PRELIMINARY OFFICIAL STATEMENT

NEW/RENEWAL ISSUE **SERIAL BONDS & BOND ANTICIPATION NOTES**

MOODY'S: "Aa3" **See "BOND RATING" herein**

In the opinion of Bartlett, Pontiff, Stewart & Rhodes, P.C., Bond Counsel to the County, based upon an analysis of existing laws, regulations, rulings and court decisions, and assuming, among other matters, compliance by the County with certain covenants, interest on the Notes is excluded from gross income for federal income tax purposes under Section 103 of the Internal Revenue Code of 1986, as amended. In the further opinion of Bond Counsel, interest on the Notes is not a specific preference item for purposes of the federal individual alternative minimum tax. Bond Counsel is also of the opinion that interest on the Notes is excluded from adjusted gross income for purposes of personal income taxes imposed by the State of New York and the City of New York. Bond Counsel expresses no opinion regarding any other tax consequences related to the ownership or disposition of, or the accrual of interest on the Notes. See "TAX MATTERS" herein.

The Bonds and Notes will be designated as "qualified tax-exempt obligations" pursuant to Section 265(b)(3) of the Code.

$8,256,235
COUNTY OF WASHINGTON, NEW YORK

GENERAL OBLIGATIONS
CUSIP BASE #: 938123

$3,486,235 Public Improvement (Serial) Bonds, 2021

(referred to herein as the "Bonds")

Dated: March 25, 2021 **Due: March 15, 2022-2031**

MATURITIES**

Year	Amount	Rate	Yield	CSP	Year	Amount	Rate	Yield	CSP	Year	Amount	Rate	Yield	CSP
2022	$ 296,235	%	%		2026	$ 350,000	%	%		2030	$ 375,000*	%	%	
2023	330,000				2027	355,000				2031	380,000*			
2024	335,000				2028	360,000								
2025	340,000				2029	365,000*								

* The Bonds maturing in the years 2030-2032 are subject to redemption prior to maturity as described herein under the heading "Optional Redemption."

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

And

$4,770,000 Bond Anticipation Notes, 2021

(referred to herein as the "Notes")

Dated: March 25, 2021 **Due: March 25, 2022**

(collectively referred to herein as the "Bonds and Notes")

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

The Notes will not be subject to redemption prior to maturity. The Bonds maturing in the years 2030-2036 are subject to redemption prior to maturity as described herein under the heading "Optional Redemption."

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, except for one necessary odd denomination of $6,235. Purchasers will not receive certificates representing their ownership interest in the Bonds. Interest on the Bonds will be payable on March 15, 2022, September 15, 2022 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. 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 $3,486,235 and accrued interest, if any, on the total principal amount of the Bonds.

At the option of the successful bidder(s), the Notes will be issued registered in the name of the purchaser in the denominations of $5,000 or multiples thereof. Principal and interest will be payable in Federal Funds at maturity at such bank(s) or trust company(ies) located and authorized to do business in the State of New York, as may be determined by such successful bidder(s) with paying agent fees, if any paid by the successful bidder(s), or as stated below.

Alternatively, at the option of the successful bidder(s), the Notes will be registered in book-entry form in the name of Cede & Co. as nominee of The Depository Trust Company (DTC), New York, New York, which will act as the securities depository for the Notes. In such case, Noteholders will not receive certificates representing their ownership interest in the notes purchased. In such case, under this option, payment of the principal of and interest on the Notes to the Beneficial Owner of the Notes will be made by DTC Participants and Indirect Participants in accordance with standing instructions and customary practices. Payment will be the responsibility of the DTC, subject to any statutory and regulatory requirements as may be in effect from time to time. See "BOOK-ENTRY-ONLY SYSTEM" herein.

The Bonds and Notes are offered when, as and if issued and received by the purchaser(s) and subject to the receipt of the unqualified legal opinion as to the validity of the Bonds and Notes of Bartlett, Pontiff, Stewart & Rhodes, P.C., Bond Counsel, Glens Falls, 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 with the purchaser(s), on or about March 25, 2021. It is anticipated that the Notes will be available for delivery through the facilities of DTC located in Jersey City, New Jersey, or as may be agreed upon with the purchaser(s), on or about March 25, 2021.

ELECTRONIC BIDS for the Bonds and Notes must be submitted on Fiscal Advisor's Auction website ("Fiscal Advisors Auction") accessible via www.FiscalAdvisorsAuction.com, on March 11, 2021 no later than 11:15 A.M. EDT. Bids may also be submitted by facsimile at (315) 930-2354. No other form of electronic bidding services will be accepted. No phone bids will be accepted. No bid will be received after the time for receiving bids specified above. Once the bids are communicated electronically via Fiscal Advisors Auction or facsimile to the County, each bid will constitute an irrevocable offer to purchase the Bonds and Notes pursuant to the terms provided in the respective Notice of Sales.

March 5, 2021

THIS OFFICIAL STATEMENT IS "DEEMED FINAL" BY THE COUNTY FOR PURPOSES OF SECURITIES AND EXCHANGE COMMISSION RULE 15c2-12, 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 SALES OF THE OBLIGATIONS HEREIN DESCRIBED. THIS OFFICIAL STATEMENT WILL BE SO UPDATED UPON REQUEST OF THE SUCCESSFUL BIDDER(S), AS MORE FULLY DESCRIBED IN THE NOTICES OF SALE WITH RESPECT TO THE OBLIGATIONS HEREIN DESCRIBED. THE COUNTY WILL COVENANT IN AN UNDERTAKING TO PROVIDE CONTINUING DISCLOSURE AS DEFINED IN THE RULE WITH RESPECT TO THE BONDS. SEE "CONTINUING DISCLOSURE UNDERTAKING WITH RESPECT TO THE BONDS" HEREIN. THE COUNTY WILL COVENANT IN AN UNDERTAKING TO PROVIDE NOTICE OF CERTAIN MATERIAL EVENTS AS DEFINED IN THE RULE WITH RESPECT TO THE NOTES. SEE "MATERIAL EVENT NOTICES WITH RESPECT TO THE NOTES" HEREIN.

BOARD of SUPERVISORS

HON. SAMUEL J. HALL
Chairman
Fort Ann Supervisor

HON. ROBERT A. HENKE
Vice-Chairman
Argyle Supervisor

Robert A. Henke – Argyle
David O'Brien – Hampton
Catherine Fedler – Cambridge
Dana E. Haff – Hartford
Paul Ferguson – Dresden
Brian Campbell – Hebron
Daniel Shaw – Easton
Jay Skellie – Jackson
Samuel J. Hall – Fort Ann
Dana Hogan – Kingsbury
Lester Losaw – Fort Edward
Darrell T. Wilson – Putnam
Matthew Hicks – Granville
Evera Sue Clary – Salem
Donald B. Ward – Greenwich
James S. Griffith – White Creek
John Rozell – Whitehall

BRIAN CAMPBELL
Budget Officer

ALBERT NOLETTE
County Treasurer

ROGER A. WICKES, ESQ.
County Attorney

MELISSA FITCH
County Administrator

DEBBIE R. PREHODA
Clerk of the Board

SANDRA J. HUFFER
Deputy Clerk of the Board

MUNICIPAL ADVISOR

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

BOND COUNSEL

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Glens Falls, New York 12801
(518) 792-2117

TABLE OF CONTENTS

PREPARED WITH THE ASSISTANCE OF

Fiscal Advisors & Marketing, Inc.
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Syracuse, New York 13202
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OFFICIAL STATEMENT

of the

COUNTY OF WASHINGTON, NEW YORK

Relating To

$3,486,235 Public Improvement (Serial) Bonds, 2021

And

$4,770,000 Bond Anticipation Notes, 2021

This Official Statement, which includes the cover page and all appendices, has been prepared by the County of Washington, New York (the "County", and "State", respectively) in connection with the sale by the County of $3,486,235 Public Improvement (Serial) Bonds, 2021 (referred to herein as the "Bonds") and $4,770,000 Bond Anticipation Notes, 2021 (referred to herein as the "Notes") (collectively referred to herein as the "Bonds and Notes").

The factors affecting the County's financial condition and the Bonds and Notes 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 Notes and the proceedings of the County relating thereto are qualified in their entirety by reference to the definitive form of the Bonds and Notes and such proceedings.

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

THE BONDS

Description of the Bonds

The Bonds are general obligations of the County and will contain a pledge of its faith and credit for the payment of the principal of and interest on the Bonds as required by the Constitution and laws of the State (State Constitution, Art. VIII, Section 2; Local Finance Law, Section 100.00). All the taxable real property within the County is subject to the levy of ad valorem taxes to pay the Bonds and interest thereon, subject to applicable statutory limitations. See "NATURE OF OBLIGATION" and "TAX LEVY LIMITATION LAW" herein.

The Bonds will be dated March 25, 2021 and will mature in the principal amounts and on the dates as set forth on the cover page. The Bonds are subject to redemption prior to maturity as described herein under the heading "Optional Redemption." The "Record Date" of the Bonds will be the last business day of the calendar month preceding each such interest payment date. Interest will be calculated on a 30-day month and 360-day year basis.

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, except for one necessary odd denomination of $6.235. Purchasers will not receive certificates representing their ownership interest in the Bonds. Interest on the Bonds will be payable on March 15 2022, September 15, 2022 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.

Optional Redemption – The Bonds

The Bonds maturing on or before March 15, 2029 shall not be subject to redemption prior to maturity. The Bonds maturing on or after March 15, 2030 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 March 15, 2029 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 County Commissioner of Finance. 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

The Bonds are being issued pursuant to the Constitution and statutes of the State of New York, including among others, the County Law and the Local Finance Law and bond resolutions adopted by the County Legislature for the following purposes:

Purpose of Issue - Public Improvement (Serial) Bonds, 2021	Bond Resolution Adoption Date	Amount Authorized	Amount Outstanding	Principal Paydown	New Money	Amount to Bond
Construction, reconstruction, additions and alterations to the Science Building at SUNY Adirondack (the "NSTEM Project")	December 18, 2015	$ 2,736,235	$ 2,090,000	$ 40,000	$ 536,235	$ 2,586,235
Burgoyne Avenue Campus Improvements (the "Burgoyne Ave Project")	February 19, 2021	$ 1,000,000	$ -	$ -	$ 900,000	$ 900,000
		Totals:	$ 2,090,000	$ 40,000	$ 1,436,235	$ 3,486,235

The proceeds of the Bonds, together with $40,000 in available funds, will be used to redeem a $2,090,000 portion of $7,875,000 bond anticipation notes outstanding which mature on March 26, 2021 and will provide $1,436,235 in new money to permanently finance the aforementioned purposes.

THE NOTES

Description of the Notes

The Notes are general obligations of the County and will contain a pledge of its faith and credit for the payment of the principal of and interest on the Notes as required by the Constitution and laws of the State of New York (State Constitution, Art. VIII, Section 2; Local Finance Law, Section 100.00). All the taxable real property within the County is subject to the levy of ad valorem taxes to pay the Notes and interest thereon, subject to applicable statutory limitations. See "TAX LEVY LIMITATION LAW" herein.

The Notes are dated March 25, 2021 and mature on March 25, 2022, without option of prior redemption. Interest will be calculated on a 30-day month and 360-day year basis, payable at maturity.

The Notes will be registered in either (i) the name of the purchaser(s), in denominations of $5,000 each or multiples thereof, as may be determined by the successful bidder(s) with principal and interest payable in Federal Funds at such bank(s) or trust company(ies) located and authorized to do business in the State as may be selected by such successful bidder(s); or (ii) at the option of the purchaser(s), as registered book-entry form notes, and, if so issued, registered in the name of Cede & Co. as nominee of DTC, which will act as the securities depository for the Notes. See "BOOK-ENTRY-ONLY SYSTEM" herein.

No Optional Redemption

The Notes are **not** subject to redemption prior to maturity.

Purpose of Issue – The Notes

The Notes are issued pursuant to the Constitution and statutes of the State including among others, the Local Finance Law and the respective bond resolutions identified below to provide funds for the following purposes and in the following amounts:

Purpose of Issue - Bond Anticipation Notes, 2021	Bond Resolution Adoption Date	Amount Authorized	Amount Outstanding	Principal Paydown	New Money	Amount to Notes
Planning, design, acquisition and installation of Improvements to the Village of Fort Edward Sewer/Water Project	June 17, 2016 (1)	$ 8,000,000	$ 785,000	$ 785,000	$ -	$ -
Planning, design, construction, relocation, replacement and rehabilitation of Bridges and Road Pavement, Stormwater Mitigation, and the Purchase of Vacuum Trailer and Equipment	February 15, 2019	$ 10,000,000	$ 5,000,000	$ 230,000	$ -	$ 4,770,000
		Totals:	$ 5,785,000	$ 1,015,000	$ -	$ 4,770,000

(1) Amended on November 16, 2018.

The proceeds of the Notes, along with $1,015,000 in available funds, will partially redeem and renew a $5,785,000 portion of the $7,875,000 outstanding bond anticipation notes maturing on March 26, 2021 for the above-mentioned purposes.

NATURE OF THE OBLIGATION

Each Bond and Note, 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.

The Bonds and Notes will be general obligations of the County and will contain a pledge of the faith and credit of the County for the payment of the principal thereof and the interest thereon 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.

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 Notes 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. See "TAX LEVY LIMITATION LAW" herein.

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.

BOOK-ENTRY-ONLY SYSTEM

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

DTC 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 2 million issues of U.S. and non-U.S. equity issues, corporate and municipal debt issues, and money market instruments from over 85 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, in turn, is owned by a number of Direct Participants of DTC and Members of the National Securities Clearing Corporation, Government Securities Clearing Corporation, MBS Clearing Corporation, and Emerging Markets Clearing Corporation, (NSCC, GSCC, MBSCC, and EMCC, also subsidiaries of DTCC), as well as by the New York Stock Exchange, Inc., the American Stock Exchange LLC, and the National Association of Securities Dealers, Inc. 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 Standard & Poor's highest rating: AAA. The DTC Rules applicable to its Participants are on file with the Securities and Exchange Commission. More information about DTC can be found at www.dtcc.com and www.dtc.org.

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

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

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

Redemption notices shall be sent to DTC. If less than all of the Bonds and Notes 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.

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

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

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

The information in this section concerning DTC and DTC's book-entry system has been obtained from sample offering document language supplied by DTC, but the County takes no responsibility for the accuracy thereof.

Source: The Depository Trust Company.

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

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

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

Certificated Bonds

DTC may discontinue providing its services with respect to the Bonds at any time by giving reasonable notice to the County and discharging its responsibilities with respect thereto under applicable law, or the County may terminate its participation in the system of book-entry-only 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, except for one necessary odd denomination of $6,235. 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 remain payable March 15, 2022, September 15, 2022 and semi-annually thereafter on March 15 and September 15 in each year to maturity. Such interest will be payable by check drawn by 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 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.

Certificated Notes

DTC may discontinue providing its services with respect to the Notes 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 system transfers through DTC at any time. In the event that such book-entry-only system is utilized by a purchaser(s) of the Notes upon issuance and later discontinued, the following provisions will apply:

The Notes will be issued in registered form in denominations of $5,000 or integral multiples thereof. Principal of and interest on the Notes will be payable at a principal corporate trust office of a bank(s) or trust company(ies) located and authorized to do business in the State of New York to be named as fiscal agent by the County. The Notes will remain not subject to redemption prior to their stated final maturity date.

THE COUNTY

General Information

Established in 1784, the County has a land area of 837 square miles and is located in the eastern sector of upstate New York, its southerly boundary approximately 20 miles north of the City of Albany. The City of Glens Falls is located 2 miles to the west. The Town of Fort Edward, the County Seat, is located in the middle of the western edge of the County. Major highways serving the County include U. S. #4 and State Routes #22, #29, #40 and #372. Interstate #87, the "Northway", which connects New York City and the City of Montreal, lies approximately seven miles to the west.

Air transportation is provided by the Glens Falls Airport and the Albany International Airport. Passenger rail service is available on Amtrak and CP Rail provides freight service. The area is also served by the Champlain Barge Canal which connects the Hudson River with Lake Champlain, providing water transportation from New York City to the City of Montreal.

The County is largely farming in character, but also has papermaking, food products, chemicals and electrical components as part of its industrial base. Major non-manufacturing employers in the County include two New York State Correctional Facilities, Great Meadow Correctional Facility and Washington Correctional Facility, which employ approximately 823 persons and are both located in the hamlet of Comstock, and the County itself which employs 900 persons. These employers are located in the Towns of Fort Ann and Fort Edward, respectively.

Source: County officials.

Population Trends

Year	Washington County	New York State	United States
1960	48,476	16,782,304	179,323,000
1970	52,725	18,236,882	203,235,000
1980	54,795	17,558,072	226,504,825
1990	59,330	17,990,455	249,632,692
2000	61,042	18,976,457	284,968,348
2010	63,216	19,378,102	308,745,538
2018 (Estimate)	61,197	19,542,209	327,167,434
2019 (Estimate)	61,616	19,453,561	328,239,523

Source: U.S. Census Bureau

Banking Facilities

Offices of the following commercial banks are located within the County:

Name	Number of Branches
Berkshire Bank	1
Community Bank, N.A.	1
Glens Falls National Bank and Trust Company	10
TD Bank, N.A.	3
Trustco Bank, N.A.	2

Source: County Officials and the Federal Deposit Insurance Corporation (FDIC).

Selected Wealth and Income Indicators

Per capita income statistics are available for the County and State. Listed below are select figures from the 2000 census, 2006-2010 and 2015-2019 American Community Survey data.

	Per Capita Income			Median Family Income		
	2000	2006-2010	2015-2019	2000	2006-2010	2015-2019
County of:						
Washington	$ 17,958	$ 22,347	$ 28,530	$ 43,500	$ 57,360	$ 68,813
State of:						
New York	23,389	30,948	39,326	51,691	67,405	84,385

Note: 2016-2020 American Community Survey estimates are not available as of the date of this Official Statement.

Largest Employers

Name	Business	Approximate Number of Employees
New York State	Correctional Facilities	1,200
Washington County	County Government	618*
Fort Miller Company	Concrete Products	451
BOCES	Education – School	444
Irving Tissue, Inc.	Paper Mill	328
Centers Health Care	Nursing & Rehab Facilities	296
Fort Hudson Nursing Center	Skilled Nursing Care Facility	286
Mettowee Lumber & Plastics Co (Telescope)	Sawmills and planning mills, general	225
Hollingsworth & Vose Comp.	Paper Mill	200
Adirondack Scenic	Manufacturing Industry	185

* Represents full-time employees only. The County also employs 314 part-time employees, of which approximately 249 are Election Inspectors who work one (1) to two (2) days per year.

Source: County officials.

Unemployment Rate Statistics

Annual Average

	2012	2013	2014	2015	2016	2017	2018	2019
Washington County	8.3%	7.5%	6.1%	5.1%	4.7%	4.7%	4.3%	4.1%
New York State	8.5%	7.7%	6.3%	5.3%	4.9%	4.7%	4.2%	4.0%

2020 Monthly Figures

	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sept	Oct	Nov	Dec
Washington County	5.1%	4.8%	4.9%	14.1%	9.8%	9.5%	10.6%	7.8%	4.7%	5.1%	4.6%	5.3%
New York State	4.1%	3.9%	4.2%	15.1%	14.2%	15.5%	16.0%	12.5%	9.3%	9.0%	8.1%	8.1%

Note: Unemployment rates for January 2021 are not yet available as of the date of this Official Statement

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

Form of County Government

The County is governed by a County Board of Supervisors composed of 17 members. The members are assigned weighted voting powers based on population within each town from which the supervisor is elected. Each member of the Board of Supervisors is elected by their respective Town bi-annually and has limited administrative responsibilities. The Board of Supervisors has both legislative and executive powers. The Chairman of the Board of Supervisors is elected annually and has limited administrative responsibilities. The County Treasurer, County Clerk, District Attorney, and Sheriff are elected for four-year terms and are eligible to succeed themselves.

Financial Organization

The County Board of Supervisors meets at both regular and special meetings throughout the year. The Board of Supervisors reviews and adopts the annual County budget, levies taxes, reviews and approves any modifications to the budget, and authorizes the incurrence of all indebtedness of the County. The County Treasurer is the Chief Fiscal Officer of the County whose duty it is to receive, disburse and account for all financial transactions.

Budgetary Procedures

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

Investment Policy

Pursuant to the statutes of the State of New York, the County is permitted to invest only in the following investments: (1) special time deposit accounts or certificates of deposits issued by 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 benefit 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.

State Aid

The County receives financial assistance from the State. In its budget for the current 2021 fiscal year, approximately 15.62% of the revenues of the County are estimated to be received in the form of State aid. If the State should experience difficulty in borrowing funds in anticipation of the receipt of State taxes in order to pay State aid to municipalities and school districts in the State, including the County, in this year or future years, the County may be affected by a delay in the receipt of State aid until sufficient State taxes have been received by the State to make State aid payments. Additionally, if the State should not adopt its budget in a timely manner, municipalities and school districts in the State, including the County, may be affected by a delay in the payment of State aid.

The State is not constitutionally obligated to maintain or continue State aid to the County. No assurance can be given that present State aid levels will be maintained in the future. In view of the State's continuing budget problems, future State aid reductions are likely. 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 (see also "MARKET AND RISK FACTORS").

Employees

The County provides services through approximately 618 employees. The bargaining units, approximate number of members and contract expiration dates are as follows:

Bargaining Unit	Number of Members	Contract Expiration Date
Washington County Unit of Employees (CSEA)	147	December 31, 2021
New York State Nurses' Association Washington County Public Health	7	December 31, 2021
Teamsters Local 294 Washington County Department of Public Works	55	December 31, 2021
Washington County Deputy Sheriffs' Association PBA	37	December 31, 2022
Washington County Correction Officers' Association	52	December 31, 2021
Communication Workers of America United Public Service Employees Union (replaced Communication Workers of America October 2010)	16	December 31, 2023

Source: County officials.

Pension Payments

Substantially all employees of the County are members of the New York State and Local Employees' Retirement System ("ERS") or the New York State and Local Police and Fire Retirement System ("PFRS"; with ERS, the "Retirement Systems"). The ERS is generally also known as the "Common Retirement Fund". The Retirement Systems are cost-sharing multiple public employer retirement systems. 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 Systems 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 in each retirement system are jointly and severally liable for any unfunded amounts. Such amounts are collected through annual billings to all participating employers. Generally, all employees, except certain part-time employees, participate in the Retirement Systems.

The ERS is non- contributory with respect to members hired prior to July 27, 1976 (Tier 1 & 2); members hired from July 27, 1976 through December 31, 2009 (Tier 3 & 4) contribute 3% for the first 10 years of service and then become non-contributory; members hired from January 1, 2010 through March 31, 2012 (Tier 5) must contribute 3% for their entire careers; members hired April 1, 2012 (Tier 6) or after will contribute between 3 and 6 percent for their entire careers based on their annual wage.

The PFRS is non- contributory with respect to members hired prior to January 8, 2010 (Tier 1, 2 & 3); members hired from January 9, 2010 through March 31, 2012 (Tier 5) must contribute 3% for their entire careers; members hired April 1, 2012 (Tier 6) or after will contribute between 3 and 6 percent for their entire careers based on their annual wage.

For both ERS & PFRS, Tier 5 provides for:

- Raising the minimum age at which most civilians can retire without penalty from 55 to 62 and imposing a penalty of up to 38% for any civilian who retires prior to age 62
- Requiring employees to continue contributing 3% of their salaries toward pension costs so long as they accumulate additional pension credits.
- Increasing the minimum years of service required to draw pension form 5 years to 10 years.
- Capping the amount of overtime that can be considered in the calculation of pension benefits for civilians at $15,000 per year, and for police & firefighters at 15% of non-overtime wages.

For both ERS & PFRS, Tier 6 provides for:

- Increase contribution rates of between 3% and 6% base on annual wage
- Increase in the retirement age from 62 years to 63 years
- A readjustment of the pension multiplier
- A change in the period for final average salary calculation from 3 years to 5 years

The County's contributions to the Retirement Systems for the past five completed fiscal years and the budgeted amount for the current fiscal year are as follows:

Year	ERS/PFRS
2016	$ 3,717,054
2017	3,643,913
2018	3,729,310
2019	3,913,886
2020	4,039,688
2021 (Budgeted)	4,358,790

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

The County has chosen to pay its retirement liability in December and realize the benefit of paying a discounted rate. The County is not amortizing any pension payments nor does it expect to do so in the foreseeable future.

Stable Rate Pension Contribution Option: The 2013-14 Adopted State Budget included a provision that authorized 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 and PFRS. For 2014 and 2015 the rate is 12.0% for ERS and 20% for PFRS; the rates applicable to 2016 and thereafter are subject to adjustment. The pension contribution rates under this program would reduce near-term payments for employers, but require higher than normal contributions in later years.

The County is not smoothing any pension payments nor does it intend to do so in the foreseeable future.

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"). The UAAL is the difference between total actuarially accrued liabilities and actuarially calculated assets available for the payment of such benefits. The UAAL is based on assumptions as to retirement age, mortality, projected salary increases attributed to inflation, across-the-board raises and merit raises, increases in retirement benefits, cost-of-living adjustments, valuation of current assets, investment return and other matters. Such UAALs could be substantial in the future, requiring significantly increased contributions from the County which could affect other budgetary matters. Concerned investors should contact the Retirement Systems administrative staff for further information on the latest actuarial valuations of the Retirement Systems.

