

PRELIMINARY OFFICIAL STATEMENT DATED JUNE 9, 2026

SERIAL 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. Interest on the Bonds included in adjusted financial statement income of certain corporations is not excluded from the federal corporate 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

\$94,330,000* PUBLIC IMPROVEMENT (SERIAL) BONDS – 2026
(the “Bonds”)

Date of Issue: Date of Delivery

Maturity Dates: June 1, 2027 - 2046
(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 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. 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 30, 2026.

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.

Dated: June __, 2026

* Preliminary, subject to change.

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.

\$94,330,000* PUBLIC IMPROVEMENT (SERIAL) BONDS - 2026

Dated: Date of Delivery

Principal Due: June 1 as shown below
 Interest Due: June 1, 2027, December 1, 2027 and semi-annually thereafter on June 1 and December 1 in each year until maturity

<u>Maturity</u>	<u>Amount</u>	<u>Interest Rate</u>	<u>Yield</u>	<u>CUSIP^(*)</u>	<u>Maturity</u>	<u>Amount</u>	<u>Interest Rate</u>	<u>Yield</u>	<u>CUSIP^(*)</u>
2027	\$3,275,000			61074P	2037**	\$4,315,000			61074P
2028	5,665,000			61074P	2038**	4,270,000			61074P
2029	5,955,000			61074P	2039**	4,360,000			61074P
2030	6,165,000			61074P	2040**	4,445,000			61074P
2031	6,145,000			61074P	2041**	4,425,000			61074P
2032	5,460,000			61074P	2042**	3,910,000			61074P
2033	5,610,000			61074P	2043**	3,675,000			61074P
2034	5,765,000			61074P	2044**	3,390,000			61074P
2035**	5,895,000			61074P	2045**	3,220,000			61074P
2036**	5,625,000			61074P	2046**	2,760,000			61074P

* 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. The County is not 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

** Subject to optional redemption prior to maturity. (See "Optional Redemption" herein).

* Preliminary, subject to change.

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 Purchasers 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 Purchasers. No representations are made or implied by the County as to any offering by the Purchasers.

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COUNTY EXECUTIVE
Adam J. Bello

DIRECTOR OF FINANCE -
CHIEF FINANCIAL OFFICER
Jennifer A. Cesario

COUNTY ATTORNEY
Matthew Schwartz

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

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**OFFICIAL STATEMENT
OF THE
COUNTY OF MONROE, NEW YORK**

relating to

\$94,330,000* PUBLIC IMPROVEMENT (SERIAL) BONDS - 2026

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 \$94,330,000* Public Improvement (Serial) Bonds - 2026 (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 2026 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 "FINANCIAL MATTERS - Impacts of COVID-19 on County Finances" 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 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 June 1, 2027, December 1, 2027 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.

Authority for the Bonds

The Bonds are authorized pursuant to the Constitution and Laws of the State, including various bond resolutions adopted by the County Legislature as described below.

* Preliminary, subject to change.

Purpose of the Bonds

The proceeds received from the sale of the Bonds will finance capital improvements of the County as detailed below pursuant to the bond resolutions adopted by the County Legislature:

<u>Project</u>	<u>To Finance the Cost or Part of the Cost</u>
IBPWD Improvements to the Irondequoit Bay Pump Station	\$1,500,000
Highway Lighting Rehabilitation - Northeast #2	154,000
Specialized Secure Detention Facility	4,000,000
FEVL Wastewater Treatment Plant Aeration System Improvements	2,800,000
RPWD FEVL WWTP Electrical System Improvements	5,000,000
Infrastructure Improvements	50,000
Property Preservation Projects Phase 3	3,000,000
Capital Equipment Replacement - Technology	250,000
Lake Ontario REDI Program-Sandbar WWPS Project	253,000
Highway Preventive Maintenance #9	588,000
MCC Combined Heat & Power Plant Improvements	526,000
Information Technology Equipment	560,000
MCH Interior Improvements	46,000
Replacement of Voting Machines	1,700,000
Civic Center Complex Reconstruction	210,000
Frontier Field Improvements	200,000
Capital Equipment Replacement-Technology	750,000
Frontier Field Major League Baseball Requirements	690,000
Iola Combined Heat & Power Plant Improvements	1,200,000
Space Utilization & Renovation of City Place	540,000
Calkins Road (East Henrietta Road to Pinnacle Road)	6,100,000
Public Safety Training Center Capital Improvement	300,000
CityPlace Electrical and Mechanical Improvements	2,900,000
Hall of Justice Reconstruction	750,000
Friendship Place	1,500,000
Highway Preventive Maintenance #10	750,000
Frontier Field Facility and Patron Improvements	1,000,000
STD Clinic Relocation	148,000
MCC Applied Technology Center-S.T.E.M. Addition	30,000,000
General Elevator Reconstruction and Replacements	6,000,000
Information Technology Equipment-MCH	2,735,000
General Improvements of County Buildings	1,300,000
Hazardous Material Fire Truck Replacement	1,359,000
911 Phone System	2,750,000
Greece Canal Park - Master Plan Improvements	261,000
Durand Eastman Park Drainage Improvements	860,000
Voting Equipment	1,600,000
Purchase and Renovation of Former Carestream Building	10,000,000
Total:	\$94,330,000

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 maturing in each of the years 2027 to 2034, inclusive, are not subject to redemption prior to maturity. The Bonds maturing on or after June 1, 2035, will be subject to redemption, prior to maturity, at the option of the County on any date on or after June 1, 2034, as a whole or in part, at par.

The County may select the maturities of the Bonds to be redeemed and the amount to be redeemed of each maturity selected, as the County shall determine to be in the best interest of the County at the time of such redemption. If less than all of the Bonds at maturity are to be redeemed prior to maturity, the particular Bonds of such maturity to be redeemed shall be selected in accordance with DTC procedures, by lot, or in any customary manner of selection as determined by the County. Notice of such call for redemption shall be given by mailing such notice to the registered owner not less than thirty (30) days nor more than sixty (60) days prior to such date. Notice of such redemption having been given as aforesaid, the Bonds so called for redemption shall, on the date of redemption set forth in such call for redemption, become due and payable, together with accrued interest to such redemption date, and interest shall cease to be paid thereon after such redemption date.

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 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.

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 PARTICIPANTS 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") and 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 is of the further opinion that interest on the Bonds is not a specific preference item for purposes of the federal individual alternative minimum tax. Interest on the Bonds included in adjusted financial statement income of certain corporations is not excluded from the federal corporate alternative minimum tax. Bond Counsel expresses no opinion regarding other tax consequences related to the ownership or disposition of, or the amount, accrual, or receipt of interest on, the Bonds. Complete copies of the proposed forms of opinion of Bond Counsel 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 owner thereof, is treated as interest on the Bonds which is excluded from gross income for federal income tax purposes and exempt from State of New York personal income taxes. 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. 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 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 bonds, 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 an owner’s basis in a Premium Bond, will be reduced by the amount of amortizable bond premium properly allocable to such owner. 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. The County has covenanted to comply with certain restrictions 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 compliance with these covenants. Bond Counsel has not undertaken to determine (or to inform any person) whether any actions taken (or not taken) or events occurring (or not occurring) after the date of issuance of the Bonds may adversely affect the value of, or the tax status of interest on, the Bonds. Further, no assurance can be given that pending or future legislation or amendments to the Code, if enacted into law, or any proposed legislation or amendments to the Code, will not adversely affect the value of, or the tax status of interest on, the Bonds.

Certain requirements and procedures contained or referred to in the Arbitrage Certificate, and other relevant documents may be changed and certain actions (including, without limitation, economic defeasance of the Bonds) may be taken or omitted under the circumstances and subject to the terms and conditions set forth in such documents. Bond Counsel expresses no opinion as to any Bonds or the interest thereon if any such change occurs or action is taken or omitted.

Although Bond Counsel is of the opinion that interest on the Bonds is excluded from gross income for federal income tax purposes and is exempt from personal income taxes imposed by the State of New York or any political subdivision thereof (including The City of New York), the ownership or disposition of, or the amount, accrual or receipt of interest on, the Bonds may otherwise affect an owner’s federal or state tax liability. The nature and extent of these other tax consequences will depend upon the particular tax status of the owner or the 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, to federal income taxation or to be subject to or exempted from state income taxation, or otherwise prevent owners from realizing the full current benefit of the tax status of such interest. The introduction or enactment of any such legislative proposals, clarification of the Code or court decisions may also affect the market price for, or marketability of, the Bonds. Prospective purchasers of the Bonds should consult their own tax advisors regarding any pending or proposed federal or state tax legislation, regulations or litigation, as to which Bond Counsel expresses 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 Internal Revenue Service ("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. The County has covenanted, 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 owners regarding the tax-exempt status of the Bonds in the event of an audit examination by the IRS. Under current procedures, 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 bonds 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 bonds presenting similar tax issues may affect the market price for, or the marketability of, the Bonds, and may cause the County or the owners to incur significant expense.

Payments on the Bonds generally will be subject to U.S. information reporting and possibly to "backup withholding." Under Section 3406 of the Code and applicable U.S. Treasury Regulations issued thereunder, a non-corporate owner of Bonds may be subject to backup withholding with respect to "reportable payments," which include interest paid on the Bonds and the gross proceeds of a sale, exchange, redemption, retirement or other disposition of the Bonds. The payor will be required to deduct and withhold the prescribed amounts if (i) the payee fails to furnish a U.S. taxpayer identification number ("TIN") to the payor in the manner required, (ii) the IRS notifies the payor that the TIN furnished by the payee is incorrect, (iii) there has been a "notified payee underreporting" described in Section 3406(c) of the Code or (iv) the payee fails to certify under penalty of perjury that the payee is not subject to withholding under Section 3406(a)(1)(C) of the Code. Amounts withheld under the backup withholding rules may be refunded or credited against an owner's federal income tax liability, if any, provided that the required information is timely furnished to the IRS. Certain owners (including among others, corporations and certain tax-exempt organizations) are not subject to backup withholding. The failure to comply with the backup withholding rules may result in the imposition of penalties by the IRS.

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.

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.

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 an underlying rating of “AA” to the County’s bonded debt. This rating reflects only the view of the rating agency furnishing the same, and an explanation of the significance of this rating may be obtained only from the rating agency. There is no assurance 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, 2025, 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, 2025, 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.

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 Annual Comprehensive 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

Director of Finance – Chief Financial Officer

June __, 2026

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APPENDIX A
THE COUNTY OF MONROE
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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, nineteen towns, and ten villages. The City of Rochester is the County seat and the State’s fourth largest industrial and commercial center next to New York City, Yonkers 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 750,500 and is the central county in the six-county Rochester Metropolitan Statistical Area (MSA), which has a population of over 1,056,000. The labor force in the County measures 371,800 (Source: NYSDOL LAUS, April 2026) and its economy draws from an MSA labor force of 518,800 (Source: NYSDOL LAUS, April 2026). 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 countywide election to serve a four-year term, and is limited to three terms.

Upon taking office in January 2020, County Executive Adam Bello and his new administration immediately faced the COVID-19 pandemic and the logistical, workforce, and economic challenges brought on by it. The County Executive helped support small businesses that struggled through the pandemic by providing much needed relief in the form of grants and loans. With healthcare system leaders, he convened a community effort to ensure the stabilization of local hospitals.

Now in his second term of office, County Executive Bello continues focusing on public safety, public health and wellness, workforce development and rebuilding long-neglected infrastructure. County Executive Bello is working with a broad coalition of residents, local government leaders and community organizations to lead Monroe County’s post-pandemic recovery plan aptly named Bring Monroe Back. Under his leadership, the local workforce is returning to pre-pandemic levels, the County has received its highest credit ratings in more than twenty years, and residents have seen a cumulative 35% reduction in the property tax rate since he first took office.

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 twenty-nine legislative districts with an elected legislator representing each district in the County Legislature. County legislators are limited to serving 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.

Yversha M. Roman, *President*

Mercedes Vazquez Simmons, *Vice President*

Blake Keller	Mark Johns	Susan Hughes-Smith	Robert J. Colby	Virginia E. McIntyre
Jackie Smith	Paul Dondorfer	Frank Ciardi	Santos E. Cruz	Carolyn Delvecchio-
Marvin Stephenson	Howard Maffucci	Dave Long	Lystra Bartholomew-	Hoffman
Kirk Morris	John B. Baynes	Rachel Barnhart	McCoy	Ricky Frazier
Richard B. Milne	Nizish Jeffrey	Rose E. Bonnick	Linda Hasman	William Burgess
Sean McCabe	Michael Yudelson	Tom Sinclair	Albert Blankley	

County Employees

The County provides services through approximately 5,400 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 1,860 full time employees; the Monroe County Federation of Social Workers-IUE-CWA Local 381, representing approximately 915 full time employees; the Monroe County Deputy Sheriff's Association, representing approximately 430 full time employees; and the Monroe County Sheriff Police Benevolent Association ("PBA"), representing approximately 325 full time employees, Teamsters representing approximately 25 full time employees. Collective bargaining agreement expiration dates are:

<u>Labor Organization</u>	<u>Collective Bargaining Agreement Expiration</u>
Airport Firefighters	12/31/2030
Monroe County Deputy Sheriff's Association	12/31/2028
Monroe County Law Enforcement Association	12/31/2026
Monroe County Federation of Social Workers	12/31/2026
Monroe County Sheriff Command Staff	12/31/2026
Teamsters (Probation Supervisors)	12/31/2026
Civil Service Employee Association	12/31/2027
Operating Engineers	12/31/2027
Monroe County Sheriff PBA	12/31/2029

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.

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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. In addition, 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 subsequently approved in a voter referendum held on November 6, 2007. The Act provides that any budgeted increase in aggregate appropriations in the Operating Budget for local taxpayer-supported non-mandated provisions (defined as 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 (CPI-U) 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 from Federal and State aid.

The County’s budget for 2026 anticipates receiving approximately 36.1% of total General Fund revenue from real property taxes, and approximately 17.4% of total General Fund revenues from sales and use taxes. State aid represents approximately 25.1% 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 9.8% 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.

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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 2026 adopted budget.

State and Federal Aid					
(000s omitted)					
Year	Total Revenues ⁽¹⁾	Federal Aid	State Aid	Total Federal and State Aid	% of Total Revenues
2021	\$1,100,287	\$195,493	\$188,483	\$383,976	25.4%
2022	1,140,894	119,692	211,667	331,359	29.0
2023	1,179,920	137,127	245,977	383,104	32.5
2024	1,221,325	137,023	285,702	422,725	34.6
2025	1,315,347	173,336	336,163	509,499	38.7
2026 Budget ⁽²⁾	1,266,098	124,116	317,352	441,468	34.8

- (1) The "Total Revenues" reflect only the portion of sales and use tax retained by the County. The amounts shown for 2021 through 2025 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 \$411,626 in 2021, \$435,133 in 2022, \$438,472 in 2023, \$439,905 in 2024, and \$455,305 in 2025 to reflect only the sales and use tax retained by the County for comparison purposes.
- (2) The 2026 Budget "Total Revenues" does not reflect the use of appropriated fund balance.

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, 2026.

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 2026 adopted budget.

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
2021	\$1,100,287	\$600,295	\$188,669	17.1%
2022	1,140,894	637,995	202,862	17.8
2023	1,179,920	648,589	210,117	17.8
2024	1,221,325	647,709	207,804	17.0
2025	1,315,347	671,067	215,762	16.4
2026 Budget	1,266,098	670,290	207,790	16.4

- (1) The Total Revenues shown in the above table have been reduced by \$411,626 in 2021, \$435,133 in 2022, \$438,472 in 2023, \$439,905 in 2024, and \$455,305 in 2025 to reflect only the sales and use tax retained by the County for comparison purposes. The "Total Revenues" reflected in the County's 2026 Adopted Budget reflects only the portion of sales and use tax retained by the County and does not include the use of appropriated fund balance.
- (2) The amounts shown for 2021 through 2025, 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.

Financial Operations and Budget

Summary of Fiscal Year Ended December 31, 2025

Monroe County's year-end general fund balance was \$300.1 million as of December 31, 2025, representing a decrease of \$7.4 million over FY2024. See "APPENDIX B – BASIC FINANCIAL STATEMENTS FOR THE FISCAL YEAR ENDED DECEMBER 31, 2025" for additional information pertaining to the results of operations.

Summary of 1st Quarter 2026 Budget Indicators

The first quarter Key Indicator Report projects the Monroe County budget through the end of FY2026 based on performance and available data as of March 31, 2026. The report does not account for future unknown conditions, such as reductions in state or federal aid, or changes in economic conditions. The report also excludes the use of appropriated fund balance to the extent its use results in a forecasted surplus.

Based on the foregoing, the first quarter Key Indicator Report projects that the County may end the fiscal year with a budget deficit ranging from \$(10.9) million to \$0.

The forecasted deficit is primarily the result of lower patient revenues at the County's skilled nursing facility due to a lower-than-expected patient census, and a lower projection of sales tax collections. Expenditure control continues to be favorable, however, and the County may not need the use of appropriated fund balance to the extent budgeted.

Impacts of COVID-19 on County Finances

The COVID-19 pandemic negatively affected a number of general County revenues during FY2020, primarily; sales tax (\$5.5M retained share), hotel occupancy tax (\$5.1M); state aid (\$9.5M), and charges for services (\$5.2M). Such revenue impacts were mitigated by remedial actions taken during the spring, which included a soft hiring freeze of all non-essential positions, mid-year budget reductions across all County departments, reductions in capital spending, and from CARES Act reimbursement of payroll costs for existing staff who were reassigned to perform COVID-related response activities. The effectiveness of these remedial actions and all other control efforts resulted in a general fund surplus of \$26.2 million in FY2020.

In response to the declines in general revenues, the County prepared its FY2021 budget to reflect a continued reduction in sales tax collections (\$8M) and continued reduced state aid (\$5.5M), offset by \$12.3M in appropriated fund balance. Improving economic conditions, however, provided a rebound of sales tax, a full restoration of state aid, and negated the need to utilize the appropriated fund balance.

From the beginning of the pandemic through December 31, 2021, the County has fully utilized its \$129.4M CARES Act allocation on COVID-19 response and mitigation activities, including downstream municipal reimbursement and small business grants.

Monroe County also received a \$144.1M award under the American Rescue Plan Act. As required, all funds were obligated by December 31, 2024 including \$76.6M for health and welfare initiatives, \$37.6M for economic development initiatives, \$18.8M for public safety initiatives, and \$11.1M for general government activities. Through March 31, 2025 the County has expended \$47.7M of its award.

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 five most recently published fiscal years are as follows:

<u>Fiscal Year</u>	<u>Fiscal Score - Designation</u>
2024	15.8 – no designation
2023	0.0 – no designation
2022	0.0 – no designation
2021	18.8 – no designation
2020	47.9 – susceptible to fiscal stress

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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 2021-2025 and the adopted budget for 2026. 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)**

	2026					
	Budget	2025	2024	2023	2022	2021
REVENUES:						
Real Property Tax	\$457,172	\$440,544	\$433,465	\$436,988	\$439,319	\$421,957
Sales and Other Taxes ⁽¹⁾	219,755	671,067	647,709	648,589	637,995	600,295
Federal Aid	124,116	173,336	137,023	137,127	144,997	195,493
State Aid	317,353	336,163	285,702	245,977	210,249	188,483
Charges for Services	30,767	28,424	28,954	28,511	27,014	26,080
Intergovernmental	56,497	51,009	49,129	43,402	44,253	41,973
Interdepartmental	8,488	4,926	4,721	2,267	2,164	2,252
Use of Money and Property	22,345	28,532	35,053	36,415	13,758	5,843
Repayments and Refund	12,789	15,039	11,276	14,361	14,801	15,064
Payments in Lieu of Taxes	8,319	6,776	9,115	8,938	7,685	7,203
Miscellaneous	8,497	14,836	19,055	15,817	33,792	7,270
Total Revenues	1,266,098	1,770,652	1,661,202	1,618,392	1,576,027	1,511,913
EXPENDITURES:						
General Government ⁽¹⁾	60,715	533,345	496,141	492,715	492,715	515,482
Public Safety	339,723	346,248	324,415	292,755	262,677	254,937
Transportation	3,524	3,525	3,525	3,524	3,524	3,172
Health and Welfare	694,105	690,285	643,762	601,402	527,595	505,211
Culture, Recreation and Education	135,457	128,028	116,290	109,784	97,661	84,823
Economic Development		11,328	9,635	4,727		
Total Expenditures	1,233,524	1,712,759	1,593,768	1,497,560	1,384,172	1,363,625
<i>Excess (Deficiency) of Revenues over Expenditures</i>	<u>32,574</u>	<u>57,893</u>	<u>67,434</u>	<u>120,832</u>	<u>191,855</u>	<u>148,288</u>
Total Other Financing Sources (Uses)	<u>(60,545)</u>	<u>(65,313)</u>	<u>(94,095)</u>	<u>(95,796)</u>	<u>(78,580)</u>	<u>(74,119)</u>
<i>Excess (Deficiency) of Revenues and Other Financing Sources Over Expenditures and Other Uses</i>	<u><u>\$(27,971)</u></u>	<u>(7,420)</u>	<u>(26,661)</u>	<u>25,036</u>	<u>113,275</u>	<u>74,169</u>
Fund Balance (Deficit), Beginning of Year, as restated		<u>307,530</u>	<u>334,191</u>	<u>309,155</u>	<u>195,880</u>	<u>122,711</u>
Fund Balance (Deficit), End of Year		<u><u>\$300,110</u></u>	<u><u>\$307,530</u></u>	<u><u>\$334,191</u></u>	<u><u>\$309,155</u></u>	<u><u>\$196,880</u></u>

(1) Includes Sales Tax and Hotel Occupancy Taxes for the years 2021 through 2025 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 2026 Budget amount 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.

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Expenditures

Human Services. A major portion of the County’s annual anticipated expenditures (51.8% of the 2025 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:

Invoice Year	Amount Billed By Retirement Systems	Adjustments	Total
2022	\$45,878,477	\$(75,902)	\$45,802,575
2023	32,947,986	4,256,514	37,204,500
2024	40,729,511	89,641	40,819,152
2025	53,689,977	(4,249,230)	49,440,747
2026	61,065,826	151,647	61,217,473

Adjustments of \$151,647 for 2026 were for prior years’ adjustments.

On September 4, 2025, the New York State Comptroller announced that the average employer contribution rates for the Police and Fire Retirement System (PFRS) would increase by 2.8% to 36.5% of payroll, and for the Employees’ Retirement System (ERS), would increase by 1.1% to 17.6% of payroll.

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, however, has not amortized any pension costs since 2017 and all prior amortizations have been fully repaid.

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.

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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.

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
2020	\$756,821,977	\$17,061,394	97.75%	\$11,027,569	98.54%
2021	779,550,211	14,498,277	98.14	10,725,155	98.62
2022	797,803,169	14,539,647	98.18	12,994,505	98.37
2023	821,272,612	15,635,971	98.10	14,244,582	98.27
2024	833,051,379	17,123,895	97.94	13,330,386	98.39
2025	866,323,154	18,361,612	97.88	13,302,386	98.46

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 2026 tax levy	\$977,650,481
2026 Tax levy subject to taxing power limit	416,796,555
2026 Tax margin	<u>\$560,853,926</u>

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:

	2022	2023	2024	2025	2026
Assessed Value	\$46,862,123,340	\$49,008,477,124	\$51,275,536,337	\$58,515,125,600	\$62,029,144,506
Full Valuation ¹	50,268,950,979	56,909,460,230	64,719,823,248	73,312,109,502	80,673,149,647
Tax Levied for County Purposes ²	433,621,898	434,862,961	433,009,714	442,171,769	457,572,914
Tax Rate Per \$1,000:					
Full Valuation ²	\$8.63	\$7.64	\$6.69	\$6.03	\$5.67

(1) Computed by use of County equalization rates for tax levy purposes.

(2) Includes allowance for uncollectible taxes and deferred tax revenue.

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Property Valuations

There are 21 assessing jurisdictions in the County. The 2025 assessment for the 2026 levy follows:

Assessing Jurisdiction	Assessed Valuations ⁽¹⁾	County Equalization Rates ⁽²⁾	Full Value
BRIGHTON	\$3,006,116,962	59%	\$5,095,113,495
CHILI	3,315,267,356	98%	3,382,925,873
CLARKSON	536,075,596	84%	638,185,233
EAST ROCHESTER	3,204,808,148	100%	3,204,808,148
GATES	6,007,860,020	61%	9,848,950,852
GREECE	747,157,061	100%	747,157,061
HAMLIN	6,251,529,780	100%	6,251,529,780
HENRIETTA	4,067,982,794	84%	4,842,836,660
IRONDEQUOIT	986,547,665	61%	1,617,291,254
MENDON	2,110,196,928	99%	2,131,512,048
OGDEN	1,702,404,144	98%	1,737,147,086
PARMA	4,385,013,066	75%	5,846,684,088
PENFIELD	4,289,622,645	57%	7,525,653,763
PERINTON	3,362,106,535	57%	5,898,432,518
PITTSFORD	682,735,555	100%	682,735,555
RIGA	590,989,468	100%	590,989,468
RUSH	1,100,613,032	100%	1,100,613,032
SWEDEN	3,177,194,669	48%	6,619,155,560
WEBSTER	336,051,774	68%	494,193,786
WHEATLAND	329,225,477	57.00%	577,588,556
ROCHESTER	11,839,645,831	100%	11,839,645,831
	<u>\$62,029,144,506</u>		<u>\$80,673,149,647</u>

(1) 2025 Assessments (Real Estate & Special Franchise) used for 2026 tax levy.

(2) County Equalization Rates for the 2025 Assessment Rolls were used for the 2026 tax levy. They are the ratio which assessed valuation in each assessing jurisdiction bears to market value, as determined by the State of New York and adopted by the county legislature.

Amounts of Annual Tax Levy

Set forth below is the amount of annual tax levy for the years 2022 through 2026:

	2022	2023	2024	2025	2026
Tax Levied for County Budget	\$425,275,325	\$430,235,519	\$430,235,519	\$442,171,769	\$457,171,769
Adjust for Uncollectible Taxes	8,346,573	4,627,442	2,774,195	0	401,145
Less: Sales Tax Credit	<u>(55,000,000)</u>	<u>(55,000,000)</u>	<u>(55,000,000)</u>	<u>(55,000,000)</u>	<u>(55,000,000)</u>
Net Levy for County Budget	378,621,898	379,862,961	378,009,714	387,171,769	402,572,914
Local Govt. Services to Towns & City	41,231,785	42,744,134	41,909,934	45,885,848	48,459,609
Erroneous Assessments	206,726	22,754	164,024	186,660	418,309
Pure Waters Districts	58,576,769	61,423,745	63,023,183	68,559,763	72,318,888
Returned School Tax ⁽¹⁾	20,814,117	25,898,663	24,308,856	24,202,719	28,567,969
Re-levied Village Taxes	400,324	629,599	590,588	726,898	614,741
Net Levy for Town Budgets	156,951,775	159,782,379	161,916,315	165,528,895	170,564,244
Town Special Districts ⁽¹⁾	140,999,775	150,908,377	163,128,765	174,060,512	186,898,103
Total Tax Levy ⁽²⁾	<u>\$797,803,169</u>	<u>\$821,272,612</u>	<u>\$833,051,380</u>	<u>\$866,323,154</u>	<u>\$910,414,776</u>

(1) Includes delinquent charges re-levied.

(2) Due to rounding, details may not add to totals

Ten Largest Industrial and Commercial Taxpayers

Name	Type	2025 Taxable Assessed Valuation	2025 Equalized Taxable Full Valuation⁽¹⁾
Rochester Gas and Electric Corporation	Public Utility	\$3,728,553,690	\$4,156,354,735
Morgan Management	Office & Apartment Buildings	372,641,137	415,874,560
Wegmans	Supermarkets & Shopping Centers	317,296,245	336,265,874
Frontier Telephone of Rochester	Public Utility	209,568,705	303,120,784
Buckingham Properties	Office & Apartment Buildings	148,332,202	258,568,705
National Grid	Public Utility	118,834,456	162,430,997
Mark IV Enterprises	Office & Apartment Buildings	106,482,933	129,925,406
Gallina Development	Office & Apartment Buildings	96,407,909	112,195,114
Benderson Development	Office and Shopping	88,619,761	103,631,438
Eastman Kodak Company	Manufacturing & Office	67,362,100	74,085,629
		<u>\$5,254,099,138</u>	<u>\$6,052,453,242</u>

(1) Taxable full valuation is computed by use of County equalization rates, which were used for the 2026 tax levy.

The ten largest taxpayers listed above have a total taxable full valuation of \$6,052,453,242 representing 7.5% of the County's 2026 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.

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 that 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 June 2, 2026:

Five Year Full Valuation of Taxable Real Property			\$65,176,698,721 ⁽¹⁾
Debt Limit - 7% Thereof			4,562,368,910
Outstanding Indebtedness:			
Bonds	\$412,155,000 ⁽²⁾		
Bond Anticipation Notes	0		
Revenue Anticipation Note	0		
Outstanding Gross Indebtedness	<u> </u>	\$412,155,000	
Less Exclusions:			
Sewer Debt (Bonds)	\$0 ⁽³⁾		
Water Debt (Bonds)	0 ⁽⁴⁾		
Airport Debt (Bonds)	0 ⁽⁵⁾		
Airport Debt (Notes)	0		
Principal Amount of Refunded or Defeased Bonds	0		
Budget Appropriations	0		
Revenue Anticipation Note	0		
Reserve for Bonded Debt	<u>4,760,138</u>		
Total Exclusions		<u>4,760,138</u>	
Total Net Indebtedness			<u>407,394,862</u>
Debt Contracting Margin			<u><u>\$4,154,974,049</u></u>
Debt Contracting Power Exhausted			8.93%

- (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) Includes advance refunded bond principal.
- (3) Pursuant to Section 124.10 of the Local Finance Law.
- (4) Pursuant to Section 136.00(2) of the Local Finance Law.
- (5) 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.

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.

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, 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.

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 countywide real property taxes. The first such category 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 second 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 third 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 fourth such category since it is a potentially reimbursable cost under State and Federal health care reimbursement programs such as Medicaid, State aid, and Federal aid.

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Table of Indebtedness

The following table summarizes the short-term and bonded indebtedness (excluding bonds which have been advanced refunded or defeased) of the County by purpose as of June 2, 2026.

	Interest Rate	Maturity	Amount Outstanding June 2, 2026
SHORT-TERM INDEBTEDNESS			
BOND ANTICIPATION NOTES			\$0
REVENUE ANTICIPATION NOTES			<u>0</u>
TOTAL SHORT-TERM INDEBTEDNESS			\$0
BONDED INDEBTEDNESS			<u>412,155,000</u>
TOTAL INDEBTEDNESS			<u><u>\$412,155,000</u></u>

Indebtedness by Purpose

The following table summarizes the short-term and bonded indebtedness (excluding bonds which have been advanced refunded or defeased) of the County by purpose as of June 2, 2025.

	Notes	Bonds	Totals
General Public Improvement		\$291,877,928	\$291,877,928
Monroe Community Hospital ⁽¹⁾		10,567,266	10,567,266
Greater Rochester International Airport ⁽²⁾		2,970,000	2,970,000
Pure Waters Districts ⁽³⁾		105,120,202	105,120,202
Solid Waste ⁽⁴⁾		1,619,604	1,619,604
Totals	<u>\$0</u>	<u>\$412,155,000</u>	<u>\$412,155,000</u>

- (1) Self-supporting through third-party healthcare reimbursement.
- (2) Self-supporting through Airport generated revenues.
- (3) Self-supporting from Federal Aid, State Aid, special user and other Pure Waters charges.
- (4) Self-supporting from tipping fees and other earned revenue.

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Existing Bonded Debt Service ⁽¹⁾

YEAR	<u>GENERAL PUBLIC IMPROVEMENTS</u>			<u>SOLID WASTE</u>		
	<u>DUE</u>	<u>PRINCIPAL</u>	<u>INTEREST</u>	<u>TOTAL</u>	<u>PRINCIPAL</u>	<u>INTEREST</u>
2026	\$37,120,866	\$14,148,009	\$51,268,875	\$109,692	\$89,070	\$198,762
2027	34,281,515	11,245,442	45,526,957	108,466	64,514	172,980
2028	33,286,130	9,727,436	43,013,567	105,002	59,572	164,574
2029	31,691,021	8,292,868	39,983,888	107,197	54,687	161,884
2030	28,658,535	7,007,518	35,666,053	104,139	49,986	154,125
2031	24,798,727	5,944,931	30,743,659	103,800	45,682	149,482
2032	21,051,000	5,071,318	26,122,318	94,000	41,788	135,788
2033	16,884,000	4,354,564	21,238,564	97,000	38,215	135,215
2034	16,397,000	3,722,424	20,119,424	101,000	34,619	135,619
2035	15,028,000	3,116,412	18,144,412	100,000	30,919	130,919
2036	13,203,000	2,572,747	15,775,747	84,000	27,491	111,491
2037	11,204,000	2,095,169	13,299,169	86,000	24,308	110,308
2038	8,910,000	1,687,979	10,597,979	85,000	21,088	106,088
2039	8,976,000	1,320,794	10,296,794	82,000	17,926	99,926
2040	8,529,000	960,432	9,489,432	86,000	14,732	100,732
2041	7,047,000	640,683	7,687,683	74,000	11,593	85,593
2042	5,610,000	380,100	5,990,100	50,000	8,850	58,850
2043	3,325,000	194,795	3,519,795	52,000	6,300	58,300
2044	2,712,000	70,165	2,782,165	54,000	3,650	57,650
2045	286,000	7,150	293,150	46,000	1,150	47,150
Total	<u>\$328,998,795</u>	<u>\$82,560,934</u>	<u>\$411,559,729</u>	<u>\$1,729,296</u>	<u>\$646,138</u>	<u>\$2,375,434</u>

⁽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.

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Existing Bonded Debt Service (continued)

YEAR	<u>PURE WATERS DISTRICTS</u> ⁽¹⁾			<u>AIRPORT IMPROVEMENTS</u> ⁽²⁾		
	<u>DUE</u>	<u>PRINCIPAL</u>	<u>INTEREST</u>	<u>TOTAL</u>	<u>PRINCIPAL</u>	<u>INTEREST</u>
2026	\$10,960,742	\$4,531,727	\$15,492,469	\$3,245,000	\$229,625	\$3,474,625
2027	10,819,753	3,826,941	14,646,693	2,970,000	74,250	3,044,250
2028	9,881,868	3,383,570	13,265,438	0	0	0
2029	10,003,782	2,969,188	12,972,970	0	0	0
2030	9,362,326	2,577,927	11,940,253	0	0	0
2031	8,519,473	2,235,880	10,755,353	0	0	0
2032	7,535,000	1,946,060	9,481,060	0	0	0
2033	7,679,000	1,681,112	9,360,112	0	0	0
2034	7,567,000	1,414,047	8,981,047	0	0	0
2035	6,211,000	1,169,695	7,380,695	0	0	0
2036	5,303,000	963,496	6,266,496	0	0	0
2037	4,696,000	781,068	5,477,068	0	0	0
2038	4,187,000	616,015	4,803,015	0	0	0
2039	2,734,000	485,823	3,219,823	0	0	0
2040	2,415,000	386,732	2,801,732	0	0	0
2041	2,414,000	291,699	2,705,699	0	0	0
2042	2,207,000	198,230	2,405,230	0	0	0
2043	2,053,000	109,905	2,162,905	0	0	0
2044	1,254,000	40,585	1,294,585	0	0	0
2045	278,000	6,950	284,950	0	0	0
Total	<u>\$116,080,943</u>	<u>\$29,616,648</u>	<u>\$145,697,591</u>	<u>\$6,215,000</u>	<u>\$303,875</u>	<u>\$6,518,875</u>

- (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.

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Existing Bonded Debt Service (continued)

YEAR	<u>HOSPITAL IMPROVEMENTS⁽¹⁾</u>		
	<u>PRINCIPAL</u>	<u>INTEREST</u>	<u>TOTAL</u>
2026	\$2,191,048	\$698,815	\$2,889,863
2027	1,545,266	459,558	2,004,824
2028	1,572,000	384,986	1,956,986
2029	1,543,000	310,156	1,853,156
2030	1,540,000	235,946	1,775,946
2031	793,000	180,614	973,614
2032	700,000	145,329	845,329
2033	510,000	116,260	626,260
2034	520,000	91,623	611,623
2035	486,000	68,140	554,140
2036	190,000	53,135	243,135
2037	194,000	45,040	239,040
2038	198,000	36,775	234,775
2039	203,000	28,320	231,320
2040	205,000	19,720	224,720
2041	200,000	11,220	211,220
2042	168,000	3,520	171,520
2043	0	0	0
2044	0	0	0
2045	0	0	0
Total	<u>\$12,758,314</u>	<u>\$2,889,156</u>	<u>\$15,647,470</u>

⁽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.

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Bonded Debt Service Summary ⁽¹⁾

YEAR	TOTAL DIRECT COUNTY BONDED			
	<u>DUE</u>	<u>PRINCIPAL</u>	<u>INTEREST</u>	<u>TOTAL</u>
2026	\$53,627,348	\$19,697,247		\$73,324,595
2027	49,725,000	15,670,704		65,395,704
2028	44,845,000	13,555,565		58,400,565
2029	43,345,000	11,626,898		54,971,898
2030	39,665,000	9,871,376		49,536,376
2031	34,215,000	8,407,107		42,622,107
2032	29,380,000	7,204,494		36,584,494
2033	25,170,000	6,190,150		31,360,150
2034	24,585,000	5,262,713		29,847,713
2035	21,825,000	4,385,166		26,210,166
2036	18,780,000	3,616,869		22,396,869
2037	16,180,000	2,945,585		19,125,585
2038	13,380,000	2,361,856		15,741,856
2039	11,995,000	1,852,863		13,847,863
2040	11,235,000	1,381,616		12,616,616
2041	9,735,000	955,194		10,690,194
2042	8,035,000	590,700		8,625,700
2043	5,430,000	311,000		5,741,000
2044	4,020,000	114,400		4,134,400
2045	610,000	15,250		625,250
Total	<u>\$465,782,348</u>	<u>\$116,016,752</u>		<u>\$581,799,100</u>

(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.

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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
2021	\$467,545,000	\$313,816,841	0.62%
2022	442,711,022	304,366,885	0.53%
2023	435,975,442	301,735,927	0.47%
2024	448,758,040	312,456,895	0.43%
2025	465,782,348	328,998,795	0.41%

- (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 2025 is as follows:

(000s Omitted)

City of Rochester	\$324,197
School Districts ⁽¹⁾	795,857
Towns	6,387
Villages	34,623
Fire Districts	43,589
Total	\$1,204,653

- (1) Does not include the debt of the Rochester City School District which is reported as \$493,702,486

SOURCE: New York State Comptroller’s Office.

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Non-Tax Supported Debt

The business-type activities below generate their own revenues that contribute to annual debt service requirements, yet all debt obligations are backed by the full faith and credit of Monroe County.

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, known as the Clean Water State Revolving Fund (CWSRF). Funds for the CWSRF are appropriated by the United States Environmental Protection Agency (USEPA) and administered in New York State by the Environmental Facilities Corporation (EFC). The County has received funding for sewage system projects from EFC and will pursue Federal and State grant opportunities in the future.

Debt service on obligations issued and currently outstanding for improvements on behalf of various Pure Waters Districts of the County 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, but also backed by the full faith and credit of Monroe County. EFC administers a number of State-funded grant programs, including the Water Infrastructure Improvement Act (WIIA) program. \$5 million in State WIIA grants and \$15M in Federal FEMA/DHSES grants have been used to offset costs for current improvements in the Rochester Pure Waters District.

