

OFFICIAL STATEMENT DATED JUNE 29, 2010

RENEWALS AND NEW ISSUE

BOND ANTICIPATION NOTES

In the opinion of Orrick, Herrington & Sutcliffe LLP, Bond Counsel, based upon an analysis of existing laws, regulations, rulings and court decisions, and assuming among other matters, the accuracy of certain representations and compliance 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. In the further opinion of Bond Counsel, interest on the Notes is not a specific preference item for purposes of the federal individual or corporate alternative minimum taxes, nor is it included in adjusted current earnings when calculating corporate alternative minimum taxable income. Bond Counsel is also of the opinion that interest on the Notes is exempt from personal income taxes imposed by the State of New York or any political subdivision thereof (including The City of New York.) 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". The Notes will be designated as "qualified tax-exempt obligations" pursuant to Section 265(b)(3) of the Code.

COUNTY OF CLINTON (the "County")

\$5,733,011

BOND ANTICIPATION NOTES, 2010

Dated Date: July 15, 2010

Maturity Date: July 15, 2011

Security and Sources of Payment: The Notes will constitute general obligations of the County and will contain a pledge of its faith and credit for the punctual payment of the principal of and interest on the Notes, and all the taxable real property within the County will be subject to the levy of ad valorem taxes, without limitation as to rate or amount, for such purpose.

Prior Redemption: The Notes will not be subject to redemption prior to their maturity.

At the option of the purchaser(s), the Notes may be either registered to the purchaser(s) or registered in the name of Cede & Co., as nominee for the Depository Trust Company, New York, New York ("DTC") as book-entry notes. Note certificates as shall bear a single rate of interest and shall be in a denomination equal to the aggregate principal amount awarded to such purchaser at such interest rate.

Form and Denomination: The Notes to be issued in book-entry form will be issued as registered notes, and, when issued, will be registered 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. A single note certificate will be issued for those Notes bearing the same rate of interest and CUSIP number in the aggregate principal amount awarded to such purchaser(s) at such interest rate. Individual purchases of the Notes to be issued in book-entry form may be made only in book-entry form in denominations of \$5,000 or integral multiples thereof. Noteholders will not receive certificates representing their ownership interest in the Notes to be issued in book-entry form purchased. See "Book-Entry System" herein.

Payment: Payment of the principal of and interest on the Notes to be issued in book-entry form will be made by DTC Participants and Indirect Participants in accordance with standing instructions and customary practices, as is now the case with municipal securities held for the accounts of customers registered in "street name." Payment will be the responsibility of the DTC Participant or Indirect Participant and not of DTC or the County, subject to any statutory and regulatory requirements as may be in effect from time to time. See "Book-Entry System" herein. Payment of the principal of and interest on the Notes issued in the form registered to the purchaser(s) will be payable at such bank or trust company located and authorized to do business in the State of New York as may be selected by the successful bidder.

The Notes are offered when, as and if issued and received by the purchaser(s) and subject to the receipt of an unqualified legal opinion as to the validity of the Notes of Orrick, Herrington & Sutcliffe LLP, Bond Counsel, of New York, New York. It is anticipated that the Notes will be available for delivery in New York, New York or such other place as may be agreed upon with the purchaser(s) on or about July 15, 2010.

THE COUNTY DEEMS THIS OFFICIAL STATEMENT TO BE FINAL FOR PURPOSES OF SECURITIES AND EXCHANGE COMMISSION RULE 15c2-12 (THE "RULE"), EXCEPT FOR CERTAIN INFORMATION THAT HAS BEEN OMITTED HEREFROM IN ACCORDANCE WITH SAID RULE AND THAT WILL BE SUPPLIED WHEN THIS OFFICIAL STATEMENT IS UPDATED FOLLOWING THE SALE OF THE OBLIGATIONS HEREIN DESCRIBED. THIS OFFICIAL STATEMENT WILL BE SO UPDATED UPON REQUEST OF THE SUCCESSFUL BIDDER(S) AS MORE FULLY DESCRIBED IN THE NOTICE OF SALE WITH RESPECT TO THE OBLIGATIONS HEREIN DESCRIBED. IN ADDITION, THE COUNTY WILL COVENANT IN AN UNDERTAKING TO PROVIDE NOTICE OF CERTAIN MATERIAL EVENTS AS DEFINED IN THE RULE. (SEE "DISCLOSURE UNDERTAKING," HEREIN).

COUNTY OF CLINTON, NEW YORK

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* * *

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OFFICIAL STATEMENT

Relating to

COUNTY OF CLINTON, NEW YORK

\$5,733,011

BOND ANTICIPATION NOTES, 2010

THE NOTES

General

The \$5,733,011 Bond Anticipation Notes, 2010 (the "Notes") will be general obligations of the County of Clinton, New York (the "County"), and will contain a pledge of the County's faith and credit for the payment of the principal thereof and interest thereon as required by the Constitution and laws of the State of New York (State Constitution, Article VIII, Section 2; Local Finance Law, Section 100.00). The Notes will be dated July 15, 2010 and will mature, without option of redemption prior to maturity, on July 15, 2011 with interest payable at maturity.

The Notes will be issued in book-entry form or, at the option of the purchaser(s), as registered certificated notes. The Notes to be issued in book-entry form will be registered in the name of Cede & Co. as nominee for The Depository Trust Company ("DTC"), New York, New York. See "Book-Entry Only System" herein. DTC will act as Securities Depository for such Notes. Individual purchases will be made in book-entry form only, in the principal amount of \$5,000 or integral multiples thereof. A single note will be issued for all such Notes bearing the same rate of interest and CUSIP number. Purchasers will not receive certificates representing their interest in such Notes. Principal and interest will be paid by the County directly to DTC for its nominee, Cede & Co.

Note certificates shall be delivered to the purchaser(s) of notes requested in registered certificated form to the purchaser(s), and each such note certificate shall bear a single rate of interest and shall be in a denomination equal to the aggregate amount awarded to such purchaser(s) at such interest rate. Principal of and interest on such Notes will be payable in lawful money of the United States of America (Federal Funds) at such bank(s) or trust company(ies) located and authorized to do business in the State of New York as may be selected by the successful bidder(s).

Book-Entry System

If the book-entry format is chosen, DTC will act as securities depository for the Notes (the "Notes"). The Notes will be issued as fully-registered Notes 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 note certificate will be issued for each Note bearing the same rate of interest and CUSIP number, and will be deposited with DTC.

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

companies, and clearing corporations that clear through or maintain a custodial relationship with a Direct Participant, either directly or indirectly (“Indirect Participants”). 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 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 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 Securities, except in the event that use of the book-entry system for the Notes is discontinued.

To facilitate subsequent transfers, all 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 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.

Redemption proceeds, distributions, and dividend payments on the Notes will be made to Cede & Co., or such other nominee as may be requested by an authorized representative of DTC. DTC’s practice is to credit Direct Participants’ accounts upon DTC’s receipt of funds and corresponding detail information from the County, on payable date in accordance with their respective holdings shown on DTC’s records. Payments by Participants to Beneficial Owners will be governed by standing instructions and customary practices, as is the case with notes 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, Agent, or Issuer, subject to any statutory or regulatory requirements as may be in effect from time to time. Payment of redemption proceeds, distributions, and dividend payments to Cede & Co. (Or such other nominee as may be requested by an authorized representative of DTC) is the responsibility of the County, disbursement of such payments to Direct Participants will be the responsibility of DTC, and disbursement of such payments to the Beneficial Owners will be the responsibility of Direct and Indirect Participants.

Payments on the Notes will be made to Cede & Co., or such other nominee as may be requested by an authorized representative of DTC. DTC’s practice is to credit Direct Participants’ accounts upon DTC’s receipt of funds and corresponding detail information from the County, on payable date in accordance with their respective holdings shown on DTC’s records. Payments by Participants to Beneficial Owners will be governed by standing instructions and customary practices, as is the case with notes 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 nor its nominee, or the County, subject to any statutory or regulatory requirements as may be in effect from time to time. Payments to Cede & Co. (or such other nominee as may be requested by an authorized representative of DTC) is the responsibility of the County, disbursement of such payments to Direct Participants will be the responsibility of DTC, and disbursement of such payments to the Beneficial Owners will be the responsibility of Direct and Indirect Participants.

DTC may discontinue providing its services as depository with respect to the 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 to DTC.

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

THE COUNTY WILL NOT HAVE ANY RESPONSIBILITY OR OBLIGATIONS TO PARTICIPANTS, TO INDIRECT PARTICIPANTS OR TO ANY BENEFICIAL OWNER WITH RESPECT TO (I) THE ACCURACY OF ANY RECORDS MAINTAINED BY DTC, ANY PARTICIPANT, OR ANY INDIRECT PARTICIPANT; (II) THE PAYMENT BY DTC OR ANY PARTICIPANT OR INDIRECT PARTICIPANT OR ANY AMOUNT WITH RESPECT TO THE PRINCIPAL OF OR INTEREST ON THE BONDS; (III) ANY NOTICE WHICH IS PERMITTED OR REQUIRED TO BE GIVEN TO BONDHOLDERS; OR (IV) THE SELECTION OF THE BENEFICIAL OWNERS TO RECEIVE PAYMENT IN THE EVENT OF ANY PARTIAL REDEMPTION OF THE BONDS; OR (V) ANY CONSENT GIVEN OR OTHER ACTION TAKEN BY DTC AS BONDHOLDER.

