

PRELIMINARY OFFICIAL STATEMENT DATED JULY 13, 2021

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. 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

\$28,110,000* GENERAL OBLIGATION REFUNDING SERIAL BONDS – 2021
(the “Bonds”)



Date of Issue: Date of Delivery

Maturity Dates: June 1, 2022 - 2031
(as shown on the inside cover)

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

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

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

The Bonds are offered when, as, and if issued by the County subject to the receipt of the final approving opinion of Orrick, Herrington & Sutcliffe LLP, New York, New York, Bond Counsel, and certain other conditions. Certain legal matters will be passed upon for the Underwriter by Harris Beach PLLC Buffalo, New York, Counsel to the Underwriter. Capital Markets Advisors, LLC has served as Municipal Advisor to the County in connection with the issuance of the Bonds. It is expected that delivery of the Bonds will be made on the Date of Issue, which is expected to be August 10, 2021.

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

FHN FINANCIAL CAPITAL MARKETS

Dated: July __, 2021

* Preliminary, subject to change.

\$28,110,000* GENERAL OBLIGATION REFUNDING SERIAL BONDS - 2021

Dated: Date of Delivery

Principal Due: June 1 as shown below
Interest Due: December 1, 2021 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⁽¹⁾</u>	<u>Maturity</u>	<u>Amount</u>	<u>Interest Rate</u>	<u>Yield</u>	<u>CUSIP⁽¹⁾</u>
2022	\$4,235,000			61074P	2027	\$2,565,000			61074P
2023	3,470,000			61074P	2028	2,010,000			61074P
2024	3,565,000			61074P	2029	2,050,000			61074P
2025	3,575,000			61074P	2030	2,045,000			61074P
2026	3,090,000			61074P	2031	1,505,000			61074P

- 1) CUSIP numbers have been assigned by an organization not affiliated with the County and are included solely for the convenience of the holders of the Bonds. The County is responsible for the selection or uses of these CUSIP numbers, nor is any representation made as to their correctness on the Bonds or as indicated above

* Preliminary, subject to change.

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.

IN CONNECTION WITH THE OFFERING OF THE BONDS, THE UNDERWRITER MAY OVERALLOT OR EFFECT TRANSACTIONS WHICH STABILIZE OR MAINTAIN THE MARKET PRICE OF THE BONDS AT A LEVEL ABOVE THAT WHICH MIGHT OTHERWISE PREVAIL IN THE OPEN MARKET. SUCH STABILIZATION, IF COMMENCED, MAY BE DISCONTINUED AT ANY TIME.

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

relating to

\$28,110,000* GENERAL OBLIGATION REFUNDING SERIAL BONDS - 2021

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 \$28,110,000* General Obligation Refunding Serial Bonds - 2021 (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 2021 Adopted Budget. Such projections do not make any predictions as to the potential impact of the COVID-19 pandemic on the County's financial position due to the COVID-19 pandemic. (See "MARKET FACTORS" herein.)

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

THE BONDS

Description of the Bonds

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

Interest on the Bonds will be payable on December 1, 2021 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 issued pursuant to the Constitution and Laws of New York State, including among others, Local Finance Law Section 90.10, the County Charter and a refunding bond resolution duly adopted by the Legislature of the County on March 9, 2021.

The County Executive has approved the refunding bond resolution.

* Preliminary, subject to change.

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

Purpose of the Bonds

The Bonds are being issued to refund the \$31,545,000 aggregate outstanding principal amount of the County’s Public Improvement Bonds, 2012 issued on June 27, 2012. Details concerning the Refunded Bonds are presented in the schedule below. Proceeds of the Bonds will be used to: (i) purchase a portfolio of direct obligations of the United States of America (the “U.S. Government Obligations”), the principal of and investment income of which will be sufficient to pay the maturing principal of, interest on and redemption premium payable, if any, with respect to the Refunded Bonds, and (ii) pay costs of issuance related to the Bonds. The list of Refunded Bonds, set forth below, may be changed by the County in its sole discretion due to market or other factors considered relevant by the County at the time of pricing of the Bonds and no assurance can be given that any particular maturity thereof will be refunded.

A portion of the Bonds are being issued to refund the outstanding principal of the Public Improvement Bonds, 2012 as listed below:

<u>Maturity</u>		<u>Par</u>			<u>CUSIP</u>
<u>Date</u>	<u>Coupon</u>	<u>Amount</u>	<u>Call Date</u>	<u>Call Price</u>	<u>61074P</u>
06/01/2022	3.000%	\$4,650,000	09/09/2021	100%	NC7
06/01/2023	3.000%	3,860,000	09/09/2021	100%	ND5
06/01/2024	3.000%	3,930,000	09/09/2021	100%	NE3
06/01/2025	3.250%	3,920,000	09/09/2021	100%	NF0
06/01/2026	3.250%	3,425,000	09/09/2021	100%	NG8
06/01/2027	3.250%	2,885,000	09/09/2021	100%	NH6
06/01/2028	3.375%	2,325,000	09/09/2021	100%	NJ2
06/01/2029	3.500%	2,365,000	09/09/2021	100%	NK9
06/01/2030	3.500%	2,360,000	09/09/2021	100%	NL7
06/01/2031	3.500%	<u>1,825,000</u>	09/09/2021	100%	NM5
		\$31,545,000			

Refunding Financial Plan

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

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

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

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

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

Verification of Mathematical Accuracy

Causey Demgen & Moore, P.C. will verify, from the information provided to them, the mathematical accuracy as of the date of the closing for the Bonds of: (1) the computations contained in the schedules provided to them in order to determine that the anticipated receipts from the U.S. Government Obligations investment securities and cash deposits, if any, listed in the purchaser's schedules, to be held in the Escrow Deposit Fund, will be sufficient to pay, when due, the principal of and interest requirements of the Refunded Bonds, and (2) the computations of the yield on both the Government Obligations and the Bonds contained in the provided schedules to be used by Bond Counsel in its determination that the interest on the Bonds is excludable from the gross income for Federal income tax purposes.

Sources and Uses of Proceeds

The proceeds of the Bonds will be applied as follows:

Sources:

Par Amount of the Bonds
Reoffering Premium

Application:

Deposit to Escrow Deposit Fund
Underwriter's Discount
Cost of Issuance and Contingency

Total

PAYMENT OF AND SECURITY FOR THE BONDS

General

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

Under the Constitution of the State, the County is required to pledge its faith and credit for the payment of the principal of and interest on the Bonds, and the State is specifically precluded from restricting the power of the County to levy taxes on real estate for the payment of interest on or principal of indebtedness theretofore contracted. The State Constitution requires the County to provide by appropriation for the payment of interest on all obligations which will become due during the fiscal year.

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

Optional Redemption

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

Book-Entry-Only System

The Depository Trust Company (“DTC”), 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.

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”). In the further opinion of Bond Counsel, interest on the Bonds is not a specific preference item for purposes of the federal alternative minimum tax. Bond Counsel is also of the opinion that interest on the Bonds is exempt from personal income taxes imposed by the State of New York and any political subdivision thereof (including The City of New York). A complete copy of the proposed form of opinion of Bond Counsel with respect to the Bonds is set forth in Appendix D, hereto.

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

Bonds purchased, whether at original issuance or otherwise, for an amount higher than their principal amount payable at maturity (or, in some cases, at their earlier call date) (“Premium Bonds”) will be treated as having amortizable bond

premium. No deduction is allowable for the amortizable bond premium in the case of obligations, like the Premium Bonds, the interest on which is excluded from gross income for federal income tax purposes. However, the amount of tax-exempt interest received, and a Beneficial Owner's basis in a Premium Bonds, will be reduced by the amount of amortizable bond premium properly allocable to such Beneficial Owner. Beneficial Owners of Premium Bonds should consult their own tax advisors with respect to the proper treatment of amortizable bond premium in their particular circumstances.

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

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

Current and future legislative proposals, if enacted into law, clarification of the Code or court decisions may cause interest on the Bonds to be subject, directly or indirectly, in whole or in part, to federal income taxation or to be subject to or exempted from state income taxation, or otherwise prevent Beneficial Owners from realizing the full current benefit of the tax status of such interest. The introduction or enactment of any such legislative proposals or clarification of the Code or court decisions may also affect, perhaps significantly, the market price for, or marketability of, the Bonds. Prospective purchasers of the Bonds should consult their own tax advisors regarding the potential impact of any pending or proposed federal or state tax legislation, regulations or litigation, as to which Bond Counsel is expected to express no opinion.

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

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

LEGAL MATTERS

Legal matters incident to the authorization, issuance and sale of the Bonds are subject to the approving legal opinion of Orrick, Herrington & Sutcliffe LLP, Bond Counsel. Bond Counsel's opinion will be in substantially the form attached hereto as Appendix D.

MARKET FACTORS

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

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

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

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

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

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

Cybersecurity

The County, like many other public and private entities, relies on technology to conduct its operations. As a recipient and provider of personal, private, or sensitive information, the County faces multiple cyber threats including, but not

limited to, hacking, viruses, malware and other attacks on computer and other sensitive digital networks and systems. To mitigate the risk of business operations impact and/or damage from cyber incidents or cyber-attacks, the County employs various operating practices to limit exposure, various defensive measures to prevent and detect intrusions, and various defensive software products to quarantine and/or filter viruses and destructive data traffic.

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

RATING

S&P Global Ratings (“S&P”) has assigned underlying rating to the County’s bonded debt of “AA-”, including the Bonds.

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, 2020, 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, 2020, is a matter of public record. Bonadio & Co., LLP has not performed any procedures on any financial statements or other financial information contained in this Official Statement since the date of their report and has not been asked to consent to the inclusion of their report in this Official Statement.

UNDERWRITING

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

MUNICIPAL ADVISOR

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

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

DISCLOSURE UNDERTAKING

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

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

ADDITIONAL INFORMATION

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

COUNTY OF MONROE

/s/_____

Robert Franklin

Director of Finance – Chief Financial Officer

July __, 2021

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, 19 towns, and 10 villages. The City of Rochester is the County seat and the State’s third largest industrial and commercial center next to New York City and Buffalo. The area is accessible via the Greater Rochester International Airport, CSX Railroad, Genesee & Wyoming, Inc. (a regional railroad) and Amtrak, the New York State Thruway, the St. Lawrence Seaway, and the New York State Canal System (Erie Canal). The workforce in the County is within 400 miles of many major metropolitan areas such as New York City, Toronto, Boston, and Washington, D.C.

The County has a population of over 741,000 per the July 2019 census estimate and is the central county in the six-county Rochester Metropolitan Statistical Area (MSA), which has a population of approximately 1,100,000. The workforce in the County measures over 388,000 and its economy draws from an MSA workforce totaling over 515,000 (Source: New York State Dept. of Labor, December 2020). 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.

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

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

Legislative Branch

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

Dr. Joe Carbone, *President*

Brian E. Marianetti, *Vice President*

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

County Employees

The County provides services through approximately 4,900 full-time equivalent employees. Most County employees are represented by one of nine labor organizations. The principal labor organizations are the Civil Service Employees Association, representing approximately 1,640 full time employees; the Monroe County Federation of Social Workers-IUE-CWA Local 381, representing approximately 770 full time employees; the Monroe County Deputy Sheriff's Association, representing approximately 460 full time employees; and the Monroe County Sheriff Police Benevolent Association ("PBA"), representing approximately 260 full time employees. Collective bargaining agreement expiration dates are:

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

County Services

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

Greater Rochester International Airport

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

Fifteen airlines currently serve the Airport, providing the Rochester area with an average of 22 scheduled weekday departures to major cities throughout the United States. The five major airlines serving the Airport include American Airlines, Delta Airlines, JetBlue Airways, Southwest Airlines, and United Airlines. The ten national and regional airlines serving the Airport include Air Wisconsin (doing business as United Express for United Airlines), Allegiant Air, Commutair (doing business as United Express for United Airlines), Endeavor Air (doing business as Delta Connection for Delta Airlines), Envoy Airlines (doing business as American Eagle for American Airlines), Go Jet Airlines (doing business as United Express for United Airlines), Piedmont Airlines (doing business as American Eagle for American Airlines), PSA Airlines (doing business as American Eagle for American Airlines), Republic Airways (doing business as American Eagle for American Airlines, Delta Connection for Delta Airlines and United Express for United Airlines), and SkyWest Airlines (doing business as American Eagle on American Airlines, Delta Connection for Delta Airlines and United Express for United Airlines). Prior to the pandemic, these airlines served approximately 2.6 million passengers annually. In 2020, the total passengers flying to and from the Rochester Airport numbered only 830,197.

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

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

Since 2017, passenger enplanements, or boardings, have exceeded 1,200,000 passengers each year. In 2020, as a result of the worldwide pandemic, enplanements fell to 417,649, a decrease of 68% from the 2019 total of 1,293,719.

The Airport is experiencing some level of improvement in passenger numbers as 2021 progresses. In addition, Frontier Airlines has announced they will begin serving Rochester in May 2021 with nonstop service to Orlando.

Other Transportation

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

Higher Education

Metropolitan Rochester is an educational and cultural center. Located within the County are the University of Rochester (including its Medical Center, affiliated healthcare facilities and its Eastman School of Music), employing approximately 31,637 people full and part time, Roberts Wesleyan College, the State University College at Brockport, Nazareth College, St. John Fisher College, Rochester Institute of Technology and Monroe Community College. These schools had 49,363 full time and 10,907 part time students enrolled in the fall of 2020.

FINANCIAL MATTERS

Budgets

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

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

Revenues

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

The County’s budget for 2021 anticipates receiving approximately 41.3% of total General Fund revenue from real property taxes, and approximately 15.6% of total General Fund revenues from sales and hotel occupancy taxes. State aid represents approximately 19.0% of total General Fund revenues, nearly all of which is reimbursement for specific programs mandated by the State, although the State is not constitutionally obligated to maintain or continue State aid to the County. Federal aid represents 11.8% 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 2021 adopted budget.

<u>State and Federal Aid</u> (000s omitted)					
Year	Total Revenues ⁽¹⁾	Federal Aid	State Aid	Total Federal and State Aid	% of Total Revenues
2016	\$936,991	\$129,989	\$176,394	\$306,383	32.7%
2017	948,655	122,717	176,087	298,804	31.5
2018	952,454	117,932	173,720	291,652	30.6
2019	968,885	117,557	178,220	295,777	30.5
2020	1,023,674	187,425	168,761	356,186	34.8
2021 Budget	1,005,561	118,260	190,905	308,165	30.7

- (1) The "Total Revenues" reflect only the portion of sales and use tax retained by the County. The amounts shown for 2016 through 2020 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 \$322,614 in 2016, \$338,640 in 2017, \$347,396 in 2018, \$362,518 in 2019, and \$353,497 in 2020 to reflect only the sales and use tax retained by the County for comparison purposes.

Sales and Use Tax

The combined sales tax rate in the County is 8.0% (4.0% State and 4.0% County). Effective March 1, 1993, the State authorized the County to levy its sales tax portion at the rate of 4.0%, the maximum rate permitted by law. The County is required to have 1% of its sales tax rate re-authorized by the State Legislature on a bi-annual basis, with the current authorization expiring on November 30, 2023.

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 2021 adopted budget.

<u>Sales and Use Tax</u> (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
2016	\$936,991	\$468,130	\$145,515	15.5%
2017	948,655	491,798	153,158	16.1
2018	952,454	503,828	156,542	16.4
2019	968,885	525,627	159,132	16.4
2020	1,023,674	510,046	156,549	15.3
2021 Budget	1,005,561	493,500	149,930	14.9

- (1) The Total Revenues shown in the above table have been reduced by \$322,614 in 2016, \$338,640 in 2017, \$347,396 in 2018 and \$362,518 in 2019, and \$353,497 in 2020 to reflect only the sales and use tax retained by the County for comparison purposes. The "Total Revenues" reflected in the County's 2021 Adopted Budget reflects only the portion of sales and use tax retained by the County.
- (2) The amounts shown for 2016 through 2020, 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, 2021

Monroe County's year-end general fund balance was \$122.7 million as of December 31, 2021, representing an increase of \$26.2 million over FY2020. See "APPENDIX B – BASIC FINANCIAL STATEMENTS FOR THE FISCAL YEAR ENDED DECEMBER 31, 2021" for additional information pertaining to the results of operations.

Summary of 1st Quarter 2021 Budget Indicators

The first quarter Key Indicator Report projects the Monroe County budget through the end of FY2021 based on performance and available data as of March 31, 2021. The report does not account for future unknown conditions, such as reductions in state or federal aid, or changes in economic conditions including those that may result from the COVID-19 pandemic.

Based on the foregoing, the first quarter Key Indicator Report projects that the County may end the fiscal year with a budget surplus ranging from \$6.1 million to \$14.0 million.

The forecasted surplus is primarily the result of higher than anticipated sales tax collections and lower than anticipated social services public assistance benefits.

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.

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.

From the beginning of the pandemic through March 31, 2021, the County has expended or committed \$88.0M of its \$129.4M CARES Act allocation on COVID-19 response and mitigation activities, including downstream municipal reimbursement and small business grants. The County expects to fully utilize the remaining \$41.4M by the statutory end date of December 31, 2021.

New York State Comptroller's Fiscal Stress Monitoring System

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

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

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

<u>Fiscal Year</u>	<u>Fiscal Score - Designation</u>
2019	51.3 – susceptible to fiscal stress
2018	64.2 – moderate fiscal stress
2017	69.2 – significant fiscal stress
2016	78.8 – significant fiscal stress

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 2016-2020 and the adopted budget for 2021. 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)

	2021 Budget	2020	2019	2018	2017	2016
REVENUES:						
Real Property Tax	\$415,382	\$408,957	\$393,920	\$381,881	\$376,626	\$366,475
Sales and Other Taxes ⁽¹⁾	156,477	510,046	524,916	506,420	494,034	471,373
Federal Aid	118,260	187,425	117,557	117,932	122,717	129,898
State Aid	190,905	168,761	178,220	173,720	176,087	176,394
Charges for Services	28,060	22,510	27,757	26,650	26,486	23,949
Intergovernmental	44,376	38,737	40,824	40,738	39,120	37,666
Interdepartmental	2,726	2,344	2,263	1,877	2,121	1,475
Use of Money and Property	6,778	6,982	9,622	7,878	6,030	5,260
Repayments and Refund	13,303	16,735	13,615	16,112	19,074	17,744
Payments in Lieu of Taxes	7,974	8,938	8,196	7,872	7,604	7,156
Miscellaneous	9,008	5,736	14,513	18,770	17,396	22,215
Total Revenues	993,248	1,377,171	1,331,403	1,299,850	1,287,295	1,259,605
EXPENDITURES:						
General Government ⁽¹⁾	44,715	456,872	396,673	381,214	373,396	353,744
Public Safety	253,150	253,255	242,026	242,642	237,644	236,816
Transportation	3,525	2,115	3,524	3,524	3,525	3,524
Health and Welfare	558,140	496,225	514,395	531,972	536,163	544,035
Culture, Recreation and Education	92,363	78,190	83,354	74,927	76,484	74,253
Total Expenditures	951,892	1,286,657	1,239,972	1,234,279	1,227,212	1,212,371
<i>Excess (Deficiency) of Revenues over Expenditures</i>	41,356	90,514	91,431	65,571	60,083	47,234
Total Other Financing Sources (Uses)	(53,669)	(64,320)	(55,853)	(43,801)	(59,528)	(43,576)
<i>Excess (Deficiency) of Revenues and Other Financing Sources Over Expenditures and Other Uses</i>	<u>\$ (12,313)</u>	26,194	35,578	21,770	555	3,658
Merger of LDCs into Monroe County					11,441	
Changes in Fund Balance After Merger of LDCs					11,996	
Fund Balance (Deficit), Beginning of Year		96,517	60,939	39,139	27,143	23,485
Fund Balance (Deficit), End of Year		<u>\$122,711</u>	<u>\$96,517</u>	<u>\$60,909</u>	<u>\$39,139</u>	<u>\$27,143</u>

- (1) Sales and Other Taxes for the years 2016 through 2020 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 2021 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 (58.6% of the 2021 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, and 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
2017	\$38,694,687	\$8,876,724	\$47,571,411
2018	38,790,808	8,568,191	47,358,999
2019	36,449,251	5,570,963	42,020,214
2020	36,990,977	3,332,932	40,323,909
2021	38,118,770	1,741,447	39,860,217

Adjustments for 2021 included an amortization payment of \$1,704,052 for Chapter 57 of the Laws of 2013 Employee Contribution Stabilization Program, plus \$37,395 for other prior period adjustments.

The Employer Alternate Contribution Stabilization Program (Chapter 57 of the Laws of 2013) provides the option to those municipalities in the Retirement System to amortize a portion of their annual pension costs over a twelve-year period. The County elected not to amortize any portion of the 2020 or 2021 pension cost and has paid off all amortizations from prior years.

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

On September 3, 2020, the New York State Comptroller announced that employer contribution rates for the Retirement System (ERS) rate will increase to 16.2% in 2021 and the average PFRS rate would increase from 24.4% to 28.3% of payroll.

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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
2015	\$674,358,500	\$16,638,575	97.53%	\$3,400,118	99.50%
2016	682,861,214	15,284,927	97.76	4,685,785	99.31
2017	700,368,591	14,515,481	97.94	3,364,473	99.56
2018	714,789,599	16,418,690	97.70	3,856,650	99.46
2019	733,552,074	16,416,946	97.76	5,855,838	99.20
2020	756,821,977	17,061,394	97.75	11,027,569	98.54

(1) Includes the sale of delinquent tax liens. An executive order of the state governor precluded the sale of tax liens during 2020.

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 2021 tax levy	\$670,372,465
2021 Tax levy subject to taxing power limit	<u>364,628,724</u>
2021 Tax margin	<u>\$305,743,741</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:

	2017	2018	2019	2020	2021
Assessed Value	\$41,282,250,756	\$41,588,182,047	\$43,260,931,709	\$43,942,610,170	\$46,038,405,469
Full Valuation ¹	41,863,750,170	42,583,510,037	44,367,202,219	45,953,609,766	48,689,416,273
Tax Levied for County Purposes ²	385,371,554	391,415,692	402,288,325	414,034,794	426,498,354
Tax Rate Per \$1,000:					
Assessed Valuations ²	\$9.34	\$9.41	\$9.39	\$9.42	\$8.79
Full Valuation ²	9.21	9.19	9.07	9.00	8.54

(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 2020 assessment for the 2021 levy follows:

Assessing Jurisdiction	Assessed Valuations ⁽¹⁾	County Equalization Rates ⁽²⁾	Full Value
BRIGHTON	\$3,035,207,055	100%	\$3,035,207,055
CHILI	1,816,986,776	96%	1,892,694,558
CLARKSON	415,462,283	100%	415,462,283
EAST ROCHESTER	322,643,579	99%	325,902,605
GATES	1,921,948,833	100%	1,921,948,833
GREECE	5,546,939,885	100%	5,546,939,885
HAMLIN	419,446,220	91%	460,929,912
HENRIETTA	3,548,031,618	100%	3,548,031,618
IRONDEQUOIT	2,812,989,078	91%	3,091,196,789
MENDON	936,967,328	95%	986,281,398
OGDEN	1,268,294,162	98%	1,294,177,716
PARMA	951,440,671	97%	980,866,671
PENFIELD	3,252,170,993	87%	3,738,127,578
PERINTON	4,275,151,380	93%	4,596,936,968
PITTSFORD	3,247,465,112	95%	3,418,384,328
RIGA	376,439,176	93%	404,773,308
RUSH	302,036,693	84%	359,567,492
SWEDEN	716,152,969	100%	716,152,969
WEBSTER	3,030,853,990	74%	4,095,748,636
WHEATLAND	286,825,385	94%	305,133,388
ROCHESTER	7,554,952,283	100%	7,554,952,283
	<u>\$46,038,405,469</u>		<u>\$48,689,416,273</u>

(1) 2020 Assessments (Real Estate & Special Franchise) used for 2021 tax levy.

(2) County Equalization Rates for the 2020 Assessment Rolls were used for the 2021 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 2017 through 2021:

	2017	2018	2019	2020	2021
Tax Levied for County Purposes ⁽¹⁾	\$385,371,554	\$391,415,692	\$402,288,325	\$414,034,794	\$426,498,354
Less: Sales Tax Credit	(55,000,000)	(55,000,000)	(55,000,000)	(55,000,000)	(55,000,000)
Less: Section 520 R.P.T.L. Re-levy & Adjustments	(706,818)	(741,335)	(868,201)	(914,127)	(749,861)
Less: Agricultural Rollback	(30,796)	(11,290)	(1,420)	(14,837)	(18,012)
Net Levy for County Purposes	<u>329,633,941</u>	<u>335,663,067</u>	<u>346,418,704</u>	<u>\$358,105,830</u>	<u>\$370,730,481</u>
Net Levy for Town Budgets	142,712,552	144,370,629	148,561,534	151,097,105	155,960,382
Pure Waters Districts ⁽²⁾	55,391,078	56,660,092	54,518,836	54,654,675	56,157,109
Returned School Tax	19,482,936	19,984,283	21,477,362	22,605,630	22,383,494
Returned School Tax Penalty	1,363,806	1,398,898	1,503,412	1,582,395	1,607,016
Local Govt. Services to Towns & City	41,443,985	42,192,709	42,332,562	43,125,181	38,184,135
Re-levied Village Taxes	402,598	390,335	380,233	368,748	358,516
Town Special Districts ⁽²⁾	<u>109,937,695</u>	<u>114,129,587</u>	<u>118,359,431</u>	<u>125,282,413</u>	<u>134,169,078</u>
Total Tax Levy ⁽³⁾	<u>\$700,368,591</u>	<u>\$714,789,600</u>	<u>\$733,552,074</u>	<u>\$756,821,977</u>	<u>\$779,550,211</u>

(1) Includes allowances for uncollectible taxes and deferred tax revenue.

(2) Includes delinquent charges re-levied.

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

Ten Largest Industrial and Commercial Taxpayers

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

(1) Taxable full valuation is computed by use of County equalization rates which were used for the 2020 tax levy.

The ten largest taxpayers listed above have a total taxable full valuation of \$3,537,744,124 that represents 7.7% of the County's 2020 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 which such assessed valuation bears to the full valuation as determined by the State Office of Real Property Services. The State Legislature is required to prescribe the manner by which such ratio shall be determined.

The following table sets forth the debt limit of the County and its debt-contracting margin under such constitutional standard as of July 1, 2021:

Five Year Average Full Valuation of Taxable Real Property			\$44,691,497,666 ⁽¹⁾
Debt Limit - 7% Thereof			3,128,404,837
Outstanding Indebtedness:			
Bonds	\$472,435,004		
Bond Anticipation Notes	0		
Revenue Anticipation Note	0		
Outstanding Gross Indebtedness		\$472,435,004	
Less Exclusions:			
Sewer Debt (Bonds)	\$0	⁽²⁾	
Water Debt (Bonds)	0	⁽³⁾	
Airport Debt (Bonds)	5,948,223	⁽⁴⁾	
Airport Debt (Notes)	0		
Principal Amount of Refunded or Defeased Bonds	0		
Budget Appropriations	140,000		
Revenue Anticipation Note	0		
Reserve for Bonded Debt	3,168,826		
Total Exclusions		9,257,049	
Total Net Indebtedness			463,177,955
Debt Contracting Margin			<u>\$2,665,226,881</u>
Debt Contracting Power Exhausted			14.81%

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

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

General. The County is further subject to constitutional limitation by the general constitutionally imposed duty of the State Legislature to restrict the power of taxation, assessment, borrowing money, contracting indebtedness and loaning the credit of the County so as to prevent abuses in taxation and assessments and in contracting indebtedness; however, the State Legislature is prohibited by a specific constitutional provision from restricting the power of the County to levy taxes on real estate for the payment of interest on or principal of indebtedness theretofore contracted.

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

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Table of Indebtedness

The following table summarizes the short-term and bonded indebtedness (excluding bonds which have been advanced refunded) of the County by purpose as of July 1, 2021.

	Interest Rate	Maturity	Amount Outstanding July 1, 2021
SHORT-TERM INDEBTEDNESS			
BOND ANTICIPATION NOTES			\$0
REVENUE ANTICIPATION NOTES			<u>0</u>
TOTAL SHORT-TERM INDEBTEDNESS			\$0
BONDED INDEBTEDNESS			<u>472,435,004</u>
TOTAL INDEBTEDNESS			<u><u>\$472,435,004</u></u>

Indebtedness by Purpose

The following table summarizes the short-term and bonded indebtedness (excluding bonds which have been advanced refunded) of the County by purpose as of July 1, 2021.

