

2012 CAFR

*Comprehensive Annual
Financial Report*

County of Monroe,
New York

**For the Year Ended
December 31, 2012**



Maggie Brooks
County Executive

Robert Franklin
Chief Financial Officer

Anthony Feroce
Controller

monroecounty.gov

County of Monroe, New York Comprehensive Annual Financial Report For the Year Ended December 31, 2012

Prepared by
Department of Finance
Office of the Controller



Robert Franklin
Chief Financial Officer

Anthony Feroce
Controller

INTRODUCTORY SECTION

This section contains the following:

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

COUNTY OF MONROE, NEW YORK COMPREHENSIVE ANNUAL FINANCIAL REPORT YEAR ENDED DECEMBER 31, 2012

Table of Contents

Introductory Section (Unaudited)	Page
Letter of Transmittal.....	i
Profile of Monroe County Government	ii
Economic Profile and Outlook.....	v
Financial Information.....	vii
Other Information	viii
County Executive's Office.....	ix
Elected County Officials	ix
Legislative Leadership and Staff	x
Legislators	xi
County Departments.....	xii
 Financial Section	
Independent Auditors' Report.....	1
Management's Discussion and Analysis (Unaudited)	4
 Basic Financial Statements	
Government-wide Financial Statements	
Statement of Net Position	20
Statement of Activities.....	21
Fund Financial Statements	
Governmental Funds Financial Statements	
Balance Sheet.....	22
Reconciliation of the Governmental Funds Balance Sheet to the	
Statement of Net Position	23
Statement of Revenues, Expenditures, and Changes in Fund Balances	24
Reconciliation of the Statement of Revenues, Expenditures, and Changes in	
Fund Balances of Governmental Funds to the Statement of Activities	25
Proprietary Funds Financial Statements	
Statement of Net Position	26
Statement of Revenues, Expenses and Changes in Net Position.....	28
Statement of Cash Flows.....	29

continued

**COUNTY OF MONROE, NEW YORK
 COMPREHENSIVE ANNUAL FINANCIAL REPORT
 YEAR ENDED DECEMBER 31, 2012**

Table of Contents

Fiduciary Fund Financial Statements	
Statement of Fiduciary Net Position.....	31
Statement of Changes in Fiduciary Net Position	32
Component Units Financial Statements	
Combining Statement of Net Position	33
Combining Statement of Activities	34
Notes of the Basic Financial Statements	35
Required Supplementary Information (Unaudited)	
Schedule of Revenues, Expenditures and Changes in Fund Balances - General Fund – Budget and Actual.....	79
Notes to Required Supplementary Information.....	80
Combining Financial Information	
Combining Balance Sheet – Nonmajor Governmental Funds.....	83
Combining Statement of Revenues, Expenditures and Changes in Fund Balances (Deficits) - Nonmajor Governmental Funds.....	84
Combining Balance Sheet – Special Revenue Funds.....	85
Combining Statement of Revenues, Expenditures and Changes in Fund Balances- Special Revenue Funds	87
Combining Statement of Net Position – Internal Service Funds.....	89
Combining Statement of Revenues, Expenses and Changes in Net Position - Internal Service Funds	90
Statement of Cash Flows – Internal Service Funds.....	91
Statistical Section (Unaudited)	
Net Position by Component.....	94
Changes in Net Position	95
Fund Balances, Governmental Funds.....	97
Changes in Fund Balances, Governmental Funds.....	98
Taxing Power.....	99
Assessed Value of Taxable Property	100
Property Tax Levies and Collections	101
Principal Property Tax Payers	102
Legal Debt Margin Information	103
Ratio of Outstanding Debt by Type and Activity.....	104
Ratios of Net General Obligation Bonded Debt Outstanding	105
Demographic and Economic Statistics.....	106
Principal Employers.....	107
Budgeted Full-Time County Employees by Department	108
Operating Indicators	109
Capital Asset Statistics	110



Department of Finance

Monroe County, New York

Maggie Brooks
County Executive

Robert Franklin
Chief Financial Officer

May 30, 2013

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, 2012, 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 2012.

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 Auditors' 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, 2012. 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. KPMG, LLP has completed the independent audit for the year ended December 31, 2012 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 a yearly basis, we strive to achieve an unmodified opinion for the audited financial statements, which is the highest rated opinion 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, 2012, 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 Circular A-133: *Audits of States, Local Governments, and Non-Profit Organizations*. Information related to this audit (including the schedule of expenditures of federal awards; summary of findings and questioned costs; the Independent Auditors' Report on internal controls over financial reporting, based on an audit of financial statements performed in accordance with *Government Auditing Standards*; and a report on compliance with applicable laws, regulations, contracts and grants applicable to major federal programs; and internal controls over such compliance) is not provided in this report. This information is presented as a separate report.

PROFILE OF MONROE COUNTY GOVERNMENT

LOCATION

The County is located in western New York State on the south shore of Lake Ontario and is the northernmost portion of the Genesee River valley and contains one city, 19 towns and 10 villages. The City of Rochester is the County seat and New York State's third largest industrial and commercial center next to New York City and Buffalo. The area is accessible via the Greater Rochester International Airport, CSX and Genesee & Wyoming, Inc. railroads, Amtrak, the New York State Thruway, the St. Lawrence Seaway, and the New York State Erie Canal System. The County is within 400 miles of many major metropolitan areas such as New York City, Toronto, Boston, Philadelphia 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 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's reporting entity is based on criteria set forth by the Governmental Accounting Standards Board Statement Nos. 14, 39 and 61 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, aggregate non-major governmental funds, five major enterprise funds, internal service funds type, private-purpose trust fund, and agency fund. The County's component units are comprised of Monroe Community College (MCC), Monroe County Airport Authority (MCAA), Monroe County Water Authority (MCWA), County of Monroe Industrial Development Agency (COMIDA), Monroe Security and Safety Systems Local Development Corporation (M3S), Monroe Newpower Corporation, Civic Center Local Development Corporation, Upstate Telecommunication Corporation, and the Monroe Tobacco Asset Securitization Corporation (MTASC).

The County provides its residents with diverse services and programs, including human services, public safety, public and mental health, wastewater management, public works, economic development, culture,

education and recreation programs. Public facilities are also available and include the Greater Rochester International Airport, Monroe Community Hospital (the Hospital), MCC, and numerous County parks.

MAJOR INITIATIVES AND ACCOMPLISHMENTS IN 2012

Environmental – The County continues to protect the health of our environment and to make our County and our planet a healthier place to live. The County's commitment, under the direction of the County Executive, to becoming a more sustainable community by "going green" includes several initiatives that help the County reduce energy-related expenses while increasing our reliance on renewable energy.

Construction of a 3.2 acre green roof at the County's Civic Center Complex was completed in 2012. Replacing the roof, which is located under the walking surface of the Civic Center Plaza, involved removing the Plaza pavers and associated material. 55% of the Plaza will be covered with vegetative growth. The project ensured the continued structural integrity of the complex for years to come.

In 2012, the Division of Solid Waste executed an agreement with Waste Management, Inc. to convert the Monroe County Recycling Center to a single-stream process. Upon completion of this conversion, it is anticipated that the change to single-stream will expand the amount of recyclables collected and diverted from landfills, as well as increase the County's revenues from recycling.

In 2012, Monroe County was recognized as the 7th best "Green Fleet" in the nation when measured for fleet composition, fuel and emissions, policy and planning, fleet utilization, education, executive and employee involvement, and supporting programs. In addition, Monroe County Fleet began construction of a new Multi-Agency Green Fueling Station located at its Frank E. VanLare Wastewater Treatment Plant. The new fueling station will offer a variety of alternative fuels for the County fleet including LPG, CNG, biodiesel and ethanol blends.

The County continued design for a second landfill-gas-to-electricity plant at its Mill Seat Landfill in the Town of Riga. The County anticipates design being complete in 2013 with the plant construction being complete in 2014. When completed, the plant will produce an additional 3.2 megawatts of electricity that will be sold or utilized by the County to the benefit of local taxpayers.

Health Care - The Public Health Department continued its focus on three main areas in 2012: community health improvement, service enhancement, and process improvement.

In the area of community health improvement, in cooperation with community partners, the Health Department administered the Adult Health Survey to a sample of adults across Monroe County. The survey enables our department and community groups to plan and evaluate interventions to improve the health status of our community. Also, the Environmental Health Division completed a three-year, \$3.07 million HUD Lead Hazard Control Grant. The grant funding provided the resources to remove or reduce lead hazards, making more than 350 housing units lead safe for families.

In the area of service enhancements, the Health Department expanded the Nurse Family Partnership Program, serving even more first time low income families in our community to improve birth outcomes. In 2012, the Office of Public Health Preparedness (OPHP) completed a new countywide preparedness training initiative to improve county employee response and readiness during a time of a county-wide disaster. Additionally, OPHP acquired new technology to assist with preparing and responding to a large scale public

health emergency in Monroe County through the development of a public health dashboard within the existing Monroe County Critical Incident Management Software (WebEOC).

In the area of process improvements, major department website enhancements were implemented to improve communication of and access to public health information for those in our community.

Public Safety – The Public Safety Communications division, known as Radio Center, has complied with the FCC “narrowbanding” regulation with the County’s first responder systems. As a member of the Finger Lakes Communications Consortium, Monroe County continues to enhance regional interoperability by reviewing the counties’ communications status and realize potential resource sharing prospects with the most prudent methods.

The County Executive formed a Crime Laboratory Advisory Panel which has led to the formation of subcommittees that are exploring ways to improve turnaround time for processing evidence. The Laboratory continues to experience the benefits of operating in its state-of-the-art, LEED certified facility at 85 W. Broad Street.

The Office of Probation - Community Corrections, given its dual objective of promoting public safety and reducing utilization of expensive incarceration resources, implemented an aggressive 'Alternatives to Detention' program.

The Office of Emergency Management (OEM), jointly through the Homeland Security Exercise and Evaluation Program (HSEEP) and the federal Terrorism Prevention Exercise Program (TPEP), conducted the Lake Ontario Border Security Information Sharing full scale exercise conference in 2012. OEM also began planning to upgrade the audio and visual component systems which will enhance the emergency operations center's capabilities to serve as a Regional Multi-Agency Coordinating System Center, increase the level and sustainment of situational awareness, and remedy problems associated with antiquated and inoperable systems.

With grant funding, OEM continued to support the efforts of Monroe Community College’s Homeland Security Management Institute’s Community Emergency Responses Team (CERT) training. With Homeland Security grant funding, Public Safety completed a comprehensive Emergency Medical Services (EMS) study that analyzed all aspects of the system, programs, process and communications via industry recognized research methodologies.

Economic Development - During 2012, The Planning and Economic Development Department approved 100 projects that will result in the investment of over \$358 million for Monroe County businesses. These projects will create 1,654 new jobs over the next three years and retain 4,149 jobs in the County. Over 98% of the funds leveraged came from private funding sources. Staff from Economic Development contacted over 202 companies and made presentations to 45 service providers (bankers, CPAs, attorneys) and community organizations.

Parks and Recreation – 2012 included the opening of the Thomas X. Grasso Erie Canal Lodge in Greece Canal Park at the embankment of the historic Erie Canal. The lodge is named for local canal expert and advocate, Tom Grasso. Other highlights and projects implemented in 2012 included: renovation of the boardwalk at Ontario Beach Park, opening of an off-leash dog park in Ellison Park and the opening of “A Step into Africa” Phase III at the Seneca Park Zoo, which helped the Zoo achieve its third highest attendance numbers in the Zoo’s history at 428,544 visitors for the year.

Aviation – In 2012, a new marketing campaign was undertaken to improve the airport brand name and increase revenue at the Greater Rochester International Airport (GRIA). A new logo was unveiled and a targeted advertising strategy was enacted.

Ticketing lobby renovations began in 2012 to install new airline gate counters and e-ticket check-in kiosks, signage and lighting improvements, and new passenger seating designed to facilitate passenger flow throughout the ticketing lobby. Upper outer-level roadway improvements, including new signage, were also completed.

Southwest Airlines announced it would be converting its existing wholly owned subsidiary Air Tran Airways operations at GRIA in April 2013 to Southwest Airlines operations. Delta Air Lines added four daily non-stop flights between Rochester and New York City’s LaGuardia Airport in March 2012.

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. A strong industrial history, an emerging technology sector and an emphasis on high quality services, including higher education, ensure a technically sophisticated and reliable workforce. In January 2012, the Brookings Institution ranked Rochester the 46th best metro economy in the world and 3rd best in the U.S., trailing only Houston and Dallas and outperforming areas such as New York City, Boston, and Washington, based on 2010-2011 growth rates for employment, income, and output of goods and services. TheStreet.com names Rochester, NY one of "10 Cities Poised for Greatness in 2012" due to our community's diversified economy, relatively low unemployment, and stable real estate market.

The County is home to the University of Rochester/Strong Medical Center, Wegmans Food Markets, Eastman Kodak, Xerox, Bausch & Lomb, and Paychex, as well as nearly 23,000 businesses with less than 500 employees.

Population - The County has a population of approximately 744,000 people, according to the 2010 U.S. Census Bureau, and is the central county in the five county Rochester Metropolitan Statistical Area (MSA) which has a population of approximately 1.1 million. The County was the only upstate area to increase

population in 2012. The labor force measures approximately 367,000 and its economy draws from an MSA labor force totaling approximately 526,000.

Industry Sectors - Until the last decade, Monroe County's economy was dominated by major manufacturers. As these companies restructured and transitioned, their highly skilled workers fueled the growth of numerous small and medium-sized firms in a range of industries. Today, 97% of the region's job growth is in small business, 52% of the companies have one to four employees, and our manufacturing workforce is the second largest in New York State. The economy is largely private sector (Private 84%; Government 16%). Service producing employment accounts for 85% of the local economy, driven largely by educational and health services (representing 23%). Manufacturing accounts for 11% of total non-agricultural employment. The total manufacturing workforce of approximately 59,300 is smaller than health care and social assistance (73,900) and slightly larger than retail (59,000).

Monroe County manufacturers continue to play a significant role in the world marketplace of photographic products, optics, graphics technology, communications, electronics, medical instrumentation, machine tooling, and pharmaceuticals, exporting more than \$5.4 billion.

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

Housing - Homeownership is affordable in Monroe County. From downtown lofts to suburban subdivisions to rural farmhouses, high quality housing is within reach for our residents. According to the National Association of Realtors, median home prices for the metropolitan area remain well below the national median. In fact, when compared to other metropolitan areas throughout the country, the Rochester area ranks among the most reasonably priced. The Rochester-area housing market, long praised by real estate professionals for stable values, has been named the third-best place in the U.S. to buy a home by Zillow Inc., a Seattle company that tracks real estate markets.

Tourism - According to VisitRochester, Monroe County's tourism promotion agency, more than 1.8 million visitors to the Monroe County area in 2012 generated more than \$1 billion for our economy. There are over 20,000 people employed in the local tourism industry.

The Monroe County Sports Commission continues to attract and assist regional and national sporting events that in 2012 brought in over 65,000 visitors.

Unemployment - The unemployment rate for Monroe County was 7.7% in December 2012. This compares with the national average of 7.8% and the State average of 8.2%.

Significant Community Announcements

During 2012, many significant projects involved investments for renovations and upgrades to residential housing, services and manufacturing companies, and local education and health care institutions.

Mercury Print Productions, Inc. is a state-of-the-art offset sheet-fed commercial printer. The company is complemented by a full service On-Demand digital print workflow, in-house bindery capabilities, a digital print book division, an electronic media solutions division, fulfillment, and warehousing. In 2012, Mercury acquired a Kodak PROSPER 5000XL digital color inkjet press which will become a mainstay of the company's hard- and softcover book printing division, which offers digital on-demand printing for short-run books and conventional offset for long runs. The nearly \$2 million project is expected to create 40 jobs as it helps Mercury to bring textbook work now produced in China back to Monroe County.

Xerox announced in January 2012 that it was investing \$4.3 million to renovate and equip approximately 20,000 square feet of space to accommodate a call center on the Xerox Campus in Webster, New York, which will provide business process outsourcing and IT outsourcing services, including data processing, HR benefits management, finance support, and customer relationship management services for commercial and government organizations worldwide. The project is projected to create 350 new FTE jobs over the next three years.

LiDestri Foods, Inc. is a private label and contract manufacturer of food products, primarily sauces, dips and salsas. Headquartered in Fairport NY, LiDestri has manufacturing facilities in Fairport, Rochester, Pennsylvania, New Jersey and California. In October 2009, LiDestri purchased a former Kodak building in the Eastman Business Park in the Town of Greece, and relocated its Dundee NY and Pennsauken NJ operations to the new location. Since that time, LiDestri has invested over \$50 million to upgrade the facility into a state of the art spirits and sauce plant. In 2012, LiDestri announced that they would be acquiring another former Kodak facility at the Eastman Business Park. The new 397,940 square foot facility will provide additional warehouse capacity and enable additional manufacturing and new business opportunities at the Lee Road campus. The \$11,050,000 project will impact 584 jobs locally and is projected to create 70 new FTE over three years.

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 internal auditing program to review and evaluate the adequacy and effectiveness of the County's internal controls has been developed.

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 group level for all departments. Activities in the governmental funds are funded and controlled through the annual operating budget. The County also maintains expenditure control via an encumbrance accounting system which provides that unencumbered, unexpended appropriations lapse at year-end unless explicitly reappropriated by the County Legislature. Encumbrances outstanding at year-end are recorded in order to reserve that portion of the applicable appropriation for expenditure in the ensuing year. The Office of Management and Budget has the authority to transfer budget amounts between accounts within any department up to and including \$10,000 for all funds.

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.

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 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.

ACKNOWLEDGEMENTS

The preparation of this report on a timely basis could not have been accomplished without the efforts of the entire Department of Finance, in particular the Office of the Controller, its CAFR unit, including Michael Lombardo, Maryanne Fedison, Maureen Goho, Suzanne Plant, Mary Scumaci, Christopher Kovacic, Jodie O'Donnell and Amy Molinari, and the Department of Communications and Special Events.

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

Respectfully Submitted,



Robert Franklin
Chief Financial Officer



Anthony Feroce
Controller

COUNTY EXECUTIVE'S OFFICE

COUNTY EXECUTIVE

Maggie Brooks

DEPUTY COUNTY EXECUTIVE

Daniel M. DeLaus

ASSISTANT COUNTY EXECUTIVE

Jerry J. Helfer

ASSISTANT COUNTY EXECUTIVE

Noah Lebowitz

ELECTED COUNTY OFFICIALS

COUNTY EXECUTIVE

Maggie Brooks

COUNTY CLERK

Cheryl L. Dinolfo

DISTRICT ATTORNEY

Sandra Doorley

SHERIFF

Patrick M. O'Flynn

LEGISLATIVE LEADERSHIP AND STAFF

As of December 31, 2012

PRESIDENT

Jeffrey R. Adair, District 12

VICE PRESIDENT

Michael G. Barker, District 11

MAJORITY LEADER

Anthony Daniele, District 10

DEPUTY MAJORITY LEADERS

Jeffrey L. McCann, District 19

Stephen Tucciarello, District 4

MINORITY LEADER

Edward M. O'Brien, District 17

ASSISTANT MINORITY LEADERS

Carrie M. Andrews, District 21

Willie Joe Lightfoot, District 27

CLERK OF THE LEGISLATURE

Cheryl M. Rozzi

REPUBLICAN MAJORITY CHIEF OF STAFF

Lisa Polito Nicolay

DEMOCRATIC MINORITY STAFF DIRECTOR

Jaime Romeo

LEGISLATORS

As of December 31, 2012

District 1	Richard Yolevich
District 2	Michael J. Rockow
District 3	Mary A. Valerio
District 4	Steve Tucciarello
District 5	Karla Boyce
District 6	Fred Ancello
District 7	Rick Antelli
District 8	Carmen F. Gumina
District 9	Debbie Drawe
District 10	Anthony Daniele
District 11	Michael Barker
District 12	Jeffrey R. Adair
District 13	John J. Howland
District 14	Justin Wilcox
District 15	E. Daniel Quatro
District 16	Joseph Morelle, Jr.
District 17	Edward (Ted) M. O'Brien
District 18	Ciaran Hanna
District 19	Jeffery L. McCann
District 20	Robert J. Colby
District 21	Carrie M. Andrews
District 22	Glenn J. Gamble
District 23	Paul E. Haney
District 24	Joshua Bauroth
District 25	John Lightfoot
District 26	Tony Micciche
District 27	Willie J. Lightfoot
District 28	Cynthia Kaleh
District 29	Mike Patterson

COUNTY DEPARTMENTS

AVIATION	Michael Giardino, Director
BOARD OF ELECTIONS	Peter M. Quinn, Commissioner Thomas F. Ferrarese, Commissioner
COMMUNICATIONS	Justin P. Feasel, Director
COUNTY CLERK	Cheryl Dinolfo, County Clerk
DISTRICT ATTORNEY	Sandra Doorley, District Attorney
ENVIRONMENTAL SERVICES	Michael J. Garland, Director
FINANCE	Robert Franklin, Chief Financial Officer
DEPARTMENT OF HUMAN SERVICES	Kelly A. Reed, Commissioner
HUMAN RESOURCES	Brayton M. Connard, Director
INFORMATION SERVICES	Nelson M. Rivera, Chief Information Officer
LAW	Merideth H. Smith, County Attorney
MONROE COMMUNITY HOSPITAL	Rosemary Provo, Acting Executive Health Director
PARKS	Lawrence A. Staub, Jr., Director
PLANNING & DEVELOPMENT	Judy A. Seil, Director
PUBLIC DEFENDER	Timothy P. Donaher, Public Defender
PUBLIC HEALTH	Andrew S. Doniger, M.D., Director
PUBLIC SAFETY	David Moore, Director
SHERIFF	Patrick M. O'Flynn, Sheriff
TRANSPORTATION	Terrence J. Rice, Director
VETERANS SERVICE AGENCY	Laura Stradley, Director

FINANCIAL SECTION

This section contains the following:

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



KPMG LLP
265 Clinton Square
Rochester, NY 14604-1701

Independent Auditors' Report

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, 2012, 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 U.S. generally accepted accounting principles; 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.

Auditors' Responsibility

Our responsibility is to express opinions on these financial statements based on our audit. We did not audit the financial statements of Monroe Community College, Monroe County Airport Authority, Monroe Community Hospital, Monroe Tobacco Asset Securitization Corporation, Monroe County Water Authority, County of Monroe Industrial Development Agency, the Monroe Security and Safety Systems Local Development Corporation, Monroe Newpower Corporation, Civic Center Monroe County Local Development Corporation and Upstate Telecommunications Corporation which statements reflect the percentages of total assets, net position/fund balance, and total revenues of the respective opinion units as presented in the table below. Those statements were audited by other auditors, whose reports have been furnished to us, and our opinions, insofar as they relate to the amounts included for those entities, are based solely on the reports of the other auditors.



<u>Opinion units</u>	<u>Total assets</u>	<u>Net position/ fund balance</u>	<u>Total revenues</u>
Government-wide:			
Governmental activities	3%	—%	1%
Business-type activities	9	—	38
Component units	100	100	100
Fund level:			
Hospital enterprise fund	100%	100%	100%
Aggregate remaining fund information	10	41	8

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

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

Opinions

In our opinion, based on our audit and the reports of other auditors, the financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities, the business-type activities, the aggregately discretely presented component units, each major fund, and the aggregate remaining fund information of the County of Monroe, New York, as of December 31, 2012, 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 Executive and Members of the County Legislature
County of Monroe, New York
Page 3 of 3

Emphasis of Matter

As discussed in Note 1P to the financial statements, in 2012, the County adopted GASB Statement No. 61, *The Financial Reporting Entity: Omnibus – an amendment of GASB Statements No. 14 and No. 34*, and Monroe Community College elected to change its method of recognizing capital contributions for capital assets contributed by New York State and the County. Our opinions are not modified with respect to these matters.

Other Matters

Required Supplementary Information

U.S. generally accepted accounting principles require that the management's discussion and analysis, the other postemployment benefit schedule of funding progress and the schedule of revenues, expenditures, and changes in fund balance – general fund – budget and actual on pages 4 through 18, 73, and 79 through 81, respectively, 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.

KPMG LLP

Rochester, New York
May 30, 2013

COUNTY OF MONROE, NEW YORK
MANAGEMENT'S DISCUSSION AND ANALYSIS (UNAUDITED)

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, 2012. 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, 2012 and comparative data from the year ended December 31, 2011 follows.

FINANCIAL HIGHLIGHTS

- The County overall finished 2012 with a net position of \$425.8 million, a decrease of \$96.4 million during the year. 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 \$1.3 billion for both years ended December 31, 2012 and 2011. Of these capital assets, net of depreciation, infrastructure assets total approximately 50.7% and 51.4% for the years ended December 31, 2012 and 2011, 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 \$723.6 million and \$686.7 million for the years ended December 31, 2012 and 2011, respectively. As of December 31, 2012, the County had exhausted 15.5% of its constitutional debt limit of \$2.7 billion, the same level as of December 31, 2011. The debt-contracting margin of the County at December 31, 2012 was \$2.3 billion, the same amount as of December 31, 2011.
- The County's governmental activities finished 2012 with a net position of \$74.4 million, a decrease of \$71.6 million from the past year. The net position of the County's governmental activities for 2012 is reported as \$525.0 million of net investment in capital assets, \$27.2 million of restricted and \$477.8 million of unrestricted deficit. The changes in each reported net position category are: an increase of \$65.2 million in net investment in capital assets; no change in restricted; and an increase of \$136.8 in the unrestricted deficit. The largest component of the unrestricted deficit is the reporting of the Monroe Tobacco Asset Securitization Corporation as a blended component unit. The Monroe Tobacco Asset Securitization unrestricted deficit at December 31, 2012 was \$238.1 million.
- The County's business-type activities finished 2012 with a net position of \$351.4 million, a decrease of \$24.8 million from the past year. The net position of the County's business-type activities for 2012 are reported as \$358.8 million of net investment in capital assets, \$2.6 million of restricted and \$10.0 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 2012, the County's governmental funds reported combined fund balances of \$56.5, an increase of \$16.3 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 equity was \$14.1 million as of December 31, 2012, compared to the December 31, 2011 fund equity of \$19.0 million, a decrease of \$4.9 million.
- As part of the American Reinvestment and Recovery Act (ARRA) passed by Congress, the County received additional stimulus funds in 2012 for various programs and initiatives.
- The County's discretely presented component units finished 2012 with a net position of \$485.8 million. The total net position for each of the major component units are as follows: \$163.0 million for Monroe Community College; \$20.3 million for Monroe County Airport Authority; and \$304.8 million for Monroe County Water Authority. The non-major component units finished 2012 with a net position deficit of \$2.3 million.

COUNTY OF MONROE, NEW YORK
MANAGEMENT'S DISCUSSION AND ANALYSIS (UNAUDITED)

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 aviation, refuse, sewer, utilities and health services. 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: Monroe Community College, Monroe County Airport Authority, Monroe County Water Authority, the County of Monroe Industrial Development Agency, Monroe Security and Safety Systems Local Development Corporation, Civic Center Monroe County Local Development Corporation, Monroe NewPower Corporation, and Upstate Telecommunications Corporation. Though these are separate legal entities, the County is financially accountable for their activities.

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

FUND FINANCIAL STATEMENTS

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

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

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

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

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

COUNTY OF MONROE, NEW YORK
MANAGEMENT'S DISCUSSION AND ANALYSIS (UNAUDITED)

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

Governmental Funds – 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 sole major governmental fund is the General Fund. All other governmental funds have been determined to be non-major and include Debt Service Funds, Capital Projects Funds and Special Revenue Funds.

