

COUNTY OF ROCKLAND

State of New York



Comprehensive Annual

Financial Report

For Fiscal Year Ending

December 31, 2010

COUNTY OF ROCKLAND

State of New York



C. Scott Vanderhoef,
County Executive

Stephen F. DeGroat,
Acting Commissioner of Finance/Acting Budget Director

COUNTY OF ROCKLAND, NEW YORK
COMPREHENSIVE ANNUAL FINANCIAL REPORT

FISCAL YEAR ENDED DECEMBER 31, 2010
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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.

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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 LEGISLATURE

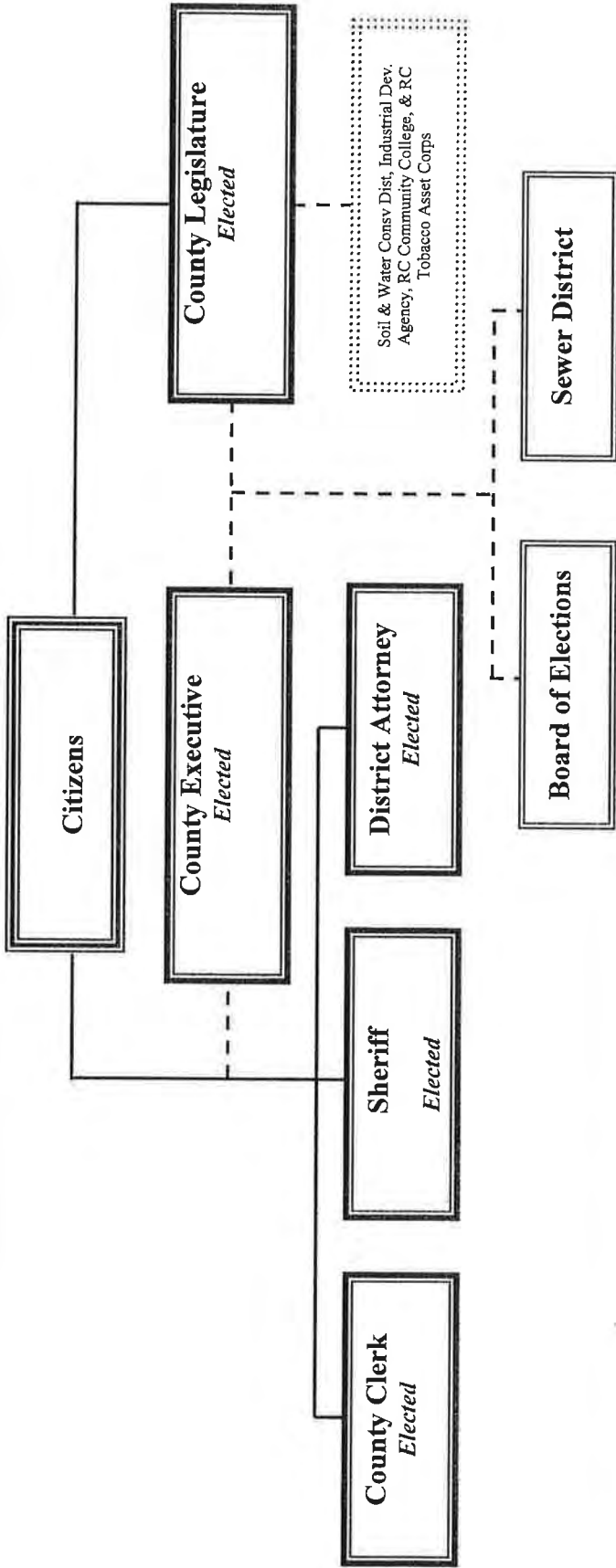


<u>DISTRICT</u>	<u>LEGISLATOR</u>
District 1	Hon. Douglas J. Jobson
District 2	Hon. Michael M. Grant
District 3	Hon. Jay Hood, Jr.
District 4	Hon. Ian S. Schoenberger
District 5	Hon. Edwin J. Day
District 6	Hon. Alden H. Wolfe
District 7	Hon. Philip Soskin
District 8	Hon. Toney Earl
District 9	Hon. Gerold M. Bierker
District 10	Hon. Harriet D. Cornell
District 11	Hon. Frank Sparaco
District 12	Hon. Joseph L. Meyers
District 13	Hon. Jacques O. D'I. Michel
District 14	Hon. Robert Jackson
District 15	Hon. Patrick J. Moroney
District 16	Hon. John A. Murphy
District 17	Hon. Connie L. Coker

LEGISLATIVE LEADERSHIP

Harriet D. Cornell	Chairwoman of the Legislature
Alden H. Wolfe	Vice-Chairman
Michael M. Grant	Majority Leader
Connie Coker	Deputy Majority Leader
Frank Sparaco	Minority Leader
John A. Murphy	Deputy Minority Leader

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 <i>Charter 20.04</i>					



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

STEPHEN F. DeGROAT, CPA
Acting Commissioner of Finance
Acting Budget Director

STEVEN J. GROGAN
Deputy Budget Director

September 14, 2011

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, 2010 is submitted herewith. New York State requires the County to submit an annual report of our financial records and transactions presented in conformity with generally accepted accounting principles ("GAAP") and audited in accordance with generally accepted auditing standards by a firm of licensed certified public accountants. This CAFR is issued pursuant to that requirement.

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

will be free from material misstatement. Management asserts that, to the best of our knowledge and belief, this financial report is complete and reliable in all material respects.

The County's basic financial statements have been audited by 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, 2010, are free of material misstatement. The independent audit involved examining, on a test basis, evidence supporting the amounts and disclosures in the basic financial statements; assessing the accounting principles used and significant estimates made by management; and evaluating the overall financial statement presentation. The independent auditor concluded, based upon the audit, that there was a reasonable basis for rendering an unqualified opinion that the County of Rockland's basic financial statements for the fiscal year ended December 31, 2010, 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, 2010 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, 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. Subsequent to October 23, 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, and after the public hearing, the Legislature may make changes to the budget. The budget is adopted no later than December 7. 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 8% 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 19% 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, Good Samaritan Hospital, Nyack Hospital and Northern Services Group.

Wealth levels for the County's residents are significantly above State and national averages. The estimated per capita income of County residents in 2010 was \$56,312. State per capita income averages reported on this basis were \$46,516. These statistics were prepared by the U.S. Department of Commerce, Bureau of Economic Analysis.

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, NY Water Taxi, Transport of Rockland, Coach USA and Monsey Trails 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, St. Thomas Aquinas College and Empire State College/SUNY are four-year liberal arts colleges. Iona College - Rockland Campus and Long Island University - Rockland Campus 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 27 parks/open space, 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 2010, the County of Rockland experienced an increase with sales tax revenues showing a 4.1% increase over the previous year. The County's housing market continued to soften in 2010, with our mortgage tax revenues declining 10.5% from the previous year, bringing in \$3.5 million.

LONG TERM FINANCIAL PLANNING

Rockland County has a six-year plan for capital improvements and this plan is updated each year in the form of a Capital Program. As required by Article IV of the County Charter, the administration is required to submit an updated Capital Program to the legislature by October 23 of each year, and the Legislature is required to approve the plan on or before December 20 of each year. The Six-Year Capital Program is prepared by the Planning Department. The first year of the Six-Year Capital Program is represented by the Capital Budget. Projects are listed by function and include County Center, Fire Training Center, Public Transportation, Parks, Highway, Hospital, Planning, Drainage & Rockland Community College projects. The Capital Budget is prepared by the Department of Budget & Management and is separate from the Six-Year Capital Program.

The County's future projects include the following:

- Rockland Community College Cultural Arts Center roof replacement and rehabilitation.
- Continuation of Rockland County Highway Department's (5) year road repaving and equipment replacement program.
- Begin construction phase of \$32 million New Hempstead Road reconstruction project. 80-90% estimated Federal and NYS reimbursement.
- Install 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.
- Upgrade eight (8) sewer pump stations in the Town of Clarkstown to comply with current national electric code and OSHA standards.
- Continuation of a West Shore Railroad Safety and Quiet Zone Project to be funded with an 80% Federal Grant.

OPERATIONAL PROCEDURES AND PRACTICES

In 2010 the County participated in a New York State Early Retirement Incentive (ERI) for eligible employees whom were 50 years of age with 10 years of continued service with the County. The program was extremely successful with 197 employees taking advantage. The County saved approximately \$15 million in payroll expenses.

ONE-TIME REVENUE SOURCES

The County's policy on the use of one-time revenue sources is that we do not budget any of the proceeds from one-time revenue sources. These one-time revenue sources are recorded directly to the revenue and ultimately reside in the County's Fund balance. During 2010, the County received a one-time revenue source in the amount of \$11.6 million. These funds became available as a result of the County refinancing of serial bonds that were previously refunded in 2001.

AWARDS AND ACKNOWLEDGEMENTS

GFOA - Certificates of Achievement for Excellence in Financial Reporting

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 CAFR for the year ended December 31, 2009. 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.

GFOA also bestowed a Distinguished Budget Presentation Award to the County of Rockland for the 2006 through 2009 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.

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, 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.

Respectfully Submitted,

A handwritten signature in black ink, appearing to read "Steph F DeGroat". The signature is fluid and cursive, with the first name "Steph" written in a slightly larger, more prominent script than the last name "DeGroat".

Stephen F. DeGroat, CPA
Acting Commissioner of Finance/Acting Budget Director

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, 2009

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.



President

Executive Director

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**FINANCIAL
SECTION**

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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 ("County") as of and for the year ended December 31, 2010, 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 Infirmity Fund for the year ended December 31, 2010, which represents 77.9% and 95.6%, 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, 2010, which represents .20% and .11%, 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 as of December 31, 2010 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.

Management's Discussion and Analysis and the Schedule of Funding Progress – Other Post Employment Benefits are not a required part of the basic financial statements, but are supplementary information required by the Governmental Accounting Standards Board. We and the other auditors have 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 September 14, 2011 on our consideration of the County'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's basic financial statements. The accompanying schedule of expenditures of federal awards is presented for purposes of additional analysis as required by United States Office of Management and Budget Circular A-133, Audits of States, Local Governments and Non-Profit organizations, and is also not a required part of the financial statements. The accompanying financial information listed as combining and individual fund financial statements and schedules and the schedule of expenditures of federal awards 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. Such information has been subjected to the auditing procedures applied by us and the other auditors in the audit of the basic financial statements and, in our opinion, based on our audit and the reports of the other auditors, 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 by us and the other auditors in the audit of the basic financial statements, and, accordingly, we express no opinion on it.

O'Connor Davies Munns & Dobbins, LLP

O'Connor Davies Munns & Dobbins, LLP

Harrison, New York

September 14, 2011

**County of Rockland, New York
Management's Discussion and Analysis (MD&A)
December 31, 2010**

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, 2010. 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 2010

- Economically sensitive revenues, such as sales tax and mortgage tax, in the General fund, fell short of expectations by \$11.0 million in 2010.
- The combined net assets of the primary government were \$117 million for fiscal year 2010. Of that amount, \$266 million are attributed to the governmental net assets and \$(149) million are attributed to the business-type.

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 the County itself (the primary government) and 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 available 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 \$117,260,379 for fiscal year 2010.

The following table reflects the condensed Statement of Net Assets:

	Governmental Activities		Business-Type Activities		Total	
	2010	2009	2010	2009	2010	2009
Current and Other Assets	\$ 363,292,451	\$ 317,814,307	\$ 5,979,327	\$ 19,148,009	\$ 369,271,778	\$ 336,962,316
Capital Assets	684,755,831	656,340,431	21,570,693	20,829,257	706,326,524	677,169,688
Total Assets	1,048,048,282	974,154,738	27,550,020	39,977,266	1,075,598,302	1,014,132,004
Current Liabilities	300,548,731	247,999,033	8,845,539	8,385,544	309,394,270	256,384,577
Long-Term Liabilities	481,729,944	402,970,138	167,205,079	151,543,105	648,935,023	554,513,243
Total Liabilities	782,278,675	650,969,171	176,050,618	159,928,649	958,329,293	810,897,820
Net Assets Invested in Capital Assets						
Net of Related Debt	401,818,749	413,765,675	10,070,880	10,662,786	411,889,629	424,428,461
Restricted	110,920,044	104,294,397	-	-	110,920,044	104,294,397
Unrestricted	(246,969,186)	(194,874,505)	(158,571,478)	(130,614,169)	(405,540,664)	(325,488,674)
Total Net Assets	\$ 265,769,607	\$ 323,185,567	\$ (148,500,598)	\$ (119,951,383)	\$ 117,269,009	\$ 203,234,184

The largest component of the County's net assets is invested in Capital Assets, net of related debt of \$411,889,629 (351%) 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 \$110,920,044 or 95% represents resources that are subject to external restrictions on how they may be used. The restrictions are as follows:

Capital Projects	\$ 59,406,846
Law Enforcement	14,130,777
Stop-DWI Program	1,210,768
Handicapped parkign	56,965
Debt Service	14,566,426
Parklands	44,000
Unemployment Benefits	127,881
Speical Revenue Funds	21,376,381

The remaining portion of net assets is classified as unrestricted and is \$(405,540,664).

Rockland County Changes in Net Assets:

	Governmental Activities		Business-Type Activities		Total	
	2010	2009	2010	2009	2010	2009
Program Revenues:						
Charges for Services	\$ 37,191,673	\$ 41,847,208	\$ 87,266,807	\$ 89,041,990	\$ 124,458,480	\$ 130,889,198
Operating Grants and Contributions	156,809,424	169,350,560	4,206,749	5,262,424	161,016,173	174,612,984
Capital Grants and Contributions	15,465,469	14,177,004	-	-	15,465,469	14,177,004
General Revenues:						
Real Property Taxes	92,768,618	87,696,519	-	-	92,768,618	87,696,519
Other Tax Items	4,941,267	8,326,783	-	-	4,941,267	8,326,783
Non-Property Taxes	172,690,625	166,390,826	-	-	172,690,625	166,390,826
Unrestricted Use of Money and Property	1,207,909	504,419	-	-	1,207,909	504,419
Sale of Property and Compensation for Loss	456,659	53,969	-	-	456,659	53,969
Other Revenues	3,170,362	10,290,708	-	-	3,170,362	10,290,708
Total Revenues	484,702,006	498,637,996	91,473,556	94,304,414	576,175,562	592,942,410
Program Expenses:						
General Government Support	65,578,858	65,817,442	-	-	65,578,858	65,817,442
Education	64,096,792	68,916,165	-	-	64,096,792	68,916,165
Public Safety	78,884,977	70,550,166	-	-	78,884,977	70,550,166
Health	46,040,723	43,227,034	-	-	46,040,723	43,227,034
Transportation	55,073,427	52,323,652	-	-	55,073,427	52,323,652
Economic Opportunity and Development	182,610,808	180,334,640	-	-	182,610,808	180,334,640
Culture and Recreation	973,087	896,680	-	-	973,087	896,680
Home and Community Services	35,091,249	34,575,699	-	-	35,091,249	34,575,699
Interest	13,768,045	14,110,025	-	-	13,768,045	14,110,025
Rockland Tobacco Asset Corporation	-	-	7,316,013	5,210,627	7,316,013	5,210,627
Home and Infirmary	-	-	112,706,758	108,938,933	112,706,758	108,938,933
Total Expenses	542,117,966	530,751,503	120,022,771	114,149,560	662,140,737	644,901,063
Excess (Deficiency)	(57,415,960)	(32,113,507)	(28,549,215)	(19,845,146)	(85,965,175)	(51,958,653)
Net Assets - Beginning	323,185,567	355,299,074	(119,951,383)	(100,106,237)	203,234,184	255,192,837
Net Assets - Ending	\$ 265,769,607	\$ 323,185,567	\$ (148,500,598)	\$ (119,951,383)	\$ 117,269,009	\$ 203,234,184

Governmental Activities - Governmental activities decreased the County's net assets by \$57.4 million. The Other Post Employment Benefits accrual of \$34.3 million accounts for the bulk of this decrease. The continued down turning of the economy has greatly affected the County's ability to collect on its major sources of budgeted revenue, sales tax and mortgage tax. This coupled with more demand on our services has resulted in such a large decrease of our net assets.

For the fiscal year ended December 31, 2010, revenues from governmental activities totaled \$485 million. Tax revenues \$(274) million, comprised of real property taxes, sales and mortgage tax items and non-property taxes, represent the largest revenue source (56%). Collection of the current tax levy remains strong at 92.3%, while averaging 97.4% over the last 5 years. Non-property taxes yielded \$172.7 million, an increase of \$6.3 million over fiscal year 2009.

Business-Type Activities - Business-type activities decreased the County's net assets by \$28.5 million for the year ended December 31, 2010. This is due mainly to the 2010 GASB 45 accrual of \$15.4 million. The reasons are discussed in the next section of this report.

Financial Analysis of the Government's Funds

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

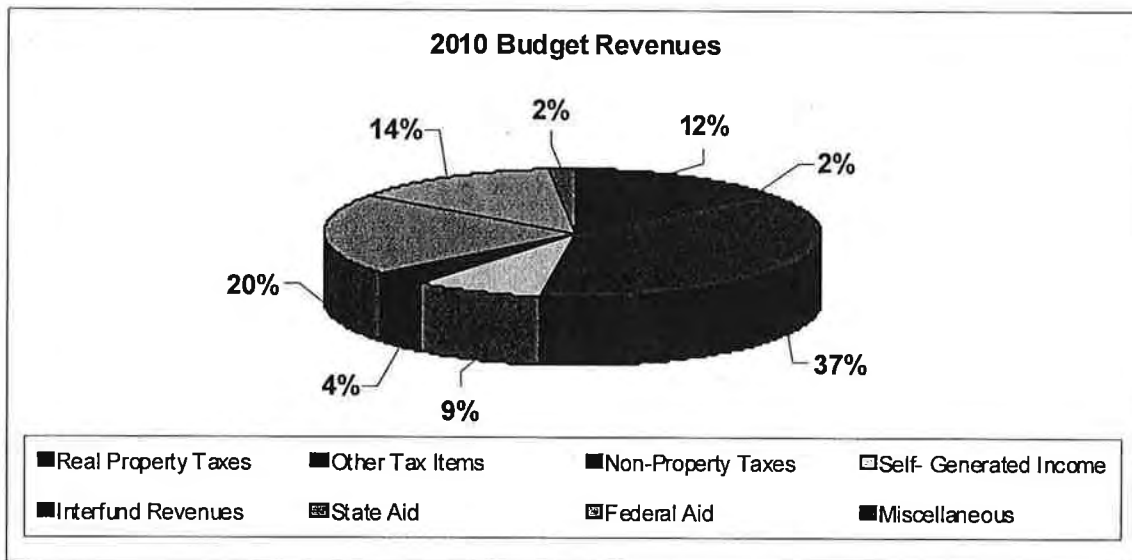
Governmental Funds - The focus of the County's governmental funds schedules is to provide information on inflows, outflows, and balances having available resources. Such information is useful in assessing the County's financing requirements. In particular, unreserved fund balance may serve as a useful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

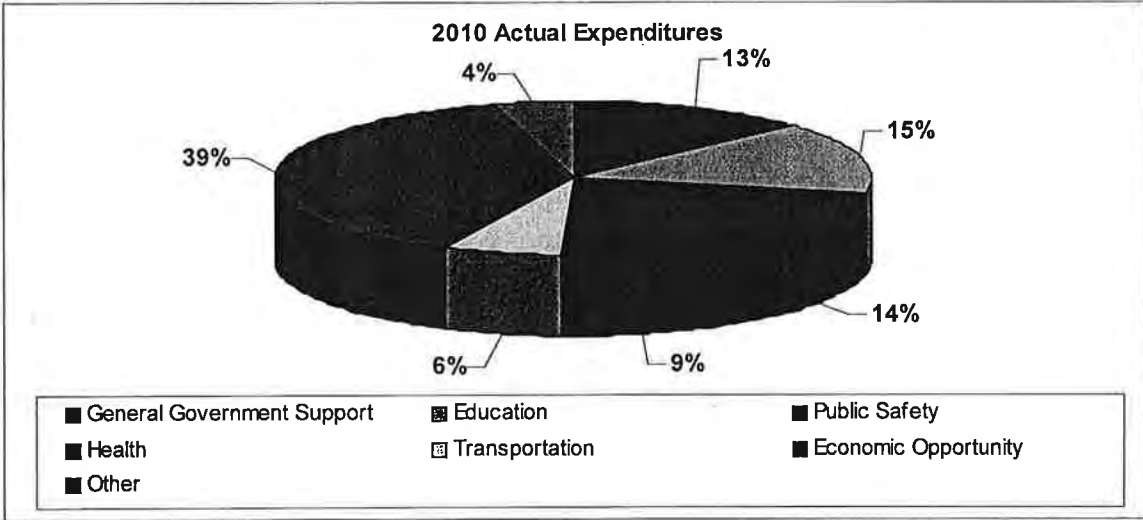
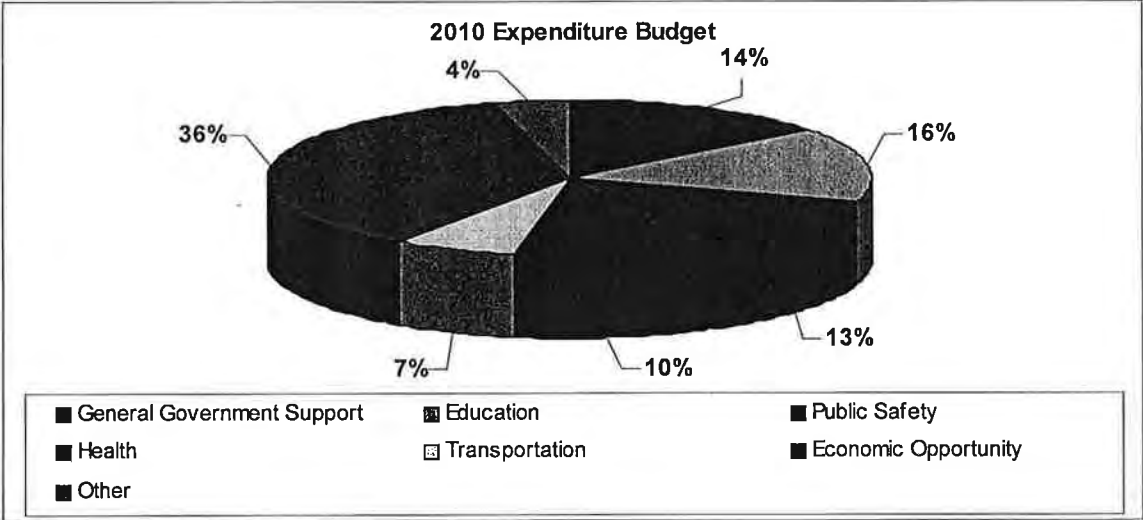
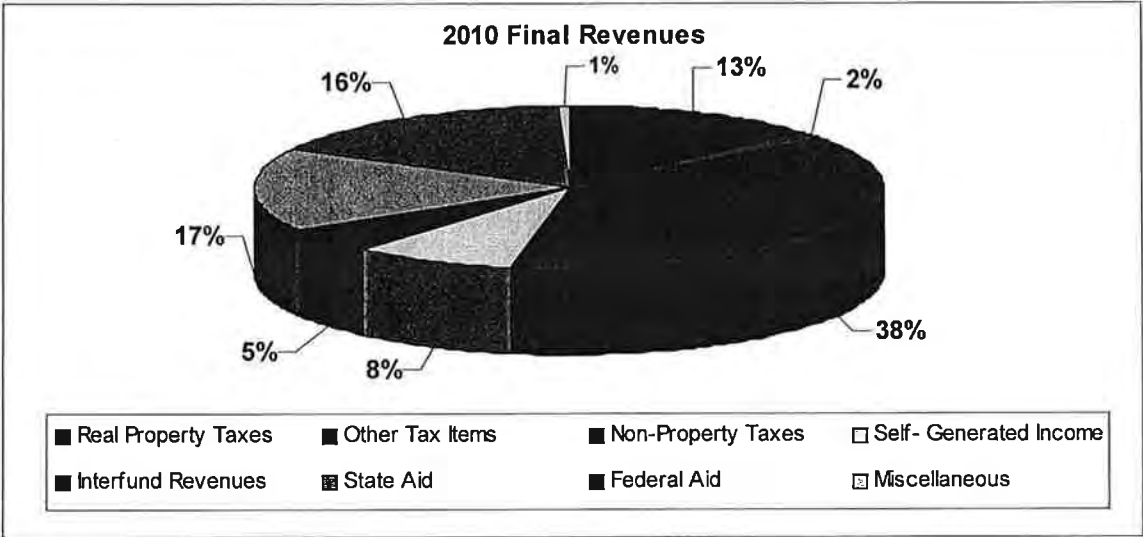
As of the end of the current fiscal year, the County's total governmental funds reported a combined ending fund balance of \$39.0 million, a decrease of \$12.5 million in comparison with the prior year. \$7.7 million from the Sewer and Debt Service funds has been designated for subsequent year's expenditures and represents the amount estimated for use in the 2011 budget. As of December 31, 2010, the General Fund had undesignated fund balance of \$(52.0) million. This deficit was created by multiple factors, mostly the current economic downturn.

Like many other municipalities, Rockland County has continued to be effected by the economic slowdown. The largest portion of our budgeted revenues, 38%, is dependent on sales tax and mortgage tax. Our actual revenue for Non-Property tax items fell short of budget by 6.0%, which amounts to \$11,042,241. We continue to be challenged by the reduction of consumer spending and the sluggish housing market.

The General Fund is the primary operating fund of the County. At the end of the current fiscal year, the total fund balance was \$(3,954,792). Of this amount, \$(52,040,793) million was unreserved.

The following graphs indicate the sources and uses of the General Fund.





The Capital Projects Fund is used to account for capital project activity throughout the County. The Capital Fund's ending fund balance is \$3,503,152. This is a decrease of \$4,201,290 from the prior year. The County continued to keep down debt service interest expenses in 2010 by focusing on completion of existing projects and borrowing at a minimum for 2010.

