

Research Update:

# Dutchess County, NY Series 2026A GO Public Improvement Bonds Rated 'AA+'; Outlook Stable

March 16, 2026

## Overview

- S&P Global Ratings assigned its 'AA+' long-term rating to [Dutchess County](#), N.Y.'s \$16.2 million series 2026A public improvement serial general obligation (GO) bonds.
- We also affirmed our 'AA+' long-term rating on the county's GO debt outstanding and our 'AA' long-term and underlying rating on the [Dutchess County Water and Wastewater Authority's](#) service agreement revenue bonds.
- The outlook is stable.

## Rationale

### Security

Dutchess County's faith and credit secures its GO debt outstanding. The 2026A bond proceeds will be used as new money to fund various capital projects.

Dutchess County's obligation under a service agreement to pay revenue bond debt service through county general fund appropriations secures the authority's debt. As a result of the appropriation risk and the risk (albeit remote) related to service failure, we rate these obligations one notch lower than the county's general creditworthiness (as reflected in our GO rating).

### Credit highlights

The rating reflects our view of Dutchess County's solid financial performance, supported by its longstanding policies. The county's expanding economy also supports the affirmation, but economic indicators, specifically incomes, trail those of higher-rated nationwide peers, limiting upward potential in the near term.

Dutchess County's location and interconnectivity between Albany and New York City have continued to spur its growth, particularly along the Hudson River and around the county seat of Poughkeepsie. Residential development continues throughout the county with a mix of single-family homes and multifamily projects with a focus on affordable and workforce housing.

### Primary Contact

**Timothy W Barrett**  
Washington DC  
1-202-383-2232  
timothy.barrett  
@spglobal.com

### Secondary Contact

**Melissa Stoloff**  
Boston  
(1) 617-530-8030  
melissa.stoloff  
@spglobal.com

## Dutchess County, NY Series 2026A GO Public Improvement Bonds Rated 'AA+'; Outlook Stable

Longstanding institutes such as Bard, Vassar, and Marist colleges continue to invest in their own facilities, as does IBM in its Poughkeepsie campus. The county leverages its community college offerings to generate a workforce pipeline for the aviation, megatons logistics, and heating, ventilation, and air conditioning sectors. Given the breadth and depth of the county's economy, we expect economic investment to continue at a solid pace.

Performance has remained balanced in recent years through fiscal 2024, with revenues historically outpacing expenses. In addition, reserve utilization typically occurs for one-time pay-as-you-go capital expenses. Early projections for fiscal 2025 (year ended Dec. 31) suggest most of the county's revenue, particularly hotel occupancy taxes, performed well relative to conservative budget expectations, however, sales taxes came in slightly less than budget by an estimated \$2.2 million. On the expense side, management indicates it achieved savings primarily through vacancies, which resulted in roughly \$7.0 million in expense savings. Nonetheless, management indicates it could utilize a portion of the fund balance appropriated in the budget for one-time items once the county closes out the fiscal year. Specifically, management indicates fiscal 2025 year-end cash levels declined by \$17.5 million. If the county were to similarly draw down reserves once the audit for the year was finalized, available general fund reserves would remain close to 20% of revenue, which in our view remains solid.

For fiscal 2026, the county's budget totaled \$612.3 million, a 4.1% increase over fiscal 2025. The county maintained conservative budget estimates, in our opinion, including flat sales tax growth. In addition, the county continued investing in various community initiatives, emergency management, capital projects, and health care and benefits. Ultimately, we believe the county will maintain balanced operations despite potentially using a portion of its reserves for one-time purposes.

The rating reflects our opinion of the county's:

- Economic output that is slightly below the national average, although we expect output to expand in upcoming years given ongoing commercial and industrial developments. In addition, we expect personal incomes within the county to increase, because of demand from local employers. Tax base expansion continues with appreciation in values, coupled with new housing coming online over our outlook period.
- Budgeting practices that include conservative budgeting, trend analysis, and reaching out to certain outside parties for additional perspectives on some revenue and expenditure trends. The county legislature receives quarterly budget-to-actual results. For its long-term planning, the county maintains informal projections within its finance department and a robust capital improvement plan that management updates annually. Management monitors the effects of possible debt issuances and increases in debt service. The county maintains investment, debt, and fund balance policies that align with operations and are monitored for compliance each year.
- Generally balanced or surplus performance in recent years, with a surplus in fiscal 2024 following a slight utilization of reserves in fiscal 2023 for one-time, pay-as-you-go capital. We understand management anticipates balanced operations for fiscal 2025 due mainly to conservative budgeting but potentially some use of reserves for one-time uses. For fiscal 2026, management anticipates balanced financial operations and reports no significant variance in revenue or expenditure.
- Debt and liability profile that is manageable and comparable with those of peers. After this issuance, the county will have roughly \$340.4 million in net direct debt outstanding. We do not anticipate that additional debt plans will materially affect our view of the county's profile.