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

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.

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.

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

Golf Course Funds – accounts for equipment, leasing fees, and operating commissions pursuant to a contract with an outside third party operator for the operation of golf courses.

Zoo Admissions Fund – accounts for funds to provide resources for improvements to the Seneca Park Zoo.

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

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

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.

COUNTY OF MONROE, NEW YORK
MANAGEMENT'S DISCUSSION AND ANALYSIS (UNAUDITED)

Historic Landscape Restoration Fund – accounts for a grant from the United States Department of Agriculture (USDA) Forest Service for Restoration of Historic Landscapes.

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.

Hazmat Team Fund – accounts for all donation/payments and incurs expenditures to the team solely for the operational needs of the Hazmat Team.

Carousel Fund – accounts for the funds used in the restoration of the historic Ontario Beach Park carousel.

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

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

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

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

The Excel Fund – accounts for corporate and private contributions for the expanded choices for elder lifestyles (Excel), which is primarily used to fund a walkathon.

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

The Monroe County RARES Fund – accounts for the sale of event tickets to County employees and payment to ticket vendors.

The Pediatrics and Visitation Center Fund – accounts for contributions from private corporations for the new 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.

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 activities. Proprietary funds use the economic resources measurement focus and accrual basis of accounting. The major funds comprising the proprietary funds include the enterprise funds: solid waste, airport, hospital, pure waters and energy. The proprietary funds also include internal service funds, which are reported separately because the nature of their activity is primarily governmental.

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

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

COUNTY OF MONROE, NEW YORK
MANAGEMENT'S DISCUSSION AND ANALYSIS (UNAUDITED)

FINANCIAL ANALYSIS OF THE COUNTY AS A WHOLE

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.

Table 1 summarizes the County's financial position related to each of these activities:

Table 1						
County of Monroe, New York						
Condensed Schedules of Net Position						
As of December 31,						
(000's omitted)						
	<u>2012</u>			<u>2011</u>		
	<u>Governmental</u>	<u>Business-type</u>	<u>Total</u>	<u>Governmental</u>	<u>Business-type</u>	<u>Total</u>
	<u>Activities</u>	<u>Activities</u>	<u>Primary</u>	<u>Activities</u>	<u>Activities</u>	<u>Primary</u>
			<u>Government</u>			<u>Government</u>
Current and other assets	\$363,558	72,603	436,161	\$370,369	69,293	439,662
Capital assets, net of accumulated depreciation	<u>726,264</u>	<u>547,073</u>	<u>1,273,337</u>	<u>736,122</u>	<u>568,762</u>	<u>1,304,884</u>
Total assets	<u>1,089,822</u>	<u>619,676</u>	<u>1,709,498</u>	<u>1,106,491</u>	<u>638,055</u>	<u>1,744,546</u>
Current liabilities	346,877	71,194	418,071	349,925	82,335	432,260
Non-current liabilities	<u>668,536</u>	<u>197,034</u>	<u>865,570</u>	<u>610,540</u>	<u>179,488</u>	<u>790,028</u>
Total liabilities	<u>1,015,413</u>	<u>268,228</u>	<u>1,283,641</u>	<u>960,465</u>	<u>261,823</u>	<u>1,222,288</u>
Net investment in capital assets	525,032	358,820	883,852	459,858	374,431	834,289
Restricted	27,226	2,654	29,880	27,203	3,429	30,632
Unrestricted (deficit)	<u>(477,849)</u>	<u>(10,026)</u>	<u>(487,875)</u>	<u>(341,035)</u>	<u>(1,628)</u>	<u>(342,663)</u>
Total net position	<u>\$74,409</u>	<u>351,448</u>	<u>425,857</u>	<u>\$146,026</u>	<u>376,232</u>	<u>522,258</u>

Restricted net position in the County's governmental activities for 2012 is \$27.2 million. This is comprised primarily of restriction for debt service in the sum of \$16.5 million and restricted for grants and trusts of \$10.7 million.

Unrestricted net position in the County's governmental activities shows a deficit of \$477.8 million at December 31, 2012 comprised primarily of the \$251.7 million outstanding bond liability of the Monroe Tobacco Asset Securitization Corporation (MTASC) to refinance the purchase of the future right, title and interest to the tobacco settlement revenues. This is compared to the December 31, 2011 balance, when unrestricted net position in the County's governmental activities had a \$341.0 million deficit with MTASC recording a \$247.4 million bond liability. Also, contributing to the unrestricted deficit is the recognition of the liability for post-employment benefits other than pension (OPEB) which at December 31, 2012 was \$106.0 million, compared to \$82.7 million at December 31, 2011.

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

COUNTY OF MONROE, NEW YORK
MANAGEMENT'S DISCUSSION AND ANALYSIS (UNAUDITED)

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. Table 2 summarizes these results:

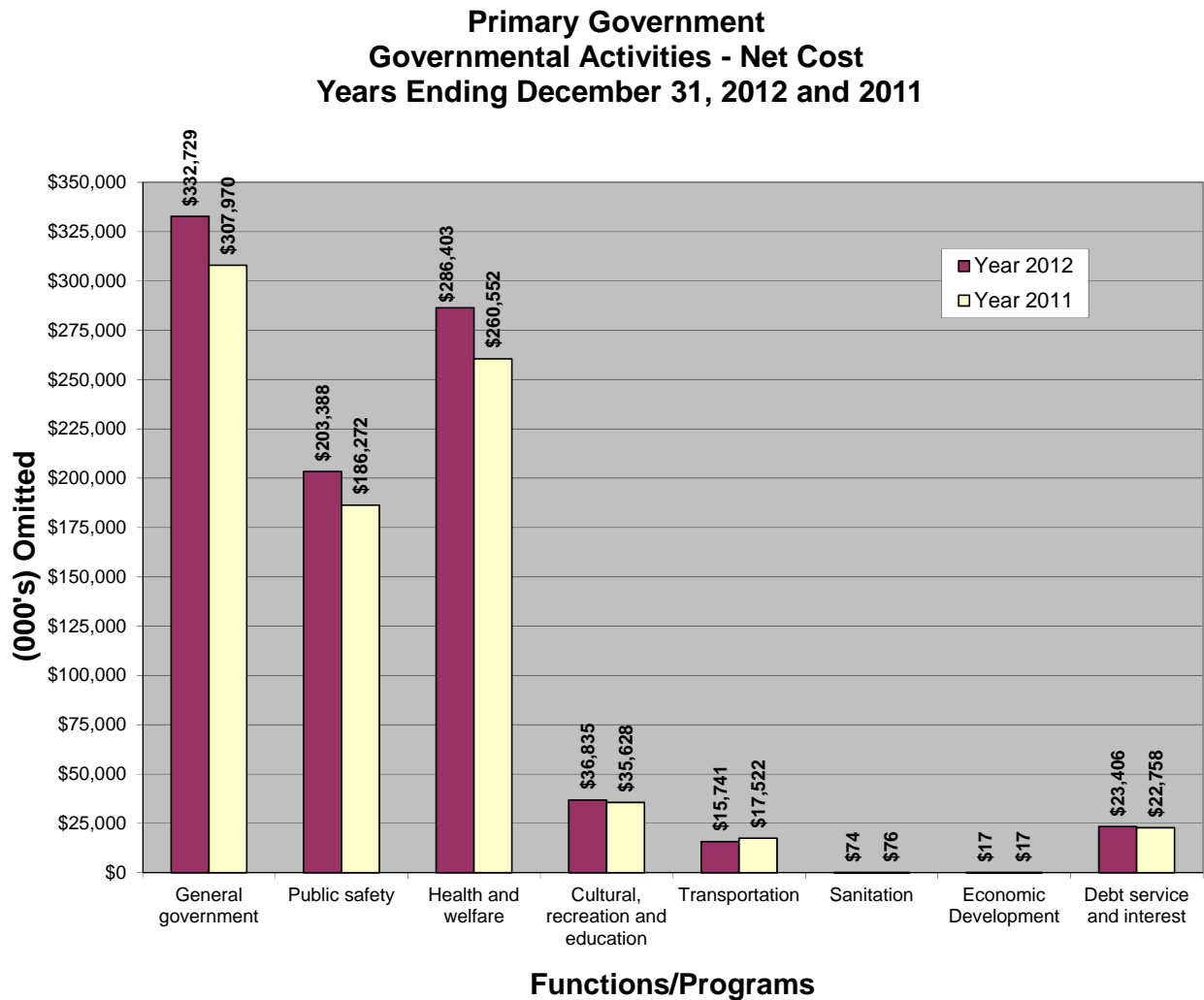
	2012			2011		
	Governmental Activities	Business- Type Activities	Primary Government	Governmental Activities	Business- type Activities	Primary Government
Revenues:						
Program revenues:						
Charges for services	\$88,582	168,678	257,260	\$79,946	162,680	242,626
Operating grants and contributions	365,603	1,193	366,796	395,445	1,315	396,760
Capital grants and contributions	35,009	10,448	45,457	30,471	11,665	42,136
General revenues:						
Taxes and other tax items	812,310	---	812,310	798,258	---	798,258
Tobacco settlement	10,604	---	10,604	9,227	---	9,227
Investment income	203	---	203	269	---	269
Miscellaneous	3,859	9,726	13,585	3,896	8,834	12,730
Total revenues	<u>1,316,170</u>	<u>190,045</u>	<u>1,506,215</u>	<u>1,317,512</u>	<u>184,494</u>	<u>1,502,006</u>
Expenses:						
General government	375,682	---	375,682	351,047	---	351,047
Public safety	253,206	---	253,206	237,357	---	237,357
Health and welfare	572,866	---	572,866	572,980	---	572,980
Culture, recreation, and education	101,532	---	101,532	95,862	---	95,862
Transportation	58,012	---	58,012	51,957	---	51,957
Sanitation	74	---	74	76	---	76
Economic development	3,009	---	3,009	4,620	---	4,620
Interest on bonds and notes payable	23,406	---	23,406	22,758	---	22,758
Refuse	---	17,109	17,109	---	17,013	17,013
Airport	---	31,290	31,290	---	31,861	31,861
Hospital	---	72,587	72,587	---	71,025	71,025
Sewer	---	78,774	78,774	---	79,303	79,303
Utilities	---	15,069	15,069	---	14,710	14,710
Total expenses	<u>1,387,787</u>	<u>214,829</u>	<u>1,602,616</u>	<u>1,336,657</u>	<u>213,912</u>	<u>1,550,569</u>
Excess (Deficiency) of revenues over expenses	<u>(71,617)</u>	<u>(24,784)</u>	<u>(96,401)</u>	<u>(19,145)</u>	<u>(29,418)</u>	<u>(48,563)</u>
Net position-beginning	<u>146,026</u>	<u>376,232</u>	<u>522,258</u>	<u>165,171</u>	<u>405,650</u>	<u>570,821</u>
Net position-ending	<u>\$74,409</u>	<u>351,448</u>	<u>425,857</u>	<u>\$146,026</u>	<u>376,232</u>	<u>522,258</u>

COUNTY OF MONROE, NEW YORK
MANAGEMENT'S DISCUSSION AND ANALYSIS (UNAUDITED)

For governmental activities, overall net position decreased by \$71.6 million for the year ended December 31, 2012 (see Table 2). This decrease in net position was primarily caused by the increased liability incurred as a result of GASB Statement No. 45 which recognizes the County's costs associated with Post Employment Benefits Other than Pension (OPEB). Other factors contributing to the decrease were increased pension liabilities and increased liability recognized in the Internal Services Fund for legal claims and actuarial workers compensation claims.

Business-type activities decreased the County's net position by \$24.8 million for the year ended December 31, 2012. Net position decreases were reported in the Airport, Pure Waters and Solid Waste funds. The decrease in net position was primarily due to a planned spend down of fund balance and increased OPEB liability.

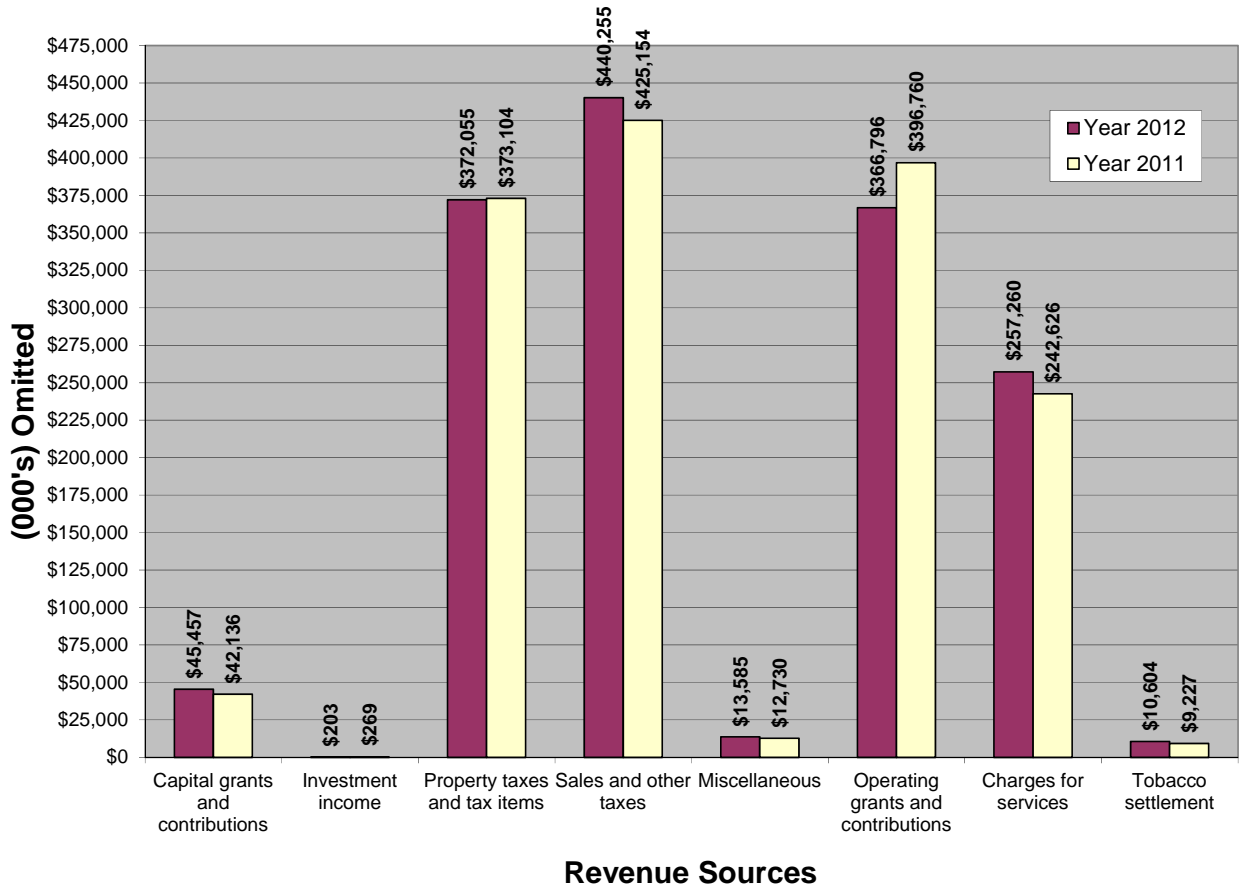
The following chart (*000's omitted*) compares the net cost (defined as expenses less program revenues) of each County function/program within the governmental activities of the primary government:



COUNTY OF MONROE, NEW YORK
MANAGEMENT'S DISCUSSION AND ANALYSIS (UNAUDITED)

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

**Primary Government
Revenues by Source
Years Ending December 31, 2012 and 2011**



COUNTY OF MONROE, NEW YORK
MANAGEMENT'S DISCUSSION AND ANALYSIS (UNAUDITED)

FINANCIAL ANALYSIS OF THE COUNTY'S FUNDS

Governmental Funds

As of December 31, 2012, the County's governmental funds reported total governmental fund balances of \$56.5 million.

The County's general fund equity was \$14.1 million as of December 31, 2012, compared to the December 31, 2011 fund equity of \$19.0 million, a decrease in the fund equity of \$4.9 million. The unassigned fund balance of the general fund was \$1.7 million as of December 31, 2012.

During a nationwide period of significant residential real estate value decline in the United States, the County continued its solid housing value base resulting in an increase in assessed value of 1.0%. This increase along with controlled expenditure growth of less than the Consumer Price Index has allowed us to maintain positive fund equity. One of our financial strategies continues to be to rebuild general fund reserves. We continue to balance the accomplishment of our financial strategies with the needs of the taxpayers and residents of the County.

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 non-major governmental funds total fund balance was \$42.4 million as of December 31, 2012, compared to a total fund balance of \$21.2 million as of December 31, 2011, an increase of \$21.2 million. The increase was primarily in the capital projects funds, which generated an increase in fund balance of \$21.1 million, and is primarily due to timing of capital financing.

Table 3 summarizes the changes in the fund balances of the County's governmental funds as follows:

	2012			2011		
	General Fund	Non-major Funds	Total Governmental Funds	General Fund	Non-major Funds	Total Governmental Funds
Fund balances, beginning	\$ 18,956	21,238	40,194	\$ 12,167	45,792	57,959
Revenues	1,243,484	70,475	1,313,959	1,240,032	64,086	1,304,118
Expenditures	(1,203,913)	(170,866)	(1,374,779)	(1,184,486)	(134,738)	(1,319,224)
Other financing sources, net	(44,425)	121,541	77,116	(48,757)	46,098	(2,659)
Fund balances, ending	<u>\$ 14,102</u>	<u>42,388</u>	<u>56,490</u>	<u>\$ 18,956</u>	<u>21,238</u>	<u>40,194</u>

COUNTY OF MONROE, NEW YORK
MANAGEMENT'S DISCUSSION AND ANALYSIS (UNAUDITED)

Proprietary Funds

As of December 31, 2012, the County's proprietary funds reported combined net position for the enterprise funds of \$351.4 million and a net position deficit for the internal service funds of \$9.2 million.

Table 4 summarizes the changes in net position for the County's proprietary funds as follows:

Table 4							
County of Monroe, New York							
Condensed Schedules of Proprietary Funds							
Changes in Net Position							
for the Years Ended December 31,							
(000's omitted)							
2012							
	Business-type Activities - Enterprise Funds						Governmental
	Solid Waste	Airport	Hospital	Pure Waters	Energy	Total	Internal Service Funds
Net position December 31, 2011	\$ (4,245)	159,832	(14,585)	235,239	(9)	376,232	5,111
Total operating revenues	13,234	18,589	72,729	58,776	15,076	178,404	62,979
Total operating expenses	(16,485)	(30,257)	(71,608)	(73,807)	(15,069)	(207,226)	(77,441)
Operating income (loss)	(3,251)	(11,668)	1,121	(15,031)	7	(28,822)	(14,462)
Total nonoperating expenses, net	(617)	(757)	(967)	(4,069)	---	(6,410)	(2,958)
Income (loss) before contributions and transfers	(3,868)	(12,425)	154	(19,100)	7	(35,232)	(17,420)
Capital contributions	---	10,252	---	196	---	10,448	---
Net transfers	---	---	---	---	---	---	3,103
Net position December 31, 2012	\$ (8,113)	157,659	(14,431)	216,335	(2)	351,448	(9,206)

COUNTY OF MONROE, NEW YORK
MANAGEMENT'S DISCUSSION AND ANALYSIS (UNAUDITED)

Table 4, continued

	2011						Governmental Internal Service Funds
	Business-type Activities - Enterprise Funds						
	Solid Waste	Airport	Hospital	Pure Waters	Energy	Total	
Net position							
December 31, 2010	\$ (348)	161,941	(12,862)	256,945	(26)	405,650	7,796
Total operating revenues	13,030	19,334	69,294	55,129	14,727	171,514	61,095
Total operating expenses	(16,284)	(30,640)	(69,930)	(73,699)	(14,710)	(205,263)	(66,426)
Operating income (loss)	(3,254)	(11,306)	(636)	(18,570)	17	(33,749)	(5,331)
Total nonoperating expenses, net	(643)	(902)	(1,087)	(4,702)	---	(7,334)	(13)
Income (loss) before contributions and transfers	(3,897)	(12,208)	(1,723)	(23,272)	17	(41,083)	(5,334)
Capital contributions	---	10,099	---	1,566	---	11,665	---
Net transfers	---	---	---	---	---	---	2,659
Net position							
December 31, 2011	\$ (4,245)	159,832	(14,585)	235,239	(9)	376,232	5,111

Proprietary Funds - Changes in Net Position:

Solid Waste Fund: Net position decreased by \$3.9 million. The operating loss was \$3.3 million and \$3.3 million for 2012 and 2011, respectively. The solid waste fund operations are currently being reviewed and future year's anticipated revenue from energy sales will improve overall operating results.

Airport Fund: Net position decreased by \$2.2 million. The operating loss of \$11.7 million, which includes the recognition of depreciation expense, is comparable to the previous year's operating loss of \$11.3 million. This year's operating loss was partially offset by capital contributions of \$10.3 million.

Hospital Fund: Net position increased by \$154 thousand. The 2012 operating gain was \$1.1 million compared to the previous year's operating loss of \$636 thousand. The increased operating gain resulted primarily from the proceeds received from the Federal government's Upper Medicaid Payment Limit Program. Participation in this program is supported by the County's matching funds paid into this program.

Pure Waters Fund: Net position decreased by \$18.9 million, primarily due to a planned spend down. The 2012 operating loss of \$15.0 million, which includes the recognition of depreciation expense, compares to a 2011 operating loss of \$18.6 million. This planned spend down of net assets allowed the Pure Waters rates to remain stable.

Energy Fund: Net position increased by \$7 thousand. The Energy fund was established to record activities (transactions) relative to the County's movement into the energy supplier arena. As part of the process, the County offers energy to other municipalities at competitive rates.

Internal Services Fund: Net position decreased by \$14.3 million. The 2012 operating loss of \$14.5 million compares to a 2011 operating loss of \$5.3 million. The largest internal services fund, risk management net position decreased by \$13.5 million, primarily as a result of recognizing a higher level of potential liability for unsettled legal claims, which were still in litigation as of December 31, 2012, and recognizing a higher level of potential liability for workers compensation claims identified in the most recent actuarial valuation completed as of December 31, 2012.

COUNTY OF MONROE, NEW YORK
MANAGEMENT'S DISCUSSION AND ANALYSIS (UNAUDITED)

General Fund Budgetary Highlights

There are two 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.

Table 5 summarizes and compares actual general fund revenue on a budgetary basis by category to the adopted and modified budgets (excluding interfund transfers), as follows:

Table 5 County of Monroe, New York Condensed Schedules of General Fund Revenue – Budgetary Basis Budget vs. Actual for the Years Ended December 31, (000's omitted)						
	2012			2011		
	Adopted Budget	Modified Budget	Budget Basis Actual	Adopted Budget	Modified Budget	Budget Basis Actual
Real property tax						
levy and delinquencies	\$ 351,565	351,565	357,217	\$ 349,088	349,088	351,404
Sales taxes	86,538	86,538	89,531	82,649	82,649	87,033
Federal aid	133,672	159,794	144,090	120,879	157,634	182,639
State aid	200,827	213,595	194,264	238,458	250,002	202,132
Other revenues	138,175	138,679	115,466	121,989	122,450	100,662
Total Revenue–Budgetary Basis	\$ 910,777	950,171	900,568	\$ 913,063	961,823	923,870

Table 6 summarizes and compares actual general fund expenditures on a budgetary basis by function to the adopted and modified budgets as follows:

Table 6 County of Monroe, New York Condensed Schedules of General Fund Expenditures – Budgetary Basis Budget vs. Actual For the Years Ended December 31, (000's omitted)						
	2012			2011		
	Adopted Budget	Modified Budget	Budget Basis Actual	Adopted Budget	Modified Budget	Budget Basis Actual
Health and welfare	\$ 397,310	414,481	386,298	\$ 410,574	435,292	395,203
Public safety	214,951	233,937	216,704	207,157	231,799	210,009
Culture, recreation, and education	58,850	61,136	59,521	61,396	60,384	55,283
General government	166,146	170,098	169,317	162,743	165,655	168,930
Transportation	3,524	3,524	3,524	3,524	3,524	3,524
Total Expenditures–Budgetary Basis	\$ 840,781	883,176	835,364	\$ 845,394	896,654	832,949

COUNTY OF MONROE, NEW YORK
MANAGEMENT'S DISCUSSION AND ANALYSIS (UNAUDITED)

CAPITAL ASSET AND DEBT ADMINISTRATION

Capital Assets

Table 7
County of Monroe, New York
Condensed Schedules of Capital Assets
(000's omitted)

At the end of 2012, the County had invested \$1.3 billion in a broad range of capital assets, including \$645.3 million in infrastructure, net of depreciation, which includes bridges, culverts and sewers.

	Governmental Activities	Business-type Activities	Total Primary Government	Percent of Total
Land	\$ 22,734	27,270	50,004	1.7%
Assets under construction	35,882	31,255	67,137	2.3%
Buildings	172,707	192,787	365,494	12.3%
Infrastructure	920,647	690,150	1,610,797	54.2%
Improvements other than buildings	226,133	423,407	649,540	21.8%
Machinery and equipment	<u>110,217</u>	<u>118,184</u>	<u>228,401</u>	<u>7.7%</u>
Total Capital Assets	1,488,320	1,483,053	2,971,373	100%
Accumulated depreciation	<u>(762,056)</u>	<u>(935,980)</u>	<u>(1,698,036)</u>	
Total Net Capital Assets	<u>\$ 726,264</u>	<u>547,073</u>	<u>1,273,337</u>	

At the end of 2011, the County had invested \$1.3 billion in a broad range of capital assets, including \$671.2 million in infrastructure, net of depreciation, which includes roads, bridges, culverts and sewers.

	Governmental Activities	Business-type Activities	Total Primary Government	Percent of Total
Land	\$ 22,070	27,270	49,340	1.7%
Construction in progress	42,749	18,552	61,301	2.1%
Buildings	172,723	192,317	365,040	12.5%
Infrastructure	905,521	690,134	1,595,655	54.7%
Improvements other than buildings	210,566	411,029	621,595	21.3%
Machinery and equipment	<u>109,707</u>	<u>112,925</u>	<u>222,632</u>	<u>7.7%</u>
Total Capital Assets	1,463,336	1,452,227	2,915,563	100%
Accumulated depreciation	<u>(727,214)</u>	<u>(883,465)</u>	<u>(1,610,679)</u>	
Total Net Capital Assets	<u>\$ 736,122</u>	<u>568,762</u>	<u>1,304,884</u>	

The 2012 decrease in governmental activities capital assets is primarily related to general County transportation projects, while the decrease in business-type activities is primarily related to Pure Waters projects.

On July 10, 2012, the County Legislature adopted the 2013 - 2018 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)

Debt Administration

At year-end, total debt payable for the primary government was \$807.6 million. General obligation debt totaled \$555.9 million. These amounts of outstanding general obligation debt exclude amounts relating to the debt of the Monroe Tobacco Asset Securitization Corporation.