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 be expected to rise substantially in the future. There is now an accounting rule that requires governmental entities, such as the County, to account for post-retirement healthcare benefits as it accounts for vested pension benefits. GASB Statement No. 45 ("GASB 45") of the Governmental Accounting Standards Board ("GASB"), described below, requires such accounting.

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. The GASB 75 report for the fiscal year ended December 31, 2018 is anticipated to be completed by April 15, 2019.

Summary of Changes from the Last Valuation. The County contracted with Armory Associates, LLC to calculate its first actuarial valuation under GASB 75 for the fiscal year ending December 31, 2018. Prior valuations performed under GASB 45 guidelines have not been restated and are not reflected in historic exhibits.

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

Balance beginning at:	January 1, 2018	January 1, 2019
	$ 91,898,142	$ 93,806,259
Changes for the year:		
Service cost	4,109,465	4,055,436
Interest	3,296,951	3,369,543
Differences between expected and actual experience	(2,853,166)	(4,253,914)
Changes in benefit terms	-	-
Changes in assumptions or other inputs	-	7,741,513
Benefit payments	(2,645,133)	(2,472,810)
Net Changes	$ 1,908,117	$ 8,439,768
Balance ending at:	December 31, 2018	December 31, 2019
	$ 93,806,259	**$ 102,246,027**

Source: Actuarial Valuation Report fiscal year ended December 31, 2018 and 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

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

The County has complied with the procedure for the validation of the Bonds and Notes provided in Title 6 of Article 2 of the Local Finance Law.

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

The fiscal year of the County is the calendar year.

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

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 as "APPENDIX – E" to this Official Statement. The audit report covering the period ending December 31, 2020 is not currently available. The Annual Financial Report Update Document (unaudited) is anticipated to be available by April 30, 2021. The financial affairs of the County are also subject to annual audits by the State Comptroller. (See "New York State Comptroller Report of Examination" herein.) Certain other financial information of the County may be found attached hereto as appendices to this Official Statement.

The County complies with the Uniform System of Accounts as prescribed for counties in the State by the State Comptroller. This system differs from generally accepted accounting principles as prescribed by the American Institute of Certified Public Accountants' Industry Audit Guide, "Audits of State and Local Governmental Units", and codified in Government Accounting, Auditing and Financial Reporting (GAAFR), published by the Governmental Accounting Standards Board (GASB).

2020 Preliminary Results of Operation (Unaudited)

The following expectations of fiscal year end results are based on unaudited numbers and are subject to revision.

The County expects the fiscal year ending December 31, 2020 with an unappropriated unreserved fund balance of $18,664,281.

The County utilized $2,500,000. In fund balance.

Summary unaudited information for the General Fund for the period ending December 31, 2020 is as follows:

Beginning Year Fund Balance:	$ 19,164,281
Revenues:	$78,500,000
Expenditures:	$81,000,000
Excess (Deficit) Revenues Over Expenditures:	($2,500,000)
Total Year End Fund Balance:	$18,664,281

Note: These projections are based upon certain current assumptions and estimates, and the audited results may vary therefrom. This represents a deficit in revenues of $500,000 along with an approximate decrease in revenues as a result of a Deferred Tax liability. This liability increase is based on an increase of un-collected taxes from 12/31/2019 to 12/3/12020.

2020 Operating Expectations (Budgeted)

The County budgeted a $2,809,850. use of fund balance for the 2020 General Fund Budget. As of the date of this Official Statement, there are no expectations of any significant variances for results of operations.

Note: These projections are based upon certain current assumptions and estimates, and the audited results may vary therefrom.

New York State Comptroller Report 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 on the Office of the State Comptroller website.

The State Comptroller's office released an audit report of the County on January 10, 2014. The purpose of the audit was to examine the Sheriff Department's internal controls over cash receipts for the period January 1, 2012 through June 30, 2013.

The State Comptroller's office released an audit report of the County on February 2, 2018. The purpose of the audit was to determine whether the County procured goods and services in accordance with its procurement policy and statutory requirements for the period January 1, 2016 through May 31, 2017.

Key Findings:

- The County did not competitively bid six purchases and public works contracts totaling $272,115.
- The County did not obtain the required number of quotes or perform competitive bidding for 16 purchases totaling $154,083 and did not seek competition for nine professional service contracts totaling $1,055,270.

Key Recommendations:

- Ensure that the procurement policy and competitive bidding laws are adhered to when purchasing goods or entering public works contracts.
- Ensure that County officials and employees adequately document actions taken when soliciting bids and quotes and retain documentation including other local government contracts when used.

Copies of the complete reports and responses can be found via the website of the Office of the New York State Comptroller.

There are presently no other State Comptrollers audits of the County that are currently in progress or pending release.

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

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 past three years for the County are as follows:

Fiscal Year Ending In	Stress Designation	Fiscal Score
2019	No Designation	10.0
2018	No Designation	25.8
2017	No Designation	10.0

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

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

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TAX INFORMATION

Taxable Assessed Valuations

Fiscal Year Ending December 31	2017	2018	2019	2020	2021
Towns of:					
Argyle	$ 272,597,201	$ 278,343,205	$ 289,703,144	$ 303,910,386	$ 312,053,962
Cambridge	197,162,894	198,456,238	197,790,979	173,909,733	176,289,531
Dresden	132,688,986	132,897,132	133,439,339	132,830,182	131,772,129
Easton	5,797,366	5,923,040	5,994,177	5,703,014	5,748,124
Fort Ann	644,181,412	652,976,130	659,751,239	645,853,976	645,753,456
Fort Edward	327,322,133	300,819,849	273,394,326	253,256,894	246,383,267
Granville	356,640,819	356,869,959	359,763,236	336,108,022	336,721,872
Greenwich	426,016,201	441,517,327	453,861,334	433,600,042	435,288,901
Hampton	68,591,709	69,118,082	69,436,043	67,166,751	67,790,952
Hartford	154,807,242	156,754,056	157,721,786	144,646,730	144,428,522
Hebron	180,169,741	180,743,027	180,777,364	158,581,882	169,909,617
Jackson	66,443,368	66,814,319	67,124,700	62,040,648	62,199,082
Kingsbury	701,262,629	724,674,758	743,325,749	722,139,311	733,640,134
Putnam	287,244,909	287,353,155	287,368,332	285,449,580	287,716,539
Salem	126,562,693	127,625,284	127,607,134	116,687,757	116,863,278
White Creek	143,797,509	144,215,308	147,037,178	135,940,720	136,417,099
Whitehall	203,114,828	206,694,621	214,924,712	192,659,732	193,934,361
Total Assessed Values	$ 4,294,401,640	$ 4,331,795,490	$ 4,369,020,772	$ 4,170,485,360	$ 4,202,910,826
State Equalization Rates					
Towns of:					
Argyle	100.00%	99.00%	100.00%	100.00%	100.00%
Cambridge	100.00%	100.00%	100.00%	100.00%	100.00%
Dresden	46.00%	46.00%	46.00%	42.40%	42.00%
Easton	2.12%	2.12%	2.12%	2.12%	2.17%
Fort Ann	100.00%	100.00%	100.00%	100.00%	97.50%
Fort Edward	87.00%	84.00%	80.00%	76.00%	73.00%
Granville	100.00%	100.00%	100.00%	100.00%	95.00%
Greenwich	100.00%	100.00%	100.00%	100.00%	100.00%
Hampton	100.00%	100.00%	98.00%	94.75%	92.00%
Hartford	100.00%	100.00%	100.00%	100.00%	100.00%
Hebron	100.00%	100.00%	100.00%	97.00%	100.00%
Jackson	35.00%	35.00%	36.00%	35.00%	35.00%
Kingsbury	100.00%	100.00%	100.00%	100.00%	100.00%
Putnam	100.00%	100.00%	100.00%	100.00%	97.50%
Salem	57.00%	60.00%	57.00%	57.00%	57.00%
White Creek	64.37%	66.00%	63.00%	63.00%	65.00%
Whitehall	100.00%	100.00%	100.00%	100.00%	100.00%
Total Taxable Full Valuation	$ 5,065,207,028	$ 5,104,841,365	$ 5,174,135,616	$ 4,985,927,239	$ 5,059,832,458

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Tax Rates Per M Assessed

Fiscal Year Ending December 31	2017	2018	2019	2020	2021
Argyle	$ 6.73	$ 6.87	$ 6.85	$ 6.83	$ 6.84
Cambridge	7.09	7.23	7.28	7.28	7.30
Dresden	13.94	141.14	14.22	15.40	15.57
Easton	321.91	321.01	322.03	321.15	314.03
Fort Ann	6.30	6.41	6.41	6.65	6.84
Fort Edward	7.67	8.10	8.61	9.02	9.40
Granville	6.74	6.82	6.86	6.88	7.24
Greenwich	6.88	6.95	7.00	6.96	6.97
Hampton	6.65	6.71	6.88	7.12	7.32
Hartford	7.11	7.20	7.24	7.18	7.21
Hebron	7.17	7.29	7.33	7.55	7.35
Jackson	19.59	19.85	19.42	19.91	19.89
Kingsbury	6.71	6.78	6.84	6.83	6.83
Putnam	6.39	6.48	6.85	6.52	6.69
Salem	12.17	11.68	12.41	12.39	12.36
White Creek	10.84	10.71	11.36	11.29	10.95
Whitehall	6.83	7.02	7.26	7.27	7.27

Tax Collection Procedure

Tax payments to the Towns are payable during the month of January in each year without penalty. Thereafter, penalties are charged on the unpaid tax as follows: 1% if the tax is paid during February, 2% if the tax is paid during March, 3% if the tax is paid during April. In April, the Town tax-rolls are returned to the office of the County Treasurer. The County imposes a 5% penalty plus 1% interest per month effective February 1st up until the date of payment. Delinquent tax enforcement is conducted as set forth in Article 11 of the New York State Real Property Tax Law (in rem procedure).

The following tax calendar pertains to the County real property taxes:

Taxable status date	March 1st
Lien date	January 1st
Levy date	January 1st
Date taxes due	January 31st
Date penalty period commences	February 1st
In rem procedure (Article 11 Tax Sale Enforcement)	November 1st

Twenty-one months after lien date (October of year following tax levy) a Petition of Foreclosure is filed in the County Clerk's office. Public Notice of Foreclose is published in local newspapers and Personal Notice of Commencement of Foreclosure Proceedings are sent by first class mail and certified mail to owner or owners of record and mortgagees and other interest holders of record and any party who filed a "Declaration of Interest" on or before the date of publication.

January 2nd (24 months following lien date) a motion for Final Summary Judgment is filed with County Court.

Note: As a result of the current COVID-19 Pandemic, the NYS Governor has, through executive order, paused all foreclosure proceeding until at least May 1, 2021 as of the date of these statements. This executive order resulted in the October, 2020 Foreclosure Auction for the 2018 delinquencies to be cancelled. The mailing of the Notice of foreclosure & Petition of Foreclosure notices on October 1, 2020 for the 2019 delinquencies was also halted until the expiration of the executive order.

Tax Levy and Tax Collection Record

Tax Levy and Tax Collection Record

Fiscal Year Ending December 31:	2015	2016	2017	2018	2019	2020
Total Tax Levy	$ 55,027,020.00	$ 55,027,020.00	$ 58,221,147.00	$ 58,904,031.00	$ 58,739,563.00	$ 60,094,332.00
Uncollected October 31, 2015	3,468,297.00					
% Uncollected October 31, 2015	6.30%					
Uncollected December 31, 2015	2,707,408.70					
% Uncollected December 31, 2015	4.92%					
Uncollected October 31, 2016	1,184,781.76	3,289,622.45				
% Uncollected October 31, 2016	2.15%	5.98%				
Uncollected December 31, 2016	911,173.84	2,634,923.83				
% Uncollected December 31, 2016	1.66%	4.74%				
Uncollected October 31, 2017	270,342.34	1,069,383.44	6,325,850.28			
% Uncollected October 31, 2017	0.49%	1.92%	10.87%			
Uncollected December 31, 2017	267,105.82	726,506.29	5,835,577.89			
% Uncollected December 31, 2017	0.48%	1.31%	10.02%			
Uncollected October 31, 2018	193,847.68	170,915.89	4,274,429.96	5,464,260.52		
% Uncollected October 31, 2018	0.35%	0.31%	7.33%	9.28%		
Uncollected December 31, 2018	181,496.68	167,118.28	3,923,055.11	4,751,521.16		
% Uncollected December 31, 2018	0.33%	0.30%	6.73%	8.07%		
Uncollected October 31, 2019	157,759.87	144,813.22	282,850.95	1,249,317.03	3,994,735.35	
% Uncollected October 31, 2019	0.29%	0.26%	0.49%	2.12%	6.80%	
Uncollected December 31, 2019	153,315.95	136,990.65	208,531.85	782,779.59	3,061,588.47	
% Uncollected December 31, 2019	0.28%	0.25%	0.36%	1.33%	5.21%	
Uncollected October 31, 2020	113,739.00	125,990.00	183,289.00	470,144.00	1,848,784.00	4,434,533.00
% Uncollected October 31, 2020	0.21%	0.23%	0.31%	0.80%	3.15%	7.38%
Uncollected December 31, 2020	113,739.00	125,990.00	183,289.00	457,165.00	1,761,899.00	3,874,365.00
% Uncollected December 31, 2020	0.21%	0.23%	0.31%	0.78%	3.00%	6.45%

Source: County officials.

Real Property Tax Revenues

The following table illustrates the percentage of total revenues of the County for each of the below completed fiscal years and budgeted figures comprised of Real Property Taxes.

Fiscal Year	Total Revenues [(1)]	Total Real Property Tax Levy	Percentage of Total Revenues Consisting of Real Property Tax
2014	$83,253,420	$29,397,186	35.31%
2015	80,367,105	33,555,315	41.75
2016	79,773,236	33,280,497	41.72
2017	76,728,568	28,174,161	36.72
2018	82,203,973	32,684,397	39.76
2019	90,086,436	33,343,212	37.01
2020 (Estimated)	80,500,000	34,260,150	42.56
2021 (Budget)	87,906,816	34,827,330	39.62

(1) Figures include inter-fund transfers.

Note: General Fund only. This table is not audited.

Source: Audited financial statement, 2020 estimated figures and budget of the County for the 2021 fiscal year.

Sales Tax Revenues

The County enacted a 7% tax on sales and uses of tangible personal properties, on certain services and occupancy of hotel rooms, admission charges, and mortgage dues pursuant to Article 29 of the Tax Law of the State of New York. The sunset was removed by the County via Board of Supervisors resolution no. 204 dated June 15, 2012.

All sales tax collections distributed to the County by the State Tax Commission are retained by the County for County purposes, with the exception of one million dollars of the total collected, which the County distributes to the towns and villages within the County with $500,000 based upon total assessed value and $500,000 based on the most recent census.

The sales tax collections for the past ten fiscal years and the budgeted amount for the current fiscal year are as follows:

Fiscal Year Ending December 31st	Sales Tax	Sales Tax to Revenues (%)
2009	$ 15,987,128	20.73
2010	16,132,985	20.97
2011	17,144,925	22.24
2012	18,096,470	23.48
2013	19,352,213	24.12
2014	19,689,092	23.35
2015	19,964,841	24.96
2016	19,246,145	24.13
2017	19,402,427	24.25
2018	20,291,923	24.75
2019	21,688,980	28.94
2020	22,320,292	28.43
2021 (Budgeted)	21,000,000	24.62

Source: County Officials

Larger Taxpayers – 2020 Tax Roll for 2021 Town & County Taxes

Name	Type	Full Valuation
New York State	State Land	152,646,381
Niagara Mohawk/National Grid	Utility	126,609,001
New York State Electric & Gas	Utility	24,896,168
Wheelabrator Hudson Falls, LLC	Industrial	18,278,700
Fort Miller Corp	Industrial	17,739,758
Hollingsworth & Vose Co.	Industrial	16,697,296
Verizon	Utility	11,232,299
Delaware Hudson RR	Railroad	9,890,301
Kingswood Village LLC	Apartment	9,400,000
Dix Ave Properties	Industrial	7,553,200

The larger taxpayers, listed above, have a total estimated full valuation of $394,943,104, which represents 7.80% of the County tax base for 2020 fiscal year. As of this Official Statement, the County's has no tax certiorari actions known to have a material impact on the County.

Source: County tax roll.

Constitutional Tax Margin

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

Fiscal Year Ending December 31:	2021	2020	2019
Five-Year Average Full Valuation………...............	$ 4,869,951,866	$ 4,985,927,238	$ 4,807,893,794
Tax Limit - (2%)……………………….................	97,399,037	95,978,226	96,105,434
Add: Exclusions from Limit…………..............	659,626	366,528	265,209
Total Taxing Power…………..….....................	$ 98,058,663	$ 96,344,754	$ 96,370,643
Less: Total County-wide Levy………...............	35,369,795	34,791,978	33,864,752
Net Tax Margin…………….....................................	$ 62,688,868	$ 61,552,776	$ 62,505,891
Sales tax Credit to Reduce County Levy on Towns…	139,690	138,466	131,345
Constitutional Tax Margin……....……………...…..	$ 62,828,558	$ 61,691,242	$ 62,637,236

Source: County officials.

Additional Tax Information

Real property subject to County taxes is assessed by the component towns.

Veterans, and disabled and senior citizens' exemptions are offered to those who qualify.

The total assessed valuation of the County consists of approximately 80% residential properties; 6% commercial properties; 8% industrial properties and 6% agricultural properties.

The total property tax bill of a typical residential property located in the County is approximately $3,750 including County, town and school district taxes (excludes village, of which there are currently 8).

TAX LEVY LIMITATION LAW

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 virtually all local governments, including school districts (with the exception of New York City, Yonkers, Syracuse, Rochester and Buffalo, the latter four of which are indirectly affected by applicability to their respective City). It also applies to independent special districts and to town and County improvement districts as part of their parent municipalities tax levies.

The Tax Levy Limitation 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 expires on June 15, 2020 unless extended. Pursuant to the Tax Levy Limitation Law, the tax levy of a municipality cannot increase by more than the lesser of (i) two percent (2%) or (ii) the annual increase in the consumer price index ("CPI"), over the amount of the prior year's tax levy. Certain adjustments 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 Levy Limitation Law, including expenditures made on account of certain tort settlements and certain increases in the average actuarial contribution rates of the New York State and Local Employees' Retirement System, the Police and Fire Retirement System, and the Teachers' Retirement System. Municipalities are also permitted to carry forward a certain portion of their unused levy limitation from a prior year. Each municipality prior to adoption of each fiscal year budget must submit for review to the State Comptroller any information that is necessary in the calculation of its tax levy for each fiscal year.

The Tax Levy Limitation Law does not contain an exception from the levy limitation for the payment of debt service on either outstanding general obligation debt of municipalities or such debt incurred after the effective date of the Tax Levy Limitation Law (June 24, 2011).

In addition, the Court of Appeals in the 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.

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

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 Notes), include the following provisions:

Purpose and Pledge. Subject to certain enumerated exceptions, the County shall not give or loan any money or property to or in aid of any individual, 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 County 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 County purpose so long as the principal amount thereof, subject to certain limited exceptions, shall not exceed seven per centum of the average full valuation of taxable real 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 authorized the power and procedure for the County to borrow and incur indebtedness by the enactment of the Local Finance Law subject, of course, to the provisions set forth above. The power to spend money, however, generally derives from other law, including specifically the County Charter and the General Municipal Law.

Pursuant to the Local Finance Law and its Charter, the County authorizes the issuance of bonds by the adoption of a bond ordinance approved by at least two-thirds of the members of the Council, the finance board of the County. Customarily, the Council has delegated to the County Treasurer, 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 when a bond ordinance 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, my be contested only if:

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

(2) There has not been substantial compliance with the provisions of law which should have been complied with in the authorization of such obligations, and

(3) An action contesting such validity, is commenced within twenty days after the date of such publication, or, Such obligations are authorized in violation of the provisions of the Constitution.

The County generally issues its obligations after the time period specified in 3, above has expired with no action filed that has contested validity. It is a procedure that is recommended by Bond Counsel and followed by the County, but it is not an absolute legal requirement.

Each bond ordinance usually authorizes the construction, acquisition or installation of the object or purpose to be financed, sets forth the plan of financing and specifies the maximum maturity of the bonds subject to the legal (Constitution, Local Finance Law and case law) restrictions relating to the period of probable usefulness with respect thereto. The County has authorized bonds for a variety of County objects or purposes.

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 bonds outstanding, commencing no later than two years from the date of the first of such bonds and provided that such renewals do not exceed five years beyond the original date of borrowing. (See "Payment and Maturity" under "Constitutional Requirements" herein.)

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

Debt Outstanding End of Fiscal Year

Fiscal Years Ending December 31:	2016	2017	2018	2019	2020
Bonds	$ 3,250,000	$ 2,795,000	$ 1,100,000	$ 885,000	$ 665,000
Bonds – NYSEFC	130,000	105,000	80,000	55,000	30,000
Bond Anticipation Notes	9,200,000	2,200,000	2,965,000	7,930,000	7,875,000
Other Debt (1)	0	7,615,628	7,615,627	5,463,627	5,354,127
Total Debt Outstanding	$ 12,580,000	$ 12,715,628	$ 11,760,627	$ 14,333,627	$ 13,924,127

(1) See "New York State Environmental Facilities Corporation" herein.

Details of Outstanding Indebtedness

The following table sets forth the indebtedness of the County evidenced by serial bonds and notes as of March 5, 2021:

Type of Indebtedness	Maturity	Amount Outstanding	
Bonds	2020-2023	$ 665,000	
Bonds - NYSEFC			
Sewer District No. 2	2020-2021	30,000	
Bond Anticipation Notes			
Various Projects	March 26, 2021	7,875,000	(1)
EFC Short Term Financing			
Sewer Capital Project	December 22, 2021	5,354,127	(2)
	Total Indebtedness	$ 13,924,127	

(1) A $2,090,000 portion is to be redeemed at maturity with the proceeds of the Bonds along with $40,000 in available funds. For further information see "THE BONDS – Purpose of Issue" herein. A $5,785,000 portion is to be redeemed and renewed at maturity with the proceeds of the Notes, along with $1,015,000 in available funds. For further information see "THE NOTES – Purpose of Issue" herein

(2) Represents short term interest fee financing issued through the New York State Environmental Facilities Corporation. See "New York State Environments Facilities Corporation" herein.

Debt Statement Summary

Statement of Indebtedness, Debt Limit and Net Debt-Contracting Margin evidenced by bonds and notes, without giving effect to this financing, as of March 5, 2021:

Five-Year Average Full Valuation			$ 5,077,988,741
Debt Limit - 7% thereof			355,459,212
Inclusions:			
Bonds	$ 665,000		
Bonds - NYSEFC	30,000		
Bond Anticipation Notes	7,875,000		
EFC Short Term Financing	5,354,127		
Total Inclusions		$ 13,924,127	
Exclusions:			
Appropriations - Bonds	$ 220,000		
Appropriations – Notes	1,055,000		
Appropriations – State Loans	30,000		
Total Exclusions		$ 1,305,000	
Total Net Indebtedness			$ 12,619,127
Net Debt-Contracting Margin			$ 342,840,085
The percent of debt contracting power exhausted is			3.68%

Note: The issuance of the Notes will not increase the Total Net Indebtedness of the County. The issuance of the Bonds will increase the Total Net Indebtedness of the County by $1,436,285.

Bonded Debt Service

A schedule of Bonded Debt Service may be found attached hereto as "APPENDIX – B" to this Official Statement.

Cash Flow Borrowings

The County has not found it necessary to borrow tax or revenue anticipation notes in the recent past and does not anticipate the need to do so in the future.

New York State Environmental Facilities Corporation

On December 22, 2016, the County financed $15,675,000 short-term loan through the New York State Environmental Facilities Corporation (NYSEFC) for the Sewer District capital improvements. As of December 31, 2020, the balance due was $5,354,127. Due to the recent receipt of grant funds, the County and NYSEFC have finalized the paperwork to reduce the amount of the short-term loan to $11 million. This short-term loan is expected to be retired with a long-term loan from NYSEFC which is expected to be interest free.

As of December 31, 2020, the short-term interest free balance due is $5,354,127. The County has been awarded a $3,700,000 Water Infrastructure Improvement Act (WIIA) Grant for the project and has drawn $1,850,000 on the WIIA Grant.

Asset Purchase Agreements

County Transfer and Recycling Centers:

The County closed the sale of its Transfer/Recycling Centers in 2018 with the 5 properties transferred to Earth Waste & Metals in the towns of Kingsbury, Granville, Greenwich, Whitehall and Jackson.

Estimate of Obligations to be Issued

It is expected that within the next five or ten years, that the County may need financing for infrastructure improvements such as bridges, the sewer system or the highway system. Currently there are three (3) building projects that are planned for approximately $5,000,000. that are not paid for by Federal and State programs, along with the Sewer District which has a $20,000,000 capital improvement plan to be spent over the next 12 years. (See "New York State Environmental Facilities Corporation" hereunder.) Sewer District debt is paid through an assessment levied on to the users within the District.

Warren and Washington Counties as co-sponsors have committed to borrowing the local share of the SUNY Adirondack NSTEM building estimated to cost approximately $20,000,000 with 50% paid by the State and 50% paid by the two counties.