Non-major Governmental Funds consist of the Special Revenue Funds and the Debt Service Funds. The Special Revenue Funds are made up of the following individual funds: County Road Fund, Road Machinery Fund, Community Development Fund, Sewer District and Special Purpose Fund. For the fiscal year ending December 31, 2010, the combined fund balance of these funds total \$24.9 million. This represents an increase of \$3.1 million from the prior year and the bulk of this increase can be attributed to the Sewer District.

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

Total assets of the Hospital (Home and Infirmary) fund decreased by \$25.6 million leaving a balance of net assets of \$(76.6) million. This was a result primarily due to GASB 45 Other Post Employment Benefits (OPEB) going from \$40.8 in 2009 to \$56.1 in 2010.

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

Budgetary Highlights

General Funds - Actual General Fund revenues were \$448.0 million, which was \$40.9 less from the final budget. The majority of this shortfall was from the area of non-property taxes and State aid. The three main revenue sources that comprised this number were as follows:

Sales Tax	\$ (9.2) million
Mortgage Tax	\$ (2.0) million
State Aid	\$(23.2) million

All three of these revenue sources were affected by, as previously discussed, the conditions of our economy and State aid was down because of General Fund expenditure were down in these areas.

Overall, actual General Fund expenditures were \$453.5 million, which was \$22.1 million less than the final budget. The major areas where spending was less than budget was General Government Support of \$7.0 million, Education of \$9.0 million, Health of \$2.1 million, Transportation of \$2.7 million. These savings were largely due to the County implementing a third early retirement incentive. The number of employees is down to 2,585, less than 1980 levels. The significance of this, as with all governments, is that personnel costs are the major part of our budget.

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, 2010, amounts to \$685 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	
	2010	2009	2010	2009	2010	2009
Land	\$ 67,156	\$ 49,872	\$ 439	\$ 439	\$ 67,595	\$ 50,311
Buildings and Improvements	134,487	131,167	12,025	12,894	146,512	144,061
Equipment	33,709	35,849	7,549	5,207	41,258	41,056
Infrastructure	204,984	213,550	-	-	204,984	213,550
Construction-in- Progress	244,420	225,902	1,558	2,290	245,978	228,192
Total	\$ 684,756	\$ 656,340	\$ 21,571	\$ 20,830	\$ 706,327	\$ 677,170

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

Long-Term Debt - At the December 31, 2010, the County had \$437,432,757 in total long-term debt outstanding. This represents a substantial increase of \$47,285,066 over 2009. 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	
	2010	2009	2010	2009	2010	2009
General Obligation Bonds - Gross	\$ 338,954	\$ 292,502	\$ 98,479	\$ 97,646	\$ 437,433	\$ 390,148

The County's current long-term borrowing rate is Aa3 issued by Moody's as of March 2011.

The State Constitution limits the amount of indebtedness, both long-term and short-term, which the County may incur. In accordance with Article VIII of the State Constitution 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 of 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, 2010, the County of Rockland has used \$235,983,087 or 7.85% of the debt contracting limitation leaving a debt-contracting margin of \$2,771,389,774 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 Stephen F. DeGroat, CPA, Acting Commissioner of Finance, Rockland County Finance Department, 18 New Hempstead Road, New City, New York 10956. The telephone number is (845) 638-5135.

**BASIC
FINANCIAL STATEMENTS**

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COUNTY OF ROCKLAND, NEW YORK

STATEMENT OF NET ASSETS
DECEMBER 31, 2010

	Primary Government			Component Units
	Governmental Activities	Business-Type Activities	Total	
ASSETS				
Cash and equivalents	\$ 151,322,547	\$ 5,791,269	\$ 157,113,816	\$ 25,002,815
Investments	-	1,183,827	1,183,827	3,245,862
Receivables:				
Taxes, net of allowance for uncollectible taxes	53,302,721	-	53,302,721	-
Accounts, net of allowance for uncollectible amounts	31,903,148	18,605,420	48,508,568	6,864,425
Accounts - Patient care, net of allowance for uncollectible amounts	-	11,349,229	11,349,229	-
Loans	7,143,382	-	7,143,382	-
State and Federal aid, net of allowance for uncollectible amounts	66,021,000	-	66,021,000	1,458,823
Funds held in trust for residents	-	328,752	328,752	-
Due from other governments	5,426,853	-	5,426,853	-
Internal balances	36,429,580	(36,429,580)	-	-
Inventories	58,613	678,661	737,274	-
Restricted assets	6,317,176	-	6,317,176	16,937,692
Prepaid expenses	4,664,344	1,228,638	5,892,982	426,966
Intangible asset	-	-	-	15,506,746
Deferred bond fees, net	703,087	-	703,087	1,114,180
Other assets	-	-	-	699,461
	<u>363,292,451</u>	<u>736,216</u>	<u>364,028,667</u>	<u>71,256,970</u>
Restricted cash and equivalents	-	41,271	41,271	-
Restricted investments	-	4,175,796	4,175,796	-
Cost of issuance, net of accumulated amortization	-	1,026,044	1,026,044	-
	-	5,243,111	5,243,111	-
Capital assets:				
Land	67,156,806	438,504	67,595,310	6,200,325
Buildings	124,979,910	47,518,034	172,497,944	42,350,477
Improvements	110,044,646	345,975	110,390,621	2,420,054
Equipment	98,096,397	19,117,696	117,214,093	26,261,820
Infrastructure	530,120,810	-	530,120,810	-
Construction-in-progress	244,420,326	1,558,621	245,978,947	3,295,844
	<u>1,174,818,895</u>	<u>68,978,830</u>	<u>1,243,797,725</u>	<u>80,528,520</u>
Less - Accumulated depreciation	<u>(490,063,064)</u>	<u>(47,408,137)</u>	<u>(537,471,201)</u>	<u>(36,099,959)</u>
Total Capital Assets, net of accumulated depreciation	<u>684,755,831</u>	<u>21,570,693</u>	<u>706,326,524</u>	<u>44,428,561</u>
Total Assets	<u>1,048,048,282</u>	<u>27,550,020</u>	<u>1,075,598,302</u>	<u>115,685,531</u>
LIABILITIES				
Accounts payable	54,694,556	3,249,355	57,943,911	4,737,431
Accrued liabilities	12,025,007	937,754	12,962,761	10,495,744
Deposits payable	-	-	-	5,000
Due to other governments	26,873,725	2,000,000	28,873,725	668,625
Due to school districts	49,773,257	-	49,773,257	-
Unearned revenues	2,698,342	2,175,692	4,874,034	5,222,371
Accrued interest payable	4,525,344	153,986	4,679,330	-
Tax anticipation note payable	50,000,000	-	50,000,000	-
Revenue anticipation note payable	70,000,000	-	70,000,000	-
Bond anticipation notes payable	29,958,500	-	29,958,500	-
Funds held in trust for residents	-	328,752	328,752	-
Non-current liabilities:				
Due within one year:				
Bonds payable - Capital construction	22,876,262	1,461,880	24,338,142	2,673,152
Bonds payable - Other	2,265,000	1,275,000	3,540,000	506,848
Capital lease	-	-	-	203,016
Compensated absences	1,720,039	1,117,907	2,837,946	-
New York State loan payable - NYPA	393,446	-	393,446	-
Pension obligations	245,500	-	245,500	-
Claims payable	1,364,973	-	1,364,973	-
Due in more than one year:				
Bonds payable - Capital construction	260,060,820	12,489,758	272,550,578	47,490,775
Bonds payable - Other	39,740,000	81,818,752	121,558,752	14,512,760
Capital lease	-	-	-	508,461
Compensated absences	15,480,351	10,061,167	25,541,518	-
New York State loan payable - NYPA	3,392,815	-	3,392,815	-
New York State loan payable - Retirement	3,656,631	-	3,656,631	-
Pension obligations	568,037	-	568,037	-
Claims payable	11,199,222	-	11,199,222	-
Other post employment benefit obligations	118,767,648	56,061,919	174,829,567	20,666,475
Estimated third-party liabilities, net of current portion	-	2,918,696	2,918,696	-
Total Liabilities	<u>782,278,675</u>	<u>176,050,618</u>	<u>958,329,293</u>	<u>107,690,658</u>
NET ASSETS				
Invested in capital assets, net of related debt	401,818,749	10,070,880	411,889,629	11,605,029
Restricted for:				
Capital projects	59,406,846	-	59,406,846	1,008,954
Law enforcement	14,130,777	-	14,130,777	-
STOP-DWI Program	1,210,768	-	1,210,768	-
Handicapped parking	58,965	-	58,965	-
Debt service	14,566,426	-	14,566,426	-
Parklands	44,000	-	44,000	-
Student loans	-	-	-	10,185
Unemployment benefits	127,881	-	127,881	-
Scholarships and student services	-	-	-	1,954,873
Permanent endowments	-	-	-	837,352
Special revenue funds:				
Sewer	21,117,486	-	21,117,486	-
Community development	225,000	-	225,000	-
Special purpose	33,895	-	33,895	-
Unrestricted	<u>(246,969,186)</u>	<u>(158,571,478)</u>	<u>(405,540,664)</u>	<u>(7,421,520)</u>
Total Net Assets	<u>\$ 265,769,607</u>	<u>\$ (148,500,598)</u>	<u>\$ 117,269,009</u>	<u>\$ 7,994,873</u>

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

COUNTY OF ROCKLAND, NEW YORK

STATEMENT OF ACTIVITIES
YEAR ENDED DECEMBER 31, 2010

Functions/Programs	Expenses	Program Revenues		
		Charges for Services	Operating Grants and Contributions	Capital Grants and Contributions
Primary Government:				
Governmental activities:				
General government support	\$ 65,578,858	\$ 8,049,813	\$ 2,914,828	\$ -
Education	64,096,792	-	-	-
Public safety	78,884,977	2,306,656	6,759,499	-
Health	46,040,723	4,279,322	58,233,101	-
Transportation	55,073,427	7,548,277	20,828,449	12,469,627
Economic opportunity and development	182,610,808	9,785,895	67,752,506	-
Culture and recreation	973,087	-	63,857	-
Home and community services	35,091,249	5,221,710	257,184	-
Interest	13,768,045	-	-	2,995,842
Total Governmental Activities	542,117,966	37,191,673	156,809,424	15,465,469
Business-type activities:				
Home and Infirmary Fund	112,706,758	87,266,807	-	-
Rockland Tobacco Asset Securitization Corporation	4,838,451	-	3,377,533	-
Rockland Second Tobacco Asset Securitization Corporation	477,562	-	829,216	-
Total Business-type Activities	118,022,771	87,266,807	4,206,749	-
Total Primary Government	\$ 660,140,737	\$ 124,458,480	\$ 161,016,173	\$ 15,465,469
Component Units:				
Rockland County Community College	\$ 75,639,151	\$ 20,320,319	\$ 15,727,544	\$ 912,001
Rockland County Soil and Water Conservation District	757,198	-	-	-
Rockland County Solid Waste Management Authority	42,338,834	41,476,983	1,190,355	-
Rockland County Industrial Development Agency	120,031	124,750	-	-
Total Component Units	\$ 118,855,214	\$ 61,922,052	\$ 16,917,899	\$ 912,001

General Revenues:
 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
 Transfers

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
\$ (54,614,217)	\$ -	\$ (54,614,217)	\$ -
(64,096,792)	-	(64,096,792)	-
(69,818,822)	-	(69,818,822)	-
16,471,700	-	16,471,700	-
(14,227,074)	-	(14,227,074)	-
(105,072,407)	-	(105,072,407)	-
(909,230)	-	(909,230)	-
(29,612,355)	-	(29,612,355)	-
(10,772,203)	-	(10,772,203)	-
<u>(332,651,400)</u>	<u>-</u>	<u>(332,651,400)</u>	<u>-</u>
-	(25,439,951)	(25,439,951)	-
-	(1,460,918)	(1,460,918)	-
-	351,654	351,654	-
-	<u>(26,549,215)</u>	<u>(26,549,215)</u>	<u>-</u>
<u>(332,651,400)</u>	<u>(26,549,215)</u>	<u>(359,200,615)</u>	<u>-</u>
-	-	-	(38,679,287)
-	-	-	(757,198)
-	-	-	328,504
-	-	-	4,719
-	-	-	<u>(39,103,262)</u>
92,768,618	-	92,768,618	-
4,737,710	-	4,737,710	-
55,809	-	55,809	-
147,748	-	147,748	-
169,152,688	-	169,152,688	-
3,537,937	-	3,537,937	-
1,207,909	-	1,207,909	2,588,000
456,659	-	456,659	-
-	-	-	15,550,320
-	-	-	16,521,054
1,170,362	-	1,170,362	1,834,954
2,000,000	(2,000,000)	-	-
<u>275,235,440</u>	<u>(2,000,000)</u>	<u>273,235,440</u>	<u>36,494,328</u>
(57,415,960)	(28,549,215)	(85,965,175)	(2,608,934)
<u>323,185,567</u>	<u>(119,951,383)</u>	<u>203,234,184</u>	<u>10,603,807</u>
<u>\$ 265,769,607</u>	<u>\$ (148,500,598)</u>	<u>\$ 117,269,009</u>	<u>\$ 7,994,873</u>

COUNTY OF ROCKLAND, NEW YORK

BALANCE SHEET
GOVERNMENTAL FUNDS
DECEMBER 31, 2010

<u>ASSETS</u>	<u>General</u>	<u>Capital Projects</u>	<u>Other Governmental Funds</u>
Cash and Equivalents	\$ 41,944,528	\$ 59,446,846	\$ 39,217,106
Taxes Receivable, net of allowance for uncollectible taxes	53,302,721	-	-
Other Receivables:			
Accounts, net of allowance for uncollectible amounts	30,675,752	380,318	404,116
Loans	-	-	7,143,382
State and Federal aid, net of allowance for uncollectible amounts	60,308,514	3,313,166	1,877,645
Due from other governments	5,419,133	-	-
Due from other funds	13,043,887	-	1,168,606
Advances to other funds	19,439,807	-	-
	<u>128,887,093</u>	<u>3,693,484</u>	<u>10,593,749</u>
Restricted Assets	-	6,317,176	-
Prepaid Expenditures	4,022,306	-	341,936
Total Assets	<u>\$ 228,156,648</u>	<u>\$ 69,457,506</u>	<u>\$ 50,152,791</u>
<u>LIABILITIES AND FUND BALANCES (DEFICITS)</u>			
Liabilities:			
Accounts payable	\$ 39,527,828	\$ 11,782,044	\$ 1,752,141
Accrued liabilities	9,818,864	-	708,832
Due to other governments	2,702,799	24,170,926	-
Due to school districts	49,773,257	-	-
Due to other funds	-	42,884	763,810
Deferred revenues - Taxes	7,801,473	-	-
Deferred revenues - Other	2,487,219	-	7,485,867
Tax anticipation note payable	50,000,000	-	-
Revenue anticipation note payable	70,000,000	-	-
Bond anticipation notes payable	-	29,958,500	-
Total Liabilities	<u>232,111,440</u>	<u>65,954,354</u>	<u>10,710,650</u>
Fund Balances (Deficits):			
Reserved for encumbrances	1,469,583	-	2,623,078
Reserved for prepaid expenditures	4,022,306	-	341,936
Reserved for law enforcement	14,130,777	-	-
Reserved for STOP - DWI Program	1,210,768	-	-
Reserved for handicapped parking	56,965	-	-
Reserved for long-term receivable	7,755,795	-	-
Reserved for social service programs	-	-	33,895
Reserved for debt service	-	-	8,806,426
Reserved for parklands	-	44,000	-
Reserved for advances	19,439,807	-	-
Unreserved reported in:			
General Fund	(52,040,793)	-	-
Capital Projects Fund	-	3,459,152	-
Special Revenue Funds	-	-	21,876,806
Debt Service Fund	-	-	5,760,000
Total Fund Balances (Deficits)	<u>(3,954,792)</u>	<u>3,503,152</u>	<u>39,442,141</u>
Total Liabilities and Fund Balances (Deficits)	<u>\$ 228,156,648</u>	<u>\$ 69,457,506</u>	<u>\$ 50,152,791</u>

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

**Total
Governmental
Funds**

\$ 140,608,480

53,302,721

31,460,186

7,143,382

65,499,325

5,419,133

14,212,493

19,439,807

143,174,326

6,317,176

4,364,242

\$ 347,766,945

\$ 53,062,013

10,527,696

26,873,725

49,773,257

806,694

7,801,473

9,973,086

50,000,000

70,000,000

29,958,500

308,776,444

4,092,661

4,364,242

14,130,777

1,210,768

56,965

7,755,795

33,895

8,806,426

44,000

19,439,807

(52,040,793)

3,459,152

21,876,806

5,760,000

38,990,501

\$ 347,766,945

COUNTY OF ROCKLAND, NEW YORK

RECONCILIATION OF GOVERNMENTAL FUNDS BALANCE SHEET TO
THE GOVERNMENT - WIDE STATEMENT OF NET ASSETS
DECEMBER 31, 2010

Fund Balances - Governmental Funds	\$ 38,990,501
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>675,941,715</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>(11,942,162)</u>
Other long-term assets are not available to pay for current-period expenditures and, therefore, are deferred in the funds.	
Real property taxes	10,851,325
Deferred revenues	<u>4,436,015</u>
	<u>15,287,340</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>703,087</u>
Long-term liabilities that are not due and payable in the current period are not reported in the funds.	
Bonds payable	(317,211,070)
New York State loan payable	(3,786,261)
Compensated absences	(15,410,211)
Pension obligations	(4,470,168)
Other post employment benefit obligations	(107,807,820)
Accrued interest payable	<u>(4,525,344)</u>
	<u>(453,210,874)</u>
Net Assets of Governmental Activities	<u>\$ 265,769,607</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, 2010

	General	Capital Projects	Other Governmental Funds	Total Governmental Funds
Revenues:				
Real property taxes	\$ 59,249,591	\$ -	\$ 28,550,488	\$ 87,800,079
Other tax items	4,941,267	-	150,650	5,091,917
Non-property taxes	173,232,759	-	-	173,232,759
Departmental income	31,096,125	-	1,104,874	32,200,999
Use of money and property	1,830,845	-	589,409	2,420,254
Licenses and permits	1,860,390	-	51,718	1,912,108
Fines and forfeitures	884,600	-	21,150	905,750
Sale of property and compensation for loss	456,659	-	60,887	517,546
Interfund revenues	23,171,655	-	536,573	23,708,228
State aid	75,681,152	2,595,228	3,123,666	81,400,046
Federal aid	74,445,874	9,478,175	5,435,848	89,359,897
Miscellaneous	1,170,364	396,224	913,188	2,479,776
Total Revenues	448,021,281	12,469,627	40,538,451	501,029,359
Expenditures:				
Current:				
General government support	63,793,645	-	-	63,793,645
Education	60,029,496	-	-	60,029,496
Public safety	68,157,961	-	-	68,157,961
Health	41,393,398	-	-	41,393,398
Transportation	27,411,754	-	15,939,224	43,350,978
Economic opportunity and development	171,991,637	-	4,628,682	176,620,319
Culture and recreation	510,699	-	-	510,699
Home and community services	7,944,728	-	15,612,315	23,557,043
Employee benefits	10,146,078	-	3,021,026	13,167,104
Debt service:				
Principal	-	-	20,097,765	20,097,765
Interest	2,565,723	-	9,606,292	12,172,015
Refunding bond issuance costs	-	-	409,034	409,034
Capital Outlay	-	56,470,847	-	56,470,847
Total Expenditures	453,945,119	56,470,847	69,314,338	579,730,304
Deficiency of Revenues Over Expenditures	(5,923,838)	(44,001,220)	(28,775,887)	(78,700,945)
Other Financing Sources (Uses):				
Bonds issued	8,500,000	47,545,142	-	56,045,142
Refunding bonds issued	-	-	18,989,304	18,989,304
Payment to refunding bond escrow agent	-	-	(19,432,448)	(19,432,448)
Issuance premium	-	-	852,178	852,178
New York State loan proceeds	3,656,631	4,046,967	-	7,703,598
Transfers in	9,741,422	1,065,000	52,135,398	62,941,820
Transfers out	(32,203,255)	(12,857,179)	(15,881,386)	(60,941,820)
Total Other Financing Sources (Uses)	(10,305,202)	39,799,930	36,663,046	66,157,774
Net Change in Fund Balances	(16,229,040)	(4,201,290)	7,887,159	(12,543,171)
Fund Balances - Beginning of Year	12,274,248	7,704,442	31,554,982	51,533,672
Fund Balances (Deficits) - End of Year	\$ (3,954,792)	\$ 3,503,152	\$ 39,442,141	\$ 38,990,501

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

COUNTY OF ROCKLAND, NEW YORK

RECONCILIATION OF THE STATEMENT OF REVENUES,
EXPENDITURES AND CHANGES IN FUND BALANCES OF GOVERNMENTAL FUNDS
TO THE STATEMENT OF ACTIVITIES
YEAR ENDED DECEMBER 31, 2010

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

Net Change in Fund Balances - Total Governmental Funds	\$ (12,543,171)
<p>Governmental funds report capital outlays as expenditures. However, in the statement of activities, the cost of those assets is allocated over their estimated useful lives and reported as depreciation expense. This is the amount by which capital outlay exceeded depreciation expense in the current period.</p>	
Capital outlay expenditures	57,105,741
Depreciation expense	<u>(27,036,569)</u>
	30,069,172
<p>Revenues in the statement of activities that do not provide current financial resources are not reported as revenues in the funds.</p>	
Real property taxes	4,968,541
Deferred revenues	<u>(234,164)</u>
	4,734,377
<p>Bond proceeds provide current financial resources to governmental funds, but issuing debt increases long-term liabilities in the statement of net assets. Repayment of bond principal is an expenditure in the governmental funds, but the repayment reduces long-term liabilities in the statement of net assets. 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.</p>	
Bonds issued	(56,045,142)
Refunding bonds issued	(18,989,556)
Issuance premium	(852,178)
Payment to refunding bond escrow agent	19,432,448
Principal paid on bonds	19,837,058
Principal paid on state loan	260,707
Amortization of issuance costs, loss on refunding and premium	(1,164,612)
Refunding bond issuance costs	409,034
New York State Loan - Retirement	(3,656,631)
New York State Loan - NYPA	<u>(4,046,968)</u>
	(44,815,840)
<p>Some expenses reported in the statement of activities do not require the use of current financial resources and, therefore, are not reported as expenditures in governmental funds.</p>	
Pension obligations	167,167
Compensated absences	602,237
Other post employment benefit obligations	(31,138,980)
Accrued interest	<u>(211,594)</u>
	(30,581,170)
<p>The net revenue of certain activities of internal service funds are reported within governmental activities.</p>	
	<u>(4,279,328)</u>
Change in Net Assets of Governmental Activities	<u>\$ (57,415,960)</u>

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

COUNTY OF ROCKLAND, NEW YORK

**GENERAL FUND
STATEMENT OF REVENUES, EXPENDITURES AND CHANGES
IN FUND BALANCE - BUDGET AND ACTUAL
YEAR ENDED DECEMBER 31, 2010**

	Original Budget	Final Budget	Actual	Variance with Final Budget Positive (Negative)
Revenues:				
Real property taxes	\$ 60,500,000	\$ 60,500,000	\$ 59,249,591	\$ (1,250,409)
Other tax items	9,975,000	9,975,000	4,941,267	(5,033,733)
Non-property taxes	184,275,000	184,275,000	173,232,759	(11,042,241)
Departmental income	29,058,325	29,250,423	31,096,125	1,845,702
Use of money and property	2,210,500	2,210,500	1,830,845	(379,655)
Licenses and permits	1,921,000	1,921,000	1,860,390	(60,610)
Fines and forfeitures	901,040	901,040	884,600	(16,440)
Sale of property and compensation for loss	34,500	41,358	456,659	415,301
Interfund revenues	24,782,885	24,782,885	23,171,655	(1,611,230)
State aid	95,126,345	98,892,140	75,681,152	(23,210,988)
Federal aid	57,360,225	67,880,023	74,445,874	6,565,851
Miscellaneous	3,100,000	8,330,294	1,170,364	(7,159,930)
Total Revenues	469,244,820	488,959,663	448,021,281	(40,938,382)
Expenditures:				
Current:				
General government support	63,512,010	70,699,741	63,793,645	6,906,096
Education	72,858,785	69,031,783	60,029,496	9,002,287
Public safety	65,046,578	67,789,019	68,157,961	(368,942)
Health	37,383,108	43,501,745	41,393,398	2,108,347
Transportation	28,422,632	30,135,132	27,411,754	2,723,378
Economic opportunity and opportunity	164,626,065	171,915,352	171,991,637	(76,285)
Culture and recreation	511,739	541,489	510,699	30,790
Home and community services	7,783,786	7,845,285	7,944,728	(99,443)
Employee benefits	11,193,685	11,193,685	10,146,078	1,047,607
Debt service - Interest	3,416,000	3,416,000	2,565,723	850,277
Total Expenditures	454,754,388	476,069,231	453,945,119	22,124,112
Excess (Deficiency) of Revenues Over Expenditures	14,490,432	12,890,432	(5,923,838)	(18,814,270)
Other Financing Sources (Uses):				
Bonds issued	8,500,000	8,500,000	8,500,000	-
New York State Loan	2,300,000	2,300,000	3,656,631	1,356,631
Transfers in	6,905,630	6,905,630	9,741,422	2,835,792
Transfers out	(34,162,635)	(32,562,635)	(32,203,255)	359,380
Total Other Financing Uses	(16,457,005)	(14,857,005)	(10,305,202)	4,551,803
Net Change in Fund Balance	(1,966,573)	(1,966,573)	(16,229,040)	(14,262,467)
Fund Balance - Beginning of Year	1,966,573	1,966,573	12,274,248	10,307,675
Fund Deficit - End of Year	\$ -	\$ -	\$ (3,954,792)	\$ (3,954,792)