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

Source: DTC

Disclosure Undertaking

This Official Statement is in a form "deemed final" by the County for the purposes of Securities and Exchange Commission Rule 15c2-12 (the "Rule"). At the time of the delivery of the Notes, the County will provide an executed copy of its "Undertaking to Provide Notices of Material Events" (the "Undertaking"). Said Undertaking will constitute a written agreement or contract of the County for the benefit of holders of and owners of beneficial interests in the Notes, to provide, or cause to be provided, to the Electronic Municipal Market Access ("EMMA") System implemented by the Municipal Securities Rulemaking Board established pursuant to Section 15B(b)(1) of the Securities Exchange Act of 1934, or any successor thereto, timely notice of the occurrence of any of the following events with respect to the Notes, if material:

- (i) principal and interest payment delinquencies; (ii) non-payment related defaults; (iii) unscheduled draws on debt service reserves reflecting financial difficulties; (iv) unscheduled draws on credit enhancements reflecting financial difficulties; (v) substitution of credit or liquidity providers, or their failure to perform; (vi) adverse tax opinions or events affecting the tax-exempt status of the Notes; (vii) modifications to rights of Noteholders; (viii) note calls; (ix) defeasances; (x) release, substitution, or sale of property securing repayment of the Notes; and (xi) rating changes.

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

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

The County reserves the right to amend or modify the Undertaking under certain circumstances set forth therein; provided that, any such amendment or modification will be done in a manner consistent with Rule 15c2-12 as then in effect.

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

Authorization and Purpose

The proceeds of the Notes, together with available funds in the amount of \$1,065,715 will be used to redeem outstanding bond anticipation notes and provide new money in the amount of \$167,701, as follows:

<u>Date Authorized</u>	<u>Purpose</u>	<u>Amount Outstanding</u>	<u>Amount to be Paid</u>	<u>Amount to be Borrowed</u>
05-11-05	Highway Construction.....	\$ 435,000	\$ 435,000	\$ 0
05-23-07	Reconstruction of County Buildings	94,200	31,400	62,800
05-23-07	Hangars Acquisitions-County Airport	4,050,000	150,000	3,900,000
05-23-07	Engineering-County Airport	75,000	25,000	50,000
06-11-08	Reconstruction of County Buildings	400,000	100,000	300,000
06-11-08	Reconstruction PIA Runways, Taxiways & Facilities	117,825	23,565	94,260
06-11-08	PIA Design Fire Protection Water Supply	3,875	775	3,100
06-11-08	PIA Design & Construction Hangar Building.....	72,875	14,575	58,300
06-11-08	PIA Design & Construction of Terminal Parking Improvements.....	39,000	7,800	31,200
06-11-08	PIA Design for Reconstruction of Taxiway A	7,625	7,625	0
06-10-09	Reconstruction of County Buildings	500,000	100,000	400,000
06-10-09	PIA Master plan update	5,625	1,125	4,500
06-10-09	PIA Terminal expansion Design & Security Improvement Study	5,000	3,850	1,150
06-10-09	PIA Ranch Hangar (Nose Doc #1 & 2 Renovations) Phase 1	25,000	5,000	20,000
06-10-09	Clinton County Airport Relocation, Engineering & Environmental Cleanup.....	800,000	160,000	640,000
12-22-09	PIA Snow Removal Equipment	0	0	50,000
06-09-10	Construction of Improvements at Clinton County Airport	0	0	117,701
Totals		<u>\$ 6,631,025</u>	<u>\$ 1,065,715</u>	<u>\$ 5,733,011</u>

Security and Source of Payment

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). For the payment of such principal and interest, the County has the power and statutory authorization to levy ad valorem taxes on all taxable real property in the County without limitation as to rate or amount.

Interest on the Notes will be provided from budget appropriations.

For a description of prior issues of bond anticipation notes and of projected issues of obligations for capital and operating purposes of the County, see "Details of Short-Term Indebtedness Outstanding".

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. This provision might be construed to have application to the holders of the Notes in the event of a default in the payment of the principal of or interest on the Notes.

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

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 been declared with respect to the County.

There is in the Constitution of the State, Article VIII, Section 2, the following provisions relating to the annual appropriation of monies for the payment of due principal of and interest on indebtedness of every county, city, town, village and school district in the State: "If at any time for 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 country, 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."

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

THE COUNTY

There follows in this Statement a brief description of the County, together with certain information concerning its economy and governmental organization, its indebtedness, current major revenue sources and expenditures and general and specific funds.

Description

The County, with a land area of 1,059 square miles and a population of 81,618 (2009 U.S. Census estimate) is located in the northeast corner of New York State and is bounded on the north by the Canadian border, on the west by Franklin County, on the south by Essex County and on the east by Lake Champlain and the State of Vermont. While major portions of the County are rural and agricultural in character the County includes the City of Plattsburgh and its surrounding area, which serve as the commercial, industrial, governmental and educational hub of the northern Adirondack region. Situated in the Plattsburgh area is the State University at Plattsburgh, the Clinton Correctional Facility at Dannemora, manufacturing facilities of Georgia-Pacific Corp., Packaging Corporation of America, Bombardier Transit Corp. and Ayerst Laboratories, among others. The County has been involved in the development of Plattsburgh International Airport, following the closing of the Plattsburgh Air Force Base in 1995. See "Plattsburgh International Airport" herein.

Transportation facilities include the Delaware & Hudson Railroad (freight and passenger service), regularly scheduled bus service, Clinton County Airport, Interstate Route 87, New York State Routes 9 and 11 and a network of County and municipal roads.

Government

In New York State, local government services are generally provided by counties, cities, towns and villages. The County provides law enforcement services, economic assistance, health and nursing services, maintains county roads, sponsors a community college and provides numerous other services.

The County is divided into ten Legislative Districts with an elected Legislator representing each District. The Chairman of the Board of Legislators is appointed for a one-year term. The County Treasurer, is elected for a 4-year term and is the chief fiscal officer of the County. The County Treasurer is responsible for accounting and receipts and disbursements, for the collection of taxes and other revenues, for the custody of all public funds of the County, and for the issuance of debt obligations for County purposes. The County Clerk, Sheriff and District Attorney are elected for 4-year terms. The Superintendent of Highways, County Attorney, Director of Real Property Tax Services and other County officials are appointed by the County Legislature.

Plattsburgh International Airport

In February 2003, the Clinton County Legislature agreed to take title to the portion of the former Plattsburgh Air Force Base containing the aviation assets. On February 28, 2003, the Chairperson of the Clinton County Legislature executed a "Lease in Furtherance of Conveyance" agreement with the U.S. Air Force that allowed the County to assume control over 1,700 acres of land for the operation of an airport.

Over the past several years, the County has been engaged in several capital improvement projects to relocate Clinton County Airport to Plattsburgh International Airport. The projects include construction of a new passenger terminal, major renovations of the ILS (instrument landing system) and precision instrument approach, runway improvements and repairs, and construction of a new fuel farm. The projects are now complete, and the County operates the airport as a Part 139 certificate Commercial Service Airport, supporting activities of industrial tenants, general aviation, and passenger flights.

Employees

The County provides services through approximately 789 full-time and 142 part-time employees, of which about 717 are represented by a chapter of the Civil Service Employees' Association and 109 represented by a chapter of AFSCME, AFL-CIO. The C.S.E.A. contract expires on December 31, 2012; the AFL-CIO contract expires on December 31, 2012. There have been no strikes against the County, and its labor relations have been amicable.

ECONOMIC AND DEMOGRAPHIC INFORMATION

Population Trends

The following table sets forth population statistics for the County, the State and the United States.

<u>Year</u>	<u>Clinton County</u>	<u>New York State</u>
1970	72,934	18,241,391
1980	80,750	17,557,288
1990	85,969	17,990,455
2000	79,894	18,976,457
2009	81,618	19,541,453

Source: U.S. Bureau of the Census.

Income Data

	<u>Per Capita Money Income</u>		
	<u>1990</u>	<u>2000</u>	<u>2008*</u>
County of Clinton	\$11,444	\$17,946	\$ 22,396
State of New York	16,501	23,389	30,804
	<u>Median Household Income</u>		
	<u>1990</u>	<u>2000</u>	<u>2008*</u>
County of Clinton	\$26,903	\$37,028	\$ 47,430
State of New York	32,965	43,393	55,401
	<u>Median Family Income</u>		
	<u>1990</u>	<u>2000</u>	<u>2008*</u>
County of Clinton	\$31,833	\$45,732	\$ 59,570
State of New York	39,741	51,691	67,229

Source: United States Bureau of the Census

*Note: Based on American Community Survey 3-Year Estimates (2006-2008)

Selected Listing of Larger Employees¹

<u>Company</u>	<u>Product or Type</u>	<u>Employment Code²</u>
Wyeth-Ayerst Pharmaceuticals, Inc.	Pharmaceuticals	A
CV/PH Medical Center	Medical Center	A
Clinton County Correctional Facility	State Prison	A
Clinton County	Municipal Services	A
State University at Plattsburgh	Educational	A
Bombardier Transit Corp.....	Passenger Rail Cars	B
Georgia-Pacific	Paper Products	B
UPS Supply Chain Solutions.....	Customs Broker	B
Pactiv Corp.	Molded Fiber Prod.	B
N.Y.S. Electric & Gas Corp.	Utility	B
Plattsburgh Press Republican	Newspaper	B
City of Plattsburgh.....	Municipal Services	B
Plattsburgh City School District	Educational	B
Akrimax Pharmaceuticals	Pharmaceuticals	B
Mold Rite Plastics.....	Molded Caps & Jars	B
Schonbek, A. & Co.	Chandeliers	B
Prevost Car US Inc..	Bus Transit Manufacturing	B
Champlain Valley Industries	Industrial	B

1. Certain companies have made announcements regarding layoffs and/or job increases that may not be reflected in such numbers.
2. Employment Code: A = over 500
 B = 101 to 500

Source: Clinton County Area Development Corp.

