This Preliminary Official Statement and the information contained in it are subject to completion and amendment in a final Official Statement. This Preliminary Official Statement does not constitute an offer to sell or the solicitation of an offer to buy, and there may not be any sale of the Bonds offered by this Preliminary Official Statement, in any jurisdiction in which such offer, solicitation or sale would be unlawful prior to the registration or qualification under the securities laws of that jurisdiction.

PRELIMINARY OFFICIAL STATEMENT DATED MAY 6, 2020

REFUNDING BONDS

RATING:
(See "Rating" herein)

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 Bonds 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 Bonds is not a specific preference item for purposes of the federal alternative minimum tax. Bond Counsel is also of the opinion that interest on the Bonds 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 amount, accrual or receipt of interest on, the Bonds. See "TAX MATTERS" herein.

COUNTY OF MONROE, NEW YORK

$29,110,000* GENERAL OBLIGATION REFUNDING SERIAL BONDS - 2020

(the "Bonds")

Date of Issue: Date of Delivery

Maturity Dates: June 1, 2021 - 2030
(as shown on the inside cover)

The Bonds are general obligations of the County of Monroe (the "County"), in the State of New York (the "State"), and will contain a pledge of the faith and credit of the County for the payment of the principal thereof and interest thereon and, unless paid from other sources, the Bonds are payable from ad valorem taxes which may be levied upon all the taxable real property within the County, subject to certain statutory limitations imposed by Chapter 97 of the Laws of 2011 of the State of New York (the "TAX LEVY LIMITATION LAW"), herein.

The Bonds will be issued in fully registered form and when issued will be registered in the name of Cede & Co., as a nominee of The Depository Trust Company, New York, New York ("DTC"). DTC will act as securities depository for the Bonds. Individual purchases will be made in book-entry form only, in the principal amount of $5,000 or integral multiples thereof. Purchasers will not receive certificates representing their interest in the Bonds.

The Bonds are dated the date of delivery and will mature on the dates and in the amounts, will bear interest at the rates and will have the yields or public offering prices shown on the inside cover of this Official Statement. Interest on the Bonds will be payable on the dates as shown on the inside cover of this Official Statement, calculated on a 30-day month and 360-day year basis. Principal and interest will be paid by the County to the DTC, which will in turn remit such principal and interest to its Participants, for subsequent distribution to the Beneficial Owners of the Bonds, as described herein. The Bonds will not be subject to redemption prior to maturity, see "Optional Redemption" herein.

The Bonds are offered when, as, and if issued by the County subject to the receipt of the final approving opinion of Orrick, Herrington & Sutcliffe LLP, New York, New York, Bond Counsel, and certain other conditions. Certain legal matters will be passed upon for the Underwriter by Trespasz & Marquardt, LLP, Syracuse, New York, Counsel to the Underwriter. Capital Markets Advisors, LLC has served as Municipal Advisor to the County in connection with the issuance of the Bonds. It is expected that delivery of the Bonds will be made on the Date of Issue, which is expected to be June 4, 2020.

THIS PRELIMINARY OFFICIAL STATEMENT IS IN A FORM DEEMED FINAL BY THE COUNTY FOR PURPOSES OF SECURITIES AND EXCHANGE COMMISSION RULE 15c2-12 (THE "RULE"). FOR A DESCRIPTION OF THE COUNTY'S AGREEMENT TO PROVIDE CONTINUING DISCLOSURE FOR THE BONDS AS DESCRIBED IN THE RULE, SEE "DISCLOSURE UNDERTAKING" HEREIN.

FHN FINANCIAL CAPITAL MARKETS

Dated: May _, 2020

* Preliminary, subject to change.

$29,110,000* GENERAL OBLIGATION REFUNDING SERIAL BONDS - 2020

Dated: Date of Delivery

Principal Due: June 1 as shown below
Interest Due: December 1, 2020 and semi-annually thereafter on June 1 and December 1 in each year until maturity

Maturity	Amount*	Interest Rate	Yield	CUSIP(1)	Maturity	Amount*	Interest Rate	Yield	CUSIP(1)
2021	$ 3,195,000		%	61074P	2027	$2,435,000		%	61074P
2022	3,280,000		%	61074P	2028	2,485,000		%	61074P
2023	3,360,000		%	61074P	2029	2,500,000		%	61074P
2024	3,400,000		%	61074P	2030	2,530,000		%	61074P
2025	3,480,000		%	61074P					
2026	2,445,000		%	61074P					

1) CUSIP numbers have been assigned by an organization not affiliated with the County and are included solely for the convenience of the holders of the Bonds. Neither the County nor the Underwriter are responsible for the selection or uses of these CUSIP numbers, nor is any representation made as to their correctness on the Bonds or as indicated above

* Preliminary, subject to change.

DRAFTv1

No dealer, broker, salesman or other person has been authorized by the County, or any officer thereof, to give any information or to make any representations, other than those contained in this Official Statement and if given or made, such other information or representations must not be relied upon as having been authorized by any of the foregoing. This Official Statement does not constitute an offer to sell or the solicitation of an offer to buy, nor shall there be any sale of the Bonds by any person in any jurisdiction in which it is unlawful for such person to make such offer, solicitation or sale. The information set forth herein has been obtained by the County, from sources which are believed to be reliable but it is not guaranteed as to accuracy or completeness. The information and expressions of opinion herein are subject to change without notice and neither the delivery of this Official Statement nor any sale made hereunder shall, under any circumstances, create any implication that there has been no change in the affairs of the County, since the date hereof. The Underwriters may offer and sell Bonds to certain dealers and others at prices lower than the offering prices stated on the Inside Cover Page hereof. The offering prices may be changed from time to time by the Underwriters. No representations are made or implied by the County as to any offering by the Underwriters.

The Underwriter has provided the following sentence for inclusion in this Official Statement. The Underwriter has reviewed the information in this Official Statement in accordance with, and as part of, its responsibility to investors under the federal securities laws as applied to the facts and circumstances of this transaction, but the Underwriter does not guarantee the accuracy or completeness of such information.

IN CONNECTION WITH THE OFFERING, THE UNDERWRITER MAY OVER-ALLOT OR EFFECT TRANSACTIONS WHICH STABILIZE OR MAINTAIN THE MARKET PRICE OF THE BONDS AT A LEVEL ABOVE THAT WHICH MIGHT OTHERWISE PREVAIL IN THE OPEN MARKET. SUCH STABILIZATION, IF COMMENCED, MAY BE DISCONTINUED AT ANY TIME. THE UNDERWRITER MAY OFFER AND SELL THE BONDS TO CERTAIN DEALER BANKS AND BANKS ACTING AS AGENTS AT PRICES LOWER THAN THE PUBLIC OFFERING PRICES STATED ON THE INSIDE COVER PAGE OF THE OFFICIAL STATEMENT AND SAID PUBLIC OFFERING PRICES MAY BE CHANGED FROM TIME TO TIME BY THE UNDERWRITER.

(THIS PAGE INTENTIONALLY LEFT BLANK)

COUNTY EXECUTIVE
Adam J. Bello

INTERIM DIRECTOR OF FINANCE -
CHIEF FINANCIAL OFFICER
Jennifer A. Cesario

COUNTY ATTORNEY
John P. Bringewatt

BOND COUNSEL
Orrick, Herrington & Sutcliffe LLP
New York, New York

INDEPENDENT AUDITOR
Bonadio & Co., LLP
Rochester, New York

MUNICIPAL ADVISOR
Capital Markets Advisors, LLC
Great Neck, New York and Orchard Park, New York

(THIS PAGE INTENTIONALLY LEFT BLANK)

TABLE OF CONTENTS

THE BONDS 1
Description of the Bonds 1
Authority of the Bonds 1
Purpose of the Bonds 2
Refunding Financial Plan 3
Verification of Mathematical Accuracy 3
Sources and Uses of Proceeds 3
PAYMENT OF AND SECURITY FOR THE BONDS 4
General 4
Optional Redemption 4
Book-Entry-Only System 4
TAX MATTERS 6
LEGAL MATTERS 8
MARKET FACTORS 8
Cybersecurity 9
RATING 9
INCORPORATION OF FINANCIAL STATEMENTS 9
UNDERWRITING 9
MUNICIPAL ADVISOR 10
DISCLOSURE UNDERTAKING 10
ADDITIONAL INFORMATION 10

APPENDIX A – THE COUNTY OF MONROE
APPENDIX B – AUDITED FINANCIAL STATEMENTS FOR THE FYE DECEMBER 31, 2018
APPENDIX C – FORM OF ANNUAL AND CONTINUING DISCLOSURE UNDERTAKING
APPENDIX D – FORM OF BOND COUNSEL OPINION

DRAFTv1

(THIS PAGE INTENTIONALLY LEFT BLANK)

OFFICIAL STATEMENT
OF THE
COUNTY OF MONROE, NEW YORK

relating to

$29,110,000* GENERAL OBLIGATION REFUNDING SERIAL BONDS - 2020

This Official Statement (the "Official Statement"), which includes the cover page, inside cover page and appendices hereto, presents certain information relating to the County of Monroe, New York (the "County"), State of New York (the "State"), and was prepared by the County in connection with the sale of its $29,110,000* General Obligation Refunding Serial Bonds - 2020 (the "Bonds").

The factors affecting the County's financial condition and the Bonds are described throughout this Official Statement and many of these factors, including economic and demographic factors, are complex and may influence the County's tax base, revenues, and expenditures. This Official Statement should be read in its entirety.

The projections included in this Official Statement are based on the estimates included in the County's 2020 Adopted Budget. Such projections do not make any predictions as to the potential impact of the COVID-19 pandemic on the County's financial position due to the COVID-19 pandemic. (See "MARKET FACTORS" herein.)

All quotations from and summaries and explanations of provisions of the Constitution and Laws of the State and acts and proceedings of the County contained herein do not purport to be complete and are qualified in their entirety by reference to the official compilations thereof and all references to the Bonds and the proceedings of the County relating thereto are qualified in their entirety by reference to the definitive form of the Bonds and such proceedings.

The purpose of the Bonds are to refund $34,205,000 aggregate outstanding principal amount of the County's Public Improvement Bonds, 2010 issued on July 13, 2010.

THE BONDS

Description of the Bonds

The Bonds will be dated the date of delivery and will mature in the principal amounts in each of the years and will bear interest at the rates shown on the inside cover page hereof.

Interest on the Bonds will be payable on December 1, 2020, and semi-annually thereafter on June 1 and December 1 in each year until maturity. Principal and interest will be paid by the County to DTC, which will in turn remit such principal and interest to its Participants, for subsequent distribution to the Beneficial Owners of the Bonds, as described herein under "PAYMENT OF AND SECURITY FOR THE BONDS – Book-Entry-Only System."

The Bonds will be issued in fully registered form and when issued will be registered in the name of Cede & Co. as nominee of DTC who will act as securities depository for the Bonds. Individual purchases will be made in book-entry form only, in the principal amount of $5,000 or integral multiples thereof. Purchasers will not receive certificates representing their interest in the Bonds.

The record date for payment of the principal of and interest on the Bonds will be the fifteenth day of the calendar month preceding each interest payment date.

* Preliminary, subject to change.

DRAFTv1

Authority for the Bonds

The Bonds are issued pursuant to the Constitution and Laws of New York State, including among others, Local Finance Law Section 90.10, the County Charter and a refunding bond resolution duly adopted by the Legislature of the County on March 17, 2020.

The County Executive has approved the refunding bond resolution.

The Bonds will be sold to the Underwriter listed on the cover page at a price below the public offering of the Bonds plus accrued interest, if any (See "UNDERWRITING" herein).

Purpose of the Bonds

The Bonds are being issued to refund the $34,205,000 aggregate outstanding principal amount of the County's Public Improvement Bonds, 2010 issued on July 13, 2010. Details concerning the Refunded Bonds are presented in the schedule below. Proceeds of the Bonds will be used to: (i) purchase a portfolio of direct obligations of the United States of America (the "U.S. Government Obligations"), the principal of and investment income of which will be sufficient to pay the maturing principal of, interest on and redemption premium payable, if any, with respect to the Refunded Bonds, and (ii) pay costs of issuance related to the Bonds. The list of Refunded Bonds, set forth below, may be changed by the County in its sole discretion due to market or other factors considered relevant by the County at the time of pricing of the Bonds and no assurance can be given that any particular maturity thereof will be refunded.

A portion of the Bonds are being issued to refund the outstanding principal of the Public Improvement Bonds, 2010 as listed below:

Maturity Date	Coupon	Par Amount	Call Date	Call Price	CUSIP 61074P
06/01/2021	4.000%	$3,745,000	07/06/2020	100%	LV7
06/01/2022	4.000%	3,820,000	07/06/2020	100%	LW5
06/01/2023	4.000%	3,890,000	07/06/2020	100%	LX3
06/01/2024	4.000%	3,915,000	07/06/2020	100%	LY1
06/01/2025	4.000%	3,980,000	07/06/2020	100%	LZ8
06/01/2026	4.000%	2,940,000	07/06/2020	100%	MA2
06/01/2027	4.125%	2,925,000	07/06/2020	100%	MB0
06/01/2028	4.250%	2,975,000	07/06/2020	100%	MC8
06/01/2029	4.250%	2,990,000	07/06/2020	100%	MD6
06/01/2030	4.375%	3,025,000	07/06/2020	100%	ME4
		$34,205,000			

DRAFTv1

Refunding Financial Plan

The Bonds are being issued to effect the refunding of the Refunded Bonds pursuant to the County's Refunding Financial Plan (the "Refunding Financial Plan"). The Refunding Financial Plan calls for the refunding of the Refunded Bonds through the sale, issuance and the application of the proceeds of the Bonds.

The proceeds of the Bonds after the payment of the issuance costs for the Bonds, will be held in an escrow fund (the "Escrow Deposit Fund") with Manufacturers and Traders Trust Company, Buffalo, New York (the "Escrow Holder") pursuant to the terms of an escrow contract (the "Escrow Contract") to be entered into between the County and the Escrow Holder.

The Refunding Financial Plan calls for the Escrow Holder, pursuant to the Escrow Contract, to provide to DTC sufficient moneys from the Escrow Deposit Fund to pay the principal of, interest payable with respect to Refunded Bonds when due, and redemption premiums, if any, in accordance with the terms of the Refunded Bonds.

The holders of the Refunded Bonds will have a first lien on all cash in the Escrow Deposit Fund. The Escrow Contract shall terminate upon payment from the Escrow Deposit Fund of an amount sufficient for the payment, in full, of the Refunded Bonds, including interest, and redemption premiums, if any, payable with respect thereto.

Under the Refunding Financial Plan, the Refunded Bonds will continue to be general obligations of the County and will continue to be payable from the sources mentioned above. However, inasmuch as the cash held in the Escrow Deposit Fund shall be sufficient to meet all required payments of the principal of and interest payable and redemption premiums with respect to the Refunded Bonds, it is not anticipated that other sources of payment will be required. Accordingly, for purposes of presentation in this Official Statement, debt service on the Refunded Bonds is not taken into account in determining the funds and revenues available for payment of the Bonds.

Verification of Mathematical Accuracy

Causey Demgen & Moore, P.C. will verify, from the information provided to them, the mathematical accuracy as of the date of the closing for the Bonds of the computations contained in the schedules provided to them in order to determine that the anticipated receipts from the U.S. Government Obligations investment securities and cash deposits, if any, listed in the purchaser's schedules, to be held in the Escrow Deposit Fund, will be sufficient to pay, when due, the principal of and interest requirements of the Refunded Bonds. Causey Demgen & Moore, P.C. will express no opinion on the assumptions provided to them, nor as to the taxation of the interest on the Bonds.

Sources and Uses of Proceeds

The proceeds of the Bonds will be applied as follows:

Sources:	
Par Amount of the Bonds	
Reoffering Premium	
Application:	
Deposit to Escrow Deposit Fund	
Underwriter's Discount	
Cost of Issuance and Contingency	
Total	

DRAFTv1

PAYMENT OF AND SECURITY FOR THE BONDS

General

Each Bond when duly issued and paid for will constitute a contract between the County and the owner thereof. The Bonds will be general obligations of the County and will contain a pledge of the faith and credit of the County for payment of principal and interest thereon. For the payment of such principal and interest, the County has, under existing law, the power and statutory authorization to levy ad valorem taxes on all taxable real property in the County, subject to applicable statutory limitations imposed by the Tax Levy Limitation Law. See "INDEBTEDNESS OF THE COUNTY- Tax Levy Limitation Law," herein.

Under the Constitution of the State, the County is required to pledge its faith and credit for the payment of the principal of and interest on the Bonds, and the State is specifically precluded 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. The State Constitution requires the County to provide by appropriation for the payment of interest on all obligations which will become due during the fiscal year.

No principal of or interest on County indebtedness is past due. The County has never defaulted in the payment of principal of or interest on any indebtedness.

Optional Redemption

The Bonds will not be subject to optional redemption prior to maturity.

Book-Entry-Only System

The Depository Trust Company ("DTC"), New York, New York, will act as securities depository for the Bonds. The Bonds will be issued as fully-registered securities, 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 bond certificate will be issued for each maturity of the Bonds and deposited with DTC.

DTC 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 a Standard & Poor's rating of: AA+. 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.

Purchases of Bonds under the DTC system must be made by or through Direct Participants, which will receive a credit for the Bonds on DTC's records. The ownership interest of each actual purchaser of each Bond ("Beneficial Owner") is in turn to be recorded on the Direct and Indirect Participants' records. Beneficial Owners will not receive written confirmation from DTC of their purchase, 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

DRAFTv1

Bonds are to be accomplished by entries made on the books of Direct or Indirect Participants acting on behalf of Beneficial Owners. Beneficial Owners will not receive certificates representing their ownership interest in the Bonds, except in the event that use of the book-entry system for the Bonds is discontinued.

To facilitate subsequent transfers, all Bonds 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 the Bonds 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 Bonds; DTC's records reflect only the identity of the Direct Participants to whose accounts such Bonds 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 Bonds within an issue are being redeemed, DTC's practice is to determine by lot the amount of the interest of each Direct Participant of such issue to be redeemed. The County is not responsible for sending notices to Beneficial Owners.

Beneficial Owners of the Bonds may wish to take certain steps to augment the transmission to them of notices of significant events with respect to the Bonds, such as redemptions, tenders, defaults, and proposed amendments to the Bond documents. For example, Beneficial Owners of the Bonds may wish to ascertain that the nominee holding the Bonds for their benefit has agreed to obtain and transmit notices to Beneficial Owners. In the alternative, Beneficial Owners may wish to provide their names and addresses to the registrar and request that copies of notices be provided directly to them.

Neither DTC nor Cede & Co. (nor any other DTC nominee) will consent or vote with respect to the Bonds authorized by a Direct Participant in accordance with DTC’s Money Market Instrument Procedures. Under its usual procedures, DTC mails an Omnibus Proxy to the County as soon as possible after the record date. The Omnibus Proxy assigns Cede & Co.’s consenting or voting rights to those Direct Participants to whose accounts the Bonds are credited on the record date (identified in a listing attached to the Omnibus Proxy).

Principal and interest payments on the Bonds 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 the 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 securities 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. 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.

DTC may discontinue providing its services as depository with respect to the Bonds at any time by giving reasonable notice to the County. Under such circumstances, in the event that a successor depository is not obtained, Bond 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, bond certificates will be printed and delivered.

Source: The Depository Trust Company, New York, New York.

DRAFTv1

THE INFORMATION CONTAINED IN THE ABOVE SECTION CONCERNING DTC AND DTC'S BOOK-ENTRY SYSTEM HAS BEEN OBTAINED FROM SAMPLE OFFERING DOCUMENT LANGUAGE SUPPLIED BY DTC, BUT THE COUNTY TAKES NO RESPONSIBILITY FOR THE ACCURACY THEREOF. IN ADDITION, THE COUNTY WILL NOT HAVE ANY RESPONSIBILITY OR OBLIGATION 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 PAYMENTS BY DTC OR ANY PARTICIPANT OR ANY INDIRECT PARTICIPANT OF ANY AMOUNT WITH RESPECT TO THE PRINCIPAL OF, OR PREMIUM, IF ANY, OR INTEREST ON THE BONDS; OR (III) ANY NOTICE WHICH IS PERMITTED OR REQUIRED TO BE GIVEN TO BONDOWNERS.

THE COUNTY CANNOT AND DOES NOT GIVE ANY ASSURANCES THAT DTC, DIRECT PARTICIPANTS OR INDIRECT PARTICIPANTS OF DTC WILL DISTRIBUTE TO THE BENEFICIAL OWNERS OF THE BONDS: (1) PAYMENTS OF PRINCIPAL OF OR INTEREST OR REDEMPTION PREMIUM ON THE BONDS; (2) CONFIRMATIONS OF THEIR OWNERSHIP INTERESTS IN THE BONDS; OR (3) OTHER NOTICES SENT TO DTC OR CEDE & CO., ITS PARTNERSHIP NOMINEE, AS THE REGISTERED OWNER OF THE BONDS, OR THAT THEY WILL DO SO ON A TIMELY BASIS, OR THAT DTC, DIRECT PARTICIPANTS OR INDIRECT PARTICIPANTS WILL SERVE AND ACT IN THE MANNER DESCRIBED IN THIS OFFICIAL STATEMENT.

THE COUNTY WILL NOT HAVE ANY RESPONSIBILITY OR OBLIGATIONS TO DTC, THE DIRECT PARTICIPANTS, THE INDIRECT PARTICIPANTS OF DTC OR THE BENEFICIAL OWNERS WITH RESPECT TO: (1) THE ACCURACY OF ANY RECORDS MAINTAINED BY DTC OR ANY DIRECT PARTICPANTS OR INDIRECT PARTICIPANTS OF DTC; (2) THE PAYMENT BY DTC OR ANY DIRECT PARTICIPANTS OR INDIRECT PARTICIPANTS OF DTC OF ANY AMOUNT DUE TO ANY BENEFICIAL OWNER IN RESPECT OF THE PRINCIPAL AMOUNT OF OR INTEREST OR REDEMPTION PREMIUM ON THE BONDS; (3) THE DELIVERY BY DTC OR ANY DIRECT PARTICIPANTS OR INDIRECT PARTICIPANTS OF DTC OR ANY NOTICE TO ANY BENEFICIAL OWNER THAT IS REQUIRED OR PERMITTED TO BE GIVEN TO OWNERS; OR (4) ANY CONSENT GIVEN OR OTHER ACTION TAKEN BY DTC AS THE REGISTERED HOLDER OF THE BONDS.

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, the accuracy of certain representations and compliance with certain covenants, interest on the Bonds is excluded from gross income for federal income tax purposes under Section 103 of the Internal Revenue Code of 1986 (the "Code"). In the further opinion of Bond Counsel, interest on the Bonds is not a specific preference item for purposes of the federal alternative minimum tax. Bond Counsel is also of the opinion that interest on the Bonds is exempt from personal income taxes imposed by the State of New York and any political subdivision thereof (including The City of New York). A complete copy of the proposed form of opinion of Bond Counsel with respect to the Bonds is set forth in Appendix D, hereto.

To the extent the issue price of any maturity of the Bonds is less than the amount to be paid at maturity of such Bonds (excluding amounts stated to be interest and payable at least annually over the term of such Bonds), the difference constitutes "original issue discount," the accrual of which, to the extent properly allocable to each Beneficial Owner thereof, is treated as interest on the Bonds which is excluded from gross income for federal income tax purposes. For this purpose, the issue price of a particular maturity of the Bonds is the first price at which a substantial amount of such maturity of the Bonds is sold to the public (excluding bond houses, brokers, or similar persons or organizations acting in the capacity of underwriters, placement agents or wholesalers). The original issue discount with respect to any maturity of the Bonds accrues daily over the term to maturity of such Bonds on the basis of a constant interest rate compounded semiannually (with straight-line interpolations between compounding dates). The accruing original issue discount is added to the adjusted basis of such Bonds to determine taxable gain or loss upon disposition (including sale, redemption, or payment on maturity) of such Bonds. Beneficial Owners of the Bonds should consult their own tax advisors with respect to the tax consequences of ownership of Bonds with original issue discount, including the treatment of Beneficial Owners who do not purchase such Bonds in the original offering to the public at the first price at which a substantial amount of such Bonds is sold to the public.

Bonds purchased, whether at original issuance or otherwise, for an amount higher than their principal amount payable at maturity (or, in some cases, at their earlier call date) ("Premium Bonds") will be treated as having amortizable bond premium. No deduction is allowable for the amortizable bond premium in the case of obligations, like the Premium Bonds, the interest on which is excluded from gross income for federal income tax purposes. However, the amount of tax-exempt interest received, and a Beneficial Owner's basis in a Premium Bonds, will be reduced by the amount of amortizable bond premium properly allocable to such Beneficial Owner. Beneficial Owners of Premium Bonds should consult their own tax advisors with respect to the proper treatment of amortizable bond premium in their particular circumstances.

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 Bonds. Contemporaneously with the issuance of the Bonds, the County will make certain representations and will covenant to comply with certain restrictions, conditions and requirements designed to ensure that interest on the Bonds will not be included in federal gross income. Inaccuracy of these representations or failure to comply with these covenants may result in interest on the Bonds being included in gross income for federal income tax purposes, possibly from the date of original issuance of the Bonds. The opinion of Bond Counsel assumes the accuracy of these representations and 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), or any other matters coming to Bond Counsel's attention after the date of issuance of the Bonds may adversely affect the value of, or the tax status of interest on, the Bonds. Accordingly, the opinion of Bond Counsel is not intended to, and may not, be relied upon in connection with any such actions, events or matters.

Although Bond Counsel is of the opinion that interest on the Bonds is excluded from gross income for federal income tax purposes and that interest on the Bonds is exempt from personal income taxes imposed by the State of New York and any political subdivision thereof (including The City of New York), the ownership or disposition (including sale, redemption, or payment on maturity) of, or the accrual or receipt of interest on, the Bonds may otherwise affect a Beneficial Owner's federal, state or local tax liability. The nature and extent of these other tax consequences depends upon the particular tax status of the Beneficial Owner or the Beneficial Owner's other items of income or deduction. Bond Counsel expresses no opinion regarding any such other tax consequences.

Current and 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, in whole or in part, 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 legislative proposals or clarification of the Code or court decisions may also affect, perhaps significantly, the market price for, or marketability of, the Bonds. Prospective purchasers of the Bonds should consult their own tax advisors regarding the potential impact of any pending or proposed federal or state tax legislation, regulations or litigation, as to which Bond Counsel is expected to express no opinion.

The opinion of Bond Counsel is based on current legal authority, covers certain matters not directly addressed by such authorities, and represents Bond Counsel's judgment as to the proper treatment of the Bonds for federal income tax purposes. It is not binding on the U.S. Internal Revenue Service (the "IRS") or the courts. Furthermore, Bond Counsel cannot give and has not given any opinion or assurance about the future activities of the County, or about the effect of future changes in the Code, the applicable regulations, the interpretation thereof or the enforcement thereof by the IRS. Contemporaneously with the issuance of the Bonds, the County will covenant, however, to comply with the requirements of the Code.

Bond Counsel's engagement with respect to the Bonds ends with the issuance of the Bonds, and, unless separately engaged, Bond Counsel is not obligated to defend the County or the Beneficial Owners regarding the tax-exempt status of the Bonds in the event of an audit examination by the IRS. Under current procedures, parties other than the County and its appointed counsel, including the Beneficial Owners, would have little, if any, right to participate in the audit examination process. Moreover, because achieving judicial review in connection with an audit examination of tax-exempt obligations is difficult, obtaining an independent review of IRS positions with which the County legitimately disagrees may not be practicable. Any action of the IRS, including but not limited to selection of the Bonds for audit, or the course or result of such audit, or an audit of obligations presenting similar tax issues may affect the market price

for, or the marketability of, the Bonds, and may cause the County or the Beneficial Owners to incur significant expense.

LEGAL MATTERS

Legal matters incident to the authorization, issuance and sale of the Bonds 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 D.

Certain legal matters will be passed upon for the Underwriter by their counsel, Trespasz & Marquardt, LLP, Syracuse, New York.

MARKET FACTORS

The financial condition of the County as well as the market for the Bonds could be affected by a variety of factors, some of which are beyond the County's control. There can be no assurances that adverse events in the State will not occur which might affect the market price of, and the market for, the Bonds.

If a significant default or other financial crisis should occur in the affairs of the State or of any of its agencies or political subdivisions, it could impair the acceptability of obligations issued by borrowers within the State, and both the ability of the County to arrange for additional borrowings and the market for and market value of outstanding debt obligations, including the Bonds, could be adversely affected.

The County depends in part on financial assistance from the State. Accordingly, in this year or future years, if the State should experience difficulty in borrowing funds in anticipation of the receipt of State taxes or if the State experiences delays in the adoption of the State budget, the State may have to delay payments of aid to its municipalities, including the County, until sufficient State funds are available to make such payments. The County may be adversely affected by such delay. In the past, delays in adoption of the State budget have resulted in delays in the payment of State aid to municipalities.

State aid requires appropriations by the State Legislature. There can be no assurance the State Legislature will continue appropriations at the levels of past years. Also, State aid formulas may be changed by act of the State Legislature. No assurance can be given that the State Legislature will not modify or eliminate State aid as it currently exists.

The enactment of the Tax Levy Limitation Law, which imposes a tax levy limitation upon municipalities, school districts and fire district in the State, including the County, without providing an exclusion for debt service on obligations issued by municipalities, including the County, could have an impact upon the market price for the Bonds. See "INDEBTEDNESS OF THE COUNTY - Tax Levy Limitation Law," herein.

An outbreak of disease or similar public health threat, such as the COVID-19 outbreak, could have an adverse impact on the County's financial condition and operating results. Currently, the spread of COVID-19, a respiratory disease caused by a new strain of coronavirus, has spread globally, including to the United States, and has been declared a pandemic by the World Health Organization. The outbreak of the disease has affected travel, commerce and financial markets globally and is widely expected to affect economic growth worldwide. The current outbreak has caused the Federal government to declare a national state of emergency. The State has also declared a state of emergency and the Governor has taken steps designed to mitigate the spread and impact of COVID-19, including closing schools and non-essential businesses. The County Executive declared a local State of Emergency for the County on March 16, 2020. The impact to the County's operations and finances cannot be predicted at this time due to the dynamic nature of the COVID-19 outbreak, including uncertainties relating to its (i) duration, and (ii) severity, as well as with regard to what actions may be taken by governmental and other health care authorities, including the State, to contain or mitigate its impact. There can be no assurances that the spread of COVID-19 will not materially adversely impact the financial condition of the County. Potential impacts to the County include, but are not limited to, costs and challenges to the County's public health system and reductions in tourism with corresponding decreases in major revenues such as transient occupancy tax and sales tax. The County is monitoring the situation and will take such proactive measures as may be required to maintain its operations and meet its obligations. The County continues to evaluate various options

DRAFTv1

to mitigate the impact of COVID-19 on the County's finances, including cash flow borrowings, reductions of budgeted expenditures, and eligibility for federal or state aid for COVID-19 related costs.

Cybersecurity

The County, like many other public and private entities, relies on technology to conduct its operations. As a recipient and provider of personal, private, or sensitive information, the County faces multiple cyber threats including, but not limited to, hacking, viruses, malware and other attacks on computer and other sensitive digital networks and systems. To mitigate the risk of business operations impact and/or damage from cyber incidents or cyber-attacks, the County employs various operating practices to limit exposure, various defensive measures to prevent and detect intrusions, and various defensive software products to quarantine and/or filter viruses and destructive data traffic.

No assurances can be given that such security and operational control measures implemented would be completely successful to guard against cyber threats and attacks. The results of any such attack could impact business operations and/or damage County digital networks and systems and the costs of remedying any such damage could be substantial.

RATING

S&P Global Ratings ("S&P") has assigned underlying rating to the County's bonded debt, including the Bonds, of "A+".

This rating reflects only the view of the rating agency furnishing the same, and an explanation of the significance of each of this rating may be obtained only from the rating agency. There is no assurance that this rating will be maintained for any given period of time or will not be raised, lowered or withdrawn entirely by the rating agency furnishing the same if, in its judgment, circumstances so warrant. Any downward revision or withdrawal of any of this rating may have an adverse effect on the market price of the Bonds.

INCORPORATION OF FINANCIAL STATEMENTS

The Basic Financial Statements of the County as of December 31, 2018, together with the opinion thereon rendered by Bonadio & Co., LLP, independent auditors for the County are attached as Appendix B. The report of Bonadio & Co., LLP in Appendix B relating to the County's Financial Statements for the year ended December 31, 2018, is a matter of public record. Bonadio & Co., LLP has not performed any procedures on any financial statements or other financial information contained in this Official Statement since the date of their report and has not been asked to consent to the inclusion of their report in this Official Statement.

UNDERWRITING

The Bonds are being purchased for reoffering by the Underwriter, FHN Financial Capital Markets. The Underwriter will purchase all of the Bonds, if any are purchased, at a price equal to $_____, being the par amount of the Bonds, plus a premium of $_____, less an Underwriters' discount of $_____. The Underwriter is initially offering the Bonds to the public at the public offering yields indicated on the inside cover page, but the Underwriters may offer and sell the Bonds to certain dealers, institutional investors and others (including sales for deposit into investment trusts, certain of which may be sponsored or managed by the Underwriter) at yields higher that the public offering yields stated on the inside cover page hereof and the public offering yields may be changed from time to time by the Underwriter.

On November 4, 2019 First Horizon and IberiaBank announced its intention to enter into a merger, pending regulatory approval, creating a leading regional financial services company. The new company will retain the First Horizon name and will have its headquarters in Memphis, TN, while maintaining a significant operating presence in all of the markets in which both companies operate today. The transaction is expected to be completed in the second quarter of 2020, following the satisfaction of closing conditions, including approval by shareholders of both companies. Until all

conditions, including regulatory approvals are provided, First Horizon and IberiaBank will continue to be separate, independent companies and until transaction closing, both companies will operate as they do today.

MUNICIPAL ADVISOR

Capital Markets Advisors, LLC has acted as the Municipal Advisor to the County in connection with the sale of the Bonds.

In preparing this Official Statement, the Municipal Advisor has relied upon governmental officials, and other sources, who have access to relevant data to provide accurate information for the Official Statement, and the Municipal Advisor has not been engaged, nor has it undertaken, to independently verify the accuracy of such information. The Municipal Advisor is not a public accounting firm and has not been engaged by the County to compile, review, examine or audit any information in the Official Statement in accordance with accounting standards. The Municipal Advisor is an independent advisory firm and is not engaged in the business of underwriting, trading or distributing municipal securities or other public securities and therefore will not participate in the underwriting of the Bonds.

DISCLOSURE UNDERTAKING

In accordance with the requirements of Rule 15c2-12 as the same may be amended or officially interpreted from time to time (the "Rule") promulgated by the Securities and Exchange Commission (the "Commission"), the County has agreed to provide, at the time of delivery of the Bonds, an executed Annual and Continuing Disclosure Undertaking in substantially the form attached as Appendix C.

The County is in compliance, in all material respects, with all prior undertakings pursuant to the Rule.

ADDITIONAL INFORMATION

The County will provide annual financial statements and other pertinent credit information, including the comprehensive annual financial report, if one is prepared, upon request. Any such request should be addressed to the Finance Department, County of Monroe, 402 County Office Building, 39 West Main Street, Rochester, New York 14614 (telephone 585-753-1157).

COUNTY OF MONROE

/s/_____
Jennifer A. Cesario
Interim Director of Finance – Chief Financial Officer

May __, 2020

APPENDIX A
THE COUNTY OF MONROE
TABLE OF CONTENTS

THE COUNTY OF MONROE ... A-1
General Overview ... A-1
Executive and Administative Branch ... A-1
Legislative Branch ... A-1
County Employees ... A-2
County Services ... A-2
Greater Rochester International Airport ... A-2
Other Transportation ... A-3
Higher Education ... A-3
FINANCIAL MATTERS ... A-3
Budgets ... A-3
Revenues ... A-3
Financial Operations and Budget ... A-5
Prior Years' Results and Budgetary Information ... A-6
Expenditures ... A-7
County Investment Policy ... A-8
REAL PROPERTY TAXES ... A-8
Tax Collection Procedure ... A-8
Tax Levy Collection Record ... A-9
Tax Margin ... A-9
Valuations and County Tax Levy ... A-9
Property Valuations ... A-10
Amounts of Annual Tax Levy ... A-10
Ten Largest Industrial and Commercial Taxpayers ... A-11
INDEBTEDNESS OF THE COUNTY ... A-11
Constitutional Requirements ... A-11
Statutory Procedure ... A-13
Tax Levy Limitation Law ... A-13
Enforcement of Remedies Upon Default ... A-14
County Administration Debt Policy ... A-15
Description of Indebtedness ... A-16
Table of Indebtedness ... A-17
Indebtedness by Purpose ... A-17
Existing Bonded Debt Service ... A-18
History of Outstanding Bonded Debt ... A-22
Debt of Political Subdivisions Within the County ... A-22
Sewage System Projects ... A-23
Solid Waste Management ... A-23
Monroe Community Hospital ... A-24
Monroe County Airport Authority ... A-24
Estimate of Obligations to be Issued ... A-25
Capital Planning ... A-25
ECONOMIC AND DEMOGRAPHIC DATA ... A-26
Economic Development ... A-26
Significant Announcements ... A-26
Exports ... A-27
Industrial Parks ... A-27
Resources ... A-27
Sports/Tourism/Recreation ... A-29
Sports Development ... A-29
Sports – Events ... A-29
Tourism ... A-29
Waterfront Development ... A-29
Population ... A-30
Non-Farm Wage and Salary Employment, Annual Averages ... A-30
Annual Average Unemployment Rates ... A-30
Area Private-Sector Employers Ranked by Total Number of Full-Time Local Employees ... A-31
New Housing Units Authorized ... A-31
Occupied Housing Units (Households) ... A-31
LITIGATION ... A-32
RISK MANAGEMENT ... A-33

(THIS PAGE INTENTIONALLY LEFT BLANK)

THE COUNTY OF MONROE

General Overview

The County of Monroe (the "County") is located in Western New York State (the "State") on the south shore of Lake Ontario, approximately 70 miles east of the Buffalo/Niagara Falls area. The land area of the County is 673 square miles. The County is in the northernmost portion of the Genesee River valley and contains one city, 19 towns, and 10 villages. The City of Rochester is the County seat and the State's third largest industrial and commercial center next to New York City and Buffalo. The area is accessible via the Greater Rochester International Airport, CSX Railroad, Genesee & Wyoming, Inc. (a regional railroad) and Amtrak, the New York State Thruway, the St. Lawrence Seaway, and the New York State Canal System (Erie Canal). The workforce in the County is within 400 miles of many major metropolitan areas such as New York City, Toronto, Boston, and Washington, D.C.

The County has a population of over 744,000 per the 2010 census and is the central county in the six-county Rochester Metropolitan Statistical Area (MSA) which has a population of approximately 1,100,000. The workforce in the County measures over 362,000 and its economy draws from an MSA workforce totaling over 524,000 (Source: New York State Dept. of Labor, December 2019). The County is home to Eastman Kodak, Xerox, Bausch & Lomb, Paychex, Frontier Communications, Sutherland Group and Wegmans Food Markets, as well as over 1,000 companies that employ less than 1,000 people, the largest number of workers being in the precision manufacturing, optics, financial services, medical, plastics, pharmaceuticals, and information technology industries.

The County was established in 1821. In 1967, a County Charter became effective which provided for a continuation of the county manager form of government previously established in the County in 1936. The County Charter was amended pursuant to a public referendum held on November 4, 1980 to provide for the direct election of a County Executive for a four-year term commencing January 1, 1984. The County Clerk, the Sheriff and the District Attorney are elected in general elections.

Executive and Administrative Branch

The County Executive is the chief executive officer and administrative head of the County with authority to approve or veto any local law, legalizing act or resolution adopted by the County Legislature. The County Executive is elected in a general county-wide election to serve a four-year term.

Adam Bello has a strong record of success in working to make Monroe County a better place to live. Sworn into office in January 2020 as the ninth County Executive, Bello previously served as Irondequoit Town Supervisor and Monroe County Clerk. He is committed to bringing new ideas, new energy and new leadership to county government. As Town Supervisor, Bello spearheaded construction of a new town library, which was completed on time and on-budget, and he led the fight to hold the owner of a failed mall property accountable, bringing a successful lawsuit to protect taxpayers and paving the way for future development. As County Clerk, he implemented electronic filing practices for civil cases and created a new online appointment system to cut down on wait times at local DMV branches. Adam believes government works best when leaders are willing to roll up their sleeves, bring people together and work together to find solutions to shared challenges.

The Director of Finance-Chief Financial Officer, who is appointed by the County Executive, is the chief fiscal officer of the County and is responsible for the collection of taxes and other revenues, the custody of all public funds of the County and the disbursement of County funds.

Legislative Branch

The County is divided into 29 legislative districts with an elected legislator representing each district in the County Legislature. County Legislators are limited to serve for two four-year terms and one two-year term during a ten-year cycle. The County Legislature is the legislative, appropriating, policy-determining and governing body of the County.

Dr. Joe Carbone, *President*

Brian E. Marianetti, *Vice President*

R. Edwin Wilt
Jackie Smith
Tracy DiFlorio
Frank X. Allkofer
Karla F. Boyce
Fred Ancello
Matthew Terp
Paul Dondorfer
Howard S. Maffucci
Sean M. Delehanty
Steve Brew
Michael Yudelson
Justin Wilcox
George J. Hebert
Joseph D. Morelle, Jr.
John B. Baynes
Kathleen A. Taylor
Mike Zale
Rachel Barnhart
Vincent R. Felder
Linda Hasman
Joshua Bauroth
Calvin Lee
Yversha M. Roman
Sabrina A. LaMar
Frank Keophetlasy
Ernest S. Flagler-Mitchell

DRAFTv1

County Employees

The County provides services through approximately 4,700 full-time equivalent employees. Most County employees are represented by one of nine labor organizations. The principal labor organizations are the Civil Service Employees Association, representing approximately 1,640 full time employees; the Monroe County Federation of Social Workers-IUE-CWA Local 381, representing approximately 770 full time employees; the Monroe County Deputy Sheriff's Association, representing approximately 460 full time employees; and the Monroe County Sheriff Police Benevolent Association ("PBA"), representing approximately 260 full time employees. Collective bargaining agreement expiration dates are:

Labor Organization	Collective Bargaining Agreement Expiration
Monroe County Law Enforcement Association	12/31/2023
Airport Firefighters	12/31/2022
Monroe County Deputy Sheriff's Association	12/31/2022
Civil Service Employee Association	12/31/2021
Monroe County Sheriff Command Staff	12/31/2021
Monroe County Sheriff PBA	12/31/2021
Operating Engineers	12/31/2021
Civil Service Employee Association PT	12/31/2019
Monroe County Federation of Social Workers	12/31/2023

County Services

The County provides its residents with a diverse range of services. Programs provided are in the areas of human services, public and mental health, education, public safety, transportation, solid waste management, and recreation.

Greater Rochester International Airport

The Greater Rochester International Airport (the "Airport"), owned and operated by the County and leased to the Monroe County Airport Authority (the "Airport Authority"), all pursuant to a certain Lease and Operating Agreement between the County and the Airport Authority, is located four miles southwest of downtown Rochester and comprises approximately 1,200 acres.

Seventeen airlines currently serve the Airport, providing the Rochester area with an average of 53 scheduled weekday departures to major cities throughout the United States. The five major airlines serving the Airport include American Airlines, Delta Airlines, JetBlue Airways, Southwest Airlines, and United Airlines. The twelve national and regional airlines serving the Airport include Air Wisconsin (doing business as United Express for United Airlines), Allegiant Air, Commutair (doing business as United Express for United Airlines), Endeavor Air (doing business as Delta Connection for Delta Airlines), Envoy Airlines (doing business as American Eagle for American Airlines), Expressjet Airlines (doing business as United Express for United Airlines), Go Jet Airlines (doing business as United Express for United Airlines), Mesa Airlines (doing business as United Express for United Airlines), Piedmont Airlines (doing business as American Eagle for American Airlines), PSA Airlines (doing business as American Eagle for American Airlines), Republic Airways (doing business as American Eagle for American Airlines, Delta Connection for Delta Airlines and United Express for United Airlines), Skywest Airlines (doing business as American Eagle on American Airlines, Delta Connection for Delta Airlines and United Express for United Airlines) and Trans States Airlines (doing business as United Express for United Airlines). These airlines serve approximately 2.6 million passengers annually.

The following three cargo airlines also currently serve the Airport on a scheduled basis: FedEx Express, Kalitta Charters on behalf of DHL Express, and Wiggins Airways, operating as a FedEx Express feeder airline. Airborne Express and Atlas Air also provide air cargo service on a periodic basis.

The Airport serves as the upstate center for many corporate and private aircraft. It also includes a modern military training center for hundreds of local men and women who are members of the active and reserve components of the United States Army. This training center includes a New York Air National Guard helicopter facility.

Since 2017, passenger enplanements, or boardings, have exceeded 1,200,000 passengers each year.

DRAFTv1

Other Transportation

Water transportation is provided by the New York Canal System (the Erie Canal) as well as Lake Ontario. The New York State Thruway is fed by three interchanges within or in close proximity to the County. The County is also served by railroads, bus lines and interstate trucking companies that maintain terminals within the County.

Higher Education

Metropolitan Rochester is an educational and cultural center. Located within the County are the University of Rochester (including its Medical Center, affiliated healthcare facilities and its Eastman School of Music), employing approximately 31,898 people full and part time, Roberts Wesleyan College, the State University College at Brockport, Nazareth College, St. John Fisher College, Rochester Institute of Technology and Monroe Community College. These schools had 47,575 full time and 9,659 part time students enrolled in the fall of 2019.

FINANCIAL MATTERS

Budgets

The County Legislature adopts a budget each year, after a public hearing, which is based upon a proposed budget submitted by the County Executive. Expenditures during the fiscal year may only be made pursuant to appropriations from the General Fund and other special purpose funds established by the County. However, upon the recommendation of the County Executive, the County Legislature may make additional appropriations during the fiscal year from any unencumbered balances in appropriations, contingent funds or unanticipated revenues. Also, to a limited extent, the County Legislature may authorize the issuance of budget notes to make additional appropriations.

The Monroe County Legislature enacted a local law entitled "Taxpayer Protection Act" (the "Act") on May 8, 2007, which was also approved by a voter referendum held on November 6, 2007. The Act provides that any budgeted increase in aggregated appropriations in the Operating Budget for local taxpayer supported non-mandated provisions (programs and services for which neither Federal or State Law require the County to provide and/or fund) shall not exceed aggregate budgeted appropriations for those provisions in the immediately preceding fiscal year by more than the increase in the Consumer Price Index for the twelve-month period ending within sixty (60) days of the budget being submitted to the Legislature by the County Executive.

Revenues

The County's revenues are principally derived from real property and sales taxes and Federal and State aid.

The County's budget for 2020 anticipates receiving approximately 40.8% of total General Fund revenue from real property taxes, and approximately 16.2% of total General Fund revenues from sales and other taxes. State aid represents approximately 19.9% of total General Fund revenues, nearly all of which is reimbursement for specific programs mandated by the State. The State is not constitutionally obligated to maintain or continue State aid to the County. Federal aid represents 11.3% of total General Fund revenues. Alterations in the level of and method of funding certain Federal and/or State programs may affect the County's ability to continue certain programs at their current levels. The elimination of, or any substantial reduction in, State or Federal aid would also require either a counterbalancing increase in revenues from other sources to the extent available, or a curtailment of expenditures.

The amount of State aid available to municipalities in the State, including the County, is dependent in part upon the financial condition of the State. Currently, due to the outbreak of COVID-19 the State has declared a state of emergency and the Governor has taken steps designed to mitigate the spread and impacts of COVID-19, including requiring non-essential workers to stay at home and requiring schools to engage in online and distance learning for a certain period of time which may be extended. The outbreak of COVID-19 and the steps taken to address it are expected to negatively impact the State's economy and financial condition. The full impact of COVID-19 upon the State is not expected to be known for some time; however, it is anticipated that the State will experience budgetary restrictions which will result in periodic review and/or action by the Director of Budget of New York State. Such actions may include but are not limited to delays or reductions in payments to local govenments or other recipients of State aid including the County and school districts in the State. If this were to occur, the financial condition of the County could be adversely affected.

DRAFTv1

Federal and State Aid

The following table sets forth total General Fund revenues and Federal and State aid revenues during the last five fiscal years and the amount included in the 2019 and 2020 adopted budgets.

State and Federal Aid
(000s omitted)

Year	Total Revenues [1]	Federal Aid	State Aid	Total Federal and State Aid	% of Total Revenues
2014	$940,102	$148,335	$184,081	$332,416	35.4%
2015	928,694	133,979	178,842	312,821	33.7
2016	936,991	129,989	176,394	306,383	32.7
2017	948,655	122,717	176,087	298,804	31.5
2018	952,454	117,932	173,720	291,652	30.6
2019 Budget	977,465	117,965	194,311	312,276	31.9
2020 Budget	990,537	111,515	196,699	308,214	31.1

(1) The "Total Revenues" reflect only the portion of sales and use tax retained by the County. The amounts shown for 2014 through 2018 in the table entitled "GENERAL FUND SUMMARY OF REVENUES, EXPENDITURES AND CHANGE IN FUND BALANCE" contained elsewhere in this Official Statement, reflect the total sales and use tax receipts received by the County as required under U.S. generally accepted accounting principles for governments. The Total Revenues shown in the above table have been reduced by $309,790 in 2014, $313,978 in 2015, $322,614 in 2016, $338,640 in 2017 and $347,396 in 2018 to reflect only the sales and use tax retained by the County for comparison purposes.

Sales and Use Tax

The combined sales tax rate in the County is 8.0% (4.0% State and 4.0% County). Effective March 1, 1993, the State authorized the County to levy its sales tax portion at the rate of 4.0%, the maximum rate permitted by law. The County is required to have 1% of its sales tax rate re-authorized by the State Legislature on a bi-annual basis, with the current authorization expiring on November 30, 2020.

The following table sets forth General Fund revenues and sales and use tax receipts during the last five fiscal years and the amount included in the 2019 and 2020 adopted budgets.

Sales and Use Tax
(000s omitted)

Year	Total Revenues [1]	Sales and Use Tax Receipts [2]	Sales and Use Tax Retained by County	% of Sales and Use Tax Retained to Total Revenues
2014	$940,102	$450,477	$140,687	15.0%
2015	928,694	455,788	141,598	15.2
2016	936,991	468,130	145,515	15.5
2017	948,655	491,798	153,158	16.1
2018	952,454	503,828	156,542	16.4
2019 Budget	977,465	485,650	152,000	15.6
2020 Budget	990,537	519,500	158,000	16.0

(1) The Total Revenues shown in the above table have been reduced by $309,790 in 2014, $313,978 in 2015, $322,614 in 2016, $338,640 in 2017 and $347,396 in 2018 to reflect only the sales and use tax retained by the County for comparison purposes. The "Total Revenues" reflected in the County's 2019 Adopted Budget reflects only the portion of sales and use tax retained by the County.