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

COUNTY OF ROCKLAND, NEW YORK

STATEMENT OF NET ASSETS
 PROPRIETARY FUNDS
 DECEMBER 31, 2010

Business - Type Activities - Enterprise Funds

	Home and Infirmary Fund	Rockland First Tobacco Asset Securitization Corporation	Rockland Second Tobacco Asset Securitization Corporation
ASSETS			
Current Assets:			
Cash and equivalents	\$ 2,510,222	\$ 3,097,072	\$ 183,975
Investments	-	1,183,827	-
Receivables:			
Accounts	12,189,774	3,537,926	877,720
Accounts - patient care, net of allowance for uncollectible amounts	11,349,229	-	-
State and Federal aid	-	-	-
Funds held in trust for residents	328,752	-	-
Due from other governments	-	-	-
Due from other funds	-	-	-
Inventories	678,661	-	-
Prepaid expenses	1,208,941	19,697	-
Total Current Assets	28,265,579	7,838,522	1,061,695
Other Noncurrent Assets:			
Restricted cash and equivalents	-	40,407	864
Restricted investments	-	3,464,835	710,961
Cost of issuance, net of accumulated amortization	-	805,003	221,041
Total Other Noncurrent Assets	-	4,310,245	932,866
Capital Assets:			
Land	438,504	-	-
Buildings	47,518,034	-	-
Improvements other than buildings	345,975	-	-
Equipment	19,117,696	-	-
Construction-in-progress	1,558,621	-	-
Less - Accumulated depreciation	(47,408,137)	-	-
Total Capital Assets, net of accumulated depreciation	21,570,693	-	-
Total Noncurrent Assets	21,570,693	4,310,245	932,866
Total Assets	49,836,272	12,148,767	1,994,561
LIABILITIES			
Current Liabilities:			
Accounts payable	3,246,855	-	2,500
Accrued liabilities	-	904,050	33,704
Accrued interest payable	153,986	-	-
Due to other governments	-	2,000,000	-
Due to other funds	16,989,773	-	-
Advances from other funds	19,439,807	-	-
Funds held in trust for residents	328,752	-	-
Deferred revenue	2,175,692	-	-
Current portion of long-term obligations:			
Bonds payable - Capital construction	1,461,880	-	-
Bonds payable - Other	-	1,195,000	80,000
Compensated absences	1,117,907	-	-
Claims payable	-	-	-
Total Current Liabilities	44,914,652	4,099,050	116,204
Noncurrent Liabilities:			
Bonds payable - Capital construction	12,489,758	-	-
Compensated absences	10,061,167	-	-
Bonds payable - Other	-	75,366,273	6,452,479
Claims payable	-	-	-
Other post employment benefit obligations	56,061,919	-	-
Estimated third-party liabilities	2,918,696	-	-
Total Noncurrent Liabilities	81,531,540	75,366,273	6,452,479
Total Liabilities	126,446,192	79,465,323	6,568,683
NET ASSETS (DEFICITS)			
Invested in Capital Assets, net of related debt	10,070,880	-	-
Unrestricted Deficits	(86,680,800)	(67,316,556)	(4,574,122)
Total Deficits	\$ (76,609,920)	\$ (67,316,556)	\$ (4,574,122)

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

<u>Total Business-type Activities - Enterprise Funds</u>		<u>Total Governmental Activities - Internal Service Funds</u>	
\$	5,791,269	\$	10,714,067
	1,183,827		-
	16,605,420		442,962
	11,349,229		-
	-		521,675
	328,752		-
	-		7,720
	-		3,619,739
	678,661		58,613
	<u>1,228,638</u>		<u>300,102</u>
	<u>37,165,796</u>		<u>15,664,878</u>
	41,271		-
	4,175,796		-
	<u>1,026,044</u>		-
	<u>5,243,111</u>		-
	438,504		-
	47,518,034		-
	345,975		21,066,950
	19,117,696		-
	1,558,621		-
	<u>(47,408,137)</u>		<u>(12,252,834)</u>
	<u>21,570,693</u>		<u>8,814,116</u>
	<u>26,813,804</u>		<u>8,814,116</u>
	<u>63,979,600</u>		<u>24,478,994</u>
	3,249,355		1,632,543
	937,754		1,497,311
	153,986		-
	2,000,000		-
	16,989,773		35,765
	19,439,807		-
	328,752		-
	2,175,692		211,123
	1,461,880		1,012,092
	1,275,000		-
	1,117,907		181,448
	-		<u>1,354,973</u>
	<u>49,129,906</u>		<u>5,935,255</u>
	12,489,758		6,718,920
	10,061,167		1,608,731
	81,818,752		-
	-		11,198,222
	56,061,919		10,960,028
	2,918,696		-
	<u>163,350,292</u>		<u>30,485,901</u>
	<u>212,480,198</u>		<u>36,421,156</u>
	10,070,880		1,083,104
	<u>(158,571,478)</u>		<u>(13,025,266)</u>
\$	<u>(148,500,598)</u>	\$	<u>(11,942,162)</u>

COUNTY OF ROCKLAND, NEW YORK

STATEMENT OF REVENUES, EXPENSES AND CHANGES IN NET ASSETS
 PROPRIETARY FUNDS
 YEAR ENDED DECEMBER 31, 2010

	<u>Business - Type Activities - Enterprise Funds</u>		
	<u>Home and Infirmary Fund</u>	<u>Rockland First Tobacco Asset Securitization Corporation</u>	<u>Rockland Second Tobacco Asset Securitization Corporation</u>
Operating Revenues:			
Charges for services	\$ 86,633,835	\$ -	\$ -
State aid	-	-	-
Federal aid	-	-	-
Tobacco settlement revenues	-	3,189,277	796,846
Miscellaneous	632,972	-	-
Total Operating Revenues	87,266,807	3,189,277	796,846
Operating Expenses:			
Administrative and general expenses	13,276,462	-	-
Salaries and wage expenses	47,403,206	-	-
Employee benefits	41,068,354	-	-
Professional fees	-	33,750	34,805
Directors' fees	-	12,980	13,000
Insurance	-	21,547	-
Judgments and claims	-	-	-
Supplies and other expenses	8,402,345	-	-
Depreciation and amortization	2,358,486	40,870	6,706
Total Operating Expenses	112,508,853	109,147	54,511
Income (Loss) from Operations	(25,242,046)	3,080,130	742,335
Non-Operating Revenues (Expenses):			
Transfer out - Residual payment to County of Rockland	-	(2,000,000)	-
Interest income	-	188,256	32,370
Interest on indebtedness	(197,905)	(4,729,304)	(423,051)
Total Non-Operating Expenses	(197,905)	(6,541,048)	(390,681)
Net Income (Loss)	(25,439,951)	(3,460,918)	351,654
Net Deficiency - Beginning of Year	(51,169,969)	(63,855,638)	(4,925,776)
Net Deficiency - End of Year	\$ (76,609,920)	\$ (67,316,556)	\$ (4,574,122)

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

Total Business-type Activities - Enterprise Funds	Total Governmental Activities - Internal Service Funds
\$ 86,633,835	\$ 38,265,839
-	566,099
-	33,877
3,986,123	-
632,972	-
<u>91,252,930</u>	<u>38,865,815</u>
13,276,462	589,736
47,403,206	12,069,836
41,068,354	15,080,007
68,555	-
25,980	-
21,547	-
-	2,443,374
8,402,345	11,071,912
2,406,062	1,653,771
<u>112,672,511</u>	<u>42,908,636</u>
<u>(21,419,581)</u>	<u>(4,042,821)</u>
(2,000,000)	-
220,626	46,523
<u>(5,350,260)</u>	<u>(283,030)</u>
<u>(7,129,634)</u>	<u>(236,507)</u>
(28,549,215)	(4,279,328)
<u>(119,951,383)</u>	<u>(7,662,834)</u>
<u>\$ (148,500,598)</u>	<u>\$ (11,942,162)</u>

COUNTY OF ROCKLAND, NEW YORK

STATEMENT OF CASH FLOWS
 PROPRIETARY FUNDS
 YEAR ENDED DECEMBER 31, 2010

	Business-Type Activities - Enterprise Funds			
	Infirmary Fund	Rockland First Tobacco Asset Securitization Corporation	Rockland Second Tobacco Asset Securitization Corporation	Total Business - Type Activities - Enterprise Funds
Cash Flows From Operating Activities:				
Cash received from patients and third-party payers	\$ 80,872,832	\$ -	\$ -	\$ 80,872,832
Cash received from tobacco settlement revenues	-	3,251,744	812,936	4,064,680
Cash received from charges for services	-	-	-	-
Advances to other funds	-	-	-	-
Other receipts	163,560	-	-	163,560
Cash payments to directors	-	-	(13,000)	(13,000)
Cash payments to insurance carriers and claimants	-	-	-	-
Cash payments to vendors	(74,447,128)	(84,474)	(34,805)	(74,566,407)
Cash payments to employees	(21,802,791)	-	-	(21,802,791)
Net Cash Provided by (Used in) Operating Activities	(15,213,527)	3,167,270	765,131	(11,281,126)
Cash Flows From Non-Capital Financing Activities:				
Proceeds from County of Rockland, net	17,072,895	-	-	17,072,895
Retirement of long-term debt	-	(1,085,000)	(365,000)	(1,450,000)
Interest on indebtedness	-	(2,490,544)	(413,575)	(2,904,119)
Net Cash Provided by (Used in) Non-Capital Financing Activities	17,072,895	(3,575,544)	(778,575)	12,718,776
Cash Flows From Capital and Related Financing Activities:				
Remittances to County of Rockland, net	1,609,444	-	-	1,609,444
Retirement of debt	(2,016,993)	-	-	(2,016,993)
Interest on indebtedness	(519,393)	-	-	(519,393)
Acquisition and construction of capital assets	(2,784,808)	-	-	(2,784,808)
Net Cash Used in Capital and Related Financing Activities	(3,711,750)	-	-	(3,711,750)
Cash Flows From Investing Activities:				
Decrease in restricted cash and equivalents	-	2,810,756	-	2,810,756
Interest income	-	204,399	34,097	238,496
Purchase of investments	-	(1,183,827)	-	(1,183,827)
Sale of investments	-	1,234,224	-	1,234,224
Purchase of restricted investments	-	(3,464,835)	(710,961)	(4,175,796)
Sale of restricted investments	-	3,525,312	710,961	4,236,273
Net Cash Provided by Investing Activities	-	3,126,029	34,097	3,160,126
Net Increase (Decrease) in Cash and Equivalents	(1,852,382)	2,717,755	20,653	886,026
Cash and Equivalents - Beginning of Year	4,362,604	379,317	163,322	4,905,243
Cash and Equivalents - End of Year	\$ 2,510,222	\$ 3,097,072	\$ 183,975	\$ 5,791,269
Reconciliation of Income (Loss) from Operations to Net Cash Provided by (Used in) Operating Activities:				
Income (loss) from operations	\$ (25,242,046)	\$ 3,080,130	\$ 742,335	\$ (21,419,581)
Adjustments to reconcile income (loss) from operations to net cash provided by (used in) operating activities:				
Depreciation and amortization	2,358,486	40,870	6,706	2,406,062
Provision for bad debts	1,454,672	-	-	1,454,672
Changes in assets and liabilities:				
Accounts receivable	(3,964,675)	62,467	16,090	(3,886,118)
Accounts receivable - Patient care	371,681	-	-	371,681
Due to/from State of New York	(1,959,151)	-	-	(1,959,151)
Due from other funds	-	-	-	-
Inventories	(52,436)	(16,197)	-	(68,633)
Prepaid expenses	(159,822)	-	-	(159,822)
Accounts payable	(71,550)	-	-	(71,550)
Accrued liabilities	-	-	-	-
Due to other funds	-	-	-	-
Advances from other funds	(2,132,942)	-	-	(2,132,942)
Deferred revenues	-	-	-	-
Claims payable	-	-	-	-
Compensated absences	(1,132,370)	-	-	(1,132,370)
Other post employment benefit obligations	15,316,626	-	-	15,316,626
Net Cash Provided by (Used in) Operating Activities	\$ (15,213,527)	\$ 3,167,270	\$ 765,131	\$ (11,281,126)
Noncash Investing Activities:				
Increase in bonds payable from amortization of original issue and underwriters' discount	\$ -	\$ 54,849	\$ 10,997	\$ 65,846
Increase in bonds payable from accreted interest	-	2,206,036	-	2,206,036
Increase in due to County of Rockland from transfers out and residual payments	-	2,000,000	-	-

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

Governmental
Activities -
Internal Service
Funds

\$ -
-
36,958,120
551,006
-
(7,388,256)
(150,669)
(28,252,741)
-
1,717,460

-
-
-

-
(979,148)
(283,030)
-
(1,262,178)

-
-
46,523
-
-
-
46,523

501,805
10,212,262

\$ 10,714,067

\$ (4,042,821)

1,853,771
-
(364,345)
-
(34,093)
(699,096)
2,701
(48,839)
721,756
299,825
35,765
-
(14,877)
1,274,460
(277,342)
3,210,595

\$ 1,717,460

\$ -
-
-

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COUNTY OF ROCKLAND, NEW YORK

STATEMENT OF ASSETS AND LIABILITIES
FIDUCIARY FUND
DECEMBER 31, 2010

ASSETS

	<u>Agency</u>
Cash:	
Demand deposits	\$ 8,675,661
Time deposits	<u>1,882,094</u>
 Total Assets	 <u>\$ 10,557,755</u>

LIABILITIES

Accounts Payable	\$ 3,237,550
Employee Payroll deductions	617,620
Deposits	4,731,988
Due to Other Governments	<u>1,970,597</u>
 Total Liabilities	 <u>\$ 10,557,755</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, 2010 (Rockland County Community College as of August 31, 2010)

	Rockland County Community College	Rockland County Soil & Water Conservation District	Rockland County Solid Waste Management Authority
ASSETS			
Cash and equivalents	\$ 10,048,879	\$ 779,936	\$ 13,950,836
Investments	3,193,516	52,346	-
Receivables:			
Accounts, net of allowance for uncollectible amounts	5,154,569	-	1,694,856
State and Federal aid	967,934	30,000	460,889
Restricted assets	-	-	16,937,692
Prepaid expenses	-	-	426,966
Intangible asset	-	-	15,506,746
Deferred bond fees, net	-	-	1,114,180
Other assets	699,461	-	-
	<u>20,064,359</u>	<u>862,282</u>	<u>50,092,165</u>
Capital assets:			
Land	-	-	6,200,325
Buildings	-	-	42,350,477
Improvements	-	-	2,420,054
Equipment	9,359,403	13,969	16,888,448
Construction-in-progress	-	-	3,295,844
	<u>9,359,403</u>	<u>13,969</u>	<u>71,155,148</u>
Less - Accumulated depreciation	<u>(5,951,818)</u>	<u>(13,217)</u>	<u>(30,134,924)</u>
Total Capital Assets, net of accumulated depreciation	<u>3,407,585</u>	<u>752</u>	<u>41,020,224</u>
Total Assets	<u>23,471,944</u>	<u>863,034</u>	<u>91,112,389</u>
LIABILITIES			
Accounts payable	-	-	4,737,431
Accrued liabilities	9,291,298	35,554	1,072,129
Deposits payable	5,000	-	-
Due to other governments	-	668,625	-
Deferred revenues	5,216,371	6,000	-
Non-current liabilities:			
Due within one year:			
Bonds payable - Capital Construction	-	-	2,673,152
Bonds payable - Other	-	-	506,848
Capital lease	-	-	203,016
Due in more than one year:			
Bonds payable - Capital construction	-	-	47,490,775
Bonds payable - Other	-	-	14,512,760
Capital lease	-	-	508,461
Other post employment benefit obligations	17,758,972	-	2,907,503
Total Liabilities	<u>32,271,641</u>	<u>710,179</u>	<u>74,612,075</u>
NET ASSETS (DEFICITS)			
Invested in capital assets, net of related debt	3,407,585	752	8,196,692
Restricted for:			
Capital projects	1,008,954	-	-
Student loans	10,185	-	-
Scholarships and student services	1,954,873	-	-
Permanent endowments	837,352	-	-
Unrestricted	<u>(16,018,646)</u>	<u>152,103</u>	<u>8,303,622</u>
Total Net Assets (Deficits)	<u>\$ (8,799,697)</u>	<u>\$ 152,855</u>	<u>\$ 16,500,314</u>

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

Rockland County Industrial Development Agency		Totals
\$	223,164	\$ 25,002,815
	-	3,245,862
	15,000	6,864,425
	-	1,458,823
	-	16,937,692
	-	426,966
	-	15,506,746
	-	1,114,180
	-	699,461
	<u>238,164</u>	<u>71,256,970</u>
	-	6,200,325
	-	42,350,477
	-	2,420,054
	-	26,261,820
	-	3,295,844
	-	80,528,520
	-	(36,099,959)
	-	44,428,561
	<u>238,164</u>	<u>115,685,531</u>
	-	4,737,431
	96,763	10,495,744
	-	5,000
	-	668,625
	-	5,222,371
	-	2,673,152
	-	506,848
	-	203,016
	-	47,490,775
	-	14,512,760
	-	508,461
	-	20,666,475
	<u>96,763</u>	<u>107,690,658</u>
	-	11,605,029
	-	1,008,954
	-	10,185
	-	1,954,873
	-	837,352
	<u>141,401</u>	<u>(7,421,520)</u>
\$	<u>141,401</u>	\$ <u>7,994,873</u>

COUNTY OF ROCKLAND, NEW YORK

STATEMENT OF ACTIVITIES

COMPONENT UNITS

YEAR ENDED DECEMBER 31, 2010

(Rockland County Community College Year Ended August 31, 2010)

Functions/Programs	Expenses	Program Revenues		
		Charges for Services	Operating Grants and Contributions	Capital Grants and Contributions
Rockland County Community College - Education	\$ 75,639,151	\$ 20,320,319	\$ 15,727,544	\$ 912,001
Rockland County Soil and Water Conservation District - Home and Community Services	757,198	-	-	-
Rockland County Solid Waste Management Authority - Home and Community Services	42,338,834	41,476,983	1,190,355	-
Rockland County Industrial Development Agency - Economic Opportunity and Development	120,031	124,750	-	-
Total Component Units	\$ 118,855,214	\$ 61,922,052	\$ 16,917,899	\$ 912,001

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 (Deficits) - Beginning of Year

Net Assets (Deficits) - 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
\$ (38,679,287)	\$ -	\$ -	\$ -	\$ (38,679,287)
-	(757,198)	-	-	(757,198)
-	-	328,504	-	328,504
-	-	-	4,719	4,719
<u>(38,679,287)</u>	<u>(757,198)</u>	<u>328,504</u>	<u>4,719</u>	<u>(39,103,262)</u>
2,389,473	432	197,522	573	2,588,000
15,550,320	-	-	-	15,550,320
15,742,262	778,792	-	-	16,521,054
1,825,748	9,206	-	-	1,834,954
<u>35,507,803</u>	<u>788,430</u>	<u>197,522</u>	<u>573</u>	<u>36,494,328</u>
(3,171,484)	31,232	526,026	5,292	(2,608,934)
<u>(5,628,213)</u>	<u>121,623</u>	<u>15,974,288</u>	<u>136,109</u>	<u>10,603,807</u>
<u>\$ (8,799,697)</u>	<u>\$ 152,855</u>	<u>\$ 16,500,314</u>	<u>\$ 141,401</u>	<u>\$ 7,994,873</u>

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Note 1 - Summary of Significant Accounting Policies

The County of Rockland, New York ("County") 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 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, 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 ten voting members; five are appointed by the County Legislature, four by the Governor and one student elected by the student body. 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 31 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.

Note 1 - Summary of Significant Accounting Policies (Continued)

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 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 Rockland 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, provide 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

Note 1 - Summary of Significant Accounting Policies (Continued)

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.

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
3rd Floor
New City, New York 10956

Rockland Second Tobacco
Asset Securitization Corporation
18 New Hempstead Road
3rd 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.

Note 1 - Summary of Significant Accounting Policies (Continued)

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 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 pages 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:

Note 1 - Summary of Significant Accounting Policies (Continued)

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.

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

Note 1 - Summary of Significant Accounting Policies (Continued)

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 (Nursing Care Center), are recorded as a major enterprise fund. The Nursing Care Center is a chronic care hospital and a skilled nursing facility established and operated under the provisions 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 or individuals.

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

Note 1 - Summary of Significant Accounting Policies (Continued)

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 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. The objective of these investments is to preserve capital and mitigate credit and interest rate risk.

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.

Note 1 - Summary of Significant Accounting Policies (Continued)

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, 2010.

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

Note 1 - Summary of Significant Accounting Policies (Continued)

be maintained unless proceedings are commenced within two years from the date of recording the deed. Properties acquired by the County through tax enforcement procedures must be sold at a public auction.

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

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

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

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, 2010, 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.

Note 1 - Summary of Significant Accounting Policies (Continued)

Prepaid Expenses/Expenditures - Certain payments to vendors reflect costs applicable to future accounting periods, and are recorded as prepaid items using the consumption method in both the government wide and fund financial statements. 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.

Intangible Asset - Intangible asset represents goodwill. Goodwill is the excess of cost of an acquired entity over the amount assigned to assets acquired and liabilities assumed in a business combination. Goodwill is tested for impairment annually in the fourth quarter, and will be tested for impairment between annual tests if an event occurs or circumstances change that more likely than not would indicate the carrying amount may be impaired. Impairment testing for goodwill is done at a reporting unit level. An impairment loss generally would be recognized when the carrying amount of the unit's net assets exceeds the estimated fair value of the reporting unit. The estimated fair value of a reporting unit is determined using a discounted cash flow analysis.

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.

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, equipment and infrastructure of the primary government, as well as the component units, are depreciated using the straight line method over the following estimated useful lives.

Note 1 - Summary of Significant Accounting Policies (Continued)

<u>Class</u>	<u>Life in Years</u>
Buildings	40
Improvements	8-40
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 \$7,801,473 for real property taxes and \$2,487,219 for State and Federal aid received in advance in the General Fund. The County has also reported deferred revenues of \$7,485,867 for Federal aid received in advance in the Community Development Fund, \$2,175,692 in the Enterprise Fund - Home Infirmary Fund for State and Federal aid received in advance, \$5,216,371 in the Component Unit - Rockland County Community College for tuition and other fees received in advance and \$6,000 in the Component Unit - Rockland County Soil and Water Conservation District for State and Federal Aid 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 and sick leave upon separation from service. The liability for such accumulated leave is reflected in the government-wide and proprietary fund financial statements. A liability for these amounts is reported in the governmental funds only if the liability has matured through employee resignation or retirement. The liability for compensated absences includes salary related payments, where applicable.

Long-term Liabilities - In the government-wide 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. Premiums 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 or Capital Projects funds expenditures.

Note 1 - Summary of Significant Accounting Policies (Continued)

Net Assets - Net assets represent the difference between assets and liabilities. Net assets are reported as restricted when there are limitations imposed on their use either through the enabling legislation adopted by the County or through external restrictions imposed by creditors, grantors, or laws or regulations of other governments. Net assets on the Statement of Net Assets include, invested in capital assets, net of related debt, restricted for capital projects, law enforcement, Stop-DWI Program, handicapped parking, debt service, parklands, student loans, 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, 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 and Sewer District 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.

H. Subsequent Events Evaluation by Management

Management has evaluated subsequent events for disclosure and/or recognition in the financial statements through the date that the financial statements were available to be issued, which date is September 14, 2011.

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 re-appropriated 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.

B. Property Tax Limitation

The County is permitted by the State Constitution to levy for purposes other than debt service up to 1½% 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 2010 was \$638,447,964, which exceeded the actual levy by \$577,947,964.

Note 2 - Stewardship, Compliance and Accountability (Continued)

C. Fund Deficits

The General Fund has an undesignated deficit of \$52,040,793.

The Home and Infirmary Fund, Rockland Tobacco Asset Securitization Corporation, Rockland Tobacco Second Asset Securitization Corporation, Workers' Compensation Fund and the General Services Fund also reflect undesignated or unrestricted deficits of \$86,680,800, \$67,316,556, \$4,574,122, \$2,102,404 and \$11,050,743, respectively at December 31, 2010. 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:

	<u>Commercial Paper</u>
Business-type Activities - Rockland Tobacco Asset Securitization Corporation, at cost, which approximates fair value, due in February 2011, interest at 6.25%	<u>\$ 1,183,827</u>

Investments of the Rockland County Community College and the Rockland County Soil and Water Conservation District (component units) consists 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, 2010 consisted of the following:

Rockland Tobacco Asset Securitization Corporation - Commercial paper, at cost, which approximates fair value, due in February 2011, interest at 6.25%	\$ 3,464,835
Rockland Second Tobacco Asset Securitization Corporation - Commercial paper, at cost, which approximates fair value, due in February 2011, interest at .71%	<u>710,961</u>
	<u>\$ 4,175,796</u>

COUNTY OF ROCKLAND, NEW YORK

NOTES TO FINANCIAL STATEMENTS (Continued)
DECEMBER 31, 2010

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, 2010 consisted of the following:

Tax liens	\$ 23,782,916
Tax installments	6,121,702
Returned school districts taxes	23,072,804
Returned village taxes	<u>2,672,649</u>
	55,650,071
Allowance for uncollectible taxes	<u>(2,347,350)</u>
 Taxes Receivable	 <u><u>\$ 53,302,721</u></u>

School district and village taxes are offset by liabilities to the school districts and villages which will be paid no later than April 2011. Taxes receivable, at the fund level, are also partially offset by deferred tax revenues of \$7,801,743, 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, Advances From/To Other Funds

The balances reflected as due from/to other funds at December 31, 2010 were as follows:

Fund	Due From	Due To	Advances From/To
General	\$ 13,043,887	\$ -	\$ 19,439,807
Capital Projects	-	42,884	-
Non-Major Governmental	1,168,606	763,810	-
Home and Infirmary	-	16,989,773	(19,439,807)
Internal Service	<u>3,619,739</u>	<u>35,765</u>	<u>-</u>
	<u><u>\$ 17,832,232</u></u>	<u><u>\$ 17,832,232</u></u>	<u><u>\$ -</u></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.

