amounts offset for loans receivable, which are legally or contractually required to be maintained intact. At December 31, 2019 the Community Development Fund reported loans receivable amounts of $808,329.

In the fund financial statements, restricted fund balances are amounts constrained to specific purposes (such as creditors, grantors, contributors, or laws and regulations of other governments) through constitutional provisions or enabling legislation. As of December 31, 2019, the County had the following restricted funds, as presented below:

	General Fund	Other Nonmajor Funds	Total
Tax stabilization	$ 542,996	$ -	$ 542,996
Handicapped parking	57,493	-	57,493
Debt service	-	2,114,133	2,114,133
Sheriff–Asset forfeiture	119,575	-	119,575
Total restricted fund balance	$ 720,064	$ 2,114,133	$ 2,834,197

- ***Restricted for Tax Stabilization***—Represents amounts restricted for future use to stabilize real property tax levies.

- ***Restricted for Handicapped Parking***—Represents revenues restricted to pay for the handicapped parking program, which is required by State Law

- ***Restricted for Debt Service***—Represents resources that have been legally restricted for principal and interest payments that will be made in future periods.

- ***Restricted for Sheriff—Asset Forfeiture***—Represents asset forfeiture revenue restricted to pay for equipment or other uses that will aid in drug enforcement activities, pursuant to state and federal laws.

In the fund financial statements, commitments are amounts that are subject to a purpose constraint imposed by a formal action of the County's highest level of decision-making authority, or by its designated body or official. As of December 31, 2019, the County Legislature had not committed any fund balance to a specific purpose.

In the fund financial statements, assignments are not legally required segregations, but are subject to a purpose constraint that represents an intended use established by the County's Legislature, or by its designated body or official. The purpose of the assignment must be narrower than the purpose of the General Fund, and in funds other than the General Fund, assigned fund balance represents the residual amount of fund balance.

As of December 31, 2019, the following balances were considered to be assigned:

		Total nonmajor funds					
	General Fund	Special Grant Fund	Community Development Fund	Highway Fund	Sewer Fund	RTASC	Total
Encumbrances	$ 554,558	$ -	$ -	$ 319,564	$ 67,857	$ -	$ 941,979
Future medicaid recoupments	500,000	-	-	-	-	-	500,000
Retirement contribution	6,300,000	-	-	-	-	-	6,300,000
Subsequent year's expenditures	-	-	70,084	-	1,478,009	-	1,548,093
Legislative Clerk	49,223	-	-	-	-	-	49,223
Budget stabilization	12,500,000	-	-	-	-	-	12,500,000
Specific use	-	115,268	954,495	3,379,463	2,461,972	36,362	6,947,560
Total assigned fund balance	$ 19,903,781	$ 115,268	$ 1,024,579	$ 3,699,027	$ 4,007,838	$ 36,362	$ 28,786,855

- ***Assigned to Encumbrances***—Encumbrance accounting, under which purchase orders, contracts, and other commitments for expenditures of monies are recorded, is employed as part of the County's budgetary control mechanism for all funds. Unencumbered appropriations lapse at fiscal year-end.

- ***Assigned to Future Medicaid Recoupments***—Represents the portion of fund balance assigned for future Medicaid recoupments.

- ***Assigned to Retirement Contribution***—Represents the portion of fund balance assigned for the future payment of retirement contributions.

- ***Assigned to Subsequent Year's Expenditures***—Represents available fund balance being appropriated to meet expenditure requirements in the 2020 fiscal year.

- ***Assigned to Legislative Clerk***—Represents available fund balance assigned for future use by the Legislative Clerk.

- ***Assigned to Budget Stabilization***—Represents fund balance assigned for future use as a result of projected decreases in aid from the State for the next three years.

- ***Assigned to Specific Use***—Represents fund balance within the special revenue funds that is assigned for a specific purpose. The assignment's purpose relates to each fund's operations and represents amounts within funds that are not restricted or committed.