On December 18, 2015, the County Board of Supervisors (the "County Board") adopted a bond resolution authorizing the issuance of $2,736,235 serial bonds for the construction, reconstruction, additions and alterations to the Science Building at SUNY Adirondack (the "NSTEM Project"). To date, the County has issued $2,200,000 bond anticipation notes pursuant to this authorization, of which $2,090,000 bond anticipation notes are currently outstanding and will mature March 26, 2021. A portion of the proceeds of the Bonds, along with $40,000 available funds of the County, will partially redeem and renew $2,090,000 currently outstanding bond anticipation notes and provide $500,000 in new money for the above mentioned project. On February 19, 2021, the County is scheduled to adopt a bond resolution authorizing the issuance of $1,000,000 in serial bonds for the repair and replacement of the roof on the SUNY Adirondack Burgoyne Avenue Campus Building acquired from the Hudson Falls School District. A $900,000 portion of the Bonds will provide new money for the above mentioned project.

On June 17, 2016, the County Board adopted a bond resolution, as further amended by a resolution adopted on November 16, 2018, authorizing the issuance of $8,000,000 serial bonds for the planning, design, acquisition, construction, relocation, and installation of improvements to the Sewer/Water project in the Village of Fort Edward. To date, the County has issued $800,000 bond anticipation notes pursuant to this authorization, of which $785,000 bond anticipation notes are currently outstanding and will mature March 26, 2021. $785,000 available funds of the County, will be used to redeem the $785,000 currently outstanding bond anticipation notes.

On February 15, 2019, the County Board adopted a bond resolution authorizing the issuance of $10,000,000 serial bonds for the planning, design, acquisition, construction, relocation, replacement, and rehabilitation of Bridges and Road Pavement, Stormwater Mitigation, and the purchase of Vacuum Trailer and Equipment. To date, the County has issued $5,000,000 bond anticipation notes pursuant to this authorization, of which $5,000,000 bond anticipation notes are currently outstanding and will mature March 26, 2021. A portion of the proceeds of the Notes, along with $230,000 available funds of the County, will partially redeem and renew the $5,000,000 currently outstanding bonds anticipation notes.

On February 28, 2020, the County Board adopted 3 bond resolutions authorizing the issuance of $1,000,000 serial bonds for the Sewer District No. 1, $1,000,000 for the purchase of equipment and $1,500,000 for various capital improvements included in the 5-year capital plan. The County anticipated issuing $2,300,000 bond anticipation notes on April 2, 2020 for the above-mentioned purpose. However, due to increased interest rates at the time of issuance, the County had determined not to borrow for this authorization at that time.

Other than as described above, the County has no other obligations authorized or unissued at this time.

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5-Year Capital Spending Plan

The 2021 budget and the one-time revenues reserved by the County, as shown in the table below, will allow for the development and implementation of the "5-Year Capital Spending Plan.". the plan may also require an additional $4,600,000. In borrowing.

Initial Funding:	
Sale of Transfer Stations (one-time funding)	$ 1,000,000
Tax Auction Sales (one-time funding)	463,000
Closure of Capital Projects	500,000
Interest Revenue (2019) Safety Net	500,000
2018 B&G 'Sweep'	150,000
	$ 2,613,000

Project:	**2021**	**2022**	**2023**	**2024**	**2025**
Burgoyne Ave Roof Replacement	$ 1,000,000	$ -	$ -	$ -	$ -
Burgoyne Ave Parking Lot Improvemnts	50,000	-	-	-	-
Burgoyne Ave Improvements	100,000	-	-	-	-
LEC Rooftop Units (2)	500,000	-	-	-	-
Barn Sudy Fort Ann & Middle Falls	75,000	-	-	-	-
Engineering Middle Falls & Fort Ann Barn Consolidation	-	125,000	-	-	-
Elevator Upgrades (3)	-	-	270,000	-	-
Middle Falls Barn Replacement	-	-	2,000,000	-	-
LEC Rooftop Units (2)	-	-	-	500,000	
Main Complex Fire System	-	-	-	100,000	
Fort Ann Barn Replacement	-	-	-	2,000,000	
LEC Roof Replacement	-	-	-	-	1,000,000
DPW Shop Engineering	-	-	-	-	500,000
	$ 1,725,000	**$ 125,000**	**$ 2,270,000**	**$ 2,600,000**	**$ 1,500,000**

Source: County 2020 and 2021 Budget Packet.

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.

	Unit	Indebtedness [(1)]	Exclusions [(2)]	Net Overlapping Indebtedness
17	Towns	$ 7,350,000	$ 2,285,782 [(3)]	$ 5,065,572
8	Villages	16,368,370	10,814,432 [(3)]	5,553,938
1	Fire District	0	0 [(3)]	0
11	School Districts	88,931,587	71,634,401 [(4)]	17,297,186
			Total	$ 27,916,696

(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 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 indebtedness as of March 5, 2021:

	Amount	Per Capita [a]	Percentage of Full Value [b]
Gross Indebtedness [c]	$ 13,924,127	$ 225.98	0.27%
Net Indebtedness [c]	12,619,127	204.80	0.25
Gross Indebtedness Plus Net Overlapping Indebtedness [d]	41,840,823	679.06	0.83
Net Indebtedness Plus Net Overlapping Indebtedness [d]	40,535,823	657.88	0.80

(a) The County's 2019 estimated population is 61,616. (See "THE COUNTY – Population Trends" herein.)
(b) The County's full valuation of taxable real estate for the 2021 fiscal year is $5,059,832,458. (See "TAX INFORMATION - Taxable Assessed Valuations" herein.)
(c) See "Debt Statement Summary" for the calculation of Gross and Net Indebtedness. herein.
(d) The County's applicable share of net overlapping indebtedness is estimated to be $27,916,696. (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 and Notes in the event of a default in the payment of the principal of and interest on the Bonds and Notes.

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 and Notes should the County be under the jurisdiction of any court, pursuant to the laws of the United States, now or hereafter in effect, for the composition or adjustment of municipal indebtedness.

The rights of the owners of 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 Notes) 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 commerce 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 County 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 enacted at the 1975 Extraordinary Session of the State legislature authorizing any county, city, town or village with respect to which the State has declared a financial emergency to petition the State Supreme Court to stay the enforcement against such municipality of any claim for payment relating to any contract, debt or obligation of the municipality during the emergency period, is subject to doubt. In any event, no such emergency has been declared with respect to the County.

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.

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 "THE NOTES - NATURE OF THE 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

The financial condition of the County as well as the market for the Bonds and Notes could be affected by a variety of factors, some of which are beyond the County's control. There can be no assurance that adverse events in the State and in other jurisdictions in the country, 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 and Notes. 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 or Notes, 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 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 several recent 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".)

TAX MATTERS

In the opinion of Bartlett, Pontiff, Stewart & Rhodes, P.C. (“Bond Counsel”), based upon an analysis of existing laws, regulations, rulings, and court decisions, and assuming, among other matters, compliance with certain covenants, interest on the Bonds and Notes is excluded from gross income for federal income tax purposes under Section 103 of the Internal Revenue Code of 1986, as amended (the “Code”) and is excluded from adjusted gross income for purposes of personal income taxes imposed by the State of New York and the City of New York. Bond Counsel is of the further opinion that interest on the Bonds and Notes is not a specific preference item for purposes of the federal individual or corporate alternative minimum taxes; however, such interest is included in adjusted current earnings when calculating federal corporate alternative minimum taxable income.

The Code imposes various restrictions, conditions and requirements relating to the exclusion from gross income for federal income tax purposes of interest on obligations such as the Notes. The County has covenanted to comply with certain restrictions designed to insure that interest on the Bonds and Notes will not be included in federal gross income. Failure to comply with these covenants will result in interest on the Notes being included in gross income for federal income tax purposes as well as adjusted gross income for purposes of personal income taxes imposed by the State of New York or the City of New York, from the date of original issuance of the Bonds and Notes. The opinion of Bond Counsel assumes compliance with these covenants. Bond Counsel has not undertaken to determine (or to inform any person) whether any actions taken (or not taken) or events occurring (or not occurring) after the date of issuance of the Bonds and Notes may adversely affect the value of, or the tax status of interest on, the Bonds and Notes. Further, no assurance can be given that pending or future legislation or amendments to the Code, if enacted into law, or any proposed legislation or amendments to the Code, will not adversely affect the value of, or the tax status of interest on, the Notes.

Certain requirements and procedures contained or referred to in the Arbitrage and Use of Proceeds Certificate, and other relevant documents may be changed and certain actions may be taken or omitted under the circumstances and subject to the terms and conditions set forth in such documents. Bond Counsel expresses no opinion as to any Bonds or Notes or the interest thereon if any such change occurs or action is taken or omitted.

Although Bond Counsel is of the opinion that interest on the Bonds and Notes is excluded from gross income for federal income tax purposes and is excluded from adjusted gross income for federal income taxes imposed by the State of New York and the City of New York, the ownership or disposition of, or the accrual or receipt of interest on, the Bonds and Notes may otherwise affect an Owner’s federal or state tax liability. The nature and extent of these other tax consequences will depend upon the particular tax status of the Owner or the Owner’s other items of income or deduction. Bond Counsel expresses no opinion regarding any such other tax consequences.

Recent federal tax laws and future legislative proposals, if enacted into law, clarification of the Code or court decisions may cause interest on the Bonds and Notes to be subject, directly or indirectly, to federal income taxation or to be subject to or exempted from state income taxation, or otherwise prevent Beneficial Owners from realizing the full current benefit of the tax status of such interest. As one example, on September 12, 2011, the Obama Administration announced a legislative proposal entitled the American Jobs Act of 2011 generally would limit the exclusion from gross income of interest on obligations like the Bonds and Notes to some extent for taxpayers who are individuals and whose income is subject to higher marginal income tax rates. The recent federal tax law and the introduction or enactment of any such legislative proposals, clarification of the Code or court decisions may also affect the market price for, or marketability of, the Bonds and Notes. Prospective purchasers of the Bonds and Notes should consult their own tax advisors regarding any pending or proposed federal or state tax legislation, regulations or litigation, as to which Bond Counsel expresses no opinion.”

LEGAL MATTERS

The legality of the authorization and issuance of the Bonds and Notes will be covered by the unqualified legal opinion of Bartlett, Pontiff, Stewart & Rhodes, P.C., Bond Counsel, Glens Falls, New York to the effect that the Bonds and Notes are valid and legally binding obligations of the County, that all the taxable real property therein will be subject to the levy of ad valorem taxes to pay the Bonds and Notes and the interest thereon without limitation as to rate or amount, that interest on the Bonds and Notes 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 and corporations (although interest on the Bonds and Notes is included in the adjusted current earnings of corporations for purposes of calculating corporate alternative minimum taxable income) and that interest on the Bonds and Notes is exempt from personal income taxes imposed by New York State or any political subdivision thereof, including The City of New York. The opinion set forth in the preceding sentence is 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 and Notes in order that interest thereon be, or continue to be, excluded from gross income for federal income tax purposes. The County will covenant to comply with all such requirements. Failure to comply with all such requirements may cause interest on the Bonds and Notes to be included in gross income for federal income tax purposes retroactive to the date of issuance of the Notes. Such opinion also will state that: (a) the rights of the owners of the Bonds and Notes and the enforceability of the Bonds and Notes may be limited by bankruptcy, insolvency, reorganization, moratorium and other similar laws affecting creditors' rights generally and by equitable principles, whether considered at law or in equity; (b) Bond Counsel expresses no opinion as to the accuracy, adequacy or completeness of the Official Statement relating to the Bonds and Notes; and (c) such opinion is given as of its dated date and that Bond Counsel assumes no obligation to update or supplement their opinion to reflect any facts or circumstances that may thereafter come to their attention or any changes in law that may occur thereafter.

LITIGATION

The County is subject to a number of lawsuits in the ordinary conduct of its affairs. The County Attorney 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 and Notes or the levy and collection of taxes or assessments to pay same, or in any way contesting or affecting the validity of the Bonds and Notes or any proceedings or authority of the County taken with respect to the authorization, issuance or sale of the Notes or contesting the corporate existence or boundaries of the County.

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 and Notes. The advice on the plan of financing and the structuring of the Bonds and Notes was based on materials provided by the County and other sources of information believed to be reliable. The Municipal Advisor has not audited, authenticated, or otherwise verified the information provided by the County or the information set forth in this Official Statement or any other information available to the County 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 and Notes.

CUSIP IDENTIFICATION NUMBERS

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

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 with respect to the Bonds and an Undertaking to provide Material Event Notices with respect to the Notes, the descriptions of which are attached hereto as "APPENDIX – D & E", respectively.

Historical Compliance

The County failed to file a material event notice stating that the 2014 Audited Financial Statements of the County was not filed by the last business day of the succeeding fiscal year as required under a previous continuing disclosure undertaking. The 2014 Audit is dated January 18, 2016 and was filed to EMMA within 60 days of its completion date on January 22, 2016. A material event notice was published to EMMA on June 1, 2016. The County is, otherwise, in all material respects, in compliance with all prior undertakings pursuant to the Rule for the past five years.

RATING

The Notes are <u>not</u> rated. Subject to the approval of the County, the purchaser(s) of the Notes may have a rating completed after the sale at the expense of the purchaser(s), including any fees to be incurred by the County, such as a rating action that may require the filing of a material event notification to Electronic Municipal Market Access (EMMA) website.

Moody's Investors Service ("Moody's") has assigned their rating of "Aa3" to 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 Moody's Investors Service, 7 World Trade Center, 250 Greenwich St, New York, NY 10007, 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 outstanding bonds may have an adverse effect on the market price of the Bonds or the Notes.

MISCELLANEOUS

So far as any statements made in this Official Statement involve matters of opinion or estimates whether or not expressly stated, they are set forth as such and not as representations of fact, and no representation is made that any of the statements will be realized. Neither this Official Statement nor any statement which may have been made verbally or in writing is to be construed as a contract with the holders of the Bonds and Notes.

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 District management's beliefs as well as assumptions made by, and information currently available to, the District'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 District's files with the repositories. When used in District documents or oral presentation, the words "anticipate", "estimate", "expect", "objective", "projection", "forecast", "goal", or similar words are intended to identify forward-looking statements.

To the extent any statements made in this Official Statement involve matters of opinion or estimates, whether or not expressly stated, they are set forth as such and not as representations of fact, and no representation is made that any of the statements will be realized. Neither this Official Statement nor any statement which may have been made verbally or in writing is to be construed as a contract with the holder of the Bonds and Notes.

Bartlett, Pontiff, Stewart & Rhodes, P.C, Glens Falls, New York, Bond Counsel to the District, expresses no opinions as to the accuracy or completeness of information in any documents prepared by or on behalf of the District for use in connection with the offer and sale of the Bonds and Notes, 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 and Notes, the County will furnish a certificate to the effect that as of the date of the Official Statement, the Official Statement did not contain any untrue statement of a material fact or omit to state a material fact necessary to make the statements herein, in the light of the circumstances under which they were made, not misleading, subject to 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 and Notes by the County and may not be reproduced or used in whole or in part for any other purpose.

The County hereby disclaims any obligation to update developments of the various risk factors or to announce publicly any revision to any of the forward-looking statements contained herein or to make corrections to reflect future events or developments except to the extent required by Rule 15c2-12 promulgated by the Securities and Exchange Commission.

Fiscal Advisors & Marketing, Inc. may place a copy of this Official Statement on its website at www.fiscaladvisors.com. Unless this Official Statement specifically indicates otherwise, no statement on such website is included by specific reference or constitutes a part of this Official Statement. Fiscal Advisors & Marketing, Inc. has prepared such website information for convenience, but no decisions should be made in reliance upon that information. Typographical or other errors may have occurred in converting original source documents to digital format, and neither the County nor Fiscal Advisors & Marketing, Inc. assumes any liability or responsibility for errors or omissions on such website. Further, Fiscal Advisors & Marketing, Inc. and the County disclaim any duty or obligation either to update or to maintain that information or any responsibility or liability for any damages caused by viruses in the electronic files on the website. Fiscal Advisors & Marketing, Inc. and the County also assume 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: Albert Nolette, County Treasurer, 383 Broadway, Washington County Municipal Center, Fort Edward, New York 12828, Phone: (518) 746-2220, Telefax: (518) 746-2219, Email: anolette@washingtoncountyny.gov

Additional copies of the Notice of 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.

This Official Statement has been duly executed and delivered by the Treasurer of Washington County, New York.

COUNTY OF WASHINGTON

Dated: March 5, 2021

ALBERT NOLETTE
County Treasurer

GENERAL FUND
Balance Sheets

Fiscal Years Ending December 31:	2015	2016	2017	2018	2019
ASSETS					
Cash and Cash Equivalents	$ 16,157,881	$ 14,809,324	$ 9,566,576	$ 8,297,257	$ 10,269,404
Receivables:					
Taxes - net	8,903,012	11,045,712	13,939,764	14,941,089	10,156,399
Accounts - net	-	-	-	-	-
Other	1,112,402	974,120	1,034,783	718,843	477,050
State and Federal Aid	7,146,095	7,341,280	7,357,090	8,403,907	8,986,606
Due from Other Funds	438,039	1,389,077	1,061,132	1,864,237	1,465,471
Due from Other Governments	750	23,389	6,240	-	2,104,135
Prepaid Expenses	766,032	808,778	794,493	862,859	891,759
Restricted Assets	2,143,483	2,019,860	1,655,362	1,274,733	955,210
Inventories	6,067	12,102	5,118	6,174	5,047
TOTAL ASSETS	$ 36,673,761	$ 38,423,642	$ 35,420,558	$ 36,369,099	$ 35,311,081
LIABILITIES AND FUND EQUITY					
Accounts Payable	$ 2,162,770	$ 2,252,197	$ 2,176,064	$ 2,581,396	$ 2,814,898
Accrued Liabilities	886,692	202,122	214,883	325,653	456,033
Due to Employees' Retirement System	-	-	-	-	-
Other Liabilities	792,059	918,679	684,023	658,554	845,934
Due to Other Funds	39,168	1,121,380	53,524	2,113,561	1,377,212
Due to Other Governments	8,936,417	10,699,188	9,519,299	7,918,775	6,668,751
Deferred Revenues	2,905,553	3,383,642	6,475,014	8,771,214	3,983,972
TOTAL LIABILITIES	15,722,659	18,577,208	19,122,807	22,369,153	16,146,800
FUND EQUITY					
Nonspendable:	$ 772,099	$ 820,880	$ 799,611	$ 869,033	$ 896,806
Assigned:	3,592,068	3,280,195	2,805,073	2,518,968	3,800,959
Restricted:	3,890,403	3,420,031	2,852,795	2,768,575	2,341,088
Unassigned:	12,696,532	12,325,328	9,840,272	7,843,370	12,125,428
TOTAL FUND EQUITY	20,951,102	19,846,434	16,297,751	13,999,946	19,164,281
TOTAL LIABILITIES and FUND EQUITY	$ 36,673,761	$ 38,423,642	$ 35,420,558	$ 36,369,099	$ 35,311,081

Source: 2015-2018 audited financial reports and 2019 unaudited annual financial report update document of the County.
This Appendix itself is not audited.

GENERAL FUND
Revenues, Expenditures and Changes in Fund Balance

Fiscal Years Ending December 31:	2014	2015	2016	2017	2018
REVENUES					
Real Property Taxes and Tax Items	$ 31,519,651	$ 33,555,315	$ 33,280,497	$ 30,376,192	$ 33,061,304
Non-Property Taxes	20,639,872	20,911,695	20,298,589	20,442,342	21,334,196
Departmental Income	2,756,301	2,699,101	2,775,871	2,953,521	3,215,697
Intergovernmental Charges	445,014	441,027	376,477	389,867	533,749
Use of Money & Property	274,842	210,385	167,147	254,183	205,471
Licenses and Permits	-	-	-	-	-
Fines and Forfeitures	589,152	146,930	189,305	172,438	163,730
Sale of Property and Compensation for Loss	263,002	69,300	250,396	69,003	50,225
Miscellaneous	116,109	223,365	528,776	264,573	225,311
Interfund Revenues	477,356	582,902	588,970	656,046	717,169
Revenues from State Sources	10,284,759	11,672,155	11,552,351	11,751,594	11,351,441
Revenues from Federal Sources	8,126,896	8,902,795	9,509,707	9,213,408	9,196,548
Total Revenues	$ 75,492,954	$ 79,414,970	$ 79,518,086	$ 76,543,167	$ 80,054,841
EXPENDITURES					
General Government Support	$ 8,408,261	$ 8,661,398	$ 12,223,093	$ 12,835,094	$ 13,718,601
Education	4,321,521	4,218,790	4,199,238	4,567,420	5,117,508
Public Safety	10,013,586	10,580,659	14,446,872	14,452,809	14,972,502
Health	4,551,489	4,477,981	4,713,365	4,511,543	4,678,720
Transportation	-	-	-	-	-
Economic Assistance and Opportunity	28,389,239	26,431,174	30,779,299	- 30,329,595	30,631,059
Culture and Recreation	717,439	849,909	960,359	1,117,096	1,202,214
Home and Community Services	748,973	1,414,112	1,258,880	870,186	947,879
Employee Benefits	10,659,793	10,568,830	1,423,772	1,431,607	1,413,911
Debt Service	215,389	-	12,421	20,246	64,976
Total Expenditures	$ 68,025,690	$ 67,202,853	$ 70,017,299	$ 70,135,596	$ 72,747,370
Excess of Revenues Over (Under) Expenditures	$ 7,467,264	$ 12,212,117	$ 9,500,787	$ 6,407,571	$ 7,307,471
Other Financing Sources (Uses):					
Operating Transfers In	7,739,429	553,664	255,150	147,824	2,149,132
Operating Transfers Out	(10,023,630)	(12,266,756)	(11,005,370)	(10,104,075)	(11,754,408)
Encumbrances	69,240	398,471	144,765	-	-
Total Other Financing	(2,214,961)	(11,314,621)	(10,605,455)	(9,956,251)	(9,605,276)
Excess of Revenues and Other Sources Over (Under) Expenditures and Other Uses	5,252,303	897,496	(1,104,668)	(3,548,680)	(2,297,805)
FUND BALANCE					
Fund Balance - Beginning of Year	14,801,303	20,053,606	20,951,102	19,846,434	16,297,751
Prior Period Adjustments (net)	-	-	-	-	-
Fund Balance - End of Year	$ 20,053,606	$ 20,951,102	$ 19,846,434	$ 16,297,754	$ 13,999,946

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	2021 Adopted Budget
REVENUES					
Real Property Tax Items & Tax Items	$ 35,459,404	$ 35,459,404	$ 39,170,425	$ 36,389,965	$ 36,492,136
Non-Property Tax Items	20,978,000	20,950,573	22,780,946	22,660,724	22,583,000
Departmental Income	3,276,890	3,292,767	3,489,977	3,525,268	3,427,400
Intergovernmental Charges	570,058	572,858	394,591	349,000	489,427
Use of Money & Property	733,427	733,427	487,387	533,700	273,800
Licenses and Permits	-		-	-	-
Fines and Forfeitures	100,000	100,000	139,781	100,000	77,000
Sale of Property and Compensation for Loss	14,050	14,050	61,650	14,050	1,080
Miscellaneous	30,500	77,342	311,636	30,500	25,500
Interfund Revenues	771,358	771,358	793,122	814,102	806,355
Revenues from State Sources	14,030,667	15,453,446	13,828,801	14,255,644	13,575,352
Revenues from Federal Sources	9,689,955	9,968,968	8,733,818	9,257,508	9,155,766
Total Revenues	$ 85,654,309	$ 87,394,193	$ 90,192,134	$ 87,930,461	$ 86,906,816
EXPENDITURES					
General Government Support	$ 15,722,970	$ 12,906,555	$ 14,696,969	$ 13,102,491	$ 15,941,593
Education	4,873,082	5,534,082	5,765,643	5,378,466	5,699,799
Public Safety	12,059,569	12,177,786	15,029,763	12,286,355	15,884,306
Health	4,290,650	4,701,351	4,641,977	4,481,379	5,078,363
Transportation	-	-	-	-	-
Economic Assistance and Opportunity	29,243,205	29,543,709	30,761,727	29,295,124	31,765,092
Culture and Recreation	1,021,862	1,057,330	1,196,271	1,025,752	1,251,652
Home and Community Services	979,592	1,433,592	1,070,585	1,002,552	1,038,679
Employee Benefits	12,109,755	12,112,755	1,375,767	12,556,473	1,147,878
Debt Service	265,209	265,209	295,011	273,114	292,126
Total Expenditures	$ 80,565,894	$ 79,732,369	$ 74,833,713	$ 79,401,706	$ 78,099,488
Excess of Revenues Over (Under) Expenditures	$ 5,088,415	$ 7,661,824	$ 15,358,421	$ 8,528,755	$ 8,807,328
Other Financing Sources (Uses):					
Operating Transfers In	-	12,426	12,331	2,600,000	1,000,000
Operating Transfers Out	(10,326,773)	(10,323,804)	(10,134,433)	(11,128,755)	(9,807,328)
Encumbrances	-	-	-	-	-
Total Other Financing	(10,326,773)	(10,311,378)	(10,122,102)	(8,528,755)	(8,807,328)
Excess of Revenues and Other Sources Over (Under) Expenditures and Other Uses	(5,238,358)	(2,649,554)	5,236,319	-	-
FUND BALANCE					
Fund Balance - Beginning of Year	-	-	13,999,946	-	
Prior Period Adjustments (net)	-	-	(73,137)	-	-
Fund Balance - End of Year	$ (5,238,358)	$ (2,649,554)	$ 19,163,128	$ -	$ -

Source: Unaudited annual financial report update document of the County. This Appendix itself is not audited.

