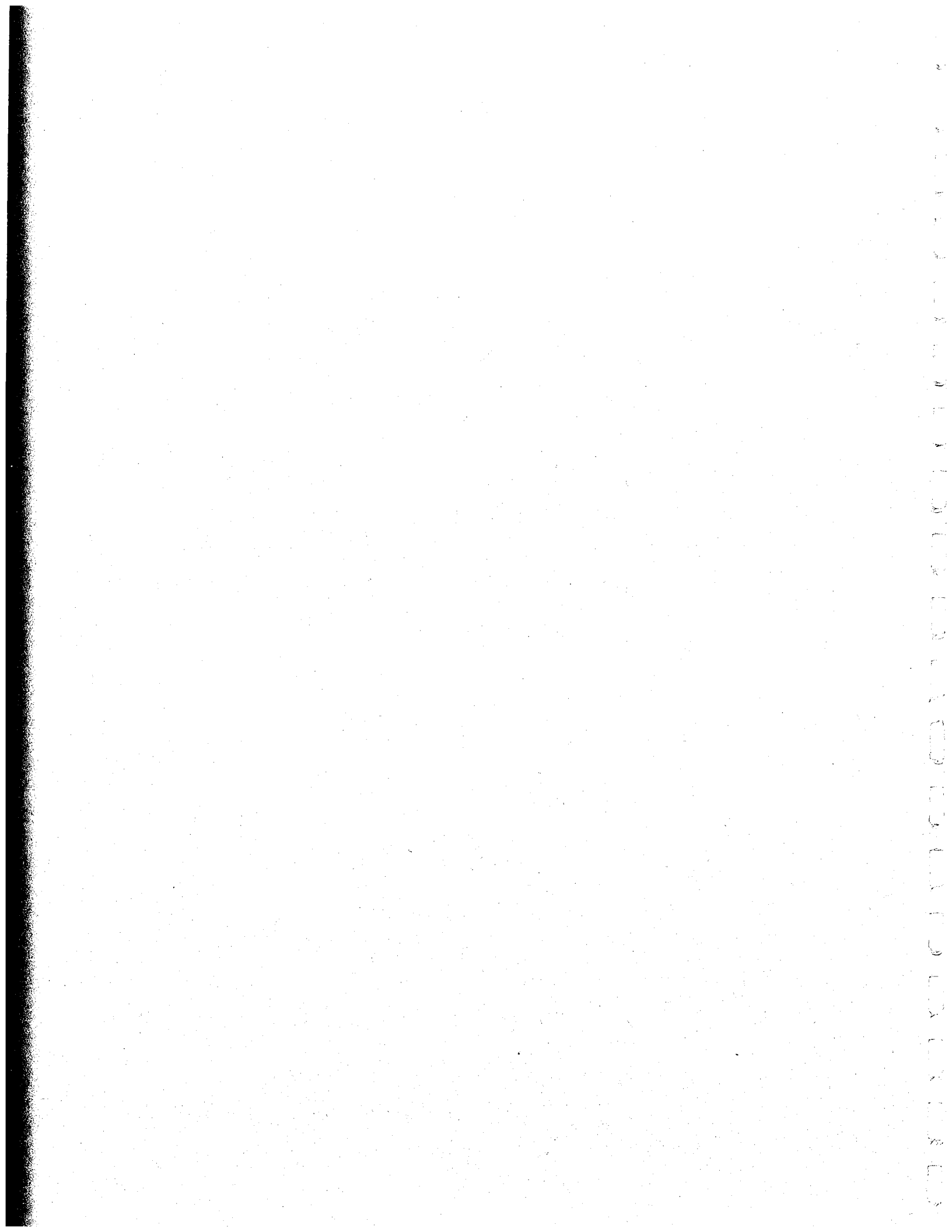


**COUNTY OF ROCKLAND,  
NEW YORK**

**COMPREHENSIVE  
ANNUAL  
FINANCIAL REPORT**

**FISCAL YEAR ENDED DECEMBER 31, 2006**



# **COUNTY OF ROCKLAND, NEW YORK**

**Comprehensive Annual Financial Report  
Fiscal Year Ended December 31, 2006**

Prepared by

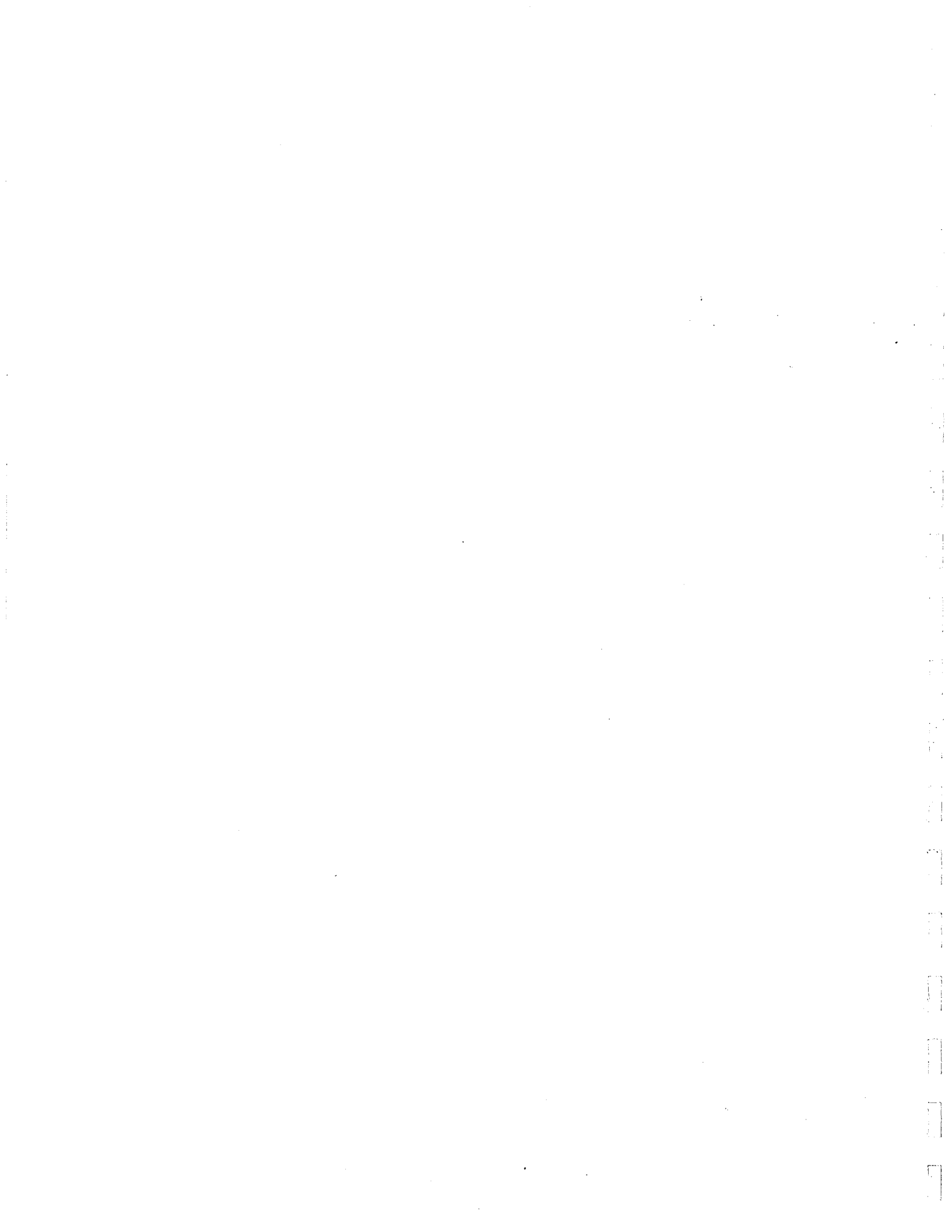
**Department of Finance**

**H. Chris Kopf, CPA**

*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, 2006  
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**STATISTICAL SECTION**  
**(Unaudited)**

This part of the County's comprehensive annual financial report presents detailed information as a context for understanding what the information in the financial statements, note disclosures, and required supplementary information reveals about the County's overall financial health.

This section includes the following schedules:

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



**INTRODUCTORY  
SECTION**

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**ROCKLAND COUNTY, NEW YORK**  
Principal Officials

**COUNTY EXECUTIVE**  
**C. Scott Vanderhoef**

**COUNTY LEGISLATORS**  
**Harriet D. Cornell**  
**Chairwoman of the Legislature**

Gerold M. Bierker  
Connie Coker  
William L. Darden  
Edwin J. Day  
Theodore R. Dusanenko  
David Fried  
Michael Grant  
Ellen C. Jaffee

Douglas J. Jobson  
Patrick J. Moroney  
John A. Murphy  
V.J. Pradhan  
Roman Rodriguez  
Ilan S. Schoenberger  
Philip Soskin  
Alden H. Wolfe

---

Michael Bongiorno  
James Kralik  
Paul Piperato

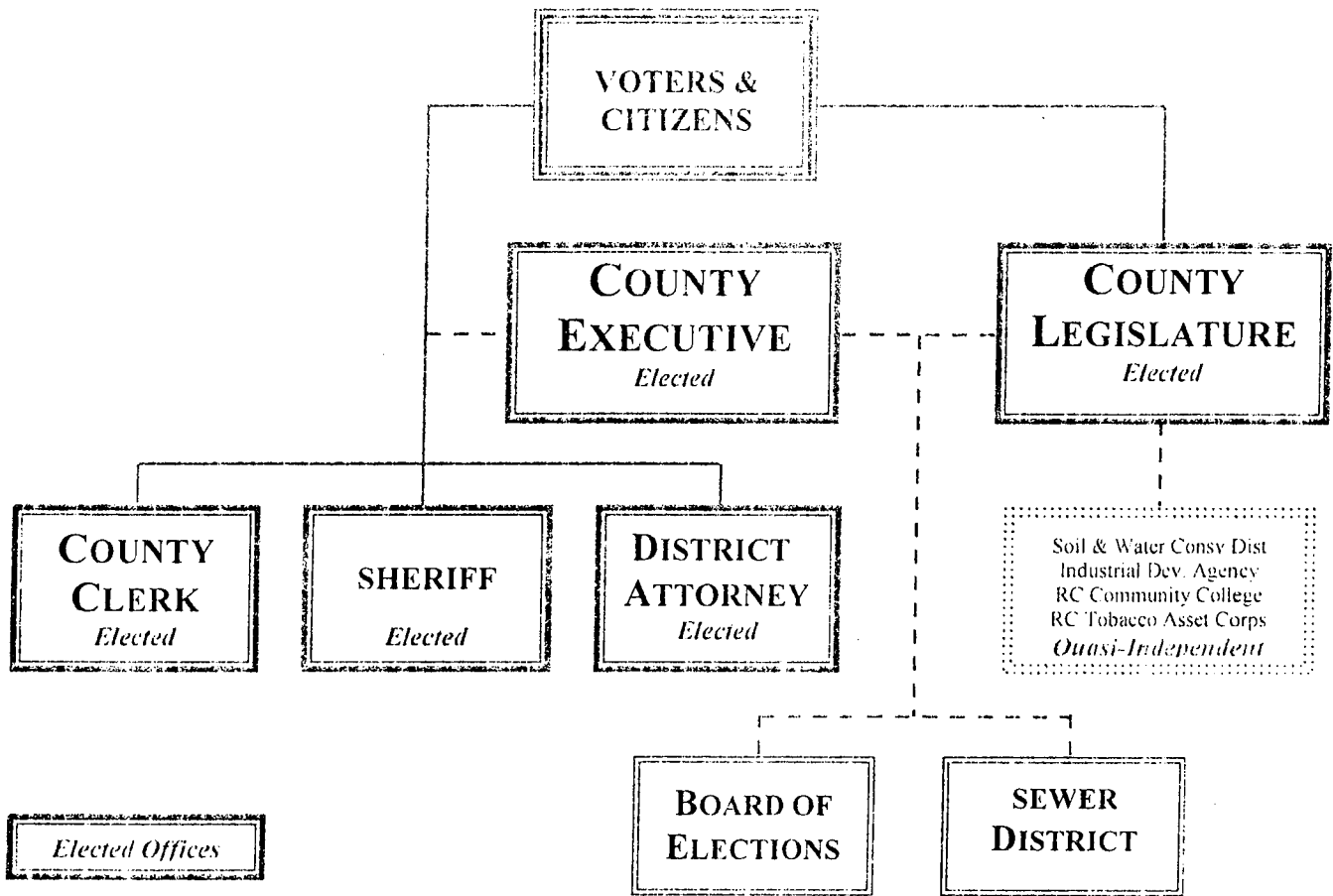
District Attorney  
Sheriff  
County Clerk

---

H. Chris Kopf  
Patricia Zugibe

Commissioner of Finance  
County Attorney

# ORGANIZATION OF ROCKLAND COUNTY GOVERNMENT



## ALL OTHER CHARTERED DEPARTMENTS

**Dept of Planning  
Commissioner**  
Charter 5.01

**Dept of Personnel  
Commissioner**  
Charter 6.01

**Dept of Health  
Commissioner**  
Charter 7.01

**Dept of Hospitals  
Commissioner**  
Charter 8.01

**Dept of Mental Health  
Commissioner**  
Charter 9.01

**Dept of Social Services  
Commissioner**  
Charter 10.01

**Dept of Highways  
Superintendent**  
Charter 11.01

**Office of the  
Public Defender**  
Charter 15.01

**Dept of Law  
County Attorney**  
Charter 16.01

**Dept of Finance  
Commissioner**  
Charter 17.01

**Dept of Audit  
County Auditor**  
Charter 18.01

**Human Rights  
Commissioner**  
Charter 19.01

**Other County Boards,  
Offices, Institutions &  
Functions**  
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

H. CHRIS KOPF, CPA  
Commissioner of Finance  
Budget Director

STEVEN J. GROGAN  
Deputy Budget Director

ARLENE KARGER  
Deputy Commissioner of Finance

August 31, 2007

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, 2006 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. 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, 2006, 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's basic financial statements for the fiscal year ended December 31, 2006, 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 financial section also includes a narrative introduction, overview and analysis of the December 31, 2006 financial statements to accompany the basic financial statements in the form of Management's Discussion and Analysis (MD&A). The letter of transmittal was designed to complement the MD&A and should be read in conjunction with it. The County's MD&A can be found immediately following the report of the independent auditor.

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.

## **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 there from.

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 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.

## **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.

### **Local Economy**

A major part of the County's labor force, over 49%, is employed in service related jobs. According to data compiled in 2000 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 part of this group of employees 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 2005 was \$43,751. State per capita income averages reported on this basis were \$38,264. The median household income for families residing in the County for 2005 was \$67,852, which was significantly greater than the median household income of \$45,343 for the State. These statistics were prepared by the U.S. Census Bureau, Small Area Estimates Branch.



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. 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 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 2006, the County of Rockland experienced a leveling off of retail sales with sales tax revenue showing a modest 1.8% increase over the previous year. The County's housing market softened in 2006, with our mortgage tax revenues declining 9.5% over the previous year, bringing in \$9.2 million.

## LONG TERM FINANCIAL PLANNING

The County's future projects include the following:

- ❖ Develop, in conjunction with other County municipalities, a uniform, countywide emergency communication system.
- ❖ Restoration and historic preservation of Dutch Gardens Park in New City.
- ❖ The Village of Haverstraw approved a \$200 million waterfront development project of which Phase I is complete. Phase II of the project is in progress.
- ❖ Develop a Countywide Emergency Service Radio Communications System which will allow all agencies to communicate with each other during County-wide events.
- ❖ 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.
- ❖ Creation of a revolving fund to purchase land/property to construct housing for people with special needs and/or low income.
- ❖ Continuing the open space acquisition program to preserve and protect environmentally sensitive parcels, agricultural value, historical integrity and significant natural beauty.
- ❖ Construction of a new Highway facility that will house all of the County's equipment.
- ❖ Expand academic space for the Early Childhood Program and the Campus Fun & Learn Daycare Center at Rockland Community College.
- ❖ Conduct a preliminary study of County watersheds with regard to drainage issues impacting the multiple jurisdictions within each watershed.
- ❖ Construction of 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.

- ❖ A feasibility study to determine the value of implementing a 311 Call Center to make government services more accessible to the people of Rockland County.
- ❖ Implementation of 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 2006, the County had an average monthly cash balance in the General Fund of \$41.2 million. Earnings from these investments amounted to approximately \$2,034,070 for an average rate of return of 4.93%.

Additional information on the County's cash management program can be found in Note 1,F in the notes to 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 1,830 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 F and J, respectively.

## **AWARDS AND ACKNOWLEDGEMENTS**

### **GFOA - Certificates of Achievement for Excellence in Financial Reporting & Budget Presentation**

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, 2005. 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.

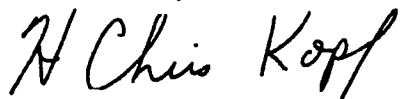
The Government Finance Officers Association (GFOA) bestowed a Distinguished Budget Presentation Award to the County of Rockland for the 2006 and 2007 Budgets. In order to achieve this prestigious award, a budget document must meet program criteria as a policy document, as an operations guide, as a financial plan, and as a communications device.

The Budget Award is valid for a period of one year. We intend to continue participation in the program and will be submitting our 2008 budget for review.

### **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 Arlene Karger, Deputy Commissioner of Finance and her Finance staff Michael Cappabianca and Linda Hill; Steven Grogan, Deputy Budget Director and his Budget staff Nancy Hoffman, James Hayden and Michael Drummond, as well as our independent auditor 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,



H. Chris Kopf, CPA  
Commissioner of Finance/Budget Director

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# 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, 2005

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.



A handwritten signature in black ink, appearing to read "Ronald J. Hoover".

President

A handwritten signature in black ink, appearing to read "Jeffrey R. Emswiler".

Executive Director

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**FINANCIAL  
SECTION**

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O'Connor Davies Munns & Dobbins, llp

ACCOUNTANTS AND CONSULTANTS

## INDEPENDENT AUDITORS' REPORT

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

We have audited the accompanying financial statements of the governmental activities, the business-type activities, the aggregate discretely presented component units, each major fund and the aggregate remaining fund information of the County of Rockland, New York as of and for the year ended December 31, 2006, which collectively comprise the County's basic financial statements as listed in the table of contents. These financial statements are the responsibility of the County's management. Our responsibility is to express opinions on these basic financial statements based on our audit. We did not audit the financial statements of the Home and Infirmary Fund for the year ended December 31, 2006, which represents 80.9% and 95.4%, respectively of the assets and revenues of the enterprise funds. We also did not audit the financial statements of the Rockland County Industrial Development Agency (a component unit) for the year ended December 31, 2006, and the Rockland County Community College (a component unit) for the year ended August 31, 2006, which represent 22.8% and 70%, respectively, of the assets and revenues of the component units. Those financial statements were audited by other auditors whose reports thereon have been furnished to us, and our opinions on the basic financial statements insofar as it relates to amounts included for such fund and component units is based on the reports of the other auditors.

We conducted our audit in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the basic financial statements are free of material misstatement. An audit includes consideration of internal control over financial reporting as a basis for designing audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the County's internal control over financial reporting. Accordingly, we express no such opinion. An audit also includes 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, as well as evaluating the overall financial statement presentation. We believe that our audit and the reports of the other auditors provides a reasonable basis for our opinions.

In our opinion, based on our audit and the reports of the other auditors, the financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities, the business-type activities, the aggregate discretely presented component units, each major fund and the aggregate remaining fund information of the County of Rockland, New York as of December 31, 2006 and the respective changes in financial position and cash flows, where applicable, thereof, and the respective budgetary comparison for the General Fund for the year then ended in conformity with accounting principles generally accepted in the United States of America.

**Bennett Kielson Storch DeSantis Division**

One Barker Avenue, White Plains, New York 10601 914.421.5600 tel 914.421.5099 fax [www.odmd.com](http://www.odmd.com)

Management's Discussion and Analysis is not a required part of the basic financial statements, but is supplementary information required by the Governmental Accounting Standards Board. We applied certain limited procedures, which consisted principally of inquiries of management regarding the methods of measurement and presentation of the required supplementary information. However, we did not audit the information and express no opinion on it.

In accordance with *Government Auditing Standards*, we have also issued our report dated August 22, 2007 on our consideration of the County of Rockland, New York's internal control over financial reporting and our tests of its compliance with certain provisions of laws, regulations, contracts and grant agreements and other matters. The purpose of that report is to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing and not to provide an opinion on the internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* and should be considered in assessing the results of our audit.

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the County of Rockland, New York's basic financial statements. The accompanying financial information listed as combining and individual fund financial statements and schedules in the table of contents is presented for purposes of additional analysis and is not a required part of the basic financial statements of the County of Rockland, New York. Such information has been subjected to the auditing procedures applied in the audit of the basic financial statements and, in our opinion, is fairly stated in all material respects in relation to the basic financial statements taken as a whole. The information listed in the statistical section of the table of contents has not been subjected to the auditing procedures applied in our audit of the basic financial statements, and, accordingly we express no opinion on it.

*Bennett Kielson Storch DeSantis*

**The Government Services Division of  
O'Connor Davies Munns & Dobbins, LLP**  
August 22, 2007

**County of Rockland, New York  
Management's Discussion and Analysis (MD&A)  
December 31, 2006**

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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, 2006. 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 2006**

- The net assets (assets minus liabilities) of the primary government for fiscal year 2006 were \$414,028,045. Of this amount, \$490,400,271 represents governmental net assets and \$(76,372,226) is business-type net assets.
- The General Fund reported an ending fund balance of \$50,150,100 which represents a decrease of \$7,531,251 from fiscal year 2005. The unrestricted fund balance was \$(2,932,059) which represents an increase of \$107,735,282 from fiscal year 2005. The Capital Projects Fund reported an ending fund balance of \$97,114,235, an increase of \$3,068,089 from fiscal year 2005.
- The County's total outstanding bonds payable for December 31, 2006 were \$387,415,386.

**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 Infirmary, 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 financially 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 \$414,028,045 for fiscal year 2006.



The following table reflects the condensed Statement of Net Assets:

	Governmental Activities		Business-Type Activities		Total	
	2006	2005	2006	2005	2006	2005
Current and Other Assets	\$ 590,835,456	\$ 501,075,894	\$ 18,853,459	\$ 30,787,358	\$ 609,688,915	\$ 531,863,252
Capital Assets	616,674,266	595,352,913	23,517,000	21,423,140	640,191,266	616,776,053
<b>Total Assets</b>	<b>1,207,509,722</b>	<b>1,096,428,807</b>	<b>42,370,459</b>	<b>52,210,498</b>	<b>1,249,880,181</b>	<b>1,148,639,305</b>
Current Liabilities	423,105,659	310,416,830	23,313,246	23,823,017	446,418,905	334,239,847
Long-Term Liabilities	294,003,792	269,109,769	95,429,439	91,041,201	389,433,231	360,150,970
<b>Total Liabilities</b>	<b>717,109,451</b>	<b>579,526,599</b>	<b>118,742,685</b>	<b>114,864,218</b>	<b>835,852,136</b>	<b>694,390,817</b>
Net Assets Invested in Capital Assets						
Net of Related Debt	357,075,560	385,766,788	12,411,965	12,484,425	369,487,525	398,251,213
Restricted	84,186,029	79,252,547	-	-	84,186,029	79,252,547
Unrestricted	49,138,682	51,882,873	(88,784,191)	(75,138,145)	(39,645,509)	(23,255,272)
<b>Total Net Assets</b>	<b>\$ 490,400,271</b>	<b>\$ 516,902,208</b>	<b>\$ (76,372,226)</b>	<b>\$ (62,653,720)</b>	<b>\$ 414,028,045</b>	<b>\$ 454,248,488</b>

The largest component of the County's net assets is invested in Capital Assets, net of related debt of \$369,487,525 (89%) which 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 other things. 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 \$84,186,029 or 20% represents resources that are subject to external restrictions on how they may be used. The restrictions are as follows:

Capital Projects	\$36,008,443
Law Enforcement	334,843
Stop-DWI Program	746,367
Handicapped Parking	53,248
Social Service Programs	48,036
Debt Service	32,637,387
Parklands	44,000
Workers' Compensation Benefits	2,871,311
Unemployment Benefits	121,503
Special Revenue Funds	<u>11,320,891</u>
	<b><u>\$84,186,029</u></b>

The remaining portion of net assets is classified as unrestricted and is \$(39,645,509).

## Rockland County Changes in Net Assets

	Governmental Activities		Business-Type Activities		Total	
	2006	2005	2006	2005	2006	2005
<b>Program Revenues:</b>						
Charges for Services	\$ 33,117,270	\$ 37,373,323	\$ 79,335,999	\$ 79,880,694	\$ 112,453,269	\$ 117,254,017
Operating Grants and Contributions	141,316,084	137,068,005	12,019,557	15,816,693	153,335,641	152,884,698
Capital Grants and Contributions	17,079,414	22,140,383	-	-	17,079,414	22,140,383
<b>General Revenues:</b>						
Real Property Taxes	58,727,783	78,272,043	-	-	58,727,783	78,272,043
Other Tax items	27,764,921	9,898,911	-	-	27,764,921	9,898,911
Non-Property Taxes	160,336,908	158,638,195	-	-	160,336,908	158,638,195
Unrestricted Use of Money and Property	2,658,983	2,012,813	-	-	2,658,983	2,012,813
OTB Distributed Earnings	2,587,447	2,800,651	-	-	2,587,447	2,800,651
Other Revenues	211,184	391,302	-	-	211,184	391,302
<b>Total Revenues</b>	<b>443,799,994</b>	<b>448,595,626</b>	<b>91,355,556</b>	<b>95,697,387</b>	<b>535,155,550</b>	<b>544,293,013</b>
<b>Program Expenses:</b>						
General Government Support	53,181,226	44,538,213	-	-	53,181,226	44,538,213
Education	62,269,510	58,507,380	-	-	62,269,510	58,507,380
Public Safety	61,374,333	58,963,721	-	-	61,374,333	58,963,721
Health	42,866,537	45,380,653	-	-	42,866,537	45,380,653
Transportation	52,467,203	48,426,869	-	-	52,467,203	48,426,869
Economic Opportunity and Development	154,921,214	156,812,258	-	-	154,921,214	156,812,258
Culture and Recreation	672,310	745,730	-	-	672,310	745,730
Home and Community Services	25,128,078	24,060,557	-	-	25,128,078	24,060,557
Interest	17,421,520	10,991,331	-	-	17,421,520	10,991,331
Rockland Tobacco Asset Corporation	-	-	5,028,631	3,622,177	5,028,631	3,622,177
Home and Infirmary	-	-	100,045,431	93,268,805	100,045,431	93,268,805
<b>Total Expenses</b>	<b>470,301,931</b>	<b>448,426,712</b>	<b>105,074,062</b>	<b>96,890,982</b>	<b>575,375,993</b>	<b>545,317,694</b>
Excess (Deficiency) Before Transfers	(26,501,937)	168,914	(13,718,506)	(1,193,595)	(40,220,443)	(1,024,681)
Transfers	-	23,997,609	-	(23,997,609)	-	-
Prior Period Adjustment	-	(725,000)	-	5,281,055	-	4,556,055
Net Assets - Beginning	516,902,208	493,460,685	(62,653,720)	(42,743,571)	454,248,488	450,717,114
Net Assets - Ending	\$ 490,400,271	\$ 516,902,208	\$ (76,372,226)	\$ (62,653,720)	\$ 414,028,045	\$ 454,248,488

**Governmental Activities** – Governmental activities decreased the County's net assets by \$26.5 million, which accounts for 65.9% of the total decrease in net assets. This decrease is due to depreciation of capital assets.

For the fiscal year ended December 31, 2006, revenues from governmental activities totaled \$444 million. Tax revenues (\$247 million), comprised of real property taxes, sales and mortgage tax items and non-property taxes, represent the largest revenue source (55.6%). Collection of the current tax levy remains very strong at 91.74%, while averaging 94.73% over the last 10 years. Non-property taxes yielded \$160.3 million, an increase of \$1.7 million over fiscal year 2005.

**Business-Type Activities** – Business-type activities decreased the County's net assets by \$13.7 million for the year ended December 31, 2006. This decrease is due to losses sustained by our Hospital and Mental Health units. This loss was caused by a leveling off of patient days along with a payor source made up of predominantly Medicaid patients.

### **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 \$175.7 million, a decrease of \$2.4 million in comparison with the prior year. Of the total combined fund balance, \$(63.8) million constitutes unreserved fund balance, of which \$15 million has been designated for subsequent year's expenditures and represents the amount estimated for use in the 2007 budget. During 2005 the County had to reserve \$126.7 million for a reserve for long-term receivables. This was entirely due to the non-payment of property taxes (School, Town, Village and County) by our largest taxpayer. However, in December 2006 the dispute was settled and by March 2007 all parties paid the County the total amount due and the reserve was eliminated for year-end 2006. 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 (\$51.5 million), compensated absences (\$11.5 million), debt service (\$25.2 million), fund deficits (\$18.8 million) and a variety of other purposes (\$6 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 \$50.1 million. Of this amount, \$(2.9) million was unreserved.

When the fiscal 2006 budget was adopted, it anticipated the use of fund balance. However, actual results of operations generated a surplus of \$2.1 million, exclusive of transfers. Overall, general Fund expenditures were \$405.3 million, which was \$3.1 million less than the final budget. The major areas where spending was less than budget was general government support (\$1.1 million) and health (\$1.8 million).

The revenue categories that reflected positive variances as compared to the budget were interest and other tax items (\$22.8 million). The variance for other tax items was interest recorded due to the legal settlement with our largest taxpayer for payment of back taxes.

The Capital Projects Fund is used to account for capital project activity throughout the County. The Capital Projects Fund's ending fund balance is \$97 million for fiscal year 2006. The increase in the Capital Fund's ending fund balance from \$59 million in 2004 to \$94 million in 2005 and to \$97 million in 2006 is due to Capital borrowing for the County's Sewer Expansion project.

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, 2006, the combined fund balance of these funds totaled \$28.5 million. This represents an increase of \$2.1 million for fiscal year 2006.

**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.

Total assets of the Proprietary Funds decreased by \$13.7 million leaving a balance of net assets of \$(76.4) million.

### **Budgetary Highlights**

**General Fund** – Differences between the original budget and the final amended budget was a \$12.4 million increase in appropriations. Increases in the budget for grants received by the Department of Health (\$5.3 million), General Government Support (\$7.1 million) and the Department of Transportation (\$2.7 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, 2006, amounts to \$640.2 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)**

	Governmental Activities		Business-Type Activities		Total	
	2006	2005	2006	2005	2006	2005
Land	\$ 46,964	\$ 32,612	\$ 439	\$ 439	\$ 47,403	\$ 33,051
Buildings and Improvements	395,548	354,232	16,242	4,090	411,790	358,322
Equipment	43,550	31,077	4,439	10,766	47,989	41,843
Infrastructure	42,154	47,654	-	-	42,154	47,654
Construction-in- Progress	88,458	129,778	2,397	6,128	90,855	135,906
<b>Total</b>	<b>\$ 616,674</b>	<b>\$ 595,353</b>	<b>\$ 23,517</b>	<b>\$ 21,423</b>	<b>\$ 640,191</b>	<b>\$ 616,776</b>

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 \$387,415,386. The County's total debt increased by \$36,557,546. All of this debt is backed by the full faith and credit of the County.

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

	Governmental Activities		Business-Type Activities		Total	
	2006	2005	2006	2005	2006	2005
General Obligation Bonds - Gross	\$ 287,620	\$ 255,158	\$ 99,795	\$ 95,700	\$ 387,415	\$ 350,858

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 2006, 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, 2006, the County of Rockland had used \$172,332,739 or 7.4% of the constitutional debt limit leaving \$2,161,921,009 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 H. Chris Kopf, CPA, 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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STATEMENT OF NET ASSETS  
DECEMBER 31, 2006

	Primary Government			Component Units
	Governmental Activities	Business-Type Activities	Total	
<b>ASSETS</b>				
Cash and equivalents	127,673,762	\$ 5,577,559	\$ 133,251,321	\$ 19,565,888
Investments	10,100,000	1,306,956	11,406,956	3,672,391
Receivables:				
Taxes, net of allowance for uncollectible taxes	160,160,587	-	160,160,587	-
Accounts, net of allowance for uncollectible amounts	47,725,626	7,061,555	54,787,181	4,497,830
Accounts - Patient care, net of allowance for uncollectible amounts	-	14,597,076	14,597,076	-
Loans	193,398	-	193,398	-
State and Federal aid, net of allowance for uncollectible amounts	62,447,688	317,347	62,765,035	1,716,376
Due from other governments	109,023,157	-	109,023,157	-
Internal balances	19,408,907	(19,408,907)	-	-
Inventories	55,379	535,806	591,185	-
Restricted assets	49,666,953	-	49,666,953	10,231,285
Prepaid expenses	4,308,156	1,560,081	5,868,237	842,548
Deferred charges	71,843	-	71,843	-
	<u>590,835,456</u>	<u>11,547,473</u>	<u>602,382,929</u>	<u>40,526,318</u>
Restricted cash and equivalents		1,853,659	1,853,659	-
Restricted investments	-	4,235,979	4,235,979	-
Cost of issuance, net of accumulated amortization	-	1,216,348	1,216,348	-
	<u>-</u>	<u>7,305,986</u>	<u>7,305,986</u>	<u>-</u>
Capital assets				
Land	46,963,910	438,504	47,402,414	1,773,312
Buildings	116,567,729	46,279,217	162,846,946	35,894,108
Improvements	580,148,942	345,975	580,494,917	-
Equipment	84,052,932	16,516,729	100,569,661	18,208,639
Infrastructure	77,666,274	-	77,666,274	-
Construction-in-progress	88,457,833	2,396,743	90,854,576	5,289,915
	<u>993,857,620</u>	<u>65,977,168</u>	<u>1,059,834,788</u>	<u>61,165,974</u>
Less - Accumulated depreciation	<u>(377,183,354)</u>	<u>(42,460,168)</u>	<u>(419,643,522)</u>	<u>(22,215,071)</u>
Total Capital Assets, net of accumulated depreciation	<u>616,674,266</u>	<u>23,517,000</u>	<u>640,191,266</u>	<u>38,950,903</u>
Total Assets	<u>1,207,509,722</u>	<u>42,370,459</u>	<u>1,249,880,181</u>	<u>79,477,221</u>
<b>LIABILITIES</b>				
Accounts payable	44,069,867	3,234,997	47,304,864	4,021,737
Accrued liabilities	14,280,274	4,663,487	18,943,761	7,663,709
Deposits payable	-	-	-	5,000
Due to other governments	3,255,165	-	3,255,165	105,118
Due to school districts	84,319,164	-	84,319,164	-
Unearned revenues	3,448,891	-	3,448,891	5,264,211
Accrued interest payable	8,404,236	263,920	8,668,156	-
Tax anticipation note payable	175,000,000	-	175,000,000	-
Revenue anticipation note payable	55,000,000	-	55,000,000	-
Bond anticipation notes payable	13,000,000	-	13,000,000	-
Non-current liabilities:				
Due within one year:				
Bonds payable - Capital construction	17,242,790	1,908,340	19,151,130	1,745,000
Bonds payable - Other	1,814,932	760,000	2,574,932	-
Compensated absences	1,687,176	12,482,502	14,169,678	-
Pension obligations	449,009	-	449,009	-
Claims payable	1,134,155	-	1,134,155	-
Due in more than one year:				
Bonds payable - Capital construction	265,436,202	15,912,594	281,348,796	37,188,736
Bonds payable - Other	1,886,981	79,516,845	81,403,826	-
Compensated absences	15,184,581	-	15,184,581	-
Pension obligations	1,288,637	-	1,288,637	-
Claims payable	10,207,391	-	10,207,391	-
Total Liabilities	<u>717,109,451</u>	<u>118,742,685</u>	<u>835,852,136</u>	<u>55,993,511</u>
<b>NET ASSETS</b>				
Invested in capital assets, net of related debt	357,075,560	12,411,965	369,487,525	11,034,224
Restricted for:				
Capital projects	36,008,443	-	36,008,443	726,677
Law enforcement	334,843	-	334,843	-
STOP-DWI Program	746,367	-	746,367	-
Handicapped parking	53,248	-	53,248	-
Social service programs	48,036	-	48,036	-
Debt service	32,637,387	-	32,637,387	-
Parklands	44,000	-	44,000	-
Student loans	-	-	-	9,852
Workers' compensation benefits	2,871,311	-	2,871,311	-
Unemployment benefits	121,503	-	121,503	-
Scholarships and student services	-	-	-	1,814,784
Permanent endowments	-	-	-	796,760
Special revenue funds	11,320,891	-	11,320,891	-
Unrestricted	<u>49,138,682</u>	<u>(88,784,191)</u>	<u>(39,645,509)</u>	<u>9,101,413</u>
Total Net Assets	<u>\$ 490,400,271</u>	<u>\$ (76,372,226)</u>	<u>\$ 414,028,045</u>	<u>\$ 23,483,710</u>

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

STATEMENT OF ACTIVITIES  
YEAR ENDED DECEMBER 31, 2006

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	\$ 53,181,226	\$ 13,488,832	\$ 3,406,363	\$ -
Education	62,269,510	-	-	-
Public safety	61,374,333	4,376,291	3,425,075	-
Health	42,866,537	2,227,880	100,014,349	-
Transportation	52,467,203	3,649,497	20,625,992	10,616,316
Economic opportunity and development	154,921,214	7,118,757	10,918,511	-
Culture and recreation	672,310	-	2,925,746	-
Home and community services	25,128,078	2,256,013	48	-
Interest	17,421,520	-	-	6,463,098
<b>Total Governmental Activities</b>	<b>470,301,931</b>	<b>33,117,270</b>	<b>141,316,084</b>	<b>17,079,414</b>
Business-type activities:				
Home and Infirmary Fund	100,045,431	79,335,999	7,781,080	-
Rockland Tobacco Asset Securitization Corporation	4,486,554	-	3,379,057	-
Rockland Second Tobacco Asset Securitization Corporation	542,077	-	859,420	-
<b>Total Business-type Activities</b>	<b>105,074,062</b>	<b>79,335,999</b>	<b>12,019,557</b>	<b>-</b>
<b>Total Primary Government</b>	<b>\$ 575,375,993</b>	<b>\$ 112,453,269</b>	<b>\$ 153,335,641</b>	<b>\$ 17,079,414</b>
<b>Component Units:</b>				
Rockland County Community College	\$ 59,606,298	\$ 18,847,170	\$ 6,552,460	\$ 3,832,621
Rockland County Soil and Water Conservation District	17,409	-	-	-
Rockland County Solid Waste Management Authority	23,675,526	22,927,794	784,451	-
Rockland County Industrial Development Agency	148,127	130,469	-	-
<b>Total Component Units</b>	<b>\$ 83,447,360</b>	<b>\$ 41,905,433</b>	<b>\$ 7,336,911</b>	<b>\$ 3,832,621</b>
<b>General Revenues:</b>				
Real property taxes				
Other tax items:				
Interest and penalties on real property taxes				
Gain on sale of tax acquired property				
Payments in lieu of taxes				
Non-property taxes:				
Sales and use tax				
Mortgage tax				
Unrestricted use of money and property				
Sale of property and compensation for loss				
Contributions from Rockland County				
Grants and contributions not restricted to specific programs				
Miscellaneous				
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 financial statement.