## Dutchess County, NY Series 2026A GO Public Improvement Bonds Rated 'AA+'; Outlook Stable

- Participation in the Employee Retirement System, which is 93.9% funded with a 5.9% discount rate--conservative, in our view. We do not expect pension cost growth to materially pressure the budget. However, like other governments in the state, the county funds other postemployment benefit (OPEB) costs on a pay-as-you-go basis, including the unfunded OPEB liability of \$455.8 million according to the fiscal 2024 audit, or \$394 million according to the most recent actuary report, which weakens overall liabilities on a per capita basis.
- Generally predictable and stable operating environment, which is typical for New York local governments. For more information on our institutional framework assessment for New York municipalities, see: "[Institutional Framework Assessment: New York Local Governments](#)," Sept. 10, 2024.

### Environmental, social, and governance

We assessed environmental, social, and governance factors, and view them all as neutral in our credit rating analysis. We view the state's lack of a mechanism to prefund OPEBs as a weakness for New York local governments.

## Outlook

The stable outlook reflects S&P Global Ratings' expectation that the county will likely maintain positive operations during the two-year period. Ongoing economic development and well-embedded management policies and practices provide additional rating stability.

### Downside scenario

We could take a negative rating action in the unlikely event that the county is unable to maintain positive operations, and it makes significant draws on reserves without a credible plan to rebuild.

### Upside scenario

We could take a positive rating action if the county's economic indicators, specifically economic output, improve to levels consistent with those of higher-rated peers.

### Dutchess County, New York--credit summary

Institutional framework (IF)	2
Individual credit profile (ICP)	1.89
Economy	2.5
Financial performance	2
Reserves and liquidity	1
Management	1.70
Debt and liabilities	2.25

### Dutchess County, New York--key credit metrics

	Most recent	2024	2023	2022
<b>Economy</b>				
Real GCP per capita % of U.S.	--	75	75	77
County PCPI % of U.S.	--	102	102	102

**Dutchess County, New York--key credit metrics**

	Most recent	2024	2023	2022
Market value (\$000s)	--	44,623,520	39,830,045	35,005,741
Market value per capita (\$)	--	148,696	134,528	113,923
Top 10 taxpayers % of taxable value	--	5.1	4.4	6.6
County unemployment rate (%)	--	3.2	3.0	3.0
Local median household EBI % of U.S.	--	118	119	119
Local per capita EBI % of U.S.	--	117	116	114
Local population	--	300,099	296,073	307,275
<b>Financial performance</b>				
Operating fund revenues (\$000s)	--	592,773	541,221	529,939
Operating fund expenditures (\$000s)	--	561,190	524,605	511,274
Net transfers and other adjustments (\$000s)	--	1,360	(19,608)	(15,038)
Operating result (\$000s)	--	32,943	(2,992)	3,627
Operating result % of revenues	--	5.6	(0.6)	0.7
Operating result three-year average %	--	1.9	4.0	4.1
<b>Reserves and liquidity</b>				
Available reserves % of operating revenues	--	23.4	20.5	22.7
Available reserves (\$000s)	--	138,421	110,937	120,314
<b>Debt and liabilities</b>				
Debt service cost % of revenues	--	5.2	5.1	6.0
Net direct debt per capita (\$)	1,134	1,114	1,071	946
Net direct debt (\$000s)	340,447	334,288	317,010	290,737
Direct debt 10-year amortization (%)	60	70	56	--
Pension and OPEB cost % of revenues	--	5.1	5.0	5.0
NPLs per capita (\$)	--	249	334	--
Combined NPLs (\$000s)	--	74,580	98,813	--

Financial data may reflect analytical adjustments and are sourced from issuer audit reports or other annual disclosures. Economic data is generally sourced from S&P Global Market Intelligence, the Bureau of Labor Statistics, Claritas, and issuer audits and other disclosures. Local population is sourced from Claritas. Claritas estimates are point in time and not meant to show year-over-year trends. GCP--Gross county product. PCPI--Per capita personal income. EBI--Effective buying income. OPEB--Other postemployment benefits. NPLs--Net pension liabilities.

**Ratings List**

**New Issue Ratings**

US\$16.2 mil pub imp serial bnds ser 2026A dtd 04/14/2026 due 04/01/2046

Long Term Rating AA+/Stable

**Ratings Affirmed**

**Local Government**

Dutchess Cnty, NY Appropriation Contract and Water System AA/Stable

Dutchess Cnty, NY Unlimited Tax General Obligation AA+/Stable

The ratings appearing below the new issues represent an aggregation of debt issues (ASID) associated with related maturities. The maturities similarly reflect our opinion about the creditworthiness of the U.S. Public Finance obligor's legal pledge for payment of the financial obligation. Nevertheless, these maturities may have

## Dutchess County, NY Series 2026A GO Public Improvement Bonds Rated 'AA+'; Outlook Stable

different credit ratings than the rating presented next to the ASID depending on whether or not additional legal pledge(s) support the specific maturity's payment obligation, such as credit enhancement, as a result of defeasance, or other factors.