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

14. INTERFUND BALANCES AND ACTIVITY

Interfund receivables and payables are short term in nature and exist because of temporary advances or payments made on behalf of other funds. All interfund balances are expected to be collected/paid within the subsequent year. Interfund transfers are routine annual events for both the budget and accounting process and are necessary to present funds in their proper fund classification. The composition of interfund balances as of December 31, 2019 is shown below.

	Interfund	
Fund	Receivable	Payable
Governmental funds:		
General Fund	$ 2,363,133	$ 3,663,351
Capital Projects Fund	651,548	42,250
Nonmajor governmental funds	4,547,640	3,601,553
Proprietary funds:		
Enterprise Fund	-	185,415
Internal Service Fund	963,912	1,033,664
Total	$ 8,526,233	$ 8,526,233

The County made the following transfers during the year ended December 31, 2019:

	Transfers in:		
Transfers out:	Capital Projects Fund	Other Nonmajor Funds	Total
General Fund	$ 650,000	$ 2,343,000	$ 2,993,000
Other nonmajor funds	147,000	-	147,000
Total	$ 797,000	$ 2,343,000	$ 3,140,000

15. SEGMENT INFORMATION FOR ENTERPRISE FUND

Segment information for the Manor as of, and for the year ended, December 31, 2019 follows:

	Van Rensselaer Manor
Operating revenues	$ 51,979,978
Operating expenses:	
Services provided	42,309,505
Depreciation and amortization	1,323,349
Operating income	8,347,124
Non-operating revenue (expense), net	(38,212)
Change in net position	$ 8,308,912
Current assets	$ 59,945,106
Current liabilities	(7,976,954)
Net working capital	$ 51,968,152
Total assets and deferred outflows	$ 88,158,280
Total liabilities and deferred inflows	(46,177,949)
Net position	$ 41,980,331
Capital asset additions	$ 904,661
Long-term liabilities—excluding current portions	$ 34,673,197

16. LABOR CONTRACTS

Four bargaining units represent the unionized county employees. The UPSEU, CSEA and Council 82 contracts are settled through December 31, 2022 while the PBA contract is settled through December, 31, 2023.

17. COMMITMENTS

Encumbrances—Encumbrances are commitments related to unperformed (executory) contracts for goods or services (i.e., purchase orders, contracts, and commitments). Encumbrance accounting is utilized to the extent necessary to assure budgetary control and accountability and to facilitate effective cash planning and control. While all appropriations and encumbrances lapse at year-end, valid encumbrances (those for which performance under the executory contract is expended in the next year) are re-appropriated and become part of the subsequent year's budget pursuant to state regulations.

The County considers encumbrances to be significant for amounts that are encumbered in excess of $100,000. At December 31, 2019, the County reported the following significant encumbrances:

	Amount	Description
General Fund	$ 150,665	Telephone system upgrade
Capital Projects Fund	602,550	Fire training tower
Other nonmajor funds	230,694	Heavy duty truck with plow

18. TAX ABATEMENTS

The County is subject to tax abatements granted by the Rensselaer County Industrial Development Agency the ("Agency"). These programs have the stated purpose of increasing business activity and employment in the region. Economic development agreements are entered into by the RCIDA and include the abatement of state, county, local and school district taxes, in addition to other assistance. In the case of the County, the abatements have resulted in reductions of property taxes, which the County administers as a temporary reduction in the assessed value of the property involved. The abatement agreements stipulate a percentage reduction of property taxes, which can be as much as 100 percent. Under the agreements entered into by RCIDA, the County collected $2,745,755 during 2019 in payments in lieu of taxes ("PILOT"), these collections were made in lieu of $5,030,295 in property taxes.

19. CONTINGENCIES

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

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

Hudson Valley Community College ("HVCC") Rate Adjustment—HVCC is authorized by New York State Education Law to charge and collect from each county within the State for each nonresident student an allocable portion of the operating costs of HVCC. HVCC calculate this charge on a yearly basis and bills the respective counties. This rate is adjusted by the State on a yearly basis.