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

Governmental Activities	Business-type Activities	Total	Component Units
\$ (36,286,031)	\$ -	\$ (36,286,031)	\$ -
(62,269,510)	-	(62,269,510)	-
(53,572,967)	-	(53,572,967)	-
59,375,692	-	59,375,692	-
(17,575,398)	-	(17,575,398)	-
(136,883,946)	-	(136,883,946)	-
2,253,436	-	2,253,436	-
(22,872,017)	-	(22,872,017)	-
(10,958,422)	-	(10,958,422)	-
(278,789,163)	-	(278,789,163)	-
-	(12,928,352)	(12,928,352)	-
-	(1,107,497)	(1,107,497)	-
-	317,343	317,343	-
-	(13,718,506)	(13,718,506)	-
(278,789,163)	(13,718,506)	(292,507,669)	-
-	-	-	(30,374,047)
-	-	-	(17,409)
-	-	-	36,719
-	-	-	(17,658)
-	-	-	(30,372,395)
58,727,783	-	58,727,783	-
27,220,048	-	27,220,048	-
390,264	-	390,264	-
154,609	-	154,609	-
151,119,113	-	151,119,113	-
9,217,795	-	9,217,795	-
2,658,983	-	2,658,983	2,696,930
135,224	-	135,224	-
-	-	-	13,403,678
-	-	-	11,644,656
2,663,407	-	2,663,407	1,727,750
252,287,226	-	252,287,226	29,473,014
(26,501,937)	(13,718,506)	(40,220,443)	(899,381)
516,902,208	(62,653,720)	454,248,488	24,383,091
<u>\$ 490,400,271</u>	<u>\$ (76,372,226)</u>	<u>\$ 414,028,045</u>	<u>\$ 23,483,710</u>

COUNTY OF ROCKLAND, NEW YORK

BALANCE SHEET  
 GOVERNMENTAL FUNDS  
 DECEMBER 31, 2006

	General	Capital Projects	Other Governmental Funds	Total Governmental Funds
<u>ASSETS</u>				
Cash and Equivalents	\$ 28,854,295	\$ 65,575,127	\$ 18,502,034	\$ 112,931,456
Investments	-	-	10,100,000	10,100,000
Taxes Receivable, net of allowance for uncollectible taxes	160,160,587	-	-	160,160,587
Other Receivables:				
Accounts, net of allowance for uncollectible amounts	46,523,780	100,000	632,300	47,256,080
Loans	-	-	193,398	193,398
State and Federal aid, net of allowance for uncollectible amounts	51,240,879	6,606,091	4,031,190	61,878,160
Due from other governments	109,012,626	-	-	109,012,626
Due from other funds	7,700,001	65,000	1,943,799	9,708,800
Advances to other funds	18,777,631	-	-	18,777,631
	<u>233,254,917</u>	<u>6,771,091</u>	<u>6,800,687</u>	<u>246,826,695</u>
Restricted Assets	-	49,666,953	-	49,666,953
Prepaid Expenditures	3,011,644	-	362,983	3,374,627
<b>Total Assets</b>	<u>\$ 425,281,443</u>	<u>\$ 122,013,171</u>	<u>\$ 35,765,704</u>	<u>\$ 583,060,318</u>
<u>LIABILITIES AND FUND BALANCES</u>				
Liabilities:				
Accounts payable	\$ 31,035,018	\$ 10,684,428	\$ 1,189,977	\$ 42,909,423
Accrued liabilities	11,916,910	-	965,925	12,882,835
Due to other governments	3,255,165	-	-	3,255,165
Due to school districts	84,319,164	-	-	84,319,164
Due to other funds	1,320,032	1,214,508	2,562,400	5,096,940
Advances from other funds	-	-	1,118,710	1,118,710
Deferred revenues - Taxes	11,311,314	-	-	11,311,314
Deferred revenues - Other	1,973,740	-	1,475,151	3,448,891
Tax anticipation note payable	175,000,000	-	-	175,000,000
Revenue anticipation note payable	55,000,000	-	-	55,000,000
Bond anticipation notes payable	-	13,000,000	-	13,000,000
<b>Total Liabilities</b>	<u>375,131,343</u>	<u>24,898,936</u>	<u>7,312,163</u>	<u>407,342,442</u>
Fund Balances (Deficits):				
Reserved for encumbrances	2,407,877	46,264,830	2,876,870	51,549,577
Reserved for prepaid expenditures	3,011,644	-	362,983	3,374,627
Reserved for law enforcement	334,843	-	-	334,843
Reserved for STOP - DWI Program	746,367	-	-	746,367
Reserved for handicapped parking	53,248	-	-	53,248
Reserved for long-term receivable	-	-	188,302	188,302
Reserved for social service programs	-	-	48,036	48,036
Reserved for compensated absences	9,954,246	-	1,604,078	11,558,324
Reserved for debt service	17,796,303	-	7,464,782	25,261,085
Reserved for parklands	-	44,000	-	44,000
Reserved for advances	18,777,631	-	-	18,777,631
Unreserved reported in:				
General Fund	(2,932,059)	-	-	(2,932,059)
Capital Projects Fund	-	50,805,405	-	50,805,405
Special Revenue Funds	-	-	8,720,490	8,720,490
Debt Service Fund	-	-	7,188,000	7,188,000
<b>Total Fund Balances</b>	<u>50,150,100</u>	<u>97,114,235</u>	<u>28,453,541</u>	<u>175,717,876</u>
<b>Total Liabilities and Fund Balances</b>	<u>\$ 425,281,443</u>	<u>\$ 122,013,171</u>	<u>\$ 35,765,704</u>	<u>\$ 583,060,318</u>

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  
DECEMBER 31, 2006

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Fund Balances - Governmental Funds	\$ 175,717,876
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>599,567,425</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>3,233,109</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>11,311,314</u>
Government funds report the effect of issuance costs and similar items when debt is first issued, whereas these amounts are deferred and amortized in the statement of activities. Deferred charges	<u>71,843</u>
Long-term liabilities that are not due and payable in the current period and, therefore, are not reported in the funds.	
Bonds payable	(274,316,670)
Compensated absences	(15,042,744)
Pension obligations	(1,737,646)
Accrued interest payable	<u>(8,404,236)</u>
	<u>(299,501,296)</u>
Net Assets of Governmental Activities	<u>\$ 490,400,271</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, 2006

	General	Capital Projects	Other Governmental Funds	Total Governmental Funds
<b>Revenues:</b>				
Real property taxes	\$ 46,237,353	\$ -	\$ 23,768,011	\$ 70,005,364
Other tax items	27,764,921	-	-	27,764,921
Non-property taxes	160,802,521	-	-	160,802,521
Departmental income	30,525,205	-	53,667	30,578,872
Use of money and property	2,119,570	-	4,033,301	6,152,871
Licenses and permits	1,434,825	-	52,895	1,487,720
Fines and forfeitures	900,063	-	18,459	918,522
Sale of property and compensation for loss	135,224	-	1,110	136,334
Interfund revenues	12,466,666	-	114,548	12,581,214
State aid	86,663,315	9,331,558	3,327,953	99,322,826
Federal aid	39,631,047	1,284,758	11,469,971	52,385,776
Miscellaneous	2,663,407	-	1,574,888	4,238,295
<b>Total Revenues</b>	<b>411,344,117</b>	<b>10,616,316</b>	<b>44,414,803</b>	<b>466,375,236</b>
<b>Expenditures:</b>				
<b>Current:</b>				
General government support	54,702,180	-	240,509	54,942,689
Education	59,108,151	-	-	59,108,151
Public safety	58,893,768	-	-	58,893,768
Health	42,109,558	-	-	42,109,558
Transportation	26,513,628	-	13,629,277	40,142,905
Economic opportunity and development	144,366,267	-	10,238,920	154,605,187
Culture and recreation	636,212	-	-	636,212
Home and community services	7,333,685	-	12,969,037	20,302,722
Employee benefits	7,491,719	-	1,888,400	9,380,119
<b>Debt Service:</b>				
Principal	-	-	13,858,182	13,858,182
Interest	4,234,792	-	9,548,299	13,783,091
Capital Outlay	-	48,004,692	-	48,004,692
<b>Total Expenditures</b>	<b>405,389,960</b>	<b>48,004,692</b>	<b>62,372,624</b>	<b>515,767,276</b>
<b>Excess (Deficiency) of Revenues Over Expenditures</b>	<b>5,954,157</b>	<b>(37,388,376)</b>	<b>(17,957,821)</b>	<b>(49,392,040)</b>
<b>Other Financing Sources (Uses):</b>				
Bonds issued	-	47,009,877	-	47,009,877
Transfers in	10,917,313	865,000	36,493,490	48,275,803
Transfers out	(24,402,721)	(7,418,412)	(16,454,670)	(48,275,803)
<b>Total Other Financing Sources (Uses)</b>	<b>(13,485,408)</b>	<b>40,456,465</b>	<b>20,038,820</b>	<b>47,009,877</b>
<b>Net Change in Fund Balances</b>	<b>(7,531,251)</b>	<b>3,068,089</b>	<b>2,080,999</b>	<b>(2,382,163)</b>
<b>Fund Balances - Beginning of Year</b>	<b>57,681,351</b>	<b>94,046,146</b>	<b>26,372,542</b>	<b>178,100,039</b>
<b>Fund Balances - End of Year</b>	<b>\$ 50,150,100</b>	<b>\$ 97,114,235</b>	<b>\$ 28,453,541</b>	<b>\$ 175,717,876</b>

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

RECONCILIATION OF THE STATEMENT OF REVENUES,  
 THE GOVERNMENT - WIDE STATEMENT OF NET ASSETS  
 TO THE STATEMENT OF ACTIVITIES  
 YEAR ENDED DECEMBER 31, 2006

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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 \$ (2,382,163)

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.

Capital outlay expenditures	49,199,348
Depreciation expense	<u>(28,628,156)</u>
	<u>20,571,192</u>

Revenues in the statement of activities that do not provide current financial resources are not reported as revenues in the funds.

Real property taxes	<u>(11,277,581)</u>
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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. Also, governmental funds report the effect of issuance costs, premiums, discounts, and similar items when debt is first issued, whereas these amounts are deferred and amortized in the statement of activities.

Principal paid on bonds	13,858,182
Bonds issued	(47,009,877)
Amortization of issuance costs, loss on refunding and premium	<u>(124,875)</u>
	<u>(33,276,570)</u>

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.

Pension obligations	525,859
Compensated absences	(1,034,765)
Accrued interest	<u>(3,355,811)</u>
	<u>(3,864,717)</u>

The net revenue of certain activities of internal service funds are reported within governmental activities.

<u>3,727,902</u>
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Change in Net Assets of Governmental Activities	<u>\$ <u>(26,501,937)</u></u>
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The notes to the financial statements are an integral part of this statement.

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COUNTY OF ROCKLAND, NEW YORK

GENERAL FUND  
 STATEMENT OF REVENUES, EXPENDITURES AND CHANGES  
 IN FUND BALANCE - BUDGET AND ACTUAL  
 YEAR ENDED DECEMBER 31, 2006

	Original Budget	Final Budget	Actual	Variance with Final Budget Positive (Negative)
<b>Revenues:</b>				
Real property taxes	\$ 46,253,000	\$ 46,253,000	\$ 46,237,353	\$ (15,647)
Other tax items	4,950,000	4,950,000	27,764,921	22,814,921
Non-property taxes	172,420,000	172,420,000	160,802,521	(11,617,479)
Departmental income	32,113,138	33,620,144	30,525,205	(3,094,939)
Use of money and property	1,850,000	1,850,000	2,119,570	269,570
Licenses and permits	1,393,000	1,393,000	1,434,825	41,825
Fines and forfeitures	822,281	822,281	900,063	77,782
Sale of property and compensation for loss	156,000	156,000	135,224	(20,776)
Interfund revenues	12,666,046	13,153,841	12,466,666	(687,175)
State aid	85,308,434	90,134,498	86,663,315	(3,471,183)
Federal aid	38,081,078	44,550,426	39,631,047	(4,919,379)
Miscellaneous	4,050,000	3,050,000	2,663,407	(386,593)
<b>Total Revenues</b>	<b>400,062,977</b>	<b>412,353,190</b>	<b>411,344,117</b>	<b>(1,009,073)</b>
<b>Expenditures:</b>				
<b>Current:</b>				
General government support	48,650,189	55,783,832	54,702,180	1,081,652
Education	57,947,193	59,108,880	59,108,151	729
Public safety	55,126,532	59,068,494	58,893,768	174,726
Health	38,606,668	43,908,238	42,109,558	1,798,680
Transportation	23,766,919	26,513,920	26,513,628	292
Economic opportunity and development	151,618,287	144,381,816	144,366,267	15,549
Culture and recreation	709,216	641,216	636,212	5,004
Home and community services	7,415,294	7,374,318	7,333,685	40,633
Employee benefits	7,867,780	7,493,880	7,491,719	2,161
Debt Service - Interest	4,362,883	4,234,883	4,234,792	91
<b>Total Expenditures</b>	<b>396,070,961</b>	<b>408,509,477</b>	<b>405,389,960</b>	<b>3,119,517</b>
<b>Excess of Revenues Over Expenditures</b>	<b>3,992,016</b>	<b>3,843,713</b>	<b>5,954,157</b>	<b>2,110,444</b>
<b>Other Financing Sources (Uses):</b>				
Transfers in	17,089,415	17,089,415	10,917,313	(6,172,102)
Transfers out	(25,216,404)	(24,403,404)	(24,402,721)	683
<b>Total Other Financing Uses</b>	<b>(8,126,989)</b>	<b>(7,313,989)</b>	<b>(13,485,408)</b>	<b>(6,171,419)</b>
<b>Net Change in Fund Balance</b>	<b>(4,134,973)</b>	<b>(3,470,276)</b>	<b>(7,531,251)</b>	<b>(4,060,975)</b>
<b>Fund Balance - Beginning of Year</b>	<b>4,134,973</b>	<b>3,470,276</b>	<b>57,681,351</b>	<b>54,211,075</b>
<b>Fund Balance - End of Year</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ 50,150,100</b>	<b>\$ 50,150,100</b>

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

STATEMENT OF NET ASSETS  
 PROPRIETARY FUNDS  
 DECEMBER 31, 2006

Business - type Activities - Enterprise Funds

	Home and Infirmiry Fund	Rockland Tobacco Asset Securitization Corporation	Rockland Second Tobacco Asset Securitization Corporation
<b>ASSETS</b>			
Current Assets:			
Cash and equivalents	\$ 5,392,875	\$ 93,796	\$ 90,888
Investments	-	1,306,956	-
Receivables:			
Accounts	2,636,539	3,535,013	890,003
Accounts - patient care, net of allowance for uncollectible amounts	14,597,076	-	-
State and Federal aid	317,347	-	-
Due from other governments	-	-	-
Due from other funds	-	-	-
Inventories	535,806	-	-
Prepaid expenses	1,560,081	-	-
<b>Total Current Assets</b>	<b>25,039,724</b>	<b>4,935,765</b>	<b>980,891</b>
Other Noncurrent Assets:			
Restricted cash and equivalents	-	1,852,792	867
Restricted investments	-	3,525,018	710,961
Cost of issuance, net of accumulated amortization	-	968,483	247,865
<b>Total Other Noncurrent Assets</b>	<b>-</b>	<b>6,346,293</b>	<b>959,693</b>
Capital Assets:			
Land	438,504	-	-
Buildings	46,279,217	-	-
Improvements other than buildings	345,975	-	-
Equipment	16,516,729	-	-
Construction-in-progress	2,396,743	-	-
Less - Accumulated depreciation	(42,460,168)	-	-
<b>Total Capital Assets, net of accumulated depreciation</b>	<b>23,517,000</b>	<b>-</b>	<b>-</b>
<b>Total Noncurrent Assets</b>	<b>23,517,000</b>	<b>6,346,293</b>	<b>959,693</b>
<b>Total Assets</b>	<b>48,556,724</b>	<b>11,282,058</b>	<b>1,940,584</b>
<b>LIABILITIES</b>			
Current Liabilities:			
Accounts payable	3,227,223	-	7,774
Accrued liabilities	3,640,456	982,327	40,704
Accrued interest payable	263,920	-	-
Due to other funds	6,709,724	-	-
Advances from other funds	12,699,183	-	-
Current Portion of Long-Term Obligations:			
Claims payable	-	-	-
Compensated absences	12,482,502	-	-
Bonds payable - Capital construction	1,908,340	-	-
Bonds payable - Other	-	760,000	-
Bonds payable - Pension obligations	-	-	-
<b>Total Current Liabilities</b>	<b>40,931,348</b>	<b>1,742,327</b>	<b>48,478</b>
Noncurrent Liabilities:			
Claims payable	-	-	-
Compensated absences	-	-	-
Bonds payable - Capital construction	15,912,594	-	-
Bonds payable - Other	-	71,348,354	8,168,491
Bonds payable - Pension obligations	-	-	-
<b>Total Noncurrent Liabilities</b>	<b>15,912,594</b>	<b>71,348,354</b>	<b>8,168,491</b>
<b>Total Liabilities</b>	<b>56,843,942</b>	<b>73,090,681</b>	<b>8,216,969</b>
<b>NET ASSETS (DEFICITS)</b>			
Invested in Capital Assets, net of related debt	12,411,965	-	-
Unrestricted (Deficits)	(20,699,183)	(61,808,623)	(6,276,385)
<b>Total Net Assets (Deficits)</b>	<b>\$ (8,287,218)</b>	<b>\$ (61,808,623)</b>	<b>\$ (6,276,385)</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
\$ 5,577,559	\$ 14,742,306
1,306,956	-
7,061,555	469,546
14,597,076	-
317,347	569,528
-	10,531
-	2,172,284
535,806	55,379
<u>1,560,081</u>	<u>933,529</u>
<u>30,956,380</u>	<u>18,953,103</u>
1,853,659	-
4,235,979	-
<u>1,216,348</u>	<u>-</u>
<u>7,305,986</u>	<u>-</u>
438,504	-
46,279,217	2,980
345,975	-
16,516,729	22,965,181
2,396,743	-
<u>(42,460,168)</u>	<u>(5,861,320)</u>
<u>23,517,000</u>	<u>17,106,841</u>
<u>30,822,986</u>	<u>17,106,841</u>
<u>61,779,366</u>	<u>36,059,944</u>
3,234,997	1,160,444
4,663,487	1,397,439
263,920	-
6,709,724	74,420
12,699,183	4,959,738
-	1,134,155
12,482,502	182,901
1,908,340	1,203,256
760,000	-
-	117,620
<u>42,722,153</u>	<u>10,229,973</u>
-	10,207,391
-	1,646,112
15,912,594	10,621,070
79,516,845	-
-	122,289
<u>95,429,439</u>	<u>22,596,862</u>
<u>138,151,592</u>	<u>32,826,835</u>
12,411,965	5,282,516
<u>(88,784,191)</u>	<u>(2,049,407)</u>
<u>\$ (76,372,226)</u>	<u>\$ 3,233,109</u>

STATEMENT OF REVENUES, EXPENSES AND CHANGES IN NET ASSETS  
 PROPRIETARY FUNDS  
 YEAR ENDED DECEMBER 31, 2006

	Business-type Activities - Enterprise Funds		
	Home and Infirmiry Fund	Rockland Tobacco Asset Securitization Corporation	Rockland Second Tobacco Asset Securitization Corporation
Operating Revenues:			
Charges for services	\$ 78,671,597	\$ -	\$ -
State aid	-	-	-
Tobacco settlement revenues	-	3,043,988	813,706
Miscellaneous	664,402	-	-
<b>Total Operating Revenues</b>	<b>79,335,999</b>	<b>3,043,988</b>	<b>813,706</b>
Operating Expenses:			
Administrative and general expenses	12,550,536	-	-
Salaries and wage expenses	52,452,898	-	-
Employee benefits	23,883,950	-	-
Professional fees	-	32,075	22,111
Directors' fees	-	3,000	6,000
Insurance	-	21,525	-
Judgments and claims	-	-	-
Supplies and other expenses	8,838,052	-	-
Depreciation and amortization	1,939,354	40,870	6,706
<b>Total Operating Expenses</b>	<b>99,664,790</b>	<b>97,470</b>	<b>34,817</b>
<b>Income (Loss) from Operations</b>	<b>(20,328,791)</b>	<b>2,946,518</b>	<b>778,889</b>
Non-Operating Revenues (Expenses):			
Intergovernmental transfer	7,781,080	-	-
Interest income	-	335,069	45,714
Interest on indebtedness	(380,641)	(4,389,084)	(507,260)
<b>Total Non-Operating Revenues (Expenses)</b>	<b>7,400,439</b>	<b>(4,054,015)</b>	<b>(461,546)</b>
<b>Net Income (Loss)</b>	<b>(12,928,352)</b>	<b>(1,107,497)</b>	<b>317,343</b>
Net Assets (Deficiency) - Beginning of Year	4,641,134	(60,701,126)	(6,593,728)
<b>Net Assets (Deficiency) - End of Year</b>	<b>\$ (8,287,218)</b>	<b>\$ (61,808,623)</b>	<b>\$ (6,276,385)</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
\$ 78,671,597	\$ 32,986,096
-	658,640
3,857,694	-
664,402	-
<u>83,193,693</u>	<u>33,644,736</u>
12,550,536	6,549,799
52,452,898	128,635
23,883,950	4,333,682
54,186	-
9,000	-
21,525	-
-	1,287,899
8,838,052	17,081,153
1,986,930	995,994
<u>99,797,077</u>	<u>30,377,162</u>
<u>(16,603,384)</u>	<u>3,267,574</u>
7,781,080	-
380,783	624,913
<u>(5,276,985)</u>	<u>(164,585)</u>
<u>2,884,878</u>	<u>460,328</u>
(13,718,506)	3,727,902
<u>(62,653,720)</u>	<u>(494,793)</u>
<u>\$ (76,372,226)</u>	<u>\$ 3,233,109</u>

STATEMENT OF CASH FLOWS  
PROPRIETARY FUNDS  
YEAR ENDED DECEMBER 31, 2006

Functions/Programs	Business-type Activities - Enterprise Funds			
	Infirmity Fund	Rockland Tobacco Asset Securitization Corporation	Rockland Second Tobacco Asset Securitization Corporation	Total Business-type Activities - Enterprise Funds
<b>Cash Flows From Operating Activities:</b>				
Cash received from patients and third-party payors	\$ 79,451,481	\$ -	\$ -	\$ 79,451,481
Cash received from tobacco settlement revenues	-	3,334,773	834,247	4,169,020
Cash received from charges for services	-	-	-	-
Other	4,469,218	-	-	4,469,218
Cash payments to directors	-	-	(6,000)	(6,000)
Cash payments to insurance carriers and claimants	-	-	-	-
Cash payments to vendors	(20,532,532)	(56,600)	(22,111)	(20,611,243)
Cash payments to employees	(82,804,906)	-	-	(82,804,906)
<b>Net Cash Provided by (Used in) Operating Activities</b>	<b>(19,416,739)</b>	<b>3,278,173</b>	<b>806,136</b>	<b>(15,332,430)</b>
<b>Cash Flows From Non-Capital Financing Activities:</b>				
Intergovernmental transfer	7,781,080	-	-	7,781,080
Retirement of long-term debt	-	(680,000)	(375,000)	(1,055,000)
Interest on indebtedness	-	(2,652,281)	(497,825)	(3,150,106)
<b>Net Cash Provided by (Used in) Non-Capital Financing Activities</b>	<b>7,781,080</b>	<b>(3,332,281)</b>	<b>(872,825)</b>	<b>3,575,974</b>
<b>Cash Flows From Capital and Related Financing Activities:</b>				
Remittances to County of Rockland, net	14,867,960	-	-	14,867,960
Issuance of long-term debt	5,670,000	-	-	5,670,000
Retirement of debt	(2,216,248)	-	-	(2,216,248)
Interest on indebtedness	(598,613)	-	-	(598,613)
Acquisition and construction of capital assets	(4,033,214)	-	-	(4,033,214)
<b>Net Cash Provided by (Used in) Capital and Related Financing Activities</b>	<b>13,689,885</b>	<b>-</b>	<b>-</b>	<b>13,689,885</b>
<b>Cash Flows From Investing Activities:</b>				
Interest income	-	429,353	45,730	475,083
Purchase of investments	-	(1,306,956)	-	(1,306,956)
Sale of investments	-	1,326,117	-	1,326,117
Purchase of restricted investments	-	(3,525,018)	(710,961)	(4,235,979)
Sale of restricted investments	-	3,525,133	710,961	4,236,094
<b>Net Cash Provided by Investing Activities</b>	<b>-</b>	<b>448,629</b>	<b>45,730</b>	<b>494,359</b>
<b>Net Increase (Decrease) in Cash and Equivalents</b>	<b>2,054,226</b>	<b>394,521</b>	<b>(20,959)</b>	<b>2,427,788</b>
<b>Cash and Equivalents - Beginning of Year</b>	<b>3,338,649</b>	<b>1,552,067</b>	<b>112,714</b>	<b>5,003,430</b>
<b>Cash and Equivalents - End of Year</b>	<b>\$ 5,392,875</b>	<b>\$ 1,946,588</b>	<b>\$ 91,755</b>	<b>\$ 7,431,218</b>
<b>Reconciliation of Income (Loss) from Operations to Net Cash Provided by (Used in) Operating Activities:</b>				
Income (loss) from operations	\$ (20,328,791)	\$ 2,946,518	\$ 778,889	\$ (16,603,384)
Adjustments to reconcile income (loss) from operations to net cash provided by (used in) operating activities:				
Depreciation and amortization	1,939,354	40,870	6,706	1,986,930
Provision for bad debts	3,032,203	-	-	3,032,203
Changes in assets and liabilities:				
Accounts receivable	(1,256,104)	290,785	20,541	(944,778)
Accounts receivable - Patient care	(12,343,873)	-	-	(12,343,873)
State and Federal aid receivable	(1,720,721)	-	-	(1,720,721)
Due from other governments	-	-	-	-
Due from other funds	-	-	-	-
Inventories	56,252	-	-	56,252
Prepaid expenses	(601,979)	-	-	(601,979)
Accounts payable	799,804	-	-	799,804
Accrued liabilities	(2,808,309)	-	-	(2,808,309)
Due to other funds	(551,384)	-	-	(551,384)
Advances from other funds	12,699,183	-	-	12,699,183
Claims payable	-	-	-	-
Compensated absences	1,667,626	-	-	1,667,626
<b>Net Cash Provided by (Used in) Operating Activities</b>	<b>\$ (19,416,739)</b>	<b>\$ 3,278,173</b>	<b>\$ 806,136</b>	<b>\$ (15,332,430)</b>
<b>Noncash Investing Activities -</b>				
Increase in bonds payable from amortization of original issue and underwriters' discount	\$ -	\$ 54,849	\$ 10,997	\$ 65,846

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

Governmental  
Activities-  
Internal Service  
Funds

\$ -  
-  
36,032,244  
601,871  
-  
(6,403,591)  
(4,463,390)  
(21,426,244)  
4,340,890

(112,950)  
(164,584)

(277,534)

-  
512,500  
(1,088,165)  
-  
(1,746,155)

(2,321,820)

624,913  
-  
-  
-  
-

624,913

2,366,449

12,375,857

\$ 14,742,306

\$ 3,267,574

995,994  
-

4,030  
-

(56,769)

(531)

3,042,649

(634)

(723,332)

(387,168)

527,678

(2,739,282)

4,959,738

(4,439,211)

(109,846)

\$ 4,340,890

\$ -

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COUNTY OF ROCKLAND, NEW YORK

STATEMENT OF ASSETS AND LIABILITIES  
FIDUCIARY FUND  
DECEMBER 31, 2006

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ASSETS

	<u>Agency</u>
Cash:	
Demand deposits	\$ 5,801,956
Time deposits	<u>2,085,103</u>
	7,887,059
Accounts Receivable	<u>55,785</u>
	\$ <u><u>7,942,844</u></u>

LIABILITIES

Accounts Payable	\$ 166,984
Employee Payroll Deductions	491,765
Deposits	4,188,785
Due to Other Governments	<u>3,095,310</u>
	\$ <u><u>7,942,844</u></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, 2006 (Rockland County Community College as of August 31, 2006)

	Rockland County Community College	Rockland County Soil and Water Conservation District	Rockland County Solid Waste Management Authority
<b>ASSETS</b>			
Cash and equivalents	\$ 7,925,369	\$ 21,350	\$ 11,362,060
Investments	3,620,307	52,084	-
Receivables:			
Accounts, net of allowance for uncollectible amounts	3,151,490	-	1,346,340
State and Federal aid	357,860	41,279	1,317,237
Restricted assets	-	-	10,231,285
Prepaid expenses	-	-	842,548
	<u>15,055,026</u>	<u>114,713</u>	<u>25,099,470</u>
Capital assets:			
Land	-	-	1,773,312
Buildings	-	-	35,894,108
Equipment	6,553,595	12,895	11,642,149
Construction-in-progress	-	-	5,289,915
	<u>6,553,595</u>	<u>12,895</u>	<u>54,599,484</u>
Less - Accumulated depreciation	<u>(3,777,871)</u>	<u>(11,338)</u>	<u>(18,425,862)</u>
Total Capital Assets, net of accumulated depreciation	<u>2,775,724</u>	<u>1,557</u>	<u>36,173,622</u>
Total Assets	<u>17,830,750</u>	<u>116,270</u>	<u>61,273,092</u>
<b>LIABILITIES</b>			
Accounts payable	518,726	-	3,503,011
Accrued liabilities	6,464,419	-	1,199,290
Deposits payable	5,000	-	-
Due to other governments	105,118	-	-
Deferred revenues	5,264,211	-	-
Non-current liabilities:			
Due within one year - Bonds payable	-	-	1,745,000
Due in more than one year - Bonds payable	-	-	37,188,736
Total Liabilities	<u>12,357,474</u>	<u>-</u>	<u>43,636,037</u>
<b>NET ASSETS</b>			
Invested in capital assets, net of related debt	2,775,724	1,557	8,256,943
Restricted for:			
Capital projects	726,677	-	-
Student loans	9,852	-	-
Scholarships and student services	1,814,784	-	-
Permanent endowments	796,760	-	-
Unrestricted	<u>(650,521)</u>	<u>114,713</u>	<u>9,380,112</u>
Total Net Assets	<u>\$ 5,473,276</u>	<u>\$ 116,270</u>	<u>\$ 17,637,055</u>

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

Rockland County Industrial Development Agency		Totals
\$ 257,109	\$ 19,565,888	
-	3,672,391	
-	4,497,830	
-	1,716,376	
-	10,231,285	
-	842,548	
<u>257,109</u>	<u>40,526,318</u>	
-	1,773,312	
-	35,894,108	
-	18,208,639	
-	5,289,915	
-	61,165,974	
-	<u>(22,215,071)</u>	
-	38,950,903	
<u>257,109</u>	<u>79,477,221</u>	
-	4,021,737	
-	7,663,709	
-	5,000	
-	105,118	
-	5,264,211	
-	1,745,000	
-	37,188,736	
-	<u>55,993,511</u>	
-	11,034,224	
-	726,677	
-	9,852	
-	1,814,784	
-	796,760	
<u>257,109</u>	<u>9,101,413</u>	
<u>\$ 257,109</u>	<u>\$ 23,483,710</u>	

COUNTY OF ROCKLAND, NEW YORK

STATEMENT OF ACTIVITIES

COMPONENT UNITS

YEAR ENDED DECEMBER 31, 2006

(Rockland County Community College Year Ended August 31, 2006)

Functions/Programs	Expenses	Program Revenues		
		Charges for Services	Operating Grants and Contributions	Capital Grants and Contributions
Rockland County Community College - Education	\$ 59,606,298	\$ 18,847,170	\$ 6,552,460	\$ 3,832,621
Rockland County Soil and Water Conservation District - Home and Community Services	17,409	-	-	-
Rockland County Solid Waste Management Authority - Home and Community Services	23,675,526	22,927,794	784,451	-
Rockland County Industrial Development Agency - Economic Opportunity and Development	148,127	130,469	-	-
<b>Total Component Units</b>	<b>\$ 83,447,360</b>	<b>\$ 41,905,433</b>	<b>\$ 7,336,911</b>	<b>\$ 3,832,621</b>

General Revenues:

Unrestricted use of money and property

Contributions from County of Rockland

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
\$ (30,374,047)	\$ -	\$ -	\$ -	\$ (30,374,047)
-	(17,409)	-	-	(17,409)
-	-	36,719	-	36,719
-	-	-	(17,658)	(17,658)
<u>(30,374,047)</u>	<u>(17,409)</u>	<u>36,719</u>	<u>(17,658)</u>	<u>(30,372,395)</u>
1,742,296	2,084	948,702	3,848	2,696,930
13,403,678	-	-	-	13,403,678
11,601,843	42,813	-	-	11,644,656
1,727,750	-	-	-	1,727,750
<u>28,475,567</u>	<u>44,897</u>	<u>948,702</u>	<u>3,848</u>	<u>29,473,014</u>
(1,898,480)	27,488	985,421	(13,810)	(899,381)
<u>7,371,756</u>	<u>88,782</u>	<u>16,651,634</u>	<u>270,919</u>	<u>24,383,091</u>
<u>\$ 5,473,276</u>	<u>\$ 116,270</u>	<u>\$ 17,637,055</u>	<u>\$ 257,109</u>	<u>\$ 23,483,710</u>

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**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.