(2) The amounts shown for 2014 through 2018, and in the table entitled "GENERAL FUND SUMMARY OF REVENUES, EXPENDITURES AND CHANGE IN FUND BALANCE" contained elsewhere in this Official Statement, reflect the total sales and use tax receipts received by the County as required under U.S. generally accepted accounting principles for governments.

DRAFTv1

Financial Operations and Budget

Summary of Fiscal Year Ended December 31, 2018

Monroe County's year-end general fund balance was $60.9 million as of December 31, 2018, representing an increase of $21.8 million over FY2017. See "APPENDIX B – BASIC FINANCIAL STATEMENTS FOR THE FISCAL YEAR ENDED DECEMBER 31, 2018" for additional information pertaining to the results of operations.

Summary of UNAUDITED Budget Indicators for Fiscal Year Ended December 31, 2019

Audit fieldwork is scheduled for April 13, 2020 through May 1, 2020. Internal year-end preparation, however, indicates that the County's General Fund will end the year with a budgetary surplus of $35.6 million, ± $2.5 million, bringing the General Fund's total fund balance to approximately $96.5 million, ± $2.5 million.

Savings in personal services expenses played a large role in generating a year-end surplus. The County did not budget any vacancy factor for the year, therefore the natural rate of employee turnover resulted in significant reductions in salary and benefit costs of approximately $5.6 million (net of reduced state and federal reimbursement). Additionally, the County's self-insured medical expenses continued to trend below estimates, saving an additional $5 million. Another area of significant savings was in public assistance benefits which saved approximately $10.2 million (net of reduced state and federal reimbursement).

Sales tax revenue growth remained consistent throughout 2019, generating $159.1 million (net of sharing) in General Fund revenue, which is $7.1 million above budget. Additionally, interest earnings increased to $4.0 million, $2.8 million above budget.

The balance of the surplus was generated by a combination of various one-time expense savings and one-time revenue opportunities.

New York State Comptroller's Fiscal Stress Monitoring System

The New York State Comptroller has reported that New York State's municipalities and school districts are facing significant fiscal challenges and, in 2013, directed the Office of the State Comptroller ("OSC") to develop a Fiscal Stress Monitoring System to provide feedback to local officials, taxpayers, and policy makers regarding the level of stress under which entities are currently operating.

Weighted fiscal stress scores for counties are based on financial data filed in an Annual Update Document ("AUD"). Nine financial indicators are evaluated and weighted, with 50% of the weighting placed on two indicators – unassigned fund balance and total fund balance. Under the Monitoring System, higher scores reflect higher fiscal stress while lower scores reflect lower fiscal stress.

Monroe County's weighted fiscal stress scores, as derived by OSC, for the four most recently pubished fiscal years are as follows:

Fiscal Year	Fiscal Score - Designation
2018	64.2 – moderate fiscal stress
2017	69.2 – significant fiscal stress
2016	78.8 – significant fiscal stress
2015	82.1 – significant fiscal stress

(The remainder of this page has been intentionally left blank.)

DRAFTv1

Prior Years' Results and Budgetary Information

Set forth below is a table of the revenues and expenditures of the County's General Fund, its primary operating fund, for the years 2015-2018 and the adopted budgets for 2019 and 2020. The table does not include information pertaining to other funds of the County (Special Revenue, Debt Service, Enterprise, Internal Service, Capital Projects and the County's component units). Each fund of the County is separately accountable for its resources and expenditures. (See Note 1 in the Notes to Financial Statements contained in Appendix B of this Official Statement for a summary of the County's method of accounting.) The allocations among various items of prior years' expenditures have been recast where appropriate to make them comparable with current year presentations. Although actual revenues and expenditures may differ from the amounts budgeted for revenues and expenditures, total expenditures may not exceed total budgeted appropriations authorized by the County Legislature during such year.

GENERAL FUND SUMMARY OF REVENUES, EXPENDITURES AND CHANGE IN FUND BALANCE
(000s Omitted)

REVENUES:	2020 Budget	2019 Budget	2018	2017	2016	2015
Real Property Tax	$403,932	$394,424	$381,881	$376,626	$366,475	$359,108
Sales and Other Taxes [1]	160,405	154,405	506,420	494,034	471,373	457,354
Federal Aid	111,515	117,965	117,932	122,717	129,898	133,979
State Aid	196,699	194,311	173,720	176,087	176,394	178,842
Charges for Services	27,448	27,265	26,650	26,486	23,949	23,754
Intergovernmental	44,506	41,736	40,738	39,120	37,666	37,522
Interdepartmental	2,842	2,655	1,877	2,121	1,475	1,655
Use of Money and Property	8,233	5,584	7,878	6,030	5.260	5,699
Repayments and Refund	13,385	13,434	16,112	19,074	17,744	12,799
Payments in Lieu of Taxes	8,870	10,515	7,872	7,604	7,156	7,559
Miscellaneous	12,702	15,171	18,770	17,396	22,215	24,401
Total Revenues	990,537	977,465	1,299,850	1,287,295	1,259,605	1,242,672
EXPENDITURES:						
General Government [1]	40,627	37,565	381,214	373,396	353,744	342,155
Public Safety	252,731	246,151	242,642	237,644	236,816	229,404
Transportation	3,525	3,524	3,524	3,525	3,524	3,524
Health and Welfare	557,202	560,250	531,972	536,163	544,035	552,171
Culture, Recreation and Education	85,203	83,365	74,927	76,484	74,253	73,600
Total Expenditures	939,288	930,855	1,234,279	1,227,212	1,212,371	1,200,854
Excess (Deficiency) of Revenues over Expenditures	51,249	46,610	65,571	60,083	47,234	41,818
Total Other Financing Sources (Uses)	(51,249)	(46,610)	(43,801)	(59,528)	(43,576)	(38,619)
Excess (Deficiency) of Revenues and Other Financing Sources Over Expenditures and Other Uses	$0	$0	$21,770	555	3,658	3,199
Merger of LDCs into Monroe County				11,441		
Changes in Fund Balance After Merger of LDCs				11,996		
Fund Balance (Deficit), Beginning of Year			39,139	27,143	23,485	20,286
Fund Balance (Deficit), End of Year			$60,909	$39,139	$27,143	$23,485

(1) Sales and Other Taxes for the years 2015 through 2018 reflect the total sales and use tax receipts received by the County as required under U.S. generally accepted accounting principles for governments. The amount of sales and use tax subsequently distributed to the political subdivisions of the County is also reflected as General Government expenditure. The 2019 and 2020 Budget amounts for Sales and Other Taxes revenue and General Government expenditures both would have been estimated to be greater than shown if the budgets were to reflect the previously mentioned requirements for governments under U.S. generally accepted accounting principles.

(The remainder of this page has been intentionally left blank.)

DRAFTv1

Expenditures

Human Services. A major portion of the County's annual anticipated expenditures (59.3% of the 2020 General Fund budget) are related to the delivery and administration of Human Services Programs, which primarily consist of Health and Welfare expenditures. Included are those programs related to various Federal and State mandated programs such as Medicaid, Safety Net Assistance, Temporary Assistance for Needy Families and services to youth, the aged, and veterans. Although a substantial portion of the expenditures for social services programs are ultimately paid for by the State and Federal governments, expenditures fluctuate in response to overall economic conditions and are difficult to predict.

Pension Payments. Substantially all regular employees of the County and Monroe Community College are members of the New York State Employees' Retirement System ("Retirement System"). Total billings relating to such Retirement System for pension benefits and related life insurance coverage for the past five years were as follows:

Year	Amount Billed By Retirement Systems	Adjustments	Total
2015	44,069,508	6,742,083	50,811,591
2016	38,694,687	8,876,724	47,571,411
2017	38,790,808	8,568,191	47,358,999
2018	36,449,251	5,570,963	42,020,214
2019	36,990,977	3,332,932	40,323,909

Adjustments for 2019 included an amortization payment of $3,301,900 for Chapter 57 of the Laws of 2013 Employee Contribution Stabilization Program, plus $31,032 for other prior period adjustments.

The Employer Alternate Contribution Stabilization Program (Chapter 57 of the Laws of 2013) provides the option to those municipalities in the Retirement System to amortize a portion of their annual pension costs over a twelve year period. The County elected not to amortize any portion of the 2018 or 2019 pension cost and paid off amortiziations from 2014.

The investment of monies, and assumptions underlying same, of the retirement system covering the County's employees is not subject to the direction of the County. Rather, it is a pooled pension fund managed by the New York State Office of the Comptroller covering employees of the state and local governments. Thus, it is not possible to predict, control or prepare for future unfunded accrued actuarial liabilities of the Retirement Systems ("UAALs"). The UAAL is the difference between total actuarially accrued liabilities and actuarially calculated assets available for the payment of such benefits. The UAAL is based on assumptions as to retirement age, mortality, projected salary increases attributed to inflation, across-the-board raises and merit raises, increases in retirement benefits, cost-of-living adjustments, valuation of current assets, investment return and other matters. Such UAALs could be substantial in the future, requiring significantly increased contributions from the County, which could affect other budgetary matters. Concerned investors should contact the Retirement Systems' administrative staff, 110 State Street, Albany, New York 12244, for further information on the latest actuarial valuations of the Retirement Systems.

On August 29, 2019, the New York State Comptroller announced that employer contribution rates for the Retirement System (ERS) rate would remain at 14.6% in 2020 and the average PFRS rate would increase by 0.9% to 24.4% of payroll.

(The remainder of this page has been intentionally left blank.)

DRAFTv1

County Investment Policy

Investment of funds is generally not a County purpose. The County is, however, authorized to invest money on hand that is temporarily idle and not needed for County purposes.

Pursuant to the statutes of the State, the County is permitted to invest only in the following investments: (1) special time deposits in, or certificates of deposits issued by, a bank or trust company located and authorized to do business in the State; (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 is guaranteed by the United States of America; (4) obligations of the State; (5) with the approval of the State Comptroller, tax anticipation notes and revenue anticipation notes issued by any New York municipality or district corporation, other than the County; (6) obligations of public authorities, public housing authorities, urban renewal agencies and industrial development agencies where the general State statutes governing such entities or whose specific enabling legislation authorizes such investments; (7) certain certificates of participation issued on behalf of political subdivisions of the State; and (8) in the case of County monies held in certain reserve funds established pursuant to law, obligations issued by the County. These statutes further require that all bank deposits in excess of the amount insured under the Federal Deposit Insurance Act be secured by a pledge of eligible securities, an eligible surety bond or an eligible letter of credit, as those terms are defined in the law.

Consistent with the above statutory limitations, it is the County's current policy to invest only in: (1) Obligations of the United States of America; (2) Obligations guaranteed by agencies of the United States of America where payment of principal and interest are guaranteed by the United States of America; (3) Obligations of the State of New York; (4) Special time deposit accounts in banks or trust companies located and authorized to do business in New York State and such deposits must be insured by the Federal Deposit Insurance Agency; (5) Savings and/or demand deposit accounts placed through a depository institution that has a main or branch office in New York State and that contractually agrees to place the funds in federally insured depository institutions through the Insured Cash Sweep service ("ICS"); (6) Certificates of Deposits in banks or trust companies located and authorized to do business in New York State and such deposits must be insured by the Federal Deposit Insurance Agency; (7) Certificates of deposit obtained through a depository institution that has a main office or a branch office in New York State and that contractually agrees to place the funds in federally insured depository institutions through the Certificate of Deposit Account Registry Service ("CDARS"); (8) Obligations of public authorities, public housing authorities, urban renewal agencies and industrial development agencies where the general New York State statutes governing such entities or whose enabling legislation authorizes such investments; (9) Obligations issued pursuant to Local Finance Law, Section 24.00 or 25.00 (with approval of State Comptroller) by any municipality, school district, or district corporation other than County of Monroe. In the case of obligations of the United States government, the County also may purchase such obligations pursuant to a written repurchase agreement that requires the purchased securities to be specifically identified, segregated from the assets of the seller, and delivered for safekeeping into an account designated and controlled by the County.

The County does not invest in leveraged products, or in reverse repurchase agreements. It does no borrowing or lending of securities.

REAL PROPERTY TAXES

Tax Collection Procedure

County tax payments on all taxable property within the County are payable through February 10th each year without penalty or interest. After February 10th, interest is charged on all unpaid taxes at the rate of 1.5% from February 11th-February 28th and an additional 1.5% interest is due for each month or fraction thereof beginning March 1st and ending August 20th. On August 20th, the County imposes a tax lien on all properties with unpaid taxes. The lien includes accrued interest of 10.5% plus a 10% penalty, a tax notice fee and an advertising charge. On September 1st, interest on the combined amount, known as the Tax Sale Amount, accrues at the rate of 1.5% per month until paid. The tax lien qualifies for tax foreclosure proceedings upon the expiration of one year from the August 20th tax lien sale date. The County generally conducts such proceedings annually.

State legislation to limit the growth of property taxes became law on June 24, 2011. This legislation imposes additional procedural requirements on the ability of municipalities to levy certain year-to-year increases in real property taxes (see "Tax Increase Limitation Legislation" herein). The County has complied with this legislation each fiscal year since 2012.

DRAFTv1

Tax Levy Collection Record

Set forth below is the tax collection record of the County levy for the past six years, which includes taxes collected by the County on behalf of governmental entities within the County:

Year Ended December 31	Total Tax Levy	Amount Uncollected as of August 20	% Collected as of August 20	Amount Uncollected as of December 31[(1)]	% Collected as of December 31
2014	$658,732,373	$16,695,706	97.47%	$3,268,509	99.50%
2015	674,358,500	16,638,575	97.53	3,400,118	99.50
2016	682,861,214	15,284,927	97.76	4,685,785	99.31
2017	700,368,591	14,515,481	97.94	3,364,473	99.56
2018	714,789,599	16,418,690	97.70	3,856,650	99.46
2019	733,552,074	16,416,946	97.76	5,855,838	99.20

(1) Includes the sale of delinquent tax liens.

Under New York State law, the County is obligated to ensure the receipt by the towns and school districts (excluding the Rochester City School District) of 100% of their real property tax levies. School taxes not collected in respect of such levies are re-levied in the next year as a County tax.

Tax Margin

In accordance with Section 10 of Article VIII of the State Constitution, the amount which may be raised in the County by taxes on real estate in any fiscal year for County purposes, in addition to providing for the interest on and the principal of all indebtedness, may not exceed an amount equal to 1.5% of the five-year average full valuation of taxable real estate of the County, less certain deductions as prescribed therein. The computation pursuant to such constitutional provision is as follows:

Limits of taxing power for 2020 tax levy	$46,840,742
2020 Tax levy subject to taxing power limit	348,556,366
2020 Tax margin	$298,284,376

Valuations and County Tax Levy

The following table sets forth the assessed and full valuation of taxable real property and tax levy for County purposes:

	2016	2017	2018	2019	2020
Assessed Value	$40,376,143,334	$41,282,250,756	$41,588,182,047	$43,260,931,709	$43,942,610,170
Full Valuation[1]	40,845,508,457	41,863,750,170	42,583,510,037	44,367,202,219	45,953,609,766
Tax Levied for County Purposes[2]	377,634,900	385,371,554	391,415,692	402,288,325	414,034,794
Tax Rate Per $1,000:					
Assessed Valuations[2]	$9.35	$9.34	$9.41	$9.39	$9.42
Full Valuation[2]	9.25	9.21	9.19	9.07	9.00

(1) Computed by use of County equalization rates for tax levy purposes.
(2) Includes allowance for uncollectible taxes and deferred tax revenue.

(The remainder of this page has been intentionally left blank.)

DRAFTv1

Property Valuations

There are 21 assessing jurisdictions in the County. The 2019 assessment for the 2020 levy follows:

Assessing Jurisdiction	Assessed Valuations[1]	County Equalization Rates[2]	Full Value
BRIGHTON	$3,020,879,322	100%	$3,020,879,322
CHILI	1,793,972,963	100%	1,793,972,963
CLARKSON	413,487,517	100%	413,487,517
EAST ROCHESTER	321,371,993	100%	321,37,993
GATES	1,659,180,059	96%	1,728,312,561
GREECE	5,339,762,350	100%	5,339,762,350
HAMLIN	413,137,587	93%	444,233,965
HENRIETTA	3,243,980,136	100%	3,243,980,136
IRONDEQUOIT	2,826,607,783	97%	2,914,028,642
MENDON	938,301,749	98%	957,450,764
OGDEN	1,242,996,399	100%	1,242,996,399
PARMA	939,216,058	100%	939,216,058
PENFIELD	3,232,203,419	90%	3,591,337,132
PERINTON	4,250,930,838	100%	4,250,930,838
PITTSFORD	3,231,563,269	100%	3,231,563,269
RIGA	375,167,942	98%	382,824,431
RUSH	299,733,217	86%	348,526,997
SWEDEN	664,291,509	100%	664,291,509
WEBSTER	2,990,943,117	77%	3,884,341,710
WHEATLAND	281,028,827	97%	289,720,440
ROCHESTER	6,463,854,116	93%	6,950,380,770
	$43,942,610,170		$45,953,609,786

(1) 2019 Assessments (Real Estate & Special Franchise) used for 2020 tax levy.
(2) County Equalization Rates for the 2019 Assessment Rolls were used for the 2020 tax levy. They are the ratio which assessed valuation in each assessing jurisdiction bears to market value, as determined by the County Legislature based upon information supplied by the State.

Amounts of Annual Tax Levy

Set forth below is the amount of annual tax levy for the years 2016 through 2020:

	2016	2017	2018	2019	2020
Tax Levied for County Purposes[1]	$377,634,900	$385,371,554	$391,415,692	$402,288,325	$414,034,794
Less: Sales Tax Credit	(55,000,000)	(55,000,000)	(55,000,000)	(55,000,000)	(55,000,000)
Less: Section 520 R.P.T.L. Re-levy & Adjustments	(633,745)	(706,818)	(741,335)	(868,201)	(914,127)
Less: Agricultural Rollback	(7,487)	(30,796)	(11,290)	(1,420)	(14,837)
Net Levy for County Purposes	321,993,668	329,633,941	335,663,067	346,418,704	$358,105,830
Net Levy for Town Budgets	139,578,967	142,712,552	144,370,629	148,561,534	151,097,105
Pure Waters Districts[2]	54,139,404	55,391,078	56,660,092	54,518,836	54,654,675
Returned School Tax	19,111,753	19,482,936	19,984,283	21,477,362	22,605,630
Returned School Tax Penalty	1,337,823	1,363,806	1,398,898	1,503,412	1,582,395
Local Govt. Services to Towns & City	40,427,633	41,443,985	42,192,709	42,332,562	43,125,181
Re-levied Village Taxes	375,398	402,598	390,335	380,233	368,748
Town Special Districts[2]	105,896,568	109,937,695	114,129,587	118,359,431	125,282,413
Total Tax Levy[3]	$682,861,214	$700,368,591	$714,789,600	$733,552,074	$756,821,977

(1) Includes allowances for uncollectible taxes and deferred tax revenue.
(2) Includes delinquent charges re-levied.
(3) Due to rounding, details may not add to totals

DRAFTv1

Ten Largest Industrial and Commercial Taxpayers

Name	Type	2019 Taxable Assessed Valuation[(1)]	2019 Taxable Full Valuation[(2)]
Rochester Gas and Electric Corporation	Public Utility	$2,044,421,684	$2,248,863,852
Morgan Management	Office & Apartment Buildings	306,567,165	312,381,059
Frontier Telephone of Rochester	Public Utility	223,042,669	229,631,632
Wegmans	Supermarkets & Shopping Centers	219,462,285	225,155,211
Mark IV Enterprises	Office & Apartment Buildings	120,863,983	128,198,783
Buckingham Properties	Office & Apartment Buildings	109,847,360	110,652,325
National Grid	Public Utility	86,665,410	88,293,721
Gallina Development	Office & Apartment Buildings	67,658,096	74,002,930
Eastman Kodak Company	Manufacturing & Office	60,673,720	60,701,520
Benderson Development	Office and Shopping	59,651,825	59,863,091
		$3,298,854,197	$3,537,744,124

(1) Taxable assessed valuation represents the assessed valuations used for 2020 tax levy purposes.
(2) Taxable full valuation is computed by use of County equalization rates which were used for the 2019 tax levy.

The ten largest taxpayers listed above have a total taxable full valuation of $3,537,744,124 which represents 7.7% of the County's 2019 tax base.

INDEBTEDNESS OF THE COUNTY

Constitutional Requirements

The State Constitution limits the power of the County (and other municipalities and school districts of the State) to issue obligations and to otherwise contract indebtedness. Such constitutional limitations include the following in summary form, and are generally applicable to the County.

Purpose and Pledge. Subject to certain enumerated exceptions, the County shall not give or loan any money or property to, or in aid of, any individual or private corporation or private undertaking or give or loan its credit to or in aid 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 not 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; the County must provide for the payment of interest due during the year on its indebtedness, subject to certain exceptions, and for the amount required in such year for amortization and redemption of its bonds.

The State Constitution had long provided that no installment for the payment of principal of outstanding indebtedness of a municipality may exceed any prior installment by more than fifty (50) percent. This provision has generally meant that the debt service requirements for any particular general obligation municipal debt in New York declined with time, as the decline in annual interest due overtook any limited permitted annual increase in principal repayment.

In 1993, that provision of the Constitution was amended. The County and all other municipalities in the State may now, consistent with the Constitution, contract to repay indebtedness in substantially equal or declining debt service payments.

DRAFTv1

Debt Limit. The County has the power to contract indebtedness for any lawful 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, 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 average full valuation is by taking the assessed valuations of taxable real estate for the last five completed assessment rolls and applying thereto the ratio which such assessed valuation bears to the full valuation as determined by the State Office of Real Property Services. The State Legislature is required to prescribe the manner by which such ratio shall be determined.

The following table sets forth the debt limit of the County and its debt contracting margin under such constitutional standard as of April 1, 2020:

Five Year Full Valuation of Taxable Real Property			$43,122,716,103 (1)
Debt Limit - 7% Thereof			3,018,590,127
Outstanding Indebtedness:			
Bonds	$529,265,000		
Bond Anticipation Notes	6,000,000		
Revenue Anticipation Note	55,000,000		
Outstanding Gross Indebtedness		$509,265,000	
Less Exclusions:			
Sewer Debt (Bonds)	$0 (2)		
Water Debt (Bonds)	0 (3)		
Airport Debt (Bonds)	7,716,671 (4)		
Airport Debt (Notes)	0		
Principal Amount of Refunded or Defeased Bonds	0		
Budget Appropriations	55,670,000		
Revenue Anticipation Note	0		
Reserve for Bonded Debt	8,916,820		
Total Exclusions		127,303,491	
Total Net Indebtedness			456,961,509
Debt Contracting Margin			$2,555,628,618
Debt Contracting Power Exhausted			15.34%

(1) The Debt Limit of the County is computed in accordance with the provisions of Article VIII of the State Constitution and Title 9 of Article of the Local Finance Law. See note 1 to the Table of Indebtedness as to certain lease obligations.
(2) Pursuant to Section 124.10 of the Local Finance Law.
(3) Pursuant to Section 136.00(2) of the Local Finance Law.
(4) Pursuant to Section 2754(2) of the Monroe County Airport Authority Act (see "Monroe County Airport Authority").

There is no constitutional limitation on the amount that may be raised by the County from taxes on real estate in any fiscal year to pay interest and principal on all indebtedness (See, however, “Tax Increase Limitation Legislation” herein).

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, 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.

DRAFTv1

Statutory Procedure

In general, the State Legislature has authorized the power and procedure for the County to borrow and incur indebtedness by enactment of the Local Finance Law, subject to the constitutional provisions set forth above. The power to spend money, however, generally derives from other law, including specifically the County Charter and the County Law.

The Local Finance Law also provides a twenty-day statute of limitations after publication of a bond resolution, which, in effect, stops legal challenges to the validity of obligations authorized by such bond resolution except for alleged constitutional violations. Except on rare occasions, the County complies with this estoppel procedure. It is a procedure that is recommended by bond counsel, but is not required by law.

The County Legislature, as the finance board of the County, has the power to enact bond resolutions and resolutions authorizing bond anticipation notes to be issued in anticipation of the bonds authorized by such bond resolutions, as well as certain other short-term general obligation indebtedness including revenue and tax anticipation notes and budget and capital notes (see "Table of Indebtedness" herein). In addition, such finance board has the power to determine the terms and method of sale of bonds and notes. However, such finance board has delegated its powers in relation to the sale of bonds and notes to the Director of Finance-Chief Financial Officer, the chief fiscal officer of the County under The County Charter and Local Finance Law.

Tax Levy Limitation Law

Although the State Legislature is limited by Article VIII, Section 12 of the State Constitution from imposing limitations on the power to raise taxes to pay "interest on or principal of indebtedness theretofore contracted", the New York State Legislature may from time to time impose additional limitations on the ability to issue new indebtedness or to raise taxes therefor.

On June 24, 2011, Chapter 97 of the Laws of 2011 was signed into law by the Governor (as amended the "Tax Levy Limit Law" or the "Law"). The Tax Levy Limit Law generally applies to local governments and school districts in the State (with certain exceptions) and imposes additional procedural requirements on the ability of municipalities to levy certain year-to-year increases in real property taxes.

The County became subject to the Tax Levy Limit Law beginning with the County's budget for its fiscal year beginning January 1, 2012. Pursuant to the Tax Levy Limit Law, additional procedural requirements are imposed if a County seeks to increase the tax levy by more than the lesser of: (i) two percent (2%); or (ii) the annual increase in the consumer price index, over the amount of the County's prior year's tax levy (the "Tax Levy Increase Limit"). In the event the County seeks to adopt a budget requiring a tax levy exceeding the Tax Levy Increase Limit, the budget would require the approval by at least 60% of the County Legislature. The County Legislature would also be required to act by local law rather than simply by resolution, and a public hearing would be required.

The Law permits certain exceptions to the tax levy increase limit. The County may levy taxes exceeding the Tax Levy Increase Limit, if necessary, to support the following expenditures: (i) funds needed to pay judgments arising out of tort actions that exceed five percent of the total tax levied by the County in the prior fiscal year; and (ii) required pension payments (but only that portion of such payments attributable to the average actuarial contribution rate exceeding two percentage points). Taxes necessary for these expenditures will not be included in the calculation of the Tax Levy Increase Limit.

The Law also provides for adjustments to be made to the County's Tax Levy Increase Limit based upon changes in the assessed value of the taxable real property in the County. Additionally, the County will be permitted to carry forward a certain portion of its unused tax levy capacity from the prior year.

Notes or bonds of the County issued prior to the June 24, 2011 effective date of the Tax Levy Limit Law are payable from real property taxes that can be levied as necessary without regard to any Constitutional or statutory limit. Inasmuch as the Law has no exclusion for principal and interest on notes and bonds, however, levies required to pay principal and interest on notes and bonds will be included in the calculation of the Tax Levy Increase Limit. In the absence of administrative or judicial guidance, and with a lack of any experience operating under the Law, the effect of the Law on the County's finances and its ability to continue to levy taxes sufficient to both pay debt service on pre June 24, 2011 and post June 24, 2011 notes and bonds, and meet its other governmental responsibilities, is uncertain.

DRAFTv1

Enforcement of Remedies Upon Default

The following description of factors affecting the possible enforcement of remedies upon a default by the County is not intended to constitute legal advice and is not a substitute for obtaining the advice of counsel on such matters. Factors governing the availability of remedies against the County are complex and the obligations of the County, under certain circumstances, might not be enforced precisely as written.

General Municipal Law Contract Creditors' Provision. Each general obligation issued by a New York municipality when duly issued and paid for will constitute a contract between the County and the purchaser. Such contracts, if not honored, would generally be enforceable through court action. 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 it on an amount adjudged due to a creditor shall not exceed nine per centum per annum from the date due to the date of payment. This provision might apply if there were a default in the payment of the principal of and interest on the Bonds.

Unavailability of Remedies of Levy and Attachment. As a general rule, property and funds of a municipal corporation serving the public welfare and interest have not been judicially subjected to execution or attachment to satisfy a judgment, although judicial mandates have been issued to officials to appropriate and pay judgments out of certain funds or the proceeds of a tax levy. Under 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.

Constitutional Non-Appropriation Provision. The Constitution of the State, Article VIII, Section 2, contains the following provision relating to the annual appropriation of monies for the payment of principal of and interest on indebtedness of every county, city, town, village and school district in the State: "If at any time the 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 county, city, town, village or school district may be required to set aside and apply such revenues as aforesaid at the suit of any owner of obligations issued for any such indebtedness." If the County were to fail to make a required appropriation, however, the ability of affected owners of County indebtedness to enforce this provision as written could be compromised or eliminated as described below under “Bankruptcy”, “State Debt Moratorium Law” and “Possible Priority of Continuation of Essential Public Services.”

Bankruptcy. The Federal Bankruptcy Code allows municipalities, such as the County, recourse to the protection of a Federal Court for the purpose of adjusting outstanding indebtedness. Should the County file for relief under the Federal Bankruptcy Code there could be adverse effects on the owners of the Bonds.

The State, in Section 85.80 of the Local Finance Law, has authorized any municipality in the State to file a petition with the United States District Court or court of bankruptcy under any provision of the laws of the United States, now or hereafter in effect, for the composition or adjustment of municipal indebtedness. Congress has enacted such a law in the form of the Federal Bankruptcy Code. Given the authority established in the aforesaid Section 85.80 of the Local Finance Law, the Federal Bankruptcy Code, under certain circumstances, can provide municipalities in New York with easier access to judicially approved adjustment of debt and can permit judicial control over identifiable and unidentifiable creditors.

Under the United States Constitution, Federal law is supreme and may be enforced irrespective of contrary state law. Accordingly, proceedings in accordance with the Federal Bankruptcy Code could result in an allocation of funds that fails to honor the faith and credit pledge required by the State Constitution.

No current State law purports to create any collateral or priority for owners of the Bonds should the County be under the jurisdiction of any court, pursuant to the laws of the United States, now or hereafter in effect, for the composition or adjustment of municipal indebtedness. The Bonds could be deemed unsecured obligations of the County in a bankruptcy case.

Under the Federal Bankruptcy Code, a petition may be filed in the Federal Bankruptcy court by a municipality that is insolvent, which generally means the municipality is unable to meet its debts as they mature. Generally, the filing of such a petition operates as a stay of any proceeding to enforce a claim against the municipality. The Federal Bankruptcy Code also requires that a plan be filed for the adjustment of the municipality’s debt, which may modify or alter the rights of creditors. Any plan of adjustment can be confirmed by the court over the objections of creditors if the plan is found to be “fair and equitable” and in the “best interests of creditors.” The County may be able,

DRAFTv1

without the consent and over the objection of owners of the Bonds, to impair and alter the terms and provisions of the Bonds, including the payment terms, interest rate, maturity date, and payment sources, as long as the bankruptcy court finds that the alterations are "fair and equitable." If confirmed by the bankruptcy court, the plan would be binding upon all creditors affected by it.

The rights of the owners of Bonds to receive interest and principal from the County and the enforceability of the County's faith and credit pledge to pay such interest and principal could be adversely affected by the restructuring of the County's debt under Chapter 9 of the Federal Bankruptcy Code. No assurance can be given that any priority of owners of debt obligations issued by the County (including the Bonds) to payment from monies retained in any fund or from other sources would be recognized if a petition were filed by or on behalf of the County under the Federal Bankruptcy Code. Such monies might, under such circumstances, be paid to satisfy the claims of all creditors generally, or might even be directed to satisfy other claims instead of being paid to the owners of the Bonds.

Regardless of any specific adverse determinations in a bankruptcy proceeding of the County, the fact of such a bankruptcy proceeding could have an adverse effect on the liquidity and market value of the Bonds.

State Debt Moratorium Law. Unless the Federal Bankruptcy Code or other Federal Law applies, as described above, enforcement of the rights of Bond owners will generally be governed by State law. In 1975, a general State law debt service moratorium statute was enacted.

Under that legislation, 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 was suspended. 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, in Flushing National Bank v. Municipal Assistance Corporation for the City of New York, 40 N.Y.2d 731 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 obligations.

Accordingly, State legislation materially limiting the timing or manner of actions to enforce the faith and credit pledge against an issuer of general obligation debt (including that portion of Title 6-A of Article 2 of the Local Finance Law enacted in 1975 authorizing any municipality in a State-declared financial emergency period to petition to stay the enforcement against such municipality of any claim for payment relating to any contract, debt or obligation of the municipality) could be determined to conflict with the State Constitution and may not be enforceable.

The State Constitutional provision providing for first revenue set asides applies to the payment of interest on all indebtedness and to the payment of principal payments on bonds, but does not apply to pay payment of principal due on tax anticipation notes, revenue anticipation notes or bond anticipation notes.

Possible Priority of Continuation of Essential Public Services. In prior years, litigation has resulted from certain events and legislation affecting the remedies of owners of municipal bonds upon default. While courts of final jurisdiction have upheld and sustained the rights of note or bond owners, such courts might hold that future events, including financial crises as they may occur in the State and in political subdivisions of the State, require the exercise by the State or its political subdivisions of emergency and police powers to assure the continuation of essential public services prior to the payment of debt service.

County Administration Debt Policy

The County administration's debt policy provides that debt shall be issued to finance capital projects where funding sources are not immediately available. The debt will be structured in the most efficient manner to limit the impact on the taxpayer and will take payment of existing debt obligations into consideration as well as the total projected operating cost of the county. The use of cash capital through the operating budget will be utilized on an increasing basis to reduce the need for borrowing and avoid the associated interest costs. Cash Capital will be used for annually recurring capital improvement projects, recurring information technology projects, projects with a short useful life, or for other projects with costs estimated at $100,000 or less as financial and budgetary conditions permit without placing undue pressures on the taxpayers. Any and all debt issues will be structured and sold in accordance with sound debt management practices.

DRAFTv1

Description of Indebtedness

The County has outstanding general obligations, including both short-term notes and long-term bonds, which are referred to in the following tables. While the County has pledged its faith and credit to the payment of all such obligations, there are five major categories of such obligations payable from sources other than County-wide real property taxes. The first such category consists of indebtedness issued for the construction of water facilities improvements leased to the Monroe County Water Authority. Under the terms of the lease agreement between such Authority and the County, all debt service costs incurred by the County for such water facilities improvements are paid in advance to the County by the Authority. The Water Authority derives its revenues through the sale of water to retail and commercial customers. The County does not subsidize the Water Authority in any manner. The second such category of indebtedness consists of obligations issued for pure waters (sewer) district improvements on behalf of various pure waters districts of the County. Debt service on such obligations is payable in the first instance from district revenues derived from user charges, special assessments upon properties within the respective districts, State aid, Federal aid and other miscellaneous items of income such as sewer connection charges. Indebtedness incurred for airport improvements comprises the third category and is reimbursed to the County by the Monroe County Airport Authority from rents, commissions, Federal aid, State aid, and other revenues generated by the airport. It is anticipated that any additional indebtedness incurred by the County would be incurred pursuant to a contract with the Airport Authority providing for, among other things, reimbursement of debt service to the County. The fourth such category is the indebtedness incurred for solid waste. An enterprise fund was established January 1, 1991 to account for all costs related to solid waste management including debt service. These costs, are intended to be paid from tipping fees charged to solid waste haulers and other miscellaneous revenues. Finally, debt related to the Monroe Community Hospital comprises the fifth such category since it is essentially a pass-through cost under State and Federal health care reimbursement regulations and with the majority reimbursed under third party reimbursement programs such as Medicare and Medicaid.

(The remainder of this page has been intentionally left blank.)

DRAFTv1

Table of Indebtedness

The following table summarizes the short-term and bonded indebtedness (excluding bonds which have been advanced refunded) of the County by purpose as of April 1, 2020.

	Interest Rate	Maturity	Amount Outstanding April 1, 2020
SHORT-TERM INDEBTEDNESS			
BOND ANTICIPATION NOTES			
Public Improvement BAN – 2019	1.65%	April 8, 2020	$6,000,000
REVENUE ANTICIPATION NOTES	1.65%	April 8, 2020	55,000,000
TOTAL SHORT-TERM INDEBTEDNESS			61,000,000
BONDED INDEBTEDNESS			529,265,000
TOTAL INDEBTEDNESS			$590,265,000

Indebtedness by Purpose

The following table summarizes the short-term and bonded indebtedness (excluding bonds which have been advanced refunded) of the County by purpose as of April 1, 2019.

	Notes	Bonds	Totals
General Fund Operations	$42,500,000		$42,500,000
Hospital Fund Operations	12,500,000		12,500,000
General Public Improvement	6,000,000	$345,569,229	351,569,229
Monroe Community Hospital[(1)]		13,861,387	13,861,387
Greater Rochester International Airport[(2)]		30,286,671	30,286,671
Water Facilities Improvements[(3)]			0
Pure Waters Districts [(4)]		136,755,644	136,755,644
Solid Waste[(5)]		2,792,069	2,792,069
Totals	$61,000,000	$529,265,000	$590,265,000

(1) Self-supporting through third-party healthcare reimbursement.
(2) Self-supporting through Airport generated revenues.
(3) Self-supporting by virtue of lease agreement with Monroe County Water Authority.
(4) Self-supporting from Federal Aid, State Aid, special user and other Pure Waters charges.
(5) Self-supporting from tipping fees and other earned revenue.

(The remainder of this page has been intentionally left blank.)

DRAFTv1

Existing Bonded Debt Service [(1)]

YEAR DUE	GENERAL PUBLIC IMPROVEMENTS PRINCIPAL	GENERAL PUBLIC IMPROVEMENTS INTEREST	GENERAL PUBLIC IMPROVEMENTS TOTAL	SOLID WASTE PRINCIPAL	SOLID WASTE INTEREST	SOLID WASTE TOTAL
2020	$40,651,339	$15,049,484	$55,700,823	$737,502	$109,166	$846,668
2021	41,478,292	12,307,871	53,786,163	508,961	78,458	587,419
2022	37,533,322	10,414,334	47,947,656	442,265	57,172	499,437
2023	36,523,727	8,665,172	45,188,899	256,173	41,911	298,084
2024	33,107,544	7,021,025	40,128,569	256,778	29,589	286,367
2025	30,496,307	5,517,179	36,013,486	257,390	17,216	274,606
2026	24,224,791	4,240,493	28,465,284	39,000	10,285	49,285
2027	19,364,767	3,292,799	22,657,566	39,000	9,013	48,013
2028	18,253,602	2,538,439	20,792,041	39,000	7,744	46,744
2029	16,330,373	1,870,849	18,201,222	40,000	6,455	46,455
2030	13,342,000	1,333,362	14,675,362	41,000	5,125	46,125
2031	9,980,000	950,479	10,930,479	35,000	3,887	38,887
2032	7,452,000	685,008	8,137,008	24,000	2,935	26,935
2033	5,782,000	488,524	6,270,524	24,000	2,163	26,163
2034	5,054,000	323,929	5,377,929	25,000	1,346	26,346
2035	3,581,000	187,912	3,768,912	20,000	572	20,572
2036	2,692,000	88,272	2,780,272	3,000	179	3,179
2037	1,277,000	25,344	1,302,344	4,000	65	4,065
2038	93,000	3,529	96,529	0	0	0
2039	71,000	1,065	72,065	0	0	0
Total	$347,288,064	$75,005,068	$422,293,132	$2,792,069	383,280	$3,175,349

(1) Does not include debt service on the Bonds, outstanding short-term note indebtedness or other obligations which the County anticipates issuing. See "Estimate of Obligations to be Issued." All amounts shown represent the total debt service due during each fiscal year for all bonds issued to date. Amounts may not add due to rounding.

(The remainder of this page has been intentionally left blank.)

DRAFTv1

Existing Bonded Debt Service (continued)

YEAR DUE	PURE WATERS DISTRICTS[1] PRINCIPAL	INTEREST	TOTAL	AIRPORT IMPROVEMENTS[2] PRINCIPAL	INTEREST	TOTAL
2020	$11,159,651	$5,375,754	$16,535,405	$3,209,847	$1,929,795	$5,139,642
2021	11,697,135	4,700,936	16,398,071	3,509,068	1,273,166	4,782,234
2022	10,387,427	4,180,837	14,568,264	3,509,501	1,098,082	4,607,583
2023	10,562,886	3,716,976	14,279,862	3,654,981	919,006	4,573,987
2024	10,727,888	3,243,875	13,971,763	3,797,158	732,864	4,530,022
2025	10,769,120	2,762,933	13,532,053	3,944,351	539,470	4,483,821
2026	8,801,557	2,337,371	11,138,928	3,912,652	343,045	4,255,697
2027	8,737,278	1,981,067	10,718,345	3,646,955	154,055	3,801,010
2028	7,798,900	1,663,560	9,462,460	685,498	45,744	731,242
2029	7,845,500	1,375,075	9,220,575	572,127	14,303	586,430
2030	7,143,000	1,110,074	8,253,074	0	0	0
2031	6,113,000	891,613	7,004,613	0	0	0
2032	5,002,000	716,172	5,718,172	0	0	0
2033	5,086,000	558,328	5,644,328	0	0	0
2034	4,937,000	399,163	5,336,163	0	0	0
2035	3,613,000	261,996	3,874,996	0	0	0
2036	2,645,000	162,787	2,807,787	0	0	0
2037	1,989,000	89,594	2,078,594	0	0	0
2038	1,482,000	34,471	1,516,471	0	0	0
2039	364,000	5,460	369,460	0	0	0
Total	$136,861,342	$35,568,042	$172,429,384	$30,442,138	$7,049,531	$37,491,669

(1) Pure Waters Districts debt service is paid through user charges, special assessment upon properties within the respective districts, State aid, Federal aid, or other miscellaneous charges. See "Description of Indebtedness." Amounts may not add due to rounding.

(2) Airport debt service is reimbursed to the County by the Monroe County Airport Authority pursuant to a lease and operating agreement and the Monroe County Airport Authority Act. Amounts may not add due to rounding.

(The remainder of this page has been intentionally left blank.)

DRAFTv1

Existing Bonded Debt Service (continued)

HOSPITAL IMPROVEMENTS[1]

YEAR DUE	PRINCIPAL	INTEREST	TOTAL
2020	$1,891,661	$735,777	$2,627,438
2021	3,751,544	470,020	4,221,564
2022	3,052,485	302,047	3,354,532
2023	1,357,233	195,374	1,552,607
2024	955,632	140,833	1,096,465
2025	852,832	98,560	951,392
2026	642,000	63,383	705,383
2027	312,000	42,228	354,228
2028	278,000	30,986	308,986
2029	172,000	22,781	194,781
2030	179,000	16,756	195,756
2031	157,000	11,234	168,234
2032	67,000	7,674	74,674
2033	68,000	5,480	73,480
2034	69,000	3,168	72,168
2035	56,000	980	56,980
2036	0	0	0
2037	0	0	0
2038	0	0	0
2039	0	0	0
Total	$13,861,387	$2,147,279	$16,008,666

(1) Hospital debt service is recouped by the County through third party reimbursement rates charged by the Monroe Community Hospital. Amounts may not add due to rounding.

(The remainder of this page has been intentionally left blank.)

DRAFTv1

Bonded Debt Service Summary [(1)]

YEAR DUE	TOTAL DIRECT COUNTY BONDED PRINCIPAL	INTEREST	TOTAL
2020	$57,650,000	$23,199,977	$80,849,977
2021	60,945,000	18,830,452	79,775,452
2022	54,925,000	16,052,471	70,977,471
2023	52,355,000	13,538,437	65,893,437
2024	48,845,000	11,168,185	60,013,185
2025	46,320,000	8,935,358	55,255,358
2026	37,620,000	6,994,577	44,614,577
2027	32,100,000	5,479,161	37,579,161
2028	27,055,000	4,286,473	31,341,473
2029	24,960,000	3,289,463	28,249,463
2030	20,705,000	2,465,316	23,170,316
2031	16,285,000	1,857,213	18,142,213
2032	12,545,000	1,411,788	13,956,788
2033	10,960,000	1,054,494	12,014,494
2034	10,085,000	727,607	10,812,607
2035	7,270,000	451,460	7,721,460
2036	5,340,000	251,238	5,591,238
2037	3,270,000	115,003	3,385,003
2038	1,575,000	38,000	1,613,000
2039	435,000	6,525	441,525
Total	$531,245,000	$120,153,198	$651,398,198

(1) Does not include debt service on the Bonds, outstanding short-term note indebtedness or other obligations which the County anticipates issuing. See "Estimate of Obligations to be Issued." All amounts shown represent the total debt service due during each given fiscal year for all bonds issued to date. Amounts may not add due to rounding.

(The remainder of this page has been intentionally left blank.)

DRAFTv1

History of Outstanding Bonded Debt

Shown below is a summary of bonded debt, including the accretion of capital appreciation bonds and any unamortized premium/discount, outstanding as of December 31 for each of the past five years. The full valuation of real property as computed for the levy of property taxes in each given year was used to derive the ratio shown.

Year	Total Bonded Debt Outstanding as of December 31 [1]	Bonded Debt Outstanding That is Anticipated to be Paid from General County Revenues [2]	Bonded Debt Outstanding That is Anticipated to be Paid from General County Revenues as a Percent of Full Valuation of Property
2014	392,691,874	221,694,949	0.56%
2015	437,933,810	260,747,937	0.65%
2016	548,210,134	364,537,196	0.89%
2017	537,926,820	362,152,612	0.87%
2018	561,250,015	382,319,672	0.90%

(1) Does not include blended component units of the County.
(2) Does not include blended component units of the County, Monroe County Water Authority reimbursed or business-type activities, which are considered self supporting.

Debt of Political Subdivisions Within the County

The estimated gross debt of government entities within the County as of the end of their fiscal year ended in 2018 is as follows:

(000s Omitted)

City of Rochester	$342,543
School Districts[1]	625,269
Towns	154,842
Villages	32,740
Fire Districts	39,614
Total	$1,195,008

(1) Does not include the debt of the Rochester City School District which is reported as $487,391,442.

The estimated deductible debt of governmental entities within the County as of the end of their fiscal year ended in 2018 is as follows: [1]

(000s Omitted)

City of Rochester	$53,071
School Districts [2]	46
Towns	40,444
Villages	4,869
Total	$98,430

(1) Pursuant to the provisions of Article VIII of the State Constitution and Title 9 of Article 2 of the Local Finance Law, this indebtedness is deductible from gross indebtedness for debt limit purposes.
(2) Does not include debt issued for school facilities which is anticipated to be reimbursed by the State.

SOURCE: New York State Comptroller's Office.

(The remainder of this page has been intentionally left blank.)

DRAFTv1

Sewage System Projects

Pursuant to a master plan for the abatement of water pollution in the County adopted by the County in 1969, the County has established several special districts (designated variously as sewer or pure waters districts) for the construction of sewage system projects, including treatment facilities for effluent discharge into Lake Ontario. The guiding philosophy published in the report was that the provision of sewerage is necessary for the continued economic growth of Monroe County and for the restoration and preservation of Monroe County's water resources.

A majority (generally between 80% and 87.5%) of the funding for projects undertaken by the various Districts through the early 1990s was provided by Federal and State grants. The aid supplied by the Federal government through direct grants to municipal entities has been phased out pursuant to the Water Quality Act of 1987 and has been replaced by a water pollution control revolving fund program administered by the State. The County has received several loans through this program for sewage system projects and will pursue Federal and State grant opportunities in the future.

Debt service on obligations issued and currently outstanding for pure waters (sewer) district improvements on behalf of various pure waters districts of the County is payable from district revenues derived from user charges, special assessments upon properties within the respective districts, State aid, Federal aid and other miscellaneous items of income such as sewer connection charges. There is approximately $21 million of anticipated Clean Water State Revolving Funding (CWSRF) which would be applied to the current outstanding debt. The CWSRF is a low/no interest loan program through the New York State Environmental Facilities Corporation.

Solid Waste Management

The County's comprehensive solid waste program consists of the following facilities: the Mill Seat Landfill, located in the Town of Riga; the Resource Recovery Facility ("RRF") and Transfer Station, located in the City of Rochester; the Recycling Center, located adjacent to the RRF; and the ecopark. The ecopark, located in the Town of Chili, is jointly operated by the County and Waste Management of N.Y. LLC, and the remaining facilities are managed under contractual agreements with the private sector.

In 2015, the Monroe County Legislature, as the solid waste planning unit, adopted the Monroe County Final Local Solid Waste Management Plan. Its purpose is to identify the path to pursue for managing solid waste generated in the County during a ten (10) year planning period that is consistent with New York State's solid waste management policy. The Plan has fourteen (14) established program goals in an effort to work towards a goal of 60% landfill diversion by the year 2025.

The Mill Seat Landfill property in the Town of Riga occupies 828 acres. The County received the necessary permits for construction of the landfill in 1991, and it was originally constructed by the County. It is permitted for 1,945 tons/day or 776,250 tons/year. The original Mill Seat Landfill Footprint was expected to reach capacity by 2018, therefore Monroe County, as the permit holder, applied for an expansion. The expansion proposal involved an adjacent 118.3 acres immediately south of the existing Landfill Footprint. After completing the SEQR environmental review process in 2015, Monroe County submitted a Permit Modification the New York State Department of Environmental Conservation to construct and operate for an additional 32 years. In early 2017, the County received all state and federal permits for an expansion, adding 30 years and 27 million bank cubic yards of airspace to the facility. As the current 98.6 acre facility nears capacity, the newly permitted 120% expansion provides relief though an additional 118 acres of landfill footprint.

The Mill Seat Landfill is operated by Waste Management of New York, LLC (WMNY) under a long term Landfill Lease effective January 15, 2002. Any landfill related capital projects undertaken during the term of the lease are the responsibility of WMNY. As the part of the expansion project, the County Legislature authorized Amended and Restated Host Community Agreements with the Town of Riga (February 1, 2011) and the Town of Bergen, Village of Bergen, Byron-Bergen Central School District and the Bergen Fire Department (December 13, 2011), for the continuation of benefits. These respective actions combine the Agreement and amendments into a single, consolidated document and assure the entities' cooperation with all necessary permits, approvals and actions necessary to facilitate an expansion. The County/WMNY Landfill Lease was amended (September 8, 2015) for the proposed expansion, which requires a one-time payment of $1 million within 90 days of receiving the expansion permits (received in 2017), a higher royalty/payment rate, reduced tipping fees and property.

DRAFTv1

The County and City of Rochester have had an intermunicipal agreement for solid waste services since 2009. It requires the City to deliver all municipal solid waste and recyclables to County facilities. The City's solid waste provides a base tonnage for blending in the County's 100,000 tons of biosolids. The County/WMNY Landfill Lease enhancements were incorporated into a new intermunicipal agreement which will provide 105,000 tons of solid waste to the Mill Seat Landfill through 2028.

On May 9, 2006 the County Legislature authorized contracts with Waste Management Renewable Energy, LLC to develop and operate a landfill gas to energy facility. This facility uses methane gas, produced by the landfill, to generate electricity. The plant has been in operation since July of 2007. The electricity produced is marketed and sold as green energy.