	Notes	Bonds	Totals
General Fund Operations			\$0
Hospital Fund Operations			0
General Public Improvement		\$317,795,103	317,795,103
Monroe Community Hospital ⁽¹⁾		10,872,167	10,872,167
Greater Rochester International Airport ⁽²⁾		23,723,223	23,723,223
Pure Waters Districts ⁽³⁾		117,924,905	117,924,905
Solid Waste ⁽⁴⁾		2,119,606	2,119,606
Totals	<u>\$0</u>	<u>\$472,435,004</u>	<u>\$472,435,004</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⁾

	<u>GENERAL PUBLIC IMPROVEMENTS</u>			<u>SOLID WASTE</u>		
YEAR						
<u>DUE</u>	<u>PRINCIPAL</u>	<u>INTEREST</u>	<u>TOTAL</u>	<u>PRINCIPAL</u>	<u>INTEREST</u>	<u>TOTAL</u>
2021	\$41,127,873	\$12,299,589	\$53,427,462	\$508,961	\$78,458	\$587,419
2022	38,201,924	13,635,974	51,837,898	442,265	83,492	525,757
2023	40,222,772	10,816,050	51,038,822	281,173	59,828	341,001
2024	37,178,605	8,960,387	46,138,992	282,778	46,231	329,009
2025	34,789,749	7,216,448	42,006,197	284,390	32,534	316,924
2026	28,637,887	5,696,093	34,333,980	66,000	24,253	90,253
2027	23,858,383	4,506,362	28,364,745	67,000	21,605	88,605
2028	22,557,226	3,515,283	26,072,509	67,000	18,937	85,937
2029	20,809,874	2,612,486	23,422,360	69,000	16,223	85,223
2030	17,909,683	1,858,856	19,768,539	71,000	13,568	84,568
2031	14,497,000	1,311,874	15,808,874	65,000	11,279	76,279
2032	10,178,000	937,758	11,115,758	55,000	9,413	64,413
2033	7,268,000	685,524	7,953,524	55,000	7,865	62,865
2034	6,570,000	490,909	7,060,909	57,000	6,419	63,419
2035	5,132,000	324,222	5,456,222	53,000	4,994	57,994
2036	4,188,000	194,112	4,382,112	36,000	3,941	39,941
2037	2,212,000	106,874	2,318,874	38,000	3,158	41,158
2038	1,047,000	66,169	1,113,169	34,000	2,413	36,413
2039	1,040,000	43,869	1,083,869	35,000	1,701	36,701
2040	939,000	22,532	961,532	35,000	957	35,957
2041	558,000	6,278	564,278	26,000	293	26,293
Total	\$358,922,976	\$75,307,647	\$434,230,623	\$2,628,567	\$447,559	\$3,076,126

- (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)

	<u>PURE WATERS DISTRICTS⁽¹⁾</u>			<u>AIRPORT IMPROVEMENTS⁽²⁾</u>		
YEAR						
<u>DUE</u>	<u>PRINCIPAL</u>	<u>INTEREST</u>	<u>TOTAL</u>	<u>PRINCIPAL</u>	<u>INTEREST</u>	<u>TOTAL</u>
2021	\$11,603,382	\$4,699,382	\$16,302,763	\$3,509,068	\$1,273,166	\$4,782,234
2022	10,289,801	4,417,189	14,706,990	3,509,501	1,098,082	4,607,583
2023	10,744,825	3,881,057	14,625,882	3,654,981	919,006	4,573,987
2024	10,940,819	3,393,419	14,334,238	3,797,158	732,864	4,530,022
2025	11,000,742	2,892,953	13,893,695	3,944,351	539,470	4,483,821
2026	9,006,462	2,447,928	11,454,390	3,912,652	343,045	4,255,697
2027	8,812,660	2,076,489	10,889,149	3,646,955	154,055	3,801,010
2028	7,879,277	1,747,922	9,627,199	685,498	45,744	731,242
2029	7,927,994	1,448,626	9,376,620	572,127	14,303	586,430
2030	7,227,325	1,174,287	8,401,612	0	0	0
2031	6,341,000	948,532	7,289,532	0	0	0
2032	5,235,000	766,175	6,001,175	0	0	0
2033	5,324,000	602,457	5,926,457	0	0	0
2034	5,179,000	438,492	5,617,492	0	0	0
2035	3,859,000	296,445	4,155,445	0	0	0
2036	2,896,000	192,266	3,088,266	0	0	0
2037	2,245,000	114,003	2,359,003	0	0	0
2038	1,744,000	53,700	1,797,700	0	0	0
2039	630,000	19,243	649,243	0	0	0
2040	271,000	8,077	279,077	0	0	0
2041	231,000	2,599	233,599			
Total	<u>\$129,388,287</u>	<u>\$31,621,239</u>	<u>\$161,009,526</u>	<u>\$27,232,291</u>	<u>\$5,119,735</u>	<u>\$32,352,026</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)

<u>HOSPITAL IMPROVEMENTS⁽¹⁾</u>			
YEAR			
<u>DUE</u>	<u>PRINCIPAL</u>	<u>INTEREST</u>	<u>TOTAL</u>
2021	\$3,750,712	\$469,993	\$4,220,705
2022	3,051,511	490,373	3,541,884
2023	1,866,246	315,341	2,181,587
2024	1,585,641	232,280	1,817,921
2025	1,540,769	156,973	1,697,742
2026	1,332,000	87,303	1,419,303
2027	370,000	47,448	417,448
2028	306,000	34,056	340,056
2029	201,000	24,426	225,426
2030	202,000	17,216	219,216
2031	157,000	11,234	168,234
2032	67,000	7,674	74,674
2033	68,000	5,480	73,480
2034	69,000	3,168	72,168
2035	56,000	980	56,980
2036	0	0	0
2037	0	0	0
2038	0	0	0
2039	0	0	0
2040	0	0	0
2041	0	0	0
Total	<u>\$14,622,879</u>	<u>\$1,903,943</u>	<u>\$16,526,822</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>
2021	\$60,499,996	\$18,820,587	\$79,320,583
2022	55,495,002	19,725,109	75,220,111
2023	56,769,997	15,991,282	72,761,279
2024	53,785,001	13,365,180	67,150,181
2025	51,560,001	10,838,378	62,398,379
2026	42,955,001	8,598,621	51,553,622
2027	36,754,998	6,805,958	43,560,956
2028	31,495,001	5,361,942	36,856,943
2029	29,579,995	4,116,064	33,696,059
2030	25,410,008	3,063,926	28,473,934
2031	21,060,000	2,282,919	23,342,919
2032	15,535,000	1,721,019	17,256,019
2033	12,715,000	1,301,325	14,016,325
2034	11,875,000	938,988	12,813,988
2035	9,100,000	626,641	9,726,641
2036	7,120,000	390,319	7,510,319
2037	4,495,000	224,035	4,719,035
2038	2,825,000	122,281	2,947,281
2039	1,705,000	64,813	1,769,813
2040	1,245,000	31,566	1,276,566
2041	815,000	9,169	824,169
Total	<u>\$532,795,000</u>	<u>\$114,400,123</u>	<u>\$647,195,123</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
2016	\$548,210,134	\$364,537,196	0.87%
2017	537,926,820	362,152,612	0.85%
2018	561,250,015	382,319,672	0.86%
2019	582,086,993	382,510,548	0.83%
2020	519,308,573	338,247,514	0.69%

(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 2020 is as follows:

(000s Omitted)

City of Rochester	\$ 335,940
School Districts ⁽¹⁾	709,449
Towns	180,844
Villages	29,801
Fire Districts	34,722
Total	\$1,290,756

(1) Does not include the debt of the Rochester City School District which is reported as \$654,945,777

The estimated deductible debt of governmental entities within the County as of the end of their fiscal year ended in 2020 is as follows: ⁽¹⁾

(000s Omitted)

City of Rochester	\$49,028
School Districts ⁽²⁾	13
Towns	53,321
Villages	4,523
Total	\$106,885

(1) Pursuant to the provisions of Article VIII of the State Constitution and Title 9 of Article 2 of the Local Finance Law, this indebtedness is deductible from gross indebtedness for debt limit purposes.

(2) Does not include debt issued for school facilities, which is anticipated to be reimbursed by the State.

SOURCE: New York State Comptroller's Office.

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Sewage System Projects

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

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

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

Solid Waste Management

The County's comprehensive solid waste program consists of the following facilities: the Mill Seat Landfill, located in the Town of Riga; the Resource Recovery Facility ("RRF") and Transfer Station, located in the City of Rochester; the Recycling Center, located adjacent to the RRF; and the ecopark, 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.

In 2015, the Monroe County Legislature, as the solid waste planning unit, adopted the Monroe County Final Local Solid Waste Management Plan. Its purpose is to identify the path to pursue for managing solid waste generated in the County during a ten (10) year planning period that is consistent with New York State's solid waste management policy. The Plan has fourteen (14) established program goals in an effort to work towards a goal of 60% landfill diversion by the year 2025. Two updates of the plan have been submitted to New York State. The 2021 submittal indicates that the 2020 County Diversion Rate was 42%.

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

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

The County and City of Rochester have had an intermunicipal agreement for solid waste services since 2009. It requires the City to deliver all municipal solid waste and recyclables to County facilities. The City's solid waste provides a base tonnage for blending in the County's 100,000 tons of biosolids. The County/WMNY Landfill Lease enhancements were incorporated into a new intermunicipal agreement, which will provide 105,000 tons of solid waste to the Mill Seat Landfill through 2028. The City and the County renewed the agreement earlier this year (2021).

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

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

The Monroe County Resource Recovery Facility is located at 1845 Emerson Street in the City of Rochester, opened in 1979 and currently operates as a combined solid waste transfer station and recycling facility. A sorting line at the MCRRF allows for recyclable materials to be recovered from mixed loads of waste that are delivered from Industrial, Commercial and Institutional (IC&I) facilities. The recyclable materials recovered from such loads are predominantly wood skids and pallets, corrugated cardboard and paper. Waste requiring disposal is trucked in transfer trailers to the Mill Seat Landfill. The MCRRF is owned by the County and operated by Cascades.

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

Monroe Community Hospital

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

Monroe County Airport Authority

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

Pursuant to a certain Lease and Operating Agreement dated as of September 15, 1989, between the County and the Airport Authority, the Airport Authority leases the property comprising the Airport from the County, appoints the

County as its agent for purposes of constructing and completing the above-described project and engages the services of the County to operate the Airport. Pursuant to the Lease and Operating Agreement, the County agrees to operate and maintain the Airport in accordance with its past practices and to indemnify the Airport Authority for all costs and liabilities the Airport Authority may incur as a result of the County's operation of the Airport, excluding only those occasioned by the Airport Authority's own gross negligence or willful misconduct. The Airport Authority agrees to pay to the County, among other things, the County's costs of administration, maintenance, repair and operation of the Airport. The Airport Authority is also responsible for reimbursing the County for all debt service remaining to be paid on debt incurred or to be incurred by the County in connection with Airport improvements. It is anticipated that any additional indebtedness incurred by the County would be incurred pursuant to a contract with the Airport Authority providing for, among other things, reimbursement of debt service to the County.

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

Capital Planning

The following sets forth a summary of the County's Proposed Capital Improvement Program for the years 2022 through 2027. It is scheduled to be submitted to for consideration and acted upon by the County Legislature on July 14, 2021. It should be noted that each planned project must be duly authorized by the County Legislature before being undertaken.

2022 - 2027 Proposed Capital Improvement Program **(000s Omitted)**

	2022	2023	2024	2025	2026	2027	Total
Tax Supported							
Information Services	\$3,100	\$3,100	\$3,100	\$3,100	\$3,100	\$3,100	\$18,600
Medical Examiner	360	-	310	120	485	-	1,275
Monroe Community College	3,222	9,190	17,356	19,802	13,768	2,000	65,338
Library System	371	155	155	155	155	389	1,380
Facilities Management	21,275	4,525	3,300	5,750	2,500	6,200	43,550
Parks	2,500	2,470	1,830	2,350	1,750	2,650	13,550
Zoo	6,350	27,500	4,600	5,000	2,000	500	45,950
Highways and Bridges	14,289	14,023	17,266	14,785	12,993	11,780	85,136
Traffic Engineering	6,762	5,643	1,430	1,350	2,245	1,410	18,840
Office of the Sheriff	2,000	3,200	1,950	14,100	1,600	2,600	25,450
Public Safety Services	1,310	2,335	2,470	4,442	1,820	2,545	14,922
Tax Supported Totals	61,539	72,141	53,767	70,954	42,416	33,174	333,991
Non-Tax Supported							
Monroe Community Hospital	2,130	1,663	2,567	1,852	2,236	3,195	13,643
Department of Aviation	10,980	11,451	8,600	9,600	7,170	9,000	56,801
Pure Waters	4,250	4,250	4,250	9,800	18,850	18,950	60,350
Solid Waste	200	-	200	500	2,700	2,700	6,300
Non-Tax Supported Totals	17,560	17,364	15,617	21,752	30,956	33,845	137,094
Grand Totals	\$79,099	\$89,505	\$69,384	\$92,706	\$73,372	\$67,019	\$471,085

The Proposed 2022-2027 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 \$270,836,000 after deduction of projected Federal, State, and other grant aid. All costs associated with capital projects for the Airport, Pure Waters, Solid Waste, and the Community Hospital are paid from revenues earned by these enterprises.

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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 Procurement Technical Assistance Center. During 2020, Monroe County partnered with numerous economic development entities to assist businesses with local projects. These partner entities include Greater Rochester Enterprise, Greater Rochester Chamber of Commerce, and Rochester Works! And Monroe Community College's Applied Technologies Center. These projects have added 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 partnering with local higher education institutions. Monroe County's health care and higher education continue to drive economic growth and job creation in the community.

The County has a population of over 741,000, and is the central county in the Rochester Metropolitan Area which has a population of approximately 1,069,644 according to the U.S. Census Bureau (2019).

Several colleges and universities provide quality educational opportunities for students from the Greater Rochester area, as well from 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 and Rochester Regional Health and Wegman's Food Market.

The unemployment rate at October 2019 for the County was 3.9%. At the end of 2020, the State average was an increased 8.2% and the national average was rose to an average of 7.8% from December 2019 to November 2020, according to the Bureau of Labor Statistics. The Department of Labor reported the unemployment rate at the end of 2020 for the County rose to 6.9%.

Significant Announcements

During 2021, many projects involved significant investment, renovations and upgrades to existing commercial stock for manufacturing, housing and services. The following are some examples:

Gallina Development Corp. purchased the former Xerox office tower which occupies a city block in downtown Rochester, comprising a 30-story tower, a separate office building, an auditorium building and a parking garage. To be known as Innovation Square, this site will combine office, residential and educational space and has support from several area colleges for the creation of an innovation center. The first phase of 15 floors of student housing is projected to be ready for the start of the 2021-22 school year, and the accounting firm EFPR Group is leasing two floors. This is a \$32.5 million project.

Li-Cycle Inc. is locating its Spoke 2 processing plant at Eastman Business Park in the Town of Greece, for the processing of approximately 5,000 metric tons of end-of-life lithium-ion batteries per year. This \$2.9 million project is projected to create 41 jobs.

Magna Real Property Acquisition Co LLC, a real estate holding company, proposed to expand its current facility in the City of Rochester for tenant XLI Manufacturing, a leader in contract manufacturing specializing in machining precision services. This \$2.5 million project will create 25 new jobs.

South Park Development, LLC, a real estate holding company is proposed to construct a last mile e-commerce distribution facility for consumer projects for its tenant, Amazon.com Services LLC in the Town of Greece. This \$54.2 million project will create 75 jobs.

ProAmpac Rochester, LLC, a global manufacturer of flexible packaging solutions, will construct a Collaboration & Innovation Center at its manufacturing facility in the Town of Ogden, and expand its existing facility. The Center will be a unique international space where customers can collaborate about innovative new packaging ideas from initial concept to testing and end user market. This \$5.9 million project will create 26 jobs.

HYZON Motors, Inc., a hydrogen fuel cell technology company is proposing to purchase and renovate a building to serve its new global headquarters in the Town of Mendon. HYZON provides zero emission hydrogen fuel cell mobility projects and is expecting demand for its products will increase tremendously. This \$5 million project will create 100 jobs.

Solar Energy Projects. The Town of Mendon and the Town of Clarkson are the sites for the development of 5 MW (AC) ground-mounted solar energy projects. These projects will provide significant benefit to the local communities by enabling residents to participate in a share of the local clean energy project and receive a discount on electricity bills. Combined, these projects will invest almost \$17 million.

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 120 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 17,000 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 \$4.322 billion in 2019 (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 60 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. Frontier Field is a multi-use stadium located in downtown Rochester, primary user of the facility 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 International Fringe Festival.

According to VisitRochester. In 2017 the NYS Department of Economic Development, Division of Tourism, reported visitor driven expenditures in Monroe County totaled over \$1 billion. The County is host to a wide variety of entertainment festivals that are held annually.

Resources

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

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. Targeted for 2022, MCC will open a new workforce center – the Finger Lakes Workforce Development Center. This new facility will provide flexible career and apprenticeship training in support of the incumbent workforce, early college upskilling and retaining residents and workers for the proliferation of smart technologies.

Population

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

Year	Population
1960	586,387
1970	711,917
1980	702,238
1990	713,968
2000	735,343
2010	744,344
7/2019	741,770

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)
2011	515.3
2012	518.9
2013	521.0
2014	523.5
2015	528.4
2016	533.5
2017	535.1
2018	539.7
2019	539.7
2020	490.8

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
2011	7.7	8.3	8.9
2012	8.0	8.6	8.1
2013	7.2	7.8	7.4
2014	5.8	6.3	6.2
2015	5.1	5.2	5.3
2016	4.8	4.9	4.9
2017	4.9	4.6	4.4
2018	4.2	4.1	3.9
2019	4.0	3.8	3.7
2020	8.6	10.0	8.1

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

Rank	Name	Number of Full-Time Employees ⁽¹⁾
1	University of Rochester	31,637
2	Rochester Regional Health	17,594
3	Wegmans Food Markets, Inc.	13,434
4	Paychex Inc.	4,771
5	Rochester Institute of Technology	3,976
6	L3Harris Technologies Inc.	3,800 ⁽²⁾
7	Xerox Corp	3,400 ⁽²⁾
8	Angels in Your Home	2,620 ⁽²⁾
9	Heritage Christian Services	2,274 ⁽²⁾
10	YMCA of Greater Rochester	2,117 ⁽²⁾
11	Tops Markets LLC	1,809 ⁽²⁾
12	Lifetime Assistance Inc.	1,725 ⁽²⁾
13	Hurlbut Care Communities	1,650 ⁽²⁾
14	Eastman Kodak Company	1,300 ⁽²⁾
15	Charter Communications Inc.	1,300 ⁽²⁾

(1) Certain of the companies on the list have made announcements regarding layoffs and/or job increases that may not be reflected in such numbers.

(2) Total local employees. The company did not provide separate numbers for full and part-time employees.

SOURCE: Rochester Business Journal, 2021 Edition

New Housing Units Authorized

	2011	2012	2013	2014	2015	2016	2017	2018	2019	2020
Towns/Villages	716	881	697	904	1,106	1,186	892	988	853	1,364
City	328	157	15	221	469	27	266	485	278	797
County-wide Total	826	1,044	1,038	712	1,125	1,575	1,213	1,158	1,473	2,161

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

Occupied Housing Units (Households)

Year	Household
1960	177,639
1970	220,554
1980	252,217
1990	271,944
2000	286,512
2010	304,388
7/2019	301,948

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.

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

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

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

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

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

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

RISK MANAGEMENT

The County is exposed to various risks of loss related to torts; theft of, damage to, and destruction of assets; error and omissions; injuries to employees; and natural disasters. The risk management fund (an Internal Services Fund) is used to account for and finance the County's uninsured risks of loss. The County's general liability commercial insurance limit is \$15.0 million annual aggregate with self-insurance retention of \$2.0 million. As of December 31, 2020, the County had recorded liabilities in excess of \$38.5 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, 2020, is \$30.1 million representing amounts payable for Workers' Compensation claims already reported and additional claims incurred but not yet reported. As a result of these transactions, a fund deficit of \$23.6 million existed in the County's Risk Management Fund at December 31, 2020.

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County of Monroe, New York Comprehensive Annual Financial Report For the Year Ended December 31, 2020

Prepared by
Department of Finance
Office of the Controller



Robert Franklin
Chief Financial Officer

Jennifer Cesario
Controller

Christopher Kovacic
Deputy Controller

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INTRODUCTORY SECTION

This section contains the following:

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

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COUNTY OF MONROE, NEW YORK COMPREHENSIVE ANNUAL FINANCIAL REPORT YEAR ENDED DECEMBER 31, 2020

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**COUNTY OF MONROE, NEW YORK
COMPREHENSIVE ANNUAL FINANCIAL REPORT
YEAR ENDED DECEMBER 31, 2020**

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Department of Finance

Monroe County, New York

Adam J. Bello
County Executive

Robert Franklin
Chief Financial Officer

May 27, 2021

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

We are pleased to submit the Comprehensive Annual Financial Report (CAFR) of the County of Monroe, State of New York (the County) for the year ended December 31, 2020, 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 2020.

The CAFR is presented in three sections: Introductory, Financial, and Statistical. The Introductory Section consists of this letter of transmittal, which gives an overview of the County's history and highlights of key departmental accomplishments. The Financial Section includes the Independent Auditor's Report, Management's Discussion and Analysis (MD&A), the basic financial statements and notes thereto, required supplementary information other than MD&A, and the underlying combining and individual fund financial statements and supporting schedules for the year ended December 31, 2020. The Statistical Section sets forth selected economic and demographic information for the County on a multi-year basis.

Pursuant to Article VI, Section C2-6C(11) of the Monroe County Charter, the basic financial statements of the County are independently audited each year by an independent Certified Public Accounting firm. Bonadio & Co., LLP has completed the independent audit for the year ended December 31, 2020 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, 2019, and the respective changes in financial position, and where applicable, cash flows thereof for the year then ended in accordance with U.S. generally accepted accounting principles."*

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

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

PROFILE OF MONROE COUNTY GOVERNMENT

Location

Monroe County is located in western New York State on the south shore of Lake Ontario, approximately 70 miles east of the Buffalo/Niagara Falls area. The County is the northernmost portion of the Genesee River valley and contains one city, 19 towns and 10 villages. The City of Rochester is the County seat and New York State's third largest industrial and commercial center next to New York City and Buffalo. The area is accessible via the 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, and Monroe Tobacco Asset Securitization 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

COVID-19 Pandemic Response

The Department of Public Health led Monroe County's response to the COVID-19 pandemic in 2020; directing efforts involving contact tracing, collaborations with local health systems to ensure continued capacity as case numbers skyrocketed, increasing access to testing and most recently COVID-19 vaccination efforts.

The Department of Public Health began actively planning for Monroe County's COVID-19 response in January 2020. Planning turned to actual Isolation and Quarantine (I & Q) operations in February 2020 and continued through year-end. COVID-19 operations included using the Incident Command System (ICS) to organize separate response units including: epidemiological operations, case investigation, contact tracing, establishing an Isolation and Quarantine facility for those who could not stay safely at home or had no home, a field unit that conducted in-person PCR swabbing, testing, wrap-around care operations (delivering food and Personal Protective Equipment) for those under Isolation & Quarantine orders in their home, isolation follow-up and release operations, and a phone triage unit to handle all phone calls/email inquiries concerning COVID-19.

The Department of Public Health and the Department of Environmental Services collaboratively established a County Staging Site (CSS) in March 2020 at the County Fleet Center that continued operations throughout year. This CSS operation has overseen the distribution of over 15 million articles of personal protective equipment (PPE) to hospitals, local school districts, colleges, nursing homes, governments, and a variety of businesses. Later, in December 2020, the Fleet Center became the County's first Point of Distribution (POD) site for vaccination operations.

In another partnership to support the community, the Department of Public Safety activated the Emergency Operations Center for an extended period of time to coordinate a myriad of resources dedicated to response efforts to assist with the management of the crisis. Subsequently, Public Safety was tasked to enhance our community outreach efforts. The Department initiated the community based Rapid Test Sites at seven locations throughout the County of Monroe. The testing sites were strategically placed throughout the county at various times and days of the week to ensure equity and accessibility to the target populations as tens of thousands of tests were offered to a diverse population of residents.

Climate Action

Monroe County is accelerating its commitment to addressing climate change and enhancing resiliency. In March 2020, the Legislature established the Climate Action Plan Advisory Committee, which was created to guide the development of Monroe County's inaugural Climate Action Plan. This Plan will draw upon a legacy of successful sustainability initiatives implemented by the County and focus their impact through the lens of climate change mitigation and adaptation, as well as recommending future actions to meet community goals for greenhouse gas emission reduction.

Phase 1 of the Climate Action Plan will focus on internal County operations, and Phase 2 will broaden the scope to the wider community.

In addition to the Climate Action Plan, Monroe County is also participating in State certification programs including the Climate Smart Communities and Clean Energy Communities initiatives. These will provide

external recognition for the County's adoption and innovation of best practices in sustainability and energy management, as well as opening opportunities for grant funding for further environmental improvements. In October 2020, the Legislature adopted the Climate Smart Communities Resolution, formally committing the County to pursuing this certification.

As Monroe County is situated on the south shore of Lake Ontario, one of the primary threats facing the County is lake flooding. To better protect county and town assets, a number of resiliency projects were initiated during 2020.

The Sutter's Marina Project involves modifications to a privately operated, but county-owned marina located on Irondequoit Bay. Significant modifications includes elevation of the permanent structure close to the waters' edge and installation of shoreline stabilization measures at the waters' edge. This resiliency project is intended to protect the infrastructure, as the marina is susceptible to flooding with rising lake levels.

The Irondequoit Bay Outlet Bridge project involves modifications to the County's seasonal use swing bridge spanning the bay outlet. The machinery and moving parts within the swing bridge's turret adjacent to the outlet channel are unprotected and susceptible to flooding. This project will make the turret water tight, allowing the County to operate the bridge under high lake level conditions.

Improvements are also underway on several roads in close proximity to the Lake Ontario shoreline, including Edgemere Drive, Island Cottage Road, Culver Road, and St. Paul Blvd. Project design and construction will involve road elevation changes, grading, stormwater conveyance, and shoreline stabilization measures.

The Sandbar Wastewater Pump Station improvement project in the Town of Webster will protect a critical County pump station against potential damage caused during high water events. The pump station is submersible, but the adjacent control building, including a standby generator, is constructed at grade and is vulnerable to water intrusion from Irondequoit Bay.

Diversity, Equity, and Inclusion

Joining the Pay Equity Coalition at their "Sound the Alarm" event to recognize Black Women's Equal Pay Day on August 13, the County Executive Adam Bello signed an executive order requiring all non-governmental county contractors to comply with federal and state equal pay laws.

Under the provisions of the executive order, the County developed an equal pay certification to be used by all County offices, departments, and administrative units to ensure contractor compliance throughout the contract approval process. Additionally, the Division of Purchasing & Central Services established procedures to monitor compliance and periodically audit certification records. The order also instructed the Human Resources Department to review the County's own compliance with equal pay laws and pay equity for County employees.

Also in August, the County Legislature adopted a resolution authorizing the creation of a diversity action plan for Monroe County, and the creation of a diversity action advisory committee. Each department is required to develop a diversity action plan to encourage and increase diversity in outreach, recruitment, and hiring practices, as well as annually report on their activities and outcomes.

In November 2020, the Legislature enacted a local law amending the Monroe County Charter to create a Department of Diversity, Equity and Inclusion, headed by a Chief Diversity Officer. The Chief Diversity Officer will partner with Human Resources to implement programs and initiatives that foster diversity, equity and inclusion, and supervise equal employment opportunity functions.

The Chief Diversity Officer is also empowered to investigate internal complaints of discrimination and unequal treatment, provide advice and guidance to other departments in fulfilling their obligations under the aforementioned Diversity Action Plan, and oversee M/WBE selection procedures in county contracting.

ECONOMIC PROFILE AND OUTLOOK

Local Economy

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

Monroe County is one of the least congested areas in the region. The City of Rochester offers a commute of 20.4 minutes, according to a 2019 American Community Survey 5-year estimates. Multi-modal transportation is also available in Monroe County at the ROC, which averages 106 flights per day to 18 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 sixth 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 741,770, and is the central county in the Rochester Metropolitan Area which has a population of approximately 1,069,644 according to the U.S. Census Bureau (2019). In Monroe County, the labor force averaged approximately 361,254 at December 2020, with its economy drawing from Rochester's labor force of 496,400 (BLS.gov). Employment fell in all 18 of the largest counties in New York from June 2019 to June 2020, according to the U.S. Bureau of Labor Statistics, with Monroe County having one of the lowest over-the-year decreases in employment at 13.4% (BLS, second quarter 2020). At December 2020, BLS reported the unemployment rate in Rochester at 6.5% and Monroe County at 6.9%.

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 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.

Imaging history is unparalleled as the birthplace of Eastman Kodak Company, Xerox Corporation, and Bausch+Lomb. Today, Rochester is home to more than 120 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 17,000 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. Rochester was named number 6 on Forbes list of *10 most affordable cities to buy a home*. Additionally, last year, writes Forbes, the Rochester housing market saw the biggest rise in return investments for sellers in the country. Forbes further wrote that Rochester has also been on the radar of many housing experts as people leave New York City for more space and lower housing costs. According to the National Association of Realtors, the Rochester metropolitan area averaged a median home price of \$151,000, and at December 2020 the median home price during 2020 was \$157,700, well below the New York state average of \$295,000 median price in January 2020, and the national average of \$303,900 the same month.

Significant Community Announcements

During 2020, many projects involved significant investment, renovations and upgrades to existing commercial stock for manufacturing, housing and services. The following are some examples:

Gallina Development Corporation purchased the former Xerox office tower, which occupies a city block in downtown Rochester, comprising a 30-story tower, a separate office building, an auditorium building and a parking garage. To be known as Innovation Square, this site will combine office, residential and educational space and has support from several area colleges for the creation of an innovation center. The first phase of 15 floors of student housing is projected to be ready for the start of the 2021-22 school year, and the accounting firm EFPR Group is leasing two floors. This is a \$32.5 million project.

Li-Cycle Inc. is locating its Spoke 2 processing plant at Eastman Business Park in the Town of Greece, for the processing of approximately 5,000 metric tons of end-of-life lithium-ion batteries per year. This \$2.9 million project is projected to create 41 jobs.

Magna Real Property Acquisition Co LLC, a real estate holding company, is expanding its current facility in the City of Rochester for tenant XLI Manufacturing, a leader in contract manufacturing specializing in machining precision services. This \$2.5 million project will create 25 new jobs.

South Park Development, LLC, a real estate holding company is constructing a last mile e-commerce distribution facility for consumer projects for its tenant, Amazon.com Services LLC in the Town of Greece. This \$54.2 million project will create 75 jobs.

ProAmpac Rochester, LLC, a global manufacturer of flexible packaging solutions, will construct a Collaboration & Innovation Center at its manufacturing facility in the Town of Ogden, and expand its existing facility. The Center will be a unique international space where customers can collaborate about innovative new packaging ideas from initial concept to testing and end user market. This \$5.9 million project will create 26 jobs.

HYZON Motors, Inc., a hydrogen fuel cell technology company is purchasing and renovating a building to serve its new global headquarters in the Town of Mendon. HYZON provides zero emission hydrogen fuel cell mobility projects and is expecting demand for its products will increase tremendously. This \$5 million project will create 100 jobs.

Solar Energy Projects will be developed in the Town of Mendon and the Town of Clarkson, as 5 MW (AC) ground-mounted solar energy projects. These projects will provide significant benefit to the local communities by enabling residents to participate in a share of the local clean energy project and receive a discount on electricity bills. Combined, these projects will invest almost \$17 million.

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 Office of Management and Budget has the authority to transfer budget amounts of \$10,000 or less between departments within the same fund.

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

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

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

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

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

To maintain fund balance stability, the Fund Balance Policy also establishes a lower and upper threshold of \$35 million to \$55 million for the combined assigned and unassigned fund balance categories within the General Fund. Fund balances accumulating in excess of the upper threshold may be used in subsequent budgets to provide property tax stability, capital project funding, and/or debt reduction.

ACKNOWLEDGEMENTS

The preparation of this report could not have been accomplished without the dedicated efforts of Christopher Kovacic, Erika Batz, Teri Rabinowitz, Richard Ribis, Amy Vinciguerra, Joseph Taddeo 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,

A handwritten signature in black ink, appearing to read "Robert Franklin", with a stylized flourish at the end.

Robert Franklin
Chief Financial Officer

A handwritten signature in black ink, appearing to read "Jennifer Cesario", with a stylized flourish at the end.