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 Tobacco Asset Securitization Corporation ("RTASC") and the Rockland Second Tobacco Asset Securitization Corporation ("RSTASC") are not-for-profit local development corporations organized pursuant to Section 1411 of the Not-For-Profit Corporation Law of the 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, one designee 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 the 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 after 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 blended 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 Torne 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, except for interfund services provided and used. 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 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 and proprietary 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:

**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 the pro-

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

visions of 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 and the Solid Waste Management Authority 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 and the Solid Waste Management Authority 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**

**Deposits, Investments and Risk Disclosure**

**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.

Custodial credit risk is the risk that in the event of a bank failure, the County's deposits may not be returned to it. GASB Statement No. 40 directs that deposits be disclosed as exposed to custodial credit risk if they are not covered by depository insurance and the deposits are either undercollateralized, collateralized by securities held by the pledging financial institution or collateralized by securities held by the pledging financial institution's trust department but not in the County's name. The County's aggregate bank balances that were not covered by depository insurance were not exposed to custodial credit risk at December 31, 2006.

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

The County was invested only in the above mentioned obligations and, accordingly, was not exposed to any interest rate risk.

**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 Asset 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 requirements of the indenture.

**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

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

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.

**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, 2006, 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.

**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.

**Prepaid Expenses/Expenditures** - Prepaid expenses/expenditures 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 bonds. These costs are being amortized over the term of the respective bond issue.

**Capital Assets** - Capital assets, which include property, plant, equipment, and infrastructure assets (e.g., roads, bridges, sidewalks and similar items) 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.

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

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 (i.e., estimating the current replacement cost of the infrastructure to be capitalized and using an appropriate price-level index to deflate the cost to the acquisition year or estimated acquisition year).

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.

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.

<u>Class</u>	<u>Life in Years</u>
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.

**Unearned/Deferred Revenues** - Unearned/deferred revenues arise when assets are recognized before revenue recognition criteria has been satisfied. In government-wide financial statements, unearned revenues consist of amounts received in advance and/or amounts 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 \$11,311,314 for real property taxes and \$1,973,740 for State and Federal aid received in advance in the General Fund. The County has also reported deferred revenues of \$1,475,151 for Federal aid received in advance in the Community Development Fund and \$5,264,211 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.



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

**Long-term Liabilities** - In the government-wide and proprietary fund 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.

**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, 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, 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, County Road, Road Machinery, Community Development, Sewer District 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.
- 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, County Road, Road Machinery, Community Development, Sewer District and Debt Service funds.
- g) Budgets for General, County Road, Road Machinery, Community Development, Sewer District 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, County Road, Road Machinery, Community Development, Sewer District 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 2006 was \$428,269,939, which exceeded the actual levy by \$380,016,939.

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

**C. Fund Deficits**

The General Fund undesignated deficit of \$10,632,060, arises as a result of amounts due to the General Fund from other funds that have deficits and will not be able to repay these amounts within the subsequent operating cycle.

The County Road Fund, Home and Infirmary Fund, Rockland Tobacco Asset Securitization Corporation, Rockland Tobacco Second Asset Securitization Corporation, General Liability Claims Fund and the General Services Fund also reflect undesignated or unrestricted deficits of \$1,118,710, \$20,699,183, \$61,808,623, \$6,276,385, \$82,483 and \$4,959,737, respectively at December 31, 2006. These deficits will be addressed in the subsequent year.

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

**A. Investments**

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

	Certificates of Deposit	Commercial Paper	Total
Governmental Activities:			
Community Development Fund	\$ 225,000	\$ -	\$ 225,000
Debt Service Fund	9,875,000	-	9,875,000
	<u>10,100,000</u>	-	<u>10,100,000</u>
Business-type Activities -			
Rockland Tobacco Asset Securitization Corporation	-	1,306,956	1,306,956
	<u>\$ 10,100,000</u>	<u>\$ 1,306,956</u>	<u>\$ 11,406,956</u>

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

**Restricted Investments**

Restricted investments at December 31, 2006 consisted of the following:

Rockland Tobacco Asset Securitization Corporation - Commercial paper, at cost, which approximates fair value, due in February 2007, interest at 5.31%	\$ 3,525,018
Rockland Second Tobacco Asset Securitization Corporation - Commercial paper, at cost, which approximates fair value, due in May 2007, interest at 5.24%	<u>710,961</u>
	<u>\$ 4,235,979</u>

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

Investments of the Rockland Tobacco Asset Securitization Corporation and the Rockland Second Tobacco Asset Securitization Corporation are not subject to risk categorization.

**B. Taxes Receivable**

Taxes receivable at December 31, 2006 consisted of the following:

Tax liens	\$ 97,360,068
Tax installments	2,756,724
Returned school districts taxes	58,234,637
Returned village taxes	<u>3,180,158</u>
	161,531,587
Allowance for uncollectible taxes	<u>(1,371,000)</u>
	<u>\$ 160,160,587</u>

School district and village taxes are offset by liabilities to the school districts and villages which will be paid no later than April 2007. Taxes receivable, at the fund level, are also partially offset by deferred tax revenues of \$11,311,314, 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, 2006 were as follows:

<u>Fund</u>	<u>Due From</u>	<u>Due To</u>
General	\$ 7,700,001	\$ 1,320,032
Capital Projects	65,000	1,214,508
Non-Major Governmental	1,943,799	2,562,400
Home and Infirmary	-	6,709,724
Internal Service	<u>2,172,284</u>	<u>74,420</u>
	<u>\$ 11,881,084</u>	<u>\$ 11,881,084</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 occurred, 2) transactions are recorded in the accounting system and 3) payments between funds are made.

NOTES TO FINANCIAL STATEMENTS (Continued)  
 DECEMBER 31, 2006

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

**D. Capital Assets**

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

Class	Balance January 1, 2006	Additions	Deductions	Balance December 31, 2006
<b>Governmental Activities (inclusive of Internal Service Funds):</b>				
Capital Assets, not being depreciated:				
Land	\$ 32,612,259	\$ 14,351,651	\$ -	\$ 46,963,910
Construction-in-progress	129,777,585	1,661,300	42,981,052	88,457,833
<b>Total Capital Assets, not being depreciated</b>	<b>\$ 162,389,844</b>	<b>\$ 16,012,951</b>	<b>\$ 42,981,052</b>	<b>\$ 135,421,743</b>
Capital Assets, being depreciated:				
Buildings	\$ 62,686,601	\$ 53,881,128	\$ -	\$ 116,567,729
Improvements	575,716,237	4,432,705	-	580,148,942
Equipment	65,314,466	19,599,771	861,305	84,052,932
Infrastructure	77,666,274	-	-	77,666,274
<b>Total Capital Assets, being depreciated</b>	<b>781,383,578</b>	<b>77,913,604</b>	<b>861,305</b>	<b>858,435,877</b>
Less Accumulated Depreciation for:				
Buildings	38,521,422	3,098,483	-	41,619,905
Improvements	245,649,522	13,900,182	-	259,549,704
Equipment	34,237,543	7,126,220	861,305	40,502,458
Infrastructure	30,012,022	5,499,265	-	35,511,287
<b>Total Accumulated Depreciation</b>	<b>348,420,509</b>	<b>29,624,150</b>	<b>861,305</b>	<b>377,183,354</b>
<b>Total Capital Assets, being depreciated, net</b>	<b>\$ 432,963,069</b>	<b>\$ 48,289,454</b>	<b>\$ -</b>	<b>\$ 481,252,523</b>
<b>Governmental Activities Capital Assets, net</b>	<b>\$ 595,352,913</b>	<b>\$ 64,302,405</b>	<b>\$ 42,981,052</b>	<b>\$ 616,674,266</b>

NOTES TO FINANCIAL STATEMENTS (Continued)  
 DECEMBER 31, 2006

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

Class	Balance January 1, 2006	Additions	Deductions	Balance December 31, 2006
<b>Business-type Activities:</b>				
Capital Assets, not being depreciated:				
Land	\$ 438,504	\$ -	\$ -	\$ 438,504
Construction-in-progress	6,128,029	3,934,775	7,666,061	2,396,743
Total Capital Assets, not being depreciated	<u>\$ 6,566,533</u>	<u>\$ 3,934,775</u>	<u>\$ 7,666,061</u>	<u>\$ 2,835,247</u>
Capital Assets, being depreciated:				
Buildings	\$ 41,332,168	\$ 4,947,049	\$ -	\$ 46,279,217
Improvements	345,975	-	-	345,975
Equipment	13,699,278	2,817,451	-	16,516,729
Total Capital Assets, being depreciated	<u>55,377,421</u>	<u>7,764,500</u>	<u>-</u>	<u>63,141,921</u>
Less Accumulated Depreciation for:				
Buildings	28,660,930	1,376,400	-	30,037,330
Improvements	345,975	-	-	345,975
Equipment	11,513,909	562,954	-	12,076,863
Total Accumulated Depreciation	<u>40,520,814</u>	<u>1,939,354</u>	<u>-</u>	<u>42,460,168</u>
Total Capital Assets, being depreciated, net	<u>\$ 14,856,607</u>	<u>\$ 5,825,146</u>	<u>\$ -</u>	<u>\$ 20,681,753</u>
<b>Business-type Activities</b>				
Capital Assets, net	<u>\$ 21,423,140</u>	<u>\$ 9,759,921</u>	<u>\$ 7,666,061</u>	<u>\$ 23,517,000</u>

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

Governmental Activities:	
General Government Support	\$ 5,054,691
Education	3,166,224
Public Safety	1,956,067
Health	450,686
Transportation	12,357,245
Economic Opportunity and Development	107,880
Culture and Recreation	36,098
Home and Community Services	5,499,265
Capital assets held by the government's internal service fund are charged to the various functions based on their usage of the assets	<u>995,994</u>
Total Depreciation Expense - Governmental Activities	<u>\$ 29,624,150</u>
Business-type Activities - Home and Infirmary	<u>\$ 1,939,354</u>

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

**Construction Commitments**

The County has active construction projects as of December 31, 2006. These projects include new construction and renovations. At year-end, the County had \$46,264,830 in construction encumbrances.

**Capital Assets - Component Units**

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

Class	Balance September 1, 2005	Additions	Balance August 31, 2006
Capital Assets, being depreciated - Equipment	\$ 4,977,561	\$ 1,576,034	\$ 6,553,595
Less Accumulated Depreciation	<u>(3,443,702)</u>	<u>(334,169)</u>	<u>(3,777,871)</u>
Community College Capital Assets, net	<u>\$ 1,533,859</u>	<u>\$ 1,241,865</u>	<u>\$ 2,775,724</u>

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

Class	Balance January 1, 2006	Additions	Deductions	Balance December 31, 2006
Capital Assets, being depreciated - Equipment	\$ 15,301	\$ 794	\$ (3,200)	\$ 12,895
Less Accumulated Depreciation	<u>(12,266)</u>	<u>(2,272)</u>	<u>3,200</u>	<u>(11,338)</u>
Soil and Water Conservation District Capital Assets, net	<u>\$ 3,035</u>	<u>\$ (1,478)</u>	<u>\$ -</u>	<u>\$ 1,557</u>

NOTES TO FINANCIAL STATEMENTS (Continued)  
 DECEMBER 31, 2006

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

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

Class	Balance January 1, 2006	Additions	Balance December 31, 2006
Capital Assets, not being depreciated:			
Land	\$ 1,423,312	\$ 350,000	\$ 1,773,312
Construction-in-progress	713,300	4,576,615	5,289,915
<b>Total Capital Assets, not being depreciated</b>	<b><u>\$ 2,136,612</u></b>	<b><u>\$ 4,926,615</u></b>	<b><u>\$ 7,063,227</u></b>
Capital Assets, being depreciated:			
Buildings	\$ 35,894,108	\$ -	\$ 35,894,108
Equipment	11,587,857	54,292	11,642,149
<b>Total Capital Assets, being depreciated</b>	<b><u>47,481,965</u></b>	<b><u>54,292</u></b>	<b><u>47,536,257</u></b>
Less Accumulated Depreciation for:			
Buildings	10,794,100	1,794,705	12,588,805
Equipment	5,245,027	592,030	5,837,057
<b>Total Accumulated Depreciation</b>	<b><u>16,039,127</u></b>	<b><u>2,386,735</u></b>	<b><u>18,425,862</u></b>
<b>Total Capital Assets, being depreciated, net</b>	<b><u>\$ 31,442,838</u></b>	<b><u>\$ (2,332,443)</u></b>	<b><u>\$ 29,110,395</u></b>
<b>Solid Waste Management Authority Capital Assets, net</b>	<b><u>\$ 33,579,450</u></b>	<b><u>\$ 2,594,172</u></b>	<b><u>\$ 36,173,622</u></b>

**E. Accrued Liabilities**

Accrued liabilities at December 31, 2006 were as follows:

	Governmental Activities	Business-Type Activities	Total
Payroll and employee benefits	\$ 9,909,956	\$ -	\$ 9,909,956
Other	4,370,318	4,663,487	9,033,805
<b>Total Accrued Liabilities</b>	<b><u>\$ 14,280,274</u></b>	<b><u>\$ 4,663,487</u></b>	<b><u>\$ 18,943,761</u></b>



NOTES TO FINANCIAL STATEMENTS (Continued)  
 DECEMBER 31, 2006

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

**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.

	Balance January 1, 2006	New Issues	Redemptions	Balance December 31, 2006
Revenue Anticipation Note	\$ 40,000,000	\$ 55,000,000	\$ 40,000,000	\$ 55,000,000
Tax Anticipation Note	77,000,000	175,000,000	77,000,000	175,000,000
Tax Anticipation Note	42,000,000	-	42,000,000	-
	<u>\$ 159,000,000</u>	<u>\$ 230,000,000</u>	<u>\$ 159,000,000</u>	<u>\$ 230,000,000</u>

The \$40,000,000 revenue anticipation note matured on March 23, 2006. The \$55,000,000 revenue anticipation note was issued on March 30, 2006 and matures on March 22, 2007 with interest at 4.5%. Interest expense of \$1,009,178 was recorded in fund financial statements in the General Fund. Interest expense of \$1,647,241 was recorded in the government-wide financial statements of governmental activities.

The \$77,000,000 and the \$42,000,000 tax anticipation notes matured on March 23, 2006. The \$175,000,000 tax anticipation note was issued on March 22, 2006 and matures on March 22, 2007, with interest at 4.5%. Interest expense of \$3,094,705 was recorded in the fund financial statements in the General Fund. Interest expense of \$5,525,001 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.

Purpose	Year of Original Issue	Maturity Date	Rate of Interest	Balance January 1, 2006	New Issue	Redemptions	Balance December 31, 2006
Sewer Improvements	2005	2/23/06	4.50 %	\$ 3,200,000	\$ -	\$ 800,000	\$ 2,400,000
Sewer Improvements	2006	4/26/07	4.50	-	500,000	-	500,000
Sewer Improvements	2006	4/26/07	4.25	-	5,000,000	-	5,000,000
General Purpose	2005	4/06/06	-	8,175,000	-	8,175,000	-
General Purpose	2006	6/01/06	3.58	-	2,000,000	-	2,000,000
General Purpose	2006	6/01/06	4.00	-	3,100,000	-	3,100,000
				<u>\$ 11,375,000</u>	<u>\$ 10,600,000</u>	<u>\$ 8,975,000</u>	<u>\$ 13,000,000</u>

**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 \$130,909 and \$77,267 were recorded in the fund financial statements in the General Fund and Sewer Fund, respectively. Interest expense of \$323,080 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 Employees 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, 2007 are as follows:

<u>Tier/Plan</u>	<u>Rate</u>
1 553	18.2%
1 75I	13.3
1 89D	17.0
2 553	18.0
2 75I	12.2
2 89R	15.5
2 89D	24.5
2 89VR	15.5
3 A14	9.8
3 553	16.7
4 A15	9.8
4 553	16.7
4 603OR	15.1
4 604PR	15.1
4 604S4	11.8
4 603R3	11.8
4 89VR3	11.8
4 89PT4	11.8

**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	Component Units	
		College	Solid Waste Management Authority
2006	\$ 12,660,464	\$ 888,433	\$ 168,372
2005	15,147,777	993,407	97,346
2004	11,939,512	748,565	108,254

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	\$ 10,480,086
County Road	580,545
Road Machinery	57,677
Sewer	510,480
	<u>11,628,788</u>
<b>Proprietary Funds:</b>	
General Services	1,023,606
Workers' Compensation Benefits	8,070
	<u>1,031,676</u>
	<u>\$ 12,660,464</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.

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

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

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, 2006 are as follows:

<u>Tiers</u>	<u>Rate</u>
1-4	7.97%

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

2006	\$	290,547
2005		158,721
2004		70,983

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 years ending August 31, 2006, 2005 and 2004, the College incurred pension costs under this Plan of \$1,581,200, \$1,512,800 and \$1,459,000, respectively.

**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.

**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, 2006, 2005 and 2004 were \$5,539, \$2,957 and \$3,528, respectively.

NOTES TO FINANCIAL STATEMENTS (Continued)  
DECEMBER 31, 2006

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

**I. Long-Term Liabilities**

The following table summarizes changes in the County's long-term indebtedness for the year ended December 31, 2006:

	Balance January 1, 2006	New Issues/ Additions	Maturities and/or Payments	Balance December 31, 2006	Due Within One Year
<b>Governmental Activities:</b>					
Bonds Payable	\$ 255,157,191	\$ 47,522,377	\$ 15,059,316	\$ 287,620,252	\$ 19,057,722
Less-Deferred amounts on refunding	(1,399,699)	-	(160,352)	(1,239,347)	-
	253,757,492	47,522,377	14,898,964	286,380,905	19,057,722
Compensated Absences	15,946,838	2,519,603	1,594,684	16,871,757	1,687,176
Pension Obligations	2,263,505	-	525,859	1,737,646	449,009
Claims Payable	15,780,757	-	4,439,211	11,341,546	1,134,155
<b>Governmental Activities Long-term Liabilities</b>	<b><u>\$ 287,748,592</u></b>	<b><u>\$ 50,041,980</u></b>	<b><u>\$ 21,458,718</u></b>	<b><u>\$ 316,331,854</u></b>	<b><u>\$ 22,328,062</u></b>
<b>Business-type Activities:</b>					
Bonds Payable	\$ 95,700,649	\$ 5,670,000	\$ 1,575,515	\$ 99,795,134	\$ 2,668,340
Less-Deferred amount on refunding	(1,763,200)	-	(65,845)	(1,697,355)	-
	93,937,449	5,670,000	1,509,670	98,097,779	2,668,340
Compensated Absences	10,814,876	1,667,626	-	12,482,502	12,482,502
<b>Business-type Activities Long-term Liabilities</b>	<b><u>\$ 104,752,325</u></b>	<b><u>\$ 7,337,626</u></b>	<b><u>\$ 1,509,670</u></b>	<b><u>\$ 110,580,281</u></b>	<b><u>\$ 15,150,842</u></b>
<b>Solid Waste Management Authority - Component Unit - Bonds Payable</b>	<b><u>\$ 32,294,512</u></b>	<b><u>\$ 10,133,488</u></b>	<b><u>\$ 3,494,264</u></b>	<b><u>\$ 38,933,736</u></b>	<b><u>\$ 1,745,000</u></b>

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, 2006 are comprised of the following individual issues:

\$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 9.50% for maturities through 2009

\$ 1,295,000

NOTES TO FINANCIAL STATEMENTS (Continued)  
 DECEMBER 31, 2006

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

<p>\$9,520,000 - 1986 bonds for sewer purposes, due in annual installments of \$420,000 through June 2010 and \$425,000 in June 2011; interest at 7.50%</p>	<p>\$ 2,105,000</p>
<p>\$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</p>	<p>2,325,000</p>
<p>\$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%</p>	<p>126,000</p>
<p>\$20,284,115 - 1990 bonds for refunding of sewer improvement bonds, due in annual installments of \$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>7,220,000</p>
<p>\$9,950,000 - 1992 bonds for various purposes, due in annual installments of \$79,000 in October 2007, \$31,000 in October 2008 and \$12,000 in through October 2012; interest at 5.50%</p>	<p>158,000</p>
<p>\$2,905,000 - 1992 bonds for various purposes, due in annual installments of \$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>933,000</p>
<p>\$5,855,000 - 1992 bonds for sewer purposes, due in annual installments of \$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>2,395,000</p>
<p>\$4,350,000 - 1993 bonds for sewer purposes, due in annual installments of \$167,000 in September 2007, \$172,000 in September 2008, \$177,000 in September 2009, \$178,000 in</p>	

NOTES TO FINANCIAL STATEMENTS (Continued)  
 DECEMBER 31, 2006

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

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 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	\$ 1,992,000
\$2,675,000 - 1993 bonds for sewer purposes, due in annual installments of \$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	1,065,000
\$11,248,000 - 1994 bonds for public improvements including the health complex, due in annual installments of \$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 5.60% to 5.80%, depending upon maturity	460,000
\$12,347,000 - 1994 bonds for public improvements including the health complex, due in annual installments of \$68,000 through November 2008, \$69,000 in November 2009 and \$39,000 through November 2014; interest at 6.00%	400,000
\$6,365,000 - 1996 bonds for sewer purposes, due in annual installments of \$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	4,135,000
\$19,806,000 - 1997 bonds for various purposes including the health complex, due in annual installments of \$1,925,000 in August 2007, \$2,020,000 in August 2008 and \$2,120,000 in August 2009; interest at rates ranging from 4.50% to 5.00%, depending on maturity	6,065,000
\$25,477,000 - 1998 bonds for various purposes including courthouse construction, due in annual installments of \$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 4.10% to 4.40%, depending on maturity	13,765,000

NOTES TO FINANCIAL STATEMENTS (Continued)  
 DECEMBER 31, 2006

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

\$26,517,000 - 1999 bonds for various purposes including the health complex, due in annual installments of \$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 5.25% to 5.60%, depending on maturity

\$ 7,701,000

\$15,225,000 - 2000 bonds for various purposes, due in annual installments of \$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

11,285,000

\$14,425,000 - 2001 bonds for various purposes, due in annual installments of \$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

11,020,000

\$6,000,000 - 2001 bonds for sewer district improvements, due in annual installments of \$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 4.25% to 5.00%, depending on maturity

5,535,000

\$16,673,000 - 2002 bonds for various purposes, due in annual installments of \$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 3.125% to 4.0%, depending on maturity

13,680,000



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

\$10,400,000 - 2003 bonds to satisfy pension liability, due in annual installments of \$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

\$ 5,395,000

\$21,027,000 - 2003 bonds for various purposes, due in annual installments of \$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

19,070,000

\$4,000,000 - 2003 bonds for refunding of sewer and various purpose bonds, due in annual installments of \$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 2.65% to 4.0%, depending on maturity

2,635,000

\$47,750,000 - 2001 bonds issued to finance the purchase of tobacco rights, due in annual installments of \$760,000 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, \$1,665,000 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

46,435,000

\$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

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

2040, \$515,000 in June 2041; interest at rates ranging from 5.027% to 5.27%, depending on maturity \$ 8,575,000

\$29,311,745 - 2004 bonds for public improvements including the health complex, due in annual installments of \$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 27,300,000

\$31,082,062 - 2004 bonds for sewer purposes, due in annual installments of \$782,065 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 2.481% to 5.15%, depending on maturity 30,327,065

\$30,000,000 - 2005 bonds for various purposes, due in annual installments of \$1,805,000 in February 2007, \$1,855,000 in February 2008, \$1,910,000 in February 2009, \$1,965,000 in February 2010, \$2,030,000 in February 2011, \$2,100,000 in February 2012, \$2,175,000 in February 2013, \$2,250,000 in February 2014, \$2,340,000 in February 2015, \$2,430,000 in February 2016, \$2,525,000 in February 2017, \$2,630,000 in February 2018 and \$2,735,000 in February 2019; interest at rates ranging from 3.0% to 4.0%, depending on maturity 28,750,000

\$12,395,713 - 2005 bonds for sewer purposes, due in annual installments of \$345,000 in May 2007, \$345,713 in 2008, \$355,000 in May 2009, \$360,000 in May 2010, \$365,000 in May 2011, \$375,000 in May 2012, \$380,000 in May 2013, \$385,000 in May 2014, \$390,000 in May 2015, \$395,000 in May 2016, \$400,000 in May 2017, \$405,000 in May 2018, \$415,000 through May 2020, \$420,000 in May 2021, \$425,000 in May 2022, \$430,000 in May 2023, \$435,000 in May 2024, \$440,000 in May 2025, \$450,000 in May 2026, \$455,000 in May 2027, \$460,000 in May 2028, \$465,000 in May 2029, \$470,000 in May 2030,

NOTES TO FINANCIAL STATEMENTS (Continued)  
 DECEMBER 31, 2006

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

\$475,000 in May 2031, \$480,000 in May 2032, \$490,000 in May 2033 and \$495,000 in May 2034; interest at rates ranging from 2.094% to 4.569%, depending on maturity \$ 11,720,713

\$34,756,050 - 2005 bonds for sewer purposes, due in annual installments of \$975,000 in October 2007, \$986,050 in October 2008, \$1,005,000 in October 2009, \$1,025,000 in October 2010, \$1,040,000 in October 2011, \$1,060,000 in October 2012, \$1,075,000 in October 2013, \$1,085,000 in October 2014, \$1,105,000 in October 2015, \$1,120,000 in October 2016, \$1,140,000 in October 2017, \$1,155,000 in October 2018, \$1,175,000 in October 2019, \$1,180,000 in October 2020, \$1,195,000 in October 2021, \$1,215,000 in October 2022, \$1,230,000 in October 2023, \$1,250,000 in October 2024, \$1,265,000 in October 2025, \$1,280,000 in October 2026, \$1,295,000 in October 2027, \$1,310,000 in October 2028, \$1,330,000 in October 2029, \$1,345,000 in October 2030, \$1,360,000 in October 2031, \$1,380,000 in October 2032, \$1,395,000 in October 2033 and \$1,415,000 in October 2034; interest at rates ranging from 2.539% to 4.129%, depending on maturity 33,391,050

\$26,964,181 - 2005 bonds to finance the purchase of tobacco rights, due in annual installments of \$1,305,640 in August 2016, \$1,518,120 in August 2017, \$1,208,398 in August 2018, \$1,222,243 in August 2019, \$1,210,380 in August 2020, \$1,113,021 in August 2021, \$1,017,413 in August 2022, \$1,007,538 in August 2023, \$997,764 in August 2024, \$988,070 in August 2025, \$896,922 in August 2026, \$885,506 in August 2027, \$816,173 in August 2028, \$1,991,297 in August 2029, \$1,286,920 in August 2030, \$1,216,399 in August 2031, \$1,144,805 in August 2032, \$1,072,126 in August 2033, \$1,039,069 in August 2034, \$964,442 in August 2035, \$930,069 in August 2036, \$853,512 in August 2037, \$817,683 in August 2038, \$781,340 in August 2039 and \$616,331 in August 2040; interest at rates ranging from 5.875% to 7.624%, depending on maturity 26,964,181

\$14,930,177 - 2006 bonds for sewer purposes, due in annual installments of \$400,000 in April 2007, \$410,000 in April 2008, \$410,177 in April 2009, \$4205,000 in April 2010, \$430,000 in April 2011, \$435,000 in April 2012, \$440,000 in April 2013, \$450,000 in April 2014, \$455,000 in April 2015, \$460,000 in April 2016, \$470,000 in April 2017, \$475,000 in May 2018, \$485,000 in April 2019, \$490,000 through April 2020, \$495,000 in April 2021, \$505,000 through April 2023, \$510,000 in April 2024, \$520,000 in April 2025, \$525,000 in April 2026, \$535,000 in April 2027, \$540,000 in April 2028, \$545,000 in April 2029, \$555,000 in April 2030, \$560,000 in April 2031, \$565,000 in April 2032, \$575,000 in April 2033, \$580,000 in April 2034 and \$590,000 in April 2035 and \$595,000 in April 2036; interest at rates ranging from 3.626% to

NOTES TO FINANCIAL STATEMENTS (Continued)  
DECEMBER 31, 2006

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

4.861%, depending on maturity \$ 14,930,177

\$24,512,000 - 2006 bonds for various purposes, due in annual installments of \$480,000 in April 2007, \$2,027,500 in April 2008, \$2,100,000 in April 2009, \$2,175,000 in April 2010, \$2,255,000 in April 2011, \$2,340,000 in April 2012, \$2,425,000 in April 2013, \$2,520,000 in April 2014, \$2,620,000 in April 2015, \$2,730,000 in April 2016 and \$2,840,000 in April 2017; interest at rates ranging from 3.75% to 4.0%, depending on maturity 24,512,500

\$13,749,700 - 2006 bonds for various purposes, due in annual installments of \$280,000 in December 2007, \$749,700 in December 2008, \$775,000 in December 2009, \$805,000 in December 2010, \$835,000 in December 2011, \$865,000 in December 2012, \$900,000 in December 2013, \$930,000 in December 2014, \$965,000 in December 2015, \$1,005,000 in December 2016, \$1,045,000 in December 2017, \$1,085,000 in December 2018, \$1,125,000 in December 2019, \$1,170,000 in December 2020 and \$1,215,000 in December 2021; interest at rates ranging from 3.7% to 4.0%, depending on maturity 13,749,700

\$ 387,415,386

**Payments to Maturity**

The annual requirements to amortize all bonded debt outstanding as of December 31, 2006 including interest payments of \$144,661,359 are as follows:

Year Ending December 31,	Governmental Activities		Business-Type Activities		Total	
	Principal	Interest	Principal	Interest	Principal	Interest
2007	\$ 19,057,722	\$ 10,249,601	\$ 2,668,340	\$ 3,872,453	\$ 21,726,062	\$ 14,122,054
2008	21,156,067	9,130,154	3,253,897	3,681,056	24,409,964	12,811,210
2009	19,828,741	8,326,212	2,586,436	3,532,102	22,415,177	11,858,314
2010	18,013,858	7,538,238	2,424,142	3,402,526	20,438,000	10,940,764
2011	18,588,962	6,855,782	2,590,038	3,285,798	21,179,000	10,141,580
2012-2016	89,265,478	24,631,253	14,604,523	14,498,505	103,870,001	39,129,758
2017-2021	46,304,965	11,425,294	18,540,238	10,934,293	64,845,203	22,359,587
2022-2026	22,254,459	6,375,569	28,464,520	9,172,813	50,718,979	15,548,382
2027-2031	20,060,000	3,463,338	16,537,000	2,232,042	36,597,000	5,695,380
2032-2036	13,090,000	684,949	5,826,000	975,641	18,916,000	1,660,590
2037-2041	-	-	2,300,000	393,740	2,300,000	393,740
	<u>\$ 287,620,252</u>	<u>\$ 88,680,390</u>	<u>\$ 99,795,134</u>	<u>\$ 55,980,969</u>	<u>\$ 387,415,386</u>	<u>\$ 144,661,359</u>

Interest expenditures/expense of \$9,471,032 and \$164,585, were recorded in the fund financial statements in the Debt Service Fund and Internal Service Fund, respectively. Interest expense of \$9,926,198 was recorded in the government-wide financial statements for governmental activities. Interest expense of \$380,641, \$4,389,084 and \$507,260 was recorded in the fund financial and government-wide financial statements for the business-type activities in the Home and Infirmary Fund, the Rockland Tobacco Asset Securitization Corporation and the Rockland Second

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

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, 2003 and 2005 Rockland Tobacco Asset Securitization Corporation and the Rockland Second Tobacco Asset Securitization Corporation bonds, respectively. These bonds are the obligations of the RTASC and RSTASC, 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, 2006, \$5,700,000 of bonds outstanding are considered defeased.

**Indebtedness - Component Unit**

**Solid Waste Management Authority**

Bonds payable at December 31, 2006 consisted of the following individual issues:

<p>\$11,620,000 - 1996B serial bonds net of unamortized discount of \$36,943, repaid partially during 1999 with a State grant and other funds; due in annual principal installments of \$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, \$485,000 in 2014, \$965,000 in 2015 and \$1,015,000 in 2016; interest at stated rates between 5.2% and 5.625%, depending upon maturity</p>	<p>\$ 4,413,057</p>
<p>\$4,000,000 - 1999 serial bonds net of unamortized discount of \$22,709, due in annual principal installments of \$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 5.0% and 5.75%, depending on maturity</p>	<p>2,917,291</p>
<p>\$15,273,468 - 2003 serial bonds due in annual principal installments of \$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 3.539% and 6.189%, depending on maturity</p>	<p>13,395,000</p>
<p>\$8,720,000 - 2004 serial bonds net of unamortized discount of</p>	

NOTES TO FINANCIAL STATEMENTS (Continued)  
 DECEMBER 31, 2006

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

\$135,100, due in annual principal installments of \$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 3.0% and 5.125%, depending on maturity

\$ 8,074,900

\$10,800,000 – 2006 serial bonds net of unamortized premium of \$115,073 and loss on refunding of \$61,585, due in annual installments of \$385,000 in 2007, \$400,000 in 2008, \$420,000 in 2009, \$435,000 in 2010, \$460,000 in 2011, \$480,000 in 2012, \$495,000 in 2013, \$730,000 in 2014, \$1,495,000 in 2015, \$1,570,000 in 2016, \$585,000 in 2017, \$615,000 in 2018, \$640,000 in 2019, \$670,000 in 2020 and \$700,000 in 2021; interest at stated rates between 4% and 5%, depending on maturity

10,133,488

\$ 38,933,736

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</u> <u>(Dates Inclusive)</u>	<u>Redemption Price</u> <u>(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</u> <u>(Dates Inclusive)</u>	<u>Redemption Price</u> <u>(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

At the option of the Authority, the serial bonds included in the \$10,080,000 issue will be subject to redemption prior to maturity, on any interest date, on or after December 15, 2016 at par value.