Table 8 summarizes the County's outstanding debt for the primary government, as reported in the statement of net assets as follows:

Table 8				
County of Monroe, New York				
Condensed Schedules of Outstanding Debt				
as of December 31,				
(000's omitted)				
2012				
	<u>Governmental Activities</u>	<u>Business-type Activities</u>	<u>Total Primary Government</u>	<u>Percent of Total Debt Payable</u>
General Obligation Debt				
Total revenue anticipation notes payable	\$ 58,000	17,000	75,000	9.3%
Total bond anticipation notes payable	---	9,000	9,000	1.1%
Total bonds payable	<u>291,493</u>	<u>180,398</u>	<u>471,891</u>	<u>58.4%</u>
Total general obligation debt	349,493	206,398	555,891	68.8%
Non-General Obligation Debt				
Total non-general obligation debt	<u>251,709</u>	---	<u>251,709</u>	<u>31.2%</u>
Total Debt Payable	\$ <u>601,202</u>	<u>206,398</u>	<u>807,600</u>	<u>100.0%</u>
Total current debt payable	90,250	44,149	134,399	16.6%
Total long-term debt payable	510,952	162,249	673,201	83.4%
2011				
	<u>Governmental Activities</u>	<u>Business-type Activities</u>	<u>Total Primary Government</u>	<u>Percent of Total Debt Payable</u>
General Obligation Debt				
Total revenue anticipation notes payable	\$ 58,000	17,000	75,000	9.4%
Total bond anticipation notes payable	17,856	21,124	38,980	4.9%
Total bonds payable	<u>270,203</u>	<u>166,875</u>	<u>437,078</u>	<u>54.6%</u>
Total general obligation debt	346,059	204,999	551,058	68.9%
Non-General Obligation Debt				
Total non-general obligation debt	<u>249,626</u>	---	<u>249,626</u>	<u>31.1%</u>
Total Debt Payable	\$ <u>595,685</u>	<u>204,999</u>	<u>800,684</u>	<u>100.0%</u>
Total current debt payable	106,791	55,468	162,259	20.3%
Total long-term debt payable	488,894	149,531	638,425	79.7%

COUNTY OF MONROE, NEW YORK
MANAGEMENT'S DISCUSSION AND ANALYSIS (UNAUDITED)

The County issued a total of \$220.3 million of debt obligations in 2012. The debt obligations consisted of refunding bonds (\$56.6 million) issued in March and bonds (\$79.7 million) issued in July which converted \$25 million bond anticipated notes and provided \$54.7 million new funds for various capital projects. Bond anticipation notes totaling \$9.0 million were issued in July 2012 to renew outstanding bond anticipation notes for the Airport. \$75.0 million in revenue anticipation notes were issued in November 2012 providing \$58 million in working capital for the general fund and \$17.0 million for the Monroe Community Hospital enterprise fund.

At December 31, 2012, \$268.2 million of debt remained authorized and unissued for various capital projects.

The three nationally-recognized credit rating agencies continue to monitor the County's economic and financial conditions. In June 2012, Moody's reaffirmed the County's rating of A3, while Fitch and Standard and Poor's also maintained the County's rating of A- and BBB+, respectively.

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

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.

BASIC FINANCIAL STATEMENTS

COUNTY OF MONROE, NEW YORK
STATEMENT OF NET POSITION
AS OF DECEMBER 31, 2012
(000's Omitted)

	Primary Government			Component Units
	Governmental Activities	Business-type Activities	Total	
ASSETS				
Current assets:				
Cash and cash equivalents	\$ 19,675	35,246	54,921	90,716
Investments	---	---	---	29,149
Accounts receivable, net	55,316	19,681	74,997	23,362
Internal balances	18,599	(18,599)	---	---
Due from other governments	200,230	13,354	213,584	377
Inventories	2,847	4,376	7,223	1,475
Unamortized bond issue costs	496	168	664	---
Other	1,632	1,295	2,927	5,897
Total current assets	<u>298,795</u>	<u>55,521</u>	<u>354,316</u>	<u>150,976</u>
Noncurrent assets:				
Restricted assets:				
Cash and cash equivalents	56,902	15,130	72,032	40,804
Investments	---	---	---	53,080
Funds held by trustee	---	---	---	97,142
Custodial accounts	---	531	531	---
Securities in lieu of retained percentages	836	36	872	---
Capital assets, net of accumulated depreciation	726,264	547,073	1,273,337	592,687
Unamortized bond issue costs	7,025	1,385	8,410	2,348
Other	---	---	---	11,316
Total noncurrent assets	<u>791,027</u>	<u>564,155</u>	<u>1,355,182</u>	<u>797,377</u>
Total assets	<u>1,089,822</u>	<u>619,676</u>	<u>1,709,498</u>	<u>948,353</u>
LIABILITIES				
Current liabilities:				
Accounts payable and accrued liabilities	132,434	19,031	151,465	32,105
Accrued interest payable	2,633	1,615	4,248	5,175
Due to other governments	112,827	5,777	118,604	---
Unearned revenue	8,333	---	8,333	13,111
Notes payable	58,000	26,000	84,000	32,448
Current portion of:				
Capital leases payable	400	622	1,022	1,397
Bonds payable	32,250	18,149	50,399	13,645
Total current liabilities	<u>346,877</u>	<u>71,194</u>	<u>418,071</u>	<u>97,881</u>
Noncurrent liabilities:				
Capital leases payable	618	7,522	8,140	4,858
Bonds payable	510,952	162,249	673,201	307,341
Patient funds held in trust	---	531	531	---
Other long-term liabilities	156,966	26,732	183,698	52,524
Total noncurrent liabilities	<u>668,536</u>	<u>197,034</u>	<u>865,570</u>	<u>364,723</u>
Total liabilities	<u>1,015,413</u>	<u>268,228</u>	<u>1,283,641</u>	<u>462,604</u>
NET POSITION				
Net investment in capital assets	525,032	358,820	883,852	349,164
Restricted for:				
Debt service	16,495	1,848	18,343	10,749
Capital projects	---	806	806	---
Nonexpendable	---	---	---	6,765
Expendable	---	---	---	10,730
Grants, Trust and Other Purposes	10,731	---	10,731	---
Passenger facility charges	---	---	---	373
Unrestricted (deficit)	<u>(477,849)</u>	<u>(10,026)</u>	<u>(487,875)</u>	<u>107,968</u>
Total net position	<u>\$ 74,409</u>	<u>351,448</u>	<u>425,857</u>	<u>485,749</u>

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

**COUNTY OF MONROE, NEW YORK
STATEMENT OF ACTIVITIES
FOR THE YEAR ENDED DECEMBER 31, 2012**

Function/Programs	Program Revenues				Net (Expense) Revenue and Changes in Net Position			Component Units
	Expenses	Charges for Services	Operating Grants and Contributions	Capital Grants and Contributions	Primary Government		Total	
					Governmental Activities	Business-type Activities		
Primary government:								
Governmental activities:								
General government	\$ 375,682	33,686	9,022	245	(332,729)	---	(332,729)	---
Public safety	253,206	11,953	35,447	2,418	(203,388)	---	(203,388)	---
Health and welfare	572,866	4,007	282,419	37	(286,403)	---	(286,403)	---
Culture, recreation and education	101,532	27,999	30,229	6,469	(36,835)	---	(36,835)	---
Transportation	58,012	10,937	5,494	25,840	(15,741)	---	(15,741)	---
Sanitation	74	---	---	---	(74)	---	(74)	---
Economic development	3,009	---	2,992	---	(17)	---	(17)	---
Interest on bonds and notes payable	23,406	---	---	---	(23,406)	---	(23,406)	---
Total governmental activities	\$ 1,387,787	88,582	365,603	35,009	(898,593)	---	(898,593)	---
Business-type activities:								
Refuse	17,109	5,704	7	---	---	(11,398)	(11,398)	---
Airport	31,290	18,463	276	10,252	---	(2,299)	(2,299)	---
Hospital	72,587	70,883	12	---	---	(1,692)	(1,692)	---
Sewer	78,774	58,552	898	196	---	(19,128)	(19,128)	---
Utilities	15,069	15,076	---	---	---	7	7	---
Total business-type activities	214,829	168,678	1,193	10,448	---	(34,510)	(34,510)	---
Total primary government	\$ 1,602,616	257,260	366,796	45,457	(898,593)	(34,510)	(933,103)	---
Component units:								
Major Component Units:								
Community College	174,877	45,860	125,118	6,546	---	---	---	2,647
Airport Authority	29,189	30,837	---	173	---	---	---	1,821
Water Authority	53,982	57,332	---	2,655	---	---	---	6,005
Non-Major Component Units	19,018	24,791	147	---	---	---	---	5,920
Total component units	\$ 277,066	158,820	125,265	9,374	---	---	---	16,393
General revenues:								
Taxes:								
Property tax and tax items	---	---	---	---	372,055	---	372,055	---
Sales and other taxes	---	---	---	---	440,255	---	440,255	---
Tobacco settlement revenues	---	---	---	---	10,604	---	10,604	---
Unrestricted interest earnings	---	---	---	---	203	---	203	4,074
Miscellaneous revenue	---	---	---	---	3,859	9,726	13,585	170
Total general revenues	---	---	---	---	826,976	9,726	836,702	4,244
Change in net position	---	---	---	---	(71,617)	(24,784)	(96,401)	20,637
Net position-beginning, as restated, see note 1P	---	---	---	---	146,026	376,232	522,258	465,112
Net position-ending	\$ 74,409	---	---	---	351,448	425,857	485,749	---

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, 2012
(000's Omitted)**

	<u>General</u>	<u>Nonmajor Governmental Funds</u>	<u>Total Governmental Funds</u>
ASSETS			
Cash and cash equivalents	\$ 120	11,965	12,085
Accounts receivables, net:			
Taxes and assessments	22,833	---	22,833
Returned school taxes	18,500	---	18,500
Other receivables	2,448	11,535	13,983
Due from other funds	48,176	19,253	67,429
Due from other governments:			
State and Federal - social services	82,813	---	82,813
State and Federal - other	67,589	25,383	92,972
Local governments	18,218	5,906	24,124
Inventories	1,617	736	2,353
Restricted assets:			
Cash and cash equivalents	15,000	35,083	50,083
Securities in lieu of retained percentages	---	404	404
Other assets	322	1,266	1,588
Total assets	<u><u>\$ 277,636</u></u>	<u><u>111,531</u></u>	<u><u>389,167</u></u>
LIABILITIES AND FUND BALANCES			
Liabilities:			
Accounts payable and accrued liabilities	59,571	9,009	68,580
Due to other funds	5,051	48,829	53,880
Due to other governments	110,949	1,163	112,112
Unearned revenue	29,963	10,142	40,105
Notes payable	58,000	---	58,000
Total liabilities	<u><u>263,534</u></u>	<u><u>69,143</u></u>	<u><u>332,677</u></u>
Fund balances:			
Nonspendable	1,617	736	2,353
Restricted	5,565	46,611	52,176
Committed	2,219	1,811	4,030
Assigned	2,993	3,187	6,180
Unassigned	1,708	(9,957)	(8,249)
Total fund balances	<u><u>14,102</u></u>	<u><u>42,388</u></u>	<u><u>56,490</u></u>
Total liabilities and fund balances	<u><u>\$ 277,636</u></u>	<u><u>111,531</u></u>	<u><u>389,167</u></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, 2012
(000's Omitted)

Total fund balances - governmental funds \$56,490

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	22,091		
Assets under construction	24,074		
	46,165		
Depreciable assets:			
Buildings	117,746		
Infrastructure	920,647		
Improvements other than buildings	133,685		
Machinery and equipment	98,596		
Accumulated depreciation	(672,962)		
	597,712		
Total capital assets			643,877

Internal service funds are used by management to charge the costs of certain activities to individual funds. The assets and liabilities of the internal service funds are included in governmental activities in the statement of net position. (9,206)

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. 31,772

Certain items, including bond issuance costs, are fully expensed in the governmental fund statement, but amortized over a period of time in the statement of activities. 6,484

Some liabilities are not due and payable in the current period and therefore are not reported in the funds. Those long-term liabilities included in the governmental activities in the statement of net position consist of:

Compensated absences	(26,188)		
Bonds payable	(480,586)		
Capital leases payable	(744)		
Accrued interest on bonds	(2,368)		
Long-term retirement costs	(33,366)		
Post-employment benefits other than pensions	(103,668)		
Sales tax payable	(5,814)		
Federal & State long-term liabilities	(2,274)		
Total long-term liabilities			(655,008)

Net position of governmental activities \$74,409

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, 2012
(000's Omitted)

	<u>General</u>	<u>Nonmajor Governmental Funds</u>	<u>Total Governmental Funds</u>
REVENUES:			
Real property tax	\$ 357,217	---	357,217
Sales and other taxes	440,255	---	440,255
Federal aid	142,322	20,149	162,471
State aid	189,275	12,945	202,220
Charges for services	22,445	5,936	28,381
Intergovernmental	38,633	8,753	47,386
Interdepartmental	1,926	119	2,045
Use of money and property	7,075	792	7,867
Repayments and refunds	16,229	240	16,469
Payments in lieu of taxes	7,932	---	7,932
Tobacco settlement	---	10,779	10,779
Miscellaneous	20,175	5,500	25,675
	<u>1,243,484</u>	<u>65,213</u>	<u>1,308,697</u>
Total revenues			
EXPENDITURES:			
Current:			
Health and welfare	560,448	---	560,448
Public safety	220,657	4,116	224,773
Culture, recreation and education	76,235	10,790	87,025
General government	343,049	258	343,307
Transportation	3,524	18,268	21,792
Economic development	---	3,009	3,009
Debt service:			
Principal retirement	---	27,301	27,301
Interest and fiscal charges	---	21,024	21,024
Capital outlay	---	40,356	40,356
	<u>1,203,913</u>	<u>125,122</u>	<u>1,329,035</u>
Total expenditures			
Excess (deficiency) of revenues over expenditures	<u>39,571</u>	<u>(59,909)</u>	<u>(20,338)</u>
OTHER FINANCING SOURCES (USES):			
Bonds issued	---	37,128	37,128
Refunding bonds issued	---	43,091	43,091
Premium on bonds issued	---	5,262	5,262
Redemption/payments to escrow agent	---	(45,744)	(45,744)
Transfers in	---	54,866	54,866
Transfers out	(44,425)	(13,544)	(57,969)
	<u>(44,425)</u>	<u>81,059</u>	<u>36,634</u>
Total other financing sources (uses)			
Net change in fund balances	(4,854)	21,150	16,296
Fund balances at beginning of year	<u>18,956</u>	<u>21,238</u>	<u>40,194</u>
Fund balances at end of year	<u>\$ 14,102</u>	<u>42,388</u>	<u>56,490</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, 2012

Net change in fund balances - total governmental funds **\$16,296**

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

The issuance of debt provides current financial resources to governmental funds, while the repayment of the principal of debt consumes the current financial resources of governmental funds. Also, governmental funds report the effect of premiums, discounts, 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	(80,219)	
Premium/Discount on bond issuance	(2,845)	
Bond refunding gain/loss	759	
Interest accreted on capital appreciation debt, net	(4,755)	
Total proceeds/additions		(87,060)

Repayment of bond principal 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 or an other financing use in the statement of activities. Also, governmental funds report the effect of issuance costs, and similar items when debt is first issued, whereas these amounts are deferred and amortized in the statement of activities.

Principal retirement	73,045	
Bond Issuance costs	(2,031)	
Total repayments/deductions		71,014

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. (14,317)

Some revenues will not be collected for several months after the County's fiscal year end. They are not considered "available" revenues and are deferred in the governmental funds. Deferred revenues decreased by this amount this year. (11,922)

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 outlay	24,449	
Capital grants and contributions	3,936	
Loss on retirement of capital assets	(5,436)	
Depreciation expense	(35,109)	
Excess(deficiency) of capital outlay over depreciation expense		(12,160)

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

Change in accrued interest	(209)	
Change in capital leases payable	200	
Change in compensated absences	229	
Change in long-term retirement costs	(14,502)	
Change in post-employment benefits other than pensions	(22,726)	
Change in sales tax payable	5,814	
Change in Federal & State long-term liabilities	(2,274)	
Total additional expenditures		(33,468)

Change in net position of governmental activities **(\$71,617)**

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, 2012
(000's Omitted)**

	Business-type Activities - Enterprise Funds						Governmental Activities - Internal Service Funds
	Solid Waste	Airport	Hospital	Pure Waters	Energy	Total	
ASSETS							
Current assets:							
Cash and cash equivalents	\$ 19	911	6,910	27,369	37	35,246	7,590
Accounts receivables, net	2,779	---	16,394	471	37	19,681	---
Due from other funds	---	---	---	1	---	1	5,050
Due from other governments:							
State and Federal - other	---	1,635	---	144	---	1,779	269
Local governments	70	9,078	---	20	2,407	11,575	52
Inventories	---	---	397	3,944	35	4,376	494
Unamortized bond issue costs	22	26	59	61	---	168	79
Other assets	32	---	289	---	974	1,295	44
Total current assets	2,922	11,650	24,049	32,010	3,490	74,121	13,578
Noncurrent assets:							
Restricted assets:							
Cash and cash equivalents	1,905	3,289	806	9,130	---	15,130	6,819
Custodial accounts	---	---	531	---	---	531	---
Securities in lieu of retained percentages	---	---	---	36	---	36	432
Capital assets, net of accumulated depreciation	18,604	178,815	27,571	322,083	---	547,073	82,387
Unamortized bond issue costs	65	302	98	920	---	1,385	958
Total noncurrent assets	20,574	182,406	29,006	332,169	---	564,155	90,596
Total assets	\$ 23,496	194,056	53,055	364,179	3,490	638,276	104,174

(continued)

**COUNTY OF MONROE, NEW YORK
STATEMENT OF NET POSITION
PROPRIETARY FUNDS
AS OF DECEMBER 31, 2012
(000's Omitted)**

	<u>Business-type Activities - Enterprise Funds</u>						<u>Governmental Activities - Internal Service Funds</u>
	<u>Solid Waste</u>	<u>Airport</u>	<u>Hospital</u>	<u>Pure Waters</u>	<u>Energy</u>	<u>Total</u>	
LIABILITIES							
Current liabilities:							
Accounts payable and accrued liabilities	\$ 1,523	2,802	8,049	5,465	1,192	19,031	46,958
Accrued interest payable	137	153	475	850	---	1,615	265
Due to other funds	16,300	---	---	---	2,300	18,600	---
Due to other governments	13	1,088	3,131	1,545	---	5,777	715
Notes payable	---	9,000	17,000	---	---	26,000	---
Current portion of:							
Capital leases payable	---	8	553	61	---	622	133
Bonds payable	2,471	1,764	4,626	9,288	---	18,149	4,078
Total current liabilities	<u>20,444</u>	<u>14,815</u>	<u>33,834</u>	<u>17,209</u>	<u>3,492</u>	<u>89,794</u>	<u>52,149</u>
Noncurrent liabilities:							
Capital leases payable	---	16	7,324	182	---	7,522	141
Bonds payable	11,165	18,271	11,679	121,134	---	162,249	58,538
Patient funds held in trust	---	---	531	---	---	531	---
Other long-term liabilities	---	3,295	14,118	9,319	---	26,732	2,552
Total noncurrent liabilities	<u>11,165</u>	<u>21,582</u>	<u>33,652</u>	<u>130,635</u>	<u>---</u>	<u>197,034</u>	<u>61,231</u>
Total liabilities	<u>31,609</u>	<u>36,397</u>	<u>67,486</u>	<u>147,844</u>	<u>3,492</u>	<u>286,828</u>	<u>113,380</u>
NET POSITION							
Net investment in capital assets	6,410	148,656	3,540	200,214	---	358,820	23,959
Restricted for:							
Debt service	623	71	---	1,154	---	1,848	138
Capital projects	---	---	806	---	---	806	---
Unrestricted (deficit)	<u>(15,146)</u>	<u>8,932</u>	<u>(18,777)</u>	<u>14,967</u>	<u>(2)</u>	<u>(10,026)</u>	<u>(33,303)</u>
Total net position	<u>\$ (8,113)</u>	<u>157,659</u>	<u>(14,431)</u>	<u>216,335</u>	<u>(2)</u>	<u>351,448</u>	<u>(9,206)</u>

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, 2012
(000's Omitted)

	Business-type Activities - Enterprise Funds						Governmental Activities- Internal Service Funds
	Solid Waste	Airport	Hospital	Pure Waters	Energy	Total	
Operating revenues:							
Charges for services	\$ 5,704	18,443	70,586	58,515	14,798	168,046	278
Interdepartmental	---	---	297	---	---	297	62,450
Repayments and refunds	---	20	---	37	278	335	15
Miscellaneous	7,530	126	1,846	224	---	9,726	236
Total operating revenues	13,234	18,589	72,729	58,776	15,076	178,404	62,979
Operating expenses:							
Personnel services	92	4,912	26,913	10,908	---	42,825	5,273
Employee benefits	53	3,278	18,704	7,651	---	29,686	3,702
Contractual	12,072	3,461	6,827	15,016	15,069	52,445	48,951
Depreciation and amortization	3,509	13,479	4,147	31,570	---	52,705	5,173
Other	759	5,127	15,017	8,662	---	29,565	14,342
Total operating expenses	16,485	30,257	71,608	73,807	15,069	207,226	77,441
Operating income (loss)	(3,251)	(11,668)	1,121	(15,031)	7	(28,822)	(14,462)
Nonoperating revenues (expenses):							
Federal aid	3	268	---	35	---	306	53
Use of money and property	4	8	12	863	---	887	56
Interest and fiscal charges	(630)	(1,033)	(979)	(5,615)	---	(8,257)	(2,382)
Loss on disposal of capital assets	---	---	---	(115)	---	(115)	16
Other income (expense)	6	---	---	763	---	769	(701)
Total nonoperating revenues (expenses)	(617)	(757)	(967)	(4,069)	---	(6,410)	(2,958)
Income (loss) before contributions and transfers	(3,868)	(12,425)	154	(19,100)	7	(35,232)	(17,420)
Capital contributions	---	10,252	---	196	---	10,448	---
Transfers in	---	---	---	---	---	---	3,103
Change in net position	(3,868)	(2,173)	154	(18,904)	7	(24,784)	(14,317)
Total net position at beginning of year	(4,245)	159,832	(14,585)	235,239	(9)	376,232	5,111
Total net position at end of year	\$ (8,113)	157,659	(14,431)	216,335	(2)	351,448	(9,206)

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, 2012
(000's Omitted)

	Business-type Activities - Enterprise Funds						Governmental Internal Service Funds
	Solid Waste	Airport	Hospital	Pure Waters	Energy	Total	
CASH FLOWS FROM OPERATING ACTIVITIES							
Cash received from providing services	\$ 8,451	18,443	71,390	58,529	14,922	171,735	484
Cash received from other funds for services	---	---	---	---	---	---	62,450
Payments to or on behalf of employees	(140)	(8,020)	(45,171)	(17,991)	---	(71,322)	(14,751)
Payments to suppliers	(12,106)	(3,041)	(18,540)	(21,273)	(14,864)	(69,824)	(40,534)
Payments for interfund services	(758)	(4,646)	---	(1,761)	---	(7,165)	(11,582)
Claims paid	---	---	---	---	---	---	(10,701)
Other receipts (payments)	7,461	1,468	565	(83)	(146)	9,265	20,576
Net cash provided by (used in) operating activities	2,908	4,204	8,244	17,421	(88)	32,689	5,942
CASH FLOWS FROM NONCAPITAL FINANCING ACTIVITIES							
Federal aid	3	268	---	36	---	307	53
Proceeds from revenue anticipation notes	---	---	17,000	---	---	17,000	---
Principal payments on revenue anticipation notes	---	---	(17,000)	---	---	(17,000)	---
Receipts from other funds	300	---	---	---	100	400	---
Payments to other funds	---	---	---	(1)	---	(1)	(6,650)
Transfers in	---	---	---	---	---	---	3,103
Net cash provided by (used in) noncapital financing activities	303	268	---	35	100	706	(3,494)
CASH FLOWS FROM CAPITAL AND RELATED FINANCING ACTIVITIES							
Interest paid	(597)	(1,033)	(1,036)	(5,615)	---	(8,281)	(2,381)
Change in securities and retainage	---	535	---	(37)	---	498	19
Proceeds from the issuance of notes	---	9,000	---	---	---	9,000	---
Proceeds from the issuance of bonds	2,009	---	5,660	21,950	---	29,619	12,918
Refunding of bonds	(3)	(57)	---	19	---	(41)	228
Principal paid on notes	(74)	(14,000)	(2,450)	(4,600)	---	(21,124)	(3,196)
Principal paid on bonds	(2,824)	(1,911)	(4,196)	(9,079)	---	(18,010)	(4,635)
Premium from the issuance of bonds	103	237	---	1,356	---	1,696	876
Capital contributions	---	10,252	---	196	---	10,448	---
CAB/Zero Bonds	(36)	---	---	---	---	(36)	---
Principal paid on capital leases	---	(8)	(270)	105	---	(173)	(144)
Additions to capital assets, net	(607)	(10,646)	(3,488)	(15,605)	---	(30,346)	(7,486)
Other payments	---	---	---	---	---	---	(705)
Net cash used in capital and related financing activities	\$ (2,029)	(7,631)	(5,780)	(11,310)	---	(26,750)	(4,506)

(continued)

COUNTY OF MONROE, NEW YORK
STATEMENT OF CASH FLOWS
PROPRIETARY FUNDS
FOR THE YEAR ENDED DECEMBER 31, 2012
(000's Omitted)

	Business-type Activities - Enterprise Funds						Governmental Internal Service Funds
	Solid Waste	Airport	Hospital	Pure Waters	Energy	Total	
CASH FLOWS FROM INVESTING ACTIVITIES							
Receipts from/payments to trustee	\$ ---	---	(564)	---	---	(564)	---
Receipts from use of money and property	80	8	11	863	---	962	56
Net cash provided by (used in) investing activities	80	8	(553)	863	---	398	56
Net increase (decrease) in cash and cash equivalents	1,262	(3,151)	1,911	7,009	12	7,043	(2,002)
Cash and cash equivalents, beginning of year	662	7,351	5,805	29,490	25	43,333	16,411
Cash and cash equivalents, end of year	<u>1,924</u>	<u>4,200</u>	<u>7,716</u>	<u>36,499</u>	<u>37</u>	<u>50,376</u>	<u>14,409</u>
Classified as:							
Cash and cash equivalents - unrestricted	19	911	6,910	27,369	37	35,246	7,590
Cash and cash equivalents - restricted	1,905	3,289	806	9,130	---	15,130	6,819
Total cash and cash equivalents	<u>1,924</u>	<u>4,200</u>	<u>7,716</u>	<u>36,499</u>	<u>37</u>	<u>50,376</u>	<u>14,409</u>
Reconciliation of operating income (loss) to net cash provided by (used in) operating activities:							
Operating income (loss)	(3,251)	(11,668)	1,121	(15,031)	7	(28,822)	(14,462)
Adjustments to reconcile operating income (loss) to net cash provided by (used in) operations:							
Depreciation and amortization	3,509	13,479	4,147	31,570	---	52,705	5,173
Change in:							
Accounts receivable	2,747	---	(2,697)	14	(6)	58	126
Due from other governments	(66)	1,386	---	(36)	(148)	1,136	874
Inventories	---	---	83	(339)	45	(211)	(97)
Other assets	(3)	---	(89)	17	(191)	(266)	(20)
Accounts payable, accrued and other liabilities	(30)	971	5,236	975	205	7,357	14,258
Due to other governments	2	36	443	251	---	732	90
Net cash provided by (used in) operating activities	<u>\$ 2,908</u>	<u>4,204</u>	<u>8,244</u>	<u>17,421</u>	<u>(88)</u>	<u>32,689</u>	<u>5,942</u>
Non-cash activity: Bond refunding-issued	81	2,942	2,350	4,490	---	9,863	3,621
Non-cash activity: Bond refunding-redeemed	(84)	(3,123)	(2,450)	(4,872)	---	(10,529)	(4,142)

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, 2012
(000's Omitted)

	Private Purpose Trusts	Agency
ASSETS		
Restricted cash and cash equivalents	\$ 122	19,365
Accounts receivable	---	4
	122	19,369
LIABILITIES		
Accounts payable and accrued expenses	---	19,369
	---	19,369
NET POSITION		
Held in trust for private purpose	\$ 122	---
	122	---