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. The County also operates two composting facilities to process yard waste; one facility is outside the ecopark and the second one is adjacent to the FEV WWTP.

The Mill Seat Landfill initially built by the County has a permitted capacity of 835,800 tons/year. Monroe County, as the permit holder, applied for an expansion involving 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 to 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. The permitted expansion increased the landfill footprint to 216.9 acres of permitted space. The landfill's permit was successfully renewed in May 2022.

Waste Management of New York, LLC (WMNY) operates the Mill Seat Landfill under a long-term Landfill Lease effective January 15, 2002. Any landfill-related capital projects undertaken during the lease term are WMNY's responsibility.

The County also has contracts with Waste Management Renewable Energy, LLC, to develop and operate a landfill gas-to-energy facility. The electricity produced is marketed and sold as green energy. The operations of the County's Recycling Center include acceptance, processing, marketing, and residue disposal attributed to curbside residential single-stream recycling delivered by private and public waste haulers. The Monroe County Resource Recovery Facility operates as a combined solid waste transfer station and commercial recycling facility.

Monroe Community Hospital

Monroe Community Hospital (MCH) is a 566-bed skilled nursing facility, owned and operated by Monroe County that provides multi-disciplinary services for the care and treatment of community members. MCH has become a highly specialized facility for individuals requiring medical services including respiratory, dementia, ventilator, pediatric and short-term rehabilitation and serves as a critical component of the region's entire health care delivery system. Approved capital costs (including debt service associated with approved projects) are partially reimbursed under the Medicaid program. Eligible bonded grant expenditures are also reimbursable by applicable state and federal agencies. Medicaid is the primary payer for 80-90% of the residents admitted to MCH.

Frederick Douglas-Greater Rochester International Airport

The **Monroe County Airport Authority**, a public benefit corporation, was established in July 1989. Through a Lease and Operating Agreement with Monroe County, the Authority leases the Airport premises and designates the County as its agent for operational management and project completion.

Key financial and legal provisions include:

- **Operations:** The County operates and maintains the Airport, with costs reimbursed by the Authority.
- **Indemnification:** The County indemnifies the Authority for operational liabilities, except in cases of the Authority's gross negligence.
- **Debt Service:** The Authority is responsible for reimbursing the County for all existing and future debt service related to Airport improvements.

The Airport Authority's primary funding is generated through airline lease and operating agreements. These current contracts span a five-year term, which commenced on January 1, 2024, and concludes on December 31, 2028.

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Capital Planning

The following sets forth a summary of the County's Recommended Capital Improvement Program for the years 2027 through 2032. It has been submitted to the County Legislature for consideration and will be acted upon at its July 2026 meeting. It should be noted that each planned project must be duly authorized by the County Legislature before being undertaken.

2027 - 2032 Recommended Capital Improvement Program (000s Omitted)

	<u>2027</u>	<u>2028</u>	<u>2029</u>	<u>2030</u>	<u>2031</u>	<u>2032</u>	<u>Total</u>
Tax Supported							
Information Services	\$2,850	\$3,000	\$3,150	\$3,300	\$3,450	\$4,150	\$19,900
County Clerk	-	-	-	-	-	-	-
Board of Elections	100	-	-	-	-	-	100
Medical Examiner	-	350	-	340	-	350	1,040
Monroe Community College	10,240	9,906	3,020	5,136	4,392	4,058	36,752
Library System	210	500	230	240	250	260	1,690
Facilities Management	7,625	5,650	6,175	14,200	5,750	4,000	43,400
Parks	3,450	2,200	1,800	1,325	1,525	825	11,125
Zoo	550	-	650	-	768	-	1,968
Highways and Bridges	23,455	15,583	11,001	14,645	15,780	12,020	92,484
Traffic Engineering	1,750	4,095	2,020	1,900	2,305	2,180	14,250
Office of the Sheriff	6,525	5,125	2,200	2,675	4,050	2,100	22,675
Public Safety Services	5,165	3,820	2,970	13,315	12,910	6,450	44,630
Tax Supported Totals	61,920	50,229	33,216	57,076	51,180	36,393	290,014
Non-Tax Supported							
Monroe Community Hospital	2,441	2,092	2,860	1,876	2,441	2,294	14,004
Department of Aviation	16,500	5,000	7,200	5,000	7,400	9,000	50,100
Pure Waters	33,700	25,900	24,850	34,500	25,350	15,800	160,100
Solid Waste	500	500	500	1,300	3,700	1,500	8,000
Non-Tax Supported Totals	53,141	33,492	35,410	42,676	38,891	28,594	232,204
Grand Totals	\$115,061	\$83,721	\$68,626	\$99,752	\$90,071	\$64,987	\$522,218

The Proposed 2027-2032 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 \$252,009,000 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 in the first instance from revenues earned by these enterprises, and backed by the county's full faith and credit in the second instance.

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ECONOMIC AND DEMOGRAPHIC DATA

Economic Development

Monroe County economic development services for business expansion and/or relocation includes technical assistance, incentives and financing programs. Many of these services are centralized, providing convenience to businesses needing assistance. The County staffs the County of Monroe Industrial Development Agency and the local development corporation, Monroe County Industrial Development Corporation. An additional assistance program staffed by the County is the local office of the United States government's, Monroe County Finger Lakes APEX Accelerator. During 2024, Monroe County collaborated with numerous economic development entities to assist businesses with local projects. These partner entities include Greater Rochester Enterprise, Greater Rochester Chamber of Commerce, RochesterWorks! and Monroe Community College's Applied Technologies Center. These projects have added talent and resources to the many industry sectors within Monroe County.

A variety of industries make up Monroe County's diverse economic culture and companies have capitalized on its highly-educated workforce, research centers of excellence and industry expertise in fields such as food and beverage manufacturing, optics, photonics and imaging, biotech and life sciences, energy innovation, software and IT services. Rochester is well known for its world-class optics, imaging and photonics cluster, which includes a number of small-to medium-sized companies often collaborating 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 over 750,506 (US Census Bureau Quick Facts) as of July 2025, and is the central county in the Rochester Metropolitan Area which has a population over 1,056,149 according to the U.S. Census Bureau (2025 estimate).

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 into the community. Large employers in the Rochester Area include The University of Rochester/Strong Hospital, Rochester Regional Health and Wegmans Food Market.

The unemployment rate is 3.7% as of December 2025, a strong rebound after reaching a record high of 15.1% in April 2020 due to the COVID-19 pandemic. In December 2025, the State unemployment rate was 4.4% and the national rate was 4.1%, according to the New York State Department of Labor.

Significant Announcements

Monroe County works in partnership with the County of Monroe Industrial Development Agency, Monroe County Industrial Development Corporation, Greater Rochester Enterprise, Greater Rochester Chamber of Commerce, RochesterWorks! and Monroe Community College's Applied Technologies Center. During 2025, many projects involved significant investment, renovations and upgrades to existing commercial stock for manufacturing, housing and services. The following are some examples:

Reju French textile-to-textile regeneration company Reju plans to establish a \$390 million textile regeneration hub on an 18.9-acre vacant lot at Eastman Business Park in Rochester - its first in North America. Reju's plans call for the creation of approximately 70 new jobs, including engineers, technicians, machinists and a variety of production roles.

McAlpin Industries, Inc. is constructing a 300,000 square foot manufacturing facility in the Town of Webster. Phase one will encompass the construction of the initial 240,000 square feet. The facility will support McAlpin's sheet metal fabrication business and house production lines capable of metal laser cutting, forming, welding, and powder coat finishing while also creating additional warehousing space. McAlpin has over 200 existing employees across Monroe and Wayne Counties and the \$34 million project is expected to create 32 new FTEs at the facility in Webster.

The Raymond Corporation is a wholly owned subsidiary of Toyota Industries Corporation and part of Toyota Material Handling North America (TMHNA). The company is renovating a portion of 10 Carriage Street in the Village of

Honeoye Falls. The facility will be upfit for the purposes of designing and testing fuel cells for lift trucks and is strategically located near TMHNA's centralized North American development center for energy solutions in Henrietta. The \$3.5 million project is projected to create 20 new FTEs over the next three years.

Cascade District LLC is renovating approximately 230,000 square feet of an industrial building into a mixed-use development in the City of Rochester. The building currently houses 32 loft-style apartments as well as some commercial tenants. The existing lofts will undergo extensive renovations and an additional 58 one- and two-bedroom loft-style apartments will be constructed, bringing the total number of residential units to 90. Additional commercial tenants will be sought to transform this space and bring new life to the area. The \$22.7 million project is expected to create 1.5 FTEs.

QED Technologies International LLC is renovating and expanding into a 20,000 square foot facility adjacent to their current location in the City of Rochester. Renovations to current warehouse space include the creation of foundational infrastructure and the addition of a mezzanine to house offices for QED's fabrication, service, and application teams. The expansion also includes the installation of metrology tools, equipment, and MRF platforms 13 to increase QED's R&D and manufacturing processes. The \$3.8 million project is expected to create 4 FTEs in addition to its 15 existing FTEs.

Precise Tool & Manufacturing Inc. is constructing a 40,000 square foot addition to their existing facility in the Town of Gates. This addition will support and grow the company's manufacturing operations; making CNC machined components for customers in the automotive, rail, aviation, medical, and aerospace fields. The \$3.6 million project plans to create 10 new FTEs in addition to its existing 100 FTEs.

Love Beets Production LLC is renovating and purchasing new equipment for its facility located at 1150 Lee Road in the Town of Greece. Love Beets, a food manufacturer specializing in beets and other root vegetables, proposes the purchase and installation of new racking for its cold storage facility as well as the purchase of new equipment including dry peelers, turn table automation equipment, and bags to barrels machines. The \$1.13 million project plans to create 11 FTEs in addition to its existing 117 FTEs.

MegazoneCloud South Korea-based MegazoneCloud has established its U.S. headquarters in the Rochester region. The \$290,000 renovation project includes office buildout, equipment and technology infrastructure to accommodate business operations and workforce expansion. The company expects to hire as many as 100 local employees by year-end 2026, including cloud engineers, AI specialists, software and data engineers and project leaders.

Additional Construction Projects in Rochester

Amazon finalizes \$7.25M property purchase for another Rochester-area facility, with plans to build a 250,572-square-foot facility on 37.63 acres.

Other Notable Investments in Monroe County

University of Rochester received over \$1 million grant, with support from Micron Technology, to strengthen STEM leadership and help build a future workforce in the semiconductor industries.

University of Rochester Laboratory for Laser Energetics will receive \$111 million in federal funding from the US Dept of Energy's National Nuclear Security Administration, the largest appropriation in the laboratory's history.

University of Rochester has secured a \$5 million funding authorization to advance its short-pulsed laser research on the National Defense Authorization Act for 2026.

RIT opens 39,000 foot research building in December 2025 to power growth in high-tech innovation including AI. In 2025 RIT received record sponsored research funding of \$105 million.

Monroe Community College and the MCC Foundation have announced three major philanthropic investments totaling more than \$4.15 million to support the college's nationally recognized Optical Systems Technology program and its new \$69 million Advanced Technology Center (ATC) opening in the fall of 2026.

Industries

Advanced Manufacturing. Monroe County has a large, high-end manufacturing business base. There are more than 1,500 manufacturers in the Greater Rochester, NY region, and this sector represents 12.5% of the local workforce.

Greater Rochester's manufacturing base is primarily in high tech precision, with its largest employment sectors being machinery, computer & electronic products, printing equipment, and transportation equipment. An additional significant force in the region's manufacturing base comes from the food and beverage manufacturing (NYS Department of Labor May 2018). The leading manufacturing employers in the region, among many others, are Eastman Kodak, L3Harris and Xerox. The leading precision manufacturing employers in the region are The Gleason Works, Alliance Precision Plastics and Lexington Machining.

Optics, Photonics and Imaging. Imaging history is unparalleled as the birthplace of Eastman Kodak Company, Xerox Corporation, and **Bausch+Lomb**. Today, Rochester is home to more than 150 leading businesses focused on optics, photonics, and imaging. Rochester's optics industry is diverse, including expertise in biophotonics, digital imaging, vision science, semiconductors, precision optics, lasers, and aerospace and defense applications. Approximately over 19,000 people are employed in Rochester in the optics industry. In fact, roughly 60 percent of all optics degrees conferred in the US are conferred in the area's higher-education institutions.

Life Sciences. With numerous life sciences companies and extensive research and development resources available in the Rochester area, including the University of Rochester's Medical Center and its Clinical and Translational Sciences Institute, discoveries can be readily advanced from the lab into new treatments and cures. Leveraging the capabilities and expertise among many precision manufacturers, software development firms, and research institutions, a diverse and highly skilled technical and engineering environment is readily available to collaborate in the development, prototyping, and commercialization of medical devices, biotech products, and healthcare IT applications.

Software, IT. Software, game design, and IT solutions companies represent a large sector of start-ups as well as larger companies in the Greater Rochester, NY region. These software companies support the development of solutions that enable device management, management of health information, and expense optimization software for telecommunication applications. Numerous IT solutions companies provide managed services, consulting, system integration, and software development services.

Exports

International commerce by area exporters continues to be a significant component of the area's economic activity. Metro Area Rochester, NY's export value was \$3.867 billion in 2020 (International Trade Administration, U.S. Dept. of Commerce), and the third largest exporter in the State, after New York City and Buffalo. 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.

Sports/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. With over sixty golf courses, the area has hosted US Opens, PGA Championships, and the Ryder Cup. The County is also home to professional sports teams in baseball, hockey, indoor and outdoor soccer, indoor lacrosse, and basketball. ESL Ballpark is a multi-use stadium located in downtown Rochester, of which the primary user is the Rochester Red Wings, a Triple-A professional baseball franchise.

Tourism

The County is host to a wide variety of entertainment festivals that are held annually, including the Lilac Festival, the Rochester International Jazz Festival and the Rochester Fringe Festival. According to VisitRochester and a study by Tourism Economics, traveler spending in 2025 in Monroe County generated an economic impact of \$1.5 billion.

Resources

Greater Rochester Chamber of Commerce. The Greater Rochester Chamber of Commerce serves the nine-county Rochester region that 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.

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.

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.

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. In May 2022, MCC opened a new workforce center – the Finger Lakes Workforce Development Center. This new facility provides 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.

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Population

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

Year	Population
1970	711,917
1980	702,238
1990	713,968
2000	735,343
2010	744,344
2020	759,443
2025	750,506

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)
2016	533.4
2017	535.2
2018	539.6
2019	539.5
2020	492.7
2021	504.6
2022	519.1
2023	525.2
2024	514.9
2025	519.4

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

Annual Average Unemployment Rates

Year	Monroe County Unemployment Rate (1)	New York State Unemployment Rate (1)	United States Unemployment Rate
2016	4.8%	4.9%	4.5%
2017	4.9	4.6	3.9
2018	4.2	4.1	3.7
2019	4.0	3.9	3.4
2020	8.1	9.8	6.5
2021	5.1	7.1	5.3
2022	3.4	4.3	3.6
2023	3.4	4.0	3.6
2024	3.7	4.2	4.0
2025	3.8	4.3	4.3

(1) Rates shown are not seasonally adjusted and are subject to revision.

SOURCE: NY State Department of Labor and U.S. Department of Labor.

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

Rank	Name	Number of Full-Time Employees ⁽¹⁾
1	University of Rochester	29,025
2	Rochester Regional Health	14,613
3	Wegmans Food Markets, Inc.	6,271
4	Paychex Inc.	4,261
5	Rochester Institute of Technology	3,721
6	L3Harris Technologies Inc.	3,700
7	Lifetime Health Care Cos. Inc.	2,217
8	Cooper Vision	1,693
9	Heritage Christian Services Inc.	1,367
10	Finger Lakes Health	1,364
11	Eastman Kodak Company	1,300
12	Xerox	1,257
13	FF Thompson Health System Inc.	1,235
14	Bausch + Lomb	1,169
15	QuidelOrtho Corp	1,161

- (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, 2025 Edition

New Housing Units Authorized

	2015	2016	2017	2018	2019	2020	2021	2022	2023	2024
County-wide Total	1,880	1,257	1,097	1,433	1,400	1,645	1,067	1,673	1,096	1,156

SOURCE: Figures are based on building permits issued as derived from the Federal Reserve Economic Data, "New Private Housing Structures annual, not seasonally adjusted."

Occupied Housing Units (Households)

Year	Household
1980	252,217
1990	271,944
2000	286,512
2010	304,388
2020	318,496
2025	341,905

SOURCE: The Bureau of the Census

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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. As of April 28, 2026 there is no such pending litigation or proceeding.

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, 2025, the County had recorded liabilities in excess of \$38.9 million for self-insurance claims that are probable to have been incurred and for which the loss could be reasonably estimated. Included in the liabilities recorded as of December 31, 2025, are general liability claims of \$0.7million, \$32.3 million representing amounts payable for Workers' Compensation claims already reported, \$5.3 million for medical claims incurred and additional claims incurred but not yet reported. As a result of these transactions, a fund deficit of \$26.1 million existed in the County's Risk Management Fund as of December 31, 2025.

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2025 ACFR

*Annual Comprehensive
Financial Report*

County of Monroe,
New York

For the Year Ended
December 31, 2025



Adam J. Bello
County Executive

Jennifer Cesario
Chief Financial Officer

John Fornof
Controller

monroecounty.gov

**County of Monroe, New York
Annual Comprehensive Financial Report
For the Year Ended December 31, 2025**

**Prepared by
Department of Finance
Office of the Controller**



**Jennifer Cesario
Chief Financial Officer**

**John Fornof
Controller**

**Christopher Kovacic
Deputy Controller**



COUNTY OF MONROE, NEW YORK ANNUAL COMPREHENSIVE FINANCIAL REPORT YEAR ENDED DECEMBER 31, 2025

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INTRODUCTORY SECTION

This section contains the following:

- LETTER OF TRANSMITTAL
- GFOA CERTIFICATE OF ACHIEVEMENT
- ORGANIZATIONAL CHART
- COUNTY EXECUTIVE'S OFFICE
- ELECTED COUNTY OFFICIALS
- LEGISLATIVE LEADERSHIP AND STAFF
- LEGISLATORS
- COUNTY DEPARTMENTS



Department of Finance
Monroe County, New York

Adam J. Bello
County Executive

Jennifer Cesario
Chief Financial Officer

May 19, 2026

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

We are pleased to submit the Annual Comprehensive Financial Report (ACFR) of the County of Monroe, State of New York (the County) for the year ended December 31, 2025, 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 2025.

Management's discussion and analysis (MD&A) immediately follows the independent auditor's report and provides a narrative introduction, overview, and analysis of the basic financial statements. MD&A complements this letter of transmittal and should be read in conjunction with it.

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, 2025 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, 2025, 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.*"

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

39 West Main Street • Room 402 • Rochester, New York 14614
(585) 753-1157 • fax: (585) 753-1133 • www.monroecounty.gov • e-mail: mcfinance@monroecounty.gov

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 fourth largest industrial and commercial center next to New York City, Buffalo, and Yonkers. The area is accessible via the Frederick Douglass 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, and fiduciary funds. The County's component units include Monroe Community College, Monroe County Airport Authority, Monroe County Water Authority, County of Monroe Industrial Development Agency, Monroe Tobacco Asset Securitization Corporation and the Monroe County Land Bank Corporation.

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 AZA-accredited zoo, the Frederick Douglass-Greater Rochester International Airport (ROC), Monroe Community Hospital, and Monroe Community College.

MAJOR INITIATIVES AND ACCOMPLISHMENTS

Overarching priority areas for county initiatives have focused on public health and wellness, public safety, workforce and economic development, and countywide infrastructure.

Public Health and Wellness

Opioid Outreach and Harm Reduction – The Office of Public Health expanded its response to substance use disorder through increased outreach and strengthening harm reduction efforts. The County supports 650 publicly accessible NaloxBoxes offering free naloxone, with fentanyl and xylazine test strips added to all indoor boxes. New efforts like the Spokes and Folks bike outreach program bring staff into parks, trails and community spaces to engage residents more directly. This work has reinforced the county’s Call to Action campaign to reduce stigma, and promote treatment and recovery.

National Family Caregiver Support Program – Two contracted programs serving caregivers for seniors were able to offer flexible assistance known as “supplemental services” that help fill gaps and provide hands on assistance. The family caregiver programs provided items such as Personal Emergency Response Systems, meant to give caregivers peace of mind while their loved ones were home alone, as well as fund transportation to appointments and other obligations to ease caregiver burdens. Other options to support caregivers included home-delivered meals, legal assistance, home modifications and personal hygiene supplies.

Public Safety

911 Emergency Communications – A series of technology projects have been completed to enhance 911 and emergency response capabilities. The core infrastructure was strengthened by finalizing a major Computer-Aided Dispatch (CAD) system update, refreshing the 911 phone system, and installing a secure network time server. New platforms were deployed to improve dispatcher training and public safety mass alerts. For first responders and others trained in CPR, the life-saving PulsePoint application was integrated to notify them of nearby cardiac arrest emergencies.

Central Police Services and Traffic Safety – Several major community safety initiatives have been implemented. The School Bus Safety Program was successfully implemented across six school districts, resulting in over 12,000 citations for illegally passing school buses. A new multi-agency Community Traffic Safety Team was formed to reduce traffic-related injuries and fatalities. The team engaged with over 4,200 students and supported more than 100 safety events. They also secured four new traffic safety grants, trained additional Child Passenger Safety technicians, and equipped law enforcement with new roadside devices to detect drug-impaired driving. The work done by the Traffic Safety and STOP-DWI divisions was recognized by the New York State Excellence in Traffic Safety Award presented by Mothers Against Drunk Driving, Governor’s Traffic Safety Committee and NY STOP DWI.

Workforce and Economic Development

COMIDA Workforce Development Fund – Since 2022, the County of Monroe Industrial Development Agency (COMIDA) has committed nearly \$8 million through its Workforce Development Fund to support workforce development and training initiatives in Monroe County. Over \$1.6 million was invested in 2025. The fund reinvests a portion of fee revenue from IDA-supported economic development projects

into programs that provide residents with training and pathways to careers in high-demand sectors such as manufacturing, healthcare, construction, and childcare. More than 1,000 jobseekers and incumbent workers have benefited from these investments. Supported programs include Monroe Community College's Mpower initiative, which provides workforce training aligned with local labor market needs; the Young Adult Manufacturing Training Employment Program, which prepares young adults for careers in advanced manufacturing; and the Training Rochester Adults in Construction Skills Program, a pre-apprenticeship initiative developed in partnership with North America's Building Trades Unions. Monroe County also supports workforce training and job placement programs through the Monroe County Industrial Development Corporation, while RochesterWorks, Inc. administers approximately \$12 million in federal workforce development funding on behalf of the Monroe County-Rochester Workforce Development Board.

Small Business Loans – The MicroAdvantage Small Business Loan Fund seeks to provide qualified small businesses with access to capital loans of up to \$50,000. The interest rate on such loans was reduced to a fixed 5%, or 4% for certified MWBE and SDVO businesses. Previously, loan rates were tied to the prime lending rate. Over 100 small businesses have qualified for over \$5 million of these loans, and over 70% of them are certified MWBE or SDVO businesses.

Community Infrastructure

Frederick Douglass – Greater Rochester International Airport – Named #6 of the 10 best small airports in the country by USA Today, the county's airport is nearing completion of the \$38 million comprehensive terminal revitalization project funded largely by an \$18 million New York State Department of Transportation (NYSDOT) grant and \$16 million in federal funds. Major infrastructure enhancements included adding natural lighting, LED fixtures, upgraded wayfinding, expanded entrance canopy, enhanced signage, mobile app with real-time info, new parking garage guidance system, renovation of three elevators, security upgrades, traffic circle and four new jet bridges.

Multimodal Freight – The Monroe County Multimodal Freight Initiative (MMFI) is intended to drive investment in manufacturing, transportation, and other key economic sectors to create good-paying jobs for county residents of all socioeconomic backgrounds and educational attainment via a strategic, commonsense approach to economic development that expands access to markets and reduces costs for local businesses. In 2025, work continued on the initial phase of the MMFI: the Economic Assessment & Market Feasibility Analysis. This phase builds upon previous economic development and transportation planning through new quantitative and qualitative research regarding projected benefits and impacts to Monroe County and the larger Finger Lakes Region. Freight investment strategies that incorporate this original research were formulated and screened relative to their market viability. A reasonably conservative investment strategy was selected and an evaluation of the associated benefits and costs is underway to ensure that continuing to advance the MMFI is justified.

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, short commutes, and affordable housing are just a few of the many reasons people locate in Monroe County.

Monroe County is one of the least congested areas in the country with the City of Rochester offering an average commute of 21.1 minutes, which is 5 minutes less than the national average. Multi-modal transportation is also available in Monroe County at the Frederick Douglass – Greater Rochester International Airport (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. Area universities continue to be a driving force in the area's economic success. With more than 26,000 employees, The University of Rochester Medical Center is the largest component of the University of Rochester, and is the largest private sector employer based in Upstate New York and the seventh largest employer in the state. The direct and spillover impact of the University's employee wages and spending, purchases, capital investments, and visitor and student spending, generate approximately 56,000 jobs across Upstate New York.

Along with the University of Rochester/Strong Medical Center, the County is home to Wegmans Food Markets, L3Harris Technologies, 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 a population of approximately 750,506 (US Census Bureau Quick Facts) as of July 2025, and is the central county in the Rochester Metropolitan Area which has a population of approximately 1,056,149 according to the U.S. Census Bureau (2025 estimate). In Monroe County, the labor force averaged 371,800 for calendar year 2025, with its economy drawing from a regional labor force of 518,800 (NYS DOL). As of December 2025, the unemployment rate in the Rochester Metropolitan Area at 3.8% and Monroe County at 3.7%, while the State unemployment rate was 4.1% and the national rate was 4.2%, according to the New York State Department of Labor.

Industry Sectors – Monroe County has a large, high-end manufacturing business base. There are more than 1,500 manufacturers in the Greater Rochester, NY region, and this sector represents over 12.5% of the local workforce. Greater Rochester's manufacturing base is primarily in high tech precision, with its largest employment sectors being machinery, computer & electronic products, printing equipment, and transportation equipment. An additional significant force in the region's manufacturing base comes from food and beverage manufacturing (NYS DOL Q3 2022). The leading manufacturing employers in the region, among many others, are Eastman Kodak, L3Harris and Xerox. The leading precision manufacturing employers in the region are The Gleason Works, Alliance Precision Plastics and Lexington Machining.

Imaging history is unparalleled as the birthplace of Eastman Kodak Company, Xerox Corporation, and Bausch+Lomb. Today, Rochester is home to more than 150 leading businesses focused on optics, photonics, and imaging. Rochester's optics industry is diverse, including expertise in biophotonics, digital imaging, vision science, semiconductors, precision optics, lasers, and aerospace and defense applications. Approximately 19,000 people are employed in Rochester in the optics industry. In fact, roughly 60 percent of all optics degrees conferred in the US are conferred in the area's higher-education institutions.

With numerous life sciences companies and extensive research and development resources available in the Rochester area, including the University of Rochester's Medical Center and its Clinical and Translational Sciences Institute, discoveries can be readily advanced from the lab into new treatments and cures. Leveraging the capabilities and expertise among many precision manufacturers, software development firms, and research institutions, a diverse and highly skilled technical and engineering environment is readily available to collaborate in the development, prototyping, and commercialization of medical devices, biotech products, and healthcare IT applications.

Software, game design, and IT solutions companies represent a large sector of start-ups as well as larger companies in the Greater Rochester, NY region. These software companies support the development of solutions that enable device management, management of health information, and expense optimization software for telecommunication applications. Numerous IT solutions companies provide managed services, consulting, system integration, and software development services.

Housing – Homeownership is affordable in Monroe County, with a variety of urban and suburban neighborhoods which offer an array of housing options. In February 2024, U.S. News & World Reports ranked Rochester #9 on their list of Best Places to Live for Quality of Life in the U.S. in 2023-2024. Realtor.com cited affordability, a strong job market, and quality of life as factors that make Rochester an enticing market for home hunters in 2025. According to HousingWire, Rochester's housing market is the tightest in New York driven by the relative affordability with a median list price of \$249,900, compared to the \$595,000 state median.

Significant Community Announcements

Monroe County works in partnership with the County of Monroe Industrial Development Agency, Monroe County Industrial Development Corporation, Greater Rochester Enterprise, Greater Rochester Chamber of Commerce, RochesterWorks! and Monroe Community College's Applied Technologies Center. During 2025, many projects involved significant investment, renovations and upgrades to existing commercial stock for manufacturing, housing and services. The following are some examples:

McAlpin Industries, Inc. is constructing a 300,000 square foot manufacturing facility in the Town of Webster. Phase one will encompass the construction of the initial 240,000 square feet. The facility will support McAlpin's sheet metal fabrication business and house production lines capable of metal laser cutting, forming, welding, and powder coat finishing while also creating additional warehousing space. McAlpin has over 200 existing employees across Monroe and Wayne Counties and the \$34 million project is expected to create 32 new FTEs at the facility in Webster.

The Raymond Corporation is a wholly owned subsidiary of Toyota Industries Corporation and part of Toyota Material Handling North America (TMHNA). The company is renovating a portion of 10 Carriage Street in the Village of Honeoye Falls. The facility will be upfit for the purposes of designing and testing fuel cells for lift trucks and is strategically located near TMHNA's centralized North American development center for energy solutions in Henrietta. The \$3.5 million project is projected to create 20 new FTEs over the next three years.

Cascade District LLC is renovating approximately 230,000 square feet of an industrial building into a mixed-use development in the City of Rochester. The building currently houses 32 loft-style apartments as well as some commercial tenants. The existing lofts will undergo extensive renovations

and an additional 58 one- and two-bedroom loft-style apartments will be constructed, bringing the total number of residential units to 90. Additional commercial tenants will be sought to transform this space and bring new life to the area. The \$22.7 million project is expected to create 1.5 FTEs.

QED Technologies International LLC is renovating and expanding into a 20,000 square foot facility adjacent to their current location in the City of Rochester. Renovations to current warehouse space include the creation of foundational infrastructure and the addition of a mezzanine to house offices for QED's fabrication, service, and application teams. The expansion also includes the installation of metrology tools, equipment, and MRF platforms 13 to increase QED's R&D and manufacturing processes. The \$3.8 million project is expected to create 4 FTEs in addition to its 15 existing FTEs.

Precise Tool & Manufacturing Inc. is constructing a 40,000 square foot addition to their existing facility in the Town of Gates. This addition will support and grow the company's manufacturing operations; making CNC machined components for customers in the automotive, rail, aviation, medical, and aerospace fields. The \$3.6 million project plans to create 10 new FTEs in addition to its existing 100 FTEs.

Love Beets Production LLC is renovating and purchasing new equipment for its facility located at 1150 Lee Road in the Town of Greece. Love Beets, a food manufacturer specializing in beets and other root vegetables, proposes the purchase and installation of new racking for its cold storage facility as well as the purchase of new equipment including dry peelers, turn table automation equipment, and bags to barrels machines. The \$1.13 million project plans to create 11 FTEs in addition to its existing 117 FTEs.

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 that 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 County Executive has the authority to transfer budget amounts of \$10,000 or less between departments within the same fund. The following governmental funds have annually adopted budgets: General, Road, Library and Debt Service. The following proprietary funds have annually adopted budgets: Pure Waters, Monroe Community Hospital, Airport, Solid Waste, and Internal Service.

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 a strategic 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.

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 County Legislature formalized a fund balance policy by passing Resolution 262 of 2023. The Resolution recognizes that the Legislature may commit fund balance for a specific purpose through adopted resolution, that the Director of Finance-Chief Financial Officer may assign fund balance for a specific intent, and that when fund balances of more than one category are available for a specific purpose, it is the County's practice to use the most restrictive fund balance first, in the following order: any non-spendable fund balance, restricted fund balance, committed fund balance, assigned fund balance, and unassigned fund balance.

The resolution also requires the County to maintain an available general fund balance (the combined assigned and unassigned fund balance categories) to be within ten million dollars (\$10 million), plus or minus, of ten percent (10%) of the all-funds expenditures in the currently adopted operating budget. Available fund balances in excess of the maximum requirement may be used in subsequent budgets to provide property tax stability, capital project funding, and /or debt reduction, or for any other lawful purpose approved by the County Legislature.

In the event available fund balance falls below the minimum requirement, the Director of Finance-Chief Financial Officer shall prepare a plan to restore the available fund balance to the minimum requirement in the next budget year or other appropriate period of time.

Government Finance Officers Association of the United States and Canada (GFOA) awarded a Certificate of Achievement for Excellence in Financial Reporting to the County of Monroe for its annual comprehensive financial report for the fiscal year ended December 31, 2024. In order to be awarded a Certificate of Achievement, a government must publish an easily readable and efficiently organized annual comprehensive financial report. This report must satisfy both generally accepted accounting principles and applicable legal requirements.

A Certificate of Achievement is valid for a period of one year only. We believe that our current annual comprehensive financial report continues to meet the Certificate of Achievement Program's requirements and we will consider submitting it to GFOA to determine its eligibility for another certificate.

ACKNOWLEDGEMENTS

The preparation of this report could not have been accomplished without the dedicated efforts of Christopher Kovacic, Erika Batz, Mohamed Bilal, Joseph Bragg, Anthony Macri, Teri Rabinowitz, Richard Ribis, Peter Shimshock, Carolyn Thompson and the entire Department of Finance.

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,



Jennifer Cesario
Chief Financial Officer



John Fornof
Controller



Government Finance Officers Association

Certificate of
Achievement
for Excellence
in Financial
Reporting

Presented to

**County of Monroe
New York**

For its Annual Comprehensive
Financial Report
For the Fiscal Year Ended

December 31, 2024

Christopher P. Morill

Executive Director/CEO

CITIZENS OF MONROE COUNTY

LEGISLATURE*

COUNTY EXECUTIVE*

Elected Offices

Operating Departments

Staff Departments

County Clerk*

Aviation

Communications

District Attorney*

Board of Elections

Diversity, Equity and Inclusion

Sheriff*

Environmental Services

Finance

Human Services

Human Resources

Monroe Community Hospital

Information Services

Parks

Law

Public Defender

Office of Public Integrity

Public Health

Planning and Development

Public Safety

Transportation

Veterans Service Agency

*** Elected Officials**

COUNTY EXECUTIVE'S OFFICE

COUNTY EXECUTIVE

Adam J. Bello

DEPUTY COUNTY EXECUTIVE

Amy Grower

ASSISTANT COUNTY EXECUTIVE

Adrienne Green

Anthony Plonczynski-Figueroa

ELECTED COUNTY OFFICIALS

COUNTY EXECUTIVE

Adam J. Bello

DISTRICT ATTORNEY

Brian Green

SHERIFF

Todd K. Baxter

COUNTY CLERK

Jamie L. Romeo

LEGISLATIVE LEADERSHIP AND STAFF

PRESIDENT

Yversha M. Román, District 26

VICE PRESIDENT

Mercedes Vazquez Simmons, District 22

DEMOCRAT MAJORITY CAUCUS

Michael Yudelson, Leader, District 13
William Burgess, Deputy Majority Leader, District 29
Albert Blankley, Assistant Majority Leader, District 24
Carolyn Delvecchio Hoffman, Assistant Majority Leader, District 25

REPUBLICAN MINORITY CAUCUS

Sean McCabe, Minority Leader, District 6
Paul Dondorfer, Deputy Minority Leader, District 9
Jackie Smith, Assistant Minority Leader, District 2

CLERK OF THE LEGISLATURE

Nayeliz Santiago, Clerk
Isabela Mulcahy, Deputy Clerk

DEMOCRAT MAJORITY CHIEF OF STAFF

Evelyn Evans

REPUBLICAN MINORITY CHIEF OF STAFF

Reilly O'Brien

LEGISLATORS

District 1.....	Blake Keller
District 2.....	Jackie Smith
District 3.....	Marvin Stepherson
District 4.....	Virginia E. McIntyre
District 5.....	Richard B. Milne
District 6.....	Sean McCabe
District 7.....	Kirk Morris
District 8.....	Mark Johns
District 9.....	Paul Dondorfer
District 10.....	Howard S. Maffucci
District 11.....	John B. Baynes
District 12.....	Dr. Nazish Jeffery
District 13.....	Michael Yudelson
District 14.....	Susan Hughes-Smith
District 15.....	Frank Ciardi
District 16.....	Dave Long
District 17.....	Rachel Barnhart
District 18.....	Lystra Bartholomew McCoy
District 19.....	Tom Sinclair
District 20.....	Robert J. Colby
District 21.....	Santos E. Cruz
District 22.....	Mercedes Vazquez Simmons
District 23.....	Linda Hasman
District 24.....	Albert Blankley
District 25.....	Carolyn Delvecchio Hoffman
District 26.....	Yversha M. Román
District 27.....	Rose E. Bonnick
District 28.....	Ricky Frazier
District 29.....	William Burgess

COUNTY DEPARTMENTS

AVIATION	Andrew G. Moore, Director
BOARD OF ELECTIONS	Peter Elder, Commissioner Jackie Ortiz, Commissioner
COMMUNICATIONS	Steven Barz, Director
COUNTY CLERK	Jamie L. Romeo, County Clerk
DISTRICT ATTORNEY	Brian Green, District Attorney
DIVERSITY, EQUITY, AND INCLUSION	David C. Scott, Chief Diversity Officer
ENVIRONMENTAL SERVICES	Michael J. Garland, Director
FINANCE	Jennifer Cesario, Chief Financial Officer
HUMAN RESOURCES	Andrea M. Guzzetta Zury, Director
HUMAN SERVICES	Thalia Wright, Commissioner
INFORMATION SERVICES	Jennifer R. Cogle, Chief Information Officer
LAW	Matthew Schwartz, County Attorney
MONROE COMMUNITY HOSPITAL	Alyssa Tallo, Executive Health Director
OFFICE OF PUBLIC INTEGRITY	Janson D. McNair, Director
PARKS	Patrick Meredith, Director
PLANNING AND DEVELOPMENT	Ana J. Liss, Director
PUBLIC DEFENDER	Julie Cianca, Public Defender
PUBLIC HEALTH	Dr. Marielena Vélez de Brown, Commissioner
PUBLIC SAFETY	Richard V. Tantalo, Director
SHERIFF	Todd K. Baxter, Sheriff
TRANSPORTATION	Thomas J. Frys, Director
VETERANS SERVICE AGENCY	Nicholas Stefanovic, Director

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

INDEPENDENT AUDITOR'S REPORT

May 19, 2026

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

Opinions

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, 2025, and the related notes to the financial statements, which collectively comprise the County's basic financial statements as listed in the table of contents.

In our opinion, based on our audit and the reports of other auditors, 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, 2025, 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.

We did not audit the financial statements of the County of Monroe Industrial Development Agency (the Agency), the Monroe County Water Authority (the Authority), and the Monroe County Land Bank Corporation (the Corporation) which represent a combined 59%, 77%, and 37%, respectively, of the assets, net position, and revenues of the aggregate discretely presented component units as of December 31, 2025, and the respective changes in financial position, and where applicable, cash flows thereof for the year then ended. Those statements were audited by other auditors whose reports have been furnished to us, and our opinion, insofar as it relates to the amounts included for the Agency, the Authority and the Corporation, is based solely on the reports of the other auditors.

Basis for Opinions

We conducted our audit in accordance with auditing standards generally accepted in the United States of America. Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Financial Statements section of our report. We are required to be independent of the County, and to meet our other ethical responsibilities, in accordance with the relevant ethical requirements relating to our audit. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinions.

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

www.bonadio.com

INDEPENDENT AUDITOR'S REPORT

(Continued)

Responsibilities of Management for the Financial Statements

Management is responsible for the preparation and fair presentation of the financial statements in accordance with accounting principles generally accepted in the United States of America, and for 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.

