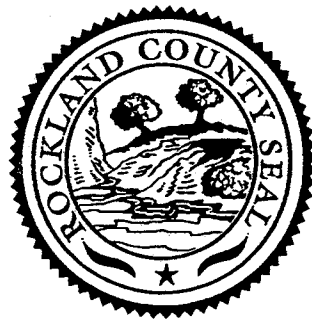


**COUNTY OF ROCKLAND  
NEW YORK**

**COMPREHENSIVE  
ANNUAL  
FINANCIAL REPORT**

**YEAR ENDED: DECEMBER 31, 2004**



**C. SCOTT VANDERHOEF  
COUNTY EXECUTIVE**



# **COUNTY OF ROCKLAND, NEW YORK**

**Comprehensive Annual Financial Report  
Fiscal Year Ended December 31, 2004**

Prepared by

**Department of Finance**

**Robert E. Bergman, Jr.**  
*Commissioner*

18 New Hempstead Road  
New City, New York 10956  
(845) 638-5131

COUNTY OF ROCKLAND, NEW YORK  
 COMPREHENSIVE ANNUAL FINANCIAL REPORT

FISCAL YEAR ENDED DECEMBER 31, 2004

TABLE OF CONTENTS (Continued)

	<u>Page</u>
Schedule of Expenditures and Other Financing Uses Compared to Budget	81
Capital Projects Fund:	
Comparative Balance Sheet	87
Comparative Statement of Revenues, Expenditures and Changes in Fund Balance	88
Non-Major Governmental Funds:	
Combining Balance Sheet -Non-Major Governmental Funds	89
Combining Statement of Revenues, Expenditures and Changes in Fund Balances - Non-Major Governmental Funds	91
Special Revenue Funds:	
Combining Balance Sheet - Non-Major Special Revenue Funds	93
Combining Statement of Revenues, Expenditures and Changes in Fund Balances - Non-Major Special Revenue Funds	95
County Road Fund:	
Comparative Balance Sheet	97
Comparative Schedule of Revenues, Expenditures and Changes in Fund Balance - Budget and Actual	98
Road Machinery Fund:	
Comparative Balance Sheet	100
Comparative Schedule of Revenues, Expenditures and Changes in Fund Balance - Budget and Actual	101
Community Development Fund:	
Comparative Balance Sheet	103
Comparative Schedule of Revenues, Expenditures and Changes in Fund Balance - Budget and Actual	104
Sewer District Fund:	
Comparative Balance Sheet	106
Comparative Schedule of Revenues, Expenditures and Changes in Fund Balance - Budget and Actual	107
Special Purpose Fund:	
Comparative Balance Sheet	109
Comparative Statement of Revenues, Expenditures and Changes in Fund Balance	110
Debt Service Fund:	
Comparative Balance Sheet	111
Comparative Schedule of Revenues, Expenditures and Changes in Fund Balance - Budget and Actual	112
Proprietary Funds:	
Enterprise Fund - Home and Infirmary Fund:	
Comparative Statement of Net Assets	114
Comparative Statement of Revenues, Expenses and Changes in Net Assets	115
Comparative Statement of Cash Flows	116
Internal Service Funds:	
Combining Statement of Net Assets	117
Combining Statement of Revenues, Expenses and Changes in Net Assets	119
Combining Statement of Cash Flows	121
Workers' Compensation Benefits Fund:	
Comparative Statement of Net Assets	123
Comparative Statement of Revenues, Expenses and Changes in Net Assets	124
Comparative Statement of Cash Flows	125

COUNTY OF ROCKLAND, NEW YORK  
COMPREHENSIVE ANNUAL FINANCIAL REPORT

FISCAL YEAR ENDED DECEMBER 31, 2004  
TABLE OF CONTENTS (Continued)

---

	<u>Page</u>
General Liability Claims Fund:	
Comparative Statement of Net Assets	126
Comparative Statement of Revenues, Expenses and Changes in Net Assets	127
Comparative Statement of Cash Flows	128
Unemployment Benefits Fund:	
Comparative Statement of Net Assets	129
Comparative Statement of Revenues, Expenses and Changes in Net Assets	130
Comparative Statement of Cash Flows	131
General Services Fund:	
Comparative Statement of Net Assets	132
Comparative Statement of Revenues, Expenses and Changes in Net Assets	133
Comparative Statement of Cash Flows	134
Fiduciary Funds - Statement of Changes in Assets and Liabilities	135

**STATISTICAL SECTION**  
**(Unaudited)**

General Governmental Expenditures and Other Uses by Function - Last Ten Fiscal Years	136
General Governmental Revenues and Other Sources by Source - Last Ten Fiscal Years	138
Property Tax Levies and Collections - Last Ten Fiscal Years	140
Assessed Valuation of Taxable Real Property, Average Equalization Rate and Full Valuation - Last Ten Fiscal Years	142
County Property Tax Rates by Town per \$1,000 of Assessed Valuation - All Direct and Overlapping Governments - Last Ten Fiscal Years	143
Computation of Legal Debt Margin	144
Ratio of Net Long-Term Debt to Assessed Valuation and Net Long-Term Debt per Capita - Last Ten Fiscal Years	145
Ratio of Annual Debt Service Expenditures for Long-Term Debt to Total General Governmental Expenditures - Last Ten Fiscal Years	147

COUNTY OF ROCKLAND, NEW YORK  
COMPREHENSIVE ANNUAL FINANCIAL REPORT

FISCAL YEAR ENDED DECEMBER 31, 2004  
TABLE OF CONTENTS (Concluded)

---

	<u>Page</u>
Computation of Direct and Underlying Debt	148
Demographic Statistics - Last Ten Fiscal Years	149
Construction Permit Data - Last Ten Fiscal Years	150
Deposits in Local Banks by All Customers -Last Ten Fiscal Years	151
Principal Taxpayers	152
Miscellaneous Statistics	153

**INTRODUCTORY  
SECTION**

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**ROCKLAND COUNTY, NEW YORK**  
**Principal Officials**

**COUNTY EXECUTIVE**

C. Scott Vanderhoef

**COUNTY LEGISLATORS**

Salvatore Corallo  
Chairman of the Legislature

Robert M. Berliner  
Gerald Bierker  
Harriett D. Cornell  
William L. Darden  
Theodore R. Dusanenko  
Frank A. Fornario  
David Fried  
Ellen C. Jaffee

Douglas J. Jobson  
Patrick J. Moroney  
John A. Murphy  
V.J. Pradhan  
Roman Rodriguez  
Ilan S. Schoenberger  
Philip Soskin  
Kenneth P. Zebrowski

---

Edward Gorman  
James Kralik  
Michael Bongiorno

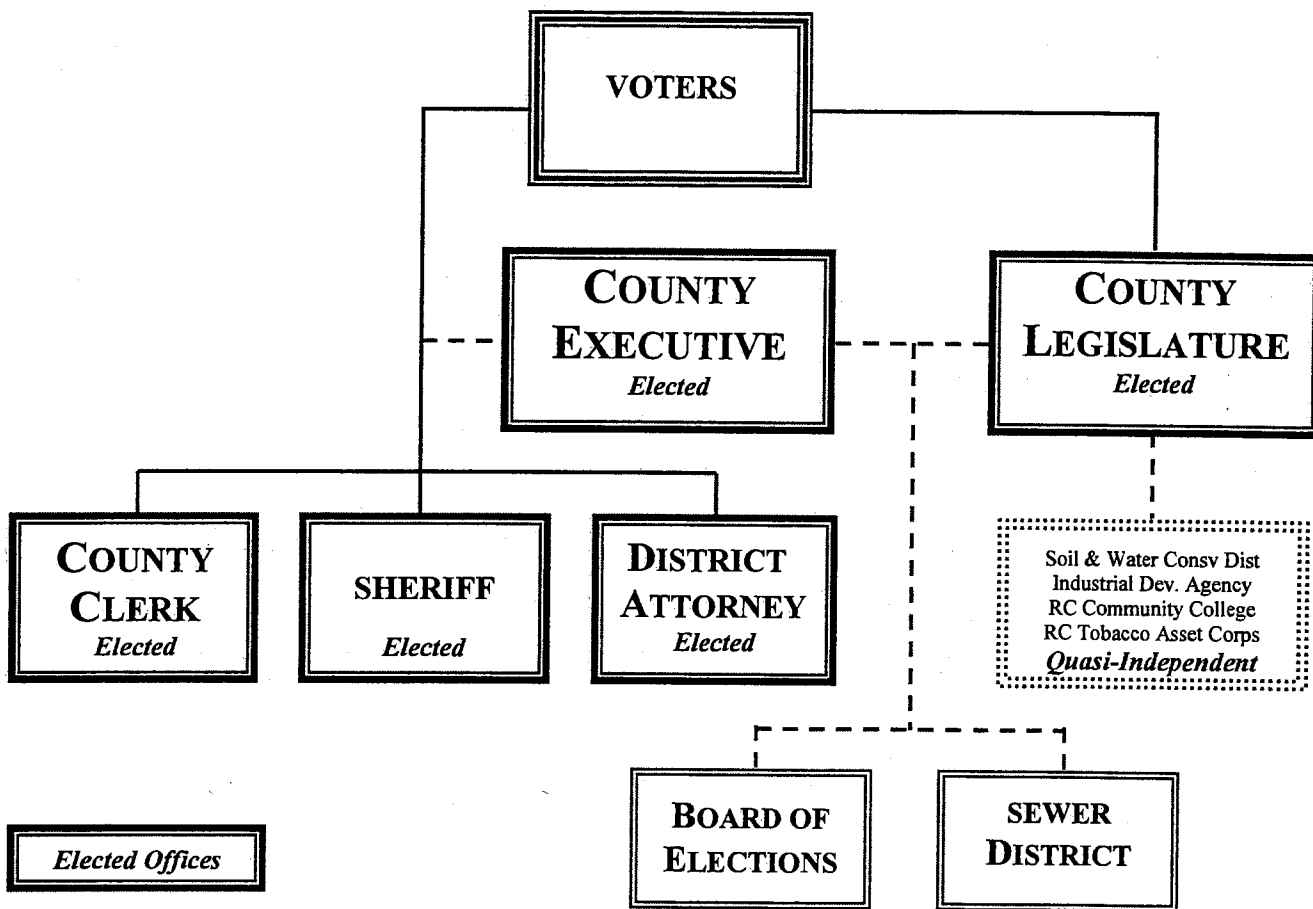
County Clerk  
Sheriff  
District Attorney

---

Patricia Zugibe  
Robert E. Bergman, Jr.

County Attorney  
Commissioner of Finance

# ORGANIZATION OF ROCKLAND COUNTY GOVERNMENT



## ALL OTHER CHARTERED DEPARTMENTS

<b>Dept of Planning Commissioner</b> Charter 5.01	<b>Dept of Personnel Commissioner</b> Charter 6.01	<b>Dept of Health Commissioner</b> Charter 7.01	<b>Dept of Hospitals Commissioner</b> Charter 8.01
<b>Dept of Mental Health Commissioner</b> Charter 9.01	<b>Dept of Social Services Commissioner</b> Charter 10.01	<b>Dept of Highways Superintendent</b> Charter 11.01	<b>Office of the Public Defender</b> Charter 15.01
<b>Dept of Law County Attorney</b> Charter 16.01	<b>Dept of Finance Commissioner</b> Charter 17.01	<b>Dept of Audit County Auditor</b> Charter 18.01	<b>Human Rights Commissioner</b> Charter 19.01
<b>Other County Boards, Offices, Institutions &amp; Functions</b> Charter 20.04			



**COUNTY OF ROCKLAND**  
**DEPARTMENTS OF FINANCE AND BUDGET**

18 New Hempstead Road  
New City, New York 10956  
(845) 638-5131  
Fax. (845) 638-5644

C. SCOTT VANDERHOEF  
County Executive

ROBERT E. BERGMAN, JR., MPA  
Commissioner of Finance  
Budget Director

H. CHRIS KOPF, CPA  
First Deputy Commissioner

September 21, 2005

To the Honorable County Executive  
and the County Legislature of the County of Rockland, New York:

The Comprehensive Annual Financial Report ("CAFR") for the County of Rockland, New York for the fiscal year ended December 31, 2004 is submitted herewith. New York State requires the County to submit an annual report of our financial records and transactions presented in conformity with generally accepted accounting principles (GAAP) and audited in accordance with generally accepted auditing standards by a firm of licensed certified public accountants. This CAFR is issued pursuant to that requirement.

This report consists of management's representations concerning the finances of the County of Rockland. Consequently, management assumes full responsibility for the completeness and reliability of all of the information presented in this report. To provide a reasonable basis for making these representations, the management of the County has established a comprehensive internal control framework that is designed to both protect the County's assets from loss, theft, or misuse and to compile sufficient, reliable information for the preparation of the County's financial statements in conformity with GAAP. Because the cost of internal controls should not outweigh their benefits, the County's comprehensive framework of internal controls has been designed to provide reasonable, rather than absolute, assurance that the financial statements will be free from material misstatement. Management asserts that, to the best of our knowledge and belief, this financial report is complete and reliable in all material respects.

The County's basic financial statements have been audited by Bennett Kielson Storch DeSantis, The Government Services Division of O'Connor Davies Munns & Dobbins, LLP, a firm of licensed certified public accountants. The goal of the independent audit was to provide reasonable assurance that the basic financial statements of the County for the fiscal year ended December 31, 2004, are free of material misstatement. The independent audit involved examining, on a test basis, evidence supporting the amounts and disclosures in the basic financial statements; assessing the accounting principles used and significant estimates made by management; and evaluating the overall financial statement presentation. The independent auditor concluded, based upon the audit, that there was a reasonable basis for rendering an unqualified opinion that the County of Rockland's basic financial statements for the fiscal year ended December 31, 2004, are fairly presented in conformity with GAAP. The independent auditor's report is presented as the first component of the financial section of this report.

The independent audit of the basic financial statements of the County was part of a broader, Federally mandated "Single Audit" designed to meet the special needs of Federal grantor agencies. The standards governing Single Audit engagements require the independent auditor to not only report on the fair presentation of the basic financial statements, but also on the audited government's internal controls and compliance with legal requirements, with special emphasis on internal controls and legal requirements involving the administration of Federal awards. These reports are available in the County's separately issued Single Audit Report.

This report is presented in three sections: introductory, financial and statistical. The introductory section includes this transmittal letter, a general government organization chart and a list of the County's principal officials. The financial section includes the independent auditors' report, the basic financial statements, notes to the financial statements and combining and individual fund financial statements and schedules. The financial section also includes a narrative introduction, overview and analysis of the December 31, 2004 financial statements to accompany the basic financial statements in the form of Management's Discussion and Analysis (MD&A). This letter of transmittal is designed to complement the MD&A and should be read in conjunction with it. The MD&A can be found immediately following the report of the independent auditors. Finally, the statistical section includes selected financial and general information presented on a multi-year basis.

## PROFILE OF THE COUNTY

The County was organized in 1798 and has a land area of 176 square miles. The County is approximately 33 miles northwest of Manhattan and is bordered by Orange County to the north and west, Bergen County, New Jersey to the south and the Hudson River to the east. Within the County are 5 towns and 19 incorporated villages.

The County is one of the suburban counties located within the New York Metropolitan Area and is primarily residential in character. Southern portions of the County are in close proximity to the New York State Thruway and are well developed and heavily populated. Approximately 83% of the County's population resides in this area. Northern sections of the County are more rural, due in part to the extensive system of parks located in this part of the County.

Pursuant to the provisions of Local Law 14 of 1984, the County adopted a charter form of government in accordance with the provisions of the Municipal Home Rule Law of the State. The charter provides for separate and independent executive and legislative functions. A County Executive was elected in November 1985 and took office on January 31, 1986, when the provisions of Local Law 14 became effective. The County Executive is elected from the County at large for a term of four years with the right of unlimited self-succession. The County Executive must reside in the County for a minimum of five years before his/her election and may not concurrently hold another public office. The County Executive is the chief executive officer responsible for the administration of all County affairs and also acts as the County's Budget Officer. The County Executive is required to consider all acts of the County Legislature for approval or disapproval.

The County Legislature is the legislative, appropriating and policy determining body of the County. It consists of 17 members elected from single member districts located within the County. Members are elected to serve an unlimited number of four-year terms and each legislator has one vote instead of a weighted vote. Duties of the Legislature include; review and adoption of the County's annual budget, approval of budgetary modifications during the year and authorization by resolution for the issuance of debt by the County.

The Chief Fiscal Officer of the County is the Commissioner of Finance who is appointed by the County Executive and confirmed by the County Legislature. The Commissioner of Finance is responsible for the administration of the financial affairs of the County. Duties of this position include; collecting and disbursing County funds, investing such funds for temporary periods, issuing debt, maintaining accounting records and preparing financial statements therefrom.

The County provides a full range of services to its residents, including education, public safety, health, transportation, economic opportunity and development, culture and recreation, home and community services and general administrative support. This report includes all of the funds of the County. It includes all County organizations and activities for which the County is financially accountable. The County has considered all potential component units based on criteria set forth in GASB Statement No. 14, including legal standing, fiscal dependency and financial accountability. Based on these criteria, the Rockland Community College, the Industrial Development Agency, the Soil and Water Conservation District and the Solid Waste Management Authority are considered component units and are included in the County's reporting entity as discrete presentations. The Rockland County Tobacco Asset Securitization Corporation and the Rockland County Second Tobacco Asset Securitization Corporation are also considered component units and these organizations have been reflected as blended component units in the County's financial statements.

The County also maintains budgetary controls to ensure compliance with legal provisions embodied in the annual budget approved by the County Legislature. The administrative head of each department, on or before August 1<sup>st</sup>, is required to submit to the County Executive the expenditure requirements for the ensuing fiscal year. The County Executive is required to file the tentative budget for the ensuing year with the Clerk of the Legislature on or before October 23<sup>rd</sup>. Subsequent to October 23<sup>rd</sup>, the Legislature conducts the necessary review of the tentative budget and proposes any changes thereto. The Legislature holds a public hearing on the budget prior to November 20<sup>th</sup>, and after the public hearing, the Legislature may make changes to the budget. The budget is adopted no later than December 7<sup>th</sup>. Budget to actual comparisons are provided in this report for each individual governmental fund for which an appropriated annual budget has been adopted. The level of budgetary control (that is, the level at which expenditures cannot legally exceed the appropriated amount) is established within individual funds at the function level.

In 2004, the County upgraded its financial accounting system to a web based package provided by Peoplesoft, a division of Oracle, Inc. This product will allow for more flexibility and better reporting, which will enable us to serve County employees and the community with greater efficiency. The first phase of the implementation took place on August 1, 2005. Phases II and III should be in place by January 2006 and June 2006, respectively.

## **FACTORS AFFECTING FINANCIAL CONDITION**

The information presented in the financial statements is perhaps best understood when it is considered from the broader perspective of the specific environment within which the County operates.

For the fiscal year ending December 31, 2004, the County reserved \$64.5 million of the fund balance of the General Fund for a long-term receivable, thereby creating an undesignated deficit of \$44.4 million. This was caused by the failure of one of the County's largest taxpayers to pay their taxes for 2003 and 2004. However, under the law, the County was still required to make the Towns and School District "whole" for the amount of unpaid taxes. The County is currently involved in negotiations to settle this matter. When settled, the County will be reimbursed by the municipal entities for the amounts paid.

### **Local Economy**

A major part of the County's labor force, over 49%, is employed in service related jobs. According to 2000 data compiled by the State Labor Department, only 7% of the workforce is employed by companies engaged in manufacturing. Many residents commute to jobs in New York City or Westchester County, which is connected to the County by the Tappan Zee Bridge and U.S. Interstate 287/87. Approximately 18% of the County's labor force is classified as government related. A significant portion of this labor force works at the various State hospitals and institutions located in the County. Major non-governmental employers in the County include Wyeth Corporation, Orange and Rockland Utilities, Good Samaritan Hospital and Nyack Hospital.

Wealth levels for the County's residents are significantly above State and national averages. The estimated per capita income of County residents in 2000 was \$41,311. State and U.S. per capita income averages reported on this basis were \$35,805 and \$30,906, respectively. The median household income for families residing in the County for 2000 was \$74,239, which was significantly greater than the median household income of \$44,923 for the State.

Hospital services are provided by Good Samaritan Hospital, Helen Hayes Hospital, Nyack Hospital, and Summit Park Hospital (a County owned facility) which offer residents of the County a wide range of inpatient and outpatient services.

A network consisting of all the major forms of transportation serves the County. Several primary State and U.S. Highways, including the New York State Thruway, Palisades Interstate Parkway, Garden State Parkway and U.S. Routes 9W and 17, run through the County. The Metro-North Commuter Railroad division of the New York Metropolitan Transportation Authority, in cooperation with New Jersey Transit, provides rail service to Manhattan via the PATH rapid transit system. Freight service is provided by Conrail. NY Waterways, Transport of Rockland, Shortline and Adirondack Trailways provide bus and ferry passenger service to New York City and other points in and outside of the County. Air transportation is provided by the three New York Metropolitan Airports (Kennedy, LaGuardia and Newark), as well as Westchester County Airport and Stewart International Airport in Newburgh, New York.

Primary education is the responsibility of the nine independent public school districts located within the County. There are numerous colleges, universities and vocational schools located throughout the County as well. Rockland Community College (RCC) offers two-year associate degree and one-year certificate programs. Dominican College and St. Thomas Aquinas College are four-year independent liberal arts colleges. Empire State College/SUNY, Iona College - Rockland Campus and Long Island University - Rockland Campus, all offer graduate programs.

The County has a wide array of recreational and cultural facilities, highlighted by the Palisades Interstate Park System, the County Park System and the Community College. Over one-third of the Palisades Interstate Park System's 80,000 acres lie within the County and the parklands account for approximately 30% of the County's area. The Bear Mountain-Harriman State Park on the Hudson River, in the County's northeast corner, has 26,118 of its 51,026 acres in the County. Facilities include fishing, hiking, camping, swimming, picnicking, museum, playfield, winter sports and row boating. The County has 13 parks, all of which have natural scenic areas, some affording panoramic views of the County. There are also over 20 private commercial swimming pools and lakes, and twelve golf courses, eight of which are open to the public. All of the towns and many of the villages have separate park facilities. In addition, there are numerous libraries, museums and marinas in the County.

In 2004, the County of Rockland experienced continued retail sales growth, reflected by a 3.3% increase in sales tax revenues from the previous year. The County's mortgage tax, in effect for its first full year, generated revenue in excess of \$9.7 million.

The County opened the Haverstraw Bay County Park, which is a beautiful 50-acre park situated along the Hudson River. The park boasts a doublewide boat launch, large soft surface playground area, fishing piers, walking path and a September 11<sup>th</sup> memorial monument and reflection area. The land was acquired as a result of the County Executive's Open Space



Acquisition Plan. The park was funded in part by the Hudson River Valley Greenway Communities Council.

In 2004, the County continued its Open Space Program with the acquisition of 36.9 acres adjacent to Clausland Mountain County Park and 235.5 acres adjacent to Harriman State Park and Dater Mountain County Park.

## **LONG TERM FINANCIAL PLANNING**

The County's future projects include the following:

- ❖ Develop, in conjunction with the other various County municipalities, a uniform, County-wide communication system.
- ❖ Improve the Letchworth Developmental Center property in the Towns of Haverstraw and Stony Point into a mixed-use recreation, commercial, and residential purposes site.
- ❖ The Village of Haverstraw approved a \$200 million dollar waterfront development project, which is near completion. Occupancy is expected during 2005.
- ❖ Extension of the Sewer District's boundaries to include Hillburn, Sloatsburg and Western Ramapo. Additionally, the proposed new plant will provide advanced treatment to enhance the water supply in the Ramapo River basin, which is the sole source aquifer for the County's needs.
- ❖ Design and construct a number of sewer repair capital projects in the Towns of Clarkstown and Ramapo.
- ❖ Continuation of the open space acquisition program, to preserve and protect environmentally sensitive parcels, agricultural value, historical integrity and significant natural beauty. In 2005, the County, in partnership with the Town of Clarkstown, will purchase the 21 acres of Cropsey Farm within the Town for parkland purposes.
- ❖ Construction of a new technology building at RCC. This modern, state of the art training center will be available to both students and businesses in our community.
- ❖ Design and implement an on-line registration/payment system at RCC.

- ❖ Construct a new Health Services Training Center at RCC to meet the growing demand of health care professionals in Rockland County.
- ❖ Construct a new state of the art nursing facility at Summit Park Hospital.
- ❖ Continue the process of the redesign and improvement of various County roads to meet the traffic demands of an ever-growing community.
- ❖ Participation in the Tappan Zee Bridge Alternatives Study, to accommodate the County's future transportation needs.
- ❖ Implement a West Shore Railroad Safety and Quiet Zone Project to be funded with an 80% Federal Grant.

### **CASH MANAGEMENT POLICIES AND PRACTICES**

The County's investment policies are governed by statutes of the State of New York. The County invests its idle cash in local commercial banks that are authorized by the Legislature. These investments are placed by a competitive bid process that enables the County to obtain the best available rates.

The County is authorized to use demand deposit accounts, time deposit accounts and certificates of deposit. Permissible investments include obligations of the U.S. Treasury, U.S. Agencies, repurchase agreements and obligations of New York State or its political subdivisions. These transactions require the issuer to post collateral of 105% of value to secure the investments. This collateral must consist of securities issued by either the Federal government, an agency thereof or from the State of New York or a subdivision of the State.

During 2004, the County had an average monthly cash balance in the General Fund of \$52.8 million. Earnings from these investments amounted to approximately \$1,036,000 for an average rate of return of 1.96%

Additional information regarding the County's cash management program can be found in Note 1,E and 3,A in the notes to the financial statements.

## **RISK MANAGEMENT**

The County is currently self-insured for general liability, property damage and medical malpractice claims. Conventional insurance is purchased for catastrophic losses.

The County is also self-insured for workers' compensation benefits through a multi-municipal consortium. The County has secured conventional insurance coverage for individual losses in excess of \$550,000.

The County purchases conventional health insurance for all full-time employees and retirees.

## **PENSION AND OTHER POST-EMPLOYMENT BENEFITS**

The County participates in the New York State and Local Employees' Retirement System (System). This System is a cost sharing multiple employer defined benefit pension plan. The System provides retirement, disability and death benefits to plan members. The New York State Retirement and Social Security Law govern obligations of employers and employees to contribute and benefits to employees. The County contribution to the system is equal to 100% of the actuarially required contribution for the current fiscal year. In the recent past, the System has offered Statewide Retirement Incentive Programs in which the County has opted to participate.

The County also provides health care benefits for retired employees. The various collective bargaining agreements stipulate the employees covered and the percentage of required contribution. As of the end of the current fiscal year, there were 1,733 retired employees receiving these benefits. GAAP does not currently require governments to report a liability in the financial statements in connection with an employer's obligation to provide these benefits.

Additional information on the County's pension arrangements and post-employment health care benefits can be found in Note 3 H and K, respectively.

## **AWARDS AND ACKNOWLEDGEMENTS**

### **Awards**

The Government Finance Officers Association (GFOA) of the United States and Canada awarded a Certificate of Achievement for Excellence in Financial Reporting to the County of Rockland, New York for its comprehensive annual financial report (CAFR) for the year ended

December 31, 2003. The Certificate of Achievement is a prestigious national award, recognizing conformance with the highest standards for preparation of state and local government reports.

In order to be awarded a Certificate of Achievement, a government unit must publish an easily readable and efficiently organized comprehensive annual financial report, whose contents conform to program standards. This report must satisfy both generally accepted accounting principles and applicable legal requirements.

A Certificate of Achievement is valid for a period of only one year. We believe our current report continues to conform to the Certificate of Achievement program requirements, and we are submitting it to GFOA to determine its eligibility for another certificate.

In addition, the County also received the GFOA's Distinguished Budget Presentation Award for its annual budget document dated December 6, 2004. In order to qualify for the Distinguished Budget Presentation Award, the County's budget document had to be judged proficient as a policy document, a financial plan, an operations guide and a communications device.

### **Acknowledgements**

I would like to thank all of the personnel in the Budget and Finance departments who have assisted in the preparation of this report. In particular, special thanks are offered to H. Chris Kopf, First Deputy Commissioner of Finance, Arlene Karger, Accountant IV, Betty Goldblatt, Account IV, Michael Cappabianca, Accountant III and Linda Szachewicz, Accountant III as well as our independent auditors who assisted in its preparation. Appreciation is also offered to the County Executive and the members of the County Legislature for their interest and support in the financial operation of the County.

Respectively Submitted,



Robert E. Bergman, Jr., MPA  
Commissioner of Finance

# Certificate of Achievement for Excellence in Financial Reporting

Presented to

County of Rockland,  
New York

For its Comprehensive Annual  
Financial Report  
for the Fiscal Year Ended  
December 31, 2003

A Certificate of Achievement for Excellence in Financial Reporting is presented by the Government Finance Officers Association of the United States and Canada to government units and public employee retirement systems whose comprehensive annual financial reports (CAFRs) achieve the highest standards in government accounting and financial reporting.



*Nancy L. Ziehl*

President

*Jeffrey R. Enos*

Executive Director

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**FINANCIAL  
SECTION**

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**County of Rockland, New York  
Management's Discussion and Analysis (MD&A)  
December 31, 2004**

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**Introduction**

The following discussion and analysis of Rockland County, New York's financial statements provides an overview of the financial activities of Rockland County, New York for the fiscal year ended December 31, 2004. Please read it in conjunction with the transmittal letter, located at the front of this report, the basic financial statements and the accompanying notes to those statements that follow this section.

**Financial Highlights for Fiscal Year 2004**

- The net assets (assets minus liabilities) of the primary government for fiscal year 2004 were \$450,717,114. Of this amount, \$493,460,685 represents governmental net assets and \$42,743,571 is business-type net assets.
- The General Fund reported an ending fund balance of \$38,951,861 which represents an increase of \$6,849,941 from fiscal year 2003, net of the prior period adjustment. The unreserved fund balance was \$(41,322,044) which represents a decrease of \$61,164,575 from fiscal year 2003. The Capital Projects Fund reported an ending fund balance of \$59,137,563, an increase of \$21,879,472 from fiscal year 2003.
- The County's total outstanding bonds payable for December 31, 2004 were \$260,346,610.

**Overview of the Financial Statements**

The County's financial statements are composed of this Management Discussion and Analysis (MD&A) and the basic financial statements. This discussion and analysis serves as an introduction to the basic financial statements. The MD&A provides analysis and overview of the County's financial activities. The basic financial statements include three components:

1. Government-wide financial statements.
2. Fund financial statements.
3. Notes to the financial statements.

This report also includes other supplementary information as listed in the table of contents, along with the statistical tables.

**Government-wide Financial Statements**

The government-wide financial statements are presented in a manner similar to private sector business financial statements. The statements are prepared using the economic

resources measurement focus and the accrual basis of accounting. The government-wide financial statements include two statements: Statement of Net Assets and Statement of Activities. Fiduciary activities, whose resources are not available to finance County programs, are excluded from these statements.

The Statement of Net Assets presents the County's total assets and liabilities with the difference reported as net assets. Over time, increases or decreases in the net assets may serve as a gauge as to whether the financial position of the County is improving or deteriorating.

The Statement of Activities presents information showing the change in the County's net assets during the current fiscal year. All revenues and expenses are reported in this statement regardless of the timing of cash flows. The focus of this statement is on the net cost of providing various activities to the citizens of the County.

Both of the above financial statements have separate sections for the two different types of activities. These two types of activities are:

**Governmental Activities** - The activities reflected in this section are general government support, education, public safety, health, transportation, economic opportunity and development, culture and recreation, home and community services and interest. These activities are mostly supported by real property taxes, non-property taxes including sales tax and mortgage tax, charges for services, and operating grants and contributions.

**Business-type Activities** - These activities consist of the Home and Infirmity, a chronic care hospital and skilled nursing facility, the Rockland Tobacco Asset Securitization Corporation and the Rockland Second Tobacco Asset Securitization Corporation. These activities are intended to recover their cost of operation, including depreciation, primarily through user charges.

The government-wide financial statements include not only the County itself (the primary government) but also the Rockland County Community College, the Rockland County Soil and Water Conservation District, the Rockland County Solid Waste Management Authority and the Rockland County Industrial Development Agency for which the County is financially accountable. Financial information for these component units are reported separately from the financial information presented for the primary government.

The government-wide financial statements can be found immediately following this discussion and analysis.

### **Fund Financial Statements**

A fund is an accounting entity with a separate set of self-balancing accounts that comprise its assets, liabilities, fund balances, revenues, and expenditures or expenses, as appropriate. Government resources are allocated to and accounted for in individual funds based upon the purposes for which they are to be spent and the means by which spending activities are controlled. The County divides its funds into three categories: governmental funds, proprietary funds, and fiduciary funds.

Governmental Funds - Most of the basic services provided by the County are financed and accounted for through governmental funds: Governmental fund financial statements focus on current inflows and outflows of spendable resources as well as the available balances of these resources at the end of the fiscal year. This information is useful in determining the County's financing requirements for the subsequent fiscal period. Governmental funds use the flow of current financial resources measurement focus and the modified accrual basis of accounting.

Because the focus of governmental funds is for the current period, it is useful to compare this information to the data presented in the government-wide financial statements. From this comparison, readers may better understand the long-term impact of the County's current financing decisions. Both the governmental fund balance sheet and governmental fund statement of revenues, expenditures, and changes in fund balances provide a reconciliation to facilitate this comparison between governmental funds and governmental activities.

The County has eight individual governmental funds: General, County Road, Road Machinery, Community Development, Sewer District, Special Purpose, Debt Service and Capital Projects funds. Of these, the General and Capital Projects funds are reported as major funds, and are presented in separated columns on the governmental fund balance sheet and the governmental fund statement of revenues, expenditures, and changes in fund balances. Data for the other six governmental funds are combined into a single, aggregated column of these statements. Individual fund data for these non-major funds can be found on the statements elsewhere in this report.

The County adopts an annual budget for its General Fund, certain Special Revenue funds and the Debt Service Fund. A budgetary comparison statement has been provided for these funds to demonstrate compliance with the respective budgets. The governmental fund financial statements can be found in the basic financial statements section of this report.

**Proprietary Funds** - These funds are used to show activities that operate similar to private business enterprises. Because these funds charge fees for services provided, they are known as proprietary funds. Proprietary fund financial statements use the economic resources measurement focus and the accrual basis of accounting, similar to the government-wide financial statements.

Proprietary funds provide the same type of information as the government-wide financial statements, only in more detail. The proprietary fund financial statements provide information for the Enterprise Funds. In addition, the internal service funds are presented in the proprietary fund financial statements.

The proprietary fund financial statements can be found in the basic financial statements section of this report.

**Fiduciary Funds** - These funds are used to account for resources held for the benefit of parties outside of the County. The fiduciary funds are not reflected in the government-wide

financial statements because the assets of these funds are not available to support the activities of the County.

The fiduciary fund financial statements can be found in the basic financial statements section of this report.

**Component Units** - As discussed above, component units are legally separate entities for which the County is financial accountable. The component units enumerated above are reported in the aggregate in the government-wide financial statements.

The combining statements can be found in the basic financial statements section of this report.

### **Notes to Financial Statements**

The notes to the financial statements provide additional information that is essential to a full understanding of the data provided in the government-wide and fund financial statements. The notes can be found following the basic financial statements section of this report.

### **Other Information**

Additional statements and schedules can be found immediately following the notes to the financial statements. These include the combining statements for the non-major governmental funds and proprietary funds, schedules of budget to actual comparisons, and the statistical tables.

### **Government-wide Financial Analysis**

As noted earlier, net assets may serve over time as a useful indicator of a government's financial position. In the case of the County, assets exceeded liabilities by \$450,717,114 for fiscal year 2004.

The following table reflects the condensed Statement of Net Assets:

	Governmental Activities		Business-Type Activities		Total	
	2004	2003	2004	2003	2004	2003
Current and Other Assets	\$ 422,678,248	\$ 312,633,121	\$ 25,630,818	\$ 19,396,840	\$ 448,309,066	\$ 332,029,961
Capital Assets	571,244,713	543,952,227	21,986,115	20,349,097	593,230,828	564,301,324
<b>Total Assets</b>	<b>993,922,961</b>	<b>856,585,348</b>	<b>47,616,933</b>	<b>39,745,937</b>	<b>1,041,539,894</b>	<b>896,331,285</b>
Current Liabilities	295,075,139	203,017,696	21,898,322	12,619,621	316,973,461	215,637,317
Long-Term Liabilities	205,387,137	168,356,008	68,462,182	20,148,688	273,849,319	188,504,696
<b>Total Liabilities</b>	<b>500,462,276</b>	<b>371,373,704</b>	<b>90,360,504</b>	<b>32,768,309</b>	<b>590,822,780</b>	<b>404,142,013</b>
Net Assets Invested in Capital Assets Net of Related Debt	419,627,796	440,635,684	13,213,254	13,571,289	432,841,050	454,206,973
Restricted	49,562,629	38,837,101	(55,956,825)	(6,593,661)	(6,394,196)	32,243,440
Unrestricted	24,270,260	5,738,859			24,270,260	5,738,859
<b>Total Net Assets</b>	<b>\$ 493,460,685</b>	<b>\$ 485,211,644</b>	<b>\$ (42,743,571)</b>	<b>\$ 6,977,628</b>	<b>\$ 450,717,114</b>	<b>\$ 492,189,272</b>

The largest component of the County's net assets is invested in Capital Assets, net of related debt of \$432,841,050 (96%) reflects its investment in capital assets, less any related debt used to acquire those assets that are still outstanding. Capital assets include: parkland, buildings, roads, bridges, sewer lines and treatment facilities, a hospital and the community college among others. The County uses these capital assets to provide services to its citizens and consequently, these assets are not available for future spending. Although the County's investment in its capital assets is reported net of related debt, it should be noted that the resources needed to repay this debt must be provided from other sources, since the capital assets themselves cannot be used to liquidate these liabilities.

The restricted net assets of \$49,562,629 or 11% represents resources that are subject to external restrictions on how they may be used. The restrictions are as follows:

Capital Projects	\$ 27,664,448
Law Enforcement	256,738
Stop-DWI Program	392,421
E-911	14,665
Handicapped Parking	39,820
Social Service Programs	71,847
Debt Service	10,775,517
Parklands	44,000
Workers' Compensation Benefits	1,316,874
Unemployment Benefits	118,205
Special Revenue Funds	8,868,094
	<u>\$ 49,562,629</u>

The remaining portion of net assets is classified as unrestricted and is \$(31,686,565).