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, 2012
(000's Omitted)

		Private Purpose Trusts
ADDITIONS		
Miscellaneous revenue	\$	12
Total additions		12
 DEDUCTIONS		
Payments in accordance with trust agreements		3
Change in net position		9
Net position at beginning of year		113
Net position at end of year	\$	122

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, 2012
(000's Omitted)

	Major Component Units			Non-Major Component Units	Total
	Community College (Year End 8/31/12)	Airport Authority	Water Authority		
ASSETS					
Current assets:					
Cash and cash equivalents	32,532	9,757	41,765	6,662	90,716
Investments	26,818	---	---	2,331	29,149
Accounts receivables, net	9,478	2,249	10,976	659	23,362
Due from other governments	---	377	---	---	377
Inventories	---	---	1,475	---	1,475
Other assets	1,442	977	992	2,486	5,897
Total current assets	70,270	13,360	55,208	12,138	150,976
Noncurrent assets:					
Restricted assets:					
Cash and cash equivalents	27,075	11,105	2,624	---	40,804
Investments	---	---	---	53,080	53,080
Funds held by trustee	---	12,769	63,147	21,226	97,142
Capital assets, net of accumulated depreciation	151,181	36,141	384,126	21,239	592,687
Unamortized bond issue costs	---	---	---	2,348	2,348
Other assets	4,360	---	762	6,194	11,316
Total noncurrent assets	182,616	60,015	450,659	104,087	797,377
Total assets	252,886	73,375	505,867	116,225	948,353
LIABILITIES					
Current liabilities:					
Accounts payable and accrued liabilities	10,474	1,921	17,328	2,382	32,105
Accrued interest payable	---	1,345	2,964	866	5,175
Unearned revenue	12,495	276	---	340	13,111
Notes payable	---	---	32,388	60	32,448
Current portion of:					
Capital leases payable	---	---	1,104	293	1,397
Bonds payable	705	5,945	2,165	4,830	13,645
Total current liabilities	23,674	9,487	55,949	8,771	97,881
Noncurrent liabilities:					
Capital leases payable	---	---	3,372	1,486	4,858
Bonds payable	31,435	43,569	132,212	100,125	307,341
Other long-term liabilities	34,801	---	9,546	8,177	52,524
Total noncurrent liabilities	66,236	43,569	145,130	109,788	364,723
Total liabilities	89,910	53,056	201,079	118,559	462,604
NET POSITION					
Net investment in capital assets	123,942	(13,373)	238,593	2	349,164
Restricted for:					
Debt service	-	8,125	2,624	---	10,749
Nonexpendable	6,765	---	---	---	6,765
Expendable	10,730	---	---	---	10,730
Passenger facility charges	---	373	---	---	373
Unrestricted	21,539	25,194	63,571	(2,336)	107,968
Total net position	\$ 162,976	\$ 20,319	304,788	(2,334)	485,749

The notes to the 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, 2012
(000's Omitted)

	Major Component Units			Non-Major Component Units	Total
	Community College (Year End 8/31/12)	Airport Authority	Water Authority		
Expenses	\$ 174,877	29,189	53,982	19,018	277,066
Program revenues:					
Charges for services	45,860	30,837	57,332	24,791	158,820
Operating grants and contributions	125,118	---	---	147	125,265
Capital grants and contributions	6,546	173	2,655	---	9,374
Total program revenues	177,524	31,010	59,987	24,938	293,459
Net program revenue	2,647	1,821	6,005	5,920	16,393
General revenues:					
Unrestricted investment earnings	973	49	2,195	857	4,074
Miscellaneous revenue	---	---	---	170	170
Change in net position	3,620	1,870	8,200	6,947	20,637
Total net position at beginning of year, as restated, see note 1P	159,356	18,449	296,588	(9,281)	465,112
Total net position at end of year	\$ 162,976	20,319	304,788	(2,334)	485,749

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, 2012

1. Background and Summary of Significant Accounting Policies

A. Background

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

Monroe Community College (the College) was founded in 1961 with the County of Monroe as the local sponsor under provisions of Article 126 of the New York State Education Law. The College 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. The College 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 the College. As a result, the College, a legally separate entity, is included as a discretely presented component unit within the County's basic financial statements.

The College 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 the College. 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, 2012

1. **Background and Summary of Significant Accounting Policies (continued)**

B. **Financial Reporting Entity (continued)**

Monroe County Airport Authority – Major Discretely Presented Component Unit

The Monroe County Airport Authority (Airport Authority) is a public benefit corporation organized under the Public Authorities Law of the State of New York on October 1, 1989. The Airport Authority was created to finance, construct and develop aviation facilities. The oversight body is the Airport Authority board which is appointed by the County Legislature on the recommendation of the County Executive. The chairperson is appointed by the County Executive. Pursuant to a lease and operating agreement, the Airport Authority leases the properties comprising the Airport from the County. The lease expires 30 days after final repayment of the Airport Revenue Bonds, which are scheduled to be repaid by January 1, 2019. 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, 2012 were approximately \$18.4 million. Upon expiration or earlier termination of the lease term, the Airport reverts to the County and the County will continue to administer and operate the Airport. Separate financial statements may be obtained from the Monroe County Airport Authority, 1200 Brooks Avenue, Rochester, New York 14624.

Monroe County Water Authority – Major Discretely Presented Component Unit

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

In 1969, the Water Authority entered into an agreement with the County whereby the Water Authority agreed to plan, construct, operate, manage, repair and maintain certain improvements to the water system which are financed and owned by the County and leased to the Water Authority for operation as part of the water system. The Water Authority's lease payments for such improvements are equal to the debt service costs associated with financing such improvements through the issuance of bonds or bond anticipation notes by the County. Currently, the County has approximately \$4.4 million of bonds outstanding under this lease program with the Water Authority. Based upon the financial interdependence of this agreement and because the County must authorize all debt issuances of the Water Authority, the Water Authority is included as a discretely presented component unit within the County's basic financial statements.

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

County of Monroe Industrial Development Agency (COMIDA) – 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 8100, Rochester, New York 14614.

COUNTY OF MONROE, NEW YORK
Notes to Basic Financial Statements
Year Ended December 31, 2012

1. **Background and Summary of Significant Accounting Policies (continued)**

B. **Financial Reporting Entity (continued)**

Monroe Security and Safety Systems (M3SLDC) – Nonmajor Discretely Presented Component Unit

In May 2009, the Monroe Security and Safety Systems Local Development Corporation (M3SLDC) was established as a local development corporation. M3SLDC was organized to provide certain public safety and related security services to the County and other municipal organizations. M3SLDC is governed by a Board of Directors whose members are appointed by the County Executive of Monroe County. M3SLDC is included as a discretely presented component unit within the County's basic financial statements due to the County's ability to impose will on M3SLDC.

M3SLDC 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 M3SLDC should be addressed in writing to M3SLDC, 50 West Main Street, Suite 6100, Rochester, New York 14614.

Monroe Tobacco Asset Securitization Corporation (MTASC) - 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.

Monroe Newpower Corporation – Nonmajor Discretely Presented Component Unit

Monroe Newpower Corporation, a local development corporation, was formed in 2002 to buy the Lola Powerhouse from the County and to borrow funds to build natural gas-fired units as its replacement. The Corporation is governed by a Board of Directors whose members are appointed by the County Executive of Monroe County. Monroe Newpower Corporation is included as a discretely presented component unit within the County's basic financial statements due to the County's ability to impose will on Monroe Newpower Corporation.

Monroe Newpower Corporation has its own financial system, which is independent of the County's centralized financial system, which accounts for resources received and used. Requests for financial statements from Monroe Newpower Corporation should be addressed in writing to: 50 West Main Street, Suite 6100, Rochester, New York 14614.

Civic Center Monroe County Local Development Corporation (CCLDC) – Nonmajor Discretely Presented Component Unit

Civic Center Monroe County Local Development Corporation (CCLDC) was formed in 2002 to purchase the Civic Center Garage and manage other surface parking lots. The Corporation is governed by a Board of Directors whose members are appointed by the County Executive of Monroe County. CCLDC is included as a discretely presented component unit within the County's basic financial statements due to the County's ability to impose will on CCLDC.

CCLDC 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 CCLDC should be addressed in writing to: 50 West Main Street, Suite 6100, Rochester, New York 14614.

Upstate Telecommunications Corporation (UTC) – Nonmajor Discretely Presented Component Unit

Upstate Telecommunications Corporation (UTC), a local development corporation was organized in 2005 to provide technology and telecommunications services. The Corporation is governed by a Board of Directors whose members are appointed by the County Executive of Monroe County. UTC is included as a discretely presented component unit within the County's financial statements due to the County's ability to impose will on UTC.

COUNTY OF MONROE, NEW YORK
Notes to Basic Financial Statements
Year Ended December 31, 2012

1. Background and Summary of Significant Accounting Policies (continued)

B. Financial Reporting Entity (continued)

UTC 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 UTC should be addressed in writing to: 50 West Main Street, Suite 6100, 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 Board, 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.

A joint venture is a legal entity or other organization that results from a contractual arrangement and that is owned, operated, or governed by two or more participants as a separate specific activity subject to joint control, in which the participants retain an ongoing financial interest or an ongoing financial responsibility. The Cultural Center Commission (the Commission), a joint venture, was established as a result of debt issued by the County and the City of Rochester. The Commission's operating expenses each year are offset by parking lot revenues and revenues from mortgages on properties. The Commission's budget is subject to approval each year by the City Council and the County Legislature. Requests for financial statements from the Commission should be addressed in writing to: Cultural Center Commission, City Hall, Room 005A, 30 Church Street, Rochester, New York 14614-1290.

C. Fund Deficits

The hospital fund had a negative net position of \$14.4 million, the solid waste fund had a negative net position of \$8.1 million and the internal services fund had a negative position of \$9.2 million at December 31, 2012. In 2012, the hospital fund increased its net position by \$0.2 million while the solid waste fund decreased its net position by \$3.9 million. The County Executive's review of operations continues to make gains in operating efficiencies in both of these funds. As in the past, reducing the deficit is a priority for the County. The internal services fund deficit is due to the increasing actuarial liability for workers compensation claims. This is an area of risk management that the County continues to address looking for opportunities to reduce claim expenses. Negative net position at December 31, 2012 also included the energy fund at \$2 thousand.

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.

COUNTY OF MONROE, NEW YORK
Notes to Basic Financial Statements
Year Ended December 31, 2012

1. **Background and Summary of Significant Accounting Policies (continued)**

D. **Basis of Presentation (continued)**

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, fund equity/net position, revenues, and expenditures/expenses.

Governmental Fund Types

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

The County has the following major governmental fund:

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.

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 Greater Rochester International 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.

COUNTY OF MONROE, NEW YORK
Notes to Basic Financial Statements
Year Ended December 31, 2012

1. **Background and Summary of Significant Accounting Policies (continued)**

D. **Basis of Presentation (continued)**

Energy Fund - accounts for the buying and selling of gas and electric commodities in large quantities for the 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. Internal service funds include: Central Services, Building Accounts, Information Services, Fleet Management, and Risk Management.

Fiduciary Funds

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

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

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

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

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

The government-wide financial statements are prepared on a *full accrual basis* using the *economic resources measurement focus*. Revenues are recorded when earned and expenses are recorded when a liability is incurred, regardless of the timing of related cash flows. Property taxes are recognized in the year for which they are levied. Grants and similar items are recognized as revenues as soon as all of the eligibility requirements imposed by the provider have been met. 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 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 deferred. 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 and producing and delivering goods. Non-operating revenues and expenses are reported as capital and related financing activities, noncapital financing activities, or investing activities which normally would not be reported as components of operating income.

COUNTY OF MONROE, NEW YORK
Notes to Basic Financial Statements
Year Ended December 31, 2012

1. **Background and Summary of Significant Accounting Policies (continued)**

F. **Cash Equivalents**

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 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.

I. **Encumbrances**

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

In governmental funds, encumbrances outstanding at year-end are included on the face of the financial statements in the restricted, committed, and assigned fund balance amounts. Governmental funds' encumbrances, as of December 31, 2012 included \$8.0 million in the general fund and \$20.6 million in other nonmajor governmental funds of which \$19.6 million was related to capital projects.

J. **Inventories**

The County maintains inventories of various operational supplies.

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

K. **Capital Assets**

Primary Government

Capital assets purchased or acquired at an original cost of \$2,500 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.

COUNTY OF MONROE, NEW YORK
Notes to Basic Financial Statements
Year Ended December 31, 2012

1. Background and Summary of Significant Accounting Policies (continued)

K. Capital Assets (continued)

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	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. Due to Other Governments

In the 2012 government-wide and fund financial statements, the category “*due to other governments*” includes primarily sales tax collections of \$55.2 million and school tax collections of \$19.9 million that are due to other municipalities within the County. It also includes \$21.7 million due to the New York State and Local Employees’ Retirement System (ERS) and New York State Police and Firefighters’ Retirement System (PFRS).

M. 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, 2012 and include all payroll related liabilities. Primarily, the general fund and the road fund are used to liquidate the liability for compensated absences in the governmental funds.

N. Unamortized Bond Issue Costs

Bond discounts, premiums and expenses related to the issuance of debt obligations are amortized over the term of the respective bond issues for the governmental and business-type activities, and funds reporting on the full accrual basis. In the governmental fund financial statements, issuance costs are reported as debt service expenditures during the current period.

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.

COUNTY OF MONROE, NEW YORK
Notes to Basic Financial Statements
Year Ended December 31, 2012

1. Background and Summary of Significant Accounting Policies (continued)

P. Accounting and Reporting Change

In November 2010, GASB issued GASB Statement No. 60, *Accounting and Financial Reporting for Service Concession Arrangements*, effective for fiscal year ending December 31, 2012. The objective of this Statement is to improve financial reporting by addressing issues related to service concession arrangements (SCAs), which are a type of public-private or public-public partnership. This Statement had no impact on the County's financial statements for the year ended December 31, 2012.

In November 2010, GASB issued GASB Statement No. 61, *The Financial Reporting Entity: Omnibus—an amendment of GASB Statements No. 14 and No. 34*, effective for fiscal year ending December 31, 2013, early adoption is encouraged. This Statement modifies certain requirements for inclusion of component units in the financial reporting entity, which the County has implemented for the fiscal year ending December 31, 2012. With the addition of three component units, the beginning net position for the component units on the statement of activities has been restated by \$11.4 million to reflect the inclusion of the additional component units on the adoption of this Statement.

In December 2010, GASB issued GASB Statement No. 62, *Codification of Accounting and Financial Reporting Guidance Contained in Pre-November 30, 1989 FASB and AICPA Pronouncements*, effective for fiscal year ending December 31, 2012. The objective of this Statement is to incorporate into the GASB's authoritative literature certain accounting and financial reporting guidance that is included in pronouncements issued on or before November 30, 1989, which does not conflict with or contradict GASB pronouncements. This Statement had no impact on the County's financial statements for the year ended December 31, 2012.

In June 2011, GASB issued GASB Statement No. 63, *Financial Reporting of Deferred Outflows of Resources, Deferred Inflows of Resources, and Net Position*, effective for fiscal year ending December 31, 2012. This Statement provides financial reporting guidance for deferred outflows of resources and deferred inflows of resources. This Statement amends the net asset reporting requirements in Statement No. 34, *Basic Financial Statements—and Management's Discussion and Analysis—for State and Local Governments*, and other pronouncements by incorporating deferred outflows of resources and deferred inflows of resources into the definitions of the required components of the residual measure and by renaming that measure as net position, rather than net assets. This Statement had no impact on the County's financial statements for the year ended December 31, 2012.

In June 2011, GASB issued GASB Statement No. 64, *Derivative Instruments: Application of Hedge Accounting Termination Provisions—an amendment of GASB Statement No. 53*, effective for fiscal year ending December 31, 2012. The objective of this Statement is to clarify whether an effective hedging relationship continues after the replacement of a swap counterparty or a swap counterparty's credit support provider. This Statement sets forth criteria that establish when the effective hedging relationship continues and hedge accounting should continue to be applied. This Statement had no effect on the County's financial statements for the year ended December 31, 2012. This Statement had no impact on the County's financial statements for the year ended December 31, 2012.

In March 2012, GASB issued GASB Statement No. 65, *Items Previously Reported as Assets and Liabilities*, effective for fiscal year ending December 31, 2013, early adoption is encouraged. This Statement establishes accounting and financial reporting standards that reclassify, as deferred outflows of resources or deferred inflows of resources, certain items that were previously reported as assets and liabilities and recognizes, as outflows of resources or inflows of resources, certain items that were previously reported as assets and liabilities. Two component units of the County, the Airport Authority and Water Authority, have implemented this Statement for fiscal year ending December 31, 2012. The effect of early implementation resulted in a decrease in beginning net position for the Airport Authority and the Water Authority of \$428 thousand and \$2.4 million, respectively.

In 2012, Monroe Community College changed its method of revenue recognition for capital assets contributed by the State and County. Contributions of capital assets are now recognized when the assets are purchased by the State and County, as opposed to when the State and County make debt service payments on related borrowings. The effect of the change in accounting principle resulted in an increase in net position for the College for their fiscal year ending August 31, 2012. The beginning net position for the component units on the statement of activities has been restated by \$74.1 million to reflect the effect of this change in accounting principle.

COUNTY OF MONROE, NEW YORK
Notes to Basic Financial Statements
Year Ended December 31, 2012

1. **Background and Summary of Significant Accounting Policies (continued)**

P. **Accounting and Reporting Change (continued)**

The impact of the adoption of GASB Statement Nos. 61 and 65 and the change in accounting principle has the following effect on the statement of activities for the component units (000's omitted):

Component Units Net Position - Beginning of the year					
	<u>Community College</u>	<u>Airport Authority</u>	<u>Water Authority</u>	<u>Nonmajor Component Units</u>	<u>Total</u>
As originally presented	\$ 85,243	18,877	299,016	2,130	\$ 405,266
Adoption of GASB 61	-	-	-	(11,411)	(11,411)
Adoption of GASB 65	-	(428)	(2,428)	-	(2,856)
Change in accounting policy Community College	74,113	-	-	-	74,113
As restated	<u>\$ 159,356</u>	<u>18,449</u>	<u>296,588</u>	<u>(9,281)</u>	<u>\$ 465,112</u>

Q. **Use of Estimates**

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

R. **Net Position/Fund Balance**

Net Position

Net Position in government-wide and proprietary fund financial statements are classified as net investment in capital assets; restricted and unrestricted. Restricted net position represent 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, 2012 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 the actions or by the passage of time.

COUNTY OF MONROE, NEW YORK
Notes to Basic Financial Statements
Year Ended December 31, 2012

1. **Background and Summary of Significant Accounting Policies (continued)**

R. **Net Position/Fund Balance (continued)**

Grant, Trusts and Other Purposes - represents available grant, trust and other funds which are restricted to meet legal State or Federal requirements and other purposes.

Passenger Facility Charges - represents the cumulative unexpended passenger facility charge amounts reflected as restricted net position to be used for Federal Aviation Administration approved projects.

Fund Balance

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

Nonspendable – amounts that are not in spendable form (such as inventory and prepaids) or are legally or contractually required to be maintained intact.

Restricted – amounts constrained to specific purposes by their providers (such as grantors, bondholders, and higher levels of government) through constitutional provisions or by enabling legislation.

Committed – amounts constrained to specific purposes by a government itself, using its highest level of decision-making authority (County Legislature – by resolution); to be reported as committed, amounts cannot be used for any other purpose unless the government takes the same highest level action to remove or change the constraint.

Assigned – amounts a government intends to use for a specific purpose; intent can be expressed by the governing body (County Legislature) or by an official (Director of Finance) body to which the governing body delegates the authority. This category of fund balance also represents the residual amounts not otherwise reported as unspendable, 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, 2012

1. Background and Summary of Significant Accounting Policies (continued)

R. Net Position/Fund Balance (continued)

As of December 31, 2012 Governmental Fund Balances were classified as follows (*000's omitted*):

	General	Special Revenue	Nonmajor Funds		Capital Projects	Total
			Debt Service			
			General	MTASC		
Nonspendable						
Inventory	\$ 1,617	736	-	-	-	\$ 2,353
Total Nonspendable	1,617	736	-	-	-	2,353
Restricted						
Jail Trust Funds	-	4,836	-	-	-	4,836
Debt Service	-	-	3,482	13,205	-	16,687
STOP DWI	122	-	-	-	-	122
Handicapped Parking	533	-	-	-	-	533
Grants	4,910	-	-	-	-	4,910
Capital projects	-	-	-	-	25,088	25,088
Total Restricted	5,565	4,836	3,482	13,205	25,088	52,176
Committed						
Unspent Contract Encumbrances:						
General government	190	-	-	-	-	190
Public safety	56	-	-	-	-	56
Health and welfare	1,973	-	-	-	-	1,973
Green Space Initiative	-	449	-	-	-	449
Trust Funds	-	1,362	-	-	-	1,362
Total Committed	2,219	1,811	-	-	-	4,030
Assigned						
Unspent Purchase Order Encumbrances						
General government	48	-	-	-	-	48
Public safety	551	-	-	-	-	551
Health and welfare	227	-	-	-	-	227
Cultural, recreation and education	4	-	-	-	-	4
Transportation	-	10	-	-	-	10
Debt Service	-	-	880	462	-	1,342
Appropriated Road Fund	-	700	-	-	-	700
Appropriated Library Fund	-	207	-	-	-	207
Appropriated General Fund	2,163	-	-	-	-	2,163
Road Fund	-	535	-	-	-	535
Library Fund	-	393	-	-	-	393
Total Assigned	2,993	1,845	880	462	-	6,180
Unassigned	1,708	-	-	-	(9,957)	(8,249)
Total Fund Balance	\$ 14,102	9,228	4,362	13,667	15,131	\$ 56,490

COUNTY OF MONROE, NEW YORK
Notes to Basic Financial Statements
Year Ended December 31, 2012

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 December 31, 2012 budget is (*000's omitted*):

Five year average full valuation of taxable real property	\$ 38,157,176
Tax limit (1.5% of 5-year average full valuation of property)	572,358
Total Tax Levy	338,086
Less: Exclusions from tax limit	<u>40,585</u>
Total tax levy subject to taxing power limit	<u>297,501</u>
Tax margin (Unused Taxing Power)	<u>\$ 274,857</u>

Real property taxes include the property tax levy, delinquent taxes, and sales tax attributable to the towns in consideration for credits given 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. The towns and special districts, as well as the Pure Waters districts, receive the full amount of their levies annually out of the first amounts collected on the combined bills. The County issues a warrant to each town's receiver or collector exclusively empowering them to collect both County and town charges.

The warrants, which initially expire on January 31, may be (and are, as a matter of practice) extended to 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 deferred on the basis that they are not available to finance current operations. Those collected within the first sixty days of 2013 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, 2013.

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

COUNTY OF MONROE, NEW YORK
Notes to Basic Financial Statements
Year Ended December 31, 2012

3. Sales Tax (continued)

The County recognizes as sales tax revenue the entire four percent in the general fund. The subsequent payments to the County's partners are recognized as general fund general government expenditures.

Beginning in 2008, Monroe County opted to participate in the New York State program to swap sales tax receipts to cover the local cost of Medicaid. The New York State Tax Commissioner determined that 1.61% of Monroe County sales tax rate (4.0%) would be used to pay for Medicaid. The remaining 2.39% of the sales tax rate was distributed to the County. Sales tax swapped by New York State is recognized as general fund health and welfare expenditures. In 2008, the County distribution to the City of Rochester, towns and villages was based on the pre-swap revenue amount, whereas the amount distributed to school districts was based on the post-swap revenue amount. Subsequent to 2008, the distribution to the school districts was based on the pre-swap revenue amount. The difference between the pre and post swap revenue amount for school districts for 2008 amounted to \$29.1 million. Based on a settlement agreement between the County and the school districts, this amount, with interest, will be repaid over five years starting in 2010. The current portion of this liability, to be paid in 2013, has been recognized in the governmental funds and on the government-wide financial statements and as an expenditure in the governmental funds in 2012. The remaining amount appears as a long term liability on the government-wide financial statements.

Monroe County will opt out of the Medicaid swap program with New York State, effective January 1, 2013.

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

COUNTY OF MONROE, NEW YORK
Notes to Basic Financial Statements
Year Ended December 31, 2012

4. Deposits and Investments (continued)

C. Credit Risk (continued)

- 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

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, 2012, \$113.8 million of the County's deposits of \$141.9 million, which are included in cash and cash equivalents, was exposed to custodial credit risk. This credit risk was uninsured and collateralized by securities held by the pledging bank's trust department not in the County's name. The difference is insured under the provisions of the Federal Deposit Insurance Act. In addition, as of December 31, 2012, \$454 thousand of MTASC's cash and cash equivalents of \$13.7 million was insured by the Federal Deposit Insurance Act with the balance invested in a money market fund held by the bank's trust department and fully guaranteed.

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 2012.

E. Concentration of Credit Risk

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

COUNTY OF MONROE, NEW YORK
Notes to Basic Financial Statements
Year Ended December 31, 2012

5. Custodial Accounts

Custodial assets refer to cash and cash equivalents held by the County for a third party. The Monroe Community Hospital holds \$531 thousand of funds owned by its patients and residents at the end of 2012.

6. Funds Held by Trustee

Funds held by trustee for the primary government refer to cash and investments held by a third party for the County. The funds held by trustee are not subject to the County's Investment and Deposit Policy. As of December 31, 2012 the County has no funds held by trustee.

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, 2012 are restricted to the following uses (*000's omitted*):

Restricted Cash, Cash Equivalents and Investments				
	Capital Projects	Debt Service	Other	Total
Governmental Activities:				
General Fund	\$ -	15,000	-	\$ 15,000
Nonmajor Governmental Funds:				
Debt Service	-	17,568	-	17,568
Capital Projects	17,515	-	-	17,515
Total Non-major Governmental Funds	17,515	17,568	-	35,083
Internal Service	6,681	138	-	6,819
Total Governmental Activities	24,196	32,706	-	56,902
Business-type Activities:				
Solid Waste	1,378	527	-	1,905
Airport	3,218	71	-	3,289
Hospital	806	-	-	806
Pure Waters	9,031	99	-	9,130
Total Business-type Activities	14,433	697	-	15,130
Fiduciary Funds:				
Agency	-	-	19,365	19,365
Private Purpose Trust	-	-	122	122
Total Fiduciary Funds	-	-	19,487	19,487
Total Restricted Cash, Cash Equivalents and Investments	\$ 38,629	33,403	19,487	\$ 91,519

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 agencies are primarily composed of third-party medical insurance and mortgage tax monies.