In preparing the financial statements, management is required to evaluate whether there are conditions or events, considered in the aggregate, that raise substantial doubt about the County's ability to continue as a going concern for twelve months beyond the financial statement date, including any currently known information that may raise substantial doubt shortly thereafter.

Auditor's Responsibilities for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinions. Reasonable assurance is a high level of assurance but is not absolute assurance and therefore is not a guarantee that an audit conducted in accordance with generally accepted auditing standards will always detect a material misstatement when it exists. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control. Misstatements are considered material if there is a substantial likelihood that, individually or in the aggregate, they would influence the judgment made by a reasonable user based on the financial statements.

In performing an audit in accordance with generally accepted auditing standards, we:

- Exercise professional judgment and maintain professional skepticism throughout the audit.
- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, and design and perform audit procedures responsive to those risks. Such procedures include examining, on a test basis, evidence regarding the amounts and disclosures in the financial statements.
- Obtain an understanding of internal control relevant to the audit 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 County's internal control. Accordingly, no such opinion is expressed.
- Evaluate the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluate the overall presentation of the financial statements.
- Conclude whether, in our judgment, there are conditions or events, considered in the aggregate, that raise substantial doubt about the County's ability to continue as a going concern for a reasonable period of time.

We are required to communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit, significant audit findings, and certain internal control-related matters that we identified during the audit.

INDEPENDENT AUDITOR'S REPORT

(Continued)

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 be presented to supplement the basic financial statements. Such information is the responsibility of management and, 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 and other auditors 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.

Supplementary 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 combining and individual nonmajor fund financial statements are presented for purposes of additional analysis and are not a required part of the basic financial statements. Such information 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. The 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 by us and other auditors. In our opinion, based on our audit and the report of the other auditors, the combining and individual nonmajor fund financial statements are fairly stated, in all material respects, in relation to the basic financial statements as a whole.

Other Information

Management is responsible for the other information included in the annual report. The other information comprises the introductory and statistical sections and budgetary information – debt service, road, and library funds but does not include the basic financial statements and our auditor's report thereon. Our opinions on the basic financial statements do not cover the other information, and we do not express an opinion or any form of assurance thereon.

In connection with our audit of the basic financial statements, our responsibility is to read the other information and consider whether a material inconsistency exists between the other information and the basic financial statements, or the other information otherwise appears to be materially misstated. If, based on the work performed, we conclude that an uncorrected material misstatement of the other information exists, we are required to describe it in our report.

Bonadvis & Co. LLP

COUNTY OF MONROE, NEW YORK

Management's Discussion and Analysis (Unaudited)

Year Ended December 31, 2025

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, 2025. 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, 2025 and comparative data from the year ended December 31, 2024 follows.

2. Financial Highlights

The County overall finished 2025 with a net position of \$200.3 million, a decrease of \$2.5 million during the year. The County's net position continues to be affected by two major factors: the blended component unit, Monroe Tobacco Asset Securitization Corporation (MTASC), and the liability for future retiree health insurance benefits. MTASC finished 2025 with a net deficit position of \$303.4 million, while the estimated present value of future retiree health insurance benefits was \$445.4 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/amortization, totaling approximately \$1.4 billion for the year ended December 31, 2025. This number was flat from the year that ended December 31, 2024. Of these capital assets, net of depreciation/amortization, infrastructure assets total approximately 26.5% and 28.8% for the years ended December 31, 2025 and 2024, 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 \$837.7 million and \$810.3 million for the years ended December 31, 2025 and 2024, respectively. For each of those respective years, the portion of bonds payable subject to the County's constitutional debt limit was \$461.0 million and \$444.5 million, respectively. As such, as of December 31, 2025, the County had exhausted 11.2% of its constitutional debt limit of \$4.1 billion, compared to 11.9% of its constitutional debt limit of \$3.7 billion as of December 31, 2024.

The County's governmental activities finished 2025 with a net position deficit of \$87.0 million, a \$24.4 million decrease compared to last year's net position deficit of \$62.6 million. The net position of the County's governmental activities for 2025 is reported as \$537.5 million of net investment in capital assets, \$73.2 million of restricted and \$697.7 million of unrestricted deficit. The changes in each reported net position category are as follows: a decrease of \$22.9 million in net investment in capital assets; an increase of \$10.4 million in restricted; and a decrease of \$12.0 million in the unrestricted deficit. The largest component of the unrestricted deficit is the other postemployment benefits (OPEB) liability which at December 31, 2025 was \$399.7 million.

In May 2021, the County was allocated \$144.1 million in American Rescue Plan Act (ARPA) funding from the Coronavirus Local Fiscal Recovery Fund to address pandemic response needs and rebuild a stronger, more equitable economy as the country recovered from the pandemic. Half was received in advance in calendar year 2021, while the balance was received in 2022. During 2022 the Public Health Department continued battling the COVID pandemic, but by the end of 2022 and early 2023 a shift was made to helping those most likely harmed by the effects of the pandemic. In December 2022 the County Legislature authorized contracts to a wide range of service providers totaling \$71.6 million. In 2023 and 2024 the County Legislature authorized contracts with first responders, town senior centers, housing search navigators, landlord incentive program, broadband infrastructure and various non-profit service providers obligating the balance of the \$144.1 million. Through December 31, 2025 the County has expended \$80.1 million in ARPA funds and recorded deferred revenue of \$64.0 million.

The County's business-type activities finished 2025 with a net position of \$287.3 million, an increase of \$22.0 million from the past year. The net position of the County's business-type activities for 2025 are reported as \$310.9 million of net investment in capital assets, \$868 thousand of restricted and \$24.5 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 33.

As of the close of 2025, the County's governmental funds reported combined fund balances of \$331.4 million, a decrease of \$18.0 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 31.

The County's general fund balance was \$300.1 million as of December 31, 2025, compared to the December 31, 2024 fund balance of \$307.5 million, a decrease of \$7.4 million.

COUNTY OF MONROE, NEW YORK

Management's Discussion and Analysis (Unaudited)

Year Ended December 31, 2025

The County's discretely presented component units finished 2025 with a net position of \$584.0 million; an increase of \$31.7 million over 2024. The total net position for each of the major component units are as follows: \$94.8 million for Monroe Community College (MCC); \$39.2 million for Monroe County Airport Authority (Airport Authority); and \$432.7 million for Monroe County Water Authority (Water Authority). The nonmajor component unit finished 2025 with a net position of \$17.4 million. For more detail regarding the County's component units, see pages 53 and 54 for the statement of net position and statement of activities and pages 55 through 57 of the footnotes.

The County elected to pay its annual New York State Retirement System bill on the early due date of December 15, 2025 rather than on the customary due date of February 1, 2026 saving taxpayers over \$440 thousand in interest.

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, the County of Monroe Industrial Development Agency (COMIDA) and the Monroe County Land Bank Corporation. 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 nonmajor funds and are combined into a single column on each of the fund's financial statements.

COUNTY OF MONROE, NEW YORK
Management's Discussion and Analysis (Unaudited)
Year Ended December 31, 2025

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 nonmajor and include Debt Service Funds and Special Revenue Funds.

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

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, culture, recreation and education.

Nonmajor Funds

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 nonmajor 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 - 2000 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 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.

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The Ontario Beach Park 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.

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 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: airport, hospital, and pure waters. 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 or custodial capacity 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 (pension, investment and private-purpose) and custodial funds, which are utilized in situations where the County's role is purely custodial.

The fiduciary funds use the economic resources measurement focus and accrual basis of accounting.

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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				
	2025				
	Governmental Activities Excluding MTASC	MTASC	Governmental Activities Total	Business-type Activities	Total Primary Government
Assets					
Current and other assets	\$ 746,249	\$ 22,427	\$ 768,676	\$ 80,751	\$ 849,427
Capital assets, net of accumulated depreciation/ amortization	893,888	-	893,888	461,932	1,355,820
Total assets	1,640,137	22,427	1,662,564	542,683	2,205,247
Deferred Outflows of Resources	160,091	-	160,091	37,809	197,900
Liabilities					
Current liabilities	494,482	690	495,172	52,270	547,442
Non-current liabilities	989,507	325,167	1,314,674	221,797	1,536,471
Total liabilities	1,483,989	325,857	1,809,846	274,067	2,083,913
Deferred Inflows of Resources	99,829	-	99,829	19,078	118,907
Net Position					
Net investment in capital assets	537,475	-	537,475	310,955	848,430
Restricted	59,987	13,262	73,249	868	74,117
Unrestricted (deficit)	(381,052)	(316,692)	(697,744)	(24,476)	(722,220)
Total Net Position	\$ 216,410	\$ (303,430)	\$ (87,020)	\$ 287,347	\$ 200,327

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Condensed Schedules of Net Position

	2024				
	Governmental Activities Excluding MTASC	MTASC	Governmental Activities Total	Business-type Activities	Total Primary Government
Assets					
Current and other assets	\$ 805,559	\$ 23,648	\$ 829,207	\$ 72,146	\$ 901,353
Capital assets, net of accumulated depreciation/ amortization	867,585	-	867,585	449,775	1,317,360
Total assets	1,673,144	23,648	1,696,792	521,921	2,218,713
Deferred Outflows of Resources	188,737	-	188,737	46,714	235,451
Liabilities					
Current liabilities	517,719	697	518,416	50,658	569,074
Non-current liabilities	916,332	314,771	1,231,103	209,443	1,440,546
Total liabilities	1,434,051	315,468	1,749,519	260,101	2,009,620
Deferred Inflows of Resources	198,575	-	198,575	43,187	241,762
Net Position					
Net investment in capital assets	560,409	-	560,409	295,569	855,978
Restricted	49,375	13,376	62,751	688	63,439
Unrestricted (deficit)	(380,529)	(305,196)	(685,725)	(30,910)	(716,635)
Total Net Position	\$ 229,255	\$ (291,820)	\$ (62,565)	\$ 265,347	\$ 202,782

Restricted net position in the County's governmental activities for 2025 is \$73.2 million. This is comprised primarily of restrictions for debt service in the sum of \$20.5 million and restrictions for grants and trusts of \$52.7 million.

Unrestricted net position in the County's governmental activities shows a deficit of \$697.7 million at December 31, 2025 comprised primarily of the OPEB liability which at December 31, 2025 was \$399.7 million, compared to \$389.3 million at December 31, 2024, an increase of \$10.4 million. Also contributing to the unrestricted deficit is the \$325.2 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, 2024 balance, when unrestricted net position in the County's governmental activities had a \$685.7 million deficit with MTASC recording a \$315.4 million bond liability.

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.

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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

	2025				
	Governmental Activities Excluding MTASC	MTASC	Governmental Activities Total	Business-type Activities	Total Primary Government
Revenues					
Program Revenues					
Charges for services	\$ 623,146	\$ -	\$ 623,146	\$ 207,272	\$ 830,418
Operating grants and contributions	107,140	-	107,140	7,916	115,056
Capital grants and contributions	23,373	-	23,373	19,880	43,253
General Revenues					
Taxes and other tax items	1,128,143	-	1,128,143	-	1,128,143
Tobacco settlement	-	8,527	8,527	-	8,527
Interest earnings	21,158	-	21,158	1,992	23,150
Miscellaneous revenue	24,981	-	24,981	2,736	27,717
Total Revenues	1,927,941	8,527	1,936,468	239,796	2,176,264
Expenses					
General government	620,705	11,814	632,519	-	632,519
Public safety	354,258	-	354,258	-	354,258
Health and welfare	684,304	-	684,304	-	684,304
Culture, recreation, and education	177,802	-	177,802	-	177,802
Transportation	62,825	-	62,825	-	62,825
Economic development	14,422	-	14,422	-	14,422
Interest on bonds and notes payable	12,993	8,323	21,316	-	21,316
Airport	-	-	-	42,526	42,526
Hospital	-	-	-	83,855	83,855
Pure Waters	-	-	-	66,540	66,540
Nonmajor enterprise funds	-	-	-	38,352	38,352
Total Expenses	1,927,309	20,137	1,947,446	231,273	2,178,719
Changes in net position before transfers	632	(11,610)	(10,978)	8,523	(2,455)
Transfers	(13,477)	-	(13,477)	13,477	-
Changes in net position	(12,845)	(11,610)	(24,455)	22,000	(2,455)
Net position (deficit) - beginning	229,255	(291,820)	(62,565)	265,347	202,782
Net Position-Ending	\$ 216,410	\$ (303,430)	\$ (87,020)	\$ 287,347	\$ 200,327

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Condensed Schedules of Revenues, Expenses and Changes in Net Position

	2024				
	Governmental Activities Excluding MTASC	MTASC	Governmental Activities Total	Business-type Activities	Total Primary Government
Revenues					
Program Revenues					
Charges for services	\$ 476,083	\$ -	\$ 476,083	\$ 189,417	\$ 665,500
Operating grants and contributions	106,773	-	106,773	1,444	108,217
Capital grants and contributions	21,400	-	21,400	23,622	45,022
General Revenues					
Taxes and other tax items	1,097,963	-	1,097,963	-	1,097,963
Tobacco settlement	-	9,632	9,632	-	9,632
Interest earnings	28,023	-	28,023	2,003	30,026
Miscellaneous revenue	20,738	-	20,738	2,200	22,938
Total Revenues	1,750,980	9,632	1,760,612	218,686	1,979,298
Expenses					
General government	525,484	11,038	536,522	-	536,522
Public safety	329,862	-	329,862	-	329,862
Health and welfare	648,502	-	648,502	-	648,502
Culture, recreation, and education	132,795	-	132,795	-	132,795
Transportation	70,776	-	70,776	-	70,776
Economic development	13,813	-	13,813	-	13,813
Interest on bonds and notes payable	12,904	8,428	21,332	-	21,332
Airport	-	-	-	40,354	40,354
Hospital	-	-	-	83,628	83,628
Pure Waters	-	-	-	65,471	65,471
Nonmajor enterprise funds	-	-	-	31,487	31,487
Total Expenses	1,734,136	19,466	1,753,602	220,940	1,974,542
Changes in net position before transfers	16,844	(9,834)	7,010	(2,254)	4,756
Transfers	(22,402)	-	(22,402)	22,402	-
Changes in net position	(5,558)	(9,834)	(15,392)	20,148	4,756
Net position-beginning, as restated	234,813	(281,986)	(47,173)	245,199	198,026
Net Position-Ending	\$ 229,255	\$ (291,820)	\$ (62,565)	\$ 265,347	\$ 202,782

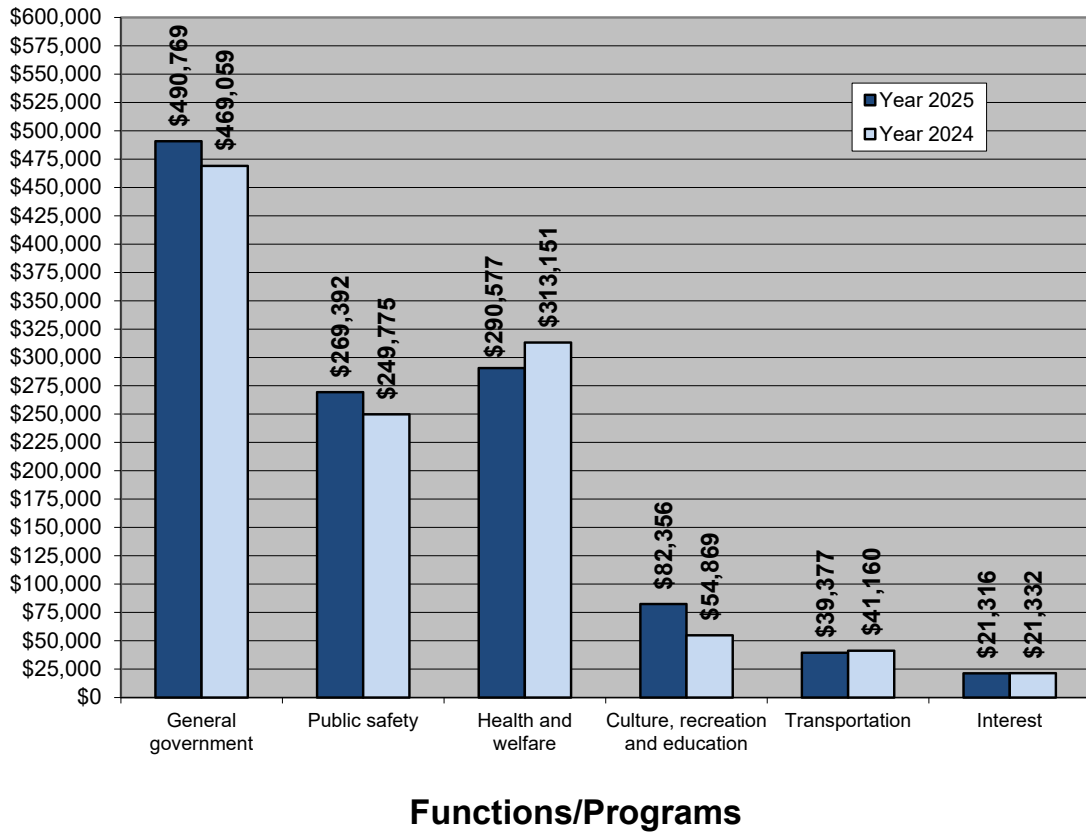
For governmental activities, net position decreased by \$24.5 million for the year ended December 31, 2025. The largest factor contributing to this decrease was the planned use of fund balance in the general fund. For 2025, \$30.8 million of fund balance was included in the adopted budget, the ultimate decrease to the overall net position was primarily offset by \$7.2 million in general fund employee benefits under budget from funded but unfilled positions. Business-type activities increased the County's net position by \$22.0 million for the year ended December 31, 2025. Net position increases were reported in all enterprise funds except for the hospital which reported a \$0.2 million decrease. See 5B of this MD&A for additional information.

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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):

**Primary Government
 Governmental Activities - Net Cost
 Years Ending December 31, 2025 and 2024**

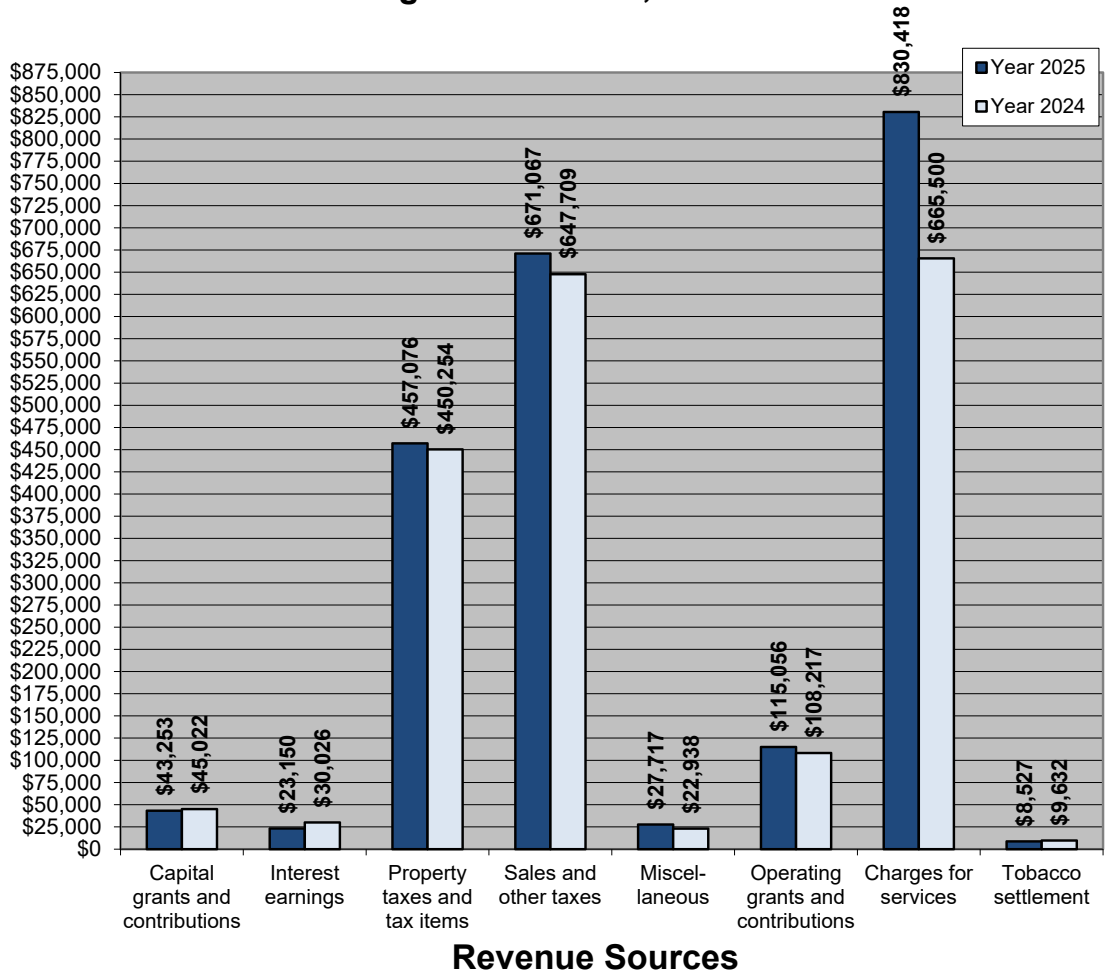


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D. Revenues by Source

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

**Primary Government
 Revenues by Source
 Years Ending December 31, 2025 and 2024**



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5. Financial Analysis of the County's Funds

A. Governmental Funds

As of December 31, 2025, the County's governmental funds reported total governmental fund balances of \$331.4 million, compared to \$349.4 million as of December 31, 2024, a decrease of \$18.0 million. This decrease is a result of the County self-funding Capital Projects outside of an annual borrowing cycle and a planned spenddown of fund balance.

The County's general fund balance was \$300.1 million as of December 31, 2025, compared to the December 31, 2024 fund balance of \$307.5 million, a decrease of \$7.4 million. The unassigned fund balance of the general fund was \$70.8 million as of December 31, 2025, a \$7.6 million decrease from December 31, 2024. Combined assigned and unassigned fund balance was \$180.8 million as of December 31, 2025, compared to \$193.0 million as of December 31, 2024, a decrease of \$12.2 million.

The nonmajor governmental funds total fund balance was \$52.0 million as of December 31, 2025, compared to a total fund balance of \$43.1 million as of December 31, 2024, an increase of \$8.9 million. This increase is primarily a result of premium being received in the debt service fund and transfers into the debt service fund.

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

	2025	General Fund	Capital Projects	Nonmajor Funds	Total Governmental Funds
Fund balances at beginning of year	\$	307,530	\$ (1,226)	\$ 43,070	\$ 349,374
Revenues		1,770,652	20,449	44,346	1,835,447
Expenditures		(1,712,759)	(88,288)	(101,596)	(1,902,643)
Other financing sources, net		(65,313)	48,380	66,167	49,234
Fund Balances, Ending	\$	300,110	\$ (20,685)	\$ 51,987	\$ 331,412

Condensed Schedules of Governmental Funds Changes in Fund Balances

	2024	General Fund	Capital Projects	Nonmajor Funds	Total Governmental Funds
Fund balances at beginning of year, as previously reported	\$	334,191	\$ -	\$ 67,801	\$ 401,992
Restatement		-	21,086	(21,086)	-
Fund balances at beginning of year, as restated		334,191	21,086	46,715	401,992
Revenues		1,661,202	15,301	47,844	1,724,347
Expenditures		(1,593,768)	(96,903)	(104,730)	(1,795,401)
Other financing sources, net		(94,095)	59,290	53,241	18,436
Fund Balances, Ending	\$	307,530	\$ (1,226)	\$ 43,070	\$ 349,374

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B. Proprietary Funds

As of December 31, 2025, the County's proprietary funds reported combined net position for the enterprise funds of \$287.3 million and a net position for the internal service funds of \$28.2 million.

The table below summarizes the changes in net position for the County's proprietary funds in 2025 and 2024 as follows (000's omitted):

	Condensed Schedules of Proprietary Funds					Governmental Activities
	Changes in Net Position 2025					
	Business-type Activities- Enterprise Funds				Total	
Airport	Hospital	Pure Waters	Total Nonmajor Funds	Internal Service Funds		
Net position (deficit) beginning	\$219,456	\$ (46,707)	\$ 85,659	\$ 6,939	\$ 265,347	\$ 35,727
Total operating revenues	25,954	69,728	74,278	39,865	209,825	81,320
Total operating expenses	(42,579)	(83,511)	(63,072)	(38,324)	(227,486)	(88,193)
Operating income (loss)	(16,625)	(13,783)	11,206	1,541	(17,661)	(6,873)
Total nonoperating revenue (expenses), net	19,543	1,612	4,730	289	26,174	(1,023)
Income (loss) before contributions and transfers	2,918	(12,171)	15,936	1,830	8,513	(7,896)
Capital contributions	-	10	-	-	10	-
Net transfers	-	11,977	-	1,500	13,477	417
Net Position (deficit) ending	\$222,374	\$ (46,891)	\$ 101,595	\$ 10,269	\$ 287,347	\$ 28,248

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**Condensed Schedules of Proprietary Funds
Changes in Net Position 2024**

	Business-type Activities- Enterprise Funds					Governmental Activities
	Airport	Hospital	Pure Waters	Total Nonmajor Funds	Total	Internal Service Funds
Net Position (deficit) beginning of year, as previously reported	\$ 213,329	\$ (50,336)	\$ 81,911	\$ 4,860	\$ 249,764	\$ 34,928
Restatement	(916)	(2,110)	(1,503)	(36)	(4,565)	(731)
Net Position (deficit) beginning	212,413	(52,446)	80,408	4,824	245,199	34,197
Total operating revenues	23,610	67,425	68,726	31,725	191,486	157,192
Total operating expenses	(40,222)	(83,471)	(61,963)	(30,763)	(216,419)	(159,867)
Operating income (loss)	(16,612)	(16,046)	6,763	962	(24,933)	(2,675)
Total nonoperating revenue (expenses), net	23,655	904	(1,556)	(514)	22,489	(53)
Income (loss) before contributions and transfers	7,043	(15,142)	5,207	448	(2,444)	(2,728)
Capital contributions	-	146	44	-	190	9
Net transfers	-	20,735	-	1,667	22,402	4,249
Net Position (deficit) ending	\$ 219,456	\$ (46,707)	\$ 85,659	\$ 6,939	\$ 265,347	\$ 35,727

Proprietary Funds - Changes in Net Position:

Airport Fund: Net position increased by \$2.9 million. The 2025 operating loss of \$16.6 million is equal to the 2024 operating loss of \$16.6 million. This loss is related to the reduced, but improving, air travel activity from the COVID-19 pandemic along with increases in personnel services, contractual, depreciation and other expenses. This year's operating loss was entirely offset by other nonoperating revenues (expenses) of \$19.5 million comprised primarily of federal and state aid and passenger facility charges.

Hospital Fund: Net position decreased by \$0.2 million. The 2025 operating loss was \$13.8 million compared to the previous year's operating loss of \$16.0 million. Compared to 2024, 2025 operating revenues increased by \$2.3 million driven mainly by an increase in patient revenue. Operating expenses were flat year over year.

Pure Waters Fund: Net position increased by \$15.9 million. The 2025 operating income of \$11.2 million is \$4.4 million more than the 2024 operating income of \$6.8 million. Compared to 2024, operating revenues increased \$5.5 million in 2025 primarily due to increased rates charged to users. Operating expenses increased \$1.1 million in 2025 driven mainly by increases in the valuation adjustment for other postemployment benefits and long term pension liability.

Nonmajor Funds: Net position increased by \$3.3 million, which is due to the Solid Waste fund's net position increasing by \$3.3 million. Operating income in the Solid Waste fund for 2024 was \$1.5 million compared to \$1.0 million in 2024.

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Nonoperating revenues and (expenses) for 2025 were \$289 thousand compared to (\$517) thousand in 2023. The overall increase is primarily a result of a \$1.5 million County contribution along with increased rates on the sale of electric.

Internal Service Funds: Net position decreased by \$7.5 million. The 2025 operating loss of \$6.8 million is \$4.2 million more than the 2024 operating loss of \$2.6 million. The net position decrease is primarily related to the Risk Management fund holding the difference between actual claims and the premium equivalent which are changed to user departments.

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						
	2025			2024		
	Adopted Budget	Modified Budget	Budget Basis Actual	Adopted Budget	Modified Budget	Budget Basis Actual
Real property tax	\$ 442,172	\$ 442,172	\$ 440,544	\$ 430,236	\$ 430,236	\$ 433,465
Sales and other taxes	218,512	218,512	215,761	216,736	216,736	207,804
Federal aid	147,430	275,003	173,336	124,155	267,726	137,023
State aid	297,104	416,918	336,163	264,451	385,057	285,702
Other revenues	148,914	149,163	149,570	135,551	135,731	157,331
Total Revenue- Budgetary Basis	\$ 1,254,132	\$ 1,501,768	\$ 1,315,374	\$ 1,171,129	\$ 1,435,486	\$ 1,221,325

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						
	2025			2024		
	Adopted Budget	Modified Budget	Budget Basis Actual	Adopted Budget	Modified Budget	Budget Basis Actual
General government	\$ 60,705	\$ 93,889	\$ 78,039	\$ 60,326	\$ 92,426	\$ 56,235
Public safety	320,091	445,993	346,248	323,823	455,994	324,415
Transportation	3,525	3,525	3,525	3,525	3,525	3,525
Health and welfare	694,908	791,624	690,313	638,636	737,259	643,791
Culture, recreation, and education	127,398	139,019	128,028	112,872	124,987	116,290
Economic Development	-	23,193	11,328	-	32,828	9,635
Total Expenditures- Budgetary Basis	\$ 1,206,627	\$ 1,497,243	\$ 1,257,481	\$ 1,139,182	\$ 1,447,019	\$ 1,153,891

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

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6. Capital Assets and Debt Administration

A. Capital Assets

At the end of 2025, the County had invested \$1.4 billion in a broad range of capital assets, including \$359.2 million in infrastructure, net of depreciation/amortization, which includes bridges, culverts and sewers. This remains comparable to the \$1.3 billion amount invested at the end of 2024. The table below summarizes capital assets by classification as follows (000's omitted):

	Condensed Schedules of Capital Assets		
	2025		
	Governmental Activities	Business-type Activities	Total Primary Government
Land	\$ 29,568	\$ 28,236	\$ 57,804
Assets under construction	168,551	98,799	267,350
Buildings	214,129	264,153	478,282
Infrastructure	1,087,961	686,553	1,774,514
Improvements other than buildings	367,959	698,320	1,066,279
Machinery and equipment	240,489	125,637	366,126
Total capital assets	2,108,657	1,901,698	4,010,355
Accumulated depreciation	(1,299,232)	(1,439,848)	(2,739,080)
Total owned assets, net	809,425	461,850	1,271,275
Lease assets			
Land	2,828	-	2,828
Buildings	13,195	-	13,195
Machinery and equipment	1,571	106	1,677
Other	72,926	-	72,926
Total lease assets	90,520	106	90,626
Accumulated amortization	(21,915)	(39)	(21,954)
Total lease assets, net	68,605	67	68,672
Subscription-based information technology arrangements (SBITA)			
technology arrangements (SBITA)	21,376	34	21,410
Accumulated amortization	(5,518)	(18)	(5,536)
Total subscription-based information technology arrangements (SBITA), Net	15,858	16	15,874
Total net capital assets	\$ 893,888	\$ 461,933	\$ 1,355,821

COUNTY OF MONROE, NEW YORK
Management's Discussion and Analysis (Unaudited)
Year Ended December 31, 2025

	2024		
	Governmental Activities	Business-type Activities	Total Primary Government
Land	\$ 29,546	\$ 28,236	\$ 57,782
Assets under construction	166,183	95,980	262,163
Buildings	214,129	264,153	478,282
Infrastructure	1,087,802	686,553	1,774,355
Improvements other than buildings	340,816	661,371	1,002,187
Machinery and equipment	222,041	122,130	344,171
Total capital assets	2,060,517	1,858,423	3,918,940
Accumulated depreciation	(1,268,588)	(1,408,684)	(2,677,272)
Total owned assets, net	791,929	449,739	1,241,668
Lease assets			
Land	2,828	-	2,828
Buildings	13,195	-	13,195
Machinery and equipment	1,571	24	1,595
Other	59,736	-	59,736
Total lease assets	77,330	24	77,354
Accumulated amortization	(15,875)	(15)	(15,890)
Total lease assets, net	61,455	9	61,464
Subscription-based information technology arrangements (SBITA)			
technology arrangements (SBITA)	16,364	34	16,398
Accumulated amortization	(2,163)	(7)	(2,170)
Total subscription-based information technology arrangements (SBITA), Net	14,201	27	14,228
Total net capital assets	\$ 867,585	\$ 449,775	\$ 1,317,360

On July 8, 2025, the County Legislature adopted the 2026 - 2031 Capital Improvement Program (CIP).

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

COUNTY OF MONROE, NEW YORK
Management's Discussion and Analysis (Unaudited)
Year Ended December 31, 2025

B. Debt Administration

At year-end, total debt payable for the primary government was \$837.7 million. General obligation debt totaled \$512.6 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						
2025						
	Governmental Activities Excluding MTASC	MTASC	Total Governmental Activities	Business- type Activities	Total Primary Government	Percent of Total
General Obligation Debt						
Total bonds payable	\$ 364,260	\$ -	\$ 364,260	\$ 148,307	\$ 512,567	61.2%
Total general obligation debt	364,260	-	364,260	148,307	512,567	61.2%
Non General Obligation debt	-	325,167	325,167	-	325,167	38.8%
Total Debt Payable	\$ 364,260	\$ 325,167	\$ 689,427	\$ 148,307	\$ 837,734	100.0%
Total current debt payable	\$ 37,121	\$ -	\$ 37,121	\$ 16,507	\$ 53,628	6.4%
Total long-term debt payable	327,139	325,167	652,306	131,800	784,106	93.6%
Total Debt Payable	\$ 364,260	\$ 325,167	\$ 689,427	\$ 148,307	\$ 837,734	100.0%
2024						
	Governmental Activities Excluding MTASC	MTASC	Total Governmental Activities	Business- type Activities	Total Primary Government	Percent of Total
General Obligation Debt						
Total bonds payable	\$ 347,193	\$ -	\$ 347,193	\$ 148,349	\$ 495,542	61.2%
Total general obligation debt	347,193	-	347,193	148,349	495,542	61.2%
Non General Obligation Debt	-	314,771	314,771	-	314,771	38.8%
Total Debt Payable	\$ 347,193	\$ 314,771	\$ 661,964	\$ 148,349	\$ 810,313	100.0%
Total current debt payable	\$ 40,663	\$ -	\$ 40,663	\$ 17,682	\$ 58,345	7.2%
Total long-term debt payable	306,530	314,771	621,301	130,667	751,968	92.8%
Total Debt Payable	\$ 347,193	\$ 314,771	\$ 661,964	\$ 148,349	\$ 810,313	100.0%

COUNTY OF MONROE, NEW YORK
Management's Discussion and Analysis (Unaudited)
Year Ended December 31, 2025

The County issued a total of \$75.2 million of debt obligations in 2025. This was comprised of a \$75.2 million public improvement bond. Additionally, the \$75.2 million public improvement bond was issued with \$6.8 million of premium. At December 31, 2025, \$403.1 million of debt remained authorized and unissued for various capital projects.

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

8. 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 or visit the website at <https://www.monroecounty.gov/finance-index.php>.