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

The annual requirements to amortize all bonds outstanding at December 31, 2006, including interest of \$22,462,109 are as follows:

<u>Year Ending December 31,</u>	<u>Principal</u>	<u>Interest</u>	<u>Total</u>
2007	\$ 1,745,000	\$ 2,116,096	\$ 3,861,096
2008	1,810,000	2,041,109	3,851,109
2009	1,880,000	1,950,639	3,830,639
2010	1,955,000	1,872,148	3,827,148
2011	2,040,000	1,778,571	3,818,571
2012-2016	12,150,000	7,189,710	19,339,710
2017-2021	9,030,000	3,775,361	12,805,361
2022-2026	6,970,000	1,612,656	8,582,656
2027-2028	1,495,000	125,819	1,620,819
	<u>39,075,000</u>	<u>\$ 22,462,109</u>	<u>\$ 61,537,109</u>
Less: Unamortized original issue discount	<u>(141,264)</u>		
	<u>\$ 38,933,736</u>		

**Advance Refunding**

During 2006, the Authority issued \$10,080,000 of serial bonds with interest rates ranging from 4% to 5%, depending on maturity. \$2,225,000 of the proceeds were used to advance refund \$2,195,000 of 1996B Serial Bonds which bear interest at rates ranging from 5.2% to 5.625%, depending on maturity. The net proceeds of \$2,258,709 (including \$96,857 of reoffering premium and after payment of \$93,148 in underwriting fees and other issuance costs) were used to purchase U.S. Government Securities. Those securities were deposited in an irrevocable trust with an escrow agent to provide for all future debt service payments on the 1996B general obligation bonds. As a result, the 1996B general obligation bonds are considered to be defeased and the liability for those bonds has been removed from the Statement of Net Assets.

The reacquisition price exceeded the net carrying amount of the old debt by \$63,709 and the premium received was \$96,857. These amounts are being netted against the new debt and amortized over the life of the refunded debt.

The Authority advance refunded the 1996B general obligation bonds to reduce its total debt service payments over 11 years by \$70,028 and to obtain a net present value economic gain of \$59,512.

At December 31, 2006, the general obligation bonds have been called and are no longer outstanding.

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

**Defeasance 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 \$2,950,000 were outstanding at December 31, 2006.

**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, 2006, the expense related to vested vacation pay for employees was accrued based upon pay rates currently in effect. Accrued vacation pay aggregated approximately \$1,235,684 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, 2006 was \$146,342. 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 \$357,279 has been charged to the General Fund. The remaining liability for this program is \$326,136 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 \$111,663 has been charged to the General Fund. There is no remaining liability for this program.

Section 89P of the New York State Retirement and Social Security Law authorizes the granting of credit for previous services performed by a correction officer, a Sheriff, an Undersheriff, and a Deputy Sheriff. The aggregate cost of the program is \$2,456,230. The payment terms provide for repayment over a ten year period with interest at 8.5%. The current year payment of \$245,623 has been charged to the General Fund. The remaining liability for this program is \$1,411,510 and is applicable to the Governmental Funds.

**Claims Payable**

The Internal Service funds reflect workers' compensation benefit liabilities, general liability claims liabilities 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, 2006		
	Workers' Compensation Benefits	General Liability Claims	Unemployment Benefits
Balance - Beginning of Year	\$ 8,908,292	\$ 6,872,306	\$ -
Provision for Claims and Claims Adjustment Expenses	(22,413)	1,287,899	115,177
Claims and Claims Adjustment Expenses Paid	<u>(3,585,841)</u>	<u>(2,118,697)</u>	<u>(115,177)</u>
Balance - End of Year	<u>\$ 5,300,038</u>	<u>\$ 6,041,508</u>	<u>\$ -</u>
Due With One Year	<u>\$ 530,004</u>	<u>\$ 604,151</u>	<u>\$ -</u>

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

	December 31, 2005		
	Workers' Compensation Benefits	General Liability Claims	Unemployment Benefits
Balance - Beginning of Year	\$ 7,944,852	\$ 6,980,361	\$ 51,777
Provision for Claims and Claims Adjustment Expenses	3,672,891	2,463,826	83,285
Claims and Claims Adjustment Expenses Paid	<u>(2,709,292)</u>	<u>(2,571,881)</u>	<u>(135,062)</u>
Balance - End of Year	<u>\$ 8,908,451</u>	<u>\$ 6,872,306</u>	<u>\$ -</u>
Due Within One Year	<u>\$ 890,845</u>	<u>\$ 687,231</u>	<u>\$ -</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	\$ -	\$ 65,000	\$ 24,337,721	\$ 24,402,721
Capital Projects	4,756,669	-	2,661,743	7,418,412
Non-Major Governmental	6,160,644	800,000	9,494,026	16,454,670
	<u>\$ 10,917,313</u>	<u>\$ 865,000</u>	<u>\$ 36,493,490</u>	<u>\$ 48,275,803</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.

**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

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

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 2006 aggregated \$13,505,434 and were paid on behalf of 1,780 retirees. Expenses for the College aggregated approximately \$3,157,000 for 294 retirees for the year ended August 31, 2006. The Soil and Water Conservation District, Industrial Development Agency and the Solid Waste Management Authority did not incur expenditures/expenses for retiree health care benefits.

**K. 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 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".

**L. 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.

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 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 - Sewer District and Debt Service Funds - At December 31, 2006, the County Legislature has designated that \$228,472 of the fund balance of the Sewer District Fund and \$7,188,000 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.

**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. The County claims administrator has reviewed the status of all incurred and incurred but not reported cases and believes that the amounts accrued within the Internal Service Funds are sufficient. 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 resulting 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 coverages to reduce its exposure to loss. The Authority maintains general liability insurance coverage with a policy limit of \$2 million. The public officials liability and auto policies provide coverage up to \$1 million, each and the pollution liability policy provides coverage up to \$3 million. The Authority also maintains an umbrella policy with coverage up to \$5 million. The Authority purchases conventional workers' compensation insurance with coverage at statutory limits. Settled claims resulting from these risks have not exceeded commercial insurance coverage in any of the past three fiscal years.

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

**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 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 January 11, 2007, issued bond anticipation notes in the amount of \$155,164,748 due December 20, 2007, and bearing interest of 4.00%.

The County on February 21, 2007, issued bond anticipation note in the amount of \$1,600,000, due February 21, 2008, and bearing interest of 4.00%.

The County, on April 25, 2007, issued bond anticipation notes in the amounts of \$2,500,000, due October 4, 2007, and bearing interest of 3.875%.

The County, on April 25, 2007, issued bond anticipation notes in the amounts of \$1,400,000, due April 25, 2008, and bearing interest of 3.875%.

The County, on April 5, 2007, issued revenue anticipation notes in the amounts of \$65,000,000. The notes bear interest at 4.00%, and mature on March 20, 2008.

The County, on January 3, 2007, issued tax anticipation notes in the amount of \$83,800,000. The notes bear interest at 4.00% and mature on December 20, 2007.

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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, 2006 AND 2005

<u>ASSETS</u>	<u>2006</u>	<u>2005</u>
Functions/Programs		
Demand deposits	\$ 28,837,355	\$ 35,539,222
Departmental cash	16,940	152,746
	<u>28,854,295</u>	<u>35,691,968</u>
Taxes Receivable:		
Tax liens	97,360,068	157,704,876
Tax installments	2,756,724	1,713,295
Returned school and village taxes	61,414,795	63,366,377
	<u>161,531,587</u>	<u>222,784,548</u>
Allowance for uncollectible taxes	(1,371,000)	(8,553,000)
	<u>160,160,587</u>	<u>214,231,548</u>
Other Receivables:		
Accounts, net of allowance for uncollectible amounts	46,523,780	26,988,761
State and Federal aid, net of allowance for uncollectible amounts	51,240,879	52,168,444
Due from other governments	109,012,626	2,452,954
Due from other funds	7,700,001	7,131,718
Advances to other funds	18,777,631	1,071,115
	<u>233,254,917</u>	<u>89,812,992</u>
Prepaid Expenditures	<u>3,011,644</u>	<u>1,983,900</u>
Total Assets	<u>\$ 425,281,443</u>	<u>\$ 341,720,408</u>
<u>LIABILITIES AND FUND BALANCE</u>		
Liabilities:		
Accounts payable	\$ 31,035,018	\$ 22,388,524
Accrued liabilities	11,916,910	8,933,447
Due to other governments	3,255,165	2,923,376
Due to school districts	84,319,164	63,956,734
Due to other funds	1,320,032	2,268,776
Deferred revenues - Taxes	11,311,314	22,588,895
Deferred revenues - Other	1,973,740	1,979,305
Tax anticipation note payable	175,000,000	119,000,000
Revenue anticipation note payable	55,000,000	40,000,000
Total Liabilities	<u>375,131,343</u>	<u>284,039,057</u>
Fund Balance (Deficit):		
Reserved for encumbrances	2,407,877	4,134,973
Reserved for prepaid expenditures	3,011,644	1,983,900
Reserved for law enforcement	334,843	293,219
Reserved for Stop - DWI Program	746,367	538,398
Reserved for handicapped parking	53,248	47,765
Reserved for long-term receivable	-	126,760,964
Reserved for compensated absences	9,954,246	9,520,849
Reserved for debt service	17,796,303	23,997,509
Reserved for advances	18,777,631	1,071,115
Reserved for deficits	-	-
Unreserved and undesignated:		
Overdue taxes uncollected	-	(122,214,869)
County Road Fund - Deficit	(1,118,710)	(1,071,115)
Home and Infirmary Fund - Deficit	(12,699,183)	-
General Services Fund - Deficit	(4,959,738)	-
Undesignated	15,845,572	12,618,643
	<u>(2,932,059)</u>	<u>(110,667,341)</u>
Total Fund Balance	<u>50,150,100</u>	<u>57,681,351</u>
Total Liabilities and Fund Balance	<u>\$ 425,281,443</u>	<u>\$ 341,720,408</u>

GENERAL FUND  
 COMPARATIVE SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES  
 IN FUND BALANCE - BUDGET AND ACTUAL  
 YEARS ENDED DECEMBER 31, 2006 AND 2005

	2006			Variance with Final Budget Positive (Negative)
	Original Budget	Final Budget	Actual	
<b>Revenues:</b>				
Real property taxes	\$ 46,253,000	\$ 46,253,000	\$ 46,237,353	\$ (15,647)
Other tax items	4,950,000	4,950,000	27,764,921	22,814,921
Non-property taxes	172,420,000	172,420,000	160,802,521	(11,617,479)
Departmental income	32,113,138	33,620,144	30,525,205	(3,094,939)
Use of money and property	1,850,000	1,850,000	2,119,570	269,570
Licenses and permits	1,393,000	1,393,000	1,434,825	41,825
Fines and forfeitures	822,281	822,281	900,063	77,782
Sale of property and compensation for loss	156,000	156,000	135,224	(20,776)
Interfund revenues	12,666,046	13,153,841	12,466,666	(687,175)
State aid	85,308,434	90,134,498	86,663,315	(3,471,183)
Federal aid	38,081,078	44,550,426	39,631,047	(4,919,379)
Miscellaneous	4,050,000	3,050,000	2,663,407	(386,593)
<b>Total Revenues</b>	<b>400,062,977</b>	<b>412,353,190</b>	<b>411,344,117</b>	<b>(1,009,073)</b>
<b>Expenditures:</b>				
<b>Current:</b>				
General government support	48,650,189	55,783,832	54,702,180	1,081,652
Education	57,947,193	59,108,880	59,108,151	729
Public safety	55,126,532	59,068,494	58,893,768	174,726
Health	38,606,668	43,908,238	42,109,558	1,798,680
Transportation	23,766,919	26,513,920	26,513,628	292
Economic opportunity and development	151,618,287	144,381,816	144,366,267	15,549
Culture and recreation	709,216	641,216	636,212	5,004
Home and community services	7,415,294	7,374,318	7,333,685	40,633
Employee benefits	7,867,780	7,493,880	7,491,719	2,161
Debt Service - Interest	4,362,883	4,234,883	4,234,792	91
<b>Total Expenditures</b>	<b>396,070,961</b>	<b>408,509,477</b>	<b>405,389,960</b>	<b>3,119,517</b>
<b>Excess of Revenues Over Expenditures</b>	<b>3,992,016</b>	<b>3,843,713</b>	<b>5,954,157</b>	<b>2,110,444</b>
<b>Other Financing Sources (Uses):</b>				
Transfers in	17,089,415	17,089,415	10,917,313	(6,172,102)
Transfers out	(25,216,404)	(24,403,404)	(24,402,721)	683
<b>Total Other Financing Sources (Uses)</b>	<b>(8,126,989)</b>	<b>(7,313,989)</b>	<b>(13,485,408)</b>	<b>(6,171,419)</b>
<b>Net Change in Fund Balance</b>	<b>(4,134,973)</b>	<b>(3,470,276)</b>	<b>(7,531,251)</b>	<b>(4,060,975)</b>
Fund Balance - Beginning of Year, as previously reported	4,134,973	3,470,276	57,681,351	54,211,075
Prior Period Adjustment	-	-	-	-
Fund Balance - Beginning of Year, as restated	4,134,973	3,470,276	57,681,351	54,211,075
<b>Fund Balance - End of Year</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ 50,150,100</b>	<b>\$ 50,150,100</b>

2005			
Original Budget	Final Budget	Actual	Variance with Final Budget Positive (Negative)
\$ 46,749,900	\$ 46,749,900	\$ 46,759,975	\$ 10,075
6,476,843	6,476,843	9,898,911	3,422,068
167,754,396	167,763,506	159,169,424	(8,594,082)
34,178,600	35,049,149	33,990,572	(1,058,577)
1,050,000	1,050,000	1,628,780	578,780
1,243,000	1,283,000	1,490,054	207,054
792,905	794,755	757,154	(37,601)
98,000	98,000	123,451	25,451
11,714,140	11,714,140	11,897,937	183,797
89,965,632	92,850,691	85,831,091	(7,019,600)
45,696,314	54,213,984	42,001,044	(12,212,940)
3,050,000	3,050,000	2,881,352	(168,648)
<u>408,769,730</u>	<u>421,093,968</u>	<u>396,429,745</u>	<u>(24,664,223)</u>
51,098,996	46,784,595	43,149,881	3,634,714
56,355,560	56,288,677	56,287,051	1,626
51,429,377	55,820,590	55,473,720	346,870
38,462,333	46,814,207	43,904,877	2,909,330
21,336,602	23,596,432	23,214,957	381,475
163,225,524	166,054,227	149,517,559	16,536,668
685,791	702,291	698,272	4,019
6,904,091	7,745,212	7,411,700	333,512
9,166,774	9,168,920	9,008,240	160,680
1,276,693	1,276,693	1,275,511	1,182
<u>399,941,741</u>	<u>414,251,844</u>	<u>389,941,768</u>	<u>24,310,076</u>
8,827,989	6,842,124	6,487,977	(354,147)
8,061,302	10,917,072	33,944,683	23,027,611
(20,767,032)	(21,237,032)	(20,978,170)	258,862
<u>(12,705,730)</u>	<u>(10,319,960)</u>	<u>12,966,513</u>	<u>23,286,473</u>
<u>(3,877,741)</u>	<u>(3,477,836)</u>	<u>19,454,490</u>	<u>22,932,326</u>
3,877,741	3,477,836	38,951,861	35,474,025
-	-	(725,000)	(725,000)
<u>3,877,741</u>	<u>3,477,836</u>	<u>38,226,861</u>	<u>34,749,025</u>
<u>\$ -</u>	<u>\$ -</u>	<u>\$ 57,681,351</u>	<u>\$ 57,681,351</u>

COUNTY OF ROCKLAND, NEW YORK

GENERAL FUND  
 SCHEDULE OF REVENUES AND OTHER FINANCING SOURCES COMPARED TO BUDGET (Continued)  
 YEAR ENDED DECEMBER 31, 2006  
 (With Comparative Actuals for 2005)

	Original Budget	Final Budget	Actual	Variance with Final Budget Positive (Negative)	2005 Actual
<b>LICENSES AND PERMITS</b>					
Licenses					
Alarm charges	\$ 793,000	\$ 793,000	\$ 863,725	\$ 70,725	\$ 874,146
	600,000	600,000	571,100	(28,900)	615,908
Total Licenses and Permits	1,393,000	1,393,000	1,434,825	41,825	1,490,054
<b>FINES AND FORFEITURES</b>					
Fines					
Forfeitures	747,281	747,281	840,564	93,283	731,576
	75,000	75,000	59,499	(15,501)	26,578
Total Fines and Forfeitures	822,281	822,281	900,063	77,782	757,154
<b>SALE OF PROPERTY AND COMPENSATION FOR LOSS</b>					
Other sales	95,000	95,000	130,652	35,652	82,070
Insurance recoveries	61,000	61,000	4,572	(56,428)	41,381
Total Sale of Property and Compensation for Loss	156,000	156,000	135,224	(20,776)	123,451
<b>INTERFUND REVENUES</b>					
Classified ad chargebacks	21,250	21,250	22,073	823	12,794
Chargeback - Liability and health insurance	607,400	607,400	602,892	(4,508)	499,319
Interfund revenues - Central Services	3,715,400	4,203,195	4,129,886	(73,309)	4,046,805
Community College Fund	8,321,996	8,321,996	7,711,815	(610,181)	7,339,019
Total Interfund Revenues	12,666,046	13,153,841	12,466,666	(687,175)	11,857,937
<b>STATE AID</b>					
General:					
Tourism ("I Love NY" grant)	-	66,000	66,139	139	66,458
MTA special allocation	2,000,000	2,000,000	2,000,000	-	2,000,000
Other	1,939,700	2,694,989	2,681,584	(13,405)	2,587,636
Total General	3,939,700	4,760,989	4,747,723	(13,266)	4,654,094

<b>Public Safety:</b>									
Probation services	16,300	215,429	196,265	(19,164)	156,394				
Alternatives to incarceration	23,200	23,200	(94)	(23,294)	28,500				
Occupant restraint project	-	487	-	(487)	74,863				
Sheriff	230,000	270,254	253,266	(16,988)	248,477				
Jail	194,000	194,000	316,229	122,229	206,381				
Emergency Preparedness Program	4,000	1,184,203	1,150,948	(33,255)	930,409				
Other	284,000	284,000	263,162	(20,838)	284,841				
<b>Total Public Safety</b>	<b>751,500</b>	<b>2,171,573</b>	<b>2,179,776</b>	<b>8,203</b>	<b>1,929,865</b>				
<b>Health:</b>									
Health Department	7,440,275	8,172,579	8,437,537	264,958	7,799,741				
Medical Examiner	341,685	341,685	329,853	(11,832)	312,650				
Physically handicapped children	18,113,800	26,689,500	28,146,429	1,456,929	25,912,770				
Family Planning Grant	8,021,100	344,448	338,690	(5,758)	151,842				
Mental health programs	6,058,154	6,313,868	5,503,703	(810,165)	5,480,140				
<b>Total Health</b>	<b>39,975,014</b>	<b>41,862,080</b>	<b>42,756,212</b>	<b>894,132</b>	<b>39,657,143</b>				
<b>Transportation -</b>									
Buses and other mass transit	8,954,000	8,954,000	11,845,471	2,891,471	9,567,483				
<b>Social Services:</b>									
Aid to dependent children	2,045,500	2,045,500	1,408,816	(636,684)	1,499,400				
MD/LTHC reimbursement	-	-	(1,570,176)	(1,570,176)	8,076,602				
Medical assistance and managed care program	-	-	-	-	96,574				
Children's services	2,360,000	2,360,000	2,368,089	8,089	2,158,087				
Special needs	-	-	-	-	490,325				
Social services administration	22,520,260	22,610,260	17,569,490	(5,040,770)	12,733,264				
Juvenile delinquent care	585,000	585,000	641,267	56,267	530,591				
Home relief	1,790,000	1,790,000	1,703,607	(86,393)	1,659,039				
Services for recipients	750,000	750,000	867,898	107,898	859,725				
Emergency relief to adults	33,000	33,000	32,401	(599)	30,795				
Displaced Homemaker Program	-	257,312	257,307	(5)	189,166				
Child Assistance Program	-	-	-	-	165,635				
Other	-	56,300	56,300	-	65,893				
<b>Total Social Services</b>	<b>30,083,760</b>	<b>30,487,372</b>	<b>23,324,999</b>	<b>(7,162,373)</b>	<b>28,555,096</b>				

(Continued)

COUNTY OF ROCKLAND, NEW YORK

GENERAL FUND  
 SCHEDULE OF REVENUES AND OTHER FINANCING SOURCES COMPARED TO BUDGET (Continued)  
 YEAR ENDED DECEMBER 31, 2006  
 (With Comparative Actuals for 2005)

	Original Budget	Final Budget	Actual	Variance with Final Budget Positive (Negative)	2005 Actual
Culture and Recreation:					
Programs for the aging	\$ 301,070	\$ 323,248	\$ 338,078	\$ 14,830	\$ 310,449
Supplemental Nutrition Assistance Program	173,270	173,270	175,181	1,911	167,301
Youth programs	490,340	521,870	528,365	6,495	489,547
EICEP Grant	498,540	738,856	663,761	(75,095)	470,006
Other	141,240	141,240	103,750	(37,490)	30,107
Total Culture and Recreation	1,604,460	1,898,484	1,809,135	(89,349)	1,467,410
Total State Aid	85,308,434	90,134,498	86,663,315	(3,471,183)	85,831,091
FEDERAL AID					
88 Public Safety:					
Civil defense	59,000	222,874	256,332	33,458	305,448
Crime proceeds	65,000	41,328	20,190	(21,138)	10,053
Other	4,000	959,543	968,777	9,234	1,384,196
Total Public Safety	128,000	1,223,745	1,245,299	21,554	1,699,697
Health:					
Mental health programs	383,843	385,495	237,614	(147,881)	235,962
Ryan White Title I Grant	-	318,210	281,584	(36,626)	244,938
W.I.C. Program	-	1,378,154	968,040	(410,114)	1,199,244
Other	35,000	1,255,978	1,634,370	378,392	1,787,168
Total Health	418,843	3,337,837	3,121,608	(216,229)	3,467,312
Transportation:					
Federal highway assistance	153,000	2,058,000	2,022,260	(35,740)	2,022,203
UMTA	888,500	822,500	355,979	(466,521)	207,183
Total Transportation	1,041,500	2,880,500	2,378,239	(502,261)	2,229,386



<b>Social Services:</b>					
Services for recipients	6,000,000	6,000,000	5,581,733	(418,266)	5,165,876
Aid to dependent children	5,000,000	5,000,000	2,974,140	(2,025,860)	4,514,420
Social services administration	18,912,125	18,968,131	19,077,926	109,795	17,773,040
Children's services	1,900,000	1,904,251	1,803,533	(100,718)	2,290,826
Energy Assistance Program	1,480,000	1,480,000	1,754,091	274,091	2,000,047
Other	1,017,000	1,654,522	(379,894)	(2,034,416)	880,757
<b>Total Social Services</b>	<b>34,309,125</b>	<b>35,006,904</b>	<b>30,811,529</b>	<b>(4,195,375)</b>	<b>32,624,966</b>
<b>Economic Opportunity and Development:</b>					
Section 8 program	528,500	528,500	584,031	55,531	461,658
Other	607,795	236,696	185,054	(51,642)	188,236
<b>Total Economic Opportunity and Development</b>	<b>1,136,295</b>	<b>765,196</b>	<b>769,085</b>	<b>3,889</b>	<b>649,894</b>
<b>Culture and Recreation:</b>					
USDA	-	-	-	-	80,395
Programs for the aging	1,047,315	1,047,315	1,047,662	347	1,116,611
Youth programs	-	288,929	257,625	(31,304)	132,783
<b>Total Culture and Recreation</b>	<b>1,047,315</b>	<b>1,336,244</b>	<b>1,305,287</b>	<b>(30,957)</b>	<b>1,329,789</b>
<b>Total Federal Aid</b>	<b>38,081,078</b>	<b>44,550,426</b>	<b>39,631,047</b>	<b>(4,919,379)</b>	<b>42,001,044</b>
<b>MISCELLANEOUS</b>					
Refund of prior year's expenditures	50,000	50,000	75,960	25,960	80,701
OTB distributed earnings	3,000,000	3,000,000	2,587,447	(412,553)	2,800,651
Other	1,000,000	-	-	-	-
<b>Total Miscellaneous</b>	<b>4,050,000</b>	<b>3,050,000</b>	<b>2,663,407</b>	<b>(386,593)</b>	<b>2,881,352</b>
<b>TOTAL REVENUES</b>	<b>400,062,977</b>	<b>412,353,190</b>	<b>411,344,116</b>	<b>(1,009,074)</b>	<b>396,429,745</b>
<b>OTHER FINANCING SOURCES</b>					
Transfers in:					
Debt Service Fund	12,332,644	12,332,644	6,160,644	(6,172,000)	6,245,082
Capital Projects Fund	4,756,771	4,756,771	4,756,669	(102)	3,701,992
Rockland Tobacco Asset Securitization Corporation	-	-	-	-	23,997,609
<b>TOTAL OTHER FINANCING SOURCES</b>	<b>17,089,415</b>	<b>17,089,415</b>	<b>10,917,313</b>	<b>(6,172,102)</b>	<b>33,944,683</b>
<b>TOTAL REVENUES AND OTHER FINANCING SOURCES</b>	<b>\$ 417,152,392</b>	<b>\$ 429,442,605</b>	<b>\$ 422,261,430</b>	<b>\$ (7,181,175)</b>	<b>\$ 430,374,428</b>

COUNTY OF ROCKLAND, NEW YORK

GENERAL FUND  
 SCHEDULE OF EXPENDITURES AND OTHER FINANCING USES COMPARED TO BUDGET  
 YEAR ENDED DECEMBER 31, 2006  
 (With Comparative Actuals for 2005)

	Original Budget	Final Budget	Actual	Variance with Final Budget Positive (Negative)	2005 Actual
<b>GENERAL GOVERNMENT SUPPORT</b>					
Legislative Branch	\$ 3,656,165	\$ 3,412,166	\$ 3,399,594	\$ 12,572	\$ 3,267,474
County Executive	2,717,643	2,389,643	2,383,254	6,389	2,113,500
Crime Victims Program	15,000	76,328	73,012	3,316	72,159
Youth Bureau	1,832,042	2,164,610	2,163,551	1,059	2,026,229
Community Development Program	1,131,450	1,062,451	1,062,021	430	1,004,900
DWI Program	436,113	393,613	385,701	7,912	379,524
District Attorney	6,047,390	6,655,997	6,595,809	60,188	6,365,099
Public Defender	2,777,072	2,875,762	2,875,155	607	2,666,436
Major Offense Prosecution Program	300,000	520,432	519,964	468	457,538
Justice of Peace - Police Court	90,000	77,000	76,467	533	86,237
Legal Aid Society	106,930	106,930	106,930	-	104,830
Assigned Counsel	1,205,500	1,425,500	1,424,734	766	1,352,574
Medical Examiner	1,419,638	1,476,638	1,476,207	431	1,359,260
Department of Audit	461,729	454,729	385,570	69,159	377,017
Department of Budget and Management	862,083	870,083	869,815	268	664,314
Department of Finance	3,312,295	3,281,298	3,280,607	691	3,325,440
Department of Records	3,375,005	3,509,510	3,490,089	19,421	3,445,384
Department of Law	2,922,685	3,175,994	3,175,075	919	2,755,362
Department of Personnel	4,231,987	4,324,987	4,324,707	280	4,172,388
County Archivist	512,599	503,099	502,652	447	458,281
Board of Elections	2,517,641	2,410,641	2,410,406	235	1,450,854
Rockland County Board of Ethics	24,750	11,750	7,993	3,757	7,650
Rockland Economic Development Corporation	535,000	535,000	535,000	-	489,360
Unallocated general services	1,064,262	1,606,968	1,606,696	272	1,470,629
Unallocated departments	668,050	1,004,650	989,322	15,328	729,815
Department of Insurance	1,200,351	1,292,851	1,292,007	844	1,119,755
Municipal dues	44,900	44,900	44,900	-	34,231
Refunds of real property taxes	750,000	8,188,000	8,187,691	309	524,564
Department of Tourism	496,896	502,897	502,407	490	466,645
Office of Affirmative Action	675,068	555,068	554,844	224	402,432
Contingent fund	3,259,945	874,337	-	874,337	-
<b>Total General Government Support</b>	<b>48,650,189</b>	<b>55,783,832</b>	<b>54,702,180</b>	<b>1,081,652</b>	<b>43,149,881</b>

EDUCATION

Community college tuition	1,000,000	1,196,000	1,195,271	729	1,157,009
Contribution to Community College Fund	13,520,388	13,520,388	13,520,388	-	13,205,927
Education of handicapped children	43,426,805	44,392,492	44,392,492	-	41,924,115
Total Education	57,947,193	59,108,880	59,108,151	729	56,287,051

PUBLIC SAFETY

Sheriff	4,890,543	5,994,080	5,994,080	-	5,447,283
Bureau of Criminal Identification	2,780,260	3,125,461	3,046,416	79,045	2,659,695
Sheriff's patrol	9,273,229	10,715,522	10,682,667	32,855	9,889,562
Sheriff's patrol - Health complex	7,920	18,840	8,474	10,366	-
Sheriff - Communications	2,183,567	2,267,275	2,235,972	31,303	1,622,520
Sheriff - Police Academy	536,265	536,273	531,490	4,783	514,665
Narcotics task force	2,841,150	2,950,203	2,949,524	679	2,887,923
Probation Department	6,206,124	6,461,490	6,458,925	2,565	5,993,899
Jail	21,873,962	22,207,973	22,207,797	176	21,778,736
Rockland County Highway Safety Committee	193,266	193,266	184,753	8,513	173,286
Department of Fire and Emergency Services	2,616,147	2,413,422	2,412,722	700	2,488,989
Fire Advisory Board	3,700	3,700	1,621	2,079	1,369
Animal shelter	77,660	77,660	77,660	-	76,130
H.E.L.P.	44,670	44,670	44,670	-	43,790
Crime Prevention Bureau	-	-	-	-	12,310
Emergency Preparedness Program	212,034	613,937	613,933	4	347,051
Hazardous materials	201,267	185,268	184,561	707	160,406
E-911 telephone system	1,184,768	1,259,454	1,258,503	951	1,376,106
Total Public Safety	55,126,532	59,068,494	58,893,768	174,726	55,473,720

HEALTH

Department of Health	26,148,778	30,032,697	28,301,938	1,730,759	30,398,548
Family planning	1,094,901	1,041,108	995,849	45,259	995,164
Physically handicapped children	340,000	467,000	466,703	297	382,795
Immunization action program	-	134,831	134,831	-	143,670
Emergency medical services	267,064	297,064	296,843	221	277,794
Association for the Visually Impaired	281,890	281,890	281,890	-	276,360
WIC program	-	1,302,154	1,297,402	4,752	1,288,848
Rockland Family Shelter	90,000	166,300	166,300	-	158,720
Drug Abuse Control Committee	1,121,430	658,612	657,869	743	631,401
Department of Mental Health	525,000	227,161	226,949	212	348,685
Contracted mental health services	1,413,632	1,479,870	1,479,870	-	1,368,839
Contracted health services	15,750	331,140	331,138	2	311,977

(Continued)

COUNTY OF ROCKLAND, NEW YORK

GENERAL FUND  
 SCHEDULE OF EXPENDITURES AND OTHER FINANCING USES COMPARED TO BUDGET (Continued)  
 YEAR ENDED DECEMBER 31, 2006  
 (With Comparative Actuals for 2005)

HEALTH (Continued)	Original Budget	Final Budget	Actual	Variance with Final Budget Positive (Negative)	2005 Actual
Mental health programs	\$ 4,559,598	\$ 4,172,842	\$ 4,172,299	\$ 543	\$ 4,284,894
Bio-terrorism	6,000	360,458	360,455	3	293,763
Breast cancer education and treatment	112,300	103,300	97,580	5,720	80,713
Cancer care institute program	491,647	435,633	431,250	4,383	299,127
Tobacco prevention and enforcement program	611,663	635,911	635,772	139	552,665
Youth against tobacco use program	-	105,597	100,708	4,889	110,366
Rockland Council on Alcoholism	282,813	284,465	284,465	-	282,813
Mid-Hudson Society for Epilepsy	241,567	241,617	241,567	50	246,415
New York Association for Learning Disabled	93,420	93,470	93,420	50	94,957
Safe drinking water program	-	73,561	73,560	1	117,743
Mosquito control program	682,434	753,434	752,777	657	756,839
St. Agatha respite program	10,000	10,000	10,000	-	10,000
Open arms	216,781	218,123	218,123	-	191,781
<b>Total Health</b>	<b>38,606,668</b>	<b>43,908,238</b>	<b>42,109,558</b>	<b>1,798,680</b>	<b>43,904,877</b>
<b>TRANSPORTATION</b>					
Public transportation	23,766,919	26,513,920	26,513,628	292	23,214,957
<b>ECONOMIC OPPORTUNITY AND DEVELOPMENT</b>					
Department of Social Services	49,517,015	50,083,062	50,082,191	871	46,940,804
Social Services Program Grants	7,500	116,304	113,654	2,650	367,156
Displaced homemaker	-	257,312	257,307	5	220,343
Family daycare provider	-	500,668	498,992	1,676	538,842
Purchase of services	8,390,000	7,224,000	7,222,970	1,030	7,521,668
Medical assistance	62,325,000	57,794,000	57,792,867	1,133	63,933,072
Family Assistance	10,000,000	7,745,000	7,743,268	1,732	8,939,856
Children services	5,900,000	5,108,601	5,107,535	1,066	6,321,442
Juvenile delinquent care	1,455,000	1,063,000	1,062,277	723	915,371
Home relief	3,900,000	3,894,100	3,894,011	89	3,778,655
Home energy assistance program	1,500,000	1,769,000	1,768,183	817	2,019,517
Emergency relief to adults	70,000	65,000	64,965	35	67,861
Family Health Plus Program	-	-	-	-	122,834
Veterans' Service Agency	506,704	470,705	470,099	606	464,744
Department of Weights and Measures	1,571,452	1,671,953	1,671,378	575	1,368,591
Office of the Aging	4,834,761	4,973,256	4,970,715	2,541	4,464,153

MLK multi-purpose center	133,370	138,370	138,370	-	123,890
HACSO	37,000	37,000	37,000	-	36,270
Hogar, Inc.	126,370	126,370	126,370	-	123,890
Konbit Neg Lakay, Inc.	102,020	102,020	102,020	-	95,110
NAACP	20,000	20,000	20,000	-	9,540
Community Action Program of Rockland	243,020	243,020	243,020	-	238,250
Help From People To People	15,520	15,520	15,520	-	10,310
Community Improvement Council	226,360	226,360	226,360	-	221,920
Haverstraw Ecumenical Project	7,890	7,890	7,890	-	7,730
Community Services of Rockland	278,710	278,710	278,710	-	236,210
Headstart of Rockland, Inc.	174,970	174,970	174,970	-	171,540
Nyack Center	76,480	76,480	76,480	-	74,980
Community Outreach Center	123,695	123,695	123,695	-	119,120
Stop F.E.A.R. Coalition	4,860	4,860	4,860	-	4,760
UJA Federation of Rockland County	24,310	24,310	24,310	-	23,830
St. Paul's Community Outreach Program	5,100	5,100	5,100	-	5,000
Vincent DePaul Outreach Program	-	-	-	-	5,000
R.O.A.R. Women's Shelter	5,100	5,100	5,100	-	5,000
Haitian American Parents Association	3,500	3,500	3,500	-	5,000
Kid's Corner of Rockland	2,000	2,000	2,000	-	-
Clothesworks!...So Women Can	1,870	1,870	1,870	-	-
The Jornaleros Project	4,000	4,000	4,000	-	-
St. Francis of Assisi Table Top Lunch Program	1,500	1,500	1,500	-	-
MIA Veterans' Shelter	23,210	23,210	23,210	-	20,300
	151,618,287	144,381,816	144,366,267	15,549	149,517,559