## Rockland County Changes in Net Assets

	Governmental Activities		Business-Type Activities		Total	
	2004	2003	2004	2003	2004	2003
<b>Program Revenues:</b>						
Charges for Services	\$ 61,072,079	\$ 54,454,153	\$ 77,680,143	\$ 72,984,404	\$ 138,752,222	\$ 127,438,557
Operating Grants and Contributions	146,655,838	131,170,162	14,553,837	3,925,219	161,209,675	135,095,381
Capital Grants and Contributions	21,641,564	10,424,140	-	-	21,641,564	10,424,140
<b>General Revenues:</b>						
Real Property Taxes	65,836,542	58,818,064	-	-	65,836,542	58,818,064
Other Tax Items	11,078,086	4,262,453	-	-	11,078,086	4,262,453
Non-Property Taxes	154,395,706	142,163,349	-	-	154,395,706	142,163,349
Unrestricted Use of Money and Property	1,275,851	1,295,908	-	-	1,275,851	1,295,908
OTB Distributed Earnings	2,758,388	2,892,790	-	-	2,758,388	2,892,790
Other Revenues	1,145,219	9,392,384	-	-	1,145,219	9,392,384
<b>Total Revenues</b>	<b>465,859,273</b>	<b>414,873,403</b>	<b>92,233,980</b>	<b>76,909,623</b>	<b>558,093,253</b>	<b>491,783,026</b>
<b>Program Expenses:</b>						
General Government Support	68,779,564	62,287,057	-	-	68,779,564	62,287,057
Education	55,930,405	52,671,673	-	-	55,930,405	52,671,673
Public Safety	52,371,937	45,279,632	-	-	52,371,937	45,279,632
Health	42,374,788	35,079,290	-	-	42,374,788	35,079,290
Transportation	45,144,431	43,410,593	-	-	45,144,431	43,410,593
Economic Opportunity and Development	164,700,249	148,325,942	-	-	164,700,249	148,325,942
Culture and Recreation	728,454	746,302	-	-	728,454	746,302
Home and Community Services	20,023,499	21,385,606	-	-	20,023,499	21,385,606
Interest	7,165,388	6,489,849	-	-	7,165,388	6,489,849
Home and Infirmary	-	-	90,516,425	79,369,366	90,516,425	79,369,366
<b>Total Expenses</b>	<b>457,218,715</b>	<b>415,675,944</b>	<b>90,516,425</b>	<b>79,369,366</b>	<b>547,735,140</b>	<b>495,045,310</b>
<b>Change in Net Assets</b>	<b>8,640,558</b>	<b>(802,541)</b>	<b>1,717,555</b>	<b>(2,459,743)</b>	<b>10,358,113</b>	<b>(3,262,284)</b>
Net Assets - Beginning, as reported	485,211,644	486,014,185	6,977,628	9,437,371	492,189,272	495,451,556
Rockland Tobacco Securitization Corporations	-	-	(984,458)	-	(984,458)	-
Prior Period Adjustment	(391,517)	-	391,517	-	-	-
Change in Accounting Principle	-	-	(50,845,813)	-	(50,845,813)	-
<b>Net Assets, Beginning, as restated</b>	<b>484,820,127</b>	<b>486,014,185</b>	<b>(44,461,126)</b>	<b>9,437,371</b>	<b>440,359,001</b>	<b>495,451,556</b>
<b>Net Assets - Ending</b>	<b>\$ 493,460,685</b>	<b>\$ 485,211,644</b>	<b>\$ (42,743,571)</b>	<b>\$ 6,977,628</b>	<b>\$ 450,717,114</b>	<b>\$ 492,189,272</b>

**Governmental Activities** - Governmental activities increased the County's net assets by \$8.6 million, which accounts for 83.4% of the total increase in net assets. This increase is directly attributable to the operations of the General Fund.

For the fiscal year ended December 31, 2004, revenues from governmental activities totaled \$466 million. Tax revenues (\$231 million), comprised of real property taxes, sales and mortgage tax items and non-property taxes, represent the largest revenue source (49.6%). Collection of the current tax levy remains very strong at 84.73%, while averaging 96.23% over the last 10 years. Non-property taxes yielded \$154.4 million, an increase of \$12.2 million over fiscal year 2003.

**Business-Type Activities** - Business-type activities decreased the County's net assets by \$48.7 million for the year ended December 31, 2004. This decrease is due to the inclusion of the Rockland Tobacco Asset Securitization Corporation and the Rockland Second Tobacco Asset Securitization Corporation for the first time this year.

### **Financial Analysis of the Government's Funds**

As noted earlier, the County uses fund accounting to ensure and demonstrate compliance with finance-related legal requirements.

**Governmental Funds** - The focus of the County's governmental funds is to provide information on near-term inflows, outflows, and balances of spendable resources. Such information is useful in assessing the County's financing requirements. In particular, unreserved fund balance may serve as a useful measure of a government's net resources available for spending at the end of the fiscal year.

As of the end of the current fiscal year, the County's total governmental funds reported a combined ending fund balance of \$119.9 million, an increase of \$29 million. Of the total combined fund balance, \$(0.7) million constitutes unreserved fund balance, of which \$9.2 million has been designated for subsequent year's expenditures and represents the amount estimated for use in the 2005 budget. During 2004, the County had to reserve \$64.5 million for a reserve for long-term receivables. This was entirely due to the non-payment of property taxes (school and town) by our largest taxpayer. The dispute that created this non-payment is in negotiation and will be resolved prior to our next filing. The remainder of the fund balance is reserved to indicate that it is not available for new spending because it has already been committed to encumbrances (\$38.8 million), compensated absences (\$9.3 million), debt service (\$2.8 million) and a variety of other purposes (\$4.4 million).

The General Fund is the primary operating fund of the County. At the end of the current fiscal year, the total fund balance of the General Fund was \$39 million. Of this amount, \$(41.3) million was unreserved.

When the fiscal 2004 budget was adopted, it anticipated the no use of fund balance, except for the reappropriation of prior year's encumbrances. However, actual results of operations generated a surplus of \$7.2 million. Overall, General Fund expenditures were

\$375.6 million, which was \$19.6 million less than the final budget. The major areas where spending was less than budget was general government support (\$6.8 million), education (\$2.8 million), health (\$3.3 million) and economic opportunity (\$4.9 million).

The revenue categories that reflected positive variances as compared to the budget were non-property taxes (\$1.2 million) and other tax items (\$6.3 million).

The Capital Projects Fund is used to account for capital project activity throughout the County. The Capital Projects Fund's ending fund balance is \$59.1 million for fiscal year 2004.

Non-major Governmental Funds consist of the Special Revenue Funds and the Debt Service Fund. The Special Revenue Funds are made up of the following individual funds: County Road Fund, Road Machinery Fund, Community Development Fund, Sewer District Fund and Special Purpose Fund. For the fiscal year ending December 31, 2004, the combined fund balance of these funds totaled \$21.8 million. This represents an increase of \$.2 million for fiscal year 2004.

**Proprietary Funds** - The County's proprietary funds provide the same type of information found in the government-wide financial statements, but in more detail.

Factors concerning the finances of the Enterprise Funds have already been addressed in the schedules and in the discussion of the County's business-type activities.

Net assets of the Internal Service Funds decreased by \$.6 million leaving a balance of net assets of \$(.3) million.

### **Budgetary Highlights**

**General Fund** - The difference between the original budget and the final amended budget was a \$14.4 million increase in appropriations. Increases in the budget for grants received by the Department of Health (\$8.3 million), Department of Social Services (\$1.6 million) and the Department of Transportation (\$2.8 million) accounted for most of the changes.

### **Capital Asset and Debt Administration**

**Capital Assets** - The County's investment in capital assets for its governmental and business type activities as of December 31, 2004, amounts to \$593.3 million (net of accumulated depreciation). This investment in capital assets includes land, buildings, improvements, equipment, infrastructure and construction-in-progress.



**Rockland County Capital Assets  
(Net of Depreciation)  
(In Thousands)**

	<u>Governmental Activities</u>		<u>Business-Type Activities</u>		<u>Total</u>	
	<u>2004</u>	<u>2003</u>	<u>2004</u>	<u>2003</u>	<u>2004</u>	<u>2003</u>
Land	\$ 32,612	\$ 27,424	\$ 439	\$ 439	\$ 33,051	\$ 27,863
Buildings and Improvements	205,795	125,184	5,139	4,988	210,934	130,172
Equipment	23,821	9,694	11,310	10,298	35,131	19,992
Infrastructure	52,050	54,267	-	-	52,050	54,267
Construction-in-Progress	256,967	327,383	5,098	4,624	262,065	332,007
	<u>\$ 571,245</u>	<u>\$ 543,952</u>	<u>\$ 21,986</u>	<u>\$ 20,349</u>	<u>\$ 593,231</u>	<u>\$ 564,301</u>

The following highlights the amounts expended during the current fiscal year on major capital assets:

- Started renovating our Community College Campus, purchases of open space and expansion of County-wide sewer system.

Additional information on the County's capital assets can be found in Note 3 of this report.

**Long-Term Debt** - At the end of the current fiscal year, the County had total debt outstanding of \$263,173,020. The County's total debt increased by \$111,045,780. All of this debt is backed by the full faith and credit of the County.

**Rockland County Outstanding Debt  
General Obligation Bonds  
(In Thousands)**

	<u>Governmental Activities</u>		<u>Business-Type Activities</u>		<u>Total</u>	
	<u>2004</u>	<u>2003</u>	<u>2004</u>	<u>2003</u>	<u>2004</u>	<u>2003</u>
General Obligation Bond	<u>\$ 190,740</u>	<u>\$ 140,528</u>	<u>\$ 72,433</u>	<u>\$ 11,599</u>	<u>\$ 263,173</u>	<u>\$ 152,127</u>

Through sound financial management and manageable debt levels, the County has been successful in maintaining its high-grade rating for its general obligation bonds. In 2004, the County received an A1 rating from Moody's Investors Service. The County has a very favorable bond rating of AA from Standard & Poors.

The State Constitution limits the amount of indebtedness, both long-term and short-term, which the County may incur. The State Constitution provides that the County may not

contract indebtedness in an amount greater than seven percent of the average full value of taxable real property in the County for the most recent five years. Certain indebtedness is excluded in ascertaining the County's authority to contract indebtedness within the constitutional limits; accordingly, debt of this kind, commonly referred to as "excluding debt", may be issued without regard to the constitutional limits and without affecting the County's authority to issue debt subject to the limit. At December 31, 2004, the County of Rockland had used \$140,314,073 or 8.60% of the constitutional debt limit leaving \$1,490,297,477 remaining to be used.

Additional information on the County's long-term debt can be found in Note 3 of this report.

### **Requests for Information**

This financial report is designed to provide a general overview of the County's finances for all those with an interest in the government's finances. Questions concerning any of the information provided in this report or requests for additional financial information should be addressed to Robert E. Bergman, Jr., Commissioner of Finance, Rockland County Finance Department, 18 New Hempstead Road, New City, New York 10956. The telephone number is (845) 638-5131.

**BASIC  
FINANCIAL STATEMENTS**

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COUNTY OF ROCKLAND, NEW YORK

STATEMENT OF NET ASSETS  
DECEMBER 31, 2004

	Primary Government			Component Units
	Governmental Activities	Business-Type Activities	Total	
<b>ASSETS</b>				
Cash and equivalents	\$ 133,043,922	\$ 4,651,333	\$ 137,695,255	\$ 20,730,673
Investments	15,879,454	1,343,271	17,222,725	3,200,943
Receivables:				
Taxes, net of allowance for uncollectible taxes	135,199,517	-	135,199,517	-
Accounts, net of allowance for uncollectible amounts	26,650,918	1,613,432	28,264,350	2,758,458
Accounts - Patient care, net of allowance for uncollectible amounts	-	12,116,978	12,116,978	-
Loans	213,170	-	213,170	-
State and Federal aid	73,175,982	-	73,175,982	1,548,765
Due from other governments	2,866,908	125,000	2,991,908	-
Internal balances	1,125,464	(1,125,464)	-	-
Inventories	43,256	552,248	595,504	-
Restricted assets	31,082,062	-	31,082,062	9,769,991
Prepaid expenses	3,358,072	1,307,791	4,665,863	472,226
Deferred charges	39,523	-	39,523	-
	<u>422,678,248</u>	<u>20,584,589</u>	<u>443,262,837</u>	<u>38,481,056</u>
Restricted cash and equivalents	-	1,318	1,318	-
Restricted investments	-	4,236,451	4,236,451	-
Cost of issuance, net of accumulated amortization	-	808,460	808,460	-
	-	<u>5,046,229</u>	<u>5,046,229</u>	-
Capital assets				
Land	32,612,259	438,504	33,050,763	1,423,312
Buildings	58,936,601	16,221,905	75,158,506	35,865,678
Improvements	416,287,366	345,975	416,633,341	-
Equipment	52,069,306	38,755,427	90,824,733	13,645,482
Infrastructure	77,666,274	-	77,666,274	-
Construction-in-progress	256,966,613	5,098,668	262,065,281	1,322,663
	<u>894,538,419</u>	<u>60,860,479</u>	<u>955,398,898</u>	<u>52,257,135</u>
Less - Accumulated depreciation	<u>(323,293,706)</u>	<u>(38,874,364)</u>	<u>(362,168,070)</u>	<u>(16,703,075)</u>
Total Capital Assets, net of accumulated depreciation	<u>571,244,713</u>	<u>21,986,115</u>	<u>593,230,828</u>	<u>35,554,060</u>
Total Assets	<u>993,922,961</u>	<u>47,616,933</u>	<u>1,041,539,894</u>	<u>74,035,116</u>
<b>LIABILITIES</b>				
Current liabilities:				
Accounts payable	41,217,586	2,499,151	43,716,737	3,903,310
Accrued liabilities	24,250,452	5,797,624	30,048,076	8,038,507
Deposits payable	-	-	-	5,000
Due to other governments	15,744,806	60,457	15,805,263	84,236
Due to school districts	74,782,214	-	74,782,214	-
Deferred revenues	3,751,971	-	3,751,971	5,358,827
Accrued interest payable	3,473,045	182,424	3,655,469	-
Tax anticipation note payable	63,000,000	-	63,000,000	-
Revenue anticipation note payable	45,000,000	-	45,000,000	-
Bond anticipation notes payable	9,595,000	935,000	10,530,000	-
Non-current liabilities:				
Due within one year:				
Bonds payable - Capital construction	10,617,226	2,031,057	12,648,283	1,275,000
Bonds payable - Other	287,600	635,000	922,600	-
Compensated absences	1,435,086	9,757,609	11,192,695	-
Pension obligations	375,855	-	375,855	-
Claims payable	1,544,298	-	1,544,298	-
Due in more than one year:				
Bonds payable - Capital construction	171,177,327	13,282,181	184,459,508	32,276,145
Bonds payable - Other	7,136,218	55,180,001	62,316,219	-
Compensated absences	12,915,778	-	12,915,778	-
Pension obligations	725,122	-	725,122	-
Claims payable	13,432,692	-	13,432,692	-
Total Liabilities	<u>500,462,276</u>	<u>90,360,504</u>	<u>590,822,780</u>	<u>50,941,025</u>
<b>NET ASSETS</b>				
Invested in capital assets, net of related debt	419,627,796	13,213,254	432,841,050	11,601,882
Restricted for:				
Capital projects	27,664,448	-	27,664,448	1,316,560
Law enforcement	256,738	-	256,738	-
STOP-DWI Program	392,421	-	392,421	-
E-911	14,665	-	14,665	-
Handicapped parking	39,820	-	39,820	-
Social service programs	71,847	-	71,847	-
Debt service	10,775,517	-	10,775,517	163,590
Parklands	44,000	-	44,000	-
Student loans	-	-	-	8,079
Workers' compensation benefits	1,316,874	-	1,316,874	-
Unemployment benefits	118,205	-	118,205	-
Scholarships and student services	-	-	-	1,538,505
Permanent endowments	-	-	-	756,713
Special revenue funds	8,868,094	-	8,868,094	-
Unrestricted	<u>24,270,260</u>	<u>(55,956,825)</u>	<u>(31,686,565)</u>	<u>7,708,762</u>
Total Net Assets	<u>\$ 493,460,685</u>	<u>\$ (42,743,571)</u>	<u>\$ 450,717,114</u>	<u>\$ 23,094,091</u>

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

COUNTY OF ROCKLAND, NEW YORK

STATEMENT OF ACTIVITIES  
YEAR ENDED DECEMBER 31, 2004

Functions/ Programs	Expenses	Program Revenues		
		Charges for Services	Operating Grants and Contributions	Capital Grants and Contributions
<b>Primary Government:</b>				
Governmental activities:				
General government support	\$ 68,779,564	\$ 39,249,733	\$ 1,784,484	\$ -
Education	55,930,405	-	-	924,702
Public safety	52,371,937	3,835,679	3,368,226	-
Health	42,374,788	5,818,755	110,363,370	-
Transportation	45,144,431	3,241,293	17,181,414	18,427,342
Economic opportunity and development	164,700,249	8,665,341	10,213,055	-
Culture and recreation	728,454	-	2,407,636	-
Home and community services	20,023,499	261,278	20,596	858,108
Interest	7,165,388	-	1,317,057	1,431,412
<b>Total Governmental Activities</b>	<b>457,218,715</b>	<b>61,072,079</b>	<b>146,655,838</b>	<b>21,641,564</b>
Business-type activities:				
Home and Infirmary Fund	87,141,861	77,680,143	9,720,424	-
Rockland Tobacco Asset Securitization Corporation	2,800,273	-	3,893,466	-
Rockland Second Tobacco Asset Securitization Corporation	574,291	-	939,947	-
<b>Total Business-type Activities</b>	<b>90,516,425</b>	<b>77,680,143</b>	<b>14,553,837</b>	<b>-</b>
<b>Total Primary Government</b>	<b>\$ 547,735,140</b>	<b>\$ 138,752,222</b>	<b>\$ 161,209,675</b>	<b>\$ 21,641,564</b>
<b>Component Units:</b>				
Rockland County Community College	\$ 52,810,544	\$ 21,213,873	\$ 6,321,604	\$ 2,297,171
Rockland County Soil and Water Conservation District	21,138	-	-	-
Rockland County Solid Waste Management Authority	19,365,648	19,261,063	750,107	-
Rockland County Industrial Development Agency	111,149	174,715	-	-
<b>Total Component Units</b>	<b>\$ 72,308,479</b>	<b>\$ 40,649,651</b>	<b>\$ 7,071,711</b>	<b>\$ 2,297,171</b>
<b>General Revenues:</b>				
Real property taxes				
Other tax items				
Non-property taxes:				
Sales and use tax				
Mortgage tax				
Unrestricted use of money and property				
Contributions from Rockland County				
Grants and contributions not restricted to specific programs				
OTB distributed earnings				
Other revenues				
<b>Total General Revenues</b>				
<b>Change in Net Assets</b>				
Net Assets - Beginning of Year, as previously reported				
Prior Period Adjustment				
Change in Accounting Principle				
Net Assets - Beginning of Year, as restated				
Net Assets - End of Year				

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

Net (Expense) Revenue and Changes in Net Assets  
Primary Government

Governmental Activities	Business-type Activities	Total	Component Units
\$ (27,745,347)	\$ -	\$ (27,745,347)	\$ -
(55,005,703)	-	(55,005,703)	-
(45,168,032)	-	(45,168,032)	-
73,807,337	-	73,807,337	-
(6,294,382)	-	(6,294,382)	-
(145,821,853)	-	(145,821,853)	-
1,679,182	-	1,679,182	-
(18,883,517)	-	(18,883,517)	-
(4,416,919)	-	(4,416,919)	-
(227,849,234)	-	(227,849,234)	-
-	258,706	258,706	-
-	1,093,193	1,093,193	-
-	365,656	365,656	-
-	1,717,555	1,717,555	-
(227,849,234)	1,717,555	(226,131,679)	-
-	-	-	(22,977,896)
-	-	-	(21,138)
-	-	-	645,522
-	-	-	63,566
-	-	-	(22,289,946)
65,836,542	-	65,836,542	-
11,078,086	-	11,078,086	-
144,674,541	-	144,674,541	-
9,721,165	-	9,721,165	-
1,275,851	-	1,275,851	1,551,528
-	-	-	12,769,969
-	-	-	11,491,360
2,758,388	-	2,758,388	-
1,145,219	-	1,145,219	1,424,403
236,489,792	-	236,489,792	27,237,260
8,640,558	1,717,555	10,358,113	4,947,314
485,211,644	5,993,170	491,204,814	18,146,777
(391,517)	391,517	-	-
-	(50,845,813)	(50,845,813)	-
484,820,127	(44,461,126)	440,359,001	18,146,777
\$ 493,460,685	\$ (42,743,571)	\$ 450,717,114	\$ 23,094,091

COUNTY OF ROCKLAND, NEW YORK

BALANCE SHEET  
GOVERNMENTAL FUNDS  
DECEMBER 31, 2004

	General	Capital Projects	Other Governmental Funds	Total Governmental Funds
<b>ASSETS</b>				
Cash and Equivalents	\$ 52,439,182	\$ 59,553,860	\$ 15,517,431	\$ 127,510,473
Investments	-	-	7,279,454	7,279,454
Taxes Receivable, net of allowance for uncollectible taxes	135,199,517	-	-	135,199,517
Other Receivables:				
Accounts, net	25,446,754	-	1,049,217	26,495,971
Loans	-	-	213,170	213,170
State and Federal aid, net	56,772,299	14,579,278	1,463,335	72,814,912
Due from other governments	2,866,908	-	-	2,866,908
Due from other funds	7,790,484	-	300,021	8,090,505
Advances to other funds	515,535	-	-	515,535
	93,391,980	14,579,278	3,025,743	110,997,001
Restricted Assets	-	31,082,062	-	31,082,062
Prepaid Expenditures	2,764,949	-	322,825	3,087,774
<b>Total Assets</b>	<b>\$ 283,795,628</b>	<b>\$ 105,215,200</b>	<b>\$ 26,145,453</b>	<b>\$ 415,156,281</b>
<b>LIABILITIES AND FUND BALANCES</b>				
Liabilities:				
Accounts payable	\$ 22,735,054	\$ 16,269,108	\$ 755,068	\$ 39,759,230
Accrued liabilities	22,754,675	-	830,279	23,584,954
Due to other governments	2,736,833	13,007,973	-	15,744,806
Due to school districts	74,782,214	-	-	74,782,214
Due to other funds	-	7,205,556	417,291	7,622,847
Advances from other funds	-	-	515,535	515,535
Deferred revenues - Taxes	11,890,187	-	-	11,890,187
Deferred revenues - Other	1,944,804	-	1,807,167	3,751,971
Tax anticipation note payable	63,000,000	-	-	63,000,000
Revenue anticipation note payable	45,000,000	-	-	45,000,000
Bond anticipation notes payable	-	9,595,000	-	9,595,000
<b>Total Liabilities</b>	<b>244,843,767</b>	<b>46,077,637</b>	<b>4,325,340</b>	<b>295,246,744</b>
Fund Balances (Deficits):				
Reserved for encumbrances	3,877,741	33,613,718	1,349,024	38,840,483
Reserved for prepaid expenditures	2,764,949	-	322,825	3,087,774
Reserved for law enforcement	256,738	-	-	256,738
Reserved for STOP - DWI Program	392,421	-	-	392,421
Reserved for E-911	14,665	-	-	14,665
Reserved for handicapped parking	39,820	-	-	39,820
Reserved for long-term receivable	64,511,298	-	712,125	65,223,423
Reserved for social service programs	-	-	71,847	71,847
Reserved for compensated absences	7,848,543	-	1,478,383	9,326,926
Reserved for debt service	52,195	-	2,766,115	2,818,310
Reserved for parklands	-	44,000	-	44,000
Reserved for advances	515,535	-	-	515,535
Unreserved reported in:				
General Fund	(41,322,044)	-	-	(41,322,044)
Capital Projects Fund	-	25,479,845	-	25,479,845
Special Revenue Funds	-	-	7,874,712	7,874,712
Debt Service Fund	-	-	7,245,082	7,245,082
<b>Total Fund Balances</b>	<b>38,951,861</b>	<b>59,137,563</b>	<b>21,820,113</b>	<b>119,909,537</b>
<b>Total Liabilities and Fund Balances</b>	<b>\$ 283,795,628</b>	<b>\$ 105,215,200</b>	<b>\$ 26,145,453</b>	<b>\$ 415,156,281</b>

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



COUNTY OF ROCKLAND, NEW YORK

RECONCILIATION OF GOVERNMENTAL FUNDS BALANCE SHEET TO  
 THE GOVERNMENT - WIDE STATEMENT OF NET ASSETS - GOVERNMENTAL ACTIVITIES  
 DECEMBER 31, 2004

Fund Balances - Total Governmental Funds	<u>\$ 119,909,537</u>
Amounts reported for governmental activities in the statement of net assets are different because:	
Capital assets used in governmental activities are not financial resources and, therefore, are not reported in the funds	<u>558,520,800</u>
Internal service funds are used by management to charge the costs of insurance and general services to individual funds. The assets and liabilities of the internal service funds are included in governmental activities in the statement of net assets.	<u>(346,487)</u>
Other long-term assets are not available to pay for current-period expenditures and, therefore, are deferred in the funds - Real property taxes	<u>11,890,187</u>
Government funds report the effect of issuance costs and similiar items when debt is first issued, whereas these amounts are deferred and amortized in the statement of activities. Deferred charges	<u>39,523</u>
Long-term liabilities that are not due and payable in the current period and, therefore, are not reported in the funds.	
Bonds payable	(179,373,039)
Compensated absences	(12,605,814)
Pension obligations	(1,100,977)
Accrued interest payable	<u>(3,473,045)</u>
	<u>(196,552,875)</u>
Net Assets of Governmental Activities	<u>\$ 493,460,685</u>

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

COUNTY OF ROCKLAND, NEW YORK

STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES  
 GOVERNMENTAL FUNDS  
 YEAR ENDED DECEMBER 31, 2004

	General	Capital Projects	Other Governmental Funds	Total Governmental Funds
<b>Revenues:</b>				
Real property taxes	\$ 45,466,886	\$ -	\$ 16,751,263	\$ 62,218,149
Other tax items	11,078,086	-	-	11,078,086
Non-property taxes	154,932,812	-	-	154,932,812
Departmental income	32,522,960	-	53,402	32,576,362
Use of money and property	1,050,179	-	1,677,008	2,727,187
Licenses and permits	1,359,056	-	118,536	1,477,592
Fines and forfeitures	842,617	-	25,497	868,114
Sale of property and compensation for loss	193,597	-	1,233	194,830
Interfund revenues	9,927,392	-	68,569	9,995,961
State aid	90,112,359	8,579,473	1,430,714	100,122,546
Federal aid	41,685,472	11,630,679	9,596,013	62,912,164
Miscellaneous	2,933,829	-	1,605,814	4,539,643
<b>Total Revenues</b>	<b>392,105,245</b>	<b>20,210,152</b>	<b>31,328,049</b>	<b>443,643,446</b>
<b>Expenditures:</b>				
<b>Current:</b>				
General government support	39,754,114	-	-	39,754,114
Education	53,635,959	-	-	53,635,959
Public safety	49,560,136	-	-	49,560,136
Health	41,256,330	-	-	41,256,330
Transportation	21,755,686	-	11,471,978	33,227,664
Economic opportunity and development	154,123,578	-	9,298,195	163,421,773
Culture and recreation	651,769	-	-	651,769
Home and community services	6,105,627	-	10,856,575	16,962,202
Employee benefits	8,232,843	-	2,231,548	10,464,391
<b>Debt Service:</b>				
Principal	-	-	5,133,743	5,133,743
Interest	570,662	-	4,834,858	5,405,520
Capital Outlay	-	46,003,907	-	46,003,907
<b>Total Expenditures</b>	<b>375,646,704</b>	<b>46,003,907</b>	<b>43,826,897</b>	<b>465,477,508</b>
<b>Excess (Deficiency) of Revenues Over Expenditures</b>	<b>16,458,541</b>	<b>(25,793,755)</b>	<b>(12,498,848)</b>	<b>(21,834,062)</b>
<b>Other Financing Sources (Uses):</b>				
Bonds issued	-	51,197,807	-	51,197,807
Transfers in	5,697,323	1,134,500	22,442,462	29,274,285
Transfers out	(14,914,406)	(4,659,080)	(9,700,799)	(29,274,285)
<b>Total Other Financing Sources (Uses)</b>	<b>(9,217,083)</b>	<b>47,673,227</b>	<b>12,741,663</b>	<b>51,197,807</b>
<b>Net Change in Fund Balances</b>	<b>7,241,458</b>	<b>21,879,472</b>	<b>242,815</b>	<b>29,363,745</b>
<b>Fund Balances - Beginning of Year as previously reported</b>	<b>32,101,920</b>	<b>37,258,091</b>	<b>21,577,298</b>	<b>90,937,309</b>
<b>Prior Period Adjustment</b>	<b>(391,517)</b>	<b>-</b>	<b>-</b>	<b>(391,517)</b>
<b>Fund Balance - Beginning of Year, as restated</b>	<b>31,710,403</b>	<b>37,258,091</b>	<b>21,577,298</b>	<b>90,545,792</b>
<b>Fund Balances - End of Year</b>	<b>\$ 38,951,861</b>	<b>\$ 59,137,563</b>	<b>\$ 21,820,113</b>	<b>\$ 119,909,537</b>

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

RECONCILIATION OF THE STATEMENT OF REVENUES,  
EXPENDITURES, AND CHANGES IN FUND BALANCES OF GOVERNMENTAL FUNDS  
TO THE STATEMENT OF ACTIVITIES  
YEAR ENDED DECEMBER 31, 2004

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Amounts Reported for Governmental Activities in the Statement of Activities are Different Because:

Net Change in Fund Balances - Total Governmental Funds	<u>\$ 29,363,745</u>
<p>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 and reported as depreciation expense. This is the amount by which capital outlay exceeded depreciation expense in the current period.</p>	
Capital outlay expenditures	45,822,554
Depreciation expense	<u>(21,288,947)</u>
	<u>24,533,607</u>
<p>Revenues in the statement of activities that do not provide current financial resources are not reported as revenues in the funds.</p>	
Real property taxes	<u>3,618,393</u>
<p>Bond proceeds provide current financial resources to governmental funds, but issuing debt increases long-term liabilities in the statement of net assets. Repayment of bond principal is an expenditure in the governmental funds, but the repayment reduces long-term liabilities in the statement of net assets.</p>	
Principal paid on bonds	5,133,745
Bonds issued	(51,197,807)
Amortization of issuance costs, loss on refunding and premium	<u>(124,875)</u>
	<u>(46,188,937)</u>
<p>Some expenses reported in the statement of activities do not require the use of current financial resources and, therefore, are not reported as expenditures in governmental funds.</p>	
Pension obligations	340,009
Compensated absences	(763,387)
Accrued interest	<u>(1,617,859)</u>
	<u>(2,041,237)</u>
<p>The net revenue of certain activities of internal service funds is reported with governmental activities.</p>	
	<u>(645,013)</u>
Change in Net Assets of Governmental Activities	<u><u>\$ 8,640,558</u></u>

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

STATEMENT OF NET ASSETS  
 PROPRIETARY FUNDS  
 DECEMBER 31, 2004

	<u>Business - type Activities - Enterprise Funds</u>		
	<u>Home and Infirmary Fund</u>	<u>Rockland Tobacco Asset Securitization Corporation</u>	<u>Rockland Second Tobacco Asset Securitization Corporation</u>
<b>ASSETS</b>			
<b>Current Assets:</b>			
Cash and equivalents	\$ 4,332,029	\$ 203,606	\$ 115,698
Investments		1,343,271	-
<b>Receivables:</b>			
Accounts	1,551,147	56,596	5,689
Accounts - patient care, net of allowance for uncollectible amounts	12,116,978	-	-
State and Federal aid	-	-	-
Due from County of Rockland	-	125,000	-
Due from other funds	-	-	-
Inventories	552,248	-	-
Prepaid expenses	1,307,791	-	-
<b>Total Current Assets</b>	<b>19,860,193</b>	<b>1,728,473</b>	<b>121,387</b>
<b>Noncurrent Assets:</b>			
Restricted cash and equivalents	-	454	864
Restricted investments	-	3,525,490	710,961
Cost of issuance, net of accumulated amortization	-	547,184	261,276
<b>Total Noncurrent Assets</b>	<b>-</b>	<b>4,073,128</b>	<b>973,101</b>
<b>Capital assets:</b>			
Land	438,504	-	-
Buildings	16,221,905	-	-
Improvements other than buildings	345,975	-	-
Equipment	38,755,427	-	-
Construction-in-progress	5,098,668	-	-
Less - Accumulated depreciation	(38,874,364)	-	-
<b>Total Capital Assets, net of accumulated depreciation</b>	<b>21,986,115</b>	<b>-</b>	<b>-</b>
<b>Total Assets</b>	<b>41,846,308</b>	<b>5,801,601</b>	<b>1,094,488</b>
<b>LIABILITIES</b>			
Accounts payable	2,491,377	-	7,774
Accrued liabilities	4,744,405	1,009,202	44,017
Due to other governments	60,457	-	-
Accrued interest payable	182,424	-	-
Due to other funds	1,125,464	-	-
Bond anticipation notes payable	935,000	-	-
<b>Current portion of long-term obligations:</b>			
Claims payable	-	-	-
Compensated absences	9,757,609	-	-
Bonds payable - Capital construction	2,031,057	-	-
Bonds payable - Other	-	635,000	-
Bonds payable - Pension obligations	-	-	-
<b>Total Current Liabilities</b>	<b>21,327,793</b>	<b>1,644,202</b>	<b>51,791</b>
<b>Non-current liabilities:</b>			
Claims payable	-	-	-
Compensated absences	-	-	-
Bonds payable - Capital construction	13,282,181	-	-
Bonds payable - Other	-	46,238,505	8,941,496
Bonds payable - Pension obligations	-	-	-
<b>Total Non-Current Liabilities</b>	<b>13,282,181</b>	<b>46,238,505</b>	<b>8,941,496</b>
<b>Total Liabilities</b>	<b>34,609,974</b>	<b>47,882,707</b>	<b>8,993,287</b>
<b>NET ASSETS</b>			
Invested in capital assets, net of related debt	13,213,254	-	-
Unrestricted	(5,976,920)	(42,081,106)	(7,898,799)
<b>Total Net Assets</b>	<b>\$ 7,236,334</b>	<b>\$ (42,081,106)</b>	<b>\$ (7,898,799)</b>

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

Total Business-type Activities - Enterprise Funds	Governmental Activities - Internal Service Funds
\$ 4,651,333	\$ 5,533,449
1,343,271	8,600,000
1,613,432	154,947
12,116,978	-
-	361,070
125,000	-
-	659,837
552,248	43,256
1,307,791	270,298
<u>21,710,053</u>	<u>15,622,857</u>
1,318	-
4,236,451	-
<u>808,460</u>	<u>-</u>
<u>5,046,229</u>	<u>-</u>
438,504	-
16,221,905	2,980
345,975	-
38,755,427	4,632,752
5,098,668	12,405,350
(38,874,364)	(4,317,167)
<u>21,986,115</u>	<u>12,723,915</u>
<u>48,742,397</u>	<u>28,346,772</u>
2,499,151	1,423,720
5,797,624	700,136
60,457	-
182,424	-
1,125,464	2,031
935,000	-
-	1,544,298
9,757,609	174,504
2,031,057	617,604
635,000	-
-	162,380
<u>23,023,786</u>	<u>4,624,673</u>
-	13,432,692
-	1,570,546
13,282,181	8,712,490
55,180,001	-
-	352,858
<u>68,462,182</u>	<u>24,068,586</u>
<u>91,485,968</u>	<u>28,693,259</u>
13,213,254	6,374,346
(55,956,825)	(6,720,833)
<u>\$ (42,743,571)</u>	<u>\$ (346,487)</u>

STATEMENT OF REVENUES, EXPENSES AND CHANGES IN NET ASSETS  
 PROPRIETARY FUNDS  
 YEAR ENDED DECEMBER 31, 2004

Business-type Activities - Enterprise Funds

	Home and Infirmiry Fund	Rockland Tobacco Asset Securitization Corporation	Rockland Second Tobacco Asset Securitization Corporation
<b>Operating Revenues:</b>			
Charges for services	\$ 76,994,574	\$ -	\$ -
State aid	-	-	-
Tobacco settlement revenues	-	3,594,123	898,531
Miscellaneous	685,569	-	-
<b>Total Operating Revenues</b>	<b>77,680,143</b>	<b>3,594,123</b>	<b>898,531</b>
<b>Operating Expenses:</b>			
Administrative and general expenses	11,650,098	-	-
Salaries and wage expenses	44,931,255	-	-
Employee benefits	20,783,356	-	-
Professional fees	-	32,556	20,270
Directors' fees	-	3,000	-
Insurance	-	20,500	-
Judgments and claims	-	-	-
Supplies and other expenses	7,728,359	-	-
Depreciation and amortization	1,691,805	21,912	6,705
<b>Total Operating Expenses</b>	<b>86,784,873</b>	<b>77,968</b>	<b>26,975</b>
<b>Income (Loss) from Operations</b>	<b>(9,104,730)</b>	<b>3,516,155</b>	<b>871,556</b>
<b>Non-Operating Revenues (Expenses):</b>			
Intergovernmental transfer	9,720,424	-	-
Interest income	-	299,343	41,416
Interest on indebtedness	(356,988)	(2,722,305)	(547,316)
<b>Total Non-Operating Revenues (Expenses)</b>	<b>9,363,436</b>	<b>(2,422,962)</b>	<b>(505,900)</b>
<b>Change in Net Assets</b>	<b>258,706</b>	<b>1,093,193</b>	<b>365,656</b>
<b>Net Assets - Beginning of Year, as reported</b>	<b>6,977,628</b>	<b>(965,453)</b>	<b>(19,005)</b>
Prior Period Adjustment	-	391,517	-
Change in Accounting Principle	-	(42,600,363)	(8,245,450)
<b>Net Assets (Deficiency) - Beginning of Year, as restated</b>	<b>6,977,628</b>	<b>(43,174,299)</b>	<b>(8,264,455)</b>
<b>Net Assets (Deficiency) - End of Year</b>	<b>\$ 7,236,334</b>	<b>\$ (42,081,106)</b>	<b>\$ (7,898,799)</b>

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

Total Business-type Activities - Enterprise Funds	Governmental Activities - Internal Service Funds
\$ 76,994,574	\$ 28,122,951
-	385,322
4,492,654	-
685,569	-
<u>82,172,797</u>	<u>28,508,273</u>
11,650,098	5,283,795
44,931,255	124,996
20,783,356	8,291,903
52,826	-
3,000	-
20,500	-
-	84,605
7,728,359	15,415,182
1,720,422	154,498
<u>86,889,816</u>	<u>29,354,979</u>
<u>(4,717,019)</u>	<u>(846,706)</u>
9,720,424	-
340,759	225,672
<u>(3,626,609)</u>	<u>(23,979)</u>
<u>6,434,574</u>	<u>201,693</u>
<u>1,717,555</u>	<u>(645,013)</u>
5,993,170	298,526
391,517	-
<u>(50,845,813)</u>	<u>-</u>
<u>(44,461,126)</u>	<u>298,526</u>
<u>\$ (42,743,571)</u>	<u>\$ (346,487)</u>

STATEMENT OF CASH FLOWS  
 PROPRIETARY FUNDS  
 YEAR ENDED DECEMBER 31, 2004

	Home and Infirmary Fund	Rockland Tobacco Asset Securitization Corporation	Rockland Second Tobacco Asset Securitization Corporation
<b>Cash Flows From Operating Activities:</b>			
Cash received from patients and third-party payors	\$ 72,485,997	\$ -	\$ -
Cash received from tobacco settlement revenues	-	3,594,123	898,531
Other receipts	6,013,587	-	-
Cash received from charges for services	-	-	-
Cash payments to insurance carriers and claimants	-	-	-
Cash payments to vendors	(19,723,914)	(56,056)	(19,549)
Cash payments to employees	(74,235,761)	-	-
<b>Net Cash Provided by (Used in) Operating Activities</b>	<b>(15,460,091)</b>	<b>3,538,067</b>	<b>878,982</b>
<b>Cash Flows From Non-Capital Financing Activities:</b>			
Intergovernmental transfer	9,720,424	-	-
Residual payment to County of Rockland	-	(1,780,702)	-
Retirement of long-term debt	-	-	(345,000)
Interest on indebtedness	-	(2,687,206)	(511,067)
<b>Net Cash Provided by (Used in) Non-Capital Financing Activities</b>	<b>9,720,424</b>	<b>(4,467,908)</b>	<b>(856,067)</b>
<b>Cash Flows From Capital and Related Financing Activities:</b>			
Remittances to County of Rockland, net	7,634,966	-	-
Issuance of long-term debt	4,996,000	-	-
Retirement of long-term debt	(1,371,519)	-	-
Interest on indebtedness	(290,842)	-	-
Acquisition and construction of capital assets	(3,328,823)	-	-
<b>Net Cash Provided by Capital and Related Financing Activities</b>	<b>7,639,782</b>	<b>-</b>	<b>-</b>
<b>Cash Flows From Investing Activities:</b>			
Increase in restricted cash and equivalents	-	(207)	(697)
Interest income	-	339,044	35,727
Purchase of investments	-	(1,343,271)	-
Sale of investments	-	1,342,671	-
Purchase of restricted investments	-	(3,525,490)	(710,961)
Sale of restricted investments	-	3,525,697	711,658
<b>Net Cash Provided by (Used in) Investing Activities</b>	<b>-</b>	<b>338,444</b>	<b>35,727</b>
<b>Net Increase (Decrease) in Cash and Equivalents</b>	<b>1,900,115</b>	<b>(591,397)</b>	<b>58,642</b>
Cash and Equivalents - Beginning of Year	2,431,914	795,003	57,056
<b>Cash and Equivalents - End of Year</b>	<b>\$ 4,332,029</b>	<b>\$ 203,606</b>	<b>\$ 115,698</b>
<b>Reconciliation of Loss from Operations to Net Cash Provided by (Used in) Operating Activities:</b>			
Income (Loss) from operations	\$ (9,104,730)	\$ 3,516,155	\$ 871,556
<b>Adjustments to reconcile income (loss) from operations to net cash provided by (used in) operating activities:</b>			
Depreciation and amortization	1,691,805	21,912	6,705
Provision for bad debts	2,474,098	-	-
<b>Changes in assets and liabilities:</b>			
Accounts receivable	163,760	-	-
Accounts receivable - Patient care	(9,988,626)	-	-
State and Federal aid receivable	-	-	-
Due from other funds	1,953,542	-	-
Inventories	3,917	-	-
Prepaid expenses	(804,895)	-	8,341
Accounts payable	455,521	-	(7,620)
Accrued liabilities	(4,060,584)	-	-
Claims payable	-	-	-
Compensated absences	1,207,678	-	-
Due to other governments	(577,041)	-	-
Due to other funds	1,125,464	-	-
<b>Net Cash Provided by (Used in) Operating Activities</b>	<b>\$ (15,460,091)</b>	<b>\$ 3,538,067</b>	<b>\$ 878,982</b>
<b>Noncash Investing Activities -</b>			
Increase in bonds payable from amortization of original issue and underwriters' discount	\$ -	\$ 35,099	\$ 10,997

