APPENDIX B

CERTAIN FINANCIAL AND ECONOMIC INFORMATION RELATING TO ALBANY COUNTY

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CERTAIN FINANCIAL AND ECONOMIC INFORMATION RELATING TO ALBANY COUNTY

THE COUNTY OF ALBANY

The following is a brief description of the County and certain information concerning its economy, governmental organization, indebtedness and financial practices. Certain information may require economic analysis in order to assess the importance of the facts and figures presented.

General

The County was incorporated in 1683. Situated on the west bank of the Hudson River, the County is approximately 135 miles directly north of New York City and has an area of approximately 533 square miles.

A number of the State's institutions of higher learning are located in the County, among them the State University of New York at Albany, the Russell Sage College (Albany Campus), Albany Law School (Union University), Siena College, the College of Saint Rose, Albany Medical College, Albany College of Pharmacy and Health Sciences and three business colleges.

The County's transportation needs are served by a network of excellent highways, including the New York State Thruway, Interstate Highways 90 and 87 and a connecting link to the Massachusetts Turnpike; major bus lines; three railroads; Albany International Airport; the Hudson River; the New York State Barge Canal and the Port of Albany. The County contains three cities – Albany, Cohoes and Watervliet – and ten towns. The cities have well equipped fire and police departments and the towns are served by many individual fire districts, volunteer fire companies and town police departments. Educational services for County residents are provided by private schools and school districts.

Government Organization

The County is governed by the provisions of its Charter. Under the Charter, adopted in 1993, the County is a home rule municipality and functions consistently with those provisions of the State Constitution and laws uniformly applicable to all New York municipalities.

The Legislature is the governing body of the County. A chairman, selected by the legislators every two years, is the presiding officer. Legislators are elected from each of the 39 districts within the County every four years or by special election in the event of a vacancy. The Legislature has the power to establish rules and procedures for itself, adopt local laws, levy taxes and other revenue measures, adopt budgets and approve all matters relevant to the administration of County government. Meetings of the Legislature are held on a monthly basis and are open to the public.

The County Executive is elected in the general election to a four-year term concurrent with that of the Legislature, without restriction as to the number of terms, and is charged with supervision of all departments of County government, subject to the provisions of the Charter. The Executive reports annually to the Legislature on the activities of all administrative units, recommends an annual budget, recommends for appointment the head of every department and administrative units of government and executes contracts. The financial affairs of the County are administered by two officers: The Commissioner of Management and Budget and the Comptroller. The Commissioner of Management and Budget, who is appointed by the County Executive and confirmed by the Legislature, assists the Executive in the preparation of the operating and capital budgets and in the study of administrative efficiency and economy, collects taxes and other revenues, and invests County funds.

The Comptroller is elected in the general election to a four-year term concurrent with that of the Legislature, without restriction as to number of terms, and is the chief fiscal officer of the County. Under the Comptroller's direction, the Department of Audit and Control obtains and audits all records relating to the use or deposit of County funds and submits annual reports to the Legislature.

Management and Budget prepares the capital plan and makes recommendations to the Legislature, which authorizes the issuance of County debt. The Comptroller then executes the issuance of such debt.

The County's fiscal year for budget and accounting purposes is January 1st to December 31st. Its final budget, approved by the Executive and authorized by the Legislature, must make adequate provision for the servicing of debt and must not provide for an excess of expenditures over anticipated revenues. Included as part of each budget is a five-year capital improvement program. This plan is prepared by the County Executive and approved by the Legislature.

There are a total of twenty two County administrative departments – Aging; Alternative Public Defender; Children, Youth and Families; Civil Service; County Executive; Crime Victims and Sexual Violence Center; Economic Development, Conservation and Planning; General Services; Health; Human Resources; Immigration Assistance; Law; Management and Budget; Mental Health; Probation; Public Defender; Public Works; Recreation; Shaker Place Rehabilitation and Nursing Center; Social Services; Veterans Bureau and the Water Purification District. The District Attorney, County Clerk, Sheriff, Comptroller and four County Coroners are elected by general election. Candidates for other positions are proposed by the County Executive and appointed by the Legislature with the exception of the Board of Election Commissioners who are appointed solely by the Legislature.

Population

The County has a population of 314,848 as estimated by the U.S. Department of Commerce in 2020, and of that total 99,224 live in the City of Albany, which is the County seat and State Capital. The following table presents population trends of the County, the Albany Standard Metropolitan Statistical Area (the "SMSA" consists of the five counties of Albany, Montgomery, Rensselaer, Saratoga and Schenectady), the State and the United States since 1980.

Population Trend

	Albany County Population	Albany SMSA Population	New York State Population	United States Population
1980	285,909	795,019	17,558,072	226,504,825
1990	292,793	861,623	17,990,778	248,709,873
2000	294,565	875,583	18,976,457	281,421,906
2010	304,204	888,186	19,378,102	308,745,538
2020	314,848	919,076	20,201,249	331,449,281

Data for 1980, 1990, 2000, 2010 and 2020 are compiled by the U.S. Department of Commerce as of April 1 of each year based on the census for that year.

Source: United States Department of Commerce, Bureau of the Census; American Community Survey.

Economy

The economy of the County is diversified, with significant activity in the areas of industry, commerce and government. There are several banks and trust companies, some of which provide complete branch banking services throughout the County. Industrial establishments are engaged in such diverse operations as paper making, printing and the manufacture of clothing, automobile accessories, chemical products, pharmaceuticals and machine tools. The County also includes many retail stores, wholesale establishments and many shopping centers and several regional shopping malls.

As the State Capital, government is an especially important factor in the County. Federal, State and local governments provide employment for thousands of people and the State is the largest employer in the County.

Employment

A major portion of non-agricultural workers have historically been employed by Federal, State or local government. The following tables present certain economic and demographic information for the County and the Albany-Schenectady-Troy Standard Metropolitan Statistical Area (SMSA).

Per Capita Income

	2017	2018	2019	2020	2021
Albany County	$36,974	$38,884	$38,494	$38,592	$41,711
New York State	37,156	36,931	41,857	40,898	43,078
United States	32,397	33,831	35,672	35,384	N/A

Source: U.S. Bureau of Census, 1 year American Community Surveys.

Income of Families – 2021[1]

	Less than $25,000	$25,000 - 49,999	$50,000 - 74,999	$75,000 - 149,000	$150,000 or More
Albany County	7.3%	14.1%	12.3%	38.3%	28.2%

[1] Totals may not foot due to rounding.
Source: U.S. Bureau of Census, 1 year American Community Surveys.

Median Family Income

	2017	2018	2019	2020	2021
Albany County	$92,999	$91,290	$98,162	$95,923	$99,133
New York State	80,114	83,311	89,475	87,270	92,454

Source: U.S. Bureau of Census, 1 year American Community Surveys.

Civilian Labor Force
(000s)

	2017	2018	2019	2020	2021
Albany County	158.0	157.3	156.9	157.3	156.5
Albany-Schenectady-Troy SMSA	447.5	448.0	447.5	448.5	447.8
New York State	9,549.0	9,511.2	9,507.1	9,289.2	9,441.5

Source: New York State Department of Labor.