Total Economic Opportunity and Development

CULTURE AND RECREATION

Library Board	72,910	72,910	72,910	-	71,480
Lower Hudson Valley Challenge Center	7,500	7,500	7,500	-	10,000
India Culture Society of Rockland	7,890	9,890	9,890	-	9,730
Rockland Irish American Cultural Society	23,530	23,530	23,530	-	20,610
County historian	7,906	7,906	7,422	484	7,142
Friends Help Friends	10,000	10,000	10,000	-	9,540
Haverstraw Brick Museum	23,910	23,910	23,910	-	23,440
Rockland Historical Society	57,430	57,430	57,430	-	56,300
Center for Holocaust Studies	14,590	14,590	14,590	-	14,300
YMHA	29,180	29,180	29,180	-	28,600
Rockland Symphony Association	3,900	3,900	-	3,900	3,820
Rockland Conservatory of Music	29,180	29,180	29,180	-	28,600
Debra Weiss Dance Company	3,410	3,410	3,410	-	3,340
Dance Visions Center for Integrated Arts, Inc.	9,730	9,730	9,730	-	9,540
Antrim Players	15,070	15,070	15,070	-	14,770
Elmwood Community Playhouse	15,070	15,070	15,070	-	14,770
County Choral	5,840	5,840	5,840	-	5,720
Rockland Opera Society	8,760	8,760	8,760	-	8,580
Helen Hayes Theater	82,620	620	-	620	81,000

COUNTY OF ROCKLAND, NEW YORK

GENERAL FUND  
 SCHEDULE OF EXPENDITURES AND OTHER FINANCING USES COMPARED TO BUDGET (Continued)  
 YEAR ENDED DECEMBER 31, 2006  
 (With Comparative Actuals for 2005)

	Original Budget	Final Budget	Actual	Variance with Final Budget Positive (Negative)	2005 Actual
<b>CULTURE AND RECREATION (Continued)</b>					
Arts Council of Rockland	\$ 72,910	\$ 72,910	\$ 72,910	\$ -	71,480
Rockland Center for the Arts	73,210	73,210	73,210	-	71,760
Arts Alliance of Haverstraw	41,800	41,800	41,800	-	40,980
Hudson Vagabond Puppets	7,300	7,300	7,300	-	7,150
Thorpe Senior Center	9,730	9,730	9,730	-	9,540
Rockland Camerata	2,930	2,930	2,930	-	2,870
Morning Music Group	2,000	2,000	2,000	-	1,960
Rockland Youth Dance Ensemble	8,760	8,760	8,760	-	8,580
YMCA - Nyack Branch	43,750	43,750	43,750	-	42,890
Other culture and recreation grants	18,400	30,400	30,400	-	19,780
<b>Total Culture and Recreation</b>	<b>709,216</b>	<b>641,216</b>	<b>636,212</b>	<b>5,004</b>	<b>698,272</b>
<b>HOME AND COMMUNITY SERVICES</b>					
Department of Planning	2,956,469	2,693,585	2,692,611	974	3,064,685
Employee commute options	27,017	18	-	18	-
Department of Environmental Resources	1,894,065	2,037,069	2,036,516	553	1,789,412
Rockland Housing Coalition	80,000	80,000	80,000	-	77,280
Venture Foundation, LTD.	88,010	88,010	88,010	-	86,280
Commission of Human Rights	458,101	517,904	517,211	693	469,401
Commissioner of Labor	25,467	12,567	4,493	8,074	16,968
Cooperative extension	476,560	476,560	476,560	-	467,210
Jewish Family Services	37,600	37,600	37,600	-	36,860
Volunteer counseling services	258,320	288,320	288,320	-	283,250
Big brother/sister	172,380	172,380	172,380	-	169,000
CASA	20,710	20,710	20,710	-	30,800
Office for the disabled	178,265	142,265	130,944	11,321	166,724
T.O.U.C.H. of Rockland County	14,830	14,830	14,830	-	14,540
Candle, Inc.	45,930	45,930	45,930	-	48,030
Literacy Volunteers of Rockland	3,100	3,100	3,100	-	3,040
Women of Tomorrow	5,270	5,270	5,270	-	5,160
Rockland Interfaith Breakfast Program	10,200	10,200	10,200	-	10,000
Keep Rockland Beautiful, Inc.	94,580	94,580	94,580	-	92,720
Home and Community Contracted Services	61,110	68,110	68,110	-	61,800
Veterans services	2,000	33,000	14,000	19,000	13,250
Family support services	505,310	532,310	532,310	-	505,290
<b>Total Home and Community Services</b>	<b>7,415,294</b>	<b>7,374,318</b>	<b>7,333,685</b>	<b>40,633</b>	<b>7,411,700</b>

EMPLOYEE BENEFITS - UNDISTRIBUTED

Hospitalization and dental	7,821,610	7,415,610	7,413,868	1,742	8,965,338
Vision	35,220	78,220	77,851	369	40,222
Employee tuition	10,950	50	-	50	2,680
Total Employee Benefits	<u>7,867,780</u>	<u>7,493,880</u>	<u>7,491,719</u>	<u>2,161</u>	<u>9,008,240</u>
DEBT SERVICE					
Interest:					
Bond anticipation notes	259,000	131,000	130,909	91	110,432
Tax anticipation notes	3,094,705	3,094,705	3,094,705	-	697,490
Revenue anticipation notes	1,009,178	1,009,178	1,009,178	-	467,589
Total Debt Service	<u>4,362,883</u>	<u>4,234,883</u>	<u>4,234,792</u>	<u>91</u>	<u>1,275,511</u>
TOTAL EXPENDITURES	<u>396,070,961</u>	<u>408,509,477</u>	<u>405,389,960</u>	<u>3,119,517</u>	<u>389,941,768</u>
OTHER FINANCING USES					
Transfers out:					
Capital Projects Fund	65,000	65,000	65,000	-	420,000
County Road Fund	8,918,467	8,918,467	8,918,467	-	8,523,644
Road Machinery Fund	1,277,710	1,277,710	1,277,710	-	1,235,400
Debt Service Fund	14,955,227	14,142,227	14,141,544	683	10,799,126
TOTAL OTHER FINANCING USES	<u>25,216,404</u>	<u>24,403,404</u>	<u>24,402,721</u>	<u>683</u>	<u>20,978,170</u>
TOTAL EXPENDITURES AND OTHER FINANCING USES	<u>\$ 421,287,365</u>	<u>\$ 432,912,881</u>	<u>\$ 429,792,681</u>	<u>\$ 3,120,200</u>	<u>\$ 410,919,938</u>

COUNTY OF ROCKLAND, NEW YORK

CAPITAL PROJECTS FUND  
 COMPARATIVE BALANCE SHEET  
 DECEMBER 31, 2006 AND 2005

<u>ASSETS</u>	<u>2006</u>	<u>2005</u>
Cash:		
Demand deposits	\$ 28,175,127	\$ 2,776,165
Certificates of deposit	37,400,000	50,063,000
	<u>65,575,127</u>	<u>52,839,165</u>
Receivables:		
Accounts	100,000	-
State and Federal aid	6,606,091	11,322,730
Due from other funds	65,000	1,015,738
	<u>6,771,091</u>	<u>12,338,468</u>
Restricted Assets	<u>49,666,953</u>	<u>50,195,235</u>
Total Assets	<u>\$ 122,013,171</u>	<u>\$ 115,372,868</u>
<u>LIABILITIES AND FUND BALANCE</u>		
Liabilities:		
Accounts payable	\$ 10,684,428	\$ 8,329,435
Due to other funds	1,214,508	1,622,287
Bond anticipation notes payable	13,000,000	11,375,000
Total Liabilities	<u>24,898,936</u>	<u>21,326,722</u>
Fund Balance:		
Reserved for encumbrances	46,264,830	19,485,974
Reserved for parklands	44,000	44,000
Unreserved:		
Designated for transportation projects	13,691,615	15,500,369
Undesignated	37,113,790	59,015,803
Total Fund Balance	<u>97,114,235</u>	<u>94,046,146</u>
Total Liabilities and Fund Balance	<u>\$ 122,013,171</u>	<u>\$ 115,372,868</u>



COUNTY OF ROCKLAND, NEW YORK

CAPITAL PROJECTS FUND  
 COMPARATIVE STATEMENT OF REVENUES, EXPENDITURES  
 AND CHANGES IN FUND BALANCE  
 YEARS ENDED DECEMBER 31, 2006 AND 2005

	<u>2006</u>	<u>2005</u>
Revenues:		
State aid	\$ 9,331,558	\$ 16,124,934
Federal aid	1,284,758	816,849
	<hr/>	<hr/>
Total Revenues	10,616,316	16,941,783
Expenditures - Capital outlay	<hr/> 48,004,692	<hr/> 44,447,249
Deficiency of Revenues Over Expenditures	<hr/> (37,388,376)	<hr/> (27,505,466)
Other Financing Sources (Uses):		
Bonds issued	47,009,877	72,379,263
Transfers in	865,000	1,220,000
Transfers out	<hr/> (7,418,412)	<hr/> (11,185,214)
Total Other Financing Sources	<hr/> 40,456,465	<hr/> 62,414,049
Net Change in Fund Balance	3,068,089	34,908,583
Fund Balance - Beginning of Year	<hr/> 94,046,146	<hr/> 59,137,563
Fund Balance - End of Year	<u><u>\$ 97,114,235</u></u>	<u><u>\$ 94,046,146</u></u>

COUNTY OF ROCKLAND, NEW YORK

COMBINING BALANCE SHEET  
 NON-MAJOR GOVERNMENTAL FUNDS  
 DECEMBER 31, 2006  
 (With Comparative Totals for 2005)

<u>ASSETS</u>	<u>Special Revenue Funds</u>	<u>Debt Service Fund</u>
Cash and Equivalents	\$ 16,410,516	\$ 2,091,518
Investments	225,000	9,875,000
Receivables:		
Accounts	262,885	369,415
Loans	193,398	-
State and Federal aid	1,616,961	2,414,229
Due from other funds	1,852,877	90,922
	<u>3,926,121</u>	<u>2,874,566</u>
Prepaid Expenditures	362,983	-
Total Assets	<u>\$ 20,924,620</u>	<u>\$ 14,841,084</u>
<u>LIABILITIES AND FUND BALANCES</u>		
Liabilities:		
Accounts payable	\$ 1,189,977	\$ -
Accrued liabilities	965,925	-
Due to other funds	2,562,400	-
Advances from other funds	1,118,710	-
Deferred revenues - Other	1,475,151	-
Total Liabilities	<u>7,312,163</u>	<u>-</u>
Fund Balances:		
Reserved for encumbrances	2,876,870	-
Reserved for prepaid expenditures	362,983	-
Reserved for long-term receivable	-	188,302
Reserved for social service programs	48,036	-
Reserved for compensated absences	1,604,078	-
Reserved for debt service	-	7,464,782
Unreserved:		
Designated for affordable housing	225,000	-
Designated for treatment plant and collection system	399,975	-
Designated for subsequent year's expenditures	228,472	7,188,000
Undesignated	7,867,043	-
Total Fund Balances	<u>13,612,457</u>	<u>14,841,084</u>
Total Liabilities and Fund Balances	<u>\$ 20,924,620</u>	<u>\$ 14,841,084</u>

Totals	
2006	2005
\$ 18,502,034	\$ 22,910,123
10,100,000	6,883,372
632,300	778,840
193,398	202,144
4,031,190	1,244,150
1,943,799	1,707,608
6,800,687	3,932,742
362,983	247,957
<u>\$ 35,765,704</u>	<u>\$ 33,974,194</u>
\$ 1,189,977	\$ 1,323,738
965,925	833,572
2,562,400	1,104,124
1,118,710	1,071,115
1,475,151	3,269,103
7,312,163	7,601,652
2,876,870	1,757,660
362,983	247,957
188,302	369,415
48,036	62,947
1,604,078	1,604,072
7,464,782	7,740,472
225,000	225,000
399,975	361,875
7,416,472	8,561,798
7,867,043	5,441,346
28,453,541	26,372,542
<u>\$ 35,765,704</u>	<u>\$ 33,974,194</u>

COUNTY OF ROCKLAND, NEW YORK

COMBINING STATEMENT OF REVENUES, EXPENDITURES AND CHANGES

IN FUND BALANCES

NON-MAJOR GOVERNMENTAL FUNDS

YEAR ENDED DECEMBER 31, 2006

(With Comparative Totals for 2005)

	Special Revenue Funds	Debt Service Fund
Revenues:		
Real property taxes	\$ 23,768,011	\$ -
Departmental income	53,667	-
Use of money and property	836,094	3,197,207
Licenses and permits	52,895	-
Fines and forfeitures	18,459	-
Sale of property and compensation for loss	1,110	-
Interfund revenues	114,548	-
State aid	1,035,482	2,292,471
Federal aid	10,516,274	953,697
Miscellaneous	1,555,165	19,723
<b>Total Revenues</b>	<b>37,951,705</b>	<b>6,463,098</b>
Expenditures:		
Current:		
General government support	240,509	-
Transportation	13,629,277	-
Economic opportunity and development	10,238,920	-
Home and community services	12,969,037	-
Employee benefits	1,888,400	-
Debt Service:		
Principal	-	13,858,182
Interest	77,267	9,471,032
<b>Total Expenditures</b>	<b>39,043,410</b>	<b>23,329,214</b>
Deficiency of Revenues Over Expenditures	(1,091,705)	(16,866,116)
Other Financing Sources (Uses):		
Transfers in	12,896,177	23,597,313
Transfers out	(9,794,026)	(6,660,644)
<b>Total Other Financing Sources</b>	<b>3,102,151</b>	<b>16,936,669</b>
<b>Net Change in Fund Balances</b>	<b>2,010,446</b>	<b>70,553</b>
Fund Balances - Beginning of Year	11,602,011	14,770,531
<b>Fund Balances - End of Year</b>	<b>\$ 13,612,457</b>	<b>\$ 14,841,084</b>

Totals	
2006	2005
\$ 23,768,011	\$ 20,813,360
53,667	72,734
4,033,301	2,503,927
52,895	21,987
18,459	3,685
1,110	429
114,548	98,152
3,327,953	4,343,568
11,469,971	6,040,212
1,574,888	1,489,373
<u>44,414,803</u>	<u>35,387,427</u>
240,509	-
13,629,277	13,033,837
10,238,920	5,761,210
12,969,037	11,800,856
1,888,400	2,363,421
13,858,182	10,869,372
9,548,299	8,002,612
<u>62,372,624</u>	<u>51,831,308</u>
<u>(17,957,821)</u>	<u>(16,443,881)</u>
36,493,490	36,880,863
(16,454,670)	(15,884,553)
<u>20,038,820</u>	<u>20,996,310</u>
2,080,999	4,552,429
<u>26,372,542</u>	<u>21,820,113</u>
<u>\$ 28,453,541</u>	<u>\$ 26,372,542</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 long-term debt.

COUNTY OF ROCKLAND, NEW YORK

COMBINING BALANCE SHEET  
NON-MAJOR SPECIAL REVENUE FUNDS

DECEMBER 31, 2006

(With Comparative Totals for 2005)

<u>ASSETS</u>	<u>County Road Fund</u>	<u>Road Machinery Fund</u>	<u>Community Development Fund</u>
Cash:			
Demand deposits	\$ -	\$ -	\$ 1,308,681
Time deposits	-	-	-
Certificates of deposit	-	-	-
Petty cash	100	-	-
	<u>100</u>	<u>-</u>	<u>1,308,681</u>
Investments	<u>-</u>	<u>-</u>	<u>225,000</u>
Receivables:			
Accounts	29,152	-	-
Loans	-	-	193,398
State and Federal aid	1,242,018	-	347,990
Due from other funds	1,118,710	734,167	-
	<u>2,389,880</u>	<u>734,167</u>	<u>541,388</u>
Prepaid Expenditures	<u>174,675</u>	<u>18,155</u>	<u>-</u>
Total Assets	<u>\$ 2,564,655</u>	<u>\$ 752,322</u>	<u>\$ 2,075,069</u>
<u>LIABILITIES AND FUND BALANCES (DEFICITS)</u>			
Liabilities:			
Accounts payable	\$ 253,347	\$ 50,137	\$ -
Accrued liabilities	443,685	42,030	-
Due to other funds	993,732	-	374,918
Advances from other funds	1,118,710	-	-
Deferred revenues - Other	-	-	1,475,151
Total Liabilities	<u>2,809,474</u>	<u>92,167</u>	<u>1,850,069</u>
Fund Balances (Deficits):			
Reserved for encumbrances	2,417	550,949	-
Reserved for prepaid expenditures	174,675	18,155	-
Reserved for social service programs	-	-	-
Reserved for compensated absences	696,799	55,047	-
Unreserved:			
Designated for affordable housing	-	-	225,000
Designated for treatment plant and collection system	-	-	-
Designated for subsequent year's expenditures	-	-	-
Undesignated	(1,118,710)	36,004	-
Total Fund Balances (Deficits)	<u>(244,819)</u>	<u>660,155</u>	<u>225,000</u>
Total Liabilities and Fund Balances (Deficits)	<u>\$ 2,564,655</u>	<u>\$ 752,322</u>	<u>\$ 2,075,069</u>



Sewer District Fund	Special Purpose Fund	Totals	
		2006	2005
\$ 3,399	\$ -	\$ 1,312,080	\$ 3,414,689
-	48,036	48,036	24,080
15,050,000	-	15,050,000	12,350,000
300	-	400	400
<u>15,053,699</u>	<u>48,036</u>	<u>16,410,516</u>	<u>15,789,169</u>
-	-	225,000	225,000
233,733	-	262,885	235,502
-	-	193,398	202,144
26,953	-	1,616,961	664,038
-	-	1,852,877	1,617,085
<u>260,686</u>	<u>-</u>	<u>3,926,121</u>	<u>2,718,769</u>
<u>170,153</u>	<u>-</u>	<u>362,983</u>	<u>247,957</u>
<u>\$ 15,484,538</u>	<u>\$ 48,036</u>	<u>\$ 20,924,620</u>	<u>\$ 18,980,895</u>
\$ 886,493	\$ -	\$ 1,189,977	\$ 1,323,738
480,210	-	965,925	833,572
1,193,750	-	2,562,400	881,356
-	-	1,118,710	1,071,115
-	-	1,475,151	3,269,103
<u>2,560,453</u>	<u>-</u>	<u>7,312,163</u>	<u>7,378,884</u>
2,323,504	-	2,876,870	1,757,660
170,153	-	362,983	247,957
-	48,036	48,036	62,947
852,232	-	1,604,078	1,604,072
-	-	225,000	225,000
399,975	-	399,975	361,875
228,472	-	228,472	1,901,154
8,949,749	-	7,867,043	5,441,346
<u>12,924,085</u>	<u>48,036</u>	<u>13,612,457</u>	<u>11,602,011</u>
<u>\$ 15,484,538</u>	<u>\$ 48,036</u>	<u>\$ 20,924,620</u>	<u>\$ 18,980,895</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, 2006  
 (With Comparative Totals for 2005)

	County Road Fund	Road Machinery Fund	Community Development Fund
<b>Revenues:</b>			
Real property taxes	\$ -	\$ -	\$ -
Departmental income	-	-	8,746
Use of money and property	-	-	60,376
Licenses and permits	52,895	-	-
Fines and forfeitures	16,614	-	-
Sale of property and compensation for loss	-	-	-
Interfund revenues	114,548	-	-
State aid	1,035,434	-	-
Federal aid	366,848	-	10,149,426
Miscellaneous	34,718	81,457	-
<b>Total Revenues</b>	<b>1,621,057</b>	<b>81,457</b>	<b>10,218,548</b>
<b>Expenditures:</b>			
<b>Current:</b>			
General government support	-	-	-
Transportation	12,112,263	1,517,014	-
Economic opportunity and development	-	-	10,218,548
Home and community services	-	-	-
Employee benefits	-	-	-
Debt Service - Interest	-	-	-
<b>Total Expenditures</b>	<b>12,112,263</b>	<b>1,517,014</b>	<b>10,218,548</b>
<b>Excess (Deficiency) of Revenues Over Expenditures</b>	<b>(10,491,206)</b>	<b>(1,435,557)</b>	<b>-</b>
<b>Other Financing Sources (Uses):</b>			
Transfers in	10,348,467	2,047,710	-
Transfers out	(99,170)	(7,645)	-
<b>Total Other Financing Sources (Uses)</b>	<b>10,249,297</b>	<b>2,040,065</b>	<b>-</b>
<b>Net Change in Fund Balances</b>	<b>(241,909)</b>	<b>604,508</b>	<b>-</b>
<b>Fund Balances (Deficits) - Beginning of Year</b>	<b>(2,910)</b>	<b>55,647</b>	<b>225,000</b>
<b>Fund Balances (Deficit) - End of Year</b>	<b>\$ (244,819)</b>	<b>\$ 660,155</b>	<b>\$ 225,000</b>

Sewer District Fund	Special Purpose Fund	Totals	
		2006	2005
\$ 23,768,011	\$ -	\$ 23,768,011	\$ 20,813,360
42,421	2,500	53,667	72,734
772,757	2,961	836,094	454,071
-	-	52,895	21,987
1,845	-	18,459	3,685
1,110	-	1,110	429
-	-	114,548	98,152
48	-	1,035,482	1,356,564
-	-	10,516,274	5,985,620
1,438,990	-	1,555,165	1,382,225
<u>26,025,182</u>	<u>5,461</u>	<u>37,951,705</u>	<u>30,188,827</u>
240,509	-	240,509	-
-	-	13,629,277	13,033,837
-	20,372	10,238,920	5,761,210
12,969,037	-	12,969,037	11,800,856
1,888,400	-	1,888,400	2,363,421
77,267	-	77,267	43,856
<u>15,175,213</u>	<u>20,372</u>	<u>39,043,410</u>	<u>33,003,180</u>
<u>10,849,969</u>	<u>(14,911)</u>	<u>(1,091,705)</u>	<u>(2,814,353)</u>
500,000	-	12,896,177	11,959,044
(9,687,211)	-	(9,794,026)	(8,639,471)
<u>(9,187,211)</u>	<u>-</u>	<u>3,102,151</u>	<u>3,319,573</u>
1,662,758	(14,911)	2,010,446	505,220
<u>11,261,327</u>	<u>62,947</u>	<u>11,602,011</u>	<u>11,096,791</u>
<u>\$ 12,924,085</u>	<u>\$ 48,036</u>	<u>\$ 13,612,457</u>	<u>\$ 11,602,011</u>

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COUNTY OF ROCKLAND, NEW YORK

COUNTY ROAD FUND  
 COMPARATIVE BALANCE SHEET  
 DECEMBER 31, 2006 AND 2005

	<u>2006</u>	<u>2005</u>
<u>ASSETS</u>		
Cash:		
Demand deposits	\$ -	\$ 21,271
Petty cash	100	100
	<u>100</u>	<u>21,371</u>
Receivables:		
Accounts	29,152	32,708
State and Federal aid	1,242,018	268,479
Due from other funds	1,118,710	1,471,214
	<u>2,389,880</u>	<u>1,772,401</u>
Prepaid Expenditures	<u>174,675</u>	<u>123,085</u>
Total Assets	<u>\$ 2,564,655</u>	<u>\$ 1,916,857</u>
<u>LIABILITIES AND FUND DEFICIT</u>		
Liabilities:		
Accounts payable	\$ 253,347	\$ 476,498
Accrued liabilities	443,685	353,938
Due to other funds	993,732	18,216
Advances from other funds	1,118,710	1,071,115
Total Liabilities	<u>2,809,474</u>	<u>1,919,767</u>
Fund Balance (Deficit):		
Reserved for encumbrances	2,417	286,602
Reserved for prepaid expenditures	174,675	123,085
Reserved for compensated absences	696,799	658,518
Unreserved and undesignated	(1,118,710)	(1,071,115)
Total Fund Deficit	<u>(244,819)</u>	<u>(2,910)</u>
Total Liabilities and Fund Deficit	<u>\$ 2,564,655</u>	<u>\$ 1,916,857</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, 2006 AND 2005

	2006			Variance with Final Budget Positive (Negative)
	Original Budget	Final Budget	Actual	
Revenues:				
Licenses and permits	\$ 39,250	\$ 39,250	\$ 52,895	\$ 13,645
Fines and forfeitures	10,000	10,000	16,614	6,614
Interfund revenues	80,000	80,000	114,548	34,548
State aid	1,744,000	1,764,275	1,035,434	(728,841)
Federal aid	140,000	150,762	366,848	216,086
Miscellaneous	129,170	129,170	34,718	(94,452)
<b>Total Revenues</b>	<b>2,142,420</b>	<b>2,173,457</b>	<b>1,621,057</b>	<b>(552,400)</b>
Expenditures - Current - Transportation	12,678,319	12,709,356	12,112,263	597,093
Deficiency of Revenues Over Expenditures	(10,535,899)	(10,535,899)	(10,491,206)	44,693
Other Financing Sources (Uses):				
Transfers in	10,348,467	10,348,467	10,348,467	-
Transfers out	(99,170)	(99,170)	(99,170)	-
<b>Total Other Financing Sources</b>	<b>10,249,297</b>	<b>10,249,297</b>	<b>10,249,297</b>	<b>-</b>
<b>Net Change in Fund Balance</b>	<b>(286,602)</b>	<b>(286,602)</b>	<b>(241,909)</b>	<b>44,693</b>
Fund Balance (Deficit) - Beginning of Year	286,602	286,602	(2,910)	(289,512)
<b>Fund Deficit - End of Year</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ (244,819)</b>	<b>\$ (244,819)</b>

2005

Original Budget	Final Budget	Actual	Variance with Final Budget Positive (Negative)
\$ 58,300	\$ 58,300	\$ 21,987	\$ (36,313)
25,500	25,000	2,930	(22,070)
80,000	80,000	98,152	18,152
1,698,500	1,698,500	1,352,852	(345,648)
140,000	148,000	257,461	109,461
178,138	178,638	33,215	(145,423)
<u>2,180,438</u>	<u>2,188,438</u>	<u>1,766,597</u>	<u>(421,841)</u>
<u>11,533,527</u>	<u>11,909,557</u>	<u>11,773,421</u>	<u>136,136</u>
<u>(9,353,089)</u>	<u>(9,721,119)</u>	<u>(10,006,824)</u>	<u>(285,705)</u>
9,355,614	9,723,644	9,723,644	-
(133,138)	(133,138)	(133,136)	2
<u>9,222,476</u>	<u>9,590,506</u>	<u>9,590,508</u>	<u>2</u>
(130,613)	(130,613)	(416,316)	(285,703)
<u>130,613</u>	<u>130,613</u>	<u>413,406</u>	<u>282,793</u>
<u>\$ -</u>	<u>\$ -</u>	<u>\$ (2,910)</u>	<u>\$ (2,910)</u>

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COUNTY OF ROCKLAND, NEW YORK

ROAD MACHINERY FUND  
 COMPARATIVE BALANCE SHEET  
 DECEMBER 31, 2006 AND 2005

	<u>2006</u>	<u>2005</u>
<u>ASSETS</u>		
Cash - Demand deposits	\$ -	\$ 714
Due from Other Funds	734,167	145,871
Prepaid Expenditures	<u>18,155</u>	<u>11,801</u>
Total Assets	<u>\$ 752,322</u>	<u>\$ 158,386</u>
<u>LIABILITIES AND FUND BALANCE</u>		
Liabilities:		
Accounts payable	\$ 50,137	\$ 67,930
Accrued liabilities	<u>42,030</u>	<u>34,809</u>
Total Liabilities	<u>92,167</u>	<u>102,739</u>
Fund Balance (Deficit):		
Reserved for encumbrances	550,949	2,717
Reserved for prepaid expenditures	18,155	11,801
Reserved for compensated absences	55,047	51,135
Unreserved and undesignated	<u>36,004</u>	<u>(10,006)</u>
Total Fund Balance	<u>660,155</u>	<u>55,647</u>
Total Liabilities and Fund Balance	<u>\$ 752,322</u>	<u>\$ 158,386</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, 2006 AND 2005

	2006			Variance with Final Budget Positive (Negative)
	Original Budget	Final Budget	Actual	
Revenues - Miscellaneous	\$ 42,645	\$ 42,645	\$ 81,457	\$ 38,812
Expenditures - Current - Transportation	2,085,427	2,085,427	1,517,014	568,413
Deficiency of Revenues Over Expenditures	(2,042,782)	(2,042,782)	(1,435,557)	(607,225)
Other Financing Sources (Uses):				
Transfers in	2,047,710	2,047,710	2,047,710	-
Transfers out	(7,645)	(7,645)	(7,645)	-
Total Other Financing Sources	2,040,065	2,040,065	2,040,065	-
Net Change in Fund Balance	(2,717)	(2,717)	604,508	607,225
Fund Balance - Beginning of Year	2,717	2,717	55,647	52,930
Fund Balance - End of Year	\$ -	\$ -	\$ 660,155	\$ 660,155

2005

<u>Original Budget</u>	<u>Final Budget</u>	<u>Actual</u>	<u>Variance with Final Budget Positive (Negative)</u>
\$ 45,825	\$ 45,826	\$ 41,600	\$ (4,226)
<u>1,173,634</u>	<u>1,275,605</u>	<u>1,260,416</u>	<u>15,189</u>
<u>(1,127,809)</u>	<u>(1,229,779)</u>	<u>(1,218,816)</u>	<u>(10,963)</u>
1,133,430	1,235,400	1,235,400	-
<u>(10,825)</u>	<u>(10,825)</u>	<u>(10,825)</u>	<u>-</u>
<u>1,122,605</u>	<u>1,224,575</u>	<u>1,224,575</u>	<u>-</u>
(5,204)	(5,204)	5,759	10,963
<u>5,204</u>	<u>5,204</u>	<u>49,888</u>	<u>44,684</u>
<u>\$ -</u>	<u>\$ -</u>	<u>\$ 55,647</u>	<u>\$ 55,647</u>

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COUNTY OF ROCKLAND, NEW YORK

COMMUNITY DEVELOPMENT FUND  
 COMPARATIVE BALANCE SHEET  
 DECEMBER 31, 2006 AND 2005

	<u>2006</u>	<u>2005</u>
<u>ASSETS</u>		
Cash - Demand deposits	\$ 1,308,681	\$ 3,121,853
Investments	<u>225,000</u>	<u>225,000</u>
Receivables:		
Loans	193,398	202,144
State and Federal aid	<u>347,990</u>	<u>368,606</u>
	<u>541,388</u>	<u>570,750</u>
Total Assets	<u>\$ 2,075,069</u>	<u>\$ 3,917,603</u>
<u>LIABILITIES AND FUND BALANCE</u>		
Liabilities:		
Accounts payable	\$ -	\$ 549
Due to other funds	374,918	422,951
Deferred revenues - Other	<u>1,475,151</u>	<u>3,269,103</u>
Total Liabilities	1,850,069	3,692,603
Fund Balance - Unreserved - Designated for affordable housing	<u>225,000</u>	<u>225,000</u>
Total Liabilities and Fund Balance	<u>\$ 2,075,069</u>	<u>\$ 3,917,603</u>

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, 2006 AND 2005

	2006			
	Original Budget	Final Budget	Actual	Variance with Final Budget Positive (Negative)
Revenues:				
Departmental income	\$ -	\$ -	\$ 8,746	\$ 8,746
Use of money and property	-	-	60,376	60,376
Federal aid	-	14,411,312	10,149,426	(4,261,886)
Total Revenues	-	14,411,312	10,218,548	(4,192,764)
Expenditures - Current - Economic opportunity and development	-	14,411,312	10,218,548	4,192,764
Excess of Revenues Over Expenditures	-	-	-	-
Fund Balance - Beginning of Year	-	-	225,000	225,000
Fund Balance - End of Year	\$ -	\$ -	\$ 225,000	\$ 225,000

2005

Original Budget	Final Budget	Actual	Variance with Final Budget Positive (Negative)
\$ -	\$ -	\$ 10,021	\$ 10,021
-	-	11,994	11,994
-	6,130,612	5,728,159	(402,453)
-	6,130,612	5,750,174	(380,438)
-	6,130,612	5,750,174	380,438
-	-	-	-
-	-	225,000	225,000
\$ -	\$ -	\$ 225,000	\$ 225,000

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COUNTY OF ROCKLAND, NEW YORK

SEWER DISTRICT FUND  
 COMPARATIVE BALANCE SHEET  
 DECEMBER 31, 2006 AND 2005

	<u>2006</u>	<u>2005</u>
<u>ASSETS</u>		
Cash:		
Demand deposits	\$ 3,399	\$ 231,984
Certificates of deposit	15,050,000	12,350,000
Petty cash	300	300
	<u>15,053,699</u>	<u>12,582,284</u>
Receivables:		
Accounts	233,733	202,794
State and Federal aid	26,953	26,953
	<u>260,686</u>	<u>229,747</u>
Prepaid Expenditures	<u>170,153</u>	<u>113,071</u>
Total Assets	<u>\$ 15,484,538</u>	<u>\$ 12,925,102</u>
<u>LIABILITIES AND FUND BALANCE</u>		
Liabilities:		
Accounts payable	\$ 886,493	\$ 778,761
Accrued liabilities	480,210	444,825
Due to other funds	1,193,750	440,189
Total Liabilities	<u>2,560,453</u>	<u>1,663,775</u>
Fund Balance:		
Reserved for encumbrances	2,323,504	1,468,341
Reserved for prepaid expenditures	170,153	113,071
Reserved for compensated absences	852,232	894,419
Unreserved:		
Designated for treatment plant and collection system	399,975	361,875
Designated for subsequent year's expenditures	228,472	1,901,154
Undesignated	8,949,749	6,522,467
Total Fund Balance	<u>12,924,085</u>	<u>11,261,327</u>
Total Liabilities and Fund Balance	<u>\$ 15,484,538</u>	<u>\$ 12,925,102</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, 2006 AND 2005