The operations of the County's Recycling Center include acceptance, processing, marketing and disposal attributed to residential generated commingled paper and containers delivered by private and public waste haulers. The County entered into a ten-year contract on January 1, 2013 with WMNY to operate the Recycling Center. Materials currently recycled include newsprint, magazines, kraft bags, corrugated paper, gable top cartons, drink boxes, office paper, metal cans, all grades of plastic bottles, jugs, jars and tubs, clear, brown and green glass bottles and jars, pots and pans and empty aerosol cans. In 2014, WMNY upgraded the initial dual-stream process system to a state-of-the-industry single stream process system.

The County's ecopark serves as an enhancement of the County's Household Hazardous Waste Program. The ecopark is located in an under-utilized solid waste and recyclables transfer station owned by WMNY. It is the first in the nation that has the ability to simultaneously accept household hazardous waste, pharmaceuticals and recyclables. The ecopark opened on September 21, 2011 as a one-stop drop off recycling facility where residents can bring their difficult to manage items including: electronics, appliances, paper and cardboard, printer cartridges, propane tanks, bulky plastic items, cooking oil, fluorescent bulbs, sharps and syringes, sneakers, clothing and scrap metal. The public/private partnership between the County and WMNY provides an environmental solution to waste diversion with minimal financial impact and demonstrates environmental stewardship.

Monroe Community Hospital

Monroe Community Hospital is a County-owned medical facility for the care and treatment of the chronically ill. It is composed of a residential health care facility of 566 beds and holds a license for a 39-bed acute care hospital unit. Under the New York State Certificate of Need process, approved capital costs (including debt service associated with approved projects) are essentially a pass-through cost and are substantially reimbursed under the Medicare and Medicaid programs.

Monroe County Airport Authority

The Monroe County Airport Authority, a public benefit corporation, was created in July 1989 pursuant to the Monroe County Airport Authority Act. The Airport Authority has issued approximately $109.2 million of revenue bonds to finance a portion of the cost of major reconstruction of the airport terminal building, apron and road improvements, new parking facilities and related improvements. In June 1993, the Airport Authority issued $22.8 million of Revenue Refunding Bonds (which were subsequently refunded with a $20.8 million refunding bond issue in 2004) to advance refund $19.5 million of outstanding 1989 Revenue Bonds. The Airport Authority issued an additional $69.7 million of Revenue Refunding Bonds in September, 1999 to advance refund $68.9 million of outstanding 1989 Revenue Bonds. These bonds had a final maturity date of January 1, 2019 and have now been fully redeemed. On October 1, 2018 the Airport Authority issued $2 million in Bonds for general aviation purposes with a maturity date of October 2, 2023. These bonds are not a debt of the County and the County is not liable on the bonds, which are principally secured by revenues derived from airport operations.

Pursuant to a certain Lease and Operating Agreement dated as of September 15, 1989, between the County and the Airport Authority, the Airport Authority leases the property comprising the Airport from the County, appoints the County as its agent for purposes of constructing and completing the above-described project and engages the services of the County to operate the Airport. Pursuant to the Lease and Operating Agreement, the County agrees to operate and maintain the Airport in accordance with its past practices and to indemnify the Airport Authority for all costs and liabilities the Airport Authority may incur as a result of the County's operation of the Airport, excluding only those occasioned by the Airport Authority's own gross negligence or willful misconduct. The Airport Authority agrees to pay to the County, among other things, the County's costs of administration, maintenance, repair and operation of the Airport. The Airport Authority is also responsible for reimbursing the County for all debt service remaining to be paid on debt incurred or to be incurred by the County in connection with Airport

DRAFTv1

improvements. It is anticipated that any additional indebtedness incurred by the County would be incurred pursuant to a contract with the Airport Authority providing for, among other things, reimbursement of debt service to the County.

A major source of revenue for the Airport Authority is its agreements and leases between the airlines and the Airport Authority. The current agreements and leases are for a five-year period beginning January 1, 2019.

Estimate of Obligations to be Issued

The County plans to issue a revenue anticipation note in November 2020 to provide funds for general operations of the County until anticipated state and federal revenues are received. The amount of the borrowing will depend upon the County's cash flow requirements, but is not expected to exceed $55 million.

Capital Planning

The following sets forth a summary of the County's Proposed Capital Improvement Program for the years 2021 through 2026. It is scheduled to be submitted to for consideration and acted upon by the County Legislature on July 14, 2020. It should be noted that each planned project must be duly authorized by the County Legislature before being undertaken.

2021 - 2026 Proposed Capital Improvement Program
(000s Omitted)

	2021	2022	2023	2024	2025	2026	Total
Tax Supported							
Board of Elections	6,500	-	-	-	-	-	6,500
Information Services	3,100	3,100	3,100	3,100	3,100	3,100	18,600
Medical Examiner	-	310	-	360	120	485	1,275
Monroe Community College	7,226	9,278	6,130	4,592	8,500	8,906	44,632
Library System	155	155	155	155	155	155	930
Facilities Management	4,700	8,825	1,800	950	7,100	1,050	24,425
Parks	2,648	2,500	2,470	1,830	2,350	1,775	13,573
Zoo	500	-	500	-	500	-	1,500
Highways and Bridges	17,842	14,959	13,808	17,016	10,305	17,178	91,108
Traffic Engineering	5,978	7,712	5,643	1,430	1,350	1,505	23,618
Office of the Sheriff	1,850	2,000	3,200	1,950	14,100	1,600	24,700
Public Safety Services	1,880	1,480	2,535	2,460	2,042	2,460	12,857
Tax Supported Totals	52,379	50,319	39,341	33,843	49,622	38,214	263,718
Non-Tax Supported							
Monroe Community Hospital	2,382	2,380	1,313	2,774	2,122	1,906	12,877
Department of Aviation	9,900	9,980	11,451	9,300	10,600	7,570	58,801
Pure Waters	4,250	4,250	4,250	4,250	9,800	23,550	50,350
Solid Waste	200	200	-	200	500	2,700	3,800
Non-Tax Supported Totals	16,732	16,810	17,014	16,524	23,022	35,726	125,828
Grand Totals	$69,111	$67,129	$56,355	$50,367	$72,644	$73,940	$389,546

The Proposed 2021-2026 Capital Improvement Program summarized above anticipates the County's net share of tax supported projects (supported by the County property tax and similar general revenues) to be $216,216,000 after deduction of projected Federal, State, and other grant aid. All costs associated with capital projects for the Airport, Pure Waters, Solid Waste, and the Community Hospital are paid from revenues earned by these enterprises.

(The remainder of this page has been intentionally left blank.)

DRAFTv1

ECONOMIC AND DEMOGRAPHIC DATA

Economic Development

The County's economic development services provide expanding and relocating businesses with technical assistance, incentives and financing through numerous programs. Many economic development activities in the County are centralized, providing greater convenience to businesses needing assistance. The County staffs the County of Monroe Industrial Development Agency (COMIDA) and the local development corporation, Monroe County Industrial Development Corporation. In 2007, the County assumed the operations of the local office of the United States government's Procurement Technical Assistance Center. The Entrepreneurs Network, with COMIDA funding, provides area entrepreneurs with education and training programs as well as access to those resources critical for building successful ventures.

During 2019, the County's Economic Development Division worked with 198 projects that anticipate investing $859 million in the community and expect to create nearly 1,480 new jobs over the next three years and retain 7,988. During the period of 2004 through 2019, the Economic Development Division provided assistance for 2,220 projects, resulting in the creation of approximately 28,911 new jobs and the retention of approximately 120,308 jobs in Monroe County.

Manufacturers in the County continue to play a significant role in the world marketplace of photographic products, optics, graphics technology, communications, electronics, medical instrumentation, machine tooling and pharmaceuticals. Though once dependent upon a few large manufacturers, companies restructured and transitioned, as highly-skilled workers fueled the growth of numerous local small- and medium-sized firms. A variety of industries make up Monroe County's diverse economic culture: biotech, alternative energy and fuel cells, business and information services, food and beverage manufacturing, telecommunications, printing and publishing. Rochester is well known for its world-class optics, imaging and photonics cluster, which includes a number of small- to medium-sized companies often working in partnership with local higher education institutions. Monroe County's health care and higher education continue to drive economic growth and job creation in the community.

The County has a population of approximately 744,474 people, and is the central county in the six-county Rochester Metropolitan Statistical Area which has a population of approximately 1.08 million. Several colleges and universities provide quality educational opportunities for students from the Greater Rochester area, as well from the world over. These world-class institutions help support the local economy and bring a talented workforce into the community. The University of Rochester/Strong Hospital is the County's largest employer with nearly 31,000 employees. The area's second largest employer is Rochester Regional Health with nearly 16,000 employees, and third is Wegmans Food Markets, Inc., employing 13,500. The unemployment rate at the end of 2018 for the County was 4.0%, the State average was 4.0% and the national average was 3.5%.

Significant Announcements

During 2019, many projects involved significant investment, renovations and upgrades to existing commercial stock for manufacturing, housing and services. The following are some examples:

Home Leasing, LLC, a developer, in collaboration with Episcopal Senior Life communities developed a mixed-use project on 8.4 acres in the Town of Penfield. The project will include a wide range of affordable housing options for seniors. This $30 million project will create 18 jobs.

M/E Engineering, P.C., a mechanical/electrical consulting engineering firm expanded its operations and moved to a new location in the Town of Gates. This $3.1 million project will create 11 jobs over the next three years.

10 Colony Manor, LLC, a real estate holding company will redevelop a student housing project currently owned by Rochester Institute of Technology. This $100 million project will create 9 new jobs.

Fieldtex Products Inc., a domestic contract manufacturer, specializing in custom sewing services and production of soft-sided carrying cases and garments for the medical and military markets, is positioning for additional growth by building a new facility near their current location in the Town of Henrietta. This nearly $6.4 million project will create 30 jobs over three years.

DRAFTv1

Unither Manufacturing, LLC, a pharmaceutical contract manufacturer headquartered in France, will undertake a phased expansion over five years at its only US manufacturing site, which is located in the Town of Henrietta. This $23 million project will include renovation and construction for specialized production machines, package and warehouse space and cleanrooms. This project will create 125 jobs over three years.

ITX Corp., a global software product development company working with leading brands both nationally and internationally. To accommodate their growing business, ITX is relocating their corporate headquarters from Pittsford to the City of Rochester. This project includes a conference center for training its US workforce. This $1.1 million project will create 50 jobs over three years.

Bausch + Lomb Inc., manufacturer of eye health products founded in 1853, is undertaking a $140 million expansion to house a new manufacturing platform for silicon hydrogel contact lenses. The new building will be energy efficient and seek LEED Silver certification. Located in the City of Rochester, this project will create 100 jobs over three years.

Zweigle's Inc., founded in 1880, is a 5th generation, family-owned producer of sausages, hot dogs and specialty meats. Zweigle's is expanding its production facility located in the City of Rochester with a $4.6 million project which will create 9 jobs.

SimuTech Group, Inc., an engineering simulation software and engineering consulting firm with offices across the US and Canada, serves customers in the aerospace, automobile, defense, energy, healthcare and industrial equipment industries. This $3.2 million project will create 3 jobs.

ComTec Solutions, LLC, an information technology company that specializes in the implementation of Enterprise Resource Planning systems for manufacturers, IT managed services and cloud hosting and backup. ComTec will be expanding within the Town of Gates. The $800,000 project will create 19 jobs over the next three years.

Exports

International commerce by area exporters continues to be a significant component of the area's economic activity. Regional exports are estimated at over $7.5 billion. Rochester is the second largest exporting region in the state (New York City is the largest). Monroe County Foreign Trade Zone #141 has provided businesses with significant cost savings and logistical flexibility for local export activity since its establishment in 1987.

Industrial Parks

Several industrial parks provide the cornerstone for the County's high technology corridor, including the Eastman Business Park, Thruway Industrial Park, Rochester International Commerce Center, Canal Ponds, Rochester Technology Park, University Park, Elmgrove Crossings, Jetview Business Park, Genesee Valley Regional Market, Westover Center and the John Bailey High Technology Center.

Resources

Greater Rochester Enterprise. Greater Rochester Enterprise ("GRE") is a regional economic development organization supported by a team of private and public sector leaders dedicated to improving economic performance in the Rochester/Finger Lakes Region. GRE promotes this region as a competitive and vibrant place for business location and growth, and works collaboratively with local entities to support business attraction, expansion, entrepreneurship and innovation.

Greater Rochester Chamber of Commerce. The Greater Rochester Chamber of Commerce serves the nine-county Rochester region which includes Monroe, Genesee, Livingston, Ontario, Orleans, Seneca, Wayne, Wyoming and Yates counties. It provides information, advocacy, human resource services and networking to help employers grow.

Rochester Works!. Rochester Works! is an organization dedicated to helping Monroe County develop a strong workforce by assisting job seekers and those moving to higher paying jobs or get training to improve skills through recruitment, assessment, placement and training, as well as provide connections to federally-funded employment and training programs in Monroe County.

DRAFTv1

NextCorps. Formerly known as High Tech Rochester, NextCorps is a nonprofit business development center whose mission is to be a catalyst for entrepreneurship and innovation-based economic development in the Rochester area and the Finger Lakes region of Upstate New York. NextCorps provides a suite of services, including technology commercialization for early-stage opportunities, growth stage businesses, and growth services for existing manufacturing.

Venture Creations. Adjacent to the Rochester Institute of Technology's (RIT) campus, Venture Creations is a business incubator where mid-seed stage companies can advance their concepts with the services provided by on-site staff, access to a service provider network and access to RIT's faculty and resources.

Monroe Community College (MCC) Applied Technologies Center. MCC's Economic & Workforce Development Center invests in serving the community through workforce partnerships. The MCC Applied Technology Center is a multi-disciplinary training center for the applied technologies. MCC's programs in automotive technology, heating, ventilation and air conditioning technology and tooling and machining are housed in a 53,000 square foot facility located in the Town of Brighton (near the MCC Campus). The center contains six automotive technology labs, each focusing on a specific component or a specific automotive manufacturer, as well as extensive classrooms and laboratories for HVAC and machine tooling. Targeted for 2022, MCC will open a new workforce center – the Finger Lakes Workforce Development Center. This new facility will provide flexible career and apprenticeship training in support of the incumbent workforce, early college upskilling and retaining residents and workers for the proliferation of smart technologies.

Rochester Institute of Technology (RIT). RIT's $22 million Center for Integrated Manufacturing Studies is located on the RIT campus and draws on RIT, community experts and other resources to help small- and medium-sized manufacturing companies with employee training and education, computerized work environments and advice on technology and business challenges. RIT has also established the Sustainability Institute, which seeks new ways of living that help protect the environment. Additionally, RIT's Center for Urban Entrepreneurship works to stimulate economic activity, build wealth and serve as a hub for entrepreneurial programs that support job creation in underserved urban communities.

The Monroe Fund. The Monroe Fund is a venture capital fund, now fully invested, with positions in startup and early-stage businesses in and around Monroe County. Established in 2002, this $10 million fund has typically invested $250,000 to $750,000 in portfolio companies. Its focus has been growth markets such as digital imaging, medical technology, software, internet-based services, photonics and communications.

The University of Rochester. The Simon School Venture Fund (SSVCF) is an early stage seed fund run by MBA and masters students at the Simon School at the University of Rochester. The Fund utilizes the University's vast resources and alumni network to assist in the development of portfolio companies, as well as startups through business development projects.

Excell Partners, Inc. Excell Partners is a Venture Capital fund that invests in seed-stage, high-tech, high-growth startups in Upstate New York. Excell was formed in partnership with the University of Rochester and the State of New York with the dual mission to generate returns to investors and to support regional economic development. Excell focuses on technology companies, and past investments include companies with technologies in biotech, energy, agro-tech and IT/Software.

PathStone. PathStone provides guidance to low- to moderate-income individuals who wish to start or expand their business and provides credit to businesses that provide jobs to low- to moderate-income individuals.

Rochester Angel Network. Rochester Angel Network is a private group of accredited investors in the Greater Rochester region with an interest in investing in seed and early stage startup companies. It is not a venture fund, rather a network that facilitates the introduction of entrepreneurs to potential investors through presentations and other mechanisms.

The Trillium Group. The Trillium Group is a private equity firm managing early stage venture capital and growth equity funds. Trillium's primary focus is on growth equity investment opportunities located in Western New York.

DRAFTv1

Sports/Tourism/Recreation

County residents enjoy an abundance of recreational and leisure-time activities. Home to three magnificent waterways, Lake Ontario, the Genesee River, and the historic Eric Canal, the County has some of the best freshwater fishing, sailing and boating in the country. For land lovers, there are over 60 golf courses in the area that have played host to US Opens, PGA Championships, and the Ryder Cup. With over 11,000 acres of parks, there are many opportunities for biking, swimming, skiing, hiking, nature study, concerts, and more. Active sports organizations in the County include disc golf, ultimate Frisbee, running, fencing, hockey and paddle tennis. The County is also home to professional sports teams in baseball, hockey, indoor and outdoor soccer, indoor lacrosse and basketball.

Sports Development

Frontier Field. Frontier Field is a multi-use stadium located in downtown Rochester that opened in July 1996. The stadium is capable of seating 12,500 spectators (expandable to 18,000 seats), with 4,000 box seats, 4,000 general admission, and 500 premium seats in the form of luxury sky boxes. The primary user of the facility is the Rochester Red Wings, a Triple A professional baseball franchise, which is a member of the International League and is affiliated with the Minnesota Twins. The stadium is currently undergoing a $4.4 million renovation to include upgrades for an enhanced fan experience and modern amenities that are seen in new stadiums around the country.

Sports Events

Events hosted in Monroe County during 2019 include the USA Swimming Niagara Championship Qualifier, several youth hockey camps/events, USA Track and Field Youth National Championships and the American Junior Golf Association Fore Performance Junior Championships. Major sporting events held in the past include the PGA Championship in 2013 and the LPGA's Championships between the years 2010-2014. The Senior PGA championships returned to Oak Hill in 2019. In 2023, the prestigious Oak Hill Country Club which is ranked among "America's 100 Greatest Golf Courses" by *Golf Digest* magazine will again be hosting the PGA Championship. Since 2000, the Buffalo Bills National Football League team has conducted its training camp at St. John Fisher College, located in the Town of Pittsford.

Tourism

According to VisitRochester, Monroe County's tourism promotion agency, nearly 20,000 people are employed in tourism-related industry. The number released in 2017 by the New York State Department of Economic Development, Division of Tourism, reports visitor driven expenditures in Monroe County totaled over $1 billion. The total local tax acquired from tourism was over $75 million. The County is host to a wide variety of entertainment festivals which are held annually, including the Lilac Festival, the Rochester International Jazz Festival and the Rochester International Fringe Festival.

Waterfront Development

The County of Monroe, the City of Rochester and many towns and villages continue to enhance and increase access to parks and trails on Lake Ontario, Irondequoit Bay, the Genesee River and other significant streams and ponds. Bay and pond marinas have expanded and improved and a new boat rental facility opened on Irondequoit Bay. Sport fishing continues to be a vital activity in Monroe County, supporting charter boats, restaurants, and hotels. The City of Rochester's Local Waterfront Revitalization Program (LWRP) was updated in 2018 to include waterfront areas along Lake Ontario, the Genesee River and the Erie Canal. LWRP is a guide for future development and infrastructure improvements and inspired the development of the ROC the Riverway initiative, which focuses on projects and revitalization of the core of the Genesee Riverfront. With initial investment of $50 million from the State, ROC the Riverway consolidates more than two dozen projects along the Genesee River into a unified strategy.

DRAFTv1

Population

Following is the County's population as recorded by the U.S. Bureau of the Census.

Year	Population
1960	586,387
1970	711,917
1980	702,238
1990	713,968
2000	735,343
2010	744,344

SOURCE: U.S. Bureau of the Census.

Non-Farm Wage and Salary Employment, Annual Averages

The information contained in the table below is for the Rochester Metropolitan Statistical Area (MSA) which includes Monroe, Livingston, Ontario, Orleans, Yates, and Wayne counties.

Year	Non-Farm Wage & Salary Employment (000s)
2010	508.5
2011	515.3
2012	518.9
2013	521.0
2014	523.5
2015	528.3
2016	533.4
2017	535.0
2018	538.6
2019	542.6

SOURCE: NY State Department of Labor, Current Employment Statistics.

Annual Average Unemployment Rates (1)

Year	Monroe County Unemployment Rate	New York State Unemployment Rate	United States Unemployment Rate
2010	8.0%	8.6%	9.6%
2011	7.7	8.3	8.9
2012	7.9	8.5	8.1
2013	7.0	7.7	7.4
2014	5.8	6.3	6.2
2015	5.1	5.3	5.3
2016	4.7	4.9	4.9
2017	4.9	4.7	4.4
2018	4.3	4.1	3.9
2019	4.0	4.0	3.7

(1) Rates shown are not seasonally adjusted and are subject to revision.
SOURCE: NY State Department of Labor and U.S. Department of Labor.

DRAFTv1

Area Private-Sector Employers Ranked By Total Number of Full-Time Local Employees

Rank	Name	Number of Full-Time Employees [1]
1	University of Rochester	24,102
2	Rochester Regional Health	12,250
3	Wegmans Food Markets, Inc.	5,889
4	Paychex Inc.	4,697
5	Rochester Institute of Technology	3,507
6	L3Harris Technologies Inc.	3,500 [2]
7	Lifetime Healthcare Cos. Inc.	3,271 [2]
8	Xerox Corp.	3,000 [2]
9	Angels in Your Home	2,216 [2]
10	Lifetime Assistance Inc.	1,764 [2]
11	Hurlbut Care Communities	1,650 [2]
12	Eastman Kodak Company	1,377 [2]
13	Charter Communications Inc.	1,310 [2]
14	Finger Lakes Health	1,251
15	Carestream Health	1,250 [2]

(1) Certain of the companies on the list have made announcements regarding layoffs and/or job increases that may not be reflected in such numbers.
(2) Total local employees. The company did not provide separate numbers for full and part-time employees.

SOURCE: Rochester Business Journal, 2020 Edition

New Housing Units Authorized

	2010	2011	2012	2013	2014	2015	2016	2017	2018	2019
Towns/Villages	662	716	881	697	904	1,106	1,186	892	988	853
City	164	328	157	15	221	469	27	266	485	278
County-wide Total	826	1,044	1,038	712	1,125	1,575	1,213	1,158	1,473	1,131

SOURCE: Figures are based on building permits issued as derived from the Rochester Home Builders Association, "Building Permits-Running Totals."

Occupied Housing Units (Households)

Year	Household
1960	177,639
1970	220,554
1980	252,217
1990	271,944
2000	286,512
2010	304,388

SOURCE: The Bureau of the Census

(The remainder of this page has been intentionally left blank.)

DRAFTv1

LITIGATION

In the ordinary course of its affairs, the County, its officers and employees are defendants in numerous lawsuits and other proceedings arising out of alleged constitutional violations, torts, breaches of contract, and other violations of law. The County Department of Law, headed by the County Attorney, reviewed the status of pending lawsuits and proceedings. In addition, the County receives numerous notices of claim each year, not all of which result in a lawsuit against the County. The details in those notices of claim are usually not sufficiently explicit for the County Attorney to accurately ascertain the potential for liability to the County. Regarding pending litigation or proceedings not set forth below, it is the County Attorney's opinion that the final determination of such litigation, either individually or in the aggregate, would not materially adversely affect the County's financial position. See also "Risk Management." Pending litigation or proceedings that might materially adversely affect the County's financial position are those with a full value over one million dollars ($1 million), over any available third-party insurance coverage, and with a likelihood of success greater than remote.

Cernis, Linda, (as Administrator of the Estate of Gerald Cernis) v. County of Monroe Decedent Gerald Cernis, (D.O.B. 01/03/1948) was struck by a car while crossing Holt Road at the intersection of the Hojack Trail (a trail made on an abandoned railway right of way) with Holt Road. Holt Road is a County Road and there is a marked crosswalk, including signs and painted markings on the Road. MCDOT is responsible for the signs and Town of Webster is responsible for the road paint markings.

Charisis v. County of Monroe Decedent (Anthanasois Charissis) was injured in a motor vehicle accident that occurred on June 22, 2015, at the intersection of Mt. Read Blvd and the entry ramp of Rt. 490 West. Decedent's vehicle was struck by a tractor-trailer. He claims there was improper signal lighting for vehicles traveling northbound on Mt. Read Blvd. Making left turns onto the 490 West Entry ramp.

Cornell (Estate of Condello) v. County. Samuel Condello was a patient at Monroe Community Hospital. He was terminally ill with cancer. He signed a Smoking Contract that restricted the locations where he could smoke. He continually violated the contract. It is alleged that Todd Spring, Director of the Hospital, removed his wheelchair and confined him to bed. It is further alleged that Spring verbally abused Condello. MCH employee Karen Fabi reported this matter to the NYS Department of Health. DOH issued a Statement of Deficiencies finding the hospital failed to ensure Condello was free from verbal, mental or physical abuse. Plaintiff claims this incident resulted in Condello suffering from depression and that it hastened his death.

Ellington v. County of Monroe. Ellington was arrested by a Monroe County Sheriff's deputy. Ellington alleges that when the deputy took him to the Sheriff's substation, that he was handcuffed to a pole outside. He also alleges that the handcuffs were applied too tightly to his wrists. Ellington alleges he sustained frostbite to his hands due to the subzero temperatures and the tightness of the handcuffs, resulting in 5 partially amputated fingers. He also alleges that an officer kneed him in the groin, threw his car keys into the woods, and allowed one of the K9 dogs to bite his hand.

Green [Derrick] v. County of Monroe Sally Green's family could not be identified upon her death at Strong Memorial Hospital. Her body was turned over to the Public Administrator. The Public Administrator also could not locate Sally's family members and arranged for an indigent burial. After Sally's family learned of her death, her body was exhumed and reburied.

Lonobile v. County of Monroe. Lonobile was a resident at Monroe Community Hospital. While being prepped for a shower, Lonobile fell in the bathroom, immediately became unconscious, and shortly thereafter passed away. Lonobile's daughter commenced the action on behalf of Lonobile's Estate alleging negligence in treatment, service, and supervision, breach of contract, and medical malpractice.

McElhiney v. County of Monroe. The Plaintiff was pulling out of his driveway on Penfield Road when a Sheriff's vehicle hit the side of his vehicle. The Sheriff's Deputy was responding to an emergency but without emergency lights and sirens. According to the black-box data from the Sheriff's vehicle the Deputy was travelling at about 75 mph at the time of impact. The speed limit there is 35 mph. The Plaintiff did not see the Sheriff's vehicle before the impact. The Plaintiff claims a back injury and claims permanent effects on his earning capacity.

DRAFTv1

Milazzo [Sarah] v. Monroe County Community Hospital. The Plaintiff is a resident of Monroe Community Hospital with limited mobility. A nurse was attempting to roll the Plaintiff in bed and the Plaintiff rolled out of bed and fell on the floor, causing a fracture to one of her neck vertebrae and alleged further limits to mobility.

O'Keefe, Suzanne o/b/o Streb, Marjorie v. Monroe County Community Hospital. Decedent was a resident at Monroe Community Hospital. She fell while being assisted from the bathroom to her chair. She suffered a hip dislocation. Decedent also had several open wounds on her lower back and the inside of her leg. She was transferred to Strong Memorial Hospital then back to MCH. Her hip became dislocated again and she was transferred back to Strong. She was then transferred back to MCH and again her hip became dislocated, she was transferred to Strong, and she died at Strong.

Pierre v. County of Monroe. Plaintiff was convicted of murder and his conviction was reversed; Plaintiff spent 12 years in prison and brings this case against the Monroe County District Attorney for wrongful conviction, false arrest and malicious prosecution.

Salatino, Mary (Estate of) v. Monroe County Community Hospital. Decedent Mary Salatino fell in the bathroom at Monroe County Hospital, sustained a subdural hematoma, and died.

RISK MANAGEMENT

The County is exposed to various risks of loss related to torts; theft of, damage to, and destruction of assets; error and omissions; injuries to employees; and natural disasters. The risk management fund (an Internal Services Fund) is used to account for and finance the County's uninsured risks of loss. The County's general liability commercial insurance limit is $15.0 million annual aggregate with self-insurance retention of $2.0 million. As of December 31, 2019, the County had recorded liabilities in excess of $35.0 million for self-insurance claims that arc probable to have been incurred and for which the loss could be reasonably estimated. Included in the liabilities recorded as of December 31, 2019, is $28.2 million representing amounts payable for Workers' Compensation claims already reported and additional claims incurred but not yet reported. As a result of these transactions, a fund deficit of $22.2 million existed in the County's Risk Management Fund at December 31, 2019.

(The remainder of this page has been intentionally left blank.)

DRAFTv1

(THIS PAGE INTENTIONALLY LEFT BLANK)

APPENDIX B

2018 CAFR

Comprehensive Annual Financial Report

County of Monroe, New York

For the Year Ended December 31, 2018

Cheryl Dinolfo
County Executive

Robert Franklin
Chief Financial Officer

Jennifer Cesario
Controller

monroecounty.gov

County of Monroe, New York
Comprehensive Annual Financial Report
For the Year Ended December 31, 2018

Prepared by
Department of Finance
Office of the Controller

Robert Franklin
Chief Financial Officer

Jennifer Cesario
Controller

Christopher Kovacic
Deputy Controller

Michael Lombardo
Deputy Controller

INTRODUCTORY SECTION

This section contains the following:

- TABLE OF CONTENTS
- LETTER OF TRANSMITTAL
- COUNTY EXECUTIVE'S OFFICE
- ELECTED COUNTY OFFICIALS
- LEGISLATIVE LEADERSHIP AND STAFF
- LEGISLATORS
- COUNTY DEPARTMENTS

COUNTY OF MONROE, NEW YORK
COMPREHENSIVE ANNUAL FINANCIAL REPORT
YEAR ENDED DECEMBER 31, 2018

Table of Contents

Introductory Section (Unaudited) **Page**

Letter of Transmittal i

Profile of Monroe County Government ii
Economic Profile and Outlook iv
Financial Information vi
Acknowledgements vii

County Executive's Office viii
Elected County Officials viii
Legislative Leadership and Staff ix
Legislators x
County Departments xi

Financial Section

Independent Auditor’s Report 1

Management’s Discussion and Analysis (Unaudited) 3

Basic Financial Statements
Government-wide Financial Statements
Statement of Net Position 19
Statement of Activities 20
Fund Financial Statements
Governmental Funds Financial Statements
Balance Sheet 21
Reconciliation of the Governmental Funds Balance Sheet to the Statement of Net Position 22
Statement of Revenues, Expenditures, and Changes in Fund Balances 23
Reconciliation of the Statement of Revenues, Expenditures, and Changes in Fund Balances of Governmental Funds to the Statement of Activities 24
Proprietary Funds Financial Statements
Statement of Net Position 25
Statement of Revenues, Expenses and Changes in Net Position 27
Statement of Cash Flows 28

continued

COUNTY OF MONROE, NEW YORK
COMPREHENSIVE ANNUAL FINANCIAL REPORT
YEAR ENDED DECEMBER 31, 2018

Table of Contents

Fiduciary Fund Financial Statements
Statement of Fiduciary Net Position 30
Statement of Changes in Fiduciary Net Position 31
Component Units Financial Statements
Combining Statement of Net Position 32
Combining Statement of Activities 33
Notes to the Basic Financial Statements 34

Required Supplementary Information (Unaudited)
Schedule of Revenues, Expenditures and Changes in Fund Balances - General Fund – Budget and Actual 78
Schedule of Changes in Total OPEB Liability 79
Schedule of Proportionate Share of Net Pension Liability (Asset) 80
Schedule of Contributions – Pension Plans 81
Notes to Required Supplementary Information 82

Combining Financial Information
Combining Balance Sheet – Nonmajor Governmental Funds 85
Combining Statement of Revenues, Expenditures and Changes in Fund Balances - Nonmajor Governmental Funds 86
Combining Balance Sheet – Special Revenue Funds 87
Combining Statement of Revenues, Expenditures and Changes in Fund Balances- Special Revenue Funds 88
Combining Statement of Net Position – Internal Service Funds 89
Combining Statement of Revenues, Expenses and Changes in Net Position - Internal Service Funds 90
Statement of Cash Flows – Internal Service Funds 91

Statistical Section (Unaudited)

Net Position by Component 94
Changes in Net Position 95
Fund Balances, Governmental Funds 97
Governmental Funds, Changes in Fund Balances 98
Taxing Power 99
Assessed Value of Taxable Property 100
Property Tax Levies and Collections 101
Principal Property Tax Payers 102
Legal Debt Margin Information 103
Ratio of Outstanding Debt by Type and Activity 104
Ratios of General Bonded Debt Outstanding 105
Demographic and Economic Statistics 106
Principal Private-Sector Employers 107
Budgeted Full-Time County Employees by Department 108
Operating Indicators 109
Capital Asset Statistics 110

Department of Finance

MONROE COUNTY, NEW YORK

Cheryl Dinolfo
County Executive

Robert Franklin
Chief Financial Officer

May 24, 2019

Taxpayers of Monroe County,
Honorable County Executive,
Members of the Monroe County Legislature, and
Employees of Monroe County

We are pleased to submit the Comprehensive Annual Financial Report (CAFR) of the County of Monroe, State of New York (the County) for the year ended December 31, 2018, in accordance with the requirements of Article VI, Section C6-5C(2)(d)[1] of the County Charter. This report has been compiled and prepared by the Department of Finance, which assumes full responsibility for the completeness and accuracy of the financial data contained herein. We believe the information presented in this report fairly portrays the County's financial position and results of operations for 2018.

The CAFR is presented in three sections: Introductory, Financial, and Statistical. The Introductory Section consists of this letter of transmittal, which gives an overview of the County's history and highlights of key departmental accomplishments. The Financial Section includes the Independent Auditor's Report, Management's Discussion and Analysis (MD&A), the basic financial statements and notes thereto, required supplementary information other than MD&A, and the underlying combining and individual fund financial statements and supporting schedules for the year ended December 31, 2018. The Statistical Section sets forth selected economic and demographic information for the County on a multi-year basis.

Pursuant to Article VI, Section C2-6C(11) of the Monroe County Charter, the basic financial statements of the County are independently audited each year by an independent Certified Public Accounting firm. Bonadio & Co., LLP has completed the independent audit for the year ended December 31, 2018 using auditing standards generally accepted in the United States of America. The audited financial statements are included in the Financial Section of this report in its entirety and without edit.

On an annual basis we strive to achieve an unmodified opinion (commonly referred to as a clean opinion) for the audited financial statements, which is the highest level of assurance that can be given by an independent auditor. Our independent auditors have issued an unmodified opinion, stating that the basic financial statements, *"present fairly, in all material respects, the respective financial position of the governmental activities, the business-type activities, the aggregate discretely presented component units, each major fund, and the aggregate remaining fund information of the County as of December 31, 2018, and the respective changes in financial position, and where applicable, cash flows thereof for the year then ended in accordance with U.S. generally accepted accounting principles."*

The County is also required to undergo an annual audit in conformance with the provisions of the Federal Single Audit Act (as amended) and the United States Office of Management and Budget's Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards

(Uniform Guidance). Information related to this audit (including the schedule of expenditures of federal awards; summary of findings and questioned costs; the Independent Auditor's Report on internal control over financial reporting and on compliance and other matters based on an audit of financial statements performed in accordance with *Government Auditing Standards;* and a report on compliance for each major program and on internal control over compliance required by the Uniform Guidance) is not provided in this report. This information is presented as a separate report.

PROFILE OF MONROE COUNTY GOVERNMENT

Location

Monroe County is located in western New York State on the south shore of Lake Ontario, approximately 70 miles east of the Buffalo/Niagara Falls area. The County is the northernmost portion of the Genesee River valley and contains one city, 19 towns and 10 villages. The City of Rochester is the County seat and New York State's third largest industrial and commercial center next to New York City and Buffalo. The area is accessible via the Greater Rochester International Airport, CSX and Genesee & Wyoming, Inc. railroads, Amtrak, the New York State Thruway, the St. Lawrence Seaway, and the New York State Erie Canal System. Monroe County is within 400 miles of many major metropolitan areas such as New York City, Toronto, Boston, and Washington, D.C.

Government Structure and Reporting Entity

The County Executive is the Chief Executive Officer and the administrative head of the County with authority to approve or veto any local law, legalizing act, or resolution adopted by the County Legislature. The County Executive is elected in a general county-wide election to serve a four-year term. The County is divided into twenty-nine legislative districts with an elected legislator representing each district in the County Legislature. County Legislators may serve for two four-year terms and one two-year term during a ten year cycle. The County Legislature is the legislative, appropriating, and governing body of the County.

The County's reporting entity is based on criteria set forth by the Governmental Accounting Standards Board as discussed in Note 1 to the Basic Financial Statements. The County reports the following: governmental activities, business-type activities, discretely presented and blended component units, general fund, capital projects, aggregate non-major governmental funds, five major enterprise funds, internal service funds, private-purpose trust funds, and agency funds. The County's component units include Monroe Community College (MCC), Monroe County Airport Authority (Airport Authority), Monroe County Water Authority (Water Authority), County of Monroe Industrial Development Agency (COMIDA; dba Imagine Monroe), and Monroe Tobacco Asset Securitization Corporation (MTASC).

The County provides its residents with diverse services and programs, including human services, public safety, public and mental health, wastewater management, public works, economic development, and cultural, educational, and recreational programs. Public facilities are also available and include an expansive parks system (with historical Olmstead designed parks), county run golf courses (with a Robert Trent Jones designed course), an accredited zoo, the Greater Rochester International Airport (ROC), Monroe Community Hospital (the Hospital), and Monroe Community College (MCC).

DRAFTv1

Major Initiatives

The County Executive has three overarching tenets that guide the County's work, planning and programming – *more jobs; better budgets; stronger families*.

More jobs – Economic and workforce development are at the heart of creating an environment that supports job growth. Monroe County is investing $4.1 million in its Department of Planning and Development to enhance and expand its economic and workforce development programming. The County has purchased the CityPlace downtown office building and is relocating the Economic Development and Workforce Development offices from the eighth floor to the first floor – a move being made to make the County's jobs team more accessible to residents and employers alike.

Bridging the gap between economic and workforce development is LadderzUp, a unique partnership between Monroe County and its community college that creates custom, accelerated job-training skills development and certification programs that prepare individuals for immediate career opportunities. LadderzUp began with programming in precision tooling, mechatronics, entry-level healthcare, optics and photonics, and has since grown and formed consortiums in the plastics, HVAC, and facilities management industries.

Recruiting on the Road is another successful endeavor, connecting hiring employers in the community with local job seekers. More than just another job fair, Recruiting on the Road is open strictly to employers who are currently hiring. The anchor events held in the outer ring suburbs have become so sought after, that additional events are now held in each quadrant of the City of Rochester.

Better budgets – Conservative budgeting and planning have better matched recurring expenditure needs with recurring revenues, resulting in the elimination of "one-shot" revenues. Any one-time only revenues that materialize during the year are used to support one-time only expenditures, the payoff of prior year pension liabilities, or are allowed to increase fund balance.

This fiscally responsible approach to budgeting has resulted in the ability to strengthen local quality of life services while also strengthening cash capital planning for critical, annually recurring projects and secure sustainable support for vital emergency services.

Ultimately, better budgets are paying for themselves. During the two-year period June 2016 through June 2018, the County has benefited from four favorable credit rating actions – two rating upgrades and two positive outlooks. In fact, with Moody's upgrade to A3 in February 2018, the County's credit ratings are now in the "A" range with all three major rating agencies – a feat not achieved since 2002.

Stronger families – Monroe County has been heavily investing in daycare funding for low income working parents, adding more than $2 million in local dollars *above and beyond* what the State already requires. The County's mandated Maintenance of Effort of $4.22 million is the highest in the state, outside of New York City. With additional dollars, however, Monroe County is helping even more working parents transition from welfare to work and remain economically stable as they provide for their families.

The County also heavily invests in Child Protective Services and Preventive Services. Adding thirty new CPS Caseworker positions (about a 15% staffing increase) has reduced caseload sizes, and adding thirty

new casework-related positions to assemble pre-interview research allows CPS investigators more time to work directly with families.

The nation's opioid crisis has affected so many lives and families, and Monroe County's families have been no exception. The County's Public Health Commissioner and the Medical Examiner have been at the forefront of the opioid addiction crisis, educating first responders, government officials and residents on critical response techniques, coordinating an advisory panel on removing barriers to treatment, and assisting law enforcement with investigating the deaths of those who passed.

ECONOMIC PROFILE AND OUTLOOK

Local Economy

A business-friendly infrastructure, a community centered on partnership and collaboration, nationally ranked colleges and universities, four-season weather, and affordable housing are just a few of the many reasons people locate in Monroe County.

Rochester is one of the least congested cities in the U.S. with an average commute time of 19.9 minutes and was listed as one of the best cities in the U.S. for commuters by Kiplinger. Multi-modal transportation is also available in Monroe County at the ROC, which averages 120 flights per day to 19 different cities. Rail service is available through Amtrak and Rochester Genesee Regional Transportation Authority (RGRTA) provides bus service.

A strong industrial history, emerging technology sector, and an emphasis on high quality services, including higher education, ensure a technically sophisticated and reliable workforce.

Seven exceptional colleges and universities provide quality educational opportunities for students from throughout the Greater Rochester area, New York State, the nation, and the world. These world-class institutions help support the local economy and bring a talented workforce of professionals into the community.

Along with the University of Rochester/Strong Medical Center, the County is home to Wegmans Food Markets, Harris RF Communications, Rochester Institute of Technology, Xerox and Paychex, as well as nearly 17,000 businesses with less than 100 employees.

Population and Employment – The County has an estimated population of 742,474 people, and is the central county in the six-county Rochester Metropolitan Statistical Area (MSA), which has a population of approximately 1,082,226. Per the NYS Department of Labor, total non-farm employment in the Rochester MSA is 541,800 as of April 2019 and averaged 538,600 for calendar year 2018. Unemployment in the Rochester MSA is currently estimated at 4.2% (March 2019), which is also what it averaged for calendar year 2018.

Industry Sectors – Throughout the twentieth century, Monroe County's economy was dominated by major manufacturers. As these companies restructured and transitioned, their highly skilled workers fueled the growth of numerous small and medium-sized firms in a range of industries. Monroe County's manufacturing workforce is still the third largest of all New York counties, but today 97% of the region's job growth is in small business and 51% of the companies in Monroe County have one to four employees (NYS Department of Labor). The economy is largely private sector (Private 85%; Government 15%). Service producing employment accounts for 86% of the local economy, driven largely by Educational and Health Services (representing 25%).

Monroe County manufacturers continue to play a significant role in the world marketplace of photographic products, optics, graphics technology, communications, electronics, medical instrumentation, machine tooling, and pharmaceuticals.

Monroe County's higher education and medical services sectors continue to drive economic growth and job creation in the community. Within the next decade, new research and patient care investments will change the footprint of the University of Rochester Medical Center (URMC), as it aims to become one of the top 20 academic medical centers in the nation.

Housing – Homeownership is affordable in Monroe County. A variety of urban and suburban neighborhoods offer an array of housing options at reasonable prices. From downtown lofts to suburban subdivisions to rural farmhouses, high quality housing is within reach for Monroe County residents. According to the New York State Department of Taxation and Finance, the 2018 median home price in Monroe County was $149,000, well below the national average of $257,600 (Source: National Association of Realtors). In fact, when compared to other metropolitan areas throughout the country, the Rochester area ranks among the most reasonably priced, and is recognized as one of the most affordable housing markets in the country, based on percentage of house an average family can afford (Source: Economy.com).

Significant Community Announcements

During 2018, many projects involved significant investment, renovations and upgrading of existing commercial stock for manufacturing, housing and services. Additionally, the local education and health care institutions made significant investments.

Sydor Instruments, LLC is a photonics manufacturer of custom products for high-speed imaging and diagnostics. Sydor partnered with the University of Rochester Laboratory for Laser Energetics and the Brookhaven National Lab in the commercialization of products. In February of 2018, Sydor proposed a $1.8 million project to purchase, renovate and equip an existing 41,664 square foot facility for its future growth, which is projected to create 44 jobs over the next three years.

Plans were announced in May of 2018 by Live Tiles, Corp. to make equipment purchases of $300,000 and to establish an office in Monroe County. This company develops transformative enterprise solutions and intelligent design to reshape the way people interact with technology in the workplace. Live Tiles provides platforms for companies to develop dashboards, employee portals and corporate intranets that can be further enhanced by artificial intelligence and analytical features. Over the next 5 years, this company expects to create 500 jobs as they continue to invest in Monroe County.

eLogic Group LLC will be relocating to Rochester's Riverwood Tech Campus and creating the eLogic Manufacturers Experience Center. eLogic Group provides specific digital solutions for manufacturers to integrate all aspects of a business. This project proposes to create a venue to display solutions and outcomes for customers. eLogic has been recognized by Microsoft as US Manufacturing Partner of the year in 2015, US Partner of the Year in 2016 and US field Service Partner of the Year in 2018. This $1 million project will provide 31 jobs.

WBS Capital, Inc. is purchasing and redeveloping the Kodak Hawkeye facility and nearby parcels in the City of Rochester. This site of 785,000 square feet has been vacant since 2011, and will be developed in three phases. Total employment is estimated at 30 jobs, and this project will provide almost 200 temporary construction jobs.

SPS Medical Supply Corp is a manufacturer of biological indicators, chemical indicators and other projects used to monitor sterilization of medical equipment. This company will construct a 100,000 square foot addition, expanding production and warehouse capacity to meet the needs of their global dental and healthcare customers. Total employment is estimated at 200 jobs, and this project will provide over 200 temporary construction jobs.

FINANCIAL INFORMATION

Policies and Practices

Internal Controls – The County Administration is responsible for establishing and maintaining internal controls capable of ensuring that the assets of the County are protected from loss, theft or misuse, and to ensure that adequate accounting data is compiled to allow for basic financial statement preparation in conformity with U.S. generally accepted accounting principles. The internal controls are designed to provide reasonable, but not absolute, assurance that these objectives are met. The concept of reasonable assurance recognizes that: (1) the cost of a control should not exceed the benefits likely to be derived, and (2) the valuation of costs and benefits requires estimates and judgment by management. The County's internal controls are monitored and evaluated by the Department of Finance, specifically the Office of the Controller and Internal Audit. As part of this effort, an annual internal auditing program to review and evaluate the adequacy and effectiveness of the County's internal controls is presented to an audit committee of the Legislature each April, with subsequent outcomes reported in the following October and April.

Budgetary Controls – The County maintains budgetary controls to ensure compliance with the operating budget as approved annually by the County Legislature. Control is exercised over expenditures at the commitment item class level for all departments. Activities in the governmental funds are funded and controlled through the annual operating budget. The County also maintains expenditure control via an encumbrance accounting system which provides that unencumbered, unexpended appropriations lapse at year-end unless explicitly reappropriated by the County Legislature. Encumbrances outstanding at year-end are recorded in order to reserve that portion of the applicable appropriation for expenditure in the ensuing year. The Office of Management and Budget has the authority to transfer budget amounts of $10,000 or less between departments within the same fund.

Capital Improvement Plan – Capital projects are planned for in a six-year Capital Improvement Program. This program is updated annually with its first year becoming the County's Proposed Capital Budget for that year. Appropriations for each capital project are approved by the County Legislature and each project is accounted for in a separate capital fund.

The County administration’s debt policy provides that debt shall be issued to finance capital projects where funding sources are not immediately available. The debt will be structured in the most efficient manner to limit the impact on the taxpayer and will take payment of existing debt obligations into consideration as well as the total projected operating cost of the county. The use of cash capital through the operating budget will be utilized on an increasing basis to reduce the need for borrowing and avoid the associated interest costs. Cash Capital will be used for annually recurring capital improvement projects, recurring information technology projects, projects with a short useful life, or for other projects with costs estimated at $100,000 or less as financial and budgetary conditions permit without placing undue pressures on the taxpayers. Any and all debt issues will be structured and sold in accordance with sound debt management practices.

DRAFTv1

Cash Management – The County utilizes a pooled-cash concept to optimize its investment earnings. Earnings are allocated to the participating funds based upon their equity in the investment pool. All County investments are actively managed in accordance with New York State Law and the County Legislature's approved investment and deposit policy that emphasizes safety and liquidity above yield as management priorities.

Fund Balance – In accordance with Governmental Accounting Standards Board (GASB) Statement 54, governmental fund balances will be classified into the specifically defined categories of non-spendable, restricted, committed, assigned, and unassigned.

The GASB 54 Fund Balance Policy for the County of Monroe is to apply applicable expenditures against, in order, any non-spendable fund balance, restricted fund balance, committed fund balance, assigned fund balance, and unassigned fund balance. The County Legislature may commit fund balance for a specific purpose by formal resolution, while the assignment of fund balance for a specific intent is delegated to the Director of Finance-Chief Financial Officer.

To maintain fund balance stability, the Fund Balance Policy also establishes a lower and upper threshold of $25 million to $35 million for the combined assigned and unassigned fund balance categories within the General Fund. Fund balances accumulating in excess of the upper threshold may be used in subsequent budgets to provide property tax stability, capital project funding, and/or debt reduction.

ACKNOWLEDGEMENTS

The preparation of this report could not have been accomplished without the dedicated efforts of Christopher Kovacic, Michael Lombardo, Erika Batz, Teri Rabinowitz, Richard Ribis, Joseph Taddeo and the entire Department of Finance. We would also like to thank Kathryn Smith along with the Department of Communications and Special Events for their support and assistance with this report.

We, therefore, transmit this report to you, the reader, in the spirit of accounting for our stewardship of the public's assets and interests.