Unemployment Rate Statistics

Annual Averages:	<u>Clinton County</u>	<u>New York State</u>
2004	6.0%	5.8%
2005	5.2	5.0
2006	5.3	4.5
2007	5.5	4.5
2008	6.7	5.4
2009	9.5	8.3
2010 (5 Months)	10.2	8.7

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

INDEBTEDNESS OF THE COUNTY

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 contract indebtedness. Such constitutional limitations include the following, in summary form, as generally applicable to the County and the Notes.

Purpose and Pledge. The County shall not give or loan any money or property to or in aid of any individual, or private corporation or private undertaking or give or loan its credit to or in aid of any of the foregoing or any public corporation.

The County may contract indebtedness only for a County purpose and shall pledge its faith and credit for the payment of principal of and 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 determined by statute; no installment may be more than fifty per centum in excess of the smallest prior installment, unless the County has authorized the issuance of indebtedness having substantially level or declining annual debt service. The County is required to provide an annual appropriation for the payment of interest due during the year on its indebtedness and for the amounts required in such year for payment of principal on its serial bonds, and bond anticipation notes.

Debt Limit. The County has the power to contract indebtedness for any County purpose so long as the principal amount thereof shall not exceed seven per centum of the average full valuation of taxable real estate of the County and subject to certain enumerated exclusions and deductions such as water and certain sewer facilities and cash or appropriations for current debt service. The Constitutional method for determining full valuation consists of dividing the total assessed valuation of taxable real estate for a specified assessment roll by the final equalization ratio established for such assessment roll by the State Office of Real Property Services (the "ORPS"). 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 valuations of such last completed assessment roll and the four preceding assessment rolls and dividing such sum by five.

There is no constitutional limitation on the amount that may be raised by the County by tax on real estate in any fiscal year to pay interest and principal on all indebtedness. Article VIII, section 12 of the constitution specifically precludes the State from restricting the power of any local government to levy taxes on real property for this purpose.

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 "Security and Source of Payment" 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.

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 constitutional provisions set forth above. The power to spend money, however, generally derives from other law, including the County Law and General Municipal Law of the State.

Pursuant to the Local Finance Law, the County authorizes the incurrence of indebtedness, including bonds and bond anticipation notes issued in anticipation of such bonds and notes, by the adoption of a resolution, approved by at least two-thirds of the members of the County Legislature, the finance board of the County.

The Local Finance Law also provides a twenty-day statute of limitations after publication of a bond resolution, which in effect, estops thereafter legal challenges to the validity of obligations authorized by such bond resolution except for alleged constitutional violations. This estoppel procedure for the Notes has been complied with except for the construction of improvements to the Clinton County Airport adopted on June 9, 2010. The estoppel notice for such authorization was published on June 14, 2010.

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

Each bond resolution also authorizes the issuance of bond anticipation notes prior to the issuance of serial bonds. Statutory law in New York permits notes to be renewed each year, provided annual principal reductions are made and provided that such renewals generally do not extend more than five years beyond the original date of borrowing. However, notes issued in anticipation of the sale of serial bonds for assessable improvements are not subject to such five year limit and may be renewed subject to annual principal reductions for the entire period of probable usefulness of the purpose for which such notes were originally issued. (See "Payment and Maturity" under "Constitutional Requirements".)

In general, the Local Finance Law contains similar provisions providing the County with power to issue general obligation revenue and tax anticipation notes and general obligation budget and capital notes.

The following tables set forth the computation of debt limit and the calculation of total net indebtedness of the County in accordance with the constitutional requirements hereinabove described.

Computation of Debt Limit
(As of June 29, 2010)

Fiscal Year Ending December 31:	Full Valuation
2006	3,521,725,247
2007	3,861,737,515
2008	4,165,103,284
2009	4,351,746,189
2010	4,482,179,456
 Total Five Year Full Valuation	 \$20,382,491,691
Average Five Year Full Valuation	4,076,498,338
Debt Limit - 7% of Average Full Valuation	285,354,884

Calculation of Total Net Indebtedness
(As of June 29, 2010)

Inclusions:	
Outstanding Bonds	\$24,495,000
Bond Anticipation Notes - this issue: To be paid from proceeds of the Notes	5,565,310
To be paid from available funds	<u>1,065,715</u>
Subtotal	31,126,025
Total Inclusions	<u>31,126,025</u>
Exclusions:	
Appropriations	<u>2,090,715</u>
Exclusions	<u>2,090,715</u>
Total Net Indebtedness Before Issuing the Notes	29,035,310
The Notes	5,733,011
Less: BANs to be paid from proceeds	<u>5,565,310</u>
Net Effect of Issuing the Notes	<u>167,701</u>
Total Net Indebtedness	<u>\$29,203,011¹</u>

1. Represents approximately 10.23% of the Debt Limit of \$285,354,884.

Details of Short-Term Indebtedness Outstanding

Date Due	Purpose	Amount	Est. Principal Payment 2010	To be Funded by the Notes
7-16-10	Highway Construction	\$435,000	\$435,000	\$ 0
7-16-10	Reconstruction of County Buildings.....	94,200	31,400	62,800
7-16-10	Hangars Acquisition-County Airport.....	4,050,000	150,000	3,900,000
7-16-10	Engineering-County Airport.....	75,000	25,000	50,000
7-16-10	Reconstruction of County Buildings.....	400,000	100,000	300,000
7-16-10	Reconstruction of PIA Runways, Taxiways & Facilities	117,825	23,565	94,260
7-16-10	PIA Design Fire Protection Water Supply	3,875	775	3,100
7-16-10	PIA Design & Construction Hangar Building.....	72,875	14,575	58,300
7-16-10	PIA Design & Construction of Terminal Parking Improvements	39,000	7,800	31,200
7-16-10	PIA Design for Reconstruction of Taxi A	7,625	7,625	0
7-16-10	Reconstruction of County Buildings.....	500,000	100,000	400,000
7-16-10	PIA Master Plan Update	5,625	1,125	4,500
7-16-10	PIA Terminal Expansion Design and Security Improv. Study	5,000	3,850	1,150
7-16-10	PIA Ranch Hangar (Nose Doc #1 & 2 Renovation) Phase 1.....	25,000	5,000	20,000
7-16-10	Clinton County Airport Relocation, Engineering & Environmental Cleanup	<u>800,000</u>	<u>160,000</u>	<u>640,000</u>
	Total	<u>\$ 6,631,025</u>	<u>\$ 1,065,715</u>	<u>\$5,565,310</u>

Cash Flow Borrowings

Due to its financial and cash management practices, the County has not found it necessary to borrow in anticipation of taxes or state aid revenues.

Debt Service Requirements - Outstanding Bonds

Fiscal Year Ending December 31:	<u>Principal</u>	<u>Interest</u>	<u>Total</u>
2010	1,380,000	1,135,726	2,515,726
2011	1,425,000	1,074,826	2,499,826
2012	1,295,000	1,016,654	2,311,654
2013	1,125,000	965,238	2,090,238
2014	1,175,000	914,613	2,089,613
2015	1,200,000	861,738	2,061,738
2016	950,000	807,438	1,757,438
2017	975,000	764,688	1,739,688
2018	1,025,000	720,813	1,745,813
2019	1,050,000	674,688	1,724,688
2020	1,100,000	627,438	1,727,438
2021	1,150,000	577,938	1,727,938
2022	1,200,000	526,188	1,726,188
2023	1,250,000	472,188	1,722,188
2024	1,300,000	415,938	1,715,938
2025	1,350,000	357,438	1,707,438
2026	1,400,000	295,000	1,695,000
2027	1,450,000	225,000	1,675,000
2028	1,500,000	152,500	1,652,500
2029	<u>1,550,000</u>	<u>77,500</u>	<u>1,627,500</u>
Totals	<u>\$24,850,000</u>	<u>\$ 12,663,543</u>	<u>\$37,513,543</u>

Estimated Overlapping and Underlying Indebtedness

<u>Overlapping Units</u>	<u>Applicable Total Indebtedness</u>	<u>Applicable Net Indebtedness</u>
City of Plattsburgh (at 6-30-10)	\$26,767,250	\$11,804,080
Towns (at 12-31-08)	20,892,990	20,892,990
Villages (at 5-31-09).....	10,392,587	10,392,587
School Districts (at 6-30-09)	149,987,602	34,485,432
Fire Districts (at 12-31-08)	<u>7,230,000</u>	<u>7,230,000</u>
	<u>\$215,270,429</u>	<u>\$ 84,805,089</u>

Source: Special Report on Municipal Affairs published by the Office of the State Comptroller or more recent Official Statements.

Authorized But Unissued Debt

As of the date of this Official Statement the County has authorized but unissued debt in the amount of \$967,701 for various improvements in and for the County. A portion of such amount, in the amount of \$167,701 will be funded by the issuance of the Notes.

Capital Program

The County's Capital Improvement Program does not contain any significant capital projects within the next five years. The County adopts a \$500,000 bond resolution on an annual basis for the purpose of maintenance and improvements to certain County-wide buildings. Other improvements are authorized to be funded from time to time as the County Legislature deems necessary.