	2006			Variance with Final Budget Positive (Negative)
	Original Budget	Final Budget	Actual	
<b>Revenues:</b>				
Real property taxes	\$ 23,566,568	\$ 23,566,568	\$ 23,768,011	\$ 201,443
Departmental income	10,000	10,000	42,421	32,421
Use of money and property	200,000	200,000	772,757	572,757
Fines and forfeitures	-	-	1,845	1,845
Sale of property and compensation for loss	-	-	1,110	1,110
State aid	-	59,869	48	(59,821)
Miscellaneous	491,565	491,565	1,438,990	947,425
<b>Total Revenues</b>	<b>24,268,133</b>	<b>24,328,002</b>	<b>26,025,182</b>	<b>1,697,180</b>
<b>Expenditures:</b>				
<b>Current:</b>				
General government support	500,000	500,000	240,509	259,491
Home and community services	14,776,792	15,668,647	12,969,037	2,699,610
Employee benefits	2,112,685	2,112,685	1,888,400	224,285
Debt Service - Interest	77,268	77,268	77,267	1
<b>Total Expenditures</b>	<b>17,466,745</b>	<b>18,358,600</b>	<b>15,175,213</b>	<b>3,183,387</b>
<b>Excess of Revenues Over Expenditures</b>	<b>6,801,388</b>	<b>5,969,402</b>	<b>10,849,969</b>	<b>4,880,567</b>
<b>Other Financing Sources (Uses):</b>				
Transfers in	500,000	500,000	500,000	-
Transfers out	(10,670,883)	(10,670,883)	(9,687,211)	983,672
<b>Total Other Financing Uses</b>	<b>(10,170,883)</b>	<b>(10,170,883)</b>	<b>(9,187,211)</b>	<b>983,672</b>
<b>Net Change in Fund Balance</b>	<b>(3,369,495)</b>	<b>(4,201,481)</b>	<b>1,662,758</b>	<b>5,864,239</b>
<b>Fund Balance - Beginning of Year</b>	<b>3,369,495</b>	<b>4,201,481</b>	<b>11,261,327</b>	<b>7,059,846</b>
<b>Fund Balance - End of Year</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ 12,924,085</b>	<b>\$ 12,924,085</b>

2005

Original Budget	Final Budget	Actual	Variance with Final Budget Positive (Negative)
\$ 20,650,394	\$ 20,650,394	\$ 20,813,360	\$ 162,966
10,000	10,000	62,213	52,213
200,000	200,000	440,441	240,441
-	-	755	755
-	-	429	429
-	-	3,712	3,712
466,001	454,205	1,307,410	853,205
<u>21,326,395</u>	<u>21,314,599</u>	<u>22,628,320</u>	<u>1,313,721</u>
300,000	49,380	-	49,380
13,825,033	14,063,857	11,800,856	2,263,001
2,473,575	2,473,575	2,363,421	110,154
79,775	79,775	43,856	35,919
<u>16,678,383</u>	<u>16,666,587</u>	<u>14,208,133</u>	<u>2,458,454</u>
<u>4,648,012</u>	<u>4,648,012</u>	<u>8,420,187</u>	<u>3,772,175</u>
1,000,000	1,000,000	1,000,000	-
(8,790,806)	(8,790,806)	(8,495,510)	295,296
<u>(7,790,806)</u>	<u>(7,790,806)</u>	<u>(7,495,510)</u>	<u>295,296</u>
(3,142,794)	(3,142,794)	924,677	4,067,471
<u>3,142,794</u>	<u>3,142,794</u>	<u>10,336,650</u>	<u>7,193,856</u>
<u>\$ -</u>	<u>\$ -</u>	<u>\$ 11,261,327</u>	<u>\$ 11,261,327</u>

COUNTY OF ROCKLAND, NEW YORK

SPECIAL PURPOSE FUND  
COMPARATIVE BALANCE SHEET  
DECEMBER 31, 2006 AND 2005

	<u>2006</u>	<u>2005</u>
<u>ASSETS</u>		
Cash:		
Demand deposits	\$ -	\$ 38,867
Time deposits	<u>48,036</u>	<u>24,080</u>
Total Assets	<u>\$ 48,036</u>	<u>\$ 62,947</u>
<u>FUND BALANCE</u>		
Reserved for Social Service Programs	<u>\$ 48,036</u>	<u>\$ 62,947</u>

COUNTY OF ROCKLAND, NEW YORK

SPECIAL PURPOSE FUND  
 COMPARATIVE STATEMENT OF REVENUES, EXPENDITURES AND CHANGES  
 IN FUND BALANCE  
 YEARS ENDED DECEMBER 31, 2006 AND 2005

	<u>2006</u>	<u>2005</u>
Revenues:		
Departmental income	\$ 2,500	\$ 500
Use of money and property	<u>2,961</u>	<u>1,636</u>
Total Revenues	5,461	2,136
Expenditures - Current -		
Economic opportunity and development	<u>20,372</u>	<u>11,036</u>
Deficiency of Revenues Over Expenditures	(14,911)	(8,900)
Fund Balance - Beginning of Year	<u>62,947</u>	<u>71,847</u>
Fund Balance - End of Year	<u><u>\$ 48,036</u></u>	<u><u>\$ 62,947</u></u>

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COUNTY OF ROCKLAND, NEW YORK

DEBT SERVICE FUND  
 COMPARATIVE BALANCE SHEET  
 DECEMBER 31, 2006 AND 2005

	<u>2006</u>	<u>2005</u>
<u>ASSETS</u>		
Cash - Demand deposits	\$ 2,091,518	\$ 7,120,954
Investments	9,875,000	6,658,372
Receivables:		
Accounts	369,415	543,338
State and Federal aid	2,414,229	580,112
Due from other funds	90,922	90,523
	<u>2,874,566</u>	<u>1,213,973</u>
Total Assets	<u>\$ 14,841,084</u>	<u>\$ 14,993,299</u>
<u>LIABILITIES AND FUND BALANCE</u>		
Liabilities -		
Due to other funds	\$ -	\$ 222,768
Fund Balance:		
Reserved for long-term receivable	188,302	369,415
Reserved for debt service	7,464,782	7,740,472
Unreserved - Designated for subsequent year's expenditures	7,188,000	6,660,644
Total Fund Balance	<u>14,841,084</u>	<u>14,770,531</u>
Total Liabilities and Fund Balance	<u>\$ 14,841,084</u>	<u>\$ 14,993,299</u>

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, 2006 AND 2005

	2006			Variance with Final Budget Positive (Negative)
	Original Budget	Final Budget	Actual	
Revenues:				
Use of money and property	\$ -	\$ -	\$ 3,197,207	\$ 3,197,207
State aid	-	-	2,292,471	2,292,471
Federal aid	-	-	953,697	953,697
Miscellaneous	-	-	19,723	19,723
Total Revenues	-	-	6,463,098	6,463,098
Expenditures -				
Debt Service -				
Serial bonds:				
Principal	15,090,733	15,090,733	13,858,182	1,232,551
Interest	9,842,192	9,842,192	9,471,032	371,160
Total Expenditures	24,932,925	24,932,925	23,329,214	1,603,711
Deficiency of Revenues Over Expenditures	(24,932,925)	(24,932,925)	(16,866,116)	8,066,809
Other Financing Sources (Uses):				
Transfers in	24,932,925	24,932,925	23,597,313	(1,335,612)
Transfers out	(6,660,644)	(6,660,644)	(6,660,644)	-
Total Other Financing Sources	18,272,281	18,272,281	16,936,669	(1,335,612)
Net Change in Fund Balance	(6,660,644)	(6,660,644)	70,553	6,731,197
Fund Balance - Beginning of Year	6,660,644	6,660,644	14,770,531	8,109,887
Fund Balance - End of Year	\$ -	\$ -	\$ 14,841,084	\$ 14,841,084



2005

Original Budget	Final Budget	Actual	Variance with Final Budget Positive (Negative)
\$ -	\$ -	\$ 2,049,856	\$ 2,049,856
-	-	2,987,004	2,987,004
-	-	54,592	54,592
-	-	107,148	107,148
-	-	5,198,600	5,198,600
10,634,375	10,869,372	10,869,372	-
8,558,382	8,323,385	7,958,756	364,629
19,192,757	19,192,757	18,828,128	364,629
(19,192,757)	(19,192,757)	(13,629,528)	5,563,229
19,192,757	19,192,757	24,921,819	5,729,062
(7,245,082)	(7,245,082)	(7,245,082)	-
11,947,675	11,947,675	17,676,737	5,729,062
(7,245,082)	(7,245,082)	4,047,209	11,292,291
7,245,082	7,245,082	10,723,322	3,478,240
\$ -	\$ -	\$ 14,770,531	\$ 14,770,531

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## **ENTERPRISE FUND**

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.

Home and Infirmary Fund – This fund is used to account for the operations of the Summit Park Hospital, a chronic care hospital and a skilled nursing facility established and operated under the provisions of Article 6 of General Municipal Law.

Rockland Tobacco Asset Securitization Corporation and the Rockland Second Tobacco Asset Securitization Corporation – These funds reflect the operations of these not-for-profit local development corporations organized pursuant to Section 1411 of the Not-For-Profit Corporation Law of the State of New York.

COUNTY OF ROCKLAND, NEW YORK

PROPRIETARY FUND - ENTERPRISE FUND  
 HOME AND INFIRMARY FUND  
 COMPARATIVE STATEMENT OF NET ASSETS  
 DECEMBER 31, 2006 AND 2005

	<u>2006</u>	<u>2005</u>
<b>ASSETS</b>		
Cash and Equivalents	\$ 5,392,875	\$ 3,338,649
Receivables:		
Accounts	2,636,539	1,380,435
Accounts - Patient care, net of allowance for uncollectible amounts	14,597,076	16,419,597
State and Federal aid	317,347	2,038,068
Inventories	535,806	592,058
Prepaid Expenses	1,560,081	958,102
	<u>25,039,724</u>	<u>24,726,909</u>
<b>Capital Assets:</b>		
Land	438,504	438,504
Buildings	46,279,217	41,332,168
Improvements other than buildings	345,975	345,975
Equipment	16,516,729	13,699,278
Construction-in-progress	2,396,743	6,128,029
Less - Accumulated depreciation	(42,460,168)	(40,520,814)
	<u>23,517,000</u>	<u>21,423,140</u>
<b>Total Assets</b>	<u>48,556,724</u>	<u>46,150,049</u>
<b>Current Liabilities:</b>		
Accounts payable	3,227,223	2,427,419
Accrued liabilities	3,640,456	6,448,765
Accrued interest payable	263,920	189,565
Due to other funds	6,709,724	7,261,108
Advances from other funds	12,699,183	-
Compensated absences	12,482,502	10,814,876
Current maturities of bonds payable	1,908,340	2,216,248
	<u>40,931,348</u>	<u>29,357,981</u>
<b>Noncurrent Liabilities -</b>		
Bonds payable	15,912,594	12,150,934
	<u>56,843,942</u>	<u>41,508,915</u>
<b><u>NET ASSETS (DEFICIENCY)</u></b>		
Invested in Capital Assets, net of related debt	12,411,965	12,484,425
Unrestricted	(20,699,183)	(7,843,291)
	<u>(8,287,218)</u>	<u>(7,358,866)</u>
<b>Total Net Assets (Deficiency)</b>	<u>\$ (8,287,218)</u>	<u>\$ 4,641,134</u>

COUNTY OF ROCKLAND, NEW YORK

PROPRIETARY FUND - ENTERPRISE FUND  
 HOME AND INFIRMARY FUND  
 COMPARATIVE STATEMENT OF REVENUES, EXPENSES  
 AND CHANGES IN NET ASSETS  
 YEARS ENDED DECEMBER 31, 2006 AND 2005

	<u>2006</u>	<u>2005</u>
Operating Revenues:		
Charges for services:		
Net patient service revenues:		
Rehabilitation and skilled nursing facility	\$ 49,930,435	\$ 47,883,416
Mental health	<u>28,741,162</u>	<u>31,333,835</u>
	78,671,597	79,217,251
Miscellaneous	<u>664,402</u>	<u>663,443</u>
Total Operating Revenues	<u>79,335,999</u>	<u>79,880,694</u>
 Operating Expenses:		
Administrative and general expenses	12,550,536	12,952,980
Salaries and wage expenses	52,452,898	47,654,576
Employee benefits	23,883,950	22,480,702
Supplies and other expenses	8,838,052	8,166,109
Depreciation	<u>1,939,354</u>	<u>1,646,450</u>
Total Operating Expenses	<u>99,664,790</u>	<u>92,900,817</u>
Loss from Operations	<u>(20,328,791)</u>	<u>(13,020,123)</u>
 Non-Operating Revenues (Expenses):		
Intergovernmental transfer	7,781,080	10,792,911
Interest on indebtedness	<u>(380,641)</u>	<u>(367,988)</u>
Total Non-Operating Revenues	<u>7,400,439</u>	<u>10,424,923</u>
Change in Net Assets	(12,928,352)	(2,595,200)
Net Assets - Beginning of Year	<u>4,641,134</u>	<u>7,236,334</u>
Net Assets (Deficiency) - End of Year	<u>\$ (8,287,218)</u>	<u>\$ 4,641,134</u>

COUNTY OF ROCKLAND, NEW YORK

PROPRIETARY FUND - ENTERPRISE FUND  
 HOME AND INFIRMARY FUND  
 COMPARATIVE STATEMENT OF CASH FLOWS  
 YEARS ENDED DECEMBER 31, 2006 AND 2005

	2006	2005
Cash Flows From Operating Activities:		
Functions/Programs	\$ 79,451,481	\$ 74,487,040
Other	4,469,218	5,818,523
Cash payments to vendors	(20,532,532)	(21,222,857)
Cash payments to employees	(82,804,906)	(79,239,658)
Net Cash Used in Operating Activities	<u>(19,416,739)</u>	<u>(20,156,952)</u>
Cash Flows From Non-Capital Financing Activities - Intergovernmental transfer	<u>7,781,080</u>	<u>10,792,911</u>
Cash Flows From Capital and Related Financing Activities:		
Remittances to County of Rockland, net	14,867,960	11,944,186
Issuance of long-term debt	5,670,000	1,085,000
Retirement of debt	(2,216,248)	(2,966,056)
Interest on indebtedness	(598,613)	(608,994)
Acquisition and construction of capital assets	(4,033,214)	(1,083,475)
Net Cash Provided by Capital and Related Financing Activities	<u>13,689,885</u>	<u>8,370,661</u>
Net Increase (Decrease) in Cash and Equivalents	2,054,226	(993,380)
Cash and Equivalents - Beginning of Year	<u>3,338,649</u>	<u>4,332,029</u>
Cash and Equivalents - End of Year	<u>\$ 5,392,875</u>	<u>\$ 3,338,649</u>
Reconciliation of Loss from Operations to Net Cash Used in Operating Activities:		
Loss from operations	\$ (20,328,791)	\$ (13,020,123)
Adjustments to reconcile loss from operations to net cash used in operating activities:		
Depreciation	1,939,354	1,646,450
Provision for bad debts	3,032,203	2,601,507
Changes in assets and liabilities:		
Accounts receivable	(1,256,104)	170,712
Accounts receivable - Patient care	(12,343,873)	(18,600,164)
State and Federal aid receivable	(1,720,721)	(2,038,068)
Inventories	56,252	(39,810)
Prepaid expenses	(601,979)	349,689
Accounts payable	799,804	(63,958)
Accrued liabilities	(2,808,309)	1,704,360
Due to other governments	-	(60,457)
Due to other funds	(551,384)	6,135,643
Advances from other funds	12,699,183	-
Compensated absences	1,667,626	1,057,267
Net Cash Used in Operating Activities	<u>\$ (19,416,739)</u>	<u>\$ (20,156,952)</u>

COUNTY OF ROCKLAND, NEW YORK

PROPRIETARY FUND - ENTERPRISE FUND  
 ROCKLAND TOBACCO ASSET SECURITIZATION CORPORATION  
 COMPARATIVE STATEMENT OF NET ASSETS  
 DECEMBER 31, 2006 AND 2005

	2006	2005
<b>ASSETS</b>		
Current Assets:		
Cash and equivalents	\$ 93,796	\$ 94,572
Investments	1,306,956	1,326,117
Accounts receivable	3,535,013	3,920,083
	<u>4,935,765</u>	<u>5,340,772</u>
Total Current Assets		
Noncurrent Assets:		
Restricted cash and equivalents	1,852,792	1,457,495
Restricted investments	3,525,018	3,525,133
Costs of issuance, net of accumulated amortization of \$132,286 in 2006 and \$91,416 in 2005	968,483	1,009,352
	<u>6,346,293</u>	<u>5,991,980</u>
Total Noncurrent Assets		
	<u>11,282,058</u>	<u>11,332,752</u>
Total Assets		
<b>LIABILITIES</b>		
Current Liabilities:		
Accrued liabilities	982,327	996,105
Current maturities of bonds payable	760,000	680,000
	<u>1,742,327</u>	<u>1,676,105</u>
Total Current Liabilities		
Noncurrent Liabilities -		
Bonds payable, net of current maturities	<u>71,348,354</u>	<u>70,357,773</u>
Total Liabilities	<u>73,090,681</u>	<u>72,033,878</u>
<b>NET ASSETS</b>		
Deficiency	<u>\$ (61,808,623)</u>	<u>\$ (60,701,126)</u>

COUNTY OF ROCKLAND, NEW YORK

PROPRIETARY FUND - ENTERPRISE FUND  
 ROCKLAND TOBACCO ASSET SECURITIZATION CORPORATION  
 COMPARATIVE STATEMENT OF REVENUES, EXPENSES AND  
 CHANGES IN NET ASSETS  
 YEARS ENDED DECEMBER 31, 2006 AND 2005

	2006	2005
Operating Revenues - Tobacco settlement revenues	\$ 3,043,988	\$ 3,815,366
Operating Expenses:		
Professional fees	32,075	31,038
Directors' fees	3,000	3,000
Insurance	21,525	21,525
Amortization	40,870	25,071
Total Operating Expenses	97,470	80,634
Income from Operations	2,946,518	3,734,732
Non-Operating Revenues (Expenses):		
Interest income	335,069	261,540
Interest on indebtedness	(4,389,084)	(2,988,527)
Total Non-Operating Expenses	(4,054,015)	(2,726,987)
Income (Loss) Before Transfers	(1,107,497)	1,007,745
Transfers Out	-	(23,997,609)
Net Change in Net Assets	(1,107,497)	(22,989,864)
Deficit - Beginning of Year, as reported	(60,701,126)	(42,081,106)
Prior Period Adjustment	-	4,369,844
Deficit - Beginning of Year, as restated	(60,701,126)	(37,711,262)
Deficit - End of Year	\$ (61,808,623)	\$ (60,701,126)



COUNTY OF ROCKLAND, NEW YORK

PROPRIETARY FUND - ENTERPRISE FUND  
 ROCKLAND TOBACCO ASSET SECURITIZATION CORPORATION  
 COMPARATIVE STATEMENT OF CASH FLOWS  
 YEARS ENDED DECEMBER 31, 2006 AND 2005

	2006	2005
<b>Cash Flows From Operating Activities:</b>		
Cash received from tobacco settlement revenues	\$ 3,334,773	\$ 3,644,844
Cash received from County of Rockland	-	850,000
Cash payments to vendors	(56,600)	(55,563)
<b>Net Cash Provided by Operating Activities</b>	<b>3,278,173</b>	<b>4,439,281</b>
<b>Cash Flows from Non-Capital Financing Activities:</b>		
Proceeds from bonds	-	24,992,440
Payment of issuance costs and underwriter's discount	-	(994,830)
Transfers out	-	(23,997,610)
Repayment of bonds payable	(680,000)	(635,000)
Interest on indebtedness	(2,652,281)	(2,687,206)
<b>Net Cash Used in Non-Capital Financing Activities</b>	<b>(3,332,281)</b>	<b>(3,322,206)</b>
<b>Cash Flows From Investing Activities:</b>		
Interest income	429,353	213,421
Purchase of investments	(1,306,956)	(1,326,117)
Sale of investments	1,326,117	1,343,271
Purchase of restricted investments	(3,525,018)	(3,525,133)
Sale of restricted investments	3,525,133	3,525,490
<b>Net Cash Provided by (Used in) Investing Activities</b>	<b>448,629</b>	<b>230,932</b>
<b>Net Decrease in Cash and Equivalents</b>	<b>394,521</b>	<b>1,348,007</b>
<b>Cash and Equivalents - Beginning of Year</b>	<b>1,552,067</b>	<b>204,060</b>
<b>Cash and Equivalents - End of Year</b>	<b>\$ 1,946,588</b>	<b>\$ 1,552,067</b>
<b>Reconciliation of Income from Operations to Net Cash Provided by Operating Activities:</b>		
Income from operations	\$ 2,946,518	\$ 3,734,732
Adjustments to reconcile income from operations to net cash provided by operating activities:		
Amortization	40,870	25,071
Changes in Assets and Liabilities:		
Accounts receivable	290,785	(170,522)
Due from other funds	-	850,000
<b>Net Cash Provided by Operating Activities</b>	<b>\$ 3,278,173</b>	<b>\$ 4,439,281</b>
<b>Noncash Investing Activities -</b>		
Increase in bonds payable from amortization of original issue and underwriters' discount	\$ 54,849	\$ 38,391

COUNTY OF ROCKLAND, NEW YORK

PROPRIETARY FUND - ENTERPRISE FUND  
 ROCKLAND SECOND TOBACCO ASSET SECURITIZATION CORPORATION  
 COMPARATIVE STATEMENT OF NET ASSETS  
 DECEMBER 31, 2006 AND 2005

	<u>2006</u>	<u>2005</u>
<b>ASSETS</b>		
Current Assets:		
Cash and equivalents	\$ 90,888	\$ 111,850
Accounts receivable	<u>890,003</u>	<u>910,560</u>
Total Current Assets	<u>980,891</u>	<u>1,022,410</u>
Noncurrent Assets:		
Restricted cash and equivalents	867	864
Restricted investments	710,961	710,961
Costs of issuance, net of accumulated amortization of \$20,360 in 2006 and \$13,654 in 2005	<u>247,865</u>	<u>254,570</u>
Total Noncurrent Assets	<u>959,693</u>	<u>966,395</u>
Total Assets	<u>1,940,584</u>	<u>1,988,805</u>
<b>LIABILITIES</b>		
Current Liabilities:		
Accounts payable	7,774	7,774
Accrued liabilities	<u>40,704</u>	<u>42,265</u>
Total Current Liabilities	48,478	50,039
Noncurrent Liabilities -		
Bonds payable	<u>8,168,491</u>	<u>8,532,494</u>
Total Liabilities	<u>8,216,969</u>	<u>8,582,533</u>
<b>NET ASSETS</b>		
Deficiency	<u>\$ (6,276,385)</u>	<u>\$ (6,593,728)</u>

COUNTY OF ROCKLAND, NEW YORK

PROPRIETARY FUND - ENTERPRISE FUND  
 ROCKLAND SECOND TOBACCO ASSET SECURITIZATION CORPORATION  
 COMPARATIVE STATEMENT OF REVENUES, EXPENSES AND  
 CHANGES IN NET ASSETS  
 YEARS ENDED DECEMBER 31, 2006 AND 2005

	<u>2006</u>	<u>2005</u>
Operating Revenues - Tobacco settlement revenues	\$ 813,706	\$ 904,871
Operating Expenses:		
Professional fees	22,111	16,863
Directors' fees	6,000	-
Insurance	-	2,500
Amortization	6,706	6,706
Total Operating Expenses	<u>34,817</u>	<u>26,069</u>
Income from Operations	<u>778,889</u>	<u>878,802</u>
Non-Operating Revenues (Expenses):		
Interest income	45,714	42,005
Interest on indebtedness	<u>(507,260)</u>	<u>(526,947)</u>
Total Non-Operating Expenses	<u>(461,546)</u>	<u>(484,942)</u>
Change in Net Assets	<u>317,343</u>	<u>393,860</u>
Deficit - Beginning of Year, as reported	(6,593,728)	(7,898,799)
Prior Period Adjustment	<u>-</u>	<u>911,211</u>
Deficit - Beginning of Year, as restated	<u>(6,593,728)</u>	<u>(6,987,588)</u>
Deficit - End of Year	<u>\$ (6,276,385)</u>	<u>\$ (6,593,728)</u>

COUNTY OF ROCKLAND, NEW YORK

PROPRIETARY FUND - ENTERPRISE FUND  
 ROCKLAND SECOND TOBACCO ASSET SECURITIZATION CORPORATION  
 COMPARATIVE STATEMENT OF CASH FLOWS  
 YEARS ENDED DECEMBER 31, 2006 AND 2005

	2006	2005
Cash Flows From Operating Activities:		
Cash received from tobacco settlement revenues	\$ 834,247	\$ 911,211
Cash payments to directors	(6,000)	-
Cash payments to vendors	(22,111)	(19,363)
Net Cash Provided by Operating Activities	<u>806,136</u>	<u>891,848</u>
Cash Flows from Non-Capital Financing Activities:		
Retirement of long-term debt	(375,000)	(420,000)
Interest on indebtedness	(497,825)	(517,701)
Net Cash Used in Non-Capital Financing Activities	<u>(872,825)</u>	<u>(937,701)</u>
Cash Flows From Investing Activities:		
Interest income	45,730	42,005
Purchase of restricted investments	(710,961)	(710,961)
Sale of restricted investments	710,961	710,961
Net Cash Provided by Investing Activities	<u>45,730</u>	<u>42,005</u>
Net Decrease in Cash and Equivalents	(20,959)	(3,848)
Cash and Equivalents - Beginning of Year	<u>112,714</u>	<u>116,562</u>
Cash and Equivalents - End of Year	<u>\$ 91,755</u>	<u>\$ 112,714</u>
Reconciliation of Income from Operations to Net Cash Provided by Operating Activities:		
Income from operations	\$ 778,889	\$ 878,802
Adjustments to reconcile income from operations to net cash provided by operating activities:		
Amortization	6,706	6,706
Changes in assets and liabilities - Accounts receivable	20,541	6,340
Net Cash Provided by Operating Activities	<u>\$ 806,136</u>	<u>\$ 891,848</u>
Noncash Investing Activities -		
Increase in bonds payable from amortization of original issue and underwriters' discount	\$ 10,997	\$ 10,997

## **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 and General Services funds as internal service funds.

COUNTY OF ROCKLAND, NEW YORK

PROPRIETARY FUNDS - INTERNAL SERVICE FUNDS

COMBINING STATEMENT OF NET ASSETS

DECEMBER 31, 2006

(With Comparative Totals for 2005)

<u>ASSETS</u>	Workers' Compensation Benefits Fund	General Liability Claims Fund	Unemployment Benefits Fund
Cash:			
Demand deposits	\$ 162,137	\$ 3,008,466	\$ 121,503
Certificates of deposit	8,450,000	3,000,000	-
Petty cash	-	-	-
	<u>8,612,137</u>	<u>6,008,466</u>	<u>121,503</u>
Receivables:			
Accounts	-	2,409	-
State and Federal aid	-	-	-
Due from other governments	10,531	-	-
Due from other funds	-	-	-
	<u>10,531</u>	<u>2,409</u>	<u>-</u>
Inventories	-	-	-
Prepaid Expenses	2,928	-	-
Total Current Assets	<u>8,625,596</u>	<u>6,010,875</u>	<u>121,503</u>
Capital Assets	-	-	-
Less - Accumulated depreciation	-	-	-
Total Capital Assets	-	-	-
Total Assets	<u>8,625,596</u>	<u>6,010,875</u>	<u>121,503</u>
<u>LIABILITIES</u>			
Current Liabilities:			
Accounts payable	399,576	32,101	-
Accrued liabilities	-	-	-
Due to other funds	54,671	19,749	-
Advances from other funds	-	-	-
Claims payable	530,004	604,151	-
Compensated absences	-	-	-
Current maturities of bonds payable - Capital construction	-	-	-
Current maturities of bonds payable - Pension obligations	-	-	-
Total Current Liabilities	<u>984,251</u>	<u>656,001</u>	<u>-</u>
Noncurrent Liabilities:			
Claims payable	4,770,034	5,437,357	-
Compensated absences	-	-	-
Bonds payable - Capital construction, less current maturities	-	-	-
Bonds payable - Pension obligations, less current maturities	-	-	-
Total Noncurrent Liabilities	<u>4,770,034</u>	<u>5,437,357</u>	<u>-</u>
Total Liabilities	<u>5,754,285</u>	<u>6,093,358</u>	<u>-</u>
<u>NET ASSETS (DEFICIENCY)</u>			
Invested in Capital Assets, net of related debt	-	-	-
Unrestricted	2,871,311	(82,483)	121,503
Total Net Assets (Deficiency)	<u>\$ 2,871,311</u>	<u>\$ (82,483)</u>	<u>\$ 121,503</u>

General Services Fund	Totals	
	2006	2005
\$ -	\$ 3,292,106	\$ 1,025,657
-	11,450,000	11,350,000
200	200	200
200	14,742,306	12,375,857
467,137	469,546	473,576
569,528	569,528	512,759
-	10,531	10,000
2,172,284	2,172,284	5,214,933
3,208,949	3,221,889	6,211,268
55,379	55,379	54,745
930,601	933,529	210,197
4,195,129	18,953,103	18,852,067
22,968,161	22,968,161	21,222,006
(5,861,320)	(5,861,320)	(4,865,326)
17,106,841	17,106,841	16,356,680
21,301,970	36,059,944	35,208,747
728,767	1,160,444	1,547,612
1,397,439	1,397,439	869,761
-	74,420	2,813,702
4,959,738	4,959,738	-
-	1,134,155	1,581,836
182,901	182,901	194,589
1,203,256	1,203,256	1,088,165
117,620	117,620	112,950
8,589,721	10,229,973	8,208,615
-	10,207,391	14,198,921
1,646,112	1,646,112	1,744,270
10,621,070	10,621,070	11,311,825
122,289	122,289	239,909
12,389,471	22,596,862	27,494,925
20,979,192	32,826,835	35,703,540
5,282,516	5,282,516	6,369,930
(4,959,738)	(2,049,407)	(6,864,723)
\$ 322,778	\$ 3,233,109	\$ (494,793)

COUNTY OF ROCKLAND, NEW YORK

PROPRIETARY FUNDS - INTERNAL SERVICE FUNDS  
 COMBINING STATEMENT OF REVENUES, EXPENSES AND CHANGES  
 IN NET ASSETS  
 YEAR ENDED DECEMBER 31, 2006  
 (With Comparative Totals for 2005)

	Workers' Compensation Benefits Fund	General Liability Claims Fund	Unemployment Benefits Fund
Operating Revenues:			
Charges for services	\$ 2,460,846	\$ 2,605,589	\$ 115,177
State aid	-	-	-
<b>Total Operating Revenues</b>	<b>2,460,846</b>	<b>2,605,589</b>	<b>115,177</b>
Operating Expenses:			
Administrative and general expenses	569,325	-	-
Salaries and wage expenses	128,635	-	-
Employee benefits	(22,413)	-	115,177
Judgments and claims	-	1,287,899	-
Supplies and other expenses	-	-	-
Depreciation	-	-	-
<b>Total Operating Expenses</b>	<b>675,547</b>	<b>1,287,899</b>	<b>115,177</b>
<b>Income (Loss) From Operations</b>	<b>1,785,299</b>	<b>1,317,690</b>	<b>-</b>
Non-Operating Revenues (Expenses):			
Interest income	504,722	117,068	3,123
Interest on indebtedness	-	-	-
<b>Total Non-Operating Revenues (Expenses)</b>	<b>504,722</b>	<b>117,068</b>	<b>3,123</b>
<b>Change in Net Assets</b>	<b>2,290,021</b>	<b>1,434,758</b>	<b>3,123</b>
Net Assets (Deficiency) - Beginning of Year	581,290	(1,517,241)	118,380
<b>Net Assets (Deficiency) - End of Year</b>	<b>\$ 2,871,311</b>	<b>\$ (82,483)</b>	<b>\$ 121,503</b>



General Services Fund	Totals	
	2006	2005
\$ 27,804,484	\$ 32,986,096	\$ 32,428,656
658,640	658,640	671,644
<u>28,463,124</u>	<u>33,644,736</u>	<u>33,100,300</u>
5,980,474	6,549,799	5,130,682
-	128,635	116,495
4,240,918	4,333,682	8,868,091
-	1,287,899	2,463,826
17,081,153	17,081,153	16,563,943
995,994	995,994	548,159
<u>28,298,539</u>	<u>30,377,162</u>	<u>33,691,196</u>
164,585	3,267,574	(590,896)
-	624,913	462,408
(164,585)	(164,585)	(19,818)
<u>(164,585)</u>	<u>460,328</u>	<u>442,590</u>
-	3,727,902	(148,306)
322,778	(494,793)	(346,487)
<u>\$ 322,778</u>	<u>\$ 3,233,109</u>	<u>\$ (494,793)</u>

COUNTY OF ROCKLAND, NEW YORK

PROPRIETARY FUNDS - INTERNAL SERVICE FUNDS  
 COMBINING STATEMENT OF CASH FLOWS  
 YEAR ENDED DECEMBER 31, 2006  
 (With Comparative Totals for 2005)

	Workers' Compensation Benefits Fund	General Liability Claims Fund	Unemployment Benefits Fund
<b>Cash Flows From Operating Activities:</b>			
Cash received from charges for services	\$ 2,460,315	\$ 5,589,589	\$ 227,185
Other	-	-	-
Cash payments to insurance carriers and claimants	(4,218,648)	(2,069,766)	(115,177)
Cash payments to employees	(127,034)	-	-
Cash payments to vendors	-	-	-
<b>Net Cash Provide by (Used in) Operating Activities</b>	<b>(1,885,367)</b>	<b>3,519,823</b>	<b>112,008</b>
<b>Cash Flows From Non-Capital Financing Activities:</b>			
Retirement of long-term debt	-	-	-
Interest on indebtedness	-	-	-
<b>Net Cash Used in Non-Capital Financing Activities</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>Cash Flows From Capital and Related Financing Activities:</b>			
Issuance of long-term debt	-	-	-
Retirement of long-term debt	-	-	-
Acquisition and construction of capital assets	-	-	-
<b>Net Cash Used in Capital and Related Financing Activities</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>Cash Flows From Investing Activities:</b>			
Interest income	504,722	117,068	3,123
Sale of investments	-	-	-
<b>Net Cash Provided by Investing Activities</b>	<b>504,722</b>	<b>117,068</b>	<b>3,123</b>
<b>Net Increase (Decrease) in Cash</b>	<b>(1,380,645)</b>	<b>3,636,891</b>	<b>115,131</b>
Cash - Beginning of Year	9,992,782	2,371,575	6,372
<b>Cash - End of Year</b>	<b>\$ 8,612,137</b>	<b>\$ 6,008,466</b>	<b>\$ 121,503</b>
<b>Reconciliation of Income (Loss) from Operations to Net Cash Provided by (Used in) Operating Activities:</b>			
Income (loss) from operations	\$ 1,785,299	\$ 1,317,690	\$ -
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	-	(2,409)	-
State and Federal aid receivable	-	-	-
Due from other governments	(531)	-	-
Due from other funds	-	2,986,409	112,008
Inventories	-	-	-
Prepaid expenses	(1,601)	-	-
Accounts payable	(61,486)	29,182	-
Accrued liabilities	-	-	-
Due to other funds	15,773	19,749	-
Advances from other funds	-	-	-
Claims payable	(3,608,413)	(830,798)	-
Compensated absences	(14,408)	-	-
<b>Net Cash Provided by (Used in) Operating Activities</b>	<b>\$ (1,885,367)</b>	<b>\$ 3,519,823</b>	<b>\$ 112,008</b>