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



Total Business-type Activities - Enterprise Funds	Governmental Activities- Internal Service Funds
\$ 72,485,997	\$ -
4,492,654	-
6,013,587	280,509
-	27,587,308
-	(4,167,300)
(19,799,519)	(9,836,229)
<u>(74,235,761)</u>	<u>(16,182,518)</u>
<u>(11,043,042)</u>	<u>(2,318,230)</u>
9,720,424	-
(1,780,702)	-
(345,000)	(52,764)
<u>(3,198,273)</u>	<u>(23,979)</u>
<u>4,396,449</u>	<u>(76,743)</u>
7,634,966	-
4,996,000	4,200,000
(1,371,519)	-
(290,842)	-
<u>(3,328,823)</u>	<u>(2,913,377)</u>
<u>7,639,782</u>	<u>1,286,623</u>
(904)	-
374,771	225,672
(1,343,271)	(8,600,000)
1,342,671	-
(4,236,451)	-
<u>4,237,355</u>	<u>-</u>
<u>374,171</u>	<u>(8,374,328)</u>
1,367,360	(9,482,678)
<u>3,283,973</u>	<u>15,016,127</u>
<u>\$ 4,651,333</u>	<u>\$ 5,533,449</u>
\$ (4,717,019)	\$ (846,706)
1,720,422	154,498
2,474,098	-
163,760	(111,756)
(9,988,626)	-
-	104,813
1,953,542	(618,036)
3,917	25,500
(796,554)	(160,389)
447,901	250,356
(4,060,584)	(97,660)
-	454,910
1,207,678	79,894
(577,041)	-
<u>1,125,464</u>	<u>(1,553,654)</u>
<u>\$ (11,043,042)</u>	<u>\$ (2,318,230)</u>
\$ 46,096	\$ -

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COUNTY OF ROCKLAND, NEW YORK

STATEMENT OF ASSETS AND LIABILITIES  
FIDUCIARY FUNDS  
DECEMBER 31, 2004

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ASSETS

	<u>Agency</u>
Cash:	
Demand deposits	\$ 4,789,794
Time deposits	<u>2,985,002</u>
	7,774,796
Accounts Receivable	<u>46,705</u>
 Total Assets	 <u>\$ 7,821,501</u>

LIABILITIES

Accounts Payable	\$ 6,778
Employee Payroll Deductions	579,164
Deposits	4,033,940
Due to Other Governments	<u>3,201,619</u>
 Total Liabilities	 <u>\$ 7,821,501</u>

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

COUNTY OF ROCKLAND, NEW YORK

STATEMENT OF NET ASSETS  
COMPONENT UNITS

DECEMBER 31, 2004 (Rockland County Community College as of August 31, 2004)

	Rockland County Community College	Rockland County Soil and Water Conservation District	Rockland County Solid Waste Management Authority
<b>ASSETS</b>			
Cash and equivalents	\$ 13,513,034	\$ 60,413	\$ 6,871,172
Investments	3,200,943	-	-
Receivables:			
Accounts, net of allowance for uncollectible amounts	1,832,901	-	925,557
State and Federal aid	171,814	30,000	1,346,951
Prepaid expenses	-	775	471,451
Restricted assets	-	-	9,769,991
	<u>18,718,692</u>	<u>91,188</u>	<u>19,385,122</u>
Capital assets:			
Land	-	-	1,423,312
Buildings	-	-	35,865,678
Equipment	4,632,555	14,767	8,998,160
Construction-in-progress	-	-	1,322,663
	<u>4,632,555</u>	<u>14,767</u>	<u>47,609,813</u>
Less - Accumulated depreciation	<u>(3,053,034)</u>	<u>(10,073)</u>	<u>(13,639,968)</u>
Total Capital Assets, net of accumulated depreciation	<u>1,579,521</u>	<u>4,694</u>	<u>33,969,845</u>
Total Assets	<u>20,298,213</u>	<u>95,882</u>	<u>53,354,967</u>
<b>LIABILITIES</b>			
Accounts payable	643,266	-	3,260,044
Accrued liabilities	7,623,358	15,000	396,842
Deposits payable	5,000	-	-
Due to other governments	84,236	-	-
Deferred revenues	5,358,827	-	-
Non-current liabilities:			
Due within one year -			
Bonds payable	-	-	1,275,000
Due in more than one year -			
Bonds payable	-	-	32,276,145
Total Liabilities	<u>13,714,687</u>	<u>15,000</u>	<u>37,208,031</u>
<b>NET ASSETS</b>			
Invested in capital assets, net of related debt	1,579,521	4,694	10,017,667
Restricted for:			
Capital projects	1,316,560	-	-
Debt service	-	-	163,590
Student loans	8,079	-	-
Scholarships and student services	1,538,505	-	-
Permanent endowments	756,713	-	-
Unrestricted	<u>1,384,148</u>	<u>76,188</u>	<u>5,965,679</u>
Total Net Assets	<u>\$ 6,583,526</u>	<u>\$ 80,882</u>	<u>\$ 16,146,936</u>

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

Rockland County Industrial Development Agency		Totals
\$ 286,054	\$ 20,730,673	
-	3,200,943	
-	2,758,458	
-	1,548,765	
-	472,226	
-	9,769,991	
<u>286,054</u>	<u>38,481,056</u>	
-	1,423,312	
-	35,865,678	
-	13,645,482	
-	1,322,663	
-	52,257,135	
-	(16,703,075)	
-	35,554,060	
<u>286,054</u>	<u>74,035,116</u>	
-	3,903,310	
3,307	8,038,507	
-	5,000	
-	84,236	
-	5,358,827	
-	1,275,000	
-	32,276,145	
<u>3,307</u>	<u>50,941,025</u>	
-	11,601,882	
-	1,316,560	
-	163,590	
-	8,079	
-	1,538,505	
-	756,713	
<u>282,747</u>	<u>7,708,762</u>	
<u>\$ 282,747</u>	<u>\$ 23,094,091</u>	

COUNTY OF ROCKLAND, NEW YORK

STATEMENT OF ACTIVITIES  
 COMPONENT UNITS  
 YEAR ENDED DECEMBER 31, 2004

Functions/Programs	Expenses	Program Revenues		
		Charges for Services	Operating Grants and Contributions	Capital Grants and Contributions
Rockland County Community College - Education	\$ 52,810,544	\$ 21,213,873	\$ 6,321,604	\$ 2,297,171
Rockland County Soil and Water Conservation District - Home and Community Services	21,138	-	-	-
Rockland County Solid Waste Management Authority - Home and Community Services	19,365,648	19,261,063	750,107	-
Rockland County Industrial Development Agency - Economic Opportunity and Development	111,149	174,715	-	-
<b>Total Component Units</b>	<b>\$ 72,308,479</b>	<b>\$ 40,649,651</b>	<b>\$ 7,071,711</b>	<b>\$ 2,297,171</b>

General Revenues:  
 Unrestricted use of money and property  
 Contributions from Rockland County  
 Grants and contributions not restricted to specific programs  
 Other revenues

Total General Revenues

Change in Net Assets

Net Assets - Beginning of Year

Net Assets - End of Year

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

Net (Expense) Revenue  
and Changes in Net Assets

Rockland County Community College	Rockland County Soil and Water Conservation District	Rockland County Solid Waste Management Authority	Rockland County Industrial Development Agency	Total
\$ (22,977,896)	\$ -	\$ -	\$ -	\$ (22,977,896)
-	(21,138)	-	-	(21,138)
-	-	645,522	-	645,522
-	-	-	63,566	63,566
<u>(22,977,896)</u>	<u>(21,138)</u>	<u>645,522</u>	<u>63,566</u>	<u>(22,289,946)</u>
1,253,926	-	296,152	1,450	1,551,528
12,769,969	-	-	-	12,769,969
11,461,360	30,000	-	-	11,491,360
1,424,403	-	-	-	1,424,403
<u>26,909,658</u>	<u>30,000</u>	<u>296,152</u>	<u>1,450</u>	<u>27,237,260</u>
3,931,762	8,862	941,674	65,016	4,947,314
<u>2,651,764</u>	<u>72,020</u>	<u>15,205,262</u>	<u>217,731</u>	<u>18,146,777</u>
<u>\$ 6,583,526</u>	<u>\$ 80,882</u>	<u>\$ 16,146,936</u>	<u>\$ 282,747</u>	<u>\$ 23,094,091</u>

**Note 1 - Summary of Significant Accounting Policies**

The County of Rockland, New York was established in 1798 and operates in accordance with its Charter, County Law and the various other applicable laws of the State of New York. The County functions under a County Executive/Legislature form of government. The County Legislature is the legislative body responsible for overall operation of the County. The County Executive serves as the chief executive officer and the Commissioner of Finance serves as the chief financial officer. The County provides the following services to its residents: education, public safety, health, transportation, economic opportunity and development, culture and recreation, home and community services and general and administrative support.

The accounting policies of the County of Rockland, New York conform to generally accepted accounting principles as applicable to governmental units and the Uniform System of Accounts as prescribed by the State of New York. The Governmental Accounting Standards Board (GASB) is the accepted standard setting body for establishing governmental accounting and financial reporting principles. The following is a summary of the County's more significant accounting policies:

**A. Financial Reporting Entity**

The financial reporting entity consists of a) the primary government, which is the County of Rockland, b) organizations for which the County is financially accountable and c) other organizations for which the nature and significance of their relationship with the County are such that exclusion would cause the reporting entity's financial statements to be misleading or incomplete as set forth by GASB Statement.

In evaluating how to define the County, for financial reporting purposes, management has considered all potential component units. The decision to include a potential component unit in the County's reporting entity was made by applying the criteria set forth by GASB, including legal standing, fiscal dependency and financial accountability. Based upon the application of the above criteria, the following individual component units are included in the County's reporting entity because of their operational or financial relationship with the County.

The Rockland County Community College was established in 1959, with the County of Rockland as the local sponsor under provisions of Article 126 of the Education Law. The College is administered by a board of trustees consisting of nine voting members; five are appointed by the County Legislature and four by the Governor. The College budget is subject to the approval of the County Legislature. The County generally provides one-half of the capital costs and one-third of the operating costs for the College. Title to real property of the College vests with the County and bonds and notes for College capital costs are issued by the County and are County debt. A fiscal year ending August 31st is mandated by State Law for the College. The College is included in the County's reporting entity since the primary government is able to impose its will, as demonstrated through the ability to approve budgets. The College may also result in a financial burden to the primary government since the County is obligated for the debt of the College. Since services are not provided entirely or almost entirely to the County, the College has been reflected as a discretely presented component unit.

The Rockland County Soil and Water Conservation District was established pursuant to New York State Soil Conservation District Law and legislative resolution. The District provides for the conservation of soil and soil resources of the State and the County. The Board of Directors are



**Note 1 - Summary of Significant Accounting Policies (Continued)**

appointed by the County Legislature. The Board of Directors serve at the pleasure of the County Legislature and therefore, the primary government is able to impose its will on the District. The District is also dependent on the financial support provided by the County. Since the District does not provide services entirely or almost entirely to the County, the financial statements of the District have been reflected as a discretely presented component unit.

The Rockland County Solid Waste Management Authority is a public benefit corporation created pursuant to the Rockland County Solid Waste Management Authority Act constituting Title 13-M of the New York State Public Authorities Law. The Authority provides solid waste management services to the residents of the County. The Authority is administered by seventeen members. Eight members are members of the County Legislature, five members are supervisors of towns within the County, two members are mayors of villages recommended by the Conference of Mayors and two members are appointed by the County Executive. Consequently, the County is considered able to impose its will on the Agency. Authority members have complete responsibility for management of the Authority and accountability for fiscal matters. The Authority has the power to issue debt and enter into loan agreements. The County is not liable for the Authority's debt. Since the Authority does not provide services entirely or almost entirely to the County, the financial statements of the Authority have been reflected as a discretely presented component unit.

The Rockland County Industrial Development Agency is a public benefit corporation created by State legislation to promote the economic welfare, recreation opportunities and prosperity of the County's inhabitants. Members of the Agency are appointed by the County Legislature. Agency members have complete responsibility for management of the Agency and accountability for fiscal matters. The County is not liable for Agency bonds or notes. The governing board of the Agency serves at the pleasure of the County Legislature and therefore, the primary government is able to impose its will on the Agency. Since the Agency does not provide services entirely or almost entirely to the County of Rockland, the financial statements of the Agency have been reflected as a discretely presented component unit.

The following organizations are included in the County's reporting entity as blended component units.

The Rockland County Tobacco Asset Securitization Corporation and the Rockland County Second Tobacco Asset Securitization Corporation are not-for-profit local development corporations organized pursuant to Section 1411 of the Not-For-Profit Corporation Law of State of New York. The Boards of Directors of each Corporation consist of five members; two designees of the County of Rockland, New York's ("County") County Executive, are designees of the chairman of the County Legislature, one designee of the chairman of the County's Budget and Finance Committee and a fifth shall be designated by a majority of the other four members. The Boards of Directors have complete responsibility for management of the Corporations and accountability for fiscal matters. The County is not liable for any deficits or Corporations bonds or notes. GASB, in April 2004, issued a technical bulletin which clarified the financial reporting of Tobacco Settlement Authorities (TSA). This bulletin, which is effective for fiscal years ending and June 15, 2004, provides that when TSA's are entitled to future tobacco settlement resources and they appoint a majority of the TSA's governing board, the financial accountability criteria are met and the TSA should be reported as a component unit of the settling government. Consequently, these organizations have been reflected as blended component units in the financial statements.

**Note 1 - Summary of Significant Accounting Policies (Continued)**

Complete financial statements of the individual component units can be obtained from their respective administrative offices as indicated below.

Rockland County Community College  
145 College Road  
Suffern, New York 10901

Rockland County Soil and Water Conservation District  
23 New Hempstead Road  
New City, New York 10956

Rockland County Solid Waste Management Authority  
420 Tome Valley Road  
Hillburn, New York 10931

Rockland County Industrial Development Agency  
One Blue Hill Plaza  
Pearl River, New York 10965

Rockland Tobacco Asset  
Securitization Corporation  
18 New Hempstead Road  
3<sup>rd</sup> Floor  
New City, New York 10956

Rockland Second Tobacco  
Asset Securitization Corporation  
18 New Hempstead Road  
3<sup>rd</sup> Floor  
New City, New York 10956

**B. Government-Wide Financial Statements**

The government-wide financial statements (i.e., the Statement of Net Assets and the Statement of Activities) report information on all non-fiduciary activities of the primary government as a whole and its component units. For the most part, the effect of interfund activity has been removed from these statements. Governmental activities, which normally are supported by taxes and intergovernmental revenues, are reported separately from business-type activities, which rely to a significant extent on fees and charges for support. Likewise, the primary government is reported separately from the legally separate component units for which the primary government is financially accountable.

The Statement of Net Assets presents the financial position of the County and its component units at the end of its fiscal year. The Statement of Activities demonstrates the degree to which direct expenses of a given function or segment are offset by program revenues. Direct expenses are those that are clearly identifiable with a specific function or segment. Program revenues include (1) charges to customers or applicants who purchase, use or directly benefit from

**Note 1 - Summary of Significant Accounting Policies (Continued)**

goods or services, or privileges provided by a given function or segment, (2) grants and contributions that are restricted to meeting the operational or capital requirements of a particular function or segment and (3) interest earned on grants that is required to be used to support a particular program. Taxes and other items not identified as program revenues are reported as general revenues. The County does not allocate indirect expenses to functions in the Statement of Activities.

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 individual enterprise funds are reported as separate columns in the fund financial statements.

Proprietary funds distinguish operating revenues and expenses from non-operating items. Operating revenues and expenses generally result from providing services in connection with a proprietary fund's principal ongoing operation. The principal operating revenues of the Enterprise Funds are charges to customers for services and Tobacco Settlement Revenues and the principal operating expenses are cost of services, administrative expenses, professional and directors fees, insurance, depreciation costs and benefit costs. The principal operating revenues of the Internal Service Funds are charges to customers for services, and operating expenses include the cost of services, administrative expenses, depreciation costs and benefit costs. All revenues and expenses not meeting the definition are reported as non-operating revenues and expenses.

**C. Fund Financial Statements**

The accounts of the County are organized and operated on the basis of funds. A fund is an independent fiscal and accounting entity with a self-balancing set of accounts which comprise its assets, liabilities, fund balances/net assets, revenues and expenditures/expenses. Fund accounting segregates funds according to their intended purpose and is used to aid management in demonstrating compliance with finance related legal and contractual provisions. The County maintains the minimum number of funds consistent with legal and managerial requirements. The focus of governmental fund financial statements is on major funds as that term is defined in professional pronouncements. Each major fund is to be presented in a separate column, with non-major funds, if any, aggregated and presented in a single column. Fiduciary funds are reported by type. Since the governmental fund statements are presented on a different measurement focus and basis of accounting than the government-wide statements' governmental activities column, a reconciliation is presented on the page following, which briefly explains the adjustments necessary to transform the fund based financial statements into the governmental activities column of the government-wide presentation. The County's resources are reflected in the fund financial statements in three broad fund categories, in accordance with generally accepted accounting principles as follows:

**1. Fund Categories**

- a. Governmental Funds - Governmental Funds are those through which most general government functions are financed. The acquisition, use and balances of expendable financial resources and the related liabilities are accounted for through governmental funds. The following are the County's major governmental funds.

**Note 1 - Summary of Significant Accounting Policies (Continued)**

General Fund - The General Fund constitutes the primary operating fund of the County in that it includes all revenues and expenditures not required by law to be accounted for in other funds.

Capital Projects Fund - The Capital Projects Fund is used to account for financial resources to be used for the acquisition or construction of major capital facilities, other than those financed by proprietary funds.

The County also reports the following non-major governmental funds.

Special Revenue Funds - Special Revenue Funds are governmental funds established to account for the proceeds of specific revenue sources that are legally restricted to expenditures for certain defined purposes.

County Road Fund - The County Road Fund was established pursuant to New York State Highway Law and is used to account for the maintenance and repair of County roads and bridges and snow removal costs.

Road Machinery Fund - The Road Machinery Fund is used to account for the purchase, repair and maintenance of highway machinery, tools and equipment and for the purchase, construction and maintenance of buildings for the storage and repair of highway machinery and equipment.

Community Development Fund - The Community Development Fund is used to account for projects financed by entitlements from the U.S. Department of Housing and Urban Development.

Sewer District Fund - The Sewer District Fund is used to account for the operations and maintenance of the County's sewer facilities.

Special Purpose Fund - The Special Purpose Fund is used to account for assets held by the County in accordance with terms of a trust agreement.

Debt Service Fund - The Debt Service Fund is provided to account for the accumulation of resources to be used for the redemption of principal and interest on long-term debt.

- b. Proprietary Funds - Proprietary funds include enterprise and internal service funds. Enterprise funds are used to account for operations that are financed and operated in a manner similar to private enterprises or where the governing body has decided that periodic determination of revenues earned, expenses incurred and/or net income is necessary for management accountability. Enterprise funds are used to account for those operations that provide services to the public. Internal service funds account for operations that provide services to other departments or agencies of the government, or to other governments, on a cost reimbursement basis. The operations of the Summit Park Hospital (Home and Infirmary), are recorded as a major enterprise fund. The Home and Infirmary is a chronic care hospital and a skilled nursing facility established and operated under provisions of

**Note 1 - Summary of Significant Accounting Policies (Continued)**

Article 6 of General Municipal Law. The County has established its Workers' Compensation Benefits, General Liability Claims, Unemployment Benefits and General Services funds as internal service funds. The County applies all applicable Financial Accounting Standards Board (FASB) pronouncements issued after November 30, 1989 in accounting and reporting for its enterprise operations.

- c. Fiduciary Funds (Not Included in Government-wide Statements) - The Fiduciary Funds are used to account for assets held by the County in an agency capacity on behalf of others. The County's Agency Fund is primarily utilized to account for employee payroll deductions, deposits for welfare trusts and various taxes (i.e., mortgage taxes, that are payable to other jurisdictions).

**D. Measurement Focus, Basis of Accounting and Financial Statement Presentation**

The accounting and financial reporting treatment is determined by the applicable measurement focus and basis of accounting. Measurement focus indicates the type of resources being measured such as current financial resources (current assets less current liabilities) or economic resources (all assets and liabilities). The basis of accounting indicates the timing of transactions or events for recognition in the financial reports.

The government-wide financial statements are reported using the *economic resources measurement focus* and the *accrual basis of accounting*, as are the proprietary funds. The Agency Fund has no measurement focus and utilizes the accrual basis of accounting. 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 as revenues in the year for which they are levied. Grants and similar items are recognized as revenue as soon as all eligibility requirements imposed by the provider have been met.

Net patient service revenue of the Enterprise Fund is reported at the estimated net realizable amounts from patients, third-party payers and others for services rendered. Revenues received under cost reimbursement agreements and prospective contractual agreements represent a substantial portion of the Home and Infirmary's revenue and are subject to audit and possible adjustment by the third-party reimbursement agencies. Retroactively calculated third-party contractual adjustments are accrued on an estimated basis in the period the services are rendered and adjusted in future periods as required.

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. Property taxes are considered to be available if collected within sixty days of the fiscal year end. A ninety day availability period is used for revenue recognition for all other governmental fund revenues. Property taxes associated with the current fiscal period as well as charges for services and intergovernmental revenues are considered to be susceptible to accrual and have been recognized as revenues of the current fiscal period. Fees and other similar revenues are not susceptible to accrual because generally they are not measurable until received in cash. If expenditures are the prime factor for determining eligibility, revenues from Federal and State grants are accrued when the expenditure is made. Expenditures generally are recorded when a liability is incurred, as under accrual accounting. However, debt service expenditures, as

**Note 1 - Summary of Significant Accounting Policies (Continued)**

well as expenditures related to compensated absences and certain pension costs, are recorded only when payment is due. General capital assets acquisitions are reported as expenditures in governmental funds. Issuance of long-term debt and acquisitions under capital leases are reported as other financing sources.

When both restricted and unrestricted resources are available for use, it is the County's policy to use restricted resources first, then unrestricted resources as they are needed.

**Component Units**

Component units are presented on the basis of accounting that most accurately reflect their activities. The Soil and Water Conservation District is accounted for on the modified accrual basis and is converted to the accrual basis for the government-wide statements. The Community College, Industrial Development Agency, Solid Waste Management Authority and Tobacco Asset Securitization Corporations are accounted for on the accrual basis. The College, however, does not reflect property, plant and equipment as an asset of the fund and depreciation is not reflected. Property, plant and equipment of the College are owned by the County. The Industrial Development Agency, Solid Waste Management Authority and Tobacco Asset Securitization Corporations apply all applicable Financial Accounting Standards Board (FASB) pronouncements issued after November 30, 1989 in accounting and reporting their operations.

**E. Assets, Liabilities and Net Assets or Fund Balances**

**Cash and Equivalents** - Cash and equivalents consist of funds deposited in demand deposit accounts, time deposit accounts and certificates of deposit with original maturities of less than three months.

The County's investment policies are governed by State statutes. The County has adopted its own written investment policy which provides for the deposit of funds in FDIC insured commercial banks or trust companies located within the State. The County is authorized to use demand deposit accounts, time deposit accounts and certificates of deposit. Permissible investments include obligations of the U.S. Treasury, U.S. Agencies, repurchase agreements and obligations of New York State or its political subdivisions.

Collateral is required for demand deposit accounts, time deposit accounts and certificates of deposit at 100% of all deposits not covered by Federal deposit insurance. The County has entered into custodial agreements with the various banks which hold their deposits. These agreements authorize the obligations that may be pledged as collateral. Such obligations include, among other instruments, obligations of the United States and its agencies and obligations of the State and its municipal and school district subdivisions.

**Investments** - All investments are stated at fair value, which is based on quoted market prices.

**Restricted Cash and Equivalents and Investments** - The terms of the bond indenture of the Tobacco Assets Securitization Corporations provide for the establishment of a liquidity reserve. The reserve has been established at the maximum annual debt service requirements in the current and any future fiscal year, assuming principal is paid in accordance with the requirement of the indenture.

**Note 1 - Summary of Significant Accounting Policies (Continued)**

The terms of the bond indentures also provide for the establishment of a trapping account. Following the occurrence of a trapping event, amounts that otherwise would have been paid on the residual certificate to the County will be deposited in the trapping account and will be restricted to pay interest, required amortization payments and planned amortization payments, in such order, to the extent collections or other available amounts are insufficient for such purposes.

**Taxes Receivable** - Real property taxes are levied and attach as a lien against real property on January 1st. County taxes are billed with town taxes and initially collected by the towns on behalf of the County. Real property taxes may be paid between January 1st and January 31st without interest or penalty. Payments received after January 31st must include interest computed at 1% per month from February 1st. The towns retain the first amounts collected to satisfy their respective tax warrants. Amounts collected thereafter are remitted to the County. Tax rolls and a listing of the unpaid taxes are returned to the County in April. A 5% penalty is added to the unpaid tax, which is collected by the County.

The County enforces delinquent real property taxes under the provisions of Article 11 (Article 11 applies to taxes levied after December 31, 1995 and provides for the foreclosure of tax sale liens by proceedings in rem) of the Real Property Tax Law. Enforcement procedures set forth in Article 11 provide that the enforcing officer shall file a petition of foreclosure twenty-one months after the lien date (the County may extend the filing date for residential and farm property by one or two years). Such petition is required to be filed with the County Clerk within two business days after the execution of the petition. After the petition has been filed with the County Clerk, a notice of foreclosure must be published in at least two newspapers designated by the enforcing officer. The published notice shall include the date of the last day on which delinquent taxes may be redeemed. The redemption date must be at least three months after the date the notice is first published. If the delinquent taxes, including all related charges, are not paid on the date specified in the notice of foreclosure, the Court generally makes a final judgment awarding the property to the County. Such judgment will contain an order that a deed conveying title to the County shall be prepared, executed and duly recorded. No proceeding to set aside the deed may be maintained unless proceedings are commenced within two years from the date of recording the deed. Properties acquired by the County through tax enforcement procedures must be sold at a public auction.

The County is also responsible for collecting and enforcing delinquent school district taxes. Such taxes are collected by the towns in the County between September 1st and October 31st, after which the school tax rolls and unpaid taxes are remitted to the County. A 5% penalty is added to the amount of the unpaid school tax. The County collects unpaid school taxes during the month of November. Any taxes remaining unpaid after this time are relieved, with a 7% penalty, as County taxes for the following year. The County must satisfy the full amount of the unpaid school districts taxes no later than April 1st of the year following the levy of such taxes.

Pursuant to Article 14 of the Real Property Tax Law, the County has agreements with various villages within the County to collect and enforce delinquent village taxes. County tax bills include amounts relieved, with a 7% penalty, for unpaid village taxes where appropriate. The County must satisfy the full amount of the unpaid village taxes no later than April 1st of the year following the levy of such taxes.

**Other Receivables** - Other receivables include amounts due from other governments and individuals for services provided by the County. Receivables are recorded and revenues recognized as earned or as specific program expenditures/expenses are incurred. Allowances are recorded, when appropriate.

**Note 1 - Summary of Significant Accounting Policies (Continued)**

**Due From/To Other Funds** - During the course of its operations, the County has numerous transactions between funds to finance operations, provide services and construct assets. To the extent that certain transactions between funds had not been paid or received as of December 31, 2004, balances of interfund amounts receivable or payable have been recorded in the fund financial statements. Any residual balances outstanding between the governmental activities and the business-type activities are reported in the government-wide financial statements as internal balances.

**Advances From/To Other Funds** - Advances from/to other funds represent loans to other funds which are not expected to be repaid within the subsequent annual operating cycle. The advances are offset by a fund balance reserve in the fund financial statements, which indicates that the funds are not "available" for appropriation and are not expendable available financial resources.

**Inventories** - Inventories are stated at the lower of average cost or market and consist of materials, supplies and drugs used at the Home and Infirmary and materials and supplies used by the General Services Fund. Purchases of inventoriable items at other locations are recorded as expenditures/expenses at the time of purchase and year-end balances at these locations are not material.

**Prepaid Expenditures/Expenses** - Prepaid expenditures/expenses consist of employee retirement and other costs which have been satisfied prior to the end of the fiscal year, but represent items which have been provided for in the subsequent year's budget and/or will benefit such periods. Reported amounts in governmental funds are equally offset by a reservation of fund balance in the fund financial statements, which indicates that these amounts do not constitute "available spendable resources" even though they are a component of current assets.

**Deferred Charges** - Deferred charges in the government-wide financial statements represent the unamortized portion of the costs of issuance of refunding bonds. These costs are being amortized over the term of the respective bond issue.

**Restricted Assets** - Restricted assets consist of bond proceeds held by a State agency. These funds are to be used for improvements to the Rockland County Solid Waste Management Authority, or for payment of related sewer district debt service.

**Capital Assets** - Capital assets, which include property, plant and equipment, are reported in the applicable governmental or business-type activities columns in the government-wide financial statements. Capital assets are defined by the County as assets with an initial, individual cost of more than \$5,000 and an estimated useful life in excess of one year. Such assets are recorded at historical cost or estimated historical cost if purchased or constructed. Donated capital assets are recorded at estimated fair market value at the date of donation.

In the case of the initial capitalization of general infrastructure assets (i.e., those reported by governmental activities), the County chose to include all such items regardless of their acquisition date or amount. The County was able to estimate the historical cost for the initial reporting of these assets through backtrending.

Major outlays for capital assets and improvements are capitalized as projects are constructed. The cost of normal maintenance and repairs that do not add to the value of the asset or materially extend assets lives is not capitalized.



**Note 1 - Summary of Significant Accounting Policies (Continued)**

Land and construction-in-progress are not depreciated. Property, plant and equipment of the primary government, as well as the component units, are depreciated using the straight line method over the following estimated useful lives.

Class	Life in Years
Buildings	50
Improvements	5-50
Equipment	3-30
Infrastructure	5-40

The costs associated with the acquisition or construction of capital assets are shown as capital outlay expenditures on the governmental fund financial statements. Capital assets are not shown on the governmental fund balance sheets.

**Deferred Revenues** - Deferred revenues arise, when assets are recognized before revenue recognition criteria has been satisfied. In government-wide financial statements, deferred revenues consist of unearned revenue or revenue from grants received before the eligibility requirements have been met.

Deferred revenues in fund financial statements are those where asset recognition criteria have been met, but for which revenue recognition criteria have not been met. The County has reported deferred revenues of \$11,890,187 for real property taxes and \$1,944,804 for State and Federal aid received in advance in the General Fund. The County has also reported deferred revenues of \$1,807,167 for Federal aid received in advance in the Community Development Fund and \$5,358,827 in the Component Unit - Rockland County Community College for tuition and other fees received in advance. Such amounts have been deemed to be measurable but not "available" pursuant to generally accepted accounting principles.

**Compensated Absences** - The various collective bargaining agreements provide for the payment of accumulated vacation or sick leave upon separation from service. The liability for such accumulated leave is reflected in the government-wide and proprietary fund financial statements. A liability for these amounts is reported in the governmental funds only if the liability has matured through employee resignation or retirement. The liability for compensated absences includes salary related payments, where applicable.

**Long-term Liabilities** - In the government-wide financial statements, long-term debt and other long-term obligations are reported as liabilities in the Statement of Net Assets. Bond premiums and discounts, as well as issuance costs, are deferred and amortized over the life of the bonds. Bonds payable are reported net of the applicable bond premium or discount. Bond issuance costs are amortized over the term of the related debt.

In the fund financial statements, governmental funds recognize bond premiums and discounts, as well as bond issuance costs, during the current period. The face amount of debt issued is reported as other financing sources. Premium received on debt issuances are reported as other financing sources, while discounts on debt issuances are reported as other financing uses. Issuance costs, whether or not withheld from the actual debt proceeds received, are reported as Debt Service Fund or Capital Projects Fund expenditures.

**Note 1 - Summary of Significant Accounting Policies (Continued)**

**Net Assets** - Net assets represent the difference between assets and liabilities. Net assets are reported as restricted when there are limitations imposed on their use either through the enabling legislation adopted by the County or through external restrictions imposed by creditors, grantors, or laws or regulations of other governments. Net assets on the Statement of Net Assets include, invested in capital assets, net of related debt, restricted for capital projects, law enforcement, Stop-DWI Program, E-911, handicapped parking, social service programs, debt service, parklands, student loans, workers' compensation benefits, unemployment benefits, scholarships and student services, permanent endowments and special revenue funds. The balance is classified as unrestricted.

**Fund Balances - Reserves and Designations** - Portions of fund balance are segregated for future use and are therefore not available for future appropriation or expenditure. Amounts reserved for encumbrances, prepaid expenditures, law enforcement, STOP-DWI Program, E-911, handicapped parking, long-term receivable, social service programs, compensated absences, debt service, parklands and advances are required to be segregated in accordance with State law or generally accepted accounting principles. Designation of unreserved fund balances in governmental funds indicates the utilization of these resources in the ensuing year's budget or tentative plans for future use.

**F. Encumbrances**

In governmental funds, encumbrance accounting, under which purchase orders, contracts and other commitments for the expenditure of monies are recorded in order to reserve applicable appropriations, is generally employed as an extension of formal budgetary integration in the General, certain Special Revenue and Capital Projects funds. Encumbrances outstanding at year end are reported as reservations of fund balance since they do not constitute expenditures or liabilities.

**G. Use of Estimates**

The preparation of the financial statements in conformity with generally accepted accounting principles requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosures of contingent assets and liabilities at the date of the financial statements. Estimates also affect the reported amounts of revenues and expenditures/expenses during the reporting period. Actual results could differ from these estimates.

**Note 2 - Stewardship, Compliance and Accountability**

**A. Budgetary Data**

The County generally follows the procedures enumerated below in establishing the budgetary data reflected in the financial statements:

- a) On or before August 1st, the administrative head of each department is required to submit to the County Executive the expenditure requirements for the next fiscal year.
- b) The County Executive is required to file the tentative budget for the ensuing year with the Clerk of the Legislature on or before October 23rd.
- c) Subsequent to October 23rd, the Legislature conducts the necessary review of the tentative budget and proposes any changes thereto.

**Note 2 - Stewardship, Compliance and Accountability (Continued)**

- d) Prior to November 20th, the Legislature shall hold a public hearing on the budget.
- e) After the public hearing, the Legislature may make changes to the budget. The budget shall be adopted no later than December 7th.
- f) Formal budgetary integration is employed during the year as a management control device for General, certain Special Revenue and Debt Service funds.
- g) Budgets for General, certain Special Revenue and Debt Service funds are legally adopted annually on a basis consistent with generally accepted accounting principles. The Capital Projects Fund is budgeted on a project basis. Annual budgets are not adopted for the Proprietary and Special Purpose funds.
- h) The County Legislature has legal responsibility for all budget amendments and transfers between functions of expenditure. The County Executive has authority for the transfer of appropriations within functions of expenditure.
- i) Appropriations in General, certain Special Revenue and Debt Service funds lapse at the end of the fiscal year, except that outstanding encumbrances are reappropriated in the succeeding year, pursuant to the Uniform System of Accounts promulgated by the Office of the State Comptroller.

Budgeted amounts are as originally adopted, or as amended by the County Legislature. Individual amendments for the current year were not material in relation to the original appropriations which were amended.

**B. Property Tax Limitation**

The County is permitted by the State Constitution to levy for purposes other than debt service up to 1 1/2% of the five year average full valuation of taxable real estate located within the County. In accordance with this provision, the maximum amount of the tax levy for 2004 was \$363,824,637, which exceeded the actual levy by \$318,325,927.

**C. Fund Deficits**

The General Fund deficit of \$41,322,044, arises as a result of an unsettled tax certiorari and bankruptcy proceedings with a major taxpayer of the County. A reserve for long-term receivables of \$64,511,298, for schools, towns and villages taxes, was established to reflect the uncertainty of the amount that will be collected based on the settlement of these proceedings. The County is currently in negotiation with the taxpayer regarding settlement of the unpaid taxes. Upon resolution, the Towns and various school districts have been authorized by special State Legislation to issue bonds for their respective portions of the settlement. The proceeds of said bonds will be remitted to the County in satisfaction of the unpaid taxes.

The County Road Fund, Road Machinery Fund, Home and Infirmary Fund, Tobacco Asset Securitization Corporation, Tobacco Second Asset Securitization Corporation, General Liability Claims Fund and the General Services Fund also reflect undesignated or unrestricted deficits of \$515,535, \$15,516, \$5,976,920, \$42,081,106, 7,898,799, \$2,156,476 and \$5,999,436, respectively at December 31, 2004. These deficits will be addressed in the subsequent year.

**Note 2 - Stewardship, Compliance and Accountability (Continued)**

**D. Prior Period Adjustment**

During 2004, it was determined that certain residual payments made to the County from the Rockland Tobacco Asset Securitization Corporation during 2003 were not appropriate, given the occurrence of a "downgrade trapping event" that occurred. Accordingly, a prior period adjustment totaling \$391,517 was recorded to the fund balance of the General Fund and the net assets of the Rockland Tobacco Assets Securitization Corporation at January 1, 2004.

**E. Change in Accounting Principle – Business-type Activities**

GASB Technical Bulletin No. 2004-1 clarified certain asset recognition criteria. The GASB has promulgated that tobacco settlement revenues (TSR's) should only be recognized when the event giving rise to recognition (i.e. the shipment of cigarettes) occurs. Therefore, future TSR's are no longer to be reported as assets until such events occur. Pursuant to this technical bulletin, the Rockland Tobacco Asset Securitization Corporation (RTASC) and the Rockland Second Tobacco Asset Securitization Corporation (RSTASC) has determined that the amount recorded as tobacco rights assets totaling \$42,600,363 and \$8,245,450, respectively, as of January 1, 2004 should not have been reported. Accordingly, the net assets of the RTASC and the RSTASC as of January 1, 2004 have been restated for the effect of this change.

**Note 3 - Detailed Notes on All Funds**

**A. Deposits and Investments**

The carrying amount of the primary government's deposits, inclusive of non-negotiable certificates of deposit of \$15,879,454, reflected as investments on the balance sheet and fiduciary deposits of \$7,774,796 was \$161,332,165. This amount is exclusive of petty and departmental cash of \$17,340. The bank balance was \$162,398,325. Of the bank balance, \$1,036,640 was covered by Federal deposit insurance, \$69,744,051 was covered by collateral held by the County's agent, a third party financial institution in the County's name and \$91,617,634 was covered by collateral held by the trust department of the pledging financial institution in the County's name.