BASIC FINANCIAL STATEMENTS

COUNTY OF MONROE, NEW YORK
STATEMENT OF NET POSITION
AS OF DECEMBER 31, 2025
(000's Omitted)

	Primary Government			Component Units
	Governmental Activities	Business-type Activities	Total	
ASSETS				
Current assets:				
Cash and cash equivalents	\$ 249,133	\$ 47,168	\$ 296,301	\$ 115,523
Custodial accounts	-	1,319	1,319	-
Investments	-	-	-	157,234
Accounts receivable, net	105,243	10,419	115,662	35,692
Internal balances	22,750	(22,750)	-	-
Lease receivable	310	-	310	7,799
Due from other governments	297,981	26,002	323,983	-
Inventories	4,135	2,168	6,303	3,302
Other	18,631	2,535	21,166	17,101
Total current assets	<u>698,183</u>	<u>66,861</u>	<u>765,044</u>	<u>336,651</u>
Noncurrent assets:				
Restricted assets:				
Cash and cash equivalents	68,368	12,758	81,126	1,998
Investments	-	-	-	63,332
Funds held by trustee	-	-	-	15,885
Securities in lieu of retained percentages	-	77	77	-
Lease receivable	2,125	-	2,125	22,820
Capital assets not being depreciated	198,119	127,035	325,154	53,220
Capital assets, net of accumulated depreciation/amortization	695,769	334,897	1,030,666	613,291
Net pension asset	-	-	-	3,166
Other	-	1,055	1,055	1,991
Total noncurrent assets	<u>964,381</u>	<u>475,822</u>	<u>1,440,203</u>	<u>775,703</u>
Total assets	<u>1,662,564</u>	<u>542,683</u>	<u>2,205,247</u>	<u>1,112,354</u>
DEFERRED OUTFLOWS OF RESOURCES				
Deferred loss on refunding	-	-	-	277
Pension related	107,451	29,664	137,115	13,421
Other postemployment benefits related	52,640	8,145	60,785	26,437
Total deferred outflows of resources	<u>160,091</u>	<u>37,809</u>	<u>197,900</u>	<u>40,135</u>
LIABILITIES				
Current liabilities:				
Accounts payable and accrued liabilities	178,505	28,175	206,680	33,402
Accrued interest payable	4,079	861	4,940	2,527
Due to other governments	141,273	-	141,273	-
Patient funds held in trust	-	1,319	1,319	-
Unearned revenue	94,284	114	94,398	18,550
Other	-	-	-	274
Current portion of:				
Leases payable	5,323	17	5,340	191
Subscription-based information technology arrangements payable	3,284	11	3,295	-
Bonds payable	37,121	16,507	53,628	6,965
Total other postemployment benefits	31,303	5,266	36,569	6,286
Total current liabilities	<u>495,172</u>	<u>52,270</u>	<u>547,442</u>	<u>68,195</u>
Noncurrent liabilities:				
Leases payable	67,971	50	68,021	571
Subscription-based information technology arrangements payable	12,612	-	12,612	-
Bonds payable	652,306	131,800	784,106	142,348
Net pension liability	165,291	45,546	210,837	24,877
Total other postemployment benefits	368,354	40,471	408,825	206,794
Other long-term liabilities	48,140	3,930	52,070	2,740
Total noncurrent liabilities	<u>1,314,674</u>	<u>221,797</u>	<u>1,536,471</u>	<u>377,330</u>
Total liabilities	<u>1,809,846</u>	<u>274,067</u>	<u>2,083,913</u>	<u>445,525</u>
DEFERRED INFLOWS OF RESOURCES				
Lease related	1,599	-	1,599	29,923
Deferred gain on refunding	176	224	400	-
Pension related	14,337	3,916	18,253	4,212
Other postemployment benefits related	70,961	14,938	85,899	86,031
Deferred revenue	-	-	-	2,762
Community Development loan repayments	12,756	-	12,756	-
Total deferred inflows of resources	<u>99,829</u>	<u>19,078</u>	<u>118,907</u>	<u>122,928</u>
NET POSITION				
Net investment in capital assets	537,475	310,955	848,430	521,787
Restricted for:				
Debt service	20,462	208	20,670	41,756
Capital projects	-	660	660	-
Grants and other purposes	52,787	-	52,787	-
Passenger facility charges	-	-	-	412
Unrestricted (deficit)	<u>(697,744)</u>	<u>(24,476)</u>	<u>(722,220)</u>	<u>20,081</u>
Total net position (deficit)	<u>\$ (87,020)</u>	<u>\$ 287,347</u>	<u>\$ 200,327</u>	<u>\$ 584,036</u>

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

COUNTY OF MONROE, NEW YORK
STATEMENT OF ACTIVITIES
FOR THE YEAR ENDED DECEMBER 31, 2025
(000's Omitted)

Function/Programs	Program Revenues				Net (Expense) Revenue and Changes in Net Position			Component Units
	Expenses	Charges for Services	Operating Grants and Contributions	Capital Grants and Contributions	Governmental Activities	Business-type Activities	Total	
Primary government:	Primary Government							
Governmental activities:								
General government	\$ 632,519	\$ 107,313	\$ 33,771	\$ 666	\$ (490,769)	\$ -	\$ (490,769)	
Public safety	354,258	72,260	10,839	1,767	(269,392)	-	(269,392)	
Health and welfare	684,304	382,102	11,625	-	(290,577)	-	(290,577)	
Culture, recreation and education	177,802	43,954	37,610	13,882	(82,356)	-	(82,356)	
Transportation	62,825	6,189	10,201	7,058	(39,377)	-	(39,377)	
Economic development	14,422	11,328	3,094	-	-	-	-	
Interest on bonds and notes payable	21,316	-	-	-	(21,316)	-	(21,316)	
Total governmental activities	<u>1,947,446</u>	<u>623,146</u>	<u>107,140</u>	<u>23,373</u>	<u>(1,193,787)</u>	<u>-</u>	<u>(1,193,787)</u>	
Business-type activities:								
Major enterprise funds:								
Airport	42,526	25,954	44	19,446	-	2,918	2,918	
Hospital	83,855	68,153	1,431	409	-	(13,862)	(13,862)	
Pure Waters	66,540	74,224	6,311	25	-	14,020	14,020	
Nonmajor enterprise funds	38,352	38,941	130	-	-	719	719	
Total business-type activities	<u>231,273</u>	<u>207,272</u>	<u>7,916</u>	<u>19,880</u>	<u>-</u>	<u>3,795</u>	<u>3,795</u>	
Total primary government	<u>\$ 2,178,719</u>	<u>\$ 830,418</u>	<u>\$ 115,056</u>	<u>\$ 43,253</u>	<u>(1,193,787)</u>	<u>3,795</u>	<u>(1,189,992)</u>	
Component units:								
Major component units:								
Community College	\$ 177,591	\$ 32,741	\$ 135,206	\$ 14,649			\$ 5,005	
Airport Authority	34,348	33,928	-	2			(418)	
Water Authority	95,869	103,416	-	5,885			13,432	
Water Pollution Control Authority	9,134	1,429	5,092	-			(2,613)	
Total component units	<u>\$ 316,942</u>	<u>\$ 171,514</u>	<u>\$ 140,298</u>	<u>\$ 20,536</u>			<u>15,406</u>	
General revenues:								
Taxes:								
Property tax and tax items					457,076	-	457,076	
Sales and other taxes					671,067	-	671,067	
Tobacco settlement revenues					8,527	-	8,527	
Interest earnings					21,158	1,992	23,150	
Miscellaneous revenue					24,981	2,736	27,717	
Transfers					(13,477)	13,477	-	
Total general revenues and transfers					<u>1,169,332</u>	<u>18,205</u>	<u>1,187,537</u>	
Change in net position					<u>(24,455)</u>	<u>22,000</u>	<u>(2,455)</u>	
Net position (deficit) - beginning					<u>(62,565)</u>	<u>265,347</u>	<u>202,782</u>	
Net position (deficit) - ending					<u>\$ (87,020)</u>	<u>\$ 287,347</u>	<u>\$ 200,327</u>	

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, 2025
(000's Omitted)**

	<u>General</u>	<u>Capital Projects</u>	<u>Nonmajor Governmental Funds</u>	<u>Total Governmental Funds</u>
ASSETS				
Cash and cash equivalents	\$ 194,394	\$ -	\$ 32,715	\$ 227,109
Accounts receivables, net:				
Taxes and assessments	26,571	-	-	26,571
Returned school taxes	27,244	-	-	27,244
Other receivables	28,560	49	22,803	51,412
Lease receivable	619	-	-	619
Due from other funds	92,774	-	7,687	100,461
Due from other governments:				
State and Federal - social services	108,642	-	-	108,642
State and Federal - other	135,399	11,266	11,067	157,732
Local governments	28,059	1,915	351	30,325
Inventories	2,049	-	1,149	3,198
Restricted assets:				
Cash and cash equivalents	-	35,922	20,462	56,384
Other assets	16,252	-	178	16,430
Total assets	<u>\$ 660,563</u>	<u>\$ 49,152</u>	<u>\$ 96,412</u>	<u>\$ 806,127</u>
LIABILITIES, DEFERRED INFLOWS OF RESOURCES AND FUND BALANCES				
Liabilities:				
Accounts payable and accrued liabilities	\$ 82,680	\$ 10,626	\$ 3,884	\$ 97,190
Due to other funds	-	59,211	18,000	77,211
Due to other governments	140,470	-	803	141,273
Unearned revenue	94,216	-	68	94,284
Total liabilities	<u>317,366</u>	<u>69,837</u>	<u>22,755</u>	<u>409,958</u>
Deferred inflows of resources:				
Lease related	1,210	-	-	1,210
Community Development loan repayments	-	-	12,756	12,756
Deferred property tax revenue	23,561	-	-	23,561
Opioid settlement revenue	16,882	-	-	16,882
E-Cigarette vaping settlement revenue	1,434	-	-	1,434
Tobacco settlement revenue	-	-	8,914	8,914
Total deferred inflows of resources	<u>43,087</u>	<u>-</u>	<u>21,670</u>	<u>64,757</u>
Fund balances:				
Nonspendable	30,817	-	1,326	32,143
Restricted	30,988	57,471	28,317	116,776
Committed	57,514	-	2,872	60,386
Assigned	110,039	-	20,776	130,815
Unassigned	70,752	(78,156)	(1,304)	(8,708)
Total fund balances	<u>300,110</u>	<u>(20,685)</u>	<u>51,987</u>	<u>331,412</u>
Total liabilities, deferred inflows of resources and fund balances	<u>\$ 660,563</u>	<u>\$ 49,152</u>	<u>\$ 96,412</u>	<u>\$ 806,127</u>

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

**COUNTY OF MONROE, NEW YORK
RECONCILIATION OF THE GOVERNMENTAL FUNDS BALANCE SHEET
TO THE STATEMENT OF NET POSITION
AS OF DECEMBER 31, 2025
(000's Omitted)**

Total fund balances - governmental funds \$ 331,412

Amounts reported for governmental activities in the statement of net position are different because:

Capital assets of \$1,841,409 net of accumulated depreciation and amortization of \$1,099,511, used in governmental activities are not financial resources and, therefore, are not reported in the funds. These assets consist of:

Nondepreciable assets:			
Land	28,937		
Assets under construction	126,995		
	155,932		
Depreciable assets:			
Buildings	138,205		
Infrastructure	1,087,961		
Improvements other than buildings	226,352		
Machinery and equipment	187,783		
Accumulated depreciation	(1,109,175)		
	531,126		
Lease Assets:			
Land use	2,828		
Buildings	4,562		
Machinery and equipment	1,391		
Other	72,928		
Accumulated amortization	(14,908)		
	66,801		
Subscription-based information technology arrangements (SBITA):			
SBITA	3,032		
Accumulated amortization	(1,287)		
	1,745		
Total capital assets, net			755,604

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. 28,248

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 not reported or are deferred in the funds. 52,117

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	(138)	
Total deferred inflows/outflows of resources	(138)	(138)

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	(74,130)	
Bonds payable	(618,758)	
Leases payable	(71,262)	
SBITA payable	(1,587)	
Accrued interest on bonds	(2,577)	
Accrued interest on leases	(400)	
Accrued interest on SBITA	(47)	
Long-term retirement costs	(65,922)	
Other postemployment benefits	(410,543)	
Federal, State and other liabilities	(9,037)	
Total liabilities and deferred inflows and outflows of resources	(1,254,263)	(1,254,263)

Net position of governmental activities \$ (87,020)

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

COUNTY OF MONROE, NEW YORK
STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES
GOVERNMENTAL FUNDS
FOR THE YEAR ENDED DECEMBER 31, 2025
(000's Omitted)

	General	Capital Projects	Nonmajor Governmental Funds	Total Governmental Funds
REVENUES:				
Real property tax	\$ 440,544	\$ -	\$ -	\$ 440,544
Sales and other taxes	671,067	-	-	671,067
Federal aid	173,336	5,068	4,501	182,905
State aid	336,163	13,996	15,582	365,741
Charges for services	28,424	592	6,338	35,354
Intergovernmental	51,009	-	3,760	54,769
Interdepartmental	4,926	-	-	4,926
Use of money and property	28,532	-	1,414	29,946
Repayments and refunds	15,039	-	79	15,118
Payments in lieu of taxes	6,776	-	-	6,776
Tobacco settlement	-	-	8,951	8,951
Miscellaneous	14,836	793	3,721	19,350
Total revenues	1,770,652	20,449	44,346	1,835,447
EXPENDITURES:				
Current:				
General government	533,345	-	203	533,548
Public safety	346,248	-	3,911	350,159
Health and welfare	690,285	-	-	690,285
Culture, recreation and education	128,028	-	12,326	140,354
Transportation	3,525	-	28,824	32,349
Economic development	11,328	-	3,094	14,422
Debt service:				
Principal retirement	-	-	34,483	34,483
Bond issuance costs	-	-	125	125
Interest and fiscal charges	-	-	18,630	18,630
Capital outlays	-	88,288	-	88,288
Total expenditures	1,712,759	88,288	101,596	1,902,643
Excess (deficiency) of revenues over (under) expenditures	57,893	(67,839)	(57,250)	(67,196)
OTHER FINANCING SOURCES (USES):				
Bonds issued	-	43,847	-	43,847
Premium on bonds issued	-	-	4,175	4,175
Leases (as lessee)	13,426	-	-	13,426
Subscription-based information technology arrangements	1,255	-	425	1,680
Transfers in	-	8,993	81,021	90,014
Transfers out	(79,994)	(4,460)	(19,454)	(103,908)
Total other financing sources (uses)	(65,313)	48,380	66,167	49,234
Changes in fund balances	(7,420)	(19,459)	8,917	(17,962)
Fund balances at beginning of year	307,530	(1,226)	43,070	349,374
Fund balances at end of year	<u>\$ 300,110</u>	<u>\$ (20,685)</u>	<u>\$ 51,987</u>	<u>\$ 331,412</u>

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

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, 2025
(000's Omitted)

Net change in fund balances - total governmental funds \$ (17,962)

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	(43,847)	
Deferred refunding gain/loss, net	106	
Interest accreted on capital appreciation debt, net	(11,649)	
Net proceeds/additions	(55,390)	(55,390)

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	34,483	
Premium/Discount on bond issuance	(117)	
Total repayments/deductions	34,366	34,366

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.

(7,479)

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.

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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	62,517	
Capital grants and contributions	2,254	
Loss on retirement of capital assets	(3,454)	
Depreciation expense	(42,406)	
Amortization expense	(5,205)	
Excess(deficiency) of capital outlays over depreciation/amortization expense	13,706	13,706

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 bond interest	(343)	
Change in accrued lease interest	(169)	
Change in accrued SBITA interest	(33)	
Change in leases payable	(9,736)	
Change in SBITA payable	(937)	
Change in compensated absences	(7,468)	
Change in long-term retirement costs	8,566	
Change in postemployment benefits other than pensions	15,973	
Change in Federal, State and other liabilities	1,652	
Total additional expenditures	7,505	7,505

Change in net position of governmental activities **\$ (24,455)**

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

COUNTY OF MONROE, NEW YORK
STATEMENT OF NET POSITION
PROPRIETARY FUNDS
AS OF DECEMBER 31, 2025
(000's Omitted)

	Business-type Activities - Enterprise Funds					Governmental
	Airport	Hospital	Pure Waters	Total Nonmajor Funds	Total Enterprise Funds	Internal Service Funds
ASSETS						
Current assets:						
Cash and cash equivalents	\$ 160	\$ 365	\$ 46,401	\$ 242	\$ 47,168	\$ 22,024
Custodial accounts	-	1,319	-	-	1,319	-
Accounts receivables, net	995	6,843	497	2,084	10,419	16
Lease receivable	-	-	-	-	-	310
Due from other governments:						
State and Federal - other	6,635	169	2,846	213	9,863	1,031
Local governments	9,746	-	107	6,286	16,139	251
Inventories	-	419	1,474	275	2,168	937
Other assets	310	1,229	492	504	2,535	2,201
Total current assets	<u>17,846</u>	<u>10,344</u>	<u>51,817</u>	<u>9,604</u>	<u>89,611</u>	<u>26,770</u>
Noncurrent assets:						
Estimated third party settlements	-	1,055	-	-	1,055	-
Restricted assets:						
Cash and cash equivalents	-	1,317	10,622	819	12,758	11,984
Securities in lieu of retained percentages	-	-	77	-	77	-
Lease receivable	-	-	-	-	-	1,390
Capital assets not being depreciated	59,428	4,327	55,789	7,491	127,035	42,187
Capital assets, net of accumulated depreciation/amortization	<u>174,432</u>	<u>14,753</u>	<u>142,441</u>	<u>3,271</u>	<u>334,897</u>	<u>96,097</u>
Total noncurrent assets	<u>233,860</u>	<u>21,452</u>	<u>208,929</u>	<u>11,581</u>	<u>475,822</u>	<u>151,658</u>
Total assets	<u>251,706</u>	<u>31,796</u>	<u>260,746</u>	<u>21,185</u>	<u>565,433</u>	<u>178,428</u>
DEFERRED OUTFLOWS OF RESOURCES						
Pension related	4,143	21,507	3,154	860	29,664	9,033
Other postemployment benefits related	1,355	3,902	2,833	55	8,145	2,545
Total deferred outflows of resources	<u>\$ 5,498</u>	<u>\$ 25,409</u>	<u>\$ 5,987</u>	<u>\$ 915</u>	<u>\$ 37,809</u>	<u>\$ 11,578</u>

(continued)

COUNTY OF MONROE, NEW YORK
STATEMENT OF NET POSITION
PROPRIETARY FUNDS
AS OF DECEMBER 31, 2025
(000's Omitted)

	Business-type Activities - Enterprise Funds				Governmental Activities	
	Airport	Hospital	Pure Waters	Total Nonmajor Funds	Total Enterprise Funds	Internal Service Funds
LIABILITIES						
Current liabilities:						
Accounts payable and accrued liabilities	\$ 4,567	\$ 10,477	\$ 9,836	\$ 3,295	\$ 28,175	\$ 44,904
Accrued interest payable	26	200	609	26	861	1,055
Due to other funds	4,800	-	-	4,950	9,750	500
Patient funds held in trust	-	1,319	-	-	1,319	-
Unearned revenue	-	114	-	-	114	-
Current portion of:						
Leases payable	-	1	16	-	17	1,985
Subscription-based information technology arrangements payable	-	11	-	-	11	2,658
Bonds payable	3,245	2,191	10,961	110	16,507	6,292
Total other postemployment benefits	817	2,427	1,984	38	5,266	1,191
Total current liabilities	13,455	16,740	23,406	8,419	62,020	58,585
Noncurrent liabilities:						
Due to other funds	-	13,000	-	-	13,000	-
Leases payable	-	-	50	-	50	47
Subscription-based information technology arrangements payable	-	-	-	-	-	11,651
Bonds payable	3,839	11,631	114,565	1,765	131,800	64,377
Net pension liability	5,798	33,495	4,913	1,340	45,546	14,068
Total other postemployment benefits	8,197	16,996	15,218	60	40,471	4,851
Other long-term liabilities	766	1,795	1,341	28	3,930	1,384
Total noncurrent liabilities	18,600	76,917	136,087	3,193	234,797	96,378
Total liabilities	32,055	93,657	159,493	11,612	296,817	154,963
DEFERRED INFLOWS OF RESOURCES						
Lease related	-	-	-	-	-	1,599
Deferred gain on refunding	140	3	80	1	224	38
Pension related	469	2,905	426	116	3,916	1,220
Other postemployment benefits related	2,166	7,531	5,139	102	14,938	3,938
Total deferred inflows of resources	2,775	10,439	5,645	219	19,078	6,795
NET POSITION						
Net investment in capital assets	223,866	6,292	71,881	8,916	310,955	58,724
Restricted for:						
Debt service	-	2	206	-	208	-
Capital projects	-	-	-	660	660	-
Unrestricted (deficit)	(1,492)	(53,185)	29,508	693	(24,476)	(30,476)
Total net position (deficit)	\$ 222,374	\$ (46,891)	\$ 101,595	\$ 10,269	\$ 287,347	\$ 28,248

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, 2025
(000's Omitted)

	Business-type Activities - Enterprise Funds					Governmental Activities
	Airport	Hospital	Pure Waters	Total Nonmajor Funds	Total Enterprise Funds	Internal Service Funds
Operating revenues:						
Charges for services	\$ 25,935	\$ 68,009	\$ 74,029	\$ 38,941	\$ 206,914	\$ 324
Interdepartmental	-	-	165	-	165	80,640
Repayments and refunds	19	144	30	-	193	17
Miscellaneous	-	1,575	54	924	2,553	339
Total operating revenues	<u>25,954</u>	<u>69,728</u>	<u>74,278</u>	<u>39,865</u>	<u>209,825</u>	<u>81,320</u>
Operating expenses:						
Personnel services	7,705	40,690	13,783	325	62,503	10,965
Employee benefits	3,734	10,370	6,673	363	21,140	4,023
Contractual	5,124	15,524	15,289	37,182	73,119	50,221
Depreciation and amortization	17,017	2,438	13,679	260	33,394	14,247
Other	8,999	14,489	13,648	194	37,330	8,737
Total operating expenses	<u>42,579</u>	<u>83,511</u>	<u>63,072</u>	<u>38,324</u>	<u>227,486</u>	<u>88,193</u>
Operating income (loss)	<u>(16,625)</u>	<u>(13,783)</u>	<u>11,206</u>	<u>1,541</u>	<u>(17,661)</u>	<u>(6,873)</u>
Nonoperating revenues (expenses):						
Federal aid	9	1,208	6,214	3	7,434	53
State aid	-	210	97	127	434	972
Use of money and property	-	126	1,862	4	1,992	498
Interest and fiscal charges	58	(340)	(3,297)	(28)	(3,607)	(2,548)
Gain (loss) on disposal of capital assets	(5)	(4)	(1)	-	(10)	-
Other income (expense)	35	13	(170)	183	61	2
Capital projects:						
Federal aid	8,712	-	-	-	8,712	-
State aid	4,841	-	-	-	4,841	-
Local share and passenger facility charges	5,893	-	-	-	5,893	-
Other	-	399	25	-	424	-
Total nonoperating revenues (expenses)	<u>19,543</u>	<u>1,612</u>	<u>4,730</u>	<u>289</u>	<u>26,174</u>	<u>(1,023)</u>
Income (loss) before contributions and transfers	<u>2,918</u>	<u>(12,171)</u>	<u>15,936</u>	<u>1,830</u>	<u>8,513</u>	<u>(7,896)</u>
Contributions and transfers:						
Capital contributions	-	10	-	-	10	-
Transfers in	-	12,671	-	1,500	14,171	649
Transfers out	-	(694)	-	-	(694)	(232)
Total contributions and transfers	<u>-</u>	<u>11,987</u>	<u>-</u>	<u>1,500</u>	<u>13,487</u>	<u>417</u>
Change in net position (deficit)	<u>2,918</u>	<u>(184)</u>	<u>15,936</u>	<u>3,330</u>	<u>22,000</u>	<u>(7,479)</u>
Net position (deficit) - beginning	<u>219,456</u>	<u>(46,707)</u>	<u>85,659</u>	<u>6,939</u>	<u>265,347</u>	<u>35,727</u>
Net position (deficit) - ending	<u>\$ 222,374</u>	<u>\$ (46,891)</u>	<u>\$ 101,595</u>	<u>\$ 10,269</u>	<u>\$ 287,347</u>	<u>\$ 28,248</u>

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

COUNTY OF MONROE, NEW YORK
STATEMENT OF CASH FLOWS
PROPRIETARY FUNDS
FOR THE YEAR ENDED DECEMBER 31, 2025
(000's Omitted)

	Business-type Activities - Enterprise Funds					Governmental Activities
	Airport	Hospital	Pure Waters	Total Nonmajor Funds	Total Enterprise Funds	Internal Service Funds
CASH FLOWS FROM OPERATING ACTIVITIES						
Cash received from providing services	\$ 25,445	\$ 69,253	\$ 74,079	\$ 37,882	\$ 206,659	\$ 774
Cash received from other funds for services	-	-	165	-	165	68,580
Payments to or on behalf of employees	(11,392)	(54,646)	(20,757)	(504)	(87,299)	(15,470)
Payments to suppliers	(7,630)	(21,797)	(23,335)	(37,098)	(89,860)	(23,972)
Payments for interfund services	(8,219)	(6,297)	(3,472)	(180)	(18,168)	(5,404)
Payments lease related	-	-	-	-	-	(11)
Claims paid	-	-	-	-	-	(19,204)
Other receipts (payments)	19	1,134	381	1,078	2,612	(755)
Net cash provided by (used in) operating activities	(1,777)	(12,353)	27,061	1,178	14,109	4,538
CASH FLOWS FROM NONCAPITAL FINANCING ACTIVITIES						
Federal aid	9	1,208	6,214	3	7,434	53
State aid	-	210	97	127	434	972
Receipts from other funds	4,800	13,000	-	4,950	22,750	500
Payments to other funds	(7,375)	(16,100)	-	(7,655)	(31,130)	(2,200)
Transfers in	-	12,671	-	1,500	14,171	649
Transfers out	-	(695)	-	-	(695)	(232)
Net cash provided by (used in) noncapital financing activities	(2,566)	10,294	6,311	(1,075)	12,964	(258)
CASH FLOWS FROM CAPITAL AND RELATED FINANCING ACTIVITIES						
Interest paid	(393)	(325)	(4,694)	(36)	(5,448)	(2,692)
Change in securities and retainage	72	-	242	22	336	155
Proceeds from the issuance of bonds	-	6,879	10,181	905	17,965	13,358
Principal paid on bonds	(3,280)	(1,726)	(12,388)	(288)	(17,682)	(7,480)
Premium from the issuance of bonds	-	597	919	73	1,589	1,254
Federal aid	14,688	-	(2,696)	-	11,992	-
State aid	4,841	399	-	-	5,240	-
Local share and passenger facility charges	8,522	-	-	-	8,522	-
Principal paid on leases	-	(8)	(15)	-	(23)	(4,667)
Principal paid on SBITA	-	(11)	-	-	(11)	-
Acquisition and construction of capital assets	(20,065)	(3,534)	(20,935)	(939)	(45,473)	(23,449)
Other capital receipts (payments)	-	-	(158)	183	25	(16)
Net cash provided by (used in) capital and related financing activities	\$ 4,385	\$ 2,271	\$ (29,544)	\$ (80)	\$ (22,968)	\$ (23,537)

(continued)

COUNTY OF MONROE, NEW YORK
STATEMENT OF CASH FLOWS
PROPRIETARY FUNDS
FOR THE YEAR ENDED DECEMBER 31, 2025
(000's Omitted)

	Business-type Activities - Enterprise Funds					Governmental Activities
	Airport	Hospital	Pure Waters	Total Nonmajor Funds	Total Enterprise Funds	Internal Service Funds
CASH FLOWS FROM INVESTING ACTIVITIES						
Receipts from use of money and property	\$ -	\$ 126	\$ 1,862	\$ 4	\$ 1,992	\$ 502
Net cash provided by investing activities	<u>-</u>	<u>126</u>	<u>1,862</u>	<u>4</u>	<u>1,992</u>	<u>502</u>
Net increase (decrease) in cash and cash equivalents	42	338	5,690	27	6,097	(18,755)
Cash and cash equivalents, beginning of year	118	1,344	51,333	1,034	53,829	52,763
Cash and cash equivalents, end of year	<u>160</u>	<u>1,682</u>	<u>57,023</u>	<u>1,061</u>	<u>59,926</u>	<u>34,008</u>
Classified as:						
Cash and cash equivalents - unrestricted	160	365	46,401	242	47,168	22,024
Cash and cash equivalents - restricted	-	1,317	10,622	819	12,758	11,984
Total cash and cash equivalents	<u>160</u>	<u>1,682</u>	<u>57,023</u>	<u>1,061</u>	<u>59,926</u>	<u>34,008</u>
Reconciliation of operating income (loss) to net cash provided by (used in) operating activities:						
Operating income (loss)	(16,625)	(13,783)	11,206	1,541	(17,661)	(6,873)
Adjustments to reconcile operating income (loss) to net cash provided by (used in) operations:						
Depreciation and amortization	17,017	2,438	13,679	260	33,394	14,247
Changes in:						
Accounts receivable	(490)	1,132	(40)	(373)	229	24
Lease receivable	-	-	-	-	-	280
Due from other governments	-	112	90	(686)	(484)	(271)
Inventories	-	83	298	(61)	320	(41)
Other assets	(24)	(100)	(41)	214	49	(50)
Deferred outflows - pensions	124	6,393	(902)	(341)	5,274	1,191
Deferred outflows - other postemployment benefits	729	2,059	853	(11)	3,630	1,564
Accounts payable, accrued and other liabilities	(1,700)	1,832	2,117	95	2,344	(1,291)
Net pension liability	1,545	5,102	2,620	811	10,078	3,662
Total other postemployment benefits	53	360	138	(10)	541	46
Compensated absences	65	841	228	(23)	1,111	424
Deferred inflows - lease related	-	-	-	-	-	(291)
Deferred inflows - pension related	(1,554)	(14,606)	(987)	(210)	(17,357)	(5,196)
Deferred inflows - other postemployment benefits related	(917)	(3,548)	(2,198)	(28)	(6,691)	(2,740)
Due to other governments	-	-	-	-	-	(147)
Unearned revenue	-	(668)	-	-	(668)	-
Net cash provided by (used in) operating activities	<u>\$ (1,777)</u>	<u>\$ (12,353)</u>	<u>\$ 27,061</u>	<u>\$ 1,178</u>	<u>\$ 14,109</u>	<u>\$ 4,538</u>

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 FUND
AS OF DECEMBER 31, 2025
(000's Omitted)

	Custodial
ASSETS	
Restricted cash and cash equivalents	\$ 30,100
Total assets	30,100
LIABILITIES	
Distribution to other individuals	1,733
Due to other governments	17,370
Total liabilities	19,103
NET POSITION	
Restricted for individuals and other governments	10,997
Total net position	\$ 10,997

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

COUNTY OF MONROE, NEW YORK
STATEMENT OF CHANGES IN FIDUCIARY NET POSITION
FIDUCIARY FUND
FOR THE YEAR ENDED DECEMBER 31, 2025
(000's Omitted)

		Custodial
ADDITIONS:		
Sheriff Funds inmate commissary deposits	\$	3,125
Bail collections from town courts		601
Civil Bureau income execution fees		12,330
County Clerk collection for Passport Fees		40
County Clerk processing fee collection for NYS		25,071
County Clerk DEC collection of hunting and fishing fees		3
Child support collection of non-custodial payments		66,853
Restitution collections from probationers		866
Deferred Comp Admin allowance Funds		78
Adult Protective Services - REP Payee Collections		461
Adult Protective Services - Burial Collections		10
Cash Bail collection of monetary/property pledges		2,212
Collection of mortgage tax receipts		78,224
Court/Trust collection of ordered claims on foreclosures/liens		5,302
		195,176
DEDUCTIONS:		
Sheriff Funds inmate commissary payments		3,038
Bail collection payments to town courts		630
Civil Bureau income execution payments		12,027
County Clerk passport fee payments		23
County Clerk processing fee payments to NYS		25,071
County Clerk processing fee payments to DEC		3
Child Support payments to custodial/beneficiary		66,905
Foster Care distribution of SSI Benefits		3
Restitution payments to victims and courts		888
Deferred Comp Distribution of Fees and Service payments		69
Adult Protective Services - REP Payee Payments		285
Adult Protective Services - Burial Payments		2
Cash Bail distribution of monetary/property pledged refunds		2,660
Distribution of mortgage tax receipts to tax districts		78,224
Court/Trust distribution of ordered payments and forfeitures		3,767
		193,595
Net increase in fiduciary net position		1,581
Net position at beginning of year		9,416
Net position at end of year	\$	10,997

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

COUNTY OF MONROE, NEW YORK
COMBINING STATEMENT OF NET POSITION
DISCRETELY PRESENTED COMPONENT UNITS
AS OF DECEMBER 31, 2025
(000's Omitted)

	Major Component Units			Nonmajor Component Unit	Total
	Community College (Year End 8/31/25)	Airport Authority	Water Authority		
ASSETS					
Current assets:					
Cash and cash equivalents	\$ 81,407	\$ 4,562	\$ 19,503	\$ 10,051	\$ 115,523
Investments	-	33,756	111,760	11,718	157,234
Accounts receivables, net	20,811	1,642	13,082	157	35,692
Lease receivable	69	7,730	-	-	7,799
Inventories	-	-	3,302	-	3,302
Other assets	5,482	303	11,289	27	17,101
Total current assets	107,769	47,993	158,936	21,953	336,651
Noncurrent assets:					
Restricted assets:					
Cash and cash equivalents	1,382	616	-	-	1,998
Investments	57,619	-	-	5,713	63,332
Funds held by trustee	-	-	15,885	-	15,885
Capital assets not being depreciated	21,292	498	31,430	-	53,220
Capital assets, net of accumulated depreciation/amortization	186,208	2,236	424,834	13	613,291
Net pension asset	3,166	-	-	-	3,166
Lease receivable	1,209	21,611	-	-	22,820
Other assets	1,991	-	-	-	1,991
Total noncurrent assets	272,867	24,961	472,149	5,726	775,703
Total assets	380,636	72,954	631,085	27,679	1,112,354
DEFERRED OUTFLOWS OF RESOURCES					
Deferred loss on refunding	-	-	277	-	277
Other postemployment benefits related	11,429	-	15,008	-	26,437
Pension related	7,000	-	6,271	150	13,421
Total deferred outflows of resources	18,429	-	21,556	150	40,135
LIABILITIES					
Current liabilities:					
Accounts payable and accrued liabilities	18,320	3,131	11,184	767	33,402
Accrued interest payable	-	10	2,517	-	2,527
Unearned revenue	8,702	409	-	9,439	18,550
Other	69	205	-	-	274
Current portion of:					
Leases payable	191	-	-	-	191
Bonds payable	1,330	400	5,235	-	6,965
Total other postemployment benefits	6,286	-	-	-	6,286
Total current liabilities	34,898	4,155	18,936	10,206	68,195
Noncurrent liabilities:					
Leases payable	558	13	-	-	571
Bonds payable	22,520	840	118,988	-	142,348
Net pension liability	14,687	-	9,985	205	24,877
Total other postemployment benefits	148,836	-	57,958	-	206,794
Other long-term liabilities	2,713	-	-	27	2,740
Total noncurrent liabilities	189,314	853	186,931	232	377,330
Total liabilities	224,212	5,008	205,867	10,438	445,525
DEFERRED INFLOWS OF RESOURCES					
Pension related	3,908	-	281	23	4,212
Other postemployment benefits related	72,196	-	13,835	-	86,031
Leases related	1,224	28,699	-	-	29,923
Deferred revenue	2,762	-	-	-	2,762
Total deferred inflows of resources	80,090	28,699	14,116	23	122,928
NET POSITION					
Net investment in capital assets	187,976	1,480	332,318	13	521,787
Restricted for:					
Debt service	40,135	-	1,621	-	41,756
Passenger facility charges	-	412	-	-	412
Unrestricted (deficit)	(133,348)	37,355	98,719	17,355	20,081
Total net position	\$ 94,763	\$ 39,247	\$ 432,658	\$ 17,368	\$ 584,036

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

COUNTY OF MONROE, NEW YORK
COMBINING STATEMENT OF ACTIVITIES
DISCRETELY PRESENTED COMPONENT UNITS
FOR THE YEAR ENDED DECEMBER 31, 2025
(000's Omitted)

	<u>Major Component Units</u>			<u>Nonmajor Component Unit</u>	<u>Total</u>
	<u>Community College (Year End 8/31/25)</u>	<u>Airport Authority</u>	<u>Water Authority</u>		
Expenses	\$ 177,591	\$ 34,348	\$ 95,869	\$ 9,134	\$ 316,942
Program revenues:					
Charges for services	32,741	33,928	103,416	1,429	171,514
Operating grants and contributions	135,206	-	-	5,092	140,298
Capital grants and contributions	14,649	2	5,885	-	20,536
Total program revenues	<u>182,596</u>	<u>33,930</u>	<u>109,301</u>	<u>6,521</u>	<u>332,348</u>
Net program revenue (expense)	<u>5,005</u>	<u>(418)</u>	<u>13,432</u>	<u>(2,613)</u>	<u>15,406</u>
General revenues:					
Interest earnings	6,889	-	7,037	796	14,722
Miscellaneous revenue	-	1,452	-	187	1,639
Change in net position	11,894	1,034	20,469	(1,630)	31,767
Net position, beginning of year	82,869	38,213	412,189	18,998	552,269
Total net position at end of year	<u>\$ 94,763</u>	<u>\$ 39,247</u>	<u>\$ 432,658</u>	<u>\$ 17,368</u>	<u>\$ 584,036</u>

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

COUNTY OF MONROE, NEW YORK
Notes to Basic Financial Statements
Year Ended December 31, 2025

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 Frederick Douglas 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.

COUNTY OF MONROE, NEW YORK

Notes to Basic Financial Statements

Year Ended December 31, 2025

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 expires thirty (30) days after repayment of any outstanding Airport revenue bonds. In October 2023, the Airport Authority issued \$2.0 million in Airport revenue bonds with a five-year life and a final maturity date of October 1, 2028 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, 2025 were approximately \$25.9 million. Upon expiration or earlier termination of the lease term as noted above, 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. As 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 – 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. COMIDA's 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. COMIDA is a New York State not-for-profit public benefit corporation. Based on the authority that the County Legislature has to appoint or remove COMIDA board members and significant influence the County can impose, COMIDA is included as a discretely presented component unit within the County's basic financial statements.

COMIDA 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 COMIDA should be addressed in writing to COMIDA, Business Office, 50 West Main Street, Suite 1150, Rochester, New York 14614.

Monroe County Land Bank Corporation – Nonmajor Discretely Presented Component Unit

The Monroe County Land Bank Corporation (the Corporation) was incorporated July 31, 2024 under Article 16 of the New York State Not-for-Profit Corporation Law. The Corporation was formed to combat community deterioration by facilitating the return of vacant, abandoned, and tax-delinquent properties to productive use in order to eliminate harms and liabilities caused by such properties. The Corporation commenced operations in earnest during July 2025. The Corporation is a nonprofit corporation and is included as a discretely presented component unit within County of Monroe, New York (the County).

The Corporation 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 the Corporation should be addressed in writing to Monroe County Land Bank Corporation, 1150 City Place, 50 West Main Street, Rochester, New York 14614.

COUNTY OF MONROE, NEW YORK
Notes to Basic Financial Statements
Year Ended December 31, 2025

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. Nonmajor Fund Deficits

No deficits existed in the nonmajor funds at December 31, 2025.

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. All remaining governmental and enterprise funds are aggregated and reported as nonmajor funds.

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.

COUNTY OF MONROE, NEW YORK
Notes to Basic Financial Statements
Year Ended December 31, 2025

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 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

Proprietary fund types use the economic resources measurement focus and accrual basis of accounting. Internal Service funds are used to account for a government's business-type activities which are similar to those often found in the private sector. Major 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 major enterprise funds include:

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.

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.

Fiduciary Fund

Fiduciary funds are used to account for assets held by the County in a trustee capacity or as a custodian for individuals, private organizations or other governmental units. They cannot be used to support the government's own programs. The fiduciary fund is comprised of a single fund:

Custodial Fund - Fiduciary activities that are not required to be reported in pension and other employee benefit trust funds, investment trust funds or private-purpose trust funds. The County holds funds for various purposes including but not limited to: inmate commissary deposits, civil bureau execution fees, County Clerk fee collection on behalf of NYS, child support collection of non-custodial payments and mortgage tax fees.

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 fiduciary trust funds are accounted for on a flow of economic resources measurement focus.

COUNTY OF MONROE, NEW YORK
Notes to Basic Financial Statements
Year Ended December 31, 2025

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 – The government-wide, proprietary and fiduciary fund types 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. 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.

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.

The County participates in the New York Cooperative Liquid Assets Securities System (NYCLASS) local government investment pool. NYCLASS measures its investments at fair value in accordance with Paragraph 41 of GASB Statement 79 and Paragraph 11 of GASB Statement 31, and therefore a participant's investment in NYCLASS is not required to be categorized within the fair value hierarchy for purposes of Paragraph 81a(2) of GASB Statement 72.

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.

I. Leases

Lessee: The County is a lessee for various noncancellable leases. For lease arrangements with a maximum possible term of 12 months or less at commencement, the County recognizes expense based on the provisions of the lease contract. For lease arrangements greater than 12 months, the County recognizes a lease liability and an intangible right-to-use lease asset. At lease commencement, the County initially measures the lease liability at the present value of payments expected to be made during the lease term. Subsequently, the lease liability is reduced by the principal portion of lease payments made. The lease asset is initially measured as the initial amount of the lease liability, less lease payments made at or before the lease commencement date. The lease asset is amortized on a straight-line basis over the shorter of the lease term or the useful life of the underlying asset. If the County is reasonably certain of exercising a purchase option contained in a lease, the lease asset will be amortized over the useful life of the underlying asset. The County has elected to use a discount rate commensurate with its discount rate for postemployment benefit obligations as the discount rate for leases unless the rate that the lessor/vendor charges is known. The lease term includes the noncancellable period of the lease, plus any additional periods covered by an option to extend for which it is reasonably certain to be exercised, or by an option to terminate for which it is reasonably certain not to be exercised.

Lessor: The County is a lessor for various noncancellable leases. For lease arrangements greater than 12 months that do not transfer ownership or represent an investment, the County initially recognizes a lease receivable at the present value of lease payments expected to be received during the lease term and recognizes a deferred inflow of resources at the amount of the initial measurement of the lease receivable, adjusted for any lease payments received prior to the commencement of the lease term.

COUNTY OF MONROE, NEW YORK
Notes to Basic Financial Statements
Year Ended December 31, 2025

J. 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 in the restricted, committed, and assigned fund balance amounts. Governmental funds' encumbrances, as of December 31, 2025, included \$13.9 million restricted, \$49.8 million committed, and \$7.9 million assigned in the general fund and \$57.5 million restricted in the capital projects fund. Nonmajor governmental funds' encumbrances included \$1.4 million committed and \$3.9 million assigned.

K. Inventories and Prepaid Items

The County maintains inventories of various operational supplies for use throughout the County.

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/expenses when consumed and valued using the moving average price method.

Certain payments to vendors reflect costs applicable to future accounting periods and are recorded as prepaid items in both the government-wide and fund financial statements. The cost of prepaid items is recorded as expenses/expenditures when consumed rather than when purchased.

L. 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 capital assets, works of art and similar items are reported at acquisition value rather than fair market value. Any capital assets received in a service concession arrangement are reported at acquisition value rather than fair market value. Capital assets recognized under lease and subscription-based information technology 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:

<u>Class</u>	<u>Life in Years</u>
Buildings	30-55
Improvements other than buildings	10-20
Infrastructure	35-50
Land Use	3-25
Machinery and Equipment	3-15
Other	3-25
Subscription-based Information Technology Arrangements	3

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.