COUNTY OF MONROE, NEW YORK
Notes to Basic Financial Statements
Year Ended December 31, 2012

8. Receivables and Payables

A. Receivables

As of December 31, 2012 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	\$ 22,833	18,500	2,448	-	\$ 43,781
Nonmajor Governmental:					
Special Revenue	-	-	837	-	837
Debt Service	-	-	37,452	(27,311)	10,141
Capital Projects	-	-	557	-	557
Total Nonmajor Governmental	<u>-</u>	<u>-</u>	<u>38,846</u>	<u>(27,311)</u>	<u>11,535</u>
Internal Service	-	-	-	-	-
Total Governmental Activities	<u>22,833</u>	<u>18,500</u>	<u>41,294</u>	<u>(27,311)</u>	<u>55,316</u>
Business-type Activities:					
Solid Waste	-	-	2,779	-	2,779
Hospital	-	-	17,794	(1,400)	16,394
Pure Waters	-	-	471	-	471
Energy	-	-	37	-	37
Total Business-type Activities	<u>-</u>	<u>-</u>	<u>21,081</u>	<u>(1,400)</u>	<u>19,681</u>
Total Accounts Receivable	<u>\$ 22,833</u>	<u>18,500</u>	<u>62,375</u>	<u>(28,711)</u>	<u>\$ 74,997</u>

Accounts receivable as of December 31, 2012 for governmental activities are comprised mainly of property taxes and assessments of \$22.8 million and of returned school taxes of \$18.5 million. The nonmajor governmental funds receivable of \$38.8 million is comprised primarily of an amount billed to the Greater Rochester Outdoor Sports Facility Corporation for stadium related debt service, of which the total amount of \$27.3 million is included in allowance for doubtful accounts, and Tobacco Settlement Revenues due to MTASC of \$10.1 million. Business-type activity accounts receivable are comprised primarily of \$2.8 million for user fees in the solid waste fund and \$16.4 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 61 percent payable to vendors and 39 percent accrued salaries and benefits. The accounts payable and accrued liabilities in the business-type activities include approximately 56 percent payable to vendors and 44 percent accrued salaries and benefits. The accounts payable and accrued liabilities balances in governmental funds include approximately 72 percent payable to vendors and 28 percent accrued salaries and benefits. The accounts payable and accrued liabilities balances in proprietary funds approximate 20 percent payable to vendors and 80 percent accrued salaries and benefits.

C. Deferred Revenues

At the fund level, revenues that are measurable but not available to finance current operations have been deferred. Major revenues deferred in the general fund as of December 31, 2012 include property tax revenues and state aid.

COUNTY OF MONROE, NEW YORK
Notes to Basic Financial Statements
Year Ended December 31, 2012

9. Capital Assets

Capital asset activity for the County's **primary government** consists of the following for the year ended December 31, 2012 (*000's omitted*):

Capital Asset Activity – Governmental Activities					
	Beginning Balance	Additions	Capitalization of AuC	Retirements	Ending Balance
Governmental Activities:					
Nondepreciable Assets					
Land	\$ 22,070	664	-	-	\$ 22,734
Assets under Construction	42,749	28,861	(35,728)	-	35,882
Total Nondepreciable Assets	64,819	29,525	(35,728)	-	58,616
Depreciable Assets					
Buildings	172,723	-	-	(16)	172,707
Infrastructure	905,521	21,122	-	(5,996)	920,647
Improvements other than Buildings	210,566	16,153	-	(586)	226,133
Machinery and Equipment	109,707	5,568	-	(5,058)	110,217
Total Depreciable Assets	1,398,517	42,843	-	(11,656)	1,429,704
Total Investments in Capital Assets	1,463,336	72,368	(35,728)	(11,656)	1,488,320
Less Accumulated Depreciation					
Buildings	(86,770)	(4,648)	-	16	(91,402)
Infrastructure	(460,513)	(19,307)	-	1,913	(477,907)
Improvements other than Buildings	(106,317)	(9,778)	-	585	(115,510)
Machinery and Equipment	(73,614)	(6,577)	-	2,954	(77,237)
Total Accumulated Depreciation	(727,214)	(40,310)	-	5,468	(762,056)
Capital Assets, Net	\$ 736,122	32,058	(35,728)	(6,188)	\$ 726,264

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, 2012 as follows (*000's omitted*):

Depreciation Expense Charged to Functions / Programs	
Governmental Activities:	Amount
General government	\$ 7,933
Public safety	8,762
Health and welfare	468
Culture, recreation and education	3,376
Transportation	19,696
Sanitation	75
Total	\$ 40,310

COUNTY OF MONROE, NEW YORK
Notes to Basic Financial Statements
Year Ended December 31, 2012

9. **Capital Assets (continued)**

Capital asset activity of the County's **primary government** consists of the following for the year ended December 31, 2012 (*000's omitted*):

Capital Asset Activity – Business-type Activities					
	Beginning Balance	Additions	Capitalization of AuC	Retirements	Ending Balance
Business-type Activities:					
Nondepreciable Assets					
Land	\$ 27,270	-	-	-	\$ 27,270
Assets under Construction	18,552	27,609	(14,906)	-	31,255
Total Nondepreciable Assets	45,822	27,609	(14,906)	-	58,525
Depreciable Assets					
Buildings	192,317	500	-	(30)	192,787
Infrastructure	690,134	16	-	-	690,150
Improvements other than Buildings	411,029	12,378	-	-	423,407
Machinery and Equipment	112,921	7,053	-	(1,790)	118,184
Total Depreciable Assets	1,406,401	19,947	-	(1,820)	1,424,528
Total Investments in Capital Assets	1,452,223	47,556	(14,906)	(1,820)	1,483,053
Less Accumulated Depreciation					
Buildings	(134,738)	(4,873)	-	30	(139,581)
Infrastructure	(463,930)	(23,611)	-	-	(487,541)
Improvements other than Buildings	(185,417)	(20,648)	-	-	(206,065)
Machinery and Equipment	(99,376)	(3,556)	-	139	(102,793)
Total Accumulated Depreciation	(883,461)	(52,688)	-	169	(935,980)
Capital Assets, Net	\$ 568,762	(5,132)	(14,906)	(1,651)	\$ 547,073

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, 2012

9. Capital Assets (continued)

Capital asset activity of the County's **solid waste enterprise fund** consists of the following for the year ended December 31, 2012 (*000's omitted*):

Solid Waste Enterprise Fund – Capital Asset Activity					
	Beginning Balance	Additions	Capitalization of AuC	Retirements	Ending Balance
Business-type Activities:					
Nondepreciable Assets					
Land	\$ 6,324	-	-	-	\$ 6,324
Assets under Construction	294	599	(73)	-	820
Total Nondepreciable Assets	6,618	599	(73)	-	7,144
Depreciable Assets					
Buildings	11,302	73	-	-	11,375
Improvements other than Buildings	57,362	-	-	-	57,362
Machinery and Equipment	3,134	9	-	(1)	3,142
Total Depreciable Assets	71,798	82	-	(1)	71,879
Total Investments in Capital Assets	78,416	681	(73)	(1)	79,023
Less Accumulated Depreciation					
Buildings	(10,308)	(58)	-	-	(10,366)
Improvements other than Buildings	(44,253)	(2,836)	-	-	(47,089)
Machinery and Equipment	(2,409)	(556)	-	1	(2,964)
Total Accumulated Depreciation	(56,970)	(3,450)	-	1	(60,419)
Capital Assets, Net	\$ 21,446	(2,769)	(73)	-	\$ 18,604

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, 2012

9. **Capital Assets (continued)**

Capital asset activity of the County's **airport enterprise fund** consists of the following for the year ended December 31, 2012 (*000's omitted*):

Airport Enterprise Fund – Capital Asset Activity					
	Beginning Balance	Additions	Capitalization of AuC	Retirements	Ending Balance
Business-type Activities:					
Nondepreciable Assets					
Land	\$ 18,466	-	-	-	\$ 18,466
Assets under Construction	2,928	9,971	(3,249)	-	9,650
Total Nondepreciable Assets	21,394	9,971	(3,249)	-	28,116
Depreciable Assets					
Buildings	22,760	-	-	-	22,760
Improvements other than Buildings	257,025	3,232	-	-	260,257
Machinery and Equipment	10,840	695	-	(280)	11,255
Total Depreciable Assets	290,625	3,927	-	(280)	294,272
Total Investments in Capital Assets	312,019	13,898	(3,249)	(280)	322,388
Less Accumulated Depreciation					
Buildings	(13,404)	(624)	-	-	(14,028)
Improvements other than Buildings	(108,227)	(12,509)	-	-	(120,736)
Machinery and Equipment	(8,743)	(346)	-	280	(8,809)
Total Accumulated Depreciation	(130,374)	(13,479)	-	280	(143,573)
Capital Assets, Net	\$ 181,645	419	(3,249)	-	\$ 178,815

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

COUNTY OF MONROE, NEW YORK
Notes to Basic Financial Statements
Year Ended December 31, 2012

9. Capital Assets (continued)

Capital asset activity of the County's **hospital enterprise fund** consists of the following for the year ended December 31, 2012 (*000's omitted*):

Hospital Enterprise Fund – Capital Asset Activity					
	Beginning Balance	Additions	Capitalization of AuC	Retirements	Ending Balance
Business-type Activities:					
Nondepreciable Assets					
Land	\$ 109	-	-	-	\$ 109
Assets under Construction	561	3,572	(2,310)	-	1,823
Total Nondepreciable Assets	670	3,572	(2,310)	-	1,932
Depreciable Assets					
Buildings	90,191	427	-	-	90,618
Infrastructure	3,587	10	-	-	3,597
Machinery and Equipment	47,054	1,790	-	-	48,844
Total Depreciable Assets	140,832	2,227	-	-	143,059
Total Investments in Capital Assets	141,502	5,799	(2,310)	-	144,991
Less Accumulated Depreciation					
Buildings	(69,397)	(2,811)	-	-	(72,208)
Infrastructure	(2,507)	(162)	-	-	(2,669)
Machinery and Equipment	(41,368)	(1,175)	-	-	(42,543)
Total Accumulated Depreciation	(113,272)	(4,148)	-	-	(117,420)
Capital Assets, Net	\$ 28,230	1,651	(2,310)	-	\$ 27,571

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, 2012

9. **Capital Assets (continued)**

Capital asset activity of the County's **pure waters enterprise fund** consists of the following for the year ended December 31, 2012 (*000's omitted*):

Pure Waters Enterprise Fund – Capital Asset Activity					
	Beginning Balance	Additions	Capitalization of AuC	Retirements	Ending Balance
Business-type Activities:					
Nondepreciable Assets					
Land	\$ 2,371	-	-	-	\$ 2,371
Assets under Construction	14,769	13,467	(9,274)	-	18,962
Total Nondepreciable Assets	17,140	13,467	(9,274)	-	21,333
Depreciable Assets					
Buildings	68,064	-	-	(30)	68,034
Infrastructure	686,547	6	-	-	686,553
Improvements other than Buildings	96,642	9,146	-	-	105,788
Machinery and Equipment	51,893	4,559	-	(1,509)	54,943
Total Depreciable Assets	903,146	13,711	-	(1,539)	915,318
Total Investments in Capital Assets	920,286	27,178	(9,274)	(1,539)	936,651
Less Accumulated Depreciation					
Buildings	(41,629)	(1,380)	-	30	(42,979)
Infrastructure	(461,423)	(23,449)	-	-	(484,872)
Improvements other than Buildings	(32,937)	(5,303)	-	-	(38,240)
Machinery and Equipment	(46,856)	(1,479)	-	(142)	(48,477)
Total Accumulated Depreciation	(582,845)	(31,611)	-	(112)	(614,568)
Capital Assets, Net	\$ 337,441	(4,433)	(9,274)	(1,651)	\$ 322,083

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, 2012

10. Indebtedness and Certain Long-term Obligations

A. Short Term Indebtedness

The County had a total of \$84 million in outstanding notes payable as of December 31, 2012. This was comprised of \$9 million of bond anticipation notes (BANS) and \$75 million of revenue anticipation notes (RANS).

During 2012, the County issued a total \$9 million bond anticipation notes to renew previously-issued bond anticipation notes. The County also issued a total of \$75 million of revenue anticipation notes, which provided \$58 million of working capital for the general fund and \$17 million for the Monroe Community 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, 2012 (*000's omitted*):

Changes in Notes Payable - Primary Government				
	Beginning Balance	Additions	Deductions	Ending Balance
Governmental Activities:				
Capital Project Funds-Bond Anticipation Notes	\$ 14,660	-	(14,660)	\$ -
Internal Service Funds-Bond Anticipation Notes	3,196	-	(3,196)	-
General Fund-Revenue Anticipation Notes	58,000	58,000	(58,000)	58,000
Total Governmental Activities	75,856	58,000	(75,856)	58,000
Business-type Activities:				
Pure Waters-Bond Anticipation Notes	4,600	-	(4,600)	-
Solid Waste-Bond Anticipation Notes	74	-	(74)	-
Airport-Bond Anticipation Notes	14,000	9,000	(14,000)	9,000
Hospital-Bond Anticipation Notes	2,450	-	(2,450)	-
Hospital-Revenue Anticipation Notes	17,000	17,000	(17,000)	17,000
Total Business-type Activities	38,124	26,000	(38,124)	26,000
Total Notes Payable	\$ 113,980	84,000	(113,980)	\$ 84,000

COUNTY OF MONROE, NEW YORK
Notes to Basic Financial Statements
Year Ended December 31, 2012

10. **Indebtedness and Certain Long-term Obligations (continued)**

A. **Short Term Indebtedness (continued)**

The following is a summary of notes payable as of December 31, 2012 (*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	11/8/2012	0.98%	4/8/2013	\$ <u>58,000</u>
Total Governmental Activities				\$ <u>58,000</u>
Business-type Activities:				
Airport				
Public Improvement Bond Anticipation Notes	7/12/2012	0.88%	7/12/2013	\$ 9,000
Hospital				
Revenue Anticipation Notes	11/8/2012	0.98%	4/8/2013	<u>17,000</u>
Total Business-type Activities				<u>26,000</u>
Total Notes Payable				\$ <u><u>84,000</u></u>

COUNTY OF MONROE, NEW YORK
Notes to Basic Financial Statements
Year Ended December 31, 2012

10. Indebtedness and Certain Long-term Obligations (continued)

B. Long-term Liabilities

The following is a summary of long-term liabilities for the primary government as of December 31, 2012 (000's omitted):

Long-term Liabilities – Primary Government					
	Beginning Balance	Additions	Deductions	Current Portion	Long-term Portion
Governmental Activities:					
Capital Leases Payable	\$ 1,362	42	(386)	400	\$ 618
Bonds Payable	519,829	96,757	(73,384)	32,250	510,952
Other Long-term Liabilities					
Due to New York State Retirement System	38,417	30,767	(19,432)	16,292	33,460
Postemployment benefits other than pension	82,712	23,249	-	-	105,961
Federal and State long-term liabilities	1,989	5,243	(2,385)	2,573	2,274
Sales Tax due to school districts	17,442	-	(5,814)	5,814	5,814
Compensated Absences	27,124	-	(240)	17,427	9,457
Total Other Long-term Liabilities	167,684	59,259	(27,871)	42,106	156,966
Total Governmental Long-term Liabilities	\$ 688,875	156,058	(101,641)	74,756	\$ 668,536
Business-type Activities:					
Capital Leases Payable	\$ 8,572	304	(732)	622	7,522
Bonds Payable	166,875	39,481	(25,958)	18,149	162,249
Patient funds held in trust	575	-	(44)	-	531
Other Long-term Liabilities					
Due to New York State Retirement System	5,021	5,288	(4,590)	5,384	335
Postemployment benefits other than pension	20,628	5,425	-	-	26,053
Pollution Remediation	100	-	(100)	-	-
Compensated Absences	2,027	13	(54)	1,642	344
Total Other Long-term Liabilities	27,776	10,726	(4,744)	7,026	26,732
Total Business-type Long-term Liabilities	\$ 203,798	50,511	(31,478)	25,797	\$ 197,034

The current portion of the amount Due to New York State Retirement System in the statement of net position represents the next payment to the New York State Retirement System due on February 1, 2013. 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 statements both at the government-wide and the fund level. 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, 2012

10. **Indebtedness and Certain Long-term Obligations (continued)**

B. Long-term Liabilities (continued)

The following is a summary of changes in bonds payable for the year ended December 31, 2012 (*000's omitted*):

Bonds Payable – Primary Government					
	Beginning Balance	Additions	Deductions	Ending Balance	Current Portion
Governmental Activities:					
Governmental Funds	\$ 466,571	80,219	(66,204)	480,586	\$ 28,172
Internal Service Funds	<u>53,258</u>	<u>16,538</u>	<u>(7,180)</u>	<u>62,616</u>	<u>4,078</u>
Total Governmental Activities	<u>519,829</u>	<u>96,757</u>	<u>(73,384)</u>	<u>543,202</u>	<u>32,250</u>
Business-type Activities:					
Solid Waste	14,321	2,090	(2,775)	13,636	2,471
Airport	21,753	2,942	(4,660)	20,035	1,764
Hospital	14,640	8,010	(6,345)	16,305	4,626
Pure Waters	<u>116,161</u>	<u>26,439</u>	<u>(12,178)</u>	<u>130,422</u>	<u>9,288</u>
Total Business Type Activities	<u>166,875</u>	<u>39,481</u>	<u>(25,958)</u>	<u>180,398</u>	<u>18,149</u>
Total Bonds Payable	\$ <u>686,704</u>	<u>136,238</u>	<u>(99,342)</u>	<u>723,600</u>	\$ <u>50,399</u>

COUNTY OF MONROE, NEW YORK
Notes to Basic Financial Statements
Year Ended December 31, 2012

10. Indebtedness and Certain Long-term Obligations (continued)

B. Long-term Liabilities (continued)

The following is a summary of serial bonded indebtedness for the year ended December 31, 2012 (*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					
Bonds issued by the County					
Public Improvement (Zero Coupon)	\$ 59,293	8/19/1993	0.000	2013	\$ 581
Public Improvement	33,313	7/2/1996	5.750	2016	17
Public Improvement Refunding Series A	56,613	12/1/1996	6.000	2019	3,436
Public Improvement Series A	25,580	12/1/1997	4.900/5.000	2017	90
Public Stadium	13,550	5/27/1999	7.100	2024	9,300
Public Improvement CABS	61,091	3/14/2002	4.370/4.960	2019	2,314
General Obligation Refunding Bonds	36,385	10/21/2004	5.000	2014	7,931
Public Improvement	29,369	7/15/2005	4.125/4.250	2025	20,458
Public Improvement	36,959	7/15/2007	4.250/4.375	2027	19,162
General Obligation Refunding Bonds A	20,032	6/19/2008	3.500/4.000	2017	2,963
General Obligation Refunding Bonds C	2,570	6/19/2008	3.500/4.000	2017	1,355
Public Improvement A	27,253	7/14/2009	4.000/5.000	2029	20,356
Public Improvement	38,812	7/13/2010	3.000/4.375	2030	35,901
General Obligation Refunding Bonds	35,299	4/3/2012	3.750/5.000	2023	35,299
Public Improvement	<u>30,350</u>	6/27/2012	2.000/5.000	2031	<u>30,350</u>
	<u>\$ 506,469</u>				<u>\$ 189,513</u>
Add: Accretion of capital appreciation bonds					1,718
Unamortized bond premium					6,796
Unamortized gain on refinancing					1,035
Less: Unamortized loss on refinancing					<u>(1,410)</u>
Total Bonds Issued by the County					<u>\$ 197,652</u>
Bonds Issued by MTASC					
MTASC Series	\$ 157,720	8/25/2005	5.000/6.650	2060	\$ 148,241
MTASC Series	14,579	2/7/2006	7.700	2061	14,579
MTASC Series	63,100	6/1/2010	6.250	2060	63,100
	<u>\$ 235,399</u>				<u>\$ 225,920</u>
Add: Accretion of capital appreciation bonds					27,989
Less: Unamortized bond discount					<u>(2,200)</u>
Total Bonds Issued by MTASC					<u>\$ 251,709</u>

COUNTY OF MONROE, NEW YORK
Notes to Basic Financial Statements
Year Ended December 31, 2012

10. Indebtedness and Certain Long-term Obligations (continued)

B. Long-term Liabilities (continued)

Bonds Payable – Primary Government (continued)					
	Original Amount	Date of Bonds	Interest Rate Percent	Final Maturity	Outstanding Amount
Governmental Activities (continued):					
Bonds Issued by the County for Monroe Community College (MCC)					
Public Improvement Series A	\$ 3,400	12/1/1997	4.900/5.000	2017	\$ 7
Public Improvement CABS	10,506	3/14/2002	4.370/4.960	2019	78
General Obligation Refunding Bonds	4,823	10/21/2004	5.000	2014	2,003
Public Improvement	1,328	7/15/2005	4.125/4.250	2025	917
Public Improvement	654	7/15/2007	4.250	2017	60
General Obligation Refunding Bonds A	2,073	6/19/2008	3.500/4.000	2017	947
Public Improvement A	7,910	7/14/2009	4.000/5.000	2029	6,558
Public Improvement	5,300	7/13/2010	3.000/4.375	2030	5,052
General Obligation Refunding Bonds	7,792	4/3/2012	3.750/5.000	2022	7,792
Public Improvement	6,778	6/27/2012	2.000/5.000	2031	6,778
	<u>\$ 50,564</u>				<u>\$ 30,192</u>
Add: Unamortized bond premium					1,395
Unamortized gain on refinancing					34
Less: Unamortized loss on refinancing					<u>(396)</u>
Total Bonds Issued by the County for MCC					<u>\$ 31,225</u>
Total Governmental Funds					<u>\$ 480,586</u>
Internal Service Funds					
Public Improvement (Zero Coupon)	\$ 4,345	8/19/1993	0.000	2013	\$ 28
Public Improvement Refunding Series A	6,128	12/1/1996	6.000	2019	234
Public Improvement	21,025	5/27/1999	4.500	2015	-
General Obligation Refunding Bonds	8,555	10/21/2004	5.000	2014	960
Public Improvement	8,880	7/15/2005	4.125/4.250	2025	6,201
Public Improvement	8,358	7/15/2007	4.250/4.375	2027	5,749
General Obligation Refunding Bonds A	4,825	6/19/2008	3.500/3.750	2015	195
Public Improvement A	10,590	7/14/2009	4.000/5.000	2029	7,913
Public Improvement	24,088	7/13/2010	3.000/4.375	2030	22,792
General Obligation Refunding Bonds	3,621	4/3/2012	5.000	2019	3,621
Public Improvement	12,918	6/27/2012	2.000/5.000	2031	12,918
	<u>\$ 113,333</u>				<u>\$ 60,611</u>
Add: Unamortized bond premium					1,816
Unamortized gain on refinancing					239
Less: Unamortized loss on refinancing					<u>(50)</u>
Total Internal Service Funds					<u>\$ 62,616</u>
Total Governmental Activities					<u><u>\$ 543,202</u></u>

COUNTY OF MONROE, NEW YORK
Notes to Basic Financial Statements
Year Ended December 31, 2012

10. **Indebtedness and Certain Long-term Obligations (continued)**

B. **Long-term Liabilities (continued)**

Bonds Payable – Primary Government (continued)					
	Original Amount	Date of Bonds	Interest Rate Percent	Final Maturity	Outstanding Amount
Business-type Activities:					
Bonds issued by the County					
Solid Waste Fund					
Public Improvement (Zero Coupon)	\$ 5,528	8/19/1993	0.000	2013	\$ 105
Public Improvement	59,717	8/24/1994	6.050/6.150	2016	231
EFC Public Improvement Refunding	15,005	6/1/1995	4.200	2015	2,975
Public Improvement Refunding Series A	46,343	12/1/1996	6.000	2019	3,538
Public Improvement Series A	5,714	12/1/1997	4.900/5.000	2017	263
Public Improvement	6,825	5/27/1999	4.500	2015	119
Public Improvement	4,570	7/15/2005	4.125/4.250	2025	3,144
Public Improvement	123	7/15/2007	4.250	2020	80
General Obligation Refunding A	770	6/19/2008	3.500/4.000	2016	355
Public Improvement A	665	7/14/2009	4.000/5.000	2018	295
General Obligation Refunding	81	4/3/2012	5.000	2019	81
Public Improvement	<u>2,009</u>	6/27/2012	2.000/5.000	2031	<u>2,009</u>
	<u>\$ 147,350</u>				<u>\$ 13,195</u>
Add: Accretion of capital appreciation bonds					506
Unamortized bond premium					115
Less: Unamortized loss on refinancing					<u>(180)</u>
Total Solid Waste Fund					<u>\$ 13,636</u>
Airport Fund					
Public Improvement	\$ 3,555	7/15/2005	4.125/4.250	2025	\$ 2,497
Public Improvement	4,556	7/15/2007	4.250	2016	1,148
General Obligation Refunding Bonds A	1,155	6/19/2008	3.500/4.000	2017	300
Public Improvement B	14,200	7/14/2009	4.000/5.250	2029	12,650
General Obligation Refunding Bonds	<u>2,942</u>	4/3/2012	3.750/5.000	2023	<u>2,942</u>
	<u>\$ 26,408</u>				<u>\$ 19,537</u>
Add: Unamortized bond premium					568
Less: Unamortized loss on refinancing					<u>(70)</u>
Total Airport Fund					<u>\$ 20,035</u>

COUNTY OF MONROE, NEW YORK
Notes to Basic Financial Statements
Year Ended December 31, 2012

10. **Indebtedness and Certain Long-term Obligations (continued)**

B. **Long-term Liabilities (continued)**

Bonds Payable – Primary Government (continued)					
	Original Amount	Date of Bonds	Interest Rate Percent	Final Maturity	Outstanding Amount
Business-type Activities (continued):					
Bonds issued by the County					
Hospital Fund					
Public Improvement (Zero Coupon)	\$ 5,528	8/19/1993	0.000	2013	\$ 6
Public Improvement	1,515	7/15/2005	4.125/4.250	2025	1,053
Public Improvement	1,332	7/15/2007	4.250	2019	406
General Obligation Refunding Bonds A	595	6/19/2008	3.500/3.750	2015	30
General Obligation Refunding Bonds B	14,140	6/19/2008	5.000	2013	3,195
Public Improvement A	2,382	7/14/2009	4.000/5.000	2023	1,656
Public Improvement	1,560	7/13/2010	3.000/4.000	2025	1,356
General Obligation Refunding Bonds	2,350	4/3/2012	5.000	2019	2,350
Public Improvement	5,660	6/27/2012	2.000/5.000	2027	5,660
	<u>\$ 35,062</u>				<u>\$ 15,712</u>
Add: Unamortized bond premium					621
Unamortized gain on refinancing					62
Less: Unamortized loss on refinancing					<u>(90)</u>
Total Hospital Fund					<u>\$ 16,305</u>
Pure Waters Fund					
Public Improvement B	\$ 12,367	9/15/1993	5.200	2013	\$ 470
Public Improvement	2,850	7/2/1996	5.750	2016	358
Public Improvement Refunding Series A	46,343	12/1/1996	6.000	2019	15,782
Public Improvement Series A	5,714	12/1/1997	4.900/5.000	2017	290
Environmental Improvement Bonds	16,046	3/31/1999	4.530/4.905	2018	5,525
Environmental Improvement Bonds	19,999	7/26/2001	4.604/5.154	2021	10,305
Environmental Improvement Bonds	2,287	3/14/2002	4.312/4.982	2021	1,135
General Obligation Refunding Bonds	1,242	10/21/2004	5.000	2014	395
Public Improvement	25,698	7/15/2005	4.125/4.250	2025	17,655
Public Improvement	23,903	7/15/2007	4.250/4.375	2027	19,125
General Obligation Refunding Bonds A	665	6/19/2008	3.500/4.000	2017	370
Public Improvement A	18,300	7/14/2009	4.000/5.000	2029	16,049
Public Improvement	1,560	7/13/2010	3.000/4.375	2030	14,319
General Obligation Refunding Bonds	4,490	4/3/2012	3.750/5.000	2023	4,490
Public Improvement	21,950	6/27/2012	2.000/5.000	2031	21,950
	<u>\$ 203,414</u>				<u>\$ 128,218</u>
Add: Unamortized bond premium					2,243
Unamortized gain on refinancing					44
Less: Unamortized loss on refinancing					<u>(83)</u>
Total Pure Waters Fund					<u>\$ 130,422</u>
Total Business-type Activities					<u><u>\$ 180,398</u></u>
Total Primary Government					<u><u>\$ 723,600</u></u>

COUNTY OF MONROE, NEW YORK
Notes to Basic Financial Statements
Year Ended December 31, 2012

10. Indebtedness and Certain Long-term Obligations (continued)

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, 2012 (*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							
2013	\$ 28,172	4,078	2,471	1,764	4,626	9,288	\$ 50,399
2014	28,335	5,624	2,578	1,856	1,783	9,756	49,932
2015	24,000	4,598	2,650	1,856	1,790	10,332	45,226
2016	22,590	4,194	1,670	1,405	1,621	10,604	42,084
2017	21,116	4,145	543	1,302	1,341	10,720	39,167
2018-2022	62,938	16,827	2,412	5,458	3,692	40,775	132,102
2023-2027	54,438	14,482	808	4,395	859	26,623	101,605
2028-2032	5,300	6,663	63	1,501	-	10,120	23,647
2033-2037	-	-	-	-	-	-	-
2038-2042	118,755	-	-	-	-	-	118,755
2043-2047	35,465	-	-	-	-	-	35,465
2048-2052	5,387	-	-	-	-	-	5,387
2053-2057	8,924	-	-	-	-	-	8,924
2058-2061	30,205	-	-	-	-	-	30,205
Total Principal	\$ 445,625	60,611	13,195	19,537	15,712	128,218	\$ 682,898
Interest							
2013	\$ 19,652	2,459	586	892	596	5,634	\$ 29,819
2014	18,142	2,258	638	814	456	5,197	27,505
2015	17,031	2,039	436	733	382	4,724	25,345
2016	16,038	1,844	422	660	304	4,216	23,484
2017	15,215	1,655	154	596	232	3,691	21,543
2018-2022	65,005	6,031	427	2,096	471	11,523	85,553
2023-2027	53,126	2,773	64	913	46	4,618	61,540
2028-2032	42,816	420	4	74	-	644	43,958
2033-2037	42,499	-	-	-	-	-	42,499
2038-2042	35,192	-	-	-	-	-	35,192
2043-2047	4,433	-	-	-	-	-	4,433
2048-2052	66,578	-	-	-	-	-	66,578
2053-2057	193,791	-	-	-	-	-	193,791
2058-2061	1,531,395	-	-	-	-	-	1,531,395
Total Interest	\$ 2,120,913	19,479	2,731	6,778	2,487	40,247	\$ 2,192,635
Total Principal and Interest	\$ 2,566,538	80,090	15,926	26,315	18,199	168,465	\$ 2,875,533

Approximately \$402.6 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.