COUNTY OF ROCKLAND, NEW YORK

NOTES TO FINANCIAL STATEMENTS (Continued)
DECEMBER 31, 2010

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, 2010	Additions	Deductions	Balance December 31, 2010
Governmental Activities (inclusive of Internal Service Funds):				
Capital Assets, not being depreciated:				
Land	\$ 49,872,238	\$ 17,284,568	\$ -	\$ 67,156,806
Construction-in-progress	225,901,692	56,470,847	37,952,213	244,420,326
Total Capital Assets, not being depreciated	\$ 275,773,930	\$ 73,755,415	\$ 37,952,213	\$ 311,577,132
Capital Assets, being depreciated:				
Buildings	\$ 118,112,000	\$ 6,867,910	\$ -	\$ 124,979,910
Improvements	103,408,967	6,635,679	-	110,044,646
Equipment	98,658,559	4,795,339	5,357,501	98,096,397
Infrastructure	527,117,199	3,003,611	-	530,120,810
Total Capital Assets, being depreciated	847,296,725	21,302,539	5,357,501	863,241,763
Less Accumulated Depreciation for:				
Buildings	45,699,610	3,483,047	-	49,182,657
Improvements	44,654,636	6,700,338	-	51,354,974
Equipment	62,809,743	6,935,704	5,357,501	64,387,946
Infrastructure	313,566,235	11,571,252	-	325,137,487
Total Accumulated Depreciation	466,730,224	28,690,341	5,357,501	490,063,064
Total Capital Assets, being depreciated, net	\$ 380,566,501	\$ (7,387,802)	\$ -	\$ 373,178,699
Governmental Activities Capital Assets, net	\$ 656,340,431	\$ 66,367,613	\$ 37,952,213	\$ 684,755,831

COUNTY OF ROCKLAND, NEW YORK

NOTES TO FINANCIAL STATEMENTS (Continued)
DECEMBER 31, 2010

Note 3 - Detailed Notes on All Funds (Continued)

Class	Balance January 1, 2010	Additions	Deductions	Balance December 31, 2010
Business-type Activities:				
Capital Assets, not being depreciated:				
Land	\$ 438,504	\$ -	\$ -	\$ 438,504
Construction-in-progress	2,290,129	3,098,334	3,829,842	1,558,621
Total Capital Assets, not being depreciated	<u>\$ 2,728,633</u>	<u>\$ 3,098,334</u>	<u>\$ 3,829,842</u>	<u>\$ 1,997,125</u>
Capital Assets, being depreciated:				
Buildings	\$ 47,031,684	\$ 489,492	\$ 3,142	\$ 47,518,034
Improvements	345,975	-	-	345,975
Equipment	16,598,170	3,341,938	822,412	19,117,696
Total Capital Assets, being depreciated	<u>63,975,829</u>	<u>3,831,430</u>	<u>825,554</u>	<u>66,981,705</u>
Less Accumulated Depreciation for:				
Buildings	34,138,160	1,358,136	3,142	35,493,154
Improvements	345,975	-	-	345,975
Equipment	11,391,070	1,000,350	822,412	11,569,008
Total Accumulated Depreciation	<u>45,875,205</u>	<u>2,358,486</u>	<u>825,554</u>	<u>47,408,137</u>
Total Capital Assets, being depreciated, net	<u>\$ 18,100,624</u>	<u>\$ 1,472,944</u>	<u>\$ -</u>	<u>\$ 19,573,568</u>
Business-type Activities Capital Assets, net	<u>\$ 20,829,257</u>	<u>\$ 4,571,278</u>	<u>\$ 3,829,842</u>	<u>\$ 21,570,693</u>

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

Governmental Activities:	
General Government Support	\$ 3,633,377
Education	4,591,248
Public Safety	2,579,378
Health	429,007
Transportation	8,578,889
Economic Opportunity and Development	144,400
Culture and Recreation	462,388
Home and Community Services	6,617,883
Capital assets held by the government's internal service fund are charged to the various functions based on their usage of the assets	<u>1,653,771</u>
Total Depreciation Expense - Governmental Activities	<u>\$ 28,690,341</u>
Business-type Activities - Home and Infirmary	<u>\$ 2,358,486</u>

COUNTY OF ROCKLAND, NEW YORK

NOTES TO FINANCIAL STATEMENTS (Continued)
DECEMBER 31, 2010

Note 3 - Detailed Notes on All Funds (Continued)

Capital Assets - Component Units

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

Class	Balance September 1, 2009	Additions	Balance August 31, 2010
Capital Assets, being depreciated - Equipment	\$ 8,886,478	\$ 472,925	\$ 9,359,403
Less Accumulated Depreciation	<u>(5,334,132)</u>	<u>(617,686)</u>	<u>(5,951,818)</u>
Community College Capital Assets, net	<u>\$ 3,552,346</u>	<u>\$ (144,761)</u>	<u>\$ 3,407,585</u>

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

Class	Balance January 1, 2010	Additions	Balance December 31, 2010
Capital Assets, being depreciated - Equipment	\$ 13,969	\$ -	\$ 13,969
Less Accumulated Depreciation	<u>(13,002)</u>	<u>(215)</u>	<u>(13,217)</u>
Soil and Water Conservation District Capital Assets, net	<u>\$ 967</u>	<u>\$ (215)</u>	<u>\$ 752</u>

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

Class	Balance January 1, 2010	Additions	Deductions	Balance December 31, 2010
Capital Assets, not being depreciated:				
Land	\$ 6,200,325	\$ -	\$ -	\$ 6,200,325
Construction-in-progress	<u>1,373,420</u>	<u>2,623,924</u>	<u>(701,500)</u>	<u>3,295,844</u>
Total Capital Assets, not being depreciated	<u>\$ 7,573,745</u>	<u>\$ 2,623,924</u>	<u>\$ (701,500)</u>	<u>\$ 9,496,169</u>

COUNTY OF ROCKLAND, NEW YORK

NOTES TO FINANCIAL STATEMENTS (Continued)
DECEMBER 31, 2010

Note 3 - Detailed Notes on All Funds (Continued)

Class	Balance January 1, 2010	Additions	Deductions	Balance December 31, 2010
Capital Assets, being depreciated:				
Buildings	\$ 41,778,824	\$ 571,653	\$ -	\$ 42,350,477
Improvements	2,420,054	-	-	2,420,054
Equipment	15,745,389	1,143,059	-	16,888,448
Total Capital Assets, being depreciated	59,944,267	1,714,712	-	61,658,979
Less Accumulated Depreciation for:				
Buildings	18,754,946	2,008,469	-	20,763,415
Improvements	290,406	96,802	-	387,208
Equipment	7,843,926	1,140,375	-	8,984,301
Total Accumulated Depreciation	26,889,278	3,245,646	-	30,134,924
Total Capital Assets, being depreciated, net	\$ 33,054,989	\$ (1,530,934)	\$ -	\$ 31,524,055
Solid Waste Management Authority Capital Assets, net	\$ 40,628,734	\$ 1,092,990	\$ (701,500)	\$ 41,020,224

E. Accrued Liabilities

Accrued liabilities at December 31, 2010 were as follows:

	Governmental Activities	Business- Type Activities	Total
Payroll and employee benefits	\$ 7,614,773	\$ -	\$ 8,276,835
Other	4,410,234	937,754	5,347,988
Total Accrued Liabilities	\$ 12,025,007	\$ 937,754	\$ 13,624,823

COUNTY OF ROCKLAND, NEW YORK

NOTES TO FINANCIAL STATEMENTS (Continued)
DECEMBER 31, 2010

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.

Purpose	Year of Original Issue	Maturity Date	Rate of Interest	Balance January 1, 2010	New Issues	Redemptions	Balance December 31, 2010
Tax Anticipation Notes:							
County Operations	2009	3/9/2010	2.00 %	\$ 45,000,000	\$ -	\$ 45,000,000	\$ -
County Operations	2010	3/9/2011	1.80	-	50,000,000	-	50,000,000
Revenue Anticipation Notes:							
County Operations	2009	3/9/2010	2.50	40,000,000	-	40,000,000	-
County Operations	2010	3/9/2011	1.60	-	45,000,000	-	45,000,000
County Operations	2010	8/30/2011	1.75	-	25,000,000	-	25,000,000
Bond Anticipation Notes	2009	8/30/2010	1.25	8,500,000	-	8,500,000	-
				<u>\$ 93,500,000</u>	<u>\$ 120,000,000</u>	<u>\$ 93,500,000</u>	<u>\$ 120,000,000</u>

The \$45,000,000 tax anticipation notes that were issued on March 20, 2009, matured on March 9, 2010. Interest expense of \$872,500 was recorded in the General Fund financial statements. The \$40,000,000 revenue anticipation notes that were issued on March 20, 2009, matured on March 9, 2010. Interest expense of \$969,444 was recorded in the General Fund financial statements. The \$8,500,000 bond anticipation note that was issued on December 22, 2009, matured on August 13, 2010. Interest expense of \$68,177 was recorded in the General Fund financial statements.

Tax anticipation notes, in the amount of \$50,000,000 were issued on March 10, 2010. They mature on March 9, 2011 and have an interest rate of 1.8%. Interest expense of \$739,998 was recorded in the government wide financial statements for governmental activities. Revenue anticipation notes, in the amount of \$45,000,000 were issued on March 10, 2010. They mature on March 9, 2011 and have an interest rate of 1.60%. Interest expense of \$596,110 was recorded in the government wide financial statements for governmental activities. Additional revenue anticipation notes, of \$25,000,000 were issued on August 30, 2010. They mature on August 30, 2011 and have an interest rate of 1.75%. Interest expense of \$149,479 was recorded in the governmental wide financial statements for governmental activities.

COUNTY OF ROCKLAND, NEW YORK

NOTES TO FINANCIAL STATEMENTS (Continued)
DECEMBER 31, 2010

Note 3 - Detailed Notes on All Funds (Continued)

G. Short-Term Capital Borrowings

Governmental Activities:

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

Purpose	Year of Original Issue	Maturity Date	Rate of Interest	Balance January 1, 2010	New Issue	Redemptions	Balance December 31, 2010
Sewer Improvements	2009	4/23/10	2.50 %	\$ 2,360,000	\$ -	\$ 2,360,000	\$ -
Sewer Improvements	2009	6/30/10	1.00	6,000,000	-	6,000,000	-
Sewer Improvements	2009	9/2/10	3.00	28,926,000	-	28,926,000	-
Sewer Improvements	2010	6/24/10	1.50	-	2,345,000	2,345,000	-
Sewer Improvements	2010	4/22/11	1.50	-	13,433,000	-	13,433,000
Sewer Improvements	2010	4/22/11	1.50	-	6,709,500	-	6,709,500
Sewer Improvements	2010	9/01/11	1.30	-	9,816,000	-	9,816,000
				<u>\$ 37,286,000</u>	<u>\$ 32,303,500</u>	<u>\$ 39,631,000</u>	<u>\$ 29,958,500</u>

Business-type Activities:

Purpose	Year of Original Issue	Maturity Date	Rate of Interest	Balance January 1, 2010	New Issue	Redemptions	Balance December 31, 2010
Public Improvements	2009	9/2/10	2.50 %	\$ 485,000	\$ -	\$ 485,000	\$ -

Liabilities for bond anticipation notes are generally accounted for in the Capital Projects Fund. 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 \$723,779 and \$180,517 were recorded in the fund financial statements in the General Fund and Sewer Fund, respectively. Interest expense of \$256,624 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.

Note 3 - Detailed Notes on All Funds (Continued)

Funding Policy - The System is non-contributory except for employees in tiers 3 and 4 that have less than ten years of service, who contribute 3% of their salary and employees in tier 5 who also contribute 3% of their salary without regard to their years of service. 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 and regular pension contributions. Contribution rates for the plan year ended March 31, 2011 are as follows:

	<u>Tier/Plan</u>	<u>Rate</u>
1	75I	15.3%
1	89D,M	20
1	89PAF	18.3
2	553B	21.2
2	75I	14
2	89D,M	27.5
2	89PAF	18.1
2	89VR	18.1
3	A14	11.3
3	553B	19.7
4	A15	11.3
4	553B	19.7
4	603OR	17.7
4	604PR	17.7
4	604S4	13.8
4	603R3	13.8
4	89PAF	13.8
4	89VR3	13.8
4	89VR4	13.8
5	A15	9.1

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

	Primary Government	Component Units	
		College	Solid Waste Management Authority
2010	\$ 20,031,165	\$ 678,526	\$ 243,742
2009	12,879,308	743,189	97,107
2008	12,955,645	750,316	109,076

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

Note 3 - Detailed Notes on All Funds (Continued)

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

	<u>Amount</u>
Governmental Funds:	
General	\$ 12,336,294
County Road	686,131
Road Machinery	65,229
Sewer	<u>652,864</u>
	<u>13,740,518</u>
Proprietary Funds:	
General Services	1,234,334
Workers' Compensation Benefits	9,344
Hospital	<u>5,046,969</u>
	<u>6,290,647</u>
	<u>\$ 20,031,165</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, New York 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 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, 2010 are as follows:

<u>Tiers</u>	<u>Rate</u>
1-4	6.19%

Note 3 - Detailed Notes on All Funds (Continued)

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

2010	\$	287,638
2009		359,227
2008		361,060

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, 2010, 2009 and 2008, the College incurred pension costs under this Plan of \$1,784,981, \$1,696,745 and \$1,526,426 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, 2010, 2009 and 2008 were \$4,468, \$4,165 and \$912 respectively.

COUNTY OF ROCKLAND, NEW YORK

NOTES TO FINANCIAL STATEMENTS (Continued)
DECEMBER 31, 2010

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, 2010:

	Balance January 1, 2010	New Issues/ Additions	Maturities and/or Payments	Balance December 31, 2010	Due Within One Year
Governmental Activities:					
Bonds Payable	\$ 292,501,817	\$ 77,527,176	\$ 38,518,488	\$ 331,510,505	\$ 25,141,262
Less-Deferred amounts on refunding	(7,199,360)	(470,469)	(1,101,406)	(6,568,423)	-
	285,302,457	77,056,707	37,417,082	324,942,082	25,141,262
Bond Anticipation Notes Payable	2,900,000	-	2,900,000	-	-
Pension Obligations	980,704	3,656,631	167,167	4,470,168	911,867
Due to NYS Power Authority	-	4,046,968	260,707	3,786,261	396,801
Claims Payable	11,288,735	9,781,214	8,506,754	12,563,195	1,256,319
Other Post Employment Benefit Obligation Payable	84,418,273	44,944,485	10,594,910	118,767,848	-
Governmental Activities Long-term Liabilities	<u>\$ 384,890,169</u>	<u>\$ 139,486,005</u>	<u>\$ 59,846,620</u>	<u>\$ 464,529,554</u>	<u>\$ 27,706,249</u>
Business-type Activities:					
Bonds Payable	\$ 97,645,874	\$ 3,815,480	\$ 2,981,994	\$ 98,479,360	\$ 2,736,880
Less-Deferred amounts on refunding	(1,499,817)	-	(65,846)	(1,433,971)	-
	96,146,057	3,815,480	2,916,148	97,045,389	2,736,880
Compensated Absences	12,311,444	-	1,132,370	11,179,074	1,117,907
Estimated third party liability	2,340,311	1,350,000	771,615	2,918,696	-
Other Post Employment Benefit Obligation Payable	40,745,293	20,981,830	5,665,204	56,061,919	-
Business-type Activities Long-term Liabilities	<u>\$ 151,543,105</u>	<u>\$ 26,147,310</u>	<u>\$ 10,485,337</u>	<u>\$ 167,205,078</u>	<u>\$ 3,854,787</u>
Solid Waste Management Authority - Component Unit -					
Bonds Payable	\$ 61,175,000	\$ 7,990,000	\$ 2,820,000	\$ 66,345,000	\$ 3,180,000
Less-Deferred amounts on refunding	(1,003,382)	(215,710)	(57,627)	(1,161,465)	-
	60,171,618	7,774,290	2,762,373	65,183,535	3,180,000
Other Post Employment Benefit Obligations	2,170,435	737,068	-	2,907,503	-
	<u>\$ 62,342,053</u>	<u>\$ 8,511,358</u>	<u>\$ 2,762,373</u>	<u>\$ 68,091,038</u>	<u>\$ 3,180,000</u>

Governmental fund liabilities for bonds are liquidated by the Debt Service Fund, which is funded by other governmental funds. The liability for compensated absences is liquidated by the General, County Road, Road Machinery and Sewer District funds. Each governmental fund's liability for pension obligations, claims payable and other postemployment benefit obligations are liquidated by the respective fund.

COUNTY OF ROCKLAND, NEW YORK

NOTES TO FINANCIAL STATEMENTS (Continued)
DECEMBER 31, 2010

Note 3 - Detailed Notes on All Funds (Continued)

Bonds Payable

Bonds payable at December 31, 2010 are comprised of the following individual issues:

Purpose	Year of Issue	Original Issue Amount	Final Maturity	Interest Rates	Amount Outstanding at December 31, 2010
Sewer Improvements	1986	\$ 10,000,000	April, 2011	7.0-7.100 %	\$ 475,000
Sewer Improvements	1986	9,520,000	June, 2011	7.500	425,000
Various Purposes	1992	9,950,000	April, 2012	5.500	24,000
Sewer EFC B	1993	2,675,000	November, 2013	2.65-5.200	475,000
Various Purposes A	1994	11,248,000	April, 2011	5.6-5.800	86,000
Various Purposes B	1994	12,347,000	November, 2014	6.000	156,000
Sewer Improvements	2001	6,000,000	October, 2031	4.75-5.000	145,000
Various Purposes	2001	14,425,000	October, 2016	4.0-5.000	1,070,000
Tobacco	2001	47,750,000	August, 2043	4.625-5.75	43,060,548
Sewer EFC-partial Refund 90B	2002	28,609,114	March, 2020	5.9-7.900	5,402,000
Sewer EFC-partial Refund 92A	2002	3,694,000	September, 2021	6.460	623,000
Sewer EFC-partial Refund 92B	2002	7,470,000	September, 2022	3.0-6.650	1,474,000
Sewer EFC-partial Refund 93A	2002	5,660,000	September, 2022	3.0-6.650	1,298,000
Various Purposes	*2002	16,673,000	October, 2017	3.125-4.000	9,325,000
Sewer EFC Refunding 1996	2003	4,855,000	December, 2025	4.625-5.200	3,445,000
Sewer Refunding 93 Bonds	*2003	3,525,000	March, 2017	2.75-4.000	1,610,000
Various Purposes	2003	21,027,000	June, 2023	4.0-2.500	15,645,000
Tobacco	2003	9,715,000	June 2041	5.027-5.27	6,895,000
Sewer EFC 2004D	2004	31,082,062	February, 2034	2.48-5.150	27,145,000
Various Purposes	*2004	29,311,745	January, 2017	3.0-6.000	18,615,000
Sewer EFC 2005A	2005	12,395,713	May, 2034	2.094-4.569	10,315,000
Sewer EFC 2005B	2005	34,756,050	October, 2034	2.659-4.129	29,400,000
Various Purposes	2005	30,000,000	February, 2019	3.0-4.000	21,215,000
Tobacco	2005	26,964,181	August, 2040	5.875-7.624	34,572,174
Sewer EFC 2006C	2006	14,930,177	April, 2035	3.671-4.731	13,290,000
Various Purposes A	*2006	24,512,500	April, 2017	3.75-4.000	17,730,000
Various Purposes B	*2006	13,749,700	December, 2021	3.70-4.000	11,140,000
Various Purposes	2007	28,824,000	August, 2027	4.3-4.500	26,775,000
Mirant Settlement	*2007	8,095,748	January, 2027	4.0-4.250	7,505,000
Mirant Settlement	2008	24,000,000	June, 2028	4.0-4.650	23,100,000
Various Purpose Refunding	2009	21,250,000	May, 2016	2.25-4.00	18,420,000
Various Purpose	2010	33,791,000	September, 2017	2.0-3.5	33,791,000
Various Purpose Refunding	2010	19,225,000	May, 2031	2.0-4.0	18,985,000
Sewer EFC 2010C	2010	15,128,142	October, 2039	.286-4.603	14,958,143
Public Improvement	2010	11,400,000	June, 2020	2.0-3.125	11,400,000
					\$ 429,989,865

*The six serial bond issues marked with an asterisk were insured by various municipal bonds insurers that were recently downgraded. They include CIFIC Assurance North America Inc., XL Capital Assurance Inc., Ambac Insurance Corp. and Financial Guarantee Insurance Co.

COUNTY OF ROCKLAND, NEW YORK

NOTES TO FINANCIAL STATEMENTS (Continued)
DECEMBER 31, 2010

Note 3 - Detailed Notes on All Funds (Continued)

In compliance with the County's obligation to provide continuing disclosure to investors, the County has filed a Material Events Notice under SEC Rule 15c2-12. The County's independent financial advisors, Capital Markets Advisors, LLC, filed these notices on behalf of the County on March 19, 2009.

Payments to Maturity

The annual requirements to amortize all bonded debt outstanding as of December 31, 2010 including interest payments of \$131,990,889 are as follows:

Year Ending December 31,	Governmental Activities					
	Bonds		New York State Loan - NYPA		New York State Loan - Retirement	
	Principal	Interest	Principal	Interest	Principal	Interest
2011	\$ 25,141,262	\$ 10,437,100	\$ 393,446	\$ 26,325	\$ -	\$ -
2012	24,856,516	9,702,577	396,328	23,443	292,497	183,950
2013	25,359,007	8,952,454	399,230	20,540	307,122	169,325
2014	23,679,822	8,179,818	402,155	17,616	322,478	153,969
2015	24,486,719	7,391,483	405,100	14,671	338,602	137,845
2016-2020	91,588,296	26,238,643	1,790,002	29,005	1,942,173	417,696
2020-2025	56,298,793	14,532,122	-	-	453,759	22,688
2026-2030	37,540,090	5,727,618	-	-	-	-
2031-2035	19,530,000	1,624,289	-	-	-	-
2036-2039	3,030,000	144,813	-	-	-	-
	<u>\$ 331,510,505</u>	<u>\$ 92,930,917</u>	<u>\$ 3,786,261</u>	<u>\$ 131,600</u>	<u>\$ 3,656,631</u>	<u>\$ 1,085,473</u>

Year Ending December 31,	Business-Type Activities		Total	
	Principal	Interest	Principal	Interest
2011	\$ 2,736,881	\$ 3,317,604	\$ 28,271,589	\$ 13,781,029
2012	2,880,484	3,197,318	28,425,825	13,107,288
2013	3,011,992	3,068,521	29,077,351	12,210,840
2014	3,051,179	2,932,969	27,455,634	11,284,372
2015	3,104,282	2,792,655	28,334,703	10,336,654
2016-2040	81,815,425	22,481,009	177,135,896	49,166,353
2016-2020	1,389,207	239,690	58,141,759	14,794,500
2020-2025	489,910	30,201	38,030,000	5,757,819
2026-2030	-	-	19,530,000	1,624,289
2031-2035	-	-	3,030,000	144,813
2036-2039	-	-	-	-
	<u>\$ 98,479,360</u>	<u>\$ 38,059,967</u>	<u>\$ 437,432,757</u>	<u>\$ 132,207,957</u>

Interest expenditures/expense of \$9,425,755 and \$283,030, were recorded in the fund financial statements in the Debt Service Fund and Internal Service Fund, respectively. Interest expense of \$13,776,927 was recorded in the government-wide financial statements for governmental activities. Interest expense of \$197,905, \$4,729,304 and \$423,051 were recorded in the fund financial and government-wide financial statements for the business-type activities in

Note 3 - Detailed Notes on All Funds (Continued)

the Home and Infirmary Fund, the Rockland Tobacco Asset Securitization Corporation and the Rockland Second Tobacco Asset Securitization Corporation, respectively.

The above general obligation bonds are direct obligations of the County for which its full faith and credit are pledged and are payable from taxes levied on all taxable real property within the County, except for the 2001, 2003 and 2006 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.

Refunding Serial Bonds 2010

The Bonds were issued pursuant to the Constitution, the laws of the State, including the Local Finance Law, the County Law, and a refunding bond resolution duly adopted by the County Legislature on January 26, 210. A refunding financial plan was prepared and is described below (the "Refunding Plan").

The Bonds were issued to refund all or a portion of the outstanding principal of the County bonds as listed below:

<u>Issue</u>	<u>Amount Refunded</u>
Various Purposes Serial Bonds - 2000	\$ 7,415,000
Various Purposes Serial Bonds - 2001 Series A	6,065,000
Various Purposes Serial Bonds - 2001 Series B	<u>4,860,000</u>
Total	<u>\$ 18,340,000</u>

Under current market conditions, the County Refunded all \$18,340,000 of the Potential Refunded Bonds (the "Refunded Bonds"). The net proceeds of the Bonds (after payment of costs of issuance relating to the Bonds) will be used to purchase non-callable, direct obligations of or obligations guaranteed by the United States of America (the "Government Obligations") which, together with remaining cash proceeds from the sale of the Bonds, will be placed in an irrevocable trust fund (the "Escrow Fund") to be held by The Bank of New York Mellon, (the "Escrow Holder") a bank located and authorized to do business in the State, pursuant to the terms of an escrow contract by and between the County and the Escrow Holder, dated as of the delivery date of the Bonds (the "Escrow Contract"). The Government Obligations so deposited will mature in amounts which, together with the cash so deposited, will be sufficient to pay the principal of, interest on and applicable redemption premium of the Refunded Bonds on the dates of their redemption. The Refunding Plan requires the Escrow Holder, pursuant to the refunding bond resolution of the County and the Escrow Contract, to pay the Refunded Bonds at maturity or at the earliest date on which the Refunded Bonds may be called for redemption prior to maturity.

The holders of the Refunded Bonds have a first lien on all investment income from, and maturing principal of the Government Obligations, along with other available monies held in the Escrow Fund. The Escrow Contract shall terminate upon final payment by the Escrow Holder to the paying agents/fiscal agent for the Refunded Bonds amounts from the Escrow Fund adequate for the payment, in full, of the Refunded Bonds, including interest and the redemption premium payable with respect thereto.

COUNTY OF ROCKLAND, NEW YORK

NOTES TO FINANCIAL STATEMENTS (Continued)
DECEMBER 31, 2010

Note 3 - Detailed Notes on All Funds (Continued)

The Refunding Plan will permit the County to reduce its total debt service payment over 20 years by \$1,519,030 and to obtain a net present value economic gain of \$1,160,500.