County of Clinton/City of Plattsburgh Inter-Municipal Agreement

The County and the City of Plattsburgh (the "City") have entered into an agreement (the "Agreement") pursuant to which the County has agreed to finance and construct a County Sludge Composting Facility (the "Composting Facility") for the composting of sludge generated within the City and other areas of the County. The County has completed the financing and construction of the Composting Facility. Pursuant to the Agreement, the City will operate the Composting Facility and will also finance, construct, and operate a City wastewater dewatering facility (the "Dewatering Facility") designed to remove water from wastewater, a process which will produce sludge to be composted at the Composting Facility operated by the City. The City, pursuant to the Agreement, will charge and collect user charges for composting sludge at the Composting Facility in an amount at least sufficient to make payments to the County equal to the County's costs of having the City operate the Composting Facility and paying the County's debt service on the obligations issued by the County to finance the cost of the construction of the Composting Facility. Such payments are conditioned upon the continued operation of the Composting Facility.

County Jail

In August of 1987, the County entered into a lease agreement with a not-for-profit corporation pursuant to which the not-for-profit corporation agreed to finance and construct a ninety bed correctional facility to be located in the Town of Plattsburgh to be leased to the County. Pursuant to such agreement, the County is required, subject to annual appropriation, to make lease payments to the not-for-profit corporation, in an amount sufficient to pay the not-for-profit corporation's debt service payments on the obligations issued by the not-for-profit corporation to finance the cost of the construction of the jail. The not-for-profit corporation has issued term certificates, in the amount of \$5,375,000 with minimum annual lease payments due August 1.

The annual lease payments for the jail facility are as follows:

2010	\$595,849
2011	597,109
2012	596,789
2013	593,571
2014-1017	<u>2,756,018</u>
	<u>\$5,139,336</u>

Schuyler Falls Landfill

The County entered into an agreement, effective as of July 8, 1996, to lease the Schuyler Falls Landfill to Casella Waste Systems, Inc. ("Casella") Casella has contracted to operate the landfill on behalf of the County for 25 years. In addition, Casella pays host fees and recycling revenues to the County. Under the terms of the lease, Casella assumes the responsibility for the closure of the lined landfill.

FINANCES OF THE COUNTY

Independent Audit

The financial affairs of the District are subject to periodic compliance review by the Office of the State Comptroller to ascertain whether the District has complied with the requirements of various state and federal statutes. The financial statements of the District are audited each year by an independent public accountant. The last such audit covers the fiscal year ended December 31, 2008. The 2009 audit is expected to be complete by September 2010.

Investment Policy

Pursuant to the statutes of the State of New York, the County is permitted to temporarily invest moneys which are not required for immediate expenditures, with the exception of moneys the investment of which is otherwise provided for by law, in the following investments: (1) special time deposit accounts in, or certificates of deposit issued by a bank or trust company located and authorized to do business in the State, provided however, that such time deposit account or certificate of deposit is payable within such time as the proceeds shall be needed to meet the expenditures for which such moneys were obtained and provided further that such time deposit account or certificate of deposit, 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; (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 are 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 in tax anticipation notes or revenue anticipation notes issued by any municipalities, school district, or district corporation, other than those notes issued by the County; (6) certificates of participation issued by political subdivisions of the State, as those terms are defined in the law; (7) obligations of a New York public corporation which are made lawful investments for the County pursuant to the enabling laws of such public corporation; or (8) in the case of moneys held in certain reserve funds established by the County pursuant to law, in obligations of the County. Any investments made by the County pursuant to law are required to be payable or redeemable at the option of the County within such times as the proceeds will be needed to meet expenditures for purposes for which the moneys were provided and, in the case of obligations purchased with the proceeds of bonds or notes, shall be payable or redeemable in any event, at the option of the County, within two years of the date of purchase. These statutes also require that the County's investments, unless registered or inscribed in the name of the County, must be purchased through, delivered to and held in the custody of a bank or trust company in the State. All such investments held in the custody of a bank or trust company must be held pursuant to a written custodial agreement as that term is defined in the law. The County is not presently investing in repurchase agreements, and, by law, cannot invest in reverse repurchase agreements or other so-called "derivatives".

Collateral is required for demand deposit, money market accounts 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 New York State and its municipalities and school districts.

Fund Structure and Accounts

The General Fund is the general operating fund for the County and is used to account for substantially all revenues and expenditures of the County. The County also maintains a county road fund, road machinery fund, solid waste fund and health related facility fund. In addition, a capital fund is used to record capital facilities while a trust and agency fund accounts for assets received by the County in a fiduciary capacity.

Basis of Accounting

The government-wide, proprietary, and fiduciary fund statements are reported using the economic resources measurement focus and the accrual basis of accounting. Revenues are recorded when earned and expenses are recorded at the time liabilities are incurred, regardless of when the related cash flows take place. Nonexchange transaction, in which the County receives value directly without giving equal value in exchange, include property taxes, sales tax receipt, grants and donations. On an accrual basis, revenue from property taxes is recognized in the fiscal year for which taxes are levied. Revenue from grants and donations is recognized in the fiscal year in which all eligibility requirements have been satisfied.

Governmental funds are reported using the current financial resources measurement focus and the modified accrual basis of accounting. Under this method, revenues are recognized when measurable and available. The County considers all revenues reported in the governmental funds to be available if they are collected within sixty days after year end. Expenditures are recorded when the related fund on long-term debt, claims and judgments, and compensated absences, which are recognized as Capital asset purchases are reported as expenditures in governmental funds. Proceeds of long-term liabilities and property or equipment purchased under capital leases are reported as other financing sources.

Budget Process

On or before the end of each October, the tentative budget is submitted to the Finance Committee (the "Committee"). The Committee is designated to receive and study the tentative budget. The Committee holds such meetings as it may determine, and may require any officer or employee of the County or the head of any County department, bureau, office, board or commission, or of any organization receiving financial aid from the County, to appear before the Committee for the purpose of furnishing any information required by the Committee in its consideration of the tentative budget. After such consideration, the Committee approves such tentative budget as originally prepared or with such amendments or change therein as the Committee may determine.

The Annual Meeting for the adoption of the Budget, making appropriation therefore, and for the levying of taxes for all County and Town purposes prescribed by law is held on or before December 15 each year. The Budget is not subject to referendum.

Revenues

The County receives most of its revenue from a real property tax on all non-exempt real property situated within the County, non-property taxes (including sales and use tax) and State aid and Federal aid. A summary of such revenues for the five most recently completed fiscal years may be found in Appendix A.

See "Tax Information", herein

State Aid

The County receives financial assistance from the State. If the State should not adopt its budget in a timely manner as is the case this year, municipalities and school districts in the State, including the County, may be affected by a delay in the payment of State aid. Additionally, 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.

Based on the unaudited Annual Financial Report Update Document of the County, the County received approximately 13.52% of its total General Fund operating revenue from State aid in 2009. There is no assurance, however, that State appropriations for aid to municipalities will continue, either pursuant to existing formulas or in any form whatsoever. The State is not constitutionally obligated to maintain or continue such aid and, in fact, the State has drastically reduced funding to municipalities and school districts in the last several years in order to balance its own budget.

Although the County cannot predict at this time whether there will be any delays and/or reductions in State aid in the current year or in future fiscal years or whether there will be additional Federal Stimulus Act monies made available to pay State aid in future years, the County may be able to mitigate the impact of any delays or reductions by reducing expenditures, increasing revenues appropriating other available funds on hand, and/or by any combination of the foregoing.

Expenditures

The major categories of expenditure for the County are General Government Support, Public Safety Education, Health, Economic Assistance and Opportunity. A summary of the expenditures for the five most recently completed fiscal years may be found in Appendix A.

Results of Operations: 2009 (Unaudited)

The County's revenues exceeded its expenditures by \$1,898,983 in its General Fund for the fiscal year which ended December 31, 2009, which resulted in an increase in fund balance from \$22,252,700 at the beginning of the fiscal year to \$24,151,683 at the end of the fiscal year.

Operations to Date: 2010

The 2010 County Budget contains a tax levy increase of 0.8%. Over a three year period from 2008 to 2010, the County has realized a levy reduction of \$1 million through fiscal constraint and prudent budgeting. Health insurance, salaries, and contributions to the State Retirement System represent approximately 25% of the budget and are projected to come in line with estimates. Sales tax revenues have risen significantly over the past few years due to the favorable Canadian exchange rate. However, the County has continued to budget conservatively, and the revenues should meet expectations. The Budget includes an appropriation of fund balance in the amount of \$2,000,000 and there are no significant variances to date.

Pension Systems

Substantially all employees of the County are members of the New York State and Local Employees' Retirement System (the "Retirement System" or "ERS"). The Retirement System is a cost-sharing multiple public employer retirement system. The obligation of employers and employees to contribute and the benefits to employees are governed by the New York State Retirement System and Social Security Law (the "Retirement System Law"). The Retirement System offers a wide range of plans and benefits which are related to years of service and final average salary, vesting of retirement benefits, death and disability benefits and optional methods of benefit payments. All benefits generally vest after five years of credited service. The Retirement System Law generally provides that all participating employers in the 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 System. The Retirement System is non-contributory with respect to members hired prior to July 27, 1976. All members hired on or after July 27, 1976 must contribute three percent of their gross annual salary towards the costs of retirement programs until they attain ten years in the Retirement System, at such time contributions become voluntary. On December 10, 2009, the Governor Paterson signed into law the creation of a new Tier 5, which is effective for new ERS employees hired after January 1, 2010. New ERS employees in Tier 5 will now contribute 3% of their

salaries. There is no provision for these contributions to cease for Tier 5 employees after a certain period of service.