The carrying amount of the component units' deposits at December 31, 2003 was \$20,730,473. This amount is exclusive of petty cash of \$200 for the Solid Waste Management Authority. The bank balances and collateral of the component units are detailed below.

	<u>Community College</u>	<u>Soil and Water Conservation District</u>	<u>Solid Waste Management Authority</u>	<u>Industrial Development Agency</u>
Carrying amount	\$ 13,513,034	\$ 60,413	\$ 6,870,972	\$ 286,054
Bank balance	\$ 13,135,493	\$ 60,413	\$ 7,486,669	\$ 286,054
Amount insured by FDIC	\$ 308,079	\$ 60,413	\$ 348,669	\$ 286,054
Collateral held by a third party in the entity's name	<u>12,827,414</u>	-	<u>7,138,000</u>	-
	<u>\$ 13,135,493</u>	<u>\$ 60,413</u>	<u>\$ 7,486,669</u>	<u>\$ 286,054</u>

**Note 3 - Detailed Notes on All Funds (Continued)**

Investments of the primary government are stated at fair value and consist of the following:

	<u>Certificates of Deposit</u>	<u>Commercial Paper</u>	<u>Total</u>
Governmental Activities:			
Internal Service Funds	\$ 8,600,000	\$ -	\$ 8,600,000
Community Development Fund	225,000	-	225,000
Debt Service Fund	<u>7,054,454</u>	-	<u>7,054,454</u>
	15,879,454	-	15,879,454
Business-type Activities -			
Rockland Asset Securitization Corporation	<u>-</u>	<u>1,343,271</u>	<u>1,343,271</u>
	<u>\$ 15,879,454</u>	<u>\$ 1,343,271</u>	<u>\$ 17,222,725</u>

Investments of the Rockland Community College (component unit) consist principally of certificates of deposit with original maturities of greater than three months, and are stated at cost, which approximates fair value.

**Restricted Cash and Investments**

Restricted cash consists of amounts on deposit with a financial institution. Restricted investments at December 31, 2004 consisted of the following:

Rockland Tobacco Asset Securitization Corporation - Commercial paper, at cost, which approximates fair value, due in February 2005, interest at 1.9%	\$ 3,525,490
Rockland Second Tobacco Asset Securitization Corporation - Commercial paper, at cost, which approximates fair value, due in May 2005, interest at 2.62%	<u>710,961</u>
	<u>\$ 4,236,451</u>

These amounts are not subject to risk categorization.

**B. Taxes Receivable**

Taxes receivable at December 31, 2004 consisted of the following:

Tax liens	\$ 81,018,681
Tax installments	1,279,409
Returned school districts taxes	54,801,912
Returned village taxes	2,688,047
Property acquired for taxes	<u>123,468</u>
	139,911,517
Allowance for uncollectible taxes	<u>(4,712,000)</u>
	<u>\$ 135,199,517</u>

NOTES TO FINANCIAL STATEMENTS (Continued)  
DECEMBER 31, 2004

**Note 3 - Detailed Notes on All Funds (Continued)**

School district and village taxes are offset by liabilities to the school districts and villages which will be paid no later than April 2005. Taxes receivable, at the fund level, are also partially offset by deferred tax revenues of \$11,890,187 and reserve for long-term receivable of \$64,511,298, which represents an estimate of the receivable which will not be collected within the first sixty days of the subsequent year.

**C. Due From/To Other Funds**

The balances reflected as due from/to other funds at December 31, 2004 were as follows:

Fund	Due From	Due To
General	\$ 7,790,484	\$ -
Capital Projects	-	7,205,556
Non-Major Governmental	300,021	417,291
Home and Infirmary	-	1,125,464
Internal Service	659,837	2,031
	<u>\$ 8,750,342</u>	<u>\$ 8,750,342</u>

The outstanding balances between funds results mainly from the time lag between the dates that 1) interfund goods and services are provided or reimbursable expenditures occur, 2) transactions are recorded in the accounting system and 3) payments between funds are made.

**D. Capital Assets**

Changes in the County's capital assets are as follows:

Class	Balance January 1, 2004	Additions	Deductions	Balance December 31, 2004
<b>Governmental Activities (inclusive of Internal Service Funds):</b>				
Capital Assets, not being depreciated:				
Land	\$ 27,423,835	\$ 5,188,424	\$ -	\$ 32,612,259
Construction-in-progress	<u>327,383,053</u>	<u>23,011,061</u>	<u>93,427,501</u>	<u>256,966,613</u>
Total Capital Assets, not being depreciated	<u>\$ 354,806,888</u>	<u>\$ 28,199,485</u>	<u>\$ 93,427,501</u>	<u>\$ 289,578,872</u>
Capital Assets, being depreciated:				
Buildings	\$ 50,975,447	\$ 7,961,154	\$ -	\$ 58,936,601
Improvements	329,130,497	87,156,869	-	416,287,366
Equipment	33,548,721	18,845,924	325,339	52,069,306
Infrastructure	<u>77,666,274</u>	<u>-</u>	<u>-</u>	<u>77,666,274</u>
Total Capital Assets being depreciated	<u>491,320,939</u>	<u>113,963,947</u>	<u>325,339</u>	<u>604,959,547</u>

NOTES TO FINANCIAL STATEMENTS (Continued)  
DECEMBER 31, 2004

**Note 3 - Detailed Notes on All Funds (Continued)**

<u>Class</u>	<u>Balance January 1, 2004</u>	<u>Additions</u>	<u>Deductions</u>	<u>Balance December 31, 2004</u>
Less Accumulated Depreciation for:				
Buildings	\$ 34,187,094	\$ 1,945,699	\$ -	\$ 36,132,793
Improvements	220,734,017	12,562,695	-	233,296,712
Equipment	23,854,664	4,718,973	325,339	28,248,298
Infrastructure	<u>23,399,825</u>	<u>2,216,078</u>	<u>-</u>	<u>25,615,903</u>
Total Accumulated Depreciation	<u>302,175,600</u>	<u>21,443,445</u>	<u>325,339</u>	<u>323,293,706</u>
Total Capital Assets, being depreciated, net	<u>\$ 189,145,339</u>	<u>\$ 92,520,502</u>	<u>\$ -</u>	<u>\$ 281,665,841</u>
Governmental Activities Capital Assets, net	<u>\$ 543,952,227</u>	<u>\$ 120,719,987</u>	<u>\$ 93,427,501</u>	<u>\$ 571,244,713</u>
<b>Business-type Activities:</b>				
Capital Assets, not being depreciated:				
Land	\$ 438,504	\$ -	\$ -	\$ 438,504
Construction-in-progress	<u>4,624,088</u>	<u>474,580</u>	<u>-</u>	<u>5,098,668</u>
Total Capital Assets, not being depreciated	<u>\$ 5,062,592</u>	<u>\$ 474,580</u>	<u>\$ -</u>	<u>\$ 5,537,172</u>
Capital Assets, being depreciated:				
Buildings	\$ 16,221,905	\$ -	\$ -	\$ 16,221,905
Improvements	345,975	-	-	345,975
Equipment	<u>35,901,184</u>	<u>2,854,243</u>	<u>-</u>	<u>38,755,427</u>
Total Capital Assets being depreciated	<u>52,469,064</u>	<u>2,854,243</u>	<u>-</u>	<u>55,323,307</u>
Less Accumulated Depreciation for:				
Buildings	11,233,437	420,220	-	11,653,657
Improvements	345,975	-	-	345,975
Equipment	<u>25,603,147</u>	<u>1,271,585</u>	<u>-</u>	<u>26,874,732</u>
Total Accumulated Depreciation	<u>37,182,559</u>	<u>1,691,805</u>	<u>-</u>	<u>38,874,364</u>
Total Capital Assets, being depreciated, net	<u>\$ 15,286,505</u>	<u>\$ 1,162,438</u>	<u>\$ -</u>	<u>\$ 16,448,943</u>
Business-type Activities Capital Assets, net	<u>\$ 20,349,097</u>	<u>\$ 1,637,018</u>	<u>\$ -</u>	<u>\$ 21,986,115</u>

**Note 3 - Detailed Notes on All Funds (Continued)**

Depreciation expense was charged to the County's functions and programs as follows:

Governmental Activities:	
General Government Support	\$ 2,116,805
Education	2,424,515
Public Safety	1,831,241
Health	481,761
Transportation	11,206,448
Economic Opportunity and Development	208,928
Culture and Recreation	75,158
Home and Community Services	2,944,091
Capital assets held by the government's internal service fund are charged to the various functions based on their usage of the assets	<u>154,498</u>
<b>Total Depreciation Expense - Governmental Activities</b>	<b><u>\$ 21,443,445</u></b>
Business-type Activities -	
Home and Infirmary	<u>\$ 1,691,805</u>

**Construction Commitments**

The County has active construction projects as of December 31, 2004. These projects include new construction and renovations. At year-end, the County had \$33,613,718 in construction encumbrances.

**Capital Assets - Component Units**

Changes in the Community College's (component unit) capital assets are as follows:

Class	Balance September 1, 2003	Additions	Deductions	Balance August 31, 2004
Capital Assets, being depreciated - Equipment	\$ 4,325,294	\$ 318,477	\$ (11,216)	\$ 4,632,555
Less Accumulated Depreciation	<u>(2,653,929)</u>	<u>(410,321)</u>	<u>11,216</u>	<u>(3,053,034)</u>
<b>Community College Capital Assets, net</b>	<b><u>\$ 1,671,365</u></b>	<b><u>\$ (91,844)</u></b>	<b><u>\$ -</u></b>	<b><u>\$ 1,579,521</u></b>



**Note 3 - Detailed Notes on All Funds (Continued)**

Changes in the Soil and Water Conservation District's (component unit) capital assets are as follows:

Class	Balance January 1, 2004	Additions	Deductions	Balance December 31, 2004
Capital Assets, being depreciated - Equipment	\$ 14,767	\$ -	\$ -	\$ 14,767
Less Accumulated Depreciation	(7,440)	(2,633)	-	(10,073)
Soil and Water Conservation District Capital Assets, net	<u>\$ 7,327</u>	<u>\$ (2,633)</u>	<u>\$ -</u>	<u>\$ 4,694</u>

Changes in the Solid Waste Management Authority (component unit) capital assets are as follows:

Class	Balance January 1, 2004	Additions	Deductions	Balance December 31, 2004
Capital Assets, not being depreciated:				
Land	\$ 1,423,312	\$ -	\$ -	\$ 1,423,312
Construction-in-progress	105,186	1,217,477	-	1,322,663
Total Capital Assets, not being depreciated	<u>\$ 1,528,498</u>	<u>\$ 1,217,477</u>	<u>\$ -</u>	<u>\$ 2,745,975</u>
Capital Assets, being depreciated:				
Buildings	\$ 35,865,678	\$ -	\$ -	\$ 35,865,678
Equipment	8,871,904	126,256	-	8,998,160
Total Capital Assets being depreciated	<u>44,737,582</u>	<u>126,256</u>	<u>-</u>	<u>44,863,838</u>
Less Accumulated Depreciation for:				
Buildings	7,205,353	1,794,040	-	8,999,393
Equipment	3,957,071	683,504	-	4,640,575
Total Accumulated Depreciation	<u>11,162,424</u>	<u>2,477,544</u>	<u>-</u>	<u>13,639,968</u>
Total Capital Assets, being depreciated, net	<u>\$ 33,575,158</u>	<u>\$ (2,351,288)</u>	<u>\$ -</u>	<u>\$ 31,223,870</u>
Solid Waste Management Authority Capital Assets, net	<u>\$ 35,103,656</u>	<u>\$ (1,133,811)</u>	<u>\$ -</u>	<u>\$ 33,969,845</u>

**Note 3 - Detailed Notes on All Funds (Continued)**

**E. Accrued Liabilities**

Accrued liabilities at December 31, 2004 were as follows:

	<u>Governmental Activities</u>	<u>Business-Type Activities</u>	<u>Total</u>
Payroll and employee benefits	\$ 7,136,195	\$ -	\$ 7,136,195
Other	<u>17,114,257</u>	<u>5,797,624</u>	<u>22,911,881</u>
<b>Total Accrued Liabilities</b>	<b><u>\$ 24,250,452</u></b>	<b><u>\$ 5,797,624</u></b>	<b><u>\$ 30,048,076</u></b>

**F. Short-Term Non-Capital Borrowings**

The schedule below details the changes in short-term non-capital borrowings. These borrowings consisted of notes issued in anticipation of the collection of certain tax and other revenues.

	<u>Balance January 1, 2004</u>	<u>New Issues</u>	<u>Redemptions</u>	<u>Balance December 31, 2004</u>
Revenue Anticipation Note	\$ 55,000,000	\$ 45,000,000	\$ 55,000,000	\$ 45,000,000
Tax Anticipation Note	-	61,500,000	-	61,500,000
Tax Anticipation Note	-	<u>1,500,000</u>	-	<u>1,500,000</u>
	<b><u>\$ 55,000,000</u></b>	<b><u>\$ 108,000,000</u></b>	<b><u>\$ 55,000,000</u></b>	<b><u>\$ 108,000,000</u></b>

The \$55,000,000 revenue anticipation note matured on February 26, 2004. The \$45,000,000 revenue anticipation note was issued on March 25, 2004 and matures on March 24, 2005 with interest at 1.75%. Interest expense of \$503,214 was recorded in fund financial statements in the General Fund. Interest expense of \$401,860 was recorded in the government-wide financial statements of governmental activities.

The \$61,500,000 and the \$1,500,000 tax anticipation notes were issued on March 25, 2004, with interest at 2.0% and 1.75%, respectively. Interest expense of \$959,635 was recorded in the government-wide financial statements for governmental activities.

**G. Short-Term Capital Borrowings**

The schedule below details the changes in short-term capital borrowings.

<u>Purpose</u>	<u>Year of Original Issue</u>	<u>Maturity Date</u>	<u>Rate of Interest</u>	<u>Balance January 1, 2003</u>	<u>Redemptions</u>	<u>Balance December 31, 2004</u>
Enterprise Fund - Home and Infirmary	2003	2/24/05	1.5%	\$ 1,025,000	\$ 90,000	\$ 935,000
Sewer Improvements	2002	2/24/05	1.5%-2.0%	4,400,000	400,000	4,000,000
General Purpose	2003	2/24/05	1.50%	<u>6,154,500</u>	<u>559,500</u>	<u>5,595,000</u>
<b>Total</b>				<b><u>\$ 11,579,500</u></b>	<b><u>\$ 1,049,500</u></b>	<b><u>\$ 10,530,000</u></b>

**Note 3 - Detailed Notes on All Funds (Continued)**

Liabilities for bond anticipation notes are generally accounted for in the Capital Projects Fund. Bond anticipation notes issued for judgments or settled claims are recorded in the fund paying the claim. Principal payments on bond anticipation notes must be made annually. State law requires that bond anticipation notes issued for capital purposes or judgments be converted to long-term obligations generally within five years after the original issue date. However, bond anticipation notes issued for assessable improvement projects may be renewed for periods equivalent to the maximum life of the permanent financing, provided that stipulated annual reductions of principal are made.

Interest expenditures of \$67,448 and \$49,392 were recorded in the fund financial statements in the General Fund and Sewer Fund, respectively. Interest expense of \$187,970 was recorded in the government-wide financial statements for governmental activities.

**H. Pension Plans**

The County of Rockland and certain component units participate in the New York State and Local Employees' Retirement System (ERS) (System). The System is a cost-sharing multiple-employer defined benefit pension plan. The System provides retirement, disability and death benefits to plan members. Obligations of employers and employees to contribute and benefits to employees are governed by the New York State Retirement and Social Security Law. The System issues a publicly available financial report that includes financial statements and required supplementary information for the System. That report may be obtained by writing to the New York State and Local Retirement System, 110 State Street, Albany, New York 12224.

Funding Policy - The System is non-contributory except for employees who joined after July 27, 1976 and have less than ten years of service, who contribute 3% of their salary. Contributions are certified by the State Comptroller and expressed as a percentage of members' salary. Contribution rates are actuarially determined and based upon membership tier and plan. Contributions consist of a life insurance portion (GTLI) and regular pension contributions. Contribution rates for the plan year ended March 31, 2005 are as follows:

<u>Tier/Plan</u>	<u>Rate</u>
1 553	21.7%
1 75I	17.3
1 89D	20.0
2 553	21.4
2 75I	14.8
2 89A	17.1
2 89D	27.3
2 89VR	18.5
3 A14	11.5
3 553	19.9
4 A15	11.5
4 553	19.9
4 603OR	17.9
4 604PR	17.9
4 60454	14.3
4 603R3	14.3
4 89VR3	14.3
4 89VR4	11.6

**Note 3 - Detailed Notes on All Funds (Continued)**

Contributions made to the System for the current and two preceding years were as follows:

	Primary Government	College	Component Units	
			Industrial Development Agency	Solid Waste Management Authority
2004	\$ 11,939,512	\$ 748,565	\$ 3,528	\$ 108,254
2003	6,703,189	380,474	2,780	40,449
2002	1,754,760	114,869	2,935	11,709

These contributions were equal to 100% of the actuarially required contributions for each respective fiscal year.

The current ERS contribution for the primary government was charged to the funds identified below.

	Amount
<b>Governmental Funds:</b>	
General Fund	\$ 9,896,405
Country Road Fund	534,612
Road Machinery Fund	56,871
Sewer Fund	519,135
	<u>11,007,023</u>
<b>Proprietary Funds:</b>	
General Services Fund	922,599
Workers' Compensation Benefits Fund	9,890
	<u>932,489</u>
	<u>\$ 11,939,512</u>

**Community College**

The College participates in ERS, the New York State Teachers' Retirement System (TRS) and the Teachers' Insurance and Annuity Association - College Retirement Equities Fund (TIAA-CREF). The ERS plan is the same System which covers County employees. The elements of this System are described above. TRS is a cost-sharing multiple-employer defined benefit pension plan. TRS provides retirement, disability and death benefits to plan members. Obligations of employers and employees to contribute and benefits to employees are governed by Education Law. The System issues a publicly available financial report that includes financial statements and required supplementary information for the System. The TRS report may be obtained by writing to the New York State Teachers' Retirement System, 10 Corporate Woods Drive, Albany, NY 12211-2395.

**Note 3 - Detailed Notes on All Funds (Continued)**

Funding Policy - TRS is non-contributory except for employees who joined the System after July 27, 1976 and have less than ten years of service, who contribute 3% of their salary. Pursuant to Article 11 of Education Law, contributions are established annually for TRS by the New York State Teachers' Retirement Board. Contribution rates are actuarially determined and based upon membership tier and plan. Contribution rates for the plan year ended June 30, 2004 are as follows:

<u>Tiers</u>	<u>Rate</u>
1-4	2.52%

Contributions made to the System for the current and two preceding years were as follows:

2004	\$	70,983
2003		10,308
2002		10,238

These contributions were equal to 100% of the actuarially required contributions for each respective fiscal year.

TIAA/CREF is an optional retirement program, designated by the trustees of the State University of New York, which has been made available by the College to eligible employees. This System is a privately operated defined contribution retirement plan. The College assumes no liability for the financial status of TIAA/CREF members' accounts other than payment of contributions. Participation eligibility as well as contributory and non-contributory requirements are established by the New York State Retirement and Social Security Law. Benefits are determined by the amount of individual accumulations and the retirement income option selected.

All benefits are fully vested after thirteen months of participation in TIAA/CREF. New York State Education Law establishes the contribution rate for each employee electing this optional retirement program. TIAA/CREF is non-contributory, except for employees who joined after July 1, 1976 and have less than ten years of service, who contribute 3% of their salary. TIAA/CREF allows members to make extra payments at any time. These extra payments are not matched by the College. It is the policy of the College to fund pension costs as incurred. For the plan year ended August 31, 2004, the College incurred \$1,612,000 in pension costs under this Plan.

**Soil and Water Conservation District**

The Soil and Water Conservation District has no full-time employees and, therefore, does not contribute to a retirement plan.

**Solid Waste Management Authority**

The Authority participates in the New York State and Local Employees' Retirement System (ERS). The System is the cost-sharing multiple-employer defined benefit pension plan described above.

**Note 3 - Detailed Notes on All Funds (Continued)**

Contribution rates for the plan year's ended March 31, 2005 and 2004 are as follows:

	<u>Tier</u>	<u>Regular and GTLI</u>
2005	1	17.2 %
	4	11.4
2004	1	4.9
	4	4.9

Contributions made to the Systems for the current and two preceding years were as follows:

2004	\$ 108,254
2003	40,449
2002	11,709

These amounts were equal to 100% of the actuarially required contributions for each respective fiscal year.

**Rockland County Industrial Development Agency**

The County of Rockland Industrial Development Agency has a non contributory unqualified simplified employee pension plan (SEP) covering all employees who have met the minimum requirements for inclusion. The annual contribution is 10-15 percent of covered compensation. Total pension costs for years ended December 31, 2004 and 2003 were \$3,528 and \$2,780, respectively.

The County of Rockland Industrial Development Agency also participates in the New York State and Local Employees' Retirement System, which is described above.

**I. Long-Term Liabilities**

The following table summarizes changes in the County's long-term indebtedness for the year ended December 31, 2004:

	<u>Balance January 1, 2004</u>	<u>New Issues/ Additions</u>	<u>Maturities and/or Payments</u>	<u>Balance December 31, 2004</u>	<u>Due Within One Year</u>
<b>Governmental Activities:</b>					
Bonds Payable	\$ 140,528,483	\$ 55,397,807	\$ 5,186,507	\$ 190,739,783	\$ 10,904,826
Less-Deferred amounts on refunding	(1,643,124)	-	(121,712)	(1,521,412)	-
	138,885,359	55,397,807	5,064,795	189,218,371	10,904,826
Compensated Absences	13,507,583	2,194,039	1,350,758	14,350,864	1,435,086
Pension Obligations	1,440,986	-	340,009	1,100,977	375,855
Claims Payable	14,522,080	3,852,957	3,398,047	14,976,990	1,544,298
<b>Governmental Activities Long-term Liabilities</b>	<u>\$ 168,356,008</u>	<u>\$ 61,444,803</u>	<u>\$ 10,153,609</u>	<u>\$ 219,647,202</u>	<u>\$ 14,260,065</u>

NOTES TO FINANCIAL STATEMENTS (Continued)  
 DECEMBER 31, 2004

**Note 3 - Detailed Notes on All Funds (Continued)**

	Balance January 1, 2004	New Issues/ Additions	Maturities and/or Payments	Balance December 31, 2004	Due Within One Year
Business-type Activities:					
Bonds Payable	\$ 11,598,757	\$ 62,461,000	\$ 1,626,520	\$ 72,433,237	\$ 2,666,057
Less-Deferred amount on refunding	-	(1,351,094)	(46,096)	(1,304,998)	-
	11,598,757	61,109,906	1,580,424	71,128,239	2,666,057
Compensated Absences	8,549,931	1,207,678	-	9,757,609	9,757,609
Business-type Activities					
Long-term Liabilities	<u>\$ 20,148,688</u>	<u>\$ 62,317,584</u>	<u>\$ 1,580,424</u>	<u>\$ 80,885,848</u>	<u>\$ 12,423,666</u>
Solid Waste Management Authority - Component Unit:					
Bonds Payable	<u>\$ 34,644,780</u>	<u>\$ -</u>	<u>\$ 1,093,635</u>	<u>\$ 33,551,145</u>	<u>\$ 1,275,000</u>

Each governmental fund's liability for compensated absences, pension obligations and claims payable is liquidated by the respective fund. Governmental fund liabilities for bonds are liquidated by the Debt Service Fund, which is funded by other governmental funds.

**Bonds Payable**

Bonds payable at December 31, 2004 are comprised of the following individual issues:

\$16,170,000 - 1973 bonds for sewer district improvements, due in April 2005; interest at 4.50%	\$ 415,000
\$11,160,000 - 1984 bonds for sewer district improvements, due in annual installments of \$450,000 through May 2008 and \$395,000 in May 2009; interest at 9.40% for maturities in 2005 and 9.50% for maturities through 2009	2,195,000
\$9,520,000 - 1986 bonds for sewer purposes, due in annual installments of \$400,000 through June 2006, \$420,000 through June 2010 and \$425,000 in June 2011; interest at 7.40% and 7.50%, depending upon maturity	2,905,000
\$10,000,000 - 1986 bonds for sewer purposes, due in annual installments of \$450,000 through April 2008 and \$475,000 through April 2011; interest at 7.00% and 7.10%, depending upon maturity	3,225,000
\$11,785,000 - 1989 bonds for public improvements including the health complex, due in annual installments of \$42,000 through February 2009; interest at 6.60%	210,000

**Note 3 - Detailed Notes on All Funds (Continued)**

<p>\$20,284,115 - 1990 bonds for refunding of sewer improvement bonds, due in annual installments of \$478,000 in March 2005, \$471,000 in March 2006, \$466,000 in March 2007, \$458,000 in March 2008, \$451,000 in March 2009, \$443,000 in March 2010, \$432,000 in March 2011, \$452,000 in March 2012, \$473,000 in March 2013, \$495,000 in March 2014, \$520,000 in March 2015, \$546,000 in March 2016, \$574,000 in March 2017, \$604,000 in March 2018, \$636,000 in March 2019 and \$670,000 in March 2020; interest at rates ranging from 5.9% to 7.5%, depending on maturity</p>	<p>\$ 8,169,000</p>
<p>\$9,950,000 - 1992 bonds for various purposes, due in annual installments of \$92,000 in October 2005, \$79,000 through October 2007, \$31,000 in October 2008 and \$12,000 in through October 2012; interest at rates ranging from 5.20% to 5.50%, depending on maturity</p>	<p>329,000</p>
<p>\$2,905,000 - 1992 bonds for various purposes, due in annual installments of \$71,000 in September 2005, \$72,000 in September 2006, \$76,000 in September 2007, \$74,000 in September 2008, \$80,000 through September 2010, \$86,000 in September 2011, \$85,000 in September 2012, \$41,000 in September 2013, \$43,000 in September 2014, \$45,000 in September 2015, \$47,000 in September 2016, \$50,000 in September 2017, \$52,000 in September 2018, \$55,000 in September 2019, \$58,000 in September 2020 and \$61,000 in September 2021; interest at 6.46%</p>	<p>1,076,000</p>
<p>\$8,185,000 - 1992 bonds to satisfy pension liability, due in December 2005; interest at 7.25%</p>	<p>775,000</p>
<p>\$5,855,000 - 1992 bonds for sewer purposes, due in annual installments of \$214,000 in September 2005, \$218,000 in September 2006, \$222,000 in September 2007, \$227,000 in September 2008, \$232,000 in September 2009, \$240,000 in September 2010, \$245,000 in September 2011, \$250,000 in September 2012, \$79,000 in September 2013, \$82,000 in September 2014, \$86,000 in September 2015, \$90,000 in September 2016, \$94,000 in September 2017, \$99,000 in September 2018, \$104,000 in September 2019, \$109,000 in September 2020, \$115,000 in September 2021 and \$121,000 in September 2022; interest at rates ranging from 3.00% to 6.65%, depending on maturity</p>	<p>2,827,000</p>
<p>\$4,350,000 - 1993 bonds for sewer purposes, due in annual installments of \$161,000 in September 2005, \$164,000 in September 2006, \$167,000 in September 2007, \$172,000 in September 2008, \$177,000 in September 2009, \$178,000 in September 2010, \$184,000 in September 2011, \$189,000 in September 2012, \$194,000 in September 2013, \$67,000 in September 2014, \$70,000 in September 2015, \$73,000 in September 2016, \$77,000 in September 2017, \$80,000 in</p>	



NOTES TO FINANCIAL STATEMENTS (Continued)  
 DECEMBER 31, 2004

**Note 3 - Detailed Notes on All Funds (Continued)**

September 2018, \$84,000 in September 2019, \$89,000 in September 2020, \$93,000 in September 2021 and \$98,000 in September 2022; interest at rates ranging from 3.00% to 6.65%, depending on maturity	\$ 2,317,000
\$2,675,000 - 1993 bonds for sewer purposes, due in annual installments of \$140,000 through November 2006, \$145,000 through November 2008, \$150,000 through November 2010, \$155,000 in November 2011 and \$160,000 through November 2013; interest at rates ranging from 2.65% to 5.20%, depending upon maturity	1,345,000
\$11,248,000 - 1994 bonds for public improvements including the health complex, due in annual installments of \$146,000 in April 2005, \$92,000 in April 2006, \$97,000 in April 2007, \$90,000 in April 2008, \$96,000 in April 2009, \$91,000 in April 2010 and \$86,000 in April 2011; interest at rates ranging from 5.20% to 5.80%	698,000
\$12,347,000 - 1994 bonds for public improvements including the health complex, due in annual installments of \$67,000 through November 2006, \$68,000 through November 2008, \$69,000 in November 2009 and \$39,000 through November 2014; interest at rates ranging from 5.90% to 6.00%, depending upon maturity	534,000
\$12,546,000 - 1995 bonds for various purposes, due in annual installments of \$527,000 through August 2006; interest at rates ranging from 4.00% to 6.00%, depending upon maturity	1,054,000
\$6,365,000 - 1996 bonds for sewer purposes, due in annual installments of \$165,000 through December 2006, \$170,000 through December 2008, \$175,000 through December 2010, \$180,000 in December 2011, \$185,000 in December 2012, \$190,000 in December 2013, \$195,000 in December 2014, \$205,000 in December 2015, \$210,000 in December 2016, \$220,000 in December 2017, \$225,000 in December 2018, \$235,000 in December 2019, \$240,000 in December 2020, \$250,000 in December 2021, \$260,000 in December 2022, \$270,000 in December 2023, \$285,000 in December 2024 and \$295,000 in December 2025; interest at rates ranging from 4.625% to 5.2%, depending on maturity	4,465,000
\$19,806,000 - 1997 bonds for various purposes including the health complex, due in annual installments of \$1,750,000 in August 2005, \$1,835,000 in August 2006, \$1,925,000 in August 2007, \$2,020,000 in August 2008 and \$2,120,000 in August 2009; interest at rates ranging from 4.25% to 5.00%, depending on maturity	9,650,000

**Note 3 - Detailed Notes on All Funds (Continued)**

<p>\$25,477,000 - 1998 bonds for various purposes including courthouse construction, due in annual installments of \$1,600,000 in May 2005, \$1,665,000 in May 2006, \$1,730,000 in May 2007, \$1,800,000 in May 2008, \$1,875,000 in May 2009, \$1,955,000 in May 2010, \$2,040,000 in May 2011, \$2,135,000 in May 2012 and \$2,230,000 in May 2013; interest at rates ranging from 4.00% to 4.40%, depending on maturity</p>	\$ 17,030,000
<p>\$26,517,000 - 1999 bonds for various purposes including the health complex, due in annual installments of \$550,000 in October 2005, \$575,000 in October 2006, \$602,000 in October 2007, \$634,000 in October 2008, \$666,000 in October 2009, \$700,000 in October 2010, \$735,000 in October 2011, \$776,000 in October 2012, \$825,000 in October 2013, \$870,000 in October 2014, \$921,000 in October 2015 and \$972,000 in October 2016; interest at rates ranging from 5.125% to 5.60%, depending on maturity</p>	8,826,000
<p>\$15,225,000 - 2000 bonds for various purposes, due in annual installments of \$16,256 in November 2005, \$16,946 in November 2006, \$900,000 in November 2007, \$945,000 in November 2008, \$990,000 in November 2009, \$1,035,000 in November 2010, \$1,085,000 in November 2011, \$1,140,000 in November 2012, \$1,200,000 in November 2013, \$1,260,000 in November 2014, \$1,330,000 in November 2015 and \$1,400,000 in November 2016; interest at rates ranging from 4.75% to 5.125%, depending on maturity</p>	11,318,202
<p>\$14,425,000 - 2001 bonds for various purposes, due in annual installments of \$131,161 in October 2005, \$135,737 in October 2006, \$920,000 in October 2007, \$950,000 in October 2008, \$990,000 in October 2009, \$1,025,000 in October 2010, \$1,070,000 in October 2011, \$1,110,000 in October 2012, \$1,160,000 in October 2013, \$1,210,000 in October 2014, \$1,265,000 in October 2015 and \$1,320,000 in October 2016; interest at rates ranging from 4.00% to 5.00%, depending on maturity.</p>	11,286,898
<p>\$6,000,000 - 2001 bonds for sewer district improvements, due in annual installments of \$120,000 through October 2006, \$125,000 in October 2007, \$130,000 in October 2008, \$135,000 in October 2009, \$140,000 in October 2010, \$145,000 in October 2011, \$150,000 in October 2012, \$160,000 in October 2013, \$165,000 in October 2014, \$170,000 in October 2015, \$180,000 in October 2016, \$190,000 in October 2017, \$195,000 in October 2018, \$205,000 in October 2019, \$215,000 in October 2020, \$225,000 in October 2021, \$240,000 in October 2022, \$250,000 in October 2023, \$265,000 in October 2024, \$275,000 in October 2025, \$290,000 in October 2026, \$305,000 in October 2027, \$320,000 in October 2028, \$335,000 in October 2029, \$355,000 in October 2030 and \$370,000 in October 2031; interest at rates ranging from 4.00% to 5.00%, depending on maturity.</p>	5,775,000

**Note 3 - Detailed Notes on All Funds (Continued)**

\$16,673,000 - 2002 bonds for various purposes, due in annual installments of \$811,731 in October 2005, \$856,111 in October 2006, \$1,040,000 in October 2007, \$1,070,000 in October 2008, \$1,105,000 in October 2009, \$1,140,000 in October 2010, \$1,185,000 in October 2011, \$1,225,000 in October 2012, \$1,275,000 in October 2013, \$1,325,000 in October 2014, \$1,380,000 in October 2015, \$1,435,000 in October 2016 and \$1,500,000 in October 2017; interest at rates ranging from 3.5% to 4.0%, depending on maturity

\$ 15,347,842

\$10,400,000 - 2003 bonds to satisfy pension liability, due in annual installments of \$2,465,000 in December 2005, \$2,540,000 in December 2006, \$2,645,000 in December 2007 and \$2,750,000 in December 2008; interest at rates ranging from 3.5% to 3.875%, depending on maturity

10,400,000

\$21,027,000 - 2003 bonds for various purposes, due in annual installments of \$248,265 in June 2005, \$253,006 in June 2006, \$820,000 in June 2007, \$840,000 in June 2008, \$865,000 in June 2009, \$900,000 in June 2010, \$945,000 in June 2011, \$985,000 in June 2012, \$1,015,000 in June 2013, \$1,045,000 in June 2014, \$1,085,000 in June 2015, \$1,130,000 in June 2016, \$1,180,000 in June 2017, \$1,235,000 in June 2018, \$1,290,000 in June 2019, \$1,345,000 in June 2020, \$1,400,000 in June 2021, \$1,470,000 in June 2022 and \$1,520,000 in June 2023; interest at rates ranging from 2.5% to 5.0%, depending on maturity

19,571,271

\$4,000,000 - 2003 bonds for refunding of sewer and various purpose bonds, due in annual installments of \$650,000 in March 2005, \$630,000 in March 2006, \$265,000 in March 2007, \$255,000 through March 2009, \$250,000 in March 2010, \$245,000 in March 2011, \$240,000 in March 2012, \$235,000 in March 2013, \$230,000 in March 2014, \$225,000 in March 2015, \$220,000 in March 2016 and \$215,000 in March 2017; interest at rates ranging from 2.5% to 4.0%, depending on maturity

3,915,000

\$47,750,000 - 2001 bonds issued to finance the purchase of tobacco rights, due in annual installments of \$635,000 in August 2005, \$680,000 in August 2006, \$761,000 in August 2007, \$920,000 in August 2008, \$1,015,000 in August 2009, \$1,085,000 in August 2010, \$1,195,000 in August 2011, \$1,280,000 in August 2012, \$1,365,000 in August 2013, \$1,425,000 in August 2014, \$1,455,000 in August 2015, \$1,585,000 in August 2016, \$1,664,000 in August 2017, \$2,160,000 in August 2018, \$2,270,000 in August 2019, \$2,420,000 in August 2020, \$2,550,000 in August 2021, \$2,715,000 in August 2022, \$2,865,000 in August 2023, \$3,025,000 in August 2024, \$3,175,000 in August 2025, \$3,350,000 in August 2026, \$3,525,000 in August 2027, \$3,760,000 in August 2028 and \$870,000 in August 2029; interest at rates ranging from 4.625% to 5.75%, depending on maturity

47,750,000

**Note 3 - Detailed Notes on All Funds (Continued)**

\$9,715,000 - 2003 bonds issued to finance the purchase of tobacco rights, due in annual installments of \$70,000 in 2009 and 2010, \$80,000 in June 2011, \$90,000 in June 2012, \$95,000 in June 2013, \$105,000 in June 2014, \$110,000 in June 2015, \$120,000 in June 2016, \$125,000 in June 2017, \$215,000 in June 2018, \$225,000 in June 2019, \$230,000 through 2021, \$225,000 in 2022, \$240,000 in 2023, \$250,000 through 2025, \$265,000 in June 2026, \$275,000 in June 2027, \$295,000 in June 2028, \$305,000 in June 2029, \$315,000 in June 2030, \$325,000 in June 2031, \$330,000 through 2033, \$355,000 in June 2034, \$365,000 in June 2035, \$390,000 in June 2036, \$405,000 in June 2037, \$435,000 in June 2038, \$455,000 in June 2039, \$485,000 in June 2040, \$520,000 in June 2041, \$555,000 in June 2042 and \$235,000 in June 2043; interest at rates ranging from 5.027% to 5.27%, depending on maturity

\$ 9,370,000

\$29,311,745 - 2004 bonds for public improvements including the health complex, due in annual installments of \$2,011,745 in January 2006, \$2,075,000 in January 2007, \$2,135,000 in January 2008, \$2,200,000 in January 2009, \$2,275,000 in January 2010, \$2,355,000 in January 2011, \$2,445,000 in January 2012, \$2,545,000 in January 2013, \$2,650,000 in January 2014, \$2,760,000 in January 2015, \$2,870,000 in January 2016 and \$2,990,000 in January 2017; interest at rates ranging from 3.0% to 6.0%, depending on maturity

29,311,745

\$31,082,062 - 2004 bonds for sewer purposes, due in annual installments of \$755,000 in February 2006, \$782,062 in February 2007, \$790,000 in February 2008, \$800,000 in February 2009, \$810,000 in February 2010, \$825,000 in February 2011, \$845,000 in February 2012, \$860,000 in February 2013, \$880,000 in February 2014, \$900,000 in February 2015, \$920,000 in February 2016, \$945,000 in February 2017, \$970,000 in February 2018, \$995,000 in February 2019, \$1,020,000 in February 2020, \$1,050,000 in February 2021, \$1,080,000 in February 2022, \$1,110,000 in February 2023, \$1,145,000 in February 2024, \$1,180,000 in February 2025, \$1,215,000 in February 2026, \$1,255,000 in February 2027, \$1,290,000 in February 2028, \$1,335,000 in February 2029, \$1,375,000 in February 2030, \$1,420,000 in February 2031, \$1,465,000 in February 2032, \$1,510,000 in February 2033 and \$1,555,000 in February 2034; interest at rates ranging from 1.991% to 5.15%, depending on maturity

31,082,062

\$ 263,173,020

NOTES TO FINANCIAL STATEMENTS (Continued)  
DECEMBER 31, 2004**Note 3 - Detailed Notes on All Funds (Continued)****Payments to Maturity**

The annual requirements to amortize all bonded debt outstanding as of December 31, 2004 including interest payments of \$125,674,202 are as follows:

Year Ending December 31,	Governmental Activities		Business-Type Activities		Total	
	Principal	Interest	Principal	Interest	Principal	Interest
2005	\$ 10,904,826	\$ 7,672,352	\$ 2,666,057	\$ 3,830,237	\$ 13,570,883	\$ 11,502,589
2006	12,559,526	6,876,422	2,851,020	3,741,263	15,410,546	10,617,685
2007	14,837,999	6,340,854	2,603,064	3,611,799	17,441,063	9,952,653
2008	15,267,930	5,752,798	2,768,070	3,498,056	18,036,000	9,250,854
2009	13,775,680	5,113,546	2,084,320	3,366,971	15,860,000	8,480,517
2010-2014	57,218,385	17,826,502	10,713,615	15,270,930	67,932,000	33,097,432
2015-2019	35,167,830	7,995,531	12,235,169	12,424,358	47,402,999	20,419,889
2020-2024	14,862,607	3,842,585	14,941,922	8,890,126	29,804,529	12,732,711
2025-2029	8,095,000	2,036,177	16,070,000	4,226,840	24,165,000	6,263,017
2030-2034	8,050,000	623,666	1,655,000	1,503,789	9,705,000	2,127,455
2035-2039	-	-	2,050,000	963,000	2,050,000	963,000
2040-2043	-	-	1,795,000	266,400	1,795,000	266,400
	<u>\$ 190,739,783</u>	<u>\$ 64,080,433</u>	<u>\$ 72,433,237</u>	<u>\$ 61,593,769</u>	<u>\$ 263,173,020</u>	<u>\$ 125,674,202</u>

Interest expenditures of \$4,785,466 and \$23,979, were recorded in the fund financial statements in the Debt Service Fund and Internal Service Fund, respectively. Interest expense of \$5,645,018 was recorded in the government-wide financial statements for governmental activities. Interest expense of \$356,988, \$2,722,305 and \$547,316 was recorded in the fund financial and government-wide financial statements for the business-type activities in the Home and Infirmity Fund, the Rockland Tobacco Asset Securitization Corporation and the Rockland Second Tobacco Asset Securitization Corporation, respectively.