Under the Refunding Plan, the Refunded Bonds will continue to be general obligations of the County. However, inasmuch as the Government Obligations held in the Escrow Fund will be sufficient to meet all required payments of principal, interest and redemption premium requirements when required in accordance with the Refunding Plan, it is not anticipated that any other source of payment will be required.

The Bonds are subject to optional redemption prior to maturity. Bonds maturing on or before May 1, 2020 will not be subject to redemption prior to maturity. The Bonds maturing on or after May 1, 2021 will be subject to redemption prior to maturity at the option of the County on any date on or after May 1, 2020, as a whole or in part at par.

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, 2010, \$16,240,000 of bonds outstanding are considered defeased.

Indebtedness - Component Unit

Solid Waste Management Authority

Bonds payable at December 31, 2010 consisted of the following issues:

<u>Purpose</u>	<u>Year of Issue</u>	<u>Original Issue Amount</u>	<u>Final Maturity</u>	<u>Interest Rates</u>	<u>Amount Outstanding at December 31, 2010</u>
Public Improvements	1996	\$ 11,620,000	December 2014	5.625 %	\$ 2,375,000
Public Improvements	2003	15,273,468	December 2025	4.629-6.189	11,430,000
Public Improvements	2003	8,720,000	December 2028	3.750-5.125	7,280,000
Public Improvements	2006	10,080,000	December 2021	4.250-5.000	8,440,000
Public Improvements	2008	27,535,000	December 2033	3.250-5.750	26,670,000
Public Improvements	2010	7,900,000	December 2024	2.500-4.000	7,900,000
Public Improvements	2010	2,250,000	December 2018	3.000-3.500	2,250,000
					\$ 66,345,000

At the option of the Authority, the serial bonds included in the \$11,620,000 issue will be subject to redemption prior to maturity. 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 maturity.

Note 3 - Detailed Notes on All Funds (Continued)

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.

At the option of the Authority, the serial bonds included in the \$27,535,000 issue will be subject to redemption prior to maturity on or after December 15, 2019 at par value. These bonds may be redeemed either in whole at any time or in part on any interest payment date at par plus accrued interest, if any, through the date of maturity.

At the option of the Authority, the serial bonds included in the \$7,900,000 issue will be subject to redemption prior to maturity on or after December 15, 2020. 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 maturity.

The \$2,250,000 serial bonds are not subject to redemption prior to their stated dates of maturity.

The annual requirements to amortize all bonds outstanding at December 31, 2010, including interest of \$30,505,200 are as follows:

<u>Year Ending December 31,</u>	<u>Principal</u>	<u>Interest</u>	<u>Total</u>
2011	\$ 3,180,000	\$ 3,340,299	\$ 6,520,299
2012	3,310,000	3,208,045	6,518,045
2013	3,460,000	3,064,518	6,524,518
2014	3,610,000	2,912,725	6,522,725
2015	3,785,000	2,740,746	6,525,746
2016-2020	21,930,000	10,690,792	32,620,792
2021-2025	24,920,000	4,241,756	29,161,756
2026-2030	2,000,000	277,069	2,277,069
2031-2033	150,000	29,250	179,250
	66,345,000	<u>\$ 30,505,200</u>	<u>\$ 96,850,200</u>
Less: Unamortized original issue discount	<u>(1,161,465)</u>		
	<u>\$ 65,183,535</u>		

Defeasance of Debt

During the 2010 fiscal year, the Authority issued \$2,250,000 in serial bonds with interest rates ranging from 3.0% to 3.5%, depending on maturity. The proceeds were used to advance refund proceeds of \$2,212,979 (net of a \$7,891 reoffering premium and after payment of \$44,912 is 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 1999A serial bonds. As a result, the 1999A serial bonds are considered defeased and the liability for those serial bonds have been removed

Note 3 - Detailed Notes on All Funds (Continued)

from the Statement of Net Assets. The reacquisition price exceeded the net carrying amount of the old debt by \$52,979. These amounts are being netted against the new debt and amortized over the remaining life of the refunded debt.

The Authority advance refunded the 1999A serial bonds to obtain a net present value economic gain of \$185,601.

As of December 31, 2010, the defeased bonds have been called and are no longer outstanding.

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, 2010, the expense related to vested vacation pay for employees was accrued based upon pay rates currently in effect. Accrued vacation pay aggregated approximately \$4,150,163 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, 2010 was \$324,751. 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

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 Under-sheriff, 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 \$813,537 and is applicable to the Governmental Funds.

Note 3 - Detailed Notes on All Funds (Continued)

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, 2010		
	Workers' Compensation Benefits	General Liability Claims	Unemployment Benefits
Balance - Beginning of Year	\$ 6,025,080	\$ 5,263,655	\$ -
Provision for Claims and Claims Adjustment Expenses	6,063,380	2,443,374	219,119
Claims and Claims Adjustment Expenses Paid	<u>(4,957,892)</u>	<u>(2,274,402)</u>	<u>(219,119)</u>
Balance - End of Year	<u>\$ 7,130,568</u>	<u>\$ 5,432,627</u>	<u>\$ -</u>
Due With One Year	<u>\$ 713,058</u>	<u>\$ 651,915</u>	<u>\$ -</u>
	December 31, 2009		
	Workers' Compensation Benefits	General Liability Claims	Unemployment Benefits
Balance - Beginning of Year	\$ 5,556,870	\$ 5,518,464	\$ -
Provision for Claims and Claims Adjustment Expenses	3,987,474	1,660,695	145,296
Claims and Claims Adjustment Expenses Paid	<u>(3,519,264)</u>	<u>(1,915,504)</u>	<u>(145,296)</u>
Balance - End of Year	<u>\$ 6,025,080</u>	<u>\$ 5,263,655</u>	<u>\$ -</u>
Due With One Year	<u>\$ 602,508</u>	<u>\$ 526,366</u>	<u>\$ -</u>

Note 3 - Detailed Notes on All Funds (Continued)

Other Post Employment Benefit Obligations Payable

In addition to providing pension benefits, the primary government and its College component unit provides certain health care benefits for retired employees. The various collective bargaining agreements stipulate the employees covered and the percentage of contribution. Contributions by the primary government and its College component unit may vary according to length of service. Substantially all employees may become eligible for those benefits if they reach normal retirement age while working for these entities. The cost of retiree health care benefits is recognized as an expenditure/expense as claims are paid.

The County of Rockland plan eligibility for post employment healthcare plan is age 55 with five years of service. Upon reaching the age of 55, the employee is treated as a retiree. Retiree benefits continue for the life of the retiree. Spousal benefits continue until the death of the retiree, at which point only access to coverage is available. Surviving spouses are permitted to continue coverage under the plan after death of the retiree with a contribution of 100% of the premium, less the Medicare Part B reimbursement if the surviving spouse is Medicare eligible.

The County's other post employment benefit (OPEB) cost (expense) is calculated based on the annual required contribution, (ARC), an amount actuarially determined in accordance with the parameters of GASB Statement No. 45. GASB Statement No. 45 establishes standards for the measurement, recognition and display of the expenses and liabilities for retirees' medical insurance. As a result, reporting of expenses and liabilities will no longer be done under the "pay-as-you-go" approach. Instead of expensing the current year premiums paid, a per capita claims cost will be determined, which will be used to determine a "normal cost", an "actuarial accrued liability", and ultimately the annual required contribution (ARC). The ARC represents a level of funding that, if paid on an ongoing basis, is projected to cover normal cost each year and amortize any unfunded actuarial liabilities over a period not to exceed thirty years. For the calendar year ended December 31, 2010, the County's annual OPEB cost was \$76,842,022 and the Annual Required Contribution was \$78,993,211.

Actuarial valuations for OPEB plans involve estimates of the value of reported amounts and assumptions about the probability of events far into the future. These amounts are subject to continual revision as results are compared to past expectations and new estimates are made about the future. Calculations are based on the OPEB benefits provided under the terms of the substantive plan in effect at the time of each valuation and on the pattern of sharing of costs between the employer and plan members to that point. To actuarial calculations of the OPEB plan reflect a long-term perspective.

- (1) The County is required to accrue on the government-wide and proprietary fund financial statements the amounts necessary to finance the plan as actuarially determined, which is equal to the balance not paid by plan members. Funding for the plan has been established on a pay-as-you-go basis.
- (2) The assumed increase in postretirement benefits is 10% for the first year, decreases in years two through seven to 9%, 8%, 7%, 6% (for years five and six) and 5% respectively, and then continues at 5% thereafter.
- (3) The amortization basis is the level percentage of payroll method with an open amortization approach.

COUNTY OF ROCKLAND, NEW YORK

NOTES TO FINANCIAL STATEMENTS (Continued)
 DECEMBER 31, 2010

Note 3 - Detailed Notes on All Funds (Continued)

- (4) The projected unit credit method was used to determine the actuarial value of assets of the OPEB plan, however, the County currently has no assets set aside for the purpose of paying postemployment benefits.
- (5) The actuarial cost method utilized was the unit credit method.
- (6) The investment rate of return and the annual healthcare cost trend rate assume a 3% inflation assumption.

For the calendar year ended December 31, 2010, the County's annual OPEB cost was \$40,574,799 for the Operating Funds.

General Fund	\$ 35,997,754
County Road Fund	2,312,437
Road Machinery Fund	211,582
Sewer Fund	<u>2,053,026</u>
	<u>\$ 40,574,799</u>

For the calendar year ended December 31, 2010, the County's annual OPEB cost for the Internal Service Funds was \$4,369,686.

General Service Fund	\$ 4,318,322
Workers' Compensation Fund	<u>51,364</u>
	<u>\$ 4,369,686</u>

For the calendar year ended December 31, 2010, the County's annual OPEB cost was \$20,981,830 for the Hospital Fund.

Hospital Fund	<u>\$ 20,981,830</u>
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The number of participants as of December 31, 2010 was as follows:

	<u>Operating Funds</u>	<u>Internal Service Funds</u>	<u>Hospital Funds</u>
Active employees	1,501	137	606
Retired employees	<u>991</u>	<u>116</u>	<u>660</u>
Total	<u>2,492</u>	<u>253</u>	<u>1,266</u>

Funding for the plans has been established on a pay-as-you basis. The County currently has no assets set aside for the purpose of paying post employment benefits and has no plan for budgeting this cost in the future.

COUNTY OF ROCKLAND, NEW YORK

NOTES TO FINANCIAL STATEMENTS (Continued)
DECEMBER 31, 2010

Note 3 - Detailed Notes on All Funds (Continued)

	Operating Funds	Internal Service Funds	Hospital Funds
Amortization Component:			
Actuarial Accrued Liability as of January 1, 2011	\$ 400,930,326	\$ 44,326,836	\$ 220,105,615
Assets at Market Value	-	-	-
Unfunded Actuarial Accrued Liability	<u>400,930,326</u>	<u>44,326,836</u>	<u>220,105,615</u>
Funded Ratio	<u>0%</u>	<u>0%</u>	<u>0%</u>
Covered Payroll (active plan members)	<u>117,440,258</u>	<u>10,824,319</u>	<u>41,747,339</u>
UAAL as a percentage of covered payroll	<u>341.4%</u>	<u>409.5%</u>	<u>527.2%</u>
Annual Required Contribution	41,728,775	4,491,217	21,595,105
Interest on Net OBEB Obligation	3,833,442	387,472	2,037,265
Adjustment to Annual Required Contribution	<u>(4,987,418)</u>	<u>(509,003)</u>	<u>(2,650,540)</u>
Annual OPEB Cost	40,574,799	4,369,686	20,981,830
Contributions Made	<u>(9,435,819)</u>	<u>(1,159,091)</u>	<u>(5,665,204)</u>
Increase in Net OPEB Obligation	31,138,980	3,210,595	15,316,626
Net OPEB Obligation - Beginning of Year	<u>76,668,840</u>	<u>7,749,433</u>	<u>40,745,293</u>
Net OPEB Obligation - End of Year	<u>\$ 107,807,820</u>	<u>\$ 10,960,028</u>	<u>\$ 56,061,919</u>

The County's annual OPEB cost, the percentage of annual OPEB cost contributed to the plan and the net OPEB obligation for the current and preceding three years were as follows:

COUNTY OF ROCKLAND, NEW YORK

NOTES TO FINANCIAL STATEMENTS (Continued)
DECEMBER 31, 2010

Note 3 - Detailed Notes on All Funds (Continued)

	Fiscal Year Ended Decemger 31,	Annual OPEB Cost	% of Annu OPEB Cost Contributed	Net OPEB Obligation
Operating Funds	2010	\$ 40,574,799	23.30 %	\$ 107,807,820
	2009	34,445,866	28.07	76,668,840
	2008	36,183,803	27.81	51,890,248
Internal Service Funds	2010	4,369,686	26.50	10,960,028
	2009	3,708,389	31.75	7,749,433
	2008	3,824,553	31.55	5,218,478
Hospital Funds	2010	20,981,830	27.00	56,061,919
	2009	18,022,332	32.44	40,745,293
	2008	20,099,361	28.98	28,569,064

The County's Unfunded actuarial accrued liability is the difference between the actuarial accrued liability and the actuarial value of assets accumulated, which in this case is \$ -0- in order to finance this obligation.

In the December 31, 2010 actuarial valuation, the projected unit credit method was used. The actuarial assumptions utilized a 5.0% discount rate.

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	\$ -	\$ 937,000	\$ 31,266,255	\$ 32,203,255
Capital Projects	605,630	-	12,251,549	12,857,179
Non-Major Governmental	7,135,792	128,000	8,617,594	15,881,386
	<u>\$ 7,741,422</u>	<u>\$ 1,065,000</u>	<u>\$ 52,135,398</u>	<u>\$ 60,941,820</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.

Note 3 - Detailed Notes on All Funds (Continued)

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 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.

Note 3 - Detailed Notes on All Funds (Continued)

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

The Reserve for 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 represent funds set aside to indicate the long-term nature of taxes receivable collected for other governments. These funds are not "available" for appropriation or expenditure even though they are a component of net assets.

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

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, \$837,236, 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, \$225,000, 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, \$1,010,575, 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.

Note 3 - Detailed Notes on All Funds (Continued)

Designated for Subsequent Year's Expenditures - Sewer District and Debt Service Funds. At December 31, 2010, the County Legislature has designated that \$1,920,580 of the fund balance of the Sewer District Fund and \$5,760,000 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 is a defendant in a lawsuit for wrongful death resulting from a suicide of an inmate in the jail.

The County is involved in a pending lawsuit in Federal Court for injunctive relief and attorney fees under the Clean Water Act and New Jersey state law claims.

A claim has been filed against the County by an inpatient who claims she was assaulted by another inpatient in our mental health facility.

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 \$41 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.

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 \$800,000. 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)

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 County provides insurance for the district's general liability and auto liability policies.

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 \$10 million. The Authority also maintains an umbrella policy with coverage up to \$15 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.

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 April 21, 2011, issued bond anticipation notes in the amount of \$2,345,000 due April 20, 2012, and bearing interest of 1.26%.

The County, on March 10, 2011, issued tax anticipation notes in the amounts of \$55,000,000, due March 8, 2012, and bearing interest of 3.00%.

COUNTY OF ROCKLAND, NEW YORK

NOTES TO FINANCIAL STATEMENTS (Concluded)
DECEMBER 31, 2010

Note 5 - Subsequent Events (Continued)

The County, on March 10, 2011, issued revenue anticipation notes in the amounts of \$45,000,000. The notes bear interest at 3.0%, and mature on March 8, 2012.

The County, on April 21, 2011, issued callable bond anticipation notes in the amount of \$13,433,000 due April 20, 2012, and bearing interest of 3.0%.

The County, on June 7, 2011, issued bond anticipation notes in the amount of \$10,500,000 due June 7, 2012, and bearing interest of 1.75-2.00%.

The County, on June 22, 2011, issued deficiency notes in the amount of \$17,800,000 due June 22, 2012, and bearing interest of 1.75%.

COUNTY OF ROCKLAND, NEW YORK

REQUIRED SUPPLEMENTARY INFORMATION - SCHEDULE OF FUNDING PROGRESS
 OTHER POST EMPLOYMENT BENEFITS
 LAST THREE FISCAL YEARS

Valuation Date	Actuarial		Unfunded Actuarial Accrued Liability	Funded Ratio	Covered Payroll	Unfunded Liability as a Percentage of Covered Payroll
	Value of Assets	Accrued Liability				
<u>Governmental Funds</u>						
January 1, 2009	\$ -	\$ 356,878,422	\$ 356,878,422	- %	\$ 111,125,688	321.15 %
January 1, 2010	-	378,496,057	378,496,057	-	113,297,080	334.07
January 1, 2011	-	400,930,326	400,930,326	-	117,440,258	341.39
<u>Internal Service Funds</u>						
January 1, 2009	\$ -	38,141,295	\$ 38,141,295	- %	\$ 11,760,923	324.31 %
January 1, 2010	-	42,139,190	42,139,190	-	10,782,636	390.81
January 1, 2011	-	44,326,836	44,326,836	-	10,824,319	409.51
<u>Home and Infirmary Fund \$</u>						
January 1, 2009	-	204,013,110	\$ 204,013,110	- %	\$ 44,800,000	455.39 %
January 1, 2010	-	211,136,744	211,136,744	-	42,242,277	499.82
January 1, 2011	-	220,105,615	220,105,615	-	41,747,339	527.23

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, 2010 AND 2009

<u>ASSETS</u>	<u>2010</u>	<u>2009</u>
Cash - Demand deposits	\$ 41,944,528	\$ 34,077,556
Taxes Receivable:		
Tax liens	23,782,916	19,608,066
Tax installments	6,121,702	4,535,589
Returned school and village taxes	25,745,453	25,527,029
	<u>55,650,071</u>	<u>49,670,684</u>
Allowance for uncollectible taxes	<u>(2,347,350)</u>	<u>(2,069,913)</u>
	<u>53,302,721</u>	<u>47,600,771</u>
Other Receivables:		
Accounts, net of allowance for uncollectible amounts	30,675,752	32,478,790
State and Federal aid, net of allowance for uncollectible amounts	60,308,514	55,979,728
Due from other governments	5,419,133	5,635,319
Due from other funds	13,043,887	6,447,255
Advances to other funds	19,439,807	8,776,018
	<u>128,887,093</u>	<u>109,317,110</u>
Prepaid Expenditures	<u>4,022,306</u>	<u>3,389,018</u>
Total Assets	<u>\$ 228,156,648</u>	<u>\$ 194,384,455</u>
<u>LIABILITIES AND FUND BALANCE (DEFICIT)</u>		
Liabilities:		
Accounts payable	\$ 39,527,828	23,105,979
Accrued liabilities	9,818,864	9,800,358
Due to other governments	2,702,799	2,370,872
Due to school districts	49,773,257	48,390,284
Due to other funds	-	1,554,679
Deferred revenues - Taxes	7,801,473	2,832,934
Deferred revenues - Other	2,487,219	555,101
Tax anticipation note payable	50,000,000	45,000,000
Revenue anticipation note payable	70,000,000	40,000,000
Bond anticipation note payable	-	8,500,000
Total Liabilities	<u>232,111,440</u>	<u>182,110,207</u>
Fund Balance (Deficit):		
Reserved for encumbrances	1,469,583	1,966,573
Reserved for prepaid expenditures	4,022,306	3,389,018
Reserved for law enforcement	14,130,777	16,037,693
Reserved for Stop - DWI Program	1,210,768	1,154,527
Reserved for handicapped parking	56,965	56,965
Reserved for long-term receivable	7,755,795	8,240,808
Reserved for compensated absences	-	11,384,781
Reserved for advances	19,439,807	8,776,018
Unreserved and undesignated:		
Home and Infirmary Fund - Deficit	(19,439,807)	(8,776,018)
Undesignated	<u>(32,600,986)</u>	<u>(29,956,117)</u>
Total Fund Balance (Deficit)	<u>(3,954,792)</u>	<u>12,274,248</u>
Total Liabilities and Fund Balance (Deficit)	<u>\$ 228,156,648</u>	<u>\$ 194,384,455</u>

COUNTY OF ROCKLAND, NEW YORK

GENERAL FUND
 COMPARATIVE SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES
 IN FUND BALANCE - BUDGET AND ACTUAL
 YEARS ENDED DECEMBER 31, 2010 AND 2009

	2010			Variance with Final Budget Positive (Negative)
	Original Budget	Final Budget	Actual	
Revenues:				
Real property taxes	\$ 60,500,000	\$ 60,500,000	\$ 59,249,591	\$ (1,250,409)
Other tax items	9,975,000	9,975,000	4,941,267	(5,033,733)
Non-property taxes	184,275,000	184,275,000	173,232,759	(11,042,241)
Departmental income	29,058,325	29,250,423	31,096,125	1,845,702
Use of money and property	2,210,500	2,210,500	1,830,845	(379,655)
Licenses and permits	1,921,000	1,921,000	1,860,390	(60,610)
Fines and forfeitures	901,040	901,040	884,600	(16,440)
Sale of property and compensation for loss	34,500	41,358	456,659	415,301
Interfund revenues	24,782,885	24,782,885	23,171,655	(1,611,230)
State aid	95,126,345	98,892,140	75,681,152	(23,210,988)
Federal aid	57,360,225	67,880,023	74,445,874	6,565,851
Miscellaneous	3,100,000	8,330,294	1,170,364	(7,159,930)
Total Revenues	469,244,820	488,959,663	448,021,281	(40,938,382)
Expenditures:				
Current:				
General government support	63,512,010	70,699,741	63,793,645	6,906,096
Education	72,858,785	69,031,783	60,029,496	9,002,287
Public safety	65,046,578	67,789,019	68,157,961	(368,942)
Health	37,383,108	43,501,745	41,393,398	2,108,347
Transportation	28,422,632	30,135,132	27,411,754	2,723,378
Economic opportunity and development	164,626,065	171,915,352	171,991,637	(76,285)
Culture and recreation	511,739	541,489	510,699	30,790
Home and community services	7,783,786	7,845,285	7,944,728	(99,443)
Employee benefits	11,193,685	11,193,685	10,146,078	1,047,607
Debt service - Interest	3,416,000	3,416,000	2,565,723	850,277
Total Expenditures	454,754,388	476,069,231	453,945,119	22,124,112
Excess (Deficiency) of Revenues Over Expenditures	14,490,432	12,890,432	(5,923,838)	(18,814,270)
Other Financing Sources (Uses):				
Bonds issued	8,500,000	8,500,000	8,500,000	-
New York State loan	2,300,000	2,300,000	3,656,631	1,356,631
Transfers in	6,905,630	6,905,630	9,741,422	2,835,792
Transfers out	(34,162,635)	(32,562,635)	(32,203,255)	359,380
Total Other Financing Uses	(16,457,005)	(14,857,005)	(10,305,202)	4,551,803
Net Change in Fund Balance	(1,966,573)	(1,966,573)	(16,229,040)	(14,262,467)
Fund Balance - Beginning of Year	1,966,573	1,966,573	12,274,248	10,307,675
Fund Balance (Deficit) - End of Year	\$ -	\$ -	\$ (3,954,792)	\$ (3,954,792)

2009

Original Budget	Final Budget	Actual	Variance with Final Budget Positive (Negative)
\$ 59,100,000	\$ 59,100,000	\$ 58,446,556	\$ (653,444)
9,125,000	9,125,000	8,326,783	(798,217)
192,360,000	192,360,000	166,731,320	(25,628,680)
37,824,350	38,820,495	36,068,175	(2,752,320)
2,835,500	2,835,500	1,093,835	(1,741,665)
1,886,000	1,886,000	1,964,258	78,258
934,505	1,143,005	1,123,747	(19,258)
70,000	70,000	53,969	(16,031)
14,698,050	14,698,050	14,679,291	(18,759)
97,593,039	101,248,126	91,656,252	(9,591,874)
40,521,624	49,899,948	62,640,323	12,740,375
2,142,000	2,179,383	10,290,708	8,111,325
<u>459,090,068</u>	<u>473,365,507</u>	<u>453,075,217</u>	<u>(20,290,290)</u>
66,561,134	68,468,789	59,499,136	8,969,653
71,640,973	65,925,823	64,602,751	1,323,072
58,190,182	62,068,393	61,580,954	487,439
41,038,990	42,921,622	39,419,209	3,502,413
30,030,562	31,641,262	27,792,297	3,848,965
159,242,498	172,614,120	170,386,364	2,227,756
575,127	604,897	598,820	6,077
7,604,013	7,744,312	7,649,641	94,671
9,310,000	9,365,000	9,025,399	339,601
2,131,000	2,131,000	2,126,864	4,136
<u>446,324,479</u>	<u>463,485,218</u>	<u>442,681,435</u>	<u>20,803,783</u>
<u>12,765,589</u>	<u>9,880,289</u>	<u>10,393,782</u>	<u>513,493</u>
-	2,900,000	2,900,000	-
-	-	-	-
10,310,392	10,310,392	8,240,392	(2,070,000)
<u>(32,644,526)</u>	<u>(32,659,226)</u>	<u>(32,517,989)</u>	<u>141,237</u>
<u>(22,334,134)</u>	<u>(19,448,834)</u>	<u>(21,377,597)</u>	<u>(1,928,763)</u>
<u>(9,568,545)</u>	<u>(9,568,545)</u>	<u>(10,983,815)</u>	<u>(1,415,270)</u>
<u>9,568,545</u>	<u>9,568,545</u>	<u>23,258,063</u>	<u>13,689,518</u>
<u>\$ -</u>	<u>\$ -</u>	<u>\$ 12,274,248</u>	<u>\$ 12,274,248</u>

COUNTY OF ROCKLAND, NEW YORK

GENERAL FUND
 SCHEDULE OF REVENUES AND OTHER FINANCING SOURCES COMPARED TO BUDGET
 YEAR ENDED DECEMBER 31, 2010
 (With Comparative Actuals for 2009)