COUNTY OF MONROE, NEW YORK
Notes to Basic Financial Statements
Year Ended December 31, 2012

10. **Indebtedness and Certain Long-term Obligations (continued)**

D. **Advanced Refunding/Defeased Debt**

As of December 31, 2012, the County's total outstanding defeased debt is as follows (*000's omitted*):

<u>Bond Issue</u>	<u>Outstanding Debt</u>
Public Improvement-1993 Series B	\$ 270
Public Improvement-1994 (Capital Appreciation)	1,019
Total:	<u>\$ 1,289</u>

The County issued \$56.6 million of refunding bonds which provided resources to purchase U.S. Government State and Local Government Series securities that were placed in an irrevocable escrow account for the purpose of generating resources for all future debt service payments on \$60.4 million of general obligation bonds. As a result, all of the refunded bonds were called for early redemption during 2012 and the liability has been removed from the County's financial statements. The refunding was undertaken to reduce total debt service payments by \$4.8 million and resulted in an economic gain of \$4.1 million.

E. **Commitments**

The County has a service agreement with Monroe Security and Safety Systems Local Development Corporation (M3SLDC). M3SLDC provides certain public safety and related security services. Under the service agreement, the County will pay average annual payments of \$11.2 million per year commencing January 1, 2010 and terminating December 31, 2029. In 2012, the County paid \$8.5 million.

COUNTY OF MONROE, NEW YORK
Notes to Basic Financial Statements
Year Ended December 31, 2012

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, 2012 (*000's omitted*):

	Capital Lease Agreements							
	Governmental Activities				Business-type Activities			
	General Fund	Internal Service Funds	Revenue Funds		Airport	Hospital	Pure Waters	Total
			Road	Library				
Year								
2013	\$ 262	143	5	35	9	952	66	\$ 1,472
2014	211	139	4	35	8	951	65	1,413
2015	186	7	4	34	8	952	63	1,254
2016	30	-	4	-	-	952	62	1,048
2017	-	-	-	-	-	952	-	952
2018-2022	-	-	-	-	-	4,759	-	4,759
2023	-	-	-	-	-	952	-	952
Total minimum lease payments	<u>689</u>	<u>289</u>	<u>17</u>	<u>104</u>	<u>25</u>	<u>10,470</u>	<u>256</u>	<u>11,850</u>
Less amounts representing interest rates ranging from 2.3% to 7.7%	(60)	(15)	(1)	(5)	(1)	(2,593)	(13)	(2,688)
Net minimum lease payments	<u>\$ 629</u>	<u>274</u>	<u>16</u>	<u>99</u>	<u>24</u>	<u>7,877</u>	<u>243</u>	<u>\$ 9,162</u>

Monroe Community 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 \$2.3 million at December 31, 2012.

COUNTY OF MONROE, NEW YORK
Notes to Basic Financial Statements
Year Ended December 31, 2012

12. 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 Monroe Community College 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 will remain in effect until March 31, 2013. Beginning April 1 2013 those members having joined as of April 1, 2012 and subsequently will then 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 of Monroe 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
2012	\$	31,735	\$ 370
2011	\$	32,394	\$ 316
2010		25,260	245

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, 2012

12. Employee Pension Plans (continued)

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. In 2004, in accordance with Chapter 260 Laws, the County elected to amortize a portion of retirement costs over 10 years.

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. 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.

Pursuant to Chapter 105, Part A, Laws of 2010, the State Legislature authorized local governments to make available retirement incentive programs. The County participated in the 2010 retirement incentive program and the resulting cost is to be paid in five annual increments through 2016.

The County elected to pay the retirement system invoice of \$32.1 million on February 1, 2013. The following is a breakdown of the retirement liability as of December 31, 2012 by activity (*000's omitted*):

	Year	Chapter 260 Elective Deferral	Chapter 57 Elective Deferral	Chapter 105, Part A Early Incentive	Chapter 260 Current Year	Total
Governmental Activities:						
	2013	\$ 1,639	1,769	260	12,624	\$ 16,292
	2014	1,487	2,744	209	-	4,440
	2015	1,561	2,843	225	-	4,629
	2016	-	2,944	242	-	3,186
	2017	-	3,050	-	-	3,050
	2018	-	3,160	-	-	3,160
	2019	-	3,275	-	-	3,275
	2020	-	3,392	-	-	3,392
	2021	-	3,515	-	-	3,515
	2022	-	2,847	-	-	2,847
	2023	-	1,966	-	-	1,966
Total Governmental Activities		\$ 4,687	31,505	936	12,624	\$ 49,752
Business-type Activities:						
	2013	\$ -	-	129	5,255	\$ 5,384
	2014	-	-	104	-	104
	2015	-	-	111	-	111
	2016	-	-	120	-	120
Total Business-type Activities		\$ -	-	464	5,255	\$ 5,719
Total Retirement Liability		\$ 4,687	31,505	1,400	17,879	\$ 55,471

COUNTY OF MONROE, NEW YORK
Notes to Basic Financial Statements
Year Ended December 31, 2012

13. Post-Employment Health Care Benefits

Plan Description

The County administers a single-employer defined benefit healthcare plan. The plan provides lifetime 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 publicly available financial report.

Funding Policy

The obligations of the plan are negotiated between the County and the applicable union representatives. The required contribution rates of the County and the members vary depending on the applicable agreement. The County currently contributes the amounts required to satisfy current obligations on a pay-as-you-go basis which for 2012 was \$23.6 million. The costs of administering the plan are paid by the County.

Annual OPEB Cost and Net OPEB Obligation

The County's annual OPEB cost is calculated based on the annual required contribution of the employer (ARC), an amount actuarially determined in accordance with generally accepted accounting principles. The ARC represents a level of funding that, if paid on an ongoing basis, is projected to cover normal cost each year plus the amortization of the unfunded actuarial accrued liability over a period not to exceed thirty years. The following table shows the components of the County's annual OPEB cost for the year, the amount actually contributed to the plan, and the changes in the County's net OPEB obligation:

Annual OPEB Cost			
<i>(000's omitted)</i>			
	Governmental Activities	Business-type Activities	Total Primary Government
Annual Required Contribution (ARC)	\$ 44,287	9,846	\$ 54,133
Interest on Net OPEB Obligation	3,308	824	4,132
Adjustments to ARC	<u>(4,783)</u>	<u>(1,191)</u>	<u>(5,984)</u>
Annual OPEB cost	42,812	9,479	52,291
Contributions made	<u>(19,563)</u>	<u>(4,057)</u>	<u>(23,620)</u>
Increase in Net OPEB Obligation	23,249	5,422	28,671
Net OPEB Obligation – 12/31/11	<u>82,712</u>	<u>20,599</u>	<u>103,311</u>
Net OPEB Obligation – 12/31/12	\$ <u>105,961</u>	<u>26,021</u>	\$ <u>131,982</u>
 Net OPEB Obligation – 12/31/10	 \$ 56,434	 14,680	 \$ 74,114
 Annual OPEB Cost:			
2012	\$ 42,812	9,479	\$ 52,291
2011	43,280	9,583	52,863
2010	30,413	7,090	37,503
 Percentage of Annual OPEB cost contributed:			
2012	45.7%	42.8%	45.2%
2011	39.3%	38.2%	39.1%
2010	62.5%	56.8%	61.4%

COUNTY OF MONROE, NEW YORK
Notes to Basic Financial Statements
Year Ended December 31, 2012

13. Post-Employment Health Care Benefits (continued)

The net OPEB obligation at December 31, 2012 is recorded as follows (000's omitted):

	<u>Governmental Activities</u>	<u>Business-type Activities</u>	<u>Total Primary Government</u>
Current assets – other	\$ -	32	\$ 32
Other long-term liabilities	105,961	26,053	132,014
Net OPEB Obligation	<u>\$ 105,961</u>	<u>26,021</u>	<u>\$ 131,982</u>

Funded Status and Funding Progress

As of December 31, 2012, the actuarial accrued liability for benefits was \$629.7 million, all of which was unfunded. The covered payroll (annual payroll of active employees covered by the plan) was \$229.3 million, and the ratio of the unfunded actuarial accrued liability to the covered payroll was 274.6%.

The projection of future benefits for an ongoing plan involves estimates of the value of reported amounts and assumptions about the probability of occurrence of events far into the future. Examples include assumptions about future employment, mortality, and the healthcare cost trend. Amounts determined regarding the funded status of the plan and the annual required contributions of the employer are subject to continual revision as actual results are compared with past expectations and new estimates are made about the future.

Actuarial Accrued Liability

	<i>(000's omitted)</i>		
	<u>Governmental Activities</u>	<u>Business- type Activities</u>	<u>Total Primary Government</u>
Actuarial Accrued Liability (AAL) at 12/31/2012 (unfunded)	\$ 522,957	106,697	\$ 629,654
Covered Payroll	\$ 186,665	42,597	\$ 229,262
Ratio of Unfunded AAL to Covered Payroll	<u>280.2%</u>	<u>250.5%</u>	<u>274.6%</u>

Actuarial Methods and Assumptions

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:

Measurement Date	January 1, 2011
Actuarial Cost Method	Projected Unit Credit
Discount Rate	4%
Health Care Trends	11% initially, reduced by decrements to an ultimate rate of 5.0% after five years
Dental Care Costs	3.5 % increase per year
Unfunded Actuarial Accrued Liability	
Amortization Period	30 years
Amortization Method	Level Dollar
Amortization Basis	Open

COUNTY OF MONROE, NEW YORK
Notes to Basic Financial Statements
Year Ended December 31, 2012

13. Post-Employment Health Care Benefits (continued)

Schedule of Funding Progress (RSI – Unaudited)

The schedule of funding progress presents information on the actuarial accrued liabilities for benefits relative to the actuarial value of plan assets and covered payroll.

Schedule of Funding Progress for the County Plan

(000's omitted)

Actuarial Valuation Date	Actuarial Value of Assets (a)	Actuarial Accrued Liability (AAL) (b)	Unfunded AAL (UAAL) (b) – (a)	Funded Ratio (a)/(b)	Covered Payroll (c)	UAAL as a % of Covered Payroll (b-a)/(c)
01/01/2007	\$ -	\$ 471,382	\$ 471,382	0.00%	\$ 226,988	207.7%
01/01/2009	-	488,670	488,670	0.00%	236,300	206.8%
01/01/2011	-	629,654	629,654	0.00%	227,920	276.3%

COUNTY OF MONROE, NEW YORK
Notes to Basic Financial Statements
Year Ended December 31, 2012

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

Eighty-seven percent of the amount due to the general fund is a result of the overdraft of other funds' share of pooled cash, and thirteen percent is a result of initial financing of capital projects. The following is a summary of interfund receivables and payables as of December 31, 2012 (*000's omitted*):

Interfund Payables and Receivables					
	Interfund Receivables				
	Governmental Activities			Business-type Activities	
	General Fund	Special Revenue-Nonmajor Funds	Internal Service Fund	Pure Waters Fund	Total
Interfund Payables					
Governmental Activities:					
General Fund	\$ -	-	5,050	1	\$ 5,051
Nonmajor Governmental Funds:					
Special Revenue - Road	23,500	-	-	-	23,500
Capital Projects	6,068	19,253	-	-	25,321
Special Revenue - Miscellaneous	8	-	-	-	8
Total Nonmajor Governmental Funds	29,576	19,253	-	-	48,829
Total Governmental Activities	29,576	19,253	5,050	1	53,880
Business-type Activities:					
Solid Waste	16,300	-	-	-	16,300
Energy	2,300	-	-	-	2,300
Total Business-type Activities	18,600	-	-	-	18,600
Total Governmental/ Business-type Activities	\$ 48,176	19,253	5,050	1	\$ 72,480

COUNTY OF MONROE, NEW YORK
Notes to Basic Financial Statements
Year Ended December 31, 2012

14. Interfund Activity (continued)

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, 2012 (*000's omitted*):

Interfund Transfers From:	Governmental Activities				
	Interfund Transfers to:				
	Non-major Governmental Funds				Total
	Special Revenue Funds		Debt Service Funds	Internal Service Funds	
Road	Library				
Governmental Activities:					
General Fund	\$ 13,921	6,898	20,604	3,002	\$ 44,425
Nonmajor Governmental Funds:					
Special Revenue					
Road	-	-	12,362	-	12,362
Library	-	-	278	-	278
Trust Funds	-	-	-	101	101
Capital Projects	-	-	803	-	803
Total Nonmajor Governmental Funds	-	-	13,443	101	13,544
Total Governmental Activities	13,921	6,898	34,047	3,103	57,969
Total Transfers	\$ 13,921	6,898	34,047	3,103	\$ 57,969

15. Miscellaneous Revenue

For the year ended December 31, 2012, the miscellaneous revenue for the primary government is \$13.6 million, consisting of \$3.9 million for governmental activities and \$9.7 million for business-type activities. This includes \$7.5 million in the solid waste fund for the sale of recycled materials and waste refuse complex fees and \$1.8 million in the hospital fund, consisting primarily of space rental.

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, 2012

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.

In addition to the self-insured risks noted above, the County is also self-insured for any malpractice claims against the Monroe Community Hospital. As of December 31, 2012 there were no material claims pending 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, 2012, 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 two factors: the number of vehicles assigned to the organization and claims history for the preceding three years (a rolling average).

The internal service fund is maintained in accordance with the requirements of *GASB Statement No. 10, Accounting and Financial Reporting for Risk Financing and Related Insurance Issues*, which requires that claim liabilities be recorded 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, 2012.

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

Risk Management Fund				
Year	Balance January 1,	Current-Year Claims and Changes In Estimates	Claim Payments	Balance December 31,
2012	\$ 29,783	23,658	(10,701)	\$ 42,740
2011	\$ 25,649	13,231	(9,097)	\$ 29,783

The estimated accrued liabilities are reported in the accounts payable and accrued liabilities in the internal service fund. This is comprised of \$9.5 million, which is the County Attorney's estimate of general liability claims which may likely settle, \$32.9 million representing Workers' Compensation claims already reported and additional claims incurred but not yet reported, and other liabilities amounting to \$0.3 million. The County utilizes a third party administrator who is responsible for processing claims and estimating liabilities under this coverage.

COUNTY OF MONROE, NEW YORK
Notes to Basic Financial Statements
Year Ended December 31, 2012

17. Risk Management/Insurance (continued)

In accordance with the adoption of GASB Statement No. 49, the County has determined the following pollution remediation obligations. Pollution remediation obligations are estimates and subject to changes resulting from price increases or reductions, technology, or changes in applicable laws and regulations.

Airport Fuel Farm: The Greater Rochester International Airport (GRIA) Fuel Farm remediation site is located in the northeast portion of the GRIA property. The remediation site was the former fuel (jet, gasoline and diesel) farm at the airport which consisted of underground storage tanks and accompanying above ground facilities. Groundwater at the remediation site has been contaminated with jet, gasoline and diesel fuels as a result of the fueling operations that used to take place at the site. In August 2007, Monroe County took over operational responsibilities from the New York State Department of Environmental Conservation (DEC) to continue remediation of the site. The County took over responsibility for the operation, maintenance and monitoring (OM&M), including financial responsibility for any repairs of existing groundwater remediation systems.

In 2011, Monroe County received confirmation from the DEC that GRIA has completed clean-up or removal actions agreed on in the stipulation agreement. No further remediation action is required at the site. In 2012, as a requirement of site shutdown, the County finalized the required Soil and Groundwater Management Plan and submitted it to the DEC. The remaining costs in 2012 were for shutdown of the site, removal of equipment, abandoning of groundwater wells and close-out reports preparation. No remaining liability has been recorded as of December 31, 2012.

The State filed a claim seeking reimbursement of past costs that they have incurred for this remediation project. Also, the County is seeking to recover the costs from private companies that actually owned and operated the facility and discharged the fuel into the environment. Given the preliminary status of both of these actions and other factors, the County cannot reasonably estimate its ultimate liability with respect to these areas.

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 remediation would be, if any, immaterial.

**REQUIRED
SUPPLEMENTARY
INFORMATION
(UNAUDITED)**

COUNTY OF MONROE, NEW YORK
REQUIRED SUPPLEMENTARY INFORMATION (UNAUDITED)
SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES
GENERAL FUND - BUDGET AND ACTUAL
FOR THE YEAR ENDED DECEMBER 31, 2012
(000's Omitted)

	<u>Original Budget</u>	<u>Revised Budget</u>	<u>Actual</u>	<u>Variance Favorable (Unfavorable)</u>
REVENUES				
Real property tax levy and delinquencies	\$ 351,565	351,565	357,217	5,652
Sales tax	86,538	86,538	89,531	2,993
Federal aid	133,672	159,794	144,090	(15,704)
State aid	200,827	213,595	194,264	(19,331)
Charges for services	25,841	25,841	22,479	(3,362)
Intergovernmental	39,283	39,291	38,633	(658)
Interdepartmental	1,969	1,969	1,926	(43)
Use of money and property	6,376	6,376	7,076	700
Repayments and refunds	13,699	13,699	16,229	2,530
Payments in lieu of taxes	6,984	6,984	7,932	948
Miscellaneous	44,023	44,519	21,191	(23,328)
Total revenues	910,777	950,171	900,568	(49,603)
EXPENDITURES				
Health and welfare	397,310	414,481	386,298	28,183
Public safety	214,951	233,937	216,704	17,233
Culture, recreation and education	58,850	61,136	59,521	1,615
General government	166,146	170,098	169,317	781
Transportation	3,524	3,524	3,524	---
Total expenditures	840,781	883,176	835,364	47,812
Excess of revenues over expenditures	69,996	66,995	65,204	(1,791)
OTHER FINANCING SOURCES (USES)				
Transfers out	(69,996)	(66,995)	(62,305)	4,690
Total other financing sources (uses)	(69,996)	(66,995)	(62,305)	4,690
Excess of revenues, other financing sources and special items over expenditures and other financing uses - budget basis	\$ ---	\$ ---	2,899	2,899
Add: Encumbrances at end of year included in actual			7,958	
Adjust for changes in:				
due from other governments			2,901	
accounts payable and accrued liabilities			(6,317)	
due to other governments			4,435	
unearned revenue			(7,891)	
Less: Expenditure of prior year's encumbrances			(8,839)	
Deficiency of revenues and other financing sources over expenditures and other financing uses - GAAP basis			(4,854)	
Fund balance at beginning of year			18,956	
Fund balance at end of year			<u>\$ 14,102</u>	

See accompanying notes to required supplementary information

COUNTY OF MONROE, NEW YORK
Notes to Required Supplementary Information (Unaudited)
Year Ended December 31, 2012

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 on a departmental and object of expenditure level. The debt service fund's budget consists primarily of transfers from the general and the special revenue fund budgets and funds received from the Water Authority for its debt service requirements under related County debt obligations and expenditures.

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.

COUNTY OF MONROE, NEW YORK
Notes to Required Supplementary Information (Unaudited)
Year Ended December 31, 2012

Budgetary Basis Reporting (continued)

A summary of legally-adopted budgetary activity for the County's general fund for the year ended 2012 follows (000's omitted):

	<u>General Fund</u>
Original Revenue Budget:	
Revenues and Other Financing Sources	\$ 910,777
Authorized:	
Revisions and Transfers	13,990
Grant Reappropriations	<u>25,404</u>
Modified Revenue Budget-Budget Basis	<u>\$ 950,171</u>
Original Expenditures Budget:	
Expenditures and Other Financing Uses	\$ 910,777
Authorized:	
Revisions and Transfers	13,990
Grant Reappropriations	<u>25,404</u>
Modified Expenditure Budget-Budget Basis	<u>\$ 950,171</u>

Revisions and Transfers include new awards of state and federal funded programs, offset by grant returns. In addition, reappropriations of \$25.4 million represent authorized grants from the prior year that will be expended in later years of multi-year funded federal and state grants.

COMBINING FINANCIAL INFORMATION

**COMBINING BALANCE SHEET
NONMAJOR GOVERNMENTAL FUNDS
AS OF DECEMBER 31, 2012
(000's Omitted)**

	Special Revenue Funds	Debt Service Funds		Capital Projects				Total Nonmajor Governmental Funds	
		General	MTASC	General Government	Public Safety and Fire Protection	Transportation	Culture and Recreation		Education
ASSETS									
Cash and cash equivalents	\$ 11,511	---	454	---	---	---	---	---	11,965
Accounts receivables, net	837	---	10,141	---	---	---	---	557	11,535
Due from other funds	19,253	---	---	---	---	---	---	---	19,253
Due from other governments:									
State and Federal - other	1,274	---	---	---	---	19,998	---	4,111	25,383
Local governments	5,803	---	---	---	---	103	---	---	5,906
Inventories	736	---	---	---	---	---	---	---	736
Restricted assets:									
Cash and cash equivalents	---	4,362	13,206	936	7,672	6,544	1,497	866	35,083
Securities in lieu of retained percentages	---	---	---	---	214	---	77	113	404
Other assets	---	---	8	---	---	1,258	---	---	1,266
Total assets	39,414	4,362	23,809	936	7,886	27,903	1,574	5,647	111,531
LIABILITIES AND FUND BALANCES (DEFICITS)									
Liabilities:									
Accounts payable and accrued liabilities	5,515	---	---	30	573	1,372	684	835	9,009
Due to other funds	23,508	---	---	15	92	19,253	701	5,260	48,829
Due to other governments	1,163	---	---	---	---	---	---	---	1,163
Unearned revenue	---	---	10,142	---	---	---	---	---	10,142
Total liabilities	30,186	---	10,142	45	665	20,625	1,385	6,095	69,143
Fund balances (deficits):									
Nonspendable	736	---	---	---	---	---	---	---	736
Restricted	4,836	3,482	13,205	891	7,221	15,578	371	1,027	46,611
Committed	1,811	---	---	---	---	---	---	---	1,811
Assigned	1,845	880	462	---	---	---	---	---	3,187
Unassigned	---	---	---	---	---	(8,300)	(182)	(1,475)	(9,957)
Total fund balances (deficits)	9,228	4,362	13,667	891	7,221	7,278	189	(448)	42,388
Total liabilities and fund balances	\$ 39,414	4,362	23,809	936	7,886	27,903	1,574	5,647	111,531

COUNTY OF MONROE, NEW YORK
COMBINING STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES (DEFICITS)
NONMAJOR GOVERNMENTAL FUNDS
AS OF DECEMBER 31, 2012

	Special Revenue Funds	Debt Service Funds		Capital Projects				Total Nonmajor Governmental Funds	
		General	MTASC	General Government	Public Safety and Fire Protection	Transportation	Culture and Recreation		Education
REVENUES:									
Federal aid	\$ 3,124	---	---	79	64	16,882	---	---	20,149
State aid	6,817	---	---	---	50	3,014	---	3,064	12,945
Charges for services	5,936	---	---	---	---	---	---	---	5,936
Intergovernmental	7,377	1,376	---	---	---	---	---	---	8,753
Interdepartmental	119	---	---	---	---	---	---	---	119
Use of money and property	79	711	2	---	---	---	---	---	792
Repayments and refunds	240	---	---	---	---	---	---	---	240
Tobacco settlement	---	---	10,779	---	---	---	---	---	10,779
Miscellaneous	3,115	399	---	---	237	324	729	696	5,500
Total revenues	26,807	2,486	10,781	79	351	20,220	729	3,760	65,213
EXPENDITURES:									
Public safety	4,116	---	---	---	---	---	---	---	4,116
Culture, recreation and education	10,790	---	---	---	---	---	---	---	10,790
General government	185	---	73	---	---	---	---	---	258
Transportation	18,268	---	---	---	---	---	---	---	18,268
Economic development	3,009	---	---	---	---	---	---	---	3,009
Debt service:									
Principal retirement	---	26,821	480	---	---	---	---	---	27,301
Interest and fiscal charges	---	10,854	10,170	---	---	---	---	---	21,024
Capital outlay	---	---	---	395	2,188	27,667	3,816	6,290	40,356
Total expenditures	36,368	37,675	10,723	395	2,188	27,667	3,816	6,290	125,122
Excess (deficiency) of revenues over expenditures	(9,561)	(35,189)	58	(316)	(1,837)	(7,447)	(3,087)	(2,530)	(59,909)
OTHER FINANCING SOURCES (USES):									
Bonds issued	---	---	---	1,020	4,170	18,437	6,723	6,778	37,128
Refunding bonds issued	---	43,091	---	---	---	---	---	---	43,091
Premium on bonds issued	---	5,262	---	---	---	---	---	---	5,262
Redemption/payments to escrow agent	---	(45,744)	---	---	---	---	---	---	(45,744)
Transfers in	20,819	34,047	---	---	---	---	---	---	54,866
Transfers out	(12,741)	---	---	(1)	---	(115)	(1)	(686)	(13,544)
Total other financing sources (uses)	8,078	36,656	---	1,019	4,170	18,322	6,722	6,092	81,059
Excess (deficiency) of revenues and other financing sources over expenditures and other financing uses	(1,483)	1,467	58	703	2,333	10,875	3,635	3,562	21,150
Fund balances (deficits) at beginning of year	10,711	2,895	13,609	188	4,888	(3,597)	(3,446)	(4,010)	21,238
Fund balances (deficits) at end of year	\$ 9,228	4,362	13,667	891	7,221	7,278	189	(448)	42,388