The above general obligation bonds are direct obligations of the County for which its full faith and credit are pledged and are payable from taxes levied on all taxable real property within the county, except for, the 2001 and 2003 Rockland Tobacco Asset Securitization Corporation (TASC) and the Rockland Second Tobacco Asset Securitization Corporation (TISAC) bonds, respectively. These bonds are the obligations of the TASC and TISAC, and will be repaid from future tobacco revenues.

**Prior Year Defeasance of Debt**

In prior years, the County defeased certain sewer improvement and various purpose bonds by placing the proceeds of new bonds or certain defined revenues in an irrevocable trust to provide for all future debt service payments on the old bonds. Accordingly, the trust account assets and the liability for the defeased bonds are not included in the County's financial statements. At December 31, 2004, \$12,060,786 of bonds outstanding are considered defeased.

**Note 3 - Detailed Notes on All Funds (Continued)**

**Indebtedness - Component Unit**

**Solid Waste Management Authority**

Bonds payable at December 31, 2004 consisted of the following individual issues:

<p>\$11,620,000 - 1996B serial bonds net of unamortized discount of \$54,234, repaid partially during 1999 with a State grant and other funds; due in annual principal installments of \$430,000 in 2005, \$455,000 in 2006, \$480,000 in 2007, \$505,000 in 2008, \$530,000 in 2009, \$560,000 in 2010, \$590,000 in 2011, \$630,000 in 2012, \$670,000 in 2013, \$700,000 in 2014, \$965,000 in 2015 and \$1,015,000 in 2016; interest at stated rates between 4.75% and 5.625%, depending upon maturity</p>	<p>\$ 7,475,766</p>
<p>\$4,000,000 - 1999 serial bonds net of unamortized discount of \$26,655, due in annual principal installments of \$165,000 in 2005, \$170,000 in 2006, \$180,000 in 2007, \$190,000 in 2008, \$200,000 in 2009, \$210,000 in 2010, \$220,000 in 2011, \$235,000 in 2012, \$245,000 in 2013, \$260,000 in 2014, \$275,000 in 2015, \$290,000 in 2016, \$310,000 in 2017 and \$325,000 in 2018; interest at stated rates between 4.50% and 5.75%, depending on maturity</p>	<p>3,248,345</p>
<p>\$15,273,468 - 2003 serial bonds due in annual principal installments of \$470,000 in 2005, \$475,000 in 2006, \$480,000 in 2007, \$485,000 in 2008, \$495,000 in 2009, \$505,000 in 2010, \$520,000 in 2011, \$535,000 in 2012, \$550,000 in 2013, \$570,000 in 2014, \$590,000 in 2015, \$610,000 in 2016, \$630,000 in 2017, \$650,000 in 2018, \$675,000 in 2019, \$700,000 in 2020, \$725,000 in 2021, \$755,000 in 2022, \$785,000 in 2023, \$820,000 in 2024 and \$2,315,000 in 2025; interest at stated rates between 2.539% and 6.189%, depending on maturity</p>	<p>14,340,000</p>
<p>\$8,720,000 - 2003 serial bonds net of unamortized discount of \$147,966 in 2003, due in annual principal installments of \$210,000 in 2005, \$215,000 in 2006, \$220,000 in 2007, \$230,000 in 2008, \$235,000 in 2009, \$245,000 in 2010, \$250,000 in 2011, \$260,000 in 2012, \$275,000 in 2013, \$285,000 in 2014, \$300,000 in 2015, \$315,000 in 2016, \$330,000 in 2017, \$345,000 in 2018, \$360,000 in 2019, \$375,000 in 2020, \$395,000 in 2021, \$415,000 in 2022, \$435,000 in 2023, \$460,000 in 2024, \$480,000 in 2025, \$505,000 in 2026, \$535,000 in 2027 and \$960,000 in 2028; interest at stated rates between 2.5% and 5.125%, depending on maturity</p>	<p><u>8,487,034</u></p>
	<p><u>\$ 33,551,145</u></p>

NOTES TO FINANCIAL STATEMENTS (Continued)  
 DECEMBER 31, 2004

**Note 3 - Detailed Notes on All Funds (Continued)**

At the option of the Authority, the serial bonds included in the \$11,620,000 issue will be subject to redemption prior to maturity on or after December 15, 2006. These bonds may be redeemed either as a whole, or in part, at any time at the following redemption prices plus accrued interest, if any, to the date of redemption.

<u>Redemption Period (Dates Inclusive)</u>	<u>Redemption Price (as a % of Par)</u>
December 15, 2006 to December 14, 2007	102%
December 15, 2007 to December 14, 2008	101%
December 15, 2008 and thereafter	100%

At the option of the Authority, the serial bonds included in the \$4,000,000 issue will be subject to redemption prior to maturity on or after December 15, 2009. These bonds may be redeemed either as a whole at any time, or in part, on any interest payment date at the following redemption prices plus accrued interest, if any, to the date of redemption.

<u>Redemption Period (Dates Inclusive)</u>	<u>Redemption Price (as a % of Par)</u>
December 15, 2009 to December 14, 2010	101%
December 15, 2010 to December 14, 2011	100.5%
December 15, 2011 and thereafter	100%

The annual requirements to amortize all bonds outstanding at December 31, 2004, including interest of \$21,832,789 are as follows:

<u>Year</u>	<u>Principal</u>	<u>Interest</u>	<u>Total</u>
2005	\$ 1,275,000	\$ 1,764,088	\$ 3,039,088
2006	1,315,000	1,714,817	3,029,817
2007	1,360,000	1,661,296	3,021,296
2008	1,410,000	1,601,709	3,011,709
2009	1,460,000	1,529,239	2,989,239
2010-2014	8,315,000	6,531,836	14,846,836
2015-2019	7,985,000	4,145,161	12,130,161
2020-2024	5,865,000	2,385,949	8,250,949
2025-2028	4,795,000	498,694	5,293,694
	33,780,000	<u>\$ 21,832,789</u>	<u>\$ 55,612,789</u>
Less: Unamortized original issue discount	<u>(228,855)</u>		
	<u>\$ 33,551,145</u>		

**Note 3 - Detailed Notes on All Funds (Continued)**

**Extinguishment of Debt**

The Authority, on September 15, 1999, extinguished \$2,330,000 of its 1996A serial bonds and \$2,195,000 of its 1996B serial bonds using grants of \$4,000,000 from New York State and \$525,000 from the release of restricted funds. This transaction was required as a condition of the grant. These funds were used to purchase U.S. Government securities. Those securities were deposited in an irrevocable trust with an escrow agent to provide for portions of future debt service on the 1996A and 1996B serial bonds. As a result, portions of these serial bonds are considered to be extinguished and the liability for those bonds has been removed from the financial statements. Defeased bonds totaling \$3,420,000 were outstanding at December 31, 2004.

**Compensated Absences**

Under the terms of existing collective bargaining agreements, certain employees of the primary government may accumulate sick leave. Upon separation of service, employees, depending on the criteria defined in the contract, are compensated for accumulated leave in excess of 165 days. The primary government is also obligated to pay employees accrued vacation pay up to a maximum of 50 days, depending upon the contract.

Under the terms of existing collective bargaining agreements, College employees are granted vacation and sick leave and earn compensatory absences in varying amounts. Upon retirement or involuntary termination prior to normal retirement, employees are entitled to payment for accumulated vacation and sick leave and unused compensatory absences at various rates subject to certain maximum limitations. At August 31, 2004, the expense related to vested vacation pay for employees was accrued based upon pay rates currently in effect. Accrued vacation pay aggregated approximately \$1,576,237 and was included in accrued liabilities.

Unused vacation time of the Solid Waste Management Authority employees may be carried forward to subsequent years. Unused personal time is added to sick leave, which may be taken at any time. The Authority has determined that the potential liability for accumulated vacation and sick leave at December 31, 2004 was \$65,584. These amounts are included in accrued liabilities of the Authority.

The employees of the Industrial Development Agency may accumulate vacation leave. Upon separation of service, these employees are compensated up to a maximum of 50 days. The liability for the Industrial Development Agency was deemed immaterial.

The Soil and Water Conservation District does not incur eligible salaries and, therefore, does not have a liability for compensated absences.

**Pension Obligations**

The County, pursuant to Article 14-B of the Retirement and Social Security Law, elected to participate in a retirement option which provides for special retirement benefits for sheriffs and deputy sheriffs engaged in criminal law enforcement activities. The aggregate cost of the plan was \$2,519,140. The payment terms provide for repayment over a ten year period, with interest at 8.5%. The current year payment of \$252,216 has been charged to the General Fund. The remaining liability for this program is \$903,760 and is applicable to the governmental funds.



**Note 3 - Detailed Notes on All Funds (Continued)**

The County, pursuant to Article 14-B of the Retirement and Social Security Law, elected to participate in a retirement option which provides for special retirement benefits for deputy sheriffs engaged in criminal law enforcement activities. The aggregate cost of the plan was \$472,292. The payment terms provide for repayment over a five year period, with interest at 8.5%. The current year payment of \$87,793 has been charged to the General Fund. The remaining liability for this program is \$197,217 and is applicable to the governmental funds.

**Claims Payable**

The Internal Service funds reflect workers' compensation benefit liabilities, general liability claims and unemployment benefit liabilities, which are based upon estimates of the ultimate cost of claims (including future claim adjustment expenses) that have been reported, but not settled, and of claims that have been incurred but not reported (IBNR's). The length of time for which such costs must be estimated varies depending on the coverage involved. Because actual claim costs depend on such complex factors as inflation, changes in doctrines of legal liability and damage awards, the process used in computing claim liabilities does not necessarily result in an exact amount. Claim liabilities are recomputed periodically using a variety of actuarial and statistical techniques to produce current estimates that reflect recent settlements, claim frequency and other economic and social factors. A provision for inflation in the calculation of estimated future claims costs is implicit in the calculation because reliance is placed both on actual historical data that reflects past inflation and other factors that are considered to be appropriate modifiers of past experience.

An analysis of the activity of unpaid claim liabilities is as follows:

	December 31, 2004		
	Workers' Compensation Benefits	General Liability Claims	Unemployment Benefits
Balance - Beginning of Year	\$ 7,078,164	\$ 7,403,887	\$ 40,029
Provision for Claims and Claims Adjustment Expenses	3,627,803	84,605	140,549
Claims and Claims Adjustment Expenses Paid	(2,761,115)	(508,131)	(128,801)
Balance - End of Year	<u>\$ 7,944,852</u>	<u>\$ 6,980,361</u>	<u>\$ 51,777</u>

**Note 3 - Detailed Notes on All Funds (Continued)**

	December 31, 2003		
	Workers' Compensation Benefits	General Liability Claims	Unemployment Benefits
Balance - Beginning of Year	\$ 8,393,428	\$ 6,025,511	\$ 119,279
Provision for Claims and Claims Adjustment Expenses	1,444,624	3,388,501	57
Claims and Claims Adjustment Expenses Paid	<u>(2,759,888)</u>	<u>(2,010,125)</u>	<u>(79,307)</u>
Balance - End of Year	<u>\$ 7,078,164</u>	<u>\$ 7,403,887</u>	<u>\$ 40,029</u>

**J. Revenues and Expenditures**

**Interfund Transfers**

Interfund transfers are defined as the flow of assets, such as cash or goods and services, without the equivalent flow of assets in return. The interfund transfers reflected below have been reflected as transfers.

Transfers Out	Transfers In			Total
	General	Capital Projects	Non-Major Govern- mental	
General	\$ -	\$ 734,500	\$ 14,179,906	\$ 14,914,406
Capital Projects	2,656,374	-	2,002,706	4,659,080
Non-Major Govern- mental	<u>3,040,949</u>	<u>400,000</u>	<u>6,259,850</u>	<u>9,700,799</u>
	<u>\$ 5,697,323</u>	<u>\$ 1,134,500</u>	<u>\$ 22,442,462</u>	<u>\$ 29,274,285</u>

Transfers are used to 1) move funds from the fund with collection authorization to the funds where additional amounts are needed and 2) to move amounts earmarked in the operating funds to fulfill commitments for Capital Projects and Debt Service funds expenditures.

**K. Post-Employment Health Care Benefits**

In addition to providing pension benefits, the primary government and its College component unit provides certain health care benefits for retired employees. The various collective bargaining agreements stipulate the employees covered and the percentage of contribution. Contributions by the primary government and its College component unit may vary according to length of service. Substantially all employees may become eligible for those benefits if they reach normal retirement age while working for these entities. The cost of retiree health care benefits is recognized as an expenditure/expense as claims are paid. Expenditures/expenses for the primary government in 2004 aggregated \$12,240,164 and were paid on behalf of 1,733 retirees. Expenses for the College aggregated approximately \$2,617,000 for 300 retirees for the year ended August 31, 2004. The Soil

**Note 3 - Detailed Notes on All Funds (Continued)**

and Water Conservation District, Industrial Development Agency and the Solid Waste Management Authority did not incur expenditures/expenses for retiree health care benefits.

**L. Net Assets**

The components of net assets are detailed below:

*Invested in Capital Assets, net of Related Debt* - the component of net assets that reports the difference between capital assets less both the accumulated depreciation and the outstanding balance of debt, excluding unexpended proceeds, that is directly attributable to the acquisition, construction or improvement of those assets.

*Restricted for Capital Projects* - the component of net assets that reports the amounts restricted for capital projects, exclusive of unexpended bond proceeds and unrestricted interest earnings.

*Restricted for Law Enforcement* - the component of net assets that represents the unexpended balance of the forfeiture of seized crime properties to be used pursuant to a State directive in the subsequent fiscal year for law enforcement purposes.

*Restricted for Stop-DWI Program* - the component of net assets that represents State revenues that are limited by State directive to be used in accordance with the parameters of the Driving While Intoxicated Program.

*Restricted for E-911* - the component of net assets that has been established to set aside funds pursuant to a State directive to be used for a County-wide Emergency 911 Telephone System.

*Restricted for Handicapped Parking* - the component of net assets that has been established to set aside funds pursuant to a State directive to be used for the education, advocacy and increased public awareness of handicapped parking laws.

*Restricted for Social Service Programs* - the component of net assets that reports the difference between assets and liabilities with constraints placed on their use by either external parties and/or statute.

*Restricted for Debt Service* - the component of net assets that reports the difference between assets and liabilities of the Debt Service Fund with constraints placed on their use by Local Finance Law.

*Restricted for Parklands* - the component of net assets that has been established pursuant to New York State Law. These amounts represent funds received by the County to be used for park improvements.

*Restricted for Student Loans* - the component of net assets that has been established to set aside funds to provide loans to students, pursuant to grant agreements.

*Restricted for Workers' Compensation Benefits* - the component of net assets that has been established to set aside funds to be used for a specific purpose in accordance with Section 6j of General Municipal Law.

**Note 3 - Detailed Notes on All Funds (Continued)**

*Restricted for Unemployment Benefits* - the component of net assets that has been established to set aside funds to be used for a specific purpose in accordance with Section 6m of General Municipal Law.

*Restricted for Scholarships and Student Services* - the component of net assets that has been established through external restrictions imposed by contributors.

*Restricted for Permanent Endowments* - the component of net assets that has been established through external restrictions imposed by contributors.

*Restricted for Special Revenue Funds* - the component of net assets that reports the difference between assets and liabilities of the Special Revenue Funds with constraints placed on their use by General Municipal Law.

*Unrestricted* - all other net assets that do not meet the definition of "restricted" or "invested in capital assets, net of related debt".

**M. Fund Balances**

Certain elements of reserved fund balance are described above. Those additional elements which are not reflected in the statement of net assets but are reported in the governmental funds balance sheet are described below. The unreserved components of fund balance are also detailed below.

**Reserved**

Encumbrances outstanding have been reserved as it is the County's intention to honor contracts in process at year end. The subsequent year's appropriation will be amended to provide authority to complete the transactions.

The Reserve for Prepaid Expenditures has been established to account for employee retirement and other payments made in advance. The reserve indicates that these funds are not "available" for appropriation or expenditure even though they are a component of current assets.

The Reserve for Long-Term Receivable is used to indicate that certain receivables will not be collected in sufficient time to use the funds to satisfy liabilities of the period. A reserve has been established to indicate that the funds are not "available" for appropriation or expenditure even though the amounts are a component of current assets.

The Reserve for Compensated Absences represent funds set aside for the payment of accumulated vacation and sick leave in accordance with various collective bargaining agreements and General Municipal Law. These funds are not "available" for appropriation or expenditure.

The Reserve for Advances has been established to indicate the long-term nature of funds advanced to the County Road Fund. These funds do not represent "available" spendable resources even though they are component of current assets.

**Note 3 - Detailed Notes on All Funds (Continued)**

**Unreserved - Designations**

Designations of fund balance are not legally required segregations but represent intended use for a specific purpose. The County's designations are detailed below.

Designated for Section 8 - This designation of fund balance represents surplus monies from the Section 8 Program, which is to be used to fund certain programs.

Designated for Transportation Projects - This designation of fund balance represents surplus monies received for transportation projects, which are to be used to fund transportation capital project costs.

Designated for Affordable Housing - This designation, established by the County Legislature, is used to segregate a portion of fund balance to be utilized for the purpose of creating an affordable housing program in the County.

Designated for Treatment Plant and Collection System - This designation, established by the County Legislature, represents collected assessment fees to be used for future expansion and/or upgrade of the Treatment Plant and Collection System.

Designated for Subsequent Year's Expenditures - Special Revenue and Debt Service Funds - At December 31, 2004, the County Legislature has designated that \$1,929,587 of the fund balance of the Sewer District Fund and \$7,245,082 of the fund balance of the Debt Service Fund be appropriated for the ensuing year's budget.

**Note 4 - Summary Disclosure of Significant Contingencies**

**A. Litigation**

The County receives numerous notices of claims for damages occurring generally from alleged negligence and civil rights violations. The filing of such notice of claim commences a statutory period for initiating judicial action. The County Attorney has indicated that he is not aware of any such action which would have a significant adverse impact on the County's financial condition.

The County is defendant in numerous pending tax certiorari proceedings, the results of which cannot be determined at this time. Any future refunds resulting from adverse settlements will be funded in the year payments are made.

The Solid Waste Management Authority is a defendant in a lawsuit brought over the value of land it acquired through condemnation proceedings. The parties are in settlement discussions, but it is not possible to estimate the cost, if any, of this litigation to the Authority.

**B. Risk Management**

**Liability Claims**

The County is currently self-insured for general liability, property damage and medical malpractice claims. In addition, the County maintains a commercial insurance policy, with coverage up \$330 million. Conventional insurance is not purchased for catastrophic losses.

**Note 4 - Summary Disclosure of Significant Contingencies (Continued)**

**Workers' Compensation**

The County, as the predominant entity, and certain towns and villages within the County are participants in a County-wide workers' compensation program. Premiums are assessed on each participant based upon a formula involving payroll and the actual historical claims experience of such participant. Costs relating to the litigation of claims are charged to expenses as incurred. The County has secured conventional insurance coverage for individual losses in excess of \$550,000. Settled claims resulting from these risks have not exceeded commercial insurance coverage in any of the past three fiscal years.

**Unemployment Benefits**

The County is self-insured for claims arising from unemployment benefit cases.

**Component Units**

**Rockland Community College**

The College is exposed to various risk of loss related to torts; theft of, damage to, and destruction of assets; and natural disasters. The risks are covered by commercial insurance purchased by County of Rockland that extends coverage to the College. The self-insured retention under these policies is \$1 million. In addition, the College participates in the Rockland County Workers' Compensation Self Insurance Plan, a risk sharing pool, administered by the County, to insure workers' compensation claims. This is a public entity risk pool created under Article 5, Workers' Compensation Law, to finance liability and risk related to workers' compensation claims.

**Soil and Water Conservation District**

The District purchases various conventional insurance policies to reduce its exposure to risk. The District maintains general liability and auto liability policies which provide coverage up to \$500,000. Settled claims from these risks have not exceeded commercial insurance coverage in any of the past three fiscal years.

**Solid Waste Management Authority**

The Authority purchases various conventional insurance policies to reduce its exposure to loss. The Authority maintains a general liability policy with coverage of up to \$8.795 million, property and pollution policies of \$3 million each, and automobile, and directors and officers liability policies with coverage up to \$2 million each. Settled claims resulting from these risks have not exceeded commercial insurance coverage in any of the past three fiscal years. The Authority purchases conventional insurance coverage for health, workers' compensation and unemployment benefits.

**C. Contingencies**

The County and the College participate in various Federal grant programs. These programs are subject to program compliance audits pursuant to the Single Audit Act. This audit is currently in process and the report will be issued under separate cover. Accordingly, the County

**Note 4 - Summary Disclosure of Significant Contingencies (Continued)**

and the College's compliance with applicable grant requirements will be established at a future date. The amount of expenditures which may be disallowed by the granting agencies cannot be determined at this time, although the entities anticipate such amounts, if any, to be immaterial.

**Note 5 - Subsequent Events**

The County, on February 15, 2005, issued serial bonds for public improvements in the amount of \$30,000,000 with maturities from February 15, 2006 through February 15, 2019. Interest rates vary from 3.00% to 4.00%, depending on maturity.

Also on February 23, 2005, the County issued bond anticipation notes in the amount of \$3,200,000, due February 23, 2006, and bearing interest of 3.25%.

The County, on March 3, 2005, issued serial bonds for sewer improvements in the amount of \$12,395,713. These bonds mature annually on May 15, 2005 through May 15, 2034 and bear interest varying from 1.564% to 4.569%, depending on maturity.

The County, on March 23, 2005, issued tax anticipation notes in the amount of \$119,000,000. The notes bear interest at rates ranging from 3.50% to 3.75% and mature on March 23, 2006.

The County, on March 23, 2005, issued revenue anticipation notes in the amount of \$40,000,000. The notes bear interest at 3.50%, and mature on March 23, 2006.

**Note 6 - Trapping Event - Rockland Tobacco Asset Securitization Corporation**

In accordance with the terms of the bond indenture, a "Downgrade Trapping Event" occurs when any of the four largest United States tobacco manufacturers with a market share of 7% or more has a credit rating that falls below "Baa3" by Moody's or "BBB" by Standard & Poors. During 2003, the credit rating for one of these manufacturers had fallen below this allowable threshold and accordingly, a downgrade trapping event occurred. The indenture further requires that, upon the occurrence of this event, 25% of the principal amount outstanding on the bonds be accumulated in a special account until one year after the end of the downgrade trapping event.

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## **MAJOR GOVERNMENTAL FUNDS**

### **GENERAL FUND**

The General Fund constitutes the primary operating fund of the County in that it includes all revenues and expenditures not required by law to be accounted for in other funds.

### **CAPITAL PROJECTS FUND**

The Capital Projects Fund is utilized to account for financial resources to be used for the acquisition or construction of major capital facilities, other than those financed by proprietary funds.

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COUNTY OF ROCKLAND, NEW YORK

GENERAL FUND  
COMPARATIVE BALANCE SHEET  
DECEMBER 31, 2004 AND 2003

<u>ASSETS</u>	<u>2004</u>	<u>2003</u>
Cash:		
Demand deposits	\$ 52,422,242	\$ 49,447,200
Departmental cash	16,940	16,940
	<u>52,439,182</u>	<u>49,464,140</u>
Investments	-	4,601,689
Taxes Receivable:		
Tax liens	81,018,681	9,309,068
Tax installments	1,279,409	1,757,123
Returned school and village taxes	57,489,959	62,175,395
Property acquired for taxes	123,468	123,468
	<u>139,911,517</u>	<u>73,365,054</u>
Allowance for uncollectible taxes	(4,712,000)	(1,056,000)
	<u>135,199,517</u>	<u>72,309,054</u>
Other Receivables:		
Accounts, net of allowance for uncollectible amounts	25,446,754	27,647,414
State and Federal aid, net of allowance for uncollectible amounts	56,772,299	56,860,124
Due from other governments	2,866,908	3,200,791
Due from other funds	7,790,484	659,085
Advances to other funds	515,535	1,039,143
	<u>93,391,980</u>	<u>89,406,557</u>
Prepaid Expenditures	2,764,949	932,295
Total Assets	<u>\$ 283,795,628</u>	<u>\$ 216,713,735</u>
<u>LIABILITIES AND FUND BALANCE</u>		
Liabilities:		
Accounts payable	\$ 22,735,054	\$ 21,326,069
Accrued liabilities	22,754,675	15,605,177
Due to other governments	2,736,833	1,442,000
Due to school districts	74,782,214	79,920,047
Due to other funds	-	1,039,143
Deferred revenues - Taxes	11,890,187	8,271,794
Deferred revenues - Other	1,944,804	2,007,585
Tax anticipation note payable	63,000,000	-
Revenue anticipation note payable	45,000,000	55,000,000
Total Liabilities	<u>244,843,767</u>	<u>184,611,815</u>
Fund Balance (Deficit):		
Reserved for encumbrances	3,877,741	1,997,235
Reserved for prepaid expenditures	2,764,949	932,295
Reserved for law enforcement	256,738	235,257
Reserved for Stop - DWI Program	392,421	295,170
Reserved for E-911	14,665	146,611
Reserved for handicapped parking	39,820	32,955
Reserved for long-term receivable	64,511,298	-
Reserved for compensated absences	7,848,543	7,340,097
Reserved for debt service	52,195	240,626
Reserved for advances	515,535	1,039,143
Unreserved:		
Designated for Section 8	122,804	122,803
Undesignated	(41,444,848)	19,719,728
Total Fund Balance	<u>38,951,861</u>	<u>32,101,920</u>
Total Liabilities and Fund Balance	<u>\$ 283,795,628</u>	<u>\$ 216,713,735</u>

COUNTY OF ROCKLAND, NEW YORK

GENERAL FUND  
 COMPARATIVE SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES  
 IN FUND BALANCE - BUDGET AND ACTUAL  
 YEARS ENDED DECEMBER 31, 2004 AND 2003

	2004			Variance with Final Budget Positive (Negative)
	Original Budget	Final Budget	Actual	
<b>Revenues:</b>				
Real property taxes	\$ 45,498,710	\$ 45,498,710	\$ 45,466,886	\$ (31,824)
Other tax items	4,795,000	4,795,000	11,078,086	6,283,086
Non-property taxes	153,685,000	153,685,000	154,932,812	1,247,812
Departmental income	35,406,370	36,721,583	32,522,960	(4,198,623)
Use of money and property	740,000	740,000	1,050,179	310,179
Licenses and permits	1,467,465	1,467,465	1,359,056	(108,409)
Fines and forfeitures	687,665	687,665	842,617	154,952
Sale of property and compensation for loss	85,500	85,500	193,597	108,097
Interfund revenues	11,162,353	11,162,353	9,927,392	(1,234,961)
State aid	86,635,138	91,381,403	90,112,359	(1,269,044)
Federal aid	45,139,466	53,330,130	41,685,472	(11,644,658)
Miscellaneous	3,415,000	3,495,000	2,933,829	(561,171)
<b>Total Revenues</b>	<b>388,717,667</b>	<b>403,049,809</b>	<b>392,105,245</b>	<b>(10,944,564)</b>
<b>Expenditures:</b>				
<b>Current:</b>				
General government support	46,969,678	46,575,391	39,754,114	6,821,277
Education	56,193,902	56,403,903	53,635,959	2,767,944
Public safety	46,468,794	49,979,790	49,560,136	419,654
Health	38,354,021	44,559,899	41,256,330	3,303,569
Transportation	18,913,344	21,755,868	21,755,686	182
Economic opportunity and development	157,402,043	158,975,332	154,123,578	4,851,754
Culture and recreation	652,038	652,288	651,769	519
Home and community services	6,065,187	6,448,081	6,105,627	342,454
Employee benefits	8,737,162	8,869,357	8,232,843	636,514
Debt Service - Interest	1,024,199	1,024,199	570,662	453,537
<b>Total Expenditures</b>	<b>380,780,368</b>	<b>395,244,108</b>	<b>375,646,704</b>	<b>19,597,404</b>
<b>Excess of Revenues Over Expenditures</b>	<b>7,937,299</b>	<b>7,805,701</b>	<b>16,458,541</b>	<b>8,652,840</b>
<b>Other Financing Sources (Uses):</b>				
Bonds issued	-	-	-	-
Transfers in	8,707,068	8,707,068	5,697,323	(3,009,745)
Transfers out	(18,641,602)	(19,000,248)	(14,914,406)	4,085,842
<b>Total Other Financing Uses</b>	<b>(9,934,534)</b>	<b>(10,293,180)</b>	<b>(9,217,083)</b>	<b>1,076,097</b>
<b>Net Change in Fund Balance</b>	<b>(1,997,235)</b>	<b>(2,487,479)</b>	<b>7,241,458</b>	<b>9,728,937</b>
<b>Fund Balance - Beginning of Year, as previously reported</b>	<b>1,997,235</b>	<b>2,487,479</b>	<b>32,101,920</b>	<b>29,614,441</b>
<b>Prior Period Adjustment</b>	<b>-</b>	<b>-</b>	<b>(391,517)</b>	<b>(391,517)</b>
<b>Fund Balance - Beginning of Year, as restated</b>	<b>1,997,235</b>	<b>2,487,479</b>	<b>31,710,403</b>	<b>29,222,924</b>
<b>Fund Balance - End of Year</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ 38,951,861</b>	<b>\$ 38,951,861</b>

2003

Original Budget	Final Budget	Actual	Variance with Final Budget Positive (Negative)
\$ 42,348,000	\$ 42,348,000	\$ 42,387,667	\$ 39,667
4,900,000	4,900,000	4,262,453	(637,547)
140,926,000	140,926,000	142,819,235	1,893,235
29,347,496	30,092,200	28,491,559	(1,600,641)
730,000	730,000	847,410	117,410
1,287,000	1,287,000	1,288,073	1,073
677,935	685,060	707,723	22,663
78,000	78,000	153,048	75,048
10,339,609	10,342,883	9,405,426	(937,457)
84,616,286	89,650,587	77,672,879	(11,977,708)
40,927,006	47,749,375	41,539,131	(6,210,244)
5,141,863	13,433,259	14,513,090	1,079,831
<u>361,319,195</u>	<u>382,222,364</u>	<u>364,087,694</u>	<u>(18,134,670)</u>
43,587,396	45,124,093	34,993,828	10,130,265
52,486,999	52,701,765	50,182,282	2,519,483
41,025,258	44,012,542	42,894,951	1,117,591
34,232,642	39,131,625	34,217,931	4,913,694
18,468,577	20,565,373	20,138,440	426,933
150,130,911	151,094,652	142,680,151	8,414,501
681,407	681,407	643,684	37,723
5,592,917	5,874,539	5,551,228	323,311
7,657,020	14,431,422	13,746,315	685,107
1,800,000	1,800,000	1,380,640	419,360
<u>355,663,127</u>	<u>375,417,418</u>	<u>346,429,450</u>	<u>28,987,968</u>
5,656,068	6,804,946	17,658,244	10,853,298
-	6,673,743	6,673,743	-
5,380,293	5,380,293	5,343,859	(36,434)
(14,200,998)	(22,446,051)	(22,412,275)	33,776
<u>(8,820,705)</u>	<u>(10,392,015)</u>	<u>(10,394,673)</u>	<u>(2,658)</u>
<u>(3,164,637)</u>	<u>(3,587,069)</u>	<u>7,263,571</u>	<u>10,850,640</u>
3,164,637	3,587,069	24,838,349	(3,587,069)
-	-	-	-
<u>3,164,637</u>	<u>3,587,069</u>	<u>24,838,349</u>	<u>21,251,280</u>
<u>\$ -</u>	<u>\$ -</u>	<u>\$ 32,101,920</u>	<u>\$ 32,101,920</u>

COUNTY OF ROCKLAND, NEW YORK

GENERAL FUND

SCHEDULE OF EXPENDITURES AND OTHER FINANCING USES COMPARED TO BUDGET  
 YEAR ENDED DECEMBER 31, 2004  
 (With Comparative Actuals for 2003)

	Original Budget	Final Budget	Actual	Variance with Final Budget Positive (Negative)	2003 Actual
<b>GENERAL GOVERNMENT SUPPORT</b>					
Legislative Branch	\$ 3,434,275	\$ 3,419,487	\$ 2,997,858	\$ 421,629	\$ 2,807,418
County Executive	2,693,762	2,881,463	1,722,882	1,158,581	1,340,402
Drug Court	-	-	-	-	120,554
Crime Victims Program	-	68,770	68,768	2	61,729
Community Partnership Program	-	-	-	-	214,491
Youth Bureau	-	-	-	-	2,083,218
Community Development Program	1,789,538	2,135,546	1,957,680	177,866	748,626
DWI Program	1,106,936	1,076,679	950,341	126,338	243,111
District Attorney	379,412	379,698	306,954	72,744	4,967,458
Public Defender	5,375,958	5,815,979	5,665,481	150,498	2,201,666
Major Offense Prosecution Program	2,373,843	2,490,238	2,489,567	671	362,618
Justice of Peace - Police Court	250,000	424,932	424,569	363	64,706
Legal Aid Society	55,000	78,000	76,606	1,394	101,750
Assigned Counsel	103,280	103,280	103,280	-	764,130
Medical Examiner	1,085,927	1,438,927	1,438,883	44	1,086,252
Department of Audit	1,222,133	1,280,484	1,269,564	10,920	287,130
Department of Budget and Management	310,097	330,817	236,933	93,884	696,443
Department of Finance	858,369	867,156	801,657	65,499	2,684,695
Department of Records	3,080,703	3,007,240	2,834,409	172,831	2,947,042
Department of Law	3,188,985	3,218,342	3,047,657	170,685	1,897,374
Department of Personnel	2,516,564	3,060,326	2,703,733	356,593	3,438,726
County Archivist	4,320,419	4,346,587	4,038,905	307,682	419,049
Board of Elections	495,438	497,432	462,820	34,612	1,224,429
Rockland County Board of Ethics	1,399,753	1,481,968	1,481,111	857	9,557
Rockland Economic Development Corporation	24,310	24,310	8,456	15,854	445,000
Unallocated general services	482,125	482,125	482,125	-	1,556,941
Department of Insurance	1,556,901	1,858,921	1,617,723	241,198	782,581
Municipal dues	1,029,184	1,038,275	1,033,487	4,788	41,982
Refunds of real property taxes	42,967	42,967	33,110	9,857	603,506
Department of Tourism	2,853,000	2,853,000	649,150	2,203,850	466,730
Office of Affirmative Action	424,098	464,798	464,181	617	324,514
Contingent fund	384,515	388,658	386,224	2,434	-
	4,132,186	1,018,986	-	1,018,986	-
<b>Total General Government Support</b>	<b>46,969,678</b>	<b>46,575,391</b>	<b>39,754,114</b>	<b>6,821,277</b>	<b>34,993,828</b>

EDUCATION

Community college tuition	815,000	1,065,000	1,040,504	24,496	986,230
Contribution to Community College Fund	12,886,678	12,886,678	12,886,678	-	12,861,864
Education of handicapped children	42,492,224	42,452,225	39,708,777	2,743,448	36,334,188
Total Education	56,193,902	56,403,903	53,635,959	2,767,944	50,182,282

PUBLIC SAFETY

Sheriff	3,508,517	3,923,051	3,922,828	223	3,120,706
Bureau of Criminal Identification	2,474,019	2,515,228	2,463,216	52,012	2,198,779
Sheriff's patrol	8,336,998	9,826,653	9,826,353	300	7,356,467
Sheriff's patrol - Health complex	190	-	-	-	970,109
Sheriff - Communications	1,553,935	1,556,742	1,509,906	46,836	1,174,660
Sheriff - Police Academy	494,005	544,570	484,977	59,593	460,227
Narcotics task force	2,636,229	2,798,838	2,798,752	86	2,220,650
Probation Department	5,610,579	5,665,910	5,563,109	102,801	4,823,244
Jail	18,659,916	19,303,925	19,303,245	680	17,328,934
Rockland County Highway Safety Committee	163,813	167,122	164,558	2,564	135,318
Department of Fire and Emergency Services	2,020,635	2,272,138	2,272,056	82	1,898,749
Fire Advisory Board	3,700	3,700	1,135	2,565	1,849
Animal shelter	50,000	75,000	75,000	-	75,000
Animal care	25,000	-	-	-	-
H.E.L.P.	43,140	43,140	43,140	-	42,500
Crime Prevention Bureau	10,150	10,150	10,150	-	10,000
Emergency Preparedness Program	-	389,355	389,354	1	374,947
Hazardous materials	120,134	123,384	122,666	718	107,420
E-911 telephone system	757,834	760,884	609,691	151,193	595,392
Total Public Safety	46,468,794	49,979,790	49,560,136	419,654	42,894,951

HEALTH

Department of Health	25,219,481	28,262,630	26,822,828	1,439,802	19,775,156
Family planning	958,933	989,880	926,204	63,676	757,968
Physically handicapped children	200,000	327,000	326,719	281	289,372
Immunization action program	-	132,680	132,679	1	117,294
Emergency medical services	254,161	256,761	253,038	3,723	221,749
Association for the Visually Impaired	272,270	272,270	272,270	-	268,250
WIC program	-	1,193,863	1,152,414	41,449	1,037,315
Rockland Family Shelter	81,200	190,950	190,950	-	117,000
Drug Abuse Control Committee	1,175,350	1,175,350	1,095,508	79,842	1,114,812
Department of Mental Health	475,000	470,030	322,092	147,938	448,063
Contracted mental health services	1,339,147	1,357,927	1,342,030	15,897	1,333,596
Contracted health services	12,940	572,966	491,638	81,328	12,750

(Continued)

COUNTY OF ROCKLAND, NEW YORK

GENERAL FUND  
 SCHEDULE OF EXPENDITURES AND OTHER FINANCING USES COMPARED TO BUDGET (Continued)  
 YEAR ENDED DECEMBER 31, 2004  
 (With Comparative Actuals for 2003)