Jennifer Cesario
Controller

COUNTY EXECUTIVE'S OFFICE

COUNTY EXECUTIVE

Adam J. Bello

DEPUTY COUNTY EXECUTIVE

Jeffery McCann

DEPUTY COUNTY EXECUTIVE: Health and Human Services

Corinda Crossdale

CHIEF OF STAFF

Amy Grower

ELECTED COUNTY OFFICIALS

COUNTY EXECUTIVE

Adam J. Bello

DISTRICT ATTORNEY

Sandra Doorley

SHERIFF

Todd K. Baxter

COUNTY CLERK

Jamie L. Romeo

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Dr. Joe Carbone, District 16

VICE PRESIDENT

Brian E. Marianetti, District 7

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Matthew Terp, Assistant Leader, District 8

DEMOCRATIC MINORITY CAUCUS

Yversha M. Román, Leader, District 26

Joshua Bauroth, Assistant Leader, District 24

BLACK & ASIAN DEMOCRATIC CAUCUS

Ernest Flager-Mitchell, Leader, District 29

Sabrina LaMar, Assistant Leader, District 27

CLERK OF THE LEGISLATURE

Jack Moffitt, Clerk

David Grant, Deputy Clerk

REPUBLICAN MAJORITY CHIEF OF STAFF

Bridget M. Harvey

DEMOCRATIC MINORITY STAFF DIRECTOR

Saúl Maneiro

LEGISLATORS

District 1.....	R. Edwin Wilt
District 2.....	Jackie Smith
District 3.....	Tracy DiFlorio
District 4.....	Frank X. Allkofer
District 5.....	Karla F. Boyce
District 6.....	Fred Ancello
District 7.....	Brian E. Marianetti
District 8.....	Matthew Terp
District 9.....	Paul Dondorfer
District 10.....	Howard S. Maffucci
District 11.....	Sean M. Delehanty
District 12.....	Steve Brew
District 13.....	Michael Yudelson
District 14.....	Justin Wilcox
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District 17.....	Joe Morelle, Jr.
District 18.....	John B. Baynes
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District 22.....	Vincent R. Felder
District 23.....	Linda Hasman
District 24.....	Joshua Bauroth
District 25.....	Calvin Lee, Jr.
District 26.....	Yversha M. Román
District 27.....	Sabrina LaMar
District 28.....	Frank Keophetlasy
District 29.....	Ernest S. Flagler-Mitchell

COUNTY DEPARTMENTS

AVIATION	Andrew G. Moore, Director
BOARD OF ELECTIONS	Lisa P Nicolay, Commissioner Jackie Ortiz, Commissioner
COMMUNICATIONS	Steven T. Barz, Director
COUNTY CLERK	Jamie L. Romeo, County Clerk
DISTRICT ATTORNEY	Sandra Doorley, District Attorney
DIVERSITY, EQUITY, AND INCLUSION	Deanna Kimbrel, Chief Diversity Officer
ENVIRONMENTAL SERVICES	Michael J. Garland, Director
FINANCE	Robert Franklin, Chief Financial Officer
HUMAN RESOURCES	Andrea Guzzetta, Director
HUMAN SERVICES	Thalia Wright, Commissioner
INFORMATION SERVICES	Jennifer R. Kusse, Chief Information Officer
LAW	John Bringewatt, County Attorney
MONROE COMMUNITY HOSPITAL	Alyssa Tallo, Executive Health Director
OFFICE OF PUBLIC INTEGRITY	Janson McNair, Director
PARKS	Patrick Meredith, Director
PLANNING & DEVELOPMENT	Ana Liss, Director
PUBLIC DEFENDER	Timothy P. Donaher, Public Defender
PUBLIC HEALTH	Michael D. Mendoza, M.D., Commissioner
PUBLIC SAFETY	Richard Tantalo, Director
SHERIFF	Todd K. Baxter, Sheriff
TRANSPORTATION	James R. Pond, 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

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INDEPENDENT AUDITOR'S REPORT

May 27, 2021

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

We have audited the accompanying financial statements of the governmental activities, the business-type activities, the aggregate discretely presented component units, each major fund, and the aggregate remaining fund information of the County of Monroe, New York (the County), as of and for the year ended December 31, 2020, and the related notes to the financial statements, which collectively comprise the County's basic financial statements as listed in the table of contents.

Management's Responsibility for the Financial Statements

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

Auditor's Responsibility

Our responsibility is to express opinions on these financial statements based on our audit. We did not audit the financial statements of the County of Monroe Industrial Development Agency (the Agency) and the Monroe County Water Authority (the Authority), which represent a combined 61%, 84%, and 32%, respectively, of the assets, net position, and revenues of the aggregate discretely presented component units. 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 and the Authority, is based solely on the report of the other auditors. We conducted our audit in accordance with auditing standards generally accepted in the United States of America. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

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

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

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Opinions

In our opinion, based on our audit and the reports of the 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, 2020, 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.

Other Matters

Required Supplementary Information

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

Other Information

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

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

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

COUNTY OF MONROE, NEW YORK

Management's Discussion and Analysis (Unaudited)

Year Ended December 31, 2020

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, 2020. 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, 2020 and comparative data from the year ended December 31, 2019 follows.

2. Financial Highlights

The County overall finished 2020 with a net deficit position of \$127.1 million, an increase of \$16.1 million during the year. Factoring significantly into the County's net deficit position is the blended component unit, Monroe Tobacco Asset Securitization Corporation (MTASC), and the liability for future retiree health insurance benefits. MTASC finished 2020 with a net deficit position of \$264.4 million, while the estimated present value of future retiree health insurance benefits increases the net deficit by \$608.0 million. The County's net position is segregated into three components: (1) net investment in capital assets; (2) restricted; and (3) unrestricted.

The County's most significant asset classification is capital assets. The County reports capital assets, net of depreciation, totaling approximately \$1.2 billion for the year ended December 31, 2020. This number is unchanged from year ended December 31, 2019. Of these capital assets, net of depreciation, infrastructure assets total approximately 38.7% and 40.0% for the years ended December 31, 2020 and 2019, 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 \$805.7 million and \$862.1 million for the years ended December 31, 2020 and 2019, respectively. For each of those respective years, the portion of bonds payable subject to the County's constitutional debt limit was \$393.8 million and \$462.8 million, respectively. As such, as of December 31, 2020, the County had exhausted 12.6% of its constitutional debt limit of \$3.0 billion, compared to 15.3% of its constitutional debt limit of \$3.0 billion as of December 31, 2019.

The County's governmental activities finished 2020 with a net position deficit of \$372.9 million, a \$3.8 million decrease compared to last year's net position deficit of \$376.7 million. The net position of the County's governmental activities for 2020 is reported as \$543.9 million of net investment in capital assets, \$35.7 million of restricted and \$952.6 million of unrestricted deficit. The changes in each reported net position category are as follows: an increase of \$2.0 million in net investment in capital assets; a decrease of \$1.8 million in restricted; and a decrease of \$3.5 million in the unrestricted deficit. The largest component of the unrestricted deficit is the other postemployment benefits (OPEB) liability which at December 31, 2020 was \$523.3 million.

In April 2020, Monroe County received \$129.4 million in Coronavirus Aid, Relief, and Economic Security (CARES) Act funding from the United State Treasury. CARES Act expenses and revenues for goods and services were recorded as a general government activity and include such items as small business grants (Fast Forward Monroe), purchases of personal protective equipment, temporary staffing for Monroe Community Hospital and the Department of Public Health, eviction prevention, and downstream municipal reimbursements. In addition, Monroe County began the work to create a vaccination point of distribution (POD). Hazard pay and the associated CARES Act revenue issued during 2020 was recorded in the corresponding governmental or business-type activity that the employee's payroll would otherwise be recorded. As of December 31, 2020 Monroe County had expended \$75.8 million of the CARES Act funding and recorded \$53.6 million in deferred revenue.

The County's business-type activities finished 2020 with a net position of \$245.8 million, a decrease of \$19.9 million from the past year. The net position of the County's business-type activities for 2020 are reported as \$272.4 million of net investment in capital assets, \$1.0 million of restricted and \$27.6 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 13.

As of the close of 2020, the County's governmental funds reported combined fund balances of \$169.9 million, an increase of \$11.6 million from the prior year. An explanation of changes in the governmental funds is provided in the governmental fund section of the MD&A on page 11.

The County's general fund balance was \$122.7 million as of December 31, 2020, compared to the December 31, 2019 fund balance of \$96.5 million, an increase of \$26.2 million.

COUNTY OF MONROE, NEW YORK

Management's Discussion and Analysis (Unaudited)

Year Ended December 31, 2020

The County's discretely presented component units finished 2020 with a net position of \$398.2 million; a decrease of \$19.4 million over 2019. The total net position for each of the major component units are as follows: \$42.1 million for Monroe Community College (MCC); \$20.1 million for Monroe County Airport Authority (Airport Authority); and \$328.9 million for Monroe County Water Authority (Water Authority). The nonmajor component units finished 2020 with a net position of \$7.1 million. For more detail regarding the County's component units, see pages 32 and 33 for the statement of net position and statement of activities and pages 34 through 36 of the footnotes.

The County elected to pay its annual New York State Retirement System bill on the early due date of December 15, 2020 rather than on the customary due date of February 1, 2021 saving taxpayers over \$321 thousand in interest. With resources available, the County was also able to pay an additional \$11.2 million toward prior years' outstanding pension amortizations, saving nearly \$1.5 million in future interest expense. As of December 31, 2020, all prior outstanding pension amortizations have been paid in full.

3. Basis of Presentation

Government-wide Financial Statements

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

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

In addition to focusing on governmental and business-type activities, the government-wide financial statements also include the County's discretely presented component units: MCC, Airport Authority, Water Authority, and the County of Monroe Industrial Development Agency (COMIDA). 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

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

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

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.

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Northampton 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 Northampton Park.

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

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

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

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

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

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

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

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

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

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

Proprietary Funds

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

Fiduciary Funds

These funds are used to account for assets held by the County in a trustee 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					
	2020			2019		
	Governmental Activities	Business-type Activities	Total Primary Government	Governmental Activities	Business-type Activities	Total Primary Government
Assets						
Current and other assets	\$ 532,743	\$ 98,308	\$ 631,051	\$ 478,032	\$ 98,576	\$ 576,608
Capital assets, net of accumulated depreciation	731,119	459,434	1,190,553	742,786	484,862	1,227,648
Total assets	1,263,862	557,742	1,821,604	1,220,818	583,438	1,804,256
Deferred Outflows of Resources	226,460	59,404	285,864	80,896	31,769	112,665
Liabilities						
Current liabilities	383,654	59,090	442,744	341,002	56,389	397,391
Non-current liabilities	1,366,298	299,947	1,666,245	1,223,554	282,011	1,505,565
Total liabilities	1,749,952	359,037	2,108,989	1,564,556	338,400	1,902,956
Deferred Inflows of Resources	113,302	12,318	125,620	113,859	11,152	125,011
Net Position						
Net investment in capital assets	543,944	272,383	816,327	541,942	280,762	822,704
Restricted	35,703	1,044	36,747	37,477	2,908	40,385
Unrestricted (deficit)	(952,579)	(27,636)	(980,215)	(956,120)	(18,015)	(974,135)
Total Net Position	\$ (372,932)	\$ 245,791	\$ (127,141)	\$ (376,701)	\$ 265,655	\$ (111,046)

Restricted net position in the County's governmental activities for 2020 is \$35.7 million. This is comprised primarily of restrictions for debt service in the sum of \$16.2 million, restrictions for grants and trusts of \$13.5 million and restrictions related to capital projects of \$6.0 million.

Unrestricted net position in the County's governmental activities shows a deficit of \$952.6 million at December 31, 2020 comprised primarily of the OPEB liability which at December 31, 2020 was \$523.3 million, compared to \$496.8 million at December 31, 2019, an increase of \$26.5 million. Also contributing to the unrestricted deficit is the \$286.4 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, 2019 balance, when unrestricted net position in the County's governmental activities had a \$956.1 million deficit with MTASC recording a \$280.1 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.

COUNTY OF MONROE, NEW YORK
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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						
	2020			2019		
	Governmental Activities	Business-type Activities	Total Primary Government	Governmental Activities	Business-type Activities	Total Primary Government
Revenues						
Program Revenues						
Charges for services	\$ 89,036	\$ 159,162	\$ 248,198	\$ 104,513	\$ 170,248	\$ 274,761
Operating grants and contributions	393,921	14,483	408,404	332,820	380	333,200
Capital grants and contributions	12,560	14,281	26,841	20,905	18,618	39,523
General Revenues						
Taxes and other tax items	940,200	-	940,200	942,158	-	942,158
Tobacco settlement	11,371	-	11,371	9,939	-	9,939
Interest earnings	1,329	322	1,651	4,062	1,092	5,154
Miscellaneous revenue	2,858	7,545	10,403	7,409	7,128	14,537
Total Revenues	1,451,275	195,793	1,647,068	1,421,806	197,466	1,619,272
Expenses						
General government	484,993	-	484,993	414,772	-	414,772
Public safety	281,104	-	281,104	250,820	-	250,820
Health and welfare	508,065	-	508,065	510,085	-	510,085
Culture, recreation, and education	95,648	-	95,648	103,557	-	103,557
Transportation	45,868	-	45,868	50,455	-	50,455
Sanitation	-	-	-	37	-	37
Economic development	3,395	-	3,395	3,412	-	3,412
Interest on bonds and notes payable	24,654	-	24,654	26,101	-	26,101
Solid Waste	-	11,207	11,207	-	11,396	11,396
Airport	-	34,480	34,480	-	34,772	34,772
Hospital	-	84,215	84,215	-	73,868	73,868
Pure Waters	-	77,658	77,658	-	76,355	76,355
Energy	-	11,876	11,876	-	12,867	12,867
Total Expenses	1,443,727	219,436	1,663,163	1,359,239	209,258	1,568,497
Transfers	(3,779)	3,779	-	(1,776)	1,776	-
Changes in net position	3,769	(19,864)	(16,095)	60,791	(10,016)	50,775
Net position-beginning	(376,701)	265,655	(111,046)	(437,492)	275,671	(161,821)
Net Position-Ending	\$ (372,932)	\$ 245,791	\$ (127,141)	\$ (376,701)	\$ 265,655	\$ (111,046)

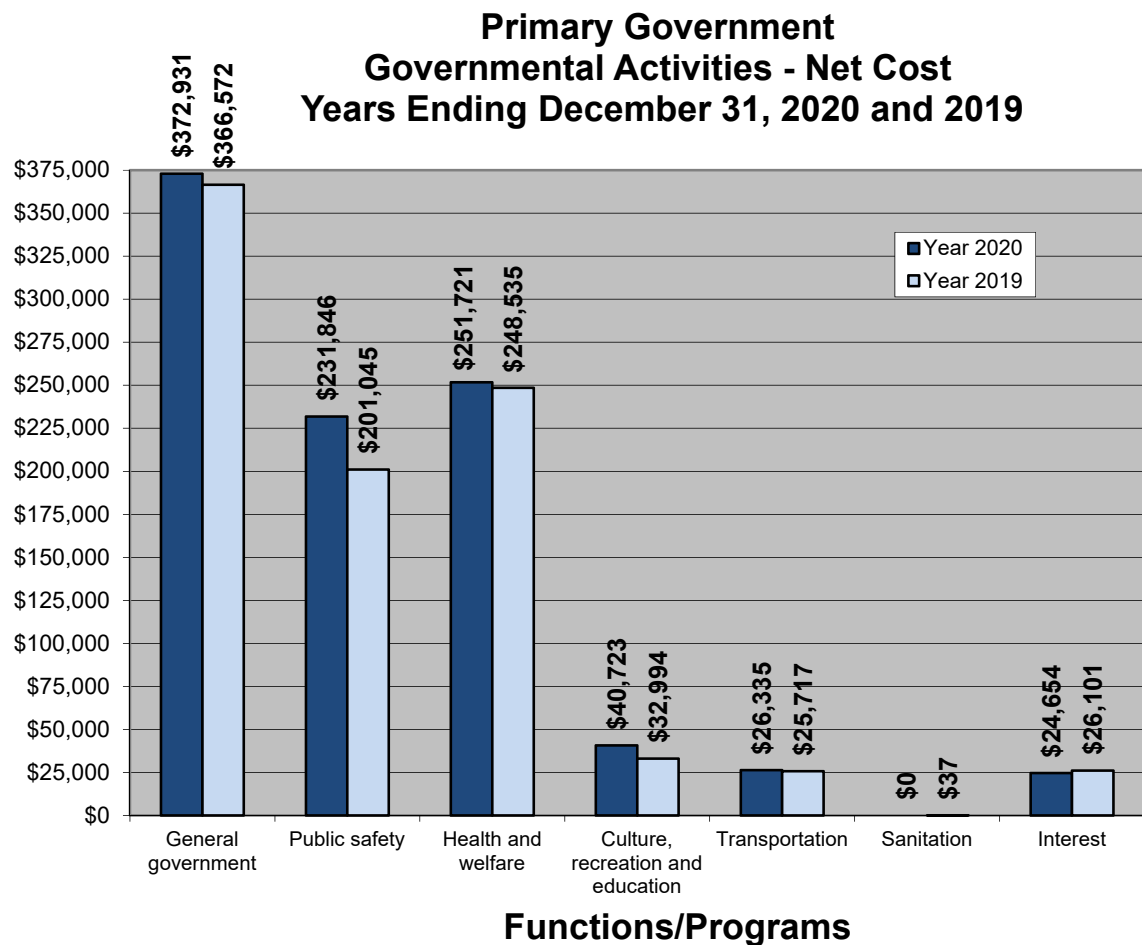
COUNTY OF MONROE, NEW YORK
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For governmental activities, overall net position increased by \$3.8 million for the year ended December 31, 2020. The largest factors contributing to this increase related to general fund reductions include the following items: salary and benefit costs of approximately \$8.6 million (net of reduced state and federal reimbursement), the local share of Medicaid was \$10.4 million lower than budget, public assistance benefits were below estimates which saved approximately \$31.4 million (net of reduced state and federal reimbursement). Lower expenses were offset by lower revenues, sales tax revenue was \$5.5 million lower than budgeted, hotel/motel tax was \$4.9 million lower, various fees were \$4.9 million lower than budget, and the tax-lien foreclosure sale did not take place due to the Governor's Executive Orders, this was budgeted for \$6 million.

Business-type activities decreased the County's net position by \$19.9 million for the year ended December 31, 2020. Net position decreases were reported in the Hospital, Airport and Pure Waters Fund, while the Solid Waste and Energy Funds reported net position increases. See 5B of this MD&A for additional information.

C. Governmental Activities Net Cost

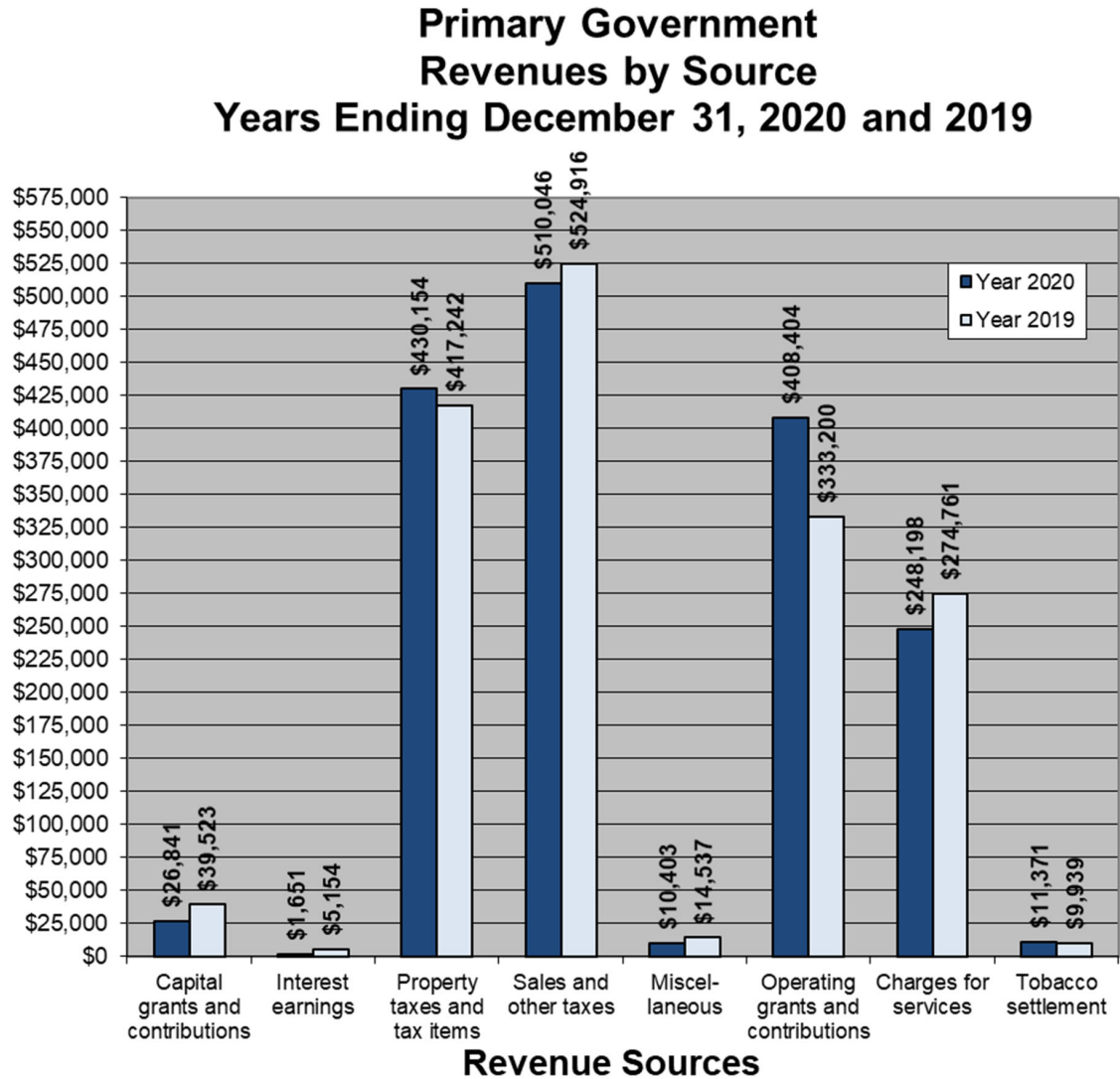
The following chart compares the net cost (defined as expenses less program revenues) of each County function/program within the governmental activities of the primary government (000's omitted):



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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):



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5. Financial Analysis of the County's Funds

A. Governmental Funds

As of December 31, 2020, the County's governmental funds reported total governmental fund balances of \$169.9 million, compared to \$158.3 million as of December 31, 2019, an increase of \$11.6 million.

The County's general fund balance was \$122.7 million as of December 31, 2020, compared to the December 31, 2019 fund balance of \$96.5 million, an increase of \$26.2 million. The unassigned fund balance of the general fund was \$19.2 million as of December 31, 2020 compared to \$18.7 million as of December 31, 2019, an increase of \$500 thousand. Combined assigned and unassigned fund balance was \$82.5 million as of December 31, 2020, compared to \$61.5 million as of December 31, 2019, an increase of \$21.0 million.

The fund balance in the capital projects fund, classified as a major fund, was \$4.8 million as of December 31, 2020, compared to a fund balance of \$18.4 million as of December 31, 2019, a decrease of \$13.7 million. The decrease is primarily due to a reduction of projects being worked on due to COVID and a bond issuance not being done in 2020.

The nonmajor governmental funds total fund balance was \$42.4 million as of December 31, 2020, compared to a total fund balance of \$43.3 million as of December 31, 2019, a decrease of \$900 thousand. The decrease was primarily generated in the debt service funds as a planned spend down of fund balance.

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

2020	General Fund	Capital Projects Funds	Nonmajor Funds	Total Governmental Funds
Fund balances, beginning	\$ 96,517	\$ 18,446	\$ 43,311	\$ 158,274
Revenues	1,377,171	11,719	34,494	1,423,384
Expenditures	(1,286,657)	(29,519)	(93,849)	(1,410,025)
Other financing sources, net	(64,320)	4,106	58,466	(1,748)
Fund Balances, Ending	\$ 122,711	\$ 4,752	\$ 42,422	\$ 169,885

Condensed Schedules of Governmental Funds Changes in Fund Balances

2019	General Fund	Capital Projects Funds	Nonmajor Funds	Total Governmental Funds
Fund balances, beginning	\$ 60,939	\$ 4,355	\$ 51,236	\$ 116,530
Revenues	1,331,403	19,893	42,097	1,393,393
Expenditures	(1,239,972)	(57,052)	(95,503)	(1,392,527)
Other financing sources, net	(55,853)	51,250	45,481	40,878
Fund Balances, Ending	\$ 96,517	\$ 18,446	\$ 43,311	\$ 158,274

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B. Proprietary Funds

As of December 31, 2020, the County's proprietary funds reported combined net position for the enterprise funds of \$245.8 million and a net position for the internal service funds of \$21.3 million.

The table below summarizes the changes in net position for the County's proprietary funds in 2020 and 2019 as follows (000's omitted):

Condensed Schedules of Proprietary Funds							
Changes in Net Position 2020							
	Business-type Activities- Enterprise Funds						Governmental Activities
	Solid Waste	Airport	Hospital	Pure Waters	Energy	Total	Internal Service Funds
Net Position (deficit) beginning	\$ (10,568)	\$ 216,164	\$ (28,323)	\$ 88,279	\$ 103	\$ 265,655	\$ 24,969
Total operating revenues	12,653	12,926	68,414	60,590	11,883	166,466	127,728
Total operating expenses	(11,101)	(32,873)	(83,358)	(71,974)	(11,876)	(211,182)	(127,461)
Operating income (loss)	1,552	(19,947)	(14,944)	(11,384)	7	(44,716)	267
Total nonoperating revenue (expenses) net	141	19,482	6,273	(4,823)	-	21,073	(2,020)
Income (loss) before contributions and transfers	1,693	(465)	(8,671)	(16,207)	7	(23,643)	(1,753)
Capital contributions	-	-	-	-	-	-	23
Net transfers	2,000	-	1,779	-	-	3,779	(1,931)
Net Position (deficit) ending	\$ (6,875)	\$ 215,699	\$ (35,215)	\$ 72,072	\$ 110	\$ 245,791	\$ 21,308

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Condensed Schedules of Proprietary Funds
Changes in Net Position 2019

	Business-type Activities- Enterprise Funds						Governmental Activities
	Solid Waste	Airport	Hospital	Pure Waters	Energy	Total	Internal Service Funds
Net Position (deficit) beginning	\$ (11,575)	\$ 210,172	\$ (27,444)	\$ 104,429	\$ 89	\$ 275,671	\$ 15,665
Total operating revenues	11,756	20,433	71,132	60,528	12,881	176,730	132,807
Total operating expenses	(11,246)	(33,135)	(73,098)	(70,178)	(12,867)	(200,524)	(119,865)
Operating income (loss)	510	(12,702)	(1,966)	(9,650)	14	(23,794)	12,942
Total nonoperating expenses, net	497	18,694	(689)	(6,504)	-	11,998	(1,710)
Income (loss) before contributions and transfers	1,007	5,992	(2,655)	(16,154)	14	(11,796)	11,232
Capital contributions	-	-	-	4	-	4	-
Net transfers	-	-	1,776	-	-	1,776	(1,928)
Net Position (deficit) ending	<u>\$ (10,568)</u>	<u>\$ 216,164</u>	<u>\$ (28,323)</u>	<u>\$ 88,279</u>	<u>\$ 103</u>	<u>\$ 265,655</u>	<u>\$ 24,969</u>

Proprietary Funds - Changes in Net Position:

Solid Waste Fund: Net position increased by \$3.7 million. Operating income for 2019 was \$1.7 million compared to \$510 thousand in 2019. Non-operating revenues for 2020 was \$141 thousand compared to \$497 thousand in 2019. This increase is a result of higher billings and sale of electricity.

Airport Fund: Net position decreased by \$465 thousand. The operating loss of \$19.9 million is \$7.2 million more than the 2019 operating loss of \$12.7 million. This loss is almost entirely related to the drastic reduction in air travel due to the COVID-19 pandemic which resulted in decreased landing fees, parking commissions and car rental commissions. This year's operating loss was almost entirely offset by other non-operating revenues (expenses) of \$19.5 million comprised primarily of federal and state aid and passenger facility charges.

Hospital Fund: Net position decreased by \$6.9 million. The 2020 operating loss was \$14.9 million compared to the previous year's operating loss of \$2.0 million. Compared to 2019, operating revenues decreased \$2.7 million due to the COVID-19 Pandemic which forced a reduction in bed capacity. Additionally operating expenses increased \$10.3 million primarily in personnel services and employee benefits.

Pure Waters Fund: Net position decreased by \$16.2 million, primarily due to a planned spend down. The 2020 operating loss of \$11.4 million is \$1.7 million more than the 2019 operating loss of \$9.7 million. Compared to 2019, operating revenues decreased slightly and expenditures increased \$1.8 million in 2020. This planned spend down of net position continues to allow the Pure Waters rates to remain stable.

Energy Fund: Net position increased by \$7 thousand. The Energy fund records activities (transactions) relative to the County's involvement in the energy aggregation group. As part of the program, the County offers energy to other municipalities at competitive rates.

COUNTY OF MONROE, NEW YORK
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Internal Service Funds: Net position decreased by \$3.7 million. The 2020 operating income of \$267 thousand is \$12.6 million less than the 2019 operating income of \$12.9 million. The largest internal services fund, risk management, had its net position decrease by \$1.5 million, primarily as a result of recognizing an increased level of liability for unsettled legal claims, which were still in litigation as of December 31, 2020, and recognizing an increased level of liability for workers' compensation claims, per an actuarial analysis.

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						
	2020			2019		
	Adopted Budget	Modified Budget	Budget Basis Actual	Adopted Budget	Modified Budget	Budget Basis Actual
Real property tax	\$ 403,932	\$ 403,932	\$ 408,957	\$ 394,424	\$ 394,424	\$ 393,920
Sales and other taxes	160,405	166,952	156,549	154,405	154,405	162,398
Federal aid	111,515	259,658	187,425	117,965	134,918	117,557
State aid	196,699	221,475	168,761	194,311	216,548	178,220
Other revenues	117,986	114,152	101,982	116,360	116,689	116,790
Total Revenue- Budgetary Basis	\$ 990,537	\$ 1,166,169	\$ 1,023,674	\$ 977,465	\$ 1,016,984	\$ 968,885

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						
	2020			2019		
	Adopted Budget	Modified Budget	Budget Basis Actual	Adopted Budget	Modified Budget	Budget Basis Actual
Health and welfare	\$ 557,202	\$ 581,438	\$ 496,225	\$ 560,250	\$ 578,401	\$ 514,395
Public safety	252,732	281,674	253,255	246,151	267,740	242,026
Culture, recreation, and education	85,203	92,983	78,190	83,365	87,340	83,354
General government	40,627	159,366	103,375	37,565	37,935	34,155
Transportation	3,524	3,524	2,115	3,524	3,524	3,524
Total Expenditures- Budgetary Basis	\$ 939,288	\$ 1,118,985	\$ 933,160	\$ 930,855	\$ 974,940	\$ 877,454

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 2020, the County had invested \$1.2 billion in a broad range of capital assets, including \$461 million in infrastructure, net of depreciation, which includes bridges, culverts and sewers. This compares to having invested \$1.2 billion at the end of 2019 which included \$491 million in infrastructure, net of depreciation. The table below summarizes capital assets by classification as follows (000's omitted):

Condensed Schedules of Capital Assets				
2020				
	Governmental Activities	Business-type Activities	Total Primary Government	Percent of Total
Land	\$ 29,232	\$ 28,022	\$ 57,254	1.6%
Assets under construction	77,210	39,676	116,886	3.3%
Buildings	208,053	258,819	466,872	13.1%
Infrastructure	1,041,783	686,653	1,728,436	48.5%
Improvements other than buildings	287,932	602,457	890,389	25.0%
Machinery and equipment	188,674	113,323	301,997	8.5%
Total capital assets	1,832,884	1,728,950	3,561,834	100.0%
Accumulated depreciation	(1,101,765)	(1,269,516)	(2,371,281)	
Total Net Capital Assets	\$ 731,119	\$ 459,434	\$ 1,190,553	

2019				
	Governmental Activities	Business-type Activities	Total Primary Government	Percent of Total
Land	\$ 29,230	\$ 27,914	\$ 57,144	1.6%
Assets under construction	73,024	48,858	121,882	3.5%
Buildings	207,907	229,850	437,757	12.5%
Infrastructure	1,030,986	686,553	1,717,539	48.9%
Improvements other than buildings	283,085	572,575	855,660	24.4%
Machinery and equipment	181,649	140,740	322,389	9.2%
Total capital assets	1,805,881	1,706,490	3,512,371	100.0%
Accumulated depreciation	(1,063,095)	(1,221,628)	(2,284,723)	
Total Net Capital Assets	\$ 742,786	\$ 484,862	\$ 1,227,648	

The 2020 decrease of capital assets in both governmental and business-type activities is primarily related to a pause in capital projects due to the COVID-19 pandemic.

