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2026 REVENUE FORECAST WATER SALES AND WATER REVENUES

	Budget <u>2026</u>	Budget <u>2025</u>	Budget <u>2024</u>
Water Sales (in million gallons)			
Quarterly (191,203 Accounts)	12,943	12,852	13,005
Monthly (375 Accounts)	2,196	2,301	2,332
Water Districts (51 Accounts/12 Districts)	1,998	1,949	1,884
Total	17,137	17,102	17,221
Water Revenues			
Quarterly - Base Charge	\$ 22,337,344	\$ 21,343,584	\$ 20,458,256
Consumption Charge	56,816,040	54,340,255	52,350,012
	\$ 79,153,384	\$ 75,683,839	\$ 72,808,268
Monthly - Base Charge	\$ 912,824	\$ 875,893	\$ 842,881
First 125,000	2,506,669	2,529,901	2,440,947
Commodity Charge	5,944,254	5,999,346	5,788,403
	\$ 9,363,748	\$ 9,405,140	\$ 9,072,231
Water Districts - Base Charge	\$ 224,254	\$ 215,181	\$ 207,071
Commodity Charge	5,156,305	4,587,460	3,945,259
	\$ 5,380,560	\$ 4,802,641	\$ 4,152,330
Total Rate Base	\$ 93,897,691	\$ 89,891,620	\$ 86,032,829
Other Water Revenue			
Central Facility Charges	\$ 43,000	\$ 40,000	\$ 37,000
Genesee County Service Fee	\$ 2,072,339	\$ 2,074,043	\$ 2,080,013
Late Charges	\$ 1,068,400	\$ 1,017,200	\$ 972,200
Fire Protection Service	\$ 1,409,500	\$ 1,372,500	\$ 1,348,500
Interest Income	\$ 350,000	\$ 350,000	\$ 350,000
Income from Cell Site Leases	\$ 233,000	\$ 224,500	\$ 219,000
2010 B BAB Interest Subsidy	\$ 1,522,111	\$ 1,578,720	\$ 1,633,286
Miscellaneous Income	\$ 517,000	\$ 352,011	\$ 502,500
	\$ 7,215,350	\$ 7,008,974	\$ 7,142,499
TOTAL WATER REVENUE	\$ 101,113,041	\$ 96,900,594	\$ 93,175,327

2026 BUDGET SUMMARY

	Budget		Budget		Budget
	2026	% INC	2025	2024	
Operating Expenses					
Labor					
Gross Payroll					
Administration	1,245,680		1,197,400	1,008,390	
Production & Transmission	4,492,370		4,544,440	4,294,690	
Engineering	3,222,020		3,038,280	2,758,050	
Facilities & Fleet Operations	7,642,510		7,620,240	7,199,070	
Finance & Business Services	5,504,550		5,464,000	4,967,200	
Total Gross Payroll	22,107,130		21,864,360	20,227,400	
Less: Transfers to Construction	(2,032,000)		(1,656,000)	(1,562,000)	
Plus: Net Fringe Benefits	13,731,540		12,078,680	10,031,680	
Total Net Labor	\$ 33,806,670	4.71%	\$ 32,287,040	\$ 28,697,080	
	(72,470)				
Operations & Maintenance					
Administration	5,190,439		4,661,564	5,151,524	
OPEB Liability	2,000,000		2,000,000	-	
Production & Transmission	4,838,655		4,569,516	4,166,439	
Power for Production	6,274,000		4,826,100	5,648,000	
Engineering	4,184,308		3,894,098	3,893,418	
Facilities, Fleet & Operations	7,906,863		7,350,006	7,358,257	
Finance & Business Services	3,325,434		3,138,386	3,158,002	
Total Departmental Expenses	\$ 33,719,699	10.78%	\$ 30,439,670	\$ 29,375,640	
Water Purchases-City	\$ 1,800,000	7.14%	\$ 1,680,000	\$ 1,680,000	
Water Purchases-ECWA	\$ 853,200	18.50%	\$ 720,000	\$ 360,000	
City Agreement-Capital	\$ 243,000	0.00%	\$ 243,000	\$ 243,000	
	2,896,200		2,643,000	2,283,000	
Total Operating Expenses	\$ 70,422,569	7.73%	\$ 65,369,710	\$ 60,355,720	
Debt Service					
Water Revenue Debt Service	11,619,028		11,680,077	11,833,510	
Less: 2010 B BAB Interest Subsidy	-		-	-	
Subordinated Indebt (County)	-		-	-	
Debt Service Total	\$ 11,619,028	-0.52%	\$ 11,680,077	\$ 11,833,510	
Cash Capital Program					
Renewal & Replacement	17,918,806		13,640,806	16,156,098	
Capital Improvement	172,638		1,210,000	2,830,000	
Cash Capital Total	\$ 18,091,444	21.82%	\$ 14,850,806	\$ 18,986,098	
Less: Bond Proceeds	\$ -		\$ -	\$ -	
Net Cash Capital	\$ 18,091,444		\$ 14,850,806	\$ 18,986,098	
Total Capital Expenditures	\$ 29,710,472	11.98%	\$ 26,530,884	\$ 30,819,608	
Rate Stabilization Fund	\$ 980,000		\$ 5,000,000	\$ 2,000,000	
Grand Totals	\$ 101,113,041	4.35%	\$ 96,900,594	\$ 93,175,328	
Water Revenue Forecast	\$ 97,308,941		\$ 96,900,594	\$ 93,175,327	
BUDGET DEFICIT	\$ (3,804,100)				
rate inc	3.91%				