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Selected Listing of Major Employers

Name	Type	Approximate Number of Employees
State of New York	Government	51,800
St. Peter's Health Care Services	Health Care	12,004
Albany Medical Center	Health Care	8,652
United States of America	Government	7,901
University at Albany	Education	4,093
Verizon	Telecommunications	3,000
Center for Disability Services	Health Care	2,795
County of Albany	Government	2,393
Albany School District	Education	1,964
Empire Blue Cross	Health Insurance	1,600
City of Albany	Government	1,369

Sources: Capital District Business Review and the Capital District Regional Planning Group.

Annual Unemployment Rate Statistics

	Albany County	Albany-Schenectady Troy SMSA	New York State
2017	4.2%	4.3%	4.6%
2018	3.7	3.8	4.1
2019	3.5	3.5	3.8
2020	6.9	6.9	9.9
2021	4.4	4.3	6.9

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

Monthly Unemployment Rate Statistics

	Albany County	Albany-Schenectady-Troy MSA	New York State
August 2021	4.4%	4.2%	6.7%
September	3.6	3.6	5.7
October	3.4	3.3	5.3
November	3.0	2.9	4.9
December	2.6	2.6	4.5
January 2022	3.3	3.4	5.1
February	3.5	3.6	5.3
March	3.3	3.3	4.7
April	2.7	2.7	4.2
May	2.8	2.7	4.1
June	3.0	2.9	4.3
July	3.3	3.2	4.8

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

COUNTY INDEBTEDNESS AND DEBT LIMITATIONS

Obligations under the Agreement do not Constitute Indebtedness of the County

For purposes of the Act, DASNY and the County have agreed that the Agreement shall be deemed executory only to the extent of the monies appropriated and available by the County for the purpose of the Agreement, and no liability on account therefor shall be incurred beyond the amount of such monies. Neither the Agreement nor any representation by any public employee or officer creates any legal or moral obligation to request, appropriate or make available monies for purposes of the Agreement. The Agreement does not constitute indebtedness of the County for purposes of the State Constitution or the Local Finance Law of the State. The Agreement is not a general obligation of the County. Neither the faith and credit nor the taxing power of the County are pledged to the payment of any amount due or to become due under the Agreement.

Constitutional Provisions

Limitations on indebtedness are found in Article VIII of the State Constitution and are implemented by the Local Finance Law. The provisions of Article VIII referred to in the following summaries are generally applicable to the County and the obligations authorized by its County Legislature.

Article VIII, Section 1

Subject to certain enumerated exceptions, the County shall not give or loan any money or property to or in aid of any individual or private corporation, association or private undertaking nor shall the County give or loan its credit to or in aid of any of the foregoing or a public corporation, except for the purpose of joint municipal indebtedness and care of the needy.

Article VIII, Section 2

The County shall not contract indebtedness except for a County purpose and no such indebtedness shall be contracted for longer than the period of probable usefulness of the purpose for which it is contracted and in no event may this period exceed forty years. The County must pledge its faith and credit for the payment of the principal and the interest on any of its indebtedness. Except for certain short-term indebtedness contracted in anticipation of the collection of taxes and indebtedness to be paid within one of the two fiscal years immediately succeeding the fiscal year in which such indebtedness was contracted, all indebtedness shall be paid in annual installments. Indebtedness must be paid in annual installments commencing not more than two years after the debt was contracted. Provision shall be made annually by appropriation by the County for the payment of interest on all indebtedness and for the amounts required for the amortization and redemption of serial bonds.

Article VIII, Section 4

The County shall not contract indebtedness which, including existing indebtedness, shall exceed 7% of the five year average full valuation of taxable real estate therein. The average full valuation of taxable real estate of the County is determined pursuant to Article VIII Section 10 of the Constitution by taking the assessed valuations of taxable real estate on the last completed assessment roll and the four preceding rolls and applying to such rolls, the ratio as determined by the State Tax Commission or such other State agency or official as the State Legislature shall direct which such assessed valuation bears to the full valuation. Article VIII Section 5 and Article VIII Section 2-a enumerate exclusions and deductions from the Constitutional debt limit.

Statutory Provisions

Title 8 of the Local Finance Law contains the statutory limitations on the power to contract indebtedness. Section 104.00 limits, in accordance with Article VIII Section 4 of the Constitution, the ability to contract indebtedness by the County to 7% of the five year average full valuation. The statutory provisions implementing constitutional provisions authorizing deductions and excluding indebtedness from the debt limits are found in Title 9 and Title 10 of the Local Finance Law. In addition to the constitutionally enumerated exclusions and deductions, deductions are allowed for cash or appropriations for debt service pursuant to the authority of a decision of the New York Court of Appeals.

Debt Limit

Computation of Debt Limit

Fiscal Year Ending December 31:	Full Valuation
2018	$26,035,931,645
2019	26,056,527,362
2020	27,822,746,869
2021	28,521,289,128
2022	29,641,222,516

Total Five Year Full Valuation	$138,077,717,520
Average Five Year Valuation	27,615,543,504
Debt Limit - 7% of Average Full Valuation	$1,933,088,045

Outstanding Indebtedness

Calculation of Total Net Indebtedness
(As of September 27, 2022)

Five Year Average Full Valuation of Taxable Real Property		$ 138,077,717,520
Debt Limit (7% Thereof)		1,933,088,045
Outstanding Indebtedness[1]:		
Bonds	$ [290,920,000]	
Bond Anticipation Notes	0	
Tax Anticipation Notes	0	
Outstanding Gross Indebtedness		[290,920,000]
Less Exclusions:		
Environmental Facilities Corporation (Bonds)	$ 3,565,000	
2022 Budgeted Principal Appropriations (remaining)	9,310,000	
Total Exclusions		[12,875,000]
Total Net Indebtedness		$ [278,045,000]
Percent of Debt Limit Exhausted		[14.38%]
Debt Contracting Margin		$ [1,655,043,045]

[1] Does not include the payments to be made by the County under the Financing Agreement with DASNY with respect to the Series 2022 Bonds. The Financing Agreement does not constitute indebtedness of the County for purposes of the State Constitution or the Local Finance Law of the State. The Financing Agreement is not a general obligation of the County. Neither the faith and credit nor the taxing power of the County are pledged to the payment of any amount due or to become due under the Financing Agreement.

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

General. The County is further subject to constitutional limitation by the general constitutionally imposed duty of the State Legislature to restrict the power of taxation, assessment, borrowing money, contracting indebtedness and loaning the credit of the County so as to prevent abuses in taxation and assessments and in contracting indebtedness; however, as has been noted under "Nature of Obligation", the State Legislature is prohibited by a specific constitutional provision from restricting the power of the County to levy taxes on real estate for the payment of interest on or principal of indebtedness theretofore contracted.