On August 11, 2020, the County Legislature adopted the 2021 - 2026 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, 2020

B. Debt Administration

At year-end, total debt payable for the primary government was \$858.7 million. General obligation debt totaled \$572.3 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				
	2020			
	Governmental Activities	Business-type Activities	Total Primary Government	Percent of Total
General Obligation Debt				
Total revenue anticipation notes payable	\$ 35,000	\$ 15,000	\$ 50,000	5.8%
Total bond anticipation notes payable	3,042	-	3,042	0.4%
Total bonds payable	338,247	181,060	519,307	60.5%
Total general obligation debt	376,289	196,060	572,349	66.7%
Non General Obligation debt	286,350	-	286,350	33.3%
Total Debt Payable	\$ 662,639	\$ 196,060	\$ 858,699	100.0%
Total current debt payable	\$ 79,170	\$ 34,372	\$ 113,542	13.2%
Total long-term debt payable	583,469	161,688	745,157	86.8%
Total Debt Payable	\$ 662,639	\$ 196,060	\$ 858,699	100.0%
	2019			
	Governmental Activities	Business-type Activities	Total Primary Government	Percent of Total
General Obligation Debt				
Total revenue anticipation notes payable	\$ 42,500	\$ 12,500	\$ 55,000	6.0%
Total bond anticipation notes payable	6,000	-	6,000	0.6%
Total bonds payable	382,511	199,578	582,089	63.1%
Total general obligation debt	431,011	212,078	643,089	69.7%
Non General Obligation Debt	280,055	-	280,055	30.3%
Total Debt Payable	\$ 711,066	\$ 212,078	\$ 923,144	100.0%
Total current debt payable	\$ 89,151	\$ 29,500	\$ 118,651	12.9%
Total long-term debt payable	621,915	182,578	804,493	87.1%
Total Debt Payable	\$ 711,066	\$ 212,078	\$ 923,144	100.0%

COUNTY OF MONROE, NEW YORK
Management's Discussion and Analysis (Unaudited)
Year Ended December 31, 2020

The County issued a total of \$87.6 million of debt obligations in 2020. In June 2020, the County issued \$34.6 million of Refunding Bonds. In October 2020, the County issued a \$3.0 million bond anticipation note for various County projects. In October 2020, \$50.0 million in revenue anticipation notes were issued providing \$35.0 million in working capital for the general fund and \$15.0 million for the Monroe Community Hospital enterprise fund. The issuance of revenue anticipation notes was necessary due to the delay in receiving various state and federal aid. At December 31, 2020, \$256 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.

7. COVID-19

In March 2020, the World Health Organization declared the outbreak of novel coronavirus disease (COVID-19) as a pandemic, which continue to spread throughout the United States. As a result, New York State has imposed numerous social restrictions; including wide spread business closures, which will directly affect the finances of the County. More information about this is presented in Note 19 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>.

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BASIC FINANCIAL STATEMENTS

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COUNTY OF MONROE, NEW YORK
STATEMENT OF NET POSITION
AS OF DECEMBER 31, 2020
(000's Omitted)

	Primary Government			
	Governmental Activities	Business-type Activities	Total	Component Units
ASSETS				
Current assets:				
Cash and cash equivalents	\$ 162,578	\$ 53,327	\$ 215,905	\$ 128,036
Custodial accounts	-	938	938	-
Investments	-	-	-	20,777
Accounts receivable, net	67,131	16,998	84,129	29,414
Internal balances	19,200	(19,200)	-	-
Due from other governments	216,736	34,555	251,291	-
Inventories	3,271	2,602	5,873	1,519
Other	13,492	1,547	15,039	4,916
Total current assets	482,408	90,767	573,175	184,662
Noncurrent assets:				
Restricted assets:				
Cash and cash equivalents	50,092	7,193	57,285	54,978
Funds held by trustee	-	-	-	27,739
Securities in lieu of retained percentages	243	-	243	-
Capital assets, net of accumulated depreciation	731,119	459,434	1,190,553	638,371
Other	-	348	348	8,647
Total noncurrent assets	781,454	466,975	1,248,429	729,735
Total assets	1,263,862	557,742	1,821,604	914,397
DEFERRED OUTFLOWS OF RESOURCES				
Deferred loss on refunding	306	1	307	421
Pension	153,511	36,025	189,536	50,365
Other postemployment benefits	72,643	23,378	96,021	31,465
Total deferred outflows of resources	226,460	59,404	285,864	82,251
LIABILITIES				
Current liabilities:				
Accounts payable and accrued liabilities	132,287	21,557	153,844	25,966
Accrued interest payable	1,948	618	2,566	2,963
Due to other governments	108,549	781	109,330	-
Patient funds held in trust	-	938	938	-
Unearned revenue	61,362	3	61,365	10,151
Notes payable	38,042	15,000	53,042	-
Current portion of:				
Capital leases payable	338	821	1,159	116
Bonds payable	41,128	19,372	60,500	5,775
Total current liabilities	383,654	59,090	442,744	44,971
Noncurrent liabilities:				
Capital leases payable	594	1,768	2,362	395
Bonds payable	583,469	161,688	745,157	173,574
Net pension liability	222,179	49,722	271,901	44,162
Total other postemployment benefits	523,308	84,735	608,043	284,557
Other long-term liabilities	36,748	2,034	38,782	6,091
Total noncurrent liabilities	1,366,298	299,947	1,666,245	508,779
Total liabilities	1,749,952	359,037	2,108,989	553,750
DEFERRED INFLOWS OF RESOURCES				
Deferred gain on refunding	29	51	80	-
Pension	14,975	4,041	19,016	3,095
Other postemployment benefits	87,161	8,226	95,387	41,575
Community Development loan repayments	11,137	-	11,137	-
Total deferred inflows of resources	113,302	12,318	125,620	44,670
NET POSITION				
Net investment in capital assets	543,944	272,383	816,327	466,915
Restricted for:				
Debt service	16,180	112	16,292	1,879
Capital projects	6,068	932	7,000	-
Nonexpendable	-	-	-	6,208
Expendable	-	-	-	28,992
Grants and Other Purposes	13,455	-	13,455	-
Passenger facility charges	-	-	-	24
Unrestricted (deficit)	(952,579)	(27,636)	(980,215)	(105,790)
Total net position	\$ (372,932)	\$ 245,791	\$ (127,141)	\$ 398,228

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, 2020
(000's Omitted)

		Program Revenues		Net (Expense) Revenue and Changes in Net Position			
		Charges for	Operating	Capital	Primary Government		
Expenses	Services	Grants and Contributions	Grants and Contributions	Governmental Activities	Business-type Activities	Total	Component Units
Function/Programs							
Primary government:							
Governmental activities:							
General government	\$ 484,993	\$ 37,112	\$ 72,492	\$ 2,458	\$ (372,931)	\$ -	\$ (372,931)
Public safety	281,104	11,764	35,917	1,577	(231,846)	-	(231,846)
Health and welfare	508,065	3,462	252,801	81	(251,721)	-	(251,721)
Culture, recreation and education	95,648	31,195	21,969	1,761	(40,723)	-	(40,723)
Transportation	45,868	5,503	7,347	6,683	(26,335)	-	(26,335)
Economic development	3,395	-	3,395	-	-	-	-
Interest on bonds and notes payable	24,654	-	-	-	(24,654)	-	(24,654)
Total governmental activities	1,443,727	89,036	393,921	12,560	(948,210)	-	(948,210)
Business-type activities:							
Solid Waste	11,207	7,927	6	-	-	(3,274)	(3,274)
Airport	34,480	12,899	6,792	14,293	-	(496)	(496)
Hospital	84,215	65,955	7,120	-	-	(11,140)	(11,140)
Pure Waters	77,658	60,498	565	(12)	-	(16,607)	(16,607)
Energy	11,876	11,883	-	-	-	7	7
Total business-type activities	219,436	159,162	14,483	14,281	-	(31,510)	(31,510)
Total primary government	\$ 1,663,163	\$ 248,198	\$ 408,404	\$ 26,841	(948,210)	(31,510)	(979,720)
Component units:							
Major Component Units:							
Community College	\$ 188,516	\$ 33,421	\$ 126,216	\$ 1,005			\$ (27,874)
Airport Authority	18,826	16,144	-	(85)			(2,767)
Water Authority	72,938	77,826	-	2,842			7,730
Nonmajor Component Units	3,163	1,238	215	-			(1,710)
Total component units	\$ 283,443	\$ 128,629	\$ 126,431	\$ 3,762			(24,621)
General revenues:							
Taxes:							
Property tax and tax items				430,154	-	430,154	-
Sales and other taxes				510,046	-	510,046	-
Tobacco settlement revenues				11,371	-	11,371	-
Interest earnings				1,329	322	1,651	5,213
Miscellaneous revenue				2,858	7,545	10,403	32
Transfers				(3,779)	3,779	-	-
Total general revenues				951,979	11,646	963,625	5,245
Change in net position				3,769	(19,864)	(16,095)	(19,376)
Net position-beginning				(376,701)	265,655	(111,046)	417,604
Net position-ending				\$ (372,932)	\$ 245,791	\$ (127,141)	\$ 398,228

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, 2020
(000's Omitted)

	Major Governmental Funds		Nonmajor Governmental Funds	Total Governmental Funds
	General	Capital Projects		
ASSETS				
Cash and cash equivalents	\$ 106,480	\$ -	\$ 27,364	\$ 133,844
Accounts receivables, net:				
Taxes and assessments	20,916	-	-	20,916
Returned school taxes	22,738	-	-	22,738
Other receivables	2,348	-	21,106	23,454
Due from other funds	44,338	-	12,436	56,774
Due from other governments:				
State and Federal - social services	118,975	-	-	118,975
State and Federal - other	66,721	7,162	2,558	76,441
Local governments	20,300	-	425	20,725
Inventories	1,597	-	1,010	2,607
Restricted assets:				
Cash and cash equivalents	-	26,290	15,647	41,937
Securities in lieu of retained percentages	-	243	-	243
Other assets	12,103	-	123	12,226
Total assets	<u>\$ 416,516</u>	<u>\$ 33,695</u>	<u>\$ 80,669</u>	<u>\$ 530,880</u>
LIABILITIES, DEFERRED INFLOWS OF RESOURCES AND FUND BALANCES				
Liabilities:				
Accounts payable and accrued liabilities	\$ 69,994	\$ 2,977	\$ 2,657	\$ 75,628
Due to other funds	-	22,924	14,500	37,424
Due to other governments	107,173	-	300	107,473
Unearned revenue	61,362	-	-	61,362
Notes payable	35,000	3,042	-	38,042
Total liabilities	<u>273,529</u>	<u>28,943</u>	<u>17,457</u>	<u>319,929</u>
Deferred inflows of resources:				
Community Development loan repayments	-	-	11,137	11,137
Deferred property tax revenue	20,276	-	-	20,276
Tobacco settlement revenue	-	-	9,653	9,653
Total deferred inflows of resources	<u>20,276</u>	<u>-</u>	<u>20,790</u>	<u>41,066</u>
Fund balances:				
Nonspendable	28,378	-	1,133	29,511
Restricted	1,699	8,388	27,403	37,490
Committed	10,124	-	2,908	13,032
Assigned	63,281	-	10,978	74,259
Unassigned	19,229	(3,636)	-	15,593
Total fund balances	<u>122,711</u>	<u>4,752</u>	<u>42,422</u>	<u>169,885</u>
Total liabilities, deferred inflows of resources and fund balances	<u>\$ 416,516</u>	<u>\$ 33,695</u>	<u>\$ 80,669</u>	<u>\$ 530,880</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, 2020
(000's Omitted)

Total fund balances - governmental funds \$ 169,885

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

Capital assets used in governmental activities are not financial resources and therefore are not reported in the funds. These assets consist of:

Nondepreciable assets:

Land	28,601	
Assets under construction	66,166	
	94,767	

Depreciable assets:

Buildings	132,294	
Infrastructure	1,041,783	
Improvements other than buildings	168,324	
Machinery and equipment	139,467	
Accumulated depreciation	(953,641)	
	528,227	
Total capital assets		622,994

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. 21,308

Some of the County's revenues will be collected after year-end but are not available soon enough to pay for the current period's expenditures and therefore are deferred in the funds. 29,929

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	(29)	
Deferred loss on refunding	306	
Total deferred inflows/outflows of resources		277

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	(30,384)	
Bonds payable	(564,619)	
Capital leases payable	(932)	
Accrued interest on bonds	(1,745)	
Long-term retirement costs	(81,403)	
Postemployment benefits other than pensions	(527,496)	
Federal, State and other liabilities	(10,746)	
Total liabilities and deferred inflows and outflows of resources		(1,217,325)

Net position of governmental activities \$ (372,932)

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, 2020
(000's Omitted)

	Major Governmental Funds		Nonmajor Governmental Funds	Total Governmental Funds
	General	Capital Projects		
REVENUES:				
Real property tax	\$ 408,957	\$ -	\$ -	\$ 408,957
Sales and other taxes	510,046	-	-	510,046
Federal aid	187,425	4,364	4,002	195,791
State aid	168,761	6,075	7,972	182,808
Charges for services	22,510	-	5,566	28,076
Intergovernmental	38,737	682	3,584	43,003
Interdepartmental	2,344	-	21	2,365
Use of money and property	6,982	-	115	7,097
Repayments and refunds	16,735	-	53	16,788
Payments in lieu of taxes	8,172	-	-	8,172
Tobacco settlement	-	-	10,958	10,958
Miscellaneous	6,502	598	2,223	9,323
Total revenues	<u>1,377,171</u>	<u>11,719</u>	<u>34,494</u>	<u>1,423,384</u>
EXPENDITURES:				
Current:				
Health and welfare	496,225	-	-	496,225
Public safety	253,255	-	3,513	256,768
Culture, recreation and education	78,190	-	10,023	88,213
General government	456,872	-	282	457,154
Transportation	2,115	-	19,150	21,265
Economic development	-	-	3,395	3,395
Debt service:				
Principal retirement	-	-	35,531	35,531
Bond issuance costs	-	-	100	100
Interest and fiscal charges	-	-	21,855	21,855
Capital outlays	-	29,519	-	29,519
Total expenditures	<u>1,286,657</u>	<u>29,519</u>	<u>93,849</u>	<u>1,410,025</u>
Excess (deficiency) of revenues over (under) expenditures	<u>90,514</u>	<u>(17,800)</u>	<u>(59,355)</u>	<u>13,359</u>
OTHER FINANCING SOURCES (USES):				
Refunding bonds issued	-	-	11,064	11,064
Loss on refunding issue	-	-	105	105
Premium on bonds issued	-	-	1,661	1,661
Payments to escrow agent	-	-	(12,730)	(12,730)
Transfers in	-	11,516	80,907	92,423
Transfers out	(64,320)	(7,410)	(22,541)	(94,271)
Total other financing sources (uses)	<u>(64,320)</u>	<u>4,106</u>	<u>58,466</u>	<u>(1,748)</u>
Changes in fund balances	26,194	(13,694)	(889)	11,611
Fund balances at beginning of year	<u>96,517</u>	<u>18,446</u>	<u>43,311</u>	<u>158,274</u>
Fund balances at end of year	<u>\$ 122,711</u>	<u>\$ 4,752</u>	<u>\$ 42,422</u>	<u>\$ 169,885</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, 2020
(000's Omitted)

Net change in fund balances - total governmental funds **\$ 11,611**

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	(11,064)	
Deferred refunding gain/loss, net	(95)	
Interest accreted on capital appreciation debt, net	<u>(8,252)</u>	
Total proceeds/additions		(19,411)

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	48,261	
Premium/Discount on bond issuance	<u>1,526</u>	
Total repayments/deductions		49,787

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.

(3,661)

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.

7,873

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	27,128	
Capital grants and contributions	723	
Loss on retirement of capital assets	(2,476)	
Depreciation expense	<u>(36,875)</u>	
Excess(deficiency) of capital outlays over depreciation expense		(11,500)

Certain expenses reported in the statement of activities do not require the use of current financial resources and therefore are not reported as expenditures in governmental funds. These activities consist of:

Change in accrued interest	947	
Change in capital leases payable	390	
Change in compensated absences	(3,358)	
Change in long-term retirement costs	(28,274)	
Change in postemployment benefits other than pensions	(461)	
Change in Federal, State and other liabilities	<u>(174)</u>	
Total additional expenditures		<u>(30,930)</u>

Change in net position of governmental activities **\$ 3,769**

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, 2020
(000's Omitted)**

	Business-type Activities - Enterprise Funds						Governmental Activities -
	Solid Waste	Airport	Hospital	Pure Waters	Energy	Total	Internal Service Funds
ASSETS							
Current assets:							
Cash and cash equivalents	\$ 11	\$ 54	\$ 14,631	\$ 38,630	\$ 1	\$ 53,327	\$ 28,734
Custodial accounts	-	-	938	-	-	938	-
Accounts receivables, net	1,702	-	14,322	974	-	16,998	23
Due from other governments:							
State and Federal - other	-	6,390	-	184	-	6,574	409
Local governments	1,434	24,542	-	31	1,974	27,981	186
Inventories	-	-	561	1,978	63	2,602	664
Other assets	5	228	775	340	199	1,547	1,266
Total current assets	3,152	31,214	31,227	42,137	2,237	109,967	31,282
Noncurrent assets:							
Estimated third party settlements	-	-	348	-	-	348	-
Restricted assets:							
Cash and cash equivalents	26	201	220	6,746	-	7,193	8,155
Capital assets, net of accumulated depreciation	10,571	234,083	19,002	195,778	-	459,434	108,125
Total noncurrent assets	10,597	234,284	19,570	202,524	-	466,975	116,280
Total assets	13,749	265,498	50,797	244,661	2,237	576,942	147,562
DEFERRED OUTFLOWS OF RESOURCES							
Deferred loss on refunding	-	-	-	1	-	1	-
Pension	16	3,898	23,098	9,013	-	36,025	4,119
Other postemployment benefits	76	4,087	12,736	6,479	-	23,378	9,349
Total deferred outflows of resources	\$ 92	\$ 7,985	\$ 35,834	\$ 15,493	\$ -	\$ 59,404	\$ 13,468

(continued)

COUNTY OF MONROE, NEW YORK
STATEMENT OF NET POSITION
PROPRIETARY FUNDS
AS OF DECEMBER 31, 2020
(000's Omitted)

	Business-type Activities - Enterprise Funds						Governmental Activities -
	Solid Waste	Airport	Hospital	Pure Waters	Energy	Total	Internal Service Funds
LIABILITIES							
Current liabilities:							
Accounts payable and accrued liabilities	\$ 1,592	\$ 3,031	\$ 11,245	\$ 4,562	\$ 1,127	\$ 21,557	\$ 41,795
Accrued interest payable	8	118	62	430	-	618	203
Due to other funds	-	1,800	-	-	1,000	2,800	150
Due to other governments	-	622	2	157	-	781	990
Patient funds held in trust	-	-	938	-	-	938	-
Unearned revenue	-	-	-	3	-	3	-
Notes payable	-	-	15,000	-	-	15,000	-
Current portion of:							
Capital leases payable	-	-	821	-	-	821	-
Bonds payable	509	3,509	3,751	11,603	-	19,372	7,271
Total current liabilities	2,109	9,080	31,819	16,755	2,127	61,890	50,409
Noncurrent liabilities:							
Due to other funds	16,400	-	-	-	-	16,400	-
Capital leases payable	-	-	1,768	-	-	1,768	-
Bonds payable	1,719	27,656	9,294	123,019	-	161,688	52,707
Net pension liability	16	5,021	33,004	11,681	-	49,722	5,941
Total other postemployment benefits	422	14,317	40,137	29,859	-	84,735	18,091
Other long-term liabilities	-	228	296	1,510	-	2,034	10,568
Total noncurrent liabilities	18,557	47,222	84,499	166,069	-	316,347	87,307
Total liabilities	20,666	56,302	116,318	182,824	2,127	378,237	137,716
DEFERRED INFLOWS OF RESOURCES							
Deferred gain on refunding	-	7	-	44	-	51	-
Pension	3	318	1,930	1,790	-	4,041	418
Other postemployment benefits	47	1,157	3,598	3,424	-	8,226	1,588
Total deferred inflows of resources	50	1,482	5,528	5,258	-	12,318	2,006
NET POSITION							
Net investment in capital assets	8,363	201,140	3,445	59,435	-	272,383	37,448
Restricted for:							
Debt service	-	-	-	112	-	112	533
Capital projects	-	-	-	932	-	932	6,068
Unrestricted (deficit)	(15,238)	14,559	(38,660)	11,593	110	(27,636)	(22,741)
Total net position (deficit)	\$ (6,875)	\$ 215,699	\$ (35,215)	\$ 72,072	\$ 110	\$ 245,791	\$ 21,308

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, 2020
(000's Omitted)

	Business-type Activities - Enterprise Funds						Governmental Activities-
	Solid Waste	Airport	Hospital	Pure Waters	Energy	Total	Internal Service Funds
Operating revenues:							
Charges for services	\$ 7,927	\$ 12,778	\$ 65,777	\$ 60,464	\$ 11,883	\$ 158,829	\$ 8,579
Interdepartmental	-	-	-	-	-	-	118,948
Repayments and refunds	-	121	178	34	-	333	60
Miscellaneous	4,726	27	2,459	92	-	7,304	141
Total operating revenues	12,653	12,926	68,414	60,590	11,883	166,466	127,728
Operating expenses:							
Personnel services	180	5,696	31,906	10,918	-	48,700	5,689
Employee benefits	90	4,198	19,459	8,160	-	31,907	5,337
Contractual	9,949	2,801	15,865	14,219	11,876	54,710	97,217
Depreciation and amortization	527	14,689	3,843	29,228	-	48,287	9,075
Other	355	5,489	12,285	9,449	-	27,578	10,143
Total operating expenses	11,101	32,873	83,358	71,974	11,876	211,182	127,461
Operating income (loss)	1,552	(19,947)	(14,944)	(11,384)	7	(44,716)	267
Nonoperating revenues (expenses):							
Federal aid	6	6,792	7,120	439	-	14,357	163
State aid	-	-	-	126	-	126	544
Use of money and property	-	4	10	308	-	322	24
Interest and fiscal charges	(106)	(1,425)	(858)	(5,216)	-	(7,605)	(2,676)
Gain (loss) on disposal of capital assets	-	(182)	-	(1)	-	(183)	14
Other income (expense)	241	-	1	(467)	-	(225)	(102)
Capital projects:							
Federal aid	-	9,026	-	-	-	9,026	-
State aid	-	253	-	-	-	253	13
Local share and passenger facility charges	-	5,014	-	-	-	5,014	-
Local governments	-	-	-	(12)	-	(12)	-
Total nonoperating revenues (expenses)	141	19,482	6,273	(4,823)	-	21,073	(2,020)
Income (loss) before contributions and transfers	1,693	(465)	(8,671)	(16,207)	7	(23,643)	(1,753)
Contributions and transfers:							
Capital contributions	-	-	-	-	-	-	23
Transfers in	2,000	-	2,500	-	-	4,500	2,009
Transfers out	-	-	(721)	-	-	(721)	(3,940)
Total contributions and transfers	2,000	-	1,779	-	-	3,779	(1,908)
Change in net position (deficit)	3,693	(465)	(6,892)	(16,207)	7	(19,864)	(3,661)
Net position (deficit)-beginning of year	(10,568)	216,164	(28,323)	88,279	103	265,655	24,969
Total net position (deficit) at end of year	\$ (6,875)	\$ 215,699	\$ (35,215)	\$ 72,072	\$ 110	\$ 245,791	\$ 21,308

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, 2020
(000's Omitted)

	Business-type Activities - Enterprise Funds						Governmental Activities-
	Solid Waste	Airport	Hospital	Pure Waters	Energy	Total	Internal Service Funds
CASH FLOWS FROM OPERATING ACTIVITIES							
Cash received from providing services	\$ 7,868	\$ 13,266	\$ 62,690	\$ 60,389	\$ 11,744	\$ 155,957	\$ 9,102
Cash received from other funds for services	-	-	-	-	-	-	118,948
Payments to or on behalf of employees	(250)	(8,499)	(41,518)	(16,274)	-	(66,541)	(15,430)
Payments to suppliers	(10,088)	(2,549)	(18,297)	(19,367)	(12,042)	(62,343)	(26,163)
Payments for interfund services	(378)	(6,380)	(11,454)	(5,598)	-	(23,810)	(7,541)
Claims paid	-	-	-	-	-	-	(75,557)
Other receipts (payments)	5,501	(1,402)	2,505	184	200	6,988	10,200
Net cash provided by (used in) operating activities	2,653	(5,564)	(6,074)	19,334	(98)	10,251	13,559
CASH FLOWS FROM NONCAPITAL FINANCING ACTIVITIES							
Federal aid	6	6,792	7,120	439	-	14,357	163
State aid	-	-	-	126	-	126	544
Proceeds from revenue anticipation notes	-	-	15,000	-	-	15,000	-
Principal payments on revenue anticipation notes	-	-	(12,500)	-	-	(12,500)	-
Receipts from other funds	-	1,450	-	-	-	1,450	150
Payments to other funds	(3,900)	-	-	-	-	(3,900)	-
Transfers in	2,000	-	2,500	-	-	4,500	808
Transfers out	-	-	(721)	-	-	(721)	(2,739)
Net cash provided by (used in) noncapital financing activities	(1,894)	8,242	11,399	565	-	18,312	(1,074)
CASH FLOWS FROM CAPITAL AND RELATED FINANCING ACTIVITIES							
Interest paid	(106)	(1,426)	(857)	(5,216)	-	(7,605)	(2,676)
Proceeds from the issuance of bonds	-	-	35	7,373	-	7,408	11,128
Refunding of bonds	-	-	1	(109)	-	(108)	14
Principal paid on bonds	(738)	(3,210)	(1,932)	(19,706)	-	(25,586)	(20,014)
Premium from the issuance of bonds	-	-	3	1,282	-	1,285	1,893
Federal aid	-	7,393	-	-	-	7,393	-
State aid	-	253	-	-	-	253	13
Local share and passenger facility charges	-	5,629	-	-	-	5,629	-
Local governments	-	-	-	(12)	-	(12)	-
Capital contributions	-	-	-	-	-	-	1,189
Change in principal on capital leases	-	-	(781)	-	-	(781)	-
Acquisition and construction of capital assets	(262)	(14,363)	(2,842)	(7,329)	-	(24,796)	(9,660)
Other receipts (payments)	241	-	-	(241)	-	-	(1,023)
Net cash provided by (used in) capital and related financing activities	\$ (865)	\$ (5,724)	\$ (6,373)	\$ (23,958)	\$ -	\$ (36,920)	\$ (19,136)

(continued)

COUNTY OF MONROE, NEW YORK
STATEMENT OF CASH FLOWS
PROPRIETARY FUNDS
FOR THE YEAR ENDED DECEMBER 31, 2020
(000's Omitted)

	Business-type Activities - Enterprise Funds						Governmental Activities-
	Solid Waste	Airport	Hospital	Pure Waters	Energy	Total	Internal Service Funds
CASH FLOWS FROM INVESTING ACTIVITIES							
Receipts from use of money and property	\$ -	\$ 5	\$ 10	\$ 309	\$ -	\$ 324	\$ 24
Net cash provided by investing activities	-	5	10	309	-	324	24
Net increase (decrease) in cash and cash equivalents	(106)	(3,041)	(1,038)	(3,750)	(98)	(8,033)	(6,627)
Cash and cash equivalents, beginning of year	143	3,296	15,889	49,126	99	68,553	43,516
Cash and cash equivalents, end of year	<u>37</u>	<u>255</u>	<u>14,851</u>	<u>45,376</u>	<u>1</u>	<u>60,520</u>	<u>36,889</u>
Classified as:							
Cash and cash equivalents - unrestricted	11	54	14,631	38,630	1	53,327	28,734
Cash and cash equivalents - restricted	26	201	220	6,746	-	7,193	8,155
Total cash and cash equivalents	<u>37</u>	<u>255</u>	<u>14,851</u>	<u>45,376</u>	<u>1</u>	<u>60,520</u>	<u>36,889</u>
Reconciliation of operating income (loss) to net cash provided by operating activities:							
Operating income (loss)	1,552	(19,947)	(14,944)	(11,384)	7	(44,716)	267
Adjustments to reconcile operating income (loss) to net cash provided by operations:							
Depreciation and amortization	527	14,689	3,843	29,228	-	48,287	9,075
Change in:							
Accounts receivable	(59)	488	(3,087)	(75)	-	(2,733)	(4)
Due from other governments	533	(2,159)	-	26	(139)	(1,739)	603
Inventories	-	-	(129)	305	(53)	123	4
Other assets	2	(2,303)	(15,525)	(5,654)	253	(23,227)	(2)
Deferred outflows - other postemployment benefits	(29)	(652)	(1,653)	(1,843)	-	(4,177)	(33)
Accounts payable, accrued and other liabilities	108	3,506	25,350	7,859	(166)	36,657	1,023
Deferred inflows - pensions	-	(364)	(2,296)	(835)	-	(3,495)	1,112
Deferred inflows - other postemployment benefits	19	556	2,368	1,730	-	4,673	1,477
Due to other governments	-	622	(1)	5	-	626	37
Unearned revenue	-	-	-	(28)	-	(28)	-
Net cash provided by operating activities	<u>\$ 2,653</u>	<u>\$ (5,564)</u>	<u>\$ (6,074)</u>	<u>\$ 19,334</u>	<u>\$ (98)</u>	<u>\$ 10,251</u>	<u>\$ 13,559</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 FUNDS
AS OF DECEMBER 31, 2020
(000's Omitted)

	<u>Custodial</u>
ASSETS	
Restricted cash and cash equivalents	\$ 24,883
Total assets	<u>24,883</u>
LIABILITIES	
Distribution to Other Individuals	1,960
Due to Other Governments	<u>14,804</u>
Total Liabilities	<u>16,764</u>
NET POSITION	
Restricted	<u>8,119</u>
Total net position	<u><u>\$ 8,119</u></u>

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 FUNDS
FOR THE YEAR ENDED DECEMBER 31, 2020
(000's Omitted)

	<u>Custodial</u>
ADDITIONS:	
Sheriff Funds inmate commissary deposits	\$ 1,995
Bail collections from town courts	185
Civil Bureau income execution fees	9,418
County Clerk collection for Passport Fees	170
County Clerk processing fee collection for NYS	17,961
County Clerk DEC collection of hunting & fishing fees	169
Child support collection of non-custodial payments	81,868
Foster Care collection of SSI benefits	12
Restitution collections from probationers	1,302
Cash Bail collection of monetary/property pledges	1,039
Collection of Mortgage Tax fees	82,362
Coroner's Fund Collection of monetary victim possessions	7
Court/Trust collection of ordered claims on foreclosures/leins	<u>3,497</u>
Total additions	<u>199,985</u>
DEDUCTIONS:	
Sheriff Funds inmate commissary payments	1,236
Bail collection payments to town courts	176
Civil Bureau attorney & judgement payments	9,350
County Clerk Acct passport fee payments	167
County Clerk processing fee payments to NYS	17,961
County Clerk processing fee payments to DEC	169
Child Support payments to custodial/beneficiary	81,883
Foster Care distribution of SSI Benefits	1
Restitution payments to victims & courts	1,386
Cash Bail distribution of monetary/property pledged refunds	961
Distribution of Mortgage Tax fees to tax districts	82,362
Coroner's Fund payments to relatives	4
Court/Trust distribution of ordered payments and forfeitures	3,040
Miscellaneous	<u>54</u>
Total deductions	<u>198,750</u>
Net increase in fiduciary net position	1,235
Net position at beginning of year	<u>6,884</u>
Net position at end of year	<u><u>\$ 8,119</u></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
DISCRETELY PRESENTED COMPONENT UNITS
AS OF DECEMBER 31, 2020
(000's Omitted)