Respectfully Submitted,

Robert Franklin
Chief Financial Officer

Jennifer Cesario
Controller

DRAFTv1

COUNTY EXECUTIVE'S OFFICE

COUNTY EXECUTIVE
Cheryl Dinolfo

DEPUTY COUNTY EXECUTIVE
Thomas VanStrydonck

ASSISTANT COUNTY EXECUTIVES
Michael Molinari
William W. Napier

ELECTED COUNTY OFFICIALS

COUNTY EXECUTIVE
Cheryl Dinolfo

DISTRICT ATTORNEY
Sandra Doorley

SHERIFF
Todd K. Baxter

COUNTY CLERK
Adam J. Bello

LEGISLATIVE LEADERSHIP AND STAFF

PRESIDENT
Dr. Joe Carbone, District 16

VICE PRESIDENT
Debbie Drawe, District 9

MAJORITY LEADER
Brian E. Marianetti, District 7

DEPUTY MAJORITY LEADER
Tanya Conley, District 18

ASSISTANT MAJORITY LEADERS
Fred Ancello, District 6
Michael J. Rockow, District 2

MINORITY LEADER
Cynthia W. Kaleh, District 28

ASSISTANT MINORITY LEADERS
John Lightfoot, District 25
Ernest S. Flagler-Mitchell, District 29

CLERK OF THE LEGISLATURE
Jack Moffitt

DEPUTY CLERK OF THE LEGISLATURE
David Grant

REPUBLICAN MAJORITY CHIEF OF STAFF
Jamie L. Slocum

DEMOCRATIC MINORITY STAFF DIRECTOR
Dennis O'Brien

LEGISLATORS

District 1	R. Edwin Wilt
District 2	Michael J. Rockow
District 3	Tracy DiFlorio
District 4	Frank X. Allkofer
District 5	Karla F. Boyce
District 6	Fred Ancello
District 7	Brian E. Marianetti
District 8	Matthew Terp
District 9	Debbie Drawe
District 10	Howard S. Maffucci
District 11	Sean M. Delehanty
District 12	Steve Brew
District 13	John J. Howland
District 14	Justin Wilcox
District 15	George J. Hebert
District 16	Dr. Joe Carbone
District 17	Joe Morelle, Jr.
District 18	Tanya Conley
District 19	Kathleen A. Taylor
District 20	Mike Zale
District 21	Mark S. Muoio
District 22	Vincent R. Felder
District 23	James M. Sheppard
District 24	Joshua Bauroth
District 25	John Lightfoot
District 26	Tony Micciche
District 27	LaShay D. Harris
District 28	Cynthia W. Kaleh
District 29	Ernest S. Flagler-Mitchell

COUNTY DEPARTMENTS

AVIATION	Andrew G. Moore, Director
BOARD OF ELECTIONS	Douglas E. French, Commissioner Thomas F. Ferrarese, Commissioner
COMMUNICATIONS	Jesse L. Sleezer, Director
COUNTY CLERK	Adam J. Bello, County Clerk
DISTRICT ATTORNEY	Sandra Doorley, District Attorney
ENVIRONMENTAL SERVICES	Michael J. Garland, Director
FINANCE	Robert Franklin, Chief Financial Officer
DEPARTMENT OF HUMAN SERVICES	Corinda Crossdale, Commissioner
HUMAN RESOURCES	Brayton McK. Connard, Director
INFORMATION SERVICES	Jennifer R. Kusse, Chief Information Officer
LAW	Michael E. Davis, County Attorney
MONROE COMMUNITY HOSPITAL	Gene R. Larrabee, Executive Health Director
OFFICE OF PUBLIC INTEGRITY	David T. Moore, Director
PARKS	Lawrence A. Staub, Jr., Director
PLANNING & DEVELOPMENT	Jeffrey R. Adair, Director
PUBLIC DEFENDER	Timothy P. Donaher, Public Defender
PUBLIC HEALTH	Michael D. Mendoza, M.D., Commissioner
PUBLIC SAFETY	Robert J. Burns, Director
SHERIFF	Todd K. Baxter, Sheriff
TRANSPORTATION	Timothy P. Frelier, Director
VETERANS SERVICE AGENCY	Nicholas Stefanovic, Director

DRAFTv1

FINANCIAL SECTION

This section contains the following:

- INDEPENDENT AUDITOR'S REPORT
- MANAGEMENT'S DISCUSSION AND ANALYSIS (UNAUDITED)
- BASIC FINANCIAL STATEMENTS
- REQUIRED SUPPLEMENTARY INFORMATION (UNAUDITED)
- COMBINING FINANCIAL INFORMATION

Bonadio & Co., LLP
Certified Public Accountants

INDEPENDENT AUDITOR'S REPORT

May 24, 2019

To the County Executive and Members of the County Legislature
County of Monroe, New York:

We have audited the accompanying financial statements of the governmental activities, the business-type activities, the aggregate discretely presented component units, each major fund, and the aggregate remaining fund information of the County of Monroe, New York (the County), as of and for the year ended December 31, 2018, and the related notes to the financial statements, which collectively comprise the County's basic financial statements as listed in the table of contents.

Management's Responsibility for the Financial Statements
Management is responsible for the preparation and fair presentation of these financial statements in accordance with accounting principles generally accepted in the United States of America; this includes the design, implementation, and maintenance of internal control relevant to the preparation and fair presentation of financial statements that are free from material misstatement, whether due to fraud or error.

Auditor's Responsibility
Our responsibility is to express opinions on these financial statements based on our audit. We conducted our audit in accordance with auditing standards generally accepted in the United States of America. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control. Accordingly, we express no such opinion. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinions.

Opinions
In our opinion, the financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities, the business-type activities, the aggregate discretely presented component units, each major fund, and the aggregate remaining fund information of the County, as of December 31, 2018, and the respective changes in financial position and, where applicable, cash flows thereof for the year then ended in accordance with accounting principles generally accepted in the United States of America.

171 Sully's Trail
Pittsford, New York 14534
p (585) 381-1000
f (585) 381-3131

www.bonadio.com

DRAFTv1

Other Matters

Required Supplementary Information
Accounting principles generally accepted in the United States of America require that the management's discussion and analysis, the schedule of revenues, expenditures and changes in fund balances – general fund – budget and actual, the schedule of changes in total other postemployment benefits liability and related ratios, the schedule of proportionate share of the net pension liability (asset), and the schedule of contributions - pension plans, as listed in the table of contents, be presented to supplement the basic financial statements. Such information, although not a part of the basic financial statements, is required by the Governmental Accounting Standards Board, who considers it to be an essential part of financial reporting for placing the basic financial statements in an appropriate operational, economic, or historical context. We have applied certain limited procedures to the required supplementary information in accordance with auditing standards generally accepted in the United States of America, which consisted of inquiries of management about the methods of preparing the information and comparing the information for consistency with management's responses to our inquiries, the basic financial statements, and other knowledge we obtained during our audit of the basic financial statements. We do not express an opinion or provide any assurance on the information because the limited procedures do not provide us with sufficient evidence to express an opinion or provide any assurance.

Other Information
Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the County's basic financial statements. The introductory section, combining financial information section, and statistical section are presented for purposes of additional analysis and are not a required part of the basic financial statements.

The combining financial information section is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the basic financial statements. Such information has been subjected to the auditing procedures applied in the audit of the basic financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the basic financial statements or to the basic financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the combining financial information is fairly stated, in all material respects, in relation to the basic financial statements as a whole.

The introductory and statistical sections have not been subjected to the auditing procedures applied in the audit of the basic financial statements and, accordingly, we do not express an opinion or provide any assurance on them.

DRAFTv1

COUNTY OF MONROE, NEW YORK
Management's Discussion and Analysis (Unaudited)
Year Ended December 31, 2018

1. **Introduction**

This Management's Discussion and Analysis (MD&A) of the County of Monroe, New York (the County) financial statements provides an overview of the County's financial activities for the year ended December 31, 2018. Please read it in conjunction with the County's financial statements and footnotes, which follow this section.

The basic financial statements are arranged to take the reader from a general overview of the entire County to very detailed information about particular funds. First, the financial highlights are provided through the MD&A. Second, an overall picture of the entire County is provided through the government-wide financial statements. Third, details about the major funds are provided through the fund financial statements.

Data as of December 31, 2018 and comparative data from the year ended December 31, 2017 follows.

2. **Financial Highlights**

The County overall finished 2018 with a net deficit position of $161.9 million, a decrease of $215.6 million during the year. Factoring significantly into the County's net deficit position is the blended component unit, Monroe Tobacco Asset Securitization Corporation (MTASC), and the liability for future retiree health insurance benefits. MTASC finished 2018 with a net deficit position of $251.2 million, while the estimated present value of future retiree health insurance benefits increases the net deficit by $549.5 million. The County's net position is segregated into three components: (1) net investment in capital assets; (2) restricted; and (3) unrestricted.

The County's most significant asset classification is capital assets. The County reports capital assets, net of depreciation, totaling approximately $1.2 billion for the year ended December 31, 2018, this number is unchanged from year ended December 31, 2017. Of these capital assets, net of depreciation, infrastructure assets total approximately 38.8% and 43.9% for the years ended December 31, 2018 and 2017, respectively. Infrastructure assets primarily consist of the pure waters system, roads and bridges.

The County's most significant liability classification is bonds payable. The County reports bonds payable totaling approximately $834.0 million and $804.2 million for the years ended December 31, 2018 and 2017, respectively. For each of those respective years, the portion of bonds payable subject to the County's constitutional debt limit was $502.5 million and $488.3 million, respectively. As such, as of December 31, 2018, the County had exhausted 17.1% of its constitutional debt limit of $2.9 billion, compared to 17.0% of its constitutional debt limit of $2.9 billion as of December 31, 2017.

Another significant liability to the County is Other Postemployment Benefits (OPEB). For the year ended December 31, 2018, the County implemented GASB 75 and as a result, the liability for OPEB increased by $216.2 million, to a total value of $549.5 million.

The County's governmental activities finished 2018 with a net position deficit of $437.5 million, a $249.1 million decrease compared to last year's net position deficit of $188.4 million. The net position of the County's governmental activities for 2018 is reported as $537.3 million of net investment in capital assets, $40.5 million of restricted and $1.0 billion of unrestricted deficit. The changes in each reported net position category are as follows: a decrease of $4.3 million in net investment in capital assets; a decrease of $1.2 million in restricted; and an increase of $243.6 million in the unrestricted deficit. The largest component of the unrestricted deficit is the reporting of the Monroe Tobacco Asset Securitization Corporation (MTASC) as a blended component unit. MTASC's unrestricted deficit at December 31, 2018 was $251.2 million.

The County's business-type activities finished 2018 with a net position of $275.7 million, an increase of $33.5 million from the past year. The net position of the County's business-type activities for 2018 are reported as $284.6 million of net investment in capital assets, $258 thousand of restricted and $9.2 million of unrestricted deficit. An explanation of each change by business-type activity is provided in the proprietary fund section of the MD&A on page 12.

As of the close of 2018, the County's governmental funds reported combined fund balances of $116.5 million, an increase of $21.6 million from the prior year. An explanation of changes in the governmental funds is provided in the governmental fund section of the MD&A on page 11.

The County's general fund balance was $60.9 million as of December 31, 2018, compared to the December 31, 2017 fund balance of $39.1 million, an increase of $21.8 million.

The County's discretely presented component units finished 2018 with a net position of $365.0 million; a decrease of $203.8 million over 2017. The total net position for each of the major component units are as follows: $24.5 million for Monroe Community College (MCC); $25.0 million for Monroe County Airport Authority (Airport Authority); and $307.5 million for Monroe County Water Authority (Water Authority). The non-major component units finished 2018 with a net position of $8.0 million. For more detail regarding the County's component units, see pages 32 and 33 for the statement of net position and statement of activities and pages 34 through 36 of the footnotes.

DRAFTv1

The County elected to pay its annual New York State Retirement System bill on the customary due date of December 15, 2018 rather than on the extended due date of February 1, 2019 saving taxpayers over $ 331 thousand in interest. With resources available, the County was also able to pay an additional $12.0 million toward prior years' outstanding pension amortizations, saving nearly $1.9 million in future interest expense.

3. **Basis of Presentation**

Government-wide Financial Statements

The government-wide financial statements provide the financial condition and results of operations of the primary government along with its discretely presented component units. The statement of net position provides the financial condition of the County, while the statement of activities provides the results of operations. These statements focus on the two main types of activities carried out by the County: governmental and business-type.

Governmental activities include most of the County's basic services, such as public safety, culture, recreation and education, transportation, sanitation, economic development, health and welfare, and general government. These activities are financed mainly through property taxes, sales taxes, and state and federal grants. Business-type activities include Solid Waste, Airport, Hospital, Pure Waters, and Energy. These activities rely to a significant extent on user fees.

In addition to focusing on governmental and business-type activities, the government-wide financial statements also include the County's discretely presented component units: MCC, Airport Authority, Water Authority, and the County of Monroe Industrial Development Agency (COMIDA; dba Imagine Monroe). Though these are separate legal entities, the County is financially accountable for their activities.

The government-wide financial statements are prepared using the economic resources measurement focus and the accrual basis of accounting, which requires that a transaction be recorded when it occurs, not when its related cash receipt or disbursement occurs. Since these financial statements include all economic resources of the County, such as capital assets including infrastructure, as well as all liabilities including debt, they provide a long-term view of the County's financial position.

Fund Financial Statements

The accounts of the County are organized on the basis of funds, each of which is considered a separate accounting entity. The operations of each fund are accounted for with a separate set of self-balancing accounts that comprise its assets, liabilities, fund balances or net position, revenues and expenditures or expenses as appropriate.

The County's funds are presented in separate fund financial statements. These funds are presented as governmental funds, proprietary funds and fiduciary funds. The County's major funds are presented in separate columns on the fund financial statements. The definition of a major fund is one that meets the following criteria:

Total assets, deferred outflows of resources, liabilities, deferred inflows of resources, revenues or expenditures/expenses of that individual governmental or enterprise fund are at least 10.0% of the corresponding total (assets, liabilities and so forth) for all funds of that category or type (that is, total governmental or total enterprise funds), and

Total assets, deferred outflows of resources, liabilities, deferred inflows of resources, revenues or expenditures/expenses of the individual governmental or enterprise fund are at least 5.0% of the corresponding total for all governmental and enterprise funds combined.

In addition to funds that meet the major fund criteria, any other governmental or enterprise fund that the government's officials believe is particularly important to financial statement users may be reported as a major fund.

The funds that do not meet the criteria of a major fund are considered non-major funds and are combined into a single column on each of the fund's financial statements.

The County utilizes three fund types to group its respective funds:

Governmental Fund Types

Most of the County's basic services are reported in governmental funds, which focus on resource flows into and out of those funds. The governmental funds' statements provide a detailed short-term view of the County's general government operations and the basic services it provides. All governmental funds are accounted for using the modified accrual basis of accounting and current financial resources measurement focus. Under this basis of accounting, revenues are recorded when susceptible to accrual; i.e., both measurable and available. "Available" generally means collectible within the current period or within 60 days after year-end other than Federal or State aid. Reimbursements of expenditures due from other governments for Federal and State aid are recorded primarily when the qualifying expenditures have been incurred and all requirements have been met. Federal and State aid are generally considered available when collection within one year is anticipated. Expenditures are recognized under the modified accrual basis of accounting when the related fund liability is incurred except for certain expenditures and liabilities such as debt service, compensated absences and claims and judgments which are recorded when due for payment.

The County's major governmental funds are the General Fund and the Capital Projects Fund. All other governmental funds have been determined to be non-major and include Debt Service Funds and Special Revenue Funds.

General Fund - is the County's principal operating fund.

Capital Project Funds - accounts for financial resources to be used for the acquisition of major equipment items and the construction of major capital facilities and other capital assets other than those accounted for in the proprietary funds and the discretely presented component units. Funds include capital project funds for general government, public safety and fire protection, transportation, culture, recreation and education.

Debt Service Funds - accounts for reserve funds established for the retirement of outstanding debt, as well as activities in the County's coupon trust accounts. The funds are used to record and appropriate payment of principal and interest on serial bonds, other than those accounted for in the proprietary funds and the discretely presented component units. This includes MTASC, a special purpose local development corporation organized under the laws of the State of New York. MTASC is blended as a non-major governmental fund (debt service).

Special Revenue Funds

Road Fund – accounts for all revenues and expenditures related to the maintenance of County roads and bridges, snow removal and construction and reconstruction of County roads not recorded in a capital project fund.

Special Grants Fund – accounts for grants authorized under the Housing and Community Development Act of 1974.

Green Space Initiative Fund – accounts for funds established through Local Law No. 3 to finance a green space initiative program developed by the County.

Library Fund – accounts for the activities of the Monroe County Library System which exists to serve member libraries in the County.

County Park Funds:

Parkland Acquisition Fund – accounts for proceeds from sales of existing parkland to be used for future parkland development or acquisition.

Horticulture Division Fund – accounts for special projects within the County Parks department's horticulture division.

Highland Park Trust Fund – accounts for funds from special events, granting agencies, and private donations. The funds are used for park improvements and recreation/educational opportunities. The funds provide an opportunity for private donors to make targeted donations for projects in Highland Park.

The Ontario Beach Park Trust Fund – accounts for funds from granting agencies, special events, and private donations. The funds are used for park improvements and recreation/educational opportunities. The funds provide an opportunity for private donors to make targeted donations for projects in Ontario Beach Park.

Mendon Ponds Park - accounts for funds from granting agencies, special events, and private donations. The funds are used for park improvements and recreation/educational opportunities. The funds provide an opportunity for private donors to make targeted donations for projects in Mendon Ponds Park.

DRAFTv1

Northampton Park Trust Fund - accounts for funds from granting agencies, special events, and private donations. The funds are used for park improvements and recreation/educational opportunities. The funds provide an opportunity for private donors to make targeted donations for projects in Northampton Park.

Movies in the Park Trust Fund – accounts for funds from granting agencies. The funds are used to provide for the presentation of films to the general public at Ontario Beach Park and Highland Park.

Special Revenue Funds (continued)

Jail Commissary Funds – accounts for jail commissary funds. The jail commissary fund exists pursuant to New York State (NYS) law requiring all profit realized on commissary jail sales be used to purchase items to benefit jail inmates.

Other Public Safety Funds – includes jail enhancement funds, asset forfeiture funds and the Hazmat team fund. The jail enhancement fund is supported through suspended inmate payments from the Social Security Administration benefits. This fund is used for jail projects, activities, programs and other initiatives not otherwise provided by other sources. The asset forfeiture fund is pursuant to the US Department of Justice's Asset Forfeiture program and equitable sharing agreement requiring expenditures for law enforcement purposes. The Hazmat Team fund accounts for all donation/payments and incurs expenditures to the team solely for the operational needs of the Hazmat Team.

Stormwater Coalition Dues Fund – accounts for fees paid by members of the coalition to support efforts to keep municipalities in compliance with storm water regulations.

The Excel Fund – accounts for corporate and private contributions for the Expanded Choices for Elder Lifestyles (Excel) program.

The NYS Urban Development Corporation Fund – accounts for a grant/loan from NYS Urban Development Corporation and the disbursing of funds for the KCPD (Clinical Products Division, Eastman Kodak) project.

The Pediatrics and Visitation Center Fund – accounts for contributions from private corporations for Monroe County's Pediatric and Visitation Center, a facility that co-locates the County's medical services for foster children with a supervised visitation center.

Monroe County DSS Childcare Fund – accounts for contributions from private individuals who wish to contribute to the cost of providing day care subsidies.

Library System Automation Fund – was established to record funds received from the member libraries of the Monroe County Library System for future automation projects.

In addition, the Governmental Funds balance sheet and statement of revenues, expenditures and changes in fund balance are reconciled to the governmental activities statement of net position and statement of activities due to the differing measurement focus and basis of accounting.

Proprietary Funds

When the County charges customers for the services it provides – whether to outside customers or to other funds of the County – these services are generally reported in proprietary funds. Proprietary funds are reported in the same way that all activities are reported in the statement of net position and the statement of revenues, expenses and changes in net position. Proprietary funds use the economic resources measurement focus and accrual basis of accounting. The major funds comprising the proprietary funds include the following enterprise funds: solid waste, airport, hospital, pure waters and energy. The proprietary funds also include internal service funds, which are reported separately because the nature of their activity is primarily governmental.

Fiduciary Funds

These funds are used to account for assets held by the County in a trustee capacity or as an agent for individuals, private organizations, other governments or funds. They cannot be used to support the County's own programs. Fiduciary funds include private purpose trust funds that are used to report trust arrangements and agency funds, which are utilized in situations where the County's role is purely custodial.

The private purpose trust funds use the economic resources measurement focus and accrual basis of accounting. Agency funds, however, report only assets and liabilities, and thus have no measurement focus but do use the accrual basis of accounting to recognize receivables and payables.

DRAFTv1

4. **Financial Analysis of the County as a Whole**

A. **Condensed Schedule of Net Position**

In the government-wide financial statements, net position reports the financial condition for both the governmental and business-type activities.

The County's financial position related to each of these activities is summarized below (000's omitted):

Condensed Schedules of Net Position

	2018			2017		
	Governmental Activities	Business-type Activities	Total Primary Government	Governmental Activities	Business-type Activities	Total Primary Government
Assets						
Current and other assets	$ 438,406	$ 103,127	$ 541,533	$ 426,596	$ 99,437	$ 526,033
Capital assets, net of accumulated depreciation	732,040	499,294	1,231,334	723,337	459,141	1,182,478
Total assets	1,170,446	602,421	1,772,867	1,149,933	558,578	1,708,511
Deferred Outflows of Resources	93,090	20,382	113,472	67,755	15,695	83,450
Liabilities						
Current liabilities	350,620	90,689	441,309	359,510	88,732	448,242
Non-current liabilities	1,192,285	232,157	1,424,442	1,013,535	238,367	1,251,902
Total liabilities	1,542,905	322,846	1,865,751	1,373,045	327,099	1,700,144
Deferred Inflows of Resources	158,153	24,286	182,439	33,057	5,048	38,105
Net investment in capital assets	537,335	284,627	821,962	541,653	266,467	808,120
Restricted	40,539	258	40,797	41,690	141	41,831
Unrestricted (deficit)	(1,015,396)	(9,214)	(1,024,610)	(771,757)	(24,482)	(796,239)
Total Net Position	$ (437,522)	$ 275,671	$ (161,851)	$ (188,414)	$ 242,126	$ 53,712

The amounts for 2017 in the above table have not been restated to reflect the changes that occurred resulting from the implementation of Statement No. 75, Accounting and Financial Reporting for Postemployment Benefits Other Than Pensions (see note 1P).

Restricted net position in the County's governmental activities for 2018 is $40.5 million. This is comprised primarily of restrictions for debt service in the sum of $20.0 million and restrictions for grants and trusts of $12.2 million.

Unrestricted net position in the County's governmental activities shows a deficit of $1.0 billion at December 31, 2018 comprised primarily of the $272.8 million outstanding bond liability of MTASC used to refinance the purchase of the future right, title and interest to the tobacco settlement revenues. This is compared to the December 31, 2017 balance, when unrestricted net position in the County's governmental activities had a $771.8 million deficit with MTASC recording a $266.3 million bond liability. Also contributing to the unrestricted deficit is the recognition of the liability for OPEB which at December 31, 2018 was $490.7 million, compared to $268.7 million at December 31, 2017, an increase of $216.2 million.

The non-current liabilities include OPEB, accrued employee compensated absences, retirement costs and debt. These non-current liabilities will be funded in future budgets as they become due.

B. **Condensed Schedule of Changes in Net Position**

In the government-wide financial statements, changes in net position provides the results of operations for both the governmental and business-type activities for the past year. The condensed schedules are summarized below (000's omitted):

Condensed Schedules of Revenues, Expenses and Changes in Net Position

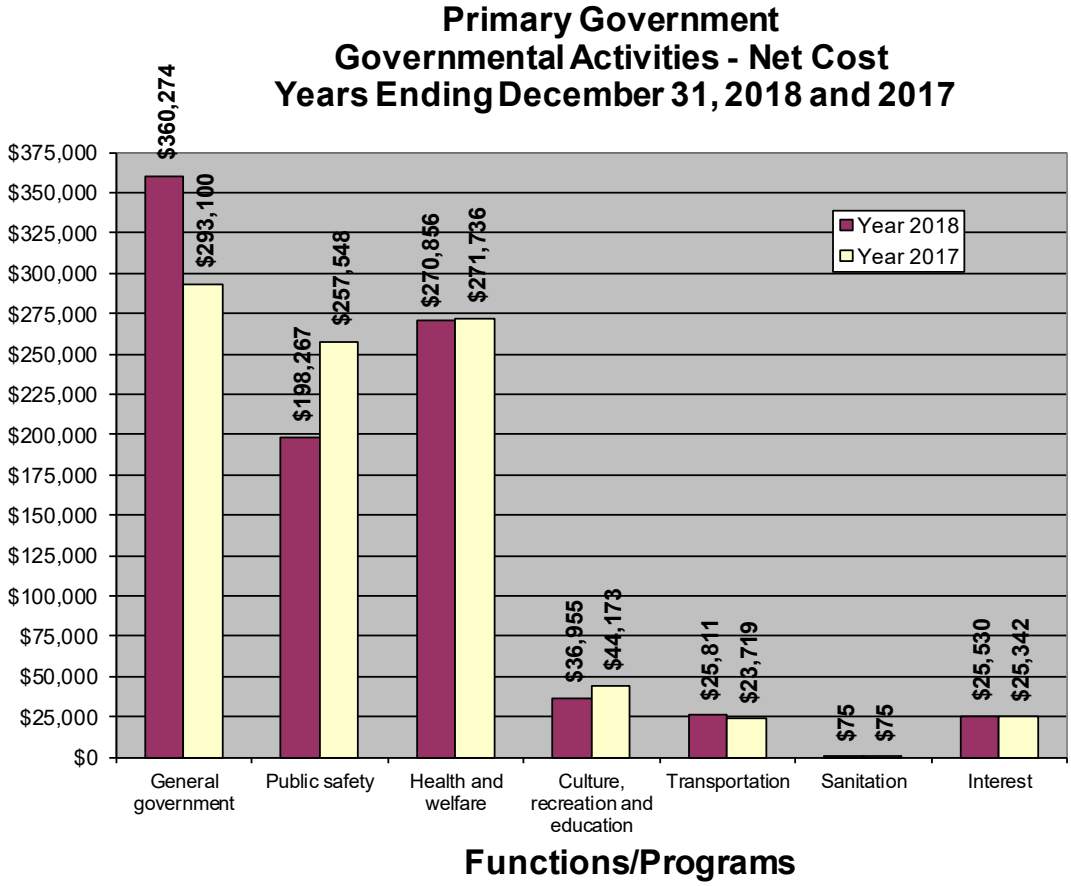
	2018			2017		
	Governmental Activities	Business-type Activities	Total Primary Government	Governmental Activities	Business-type Activities	Total Primary Government
Revenues						
Program Revenues						
Charges for services	$ 102,470	$ 167,707	$ 270,177	$ 100,787	$ 175,405	$ 276,192
Operating grants and contributions	331,623	374	331,997	342,579	315	342,894
Capital grants and contributions	12,983	66,256	79,239	19,511	21,282	40,793
General Revenues						
Taxes and other tax items	912,818	-	912,818	890,858	-	890,858
Tobacco settlement	9,847	-	9,847	8,792	-	8,792
Investment income	2,265	913	3,178	673	686	1,359
Miscellaneous	4,797	9,424	14,221	5,365	8,810	14,175
Total Revenues	1,376,803	244,674	1,621,477	1,368,565	206,498	1,575,063
Expenses						
General government	407,111	-	407,111	337,388	-	337,388
Public safety	246,288	-	246,288	299,764	-	299,764
Health and welfare	535,440	-	535,440	549,436	-	549,436
Culture, recreation, and education	94,038	-	94,038	108,182	-	108,182
Transportation	53,985	-	53,985	55,361	-	55,361
Sanitation	75	-	75	75	-	75
Economic development	2,377	-	2,377	3,022	-	3,022
Interest on bonds and notes payable	25,530	-	25,530	25,342	-	25,342
Solid Waste	-	13,761	13,761	-	12,910	12,910
Airport	-	30,887	30,887	-	31,849	31,849
Hospital	-	68,866	68,866	-	67,065	67,065
Pure Waters	-	76,877	76,877	-	79,912	79,912
Energy	-	15,193	15,193	-	13,101	13,101
Total Expenses	1,364,844	205,584	1,570,428	1,378,570	204,837	1,583,407
Transfers	735	(735)	-	873	(873)	-
Changes in net position before special item	12,694	38,355	51,049	(9,132)	788	(8,344)
Special Item						
Merger of LDCs into Monroe County	-	-	-	10,642	-	10,642
Net position-beginning , as restated, see note 1P	(450,216)	237,316	(212,900)	(189,924)	241,338	51,414
Net Position-Ending	$ (437,522)	$ 275,671	$ (161,851)	$ (188,414)	$ 242,126	$ 53,712

For governmental activities, overall net position decreased by $249.1 million for the year ended December 31, 2018. The largest factor contributing to this decrease was the recognition of an additional $216.2 million liability for other postemployment benefits in accordance with GASB 75.

Business-type activities increased the County's net position by $33.5 million for the year ended December 31, 2018. Net position decreases were reported in the Hospital and Pure Waters Fund, while the Solid Waste, Airport, and Energy Funds reported net position increases. See 5B for additional information.

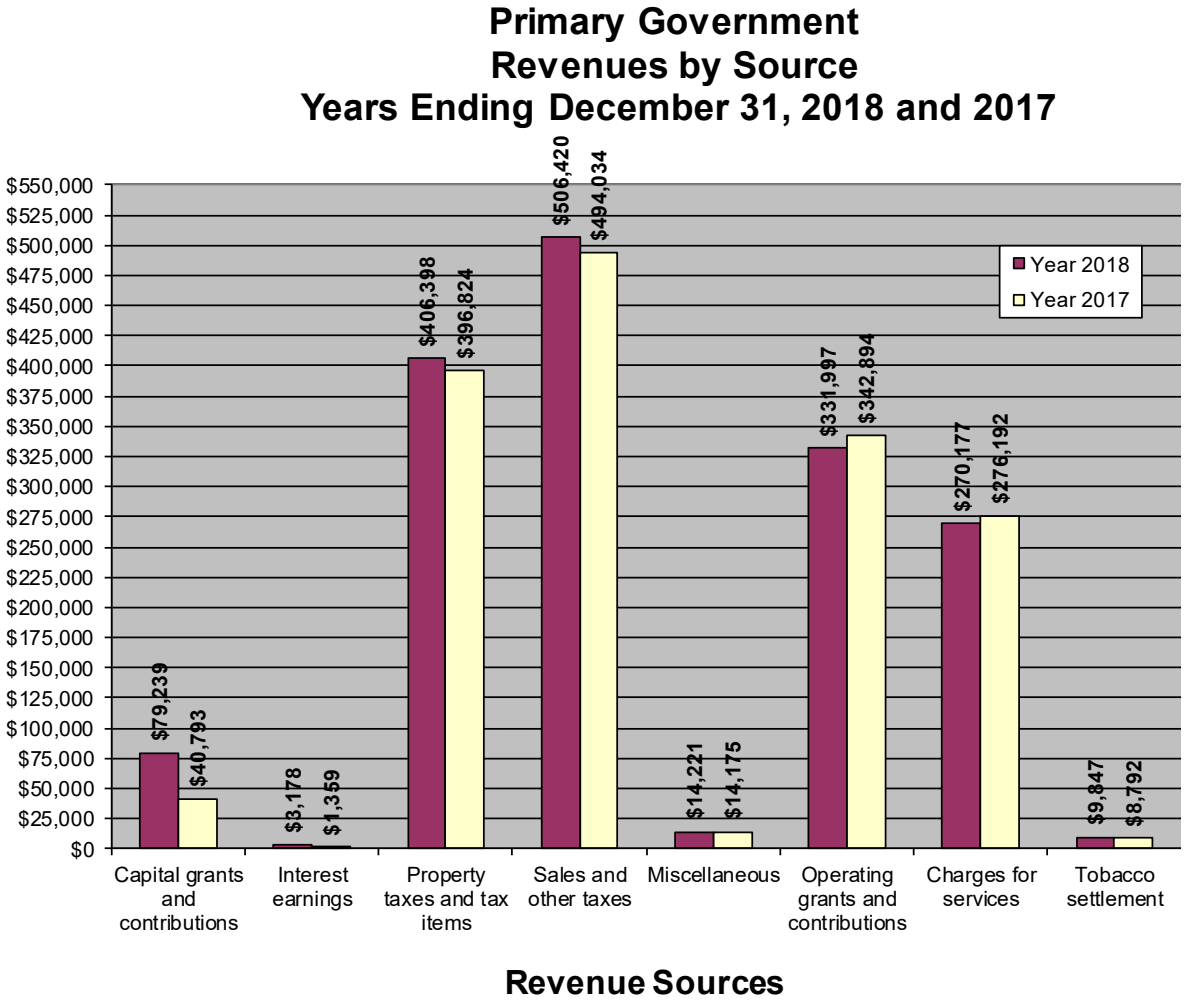
C. **Governmental Activities Net Cost**

The following chart compares the net cost (defined as expenses less program revenues) of each County function/program within the governmental activities of the primary government (000's omitted):



D. **Revenues by Source**

The following chart compares the revenue sources by category of the total primary government (governmental and business-type activities, 000's omitted):



5. **Financial Analysis of the County's Funds**

A. **Governmental Funds**

As of December 31, 2018, the County's governmental funds reported total governmental fund balances of $116.5 million, compared to $94.9 million as of December 31, 2017, an increase of $21.6 million.

The County's general fund balance was $60.9 million as of December 31, 2018, compared to the December 31, 2017 fund balance of $39.1 million, an increase in the fund balance of $21.8 million. The unassigned fund balance of the general fund was $15.7 million as of December 31, 2018 compared to $18.1 million as of December 31, 2017, a decrease of $2.4 million. Combined assigned and unassigned fund balance was $24.6 million as of December 31, 2018, compared to $26.1 million as of December 31, 2017, a decrease of $1.5 million.

The fund balance in the capital projects fund, classified as a major fund, was $4.4 million as of December 31, 2018, compared to a fund balance of $4.9 million as of December 31, 2017, a decrease of $500 thousand. The decrease is primarily due to timing of capital financing.

The non-major governmental funds total fund balance was $51.2 million as of December 31, 2018, compared to a total fund balance of $50.8 million as of December 31, 2017, an increase of $400 thousand. The increase was primarily generated in the special revenue funds due to slight changes in expenditures and other financing sources.

The different results of the governmental activities and governmental funds are due primarily to the basis of accounting and measurement focus of these accounting units. Items that result in differences are accounting for debt and other long term liabilities, capital assets, depreciation and inclusion of internal service funds at the governmental activities level of reporting. All of the differences are noted in detail in the reconciliations of the governmental funds balance sheet and the statement of revenues, expenditures and changes in fund balance to the statement of governmental activities.

The table below summarizes the changes in the fund balances of the County's governmental funds as follows (000's omitted):

Condensed Schedules of Governmental Funds Changes in Fund Balances

2018	General Fund	Capital Projects Funds	Non-major Funds	Total Governmental Funds
Fund balances, beginning	$ 39,139	$ 4,941	$ 50,827	$ 94,907
Revenues	1,299,850	12,155	41,936	1,353,941
Expenditures	(1,234,279)	(48,992)	(91,755)	(1,375,026)
Other financing sources, net	(43,801)	36,251	50,228	42,678
Fund Balances, Ending	$ 60,909	$ 4,355	$ 51,236	$ 116,500

Condensed Schedules of Governmental Funds Changes in Fund Balances

2017	General Fund	Capital Projects Funds	Non-major Funds	Total Governmental Funds
Fund balances, beginning	$ 27,143	$ (1,044)	$ 39,988	$ 66,087
Revenues	1,287,295	20,047	42,443	1,349,785
Expenditures	(1,227,212)	(51,962)	(92,285)	(1,371,459)
Other financing sources, net	(59,528)	37,900	60,681	39,053
Merger of LDCs into Monroe County	11,441	-	-	11,441
Fund Balances, Ending	$ 39,139	$ 4,941	$ 50,827	$ 94,907

DRAFTv1

B. **Proprietary Funds**

As of December 31, 2018, the County's proprietary funds reported combined net position for the enterprise funds of $275.7 million and a net position for the internal service funds of $15.7 million.

The table below summarizes the changes in net position for the County's proprietary funds in 2018 and 2017 as follows (000's omitted):

Condensed Schedules of Proprietary Funds
Changes in Net Position 2018

	Business-type Activities- Enterprise Funds						Governmental Activities
	Solid Waste	Airport	Hospital	Pure Waters	Energy	Total	Internal Service Funds
Net Position (deficit) December 31, 2017, as restated	$ (12,241)	$ 157,120	$ (22,748)	$ 115,105	$ 80	$ 237,316	$ 17,689
Total operating revenues	14,146	19,460	64,786	63,262	15,202	176,856	132,375
Total operating expenses	(13,558)	(29,835)	(68,227)	(70,520)	(15,193)	(197,333)	(130,863)
Operating income (loss)	588	(10,375)	(3,441)	(7,258)	9	(20,477)	1,512
Total nonoperating revenue (expenses) net	78	63,427	(520)	(3,598)	-	59,387	(2,096)
Income (loss) before contributions and transfers	666	53,052	(3,961)	(10,856)	9	38,910	(584)
Capital contributions	-	-	-	180	-	180	(11)
Net transfers	-	-	(735)	-	-	(735)	(1,429)
Net Position (deficit) December 31, 2018	$ (11,575)	$ 210,172	$ (27,444)	$ 104,429	$ 89	$ 275,671	$ 15,665

Condensed Schedules of Proprietary Funds
Changes in Net Position 2017

	Business-type Activities- Enterprise Funds						Governmental Activities
	Solid Waste	Airport	Hospital	Pure Waters	Energy	Total	Internal Service Funds
Net Position (deficit) December 31, 2016	$ (13,386)	$ 152,037	$ (36,229)	$ 138,835	$ 81	$ 241,338	$ 281
Total operating revenues	14,466	18,364	75,903	62,375	13,100	184,208	129,799
Total operating expenses	(12,941)	(31,250)	(66,150)	(73,520)	(13,101)	(196,962)	(126,262)
Operating income (loss)	1,525	(12,886)	9,753	(11,145)	(1)	(12,754)	3,537
Total nonoperating expenses, net	151	20,575	(915)	(5,616)	-	14,195	(2,843)
Income (loss) before contributions and transfers	1,676	7,689	8,838	(16,761)	(1)	1,441	694
Merger of LDCs into Monroe County	-	-	-	-	-	-	23,865
Capital contributions	-	-	-	220	-	220	(1,192)
Net transfers	(122)	-	(751)	-	-	(873)	(3,575)
Net Position (deficit) December 31, 2017	$ (11,832)	$ 159,726	$ (28,142)	$ 122,294	$ 80	$ 242,126	$ 20,073

The amounts for 2017 in the above table have not been restated to reflect the changes that occurred resulting from the implementation of Statement No. 75, Accounting and Financial Reporting for Postemployment Benefits Other Than Pensions (see note 1P).

Proprietary Funds - Changes in Net Position:

Solid Waste Fund: Net position increased by $257 thousand. Operating income for 2018 was $588 thousand compared to $1.5 million in 2017. This decrease is primarily a result of a one-time revenue in 2017 of $1.0 million related to the lease agreement amendment with Waste Management.

Airport Fund: Net position increased by $50.4 million. The operating loss of $10.4 million is $2.5 million less than the 2017 operating loss of $12.9 million and is almost entirely related to a reduction in depreciation expense for 2018. This year's operating loss was offset by other nonoperating revenues (expenses) of $63.4 million comprised primarily of federal and state aid and passenger facility charges.

Hospital Fund: Net position increased by $698 thousand. The 2018 operating loss was $3.4 million compared to the previous year's operating income of $9.8 million. Compared to 2017, operating revenues decreased $11.1 million due to a reduction in Upper Payment Limit revenue. Additionally operating expenses increased $3.2 million in contractual expenses.

Pure Waters Fund: Net position decreased by $17.9 million, primarily due to a planned spend down. The 2018 operating loss of $7.3 million is $3.9 million less than the 2017 operating loss of $11.2 million. Compared to 2017, operating revenues increased while expenditures decreased in 2018. This planned spend down of net position continues to allow the Pure Waters rates to remain stable.

Energy Fund: Net position increased by $9 thousand. The Energy fund records activities (transactions) relative to the County's involvement in the energy aggregation group. As part of the program, the County offers energy to other municipalities at competitive rates.

Internal Service Funds: Net position decreased by $4.4 million. The 2018 operating gain of $1.5 million is $2 million less than the 2017 operating gain of $3.5 million. The largest internal services fund, risk management's net position decreased by $3.3 million, primarily as a result of recognizing an increased level of liability for risk.

C. **General Fund Budgetary Highlights**

There are two primary components of the increase between the adopted budget and the modified budget. Those two components are: (1) newly awarded state and federal funded programs and grants; and (2) grant re-appropriations representing authorized grants from the prior year that will be expended in later years of multi-year funded federal and state grants. Additional details are provided in the notes to the Required Supplementary Information on the Budget Schedule. The table below summarizes and compares actual general fund revenue on a budgetary basis by category to the adopted and modified budgets (excluding interfund transfers), as follows (000's omitted):

Condensed Schedules of General Fund Revenue
Budgetary Basis Budget vs. Actual

	2018			2017		
	Adopted Budget	Modified Budget	Budget Basis Actual	Adopted Budget	Modified Budget	Budget Basis Actual
Real property tax	$ 382,826	$ 382,826	$ 381,881	$ 376,355	$ 376,355	$ 376,626
Sales and other taxes	149,555	150,255	159,024	145,155	145,655	155,394
Federal aid	115,737	133,404	117,932	120,860	137,683	122,717
State aid	195,845	216,527	173,720	193,763	210,863	176,087
Other revenues	115,091	116,185	119,897	113,161	124,663	117,831
Total Revenue-Budgetary Basis	$ 959,054	$ 999,197	$ 952,454	$ 949,294	$ 995,219	$ 948,655

On a budget basis, sales tax revenue amounts reflect only the County share of the sales tax distribution.

The table below summarizes and compares actual general fund expenditures on a budgetary basis by function to the adopted and modified budgets as follows (000's omitted):

Condensed Schedules of General Fund Expenditures
Budgetary Basis Budget vs. Actual

	2018			2017		
	Adopted Budget	Modified Budget	Budget Basis Actual	Adopted Budget	Modified Budget	Budget Basis Actual
Health and welfare	$ 554,706	$ 576,024	$ 531,972	$ 554,370	$ 559,187	$ 536,163
Public safety	238,539	256,919	242,642	234,029	269,883	237,644
Culture, recreation, and education	81,974	84,408	74,927	79,855	82,628	76,484
General government	38,014	39,897	33,818	33,785	39,188	34,756
Transportation	3,524	3,524	3,524	3,524	3,524	3,525
Total Expenditures-Budgetary Basis	$ 916,757	$ 960,772	$ 886,883	$ 905,563	$ 954,410	$ 888,572

On a budget basis, general government expenditure amounts do not reflect sales tax distribution to sharing partners.

6. **Capital Assets and Debt Administration**

A. **Capital Assets**

At the end of 2018, the County had invested $1.2 billion in a broad range of capital assets, including $478 million in infrastructure, net of depreciation, which includes bridges, culverts and sewers. This compares to having invested $1.2 billion at the end of 2017 which included $519 million in infrastructure, net of depreciation. The table below summarizes capital assets by classification as follows (000's omitted):

Condensed Schedules of Capital Assets

	2018			
	Governmental Activities	Business-type Activities	Total Primary Government	Percent of Total
Land	$ 28,562	$ 27,914	$ 56,476	1.7%
Assets under construction	54,745	44,509	99,254	2.9%
Buildings	206,875	226,947	433,822	12.7%
Infrastructure	1,011,799	686,553	1,698,352	49.6%
Improvements other than buildings	271,868	552,195	824,063	24.1%
Machinery and equipment	175,943	134,516	310,459	9.1%
Total capital assets	1,749,792	1,672,634	3,422,426	100.0%
Accumulated depreciation	(1,017,752)	(1,173,340)	(2,191,092)	
Total Net Capital Assets	$ 732,040	$ 499,294	$ 1,231,334	

	2017			
	Governmental Activities	Business-type Activities	Total Primary Government	Percent of Total
Land	$ 28,506	$ 27,818	$ 56,324	1.7%
Assets under construction	42,222	30,074	72,296	2.2%
Buildings	195,483	197,876	393,359	12.0%
Infrastructure	1,011,297	690,477	1,701,774	51.8%
Improvements other than buildings	251,494	504,808	756,302	23.0%
Machinery and equipment	173,030	134,327	307,357	9.3%
Total capital assets	1,702,032	1,585,380	3,287,412	100.0%
Accumulated depreciation	(978,695)	(1,126,239)	(2,104,934)	
Total Net Capital Assets	$ 723,337	$ 459,141	$ 1,182,478	

The 2018 increase in governmental activities capital assets is primarily related to the purchase of the CityPlace building, while the increase in business-type activities is primarily related to Pure Waters projects.

On July 10, 2018, the County Legislature adopted the 2019 - 2024 Capital Improvement Program (CIP).

More detailed information about the County's capital assets are presented in Note 9 to the financial statements.

B. **Debt Administration**

At year-end, total debt payable for the primary government was $929.3 million. General obligation debt totaled $656.6 million. The amount of outstanding general obligation debt excludes the debt of MTASC.

The table below summarizes the County's outstanding debt for the primary government, as reported in the statement of net position as follows (000's omitted):

Condensed Schedules of Outstanding Debt

	2018			
	Governmental Activities	Business-type Activities	Total Primary Government	Percent of Total
General Obligation Debt				
Total revenue anticipation notes payable	$ 45,000	$ 15,000	$ 60,000	6.6%
Total bond anticipation notes payable	6,925	28,385	35,310	3.8%
Total bonds payable	382,651	178,599	561,250	60.3%
Total general obligation debt	434,576	221,984	656,560	70.6%
Non General Obligation debt	272,778	-	272,778	29.4%
Total Debt Payable	$ 707,354	$ 221,984	$ 929,338	100.0%
Total current debt payable	$ 91,587	$ 61,029	$ 152,616	16.4%
Total long-term debt payable	615,767	160,955	776,722	83.6%
Total Debt Payable	$ 707,354	$ 221,984	$ 929,338	100.0%

	2017			
	Governmental Activities	Business-type Activities	Total Primary Government	Percent of Total
General Obligation Debt				
Total revenue anticipation notes payable	$ 50,000	$ 15,000	$ 65,000	7.1%
Total bond anticipation notes payable	16,279	29,405	45,684	4.9%
Total bonds payable	362,796	175,131	537,927	57.8%
Total general obligation debt	429,075	219,536	648,611	69.8%
Non General Obligation Debt	266,311	-	266,311	28.7%
Total Debt Payable	$ 695,386	$ 219,536	$ 914,922	98.4%
Total current debt payable	$ 103,378	$ 62,990	$ 166,368	17.9%
Total long-term debt payable	592,008	156,546	748,554	80.5%
Total Debt Payable	$ 695,386	$ 219,536	$ 914,922	98.4%

The County issued a total of $173.1 million of debt obligations in 2018. In June 2018, the County issued $77.8 million of General Obligation Public Improvement Bonds and a $35.3 million bond anticipation note for various County projects. In November 2018, $60 million in revenue anticipation notes were issued providing $45 million in working capital for the general fund and $15 million for the Monroe Community Hospital enterprise fund. The issuance of revenue anticipation notes was necessary due to the delay in receiving various state and federal aid. At December 31, 2018, $238 million of debt remained authorized and unissued for various capital projects.

The three major nationally-recognized credit rating agencies continue to monitor the County's economic and financial conditions. During 2018, S&P and Fitch affirmed the County's rating of 'A'. In February 2018 Moody's upgraded the County's rating to 'A3' from 'Baa1'.

More detailed information about the County's debt obligations is presented in Note 10 to the financial statements.

7. **Contacting the County's Financial Management**

These financial statements are designed to provide our citizens, taxpayers, customers, investors and creditors with a general overview of the County's finances and to demonstrate the County's accountability for the money it receives. If you have questions about this report, please contact the County of Monroe Department of Finance, 39 West Main St. Room 402, Rochester, New York 14614.

DRAFTv1

BASIC FINANCIAL STATEMENTS

DRAFTv1

COUNTY OF MONROE, NEW YORK
STATEMENT OF NET POSITION
AS OF DECEMBER 31, 2018
(000's Omitted)

	Primary Government			Component Units
	Governmental Activities	Business-type Activities	Total	
ASSETS				
Current assets:				
Cash and cash equivalents	$ 100,830	$ 55,411	$ 156,241	$ 91,762
Investments	-	-	-	39,165
Accounts receivable, net	54,602	17,817	72,419	25,106
Internal balances	25,500	(25,500)	-	-
Due from other governments	176,542	41,799	218,341	-
Inventories	2,909	2,436	5,345	1,660
Other	11,922	1,855	13,777	2,734
Total current assets	372,305	93,818	466,123	160,427
Noncurrent assets:				
Restricted assets:				
Cash and cash equivalents	65,990	8,286	74,276	60,218
Funds held by trustee	-	-	-	23,511
Custodial accounts	-	675	675	-
Securities in lieu of retained percentages	111	-	111	-
Capital assets, net of accumulated depreciation	732,040	499,294	1,231,334	641,435
Net pension asset	-	-	-	1,190
Other	-	348	348	8,168
Total noncurrent assets	798,141	508,603	1,306,744	734,522
Total assets	1,170,446	602,421	1,772,867	894,949
DEFERRED OUTFLOWS OF RESOURCES				
Deferred loss on refunding	513	48	561	511
Pension	92,328	20,334	112,662	3,700
Other postemployment benefits	249	-	249	21,655
Total deferred outflows of resources	93,090	20,382	113,472	25,866
LIABILITIES				
Current liabilities:				
Accounts payable and accrued liabilities	131,041	27,282	158,323	22,171
Accrued interest payable	3,133	1,607	4,740	3,032
Due to other governments	119,452	-	119,452	-
Unearned revenue	5,051	28	5,079	9,349
Notes payable	51,925	43,385	95,310	-
Current portion of:				
Capital leases payable	356	743	1,099	379
Bonds payable	39,662	17,644	57,306	14,390
Total current liabilities	350,620	90,689	441,309	49,321
Noncurrent liabilities:				
Capital leases payable	336	3,370	3,706	268
Bonds payable	615,767	160,955	776,722	159,409
Net pension liability	26,479	8,087	34,566	4,938
Total other postemployment benefits	490,744	58,766	549,510	296,866
Patient funds held in trust	-	675	675	-
Other long-term liabilities	58,959	304	59,263	5,658
Total noncurrent liabilities	1,192,285	232,157	1,424,442	467,139
Total liabilities	1,542,905	322,846	1,865,751	516,460
DEFERRED INFLOWS OF RESOURCES				
Deferred gain on refunding	161	57	218	-
Pension	102,962	19,966	122,928	18,576
Other postemployment benefits	45,009	4,263	49,272	17,445
Deferred revenue	-	-	-	3,302
Community Development loan repayments	10,021	-	10,021	-
Total deferred inflows of resources	158,153	24,286	182,439	39,323
NET POSITION				
Net investment in capital assets	537,335	284,627	821,962	420,094
Restricted for:				
Debt service	19,970	258	20,228	7,284
Capital projects	7,091	-	7,091	-
Nonexpendable	-	-	-	5,787
Expendable	-	-	-	24,635
Grants, Trust and Other Purposes	13,478	-	13,478	-
Passenger facility charges	-	-	-	344
Unrestricted (deficit)	(1,015,396)	(9,214)	(1,024,610)	(93,112)
Total net position	$ (437,522)	$ 275,671	$ (161,851)	$ 365,032

The notes to the basic financial statements are an integral part of this statement.