Trend of Outstanding Debt

	2017	2018	2019	2020	2021
Subject to Debt Limit:					
Bonds	$155,560,001	$278,560,000	$327,180,000	$296,720,000	$281,610,000
Bond Anticipation Notes	134,279,450	0	0	0	0
Other Notes	0	0	0	0	0
Not Subject to Debt Limit					
Bonds	5,749,853	5,265,000	4,775,000	4,280,000	3,350,000
Bond Anticipation Notes	0	0	0	0	0
Total Debt Outstanding	$295,589,304	$283,825,000	$331,955,000	$301,000,000	$284,960,000

Tax and Revenue Anticipation Notes

The County has no tax or revenue anticipation notes outstanding.

Bond Anticipation Notes

The County has no bond anticipation notes outstanding.

Authorized but Unissued Debt

The County formulates a five year capital budget as part of its annual budgetary process. The County Executive and County Legislature determine what projects will be completed. Financing of such projects is through long and short-term borrowings, operating funds and Federal and State assistance. As of September 27, 2022, the County has $72,227,064 in authorized but unissued debt, inclusive of $27 million for a regional sewer project authorized in March 2020.

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Debt Service Schedule

The following table shows the annual debt service requirements to maturity on the County's outstanding general obligation bonded indebtedness, exclusive of refunded bonds and debt issued through the New York State Environmental Facilities Corporation. This schedule of debt service does not include the payments to be made by the County under the Financing Agreement to DASNY with respect to the Series 2022 Bonds.(2)

Schedule of Debt Service Requirements on Outstanding Bonds

Fiscal Year Ending December 31:	Principal	Interest	Total
2022(1)	$31,795,000	$11,389,436	$43,184,436
2023	34,085,000	10,896,736	44,981,736
2024	36,240,000	9,326,394	45,566,394
2025	31,240,000	7,643,444	38,883,444
2026	30,800,000	6,205,369	37,005,369
2027	29,075,000	4,838,069	33,913,069
2028	26,610,000	3,548,894	30,158,894
2029	23,510,000	2,503,294	26,013,294
2030	7,385,000	1,932,494	9,317,494
2031	7,620,000	1,695,344	9,315,344
2032	7,875,000	1,449,294	9,324,294
2033	8,115,000	1,196,994	9,311,994
2034	8,325,000	994,894	9,319,894
2035	8,540,000	781,925	9,321,925
2036	8,760,000	557,625	9,317,625
2037	4,370,000	330,288	4,700,288
2038	4,475,000	226,500	4,701,500
2039	4,585,000	114,625	4,699,625
TOTAL	$313,405,000	$ 65,631,619	$379,036,619

(1) For the entire fiscal year.
(2) The Financing Agreement does not constitute indebtedness of the County for purposes of the State Constitution or the Local Finance Law of the State. The Financing Agreement is not a general obligation of the County. Neither the faith and credit nor the taxing power of the County are pledged to the payment of any amount due or to become due under the Financing Agreement.

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Estimated Overlapping Indebtedness

In addition to the County, the following municipal subdivisions located within the County have the power to issue bonds and to levy taxes or cause taxes to be levied on taxable real property in the County. Estimated indebtedness is listed as of the close of the last available fiscal year of the respective municipalities and districts.

Gross Direct Indebtedness	$ [282,115,000]
Exclusions and Deductions	23,735,000
Net Direct Indebtedness	$ [258,380,000]

Overlapping Debt:

	Applicable Total Indebtedness
Cities	$134,417,494
Towns	169,549,025
Villages	10,375,907
School Districts	400,521,074
Fire Districts	17,235,162
Total Overlapping Debt	$732,098,662
Net Direct Debt	[254,730,000]
Total Overlapping and Net Direct Debt	[$986,828,662]

Source: Annual Reports of the respective units on file with the Office of the New York State Comptroller. This data is for the underlying jurisdictions' 2020 fiscal years.

Debt Ratios

The following table presents certain debt ratios relating to the County's direct and overlapping indebtedness.

Debt Ratios

	Amount	Debt Per Capita(1)	Debt to Full Value(2)
Net Direct Debt	$ [254,730,000]	$ [809.06]	[0.86]%
Net Direct and Overlapping Debt	[986,828,662]	[3,134.30]	[3.33]

(1) The population of the County is 314,848 as of 2020 according to the U.S. Census Bureau.
(2) The full value of real property located in the County for the 2022 fiscal year is $29,641,222,516.

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FINANCIAL INFORMATION

Accounting Practices

Under State law a uniform system of accounting and reporting is prescribed by the State Comptroller for all municipalities. An annual financial report for every municipality must be filed with the State Comptroller by May 1 of the following year of a municipality's fiscal year end. This report is categorized by fund and shows as of year end (a) a balance sheet, (b) a statement of revenues, (c) a statement of expenditures, (d) an analysis of fund balances, (e) a statement of indebtedness and (f) any other particular fund data that is required.

Budgetary appropriations are necessary for all payments. Encumbrance accounting is utilized to guard against the creation of liabilities in excess of appropriations.

The County annually retains independent certified public accountants to conduct an audit of its financial statements.

Financial Statements

The County retains BST & Co. CPAs, LLP as independent Certified Public Accountants. The financial affairs of the County are also subject to periodic compliance review by the Office of the State Comptroller to ascertain whether the County has complied with the requirements of various State and Federal statutes.

The County complies with the Uniform System of Accounts as prescribed for Counties in New York State. This system conforms to generally accepted accounting principles as promulgated in the "Codification of Governmental Accounting and Financial Reporting Standards," as published by the Governmental Accounting Standards Board, in conjunction with the Government Accounting Research Foundation of the Government Finance Officers' Association.

Investment Policy

The Albany County Legislature's responsibility for administration of the investment program is delegated to the Commissioner of Management and Budget, as chief investment officer, as derived from Article 5 (Section 502-c) of the County Charter. The chief investment officer shall establish written procedures which shall include the operation of the investment program consistent with these investment guidelines.

The chief investment officer shall be guided in his implementation of the investment policy by an Investment Advisory Board. The Investment Advisory Board shall consist of six members, three of which shall be appointed by the County Executive, one of which shall be appointed by the County Comptroller, one of which shall be appointed by the Majority Leader of the County Legislature and one of which shall be appointed by the Minority Leader of the County Legislature. The chief investment officer and the Investment Advisory Board shall meet no less frequently than quarterly and will review the performance of the County's investment program. The Board will report to the County Executive no less than annually on such performance. The Investment Advisory Board will also be responsible for reviewing any proposed changes to this policy and recommending to the County Executive, no less than annually, any amendments which it feels the County Executive should submit to the County Legislature for its consideration.

A list will be maintained of financial institutions authorized to provide investment services. In addition, a list also will be maintained of approved security broker/dealers selected by creditworthiness (e.g., a minimum capital requirement of $10,000.00 and at least five years of operation). These may include "primary" dealers of regional dealers that qualify under the Securities and Exchange Commission Rule 15c3-1 (uniform net capital rule). An annual review of the financial condition and registration of qualified financial institutions and broker/dealers will be conducted by the chief investment officer.