General Services Fund	Totals	
	2006	2005
\$ 27,755,155	\$ 36,032,244	\$ 27,581,798
601,871	601,871	519,955
-	(6,403,591)	(5,989,978)
(4,336,356)	(4,463,390)	(5,002,340)
(21,426,244)	(21,426,244)	(18,036,210)
<u>2,594,426</u>	<u>4,340,890</u>	<u>(926,775)</u>
(112,950)	(112,950)	(162,372)
(164,584)	(164,584)	(19,818)
<u>(277,534)</u>	<u>(277,534)</u>	<u>(182,190)</u>
512,500	512,500	3,687,500
(1,088,165)	(1,088,165)	(617,611)
(1,746,155)	(1,746,155)	(4,180,924)
<u>(2,321,820)</u>	<u>(2,321,820)</u>	<u>(1,111,035)</u>
-	624,913	462,408
-	-	8,600,000
-	624,913	9,062,408
(4,928)	2,366,449	6,842,408
5,128	12,375,857	5,533,449
<u>\$ 200</u>	<u>\$ 14,742,306</u>	<u>\$ 12,375,857</u>
\$ 164,585	\$ 3,267,574	\$ (590,896)
995,994	995,994	548,159
6,439	4,030	(318,629)
(56,769)	(56,769)	(151,689)
-	(531)	(10,000)
(55,768)	3,042,649	(4,555,096)
(634)	(634)	(11,489)
(721,731)	(723,332)	60,101
(354,864)	(387,168)	123,892
527,678	527,678	169,625
(2,774,804)	(2,739,282)	2,811,671
4,959,738	4,959,738	-
-	(4,439,211)	803,767
(95,438)	(109,846)	193,809
<u>\$ 2,594,426</u>	<u>\$ 4,340,890</u>	<u>\$ (926,775)</u>

COUNTY OF ROCKLAND, NEW YORK

PROPRIETARY FUND - INTERNAL SERVICE FUND - WORKERS' COMPENSATION BENEFITS FUND  
 COMPARATIVE STATEMENT OF NET ASSETS  
 DECEMBER 31, 2006 AND 2005

<u>ASSETS</u>	<u>2006</u>	<u>2005</u>
Cash:		
Demand deposits	\$ 162,137	\$ 462,782
Certificates of deposit	8,450,000	9,530,000
	<u>8,612,137</u>	<u>9,992,782</u>
Due from Other Governments	10,531	10,000
Prepaid Expenses	<u>2,928</u>	<u>1,327</u>
Total Assets	<u>8,625,596</u>	<u>10,004,109</u>
 <u>LIABILITIES</u> 		
Current Liabilities:		
Accounts payable	399,576	461,062
Due to other funds	54,671	38,898
Claims payable	530,004	894,606
Compensated absences	-	2,144
Total Current Liabilities	<u>984,251</u>	<u>1,396,710</u>
Noncurrent Liabilities:		
Claims payable	4,770,034	8,013,845
Compensated absences	-	12,264
Total Noncurrent Liabilities	<u>4,770,034</u>	<u>8,026,109</u>
Total Liabilities	<u>5,754,285</u>	<u>9,422,819</u>
 <u>NET ASSETS</u> 		
Unrestricted	<u>\$ 2,871,311</u>	<u>\$ 581,290</u>

COUNTY OF ROCKLAND, NEW YORK

PROPRIETARY FUND - INTERNAL SERVICE FUND - WORKERS' COMPENSATION BENEFITS FUND  
 COMPARATIVE STATEMENT OF REVENUES, EXPENSES AND CHANGES  
 IN NET ASSETS  
 YEARS ENDED DECEMBER 31, 2006 AND 2005

	<u>2006</u>	<u>2005</u>
Operating Revenues - Charges for services	\$ 2,460,846	\$ 3,282,571
Operating Expenses:		
Administrative and general expenses	569,325	575,510
Salaries and wage expenses	128,635	116,495
Employee benefits	<u>(22,413)</u>	<u>3,672,891</u>
Total Operating Expenses	<u>675,547</u>	<u>4,364,896</u>
Income (Loss) From Operations	<u>1,785,299</u>	<u>(1,082,325)</u>
Non-Operating Revenues (Expenses):		
Interest income	504,722	346,758
Interest on indebtedness	<u>-</u>	<u>(17)</u>
Total Non-Operating Revenues	<u>504,722</u>	<u>346,741</u>
Change in Net Assets	2,290,021	(735,584)
Net Assets - Beginning of Year	<u>581,290</u>	<u>1,316,874</u>
Net Assets - End of Year	<u>\$ 2,871,311</u>	<u>\$ 581,290</u>

COUNTY OF ROCKLAND, NEW YORK

PROPRIETARY FUND - INTERNAL SERVICE FUND - WORKERS' COMPENSATION BENEFITS FUND  
 COMPARATIVE STATEMENT OF CASH FLOWS  
 YEARS ENDED DECEMBER 31, 2006 AND 2005

	<u>2006</u>	<u>2005</u>
Cash Flows From Operating Activities:		
Cash received from charges for services	\$ 2,460,315	\$ 3,309,438
Cash payments to insurance carriers and claimants	(4,218,648)	(3,262,923)
Cash payments to employees	<u>(127,034)</u>	<u>(80,813)</u>
Net Cash Used in Operating Activities	<u>(1,885,367)</u>	<u>(34,298)</u>
Cash Flows From Non-Capital Financing Activities:		
Retirement of long-term debt	-	(470)
Interest on indebtedness	<u>-</u>	<u>(17)</u>
Net Cash Used in Non-Capital Financing Activities	<u>-</u>	<u>(487)</u>
Cash Flows From Investing Activities:		
Interest income	504,722	346,758
Proceeds from sale of investments	<u>-</u>	<u>5,000,000</u>
Net Cash Provided by Investing Activities	<u>504,722</u>	<u>5,346,758</u>
Net Increase (Decrease) in Cash	(1,380,645)	5,311,973
Cash - Beginning of Year	<u>9,992,782</u>	<u>4,680,809</u>
Cash - End of Year	<u>\$ 8,612,137</u>	<u>\$ 9,992,782</u>
Reconciliation of Income (Loss) from Operations to Net Cash Used in Operating Activities:		
Income (loss) from operations	\$ 1,785,299	\$ (1,082,325)
Adjustments to reconcile income (loss) from operations to net cash used in operating activities:		
Changes in assets and liabilities:		
Due from other governments	(531)	(10,000)
Prepaid expenses	(1,601)	1,639
Accounts payable	(61,486)	52,501
Due to other funds	15,773	36,867
Claims payable	(3,608,413)	963,599
Compensated absences	<u>(14,408)</u>	<u>3,421</u>
Net Cash Used in Operating Activities	<u>\$ (1,885,367)</u>	<u>\$ (34,298)</u>

COUNTY OF ROCKLAND, NEW YORK

PROPRIETARY FUND - INTERNAL SERVICE FUND - GENERAL LIABILITY CLAIMS FUND  
 COMPARATIVE STATEMENT OF NET ASSETS  
 DECEMBER 31, 2006 AND 2005

	<u>2006</u>	<u>2005</u>
<u>ASSETS</u>		
Cash:		
Demand deposits	\$ 3,008,466	\$ 551,575
Certificates of deposit	<u>3,000,000</u>	<u>1,820,000</u>
	<u>6,008,466</u>	<u>2,371,575</u>
Receivables:		
Accounts	2,409	-
Due from other funds	<u>-</u>	<u>2,986,409</u>
	<u>2,409</u>	<u>2,986,409</u>
 Total Assets	 <u>6,010,875</u>	 <u>5,357,984</u>
<u>LIABILITIES</u>		
Current Liabilities:		
Accounts payable	32,101	2,919
Due to other funds	19,749	-
Claims payable	<u>604,151</u>	<u>687,230</u>
 Total Current Liabilities	 656,001	 690,149
Noncurrent Liabilities -		
Claims payable	<u>5,437,357</u>	<u>6,185,076</u>
 Total Liabilities	 <u>6,093,358</u>	 <u>6,875,225</u>
<u>NET ASSETS DEFICIENCY</u>		
Unrestricted	<u>\$ (82,483)</u>	<u>\$ (1,517,241)</u>

COUNTY OF ROCKLAND, NEW YORK

PROPRIETARY FUND - INTERNAL SERVICE FUND - GENERAL LIABILITY CLAIMS FUND  
 COMPARATIVE STATEMENT OF REVENUES, EXPENSES AND CHANGES  
 IN NET ASSETS  
 YEARS ENDED DECEMBER 31, 2006 AND 2005

	<u>2006</u>	<u>2005</u>
Operating Revenues - Charges for services	\$ 2,605,589	\$ 2,987,586
Operating Expenses - Judgments and claims	<u>1,287,899</u>	<u>2,463,826</u>
Income From Operations	1,317,690	523,760
Non-Operating Revenues - Interest income	<u>117,068</u>	<u>115,475</u>
Change in Net Assets	1,434,758	639,235
Deficiency - Beginning of Year	<u>(1,517,241)</u>	<u>(2,156,476)</u>
Deficiency - End of Year	<u>\$ (82,483)</u>	<u>\$ (1,517,241)</u>



COUNTY OF ROCKLAND, NEW YORK

PROPRIETARY FUND - INTERNAL SERVICE FUND - GENERAL LIABILITY CLAIMS FUND  
 COMPARATIVE STATEMENT OF CASH FLOWS  
 YEARS ENDED DECEMBER 31, 2006 AND 2005

	<u>2006</u>	<u>2005</u>
Cash Flows From Operating Activities:		
Cash received from charges for services	\$ 5,589,589	\$ 526,177
Cash payments to insurance carriers and claimants	(2,069,766)	(2,591,993)
	<u>3,519,823</u>	<u>(2,065,816)</u>
Net Cash Provided by (Used in) Operating Activities		
Cash Flows From Investing Activities:		
Interest income	117,068	115,475
Sale of investments	-	3,600,000
	<u>117,068</u>	<u>3,715,475</u>
Net Cash Provided by Investing Activities		
Net Increase in Cash	3,636,891	1,649,659
Cash - Beginning of Year	<u>2,371,575</u>	<u>721,916</u>
Cash - End of Year	<u>\$ 6,008,466</u>	<u>\$ 2,371,575</u>
Reconciliation of Income from Operations to Net Cash Provided by (Used in) Operating Activities:		
Income from operations	\$ 1,317,690	\$ 523,760
Adjustments to reconcile income from operations to net cash provided by (used in) operating activities:		
Changes in assets and liabilities:		
Accounts receivable	(2,409)	-
Due from other funds	2,986,409	(2,461,409)
Accounts payable	29,182	(20,112)
Due to other funds	19,749	-
Claims payable	(830,798)	(108,055)
	<u>\$ 3,519,823</u>	<u>\$ (2,065,816)</u>
Net Cash Provided by (Used in) Operating Activities		

COUNTY OF ROCKLAND, NEW YORK

PROPRIETARY FUND - INTERNAL SERVICE FUND - UNEMPLOYMENT BENEFITS FUND  
COMPARATIVE STATEMENT OF NET ASSETS  
DECEMBER 31, 2006 AND 2005

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	<u>2006</u>	<u>2005</u>
<u>ASSETS</u>		
Cash - Demand deposits	\$ 121,503	\$ 6,372
Due from Other Funds	-	112,008
	<u>121,503</u>	<u>118,380</u>
<u>NET ASSETS</u>		
Unrestricted	<u>\$ 121,503</u>	<u>\$ 118,380</u>

COUNTY OF ROCKLAND, NEW YORK

PROPRIETARY FUND - INTERNAL SERVICE FUND - UNEMPLOYMENT BENEFITS FUND  
 COMPARATIVE STATEMENT OF REVENUES, EXPENSES AND CHANGES  
 IN NET ASSETS  
 YEARS ENDED DECEMBER 31, 2006 AND 2005

	<u>2006</u>	<u>2005</u>
Operating Revenues - Charges for services	\$ 115,177	\$ 83,285
Operating Expenses - Employee benefits	<u>115,177</u>	<u>83,285</u>
Income From Operations	-	-
Non-Operating Revenues - Interest income	<u>3,123</u>	<u>175</u>
Change in Net Assets	3,123	175
Net Assets - Beginning of Year	<u>118,380</u>	<u>118,205</u>
Net Assets - End of Year	<u><u>\$ 121,503</u></u>	<u><u>\$ 118,380</u></u>

COUNTY OF ROCKLAND, NEW YORK

PROPRIETARY FUND - INTERNAL SERVICE FUND - UNEMPLOYMENT BENEFITS FUND  
 COMPARATIVE STATEMENT OF CASH FLOWS  
 YEARS ENDED DECEMBER 31, 2006 AND 2005

	<u>2006</u>	<u>2005</u>
Cash Flows From Operating Activities:		
Cash received from charges for services	\$ 227,185	\$ 23,054
Cash payments to insurance carriers and claimants	<u>(115,177)</u>	<u>(135,062)</u>
Net Cash Provided by (Used in) Operating Activities	<u>112,008</u>	<u>(112,008)</u>
Cash Flows From Investing Activities -		
Interest income	<u>3,123</u>	<u>175</u>
Net Increase (Decrease) in Cash	115,131	(111,833)
Cash - Beginning of Year	<u>6,372</u>	<u>118,205</u>
Cash - End of Year	<u>\$ 121,503</u>	<u>\$ 6,372</u>
Reconciliation of Income from Operations to Net Cash Provided by (Used In) Operating Activities:		
Income from operations	\$ -	\$ -
Adjustments to reconcile income from operations to net cash provided by (used in) operating activities:		
Changes in assets and liabilities:		
Due from other funds	112,008	(60,231)
Claims payable	<u>-</u>	<u>(51,777)</u>
Net Cash Provided by (Used in) Operating Activities	<u>\$ 112,008</u>	<u>\$ (112,008)</u>

COUNTY OF ROCKLAND, NEW YORK

PROPRIETARY FUND - INTERNAL SERVICE FUND - GENERAL SERVICES FUND  
 COMPARATIVE STATEMENT OF NET ASSETS  
 DECEMBER 31, 2006 AND 2005

	2006	2005
<u>ASSETS</u>		
Cash:		
Demand deposits	\$ -	\$ 4,928
Petty cash	200	200
	<u>200</u>	<u>5,128</u>
Receivables:		
Accounts	467,137	473,576
State and Federal aid	569,528	512,759
Due from other funds	2,172,284	2,116,516
	<u>3,208,949</u>	<u>3,102,851</u>
Inventories	<u>55,379</u>	<u>54,745</u>
Prepaid Expenses	<u>930,601</u>	<u>208,870</u>
Total Current Assets	<u>4,195,129</u>	<u>3,371,594</u>
Capital Assets:		
Buildings	2,980	2,980
Equipment	22,965,181	21,219,026
	<u>22,968,161</u>	<u>21,222,006</u>
Less - Accumulated depreciation	<u>(5,861,320)</u>	<u>(4,865,326)</u>
Total Assets	<u>21,301,970</u>	<u>19,728,274</u>
<u>LIABILITIES</u>		
Current Liabilities:		
Accounts payable	728,767	1,083,631
Accrued liabilities	1,397,439	869,761
Due to other funds	-	2,774,804
Advances from other funds	4,959,738	-
Current maturities of - Compensated absences	182,901	192,445
Current maturities of bonds payable - Capital construction	1,203,256	1,088,165
Current maturities of bonds payable - Pension obligations	117,620	112,950
Total Current Liabilities	<u>8,589,721</u>	<u>6,121,756</u>
Noncurrent Liabilities:		
Compensated absences, less current maturities	1,646,112	1,732,006
Bonds payable - Capital construction, less current maturities	10,621,070	11,311,825
Bonds payable - Pension obligations, less current maturities	122,289	239,909
Total Noncurrent Liabilities	<u>12,389,471</u>	<u>13,283,740</u>
Total Liabilities	<u>20,979,192</u>	<u>19,405,496</u>
<u>NET ASSETS</u>		
Invested in Capital Assets, net of related debt	5,282,516	6,369,930
Unrestricted	<u>(4,959,738)</u>	<u>(6,047,152)</u>
Total Net Assets	<u>\$ 322,778</u>	<u>\$ 322,778</u>

COUNTY OF ROCKLAND, NEW YORK

PROPRIETARY FUND - INTERNAL SERVICE FUND - GENERAL SERVICES FUND  
 COMPARATIVE STATEMENT OF REVENUES, EXPENSES AND CHANGES  
 IN NET ASSETS  
 YEARS ENDED DECEMBER 31, 2006 AND 2005

	<u>2006</u>	<u>2005</u>
Operating Revenues:		
Charges for services	\$ 27,804,484	\$ 26,075,214
State aid	658,640	671,644
	<u>28,463,124</u>	<u>26,746,858</u>
Total Operating Revenues		
Operating Expenses:		
Administrative and general expenses	5,980,474	4,555,172
Employee benefits	4,240,918	5,111,915
Supplies and other expenses	17,081,153	16,563,943
Depreciation	995,994	548,159
	<u>28,298,539</u>	<u>26,779,189</u>
Total Operating Expenses		
Income (Loss) From Operations	164,585	(32,331)
Non-Operating Expenses -		
Interest on indebtedness	(164,585)	(19,801)
	<u>-</u>	<u>(52,132)</u>
Change in Net Assets		
Net Assets - Beginning of Year	<u>322,778</u>	<u>374,910</u>
Net Assets - End of Year	<u>\$ 322,778</u>	<u>\$ 322,778</u>

COUNTY OF ROCKLAND, NEW YORK

PROPRIETARY FUND - INTERNAL SERVICE FUND - GENERAL SERVICES FUND  
 COMPARATIVE STATEMENT OF CASH FLOWS  
 YEARS ENDED DECEMBER 31, 2006 AND 2005

	2006	2005
Cash Flows From Operating Activities:		
Cash received from charges for services	\$ 27,755,155	\$ 23,723,129
Cash received from State	601,871	519,955
Cash payments to vendors	(21,426,244)	(18,036,210)
Cash payments to employees	(4,336,356)	(4,921,527)
Net Cash Provided by Operating Activities	<u>2,594,426</u>	<u>1,285,347</u>
Cash Flows From Non-Capital Financing Activities:		
Retirement of long-term debt	(112,950)	(161,902)
Interest on indebtedness:		
Capital construction	(151,775)	(18,260)
Other	(12,809)	(1,541)
Net Cash Used in Non-Capital Financing Activities	<u>(277,534)</u>	<u>(181,703)</u>
Cash Flows from Capital and Related Financing Activities:		
Issuance of long-term debt	512,500	3,687,500
Retirement of long-term debt	(1,088,165)	(617,611)
Acquisition and construction of capital assets	(1,746,155)	(4,180,924)
Net Cash Used in Capital and Related Financing Activities	<u>(2,321,820)</u>	<u>(1,111,035)</u>
Net Decrease in Cash	(4,928)	(7,391)
Cash - Beginning of Year	<u>5,128</u>	<u>12,519</u>
Cash - End of Year	<u>\$ 200</u>	<u>\$ 5,128</u>
Reconciliation of Income (Loss) from Operations to Net Cash Provided by Operating Activities:		
Income (loss) from operations	\$ 164,585	\$ (32,331)
Adjustments to reconcile income (loss) from operations to net cash provided by operating activities:		
Depreciation	995,994	548,159
Changes in assets and liabilities:		
Accounts receivable	6,439	(318,629)
State and Federal aid receivable	(56,769)	(151,689)
Due from other funds	(55,768)	(2,033,456)
Inventories	(634)	(11,489)
Prepaid expenses	(721,731)	58,462
Accounts payable	(354,864)	91,503
Accrued liabilities	527,678	169,625
Due to other funds	(2,774,804)	2,774,804
Advances from other funds	4,959,738	-
Compensated absences	(95,438)	190,388
Net Cash Provided by Operating Activities	<u>\$ 2,594,426</u>	<u>\$ 1,285,347</u>

COUNTY OF ROCKLAND, NEW YORK

FIDUCIARY FUNDS - AGENCY FUND  
 STATEMENT OF CHANGES IN ASSETS AND LIABILITIES  
 YEAR ENDED DECEMBER 31, 2006

	Balance January 1, 2006	Increases	Decreases	Balance December 31, 2006
<u>ASSETS</u>				
Cash:				
Demand deposits	\$ 5,567,109	\$ 236,607,057	\$ 236,372,210	\$ 5,801,956
Time deposits	4,119,114	2,270,498	4,304,509	2,085,103
	9,686,223	238,877,555	240,676,719	7,887,059
Accounts Receivable	49,978	213,029,368	213,023,561	55,785
Total Assets	<u>\$ 9,736,201</u>	<u>\$ 451,906,923</u>	<u>\$ 453,700,280</u>	<u>\$ 7,942,844</u>
<u>LIABILITIES</u>				
Accounts Payable	\$ 99,310	\$ 233,870,772	\$ 233,803,098	\$ 166,984
Employee Payroll Deductions	539,761	76,650,535	76,698,531	491,765
Deposits	5,268,272	10,377,988	11,457,475	4,188,785
Due to Other Governments	3,828,858	19,252,827	19,986,375	3,095,310
Total Liabilities	<u>\$ 9,736,201</u>	<u>\$ 340,152,122</u>	<u>\$ 341,945,479</u>	<u>\$ 7,942,844</u>



**STATISTICAL  
SECTION**

(Unaudited)

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## Financial Trends

These schedules contain trend information to help the reader understand how the County's financial performance and well-being have changed over time. These schedules include:

Net Assets by Component

Changes in Net Assets

Fund Balances of Governmental Funds

Changes in Fund Balances of Governmental Funds

COUNTY OF ROCKLAND, NEW YORK

NET ASSETS BY COMPONENT  
LAST FIVE FISCAL YEARS

	2002	2003	2004(1)	2005	2006
Governmental Activities					
Invested in Capital Assets, Net of Related Debt	\$ 438,310,280	\$ 440,635,684	\$ 419,627,796	\$ 385,766,788	\$ 357,075,560
Restricted	40,014,214	38,837,101	49,562,629	79,252,547	84,186,029
Unrestricted	<u>7,689,691</u>	<u>5,738,859</u>	<u>24,270,260</u>	<u>51,882,873</u>	<u>49,138,682</u>
Total Governmental Activities Net Assets	<u>\$ 486,014,185</u>	<u>\$ 485,211,644</u>	<u>\$ 493,460,685</u>	<u>\$ 516,902,208</u>	<u>\$ 490,400,271</u>
Business-Type Activities					
Invested in Capital Assets, Net of Related Debt	\$ 14,021,370	\$ 13,571,289	\$ 13,213,254	\$ 12,484,425	\$ 12,411,965
Unrestricted	<u>(4,583,999)</u>	<u>(6,593,661)</u>	<u>(55,956,825)</u>	<u>(75,138,145)</u>	<u>(88,784,191)</u>
Total Business-Type Activities Net Assets	<u>\$ 9,437,371</u>	<u>\$ 6,977,628</u>	<u>\$ (42,743,571)</u>	<u>\$ (62,653,720)</u>	<u>\$ (76,372,226)</u>
Primary Government					
Invested in Capital Assets Net of Related Debt	\$ 452,331,650	\$ 454,206,973	\$ 432,841,050	\$ 398,251,213	\$ 369,487,525
Restricted	40,014,214	38,837,101	49,562,629	79,252,547	84,186,029
Unrestricted	<u>3,105,692</u>	<u>(854,802)</u>	<u>(31,686,565)</u>	<u>(23,255,272)</u>	<u>(39,645,509)</u>
Total Primary Government Net Assets	<u>\$ 495,451,556</u>	<u>\$ 492,189,272</u>	<u>\$ 450,717,114</u>	<u>\$ 454,248,488</u>	<u>\$ 414,028,045</u>

Note: Data not available prior to fiscal 2002 implementation of Governmental Accounting Standards Board Statement No. 34, Basic Financial Statements and Management's Discussion and Analysis for State and Local Governments.

(1) In accordance with Governmental Accounting Standards Board Technical Bulletin No. 2004-1, Tobacco Settlement Recognition and Financial Reporting Entity Issues, the activities of the Rockland Tobacco Asset Securitization Corporation and the Rockland Second Tobacco Asset Securitization Corporation have been reflected as blended component units of the County as of December 31, 2004.

COUNTY OF ROCKLAND, NEW YORK

CHANGES IN NET ASSETS  
LAST FIVE FISCAL YEARS

	2002	2003	2004 (1)	2005	2006
<b>Expenses</b>					
<b>Governmental Activities</b>					
General government	\$ 63,153,245	\$ 62,287,057	\$ 68,779,564	\$ 44,538,213	\$ 53,181,226
Education	46,881,083	52,671,673	55,930,405	58,507,380	62,269,510
Public safety	44,674,007	45,279,632	52,371,937	58,963,721	61,374,333
Health	38,430,956	35,079,290	42,374,788	45,380,653	42,866,537
Transportation	42,416,503	43,410,593	45,144,431	48,426,869	52,467,203
Economic opportunity and development	139,549,521	148,325,942	164,700,249	156,812,258	154,921,214
Culture and recreation	662,233	746,302	728,454	745,730	672,310
Home and community services	18,434,960	21,385,606	20,023,499	24,060,557	25,128,078
Interest	6,217,396	6,489,849	7,165,388	10,991,331	17,421,520
<b>Total Governmental Activities</b>	<b>400,419,904</b>	<b>415,675,944</b>	<b>457,218,715</b>	<b>448,426,712</b>	<b>470,301,931</b>
<b>Business-Type Activities</b>					
Home and Infirmary Fund	83,329,746	79,369,366	87,141,861	93,268,805	100,045,431
Rockland Tobacco Asset Securitization Corporation	-	-	2,800,273	3,069,161	4,486,554
Rockland Second Tobacco Asset Securitization Corporation	-	-	574,291	553,016	542,077
	<u>83,329,746</u>	<u>79,369,366</u>	<u>90,516,425</u>	<u>96,890,982</u>	<u>105,074,062</u>
<b>Total Primary Government Expenses</b>	<b>\$ 483,749,650</b>	<b>\$ 495,045,310</b>	<b>\$ 547,735,140</b>	<b>\$ 545,317,694</b>	<b>\$ 575,375,993</b>
<b>Program Revenues</b>					
<b>Governmental Activities</b>					
<b>Charges for Services</b>					
General Government	\$ 37,316,911	\$ 38,054,253	\$ 39,249,733	\$ 12,202,376	\$ 13,488,832
Public Safety	3,411,682	3,741,384	3,835,679	4,352,301	4,376,291
Health	5,100,982	4,270,675	5,818,755	6,446,459	2,227,880
Transportation	3,339,514	2,710,546	3,241,293	3,386,565	3,649,497
Economic opportunity and development	5,769,244	5,596,867	8,665,341	9,174,374	7,118,757
Home and Community Services	87,850	80,458	261,278	1,811,248	2,256,013
Operating Grants and Contributions	130,500,453	131,170,162	146,655,838	137,068,005	141,316,084
Capital Grants and Contributions	7,442,323	10,424,140	21,641,564	22,140,383	17,079,414
<b>Total Governmental Activities</b>	<b>192,968,959</b>	<b>196,048,485</b>	<b>229,369,481</b>	<b>196,581,711</b>	<b>191,512,768</b>
<b>Business-type Activities</b>					
Home and Infirmary Fund					
Charges for Services	76,307,046	72,984,404	77,680,143	79,880,694	79,335,999
Operating Grants and Contributions	4,768,833	3,925,219	9,720,424	10,792,911	7,781,080
Rockland Tobacco Asset Securitization Corporation					
Operating Grants and Contributions	-	-	3,893,466	4,076,906	3,379,057
Rockland Second Tobacco Asset Securitization Corporation					
Operating Grants and Contributions	-	-	939,947	946,876	859,420
<b>Total Business-Type Activities</b>	<b>81,075,879</b>	<b>76,909,623</b>	<b>92,233,980</b>	<b>95,697,387</b>	<b>91,355,556</b>
<b>Total Primary Government Program Revenues</b>	<b>\$ 274,044,838</b>	<b>\$ 272,958,108</b>	<b>\$ 321,603,461</b>	<b>\$ 292,279,098</b>	<b>\$ 282,868,324</b>

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CHANGES IN NET ASSETS  
LAST FIVE FISCAL YEARS (Continued)

	2002	2003	2004 (1)	2005	2006
Net (Expense)/Revenue					
Governmental Activities	\$ (207,450,945)	\$ (219,627,459)	\$ (227,849,234)	\$ (251,845,001)	\$ (278,789,163)
Business-Type Activities	(2,253,867)	(2,459,743)	1,717,555	(1,193,595)	(13,718,506)
Total Primary Government Net Expense	<u>\$ (209,704,812)</u>	<u>\$ (222,087,202)</u>	<u>\$ (226,131,679)</u>	<u>\$ (253,038,596)</u>	<u>\$ (292,507,669)</u>
General Revenues					
Governmental Activities					
Taxes					
Real Property Taxes	\$ 55,170,006	\$ 58,818,064	\$ 65,836,542	\$ 78,272,043	\$ 58,727,783
Other Tax Items	4,461,514	4,262,453	11,078,086	9,898,911	27,764,921
Sales Tax	119,079,563	142,163,349	144,674,541	148,457,535	151,119,113
Mortgage Tax	-	-	9,721,165	10,180,660	9,217,795
Unrestricted Use of Money and Property	1,655,496	1,295,908	1,275,851	2,012,813	2,658,983
Sale of property and compensation for loss	-	-	-	-	135,224
Transfers	-	-	-	23,997,609	-
Miscellaneous	4,377,860	12,285,174	3,903,607	3,191,953	2,663,407
Total Governmental Activities	<u>184,744,439</u>	<u>218,824,948</u>	<u>236,489,792</u>	<u>276,011,524</u>	<u>252,287,226</u>
Business-type activities					
Real Property Taxes	2,764,269	-	-	-	-
Transfers	-	-	-	(23,997,609)	-
Total Business-Type Activities	<u>2,764,269</u>	<u>-</u>	<u>-</u>	<u>(23,997,609)</u>	<u>-</u>
Total Primary Government General Revenues	<u>\$ 187,508,708</u>	<u>\$ 218,824,948</u>	<u>\$ 236,489,792</u>	<u>\$ 252,013,915</u>	<u>\$ 252,287,226</u>
Change in Net Assets					
Governmental Activities	(22,706,506)	(802,511)	8,640,558	24,166,523	(26,501,937)
Business-Type Activities	(2,253,867)	(2,459,743)	1,717,555	(25,191,204)	(13,718,506)
Total Primary Government Change in Net Assets	<u>\$ (24,960,373)</u>	<u>\$ (3,262,254)</u>	<u>\$ 10,358,113</u>	<u>\$ (1,024,681)</u>	<u>\$ (40,220,443)</u>

Note: Data not available prior to fiscal 2002 implementation of Governmental Accounting Standards Board Statement No. 34, Basic Financial Statements and Management's Discussion and Analysis for State and Local Governments.

(1) In accordance with Governmental Accounting Standards Board Technical Bulletin No. 2004-1, Tobacco Settlement Recognition and Financial Reporting Entity Issues, the activities of the Rockland Tobacco Asset Securitization Corporation and the Rockland Second Tobacco Asset Securitization Corporation have been reflected as blended component units of the County as of December 31, 2004.