See accompanying independent auditors' report

COUNTY OF MONROE, NEW YORK
COMBINING BALANCE SHEET
SPECIAL REVENUE FUNDS
AS OF DECEMBER 31, 2012
(000's Omitted)

	Road	Special Grants	Green Space Initiative	Jail Funds	Golf Course Funds	Zoo Admissions	Library System Automation	Library
ASSETS								
Cash and cash equivalents	\$ 86	123	452	5,058	3	---	190	4,405
Accounts receivables, net	3	444	---	27	---	---	---	355
Due from other funds	19,253	---	---	---	---	---	---	---
Due from other governments:								
State and Federal - other	968	292	---	---	---	---	---	14
Local governments	5,786	---	---	---	---	---	---	---
Inventories	736	---	---	---	---	---	---	---
Total assets	<u>26,832</u>	<u>859</u>	<u>452</u>	<u>5,085</u>	<u>3</u>	<u>---</u>	<u>190</u>	<u>4,774</u>
LIABILITIES AND FUND BALANCES								
Liabilities:								
Accounts payable and accrued liabilities	913	134	3	249	---	---	---	4,174
Due to other funds	23,500	---	---	---	---	---	---	---
Due to other governments	438	725	---	---	---	---	---	---
Total liabilities	<u>24,851</u>	<u>859</u>	<u>3</u>	<u>249</u>	<u>---</u>	<u>---</u>	<u>---</u>	<u>4,174</u>
Fund balances:								
Nonspendable	736	---	---	---	---	---	---	---
Restricted	---	---	---	4,836	---	---	---	---
Committed	---	---	449	---	3	---	190	---
Assigned	1,245	---	---	---	---	---	---	600
Total fund balances	<u>1,981</u>	<u>---</u>	<u>449</u>	<u>4,836</u>	<u>3</u>	<u>---</u>	<u>190</u>	<u>600</u>
Total liabilities and fund balances	<u>\$ 26,832</u>	<u>859</u>	<u>452</u>	<u>5,085</u>	<u>3</u>	<u>---</u>	<u>190</u>	<u>4,774</u>

(continued)

**COUNTY OF MONROE, NEW YORK
COMBINING BALANCE SHEET
SPECIAL REVENUE FUNDS
AS OF DECEMBER 31, 2012
(000's Omitted)**

	<u>Parkland Acquisition</u>	<u>Horticulture Division Fund</u>	<u>Historic Landscape Restoration</u>	<u>Stormwater Coalition Dues</u>	<u>Hazmat Team Fund</u>	<u>Carousel Fund</u>	<u>Miscellaneous Funds</u>	<u>Total Special Revenue Funds</u>
ASSETS								
Cash and cash equivalents	\$ 181	15	---	592	43	2	361	11,511
Accounts receivables, net	---	---	---	---	---	---	8	837
Due from other funds	---	---	---	---	---	---	---	19,253
Due from other governments:								
State and Federal - other	---	---	---	---	---	---	---	1,274
Local governments	---	---	---	17	---	---	---	5,803
Inventories	---	---	---	---	---	---	---	736
Total assets	<u>181</u>	<u>15</u>	<u>---</u>	<u>609</u>	<u>43</u>	<u>2</u>	<u>369</u>	<u>39,414</u>
LIABILITIES AND FUND BALANCES								
Liabilities:								
Accounts payable and accrued liabilities	2	2	---	32	---	---	6	5,515
Due to other funds	---	---	---	---	---	---	8	23,508
Due to other governments	---	---	---	---	---	---	---	1,163
Total liabilities	<u>2</u>	<u>2</u>	<u>---</u>	<u>32</u>	<u>---</u>	<u>---</u>	<u>14</u>	<u>30,186</u>
Fund balances:								
Nonspendable	---	---	---	---	---	---	---	736
Restricted	---	---	---	---	---	---	---	4,836
Committed	179	13	---	577	43	2	355	1,811
Assigned	---	---	---	---	---	---	---	1,845
Total fund balances	<u>179</u>	<u>13</u>	<u>---</u>	<u>577</u>	<u>43</u>	<u>2</u>	<u>355</u>	<u>9,228</u>
Total liabilities and fund balances	<u>\$ 181</u>	<u>15</u>	<u>---</u>	<u>609</u>	<u>43</u>	<u>2</u>	<u>369</u>	<u>39,414</u>

COUNTY OF MONROE, NEW YORK
COMBINING STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES
SPECIAL REVENUE FUNDS
AS OF DECEMBER 31, 2012
(000's Omitted)

	Road	Special Grants	Green Space Initiative	Jail Funds	Golf Course Funds	Zoo Admissions	Library System Automation	Library
REVENUES:								
Federal aid	\$ 629	2,492	---	---	---	---	---	3
State aid	4,865	---	---	---	---	---	---	1,952
Charges for services	4,327	---	---	1,404	---	---	---	---
Intergovernmental	6,171	---	---	85	---	---	---	1,121
Interdepartmental	119	---	---	---	---	---	---	---
Use of money and property	---	---	1	53	---	---	---	---
Repayments and refunds	240	---	---	---	---	---	---	---
Miscellaneous	117	500	---	1,531	258	---	---	395
Total revenues	<u>16,468</u>	<u>2,992</u>	<u>1</u>	<u>3,073</u>	<u>258</u>	<u>---</u>	<u>---</u>	<u>3,471</u>
EXPENDITURES:								
Public safety	---	---	---	3,949	---	---	---	---
Culture, recreation and education	---	---	---	---	260	1	100	10,181
General government	---	---	140	---	---	---	---	---
Transportation	18,268	---	---	---	---	---	---	---
Economic development	---	2,992	---	---	---	---	---	---
Total expenditures	<u>18,268</u>	<u>2,992</u>	<u>140</u>	<u>3,949</u>	<u>260</u>	<u>1</u>	<u>100</u>	<u>10,181</u>
Excess (deficiency) of revenues over expenditures	<u>(1,800)</u>	<u>---</u>	<u>(139)</u>	<u>(876)</u>	<u>(2)</u>	<u>(1)</u>	<u>(100)</u>	<u>(6,710)</u>
OTHER FINANCING SOURCES (USES):								
Transfers in	13,921	---	---	---	---	---	---	6,898
Transfers out	<u>(12,362)</u>	<u>---</u>	<u>---</u>	<u>---</u>	<u>---</u>	<u>---</u>	<u>---</u>	<u>(278)</u>
Total other financing sources (uses)	<u>1,559</u>	<u>---</u>	<u>---</u>	<u>---</u>	<u>---</u>	<u>---</u>	<u>---</u>	<u>6,620</u>
Excess (deficiency) of revenues and other financing sources over expenditures and other financing uses	<u>(241)</u>	<u>---</u>	<u>(139)</u>	<u>(876)</u>	<u>(2)</u>	<u>(1)</u>	<u>(100)</u>	<u>(90)</u>
Fund balances at beginning of year	<u>2,222</u>	<u>---</u>	<u>588</u>	<u>5,712</u>	<u>5</u>	<u>1</u>	<u>290</u>	<u>690</u>
Fund balances at end of year	<u>\$ 1,981</u>	<u>---</u>	<u>449</u>	<u>4,836</u>	<u>3</u>	<u>---</u>	<u>190</u>	<u>600</u>

(continued)

COUNTY OF MONROE, NEW YORK
COMBINING STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES
SPECIAL REVENUE FUNDS
AS OF DECEMBER 31, 2012
(000's Omitted)

	Parkland Acquisition	Horticulture Division Fund	Historic Landscape Restoration	Stormwater Coalition Dues	Hazmat Team Fund	Carousel Fund	Miscellaneous Funds	Total Special Revenue Funds
REVENUES:								
Federal aid	\$ ---	---	---	---	---	---	---	3,124
State aid	---	---	---	---	---	---	---	6,817
Charges for services	---	---	---	199	6	---	---	5,936
Intergovernmental	---	---	---	---	---	---	---	7,377
Interdepartmental	---	---	---	---	---	---	---	119
Use of money and property	---	---	---	---	---	---	25	79
Repayments and refunds	---	---	---	---	---	---	---	240
Miscellaneous	29	49	---	---	---	---	236	3,115
Total revenues	29	49	---	199	6	---	261	26,807
EXPENDITURES:								
Public safety	---	---	---	63	13	---	91	4,116
Culture, recreation and education	103	97	31	---	---	5	12	10,790
General government	---	---	---	---	---	---	45	185
Transportation	---	---	---	---	---	---	---	18,268
Economic development	---	---	---	---	---	---	17	3,009
Total expenditures	103	97	31	63	13	5	165	36,368
Excess (deficiency) of revenues over expenditures	(74)	(48)	(31)	136	(7)	(5)	96	(9,561)
OTHER FINANCING SOURCES (USES):								
Transfers in	---	---	---	---	---	---	---	20,819
Transfers out	---	---	---	---	---	---	(101)	(12,741)
Total other financing sources (uses)	---	---	---	---	---	---	(101)	8,078
Excess (deficiency) of revenues and other financing sources over expenditures and other financing uses	(74)	(48)	(31)	136	(7)	(5)	(5)	(1,483)
Fund balances at beginning of year	253	61	31	441	50	7	360	10,711
Fund balances at end of year	\$ 179	13	---	577	43	2	355	9,228

COUNTY OF MONROE, NEW YORK
COMBINING STATEMENT OF NET POSITION
INTERNAL SERVICE FUNDS
AS OF DECEMBER 31, 2012
(000's Omitted)

	<u>Central Services</u>	<u>Building Accounts</u>	<u>Information Services</u>	<u>Fleet Management</u>	<u>Risk Management</u>	<u>Total</u>
ASSETS						
Current assets:						
Cash and cash equivalents	\$ 675	1,552	2,432	195	2,736	7,590
Due from other funds	---	---	---	---	5,050	5,050
Due from other governments	---	316	---	5	---	321
Inventories	164	---	20	310	---	494
Unamortized bond issue costs	---	67	12	---	---	79
Other assets	---	---	---	---	44	44
Total current assets	<u>839</u>	<u>1,935</u>	<u>2,464</u>	<u>510</u>	<u>7,830</u>	<u>13,578</u>
Noncurrent assets:						
Restricted assets						
Cash and cash equivalents	---	6,458	361	---	---	6,819
Securities in lieu of retained percentages	---	432	---	---	---	432
Capital assets, net of accumulated depreciation	---	78,177	2,612	1,598	---	82,387
Unamortized bond issue costs	---	939	19	---	---	958
Total noncurrent assets	<u>---</u>	<u>86,006</u>	<u>2,992</u>	<u>1,598</u>	<u>---</u>	<u>90,596</u>
TOTAL ASSETS	<u>839</u>	<u>87,941</u>	<u>5,456</u>	<u>2,108</u>	<u>7,830</u>	<u>104,174</u>
LIABILITIES						
Current liabilities:						
Accounts payable and accrued liabilities	90	2,609	700	1,084	42,740	47,223
Due to other governments	27	277	340	71	---	715
Current portion of:						
Capital leases payable	---	---	---	133	---	133
Bonds payable	---	3,460	618	---	---	4,078
Total current liabilities	<u>117</u>	<u>6,346</u>	<u>1,658</u>	<u>1,288</u>	<u>42,740</u>	<u>52,149</u>
Noncurrent liabilities:						
Capital lease obligations	---	---	---	141	---	141
Bonds payable	---	56,232	2,306	---	---	58,538
Other long-term liabilities	191	1,390	757	214	---	2,552
Total noncurrent liabilities	<u>191</u>	<u>57,622</u>	<u>3,063</u>	<u>355</u>	<u>---</u>	<u>61,231</u>
Total liabilities	<u>308</u>	<u>63,968</u>	<u>4,721</u>	<u>1,643</u>	<u>42,740</u>	<u>113,380</u>
NET POSITION						
Net investment in capital assets	---	23,379	80	500	---	23,959
Restricted for:						
Debt service	---	138	---	---	---	138
Unrestricted (deficits)	531	456	655	(35)	(34,910)	(33,303)
Total net position	<u>\$ 531</u>	<u>23,973</u>	<u>735</u>	<u>465</u>	<u>(34,910)</u>	<u>(9,206)</u>

See accompanying independent auditors' report

COUNTY OF MONROE, NEW YORK
COMBINING STATEMENT OF REVENUES, EXPENSES AND CHANGES IN NET POSITION
INTERNAL SERVICE FUNDS
AS OF DECEMBER 31, 2012
(000's Omitted)

	<u>Central Services</u>	<u>Building Accounts</u>	<u>Information Services</u>	<u>Fleet Management</u>	<u>Risk Management</u>	<u>Total</u>
Operating revenues:						
Charges for services	\$ ---	134	---	83	61	278
Interdepartmental	1,851	30,358	13,710	3,589	12,942	62,450
Repayments and refunds	---	15	---	---	---	15
Miscellaneous	---	236	---	---	---	236
Total operating revenues	<u>1,851</u>	<u>30,743</u>	<u>13,710</u>	<u>3,672</u>	<u>13,003</u>	<u>62,979</u>
Operating expenses:						
Personnel services	198	1,980	2,516	579	---	5,273
Employee benefits	197	1,629	1,503	373	---	3,702
Contractual	925	12,779	9,162	113	25,972	48,951
Depreciation and amortization	---	4,893	121	159	---	5,173
Other	450	10,361	495	2,498	538	14,342
Total operating expenses	<u>1,770</u>	<u>31,642</u>	<u>13,797</u>	<u>3,722</u>	<u>26,510</u>	<u>77,441</u>
Operating income (loss)	<u>81</u>	<u>(899)</u>	<u>(87)</u>	<u>(50)</u>	<u>(13,507)</u>	<u>(14,462)</u>
Nonoperating revenues (expenses):						
Federal aid	5	32	13	3	---	53
Use of money and property	---	52	4	---	---	56
Interest and fiscal charges	---	(2,263)	(105)	(14)	---	(2,382)
Gain (loss) on disposal of capital assets	---	4	---	12	---	16
Other income (expense)	---	(719)	---	18	---	(701)
Total nonoperating revenues (expenses)	<u>5</u>	<u>(2,894)</u>	<u>(88)</u>	<u>19</u>	<u>---</u>	<u>(2,958)</u>
Income (loss) before transfers	<u>86</u>	<u>(3,793)</u>	<u>(175)</u>	<u>(31)</u>	<u>(13,507)</u>	<u>(17,420)</u>
Transfers in	2	3,101	---	---	---	3,103
Change in net position	<u>88</u>	<u>(692)</u>	<u>(175)</u>	<u>(31)</u>	<u>(13,507)</u>	<u>(14,317)</u>
Total net position at beginning of year	443	24,665	910	496	(21,403)	5,111
Total net position at end of year	<u>\$ 531</u>	<u>23,973</u>	<u>735</u>	<u>465</u>	<u>(34,910)</u>	<u>(9,206)</u>

06

See accompanying independent auditors' report

COUNTY OF MONROE, NEW YORK
COMBINING STATEMENT OF CASH FLOWS
INTERNAL SERVICE FUNDS
FOR THE YEAR ENDED DECEMBER 31, 2012
(000's Omitted)

	Central Services	Building Accounts	Information Services	Fleet Management	Risk Management	Total
CASH FLOWS FROM OPERATING ACTIVITIES						
Cash received from providing services	\$ ---	318	---	105	61	484
Cash received from other funds for services	1,851	30,358	13,710	3,589	12,942	62,450
Payments to or on behalf of employees	(382)	(3,526)	(3,877)	(915)	(6,051)	(14,751)
Payments to suppliers	(1,031)	(13,120)	(9,113)	(1,449)	(15,821)	(40,534)
Payments for interfund services	(330)	(10,058)	(445)	(211)	(538)	(11,582)
Claims paid	---	---	---	---	(10,701)	(10,701)
Other receipts (payments)	(74)	1,102	43	(9)	19,514	20,576
Net cash provided by (used in) operating activities	34	5,074	318	1,110	(594)	5,942
CASH FLOWS FROM NONCAPITAL FINANCING ACTIVITIES						
Federal aid	5	32	13	3	---	53
Payments to other funds	---	(1,600)	---	---	(5,050)	(6,650)
Transfers in	2	3,101	---	---	---	3,103
Net cash provided by (used in) noncapital financing activities	7	1,533	13	3	(5,050)	(3,494)
CASH FLOWS FROM CAPITAL AND RELATED FINANCING ACTIVITIES						
Interest paid	---	(2,262)	(105)	(14)	---	(2,381)
Changes in securities and retainage	---	19	---	---	---	19
Proceeds from the issuance of bonds	---	11,852	1,066	---	---	12,918
Refunding of bonds	---	198	30	---	---	228
Principal paid on notes	---	(2,931)	(265)	---	---	(3,196)
Principal paid on bonds	---	(4,030)	(605)	---	---	(4,635)
Premium from the issuance of bonds	---	789	87	---	---	876
Principal paid on capital leases	---	---	---	(144)	---	(144)
Additions to capital assets, net	---	(6,178)	(448)	(860)	---	(7,486)
Other receipts (payments)	---	(719)	---	14	---	(705)
Net cash provided by (used in) capital and related financing activities	\$ ---	(3,262)	(240)	(1,004)	---	(4,506)

(continued)

COUNTY OF MONROE, NEW YORK
COMBINING STATEMENT OF CASH FLOWS
INTERNAL SERVICE FUNDS
FOR THE YEAR ENDED DECEMBER 31, 2012
(000's Omitted)

	<u>Central Services</u>	<u>Building Accounts</u>	<u>Information Services</u>	<u>Fleet Management</u>	<u>Risk Management</u>	<u>Total</u>
CASH FLOWS FROM INVESTING ACTIVITIES						
Receipts from use of money and property	\$ ---	52	4	---	---	56
Net cash provided by (used in) investing activities	---	52	4	---	---	56
Net increase (decrease) in cash and cash equivalents	41	3,397	95	109	(5,644)	(2,002)
Cash and cash equivalents, beginning of year	634	4,613	2,698	86	8,380	16,411
Cash and cash equivalents, end of year	<u>675</u>	<u>8,010</u>	<u>2,793</u>	<u>195</u>	<u>2,736</u>	<u>14,409</u>
Classified as:						
Cash and cash equivalents - unrestricted	675	1,552	2,432	195	2,736	7,590
Cash and cash equivalents - restricted	---	6,458	361	---	---	6,819
Total cash and cash equivalents	<u>675</u>	<u>8,010</u>	<u>2,793</u>	<u>195</u>	<u>2,736</u>	<u>14,409</u>
Reconciliation of operating income (loss) to net cash provided by (used in) operating activities:						
Operating income (loss)	81	(899)	(87)	(50)	(13,507)	(14,462)
Adjustments to reconcile operating income (loss) to net cash provided by (used in) operations:						
Depreciation and amortization	---	4,893	121	159	---	5,173
Change in:						
Accounts receivable	---	126	---	---	---	126
Due from other governments	---	852	---	22	---	874
Inventories	(79)	---	4	(22)	---	(97)
Other assets	---	24	---	---	(44)	(20)
Accounts payable, accrued and other liabilities	27	45	241	988	12,957	14,258
Due to other governments	5	33	39	13	---	90
Net cash provided by (used in) operating activities	<u>\$ 34</u>	<u>5,074</u>	<u>318</u>	<u>1,110</u>	<u>(594)</u>	<u>5,942</u>
Non-cash activity: Bond refunding-issued	---	3,134	487	---	---	3,621
Non-cash activity: Bond refunding-redeemed	---	3,585	557	---	---	4,142

See accompanying independent auditors' report

STATISTICAL SECTION

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. The County implemented GASB Statement 34 in 2002 and all schedules presented include information beginning in that year.

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

	2003	2004	2005	2006	2007	2008	2009	2010	2011	2012
Governmental activities:										
Invested in capital assets, net of related debt	\$ 534,273	\$ 478,163	\$ 447,552	\$ 440,162	\$ 406,161	\$ 433,694	\$ 454,550	\$ 450,049	\$ 459,858	\$ 525,032
Restricted	19,829	24,296	25,058	23,966	24,103	19,118	18,231	16,818	27,203	27,226
Unrestricted	(159,456)	(140,550)	(169,373)	(217,469)	(231,669)	(300,150)	(310,975)	(301,696)	(341,035)	(477,849)
Total governmental activities	<u>\$ 394,646</u>	<u>\$ 361,909</u>	<u>\$ 303,237</u>	<u>\$ 246,659</u>	<u>\$ 198,595</u>	<u>\$ 152,662</u>	<u>\$ 161,806</u>	<u>\$ 165,171</u>	<u>\$ 146,026</u>	<u>\$ 74,409</u>
Business-type activities:										
Invested in capital assets, net of related debt	\$ 489,105	\$ 454,338	\$ 428,307	\$ 407,978	\$ 376,941	\$ 392,625	\$ 414,340	\$ 395,359	\$ 374,431	\$ 358,820
Restricted	12,668	10,491	6,157	15,135	32,690	31,978	151	1,009	3,429	2,654
Unrestricted	8,821	28,146	28,308	19,687	28,564	14,747	10,525	9,282	(1,628)	(10,026)
Total business-type activities	<u>\$ 510,594</u>	<u>\$ 492,975</u>	<u>\$ 462,772</u>	<u>\$ 442,800</u>	<u>\$ 438,195</u>	<u>\$ 439,350</u>	<u>\$ 425,016</u>	<u>\$ 405,650</u>	<u>\$ 376,232</u>	<u>\$ 351,448</u>
Primary government:										
Invested in capital assets, net of related debt	\$ 1,023,378	\$ 932,501	\$ 875,859	\$ 848,140	\$ 783,102	\$ 826,319	\$ 868,890	\$ 845,408	\$ 834,289	\$ 883,852
Restricted	32,497	34,787	31,215	39,101	56,793	51,096	18,382	17,827	30,632	29,880
Unrestricted	(150,635)	(112,404)	(141,065)	(197,782)	(203,105)	(285,403)	(300,450)	(292,414)	(342,663)	(487,875)
Total primary government	<u>\$ 905,240</u>	<u>\$ 854,884</u>	<u>\$ 766,009</u>	<u>\$ 689,459</u>	<u>\$ 636,790</u>	<u>\$ 592,012</u>	<u>\$ 586,822</u>	<u>\$ 570,821</u>	<u>\$ 522,258</u>	<u>\$ 425,857</u>

Source: Monroe County Department of Finance - Controller's Division

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

85

	<u>2003</u>	<u>2004</u>	<u>2005</u>	<u>2006</u>	<u>2007</u>	<u>2008</u>	<u>2009</u>	<u>2010</u>	<u>2011</u>	<u>2012</u>
Expenses										
Governmental activities:										
General government	66,509	51,985	316,365	314,852	325,666	341,375	320,086	332,712	351,047	375,682
Public safety	180,060	173,298	179,394	188,233	199,815	204,145	207,452	219,760	237,357	253,206
Health and welfare	529,123	562,795	541,100	545,490	535,354	572,712	553,751	572,101	572,980	572,866
Culture, recreation and education	93,314	82,069	80,920	81,245	88,842	108,042	91,599	96,699	95,862	101,532
Transportation	60,157	67,667	55,545	43,050	45,130	46,370	51,013	58,541	51,957	58,012
Sanitation	736	645	625	74	74	75	75	75	76	74
Economic development	4,481	2,988	3,239	3,567	3,757	3,800	4,519	5,583	4,620	3,009
Interest on long-term debt	12,427	11,392	33,531	27,200	24,263	26,655	26,316	23,264	22,758	23,406
Total governmental activities	<u>946,807</u>	<u>952,839</u>	<u>1,210,719</u>	<u>1,203,711</u>	<u>1,222,901</u>	<u>1,303,174</u>	<u>1,254,811</u>	<u>1,308,735</u>	<u>1,336,657</u>	<u>1,387,787</u>
Business-type activities:										
Refuse	16,346	14,912	16,092	19,928	20,140	17,313	17,215	17,496	17,013	17,109
Airport	20,685	23,059	23,734	24,519	25,905	26,865	31,340	33,255	31,861	31,290
Hospital	60,264	61,832	61,779	63,622	66,191	66,664	68,007	69,611	71,025	72,587
Sewer	70,061	72,487	74,254	75,733	75,855	76,496	75,797	75,549	79,303	78,774
Utilities	12,175	10,747	15,464	10,308	11,176	14,010	12,477	15,280	14,710	15,069
Total business-type activities	<u>179,531</u>	<u>183,037</u>	<u>191,323</u>	<u>194,110</u>	<u>199,267</u>	<u>201,348</u>	<u>204,836</u>	<u>211,191</u>	<u>213,912</u>	<u>214,829</u>
Total primary government	<u>1,126,338</u>	<u>1,135,876</u>	<u>1,402,042</u>	<u>1,397,821</u>	<u>1,422,168</u>	<u>1,504,522</u>	<u>1,459,647</u>	<u>1,519,926</u>	<u>1,550,569</u>	<u>1,602,616</u>
Program Revenues										
Governmental activities										
Charges for services:										
General government	33,653	31,782	28,645	25,621	25,261	25,129	27,792	34,273	33,611	33,686
Public safety	11,476	11,667	13,244	9,184	10,085	10,365	10,658	11,737	11,351	11,953
Health and welfare	2,576	3,588	5,069	3,538	3,529	3,981	3,970	3,821	3,910	4,007
Culture, recreation and education	5,426	5,687	6,083	6,783	6,950	22,564	21,763	23,755	25,488	27,999
Transportation	3,189	1,910	1,783	1,021	1,054	4,226	5,154	5,263	5,586	10,937
Sanitation	662	593	551	304	-	-	-	-	-	-
Economic development	1	-	1	1	-	-	-	-	-	-
Operating grants and contributions	358,802	378,931	363,489	363,347	353,010	376,555	406,172	412,470	395,445	365,603
Capital grants and contributions	80,449	24,651	10,115	7,815	11,500	29,611	23,233	31,553	30,471	35,009
Total governmental activities	<u>496,234</u>	<u>458,809</u>	<u>428,980</u>	<u>417,614</u>	<u>411,389</u>	<u>472,431</u>	<u>498,742</u>	<u>522,872</u>	<u>505,862</u>	<u>489,194</u>

(continued)