On May 14, 2003, the Governor signed a pension reform bill into law as Chapter 49 of the Law of 2003 ("Chapter 49"). Chapter 49 changed the billing cycle for employer contributions to the ERS retirement system to match budget cycles of the County. Under the previous method, the County was not provided with required payment until after the budget was implemented. Under the reforms implemented by Chapter 49, the employer contribution for a given fiscal year is based on the value of the pension fund on the prior April 1, instead of the following April 1. As a result, the County is notified of and can include the actual cost of the employer contribution in its budget. Chapter 49 also required a minimum payment of 4.5% of payroll each year, including years in which investment performance of the fund would make a lower employer contribution possible.

During its 2004 Session the New York State Legislature enacted further pension relief in the form of Chapter 260 of the Laws of 2004 ("Chapter 260"). Chapter 260 changed the pension payment date for all local governments from December 15 to February 1 and permits the legislative body of a municipality to establish a retirement contribution reserve fund for the purpose of financing retirement contributions in the future.

The New York State Retirement System has advised the County that municipalities can elect to make employer contribution payments in December or the following February, as required. If such payments are made in the December prior to the scheduled payment date in February, such payments may be made at a discount amount. The County has prepaid its employer contributions each December since the option was made available in 2004.

As a result of significant capital market declines in the recent past, the State's Retirement System portfolio has experienced negative investment performance and severe downward trends in market earnings. As a result of the foregoing, it is anticipated that the employer contribution rate for the State's Retirement System in future years may be significantly higher than the minimum contribution rate established by Chapter 49.

The State Constitution provides that pension rights of public employees are contracted and shall not be diminished or impaired. The required contributions for the five most recently completed fiscal years are as follows:

Payments to the Pension Systems

2004	3,682,579
2005	3,312,656
2006	3,528,705
2007	3,365,148
2008	3,160,043
2009	2,811,117

Other Post Employment Benefits

The County provides post-retirement healthcare benefits to various categories of former employees. These costs may be expected to rise substantially in the future. Accounting rules now require governmental entities, such as the County, to account for post-retirement health care benefits as its accounts for vested pension benefits. GASB Statement No. 45 ("GASB 45") described below requires such accounting.

GASB 45 and OPEB. OPEB refers to "other post-employment benefits," meaning benefits other than pension benefits. OPEB consists primarily of health care benefits, and may include other benefits such as disability benefits and life insurance. Before GASB 45, OPEB costs were generally accounted for and managed as current expenses in the year paid and were not reported as a liability on governmental financial statements.

GASB 45 requires municipalities and school districts to account for OPEB liabilities in the same manner as they already account for pension liabilities. It requires them to adopt the actuarial methodologies used for pensions, with adjustments for the different characteristics of OPEB and the fact that most municipalities and school districts have not set aside any funds against this liability. Unlike GASB Statement No. 27, which covers accounting for pensions, GASB 45 does not require municipalities or school districts to report a net OPEB obligation at the start.

Under GASB 45, based on actuarial valuation, an annual required contribution ("ARC") is determined for each municipality or school district. 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 or school district 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.

GASB 45 does not require that the liability actually be amortized nor that it be funded only that the municipality or school district account for its unfunded accrued liability and comply in meeting its ACR. The County has retained an independent firm to conduct the actuarial valuation and, as of January 1, 2008 the actuarial accrued liability for the County is \$151.2 million and the ARC is \$15.1 million. The estimates include the County as well as the Nursing Home and the Airport. The County has been able to contribute approximately 12% of the ARC in each of the last two fiscal years.

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

TAX INFORMATION

Real Property Taxes

The County derives its power to levy an ad valorem real property tax from the State Constitution; methods and procedures to levy, collect and enforce this tax are governed by the Real Property Tax Law. Real property assessment rolls used by the County are prepared by the component Towns and City. Assessment valuations are determined by the Town and City Assessors and the State Office of Real Property Services which is responsible for certain utility and railroad property. In addition, the State Office of Real Property Services annually establishes State Equalization Rates for all localities in the State, which are determined by statistical sampling of market sales/assessment studies. The equalization rates are used in the calculation and distribution of certain State aids and are used by many localities in the calculation of debt contracting and real property taxing limitations.

Tax Collection Procedure

County taxes are collected in the City of Plattsburgh by the City. The City pays the County levy to the County in full and assumes responsibility for uncollected items. County taxes in the Towns are collected by the Town Receivers of Taxes along with Town and Town Special District taxes. The Town retains the Town and Town Special District taxes from the total collection and returns the balance of such collection and the uncollected items to the County which assumes the responsibility of collection of unpaid items. The County is also responsible for collection of delinquent School District taxes (except Plattsburgh City School District) and the County pays the amount of such uncollected School District taxes to the School Districts in full. The County relieves these items on the next County tax roll and enforcement is the same as for the County taxes.

Plattsburgh City School District taxes are collected by the District. The City assumes responsibility for collection of delinquent taxes and pays the City School District in full during the year of levy.

Town and County taxes are due and payable on January 1 of each year. If not paid prior to February 1st, penalties are imposed at an annual rate determined by the New York State Commissioner of Taxation and Finance. In May, the tax rolls are returned to the County and taxes plus penalties are payable to the County Treasurer.

Tax Levy and Collection Record and Tax Rates

	<u>2006</u>	<u>2007</u>	<u>2008</u>	<u>2009</u>	<u>2010</u>
County and State Taxes	\$20,779,024	\$21,869,700	\$15,279,055	\$15,140,531	\$15,367,720
Town Taxes	16,513,179	16,846,676	17,368,589	18,449,996	19,676,944
Returned School Taxes	3,203,242	3,508,070	3,434,166	3,443,249	3,564,415
Relevied Item and Penalties	296,473	335,061	348,321	747,462	362,078
Total Tax Levy	\$40,791,918	\$42,559,507	\$36,430,131	\$37,781,237	\$38,971,157
Adjustments	(19,221)	(24,728)	(67,656)	(460,642)	(80,237)
Tax Levy	\$40,772,697	\$42,534,779	\$36,362,475	\$37,320,595	\$38,890,920
Uncollected End of Year of Levy:					
Amount	\$1,828,448	\$1,356,964	\$3,784,280	\$4,646,255	\$4,432,816
Per Cent	4.48%	3.19%	10.41%	12.45%	11.40%
Tax Rate per \$1,000 of County					
Equalized Full Valuation	\$7.41	\$7.09	\$6.23	\$6.00	\$5.88

Selected Listing of Large Taxable Properties
2010 Assessment Roll

<u>Name</u>	<u>Type</u>	<u>Full Valuation</u>
New York State Elec. & Gas Corp.	Utility	\$196,454,800
State of New York	State Properties	69,731,700
Champlain Centre North LLC	Commercial	36,000,000
Plattcon A LLC	Commercial	31,400,000
Akimax Manufacturing, LLC	Manufacturing	23,572,800
Georgia Pacific Corp.	Industrial	15,130,900
Verizon New York, Inc.	Utility	14,155,021
City of Plattsburgh	Water Properties	13,876,667
Pyramid Co. Of Plattsburgh	Commercial	12,764,700
Plattsburgh Suite LLC	Commercial	12,000,000
Prevost Car US Inc	Industrial	12,000,000
Champlain Valley Medical Center	Hospital	11,656,000
Schluter Systems, LP	Industrial	11,100,000
Wyeth Pharmacy	Manufacturing	9,992,500
Meron Terry	Commercial	9,784,100
Meadowbrook Nursing Home	Nursing Home	9,500,000
Target Corporation	Commercial	8,500,000
Main Mill Investments, LLC	Manufacturing	7,768,300
Bombardier Mass Transsit Corp.	Industrial	7,703,000
Titherington Geoffrey	Industrial	7,582,000
Plattsburgh Plaza LLC.....	Commercial	<u>6,488,900</u>
		<u>\$527,161,388²</u>

1. Assessment Roll established in 2009 for levy and collection of taxes during 2010 Fiscal Year.
2. Represents 11.76% of the total full valuation of \$4,482,179,456.

LITIGATION

In common with other counties, the County from time to time receives notices of claim and is party to litigation. In the opinion of the attorney for the County, unless otherwise set forth herein and apart from matters provided for by applicable insurance coverage, there are no significant claims or actions pending in which the County has not asserted a substantial and adequate defense, nor which, if determined against the County, would have a adverse material effect on the financial condition of the County, in view of the County's ability to fund the same through use of appropriate funding mechanisms provided by the Local Finance Law.

**RISK FACTORS
AND
MARKET FACTORS AFFECTING FINANCINGS OF THE STATE AND
MUNICIPALITIES OF THE STATE**

The financial and economic condition of the County, as well as the market for the Notes, could be affected by a variety of factors, some of which are beyond the County's control. There can be no assurance that adverse events in the State 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 Notes. If a significant default or other financial crisis should occur in the affairs of the State or another jurisdiction, or of any of their respective 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 Notes, could be adversely affected.

There are various other forms of risk associated with investing in the Notes. Although none of such risks currently exist with respect to the County or the Notes, there can be no assurance that one or more of such events will not occur in the future. One such risk is that the County will be unable to promptly pay interest and principal on the Notes as they become due (see "Remedies Upon Default", herein). If a Noteholder elects to sell his investment prior to its scheduled maturity date, market access or price risk may be incurred. The following is a discussion of certain events that could affect the risk of investing in the Notes. In addition, there may be other risk factors which a potential investor must consider. In order to make an informed investment decision, an

investor should be thoroughly familiar with the entire Official Statement, including its appendices, as well as all areas of potential risk.

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

The County is dependent in part on financial assistance from the State. However, if the State should experience difficulty in borrowing funds in anticipation of the receipt of State taxes and revenues in order to pay State aid to municipalities and school districts in the State, including the County, in any year, the County may be affected by a delay, until sufficient taxes have been received by the State to make State aid payments to the County.