COUNTY OF MONROE, NEW YORK
Notes to Basic Financial Statements
Year Ended December 31, 2025

M. Compensated Absences

At the governmental and business-type activities level, liabilities for compensated absences, such as vacation, unpaid overtime and sick time, are recorded when vested and earned by the employees and payment or use is not dependent upon a future event. For purposes of measuring the liability, leave is assumed to be used on a first-in, first-out (FIFO) basis, such that the earliest earned leave is used first. 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, 2025 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.

N. 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.

O. 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 assets 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 an acquisition of net assets that also applies to a future period and so will not be recognized as an inflow of resources (revenue) until then.

P. 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.

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 amortization, 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, 2025 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.

COUNTY OF MONROE, NEW YORK
Notes to Basic Financial Statements
Year Ended December 31, 2025

Grants and Other Purposes - represents available grants 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.

The County has a formally adopted a fund balance policy via Resolution No. 262 of 2023. To maintain fund balance stability, the policy establishes the combined assigned and unassigned fund balance categories within the general fund to be within \$10 million dollars, plus or minus, of 10% of the all-funds adopted budget. 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.

COUNTY OF MONROE, NEW YORK
Notes to Basic Financial Statements
Year Ended December 31, 2025

As of December 31, 2025 Governmental Fund Balances were classified as follows:

	General	Capital Projects	Special Revenue	Nonmajor Funds		Total Nonmajor Governmental Funds	Total Governmental Funds
				Debt Service			
				General	MTASC		
Nonspendable							
Inventory	\$ 2,049	\$ -	\$ 1,148	\$ -	\$ -	\$ 1,148	\$ 3,197
Due from Other Fund	13,850	-	-	-	-	-	13,850
Airport Bond	1,240	-	-	-	-	-	1,240
Prepaid Expenditures	13,678	-	165	-	13	178	13,856
Total Nonspendable	30,817	-	1,313	-	13	1,326	32,143
Restricted							
Jail Funds	-	-	6,499	-	-	6,499	6,499
Debt Service	-	-	-	7,200	13,262	20,462	20,462
STOP DWI	838	-	-	-	-	-	838
Handicapped Parking	100	-	-	-	-	-	100
Opioid	15,308	-	-	-	-	-	15,308
E-Cigarette vaping	860	-	-	-	-	-	860
Other Programs	13,882	-	-	-	-	-	13,882
Library Fund	-	-	1,356	-	-	1,356	1,356
Capital Projects	-	57,471	-	-	-	-	57,471
Total Restricted	30,988	57,471	7,855	7,200	13,262	28,317	116,776
Committed							
Executed Contracts	49,807	-	380	-	-	380	50,187
Committed-Other	7,707	-	-	-	-	-	7,707
Green Space Initiative	-	-	367	-	-	367	367
Other Special Revenue Funds	-	-	2,125	-	-	2,125	2,125
Total Committed	57,514	-	2,872	-	-	2,872	60,386
Assigned							
CBA Settlements	10,000	-	-	-	-	-	10,000
Pension Contribution	5,000	-	-	-	-	-	5,000
MCH Compensating Balance	40,186	-	-	-	-	-	40,186
MCH Dialysis & TC3 Programming	15,000	-	-	-	-	-	15,000
Medical Insurance Transfer	5,000	-	-	-	-	-	5,000
Other Programs	7,882	-	-	-	-	-	7,882
Appropriated General Fund	26,971	-	-	-	-	-	26,971
Debt Service	-	-	-	20,538	238	20,776	20,776
Total Assigned	110,039	-	-	20,538	238	20,776	130,815
Unassigned	70,752	(78,156)	(1,304)	-	-	(1,304)	(8,708)
Total Fund Balance	\$ 300,110	\$ (20,685)	\$ 10,736	\$ 27,738	\$ 13,513	\$ 51,987	\$ 331,412

COUNTY OF MONROE, NEW YORK
Notes to Basic Financial Statements
Year Ended December 31, 2025

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 2025 budget is (000's omitted):

Five-year average full valuation of taxable real property	<u>\$58,779,952</u>
Tax limit (1.5% of 5-year average full valuation of property)	<u>881,699</u>
Total Tax levy and charges subject to limit	460,012
Less: Exclusions from tax limit	(64,367)
Total tax levy subject to taxing power limit	<u>395,645</u>
Tax margin (Unused Taxing Power)	<u>\$ 486,054</u>

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

The 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, 2027.

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 29.8 percent) and suburban school districts (approximately 18.1 percent) with the County retaining the balance (approximately 16.5 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.

COUNTY OF MONROE, NEW YORK
Notes to Basic Financial Statements
Year Ended December 31, 2025

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.

NYCLASS: The dollar weighted average days to maturity (WAM) of NYCLASS at December 31, 2025, was 40.84 days. Next interest rate reset dates for floating rate securities are used in the calculation of the WAM. The weighted average life (WAL) of NYCLASS at December 31, 2025, is 79.99 days.

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

NYCLASS is rated by S&P Global Ratings. The current rating is 'AAAm.'

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

COUNTY OF MONROE, NEW YORK
Notes to Basic Financial Statements
Year Ended December 31, 2025

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, 2025, \$182.9 million of the County's deposits of \$378.8 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 the letter of credit in the amount of \$2.2 million. The agreement provides for collateralization of the County's uninsured cash balances at Upstate National Bank. As of December 31, 2025, \$2.2 million 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 investments 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 2025.

3. NYCLASS

The U.S. Treasuries within the NYCLASS portfolio are backed by the full faith and credit of the United States Government and therefore do not require collateral. New York State Municipal Bonds within the portfolio are backed by the full faith and credit of the State of New York and therefore do not require collateral. The other permissible investment security types are collateralized in accordance with NYS GML Section 10 and the NYCLASS Investment Policy. Repurchase Agreements (repo) are collateralized 102% by either U.S. Treasuries or U.S. Agencies. Certificates of Deposit (CD) also require full collateral; currently NYCLASS CDs are being collateralized by Federal Home Loan Bank (FHLB) Letters of Credit (LOC).

COUNTY OF MONROE, NEW YORK
Notes to Basic Financial Statements
Year Ended December 31, 2025

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 County only had investments in U.S. Treasury obligations.

5. Custodial Accounts

Custodial assets refer to cash and cash equivalents held by the County for a third party. The Hospital holds \$1.3 million of funds owned by its patients and residents at the end of 2025.

6. Due to Other Governments

In the 2025 government-wide and fund financial statements, the category “*due to other governments*” balance of \$141 million includes primarily sales tax collections of \$92.5 million and school tax collections of \$28.5 million that are due to other municipalities within the County. The remaining amount is mostly comprised of \$20 million 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 custodial accounts, securities and retained percentages as of December 31, 2025 are restricted to the following uses:

Restricted Cash and Cash Equivalents				
	<u>Capital Projects</u>	<u>Debt Service</u>	<u>Other</u>	<u>Total</u>
Governmental Activities:				
Capital Projects	\$ 35,922	\$ -	\$ -	\$ 35,922
Debt Service	-	20,462	-	20,462
Internal Service	11,984	-	-	11,984
Total Governmental Activities	<u>47,906</u>	<u>20,462</u>	<u>-</u>	<u>68,368</u>
Business-type Activities:				
Major Business-type Funds				
Hospital	1,315	2	-	1,317
Pure Waters	10,416	206	-	10,622
Total Major Business-type Funds	11,731	208	-	11,939
Nonmajor Business-type Funds				
Solid Waste	819	-	-	819
Total Business-type Activities	<u>12,550</u>	<u>208</u>	<u>-</u>	<u>12,758</u>
Fiduciary Funds:				
Custodial	-	-	30,100	30,100
Total Fiduciary Funds	<u>-</u>	<u>-</u>	<u>30,100</u>	<u>30,100</u>
Total Restricted Cash and Cash Equivalents	<u>\$ 60,456</u>	<u>\$ 20,670</u>	<u>\$ 30,100</u>	<u>\$ 111,226</u>

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 custodial funds are primarily composed of mortgage tax monies.

COUNTY OF MONROE, NEW YORK
Notes to Basic Financial Statements
Year Ended December 31, 2025

8. Receivables and Payables

A. Accounts Receivable

As of December 31, 2025 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:					
Major Governmental Funds					
General Fund	\$ 26,571	\$ 27,244	\$ 28,560	\$ -	\$ 82,375
Capital Projects	-	-	49	-	49
Total Major Governmental Funds	<u>26,571</u>	<u>27,244</u>	<u>28,609</u>	<u>-</u>	<u>82,424</u>
Nonmajor Governmental Funds					
Special Revenue	-	-	14,297	(669)	13,628
Debt Service	-	-	9,175	-	9,175
Total Nonmajor Governmental Funds	<u>-</u>	<u>-</u>	<u>23,472</u>	<u>(669)</u>	<u>22,803</u>
Internal Service	<u>-</u>	<u>-</u>	<u>16</u>	<u>-</u>	<u>16</u>
Total Governmental Activities	<u>26,571</u>	<u>27,244</u>	<u>52,097</u>	<u>(669)</u>	<u>105,243</u>
Business-type Activities:					
Major Business-type Funds					
Airport	-	-	995	-	995
Hospital	-	-	9,440	(2,597)	6,843
Pure Waters	-	-	497	-	497
Total Major Business-type Funds	<u>-</u>	<u>-</u>	<u>10,932</u>	<u>(2,597)</u>	<u>8,335</u>
Nonmajor Business-type Funds					
Solid Waste	<u>-</u>	<u>-</u>	<u>2,084</u>	<u>-</u>	<u>2,084</u>
Total Business-type Activities	<u>-</u>	<u>-</u>	<u>13,016</u>	<u>(2,597)</u>	<u>10,419</u>
Total Accounts Receivable, net	<u>\$ 26,571</u>	<u>\$ 27,244</u>	<u>\$ 65,113</u>	<u>\$ (3,266)</u>	<u>\$ 115,662</u>

The nonmajor governmental funds receivable of \$22.8 million is comprised primarily of Tobacco Settlement Revenues due to MTASC of \$8.9 million, and community development loans issued of \$12.6 million, net of \$669 thousand which is estimated to be not collectable as some loans may be converted to grant awards. Business-type activity accounts receivable are comprised primarily of \$2.1 million for solid waste user fees, and \$6.8 million, net relating to patient accounts and third-party settlements in the Hospital.

COUNTY OF MONROE, NEW YORK
Notes to Basic Financial Statements
Year Ended December 31, 2025

B. Accounts Payable and Accrued Liabilities

The accounts payable and accrued liabilities balances in governmental activities include approximately 56 percent payable to vendors and 44 percent accrued salaries and benefits. The accounts payable and accrued liabilities in the business-type activities include approximately 70 percent payable to vendors and 30 percent accrued salaries and benefits. The accounts payable and accrued liabilities balances in governmental funds include approximately 89 percent payable to vendors and 11 percent accrued salaries and benefits. The accounts payable and accrued liabilities balances in proprietary funds approximate 35 percent payable to vendors and 65 percent accrued salaries and benefits.

C. Deferred Inflows

At the governmental fund level, revenues that are measurable but not available to finance current operations have been reported as deferred inflows of resources. Deferred inflows of resources in the general fund represent lease receivables, property tax receivables and opioid settlement receivables. Deferred inflows of resources for nonmajor governmental funds include community development program loans to be repaid to the County and MTASC tobacco settlement revenues.

D. Unearned Revenues

Unearned revenues in the general fund as of December 31, 2025 includes; American Rescue Plan Act of 2021, state grant funds for public safety improvements, and state aid advances for social services and mental health programs.

COUNTY OF MONROE, NEW YORK
Notes to Basic Financial Statements
Year Ended December 31, 2025

9. Capital Assets

Capital asset activity for the County's **governmental activities** consists of the following for the year ended December 31, 2025 (000's omitted):

Capital Asset Activity – Governmental Activities					
	Beginning Balance	Increases	Decreases	Capitalization of AUC	Ending Balance
Governmental Activities:					
Nondepreciable Assets					
Land	\$ 29,546	\$ 22	\$ -	\$ -	\$ 29,568
Assets under Construction	166,183	63,166	-	(60,798)	168,551
Total Nondepreciable Assets	<u>195,729</u>	<u>63,188</u>	<u>-</u>	<u>(60,798)</u>	<u>198,119</u>
Depreciable Assets					
Buildings	214,129	-	-	-	214,129
Infrastructure	1,087,802	-	(21,869)	22,028	1,087,961
Improvements other than Buildings	340,816	-	(14)	27,157	367,959
Machinery and Equipment	222,041	9,954	(3,119)	11,613	240,489
Total Depreciable Assets	<u>1,864,788</u>	<u>9,954</u>	<u>(25,002)</u>	<u>60,798</u>	<u>1,910,538</u>
Less Accumulated Depreciation					
Buildings	(151,569)	(3,959)	-	-	(155,528)
Infrastructure	(740,932)	(23,495)	19,030	-	(745,397)
Improvements other than Buildings	(211,407)	(11,499)	6	-	(222,900)
Machinery and Equipment	(164,680)	(13,295)	2,568	-	(175,407)
Total Accumulated Depreciation	<u>(1,268,588)</u>	<u>(52,248)</u>	<u>21,604</u>	<u>-</u>	<u>(1,299,232)</u>
Total Depreciable Assets, Net	<u>596,200</u>	<u>(42,294)</u>	<u>(3,398)</u>	<u>60,798</u>	<u>611,306</u>
Lease Assets					
Land Use	2,828	-	-	-	2,828
Buildings	13,195	-	-	-	13,195
Machinery and Equipment	1,571	-	-	-	1,571
Other	59,736	13,426	(236)	-	72,926
Total Lease Assets	<u>77,330</u>	<u>13,426</u>	<u>(236)</u>	<u>-</u>	<u>90,520</u>
Less Accumulated Amortization					
Land Use	(358)	(461)	-	-	(819)
Buildings	(6,649)	(2,338)	-	-	(8,987)
Machinery and Equipment	(667)	(331)	-	-	(998)
Other	(8,201)	(3,146)	236	-	(11,111)
Total Accumulated Amortization	<u>(15,875)</u>	<u>(6,276)</u>	<u>236</u>	<u>-</u>	<u>(21,915)</u>
Total Lease Assets, Net	<u>61,455</u>	<u>7,150</u>	<u>-</u>	<u>-</u>	<u>68,605</u>
Subscription-based information technology arrangements (SBITA)					
Subscription-based information technology arrangements (SBITA)	16,364	5,076	(64)	-	21,376
Less Accumulated Amortization					
Subscription-based information technology arrangements (SBITA)	(2,163)	(3,419)	64	-	(5,518)
Total Subscription-based information technology arrangements, Net	<u>14,201</u>	<u>1,657</u>	<u>-</u>	<u>-</u>	<u>15,858</u>
Capital assets, net of accumulated depreciation/amortization	<u>671,856</u>	<u>(33,487)</u>	<u>(3,398)</u>	<u>60,798</u>	<u>695,769</u>
Capital Assets, Net	<u>\$ 867,585</u>	<u>\$ 29,701</u>	<u>\$ (3,398)</u>	<u>\$ -</u>	<u>\$ 893,888</u>

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

COUNTY OF MONROE, NEW YORK
Notes to Basic Financial Statements
Year Ended December 31, 2025

Depreciation/amortization expense was charged to functions/programs of the County for the year ended December 31, 2025 as follows (000's omitted):

Depreciation/Amortization Expense Charged to Functions/Programs	
Governmental Activities:	Amount
General government	\$ 17,467
Public safety	14,258
Health and welfare	2,065
Culture, recreation and education	4,859
Transportation	23,209
Total	\$ 61,858

Capital asset activity of the County's **business-type activities** consists of the following for the year ended December 31, 2025 (000's omitted):

Capital Asset Activity – Business-type Activities					
	Beginning Balance	Increases	Decreases	Capitalization of AUC	Ending Balance
Business-type Activities:					
Nondepreciable Assets					
Land	\$ 28,236	\$ -	\$ -	\$ -	\$ 28,236
Assets under Construction	95,980	41,039	-	(38,220)	98,799
Total Nondepreciable Assets	124,216	41,039	-	(38,220)	127,035
Depreciable Assets					
Buildings	264,153	-	-	-	264,153
Infrastructure	686,553	-	-	-	686,553
Improvements other than Buildings	661,371	-	(164)	37,113	698,320
Machinery and Equipment	122,130	4,468	(2,068)	1,107	125,637
Total Depreciable Assets	1,734,207	4,468	(2,232)	38,220	1,774,663
Less Accumulated Depreciation					
Buildings	(216,241)	(2,518)	-	-	(218,759)
Infrastructure	(681,005)	(1,845)	-	-	(682,850)
Improvements other than Buildings	(409,193)	(24,660)	155	-	(433,698)
Machinery and Equipment	(102,245)	(4,363)	2,066	-	(104,542)
Total Accumulated Depreciation	(1,408,684)	(33,386)	2,221	-	(1,439,849)
Total Depreciable Assets, Net	325,523	(28,918)	(11)	38,220	334,814
Lease Assets					
Machinery and Equipment	24	82	-	-	106
Total Lease Assets	24	82	-	-	106
Less Accumulated Amortization					
Machinery and Equipment	(15)	(24)	-	-	(39)
Total Accumulated Amortization	(15)	(24)	-	-	(39)
Total Lease Assets, Net	9	58	-	-	67
Subscription-based information technology arrangements (SBITA)					
	34	-	-	-	34
Less Accumulated Amortization					
Subscription-based information technology arrangements (SBITA)	(7)	(11)	-	-	(18)
Total Subscription-based information technology arrangements, Net	27	(11)	-	-	16
Capital assets, net of accumulated depreciation/amortization	325,559	(28,871)	(11)	38,220	334,897
Capital Assets, Net	\$ 449,775	\$ 12,168	\$ (11)	\$ -	\$ 461,932

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

COUNTY OF MONROE, NEW YORK
Notes to Basic Financial Statements
Year Ended December 31, 2025

Capital asset activity of the County's **airport enterprise fund** consists of the following for the year ended December 31, 2025 (000's omitted):

Airport Enterprise Fund – Capital Asset Activity					
	Beginning Balance	Increases	Decreases	Capitalization of AUC	Ending Balance
Business-type Activities:					
Nondepreciable Assets					
Land	\$ 19,294	\$ -	\$ -	\$ -	\$ 19,294
Assets under Construction	25,523	17,864	-	(3,253)	40,134
Total Nondepreciable Assets	44,817	17,864	-	(3,253)	59,428
Depreciable Assets					
Buildings	59,540	-	-	-	59,540
Improvements other than Buildings	404,123	-	(159)	3,166	407,130
Machinery and Equipment	23,804	2,201	(1,594)	87	24,498
Total Depreciable Assets	487,467	2,201	(1,753)	3,253	491,168
Less Accumulated Depreciation					
Buildings	(25,950)	(1,052)	-	-	(27,002)
Improvements other than Buildings	(258,614)	(14,402)	154	-	(272,862)
Machinery and Equipment	(16,902)	(1,564)	1,594	-	(16,872)
Total Accumulated Depreciation	(301,466)	(17,018)	1,748	-	(316,736)
Total Depreciable Assets, Net	186,001	(14,817)	(5)	3,253	174,432
Capital Assets, Net	\$ 230,818	\$ 3,047	\$ (5)	\$ -	\$ 233,860

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

COUNTY OF MONROE, NEW YORK
Notes to Basic Financial Statements
Year Ended December 31, 2025

Capital asset activity of the County's **hospital enterprise fund** consists of the following for the year ended December 31, 2025 (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	4,458	2,879	-	(3,119)	4,218
Total Nondepreciable Assets	<u>4,567</u>	<u>2,879</u>	<u>-</u>	<u>(3,119)</u>	<u>4,327</u>
Depreciable Assets					
Buildings	126,437	-	-	-	126,437
Improvements other than Buildings	8,843	-	(5)	2,403	11,241
Machinery and Equipment	34,248	666	(4)	716	35,626
Total Depreciable Assets	<u>169,528</u>	<u>666</u>	<u>(9)</u>	<u>3,119</u>	<u>173,304</u>
Less Accumulated Depreciation					
Buildings	(123,011)	(689)	-	-	(123,700)
Improvements other than Buildings	(4,618)	(324)	1	-	(4,941)
Machinery and Equipment	(28,523)	(1,407)	3	-	(29,927)
Total Accumulated Depreciation	<u>(156,152)</u>	<u>(2,420)</u>	<u>4</u>	<u>-</u>	<u>(158,568)</u>
Total Depreciable Assets, Net	<u>13,376</u>	<u>(1,754)</u>	<u>(5)</u>	<u>3,119</u>	<u>14,736</u>
Lease Assets					
Machinery and Equipment	24	-	-	-	24
Total Lease Assets	<u>24</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>24</u>
Less Accumulated Amortization					
Machinery and Equipment	(15)	(8)	-	-	(23)
Total Accumulated Amortization	<u>(15)</u>	<u>(8)</u>	<u>-</u>	<u>-</u>	<u>(23)</u>
Total Lease Assets, Net	<u>9</u>	<u>(8)</u>	<u>-</u>	<u>-</u>	<u>1</u>
Subscription-based information technology arrangements (SBITA)					
Subscription-based information technology arrangements (SBITA)	34	-	-	-	34
Less Accumulated Amortization					
Subscription-based information technology arrangements (SBITA)	(7)	(11)	-	-	(18)
Total Subscription-based information technology arrangements, Net	<u>27</u>	<u>(11)</u>	<u>-</u>	<u>-</u>	<u>16</u>
Capital assets, net of accumulated depreciation/amortization	<u>13,412</u>	<u>(1,773)</u>	<u>(5)</u>	<u>3,119</u>	<u>14,753</u>
Capital Assets, Net	<u>\$ 17,979</u>	<u>\$ 1,106</u>	<u>\$ (5)</u>	<u>\$ -</u>	<u>\$ 19,080</u>

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

COUNTY OF MONROE, NEW YORK
Notes to Basic Financial Statements
Year Ended December 31, 2025

Capital asset activity of the County's **pure waters enterprise fund** consists of the following for the year ended December 31, 2025 (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	64,441	19,358	-	(30,381)	53,418
Total Nondepreciable Assets	66,812	19,358	-	(30,381)	55,789
Depreciable Assets					
Buildings	67,999	-	-	-	67,999
Infrastructure	686,553	-	-	-	686,553
Improvements other than Buildings	237,594	-	-	30,077	267,671
Machinery and Equipment	60,380	1,601	(470)	304	61,815
Total Depreciable Assets	1,052,526	1,601	(470)	30,381	1,084,038
Less Accumulated Depreciation					
Buildings	(57,187)	(743)	-	-	(57,930)
Infrastructure	(681,005)	(1,845)	-	-	(682,850)
Improvements other than Buildings	(136,050)	(9,855)	-	-	(145,905)
Machinery and Equipment	(54,202)	(1,245)	469	-	(54,978)
Total Accumulated Depreciation	(928,444)	(13,688)	469	-	(941,663)
Total Depreciable Assets, Net	124,082	(12,087)	(1)	30,381	142,375
Lease Assets					
Machinery and Equipment	-	82	-	-	82
Total Lease Assets	-	82	-	-	82
Less Accumulated Amortization					
Machinery and Equipment	-	(16)	-	-	(16)
Total Accumulated Amortization	-	(16)	-	-	(16)
Total Lease Assets, Net	-	66	-	-	66
Capital assets, net of accumulated depreciation/amortization	124,082	(12,021)	(1)	30,381	142,441
Capital Assets, Net	\$ 190,894	\$ 7,337	\$ (1)	\$ -	\$ 198,230

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

COUNTY OF MONROE, NEW YORK
Notes to Basic Financial Statements
Year Ended December 31, 2025

Capital asset activity of the County's **nonmajor enterprise funds** consists of the following for the year ended December 31, 2025 (000's omitted):

Nonmajor Enterprise Funds – 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	1,558	938	-	(1,467)	1,029
Total Nondepreciable Assets	8,020	938	-	(1,467)	7,491
Depreciable Assets					
Buildings	10,177	-	-	-	10,177
Improvements other than Buildings	10,811	-	-	1,467	12,278
Machinery and Equipment	3,698	-	-	-	3,698
Total Depreciable Assets	24,686	-	-	1,467	26,153
Less Accumulated Depreciation					
Buildings	(10,093)	(34)	-	-	(10,127)
Improvements other than Buildings	(9,911)	(79)	-	-	(9,990)
Machinery and Equipment	(2,618)	(147)	-	-	(2,765)
Total Accumulated Depreciation	(22,622)	(260)	-	-	(22,882)
Total Depreciable Assets, Net	2,064	(260)	-	1,467	3,271
Capital Assets, Net	\$ 10,084	\$ 678	\$ -	\$ -	\$ 10,762

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

COUNTY OF MONROE, NEW YORK
Notes to Basic Financial Statements
Year Ended December 31, 2025

10. Indebtedness and Certain Long-term Obligations

A. Short-term Indebtedness

The County had no outstanding short-term notes payable as of December 31, 2025.

B. Long-term Liabilities

The following is a summary of long-term liabilities for the primary government as of December 31, 2025 (000's omitted):

Long-term Liabilities – Primary Government

	Beginning Balance	Additions	Deductions	Ending Balance	Current Portion
Governmental Activities:					
Leases payable	\$ 65,422	\$ 13,426	\$ (5,554)	\$ 73,294	\$ 5,323
Subscription-based information technology arrangements payable	13,960	5,076	(3,140)	15,896	3,284
Bonds payable	661,964	62,633	(35,170)	689,427	37,121
Net pension liability	130,115	35,881	(705)	165,291	-
Total postemployment benefits other than pension	389,250	37,737	(27,330)	399,657	31,303
Other Long-term Liabilities					
Federal, state and other long-term liabilities	14,588	4,442	(7,539)	11,491	2,454
Compensated absences	68,575	45,514	(37,623)	76,466	37,363
Total Other Long-term Liabilities	83,163	49,956	(45,162)	87,957	39,817
Total Governmental Long-term Liabilities	\$ 1,343,874	\$ 204,709	\$ (117,061)	\$ 1,431,522	\$ 116,848
Business-type Activities:					
Leases payable	\$ 9	\$ 81	\$ (23)	\$ 67	\$ 17
Subscription-based information technology arrangements payable	22	-	(11)	11	11
Bonds payable	148,349	19,555	(19,597)	148,307	16,507
Net pension liability	35,469	10,077	-	45,546	-
Total postemployment benefits other than pension	45,199	5,753	(5,215)	45,737	5,266
Other Long-term Liabilities					
Compensated absences	9,329	8,786	(7,675)	10,440	6,510
Total Other Long-term Liabilities	9,329	8,786	(7,675)	10,440	6,510
Total Business-type Long-term Liabilities	\$ 238,377	\$ 44,252	\$ (32,521)	\$ 250,108	\$ 28,311

The current portion of compensated absences is included in accounts payable and accrued liabilities in the statement of net position.

COUNTY OF MONROE, NEW YORK
Notes to Basic Financial Statements
Year Ended December 31, 2025

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 General Fund or applicable special revenue funds are the governmental funds that generally have been used in prior years to liquidate compensated absences, other postemployment benefits obligation and net pension liabilities.

The following is a summary of changes in bonds payable for the year ended December 31, 2025 (000's omitted):

Bonds Payable – Primary Government					
	<u>Beginning Balance</u>	<u>Additions</u>	<u>Deductions</u>	<u>Ending Balance</u>	<u>Current Portion</u>
Governmental Activities:					
Governmental Funds	\$ 597,628	\$ 48,021	\$ (26,891)	\$ 618,758	\$ 30,829
Internal Service Funds	64,336	14,612	(8,279)	70,669	6,292
Total Governmental Activities	<u>661,964</u>	<u>62,633</u>	<u>(35,170)</u>	<u>689,427</u>	<u>37,121</u>
Business-type Activities:					
Airport	10,801	-	(3,717)	7,084	3,245
Hospital	8,228	7,476	(1,882)	13,822	2,191
Pure Waters	128,105	11,101	(13,680)	125,526	10,961
Nonmajor	1,215	978	(318)	1,875	110
Total Business-type Activities	<u>148,349</u>	<u>19,555</u>	<u>(19,597)</u>	<u>148,307</u>	<u>16,507</u>
Total Bonds Payable	<u>\$ 810,313</u>	<u>\$ 82,188</u>	<u>\$ (54,767)</u>	<u>\$ 837,734</u>	<u>\$ 53,628</u>

COUNTY OF MONROE, NEW YORK
Notes to Basic Financial Statements
Year Ended December 31, 2025

The following is a summary of serial bonded indebtedness for the year ended December 31, 2025 (000's omitted):

Bonds Payable – Primary Government					
	<u>Original Amount</u>	<u>Date of Bonds</u>	<u>Interest Rate Percent</u>	<u>Final Maturity</u>	<u>Outstanding Amount</u>
Governmental Activities:					
Governmental Funds					
<u>Bonds issued by the County</u>					
PI Refunding Bonds - 2015-A	\$ 22,426	3/26/2015	5.00	2027	\$ 56
PI- 2015	35,606	6/30/2015	3.00/5.00	2033	6,180
PI-2016	15,021	6/29/2016	2.00/5.00	2031	3,610
PI-2016-B	72,099	10/27/2016	3.00/5.00	2034	15,532
PI-2017	21,016	6/27/2017	3.00/5.00	2032	7,359
PI-2018	34,696	6/26/2018	3.00/5.00	2038	16,293
PI-2019-A	34,584	6/25/2019	3.00/5.00	2039	15,968
PI Refunding-2019	6,304	4/18/2019	5.00	2029	1,236
GO Refunding Bonds - 2020	8,699	6/4/2020	4.00/5.00	2030	2,176
PI-2021	35,784	6/30/2021	2.00/5.00	2041	26,821
GO Refunding Bonds - 2021	8,990	8/10/2021	5.00	2031	2,724
PI-2022	25,168	6/29/2022	4.00/5.00	2042	21,356
PI-2023	35,613	6/29/2023	4.00/5.00	2043	31,928
PI-2024	37,460	6/27/2024	4.00	2044	35,900
PI-2025	43,393	6/26/2025	5.00	2045	43,393
					<u>230,532</u>
Add: Unamortized bond premium					<u>26,313</u>
Total Bonds Issued by the County					<u>256,845</u>
<u>Bonds Issued by MTASC</u>					
MTASC Series 2005	157,720	8/25/2005	5.00/6.65	2060	121,055
MTASC Series 2006	14,579	2/7/2006	7.70	2061	14,579
MTASC Series 2010	63,100	6/1/2010	6.25	2060	59,600
					<u>195,234</u>
Add: Accretion of capital appreciation bonds					131,537
Less: Unamortized bond discount					<u>(1,604)</u>
Total Bonds Issued by MTASC					<u>\$ 325,167</u>

*PI: Public Improvement, GO: General Obligation

COUNTY OF MONROE, NEW YORK
Notes to Basic Financial Statements
Year Ended December 31, 2025

Bonds Payable – Primary Government (continued)

	Original Amount	Date of Bonds	Interest Rate Percent	Final Maturity	Outstanding Amount
Governmental Activities (continued):					
<u>Bonds Issued by the County for Monroe Community College (MCC)</u>					
PI-2015	\$ 16,790	6/30/2015	3.00/5.00	2035	\$ 7,187
PI-2016	15,564	6/29/2016	2.00/5.00	2036	8,262
PI-2016-B	13,000	10/27/2016	3.00/5.00	2036	8,118
PI-2017	8,000	6/27/2017	3.00/5.00	2037	4,535
PI-2018	2,190	6/26/2018	3.00/5.00	2038	97
PI Refunding-2019	3,225	4/18/2019	5.00	2029	1,233
GO Refunding Bonds - 2020	2,365	6/4/2020	4.00/5.00	2030	1,196
GO Refunding Bonds - 2021	1,136	8/10/2021	5.00	2031	675
PI-2023	1,728	6/29/2023	4.00/5.00	2043	1,545
PI-2025	454	6/27/2025	5.00	2045	454
					<u>33,302</u>
Add: Unamortized bond premium					<u>3,444</u>
Total Bonds Issued by the County for MCC					<u>36,746</u>
Total Governmental Funds					<u>618,758</u>
<u>Internal Service Funds</u>					
PI Refunding - 2015-A	8,116	3/26/2015	5.00	2027	518
PI-2015	10,199	6/30/2015	3.00/5.00	2031	321
PI-2016	5,997	6/29/2016	2.00/5.00	2035	825
PI-2017	4,500	6/27/2017	3.00/5.00	2037	34
PI-2018	19,037	6/27/2017	3.00/5.00	2038	9,927
PI-2019A	2,553	6/25/2019	3.00/5.00	2039	1,352
PI Refunding-2019	3,516	4/18/2019	5.00	2029	1,375
GO Refunding Bonds - 2020	11,128	6/4/2020	4.00/5.00	2030	5,447
PI-2021	18,545	6/30/2021	2.00/5.00	2041	13,762
GO Refunding Bonds - 2021	4,850	8/10/2021	5.00	2031	2,561
PI-2022	3,050	6/29/2022	4.00/5.00	2042	2,245
PI-2024	14,000	6/27/2024	4.00	2044	13,440
PI-2025	13,358	6/27/2024	5.00	2045	13,358
					<u>65,165</u>
Add: Unamortized bond premium					<u>5,504</u>
Total Internal Service Funds					<u>70,669</u>
Total Governmental Activities					<u><u>\$ 689,427</u></u>

*PI: Public Improvement, GO: General Obligation

COUNTY OF MONROE, NEW YORK
Notes to Basic Financial Statements
Year Ended December 31, 2025

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					
<u>Airport Fund</u>					
PI-2019-B	\$ 22,570	6/25/2019	5.00	2027	\$ 6,215
Add: Unamortized bond premium					<u>869</u>
Total Airport Fund					<u>7,084</u>
<u>Hospital Fund</u>					
PI-2016	1,920	6/29/2016	2.00/5.00	2031	173
PI-2017	1,245	6/27/2017	3.00/5.00	2031	179
GO Refunding Bonds - 2021	599	8/10/2021	5.00	2031	45
PI-2015	4,065	6/30/2015	3.00/5.00	2035	637
PI-2018	1,813	6/26/2018	3.00/5.00	2038	138
PI-2019-A	5,885	6/25/2019	3.00/5.00	2039	821
PI-2021	2,658	6/30/2021	2.00/5.00	2041	828
PI-2022	3,620	6/29/2022	4.00/5.00	2042	3,058
PI-2025	6,879	6/26/2025	5.00	2045	<u>6,879</u>
					12,758
Add: Unamortized bond premium					<u>1,064</u>
Total Hospital Fund					<u>\$ 13,822</u>

*PI: Public Improvement, GO: General Obligation

COUNTY OF MONROE, NEW YORK
Notes to Basic Financial Statements
Year Ended December 31, 2025

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					
<u>Pure Waters Fund</u>					
PI-2014	\$ 22,920	7/2/2014	2.00/5.00	2034	\$ 11,415
PI Refunding - 2015-A	25,643	3/26/2015	4.00/5.00	2027	2,286
PI-2015	16,900	6/30/2015	3.00/5.00	2035	9,301
PI-2016	16,147	6/29/2016	2.00/5.00	2036	5,645
PI-2016-B	3,615	10/27/2016	3.00/5.00	2036	2,165
PI-2017	8,359	6/27/2017	3.00/5.00	2037	5,193
PI-2018	19,889	6/26/2018	3.00/5.00	2038	14,308
PI Refunding-2019	8,952	4/18/2019	3.00/5.00	2038	3,514
PI-2019-A	6,874	6/25/2019	3.00/5.00	2039	5,309
GO Refunding Bonds - 2020	7,373	6/4/2020	4.00/5.00	2030	3,776
GO Refunding Bonds - 2021	10,922	6/4/2020	4.00/5.00	2031	6,664
PI-2021	6,244	6/30/2021	2.00/5.00	2041	4,833
PI-2022	2,738	6/29/2022	4.00/5.00	2042	2,239
PI-2023	4,490	6/29/2023	4.00/5.00	2043	11,492
PI-2024	18,500	6/27/2024	4.00	2044	17,760
PI-2025	10,181	6/26/2025	5.00	2045	10,181
					<u>116,081</u>
Add: Unamortized bond premium					<u>9,445</u>
Total Pure Waters Fund					<u>125,526</u>
<u>Nonmajor Enterprise Funds</u>					
PI-2015	1,470	6/30/2015	3.00/5.00	2035	199
PI-2018	190	6/29/2018	3.00/5.00	2038	37
PI-2021	298	6/30/2021	2.00/5.00	2041	496
GO Refunding Bonds - 2021	574	8/10/2021	5.00	2031	81
PI-2022	27	6/29/2022	4.00/5.00	2042	11
PI-2025	905	6/27/2025	5.00	2045	905
					<u>1,729</u>
Add: Unamortized bond premium					<u>146</u>
Total Nonmajor Enterprise Funds					<u>1,875</u>
Total Business-type Activities					<u>\$ 148,307</u>
Total Primary Government					<u>\$ 837,734</u>

*PI: Public Improvement, GO: General Obligation

COUNTY OF MONROE, NEW YORK
Notes to Basic Financial Statements
Year Ended December 31, 2025

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, (000's omitted):

Principal and Interest Payments – Primary Government							
	Governmental Activities		Business-type Activities				Total Primary Government
	Governmental Funds	Internal Service	Airport	Hospital	Pure Waters	Nonmajor Funds	
Principal							
2026	\$ 30,829	\$ 6,292	\$ 3,245	\$ 2,191	\$ 10,961	\$ 110	\$ 53,628
2027	27,404	6,877	2,970	1,545	10,820	108	49,724
2028	26,837	6,449	-	1,572	9,882	105	44,845
2029	25,318	6,373	-	1,543	10,004	107	43,345
2030	23,165	5,493	-	1,540	9,362	104	39,664
2031 - 2035	78,444	15,715	-	3,009	37,511	496	135,175
2036 - 2040	37,886	12,936	-	990	19,335	423	71,570
2041 - 2045	164,670	5,030	-	368	8,206	276	178,550
2046 - 2050	5,387	-	-	-	-	-	5,387
2051 - 2055	8,924	-	-	-	-	-	8,924
2056 - 2060	15,625	-	-	-	-	-	15,625
2061	14,579	-	-	-	-	-	14,579
Total Principal	459,068	65,165	6,215	12,758	116,081	1,729	661,016
Interest							
2026	19,525	2,904	230	699	4,532	89	27,979
2027	17,227	2,299	74	460	3,827	65	23,952
2028	16,024	1,985	-	385	3,384	60	21,838
2029	14,888	1,686	-	310	2,969	55	19,908
2030	13,869	1,420	-	236	2,578	50	18,153
2031 - 2035	58,661	4,954	-	602	8,447	191	72,855
2036 - 2040	47,774	2,268	-	183	3,233	106	53,564
2041 - 2045	14,917	392	-	15	647	32	16,003
2046 - 2050	66,578	-	-	-	-	-	66,578
2051 - 2055	193,791	-	-	-	-	-	193,791
2056 - 2060	593,075	-	-	-	-	-	593,075
2061	938,321	-	-	-	-	-	938,321
Total Interest	1,994,650	17,908	304	2,890	29,617	648	2,046,017
Total Principal and Interest	\$ 2,453,718	\$ 83,073	\$ 6,519	\$ 15,648	\$ 145,698	\$ 2,377	\$ 2,707,033

Approximately \$332 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. Starting in 2041, interest payments include the tobacco settlement capital appreciation bonds.