20. SUBSEQUENT EVENTS

Management has evaluated subsequent events through May 6, 2020, which is the date the financial statements are available for issuance, and have determined there are no subsequent events that require disclosure under generally accepted accounting principles.

* * * * * *

REQUIRED SUPPLEMENTARY INFORMATION

COUNTY OF RENSSELAER, NEW YORK

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

	Year Ended August 31,						
	2019	2018	2017	2016	2015	2014	2013
Hudson Valley Community College ("HVCC")							
Measurement date	June 30, 2018	June 30, 2017	June 30, 2016	June 30, 2015	June 30, 2014	June 30, 2013	June 30, 2012
HVCC's proportion of the net pension liability/(asset)	0.0599030%	0.0628370%	0.0663080%	0.0672550%	0.0684170%	0.0705820%	0.0728650%
HVCC's proportionate share of the net pension liability/(asset)	$ (1,556,297)	$ (1,136,266)	$ (504,004)	$ 720,333	$ (7,106,348)	$ (7,862,345)	$ (479,637)
HVCC's covered payroll	$ 10,631,558	$ 9,591,463	$ 10,491,959	$ 10,454,460	$ 10,395,233	$ 10,897,491	$ 10,815,882
HVCC's proportionate share of the net pension liability as a percentage of its covered payroll	-14.6%	-11.8%	-4.8%	6.9%	-68.4%	-72.1%	-4.4%
Plan fiduciary net position as a percentage of the total pension liability	102.2%	101.5%	100.7%	99.0%	110.5%	111.5%	100.7%

* Information prior to the year ended August 31, 2013 is not available.

COUNTY OF RENSSELAER, NEW YORK

Schedule of the Local Government's Contributions—
Teachers' Retirement System
Last Seven Fiscal Years*

	Year Ended August 31,						
	2019	2018	2017	2016	2015	2014	2013
Hudson Valley Community College ("HVCC")							
Contractually required contributions	$ 1,061,345	$ 945,712	$ 1,203,803	$ 1,365,305	$ 1,761,050	$ 1,717,382	$ 1,316,536
Contributions in relation to the contractually required contribution	(1,061,345)	(945,712)	(1,203,803)	(1,365,305)	(1,761,050)	(1,717,382)	(1,316,536)
Contribution deficiency (excess)	$ -	$ -	$ -	$ -	$ -	$ -	$ -
HVCC's covered payroll	$ 10,631,558	$ 9,591,463	$ 10,491,959	$ 10,454,460	$ 10,395,233	$ 10,897,491	$ 10,815,882
Contributions as a percentage of covered payroll	10.0%	9.9%	11.5%	13.1%	16.9%	15.8%	12.2%

* Information prior to the year ended August 31, 2013 is not available.

COUNTY OF RENSSELAER, NEW YORK

Schedule of the Local Governments' Proportionate Share of the Net Pension Liability—Employees' Retirement System Last Six Fiscal Years*