	Major Component Units			Nonmajor Component Units	Total
	Community College (Year End 8/31/20)	Airport Authority	Water Authority		
ASSETS					
Current assets:					
Cash and cash equivalents	\$ 48,318	\$ 15,144	\$ 58,015	\$ 6,559	\$ 128,036
Investments	-	-	20,777	-	20,777
Accounts receivables, net	13,004	1,051	15,277	82	29,414
Inventories	-	-	1,519	-	1,519
Other assets	2,049	1,903	926	38	4,916
Total current assets	63,371	18,098	96,514	6,679	184,662
Noncurrent assets:					
Restricted assets:					
Cash and cash equivalents	54,532	446	-	-	54,978
Funds held by trustee	-	-	27,739	-	27,739
Capital assets, net of accumulated depreciation	206,496	4,030	427,825	20	638,371
Other assets	8,022	-	-	625	8,647
Total noncurrent assets	269,050	4,476	455,564	645	729,735
Total assets	332,421	22,574	552,078	7,324	914,397
DEFERRED OUTFLOWS OF RESOURCES					
Deferred loss on refunding	-	-	421	-	421
Other postemployment benefits	38,657	-	11,708	-	50,365
Pension	22,252	-	9,086	127	31,465
Total deferred outflows of resources	60,909	-	21,215	127	82,251
LIABILITIES					
Current liabilities:					
Accounts payable and accrued liabilities	14,621	799	8,677	119	24,216
Accrued interest payable	-	7	2,956	-	2,963
Unearned revenue	10,023	60	-	68	10,151
Other	1,352	398	-	-	1,750
Current portion of:					
Capital leases payable	116	-	-	-	116
Bonds payable	1,040	400	4,335	-	5,775
Total current liabilities	27,152	1,664	15,968	187	44,971
Noncurrent liabilities:					
Capital leases payable	395	-	-	-	395
Bonds payable	28,418	825	144,331	-	173,574
Net pension liability	27,652	-	16,340	170	44,162
Total other postemployment benefits	229,018	-	55,539	-	284,557
Other long-term liabilities	6,091	-	-	-	6,091
Total noncurrent liabilities	291,574	825	216,210	170	508,779
Total liabilities	318,726	2,489	232,178	357	553,750
DEFERRED INFLOWS OF RESOURCES					
Pension	2,703	-	379	13	3,095
Other postemployment benefits	29,758	-	11,817	-	41,575
Total deferred inflows of resources	32,461	-	12,196	13	44,670
NET POSITION					
Net investment in capital assets	184,511	2,805	279,579	20	466,915
Restricted for:					
Debt service	-	-	1,879	-	1,879
Nonexpendable	6,208	-	-	-	6,208
Expendable	28,992	-	-	-	28,992
Passenger facility charges	-	24	-	-	24
Unrestricted (deficit)	(177,568)	17,256	47,461	7,061	(105,790)
Total net position	\$ 42,143	\$ 20,085	\$ 328,919	\$ 7,081	\$ 398,228

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, 2020
(000's Omitted)

	Major Component Units			Nonmajor Component Units	Total
	Community College (Year End 8/31/20)	Airport Authority	Water Authority		
Expenses	\$ 188,516	\$ 18,826	\$ 72,938	\$ 3,163	\$ 283,443
Program revenues:					
Charges for services	33,421	16,144	77,826	1,238	128,629
Operating grants and contributions	126,216	-	-	215	126,431
Capital grants and contributions	1,005	(85)	2,842	-	3,762
Total program revenues	<u>160,642</u>	<u>16,059</u>	<u>80,668</u>	<u>1,453</u>	<u>258,822</u>
Net program revenue	<u>(27,874)</u>	<u>(2,767)</u>	<u>7,730</u>	<u>(1,710)</u>	<u>(24,621)</u>
General revenues:					
Interest earnings	2,653	38	2,520	2	5,213
Miscellaneous revenue	-	-	32	-	32
Change in net position	<u>(25,221)</u>	<u>(2,729)</u>	<u>10,282</u>	<u>(1,708)</u>	<u>(19,376)</u>
Net Position, beginning of year	67,364	22,814	318,637	8,789	417,604
Total net position at end of year	<u>\$ 42,143</u>	<u>\$ 20,085</u>	<u>\$ 328,919</u>	<u>\$ 7,081</u>	<u>\$ 398,228</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, 2020

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, 2020

Monroe County Airport Authority – Major Discretely Presented Component Unit

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

The Airport Authority reimburses the County for expenses incurred in the administration and operation of the Airport. The charges to the Airport Authority for the year ended December 31, 2020 were approximately \$12.8 million. Upon expiration or earlier termination of the lease term, the Airport reverts to the County and the County will continue to administer and operate the Airport. Separate financial statements may be obtained from the Monroe County Airport Authority, 1200 Brooks Avenue, Rochester, New York 14624.

Monroe County Water Authority – Major Discretely Presented Component Unit

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

In 1969, the Water Authority entered into an agreement with the County whereby the Water Authority agreed to plan, construct, operate, manage, repair and maintain certain improvements to the water system which are financed and owned by the County and leased to the Water Authority for operation as part of the water system. The Water Authority's lease payments for such improvements are equal to the debt service costs associated with financing such improvements through the issuance of bonds or bond anticipation notes by the County. This obligation was satisfied in 2019 when the final payment was made. Based upon the financial interdependence of this agreement and because the County must authorize all debt issuances of the Water Authority, the Water Authority is included as a discretely presented component unit within the County's basic financial statements.

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

County of Monroe Industrial Development Agency – 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.

COUNTY OF MONROE, NEW YORK

Notes to Basic Financial Statements

Year Ended December 31, 2020

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, 2020.

D. Basis of Presentation

Government-wide Financial Statements

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

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

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

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

Fund Financial Statements

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

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

COUNTY OF MONROE, NEW YORK

Notes to Basic Financial Statements

Year Ended December 31, 2020

Governmental Fund Types

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

The County has the following two major governmental funds:

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

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

Proprietary Fund Types

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

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

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

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

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

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

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

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

COUNTY OF MONROE, NEW YORK

Notes to Basic Financial Statements

Year Ended December 31, 2020

Fiduciary Funds

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

Custodial Funds - 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.

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.

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

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

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

F. Cash and Cash Equivalents

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

G. Investments

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

H. Statement of Cash Flows

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

COUNTY OF MONROE, NEW YORK
Notes to Basic Financial Statements
Year Ended December 31, 2020

I. Encumbrances

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

In governmental funds, encumbrances outstanding at year-end are included in the restricted, committed, and assigned fund balance amounts. Governmental funds' encumbrances, as of December 31, 2020, included \$1.2 million restricted, \$10.1 million committed, and \$3.2 million assigned in the general fund, \$8.4 million restricted in the capital projects fund and \$257 thousand committed and \$1 million assigned in other nonmajor governmental funds.

J. Inventories

The County maintains inventories of various operational supplies.

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

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

K. Capital Assets

Primary Government

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

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

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

Hospital Fund (Monroe Community Hospital)

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

L. Compensated Absences

At the governmental and business-type activities level, liabilities for compensated absences, such as vacation and unpaid overtime, are recorded when vested and earned by the employees and payment is not dependent upon a future event. The total compensated absence liabilities attributable to the proprietary fund types and governmental funds at the government-wide level are recorded as an accrued liability in the respective funds. At the governmental fund level, liabilities for compensated absences are recorded when due and payable. The liabilities are recorded based on employees' rates of pay as of December 31, 2020 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.

COUNTY OF MONROE, NEW YORK
Notes to Basic Financial Statements
Year Ended December 31, 2020

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

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

N. Deferred Inflows/Outflows of Resources

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

O. Medicaid Claims

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

P. 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.

Q. Net Position/Fund Balance

Net Position

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

As of December 31, 2020 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.

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:

COUNTY OF MONROE, NEW YORK

Notes to Basic Financial Statements

Year Ended December 31, 2020

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.

COUNTY OF MONROE, NEW YORK
Notes to Basic Financial Statements
Year Ended December 31, 2020

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

As of December 31, 2020 Governmental Fund Balances were classified as follows:

	Nonmajor Funds					
	General	Capital Projects	Special Revenue	Debt Service		Total
				General	MTASC	
Nonspendable						
Inventory	\$ 1,597	\$ -	\$ 1,010	\$ -	\$ -	\$ 2,607
Due from Other Fund	16,400	-	-	-	-	16,400
Airport Bond	1,225	-	-	-	-	1,225
Prepaid Expenditures	9,156	-	113	-	10	9,279
Total Nonspendable	28,378	-	1,123	-	10	29,511
Restricted						
Jail Funds	-	-	8,598	-	-	8,598
Debt Service	-	-	-	2,722	12,925	15,647
STOP DWI	431	-	-	-	-	431
Handicapped Parking	57	-	-	-	-	57
Other Programs	1,211	-	-	-	-	1,211
Road Fund	-	-	2,341	-	-	2,341
Library Fund	-	-	817	-	-	817
Capital Projects	-	8,388	-	-	-	8,388
Total Restricted	1,699	8,388	11,756	2,722	12,925	37,490
Committed						
Executed Contracts	10,124	-	173	-	-	10,297
Green Space Initiative	-	-	335	-	-	335
Other Special Revenue Funds	-	-	2,400	-	-	2,400
Total Committed	10,124	-	2,908	-	-	13,032
Assigned						
MCH Compensating Balance	38,660	-	-	-	-	38,660
Other Programs	3,236	-	-	-	-	3,236
Preschool Special Education Services	700	-	-	-	-	700
CBA Settlements	4,000	-	-	-	-	4,000
Cash Capital Transfers	4,372	-	-	-	-	4,372
Appropriated for Debt Service	-	-	-	3,067	-	3,067
Appropriated General Fund	12,313	-	-	-	-	12,313
Debt Service	-	-	-	7,766	145	7,911
Total Assigned	63,281	-	-	10,833	145	74,259
Unassigned	19,229	(3,636)	-	-	-	15,593
Total Fund Balance	\$ 122,711	\$ 4,752	\$ 15,787	\$ 13,555	\$ 13,080	\$ 169,885

COUNTY OF MONROE, NEW YORK

Notes to Basic Financial Statements

Year Ended December 31, 2020

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 2020 budget is (000's omitted):

Five-year average full valuation of taxable real property	<u>\$43,122,716</u>
Tax limit (1.5% of 5-year average full valuation of property)	<u>646,841</u>
Total Tax levy and charges subject to limit	414,267
Less: Exclusions from tax limit	<u>65,711</u>
Total tax levy subject to taxing power limit	348,556
Tax margin (Unused Taxing Power)	<u>\$ 298,285</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

Monroe County and the State of New York each currently impose sales and use tax. The State of New York imposes a sales and use tax of four percent and the County imposes four percent making a total of eight percent imposed within the County. The County's sales and use tax is composed of an original three percent and an additional one percent authorized by State law. The current law provides for continuation of the additional one percent through November 30, 2023.

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 29.6 percent) and suburban school districts (approximately 17.9 percent) with the County retaining the balance (approximately 16.9 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.

The 2019-20 New York State budget reduced funding for the Aid and Incentives to Municipalities (AIM) program that previously provided aid to towns and villages throughout the state. New York State, by Chapter 59 of the Laws of 2019, required the Office of the State Comptroller to withhold a portion of the County's sales tax revenues. These withholdings are paid directly to the towns and villages by New York State to substitute funding that they lost from the elimination of AIM payments. As a result, Monroe County's 2020 sales tax share was reduced by \$3.3 million.

COUNTY OF MONROE, NEW YORK
Notes to Basic Financial Statements
Year Ended December 31, 2020

4. Deposits and Investments

A. Deposit and Investment Policies

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

B. Interest Rate Risk

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

C. Credit Risk

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

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

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

COUNTY OF MONROE, NEW YORK

Notes to Basic Financial Statements

Year Ended December 31, 2020

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, 2020, \$293.3 million of the County's deposits of \$315.5 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 \$700,000. The agreement provides for collateralization of the County's uninsured cash balances at Upstate National Bank. As of December 31, 2020, \$700,000 was unused and available. The difference of the above amounts is insured under the provisions of the Federal Deposit Insurance Act.

2. Investments

For investments, custodial credit risk is the risk that a government will not be able to recover the value of an investment or collateral securities that are in the possession of an outside party if the counterparty to the transaction fails. The County's Investment and Deposit Policy requires that all investments be registered or insured in the County's name and held in the custody of the bank or the bank's trust department. The County requires that all repurchase agreements be limited to obligations of the United States of America or obligations whose principal and interest are fully guaranteed, or insured by the United States of America. At year end, the County had no custodial credit risk related to repurchase agreements since no repurchase agreements were purchased or outstanding during 2020.

E. Concentration of Credit Risk

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

5. Custodial Accounts

Custodial assets refer to cash and cash equivalents held by the County for a third party. The Hospital holds \$938 thousand of funds owned by its patients and residents at the end of 2020.

COUNTY OF MONROE, NEW YORK
Notes to Basic Financial Statements
Year Ended December 31, 2020

6. Due to Other Governments

In the 2020 government-wide and fund financial statements, the category "*due to other governments*" balance of \$109.3 million includes primarily sales tax collections of \$69.0 million and school tax collections of \$24.5 million that are due to other municipalities within the County. The remaining amount is mostly comprised of \$13.6 Social Services and Public Health dollars due to New York State and the Federal Government.

7. Restricted Cash and Cash Equivalents

Certain County cash and cash equivalents, excluding funds held by trustee, custodial accounts, and securities and retained percentages as of December 31, 2020 are restricted to the following uses:

Restricted Cash and Cash Equivalents				
	Capital Projects	Debt Service	Other	Total
Governmental Activities:				
Major Governmental Funds				
Capital Projects	<u>\$ 26,290</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 26,290</u>
Debt Service	<u>-</u>	<u>15,647</u>	<u>-</u>	<u>15,647</u>
Internal Service	<u>7,622</u>	<u>533</u>	<u>-</u>	<u>8,155</u>
Total Governmental Activities	<u>33,912</u>	<u>16,180</u>	<u>-</u>	<u>50,092</u>
Business-type Activities:				
Solid Waste	26	-	-	26
Airport	201	-	-	201
Hospital	220	-	-	220
Pure Waters	<u>6,634</u>	<u>112</u>	<u>-</u>	<u>6,746</u>
Total Business-type Activities	<u>7,081</u>	<u>112</u>	<u>-</u>	<u>7,193</u>
Fiduciary Funds:				
Custodial	<u>-</u>	<u>-</u>	<u>24,883</u>	<u>24,883</u>
Total Fiduciary Funds	<u>-</u>	<u>-</u>	<u>24,883</u>	<u>24,883</u>
Total Restricted Cash and Cash Equivalents	<u><u>\$ 40,993</u></u>	<u><u>\$ 16,292</u></u>	<u><u>\$ 24,883</u></u>	<u><u>\$ 82,168</u></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, 2020

8. Receivables and Payables

A. Receivables

As of December 31, 2020 receivables are summarized as follows (000's omitted):

	Accounts Receivable				
	<u>Taxes and Assessments</u>	<u>Returned School Taxes</u>	<u>Other Accounts Receivable</u>	<u>Allowance for Doubtful Accounts</u>	<u>Total</u>
Governmental Activities:					
General Fund	\$ 20,916	\$ 22,738	\$ 2,348	\$ -	\$ 46,002
Nonmajor Governmental:					
Special Revenue	-	-	12,038	(586)	11,452
Debt Service	-	-	9,654	-	9,654
Total Nonmajor Governmental	-	-	21,692	(586)	21,106
Internal Service	-	-	23	-	23
Total Governmental Activities	20,916	22,738	24,063	(586)	67,131
Business-type Activities:					
Solid Waste	-	-	1,702	-	1,702
Hospital	-	-	22,260	(7,938)	14,322
Pure Waters	-	-	974	-	974
Total Business-type Activities	-	-	24,936	(7,938)	16,998
Total Accounts Receivable	\$ 20,916	\$ 22,738	\$ 48,999	\$ (8,524)	\$ 84,129

The nonmajor governmental funds receivable of \$21.1 million is comprised primarily of Tobacco Settlement Revenues due to MTASC of \$9.7 million, and community development loans issued of \$11.6 million, net of \$586 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 \$1.7 million for solid waste user fees, and \$14.3 million, net relating to patient accounts and third-party settlements in the Hospital.

B. Accounts Payable and Accrued Liabilities

The accounts payable and accrued liabilities balances in governmental activities include approximately 58 percent payable to vendors and 42 percent accrued salaries and benefits. The accounts payable and accrued liabilities in the business-type activities include approximately 82 percent payable to vendors and 18 percent accrued salaries and benefits. The accounts payable and accrued liabilities balances in governmental funds include approximately 95 percent payable to vendors and 5 percent accrued salaries and benefits. The accounts payable and accrued liabilities balances in proprietary funds approximate 33 percent payable to vendors and 67 percent accrued salaries and benefits.

C. Deferred Inflows/Unearned Revenues

At the governmental fund level, revenues that are measurable but not available to finance current operations have been reported as deferred inflows of resources.

D. Unearned Revenues

Unearned revenues in the general fund as of December 31, 2020 includes; Coronavirus Aid, Relief, and Economic Security Act funds, state aid advances for social services and mental health programs. Deferred inflows of resources in the general fund represent property tax receivables. Deferred inflows of resources for nonmajor governmental funds include community development program loans to be repaid to the County and MTASC tobacco revenues.

COUNTY OF MONROE, NEW YORK
Notes to Basic Financial Statements
Year Ended December 31, 2020

9. Capital Assets

Capital asset activity for the County's **governmental activities** consists of the following for the year ended December 31, 2020 (000's omitted):

Capital Asset Activity – Governmental Activities					
	Beginning Balance	Increases	Decreases	Capitalization of AUC	Ending Balance
Governmental Activities:					
Nondepreciable Assets					
Land	\$ 29,230	\$ 2	\$ -	\$ -	\$ 29,232
Assets under Construction	73,024	33,194	-	(29,008)	77,210
Total Nondepreciable Assets	102,254	33,196	-	(29,008)	106,442
Depreciable Assets					
Buildings	207,907	-	-	146	208,053
Infrastructure	1,030,986	-	(6,465)	17,262	1,041,783
Improvements other than Buildings	283,085	187	(187)	4,847	287,932
Machinery and Equipment	181,649	4,236	(3,964)	6,753	188,674
Total Depreciable Assets	1,703,627	4,423	(10,616)	29,008	1,726,442
Total Investments in Capital Assets	1,805,881	37,619	(10,616)	-	1,832,884
Less Accumulated Depreciation					
Buildings	(129,023)	(5,064)	-	-	(134,087)
Infrastructure	(623,013)	(22,839)	5,184	-	(640,668)
Improvements other than Buildings	(164,322)	(9,078)	-	-	(173,400)
Machinery and Equipment	(146,737)	(9,856)	2,983	-	(153,610)
Total Accumulated Depreciation	(1,063,095)	(46,837)	8,167	-	(1,101,765)
Capital Assets, Net	\$ 742,786	\$ (9,218)	\$ (2,449)	\$ -	\$ 731,119

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

Depreciation expense was charged to functions/programs of the County for the year ended December 31, 2020 as follows (000's omitted):

Depreciation Expense Charged to Functions / Programs	
Governmental Activities:	Amount
General government	\$ 10,661
Public safety	9,539
Health and welfare	567
Culture, recreation and education	4,028
Transportation	21,763
Total	\$ 46,558

COUNTY OF MONROE, NEW YORK
Notes to Basic Financial Statements
Year Ended December 31, 2020

Capital asset activity of the County's **business-type activities** consists of the following for the year ended December 31, 2020 (000's omitted):

Capital Asset Activity – Business-type Activities					
	Beginning Balance	Increases	Decreases	Capitalization of AUC	Ending Balance
Business-type Activities:					
Nondepreciable Assets					
Land	\$ 27,914	\$ 108	\$ -	\$ -	\$ 28,022
Assets under Construction	48,858	21,844	-	(31,026)	39,676
Total Nondepreciable Assets	76,772	21,952	-	(31,026)	67,698
Depreciable Assets					
Buildings	258,819	-	-	-	258,819
Infrastructure	686,553	-	-	100	686,653
Improvements other than Buildings	572,575	2,431	(300)	27,751	602,457
Machinery and Equipment	111,771	2,846	(4,469)	3,175	113,323
Total Depreciable Assets	1,629,718	5,277	(4,769)	31,026	1,661,252
Total Investments in Capital Assets	1,706,490	27,229	(4,769)	-	1,728,950
Less Accumulated Depreciation					
Buildings	(195,358)	(5,273)	-	-	(200,631)
Infrastructure	(639,462)	(19,371)	-	-	(658,833)
Improvements other than Buildings	(296,596)	(21,318)	114	-	(317,800)
Machinery and Equipment	(90,212)	(4,032)	1,992	-	(92,252)
Total Accumulated Depreciation	(1,221,628)	(49,994)	2,106	-	(1,269,516)
Capital Assets, Net	\$ 484,862	\$ (22,765)	\$ (2,663)	\$ -	\$ 459,434

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

COUNTY OF MONROE, NEW YORK
Notes to Basic Financial Statements
Year Ended December 31, 2020

Capital asset activity of the County's **solid waste enterprise fund** consists of the following for the year ended December 31, 2020 (000's omitted):

Solid Waste Enterprise Fund – Capital Asset Activity					
	<u>Beginning Balance</u>	<u>Increases</u>	<u>Decreases</u>	<u>Capitalization of AUC</u>	<u>Ending Balance</u>
Business-type Activities:					
Nondepreciable Assets					
Land	\$ 6,462	\$ -	\$ -	\$ -	\$ 6,462
Assets under Construction	93	263	-	(61)	295
Total Nondepreciable Assets	<u>6,555</u>	<u>263</u>	<u>-</u>	<u>(61)</u>	<u>6,757</u>
Depreciable Assets					
Buildings	10,177	-	-	-	10,177
Improvements other than Buildings	11,717	-	-	61	11,778
Machinery and Equipment	4,146	-	-	-	4,146
Total Depreciable Assets	<u>26,040</u>	<u>-</u>	<u>-</u>	<u>61</u>	<u>26,101</u>
Total Investments in Capital Assets	<u>32,595</u>	<u>263</u>	<u>-</u>	<u>-</u>	<u>32,858</u>
Less Accumulated Depreciation					
Buildings	(9,922)	(34)	-	-	(9,956)
Improvements other than Buildings	(9,244)	(420)	-	-	(9,664)
Machinery and Equipment	(2,539)	(128)	-	-	(2,667)
Total Accumulated Depreciation	<u>(21,705)</u>	<u>(582)</u>	<u>-</u>	<u>-</u>	<u>(22,287)</u>
Capital Assets, Net	<u>\$ 10,890</u>	<u>\$ (319)</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 10,571</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, 2020

Capital asset activity of the County's **airport enterprise fund** consists of the following for the year ended December 31, 2020 (000's omitted):

Airport Enterprise Fund – Capital Asset Activity					
	Beginning Balance	Increases	Decreases	Capitalization of AUC	Ending Balance
Business-type Activities:					
Nondepreciable Assets					
Land	\$ 18,972	\$ 108	\$ -	\$ -	\$ 19,080
Assets under Construction	10,371	11,953	-	(5,909)	16,415
Total Nondepreciable Assets	29,343	12,061	-	(5,909)	35,495
Depreciable Assets					
Buildings	53,972	-	-	-	53,972
Infrastructure	-	-	-	100	100
Improvements other than Buildings	353,554	2,431	(300)	5,569	361,254
Machinery and Equipment	22,667	2,303	(3,545)	240	21,665
Total Depreciable Assets	430,193	4,734	(3,845)	5,909	436,991
Total Investments in Capital Assets	459,536	16,795	(3,845)	-	472,486
Less Accumulated Depreciation					
Buildings	(19,149)	(1,413)	-	-	(20,562)
Improvements other than Buildings	(193,199)	(12,549)	114	-	(205,634)
Machinery and Equipment	(12,078)	(1,247)	1,118	-	(12,207)
Total Accumulated Depreciation	(224,426)	(15,209)	1,232	-	(238,403)
Capital Assets, Net	\$ 235,110	\$ 1,586	\$ (2,613)	\$ -	\$ 234,083

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

COUNTY OF MONROE, NEW YORK
Notes to Basic Financial Statements
Year Ended December 31, 2020

Capital asset activity of the County's **hospital enterprise fund** consists of the following for the year ended December 31, 2020 (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	2,566	2,842	-	(4,710)	698
Total Nondepreciable Assets	2,675	2,842	-	(4,710)	807
Depreciable Assets					
Buildings	126,671	-	-	-	126,671
Improvements other than Buildings	4,869	-	-	1,775	6,644
Machinery and Equipment	27,261	-	-	2,935	30,196
Total Depreciable Assets	158,801	-	-	4,710	163,511
Total Investments in Capital Assets	161,476	2,842	-	-	164,318
Less Accumulated Depreciation					
Buildings	(114,207)	(2,670)	-	-	(116,877)
Improvements other than Buildings	(3,625)	(94)	-	-	(3,719)
Machinery and Equipment	(23,348)	(1,372)	-	-	(24,720)
Total Accumulated Depreciation	(141,180)	(4,136)	-	-	(145,316)
Capital Assets, Net	<u>\$ 20,296</u>	<u>\$ (1,294)</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 19,002</u>

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

COUNTY OF MONROE, NEW YORK
Notes to Basic Financial Statements
Year Ended December 31, 2020

Capital asset activity of the County's **pure waters enterprise fund** consists of the following for the year ended December 31, 2020 (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	35,828	6,786	-	(20,346)	22,268
Total Nondepreciable Assets	38,199	6,786	-	(20,346)	24,639
Depreciable Assets					
Buildings	67,999	-	-	-	67,999
Infrastructure	686,553	-	-	-	686,553
Improvements other than Buildings	202,435	-	-	20,346	222,781
Machinery and Equipment	57,697	543	(924)	-	57,316
Total Depreciable Assets	1,014,684	543	(924)	20,346	1,034,649
Total Investments in Capital Assets	1,052,883	7,329	(924)	-	1,059,288
Less Accumulated Depreciation					
Buildings	(52,080)	(1,156)	-	-	(53,236)
Infrastructure	(639,462)	(19,371)	-	-	(658,833)
Improvements other than Buildings	(90,528)	(8,255)	-	-	(98,783)
Machinery and Equipment	(52,247)	(1,285)	874	-	(52,658)
Total Accumulated Depreciation	(834,317)	(30,067)	874	-	(863,510)
Capital Assets, Net	\$ 218,566	\$ (22,738)	\$ (50)	\$ -	\$ 195,778

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

COUNTY OF MONROE, NEW YORK
Notes to Basic Financial Statements
Year Ended December 31, 2020

10. Indebtedness and Certain Long-term Obligations

A. Short Term Indebtedness

The County had a total of \$53.0 million in outstanding notes payable as of December 31, 2020. This was comprised of \$3.0 million of bond anticipation notes (BANS) and \$50.0 million of revenue anticipation notes (RANS).

During 2020, the County issued a total of \$3.0 million in bond anticipation notes. \$2.7 million for highway lighting rehabilitation and \$0.3 million for zoo construction. The County also issued a total of \$50.0 million in revenue anticipation notes, which provided \$35.0 million of working capital for the general fund and \$15.0 million for the hospital enterprise fund. The issuance of the revenue anticipation notes was necessary due to the delay in receiving various state and federal aid.