From time to time, the chief investment officer may choose to invest in instruments offered by minority and community financial institutions. In such situations, a waiver to the criteria, except in terms of conflicts of interest, may be granted. All terms and relationships will be fully disclosed prior to purchase and will be reported to the appropriate entity on a consistent basis and will be constants with New York State and applicable local law. These types of investment purchases will be approved in advance by the Albany County Legislature.

As authorized by the General Municipal Law ("GML"), the Albany County Legislature authorizes the chief investment officer to invest moneys not required for immediate expenditure for terms not to exceed its projected cash flow needs in the following types of investments: (a) Special time deposit accounts; (b) Certificates of deposit; (c) Obligations of the United States of America; (d) Obligations guaranteed by agencies of the United States of America where the payment of principal and interest are guaranteed by the United States of America; (e) Obligations of the State of New York; (f) Obligations issued pursuant to LFL S24.00 or 25.00 (with approval of the State Comptroller) by any municipality, school district or district corporation other than Albany County; (g) Obligations of 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; (h) Certifications of Participation (COPs) issued pursuant to GML, Section 109-b; (i) Obligations of Albany County, but only with any moneys in a reserve fund established pursuant to GML, Section 6-c, 6-d, 6-e, 6-g, 6-h, 6-i, 6-j, 6-k, 6-m, or 6-n; or (j) Any other investment authorized by the General Municipal Law.

Revenues

The County derives a significant portion of its general fund revenues from a tax on real property (see "Combined Statements of Revenues, Expenditures and Changes in Fund Balances (Deficits) General Fund" in Appendix C attached to the Official Statement).

Real Property Tax

The following table sets forth total general fund revenues and Real Property Tax revenues during the last five audited fiscal years and the amounts budgeted for the current fiscal year.

Property Taxes

Fiscal Year Ended December 31	Total Revenues[1]	Real Property Taxes	Real Property Taxes to Revenues (%)
2017	$550,051,297	$88,098,624	16.02%
2018	571,016,194	90,605,328	15.87
2019	575,283,483	88,459,692	15.38
2020	541,589,990	85,036,624	15.70
2021	630,489,851	93,642,319	14.85
2022 (Adopted Budget)	640,056,623	96,902,250	15.14

(1) General Fund.

Source: Audited Financial Statements and Adopted Budget of the County. Summary itself is not audited.

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Sales and Use Taxes

The following table sets forth total general fund revenues and Sales and Use Tax revenues during the last five audited fiscal years and the amount budgeted for the current fiscal year.

Sales and Use Tax Revenue

Fiscal Year Ended December 31	Total Revenues[1]	Sales & Use Tax	Sales & Use Tax to Revenues
2017	$550,051,297	$259,185,298	47.12%
2018	571,016,194	275,254,791	48.20
2019	575,283,483	285,183,963	49.57
2020	541,589,990	269,286,682	49.72
2021	630,489,851	322,159,591	51.10
2022 (Adopted Budget)	640,056,623	295,509,274	46.17

(1) General Fund.

Source: Audited Financial Statements and Adopted Budget of the County.
Summary itself is not audited.

State and Federal Aid

For the fiscal year 2021, based on audited results, $74,996,876 in State monies were received by the County, amounting to approximately 11.8% of total County General Fund Revenues.

Federal aid also constitutes a significant portion of County General Fund Revenues. Federal aid for the 2021 fiscal year, based on audited results, was $72,578,617 amounting to approximately 11.5% of County General Fund Revenues. The tables in Appendix C attached to the Official Statement present a consolidated statement of revenues, expenses and fund balances of the General and Special Revenue funds for the fiscal years ended December 31, 2017 through 2021.

Other Post Employment Benefits

Accounting rule, GASB Statement No. 45 ("GASB 45") of the Governmental Accounting Standards Board ("GASB") has been replaced by GASB Statement No. 75 ("GASB 75"), which requires state and local governments to account for and report their costs associated with post-retirement healthcare benefits and other non-pension benefits ("OPEB"). GASB 75 generally requires that employers account for and report the annual cost of the OPEB and the outstanding obligations and commitments related to OPEB in essentially the same manner as they currently do for pensions. Under previous rules, 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. Only current payments to existing retirees were recorded as an expense.

GASB 75 requires that state and local governments adopt the actuarial methodologies to determine annual OPEB costs. Annual OPEB cost for most employers will be based on actuarially determined amounts that, if paid on an ongoing basis, generally would provide sufficient resources to pay benefits as they come due.

Under GASB 75, based on actuarial valuation, an annual required contribution ("ARC") will be determined for each state or local government. The ARC is the sum of (a) the normal cost for the year (the present value of future benefits being earned by current employees) plus (b) amortization of the unfunded accrued liability (benefits already earned by current and former employees but not yet provided for), using an amortization period of not more than 30 years. If a municipality contributes an amount less than the ARC, a net OPEB obligation will result, which is required to be recorded as a liability on its financial statements. There is no longer an amortized liability like under GASB 45, but now reflects the full liability.

GASB 75 does not require that the unfunded liabilities actually be funded, only that the County account for its unfunded accrued liability and compliance in meeting its ARC. Actuarial valuation will be required every 2 years for the County.

The County is in compliance with the requirements of GASB 75 as was required by the end of the County's 2019 fiscal year. It has been determined that the County's actuarial accrued liability ("AAL") for OPEB as of December 31, 2021 was approximately $502,968,070.

Employees

As of May 2, 2022, the County provides services through approximately 2,294 full and part-time employees, some of whom are represented by the labor unions listed below. County employees are represented by eight labor organizations and labor relations between the County and the eight labor organizations have been reasonable and amicable.

Labor Unit	Approximate Number of Employees Represented	Contract Expiration Date
CSEA – 8 units. Public Works, Social Services/DCYF, Non-Secure Personnel, Mental Health, Health, General Services, County Clerk, E911 Telecommunicators	747	12/31/21(1)
CSEA Water Purification	51	12/31/21(1)
Teamsters Local 294		
Law Enforcement	32	12/31/21(1)
DA Investigators	8	12/31/21(1)
Corrections	39	12/31/21(1)
Public Employees Federation - Probation Dept.	84	12/31/21(1)
Albany County Sheriff Deputy's PBA	93	12/31/21(1)
Council, AFSCME Corrections Local 775	227	12/31/21(1)
SEIU RN Unit	4	12/31/23
SEIU Service & Maintenance Unit	148	12/31/23
NYS United Teachers	56	12/31/22
United Public Service Employees Union	70	12/31/21(1)

(1) Currently in negotiation.

Status and Financing of Employee Pension Benefits

The County participates in the New York State and local Employees' Retirement System (ERS) and the Public Employees' Group Life Insurance Plan (Systems). These are cost-sharing multiple-employer retirement systems. The Systems provide retirement benefits as well as death and disability benefits. Obligations of employers and employees to contribute and benefits to employees are governed by the New York State Retirement and Social Security Law (NYSRSSL). As set forth in the NYSRSSL, the Comptroller of the State of New York (Comptroller) serves as sole trustee and administrative head of the Systems. The Comptroller shall adopt and may amend rules and regulations for the administration and transaction of the business of the Systems and for the custody and control of their funds. The Systems issue a publicly available financial report that includes financial statements and required supplementary information. That report may be obtained by writing to the New York State and Local Retirement Systems, Gov. Alfred E. Smith State Office Building, Albany, NY 12244.