	Year Ended December 31,					
	2019	2018	2017	2016	2015	2014
Measurement date	March 31, 2019	March 31, 2018	March 31, 2017	March 31, 2016	March 31, 2015	March 31, 2014
Plan fiduciary net position as a percentage of the total pension liability	96.3%	98.2%	94.7%	90.7%	97.9%	97.2%
Rensselaer County ("County"):						
County's proportion of the net pension liability	0.2275316%	0.2343915%	0.2482384%	0.2478850%	0.2485007%	0.2485007%
County's proportionate share of the net pension liability	$ 16,121,309	$ 7,564,855	$ 23,325,058	$ 39,786,238	$ 8,394,401	$ 11,228,648
County's covered payroll	$ 61,050,130	$ 57,703,567	$ 60,251,514	$ 58,369,518	$ 59,071,651	$ 58,211,639
County's proportionate share of the net pension liability as a percentage of its covered payroll	26.4%	13.1%	38.7%	68.2%	14.2%	19.3%
Van Rensselaer Manor ("VRM")						
VRM's proportion of the net pension liability	0.0962192%	0.0769122%	0.0684246%	0.0766568%	0.0798511%	0.0798511%
VRM's proportionate share of the net pension liability	$ 6,817,422	$ 2,482,300	$ 6,429,328	$ 12,303,626	$ 2,697,566	$ 3,608,361
VRM's covered payroll	$ 20,153,829	$ 18,247,759	$ 13,020,424	$ 14,132,790	$ 15,132,583	$ 14,699,005
VRM's proportionate share of the net pension liability as a percentage of its covered payroll	33.8%	13.6%	49.4%	87.1%	17.8%	24.5%
Rensselaer County Industrial Development Agency ("Agency"):						
Agency's proportion of the net pension liability	0.0006048%	0.0006203%	0.00063333%	0.0006267%	0.0005167%	0.0005167%
Agency's proportionate share of the net pension liability	$ 42,851	$ 20,019	$ 59,511	$ 100,588	$ 17,457	n/a
Agency's covered payroll	$ 348,686	$ 314,472	$ 284,398	$ 266,198	$ 253,521	n/a
Agency's proportionate share of the net pension liability as a percentage of its covered payroll	12.3%	6.4%	20.9%	37.8%	6.9%	n/a

	Year Ended August 31,					
	2019	2018	2017	2016	2015	2014
Hudson Valley Community College ("HVCC"):						
HVCC's proportion of the net pension liability	0.070917%	0.071456%	0.068436%	0.071318%	0.067539%	0.067539%
HVCC's proportionate share of the net pension liability	$ 5,024,673	$ 2,306,215	$ 6,430,374	$ 11,446,691	$ 2,282,192	n/a
HVCC's covered payroll	$ 17,905,867	$ 19,062,540	$ 16,751,763	$ 16,139,145	$ 15,438,034	n/a
HVCC's proportionate share of the net pension liability as a percentage of its covered payroll	28.1%	12.1%	38.4%	70.9%	14.8%	n/a

* Information prior to the year ended August 31, 2014 is not available.

COUNTY OF RENSSELAER, NEW YORK
Schedule of the Local Governments' Contributions— Employees' Retirement System Last Six Fiscal Years*

	Year Ended December 31,					
	2019	2018	2017	2016	2015	2014
County of Rensselaer ("County"):						
Contractually required contributions	$ 8,359,548	$ 8,658,804	$ 8,370,495	$ 8,485,275	$ 9,277,770	$ 10,794,337
Contributions in relation to the contractually required contribution	(8,359,548)	(8,658,804)	(8,370,495)	(8,485,275)	(9,277,770)	(10,794,337)
Contribution deficiency (excess)	$ -	$ -	$ -	$ -	$ -	$ -
County's covered payroll	$ 61,212,013	$ 57,631,458	$ 62,693,511	$ 58,369,518	$ 59,071,651	$ 58,211,639
Contributions as a percentage of covered payroll	13.7%	15.0%	13.4%	14.5%	15.7%	18.5%
Van Rensselaer Manor ("VRM")						
Contractually required contributions	$ 3,101,976	$ 2,657,772	$ 2,540,533	$ 2,679,395	$ 3,276,192	$ 3,447,088
Contributions in relation to the contractually required contribution	(3,101,976)	(2,657,772)	(2,540,533)	(2,679,395)	(3,276,192)	(3,447,088)
Contribution deficiency (excess)	$ -	$ -	$ -	$ -	$ -	$ -
VRM's covered payroll	$ 20,153,828	$ 18,464,790	$ 13,549,018	$ 14,036,447	$ 14,966,986	$ 14,706,069
Contributions as a percentage of covered payroll	15.4%	14.4%	18.8%	19.1%	21.9%	23.4%
County of Rensselaer Industrial Development Agency ("Agency"):						
Contractually required contributions	$ 28,657	$ 27,528	$ 42,620	$ 49,762	$ 33,472	n/a
Contributions in relation to the contractually required contribution	(28,657)	(27,528)	(42,620)	(49,762)	(33,472)	n/a
Contribution deficiency (excess)	$ -	$ -	$ -	$ -	$ -	n/a
Agency's covered payroll	$ 348,686	$ 314,472	$ 284,398	$ 266,198	$ 253,521	n/a
Contributions as a percentage of covered payroll	8.2%	8.8%	15.0%	18.7%	13.2%	n/a