COUNTY OF MONROE, NEW YORK
Notes to Basic Financial Statements
Year Ended December 31, 2025

11. Leases, Subscription-based Information Technology Arrangements and Public-Private/Public-Public Partnerships/Availability Payment Arrangements

A. Lessor Agreements

The County's leasing operations consist of office space to the City of Rochester and a baseball stadium to Rochester Community Baseball. The leases receivable were discounted to a net present value at December 31, 2025 using a 4.28% interest rate.

Activity of lease inflows for the year ending December 31, 2025 (000's omitted) are summarized as follows:

	Lessor Agreements		
	Governmental Activities		
		Internal	
	General Fund	Service Funds	Total
Lease-related revenue			
Building	\$ 102	\$ -	\$ 102
Office Space	-	291	291
Total lease revenue	102	291	393
Interest revenue	31	77	108
Total lease-related revenue	<u>\$ 133</u>	<u>\$ 368</u>	<u>\$ 501</u>

Future minimum lease payments due to the County as of December 31, (000's omitted) were as follows:

	Lessor Agreements		
	Governmental Activities		
	General Fund	Internal Service	Total
Principal			
2026	\$ -	\$ 292	\$ 292
2027	-	305	305
2028	-	318	318
2029	-	332	332
2030	27	346	373
2031 - 2035	404	89	493
2036 - 2040	188	-	188
Total Principal	<u>619</u>	<u>1,682</u>	<u>2,301</u>
Interest			
2026	-	68	68
2027	-	55	55
2028	100	42	142
2029	100	28	128
2030	73	13	86
2031 - 2035	96	1	97
2036 - 2040	12	-	12
Total Interest	<u>381</u>	<u>207</u>	<u>588</u>
Total Future Receipts	<u>\$ 1,000</u>	<u>\$ 1,889</u>	<u>\$ 2,889</u>

The County recorded a current lease receivable of \$310 thousand in governmental activities which includes \$18 thousand of accrued interest and a noncurrent lease receivable of \$2.1 million in governmental activities which includes \$116 thousand of accrued interest.

COUNTY OF MONROE, NEW YORK
Notes to Basic Financial Statements
Year Ended December 31, 2025

B. Lessee Agreements

The County leases a variety of buildings, equipment and office space from various entities.

Activity of lease liability for the year ended December 31, 2025 (000's omitted) is summarized as follows:

Lessee Agreements					
	Beginning Balance	Additions	Deductions	Ending Balance	Current Portion
Governmental Activities:					
General Fund	\$ 61,526	\$ 13,426	\$ (3,690)	\$ 71,262	\$ 3,338
Internal Service Funds	3,896	-	(1,864)	2,032	1,985
Total Governmental Activities	<u>65,422</u>	<u>13,426</u>	<u>(5,554)</u>	<u>73,294</u>	<u>5,323</u>
Business-type Activities:					
Hospital	9	-	(8)	1	1
Pure Waters	-	81	(15)	66	16
Total Business-type Activities	<u>9</u>	<u>81</u>	<u>(23)</u>	<u>67</u>	<u>17</u>
Total Leases Payable	<u>\$ 65,431</u>	<u>\$ 13,507</u>	<u>\$ (5,577)</u>	<u>\$ 73,361</u>	<u>\$ 5,340</u>

The following is a schedule of annual requirements to amortize long-term obligations and related interest as of December 31, (000's omitted):

Lessee Agreements					
	Governmental Activities		Business-type Activities		Total
	General Fund	Internal Service	Hospital	Pure Waters	
Principal					
2026	\$ 3,338	\$ 1,985	\$ 1	\$ 16	\$ 5,340
2027	2,987	37	-	16	3,040
2028	2,629	10	-	17	2,656
2029	2,457	-	-	17	2,474
2030	2,555	-	-	-	2,555
2031 - 2035	14,638	-	-	-	14,638
2036 - 2040	14,040	-	-	-	14,040
2041 - 2045	18,160	-	-	-	18,160
2046 - 2050	10,458	-	-	-	10,458
Total Principal	<u>71,262</u>	<u>2,032</u>	<u>1</u>	<u>66</u>	<u>73,361</u>
Interest					
2026	2,960	49	-	3	3,012
2027	2,872	1	-	2	2,875
2028	2,750	-	-	1	2,751
2029	2,641	-	-	-	2,641
2030	2,536	-	-	-	2,536
2031 - 2035	10,880	-	-	-	10,880
2036 - 2040	7,800	-	-	-	7,800
2041 - 2045	4,430	-	-	-	4,430
2046 - 2050	733	-	-	-	733
Total Interest	<u>37,602</u>	<u>50</u>	<u>-</u>	<u>6</u>	<u>37,658</u>
Total Future Payments	<u>\$ 108,864</u>	<u>\$ 2,082</u>	<u>\$ 1</u>	<u>\$ 72</u>	<u>\$ 111,019</u>

COUNTY OF MONROE, NEW YORK
Notes to Basic Financial Statements
Year Ended December 31, 2025

C. Subscription-Based Information Technology Arrangements

The County has entered into noncancelable subscription-based information technology arrangement contracts for several types of software. The County pays for a variety of software from various entities.

Activity of subscription-based information technology arrangements payable liability for the year ended December 31, 2025 (000's omitted) is summarized as follows:

Subscription-based information technology arrangements					
	Beginning Balance	Additions	Deductions	Ending Balance	Current Portion
Governmental Activities:					
General Fund	\$ 650	\$ 1,680	\$ (743)	\$ 1,587	\$ 626
Internal Service Funds	13,310	3,396	(2,397)	14,309	2,658
Total Governmental Activities	13,960	5,076	(3,140)	15,896	3,284
Business-type Activities:					
Hospital	22	-	(11)	11	11
Total Business-type Activities	22	-	(11)	11	11
Total Subscription-based information technology arrangements payable	\$ 13,982	\$ 5,076	\$ (3,151)	\$ 15,907	\$ 3,295

The following is a schedule of annual requirements to amortize long-term obligations and related interest as of December 31, (000's omitted):

	Subscription-based information technology arrangements			
	Governmental Activities		Business-type Activities	
	General Fund	Internal Service	Hospital	Total
Principal				
2026	\$ 626	\$ 2,658	\$ 11	\$ 3,295
2027	391	1,699	-	2,090
2028	280	1,754	-	2,034
2029	290	1,242	-	1,532
2030	-	1,211	-	1,211
2031-2035	-	5,745	-	5,745
Total Principal	1,587	14,309	11	15,907
Interest				
2026	67	575	-	642
2027	42	478	-	520
2028	25	410	-	435
2029	13	337	-	350
2030	-	286	-	286
2031-2035	-	611	-	611
Total Interest	147	2,697	-	2,844
Total Future Payments	\$ 1,734	\$ 17,006	\$ 11	\$ 18,751

COUNTY OF MONROE, NEW YORK
Notes to Basic Financial Statements
Year Ended December 31, 2025

D. Public-Private/Public-Public Partnerships/Availability Payment Arrangements

The County is the transferor/operator in a Public-Private/Public-Public Partnership related to the Seneca Park Zoo (Zoo) which is reported in the General Fund. The County has two separate license and operating agreements with the Seneca Park Zoo Society (Society) and SSA Group. As these agreements only include variable payments, a receivable will not be recorded and the payments will be recognized as revenue in the period the payments relate.

Society: Agreement dates of October 1, 2021 to December 31, 2026, together with up to two additional five year renewals. The Society is a not-for-profit corporation chartered to cooperate with the County in the raising of funds for the benefit of the Zoo; to foster, develop, and promote interest and civic pride among the citizens of the County in their zoo and the animals therein; and to provide an organization dedicated to the advancement of scientific education and conservation knowledge of the members of the animal kingdom. The agreement is for the provision of publicity, educational events, and special events (including public events, private events, and fundraising events) at the Zoo. The Society remits to the County facility use fees, a percentage of membership revenue earned, fundraising collections and utilities. For 2025, these amounts totaled \$336 thousand.

SSA Group: Agreement dates of October 1, 2021 to December 31, 2026, together with up to two additional five year renewals. The agreement is for the Zoo concession (including catering), gift shop, and admission services. SSA Group remits to the County a share of concession, catering, gift shop, admission and attractions sales. 100% of educational school groups sales and gift card are remitted to the County. For 2025, these amounts totaled \$1.5 million.

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-employer 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	
2025	\$	60,953	\$	705
2024	\$	53,912	\$	565
2023	\$	40,262	\$	467

The County's contributions made to ERS and PFRS were equal to 100% of the contributions required for each year.

COUNTY OF MONROE, NEW YORK
Notes to Basic Financial Statements
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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; and (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 the pension cost over 12 years. Interest for the amortization is based on a rate established by the Comptroller using current market rates.

The County elected to prepay the retirement system invoices of \$57.3 million on December 15, 2025. Due to this, \$14.3 million of the payment represents a prepaid expense as of December 31, 2025. This amount covers the period January 1, 2026 through March 31, 2026, which is the end of the State's fiscal year. By activity, the prepaid expense is allocated as follows: \$12.4 million in the governmental activities and \$1.9 million in the business-type activities.

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

At December 31, 2025, the County reported a net pension liability (asset) of \$208.6 million and \$2.2 million for its proportionate share of the ERS and PFRS net pension liability (asset), respectively. Of the \$210.8 million total, \$165.3 million is attributable to governmental activities and \$45.5 million to business-type activities.

The net pension liability (asset) was measured as of March 31, 2025, and the total pension liability (asset) used to calculate the net pension liability (asset) was determined by the actuarial valuation as of April 1, 2024. The County's proportion of the net pension liability (asset) 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, 2025, the County's proportionate share was 1.22% and 0.04% for ERS and PFRS, respectively.

For the year ended December 31, 2025, the County recognized pension expense totaling \$46.1 million and \$0.6 million 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	\$ 41,131	\$ 10,647	\$ 51,778
Changes of assumptions	6,950	1,799	8,749
Net difference between projected and actual earnings on pension plan investments	13,001	3,366	16,367
Changes in proportion and differences between the County's contributions and proportionate share of contributions	11,693	3,027	14,720
Contributions subsequent to the measurement date	34,676	8,975	43,651
Total	<u>\$ 107,451</u>	<u>\$ 27,814</u>	<u>\$ 135,265</u>
	Deferred Inflows of Resources		
	Governmental Activities	Business-type Activities	Total
Differences between expected and actual experience	\$ 1,935	\$ 507	\$ 2,442
Changes in proportion and differences between the County's contributions and proportionate share of contributions	12,402	3,250	15,652
Total	<u>\$ 14,337</u>	<u>\$ 3,757</u>	<u>\$ 18,094</u>

COUNTY OF MONROE, NEW YORK
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PFRS

	Deferred Outflows of Resources		
	Governmental Activities	Business-type Activities	Total
Differences between expected and actual experience	\$ -	\$ 741	\$ 741
Changes of assumptions	-	334	334
Net difference between projected and actual earnings on pension plan investments	-	86	86
Changes in proportion and differences between the County's contributions and proportionate share of contributions	-	202	202
Contributions subsequent to the measurement date	-	486	486
Total	\$ -	\$ 1,849	\$ 1,849

	Deferred Inflows of Resources		
	Governmental Activities	Business-type Activities	Total
Changes in proportion and differences between the County's contributions and proportionate share of contributions	\$ -	\$ 159	\$ 159
Total	\$ -	\$ 159	\$ 159

The County recognized \$43.7 million and \$0.5 million reported as deferred outflows of resources related to pensions resulting from contributions subsequent to the measurement date of March 31, 2025 for ERS and PFRS respectively. These amounts will be recognized as a reduction of the net pension liability in the year ended December 31, 2026. 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):

ERS

	Governmental Activities	Business-type Activities	Total
Plan's Year Ended March 31:			
2026	\$ 27,593	\$ 7,121	\$ 34,714
2027	41,884	10,810	52,694
2028	(13,259)	(3,422)	(16,681)
2029	2,220	573	2,793
Total	\$ 58,438	\$ 15,082	\$ 73,520

PFRS

	Governmental Activities	Business-type Activities	Total
Plan's Year Ended March 31:			
2025	\$ -	\$ 624	\$ 624
2026	-	379	379
2027	-	21	21
2028	-	125	125
2029	-	55	55
Total	\$ -	\$ 1,204	\$ 1,204

COUNTY OF MONROE, NEW YORK
Notes to Basic Financial Statements
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Actuarial Assumptions

The total pension liability at March 31, 2025 was determined by using an actuarial valuation as of April 1, 2024, with update procedures used to roll forward the total pension liability to March 31, 2025.

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

Inflation rate	2.9%/2.9%
Salary increases	4.3%/6.0%
Investment rate of return (net of investment expense, including inflation)	5.9%/5.9%
Cost-of-living adjustments	1.5%/1.5%
Annuitant mortality rates	April 1, 2015 – March 31, 2020 System experience, with adjustments for mortality improvements based on MP-2021.

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 fixed 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, 2025 are summarized below:

<u>Asset Type</u>	<u>Target Allocations in %</u>	<u>Long-Term Expected Real Rate of Return in %*</u>
Domestic Equity	25	3.54
International Equity	14	6.57
Private Equity	15	7.25
Real Estate	12	4.95
Opportunistic/ARS Portfolio	3	5.25
Credit	4	5.40
Real Assets	4	5.55
Fixed Income	22	2.00
Cash	1	0.25
	<u>100</u>	

*Real rates of return are net of long-term inflation assumption of 2.9%.

Discount Rate

The discount rate used to calculate the total pension liability was 5.9%. 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.

COUNTY OF MONROE, NEW YORK
Notes to Basic Financial Statements
Year Ended December 31, 2025

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

The following presents the County's proportionate share of the net pension liability calculated using the discount rate of 5.9%, 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 (4.9%) or 1% higher (6.9%) than the current rate (000's omitted):

ERS			
	1% decrease 4.90%	Current Discount 5.90%	1% Increase 6.90%
Proportionate Share of Net Pension Liability (Asset)	\$ 603,747	\$ 208,612	\$ (121,327)

PFRS			
	1% decrease 4.90%	Current Discount 5.90%	1% Increase 6.90%
Proportionate Share of Net Pension Liability (Asset)	\$ 4,692	\$ 2,225	\$ 189

Pension Plan Fiduciary Net Position

The components of the current-year net pension liability of the employers as of March 31, 2025 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	\$ 247,600,239	\$ 3,012,551	1.22%
Net position	(230,454,512)	(2,803,939)	
Net pension liability (asset)	<u>\$ 17,145,727</u>	<u>\$ 208,612</u>	
Fiduciary net position as a percentage of total pension liability	93.08%	93.08%	

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	\$ 48,718,477	\$ 17,838	0.04%
Net position	(42,641,620)	(15,613)	
Net pension liability (asset)	<u>\$ 6,076,857</u>	<u>\$ 2,225</u>	
Fiduciary net position as a percentage of total pension liability	87.53%	87.53%	

COUNTY OF MONROE, NEW YORK
Notes to Basic Financial Statements
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13. Other Postemployment Benefits

Plan Description

The County administers a single-employer defined benefit Other Postemployment 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 2025, those costs were \$35.4 million and the costs of administering the plan are paid by the County.

Employees Covered by Benefit Terms

At December 31, 2025, the following employees were covered by the benefit terms:

Inactive employees and spouses	
currently receiving benefits	4,484
Active Employees	<u>3,761</u>
Total Participants	<u>8,245</u>

Total OPEB Liability

The County's total OPEB liability of \$445.4 million, was recognized as \$399.7 million for the governmental activities and \$45.7 million for the business-type funds, and was measured as of December 31, 2025. The total OPEB liability was determined by an actuarial valuation as of December 31, 2025.

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	January 1, 2026
Measurement Date	December 31, 2025
Actuarial Cost Method	Entry age normal
Discount Rate	4.83%
Inflation Rate	2.90%
Health Care Trend Rates	8.0%, decreasing by 0.25% each year until 2040; 4.5% 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 SOA Pub-2016 Public Safety, General and Continuing Survivor Headcount Weighted Mortality Table fully generational using Scale MP-2021.

COUNTY OF MONROE, NEW YORK
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Year Ended December 31, 2025

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

	<u>Governmental Activities</u>	<u>Business-type Activities</u>	<u>Total</u>
Balance at January 1, 2025	\$ 389,250	\$ 45,199	\$ 434,449
Changes for the year-			
Service cost	7,875	1,671	9,546
Interest	16,358	1,895	18,253
Changes in assumptions or other inputs	16,353	2,186	18,539
Benefit payments	(30,179)	(5,214)	(35,393)
Net Changes	<u>10,407</u>	<u>538</u>	<u>10,945</u>
Balance at December 31, 2025	<u>\$ 399,657</u>	<u>\$ 45,737</u>	<u>\$ 445,394</u>

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 (3.83%) or 1 percentage point higher (5.83%) than the current discount rate of 4.83% (000's omitted):

	<u>1% decrease 3.83%</u>	<u>Current Discount 4.83%</u>	<u>1% Increase 5.83%</u>
Total OPEB Liability	\$ 481,657	\$ 445,394	\$ 413,279

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 (3.50-7.00%) or 1 percentage point higher (5.50-9.00%) than the current healthcare cost trend rate of 4.50% to 8.00% (000's omitted):

	<u>1% decrease 3.50% - 7.00%</u>	<u>Current Discount 4.50% - 8.00%</u>	<u>1% Increase 5.50% - 9.00%</u>
Total OPEB Liability	\$ 409,116	\$ 445,394	\$ 487,741

COUNTY OF MONROE, NEW YORK
Notes to Basic Financial Statements
Year Ended December 31, 2025

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

For the year ended December 31, 2025, the County recognized an OPEB expense of \$13.8 million and \$2.7 million for the governmental activities and business-type funds, respectively. At December 31, 2025, 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	\$ 17,159	\$ 4,235	\$ 21,394
Changes of assumptions	35,481	3,910	39,391
Total	\$ 52,640	\$ 8,145	\$ 60,785

	Deferred Inflows of Resources		
	Governmental Activities	Business-type Activities	Total
Differences between expected and actual experience	\$ 26,449	\$ 9,390	\$ 35,839
Changes of assumptions	44,512	5,548	50,060
Total	\$ 70,961	\$ 14,938	\$ 85,899

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):

2026	\$ (14,884)
2027	(18,019)
2028	(6,531)
2029	7,335
2030	4,438
Thereafter	2,547
Total	\$ (25,114)

COUNTY OF MONROE, NEW YORK
Notes to Basic Financial Statements
Year Ended December 31, 2025

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

41 percent of the total amount of receivables and payables is a result of the overdraft of other funds' share of pooled cash, and 59 percent is a result of initial financing of capital projects. The following is a summary of interfund receivables and payables as of December 31, 2025 (000's omitted):

Interfund Payables and Receivables			
	Interfund Receivables		
	Governmental Activities		
	General Fund	Nonmajor Governmental Funds	Total
Special Revenue			
Interfund Payables			
Governmental Activities:			
Major Governmental Funds			
Capital Projects	\$ 51,524	\$ 7,687	\$ 59,211
Total Major Governmental Funds	<u>51,524</u>	<u>7,687</u>	<u>59,211</u>
Nonmajor Governmental Funds			
Special Revenue - Road	18,000	-	18,000
Total Nonmajor Governmental Funds	<u>18,000</u>	<u>-</u>	<u>18,000</u>
Internal Service Fund	500	-	500
Total Governmental Activities	<u>70,024</u>	<u>7,687</u>	<u>77,711</u>
Business-type Activities:			
Major Business-type Funds			
Airport	4,800	-	4,800
Hospital	13,000	-	13,000
Total Major Business-type Funds	<u>17,800</u>	<u>-</u>	<u>17,800</u>
Nonmajor Business-type Funds			
Solid Waste	850	-	850
Energy	4,100	-	4,100
Total Nonmajor Business-type Funds	<u>4,950</u>	<u>-</u>	<u>4,950</u>
Total Business-type Activities	<u>22,750</u>	<u>-</u>	<u>22,750</u>
Total Interfund Payables and Receivables	<u>\$ 92,774</u>	<u>\$ 7,687</u>	<u>\$ 100,461</u>

COUNTY OF MONROE, NEW YORK
Notes to Basic Financial Statements
Year Ended December 31, 2025

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, 2025 (000's omitted):

Interfund Transfers From:	Interfund Transfers to:							
	Governmental Activities:					Business-type Activities:		
	Capital Projects	Nonmajor Governmental Funds			Internal Service	Major Fund	Nonmajor Fund	Total
		Special Revenue				Hospital	Solid Waste	
	Road	Library	Debt Service					
Governmental Activities:								
Major Governmental Funds								
General Fund	\$ 4,003	\$ 28,206	\$ 7,692	\$ 25,273	\$ 649	\$ 12,671	\$ 1,500	\$ 79,994
Capital Projects	-	-	-	4,460	-	-	-	4,460
Total Major Governmental Funds	4,003	28,206	7,692	29,733	649	12,671	1,500	84,454
Nonmajor Governmental Funds								
Special Revenue								
Road	4,800	-	-	14,432	-	-	-	19,232
Library	190	-	-	32	-	-	-	222
Total Nonmajor Governmental Funds	4,990	-	-	14,464	-	-	-	19,454
Internal Service	-	-	-	232	-	-	-	232
Total Governmental Activities	8,993	28,206	7,692	44,429	649	12,671	1,500	104,140
Business-type Activities:								
Hospital	-	-	-	694	-	-	-	694
Total Business-type Activities	-	-	-	694	-	-	-	694
Total Transfers	\$ 8,993	\$ 28,206	\$ 7,692	\$ 45,123	\$ 649	\$ 12,671	\$ 1,500	\$ 104,834

15. Miscellaneous Revenue

For the year ended December 31, 2025, the miscellaneous revenue for the primary government is \$27.7 million, consisting of \$25 million for governmental activities and \$2.7 million for business-type activities. Governmental activities include: \$3.5 million in opioid settlements, \$2 million in shelter rent agreements, \$2.8 million in jail commissary sales, \$0.4 million from Department of Human Services income from the lottery intercept program and CPC income, \$0.5 million from Health Department items such as autopsy and consulting services provided to other Counties, and \$0.3 million in equipment sales. Business-type activities include: \$0.8 million in the hospital fund consisting primarily of supplier rebates, cafeteria income and space rental fees. Additionally there are \$0.8 million of Monroe County Recycling Center host and utility payments.

COUNTY OF MONROE, NEW YORK
Notes to Basic Financial Statements
Year Ended December 31, 2025

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.

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, 2025, 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, 2025.

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

Risk Management Fund				
<u>Year</u>	<u>Beginning of year</u>	<u>Current-Year Claims and Changes In Estimates</u>	<u>Claim Payments</u>	<u>End of year</u>
2025	\$ 40,332	\$ 109,706	\$ (111,168)	\$ 38,870
2024	41,710	99,293	(100,671)	40,332

The \$38.9 million estimated accrued liabilities in the internal service fund is reported in accounts payable and accrued liabilities. The \$38.9 million is comprised of \$0.7 million, which is the County Attorney's estimate of general liability claims which may likely settle, \$32.3 million representing Workers' Compensation claims already reported, and additional claims incurred but not yet reported, \$5.3 million for medical claims incurred but not yet reported and other liabilities amounting to \$0.6 million. The County utilizes a third-party administrator who is responsible for processing claims and estimating liabilities under this coverage.

The County has evaluated its potential pollution remediation obligations as of December 31, 2025. 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, if any, would be 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.

COUNTY OF MONROE, NEW YORK
Notes to Basic Financial Statements
Year Ended December 31, 2025

18. Tax Abatement

The County has over 225 real property tax abatement agreements entered into by COMIDA 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.

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, 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 a 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. The Shelter rent payment is 10% of gross rents collected minus utilities. 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 its 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, 2025 relates to the PILOT agreements entered into under the aforementioned programs:

Total Assessment Value:	\$ 1.65 billion
Total Taxable Value:	\$ 718.7 million
PILOTS Billed:	\$ 6.7 million
County Taxes Abated:	\$ 4.0 million

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

Total Assessment Value:	\$ 365.2 million
Total Taxable Value	\$ 365.2 million
Shelter Rents Received	\$ 1.3 million
County Taxes Abated:	\$ 1.5 million

Of the \$5.5 million taxes abated, no single property represented more than 10% of the total tax abated.

The County is also subject to sales tax abatements granted by COMIDA 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, 2025 was \$2.3 million.

**REQUIRED
SUPPLEMENTARY
INFORMATION
(UNAUDITED)**

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, 2025
(000's Omitted)

	Original Budget	Amended Budget	Modified Budget	Actual	Variance Over (Under)
REVENUES:					
Real property tax	\$ 442,172	\$ 442,172	\$ 442,172	\$ 440,544	\$ (1,628)
Sales and other taxes	218,512	218,512	218,512	215,761	(2,751)
Federal aid	147,430	163,733	275,003	173,336	(101,667)
State aid	297,104	336,590	416,918	336,163	(80,755)
Charges for services	28,926	28,926	28,926	28,424	(502)
Intergovernmental	53,751	53,801	53,980	51,009	(2,971)
Interdepartmental	6,874	6,874	6,874	4,954	(1,920)
Use of money and property	29,285	29,285	29,285	28,532	(753)
Repayments and refunds	12,621	12,621	12,621	15,039	2,418
Payments in lieu of taxes	7,202	7,202	7,202	6,776	(426)
Miscellaneous	10,255	12,878	10,275	14,836	4,561
Total revenues	1,254,132	1,312,594	1,501,768	1,315,374	(186,394)
EXPENDITURES:					
General Government					
Board of Elections	14,582	15,637	15,641	24,276	8,635
Communications	1,398	1,446	1,609	1,184	(425)
County Clerk	10,736	10,596	10,742	10,335	(407)
County Executive	1,199	1,199	1,199	1,151	(48)
County Legislature	3,538	3,538	3,697	3,055	(642)
Diversity, Equity and Inclusion	1,355	1,355	1,497	1,364	(133)
Environmental Services	2,686	2,971	9,657	5,627	(4,030)
Finance	9,687	8,797	10,420	8,541	(1,879)
Finance-Unallocated	4,043	6,616	15,205	9,601	(5,604)
Human Resources	3,557	3,627	3,887	3,911	24
Law	3,842	3,249	3,525	3,962	437
Office of Public Integrity	893	913	917	872	(45)
Planning and Development	3,189	12,089	15,893	4,160	(11,733)
Total General Government	60,705	72,033	93,889	78,039	(15,850)
Public Safety					
District Attorney	24,413	25,713	28,512	23,120	(5,392)
Planning and Development	-	-	11,661	4,302	(7,359)
Public Defender	10,364	17,344	51,749	19,680	(32,069)
Public Safety	85,071	93,562	127,573	91,668	(35,905)
Sheriff	200,243	208,497	226,498	207,478	(19,020)
Total Public Safety	320,091	345,116	445,993	346,248	(99,745)
Transportation					
	3,525	3,525	3,525	3,525	-
Health and Welfare					
Human Services	665,464	676,767	696,677	631,690	(64,987)
Planning and Development	-	(2,441)	35,551	19,356	(16,195)
Public Health	27,534	39,415	57,500	37,689	(19,811)
Veterans Service Agency	1,910	1,801	1,896	1,578	(318)
Total Health and Welfare	694,908	715,542	791,624	690,313	(101,311)
Culture, Recreation and Education					
Parks	20,789	21,146	21,254	20,383	(871)
Public Health	68,296	75,199	75,835	67,807	(8,028)
Culture, Recreation and Education	38,313	38,413	41,930	39,838	(2,092)
Total Culture, Recreation and Education	127,398	134,758	139,019	128,028	(10,991)
Economic Development					
	-	310	23,193	11,328	(11,865)
Total expenditures	1,206,627	1,271,284	1,497,243	1,257,481	(239,762)
Excess of revenues over expenditures	47,505	41,310	4,525	57,893	53,368
OTHER FINANCING SOURCES (USES):					
Leases (as lessee)	-	-	-	13,426	13,426
Subscription-based information technology arrangements	-	-	-	1,255	1,255
Transfers out	(78,310)	(79,754)	(79,754)	(79,994)	(240)
Total other financing sources (uses)	(78,310)	(79,754)	(79,754)	(65,313)	14,441
Changes in budgeted fund balances*	\$ (30,805)	\$ (38,444)	\$ (75,229)	(7,420)	\$ 67,809
Fund balance at beginning of year				307,530	
Fund balance at end of year				\$ 300,110	

*The changes in budgeted fund balances were included in the budget as an appropriation (i.e., spenddown) of fund balance.

See notes to required supplementary information.

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

Total OPEB Liability	2018	2019	2020	2021	2022	2023	2024	2025
Service cost	\$ 13,346	\$ 11,744	\$ 13,479	\$ 16,520	\$ 11,894	\$ 7,932	\$ 9,533	\$ 9,546
Interest	20,663	22,543	18,895	12,921	11,759	17,753	16,881	18,253
Changes in assumptions and differences between actual and expected experience	(59,044)	20,305	21,950	(80,418)	(97,070)	17,746	13,216	18,539
Benefit payments	(25,354)	(25,802)	(24,581)	(30,327)	(32,173)	(34,729)	(35,032)	(35,393)
Total change in total OPEB liability	(50,389)	28,790	29,743	(81,304)	(105,590)	8,702	4,598	10,945
Total OPEB liability - beginning	599,899	549,510	578,300	608,043	526,739	421,149	429,851	434,449
Total OPEB liability - ending	\$ 549,510	\$ 578,300	\$ 608,043	\$ 526,739	\$ 421,149	\$ 429,851	\$ 434,449	\$ 445,394
 Covered-employee payroll	 \$ 218,122	 \$ 224,012	 \$ 263,204	 \$ 249,939	 \$ 275,714	 \$ 318,294	 \$ 346,814	 \$ 356,187
 Total OPEB liability as a percentage of covered- employee payroll	 251.9%	 258.2%	 231.0%	 210.7%	 152.7%	 135.0%	 125.3%	 125.0%
Notes to schedule: 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%	3.26%	2.12%	2.25%	4.31%	4.00%	4.28%	4.28%

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.

**COUNTY OF MONROE, NEW YORK
REQUIRED SUPPLEMENTARY INFORMATION (UNAUDITED)
SCHEDULE OF PROPORTIONATE SHARE OF
NET PENSION LIABILITY (ASSET)
FOR THE YEARS ENDED DECEMBER 31:
(000's Omitted)**

New York State and Local Employees' Retirement System (ERS)

	2016	2017	2018	2019	2020	2021	2022	2023	2024	2025
Proportion of the net pension liability (asset)	1.05%	1.03%	1.06%	1.01%	1.02%	1.02%	1.11%	1.05%	1.11%	1.22%
Proportionate share of the net pension liability (asset)	\$ 167,992	\$ 96,046	\$ 34,164	\$ 71,406	\$ 270,042	\$ 1,020	\$ (90,821)	\$ 224,807	\$ 163,624	\$ 208,612
Covered payroll	\$ 217,933	\$ 223,284	\$ 216,268	\$ 222,039	\$ 228,627	\$ 242,861	\$ 242,196	\$ 300,661	\$ 326,568	\$ 336,412
Proportionate share of the net pension liability (asset)	77.08%	43.02%	15.80%	32.16%	118.11%	0.42%	-37.50%	74.77%	50.10%	62.01%
Plan fiduciary net position as a percentage of the total pension liability (asset)	90.70%	94.70%	98.20%	96.27%	86.39%	99.95%	103.65%	103.65%	93.88%	93.08%

New York State Police and Firefighters Retirement System (PFRS)

	2016	2017	2018	2019	2020	2021	2022	2023	2024	2025
Proportion of the net pension liability (asset)	0.04%	0.04%	0.04%	0.04%	0.03%	0.03%	0.03%	0.04%	0.04%	0.04%
Proportionate share of the net pension liability (asset)	\$ 1,293	\$ 800	\$ 402	\$ 598	\$ 1,859	\$ 526	\$ 194	\$ 2,324	\$ 1,960	\$ 2,225
Covered payroll	\$ 1,686	\$ 1,835	\$ 1,854	\$ 1,973	\$ 2,233	\$ 1,915	\$ 2,018	\$ 2,307	\$ 2,473	\$ 2,639
Proportionate share of the net pension liability (asset)	76.69%	43.60%	21.68%	30.31%	83.25%	27.47%	9.61%	100.74%	79.26%	84.31%
Plan fiduciary net position as a percentage of the total pension liability (asset)	90.20%	93.50%	96.90%	95.09%	84.86%	95.79%	98.66%	98.66%	89.72%	87.53%

**COUNTY OF MONROE, NEW YORK
REQUIRED SUPPLEMENTARY INFORMATION (UNAUDITED)
SCHEDULE OF CONTRIBUTIONS
PENSION PLANS
FOR THE YEARS ENDED DECEMBER 31:
(000's Omitted)**

New York State and Local Employees' Retirement System (ERS)

	2016	2017	2018	2019	2020	2021	2022	2023	2024	2025
Contractually required contribution	\$ 39,810	\$ 46,975	\$ 41,648	\$ 39,919	\$ 39,376	\$ 45,429	\$ 32,514	\$ 40,262	\$ 53,912	\$ 60,953
Contributions in relation to the contractually required contribution	39,810	46,975	41,648	39,919	39,376	45,429	32,514	40,262	53,912	60,953
Contribution deficiency (excess)	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Covered payroll	\$ 216,909	\$ 213,995	\$ 220,335	\$ 227,844	\$ 249,369	\$ 239,750	\$ 262,181	\$ 302,501	\$ 328,433	\$ 338,347
Contributions as a percentage of covered-employee payroll	18.35%	21.95%	18.90%	17.52%	15.79%	18.95%	12.40%	13.31%	16.41%	18.01%

New York State Police and Firefighters Retirement System (PFRS)

	2016	2017	2018	2019	2020	2021	2022	2023	2024	2025
Contractually required contribution	\$ 351	\$ 384	\$ 372	\$ 405	\$ 484	\$ 449	\$ 434	\$ 467	\$ 565	\$ 705
Contributions in relation to the contractually required contribution	351	384	372	405	484	449	434	467	565	705
Contribution deficiency (excess)	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Covered payroll	\$ 1,793	\$ 1,820	\$ 1,997	\$ 2,135	\$ 2,143	\$ 1,947	\$ 2,243	\$ 2,307	\$ 2,473	\$ 2,639
Contributions as a percentage of covered-employee payroll	19.58%	21.10%	18.63%	18.97%	22.59%	23.06%	19.35%	20.24%	22.85%	26.71%

COUNTY OF MONROE, NEW YORK

Notes to Required Supplementary Information (000's omitted) (Unaudited) Year Ended December 31, 2025

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 legal level of budgetary control is established at the department level. Within departments, unless prohibited by law or contractual obligations, the County Executive, or designee, from time to time, may transfer unencumbered balances in appropriations within the object level of a department entirely within one (1) fund. Additionally, the County Executive, or designee, may transfer other unencumbered balances in appropriations between departments entirely within one (1) fund, although no such transfer for any purpose may increase the appropriation received in a sub-object more than ten thousand dollars (\$10,000).

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.

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

COUNTY OF MONROE, NEW YORK

Notes to Required Supplementary Information (000's omitted) (Unaudited) Year Ended December 31, 2025

A summary of legally-adopted budgetary activity for the County's general fund for the year ended 2025 follows (000's omitted):

Revenues and other Financing Sources

Original Adopted Budget	\$ 1,254,132
Budget Amendments and Transfers	<u>58,462</u>
Amended Budget	1,312,594
Grants Residual Budget Carryover	<u>189,174</u>
Modified Budget	<u>\$ 1,501,768</u>

Expenditures and other Financing Uses

Original Adopted Budget	\$ 1,206,627
Budget Amendments and Transfers	<u>64,657</u>
Amended Budget	1,271,284
Prior Year Encumbrances and Grants Residual Budget Carryover	<u>225,959</u>
Modified Budget	<u>\$ 1,497,243</u>

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 includes a small carryforward of prior year grant expenses which will be offset by revenue received in the current year. 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.

COMBINING FINANCIAL INFORMATION

**COUNTY OF MONROE, NEW YORK
COMBINING BALANCE SHEET
NONMAJOR GOVERNMENTAL FUNDS
AS OF DECEMBER 31, 2025
(000's Omitted)**

	Special Revenue Funds	Debt Service Funds		Total Nonmajor Governmental Funds
		General	MTASC	
ASSETS				
Cash and cash equivalents	\$ 12,200	\$ 20,318	\$ 197	\$ 32,715
Accounts receivables, net	13,628	220	8,955	22,803
Due from other funds	7,687	-	-	7,687
Due from other governments:				
State and Federal - other	11,067	-	-	11,067
Local governments	351	-	-	351
Inventories	1,149	-	-	1,149
Restricted assets:				
Cash and cash equivalents	-	7,200	13,262	20,462
Other assets	165	-	13	178
	<u>46,247</u>	<u>27,738</u>	<u>22,427</u>	<u>96,412</u>
Total assets	<u>\$ 46,247</u>	<u>\$ 27,738</u>	<u>\$ 22,427</u>	<u>\$ 96,412</u>
LIABILITIES, DEFERRED INFLOWS OF RESOURCES AND FUND BALANCES				
Liabilities:				
Accounts payable and accrued liabilities	\$ 3,884	\$ -	\$ -	\$ 3,884
Due to other funds	18,000	-	-	18,000
Due to other governments	803	-	-	803
Unearned revenue	68	-	-	68
	<u>22,755</u>	<u>-</u>	<u>-</u>	<u>22,755</u>
Total liabilities	<u>22,755</u>	<u>-</u>	<u>-</u>	<u>22,755</u>
Deferred inflows of resources:				
Community Development loan repayments	12,756	-	-	12,756
Tobacco settlement revenue	-	-	8,914	8,914
	<u>12,756</u>	<u>-</u>	<u>8,914</u>	<u>21,670</u>
Total deferred inflows of resources	<u>12,756</u>	<u>-</u>	<u>8,914</u>	<u>21,670</u>
Fund balances:				
Nonspendable	1,313	-	13	1,326
Restricted	7,855	7,200	13,262	28,317
Committed	2,872	-	-	2,872
Assigned	-	20,538	238	20,776
Unassigned	(1,304)	-	-	(1,304)
	<u>10,736</u>	<u>27,738</u>	<u>13,513</u>	<u>51,987</u>
Total fund balances	<u>10,736</u>	<u>27,738</u>	<u>13,513</u>	<u>51,987</u>
Total liabilities, deferred inflows of resources and fund balances	<u>\$ 46,247</u>	<u>\$ 27,738</u>	<u>\$ 22,427</u>	<u>\$ 96,412</u>

See accompanying independent auditor's report.

COUNTY OF MONROE, NEW YORK
COMBINING STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES
NONMAJOR GOVERNMENTAL FUNDS
FOR THE YEAR ENDED DECEMBER 31, 2025
(000's Omitted)

	Special Revenue Funds	Debt Service Funds		Total Nonmajor Governmental Funds
		General	MTASC	
REVENUES:				
Federal aid	\$ 4,501	\$ -	\$ -	\$ 4,501
State aid	13,256	2,326	-	15,582
Charges for services	6,338	-	-	6,338
Intergovernmental	2,313	1,447	-	3,760
Use of money and property	15	670	729	1,414
Repayments and refunds	79	-	-	79
Tobacco settlement	-	-	8,951	8,951
Miscellaneous	3,721	-	-	3,721
Total revenues	30,223	4,443	9,680	44,346
EXPENDITURES:				
General government	77	-	126	203
Public safety	3,911	-	-	3,911
Culture, recreation and education	12,326	-	-	12,326
Transportation	28,824	-	-	28,824
Economic development	3,094	-	-	3,094
Debt service:				
Principal retirement	-	33,183	1,300	34,483
Bond issuance costs	-	125	-	125
Interest and fiscal charges	-	10,308	8,322	18,630
Total expenditures	48,232	43,616	9,748	101,596
Excess (deficiency) of revenues over (under) expenditures	(18,009)	(39,173)	(68)	(57,250)
OTHER FINANCING SOURCES (USES):				
Premium on bonds issued	-	4,175	-	4,175
Subscription-based information technology arrangements	425	-	-	425
Transfers in	35,898	45,123	-	81,021
Transfers out	(19,454)	-	-	(19,454)
Total other financing sources	16,869	49,298	-	66,167
Changes in fund balances	(1,140)	10,125	(68)	8,917
Fund balances at beginning of year	11,876	17,613	13,581	43,070
Fund balances at end of year	<u>\$ 10,736</u>	<u>\$ 27,738</u>	<u>\$ 13,513</u>	<u>\$ 51,987</u>

See accompanying independent auditor's report.