DRAFTv1

DRAFTv1

COUNTY OF MONROE, NEW YORK
STATEMENT OF ACTIVITIES
FOR THE YEAR ENDED DECEMBER 31, 2018
(000's Omitted)

		Program Revenues			Net (Expense) Revenue and Changes in Net Position			
					Primary Government			
Function/Programs	**Expenses**	**Charges for Services**	**Operating Grants and Contributions**	**Capital Grants and Contributions**	**Governmental Activities**	**Business-type Activities**	**Total**	**Component Units**
Primary government:								
Governmental activities:								
General government	$ 407,111	$ 41,210	$ 5,261	$ 366	$ (360,274)	$ -	$ (360,274)	
Public safety	246,288	13,869	31,569	2,583	(198,267)	-	(198,267)	
Health and welfare	535,440	3,766	260,818	-	(270,856)	-	(270,856)	
Culture, recreation and education	94,038	32,886	21,943	2,254	(36,955)	-	(36,955)	
Transportation	53,985	10,739	9,655	7,780	(25,811)	-	(25,811)	
Sanitation	75	-	-	-	(75)	-	(75)	
Economic development	2,377	-	2,377	-	-	-	-	
Interest on bonds and notes payable	25,530	-	-	-	(25,530)	-	(25,530)	
Total governmental activities	1,364,844	102,470	331,623	12,983	(917,768)	-	(917,768)	
Business-type activities:								
Solid Waste	13,761	7,461	3	-	-	(6,297)	(6,297)	
Airport	30,887	19,460	129	64,327	-	53,029	53,029	
Hospital	68,866	62,660	117	-	-	(6,089)	(6,089)	
Pure Waters	76,877	62,924	125	1,929	-	(11,899)	(11,899)	
Energy	15,193	15,202	-	-	-	9	9	
Total business-type activities	205,584	167,707	374	66,256	-	28,753	28,753	
Total primary government	1,570,428	270,177	331,997	79,239	(917,768)	28,753	(889,015)	
Component units:								
Major Component Units:								
Community College	178,299	41,284	130,340	2,994				(3,681)
Airport Authority	31,572	31,817	-	(2,059)				(1,814)
Water Authority	69,710	70,022	-	3,375				3,687
Non-Major Component Units	2,249	2,307	173	-				231
Total component units	$ 281,830	$ 145,430	$ 130,513	$ 4,310				(1,577)
General revenues:								
Taxes:								
Property tax and tax items					406,398	-	406,398	-
Sales and other taxes					506,420	-	506,420	-
Tobacco settlement revenues					9,847	-	9,847	-
Interest earnings					2,265	913	3,178	4,456
Miscellaneous revenue					4,797	9,424	14,221	141
Transfers					735	(735)	-	-
Total general revenues					930,462	9,602	940,064	4,597
Change in net position					12,694	38,355	51,049	3,020
Net position-beginning, as restated, see note 1P					(450,216)	237,316	(212,900)	362,012
Net position-ending					$ (437,522)	$ 275,671	$ (161,851)	$ 365,032

The notes to the basic financial statements are an integral part of this statement.

COUNTY OF MONROE, NEW YORK
BALANCE SHEET
GOVERNMENTAL FUNDS
AS OF DECEMBER 31, 2018
(000's Omitted)

	Major Governmental Funds		Nonmajor Governmental Funds	Total Governmental Funds
	General	Capital Projects		
ASSETS				
Cash and cash equivalents	$ 37,519	$ -	$ 32,752	$ 70,271
Accounts receivables, net:				
Taxes and assessments	9,926	-	-	9,926
Returned school taxes	21,813	-	-	21,813
Other receivables	3,034	-	19,495	22,529
Due from other funds	48,803	-	1,311	50,114
Due from other governments:				
State and Federal - social services	79,082	-	-	79,082
State and Federal - other	58,200	4,300	6,429	68,929
Local governments	22,607	-	5,068	27,675
Inventories	1,522	-	879	2,401
Restricted assets:				
Cash and cash equivalents	-	26,946	19,727	46,673
Securities in lieu of retained percentages	-	111	-	111
Other assets	10,532	-	120	10,652
Total assets	293,038	31,357	85,781	410,176
LIABILITIES, DEFERRED INFLOWS OF RESOURCES AND FUND BALANCES				
Liabilities:				
Accounts payable and accrued liabilities	53,962	8,363	3,598	65,923
Due to other funds	-	13,114	11,500	24,614
Due to other governments	118,112	-	300	118,412
Unearned revenue	4,972	-	-	4,972
Notes payable	45,000	5,525	-	50,525
Total liabilities	222,046	27,002	15,398	264,446
Deferred inflows of resources:				
Community Development loan repayments	-	-	10,021	10,021
Deferred property tax revenue	10,083	-	-	10,083
Tobacco settlement revenue	-	-	9,126	9,126
Total deferred inflows of resources	10,083	-	19,147	29,230
Fund balances:				
Nonspendable	30,814	-	999	31,813
Restricted	1,927	21,080	31,278	54,285
Committed	3,602	-	3,152	6,754
Assigned	8,840	-	15,807	24,647
Unassigned	15,726	(16,725)	-	(999)
Total fund balances	60,909	4,355	51,236	116,500
Total liabilities, deferred inflows of resources and fund balances	$ 293,038	$ 31,357	$ 85,781	$ 410,176

The notes to the basic financial statements are an integral part of this statement.

DRAFTv1

COUNTY OF MONROE, NEW YORK
RECONCILIATION OF THE GOVERNMENTAL FUNDS BALANCE SHEET
TO THE STATEMENT OF NET POSITION
AS OF DECEMBER 31, 2018
(000's Omitted)

Total fund balances - governmental funds		$ 116,500
Amounts reported for governmental activities in the statement of net position are different because:		
Capital assets used in governmental activities are not financial resources and therefore are not reported in the funds. These assets consist of:		
Nondepreciable assets:		
Land	27,932	
Assets under construction	42,413	
	70,345	
Depreciable assets:		
Buildings	131,179	
Infrastructure	1,011,798	
Improvements other than buildings	162,850	
Machinery and equipment	136,151	
Accumulated depreciation	(888,681)	
	553,297	
Total capital assets		623,642
Internal service funds are used by management to charge the costs of certain activities to individual funds. The assets, deferred outflows, liabilities and deferred inflows of the internal service funds are included in governmental activities in the statement of net position.		15,665
Some of the County's revenues will be collected after year-end but are not available soon enough to pay for the current period's expenditures and therefore are deferred in the funds.		19,209
Deferred inflows and outflows of resources amortized over multiple years are not reported in the funds. Those items included in the governmental activities in the statement of net position consist of:		
Deferred gain on refunding	(129)	
Deferred loss on refunding	510	
Total deferred inflows/outflows of resources		381
Some liabilities and deferred inflows and outflows of resources are not due and payable or available in the current period and therefore are not reported in the funds. Those included in the governmental activities in the statement of net position consist of:		
Compensated absences	(26,588)	
Bonds payable	(583,130)	
Capital leases payable	(692)	
Accrued interest on bonds	(2,840)	
Long-term retirement costs	(61,243)	
Postemployment benefits other than pensions	(527,630)	
Federal, State and other liabilities	(10,796)	
Total liabilities and deferred inflows and outflows of resources		(1,212,919)
Net position of governmental activities		$ (437,522)

The notes to the basic financial statements are an integral part of this statement.

DRAFTv1

COUNTY OF MONROE, NEW YORK
STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES
GOVERNMENTAL FUNDS
FOR THE YEAR ENDED DECEMBER 31, 2018
(000's Omitted)

	Major Governmental Funds		Nonmajor Governmental Funds	Total Governmental Funds
	General	Capital Projects		
REVENUES:				
Real property tax	$ 381,881	$ -	$ -	$ 381,881
Sales and other taxes	506,420	-	-	506,420
Federal aid	117,932	4,407	2,982	125,321
State aid	173,720	5,453	9,605	188,778
Charges for services	26,650	-	6,782	33,432
Intergovernmental	40,738	-	8,873	49,611
Interdepartmental	1,877	-	7	1,884
Use of money and property	7,878	-	316	8,194
Repayments and refunds	16,112	-	71	16,183
Payments in lieu of taxes	7,872	-	-	7,872
Tobacco settlement	-	-	10,290	10,290
Miscellaneous	18,770	2,295	3,010	24,075
Total revenues	1,299,850	12,155	41,936	1,353,941
EXPENDITURES:				
Current:				
Health and welfare	531,972	-	-	531,972
Public safety	242,642	-	3,040	245,682
Culture, recreation and education	74,927	-	11,167	86,094
General government	381,214	-	270	381,484
Transportation	3,524	-	19,536	23,060
Economic development	-	-	2,377	2,377
Debt service:				
Principal retirement	-	-	32,239	32,239
Bond issuance costs	-	-	432	432
Interest and fiscal charges	-	-	22,694	22,694
Capital outlays	-	48,992	-	48,992
Total expenditures	1,234,279	48,992	91,755	1,375,026
Excess (deficiency) of revenues over (under) expenditures	65,571	(36,837)	(49,819)	(21,085)
OTHER FINANCING SOURCES (USES):				
Bonds issued	-	36,886	-	36,886
Premium on bonds issued	-	-	3,628	3,628
Transfers in	-	2,126	59,690	61,816
Transfers out	(43,801)	(2,761)	(13,090)	(59,652)
Total other financing sources (uses)	(43,801)	36,251	50,228	42,678
Changes in fund balances	21,770	(586)	409	21,593
Fund balances at beginning of year	39,139	4,941	50,827	94,907
Fund balances at end of year	$ 60,909	$ 4,355	$ 51,236	$ 116,500

The notes to the basic financial statements are an integral part of this statement.

DRAFTv1

COUNTY OF MONROE, NEW YORK
RECONCILIATION OF THE STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES
OF GOVERNMENTAL FUNDS TO THE STATEMENT OF ACTIVITIES
FOR THE YEAR ENDED DECEMBER 31, 2018
(000's Omitted)

Net change in fund balances - total governmental funds		$ 21,593
Amounts reported for governmental activities in the statement of activities are different because:		
The issuance of debt provides current financial resources to governmental funds. Also, governmental funds report the effect of refunding gain/loss, accreted interest and similar items when debt is first issued, whereas these amounts are deferred and amortized in the statement of activities.		
Proceeds of bonds	(36,886)	
Deferred refunding gain/loss, net	(21)	
Interest accreted on capital appreciation debt, net	(6,273)	
Total proceeds/additions		(43,180)
Repayment of bond principal and related activity is reported as an expenditure and an other financing use in governmental funds and, thus, has the effect of reducing fund balance because current financial resources have been used. The principal payments reduce the liabilities in the statement of net position and do not result in an expense in the statement of activities. Also, governmental funds report the effect of premiums, discounts and similar items when debt is first issued, whereas these amounts are deferred and amortized in the statement of activities.		
Principal retirement	32,239	
Premium/Discount on bond issuance	(1,078)	
Total repayments/deductions		31,161
Internal service funds are used by management to charge the costs of certain activities to individual funds. The change in net position of the internal service funds is reported in governmental activities.		(2,024)
Some revenues will not be collected for several months after the County's fiscal year end. They are not considered "available" revenues and are reported as deferred inflows of resources in the governmental funds. Deferred inflows of resources increased by this amount this year.		479
Governmental funds report capital outlays as expenditures. However, in the statement of activities the cost of those assets is allocated over their estimated useful lives.		
Capital outlays	42,283	
Capital grants and contributions	512	
Loss on retirement of capital assets	(6,512)	
Depreciation expense	(38,421)	
Excess(deficiency) of capital outlays over depreciation expense		(2,138)
Certain expenses reported in the statement of activities do not require the use of current financial resources and therefore are not reported as expenditures in governmental funds. These activities consist of:		
Change in accrued interest	(170)	
Change in capital leases payable	371	
Change in compensated absences	(158)	
Change in long-term retirement costs	13,599	
Change in postemployment benefits other than pensions	500	
Change in Federal, State and other liabilities	(7,339)	
Total additional expenditures		6,803
Change in net position of governmental activities		$ 12,694

The notes to the basic financial statements are an integral part of this statement.

DRAFTv1

COUNTY OF MONROE, NEW YORK
STATEMENT OF NET POSITION
PROPRIETARY FUNDS
AS OF DECEMBER 31, 2018
(000's Omitted)

	Business-type Activities - Enterprise Funds						Governmental Activities - Internal Service Funds
	Solid Waste	Airport	Hospital	Pure Waters	Energy	Total	
ASSETS							
Current assets:							
Cash and cash equivalents	$ 45	$ 94	$ 8,926	$ 46,269	$ 77	$ 55,411	$ 30,559
Accounts receivables, net	3,532	547	12,031	1,707	-	17,817	334
Due from other governments:							
State and Federal - other	-	17,364	-	211	-	17,575	412
Local governments	311	21,662	-	57	2,194	24,224	444
Inventories	-	-	407	1,934	95	2,436	508
Other assets	7	206	924	336	382	1,855	1,270
Total current assets	3,895	39,873	22,288	50,514	2,748	119,318	33,527
Noncurrent assets:							
Estimated third party settlements	-	-	348	-	-	348	-
Restricted assets:							
Cash and cash equivalents	67	303	148	7,768	-	8,286	19,317
Custodial accounts	-	-	675	-	-	675	-
Capital assets, net of accumulated depreciation	11,535	232,908	20,455	234,396	-	499,294	108,398
Total noncurrent assets	11,602	233,211	21,626	242,164	-	508,603	127,715
Total assets	15,497	273,084	43,914	292,678	2,748	627,921	161,242
DEFERRED OUTFLOWS OF RESOURCES							
Deferred loss on refunding	19	3	12	14	-	48	3
Pension	16	2,545	12,697	5,076	-	20,334	2,433
Other postemployment benefits	-	-	-	-	-	-	249
Total deferred outflows of resources	$ 35	$ 2,548	$ 12,709	$ 5,090	$ -	$ 20,382	$ 2,685

(continued)

DRAFTv1

COUNTY OF MONROE, NEW YORK
STATEMENT OF NET POSITION
PROPRIETARY FUNDS
AS OF DECEMBER 31, 2018
(000's Omitted)

	Business-type Activities - Enterprise Funds						Governmental Activities - Internal Service Funds
	Solid Waste	Airport	Hospital	Pure Waters	Energy	Total	
LIABILITIES							
Current liabilities:							
Accounts payable and accrued liabilities	$ 1,912	$ 9,123	$ 8,119	$ 6,669	$ 1,459	$ 27,282	$ 49,562
Accrued interest payable	20	364	320	903	-	1,607	293
Due to other funds	-	3,800	-	-	1,200	5,000	-
Due to other governments	-	-	-	-	-	-	958
Unearned revenue	-	-	28	-	-	28	79
Notes payable	-	28,385	15,000	-	-	43,385	1,400
Current portion of:							
Capital leases payable	-	-	743	-	-	743	-
Bonds payable	1,156	1,114	2,185	13,189	-	17,644	7,059
Total current liabilities	3,088	42,786	26,395	20,761	2,659	95,689	59,351
Noncurrent liabilities:							
Due to other funds	20,500	-	-	-	-	20,500	-
Capital leases payable	-	-	3,370	-	-	3,370	-
Bonds payable	3,110	9,205	8,845	139,795	-	160,955	65,240
Net pension liability	16	976	5,356	1,739	-	8,087	766
Total other postemployment benefits	355	9,420	25,470	23,521	-	58,766	7,749
Patient funds held in trust	-	-	675	-	-	675	-
Other long-term liabilities	2	204	31	67	-	304	12,085
Total noncurrent liabilities	23,983	19,805	43,747	165,122	-	252,657	85,840
Total liabilities	27,071	62,591	70,142	185,883	2,659	348,346	145,191
DEFERRED INFLOWS OF RESOURCES							
Deferred gain on refunding	-	-	-	57	-	57	32
Pension	3	2,147	12,450	5,366	-	19,966	2,665
Other postemployment benefits	33	722	1,475	2,033	-	4,263	374
Total deferred inflows of resources	36	2,869	13,925	7,456	-	24,286	3,071
NET POSITION							
Net investment in capital assets	7,325	186,296	5,288	85,718	-	284,627	28,436
Restricted for:							
Debt service	-	-	18	240	-	258	243
Capital projects	-	-	-	-	-	-	7,091
Unrestricted (deficit)	(18,900)	23,876	(32,750)	18,471	89	(9,214)	(20,105)
Total net position (deficit)	$ (11,575)	$ 210,172	$ (27,444)	$ 104,429	$ 89	$ 275,671	$ 15,665

The notes to the basic financial statements are an integral part of this statement.

COUNTY OF MONROE, NEW YORK
STATEMENT OF REVENUES, EXPENSES AND CHANGES IN NET POSITION
PROPRIETARY FUNDS
FOR THE YEAR ENDED DECEMBER 31, 2018
(000's Omitted)

	Business-type Activities - Enterprise Funds						Governmental Activities- Internal Service Funds
	Solid Waste	Airport	Hospital	Pure Waters	Energy	Total	
Operating revenues:							
Charges for services	$ 7,461	$ 19,436	$ 61,660	$ 62,916	$ 15,202	$ 166,675	$ 8,162
Interdepartmental	-	-	-	-	-	-	124,039
Repayments and refunds	-	24	1,000	8	-	1,032	25
Miscellaneous	6,685	-	2,126	338	-	9,149	149
Total operating revenues	14,146	19,460	64,786	63,262	15,202	176,856	132,375
Operating expenses:							
Personnel services	258	5,484	27,626	10,156	-	43,524	4,928
Employee benefits	105	2,821	11,465	5,207	-	19,598	2,333
Contractual	12,287	3,610	14,363	14,953	15,193	60,406	100,427
Depreciation and amortization	677	12,088	2,790	31,493	-	47,048	9,372
Other	231	5,832	11,983	8,711	-	26,757	13,803
Total operating expenses	13,558	29,835	68,227	70,520	15,193	197,333	130,863
Operating income (loss)	588	(10,375)	(3,441)	(7,258)	9	(20,477)	1,512
Nonoperating revenues (expenses):							
Federal aid	3	129	117	34	-	283	50
State aid	-	-	-	91	-	91	469
Use of money and property	3	23	2	885	-	913	144
Interest and fiscal charges	(201)	(1,046)	(617)	(5,839)	-	(7,703)	(2,722)
Gain (loss) on disposal of capital assets	-	(5)	-	-	-	(5)	32
Other income (expense)	273	(1)	(22)	(518)	-	(268)	(237)
Capital projects							
Federal aid	-	3,813	-	-	-	3,813	-
State aid	-	32,549	-	1,749	-	34,298	168
Local share and passenger facility charges	-	27,965	-	-	-	27,965	-
Total nonoperating revenues (expenses)	78	63,427	(520)	(3,598)	-	59,387	(2,096)
Income (loss) before contributions and transfers	666	53,052	(3,961)	(10,856)	9	38,910	(584)
Contributions and transfers:							
Capital contributions	-	-	-	180	-	180	(11)
Transfers in	-	-	-	-	-	-	2,211
Transfers out	-	-	(735)	-	-	(735)	(3,640)
Total contributions and transfers	-	-	(735)	180	-	(555)	(1,440)
Change in net position (deficit)	666	53,052	(4,696)	(10,676)	9	38,355	(2,024)
Net position (deficit)-beginning of year, as restated, see note 1P	(12,241)	157,120	(22,748)	115,105	80	237,316	17,689
Total net position (deficit) at end of year	$ (11,575)	$ 210,172	$ (27,444)	$ 104,429	$ 89	$ 275,671	$ 15,665

The notes to the basic financial statements are an integral part of this statement.

DRAFTv1

COUNTY OF MONROE, NEW YORK
STATEMENT OF CASH FLOWS
PROPRIETARY FUNDS
FOR THE YEAR ENDED DECEMBER 31, 2018
(000's Omitted)

	Business-type Activities - Enterprise Funds						Governmental Activities- Internal Service Funds
	Solid Waste	Airport	Hospital	Pure Waters	Energy	Total	
CASH FLOWS FROM OPERATING ACTIVITIES							
Cash received from providing services	$ 6,486	$ 20,004	$ 63,600	$ 62,444	$ 15,096	$ 167,630	$ 7,645
Cash received from other funds for services	-	-	-	-	-	-	124,039
Payments to or on behalf of employees	(366)	(8,174)	(38,775)	(15,598)	-	(62,913)	(11,904)
Payments to suppliers	(12,179)	320	(14,601)	(17,230)	(14,924)	(58,614)	(27,356)
Payments for interfund services	(17)	(6,631)	(11,526)	(6,690)	-	(24,864)	(13,577)
Claims paid	-	-	-	-	-	-	(75,795)
Other receipts (payments)	6,384	(24,541)	(3,086)	(39)	146	(21,136)	13,195
Net cash provided by (used in) operating activities	308	(19,022)	(4,388)	22,887	318	103	16,247
CASH FLOWS FROM NONCAPITAL FINANCING ACTIVITIES							
Federal aid	3	129	117	34	-	283	50
State aid	-	-	-	91	-	91	469
Proceeds from revenue anticipation notes	-	-	15,000	-	-	15,000	-
Principal payments on revenue anticipation notes	-	-	(15,000)	-	-	(15,000)	-
Receipts from other funds	800	2,250	-	-	-	3,050	-
Payments to other funds	-	-	-	-	(300)	(300)	-
Transfers in	-	-	-	-	-	-	1,309
Transfers out	-	-	(735)	-	-	(735)	(3,640)
Net cash provided by (used in) noncapital financing activities	803	2,379	(618)	125	(300)	2,389	(1,812)
CASH FLOWS FROM CAPITAL AND RELATED FINANCING ACTIVITIES							
Interest paid	(200)	(1,046)	(616)	(5,839)	-	(7,701)	(2,722)
Proceeds from the issuance of notes	-	28,385	-	-	-	28,385	1,400
Proceeds from the issuance of bonds	190	-	1,813	19,889	-	21,892	19,037
Principal paid on notes	(80)	(28,385)	(940)	-	-	(29,405)	(3,735)
Principal paid on bonds	(1,102)	(1,300)	(2,339)	(13,844)	-	(18,585)	(5,635)
Premium from the issuance of bonds	8	-	121	802	-	931	1,150
Federal aid	-	3,813	-	-	-	3,813	-
State aid	-	32,549	-	1,749	-	34,298	-
Local share and passenger facility charges	-	27,965	-	-	-	27,965	-
Capital contributions	-	-	-	180	-	180	(11)
Change in principal on capital leases	-	-	(707)	-	-	(707)	-
Acquisition and construction of capital assets	(122)	(66,108)	(3,245)	(18,718)	-	(88,193)	(20,677)
Other receipts (payments)	275	-	-	(275)	-	-	1,070
Net cash provided by (used in) capital and related financing activities	$ (1,031)	$ (4,127)	$ (5,913)	$ (16,056)	$ -	$ (27,127)	$ (10,123)

(continued)

COUNTY OF MONROE, NEW YORK
STATEMENT OF CASH FLOWS
PROPRIETARY FUNDS
FOR THE YEAR ENDED DECEMBER 31, 2018
(000's Omitted)

	Business-type Activities - Enterprise Funds						Governmental Activities- Internal Service Funds
	Solid Waste	Airport	Hospital	Pure Waters	Energy	Total	
CASH FLOWS FROM INVESTING ACTIVITIES							
Receipts from use of money and property	$ 3	$ 24	$ 2	$ 885	$ -	$ 914	$ 144
Net cash provided by investing activities	3	24	2	885	-	914	144
Net increase (decrease) in cash and cash equivalents	83	(20,746)	(10,917)	7,841	18	(23,721)	4,456
Cash and cash equivalents, beginning of year	29	21,143	13,819	46,196	59	81,246	45,420
Cash and cash equivalents, end of year	112	397	2,902	54,037	77	57,525	49,876
Classified as:							
Cash and cash equivalents - unrestricted	45	94	8,926	46,269	77	55,411	30,559
Cash and cash equivalents - restricted	67	303	148	7,768	-	8,286	19,317
Total cash and cash equivalents	112	397	9,074	54,037	77	63,697	49,876
Reconciliation of operating income (loss) to net cash provided by operating activities:							
Operating income (loss)	588	(10,375)	(3,441)	(7,258)	9	(20,477)	1,512
Adjustments to reconcile operating income (loss) to net cash provided by operations:							
Depreciation and amortization	677	12,088	2,790	31,493	-	47,048	9,372
Change in:							
Accounts receivable	(975)	568	1,940	(472)	-	1,061	(332)
Due from other governments	(296)	(24,579)	-	(75)	(106)	(25,056)	(304)
Inventories	-	-	(51)	(307)	(11)	(369)	8
Other assets	(5)	(511)	(2,869)	(1,259)	157	(4,487)	5
Accounts payable, accrued and other liabilities	286	1,420	(7,287)	(5,329)	269	(10,641)	6,505
Deferred inflows - pensions	-	1,645	9,227	4,101	-	14,973	50
Deferred inflows - other postemployment benefits	33	722	1,475	2,033	-	4,263	(509)
Due to other governments	-	-	-	(40)	-	(40)	(60)
Net cash provided by operating activities	$ 308	$ (19,022)	$ 1,784	$ 22,887	$ 318	$ 6,275	$ 16,247

The notes to the basic financial statements are an integral part of this statement.

COUNTY OF MONROE, NEW YORK
STATEMENT OF FIDUCIARY NET POSITION
FIDUCIARY FUNDS
AS OF DECEMBER 31, 2018
(000's Omitted)

	Private Purpose	Agency
ASSETS		
Restricted cash and cash equivalents	$ 30	$ 25,453
Accounts receivable	-	1
Total assets	30	25,454
LIABILITIES		
Accounts payable and accrued expenses	-	25,454
NET POSITION		
Held in trust for private purpose	$ 30	$ -

The notes to the basic financial statements are an integral part of this statement.

DRAFTv1

COUNTY OF MONROE, NEW YORK
STATEMENT OF CHANGES IN FIDUCIARY NET POSITION
FIDUCIARY FUNDS
FOR THE YEAR ENDED DECEMBER 31, 2018
(000's Omitted)

	Private Purpose
ADDITIONS	
Miscellaneous revenue	$ 22
Total additions	22
DEDUCTIONS	
Payments in accordance with trust agreements	21
Change in net position	1
Net position at beginning of year	29
Net position at end of year	$ 30

The notes to the basic financial statements are an integral part of this statement.

DRAFTv1

COUNTY OF MONROE, NEW YORK
COMBINING STATEMENT OF NET POSITION
DISCRETELY PRESENTED COMPONENT UNITS
AS OF DECEMBER 31, 2018
(000's Omitted)

	Major Component Units				
	Community College (Year End 8/31/18)	Airport Authority	Water Authority	Non-Major Component Units	Total
ASSETS					
Current assets:					
Cash and cash equivalents	$ 7,593	$ 12,964	$ 63,264	$ 7,941	$ 91,762
Investments	39,165	-	-	-	39,165
Accounts receivables, net	11,077	770	13,193	66	25,106
Inventories	-	-	1,660	-	1,660
Other assets	1,721	-	1,006	7	2,734
Total current assets	59,556	13,734	79,123	8,014	160,427
Noncurrent assets:					
Restricted assets:					
Cash and cash equivalents	54,660	5,558	-	-	60,218
Funds held by trustee	-	8,413	15,098	-	23,511
Capital assets, net of accumulated depreciation	214,613	9,851	416,969	2	641,435
Net pension asset	1,190	-	-	-	1,190
Other assets	7,543	-	-	625	8,168
Total noncurrent assets	278,006	23,822	432,067	627	734,522
Total assets	337,562	37,556	511,190	8,641	894,949
DEFERRED OUTFLOWS OF RESOURCES					
Deferred loss on refunding	-	-	511	-	511
Other postemployment benefits	-	-	3,700	-	3,700
Pension	14,661	-	6,944	50	21,655
Total deferred outflows of resources	14,661	-	11,155	50	25,866
LIABILITIES					
Current liabilities:					
Accounts payable and accrued liabilities	10,672	1,886	9,013	600	22,171
Accrued interest payable	-	234	2,798	-	3,032
Unearned revenue	9,102	247	-	-	9,349
Current portion of:					
Capital leases payable	48	-	331	-	379
Bonds payable	955	8,575	4,860	-	14,390
Total current liabilities	20,777	10,942	17,002	600	49,321
Noncurrent liabilities:					
Capital leases payable	268	-	-	-	268
Bonds payable	30,395	1,615	127,399	-	159,409
Net pension liability	3,041	-	1,884	13	4,938
Total other postemployment benefits	241,968	-	54,898	-	296,866
Other long-term liabilities	5,658	-	-	-	5,658
Total noncurrent liabilities	281,330	1,615	184,181	13	467,139
Total liabilities	302,107	12,557	201,183	613	516,460
DEFERRED INFLOWS OF RESOURCES					
Pension	12,422	-	6,105	49	18,576
Other postemployment benefits	9,924	-	7,521	-	17,445
Deferred revenue	3,302	-	-	-	3,302
Total deferred inflows of resources	25,648	-	13,626	49	39,323
NET POSITION					
Net investment in capital assets	191,224	(339)	229,208	1	420,094
Restricted for:					
Debt service	-	4,431	2,853	-	7,284
Nonexpendable	5,787	-	-	-	5,787
Expendable	24,635	-	-	-	24,635
Passenger facility charges	-	344	-	-	344
Unrestricted (deficit)	(197,178)	20,563	75,475	8,028	(93,112)
Total net position	$ 24,468	$ 24,999	$ 307,536	$ 8,029	$ 365,032

The notes to the financial statements are an integral part of this statement.

DRAFTv1

COUNTY OF MONROE, NEW YORK
COMBINING STATEMENT OF ACTIVITIES
DISCRETELY PRESENTED COMPONENT UNITS
FOR THE YEAR ENDED DECEMBER 31, 2018
(000's Omitted)

	Major Component Units				
	Community College (Year End 8/31/18)	Airport Authority	Water Authority	Non-Major Component Units	Total
Expenses	$ 178,299	$ 31,572	$ 69,710	$ 2,249	$ 281,830
Program revenues:					
Charges for services	41,284	31,817	70,022	2,307	145,430
Operating grants and contributions	130,340	-	-	173	130,513
Capital grants and contributions	2,994	(2,059)	3,375	-	4,310
Total program revenues	174,618	29,758	73,397	2,480	280,253
Net program revenue	(3,681)	(1,814)	3,687	231	(1,577)
General revenues:					
Unrestricted investment earnings	1,495	94	2,864	3	4,456
Miscellaneous revenue	-	-	1	140	141
Change in net position	(2,186)	(1,720)	6,552	374	3,020
Net Position, beginning of year, as restated, see note 1P	26,654	26,719	300,984	7,655	362,012
Total net position at end of year	$ 24,468	$ 24,999	$ 307,536	$ 8,029	$ 365,032

The notes to the basic financial statements are an integral part of this statement.

DRAFTv1

1. **Background and Summary of Significant Accounting Policies**

A. **Background**

The County of Monroe (County) was established in 1821 and is governed by the County Charter, general laws of the State of New York, and various local laws. The County is New York State's third largest industrial and commercial center. The County Executive is the Chief Executive Officer and the administrative head of the County with authority to approve or veto any local law, legalizing act or resolution adopted by the County Legislature. The County Executive is elected in a general county-wide election to serve a four-year term, subject to a limit of three four-year terms. The County is divided into 29 legislative districts with an elected legislator representing each district in the County Legislature. County Legislators may serve for two four-year terms and one two-year term during a ten year cycle. The County Legislature is the legislative, appropriating and governing body of the County. The County provides its residents with diverse services. Programs provided are human services, public safety, public and mental health, wastewater management, public works, economic development, culture, education and recreation programs. Public facilities available are the Greater Rochester International Airport (ROC), Monroe Community Hospital (the Hospital), Monroe Community College (MCC), and County parks.

The County's financial statements are prepared in accordance with U.S. generally accepted accounting principles (GAAP). The Governmental Accounting Standards Board (GASB), which is the primary standard-setting body for establishing governmental accounting and financial reporting principles, is responsible for establishing GAAP for state and local governments through its Statements and Interpretations. The more significant accounting policies used by the County are discussed below.

B. **Financial Reporting Entity**

The financial reporting entity consists of the County (primary government) and organizations for which the primary government is financially accountable, and organizations where the nature and significance of their relationship with the County is such that exclusion would cause the County's financial statements to be misleading or incomplete. Blended component units, although legally separate entities, are in substance, part of the government's operations and are therefore reported within the County's financial statements. Discretely presented component units, both major and nonmajor, are reported in a separate column in the government-wide financial statements to emphasize that they are legally separate from the government.

Based upon the foregoing criteria and the significant factors presented below, the following organizations, functions, or activities are included as blended component units of the primary government, discretely presented component units or related organizations and joint ventures:

Monroe Community College – Major Discretely Presented Component Unit

MCC was founded in 1961 with the County as the local sponsor under provisions of Article 126 of the New York State Education Law. MCC is administered by a Board of Trustees consisting of ten voting members; five are appointed by the County Legislature, four by the Governor, and one student is elected by the student body. MCC's budget is subject to the approval of the County Executive and the County Legislature, with the County providing funding for one-half of the capital costs and a portion of the operating costs for MCC. As a result, MCC, a legally separate entity, is included as a discretely presented component unit within the County's basic financial statements.

MCC has its own financial system, which is independent of the County's centralized financial system, which accounts for resources received and used. A fiscal year ending August 31 is mandated by state law for MCC. Certain amounts have been reclassified to conform to the County's presentation. Requests for financial statements may be made in writing to Monroe Community College, Controller's Office, 1000 East Henrietta Road, Rochester, New York 14623.

Monroe County Airport Authority – Major Discretely Presented Component Unit

The Monroe County Airport Authority (Airport Authority) is a public benefit corporation organized under the Public Authorities Law of the State of New York on October 1, 1989. The Airport Authority was created to finance, construct and develop aviation facilities. The oversight body is the Airport Authority board which is appointed by the County Legislature on the recommendation of the County Executive. The chairperson is appointed by the County Executive. Pursuant to a lease and operating agreement, the Airport Authority leases the properties comprising the Airport from the County. The lease was set to expire thirty (30) days after repayment of the Airport revenue bonds, which were repaid on January 1, 2019. However, in October 2018, the Airport Authority issued $2.0 million in new Airport revenue bonds with a five-year life with a final maturity date of October 1, 2023 that extends the term of the lease. A separate legal entity, the Airport Authority is included as a discretely presented component unit within the County's basic financial statements due to the County's ability to impose will.

The Airport Authority reimburses the County for expenses incurred in the administration and operation of the Airport. The charges to the Airport Authority for the year ended December 31, 2018 were approximately $19.4 million. Upon expiration or earlier termination of the lease term, the Airport reverts to the County and the County will continue to administer and operate the Airport. Separate financial statements may be obtained from the Monroe County Airport Authority, 1200 Brooks Avenue, Rochester, New York 14624.

Monroe County Water Authority – Major Discretely Presented Component Unit

The Monroe County Water Authority (Water Authority) was established in 1951 as a public benefit corporation created by and existing under Title 5 of Article 5 of the Public Authorities Law of the State of New York. The Water Authority is authorized under the act to acquire, construct, develop, operate and manage water supply and water distribution systems within the County and the State of New York. The Water Authority maintains primary responsibility for the construction of water facilities. The Water Authority's seven-member board, which is appointed by the County Legislature, has complete responsibility for its management and financial operations. The County does not provide operating assistance to the Water Authority. However, the County Legislature's approval is needed for the Water Authority to issue bonded debt.

In 1969, the Water Authority entered into an agreement with the County whereby the Water Authority agreed to plan, construct, operate, manage, repair and maintain certain improvements to the water system which are financed and owned by the County and leased to the Water Authority for operation as part of the water system. The Water Authority's lease payments for such improvements are equal to the debt service costs associated with financing such improvements through the issuance of bonds or bond anticipation notes by the County. Currently, the County has approximately $0.3 million of bonds outstanding under this lease program with the Water Authority. Based upon the financial interdependence of this agreement and because the County must authorize all debt issuances of the Water Authority, the Water Authority is included as a discretely presented component unit within the County's basic financial statements.

The Water Authority has its own financial system, which is independent of the County's centralized financial system, which accounts for resources received and used. Requests for financial statements should be addressed in writing to the Director of Finance and Business Services, Monroe County Water Authority, 475 Norris Drive, Rochester, New York 14610.

County of Monroe Industrial Development Agency dba Imagine Monroe – Nonmajor Discretely Presented Component Unit

On June 6, 1972, the County of Monroe Industrial Development Agency (COMIDA) was established by a special act of the County Legislature under the New York State Industrial Development Act of 1969. In May 2017, COMIDA was re-branded and is now doing business as Imagine Monroe. Its purpose is to provide, develop, encourage and assist existing and new businesses to acquire, construct, reconstruct, improve, maintain, equip and furnish industrial facilities in the County. Imagine Monroe is a New York State not-for-profit public benefit corporation. Based on the authority that the County Legislature has to appoint or remove Imagine Monroe board members and significant influence the County can impose, Imagine Monroe is included as a discretely presented component unit within the County's basic financial statements. Imagine Monroe has its own financial system, which is independent of the County's centralized financial system, which accounts for resources received and used. Requests for financial statements from Imagine Monroe should be addressed in writing to Imagine Monroe, Business Office, 50 West Main Street, Suite 8100, Rochester, New York 14614.

DRAFTv1

Monroe Tobacco Asset Securitization Corporation - Blended Component Unit

Monroe Tobacco Asset Securitization Corporation (MTASC) is a special purpose, local development corporation organized under the laws of the State of New York. MTASC was established on May 11, 2000. MTASC is an instrumentality of the County, but is a separate legal entity from the County. MTASC will have not less than three nor more than five directors, consisting of two ex-officio positions including the County Executive and the Director of Finance, up to two additional directors selected by the member of MTASC (i.e. the County Executive, ex-officio, the "member") and one independent director appointed by the member of MTASC, and thus the County is able to impose its will on MTASC. Although legally separate from the County, MTASC is a component unit of the County and accordingly, is presented in the County's financial statements as a blended component unit due to the fact that it exclusively serves the County. MTASC is blended in the governmental activities and as a nonmajor governmental (debt service) fund. Separate financial statements may be obtained from the Monroe County Finance Department, 39 West Main Street, Rochester, New York 14614.

Related Organizations and Joint Ventures

Organizations for which a primary government is accountable because that government appoints a voting majority of the board, but is not financially accountable, are related organizations.

The Soil and Water Conservation District, which serves municipalities and landowners of the County, is considered a related organization of the County. Requests for financial statements from Monroe County Soil and Water Conservation District should be addressed in writing to: 1200A Scottsville Road Suite 160, Rochester, New York 14624.

C. **Non-Major Fund Deficits**

No deficits existed in the non-major funds at December 31, 2018.

D. **Basis of Presentation**

Government-wide Financial Statements

The government-wide financial statements (the statement of net position and the statement of activities) concentrate on the County as a whole and do not emphasize fund types but rather a governmental or a business-type activities classification, which are presented in separate columns. The governmental activities and business-type activities comprise the primary government and are reported separately from the discretely presented component units for which the County is accountable. General governmental and intergovernmental revenues support the governmental activities, whereas the business-type activities are primarily supported by charges for services.

Fiduciary funds are used to account for resources held for the benefit of parties outside the government. Fiduciary funds are not reflected in the government-wide financial statements because the resources of those funds are not available to support the County's own programs.

The statement of activities reflects the expenses of a given function or segment and demonstrates the extent to which they are offset by program revenues. Administrative overhead charges are included in function expenses. Program revenues are defined as charges for services, operating grants and contributions (which would include reimbursement for debt payments) and capital grants and contributions directly associated within a given function. Taxes and other revenues not associated with a specific function are reported under general revenues.

The effect of interfund activity has been removed from the government-wide financial statements. However, the interfund services between functions are not eliminated. The internal service activity has been eliminated except for the outside activity and is combined with the governmental activities on the government-wide financial statements.

Fund Financial Statements

Separate financial statements are provided for governmental funds, proprietary funds, and fiduciary funds, even though the latter are excluded from the government-wide financial statements. Major individual governmental funds and major individual enterprise funds are reported as separate columns in the fund financial statements.

Fund accounting is designed to demonstrate legal compliance and to aid financial management by segregating transactions related to certain government functions or activities. The accounts of the County are organized on the basis of funds, each of which is considered a separate accounting entity. The operations of each fund are accounted for with a separate set of self-balancing accounts that comprise its assets, liabilities, deferred inflows/outflows, fund equity/net position, revenues, and expenditures/expenses.

DRAFTv1

Governmental Fund Types

Governmental fund financial statements are reported using the current financial resources measurement focus and the modified accrual basis of accounting. Revenues are recognized as soon as they are both measurable and available. Revenues are considered to be available when they are collectible within the current period or soon enough thereafter to pay liabilities of the current period. For this purpose, the government considers certain revenues (i.e. property taxes) to be available if they are collected within 60 days after the end of the current fiscal period. Amounts due for State and Federal aid are generally considered available if they are expected to be collected within one year after the end of the current fiscal period. Expenditures generally are recorded when a liability is incurred, as under accrual accounting. However, debt service expenditures, as well as expenditures related to compensated absences, claims and judgments, and certain other long-term liabilities are recorded only when payment is due.

The County has the following two major governmental funds:

General Fund - is the County's principal operating fund. It is used to account for all financial resources except those required to be accounted for in other funds.

Capital Projects Fund - accounts for financial resources to be used for the acquisition of major equipment items and the construction of major capital facilities and other capital assets other than those accounted for in the proprietary funds and the discretely presented component units. Funds include capital project funds for general government, public safety and fire protection, transportation, cultural, recreation and education.

Proprietary Fund Types

All proprietary funds are major funds with the exception of the internal service funds, and are used to account for a government's business-type activities which are similar to those often found in the private sector. Proprietary fund types use the economic resources measurement focus and accrual basis of accounting. Proprietary funds are comprised of:

Enterprise Funds - The enterprise funds are used to account for operations that provide services primarily to customers other than governments outside the financial reporting entity and are financed primarily by user charges. The enterprise funds include:

Solid Waste Fund - accounts for the planning, development, operation and maintenance of County solid waste handling facilities. Substantially all revenues are from user fees and it is the County's intention that the solid waste operation be self-supporting.

Airport Fund - accounts for the operation and maintenance of the airport. The primary revenue source for the Airport fund is reimbursement from the Airport Authority.

Hospital Fund - accounts for the County's medical facility which provides for the care and treatment of the chronically ill and is comprised of a residential health care facility. It also provides out-patient services.

Pure Waters Fund - accounts for financing of wastewater related public improvements as well as operation and maintenance services deemed to benefit the properties against which user fees are charged.

Energy Fund - accounts for the buying and selling of gas and electric commodities in large quantities for consumption by the County and other local governments. With the onset of deregulation, it was determined that it would be beneficial to the County to buy and sell the gas and electric commodities at wholesale prices.

Internal Service Funds - The internal service funds are used to account for special activities or services provided by one department of the County to other departments, to agencies of the primary government and its component units, or to other governments, on a cost reimbursement basis. The assets, liabilities and changes in net position of those funds are reported in governmental activities. Internal service funds include: Central Services, Building Accounts, Information Services, Fleet Management, and Risk Management.

DRAFTv1

Fiduciary Funds

Fiduciary funds are used to account for assets held by the County in a trustee capacity or as agent for individuals, private organizations, other governments and/or funds. They cannot be used to support the government's own programs. Fiduciary funds are comprised of:

Private Purpose Funds - The Private Purpose funds are used to report trust arrangements under which principal and income benefit individuals, private organizations or other governments.

Agency Funds - Agency funds account for situations where the government's role is purely custodial. Accordingly, all assets are offset by a liability to the authorized party.

E. **Basis of Accounting/Measurement Focus**

The accounting basis for each fund is determined by its measurement focus. The measurement focus for governmental funds is based upon determination of current financial resources. Proprietary funds and private purpose trust funds are accounted for on a flow of economic resources measurement focus. Agency funds are custodial in nature (assets equal liabilities) and do not measure the results of operations.

The government-wide financial statements are prepared on a *full accrual basis* using the *economic resources measurement focus*. Revenues are recorded when earned and expenses are recorded when a liability is incurred, regardless of the timing of related cash flows. Property taxes are recognized in the year for which they are levied. Grants and similar items are recognized as revenues as soon as all of the eligibility requirements have been met. Proprietary and fiduciary fund financial statements are also prepared on an accrual basis.

Modified Accrual Basis - All governmental funds are accounted for using the modified accrual basis of accounting. Under this basis of accounting, revenues are recorded when susceptible to accrual; i.e., both measurable and available. The three primary revenue sources which are treated as susceptible to accrual are: (1) property tax recorded when collected during the current period or within 60 days after year end; (2) reimbursements of expenditures due from other governments are recorded primarily when the qualifying expenditures have been incurred and all other grant requirements have been met and are expected to be collected within one year after the end of the current fiscal period; and (3) sales tax, which is recorded based on the date of sales. Expenditures are recognized when the related fund liability is incurred, except for principal and interest on long-term debt, which are recorded as expenditures when paid, and compensated absences and claims/judgments, which are recognized as a liability in the applicable fund if payable with current financial resources. Allowances have been provided for any receivables where collection is doubtful. In addition, revenues relating to property taxes in the governmental funds which are not available to finance current operations have been reported as deferred inflows of resources. At the government-wide level, these are recognized as revenues.

Accrual Basis – Proprietary and fiduciary fund types and discretely presented component units are accounted for using the accrual basis of accounting. Under this method, revenues, including unbilled amounts, are recognized when earned; expenses are recorded when the liabilities are incurred, regardless of the timing of related cash inflows and outflows. Capital assets, the related outstanding debt and other long-term liabilities related to activities of the proprietary and fiduciary fund types, and the discretely presented component units are recorded within these fund types. Operating revenues and expenses generally result from the proprietary funds' principal operations, providing services, producing, and delivering goods. Non-operating revenues and expenses, such as interest and fiscal charges, are reported as capital and related financing activities, noncapital financing activities, or investing activities.

F. **Cash and Cash Equivalents**

Cash and cash equivalents include certificates of deposit, U.S. government securities and repurchase agreements with maturity dates of three months or less from the purchase date. Cash and cash equivalents are stated at cost which approximates fair value.

G. **Investments**

Investments include certificates of deposit, U.S. government securities and repurchase agreements with maturities of more than three months from the purchase date. Investments are stated at fair value.

H. **Statement of Cash Flows**

For the purpose of the statement of cash flows of the proprietary fund types, cash and cash equivalents include all unrestricted and restricted cash and cash equivalents of those funds. The statement of cash flows is presented using the direct method of reporting.

DRAFTv1

I. **Encumbrances**

Encumbrance accounting, under which purchase orders, contracts and other commitments for the expenditure of funds are recorded in order to reserve that portion of the applicable appropriation, is employed by governmental funds only. Encumbrances do not constitute expenditures or liabilities.

In governmental funds, encumbrances outstanding at year-end are included on the face of the financial statements in the restricted, committed, and assigned fund balance amounts. Governmental funds' encumbrances, as of December 31, 2018, included $1.2 million restricted, $3.6 million committed, and $1.6 million assigned in the general fund, $21.1 million restricted in the capital projects fund and $27 thousand committed and $820 thousand assigned in other nonmajor governmental funds.

J. **Inventories**

The County maintains inventories of various operational supplies.

Inventories for both governmental and proprietary funds except as noted below are computed using the purchase method. Inventories are valued at cost using the first-in-first-out (FIFO) method.

Road and Pure Waters fund inventory are recorded as expenditures when consumed and valued using the moving average price method.

K. **Capital Assets**

Primary Government

Capital assets purchased or acquired at an original cost of $10,000 or more are reported at historical cost or estimated historical cost for all governmental and business-type activities. Donated assets are reported at fair market value as of the date received. Capital assets recognized under capital lease arrangements are amortized over their expected useful life or the lease term, whichever is shorter. Capital assets which are used for general governmental purposes and are not available for expenditure are accounted for and reported in governmental activities in the government-wide financial statements. Additions, improvements, and other capital outlays that significantly extend the useful life of an asset are capitalized. Other costs incurred for routine repairs and maintenance are expensed as incurred.

Depreciation on all assets is calculated using the straight-line method over estimated useful lives ranging from three to fifty-five years. The estimated useful lives for the major classes of depreciable capital assets include the following:

Class	Life in Years
Buildings	30-55
Improvements other than buildings	10-20
Infrastructure	35-50
Machinery and Equipment	3-15

Hospital Fund (Monroe Community Hospital)

Capital assets are recorded at cost. Depreciation expense is computed on all depreciable assets based on the straight-line method utilizing estimated lives as established by the American Hospital Association, ranging from three to forty years.

L. **Compensated Absences**

At the governmental and business-type activities level, liabilities for compensated absences, such as vacation and unpaid overtime, are recorded when vested and earned by the employees and payment is not dependent upon a future event. The total compensated absence liabilities attributable to the proprietary fund types and governmental funds at the government-wide level are recorded as an accrued liability in the respective funds. At the governmental fund level, liabilities for compensated absences are recorded when due and payable. The liabilities are recorded based on employees' rates of pay as of December 31, 2018 and include all payroll related liabilities. Primarily, the general fund and the road fund are used to liquidate the liability for compensated absences in the governmental funds.

DRAFTv1

M. **Unamortized Bond Discounts, Premiums and Refunding Gain or Loss**

Bond discounts, premiums and refunding gains or losses are amortized over the term of the respective bond issues for the governmental and business-type activities, and those funds reporting on the full accrual basis. Bond premiums and discounts are included in the outstanding bond liability, whereas the refunding gain or loss is reported as a deferred inflow or outflow of resources. In the governmental funds, bond discounts, premiums and refunding gain or loss are reported as other financing sources or uses in the year that the bonds are issued.

N. **Deferred Inflows/Outflows of Resources**

In addition to assets and liabilities, the financial statements report a separate section for deferred outflows and deferred inflows of resources. Deferred outflows of resources, represents a consumption of net position/fund balance that applies to a future period and so will not be recognized as an outflow of resources (expense) until that time. Deferred inflows of resources, represents a portion of net position/fund balance that also applies to a future period and so will not be recognized as an inflow of resources (revenue) until then.

O. **Medicaid Claims**

Physicians, hospitals, pharmacists, and others who provide services to public assistance recipients and other individuals enrolled in the Medical Assistance Program, are entitled to reimbursement of the defined cost of such services through the Federal, State and locally-funded Medicaid programs. The County participates in a state-wide system to process and pay such claims.

P. **Accounting and Reporting Change**

The following GASB Statement became effective for the fiscal year ending December 31, 2018 and had a material impact.

> Statement No. 75, Accounting and Financial Reporting for Postemployment Benefits Other Than Pensions, effective for fiscal years beginning after June 15, 2017.