	Year Ended August 31,					
	2019	2018	2017	2016	2015	2014
Hudson Valley Community College ("HVCC")						
Contractually required contributions	$ 2,444,203	$ 2,568,734	$ 2,443,161	$ 2,406,654	$ 2,899,220	$ 3,035,703
Contributions in relation to the contractually required contribution	(2,444,203)	(2,568,734)	(2,443,161)	(2,406,654)	(2,899,220)	(3,035,703)
Contribution deficiency (excess)	$ -	$ -	$ -	$ -	$ -	$ -
HVCC's covered payroll	$ 17,905,867	$ 19,062,540	$ 16,751,763	$ 16,139,145	$ 15,438,034	$ 15,034,090
Contributions as a percentage of covered payroll	13.7%	13.5%	14.6%	14.9%	18.8%	20.2%

* Information prior to the year ended August 31, 2014 is not available.

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

	Year Ended December 31, 2019	Year Ended December 31, 2018
Rensselaer County - Governmental Activities:		
Total OPEB liability		
Service cost	$ 2,235,591	$ 3,322,905
Interest	1,839,499	2,313,336
Changes of benefit terms	-	(20,062,880)
Changes in assumptions	7,770,514	(3,447,353)
Differences between expected and actual experience	321,362	(1,912,350)
Benefit payments	(1,523,465)	(1,713,054)
Net changes in total OPEB liability	10,643,501	(21,499,396)
Total OPEB liability—beginning, as restated	43,275,127	64,774,523
Total OPEB liability—ending	$ 53,918,628	$ 43,275,127
Plan fiduciary net position		
Contributions—employer	$ 1,523,465	$ 1,713,054
Benefit payments	(1,523,465)	(1,713,054)
Net change in plan fiduciary net position	-	-
Plan fiduciary net position—beginning	-	-
Plan fiduciary net position—ending	$ -	$ -
County's net OPEB liability—ending	$ 53,918,628	$ 43,275,127
Plan's fiduciary net position as a percentage of the total OPEB liability	0.0%	0.0%
Covered-employee payroll	$ 60,760,613	$ 59,839,275
County's net OPEB liability as a percentage of covered-employee payroll	88.7%	72.3%
Rensselaer County - Business-type Activities:		
Total OPEB liability		
Service cost	$ 672,885	$ 1,077,782
Interest	559,204	707,882
Changes of benefit terms	-	(6,331,920)
Changes of assumptions	2,606,095	(1,162,045)
Differences between expected and actual experience	(95,844)	(494,044)
Benefit payments	(345,709)	(384,165)
Net changes in total OPEB liability	3,396,631	(6,586,510)
Total OPEB liability—beginning, as restated	13,104,144	19,690,654
Total OPEB liability—ending	$ 16,500,775	$ 13,104,144
Plan fiduciary net position		
Contributions—employer	$ 384,165	$ 384,165
Benefit payments	(384,165)	(384,165)
Net change in plan fiduciary net position	-	-
Plan fiduciary net position—beginning	-	-
Plan fiduciary net position—ending	$ -	$ -
County's net OPEB liability—ending	$ 16,500,775	$ 13,104,144
Plan's fiduciary net position as a percentage of the total OPEB liability	0.0%	0.0%
Covered-employee payroll	$ 20,120,139	$ 19,619,888
County's net OPEB liability as a percentage of covered-employee payroll	82.0%	66.8%

(continued)

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

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

(concluded)