HEALTH (Continued)	Original Budget	Final Budget	Actual	Variance with Final Budget Positive (Negative)	2003 Actual
Good Samaritan Hospital	\$ 13,330	\$ 13,330	\$ 6,606	\$ 6,724	\$ 2,067
Mental health programs	5,873,229	6,084,941	5,278,598	806,343	6,055,587
Bio-terrorism	5,829	403,724	366,954	36,770	340,732
Breast cancer education and treatment	72,936	79,036	78,726	310	56,892
Tobacco prevention and enforcement program	982,465	985,027	510,299	474,728	556,464
Youth against tobacco use program	-	143,087	111,761	31,326	108,778
Rockland Council on Alcoholism	158,973	158,973	158,973	-	159,245
Mid-Hudson Society for Epilepsy	236,719	246,467	246,415	52	236,719
New York Association for Learning Disabled	91,883	95,020	94,957	63	91,883
Safe drinking water program	-	123,147	123,147	-	129,091
Mosquito control program	772,249	823,059	749,743	73,316	785,008
St. Agatha respite program	10,000	10,000	10,000	-	10,000
Open arms	147,926	191,781	191,781	-	192,140
<b>Total Health</b>	<b>38,354,021</b>	<b>44,559,899</b>	<b>41,256,330</b>	<b>3,303,569</b>	<b>34,217,931</b>
<b>TRANSPORTATION</b>					
Public transportation	18,913,344	21,755,868	21,755,686	182	20,138,440
<b>ECONOMIC OPPORTUNITY AND DEVELOPMENT</b>					
Department of Social Services	44,019,578	44,431,245	43,624,935	806,310	38,357,080
Social Services Program Grants	1,425	372,899	371,470	1,429	625,516
Displaced homemaker	-	240,483	221,289	19,194	258,648
Family daycare provider	-	533,063	532,766	297	527,489
Purchase of services	12,248,750	9,555,250	8,378,978	1,176,272	8,636,953
Medical assistance	69,750,000	69,255,000	69,244,954	10,046	62,371,052
Family Assistance	8,200,000	12,060,000	10,939,866	1,120,134	8,942,400
Children services	8,800,000	7,778,756	6,841,378	937,378	8,900,540
Juvenile delinquent care	1,950,000	1,630,000	1,150,620	479,380	1,450,574
Home relief	3,550,000	3,955,000	3,832,985	122,015	3,656,256
Home energy assistance program	1,500,000	1,535,000	1,534,567	433	1,866,793
Emergency relief to adults	75,000	91,428	73,215	18,213	84,603
Family Health Plus Program	-	138,354	110,423	27,931	74,840
Veterans' Service Agency	435,249	494,485	493,999	486	368,269
Department of Weights and Measures	1,280,816	1,281,355	1,275,331	6,024	1,099,485
Office of the Aging	4,123,245	4,155,034	4,048,824	106,210	3,923,278
Rockland Community Development Council	-	-	-	-	46,250



MLK multi-purpose center	122,050	122,050	122,050	-	120,250
HACSO	25,380	25,380	25,380	-	25,000
Hogar, Inc.	122,050	122,050	122,048	2	120,250
Konbit Neg Lakay, Inc.	75,110	75,110	75,110	-	74,000
Mid-Hudson Community Council	20,000	20,000	-	20,000	41,625
NAAACP	9,390	9,390	-	-	9,250
Community Action Program of Rockland	234,720	234,720	234,720	-	231,250
Help From People To People	10,150	10,150	10,150	-	10,000
Community Improvement Council	211,250	211,250	211,250	-	208,125
Haverstraw Ecumenical Project	7,610	7,610	7,610	-	7,500
Community Services of Rockland	225,330	225,330	225,330	-	222,000
Headstart of Rockland, Inc.	169,000	169,000	169,000	-	166,500
Nyack Center	70,420	70,420	70,420	-	69,375
Community Outreach Center	117,360	117,360	117,360	-	115,625
Adult Shelter on the Hill	-	-	-	-	32,375
Stop F.E.A.R. Coalition	4,690	4,690	4,690	-	4,625
UJA Federation of Rockland County	23,470	23,470	23,470	-	23,125
MIA Veterans' Shelter	20,000	20,000	20,000	-	9,250
<b>Total Economic Opportunity and Development</b>	<b>157,402,043</b>	<b>158,975,332</b>	<b>154,123,578</b>	<b>4,851,754</b>	<b>142,680,151</b>

**CULTURE AND RECREATION**

Library Board	70,420	70,420	70,420	-	69,375
India Culture Society of Rockland	7,610	7,610	7,610	-	7,500
Rockland Irish American Cultural Society	20,300	20,300	20,300	-	20,000
County historian	7,148	7,398	6,879	519	6,545
Friends Help Friends	9,390	9,390	9,390	-	9,250
Haverstraw Brick Museum	23,090	23,090	23,090	-	22,750
Rockland Historical Society	52,020	52,020	52,020	-	51,250
Center for Holocaust Studies	14,080	14,080	14,080	-	13,875
YMHA	28,170	28,170	28,170	-	27,750
Rockland Symphony Association	3,760	3,760	3,760	-	3,700
Rockland Conservatory of Music	28,170	28,170	28,170	-	27,750
Debra Weiss Dance Company	3,290	3,290	3,290	-	3,238
Dance Visions Center for Integrated Arts, Inc.	9,390	9,390	9,390	-	9,250
Antrim Players	11,170	11,170	11,170	-	11,000
Elmwood Community Playhouse	14,550	14,550	14,550	-	14,338
County Choral	5,630	5,630	5,630	-	5,550
Rockland Opera Society	8,450	8,450	8,450	-	8,325
Helen Hayes Theater	79,800	79,800	79,800	-	78,625

(Continued)

COUNTY OF ROCKLAND, NEW YORK

GENERAL FUND

SCHEDULE OF EXPENDITURES AND OTHER FINANCING USES COMPARED TO BUDGET (Continued)  
 YEAR ENDED DECEMBER 31, 2004  
 (With Comparative Actuals for 2003)

	Original Budget	Final Budget	Actual	Variance with Final Budget	
				Positive (Negative)	2003 Actual
<b>CULTURE AND RECREATION (Continued)</b>					
Arts Council of Rockland	\$ 70,420	\$ 70,420	\$ 70,420	\$ -	\$ 69,375
Rockland Center for the Arts	67,240	67,240	67,240	-	66,250
Arts Alliance of Haverstraw	40,370	40,370	40,370	-	39,775
Hudson Vagabond Puppets	7,040	7,040	7,040	-	6,938
Thorpe Senior Center	9,390	9,390	9,390	-	9,250
Rockland Camerata	2,820	2,820	2,820	-	2,775
Music Amici	-	-	-	-	2,775
Morning Music Group	1,930	1,930	1,930	-	1,900
Rockland Youth Dance Ensemble	8,450	8,450	8,450	-	8,325
YMCA - Nyack Branch	42,250	42,250	42,250	-	41,625
Other culture and recreation grants	5,690	5,690	5,690	-	4,625
<b>Total Culture and Recreation</b>	<b>652,038</b>	<b>652,288</b>	<b>651,769</b>	<b>519</b>	<b>643,684</b>
<b>HOME AND COMMUNITY SERVICES</b>					
Department of Planning	2,478,074	2,356,292	2,328,738	27,554	2,210,225
Employee commute options	27,018	27,018	-	27,018	-
Department of Environmental Resources	1,398,581	1,420,627	1,419,983	644	1,081,994
Rockland Housing Coalition	76,130	76,130	76,130	-	75,000
Venture Foundation, LTD.	85,000	85,000	85,000	-	92,500
Commission of Human Rights	365,446	738,354	472,151	266,203	435,191
Commissioner of Labor	22,835	22,835	20,573	2,262	20,576
Disability Advisory Council	500	500	-	500	-
Cooperative extension	460,300	460,300	460,300	-	453,500
Jewish Family Services	32,860	32,860	32,860	-	34,375
Volunteer counseling services	234,720	271,048	271,048	-	269,750
Big brother/sister	101,500	101,500	101,500	-	100,000
CASA	60,900	76,900	76,900	-	60,000
Office for the disabled	150,038	161,432	145,159	16,273	127,517
T.O.U.C.H. of Rockland County	9,390	9,390	9,390	-	9,250
Candle, Inc.	39,430	39,430	39,430	-	38,850
Literacy Volunteers of Rockland	2,990	2,990	2,990	-	2,950
Women of Tomorrow	5,075	5,075	5,075	-	5,000
Keep Rockland Beautiful, Inc.	91,350	91,350	91,350	-	90,000
Home and Community Contracted Services	46,940	56,940	56,940	-	46,250
Veterans services	-	16,000	14,000	2,000	-
Family support services	376,110	396,110	396,110	-	398,300
<b>Total Home and Community Services</b>	<b>6,065,187</b>	<b>6,448,081</b>	<b>6,105,627</b>	<b>342,454</b>	<b>5,551,228</b>

<b>EMPLOYEE BENEFITS</b>					
Hospitalization and dental	8,301,352	8,425,547	8,189,715	235,832	7,282,575
Vision	35,810	43,810	43,128	682	30,623
Retirement incentives	-	-	-	-	6,433,117
Compensated absences	400,000	400,000	-	400,000	-
Total Employee Benefits	8,737,162	8,869,357	8,232,843	636,514	13,746,315
<b>DEBT SERVICE</b>					
Interest - Bond anticipation notes	157,949	157,949	67,448	90,501	-
Interest - Revenue anticipation notes	866,250	866,250	503,214	363,036	1,380,640
Total Debt Service	1,024,199	1,024,199	570,662	453,537	1,380,640
<b>TOTAL EXPENDITURES</b>	<b>380,780,368</b>	<b>395,244,108</b>	<b>375,646,704</b>	<b>19,597,404</b>	<b>346,429,450</b>
<b>OTHER FINANCING USES</b>					
Transfers out:					
County Road Fund	8,219,630	8,480,486	8,480,486	-	7,192,019
Capital Projects Fund	734,500	734,500	734,500	-	-
Road Machinery Fund	999,664	1,097,454	1,097,454	-	933,974
Debt Service Fund	8,687,808	8,687,808	4,601,966	4,085,842	14,195,586
Internal Service Fund - General Services Fund	-	-	-	-	90,696
TOTAL OTHER FINANCING USES	18,641,602	19,000,248	14,914,406	4,085,842	22,412,275
<b>TOTAL EXPENDITURES AND OTHER FINANCING USES</b>	<b>\$ 399,421,970</b>	<b>\$ 414,244,356</b>	<b>\$ 390,561,110</b>	<b>\$ 23,683,246</b>	<b>\$ 368,841,725</b>

COUNTY OF ROCKLAND, NEW YORK

GENERAL FUND  
 SCHEDULE OF REVENUES AND OTHER FINANCING SOURCES COMPARED TO BUDGET  
 YEAR ENDED DECEMBER 31, 2004  
 (With Comparative Actuals for 2003)

	Original Budget	Final Budget	Actual	Variance with Final Budget Positive (Negative)	2003 Actual
<b>REAL PROPERTY TAXES</b>	\$ 45,498,710	\$ 45,498,710	\$ 45,466,886	\$ (31,824)	\$ 42,387,667
<b>OTHER TAX ITEMS</b>					
Interest and penalties on real property taxes	4,500,000	4,500,000	10,594,201	6,094,201	3,981,875
Gain on sale of tax acquired property	175,000	175,000	345,192	170,192	161,205
Payments in lieu of taxes	120,000	120,000	138,693	18,693	119,373
Total Other Tax Items	4,795,000	4,795,000	11,078,086	6,283,086	4,262,453
<b>NON-PROPERTY TAXES</b>					
Sales and use tax	144,250,000	144,250,000	144,674,541	424,541	140,024,664
Mortgage tax	8,750,000	8,750,000	9,721,165	971,165	2,138,685
E-911 surcharge	685,000	685,000	537,106	(147,894)	655,886
Total Non-Property Taxes	153,685,000	153,685,000	154,932,812	1,247,812	142,819,235
<b>DEPARTMENTAL INCOME</b>					
General:					
Department of Finance	150,000	150,000	38,920	(111,080)	168,638
Redemption advertising	15,000	15,000	11,992	(3,008)	11,369
County Clerk	5,203,000	5,203,000	3,497,191	(1,705,809)	4,861,999
Sheriff patrol	-	-	-	-	430,000
Title search and auction fees	175,000	175,000	65,015	(109,985)	85,095
Reimbursement - County Youth program	-	-	8,318	8,318	26,737
Reimbursement - Solid Waste Authority	153,400	153,400	97,218	(56,182)	195,356
Reimbursement - Workers' compensation insurance	150,000	150,000	87,602	(62,398)	128,851
Reimbursement - Participant Health	480,000	480,000	514,189	34,189	430,315
Reimbursement - New Employee Health	1,020,000	1,020,000	1,217,761	197,761	992,409
Reimbursement - Archivist	12,000	12,000	7,579	(4,421)	5,213
Reimbursement - PINs	131,250	131,250	75,092	(56,158)	36,688
Jail School Lunch program	20,000	20,000	23,633	3,633	26,912
Shared services	5,372,099	5,372,099	3,522,840	(1,849,259)	4,012,205
Tuition chargeback	40,000	40,000	23,243	(16,757)	25,369
Other	1,199,498	1,801,804	1,785,298	(16,506)	982,809
Total General	14,121,247	14,723,553	10,975,890	(3,747,663)	12,419,965

Public Safety:								
Sheriff	1,002,000	1,008,476	1,127,587	119,111	928,108			
DWI Program	18,000	18,000	18,000	-	28,312			
Courts and bails	10,000	10,000	13,678	3,678	13,588			
Dog license fees	-	-	4,668	4,668	4,982			
Emergency services	438,532	438,532	390,436	(48,096)	-			
Other	193,466	193,466	181,131	(12,335)	317,240			
<b>Total Public Safety</b>	<b>1,661,998</b>	<b>1,668,474</b>	<b>1,735,500</b>	<b>67,026</b>	<b>1,292,230</b>			
Health:								
Environmental health	2,621,500	2,621,500	2,308,293	(313,207)	2,760,553			
Clinic and miscellaneous health fees	67,205	437,690	136,815	(300,875)	74,495			
Chest clinic fees	-	-	989,595	989,595	-			
Family health services	481,975	481,975	590,543	108,568	-			
Prenatal care	650,000	650,000	965,808	315,808	562,796			
HIV clinic	-	139,783	107,970	(31,813)	97,802			
Assisted living program	-	-	-	-	1,560			
Prenatal inspection	25,000	25,000	40,500	15,500	42,300			
Third party reimbursement	1,081,000	1,081,000	525,951	(555,049)	565,311			
Physically handicapped adults	-	179,735	151,663	(28,072)	165,308			
Medical Exam Reports	-	-	1,617	1,617	550			
<b>Total Health</b>	<b>4,926,680</b>	<b>5,616,683</b>	<b>5,818,754</b>	<b>202,071</b>	<b>4,270,675</b>			
Transportation:								
Bus operations	3,303,445	3,303,445	3,114,240	(189,205)	2,666,749			
MTA - Deficit funding	3,000,000	3,000,000	3,000,000	-	3,000,000			
<b>Total Transportation</b>	<b>6,303,445</b>	<b>6,303,445</b>	<b>6,114,240</b>	<b>(189,205)</b>	<b>5,666,749</b>			
Economic Assistance and Opportunity:								
Medical assistance	5,900,000	5,900,000	4,961,661	(938,339)	1,602,061			
Administration	203,000	203,000	216,746	13,746	125,480			
Emergency shelter	600,000	616,428	333,834	(282,594)	462,323			
Adult home fees	250,000	250,000	204,676	(45,324)	221,656			
Children's services	200,000	200,000	142,388	(57,612)	335,121			
Aid to dependent children	700,000	700,000	1,210,812	510,812	1,162,847			
Title IVD incentive	200,000	200,000	335,678	135,678	414,182			
Juvenile delinquents	40,000	40,000	2,642	(37,358)	35,487			
Home relief	300,000	300,000	470,139	170,139	482,783			
<b>Total Economic Assistance and Opportunity</b>	<b>8,393,000</b>	<b>8,409,428</b>	<b>7,878,576</b>	<b>(530,852)</b>	<b>4,841,940</b>			
<b>Total Departmental Income</b>	<b>35,406,370</b>	<b>36,721,583</b>	<b>32,522,960</b>	<b>(4,198,623)</b>	<b>28,491,559</b>			
<b>USE OF MONEY AND PROPERTY</b>								
Earnings on investments	740,000	740,000	1,050,179	310,179	847,410			

(Continued)

COUNTY OF ROCKLAND, NEW YORK

GENERAL FUND

SCHEDULE OF REVENUES AND OTHER FINANCING SOURCES COMPARED TO BUDGET (Continued)  
 YEAR ENDED DECEMBER 31, 2004  
 (With Comparative Actuals for 2003)

	Original Budget	Final Budget	Actual	Variance with Final Budget Positive (Negative)	2003 Actual
<b>LICENSES AND PERMITS</b>					
Licenses					
Alarm charges	\$ 947,465	\$ 947,465	\$ 737,325	\$ (210,140)	\$ 696,128
	520,000	520,000	621,731	101,731	591,945
Total Licenses and Permits	1,467,465	1,467,465	1,359,056	(108,409)	1,288,073
<b>FINES AND FORFEITURES</b>					
Fines					
Forfeitures	637,665	637,665	614,600	(23,065)	642,157
	50,000	50,000	228,017	178,017	65,566
Total Fines and Forfeitures	687,665	687,665	842,617	154,952	707,723
<b>SALE OF PROPERTY AND COMPENSATION FOR LOSS</b>					
Other sales					
Insurance recoveries	34,500	34,500	126,255	91,755	99,063
	51,000	51,000	67,342	16,342	53,985
Total Sale of Property and Compensation for Loss	85,500	85,500	193,597	108,097	153,048
<b>INTERFUND REVENUES</b>					
Classified ad chargebacks	21,250	21,250	13,289	(7,961)	6,362
Chargeback - Liability and health insurance	437,500	437,500	326,441	(111,059)	285,201
Interfund revenues - Central Services	3,725,338	3,725,338	3,034,941	(690,397)	3,210,516
Community College Fund	6,978,265	6,978,265	6,552,721	(425,544)	5,903,347
Total Interfund Revenues	11,162,353	11,162,353	9,927,392	(1,234,961)	9,405,426
<b>STATE AID</b>					
General:					
"I Love NY" grant	81,000	81,000	81,309	309	81,617
MTA special allocation	2,000,000	2,703,743	2,000,000	(703,743)	2,000,000
Other	811,900	1,037,742	1,623,175	585,433	1,179,590
Total General	2,892,900	3,822,485	3,704,484	(118,001)	3,261,207

<b>Public Safety:</b>									
Probation services	718,500	858,500	1,011,964	153,464	893,802				
Alternatives to incarceration	35,300	35,300	23,200	(12,100)	35,300				
Occupant restraint project	70,000	70,000	66,976	(3,024)	64,355				
Sheriff	130,000	327,926	271,587	(56,339)	101,932				
Jail	195,000	195,000	165,782	(29,218)	188,254				
Emergency Preparedness Program	-	311,271	311,704	433	374,947				
Other	270,000	445,554	454,298	8,744	561,133				
<b>Total Public Safety</b>	<b>1,418,800</b>	<b>2,243,551</b>	<b>2,305,511</b>	<b>61,960</b>	<b>2,219,723</b>				
<b>Health:</b>									
Health Department	4,377,309	6,159,261	6,731,889	572,628	5,424,472				
Medical Examiner	-	29,746	32,717	2,971	113,348				
Medicaid reimbursement	7,180,000	7,219,374	8,938,224	1,718,850	8,401,488				
Physically handicapped children	19,280,193	19,280,193	17,743,210	(1,536,983)	15,571,764				
Family Planning Grant	235,088	246,113	248,597	2,484	230,991				
Mental health programs	7,586,987	7,843,969	6,940,233	(903,736)	7,193,406				
Mosquito Control	273,730	273,730	(70,263)	(343,993)	(35,041)				
Other	279,112	898,188	763,338	(134,850)	738,070				
<b>Total Health</b>	<b>39,212,419</b>	<b>41,950,574</b>	<b>41,327,944</b>	<b>(622,630)</b>	<b>37,638,498</b>				
<b>Transportation -</b>									
Buses and other mass transit	7,724,314	7,232,336	8,030,821	798,485	8,027,961				
<b>Social Services:</b>									
Aid to dependent children	1,700,000	1,700,000	1,354,822	(345,178)	1,496,104				
MD/LTHC reimbursement	14,562,500	14,562,500	14,233,504	(328,996)	13,202,031				
Medical assistance and managed care program	-	88,181	88,183	2	430,610				
Children's services	2,670,100	2,670,100	1,922,932	(747,168)	2,121,279				
Tuition reimbursement	5,000	5,000	-	(5,000)	-				
Special needs	902,000	902,000	420,006	(481,994)	939				
Social services administration	10,850,000	10,932,709	10,257,845	(674,864)	3,759,271				
Juvenile delinquent care	1,089,000	1,089,000	461,775	(627,225)	422,289				
Home relief	1,435,000	1,435,000	1,826,229	391,229	1,667,678				
Services for recipients	750,000	772,606	2,354,243	1,581,637	759,643				
Emergency relief to adults	37,500	37,500	26,361	(11,139)	25,466				
Displaced Homemaker Program	-	222,483	198,196	(24,287)	300,408				
Child Assistance Program	-	208,699	166,462	(42,237)	149,262				
Legal services for disabled	-	56,300	56,300	-	49,296				
Other	28,560	82,399	85,515	3,116	574,330				
<b>Total Social Services</b>	<b>34,029,660</b>	<b>34,764,477</b>	<b>33,452,373</b>	<b>(1,312,104)</b>	<b>24,958,606</b>				

(Continued)

COUNTY OF ROCKLAND, NEW YORK

GENERAL FUND

SCHEDULE OF REVENUES AND OTHER FINANCING SOURCES COMPARED TO BUDGET (Continued)

YEAR ENDED DECEMBER 31, 2004

(With Comparative Actuals for 2003)

	Original Budget	Final Budget	Actual	Variance with Final Budget Positive (Negative)	2003 Actual
Economic Opportunity and Development	\$ 10,000	\$ 10,000	\$ 10,000	\$ -	\$ 17,744
Culture and Recreation:					
Programs for aging	285,203	285,203	282,980	(2,223)	318,736
Supplemental Nutrition Assistance Program	163,745	163,745	166,346	2,601	173,839
Youth programs	416,104	416,104	416,476	372	472,819
EICEP Grant	364,838	364,838	328,575	(36,263)	401,196
Other	117,155	128,090	86,848	(41,242)	182,550
Total Culture and Recreation	1,347,045	1,357,980	1,281,225	(76,755)	1,549,140
Total State Aid	86,635,138	91,381,403	90,112,359	(1,269,044)	77,672,879
FEDERAL AID					
Public Safety:					
Civil defense	-	163,477	187,090	23,613	122,321
Crime proceeds	-	32,296	54,829	22,533	4,987
Domestic Violence Against Women	-	-	-	-	75,398
Other	44,500	494,286	820,796	326,510	11,607
Total Public Safety	44,500	690,059	1,062,715	372,656	214,313
Health:					
Community Partnership Program	-	-	-	-	(18,750)
Ryan White Title I Grant	-	311,336	259,858	(51,479)	287,159
W.I.C. Program	-	1,366,363	1,171,004	(195,359)	1,577,412
Other	117,900	690,328	736,091	45,763	393,851
Total Health	117,900	2,368,027	2,166,953	(201,074)	2,239,672
Transportation:					
Federal highway assistance	162,000	2,014,000	1,789,267	(224,733)	1,792,369
UMTA	925,618	925,618	1,140,545	214,927	188,900
Total Transportation	1,087,618	2,939,618	2,929,812	(9,806)	1,981,269



Social Services:									
Services for recipients	11,188,750	11,437,416	7,019,719	(4,417,697)	7,476,371				
Aid to dependent children	3,750,000	3,750,000	3,939,763	189,763	4,302,987				
Social services administration	22,271,861	22,360,043	16,903,217	(5,456,826)	16,474,969				
Children's services	3,187,100	4,267,220	3,185,314	(1,081,906)	3,588,793				
Energy Assistance Program	1,540,000	1,540,000	1,565,701	25,701	1,896,968				
Refugee Program	17,500	17,500	(255,248)	(272,748)	(100,891)				
Other	120,880	1,085,036	1,057,633	(27,403)	1,360,605				
Total Social Services	42,076,091	44,457,215	33,416,099	(11,041,116)	34,999,802				
Economic Opportunity and Development:									
Section 8 program	592,429	598,571	500,316	(98,255)	542,141				
Other	124,558	1,133,460	483,166	(650,294)	414,596				
Total Economic Opportunity and Development	716,987	1,732,031	983,482	(748,549)	956,737				
Culture and Recreation:									
USDA	100,000	100,000	93,090	(6,910)	91,711				
Programs for the aging	996,370	1,043,180	1,033,321	(9,859)	1,055,627				
Total Culture and Recreation	1,096,370	1,143,180	1,126,411	(16,769)	1,147,338				
Total Federal Aid	45,139,466	53,330,130	41,685,472	(11,644,658)	41,539,131				
MISCELLANEOUS									
Refund of prior year's expenditures	50,000	50,000	30,139	(19,861)	19,803				
Tobacco securitization proceeds	-	-	-	-	8,245,053				
OTB distributed earnings	3,345,000	3,345,000	2,758,388	(586,612)	2,892,790				
Tobacco revenue settlement	-	-	-	-	3,118,003				
Gifts and donations	-	80,000	80,000	-	51,183				
Other	20,000	20,000	65,302	45,302	186,258				
Total Miscellaneous	3,415,000	3,495,000	2,933,829	(561,171)	14,513,090				
TOTAL REVENUES	388,717,667	403,049,809	392,105,245	(10,944,564)	364,087,694				
OTHER FINANCING SOURCES									
Bond issued	-	-	-	-	6,673,743				
Transfers in:									
Debt Service Fund	6,746,977	6,746,977	3,040,949	(3,706,028)	3,467,914				
Capital Projects Fund	1,960,091	1,960,091	2,656,374	696,283	1,875,945				
TOTAL OTHER FINANCING SOURCES	8,707,068	8,707,068	5,697,323	(3,009,745)	12,017,602				
TOTAL REVENUES AND OTHER FINANCING SOURCES	\$ 397,424,735	\$ 411,756,877	\$ 397,802,568	\$ (13,954,309)	\$ 376,105,296				

COUNTY OF ROCKLAND, NEW YORK

CAPITAL PROJECTS FUND  
 COMPARATIVE BALANCE SHEET  
 DECEMBER 31, 2004 AND 2003

<u>ASSETS</u>	<u>2004</u>	<u>2003</u>
Cash:		
Demand deposits	\$ 11,871,860	\$ 21,962,432
Certificates of deposit	47,682,000	26,568,000
	<u>59,553,860</u>	<u>48,530,432</u>
State and Federal Aid Receivable	14,579,278	7,962,045
Restricted Assets	<u>31,082,062</u>	<u>-</u>
Total Assets	<u>\$ 105,215,200</u>	<u>\$ 56,492,477</u>
<u>LIABILITIES AND FUND BALANCE</u>		
Liabilities:		
Accounts payable	\$ 16,269,108	\$ 5,030,759
Due to other governments	13,007,973	3,610,529
Due to other funds	7,205,556	38,598
Bond anticipation notes payable	9,595,000	10,554,500
Total Liabilities	<u>46,077,637</u>	<u>19,234,386</u>
Fund Balance:		
Reserved for encumbrances	33,613,718	23,247,633
Reserved for parklands	44,000	194,000
Unreserved:		
Designated for transportation projects	14,169,657	12,339,417
Undesignated	11,310,188	1,477,041
Total Fund Balance	<u>59,137,563</u>	<u>37,258,091</u>
Total Liabilities and Fund Balance	<u>\$ 105,215,200</u>	<u>\$ 56,492,477</u>

COUNTY OF ROCKLAND, NEW YORK

CAPITAL PROJECTS FUND  
 COMPARATIVE STATEMENT OF REVENUES, EXPENDITURES  
 AND CHANGES IN FUND BALANCE  
 YEARS ENDED DECEMBER 31, 2004 AND 2003

	<u>2004</u>	<u>2003</u>
Revenues:		
State aid	\$ 8,579,473	\$ 7,765,316
Federal aid	11,630,679	592,716
	<u>20,210,152</u>	<u>8,358,032</u>
Total Revenues		
Expenditures - Capital outlay	<u>46,003,907</u>	<u>21,121,468</u>
Deficiency of Revenues Over Expenditures	<u>(25,793,755)</u>	<u>(12,763,436)</u>
Other Financing Sources (Uses):		
Bonds issued	51,197,807	20,327,000
Transfers in	1,134,500	400,000
Transfers out	<u>(4,659,080)</u>	<u>(4,156,419)</u>
Total Other Financing Sources	<u>47,673,227</u>	<u>16,570,581</u>
Net Change in Fund Balance	21,879,472	3,807,145
Fund Balance - Beginning of Year	<u>37,258,091</u>	<u>33,450,946</u>
Fund Balance - End of Year	<u>\$ 59,137,563</u>	<u>\$ 37,258,091</u>

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## **NON-MAJOR GOVERNMENTAL FUNDS**

### **SPECIAL REVENUE FUNDS**

- **County Road Fund** - The County Road Fund is established pursuant to New York State Highway Law and is used to account for the maintenance and repair of County roads and bridges and snow removal costs.
- **Road Machinery Fund** - The Road Machinery Fund is used to account for the purchase, repair and maintenance of highway machinery, tools and equipment and for the purchase, construction and maintenance of buildings for the storage and repair of highway machinery and equipment.
- **Community Development Fund** - The Community Development Fund is used to account for projects financed by entitlements from the U.S. Department of Housing and Urban Development.
- **Sewer District Fund** - The Sewer District Fund is used to account for the operation and maintenance of the County's sewer facilities.
- **Special Purpose Fund** - The Special Purpose Fund is used to account for assets held by the County in accordance with the terms of a trust agreement.

### **DEBT SERVICE FUND**

- The Debt Service Fund is provided to account for the accumulation of resources to be used for the redemption of principal and interest on general long-term debt.

COUNTY OF ROCKLAND, NEW YORK

COMBINING BALANCE SHEET  
 NON-MAJOR GOVERNMENTAL FUNDS  
 DECEMBER 31, 2004  
 (With Comparative Totals for 2003)

	Special Revenue Funds	Debt Service Fund
<u>ASSETS</u>		
Cash and Equivalents	\$ 12,822,072	\$ 2,695,359
Investments	225,000	7,054,454
Receivables:		
Accounts	309,351	739,866
Loans	213,170	-
State and Federal aid	1,256,649	206,686
Due from other funds	186,231	113,790
	<u>1,965,401</u>	<u>1,060,342</u>
Prepaid Expenditures	322,825	-
Total Assets	<u>\$ 15,335,298</u>	<u>\$ 10,810,155</u>
<u>LIABILITIES AND FUND BALANCES</u>		
Liabilities:		
Accounts payable	\$ 755,068	\$ -
Accrued liabilities	795,641	34,638
Due to other funds	365,096	52,195
Advances from other funds	515,535	-
Deferred revenues - Other	1,807,167	-
Total Liabilities	<u>4,238,507</u>	<u>86,833</u>
Fund Balances:		
Reserved for encumbrances	1,349,024	-
Reserved for prepaid expenditures	322,825	-
Reserved for long-term receivable	-	712,125
Reserved for social service programs	71,847	-
Reserved for compensated absences	1,478,383	-
Reserved for debt service	-	2,766,115
Unreserved:		
Designated for affordable housing	225,000	-
Designated for treatment plant and collection system	353,750	-
Designated for subsequent year's expenditures	1,929,587	7,245,082
Undesignated	5,366,375	-
Total Fund Balances	<u>11,096,791</u>	<u>10,723,322</u>
Total Liabilities and Fund Balances	<u>\$ 15,335,298</u>	<u>\$ 10,810,155</u>

Total Non-Major  
Governmental Funds

2004	2003
\$ 15,517,431	\$ 16,409,111
7,279,454	8,426,860
1,049,217	342,545
213,170	227,226
1,463,335	1,797,952
300,021	460,101
3,025,743	2,827,824
322,825	128,434
\$ 26,145,453	\$ 27,792,229
\$ 755,068	\$ 891,859
830,279	877,330
417,291	481,103
515,535	1,039,143
1,807,167	2,925,496
4,325,340	6,214,931
1,349,024	1,617,873
322,825	128,434
712,125	116,170
71,847	95,769
1,478,383	1,346,837
2,766,115	3,296,188
225,000	225,000
353,750	222,500
9,174,669	9,277,541
5,366,375	5,250,986
21,820,113	21,577,298
\$ 26,145,453	\$ 27,792,229

COUNTY OF ROCKLAND, NEW YORK

COMBINING STATEMENT OF REVENUES, EXPENDITURES AND CHANGES  
 IN FUND BALANCES  
 NON-MAJOR GOVERNMENTAL FUNDS  
 YEAR ENDED DECEMBER 31, 2004  
 (With Comparative Totals for 2003)

	Special Revenue Funds	Debt Service Funds
<b>Revenues:</b>		
Real property taxes	\$ 16,751,263	\$ -
Departmental income	53,402	-
Use of money and property	245,596	1,431,412
Licenses and permits	118,536	-
Fines and forfeitures	25,497	-
Sale of property and compensation for loss	1,233	-
Interfund revenues	68,569	-
State aid	1,065,671	365,043
Federal aid	9,395,279	200,734
Miscellaneous	854,950	750,864
<b>Total Revenues</b>	<b>28,579,996</b>	<b>2,748,053</b>
<b>Expenditures:</b>		
<b>Current:</b>		
Transportation	11,471,978	-
Economic opportunity and development	9,298,195	-
Home and community services	10,856,575	-
Employee benefits	2,231,548	-
<b>Debt Service:</b>		
Principal	-	5,133,743
Interest	49,392	4,785,466
Advance refunding escrow	-	-
Refunding bond issuance costs	-	-
<b>Total Expenditures</b>	<b>33,907,688</b>	<b>9,919,209</b>
<b>Deficiency of Revenues Over Expenditures</b>	<b>(5,327,692)</b>	<b>(7,171,156)</b>
<b>Other Financing Sources (Uses):</b>		
Refunding bonds issued	-	-
Issuance premium	-	-
Payment to refunded bond escrow agent	-	-
Transfers in	11,577,940	10,864,522
Transfers out	(5,659,850)	(4,040,949)
<b>Total Other Financing Sources</b>	<b>5,918,090</b>	<b>6,823,573</b>
<b>Net Change in Fund Balances</b>	<b>590,398</b>	<b>(347,583)</b>
<b>Fund Balances - Beginning of Year</b>	<b>10,506,393</b>	<b>11,070,905</b>
<b>Fund Balances - End of Year</b>	<b>\$ 11,096,791</b>	<b>\$ 10,723,322</b>



Total Non-Major  
Governmental Funds

2004	2003
\$ 16,751,263	\$ 16,305,673
53,402	177,238
1,677,008	971,784
118,536	33,855
25,497	11,142
1,233	21,404
68,569	99,177
1,430,714	2,135,109
9,596,013	4,926,885
1,605,814	766,818
<u>31,328,049</u>	<u>25,449,085</u>
11,471,978	11,224,908
9,298,195	4,083,763
10,856,575	12,038,199
2,231,548	1,687,489
5,133,743	6,190,771
4,834,858	5,356,399
-	8,154,357
-	95,790
<u>43,826,897</u>	<u>48,831,676</u>
<u>(12,498,848)</u>	<u>(23,382,591)</u>
-	3,812,318
-	51,524
-	(3,768,051)
22,442,462	32,037,402
(9,700,799)	(11,303,263)
<u>12,741,663</u>	<u>20,829,930</u>
242,815	(2,552,661)
<u>21,577,298</u>	<u>24,129,959</u>
<u>\$ 21,820,113</u>	<u>\$ 21,577,298</u>

COUNTY OF ROCKLAND, NEW YORK

COMBINING BALANCE SHEET  
 NON-MAJOR SPECIAL REVENUE FUNDS  
 DECEMBER 31, 2004  
 (With Comparative Totals with 2003)

	County Road Fund	Road Machinery Fund	Community Development Fund
<u>ASSETS</u>			
Cash:			
Demand deposits	\$ 482,987	\$ 87	\$ 1,487,403
Time deposits	-	-	-
Certificates of deposit	-	-	-
Petty cash	100	-	-
	<u>483,087</u>	<u>87</u>	<u>1,487,403</u>
Investments	-	-	225,000
Receivables:			
Accounts	131,808	-	-
Loans	-	-	213,170
State and Federal aid	626,036	-	430,513
Due from other funds	82,997	103,234	-
	<u>840,841</u>	<u>103,234</u>	<u>643,683</u>
Prepaid Expenditures	155,146	16,620	-
Total Assets	<u>\$ 1,479,074</u>	<u>\$ 119,941</u>	<u>\$ 2,356,086</u>
<u>LIABILITIES AND FUND BALANCES</u>			
Liabilities:			
Accounts payable	\$ 192,437	\$ 40,229	\$ 200
Accrued liabilities	357,696	29,824	-
Due to other funds	-	-	323,719
Advances from other funds	515,535	-	-
Deferred revenues - Other	-	-	1,807,167
Total Liabilities	<u>1,065,668</u>	<u>70,053</u>	<u>2,131,086</u>
Fund Balances (Deficits):			
Reserved for encumbrances	130,613	5,204	-
Reserved for prepaid expenditures	155,146	16,620	-
Reserved for long-term receivable	-	-	-
Reserved for social service programs	-	-	-
Reserved for compensated absences	643,182	43,580	-
Unreserved:			
Designated for affordable housing	-	-	225,000
Designated for treatment plant and collection system	-	-	-
Designated for subsequent year's expenditures	-	-	-
Undesignated	(515,535)	(15,516)	-
Total Fund Balances	<u>413,406</u>	<u>49,888</u>	<u>225,000</u>
Total Liabilities and Fund Balances	<u>\$ 1,479,074</u>	<u>\$ 119,941</u>	<u>\$ 2,356,086</u>

Sewer District Fund	Special Purpose Fund	Total Non-Major Special Revenue Funds	
		2004	2003
\$ 1,038,348	\$ 47,009	\$ 3,055,834	\$ 3,395,811
-	24,838	24,838	865
9,741,000	-	9,741,000	11,170,000
300	-	400	400
<u>10,779,648</u>	<u>71,847</u>	<u>12,822,072</u>	<u>14,567,076</u>
-	-	225,000	225,000
177,543	-	309,351	287,065
-	-	213,170	227,226
200,100	-	1,256,649	1,024,353
-	-	186,231	262,170
<u>377,643</u>	<u>-</u>	<u>1,965,401</u>	<u>1,800,814</u>
151,059	-	322,825	128,434
<u>\$ 11,308,350</u>	<u>\$ 71,847</u>	<u>\$ 15,335,298</u>	<u>\$ 16,721,324</u>
\$ 522,202	\$ -	\$ 755,068	\$ 891,859
408,121	-	795,641	877,330
41,377	-	365,096	481,103
-	-	515,535	1,039,143
-	-	1,807,167	2,925,496
<u>971,700</u>	<u>-</u>	<u>4,238,507</u>	<u>6,214,931</u>
1,213,207	-	1,349,024	1,617,873
151,059	-	322,825	128,434
-	-	-	88,430
-	71,847	71,847	95,769
791,621	-	1,478,383	1,346,837
-	-	225,000	225,000
353,750	-	353,750	222,500
1,929,587	-	1,929,587	1,530,564
5,897,426	-	5,366,375	5,250,986
<u>10,336,650</u>	<u>71,847</u>	<u>11,096,791</u>	<u>10,506,393</u>
<u>\$ 11,308,350</u>	<u>\$ 71,847</u>	<u>\$ 15,335,298</u>	<u>\$ 16,721,324</u>

COUNTY OF ROCKLAND, NEW YORK

COMBINING STATEMENT OF REVENUES, EXPENDITURES AND CHANGES  
 IN FUND BALANCES  
 NON-MAJOR SPECIAL REVENUE FUNDS  
 YEAR ENDED DECEMBER 31, 2004  
 (With Comparative Totals for 2003)