The following is a summary of changes in notes payable for the year ended December 31, 2020 (000's omitted):

Changes in Notes Payable - Primary Government				
	<u>Beginning Balance</u>	<u>Additions</u>	<u>Deductions</u>	<u>Ending Balance</u>
Governmental Activities:				
Capital Project Funds-Bond Anticipation Notes	\$ 6,000	\$ 3,042	\$ (6,000)	\$ 3,042
General Fund-Revenue Anticipation Notes	42,500	35,000	(42,500)	35,000
Total Governmental Activities	48,500	38,042	(48,500)	38,042
Business-type Activities:				
Hospital-Revenue Anticipation Notes	12,500	15,000	(12,500)	15,000
Total Business-type Activities	12,500	15,000	(12,500)	15,000
Total Notes Payable	<u>\$ 61,000</u>	<u>\$ 53,042</u>	<u>\$ (61,000)</u>	<u>\$ 53,042</u>

The following is a summary of notes payable as of December 31, 2020 (000's omitted):

Notes Payable – Primary Government				
	<u>Issue Date</u>	<u>Interest Rate</u>	<u>Final Maturity</u>	<u>Amount</u>
Governmental Activities:				
General Fund				
Revenue Anticipation Notes	10/30/2020	0.56%	4/1/2021	\$ 35,000
Public Improvement Bond Anticipation Notes	10/30/2020	0.79%	4/1/2021	3,042
Total Governmental Activities				38,042
Business-type Activities:				
Hospital				
Revenue Anticipation Notes	10/30/2020	0.56%	4/1/2021	15,000
Total Business-type Activities				15,000
Total Notes Payable				<u>\$ 53,042</u>

COUNTY OF MONROE, NEW YORK
Notes to Basic Financial Statements
Year Ended December 31, 2020

A. Long-term Liabilities

The following is a summary of long-term liabilities for the primary government as of December 31, 2020 (000's omitted):

Long-term Liabilities – Primary Government					
	Beginning Balance	Additions	Deductions	Current Portion	Long-term Portion
Governmental Activities:					
Capital leases payable	\$ 1,322	\$ -	\$ (390)	\$ 338	\$ 594
Bonds payable	662,566	25,850	(63,819)	41,128	583,469
Net pension liability	58,387	163,792	-	-	222,179
Postemployment benefits other than pension	496,824	80,274	(53,790)	-	523,308
Other Long-term Liabilities					
Due to New York State					
Retirement System	12,577	-	(12,577)	-	-
Federal, state and other long-term liabilities	23,578	3,349	(3,528)	2,434	20,965
Compensated absences	27,537	16,667	(13,171)	15,250	15,783
Total Other Long-term Liabilities	63,692	20,016	(29,276)	17,684	36,748
Total Governmental Long-term Liabilities	\$ 1,282,791	\$ 289,932	\$ (147,275)	\$ 59,150	\$ 1,366,298
Business-type Activities:					
Capital leases payable	\$ 3,369	\$ -	\$ (780)	\$ 821	\$ 1,768
Bonds payable	199,578	8,762	(27,280)	19,372	161,688
Net pension liability	13,617	36,105	-	-	49,722
Postemployment benefits other than pension	81,476	7,023	(3,764)	-	84,735
Federal, State and other long-term liabilities	1,627	-	(152)	157	1,318
Compensated absences	3,569	3,007	(2,749)	3,111	716
Total Other Long-term Liabilities	5,196	3,007	(2,901)	3,268	2,034
Total Business-type Long-term Liabilities	\$ 303,236	\$ 54,897	\$ (34,725)	\$ 23,461	\$ 299,947

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

COUNTY OF MONROE, NEW YORK
Notes to Basic Financial Statements
Year Ended December 31, 2020

The following is a summary of changes in bonds payable for the year ended December 31, 2020 (000's omitted):

	Bonds Payable – Primary Government				
	Beginning Balance	Additions	Deductions	Ending Balance	Current Portion
Governmental Activities:					
Governmental Funds	\$ 595,090	\$ 12,725	\$ (43,196)	\$ 564,619	\$ 33,857
Internal Service Funds	67,476	13,125	(20,623)	59,978	7,271
Total Governmental Activities	<u>662,566</u>	<u>25,850</u>	<u>(63,819)</u>	<u>624,597</u>	<u>41,128</u>
Business-type Activities:					
Solid Waste	3,021	-	(793)	2,228	509
Airport	34,896	-	(3,731)	31,165	3,509
Hospital	15,231	39	(2,225)	13,045	3,751
Pure Waters	146,430	8,723	(20,531)	134,622	11,603
Total Business-type Activities	<u>199,578</u>	<u>8,762</u>	<u>(27,280)</u>	<u>181,060</u>	<u>19,372</u>
Total Bonds Payable	<u>\$ 862,144</u>	<u>\$ 34,612</u>	<u>\$ (91,099)</u>	<u>\$ 805,657</u>	<u>\$ 60,500</u>

COUNTY OF MONROE, NEW YORK
Notes to Basic Financial Statements
Year Ended December 31, 2020

The following is a summary of serial bonded indebtedness for the year ended December 31, 2020 (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>					
GO Refunding Bonds - 2012	\$ 35,299	4/3/2012	3.75/5.00	2023	\$ 1,567
PI-2012	30,350	6/27/2012	4.00/5.00	2031	12,790
Public Stadium Refunding 2014	8,630	10/15/2014	2.09/3.590	2024	3,710
PI Refunding Bonds - 2015-A	22,426	3/26/2015	3.00/5.00	2027	7,974
PI Refunding Bonds - 2015-B	827	3/26/2015	4.00	2024	827
PI- 2015	35,606	6/30/2015	3.00/5.00	2033	19,195
PI-2016	15,021	6/29/2016	2.00/5.00	2031	10,561
PI-2016-B	72,099	10/27/2016	3.00/5.00	2034	46,222
PI-2017	21,016	6/27/2017	3.00/5.00	2032	16,223
PI-2018	34,696	6/26/2018	3.00/5.00	2038	30,883
PI-2019-A	34,584	6/25/2019	3.00/5.00	2039	34,663
PI Refunding-2019	6,304	4/18/2019	4.00/5.00	2029	5,100
GO Refunding Bonds - 2020	8,699	6/4/2020	4.00/5.00	2030	8,699
					<u>198,414</u>
Add: Unamortized bond premium					<u>23,521</u>
Total Bonds Issued by the County					<u>221,935</u>
<u>Bonds Issued by MTASC</u>					
MTASC Series 2005	157,720	8/25/2005	5.00/6.65	2060	129,951
MTASC Series 2006	14,579	2/7/2006	7.70	2061	14,579
MTASC Series 2010	63,100	6/1/2010	6.25	2060	63,100
					<u>207,630</u>
Add: Accretion of capital appreciation bonds					80,553
Less: Unamortized bond discount					<u>(1,833)</u>
Total Bonds Issued by MTASC					<u>\$ 286,350</u>

*PI: Public Improvement, GO: General Obligation

COUNTY OF MONROE, NEW YORK
Notes to Basic Financial Statements
Year Ended December 31, 2020

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</u>					
<u>Monroe Community College (MCC)</u>					
GO Refunding Bonds - 2012	\$ 7,792	4/3/2012	3.75/5.00	2022	\$ 481
PI-2012	6,778	6/27/2012	4.00/5.00	2031	1,498
PI Refunding - 2015-A	624	3/26/2015	3.00/5.00	2025	282
PI Refunding - 2015-B	37	3/26/2015	4.00	2024	37
PI-2015	16,790	6/30/2015	3.00/5.00	2035	10,841
PI-2016	15,564	6/29/2016	2.00/5.00	2036	12,879
PI-2016-B	13,000	10/27/2016	3.00/5.00	2036	11,289
PI-2017	8,000	6/27/2017	3.00/5.00	2037	6,746
PI-2018	2,190	6/26/2018	3.00/5.00	2038	1,587
PI Refunding-2019	3,225	4/18/2019	4.00/5.00	2029	2,821
GO Refunding Bonds - 2020	2,365	6/4/2020	4.00/5.00	2030	2,365
					<u>50,826</u>
Add: Unamortized bond premium					<u>5,508</u>
Total Bonds Issued by the County for MCC					<u>56,334</u>
Total Governmental Funds					<u>564,619</u>
<u>Internal Service Funds</u>					
PI-2012	12,918	6/27/2012	3.00/5.00	2031	6,511
PI Refunding - 2015-A	8,116	3/26/2015	4.00/5.00	2027	3,886
PI Refunding - 2015-B	251	3/26/2015	4.00	2024	251
PI-2015	10,199	6/30/2015	3.00/5.00	2031	4,883
PI-2016	5,997	6/29/2016	2.00/5.00	2035	2,791
PI-2016-B	125	10/27/2016	5.00	2022	55
PI-2017	4,500	6/27/2017	5.00	2037	2,061
PI-2018	19,037	6/27/2017	3.00/5.00	2038	16,686
PI-2019A	2,553	6/25/2019	3.00/5.00	2039	2,553
PI Refunding-2019	3,516	4/18/2019	4.00/5.00	2029	3,165
GO Refunding Bonds - 2020	11,128	6/4/2020	4.00/5.00	2030	11,128
					<u>53,970</u>
Add: Unamortized bond premium					<u>6,008</u>
Total Internal Service Funds					<u>59,978</u>
Total Governmental Activities					<u><u>\$ 624,597</u></u>

*PI: Public Improvement, GO: General Obligation

COUNTY OF MONROE, NEW YORK
Notes to Basic Financial Statements
Year Ended December 31, 2020

Bonds Payable – Primary Government (continued)					
	<u>Original Amount</u>	<u>Date of Bonds</u>	<u>Interest Rate Percent</u>	<u>Final Maturity</u>	<u>Outstanding Amount</u>
Business-type Activities:					
Bonds issued by the County					
<u>Solid Waste Fund</u>					
PI-2012	\$ 2,009	6/27/2012	3.00/5.00	2031	\$ 587
PI Refunding - 2015-A	2,107	3/26/2015	4.00/5.00	2025	968
PI Refunding - 2015-B	127	3/26/2015	4.00	2024	127
PI-2015	1,470	6/30/2015	3.00/5.00	2035	291
PI-2016	772	6/29/2016	4.00/5.00	2021	29
PI-2018	190	6/29/2018	3.00/5.00	2038	52
					<u>2,054</u>
Add: Unamortized bond premium					<u>174</u>
Total Solid Waste Fund					<u>2,228</u>
<u>Airport Fund</u>					
GO Refunding Bonds - 2012	2,942	4/3/2012	3.75/5.00	2023	163
PI Refunding - 2015-A	1,748	3/26/2015	4.00/5.00	2025	769
PI Refunding - 2015-B	101	3/26/2015	4.00	2024	101
PI-2019-B	22,570	6/25/2019	5.00	2027	20,315
PI Refunding-2019	6,640	4/18/2019	4.00	2024	5,884
					<u>27,232</u>
Add: Unamortized bond premium					<u>3,933</u>
Total Airport Fund					<u>\$ 31,165</u>

*PI: Public Improvement, GO: General Obligation

COUNTY OF MONROE, NEW YORK
Notes to Basic Financial Statements
Year Ended December 31, 2020

Bonds Payable – Primary Government (continued)					
	<u>Original Amount</u>	<u>Date of Bonds</u>	<u>Interest Rate Percent</u>	<u>Final Maturity</u>	<u>Outstanding Amount</u>
Business-type Activities (continued):					
Bonds issued by the County					
<u>Hospital Fund</u>					
PI-2012	\$ 5,660	6/27/2012	3.00/5.00	2027	\$ 1,014
PI Refunding - 2015-A	866	3/26/2015	4.00/5.00	2025	324
PI Refunding - 2015-B	43	3/26/2015	4.00	2024	43
PI-2015	4,065	6/30/2015	3.00/5.00	2035	1,683
PI-2016	1,920	6/29/2016	2.00/5.00	2031	1,001
PI-2017	1,245	6/27/2017	4.00/5.00	2031	731
PI-2018	1,813	6/26/2018	3.00/5.00	2038	1,007
PI-2019-A	5,885	6/25/2019	3.00/5.00	2039	5,885
PI Refunding-2019	652	4/18/2019	4.00/5.00	2038	242
GO Refunding Bonds - 2020	35	6/4/2020	4.00/5.00	2030	35
					<u>11,965</u>
Add: Unamortized bond premium					<u>1,080</u>
Total Hospital Fund					<u>13,045</u>
<u>Pure Waters Fund</u>					
EI Bonds-2001	19,999	7/26/2001	4.894/5.154	2021	1,290
EI Bonds-2002	2,287	3/14/2002	4.622/4.982	2021	140
GO Refunding Bonds - 2012	4,490	4/3/2012	3.75/5.00	2023	128
PI-2012	21,950	6/27/2012	3.00/5.00	2031	14,100
PI-2014	22,920	7/2/2014	2.00/5.00	2034	17,085
PI Refunding - 2015-A	25,643	3/26/2015	4.00/5.00	2027	13,752
PI Refunding - 2015-B	714	3/26/2015	4.00	2024	714
PI-2015	16,900	6/30/2015	3.00/5.00	2035	13,457
PI-2016	16,147	6/29/2016	2.00/5.00	2036	12,069
PI-2016-B	3,615	10/27/2016	3.00/5.00	2036	3,079
PI-2017	8,359	6/27/2017	3.00/5.00	2037	7,514
PI-2018	19,889	6/26/2018	3.00/5.00	2038	19,030
PI-2019-A	6,874	6/25/2019	3.00/5.00	2039	6,874
PI Refunding-2019	8,952	4/18/2019	3.00/5.00	2038	7,924
GO Refunding Bonds - 2020	7,373	6/4/2020	4.00/5.00	2030	7,372
					<u>124,528</u>
Add: Unamortized bond premium					<u>10,094</u>
Total Pure Waters Fund					<u>134,622</u>
Total Business-type Activities					<u>\$ 181,060</u>
Total Primary Government					<u>\$ 805,657</u>

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

COUNTY OF MONROE, NEW YORK
Notes to Basic Financial Statements
Year Ended December 31, 2020

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, 2020 (000's omitted):

Principal and Interest Payments – Primary Government							
	Governmental Activities		Business-type Activities				Total Primary Government
	Governmental Funds	Internal Service	Solid Waste	Airport	Hospital	Pure Waters	
Principal							
2021	\$ 33,857	\$ 7,271	\$ 509	\$ 3,509	\$ 3,751	\$ 11,603	\$ 60,500
2022	30,146	7,023	442	3,510	3,052	10,289	54,462
2023	29,782	6,363	256	3,655	1,356	10,462	51,874
2024	27,501	5,225	257	3,797	955	10,625	48,360
2025	24,905	5,222	257	3,944	852	10,669	45,849
2026 - 2030	82,395	16,433	198	8,817	1,583	39,649	149,075
2031 - 2035	27,302	4,547	128	-	416	24,751	57,144
2036 - 2040	2,247	1,886	7	-	-	6,480	10,620
2041 - 2045	154,220	-	-	-	-	-	154,220
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	456,870	53,970	2,054	27,232	11,965	124,528	676,619
Interest							
2021	19,122	2,211	78	1,273	470	4,699	27,853
2022	17,580	1,873	57	1,099	302	4,183	25,094
2023	16,155	1,564	42	919	195	3,723	22,598
2024	14,784	1,293	30	733	141	3,251	20,232
2025	13,517	1,044	17	539	99	2,766	17,982
2026 - 2030	53,982	2,587	39	557	176	8,464	65,805
2031 - 2035	44,503	631	11	-	29	2,827	48,001
2036 - 2040	42,546	68	-	-	-	292	42,906
2041 - 2045	14,126	-	-	-	-	-	14,126
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	2,028,080	11,271	274	5,120	1,412	30,205	2,076,362
Total Principal and Interest	\$ 2,484,950	\$ 65,241	\$ 2,328	\$ 32,352	\$ 13,377	\$ 154,733	\$ 2,752,981

Approximately \$373 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 2050, interest payments include the tobacco settlement capital appreciation bonds, which mature from 2050 through 2061.

COUNTY OF MONROE, NEW YORK
Notes to Basic Financial Statements
Year Ended December 31, 2020

11. Leases

Capital Lease Agreements

The following is a schedule of the future minimum lease payments for equipment leases capitalized together with the present value of the net minimum lease payments as of December 31, 2020 (000's omitted):

Capital Lease Agreements			
	Governmental Activities	Business- type Activities	
	General Fund	Hospital	Total
Year			
2021	\$ 343	\$ 952	\$ 1,295
2022	210	952	1,162
2023	196	952	1,148
2024	183	-	183
2025	-	-	-
Total minimum lease payments	932	2,856	3,788
Less amounts representing interest (rates ranging from 0.01% to 5.1%)	-	(267)	(267)
Net minimum lease payments	\$ 932	\$ 2,589	\$ 3,521

The Hospital entered into a lease agreement through Siemens with Premier National Investment Company, a subsidiary of Manufacturers and Traders Trust Company (M&T), on August 7, 2007, for energy enhancements at the Hospital. The lease agreement has been recognized with an initial value of \$10.1 million and accumulated amortization of \$7.7 million at December 31, 2020.

COUNTY OF MONROE, NEW YORK
Notes to Basic Financial Statements
Year Ended December 31, 2020

12. Employee Pension

A. Employee Pension Plans

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

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

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

Required Contributions for ERS and PFRS				
Year		ERS		PFRS
2020	\$	39,376	\$	484
2019	\$	39,919	\$	405
2018	\$	41,648	\$	372

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

COUNTY OF MONROE, NEW YORK
Notes to Basic Financial Statements
Year Ended December 31, 2020

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

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

The County elected to prepay the retirement system invoice of \$39.9 million on December 15, 2020. Due to this, \$8.7 million of the payment represents a prepaid expense as of December 31, 2020. This amount covers the period through March 31, 2021, which is the end of the State's fiscal year. By activity, the prepaid expense is allocated as follows: \$7.4 million in the governmental activities and \$1.3 million in the business-type activities. In addition, the County made a payment of \$12.6 million on December 15, 2020 to pay down the final portion of the outstanding Chapter 57 Elective Deferral amounts.

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

At December 31, 2020, the County reported a net pension liability of \$270.0 million and \$1.9 million for its proportionate share of the ERS and PFRS net pension liability, respectively. Of the \$271.9 million total, \$222.2 million is attributable to governmental activities and \$49.7 million to business-type activities.

The net pension liability was measured as of March 31, 2020, and the total pension liability used to calculate the net pension liability was determined by the actuarial valuation as of April 1, 2019. The County's proportion of the net pension liability was based on a projection of the County's long-term share of contributions to the pension plan relative to the projected contributions of all participating members, actuarially determined.

At December 31, 2020, the County's proportionate share was 1.02% and 0.03% for ERS and PFRS, respectively.

For the year ended December 31, 2020, the County recognized pension expense of \$85.2 million and \$713 thousand for ERS and PFRS, respectively.

COUNTY OF MONROE, NEW YORK
Notes to Basic Financial Statements
Year Ended December 31, 2020

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	\$ 12,985	\$ 2,908	\$ 15,893
Changes of assumptions	4,442	995	5,437
Net difference between projected and actual earnings on pension plan investments	113,108	25,329	138,437
Changes in proportion and differences between the County's contributions and proportionate share of contributions	1,102	247	1,349
Contributions subsequent to the measurement date	21,874	4,898	26,772
Total	\$ 153,511	\$ 34,377	\$ 187,888
	Deferred Inflows of Resources		
	Governmental Activities	Business-type Activities	Total
Changes of assumptions	\$ 3,712	\$ 983	\$ 4,695
Net difference between projected and actual earnings			
Changes in proportion and differences between the County's contributions and proportionate share of contributions	11,263	2,984	14,247
Total	\$ 14,975	\$ 3,967	\$ 18,942

PFRS

	Deferred Outflows of Resources		
	Governmental Activities	Business-type Activities	Total
Differences between expected and actual experience	\$ -	\$ 124	\$ 124
Changes of assumptions	-	159	159
Net difference between projected and actual earnings on pension plan investments	-	837	837
Changes in proportion and differences between the County's contributions and proportionate share of contributions	-	165	165
Contributions subsequent to the measurement date	-	363	363
Total	\$ -	\$ 1,648	\$ 1,648
	Deferred Inflows of Resources		
	Governmental Activities	Business-type Activities	Total
Differences between expected and actual experience	\$ -	\$ 31	\$ 31
Changes in proportion and differences between the County's contributions and proportionate share of contributions	-	43	43
Total	\$ -	\$ 74	\$ 74

COUNTY OF MONROE, NEW YORK
Notes to Basic Financial Statements
Year Ended December 31, 2020

The County recognized \$26.8 million and \$363 thousand reported as deferred outflows of resources related to pensions resulting from contributions subsequent to the measurement date of March 31, 2020 for ERS and PFRS respectively. These amounts will be recognized as a reduction of the net pension liability in the year ended December 31, 2021. 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:			
2021	\$ 17,119	\$ 3,744	\$ 20,863
2022	28,793	6,297	35,090
2023	38,663	8,455	47,118
2024	32,087	7,016	39,103
Total	<u>\$ 116,662</u>	<u>\$ 25,512</u>	<u>\$ 142,174</u>

PFRS			
	Governmental Activities	Business-type Activities	Total
Plan's Year Ended March 31:			
2021	\$ -	\$ 262	\$ 262
2022	-	284	284
2023	-	349	349
2024	-	288	288
2025	-	28	28
Total	<u>\$ -</u>	<u>\$ 1,211</u>	<u>\$ 1,211</u>

Actuarial Assumptions

The total pension liability at March 31, 2020 was determined by using an actuarial valuation as of April 1, 2019, with update procedures used to roll forward the total pension liability to March 31, 2020.

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

Inflation rate	2.5%/2.5%
Salary increases	4.2%/5.0%
Investment rate of return (net of investment expense, including inflation)	6.8%/6.8%
Cost-of-living adjustments	1.3%/1.3%
Annuitant mortality rates	April 1, 2010 – March 31, 2015 System's experience, with adjustments for mortality improvements based on MP-2018.

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.

COUNTY OF MONROE, NEW YORK
Notes to Basic Financial Statements
Year Ended December 31, 2020

Best estimates of arithmetic real rates of return for each major asset class included in the target asset allocation as of March 31, 2020 are summarized below:

Asset Type	Target Allocations in %	Long-Term Expected Real Rate of Return in %*
Domestic Equity	36	4.05
International Equity	14	6.15
Private Equity	10	6.75
Real Estate	10	4.95
Absolute Return Strategies	2	3.25
Opportunistic Portfolio	3	4.65
Real Assets	3	5.95
Bonds and Mortgages	17	0.75
Cash	1	0.00
Inflation-Indexed Bonds	4	0.50
	<u>100</u>	

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

Discount Rate

The discount rate used to calculate the total pension liability was 6.8%. 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.

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

The following presents the County's proportionate share of the net pension liability calculated using the discount rate of 6.8%, 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 (5.8%) or 1% higher (7.8%) than the current rate (000's omitted):

ERS			
	1% decrease 5.80%	Current Discount 6.80%	1% Increase 7.80%
Proportionate Share of Net Pension Liability	\$ 495,604	\$ 270,042	\$ 62,299
PFRS			
	1% decrease 5.80%	Current Discount 6.80%	1% Increase 7.80%
Proportionate Share of Net Pension Liability	\$ 3,325	\$ 1,859	\$ 547

COUNTY OF MONROE, NEW YORK
Notes to Basic Financial Statements
Year Ended December 31, 2020

Pension Plan Fiduciary Net Position

The components of the current-year net pension liability of the employers as of March 31, 2020 for ERS and PFRS respectively as follows (000's omitted):

ERS			
	<u>Pension Plan's Fiduciary Net Position</u>	<u>County's proportionate share of Plan's Fiduciary Net Position</u>	<u>County's allocation percentage as determined by the Plan</u>
Total pension liability	\$ 194,596,261	\$ 1,984,442	1.02%
Net position	(168,115,682)	(1,714,400)	
Net pension liability (asset)	<u>\$ 26,480,579</u>	<u>\$ 270,042</u>	
Fiduciary net position as a percentage of total pension liability	86.4%	86.4%	
PFRS			
	<u>Pension Plan's Fiduciary Net Position</u>	<u>County's proportionate share of Plan's Fiduciary Net Position</u>	<u>County's allocation percentage as determined by the Plan</u>
Total pension liability	\$ 35,309,017	\$ 12,281	0.03%
Net position	(29,964,080)	(10,422)	
Net pension liability (asset)	<u>\$ 5,344,937</u>	<u>\$ 1,859</u>	
Fiduciary net position as a percentage of total pension liability	84.9%	84.9%	

COUNTY OF MONROE, NEW YORK
Notes to Basic Financial Statements
Year Ended December 31, 2020

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 2020 those costs were \$24.6 million and the costs of administering the plan are paid by the County.

Employees Covered by Benefit Terms

At December 31, 2019, the following employees were covered by the benefit terms:

Inactive employees and spouses	
currently receiving benefits:	3,367
Active Employees:	<u>3,929</u>
Total Participants:	<u>7,296</u>

Total OPEB Liability

The County's total OPEB liability of \$608.0 million, was recognized as \$523.3 million for the governmental activities and \$84.7 million for the business type funds, and was measured as of December 31, 2020. The total OPEB liability was determined by an interim actuarial valuation as of December 31, 2020.

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, 2020
Measurement Date	December 31, 2020
Actuarial Cost Method	Entry age normal
Discount Rate	2.12%
Inflation Rate	2.5%
Health Care Trend Rates	7.5%, decreasing by 0.5% each year until 2027; 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-2010 Public Safety, General and Continuing Survivor Headcount Weighted Mortality Table fully generational using Scale MP-2019.

COUNTY OF MONROE, NEW YORK
Notes to Basic Financial Statements
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Changes in the Total OPEB Liability

(000's omitted)

	Governmental Activities	Business-type Activities	Total
Balance at January 1, 2020	\$ 496,824	\$ 81,476	\$ 578,300
Changes for the year-			
Service cost	11,444	2,036	13,480
Interest	16,233	2,662	18,895
Changes in assumptions or other inputs	19,624	2,325	21,949
Benefit payments	(20,817)	(3,764)	(24,581)
Net Changes	26,484	3,259	29,743
Balance at December 31, 2020	<u>\$ 523,308</u>	<u>\$ 84,735</u>	<u>\$ 608,043</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 (1.12%) or 1 percentage point higher (3.12%) than the current discount rate of 2.12% (000's omitted):

	1% decrease 1.12%	Current Discount 2.12%	1% Increase 3.12%
Total OPEB Liability	\$ 671,407	\$ 608,043	\$ 553,809

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 (3.50-6.50%) or 1 percentage point higher (5.50-8.50%) than the current healthcare cost trend rate of 4.50% to 7.50% (000's omitted):

	1% decrease 3.50% - 6.50%	Current Discount 4.50% - 7.50%	1% Increase 5.50% - 8.50%
Total OPEB Liability	\$ 540,730	\$ 608,043	\$ 689,079

COUNTY OF MONROE, NEW YORK
Notes to Basic Financial Statements
Year Ended December 31, 2020

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

For the year ended December 31, 2020, the County recognized OPEB expense of \$25.8 million and \$942 thousand for the governmental activities and business-type funds, respectively. At December 31, 2020, 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	\$ 9,689	\$ 13,043	\$ 22,732
Changes of assumptions	62,954	10,335	73,289
Total	\$ 72,643	\$ 23,378	\$ 96,021
Deferred Inflows of Resources			
	Governmental Activities	Business-type Activities	Total
Differences between expected and actual experience	\$ 68,908	\$ 6,200	\$ 75,108
Changes of assumptions	18,253	2,026	20,279
Total	\$ 87,161	\$ 8,226	\$ 95,387

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):

2021	\$ (2,134,178)
2022	(2,134,178)
2023	(2,134,178)
2024	(2,134,183)
2025	6,036,197
Thereafter	3,135,516
Total	\$ 634,996

COUNTY OF MONROE, NEW YORK
Notes to Basic Financial Statements
Year Ended December 31, 2020

14. Interfund Activity

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

A. Receivables and Payables

Seventy four percent of the total amount of receivables and payables is a result of the overdraft of other funds' share of pooled cash, and twenty six percent is a result of initial financing of capital projects. The following is a summary of interfund receivables and payables as of December 31, 2020 (000's omitted):

Interfund Payables and Receivables			
	Interfund Receivables		
	Governmental Activities		
	General Fund	Special Revenue	Total
Interfund Payables			
Governmental Activities:			
Major Governmental Funds			
Capital Projects	\$ 10,488	\$ 12,436	\$ 22,924
Nonmajor Governmental Funds			
Special Revenue - Road	14,500	-	14,500
Internal Service Fund	150	-	150
Total Governmental Activities	25,138	12,436	37,574
Business-type Activities:			
Solid Waste	16,400	-	16,400
Airport	1,800	-	1,800
Energy	1,000	-	1,000
Total Business-type Activities	19,200	-	19,200
Total Interfund Payables and Receivables	\$ 44,338	\$ 12,436	\$ 56,774

COUNTY OF MONROE, NEW YORK
Notes to Basic Financial Statements
Year Ended December 31, 2020

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, 2020 (000's omitted):

Governmental Activities								
Interfund Transfers From:	Interfund Transfers to:							
	Nonmajor Governmental Funds		Debt Service Funds	Capital Project Funds	Internal Service Funds	Solid Waste	Hospital	Total
	Special Revenue Funds							
	Road	Library						
Governmental Activities:								
Major Governmental Funds								
General Fund	\$ 24,126	\$ 7,120	\$ 23,690	\$ 4,076	\$ 808	\$ 2,000	\$ 2,500	\$ 64,320
Capital Projects	-	-	7,410	-	-	-	-	7,410
Total Major Governmental Funds	24,126	7,120	31,100	4,076	808	2,000	2,500	71,730
Nonmajor Governmental Funds								
Special Revenue								
Road	-	-	14,953	1,340	-	-	-	16,293
Library	-	-	148	100	-	-	-	248
Debt Service	-	-	-	6,000	-	-	-	6,000
Total Nonmajor Governmental Funds	-	-	15,101	7,440	-	-	-	22,541
Internal Service	-	-	2,739	-	1,201	-	-	3,940
Total Governmental Activities	24,126	7,120	48,940	11,516	2,009	2,000	2,500	98,211
Business-type Activities:								
Hospital	-	-	721	-	-	-	-	721
Total Business-type Activities	-	-	721	-	-	-	-	721
Total Transfers	\$ 24,126	\$ 7,120	\$ 49,661	\$ 11,516	\$ 2,009	\$ 2,000	\$ 2,500	\$ 98,932

15. Miscellaneous Revenue

For the year ended December 31, 2020, the miscellaneous revenue for the primary government is \$10.4 million, consisting of \$2.8 million for governmental activities and \$7.6 million for business-type activities. This includes \$4.7 million in the solid waste fund for the sale of recycled materials and waste refuse complex fees and \$2.5 million in the hospital fund consisting primarily of rental fees.

16. Federal and State Funded Programs

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

COUNTY OF MONROE, NEW YORK
Notes to Basic Financial Statements
Year Ended December 31, 2020

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, 2020, 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, 2020.

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>
2020	\$ 35,259	\$ 79,236	\$ (75,822)	\$ 38,673
2019	46,958	65,206	(76,905)	35,259

Of the \$38.7 million estimated accrued liabilities in the internal service fund, all of the \$38.7 million is reported in accounts payable and accrued liabilities. The \$38.7 million is comprised of \$5.0 million, which is the County Attorney's estimate of general liability claims which may likely settle, \$30.1 million representing Workers' Compensation claims already reported, and additional claims incurred but not yet reported, \$2.1 million for medical claims incurred but not yet reported and other liabilities amounting to \$.4 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, 2020. 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.

18. Tax Abatement

The County has over 300 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.

COUNTY OF MONROE, NEW YORK

Notes to Basic Financial Statements

Year Ended December 31, 2020

Enhanced JobsPlus Program

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

Green JobsPlus

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

LeasePlus Program

For the new building construction or renovation projects for Universities and medical related facilities in which 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. 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, 2020 relates to the PILOT agreements entered into under the aforementioned programs:

Total Assessment Value:	\$ 1.4 billion
Total Taxable Value:	\$ 645.5 million
PILOTS Billed:	\$ 7.9 million
County Taxes Abated:	\$ 5.6 million

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

Total Assessment Value:	\$ 271.7 million
Total Taxable Value	\$ 271.7 million
Shelter Rents Received	\$ 0.9 million
County Taxes Abated:	\$ 1.6 million

Of the \$7.2 million taxes abated, no one property represented more than 10% of the total tax abated.

The County is also subject to sales tax abatements granted by 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, 2020 was \$0.9 million.

19. **COVID-19**

In March 2020, the World Health Organization declared the outbreak of novel coronavirus disease (COVID-19) as a pandemic, which continues to spread throughout the United States and the world. As a result, New York State has imposed numerous social restrictions; including wide spread business closures, which have and will continue to directly affect the finances of the County. While the complete impact of this situation for the County, its future results and financial position is not presently determinable, management is continuing to adjust for the evolving situation.