Contributions equal to 3% of salary are required of employees, except for employees who joined prior to July 27, 1976, and for those who have ten or more years of credited service. Under the authority of the NYSRSSL, the Comptroller shall certify annually the rates expressed as proportions of payroll of members, which shall be used in computing the contributions required to be made by employers to the pension accumulation fund.

The County is required to contribute at an actuarially determined rate. The required contributions for the following years were:

Year	ERS
2017-18	$21,878,888
2018-19	22,253,232
2019-20	22,563,480
2020-21	22,304,384
2021-22	24,496,994

The County's current contribution to ERS is due on or before February 1 of each year. Such contribution is based on salaries estimated to be paid during the fiscal year ending on March 31 of the next calendar year.

The County's contributions made to the Systems were equal to 100% of the contributions required for each year. The County has prepaid the amounts due in February 2018 through February 2022 on each prior December 15th. For the payment due February 1, 2018, the County prepaid $21,878,888 on December 15, 2017 with no amortized amount. For the payment due February 1, 2019, the County prepaid $22,253,232 on December 17, 2018 with no amortized amount. For the payment due February 1, 2019, the County prepaid $22,253,232 on December 17, 2018 with no amortized amount. For the payment due February 1, 2020, the County prepaid $22,563,480 on December 16, 2019 with no amortized amount. For the payment due February 1, 2021, the County prepaid $22,304,384 on December 15, 2020 with no amortized amount. For the payment due February 1, 2022, the County prepaid $24,496,994 [on December 15, 2021] with no amortized amount.

On March 16, 2012, Governor Cuomo signed into law Chapter 18 of the Laws of 2012, which provides for a new Tier VI for employees hired after April 1, 2012. This pension tier has progressive contribution rates between 3% and 6%; it increased the retirement age for new employees from 62 to 63 and included provisions allowing early retirement with penalties. Under Tier VI, the pension multiplier is 1.75% for the first 20 years of service and 2% thereafter; vesting will occur after 10 years; the time period for calculation of final average salary is increased from three years to five years; and the amount of overtime used to determine an employee's pension is capped at $15,000, indexed for inflation, for civilian and non-uniform employees and at 15% of base pay for uniformed employees outside of New York City. It also includes a voluntary, portable, defined contribution plan for new non-union employees with salaries of $75,000 or more.

Budgetary Process

The County Executive is responsible for submitting to the County Legislature on or before October 10 of each year a proposed budget and a capital expenditures program for the coming fiscal year. The Commissioner of the Office of Management and Budget develops a complete financial plan on behalf of the County Executive setting forth anticipated revenues and proposed appropriations and expenditures including debt service.

In addition to the proposed budget, the County Executive is required to submit to the County Legislature a budget message which shows that total estimated expenditures are less than or equal to total estimated income for the ensuing fiscal year. Estimated income and expenditures are compared with actual receipts and expenditures for the last completed fiscal year. The message also enumerates the County's financial policies with respect to the proposed capital program and the details of financing and maintaining proposed projects.

The County Legislature reviews the budget, reports out its recommendations no later than November 20 and holds a public hearing not later than December 1. After the conclusion of the public hearing the County Legislature may change items as it sees fit, except for debt service or appropriations required by law. Decreases are not subject to the approval or veto of the County Executive. Increases recommended by the County Legislature must be approved by the County Executive or passed over an executive veto by a two-thirds majority vote of the Legislature, unless the County Executive fails to respond to the legislative changes by December 12.

The amount of all taxes, except as expressly provided by law, becomes a lien on assessed property as of January 1 of the fiscal year for which levied and remains a lien until paid.

The County Legislature may make supplemental appropriations during the course of the fiscal year to the extent that actual revenues exceed anticipated revenues. It may only make emergency appropriations to meet a public emergency affecting life, health or property and, to the extent necessary, may finance such emergency appropriation by the issuance of obligations pursuant to the Local Finance Law. If anticipated revenues appear to be insufficient to meet budgeted appropriations, the County Executive must report to the County Legislature without delay stating the problem and his recommendation for remedial action. The County Legislature may reduce appropriations, except for appropriations for debt service, expended appropriations and amounts required by law to be appropriated, or borrow temporarily pursuant to the Local Finance Law an amount not greater than the anticipated deficit.

The tables in Appendix C attached to the Official Statement present summaries of the County's 2021 and 2022 Adopted Budgets.

REAL PROPERTY TAXES

Property Tax Collection and Delinquency Procedures

The County assesses its tax upon the towns and cities within the County. Each town or city collects taxes for itself, the County and the school or fire districts in its area. The towns and cities retain the full amount of their tax budgets and give the balance and any uncollected taxes to the County.

The County procedure for collection on delinquencies, as specified in the New York State Real Property Tax Law consists of four steps: issuance of notice of tax lien, tax sale, foreclosure and auction of the property.

After the tax lien sale the County must wait two years, or four years in the case of owner-occupied one or two-family dwellings, before commencing an in rem foreclosure action and thereafter obtaining a final judgment pursuant to Article 11 Title 3 of the Real Property Tax Law which allows public auction proceedings to begin.

Constitutional Real Estate Tax Limit

In accordance with Section 10 of Article VIII of the State Constitution the amount which may be levied in the County by taxes on real estate in any fiscal year for County purposes, in addition to providing for the principal of and interest on all indebtedness, may not exceed an amount equal to 1.5% of the five year average full valuation of taxable real estate of the County, less certain deductions.

Constitutional Tax Limit

	2022
Five-Year Average, Full Valuation	$ 27,615,543,504
Tax Limit (1.5%)	414,233,153
Total Levy	99,752,250
Total Exclusions	13,274,563
Tax Levy Subject to Limit	86,477,687
Tax Margin	$ 327,755,466

Tax Levy and Collection Record

Tax Levy and Collection Record
Fiscal Year Ending December 31

	2018	2019	2020	2021	2022
County Taxes	$ 92,778,136	$ 92,951,395	$ 95,060,342	$ 98,873,701	$ 99,752,250
Town Taxes	161,708,750	164,567,600	166,356,548	178,025,525	178,258,074
Returned School Tax and Penalties	11,872,136	10,576,385	10,017,957	10,430,539	10,478,142
Total Tax Levy	$ 266,359,022	$ 268,095,380	$ 271,434,847	$ 287,329,765	$ 288,488,466
Returned to County as Uncollected:					
Amount	$ 22,207,936	$ 22,461,348	$ 26,495,650	$ 23,990,137	$ 8,851,432
Percent	8.33%	8.38%	9.76%	[8.35]%	3.06%
Uncollected at Aug. 31, 2022:					
Amount	$ 5,562,488	$ 6,947,903	$ 9,137,934	$ 12,150,705	$ 6,100,985
Percent	2.08%	2.59%	[3.37]%	4.23%	2.11%

Tax Levy Limit Law

On June 24, 2011, Chapter 97 of the 2011 Laws of New York was signed into law by the Governor (the "Tax Levy Limit Law"). The Tax Levy Limit Law, as amended, applies to all local governments, including school districts (with the exception of New York City, the counties comprising New York City and the Big 5 City School Districts (Buffalo, Rochester, Syracuse, Yonkers and New York). It also applies to independent special districts and to town and county improvement districts as part of their parent municipalities tax levies.