**COUNTY OF MONROE, NEW YORK
COMBINING BALANCE SHEET
NONMAJOR SPECIAL REVENUE FUNDS
AS OF DECEMBER 31, 2025
(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. Special Revenue Funds	Total Special Revenue
ASSETS										
Cash and cash equivalents	\$ 1,143	\$ 191	\$ 367	\$ 1,826	\$ 491	\$ 5,996	\$ 1,062	\$ 744	\$ 380	\$ 12,200
Accounts receivables, net	687	12,027	-	524	-	390	-	-	-	13,628
Due from other funds	7,687	-	-	-	-	-	-	-	-	7,687
Due from other governments:										
State and Federal - other	9,612	840	-	599	-	-	14	2	-	11,067
Local governments	325	-	-	16	-	-	-	10	-	351
Inventories	1,149	-	-	-	-	-	-	-	-	1,149
Other assets	165	-	-	-	-	-	-	-	-	165
Total assets	<u>\$ 20,768</u>	<u>\$ 13,058</u>	<u>\$ 367</u>	<u>\$ 2,965</u>	<u>\$ 491</u>	<u>\$ 6,386</u>	<u>\$ 1,076</u>	<u>\$ 756</u>	<u>\$ 380</u>	<u>\$ 46,247</u>
LIABILITIES, DEFERRED INFLOWS OF RESOURCES AND FUND BALANCES										
Liabilities:										
Accounts payable and accrued liabilities	\$ 2,201	\$ 2	\$ -	\$ 1,609	\$ 9	\$ 55	\$ -	\$ 8	\$ -	\$ 3,884
Due to other funds	18,000	-	-	-	-	-	-	-	-	18,000
Due to other governments	490	300	-	-	-	-	13	-	-	803
Unearned revenue	68	-	-	-	-	-	-	-	-	68
Total liabilities	<u>20,759</u>	<u>302</u>	<u>-</u>	<u>1,609</u>	<u>9</u>	<u>55</u>	<u>13</u>	<u>8</u>	<u>-</u>	<u>22,755</u>
Deferred inflows of resources:										
Community Development loan repayments	-	12,756	-	-	-	-	-	-	-	12,756
	-	12,756	-	-	-	-	-	-	-	12,756
Fund balances:										
Nonspendable	1,313	-	-	-	-	-	-	-	-	1,313
Restricted	-	-	-	1,356	-	6,331	168	-	-	7,855
Committed	-	-	367	-	482	-	895	748	380	2,872
Unassigned	(1,304)	-	-	-	-	-	-	-	-	(1,304)
Total fund balances	<u>9</u>	<u>-</u>	<u>367</u>	<u>1,356</u>	<u>482</u>	<u>6,331</u>	<u>1,063</u>	<u>748</u>	<u>380</u>	<u>10,736</u>
Total liabilities, deferred inflows of resources and fund balances	<u>\$ 20,768</u>	<u>\$ 13,058</u>	<u>\$ 367</u>	<u>\$ 2,965</u>	<u>\$ 491</u>	<u>\$ 6,386</u>	<u>\$ 1,076</u>	<u>\$ 756</u>	<u>\$ 380</u>	<u>\$ 46,247</u>

See accompanying independent auditor's report.

COUNTY OF MONROE, NEW YORK
COMBINING STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES
NONMAJOR SPECIAL REVENUE FUNDS
FOR THE YEAR ENDED DECEMBER 31, 2025
(000's Omitted)

	<u>Road Fund</u>	<u>Special Grants</u>	<u>Green Space Initiative</u>	<u>Library Fund</u>	<u>County Park Funds</u>	<u>County Jail Commissary Funds</u>	<u>Other Public Safety Funds</u>	<u>Stormwater Coalition Fund</u>	<u>Misc. Special Revenue Funds</u>	<u>Total Special Revenue</u>
REVENUES:										
Federal aid	\$ 1,211	\$ 2,996	\$ -	\$ 3	\$ -	\$ -	\$ 291	\$ -	\$ -	\$ 4,501
State aid	10,687	-	-	2,569	-	-	-	-	-	13,256
Charges for services	4,942	-	-	-	20	1,211	3	162	-	6,338
Intergovernmental	1,187	-	-	1,126	-	-	-	-	-	2,313
Use of money and property	-	-	15	-	-	-	-	-	-	15
Repayments and refunds	60	-	-	-	-	-	19	-	-	79
Miscellaneous	254	98	-	473	119	2,777	-	-	-	3,721
Total revenues	<u>18,341</u>	<u>3,094</u>	<u>15</u>	<u>4,171</u>	<u>139</u>	<u>3,988</u>	<u>313</u>	<u>162</u>	<u>-</u>	<u>30,223</u>
EXPENDITURES:										
General government	-	-	-	-	-	-	-	77	-	77
Public safety	-	-	-	-	-	3,758	153	-	-	3,911
Culture, recreation and education	-	-	-	12,179	147	-	-	-	-	12,326
Transportation	28,824	-	-	-	-	-	-	-	-	28,824
Economic development	-	3,094	-	-	-	-	-	-	-	3,094
Total expenditures	<u>28,824</u>	<u>3,094</u>	<u>-</u>	<u>12,179</u>	<u>147</u>	<u>3,758</u>	<u>153</u>	<u>77</u>	<u>-</u>	<u>48,232</u>
Excess (deficiency) of revenues over (under) expenditures	<u>(10,483)</u>	<u>-</u>	<u>15</u>	<u>(8,008)</u>	<u>(8)</u>	<u>230</u>	<u>160</u>	<u>85</u>	<u>-</u>	<u>(18,009)</u>
OTHER FINANCING SOURCES (USES):										
Subscription-based information technology arrangements	-	-	-	425	-	-	-	-	-	425
Transfers in	28,206	-	-	7,692	-	-	-	-	-	35,898
Transfers out	(19,232)	-	-	(222)	-	-	-	-	-	(19,454)
Total other financing sources (uses)	<u>8,974</u>	<u>-</u>	<u>-</u>	<u>7,895</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>16,869</u>
Changes in fund balances	(1,509)	-	15	(113)	(8)	230	160	85	-	(1,140)
Fund balances at beginning of year	1,518	-	352	1,469	490	6,101	903	663	380	11,876
Fund balances at end of year	<u>\$ 9</u>	<u>\$ -</u>	<u>\$ 367</u>	<u>\$ 1,356</u>	<u>\$ 482</u>	<u>\$ 6,331</u>	<u>\$ 1,063</u>	<u>\$ 748</u>	<u>\$ 380</u>	<u>\$ 10,736</u>

See accompanying independent auditor's report.

COUNTY OF MONROE, NEW YORK
COMBINING STATEMENT OF NET POSITION
NONMAJOR ENTERPRISE FUNDS
AS OF DECEMBER 31, 2025
(000's Omitted)

	<u>Solid Waste</u>	<u>Energy</u>	<u>Total Nonmajor Enterprise Funds</u>
ASSETS			
Current assets:			
Cash and cash equivalents	\$ 138	\$ 104	\$ 242
Accounts receivables, net	2,084	-	2,084
Due from other governments:			
State and Federal - other	213	-	213
Local governments	1,426	4,860	6,286
Inventories	-	275	275
Other assets	13	491	504
	<u>3,874</u>	<u>5,730</u>	<u>9,604</u>
Total current assets			
Noncurrent assets:			
Restricted assets:			
Cash and cash equivalents	819	-	819
Capital assets not being depreciated	7,491	-	7,491
Capital assets, net of accumulated depreciation/amortization	3,271	-	3,271
	<u>11,581</u>	<u>-</u>	<u>11,581</u>
Total noncurrent assets			
	<u>15,455</u>	<u>5,730</u>	<u>21,185</u>
Total assets			
DEFERRED OUTFLOWS OF RESOURCES			
Pension related	860	-	860
Other postemployment benefits related	55	-	55
	<u>\$ 915</u>	<u>\$ -</u>	<u>\$ 915</u>
Total deferred outflows of resources			

(continued)

COUNTY OF MONROE, NEW YORK
COMBINING STATEMENT OF NET POSITION
NONMAJOR ENTERPRISE FUNDS
AS OF DECEMBER 31, 2025
(000's Omitted)

	<u>Solid Waste</u>	<u>Energy</u>	<u>Total Nonmajor Enterprise Funds</u>
LIABILITIES			
Current liabilities:			
Accounts payable and accrued liabilities	\$ 1,682	\$ 1,613	\$ 3,295
Accrued interest payable	26	-	26
Due to other funds	850	4,100	4,950
Current portion of:			
Bonds payable	110	-	110
Total other postemployment benefits	38	-	38
Total current liabilities	<u>2,706</u>	<u>5,713</u>	<u>8,419</u>
Noncurrent liabilities:			
Bonds payable	1,765	-	1,765
Net pension liability	1,340	-	1,340
Total other postemployment benefits	60	-	60
Other long-term liabilities	28	-	28
Total noncurrent liabilities	<u>3,193</u>	<u>-</u>	<u>3,193</u>
Total liabilities	<u>5,899</u>	<u>5,713</u>	<u>11,612</u>
DEFERRED INFLOWS OF RESOURCES			
Deferred gain on refunding	1	-	1
Pension related	116	-	116
Other postemployment benefits related	102	-	102
Total deferred inflows of resources	<u>219</u>	<u>-</u>	<u>219</u>
NET POSITION			
Net investment in capital assets	8,916	-	8,916
Restricted for:			
Capital projects	660	-	660
Unrestricted (deficit)	676	17	693
Total net position (deficit)	<u>\$ 10,252</u>	<u>\$ 17</u>	<u>\$ 10,269</u>

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

COUNTY OF MONROE, NEW YORK
COMBINING STATEMENT OF REVENUES, EXPENSES AND CHANGES IN NET POSITION
NONMAJOR ENTERPRISE FUNDS
FOR THE YEAR ENDED DECEMBER 31, 2025
(000's Omitted)

	<u>Solid Waste</u>	<u>Energy</u>	<u>Total Nonmajor Enterprise Funds</u>
Operating revenues:			
Charges for services	\$ 13,637	\$ 25,304	\$ 38,941
Miscellaneous	924	-	924
Total operating revenues	<u>14,561</u>	<u>25,304</u>	<u>39,865</u>
Operating expenses:			
Personnel services	325	-	325
Employee benefits	363	-	363
Contractual	11,930	25,252	37,182
Depreciation and amortization	260	-	260
Other	194	-	194
Total operating expenses	<u>13,072</u>	<u>25,252</u>	<u>38,324</u>
Operating income (loss)	<u>1,489</u>	<u>52</u>	<u>1,541</u>
Nonoperating revenues (expenses):			
Federal aid	3	-	3
State aid	127	-	127
Use of money and property	4	-	4
Interest and fiscal charges	(28)	-	(28)
Other income (expense)	183	-	183
Total nonoperating revenues (expenses)	<u>289</u>	<u>-</u>	<u>289</u>
Income (loss) before contributions and transfers	<u>1,778</u>	<u>52</u>	<u>1,830</u>
Contributions and transfers:			
Transfers in	1,500	-	1,500
Total contributions and transfers	<u>1,500</u>	<u>-</u>	<u>1,500</u>
Change in net position	<u>3,278</u>	<u>52</u>	<u>3,330</u>
Net position (deficit) - beginning of year	<u>6,974</u>	<u>(35)</u>	<u>6,939</u>
Net position (deficit) - ending	<u>\$ 10,252</u>	<u>\$ 17</u>	<u>\$ 10,269</u>

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

COUNTY OF MONROE, NEW YORK
COMBINING STATEMENT OF CASH FLOWS
NONMAJOR ENTERPRISE FUNDS
FOR THE YEAR ENDED DECEMBER 31, 2025
(000's Omitted)

	<u>Solid Waste</u>	<u>Energy</u>	<u>Total Nonmajor Enterprise Funds</u>
CASH FLOWS FROM OPERATING ACTIVITIES			
Cash received from providing services	\$ 14,278	\$ 23,604	\$ 37,882
Payments to or on behalf of employees	(504)	-	(504)
Payments to suppliers	(11,809)	(25,289)	(37,098)
Payments for interfund services	(180)	-	(180)
Other receipts (payments)	924	154	1,078
Net cash provided by (used in) operating activities	<u>2,709</u>	<u>(1,531)</u>	<u>1,178</u>
CASH FLOWS FROM NONCAPITAL FINANCING ACTIVITIES			
Federal aid	3	-	3
State aid	127	-	127
Receipts from other funds	850	4,100	4,950
Payments to other funds	(5,005)	(2,650)	(7,655)
Transfers in	1,500	-	1,500
Net cash provided by (used in) noncapital financing activities	<u>(2,525)</u>	<u>1,450</u>	<u>(1,075)</u>
CASH FLOWS FROM CAPITAL AND RELATED FINANCING ACTIVITIES			
Interest paid	(36)	-	(36)
Change in securities and retainage	22	-	22
Proceeds from the issuance of bonds	905	-	905
Principal paid on bonds	(288)	-	(288)
Premium from the issuance of bonds	73	-	73
Acquisition and construction of capital assets	(939)	-	(939)
Other capital receipts (payments)	183	-	183
Net cash provided by (used in) capital and related financing activities	<u>\$ (80)</u>	<u>\$ -</u>	<u>\$ (80)</u>

(continued)

**COUNTY OF MONROE, NEW YORK
COMBINING STATEMENT OF CASH FLOWS
NONMAJOR ENTERPRISE FUNDS
FOR THE YEAR ENDED DECEMBER 31, 2025
(000's Omitted)**

	<u>Solid Waste</u>	<u>Energy</u>	<u>Total Nonmajor Enterprise Funds</u>
CASH FLOWS FROM INVESTING ACTIVITIES			
Receipts from use of money and property	\$ 4	\$ -	\$ 4
Net cash provided by investing activities	<u>4</u>	<u>-</u>	<u>4</u>
Net increase (decrease) in cash and cash equivalents	108	(81)	27
Cash and cash equivalents, beginning of year	849	185	1,034
Cash and cash equivalents, end of year	<u>957</u>	<u>104</u>	<u>1,061</u>
Classified as:			
Cash and cash equivalents - unrestricted	138	104	242
Cash and cash equivalents - restricted	819	-	819
Total cash and cash equivalents	<u>957</u>	<u>104</u>	<u>1,061</u>
Reconciliation of operating income (loss) to net cash provided by (used in) operating activities:			
Operating income (loss)	1,489	52	1,541
Adjustments to reconcile operating income (loss) to net cash provided by (used in) operations:			
Depreciation and amortization	260	-	260
Change in:			
Accounts receivable	(373)	-	(373)
Due from other governments	1,014	(1,700)	(686)
Inventories	-	(61)	(61)
Other assets	(1)	215	214
Deferred outflows - pensions	(341)	-	(341)
Deferred outflows - other postemployment benefits	(11)	-	(11)
Accounts payable, accrued and other liabilities	132	(37)	95
Net pension liability	811	-	811
Total other postemployment benefits	(10)	-	(10)
Compensated absences	(23)	-	(23)
Deferred inflows - pension related	(210)	-	(210)
Deferred inflows - other postemployment benefits related	(28)	-	(28)
Net cash provided by (used in) operating activities	<u>\$ 2,709</u>	<u>\$ (1,531)</u>	<u>\$ 1,178</u>

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

COUNTY OF MONROE, NEW YORK
COMBINING STATEMENT OF NET POSITION
INTERNAL SERVICE FUNDS
AS OF DECEMBER 31, 2025
(000's Omitted)

	Central Services	Building Accounts	Information Services	Fleet Management	Risk Management	Total
ASSETS						
Current assets:						
Cash and cash equivalents	\$ 605	\$ 8,196	\$ 85	\$ 2,247	\$ 10,891	\$ 22,024
Accounts receivables, net	-	-	6	5	5	16
Lease receivable	-	310	-	-	-	310
Due from other governments:						
State and Federal - other	2	774	5	250	-	1,031
Local governments	-	145	37	69	-	251
Inventories	111	-	-	826	-	937
Other assets	14	131	175	31	1,850	2,201
Total current assets	<u>732</u>	<u>9,556</u>	<u>308</u>	<u>3,428</u>	<u>12,746</u>	<u>26,770</u>
Noncurrent assets:						
Restricted assets:						
Cash and cash equivalents	-	5,881	6,103	-	-	11,984
Lease receivable	-	1,390	-	-	-	1,390
Capital assets not being depreciated	-	30,688	11,499	-	-	42,187
Capital assets, net of accumulated depreciation/amortization	77	67,372	22,682	5,966	-	96,097
Total noncurrent assets	<u>77</u>	<u>105,331</u>	<u>40,284</u>	<u>5,966</u>	<u>-</u>	<u>151,658</u>
Total assets	<u>809</u>	<u>114,887</u>	<u>40,592</u>	<u>9,394</u>	<u>12,746</u>	<u>178,428</u>
DEFERRED OUTFLOWS OF RESOURCES						
Pension related	389	3,069	4,765	810	-	9,033
Other postemployment benefits related	100	917	1,303	225	-	2,545
Total deferred outflows of resources	<u>489</u>	<u>3,986</u>	<u>6,068</u>	<u>1,035</u>	<u>-</u>	<u>11,578</u>
LIABILITIES						
Current liabilities:						
Accounts payable and accrued liabilities	112	3,564	2,018	340	38,870	44,904
Accrued interest payable	-	526	524	5	-	1,055
Due to other funds	-	-	500	-	-	500
Current portion of:						
Leases payable	38	1,947	-	-	-	1,985
Subscription-based information technology arrangements	-	-	2,658	-	-	2,658
Bonds payable	-	5,667	-	625	-	6,292
Total other postemployment benefits	46	430	610	105	-	1,191
Total current liabilities	<u>196</u>	<u>12,134</u>	<u>6,310</u>	<u>1,075</u>	<u>38,870</u>	<u>58,585</u>
Noncurrent liabilities:						
Leases payable	44	3	-	-	-	47
Subscription-based information technology arrangements	-	-	11,651	-	-	11,651
Bonds payable	-	63,269	-	1,108	-	64,377
Net pension liability	606	4,779	7,421	1,262	-	14,068
Total other postemployment benefits	191	1,748	2,483	429	-	4,851
Other long-term liabilities	28	151	1,059	146	-	1,384
Total noncurrent liabilities	<u>869</u>	<u>69,950</u>	<u>22,614</u>	<u>2,945</u>	<u>-</u>	<u>96,378</u>
Total liabilities	<u>1,065</u>	<u>82,084</u>	<u>28,924</u>	<u>4,020</u>	<u>38,870</u>	<u>154,963</u>
DEFERRED INFLOWS OF RESOURCES						
Lease related	-	1,599	-	-	-	1,599
Deferred gain on refunding	-	38	-	-	-	38
Pension related	52	415	644	109	-	1,220
Other postemployment benefits related	155	1,419	2,016	348	-	3,938
Total deferred inflows of resources	<u>207</u>	<u>3,471</u>	<u>2,660</u>	<u>457</u>	<u>-</u>	<u>6,795</u>
NET POSITION						
Net investment in capital assets	(4)	29,529	24,966	4,233	-	58,724
Unrestricted (deficit)	30	3,789	(9,890)	1,719	(26,124)	(30,476)
Total net position (deficit)	<u>\$ 26</u>	<u>\$ 33,318</u>	<u>\$ 15,076</u>	<u>\$ 5,952</u>	<u>\$ (26,124)</u>	<u>\$ 28,248</u>

See accompanying independent auditor's report.

COUNTY OF MONROE, NEW YORK
COMBINING STATEMENT OF REVENUES, EXPENSES AND CHANGES IN NET POSITION
INTERNAL SERVICE FUNDS
FOR THE YEAR ENDED DECEMBER 31, 2025
(000's Omitted)

	<u>Central Services</u>	<u>Building Accounts</u>	<u>Information Services</u>	<u>Fleet Management</u>	<u>Risk Management</u>	<u>Total</u>
Operating revenues:						
Charges for services	\$ -	\$ 61	\$ -	\$ 263	\$ -	\$ 324
Interdepartmental	2,227	28,109	17,771	5,228	27,305	80,640
Repayments and refunds	-	-	-	17	-	17
Miscellaneous	-	1	70	268	-	339
Total operating revenues	<u>2,227</u>	<u>28,171</u>	<u>17,841</u>	<u>5,776</u>	<u>27,305</u>	<u>81,320</u>
Operating expenses:						
Personnel services	429	3,893	5,672	971	-	10,965
Employee benefits	66	1,237	2,216	504	-	4,023
Contractual	1,058	10,759	2,861	887	34,656	50,221
Depreciation and amortization	34	7,557	6,092	564	-	14,247
Other	509	4,287	834	2,569	538	8,737
Total operating expenses	<u>2,096</u>	<u>27,733</u>	<u>17,675</u>	<u>5,495</u>	<u>35,194</u>	<u>88,193</u>
Operating income (loss)	<u>131</u>	<u>438</u>	<u>166</u>	<u>281</u>	<u>(7,889)</u>	<u>(6,873)</u>
Nonoperating revenues (expenses):						
Federal aid	5	32	13	3	-	53
State aid	-	972	-	-	-	972
Use of money and property	-	498	-	-	-	498
Interest and fiscal charges	(4)	(2,000)	(536)	(8)	-	(2,548)
Other income (expense)	-	18	-	(16)	-	2
Total nonoperating revenues (expenses)	<u>1</u>	<u>(480)</u>	<u>(523)</u>	<u>(21)</u>	<u>-</u>	<u>(1,023)</u>
Income (loss) before capital contributions and transfers	<u>132</u>	<u>(42)</u>	<u>(357)</u>	<u>260</u>	<u>(7,889)</u>	<u>(7,896)</u>
Contributions and transfers:						
Transfers in	1	6	-	-	642	649
Transfers out	-	(232)	-	-	-	(232)
Total contributions and transfers	<u>1</u>	<u>(226)</u>	<u>-</u>	<u>-</u>	<u>642</u>	<u>417</u>
Change in net position (deficit)	<u>133</u>	<u>(268)</u>	<u>(357)</u>	<u>260</u>	<u>(7,247)</u>	<u>(7,479)</u>
Net position (deficit) - beginning	<u>(107)</u>	<u>33,586</u>	<u>15,433</u>	<u>5,692</u>	<u>(18,877)</u>	<u>35,727</u>
Net position (deficit) - ending	<u>\$ 26</u>	<u>\$ 33,318</u>	<u>\$ 15,076</u>	<u>\$ 5,952</u>	<u>\$ (26,124)</u>	<u>\$ 28,248</u>

See accompanying independent auditor's report.

COUNTY OF MONROE, NEW YORK
COMBINING STATEMENT OF CASH FLOWS
INTERNAL SERVICE FUNDS
FOR THE YEAR ENDED DECEMBER 31, 2025
(000's Omitted)

	<u>Central Services</u>	<u>Building Accounts</u>	<u>Information Services</u>	<u>Fleet Management</u>	<u>Risk Management</u>	<u>Total</u>
CASH FLOWS FROM OPERATING ACTIVITIES						
Cash received from providing services	\$ -	\$ 106	\$ 53	\$ 615	\$ -	\$ 774
Cash received from other funds for services	2,227	28,109	17,771	5,228	15,245	68,580
Payments to or on behalf of employees	(621)	(5,446)	(7,823)	(1,428)	(152)	(15,470)
Payments to suppliers	(1,132)	(11,431)	(3,271)	(3,431)	(4,707)	(23,972)
Payments for interfund services	(413)	(3,332)	(788)	(333)	(538)	(5,404)
Payments lease related	-	(11)	-	-	-	(11)
Claims paid	-	-	-	-	(19,204)	(19,204)
Other receipts (payments)	(16)	1	-	12	(752)	(755)
Net cash provided by (used in) operating activities	<u>45</u>	<u>7,996</u>	<u>5,942</u>	<u>663</u>	<u>(10,108)</u>	<u>4,538</u>
CASH FLOWS FROM NONCAPITAL FINANCING ACTIVITIES						
Federal aid	5	32	13	3	-	53
State aid	-	972	-	-	-	972
Receipts from other funds	-	-	500	-	-	500
Payments to other funds	-	-	(2,200)	-	-	(2,200)
Transfers in	1	6	-	-	642	649
Transfers out	-	(232)	-	-	-	(232)
Net cash provided by (used in) noncapital financing activities	<u>6</u>	<u>778</u>	<u>(1,687)</u>	<u>3</u>	<u>642</u>	<u>(258)</u>
CASH FLOWS FROM CAPITAL AND RELATED FINANCING ACTIVITIES						
Interest paid	(4)	(2,594)	(18)	(76)	-	(2,692)
Changes in securities and retainage	-	155	-	-	-	155
Proceeds from the issuance of bonds	-	13,358	-	-	-	13,358
Principal paid on bonds	-	(6,142)	(734)	(604)	-	(7,480)
Premium from the issuance of bonds	-	1,254	-	-	-	1,254
Principal paid on leases	(34)	(1,830)	(2,803)	-	-	(4,667)
Acquisition and construction of capital assets	-	(11,831)	(11,618)	-	-	(23,449)
Other capital receipts (payments)	-	-	-	(16)	-	(16)
Net cash provided by (used in) capital and related financing activities	<u>\$ (38)</u>	<u>\$ (7,630)</u>	<u>\$ (15,173)</u>	<u>\$ (696)</u>	<u>\$ -</u>	<u>\$ (23,537)</u>

(continued)

**COUNTY OF MONROE, NEW YORK
COMBINING STATEMENT OF CASH FLOWS
INTERNAL SERVICE FUNDS
FOR THE YEAR ENDED DECEMBER 31, 2025
(000's Omitted)**

	<u>Central Services</u>	<u>Building Accounts</u>	<u>Information Services</u>	<u>Fleet Management</u>	<u>Risk Management</u>	<u>Total</u>
CASH FLOWS FROM INVESTING ACTIVITIES						
Receipts from use of money and property	\$ -	\$ 502	\$ -	\$ -	\$ -	\$ 502
Net cash provided by (used in) investing activities	<u>-</u>	<u>502</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>502</u>
Net increase (decrease) in cash and cash equivalents	13	1,646	(10,918)	(30)	(9,466)	(18,755)
Cash and cash equivalents, beginning of year	<u>592</u>	<u>12,431</u>	<u>17,106</u>	<u>2,277</u>	<u>20,357</u>	<u>52,763</u>
Cash and cash equivalents, end of year	<u><u>605</u></u>	<u><u>14,077</u></u>	<u><u>6,188</u></u>	<u><u>2,247</u></u>	<u><u>10,891</u></u>	<u><u>34,008</u></u>
Classified as:						
Cash and cash equivalents - unrestricted	605	8,196	85	2,247	10,891	22,024
Cash and cash equivalents - restricted	<u>-</u>	<u>5,881</u>	<u>6,103</u>	<u>-</u>	<u>-</u>	<u>11,984</u>
Total cash and cash equivalents	<u><u>605</u></u>	<u><u>14,077</u></u>	<u><u>6,188</u></u>	<u><u>2,247</u></u>	<u><u>10,891</u></u>	<u><u>34,008</u></u>
Reconciliation of operating income (loss) to net cash provided by (used in) operating activities:						
Operating income (loss)	131	438	166	281	(7,889)	(6,873)
Adjustments to reconcile operating income (loss) to cash provided by (used in) operations:						
Depreciation and amortization	34	7,557	6,092	564	-	14,247
Change in:						
Accounts receivable	-	12	16	1	(5)	24
Lease receivable	-	280	-	-	-	280
Due from other governments	-	33	(34)	(270)	-	(271)
Inventories	(16)	-	-	(25)	-	(41)
Other assets	(1)	(32)	(11)	(6)	-	(50)
Deferred outflows - pensions	132	655	344	60	-	1,191
Deferred outflows - other postemployment benefits	95	569	782	118	-	1,564
Accounts payable, accrued and other liabilities	26	303	(370)	65	(1,315)	(1,291)
Net pension liability	75	989	2,222	376	-	3,662
Total other postemployment benefits	(47)	10	50	33	-	46
Compensated absences	17	119	238	50	-	424
Deferred inflows - lease related	-	(291)	-	-	-	(291)
Deferred inflows - pensions	(274)	(1,922)	(2,563)	(437)	-	(5,196)
Deferred inflows - other postemployment benefits	(127)	(724)	(990)	(147)	(752)	(2,740)
Due to other governments	-	-	-	-	(147)	(147)
Net cash provided by (used in) operating activities	<u><u>\$ 45</u></u>	<u><u>\$ 7,996</u></u>	<u><u>\$ 5,942</u></u>	<u><u>\$ 663</u></u>	<u><u>\$ (10,108)</u></u>	<u><u>\$ 4,538</u></u>

See accompanying independent auditor's report.

COUNTY OF MONROE, NEW YORK
DEBT SERVICE FUND - GENERAL
SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES
BUDGET AND ACTUAL (UNAUDITED)
FOR THE YEAR ENDED DECEMBER 31, 2025
(000's Omitted)

	<u>Original Budget</u>	<u>Amended Budget</u>	<u>Modified Budget</u>	<u>Actual</u>	<u>Variance Over (Under)</u>
REVENUES:					
State aid	\$ -	\$ -	\$ -	\$ 2,326	\$ 2,326
Intergovernmental	1,447	1,447	1,447	1,447	-
Use of money and property	-	-	-	670	670
Total revenues	<u>1,447</u>	<u>1,447</u>	<u>1,447</u>	<u>4,443</u>	<u>2,996</u>
EXPENDITURES:					
Debt service					
Principal	33,183	33,183	33,183	33,183	-
Bond issuance costs	-	-	-	125	125
Interest	10,308	10,308	10,308	10,308	-
Total Debt service	<u>43,491</u>	<u>43,491</u>	<u>43,491</u>	<u>43,616</u>	<u>125</u>
Total expenditures	<u>43,491</u>	<u>43,491</u>	<u>43,491</u>	<u>43,616</u>	<u>125</u>
Excess of expenditures over revenues	(42,044)	(42,044)	(42,044)	(39,173)	(2,871)
OTHER FINANCING SOURCES (USES):					
Premium on bonds issued	-	-	-	4,175	4,175
Transfers in	38,664	38,664	38,664	45,123	6,459
Total other financing sources (uses)	<u>38,664</u>	<u>38,664</u>	<u>38,664</u>	<u>49,298</u>	<u>10,634</u>
Changes in budgeted fund balances*	<u>\$ (3,380)</u>	<u>\$ (3,380)</u>	<u>\$ (3,380)</u>	10,125	<u>\$ 13,505</u>
Fund balances at beginning of year				17,613	
Fund balance at end of year				<u>\$ 27,738</u>	

* The change in original fund balances were included in the budget as an appropriation (i.e., spenddown) of fund balance.

See accompanying independent auditor's report.

COUNTY OF MONROE, NEW YORK
ROAD FUND
SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES
BUDGET AND ACTUAL (UNAUDITED)
FOR THE YEAR ENDED DECEMBER 31, 2025
(000's Omitted)

	Original Budget	Amended Budget	Modified Budget	Actual	Variance Over (Under)
REVENUES:					
Federal aid	\$ 676	\$ 676	\$ 676	\$ 1,211	\$ 535
State aid	10,860	11,298	11,345	10,687	(658)
Charges for services	4,850	4,850	4,850	4,942	92
Intergovernmental	1,131	1,606	1,623	1,187	(436)
Repayments and refunds	186	186	186	60	(126)
Miscellaneous	296	296	296	254	(42)
Total revenues	<u>17,999</u>	<u>18,912</u>	<u>18,976</u>	<u>18,341</u>	<u>(635)</u>
EXPENDITURES:					
Transportation	<u>29,282</u>	<u>30,997</u>	<u>34,940</u>	<u>28,824</u>	<u>(6,116)</u>
Total expenditures	<u>29,282</u>	<u>30,997</u>	<u>34,940</u>	<u>28,824</u>	<u>(6,116)</u>
Excess of expenditures over revenues	<u>(11,283)</u>	<u>(12,085)</u>	<u>(15,964)</u>	<u>(10,483)</u>	<u>(5,481)</u>
OTHER FINANCING SOURCES (USES):					
Transfers in	27,515	28,317	28,317	28,206	(111)
Transfers out	<u>(19,232)</u>	<u>(19,232)</u>	<u>(19,232)</u>	<u>(19,232)</u>	<u>-</u>
Total other financing sources (uses)	<u>8,283</u>	<u>9,085</u>	<u>9,085</u>	<u>8,974</u>	<u>(111)</u>
Changes in budgeted fund balances*	<u>\$ (3,000)</u>	<u>\$ (3,000)</u>	<u>\$ (6,879)</u>	<u>(1,509)</u>	<u>\$ 5,370</u>
Fund balance at beginning of year				<u>1,518</u>	
Fund balance at end of year				<u>\$ 9</u>	

* The change in original fund balances were included in the budget as an appropriation (i.e., spenddown) of fund balance.

See accompanying independent auditor's report.

COUNTY OF MONROE, NEW YORK
LIBRARY FUND
SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES
BUDGET AND ACTUAL (UNAUDITED)
FOR THE YEAR ENDED DECEMBER 31, 2025
(000's Omitted)

	Original Budget	Amended Budget	Modified Budget	Actual	Variance Over (Under)
REVENUES:					
Federal aid	\$ -	\$ -	\$ -	\$ 3	\$ 3
State aid	2,488	2,488	2,488	2,569	81
Intergovernmental	1,177	1,177	1,177	1,126	(51)
Miscellaneous	930	930	930	473	(457)
Total revenues	<u>4,595</u>	<u>4,595</u>	<u>4,595</u>	<u>4,171</u>	<u>(424)</u>
EXPENDITURES:					
Culture and educational services	12,255	12,255	12,255	12,179	(76)
Total expenditures	<u>12,255</u>	<u>12,255</u>	<u>12,255</u>	<u>12,179</u>	<u>(76)</u>
Excess of expenditures over revenues	<u>(7,660)</u>	<u>(7,660)</u>	<u>(7,660)</u>	<u>(8,008)</u>	<u>348</u>
OTHER FINANCING SOURCES (USES):					
Subscription-based information technology arrangements	-	-	-	425	425
Transfers in	7,882	7,882	7,882	7,692	(190)
Transfers out	(222)	(222)	(222)	(222)	-
Total other financing sources (uses)	<u>7,660</u>	<u>7,660</u>	<u>7,660</u>	<u>7,895</u>	<u>235</u>
Changes in budgeted fund balances	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>(113)</u>	<u>\$ (113)</u>
Fund balance at beginning of year				<u>1,469</u>	
Fund balance at end of year				<u>\$ 1,356</u>	

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 annual comprehensive financial reports for the relevant year.

County of Monroe, New York
Net Position by Component
Last Ten Years
(accrual basis of accounting and 000's omitted)

	2016	2017	2018	2019	2020	2021	2022	2023	2024	2025
Governmental activities:										
Net investment in capital assets	\$ 487,466	\$ 541,653	\$ 537,335	\$ 541,942	\$ 543,944	\$ 519,769	\$ 519,081	\$ 554,046	\$ 560,409	\$ 537,475
Restricted	29,505	41,690	40,539	37,477	35,703	45,568	48,273	56,344	62,751	73,249
Unrestricted (Deficit)	(706,895)	(771,757)	(1,015,396)	(956,120)	(952,579)	(808,984)	(639,636)	(630,222)	(685,725)	(697,744)
Total governmental activities	<u>(189,924)</u>	<u>(188,414)</u>	<u>(437,522)</u>	<u>(376,701)</u>	<u>(372,932)</u>	<u>(243,647)</u>	<u>(72,282)</u>	<u>(19,832)</u>	<u>(62,565)</u>	<u>(87,020)</u>
Business-type activities:										
Net investment in capital assets	287,109	266,467	284,627	280,762	272,383	268,089	287,471	295,914	295,569	310,955
Restricted	510	141	258	2,908	1,044	2,258	117	639	688	868
Unrestricted (Deficit)	(46,281)	(24,482)	(9,214)	(18,015)	(27,636)	(31,495)	(39,338)	(46,789)	(30,910)	(24,476)
Total business-type activities	<u>241,338</u>	<u>242,126</u>	<u>275,671</u>	<u>265,655</u>	<u>245,791</u>	<u>238,852</u>	<u>248,250</u>	<u>249,764</u>	<u>265,347</u>	<u>287,347</u>
Primary government:										
Net investment in capital assets	774,575	808,120	821,962	822,704	816,327	787,858	806,552	849,960	855,978	848,430
Restricted	30,015	41,831	40,797	40,385	36,747	47,826	48,390	56,983	63,439	74,117
Unrestricted (Deficit)	(753,176)	(796,239)	(1,024,610)	(974,135)	(980,215)	(840,479)	(678,974)	(677,011)	(716,635)	(722,220)
Total primary government	<u>\$ 51,414</u>	<u>\$ 53,712</u>	<u>\$ (161,851)</u>	<u>\$ (111,046)</u>	<u>\$ (127,141)</u>	<u>\$ (4,795)</u>	<u>\$ 175,968</u>	<u>\$ 229,932</u>	<u>\$ 202,782</u>	<u>\$ 200,327</u>

Note: December 31, 2021 and prior information has not been restated for the impact of implementing GASB 87, Leases.

December 31, 2022 and prior information has not been restated for the impact of implementing GASB 96, Subscription-based information technology arrangements (SBITA).

December 31, 2024 and prior information has not been restated for the impact of implementing GASB 101, Compensated absences.