The adoption of GASB Statement No. 75 had the following impact on net position (000's omitted):

Net Position - Beginning of the year

	As originally presented	Adoption of GASB 75	As restated
Governmental Activities:			
Governmental Funds	$ (208,487)	$ (259,418)	$ (467,905)
Internal Service	20,073	(2,384)	17,689
Total Governmental Activities	(188,414)	(261,802)	(450,216)
Business-type Activities:			
Solid Waste	(11,832)	(409)	(12,241)
Airport	159,726	(2,606)	157,120
Hospital	(28,142)	5,394	(22,748)
Pure Waters	122,294	(7,189)	115,105
Energy	80	-	80
Total Business-type Activities	242,126	(4,810)	237,316
Total Primary Government	$ 53,712	$ (266,612)	$ (212,900)
Component Units:			
Community College	$ 199,410	$ (172,756)	$ 26,654
Airport Authoirty	26,719	-	26,719
Water Authority	335,046	(34,062)	300,984
Non-Major Component Units	7,655	-	7,655
Total Componet Units	$ 568,830	$ (206,818)	$ 362,012

DRAFTv1

Q. **Use of Estimates**

The preparation of the basic financial statements in conformity with GAAP requires management to make certain estimates and assumptions that affect the reported amounts of assets and liabilities and the reported amounts of revenues and expenses/expenditures during the year. Actual results could differ from those estimates.

R. **Net Position/Fund Balance**

Net Position

Net Position in government-wide and proprietary fund financial statements are classified as net investment in capital assets; restricted and unrestricted. Net investment in capital assets consists of capital assets, including restricted capital assets, net of accumulated depreciation and reduced by the outstanding balances of any bonds, mortgages, notes, or other borrowings that are attributable to the acquisition, construction, or improvement of those assets. Restricted net position represents constraints on resources that are either externally imposed by creditors, grantors, contributors, laws or regulations of other governments, or imposed by law through State statute.

As of December 31, 2018 these restrictions include:

Debt Service - represents resources that have been legally restricted for debt service payments that will be made in future periods.

Capital Projects – represents funds restricted for major capital acquisitions and construction activities through borrowings or contributions.

Nonexpendable - represents the net position whose use is subject to externally imposed conditions and the County must maintain them in perpetuity.

Expendable – represents the net position whose use is subject to externally imposed conditions that can be fulfilled by certain actions or by the passage of time.

> ***Grant, Trusts and Other Purposes*** - represents available grant, trust and other funds which are restricted to meet legal State or Federal requirements and other purposes.
>
> ***Passenger Facility Charges*** - represents the cumulative unexpended passenger facility charge amounts reflected as restricted net position to be used for Federal Aviation Administration approved projects.

When net position resources are available for a specific purpose in more than one classification, it is the County's practice to use restricted funds first.

Fund Balance

In the governmental fund financial statements, fund balance is composed of five classifications designed to disclose the hierarchy of constraints placed on how fund balance can be spent. The following classifications describe the relative strength of the spending constraints placed on the purposes for which resources can be used:

> ***Nonspendable*** – amounts that are not in spendable form (such as inventory and prepaids) or are legally or contractually required to be maintained intact.
>
> ***Restricted*** – amounts constrained to specific purposes by bondholders of County debt, and State and Federal grantors through constitutional provisions or by enabling legislation.
>
> ***Committed*** – amounts constrained to specific purposes by the County Legislature through resolution; amounts cannot be used for any other purpose unless the County Legislature takes the same action to remove or change the constraint.
>
> ***Assigned*** – amounts the County intends to use for a specific purpose; intent is expressed by the Director of Finance-Chief Financial Officer to whom the County Legislature has delegated the authority. This category of fund balance also represents the residual amounts not otherwise reported as non-spendable, restricted, or committed in governmental funds outside of the General Fund.
>
> ***Unassigned*** – amounts that have not been assigned to another fund or are not restricted, committed, or assigned to specific purposes within the General Fund.

When fund balance resources are available for a specific purpose in more than one classification, it is the County's practice to use the most restrictive funds first in the following order: restricted, committed, assigned, and unassigned as they are needed.

DRAFTv1

The County has a formally adopted minimum fund balance policy. To maintain fund balance stability, the policy establishes a lower and upper threshold of $25 million to $35 million for the combined assigned and unassigned fund balance categories within the general fund. Fund balances accumulating in excess of the upper threshold may be used in subsequent budgets to provide property tax stability, capital project funds and/or debt reduction.

As of December 31, 2018 Governmental Fund Balances were classified as follows:

			Nonmajor Funds			
				Debt Service		
	General	Capital Projects	Special Revenue	General	MTASC	Total
Nonspendable						
Inventory	$ 1,522	$ -	$ 879	$ -	$ -	$ 2,401
Due from Other Fund	20,500	-	-	-	-	20,500
Airport Bond	2,000	-	-	-	-	2,000
Prepaid Expenditures	6,792	-	111	-	9	6,912
Total Nonspendable	30,814	-	990	-	9	31,813
Restricted						
Jail Trust Funds	-	-	10,243	-	-	10,243
Debt Service	-	-	-	6,656	13,071	19,727
STOP DWI	577	-	-	-	-	577
Handicapped Parking	38	-	-	-	-	38
Other Programs	1,312	-	-	-	-	1,312
Road Fund	-	-	986	-	-	986
Library Fund	-	-	322	-	-	322
Capital Projects	-	21,080	-	-	-	21,080
Total Restricted	1,927	21,080	11,551	6,656	13,071	54,285
Committed						
Executed Contracts	3,602	-	37	-	-	3,639
Green Space Initiative	-	-	331	-	-	331
Trust Funds	-	-	2,784	-	-	2,784
Total Committed	3,602	-	3,152	-	-	6,754
Assigned						
Probation/Juvenile Detention	3,157	-	-	-	-	3,157
Other Programs	1,565	-	-	-	-	1,565
Preschool Special Education Services	700	-	-	-	-	700
Pension Amortization Expenses	3,308	-	-	-	-	3,308
Cash Capital Transfers	110	-	-	-	-	110
Appropriated for Debt Service	-	-	-	9,000	-	9,000
Debt Service	-	-	-	6,621	186	6,807
Total Assigned	8,840	-	-	15,621	186	24,647
Unassigned	15,726	(16,725)	-	-	-	(999)
Total Fund Balance	$ 60,909	$ 4,355	$ 15,693	$ 22,277	$ 13,266	$ 116,500

2. **Real Property Tax**

Section 10 of Article VIII of the State Constitution dictates the amount which may be raised in the County by tax on real property, in any fiscal year, for County purposes. This amount may not exceed 1.5 percent of the five-year average full valuation of taxable real property of the County, less certain deductions as specified within.

The computation in accordance with the constitutional provision for the calendar year 2018 budget is (000's omitted):

Five-year average full valuation of taxable real property	$41,051,801
Tax limit (1.5% of 5-year average full valuation of property)	615,777
Total Tax levy and charges subject to limit	390,671
Less: Exclusions from tax limit	56,972
Total tax levy subject to taxing power limit	333,699
Tax margin (Unused Taxing Power)	$ 282,078

Real property taxes include the property tax levy, delinquent taxes, and sales tax attributable to the towns in consideration for credits given to the towns' residents on their property tax bills. County real property taxes are levied annually and become a lien on January 1. Taxes for County purposes are levied together with taxes for town and town special district purposes, and with user charges of the various Pure Waters districts. Pursuant to State Law, the County guarantees the collection of town and town special district property taxes.

Towns are empowered to collect both County and town property tax warrants, which initially expire on January 31, through June 1, after which collection and enforcement procedures revert to the County Treasurer. The Monroe County Tax Act also empowers the City Treasurer to collect County taxes and user fees, levied on property situated within the City of Rochester, through February 15. Unlike procedures in effect for the towns, the County Treasurer also collects County taxes and fees on property situated in the City concurrently with the City Treasurer. Full payments are due before February 10. After February 10, interest accrues at a rate of 1.5% per month. The County also allows for installment payments with accrued interest on February 28, March 31, and April 30.

On August 20 of each year, the County purchases the tax liens on all properties for which there are unpaid property taxes. The tax lien, if still unpaid upon the expiration of one year from the August 20 tax sale date, qualifies the subject property for tax foreclosure proceedings. Unpaid taxes resulting from tax levies, which are identified as tax sale certificates, are required to be reported as deferred inflows of resources on the basis that they are not available to finance current operations. Those collected within the first sixty days of the following year are recorded as revenue at the governmental fund level. For the governmental activities, all uncollected tax sale certificates are recorded as revenue in the year levied.

3. **Sales Tax**

Monroe County and the State of New York each currently impose sales and use tax. The State of New York imposes a sales and use tax of four percent and the County imposes four percent making a total of eight percent imposed within the County. The County's sales and use tax is composed of an original three percent and an additional one percent authorized by State law. The current law provides for continuation of the additional one percent through November 30, 2020.

The County's original three percent tax is allocated through a complex formula among the City of Rochester (approximately 35.6 percent), the towns and villages (approximately 29.2 percent) and suburban school districts (approximately 17.9 percent) with the County retaining the balance (approximately 17.3 percent). The additional one percent tax is allocated through another sharing formula whereby the towns (3 percent), villages (1.25 percent) and school districts (5 percent) each receive a percentage share. The remaining balance of the additional one percent is divided between the City of Rochester and the County so that when added to the original three percent tax, the total share (4 percent) for the City of Rochester and the County is equal.

DRAFTv1

4. **Deposits and Investments**

A. **Deposit and Investment Policies**

The County maintains an investment and deposit policy, the overall objective of which is to adequately safeguard the principal amount of funds invested or deposited; conformance with federal, state and other legal requirements; provide sufficient liquidity of invested funds in order to meet obligations as they become due; and attainment of a market rate of return. Oversight of investment activity is the responsibility of the Director of Finance – Chief Financial Officer.

B. **Interest Rate Risk**

Interest rate risk is the risk that the fair value of investments will be affected by changing interest rates. The County does not have a formal investment policy that limits investment maturities as a means of managing its exposure to fair value losses arising from increasing interest rates. The County has no long-term investments that expose it to significant interest rate risk.

C. **Credit Risk**

For investments, credit risk is the risk that in the event of a failure of a counterparty, the County may not be able to recover the value of its investments. New York State General Municipal Law and the County's Investment and Deposit Policy authorize the County to purchase the following types of investments:

- Obligations of the United States of America
- Obligations guaranteed by the United States of America where payment of principal and interest are guaranteed by the United States of America
- Obligations of the State of New York
- Special time deposit accounts
- Certificates of Deposits
- Repurchase agreements limited to obligations of the United States of America, or obligations whose principal and interest are fully guaranteed, or insured by the United States of America. The term of each agreement shall generally not exceed 180 days. The agreement shall be confirmed in writing by the seller, and each security purchased under the agreement shall be specifically identified, segregated from the assets of the seller and delivered for safekeeping into an account designated and controlled by the County. Also, each seller shall enter into a master Repurchase Agreement with the County which shall specify the rights and obligations of the County and the Seller in all transactions
- Obligations of public authorities, public housing authorities, urban renewal agencies, and industrial development agencies where the general State statutes governing such entities or whose specific enabling legislation authorizes such investments
- Obligations issued pursuant to New York State Local Finance Law Section 24.00 and 25.00 (with approval of the New York State Comptroller) by any municipality, school district or district corporation other than the County of Monroe, New York

The County has no investments that expose it to significant credit risk.

D. **Custodial Credit Risk**

1. Deposits

For deposits, custodial credit risk is the risk that in the event of a failure of a depository financial institution, the County may not recover its deposits. In accordance with New York State General Municipal Law and the County's Investment and Deposit Policy, all deposits of the County including certificates of deposits and special time deposits, in excess of the amount insured under the provisions of the Federal Deposit Insurance Act shall be secured by a pledge of securities with an aggregate value equal to the aggregate amount of deposits. The County restricts the securities to the following eligible items; (a) obligations issued, or fully insured or guaranteed as to the payment of principal and interest, by the United States of America, an agency thereof or a United States government sponsored corporation; (b) obligations issued or fully guaranteed by the International Bank for Reconstruction and Development, the Inter-American Development Bank, the Asian Development Bank, and the African Development Bank; (c) obligations partially insured or guaranteed by any agency of the United States of America; (d) obligations issued or fully insured or guaranteed by the State of New York, obligations issued by municipal corporation, school district or district corporation of New York State or obligations of any public benefit corporation which under a specific State statute may be accepted as security for deposit of public monies; (e) obligations issued by states (other than the State of New York) of the United States rated in one of the two highest rating categories by at least one Nationally Recognized Statistical Rating Organization; (f) obligations of Puerto Rico rated in the highest rating category by at least one Nationally Recognized Statistical Rating Organization; (g) obligations of counties, cities and other governmental entities of a state other than the State of New York having the power to levy taxes that are backed by the full faith and credit of such governmental entity and rated in one of the two highest categories by at least one Nationally Recognized Statistical Rating Organization; (h) obligations of domestic corporations rated in one of the two highest rating categories by at least one Nationally Recognized Statistical Rating Organization; and (i) Zero coupon obligations of the United States of America marketed as "treasury strips".

As of December 31, 2018, $217.2 million of the County's deposits of $249.2 million, which are included in cash and cash equivalents, was exposed to custodial credit risk. This credit risk was uninsured and either collateralized by securities or money market funds held by the pledging bank's trust department not in the County's name or covered by a letter of credit agreement. The County has, as part of the working bank contract with Upstate National Bank, a letter of credit with the Federal Home Loan Bank of New York. Under which, the Bank has agreed to provide to the County an open line of credit in the amount of $5,100,000. The agreement provides for collateralization of the County's uninsured cash balances at Upstate National Bank. As of December 31, 2018, $5,100,000 was unused and available. The difference of the above amounts is insured under the provisions of the Federal Deposit Insurance Act.

2. Investments

For investments, custodial credit risk is the risk that a government will not be able to recover the value of an investment or collateral securities that are in the possession of an outside party if the counterparty to the transaction fails. The County's Investment and Deposit Policy requires that all investments be registered or insured in the County's name and held in the custody of the bank or the bank's trust department. The County requires that all repurchase agreements be limited to obligations of the United States of America or obligations whose principal and interest are fully guaranteed, or insured by the United States of America. At year end, the County had no custodial credit risk related to repurchase agreements since no repurchase agreements were purchased or outstanding during 2018.

E. **Concentration of Credit Risk**

The County places no limit on the amount that may be invested in any one issuer. At year end, the primary government had no investments.

5. **Custodial Accounts**

Custodial assets refer to cash and cash equivalents held by the County for a third party. The Hospital holds $675 thousand of funds owned by its patients and residents at the end of 2018.

DRAFTv1

6. **Due to Other Governments**

In the 2018 government-wide and fund financial statements, the category "*due to other governments*" balance of $119.5 million includes primarily sales tax collections of $64.6 million and school tax collections of $23.6 million that are due to other municipalities within the County. It also includes $12 million due to the New York State and Local Employees' Retirement System (ERS) and New York State Police and Firefighters' Retirement System (PFRS). The remaining $19.3 million is largely related to Social Services and Public Health dollars due to New York State and the Federal Government.

7. **Restricted Cash and Cash Equivalents**

Certain County cash and cash equivalents, excluding funds held by trustee, custodial accounts, and securities and retained percentages as of December 31, 2018 are restricted to the following uses:

Restricted Cash and Cash Equivalents

	Capital Projects	Debt Service	Other	Total
Governmental Activities:				
Major Governmental Funds				
Capital Projects	$ 26,946	$ -	$ -	$ 26,946
Debt Service	-	19,727	-	19,727
Internal Service	12,973	6,344	-	19,317
Total Governmental Activities	39,919	26,071	-	65,990
Business-type Activities:				
Solid Waste	67	-	-	67
Airport	303	-	-	303
Hospital	130	18	-	148
Pure Waters	7,645	123	-	7,768
Total Business-type Activities	8,145	141	-	8,286
Fiduciary Funds:				
Agency	-	-	25,453	25,453
Private Purpose Trust	-	-	30	30
Total Fiduciary Funds	-	-	25,483	25,483
Total Restricted Cash and Cash Equivalents	$ 48,064	$ 26,212	$ 25,483	$ 99,759

Restrictions for capital projects mainly represent funds raised through debt issuances for this purpose. Restrictions for debt service represent interest earned, unexpended proceeds and/or other assets specifically required under New York State's Local Finance Law to reduce future debt service payments. Restrictions for agency funds are primarily composed of third-party medical insurance and mortgage tax monies.

DRAFTv1

8. **Receivables and Payables**

A. **Receivables**

As of December 31, 2018 receivables are summarized as follows (000's omitted):

	Accounts Receivable				
	Taxes and Assessments	Returned School Taxes	Other Accounts Receivable	Allowance for Doubtful Accounts	Total
Governmental Activities:					
General Fund	$ 9,926	$ 21,813	$ 3,034	$ -	$ 34,773
Nonmajor Governmental:					
Special Revenue	-	-	10,871	(527)	10,344
Debt Service	-	-	9,151	-	9,151
Total Nonmajor Governmental	-	-	20,022	(527)	19,495
Internal Service	-	-	334	-	334
Total Governmental Activities	9,926	21,813	23,390	(527)	54,602
Business-type Activities:					
Solid Waste	-	-	3,532	-	3,532
Airport	-	-	547	-	547
Hospital	-	-	25,164	(13,133)	12,031
Pure Waters	-	-	1,707	-	1,707
Total Business-type Activities	-	-	30,950	(13,133)	17,817
Total Accounts Receivable	$ 9,926	$ 21,813	$ 54,340	$ (13,660)	$ 72,419

The nonmajor governmental funds receivable of $19.5 million is comprised primarily of Tobacco Settlement Revenues due to MTASC of $9.2 million, and community development loans issued of $10.4 million, of which $527 thousand is estimated to be not collectable as some loans may be converted to grant awards. Business-type activity accounts receivable are comprised primarily of $3.5 million for solid waste user fees, and $12.0 million, net relating to patient accounts and third-party settlements in the Hospital.

B. **Accounts Payable and Accrued Liabilities**

The accounts payable and accrued liabilities balances in governmental activities include approximately 48 percent payable to vendors and 52 percent accrued salaries and benefits. The accounts payable and accrued liabilities in the business-type activities include approximately 80 percent payable to vendors and 20 percent accrued salaries and benefits. The accounts payable and accrued liabilities balances in governmental funds include approximately 86 percent payable to vendors and 14 percent accrued salaries and benefits. The accounts payable and accrued liabilities balances in proprietary funds approximate 37 percent payable to vendors and 63 percent accrued salaries and benefits.

C. **Deferred Inflows/Unearned Revenues**

At the governmental fund level, revenues that are measurable but not available to finance current operations have been reported as deferred inflows of resources. Unearned revenues in the general fund as of December 31, 2018 include state aid advances for social services and mental health programs. Deferred inflows of resources in the general fund represent property tax receivables. Deferred inflows of resources for non-major governmental funds include community development program loans to be repaid to the county and MTASC tobacco revenues.

DRAFTv1

9. **Capital Assets**

Capital asset activity for the County's **governmental activities** consists of the following for the year ended December 31, 2018 (000's omitted):

Capital Asset Activity – Governmental Activities

	Beginning Balance	Increases	Decreases	Capitalization of AUC	Ending Balance
Governmental Activities:					
Nondepreciable Assets					
Land	$ 28,506	$ 77	$ (21)	$ -	$ 28,562
Assets under Construction	42,222	53,134	-	(40,611)	54,745
Total Nondepreciable Assets	70,728	53,211	(21)	(40,611)	83,307
Depreciable Assets					
Buildings	195,483	11,555	(163)	-	206,875
Infrastructure	1,011,297	-	(4,907)	5,409	1,011,799
Improvements other than Buildings	251,494	(6,876)	(7,946)	35,196	271,868
Machinery and Equipment	173,030	5,671	(2,764)	6	175,943
Total Depreciable Assets	1,631,304	10,350	(15,780)	40,611	1,666,485
Total Investments in Capital Assets	1,702,032	63,561	(15,801)	-	1,749,792
Less Accumulated Depreciation					
Buildings	(118,512)	(5,550)	163	-	(123,899)
Infrastructure	(580,742)	(22,606)	2,137	-	(601,211)
Improvements other than Buildings	(150,172)	(12,437)	7,775	-	(154,834)
Machinery and Equipment	(129,269)	(10,849)	2,310	-	(137,808)
Total Accumulated Depreciation	(978,695)	(51,442)	12,385	-	(1,017,752)
Capital Assets, Net	$ 723,337	$ 12,119	$ (3,416)	$ -	$ 732,040

Assets under Construction (AuC) include work in progress on buildings, improvements, infrastructure and equipment.

Depreciation expense was charged to functions/programs of the County for the year ended December 31, 2018 as follows (000's omitted):

Depreciation Expense Charged to Functions / Programs

Governmental Activities:	Amount
General government	$ 11,418
Public safety	11,471
Health and welfare	574
Culture, recreation and education	3,234
Transportation	21,481
Sanitation	75
Total	$ 48,253

Capital asset activity of the County's **business-type activities** consists of the following for the year ended December 31, 2018 (000's omitted):

Capital Asset Activity – Business-type Activities

	Beginning Balance	Increases	Decreases	Capitalization of AUC	Ending Balance
Business-type Activities:					
Nondepreciable Assets					
Land	$ 27,818	$ 96	$ -	$ -	$ 27,914
Assets under Construction	30,074	87,405	-	(72,970)	44,509
Total Nondepreciable Assets	57,892	87,501	-	(72,970)	72,423
Depreciable Assets					
Buildings	197,876	29,071	-	-	226,947
Infrastructure	686,553	-	-	-	686,553
Improvements other than Buildings	508,732	(29,071)	(1)	72,535	552,195
Machinery and Equipment	134,327	708	(954)	435	134,516
Total Depreciable Assets	1,527,488	708	(955)	72,970	1,600,211
Total Investments in Capital Assets	1,585,380	88,209	(955)	-	1,672,634
Less Accumulated Depreciation					
Buildings	(161,084)	(4,008)	-	-	(165,092)
Infrastructure	(598,957)	(20,684)	-	-	(619,641)
Improvements other than Buildings	(255,387)	(19,984)	1	-	(275,370)
Machinery and Equipment	(110,811)	(3,374)	948	-	(113,237)
Total Accumulated Depreciation	(1,126,239)	(48,050)	949	-	(1,173,340)
Capital Assets, Net	$ 459,141	$ 40,159	$ (6)	$ -	$ 499,294

Assets under Construction (AuC) include work in progress on buildings, improvements, infrastructure and equipment.

DRAFTv1

Capital asset activity of the County's **solid waste enterprise fund** consists of the following for the year ended December 31, 2018 (000's omitted):

Solid Waste Enterprise Fund – Capital Asset Activity

	Beginning Balance	Increases	Decreases	Capitalization of AUC	Ending Balance
Business-type Activities:					
Nondepreciable Assets					
Land	$ 6,462	$ -	$ -	$ -	$ 6,462
Assets under Construction	4	64	-	-	68
Total Nondepreciable Assets	6,466	64	-	-	6,530
Depreciable Assets					
Buildings	10,177	-	-	-	10,177
Improvements other than Buildings	11,695	-	-	-	11,695
Machinery and Equipment	4,089	57	-	-	4,146
Total Depreciable Assets	25,961	57	-	-	26,018
Total Investments in Capital Assets	32,427	121	-	-	32,548
Less Accumulated Depreciation					
Buildings	(9,854)	(34)	-	-	(9,888)
Improvements other than Buildings	(8,131)	(585)	-	-	(8,716)
Machinery and Equipment	(2,281)	(128)	-	-	(2,409)
Total Accumulated Depreciation	(20,266)	(747)	-	-	(21,013)
Capital Assets, Net	$ 12,161	$ (626)	$ -	$ -	$ 11,535

Assets under Construction (AuC) include work in progress on improvements and equipment.

Capital asset activity of the County's **airport enterprise fund** consists of the following for the year ended December 31, 2018 (000's omitted):

Airport Enterprise Fund – Capital Asset Activity

	Beginning Balance	Increases	Decreases	Capitalization of AUC	Ending Balance
Business-type Activities:					
Nondepreciable Assets					
Land	$ 18,876	$ 96	$ -	$ -	$ 18,972
Assets under Construction	14,729	65,814	-	(72,145)	8,398
Total Nondepreciable Assets	33,605	65,910	-	(72,145)	27,370
Depreciable Assets					
Buildings	22,991	28,874	-	-	51,865
Improvements other than Buildings	301,058	(28,874)	(1)	72,145	344,328
Machinery and Equipment	19,611	198	(340)	-	19,469
Total Depreciable Assets	343,660	198	(341)	72,145	415,662
Total Investments in Capital Assets	377,265	66,108	(341)	-	443,032
Less Accumulated Depreciation					
Buildings	(17,165)	(632)	-	-	(17,797)
Improvements other than Buildings	(170,404)	(10,473)	1	-	(180,876)
Machinery and Equipment	(10,742)	(1,043)	334	-	(11,451)
Total Accumulated Depreciation	(198,311)	(12,148)	335	-	(210,124)
Capital Assets, Net	$ 178,954	$ 53,960	$ (6)	$ -	$ 232,908

Assets under Construction (AuC) include work in progress on improvements.

Capital asset activity of the County's **hospital enterprise fund** consists of the following for the year ended December 31, 2018 (000's omitted):

Hospital Enterprise Fund – Capital Asset Activity

	Beginning Balance	Increases	Decreases	Capitalization of AUC	Ending Balance
Business-type Activities:					
Nondepreciable Assets					
Land	$ 109	$ -	$ -	$ -	$ 109
Assets under Construction	901	3,245	-	(676)	3,470
Total Nondepreciable Assets	1,010	3,245	-	(676)	3,579
Depreciable Assets					
Buildings	96,709	197	-	-	96,906
Improvements other than Buildings	3,924	(197)	-	241	3,968
Machinery and Equipment	54,114	18	-	435	54,567
Total Depreciable Assets	154,747	18	-	676	155,441
Total Investments in Capital Assets	155,757	3,263	-	-	159,020
Less Accumulated Depreciation					
Buildings	(84,543)	(2,062)	-	-	(86,605)
Improvements other than Buildings	(3,487)	(123)	-	-	(3,610)
Machinery and Equipment	(47,554)	(796)	-	-	(48,350)
Total Accumulated Depreciation	(135,584)	(2,981)	-	-	(138,565)
Capital Assets, Net	$ 20,173	$ 282	$ -	$ -	$ 20,455

Assets under Construction (AuC) include work in progress on buildings, infrastructure and equipment.

Capital asset activity of the County's **pure waters enterprise fund** consists of the following for the year ended December 31, 2018 (000's omitted):

Pure Waters Enterprise Fund – Capital Asset Activity

	Beginning Balance	Increases	Decreases	Capitalization of AUC	Ending Balance
Business-type Activities:					
Nondepreciable Assets					
Land	$ 2,371	$ -	$ -	$ -	$ 2,371
Assets under Construction	14,440	18,282	-	(149)	32,573
Total Nondepreciable Assets	16,811	18,282	-	(149)	34,944
Depreciable Assets					
Buildings	67,999	-	-	-	67,999
Infrastructure	686,553	-	-	-	686,553
Improvements other than Buildings	192,055	-	-	149	192,204
Machinery and Equipment	56,513	435	(614)	-	56,334
Total Depreciable Assets	1,003,120	435	(614)	149	1,003,090
Total Investments in Capital Assets	1,019,931	18,717	(614)	-	1,038,034
Less Accumulated Depreciation					
Buildings	(49,522)	(1,280)	-	-	(50,802)
Infrastructure	(598,957)	(20,684)	-	-	(619,641)
Improvements other than Buildings	(73,365)	(8,803)	-	-	(82,168)
Machinery and Equipment	(50,234)	(1,407)	614	-	(51,027)
Total Accumulated Depreciation	(772,078)	(32,174)	614	-	(803,638)
Capital Assets, Net	$ 247,853	$ (13,457)	$ -	$ -	$ 234,396

Assets under Construction (AuC) include work in progress on buildings, improvements and infrastructure.

10. **Indebtedness and Certain Long-term Obligations**

A. **Short Term Indebtedness**

The County had a total of $95.3 million in outstanding notes payable as of December 31, 2018. This was comprised of $35.3 million of bond anticipation notes (BANS) and $60.0 million of revenue anticipation notes (RANS).

During 2018, the County issued a total of $35.3 million in bond anticipation notes. $31.1 million were to renew previously issued bond anticipation notes. $4.2 million in new bond anticipation notes were issued for various other county projects. The County also issued a total of $60.0 million in revenue anticipation notes, which provided $45.0 million of working capital for the general fund and $15.0 million for the Hospital enterprise fund. The issuance of the revenue anticipation notes was necessary due to the delay in receiving various state and federal aid.

The following is a summary of changes in notes payable for the year ended December 31, 2018 (000's omitted):

Changes in Notes Payable - Primary Government

	Beginning Balance	Additions	Deductions	Ending Balance
Governmental Activities:				
Capital Project Funds-Bond Anticipation Notes	$ 12,544	$ 5,525	$ (12,544)	$ 5,525
Internal Service Funds-Bond Anticipation Notes	3,735	1,400	(3,735)	1,400
General Fund-Revenue Anticipation Notes	50,000	45,000	(50,000)	45,000
Total Governmental Activities	66,279	51,925	(66,279)	51,925
Business-type Activities:				
Solid Waste-Bond Anticipation Notes	80	-	(80)	-
Airport-Bond Anticipation Notes	28,385	28,385	(28,385)	28,385
Hospital-Bond Anticipation Notes	940	-	(940)	-
Hospital-Revenue Anticipation Notes	15,000	15,000	(15,000)	15,000
Total Business-type Activities	44,405	43,385	(44,405)	43,385
Total Notes Payable	$ 110,684	$ 95,310	$ (110,684)	$ 95,310

The following is a summary of notes payable as of December 31, 2018 (000's omitted):

Notes Payable – Primary Government

	Issue Date	Interest Rate	Final Maturity	Amount
Governmental Activities:				
General Fund				
Revenue Anticipation Notes	11/13/2018	2.28%	4/9/2019	$ 45,000
Public Improvement Bond Anticipation Notes	6/26/2018	2.15%	6/25/2019	5,525
Internal Service Fund				
Public Improvement Bond Anticipation Notes	6/26/2018	2.15%	6/25/2019	1,400
Total Governmental Activities				51,925
Business-type Activities:				
Airport				
Public Improvement Bond Anticipation Notes	6/26/2018	2.15%	6/25/2019	28,385
Hospital				
Revenue Anticipation Notes	11/13/2018	2.28%	4/9/2019	15,000
Total Business-type Activities				43,385
Total Notes Payable				$ 95,310

A. **Long-term Liabilities**

The following is a summary of long-term liabilities for the primary government as of December 31, 2018 (000's omitted):

Long-term Liabilities – Primary Government

	Beginning Balance	Additions	Deductions	Current Portion	Long-term Portion
Governmental Activities:					
Capital leases payable	$ 1,063	$ -	$ (371)	$ 356	$ 336
Bonds payable	629,107	60,942	(34,620)	39,662	615,767
Net pension liability	78,883	-	(52,404)	-	26,479
Postemployment benefits other than pension	536,514	29,994	(75,764)	-	490,744
Other Long-term Liabilities					
Due to New York State Retirement System	58,945	12,000	(33,817)	12,000	25,128
Federal, state and other long-term liabilities	16,923	8,000	(967)	1,279	22,677
Compensated absences	26,946	16,163	(16,019)	15,936	11,154
Total Other Long-term Liabilities	102,814	36,163	(50,803)	29,215	58,959
Total Governmental Long-term Liabilities	$ 811,867	$ 97,105	$ (138,198)	$ 69,233	$ 701,541
Business-type Activities:					
Due to other funds	$ 19,700	$ 800	$ -	$ -	$ 20,500
Capital leases payable	4,820	-	(707)	743	3,370
Bonds payable	175,131	23,089	(19,621)	17,644	160,955
Net pension liability	17,963	-	(9,876)	-	8,087
Postemployment benefits other than pension	63,385	4,403	(9,022)	-	58,766
Patient funds held in trust	788	-	(113)	-	675
Other Long-term Liabilities					
Federal, State and other long-term liabilities	40	-	(40)	-	-
Compensated absences	3,665	3,247	(3,302)	3,306	304
Total Other Long-term Liabilities	3,705	3,247	(3,342)	3,306	304
Total Business-type Long-term Liabilities	$ 285,492	$ 31,539	$ (42,681)	$ 21,693	$ 252,657

The current portion of the amount Due to New York State Retirement System in the statement of net position represents the additional amortization payment made to the New York State Retirement System due in February 15, 2019. The current portion of compensated absences is included in accounts payable and accrued liabilities in the statement of net position. The County borrows funds on a long-term basis for the purpose of financing acquisitions of land, equipment, construction of buildings and improvements. This policy enables the cost of these capital assets to be borne by the present and future taxpayers receiving the benefit of the capital assets. The liability for long-term debt for governmental funds appears on the government-wide statements, and is shown on the reconciliation between the fund level and the government-wide statements. The liability for long-term debt for proprietary funds is presented in the statement of net position. Interest expense for business-type activities that is directly related to the enterprise fund is included as a direct function expense.

The following is a summary of changes in bonds payable for the year ended December 31, 2018 (000's omitted):

Bonds Payable – Primary Government

	Beginning Balance	Additions	Deductions	Ending Balance	Current Portion
Governmental Activities:					
Governmental Funds	$ 571,132	$ 40,514	$ (28,516)	$ 583,130	$ 32,603
Internal Service Funds	57,975	20,428	(6,104)	72,299	7,059
Total Governmental Activities	629,107	60,942	(34,620)	655,429	39,662
Business-type Activities:					
Solid Waste	5,254	200	(1,188)	4,266	1,156
Airport	11,688	-	(1,369)	10,319	1,114
Hospital	11,598	1,956	(2,524)	11,030	2,185
Pure Waters	146,591	20,933	(14,540)	152,984	13,189
Total Business-type Activities	175,131	23,089	(19,621)	178,599	17,644
Total Bonds Payable	$ 804,238	$ 84,031	$ (54,241)	$ 834,028	$ 57,306

DRAFTv1

The following is a summary of serial bonded indebtedness for the year ended December 31, 2018 (000's omitted):

Bonds Payable – Primary Government

	Original Amount	Date of Bonds	Interest Rate Percent	Final Maturity	Outstanding Amount
Governmental Activities:					
Governmental Funds					
Bonds issued by the County					
PI Refunding-1996-Series A	$ 56,613	12/1/1996	6.000	2019	$ 449
PI-2002 CABS	61,091	3/14/2002	4.93/4.96	2019	135
PI-2009-A	27,253	7/14/2009	4.00/5.00	2029	8,032
PI-2010	38,812	7/13/2010	3.00/4.375	2030	16,531
GO Refunding Bonds - 2012	35,299	4/3/2012	3.75/5.00	2023	5,247
PI-2012	30,350	6/27/2012	4.00/5.00	2031	17,224
Public Stadium Refunding 2014	8,630	10/15/2014	2.09/3.59	2024	5,410
PI Refunding Bonds - 2015-A	22,426	3/26/2015	3.00/5.00	2027	12,960
PI Refunding Bonds - 2015-B	827	3/26/2015	4.00	2024	827
PI-2015	35,606	6/30/2015	3.00/5.00	2033	25,842
PI-2016	15,021	6/29/2016	2.00/5.00	2031	13,630
PI-2016-B	72,099	10/27/2016	3.00/5.00	2034	60,256
PI-2017	21,016	6/27/2017	3.00/5.00	2032	19,749
PI-2018	34,696	6/26/2018	3.00/5.00	2038	34,696
					220,988
Add: Accretion of capital appreciation bonds					179
Unamortized bond premium					22,054
Total Bonds Issued by the County					243,221
Bonds Issued by MTASC					
MTASC Series 2005	157,720	8/25/2005	5.00/6.65	2060	132,425
MTASC Series 2006	14,579	2/7/2006	7.70	2061	14,579
MTASC Series 2010	63,100	6/1/2010	6.25	2060	63,100
					210,104
Add: Accretion of capital appreciation bonds					64,599
Less: Unamortized bond discount					(1,925)
Total Bonds Issued by MTASC					$ 272,778

*PI: Public Improvement, GO: General Obligation

Bonds Payable – Primary Government (continued)

	Original Amount	Date of Bonds	Interest Rate Percent	Final Maturity	Outstanding Amount
Governmental Activities (continued):					
Bonds Issued by the County for Monroe Community College (MCC)					
PI-2002 CABS	$ 10,506	3/14/2002	4.93/4.96	2019	$ 5
PI-2009-A	7,910	7/14/2009	4.00/5.00	2029	3,962
PI-2010	5,300	7/13/2010	3.00/4.375	2030	3,358
GO Refunding Bonds - 2012	7,792	4/3/2012	3.75/5.00	2022	1,395
PI-2012	6,778	6/27/2012	4.00/5.00	2031	2,813
PI Refunding - 2015-A	624	3/26/2015	3.00/5.00	2025	409
PI Refunding - 2015-B	37	3/26/2015	4.00	2024	37
PI-2015	16,790	6/30/2015	3.00/5.00	2035	12,622
PI-2016	15,564	6/29/2016	2.00/5.00	2036	14,706
PI-2016-B	13,000	10/27/2016	3.00/5.00	2036	12,457
PI-2017	8,000	6/27/2017	3.00/5.00	2037	7,577
PI-2018	2,190	6/26/2018	3.00/5.00	2038	2,190
					61,531
Add: Unamortized bond premium					5,600
Total Bonds Issued by the County for MCC					67,131
Total Governmental Funds					583,130
Internal Service Funds					
PI Refunding-1996-Series A	6,128	12/1/1996	6.00	2019	40
PI-2009-A	10,590	7/14/2009	4.00/5.00	2029	4,387
PI-2010	24,088	7/13/2010	3.00/4.375	2030	15,334
GO Refunding Bonds - 2012	3,621	4/3/2012	5.00	2019	303
PI-2012	12,918	6/27/2012	3.00/5.00	2031	8,049
PI Refunding - 2015-A	8,116	3/26/2015	4.00/5.00	2027	5,579
PI Refunding - 2015-B	251	3/26/2015	4.00	2024	251
PI-2015	10,199	6/30/2015	3.00/5.00	2031	7,254
PI-2016	5,997	6/29/2016	2.00/5.00	2035	4,185
PI-2016-B	125	10/27/2016	5.00	2022	105
PI-2017	4,500	6/27/2017	5.00	2037	3,331
PI-2018	19,037	6/26/2018	3.00/5.00	2038	19,037
					67,855
Add: Unamortized bond premium					4,444
Total Internal Service Funds					72,299
Total Governmental Activities					$ 655,429

*PI: Public Improvement, GO: General Obligation

Bonds Payable – Primary Government (continued)

	Original Amount	Date of Bonds	Interest Rate Percent	Final Maturity	Outstanding Amount
Business-type Activities:					
Bonds issued by the County					
Solid Waste Fund					
PI Refunding-1996-Series A	$ 46,343	12/1/1996	6.00	2019	$ 52
GO Refunding Bonds - 2012	81	4/3/2012	5.00	2019	6
PI-2012	2,009	6/27/2012	3.00/5.00	2031	1,037
PI Refunding - 2015-A	2,107	3/26/2015	4.00/5.00	2025	1,422
PI Refunding - 2015-B	127	3/26/2015	4.00	2024	127
PI-2015	1,470	6/30/2015	3.00/5.00	2035	633
PI-2016	772	6/29/2016	4.00/5.00	2021	404
PI-2017	105	6/27/2017	5.00	2020	77
PI-2018	190	6/26/2018	3.00/5.00	2038	190
					3,948
Add: Unamortized bond premium					318
Total Solid Waste Fund					4,266
Airport Fund					
PI-2009-B	14,200	7/14/2009	5.00/5.25	2029	8,105
GO Refunding Bonds - 2012	2,942	4/3/2012	3.75/5.00	2023	584
PI Refunding - 2015-A	1,748	3/26/2015	4.00/5.00	2025	1,115
PI Refunding - 2015-B	101	3/26/2015	4.00	2024	101
					9,905
Add: Unamortized bond premium					414
Total Airport Fund					$ 10,319

*PI: Public Improvement, GO: General Obligation

Bonds Payable – Primary Government (continued)

	Original Amount	Date of Bonds	Interest Rate Percent	Final Maturity	Outstanding Amount
Business-type Activities (continued):					
Bonds issued by the County					
Hospital Fund					
PI-2009-A	$ 2,382	7/14/2009	4.00/5.00	2023	$ 510
PI-2010	1,560	7/13/2010	3.00/4.00	2025	263
GO Refunding Bonds - 2012	2,350	4/3/2012	5.00	2019	138
PI-2012	5,660	6/27/2012	3.00/5.00	2027	1,780
PI Refunding - 2015-A	866	3/26/2015	4.00/5.00	2025	510
PI Refunding - 2015-B	43	3/26/2015	4.00	2024	43
PI-2015	4,065	6/30/2015	3.00/5.00	2035	2,359
PI-2016	1,920	6/29/2016	2.00/5.00	2031	1,542
PI-2017	1,245	6/27/2017	4.00/5.00	2031	1,237
PI-2018	1,813	6/26/2018	3.00/5.00	2038	1,813
					10,195
Add: Unamortized bond premium					835
Total Hospital Fund					11,030
Pure Waters Fund					
PI Refunding-1996-Series A	46,343	12/1/1996	6.00	2019	2,774
EI Bonds-2001	19,999	7/26/2001	4.894/5.154	2021	3,755
EI Bonds-2002	2,287	3/14/2002	4.622/4.982	2021	410
PI-2009-A	18,300	7/14/2009	4.00/5.00	2029	10,933
PI-2010	14,955	7/13/2010	3.00/4.375	2030	10,084
GO Refunding Bonds - 2012	4,490	4/3/2012	3.75/5.00	2023	576
PI-2012	21,950	6/27/2012	3.00/5.00	2031	16,372
PI-2014	22,920	7/2/2014	2.00/5.00	2034	19,195
PI Refunding - 2015-A	25,643	3/26/2015	4.00/5.00	2027	18,541
PI Refunding - 2015-B	714	3/26/2015	4.00	2024	714
PI-2015	16,900	6/30/2015	3.00/5.00	2035	14,995
PI-2016	16,147	6/29/2016	2.00/5.00	2036	14,383
PI-2016-B	3,615	10/27/2016	3.00/5.00	2036	3,437
PI-2017	8,359	6/27/2017	3.00/5.00	2037	8,359
PI-2018	19,889	6/26/2018	3.00/5.00	2038	19,889
					144,417
Add: Unamortized bond premium					8,567
Total Pure Waters Fund					152,984
Total Business-type Activities					$ 178,599
Total Primary Government					$ 834,028

*PI: Public Improvement, GO: General Obligation, EI: Environmental Improvement

C. **Future Debt Service**

The following is a schedule of annual principal and interest payments on bonds outstanding for the primary government as of December 31, 2018 (000's omitted):

Principal and Interest Payments – Primary Government

	Governmental Activities		Business-type Activities				
	Governmental Funds	Internal Service	Solid Waste	Airport	Hospital	Pure Waters	Total Primary Government
Principal							
2019	$ 32,603	$ 7,059	$ 1,156	$ 1,114	$ 2,185	$ 13,189	$ 57,306
2020	32,608	7,160	738	1,018	1,900	11,246	54,670
2021	30,312	7,209	509	1,035	1,797	11,493	52,355
2022	26,130	6,927	442	896	1,319	10,170	45,884
2023	25,604	6,259	256	912	881	10,347	44,259
2024-2028	100,946	21,598	631	4,235	1,478	45,852	174,740
2029-2033	36,999	8,430	164	695	510	29,503	76,301
2034-2038	8,687	3,213	52	-	125	12,617	24,694
2039-2043	118,755	-	-	-	-	-	118,755
2044-2048	35,465	-	-	-	-	-	35,465
2049-2053	5,387	-	-	-	-	-	5,387
2054-2058	8,923	-	-	-	-	-	8,923
2059-2061	30,204	-	-	-	-	-	30,204
Total Principal	492,623	67,855	3,948	9,905	10,195	144,417	728,943
Interest							
2019	22,394	3,160	159	472	460	5,979	32,624
2020	19,577	2,474	109	418	322	5,058	27,958
2021	17,951	2,130	78	366	230	4,500	25,255
2022	16,572	1,797	57	318	155	3,992	22,891
2023	15,372	1,496	42	273	103	3,542	20,828
2024-2028	62,039	4,118	74	697	214	11,261	78,403
2029-2033	46,813	992	21	18	57	4,145	52,046
2034-2038	43,203	208	2	-	4	738	44,155
2039-2043	35,192	-	-	-	-	-	35,192
2044-2048	4,433	-	-	-	-	-	4,433
2049-2053	66,578	-	-	-	-	-	66,578
2054-2058	193,791	-	-	-	-	-	193,791
2059-2061	1,531,395	-	-	-	-	-	1,531,395
Total Interest	2,075,310	16,375	542	2,562	1,545	39,215	2,135,549
Total Principal and Interest	$ 2,567,933	$ 84,230	$ 4,490	$ 12,467	$ 11,740	$ 183,632	$ 2,864,492

Approximately $379 million of the total principal is anticipated to be financed by user charges or tobacco settlement revenues. The remainder will be financed through the real property tax levy, general County revenues or existing reserves available for the retirement of debt. All proprietary fund debt is secured by the County's full faith and credit. Included in the interest payments for 2059-2061 are the tobacco settlement capital appreciation bonds maturing in 2061.

11. **Leases**

Capital Lease Agreements

The following is a schedule of the future minimum lease payments for equipment leases capitalized together with the present value of the net minimum lease payments as of December 31, 2018 (000's omitted):

Capital Lease Agreements

	Governmental Activies		Business-Type Activities	
	General Fund	Revenue Funds Library	Hospital	Total
Year				
2019	$ 317	$ 40	$ 952	$ 1,309
2020	142	39	952	1,133
2021	142	-	952	1,094
2022	14	-	952	966
2023	-	-	952	952
Total minimum lease payments	615	79	4,760	5,454
Less amounts representing interest (rates ranging from 2.0% to 3.1%)	(1)	(1)	(647)	(649)
Net minimum lease payments	$ 614	$ 78	$ 4,113	$ 4,805

The Hospital entered into a lease agreement through Siemens with Premier National Investment Company, a subsidiary of Manufacturers and Traders Trust Company (M&T), on August 7, 2007, for energy enhancements at the Hospital. The lease agreement has been recognized with an initial value of $10.1 million and accumulated amortization of $4.8 million at December 31, 2018.

DRAFTv1

12. **Employee Pension**

A. **Employee Pension Plans**

The County participates in the New York State and Local Employees' Retirement System (ERS) and New York State Police and Firefighters Retirement System (PFRS). Both ERS and PFRS are cost-sharing multiple-employee retirement plans that provide retirement benefits as well as death and disability benefits. Obligations of employers and employees to contribute and benefits to employees are governed by the New York State Retirement and Social Security Law (NYSRSSL). As set forth in the NYSRSSL, the Comptroller of the State of New York (Comptroller) serves as sole trustee and administrative head of ERS and PFRS. The Comptroller shall adopt and may amend rules and regulations for the administration and transaction of the business of ERS and PFRS and for the custody and control of their funds. ERS and PFRS issue publicly available financial reports that include financial statements and required supplementary information. These reports may be obtained by writing to the New York State and Local Retirement Systems, 110 State Street, Albany, NY 12244-0001.

ERS and PFRS are noncontributory except for employees who joined the New York State and Local Employee's Retirement System between July 28, 1976 and December 31, 2009 and have less than ten years of credited service. These members contribute 3% of their salary. Prior to October 2000, all County and MCC employees who joined between July 28, 1976 and December 31, 2009 were required to contribute 3%, but the laws were modified to forgive the 3% contribution for those with ten or more years of service time. All members who joined between January 1, 2010 and March 31, 2012 are required to contribute 3% of their salary for the duration of service. Effective April 1, 2012 all members joining the system are required to contribute 3% of their salary for the duration of service. This contribution rate remained in effect through March 31, 2013. Beginning April 1, 2013 those members having joined as of April 1, 2012 and subsequently have their contribution rates vary from 3% to 6% based on their level of annualized wages for the duration of service. Under the authority of the NYSRSSL, the Comptroller shall certify annually the rates expressed as proportions of payroll of members, which shall be used in computing the contributions required to be made by employers to the pension accumulation fund.

The County is required to contribute at an actuarially determined rate. The required contributions for the current year and two preceding years for ERS and PFRS were as follows (000's omitted):

Required Contributions for ERS and PFRS

Year	ERS	PFRS
2018	$ 41,648	$ 372
2017	46,975	384
2016	39,810	351

The County's contributions made to ERS and PFRS were equal to 100% of the contributions required for each year, net of those portions elected to be amortized.

DRAFTv1

ERS and PFRS, effective with Chapter 260, Laws of 2004, changed the payment due date for participating employers from December 15th of the current year to February 1st of the subsequent year. In addition, the change in the Law provided participating employers alternative financing options. These options included: (1) amortizing a portion of the pension cost, based on a graduated scale, with the ERS or PFRS over 5 or 10 years, interest for the amortization is based on a rate established by the Comptroller using current market rates; (2) allowing participating employers to bond the costs.

ERS and PFRS, effective with Chapter 57, Laws of 2010, initiated the employer contribution stabilization program. This provided the option of amortizing a portion of the pension cost over 10 years. The Chapter 57 Laws, in 2013, allowed for an alternate program allowing the option of amortizing over 12 years. Interest for the amortization is based on a rate established by the Comptroller using current market rates. In the years 2010 through 2012, in accordance with Chapter 57 Laws, the County elected to amortize a portion of retirement costs over 10 years. In the years 2013 through 2016, in accordance with Chapter 57 Laws, the County elected to amortize a portion of retirement costs over 12 years.

The County elected to prepay the retirement system invoice of $42.0 million on December 15, 2018. Due to this, $8.3 million of the payment represents a prepaid expense as of December 31, 2018. This amount covers the period through March 31, 2019, which is the end of the State's fiscal year. By activity, the prepaid expense is allocated as follows: $7.0 million in the governmental activities and $1.3 million in the business-type activities. In addition, the County made a payment of $12 million in February 15, 2019 to pay down a portion of the outstanding Chapter 57 Elective Deferral amounts. This is shown as a current liability, representing the payable due as of December 31, 2018. The following is a breakdown of the retirement liability as of December 31, 2018 by activity (000's omitted):

	Year	Chapter 57 Elective Deferral
Governmental Activities:		
	2019	$ 12,000
	2020	2,509
	2021	2,590
	2022	2,674
	2023	2,760
	2024	2,850
	2025	2,943
	2026	3,037
	2027	3,137
	2028	1,916
	2029	712
Total Retirement Liability		$ 37,128

DRAFTv1

B. **Pension Liabilities, Pension Expense, and Deferred Outflows/Inflows of Resources Related to Pensions**

At December 31, 2018, the County reported a net pension liability of $34.2 million and $400 thousand for its proportionate share of the ERS and PFRS net pension liability, respectively. Of the $34.2 million total, $26.5 million is attributable to governmental activities and $7.7 million to business-type activities.

The net pension liability was measured as of March 31, 2018, and the total pension liability used to calculate the net pension liability was determined by the actuarial valuation as of April 1, 2017. The County's proportion of the net pension liability was based on a projection of The County's long-term share of contributions to the pension plan relative to the projected contributions of all participating members, actuarially determined.