The Tax Levy Limit 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. Pursuant to the Tax Levy Limit 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 or changes in physical or quantity growth in the real property base as defined in Section 1220 of the Real Property Tax Law. A municipality may exceed the tax levy limitation for the coming fiscal year only if the governing body of such municipality first enacts, by at least a sixty percent vote of the total voting strength of the board, a local law (resolution in the case of fire districts and certain special districts) to override such limitation for such coming fiscal year only. There are permissible exceptions to the tax levy limitation provided in the Tax Levy Limit 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 County has not exceeded the tax levy limitation in the past five years.

The Tax Levy Limit Law does not contain an exception from the levy limitation for the payment of debt service on either outstanding general obligation debt of municipalities or such debt incurred after the effective date of the tax levy limitation provisions. There is also no exception under the Tax Levy Limit Law for the payment of amounts due under the Financing Agreement between the County and DASNY with respect to the Series 2022 Bonds.

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

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

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

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

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

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

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

Therefore, while the Tax Levy Limit 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 Limit 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 Limit Law. Whether the Constitution grants a municipality authority to treat debt service payments as a constitutional exception to such statutory tax levy limitation outside of any statutorily determined tax levy amount is not clear.

It is possible that the Tax Levy Limit Law will be subject to judicial review to resolve the constitutional issues raised by its adoption.

Valuations and Taxes

Trend of Valuations and Taxes
For the Fiscal Years Ending December 31:

	2018	2019	2020	2021	2022
Assessed Valuation	$20,351,747,806	$20,563,496,364	$20,536,048,419	$21,992,620,503	$22,865,612,641
Full Valuation	26,035,931,645	26,056,527,362	27,822,746,869	28,521,289,128	29,641,222,516
General Fund Levy	92,496,319	92,692,544	94,886,294	97,532,487	99,752,250

Tax Rate Per $1,000 Full Valuation	$3.55	$3.56	$3.49	$3.42	$3.45

Source: County Officials

Selected Listing of Large Taxable Properties
2022 Final Assessment Rolls(1)

Name	Type	Assessed Valuation
National Grid	Utility	$ 621,495,391
Crossgates Mall Co.	Shopping Center	233,156,139
New York Central Lines (CSX)	Railroad	103,581,546
Northeast IP Holdings	Commercial	57,976,700
KRE Colonie Owner, LLC	Shopping Center	56,800,000
Stuyvesant Plaza	Shopping Center	51,589,000
Verizon	Utility	50,398,056
Selkirk Cogen Partners	Utility	50,000,000
Woodlake Associates	Apartments	44,798,000
RP Associates of Albany	Apartments	43,344,631
	Total:	$1,313,139,463

Source: 2022 Assessed Valuation and Full Valuation is based upon the 2022 Final Assessment Rolls. Data is effective as of July 1.

[HISTORICAL DISCLOSURE COMPLIANCE]

[In order to assist the Purchaser of the Series 2022 Bonds 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") with respect to the Series 2022 Bonds, the County will execute an Agreement to Provide Continuing Disclosure, the form of which is attached to the Official Statement as Appendix G.

The County has established procedures to ensure that future filings of continuing disclosure information will be in compliance with existing continuing disclosure obligations, including transmitting such filings to the Municipal Securities Rulemaking Board ("MSRB") established pursuant to Section 15B(b)(1) of the Securities Exchange Act of 1934, as amended, through the Electronic Municipal Market Access System ("EMMA").

Compliance History

On August 20, 2019, the County linked its previously timely made annual financial filings on EMMA for its audited financial statements and annual financial information for the fiscal years ended December 31, 2016, 2017 and 2018 which did not correctly link to its base CUSIP 01212P.

The County previously included a table in its Official Statements from the U.S. Census for Comparative Housing Stock in the County and the State. Since this data is only updated every ten years, it has been omitted from recent Official Statements.]

LITIGATION

Existing Claims Against the County. There are pending against the County a number of claims and formal lawsuits wherein monetary damages among other relief is sought. Procedural statutes in the State prohibit claimants and plaintiffs from including in their initiating papers the specific monetary damages they deem themselves entitled to. In addition, when the County is given formal notice by claimants and/or plaintiffs of their monetary damages, they are often extremely inflated. As a result, it is difficult for the County to provide an accurate figure as to specific monetary damages claimed. However, the majority of these claims and lawsuits are expected to be adequately covered by insurance, and thus not have a material impact on the County's financial position.

Personal Injury Actions. The County is involved in less than 50 lawsuits and administrative proceedings arising out of the operation and administration of County affairs for which exposure of $20,000 or more has been estimated. Many of these actions involve personal injury claims, for which estimates of liability are established annually by the County Attorney, to the extent that they can be by law.

Summary. In the opinion of the County Attorney, the resolution of these lawsuits and claims will not have a material impact on the County's financial position. In the event insurance is incapable of covering the full amount of any judgments upon such claims, and the amount of any such judgment is sufficient to materially affect the financial condition of the County, the County would be able to issue bonds to finance the judgment for a term of up to fifteen (15) years. Since the County has only used 17% of its bonding capacity as of the date of this Official Statement, the bonding of any such judgments would be well within the debt limit of the County.

IRS Review. In the course of its general review of tax-exempt bond issues, the Internal Revenue Service (the "IRS") conducted a review of a County bond issue from 2006 (the "Prior Bonds"). The IRS indicated to the County that the Prior Bonds were randomly selected for review in connection with the IRS's ordinary procedures. The County cooperated fully with the IRS in its review of the Prior Bonds, and the review was concluded without any material adverse impact to the County. The proceeds from the sale of the Prior Bonds were used to fund various typical County capital projects.

MARKET FACTORS

There are certain potential risks associated with an investment in the Series 2022 Bonds, and investors should be thoroughly familiar with this Official Statement, including its appendices, in order to make an informed investment decision. Investors should consider, in particular, the following factors:

The financial and economic condition of the County as well as the market for the Series 2022 Bonds could be affected by a variety of factors, some of which are beyond the County's control. There can be no assurance that adverse events in the State and in other jurisdictions, including, for example, the seeking by a municipality or large taxable property owner of remedies pursuant to the Federal Bankruptcy Code or otherwise, will not occur which might affect the market price of and the market for the Series 2022 Bonds. If a significant default or other financial crisis should occur in the affairs of the State or another jurisdiction or any of its agencies or political subdivisions thereby further impairing the acceptability of obligations issued by borrowers within the State, both the ability of the County to arrange for additional borrowings, and the market for and market value of outstanding debt obligations, including the Series 2022 Bonds, could be adversely affected.