BONDED DEBT SERVICE

Fiscal Year Ending December 31st	Principal	Interest	Total
2021	$ 250,000	$ 13,955	$ 263,955
2022	220,000	9,181	229,181
2023	225,000	4,781	229,781
TOTALS	$ 695,000	$ 27,917	$ 722,917

CURRENT BONDS OUTSTANDING

Fiscal Year Ending December 31st	2002 A Sewer District No. 2			2013 Refunding of 2003 Serial Bonds		
	Principal	Interest	Total	Principal	Interest	Total
2021	$ 30,000	$ 747	$ 30,747	$ 220,000	$ 13,581	$ 233,581
2022	-	-	-	220,000	9,181	229,181
2023	-	-	-	225,000	4,781	229,781
TOTALS	$ 30,000	$ 747	$ 30,747	$ 665,000	$ 27,544	$ 692,544

CONTINUING DISCLOSURE UNDERTAKING WITH RESPECT TO THE BONDS

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,

(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 March 11, 2021 of the County relating to the Bonds under the headings "The County", "Tax Information", "County Indebtedness", "Litigation" and all Appendices (other than any 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, 2021, 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, 2021; 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) within 10 business days after the occurrence of such 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 Bonds, or other material events affecting the tax status of the Bonds;
- (g) modifications to rights of Bondholders, if material;
- (h) bond calls, if material, and tender offers;
- (i) defeasances;
- (j) release, substitution, or sale of property securing repayment of the Bonds, 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.

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

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 Underwriter at closing.

MATERIAL EVENT NOTICES WITH RESPECT TO THE NOTES

In accordance with the provisions 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") pursuant to the Securities Exchange Act of 1934, the County has agreed to provide or cause to be provided, in a timely manner not in excess of ten (10) business days after the occurrence of the event, during the period in which the Note is outstanding, 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, notice of the occurrence of any of the following events with respect to the Notes:

(a) principal and interest payment delinquencies

(b) non-payment related defaults, if material

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

(d) in the case of credit enhancement, if any, provided in connection with the issuance of the Notes, 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 or determinations with respect to the tax status of the Notes, or other material events affecting the tax status of the Notes

(g) modifications to rights of Notes holders, if material

(h) Notes calls, if material and tender offers

(i) defeasances

(j) release, substitution, or sale of property securing repayment of the Notes

(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

(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 Note holders, 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 Notes.

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 Notes.

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

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

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 Notes; 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.

The County reserves the right to terminate its obligation to provide the aforedescribed notices of material events, as set forth above, if and when the County no longer remains an obligated person with respect to the Notes 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 Notes (including holders of beneficial interests in the Notes). The right of holders of the Notes to enforce the provisions of the undertaking will be limited to a right to obtain specific enforcement of the County’s obligations under its material event notices undertaking and any failure by the County to comply with the provisions of the undertaking will neither be a default with respect to the Notes nor entitle any holder of the Notes 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.

An "Undertaking to Provide Notice of Material Events" to this effect shall be provided to the purchaser(s) at closing.

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COUNTY OF WASHINGTON, NEW YORK

GENERAL PURPOSE FINANCIAL STATEMENTS

AND SUPPLEMENTARY SCHEDULES

December 31, 2019

Such Financial Report and opinions 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 WASHINGTON, NEW YORK

Table of Contents

COUNTY OF WASHINGTON, NEW YORK

Table of Contents, Continued

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INDEPENDENT AUDITORS' REPORT

Members of the Board of Supervisors
County of Washington, New York:

Report on the Financial Statements

We have audited the accompanying financial statements of the governmental activities, the discretely presented component units, each major fund and the aggregate remaining fund information of the County of Washington, 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. We did not audit the financial statements of the Washington County Local Development Corporation, which is 61%, 94%, and 21%, respectively, of the assets, net position and revenue of the discretely presented component units. We did not audit the financial statements of the Washington Tobacco Asset Securitization Corporation which is 2%, 5%, and 1%, respectively, of the assets, fund balance and revenue of the governmental funds.

Management's Responsibility for the Financial Statements

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 Washington County Local Development Corporation or the Washington Tobacco Asset Securitization Corporation. The Washington County Local Development Corporation represents 61%, 94%, and 21%, respectively, of the assets, net position and revenue of the discretely presented component units. The Washington Tobacco Asset Securitization Corporation represents 2%, 5%, and 1%, respectively, of the assets, fund balance and revenue of the governmental funds. Those statements were audited by other auditors whose reports have been furnished to us, and our opinion, insofar as it relates to the amounts included for the Washington County Local Development Corporation and the Washington Tobacco Asset Securitization Corporation, is based solely on the report of the 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 County'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 County'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 discretely presented component units, each major fund and the aggregate remaining fund information of the County of Washington, New York 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.

Required Supplementary Information

Accounting principles generally accepted in the United States of America require that the management's discussion and analysis on pages 4 through 13, and the additional information on pages 64 through 68 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 Supplementary Information

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the County of Washington, New York's basic financial statements. The combining fund and nonmajor individual fund financial statements on pages 69 and 70 are presented for purposes of additional analysis and are not a required part of the basic financial statements.

The combining and individual nonmajor fund financial statements are the responsibility of management and were derived from and relate directly to the underlying accounting and other records used to prepare the basic financial statements. Such information has been subjected to the auditing procedures applied in the audit of the basic financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the basic financial statements or to the basic financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America by us and other auditors. In our opinion, the combining and individual nonmajor fund financial statements are fairly stated, in all material respects, in relation to the basic financial statements as a whole.

Other Reporting Required by Government Auditing Standards

In accordance with Government Auditing Standards, we have also issued our report dated August 14, 2020, on our consideration of the County of Washington, New York's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements and other matters. The purpose of that report is solely to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on the effectiveness of internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with Government Auditing Standards in considering the County's internal control over financial reporting and compliance.

EFPR Group, CPAs, PLLC

Williamsville, New York
August 14, 2020

COUNTY OF WASHINGTON, NEW YORK

Management's Discussion and Analysis

December 31, 2019

As the management of County of Washington, New York, we offer readers of the County's financial statements this narrative overview and analysis of the financial activities for the fiscal year ended on December 31, 2019. The purpose of the MD&A is to (1) focus on significant financial issues, (2) provide an overview of the County's financial activity, (3) identify changes in the County's financial position, (4) identify any individual fund issues or concerns and (5) provide descriptions of significant asset and debt activity. Please read along with the County's financial statements.

FINANCIAL HIGHLIGHTS

Key financial highlights for fiscal year 2019 are as follows:

- The County's total net position, as reported in the County-wide financial statements, was $5,948,163 at December 31, 2019, and reflects unfunded long-term liabilities such as compensated absences, total OPEB liability and net pension liability.
- The County's net position increased $364,539 during the year.
- The County's general fund balance, as reflected in the fund financial statements was $19,164,281 at December 31, 2019. This balance represents an increase of $5,164,335 from the prior year.

OVERVIEW OF FINANCIAL STATEMENTS

This discussion and analysis is intended to serve as an introduction to Washington County's basic financial statements. The statements are comprised of three components: 1) Government-wide financial statements; 2) fund financial statements; and 3) notes to the financial statements. This report also contains other supplementary information in addition to the basic financial statements, budgetary comparisons, changes in the total other postemployment benefit liability and related ratios, proportionate share of net pension liability and schedule of pension contributions.

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 provides the reader with a snapshot in time of the assets, deferred outflows of resources, liabilities, and deferred inflows of resources and resulting net position (or equity as stated with private sector reporting) of the County. Over time, increases or decreases in the net position of the County may provide an indicator of the trend in the County's financial condition. Other forward-looking indicators will also assist the reader to assess the overall financial health of the County. Some of these indicators include, but are not limited to: changes in the total property tax base, employment trends in the County and outlying areas, and condition of the County's capital assets (streets, buildings, water, and sewer infrastructure).

The statement of activities presents information showing how 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, revenue and expenses are reported in this statement for some items that will result in cash flows in future fiscal periods (i.e.: uncollected taxes and earned but unused vacation leave).

Both of the Government-wide financial statements distinguish functions of Washington County that are principally supported by taxes and intergovernmental revenue (governmental activities) from other functions that are intended to recover all or a significant portion of their costs through user fees and charges (business-type activities). The governmental activities of the County include general government, public safety, highways and streets, sanitation, economic development, culture and recreation, education and health. The business-type activities of the County includes self-insured health insurance and workers' compensation.

Component Units

Washington County has three separate legal entities that are reflected in this report as component units. These units are as follows:

- Washington Tobacco Asset Securitization Corporation (WTASC). The WTASC was incorporated in 2000 under the Not-for-Profit Law of the State of New York for the purpose of bonding the value of future receipts due Washington County, New York under the New York State Tobacco Settlement Agreement. WTASC sold bonds on December 7, 2000, and paid over the proceeds, net of issuance costs, to Washington County. The funds were used to build the County's Law Enforcement Center which includes the Sheriff's Offices and County jail facility. WTASC will pay off the bonds with future settlement payments and any residual amounts received under the settlement agreement. The WTASC is presented as a governmental fund.
- Washington County Local Development Corporation (WCLDC). The WCLDC provides economic development services, Empire Zone information and general business information exclusively for the County. The WCLDC also manages a revolving loan program for local businesses. The WCLDC is presented as a discretely presented component unit.
- Washington County Soil and Water Conservation District (SWCD). The SWCD was founded in 1945 to assist agricultural producers, rural landowners and municipalities with the management, conservation and best use of our natural resources. The County contributed $200,000 to the SWCD operating budget for 2019. The SWCD is presented as a discretely presented component unit.

The Government-wide financial statements can be found immediately following this section within the basic financial statements.

Fund Financial Statements

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

Governmental Funds

Governmental funds are used to account for essentially the same functions 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 spend-able 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 financial decisions. Both the governmental fund balance sheet and the governmental fund statement of revenue, expenditures, and changes in fund balances provide a reconciliation to facilitate this comparison between governmental funds and governmental activities.

Washington County maintains nine governmental funds: a general fund, car pool fund, county road fund, road machinery fund, community development fund, capital projects fund, two part-County sewer district funds and a federal forfeiture fund. In addition, Washington Tobacco Asset Securitization Corporation, a blended component unit, is also included in the governmental funds. The financial statements for governmental funds can be found in the basic financial statements.

Compliance with the County's annual operating budget for the year ended December 31, 2019, which includes the General Fund, is reported in the Statement of Revenue and Expenditures - Budget and Actual - General Fund which is provided as part of the required supplementary information.

Internal Service Fund

Washington County maintains two self-insured internal service funds: a fund for workers' compensation costs and an employee health benefits fund.

Fiduciary funds

Fiduciary funds are used to account for resources held for the benefit of parties outside the government. Fiduciary funds are not reflected in the Government-wide financial statements because the resources of those funds are not available to support the County's own programs. The accounting used for fiduciary funds is much like that used for proprietary funds. Fiduciary fund financial statements can be found in the basic financial statements of this report.

Notes to 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 following the basic financial statements section of this report.

GOVERNMENT-WIDE FINANCIAL ANALYSIS

As noted earlier, net position may serve over time as a useful indicator of a government's financial position. In the case of Washington County, governmental activities net position was $5,948,163 at the close of the most recent fiscal year. By far, the largest portion of the County's net position reflects an investment in capital assets (i.e.: land, buildings, machinery and equipment), less any outstanding related debt used to acquire those assets. The County uses these capital assets to provide services to citizens; consequently, these assets are not available for future spending. Although the County's investment in its capital assets is reported net of related debt, it should be noted that the resources needed to repay this debt must be provided from other sources, since the capital assets themselves cannot be used to liquidate these liabilities.

Statement of Net Position - Governmental Activities

	2019	2018
Assets:		
Current and other assets	$ 60,193,774	53,662,012
Capital assets, net	99,153,145	95,053,539
Total assets	159,346,919	148,715,551
Deferred outflows of resources	35,022,631	33,530,367
Liabilities:		
Current liabilities	29,680,436	24,337,762
Long-term liabilities	127,194,770	114,730,295
Total liabilities	156,875,206	139,068,057
Deferred inflows of resources	31,546,181	37,594,237
Net position:		
Net investment in capital assets	70,773,547	71,183,586
Restricted	11,670,590	11,626,421
Unrestricted (deficit)	(76,495,974)	(77,226,383)
Total net position	$ 5,948,163	5,583,624

Statement of Activities - Governmental Activities

	2019	2018
Revenue:		
Program revenue:		
Charges for services	$ 6,792,090	6,601,798
Operating grants and contributions	27,077,662	23,635,734
Capital grants and contributions	6,515,437	1,216,658
Total program revenue	40,385,189	31,454,190
General revenue:		
Property taxes and tax items	34,904,723	35,879,544
Nonproperty taxes	22,780,946	21,334,196
Other general revenue	3,196,267	2,226,502
Total general revenue	60,881,936	59,440,242
Total revenue	101,267,125	90,894,432
Expenses:		
General government support	18,113,238	16,371,370
Education	5,881,744	5,562,761
Public safety	17,561,950	17,134,042
Health	4,965,853	4,921,494
Transportation	16,242,416	11,433,170
Economic assistance and opportunity	32,666,604	32,270,256
Culture and recreation	1,177,897	1,143,137
Home and community	3,493,389	3,843,412
Interest	799,495	690,284
Total expenses	100,902,586	93,369,926
Change in net position	364,539	(2,475,494)
Net position at beginning of year	5,583,624	8,059,118
Net position at end of year	$ 5,948,163	5,583,624

Revenue

The total governmental activities revenue for 2019 was $101,267,125, an increase of $10,372,693 from 2018. The largest contributing factors to this change was the increase in capital grants and contributions.

Capital grants and contributions was $5,298,779 greater in 2019 than in 2018. This increase was primarily driven by Marchiselli funding to repair bridges.

General revenue for 2019 was $60,881,936 representing 60.1% of the total revenue. In 2018, the same revenue was $59,440,242 representing 65.4% of the total overall governmental activities revenue. The property tax revenue and nonproperty tax revenue make up $57.7 million of the $60.9 million.

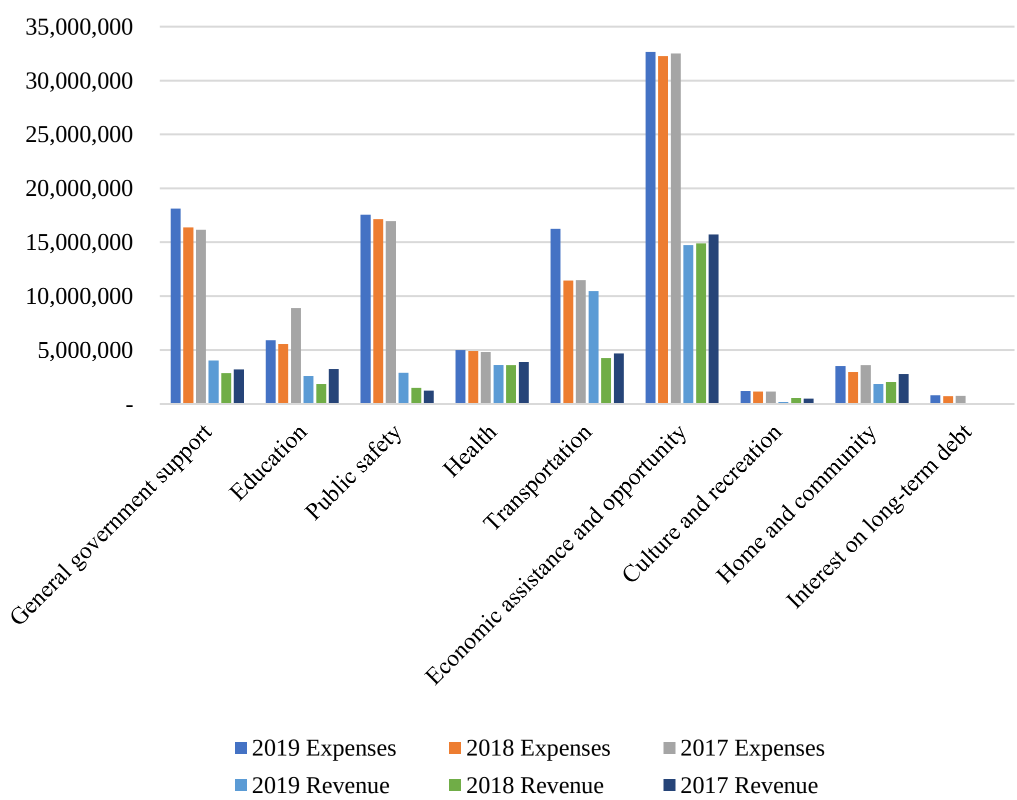
Expenses

The governmental activities expenses were $100,902,586 in 2019. This is a 8.1% increase from 2018 of $93,369,926 primarily related to the increase in transportation expense described below.

General Government Support - costs increased by $1,741,868. This was due mainly to payroll and benefits costs.

Transportation - costs increased by $4,809,246. This was due to an increase in depreciation expense due to new infrastructure projects.

Governmental Activities - Expenses and Program Revenue Comparison 2017 to 2019



ANALYSIS OF THE COUNTY BUDGET AND FUND BASIS FINANCES IN 2019

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

General Fund

The County's General Fund expenditures, including other financing uses, increased in 2019 by $538,352. Expenditures have increased due to budgeted increases in payroll expenditures and transfers to other funds.

The 2019 revenue increased by $8,000,492. This is a result of an increase of $7,174,013 of real property taxes due to payment of two parcels that were not paying in prior years.

The unknown availability of State and Federal aid, along with future Medicaid costs and fringe benefits, are of great concern to the County. During 2020 and 2021, the County will continue to look for ways to reduce operating costs to remain under the tax cap imposed by the State of New York. The unassigned fund balance is approximately 13.4% of the next year's operating budget, of which $2,600,000 was appropriated for the 2020 budget. The County has earmarked $445,516 for nursing home legacy costs.

BUDGETARY HIGHLIGHTS

The County's annual budget, which is prepared on an operating basis, includes estimated revenue and annual appropriations for the Special Revenue funds as well as the General Fund. The Budget Officer is responsible for the preparation of the proposed County budget and submission of the same to the County Board of Supervisors. A tentative budget is submitted in October. After a public informational meeting and a public hearing, the budget is usually adopted by the County Board of Supervisors in mid-November of each year. Expenditures during the fiscal year may only be made pursuant to appropriations from the General Fund and other special funds established by the County. However, the County Board of Supervisors during the fiscal year may, by resolution, make additional appropriations from any unencumbered balances in appropriations, contingent funds or unanticipated revenue.

Page 64 outlines the variance from 2019 budget to actual. General Fund revenue was greater than the final budget by $2,797,941. Expenditures were lower than the final budget by $4,898,636. The actual net increase in fund balance was $5,164,335. Overall the County saw a increase in real property taxes of $7,174,013, has realized the savings from the divestiture of the County Nursing Home and Home Care programs, and costs are trending back up with increases in personal services and fringe benefits, especially in health care. It is estimated that the funds reserved for Enterprise Fund legacy costs will cover 100% of these costs through 2021.

CAPITAL ASSETS

At the end of 2019, the County had $99,153,145 invested in a broad range of capital assets, including the County Municipal Center, highway infrastructures and equipment (see table below). This amount represents a net increase of $4,099,606 over last year.

Capital Assets, Net of Depreciation

		Governmental Activities	
		2019	2018
Land and improvements	$	766,574	777,631
Construction in progress		8,073,324	7,628,399
Buildings		16,527,034	18,032,872
Improvements		1,923,513	1,526,664
Bridges		37,493,942	32,739,684
Roads		19,564,647	19,511,923
Infrastructure		6,627,507	6,944,361
Machinery and equipment		8,146,412	7,869,233
Right to use lease asset		30,192	22,772
Total capital assets, net	$	99,153,145	95,053,539

LONG-TERM DEBT

Bonds and Other Long Term Liabilities

		Governmental Activities	
		2019	2018
General obligation bonds, premium, and notes	$	973,634	1,223,852
Bond anticipation notes		15,243,628	10,428,128
WTASC bonds		12,155,000	12,225,000
Capital leases		30,192	22,772
Landfill closing costs		165,258	174,301
Total OPEB liability		102,246,027	93,806,259
Net pension liability		7,920,179	3,522,754
Workers' compensation		3,229,734	3,281,939
Compensated absences		988,256	977,158
Total	$	142,951,908	125,662,163

The New York State Constitution limits the taxing power for counties to 1.5% of the five-year average full valuation. A county has the authority to increase its tax limit to a maximum rate of 2% by a resolution adopted by the legislative body by two-thirds of its membership. Washington County is subject to the 2% factor. The limitation allows for the exclusion of taxes in the amount of certain debt service. The amount of taxes for this purpose is a deduction from the tax levy resulting in a lower tax levy subject to the tax limit.

The State Constitution also limits the power of counties to issue debt. The County has the power to contract indebtedness for any County purpose so long as the principal amount, thereof, subject to certain limited exceptions, shall not exceed seven (7) per cent of the five-year average full valuation of taxable real estate of the County and subject to certain exclusions and deductions such as water and certain sewer facilities. The average full valuation, in both the Tax Limit and Debt Limit is determined by taking the sum of the full valuation of the last completed assessment roll and the four preceding assessment rolls and, dividing the sum by five.

The five-year average full valuation for the 2019 computation was $4,809,752,670. The Constitutional Tax Limit is $96,195,053.

The constitutional tax margin for year ended December 31, 2019, is $62,851,841 ($96,195,053 tax limit less $33,343,212 the 2019 tax levy).

The debt limit for year ended December 31, 2019, is $336,682,687 (five year average full valuation of $4,809,752,670 x 7%). As of the end of 2019, Washington County is in compliance with the debt limit.

TAX CAP

The State Legislature and the Governor enacted legislation that establishes a "property tax cap" which limits the growth of the property tax levy. Under the tax cap law, the total amount to be raised through property taxes charged on the municipality's taxable assessed value is capped at 2%, or the rate of inflation, whichever is less. There are some exceptions and local communities have the ability to override the cap. The 2019 Washington County tax levy was within the property tax cap limit.

ECONOMIC FACTORS

The trend of declining revenue that began in mid-2008 leveled off in 2015. The County's 2019 real property tax revenue increased $7,174,013 over 2018, representing an increase of 23.6%. This is the result of an increase in tax levy as well as a material litigation settlement in 2019. As a result of this settlement there was a substantial restoration of General Fund fund balance in 2019.

The County has continued to look for ways to reduce costs and increase revenue over the past few years. The County workforce has been reduced and benefits have been reduced for new hires. The County is facing higher costs in health insurance and expects additional increases for the foreseeable future.

It must be noted that the County's overall property value has declined for the seventh year in a row. Property value is down by 6% from its highest level in 2010. This is a direct factor of the slowdown in the real estate market. Small decreases are likely to continue for the next few years.

The County has adopted a two-year budgeting practice, along with a direct cost review of all County operations, to better enable the Board of Supervisors and individual County departments to set both short and long-term goals. In response to the current economic climate, the County is reducing its workforce and making cuts to current and future programs. The County's goal is to maintain a stable tax rate while at the same time managing a stable fund balance.

The United States is presently in the midst of a national health emergency related to the COVID-19 virus. The overall consequences of the COVID-19 on a national, regional and local level are unknown, but has the potential to result in a significant economic impact. The impact of this situation on the County and its future results and financial position is not presently determinable.

REQUESTS FOR INFORMATION

This financial report is designed to provide a general overview of Washington County's finances. Questions concerning any of the information provided in this report or requests for additional financial information should be addressed to: Daniel Shaw, Budget Officer, Washington County Board of Supervisors, 383 Broadway, Fort Edward, New York, 12828.