	Year Ended August 31, 2019	Year Ended August 31, 2018
Hudson Valley Community College ("HVCC")		
Total OPEB liability		
Service cost	$ 1,163,050	$ 1,097,461
Interest	702,630	620,918
Changes of benefit terms	(5,726,315)	-
Changes in assumptions	589,906	(1,876,023)
Differences between expected and actual experience	1,762,416	(1,237,696)
Benefit payments	(234,666)	(288,675)
Net changes in total OPEB liability	(1,742,979)	(1,684,015)
Total OPEB liability—beginning	19,383,263	21,067,278
Total OPEB liability—ending	$ 17,640,284	$ 19,383,263
Plan fiduciary net position		
Contributions—employer	$ 234,666	$ 288,675
Benefit payments	(234,666)	(288,675)
Net change in plan fiduciary net position	-	-
Plan fiduciary net position—beginning	-	-
Plan fiduciary net position—ending	$ -	$ -
County's net OPEB liability—ending	$ 17,640,284	$ 19,383,263
Plan's fiduciary net position as a percentage of the total OPEB liability	0.0%	0.0%
Covered-employee payroll	n/a	n/a
County's net OPEB liability as a percentage of covered-employee payroll	n/a	n/a

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

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

COUNTY OF RENSSELAER, NEW YORK

Schedule of Revenues, Expenditures, and Changes in Fund Balances—
Budget and Actual—General Fund
Year Ended December 31, 2019

	Budgeted Amounts			Variance with
	Original	Final	Actual	Final Budget
REVENUES				
Real property taxes	$ 56,469,609	$ 56,469,609	$ 56,085,788	$ (383,821)
Real property tax items	5,991,401	5,991,401	5,960,675	(30,726)
Non-property tax items	89,830,613	92,230,613	97,522,914	5,292,301
Departmental income	15,416,944	15,636,544	14,886,742	(749,802)
Intergovernmental charges	14,965,683	15,183,802	16,268,411	1,084,609
Use of money and property	1,156,473	1,156,473	1,273,097	116,624
Fines and forfeitures	305,410	305,410	263,148	(42,262)
Sale of property and compensation for loss	2,000	5,264	460,394	455,130
Miscellaneous	128,300	378,917	573,929	195,012
Interfund revenues	2,216,927	2,216,927	2,385,194	168,267
State aid	38,825,326	45,739,656	39,504,965	(6,234,691)
Federal aid	20,913,824	23,606,136	20,539,652	(3,066,484)
Total revenues	246,222,510	258,920,752	255,724,909	(3,195,843)
EXPENDITURES				
Current:				
General government support	53,894,737	59,828,771	54,854,888	4,973,883
Education	20,116,760	20,116,760	19,941,743	175,017
Public safety	39,875,318	41,669,797	40,249,845	1,419,952
Health	22,446,722	24,189,110	20,455,906	3,733,204
Transportation	583,661	599,212	599,211	1
Economic assistance and opportunity	99,228,713	100,856,853	94,456,661	6,400,192
Culture and recreation	659,272	669,637	503,538	166,099
Home and community services	884,885	1,154,184	883,313	270,871
Debt service:				
Principal	5,450,383	5,450,383	5,441,687	8,696
Interest	2,424,133	2,424,133	2,386,858	37,275
Total expenditures	245,564,584	256,958,840	239,773,650	17,185,190
Excess (deficiency) of revenues over expenditures	657,926	1,961,912	15,951,259	13,989,347
OTHER FINANCING SOURCES (USES)				
Transfers out	(1,230,000)	(2,993,000)	(2,993,000)	-
Total other financing sources	(1,230,000)	(2,993,000)	(2,993,000)	-
Net change in fund balances*	(572,074)	(1,031,088)	12,958,259	13,989,347
Fund balances—beginning	48,339,692	48,339,692	48,339,692	-
Fund balances—ending	$ 47,767,618	$ 47,308,604	$ 61,297,951	$ 13,989,347

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

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

1. OPEB LIABILITIY

***Changes of Assumptions*—**Changes of assumptions reflect the effects of changes in the discount rate and the medical healthcare cost trend rate. The discount rate is based on the yield for 20-year tax-exempt general obligation municipal bonds as of the measurement date, which decreased from 4.11% effective December 31, 2018 to 3.26% effective December 31, 2019. The medical healthcare cost trend rates were updated to reflect current medical provisions and premiums and expected future experience.