	Original Budget	Final Budget	Actual	Variance with Final Budget Positive (Negative)	2009 Actual
REAL PROPERTY TAXES	\$ 60,500,000	\$ 60,500,000	\$ 59,249,591	\$ (1,250,409)	\$ 58,446,556
OTHER TAX ITEMS					
Interest and penalties on real property taxes	8,100,000	8,100,000	4,737,710	(3,362,290)	8,149,546
Gain on sale of tax acquired property	1,650,000	1,650,000	55,809	(1,594,191)	-
Payments in lieu of taxes	225,000	225,000	147,748	(77,252)	177,237
Total Other Tax Items	9,975,000	9,975,000	4,941,267	(5,033,733)	8,326,783
NON-PROPERTY TAXES					
Sales and use tax	178,350,000	178,350,000	169,152,688	(9,197,312)	162,439,750
Mortgage tax	5,500,000	5,500,000	3,537,937	(1,962,063)	3,951,076
E-911 surcharge	425,000	425,000	542,134	117,134	340,494
Total Non-Property Taxes	184,275,000	184,275,000	173,232,759	(11,042,241)	166,731,320
DEPARTMENTAL INCOME					
General government support	7,178,200	7,285,834	6,689,301	(596,533)	6,585,013
Public safety	2,110,500	2,234,162	1,764,522	(469,640)	1,610,586
Health	4,710,205	4,671,007	4,279,322	(391,685)	4,010,535
Transportation	8,969,000	8,969,000	7,204,748	(1,764,252)	7,384,293
Economic Opportunity & Development	3,873,000	3,873,000	7,909,501	4,036,501	5,616,565
Home & Community Services	30,000	30,000	52,571	22,571	33,703
Employee benefits	2,187,420	2,187,420	3,196,160	1,008,740	3,149,589
Total Departmental Income	29,058,325	29,250,423	31,096,125	1,845,702	28,390,284
USE OF MONEY AND PROPERTY					
Earnings on investments	1,000,000	1,000,000	1,207,909	207,909	504,419
Rental of real property	1,210,500	1,210,500	622,936	(587,564)	589,416
Total Use of Money and Property	2,210,500	2,210,500	1,830,845	(379,655)	1,093,835
LICENSES AND PERMITS					
Licenses	1,321,000	1,321,000	1,229,729	(91,271)	1,297,752
Alarm charges	600,000	600,000	630,661	30,661	666,506
Total Licenses and Permits	1,921,000	1,921,000	1,860,390	(60,610)	1,964,258
FINES AND FORFEITURES					
Fines	878,040	878,040	829,041	(48,999)	789,606
Forfeitures	23,000	23,000	55,559	32,559	334,141
Total Fines and Forfeitures	901,040	901,040	884,600	(16,440)	1,123,747
SALE OF PROPERTY AND COMPENSATION FOR LOSS					
Other sales	33,500	33,500	446,846	413,346	28,028
Insurance recoveries	1,000	7,858	9,813	1,955	25,941
Total Sale of Property and Compensation for Loss	34,500	41,358	456,659	415,301	53,969

(Continued)

COUNTY OF ROCKLAND, NEW YORK

GENERAL FUND

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

YEAR ENDED DECEMBER 31, 2010

(With Comparative Actuals for 2009)

	Original Budget	Final Budget	Actual	Variance with Final Budget Positive (Negative)	2009 Actual
INTERFUND REVENUES					
Liability and Health insurance	\$ 557,000	\$ 557,000	\$ 526,200	\$ (30,800)	\$ 490,731
Interfund Revenues - Central services	12,899,700	12,899,700	12,802,064	(97,636)	13,126,255
Community College Fund	11,326,185	11,326,185	9,843,391	(1,482,794)	8,740,196
Total Interfund Revenues	<u>24,782,885</u>	<u>24,782,885</u>	<u>23,171,655</u>	<u>(1,611,230)</u>	<u>22,357,182</u>
STATE AID					
General government support	2,736,000	2,818,853	1,229,813	(1,589,040)	1,543,836
Public safety	1,981,570	2,826,315	2,521,134	(305,181)	2,382,124
Health	48,807,815	49,668,127	35,828,670	(13,839,457)	48,786,144
Transportation	15,317,000	15,317,000	13,197,030	(2,119,970)	13,781,031
Economic opportunity & development	26,113,960	28,149,393	22,840,648	(5,308,745)	25,067,998
Culture & recreation	170,000	112,452	63,857	(48,595)	89,228
Home & community services	-	-	-	-	5,891
Total State Aid	<u>95,126,345</u>	<u>98,892,140</u>	<u>75,681,152</u>	<u>(23,210,988)</u>	<u>91,656,252</u>
FEDERAL AID					
General government support	839,425	1,847,639	1,685,015	(162,624)	1,887,750
Public safety	834,190	1,664,565	4,238,365	2,573,800	12,859,728
Health	10,943,760	14,985,471	22,404,431	7,418,960	3,985,927
Transportation	3,375,000	5,175,000	5,565,389	390,389	2,597,221
Economic opportunity & development	41,167,850	43,926,604	40,300,609	(3,625,995)	41,019,312
Home & community services	200,000	280,744	252,065	(28,679)	290,385
Total Federal Aid	<u>57,360,225</u>	<u>67,880,023</u>	<u>74,445,874</u>	<u>6,565,851</u>	<u>62,640,323</u>
MISCELLANEOUS					
Refund of prior year's expenditures	50,000	50,000	12,595	(37,405)	-
OTB distributed earnings	1,500,000	1,500,000	925,463	(574,537)	1,148,379
Other	1,550,000	6,780,294	232,306	(6,547,988)	9,142,329
Total Miscellaneous	<u>3,100,000</u>	<u>8,330,294</u>	<u>1,170,364</u>	<u>(7,159,930)</u>	<u>10,290,708</u>
TOTAL REVENUES	<u>469,244,820</u>	<u>488,959,663</u>	<u>448,021,281</u>	<u>(40,938,382)</u>	<u>453,075,217</u>
OTHER FINANCING SOURCES					
Bond proceeds	8,500,000	8,500,000	8,500,000	-	2,900,000
New York State Loan proceeds	2,300,000	2,300,000	3,656,631	1,356,631	-
Transfers in:					
Debt Service Fund	4,800,000	4,800,000	7,135,792	2,335,792	3,000,000
Rockland Tobacco Asset Securitization Corp	-	-	2,000,000	2,000,000	-
Capital Projects Fund	2,105,630	2,105,630	605,630	(1,500,000)	5,240,392
TOTAL OTHER FINANCING SOURCES	<u>17,705,630</u>	<u>17,705,630</u>	<u>21,898,053</u>	<u>4,192,423</u>	<u>11,140,392</u>
TOTAL REVENUES AND OTHER FINANCING SOURCES	<u>\$ 486,950,450</u>	<u>\$ 506,665,293</u>	<u>\$ 469,919,334</u>	<u>\$ (36,745,959)</u>	<u>\$ 464,215,609</u>

COUNTY OF ROCKLAND, NEW YORK

GENERAL FUND
 SCHEDULE OF EXPENDITURES AND OTHER FINANCING USES COMPARED TO BUDGET
 YEAR ENDED DECEMBER 31, 2010
 (With Comparative Actuals for 2009)

	Original Budget	Final Budget	Actual	Variance with Final Budget Positive (Negative)	2009 Actual
GENERAL GOVERNMENT SUPPORT					
Legislative Branch	\$ 4,008,231	\$ 3,976,731	\$ 3,779,389	\$ 197,342	\$ 3,701,924
County Executive	4,760,487	4,779,917	3,438,547	1,341,370	3,735,177
Youth Bureau	1,929,621	2,770,298	2,301,792	468,506	2,408,077
Community Development Program	1,469,205	1,463,005	1,415,401	47,604	1,417,915
District Attorney	8,039,679	12,185,462	12,086,109	99,353	7,834,370
Public Defender	3,325,740	3,343,910	3,369,379	(25,469)	3,163,315
Assigned Counsel	1,372,000	1,372,000	1,280,832	91,168	1,431,198
Medical Examiner	1,561,815	1,633,815	1,648,682	(14,867)	1,656,147
Department of Budget and Finance	5,157,737	5,206,837	5,333,963	(127,126)	4,913,892
Department of Records	4,333,731	4,445,831	4,505,677	(59,846)	4,199,597
Department of Law	3,231,865	3,226,365	3,090,462	135,903	3,381,194
Department of Personnel	4,320,190	4,316,990	4,799,607	(482,617)	4,284,101
Board of Elections	3,173,671	3,314,152	3,228,104	86,048	2,870,085
Other General Departments	2,288,371	2,288,371	1,480,920	807,451	2,813,862
Department of Insurance	1,056,481	1,056,081	890,566	165,515	869,979
Revenue Sharing - Sales Tax	11,125,000	11,125,000	10,680,541	444,459	10,203,194
Contingent fund	1,735,418	3,572,208	-	3,572,208	-
Department of Tourism	531,658	531,658	372,564	159,094	516,594
Contract Agencies - General Government Support	91,110	91,110	91,110	-	98,515
Total General Government Support	63,512,010	70,699,741	63,793,645	6,906,096	59,499,136
EDUCATION					
Community College - Tuition	1,500,000	1,500,000	1,662,945	(162,945)	1,651,553
Contribution to Community College Fund	15,759,435	15,759,435	16,955,308	(1,195,873)	15,385,538
Education of handicapped children	55,599,350	51,772,348	41,411,243	10,361,105	47,565,660
Total Education	72,858,785	69,031,783	60,029,496	9,002,287	64,602,751
PUBLIC SAFETY					
Office of the Sheriff	24,826,041	26,605,270	26,185,623	419,647	23,397,930
Correctional Facility	26,552,164	27,058,136	27,758,396	(700,260)	24,860,700
Narcotics task force	3,296,373	3,291,773	3,620,690	(328,917)	2,950,746
Probation Department	5,987,007	6,157,114	6,117,808	39,306	6,225,955
Department of Fire and Emergency Services	3,478,825	3,618,171	3,518,773	99,398	3,240,500
E-911 telephone system	789,898	942,285	840,221	102,064	779,403
Contract Agencies - Public Safety	116,270	116,270	116,450	(180)	125,720
Total Public Safety	65,046,578	67,789,019	68,157,961	(368,942)	61,580,954
HEALTH					
Department of Health	26,985,663	32,906,028	32,133,192	772,836	29,848,087
Department of Mental Health	866,580	866,580	325,415	541,165	204,346
Contracted mental health services	8,965,295	9,163,567	8,369,221	794,346	8,755,346
Contracted health services	565,570	565,570	565,570	-	611,430
Total Health	37,383,108	43,501,745	41,393,398	2,108,347	39,419,209
TRANSPORTATION					
Public transportation	28,422,632	30,135,132	27,411,754	2,723,378	27,792,297

(Continued)

COUNTY OF ROCKLAND, NEW YORK

GENERAL FUND

SCHEDULE OF EXPENDITURES AND OTHER FINANCING USES COMPARED TO BUDGET (Continued)

YEAR ENDED DECEMBER 31, 2010

(With Comparative Actuals for 2009)

	Original Budget	Final Budget	Actual	Variance with Final Budget Positive (Negative)	2009 Actual
ECONOMIC OPPORTUNITY AND DEVELOPMENT					
Department of Social Services	\$ 55,313,302	\$ 57,917,309	\$ 56,430,749	\$ 1,486,560	\$ 55,653,902
Social Services Program Grants	100,215,045	104,565,045	106,335,739	(1,770,694)	105,784,967
Veterans' Service Agency	562,680	562,180	588,080	(25,900)	523,227
Consumer Protection	2,031,646	2,031,046	2,018,744	12,302	1,865,140
Office of the Aging	5,226,942	5,563,322	5,343,165	220,157	5,179,123
Contract Agencies - Economic Opportunity & Developme	1,276,450	1,276,450	1,275,160	1,290	1,380,005
Total Economic Opportunity and Development	164,626,065	171,915,352	171,991,637	(76,285)	170,386,364
CULTURE AND RECREATION					
County Historian	5,719	5,719	261	5,458	7,932
Contract Agencies - Culture and Recreation	506,020	535,770	510,438	25,332	590,888
Total Culture and Recreation	511,739	541,489	510,699	30,790	598,820
HOME AND COMMUNITY SERVICES					
Department of Planning	3,161,957	3,141,957	3,136,583	5,374	2,878,956
Commission of Human Rights	470,661	551,405	566,308	(14,903)	523,651
Commissioner of Labor	22,760	22,760	17,878	4,882	19,315
Department of Environmental Resources	2,175,843	2,174,848	2,272,176	(97,328)	2,115,134
Contract Agencies - Home and Community Services	1,952,565	1,954,315	1,951,783	2,532	2,112,585
Total Home and Community Services	7,783,786	7,845,285	7,944,728	(99,443)	7,649,641
EMPLOYEE BENEFITS - UNDISTRIBUTED					
Workers Compensation - RCC	200,000	200,000	-	200,000	-
Retirement - RCC	1,140,685	1,140,685	844,161	296,524	-
Hospital & Medical Insurance - RCC	9,843,000	9,843,000	9,301,917	541,083	9,025,399
Employee Tuition - RCC	10,000	10,000	-	10,000	-
Total Employee Benefits - RCC	11,193,685	11,193,685	10,146,078	1,047,607	9,025,399
DEBT SERVICE					
Interest:					
Bond anticipation notes	1,516,000	1,516,000	723,779	792,221	562,420
Revenue anticipation notes	1,000,000	1,000,000	969,444	30,556	1,564,444
Tax anticipation notes	900,000	900,000	872,500	27,500	-
Total Debt Service	3,416,000	3,416,000	2,565,723	850,277	2,126,864
TOTAL EXPENDITURES	454,754,388	476,069,231	453,945,119	22,124,112	442,681,435
OTHER FINANCING USES					
Transfers out:					
Contribution- Capital	-	-	937,000	(937,000)	410,000
Contribution - County Road Fund	8,777,306	8,777,306	8,777,306	-	8,678,326
Contribution - Road Machinery Fund	1,282,074	1,282,074	1,282,074	-	1,317,900
Contribution - Hospital Fund	2,482,255	882,255	-	882,255	-
Contribution - Debt Service Fund	21,621,000	21,621,000	21,206,875	414,125	22,111,763
TOTAL OTHER FINANCING USES	34,162,635	32,562,635	32,203,255	359,380	32,517,989
TOTAL EXPENDITURES AND OTHER FINANCING USES	\$ 488,917,023	\$ 508,631,866	\$ 486,148,374	\$ 22,483,492	\$ 475,199,424

COUNTY OF ROCKLAND, NEW YORK

CAPITAL PROJECTS FUND
 COMPARATIVE BALANCE SHEET
 DECEMBER 31, 2010 AND 2009

	<u>2010</u>	<u>2009</u>
<u>ASSETS</u>		
Cash - Demand deposits	\$ 59,446,846	\$ 61,837,591
Receivables:		
Accounts	380,318	-
State and Federal aid	3,313,166	8,520,087
	<u>3,693,484</u>	<u>8,520,087</u>
Restricted Cash	<u>6,317,176</u>	<u>-</u>
Total Assets	<u>\$ 69,457,506</u>	<u>\$ 70,357,678</u>
<u>LIABILITIES AND FUND BALANCE</u>		
Liabilities:		
Accounts payable	\$ 11,782,044	\$ 13,393,301
Due to other governments	24,170,926	11,074,086
Due to other funds	42,884	899,849
Bond anticipation notes payable	29,958,500	37,286,000
Total Liabilities	<u>65,954,354</u>	<u>62,653,236</u>
Fund Balance:		
Reserved for parklands	44,000	44,000
Unreserved:		
Designated for transportation projects	837,236	347,216
Undesignated	2,621,916	7,313,226
Total Fund Balance	<u>3,503,152</u>	<u>7,704,442</u>
Total Liabilities and Fund Balance	<u>\$ 69,457,506</u>	<u>\$ 70,357,678</u>

COUNTY OF ROCKLAND, NEW YORK

**CAPITAL PROJECTS FUND
COMPARATIVE STATEMENT OF REVENUES, EXPENDITURES
AND CHANGES IN FUND BALANCE
YEARS ENDED DECEMBER 31, 2010 AND 2009**

	<u>2010</u>	<u>2009</u>
Revenues:		
State aid	\$ 2,595,228	\$ 2,973,157
Federal aid	9,478,175	9,236,448
Miscellaneous	396,224	80,708
	<u>12,469,627</u>	<u>12,290,313</u>
Expenditures - Capital Outlay	<u>56,470,847</u>	<u>50,083,709</u>
Deficiency of Revenues Over Expenditures	<u>(44,001,220)</u>	<u>(37,793,396)</u>
Other Financing Sources (Uses):		
Bonds issued	47,545,142	-
New York State Loan	4,046,967	-
Transfers in	1,065,000	1,255,500
Transfers out	<u>(12,857,179)</u>	<u>(7,349,524)</u>
Total Other Financing Sources (Uses)	<u>39,799,930</u>	<u>(6,094,024)</u>
Net Change in Fund Balance	(4,201,290)	(43,887,420)
Fund Balance - Beginning of Year	<u>7,704,442</u>	<u>51,591,862</u>
Fund Balance - End of Year	<u>\$ 3,503,152</u>	<u>\$ 7,704,442</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 GOVERNMENTAL FUNDS
 DECEMBER 31, 2010
 (With Comparative Totals for 2009)

<u>ASSETS</u>	<u>Special Revenue Funds</u>	<u>Debt Service Fund</u>
Cash and Equivalents	\$ 24,471,763	\$ 14,745,343
Investments	-	-
Receivables:		
Accounts	404,116	-
Loans	7,143,382	-
State and Federal aid	1,873,393	4,252
Due from other funds	1,168,606	-
	<u>10,589,497</u>	<u>4,252</u>
Prepaid Expenditures	<u>341,936</u>	-
Total Assets	<u>\$ 35,403,196</u>	<u>\$ 14,749,595</u>
<u>LIABILITIES AND FUND BALANCES</u>		
Liabilities:		
Accounts payable	\$ 1,752,141	\$ -
Accrued liabilities	708,832	-
Due to other funds	580,641	183,169
Deferred revenues - Other	7,485,867	-
Total Liabilities	<u>10,527,481</u>	<u>183,169</u>
Fund Balances:		
Reserved for encumbrances	2,623,078	-
Reserved for prepaid expenditures	341,936	-
Reserved for social service programs	33,895	-
Reserved for compensated absences	-	-
Reserved for debt service	-	8,806,426
Unreserved:		
Designated for affordable housing	225,000	-
Designated for treatment plant and collection system	1,010,575	-
Designated for subsequent year's expenditures	1,920,580	5,760,000
Undesignated	18,720,651	-
Total Fund Balances	<u>24,875,715</u>	<u>14,566,426</u>
Total Liabilities and Fund Balances	<u>\$ 35,403,196</u>	<u>\$ 14,749,595</u>

Totals	
2010	2009
\$ 39,217,106	\$ 28,121,285
-	225,000
404,116	451,644
7,143,382	7,741,152
1,877,645	670,178
1,168,606	3,851,803
10,593,749	12,714,777
341,936	273,485
<u>\$ 50,152,791</u>	<u>\$ 41,334,547</u>
\$ 1,752,141	\$ 696,989
708,832	1,126,797
763,810	184,505
7,485,867	7,771,274
10,710,650	9,779,565
2,623,078	2,414,708
341,936	273,485
33,895	35,324
-	1,954,252
8,806,426	3,039,189
225,000	225,000
1,010,575	859,925
7,680,580	8,443,479
18,720,651	14,309,620
39,442,141	31,554,982
<u>\$ 50,152,791</u>	<u>\$ 41,334,547</u>

COUNTY OF ROCKLAND, NEW YORK

COMBINING STATEMENT OF REVENUES, EXPENDITURES AND CHANGES
 IN FUND BALANCES
 NON-MAJOR GOVERNMENTAL FUNDS
 YEAR ENDED DECEMBER 31, 2010
 (With Comparative Totals for 2009)

	Special Revenue Funds	Debt Service Fund
Revenues:		
Real property taxes	\$ 28,550,488	\$ -
Other tax items	150,650	-
Departmental income	1,104,874	-
Use of money and property	107,944	481,465
Licenses and permits	51,718	-
Fines and forfeitures	21,150	-
Sale of property and compensation for loss	60,887	-
Interfund revenues	536,573	-
State aid	1,586,662	1,537,004
Federal aid	5,095,736	340,112
Miscellaneous	835,289	77,899
Total Revenues	<u>38,101,971</u>	<u>2,436,480</u>
Expenditures:		
Current:		
Transportation	15,939,224	-
Economic opportunity and development	4,628,682	-
Home and community services	15,612,315	-
Employee benefits	3,021,026	-
Debt service:		
Principal	-	20,097,765
Interest	180,517	9,425,775
Refunding bond issuance insurance costs	-	409,034
Total Expenditures	<u>39,381,764</u>	<u>29,932,574</u>
Deficiency of Revenues Over Expenditures	<u>(1,279,793)</u>	<u>(27,496,094)</u>
Other Financing Sources (Uses):		
Refunding bonds issued	-	18,989,304
Payment to refunding bond escrow agent	-	(19,432,448)
Issuance premium	-	852,178
Transfers in	12,884,380	39,251,018
Transfers out	(8,444,665)	(7,436,721)
Total Other Financing Sources	<u>4,439,715</u>	<u>32,223,331</u>
Net Change in Fund Balances	3,159,922	4,727,237
Fund Balances - Beginning of Year	<u>21,715,793</u>	<u>9,839,189</u>
Fund Balances - End of Year	<u>\$ 24,875,715</u>	<u>\$ 14,566,426</u>

Totals	
2010	2009
\$ 28,550,488	\$ 28,582,179
150,650	101,000
1,104,874	239,050
589,409	1,401,857
51,718	256,368
21,150	14,645
60,887	14,718
536,573	555,952
3,123,666	1,839,933
5,435,848	5,481,082
913,188	933,655
<u>40,538,451</u>	<u>39,420,439</u>
15,939,224	14,950,680
4,628,682	5,165,889
15,612,315	15,064,697
3,021,026	2,574,793
20,097,765	19,684,472
9,606,292	11,221,830
409,034	329,477
<u>69,314,338</u>	<u>68,991,838</u>
<u>(28,775,887)</u>	<u>(29,571,399)</u>
18,989,304	19,140,422
(19,432,448)	(19,500,420)
852,178	689,475
52,135,398	44,289,597
(15,881,386)	(13,917,976)
<u>36,663,046</u>	<u>30,701,098</u>
7,887,159	1,129,699
<u>31,554,982</u>	<u>30,425,283</u>
<u>\$ 39,442,141</u>	<u>\$ 31,554,982</u>

COUNTY OF ROCKLAND, NEW YORK

COMBINING BALANCE SHEET
 NON-MAJOR SPECIAL REVENUE FUNDS
 DECEMBER 31, 2010
 (With Comparative Totals for 2009)

	<u>County Road Fund</u>	<u>Road Machinery Fund</u>	<u>Community Development Fund</u>
<u>ASSETS</u>			
Cash:			
Demand deposits	\$ -	\$ -	\$ 567,485
Time deposits	-	-	-
Petty cash	100	-	-
	<u>100</u>	<u>-</u>	<u>567,485</u>
Investments	<u>-</u>	<u>-</u>	<u>-</u>
Receivables:			
Accounts	76,343	26	-
Loans	-	-	7,143,382
State and Federal aid	1,163,270	106,241	580,641
Due from other funds	11,453	436,282	-
	<u>1,251,066</u>	<u>542,549</u>	<u>7,724,023</u>
Prepaid Expenditures	<u>166,970</u>	<u>16,115</u>	<u>-</u>
Total Assets	<u>\$ 1,418,136</u>	<u>\$ 558,664</u>	<u>\$ 8,291,508</u>
<u>LIABILITIES AND FUND BALANCES</u>			
Liabilities:			
Accounts payable	\$ 370,585	\$ 127,422	\$ -
Accrued liabilities	364,752	51,172	-
Due to other funds	-	-	580,641
Deferred revenues - Other	-	-	7,485,867
Total Liabilities	<u>735,337</u>	<u>178,594</u>	<u>8,066,508</u>
Fund Balances:			
Reserved for encumbrances	250,436	95,028	-
Reserved for prepaid expenditures	166,970	16,115	-
Reserved for social service programs	-	-	-
Reserved for compensated absences	-	-	-
Unreserved:			
Designated for affordable housing	-	-	225,000
Designated for treatment plant and collection system	-	-	-
Designated for subsequent year's expenditures	-	-	-
Undesignated	265,393	268,927	-
Total Fund Balances	<u>682,799</u>	<u>380,070</u>	<u>225,000</u>
Total Liabilities and Fund Balances	<u>\$ 1,418,136</u>	<u>\$ 558,664</u>	<u>\$ 8,291,508</u>

Sewer District Fund	Special Purpose Fund	Totals	
		2010	2009
\$ 23,870,283	\$ 33,895	\$ 24,471,663	\$ 19,253,789
-	-	-	35,324
-	-	100	100
<u>23,870,283</u>	<u>33,895</u>	<u>24,471,763</u>	<u>19,289,213</u>
-	-	-	225,000
327,747	-	404,116	451,644
-	-	7,143,382	7,741,152
23,241	-	1,873,393	488,971
<u>720,871</u>	<u>-</u>	<u>1,168,606</u>	<u>3,024,898</u>
<u>1,071,859</u>	<u>-</u>	<u>10,589,497</u>	<u>11,706,665</u>
<u>158,851</u>	<u>-</u>	<u>341,936</u>	<u>273,485</u>
<u>\$ 25,100,993</u>	<u>\$ 33,895</u>	<u>\$ 35,403,196</u>	<u>\$ 31,494,363</u>
\$ 1,254,134	\$ -	\$ 1,752,141	\$ 696,989
292,908	-	708,832	1,125,802
-	-	580,641	184,505
-	-	<u>7,485,867</u>	<u>7,771,274</u>
<u>1,547,042</u>	<u>-</u>	<u>10,527,481</u>	<u>9,778,570</u>
2,277,614	-	2,623,078	2,414,708
158,851	-	341,936	273,485
-	33,895	33,895	35,324
-	-	-	1,954,252
-	-	225,000	225,000
1,010,575	-	1,010,575	859,925
1,920,580	-	1,920,580	1,643,479
<u>18,186,331</u>	<u>-</u>	<u>18,720,651</u>	<u>14,309,620</u>
<u>23,553,951</u>	<u>33,895</u>	<u>24,875,715</u>	<u>21,715,793</u>
<u>\$ 25,100,993</u>	<u>\$ 33,895</u>	<u>\$ 35,403,196</u>	<u>\$ 31,494,363</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, 2010
 (With Comparative Totals for 2009)