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

	Primary Government Governmental Activities	Component Unit: Washington County Local Development Corporation	Component Unit: Soil and Water Conservation District
Assets:			
Current assets:			
Cash and equivalents	$ 27,256,625	1,508,534	2,762,819
Taxes receivable, net	10,156,399	-	-
Accounts receivable, net	2,397,276	624	-
Due from other funds	49,900	-	-
Due from State and Federal governments	11,477,445	-	173,879
Due from other governments	2,173,410	-	-
Interest receivable	-	14,904	-
Loans receivable, current portion	-	412,171	-
Lease payments receivable, current portion	-	5,155	-
Inventory	1,118,311	-	-
Prepaid expenses	1,151,828	4,324	-
Total current assets	55,781,194	1,945,712	2,936,698
Noncurrent assets:			
Restricted cash and equivalents	4,412,580	-	34,500
Loans receivable, net of current portion and allowance	-	2,623,008	-
Lease payments receivable, net of current portion	-	8,159	-
Land	766,574	-	-
Construction in progress	8,073,324	-	
Right to use lease asset	30,192	-	-
Capital assets, net of accumulated depreciation	90,283,055	-	-
Total noncurrent assets	103,565,725	2,631,167	34,500
Total assets	159,346,919	4,576,879	2,971,198
Deferred outflows of resources:			
Tobacco settlement receivable	21,586,737	-	-
Debt refunding	22,856	-	-
OPEB	6,773,824	-	-
Pensions	6,639,214	-	54,707
Total deferred outflows of resources	35,022,631	-	54,707
Liabilities:			
Current liabilities:			
Accounts payable	4,499,838	-	-
Accrued liabilities	1,378,577	-	-
Accrued interest	57,556	-	-
Due to other governments	6,695,643	-	41
Due to employees' retirement system	-	-	25,781
Bond anticipation notes	15,243,628	-	-
Other liabilities	1,291,684	-	-
Long-term obligations due within one year - bonds payable and unamortized premiums	230,218	-	-
Long-term obligations due within one year - WTASC bonds payable	250,000	-	-
Long-term obligations due within one year - state loans payable	25,000	-	-
Long-term obligations due within one year - lease liabilities	8,292	-	-
Long-term obligations due within one year - loan payable	-	11,286	-
Total current liabilities	29,680,436	11,286	25,822
Noncurrent liabilities:			
Bonds payable and unamortized premiums	688,416	-	-
WTASC bonds payable	11,905,000	-	-
State loans payable	30,000	-	-
Lease liabilities	21,900	-	-
Loan payable	-	93,944	-
Claims and judgments payable	3,229,734	-	-
Landfill closure and postclosure costs	165,258	-	-
Total OPEB Liability	102,246,027	-	-
Compensated absences	988,256	-	-
Net pension liability - proportionate share	7,920,179	-	50,538
Total noncurrent liabilities	127,194,770	93,944	50,538
Total liabilities	156,875,206	105,230	76,360
Deferred inflows of resources:			
Revenue - tobacco settlement	21,586,737	-	2,635,252
OPEB	5,862,049	-	-
Pensions	4,097,395	-	19,414
Total deferred inflows of resources	31,546,181	-	2,654,666
Net position:			
Net investment in capital assets	70,773,547	-	-
Restricted	11,670,590	411,679	34,500
Unrestricted (deficit)	(76,495,974)	4,059,970	260,379
Total net position	$ 5,948,163	4,471,649	294,879

See accompanying notes to financial statements.

COUNTY OF WASHINGTON, NEW YORK
Statement of Activities
Year ended December 31, 2019

		Program revenue			Net (expense) revenue and changes in net position — Primary Government	Component Unit	
Functions/Programs	Expenses	Charges for Services	Operating Grants and Contributions	Capital Grants and Contributions	Total Governmental Activities	Local Development Corporation	Soil and Water
Primary government:							
Governmental activities:							
General government support	$ 18,113,238	1,752,088	2,281,014	-	(14,080,136)	-	-
Education	5,881,744	669,894	1,895,818	24,453	(3,291,579)	-	-
Public safety	17,561,950	702,550	877,057	1,351,717	(14,630,626)	-	-
Health	4,965,853	18,776	3,572,711	-	(1,374,366)	-	-
Transportation	16,242,416	933,594	4,338,049	5,191,489	(5,779,284)	-	-
Economic assistance and opportunity	32,666,604	772,392	14,002,493	(52,222)	(17,943,941)	-	-
Culture and recreation	1,177,897	74,029	110,520	-	(993,348)	-	-
Home and community	3,493,389	1,868,767	-	-	(1,624,622)	-	-
Interest	799,495	-	-	-	(799,495)	-	-
Total governmental activities	$ 100,902,586	6,792,090	27,077,662	6,515,437	(60,517,397)	-	-
Component units:							
Local Development Corporation	$ 104,992	202,139	80,000	-	-	177,147	-
Soil and Water	915,641	9,605	869,668	-	-	-	(36,368)
Total component units	$ 1,020,633	211,744	949,668	-	-	177,147	(36,368)
General revenue:							
Taxes:							
Real property taxes					33,282,554	-	-
Real property tax items					1,622,169	-	-
Nonproperty tax items					22,780,946	-	-
Use of money and property					792,534	11,549	6,762
Sale of property and compensation for loss					887,389	-	-
Miscellaneous					1,516,344	-	214,975
Total general revenue					60,881,936	11,549	221,737
Change in net position					364,539	188,696	185,369
Net position at beginning of year					5,583,624	4,282,953	109,510
Net position at end of year					$ 5,948,163	4,471,649	294,879

See accompanying notes to financial statements.

COUNTY OF WASHINGTON, NEW YORK
Balance Sheet - Governmental Funds
December 31, 2019

	General Fund	County Road Fund	Capital Projects Fund	Nonmajor Governmental Funds	Total Governmental Funds
Assets:					
Cash and equivalents - unrestricted	$ 10,269,404	2,059,879	7,045,762	2,708,050	22,083,095
Taxes receivable, net	10,156,399	-	-	-	10,156,399
Accounts receivable	477,050	623	558	759,678	1,237,909
Due from other funds	1,465,471	5,465	1,310,630	272,771	3,054,337
Due from State and Federal governments	8,986,606	692,272	1,714,002	13,000	11,405,880
Due from other governments	2,104,135	15,166	-	54,109	2,173,410
Inventory	5,047	280,961	-	832,303	1,118,311
Prepaid expenditures	891,759	111,681	-	40,565	1,044,005
Restricted assets - cash	955,210	-	-	1,667,950	2,623,160
Total assets	35,311,081	3,166,047	10,070,952	6,348,426	54,896,506
Deferred outflows of resources - tobacco settlement receivable	-	-	-	21,586,737	21,586,737
Total assets and deferred outflows of resources	$ 35,311,081	3,166,047	10,070,952	27,935,163	76,483,243
Liabilities, deferred inflows and fund balances:					
Liabilities:					
Accounts payable	2,814,898	278,696	649,477	259,583	4,002,654
Accrued liabilities	456,033	169,941	-	36,305	662,279
Due to other funds	1,377,212	187,207	1,302,299	45,635	2,912,353
Due to other governments	6,668,751	15,570	-	11,322	6,695,643
Bond anticipation notes	-	1,000,000	13,284,623	959,005	15,243,628
Other liabilities	845,934	255,390	-	189,315	1,290,639
Total liabilities	12,162,828	1,906,804	15,236,399	1,501,165	30,807,196
Deferred inflows of resources - revenue	3,983,972	-	-	21,982,870	25,966,842
Fund balances:					
Nonspendable	896,806	392,642	-	872,868	2,162,316
Restricted	2,341,088	-	-	1,773,650	4,114,738
Assigned - appropriated	3,800,959	200,576	-	220,908	4,222,443
Assigned - unappropriated	-	666,025	-	1,437,473	2,103,498
Unassigned (deficit)	12,125,428	-	(5,165,447)	146,229	7,106,210
Total fund balances (deficit)	19,164,281	1,259,243	(5,165,447)	4,451,128	19,709,205
Total liabilities, deferred inflows of resources and fund balances (deficit)	$ 35,311,081	3,166,047	10,070,952	27,935,163	76,483,243

See accompanying notes to financial statements.

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

Total Governmental Fund Balances		$ 19,709,205
Amounts reported for Governmental Activities in the Statement of Net position are different because:		
Capital assets used in Governmental Activities are not financial resources and, therefore, are not reported in the funds.		
Land	$ 766,574	
Construction in progress	8,073,324	
Right to use lease asset	30,192	
Capital assets, net of accumulated depreciation	90,283,055	99,153,145
Deferred property tax revenue not available to pay for current period expenditures and is therefore deferred in the funds.		4,380,105
Net position of internal service funds not reported in governmental funds but included in government-wide net position.		3,765,360
Premiums received on debt issuance, are recorded as revenue in the government funds but included in long-term debt in the government-wide financial statements, to be recognized over the life of the bonds.		(33,634)
Some deferred inflows and outflows are not reported in the government funds. Theses consist of the following:		
Deferred outflows of resources - pensions		6,639,214
Deferred inflows of resources - pensions		(4,097,395)
Deferred outflows of resources - other postemployment benefits		6,773,824
Deferred inflows of resources - other postemployment benefits		(5,862,049)
Deferred loss on refunding on bonds payable is not reported in the governmental funds but is reported in the government-wide net position.		22,856
Long-term liabilities are not due and payable in the current period and, therefore, are not reported in the funds:		
Bonds payable	(885,000)	
TASC bonds payable	(12,155,000)	
State loans payable	(55,000)	
Capital leases	(30,192)	
Accrued interest	(57,556)	
Total OPEB liability	(102,246,027)	
Landfill closure and postclosure care costs	(165,258)	
Compensated absences	(988,256)	
Net pension liability - proportionate share	(7,920,179)	(124,502,468)
Net position of Governmental Activities		$ 5,948,163

See accompanying notes to financial statements.

COUNTY OF WASHINGTON, NEW YORK
Statement of Revenue, Expenditures and Changes in Fund Balances
Governmental Funds
Year ended December 31, 2019

	General Fund	County Road Fund	Capital Projects Fund	Nonmajor Governmental Funds	Total Governmental Funds
Revenue:					
Real property taxes	$ 37,548,256	-	-	521,540	38,069,796
Real property tax items	1,622,169	-	-	-	1,622,169
Nonproperty tax items	22,780,946	-	-	-	22,780,946
Departmental income	3,489,977	-	-	1,824,022	5,313,999
Intergovernmental charges	394,591	933,594	-	2,000	1,330,185
Use of money and property	487,387	2,671	101,109	81,477	672,644
Licenses and permits	-	-	-	8,125	8,125
Fines and forfeitures	139,781	-	-	-	139,781
Sale of property and compensation for loss	61,650	3,488	-	796,259	861,397
Interfund revenue	793,122	-	-	3,597,475	4,390,597
State sources	13,828,801	3,609,209	2,246,949	22,441	19,707,400
Federal sources	8,733,818	715,929	4,268,488	167,464	13,885,699
Miscellaneous local sources	311,636	8,740	565,570	610,211	1,496,157
Total revenue	90,192,134	5,273,631	7,182,116	7,631,014	110,278,895
Expenditures:					
General government support	14,696,969	-	1,032,686	23,270	15,752,925
Education	5,765,643	-	48,906	-	5,814,549
Public safety	15,029,763	497,732	903,774	41,280	16,472,549
Health	4,641,997	-	-	-	4,641,997
Transportation	-	12,486,219	5,233,340	4,688,427	22,407,986
Economic assistance and opportunity	30,761,727	-	-	114,952	30,876,679
Culture and recreation	1,196,271	-	-	-	1,196,271
Home and community	1,070,585	-	101,455	1,686,705	2,858,745
Employee benefits	1,375,767	1,819,804	-	633,106	3,828,677
Debt service - principal	224,086	-	-	280,334	504,420
Debt service - interest	70,925	104,522	-	629,470	804,917
Total expenditures	74,833,733	14,908,277	7,320,161	8,097,544	105,159,715
Excess (deficiency) of revenue over expenditures	15,358,401	(9,634,646)	(138,045)	(466,530)	5,119,180
Other financing sources (uses):					
BANS redeemed from appropriations	-	-	184,500	-	184,500
Proceeds from capital leases	-	-	17,340	-	17,340
Interfund transfers in	12,331	9,489,166	363,510	443,749	10,308,756
Interfund transfers out	(10,206,397)	(49,850)	(52,509)	-	(10,308,756)
Total other financing sources (uses)	(10,194,066)	9,439,316	512,841	443,749	201,840
Excess (deficiency) of revenue over expenditures and other financing sources (uses)	5,164,335	(195,330)	374,796	(22,781)	5,321,020
Fund balances (deficit) at beginning of year	13,999,946	1,454,573	(5,540,243)	4,473,909	14,388,185
Fund balances (deficit) at end of year	$ 19,164,281	1,259,243	(5,165,447)	4,451,128	19,709,205

See accompanying notes to financial statements.

COUNTY OF WASHINGTON, NEW YORK
Reconciliation of Statement of Revenue, Expenditures and
Changes in Fund Balances - Governmental Funds
to the Statement of Activities
Year ended December 31, 2019

Net change in fund balances - total Governmental Funds		$ 5,321,020
Amounts reported for Governmental Activities in the statement of activities are different because:		
Governmental Funds report capital outlay as expenditures. However, in the Statement of Activities, the cost of those assets is allocated over their estimated useful lives as depreciation expense. This is the amount by which capital outlay exceeded depreciation in the current period.		
Capital outlay	$14,397,547	
Addition of right to use lease asset	17,340	
Disposal of capital assets	(223,994)	
Depreciation expense	(10,091,287)	4,099,606
Revenue in the Statement of Activities that does not provide current financial resources is not reported as revenue in the funds.		
Change in deferred taxes		(4,787,242)
Proceeds from lease liabilities is a financing sources in the governmental funds, but increases long-term liabilities in the Statement of Net Position.		(17,340)
Repayment of principal is an expenditure in the governmental funds, but the repayment reduces long-term liabilities in the Statement of Net Position.		
Bonds payable	215,000	
TASC bonds payable	70,000	
State loans payable	25,000	
Leases	9,920	319,920
Unamortized bond premiums are recorded as revenue in the government funds but are deferred in the government-wide financial statements, to be recognized over the life of the bonds. This is the amount of the premium amortized in the current year.		10,218
Deferred loss from refunding on bonds payable that was reported as expenditures in the governmental funds are deferred on the government-wide statements.		(6,943)
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 Governmental Funds.		
Increase/decrease:		
Landfill closure and postclosure costs	9,043	
Total OPEB liability	(8,439,768)	
Accrued payable	2,147	
Net pension liability	(4,397,425)	
Compensated absences	(11,098)	(12,837,101)
Certain items related to changes in long-term liabilities are reflected in the statement of net position.		
Deferred outflows of resources - pensions	(4,952,777)	
Deferred inflows of resources - pensions	9,091,745	
Deferred outflows of resources - other postemployment benefits	6,773,824	
Deferred inflows of resources - other postemployment benefits	(3,365,529)	7,547,263
Change in net position of the internal service funds are not reported in governmental funds but included in government-wide Statement of Activities.		715,138
Change in net position of Governmental Activities		$ 364,539

See accompanying notes to financial statements.

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

	Internal Service Funds		
	Workers' Compensation Fund	Self Insured Health Benefits Fund	Total
Assets:			
Current assets:			
Cash and equivalents	$ 437,596	4,735,934	5,173,530
Accounts receivable	1,158,898	469	1,159,367
Due from State and Federal governments	71,565	-	71,565
Prepaid expenses	-	107,823	107,823
Total current assets	1,668,059	4,844,226	6,512,285
Restricted assets - cash and equivalents	1,789,420	-	1,789,420
Total assets	3,457,479	4,844,226	8,301,705
Liabilities:			
Current liabilities:			
Accounts payable	142,119	355,065	497,184
Accrued liabilities	-	716,298	716,298
Other liabilities	1,045	-	1,045
Due to governmental funds	84,581	7,503	92,084
Total current liabilities	227,745	1,078,866	1,306,611
Noncurrent liabilities - judgements and claims	3,229,734	-	3,229,734
Total liabilities	3,457,479	1,078,866	4,536,345
Net position - restricted	$ -	3,765,360	3,765,360

See accompanying notes to financial statements.

COUNTY OF WASHINGTON, NEW YORK
Statement of Revenue, Expenses
and Changes in Net Position
Proprietary Funds
Year ended December 31, 2019

	Internal Service Funds		
	Workers' Compensation Fund	Self Insured Health Benefits Fund	Total
Operating revenue:			
Charges for services	$ 1,038,515	8,398,755	9,437,270
Sale of property and compensation for loss	249,986	-	249,986
Miscellaneous	20,187	-	20,187
Total operating revenue	1,308,688	8,398,755	9,707,443
Operating expenses - employee benefits	1,358,702	7,753,493	9,112,195
Gain (loss) from operations	(50,014)	645,262	595,248
Non-operating revenue - interest income	50,014	69,876	119,890
Change in net position	-	715,138	715,138
Net position at beginning of year	-	3,050,222	3,050,222
Net position at end of year	$ -	3,765,360	3,765,360

See accompanying notes to financial statements.

COUNTY OF WASHINGTON, NEW YORK
Statement of Cash Flows
Proprietary Funds
Year ended December 31, 2019

	Internal Service Funds		
	Workers' Compensation Fund	Self Insured Health Benefits Fund	Total
Cash flows from operating activities:			
Cash received from governmental funds	$ 1,056,273	8,405,789	9,462,062
Cash payments for services and payables	(1,304,699)	(7,659,943)	(8,964,642)
Cash paid to employees and benefits	(52,205)	-	(52,205)
Net cash provided by (used in) operating activities	(300,631)	745,846	445,215
Cash flows from investing activities - interest income	50,014	69,876	119,890
Change in cash and equivalents	(250,617)	815,722	565,105
Cash and equivalents at beginning of year	2,477,633	3,920,212	6,397,845
Cash and equivalents at end of year	$ 2,227,016	4,735,934	6,962,950
Reconciliation of cash and equivalents to the balance sheet:			
Current	$ 437,596	4,735,934	5,173,530
Non-current	1,789,420	-	1,789,420
	$ 2,227,016	4,735,934	6,962,950
Reconciliation of gain (loss) from operations to net cash provided by (used in) operating activities:			
Gain (loss) from operations	$ (50,014)	645,262	595,248
Adjustments to reconcile gain (loss) from operations to net cash provided by (used in) operating activities:			
Changes in:			
Accounts receivables	(124,988)	(469)	(125,457)
Due from State and Federal governments	(71,565)	-	(71,565)
Prepaid expenses	-	1,885	1,885
Accounts payable	54,234	130,203	184,437
Accrued expenses	-	(38,538)	(38,538)
Judgements and claims	(52,205)	-	(52,205)
Due to other governments	(231)	-	(231)
Due to other funds	(55,862)	7,503	(48,359)
Net cash provided by (used in) operating activities	$ (300,631)	745,846	445,215

See accompanying notes to financial statements.

COUNTY OF WASHINGTON, NEW YORK
Statement of Net Position
Fiduciary Funds
December 31, 2019

	Agency Fund	Private Purpose Trust Funds	Total
Assets:			
Cash and equivalents	$1,018,028	-	1,018,028
Accounts receivable	17,198	-	17,198
Due from other funds	21,100	-	21,100
Restricted assets - cash and equivalents	8,796	2,598	11,394
Total assets	1,065,122	2,598	1,067,720
Liabilities:			
Agency liabilities	993,451	-	993,451
Due to other governments	671	-	671
Due to other funds	71,000	-	71,000
Total liabilities	1,065,122	-	1,065,122
Net position:	$ -	2,598	2,598

See accompanying notes to financial statements.

COUNTY OF WASHINGTON, NEW YORK
Statement of Changes in Net Position
Fiduciary Fund
Year ended December 31, 2019

	Private Purpose Trust Funds
Revenue - interest income	$ 1
Expense - miscellaneous	(1)
Change in net position	-
Net position at beginning of year	2,598
Net position at end of year	$ 2,598

See accompanying notes to financial statements.

(1) Summary of Significant Accounting Policies

The financial statements of the County of Washington, New York (the County) have been prepared in accordance with accounting principles generally accepted in the United States of America (GAAP). The Governmental Accounting Standards Board (GASB) is the accepted standard setting body for establishing GAAP for state and local governments through its pronouncements (Statements and Interpretations).

(a) Financial Reporting Entity

Washington County, New York, which was established in 1784, is governed by the general laws of the State of New York and various local laws and ordinances. The County Board of Supervisors, which is the legislative body responsible for the overall operation of the County, consists of the Town Supervisors representing the seventeen towns within the County. The Chairman of the Board, elected by the Board each year, is the chief executive officer of the County. The Board of Supervisors also appoints a County Administrator and a Clerk of the Board. The Chairman of the Finance Committee has been appointed as the Budget Officer. The County Treasurer, elected at large to a four year term, is the chief fiscal officer of the County. The County Clerk, Sheriff, and District Attorney are constitutional officials and are elected in accordance with constitutional provisions.

The County provides the following basic services: general government, education, public safety, social services, recreation, health and nursing services, road maintenance, public improvements, home and community services, general administrative services, and solid waste management services. The County participates in the Workforce Investment Act for Saratoga, Warren and Washington Counties as administered by Saratoga County.

All Governmental Activities and functions performed for the County are its direct responsibility. No other governmental organizations have been included or excluded from the reporting entity.

The financial reporting entity consists of (a) the primary government which is the County of Washington, (b) organizations for which the primary government is financially accountable, and (c) other organizations for which the nature and significance of their relationship with the primary government are such that exclusion would cause the reporting entity's financial statements to be misleading or incomplete as set forth in GASB Statement No. 14 - "The Financial Reporting Entity," as amended by GASB Statement No. 39 - "Determining Whether Certain Organizations are Component Units," as amended by GASB Statement No. 80 - "Blending Requirements for Certain Component Units."

The decision to include a potential component unit in the County's reporting entity is based on several criteria set forth in GASB Statement No. 14 as amended by GASB Statements No. 39 and No. 80, including legal standing, fiscal dependency, and financial accountability. Based on the application of these criteria, the following are included as a discretely presented component units:

(1) Summary of Significant Accounting Policies, Continued

(a) Financial Reporting Entity, Continued

The Washington County Soil and Water Conservation District is administered by a Board of Directors, of which 40% are members of the Washington County Board of Supervisors. Approximately 8% of the District's revenues are generated by a transfer from the Washington County General Fund. The District is considered a component unit and is discretely presented.

The Washington County Local Development Corporation (LDC) was incorporated in 1985 under the Not-For-Profit Law of the State of New York. Ten County Board Supervisors serve on the seventeen person board of the LDC. The LDC is considered a component unit of the County and is discretely presented.

Washington Tobacco Asset Securitization Corporation (WTASC) was incorporated in 2000 under the Not-For-Profit Law of the State of New York for the purpose of bonding the value of future receipts due to Washington County, New York under the New York State Tobacco Settlement Agreement. WTASC sold bonds on December 7, 2000 and paid over the proceeds net of issuance costs to Washington County who used the funds to build a county jail. These bonds were subsequently defeased as described in the accompanying note regarding indebtedness. WTASC is a blended component unit of the County.

Complete financial statements of individual component units can be obtained from their respective administrative offices as follows:

Washington County Soil and Water Conservation
District USDA Service Center
2530 State Route 40
Greenwich, New York 12834

Washington County Local Development Corporation
County Office Complex
383 Upper Broadway
Fort Edward, New York 12828

Washington Tobacco Asset Securitization Corporation
County Office Complex
383 Upper Broadway
Fort Edward, New York 12828

(b) Basic Financial Statements

The County's basic financial statements include both Government-wide (reporting the County as a whole) and Governmental Funds financial statements (reporting the County's funds). Both the Government-wide and Governmental Funds financial statements categorize primary activities as either Governmental or Business-type. The County's general governmental support, education, public safety, health, transportation, economic assistance and opportunity, culture and recreation, and home and community services are classified as Governmental Activities.

(1) Summary of Significant Accounting Policies, Continued

(b) Basic Financial Statements, Continued

(1) Government-wide Financial Statements

The Government-wide financial statements include a statement of net position and a statement of activities. These statements present summaries of activities for the primary government and for the County's discretely presented component units. Government-wide financial statements do not include the activities reported in the Fiduciary Funds. This Government-wide focus is more on the sustainability of the County as an entity and the change in the County's net position resulting from the current year's activities.

The Government-wide statements of net position and activities are reported on a full accrual, economic resource basis, which recognizes all long-term assets, receivables, and deferred outflows of resources as well as long-term debt, obligations and deferred inflows of resources. The County's net position is reported in three parts - net investment in capital assets; restricted net position; and unrestricted net position. The County first utilizes restricted resources to finance qualifying activities.

The statement of activities reports both the gross and net cost for each of the County's functions or programs. Gross expenses are direct expenses, including depreciation, that are specifically associated with a service, program or department and, therefore, are clearly identifiable to a particular function. These expenses are offset by program revenue - charges paid by the recipient of the goods or services offered by the program, grants, and contributions that are restricted to meeting the program or capital requirements of a particular program. Revenue which is not classified as program revenue, is presented as general revenue of the County, with certain limited exceptions. The net cost represents the extent to which each function or program is self-financing or draws from the general revenue of the County.

(2) Fund Financial Statements

The financial transactions of the County are reported in individual funds in the funds financial statements. Each fund is accounted for by providing a separate set of self-balancing accounts that comprises its assets, deferred outflows of resources, liabilities, deferred inflows of resources, reserves, fund balance or net position, revenue, and expenditures or expenses. Fund accounting is designed to demonstrate legal compliance and to aid financial management by segregating transactions related to certain government functions or activities. The County records its transactions in the fund types and account groups described below:

Governmental Funds - Governmental Funds are those through which most governmental functions are financed. The acquisition, use and balances of expendable financial resources, and the related liabilities are accounted for through Governmental Funds. The measurement focus of the Governmental Funds is based upon determination of financial position and changes in financial position. The following are the County's Governmental Funds:

(1) Summary of Significant Accounting Policies, Continued

(b) Basic Financial Statements, Continued

(2) Fund Financial Statements, Continued

Major Funds:

General Fund - Principal operating fund; includes all operations not required to be recorded in other funds.

County Road Fund - This fund is used to account for expenditures for highway purposes authorized by Section 114 of the Highway Law.

Capital Projects Funds - Used to account for the financial resources to be used for the acquisition or construction of major capital facilities and equipment.

Nonmajor Funds:

Special Revenue Funds - Used to account for the proceeds of specific revenue sources that are legally restricted to expenditures for specified purposes. The following Special Revenue Fund is reported as a major fund:

Road Machinery Fund - Used to account for the purchase, repair, maintenance, and storage of highway machinery, tools, and equipment pursuant to Section 133 of Highway Law.

Sewer Fund - Two funds used to account for taxes and other revenues which are raised or received to provide related services to an area which encompasses less than the whole county.

Community Development Fund - Used to account for the use of federal monies received under the Workforce Investment Act.