County of Monroe, New York
Changes in Net Position
Last Ten Years
(accrual basis of accounting and 000's omitted)

	2016	2017	2018	2019	2020	2021	2022	2023	2024	2025
Expenses:										
Governmental activities:										
General government	\$ 391,191	\$ 337,388	\$ 407,111	\$ 414,772	\$ 484,993	\$ 537,681	\$ 509,147	\$ 511,128	\$ 536,522	\$ 632,519
Public safety	281,135	299,764	246,288	250,820	281,104	248,308	249,576	307,617	329,862	354,258
Health and welfare	561,348	549,436	535,440	510,085	508,065	493,277	508,865	600,112	648,502	684,304
Culture, recreation and education	143,338	108,182	94,038	103,557	95,648	105,732	114,143	127,311	132,795	177,802
Transportation	53,397	55,361	53,985	50,455	45,868	67,281	56,554	61,819	70,776	62,825
Sanitation	75	75	75	37	-	-	-	-	-	-
Economic development	2,536	3,022	2,377	3,412	3,395	3,722	6,968	11,532	13,813	14,422
Interest on bonds and notes payable	22,291	25,342	25,530	26,101	24,654	22,551	22,575	21,688	21,332	21,316
Total government activities	<u>1,455,311</u>	<u>1,378,570</u>	<u>1,364,844</u>	<u>1,359,239</u>	<u>1,443,727</u>	<u>1,478,552</u>	<u>1,467,828</u>	<u>1,641,207</u>	<u>1,753,602</u>	<u>1,947,446</u>
Business-type activities:										
Major enterprise funds:										
Solid Waste	13,365	12,910	13,761	11,396	11,207	11,222	-	-	-	-
Airport	32,507	31,849	30,887	34,772	34,480	33,558	35,470	39,059	40,354	42,526
Hospital	78,169	67,065	68,866	73,868	84,215	74,703	71,103	83,881	83,628	83,855
Pure Waters	82,264	79,912	76,877	76,355	77,658	64,200	61,846	63,376	65,471	66,540
Energy	12,802	13,101	15,193	12,867	11,876	15,056	-	-	-	-
Nonmajor Enterprise Funds	-	-	-	-	-	-	32,790	27,989	31,487	38,352
Total business-type activities	<u>219,107</u>	<u>204,837</u>	<u>205,584</u>	<u>209,258</u>	<u>219,436</u>	<u>198,739</u>	<u>201,209</u>	<u>214,305</u>	<u>220,940</u>	<u>231,273</u>
Total primary government	<u>\$ 1,674,418</u>	<u>\$ 1,583,407</u>	<u>\$ 1,570,428</u>	<u>\$ 1,568,497</u>	<u>\$ 1,663,163</u>	<u>\$ 1,677,291</u>	<u>\$ 1,669,037</u>	<u>\$ 1,855,512</u>	<u>\$ 1,974,542</u>	<u>\$ 2,178,719</u>
Program Revenues:										
Governmental activities:										
Charges for services:										
General government	\$ 35,079	\$ 41,201	\$ 41,210	\$ 42,914	\$ 37,112	\$ 84,250	\$ 27,098	\$ 20,953	\$ 30,237	\$ 107,313
Public safety	13,724	14,183	13,869	14,478	11,764	41,707	45,020	51,073	68,000	72,260
Health and welfare	3,667	3,842	3,766	3,708	3,462	273,524	291,830	317,853	324,397	382,102
Culture, recreation and education	31,109	30,695	32,886	32,605	31,195	29,297	27,211	31,555	37,602	43,954
Transportation	11,458	10,866	10,739	10,808	5,503	6,100	5,928	6,542	6,212	6,189
Economic development	-	-	-	-	-	-	-	4,727	9,635	11,328
Operating grants and contributions	361,425	342,579	331,623	332,820	393,921	90,234	98,144	99,946	106,773	107,140
Capital grants and contributions	33,088	19,511	12,983	20,905	12,560	16,890	17,519	10,228	21,400	23,373
Total governmental activities	<u>\$ 489,550</u>	<u>\$ 462,877</u>	<u>\$ 447,076</u>	<u>\$ 458,238</u>	<u>\$ 495,517</u>	<u>\$ 542,002</u>	<u>\$ 512,750</u>	<u>\$ 542,877</u>	<u>\$ 604,256</u>	<u>\$ 753,659</u>

(continued)

County of Monroe, New York
Changes in Net Position
Last Ten Years
(accrual basis of accounting and 000's omitted)

	2016	2017	2018	2019	2020	2021	2022	2023	2024	2025
Business-type activities:										
Charges for services:										
Major enterprise funds:										
Solid Waste	\$ 6,292	\$ 7,984	\$ 7,461	\$ 7,395	\$ 7,927	\$ 8,255	\$ -	\$ -	\$ -	\$ -
Airport	17,895	18,357	19,460	20,433	12,899	13,209	15,735	16,238	23,610	25,954
Hospital	67,512	73,833	62,660	69,022	65,955	59,167	55,375	61,565	66,176	68,153
Pure Waters	59,694	62,131	62,924	60,517	60,498	62,290	64,164	67,029	68,630	74,224
Energy	12,804	13,100	15,202	12,881	11,883	15,021	-	-	-	-
Nonmajor Enterprise Funds	-	-	-	-	-	-	28,849	28,432	31,001	38,941
Operating grants and contributions	226	315	374	380	14,483	9,542	13,034	7,331	1,444	7,916
Capital grants and contributions	11,690	21,282	66,256	18,618	14,281	11,689	13,539	14,201	23,622	19,880
Total business-type activities	176,113	197,002	234,337	189,246	187,926	179,173	190,696	194,796	214,483	235,068
Total primary government	\$ 665,663	\$ 659,879	\$ 681,413	\$ 647,484	\$ 683,443	\$ 721,175	\$ 703,446	\$ 737,673	\$ 818,739	\$ 988,727
Net (Expense)/Revenue										
Governmental activities	\$ (965,761)	\$ (915,693)	\$ (917,768)	\$ (901,001)	\$ (948,210)	\$ (936,550)	\$ (955,078)	\$ (1,098,330)	\$ (1,149,346)	\$ (1,193,787)
Business-type activities	(42,994)	(7,835)	28,753	(20,012)	(31,510)	(19,566)	(10,513)	(19,509)	(6,457)	3,795
Total primary government	\$ (1,008,755)	\$ (923,528)	\$ (889,015)	\$ (921,013)	\$ (979,720)	\$ (956,116)	\$ (965,591)	\$ (1,117,839)	\$ (1,155,803)	\$ (1,189,992)
General Revenues and Other										
Changes in Net Position:										
Governmental activities:										
Taxes	\$ 862,667	\$ 890,858	\$ 912,818	\$ 942,158	\$ 940,200	\$ 1,040,119	\$ 1,089,642	\$ 1,101,960	\$ 1,097,963	\$ 1,128,143
Tobacco settlement revenues	12,480	8,792	9,847	9,939	11,371	12,823	12,800	11,991	9,632	8,527
Interest earnings	182	673	2,265	4,062	1,329	268	5,245	28,526	28,023	21,158
Miscellaneous	4,504	5,365	4,797	7,409	2,858	17,206	31,873	23,731	20,738	24,981
Transfers	-	873	735	(1,776)	(3,779)	(4,581)	(12,117)	(15,428)	(22,402)	(13,477)
Total governmental activities	879,833	906,561	930,462	961,792	951,979	1,065,835	1,127,443	1,150,780	1,133,954	1,169,332
Business-type activities:										
Interest earnings	427	686	913	1,092	322	84	352	1,727	2,003	1,992
Gain on sale of capital assets	2,147	-	-	-	-	-	-	-	-	-
Miscellaneous	9,787	8,810	9,424	7,128	7,545	7,962	7,442	3,868	2,200	2,736
Transfers	-	(873)	(735)	1,776	3,779	4,581	12,117	15,428	22,402	13,477
Total business-type activities	12,361	8,623	9,602	9,996	11,646	12,627	19,911	21,023	26,605	18,205
Total primary government	\$ 892,194	\$ 915,184	\$ 940,064	\$ 971,788	\$ 963,625	\$ 1,078,462	\$ 1,147,354	\$ 1,171,803	\$ 1,160,559	\$ 1,187,537
Change in Net Position before merger of LDC's:										
Governmental activities	\$ (85,928)	\$ (9,132)	\$ 12,694	\$ 60,791	\$ 3,769	\$ 129,285	\$ 172,365	\$ 52,450	\$ (15,392)	\$ (24,455)
Business-type activities	(30,633)	788	38,355	(10,016)	(19,864)	(6,939)	9,398	1,514	20,148	22,000
Total primary government	(116,561)	(8,344)	51,049	50,775	(16,095)	122,346	181,763	53,964	4,756	(2,455)
Merger of LDC's into Monroe County										
Governmental activities	-	10,642	-	-	-	-	-	-	-	-
Change in Net Position after merger of LDC's:										
Governmental activities	(85,928)	1,510	12,694	60,791	3,769	129,285	172,365	52,450	(15,392)	(24,455)
Business-type activities	(30,633)	788	38,355	(10,016)	(19,864)	(6,939)	9,398	1,514	20,148	22,000
Total primary government	\$ (116,561)	\$ 2,298	\$ 51,049	\$ 50,775	\$ (16,095)	\$ 122,346	\$ 181,763	\$ 53,964	\$ 4,756	\$ (2,455)

Source: Monroe County Department of Finance - Office of the Controller

County of Monroe, New York
Fund Balances of Governmental Funds
Last Ten Years
(modified accrual basis of accounting and 000's omitted)

	2016	2017	2018	2019	2020	2021	2022	2023	2024	2025
General Fund:										
Nonspendable	\$ 9,138	\$ 9,251	\$ 30,814	\$ 30,447	\$ 28,378	\$ 23,621	\$ 37,097	\$ 38,957	\$ 36,968	\$ 30,817
Restricted	934	1,261	1,927	1,999	1,699	3,430	8,720	9,025	23,779	30,988
Committed	2,140	2,563	3,602	2,508	10,124	43,921	51,005	51,595	53,750	57,514
Assigned	6,204	7,923	8,840	42,838	63,281	94,800	135,059	156,316	114,669	110,039
Unassigned	8,727	18,141	15,726	18,725	19,229	31,108	77,274	78,298	78,364	70,752
Total general fund	<u>\$ 27,143</u>	<u>\$ 39,139</u>	<u>\$ 60,909</u>	<u>\$ 96,517</u>	<u>\$ 122,711</u>	<u>\$ 196,880</u>	<u>\$ 309,155</u>	<u>\$ 334,191</u>	<u>\$ 307,530</u>	<u>\$ 300,110</u>
All Other Governmental Funds:										
Nonspendable	\$ 648	\$ 948	\$ 999	\$ 912	\$ 1,133	\$ 1,675	\$ 1,350	\$ 1,327	\$ 1,317	\$ 1,326
Restricted	43,418	43,492	52,358	57,993	35,791	50,245	61,276	107,851	64,769	85,788
Committed	3,073	3,241	3,152	2,980	2,908	2,864	2,826	2,613	2,611	2,872
Assigned	8,059	17,429	15,807	10,254	10,978	15,585	10,756	7,010	12,232	20,776
Unassigned	(16,254)	(9,342)	(16,725)	(10,382)	(3,636)	-	(3,501)	(51,000)	(39,085)	(79,460)
Total all other governmental funds	<u>\$ 38,944</u>	<u>\$ 55,768</u>	<u>\$ 55,591</u>	<u>\$ 61,757</u>	<u>\$ 47,174</u>	<u>\$ 70,369</u>	<u>\$ 72,707</u>	<u>\$ 67,801</u>	<u>\$ 41,844</u>	<u>\$ 31,302</u>

Source: Monroe County Department of Finance - Office of the Controller

Note: December 31, 2021 and prior information has not been restated for the impact of implementing GASB 87, Leases.

December 31, 2022 and prior information has not been restated for the impact of implementing GASB 96, Subscription-based information technology arrangements (SBITA).

County of Monroe, New York
 Changes in Fund Balances of Governmental Funds
 Last Ten Years
 (modified accrual basis of accounting and 000's omitted)

	2016	2017	2018	2019	2020	2021	2022	2023	2024	2025
Revenues:										
Taxes	\$ 837,848	\$ 870,660	\$ 888,301	\$ 918,836	\$ 919,003	\$ 1,022,252	\$ 1,077,314	\$ 1,085,577	\$ 1,081,174	\$ 1,111,611
Federal aid	139,067	134,217	125,321	127,027	195,791	207,294	156,386	143,716	149,309	182,905
State aid	206,910	194,633	188,778	193,865	182,808	207,278	231,757	267,415	306,414	365,741
Charges for services	30,528	33,293	33,432	34,477	28,076	33,696	33,805	35,666	37,577	35,354
Intergovernmental	46,414	47,241	49,611	49,728	43,003	46,017	48,132	47,485	52,934	54,769
Interdepartmental	1,493	2,143	1,884	2,290	2,365	2,267	2,164	2,267	4,721	4,926
Use of money and property	5,373	6,206	8,194	10,034	7,097	5,861	14,307	38,838	37,766	29,946
Repayments and refunds	17,823	19,164	16,183	13,674	16,788	15,216	14,860	14,563	11,371	15,118
Payments in lieu of taxes	7,156	7,604	7,872	8,196	8,172	7,203	7,685	8,938	9,115	6,776
Tobacco settlement	21,107	9,365	10,290	9,825	10,958	11,742	12,042	11,379	9,815	8,951
Miscellaneous	26,500	25,259	24,075	25,441	9,323	12,939	42,584	21,214	24,151	19,350
Total revenues	<u>1,340,219</u>	<u>1,349,785</u>	<u>1,353,941</u>	<u>1,393,393</u>	<u>1,423,384</u>	<u>1,571,765</u>	<u>1,641,036</u>	<u>1,677,058</u>	<u>1,724,347</u>	<u>1,835,447</u>
Expenditures:										
Health and welfare	\$ 544,035	\$ 536,163	\$ 531,972	\$ 514,395	\$ 496,225	\$ 505,211	\$ 527,595	\$ 601,402	\$ 643,762	\$ 690,285
Public safety	239,322	240,498	245,682	246,145	256,768	261,971	269,246	297,736	329,422	350,159
Culture, recreation and education	85,597	87,414	86,094	94,428	88,213	95,977	108,956	121,068	128,110	140,354
General government	353,983	373,722	381,484	396,883	457,154	515,813	493,048	485,677	496,433	533,548
Transportation	22,995	23,394	23,060	23,974	21,265	25,029	29,510	31,877	31,830	32,349
Economic development	2,536	3,022	2,377	3,412	3,395	3,722	6,968	11,532	13,813	14,422
Debt service:										
Principal retirement	37,662	32,412	32,239	33,372	35,531	36,592	32,966	35,630	36,009	34,483
Bond issuance costs	950	441	432	471	100	461	71	187	161	125
Interest and fiscal charges	18,691	22,431	22,694	22,395	21,855	19,101	19,524	19,004	18,958	18,630
Capital outlay	73,535	51,962	48,992	57,052	29,519	49,123	55,532	70,534	96,903	88,288
Total expenditures	<u>1,379,306</u>	<u>1,371,459</u>	<u>1,375,026</u>	<u>1,392,527</u>	<u>1,410,025</u>	<u>1,513,000</u>	<u>1,543,416</u>	<u>1,674,647</u>	<u>1,795,401</u>	<u>1,902,643</u>
Other Financing Sources (Uses):										
Bonds issued	115,684	29,616	36,886	35,713	-	34,933	25,168	37,341	37,460	43,847
Refunding bonds issued	-	-	-	9,529	11,064	10,977	-	-	-	-
Gain(loss) on refunding issue	-	-	-	(4)	105	-	-	-	-	-
Premium on bonds issued	14,197	3,924	3,628	5,915	1,661	8,722	2,350	3,244	1,986	4,175
Premium on refunding issued	-	-	-	-	-	1,618	-	-	-	-
Redemption/payments to Escrow Agent	(77,965)	-	-	(10,427)	(12,730)	(12,534)	-	-	-	-
Leases (as lessee)	-	-	-	-	-	-	3,246	2,157	5,488	13,426
Subscription-based information technology arrangements	-	-	-	-	-	-	-	575	153	1,680
Transfers in	70,315	84,873	61,816	77,636	92,423	92,142	94,959	99,596	102,717	90,014
Transfers out	(72,647)	(79,360)	(59,652)	(77,484)	(94,271)	(97,259)	(107,730)	(125,194)	(129,368)	(103,908)
Total other financing sources (uses)	<u>49,584</u>	<u>39,053</u>	<u>42,678</u>	<u>40,878</u>	<u>(1,748)</u>	<u>38,599</u>	<u>17,993</u>	<u>17,719</u>	<u>18,436</u>	<u>49,234</u>
Net change in fund balances before merger of LDC's	<u>10,497</u>	<u>17,379</u>	<u>21,593</u>	<u>41,744</u>	<u>11,611</u>	<u>97,364</u>	<u>115,613</u>	<u>20,130</u>	<u>(52,618)</u>	<u>(17,962)</u>
Merger of LDC's into Monroe County	-	11,441	-	-	-	-	-	-	-	-
Net change in fund balances after merger of LDC's	<u>\$ 10,497</u>	<u>\$ 28,820</u>	<u>\$ 21,593</u>	<u>\$ 41,744</u>	<u>\$ 11,611</u>	<u>\$ 97,364</u>	<u>\$ 115,613</u>	<u>\$ 20,130</u>	<u>\$ (52,618)</u>	<u>\$ (17,962)</u>
Debt service as a percentage of noncapital expenditures	4.3%	4.2%	4.1%	4.2%	4.2%	3.8%	3.5%	3.4%	3.2%	2.9%

Source: Monroe County Department of Finance - Office of the Controller

County of Monroe, New York
Taxing Power
Last Ten Years
(000's omitted)

	2016	2017	2018	2019	2020	2021	2022	2023	2024	2025
Five-Year Average Full Valuation of ¹ Taxable Property	\$ 39,847,874	\$ 40,399,372	\$ 41,051,801	\$ 41,984,648	\$ 43,122,716	\$ 44,691,498	\$ 46,372,538	\$ 49,237,728	\$	\$ 58,779,952
Constitutional Property Tax Limit	597,718	605,991	615,777	629,770	646,841	670,372	695,588	738,566	799,624	881,699
Total Tax Levy Subject to Constitutional Limit	331,529	325,311	333,699	329,942	348,556	364,513	371,824	374,483	377,440	395,645
Taxing Power Unused	<u>\$ 266,189</u>	<u>\$ 280,680</u>	<u>\$ 282,078</u>	<u>\$ 299,828</u>	<u>\$ 298,285</u>	<u>\$ 305,859</u>	<u>\$ 323,764</u>	<u>\$ 53,308,252</u> <u>364,083</u>	<u>\$ 422,184</u>	<u>\$ 486,054</u>
Percent of Taxing Power Used	55.5%	53.7%	54.2%	52.4%	53.9%	54.4%	53.5%	50.7%	47.2%	44.9%

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.

¹Based 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

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
2025	\$ 43,557,239	\$ 8,370,868	\$ 1,029,628	\$ 5,557,743	\$ 9,452,795	\$ 58,515,126	\$ 73,312,110	6.03
2024	38,108,001	7,610,180	949,393	4,607,962	9,268,132	51,275,536	64,719,823	6.65
2023	36,299,449	7,387,516	1,028,158	4,293,268	8,685,731	49,008,477	56,909,460	7.56
2022	34,707,245	7,126,695	934,963	4,093,518	8,518,816	46,862,123	50,268,951	8.46
2021	34,018,700	7,047,078	936,197	4,036,430	8,304,745	46,038,405	48,689,416	8.53
2020	32,118,858	6,628,623	934,703	3,570,458	8,090,829	43,942,610	45,953,610	8.79
2019	32,123,122	6,632,887	934,566	3,570,357	8,088,829	43,260,932	44,367,202	8.89
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

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.

²Tax Rate is per \$1,000 of full value.

Source: Monroe County Department of Finance - Division of Real Property

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
2025	\$ 866,323	\$ 526,734	\$ 852,471	98.4%		\$ 852,471	98.40%
2024	833,051	508,006	819,721	98.4%	5,808	825,529	99.10%
2023	821,273	510,582	809,161	98.5%	9,661	818,822	99.70%
2022	797,803	499,852	786,974	98.6%	9,267	796,241	99.80%
2021	779,550	490,760	768,353	98.6%	10,289	778,642	99.88%
2020	756,818	481,554	745,017	98.4%	10,584	755,601	99.84%
2019	733,552	467,567	721,327	98.3%	5,622	726,949	99.10%
2018	714,790	457,180	694,578	97.2%	3,214	697,792	97.62%
2017	700,369	448,776	689,143	98.4%	2,719	691,862	98.79%
2016	682,861	438,088	670,517	98.2%	3,054	673,571	98.64%

Note:

¹Does not include allowance for uncollectible taxes and deferred tax revenue.

Source: Monroe County Department of Finance - Treasury Division

County of Monroe, New York
Principal Property Tax Payers
Current Year and Nine Years Ago
(000's omitted)

Taxpayer	2025			2016		
	Taxable Full Value (Dollars)	Rank	Percentage of Total County Taxable Full Value	Taxable Full Value (Dollars)	Rank	Percentage of Total County Taxable Full Value
Rochester Gas & Electric Corporation	\$ 4,156,355	1	6.42%	\$1,674,981	1	4.10%
Morgan Management	415,875	2	0.64%	244,105	3	0.60%
Wegmans	336,266	3	0.52%	230,555	4	0.56%
Buckingham Properties	303,121	4	0.47%	102,112	6	0.25%
Frontier Communications Corporation	258,569	5	0.40%	250,616	2	0.61%
National Grid	162,431	6	0.25%	-	-	0.00%
Mark IV	129,925	7	0.20%	125,041	5	0.31%
Gallina Development	112,195	8	0.17%	-	-	0.00%
Benderson Development	103,631	9	0.16%	-	-	0.00%
Eastman Kodak	74,086	10	0.11%	77,514	9	0.19%
Xerox Corp	-	-	-	92,347	7	0.23%
HUB Properties	-	-	-	88,660	8	0.22%
Corporate Woods	-	-	-	73,244	10	0.18%
Total	\$ 6,052,454		9.34%	\$2,959,175		7.25%

Note: Property is assessed on an annual basis as of July 1 of the preceding year.

Source: Monroe County Department of Finance: Division of Real Property.

County of Monroe, New York
 Legal Debt Margin Information
 Last Ten Years
 (000's omitted)

	2016	2017	2018	2019	2020	2021	2022	2023	2024	2025
Five-Year Average Full Valuation of ¹ Taxable Property	\$ 39,847,874	\$ 40,399,372	\$ 41,051,801	\$ 41,984,648	\$ 43,122,716	\$ 44,691,498	\$ 46,372,538	\$ 49,237,728	\$ 53,308,252	\$ 58,779,952
Constitutional Debt Limit	2,789,351	2,827,956	2,873,626	2,938,925	3,018,590	3,128,405	3,246,078	3,446,641	3,731,578	4,114,597
Total Net Debt Applicable to Limit	496,678	488,260	502,505	462,806	393,766	401,109	385,365	374,957	444,545	461,022
Legal Debt Margin	<u>\$ 2,292,673</u>	<u>\$ 2,339,696</u>	<u>\$ 2,371,121</u>	<u>\$ 2,476,119</u>	<u>\$ 2,624,824</u>	<u>\$ 2,727,296</u>	<u>\$ 2,860,713</u>	<u>\$ 3,071,684</u>	<u>\$ 3,287,033</u>	<u>\$ 3,653,575</u>
Percent of Debt Limit Used	17.8%	17.3%	17.5%	15.7%	13.0%	12.8%	11.9%	10.9%	11.9%	11.2%

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.

¹Based 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

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				Business-type Activities			Total Primary Government	Percentage of Full Value on Property	Per Capita
	General Obligation Bonds ¹	Non General Obligation Bonds ¹	Leases ²	SBITA ³	General Obligation Bonds ¹	Leases ²	SBITA ³			
2025	\$ 364,260	\$ 325,167	\$ 73,294	\$ 15,896	\$ 148,307	\$ 67	\$ 11	\$ 927,002	1.26%	\$ 1,232
2024	347,192	314,772	65,422	13,960	148,350	9	22	889,727	1.37%	1,183
2023	338,760	305,952	64,332	1,043	147,023	17	-	857,127	1.51%	1,145
2022	343,953	298,945	66,125	-	152,205	-	-	861,228	1.71%	1,145
2021	355,908	292,503	599	-	169,770	1,868	-	820,648	1.69%	1,081
2020	338,247	286,350	932	-	181,061	2,589	-	809,179	1.76%	1,092
2019	382,510	280,056	1,322	-	199,576	3,369	-	866,833	1.95%	1,169
2018	382,651	272,778	692	-	178,599	4,113	-	838,833	1.97%	1,130
2017	362,796	266,311	1,063	-	175,131	4,820	-	810,121	1.94%	1,084
2016	365,713	259,847	801	-	182,496	5,576	-	814,433	1.99%	1,089

Notes:

¹Amounts shown are net of related premiums, discounts and adjustments.

²December 31, 2021 and prior information has not been restated for the impact of implementing GASB 87, Leases.

³December 31, 2022 and prior information has not been restated for the impact of implementing GASB 96, Subscription-based information technology arrangements (SBITA).

Source: Monroe County Department of Finance - Office of the Controller

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
2025	\$ 364,260	\$ 7,200	\$ 357,060	0.49%	\$ 475.76
2024	347,192	5,573	341,619	0.53%	454.16
2023	338,760	6,783	331,977	0.58%	443.53
2022	343,953	8,465	335,488	0.67%	446.11
2021	355,908	3,565	352,343	0.72%	463.95
2020	338,247	2,722	335,525	0.73%	452.86
2019	382,510	4,630	377,880	0.85%	509.43
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

Note:

¹Amounts 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

County of Monroe, New York
Demographic and Economic Statistics
Last Ten Years

Year ended December 31,	Population ¹	Total Personal Income ² (Dollars) <i>(000's omitted)</i>	Per Capita Personal Income ² (Dollars)	Median Household Income ¹ (Dollars)	Unemployment Rate ³
2025	750,506	\$ 50,535,741	\$ 67,184	\$ 76,382	3.7%
2024	752,202	47,598,470	63,593	74,409	3.5%
2023	748,482	44,635,928	59,354	71,450	3.8%
2022	752,035	45,344,632	60,046	66,317	2.9%
2021	759,443	43,193,802	58,299	60,075	3.0%
2020	740,900	40,822,554	55,034	60,075	7.1%
2019	741,770	39,314,982	52,951	57,479	4.2%
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%

Sources:

¹New York Demographics, www.newyork-demographics.com, Retrieved 04/06/2026.

²U.S. Bureau of Economic Analysis, www.bea.gov/regional/bearfacts, as of 2023; Retrieved 4/08/2025.

³New York State Department of Labor (average annual rate), www.labor.ny.gov/stats; Retrieved 4/08/2025.

County of Monroe, New York
Principal Private Sector Employers
Current Year and Ten Years Prior

Employer	2025			2016		
	Number of Full-Time Employees ¹	Rank	Percentage of Total Local Area Employment	Number of Full-Time Employees ¹	Rank	Percentage of Total Local Area Employment
University of Rochester / Strong Health	29,025	1	5.56%	27,590 ²	1	5.27%
Rochester Regional Health	14,613	2	2.80%	15,753 ²	2	3.01%
Wegmans Food Markets	6,271	3	1.20%	6,093	4	1.16%
Paychex, Inc	4,261	4	0.82%	4,074	5	0.78%
Rochester Institute of Technology	3,721	5	0.71%	3,305	8	0.63%
L3 Harris Technologies Inc.	3,700 ²	6	0.71%	3,450 ²	7	0.66%
Lifetime Healthcare Co.	2,217	7	0.42%	3,569 ²	6	0.68%
Heritage Christian Services Inc.	1,367	8	0.26%	-	-	0.00%
Finger Lakes Health	1,364	9	0.26%	-	-	-
F.F. Thompson Health System Inc.	1,235	10	0.24%	-	-	-
Sutherland Global Services	-	-	-	2,920	9	0.56%
Xerox Corp	-	-	-	6,396	3	1.22%
Frontier Communications Corp	-	-	-	1,800 ²	10	0.34%
Total	67,774		12.98%	74,950		14.31%

Notes:

Table only includes the top ten firms for the referenced year (the top 10 ranking is based on combined FT & PT employees) and only references the FT employee count in this list. 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.

¹Rochester Business Journal, The Book of Lists, 2026. Employment data is for Monroe, Genesee, Livingston, Ontario, Orleans and Wayne Counties.

²Reports total number of employees. Separate numbers for full and part-time employees were not available.

County of Monroe, New York
 Budgeted Full-Time County Employees by Department
 Last Ten Years

	2016	2017	2018	2019	2020	2021	2022	2023	2024	2025
Aviation	100.5	102.5	102.5	102.5	102.5	102.5	102.5	103.5	106.0	105.0
Board of Elections	49.0	51.0	51.0	51.0	51.0	56.0	55.0	58.0	57.0	60.0
Communications	4.5	8.0	8.0	8.0	8.0	7.0	8.0	8.5	8.5	11.5
County Executive	5.0	7.0	7.0	7.0	7.0	7.0	7.0	7.0	7.0	7.0
Diversity, Equity and Inclusion	-	-	-	-	-	4.0	6.0	6.0	7.0	7.0
Environmental Services	314.5	319.0	318.5	318.5	312.0	311.0	331.0	328.5	334.0	334.5
Finance	80.0	65.5	65.0	65.0	65.0	67.0	67.5	73.0	83.5	93.0
Human Resources	32.5	34.5	34.5	34.5	34.5	33.5	34.5	34.5	36.5	37.0
Human Services	956.0	1,021.0	1,048.0	1,080.5	1,081.0	1,089.0	1,128.0	1,128.0	1,176.3	1,251.5
Information Services	42.0	44.0	51.0	51.0	53.0	56.5	63.5	67.5	75.0	73.0
Law	63.5	65.5	64.5	64.5	64.5	65.5	66.5	66.5	66.5	68.5
Monroe Community Hospital	663.3	668.3	662.3	662.8	662.8	662.8	678.3	684.3	688.3	712.8
Office of Public Integrity	-	4.0	4.0	4.0	4.0	4.0	4.0	5.0	6.0	6.0
Planning and Development	18.5	20.0	20.0	20.0	20.0	21.0	21.0	25.5	24.0	22.0
Public Defender	94.5	97.0	97.0	99.0	99.0	129.5	149.5	170.0	182.0	182.0
Public Health	214.5	224.0	228.0	228.0	233.0	244.0	243.0	276.0	279.5	281.8
Public Safety	270.5	277.0	278.0	278.0	279.5	292.0	313.5	330.5	349.5	352.5
Parks	158.8	159.7	170.3	170.3	168.3	169.3	172.8	180.3	181.8	202.3
Transportation	74.5	75.5	75.5	75.5	75.5	75.5	75.5	74.5	76.5	75.0
Veterans Service	5.0	6.0	6.5	6.5	7.0	7.0	8.0	9.0	12.5	16.5
County Clerk	103.5	106.5	106.5	106.5	106.5	106.5	115.0	115.0	115.0	115.0
County Legislature	54.0	54.0	54.0	54.0	54.0	55.5	62.0	62.0	60.0	60.5
District Attorney	140.5	139.5	139.5	139.5	146.0	146.5	152.5	161.5	169.5	178.0
Sheriff	1,083.0	1,087.0	1,086.0	1,086.0	1,084.0	1,084.0	1,082.0	1,120.5	1,166.0	1,170.5

Source: Monroe County Budget for the relevant year.

County of Monroe, New York
Operating Indicators
Last Ten Years

	2016	2017	2018	2019	2020	2021	2022	2023	2024	Est. 2025
Transportation										
Lane Miles Crack Sealed	120	150	69	142	95	143	59	208	187	157
Lane Miles Resurfaced	87	71	54	78	61	26	40	102	75	93
Signs Fabricated	12,000	12,698	11,582	12,000	4,196	6,869	6,384	9,130	3,890	6,000
Traffic Signs Installed - New	10,832	4,981	3,510	4,000	4,350	7,607	5,193	4,917	4,575	4,500
County Clerk										
Land Records	90,367	90,162	86,912	90,000	91,183	100,995	86,879	72,276	69,620	70,000
Vehicle Registration	231,597	239,752	235,953	226,000	155,011	172,872	199,654	207,306	209,280	180,000
Passports	4,729	4,388	4,216	5,000	2,660	2,661	3,146	2,932	3,654	5,000
Learner Permits	22,059	21,447	21,471	22,000	14,223	25,322	22,026	22,128	22,333	23,000
Planning and Development										
Jobs Created (over next 3 years)	769	1,049	1,148	1,430	1,168	1,168	737	518	704	790
Housing Rehab Projects	68	59	70	70	46	65	73	68	68	66
First-time Home Buyer Purchase Subsidy	14	19	19	18	21	8	4	3	3	3
Health Department										
Clinics/Visits - STD	10,467	10,311	10,280	10,000	6,339	7,670	7,428	7,825	6,696	7,518
Opioid & Addiction Services	-	-	-	-	-	1,400	11,361	6,223	36,090	42,260
Clinics/Visits - Foster Care	1,886	2,002	2,386	2,400	1,836	1,931	1,840	1,746	1,634	1,800
Sheriff										
Calls for Service	203,266	196,844	231,749	214,447	237,025	200,414	206,380	228,584	217,536	236,951
Safety Education Presentations	1,833	516	931	776	256	522	232	711	1,130	1,176
Pistol Permit Application Reviews		2,465	1,430	1,189	1,498	2,461	1,795	1,102	788	1,301
SWAT Activations	8	7	18	26	16	45	62	65	51	72
Hostage Recovery Team Activations	2	2	2	8	5	6	6	6	10	15
Hazardous Device Team Activations	19	19	30	35	28	36	14	31	40	40
Public Safety - 911										
Calls Received	1,193,292	1,145,351	1,046,678	1,105,200	1,056,604	991,532	945,455	965,027	917,594	937,598
Police Events Dispatched	1,001,062	986,368	969,011	1,080,760	971,471	874,863	838,209	861,841	851,326	851,101
Fire Events Dispatched	97,236	103,634	98,525	101,450	91,677	88,270	84,678	84,984	86,217	85,528
EMS Events Dispatched	128,974	130,835	138,376	140,220	134,307	133,716	135,843	138,093	138,724	136,150
District Attorney										
Local Court Arraignments Misdemeanor	14,662	15,061	13,243	13,000	9,868	8,366	8,394	8,419	9,428	8,400
STOP-DWI Felony Cases Screened	1,042	1,085	1,042	1,014	666	459	394	302	371	375
Aviation										
Passengers Boarded	1,197,742	1,212,654	1,287,721	1,305,000	1,277,846	770,637	1,157,014	1,321,492	1,342,548	1,403,000
Takeoffs and Landings	79,821	87,261	82,978	85,100	62,537	77,056	81,952	76,129	78,062	76,200

Source: Monroe County Budget for the relevant year.

County of Monroe, New York
Capital Asset Statistics
Last Ten Years

	2016	2017	2018	2019	2020	2021	2022	2023	2024	2025
Streets (Center Line Miles) ¹	661.6	661.3	661.3	661.3	661.9	661.9	664.7	664.7	664.0	664.0
3-Color Traffic Signals ¹	632.0	631.0	633.0	631.0	630.0	630.0	630.0	631.0	630.0	630.0
Sewer Pipe Miles ²	1,275.0	1,274.2	1,291.0	1,291.9	1,292.2	1,296.2	1,297.1	1,297.8	1,298.0	1,300.0
Vehicles ²	735.0	721.0	771.0	762.0	766.0	765.0	767.0	770.0	772.0	762.0

Sources:

¹Monroe County Department of Transportation

²Monroe County Department of Environmental Services, Fleet Services

APPENDIX C

ANNUAL AND CONTINUING DISCLOSURE UNDERTAKING CERTIFICATE PURSUANT TO RULE 15c2-12 OF THE SECURITIES AND EXCHANGE COMMISSION

1. 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 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 \$94,330,000 Public Improvement (Serial) Bonds – 2026, dated June 30, 2026.

“*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 within respect to the Issuer of the general type contained in or cross referenced in the Issuer’s final Official Statement, dated June 17, 2026 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 of such financial information and operating data, financial statements of the Issuer, when and if available. Any financial statements 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.

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-TED), 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 Underwriting.

D. Filings with the MSRB. All financial information, operating data, financial statements, notices, and other documents provided to the MSRB in accordance with the 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 OWNERS 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 identify, 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 30th day of June, 2026.

Name: Jennifer A. Cesario
Title: Director of Finance/Chief Financial Officer

[DRAFT APPROVING OPINION]

June 30, 2026

County of Monroe,
State of New York

Re: COUNTY OF MONROE, NEW YORK
\$94,330,000 PUBLIC IMPROVEMENT (SERIAL) BONDS - 2026

Ladies and Gentlemen:

We have been requested to render our opinion as to the validity of an issue of \$94,330,000 Public Improvement (Serial) Bonds - 2026 (the "Obligations"), of the County of Monroe, New York (the "Obligor"), dated June 30, 2026, initially issued in registered form in denominations such that one bond shall be issued for each maturity of bonds in such amounts as hereinafter set forth, bearing interest at the rate of _____ per centum (____%) per annum, payable on June 1, 2027 and semi-annually thereafter on December 1 and June 1, and maturing in the amount of \$_____ on June 1 in each of the years ____ to ____, both inclusive, and \$_____ on June 1 in each of the years ____ to ____, both inclusive.

Obligations that mature on and after June 1, 2035 will be subject to redemption beginning June 1, 2034 in whole or in part at any time, at the option of the Obligor, upon payment of the par amount of the Bonds so redeemed plus interest accrued and unpaid to the redemption date.

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 Obligations that the Obligor will, among other things, (i) take all actions on its part necessary to cause interest on the Obligations 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 Obligations 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 Obligations to be includable in the gross income of the owners thereof for Federal income tax purposes, including, without limitation, refraining from spending the proceeds of the Obligations and investment earnings thereon on certain specified purposes (the "Arbitrage Certificate"); and
- (4) a certificate executed on behalf of the Obligor which includes, among other things, a statement that compliance with such covenants is not prohibited by, or violative of, any provision of local or special law, regulation or resolution applicable to the Obligor.

We also have examined a certified copy of proceedings of the finance board of the Obligor and other proofs authorizing and relating to the issuance of the Obligations, including the form of the Obligations. In rendering the opinions expressed herein we have assumed (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 Obligations have been authorized and issued in accordance with the Constitution and statutes of the State of New York and constitute valid and legally binding general obligations of the Obligor, all the taxable real property within which is subject to the levy of ad valorem taxes to pay the Obligations and interest thereon, subject to applicable statutory limitations; provided, however, that the enforceability (but not the validity) of the Obligations: (i) may be limited by any applicable bankruptcy, insolvency or other law now existing or hereafter enacted by said State or the Federal government affecting the enforcement of creditors' rights, and (ii) may be subject to the exercise of judicial discretion in appropriate cases.
- (b) The Obligor has the power to comply with its covenants with respect to compliance with the Code as such covenants relate to the Obligations; provided, however, that the enforceability (but not the validity) of such covenants may be limited by any applicable bankruptcy, insolvency or other law now existing or hereafter enacted by said State or the Federal government affecting the enforcement of creditors' rights.
- (c) Interest on the Obligations is excluded from gross income for federal income tax purposes under Section 103 of the Internal Revenue Code of 1986, and is exempt from personal income taxes imposed by the State of New York and any political subdivision thereof (including The City of New York). Interest on the Obligation(s) is not a specific preference item for purposes of the federal individual alternative minimum tax. Interest on the Obligations included in adjusted financial statement income of certain corporations is not excluded from the federal corporate 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 Obligations.

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

The opinions expressed herein are based on an analysis of existing laws, regulations, rulings and court decisions and cover certain matters not directly addressed by such authorities. Such opinions may be affected by actions taken or omitted or events occurring after the date 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 Obligations has concluded with their issuance, and we disclaim any obligation to update this opinion. We have assumed, without undertaking to verify, the accuracy of the factual matters represented, warranted or certified in the documents. Furthermore, we have assumed compliance with all covenants and agreements contained in the Arbitrage Certificate, including without limitation covenants and agreements compliance with which is necessary to assure that future actions, omissions or events will not cause interest on the Obligations to be included in gross income for federal income tax purposes. We call attention to the fact that the rights and obligations under the Obligations and the Arbitrage Certificate and their enforceability may be subject to bankruptcy,

insolvency, reorganization, arrangement, fraudulent conveyance, moratorium or other laws relating to or affecting creditors' rights, to the application of equitable principles, to the exercise of judicial discretion in appropriate cases and to the limitations on legal remedies against municipal corporations such as the Obligor in the State of New York. We express no opinion with respect to any indemnification, contribution, penalty, choice of law, choice of forum, choice of venue, or waiver provisions contained in the foregoing documents.

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

Very truly yours,

/s/ ORRICK, HERRINGTON & SUTCLIFFE LLP

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