	County Road Fund	Road Machinery Fund	Community Development Fund
Revenues:			
Real property taxes	\$ -	\$ -	\$ -
Other tax items	-	-	-
Departmental income	116,564	8,422	-
Use of money and property	-	-	5,045
Licenses and permits	51,718	-	-
Fines and forfeitures	7,085	-	-
Sale of property and compensation for loss	48,053	1,165	-
Interfund revenues	504,575	-	-
State aid	1,581,543	-	-
Federal aid	378,246	106,241	4,611,249
Miscellaneous	68,193	42,329	10,770
Total Revenues	2,755,977	158,157	4,627,064
Expenditures:			
Current:			
Transportation	14,193,804	1,745,420	-
Economic opportunity and development	-	-	4,627,064
Home and community services	-	-	-
Employee benefits	-	-	-
Debt service - Interest	-	-	-
Total Expenditures	14,193,804	1,745,420	4,627,064
Excess (Deficiency) of Revenues Over Expenditures	(11,437,827)	(1,587,263)	-
Other Financing Sources (Uses):			
Transfers in	11,102,306	1,282,074	-
Transfers out	-	-	-
Total Other Financing Sources (Uses)	11,102,306	1,282,074	-
Net Change in Fund Balances	(335,521)	(305,189)	-
Fund Balances - Beginning of Year	1,018,320	685,259	225,000
Fund Balances - End of Year	\$ 682,799	\$ 380,070	\$ 225,000

Sewer District Fund	Special Purpose Fund	Totals	
		2010	2009
\$ 28,550,488	\$ -	\$ 28,550,488	\$ 28,582,179
150,650	-	150,650	101,000
979,888	-	1,104,874	239,050
102,710	189	107,944	183,387
-	-	51,718	256,368
14,065	-	21,150	14,645
11,669	-	60,887	14,718
31,998	-	536,573	555,952
5,119	-	1,586,662	1,557,885
-	-	5,095,736	5,175,559
713,997	-	835,289	853,005
<u>30,560,584</u>	<u>189</u>	<u>38,101,971</u>	<u>37,533,748</u>
-	-	15,939,224	14,950,680
-	1,618	4,628,682	5,165,889
15,612,315	-	15,612,315	15,064,697
3,021,026	-	3,021,026	2,574,793
<u>180,517</u>	<u>-</u>	<u>180,517</u>	<u>152,064</u>
<u>18,813,858</u>	<u>1,618</u>	<u>39,381,764</u>	<u>37,908,123</u>
<u>11,746,726</u>	<u>(1,429)</u>	<u>(1,279,793)</u>	<u>(374,375)</u>
500,000	-	12,884,380	13,061,226
(8,444,665)	-	(8,444,665)	(9,480,476)
<u>(7,944,665)</u>	<u>-</u>	<u>4,439,715</u>	<u>3,580,750</u>
3,802,061	(1,429)	3,159,922	3,206,375
<u>19,751,890</u>	<u>35,324</u>	<u>21,715,793</u>	<u>18,509,418</u>
<u>\$ 23,553,951</u>	<u>\$ 33,895</u>	<u>\$ 24,875,715</u>	<u>\$ 21,715,793</u>

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COUNTY OF ROCKLAND, NEW YORK

COUNTY ROAD FUND
 COMPARATIVE BALANCE SHEET
 DECEMBER 31, 2010 AND 2009

	<u>2010</u>	<u>2009</u>
<u>ASSETS</u>		
Cash - Petty cash	\$ 100	\$ 100
Receivables:		
Accounts	76,343	158,314
State and Federal aid	1,163,270	272,224
Due from other funds	11,453	1,236,555
	<u>1,251,066</u>	<u>1,667,093</u>
Prepaid Expenditures	<u>166,970</u>	<u>133,984</u>
Total Assets	<u>\$ 1,418,136</u>	<u>\$ 1,801,177</u>
<u>LIABILITIES AND FUND BALANCE</u>		
Liabilities:		
Accounts payable	\$ 370,585	\$ 231,718
Accrued liabilities	364,752	551,139
Total Liabilities	<u>735,337</u>	<u>782,857</u>
Fund Balance:		
Reserved for encumbrances	250,436	38,138
Reserved for prepaid expenditures	166,970	133,984
Reserved for compensated absences	-	835,066
Unreserved and undesignated	265,393	11,132
Total Fund Balance	<u>682,799</u>	<u>1,018,320</u>
Total Liabilities and Fund Balance	<u>\$ 1,418,136</u>	<u>\$ 1,801,177</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, 2010 AND 2009

	2010			Variance With Final Budget Positive (Negative)
	Original Budget	Final Budget	Actual	
Revenues:				
Departmental income	\$ 109,930	\$ 109,930	\$ 116,564	\$ 6,634
Licenses and permits	40,750	40,750	51,718	10,968
Fines and forfeitures	15,000	15,000	7,085	(7,915)
Sale of property and compensation for loss	120,000	120,000	48,053	(71,947)
Interfund revenues	470,000	470,000	504,575	34,575
State aid	1,301,000	1,798,571	1,581,543	(217,028)
Federal aid	196,240	248,240	378,246	130,006
Miscellaneous	40,000	40,000	68,193	28,193
Total Revenues	2,292,920	2,842,491	2,755,977	(86,514)
Expenditures - Current - Transportation	13,433,364	13,982,935	14,193,804	(210,869)
Deficiency of Revenues Over Expenditures	(11,140,444)	(11,140,444)	(11,437,827)	(297,383)
Other Financing Sources - Transfers in	11,102,306	11,102,306	11,102,306	-
Net Change in Fund Balance	(38,138)	(38,138)	(335,521)	(297,383)
Fund Balance - Beginning of Year	38,138	38,138	1,018,320	980,182
Fund Balance - End of Year	\$ -	\$ -	\$ 682,799	\$ 682,799

2009

Original Budget	Final Budget	Actual	Variance With Final Budget Positive (Negative)
\$ 133,980	\$ 133,980	\$ 120,474	\$ (13,506)
40,000	40,000	256,368	216,368
40,000	40,000	4,300	(35,700)
20,000	20,000	4,760	(15,240)
440,000	440,000	431,925	(8,075)
1,698,000	1,850,000	1,548,432	(301,568)
178,000	226,000	39,885	(186,115)
95,000	95,000	65,944	(29,056)
2,644,980	2,844,980	2,472,088	(372,892)
13,276,969	13,491,669	12,803,305	688,364
(10,631,989)	(10,646,689)	(10,331,217)	315,472
10,563,626	10,578,326	10,578,326	-
(68,363)	(68,363)	247,109	315,472
68,363	68,363	771,211	702,848
<u>\$ -</u>	<u>\$ -</u>	<u>\$ 1,018,320</u>	<u>\$ 1,018,320</u>

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COUNTY OF ROCKLAND, NEW YORK

ROAD MACHINERY FUND
 COMPARATIVE BALANCE SHEET
 DECEMBER 31, 2010 AND 2009

	<u>2010</u>	<u>2009</u>
<u>ASSETS</u>		
Receivables:		
Accounts	\$ 26	\$ -
State and Federal aid	106,241	-
Due from other funds	<u>436,282</u>	<u>789,514</u>
	542,549	789,514
Prepaid Expenditures	<u>16,115</u>	<u>11,938</u>
Total Assets	<u>\$ 558,664</u>	<u>\$ 801,452</u>
<u>LIABILITIES AND FUND BALANCE</u>		
Liabilities:		
Accounts payable	\$ 127,422	\$ 60,323
Accrued liabilities	<u>51,172</u>	<u>55,870</u>
Total Liabilities	<u>178,594</u>	<u>116,193</u>
Fund Balance:		
Reserved for encumbrances	95,028	322,934
Reserved for prepaid expenditures	16,115	11,938
Reserved for compensated absences	-	66,336
Unreserved and undesignated	<u>268,927</u>	<u>284,051</u>
Total Fund Balance	<u>380,070</u>	<u>685,259</u>
Total Liabilities and Fund Balance	<u>\$ 558,664</u>	<u>\$ 801,452</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, 2010 AND 2009

	2010			Variance With Final Budget Positive (Negative)
	Original Budget	Final Budget	Actual	
Revenues:				
Departmental income	\$ 7,480	\$ 7,480	\$ 8,422	\$ 942
Sale of property and compensation for loss	75,000	75,000	1,165	(73,835)
Federal aid	-	-	106,241	106,241
Miscellaneous	40,000	160,000	42,329	(117,671)
Total Revenues	122,480	242,480	158,157	(84,323)
Expenditures - Current - Transportation	1,727,488	1,847,488	1,745,420	102,068
Deficiency of Revenues Over Expenditures	(1,605,008)	(1,605,008)	(1,587,263)	17,745
Other Financing Sources - Transfers in	1,282,074	1,282,074	1,282,074	-
Net Change in Fund Balance	(322,934)	(322,934)	(305,189)	17,745
Fund Balance - Beginning of Year	322,934	322,934	685,259	362,325
Fund Balance - End of Year	\$ -	\$ -	\$ 380,070	\$ 380,070

2009

<u>Original Budget</u>	<u>Final Budget</u>	<u>Actual</u>	<u>Variance With Final Budget Positive (Negative)</u>
\$ 10,060	\$ 10,060	\$ 8,740	\$ (1,320)
75,000	75,000	200	(74,800)
-	-	-	-
<u>47,527</u>	<u>47,527</u>	<u>34,791</u>	<u>(12,736)</u>
132,587	132,587	43,731	(88,856)
<u>2,687,022</u>	<u>2,687,022</u>	<u>2,147,375</u>	<u>539,647</u>
(2,554,435)	(2,554,435)	(2,103,644)	450,791
<u>1,982,900</u>	<u>1,982,900</u>	<u>1,982,900</u>	<u>-</u>
(571,535)	(571,535)	(120,744)	450,791
<u>571,535</u>	<u>571,535</u>	<u>806,003</u>	<u>234,468</u>
<u>\$ -</u>	<u>\$ -</u>	<u>\$ 685,259</u>	<u>\$ 685,259</u>

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COUNTY OF ROCKLAND, NEW YORK

COMMUNITY DEVELOPMENT FUND
 COMPARATIVE BALANCE SHEET
 DECEMBER 31, 2010 AND 2009

	<u>2010</u>	<u>2009</u>
<u>ASSETS</u>		
Cash - Demand deposits	\$ 567,485	\$ 21,121
Investments	-	225,000
Receivables:		
Loans	7,143,382	7,741,152
State and Federal aid	580,641	193,506
	<u>7,724,023</u>	<u>7,934,658</u>
Total Assets	<u>\$ 8,291,508</u>	<u>\$ 8,180,779</u>
<u>LIABILITIES AND FUND BALANCE</u>		
Liabilities:		
Due to other funds	\$ 580,641	\$ 184,505
Deferred revenues - Other	7,485,867	7,771,274
Total Liabilities	8,066,508	7,955,779
Fund Balances - Unreserved - Designated for affordable housing	<u>225,000</u>	<u>225,000</u>
Total Liabilities and Fund Balance	<u>\$ 8,291,508</u>	<u>\$ 8,180,779</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, 2010 AND 2009

	2010			Variance With Final Budget Positive (Negative)
	Original Budget	Final Budget	Actual	
Revenues:				
Use of money and property	\$ -	\$ -	\$ 5,045	\$ 5,045
Federal aid	-	11,011,983	4,611,249	(6,400,734)
Miscellaneous	-	-	10,770	10,770
Total Revenues	-	11,011,983	4,627,064	(6,384,919)
Expenditures - Current - Economic opportunity and development	-	11,011,983	4,627,064	6,384,919
Excess of Revenues Over Expenditures	-	-	-	-
Fund Balance - Beginning of Year	-	-	225,000	225,000
Fund Balance - End of Year	\$ -	\$ -	\$ 225,000	\$ 225,000

2009

<u>Original Budget</u>	<u>Final Budget</u>	<u>Actual</u>	<u>Variance With Final Budget Positive (Negative)</u>
\$ -	\$ -	\$ 5,573	\$ 5,573
-	10,839,232	5,135,674	(5,703,558)
-	-	10,452	10,452
-	10,839,232	5,151,699	(5,687,533)
-	10,839,232	5,151,699	5,687,533
-	-	-	-
-	-	225,000	225,000
<u>\$ -</u>	<u>\$ -</u>	<u>\$ 225,000</u>	<u>\$ 225,000</u>

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COUNTY OF ROCKLAND, NEW YORK

SEWER DISTRICT FUND
 COMPARATIVE BALANCE SHEET
 DECEMBER 31, 2010 AND 2009

	<u>2010</u>	<u>2009</u>
<u>ASSETS</u>		
Cash - Demand deposits	\$ 23,870,283	\$ 19,232,668
Receivables:		
Accounts	327,747	293,330
State and Federal aid	23,241	23,241
Due from other funds	720,871	998,829
	<u>1,071,859</u>	<u>1,315,400</u>
Prepaid Expenditures	<u>158,851</u>	<u>127,563</u>
Total Assets	<u>\$ 25,100,993</u>	<u>\$ 20,675,631</u>
<u>LIABILITIES AND FUND BALANCE</u>		
Liabilities:		
Accounts payable	\$ 1,254,134	\$ 404,948
Accrued liabilities	292,908	518,793
Total Liabilities	<u>1,547,042</u>	<u>923,741</u>
Fund Balance:		
Reserved for encumbrances	2,277,614	2,053,636
Reserved for prepaid expenditures	158,851	127,563
Reserved for compensated absences	-	1,052,850
Unreserved:		
Designated for treatment plant and collection system	1,010,575	859,925
Designated for subsequent year's expenditures	1,920,580	1,643,479
Undesignated	18,186,331	14,014,437
Total Fund Balance	<u>23,553,951</u>	<u>19,751,890</u>
Total Liabilities and Fund Balance	<u>\$ 25,100,993</u>	<u>\$ 20,675,631</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, 2010 AND 2009

	2010			
	Original Budget	Final Budget	Actual	Variance With Final Budget Positive (Negative)
Revenues:				
Real property taxes	\$ 28,345,005	\$ 28,345,005	\$ 28,550,488	\$ 205,483
Other tax items	-	-	150,650	150,650
Departmental income	556,000	556,000	979,888	423,888
Use of money and property	100,000	100,000	102,710	2,710
Fines and forfeitures	-	-	14,065	14,065
Sale of property and compensation for loss	-	-	11,669	11,669
Interfund revenues	-	-	31,998	31,998
State aid	-	7,390	5,119	(2,271)
Miscellaneous	54,730	54,730	713,997	659,267
Total Revenues	29,055,735	29,063,125	30,560,584	1,497,459
Expenditures:				
Current:				
Home and community services	18,363,960	18,371,350	15,612,315	2,759,035
Employee benefits	2,885,890	2,885,890	3,021,026	(135,136)
Debt service - Interest	324,000	324,000	180,517	143,483
Total Expenditures	21,573,850	21,581,240	18,813,858	2,767,382
Excess of Revenues Over Expenditures	7,481,885	7,481,885	11,746,726	4,264,841
Other Financing Sources (Uses):				
Transfers in	500,000	500,000	500,000	-
Transfers out	(11,679,000)	(11,679,000)	(8,444,665)	3,234,335
Total Other Financing Uses	(11,179,000)	(11,179,000)	(7,944,665)	3,234,335
Net Change in Fund Balance	(3,697,115)	(3,697,115)	3,802,061	7,499,176
Fund Balance - Beginning of Year	3,697,115	3,697,115	19,751,890	16,054,775
Fund Balance - End of Year	\$ -	\$ -	\$ 23,553,951	\$ 23,553,951

2009

Original Budget	Final Budget	Actual	Variance With Final Budget Positive (Negative)
\$ 28,344,209	\$ 28,344,209	\$ 28,582,179	\$ 237,970
-	-	101,000	101,000
112,840	112,840	109,836	(3,004)
475,000	475,000	177,469	(297,531)
-	-	10,345	10,345
-	-	9,758	9,758
-	-	124,027	124,027
-	10,044	9,453	(591)
525,000	565,100	741,818	176,718
<u>29,457,049</u>	<u>29,507,193</u>	<u>29,865,885</u>	<u>358,692</u>
18,246,749	18,267,128	15,064,697	3,202,431
2,829,201	2,858,966	2,574,793	284,173
371,000	371,000	152,064	218,936
<u>21,446,950</u>	<u>21,497,094</u>	<u>17,791,554</u>	<u>3,705,540</u>
<u>8,010,099</u>	<u>8,010,099</u>	<u>12,074,331</u>	<u>4,064,232</u>
500,000	500,000	500,000	-
(12,246,000)	(12,246,000)	(9,480,476)	2,765,524
<u>(11,746,000)</u>	<u>(11,746,000)</u>	<u>(8,980,476)</u>	<u>2,765,524</u>
(3,735,901)	(3,735,901)	3,093,855	6,829,756
3,735,901	3,735,901	16,658,035	12,922,134
<u>\$ -</u>	<u>\$ -</u>	<u>\$ 19,751,890</u>	<u>\$ 19,751,890</u>

COUNTY OF ROCKLAND, NEW YORK

SPECIAL PURPOSE FUND
COMPARATIVE BALANCE SHEET
DECEMBER 31, 2010 AND 2009

	<u>2010</u>	<u>2009</u>
<u>ASSETS</u>		
Cash - Time deposits	<u>\$ 33,895</u>	<u>\$ 35,324</u>
 <u>FUND BALANCE</u>		
Reserved for Social Service Programs	<u>\$ 33,895</u>	<u>\$ 35,324</u>

COUNTY OF ROCKLAND, NEW YORK

SPECIAL PURPOSE FUND

COMPARATIVE STATEMENT OF REVENUES, EXPENDITURES AND CHANGES

IN FUND BALANCE

YEARS ENDED DECEMBER 31, 2010 AND 2009

	<u>2010</u>	<u>2009</u>
Revenue - Use of money and property	\$ 189	\$ 345
Expenditures - Current - Economic opportunity and development	<u>1,618</u>	<u>14,190</u>
Deficiency of Revenues Over Expenditures	(1,429)	(13,845)
Fund Balance - Beginning of Year	<u>35,324</u>	<u>49,169</u>
Fund Balance - End of Year	<u>\$ 33,895</u>	<u>\$ 35,324</u>

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COUNTY OF ROCKLAND, NEW YORK

DEBT SERVICE FUND
 COMPARATIVE BALANCE SHEET
 DECEMBER 31, 2010 AND 2009

	<u>2010</u>	<u>2009</u>
<u>ASSETS</u>		
Cash - Demand deposits	\$ 14,745,343	\$ 8,832,072
Receivables:		
State and Federal aid	4,252	181,207
Due from other funds	-	826,905
	<u>4,252</u>	<u>1,008,112</u>
Total Assets	<u>\$ 14,749,595</u>	<u>\$ 9,840,184</u>
<u>LIABILITIES AND FUND BALANCE</u>		
Liabilities:		
Accrued liabilities	\$ -	\$ 995
Due to other funds	<u>183,169</u>	<u>-</u>
Total Liabilities	<u>183,169</u>	<u>995</u>
Fund Balance:		
Reserved for debt service	8,806,426	3,039,189
Unreserved - Designated for subsequent year's expenditures	<u>5,760,000</u>	<u>6,800,000</u>
Total Fund Balance	<u>14,566,426</u>	<u>9,839,189</u>
Total Liabilities and Fund Balance	<u>\$ 14,749,595</u>	<u>\$ 9,840,184</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, 2010 AND 2009

	2010			
	Original Budget	Final Budget	Actual	Variance with Final Budget Positive (Negative)
Revenues:				
Use of money and property	\$ -	\$ -	\$ 481,465	\$ 481,465
State aid	-	-	1,537,004	1,537,004
Federal aid	-	-	340,112	340,112
Miscellaneous	-	-	77,899	77,899
Total Revenues	<u>-</u>	<u>-</u>	<u>2,436,480</u>	<u>2,436,480</u>
Expenditures -				
Debt service - Serial Bonds:				
Principal	21,457,000	21,457,000	20,097,765	1,359,235
Interest	11,710,000	11,710,000	9,425,775	2,284,225
Refunding bond issuance costs	-	409,034	409,034	-
Total Expenditures	<u>33,167,000</u>	<u>33,576,034</u>	<u>29,932,574</u>	<u>3,643,460</u>
Deficiency of Revenues Over Expenditures	<u>(33,167,000)</u>	<u>(33,576,034)</u>	<u>(27,496,094)</u>	<u>6,079,940</u>
Other Financing Sources (Uses):				
Refunding bonds issued	-	18,989,304	18,989,304	-
Payment to refunding bond escrow agent	-	(19,432,448)	(19,432,448)	-
Issuance premium	-	852,178	852,178	-
Transfers in	33,167,000	33,167,000	39,251,018	6,084,018
Transfers out	(6,800,000)	(6,800,000)	(7,436,721)	(636,721)
Total Other Financing Sources	<u>26,367,000</u>	<u>26,776,034</u>	<u>32,223,331</u>	<u>5,447,297</u>
Net Change in Fund Balance	<u>(6,800,000)</u>	<u>(6,800,000)</u>	<u>4,727,237</u>	<u>11,527,237</u>
Fund Balance - Beginning of Year	<u>6,800,000</u>	<u>6,800,000</u>	<u>9,839,189</u>	<u>3,039,189</u>
Fund Balance - End of Year	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 14,566,426</u>	<u>\$ 14,566,426</u>

2009

Original Budget	Final Budget	Actual	Variance with Final Budget Positive (Negative)
\$ -	\$ -	\$ 1,218,470	\$ 1,218,470
-	-	282,048	282,048
-	-	305,523	305,523
-	-	80,650	80,650
-	-	1,886,691	1,886,691
21,165,000	21,165,000	19,684,472	1,480,528
12,534,000	12,534,000	11,069,766	1,464,234
-	329,477	329,477	-
33,699,000	34,028,477	31,083,715	2,944,762
(33,699,000)	(34,028,477)	(29,197,024)	4,831,453
-	19,140,422	19,140,422	-
-	(19,500,420)	(19,500,420)	-
-	689,475	689,475	-
33,699,000	33,699,000	31,228,371	(2,470,629)
(7,500,000)	(7,500,000)	(4,437,500)	3,062,500
26,199,000	26,528,477	27,120,348	591,871
(7,500,000)	(7,500,000)	(2,076,676)	5,423,324
7,500,000	7,500,000	11,915,865	4,415,865
\$ -	\$ -	\$ 9,839,189	\$ 9,839,189

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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 Infirmery 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, 2010 AND 2009

	<u>2010</u>	<u>2009</u>
<u>ASSETS</u>		
Cash and Equivalents	\$ 2,510,222	\$ 4,362,604
Receivables:		
Accounts	12,189,774	4,547,417
Accounts - Patient care, net of allowance for uncollectible amounts	11,349,229	13,175,582
Funds held in trust for residents	328,752	289,392
Inventories	678,661	626,225
Prepaid expenses	1,208,941	1,049,119
Total Current Assets	<u>28,265,579</u>	<u>24,050,339</u>
<u>LIABILITIES</u>		
Capital Assets:		
Land	438,504	438,504
Buildings	47,518,034	47,031,684
Improvements other than buildings	345,975	345,975
Equipment	19,117,696	16,598,170
Construction-in-progress	1,558,621	2,290,129
Less - Accumulated depreciation	<u>(47,408,137)</u>	<u>(45,875,205)</u>
Total Capital Assets, net of accumulated depreciation	<u>21,570,693</u>	<u>20,829,257</u>
Total Assets	<u>49,836,272</u>	<u>44,879,596</u>
Current Liabilities:		
Accounts payable	3,246,855	3,318,405
Estimated third party liabilities	-	276,137
Accrued interest payable	153,986	160,360
Funds held in trust for residents	328,752	289,392
Due to other funds	16,989,773	10,580,668
Advances from other funds	19,439,807	8,776,018
Compensated absences	1,117,907	1,231,144
Due to State of New York by Mental Health units	-	477,511
Deferred revenue	2,175,692	2,690,977
Bond anticipation notes payable	-	485,000
Current maturities of bonds payable	1,461,880	1,299,316
Total Current Liabilities	<u>44,914,652</u>	<u>29,584,928</u>
Noncurrent Liabilities:		
Bonds payable	12,489,758	12,574,871
Compensated absences	10,061,167	11,080,300
Other post employment benefit obligations	56,061,919	40,745,293
Estimated third-party liabilities, net of current portion	<u>2,918,696</u>	<u>2,064,173</u>
Total Noncurrent Liabilities	<u>81,531,540</u>	<u>66,464,637</u>
Total Liabilities	<u>126,446,192</u>	<u>96,049,565</u>
<u>NET ASSETS (DEFICIENCY)</u>		
Invested in Capital Assets, net of related debt	10,070,880	10,662,786
Unrestricted	<u>(86,680,800)</u>	<u>(61,832,755)</u>
Total Deficiency	<u>\$ (76,609,920)</u>	<u>\$ (51,169,969)</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, 2010 AND 2009