Car Pool Fund - Used to account for the purchase, repair, maintenance, and fuel used for the County vehicles.

Federal Forfeitures Fund - Used to account for moneys received from the Federal Equitable Sharing Program involving the proceeds from Drug Enforcement Agency cases and certain moneys confiscated during police actions. The money is restricted to certain law enforcement activities.

Washington Tobacco Asset Securitization Corporation - Used to bond the value of future receipts due to the County under the New York State Tobacco Settlement Agreement.

(1) Summary of Significant Accounting Policies, Continued

(b) Basic Financial Statements, Continued

(2) Fund Financial Statements, Continued

Proprietary Funds - Used to account for the County's ongoing activities that are similar to those often found in the private sector. The measurement focus is upon determination of net income. The County the following proprietary funds that are internal service funds.

Internal Service Funds - Used to account for operations that provide a service and are financed primarily by a user charge for the provision of that service or the periodic measurement of net income is deemed appropriate for capital maintenance, public policy, management control, accountability, or other purposes. The following are the County's Enterprise Funds:

Self-Insured Health Benefits Fund - Used to account for the administration and obligations of the County's self-insured health plan for the benefit of county employees and its retirees.

Workers' Compensation Fund - Used to account for the administration, compensation, and other obligations of the County's self-insurance program under the Workers' Compensation Law, Article 5.

Fiduciary Funds - Used to account for assets held by the County in a trustee or custodial capacity, which therefore, are not available to support the County's programs. The following comprise the County's Fiduciary Funds:

Agency Fund - Is custodial in nature and does not present results of operations or have a measurement focus. The Agency Fund is accounted for using the cash basis of accounting. This fund is used to account for assets that the government holds for others in an agency capacity.

Private Purpose Trust Funds - Is custodial in nature and presents all other trust arrangements where principal and income benefit individuals, private organizations and other governments. The Private Purpose Trust Funds are accounted for using the cash basis of accounting.

Component Units - Used to report the activities of the following entities:

Washington County Soil and Water Conservation District
Washington County Local Development Corporation
Washington Tobacco Asset Securitization Corporation (blended component unit)

(c) Basis of Accounting/Measurement Focus

Basis of accounting refers to when revenue and expenditures/expenses and the related assets and liabilities are recognized in the accounts and reported in the financial statements. Basis of accounting relates to the timing of the measurements made, regardless of the measurement focus. Measurement focus is the determination of what is measured, i.e. expenditures or expenses.

(1) Summary of Significant Accounting Policies, Continued

(c) Basis of Accounting/Measurement Focus, Continued

(1) Accrual Basis - The Government-wide financial statements and the Fiduciary Fund financial statements are presented on an "economic resources" measurement focus and the accrual basis of accounting. Accordingly, all of the County's assets, deferred outflows of resources, liabilities and deferred inflows of resources, including capital assets, as well as infrastructure assets and long-term liabilities, are included in the accompanying statement of net position. The statement of activities presents changes in net position. Under the accrual basis of accounting, revenue is recognized when earned and expenses are recognized when incurred.

(2) Modified Accrual Basis - Under this basis of accounting, revenue is recorded when measurable and available. Available means collectible within the current period or soon enough thereafter to be used to pay liabilities of the current period. Material revenue that is accrued includes: real property taxes, State and Federal aid, sales tax, and certain user charges. The County considers property tax receivables collected within 60 days after year-end to be available and recognizes them as revenue of the current year. All other revenue deemed collectible within one year after year-end is recognized as revenue in the current year. If expenditures are the prime factor for determining eligibility, revenue from Federal and State grants is accrued when the related expenditures are made.

Expenditures are recorded when incurred. The cost of capital assets is recognized as an expenditure when received. Exceptions to this general rule are that (1) principal and interest on indebtedness are not recognized as an expenditure until due, and (2) compensated absences, such as vacation and sick leave which vests or accumulates, are charged as an expenditure when paid.

(d) Cash and Equivalents

For financial statement purposes, the County considers all highly-liquid investments with original maturities of three months or less to be cash equivalents.

Statutes authorize the County to invest its surplus cash in certificates of deposit, obligations of the U.S. Treasury, agencies and instrumentalities, public authorities, public housing authorities urban renewal agencies, and industrial development agencies where the general State statutes governing such entities or whose specific enabling legislation authorizes such investments.

(e) Budget Policies

The County employs the following budgetary procedures:

- In September, department heads receive budget forms and submit their requests to the budget officer.
- No later than November 15, the budget officer submits a tentative budget to the Clerk of the Board of Supervisors for the fiscal year commending the following January 1. The tentative budget includes proposed expenditures and the proposed means of financing for the following funds: general, sewer, self-insurance, county road, road machinery, solid waste management, and solid waste.

(1) Summary of Significant Accounting Policies, Continued

(e) Budget Policies, Continued

- After public hearings are conducted to obtain taxpayer comments, but no later than December 20, the Board of Supervisors adopts the County budget.
- Any revisions that alter total appropriations of any department or fund must be approved by the Board of Supervisors.
- Budgetary controls are established for the capital projects fund through resolutions authorizing individual projects that remain in effect for the life of the project. Budgets are prepared for the proprietary fund primarily to establish any estimated contributions required from other funds.

(f) Encumbrances

Encumbrance accounting, under which purchase orders, contracts and other commitments for the expenditure of funds are recorded in order to reserve that portion of the applicable appropriation, is employed in the governmental funds. Open encumbrances at year-end are reported as assigned-appropriated fund balance since the commitments do not constitute expenditures or liabilities.

(g) Inventories

Inventories are comprised of paper and supplies (general fund) and fuel oil, parts, sand and salt (special revenue funds), and are valued at the lower of cost or market. The expenditure is recognized when the inventory is purchased, but for governmental fund financial statement purposes, the year-end balance on hand is reported as an asset in the balance sheet with an offsetting nonspendable fund balance.

(h) Real Property Taxes

Property taxes are levied annually on January 1. The principal components are as follows:

(1) Taxes for county purposes are based on county budgetary requirements. Such taxes are apportioned to the towns on the basis of full valuation of taxable properties and assessed through use of an ad valorem tax rate.

(2) Town and special district taxes are based on their budgetary requirements. These taxes are levied on properties within the appropriate town or district and assessed by use of an ad valorem tax rate or benefit basis.

(3) Unpaid school district taxes on town properties and unpaid village taxes are turned over to the County for collection. Any remaining unpaid taxes at year end are re-levied as county taxes against the individual properties.

(1) Summary of Significant Accounting Policies, Continued

(h) Real Property Taxes, Continued

Collection of county property taxes are as follows:

All property taxes are the enforcement responsibility of the County. The town and special districts receive the full amount of their levies annually. School districts and villages are paid by the County for the full amount of delinquent taxes turned over to the County for enforcement.

County taxes receivable as described above consist in part of direct county tax revenues and in part of taxes initially levied for the purpose of other local governments over which the County exercises no fiscal control. Therefore, the deferred inflows of resources on the County General Fund balance sheet at December 31, 2019 include total taxes receivable owned by the County, less the amount estimated to be available within the first 60 days of the subsequent year.

(i) Non-Property Taxes

The primary non-property tax item is sales tax. The County has enacted a 3% County wide sales tax. Sales tax is recorded as revenue in the general fund when it is received and is adjusted for year-end accruals. As of 2006, a flat $1,000,000 of sales tax revenue is distributed to the towns and villages based on 50% population and 50% assessed valuation for each municipality.

(j) Receivables

Receivables are stated net of estimated allowances for uncollectible amounts. Amounts due from State and Federal governments represent amounts owed to the County for reimbursement of expenditures incurred pursuant to State and Federally funded programs.

(k) Capital Assets

Capital assets include property, plant and equipment, and infrastructure assets with an estimated useful life in excess of two years and a cost of at least $5,000. 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 as of 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 constructed.

(1) Summary of Significant Accounting Policies, Continued

(k) Capital Assets, Continued

Capital assets, which include property, plant and equipment of the County are depreciated using the straight-line method over the following useful lives.

Assets	
Buildings	40 Years
Road improvements	12 Years
Bridges	50 Years
Sewer lines	50 Years
Equipment	5-15 Years
Vehicles	3-13 Years

(l) Self-Insurance

(1) General Liability - The County assumes the liability for most risk including comprehensive general liability, auto liability, and law enforcement liability. Judgments and claims are recorded when it is probable that an asset has been impaired or a liability has been incurred and the amount of loss can be reasonably estimated. The liability is funded by annual budget appropriations. It is management's belief that any estimated current contingent loss liabilities (i.e., those to be liquidated with available financial resources in the ensuing fiscal year), of Governmental Fund types are not significant. All revenue and expenditures related to the County's general liability self-insurance plan are recorded in the General Fund.

(2) Workers' Compensation - The County participates in a self-insurance plan (the Plan) established to pay claims and judgments for workers' compensation. The guidance provided by GASB Statement No. 10 - "Accounting and Financial Reporting for Risk Financing and Related Insurance Issues," indicates that these activities should be accounted for in an Internal Service Fund. Accordingly, the County accounts for the activities of this pool in its Workers' Compensation Internal Service Fund.

(3) Health Insurance - The County is self-insured for its health care benefits and accounts for this activity in the County's Self Insured Health Benefits Internal Service Fund.

(m) Compensated Absences

Under the terms of a resolution of the Board of Supervisors and contractual agreements, employees are entitled to vacation leave, personal leave, and sick leave in varying amounts depending upon years of service. Upon termination of employment, employees are entitled to payment for all accumulated vacation leave and personal leave, but they are not entitled to payment for accumulated sick leave. Year-end estimated liabilities of $988,256 (includes FICA and Medicare) for compensated absences were determined based upon a survey of each department made by the County Administrator and were not deemed material to be reflected as a liability in the financial statements of the individual funds.

(1) Summary of Significant Accounting Policies, Continued

(n) Postemployment Benefits

The County provides health insurance coverage and survivor benefits for 434 retired employees and their spouses. Substantially all of the County's employees may become eligible for these benefits if they reach normal retirement age while working for the County after 20 years of service. The health care benefits and survivors benefits are provided through an insurance company whose premiums are based on the benefits paid during the year.

(o) Retirement Plans

The County provides retirement benefits for substantially all of its full-time and those part-time employees who elect to participate, through contributions to the New York State and Local Employees' Retirement System. This retirement system is noncontributory except for employees who joined their respective systems after July 27, 1976 and must contribute a percentage of their annual salary.

The member contributions are deducted by the County from the employees' paychecks and are sent currently to the system. The retirement system computes the cost of retirement benefits based on their respective fiscal years - April 1 - March 31.

(p) Net Position and Fund Balance Classifications

In the Government-wide statements equity is classified as net position and displayed in three components:

i) Net investment in capital assets - consists of capital assets including restricted capital assets, net of accumulated depreciation and reduced by the outstanding balances of any bonds, notes, or other borrowings that are attributable to the acquisition, construction, or improvement of those assets.

ii) Restricted net position - consists of net position with constraints placed on its use either by (1) external groups such as creditors, grantors, contributors, or laws or regulations of other governments; or (2) law through constitutional provisions or enabling legislation. Additionally, the positive fund balances from special revenue funds are included as restricted net position.

iii) Unrestricted net position - consists of net position without constraints.

Fund balance is reported in five different classifications: nonspendable, restricted, committed, assigned, and unassigned.

i) Nonspendable consists of assets that are inherently nonspendable in the current period either because of their form or because they must be maintained intact, including prepaid items, inventories, long-term portions of loans receivable, financial assets held for resale, and principal of endowments.

ii) Restricted consists of amounts that are subject to externally enforceable legal purpose restrictions imposed by creditors, grantors, contributors, or laws and regulations of other governments; or through constitutional provisions or enabling legislation.

(1) Summary of Significant Accounting Policies, Continued

(p) Net Position and Fund Balance Classifications, Continued

iii) Committed consists of amounts that are subject to a purpose constraint imposed by a formal action of the government's highest level of decision-making authority before the end of the fiscal year, and that require the same level of formal action to remove the constraint. The County Board of Supervisors is the decision-making authority that can, by Board resolution, commit fund balance.

iv) Assigned consists of amounts that are subject to a purpose constraint that represents an intended use established by the government's highest level of decision-making authority, or by their designated body or official. The purpose of the assignment must be narrower than the purpose of the general fund, and in funds other than the general fund, assigned fund balance represents the residual amount of fund balance.

v) Unassigned represents the residual classification for the government's general fund, and could report a surplus or deficit. In funds other than the general fund, the unassigned classification should be used only to report a deficit balance resulting from overspending for specific purposes for which amounts had been restricted, committed, or assigned.

When resources are available from multiple classifications, the County spends funds in the following order: restricted, committed, assigned, unassigned.

(q) Restricted Resources

When an expense is incurred for purposes for which both restricted and unrestricted net position is available, it is the County's policy to apply restricted funds before unrestricted funds, unless otherwise prohibited by legal requirements.

The County records reserves to indicate the portion of the fund balance that is legally segregated for a specific future use or not available for current appropriation. The reserve for DWI program is established to indicate a portion of fund balance is restricted for expenditures under the STOP - DWI program. The balance as of December 31, 2019 was $283,379.

Board of Supervisors' Resolution No. 355 dated December 17, 2004 established a General Liability and Property Reserve to help self-insure certain county properties which were removed from the county's insurance policies. The balance as of December 31, 2019 was $902,113.

Board of Supervisors' Resolution No. 287 dated October 19, 2012 established a reserve for tax foreclosure liability abatement to be funded up to $50,000 per year with a maximum reserve of $1,000,000. The balance as of December 31, 2019 was $301,020.

Board of Supervisors Resolution No. 89 dated April 17, 2015 established a reserve effective December 31, 2014 for the residual Intergovernmental Transfer Monies from the Enterprise Fund. These monies are restricted to legacy costs of the former Nursing Home, which was sold in January of 2014. The balance as of December 31, 2019 was $445,516.

Board of Supervisors Resolution No. 286 dated December 18, 2015 established a reserve for tax litigations, in the amount of $1,000,000. The balance as of December 31, 2019 was $300,000.

(1) Summary of Significant Accounting Policies, Continued

(q) Restricted Resources, Continued

The reserve for occupancy tax represents remaining proceeds earned on occupancy tax collections. The balance as of December 31, 2019 was $49,264.

The reserve for debt represents remaining debt proceeds and interest earned on deposits of debt proceeds which will be used to offset future debt service payments. The balance as of December 31, 2019 was $59,796.

Board of Supervisors' Resolution No. 392 of December 15, 2000, amended the Local Law for Washington County Sewer District No. 2 to allow the creation of a Capital Reserve pursuant to General Municipal Law Section 6c. Annual levy charges are paid annually in advance by each property in the Washington County Sewer District #2, which is a part County benefit. The method of benefit determination and cost apportionment of these charges are based on an ad valorem tax system whereby each property in the district is billed in proportion to its assessed value. The annual levy consists of those costs attributable to debt service and capital costs. Capital Costs as defined in Local Law means that amount appropriated by the Washington County Board of Supervisors to fund the district's Capital Reserve Fund established pursuant to General Municipal Law, Section 6c. The balance as of December 31, 2019 was $676,493.

Local Law D of 2013 adopted via Board of Supervisors' Resolution No. 278 dated November 15, 2013 created a reserve for repairs in the Sewer District O&M fund funded by new in district connection fees, in the amount of $1,000, and out of district connection fees, in the amount of $2,500. The balance as of December 31, 2019 were $25,800 and $57,825, respectively.

The reserve from Crime Proceeds is established to indicate a portion of the fund balance reserved for the County's share of federally forfeited property restricted to Law Enforcement expenditures. The balance as of December 31, 2019 was $105,700.

The WTASC establishes a reserve for debt payments required by the bond indenture. The balance at December 31, 2019 was $907,832.

The reserve for Workers' Compensation has been established to indicate a portion of fund balance is restricted for the payment of future claims. The balance as of December 31, 2019 was $1,789,420.

(r) Interfund Activity

Interfund activity is reported as either loans, services provided, reimbursements or transfers. Loans are reported as interfund receivables and payables as appropriate and are subject to elimination upon consolidation. Services provided, deemed to be at market or near market rates, are treated as revenue and expenditures/expenses. Reimbursements arise when one fund incurs a cost, charges the appropriate benefiting fund and reduces its related cost as a reimbursement. All other interfund transactions are treated as transfers. Transfers between Governmental or Proprietary Funds are netted as part of the reconciliation to the Government-wide financial statements.

(1) Summary of Significant Accounting Policies, Continued

(s) Use of Estimates

The preparation of financial statements in accordance with accounting principles generally accepted in the United States of America requires management to make estimates and assumptions that effect certain reported amounts and disclosures. Actual results could differ from these estimates.

(t) Deferred Outflows of Resources and Deferred Inflows of Resources

Deferred outflows of resources represents a consumption of net position that applies to a future period and so will not be recognized as an outflow of resources (expense/expenditure) until then. The County has four items that qualify for reporting in this category. The first item is related to pensions reported in the County-wide statement of net position. This represents the effect of the net change in the County's proportion of the collective net pension asset or liability and difference during the measurement period between the County's contributions and its proportion share of total contributions to the pension systems not included in pension expense. The second item is the County contributions to the pension system subsequent to the measurement date. The third item is the deferred loss the County incurred on its debt refunding transaction. The fourth item is tobacco settlement receivables.

Deferred inflows of resources reflects an increase in net position that applies to future periods. The County will not recognize the related revenues until a future event occurs. The County has four types of items that qualify for reporting in this category. The first item occurs because governmental fund revenues are not recognized until available (collected not later than 60 days after the end of the fiscal year) under the modified accrual basis of accounting that qualifies for reporting in this category. Accordingly, deferred property taxes and unbilled server receivables are reported in the governmental funds balance sheet. The second item is related to pensions reported in the County's statement of net position, and represents the change in the proportion between the County's contributions and proportionate share of contributions. The third item is related to the tobacco settlement, which offsets the deferred outflow in the same account. The fourth item is related to the total OPEB liability in the County's statement of net position, and represents the difference between expected and actual experience.

(u) Concentrations of Credit Risk

Financial instruments which potentially expose the primary government to concentrations of credit risk consist primarily of taxes receivable and tax sale certificates which are secured by property values throughout the County.

Included in accounts receivable in the general fund are accounts receivable in the amount of $84,128 related to the Pleasant Valley Infirmary. The Infirmary granted credit without collateral to its patients, most of whom are local residents and are insured under third-party payer agreements. Management considers the receivable from Pleasant Valley Infirmary to be collectible at December 31, 2019.

(1) Summary of Significant Accounting Policies, Continued

(u) Concentrations of Credit Risk

Financial instruments which potentially expose the County's component units to concentrations of credit risk consist primarily of loans receivable of the Local Development Corporation. Management considers all loans net of allowance to be collectible at December 31, 2019.

(v) Expenditures in Excess of Budget

Certain individual budgetary expenditures exceeded their budgetary authorizations in the general fund.

(w) Subsequent Events

Management has evaluated subsequent events through the date of the report, which is the date the financial statements were available to be issued and have determined there are no subsequent events that require disclosure under generally accepted accounting principles except as indicated below.

The United States is presently in the midst of a national health emergency related to the COVID-19 virus. The overall consequences of the COVID-19 on a national, regional and local level are unknown, but has the potential to result in a significant economic impact. The impact of this situation on the County and its future results and financial position is not presently determinable.

GASB issued Statement No. 95 - "Postponement of the Effective Dates of Certain Authoritative Guidance" in May 2020. This Statement has the primary objective of providing temporary relief to governments and other stakeholders in light of the COVID-19 pandemic. That objective is accomplished by postponing the effective dates of certain provisions in Statements and Implementation Guides that first became effective or are scheduled to become effective for periods beginning after June 15, 2018, and later. Earlier application of the provisions addressed in this Statement is encouraged and is permitted to the extent specified in each pronouncement as originally issued. Disclosures in note 8 have been updated accordingly.

(2) Detail Notes

(a) Assets

(1) Cash and Cash Equivalents

The County's investment policies are governed by State statutes. In addition, the County has its own written investment policy. County monies must be deposited in FDIC-insured commercial banks or trust companies located within the State. The County Treasurer is authorized to use demand accounts and certificates of deposit. Permissible investments include obligations of the U.S. Treasury and U.S. Agencies, repurchase agreements, and obligations of New York State or its localities.

Collateral is required for demand and time deposits and certificates of deposit not covered by Federal Deposit Insurance. Obligations that may be pledged as collateral are obligations of the United States and its agencies and obligations of the State and its municipalities and school districts.

(2) Detail Notes, Continued

(a) Assets, Continued

(1) Cash and Cash Equivalents, Continued

Custodial credit risk is the risk that in the event of a bank failure, the County's deposits may not be returned to it. While the County does not have a specific policy for custodial credit risk, State statutes govern the County's investment policies, as discussed previously in these notes.

GASB Statement No. 40 directs that deposits be disclosed as exposed to custodial credit risk if they are not covered by depository insurance, and the deposits are either uncollateralized or collateralized with securities held by the pledging financial institution's trust department or agent, but not in the County's name.

Deposits and investments at year-end were entirely covered by Federal depository insurance or by collateral held by the County's custodial banks in the County's name. All deposits, including certificates of deposit, are carried at cost. The table below describes cash and investment balances and related collateralization:

Fund Type	Book Balance	Bank Balance
Governmental activities	$ 31,669,205	31,624,093
Fiduciary funds	1,029,422	2,345,536
Total cash balances	$ 32,698,627	33,969,629
Insured (FDIC)		17,279,674
Insured - collateral held in the County's name		16,689,955
Total cash balances		$ 33,969,629

(2) Property Taxes

At December 31, 2019, the total real property taxes receivable of $10,156,399 are net of an allowance for uncollectible taxes of $250,000.

Current year returned school taxes of $4,811,961 are offset by liabilities to the school districts, which will be paid no later than April 15, 2020. The remaining portion of taxes receivable is partially offset in the Governmental Fund financial statements by deferred inflows of resources of $3,983,972 (which represents an estimate of the taxes which will not be collected within the first sixty (60) days of the subsequent year).

(2) Detail Notes, Continued

(a) Assets, Continued

(3) Capital Asset Activity

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

		Balance at 12/31/18	Additions	Deletions	Balance at 12/31/19
Governmental Activities:					
Non-depreciable capital assets:					
Land	$	777,631	68,917	79,974	766,574
Construction in progress		7,628,399	444,925	-	8,073,324
Total non-depreciable capital assets		8,406,030	513,842	79,974	8,839,898
Depreciable assets:					
Buildings		40,199,654	206,751	17,500	40,388,905
Improvements		2,064,268	598,200	-	2,662,468
Bridges		41,878,874	5,830,042	-	47,708,916
Roads		54,597,954	4,187,741	-	58,785,695
Infrastructure		14,688,659	-	-	14,688,659
Machinery and equipment		26,876,520	3,060,971	1,508,269	28,429,222
Right to use lease asset		22,772	17,340	2,158	37,954
Total depreciable capital assets		180,328,701	13,901,045	1,527,927	192,701,819
Total cost		188,734,731	14,415,887	1,607,901	201,541,717
Less accumulated depreciation:					
Buildings		22,166,782	1,712,115	17,026	23,861,871
Improvements		537,604	201,351	-	738,955
Bridges		9,139,190	1,075,784	-	10,214,974
Roads		35,086,031	4,135,017	-	39,221,048
Infrastructure		7,744,298	316,854	-	8,061,152
Machinery and equipment		19,007,287	2,642,404	1,366,881	20,282,810
Right to use lease asset		-	7,762	-	7,762
Total accumulated depreciation		93,681,192	10,091,287	1,383,907	102,388,572
Governmental Activities capital assets, net	$	95,053,539	4,323,600	223,994	99,153,145

(2) Detail Notes, Continued

(a) Assets, Continued

(3) Capital Asset Activity, Continued

Depreciation expense was charged to functions as follows:

General government support	$ 1,692,406
Education	1,388
Public safety	752,801
Health	10,657
Transportation	6,975,240
Economic assistance and opportunity	44,753
Culture and recreation	672
Home and community	613,370
Total	$ 10,091,287

(b) Loans and Lease Receivable

Washington County Local Development Corporation

Loans receivable includes various amounts loaned to local businesses through its revolving loan program. Of the gross receivables of $3,348,332, there is an allowance for doubtful accounts of $313,153, making the net receivables of $3,035,179. Of this net receivables balance, $412,171 are due within one year and $2,623,008 are due thereafter through 2036.

In addition, the Washington County Local Development Corporation entered into a Rural Business Enterprise Grant agreement with the U.S. Department of Agriculture for the purpose of purchasing equipment. During 2015, the LDC purchased equipment in the amount of $95,220 which it then leased to a local business. The total amount of the lease payment will be equal to 40% of the purchase price of the equipment, $38,088. The business will make monthly lease payments of $430 through June 1, 2022, the expected life of the equipment. The title to the equipment is to be held in the name of the LDC during the lease period. At the end of the lease period, the equipment is to be conveyed to the business for the sum of $1. The balance due as of December 31, 2019, was $13,314.

Lease payments receivable consisted of the following at December 31, 2019:

Years ending December 31,	
2020	$ 5,155
2021	5,155
2022	3,004
Total	$ 13,314

Upon receipt of the lease proceeds, the LDC is required to use the funds to provide term loans for specific purposes that support local farm and/or agricultural related business.