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**REQUIRED
SUPPLEMENTARY
INFORMATION
(UNAUDITED)**

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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, 2020
(000's Omitted)

	<u>Original Budget</u>	<u>Amended Budget</u>	<u>Modified Budget</u>	<u>Actual</u>	<u>Variance Favorable (Unfavorable)</u>
REVENUES					
Real property tax	\$ 403,932	\$ 403,932	\$ 403,932	\$ 408,957	\$ 5,025
Sales and other taxes	160,405	166,952	166,952	156,549	(10,403)
Federal aid	111,515	248,958	255,292	187,425	(67,867)
State aid	196,699	211,010	221,475	168,761	(52,714)
Charges for services	27,448	27,448	27,448	22,510	(4,938)
Intergovernmental	44,506	44,906	44,906	38,737	(6,169)
Interdepartmental	2,842	2,842	2,842	2,344	(498)
Use of money and property	8,233	8,233	8,233	6,982	(1,251)
Repayments and refunds	13,385	13,385	13,385	16,735	3,350
Payments in lieu of taxes	8,870	8,870	8,870	8,938	68
Miscellaneous	12,702	12,802	12,834	5,736	(7,098)
Total revenues	<u>990,537</u>	<u>1,149,338</u>	<u>1,166,169</u>	<u>1,023,674</u>	<u>(142,495)</u>
EXPENDITURES					
Health and welfare	557,202	573,961	581,438	496,225	85,213
Public safety	252,732	268,879	281,674	253,255	28,419
Culture, recreation and education	85,203	92,579	92,983	78,190	14,793
General government	40,627	159,365	159,366	103,375	55,991
Transportation	3,524	3,524	3,524	2,115	1,409
Total expenditures	<u>939,288</u>	<u>1,098,308</u>	<u>1,118,985</u>	<u>933,160</u>	<u>185,825</u>
Excess of revenues over expenditures	<u>51,249</u>	<u>51,030</u>	<u>47,184</u>	<u>90,514</u>	<u>43,330</u>
OTHER FINANCING SOURCES (USES)					
Transfers out	(51,249)	(51,249)	(51,249)	(64,320)	(13,071)
Total other financing sources (uses)	<u>(51,249)</u>	<u>(51,249)</u>	<u>(51,249)</u>	<u>(64,320)</u>	<u>(13,071)</u>
Changes in budgeted fund balances	<u>\$ -</u>	<u>\$ (219)</u>	<u>\$ (4,065)</u>	26,194	<u>\$ 30,259</u>
Fund balance at beginning of year				<u>96,517</u>	
Fund balance at end of year				<u>\$ 122,711</u>	

See accompanying 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 YEAR ENDED DECEMBER 31, 2020
(000's Omitted)

Total OPEB Liability	2018	2019	2020
Service cost	\$ 13,346	\$ 11,744	\$ 13,479
Interest	20,663	22,543	18,895
Changes in assumptions and differences between actual and expected experience	(59,044)	20,305	21,950
Benefit payments	(25,354)	(25,802)	(24,581)
Total change in total OPEB liability	(50,389)	28,790	29,743
Total OPEB liability - beginning	599,899	549,510	578,300
Total OPEB liability - ending	\$ 549,510	\$ 578,300	\$ 608,043
Covered-employee payroll	\$ 230,891	\$ 239,290	\$ 263,204
Total OPEB liability as a percentage of covered- employee payroll	238.0%	241.7%	231.0%
Notes to schedule:			
Changes of assumptions. Changes in assumptions and other inputs reflect the effects of changes in the discount rate each period. The following reflects the discount rate used each period:			
Discount rate	4.11%	3.26%	2.12%
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 YEAR ENDED DECEMBER 31, 2020
(000's Omitted)

New York State and Local Employees' Retirement System (ERS)	2015	2016	2017	2018	2019	2020
Proportion of the net pension liability (asset)	1.07%	1.05%	1.03%	1.06%	1.01%	1.02%
Proportionate share of the net pension liability	\$ 36,211	\$ 167,992	\$ 96,046	\$ 34,164	\$ 71,406	\$ 270,042
Covered-employee payroll	\$ 224,109	\$ 224,162	\$ 221,710	\$ 228,894	\$ 237,155	\$ 261,061
Proportionate share of the net pension liability (asset)	16.16%	74.94%	43.32%	14.93%	30.11%	103.44%
Plan fiduciary net position as a percentage of the total pension liability (asset)	97.95%	90.70%	94.70%	98.20%	96.27%	86.39%
New York State Police and Firefighters Retirement System (PFRS)	2015	2016	2017	2018	2019	2020
Proportion of the net pension liability (asset)	0.05%	0.04%	0.04%	0.04%	0.04%	0.03%
Proportionate share of the net pension liability (asset)	\$ 129	\$ 1,293	\$ 800	\$ 402	\$ 598	\$ 1,859
Covered-employee payroll	\$ 1,683	\$ 1,793	\$ 1,820	\$ 1,997	\$ 2,135	\$ 2,143
Proportionate share of the net pension liability (asset)	7.66%	72.11%	43.96%	20.13%	28.01%	86.75%
Plan fiduciary net position as a percentage of the total pension liability (asset)	99.03%	90.20%	93.50%	96.90%	95.09%	84.86%

Notes to schedule:

Schedule is intended to show information for 10 years.

Additional years will be displayed as information becomes available.

COUNTY OF MONROE, NEW YORK
REQUIRED SUPPLEMENTARY INFORMATION (UNAUDITED)
SCHEDULE OF CONTRIBUTIONS
PENSION PLANS
FOR THE YEAR ENDED DECEMBER 31, 2020
(000's Omitted)

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

	<u>2015</u>	<u>2016</u>	<u>2017</u>	<u>2018</u>	<u>2019</u>	<u>2020</u>
Contractually required contribution	\$ 38,078	\$ 39,810	\$ 46,975	\$ 41,648	\$ 39,919	\$ 39,376
Contributions in relation to the contractually required contribution	38,078	39,810	46,975	41,648	39,919	39,376
Contribution deficiency (excess)	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>
Covered-employee payroll	\$ 224,109	\$ 224,162	\$ 221,710	\$ 228,894	\$ 237,155	\$ 261,061
Contributions as a percentage of covered-employee payroll	16.99%	17.76%	21.19%	18.20%	16.83%	15.08%

New York State Police and Firefighters Retirement System (PFRS)

	<u>2015</u>	<u>2016</u>	<u>2017</u>	<u>2018</u>	<u>2019</u>	<u>2020</u>
Contractually required contribution	\$ 353	\$ 351	\$ 384	\$ 372	\$ 405	\$ 484
Contributions in relation to the contractually required contribution	353	351	384	372	405	484
Contribution deficiency (excess)	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>
Covered-employee payroll	\$ 1,683	\$ 1,793	\$ 1,820	\$ 1,997	\$ 2,135	\$ 2,143
Contributions as a percentage of covered-employee payroll	20.97%	19.58%	21.10%	18.63%	18.97%	22.59%

Notes to schedule:

Schedule is intended to show information for 10 years.

Additional years will be displayed as information becomes available.

COUNTY OF MONROE, NEW YORK

Notes to Required Supplementary Information (000's omitted) (Unaudited) Year Ended December 31, 2020

1. **Budgetary Basis Reporting**

The procedures governing the preparation, submission and adoption of the County's annual budget are stipulated in Article IV of the County Charter and in Article VI of the County Administrative Code.

The County Executive, with the assistance of the Office of Management and Budget (OMB), prepares the annual budget for submission to the County Legislature in a manner and form consistent with these articles. County departments and authorized agencies are required to submit their budget requests and revenue estimates to OMB. These requests are reviewed and analyzed, and the proposed budget is prepared for submission to the County Legislature.

The County Executive is required to submit the proposed budget to the Legislature on or before November 15th. The County Legislature must meet to deliberate on the budget and also must hold at least one public hearing prior to budget adoption. If the Legislature passes the budget as proposed, no further action is required on the part of the County Executive. If the Legislature changes the budget, the changes must be submitted to the County Executive for consideration. The County Executive then has 48 hours to approve or disapprove each of the Legislative changes. The Legislature can override a County Executive veto within the next 48 hours with a three-fifths majority vote.

If a budget has not been passed on or before the second Tuesday in December, the Legislature must meet daily until the budget is passed. If the budget is not passed by December 16th, then the budget as submitted by the County Executive, with any Legislative changes agreed to by the County Executive, becomes the adopted budget for the next year. The Office of Management and Budget has the authority to transfer budget amounts between accounts within any department up to and including \$10 thousand on an annual aggregate basis for all funds of the County. The County Legislature must approve amounts exceeding this limitation.

The general fund is the only major fund with a legally-adopted budget. Appropriations for all budgets lapse at fiscal year-end. The general fund's budget is adopted on a departmental and object level of expenditure basis in which expenditures may not legally exceed appropriations.

Individual governmental fund comparisons of budgetary and actual data at the legal level of control established by the adopted budget (i.e., minimally at the department and object level) are not presented in this report for those funds with annual adopted budgets due to the excessive detail involved.

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

COUNTY OF MONROE, NEW YORK**Notes to Required Supplementary Information (000's omitted) (Unaudited)**
Year Ended December 31, 2020

A summary of legally-adopted budgetary activity for the County's general fund for the year ended 2020 follows (000's omitted):

Revenues and other Financing Sources

Original Adopted Budget	\$ 990,537
Budget Amendments and Transfers	<u>158,801</u>
Amended Budget	1,149,338
Grants Residual Budget Carryover	<u>16,831</u>
Modified Budget	<u><u>\$ 1,166,169</u></u>

Expenditures and other Financing Uses

Original Adopted Budget	\$ 990,537
Budget Amendments and Transfers	<u>159,020</u>
Amended Budget	1,149,557
Prior Year Encumbrances and Grants Residual Budget Carryover	<u>20,677</u>
Modified Budget	<u><u>\$ 1,170,234</u></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

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**COUNTY OF MONROE, NEW YORK
COMBINING BALANCE SHEET
NONMAJOR GOVERNMENTAL FUNDS
AS OF DECEMBER 31, 2020
(000's Omitted)**

	Special Revenue Funds	Debt Service Funds		Total Nonmajor Governmental Funds
		General	MTASC	
ASSETS				
Cash and cash equivalents	\$ 16,547	\$ 10,673	\$ 144	\$ 27,364
Accounts receivables, net	11,452	-	9,654	21,106
Due from other funds	12,436	-	-	12,436
Due from other governments:				
State and Federal - other	2,558	-	-	2,558
Local governments	265	160	-	425
Inventories	1,010	-	-	1,010
Restricted assets:				
Cash and cash equivalents	-	2,722	12,925	15,647
Other assets	113	-	10	123
	<u>\$ 44,381</u>	<u>\$ 13,555</u>	<u>\$ 22,733</u>	<u>\$ 80,669</u>
LIABILITIES, DEFERRED INFLOWS OF RESOURCES AND FUND BALANCES				
Liabilities:				
Accounts payable and accrued liabilities	\$ 2,657	\$ -	\$ -	\$ 2,657
Due to other funds	14,500	-	-	14,500
Due to other governments	300	-	-	300
	<u>17,457</u>	<u>-</u>	<u>-</u>	<u>17,457</u>
Deferred inflows of resources:				
Community Development loan repayments	11,137	-	-	11,137
Tobacco settlement revenue	-	-	9,653	9,653
	<u>11,137</u>	<u>-</u>	<u>9,653</u>	<u>20,790</u>
Fund balances:				
Nonspendable	1,123	-	10	1,133
Restricted	11,756	2,722	12,925	27,403
Committed	2,908	-	-	2,908
Assigned	-	10,833	145	10,978
	<u>15,787</u>	<u>13,555</u>	<u>13,080</u>	<u>42,422</u>
Total liabilities, deferred inflows of resources and fund balances	<u>\$ 44,381</u>	<u>\$ 13,555</u>	<u>\$ 22,733</u>	<u>\$ 80,669</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
AS OF DECEMBER 31, 2020
(000's Omitted)

	Special Revenue Funds	Debt Service Funds		Total Nonmajor Governmental Funds
		General	MTASC	
REVENUES:				
Federal aid	\$ 4,002	\$ -	\$ -	\$ 4,002
State aid	7,972	-	-	7,972
Charges for services	5,566	-	-	5,566
Intergovernmental	2,113	1,471	-	3,584
Interdepartmental	21	-	-	21
Use of money and property	36	79	-	115
Repayments and refunds	53	-	-	53
Tobacco settlement	-	-	10,958	10,958
Miscellaneous	2,222	1	-	2,223
	<u>21,985</u>	<u>1,551</u>	<u>10,958</u>	<u>34,494</u>
Total revenues	21,985	1,551	10,958	34,494
EXPENDITURES:				
Public safety	3,513	-	-	3,513
Culture, recreation and education	10,023	-	-	10,023
General government	165	-	117	282
Transportation	19,150	-	-	19,150
Economic development	3,395	-	-	3,395
Debt service:				
Principal retirement	-	33,526	2,005	35,531
Bond issuance costs	-	100	-	100
Interest and fiscal charges	-	12,761	9,094	21,855
	<u>36,246</u>	<u>46,387</u>	<u>11,216</u>	<u>93,849</u>
Total expenditures	36,246	46,387	11,216	93,849
Excess (deficiency) of revenues over (under) expenditures	<u>(14,261)</u>	<u>(44,836)</u>	<u>(258)</u>	<u>(59,355)</u>
OTHER FINANCING SOURCES (USES):				
Refunding bonds issued	-	11,064	-	11,064
Gain (Loss) on refunding issue	-	105	-	105
Premium on bonds/notes issued	-	1,661	-	1,661
Redemption/payments to escrow agent	-	(12,730)	-	(12,730)
Transfers in	31,246	49,661	-	80,907
Transfers out	<u>(16,541)</u>	<u>(6,000)</u>	<u>-</u>	<u>(22,541)</u>
Total other financing sources	14,705	43,761	-	58,466
Changes in fund balances	444	(1,075)	(258)	(889)
Fund balances at beginning of year	15,343	14,630	13,338	43,311
Fund balances at end of year	<u>\$ 15,787</u>	<u>\$ 13,555</u>	<u>\$ 13,080</u>	<u>\$ 42,422</u>

See accompanying independent auditor's report.

COUNTY OF MONROE, NEW YORK
COMBINING BALANCE SHEET
SPECIAL REVENUE FUNDS
AS OF DECEMBER 31, 2020
(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	\$ 2,733	\$ 220	\$ 335	\$ 2,028	\$ 565	\$ 7,005	\$ 2,492	\$ 774	\$ 395	\$ 16,547
Accounts receivables, net	76	11,027	-	-	-	345	4	-	-	11,452
Due from other funds	12,436	-	-	-	-	-	-	-	-	12,436
Due from other governments:										
State and Federal - other	2,208	250	-	100	-	-	-	-	-	2,558
Local governments	253	-	-	-	-	-	-	12	-	265
Inventories	1,010	-	-	-	-	-	-	-	-	1,010
Other assets	113	-	-	-	-	-	-	-	-	113
Total assets	\$ 18,829	\$ 11,497	\$ 335	\$ 2,128	\$ 565	\$ 7,350	\$ 2,496	\$ 786	\$ 395	\$ 44,381
LIABILITIES, DEFERRED INFLOWS OF RESOURCES AND FUND BALANCES										
Liabilities:										
Accounts payable & accrued liabilities	\$ 865	\$ 60	\$ -	\$ 1,311	\$ 8	\$ 348	\$ 26	\$ 39	\$ -	\$ 2,657
Due to other funds	14,500	-	-	-	-	-	-	-	-	14,500
Due to other governments	-	300	-	-	-	-	-	-	-	300
Total liabilities	15,365	360	-	1,311	8	348	26	39	-	17,457
Deferred inflows of resources:										
Community Development loan repayments	-	11,137	-	-	-	-	-	-	-	11,137
Total deferred inflows of resources	-	11,137	-	-	-	-	-	-	-	11,137
Fund balances:										
Nonspendable	1,123	-	-	-	-	-	-	-	-	1,123
Restricted	2,341	-	-	817	-	7,002	1,596	-	-	11,756
Committed	-	-	335	-	557	-	874	747	395	2,908
Total fund balances	3,464	-	335	817	557	7,002	2,470	747	395	15,787
Total liabilities, deferred inflows of resources and fund balances	\$ 18,829	\$ 11,497	\$ 335	\$ 2,128	\$ 565	\$ 7,350	\$ 2,496	\$ 786	\$ 395	\$ 44,381

See accompanying independent auditor's report.

COUNTY OF MONROE, NEW YORK
COMBINING STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES
SPECIAL REVENUE FUNDS
AS OF DECEMBER 31, 2020
(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
REVENUES:										
Federal aid	\$ 690	\$ 3,114	\$ -	\$ 3	\$ -	\$ -	\$ 195	\$ -	\$ -	\$ 4,002
State aid	6,108	-	-	1,864	-	-	-	-	-	7,972
Charges for services	4,446	-	-	-	-	945	2	173	-	5,566
Intergovernmental	980	-	-	1,132	-	-	1	-	-	2,113
Interdepartmental	21	-	-	-	-	-	-	-	-	21
Use of money and property	3	-	1	-	-	-	32	-	-	36
Repayments and refunds	53	-	-	-	-	-	-	-	-	53
Miscellaneous	198	281	-	441	190	1,062	-	-	50	2,222
Total revenues	12,499	3,395	1	3,440	190	2,007	230	173	50	21,985
EXPENDITURES:										
Public safety	-	-	-	-	-	3,098	415	-	-	3,513
Culture, recreation and education	-	-	-	9,889	129	-	-	-	5	10,023
General government	-	-	-	-	-	-	-	165	-	165
Transportation	19,150	-	-	-	-	-	-	-	-	19,150
Economic development	-	3,395	-	-	-	-	-	-	-	3,395
Total expenditures	19,150	3,395	-	9,889	129	3,098	415	165	5	36,246
Excess (deficiency) of revenues over (under) expenditures	(6,651)	-	1	(6,449)	61	(1,091)	(185)	8	45	(14,261)
OTHER FINANCING SOURCES (USES):										
Transfers in	24,126	-	-	7,120	-	-	-	-	-	31,246
Transfers out	(16,293)	-	-	(248)	-	-	-	-	-	(16,541)
Total other financing sources (uses)	7,833	-	-	6,872	-	-	-	-	-	14,705
Changes in fund balances	1,182	-	1	423	61	(1,091)	(185)	8	45	444
Fund balances at beginning of year	2,282	-	334	394	496	8,093	2,655	739	350	15,343
Fund balances at end of year	\$ 3,464	\$ -	\$ 335	\$ 817	\$ 557	\$ 7,002	\$ 2,470	\$ 747	\$ 395	\$ 15,787

See accompanying independent auditor's report.

COUNTY OF MONROE, NEW YORK
COMBINING STATEMENT OF NET POSITION
INTERNAL SERVICE FUNDS
AS OF DECEMBER 31, 2020
(000's Omitted)

	Central Services	Building Accounts	Information Services	Fleet Management	Risk Management	Total
ASSETS						
Current assets:						
Cash and cash equivalents	\$ 650	\$ 11,100	\$ 5	\$ 3,013	\$ 13,966	\$ 28,734
Accounts receivables, net	-	-	22	1	-	23
Due from other governments	-	573	4	18	-	595
Inventories	117	-	-	547	-	664
Other assets	6	48	94	20	1,098	1,266
Total current assets	773	11,721	125	3,599	15,064	31,282
Noncurrent assets:						
Restricted assets						
Cash and cash equivalents	-	1,716	6,389	50	-	8,155
Capital assets, net of accumulated depreciation	-	87,134	12,521	8,470	-	108,125
Total noncurrent assets	-	88,850	18,910	8,520	-	116,280
Total assets	773	100,571	19,035	12,119	15,064	147,562
DEFERRED OUTFLOWS OF RESOURCES						
Pension	146	1,233	2,218	522	-	4,119
Other postemployment benefits	381	2,741	5,165	1,062	-	9,349
Total deferred outflows of resources	527	3,974	7,383	1,584	-	13,468
LIABILITIES						
Current liabilities:						
Accounts payable and accrued liabilities	98	2,258	877	227	38,538	41,998
Due to other funds	-	-	150	-	-	150
Due to other governments	-	844	-	-	146	990
Current portion of:						
Bonds payable	-	5,684	1,090	497	-	7,271
Total current liabilities	98	8,786	2,117	724	38,684	50,409
Noncurrent liabilities:						
Bonds payable	-	44,344	4,118	4,245	-	52,707
Net Pension Liability	215	1,769	3,185	772	-	5,941
Total other postemployment benefits	758	5,232	10,098	2,003	-	18,091
Other long-term liabilities	3	10,321	199	45	-	10,568
Total noncurrent liabilities	976	61,666	17,600	7,065	-	87,307
Total liabilities	1,074	70,452	19,717	7,789	38,684	137,716
DEFERRED INFLOWS OF RESOURCES						
Pension	17	117	255	29	-	418
Other postemployment benefits	66	449	873	200	-	1,588
Total deferred inflows of resources	83	566	1,128	229	-	2,006
NET POSITION						
Net investment in capital assets	-	26,405	7,330	3,713	-	37,448
Restricted for:						
Debt service	-	519	14	-	-	533
Capital projects	-	-	6,068	-	-	6,068
Unrestricted (deficit)	143	6,603	(7,839)	1,972	(23,620)	(22,741)
Total net position (deficit)	\$ 143	\$ 33,527	\$ 5,573	\$ 5,685	\$ (23,620)	\$ 21,308

See accompanying independent auditor's report.

COUNTY OF MONROE, NEW YORK
COMBINING STATEMENT OF REVENUES, EXPENSES AND CHANGES IN NET POSITION
INTERNAL SERVICE FUNDS
AS OF DECEMBER 31, 2020
(000's Omitted)

	Central Services	Building Accounts	Information Services	Fleet Management	Risk Management	Total
Operating revenues:						
Charges for services	\$ -	\$ 267	\$ -	\$ 111	\$ 8,201	\$ 8,579
Interdepartmental	1,489	27,063	14,303	3,511	72,582	118,948
Repayments and refunds	-	8	-	22	30	60
Miscellaneous	-	2	25	6	108	141
Total operating revenues	1,489	27,340	14,328	3,650	80,921	127,728
Operating expenses:						
Personnel services	230	1,573	3,143	743	-	5,689
Employee benefits	215	1,668	2,752	702	-	5,337
Contractual	769	10,438	3,974	185	81,851	97,217
Depreciation and amortization	-	6,123	2,592	360	-	9,075
Other	366	6,372	644	2,223	538	10,143
Total operating expenses	1,580	26,174	13,105	4,213	82,389	127,461
Operating income (loss)	(91)	1,166	1,223	(563)	(1,468)	267
Nonoperating revenues (expenses):						
Federal aid	5	100	22	36	-	163
State aid	-	544	-	-	-	544
Use of money and property	-	12	11	1	-	24
Interest and fiscal charges	-	(2,208)	(263)	(205)	-	(2,676)
Gain (loss) on disposal of capital assets	-	14	-	-	-	14
Other income (expense)	-	(102)	-	-	-	(102)
Capital projects						
State aid	-	13	-	-	-	13
Total nonoperating revenues (expenses)	5	(1,627)	(230)	(168)	-	(2,020)
Income (loss) before capital contributions and transfers	(86)	(461)	993	(731)	(1,468)	(1,753)
Contributions and transfers:						
Capital contributions	-	9	-	14	-	23
Transfers in	1	807	-	1,201	-	2,009
Transfers out	-	(1,442)	(2,498)	-	-	(3,940)
Total contributions and transfers	1	(626)	(2,498)	1,215	-	(1,908)
Change in net position (deficit)	(85)	(1,087)	(1,505)	484	(1,468)	(3,661)
Net position (deficit)-beginning of year	228	34,614	7,078	5,201	(22,152)	24,969
Net position (deficit)-end of year	\$ 143	\$ 33,527	\$ 5,573	\$ 5,685	\$ (23,620)	\$ 21,308

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, 2020
(000's Omitted)

	Central Services	Building Accounts	Information Services	Fleet Management	Risk Management	Total
CASH FLOWS FROM OPERATING ACTIVITIES						
Cash received from providing services	\$ -	\$ 706	\$ -	\$ 162	\$ 8,234	\$ 9,102
Cash received from other funds for services	1,489	27,063	14,303	3,511	72,582	118,948
Payments to or on behalf of employees	(445)	(3,241)	(4,367)	(1,445)	(5,932)	(15,430)
Payments to suppliers	(711)	(10,796)	(5,796)	(2,034)	(6,826)	(26,163)
Payments for interfund services	(282)	(5,904)	(540)	(277)	(538)	(7,541)
Claims paid	-	-	-	-	(75,557)	(75,557)
Other receipts (payments)	(11)	130	66	18	9,997	10,200
Net cash provided by (used in) operating activities	40	7,958	3,666	(65)	1,960	13,559
CASH FLOWS FROM NONCAPITAL FINANCING ACTIVITIES						
Federal aid	5	100	22	36	-	163
State aid	-	544	-	-	-	544
Receipts from other funds	-	-	150	-	-	150
Transfers in	1	807	-	-	-	808
Transfers out	-	(241)	(2,498)	-	-	(2,739)
Net cash provided by (used in) noncapital financing activities	6	1,210	(2,326)	36	-	(1,074)
CASH FLOWS FROM CAPITAL AND RELATED FINANCING ACTIVITIES						
Interest paid	-	(2,208)	(263)	(205)	-	(2,676)
Proceeds from the issuance of bonds	-	11,128	-	-	-	11,128
Refunding of bonds	-	14	-	-	-	14
Principal paid on bonds	-	(18,444)	(1,117)	(453)	-	(20,014)
Premium from the issuance of bonds	-	1,893	-	-	-	1,893
State aid	-	13	-	-	-	13
Capital contributions	-	9	-	1,180	-	1,189
Acquisition and construction of capital assets	-	(7,655)	(2,005)	-	-	(9,660)
Other receipts (payments)	-	(1,023)	-	-	-	(1,023)
Net cash provided by (used in) capital and related financing activities	\$ -	\$ (16,273)	\$ (3,385)	\$ 522	\$ -	\$ (19,136)

(continued)

COUNTY OF MONROE, NEW YORK
COMBINING STATEMENT OF CASH FLOWS
INTERNAL SERVICE FUNDS
FOR THE YEAR ENDED DECEMBER 31, 2020
(000's Omitted)

	Central Services	Building Accounts	Information Services	Fleet Management	Risk Management	Total
CASH FLOWS FROM INVESTING ACTIVITIES						
Receipts from use of money and property	\$ -	\$ 12	\$ 11	\$ 1	\$ -	\$ 24
Net cash provided by (used in) investing activities	-	12	11	1	-	24
Net increase (decrease) in cash and cash equivalents	46	(7,093)	(2,034)	494	1,960	(6,627)
Cash and cash equivalents, beginning of year	604	19,909	8,428	2,569	12,006	43,516
Cash and cash equivalents, end of year	650	12,816	6,394	3,063	13,966	36,889
CLASSIFICATION						
Cash and cash equivalents - unrestricted	650	11,100	5	3,013	13,966	28,734
Cash and cash equivalents - restricted	-	1,716	6,389	50	-	8,155
Total cash and cash equivalents	650	12,816	6,394	3,063	13,966	36,889
Reconciliation of operating income (loss) to net cash provided by (used in) operating activities:						
Operating income (loss)	(91)	1,166	1,223	(563)	(1,468)	267
Adjustments to reconcile operating income (loss) to cash provided by (used in) operations:						
Depreciation and amortization	-	6,123	2,592	360	-	9,075
Change in:						
Accounts receivable	-	-	(8)	1	3	(4)
Due from other governments	-	527	48	28	-	603
Inventories	(11)	-	-	15	-	4
Other assets	-	1	-	(3)	-	(2)
Deferred outflows - other postemployment benefits	(1)	(10)	(18)	(4)	-	(33)
Accounts payable, accrued and other liabilities	37	(614)	(1,583)	(236)	3,419	1,023
Deferred inflows - pensions	45	316	607	144	-	1,112
Deferred inflows - other postemployment benefits	61	418	805	193	-	1,477
Due to other governments	-	31	-	-	6	37
Net cash provided by (used in) operating activities	\$ 40	\$ 7,958	\$ 3,666	\$ (65)	\$ 1,960	\$ 13,559

See accompanying independent auditor's report.

STATISTICAL SECTION (UNAUDITED)

This section contains the following:

- **FINANCIAL TRENDS** – These schedules contain trend information to help the reader understand how the County’s financial performance and well-being have changed over time.
- **REVENUE CAPACITY** – These schedules contain information to help the reader assess the County’s most significant local revenue sources, property and sales taxes.
- **DEBT CAPACITY** – These schedules present information to help the reader assess the affordability of the County’s current levels of outstanding debt and the County’s ability to issue debt in the future.
- **DEMOGRAPHIC AND ECONOMIC INFORMATION** – These schedules offer demographic and economic indicators to help the reader understand the environment within which the County’s financial activities take place.
- **OPERATING INFORMATION** – These schedules contain service and infrastructure data to help the reader understand how the information in the County’s financial report relates to the services the County provides and the activities it performs.

Sources: Unless otherwise noted, the information in these schedules is derived from the comprehensive annual financial reports for the relevant year.

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

	2011	2012	2013	2014	2015	2016	2017	2018	2019	2020
Governmental activities:										
Invested in capital assets, net of related debt	\$ 459,858	\$ 525,032	\$ 527,458	\$ 519,371	\$ 504,031	\$ 487,466	\$ 541,653	\$ 537,335	\$ 541,942	\$ 543,944
Restricted	27,203	27,226	25,993	24,274	23,003	29,505	41,690	40,539	37,477	35,703
Unrestricted	(341,035)	(477,849)	(545,589)	(579,375)	(631,030)	(706,895)	(771,757)	(1,015,396)	(956,120)	(952,579)
Total governmental activities	<u>146,026</u>	<u>74,409</u>	<u>7,862</u>	<u>(35,730)</u>	<u>(103,996)</u>	<u>(189,924)</u>	<u>(188,414)</u>	<u>(437,522)</u>	<u>(376,701)</u>	<u>(372,932)</u>
Business-type activities:										
Invested in capital assets, net of related debt	374,431	358,820	341,366	322,138	311,737	287,109	266,467	284,627	280,762	272,383
Restricted	3,429	2,654	3,867	4,565	229	510	141	258	2,908	1,044
Unrestricted	(1,628)	(10,026)	(19,724)	(27,821)	(39,995)	(46,281)	(24,482)	(9,214)	(18,015)	(27,636)
Total business-type activities	<u>376,232</u>	<u>351,448</u>	<u>325,509</u>	<u>298,882</u>	<u>271,971</u>	<u>241,338</u>	<u>242,126</u>	<u>275,671</u>	<u>265,655</u>	<u>245,791</u>
Primary government:										
Invested in capital assets, net of related debt	834,289	883,852	868,824	841,509	815,768	774,575	808,120	821,962	822,704	816,327
Restricted	30,632	29,880	29,860	28,839	23,232	30,015	41,831	40,797	40,385	36,747
Unrestricted	(342,663)	(487,875)	(565,313)	(607,196)	(671,025)	(753,176)	(796,239)	(1,024,610)	(974,135)	(980,215)
Total primary government	<u>\$ 522,258</u>	<u>\$ 425,857</u>	<u>\$ 333,371</u>	<u>\$ 263,152</u>	<u>\$ 167,975</u>	<u>\$ 51,414</u>	<u>\$ 53,712</u>	<u>\$ (161,851)</u>	<u>\$ (111,046)</u>	<u>\$ (127,141)</u>

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

	2011	2012	2013	2014	2015	2016	2017	2018	2019	2020
Expenses:										
Governmental activities:										
General government	\$ 351,047	\$ 375,682	\$ 367,927	\$ 363,509	\$ 373,032	\$ 391,191	\$ 337,388	\$ 407,111	\$ 414,772	\$ 484,993
Public safety	237,357	253,206	253,090	265,372	280,834	281,135	299,764	246,288	250,820	281,104
Health and welfare	572,980	572,866	579,703	561,707	563,331	561,348	549,436	535,440	510,085	508,065
Culture, recreation and education	95,862	101,532	98,672	100,361	105,367	143,338	108,182	94,038	103,557	95,648
Transportation	51,957	58,012	58,926	57,656	51,599	53,397	55,361	53,985	50,455	45,868
Sanitation	76	74	74	75	67	75	75	75	37	-
Economic development	4,620	3,009	3,381	3,064	2,892	2,536	3,022	2,377	3,412	3,395
Interest on bonds and notes payable	22,758	23,406	22,345	20,608	21,120	22,291	25,342	25,530	26,101	24,654
Total government activities	<u>1,336,657</u>	<u>1,387,787</u>	<u>1,384,118</u>	<u>1,372,352</u>	<u>1,398,242</u>	<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>
Business-type activities:										
Solid Waste	17,013	17,109	18,702	18,295	15,839	13,365	12,910	13,761	11,396	11,207
Airport	31,861	31,290	30,884	31,398	31,648	32,507	31,849	30,887	34,772	34,480
Hospital	71,025	72,587	72,316	73,341	75,060	78,169	67,065	68,866	73,868	84,215
Pure Waters	79,303	78,774	81,082	78,505	80,288	82,264	79,912	76,877	76,355	77,658
Energy	14,710	15,069	16,208	16,830	14,778	12,802	13,101	15,193	12,867	11,876
Total business-type activities	<u>213,912</u>	<u>214,829</u>	<u>219,192</u>	<u>218,369</u>	<u>217,613</u>	<u>219,107</u>	<u>204,837</u>	<u>205,584</u>	<u>209,258</u>	<u>219,436</u>
Total primary government	<u>1,550,569</u>	<u>1,602,616</u>	<u>1,603,310</u>	<u>1,590,721</u>	<u>1,615,855</u>	<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>
Program Revenues:										
Governmental activities:										
Charges for services:										
General government	33,611	33,686	30,140	32,961	35,503	35,079	41,201	41,210	42,914	37,112
Public safety	11,351	11,953	11,664	12,480	13,307	13,724	14,183	13,869	14,478	11,764
Health and welfare	3,910	4,007	3,893	3,992	3,816	3,667	3,842	3,766	3,708	3,462
Culture, recreation and education	25,488	27,999	29,241	29,902	30,464	31,109	30,695	32,886	32,605	31,195
Transportation	5,586	10,937	10,930	10,553	11,423	11,458	10,866	10,739	10,808	5,503
Operating grants and contributions	395,445	365,603	370,041	368,133	355,959	361,425	342,579	331,623	332,820	393,921
Capital grants and contributions	30,471	35,009	36,855	17,038	22,142	33,088	19,511	12,983	20,905	12,560
Total governmental activities	<u>\$ 505,862</u>	<u>\$ 489,194</u>	<u>\$ 492,764</u>	<u>\$ 475,059</u>	<u>\$ 472,614</u>	<u>\$ 489,550</u>	<u>\$ 462,877</u>	<u>\$ 447,076</u>	<u>\$ 458,238</u>	<u>\$ 495,517</u>

