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From the Desk of Chemung County Treasurer Jennifer Furman, for Immediate Release, 7/20/20: *JF*

Chemung County Treasurer Jennifer Furman confirms today that Moody's Investors Service (Moody's) assigned an A1 rating to Chemung County's upcoming Public Improvement Refunding Bond on July 15, 2020. A Moody's rating designates the creditworthiness of the issuer of debt, in this case Chemung County government. A rating of A1 is a solid investment grade rating within the Moody's scale and signifies that aside from COVID-19, the County's finances are generally stable and that the County has an average amount of fund balance for a county in upstate New York. Other positive indicators noted by Moody's include a solid and resilient tax base, low fixed costs, and repaid debt amortization. The specifics of the Moody's rating action can be found online at www.moody.com.

The maintained A1 rating will help to attract competition and better interest rates for the County's upcoming Refunding Bond Sale, which is a refinancing of prior year bonds that the County expects will yield about \$225,000 of savings to county taxpayers over the next ten years. With interest rates low, the 2020 Refunding bond issuance is one of many actions the county's finance team is taking to improve the overall financial position of the county.

In their rating analysis, Moody's indicates that while the coronavirus crisis was not a key driver for the current rating action, continued revenue losses as a result of COVID-19 could negatively affect Chemung County in 2020 and 2021. In addition to COVID-19 driven operating deficits, other factors that could lead to future rating downgrades include tax base contraction and growth in operational support for other municipal entities.

Moody's also noted the County's strong fiscal results for 2019 and the actions taken thus far by the County in response to expected COVID-19 budget shortfalls. Absent federal stimulus to specifically replace lost revenues, Chemung County is potentially facing 2020 revenue shortfalls in the \$11 to \$27 million dollar range, according to a report issued by the New York State Association of Counties (NYSAC) in May 2020. The range is wide because much depends on sales tax and state aid reductions that are not yet known or within county control. Like other municipal governments and the economy in general, Chemung County is navigating uncharted territory with COVID-19, with very little historical basis to reference as to how big or how long the revenue crisis will last. That said, the County has already started working at closing 2020 budget gaps with the assistance of certain targeted federal monies, including \$2.5 million in CAREs Act aid to the Elmira Corning Regional Airport and an enhanced federal matching percentage for Medicaid (eFMAP) of roughly \$1 million dollars. Also, County Executive Moss has already taken action to control 2020 expenditures by implementing a hiring freeze and spending cuts that will save \$5 to \$7 million dollars or more in the general fund.

Lastly, there is no better time than now to recognize and thank the entire county finance team and the daily efforts of all county employees, who are successfully managing county operations and county finances in the face of significant adversity.