(2) Detail Notes, Continued

(c) Liabilities

(1) Pension Plans

(a) Plan Descriptions and Benefits Provided

Employees' Retirement System (ERS)

The County participates in the New York State and Local Employees' Retirement System. This is a cost-sharing multiple-employer retirement system. The System provides retirement benefits as well as death and disability benefits. The net position of the System is held in the New York State Common Retirement Fund (the Fund), which was established to hold all net assets and record changes in plan 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 provision of the New York State Retirement and Social Security Law (RSSL). Once a public employer elects to participate in the System, the election is irrevocable. The New York State Constitution provides that pension membership is a contractual relationship and plan benefits cannot be diminished or impaired. Benefits can be changed for future members only by enactment of a State statute. The County also participates in the Public Employees; Group Life Insurance Plan (GLIP), which provides death benefits in the form of life insurance. The System is included in the State's financial report as a pension trust fund. That report, including information with regard to benefits provided, may be found 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, New York 12244.

The System is noncontributory except for employees who joined after July 27, 1976, who contribute 3 percent of their salary for the first ten years of membership, and employees who joined on or after January 1, 2010 and before April 1, 2012 who generally contribute 3.0 percent of their salary for their entire length of service. Those joining on or after April 21, 2012 are required to contribute between 3 and 6 percent, dependent on salary, throughout their working careers. The Comptroller annually certifies the actuarially determined rates expressly used in computing the employers' contributions based on salaries paid during the Systems fiscal year ending March 31.

(2) Detail Notes, Continued

(c) Liabilities, Continued

(1) Pension Plans, Continued

(b) Pension Liabilities, Pension Expense. and Deferred Outflows of Resources and Deferred Inflows of Resources Related to Pensions

At December 31, 2019, the County reported the following liability for its proportionate share of the net pension liability for ERS. The net pension liability was measured as of March 31, 2019. The total pension liability used to calculate the net pension liability was determined by an actuarial valuation. The County's proportionate share of the net pension liability was based on a projection 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 ERS in reports provided to the County.

	Governmental Activities	Soil and Water Conservation District
Measurement date	3/31/2019	3/31/2019
Net pension liability	$ 7,920,179	50,538
County's proportion of the Plan's net pension liability	0.1117832%	0.0007133%
Change in proportionate share from prior year	0.0026333	0.0000183

For the year ended December 31, 2019, the County recognized pension expense of $4,127,587 and $35,909 for governmental activities and the Soil and Water Conservation District, respectively, in the Statement of Activities. At December 31, 2019 the County's reported deferred outflows of resources and deferred inflows of resources related to pensions from the following sources:

	Washington County		Soil and Water Conservation District	
	Deferred Outflows of Resources	Deferred Inflows of Resources	Deferred Outflows of Resources	Deferred Inflows of Resources
Differences between expected and actual experience	$ 1,559,649	531,667	9,952	3,393
Changes of assumptions	1,990,809	-	12,703	-
Net difference between projected and actual investment earnings on pension plan investments	-	2,032,756	-	12,971
Changes in proportion and differences between the County's contributions and proportionate share of contributions	159,087	1,532,972	6,271	3,050
County's contributions subsequent to the measurement date	2,929,669	-	25,781	-
Total	$ 6,639,214	4,097,395	54,707	19,414

(2) Detail Notes, Continued

(c) Liabilities, Continued

(1) Pension Plans, Continued

(b) Pension Liabilities, Pension Expense, and Deferred Outflows of Resources and Deferred Inflows of Resources Related to Pensions, Continued

County contributions subsequent to the December 31, 2019 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 of resources related to pensions will be recognized in pension expense as follows:

Year ending	Washington County	Soil and Water Conservation District
2020	$ 893,916	11,053
2021	(1,881,649)	(7,848)
2022	(372,183)	(840)
2023	972,066	7,147
2024	-	-
Thereafter	-	-

(c) Actuarial Assumptions

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

Measurement date	March 31, 2019
Actuarial valuation date	April 1, 2018
Investment rate of return (net of investment expense, including inflation)	7.0%
Salary increases	4.2%
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, 2018 valuation are based on the results of an actuarial experience study for the period April 1, 2010 - March 31, 2015.

(2) Detail Notes, Continued

(c) Liabilities, Continued

(1) Pension Plans, Continued

(c) Actuarial Assumptions, Continued

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 the target asset allocation percentage and by adding expected inflation. The target allocation and best estimates of arithmetic real rates of return for each major asset class are summarized as follows.

Asset Class	Target Allocation	Long-Term Expected Real Rate of Return *
Asset class:		
Domestic equity	36.00%	4.55%
International equity	14.00%	6.35%
Private equity	10.00%	7.50%
Real estate	10.00%	5.55%
Absolute return strategies (1)	2.00%	3.75%
Opportunistic portfolio	3.00%	5.68%
Real assets	3.00%	5.29%
Bonds and mortgages	17.00%	1.31%
Cash	1.00%	(0.25%)
Inflation - indexed bonds	4.00%	1.25%
	100.00%	

*The real rate of return is net of the long-term inflation assumption of 2.5%.

(1) Excludes equity oriented and long-only funds. For investment management purposes, these funds are included in domestic equity and international equity.

(d) Discount Rate

The discount rate used to calculate the total pension liability 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 determined. 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.

(2) Detail Notes, Continued

(c) Liabilities, Continued

(1) Pension Plans, Continued

(e) Sensitivity of the Proportionate Share of the Net Pension Liability to the Discount Rate

The following presents the County's proportionate share of the net pension liability calculated using the discount rate of 7.0%, as well as what the County's proportionate share of the net pension liability would be if it were calculated using a discount rate that is 1-percentage point lower (6.0%) or 1-percentage point higher (8.0%) than the current rate:

Governmental Activities	1% Decrease (6.0%)	Current Assumption (7.0%)	1% Increase (8.0%)
County's proportionate share of the net pension asset (liability)	$ (34,628,285)	(7,920,179)	14,516,525

Soil and Water Conservation District	1% Decrease (6.0%)	Current Assumption (7.0%)	1% Increase (8.0%)
District's proportionate share of the net pension asset (liability)	$ (220,960)	(50,538)	92,628

(f) Pension Plan Fiduciary Net Position

The components of the current-year net pension liability of all participating employers as of the respective measurement dates, were as follows:

	(Dollars in Millions)
Measurement date	3/31/2019
Employers' total pension liability	$ (189,803)
Plan fiduciary net position	182,718
Employers' net pension liability	$ (7,085)
Ratio of plan fiduciary net position to the Employers' total pension liability	96.27%

(g) Contributions to the Pension Plan

Employer contributions are paid annually based on the System's fiscal year which ends on March 31st. Retirement contributions as of December 31, 2019 represent the projected employer contribution for the period of April 1, 2019 through March 31, 2020, based on paid ERS wages multiplied by the employer's contribution rate, by tier. Retirement contributions paid to ERS for the year ended December 31, 2019 for governmental activities and the Soil and Water Conservation District were $3,869,131 and $32,970, respectively.

(2) Detail Notes, Continued

(c) Liabilities, Continued

(2) Other Postemployment Benefits Other than Pensions

(a) Plan Description and Benefits

The OPEB Plan is a single-employer, defined benefit healthcare plan administered by the County which provides medical, dental, and vision benefits to four grandfathered retirees. Benefit provisions were established through negotiations between the County and bargaining units.

The contribution requirements of OPEB Plan members and the County are established and may be amended by the County Board of Supervisors. The County Board of Supervisors has negotiated several collective bargaining agreements, which include obligations of participants and the County. The required contribution is based on projected pay-as-you-go financing requirements. For the year ended December 31, 2019, the County contributed $2,472,810 to the OPEB Plan for current premiums. Participants receiving benefits may be required to contribute to the OPEB Plan depending on their collective bargaining unit.

The County assigns the authority to establish and amend benefit provisions to the County Board of Supervisors for non-bargaining unit employees. The OPEB Plan does not issue a stand-alone financial report.

(b) Employees covered by benefit terms

At December 31, 2018, the following employees were covered by the benefit terms:

Current retirees	434
Active employees	572
	1,006

(c) Total OPEB Liability

The County's total OPEB liability of $102,246,027 was measured as of December 31, 2019 and was determined by an actuarial valuation as of January 1, 2019.

(d) Actuarial Assumptions and Other Inputs

The total OPEB liability in the January 1, 2019 actuarial valuation was determined using the following actuarial assumptions and other inputs, applied to all periods included in the measurement, unless otherwise specified:

Salary scale	3.00%
Discount rate	3.26%
Inflation	3.00%
Healthcare cost trend rates	8.00% for 2019, decreasing to an ultimate rate of 5.00%

Mortality rates were based on the SOA RP-2014 with MP-2016 projection.

(2) Detail Notes, Continued

(c) Liabilities, Continued

(2) Other Postemployment Benefits Other than Pensions, Continued

(e) Changes in the Total OPEB Liability

Total OPEB liability as of January 1, 2019	$ 93,806,259
Changes for the year:	
Service cost	4,055,436
Interest	3,369,543
Differences between actual and expected experience	(4,253,914)
Changes in assumptions	7,741,513
Benefit payments	(2,472,810)
Total changes	8,439,768
Total OPEB liability as of December 31, 2019	$ 102,246,027

(f) Sensitivity of the total OPEB liability to changes in the discount rate

The following presents the total OPEB liability of the County, as well as what the County's total OPEB liability would be if it were calculated using a discount rate that is 1-percentage-point lower (2.26%) or 1-percentage-point higher (4.26%) than the current discount rate:

	1% Decrease (2.26%)	Current Discount Rate (3.26%)	1% Increase (4.26%)
Total OPEB liability	$ 122,630,071	102,246,027	81,861,982

(g) Sensitivity of the total OPEB liability to changes in the healthcare costs trend rates

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

	1% Decrease	Current Trend Rate	1% Increase
Total OPEB liability	$ 81,686,645	102,246,027	127,563,878

(h) OPEB Expense and Deferred Outflows of Resources and Deferred Inflows of Resources Related to OPEB

For the year ended December 31, 2019, the County recognized OPEB expense of $7,504,283. At December 31, 2019, the County reported deferred outflows of resources and deferred inflows of resources related to OPEB from the following sources:

(2) Detail Notes, Continued

(c) Liabilities, Continued

(2) Other Postemployment Benefits Other than Pensions, Continued

(h) OPEB Expense and Deferred Outflows of Resources and Deferred Inflows of Resources Related to OPEB, Continued

	Deferred Outflows of Resources	Deferred Inflows of Resources
Difference between expected and actual experience	$ -	5,862,049
Changes of assumptions	6,773,824	-
	$ 6,773,824	5,862,049

Town contributions subsequent to the measurement date will be recognized as a reduction of the other postemployment benefit liability in the year ending December 31, 2020. Other amounts reported as deferred outflows of resources related to other postemployment benefits will be recognized as follows:

Year ending	
2020	$ 79,304
2021	79,304
2022	79,304
2023	79,304
2024	79,304
Thereafter	515,255

(3) Short-Term Debt

Bond Anticipation Notes

Bond anticipation notes issued in anticipation of proceeds from the subsequent sale of bonds are recorded as current liabilities of the funds that will actually receive the proceeds from the issuance of the bonds. Such notes may be classified as long-term debt when (1) the intention is to refinance the debt on a long-term basis and (2) the intention can be substantiated through a post balance sheet issuance of long-term debt or by an acceptable financing agreement. State law requires that bond anticipation notes issued for capital purposes be converted to long-term financing within five years after the original issue date.

The following is an analysis of bond anticipation notes at December 31, 2019:

Description of Issue	Interest Rate	Issuance Date	Maturity Date	Balance at December 31, 2018	Additions	Deletions	Balance at December 31, 2019
Capital projects	1.50%	3/29/2018	3/29/2019	$ 2,965,000	-	2,965,000	-
Capital projects	2.75%	3/28/2019	3/30/2020	-	7,930,000	-	7,930,000
Sewer capital project	0.00%	3/30/2017	12/22/2021	7,463,128	-	149,500	7,313,628
				$10,428,128	7,930,000	3,114,500	15,243,628

(2) Detail Notes, Continued

(c) Liabilities, Continued

(4) Long-Term Debt

Long-term liability activity for the year ended December 31, 2019 was as follows:

	Balance at 12/31/18	Additions	Decreases	Balance at 12/31/19	Amount Due Within One Year
Governmental Activities:					
Compensated absences	$ 977,158	11,098	-	988,256	-
Claims and judgments payable - Workers' Compensation	3,281,939	949,829	1,002,034	3,229,734	-
Total OPEB liability	93,806,259	10,912,578	2,472,810	102,246,027	-
Net pension liability - proportionate share	3,522,754	4,397,425	-	7,920,179	-
Landfill closure and postclosure costs	174,301	-	9,043	165,258	-
State loans payable	80,000	-	25,000	55,000	25,000
Bonds payable	1,100,000	-	215,000	885,000	220,000
Bond premium	43,852	-	10,218	33,634	10,218
WTASC bonds payable	12,225,000	-	70,000	12,155,000	250,000
Lease liabilities	22,772	17,340	9,920	30,192	8,292
Total Governmental Activities	$ 115,234,035	16,288,270	3,814,025	127,708,280	513,510

Long-term debt was comprised of the following:

State Loans Payable

$500,000 in revenue bonds issued by New York State Environmental Facilities Corporation for the State Clean Water and Drinking Water Revolving Fund, payable in annual principal payments ranging from $25,000 to $30,000 on April 15 of each year through 2021 with semi-annual interest payments ranging from 1.85% - 5.00% due on April 15 and October 15 of each year.	$ 55,000

Bonds Payable

$2,795,000 Public Improvement serial bonds, due in annual installments ranging from $5,000 to $350,000 through 2023 with interest ranging from 2.00% to 3.00%. These bonds were used to refund 2003 public improvement bonds totaling $3,060,000.	885,000
Total bonds payable and state loans payable	$ 940,000

Total interest expense for Washington County was $694,973 for the year ended December 31, 2019. The aggregate maturities of long-term bonds and State loans payable are as follows:

(2) Detail Notes, Continued

(c) Liabilities, Continued

(4) Long-Term Debt, Continued

Years ending December 31,	Principal	Interest	Total Debt Service
2020	$ 245,000	20,095	265,095
2021	250,000	14,329	264,329
2022	220,000	9,181	229,181
2023	225,000	4,781	229,781
Total	$ 940,000	48,386	988,386

The premium on a 2013 bond refunding of $102,174 is being amortized over ten years at $10,218 per year. The balance at December 31, 2019, was $33,634.

Lease Liabilities

Five copiers were leased and capitalized in 2018 and 2019 totaling $30,192 due in monthly installments ranging from $125 to $308. All five leases are interest free.

Years ending December 31,	Principal
2020	$ 8,292
2021	8,292
2022	6,333
2023	4,096
2024	3,179
Total	$ 30,192

Washington Tobacco Asset Securitization Corporation (WTASC)

In December 2000, WTASC issued $11,160,000 in serial and term bonds for the purpose of funding the building of a county jail. These bonds would have been paid off with receipts from the New York Tobacco Settlement Agreement. On August 25, 2005, WTASC issued $14,690,000 in bonds to refund the balance of the 2000 Bonds. The remaining balance of the defeased 2000 Bonds of $9,050,000 was paid in full in June 2010.

Term bonds totaling $14,690,000 were issued on August 25, 2005. The interest rates vary from 4.25% to 5%. The total debt service has been projected assuming that the tobacco settlement revenues will be at a level that allows the flexible amortization term bonds to be repaid by June 1, 2045. A summary of the future debt maturities follows:

(2) Detail Notes, Continued

(c) Liabilities, Continued

(4) Long-Term Debt, Continued

Years ending December 31,	Principal	Interest	Total Debt Service
2020	$ 250,000	631,263	881,263
2021	265,000	620,319	885,319
2022	275,000	608,156	883,156
2023	295,000	594,619	889,619
2024	300,000	580,488	880,488
2025-2029	1,765,000	2,661,469	4,426,469
2030-2034	2,265,000	2,161,875	4,426,875
2035-2039	2,905,000	1,518,875	4,423,875
2040-2044	3,725,000	693,125	4,418,125
2045	110,000	21,000	131,000
Total	$ 12,155,000	10,091,189	22,246,189

WTASC has pledged, as security for the above bonds, its future tobacco settlement revenues pursuant to the New York State Tobacco Settlement Agreement. For the current year, principal and interest paid by WTASC totaled $70,000 and $606,137, respectively, as compared to its tobacco settlement revenues of $696,249. To estimate the present value of the receivable for future tobacco settlement revenues, an average bond interest rate of 4.625% was used, compounded annually through the year 2042.

Washington County Local Development Corporation (LDC)

Intermediary Relending Program Loan Payable - Washington County Local Development Corporation entered into a loan agreement on November 25, 1998 with the U.S. Department of Agriculture for $300,000 to be paid back over 30 years at a fixed rate of 1%. Interest only was paid for the first two years. Principal and interest payments are made in 28 equal annual installments with any remaining balance being paid 30 years from the date of the note. A stipulation of this program is that the Washington County Local Development Corporation must match a portion of the loan. The Corporation's matching requirement was $75,000, making the program funds total $375,000. As of December 31, 2019, the Corporation has drawn down $450,000 and made nine loans. The terms are as follows:

Installment contract to the U.S. Department of Agriculture payable in annual installments of $12,339, including interest at 1%, through November 2028.	$ 105,230
Less current portion	(11,286)
Long-term debt, net of current portion	$ 93,944

(2) Detail Notes, Continued

(c) Liabilities, Continued

(4) Long-Term Debt, Continued

Maturities of long-term debt are as follows:

Years ending December 31,	Principal
2020	$ 11,171
2021	11,283
2022	11,301
2023	11,324
Thereafter	60,151
Total	$ 105,230

(5) Due to Other Governments

The liability for due to other governments represents amounts owed at December 31, 2019 as follows:

	General Fund	Other Governmental Funds	Trust and Agency Fund
Due to other counties	$ 442,151	-	-
Due to New York State	31,099	-	671
Due to special districts	17,700	-	-
Due to school districts	5,189,708	-	
Due to villages and towns	988,093	26,892	-
Total	$ 6,668,751	26,892	671

(d) Deferred Inflows of Resources

Aggregated Deferred Inflows of Resources - Unearned Revenue - Certain revenues have been deferred in the fund and/or Government-wide statements as the revenue relates to future reporting periods:

	Statement of Net Position	Governmental Funds
Tax revenue	$ -	3,983,972
Tobacco settlements	21,586,737	21,586,737
Unbilled sewer receivables	-	396,133
Other postemployment benefits	5,862,049	-
Pensions	4,097,395	-
	$ 31,546,181	25,966,842

(2) Detail Notes, Continued

(e) Interfund Transactions

During the course of normal operations, the County has numerous transactions between funds including expenditures and transfers of resources primarily to provide services. The Governmental Funds financial statements generally reflect such transactions as transfers whereas the Proprietary Funds record such transactions as non-operating revenue or expenses.

Interfund transactions for the year ended December 31, 2019 were as follows:

	Interfund Receivables	Interfund Payables	Interfund Transfers in	Interfund Transfers out
Governmental Funds:				
General Fund	$ 1,465,471	1,377,212	12,331	10,206,397
County Road Fund	5,465	187,207	9,489,166	49,850
Capital Projects Fund	1,310,630	1,302,299	363,510	52,509
Special Revenue Funds:				
Car Pool Fund	66,173	34,213	-	-
Road Machinery Fund	204,598	6,605	331,607	-
Sewer Fund	2,000	4,817	40,178	-
Federal Forfeitures Fund	-	-	71,964	-
Internal Service Funds:				
Workers' Compensation Fund	-	84,581	-	-
Self-Insured Health Insurance Fund	-	7,503	-	-
Agency Fund	21,100	71,000	-	-
Totals	$ 3,075,437	3,075,437	10,308,756	10,308,756

(f) Fund Balances

Designation of fund balances at December 31, 2019 is as follows:

			Fund Balance Assigned			
Fund	Non-Spendable	Restricted	Appropriated for Subsequent Year's Budget	Other Assigned Fund Balance	Unassigned	Total Fund Balance
Major Governmental Funds:						
General fund	$ 896,806	2,341,088	2,600,000	1,200,959	12,125,428	19,164,281
County road fund	392,642	-	200,000	666,601	-	1,259,243
Capital projects fund	-	-	-	-	(5,165,447)	(5,165,447)
Total major funds	1,289,448	2,341,088	2,800,000	1,867,560	6,959,981	15,258,077
Nonmajor Funds	872,868	1,773,650	109,025	1,549,356	146,229	4,451,128
Total governmental activities	$ 2,162,316	4,114,738	2,909,025	3,416,916	7,106,210	19,709,205

(2) Detail Notes, Continued

(f) Fund Balances, Continued

The deficits in individual capital projects fund arise, in-part, because of the application of generally accepted accounting principles to the financial reporting of such funds. The proceeds of bond anticipation notes issued to finance construction of capital projects are not recognized as an "other financing source." Liabilities for bond anticipation notes are accounted for in the capital project fund. Bond anticipation notes are recognized as revenue only to the extent that they are redeemed. These deficits will be reduced and eliminated as bond anticipation notes are redeemed from interfund transfers from other governmental funds or converted to permanent financing. Other deficits, where no bond anticipation notes were issued or outstanding to the extent of the project deficits, arise because of expenditures exceeding current financing on the projects. These deficits will be eliminated with the subsequent receipt or issuance of authorized financing.

(3) Contingent Liabilities

In June of 2006, the County modified its agreement with the County's health insurance provider, Blue Shield, to pay claims only, plus administrative expenses for health insurance benefits for its employees and qualified retirees. The County changed providers to Empire Blue Cross in June of 2009, however the procedure remained the same. The plan has a stop loss insurance coverage that pays all individual claims over $100,000 on an annual basis. The County's broker tracks all claims to insure the County receives proper credit from the health insurance provider.

Should the County change providers or plans, the fund will be responsible for all claims incurred during the effective date of the plan. As of December 31, 2019, the amount required to terminate the current contract is $716,298 and is recorded in accrued liabilities. This represents claims incurred but not yet reported to the health insurance provider.

A health insurance rate is established for the employee's and employer's portion of the monthly premium to provide for the budgeted/projected annual expense for the administrative costs plus claims. The employee's share of the monthly premium is withheld from the employee's first pay of the month and recorded within the County's Agency Fund. The employer's share of the monthly premiums is recorded as a liability within the fund that the employee's personal service expense/payroll expense is charged.

The administrative costs are invoiced on a monthly basis to the County by the County's health insurance provider. The monthly invoice is reconciled to the health insurance payroll deductions and withdrawn monthly on a date scheduled by the County's health insurance carrier from the account previously established for the health insurance administrative costs and claims.

The employer's share of the monthly premiums is also reconciled to the provider's monthly invoice on a biweekly basis at the same time as the employee's share reconciliation. Once reconciled, the employer's and employees' shares of the monthly premium are transferred to the bank account previously established for the health insurance administrative costs and claims. These transactions are recorded in the Self-insured Health Benefits Fund, accordingly.

(3) Contingent Liabilities, Continued

Claim disbursements to the provider are processed at least bi-monthly to maintain the escrow account held at JP Morgan Chase Bank for the benefit of Empire Blue Cross at a balance of $210,000. The ACH transfers to Blue Cross are journalized as they occur within the Self-insurance Fund for Health Insurance.

Per the New York State Comptroller's accounting bulletin of May 2006, "the Medicare Prescription Drug, Improvement and Modernization Act of 2003" established prescription drug coverage for Medicare-eligible beneficiaries under Medicare Part D. Provisions of Medicare Part D address employers who provided prescription drug benefits to retirees. If an employer provides to its Medicare-eligible retirees prescription drug benefits that are at least actuarially equivalent to those that otherwise would be provided by Medicare, the federal government will make subsidy assistance payments either directly to or on behalf of the employer. It is expected that these federal subsidy payments will equal 28% of allowable retiree costs (about $600 per participant) for each Part D eligible retiree enrolled in the employer's prescription drug plan and not enrolled in Part D. The provisions of Medicare Part D became effective January 1, 2006.

The federal subsidy offered under this program is intended to provide a financial incentive or assistance to employers to continue providing prescription drug benefits to its Medicare-eligible retirees, thereby relieving the Medicare program of coverage responsibility. Generally, federal subsidy payments will be made directly to the local government employer although there may be situations when payments are made to the prescription drug plan provider on behalf of the local government employer. For the purposes of the Medicare Part D program, Federal subsidies or "reimbursements" to or on behalf of the employer are not considered Federal Aid.

A revenue account, Reimbursement of Medicare Part D Expenditures, is used to record the amount of the Medicare Part D federal subsidy. Revenue is recorded in the fund from which prescription drug expenditures where charged.

Medicare Part D subsidy payments are made to the County's prescription drug plan provider on behalf of Washington County and are credited to revenue within the Self-insured Health Benefits Fund.

In 1994 the County joined NYMIR (New York Municipal Insurance Reciprocal) for its municipal property and casualty insurance. NYMIR is a consortium whose members are all municipalities. The subscribers pay a 25% capitalization fee that is based on each subscriber's annual premium and is paid over a five year period. This capitalization fee amounts to approximately $24,000 per year. The County may be eligible for future dividends if the consortium does well or may be liable for its share of ownership if a major loss occurs. NYMIR does carry re-insurance with other companies.