COUNTY OF ROCKLAND, NEW YORK

FUND BALANCES OF GOVERNMENTAL FUNDS  
LAST TEN FISCAL YEARS

	<u>1997</u>	<u>1998</u>	<u>1999</u>	<u>2000</u>
General Fund				
Reserved	\$ 1,403,362	\$ 2,512,705	\$ 2,980,555	\$ 3,245,642
Unreserved	32,761,397	41,017,782	27,756,789	36,408,613
Total General Fund	<u>\$ 34,164,759</u>	<u>\$ 43,530,487</u>	<u>\$ 30,737,344</u>	<u>\$ 39,654,255</u>
All Other Governmental Funds				
Reserved	\$ 22,517,269	\$ 18,943,569	\$ 42,464,536	\$ 33,721,960
Unreserved, Reported In:				
Special Revenue Funds	9,902,882	11,887,286	12,482,421	11,896,838
Capital Projects Fund	32,514,263	47,901,133	24,401,416	24,324,147
Debt Service Fund	-	-	8,034,173	8,162,151
Total All Other Governmental Funds	<u>\$ 64,934,414</u>	<u>\$ 78,731,988</u>	<u>\$ 87,382,546</u>	<u>\$ 78,105,096</u>
Total Governmental Funds	<u>\$ 99,099,173</u>	<u>\$ 122,262,475</u>	<u>\$ 118,119,890</u>	<u>\$ 117,759,351</u>



2001	2002	2003	2004	2005	2006
\$ 3,361,395	\$ 13,232,014	\$ 12,259,389	\$ 80,273,905	\$ 168,348,692	\$ 53,082,159
13,768,634	11,606,335	19,842,531	(41,322,044)	(110,667,341)	(2,932,059)
<u>\$ 17,130,029</u>	<u>\$ 24,838,349</u>	<u>\$ 32,101,920</u>	<u>\$ 38,951,861</u>	<u>\$ 57,681,351</u>	<u>\$ 50,150,100</u>
\$ 34,930,741	\$ 33,923,864	\$ 30,042,904	\$ 40,358,037	\$ 31,312,497	\$ 58,853,881
8,379,054	5,882,068	7,229,050	7,874,712	7,929,375	8,720,490
20,878,561	12,278,033	13,816,458	25,479,845	74,516,172	50,805,405
6,680,126	5,496,940	7,746,977	7,245,082	6,660,644	7,188,000
<u>\$ 70,868,482</u>	<u>\$ 57,580,905</u>	<u>\$ 58,835,389</u>	<u>\$ 80,957,676</u>	<u>\$ 120,418,688</u>	<u>\$ 125,567,776</u>
<u>\$ 87,998,511</u>	<u>\$ 82,419,254</u>	<u>\$ 90,937,309</u>	<u>\$ 119,909,537</u>	<u>\$ 178,100,039</u>	<u>\$ 175,717,876</u>

COUNTY OF ROCKLAND, NEW YORK

CHANGES IN FUND BALANCES OF GOVERNMENTAL FUNDS  
LAST TEN FISCAL YEARS

	1997	1998	1999	2000
<b>Revenues</b>				
Real Property Taxes	\$ 69,082,413	\$ 61,401,794	\$ 43,129,354	\$ 67,842,937
Other Tax Items	6,519,996	5,512,354	6,322,957	5,778,747
Non-Property Taxes	82,200,190	90,389,817	98,961,356	102,873,798
Departmental Income	22,177,079	23,064,161	22,854,660	25,583,674
Use of Money and Property	5,982,088	6,015,790	5,694,288	6,243,659
Licenses and Permits	796,684	876,645	940,525	1,001,528
Fines and Forfeitures	627,795	652,565	717,214	798,226
Sale of Property and Compensation for Loss	57,079	123,487	149,535	261,352
Interfund Revenues	4,003,463	3,519,629	3,410,953	4,425,683
State Aid	65,025,607	71,421,188	76,076,126	78,339,196
Federal Aid	37,132,312	44,840,062	43,980,271	40,333,285
Miscellaneous	3,028,640	3,852,067	5,557,989	8,629,166
<b>Total Revenues</b>	<b>296,633,346</b>	<b>311,669,559</b>	<b>307,795,228</b>	<b>342,111,251</b>
<b>Expenditures</b>				
<b>Current</b>				
General Government	26,351,172	29,165,713	33,321,844	36,565,661
Education	17,669,155	18,963,895	18,308,853	24,714,657
Public Safety	29,035,303	32,791,199	39,497,205	40,297,186
Health	22,765,864	23,642,299	25,975,744	27,259,565
Transportation	21,933,974	23,471,743	25,089,535	26,895,533
Economic Opportunity and Development	106,498,350	109,733,514	117,797,041	120,336,401
Culture and Recreation	503,036	999,630	1,236,264	1,494,388
Home and Community Services	12,530,954	12,251,620	14,293,762	15,051,164
Employee Benefits	1,849,750	1,967,157	1,833,836	1,631,716
<b>Debt Service</b>				
Principal	12,708,224	13,241,129	13,387,160	12,999,600
Interest	7,799,585	7,263,292	7,100,682	7,336,930
Refunding Bond Issuance Costs	-	-	-	-
Advance Refunding Escrow	-	-	-	-
<b>Capital Outlay</b>	<b>16,440,091</b>	<b>21,107,440</b>	<b>23,128,085</b>	<b>24,194,811</b>
<b>Total Expenditures</b>	<b>276,085,458</b>	<b>294,598,631</b>	<b>320,970,011</b>	<b>338,777,612</b>
<b>Excess (Deficiency) of Revenues Over Expenditures</b>	<b>20,547,888</b>	<b>17,070,928</b>	<b>(13,174,783)</b>	<b>3,333,639</b>
<b>Other Financing Sources (Uses)</b>				
Bonds Issued	13,896,000	20,970,000	25,217,000	14,925,000
Transfers In	33,762,618	35,281,932	37,165,862	39,001,678
Transfers Out	(49,721,646)	(50,158,624)	(53,350,896)	(57,628,911)
Residual Equity Transfer	354,174	-	-	-
Refunding Bonds Issued	-	-	-	-
Issuance Premium	-	-	-	-
Payment to Refunded Bond Escrow Agent	-	-	-	-
<b>Total Other Financing Sources (Uses)</b>	<b>(1,708,854)</b>	<b>6,093,308</b>	<b>9,031,966</b>	<b>(3,702,233)</b>
<b>Net Change in Fund Balances</b>	<b>\$ 18,839,034</b>	<b>\$ 23,164,236</b>	<b>\$ (4,142,817)</b>	<b>\$ (368,594)</b>
<b>Debt Service as a Percentage of Non-Capital Expenditures</b>	<b>7.9%</b>	<b>7.5%</b>	<b>6.9%</b>	<b>6.5%</b>

	2001	2002	2003	2004	2005	2006
\$	55,125,499	\$ 58,090,243	\$ 58,693,340	\$ 62,218,149	\$ 67,573,335	\$ 70,005,364
	4,662,533	4,461,514	4,262,453	11,078,086	9,898,911	27,764,921
	104,741,932	119,731,942	142,819,235	154,932,812	159,169,424	160,802,521
	23,652,207	29,627,090	28,668,797	32,576,362	34,063,306	30,578,872
	5,189,419	3,300,400	1,819,194	2,727,187	4,132,707	6,152,871
	963,061	1,252,367	1,321,928	1,477,592	1,512,041	1,487,720
	725,337	674,941	718,865	868,114	760,839	918,522
	416,613	159,583	174,452	194,830	123,880	136,334
	2,476,541	39,264,640	9,504,603	9,995,961	11,996,089	12,581,214
	75,073,483	83,186,148	87,573,304	100,122,546	106,299,593	99,322,826
	42,486,644	46,183,076	47,058,732	62,912,164	48,858,105	52,385,776
	53,983,421	7,731,765	15,279,908	4,539,643	4,370,725	4,238,295
	<u>369,496,690</u>	<u>393,663,709</u>	<u>397,894,811</u>	<u>443,643,446</u>	<u>448,758,955</u>	<u>466,375,236</u>
	34,802,149	34,958,991	34,993,828	39,754,114	43,149,881	54,942,689
	28,377,650	45,329,687	50,182,282	53,635,959	56,287,051	59,108,151
	40,084,416	41,745,805	42,894,951	49,560,136	55,473,720	58,893,768
	30,284,190	37,298,006	34,217,931	41,256,330	43,904,877	42,109,558
	28,706,131	31,225,049	31,363,348	33,227,664	36,248,794	40,142,905
	130,813,053	138,444,547	146,763,914	163,421,773	155,278,769	154,605,187
	853,647	598,690	643,684	651,769	698,272	636,212
	15,022,224	16,502,315	17,589,427	16,962,202	19,212,556	20,302,722
	1,956,682	37,451,415	15,433,804	10,464,391	11,371,661	9,380,119
	13,245,814	7,472,536	6,190,771	5,133,743	10,869,372	13,858,182
	7,921,721	6,051,010	6,737,039	5,405,520	9,278,123	13,783,091
	-	-	95,790	-	-	-
	40,762,014	-	8,154,357	-	-	-
	27,516,480	25,899,601	21,121,468	46,003,907	44,447,249	48,004,692
	<u>400,346,171</u>	<u>422,977,652</u>	<u>416,382,594</u>	<u>465,477,508</u>	<u>486,220,325</u>	<u>515,767,276</u>
	<u>(30,849,481)</u>	<u>(29,313,943)</u>	<u>(18,487,783)</u>	<u>(21,834,062)</u>	<u>(37,461,370)</u>	<u>(49,392,040)</u>
	20,225,000	14,488,000	27,000,743	51,197,807	72,379,263	47,009,877
	82,625,020	29,604,599	37,781,261	29,274,285	72,045,546	48,275,803
	(101,788,669)	(29,604,599)	(37,871,957)	(29,274,285)	(48,047,937)	(48,275,803)
	-	-	-	-	-	-
	-	-	3,812,318	-	-	-
	-	-	51,524	-	-	-
	-	-	(3,768,051)	-	-	-
	<u>1,061,351</u>	<u>14,488,000</u>	<u>27,005,838</u>	<u>51,197,807</u>	<u>96,376,872</u>	<u>47,009,877</u>
\$	<u>(29,788,130)</u>	<u>(14,825,943)</u>	<u>8,518,055</u>	<u>29,363,745</u>	<u>58,915,502</u>	<u>(2,382,163)</u>

16.6%

3.4%

5.4%

2.5%

4.6%

5.9%

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## **Revenue Capacity**

These schedules contain information to help the reader assess the County's most significant local revenue source, the property tax. These schedules include:

Tax Revenues by Source, Governmental Funds

Sales Tax Rates

Taxable Sales by Industry

Assessed Valuation of Taxable Real Property,  
Average Equalization Rate and Full Valuation

County Property Tax Rates by Town per  
\$1,000 of Assessed Valuation

Principal Taxpayers

Property Tax Levies and Collections

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COUNTY OF ROCKLAND, NEW YORK

TAX REVENUES BY SOURCE, GOVERNMENTAL FUNDS  
LAST TEN FISCAL YEARS

Fiscal Year	Real Property Taxes	Non-Property Taxes			Total
		Sales Taxes	911 Emergency Surcharge	Mortgage Tax	
1997	\$ 69,082,413	\$ 82,200,190	\$ -	\$ -	\$ 151,282,603
1998	61,401,794	89,793,121	596,696	-	151,791,611
1999	43,129,354	98,341,111	620,245	-	142,090,710
2000	67,842,937	102,276,094	597,704	-	170,716,735
2001	55,125,499	104,103,483	638,449	-	159,867,431
2002	58,090,243	119,079,563	d 652,379	-	177,822,185
2003	58,693,340	140,024,664	a 655,886	2,138,685	e 201,512,575
2004	62,218,149	144,674,541	537,106	9,721,165	217,150,961
2005	67,573,335	148,457,536	b c 531,229	10,180,660	226,742,760
2006	70,005,364	151,119,113	465,613	9,217,795	230,807,885

- a Effective June 1, 2003 - May 31, 2005 the New York State rate increased from 4% to 4 1/4%
- b Effective June 1, 2005 the New York State rate decreased from 4 1/4% to 4%.
- c Effective June 1, 2005 the Metropolitan Transportation Authority rate increased from 1/4% to 3/8%
- d Effective March 1, 2002 the County rate increased from 3% to 3 5/8%, of which 1/8% was designated for towns and villages.
- e Effective October 1, 2003

COUNTY OF ROCKLAND, NEW YORK

SALES TAX RATES  
LAST TEN FISCAL YEARS

	<u>1997</u>	<u>1998</u>	<u>1999</u>	<u>2000</u>	<u>2001</u>
New York State *	4.000 %	4.000 %	4.000 %	4.000 %	4.000 %
MTA (1) **	0.250	0.250	0.250	0.250	0.250
County ***	<u>3.000</u>	<u>3.000</u>	<u>3.000</u>	<u>3.000</u>	<u>3.000</u>
Total	<u><u>7.250</u></u> %	<u><u>7.250</u></u> %	<u><u>7.250</u></u> %	<u><u>7.250</u></u> %	<u><u>7.250</u></u> %

(1) Metropolitan Transit Authority

- \* Effective June 1, 2003 - May 31, 2005 the New York State rate increased from 4% to 4 1/4%  
Effective June 1, 2005 the New York State rate decreased from 4 1/4% to 4%.
- \*\* Effective June 1, 2005 the MTA rate increased from 1/4% to 3/8%
- \*\*\* Effective March 1, 2002 the County rate increased from 3% to 3 5/8%, of which  
1/8% was designated for towns and villages.



<u>2002</u>	<u>2003</u>	<u>2004</u>	<u>2005</u>	<u>2006</u>
4.000 %	4.250 %	4.250 %	4.000 %	4.000 %
0.250	0.250	0.250	0.375	0.375
<u>3.625</u>	<u>3.625</u>	<u>3.625</u>	<u>3.625</u>	<u>3.625</u>
<u>7.875 %</u>	<u>8.125 %</u>	<u>8.125 %</u>	<u>8.000 %</u>	<u>8.000 %</u>

COUNTY OF ROCKLAND, NEW YORK

TAXABLE SALES BY INDUSTRY  
EIGHT YEARS STATED

Industry	March 1997 to February 1998	March 1998 to February 1999	March 1999 to February 2000
Utilities (excluding residential energy)	\$ 97,194,000	\$ 96,724,000	\$ 96,184,000
Construction	64,204,000	55,146,000	59,649,000
Manufacturing	100,115,000	92,419,000	88,755,000
Wholesale Trade	252,434,000	225,622,000	229,984,000
Retail Trade:			
Motor Vehicles and Parts	328,017,000	348,266,000	424,877,000
Furniture and Home Furnishings	73,646,000	76,832,000	82,723,000
Electronics and Appliances	38,953,000	58,748,000	93,107,000
Building Materials and Garden Equipment	110,818,000	158,830,000	184,675,000
Food and Beverage	139,847,000	142,946,000	136,191,000
Health and Personal Care	30,489,000	36,586,000	41,790,000
Gasoline Stations	67,472,000	66,540,000	83,793,000
Clothing	102,830,000	155,373,000	181,000,000
Sporting Goods, Hobby, Book and Music Stores	64,681,000	81,780,000	92,680,000
General Merchandise	254,472,000	316,446,000	330,527,000
Miscellaneous Retail	149,281,000	141,484,000	82,240,000
Nonstore Retail	27,614,000	28,990,000	37,344,000
Information	175,002,000	208,214,000	227,598,000
Professional, Scientific, and Technical	25,974,000	27,168,000	32,307,000
Administrative/Support Services	65,616,000	77,617,000	91,439,000
Health Care	2,142,000	1,635,000	1,366,000
Arts, Entertainment, and Recreation	22,122,000	24,332,000	32,884,000
Accommodation and Food Services:			
Food Services	168,470,000	198,330,000	206,689,000
Accommodation	34,508,000	40,622,000	42,880,000
Other Services:			
Repair and Maintenance	51,487,000	52,229,000	66,254,000
Personal and Laundry Services	4,354,000	5,299,000	5,714,000
All Other Services	10,196,000	10,971,000	894,000
Ag., Mining, Trans., FIRE, Educ., Govt.	161,740,000	161,736,000	144,441,000
Unclassified by Industry	12,773,000	13,772,000	98,480,000
Sales to Qualified Empire Zone Enterprises (QEZEes)	-	-	-
Services to tangible personal property used in prod.	451,000	592,000	528,000
 Grand Total	 \$ 2,636,902,000	 \$ 2,905,249,000	 \$ 3,196,993,000

Source: New York State Department of Taxation and Finance

(1) Preliminary

March 2000 to February 2001	March 2001 to February 2002	March 2002 to February 2003	March 2003 to February 2004	March 2004 to February 2005 (1)
\$ 119,840,000	\$ 114,864,000	\$ 118,800,000	\$ 115,461,000	\$ 114,884,000
68,658,000	68,713,000	64,293,000	69,527,000	71,394,000
122,784,000	128,864,000	141,460,000	132,495,000	128,961,000
279,522,000	296,848,000	283,951,000	294,210,000	324,209,000
449,095,000	498,188,000	513,970,000	574,350,000	549,774,000
85,713,000	85,100,000	88,393,000	105,468,000	116,529,000
111,927,000	138,774,000	136,166,000	91,930,000	84,371,000
200,227,000	198,247,000	212,272,000	250,815,000	281,658,000
138,145,000	146,508,000	148,024,000	170,071,000	176,772,000
42,920,000	40,938,000	42,770,000	46,520,000	46,999,000
96,544,000	90,429,000	88,269,000	97,591,000	103,933,000
54,099,000	58,420,000	57,409,000	274,408,000	241,350,000
87,037,000	85,959,000	89,532,000	104,785,000	101,920,000
222,666,000	231,179,000	241,274,000	391,825,000	426,801,000
83,204,000	102,597,000	102,028,000	102,798,000	104,989,000
35,882,000	32,490,000	36,083,000	41,916,000	45,591,000
237,884,000	257,000,000	284,511,000	293,356,000	292,754,000
36,894,000	40,985,000	33,505,000	48,837,000	42,577,000
105,682,000	102,828,000	95,295,000	91,510,000	94,736,000
2,132,000	1,618,000	1,618,000	1,927,000	2,292,000
32,586,000	28,774,000	25,576,000	27,027,000	27,411,000
228,703,000	247,023,000	254,670,000	259,443,000	271,397,000
47,072,000	46,809,000	48,832,000	46,964,000	52,329,000
71,944,000	73,134,000	73,524,000	78,453,000	79,309,000
7,175,000	9,270,000	8,973,000	9,754,000	10,058,000
1,708,000	4,128,000	2,271,000	2,227,000	2,185,000
160,730,000	161,561,000	152,753,000	124,683,000	125,246,000
41,255,000	5,802,000	20,200,000	29,284,000	39,761,000
-	-	193,000	118,000	158,000
47,000	-	-	-	-
<u>\$ 3,172,075,000</u>	<u>\$ 3,297,050,000</u>	<u>\$ 3,366,615,000</u>	<u>\$ 3,877,753,000</u>	<u>\$ 3,960,348,000</u>

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>
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
2005	10,311,370,135	30.53	33,774,550,066
2006	14,214,533,295	32.11	44,273,013,422

(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>
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	8.4530	8.352
2005	3.991577	19.740	2.4980	8.5290	8.049
2006	4.024980	0.978	2.8865	8.6577	8.453

\* Town Wide tax rate

\*\* Town Outside Villages tax rate

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COUNTY OF ROCKLAND, NEW YORK

PRINCIPAL TAXPAYERS  
DECEMBER 31, 2006 AND 1997

2006			
Taxpayer	Type of Business	Assessed Valuation	Percent of Total Assessed Valuation
Mirant	Public Utility	\$ 1,517,922,344	3.84 %
Palisades Interstate Park	State Lands	920,885,107	2.33
Pyramid/Eklecco Properties	Shopping Center	911,562,883	2.30
Wyeth-Ayerst Laboratories	Pharmaceuticals	890,342,995	2.25
Orange & Rockland Utilities	Public Utility	545,493,793	1.38
United Water	Public Utility	385,489,609	0.97
Verizon	Public Utility	208,772,704	0.53
Glorious Sun Roberts FKA Blue Hill Community	Retirement Community	167,597,765	0.42
Consolidated Edison	Public Utility	155,690,668	0.39
Novartis Pharmaceuticals	Pharmaceuticals	134,657,354	0.34
		<u>\$ 5,838,415,222</u>	<u>14.75 %</u>

Note: Total assessed valuation on the 2006 roll is \$39,549,592,471

1997			
Taxpayer	Type of Business	Assessed Valuation	Percent of Total Assessed Valuation
Orange & Rockland Utilities and Con Edison	Public Utility	\$ 722,028,446	3.84 %
Orange & Rockland Utilities	Public Utility	678,790,150	3.61
Palisades Interstate Park	State Lands	448,788,603	2.39
American Home Products	Industrial	440,016,828	2.34
Spring Valley Water Company	Water Supply	211,984,312	1.13
Con Edison	Public Utility	139,032,095	0.74
Blue Hill Plaza	Commercial	110,363,675	0.59
Corporate Property Investors	Shopping Center	96,575,975	0.51
Bell Atlantic	Public Utility	89,934,460	0.48
Krupp Realty Corp.	Commercial	41,466,326	0.22
		<u>\$ 2,978,980,870</u>	<u>15.85 %</u>

Note: Total assessed valuation on the 1997 roll is \$18,795,889,785.

Source: Rockland County Real Property Tax Office

PROPERTY TAX LEVIES AND COLLECTIONS  
LAST TEN FISCAL YEARS

Fiscal Year	Total Tax Levy for the Fiscal Year					
	County	Town Chargebacks (Deficiency)	Local Special Districts	Relevied Schools	Relevied Villages	Towns
1997	\$ 48,376,708	\$ 1,713,133	\$ 20,338,631	\$ 16,767,495	\$ 1,506,729	\$ 132,818,503
1998	45,170,502	4,343,619	21,583,878	12,959,572	1,438,010	135,355,473
1999	40,476,849	1,851,289	21,744,040	23,174,738	1,672,118	142,516,300
2000	39,749,302	317,199	19,857,270	12,795,608	1,257,065	147,152,638
2001	39,153,167	2,394,669	19,603,208	14,033,317	1,240,960	155,679,266
2002	40,132,057	4,381,134	21,859,867	14,907,751	1,559,130	167,486,388
2003	42,346,114	3,077,428	24,187,109	13,817,020	1,358,769	175,954,485
2004	45,498,869	2,030,474	25,897,119	64,967,561	1,560,113	194,495,574
2005	46,750,299	2,061,033	32,077,602	58,638,047	2,877,192	210,922,000
2006	46,253,287	2,311,456	40,743,696	62,311,061	3,402,769	225,832,360

Note: Town receivers of taxes collect real property taxes for the town and county on a single tax bill. The respective town receivers distribute the collected tax money to the towns prior to distributing the balance collected to the county. The towns, thereby, are assured of full collections. On April 1st of each year, the town receivers turn over uncollected items to the County. The County satisfies the full amount of the unpaid school and village taxes by April 1st. Responsibility for the unpaid taxes rests with the County.



Late Penalties and fees	Total	Collected within the Fiscal Year of Levy		Collections in Subsequent Years	Total Collections to Date	
		Amount	Percentage of Levy		Amount	Percentage of Levy
\$ 6,055,860	\$ 209,302,835	\$ 204,353,570	97.64 %	\$ 4,851,805	\$ 209,205,375	99.95 %
4,590,291	211,043,763	200,469,622	94.99	10,463,558	210,933,180	99.95
6,051,851	212,640,329	197,196,024	92.74	15,333,694	212,529,718	99.95
5,436,457	212,512,866	199,538,049	93.89	12,843,619	212,381,668	99.94
4,192,307	221,022,617	220,622,640	99.82	269,771	220,892,411	99.94
4,331,873	238,191,319	211,943,207	88.98	25,524,912	237,468,119	99.70
3,981,875	249,547,011	228,344,847	91.50	20,294,670	248,639,517	99.64
10,594,200	278,516,236	211,071,054	75.78	2,847,641	213,918,695	76.81
9,768,229	301,579,163	255,301,753	84.65	(15,522,859)	239,778,894	79.51
27,220,048	342,360,847	267,868,291	78.24	(566,268)	267,302,023	78.08

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## Debt Capacity

These schedules present information to help the reader assess the affordability of the County's current levels of outstanding debt and the County's ability to issue additional debt in the future. These schedules include:

Ratios of Net General Bonded Debt Outstanding

Direct and Underlying Governmental Activities Debt

Legal Debt Margin Information

COUNTY OF ROCKLAND, NEW YORK

RATIOS OF NET GENERAL BONDED DEBT OUTSTANDING  
LAST TEN FISCAL YEARS

Fiscal Year	General Obligation Bonds	Less: Amounts Available for Debt Service	Total	Percentage of Personal Income (1)
<u>Governmental Activities:</u>				
1997	\$ 128,862,931	\$ 15,931,007	\$ 112,931,924	1.15 %
1998	139,821,861	16,617,923	123,203,938	1.18
1999	151,152,400	18,970,715	132,181,685	1.21
2000	152,557,537	18,286,289	134,271,248	1.14
2001	117,948,536	15,957,255	101,991,281	0.87
2002	125,787,988	13,663,113	112,124,875	0.95
2003	140,528,483	11,283,791	129,244,692	1.07
2004	190,739,783	10,063,392	180,676,391	1.37
2005	255,157,191	38,398,625	216,758,566	1.64
2006	287,620,252	32,260,783	255,359,469	1.93
<u>Business-Type Activities:</u>				
1997	\$ 12,184,569	\$ -	\$ 12,184,569	0.12 %
1998	11,281,639	-	11,281,639	0.11
1999	11,094,600	-	11,094,600	0.10
2000	9,947,463	-	9,947,463	0.08
2001	8,769,464	-	8,769,464	0.07
2002	8,797,012	-	8,797,012	0.07
2003	11,598,757	-	11,598,757	0.10
2004 (3)	72,433,237	-	72,433,237	0.55
2005	95,700,649	-	95,700,649	0.72
2006	99,795,134	-	99,795,134	0.75
<u>Total Primary Government:</u>				
1997	\$ 141,047,500	\$ 15,931,007	\$ 125,116,493	1.27 %
1998	151,103,500	16,617,923	134,485,577	1.29
1999	162,247,000	18,970,715	143,276,285	1.31
2000	162,505,000	18,286,289	144,218,711	1.22
2001	126,718,000	15,957,255	110,760,745	0.94
2002	134,585,000	13,663,113	120,921,887	1.02
2003	152,127,240	11,283,791	140,843,449	1.16
2004	263,173,020	10,063,392	253,109,628	1.92
2005	350,857,840	38,398,625	312,459,215	2.36
2006	387,415,386	32,260,783	355,154,603	2.68

(1) - Population and personal income data can be found in the schedule of demographic and economic statistics

(2) - Based on values presented in the schedule of assessed value and estimated actual value of taxable property

(3) - In accordance with Governmental Accounting Standards Board Technical Bulletin No. 2004-1, Tobacco Settlement Recognition and Financial Reporting Entity Issues, the activities of the Rockland Tobacco Asset Securitization Corporation and the Rockland Second Tobacco Asset Securitization Corporation have been reflected as blended component units of the County as of December 31, 2004.

Percentage of Estimated Actual Taxable Value of Property (2)	Per Capita (1)
--	-------------------

1.18	%	\$	404.65
1.18			436.83
1.27			463.36
1.26			468.25
0.95			354.68
1.05			387.11
1.20			440.27
1.68			614.19
2.10			735.68
1.80			865.73

0.13	%	\$	43.66
0.11			40.00
0.11			38.89
0.09			34.69
0.08			30.50
0.08			30.37
0.11			39.51
0.67			246.23
0.93			324.81
0.70			338.33

1.31	%	\$	448.31
1.29			476.82
1.37			502.26
1.36			502.94
1.04			385.18
1.13			417.48
1.31			479.79
2.35			860.42
3.03			1,060.49
2.50			1,204.06

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COUNTY OF ROCKLAND, NEW YORK

DIRECT AND UNDERLYING GOVERNMENTAL ACTIVITIES DEBT  
DECEMBER 31, 2006

Governmental Unit	Gross Long-Term Debt (1)	Less Exclusions (2)	Amount Applicable to County (3)
Towns (five)	\$ 249,177,382	\$ 23,780,768	\$ 225,396,614
Villages (nineteen)	43,883,094	16,685,315	27,197,779
School Districts (eight)	354,090,976	12,680,789	341,410,187
Fire Districts (twenty-one)	593,311	-	593,311
Subtotal, Underlying Debt	647,744,763	53,146,872	594,597,891
Direct Bonded Debt of the County	287,620,252	32,260,783	255,359,469
Direct and Overlapping Debt	\$ 935,365,015	\$ 85,407,655	\$ 849,957,360

(1) Excludes enterprise fund bonds.

(2) Exclusions for the County represents funds available for debt service repayments.

(3) County percentage is 100% since all of the above municipalities and School Districts fall within the boundaries of the County.

Sources - Outstanding debt provided by each governmental unit.

COUNTY OF ROCKLAND, NEW YORK

LEGAL DEBT MARGIN INFORMATION  
LAST TEN FISCAL YEARS

	<u>1997</u>	<u>1998</u>	<u>1999</u>	<u>2000</u>
Debt Limit	\$ 1,269,808	\$ 1,270,713	\$ 1,279,310	\$ 1,276,671
Total Net Debt Applicable to Limit	<u>64,636</u>	<u>84,360</u>	<u>99,810</u>	<u>104,075</u>
Legal Debt Margin	<u>\$ 1,205,172</u>	<u>\$ 1,186,353</u>	<u>\$ 1,179,500</u>	<u>\$ 1,172,596</u>
Total Net Debt Applicable to the Limit As a Percentage of Debt Limit	5.09%	6.64%	7.80%	8.15%

Legal Debt Margin Calculation for Fiscal Year 2006

Five Year Average Full Valuation of Taxable Real Property	<u>\$ 28,551,329</u>
Debt Limit - 7% of Average Full Valuation	<u>1,998,593</u>
Outstanding Indebtedness - Serial bonds	548,441
Less Exclusions:	
2007 Debt Service Appropriations for Bonds \$	6,161
Tax Anticipation Notes	55,000
Revenue Anticipation Notes	175,000
Exempt Sewer District Debt	<u>129,583</u>
Total Net Indebtedness	182,697
Net Debt Contracting Margin	<u>\$ 1,815,896</u>
Percentage of Debt Contracting Margin Available as of December 31, 2006	90.86%
Percentage of Debt Contracting Power Exhausted as of December 31, 2006	9.14%

Note - Amounts expressed in thousands

State Finance Law limits the County's outstanding net general obligation long-term debt to no more than 7% of the five year average full valuation of taxable real property. The legal debt margin is the difference between the debt limit and the County's net debt outstanding applicable to the limit, and represents the County's legal borrowing authority.



<u>2001</u>	<u>2002</u>	<u>2003</u>	<u>2004</u>	<u>2005</u>	<u>2006</u>
\$ 1,428,062	\$ 1,428,062	\$ 1,664,315	\$ 1,630,612	\$ 1,812,219	\$ 1,998,593
<u>73,212</u>	<u>85,863</u>	<u>113,922</u>	<u>140,314</u>	<u>159,289</u>	<u>182,697</u>
<u>\$ 1,354,850</u>	<u>\$ 1,342,199</u>	<u>\$ 1,550,393</u>	<u>\$ 1,490,298</u>	<u>\$ 1,652,930</u>	<u>\$ 1,815,896</u>
5.13%	6.01%	6.84%	8.60%	8.79%	9.14%

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## Demographic and Economic Information

This schedule offers demographic and economic indicators to help the reader understand the environment within which the County's financial activities take place. This schedule includes -

Demographic and Economic Statistics

COUNTY OF ROCKLAND, NEW YORK

DEMOGRAPHIC AND ECONOMIC STATISTICS  
LAST TEN FISCAL YEARS

Fiscal Year	Population (1)	Personal Income (amounts expressed in thousands) (2)	Per Capita Personal Income (2)	Median Age (3)	Percent High School Graduate or Higher (3)
1997	279,082	\$ 9,831,222	\$ 35,227	35.9	89.1 %
1998	282,044	10,431,115	36,984	36.9	89.5
1999	285,265	10,953,035	38,396	37.7	87.9
2000	286,753	11,795,011	41,133	36.2	85.3
2001	287,555	11,769,339	40,929	36.3	88.8
2002	289,644	11,814,289	40,789	36.8	86.2
2003	293,555	12,111,786	41,259	37.3	90.0
2004	294,171	13,192,687	44,847	36.9	88.2
2005	294,636	13,213,541	44,847	37.4	89.3
2006	294,965	13,228,295	44,847	n/a	n/a

(1) U.S. Census Bureau, Annual Population Estimates, Population Division

(2) U.S. Department of Commerce, Bureau of Economic Analysis

(3) U.S. Census Bureau, American Community Survey; U.S. Census Bureau,  
2000 Census, Summary File 4

(4) New York State Education Department, New York State District Report Card  
Comprehensive Information Report

(5) New York State Department of Labor, Local Area Unemployment Statistics

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<u>K-12 School Enrollment (4)</u>	<u>Unemployment Rate (5)</u>
38,949	4.0 %
39,347	3.4
40,090	3.4
40,334	3.3
40,580	3.6
41,229	4.4
41,874	4.7
42,248	4.4
42,076	4.1
41,750	3.7

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## Operating Information

These schedules contain service and infrastructure data to help the reader understand how the information in the County's financial report relates to the services the County provides and the activities it performs. These schedules include:

Principal Employers

Full-Time Equivalent County Government Employees by Function

Operating Indicators by Function

Capital Asset Statistics by Function

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COUNTY OF ROCKLAND, NEW YORK

PRINCIPAL EMPLOYERS  
CURRENT YEAR AND NINE YEARS AGO

EMPLOYER	2006		1997	
	EMPLOYEES	PERCENTAGE OF TOTAL COUNTY EMPLOYMENT	EMPLOYEES	PERCENTAGE OF TOTAL COUNTY EMPLOYMENT
Active International	400	0.21 %	-	- %
American Home Products	-	-	2,900	2.96
ARC of Rockland	633	0.33	-	-
AT & T Healthcare	650	0.34	-	-
Avon	-	-	500	0.51
Barr Laboratories	410	0.21	-	-
Bon Secours Good Samaritan Hospital	1,651	0.85	1,477	1.51
BOCES of Rockland County	780	0.40	-	-
Camp Venture, Inc.	600	0.31	500	0.51
Chestnut Ridge Transportation, Inc.	625	0.32	-	-
Chromalloy American Corp.	520	0.27	490	0.50
Corporate Maintenance Services	-	-	350	0.36
Dominican College	350	0.18	-	-
Helen Hayes Hospital	843	0.44	900	0.92
Hudson Valley Developmental Disability Serv.	500	0.26	-	-
Insurance Service Office	-	-	425	0.43
Interstate Waste Services/ AIG	424	0.22	-	-
Jawonio, Inc.	811	0.42	460	0.47
Lamont-Doherty Geological Observatory	480	0.25	600	0.61
Louis Hornick & Co., Inc.	-	-	400	0.41
Materials Research Corp	-	-	320	0.33
Nice-Pak Products, Inc.	720	0.37	-	-
Northern Manor Multicare Center	350	0.18	-	-
Northern Services Group	1,100	0.57	-	-
Novartis Pharmaceuticals Corp.	476	0.25	680	0.69
Nyack Hospital	1,400	0.72	-	-
NYNEX	-	-	1,000	1.02
Orange & Rockland Utilities	740	0.38	1,486	1.51
Par Pharmaceutical, Inc.	419	0.22	-	-
Pavion Ltd.	-	-	500	0.51
Pharmaceutical Resources	-	-	450	0.46
Prudential Rand Realty	398	0.21	-	-
Rockland Bakery, Inc.	359	0.19	-	-
Rockland Psychiatric Center	1,000	0.52	-	-
St. Agatha's Home	-	-	550	0.56
St. Dominic's Home	399	0.21	400	0.41
St. Thomas Aquinas College	350	0.18	-	-
SUNY Rockland Community College	845	0.44	-	-
The Dress Barn	350	0.18	321	0.33
Tilcon New York, Inc.	400	0.21	-	-
Verizon Wireless	900	0.47	-	-
Wyeth-Ayerst Laboratories	3,130	1.62	-	-
	<u>23,013</u>	<u>11.91 %</u>	<u>14,709</u>	<u>14.99 %</u>

COUNTY OF ROCKLAND, NEW YORK

FULL-TIME EQUIVALENT COUNTY GOVERNMENT EMPLOYEES BY FUNCTION  
 LAST SEVEN FISCAL YEARS

Function	Full-time Equivalent Employees as of December 31,				
	2000	2001	2002	2003	2004
General Government	570	570	558	556	533
Public Safety	394	435	382	389	383
Health	1,190	1,190	1,191	1,196	1,146
Transportation	115	115	130	130	131
Economic Opportunity and Development	633	633	600	600	581
Culture and Recreation	1	1	1	1	1
Home and Community Services	120	120	141	139	143
<b>Total</b>	<b>3,023</b>	<b>3,064</b>	<b>3,003</b>	<b>3,011</b>	<b>2,918</b>

Source - County Budget Office

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<u>2005</u>	<u>2006</u>
541	551
391	394
1,160	1,163
132	132
586	573
1	1
<u>145</u>	<u>148</u>
<u>2,956</u>	<u>2,962</u>

COUNTY OF ROCKLAND, NEW YORK

OPERATING INDICATORS BY FUNCTION  
LAST TEN FISCAL YEARS

Function:	1997	1998	1999	2000
General Government (1):				
Motor Vehicles				
Number of drivers' licenses issued	196,958	197,943	199,012	202,983
Public Safety (2):				
Emergency Services				
Number of calls at 911 center	121,290	133,286	147,947	150,540
Corrections				
Number of inmates	2,548	2,548	2,432	2,367
County Road (2):				
Highway				
Paving (Sq. yards)	104,433	165,944	202,466	303,855
Sealing- Microseal (Sq. yards)	n/a	n/a	n/a	n/a
Sealing- Chipseal (Sq. yards)	n/a	n/a	n/a	n/a
Wastewater				
Average daily sewage treatment (thousands of gallons)	24,032,877	24,834,441	25,121,285	24,201,542
Transportation				
Ridership on public buses	1,472,686	1,690,916	1,805,194	1,906,316
Summit Park Nursing Care Center (2) -				
Number of beds occupied	383	384	384	380

NA - Information not available

(1) Source: Department of Motor Vehicles

(2) Source: Rockland County Budget and individual County departments

2001	2002	2003	2004	2005	2006
205,530	204,622	213,025	210,125	206,296	205,078
166,982	200,378	222,420	266,904	309,608	337,473
2,596	2,819	2,870	2,864	2,955	3,174
120,828	113,000	54,775	95,609	69,063	90,100
163,102	92,264	117,024	91,207	145,715	107,900
195,300	78,432	63,241	88,367	24,506	129,200
25,286,937	22,752,465	23,799,951	24,342,282	25,507,016	26,082,619
2,138,408	2,177,512	2,215,243	2,417,025	2,641,758	2,887,971
372	367	364	360	366	356

COUNTY OF ROCKLAND, NEW YORK

CAPITAL ASSET STATISTICS BY FUNCTION  
 LAST TEN FISCAL YEARS

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Function	<u>1997</u>	<u>1998</u>	<u>1999</u>	<u>2000</u>
General Government:				
Construction Permit Data- New Residential				
Number of Permits Issued	765	570	870	547
Estimated Value	75,275,224	71,158,820	116,658,956	67,365,382
Culture and Recreation:				
County Parks\ Open Space (acreage)	1,958	1,959	1,986	2,039
Number of County Parks\ Open Space	13	14	15	16

Source - Various County departments

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<u>2001</u>	<u>2002</u>	<u>2003</u>	<u>2004</u>	<u>2005</u>	<u>2006</u>
531 66,735,166	529 68,781,755	431 58,596,306	349 57,790,857	436 76,073,511	519 74,062,592
2,218 18	2,259 19	2,260 20	2,532 22	2,574 23	2,597 24