There can be no assurance that the State appropriation for State aid to municipalities and school districts will be continued in future years, either pursuant to existing formulas or in any form whatsoever. State aid appropriated and apportioned to the County, including OCFS Funds, can be paid only if the State has such monies available therefor. The availability of such monies and the timeliness of such payment may also be affected by a delay in the adoption of the State budget and other circumstances, including State fiscal stress. In any event, State aid appropriated and apportioned to the County, including OCFS Funds, can be paid only if the State has such monies available therefor.

If and when a holder of any of the Series 2022 Bonds should elect to sell a Series 2022 Bond prior to its maturity, there can be no assurance that a market shall have been established, maintained and be in existence for the purchase and sale of any of the Series 2022 Bonds. In addition, the price and principal value of the Series 2022 Bonds is dependent on the prevailing level of interest rates; if interest rates rise, the price of a bond will decline, causing the bondholder to incur a potential capital loss if such bond is sold prior to its maturity.

Amendments to the U.S. Internal Revenue Code could reduce or eliminate the favorable tax treatment granted to municipal debt, including the Series 2022 Bonds and debt issued by the County. Any such future legislation could have an adverse effect on the market value of the Series 2022 Bonds.

The enactment of the Tax Levy Limit Law, which imposes a tax levy limitation upon municipalities, including the County, school districts, and fire districts in the State could have an impact upon operations of the

County and as a result, the market price for the Series 2022 Bonds. (See "REAL PROPERTY TAXES – *Tax Levy Limit Law*" herein.)

CYBERSECURITY

[The County, like other large private and public entities, relies on a large and complex network of technology to conduct its operations. As a recipient and provider of personal, private, or sensitive information, the County faces multiple cyber threats including, but not limited to, hacking, viruses, malware and other attacks on computer and other sensitive digital networks and systems. Entities or individuals may attempt to gain unauthorized access to the County's digital systems for the purposes of misappropriating assets or information or causing operational disruption and damage. [The County has implemented cybersecurity policies and has adopted methodologies including a third party annual comprehensive security audit, desktop and network security features, and performance of phishing and end user testing.] However, no assurance can be given that the County's security and operational control measures will be successful in guarding against all cybersecurity threats. As cybersecurity threats continue to evolve, the County may in the future be required to expend significant additional resources to strengthen security measures, investigate and remediate any vulnerabilities or invest in new technology designed to mitigate security risks. The result of any successful attack on the County's computer and information technology systems could impact its operations and the costs of remedying any damage could be substantial.] [County to review]

COVID-19

[The outbreak of COVID-19, a serious respiratory disease caused by a novel strain of coronavirus, which was first detected in China in December of 2019 and has since spread world-wide, was declared a pandemic by the World Health Organization on March 11, 2020.

Economic Impacts

The outbreak of COVID-19 has drastically affected travel, commerce and financial markets globally. As almost all nations have experienced a rise in infections and implemented containment measures that in the case of some nations (including the United States) have been drastic, economies have suffered in the extreme. The full impact is difficult to predict due to uncertainties regarding the duration and severity of the COVID-19 pandemic, but some economists have predicted that the short-term economic fallout will be worse than the 2008-09 global financial crisis. The World Trade Organization estimated that world trade would fall by between 13% and 32% in 2020, and news outlets have reported on supply chain problems as the pandemic spreads to different countries around the world.

Federal Response

The federal government passed several pieces of legislation in response to the COVID-19 pandemic including the $2.3 trillion CARES Act, which attempt to address financial stability and liquidity issues through a variety of stimulus measures.

On March 11, 2021, President Biden signed the American Rescue Plan Act of 2021 on the one-year anniversary of COVID-19 being declared a global pandemic by the World Health Organization. This act is an additional $1.9 trillion coronavirus relief bill and is one of the biggest stimulus plans in U.S. history. The plan provides $350 billion in relief to state, local, and tribal governments. The County received approximately $59.3 million in direct relief - half of which was paid in May 2021 and the second half of which was paid in June 2022.

Stimulus Measures for Individuals and Businesses. Individual taxpayers who meet certain income limits received direct cash payments from the federal government. Unemployment rules were changed to allow self-employed workers, independent contractors and others who would not normally qualify to receive benefits, and unemployment insurance recipients to receive an additional $600 per week payment for up to four months.

Businesses benefited from various federal tax law changes, including a payroll tax credit. Air carriers and businesses critical to national security are eligible for direct loans and loan guarantees from the Treasury, and the Federal Reserve has received financial support for its lending programs. Smaller businesses have been incentivized to keep workers in their jobs through the Paycheck Protection Program (offering short-term loans that can be forgiven in whole or in part).

The American Rescue Plan extended a $300 per week jobless aid supplement and programs making millions more people eligible for unemployment insurance through September 6, 2021. The plan also made an individual's first

$10,200 in jobless benefits tax-free. The plan also sent $1,400 direct payments to most Americans and their dependents. The plan expanded the child tax credit for one year. It increased to $3,600 for children under 6 and to $3,000 for children between 6 and 17. The plan also provided nearly $30 billion in aid to restaurants, expands an employee retention tax credit designed to allow companies to keep workers on payroll, includes $25 billion in rental and utility assistance and $10 billion for mortgage aid.

The American Rescue Plan offered $350 billion in relief to state, local, and tribal governments. The County received $59.3 million in direct relief and the City of Albany, the County's largest municipality, received $85.3 million. The State received a total of $23.8 billion from the plan: $12.6 billion for state government; $6.1 billion for cities; $3.9 billion for counties; $825 million for small cities, towns, and villages; and $358 million for a statewide broadband investment program.

State Response

Executive Orders. The Governor of the State has released a number of executive orders in response to the COVID-19 pandemic, including various mandates requiring "non-essential" employees to work from home. Starting on May 15, 2020, regions of the State that met certain criteria were allowed to begin reopening. Reopening occurred in phases, with different industries allowed to open in each phase. However, in response to rising COVID-19 infection rates, the Governor announced a new cluster action initiative in October of 2020. Working with public health experts, the State developed a science-based approach to contain these clusters and stop any further spread of the virus, including new rules and restrictions directly targeted to areas with the highest concentration of COVID cases and surrounding communities. The initiative will divide clusters and surrounding areas into three categories with successively higher restrictions within each category: Yellow Zone (precautionary), Orange Zone (warning) and Red Zone (cluster itself). See https://forward.ny.gov/ for more details on the relevant industry-specific guidelines provided by the Department of Health for each cluster zone. Reference to website implies no warranty of accuracy of information therein.

State Budget. The City of New York has been the epicenter of the COVID-19 pandemic in the United States, and as a result the State has suffered (and expects to continue to suffer) significant revenue shortfalls and unanticipated expenses. At the time that the State budget was being finalized in early April, the Budget Director estimated that, due to COVID-19, the State would suffer an anticipated budget gap of $10-$15 billion.