PERSONNEL ALLOCATIONS BY COST CENTER

	2026 Budget			2025 Actual			2025 Budget			2024 Budget		
	FT	PT	TEMP	FT	PT	TEMP	FT	PT	TEMP	FT	PT	TEMP
ADMINISTRATION												
50 Administration	7	3.50	0.00	6	3.50	0.00	7	3.50	0.00	6	3.50	0.00
52 Safety	1	0.00	0.00	1	0.00	0.00	1	0.00	0.00	1	0.00	0.00
Department Total	8	3.50	0.00	7	3.50	0.00	8	3.50	0.00	7	3.50	0.00
PRODUCTION/TRANSMISSION												
60 Administration	4	0.00	0.00	4	0.00	0.00	4.0	0.00	0.00	2	0.00	0.00
61 Operations	8	0.00	0.00	7	0.00	0.00	9	0.00	0.00	9	0.00	0.00
62 Laboratory	5	0.00	0.00	4	0.00	0.00	5	0.00	0.00	4	0.00	0.00
63 Transmission	8	0.00	0.00	8	0.00	0.00	7	0.00	0.00	7	0.00	0.00
64 Maintenance	20	0.00	0.00	20	0.00	0.00	23	0.00	0.00	25	0.00	0.00
Department Total	45	0.00	0.00	43	0.00	0.00	48.0	0.00	0.00	47	0.00	0.00
ENGINEERING												
Department Total	33	1.00	0.00	31	0.00	0.00	33	1.00	0.00	33	1.00	0.00
FACILITIES & FLEET OPERATIONS												
80 Administration	2	0.00	0.00	2	0.00	0.00	3	0.00	0.00	2	0.50	0.00
81 Buildings/Grounds	12	0.00	0.00	11	0.00	0.00	11	0.25	0.00	12	1.00	0.00
82 Vehicle Maintenance	5	0.00	0.00	5	0.00	0.00	5	0.00	0.00	6	0.00	0.00
83 Distribution Systems Operations	10	0.00	0.00	9	0.00	0.00	10	0.00	0.00	10	0.00	0.00
84 Distribution Maintenance	26	0.00	0.00	24	0.00	0.00	25	0.00	0.00	26	0.00	0.00
85 Hydrants/Valves	14	0.00	0.00	11	0.00	0.00	17	1.50	0.00	18	1.50	0.00
86 Warehouse	3	0.00	0.00	3	0.00	0.00	3	0.00	0.00	3	0.00	0.00
88 Dispatch	5	0.00	0.00	5	0.00	0.00	5	0.00	0.00	5	0.00	0.00
Department Total	77	0.00	0.00	70	0.00	0.00	79	1.75	0.00	82	3.00	0.00
FINANCE/BUSINESS SERVICES												
90 Administration	3	0.00	0.00	3	0.00	0.00	3	0.00	0.00	3	0.00	0.00
91 Customer Service	12	1.35	0.00	12	0.75	0.00	12	0.75	0.00	13	0.75	0.00
92 Accounting	7	0.00	0.00	6	0.00	0.00	7	0.00	0.00	7	0.00	0.00
93 Meter Services	19	0.00	0.00	17	0.00	0.00	20	0.00	0.00	20	0.00	0.00
94 Information Technology	14	1.00	0.00	12	0.00	0.00	13	1.00	0.00	13	1.00	0.00
95 Security	2	3.40	0.00	3	3.60	0.00	4	4.50	0.00	2	2.60	0.00
Department Total	57	5.75	0.00	53	4.35	0.00	59	6.25	0.00	58	4.35	0.00
MCWA TOTALS	220	10.25	0.00	204	7.85	0.00	227	12.50	0.00	227	11.85	0.00
FULL TIME EQUIVALENT	230.25			211.85			239.50			238.85		