Hudson Valley Community College ("HVCC")—The discount rate is based on the Bond Buyer General Obligation 20-Year Municipal Bond Index. The most significant factor impacting the HVCC's OPEB liability includes an increase in the discount rate from 3.53% to 3.25%. The medical healthcare cost trend rates changed from 8.00% percent for 2018 to 7.5% for 2019, decreasing to an ultimate rate of 5.00% by 2024.

2. BUDGETARY INFORMATION

***Budgetary Basis of Accounting*—**Annual budgets are adopted on a basis consistent with accounting principles generally accepted in the United States of America for all governmental funds, except the Capital Projects Fund and the Rensselaer Tobacco Asset Securitization Corporation, which adopts its own budget. The Capital Projects Fund is appropriated on a project length basis; appropriations are approved through a County Legislature resolution at the project's inception and lapse upon termination of the project.

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

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

Actual results of operations presented in accordance with GAAP and the County's accounting policies do not recognize encumbrances and restricted fund balance as expenditures until the period in which the actual goods or services are received and a liability is incurred. Encumbrances are only reported on the balance sheet of the governmental funds included within restricted, committed or assigned fund balance. Significant encumbrances are disclosed in the notes to the financial statements. The General Fund original budget for the year ended December 31, 2019 includes encumbrances from the prior year of $572,074.

SUPPLEMENTARY INFORMATION

COUNTY OF RENSSELAER, NEW YORK

Combining Balance Sheet
Nonmajor Governmental Funds
December 31, 2019

	Special Revenue					Total
	Special Grant	Community Development	Highway	Sewer	RTASC	Nonmajor Funds
ASSETS						
Cash and cash equivalents	$ 99,423	$ 1,026,930	$ 2,927,781	$ 1,827,154	$ 36,362	$ 5,917,650
Restricted cash and cash equivalents	-	-	-	1,875	2,114,133	2,116,008
Other receivables	131,663	1,204,172	547,247	2,902,577	-	4,785,659
Intergovernmental receivables	-	-	109,743	-	-	109,743
Due from other funds	-	-	4,547,640	-	-	4,547,640
Inventories	-	-	171,806	-	-	171,806
Prepaid items	16,231	-	92,260	56,427	-	164,918
Total assets	$ 247,317	$ 2,231,102	$ 8,396,477	$ 4,788,033	$ 2,150,495	$ 17,813,424
LIABILITIES						
Accounts payable	$ 39,120	$ 395	$ 1,047,654	$ 479,445	$ -	$ 1,566,614
Accrued liabilities	3,749	-	83,818	16,123	-	103,690
Due to other funds	72,949	367	3,301,912	226,325	-	3,601,553
Intergovernmental payables	-	1,589	-	-	-	1,589
Unearned revenues	-	-	-	1,875	-	1,875
Total liabilities	115,818	2,351	4,433,384	723,768	-	5,275,321
FUND BALANCES						
Nonspendable	16,231	1,204,172	264,066	56,427	-	1,540,896
Restricted	-	-	-	-	2,114,133	2,114,133
Assigned	115,268	1,024,579	3,699,027	4,007,838	36,362	8,883,074
Total fund balances	131,499	2,228,751	3,963,093	4,064,265	2,150,495	12,538,103
Total liabilities and fund balances	$ 247,317	$ 2,231,102	$ 8,396,477	$ 4,788,033	$ 2,150,495	$ 17,813,424

COUNTY OF RENSSELAER, NEW YORK

Combining Schedule of Revenues, Expenditures, and Changes in Fund Balances
Nonmajor Governmental Funds
Year Ended December 31, 2019