At December 31, 2018, the County's proportionate share was 1.06% and 0.04% for ERS and PFRS, respectively.

For the year ended December 31, 2018, the County recognized pension expense of $35.4 million and $394 thousand for ERS and PFRS, respectively.

The County reported deferred outflows/inflows of resources related to pensions from the following sources (000's omitted):

ERS

	Deferred Outflows of Resources		
	Governmental Activities	Business-type Activities	Total
Differences between expected and actual experience	$ 10,088	$ 2,097	$ 12,185
Changes of assumptions	18,754	3,899	22,653
Net difference between projected and actual earnings on pension plan investments	41,078	8,541	49,619
Changes in proportion and differences between the County's contributions and proportionate share of contributions	1,213	252	1,465
Contributions subsequent to the measurement date	21,195	4,406	25,601
Total	$ 92,328	$ 19,195	$ 111,523

	Deferred Inflows of Resources		
	Governmental Activities	Business-type Activities	Total
Differences between expected and actual experience	$ 8,487	$ 1,582	$ 10,069
Changes of assumptions	-	-	-
Net difference between projected and actual earnings on pension plan investments	82,560	15,384	97,944
Changes in proportion and differences between the County's contributions and proportionate share of contributions	11,915	2,219	14,134
Total	$ 102,962	$ 19,185	$ 122,147

PFRS

	Deferred Outflows of Resources		
	Governmental Activities	Business-type Activities	Total
Differences between expected and actual experience	$ -	$ 166	$ 166
Changes of assumptions	-	305	305
Net difference between projected and actual earnings on pension plan investments	-	326	326
Changes in proportion and differences between the County's contributions and proportionate share of contributions	-	63	63
Contributions subsequent to the measurement date	-	279	279
Total	$ -	$ 1,139	$ 1,139

	Deferred Inflows of Resources		
	Governmental Activities	Business-type Activities	Total
Differences between expected and actual experience	$ -	$ 107	$ 107
Changes of assumptions	-	-	-
Net difference between projected and actual earnings on pension plan investments	-	656	656
Changes in proportion and differences between the County's contributions and proportionate share of contributions	-	18	18
Total	$ -	$ 781	$ 781

The County recognized $25.6 million and $279 thousand reported as deferred outflows of resources related to pensions resulting from contributions subsequent to the measurement date of March 31, 2018 for ERS and PFRS respectively. These amounts will be recognized as a reduction of the net pension liability in the year ended December 31, 2019. Other amounts reported as deferred outflows of resources and deferred inflows of resources related to pensions will be recognized in pension expense for ERS and PFRS, respectively as follows (000's omitted):

	Governmental Activities	Business-type Activities	Total
ERS:			
Plan's Year Ended March 31:			
2019	$ 1,586	$ 219	$ 1,805
2020	1,409	195	1,604
2021	(23,881)	(3,299)	(27,180)
2022	(10,943)	(1,511)	(12,454)
ERS Total	$ (31,829)	$ (4,396)	$ (36,225)
PFRS:			
Plan's Year Ended March 31:			
2019	$ -	$ 95	$ 95
2020	-	86	86
2021	-	(76)	(76)
2022	-	(50)	(50)
2023	-	24	24
PFRS Total	$ -	$ 79	$ 79

DRAFTv1

Actuarial Assumptions

The total pension liability at March 31, 2018 was determined by using an actuarial valuation as of April 1, 2017, with update procedures used to roll forward the total pension liability to March 31, 2018.

The actuarial valuation used the following actuarial assumptions for both the ERS and PFRS:

Actuarial Cost Method	Entry age normal
Interest rate	7.0%
Salary scale	3.8%/4.5%
Decrement tables	April 1, 2010 – March 31, 2015 System's experience, with adjustments for mortality improvements based on MP-2014.
Inflation rate	2.5%

Long-term Rate of Return

The long-term expected rate of return on pension plan investments was determined in accordance with Actuarial Standard of practice (ASOP) No. 27, Selection of Economic Assumptions for Measuring Pension Obligations. ASOP No. 27 provides guidance on the selection of an appropriate assumed investment rate of return. Consideration was given to expect future real rates of return (expected returns, net of pension plan investment expense and inflation) for equities and fixes income as well as historical investment data and plan performance.

Best estimates of arithmetic real rates of return for each major asset class included in the target asset allocation as of March 31, 2018 are summarized below:

Asset Type	Target Allocations in %	Long-Term Expected Real Rate of Return in %*
Domestic Equity	36	4.55
International Equity	14	6.35
Private Equity	10	7.50
Real Estate	10	5.55
Absolute Return Strategies	2	3.75
Opportunistic Portfolio	3	5.68
Real Asset	3	5.29
Bonds & Mortgages	17	1.31
Cash	1	-0.25
Inflation-Indexed Bonds	4	1.25
	100	

*Real rates of return are net of long-term inflation assumption of 2.5%.

Discount Rate

The discount rate used to calculate the total pension liability was 7.0%. The projection of cash flows used to determine the discount rate assumes that contributions from plan members will be made at the current contribution rates and that contributions from employers will be made at statutorily required rates, actuarially. Based upon the assumptions, the Plan's fiduciary net position was projected to be available to make all projected future benefit payments of current plan members. Therefore the long term expected rate of return on pension plan investments was applied to all periods of projected benefit payments to determine the total pension liability.

DRAFTv1

Sensitivity of the Proportionate Share of the Net Pension Liability to the Discount Rate Assumption

The following presents the County's proportionate share of the net pension liability calculated using the discount rate of 7.0%, as well as what the County's proportionate share of the net pension liability would be if it were calculated using a discount rate that is 1% lower (6.0%) or 1% higher (8.0%) than the current rate (000's omitted):

ERS

	1% decrease 6.00%	Current Discount 7.00%	1% Increase 8.00%
Proportionate Share of Net Pension Liability	$ 258,488	$ 34,164	$ (155,606)

PFRS

	1% decrease 6.00%	Current Discount 7.00%	1% Increase 8.00%
Proportionate Share of Net Pension Liability	$ 1,970	$ 402	$ (913)

Pension Plan Fiduciary Net Position

The components of the current-year net pension liability of the employers as of March 31, 2018 for ERS and PFRS respectively as follows (000's omitted):

ERS

	Pension Plan's Fiduciary Net Position	County's proportionate share of Plan's Fiduciary Net Position	County's allocation percentage as determined by the Plan
Total pension liability	$ 183,400,590	$ 1,941,380	1.06%
Net position	(180,173,145)	(1,907,216)	
Net pension liability (asset)	$ 3,227,445	$ 34,164	
Fiduciary net position as a percentage of total pension liability	98.2%	98.2%	

PFRS

	Pension Plan's Fiduciary Net Position	County's proportionate share of Plan's Fiduciary Net Position	County's allocation percentage as determined by the Plan
Total pension liability	$ 32,914,423	$ 13,091	0.04%
Net position	(31,903,666)	(12,689)	
Net pension liability (asset)	$ 1,010,757	$ 402	
Fiduciary net position as a percentage of total pension liability	96.9%	96.9%	

DRAFTv1

13. **Other Postemployment Benefits**

Plan Description

The County administers a single-employer defined benefit Other Post-employment Benefit (OPEB) plan. The plan provides certain healthcare, medical and dental insurance benefits for eligible retirees and their spouses. Eligibility requirements and benefit provisions are established through negotiations between the County and the various collective bargaining units and their employment agreements. The plan does not issue a stand-alone financial report since there are no assets legally segregated in a trust for the sole purpose of paying benefits under the plan. No assets are accumulated in a trust that meets all of the criteria in GASB Statement No. 75, paragraph 4.

Benefits Provided

The obligations of the plan are negotiated between the County and the applicable union representatives. Healthcare benefits for non-union employees are similar to those of union employees. The retiree's share of the calculated premium cost ranges from 0% to 100%, depending on the retirement date and length of service. Based on collective bargaining agreements, the retiree and his or her beneficiaries receive this coverage in accordance with those agreements. The County currently contributes the amounts required to satisfy current obligations on a pay-as-you-go basis. In 2018 those costs were $25.4 million and the costs of administering the plan are paid by the County.

Employees Covered by Benefit Terms

At December 31, 2018, the following employees were covered by the benefit terms:

Inactive employees and spouses currently receiving benefits:	3,100
Active Employees:	3,868
Total Participants:	6,968

Total OPEB Liability

The County's total OPEB liability of $549.5 million, was recognized as $490.7 million for the governmental activities and $58.8 million for the business type funds, and was measured as of December 31, 2018. The total OPEB liability was determined by an actuarial valuation as of December 31, 2017.

Actuarial Methods and Other Inputs

Projections of benefits for financial reporting purposes are based on the substantive plan as understood by the employer and plan members and include the types of benefits provided at the time of the valuation and the historical pattern of sharing of benefit costs between the employer and plan members to that point. The actuarial methods and assumptions used include techniques that are designed to reduce the effects of short-term volatility in actuarial accrued liabilities and the actuarial value of assets, consistent with the long-term perspective of the calculations.

The following methods and assumptions were used:

Actuarial Valuation Date	December 31, 2017
Measurement Date	December 31, 2018
Actuarial Cost Method	Entry age normal
Discount Rate	4.11%
Inflation Rate	2.5%
Health Care Trend Rates	8.5%, decreasing by 0.5% each year until 2026; 5.0% thereafter

The discount rate was based on the yield for 20-year tax-exempt general obligation municipal bonds as of the valuation date, which represents the average of certain general obligation municipal bonds maturing in 20 years and having an average rating of AA/Aa or higher.

Mortality rates were based on RPH-2017 Total Dataset Mortality Table fully generational using MP-2017.

DRAFTv1

Changes in the Total OPEB Liability
(000's omitted)

	Governmental Activities	Business-type Activities	Total
Balance at January 1, 2018	$ 536,514	$ 63,385	$ 599,899
Changes for the year-			
Service cost	11,226	2,120	13,346
Interest	18,479	2,184	20,663
Changes in assumptions or other inputs	(54,170)	(4,874)	(59,044)
Benefit payments	(21,305)	(4,049)	(25,354)
Net Changes	(45,770)	(4,619)	(50,389)
Balance at December 31, 2018	$ 490,744	$ 58,766	$ 549,510

Sensitivity of the Total OPEB Liability to Changes in the Discount Rate

The following presents the total OPEB liability of the County, as well as what the County's total OPEB liability would be if it were calculated using a discount rate that is 1 percentage point lower (3.11%) or 1 percentage point higher (5.11%) than the current discount rate of 4.11% (000's omitted):

	1% decrease 3.11%	Current Discount 4.11%	1% Increase 5.11%
Total OPEB Liability	$ 603,845	$ 549,510	$ 502,593

Sensitivity of the Total OPEB Liability to Changes in the Healthcare Cost Trend Rates

The following presents the total OPEB liability of the County, as well as what the County's total OPEB liability would be if it were calculated using healthcare cost trend rates that are 1 percentage point lower (4.00-7.50%) or 1 percentage point higher (6.00-9.50%) than the current healthcare cost trend rate of 5.00% to 8.50% (000's omitted):

	1% decrease 4.00% - 7.50%	Current Discount 5.00% - 8.50%	1% Increase 6.00% - 9.50%
Total OPEB Liability	$ 492,755	$ 549,510	$ 616,856

DRAFTv1

OPEB Expense and Deferred Outflows of Resources and Deferred Inflows of Resources Related to OPEB

For the year ended December 31, 2018, the County recognized OPEB expense of $30.7 million and $4.67 million for the governmental activities and business-type funds. At December 31, 2018, the County reported deferred inflows and outflows of resources related to OPEB from the following sources (000's omitted):

	Deferred Outflows of Resources		
	Governmental Activities	Business-type Activities	Total
Differences between expected and actual experience	$ (249)	$ -	$ (249)
Changes of assumptions	-	-	-
Total	$ (249)	$ -	$ (249)

	Deferred Inflows of Resources		
	Governmental Activities	Business-type Activities	Total
Differences between expected and actual experience	$ 17,629	$ 1,223	$ 18,852
Changes of assumptions	27,380	3,040	30,420
Total	$ 45,009	$ 4,263	$ 49,272

Amounts reported as deferred outflows and inflows of resources related to OPEB will be recognized in OPEB expense for the years ending December 31 as follows (000's omitted):

2019	$ 8,170
2020	8,170
2021	8,170
2022	8,171
2023	8,171
Thereafter	8,171
	$ 49,023

DRAFTv1

14. **Interfund Activity**

Interfund activity is reported as loans, services provided, and reimbursements or transfers. Loans are reported as interfund receivables and payables, as appropriate, and are subject to elimination upon consolidation. Services provided, deemed to be at market or near-market rates, are treated as revenues and expenses. Reimbursements occur when one fund incurs a cost, charges the appropriate benefiting fund and recognizes revenue. All other interfund transactions are treated as transfers.

A. **Receivables and Payables**

Seventy four percent of the total amount of receivables and payables is a result of the overdraft of other funds' share of pooled cash, and twenty six percent is a result of initial financing of capital projects. The following is a summary of interfund receivables and payables as of December 31, 2018 (000's omitted):

Interfund Payables and Receivables

	Interfund Receivables		
	Governmental Activities		
	General Fund	Special Revenue	Total
Interfund Payables			
Governmental Activites:			
Major Governmental Funds			
Capital Projects	$ 11,803	$ 1,311	$ 13,114
Nonmajor Governmental Funds			
Special Revenue - Road	11,500	-	11,500
Total Governmental Activities	23,303	1,311	24,614
Business-type Activities:			
Solid Waste	20,500	-	20,500
Airport	3,800	-	3,800
Energy	1,200	-	1,200
Total Business-type Activities	25,500	-	25,500
Total Interfund Payables and Receivables	$ 48,803	$ 1,311	$ 50,114

DRAFTv1

B. **Transfers**

One hundred percent of transfers to road and library funds were from revenues collected in the general fund to finance various programs within the road and library funds. One hundred percent of transfers to the debt service fund are the result of moving receipts restricted to debt service to fund debt service payments as they come due.

The following is a summary of interfund transfers for the year ended December 31, 2018 (000's omitted):

	Governmental Activites					
	Interfund Transfers to:					
	Non-major Governmental Funds					
	Special Revenue Funds		Debt Service	Capital Project	Internal Service	
Interfund Transfers From:	Road	Library	Funds	Funds	Funds	Total
Governmental Activities:						
Major Governmental Funds						
General Fund	$ 14,378	$ 6,961	$ 19,052	$ 2,100	$ 1,310	$ 43,801
Capital Projects	-	-	2,761	-	-	2,761
Total Major Governmental Funds	14,378	6,961	21,813	2,100	1,310	46,562
Nonmajor Governmental Funds						
Special Revenue						
Road	-	-	12,873	-	-	12,873
Library	-	-	191	-	-	191
Debt Service	-	-	-	26	-	26
Total Nonmajor Governmental Funds	-	-	13,064	26	-	13,090
Internal Service	-	-	2,739	-	901	3,640
Total Governmental Activities	14,378	6,961	37,616	2,126	2,211	63,292
Business-type Activities:						
Hospital	-	-	735	-	-	735
Total Business-type Activities	-	-	735	-	-	735
Total Transfers	$ 14,378	$ 6,961	$ 38,351	$ 2,126	$ 2,211	$ 64,027

15. **Miscellaneous Revenue**

For the year ended December 31, 2018, the miscellaneous revenue for the primary government is $14.2 million, consisting of $4.8 million for governmental activities and $9.4 million for business-type activities. This includes $6.7 million in the solid waste fund for the sale of recycled materials and waste refuse complex fees and $2.1 million in the hospital fund, consisting primarily of rental fees.

16. **Federal and State Funded Programs**

The County participates in a number of Federal and New York State grant and assistance programs. These programs are subject to financial and compliance audits by the grantors or their representatives. The amount, if any, of expenditures which may be disallowed by the granting agencies cannot be determined at this time, although the County expects such amounts, if any, to be immaterial. Expenditures disallowed by completed audits have generally been immaterial in nature and, accordingly, have been reflected as adjustments to revenues in the year the expenditure was determined to be unallowable.

DRAFTv1

17. **Risk Management/Insurance**

The County is exposed to various risks of loss related to torts; theft of, damage to, and destruction of assets; errors and omissions; injuries to employees; and natural disasters. The internal service fund (risk management fund) is used to account for and finance the County's uninsured risks of loss. Under this program, the risk management fund provides self-insurance coverage for up to a maximum of $2 million for each Workers' Compensation claim. The County purchases commercial insurance for claims in excess of self-insurance coverage provided by the fund and all other risks of loss. The County is self-insured for medical claims.

In addition to the self-insured risks noted above, the County is also self-insured for any malpractice claims against the Hospital. The County is a defendant in various claims and litigation. Because actual claim liabilities depend on such complex factors as inflation, changes in legal doctrines and damage awards, it is not possible to determine an exact measure of claim liabilities. The County Attorney is responsible for analyzing the County's claims and providing an opinion regarding the County's ability to cover its liabilities in the self-insurance program. Based on the analysis for the year ending December 31, 2018, the County Attorney has determined that the County is adequately covered through its insurance and self-insurance programs described above.

All funds of the County participate in the self-insurance program and make payments to the internal service fund. Payments from other funds and the component unit are determined by two methods. The first method reimburses the risk management fund for "small claims" (those under $10 thousand) and insurance premiums by assessment against County organizations based upon actual payroll. The second method results in charges to County organizations based upon their proportionate share of full-time positions.

The internal service fund records all claim liabilities when it is probable that a loss has occurred and the amount of that loss can be reasonably estimated. All liabilities are recorded at their value as of December 31, 2018.

The table below illustrates changes in the fund's liabilities for the last two years (000's omitted):

Risk Management Fund				
Year	Beginning of year	Current-Year Claims and Changes In Estimates	Claim Payments	End of year
2018	$ 42,236	$ 80,517	$ (75,795)	$ 46,958
2017	43,890	73,552	(75,206)	42,236

Of the $46.9 million estimated accrued liabilities in the internal service fund, $45.5 million is reported in the accounts payable and accrued liabilities and $1.4 million is reported in notes payable. The $45.5 million is comprised of $11.5 million, which is the County Attorney's estimate of general liability claims which may likely settle, $28.6 million representing Workers' Compensation claims already reported, and additional claims incurred but not yet reported, $2.5 million for medical claims incurred but not yet reported and other liabilities amounting to $2.9 million. The County utilizes a third party administrator who is responsible for processing claims and estimating liabilities under this coverage. In addition to claim activity, liabilities include a $1.4 million bond anticipation note issued in June 2018 for a legal settlement.

The County has evaluated its potential pollution remediation obligations as of December 31, 2018. The County is aware of other contamination sites and is working with the NYS DEC on remediation methods. The County expects, at this time, that costs associated with these remediation efforts would be, if any, immaterial.

Pollution remediation obligations are estimates and are subject to changes resulting from price increases or reductions, technology, or changes in applicable laws and regulations.

18. **Tax Abatement**

The County has over 300 real property tax abatement agreements entered into by Imagine Monroe under Article 18-A of the General Municipal Law of the State of New York. These agreements provide for abatement of real property taxes in exchange for a payment in lieu of taxes (PILOT) and are under one of four possible programs:

JobsPlus Program

Under the JobsPlus program the recipient can be manufacturers, technology-based producer service companies, commercial projects which will increase the tax assessment with new construction and the rehabilitation of existing commercial buildings that have been vacant for a long period of time. They must meet a minimum of 10% job creation goal over impacted employment within three years. The project must use all local labor for the construction of new, expanded or renovated facilities.

DRAFTv1

Enhanced JobsPlus Program

Under the Enhanced JobsPlus program the recipient can be manufacturers or technology based producer service companies. The requirements are an investment minimum of $15 million in new plant, machinery and equipment or renovation of existing buildings, a minimum of 100 new jobs from new companies locating in Monroe County, or existing companies expanding operations within Monroe County within 3 years, and in the absence of a waiver permitting otherwise, the project must use all local labor for the construction of new, expanded or renovated facilities.

Green JobsPlus

Under the Green JobsPlus program the recipient can be manufacturers, technology-based producer service companies, or commercial projects which will increase the tax assessment with new construction. Requirements for this program are that the project must be rated as certified, gold, silver, or platinum by the United States Green Building Council's Leadership in Energy and Environmental Design Green Building Rating System must meet the minimum of 10% job creation in 3 years and must use all local labor.

LeasePlus Program

For the new building construction or renovation projects for Universities and medical related facilities in which 501(c)3 entity leases from a for-profit entity. The requirements under this program are job creation of 10% within 3 years and the use of local labor.

In addition to the above programs, Shelter Rent Agreements are also available. . Property tax abated under the Shelter rent program is for new building or renovation projects for student or affordable housing. This program requires job creation of a minimum of 10% within 3 years as well as the use of local labor for the construction of new or renovation of facilities. Payments are made to the City of Rochester or the Town municipality based on rents collected by the property owner. The County then receives it share of the rent collected.

If the property owner does not meet the requirements set forth in the PILOT Agreement, the exempted tax amount may be recaptured and repayment of the tax amount abated would be required.

The following information for year ended December 31, 2018 relates to the PILOT agreements entered into under the aforementioned programs:

Total Assessment Value:	$1.5 billion
Total Taxable Value:	$918.7 million
PILOTS Billed:	$7.8 million
County Taxes Abated:	$4.7 million

The following information relates to the Shelter Agreements entered into under the aforementioned programs:

Total Assessment Value:	$255.5 million
Total Taxable Value	$255.5 million
Shelter Rents Received	$0.8 million
County Taxes Abated:	$1.4 million

Of the $6.1 million taxes abated, no one property represented more than 10% of the total tax abated.

The County is also subject to sales tax abatements granted by Imagine Monroe in order to increase business activity and employment in the region. The amount of sales tax abated which reduced the County's share of sales tax revenue for the year ended December 31, 2018 was $1.2 million.

19. **Subsequent Event**

On April 18, 2019 the County issued bonds in the amount of $29.1 million which had $4.0 million worth of premium to refund the $32.2 million aggregate outstanding principal amount of the County's Public Improvement Bonds, 2009A and Public Improvement Bonds, 2009B issued on July 14, 2009. Proceeds of the Bonds will be used to: (i) purchase a portfolio of direct obligations of the United States of America (the "U.S. Government Obligations"), the principal of and investment income of which will be sufficient to pay the maturing principal of, interest on and redemption premium payable, if any, with respect to the Refunded Bonds, and (ii) pay costs of issuance related to the Bonds.

DRAFTv1

REQUIRED SUPPLEMENTARY INFORMATION (UNAUDITED)

DRAFTv1

COUNTY OF MONROE, NEW YORK
REQUIRED SUPPLEMENTARY INFORMATION (UNAUDITED)
SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES
GENERAL FUND - BUDGET AND ACTUAL
FOR THE YEAR ENDED DECEMBER 31, 2018
(000's Omitted)

	Original Budget	Amended Budget	Modified Budget	Actual	Variance Favorable (Unfavorable)
REVENUES					
Real property tax	$ 382,826	$ 382,826	$ 382,826	$ 381,881	$ (945)
Sales and other taxes	149,555	150,255	150,255	159,024	8,769
Federal aid	115,737	124,838	133,404	117,932	(15,472)
State aid	195,845	205,720	216,527	173,720	(42,807)
Charges for services	26,040	26,040	26,040	26,650	610
Intergovernmental	41,080	41,584	41,584	40,738	(846)
Interdepartmental	2,210	2,210	2,210	1,877	(333)
Use of money and property	4,584	4,584	4,584	7,878	3,294
Repayments and refunds	13,132	13,132	13,132	16,112	2,980
Payments in lieu of taxes	8,258	8,258	8,258	7,872	(386)
Miscellaneous	19,787	20,377	20,377	18,770	(1,607)
Total revenues	959,054	979,824	999,197	952,454	(46,743)
EXPENDITURES					
Health and welfare	554,706	564,723	576,024	531,972	44,052
Public safety	238,539	246,894	256,919	242,642	14,277
Culture, recreation and education	81,974	83,082	84,408	74,927	9,481
General government	38,014	39,304	39,897	33,818	6,079
Transportation	3,524	3,524	3,524	3,524	-
Total expenditures	916,757	937,527	960,772	886,883	73,889
Excess of revenues over expenditures	42,297	42,297	38,425	65,571	27,146
OTHER FINANCING SOURCES (USES)					
Transfers out	(42,497)	(42,497)	(42,497)	(43,801)	(1,304)
Total other financing sources (uses)	(42,497)	(42,497)	(42,497)	(43,801)	(1,304)
Changes in budgeted fund balances	$ (200)	$ (200)	$ (4,072)	21,770	$ 25,842
Fund balance at beginning of year				39,139	
Fund balance at end of year				$ 60,909	

See accompanying notes to required supplementary information.

DRAFTv1

COUNTY OF MONROE, NEW YORK
REQUIRED SUPPLEMENTARY INFORMATION (UNAUDITED)
SCHEDULE OF CHANGES IN TOTAL OPEB LIABILITY
AND RELATED RATIOS
FOR THE YEAR ENDED DECEMBER 31, 2018
(000's Omitted)

Total OPEB Liability	**2018**
Service cost	$ 13,346
Interest	20,663
Changes in assumptions and differences between actual and expected experience	(59,044)
Benefit payments	(25,354)
Total change in total OPEB liability	(50,389)
Total OPEB liability - beginning	599,899
Total OPEB liability - ending	$ 549,510
Covered-employee payroll	$ 230,891
Total OPEB liability as a percentage of covered-employee payroll	238.0%

Notes to schedule:

Changes of assumptions. Changes in assumptions and other inputs reflect the effects of changes in the discount rate each period. The following reflects the discount rate used each period:

Discount rate	4.11%

Schedule is intended to show information for 10 years.
Additional years will be displayed as information becomes available.

Plan Assets. No assets are accumulated in a trust that meets the criteria in GASB 75, paragraph 4, to pay related benefits:
Contributions from the employer and any nonemployer contributing entities, and earnings thereon, must be irrevocable.
Plan assets must be dedicated to providing OPEB to Plan members in accordance with the benefit terms.
Plan assets must be legally protected from the creditors of the employer, nonemployer contributing entities, the Plan administrator, and Plan members.

DRAFTv1

COUNTY OF MONROE, NEW YORK
REQUIRED SUPPLEMENTARY INFORMATION (UNAUDITED)
SCHEDULE OF PROPORTIONATE SHARE OF
NET PENSION LIABILITY (ASSET)
FOR THE YEAR ENDED DECEMBER 31, 2018
(000's Omitted)

New York State and Local Employees' Retirement System (ERS)	**2015**	**2016**	**2017**	**2018**
Proportion of the net pension liability (asset)	1.07%	1.05%	1.03%	1.06%
Proportionate share of the net pension liability	$ 36,211	$ 167,992	$ 96,046	$ 34,164
Covered-employee payroll	$ 224,109	$ 224,162	$ 221,710	$ 228,894
Proportionate share of the net pension liability (asset)	16.16%	74.94%	43.32%	14.93%
Plan fiduciary net position as a percentage of the total pension liability (asset)	97.95%	90.70%	94.70%	98.20%

New York State Police and Firefighters Retirement System (PFRS)	**2015**	**2016**	**2017**	**2018**
Proportion of the net pension liability (asset)	0.05%	0.04%	0.04%	0.04%
Proportionate share of the net pension liability (asset)	$ 129	$ 1,293	$ 800	$ 402
Covered-employee payroll	$ 1,683	$ 1,793	$ 1,820	$ 1,997
Proportionate share of the net pension liability (asset)	7.66%	72.11%	43.96%	20.13%
Plan fiduciary net position as a percentage of the total pension liability (asset)	99.03%	90.20%	93.50%	96.90%

Notes to schedule:

Schedule is intended to show information for 10 years.
Additional years will be displayed as information becomes available.

DRAFTv1

COUNTY OF MONROE, NEW YORK
REQUIRED SUPPLEMENTARY INFORMATION (UNAUDITED)
SCHEDULE OF CONTRIBUTIONS
PENSION PLANS
FOR THE YEAR ENDED DECEMBER 31, 2018
(000's Omitted)

New York State and Local Employees' Retirement System (ERS)	**2015**	**2016**	**2017**	**2018**
Contractually required contribution	$ 38,078	$ 39,810	$ 46,975	$ 41,648
Contributions in relation to the contractually required contribution	38,078	39,810	46,975	41,648
Contribution deficiency (excess)	$ -	$ -	$ -	$ -
Covered-employee payroll	$ 224,109	$ 224,162	$ 221,710	$ 228,894
Contributions as a percentage of covered-employee payroll	16.99%	17.76%	21.19%	18.20%

New York State Police and Firefighters Retirement System (PFRS)	**2015**	**2016**	**2017**	**2018**
Contractually required contribution	$ 353	$ 351	$ 384	$ 372
Contributions in relation to the contractually required contribution	353	351	384	372
Contribution deficiency (excess)	$ -	$ -	$ -	$ -
Covered-employee payroll	$ 1,683	$ 1,793	$ 1,820	$ 1,997
Contributions as a percentage of covered-employee payroll	20.97%	19.58%	21.10%	18.63%

Notes to schedule:
Schedule is intended to show information for 10 years.
Additional years will be displayed as information becomes available.

COUNTY OF MONROE, NEW YORK
Notes to Required Supplementary Information (000's omitted) (Unaudited)
Year Ended December 31, 2018

1. **Budgetary Basis Reporting**

The procedures governing the preparation, submission and adoption of the County's annual budget are stipulated in Article IV of the County Charter and in Article VI of the County Administrative Code.

The County Executive, with the assistance of the Office of Management and Budget (OMB), prepares the annual budget for submission to the County Legislature in a manner and form consistent with these articles. County departments and authorized agencies are required to submit their budget requests and revenue estimates to OMB. These requests are reviewed and analyzed, and the proposed budget is prepared for submission to the County Legislature.

The County Executive is required to submit the proposed budget to the Legislature on or before November 15th. The County Legislature must meet to deliberate on the budget and also must hold at least one public hearing prior to budget adoption. If the Legislature passes the budget as proposed, no further action is required on the part of the County Executive. If the Legislature changes the budget, the changes must be submitted to the County Executive for consideration. The County Executive then has 48 hours to approve or disapprove each of the Legislative changes. The Legislature can override a County Executive veto within the next 48 hours with a three-fifths majority vote.

If a budget has not been passed on or before the second Tuesday in December, the Legislature must meet daily until the budget is passed. If the budget is not passed by December 16th, then the budget as submitted by the County Executive, with any Legislative changes agreed to by the County Executive, becomes the adopted budget for the next year. The Office of Management and Budget has the authority to transfer budget amounts between accounts within any department up to and including $10 thousand on an annual aggregate basis for all funds of the County. The County Legislature must approve amounts exceeding this limitation.

The general fund is the only major fund with a legally-adopted budget. Appropriations for all budgets lapse at fiscal year-end. The general fund's budget is adopted on a departmental and object level of expenditure basis in which expenditures may not legally exceed appropriations.

Individual governmental fund comparisons of budgetary and actual data at the legal level of control established by the adopted budget (i.e., minimally at the department and object level) are not presented in this report for those funds with annual adopted budgets due to the excessive detail involved.

On a budget basis, sales tax revenue amounts reflect only the County share of the sales tax distribution.

DRAFTv1

COUNTY OF MONROE, NEW YORK
Notes to Required Supplementary Information (000's omitted) (Unaudited)
Year Ended December 31, 2018

A summary of legally-adopted budgetary activity for the County's general fund for the year ended 2018 follows (000's omitted):

Revenues and other Financing Sources	
Original Adopted Budget	$ 959,054
Budget Amendments and Transfers	20,770
Amended Budget	979,824
Grants Residual Budget Carryover	19,373
Modified Budget	$ 999,197
Expenditures and other Financing Uses	
Original Adopted Budget	$ 959,254
Budget Amendments and Transfers	20,770
Amended Budget	980,024
Prior Year Encumbrances and Grants Residual Budget Carryover	23,245
Modified Budget	$ 1,003,269

The general fund budget includes grants awarded to the County from state and federal sources. The adopted budget reflects the budget originally approved by the County Legislature. The amended budget includes transfers and amendments approved during the current year including new grant awards not part of the original adopted budget. The amended budget is balanced as budgeted revenues and expenditures are equally impacted The modified budget includes a carryover of prior year encumbrances affecting the expenditure budget only, as well as reappropriations of grants from the prior year that will be expended and received in later years of multi-year funded federal and state grants.

DRAFTv1

COMBINING FINANCIAL INFORMATION

DRAFTv1

COUNTY OF MONROE, NEW YORK
COMBINING BALANCE SHEET
NONMAJOR GOVERNMENTAL FUNDS
AS OF DECEMBER 31, 2018
(000's Omitted)

	Special Revenue Funds	Debt Service Funds		Total Nonmajor Governmental Funds
		General	MTASC	
ASSETS				
Cash and cash equivalents	$ 16,970	$ 15,621	$ 161	$ 32,752
Accounts receivables, net	10,344	-	9,151	19,495
Due from other funds	1,311	-	-	1,311
Due from other governments:				
State and Federal - other	6,429	-	-	6,429
Local governments	5,068	-	-	5,068
Inventories	879	-	-	879
Restricted assets:				
Cash and cash equivalents	-	6,656	13,071	19,727
Other assets	111	-	9	120
Total assets	41,112	22,277	22,392	85,781
LIABILITIES, DEFERRED INFLOWS OF RESOURCES AND FUND BALANCES				
Liabilities:				
Accounts payable and accrued liabilities	3,598	-	-	3,598
Due to other funds	11,500	-	-	11,500
Due to other governments	300	-	-	300
Total liabilities	15,398	-	-	15,398
Deferred inflows of resources:				
Community Development loan repayments	10,021	-	-	10,021
Tobacco settlement revenue	-	-	9,126	9,126
Total deferred inflows of resources	10,021	-	9,126	19,147
Fund balances:				
Nonspendable	990	-	9	999
Restricted	11,551	6,656	13,071	31,278
Committed	3,152	-	-	3,152
Assigned	-	15,621	186	15,807
Total fund balances	15,693	22,277	13,266	51,236
Total liabilities, deferred inflows of resources and fund balances	$ 41,112	$ 22,277	$ 22,392	$ 85,781

See accompanying independent auditor's report.

DRAFTv1

COUNTY OF MONROE, NEW YORK
COMBINING STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES
NONMAJOR GOVERNMENTAL FUNDS
AS OF DECEMBER 31, 2018
(000's Omitted)

	Special Revenue Funds	Debt Service Funds		Total Nonmajor Governmental Funds
		General	MTASC	
REVENUES:				
Federal aid	$ 2,982	$ -	$ -	$ 2,982
State aid	9,605	-	-	9,605
Charges for services	6,782	-	-	6,782
Intergovernmental	7,048	1,825	-	8,873
Interdepartmental	7	-	-	7
Use of money and property	57	259	-	316
Repayments and refunds	71	-	-	71
Tobacco settlement	-	-	10,290	10,290
Miscellaneous	3,010	-	-	3,010
Total revenues	29,562	2,084	10,290	41,936
EXPENDITURES:				
Public safety	3,040	-	-	3,040
Culture, recreation and education	11,167	-	-	11,167
General government	181	-	89	270
Transportation	19,536	-	-	19,536
Economic development	2,377	-	-	2,377
Debt service:				
Principal retirement	-	31,464	775	32,239
Bond issuance costs	-	432	-	432
Interest and fiscal charges	-	13,463	9,231	22,694
Total expenditures	36,301	45,359	10,095	91,755
Excess (deficiency) of revenues over (under) expenditures	(6,739)	(43,275)	195	(49,819)
OTHER FINANCING SOURCES (USES):				
Premium on bonds/notes issued	-	3,628	-	3,628
Transfers in	21,339	38,351	-	59,690
Transfers out	(13,064)	(26)	-	(13,090)
Total other financing sources	8,275	41,953	-	50,228
Changes in fund balances	1,536	(1,322)	195	409
Fund balances at beginning of year	14,157	23,599	13,071	50,827
Fund balances at end of year	$ 15,693	$ 22,277	$ 13,266	$ 51,236

See accompanying independent auditor's report.

DRAFTv1

DRAFTv1

COUNTY OF MONROE, NEW YORK
COMBINING BALANCE SHEET
SPECIAL REVENUE FUNDS
AS OF DECEMBER 31, 2018
(000's Omitted)

	Road Fund	Special Grants	Green Space Initiative	Library Fund	County Park Funds	County Jail Commissary Funds	Other Public Safety Funds	Stormwater Coalition Fund	Misc. Trust Funds	Total Special Revenue
ASSETS										
Cash and cash equivalents	$ 1,240	$ 179	$ 331	$ 2,121	$ 553	$ 8,623	$ 2,890	$ 733	$ 300	$ 16,970
Accounts receivables, net	42	9,951	-	56	-	295	-	-	-	10,344
Due from other funds	1,261	-	-	50	-	-	-	-	-	1,311
Due from other governments:										
State and Federal - other	6,103	307	-	16	-	-	-	3	-	6,429
Local governments	5,068	-	-	-	-	-	-	-	-	5,068
Inventories	879	-	-	-	-	-	-	-	-	879
Other assets	111	-	-	-	-	-	-	-	-	111
Total assets	14,704	10,437	331	2,243	553	8,918	2,890	736	300	41,112
LIABILITIES, DEFERRED INFLOWS OF RESOURCES AND FUND BALANCES										
Liabilities:										
Accounts payable & accrued liabilities	1,228	116	-	1,921	6	258	19	50	-	3,598
Due to other funds	11,500	-	-	-	-	-	-	-	-	11,500
Due to other governments	-	300	-	-	-	-	-	-	-	300
Total liabilities	12,728	416	-	1,921	6	258	19	50	-	15,398
Deferred inflows of resources:										
Community Development loan repayments	-	10,021	-	-	-	-	-	-	-	10,021
Total deferred inflows of resources	-	10,021	-	-	-	-	-	-	-	10,021
Fund balances:										
Nonspendable	990	-	-	-	-	-	-	-	-	990
Restricted	986	-	-	322	-	8,660	1,583	-	-	11,551
Committed	-	-	331	-	547	-	1,288	686	300	3,152
Total fund balances	1,976	-	331	322	547	8,660	2,871	686	300	15,693
Total liabilities, deferred inflows of resources and fund balances	$ 14,704	$ 10,437	$ 331	$ 2,243	$ 553	$ 8,918	$ 2,890	$ 736	$ 300	$ 41,112

See accompanying independent auditor's report.

DRAFTv1

COUNTY OF MONROE, NEW YORK
COMBINING STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES
SPECIAL REVENUE FUNDS
AS OF DECEMBER 31, 2018
(000's Omitted)

	Road Fund	Special Grants	Green Space Initiative	Library Fund	County Park Funds	County Jail Commissary Funds	Other Public Safety Funds	Stormwater Coalition Fund	Misc. Trust Funds	Total Special Revenue
REVENUES:										
Federal aid	$ 471	$ 2,338	$ -	$ 3	$ -	$ -	$ 170	$ -	$ -	$ 2,982
State aid	7,297	-	-	2,308	-	-	-	-	-	9,605
Charges for services	4,806	-	-	-	-	1,784	13	179	-	6,782
Intergovernmental	5,846	-	-	1,157	-	-	45	-	-	7,048
Interdepartmental	7	-	-	-	-	-	-	-	-	7
Use of money and property	9	-	3	-	-	-	45	-	-	57
Repayments and refunds	71	-	-	-	-	-	-	-	-	71
Miscellaneous	219	39	-	764	230	1,658	-	-	100	3,010
Total revenues	18,726	2,377	3	4,232	230	3,442	273	179	100	29,562
EXPENDITURES:										
Public safety	-	-	-	-	-	2,618	422	-	-	3,040
Culture, recreation and education	-	-	-	10,954	213	-	-	-	-	11,167
General government	-	-	-	-	-	-	-	181	-	181
Transportation	19,536	-	-	-	-	-	-	-	-	19,536
Economic development	-	2,377	-	-	-	-	-	-	-	2,377
Total expenditures	19,536	2,377	-	10,954	213	2,618	422	181	-	36,301
Excess (deficiency) of revenues over (under) expenditures	(810)	-	3	(6,722)	17	824	(149)	(2)	100	(6,739)
OTHER FINANCING SOURCES (USES):										
Transfers in	14,378	-	-	6,961	-	-	-	-	-	21,339
Transfers out	(12,873)	-	-	(191)	-	-	-	-	-	(13,064)
Total other financing sources (uses)	1,505	-	-	6,770	-	-	-	-	-	8,275
Changes in fund balances	695	-	3	48	17	824	(149)	(2)	100	1,536
Fund balances at beginning of year	1,281	-	328	274	530	7,836	3,020	688	200	14,157
Fund balances at end of year	$ 1,976	$ -	$ 331	$ 322	$ 547	$ 8,660	$ 2,871	$ 686	$ 300	$ 15,693

See accompanying independent auditor's report.

COUNTY OF MONROE, NEW YORK
COMBINING STATEMENT OF NET POSITION
INTERNAL SERVICE FUNDS
AS OF DECEMBER 31, 2018
(000's Omitted)

	Central Services	Building Accounts	Information Services	Fleet Management	Risk Management	Total
ASSETS						
Current assets:						
Cash and cash equivalents	$ 580	$ 12,808	$ 905	$ 2,449	$ 13,817	$ 30,559
Accounts receivables, net	-	328	5	-	1	334
Due from other governments	-	834	-	22	-	856
Inventories	123	-	-	385	-	508
Other assets	6	60	91	15	1,098	1,270
Total current assets	709	14,030	1,001	2,871	14,916	33,527
Noncurrent assets:						
Restricted assets						
Cash and cash equivalents	-	10,735	7,975	607	-	19,317
Capital assets, net of accumulated depreciation	-	87,757	11,860	8,781	-	108,398
Total noncurrent assets	-	98,492	19,835	9,388	-	127,715
Total assets	709	112,522	20,836	12,259	14,916	161,242
DEFERRED OUTFLOWS OF RESOURCES						
Deferred loss on refunding	-	3	-	-	-	3
Pension	76	769	1,307	281	-	2,433
Other postemployment benefits	11	71	141	26	-	249
Total deferred outflows of resources	87	843	1,448	307	-	2,685
LIABILITIES						
Current liabilities:						
Accounts payable and accrued liabilities	38	2,337	1,377	685	45,418	49,855
Due to other governments	-	818	-	-	140	958
Unearned revenue	-	79	-	-	-	79
Current portion of:						
Notes payable	-	-	-	-	1,400	1,400
Bonds payable	-	5,525	1,116	418	-	7,059
Total current liabilities	38	8,759	2,493	1,103	46,958	59,351
Noncurrent liabilities:						
Bonds payable	-	53,798	6,366	5,076	-	65,240
Net Pension Liability	3	296	358	109	-	766
Total other postemployment benefits	336	2,199	4,390	824	-	7,749
Other long-term liabilities	18	11,963	55	49	-	12,085
Total noncurrent liabilities	357	68,256	11,169	6,058	-	85,840
Total liabilities	395	77,015	13,662	7,161	46,958	145,191
DEFERRED INFLOWS OF RESOURCES						
Deferred gain on refunding	-	28	4	-	-	32
Pension	109	772	1,492	292	-	2,665
Other postemployment benefits	16	106	212	40	-	374
Total deferred inflows of resources	125	906	1,708	332	-	3,071
NET POSITION						
Net investment in capital assets	-	21,231	4,253	2,952	-	28,436
Restricted for:						
Debt service	-	243	-	-	-	243
Capital projects	-	-	7,091	-	-	7,091
Unrestricted (deficit)	276	13,970	(4,430)	2,121	(32,042)	(20,105)
Total net position (deficit)	$ 276	$ 35,444	$ 6,914	$ 5,073	$ (32,042)	$ 15,665

See accompanying independent auditor's report.

DRAFTv1

COUNTY OF MONROE, NEW YORK
COMBINING STATEMENT OF REVENUES, EXPENSES AND CHANGES IN NET POSITION
INTERNAL SERVICE FUNDS
AS OF DECEMBER 31, 2018
(000's Omitted)

	Central Services	Building Accounts	Information Services	Fleet Management	Risk Management	Total
Operating revenues:						
Charges for services	$ -	$ 1,794	$ -	$ 155	$ 6,213	$ 8,162
Interdepartmental	1,506	31,732	13,039	3,838	73,924	124,039
Repayments and refunds	-	-	-	25	-	25
Miscellaneous	-	12	11	17	109	149
Total operating revenues	1,506	33,538	13,050	4,035	80,246	132,375
Operating expenses:						
Personnel services	235	1,389	2,803	501	-	4,928
Employee benefits	102	856	1,104	271	-	2,333
Contractual	788	13,213	3,325	144	82,957	100,427
Depreciation and amortization	3	7,264	1,760	345	-	9,372
Other	403	9,765	944	2,153	538	13,803
Total operating expenses	1,531	32,487	9,936	3,414	83,495	130,863
Operating income (loss)	(25)	1,051	3,114	621	(3,249)	1,512
Nonoperating revenues (expenses):						
Federal aid	5	30	12	3	-	50
State aid	-	469	-	-	-	469
Use of money and property	-	79	59	6	-	144
Interest and fiscal charges	-	(2,176)	(340)	(168)	(38)	(2,722)
Gain (loss) on disposal of capital assets	-	28	4	-	-	32
Other income (expense)	-	(201)	-	(36)	-	(237)
Capital projects						
State aid	-	168	-	-	-	168
Total nonoperating revenues (expenses)	5	(1,603)	(265)	(195)	(38)	(2,096)
Income (loss) before capital contributions and transfers	(20)	(552)	2,849	426	(3,287)	(584)
Contributions and transfers:						
Capital contributions	-	-	(11)	-	-	(11)
Transfers in	1	2,210	-	-	-	2,211
Transfers out	-	(245)	(2,493)	(902)	-	(3,640)
Total contributions and transfers	1	1,965	(2,504)	(902)	-	(1,440)
Change in net position (deficit)	(19)	1,413	345	(476)	(3,287)	(2,024)
Net position (deficit)-beginning of year, as restated, see note 1P	295	34,031	6,569	5,549	(28,755)	17,689
Net position (deficit)-end of year	$ 276	$ 35,444	$ 6,914	$ 5,073	$ (32,042)	$ 15,665

See accompanying independent auditor's report.

DRAFTv1

COUNTY OF MONROE, NEW YORK
COMBINING STATEMENT OF CASH FLOWS
INTERNAL SERVICE FUNDS
FOR THE YEAR ENDED DECEMBER 31, 2018
(000's Omitted)

	Central Services	Building Accounts	Information Services	Fleet Management	Risk Management	Total
CASH FLOWS FROM OPERATING ACTIVITIES						
Cash received from providing services	$ -	$ 1,253	$ -	$ 178	$ 6,214	$ 7,645
Cash received from other funds for services	1,506	31,732	13,039	3,838	73,924	124,039
Payments to or on behalf of employees	(337)	(2,245)	(3,907)	(772)	(4,643)	(11,904)
Payments to suppliers	(960)	(14,025)	(1,086)	(1,701)	(9,584)	(27,356)
Payments for interfund services	(312)	(9,222)	(3,178)	(327)	(538)	(13,577)
Claims paid	-	-	-	-	(75,795)	(75,795)
Other receipts (payments)	(10)	(139)	18	30	13,296	13,195
Net cash provided by (used in) operating activities	(113)	7,354	4,886	1,246	2,874	16,247
CASH FLOWS FROM NONCAPITAL FINANCING ACTIVITIES						
Federal aid	5	30	12	3	-	50
State aid	-	469	-	-	-	469
Transfers in	1	1,308	-	-	-	1,309
Transfers out	-	(245)	(2,493)	(902)	-	(3,640)
Net cash provided by (used in) noncapital financing activities	6	1,562	(2,481)	(899)	-	(1,812)
CASH FLOWS FROM CAPITAL AND RELATED FINANCING ACTIVITIES						
Interest paid	-	(2,176)	(340)	(168)	(38)	(2,722)
Proceeds from the issuance of notes	-	-	-	-	1,400	1,400
Proceeds from the issuance of bonds	-	15,200	926	2,911	-	19,037
Principal paid on notes	-	(935)	-	-	(2,800)	(3,735)
Principal paid on bonds	-	(4,479)	(1,003)	(153)	-	(5,635)
Premium from the issuance of bonds	-	725	94	331	-	1,150
Capital contributions	-	-	(11)	-	-	(11)
Acquisition and construction of capital assets	-	(13,072)	(5,161)	(2,444)	-	(20,677)
Other receipts (payments)	-	1,070	-	-	-	1,070
Net cash provided by (used in) capital and related financing activities	$ -	$ (3,667)	$ (5,495)	$ 477	$ (1,438)	$ (10,123)

(continued)

DRAFTv1

COUNTY OF MONROE, NEW YORK
COMBINING STATEMENT OF CASH FLOWS
INTERNAL SERVICE FUNDS
FOR THE YEAR ENDED DECEMBER 31, 2018
(000's Omitted)

	Central Services	Building Accounts	Information Services	Fleet Management	Risk Management	Total
CASH FLOWS FROM INVESTING ACTIVITIES						
Receipts from use of money and property	$ -	$ 79	$ 59	$ 6	$ -	$ 144
Net cash provided by (used in) investing activities	-	79	59	6	-	144
Net increase (decrease) in cash and cash equivalents	(107)	5,328	(3,031)	830	1,436	4,456
Cash and cash equivalents, beginning of year	687	18,215	11,911	2,226	12,381	45,420
Cash and cash equivalents, end of year	580	23,543	8,880	3,056	13,817	49,876
CLASSIFICATION						
Cash and cash equivalents - unrestricted	580	12,808	905	2,449	13,817	30,559
Cash and cash equivalents - restricted	-	10,735	7,975	607	-	19,317
Total cash and cash equivalents	580	23,543	8,880	3,056	13,817	49,876
Reconciliation of operating income (loss) to net cash provided by (used in) operating activities:						
Operating income (loss)	(25)	1,051	3,114	621	(3,249)	1,512
Adjustments to reconcile operating income (loss) to cash provided by (used in) operations:						
Depreciation and amortization	3	7,264	1,760	345	-	9,372
Change in:						
Accounts receivable	-	(328)	(5)	-	1	(332)
Due from other governments	-	(302)	-	(2)	-	(304)
Inventories	(9)	-	9	8	-	8
Other assets	(1)	(2)	3	5	-	5
Accounts payable, accrued and other liabilities	(60)	(138)	265	316	6,122	6,505
Deferred inflows - pensions	2	14	28	6	-	50
Deferred inflows - other postemployment benefits	(23)	(145)	(288)	(53)	-	(509)
Due to other governments	-	(60)	-	-	-	(60)
Net cash provided by (used in) operating activities	$ (113)	$ 7,354	$ 4,886	$ 1,246	$ 2,874	$ 16,247

See accompanying independent auditor's report.

STATISTICAL SECTION (UNAUDITED)

This section contains the following:

- FINANCIAL TRENDS – These schedules contain trend information to help the reader understand how the County's financial performance and well-being have changed over time.