	County Road Fund	Road Machinery Fund	Community Development Fund
<b>Revenues:</b>			
Real property taxes	\$ -	\$ -	\$ -
Departmental income	-	-	14,056
Use of money and property	-	-	35,384
Licenses and permits	118,536	-	-
Fines and forfeitures	8,517	-	-
Sale of property and compensation for loss	-	-	-
Interfund revenues	68,569	-	-
State aid	1,045,075	-	-
Federal aid	175,706	-	9,219,573
Miscellaneous	62,412	15,400	-
<b>Total Revenues</b>	<b>1,478,815</b>	<b>15,400</b>	<b>9,269,013</b>
<b>Expenditures:</b>			
<b>Current:</b>			
Transportation	10,364,994	1,106,984	-
Economic opportunity and development	-	-	9,269,013
Home and community services	-	-	-
Employee benefits	-	-	-
Debt Service - Interest	-	-	-
<b>Total Expenditures</b>	<b>10,364,994</b>	<b>1,106,984</b>	<b>9,269,013</b>
<b>Excess (Deficiency) of Revenues Over Expenditures</b>	<b>(8,886,179)</b>	<b>(1,091,584)</b>	<b>-</b>
<b>Other Financing Sources (Uses):</b>			
Transfers in	9,480,486	1,097,454	-
Transfers out	(48,967)	(4,375)	-
<b>Total Other Financing Sources (Uses)</b>	<b>9,431,519</b>	<b>1,093,079</b>	<b>-</b>
<b>Net Change in Fund Balances</b>	<b>545,340</b>	<b>1,495</b>	<b>-</b>
<b>Fund Balances (Deficits) - Beginning of Year</b>	<b>(131,934)</b>	<b>48,393</b>	<b>225,000</b>
<b>Fund Balances - End of Year</b>	<b>\$ 413,406</b>	<b>\$ 49,888</b>	<b>\$ 225,000</b>

Sewer District Fund	Special Purpose Fund	Total Non-Major Special Revenue Funds	
		2004	2003
\$ 16,751,263	\$ -	\$ 16,751,263	\$ 16,305,673
34,502	4,844	53,402	177,238
209,796	416	245,596	187,463
-	-	118,536	33,855
16,980	-	25,497	11,142
1,233	-	1,233	21,404
-	-	68,569	99,177
20,596	-	1,065,671	1,114,415
-	-	9,395,279	4,271,163
777,138	-	854,950	633,099
<u>17,811,508</u>	<u>5,260</u>	<u>28,579,996</u>	<u>22,854,629</u>
-	-	11,471,978	11,224,908
-	29,182	9,298,195	4,083,763
10,856,575	-	10,856,575	12,038,199
2,231,548	-	2,231,548	1,687,489
49,392	-	49,392	36,819
<u>13,137,515</u>	<u>29,182</u>	<u>33,907,688</u>	<u>29,071,178</u>
<u>4,673,993</u>	<u>(23,922)</u>	<u>(5,327,692)</u>	<u>(6,216,549)</u>
1,000,000	-	11,577,940	12,146,925
(5,606,508)	-	(5,659,850)	(5,835,349)
<u>(4,606,508)</u>	<u>-</u>	<u>5,918,090</u>	<u>6,311,576</u>
67,485	(23,922)	590,398	95,027
<u>10,269,165</u>	<u>95,769</u>	<u>10,506,393</u>	<u>10,411,366</u>
<u>\$ 10,336,650</u>	<u>\$ 71,847</u>	<u>\$ 11,096,791</u>	<u>\$ 10,506,393</u>

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COUNTY OF ROCKLAND, NEW YORK

COUNTY ROAD FUND  
 COMPARATIVE BALANCE SHEET  
 DECEMBER 31, 2004 AND 2003

<u>ASSETS</u>	<u>2004</u>	<u>2003</u>
Cash:		
Demand deposits	\$ 482,987	\$ 668,529
Petty cash	100	100
	<u>483,087</u>	<u>668,629</u>
Receivables:		
Accounts	131,808	66,919
State and Federal aid	626,036	459,238
Due from other funds	82,997	165,861
	<u>840,841</u>	<u>692,018</u>
Prepaid Expenditures	<u>155,146</u>	<u>62,604</u>
Total Assets	<u>\$ 1,479,074</u>	<u>\$ 1,423,251</u>
<u>LIABILITIES AND FUND BALANCE (DEFICIT)</u>		
Liabilities:		
Accounts payable	\$ 192,437	\$ 214,136
Accrued liabilities	357,696	301,906
Advances from other funds	515,535	1,039,143
Total Liabilities	<u>1,065,668</u>	<u>1,555,185</u>
Fund Balance (Deficit):		
Reserved for encumbrances	130,613	263,622
Reserved for prepaid expenditures	155,146	62,604
Reserved for compensated absences	643,182	580,983
Unreserved and undesignated	<u>(515,535)</u>	<u>(1,039,143)</u>
Total Fund Balance (Deficit)	<u>413,406</u>	<u>(131,934)</u>
Total Liabilities and Fund Balance (Deficit)	<u>\$ 1,479,074</u>	<u>\$ 1,423,251</u>

COUNTY OF ROCKLAND, NEW YORK

COUNTY ROAD FUND  
 COMPARATIVE SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES  
 IN FUND BALANCE - BUDGET AND ACTUAL  
 YEARS ENDED DECEMBER 31, 2004 AND 2003

	2004			Variance with Final Budget Positive (Negative)
	Original Budget	Final Budget	Actual	
Revenues:				
Licenses and permits	\$ 40,000	\$ 40,000	\$ 118,536	\$ 78,536
Fines and forfeitures	10,000	10,000	8,517	(1,483)
Interfund revenues	140,000	140,000	68,569	(71,431)
State aid	2,115,500	2,152,300	1,045,075	(1,107,225)
Federal aid	190,000	190,000	175,706	(14,294)
Miscellaneous	81,402	81,402	62,412	(18,990)
Total Revenues	2,576,902	2,613,702	1,478,815	(1,134,887)
Expenditures - Current - Transportation	11,008,752	11,306,479	10,364,994	941,485
Deficiency of Revenues Over Expenditures	(8,431,850)	(8,692,777)	(8,886,179)	(193,402)
Other Financing Sources (Uses):				
Transfers in	8,219,630	8,480,486	9,480,486	1,000,000
Transfers out	(51,402)	(51,402)	(48,967)	2,435
Total Other Financing Sources	8,168,228	8,429,084	9,431,519	1,002,435
Net Change in Fund Balance	(263,622)	(263,693)	545,340	809,033
Fund Balance (Deficit) - Beginning of Year	263,622	263,693	(131,934)	(395,627)
Fund Balance (Deficit) - End of Year	\$ -	\$ -	\$ 413,406	\$ 413,406



2003

Original Budget	Final Budget	Actual	Variance with Final Budget Positive (Negative)
\$ 34,100	\$ 34,100	\$ 33,855	\$ (245)
7,500	7,500	9,912	2,412
100,000	100,000	99,177	(823)
2,549,400	2,799,400	1,019,797	(1,779,603)
50,000	50,000	259,186	209,186
93,112	93,112	33,763	(59,349)
2,834,112	3,084,112	1,455,690	(1,628,422)
10,329,764	10,579,842	10,246,603	333,239
(7,495,652)	(7,495,730)	(8,790,913)	(1,295,183)
7,192,019	7,192,019	9,212,951	2,020,932
(38,112)	(38,112)	(38,110)	2
7,153,907	7,153,907	9,174,841	2,020,934
(341,745)	(341,823)	383,928	725,751
341,745	341,823	(515,862)	(857,685)
\$ -	\$ -	\$ (131,934)	\$ (131,934)

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COUNTY OF ROCKLAND, NEW YORK

ROAD MACHINERY FUND  
 COMPARATIVE BALANCE SHEET  
 DECEMBER 31, 2004 AND 2003

<u>ASSETS</u>	<u>2004</u>	<u>2003</u>
Cash - Demand deposits	\$ 87	\$ 200
Receivables:		
Accounts	-	847
Due from other funds	103,234	96,309
	<u>103,234</u>	<u>97,156</u>
Prepaid Expenditures	<u>16,620</u>	<u>6,297</u>
Total Assets	<u>\$ 119,941</u>	<u>\$ 103,653</u>
 <u>LIABILITIES AND FUND BALANCE</u> 		
Liabilities:		
Accounts payable	\$ 40,229	\$ 25,050
Accrued liabilities	29,824	30,210
Total Liabilities	<u>70,053</u>	<u>55,260</u>
Fund Balance (Deficit):		
Reserved for encumbrances	5,204	-
Reserved for prepaid expenditures	16,620	6,297
Reserved for compensated absences	43,580	35,005
Unreserved and Undesignated	<u>(15,516)</u>	<u>7,091</u>
Total Fund Balance	<u>49,888</u>	<u>48,393</u>
Total Liabilities and Fund Balance	<u>\$ 119,941</u>	<u>\$ 103,653</u>

COUNTY OF ROCKLAND, NEW YORK

ROAD MACHINERY FUND  
 COMPARATIVE SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES  
 IN FUND BALANCE - BUDGET AND ACTUAL  
 YEARS ENDED DECEMBER 31, 2004 AND 2003

	2004			Variance with Final Budget Positive (Negative)
	Original Budget	Final Budget	Actual	
Revenues - Miscellaneous	\$ 39,794	\$ 39,794	\$ 15,400	\$ (24,394)
Expenditures - Current - Transportation	1,034,664	1,132,454	1,106,984	25,470
Deficiency of Revenues Over Expenditures	(994,870)	(1,092,660)	(1,091,584)	(1,076)
Other Financing Sources (Uses):				
Transfers in	999,664	1,097,454	1,097,454	-
Transfers out	(4,794)	(4,794)	(4,375)	419
Total Other Financing Sources	994,870	1,092,660	1,093,079	419
Net Change in Fund Balance	-	-	1,495	1,495
Fund Balance - Beginning of Year	-	-	48,393	48,393
Fund Balance - End of Year	\$ -	\$ -	\$ 49,888	\$ 49,888

2003

Original Budget	Final Budget	Actual	Variance with Final Budget Positive (Negative)
\$ 38,577	\$ 38,577	\$ 30,350	\$ (8,227)
<u>982,129</u>	<u>982,129</u>	<u>978,305</u>	<u>3,824</u>
<u>(943,552)</u>	<u>(943,552)</u>	<u>(947,955)</u>	<u>4,403</u>
933,974 (3,577)	933,974 (3,577)	933,974 (3,577)	- -
<u>930,397</u>	<u>930,397</u>	<u>930,397</u>	<u>-</u>
(13,155)	(13,155)	(17,558)	(4,403)
<u>13,155</u>	<u>13,155</u>	<u>65,951</u>	<u>52,796</u>
<u>\$ -</u>	<u>\$ -</u>	<u>\$ 48,393</u>	<u>\$ 48,393</u>

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COUNTY OF ROCKLAND, NEW YORK

COMMUNITY DEVELOPMENT FUND  
 COMPARATIVE BALANCE SHEET  
 DECEMBER 31, 2004 AND 2003

<u>ASSETS</u>	<u>2004</u>	<u>2003</u>
Cash - Demand deposits	\$ 1,487,403	\$ 2,581,404
Investments	225,000	225,000
Receivables:		
Loans	213,170	227,226
State and Federal aid	430,513	281,917
	<u>643,683</u>	<u>509,143</u>
<b>Total Assets</b>	<b><u>\$ 2,356,086</u></b>	<b><u>\$ 3,315,547</u></b>
<u>LIABILITIES AND FUND BALANCE</u>		
Liabilities:		
Accounts payable	\$ 200	\$ -
Due to other funds	323,719	165,051
Deferred revenues - Other	1,807,167	2,925,496
	<u>2,131,086</u>	<u>3,090,547</u>
<b>Total Liabilities</b>	<b>2,131,086</b>	<b>3,090,547</b>
Fund Balance - Unreserved - Designated for affordable housing	<u>225,000</u>	<u>225,000</u>
<b>Total Liabilities and Fund Balance</b>	<b><u>\$ 2,356,086</u></b>	<b><u>\$ 3,315,547</u></b>

COUNTY OF ROCKLAND, NEW YORK

COMMUNITY DEVELOPMENT FUND  
 COMPARATIVE SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES  
 IN FUND BALANCE - BUDGET AND ACTUAL  
 YEARS ENDED DECEMBER 31, 2004 AND 2003

	2004			Variance with Final Budget Positive (Negative)
	Original Budget	Final Budget	Actual	
Revenues:				
Departmental income	\$ -	\$ -	\$ 14,056	\$ 14,056
Use of money and property	-	-	35,384	35,384
Federal aid	-	9,464,112	9,219,573	(244,539)
Total Revenues	-	9,464,112	9,269,013	(195,099)
Expenditures - Current - Economic opportunity and development	-	9,464,112	9,269,013	195,099
Excess of Revenues Over Expenditures	-	-	-	-
Fund Balance - Beginning of Year	-	-	225,000	225,000
Fund Balance - End of Year	\$ -	\$ -	\$ 225,000	\$ 225,000



2003

Original Budget	Final Budget	Actual	Variance with Final Budget Positive (Negative)
\$ -	\$ -	\$ 58,799	\$ 58,799
-	-	8,401	8,401
-	3,884,258	4,011,977	127,719
-	3,884,258	4,079,177	194,919
-	3,884,258	4,079,177	(194,919)
-	-	-	-
-	-	225,000	225,000
<u>\$ -</u>	<u>\$ -</u>	<u>\$ 225,000</u>	<u>\$ 225,000</u>

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COUNTY OF ROCKLAND, NEW YORK

SEWER DISTRICT FUND  
 COMPARATIVE BALANCE SHEET  
 DECEMBER 31, 2004 AND 2003

	<u>2004</u>	<u>2003</u>
<u>ASSETS</u>		
Cash:		
Demand deposits	\$ 1,038,348	\$ 50,774
Certificates of deposit	9,741,000	11,170,000
Petty cash	300	300
	<u>10,779,648</u>	<u>11,221,074</u>
Receivables:		
Accounts	177,543	219,299
State and Federal aid	200,100	283,198
	<u>377,643</u>	<u>502,497</u>
Prepaid Expenditures	<u>151,059</u>	<u>59,533</u>
Total Assets	<u>\$ 11,308,350</u>	<u>\$ 11,783,104</u>
<u>LIABILITIES AND FUND BALANCE</u>		
Liabilities:		
Accounts payable	\$ 522,202	\$ 652,673
Accrued liabilities	408,121	545,214
Due to other funds	41,377	316,052
Total Liabilities	<u>971,700</u>	<u>1,513,939</u>
Fund Balance:		
Reserved for encumbrances	1,213,207	1,354,251
Reserved for prepaid expenditures	151,059	59,533
Reserved for long-term receivable	-	88,430
Reserved for compensated absences	791,621	730,849
Unreserved:		
Designated for treatment plant and collection system	353,750	222,500
Designated for subsequent year's expenditures	1,929,587	1,530,564
Undesignated	5,897,426	6,283,038
Total Fund Balance	<u>10,336,650</u>	<u>10,269,165</u>
Total Liabilities and Fund Balance	<u>\$ 11,308,350</u>	<u>\$ 11,783,104</u>

COUNTY OF ROCKLAND, NEW YORK

SEWER DISTRICT FUND  
 COMPARATIVE SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES  
 IN FUND BALANCE - BUDGET AND ACTUAL  
 YEARS ENDED DECEMBER 31, 2004 AND 2003

	2004			Variance with Final Budget Positive (Negative)
	Original Budget	Final Budget	Actual	
<b>Revenues:</b>				
Real property taxes -				
Sewer benefit tax	\$ 16,633,068	\$ 16,633,068	\$ 16,751,263	\$ 118,195
Departmental income	60,000	60,000	34,502	(25,498)
Use of money and property	250,000	250,000	209,796	(40,204)
Fines and forfeitures	-	-	16,980	16,980
Sale of property and compensation for loss	-	-	1,233	1,233
State aid	-	20,596	20,596	-
Miscellaneous	489,992	489,992	777,138	287,146
<b>Total Revenues</b>	<b>17,433,060</b>	<b>17,453,656</b>	<b>17,811,508</b>	<b>357,852</b>
<b>Expenditures:</b>				
<b>Current:</b>				
General government support	300,000	300,000	-	300,000
Home and community services	12,792,739	12,849,515	10,856,575	1,992,940
Employee benefits	2,309,866	2,312,636	2,231,548	81,088
Debt Service - Interest	69,000	69,000	49,392	19,608
<b>Total Expenditures</b>	<b>15,471,605</b>	<b>15,531,151</b>	<b>13,137,515</b>	<b>2,393,636</b>
<b>Excess of Revenues Over Expenditures</b>	<b>1,961,455</b>	<b>1,922,505</b>	<b>4,673,993</b>	<b>2,751,488</b>
<b>Other Financing Sources (Uses):</b>				
Transfers in	1,000,000	1,000,000	1,000,000	-
Transfers out	(5,846,270)	(5,846,270)	(5,606,508)	239,762
<b>Total Other Financing Uses</b>	<b>(4,846,270)</b>	<b>(4,846,270)</b>	<b>(4,606,508)</b>	<b>239,762</b>
<b>Net Change in Fund Balance</b>	<b>(2,884,815)</b>	<b>(2,923,765)</b>	<b>67,485</b>	<b>2,991,250</b>
<b>Fund Balance - Beginning of Year</b>	<b>2,884,815</b>	<b>2,923,765</b>	<b>10,269,165</b>	<b>7,345,400</b>
<b>Fund Balance - End of Year</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ 10,336,650</b>	<b>\$ 10,336,650</b>

2003

Original Budget	Final Budget	Actual	Variance with Final Budget Positive (Negative)
\$ 16,132,280	\$ 16,132,280	\$ 16,305,673	\$ 173,393
60,000	60,000	79,228	19,228
400,000	400,000	178,703	(221,297)
-	-	1,230	1,230
-	-	21,404	21,404
-	164,983	94,618	(70,365)
402,553	402,553	568,986	166,433
<u>16,994,833</u>	<u>17,159,816</u>	<u>17,249,842</u>	<u>90,026</u>
300,000	290,663	-	290,663
14,365,291	14,539,611	12,038,199	2,501,412
1,822,536	1,822,536	1,687,489	135,047
96,000	96,000	36,819	59,181
<u>16,583,827</u>	<u>16,748,810</u>	<u>13,762,507</u>	<u>2,986,303</u>
<u>411,006</u>	<u>411,006</u>	<u>3,487,335</u>	<u>3,076,329</u>
2,000,000	2,000,000	2,000,000	-
(6,149,241)	(6,149,241)	(5,793,662)	355,579
<u>(4,149,241)</u>	<u>(4,149,241)</u>	<u>(3,793,662)</u>	<u>355,579</u>
(3,738,235)	(3,738,235)	(306,327)	3,431,908
<u>3,738,235</u>	<u>3,738,235</u>	<u>10,575,492</u>	<u>6,837,257</u>
<u>\$ -</u>	<u>\$ -</u>	<u>\$ 10,269,165</u>	<u>\$ 10,269,165</u>

COUNTY OF ROCKLAND, NEW YORK

SPECIAL PURPOSE FUND  
COMPARATIVE BALANCE SHEET  
DECEMBER 31, 2004 AND 2003

	<u>2004</u>	<u>2003</u>
<u>ASSETS</u>		
Cash:		
Demand deposits	\$ 47,009	\$ 94,904
Time deposits	<u>24,838</u>	<u>865</u>
Total Assets	<u>\$ 71,847</u>	<u>\$ 95,769</u>
<u>FUND BALANCE</u>		
Reserved for Social Service Programs	<u>\$ 71,847</u>	<u>\$ 95,769</u>

COUNTY OF ROCKLAND, NEW YORK

SPECIAL PURPOSE FUND

COMPARATIVE STATEMENT OF REVENUES, EXPENDITURES AND CHANGES

IN FUND BALANCE

YEARS ENDED DECEMBER 31, 2004 AND 2003

	<u>2004</u>	<u>2003</u>
Revenues:		
Departmental income	\$ 4,844	\$ 39,211
Use of money and property	<u>416</u>	<u>359</u>
Total Revenues	5,260	39,570
Expenditures - Current -		
Economic opportunity and development	<u>29,182</u>	<u>4,586</u>
Excess (Deficiency) of Revenues Over Expenditures	(23,922)	34,984
Fund Balance - Beginning of Year	<u>95,769</u>	<u>60,785</u>
Fund Balance - End of Year	<u>\$ 71,847</u>	<u>\$ 95,769</u>

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COUNTY OF ROCKLAND, NEW YORK

DEBT SERVICE FUND  
 COMPARATIVE BALANCE SHEET  
 DECEMBER 31, 2004 AND 2003

	<u>2004</u>	<u>2003</u>
<b><u>ASSETS</u></b>		
Cash:		
Time deposits	\$ 2,695,359	\$ 1,242,035
Certificates of deposit	-	600,000
	<u>2,695,359</u>	<u>1,842,035</u>
Investments	<u>7,054,454</u>	<u>8,201,860</u>
Receivables:		
Accounts	739,866	55,480
State and Federal aid	206,686	773,599
Due from other funds	113,790	197,931
	<u>1,060,342</u>	<u>1,027,010</u>
<b>Total Assets</b>	<b><u><u>\$ 10,810,155</u></u></b>	<b><u><u>\$ 11,070,905</u></u></b>
<b><u>LIABILITIES AND FUND BALANCE</u></b>		
Liabilities:		
Accrued liabilities	\$ 34,638	\$ -
Due to other funds	52,195	-
<b>Total Liabilities</b>	<u>86,833</u>	<u>-</u>
Fund Balance:		
Reserved for long-term receivable	712,125	27,740
Reserved for debt service	2,766,115	3,296,188
Unreserved - Designated for subsequent year's expenditures	7,245,082	7,746,977
<b>Total Fund Balance</b>	<u>10,723,322</u>	<u>11,070,905</u>
<b>Total Liabilities and Fund Balance</b>	<b><u><u>\$ 10,810,155</u></u></b>	<b><u><u>\$ 11,070,905</u></u></b>

COUNTY OF ROCKLAND, NEW YORK

DEBT SERVICE FUND  
 COMPARATIVE SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES  
 IN FUND BALANCE - BUDGET AND ACTUAL  
 YEARS ENDED DECEMBER 31, 2004 AND 2003

	2004			Variance with Final Budget Positive (Negative)
	Original Budget	Final Budget	Actual	
<b>Revenues:</b>				
Use of money and property	\$ -	\$ -	\$ 1,431,412	\$ 1,431,412
State aid	-	-	365,043	365,043
Federal aid	-	-	200,734	200,734
Miscellaneous	-	-	750,864	750,864
<b>Total Revenues</b>	<b>-</b>	<b>-</b>	<b>2,748,053</b>	<b>2,748,053</b>
<b>Expenditures -</b>				
Debt Service -				
Serial bonds:				
Principal	7,321,514	7,321,514	5,133,743	2,187,771
Interest	6,868,760	6,868,760	4,785,466	2,083,294
Advance refunding escrow	-	-	-	-
Refunding bond issuance costs	-	-	-	-
<b>Total Expenditures</b>	<b>14,190,274</b>	<b>14,190,274</b>	<b>9,919,209</b>	<b>4,271,065</b>
<b>Deficiency of Revenues Over Expenditures</b>	<b>(14,190,274)</b>	<b>(14,190,274)</b>	<b>(7,171,156)</b>	<b>(1,523,012)</b>
<b>Other Financing Sources (Uses):</b>				
Refunding bonds issued	-	-	-	-
Issuance premium	-	-	-	-
Payment to refunded bond escrow agent	-	-	-	-
Transfers in	14,190,274	14,190,274	10,864,522	3,325,752
Transfers out	(7,746,977)	(7,746,977)	(4,040,949)	(3,706,028)
<b>Total Other Financing Sources</b>	<b>6,443,297</b>	<b>6,443,297</b>	<b>6,823,573</b>	<b>(380,276)</b>
<b>Net Change in Fund Balance</b>	<b>(7,746,977)</b>	<b>(7,746,977)</b>	<b>(347,583)</b>	<b>7,399,394</b>
<b>Fund Balance - Beginning of Year</b>	<b>7,746,977</b>	<b>7,746,977</b>	<b>11,070,905</b>	<b>3,323,928</b>
<b>Fund Balance - End of Year</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ 10,723,322</b>	<b>\$ 10,723,322</b>

2003

Original Budget	Final Budget	Actual	Variance with Final Budget Positive (Negative)
\$ -	\$ -	\$ 784,321	\$ 784,321
-	-	1,020,694	1,020,694
-	-	655,722	655,722
-	-	133,719	133,719
-	-	2,594,456	2,594,456
6,490,773	6,490,773	6,190,771	300,002
5,375,162	5,375,162	5,319,580	55,582
-	8,154,357	8,154,357	-
-	95,791	95,790	1
11,865,935	20,116,083	19,760,498	355,585
(11,865,935)	(20,116,083)	(17,166,042)	2,238,871
-	3,812,318	3,812,318	-
-	51,524	51,524	-
-	(3,768,051)	(3,768,051)	-
11,865,935	20,020,292	19,890,477	129,815
(5,496,940)	(5,496,940)	(5,467,914)	(29,026)
6,368,995	14,619,143	14,518,354	100,789
(5,496,940)	(5,496,940)	(2,647,688)	2,849,252
5,496,940	5,496,940	13,718,593	8,221,653
\$ -	\$ -	\$ 11,070,905	\$ 11,070,905

COUNTY OF ROCKLAND, NEW YORK

ENTERPRISE FUND - HOME AND INFIRMARY FUND  
 COMPARATIVE STATEMENT OF NET ASSETS  
 DECEMBER 31, 2004 AND 2003

	2004	2003
<b>ASSETS</b>		
Cash and Equivalents	\$ 4,332,029	\$ 2,431,914
Receivables:		
Accounts	1,551,147	1,714,701
Accounts - Patient care, net of allowance for uncollectible amounts	12,116,978	12,237,622
Due from other funds	-	1,953,542
Inventories	552,248	556,165
Prepaid Expenses	1,307,791	502,896
<b>Total Current Assets</b>	<b>19,860,193</b>	<b>19,396,840</b>
<b>Capital Assets:</b>		
Land	438,504	438,504
Buildings	16,221,905	16,221,905
Improvements other than buildings	345,975	345,975
Equipment	38,755,427	35,901,184
Construction-in-progress	5,098,668	4,624,088
Less - Accumulated depreciation	(38,874,364)	(37,182,559)
<b>Total Capital Assets, net of accumulated depreciation</b>	<b>21,986,115</b>	<b>20,349,097</b>
<b>Total Assets</b>	<b>41,846,308</b>	<b>39,745,937</b>
<b>Current Liabilities:</b>		
Accounts payable	2,491,377	2,035,856
Accrued liabilities	4,744,405	8,804,989
Due to other governments	60,457	637,498
Due to other funds	1,125,464	-
Bond anticipation notes payable	935,000	1,025,000
Accrued interest payable	182,424	116,278
Compensated absences	9,757,609	8,549,931
Current maturities of bonds payable	2,031,057	1,281,518
<b>Total Current Liabilities</b>	<b>21,327,793</b>	<b>22,451,070</b>
<b>Noncurrent Liabilities -</b>		
Bonds payable	13,282,181	10,317,239
<b>Total Liabilities</b>	<b>34,609,974</b>	<b>32,768,309</b>
<b><u>NET ASSETS</u></b>		
Invested in Capital Assets, net of related debt	13,213,254	13,571,289
Unrestricted	(5,976,920)	(6,593,661)
<b>Total Net Assets</b>	<b>\$ 7,236,334</b>	<b>\$ 6,977,628</b>

COUNTY OF ROCKLAND, NEW YORK

ENTERPRISE FUND - HOME AND INFIRMARY FUND  
 COMPARATIVE STATEMENT OF REVENUES, EXPENSES  
 AND CHANGES IN NET ASSETS  
 YEARS ENDED DECEMBER 31, 2004 AND 2003

	<u>2004</u>	<u>2003</u>
Operating Revenues:		
Charges for services:		
Net patient service revenues:		
Rehabilitation and skilled nursing facility	\$ 47,272,476	\$ 42,023,838
Mental health	29,722,098	30,565,516
	<u>76,994,574</u>	<u>72,589,354</u>
Miscellaneous	685,569	395,050
	<u>77,680,143</u>	<u>72,984,404</u>
Total Operating Revenues		
Operating Expenses:		
Administrative and general expenses	11,650,098	9,926,749
Salaries and wage expenses	44,931,255	41,954,882
Employee benefits	20,783,356	15,847,217
Supplies and other expenses	7,728,359	7,516,884
Depreciation	1,691,805	1,746,931
Provision for bad debts	-	2,088,786
	<u>86,784,873</u>	<u>79,081,449</u>
Total Operating Expenses		
Loss from Operations	<u>(9,104,730)</u>	<u>(6,097,045)</u>
Non-Operating Revenues (Expenses):		
Intergovernmental transfer	9,720,424	3,925,219
Interest on indebtedness	(356,988)	(287,917)
	<u>9,363,436</u>	<u>3,637,302</u>
Total Non-Operating Revenues		
Change in Net Assets	258,706	(2,459,743)
Net Assets - Beginning of Year	<u>6,977,628</u>	<u>9,437,371</u>
Net Assets - End of Year	<u>\$ 7,236,334</u>	<u>\$ 6,977,628</u>

COUNTY OF ROCKLAND, NEW YORK

ENTERPRISE FUND - HOME AND INFIRMARY FUND  
 COMPARATIVE STATEMENT OF CASH FLOWS  
 YEARS ENDED DECEMBER 31, 2004 AND 2003

	2004	2003
<b>Cash Flows From Operating Activities:</b>		
Cash received from patients and third-party payors	\$ 72,485,997	\$ 69,212,156
Other receipts	6,013,587	3,498,903
Cash payments to vendors	(19,723,914)	(18,020,094)
Cash payments to employees	(74,235,761)	(65,005,231)
<b>Net Cash Used in Operating Activities</b>	<b>(15,460,091)</b>	<b>(10,314,266)</b>
<b>Cash Flows From Non-Capital Financing Activities -</b> Intergovernmental transfer	<b>9,720,424</b>	<b>3,925,219</b>
<b>Cash Flows From Capital and Related Financing Activities:</b>		
Remittances to County of Rockland, net	7,634,966	4,942,409
Issuance of long-term debt	4,996,000	5,266,450
Retirement of long-term debt	(1,371,519)	(1,439,705)
Interest on indebtedness	(290,842)	(278,272)
Acquisition and construction of capital assets	(3,328,823)	(2,208,217)
<b>Net Cash Provided by Capital and</b> <b>Related Financing Activities</b>	<b>7,639,782</b>	<b>6,282,665</b>
<b>Net Increase (Decrease) in Cash and Equivalents</b>	<b>1,900,115</b>	<b>(106,382)</b>
<b>Cash and Equivalents - Beginning of Year</b>	<b>2,431,914</b>	<b>2,538,296</b>
<b>Cash and Equivalents - End of Year</b>	<b>\$ 4,332,029</b>	<b>\$ 2,431,914</b>
<b>Reconciliation of Loss from Operations to Net Cash</b> <b>Used in Operating Activities:</b>		
Loss from operations	\$ (9,104,730)	\$ (6,097,045)
Adjustments to reconcile loss from operations to net cash used in operating activities:		
Depreciation	1,691,805	1,746,931
Provision for bad debts	2,474,098	2,088,786
Changes in assets and liabilities:		
Accounts receivable	163,760	(821,366)
Accounts receivable - Patient care	(9,988,626)	(5,191,765)
Due from other funds	1,953,542	2,883,180
Inventories	3,917	(50,486)
Prepaid expenses	(804,895)	(370,191)
Accounts payable	455,521	(294,970)
Accrued liabilities	(4,060,584)	(1,279,831)
Compensated absences	1,207,678	357,111
Due to retirement system	-	(3,635,578)
Due to other governments	(577,041)	350,958
Due to other funds	1,125,464	-
<b>Net Cash Provided by Operating Activities</b>	<b>\$ (15,460,091)</b>	<b>\$ (10,314,266)</b>

## **INTERNAL SERVICE FUNDS**

Internal Service Funds account for operations that provide services to other departments or agencies of the government, or to other governments, on a cost reimbursement basis. The County has established its Workers' Compensation Benefits, General Liability Claims, Unemployment Benefits, Health Benefits and General Services funds as internal service funds.

COUNTY OF ROCKLAND, NEW YORK

INTERNAL SERVICE FUNDS  
 COMBINING STATEMENT OF NET ASSETS  
 DECEMBER 31, 2004  
 (With Comparative Totals for 2003)

	Workers' Compensation Benefits Fund	General Liability Claims Fund	Unemployment Benefits Fund
<u>ASSETS</u>			
Cash:			
Demand deposits	\$ 680,809	\$ 71,916	\$ 118,205
Certificates of deposit	4,000,000	650,000	-
Petty cash	-	-	-
	<u>4,680,809</u>	<u>721,916</u>	<u>118,205</u>
Investments	<u>5,000,000</u>	<u>3,600,000</u>	<u>-</u>
Receivables:			
Accounts	-	-	-
State aid	-	-	-
Due from other funds	-	525,000	51,777
	<u>-</u>	<u>525,000</u>	<u>51,777</u>
Inventories	<u>-</u>	<u>-</u>	<u>-</u>
Prepaid Expenses	<u>2,966</u>	<u>-</u>	<u>-</u>
Total Current Assets	<u>9,683,775</u>	<u>4,846,916</u>	<u>169,982</u>
Capital Assets	-	-	-
Less - Accumulated depreciation	-	-	-
	<u>-</u>	<u>-</u>	<u>-</u>
Total Assets	<u>9,683,775</u>	<u>4,846,916</u>	<u>169,982</u>
<u>LIABILITIES</u>			
Current Liabilities:			
Accounts payable	408,561	23,031	-
Accrued liabilities	-	-	-
Due to other funds	2,031	-	-
Claims payable	794,485	698,036	51,777
Compensated absences	1,098	-	-
Current maturities of bonds payable - Capital construction	-	-	-
Current maturities of bonds payable - Pension obligations	470	-	-
Total Current Liabilities	<u>1,206,645</u>	<u>721,067</u>	<u>51,777</u>
Noncurrent Liabilities:			
Claims payable	7,150,367	6,282,325	-
Compensated absences	9,889	-	-
Bonds payable - Capital construction, less current maturities	-	-	-
Bonds payable - Pension obligations, less current maturities	-	-	-
Total Noncurrent Liabilities	<u>7,160,256</u>	<u>6,282,325</u>	<u>-</u>
Total Liabilities	<u>8,366,901</u>	<u>7,003,392</u>	<u>51,777</u>
<u>NET ASSETS (DEFICIENCY)</u>			
Invested in Capital Assets, net of related debt	-	-	-
Unrestricted	<u>1,316,874</u>	<u>(2,156,476)</u>	<u>118,205</u>
Total Net Assets (Deficiency)	<u>\$ 1,316,874</u>	<u>\$ (2,156,476)</u>	<u>\$ 118,205</u>



General Services Fund	Totals	
	2004	2003
\$ 12,319	\$ 883,249	\$ 5,113,927
-	4,650,000	9,902,000
200	200	200
<u>12,519</u>	<u>5,533,449</u>	<u>15,016,127</u>
-	8,600,000	-
154,947	154,947	43,191
361,070	361,070	465,883
83,060	659,837	41,801
<u>599,077</u>	<u>1,175,854</u>	<u>550,875</u>
43,256	43,256	68,756
<u>267,332</u>	<u>270,298</u>	<u>109,909</u>
922,184	15,622,857	15,745,667
17,041,082	17,041,082	14,127,705
(4,317,167)	(4,317,167)	(4,162,669)
<u>12,723,915</u>	<u>12,723,915</u>	<u>9,965,036</u>
<u>13,646,099</u>	<u>28,346,772</u>	<u>25,710,703</u>
992,128	1,423,720	1,173,364
700,136	700,136	797,796
-	2,031	1,555,685
-	1,544,298	1,488,234
173,406	174,504	166,515
617,604	617,604	52,294
161,910	162,380	470
<u>2,645,184</u>	<u>4,624,673</u>	<u>5,234,358</u>
-	13,432,692	13,033,846
1,560,657	1,570,546	1,498,641
8,712,490	8,712,490	5,130,571
352,858	352,858	514,761
<u>10,626,005</u>	<u>24,068,586</u>	<u>20,177,819</u>
<u>13,271,189</u>	<u>28,693,259</u>	<u>25,412,177</u>
6,374,346	6,374,346	4,834,935
(5,999,436)	(6,720,833)	(4,536,409)
<u>\$ 374,910</u>	<u>\$ (346,487)</u>	<u>\$ 298,526</u>

COUNTY OF ROCKLAND, NEW YORK

INTERNAL SERVICE FUNDS

COMBINING STATEMENT OF REVENUES, EXPENSES AND CHANGES  
IN NET ASSETS

YEAR ENDED DECEMBER 31, 2004

(With Comparative Totals for 2003)

	Workers' Compensation Benefits Fund	General Liability Claims Fund	Unemployment Benefits Fund
Revenues:			
Operating Revenues -			
Charges for services	\$ 3,206,694	\$ 358,429	\$ 140,548
State aid	-	-	-
	<u>3,206,694</u>	<u>358,429</u>	<u>140,548</u>
Operating Expenses:			
Administrative and general expenses	598,263	-	-
Salaries and wages expenses	124,996	-	-
Employee benefits	3,627,803	-	140,549
Judgments and claims	-	84,605	-
Supplies and other expenses	-	-	-
Depreciation	-	-	-
	<u>4,351,062</u>	<u>84,605</u>	<u>140,549</u>
Total Operating Expenses			
	<u>(1,144,368)</u>	<u>273,824</u>	<u>(1)</u>
Income (Loss) From Operations			
Non-Operating Revenues (Expenses):			
Interest income	167,992	57,352	328
Interest on indebtedness	(68)	-	-
	<u>167,924</u>	<u>57,352</u>	<u>328</u>
Total Non-Operating Revenues (Expenses)			
	<u>(976,444)</u>	<u>331,176</u>	<u>327</u>
Income (Loss) Before Transfers			
Transfers in	-	-	-
	<u>(976,444)</u>	<u>331,176</u>	<u>327</u>
Change in Net Assets			
Net Assets (Deficiency) - Beginning of Year	<u>2,293,318</u>	<u>(2,487,652)</u>	<u>117,878</u>
Net Assets (Deficiency) - End of Year	<u>\$ 1,316,874</u>	<u>\$ (2,156,476)</u>	<u>\$ 118,205</u>

General Services Fund	Totals	
	2004	2003
\$ 24,417,280	\$ 28,122,951	\$ 25,446,802
385,322	385,322	641,875
<u>24,802,602</u>	<u>28,508,273</u>	<u>26,088,677</u>
4,685,532	5,283,795	4,662,773
-	124,996	100,984
4,523,551	8,291,903	5,381,584
-	84,605	3,388,501
15,415,182	15,415,182	14,925,345
154,498	154,498	254,305
<u>24,778,763</u>	<u>29,354,979</u>	<u>28,713,492</u>
23,839	(846,706)	(2,624,815)
-	225,672	269,794
(23,911)	(23,979)	(12,440)
<u>(23,911)</u>	<u>201,693</u>	<u>257,354</u>
(72)	(645,013)	(2,367,461)
-	-	90,696
(72)	(645,013)	(2,276,765)
<u>374,982</u>	<u>298,526</u>	<u>2,575,291</u>
<u>\$ 374,910</u>	<u>\$ (346,487)</u>	<u>\$ 298,526</u>

COUNTY OF ROCKLAND, NEW YORK

INTERNAL SERVICE FUNDS  
 COMBINING STATEMENT OF CASH FLOWS  
 YEAR ENDED DECEMBER 31, 2004  
 (With Comparative Totals for 2003)