(3) Contingent Liabilities, Continued

The County established its own self-insurance plan for Workers' Compensation under Local Law Nos. 1 and 2, 1956, pursuant to Article 5 of the Workers' Compensation Law. The plan is open to any eligible municipality for participation. There were 61 participants at December 31, 2019, including the County. The County is responsible for administration of the plan and its reserves. This self-insurance plan is managed by a third party administrator selected by the County. This administrator has actuarially computed the liability for reported cases to date at $3,229,734, which includes amounts owed for prior employees of the Pleasant Valley Infirmary. The plan purchases commercial insurance for claims in excess of $1,000,000 (each occurrence) involving "third party over actions." All funds of the County participate in the program and make payments to the Workers' Compensation Fund based on actual claims paid in the previous completed fiscal year and their portion of the administrative and pooled costs. The County is responsible for 100% of all EMS and Fire claims. Each of the plan's participants are responsible for the first $20,000 of any individual claim. All paid claims over $20,000 per occurrence will be shared by all plan participants based on an allocation of 90% of the total payroll and 10% of the full assessed real property of the participant. The plan has an established reserve to accommodate the County's deductible for catastrophic claims. Local Law 4 of 2015 set a reserve for this fund at $1,750,000. Claims paid in 2019 totaled $1,002,034.

Changes in the Workers' Compensation aggregate claims liabilities for the year ended December 31, 2019 are as follows:

Liability Beginning of Year	Claims and Changes in Estimates	Claim Payments	Liability End of Year
$ 3,281,939	949,829	1,002,034	3,229,734

Contingent Liabilities Related to the Former Pleasant Valley Enterprise Fund

Net patient service revenue was reported at estimated net realizable amounts from residents, third-party payers, and others for services rendered and included estimated retroactive revenue adjustments due to future audits, reviews and investigations. Retroactive adjustments were considered in the recognition of revenue on an estimated basis in the period the related services were rendered, and such amounts are adjusted in future periods as adjustments become known or as years are no longer subject to such audits, reviews and investigations. Laws and regulations governing the Medicare and Medicaid programs are extremely complex and subject to interpretation.

In addition, the former Nursing Home was involved in various litigations arising in the normal course of business. After conversation with legal counsel, management estimates that these matters will be resolved without material adverse effect on the County's future financial position or results from operations.

(3) Contingent Liabilities, Continued

Uninsured Liabilities

As of this date, the County has no uninsured contingent liabilities that would significantly affect the County. The County is involved in many claims and suits, all of which are defended and indemnified by its insurers and which present no material adverse situations to the County.

Federal Award Programs

At present, there are no outstanding civil rights complaints involving the County with the New York state Division of Human rights and no outstanding complaints with either the Federal Equal Employment Opportunity Commission or Attorney General's Office.

The County is subject to several outstanding lawsuits which allege violations of civil rights which are defended and indemnified by its insurers.

At this time, the County is unaware of any violations of federal grants agreements and/or regulations relating to federally funded programs administrated by the County.

County Medicaid Cap

In 2005, New York State passed legislation (Chapter 58 of the Laws of 2005) to cap Medicaid at the 2005 calendar year level and limit the growth rate of county Medicaid costs to 3.5% in 2006, 3.25% in 2007. Future county Medicaid growth rates will be permanently capped at 3% starting in 2008. The 2005 cap started January 1, 2006, with an estimate provided to New York State counties by the State Department of Budget and Department of Health.

Due to the fact that the State capped Medicaid for all county expenses effective December 31, 2005, New York State has relieved the county requirement to post Medicaid year-end accrued liabilities associated with various Medicaid expenditures where cash reimbursement has been lagged. There is also an offsetting reduction in accrued revenues receivables, which would typically be paid to counties after year-end.

Remedies for Default

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 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."

(4) Joint Venture

The Adirondack Community College (the College) is jointly sponsored by Washington and Warren Counties under provisions of Article 126 of the Education Law. As a joint venture, separate financial statements are issued by the College.

The following is a summary of financial information included in the financial statements of the joint venture:

Adirondack Community College financial statement dated August 31, 2019:

Total assets	$	70,733,059
Total deferred outflows of resources		7,697,467
Total liabilities		50,663,177
Total deferred inflows of resources		3,878,086
Net position		23,889,263
Total revenue		37,243,213
Total expenditures		40,434,181

Joint Venture Net Position consists of the following:

Net investment in capital assets	$	54,774,023
Restricted		780,000
Unrestricted (deficit)		(31,664,760)
Total	$	23,889,263

The County contributed $1,490,453 to the College for operating expenses.

The above financial information does not include any component units included in the College's financial statements because the County has no responsibility for the component units. Complete financial statements of the College can be obtained from their Administrative Office at 640 Bay Road, Queensbury, New York 12804.

(5) Commitments

Deferred Compensation Plan

In October 1993 the County established for its employees a deferred compensation plan created in accordance with Internal Revenue Code Section 457. The Plan, available to all employees, permits them to defer a portion of their salary until future years. The deferred compensation is not available to employees until termination, retirement, death or unforeseeable emergency. The County will fund all amounts of compensation deferred under the Plan, at the direction of the covered employee. The County has no liability for losses under the Plan but does have the duty of due care that would be required of an ordinary prudent investor. The County made no contributions to the deferred compensation plan for the year ended December 31, 2019.

(5) Commitments, Continued

Landfill Closure and Postclosure Care Costs

State and federal laws and regulations require the County to perform certain maintenance and monitoring functions at the two closed County owned landfills for thirty years after closure.

NYSDEC approved the closure certification reports for the two facilities in late 1999 and early 2000. As a result, the postclosure monitoring commenced in the year 2000 and will continue until 2029 (30 years total).

$89,328 is reported as landfill closure and postclosure care in accrued liabilities at the Easton Landfill at December 31, 2019 and represents the estimated costs of future monitoring for 11 years. These amounts are based on past expenditures and an annual escalation of 3.5% for each of the following 10 years.

$75,930 is reported as postclosure care in accrued liabilities for the Fort Ann Landfill on December 31, 2019 and represents the estimated costs of future monitoring for 12 years. These amounts are based on past expenditures and an annual escalation of 3.5% for each of the following 10 years.

In both cases, actual costs may be higher due to inflation, changes in technology, changes in regulations, or an inflation rate different than assumed.

(6) Tax Abatement Agreements

GASB Statement No. 77 - "Tax Abatement Disclosures" requires governments that enter into tax abatement agreements to disclose certain information relating to those agreements.

During the year ended December 31, 2019, Washington County had 18 real property tax abatement agreements related to their economic development programs which provide incentive packages to attract new business to the County, as follows:

Party to Agreement	Number of Agreements	Maturity Dates of Agreements	Real Property Taxes Abated in 2019
Warren Washington County Industrial Development Agency	9	2020 - 2026	$ 161,186
Town and Village of Greenwich, New York	1	2044	5,100
Village of Hudson Falls, New York	1	2031	5,794
Town of Whitehall, New York	2	2032	1,052
Village of Cambridge, New York	2	2020	3,265
Totals	15		$ 176,397

(6) Tax Abatement Agreements, Continued

The basis for each tax abatement varies according to the specific details of each agreement. Most are based upon a percentage of the value assigned to the land or improvement associated with the agreement.

As part of these agreements the County received $178,682 in payments in lieu of taxes (PILOT). The PILOT agreements were made to support the tourism and housing industries.

(7) Related Party Transactions

The Washington County Local Development Corporation (LDC) is provided rental space, use of equipment and certain personnel for its operations by the County at no cost to the organization. Also, federal funds received by the County under the Community Development Block Grant Program are transferred to the LDC for administration of the Revolving Loan and Micro-Enterprise Programs.

(8) Accounting Standards Issued But Not Yet Implemented

GASB Statement No. 83 - "Certain Asset Retirement Obligations." This Statement, issued in November 2016, addresses accounting and financial reporting for certain asset retirement obligations (AROs). Governments that have legal obligations to perform certain future asset retirement activities related to tangible capital assets should recognize a liability based on the guidance in this Statement. The requirements of this Statement are effective for reporting periods beginning after June 15, 2021, which is the fiscal year beginning January 1, 2022 for the County. Management is in the process of evaluating the potential impact due to the implementation of this Statement on the financial statements of the County.

GASB Statement No. 84 - "Fiduciary Activities." This Statement, issued in January 2017, established criteria for identifying fiduciary activities of all state and local governments. The focus of the criteria generally is on (1) whether a government is controlling assets of the fiduciary activity and (2) the beneficiaries with whom a fiduciary relationship exists. This Statement is effective for reporting periods beginning after December 15, 2019, which is the fiscal year beginning January 1, 2020 for the County. Management is in the process of evaluating the potential impact due to the implementation of this Statement on the financial statements of the County.

GASB Statement No. 89 - "Accounting for Interest Cost Incurred before the End of a Construction Period." This Statement, issued in June 2018, establishes accounting requirements for interest cost incurred before the end of a construction period. The requirements of this Statements are effective for reporting periods beginning after December 15, 2020 which is the fiscal year beginning January 1, 2021 for the County. Management is in the process of evaluating the potential impact due to the implementation of this Statement on the financial statements of the County.

(8) Accounting Standards Issued But Not Yet Implemented, Continued

GASB Statement No. 91 - "Conduit Debt Obligations." This Statement, issued in May of 2019, requires a single method be used for the reporting of conduit debt obligations. The focus of the Statement is to improve financial reporting by eliminating diversity in practice associated with (1) commitments extended by issuers, (2) arrangements associated with conduit debt obligations, and (3) related note disclosures. The requirements of this Statement are effective for reporting periods beginning after December 15, 2021, which is the fiscal year beginning January 1, 2022 for the County. Management is in the process of evaluating the potential impact due to the implementation of this Statement on the financial statements of the County.

GASB Statement No. 92 - "Omnibus 2020." This Statement, issued in January 2020, clarifies implementation of GASB Statements No. 73, 74, 84 and 87, generally effective for fiscal years beginning after June 15, 2021, which is the fiscal year beginning January 1, 2022 for the County. Management is in the process of evaluating the potential impact of this Statement on the financial statements of the County.

GASB Statement No. 93 - "Replacement of Interbank Offered Rates." This Statement, issued in March 2020, addresses the accounting and financial reporting implications that result from the replacement of an interbank offered rate (IBOR) - most notably, the London Interbank Offered Rate (LIBOR), which is expected to cease to exist in its current form at the end of 2021. The requirements of this Statement are effective for reporting periods after June 15, 2021, which is the fiscal year beginning January 1, 2022 for the County. Management is in the process of evaluating the potential impact due to the implementation of this Statement on the financial statements of the County.

GASB Statement No. 94 - "Public-Private and Public-Public Partnerships and Availability Payment Arrangements." This Statement, issued in March 2020, addresses issues related to public-private and public-public partnerships (PPPs). The requirements of this Statement are effective for reporting periods beginning after June 15, 2022, which is the fiscal year beginning January 1, 2023 for the County. Management is in the process of evaluating the potential impact due to the implementation of this Statement on the financial statements of the County.

GASB Statement No. 96 - "Subscription-Based Information Technology Arrangements." This Statement, issued in May 2020, provides guidance on the accounting and financial reporting for subscription-based information technology arrangements (SBITAs) for government end users. To the extent relevant, the standard for SBITAs are based on the standards established in Statement No. 87 - "Leases," as amended. The requirements of this Statement are effective for fiscal years beginning after June 15, 2022, which is the fiscal year beginning January 1, 2023 for the County. Management is in the process of evaluating the potential impact of implementation on the financial statements of the County.

(8) Accounting Standards Issued But Not Yet Implemented, Continued

GASB Statement No. 97 - "Certain Component Unit Criteria, and Accounting and Financial Reporting for Internal Revenue Code Section 457 Deferred Compensation Plans - an amendment of GASB Statements No. 14 and No. 84, and a supersession of GASB Statement No. 32." This Statement, issued in June 2020, sets requirements for a primary government's determination of component units which do not have governing boards; amends the financial burden criterion in paragraph 7 of Statement No. 84; sets required classifications for Section 457 plans and applies Statement No. 84, as amended, to IRC Section 457 arrangements; and supersedes remaining provisions of Statement No. 32, as amended, regarding investment valuation requirements for Section 457 plans. The requirements of this Statement in (1) paragraph 4 of this Statement as it applies to defined contribution pension plans, defined contribution OPEB plans, and other employee benefit plans and (2) paragraph 5 of this Statement are effective immediately. All other requirements of this Statement are effective for reporting periods beginning after June 15, 2021 which is the fiscal year beginning January 1, 2022 for the County. Management is in the process of evaluating the potential impact of implementation on the financial statements of the County.

COUNTY OF WASHINGTON, NEW YORK
Required Supplementary Information
Schedule of Revenue and Expenditures - Budget to Actual - General Fund
Year ended December 31, 2019

	Original Budget	Final Budget	Actual	Variance
Revenue:				
Real property taxes	$ 33,343,212	33,343,212	37,548,256	4,205,044
Real property tax items	2,116,192	2,116,192	1,622,169	(494,023)
Nonproperty tax items	20,978,000	20,950,573	22,780,946	1,830,373
Departmental income	3,276,890	3,292,767	3,489,977	197,210
Intergovernmental charges	570,058	572,858	394,591	(178,267)
Use of money and property	733,427	733,427	487,387	(246,040)
Fines and forfeitures	100,000	100,000	139,781	39,781
Sale of property and compensation for loss	14,050	14,050	61,650	47,600
Interfund revenue	771,358	771,358	793,122	21,764
State sources	14,030,667	15,453,446	13,828,801	(1,624,645)
Federal sources	9,607,063	9,968,968	8,733,818	(1,235,150)
Miscellaneous local sources	30,500	77,342	311,636	234,294
Total revenue	85,571,417	87,394,193	90,192,134	2,797,941
Expenditures:				
General government support	15,722,970	12,906,555	14,696,969	(1,790,414)
Education	4,873,082	5,534,082	5,765,643	(231,561)
Public safety	12,059,569	12,177,786	15,029,763	(2,851,977)
Health	4,290,650	4,701,351	4,641,997	59,354
Economic assistance and opportunity	29,243,205	29,543,709	30,761,727	(1,218,018)
Culture and recreation	1,021,862	1,057,330	1,196,271	(138,941)
Home and community	979,592	1,433,592	1,070,585	363,007
Employee benefits	8,788,505	12,112,755	1,375,767	10,736,988
Debt service - principal	51,043	214,166	224,086	(9,920)
Debt service - interest	214,166	51,043	70,925	(19,882)
Total expenditures	77,244,644	79,732,369	74,833,733	4,898,636
Excess of revenue over expenditures	8,326,773	7,661,824	15,358,401	7,696,577
Other financing sources (uses):				
Interfund transfers in	-	12,426	12,331	(95)
Interfund transfers out	(10,326,773)	(10,323,804)	(10,206,397)	117,407
Total other financing sources (uses)	(10,326,773)	(10,311,378)	(10,194,066)	117,312
Excess (deficiency) of revenue or appropriated fund balance, over expenditures and other financing uses	$ (2,000,000)	(2,649,554)	5,164,335	7,813,889

COUNTY OF WASHINGTON, NEW YORK
Required Supplementary Information
Schedule of Revenue and Expenditures - Budget to Actual - County Road Fund
Year ended December 31, 2019

	Original Budget	Final Budget	Actual	Variance
Revenue:				
Intergovernmental charges	$ 943,500	943,500	933,594	(9,906)
Use of money and property	1,500	1,500	2,671	1,171
Sale of property and compensation for loss	500	500	3,488	2,988
State sources	2,724,726	4,081,840	3,609,209	(472,631)
Federal sources	-	1,410,707	715,929	(694,778)
Miscellaneous local sources	3,500	3,500	8,740	5,240
Total revenue	3,673,726	6,441,547	5,273,631	(1,167,916)
Expenditures:				
Public safety	657,589	780,089	497,732	282,357
Transportation	11,194,743	14,067,622	12,486,219	1,581,403
Employee benefits	1,816,560	1,816,560	1,819,804	(3,244)
Debt service - interest	-	-	104,522	(104,522)
Total expenditures	13,668,892	16,664,271	14,908,277	1,755,994
Excess of revenue over expenditures	(9,995,166)	(10,222,724)	(9,634,646)	588,078
Other financing sources (uses):				
Interfund transfers in	9,495,166	9,489,166	9,489,166	-
Interfund transfers out	-	(49,850)	(49,850)	-
Total other financing sources (uses)	9,495,166	9,439,316	9,439,316	-
Excess (deficiency) of revenue or appropriated fund balance, over expenditures and other financing uses	$ (500,000)	(783,408)	(195,330)	588,078

COUNTY OF WASHINGTON, NEW YORK
Required Supplementary Information
Schedule of Changes in the County's
Total OPEB Liability and Related Ratios
Year ended December 31, 2019

	2019	2018
Total OPEB liability:		
Service cost	$ 4,055,436	4,109,465
Interest	3,369,543	3,296,951
Differences between expected and actual experience	(4,253,914)	(2,853,166)
Changes in assumptions	7,741,513	-
Benefit payments	(2,472,810)	(2,645,133)
Net change in total OPEB liability	8,439,768	1,908,117
Total OPEB liability - beginning	93,806,259	91,898,142
Total OPEB liability- ending	$ 102,246,027	93,806,259
Covered payroll	$ 29,857,000	27,493,000
Total OPEB liability as a percentage of covered payroll	342.45%	341.20%

Notes to schedule:

Changes of assumptions - Changes of assumptions and other inputs reflect the effects of changes in the discount rate each period. The following are the discount rates used in each period:

2019	2018
3.26%	3.64%

This schedule is presented to illustrate the requirement to show information for 10 years. However, information is presented for those years that are available.

COUNTY OF WASHINGTON, NEW YORK
Required Supplementary Information
Schedule of County's Proportionate Share of the Net Pension Liability
Year ended December 31, 2019

NYSERS Pension Plan

	2019	2018	2017	2016	2015
Washington County					
County's proportion of the net pension liability	0.1117832%	0.1091499%	0.1088635%	0.1067278%	0.1277452%
County's proportionate share of the net pension liability	$ 7,920,179	3,522,754	10,229,059	17,130,112	4,315,547
County's covered payroll	$27,338,061	26,073,920	24,484,283	22,411,473	26,603,829
County's proportionate share of the net pension liability as a percentage of its covered payroll	28.97%	13.51%	41.78%	76.43%	16.22%
Plan fiduciary net position as a percentage of the total pension liability	96.27%	98.24%	94.70%	90.70%	97.90%
Soil and Water Conservation District					
District's proportion of the net pension liability	0.0007133%	0.0006950%	0.0007032%	0.0004122%	0.0004062%
District's proportionate share of the net pension liability	$ 50,538	22,430	66,007	66,153	13,723
District's covered payroll	$ 206,347	174,601	161,006	104,744	159,953
District's proportionate share of the net pension liability as a percentage of its covered payroll.	24.49%	12.85%	41.00%	63.16%	8.58%
Plan fiduciary net position as a percentage of the total pension liability	96.27%	98.24%	94.70%	90.70%	97.90%

* This schedule is presented to illustrate the requierment for 10 years. However, until a full 10 year trend is compiled, the County is presenting information for those years for which information is avilable from the NYS Retirement System

COUNTY OF WASHINGTON, NEW YORK
Required Supplementary Information
Schedule of County's Pension Contributions
Year ended December 31, 2019

NYSERS Pension Plan

	2019	2018	2017	2016	2015
Washington County					
Contractually required contribution	$ 3,869,131	3,729,310	3,643,913	3,717,054	3,069,714
Contributions in relation to the contractually required contributior	3,869,131	3,729,310	3,643,913	3,717,054	3,069,714
Contribution deficiency (excess)	-	-	-	-	-
County's covered payroll	$27,338,061	26,073,920	24,484,283	22,411,473	26,603,829
Contributions as a percentage of covered payroll	14.15%	14.30%	14.88%	16.59%	11.54%
Soil and Water Conservation District					
Contractually required contribution	$ 32,970	28,240	26,690	25,885	10,094
Contributions in relation to the contractually required contributior	32,970	28,240	26,690	25,885	10,094
Contribution deficiency (excess)	-	-	-	-	-
District's covered payroll	$ 206,347	174,601	161,006	104,744	159,953
Contributions as a percentage of covered payroll	15.98%	16.17%	16.58%	24.71%	6.31%

* This schedule is presented to illustrate the requirement for 10 years. However, until a full 10 year trend is compiled, the County is presenting information for those years for which information is available from the NYS

COUNTY OF WASHINGTON, NEW YORK
Other Supplementary Information
Combining Balance Sheet - Nonmajor Governmental Funds
December 31, 2019

	Special Revenue Funds					Washington	Total
	Road Machinery Fund	Sewer Fund	Community Development Fund	Car Pool Fund	Federal Forfeitures	Tobacco Asset Securitization Corporation	Nonmajor Governmental Funds
Assets:							
Cash and equivalents - unrestricted	$ 784,588	1,539,233	-	131,100	106,900	146,229	2,708,050
Accounts receivable	28,402	728,913	-	2,105	258	-	759,678
Due from other funds	204,598	2,000	-	66,173	-	-	272,771
Due from State and Federal governments	-	13,000	-	-	-	-	13,000
Due from other governments	41,681	12,428	-	-	-	-	54,109
Inventory	813,710	-	-	18,593	-	-	832,303
Prepaid expenses	13,384	24,414	-	2,767	-	-	40,565
Restricted assets - cash	-	760,118	-	-	-	907,832	1,667,950
Total assets	1,886,363	3,080,106	-	220,738	107,158	1,054,061	6,348,426
Deferred outflows of resources - tobacco settlement receivable	-	-	-	-	-	21,586,737	21,586,737
Total assets and deferred outflows of resources	$ 1,886,363	3,080,106	-	220,738	107,158	22,640,798	27,935,163
Liabilities:							
Accounts payable	162,582	80,628	-	14,915	1,458	-	259,583
Accrued liabilities	6,544	28,270	-	1,491	-	-	36,305
Due to other funds	6,605	4,817	-	34,213	-	-	45,635
Due to other governments	3,095	8,227	-	-	-	-	11,322
Bond anticipation notes	-	959,005	-	-	-	-	959,005
Other liabilities	-	189,315	-	-	-	-	189,315
Total liabilities	178,826	1,270,262	-	50,619	1,458	-	1,501,165
Deferred inflows of resources - revenue	-	396,133	-	-	-	21,586,737	21,982,870
Fund balances:							
Nonspendable	827,094	24,414	-	21,360	-	-	872,868
Restricted	-	760,118	-	-	105,700	907,832	1,773,650
Assigned - appropriated	193,434	22,749	-	4,725	-	-	220,908
Assigned - unappropriated	687,009	606,430	-	144,034	-	-	1,437,473
Unassigned	-	-	-	-	-	146,229	146,229
Total fund balances	1,707,537	1,413,711	-	170,119	105,700	1,054,061	4,451,128
Total liabilities, deferred inflows of resources and fund balances	$ 1,886,363	3,080,106	-	220,738	107,158	22,640,798	27,935,163

COUNTY OF WASHINGTON, NEW YORK
Other Supplementary Information
Combining Statement of Revenue, Expenditures and Changes in Fund Balances -
Nonmajor Governmental Funds
Year ended December 31, 2019

	Special Revenue Funds						
	Road Machinery Fund	Sewer Fund	Community Development Fund	Car Pool Fund	Federal Forfeitures	Washington Tobacco Asset Securitization Corporation	Total Nonmajor Governmental Funds
Revenue:							
Real property taxes	$ -	521,540	-	-	-	-	521,540
Departmental income	-	1,824,022	-	-	-	-	1,824,022
Intergovernmental charges	-	2,000	-	-	-	-	2,000
Use of money and property	17,011	34,830	-	1,153	63	28,420	81,477
Licenses and permits	-	8,125	-	-	-	-	8,125
Sale of property and compensation for loss	80,050	6,769	-	13,191	-	696,249	796,259
Interfund revenue	2,722,432	59,758	-	815,285	-	-	3,597,475
State sources	-	-	-	-	22,441	-	22,441
Federal sources	-	-	114,952	-	52,512	-	167,464
Miscellaneous local sources	592,116	16,744	-	1,351	-	-	610,211
Total revenue	3,411,609	2,473,788	114,952	830,980	75,016	724,669	7,631,014
Expenditures:							
General government support	-	-	-	-	-	23,270	23,270
Public safety	-	-	-	-	41,280	-	41,280
Transportation	3,701,739	-	-	986,688	-	-	4,688,427
Economic assistance and opportunity	-	-	114,952	-	-	-	114,952
Home and community	-	1,686,705	-	-	-	-	1,686,705
Employee benefits	248,233	357,790	-	27,083	-	-	633,106
Debt service - principal	-	210,334	-	-	-	70,000	280,334
Debt service - interest	-	23,333	-	-	-	606,137	629,470
Total expenditures	3,949,972	2,278,162	114,952	1,013,771	41,280	699,407	8,097,544
Excess (deficiency) of revenue over expenditures	(538,363)	195,626	-	(182,791)	33,736	25,262	(466,530)
Other financing sources (uses) - interfund transfers in	331,607	40,178	-	-	71,964	-	443,749
Excess (deficiency) over expenditures and other sources (uses)	(206,756)	235,804	-	(182,791)	105,700	25,262	(22,781)
Fund balances at beginning of year	1,914,293	1,177,907	-	352,910	-	1,028,799	4,473,909
Fund balances at end of year	$ 1,707,537	1,413,711	-	170,119	105,700	1,054,061	4,451,128