(continued)

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

	2011	2012	2013	2014	2015	2016	2017	2018	2019	2020
Business-type activities:										
Charges for services:										
Solid Waste	\$ 6,471	\$ 5,704	\$ 5,755	\$ 5,888	\$ 6,305	\$ 6,292	\$ 7,984	\$ 7,461	\$ 7,395	\$ 7,927
Airport	19,056	18,463	18,852	18,408	18,595	17,895	18,357	19,460	20,433	12,899
Hospital	67,423	70,883	69,289	66,320	69,035	67,512	73,833	62,660	69,022	65,955
Pure Waters	55,003	58,552	58,587	60,923	60,685	59,694	62,131	62,924	60,517	60,498
Energy	14,727	15,076	16,291	16,830	14,776	12,804	13,100	15,202	12,881	11,883
Operating grants and contributions	1,315	1,193	1,122	1,007	752	226	315	374	380	14,483
Capital grants and contributions	11,665	10,448	13,259	9,951	11,986	11,690	21,282	66,256	18,618	14,281
Total business-type activities	<u>175,660</u>	<u>180,319</u>	<u>183,155</u>	<u>179,327</u>	<u>182,134</u>	<u>176,113</u>	<u>197,002</u>	<u>234,337</u>	<u>189,246</u>	<u>187,926</u>
Total primary government	<u>681,522</u>	<u>669,513</u>	<u>675,919</u>	<u>654,386</u>	<u>654,748</u>	<u>665,663</u>	<u>659,879</u>	<u>681,413</u>	<u>647,484</u>	<u>683,443</u>
Net (Expense)/Revenue										
Governmental activities	(830,795)	(898,593)	(891,354)	(897,293)	(925,628)	(965,761)	(915,693)	(917,768)	(901,001)	(948,210)
Business-type activities	<u>(38,252)</u>	<u>(34,510)</u>	<u>(36,037)</u>	<u>(39,042)</u>	<u>(35,479)</u>	<u>(42,994)</u>	<u>(7,835)</u>	<u>28,753</u>	<u>(20,012)</u>	<u>(31,510)</u>
Total primary government	<u>(869,047)</u>	<u>(933,103)</u>	<u>(927,391)</u>	<u>(936,335)</u>	<u>(961,107)</u>	<u>(1,008,755)</u>	<u>(923,528)</u>	<u>(889,015)</u>	<u>(921,013)</u>	<u>(979,720)</u>
General Revenues and Other										
Changes in Net Position:										
Governmental activities:										
Taxes	798,258	812,310	817,430	832,462	844,525	862,667	890,858	912,818	942,158	940,200
Tobacco settlement revenues	9,227	10,604	10,870	12,857	18,293	12,480	8,792	9,847	9,939	11,371
Investment earnings	269	203	162	90	66	182	673	2,265	4,062	1,329
Miscellaneous	3,896	3,859	3,866	6,923	5,200	4,504	5,365	4,797	7,409	2,858
Transfers	-	-	-	1,369	-	-	873	735	(1,776)	(3,779)
Total governmental activities	<u>811,650</u>	<u>826,976</u>	<u>832,328</u>	<u>853,701</u>	<u>868,084</u>	<u>879,833</u>	<u>906,561</u>	<u>930,462</u>	<u>961,792</u>	<u>951,979</u>
Business-type activities:										
Investment earnings	-	-	-	-	-	427	686	913	1,092	322
Gain on sale of capital assets	-	-	-	-	-	2,147	-	-	-	-
Miscellaneous	8,834	9,726	11,491	13,784	11,553	9,787	8,810	9,424	7,128	7,545
Transfers	-	-	-	(1,369)	-	-	(873)	(735)	1,776	3,779
Total business-type activities	<u>8,834</u>	<u>9,726</u>	<u>11,491</u>	<u>12,415</u>	<u>11,553</u>	<u>12,361</u>	<u>8,623</u>	<u>9,602</u>	<u>9,996</u>	<u>11,646</u>
Total primary government	<u>820,484</u>	<u>836,702</u>	<u>843,819</u>	<u>866,116</u>	<u>879,637</u>	<u>892,194</u>	<u>915,184</u>	<u>940,064</u>	<u>971,788</u>	<u>963,625</u>
Change in Net Position before merger of LDC's:										
Governmental activities	(19,145)	(71,617)	(59,026)	(43,592)	(57,544)	(85,928)	(9,132)	12,694	60,791	3,769
Business-type activities	<u>(29,418)</u>	<u>(24,784)</u>	<u>(24,546)</u>	<u>(26,627)</u>	<u>(23,926)</u>	<u>(30,633)</u>	<u>788</u>	<u>38,355</u>	<u>(10,016)</u>	<u>(19,864)</u>
Total primary government	<u>(48,563)</u>	<u>(96,401)</u>	<u>(83,572)</u>	<u>(70,219)</u>	<u>(81,470)</u>	<u>(116,561)</u>	<u>(8,344)</u>	<u>51,049</u>	<u>50,775</u>	<u>(16,095)</u>
Merger of LDC's into Monroe County										
Governmental activities	-	-	-	-	-	-	10,642	-	-	-
Change in Net Position after merger of LDC's:										
Governmental activities	(19,145)	(71,617)	(59,026)	(43,592)	(57,544)	(85,928)	1,510	12,694	60,791	3,769
Business-type activities	<u>(29,418)</u>	<u>(24,784)</u>	<u>(24,546)</u>	<u>(26,627)</u>	<u>(23,926)</u>	<u>(30,633)</u>	<u>788</u>	<u>38,355</u>	<u>(10,016)</u>	<u>(19,864)</u>
Total primary government	<u>\$ (48,563)</u>	<u>\$ (96,401)</u>	<u>\$ (83,572)</u>	<u>\$ (70,219)</u>	<u>\$ (81,470)</u>	<u>\$ (116,561)</u>	<u>\$ 2,298</u>	<u>\$ 51,049</u>	<u>\$ 50,775</u>	<u>\$ (16,095)</u>

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

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

	2011	2012	2013	2014	2015	2016	2017	2018	2019	2020
General Fund:										
Nonspendable	\$ 1,619	\$ 1,617	\$ 2,794	\$ 4,100	\$ 1,596	\$ 9,138	\$ 9,251	\$ 30,814	\$ 30,447	\$ 28,378
Restricted	6,126	5,565	4,401	1,547	847	934	1,261	1,927	1,999	1,699
Committed	2,608	2,219	3,110	2,926	2,569	2,140	2,563	3,602	2,508	10,124
Assigned	761	2,993	917	7,501	11,526	6,204	7,923	8,840	42,838	63,281
Unassigned	7,842	1,708	17	4,212	6,947	8,727	18,141	15,726	18,725	19,229
Total general fund	<u>18,956</u>	<u>14,102</u>	<u>11,239</u>	<u>20,286</u>	<u>23,485</u>	<u>27,143</u>	<u>39,139</u>	<u>60,909</u>	<u>96,517</u>	<u>122,711</u>
All Other Governmental Funds:										
Nonspendable	955	736	697	614	581	648	948	999	912	1,133
Restricted	36,532	46,611	38,939	39,624	74,843	43,418	43,492	52,358	57,993	35,791
Committed	2,087	1,811	1,713	1,777	1,871	3,073	3,241	3,152	2,980	2,908
Assigned	3,205	3,187	3,376	2,115	2,243	8,059	17,429	15,807	10,254	10,978
Unassigned	(21,541)	(9,957)	(23,292)	(48,326)	(47,433)	(16,254)	(9,342)	(16,725)	(10,382)	(3,636)
Total all other governmental funds	<u>\$ 21,238</u>	<u>\$ 42,388</u>	<u>\$ 21,433</u>	<u>\$ (4,196)</u>	<u>\$ 32,105</u>	<u>\$ 38,944</u>	<u>\$ 55,768</u>	<u>\$ 55,591</u>	<u>\$ 61,757</u>	<u>\$ 47,174</u>

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

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

	2011	2012	2013	2014	2015	2016	2017	2018	2019	2020
Revenues:										
Taxes	\$ 778,843	\$ 797,472	\$ 800,599	\$ 804,311	\$ 816,462	\$ 837,848	\$ 870,660	\$ 888,301	\$ 918,836	\$ 919,003
Federal aid	196,555	162,471	168,011	157,225	143,875	139,067	134,217	125,321	127,027	195,791
State aid	202,808	202,220	207,377	196,228	194,054	206,910	194,633	188,778	193,865	182,808
Charges for services	27,550	28,381	29,922	29,356	31,918	30,528	33,293	33,432	34,477	28,076
Intergovernmental	38,080	47,386	45,385	47,265	46,034	46,414	47,241	49,611	49,728	43,003
Interdepartmental	2,509	2,045	2,155	2,174	1,718	1,493	2,143	1,884	2,290	2,365
Use of money and property	7,121	7,867	7,161	7,181	6,081	5,373	6,206	8,194	10,034	7,097
Repayments and refunds	15,404	16,469	14,781	12,753	15,109	17,823	19,164	16,183	13,674	16,788
Payments in lieu of taxes	7,836	7,932	8,099	7,169	7,559	7,156	7,604	7,872	8,196	8,172
Tobacco settlement	10,570	10,779	10,773	12,188	10,430	21,107	9,365	10,290	9,825	10,958
Miscellaneous	16,842	25,675	28,735	28,556	26,591	26,500	25,259	24,075	25,441	9,323
Total revenues	<u>1,304,118</u>	<u>1,308,697</u>	<u>1,322,998</u>	<u>1,304,406</u>	<u>1,299,831</u>	<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>
Expenditures:										
Health and welfare	565,953	560,448	569,178	556,814	552,171	544,035	536,163	531,972	514,395	496,225
Public safety	212,549	224,773	223,937	232,576	232,712	239,322	240,498	245,682	246,145	256,768
Culture, recreation and education	82,779	87,025	84,609	83,290	84,568	85,597	87,414	86,094	94,428	88,213
General government	333,234	343,307	345,151	338,669	342,377	353,983	373,722	381,484	396,883	457,154
Transportation	21,635	21,792	21,586	22,395	21,869	22,995	23,394	23,060	23,974	21,265
Economic development	4,620	3,009	3,381	3,064	2,892	2,536	3,022	2,377	3,412	3,395
Debt service:										
Principal retirement	25,211	27,301	29,137	38,685	51,208	37,662	32,412	32,239	33,372	35,531
Bond issuance costs	-	-	-	-	1,181	950	441	432	471	100
Interest and fiscal charges	20,467	21,024	19,889	18,328	17,339	18,691	22,431	22,694	22,395	21,855
Capital outlay	52,776	40,356	47,726	34,831	35,662	73,535	51,962	48,992	57,052	29,519
Total expenditures	<u>1,319,224</u>	<u>1,329,035</u>	<u>1,344,594</u>	<u>1,328,652</u>	<u>1,341,979</u>	<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>
Other Financing Sources (Uses):										
Bonds issued	-	37,128	-	-	52,396	115,684	29,616	36,886	35,713	-
Refunding bonds issued	-	43,091	-	8,630	24,203	-	-	-	9,529	11,064
Gain(loss) on refunding issue	-	-	-	(265)	(280)	-	-	-	(4)	105
Premium on bonds issued	-	5,262	-	179	7,553	14,197	3,924	3,628	5,915	1,661
Redemption/payments to Escrow Agent	-	(45,744)	-	-	-	(77,965)	-	-	(10,427)	(12,730)
Transfers in	57,559	54,866	53,762	53,395	52,156	70,315	84,873	61,816	77,636	92,423
Transfers out	(60,218)	(57,969)	(55,984)	(54,275)	(54,380)	(72,647)	(79,360)	(59,652)	(77,484)	(94,271)
Total other financing sources (uses)	<u>(2,659)</u>	<u>36,634</u>	<u>(2,222)</u>	<u>7,664</u>	<u>81,648</u>	<u>49,584</u>	<u>39,053</u>	<u>42,678</u>	<u>40,878</u>	<u>(1,748)</u>
Net change in fund balances before merger of LDC's	(17,765)	16,296	(23,818)	(16,582)	39,500	10,497	17,379	21,593	41,744	11,611
Merger of LDC's into Monroe County	-	-	-	-	-	-	11,441	-	-	-
Net change in fund balances after merger of LDC's	<u>\$ (17,765)</u>	<u>\$ 16,296</u>	<u>\$ (23,818)</u>	<u>\$ (16,582)</u>	<u>\$ 39,500</u>	<u>\$ 10,497</u>	<u>\$ 28,820</u>	<u>\$ 21,593</u>	<u>\$ 41,744</u>	<u>\$ 11,611</u>
Debt service as a percentage of noncapital expenditures	3.6%	3.7%	3.8%	4.4%	5.2%	4.3%	4.2%	4.1%	4.2%	4.2%

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

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

	2011	2012	2013	2014	2015	2016	2017	2018	2019	2020
Five-Year Average Full Valuation of Taxable Property ¹	\$ 37,381,847	\$ 38,157,176	\$ 38,687,746	\$ 39,092,408	\$ 39,444,921	\$ 39,847,874	\$ 40,399,372	\$ 41,051,801	\$ 41,984,648	\$ 43,122,716
Constitutional Property Tax Limit	560,728	572,358	580,316	586,386	591,674	597,718	605,991	615,777	629,770	646,841
Total Tax Levy Subject to Constitutional Limit	296,402	297,501	306,082	307,329	315,982	331,529	325,311	333,699	329,942	348,556
Taxing Power Unused	<u>\$ 264,326</u>	<u>\$ 274,857</u>	<u>\$ 274,234</u>	<u>\$ 279,057</u>	<u>\$ 275,692</u>	<u>\$ 266,189</u>	<u>\$ 280,680</u>	<u>\$ 282,078</u>	<u>\$ 299,828</u>	<u>\$ 298,285</u>
Percent of Taxing Power Used	52.9%	52.0%	52.7%	52.4%	53.4%	55.5%	53.7%	54.2%	52.4%	53.9%

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
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
2015	29,763,449	6,202,081	941,177	2,975,028	7,586,508	39,881,735	40,263,270	8.99
2014	29,437,659	6,202,053	932,196	2,852,309	7,512,858	39,424,217	39,702,967	8.99
2013	29,239,952	6,113,631	862,118	2,829,183	7,595,214	39,044,884	39,321,378	8.99
2012	28,968,978	6,064,981	826,765	2,892,861	7,554,849	38,753,585	39,106,258	8.99
2011	N/A ³	N/A	N/A	N/A	N/A	38,481,171	38,830,743	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.

³Detailed information for these years is unavailable.

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
2020	\$ 756,820	\$ 481,554	\$ 745,793	98.5%	-	\$ 745,793	98.5%
2019	733,552	467,567	727,696	99.2%	3,115	730,811	99.6%
2018	714,790	382,826	702,708	98.3%	2,861	705,569	98.7%
2017	700,369	376,355	687,372	98.1%	2,648	690,020	98.5%
2016	682,681	367,201	669,184	98.0%	2,920	672,104	98.5%
2015	674,359	361,967	660,189	97.9%	1,987	662,176	98.2%
2014	658,732	356,930	644,839	97.9%	1,942	646,781	98.2%
2013	648,405	353,499	634,561	97.9%	831	635,392	98.0%
2012	633,445	351,565	613,469	96.8%	3,943	617,412	97.5%
2011	623,239	349,088	604,184	96.9%	4,908	609,092	97.7%

Note:

¹ Does 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	2020			2011		
	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	\$ 2,044,422	1	4.45%	\$1,517,098	1	3.91%
Morgan Management	306,567	2	0.67%	127,010	5	0.33%
Frontier Communications Corporation	223,043	3	0.49%	245,155	2	0.63%
Wegmans	219,462	4	0.48%	144,782	4	0.37%
Mark IV Enterprises	120,864	5	0.26%	90,493	10	0.23%
Buckingham Properties	109,847	6	0.24%	-	-	0.00%
National Grid	86,665	7	0.19%	-	-	0.00%
Gallina Development	67,658	8	0.15%	-	-	0.00%
Eastman Kodak	60,674	9	0.13%	105,098	7	0.27%
Benderson Development	59,652	10	0.13%	-	-	0.00%
Farash	-	-	-	153,321	3	0.39%
Xerox Corp.	-	-	-	106,399	6	0.27%
Hylan Flying Services	-	-	-	103,172	8	0.27%
HUB Properties	-	-	-	92,557	9	0.24%
Total	<u>\$ 3,298,854</u>		<u>7.19%</u>	<u>\$ 2,685,085</u>		<u>6.91%</u>

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)

	2011	2012	2013	2014	2015	2016	2017	2018	2019	2020
Five-Year Average Full Valuation of Taxable Property ¹	\$ 38,157,175	\$ 38,687,746	\$ 39,092,408	\$ 39,444,921	\$ 39,847,874	\$ 40,399,372	\$ 41,051,801	\$ 41,984,648	\$ 43,122,716	\$ 44,691,497
Constitutional Debt Limit	2,671,002	2,708,142	2,736,468	2,761,144	2,789,351	2,827,956	2,873,626	2,938,925	3,018,590	3,128,405
Total Net Debt Applicable to Limit	414,358	420,207	418,084	426,372	412,411	496,678	488,260	502,505	462,806	393,766
Legal Debt Margin	<u>\$ 2,256,644</u>	<u>\$ 2,287,935</u>	<u>\$ 2,318,384</u>	<u>\$ 2,334,772</u>	<u>\$ 2,376,940</u>	<u>\$ 2,331,278</u>	<u>\$ 2,385,366</u>	<u>\$ 2,436,420</u>	<u>\$ 2,555,784</u>	<u>\$ 2,734,639</u>
Percent of Debt Limit Used	15.5%	15.5%	15.3%	15.4%	14.8%	17.6%	17.0%	17.1%	15.3%	12.6%

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 ¹				Business-type Activities				Total Primary Government	Percentage of Full Value on Property	Per Capita
	General Obligation Bonds ²	Bond Anticipation Notes	Revenue Anticipation Notes	Capital Leases	General Obligation Bonds ²	Bond Anticipation Notes	Revenue Anticipation Notes	Capital Leases			
2020	\$ 338,248	\$ 3	\$ 35,000	\$ 932	\$ 181,061	\$ -	\$ 15,000	\$ 2,589	\$ 572,833	1.25%	773
2019	382,511	6	42,500	1,322	199,576	-	12,500	3,369	641,784	1.45%	865
2018	382,651	6,925	45,000	692	178,599	28,385	15,000	4,113	661,365	1.55%	891
2017	362,796	16,279	50,000	1,063	175,131	29,405	15,000	4,820	654,494	1.56%	875
2016	365,713	17,120	55,000	801	182,496	245	15,000	5,576	641,951	1.57%	859
2015	262,465	19,594	58,000	884	175,468	6,241	17,000	6,361	546,013	1.36%	728
2014	223,947	61,974	58,000	451	168,745	18,471	17,000	7,123	555,711	1.40%	741
2013	258,208	26,344	58,000	789	162,163	20,656	17,000	7,856	551,016	1.40%	737
2012	291,493	-	58,000	1,018	180,398	9,000	17,000	8,144	565,053	1.44%	758
2011	270,203	17,856	58,000	1,362	166,875	21,124	17,000	8,046	560,466	1.44%	753

Notes:

¹Amounts do not include blended component units of the primary government.

²Amounts shown are net of related premiums, discounts and adjustments.

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 Capita
2020	\$ 338,248	\$ 2,722	335,526	0.73%	452.86
2019	382,511	4,630	377,881	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
2015	260,748	1,594	259,154	0.64%	345.72
2014	221,695	2,643	219,052	0.55%	292.22
2013	254,870	4,604	250,266	0.64%	334.66
2012	287,051	4,362	282,689	0.72%	379.13
2011	264,636	2,895	261,741	0.67%	351.64

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) (000's omitted)	Per Capita Personal Income ² (Dollars)	Median Household Income ¹ (Dollars)	Unemployment Rate ³
2020	740,900	\$ 40,822,554	\$ 55,034	\$ 60,075	8.6%
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%
2015	749,600	34,438,705	45,927	52,501	5.2%
2014	749,606	36,102,780	48,162	52,394	5.8%
2013	747,813	34,478,067	46,105	52,700	7.0%
2012	745,625	32,728,163	43,894	52,260	8.0%
2011	744,344	30,077,573	40,994	51,303	7.6%

Sources:

¹U.S. Census Bureau, www.census.gov, as of 7/1/2020 estimate; Retrieved 5/17/2021.

²U.S. Bureau of Economic Analysis, www.bea.gov/regional/bearfacts, as of 2019; Retrieved 5/12/2021.

³New York State Department of Labor (average annual rate), www.labor.ny.gov/stats; Retrieved 5/12/2021.

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

Employer	2020			2011		
	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	24,125	1	4.92%	19,987 ²	1	3.79%
Rochester Regional Health	12,961 ³	2	2.64%	5,143	5	0.97%
Wegmans	6,031	3	1.23%	5,765	4	1.09%
Rochester Institute of Tech	3,449	4	0.70%	3,105	9	0.59%
L3 Harris Technologies Inc.	3,800 ²	5	0.77%	- ²	-	-
Lifetime Healthcare Co.	2,044 ²	6	0.42%	3,646 ²	6	0.69%
Lifetime Assistance	1,725 ²	7	0.35%	-	-	-
Eastman Kodak Company	1,318 ²	8	0.27%	7,100 ²	2	1.34%
Charter Communications	1,300 ²	9	0.26%	-	-	-
Citizens Bank	1,175 ²	10	0.24%	- ²	-	-
Xerox Corp	-	-	-	6,672 ²	3	1.26%
Unity Health System	-	-	-	3,589	7	0.68%
Paychex, Inc	-	-	-	3,512	8	0.67%
Sutherland Global Services	-	-	-	2,694	10	0.51%
Total	<u>57,928</u>		<u>11.80%</u>	<u>61,213</u>		<u>11.59%</u>

Notes:

Table only includes the top ten firms for the referenced year. If firm was not in the top ten for that year, no comparative figure is presented. Some of the companies presented in the above table may have performed layoffs and/or job increases that are not reflected in the numbers presented herein.

¹ Rochester Business Journal, The Book of Lists, 2021. Employment data is for Monroe, Genesee, Livingston, Ontario, Orleans and Wayne Counties.

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

³ In July 2014, Rochester General Health System and Unity Health System merged and became Rochester Regional Health.

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

	2011	2012	2013	2014	2015	2016	2017	2018	2019	2020
Aviation	106.0	104.0	103.0	101.5	101.5	100.5	102.5	102.5	102.5	102.5
Board of Elections	52.0	52.0	52.0	51.0	51.0	49.0	51.0	51.0	51.0	51.0
Communications	5.5	5.5	5.5	4.5	4.5	4.5	8.0	8.0	8.0	8.0
County Executive	5.0	5.0	5.0	5.0	5.0	5.0	7.0	7.0	7.0	7.0
Environmental Services	342.5	339.0	333.0	328.5	320.5	314.5	319.0	318.5	318.5	312.0
Finance	92.0	93.0	89.5	84.5	83.0	80.0	65.5	65.0	65.0	65.0
Human Resources	33.5	33.0	31.0	30.5	30.5	32.5	34.5	34.5	34.5	34.5
Human Services	996.5	978.5	975.0	993.5	955.0	956.0	1,021.0	1,048.0	1,080.5	1,081.0
Information Services	43.0	43.0	43.0	41.0	42.0	42.0	44.0	51.0	51.0	53.0
Law	140.0	137.0	136.0	63.5	63.5	63.5	65.5	64.5	64.5	64.5
Monroe Community Hospital	688.3	680.3	680.0	664.5	664.5	663.3	668.3	662.3	662.8	662.8
Office of Public Integrity	-	-	-	-	-	-	4.0	4.0	4.0	4.0
Planning and Development	18.5	17.5	18.5	19.5	18.5	18.5	20.0	20.0	20.0	20.0
Public Defender	82.0	82.0	82.0	85.0	90.5	94.5	97.0	97.0	99.0	99.0
Public Health	235.5	232.5	231.5	213.5	213.5	214.5	224.0	228.0	228.0	233.0
Public Safety	275.5	274.0	273.0	266.0	271.5	270.5	277.0	278.0	278.0	279.5
Parks	139.8	139.8	139.8	138.8	156.8	158.8	159.7	170.3	170.3	168.3
Transportation	78.0	78.0	77.0	74.5	74.5	74.5	75.5	75.5	75.5	75.5
Veterans Service	4.0	4.0	5.0	5.0	5.0	5.0	6.0	6.5	6.5	7.0
County Clerk	107.5	105.5	105.5	103.5	103.5	103.5	106.5	106.5	106.5	106.5
County Legislature	58.0	56.0	56.0	54.0	54.0	54.0	54.0	54.0	54.0	54.0
District Attorney	144.0	144.0	142.0	139.0	140.0	140.5	139.5	139.5	139.5	146.0
Sheriff	1,087.0	1,086.5	1,086.5	1,082.0	1,083.0	1,083.0	1,087.0	1,086.0	1,086.0	1,084.0

Source: Monroe County Budget for the relevant year.

County of Monroe, New York
Operating Indicators
Last Ten Years

	2011	2012	2013	2014	2015	2016	2017	2018	2019	Est. 2020
Transportation										
Lane Miles Sealed	115	99	147	98	127	120	150	69	142	124
Lane Miles Resurfaced	48	40	11	33	62	87	71	54	78	56
Signs Fabricated	6,416	6,403	9,271	8,500	10,258	12,000	12,698	11,582	12,000	13,000
Traffic Signs Installed - New	6,935	5,747	8,471	8,662	10,649	10,832	4,981	3,510	4,000	5,500
Signal Locations Serviced (all types)	787	787	782	783	779	777	779	780	780	793
County Clerk										
Land Records	88,405	97,003	94,169	76,295	79,848	90,367	90,162	86,912	90,000	90,000
Vehicle Registration	223,944	220,256	218,234	218,275	229,043	231,597	239,752	235,953	226,000	226,000
Passports	4,820	5,641	4,658	4,325	4,530	4,729	4,388	4,216	5,000	5,000
Learner Permits	20,577	20,677	20,746	21,135	21,903	22,059	21,447	21,471	22,000	22,000
Planning and Development										
Jobs Created (over next 3 years)	707	1,652	1,708	676	1,534	769	1,049	1,148	1,430	1,600
Housing Rehab Projects	95	93	93	80	80	68	59	70	70	65
First-time Home Buyer Purchase Subsidy	35	56	33	25	25	14	19	19	18	17
Health Department										
Clinics/Visits - Tuberculosis	14,269	14,406	13,226	22,479	20,042	20,474	19,888	9,819	11,000	13,000
Clinics/Visits - STD	13,773	11,946	11,000	11,428	10,446	10,467	10,311	10,280	10,000	10,000
Clinics/Visits - Immunization	4,939	5,305	4,310	4,180	4,118	5,818	4,735	3,496	4,500	4,500
Clinics/Visits - Foster Care	2,343	1,727	2,143	1,978	1,980	1,886	2,002	2,386	2,400	2,400
Sheriff										
Calls for Service	165,965	184,376	207,497	218,854	206,382	203,266	196,844	231,749	214,447	220,000
Safety Education Presentations	496	981	872	706	1,070	1,833	516	931	776	800
DARE Classrooms	3,550	2,968	2,267	2,393	2,393	3,234	3,726	3,726	3,542	3,542
SWAT Activations	4	3	4	7	2	8	7	18	26	25
Hostage Recovery Team Activations	4	3	1	2	2	2	2	2	8	6
Hazardous Device Team Activations	36	46	29	30	30	19	19	30	35	30
Public Safety - 911										
Calls Received	1,099,131	1,148,257	1,132,947	1,120,951	1,190,596	1,193,292	1,145,351	1,046,678	1,105,200	1,125,500
Police Events Dispatched	1,019,303	1,036,444	1,027,802	1,026,866	1,015,365	1,001,062	986,368	969,011	1,080,760	1,180,260
Fire Events Dispatched	110,111	109,544	102,469	95,055	98,162	97,236	103,634	98,525	101,450	100,475
EMS Events Dispatched	116,406	118,154	117,314	119,973	123,272	128,974	130,835	138,376	140,220	141,400
District Attorney										
Local Court Arraignments	18,668	18,210	14,548	15,948	15,247	14,662	15,061	13,243	13,000	13,000
STOP-DWI Felony Cases Screened	987	1,011	938	992	1,034	1,042	1,085	1,042	1,014	1,020
Aviation										
Passengers Boarded	1,209,746	1,217,974	1,222,055	1,188,713	1,189,502	1,197,742	1,212,654	1,287,721	1,305,000	1,350,000
Takeoffs and Landings	104,433	88,819	91,847	86,543	83,820	79,821	87,261	82,978	85,100	87,000

Source: Monroe County Budget for the relevant year.

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

	2011	2012	2013	2014	2015	2016	2017	2018	2019	2020
Streets (Center Line Miles) ¹	662.5	662.3	662.7	661.5	661.6	661.6	661.3	661.3	661.3	661.9
3-Color Traffic Signals ¹	629.0	632.0	634.0	634.0	634.0	632.0	631.0	633.0	631.0	630.0
Sewer Pipe Miles ²	1,268.2	1,269.0	1,271.7	1,273.0	1,275.5	1,275.0	1,274.2	1,291.0	1,291.9	1,292.2
Vehicles ²	669.0	699.0	692.0	695.0	753.0	735.0	721.0	771.0	762.0	766.0

Sources:

¹Monroe County Department of Transportation

²Monroe County Department of Environmental Services, Fleet Services

**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 \$28,110,000 General Obligation Refunding Serial Bonds – 2021, dated August 10, 2021.

“*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 July __, 2021 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 10th day of August, 2021.

Name: Robert Franklin
Title: Director of Finance/Chief Financial Officer

[DRAFT APPROVING OPINION]

August 10, 2021

County of Monroe,
State of New York

Re: COUNTY OF MONROE, NEW YORK
\$28,110,000 GENERAL OBLIGATION REFUNDING SERIAL BONDS - 2021

Ladies and Gentlemen:

We have been requested to render our opinion as to the validity of an issue of \$28,110,000 General Obligation Refunding Serial Bonds - 2021 (the "Obligations"), of the County of Monroe, New York (the "Obligor"), dated August 10, 2021, 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 December 1, 2021 and semi-annually thereafter on June 1 and December 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.

The Obligations will not be subject to redemption prior to maturity.

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 Obligations is not a specific preference item for purposes of the federal alternative minimum tax. We express no opinion regarding other tax consequences related to the ownership or disposition of, or the amount, accrual or receipt of interest on, the 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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