To mitigate such a potential gap, the State's adopted budget for the fiscal year ending March 31, 2021 allowed the State to reduce expenditures (including aid to local school districts and municipalities) if, during certain defined periods in 2020 (i.e., April 1 - April 30, May 1- June 30, and July 1 - December 31), tax receipts were lower than anticipated or disbursements from the State's general fund were higher than anticipated. In such a scenario, the State Budget Director would develop a plan to make spending reductions. The State Budget Director's plan would take effect automatically unless the Legislature passes its own plan within ten days. Such reductions could later be restored under certain circumstances.

While the impacts of COVID-19 on the global, federal, State and local economy cannot be predicted with any certainty, the pandemic will almost certainly have a significant adverse effect on the County's finances.]

SPECIAL PROVISIONS AFFECTING REMEDIES UPON DEFAULT

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 the County shall not exceed nine per centum per annum.

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.

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 (including the County) to file a petition under any provision of Federal bankruptcy law for the composition or adjustment of municipal indebtedness.

Under the Federal Bankruptcy Code, a petition may be filed in 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 Code also requires the municipality to file a plan for the adjustment of its debts, which may modify or alter the rights of creditors and would authorize the Federal bankruptcy court to permit the municipality to issue certificates of indebtedness, which could have priority over existing creditors and which could be secured. Any plan of adjustment confirmed by the court must be approved by the requisite majority of creditors. If confirmed by the bankruptcy court, the plan would be binding upon all creditors affected by it. The County has the legal capacity to file a petition under the Federal Bankruptcy Code.

It might be asserted that under the Federal Bankruptcy Code interest and principal payments made by the County in respect of its indebtedness within ninety days of the filing of a bankruptcy petition with respect to the County were voidable preferences. If these assertions were made and sustained by the bankruptcy court, the recipients of those preferential payments could be required to refund them, and their claims would then be treated as if the preferential payments had not been made.

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

As a result of the Court of Appeals decision, the constitutionality of that portion of Title 6-A 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 ever been declared with respect to the County.

Notwithstanding the foregoing provisions relating to limitation of remedies upon a default on indebtedness of the County, the Agreement does not constitute indebtedness of the County for purposes of the State Constitution or the Local Finance Law of the State. The Agreement is not a general obligation of the County. Neither the faith and credit nor the taxing power of the County are pledged to the payment of any amount due or to become due under the Agreement.

End of Appendix B

APPENDIX C

SUMMARY FINANCIAL STATEMENTS

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COUNTY OF ALBANY, NEW YORK
CONSOLIDATED STATEMENT OF BUDGETED REVENUES AND EXPENSES
GENERAL FUND
FOR THE YEARS ENDED DECEMBER 31:

	ADOPTED BUDGET 2021	ADOPTED BUDGET 2022
Revenues		
Local Tax Items	$326,300,194	$350,173,929
Dept/Misc. Income	21,531,153	22,558,945
State Aid	91,794,540	96,013,410
Federal Aid	71,151,346	73,939,789
Interfund Transfers	468,300	468,300
Tax Levy	94,682,487	96,902,250
Fund Balance	3,000,000	0
Total Revenues	$608,928,020	$640,056,623
Appropriations		
General Government	$175,468,708	$190,616,555
Education	32,773,000	33,011,000
Public Safety	90,997,903	98,374,055
Health/Mental Health	44,402,659	48,704,704
Transportation	1,245,437	1,245,437
Econ Asst/Opportnity	214,187,947	212,631,366
Culture/Recreation	1,526,230	1,711,081
Home/Community	3,008,287	3,489,859
Inter fund Transfers	35,973,056	38,914,442
Undistributed	9,344,793	11,358,124
Total Expenditures	$608,928,020	$640,056,623

COUNTY OF ALBANY, NEW YORK
COMBINED STATEMENTS OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES (DEFICITS)
GENERAL FUND
For the Years Ended December 31:

	2017	2018	2019	2020	2021
Revenues:					
Real Property Taxes	$88,098,624	$90,605,328	$88,459,692	$85,036,624	$93,642,319
Real Property Tax Items	10,202,071	8,358,458	8,107,933	7,569,466	8,038,417
Sales and Use Taxes	270,220,622	285,296,901	299,402,523	269,286,682	329,426,255
Departmental Income	29,286,405	29,748,771	30,254,664	29,948,492	31,717,984
Intergovernmental charges	8,561,345	13,584,038	10,553,670	10,040,690	11,951,611
Use of Money and Property	1,719,348	2,165,562	3,344,645	2,003,542	1,872,598
Fines and Forfeitures	676,616	572,778	515,238	270,775	196,636
Sale of property & Compensation for loss	3,564,781	3,913,323	3,656,667	4,223,464	4,568,850
State Aid	62,132,392	59,625,938	62,071,235	71,208,937	74,996,876
Federal Aid	72,864,286	73,210,286	67,002,753	60,549,129	72,578,617
Miscellaneous	2,724,807	3,934,811	1,914,463	1,452,189	1,499,688
Total Revenues	$550,051,297	$571,016,194	$575,283,483	$541,589,990	630,489,851
Other Financing Sources:					
Operating Transfers In	1,395,506	1,567,896	2,559,571	168,300	599,855
Retirement Credits					
Proceeds of bonds					
Total Revenues and Other Sources	$551,446,803	$572,584,090	$577,843,054	$541,758,290	631,089,706
Expenditures:					
General Government	$142,230,999	$149,589,585	$156,916,946	$146,911,146	$172,717,929
Education	28,723,760	30,877,826	31,508,149	29,325,769	31,414,269
Public Safety	59,704,529	62,960,434	63,175,477	61,794,514	62,174,695
Transportation	1,233,466	1,175,262	1,176,070	862,160	1,128,754
Health	30,248,742	33,076,186	33,416,409	33,239,042	35,119,294
Economic Assistance & opportunity	181,334,767	176,673,767	178,579,733	160,720,571	168,340,266
Culture and Recreation	332,715	448,766	390,023	340,155	395,099
Home & Community Service	3,612,380	3,455,954	3,425,339	4,614,004	3,702,765
Employee Benefits	65,226,053	64,485,394	63,821,365	67,888,655	70,157,199
Debt Service:					
Principal					
Interest					271,667
Capital Outlay	2,249,651	2,369,545	3,931,043	4,326,532	4,061,976
Total Expenditures	$514,897,062	$525,112,719	$536,340,554	$510,022,548	549,483,913
Other Financing Sources					
Operating Transfers Out	(34,718,034)	(40,736,055)	(41,560,777)	(43,011,190)	(39,403,661)
Total Expenditures and Other Uses	$549,615,096	$565,848,774	$577,901,331	$553,033,738	$588,887,574
Revenues and Other Sources Over (under) Expenditures and Other Uses	1,831,707	6,735,316	-58,277	-11,275,448	42,202,132
Fund Balances (Deficits), Beginning of Year	60,057,960	61,889,667	68,624,983	67,511,349	56,235,901
Prior Period Adjustment			-1,055,357		
Equity Transfer					
Fund Balances (Deficits), End of Year	$61,889,667	$68,624,983	$67,511,349	$56,235,901	$98,438,033

Source: County's Audited Financial Statements
Table itself not audited.