Monroe County Water Authority
2026 B U D G E T

Date : 09/09/25

MCWA

TOTALS

Acct	Account Title	2026 Budget Submission	2025 Budget	%	Change	2025 To Date As of 07/31	2024 Actual
01	WAGES - Regular Labor	20616480	20473570	1	142910	10148307	17252350
02	WAGES - OT Labor	1490650	1390790	7	99860	939910	1292136
03	WAGES - Temporary Help	0	0	0	0	147	0
	*** GROSS LABOR ***	22107130	21864360	1	242770	11088364	18544486
05	LABOR TRANSFER OUT TO OTHER CC	-913500	-888500	3	-25000	-593913	-964746
06	LABOR TRANSFER OUT TO CONSTR	-2032000	-1656000	23	-376000	-736551	-1397875
07	LABOR TRANSFER IN FRM OTHER CC	913500	888500	3	25000	593912	964744
	*** NET LABOR ***	20075130	20208360	-1	-133230	10351812	17146609
10	FRINGE BENEFITS	15474990	13337240	16	2137750	6302041	9917027
11	FRINGE TRANSFER OUT TO OTHR CC	-643110	-541990	19	-101120	-362281	-531741
12	FRINGE TRANSFER OUT TO CONSTR	-1743460	-1258560	39	-484900	-559725	-979387
13	FRINGE TRANSFER IN FRM OTHR CC	643120	541990	19	101130	362280	531741
	*** NET FRINGE BENEFITS ***	13731540	12078680	5	1652860	5742315	8937640
	*** TOTAL LABOR ***	33806670	32287040	5	1519630	16094127	26084249
19	RETIREE BENEFITS	2613000	2110000	24	503000	1345593	1645036
20	COBRA DENTAL	4000	3600	11	400	783	139
21	LEGAL SERVICES	324000	324000	0	0	112514	124470
22	CONSULTANTS	1430500	1224500	17	206000	404955	583267
23	MEDICAL SERVICES	24665	24675	0	-10	17646	6300
24	AUDIT, ACCOUNTING SERVICES	60350	59000	2	1350	55000	48143
25	SAFETY SERVICES	106182	106182	0	0	35867	62583
26	SOFTWARE, LICENSES, FEES	353420	308130	15	45290	216316	410653
27	BANK SERVICES	121300	99000	23	22300	47276	93872
28	OTHER OUTSIDE SERVICES	1893567	1844975	3	48592	836220	1488593
29	TRUSTEE SERVICES	9740	9740	0	0	9232	11752
31	SUPPLIES, FORMS, & COPYING	333252	339002	-2	-5750	146542	286899
32	SMALL EQUIPMENT & TOOL PURCHASE	354410	359210	-1	-4800	163540	198152
33	POSTAGE & FREIGHT	656084	632950	4	23134	376078	594226
34	CHEMICALS	1544410	1524020	1	20390	833460	1428175
35	UNIFORMS	47700	46800	2	900	9087	28905
36	SAFETY EQUIPMENT	78340	79340	-1	-1000	32527	36746
37	PURCHASED WATER	2653200	2400000	11	253200	1193008	2815338
39	LANDSCAPING/ROW CLEARING	50000	50000	0	0	4854	2848

