MURPHY JOHN J

Form 5

January 27, 2003

Form 5	UNITED STATES SECURITIES AND EXCHANGE COMMISSION
	Washington, D.C. 20549
[]Check this box if no longer	ANNUAL STATEMENT OF CHANGES IN BENEFICIAL OWNERSHIP
subject to Section 16. Form 4 or Form 5 obligations may continue.	Filed pursuant to Section 16(a) of the Securities Exchange Act of 1934, Section 17(a) of the Public Utility Holding Company Act of 1935 or Section 30(h) of
[]Form 3 Holdings Reported	the Investment Company Act of 1940
[]Form 4 Transactions Reported	

1. Name and Address of Reporting Person						
(Last)	Last) (First) (Middle)					
Murphy	John	J.				
(Street)	(City)	(State) (Zip Code)				
250 Glen Street	Glens Falls	NY 12801				

2. Issuer Name and Ticker or Trading Symbol	
Arrow Financial Corporation (AROW)	

- 3. IRS Identification Number of Reporting Person, if an Entity (Voluntary)
- 4. Statement for Month/Day/Year

 12/31/02
- 5. If Amendment, Date of Original (Month/Year)

6. Relationship of Reporting Person(s) to Issuer (Check all applicable)					
[] Director					
[] 10% Owner	[] 10% Owner				
[X] Officer	(title) Executive Vice President & Treasurer/CFO				
[] Other	[] Other (specify)				

7. Individual or Joint/Group Reporting (Check Applicable Line)

[X] Form filed by One Reporting Person

[] Form filed by More than One Reporting Person

Table I Non-Derivative Securities Acquired, Disposed of, or Beneficially Owned

1.	2.	3.	4.			5.	6.	7.
Title of Security	Trans-	Trans-	Securities			Amount of Securities	Ownership	Nature
Security	action	action	Acquired((A)		Beneficially Owned at End	Form Direct	of Indirect
	Date	Code	Disposed	of(D)			(D) or	Beneficial
	(M/D/Y)			(A)		of Issuer's Fiscal Year	Indirect (I)	Ownership
				or				
			Amount	(D)	Price			
Common	12/13/02	R	11	A	\$33.53	1,514	I	ESPP with
Stock								Wife
Common	None					6,914	D	With Wife
Stock								
Common	12/11/02	J(1)	5,917	A	N/A	13,007	D	DRIP with
Stock								Wife
Common	None					17,994	I	ESOP
Stock								
Common	12/11/02	J(1)	5,917	D	N/A	1,862	D	
Stock								

J(1) = Transfer of shares (original issue) to DRIP.

Table II - Derivative Securities Acquired, Disposed of, or Beneficially Owned

(e.g., puts, calls, warrants, options, convertible securities)

1.	2.	3.	4.	5.		6.	
Title of	Conversion	Transaction	Trans-	Number of		Date Exercisable	
Derivative	or Exercise	Date	action	Deriv	ative	and Expiration Date	
Security	Price of	(Mo/Da/Yr)	Code	Secui	rities	(M/D/Y)	
	Derivative			Acqu	ired		
	Security			(A) o	r		
				Dispo	osed		
				of (D)		
				(A)	(D)	Date	Expiration
						Exercisable	Date
Employee	\$6.22					AA	12/31/03
Stock							
Option							
(Right to Buy)							
Employee	\$8.10					AA	12/31/04
Stock							
Option							
(Right to Buy)							
Employee	\$10.07					AA	11/30/05
Stock							
Option							
I						l	

(Right to Buy)	
Employee	\$15.04
Stock	
Option	
(Right to Buy)	
Employee	\$21.65
Stock	
Option	
(Right to Buy)	
Employee	\$19.05
Stock	
Option	
(Right to Buy)	
Employee	\$18.17
Stock	
Option	
(Right to Buy)	
Employee	\$16.86
Stock	
Option	
(Right to Buy)	
Employee	\$27.03
Stock	

Option			
(Right to Buy)			
Employee	\$33.92	AA	12/18/12
Stock			
Option			
(Right to Buy)			

Table II (Continued)

1.	7.		8.	9.	10.	11.
Title of	Title and Amount of		Price of	Number of	Ownership	Nature of
Derivative	Underlying	g Securities	Derivative	Derivative	of Derivative	Indirect
Security	Title	Amount or	Security	Securities	Security:	Beneficial
		Number of		Beneficially	Direct (D) or	Ownership
		Shares		Owned at	Indirect (I)	
				End of Year		
Employee	Common	9,848	AA	2,032	D	
Stock						
Option						
(Right to Buy)						
Employee	Common	9,105	AA	9,105	D	
Stock						
Option						
(Right to Buy)						
Employee	Common	12,256	AA	12,256	D	

Stock					
Option					
(Right to Buy)					
Employee	Common	11,142	AA	10,696	D
Stock					
Option					
(Right to Buy)					
Employee	Common	10,612	AA	6,949	D
Stock					
Option					
(Right to Buy)					
Employee	Common	9,647	AA	4,669	D
Stock					
Option					
(Right to Buy)					
Employee	Common	7,718	AA	4,979	D
Stock					
Option					
(Right to Buy)					
Employee	Common	7,717	AA	5,788	D
Stock					
Option					
(Right to Buy)					

Employee	Common	7,350	AA	7,350	D
Stock					
Option					
(Right to Buy)					
Employee	Common	7,000	AA	7,000	D
Stock					
Option					
(Right to Buy)					

Explanation of Responses:

AA=All options become exercisable over a four year period, one quarter of the options each year, beginning one year after the date of the grant.

Signature of Reporting Person

Gerard R. Bilodeau

Attorney in Fact

Date: 01/27/03