In 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 "State Aid").

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

Amendments to U.S. Internal Revenue Code could reduce or eliminate the favorable tax treatment granted to municipal debt, including the Notes and other debt issued by the County. Any such future legislation would have an adverse effect on the market value of the Notes (See "Tax Exemption" herein).

TAX MATTERS

In the opinion of Orrick, Herrington & Sutcliffe LLP ("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 Notes is excluded from gross income for federal income tax purposes under Section 103 of the Internal Revenue Code of 1986 (the "Code") and is excluded from adjusted gross income for purposes of personal income taxes imposed by the State of New York or any political subdivision thereof (including The City of New York). Bond Counsel is of the further opinion that interest on the Notes is not a specific preference item for purposes of the federal individual or corporate alternative minimum taxes, nor is it included in adjusted current earnings when calculating corporate alternative minimum taxable income. A complete copy of the proposed form of opinion of Bond Counsel is set forth in Appendix B hereto.

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 Notes will not be included in federal gross income. Failure to comply with these covenants may result in interest on the Notes being included in gross income for federal income tax purposes possibly from the date of original issuance of the 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 Notes may adversely affect the value of, or the tax status of interest on, the 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 Certificate, and other relevant documents may be changed and certain actions (including, without limitation, economic defeasance of the Notes) 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 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 Notes is excluded from gross income for federal income tax purposes and is exempt from income taxes imposed by the State of New York and its political subdivisions (including The City of New York), the ownership or disposition of, or the accrual or receipt of interest on, the Notes may otherwise affect a 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 Owners or the Owner's other items of income or deduction. Bond Counsel expresses no opinion regarding any such other tax consequences.

Future legislative proposals, if enacted into law, clarification of the Code or court decisions may cause interest on the Bonds 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. The introduction or enactment of any such future legislative proposals, clarification of the Code or court decisions may also affect the market price for, or marketability of, the Bonds. Prospective purchasers of the Bonds should consult their own tax advisors regarding any pending or proposed federal or state tax legislation, regulations or litigations, as to which Bond Counsel expresses no opinion.

LEGAL MATTERS

Legal matters incident to the authorization, issuance and sale of the Notes are subject to the approving legal opinion of Orrick, Herrington & Sutcliffe LLP, Bond Counsel. Bond Counsel's opinion will be in substantially the form attached hereto as Appendix B.

RATING

The Notes are not rated. Moody's Investors Services, Inc. has assigned a rating of "Aa2" to the outstanding bonds of the County. This rating reflects only the view of the rating agency furnishing the same, and an explanation of the significance of this rating may be obtained only from the rating agency. There is no assurance such rating will continue for any given period of time, or that such rating will not be revised or withdrawn by such rating agency, if in its judgment, circumstances so warrant. Any such action could have an adverse effect on the market for and market price of the Notes.

FINANCIAL ADVISOR

Munistat Services, Inc. has acted as the financial advisor to the County in connection with the sale of the Notes.

OTHER MATTERS

The County is in compliance with the procedure for the validation of \$5,565,310 of the Notes provided in Title 6 of Article 2 of the Local Finance Law and is in the process of complying with such procedure for the remaining \$167,701 of said Notes.

There is no bond or note principal or interest past due.

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

This Official Statement does not include the financial data of any political subdivision of the State of New York having power to levy taxes within the County, except as expressed in the "Calculation of Estimated Overlapping and Underlying Indebtedness."

ADDITIONAL INFORMATION

Additional information may be obtained upon request from the office of the County Treasurer, telephone number 518/565-4730 or from the office of Munistat Services, Inc., 12 Roosevelt Avenue, Port Jefferson Station, New York 11776, telephone number 631/331-8888 and website: <http://www.munistat.com>.

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 such opinions or estimates will be realized. Neither this Official Statement nor any statement which may have been made orally or in writing with regard to the Notes is to be construed as a contract with the holders of the Notes.

Orrick, Herrington & Sutcliffe LLP expresses no opinion as to the accuracy or completeness of any documents prepared by or on behalf of the County for use in connection with the offer and sale of the Notes, including this Official Statement.

The preparation and distribution of this Official Statement have been approved by the Supervisor pursuant to the power delegated to him by the authorizing note resolutions to sell and deliver the Notes.

This Official Statement has been duly executed and delivered by the Treasurer of the County of Clinton.

JOSEPH W. GIROUX
County Treasurer
County of Clinton, New York

June 29, 2010

APPENDIX A

FINANCIAL INFORMATION

Statement of Revenues, Expenditures and Fund Balances
General Fund

	Fiscal Year Ending December 31:				
	<u>2005</u>	<u>2006</u>	<u>2007</u>	<u>2008</u>	<u>2009</u>
Revenues:					
Real Property Taxes	\$ 17,223,106	\$ 20,029,964	\$ 21,218,239	\$ 19,919,867	\$ 19,462,539
Real Property Tax Items	2,951,013	2,771,887	3,093,749	2,929,648	3,000,840
Non-Property Tax Items	31,762,736	33,536,142	50,444,044	54,740,096	52,703,665
Departmental Income	15,718,251	14,958,171	15,668,612	15,010,725	14,546,421
Use of Money and Property	2,117,494	2,246,137	1,961,571	334,989	188,149
Intergovernmental Revenue	642,712	2,021,474	2,971,310	2,389,229	1,679,707
Fines and Forfeitures	318,643	298,675	401,302	463,704	484,582
Sale of Prop. and Comp. for Loss	2,328,251	2,425,545	2,410,588	2,370,458	2,502,243
Interfund Revenues	945,027	849,952	872,933	1,056,356	1,177,891
State Aid	17,735,796	16,005,409	20,383,897	20,185,855	18,125,303
Federal Aid	14,187,500	14,871,440	13,364,006	11,610,710	18,392,764
Miscellaneous	1,639,652	2,095,233	1,441,710	1,810,857	1,550,999
Total Revenues	<u>107,570,181</u>	<u>112,110,029</u>	<u>134,231,961</u>	<u>132,822,494</u>	<u>133,815,103</u>
Expenditures:					
General Government Support	10,440,900	10,936,559	26,362,304	27,887,028	26,978,350
Education	5,281,075	6,217,883	6,743,708	6,973,309	6,936,558
Public Safety	10,031,720	10,986,777	11,756,835	12,644,800	13,017,714
Health	16,079,784	16,945,139	17,645,514	18,318,186	17,896,714
Transportation	3,106,681	2,726,762	2,154,702	1,213,638	1,846,770
Economic Assistance and Opportunity	46,961,513	46,264,747	46,404,809	49,254,888	50,203,189
Culture and Recreation	679,251	639,479	581,699	576,498	695,189
Home and Community Services	790,757	1,067,420	2,883,064	501,212	1,569,839
Employee Benefits	378,422	273,390	233,087	350,360	411,755
Debt Service:					
Prinicipal	2,244,743	2,588,160	2,317,923	2,385,141	1,460,881
Interest	1,076,669	1,530,884	1,764,927	1,590,525	1,493,068
Total Expenditures	<u>97,071,515</u>	<u>100,177,200</u>	<u>118,848,572</u>	<u>121,695,585</u>	<u>122,510,027</u>
Excess (Deficiency) of Revenues over Expenditures	<u>10,498,666</u>	<u>11,932,829</u>	<u>15,383,389</u>	<u>11,126,909</u>	<u>11,305,076</u>
Other Financing Sources (Uses):					
Operating Transfers In	77,992	540,797			175,075
Operating Transfers Out	(7,663,736)	(7,734,414)	(8,448,828)	(14,225,453)	(9,581,169)
Transfers to Community College					
Total Other Financing Sources (Uses)	<u>(7,585,744)</u>	<u>(7,193,617)</u>	<u>(8,448,828)</u>	<u>(14,225,453)</u>	<u>(9,406,094)</u>
Excess (Deficiency) of Revs & Other Sources Over Exp. & Other Uses	2,912,922	4,739,212	6,934,561	(3,098,544)	1,898,982
Fund Equity Beginning of Year	10,764,549	13,677,471	18,416,683	25,351,244	22,252,700
Residual Equity Transfers					
Fund Equity End of Year	<u>\$ 13,677,471</u>	<u>\$ 18,416,683</u>	<u>\$ 25,351,244</u>	<u>\$ 22,252,700</u>	<u>\$ 24,151,682</u>

Source: Audited Annual Financial Reports(2005-2008) & 2009 Annual Financial Update Document (Unaudited)
This Table is Not Audited