Monroe County Water Authority
2026 B U D G E T

Date : 09/09/25

MCWA

TOTALS

Acct	Account Title	2026 Budget Submission	2025 Budget	%	Change	2025 To Date As of 07/31	2024 Actual
40	CLAIMS MATERIALS/SERVICES	1000	1000	0	0	0	202
41	REPAIR MATERIALS - MAINS	1659800	1584800	5	75000	763029	1327026
42	MAINTENANCE CONTRACTS	5040955	4465565	13	575390	1586356	4323072
43	OUTSIDE REPAIRS/MAINT SERVICES	222320	234320	-5	-12000	88688	222782
44	REPAIRS/MAINTENANCE MATERIALS	108080	94080	15	14000	75539	57863
45	REPAIRS/MAINTENANCE MATERIALS	299480	299480	0	0	101062	272743
46	REPAIRS/MAINT MATRL-CURB BOXES	115000	106000	8	9000	57541	97113
48	REPAIRS/MAINT - VALVES & BOXES	152220	152220	0	0	50767	93671
49	EXTRAORDINARY MAINTENANCE	530000	175000	203	355000	99382	75257
51	TELEPHONE VOICE LINES	338041	338041	0	0	79252	153917
52	DATA LINES	107280	129420	-17	-22140	66319	105440
53	LIGHT, HEAT, WATER & DISPOSAL	314800	331700	-5	-16900	78540	310840
54	INSURANCE	617708	563485	10	54222	266204	458524
55	POWER FOR PRODUCTION & DISTRIB.	6274000	4826100	30	1447900	3245284	4208774
60	PENSION EXPENSE	585067	585067	0	0	0	941898
61	TRAINING & SEMINARS	139255	128745	8	10510	49884	66422
62	POST EMPLOYMENT	375000	375000	0	0	0	-2634078
63	DUES & SUBSCRIPTIONS	186450	177330	5	9120	81721	147245
64	PAYROLL WCOMP	0	0	0	0	-76811	-26140
65	FICA WCOMP	0	0	0	0	5876	1999
66	FLMHIT	0	0	0	0	-807	-9
70	VEHICLE REPAIR/REPLCMNT PARTS	320000	320000	0	0	113441	269906
71	VEHICLE REPAIR MATERIALS	109980	84980	29	25000	49377	67853
72	VEHICLE MAINTENANCE SUPPLIES	110000	110000	0	0	15647	80432
73	GASOLINE & DIESEL	699980	799980	-13	-100000	268357	479660
79	VEHICLE CREDIT	-200000	-200000	0	0	-73241	-152595
85	INVENTORY / ADJUSTMENTS	10000	10000	0	0	4384	3392
86	COPPER AND LEAD	3200000	3200000	0	0	257735	1620036
88	DISTRICT LEASE EXPENSES	6285	6285	0	0	3345	6068
92	CLAIMS EXPENSE	35000	35000	0	0	60025	26867
93	UNCOLLECTABLE ACCOUNTS	25080	25080	0	0	2645	40227
94	EFC BOND ADMIN FEE	13413	13413	0	0	13413	13979
97	RIGHT OF WAY CHARGES	19510	19510	0	0	16463	18052
98	SPECIAL FEES & ASSESSMENTS	234075	239565	-2	-5490	7290	230696
99	MISCELLANEOUS	65000	63380	3	1620	-839	38154

Monroe County Water Authority
2026 B U D G E T

Date : 09/09/25

MCWA

TOTALS

Acct	Account Title	2026 Budget Submission	2025 Budget	%	Change	2025 To Date As of 07/31	2024 Actual
	*** OTHER O&M EXPENSES ***	34372899	30839670	11	3533228	13196366	22813385
	*** NET O&M EXPENSES ***	68179569	63126710	8	5052858	29290493	48897634

2026 Cash Capital Program

	Budget 2025	2026	2027	2028	2029	2030	2031
Renewal & Replacement							
Production & Transmission	6,075,000	6,140,000	8,620,000	9,300,000	9,625,000	8,325,000	8,625,000
Engineering	11,640,000	17,500,000	13,050,000	15,150,000	15,350,000	15,170,000	16,530,000
Facilities, Fleet & Operations	5,395,900	6,635,700	5,202,600	5,717,800	5,728,200	6,030,000	6,044,000
Finance & Business Services	3,668,407	2,921,978	3,948,000	3,948,000	4,598,000	3,948,000	3,948,000
	26,779,307	33,197,678	30,820,600	34,115,800	35,301,200	33,473,000	35,147,000
Less Funding from New Construction Fund	-	-	-	-	-	-	-
Less Funding from General Fund	(12,000,000)	(13,000,000)	-	-	-	-	-
Less Funding from R&R Fund Balance	(1,138,501)	(2,278,872)	-	-	-	-	-
	13,640,806	17,918,806	30,820,600	34,115,800	35,301,200	33,473,000	35,147,000
Capital Improvement							
Production & Transmission	600,000	600,000	975,000	1,325,000	5,375,000	1,425,000	1,275,000
Engineering	500,000	435,000	400,000	2,800,000	4,650,000	5,400,000	2,800,000
Facilities, Fleet & Operations	110,000	275,000	20,000	20,000	20,000	20,000	20,000
Finance & Business Services	-	1,027,638	25,000	25,000	25,000	25,000	25,000
	1,210,000	2,337,638	1,420,000	4,170,000	10,070,000	6,870,000	4,120,000
Less Funding from General Fund	-	-	-	-	-	-	-
Less Funding from CI Fund Balance	-	(2,165,000)	-	-	-	-	-
	1,210,000	172,638	1,420,000	4,170,000	10,070,000	6,870,000	4,120,000
Total Capital Improvement Projects	14,850,806	18,091,444	32,240,600	38,285,800	45,371,200	40,343,000	39,267,000
Subordinated Indebtedness(County Lease)	-	-	-	-	-	-	-
Water Revenue Debt Service (net of subsidies)	10,101,357	10,096,916	10,083,344	10,137,075	10,073,592	10,068,263	10,096,917
Total Debt Service	10,101,357	10,096,916	10,083,344	10,137,075	10,073,592	10,068,263	10,096,917
Total Capital Expenditures	24,952,164	28,188,360	42,323,944	48,422,875	55,444,792	50,411,263	49,363,917