	Workers' Compensation Benefits Fund	General Liability Claims Fund	Unemployment Benefits Fund
<b>Cash Flows From Operating Activities:</b>			
Other receipts	\$ -	\$ -	\$ -
Cash received from charges for services	3,163,451	-	13,520
Cash payments to insurance carriers and claimants	(3,503,880)	(651,671)	(11,749)
Cash payments to employees	(96,578)	-	-
Cash payments to vendors	-	-	-
<b>Net Cash Provide by (Used in) Operating Activities</b>	<b>(437,007)</b>	<b>(651,671)</b>	<b>1,771</b>
<b>Cash Flows From Non-Capital Financing Activities:</b>			
Retirement of long-term debt	(470)	-	-
Interest on indebtedness	(68)	-	-
Transfers in	-	-	-
<b>Net Cash Provided by (Used in) Non-Capital Financing Activities</b>	<b>(538)</b>	<b>-</b>	<b>-</b>
<b>Cash Flows From Capital and Related Financing Activities:</b>			
Issuance of long-term debt	-	-	-
Acquisition and construction of capital assets	-	-	-
<b>Net Cash Provided by (Used in) Capital and Related Financing Activities</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>Cash Flows From Investing Activities</b>			
Interest income	167,992	57,352	328
Proceeds from sale of investments	-	-	-
Purchase of investments	(5,000,000)	(3,600,000)	-
<b>Net Cash Provided by (Used in) Investing Activities</b>	<b>(4,832,008)</b>	<b>(3,542,648)</b>	<b>328</b>
<b>Net Increase (Decrease) in Cash</b>	<b>(5,269,553)</b>	<b>(4,194,319)</b>	<b>2,099</b>
Cash - Beginning of Year	9,950,362	4,916,235	116,106
<b>Cash - End of Year</b>	<b>\$ 4,680,809</b>	<b>\$ 721,916</b>	<b>\$ 118,205</b>
<b>Reconciliation of Income (Loss) from Operations to Net Cash Provided by (Used in) Operating Activities:</b>			
Income (loss) from operations	\$ (1,144,368)	\$ 273,824	\$ (1)
Adjustments to reconcile income (loss) from operations to net cash provided by (used in) operating activities:			
Depreciation	-	-	-
Changes in operating assets and liabilities:			
Accounts receivable	-	-	-
State aid receivable	-	-	-
Due from other funds	-	(525,000)	(9,976)
Inventories	-	-	-
Prepaid expenses	(2,112)	-	-
Accounts payable	(108,116)	23,031	-
Accrued liabilities	-	-	-
Claims payable	866,688	(423,526)	11,748
Compensated absences	(5,856)	-	-
Due to retirement system	-	-	-
Due to other funds	(43,243)	-	-
<b>Net Cash Provided by (Used in) Operating Activities</b>	<b>\$ (437,007)</b>	<b>\$ (651,671)</b>	<b>\$ 1,771</b>

General Services Fund	Totals	
	2004	2003
\$ 280,509	\$ 280,509	\$ -
24,410,337	27,587,308	26,203,537
-	(4,167,300)	(5,205,126)
(9,739,651)	(9,836,229)	(9,713,696)
<u>(16,182,518)</u>	<u>(16,182,518)</u>	<u>(12,974,846)</u>
(1,231,323)	(2,318,230)	(1,690,131)
(52,294)	(52,764)	(125,843)
(23,911)	(23,979)	(12,440)
-	-	90,696
(76,205)	(76,743)	77,786
4,200,000	4,200,000	462,474
<u>(2,913,377)</u>	<u>(2,913,377)</u>	<u>(905,855)</u>
1,286,623	1,286,623	(568,754)
-	225,672	269,794
-	-	4,855,000
-	<u>(8,600,000)</u>	-
-	(8,374,328)	5,124,794
(20,905)	(9,482,678)	2,943,695
33,424	15,016,127	12,072,432
<u>\$ 12,519</u>	<u>\$ 5,533,449</u>	<u>\$ 15,016,127</u>
\$ 23,839	\$ (846,706)	\$ (2,624,815)
154,498	154,498	254,305
(111,756)	(111,756)	33,870
104,813	104,813	2,499
(83,060)	(618,036)	39,626
25,500	25,500	(19,522)
(158,277)	(160,389)	(77,126)
335,441	250,356	161,403
(97,660)	(97,660)	96,348
-	454,910	(16,138)
85,750	79,894	51,550
-	-	(523,728)
<u>(1,510,411)</u>	<u>(1,553,654)</u>	<u>931,597</u>
<u>\$ (1,231,323)</u>	<u>\$ (2,318,230)</u>	<u>\$ (1,690,131)</u>

COUNTY OF ROCKLAND, NEW YORK

INTERNAL SERVICE FUNDS - WORKERS' COMPENSATION BENEFITS FUND  
 COMPARATIVE STATEMENT OF NET ASSETS  
 DECEMBER 31, 2004 AND 2003

<u>ASSETS</u>	<u>2004</u>	<u>2003</u>
Cash:		
Demand deposits	\$ 680,809	\$ 4,950,362
Certificates of deposit	4,000,000	5,000,000
	<u>4,680,809</u>	<u>9,950,362</u>
Investments	5,000,000	-
Prepaid Expenses	2,966	854
	<u>9,683,775</u>	<u>9,951,216</u>
<b>Total Assets</b>		
	<u>9,683,775</u>	<u>9,951,216</u>
<u>LIABILITIES</u>		
Current Liabilities:		
Accounts payable	408,561	516,677
Due to other funds	2,031	45,274
Claims payable	794,485	707,816
Compensated absences	1,098	1,684
Current maturities of bonds payable - Pension obligations	470	470
	<u>1,206,645</u>	<u>1,271,921</u>
<b>Total Current Liabilities</b>		
	<u>1,206,645</u>	<u>1,271,921</u>
Noncurrent Liabilities:		
Claims payable	7,150,367	6,370,348
Compensated absences	9,889	15,159
Bonds payable - Pension obligations, less current maturities	-	470
	<u>7,160,256</u>	<u>6,385,977</u>
<b>Total Noncurrent Liabilities</b>		
	<u>7,160,256</u>	<u>6,385,977</u>
<b>Total Liabilities</b>		
	<u>8,366,901</u>	<u>7,657,898</u>
<u>NET ASSETS</u>		
Unrestricted	<u>\$ 1,316,874</u>	<u>\$ 2,293,318</u>

COUNTY OF ROCKLAND, NEW YORK

INTERNAL SERVICE FUNDS - WORKERS' COMPENSATION BENEFITS FUND  
 COMPARATIVE STATEMENT OF REVENUES, EXPENSES AND CHANGES  
 IN NET ASSETS  
 YEARS ENDED DECEMBER 31, 2004 AND 2003

	<u>2004</u>	<u>2003</u>
Operating Revenues - Charges for services	\$ 3,206,694	\$ 2,963,446
Operating Expenses:		
Administrative and general expenses	598,263	563,210
Salaries and wage expenses	124,996	100,984
Employee benefits	<u>3,627,803</u>	<u>1,444,624</u>
Total Operating Expenses	<u>4,351,062</u>	<u>2,108,818</u>
Income (Loss) From Operations	<u>(1,144,368)</u>	<u>854,628</u>
Non-Operating Revenues (Expenses):		
Interest income	167,992	172,346
Interest on indebtedness	<u>(68)</u>	<u>(102)</u>
Total Non-Operating Revenues	<u>167,924</u>	<u>172,244</u>
Change in Net Assets	(976,444)	1,026,872
Net Assets - Beginning of Year	<u>2,293,318</u>	<u>1,266,446</u>
Net Assets - End of Year	<u>\$ 1,316,874</u>	<u>\$ 2,293,318</u>

COUNTY OF ROCKLAND, NEW YORK

INTERNAL SERVICE FUNDS - WORKERS' COMPENSATION BENEFITS FUND  
 COMPARATIVE STATEMENT OF CASH FLOWS  
 YEARS ENDED DECEMBER 31, 2004 AND 2003

	2004	2003
<b>Cash Flows From Operating Activities:</b>		
Cash received from charges for services	\$ 3,163,451	\$ 3,004,810
Cash payments to insurance carriers and claimants	(3,503,880)	(3,115,694)
Cash payments to employees	(96,578)	(76,346)
<b>Net Cash Used in Operating Activities</b>	<b>(437,007)</b>	<b>(187,230)</b>
<b>Cash Flows From Non-Capital Financing Activities:</b>		
Retirement of long-term debt	(470)	(470)
Interest on indebtedness	(68)	(102)
<b>Net Cash Used in Non-Capital Financing Activities</b>	<b>(538)</b>	<b>(572)</b>
<b>Cash Flows From Investing Activities:</b>		
Interest income	167,992	172,346
Proceeds from sale of investments	-	4,855,000
Purchase of investments	(5,000,000)	-
<b>Net Cash Provided by (Used in) Investing Activities</b>	<b>(4,832,008)</b>	<b>5,027,346</b>
<b>Net Increase (Decrease) in Cash</b>	<b>(5,269,553)</b>	<b>4,839,544</b>
<b>Cash - Beginning of Year</b>	<b>9,950,362</b>	<b>5,110,818</b>
<b>Cash - End of Year</b>	<b>\$ 4,680,809</b>	<b>\$ 9,950,362</b>
<b>Reconciliation of Income (Loss) from Operations to Net Cash Used in Operating Activities:</b>		
Income (loss) from operations	\$ (1,144,368)	\$ 854,628
Adjustments to reconcile income (loss) from operations to net cash used in operating activities:		
Changes in assets and liabilities:		
Prepaid expenses	(2,112)	(674)
Accounts payable	(108,116)	231,347
Claims payable	866,688	(1,315,264)
Compensated absences	(5,856)	1,369
Due to other funds	(43,243)	41,364
<b>Net Cash Used in Operating Activities</b>	<b>\$ (437,007)</b>	<b>\$ (187,230)</b>



COUNTY OF ROCKLAND, NEW YORK

INTERNAL SERVICE FUNDS - GENERAL LIABILITY CLAIMS FUND  
 COMPARATIVE STATEMENT OF NET ASSETS  
 DECEMBER 31, 2004 AND 2003

	<u>2004</u>	<u>2003</u>
<u>ASSETS</u>		
Cash:		
Demand deposits	\$ 71,916	\$ 14,235
Certificates of deposit	650,000	4,902,000
	<u>721,916</u>	<u>4,916,235</u>
Investments	3,600,000	-
Due from other funds	525,000	-
	<u>4,846,916</u>	<u>4,916,235</u>
<u>LIABILITIES</u>		
Current Liabilities:		
Accounts payable	23,031	-
Claims payable	698,036	740,389
	<u>721,067</u>	<u>740,389</u>
Total Current Liabilities	721,067	740,389
Noncurrent Liabilities -		
Claims payable	6,282,325	6,663,498
	<u>7,003,392</u>	<u>7,403,887</u>
Total Liabilities	7,003,392	7,403,887
<u>NET ASSETS (DEFICIENCY)</u>		
Unrestricted	<u>\$ (2,156,476)</u>	<u>\$ (2,487,652)</u>

COUNTY OF ROCKLAND, NEW YORK

INTERNAL SERVICE FUNDS - GENERAL LIABILITY CLAIMS FUND  
 COMPARATIVE STATEMENT OF REVENUES, EXPENSES AND CHANGES  
 IN NET ASSETS  
 YEARS ENDED DECEMBER 31, 2004 AND 2003

	<u>2004</u>	<u>2003</u>
Operating Revenues - Charges for services	\$ 358,429	\$ -
Operating Expenses - Judgments and claims	<u>84,605</u>	<u>3,388,501</u>
Income (Loss ) From Operations	273,824	(3,388,501)
Non-Operating Revenues - Interest income	<u>57,352</u>	<u>97,004</u>
Change in Net Assets	331,176	(3,291,497)
Net Assets (Deficiency) - Beginning of Year	<u>(2,487,652)</u>	<u>803,845</u>
Net Assets (Deficiency) - End of Year	<u>\$ (2,156,476)</u>	<u>\$ (2,487,652)</u>

COUNTY OF ROCKLAND, NEW YORK

INTERNAL SERVICE FUNDS - GENERAL LIABILITY CLAIMS FUND  
 COMPARATIVE STATEMENT OF CASH FLOWS  
 YEARS ENDED DECEMBER 31, 2004 AND 2003

	<u>2004</u>	<u>2003</u>
Cash Flows From Operating Activities -		
Cash payments to insurance carriers and claimants	\$ (651,671)	\$ (2,010,125)
Cash Flows From Investing Activities:		
Interest income	57,352	97,004
Purchase of investments	(3,600,000)	-
Net Cash Provided by (Used in) Investing Activities	<u>(3,542,648)</u>	<u>97,004</u>
Net Decrease in Cash	(4,194,319)	(1,913,121)
Cash - Beginning of Year	<u>4,916,235</u>	<u>6,829,356</u>
Cash - End of Year	<u>\$ 721,916</u>	<u>\$ 4,916,235</u>
Reconciliation of Income (Loss) from Operations to Net Cash Used in Operating Activities:		
Income (loss) from operations	\$ 273,824	\$ (3,388,501)
Adjustments to reconcile income (loss) from operations to net cash used in operating activities:		
Change in assets and liabilities:		
Due from other funds	(525,000)	-
Accounts payable	23,031	-
Claims payable	(423,526)	1,378,376
Net Cash Used in Operating Activities	<u>\$ (651,671)</u>	<u>\$ (2,010,125)</u>

COUNTY OF ROCKLAND, NEW YORK

INTERNAL SERVICE FUNDS - UNEMPLOYMENT BENEFITS FUND  
 COMPARATIVE STATEMENT OF NET ASSETS  
 DECEMBER 31, 2004 AND 2003

		<u>2004</u>	<u>2003</u>
	<u>ASSETS</u>		
Cash - Demand deposits		\$ 118,205	\$ 116,106
Due from Other Funds		<u>51,777</u>	<u>41,801</u>
Total Assets		169,982	157,907
	<u>LIABILITIES</u>		
Claims Payable		<u>51,777</u>	<u>40,029</u>
	<u>NET ASSETS</u>		
Unrestricted		<u>\$ 118,205</u>	<u>\$ 117,878</u>

COUNTY OF ROCKLAND, NEW YORK

INTERNAL SERVICE FUNDS - UNEMPLOYMENT BENEFITS FUND  
 COMPARATIVE STATEMENT OF REVENUES, EXPENSES AND CHANGES  
 IN NET ASSETS  
 YEARS ENDED DECEMBER 31, 2004 AND 2003

	<u>2004</u>	<u>2003</u>
Operating Revenues	\$ 140,548	\$ -
Operating Expenses - Employee benefits	<u>140,549</u>	<u>57</u>
Loss From Operations	(1)	(57)
Non-Operating Revenues - Interest income	<u>328</u>	<u>444</u>
Change in Net Assets	327	387
Net Assets - Beginning of Year	<u>117,878</u>	<u>117,491</u>
Net Assets - End of Year	<u>\$ 118,205</u>	<u>\$ 117,878</u>

COUNTY OF ROCKLAND, NEW YORK

INTERNAL SERVICE FUNDS - UNEMPLOYMENT BENEFITS FUND  
 COMPARATIVE STATEMENT OF CASH FLOWS  
 YEARS ENDED DECEMBER 31, 2004 AND 2003

	2004	2003
<b>Cash Flows From Operating Activities:</b>		
Cash received from charges for services	\$ 13,520	\$ 79,166
Cash payments to insurance carriers and claimants	(11,749)	(79,307)
<b>Net Cash Provided by (Used in) Operating Activities</b>	<b>1,771</b>	<b>(141)</b>
<b>Cash Flows From Investing Activities -</b>		
Interest income	328	444
<b>Net Increase in Cash</b>	<b>2,099</b>	<b>303</b>
Cash - Beginning of Year	116,106	115,803
Cash - End of Year	<u>\$ 118,205</u>	<u>\$ 116,106</u>
<b>Reconciliation of Loss from Operations to Net Cash Provided by (Used In) Operating Activities:</b>		
Loss from operations	\$ (1)	\$ (57)
Adjustments to reconcile loss from operations to net cash provided by (used in) operating activities:		
Changes in assets and liabilities:		
Accounts receivable	-	39,540
Due from other funds	(9,976)	39,626
Claims payable	11,748	(79,250)
<b>Net Cash Provided by (Used in) Operating Activities</b>	<b>\$ 1,771</b>	<b>\$ (141)</b>

COUNTY OF ROCKLAND, NEW YORK

INTERNAL SERVICE FUNDS - GENERAL SERVICES FUND  
 COMPARATIVE STATEMENT OF NET ASSETS  
 DECEMBER 31, 2004 AND 2003

	<u>ASSETS</u>	<u>2004</u>	<u>2003</u>
Cash:			
Demand deposits		\$ 12,319	\$ 33,224
Petty cash		200	200
		<u>12,519</u>	<u>33,424</u>
Receivables:			
Accounts		154,947	43,191
State aid		361,070	465,883
Due from other funds		83,060	-
		<u>599,077</u>	<u>509,074</u>
Inventories		<u>43,256</u>	<u>68,756</u>
Prepaid Expenses		<u>267,332</u>	<u>109,055</u>
Total Current Assets		<u>922,184</u>	<u>720,309</u>
Capital Assets:			
Buildings		2,980	2,980
Equipment		17,038,102	14,124,725
		<u>17,041,082</u>	<u>14,127,705</u>
Less - Accumulated depreciation		<u>(4,317,167)</u>	<u>(4,162,669)</u>
		<u>12,723,915</u>	<u>9,965,036</u>
Total Assets		<u>13,646,099</u>	<u>10,685,345</u>
	<u>LIABILITIES</u>		
Current Liabilities:			
Accounts payable		992,128	656,687
Accrued liabilities		700,136	797,796
Due to other funds		-	1,510,411
Compensated absences		173,406	164,831
Current maturities of bonds payable - Capital construction		617,604	-
Current maturities of bonds payable - Pension obligations		161,910	52,294
Total Current Liabilities		<u>2,645,184</u>	<u>3,182,019</u>
Noncurrent liabilities:			
Compensated absences		1,560,657	1,483,482
Bonds payable - Capital construction, less current maturities		8,712,490	5,130,101
Bonds payable - Pension obligations, less current maturities		352,858	514,761
Total Noncurrent Liabilities		<u>10,626,005</u>	<u>7,128,344</u>
Total Liabilities		<u>13,271,189</u>	<u>10,310,363</u>
	<u>NET ASSETS</u>		
Invested in Capital Assets, net of related debt		6,374,346	4,834,935
Unrestricted		<u>(5,999,436)</u>	<u>(4,459,953)</u>
Total Net Assets		<u>\$ 374,910</u>	<u>\$ 374,982</u>

COUNTY OF ROCKLAND, NEW YORK

FIDUCIARY FUNDS - AGENCY FUND  
 STATEMENT OF CHANGES IN ASSETS AND LIABILITIES  
 YEAR ENDED DECEMBER 31, 2004

	Balance January 1, 2004	Increases	Decreases	Balance December 31, 2004
<u>ASSETS</u>				
Cash:				
Demand deposits	\$ 4,372,651	\$ 212,916,444	\$ 212,499,301	\$ 4,789,794
Time deposits	2,524,331	3,406,538	2,945,867	2,985,002
Certificates of deposit	415,000	350,000	765,000	-
	7,311,982	216,672,982	216,210,168	7,774,796
Accounts Receivable	71,099	646,062	670,456	46,705
<b>Total Assets</b>	<u>\$ 7,383,081</u>	<u>\$ 217,319,044</u>	<u>\$ 216,880,624</u>	<u>\$ 7,821,501</u>
<u>LIABILITIES</u>				
Accounts Payable	\$ -	\$ 19,978,124	\$ 19,971,346	\$ 6,778
Employee Payroll Deductions	622,403	66,350,828	\$66,394,067	579,164
Deposits	3,765,962	10,071,629	\$9,803,651	4,033,940
Due to Other Governments	2,994,716	19,835,785	\$19,628,882	3,201,619
<b>Total Liabilities</b>	<u>\$ 7,383,081</u>	<u>\$ 116,236,366</u>	<u>\$ 115,797,946</u>	<u>\$ 7,821,501</u>



**STATISTICAL  
SECTION**

(Unaudited)

GENERAL GOVERNMENTAL EXPENDITURES AND OTHER USES BY FUNCTION  
LAST TEN FISCAL YEARS

Year	General Government Support	Education	Public Safety	Health	Trans- portation	Economic Opportunity and Development
1995	\$ 32,866,153	\$ 17,045,488	\$ 29,408,241	\$ 22,399,878	\$ 21,133,640	\$ 107,189,665
1996	26,086,819	17,761,342	28,503,784	22,848,339	21,928,753	103,421,593
1997	26,351,172	17,669,155	29,035,303	22,765,864	21,933,974	106,484,669
1998	29,165,713	18,963,895	32,791,199	23,642,299	23,471,743	109,731,262
1999	33,321,844	18,308,853	39,497,205	25,975,744	25,089,535	117,790,941
2000	36,565,661	24,714,657	40,297,186	27,259,565	26,895,533	120,307,920
2001	34,802,149	28,377,650	40,084,416	30,284,190	28,706,131	130,779,870
2002	34,958,991	45,329,687	41,745,805	37,298,006	31,225,049	138,444,547
2003	34,993,828	50,182,282	42,894,951	34,217,931	31,363,348	146,763,914
2004	39,754,114	53,635,959	49,560,136	41,256,330	33,227,664	163,421,773

Note: Includes General and Special Revenue and Debt Service funds.

Culture and Recreation	Home and Community Services	Employee Benefits	Debt Service	Other Financing Uses	Total
\$ 824,572	\$ 11,447,765	\$ 1,532,165	\$ 776,667	\$ 45,178,302	\$ 289,802,536
905,101	11,725,224	1,686,581	1,663,367	43,449,961	279,980,864
503,036	12,530,954	1,849,750	1,126,708	42,719,721	282,970,306
999,630	12,251,620	1,967,157	843,979	43,142,677	296,971,174
1,236,264	14,293,762	1,833,836	585,289	44,918,872	322,852,145
1,494,388	15,051,164	1,631,716	194,458	47,772,219	342,184,467
853,647	15,022,224	1,956,682	718,880	91,658,327	403,244,166
598,690	16,502,315	37,451,415	579,500	20,198,287	404,332,292
643,684	17,589,427	15,433,804	21,177,957	37,483,589	432,744,715
651,769	16,962,202	10,464,391	10,539,263	24,615,205	444,088,806

COUNTY OF ROCKLAND, NEW YORK

GENERAL GOVERNMENTAL REVENUES AND OTHER SOURCES BY SOURCE  
 LAST TEN FISCAL YEARS

Year	Real Property Taxes	Other Tax Items	Non Property Taxes	Departmental Income	Use of Money and Property	Licenses and Permits
1995	\$ 66,102,391	\$ 6,729,483	\$ 71,285,314	\$ 28,308,565	\$ 2,287,729	\$ 824,666
1996	71,514,319	6,357,491	75,554,316	21,346,455	2,558,952	791,048
1997	69,082,413	6,519,996	82,200,190	22,157,045	3,069,193	796,684
1998	61,401,794	5,512,354	90,389,817	23,063,315	3,277,177	876,645
1999	43,129,354	6,322,957	98,961,356	22,851,032	2,454,549	940,525
2000	67,842,937	5,778,747	102,873,798	25,565,336	2,733,764	1,001,528
2001	55,125,499	4,662,533	104,741,932	23,647,511	1,728,009	963,061
2002	58,090,243	4,461,514	119,731,942	29,627,090	1,300,336	1,252,367
2003	58,693,340	4,262,453	142,819,235	28,668,797	1,819,194	1,321,928
2004	62,218,149	11,078,086	154,932,812	32,576,362	2,727,187	1,477,592

Note: Includes General and Special Revenue and Debt Service funds.

Fines and Forfeitures	Sale of Property and Compensation for Loss	Interfund/ Intrafund Revenues	State Aid	Federal Aid	Miscellaneous	Other Financing Sources	Total
\$ 587,980	\$ 399,619	\$ 4,037,370	\$ 60,510,005	\$ 33,347,644	\$ 2,363,856	\$ 11,745,366	\$ 288,529,988
492,366	30,777	3,647,471	60,879,379	31,840,907	2,141,255	12,372,562	289,527,298
627,795	57,079	4,003,463	61,105,011	33,427,046	2,452,479	13,559,299	299,057,693
652,565	123,487	3,519,629	66,940,031	35,819,413	3,291,014	13,919,540	308,786,781
717,214	149,535	3,410,953	69,510,791	42,088,539	4,910,111	15,359,524	310,806,440
798,226	261,352	4,425,683	73,847,533	38,747,001	8,599,439	17,978,563	350,453,907
725,337	416,613	2,476,541	71,663,720	42,058,770	53,938,484	18,105,094	380,253,104
674,941	159,583	39,264,640	77,613,466	45,903,863	7,723,720	14,617,009	400,420,714
718,865	174,452	9,504,603	79,807,988	46,466,016	15,279,908	47,918,846	437,455,625
868,114	194,830	9,995,961	91,543,073	51,281,485	4,539,643	28,139,785	451,573,079

COUNTY OF ROCKLAND, NEW YORK

PROPERTY TAX LEVIES AND COLLECTIONS  
LAST TEN FISCAL YEARS

Year	Total Tax Levy (1)	Current Tax Collections	Percent of Levy Collected	Delinquent Tax Collections	Total Tax Collections
1995	\$ 534,011,807	\$ 520,133,056	97.40 %	\$ 11,233,342	\$ 531,366,398
1996	551,457,259	543,530,258	98.56	13,145,029	556,675,287
1997	572,674,963	561,187,252	97.99	13,572,108	574,759,360
1998	585,327,997	574,856,512	98.21	12,860,870	587,717,382
1999	607,008,983	578,540,733	95.31	11,939,136	590,479,869
2000	634,247,752	618,086,483	97.45	30,483,575	648,570,058
2001	689,955,045	683,714,595	99.10	9,347,889	693,062,484
2002	724,492,068	699,222,177	96.51	14,398,714	713,620,891
2003	748,090,490	725,998,760	97.05	23,519,403	749,518,163
2004	781,824,112	662,504,521	84.74	28,451,300	690,955,821

(1) Includes County, Town, Village and School relevy as the County is the levying body.

Percent of Total Tax Collection To Tax Levy	Outstanding Delinquent Taxes	Percent of Delinquent Taxes to Tax Levy
99.50 %	\$ 33,659,371	6.30 %
100.95	28,441,343	5.16
100.36	21,072,381	3.68
100.41	15,682,996	2.68
97.28	32,212,110	5.31
102.26	17,889,804	2.82
100.45	14,782,365	2.14
98.50	12,388,084	1.71
100.19	11,142,528	1.49
88.38	75,023,697	9.60

COUNTY OF ROCKLAND, NEW YORK

ASSESSED VALUATION OF TAXABLE REAL PROPERTY, AVERAGE  
EQUALIZATION RATE AND FULL VALUATION  
LAST TEN FISCAL YEARS

<u>Year</u>	<u>Assessed Valuation</u>	<u>Average Equalization Rate (1)</u>	<u>Full Valuation</u>
1995	\$ 9,882,162,386	53.84 %	\$ 18,353,200,207
1996	9,503,468,123	53.24	17,787,386,306
1997	9,544,444,519	50.78	18,795,889,785
1998	10,448,220,457	53.82	19,411,552,626
1999	10,440,633,136	53.92	19,363,192,018
2000	10,621,665,844	44.58	23,824,679,124
2001	10,680,794,462	39.30	27,167,732,267
2002	10,726,941,312	36.85	29,112,479,511
2003	10,754,340,792	32.87	32,717,799,793
2004	10,762,024,134	25.86	41,616,489,304

(1) The equalization rate is the weighted average of the State equalization rate established for each Town within the County. The Town's equalization rates are established by the New York State Board of Equalization and Assessment.



COUNTY OF ROCKLAND, NEW YORK

COUNTY PROPERTY TAX RATES BY TOWN  
 PER \$1,000 OF ASSESSED VALUATION  
 LAST TEN FISCAL YEARS

<u>Year</u>	<u>Clarkstown</u>	<u>Haverstraw</u>	<u>Orangetown</u>	<u>Stony Point</u>	<u>Ramapo</u>
1995	\$ 4.456823	\$ 24.880	\$ 2.908*/2.948**	\$ 9.2872	\$ 9.510
1996	4.382969	24.610	2.8669	8.9738	9.370
1997	4.385030	24.450	3.0580	9.0848	9.135
1998	4.054420	21.990	3.3068	8.5864	8.985
1999	3.636083	18.770	2.5316	7.8604	7.320
2000	3.455003	17.540	2.3170	7.5770	6.730
2001	3.834400	17.020	2.2859	7.2878	6.568
2002	3.728106	18.450	3.0668	7.2251	6.447
2003	4.018649	18.330	2.7935	7.7300	8.512
2004	4.054183	20.900	2.8044	8.3520	8.453

\* Town Wide tax rate

\*\* Town Outside Villages tax rate

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COUNTY OF ROCKLAND, NEW YORK

COMPUTATION OF LEGAL DEBT MARGIN  
DECEMBER 31, 2004

Five Year Full Valuation of Taxable Real Property (1999 - 2003) \$ 116,472,253,597

Five Year Average Full Valuation \$ 23,294,450,719

Debt Limit - 7% of Five Year Average Full Valuation \$ 1,630,611,550

Indebtedness:

Serial Bonds:

General Purpose	\$ 136,881,479
Sewer District Facilities	<u>69,171,541</u>

\$ 206,053,020

Bond Anticipation Notes -

Sewer District Facilities	4,000,000
---------------------------	-----------

General Purpose	6,530,000
-----------------	-----------

Tax Anticipation Notes	63,000,000
------------------------	------------

Revenue Anticipation Notes	<u>45,000,000</u>
----------------------------	-------------------

Total Indebtedness	324,583,020
--------------------	-------------

Less Exclusions:

Sewer District Facilities:

Serial Bonds	69,171,541
--------------	------------

Bond Anticipation Notes	<u>4,000,000</u>
-------------------------	------------------

73,171,541

2005 Budget Appropriations for

Non-Exempt Debt	3,097,406
-----------------	-----------

Tax Anticipation Notes	63,000,000
------------------------	------------

Revenue Anticipation Notes	<u>45,000,000</u>
----------------------------	-------------------

Total Exclusions	<u>184,268,947</u>
------------------	--------------------

Total Net Indebtedness	<u>140,314,073</u>
------------------------	--------------------

Net Debt Contracting Margin	<u>\$ 1,490,297,477</u>
-----------------------------	-------------------------

Percentage of Debt Contracting Power  
Exhausted as of December 31, 2004

8.60 %

COUNTY OF ROCKLAND, NEW YORK

RATIO OF NET LONG-TERM DEBT TO ASSESSED VALUATION  
AND NET LONG-TERM DEBT PER CAPITA  
LAST TEN FISCAL YEARS

Year	Population (1)	Assessed Valuation	Gross Long-Term Debt (2)	Less Debt Service Funds Available	Net Long-Term Debt
1995	276,898	\$ 9,882,162,386	\$ 128,712,882	\$ 18,287,756	\$ 110,425,126
1996	278,000	9,503,468,123	123,225,445	15,662,759	107,562,686
1997	279,860	9,544,444,519	124,413,221	15,931,007	108,482,214
1998	281,838	10,448,220,457	132,142,092	16,617,923	115,524,169
1999	284,022	10,440,633,136	143,971,932	18,970,715	125,001,217
2000	286,753	10,621,665,844	145,897,331	18,286,289	127,611,042
2001	286,753	10,680,794,462	113,411,059	15,957,255	97,453,804
2002	286,753	10,726,941,312	125,787,988	13,663,113	112,124,875
2003	286,753	10,754,340,792	140,528,483	11,283,791	129,244,692
2004	286,753	10,762,024,134	190,739,783	10,063,392	180,676,391

(1) The population figures are based on the 1990 U.S. Census and estimates by the U.S. Census Bureau in cooperation with the N.Y.S. Department of Economic Development for 1995-1999. The figures for 2000 - 2004 are based on the U.S. Census.

(2) Represents bonds and capital notes, exclusive of debt outstanding for the Proprietary Fund types.

Net Long-Term Debt to Assessed Valuation	Net Long-Term Debt Per Capita
1.12 %	\$ 398.79
1.13	386.92
1.14	387.63
1.11	409.90
1.20	440.11
1.20	445.02
0.91	339.85
1.05	391.02
1.20	450.72
1.68	630.08

COUNTY OF ROCKLAND, NEW YORK

RATIO OF ANNUAL DEBT SERVICE EXPENDITURES FOR  
LONG-TERM DEBT TO TOTAL GENERAL GOVERNMENTAL EXPENDITURES  
LAST TEN FISCAL YEARS

Year	Principal (1)	Interest (1)	Annual Debt Service Expenditures (1)	Total General Governmental Expenditures (2)	Ratio of Debt Service to Total General Governmental Expenditures
1995	\$ 11,221,783	\$ 7,514,672	\$ 18,736,455	\$ 289,802,536	6.47 %
1996	11,605,840	7,273,529	18,879,369	279,980,864	6.74
1997	12,708,224	6,672,877	19,381,101	282,970,306	6.85
1998	13,241,129	6,419,313	19,660,442	296,971,174	6.62
1999	13,387,160	6,515,393	19,902,553	322,852,145	6.16
2000	12,999,600	7,142,472	20,142,072	342,184,467	5.89
2001	13,245,814	7,202,841	20,448,655	403,244,166	5.07
2002	7,472,540	5,471,506	12,944,046	404,332,292	3.20
2003	6,190,771	5,319,580	11,510,351	432,744,715	2.66
2004	5,133,743	4,785,466	9,919,209	444,088,806	2.23

(1) Reflects debt service expenditures recorded in the Debt Service Fund for bonds and capital notes.

(2) Includes expenditures and other financing uses for General, Special Revenue and Debt Service funds.

COUNTY OF ROCKLAND, NEW YORK

COMPUTATION OF DIRECT AND UNDERLYING DEBT  
DECEMBER 31, 2004

<u>Governmental Unit</u>	<u>Amount Applicable to County</u>
Towns:	
Clarkstown (1)	\$ 62,062,400
Haverstraw (1)	11,524,400
Orangetown (2)	28,675,000
Ramapo (2)	56,515,000
Stoney Point (2)	20,420,000
Villages - 19 (3)	22,191,682
School Districts - 9 (4)	<u>170,253,593</u>
Net Underlying Debt	371,642,075
Net Direct Debt	<u>180,676,391</u>
Net Underlying and Direct Debt	<u><u>\$ 552,318,466</u></u>

(1) As of December 31, 2003

(2) As of December 31, 2004

(3) As of May 31, 2003

(4) As of June 30, 2004

COUNTY OF ROCKLAND, NEW YORK

DEMOGRAPHIC STATISTICS  
LAST TEN FISCAL YEARS

<u>Year</u>	<u>Population (1)</u>	<u>Per Capita Income (2)</u>	<u>Unemployment Rate (3)</u>
1995	276,898	\$ N/A	4.90 %
1996	278,000	N/A	4.30
1997	279,860	N/A	4.10
1998	281,838	N/A	3.30
1999	284,022	N/A	3.50
2000	286,753	28,115	3.00
2001	286,753	N/A	3.10
2002	286,753	N/A	3.80
2003	286,753	N/A	3.70
2004	286,753	N/A	4.10

- Sources:
- (1) The population figures are based on the 1990 U.S. Census and estimates by the U.S. Census Bureau in cooperation with the N.Y.S. Department of Economic Development for 1995-1999. The figures for 2000 - 2004 are based on the U.S. Census.
  - (2) U.S. Department of Commerce, Bureau of Economics Analysis, New York State Department of Labor, Division of Research and Statistics.
  - (3) New York State Department of Labor, Division of Research and Statistics.  
(Note: Figures not seasonally adjusted).

N/A - Figures are not available for inclusion in this table.



COUNTY OF ROCKLAND, NEW YORK

CONSTRUCTION PERMIT DATA  
LAST TEN FISCAL YEARS

Year	New Non-Residential (1)		New Residential	
	No. of Permits	Estimated Value	No. of Permits	Estimated Value
1995	201	\$ 10,082,102	539	\$ 51,790,432
1996	N/A	N/A	1,049	74,889,738
1997	N/A	N/A	765	75,275,224
1998	N/A	N/A	570	71,158,820
1999	N/A	N/A	870	116,658,956
2000	N/A	N/A	547	67,365,382
2001	N/A	N/A	531	66,735,166
2002	N/A	N/A	529	68,781,775
2003	N/A	N/A	431	58,596,306
2004	N/A	N/A	349	57,790,857

Sources: N.Y.S. Division of Housing and Community Renewal  
U.S. Census Building Permit Survey

(1) This category has been eliminated as of 1996.

N/A Figures are not available for inclusion in this table.

COUNTY OF ROCKLAND, NEW YORK

DEPOSITS IN LOCAL BANKS BY ALL CUSTOMERS  
LAST TEN FISCAL YEARS

Year	Commercial Banks		Total Deposits (1)	Fiscal Ending 6/30	Savings/Savings and Loan		Total Deposits
	No.	No. of Branches			No.	No. of Branches (2)	
1995	11	76	\$ 3,013,084,000	95	8	20	\$ 1,310,838,000
1996	11	73	3,099,631,000	96	8	22	1,437,989,000
1997	9	71	3,323,803,000	97	5	21	1,100,644,000
1998	9	70	3,406,488,000	98	6	25	1,138,123,000
1999	11	76	4,305,233,000	99	5	19	951,411,000
2000	11	76	3,887,779,000	00	5	19	971,874,000
2001	10	75	4,033,579,000	01	5	21	1,007,665,000
2002	13	80	4,507,913,000	02	3	18	997,002,000
2003	14	81	4,927,000,000	03	4	20	1,148,000,000
2004	13	80	5,121,000,000	04	4	22	1,334,000,000

Sources: (1) N.Y.S. Banking Office and FDIC Research Department

(2) Federal Home Loan Banking - Research Department

COUNTY OF ROCKLAND, NEW YORK

PRINCIPAL TAXPAYERS  
DECEMBER 31, 2004

<u>Taxpayer</u>	<u>Type of Business</u>	<u>Full Valuation</u>	<u>Percent of Total Full Valuation</u>
Mirant	Public Utility	\$ 1,171,547,548	3.6 %
Palisades Interstate Park	State Lands	740,855,665	2.3
American Cyanamid Corp.	Industrial	753,611,261	2.3
Pyramid/EKLECCO Properties	Retail Shopping	738,656,547	2.3
Orange and Rockland Utilities	Public Utility	556,956,017	1.7
United Water	Water Supply	312,511,840	1.0
Verizon	Public Utility	163,734,486	0.5
Consolidated Edison	Public Utility	155,594,683	0.5
Glorious Sun Roberts - FKA Blue Hill Community	Retirement Community	138,248,848	0.4
The Retail Property Trust	Retail	<u>115,880,108</u>	<u>0.4</u>
Total		<u>\$ 4,847,597,003</u>	<u>15.0 %</u>

Note: Total taxable full values on the 2003 tax roll are \$41,616,489,304

COUNTY OF ROCKLAND, NEW YORK

MISCELLANEOUS STATISTICS

DECEMBER 31, 2004

Date of Incorporation: 1798  
 Form of Government: County Executive/County Legislature

Location and Area: The County is located in Southeast New York State, on the west bank of the Hudson River. The geographical center of the County is situated about 33 miles north of the Manhattan business district in New York City. The County has a land area of 176 square miles, about 30% of which is devoted to parkland and recreational purposes.

Employees:

(Authorized Positions)

General Government	420
Transportation	151
Public Safety	465
Social Services	1,744
Environment and Housing	127
Other	29

2,936

Fire Protection:

Number of Stations	49
Municipal Fire Departments	26
Number of Volunteer Fire Firefighters	3,150

Police Protection:

Number of Stations	12
Number of Police Officers (Authorized Positions)	648

Ambulance:

Number of Emergency Services	14
	(1 Fire Company Based)
Number of Vehicles	50
	(6 Paramedic)

Water Operations:

Number of Metered Accounts	57,110
Average Daily Consumption	29,500,000 (Gallons)
Miles of Water Supply	905
Supply	Several underground stream sources, springs, ponds and wells; also two reservoirs.

COUNTY OF ROCKLAND, NEW YORK

MISCELLANEOUS STATISTICS (Concluded)

DECEMBER 31, 2004

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Natural Gas, Electricity and  
Telephone Services:

Furnished by private corporations.

Public Works:

Number of Street Lights	16,032
Miles of Paved Streets	863
Miles of Sanitary Sewers	1,090

Public Education:

(Independent School District)

Elementary Schools	41
Middle Schools	11
High Schools	10
Total Enrollment	40,580

Recreation and Culture:

Total Acres	36,349
Number of Parks and Recreational Facilities	15
Number of Libraries	19
Number of Volumes	880,928

Population (United States Census):

1940	74,261
1950	89,276
1960	136,803
1970	229,903
1980	259,530
1990	265,475
2000	286,753

Retail Trade:

Number of Shopping Centers	24
Floor Area	3,340,000 sq. ft.