Special Revenue Funds¹

	Fiscal Year Ending December 31:				
	<u>2005</u>	<u>2006</u>	<u>2007</u>	<u>2008</u>	<u>2009</u>
Revenues:					
Interest and Rental Income	\$ 2,272,639	2,390,823	2,505,728	2,383,046	2,328,535
Licenses and Permits	20,620	59,462	86,670	75,722	10,565
Sale of Prop. and Comp. for Loss	266,130	235,794	702,284	823,939	320,607
State Aid	2,941,069	1,745,234	1,371,664	2,697,921	1,283,328
Federal Aid	6,586,248	2,210,577	1,458,604	219,579	871,190
Intergovernmental & Departmental Revenue	57,161	59,483	59,290	69,051	758,474
Interfund Revenues	0	716,100	814,900	827,900	848,290
Miscellaneous	74,451	731,241	213,920	238,397	230,508
Total Revenues	<u>12,218,318</u>	<u>8,148,714</u>	<u>7,213,060</u>	<u>7,335,555</u>	<u>6,651,497</u>
Expenditures:					
Public Safety	436,414	393,338			569,608
Transportation	14,076,419	7,425,236	9,042,800	10,526,771	8,544,131
Economic Assistance and Opportunity	1,027,453	1,123,227	940,439	827,033	1,032,259
Home and Community Services	1,840,646	1,871,060	1,936,005	2,041,344	2,023,160
Employee Benefits		990,677			
Debt Service					
Principal	1,547,560	1,816,230	1,833,830	2,594,280	857,000
Interest	144,771	210,107	256,239	175,259	49,200
Total Expenditures	<u>19,073,263</u>	<u>13,829,875</u>	<u>14,009,313</u>	<u>16,164,687</u>	<u>13,075,358</u>
Excess (Deficiency) of Revenues over Expenditures	<u>(6,854,945)</u>	<u>(5,681,161)</u>	<u>(6,796,253)</u>	<u>(8,829,132)</u>	<u>(6,423,861)</u>
Other Financing Sources (Uses):					
Operating Transfers In	6,464,124	6,526,531	6,787,154	8,799,822	6,744,111
Operating Transfers Out					(272,037)
Total Other Financing Sources (Uses)	<u>6,464,124</u>	<u>6,526,531</u>	<u>6,787,154</u>	<u>8,799,822</u>	<u>6,472,074</u>
Excess (Deficiency) of Revs & Other Sources Over Exp. & Other Uses	<u>(390,821)</u>	<u>845,370</u>	<u>(9,099)</u>	<u>(29,310)</u>	<u>48,213</u>
Fund Equity Beginning of Year	<u>5,632,076</u>	<u>5,241,255</u>	<u>6,086,625</u>	<u>6,077,526</u>	<u>6,048,216</u>
Fund Equity End of Year	<u>\$ 5,241,255</u>	<u>6,086,625</u>	<u>6,077,526</u>	<u>6,048,216</u>	<u>6,096,429</u>

1. Includes the following funds: Special Grant, County Road, Road Machinery, and Landfill Fund
Source: Audited Annual Financial Reports (2005-2008) & 2009 Annual Financial Update Document (Unaudited)
This Table is Not Audited

Balance Sheet - General Fund
Fiscal Year Ending December 31, 2009

ASSETS	
Cash and Cash in Time Deposits	\$ 9,355,279
Taxes Receivable: Net	6,643,494
Accounts Receivable	3,723,863
Due from Other Governments (including State & Federal Receivables)	12,898,773
Due from Other Funds	4,733,471
Inventories	57,600
Prepaid Expenses	76,557
Restricted Assets	<u>5,765,248</u>
 Total Assets	 \$ <u><u>43,254,285</u></u>
 LIABILITIES	
Accounts Payable	\$ 3,236,479
Accrued Liabilities	2,615,173
Other Liabilities	3,106,357
Due to Other Funds	861,481
Due to Other Governments	6,397,983
Deferred Revenues	<u>2,885,129</u>
 Total Liabilities	 <u><u>19,102,602</u></u>
 FUND BALANCE	
Reserved	
Reserved for Encumbrances	158,136
Contributed Reserve	125,000
Special Reserves	6,278,767
Unreserved	
Designated	2,000,000
Undesignated	15,589,780
 Total Fund Balances	 24,151,683
 Total Liabilities & Fund Equity	 \$ <u><u>43,254,285</u></u>

Source: 2009 Annual Financial Update Document (Unaudited)
This Table is Not Audited

2009 BUDGET SUMMARIES BY FUNDS

	<u>TOTAL ALL FUNDS</u>	<u>GENERAL FUND</u>	<u>HIGHWAY ROADS</u>	<u>NURSING HOME</u>	<u>AIRPORT FUND</u>	<u>LANDFILL FUND</u>	<u>HIGHWAY MACHINERY</u>
Total Appropriations	\$ 156,972,654	\$ 128,431,765	\$ 10,485,317	\$ 7,301,071	\$ 6,259,362	\$ 2,642,604	\$ 1,852,535
Estimated Revenues	\$ 116,575,993	\$ 99,070,501	\$ 3,607,800	\$ 5,397,840	\$ 4,284,798	\$ 2,542,604	\$ 1,672,450
Fund Balance	2,375,000	2,000,000	240,000			100,000	35,000
Retained Earnings	950,000			950,000			
Restricted Fund Balance	27,579	27,579					
Capital Reserve	247,919	70,000	104,642	4,861	33,416		35,000
Computer Reserve	10,000	10,000					
Federal Justice Reserve	56,363	56,363					
Mortgage Tax Reserve	50,000	50,000					
Stop-DWI Reserve	13,292	13,292					
Sheriff Seizure Reserve	75,639	75,639					
Tobacco Reserve	1,278,000	928,000	350,000				
General Fund Transfer	9,182,478		6,182,875	948,370	1,941,148		110,085
Tax Levy	26,130,391	26,130,391					
Total Revenues	\$ 156,972,654	\$ 128,431,765	\$ 10,485,317	\$ 7,301,071	\$ 6,259,362	\$ 2,642,604	\$ 1,852,535

2010 BUDGET SUMMARIES BY FUNDS

	<u>TOTAL ALL FUNDS</u>	<u>GENERAL FUND</u>	<u>HIGHWAY ROADS</u>	<u>NURSING HOME</u>	<u>AIRPORT FUND</u>	<u>LANDFILL FUND</u>	<u>HIGHWAY MACHINERY</u>
Total Appropriations	\$ 158,067,039	\$ 130,776,358	\$ 12,038,667	\$ 7,527,588	\$ 3,894,982	\$ 2,528,143	\$ 1,301,301
Estimated Revenues	\$ 117,044,142	\$ 100,976,549	\$ 5,278,500	\$ 6,080,345	\$ 1,049,405	\$ 2,528,143	\$ 1,131,200
Fund Balance	2,240,000	2,000,000	200,000				40,000
Retained Earnings	1,442,984			1,442,984			
Restricted Fund Balance	50,854	50,854					
Capital Reserve	248,508	47,000	132,949	4,259	34,300		30,000
Computer Reserve	20,000	20,000					
Federal Justice Reserve	58,238	58,238					
Mortgage Tax Reserve	30,000	30,000					
Stop-DWI Reserve	25,000	25,000					
Sheriff Seizure Reserve	54,785	54,785					
Sheriff Treasury Reserve	26,882	26,882					
Tobacco Reserve	1,450,000	1,140,000	310,000				
General Fund Transfer	9,028,596		6,117,218		2,811,277		100,101
Tax Levy	26,347,050	26,347,050					
Total Revenues	\$ 158,067,039	\$ 130,776,358	\$ 12,038,667	\$ 7,527,588	\$ 3,894,982	\$ 2,528,143	\$ 1,301,301

Fiscal Year - 2005

	Assessed Valuation	State Eq. Rate	Full Valuation
City of Plattsburgh	\$ 648,272,168	100.00%	\$ 648,272,168
Towns: Altona	74,788,800	100.00%	74,788,800
Ausable	95,105,517	100.00%	95,105,517
Beekmantown	229,492,284	100.00%	229,492,284
Black Brook	98,789,732	100.00%	98,789,732
Champlain	272,359,567	91.09%	299,000,513
Chazy	195,563,272	100.00%	195,563,272
Clinton	27,560,206	100.00%	27,560,206
Dannemora	102,456,056	100.00%	102,456,056
Ellenburg	79,087,932	90.12%	87,758,469
Moors	112,058,326	100.00%	112,058,326
Peru	273,363,495	100.00%	273,363,495
Plattsburgh	683,335,427	100.00%	683,335,427
Saranac	159,434,999	100.00%	159,434,999
Schuyler Falls	188,775,099	100.00%	188,775,099
Total	\$ 3,240,442,880		\$ 3,275,754,362

Fiscal Year - 2006

	Assessed Valuation	State Eq. Rate	Full Valuation
City of Plattsburgh	\$ 666,580,903	100.00%	\$ 666,580,903
Towns: Altona	77,428,457	100.00%	77,428,457
Ausable	109,957,377	100.00%	109,957,377
Beekmantown	245,360,031	100.00%	245,360,031
Black Brook	105,573,383	100.00%	105,573,383
Champlain	306,000,878	100.00%	306,000,878
Chazy	203,948,521	100.00%	203,948,521
Clinton	27,899,156	100.00%	27,899,156
Dannemora	106,255,498	100.00%	106,255,498
Ellenburg	90,629,575	100.00%	90,629,575
Moors	114,149,673	100.00%	114,149,673
Peru	315,024,109	100.00%	315,024,109
Plattsburgh	794,382,217	100.00%	794,382,217
Saranac	164,053,721	100.00%	164,053,721
Schuyler Falls	194,481,748	100.00%	194,481,748
Total	\$ 3,521,725,247		\$ 3,521,725,247

Fiscal Year - 2007

	Assessed Valuation	State Eq. Rate	Full Valuation
City of Plattsburgh	\$ 732,609,866	100.00%	\$ 732,609,866
Towns: Altona	82,549,118	100.00%	82,549,118
Ausable	116,912,380	100.00%	116,912,380
Beekmantown	263,361,752	100.00%	263,361,752
Black Brook	126,891,646	100.00%	126,891,646
Champlain	311,850,807	100.00%	311,850,807
Chazy	225,241,297	100.00%	225,241,297
Clinton	32,444,661	100.00%	32,444,661
Dannemora	126,766,854	100.00%	126,766,854
Ellenburg	94,731,174	100.00%	94,731,174
Moors	125,499,850	100.00%	125,499,850
Peru	342,192,610	100.00%	342,192,610
Plattsburgh	867,968,498	100.00%	867,968,498
Saranac	190,519,041	100.00%	190,519,041
Schuyler Falls	222,197,961	100.00%	222,197,961
Total	\$ 3,861,737,515		\$ 3,861,737,515