Certain terms used in this report, particularly certain adjectives used to express our view on rating relevant factors, have specific meanings ascribed to them in our criteria, and should therefore be read in conjunction with such criteria. Please see Ratings Criteria at <https://disclosure.spglobal.com/ratings/en/regulatory/ratings-criteria> for further information. A description of each of S&P Global Ratings' rating categories is contained in "S&P Global Ratings Definitions" at <https://disclosure.spglobal.com/ratings/en/regulatory/article/-/view/sourceId/504352>. Complete ratings information is available to RatingsDirect subscribers at [www.capitaliq.com](http://www.capitaliq.com). All ratings referenced herein can be found on S&P Global Ratings' public website at [www.spglobal.com/ratings](http://www.spglobal.com/ratings).

Copyright © 2026 by Standard & Poor's Financial Services LLC. All rights reserved.

No content (including ratings, credit-related analyses and data, valuations, model, software or other application or output therefrom) or any part thereof (Content) may be modified, reverse engineered, reproduced or distributed in any form by any means, or stored in a database or retrieval system, without the prior written permission of Standard & Poor's Financial Services LLC or its affiliates (collectively, S&P). The Content shall not be used for any unlawful or unauthorized purposes. S&P and any third-party providers, as well as their directors, officers, shareholders, employees or agents (collectively S&P Parties) do not guarantee the accuracy, completeness, timeliness or availability of the Content. S&P Parties are not responsible for any errors or omissions (negligent or otherwise), regardless of the cause, for the results obtained from the use of the Content, or for the security or maintenance of any data input by the user. The Content is provided on an "as is" basis. S&P PARTIES DISCLAIM ANY AND ALL EXPRESS OR IMPLIED WARRANTIES, INCLUDING, BUT NOT LIMITED TO, ANY WARRANTIES OF MERCHANTABILITY OR FITNESS FOR A PARTICULAR PURPOSE OR USE, FREEDOM FROM BUGS, SOFTWARE ERRORS OR DEFECTS, THAT THE CONTENT'S FUNCTIONING WILL BE UNINTERRUPTED OR THAT THE CONTENT WILL OPERATE WITH ANY SOFTWARE OR HARDWARE CONFIGURATION. In no event shall S&P Parties be liable to any party for any direct, indirect, incidental, exemplary, compensatory, punitive, special or consequential damages, costs, expenses, legal fees, or losses (including, without limitation, lost income or lost profits and opportunity costs or losses caused by negligence) in connection with any use of the Content even if advised of the possibility of such damages.

Some of the Content may have been created with the assistance of an artificial intelligence (AI) tool. Published Content created or processed using AI is composed, reviewed, edited, and approved by S&P personnel.

Credit-related and other analyses, including ratings, and statements in the Content are statements of opinion as of the date they are expressed and not statements of fact. S&P's opinions, analyses and rating acknowledgment decisions (described below) are not recommendations to purchase, hold, or sell any securities or to make any investment decisions, and do not address the suitability of any security. S&P assumes no obligation to update the Content following publication in any form or format. The Content should not be relied on and is not a substitute for the skill, judgment and experience of the user, its management, employees, advisors and/or clients when making investment and other business decisions. S&P does not act as a fiduciary or an investment advisor except where registered as such. While S&P has obtained information from sources it believes to be reliable, S&P does not perform an audit and undertakes no duty of due diligence or independent verification of any information it receives. Rating-related publications may be published for a variety of reasons that are not necessarily dependent on action by rating committees, including, but not limited to, the publication of a periodic update on a credit rating and related analyses.

To the extent that regulatory authorities allow a rating agency to acknowledge in one jurisdiction a rating issued in another jurisdiction for certain regulatory purposes, S&P reserves the right to assign, withdraw or suspend such acknowledgment at any time and in its sole discretion. S&P Parties disclaim any duty whatsoever arising out of the assignment, withdrawal or suspension of an acknowledgment as well as any liability for any damage alleged to have been suffered on account thereof.

S&P keeps certain activities of its business units separate from each other in order to preserve the independence and objectivity of their respective activities. As a result, certain business units of S&P may have information that is not available to other S&P business units. S&P has established policies and procedures to maintain the confidentiality of certain non-public information received in connection with each analytical process.

S&P may receive compensation for its ratings and certain analyses, normally from issuers or underwriters of securities or from obligors. S&P reserves the right to disseminate its opinions and analyses. S&P's public ratings and analyses are made available on its Web sites, [www.spglobal.com/ratings](http://www.spglobal.com/ratings) (free of charge), and [www.ratingsdirect.com](http://www.ratingsdirect.com) (subscription), and may be distributed through other means, including via S&P publications and third-party redistributors. Additional information about our ratings fees is available at [www.spglobal.com/usratingsfees](http://www.spglobal.com/usratingsfees).

STANDARD & POOR'S, S&P and RATINGSDIRECT are registered trademarks of Standard & Poor's Financial Services LLC.