	Special Revenue					Total
	Special Grant	Community Development	Highway	Sewer	RTASC	Nonmajor Funds
REVENUES						
Real property taxes	$ -	$ -	$ 6,656,297	$ -	$ -	$ 6,656,297
Non-property tax items	-	-	976,387	-	-	976,387
Departmental income	-	413,941	-	9,974,285	-	10,388,226
Use of money and property	-	-	2,217,487	2,060	64,257	2,283,804
Licenses and permits	-	-	4,848	-	-	4,848
Sale of property and compensation for loss	-	-	82,057	291,264	-	373,321
Miscellaneous	-	119	1,439	654	-	2,212
State aid	-	-	3,212,353	-	-	3,212,353
Federal aid	1,350,682	533,804	1,067	-	-	1,885,553
Tobacco settlement revenue	-	-	-	-	1,953,195	1,953,195
Total revenues	1,350,682	947,864	13,151,935	10,268,263	2,017,452	27,736,196
EXPENDITURES						
Current:						
General government support	52,500	-	474,581	370,568	45,658	943,307
Public safety	-	-	284,642	-		284,642
Transportation	-	-	13,001,817	-	-	13,001,817
Economic assistance and opportunity	1,298,183	726,857	-	-	-	2,025,040
Home and community services	-	-	-	4,362,119	-	4,362,119
Employee benefits	-	-	1,464,057	865,329	-	2,329,386
Debt service:						
Principal	-	-	785,114	3,618,092	385,000	4,788,206
Interest	-	-	238,319	1,178,449	1,608,878	3,025,646
Total expenditures	1,350,683	726,857	16,248,530	10,394,557	2,039,536	30,760,163
Excess (deficiency) of revenues over expenditures	(1)	221,007	(3,096,595)	(126,294)	(22,084)	(3,023,967)
OTHER FINANCING SOURCES (USES)						
Transfers in	-	-	2,343,000	-	-	2,343,000
Transfers out		-	-	(147,000)	-	(147,000)
Total other financing sources (uses)	-	-	2,343,000	(147,000)	-	2,196,000
Net change in fund balances	(1)	221,007	(753,595)	(273,294)	(22,084)	(827,967)
Fund balances—beginning	131,500	2,007,744	4,716,688	4,337,559	2,172,579	13,366,070
Fund balances—ending	$ 131,499	$ 2,228,751	$ 3,963,093	$ 4,064,265	$ 2,150,495	$ 12,538,103

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Certified Public Accountants

INDEPENDENT AUDITORS' REPORT ON INTERNAL CONTROL OVER FINANCIAL REPORTING AND ON COMPLIANCE AND OTHER MATTERS BASED ON AN AUDIT OF FINANCIAL STATEMENTS PERFORMED IN ACCORDANCE WITH *GOVERNMENT AUDITING STANDARDS*

Honorable County Executive and County Legislature
County of Rensselaer, New York:

We have audited in accordance with auditing standards generally accepted in the United States of America and the standards applicable to the financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States, the financial statements of the governmental activities, the business-type activities, the discretely presented component units, each major fund, and the aggregate remaining fund information of the County of Rensselaer, New York (the "County"), as of and for the year ended December 31, 2019, and the related notes to the financial statements, which collectively comprise the County's basic financial statements, and have issued our report thereon dated May 6, 2020 (which report includes an emphasis of matter paragraph regarding the implementation of GASB Statement No. 84). Our report includes a reference to other auditors who audited the financial statements of the Rensselaer County Industrial Development Agency and Hudson Valley Community College, as described in our report on the County's financial statements. This report does not include the results of the other auditors' testing of internal control over financial reporting or compliance and other matters that are reported on separately by those auditors.

Internal Control Over Financial Reporting

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

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

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

Compliance and Other Matters

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

Purpose of this Report

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

Drescher & Malecki LLP

May 6, 2020