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

	2003	2004	2005	2006	2007	2008	2009	2010	2011	2012
Business-type activities										
Charges for services:										
Refuse	7,285	6,428	6,701	6,700	5,978	5,814	5,831	5,927	6,471	5,704
Airport	13,107	14,789	14,566	16,374	16,982	17,529	17,294	19,651	19,056	18,463
Hospital	68,863	74,753	53,193	58,667	58,872	67,298	69,470	68,856	67,423	70,883
Sewer	44,238	46,198	51,032	52,617	54,454	54,783	54,608	56,047	55,003	58,552
Utilities	12,175	-	15,536	10,021	11,358	14,039	12,461	14,992	14,727	15,076
Operating grants and contributions	2,465	18,207	4,683	4,582	4,340	2,404	1,706	1,408	1,315	1,193
Capital grants and contributions	7,674	16,092	10,305	16,576	31,943	31,853	19,688	14,622	11,665	10,448
Total business-type activities	155,807	176,467	156,016	165,537	183,927	193,720	181,058	181,503	175,660	180,319
Total primary government	\$ 652,041	\$ 635,276	\$ 584,996	\$ 583,151	\$ 595,316	\$ 666,151	\$ 679,800	\$ 704,375	\$ 681,522	\$ 180,319
Net (Expense)/Revenue										
Governmental activities	\$ (450,573)	\$ (494,030)	\$ (781,739)	\$ (786,097)	\$ (811,512)	\$ (830,743)	\$ (756,069)	\$ (785,863)	\$ (830,795)	\$ (898,593)
Business-type activities	(23,724)	(6,570)	(35,307)	(28,573)	(15,340)	(7,628)	(23,778)	(29,688)	(38,252)	(34,510)
Total primary government	\$ (474,297)	\$ (500,600)	\$ (817,046)	\$ (814,670)	\$ (826,852)	\$ (838,371)	\$ (779,847)	\$ (815,551)	\$ (869,047)	\$ (933,103)
General Revenues and Other										
Changes in Net Position										
Governmental activities										
Taxes	\$ 375,578	\$ 417,197	\$ 697,698	\$ 712,316	\$ 745,124	\$ 764,514	\$ 747,026	\$ 774,514	\$ 798,258	\$ 812,310
Tobacco settlement revenues	13,950	12,493	11,469	11,356	11,638	12,538	14,153	10,674	9,227	10,604
Investment earnings	810	2,512	4,198	4,137	6,291	3,184	440	218	269	203
Miscellaneous	3,878	3,095	8,702	2,710	3,691	3,719	3,594	3,822	3,896	3,859
Transfers	20,026	13,810	-	-	505	-	-	-	-	-
Special items	9,541	-	-	-	(3,801)	855	-	-	-	-
Total governmental activities	423,783	449,107	722,067	730,519	763,448	784,810	765,213	789,228	811,650	826,976
Business-type activities										
Investment earning	2,426	-	80	149	48	28	-	-	-	-
Miscellaneous	6,580	2,761	5,024	9,702	11,192	8,755	9,444	10,322	8,834	9,726
Transfers	(20,026)	(13,810)	-	-	(505)	-	-	-	-	-
Special items	-	-	-	-	-	-	-	-	-	-
Total business-type activities	(11,020)	(11,049)	5,104	9,851	10,735	8,783	9,444	10,322	8,834	9,726
Total primary government	\$ 412,763	\$ 438,058	\$ 727,171	\$ 740,370	\$ 774,183	\$ 793,593	\$ 774,657	\$ 799,550	\$ 820,484	\$ 836,702
Change in Net Position										
Governmental activities	\$ (26,790)	\$ (44,923)	\$ (59,672)	\$ (55,578)	\$ (48,064)	\$ (45,933)	\$ 9,144	\$ 3,365	\$ (19,145)	\$ (71,617)
Business-type activities	(34,744)	(17,619)	(30,203)	(18,722)	(4,605)	1,155	(14,334)	(19,366)	(29,418)	(24,784)
Total primary government	\$ (61,534)	\$ (62,542)	\$ (89,875)	\$ (74,300)	\$ (52,669)	\$ (44,778)	\$ (5,190)	\$ (16,001)	\$ (48,563)	\$ (96,401)

Source: Monroe County Department of Finance - Controller's Division

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

For the year ended December 31,

	2003	2004	2005	2006	2007	2008	2009	2010	2011	2012
General Fund										
Reserved	\$ 4,743	\$ 5,916	\$ 5,082	\$ 8,420	\$ 11,079	\$ 8,957	\$ 9,386	\$ 12,078	\$ -	\$ -
Unreserved	(6,041)	(25,442)	9,770	(7,903)	(9,377)	(10,027)	(3,148)	89	-	-
Nonspendable	-	-	-	-	-	-	-	-	1,619	1,617
Restricted	-	-	-	-	-	-	-	-	6,126	5,565
Committed	-	-	-	-	-	-	-	-	2,608	2,219
Assigned	-	-	-	-	-	-	-	-	761	2,993
Unassigned	-	-	-	-	-	-	-	-	7,842	1,708
Total general fund	\$ (1,298)	\$ (19,526)	\$ 14,852	\$ 517	\$ 1,702	\$ (1,070)	\$ 6,238	\$ 12,167	\$ 18,956	\$ 14,102
All Other Governmental Funds										
Reserved	\$ 46,015	\$ 37,598	\$ 37,832	\$ 31,683	\$ 42,253	\$ 34,577	\$ 52,748	\$ 37,527	\$ -	\$ -
Unreserved, reported in:										
Special revenue funds	5,604	4,735	3,709	3,633	4,360	6,750	7,297	8,306	-	-
Capital projects funds	(11,863)	(18,172)	1,946	(11,840)	(10,861)	(29,474)	(32,985)	(1,104)	-	-
Debt service funds	99	(871)	(1,013)	(1,529)	(91)	1,523	720	1,063	-	-
Nonspendable	-	-	-	-	-	-	-	-	955	736
Restricted	-	-	-	-	-	-	-	-	36,532	46,611
Committed	-	-	-	-	-	-	-	-	2,087	1,811
Assigned	-	-	-	-	-	-	-	-	3,205	3,187
Unassigned	-	-	-	-	-	-	-	-	(21,541)	(9,957)
Total all other governmental funds	\$ 39,855	\$ 23,290	\$ 42,474	\$ 21,947	\$ 35,661	\$ 13,376	\$ 27,780	\$ 45,792	\$ 21,238	\$ 42,388

Source: Monroe County Department of Finance - Controller's Division

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

	For the year ended December 31,									
	2003	2004	2005	2006	2007	2008	2009	2010	2011	2012
Revenues										
Taxes	\$ 363,256	\$ 404,563	\$ 687,434	\$ 699,007	\$ 727,594	\$ 739,655	\$ 726,995	\$ 755,293	\$ 778,843	\$ 797,472
Federal aid	132,271	129,783	118,825	125,689	100,252	127,223	166,623	193,650	196,555	162,471
State aid	236,405	248,897	231,472	219,974	232,275	245,078	228,614	219,084	202,808	202,220
Charges for services	22,528	20,559	20,852	19,429	19,904	22,386	24,369	24,748	27,550	28,381
Intergovernmental	16,535	17,372	15,911	19,280	18,508	34,987	35,476	37,233	38,080	47,386
Interdepartmental	15,929	15,986	15,671	2,312	3,184	3,293	3,351	2,904	2,509	2,045
Use of money and property	7,315	9,338	10,505	10,650	13,522	10,112	6,502	6,684	7,121	7,867
Repayments and refunds	12,891	14,235	13,001	15,403	15,027	17,211	18,173	16,518	15,404	16,469
Payments in lieu of taxes	5,370	6,421	5,967	6,304	6,710	7,858	7,557	8,062	7,836	7,932
Tobacco settlement	13,950	12,323	12,497	11,434	11,899	12,148	13,397	11,149	10,570	10,779
Sale of Tax Liens	-	-	-	-	21,277	-	-	-	-	-
Miscellaneous	8,949	8,045	14,170	10,280	17,546	16,318	11,205	13,973	16,842	25,675
Total revenues	835,399	887,522	1,146,305	1,139,762	1,187,698	1,236,269	1,242,262	1,289,298	1,304,118	1,308,697
Expenditures										
Health and welfare	530,261	561,739	542,881	546,223	530,888	563,305	552,824	568,672	565,953	560,448
Public safety	156,187	161,426	171,768	179,166	187,227	191,529	193,969	204,167	212,549	224,773
Culture, recreation and education	68,367	71,708	73,549	74,915	78,291	85,468	82,055	84,813	82,779	87,025
General government	41,086	37,994	301,548	303,000	309,554	293,235	307,262	318,123	333,234	343,307
Transportation	23,339	20,287	19,619	19,000	19,415	20,020	21,320	20,840	21,635	21,792
Sanitation	661	586	550	-	-	-	-	-	-	-
Economic development	4,481	2,988	3,239	3,584	3,774	3,800	4,519	5,583	4,620	3,009
Debt service:										
Principal	21,695	18,900	24,425	15,468	21,948	54,588	30,222	30,041	25,211	27,301
Interest	19,281	20,145	35,333	24,851	23,019	25,217	23,970	21,251	20,467	21,024
Capital outlay	48,545	39,191	20,791	22,416	35,518	48,628	37,624	53,737	52,776	40,356
Total expenditures	913,903	934,964	1,193,703	1,188,623	1,209,634	1,285,790	1,253,765	1,307,227	1,319,224	1,329,035
Other Financing Sources (Uses)										
Bonds Issued	45,709	44,067	251,517	14,579	37,614	26,160	35,163	44,112	-	37,128
Refunding bonds Issued	-	-	-	-	-	-	-	-	-	43,091
Premium on bonds issued	-	-	-	-	-	-	-	-	-	5,262
Redemption/payments to Escrow Agent	-	-	-	-	-	-	-	-	-	(45,744)
Transfers in	104,477	63,632	101,213	60,559	61,840	63,860	69,629	63,356	57,559	54,866
Transfers out	(85,918)	(95,050)	(251,770)	(61,139)	(62,619)	(65,556)	(71,577)	(65,598)	(60,218)	(57,969)
Special Items	16,341	-	-	-	-	-	-	-	-	-
Total other financing sources (uses)	80,609	12,649	100,960	13,999	36,835	24,464	33,215	41,870	(2,659)	36,634
Net change in fund balances	\$ 2,105	\$ (34,793)	\$ 53,562	\$ (34,862)	\$ 14,899	\$ (25,057)	\$ 21,712	\$ 23,941	\$ (17,765)	\$ 16,296
Debt service as a percentage of noncapital expenditures										
	4.7%	4.4%	5.3%	3.5%	3.8%	6.5%	4.5%	4.1%	3.6%	3.7%

Source: Monroe County Department of Finance - Controller's Division

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

	For the Year Ended December 31,									
	2003	2004	2005	2006	2007	2008	2009	2010	2011	2012
Five-Year Average Full Valuation of Taxable Property ¹	\$ 28,520,308	\$ 29,468,743	\$ 30,298,412	\$ 31,231,771	\$ 32,392,529	\$ 33,711,847	\$ 35,108,215	\$ 36,321,487	\$ 37,381,847	\$ 38,157,176
Constitutional Property Tax Limit	454,724	462,106	483,337	468,477	485,888	505,678	526,623	544,822	560,729	572,358
⊗ Total Tax Levy Subject to Constitutional Limit	204,183	240,983	258,576	239,426	250,714	270,522	277,154	286,427	296,402	297,501
Taxing Power Unused	<u>\$ 250,541</u>	<u>\$ 221,123</u>	<u>\$ 224,761</u>	<u>\$ 229,051</u>	<u>\$ 235,174</u>	<u>\$ 235,156</u>	<u>\$ 249,469</u>	<u>\$ 258,395</u>	<u>\$ 264,327</u>	<u>\$ 274,857</u>
Percent of Taxing Power Used	44.9%	52.1%	53.5%	51.1%	51.6%	53.5%	52.6%	52.6%	52.9%	52.0%

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 - Finance Division

County of Monroe, New York
Assessed Value of Taxable Property
Last Ten Years
(000's omitted)

<u>Year Ended December 31,</u>	<u>Residential Property</u>	<u>Commercial Property</u>	<u>Industrial Property</u>	<u>Other Property¹</u>	<u>Tax Exempt Property</u>	<u>Assessed Value of Taxable Property</u>	<u>Full Value of Taxable Property</u>	<u>Full Value Tax Rate²</u>
2012	\$28,968,978	\$ 6,064,981	\$ 826,765	\$ 2,892,861	\$ 7,554,849	\$38,753,585	\$39,106,258	8.99
2011	28,777,645	5,971,942	836,811	2,894,773	7,501,732	38,481,171	38,830,743	8.99
2010	28,183,069	5,900,300	824,143	3,003,693	7,548,942	37,911,205	38,500,704	8.99
2009	27,735,326	5,739,968	791,581	2,767,154	7,257,722	37,034,029	37,679,657	8.99
2008	26,134,635	5,470,262	797,681	2,553,599	7,056,274	34,956,177	36,668,517	8.99
2007	25,714,177	5,374,302	833,009	2,464,814	6,968,090	34,386,302	35,230,115	9.10
<u>Year Ended December 31,</u>	<u>Assessed Value of Taxable Property</u>	<u>Full Value of Taxable Property</u>	<u>Full Value Tax Rate²</u>					
2006	\$32,937,079	\$33,535,276	9.10					
2005	31,833,026	32,434,345	9.10					
2004	30,076,629	30,697,813	9.10					
2003	29,722,346	30,071,929	8.03					

Notes:

Figures represent values for referenced tax year.

Properties are independently assessed by the City of Rochester and the 20 towns.

¹"Other Property" includes Agricultural, Amusement, Community Service, Forest, Public Service, and Vacant Lands.

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

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

County of Monroe, New York
Property Tax Levies and Collections
Last Ten Years
(000's omitted)

Year ended December 31,	Total Tax Levy	Taxes Levied for County Purposes ¹	Collected Within the Fiscal Year of the Levy		Collections in Subsequent Years	Total Collections to Date	
			Amount	Percentage of Total Levy		Amount	Percentage of Total Levy
2012	\$ 633,445	\$ 351,565	\$ 620,664	98.0%	\$ 16,337	\$ 637,001	100.6%
2011	623,239	349,088	611,228	98.1%	11,307	622,535	99.9%
2010	615,031	346,121	602,964	98.0%	8,545	611,509	99.4%
2009	600,762	338,740	588,710	98.0%	4,452	593,162	98.7%
2008	579,708	329,650	569,700	98.3%	344	570,044	98.3%
2007	551,811	320,594	547,274	99.2%	16,789	564,063	102.2%
2006	515,377	305,171	508,162	98.6%	9,593	517,755	100.5%
2005	494,582	295,192	484,672	98.0%	10,106	494,778	100.0%
2004	461,390	279,284	451,839	97.9%	4,055	455,894	98.8%
2003	414,763	241,448	405,652	97.8%	6,436	412,088	99.4%

Note:

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

Source: Monroe County Department of Finance - Treasury Division

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

Taxpayer	2012			2003		
	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	\$ 1,498,591	1	3.83%	\$ 901,503	1	3.00%
Frontier Telephone / Citizens Communications (formerly Rochester Telephone Corp.)	246,279	2	0.63%	237,305	3	0.79%
Wegmans	196,623	3	0.50%	81,958	7	0.27%
Morgan Management	177,522	4	0.45%	----	---	----
Farash	137,063	5	0.35%	118,930	5	0.40%
Greece Ridge LLC	122,858	6	0.31%	74,717	8	0.25%
Hylan Flying Services	103,162	7	0.26%	69,595	9	0.23%
Xerox Corp.	106,718	8	0.27%	197,910	4	0.66%
Eastman Kodak	98,178	9	0.25%	255,637	2	0.85%
Mark IV Enterprises	91,337	10	0.23%	----	---	----
RAM Limited Partnership	----	---	----	101,465	6	0.34%
New York Central	----	---	----	53,427	10	0.18%
Total	\$ 2,778,331		7.08%	\$ 2,092,447		6.97%

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)

	For the Year Ended December 31,									
	2003	2004	2005	2006	2007	2008	2009	2010	2011	2012
Five-Year Average Full Valuation of Taxable Real Property ¹	\$ 29,468,743	\$ 30,298,412	\$ 31,231,771	\$ 32,392,529	\$ 33,711,847	\$ 35,108,215	\$ 36,321,487	\$ 37,381,947	\$ 38,157,175	\$ 38,687,746
Constitutional Debt Limit	2,062,812	2,120,889	2,186,224	2,267,477	2,359,829	2,457,575	2,542,504	2,616,736	2,671,002	2,708,142
Total Net Debt										
Applicable to Limit	410,173	412,495	416,936	415,109	417,331	403,825	396,661	429,946	414,358	420,207
Legal Debt Margin	<u>\$ 1,652,639</u>	<u>\$ 1,708,394</u>	<u>\$ 1,769,288</u>	<u>\$ 1,852,368</u>	<u>\$ 1,942,498</u>	<u>\$ 2,053,750</u>	<u>\$ 2,145,843</u>	<u>\$ 2,186,790</u>	<u>\$ 2,256,644</u>	<u>\$ 2,287,935</u>
Percent of Debt Limit Used	19.9%	19.4%	19.1%	18.3%	17.7%	16.4%	15.6%	16.4%	15.5%	15.5%

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 - Finance Division

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	Bond Anticipation Notes	Revenue Anticipation Notes	Capital Leases	Bonds Payable	Bond Anticipation Notes	Revenue Anticipation Notes	Capital Leases			
2012	\$ 291,493	\$ -	\$ 58,000	\$ 1,018	\$ 180,398	\$ 9,000	\$ 17,000	\$ 8,144	\$ 565,053	1.44%	\$ 757.82
2011	270,203	17,856	58,000	1,362	166,875	21,124	17,000	8,046	560,466	1.44%	752.97
2010	298,645	815	58,000	638	185,266	16,000	17,000	9,209	585,573	1.52%	759.24
2009	262,904	4,591	58,000	89	186,255	16,000	17,000	11,504	556,343	1.48%	759.24
2008	248,394	32,680	63,000	133	167,410	9,485	17,000	12,844	550,946	1.50%	754.80
2007	277,881	11,620	68,000	386	182,543	7,795	17,000	13,241	578,466	1.58%	791.54
2006	258,071	27,440	71,000	473	167,111	24,650	14,000	4,415	567,160	1.61%	776.07
2005	279,432	6,240	45,000	912	182,119	12,930	10,000	5,200	541,833	1.62%	738.83
2004	261,053	22,004	80,000	2,387	161,076	35,566	10,000	6,152	578,238	1.78%	786.53
2003	281,691	3,719	65,000	2,603	175,513	17,211	10,000	6,829	562,566	1.83%	763.59

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

Source: Monroe County Department of Finance - Controller's Division

County of Monroe, New York
Ratios of Net General Obligation Bonded Debt Outstanding
Last Ten Years
(000's omitted, except per capita)

<u>Year ended December 31,</u>	<u>General Obligation Debt Outstanding¹</u>	<u>Less: Debt Service Funds</u>	<u>Net General Obligation Debt Outstanding</u>	<u>Percentage of Full Value on Property</u>	<u>Per Capita</u>
2012	\$ 291,493	\$ 4,362	\$ 287,131	0.73%	\$ 385.09
2011	270,203	2,895	267,308	0.69%	359.12
2010	298,645	3,306	295,339	0.77%	396.78
2009	262,904	4,214	258,690	0.69%	353.03
2008	248,394	5,248	243,146	0.66%	333.11
2007	277,881	8,258	269,623	0.77%	368.94
2006	258,071	6,845	251,226	0.75%	343.77
2005	279,432	4,679	274,753	0.85%	374.65
2004	261,053	5,051	256,002	0.83%	348.22
2003	281,691	3,276	278,415	0.93%	377.90

Note:

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

Source: Monroe County Department of Finance - Finance Division

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

Year ended December 31,	Population ¹	Total Personal Income ² (Dollars) <i>(000's omitted)</i>	Per Capita Personal Income ² (Dollars)	Median Household Income ¹ (Dollars)	Unemployment Rate ³
2012	745,625	\$ 32,728,163	\$ 43,894	\$ 52,260	8.0%
2011	744,344	30,077,573	40,994	51,303	7.6%
2010	744,344	30,785,053	42,082	51,105	8.0%
2009	732,762	28,768,865	39,314	50,050	7.9%
2008	729,921	28,099,299	38,496	49,374	5.5%
2007	730,807	26,399,273	36,062	47,339	4.3%
2006	730,807	26,399,273	36,062	47,339	4.0%
2005	733,366	26,399,273	36,062	44,891	4.8%
2004	735,177	25,431,131	34,606	46,412	5.4%
2003	735,774	24,191,939	32,881	44,891	5.6%

Sources:

¹U.S. Census Bureau.

²U.S. Bureau of Economic Analysis.

³New York State Department of Labor (average annual rate)

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

Employer	2012			2003		
	Number of Full-Time Employees ¹	Rank	Percentage of Total Local Area Employment	Number of Full-Time Employees	Rank	Percentage of Total Local Area Employment
University of Rochester / Strong Health	20,340 ²	1	3.87%	13,400	2	2.47%
Rochester General Health System	7,600 ²	2	1.44%	----	----	----
Xerox Corp	6,116	3	1.16%	8,800 ²	3	1.62%
Wegmans Food Market, Inc	5,813	4	1.11%	5,579	4	1.03%
Eastman Kodak Co.	5,129	5	0.98%	20,600 ²	1	3.80%
Unity Health System	3,829	6	0.73%	3,012	6	0.56%
Paychex, Inc.	3,642	7	0.69%	----	----	----
Lifetime Healthcare Co.	3,584	8	0.68%	3,000 ²	7	0.55%
Rochester Institute of Tech.	3,152	9	0.60%	2,688	8	0.50%
Sutherland Global Services	2,600	10	0.49%	----	----	----
Via Health	----	----	----	4,434	5	0.82%
Delphi Energy & Engine Management Systems	----	----	----	2,500	9	0.46%
Frontier Corp., a Citizens Comm. Company	----	----	----	2,100	10	0.39%
Total	<u>61,805</u>		<u>11.75%</u>	<u>66,113</u>		<u>12.20%</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. Certain 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, 2013. 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.

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

	<u>2003</u>	<u>2004</u>	<u>2005</u>	<u>2006</u>	<u>2007</u>	<u>2008</u>	<u>2009</u>	<u>2010</u>	<u>2011</u>	<u>2012</u>
Aviation	95	98	99	100	104	108.5	107.5	107.5	106.0	104.0
Board of Elections	44	44	44	44	48	55.0	53.0	53.0	52.0	52.0
Communications	9	9	6	6	5	5.5	5.5	5.5	5.5	5.5
County Executive	5	5	4	5	5	5.0	5.0	5.0	5.0	5.0
Finance	116	115	92	91	91	91.5	89.0	85.0	83.0	84.0
Human Resources	29	29	29	29	29	36.5	33.5	33.5	33.5	33.0
Human Services	912	929	964	963	963	976.3	1,035.3	1,025.3	996.5	978.5
Information Services	45	45	50	50	46	48.0	46.0	46.0	43.0	43.0
Law	151	152	147	151	150	150.5	146.5	145.0	140.0	137.0
Monroe Community Hospital	634	638	637	637	637	724.8	711.8	709.5	688.3	680.3
Management and Budget	0	0	9	10	11	11.0	10.0	10.0	9.0	9.0
Planning and Development	25	26	26	26	25	23.5	22.0	20.5	18.5	17.5
Public Defender	81	81	81	81	84	85.0	84.0	82.0	82.0	82.0
Public Health	285	292	212	214	215	248.0	239.5	239.5	235.5	232.5
Public Safety	276	272	254	301	282	301.5	294.5	294.5	275.5	274.0
Environmental Services	386	384	377	370	367	382.5	371.5	363.5	342.5	339.0
Parks	79	79	75	75	74	143.3	141.3	142.8	139.8	139.8
Transportation	82	81	81	77	77	79.5	78.0	78.0	78.0	78.0
Veterans Service	6	5	5	5	5	5.0	4.0	4.0	4.0	4.0
County Clerk	85	88	86	86	85	110.5	107.5	107.5	107.5	105.5
County Legislature	56	56	53	53	53	58.0	58.0	58.0	58.0	56.0
District Attorney	142	136	140	141	140	143.5	143.0	143.0	144.0	144.0
Sheriff	1,020	1,020	1,003	1,034	1,025	1,087.0	1,087.0	1,090.0	1,087.0	1,086.5

Source: Monroe County Budget for the relevant year.
 Starting in 2008, figures represent "Full-Time Equivalents."

County of Monroe, New York
Operating Indicators
Last Ten Years

	2003	2004	2005	2006	2007	2008	2009	2010	2011	Est. 2012
Transportation										
Lane Miles Sealed	77	83	112	145	98	107	79	115	115	142
Lane Miles Resurfaced	52	48	38	51	44	44	95	87	48	40
Signs Fabricated ¹	30,000	36,000	35,200	9,300	6,000	4,839	6,895	8,134	6,416	8,500
Traffic Signs Installed - New	4,773	5,869	6,927	6,500	5,000	5,628	5,255	4,068	6,935	7,000
Signal Locations Serviced (all types)	772	767	770	770	786	794	784	776	787	789
County Clerk										
Land Records	169,000	128,910	111,505	103,248	103,313	87,251	92,215	84,277	88,405	96,514
Vehicle Registration	255,168	258,972	252,499	239,240	242,276	232,702	233,538	224,460	223,944	231,605
Passports	13,770	10,186	9,233	6,801	11,603	8,503	8,417	7,242	4,820	6,702
Learner Permits	18,670	20,789	20,824	20,819	20,846	21,609	21,581	20,887	20,577	22,462
Planning and Development										
Jobs Created (over next 3 years)	1,100	972	4,073	1,857	1,925	1,870	960	2,183	707	1,000
Housing Rehab Projects	45	61	62	91	94	101	82	97	95	99
First-time Home Buyer Purchase Subsidy	29	30	31	33	20	20	59	75	35	57
Health Department										
Clinics/Visits - Tuberculosis	18,700	15,993	15,630	17,054	20,600	15,215	15,189	14,269	14,269	14,500
Clinics/Visits - STD	15,319	14,401	15,087	14,560	14,177	13,754	13,462	13,773	13,773	11,460
Clinics/Visits - Immunization	5,759	4,475	5,756	4,233	5,817	6,012	6,993	4,939	4,939	4,461
Clinics/Visits - Foster Care	3,261	3,419	3,334	3,241	3,080	2,769	2,797	2,343	2,343	2,388
Sheriff										
Calls for Service	224,325	208,480	174,215	162,000	143,002	146,697	150,504	157,306	165,965	159,000
Safety Education Presentations	963	963	1,206	1,150	1,012	1,157	1,213	1,073	496	1,000
DARE Classrooms	4,100	3,969	4,210	4,210	3,910	3,102	3,442	3,602	3,550	3,500
SWAT Activations	14	13	9	8	4	2	5	5	4	6
Hostage Recovery Team Activations	10	7	5	9	7	3	3	5	4	5
Hazardous Device Team Activations	53	47	50	58	56	56	53	44	36	50
Public Safety - 911										
Calls Received	1,032,776	1,004,859	1,071,679	1,206,530	1,116,878	1,030,031	1,040,731	1,078,747	1,099,131	1,136,189
Police Events Dispatched	1,001,798	1,006,779	1,002,279	974,591	1,025,282	1,037,798	1,013,463	1,047,184	1,019,303	1,046,132
Fire Events Dispatched	72,987	76,379	66,121	77,789	83,374	88,065	87,051	108,571	110,111	108,844
EMS Events Dispatched	88,444	89,934	82,973	95,114	100,100	105,542	106,728	111,791	116,406	118,173
District Attorney										
Local Court Arraignments	31,726	32,013	30,400	30,702	29,613	33,962	27,878	27,847	18,668	21,967
STOP-DWI Felony Cases Screened	555	555	603	583	766	879	828	877	987	1,026
Aviation										
Passengers Boarded	1,248,731	1,378,079	1,457,573	1,430,418	1,443,352	1,396,522	1,287,552	1,268,792	1,209,746	1,200,000
Takeoffs and Landings	139,407	139,035	136,553	137,601	114,487	106,051	110,312	103,735	104,433	91,200

¹In years, 2002-2005 signs fabricated were reported in "square feet." In subsequent years, signs fabricated are reported as "signs manufactured."

Source: Monroe County Budget for the relevant year.

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

	2003	2004	2005	2006	2007	2008	2009	2010	2011	2012
Streets (Center Line Miles) ¹	650.4	649.5	648.9	648.9	663.0	661.0	662.5	662.5	662.5	662.3
3-Color Traffic Signals ¹	604.0	612.0	614.0	614.0	620.0	627.0	625.0	627.0	629.0	632.0
Sewer Pipe Miles ²	1,218.0	1,219.0	1,225.0	1,226.0	1,226.0	1,226.0	1,246.0	1,263.0	1,268.2	1,269.0
Vehicles ²	845.0	845.0	813.0	775.0	750.0	674.0	679.0	681.0	669.0	699.0

Sources:

¹Monroe County Department of Transportation

²Monroe County Department of Environmental Services, Fleet Services