Fiscal Year - 2008

	Assessed Valuation	State Eq. Rate	Full Valuation
City of Plattsburgh	\$ 809,167,735	100.00%	\$ 809,167,735
Towns: Altona	90,732,920	100.00%	90,732,920
Ausable	119,518,984	100.00%	119,518,984
Beekmantown	285,990,533	100.00%	285,990,533
Black Brook	135,085,572	100.00%	135,085,572
Champlain	354,935,060	100.00%	354,935,060
Chazy	240,058,181	100.00%	240,058,181
Clinton	34,160,726	100.00%	34,160,726
Dannemora	133,815,391	100.00%	133,815,391
Ellenburg	100,118,041	100.00%	100,118,041
Mooers	130,724,980	100.00%	130,724,980
Peru	375,062,765	100.00%	375,062,765
Plattsburgh	923,740,370	100.00%	923,740,370
Saranac	194,836,895	100.00%	194,836,895
Schuyler Falls	<u>237,155,131</u>	100.00%	<u>237,155,131</u>
Total	\$ 4,165,103,284		\$ 4,165,103,284

Fiscal Year - 2009

	Assessed Valuation	State Eq. Rate	Full Valuation
City of Plattsburgh	\$ 834,425,881	100.00%	\$ 834,425,881
Towns: Altona	91,153,425	100.00%	91,153,425
Ausable	121,126,964	100.00%	121,126,964
Beekmantown	308,609,640	100.00%	308,609,640
Black Brook	139,053,745	100.00%	139,053,745
Champlain	362,775,388	100.00%	362,775,388
Chazy	250,918,596	100.00%	250,918,596
Clinton	34,791,431	100.00%	34,791,431
Dannemora	140,976,323	100.00%	140,976,323
Ellenburg	108,672,436	100.00%	108,672,436
Mooers	137,897,446	100.00%	137,897,446
Peru	392,127,935	100.00%	392,127,935
Plattsburgh	966,068,758	100.00%	966,068,758
Saranac	217,814,610	100.00%	217,814,610
Schuyler Falls	<u>245,333,611</u>	100.00%	<u>245,333,611</u>
Total	\$ 4,351,746,189		\$ 4,351,746,189

Fiscal Year - 2010

	Assessed Valuation	State Eq. Rate	Full Valuation
City of Plattsburgh	\$ 854,966,790	100.00%	\$ 854,966,790
Towns: Altona	94,580,446	100.00%	94,580,446
Ausable	127,306,219	100.00%	127,306,219
Beekmantown	320,700,709	100.00%	320,700,709
Black Brook	142,856,734	100.00%	142,856,734
Champlain	376,444,544	100.00%	376,444,544
Chazy	254,617,390	100.00%	254,617,390
Clinton	39,172,144	100.00%	39,172,144
Dannemora	142,077,760	100.00%	142,077,760
Ellenburg	109,512,209	100.00%	109,512,209
Mooers	141,877,730	100.00%	141,877,730
Peru	404,482,320	100.00%	404,482,320
Plattsburgh	998,532,546	100.00%	998,532,546
Saranac	222,915,702	100.00%	222,915,702
Schuyler Falls	<u>252,136,213</u>	100.00%	<u>252,136,213</u>
Total	\$ 4,482,179,456		\$ 4,482,179,456

APPENDIX B

FORM OF BOND COUNSEL'S OPINION

DRAFT

July 15, 2010

County of Clinton
State of New York

Re: County of Clinton, New York
\$5,733,011 Bond Anticipation Notes, 2010

Ladies and Gentlemen:

We have been requested to render our opinion as to the validity of \$5,733,011 Bond Anticipation Notes, 2010 (the "Obligation"), of the Country of Clinton, New York (the "Obligor"), dated July 15, 2010 numbered , of the denomination of \$_____, bearing interest at the rate of _____% per annum, payable at maturity, and maturing July 15, 2011.

We have examined:

- (1) the Constitution and statutes of the State of New York;
- (2) the Internal Revenue Code of 1986, including particularly Sections 103 and 141 through 150 thereof, and the applicable regulations of the United States Treasury Department promulgated thereunder (collectively, the "Code");
- (3) an arbitrage certificate executed on behalf of the Obligor which includes, among other things, covenants, relating to compliance with the Code, with the owners of the Obligation that the Obligor will, among other things, (i) take all actions on its part necessary to cause interest on the Obligation not to be includable in the gross income of the owners thereof for Federal income tax purposes, including, without limitation, restricting, to the extent necessary, the yield on investments made with the proceeds of the Obligation and investment earnings thereon, making required payments to the Federal government, if any, and maintaining books and records in a specified manner, where appropriate, and (ii) refrain from taking any action which would cause interest on the Obligation to be includable in the gross income of the owners thereof for Federal income tax purposes, including, without limitation, refraining from spending the proceeds of the Obligation and investment earnings thereon on certain specified purposes (the "Arbitrage Certificate"); and
- (4) a certificate executed on behalf of the Obligor which includes, among other things, a statement that compliance with such covenants is not prohibited by, or violative of, any provision of local or special law, regulation or resolution applicable to the Obligor.

We also have examined a certified copy of proceedings of the finance board of the Obligor and other proofs authorizing and relating to the issuance of the Obligations, including the form of the Obligations. In rendering the opinions expressed herein we have assumed the accuracy and truthfulness of all public records, documents and proceedings, including factual information, expectations and statements contained therein, examined by us which have been executed or certified by public officials acting within the scope of their official capacities, and have not verified the accuracy or truthfulness thereof. We also have assumed the genuineness of the signatures appearing upon such public records, documents and proceedings and the certifications thereof.

In our opinion:

- (a) The Obligations has been authorized and issued in accordance with the Constitution and statutes of the State of New York and constitutes a valid and legally binding general obligation of the Obligor, all the taxable real property within which is subject to the levy of ad valorem taxes to pay the Obligations and interest thereon, without limitation as to rate or amount; provided, however, that the enforceability (but not the validity) of the Obligation: (i) may be limited by any applicable bankruptcy, insolvency or other law now existing or hereafter enacted by said State or the Federal government affecting the enforcement of creditors' rights, and (ii) may be subject to the exercise of judicial discretion in appropriate cases.
- (b) The Obligor has the power to comply with its covenants with respect to compliance with the Code as such covenants relate to the Obligation; provided, however, that the enforceability (but not the validity) of such covenants may be limited by any applicable bankruptcy, insolvency or other law now existing or hereafter enacted by said State or the Federal government affecting the enforcement of creditors' rights.
- (c) Interest on the Obligations is excluded from gross income for federal income tax purposes under Section 103 of the Internal Revenue Code of 1986, and is exempt from personal income taxes imposed by the State of New York and any political subdivision thereof (including The City of New York). Interest on the Obligations is not a specific preference item for purposes of the federal individual or corporate alternative minimum taxes, nor is it included in adjusted current earnings in calculating corporate alternative minimum taxable income. We express no opinion regarding other tax consequences related to the ownership or disposition of, or the accrual or receipt of interest on, the Obligations.

Certain agreements, requirements and procedures contained or referred to in the Arbitrage Certificate and other relevant documents may be changed and certain actions (including, without limitation, economic defeasance of the Obligations) may be taken or omitted under the circumstances and subject to the terms and conditions set forth in such documents.

The opinions expressed herein are based on an analysis of existing laws, regulations, rulings and court decisions and cover certain matters not directly addressed by such authorities. Such opinions may be

affected by actions taken or omitted or events occurring after the date thereof. Accordingly, this opinion is not intended to, and may not, be relied upon in connection with any such actions, events or matters. Our engagement with respect to the Obligations has concluded with their issuance, and we disclaim any obligation to update this opinion. We have assumed, without undertaking to verify, the accuracy of the factual matters represented, warranted or certified in the documents. Furthermore, we have assumed compliance with all covenants and agreements contained in the Arbitrage Certificate, including without limitation covenants and agreements compliance with which is necessary to assure that future actions, omissions or events will not cause interest on the Obligations to be included in gross income for federal income tax purposes. We call attention to the fact that the rights and obligations under the Obligations and the Arbitrage Certificate and their enforceability may be subject to bankruptcy, insolvency, reorganization, arrangement, fraudulent conveyance, moratorium or other laws relating to or affecting creditors' rights, to the application of equitable principles, to the exercise of judicial discretion in appropriate cases and to the limitations on legal remedies against municipal corporations such as the Obligor in the State of New York. We express no opinion with respect to any indemnification, contribution, penalty, choice of law, choice of forum, choice of venue, or waiver provisions contained in the foregoing documents.

The scope of our engagement in relation to the issuance of the Obligations has extended solely to the examination of the facts and law incident to rendering the opinions expressed herein. Such opinions are not intended and should not be construed to express or imply any conclusion that the amount of revenues or moneys of the Obligor legally available will be sufficient to enable the Obligor to pay the principal of or interest on the Obligations as the same respectively become due and payable. Reference should be made to the Official Statement prepared by the Obligor in relation to the Obligations for factual information which, in the judgment of the Obligor, could materially affect the ability of the Obligor to pay such principal and interest. While we have participated in the preparation of such Official Statement, we have not verified the accuracy, completeness or fairness of the factual information contained therein and, accordingly, we express no opinion as to whether the Obligor, in connection with the sale of the Obligations, has made any untrue statement of a material fact or omitted to state a material fact necessary in order to make any statements made, in the light of the circumstances under which they were made, not misleading.

Very truly yours,

/zmt