- REVENUE CAPACITY – These schedules contain information to help the reader assess the County's most significant local revenue sources, property and sales taxes.

- DEBT CAPACITY – These schedules present information to help the reader assess the affordability of the County's current levels of outstanding debt and the County's ability to issue debt in the future.

- DEMOGRAPHIC AND ECONOMIC INFORMATION – These schedules offer demographic and economic indicators to help the reader understand the environment within which the County's financial activities take place.

- OPERATING INFORMATION – These schedules contain service and infrastructure data to help the reader understand how the information in the County's financial report relates to the services the County provides and the activities it performs.

Sources: Unless otherwise noted, the information in these schedules is derived from the comprehensive annual financial reports for the relevant year.

DRAFTv1

DRAFTv1

County of Monroe, New York
Net Position by Component
Last Ten Years
(accrual basis of accounting and 000's omitted)

	2009	2010	2011	2012	2013	2014	2015	2016	2017	2018
Governmental activities:										
Invested in capital assets, net of related debt	$ 454,550	$ 450,049	$ 459,858	$ 525,032	$ 527,458	$ 519,371	$ 504,031	$ 487,466	$ 541,653	$ 537,335
Restricted	18,231	16,818	27,203	27,226	25,993	24,274	23,003	29,505	41,690	40,539
Unrestricted	(310,975)	(301,696)	(341,035)	(477,849)	(545,589)	(579,375)	(631,030)	(706,895)	(771,757)	(1,015,396)
Total governmental activities	161,806	165,171	146,026	74,409	7,862	(35,730)	(103,996)	(189,924)	(188,414)	(437,522)
Business-type activities:										
Invested in capital assets, net of related debt	414,340	395,359	374,431	358,820	341,366	322,138	311,737	287,109	266,467	284,627
Restricted	151	1,009	3,429	2,654	3,867	4,565	229	510	141	258
Unrestricted	10,525	9,282	(1,628)	(10,026)	(19,724)	(27,821)	(39,995)	(46,281)	(24,482)	(9,214)
Total business-type activities	425,016	405,650	376,232	351,448	325,509	298,882	271,971	241,338	242,126	275,671
Primary government:										
Invested in capital assets, net of related debt	868,890	845,408	834,289	883,852	868,824	841,509	815,768	774,575	808,120	821,962
Restricted	18,382	17,827	30,632	29,880	29,860	28,839	23,232	30,015	41,831	40,797
Unrestricted	(300,450)	(292,414)	(342,663)	(487,875)	(565,313)	(607,196)	(671,025)	(753,176)	(796,239)	(1,024,610)
Total primary government	$ 586,822	$ 570,821	$ 522,258	$ 425,857	$ 333,371	$ 263,152	$ 167,975	$ 51,414	$ 53,712	$ (161,851)

(Unaudited)

DRAFTv1

County of Monroe, New York
Changes in Net Position
Last Ten Years
(*accrual basis of accounting and 000's omitted*)

	2009	2010	2011	2012	2013	2014	2015	2016	2017	2018
Expenses:										
Governmental activities:										
General government	$ 320,086	$ 332,712	$ 351,047	$ 375,682	$ 367,927	$ 363,509	$ 373,032	$ 391,191	$ 337,388	$ 407,111
Public safety	207,452	219,760	237,357	253,206	253,090	265,372	280,834	281,135	299,764	246,288
Health and welfare	553,751	572,101	572,980	572,866	579,703	561,707	563,331	561,348	549,436	535,440
Culture, recreation and education	91,599	96,699	95,862	101,532	98,672	100,361	105,367	143,338	108,182	94,038
Transportation	51,013	58,541	51,957	58,012	58,926	57,656	51,599	53,397	55,361	53,985
Sanitation	75	75	76	74	74	75	67	75	75	75
Economic development	4,519	5,583	4,620	3,009	3,381	3,064	2,892	2,536	3,022	2,377
Interest on bonds and notes payable	26,316	23,264	22,758	23,406	22,345	20,608	21,120	22,291	25,342	25,530
Total government activities	1,254,811	1,308,735	1,336,657	1,387,787	1,384,118	1,372,352	1,398,242	1,455,311	1,378,570	1,364,844
Business-type activities:										
Solid Waste	17,215	17,496	17,013	17,109	18,702	18,295	15,839	13,365	12,910	13,761
Airport	31,340	33,255	31,861	31,290	30,884	31,398	31,648	32,507	31,849	30,887
Hospital	68,007	69,611	71,025	72,587	72,316	73,341	75,060	78,169	67,065	68,866
Pure Waters	75,797	75,549	79,303	78,774	81,082	78,505	80,288	82,264	79,912	76,877
Energy	12,477	15,280	14,710	15,069	16,208	16,830	14,778	12,802	13,101	15,193
Total business-type activities	204,836	211,191	213,912	214,829	219,192	218,369	217,613	219,107	204,837	205,584
Total primary government	1,459,647	1,519,926	1,550,569	1,602,616	1,603,310	1,590,721	1,615,855	1,674,418	1,583,407	1,570,428
Program Revenues:										
Governmental activities:										
Charges for services:										
General government	27,792	34,273	33,611	33,686	30,140	32,961	35,503	35,079	41,201	41,210
Public safety	10,658	11,737	11,351	11,953	11,664	12,480	13,307	13,724	14,183	13,869
Health and welfare	3,970	3,821	3,910	4,007	3,893	3,992	3,816	3,667	3,842	3,766
Culture, recreation and education	21,763	23,755	25,488	27,999	29,241	29,902	30,464	31,109	30,695	32,886
Transportation	5,154	5,263	5,586	10,937	10,930	10,553	11,423	11,458	10,866	10,739
Operating grants and contributions	406,172	412,470	395,445	365,603	370,041	368,133	355,959	361,425	342,579	331,623
Capital grants and contributions	23,233	31,553	30,471	35,009	36,855	17,038	22,142	33,088	19,511	12,983
Total governmental activities	$ 498,742	$ 522,872	$ 505,862	$ 489,194	$ 492,764	$ 475,059	$ 472,614	$ 489,550	$ 462,877	$ 447,076

(continued)

(Unaudited)

DRAFTv1

County of Monroe, New York
Changes in Net Position
Last Ten Years
(accrual basis of accounting and 000's omitted)

	2009	2010	2011	2012	2013	2014	2015	2016	2017	2018
Business-type activities:										
Charges for services:										
Solid Waste	$ 5,831	$ 5,927	$ 6,471	$ 5,704	$ 5,755	$ 5,888	$ 6,305	$ 6,292	$ 7,984	$ 7,461
Airport	17,294	19,651	19,056	18,463	18,852	18,408	18,595	17,895	18,357	19,460
Hospital	69,470	68,856	67,423	70,883	69,289	66,320	69,035	67,512	73,833	62,660
Sewer	54,608	56,047	55,003	58,552	58,587	60,923	60,685	59,694	62,131	62,924
Utilities	12,461	14,992	14,727	15,076	16,291	16,830	14,776	12,804	13,100	15,202
Operating grants and contributions	1,706	1,408	1,315	1,193	1,122	1,007	752	226	315	374
Capital grants and contributions	19,688	14,622	11,665	10,448	13,259	9,951	11,986	11,690	21,282	66,256
Total business-type activities	181,058	181,503	175,660	180,319	183,155	179,327	182,134	176,113	197,002	234,337
Total primary government	679,800	704,375	681,522	669,513	675,919	654,386	654,748	665,663	659,879	681,413
Net (Expense)/Revenue										
Governmental activities	(756,069)	(785,863)	(830,795)	(898,593)	(891,354)	(897,293)	(925,628)	(965,761)	(915,693)	(917,768)
Business-type activities	(23,778)	(29,688)	(38,252)	(34,510)	(36,037)	(39,042)	(35,479)	(42,994)	(7,835)	28,753
Total primary government	(779,847)	(815,551)	(869,047)	(933,103)	(927,391)	(936,335)	(961,107)	(1,008,755)	(923,528)	(889,015)
General Revenues and Other Changes in Net Position:										
Governmental activities:										
Taxes	747,026	774,514	798,258	812,310	817,430	832,462	844,525	862,667	890,858	912,818
Tobacco settlement revenues	14,153	10,674	9,227	10,604	10,870	12,857	18,293	12,480	8,792	9,847
Investment earnings	440	218	269	203	162	90	66	182	673	2,265
Miscellaneous	3,594	3,822	3,896	3,859	3,866	6,923	5,200	4,504	5,365	4,797
Transfers	-	-	-	-	-	1,369	-	-	873	735
Total governmental activities	765,213	789,228	811,650	826,976	832,328	853,701	868,084	879,833	906,561	930,462
Business-type activities:										
Investment earnings	-	-	-	-	-	-	-	427	686	913
Gain on sale of capital assets	-	-	-	-	-	-	-	2,147	-	-
Miscellaneous	9,444	10,322	8,834	9,726	11,491	13,784	11,553	9,787	8,810	9,424
Transfers	-	-	-	-	-	(1,369)	-	-	(873)	(735)
Total business-type activities	9,444	10,322	8,834	9,726	11,491	12,415	11,553	12,361	8,623	9,602
Total primary government	774,657	799,550	820,484	836,702	843,819	866,116	879,637	892,194	915,184	940,064
Change in Net Position before merger of LDC's:										
Governmental activities	9,144	3,365	(19,145)	(71,617)	(59,026)	(43,592)	(57,544)	(85,928)	(9,132)	12,694
Business-type activities	(14,334)	(19,366)	(29,418)	(24,784)	(24,546)	(26,627)	(23,926)	(30,633)	788	38,355
Total primary government	(5,190)	(16,001)	(48,563)	(96,401)	(83,572)	(70,219)	(81,470)	(116,561)	(8,344)	51,049
Merger of LDC's into Monroe County										
Governmental activities	-	-	-	-	-	-	-	-	10,642	-
Change in Net Position after merger of LDC's:										
Governmental activities	9,144	3,365	(19,145)	(71,617)	(59,026)	(43,592)	(57,544)	(85,928)	1,510	12,694
Business-type activities	(14,334)	(19,366)	(29,418)	(24,784)	(24,546)	(26,627)	(23,926)	(30,633)	788	38,355
Total primary government	$ (5,190)	$ (16,001)	$ (48,563)	$ (96,401)	$ (83,572)	$ (70,219)	$ (81,470)	$ (116,561)	$ 2,298	$ 51,049

Source: Monroe County Department of Finance - Office of the Controller

(Unaudited)

DRAFTv1

County of Monroe, New York
Fund Balances, Governmental Funds
Last Ten Years
(modified accrual basis of accounting and 000's omitted)

	2009	2010	2011	2012	2013	2014	2015	2016	2017	2018
General Fund:										
Reserved	$ 9,386	$ 12,078	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -
Unreserved	(3,148)	89	-	-	-	-	-	-	-	-
Nonspendable	-	-	1,619	1,617	2,794	4,100	1,596	9,138	9,251	30,814
Restricted	-	-	6,126	5,565	4,401	1,547	847	934	1,261	1,927
Committed	-	-	2,608	2,219	3,110	2,926	2,569	2,140	2,563	3,602
Assigned	-	-	761	2,993	917	7,501	11,526	6,204	7,923	8,840
Unassigned	-	-	7,842	1,708	17	4,212	6,947	8,727	18,141	15,726
Total general fund	6,238	12,167	18,956	14,102	11,239	20,286	23,485	27,143	39,139	60,909
All Other Governmental Funds:										
Reserved	52,748	37,527	-	-	-	-	-	-	-	-
Unreserved, reported in:										
Special revenue funds	7,297	8,306	-	-	-	-	-	-	-	-
Capital projects funds	(32,985)	(1,104)	-	-	-	-	-	-	-	-
Debt service funds	720	1,063	-	-	-	-	-	-	-	-
Nonspendable	-	-	955	736	697	614	581	648	948	999
Restricted	-	-	36,532	46,611	38,939	39,624	74,843	43,418	43,492	52,358
Committed	-	-	2,087	1,811	1,713	1,777	1,871	3,073	3,241	3,152
Assigned	-	-	3,205	3,187	3,376	2,115	2,243	8,059	17,429	15,807
Unassigned	-	-	(21,541)	(9,957)	(23,292)	(48,326)	(47,433)	(16,254)	(9,342)	(16,725)
Total all other governmental funds	$ 27,780	$ 45,792	$ 21,238	$ 42,388	$ 21,433	$ (4,196)	$ 32,105	$ 38,944	$ 55,768	$ 55,591

Source: Monroe County Department of Finance - Office of the Controller

(Unaudited)

County of Monroe, New York
Governmental Funds, Changes in Fund Balances
Last Ten Years
(modified accrual basis of accounting and 000's omitted)

	2009	2010	2011	2012	2013	2014	2015	2016	2017	2018
Revenues:										
Taxes	$ 726,995	$ 755,293	$ 778,843	$ 797,472	$ 800,599	$ 804,311	$ 816,462	$ 837,848	$ 870,660	$ 888,301
Federal aid	166,623	193,650	196,555	162,471	168,011	157,225	143,875	139,067	134,217	125,321
State aid	228,614	219,084	202,808	202,220	207,377	196,228	194,054	206,910	194,633	188,778
Charges for services	24,369	24,748	27,550	28,381	29,922	29,356	31,918	30,528	33,293	33,432
Intergovernmental	35,476	37,233	38,080	47,386	45,385	47,265	46,034	46,414	47,241	49,611
Interdepartmental	3,351	2,904	2,509	2,045	2,155	2,174	1,718	1,493	2,143	1,884
Use of money and property	6,502	6,684	7,121	7,867	7,161	7,181	6,081	5,373	6,206	8,194
Repayments and refunds	18,173	16,518	15,404	16,469	14,781	12,753	15,109	17,823	19,164	16,183
Payments in lieu of taxes	7,557	8,062	7,836	7,932	8,099	7,169	7,559	7,156	7,604	7,872
Tobacco settlement	13,397	11,149	10,570	10,779	10,773	12,188	10,430	21,107	9,365	10,290
Miscellaneous	11,205	13,973	16,842	25,675	28,735	28,556	26,591	26,500	25,259	24,075
Total revenues	1,242,262	1,289,298	1,304,118	1,308,697	1,322,998	1,304,406	1,299,831	1,340,219	1,349,785	1,353,941
Expenditures:										
Health and welfare	552,824	568,672	565,953	560,448	569,178	556,814	552,171	544,035	536,163	531,972
Public safety	193,969	204,167	212,549	224,773	223,937	232,576	232,712	239,322	240,498	245,682
Culture, recreation and education	82,055	84,813	82,779	87,025	84,609	83,290	84,568	85,597	87,414	86,094
General government	307,262	318,123	333,234	343,307	345,151	338,669	342,377	353,983	373,722	381,484
Transportation	21,320	20,840	21,635	21,792	21,586	22,395	21,869	22,995	23,394	23,060
Economic development	4,519	5,583	4,620	3,009	3,381	3,064	2,892	2,536	3,022	2,377
Debt service:										
Principal retirement	30,222	30,041	25,211	27,301	29,137	38,685	51,208	37,662	32,412	32,239
Bond issuance costs	-	-	-	-	-	-	1,181	950	441	432
Interest and fiscal charges	23,970	21,251	20,467	21,024	19,889	18,328	17,339	18,691	22,431	22,694
Capital outlay	37,624	53,737	52,776	40,356	47,726	34,831	35,662	73,535	51,962	48,992
Total expenditures	1,253,765	1,307,227	1,319,224	1,329,035	1,344,594	1,328,652	1,341,979	1,379,306	1,371,459	1,375,026
Other Financing Sources (Uses):										
Bonds issued	35,163	44,112	-	37,128	-	-	52,396	115,684	29,616	36,886
Refunding bonds issued	-	-	-	43,091	-	8,630	24,203	-	-	-
Gain(loss) on refunding issue	-	-	-	-	-	(265)	(280)	-	-	-
Premium on bonds issued	-	-	-	5,262	-	179	7,553	14,197	3,924	3,628
Redemption/payments to Escrow Agent	-	-	-	(45,744)	-	-	-	(77,965)	-	-
Transfers in	69,629	63,356	57,559	54,866	53,762	53,395	52,156	70,315	84,873	61,816
Transfers out	(71,577)	(65,598)	(60,218)	(57,969)	(55,984)	(54,275)	(54,380)	(72,647)	(79,360)	(59,652)
Total other financing sources (uses)	33,215	41,870	(2,659)	36,634	(2,222)	7,664	81,648	49,584	39,053	42,678
Net change in fund balances before merger of LDC's	21,712	23,941	(17,765)	16,296	(23,818)	(16,582)	39,500	10,497	17,379	21,593
Merger of LDC's into Monroe County	-	-	-	-	-	-	-	-	11,441	-
Net change in fund balances after merger of LDC's	$ 21,712	$ 23,941	$ (17,765)	$ 16,296	$ (23,818)	$ (16,582)	$ 39,500	$ 10,497	$ 28,820	$ 21,593
Debt service as a percentage of noncapital expenditures	4.5%	4.1%	3.6%	3.7%	3.8%	4.4%	5.2%	4.3%	4.2%	4.1%

Source: Monroe County Department of Finance - Office of the Controller

(Unaudited)

DRAFTv1

DRAFTv1

County of Monroe, New York
Taxing Power
Last Ten Years
(000's omitted)

	2009	2010	2011	2012	2013	2014	2015	2016	2017	2018
Five-Year Average Full Valuation of Taxable Property[1]	$ 35,108,215	$ 36,321,487	$ 37,381,847	$ 38,157,176	$ 38,687,746	$ 39,092,408	$ 39,444,921	$ 39,847,874	$ 40,399,372	$ 41,051,801
Constitutional Property Tax Limit	526,623	544,822	560,728	572,358	580,316	586,386	591,674	597,718	605,991	615,777
Total Tax Levy Subject to Constitutional Limit	277,154	286,427	296,402	297,501	306,082	307,329	315,982	331,529	325,311	333,699
Taxing Power Unused	$ 249,469	$ 258,395	$ 264,326	$ 274,857	$ 274,234	$ 279,057	$ 275,692	$ 266,189	$ 280,680	$ 282,078
Percent of Taxing Power Used	52.6%	52.6%	52.9%	52.0%	52.7%	52.4%	53.4%	55.5%	53.7%	54.2%

Notes:

The Constitutional tax limit is the maximum amount of real property tax that may be levied by the County in any fiscal year. The Constitutional limit for Monroe County purposes, exclusive of debt service, is 1.5% of the preceding five year-average full value of taxable property. Cash capital expenditures can also be excluded from the levy for purposes of calculating compliance with the tax limit, but the County does not engage in this practice. The limit can be increased to a maximum of 2% of the five year average full value.

[1]Based on full valuation calculated for the referenced *tax year* and prior four years.

Source: Monroe County Department of Finance - Office of the Chief Financial Officer

(Unaudited)

DRAFTv1

County of Monroe, New York
Assessed Value of Taxable Property
Last Ten Years
(000's omitted)

Year Ended December 31,	Residential Property	Commercial Property	Industrial Property	Other Property[1]	Tax Exempt Property	Assessed Value of Taxable Property	Full Value of Taxable Property	Full Value Tax Rate[2]
2018	$ 30,523,556	$ 6,458,219	$ 935,021	$ 3,671,386	$ 7,244,442	$ 41,588,182	$ 42,583,510	8.99
2017	30,469,169	6,383,689	939,073	3,490,320	7,775,416	41,282,251	41,863,450	8.99
2016	30,036,645	6,279,399	947,405	3,112,694	7,744,250	40,376,143	40,845,508	8.99
2015	29,763,449	6,202,081	941,177	2,975,028	7,586,508	39,881,735	40,263,270	8.99
2014	29,437,659	6,202,053	932,196	2,852,309	7,512,858	39,424,217	39,702,967	8.99
2013	29,239,952	6,113,631	862,118	2,829,183	7,595,214	39,044,884	39,321,378	8.99
2012	28,968,978	6,064,981	826,765	2,892,861	7,554,849	38,753,585	39,106,258	8.99
2011	28,777,645	5,971,942	836,811	2,894,773	7,501,732	38,481,171	38,830,743	8.99

Year Ended December 31,	Assessed Value of Taxable Property	Full Value of Taxable Property	Full Value Tax Rate[2]
2010	$ 37,911,205	$ 38,500,704	8.99
2009	$ 37,034,029	$ 37,679,657	8.99

Notes:
Figures represent values for referenced tax year.

Properties are independently assessed by the City of Rochester and the 20 towns.

[1]"Other Property" includes Agricultural, Amusement, Community Service, Forest, Public Service, and Vacant Lands.

[2]Tax Rate is per $1,000 of full value.

Source: Monroe County Department of Finance - Division of Real Property

(Unaudited)

DRAFTv1

County of Monroe, New York
Property Tax Levies and Collections
Last Ten Years
(000's omitted)

Year ended December 31,	Total Tax Levy	Taxes Levied for County Purposes[1]	Collected Within the Fiscal Year of the Levy		Collection in Subsequent Years	Total Collections to Date	
			Amount	Percentage of Total Levy		Amount	Percentage of Total Levy
2018	714,790	382,826	702,708	98.3%	-	702,708	98.3%
2017	700,369	376,355	687,372	98.1%	-	687,372	98.1%
2016	682,681	367,201	669,184	98.0%	1,858	671,042	98.3%
2015	674,359	361,967	660,189	97.9%	1,827	662,016	98.2%
2014	658,732	356,930	644,839	97.9%	1,893	646,732	98.2%
2013	648,405	353,499	634,561	97.9%	798	635,359	98.0%
2012	633,445	351,565	613,469	96.8%	3,910	617,379	97.5%
2011	623,239	349,088	604,184	96.9%	4,904	609,088	97.7%
2010	615,031	346,121	599,625	97.5%	7,700	607,325	98.7%
2009	600,762	338,740	586,627	97.6%	8,550	595,177	99.1%

Note:

[1]Does not include allowance for uncollectible taxes and deferred tax revenue.

Source: Monroe County Department of Finance - Treasury Division

(Unaudited)

DRAFTv1

County of Monroe, New York
Principal Property Tax Payers
Current Year and Ten Years Prior
(000's omitted)

Taxpayer	2018 Taxable Full Value (Dollars)	2018 Rank	2018 Percentage of Total County Taxable Full Value	2009 Taxable Full Value (Dollars)	2009 Rank	2009 Percentage of Total County Taxable Full Value
Rochester Gas & Electric Corporation	$ 1,949,285	1	4.58%	$1,369,147	1	3.63%
Morgan Management	364,449	2	0.86%	142,450	5	0.38%
Frontier Communications Corporation	240,331	3	0.56%	286,454	2	0.76%
Wegmans	227,347	4	0.53%	121,984	6	0.32%
Mark IV Enterprises	131,931	5	0.31%	89,643	9	0.24%
Buckingham Properties	108,390	6	0.25%	-	-	-
National Grid	79,548	7	0.19%	-	-	-
Eastman Kodak	76,673	8	0.18%	99,728	8	0.26%
Corporate Woods	76,329	9	0.18%	-	-	-
Gallina	66,007	10	0.16%	-	-	-
Xerox Corp	-	-	-	108,059	7	0.29%
HUB Properties (Upstate Portfolio)	-	-	-	87,561	10	0.23%
Farash Construction Corporation	-	-	-	142,476	4	0.38%
Wilmorite Management	-	-	-	199,018	3	0.53%
Total	$ 3,320,290		7.81%	$ 2,646,520		7.02%

Source: Monroe County Department of Finance: Division of Real Property.

(Unaudited)

DRAFTv1

County of Monroe, New York
Legal Debt Margin Information
Last Ten Years
(000's omitted)

	2009	2010	2011	2012	2013	2014	2015	2016	2017	2018
Five-Year Average Full Valuation of Taxable Property[1]	$ 36,321,487	$ 37,381,947	$ 38,157,175	$ 38,687,746	$ 39,092,408	$ 39,444,921	$ 39,847,874	$ 40,399,372	$ 41,051,801	$ 41,984,648
Constitutional Debt Limit	2,542,504	2,616,736	2,671,002	2,708,142	2,736,468	2,761,144	2,789,351	2,827,956	2,873,626	2,938,925
Total Net Debt Applicable to Limit	396,661	429,946	414,358	420,207	418,084	426,372	412,411	496,678	488,260	502,505
Legal Debt Margin	$ 2,145,843	$ 2,186,790	$ 2,256,644	$ 2,287,935	$ 2,318,384	$ 2,334,772	$ 2,376,940	$ 2,331,278	$ 2,385,366	$ 2,436,420
Percent of Debt Limit Used	15.6%	16.4%	15.5%	15.5%	15.3%	15.4%	14.8%	17.6%	17.0%	17.1%

Notes:

The Constitutional debt limit is the maximum amount of indebtedness that may be incurred by the County, as outlined in the State Constitution. The Constitutional limit for Monroe County purposes is 7% of the preceding five-year average full value of taxable property, subject to certain allowable exclusions and deductions, including current debt service. The Debt Limit of the County is computed in accordance with the provisions of Article VIII of the State Constitution and Article 2 of the Local Finance Law.

[1]Based on full valuation determined as of December 31 of the referenced *fiscal year* and prior four years.

Source: Monroe County Department of Finance - Office of the Chief Financial Officer

(Unaudited)

DRAFTv1

County of Monroe, New York
Ratios of Outstanding Debt by Type and Activity
Last Ten Years
(000's omitted, except per capita)

Year ended December 31,	Governmental Activities[1] General Obligation Bonds[2]	Bond Anticipation Notes	Revenue Anticipation Notes	Capital Leases	Business-type Activities General Obligation Bonds[2]	Bond Anticipation Notes	Revenue Anticipation Notes	Capital Leases	Total Primary Government	Percentage of Full Value on Property	Per Capita
2018	$ 382,651	$ 6,925	$ 45,000	$ 692	$ 178,599	$ 28,385	$ 15,000	$ 4,113	661,365	1.55%	891
2017	362,796	16,279	50,000	1,063	175,131	29,405	15,000	4,820	654,494	1.56%	875
2016	365,713	17,120	55,000	801	182,496	245	15,000	5,576	641,951	1.59%	856
2015	262,465	19,594	58,000	884	175,468	6,241	17,000	6,361	546,013	1.38%	728
2014	223,947	61,974	58,000	451	168,745	18,471	17,000	7,123	555,711	1.40%	741
2013	258,208	26,344	58,000	789	162,163	20,656	17,000	7,856	551,016	1.40%	737
2012	291,493	-	58,000	1,018	180,398	9,000	17,000	8,144	565,053	1.44%	758
2011	270,203	17,856	58,000	1,362	166,875	21,124	17,000	8,046	560,466	1.44%	753
2010	298,645	815	58,000	638	185,266	16,000	17,000	9,209	585,573	1.52%	787
2009	262,904	4,591	58,000	89	186,255	16,000	17,000	11,504	556,343	1.48%	759

Notes:
[1]Amounts do not include blended component units of the primary government.
[2]Amounts shown are net of related premiums, discounts and adjustments.

Source: Monroe County Department of Finance - Office of the Controller

(Unaudited)

DRAFTv1

County of Monroe, New York
Ratios of General Bonded Debt Outstanding
Last Ten Years
(000's omitted, except per capita)

Year ended December 31,	General Obligation Debt Outstanding[1]	Less: Debt Service Funds	Net General Obligation Debt Outstanding	Percentage of Full Value on Property	Per Capita
2018	$ 382,310	$ 6,656	$ 375,654	0.88%	$ 505.95
2017	362,114	6,865	355,249	0.85%	475.16
2016	364,536	7,066	357,470	0.88%	478.08
2015	260,748	1,594	259,154	0.64%	345.72
2014	221,695	2,643	219,052	0.55%	292.22
2013	254,870	4,604	250,266	0.64%	334.66
2012	287,051	4,362	282,689	0.72%	379.13
2011	264,636	2,895	261,741	0.67%	351.64
2010	291,961	3,306	288,655	0.75%	387.80
2009	255,138	4,214	250,924	0.67%	342.44

Note:

[1]Amounts do not include blended component units of the primary government, and the Water Authority and business-type activities which are considered self-supporting debt.

Source: Monroe County Department of Finance - Office of the Controller

(Unaudited)

DRAFTv1

County of Monroe, New York
Demographic and Economic Statistics
Last Ten Years

Year ended December 31,	Population[1]	Total Personal Income[2] (Dollars) *(000's omitted)*	Per Capita Personal Income[2] (Dollars)	Median Household Income[1] (Dollars)	Unemployment Rate[3]
2018	742,474	$ 38,050,420	$ 50,894	$ 55,272	4.3%
2017	747,642	36,057,927	48,223	53,568	5.0%
2016	747,727	35,970,644	47,986	52,553	4.7%
2015	749,600	34,438,705	45,927	52,501	5.2%
2014	749,606	36,102,780	48,162	52,394	5.8%
2013	747,813	34,478,067	46,105	52,700	7.0%
2012	745,625	32,728,163	43,894	52,260	8.0%
2011	744,344	30,077,573	40,994	51,303	7.6%
2010	744,344	30,785,053	42,082	51,105	8.0%
2009	732,762	28,768,865	39,314	50,050	7.9%

Sources:

[1]U.S. Census Bureau, www.census.gov/quickfacts/monroecounty/ny, as of 7/1/2018 estimate; Retrieved 4/23/2019.

[2]U.S. Bureau of Economic Analysis, www.bea.gov/regional/bearfacts, as of 2017; Retrieved 3/26/2019.

[3]New York State Department of Labor (average annual rate), www.labor.ny.gov/stats; Retrieved 4/4/2019.

(Unaudited)

County of Monroe, New York
Principal Private Sector Employers
Current Year and Ten Years Prior

	2018			2009		
Employer	Number of Full-Time Employees [1]	Rank	Percentage of Total Local Area Employment	Number of Full-Time Employees	Rank	Percentage of Total Local Area Employment
University of Rochester / Strong Health	28,820 [2]	1	5.51%	19,441	1	3.48%
Rochester Regional Health	12,435 [3]	2	2.38%	-	-	-
Wegmans	5,993	3	1.15%	5,604	4	1.00%
Paychex, Inc.	4,381	4	0.84%	3,331	8	0.60%
Harris Corp, RF Communications	3,500 [2]	5	0.67%	2,300	10	0.41%
Rochester Institute of Tech	3,447	6	0.66%	2,980	9	0.53%
Xerox Corp	3,400	7	0.65%	6,935	3	1.24%
Lifetime Healthcare Co.	3,200 [2]	8	0.61%	3,542	6	0.63%
Sutherland Global Services	1,956	9	0.37%	-	-	-
Lifetime Assistance	1,701 [2]	10	0.33%	-	-	-
Eastman Kodak Company	-	-	-	8,500 [2]	2	1.52%
Rochester General Health System	-	-	-	5,021 [3]	5	0.90%
Unity Health System	-	-	-	3,394 [3]	7	0.61%
Total	68,833		13.16%	58,748		10.92%

Notes:

Table only includes the top ten firms for the referenced year. If firm was not in the top ten for that year, no comparative figure is presented. Some of the companies presented in the above table may have performed layoffs and/or job increases that are not reflected in the numbers presented herein.

[1] Rochester Business Journal, The Book of Lists, 2018. Employment data is for Monroe, Genesee, Livingston, Ontario, Orleans and Wayne Counties.

[2] Reports total number of employees. Separate numbers for full and part-time employees were not available.

[3] In July 2014, Rochester General Health System and Unity Health System merged.

(Unaudited)

DRAFTv1

DRAFTv1

County of Monroe, New York
Budgeted Full-Time County Employees by Department
Last Ten Years

	2009	2010	2011	2012	2013	2014	2015	2016	2017	2018
Aviation	107.5	107.5	106.0	104.0	103.0	101.5	101.5	100.5	102.5	102.5
Board of Elections	53.0	53.0	52.0	52.0	52.0	51.0	51.0	49.0	51.0	51.0
Communications	5.5	5.5	5.5	5.5	5.5	4.5	4.5	4.5	8.0	8.0
County Executive	5.0	5.0	5.0	5.0	5.0	5.0	5.0	5.0	7.0	7.0
Environmental Services	371.5	363.5	342.5	339.0	333.0	328.5	320.5	314.5	319.0	318.5
Finance	99.0	95.0	92.0	93.0	89.5	84.5	83.0	80.0	65.5	65.0
Human Resources	33.5	33.5	33.5	33.0	31.0	30.5	30.5	32.5	34.5	34.5
Human Services	1,035.3	1,025.3	996.5	978.5	975.0	993.5	955.0	956.0	1,021.0	1,048.0
Information Services	46.0	46.0	43.0	43.0	43.0	41.0	42.0	42.0	44.0	51.0
Law	146.5	145.0	140.0	137.0	136.0	63.5	63.5	63.5	65.5	64.5
Monroe Community Hospital	711.8	709.5	688.3	680.3	680.0	664.5	664.5	663.3	668.3	662.3
Office of Public Integrity	-	-	-	-	-	-	-	-	4.0	4.0
Planning and Development	22.0	20.5	18.5	17.5	18.5	19.5	18.5	18.5	20.0	20.0
Public Defender	84.0	82.0	82.0	82.0	82.0	85.0	90.5	94.5	97.0	97.0
Public Health	239.5	239.5	235.5	232.5	231.5	213.5	213.5	214.5	224.0	228.0
Public Safety	294.5	294.5	275.5	274.0	273.0	266.0	271.5	270.5	277.0	278.0
Parks	141.3	142.8	139.8	139.8	139.8	138.8	156.8	158.8	159.7	170.3
Transportation	78.0	78.0	78.0	78.0	77.0	74.5	74.5	74.5	75.5	75.5
Veterans Service	4.0	4.0	4.0	4.0	5.0	5.0	5.0	5.0	6.0	6.5
County Clerk	107.5	107.5	107.5	105.5	105.5	103.5	103.5	103.5	106.5	106.5
County Legislature	58.0	58.0	58.0	56.0	56.0	54.0	54.0	54.0	54.0	54.0
District Attorney	143.0	143.0	144.0	144.0	142.0	139.0	140.0	140.5	139.5	139.5
Sheriff	1,087.0	1,090.0	1,087.0	1,086.5	1,086.5	1,082.0	1,083.0	1,083.0	1,087.0	1,086.0

Source: Monroe County Budget for the relevant year.

(Unaudited)

DRAFTv1

County of Monroe, New York
Operating Indicators
Last Ten Years

	2009	2010	2011	2012	2013	2014	2015	2016	2017	Est. 2018
Transportation										
Lane Miles Sealed	79	115	115	99	147	98	127	120	150	84
Lane Miles Resurfaced	95	87	48	40	11	33	62	87	71	50
Signs Fabricated	6,895	8,134	6,416	6,403	9,271	8,500	10,258	12,000	12,698	10,000
Traffic Signs Installed - New	5,255	4,068	6,935	5,747	8,471	8,662	10,649	10,832	4,981	5,000
Signal Locations Serviced (all types)	784	776	787	787	782	783	779	777	779	779
County Clerk										
Land Records	92,215	84,277	88,405	97,003	94,169	76,295	79,848	90,367	90,162	89,274
Vehicle Registration	233,538	224,460	223,944	220,256	218,234	218,275	229,043	231,597	239,752	241,000
Passports	8,417	7,242	4,820	5,641	4,658	4,325	4,530	4,729	4,388	5,496
Learner Permits	21,581	20,887	20,577	20,677	20,746	21,135	21,903	22,059	21,447	22,000
Planning and Development										
Jobs Created (over next 3 years)	960	2,183	707	1,652	1,708	676	1,534	769	1,049	1,300
Housing Rehab Projects	82	97	95	93	93	80	80	68	59	60
First-time Home Buyer Purchase Subsidy	59	75	35	56	33	25	25	14	19	6
Health Department										
Clinics/Visits - Tuberculosis	15,189	14,269	14,269	14,406	13,226	22,479	20,042	20,474	19,888	16,000
Clinics/Visits - STD	13,462	13,773	13,773	11,946	11,000	11,428	10,446	10,467	10,311	10,000
Clinics/Visits - Immunization	6,993	4,939	4,939	5,305	4,310	4,180	4,118	5,818	4,735	4,000
Clinics/Visits - Foster Care	2,797	2,343	2,343	1,727	2,143	1,978	1,980	1,886	2,002	2,400
Sheriff										
Calls for Service	150,504	157,306	165,965	184,376	207,497	218,854	206,382	203,266	196,844	195,000
Safety Education Presentations	1,213	1,073	496	981	872	706	1,070	1,833	516	1,100
DARE Classrooms	3,442	3,602	3,550	2,968	2,267	2,393	2,393	3,234	3,726	3,700
SWAT Activations	5	5	4	3	4	7	2	8	7	12
Hostage Recovery Team Activations	3	5	4	3	1	2	2	2	2	3
Hazardous Device Team Activations	53	44	36	46	29	30	30	19	19	30
Public Safety - 911										
Calls Received	1,040,731	1,078,747	1,099,131	1,148,257	1,132,947	1,120,951	1,190,596	1,193,292	1,145,351	1,041,668
Police Events Dispatched	1,013,463	1,047,184	1,019,303	1,036,444	1,027,802	1,026,866	1,015,365	1,001,062	986,368	974,097
Fire Events Dispatched	87,051	108,571	110,111	109,544	102,469	95,055	98,162	97,236	103,634	99,684
EMS Events Dispatched	106,728	111,791	116,406	118,154	117,314	119,973	123,272	128,974	130,835	133,663
District Attorney										
Local Court Arraignments	27,878	27,847	18,668	18,210	14,548	15,948	15,247	14,662	15,061	14,600
STOP-DWI Felony Cases Screened	828	877	987	1,011	938	992	1,034	1,042	1,085	1,109
Aviation										
Passengers Boarded	1,287,552	1,268,792	1,209,746	1,217,974	1,222,055	1,188,713	1,189,502	1,197,742	1,212,654	1,300,000
Takeoffs and Landings	110,312	103,735	104,433	88,819	91,847	86,543	83,820	79,821	87,261	83,700

Source: Monroe County Budget for the relevant year.

(Unaudited)

DRAFTv1

County of Monroe, New York
Capital Asset Statistics
Last Ten Years

	2009	2010	2011	2012	2013	2014	2015	2016	2017	2018
Streets (Center Line Miles)[1]	662.5	662.5	662.5	662.3	662.7	661.5	661.6	661.6	661.3	661.3
3-Color Traffic Signals[1]	625.0	627.0	629.0	632.0	634.0	634.0	634.0	632.0	631.0	633.0
Sewer Pipe Miles[2]	1,246.0	1,263.0	1,268.2	1,269.0	1,271.7	1,273.0	1,275.5	1,275.0	1,274.2	1,291.0
Vehicles[2]	679.0	681.0	669.0	699.0	692.0	695.0	753.0	735.0	721.0	771.0

Sources:
[1]Monroe County Department of Transportation
[2]Monroe County Department of Environmental Services, Fleet Services

(Unaudited)

(THIS PAGE INTENTIONALLY LEFT BLANK)

APPENDIX C

ANNUAL AND CONTINUING DISCLOSURE UNDERTAKING CERTIFICATE PURSUANT TO RULE 15c2-12 OF THE SECURITIES AND EXCHANGE COMMISSION

On the date hereof, the Issuer is issuing the Bonds. To facilitate compliance with Rule 15c2-12 of the Securities and Exchange Commission (the "SEC") promulgated under the Securities Exchange Act of 1934, as amended by the underwriter (as defined in the Rule), the Issuer hereby undertakes for the benefit of the record and beneficial owners from time to time of the Bonds (the "Holders") to provide:

A. ***Definitions****.* As used in this Undertaking, the following terms have the meanings ascribed to such terms below*:*

"Bonds" means the Issuer's $29,110,000 General Obligation Refunding Serial Bonds – 2020, dated June 4, 2020..

"Issuer" means the County of Monroe, New York.

"MSRB" means the Municipal Securities Rulemaking Board.

"Obligations" means the Bonds.

"Rule" means SEC Rule 15c2-12, as amended from time to time.

"SEC" means the United States Securities and Exchange Commission.

"Undertaking" means this Disclosure Undertaking.

B. ***Annual Reports.*** The Issuer shall provide annually to the MSRB, (1) within six months after the end of each fiscal year ending after the date hereof, financial information and operating data with respect to the Issuer of the general type contained in or cross referenced in the Issuer's final Official Statement, dated May XX, 2020 in **Appendix A**, under the headings **"THE COUNTY OF MONROE", "FINANCIAL MATTERS", "REAL PROPERTY TAXES",** and **"INDEBTEDNESS OF THE COUNTY",** and in **Appendix B** and (2) if not provided as part such financial information and operating data, financial statements of the Issuer, when and if available. Any financial statements so to be provided shall be prepared in accordance with the accounting principles as the Issuer may be required to employ from time to time pursuant to state law or regulation, and shall be audited, if the Issuer commissions an audit of such statements and the audit is completed within the period during which they must be provided.

If the Issuer changes its fiscal year, it will notify the MSRB of the change (and of the date of the new fiscal year end) prior to the next date by which the Issuer otherwise would be required to provide financial information and operating data pursuant to this Undertaking.

The financial information and operating data to be provided pursuant to this Undertaking may be set forth in full in one or more documents or may be included by specific reference to any document available to the public on the MSRB's Internet Web site or filed with the SEC.

DRAFTv1

C. ***Event Notices.*** The Issuer shall provide notice of any of the following events with respect to the Obligations to the MSRB in a timely manner and not more than 10 business days after occurrence of the event:

(1) Principal and interest payment delinquencies;

(2) Non-payment related defaults, if material;

(3) Unscheduled draws on debt service reserves reflecting financial difficulties;

(4) Unscheduled draws on credit enhancements reflecting financial difficulties;

(5) Substitution of credit or liquidity providers, or their failure to perform;

(6) Adverse tax opinions, the issuance by the Internal Revenue Service of proposed or final determinations of taxability, Notices of Proposed Issue (IRS Form 5701-TEB), or other material notices or determinations with respect to the tax-exempt status of the Obligations, or other material events affecting the tax status of the Obligations;

(7) Modifications to rights of holders of the Obligations, if material;

(8) Bond calls, if material, and tender offers;

(9) Defeasances;

(10) Release, substitution, or sale of property securing repayment of the Obligations, if material;

(11) Rating changes;

(12) Bankruptcy, insolvency, receivership, or similar event of the Issuer, which shall occur as described below;

(13) The consummation of a merger, consolidation, or acquisition involving the Issuer or the sale of all or substantially all of its assets, other than in the ordinary course of business, the entry into of a definitive agreement to undertake such an action or the termination of a definitive agreement relating to any such actions, other than pursuant to its terms, if material;

(14) Appointment of a successor or additional trustee or the change of name of a trustee, if material;

(15) Incurrence of a Financial Obligation (as defined in the Rule) of the Issuer, or agreements to covenants, events of default, remedies, priority rights, or other similar terms of a Financial Obligation of the Issuer, any of which affect holders of the Obligations, if material; and

(16) Default, event of acceleration, termination event, modifications of terms, or other similar events under the terms of a Financial Obligation of the Issuer, any of which reflect financial difficulties.

For these purposes, any event described in the immediately preceding paragraph (12) is considered to occur when any of the following occur: the appointment of a receiver, fiscal agent, or similar officer for the Issuer in a proceeding under the United States Bankruptcy Code or in any other proceeding under state or federal law in which a court or governmental authority has assumed jurisdiction over substantially all of the assets or business of the Issuer, or if such jurisdiction has been assumed by leaving the existing governing body and officials or officers in possession but subject to the supervision and orders of a court or governmental authority, or the entry of an order confirming a plan of reorganization, arrangement, or liquidation by a court or governmental authority having supervision or jurisdiction over substantially all of the assets or business of the Issuer.

The Issuer shall notify the MSRB, in a timely manner, of any failure by the Issuer to provide financial information or operating data in accordance with this Undertaking by the time required by this Undertaking.

D*.* ***Filings with the MSRB***. All financial information, operating data, financial statements, notices, and other documents provided to the MSRB in accordance with this Undertaking shall be provided in an electronic format prescribed by the MSRB and shall be accompanied by identifying information as prescribed by the MSRB.

E*.* ***Limitations, Disclaimers, and Amendments***. The Issuer shall be obligated to observe and perform the covenants specified in this Undertaking for so long as, but only for so long as, the Issuer remain an "obligated person" with respect to the Obligations within the meaning of the Rule.

The provisions of this Undertaking are for the sole benefit of the holders and beneficial owners of the Obligations, and nothing in this Undertaking, express or implied, shall give any benefit or any legal or equitable right, remedy, or claim hereunder to any other person. The Issuer undertakes to provide only the financial information, operating data, financial statements, and notices which it has expressly agreed to provide pursuant to this Undertaking and does not hereby undertake to provide any other information that may be relevant or material to a complete presentation of the Issuer's financial results, condition, or prospects or hereby undertake to update any information provided in accordance with this Undertaking or otherwise, except as expressly provided herein. The Issuer does not make any representation or warranty concerning such information or its usefulness to a decision to invest in or sell Obligations at any future date.

UNDER NO CIRCUMSTANCES SHALL THE ISSUER BE LIABLE TO THE HOLDER OR BENEFICIAL OWNER OF ANY BOND OR ANY OTHER PERSON, IN CONTRACT OR TORT, FOR DAMAGES RESULTING IN WHOLE OR IN PART FROM ANY BREACH BY THE ISSUER, WHETHER NEGLIGENT OR WITH OR WITHOUT FAULT ON ITS PART, OF ANY COVENANT SPECIFIED IN THIS UNDERTAKING, BUT EVERY RIGHT AND REMEDY OF ANY SUCH PERSON, IN CONTRACT OR TORT, FOR OR ON ACCOUNT OF ANY SUCH BREACH SHALL BE LIMITED TO AN ACTION FOR *MANDAMUS* OR SPECIFIC PERFORMANCE.

No default by the Issuer in observing or performing its obligations under this Undertaking shall constitute a breach of or default on the Obligations.

Nothing in this Undertaking is intended or shall act to disclaim, waive, or otherwise limit the duties of the Issuer under federal and state securities laws.

The provisions of this Undertaking may be amended by the Issuer from time to time to adapt to changed circumstances that arise from a change in legal requirements, a change in law, or a change in the identity, nature, status, or type of operations of the Issuer, but only if (1) the provisions of this Undertaking, as so amended, would have permitted an underwriter to purchase or sell Obligations in the primary offering of the Obligations in compliance with the Rule, taking into account any amendments or interpretations of the Rule to the date of such amendment, as well as such changed circumstances, and (2) either (a) the holders of the Obligations consent to such amendment or (b) a person that is unaffiliated with the Issuer (such as nationally recognized bond counsel) determines that such amendment will not materially impair the interests of the holders and beneficial owners of the Obligations. The Issuer may also repeal or amend the provisions of this Undertaking if the SEC amends or repeals the applicable provisions of the Rule or any court of final jurisdiction enters judgment that such provisions of the Rule are invalid, and the Issuer also may amend the provisions of this Undertaking in its discretion in any other manner or circumstance, but in either case only if and to the extent that the provisions of this sentence would not have prevented an underwriter from lawfully purchasing or selling Obligations in the primary offering of the Obligations, giving effect to (a) such provisions as so amended and (b) any amendments or interpretations of the Rule. If the Issuer so amends the provisions of this Undertaking, the Issuer shall include with any amended financial information or operating data next provided in accordance with this Undertaking an explanation, in narrative form, of the reasons for the amendment and of the impact of any change in the type of financial information or operating data so provided.

IN WITNESS WHEREOF, I have hereunto set my hand this __th day of May 2020.

_____

Jennifer A. Cesario
Interim Director of Finance-Chief Financial Officer

APPENDIX D

June 4, 2020

County of Monroe,
State of New York

COUNTY OF MONROE, NEW YORK
$29,110,000 GENERAL OBLIGATION REFUNDING SERIAL BONDS - 2020

Ladies and Gentlemen:

We have been requested to render our opinion as to the validity of an issue of $29,110,000 General Obligation Refunding Serial Bonds - 2020, (the "Obligation"), of the County of Monroe, State of New York (the "Obligor"), dated June 4, 2020, issued in denominations equal to the respective amounts maturing in each year during the life of said obligations, bearing interest at the rates per annum, payable December 1, 2020, June 1, 2021 and semi-annually thereafter on June 1 and December 1, and maturing on June 1 in each of the years as set forth below:

Maturity	Principal Amount	Interest Rate
June 1, 2021	$	. %
June 1, 2022		
June 1, 2023		
June 1, 2024		
June 1, 2025		
June 1, 2026		
June 1, 2027		
June 1, 2028		
June 1, 2029		
June 1, 2030		

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

DRAFTv1

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 Obligation, including the form of the Obligation. In rendering the opinions expressed herein we have assumed (i) 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, and (ii) compliance by the Obligor with the covenants contained in the Arbitrage Certificate. 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 Obligation 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 Obligation and interest thereon, subject to applicable statutory limitations; provided, however, that the enforceability (but not the validity) of the Obligation 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.

(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 Obligation 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 Obligation is not a specific preference item for purposes of the federal alternative minimum tax. We express no opinion regarding other tax consequences related to the ownership or disposition of, or the amount, accrual or receipt of interest on, the Obligation.

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 Obligation) may be taken or omitted under the circumstances and subject to the terms and conditions set forth in such documents.

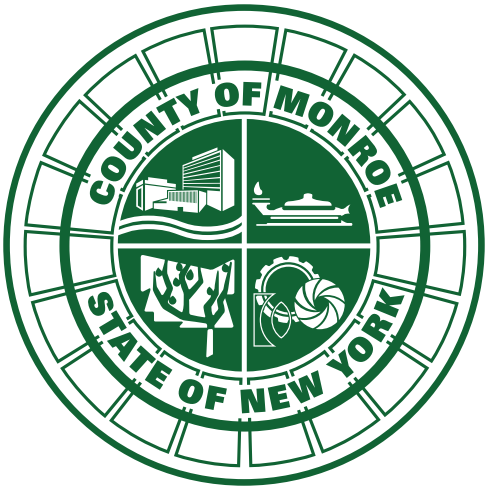
The opinions expressed herein are based on an analysis of existing laws, regulations, rulings and court decisions and cover certain matters not directly addressed by such authorities. Such opinions may be affected by actions taken or omitted or events occurring after the date hereof. Accordingly, this 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 Obligation 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 Obligation to be included in gross income for federal income tax purposes. We call attention to the fact that the rights and obligations under the Obligation 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 Obligation 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 real property subject to taxation within the boundaries of the Obligor, together with other legally available sources of revenue, if any, will be sufficient to enable the Obligor to pay the principal of or interest on the Obligation as the same respectively become due and payable. Reference should be made to the Official Statement prepared by the Obligor in relation to the Obligation 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 Obligation, 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,

/s/ORRICK, HERRINGTON & SUTCLIFFE LLP

(THIS PAGE INTENTIONALLY LEFT BLANK)



Mixed Sources
Product group from well managed forests, controlled sources and recycled wood or fiber.

Printed by: ImageMaster, LLC
www.imagemaster.com