Ms. Amy Molinari
Director of Finance & Business Services
Monroe County Water Authority
475 Norris Drive
Rochester, NY 14610

Arcadis of New York, Inc.
100 Chestnut Street
Suite 1020
Rochester, NY 14604
United States
Phone: 585 385 0090
Fax: 585 546 1973
www.arcadis.com

Date: October 3, 2025
Our Ref: 30181933 / 00259202
Subject: 2025 Preliminary Budget Certification

Dear Ms. Molinari,

As Consulting Engineer to the Monroe County Water Authority (Authority) and as set forth in Section 506 of the Trust Indenture dated October 1, 1991, Arcadis U.S., Inc. ("Arcadis"), hereby certifies that:

To the best of Arcadis' knowledge and in its professional opinion based upon the information provided to it, and subject to the provisions and conditions contained herein, the amounts budgeted by the Authority in fiscal year 2026 are sufficient to meet the requirements of Section 506 of the Trust Indenture which require that:

The Authority shall prepare and file a preliminary budget of Operating Expenses, Subordinated Indebtedness and expenses for repairs, renewals, replacements or maintenance items which expenses shall not be less than 10% of the Revenues of the prior fiscal year, or such lesser amount as may be approved by the Consulting Engineer.

This opinion is based upon information provided by, and consultations with, the Authority. Arcadis did not independently verify the accuracy of the information provided by the Authority and others in creating this opinion. While we believe such sources are reliable, and the information obtained to be accurate and appropriate for the analysis undertaken and the conclusions reached herein, as is often the case, there may be differences between actual and projected results. To the extent the information provided to Arcadis by the Authority and others is not accurate, or not inclusive of all details, the conclusions and recommendations contained in this certificate may vary and are subject to change. Arcadis' effort in the construction and preparation of this certificate is consistent with (i) the degree of care and skill ordinarily exercised by members of the same profession currently practicing under same or similar circumstances and (ii) the time and budget available for its work in its endeavor to provide this certificate. Arcadis assumes no responsibility or liability for inaccuracies in reporting and data provided by the Authority or any third-party data source used in preparing this certificate. Arcadis' findings represent its professional judgment. Neither Arcadis, nor its parent corporation, or their respective subsidiaries and affiliates, makes any warranty, expressed or implied, with respect to any information or methods disclosed in this certificate.

The Authority did not request Arcadis to provide, and the certificate does not provide any advice to or on behalf of the Authority with respect to municipal financial products or the issuance of municipal securities, including advice with respect to the structure, timing, terms, and other similar matters concerning such financial products or issues.

Ms. Amy Molinari
Monroe County Water Authority
October 3, 2025

Therefore, in providing this certificate to the Authority, Arcadis is not a "municipal advisor" as defined in Section 15B of the Securities and Exchange Act of 1934. Accordingly, Arcadis is not registered or regulated as a municipal advisor by the U.S. Securities and Exchange Commission or the Municipal Securities Rulemaking Board. The Authority should discuss the information and material prepared in connection with this certificate with any and all internal and external financial and other advisors whom the Authority deems appropriate to provide such guidance before acting on the information and material contained in this certification.

If you have any questions or require additional information, please contact me at 585.662.4055.

Sincerely,
Arcadis of New York, Inc.



Mr. Matthew J. Czora, PE
Vice President

Email: matt.czora@arcadis.com
Direct Line: 585.662.4055
Mobile: 585.314.6388

CC. Mr. Nicholas Noce, MCWA
Mr. Larry Magguilli, MCWA
Ms. Lisa Rawlins, MCWA
Mr. Stephen Savage, PE, MCWA
Mr. Jeffrey Yeschick, Arcadis
Mr. Robert Ryall, Arcadis