	<u>2010</u>	<u>2009</u>
Operating Revenues:		
Charges for services:		
Net patient service revenues	\$ 83,138,572	\$ 84,563,408
Services provided to the County jail	420,500	525,000
Services provided to the County of Rockland	<u>3,074,763</u>	<u>2,909,373</u>
	86,633,835	87,997,781
Miscellaneous	<u>632,972</u>	<u>1,044,209</u>
Total Operating Revenues	<u>87,266,807</u>	<u>89,041,990</u>
Operating Expenses:		
Administrative and general expenses	13,276,462	13,299,836
Salaries and wage expenses	47,403,206	48,580,859
Employee benefits	41,068,354	36,589,438
Supplies and other expenses	8,402,345	8,007,643
Depreciation	<u>2,358,486</u>	<u>2,210,960</u>
Total Operating Expenses	<u>112,508,853</u>	<u>108,688,736</u>
Loss from Operations	<u>(25,242,046)</u>	<u>(19,646,746)</u>
Non-Operating Expenses -		
Interest on indebtedness	<u>(197,905)</u>	<u>(250,197)</u>
Change in Net Assets	(25,439,951)	(19,896,943)
Deficiency - Beginning of Year	<u>(51,169,969)</u>	<u>(31,273,026)</u>
Deficiency - End of Year	<u>\$ (76,609,920)</u>	<u>\$ (51,169,969)</u>

COUNTY OF ROCKLAND, NEW YORK

PROPRIETARY FUND - ENTERPRISE FUND
 HOME AND INFIRMARY FUND
 COMPARATIVE STATEMENT OF CASH FLOWS
 YEARS ENDED DECEMBER 31, 2010 AND 2009

	<u>2010</u>	<u>2009</u>
Cash Flows From Operating Activities:		
Cash received from patients and third-party payers	\$ 80,872,832	\$ 89,903,591
Other receipts	163,560	9,242,731
Cash payments to vendors	(74,447,128)	(72,637,820)
Cash payments to employees	(21,802,791)	(20,579,075)
Net Cash Provided by (Used in) Operating Activities	<u>(15,213,527)</u>	<u>5,929,427</u>
Cash Flows From Non-Capital Financing Activities -		
Proceeds from County of Rockland, net	<u>17,072,895</u>	<u>(3,732,977)</u>
Cash Flows From Capital and Related Financing Activities:		
Proceeds from long-term debt	1,609,444	1,440,255
Retirement of debt	(2,016,993)	(2,794,765)
Interest on indebtedness	(519,393)	(605,417)
Acquisition and construction of capital assets	(2,784,808)	(1,234,903)
Net Cash Used in Capital and Related Financing Activities	<u>(3,711,750)</u>	<u>(3,194,830)</u>
Net Decrease in Cash and Equivalents	(1,852,382)	(998,380)
Cash and Equivalents - Beginning of Year	<u>4,362,604</u>	<u>5,360,984</u>
Cash and Equivalents - End of Year	<u>\$ 2,510,222</u>	<u>\$ 4,362,604</u>
Reconciliation of Loss from Operations to Net Cash Used in Operating Activities:		
Loss from operations	\$ (25,242,046)	\$ (19,646,746)
Adjustments to reconcile loss from operations to net cash used in operating activities:		
Depreciation	2,358,486	2,210,960
Provision for bad debts	1,454,672	3,469,257
Changes in assets and liabilities:		
Accounts receivable	(3,964,675)	4,764,149
Accounts receivable - Patient care	371,681	(1,409,945)
Due to/from State of New York	(1,959,151)	4,477,455
Inventories	(52,436)	(74,510)
Prepaid expenses	(159,822)	(54,474)
Accounts payable	(71,550)	802,914
Estimated third party liabilities	(2,132,942)	(1,196,584)
Compensated absences	(1,132,370)	410,722
Other post employment benefit obligations	15,316,626	12,176,229
Net Cash Used in Operating Activities	<u>\$ (15,213,527)</u>	<u>\$ 5,929,427</u>

COUNTY OF ROCKLAND, NEW YORK

PROPRIETARY FUND - ENTERPRISE FUND
 ROCKLAND TOBACCO ASSET SECURITIZATION CORPORATION
 COMPARATIVE STATEMENT OF NET ASSETS
 DECEMBER 31, 2010 AND 2009

	<u>2010</u>	<u>2009</u>
<u>ASSETS</u>		
Current Assets:		
Cash and equivalents	\$ 3,097,072	\$ 379,317
Investments	1,183,827	1,234,224
Accounts receivable	3,537,926	3,616,536
Prepaid expenses	19,697	3,500
Total Current Assets	<u>7,838,522</u>	<u>5,233,577</u>
Noncurrent Assets:		
Restricted cash and equivalents	40,407	2,851,163
Restricted investments	3,464,835	3,525,312
Costs of issuance, net of accumulated amortization of \$295,765 in 2010 and \$254,895 in 2009	<u>805,003</u>	<u>845,873</u>
Total Noncurrent Assets	<u>4,310,245</u>	<u>7,222,348</u>
Total Assets	<u>12,148,767</u>	<u>12,455,925</u>
<u>LIABILITIES</u>		
Current Liabilities:		
Accrued liabilities	904,050	926,175
Due to other funds	2,000,000	-
Current maturities of bonds payable	<u>1,195,000</u>	<u>1,085,000</u>
Total Current Liabilities	4,099,050	2,011,175
Noncurrent Liabilities -		
Bonds payable, net of current maturities	<u>75,366,273</u>	<u>74,300,388</u>
Total Liabilities	<u>79,465,323</u>	<u>76,311,563</u>
<u>NET ASSETS</u>		
Deficit	<u>\$ (67,316,556)</u>	<u>\$ (63,855,638)</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, 2010 AND 2009

	<u>2010</u>	<u>2009</u>
Operating Revenues - Tobacco settlement revenues	\$ 3,189,277	\$ 3,973,034
Operating Expenses:		
Professional fees	33,750	33,845
Directors' fees	12,980	6,500
Insurance	21,547	21,525
Amortization	40,870	40,870
Total Operating Expenses	<u>109,147</u>	<u>102,740</u>
Income from Operations	<u>3,080,130</u>	<u>3,870,294</u>
Non-Operating Revenues (Expenses):		
Interest income	188,256	261,737
Interest on indebtedness	<u>(4,729,304)</u>	<u>(4,625,859)</u>
Total Non-Operating Expenses	<u>(4,541,048)</u>	<u>(4,364,122)</u>
Loss Before Transfers	(1,460,918)	(493,828)
Transfers Out - Residual payment to County of Rockland	<u>(2,000,000)</u>	<u>-</u>
Change in Net Assets	(3,460,918)	(493,828)
Deficit - Beginning of Year	<u>(63,855,638)</u>	<u>(63,361,810)</u>
Deficit - End of Year	<u>\$ (67,316,556)</u>	<u>\$ (63,855,638)</u>

COUNTY OF ROCKLAND, NEW YORK

PROPRIETARY FUND - ENTERPRISE FUND
 ROCKLAND TOBACCO ASSET SECURITIZATION CORPORATION
 COMPARATIVE STATEMENT OF CASH FLOWS
 YEARS ENDED DECEMBER 31, 2010 AND 2009

	<u>2010</u>	<u>2009</u>
Cash Flows From Operating Activities:		
Cash received from tobacco settlement revenues	\$ 3,251,744	\$ 3,907,396
Cash payments to directors	-	(6,500)
Cash payments to vendors	(84,474)	(55,370)
	<u>3,167,270</u>	<u>3,845,526</u>
Net Cash Provided by Operating Activities		
Cash Flows from Non-Capital Financing Activities:		
Retirement of long-term debt	(1,085,000)	(1,015,000)
Interest on indebtedness	(2,490,544)	(2,524,706)
	<u>(3,575,544)</u>	<u>(3,539,706)</u>
Net Cash Used in Non-Capital Financing Activities		
Cash Flows From Investing Activities:		
Decrease in restricted cash and equivalents	2,810,756	(571,723)
Interest income	204,399	293,962
Purchase of investments	(1,183,827)	(1,234,224)
Sale of investments	1,234,224	1,218,964
Purchase of restricted investments	(3,464,835)	(3,525,312)
Sale of restricted investments	3,525,312	3,525,691
	<u>3,126,029</u>	<u>(292,642)</u>
Net Cash Provided by (Used in) Investing Activities		
Net Increase in Cash and Equivalents	2,717,755	13,178
Cash and Equivalents - Beginning of Year	<u>379,317</u>	<u>366,139</u>
Cash and Equivalents - End of Year	<u>\$ 3,097,072</u>	<u>\$ 379,317</u>
Reconciliation of Income from Operations to Net Cash Provided by Operating Activities:		
Income from operations	\$ 3,080,130	\$ 3,870,294
Adjustments to reconcile income from operations to net cash provided by operating activities:		
Amortization	40,870	40,870
Changes in Assets and Liabilities:		
Accounts receivable	62,467	(65,638)
Prepaid expenses	(16,197)	-
	<u>\$ 3,167,270</u>	<u>\$ 3,845,526</u>
Net Cash Provided by Operating Activities		
Noncash Investing Activities:		
Increase in bonds payable from amortization of original issue and underwriters' discount	\$ 54,849	\$ 54,849
Increase in bonds payable from accreted interest	2,206,036	2,066,894
Increase in due to County of Rockland from transfers out - residual payments	2,000,000	-

COUNTY OF ROCKLAND, NEW YORK

PROPRIETARY FUND - ENTERPRISE FUND
 ROCKLAND SECOND TOBACCO ASSET SECURITIZATION CORPORATION
 COMPARATIVE STATEMENT OF NET ASSETS
 DECEMBER 31, 2010 AND 2009

	<u>2010</u>	<u>2009</u>
<u>ASSETS</u>		
Current Assets:		
Cash and equivalents	\$ 183,975	\$ 163,322
Accounts receivable	<u>877,720</u>	<u>895,537</u>
Total Current Assets	<u>1,061,695</u>	<u>1,058,859</u>
Noncurrent Assets:		
Restricted cash and equivalents	864	864
Restricted investments	710,961	710,961
Costs of issuance, net of accumulated amortization of \$47,183 in 2010 and \$40,477 in 2009	<u>221,041</u>	<u>227,747</u>
Total Noncurrent Assets	<u>932,866</u>	<u>939,572</u>
Total Assets	<u>1,994,561</u>	<u>1,998,431</u>
<u>LIABILITIES</u>		
Current Liabilities:		
Accounts payable	2,500	2,500
Accrued liabilities	33,704	35,225
Current maturities of bonds payable	<u>80,000</u>	<u>70,000</u>
Total Current Liabilities	116,204	107,725
Noncurrent Liabilities -		
Bonds payable	<u>6,452,479</u>	<u>6,816,482</u>
Total Liabilities	<u>6,568,683</u>	<u>6,924,207</u>
<u>NET ASSETS</u>		
Deficit	<u>\$ (4,574,122)</u>	<u>\$ (4,925,776)</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, 2010 AND 2009

	<u>2010</u>	<u>2009</u>
Operating Revenues -		
Tobacco settlement revenues	\$ 796,846	\$ 993,258
Operating Expenses:		
Professional fees	34,805	21,896
Directors' fees	13,000	9,000
Amortization	6,706	6,706
Total Operating Expenses	<u>54,511</u>	<u>37,602</u>
Income from Operations	<u>742,335</u>	<u>955,656</u>
Non-Operating Revenues (Expenses):		
Interest income	32,370	34,395
Interest on indebtedness	<u>(423,051)</u>	<u>(444,426)</u>
Total Non-Operating Expenses	<u>(390,681)</u>	<u>(410,031)</u>
Change in Net Assets	351,654	545,625
Deficit - Beginning of Year	<u>(4,925,776)</u>	<u>(5,471,401)</u>
Deficit - End of Year	<u>\$ (4,574,122)</u>	<u>\$ (4,925,776)</u>

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COUNTY OF ROCKLAND, NEW YORK

PROPRIETARY FUND - ENTERPRISE FUND
 ROCKLAND SECOND TOBACCO ASSET SECURITIZATION CORPORATION
 COMPARATIVE STATEMENT OF CASH FLOWS
 YEARS ENDED DECEMBER 31, 2010 AND 2009

	<u>2010</u>	<u>2009</u>
Cash Flows From Operating Activities:		
Cash received from tobacco settlement revenues	\$ 812,936	\$ 976,849
Cash payments to directors	(13,000)	(9,000)
Cash payments to vendors	(34,805)	(27,170)
Net Cash Provided by Operating Activities	<u>765,131</u>	<u>940,679</u>
Cash Flows from Non-Capital Financing Activities:		
Retirement of long-term debt	(365,000)	(515,000)
Interest on indebtedness	(413,575)	(435,575)
Net Cash Used in Non-Capital Financing Activities	<u>(778,575)</u>	<u>(950,575)</u>
Cash Flows From Investing Activities:		
Decrease in restricted cash and equivalents	-	(810)
Interest income	34,097	34,330
Purchase of restricted investments	(710,961)	(710,961)
Sale of restricted investments	710,961	711,771
Net Cash Provided by Investing Activities	<u>34,097</u>	<u>34,330</u>
Net Increase in Cash and Equivalents	20,653	24,434
Cash and Equivalents - Beginning of Year	<u>163,322</u>	<u>138,888</u>
Cash and Equivalents - End of Year	<u>\$ 183,975</u>	<u>\$ 163,322</u>
Reconciliation of Income from Operations to Net Cash Provided by Operating Activities:		
Income from operations	\$ 742,335	\$ 955,656
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	16,090	(16,409)
Accounts payable	-	(5,274)
Net Cash Provided by Operating Activities	<u>\$ 765,131</u>	<u>\$ 940,679</u>
Noncash Investing Activities -		
Increase in bonds payable from amortization of original issue and underwriters' discount	\$ 10,997	\$ 10,997

COUNTY OF ROCKLAND, NEW YORK

PROPRIETARY FUNDS - INTERNAL SERVICE FUNDS
 COMBINING STATEMENT OF NET ASSETS
 DECEMBER 31, 2010
 (With Comparative Totals for 2009)

	<u>Workers'</u> <u>Compensation</u> <u>Benefits</u>	<u>General</u> <u>Liability</u> <u>Claims</u> <u>Fund</u>	<u>Unemployment</u> <u>Benefits</u> <u>Fund</u>
ASSETS			
Cash:			
Demand deposits	\$ 5,320,938	\$ 5,392,929	\$ -
Petty cash	-	-	-
	<u>5,320,938</u>	<u>5,392,929</u>	<u>-</u>
Receivables:			
Accounts	331,385	-	-
State and Federal aid	-	-	-
Due from other governments	-	7,720	-
Due from other funds	-	66,978	127,881
	<u>331,385</u>	<u>74,698</u>	<u>127,881</u>
Inventories	-	-	-
Prepaid Expenses	2,284	-	-
Total Current Assets	<u>5,654,607</u>	<u>5,467,627</u>	<u>127,881</u>
Capital Assets	-	-	-
Less - Accumulated depreciation	-	-	-
Total Capital Assets	<u>-</u>	<u>-</u>	<u>-</u>
Total Assets	<u>5,654,607</u>	<u>5,467,627</u>	<u>127,881</u>
LIABILITIES			
Current Liabilities:			
Accounts payable	511,186	35,000	-
Accrued liabilities	4,316	-	-
Due to other funds	35,765	-	-
Deferred revenues	-	-	-
Current portion of claims payable	713,058	651,915	-
Current maturities of bonds payable	-	-	-
Compensated absences	2,700	-	-
Total Current Liabilities	<u>1,267,025</u>	<u>686,915</u>	<u>-</u>
Noncurrent Liabilities:			
Claims payable	6,417,510	4,780,712	-
Compensated absences	-	-	-
Bonds payable - Less current maturities	-	-	-
Other post employment benefit obligations	72,476	-	-
Total Noncurrent Liabilities	<u>6,489,986</u>	<u>4,780,712</u>	<u>-</u>
Total Liabilities	<u>7,757,011</u>	<u>5,467,627</u>	<u>-</u>
NET ASSETS (DEFICITS)			
Invested In Capital Assets, net of related debt	-	-	-
Unrestricted	(2,102,404)	-	127,881
Total Net Assets (Deficits)	<u>\$ (2,102,404)</u>	<u>\$ -</u>	<u>\$ 127,881</u>

General Services Fund	Totals	
	2010	2009
\$ -	\$ 10,713,867	\$ 10,212,062
200	200	200
200	10,714,067	10,212,262
111,577	442,962	78,617
521,675	521,675	487,582
-	7,720	7,720
3,424,880	3,619,739	2,920,643
4,058,132	4,592,096	3,494,562
58,613	58,613	61,314
297,818	300,102	251,263
4,414,763	15,664,878	14,019,401
21,066,950	21,066,950	21,274,498
(12,252,834)	(12,252,834)	(10,806,610)
8,814,116	8,814,116	10,467,888
13,228,879	24,478,994	24,487,289
1,086,357	1,632,543	910,787
1,492,995	1,497,311	1,197,486
-	35,765	-
211,123	211,123	226,000
-	1,364,973	1,128,874
1,012,092	1,012,092	979,149
178,748	181,448	209,103
3,981,315	5,935,255	4,651,399
-	11,198,222	10,159,861
1,608,731	1,608,731	1,858,418
6,718,920	6,718,920	7,731,012
10,887,552	10,960,028	7,749,433
19,215,203	30,485,901	27,498,724
23,196,518	36,421,156	32,150,123
1,083,104	1,083,104	1,757,727
(11,050,743)	(13,025,266)	(9,420,561)
\$ (9,967,639)	\$ (11,942,162)	\$ (7,662,834)

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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 REVENUES, EXPENSES AND CHANGES
 IN NET ASSETS
 YEAR ENDED DECEMBER 31, 2010
 (With Comparative Totals for 2009)

	Workers' Compensation Benefits Fund	General Liability Claims Fund	Unemployment Benefits Fund
Operating Revenues:			
Charges for services	\$ 5,044,601	\$ 2,418,352	\$ 219,119
Miscellaneous	-	-	-
State aid	-	-	-
Federal aid	-	-	-
Total Operating Revenue	5,044,601	2,418,352	219,119
Operating Expenses:			
Administrative and general expenses	589,736	-	-
Salaries and wage expenses	150,669	-	-
Employee benefits	6,063,380	-	219,119
Judgments and claims	-	2,443,374	-
Supplies and other expenses	-	-	-
Depreciation	-	-	-
Total Operating Expense	6,803,785	2,443,374	219,119
Loss From Operations	(1,759,184)	(25,022)	-
Non-Operating Revenues (Expenses):			
Interest income	21,501	25,022	-
Interest on indebtedness	-	-	-
Total Non-Operating Revenues (Expenses)	21,501	25,022	-
Change in Net Assets	(1,737,683)	-	-
Net Assets (Deficits) - Beginning of Year	(364,721)	-	127,881
Net Assets (Deficits) - End of Year	\$ (2,102,404)	\$ -	\$ 127,881

General Services Fund	Totals	
	2010	2009
\$ 30,583,767	\$ 38,265,839	\$ 37,311,478
-	-	24,000
566,099	566,099	3,442
33,877	33,877	576,510
<u>31,183,743</u>	<u>38,865,815</u>	<u>37,915,430</u>
-	589,736	658,675
11,919,167	12,069,836	11,708,093
8,797,508	15,080,007	12,024,413
-	2,443,374	1,660,695
11,071,912	11,071,912	11,025,449
1,653,771	1,653,771	3,053,862
<u>33,442,358</u>	<u>42,908,636</u>	<u>40,131,187</u>
<u>(2,258,615)</u>	<u>(4,042,821)</u>	<u>(2,215,757)</u>
-	46,523	98,945
<u>(283,030)</u>	<u>(283,030)</u>	<u>(340,571)</u>
<u>(283,030)</u>	<u>(236,507)</u>	<u>(241,626)</u>
<u>(2,541,645)</u>	<u>(4,279,328)</u>	<u>(2,457,383)</u>
<u>(7,425,994)</u>	<u>(7,662,834)</u>	<u>(5,205,451)</u>
<u>\$ (9,967,639)</u>	<u>\$ (11,942,162)</u>	<u>\$ (7,662,834)</u>

COUNTY OF ROCKLAND, NEW YORK

PROPRIETARY FUNDS - INTERNAL SERVICE FUNDS
 COMBINING STATEMENT OF CASH FLOWS
 YEAR ENDED DECEMBER 31, 2010
 (With Comparative Totals for 2009)

	Workers' Compensation Benefits Fund	General Liability Claims Fund	Unemployment Benefits Fund
Cash Flows From Operating Activities:			
Cash received from charges for services	\$ 5,044,601	\$ 2,730,487	\$ 219,119
Cash received from State and Federal aid	-	-	-
Cash payments to insurance carriers and claimants	(4,894,736)	(2,274,401)	(219,119)
Cash payments to employees	(150,669)	-	-
Cash payments to vendors	-	-	-
Net Cash Provide by (Used in) Operating Activities	(804)	456,086	-
Cash Flows From Non-Capital Financing Activities -			
Interest on indebtedness	-	-	-
Cash Flows From Capital and Related Financing Activities:			
Retirement of long-term debt	-	-	-
Interest on indebtedness	-	-	-
Net Cash Used in Capital and Related Financing Activities	-	-	-
Cash Flows From Investing Activities -			
Interest income	21,501	25,022	-
Net Increase in Cash	20,697	481,108	-
Cash - Beginning of Year	5,300,241	4,911,821	-
Cash - End of Year	\$ 5,320,938	\$ 5,392,929	\$ -
Reconciliation of Income (Loss) from Operations to Net Cash Provided by (Used in) Operating Activities:			
Income (loss) from operations	\$ (1,759,184)	\$ (25,022)	\$ -
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	(331,385)	-	-
State and Federal aid receivable	-	-	-
Due from other governments	-	-	-
Due from other funds	575,663	312,135	-
Inventories	-	-	-
Prepaid expenses	(493)	-	-
Accounts payable	354,827	1	-
Accrued liabilities	(1,189)	-	-
Due to other funds	35,765	-	-
Due to other governments	-	-	-
Advances from other funds	-	-	-
Deferred revenues	-	-	-
Claims payable	1,105,488	168,972	-
Compensated absences	88	-	-
Other post employment benefit obligations	19,616	-	-
Net Cash Provided by (Used in) Operating Activities	\$ (804)	\$ 456,086	\$ -

General Services Fund	Totals	
	2010	2009
\$ 28,963,913	\$ 36,958,120	\$ 36,542,213
551,006	551,006	861,945
-	(7,388,256)	(6,341,487)
-	(150,669)	(82,466)
(28,252,741)	(28,252,741)	(29,264,072)
1,262,178	1,717,460	1,716,133
-	-	(4,344)
(979,148)	(979,148)	(1,369,217)
(283,030)	(283,030)	(336,227)
(1,262,178)	(1,262,178)	(1,705,444)
-	46,523	98,945
-	501,805	105,290
200	10,212,262	10,106,972
\$ 200	\$ 10,714,067	\$ 10,212,262
\$ (2,258,615)	\$ (4,042,821)	\$ (2,215,757)
1,653,771	1,653,771	3,053,862
(32,960)	(364,345)	208,194
(34,093)	(34,093)	35,435
-	-	(7,720)
(1,586,894)	(699,096)	(868,099)
2,701	2,701	(15,442)
(48,346)	(48,839)	(23,096)
366,928	721,756	(96,558)
301,014	299,825	(11,934)
-	35,765	-
-	-	(19,042)
-	-	(1,484,043)
(14,877)	(14,877)	226,000
-	1,274,460	213,401
(277,430)	(277,342)	189,977
3,190,979	3,210,595	2,530,955
\$ 1,262,178	\$ 1,717,460	\$ 1,716,133

COUNTY OF ROCKLAND, NEW YORK

PROPRIETARY FUND - INTERNAL SERVICE FUND -
 WORKERS' COMPENSATION BENEFITS FUND
 COMPARATIVE STATEMENT OF NET ASSETS
 DECEMBER 31, 2010 AND 2009

<u>ASSETS</u>	<u>2010</u>	<u>2009</u>
Cash - Demand deposits	\$ 5,320,938	\$ 5,300,241
Receivables:		
Accounts	331,385	-
Due from other funds	-	575,663
	<u>331,385</u>	<u>575,663</u>
Prepaid Expenses	<u>2,284</u>	<u>1,791</u>
Total Assets	<u>5,654,607</u>	<u>5,877,695</u>
 <u>LIABILITIES</u> 		
Current Liabilities:		
Accounts payable	511,186	156,359
Accrued liabilities	4,316	5,505
Due to other funds	35,765	-
Current portion of claims payable	713,058	602,508
Compensated absences	<u>2,700</u>	<u>2,612</u>
Total Current Liabilities	<u>1,267,025</u>	<u>766,984</u>
Noncurrent Liabilities:		
Claims payable, less current portion	6,417,510	5,422,572
Other post employment benefit obligations	<u>72,476</u>	<u>52,860</u>
Total Noncurrent Liabilities	<u>6,489,986</u>	<u>5,475,432</u>
Total Liabilities	<u>7,757,011</u>	<u>6,242,416</u>
 <u>NET DEFICIT</u> 		
Unrestricted	<u>\$ (2,102,404)</u>	<u>\$ (364,721)</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, 2010 AND 2009

	<u>2010</u>	<u>2009</u>
Operating Revenues - Charges for services	\$ 5,044,601	\$ 4,735,478
Operating Expenses:		
Administrative and general expenses	589,736	658,675
Salaries and wage expenses	150,669	82,466
Employee benefits	6,063,380	3,987,474
Total Operating Expenses	<u>6,803,785</u>	<u>4,728,615</u>
Income (Loss) From Operations	(1,759,184)	6,863
Non-Operating Revenues - Interest income	<u>21,501</u>	<u>47,173</u>
Change in Net Assets	(1,737,683)	54,036
Deficit - Beginning of Year	<u>(364,721)</u>	<u>(418,757)</u>
Deficit - End of Year	<u>\$ (2,102,404)</u>	<u>\$ (364,721)</u>

COUNTY OF ROCKLAND, NEW YORK

PROPRIETARY FUND - INTERNAL SERVICE FUND - WORKERS' COMPENSATION BENEFITS FUND
 COMPARATIVE STATEMENT OF CASH FLOWS
 YEARS ENDED DECEMBER 31, 2010 AND 2009

	<u>2010</u>	<u>2009</u>
Cash Flows From Operating Activities:		
Cash received from charges for services	\$ 5,044,601	\$ 4,735,478
Cash payments to insurance carriers and claimants	(4,894,736)	(4,276,412)
Cash payments to employees	<u>(150,669)</u>	<u>(82,466)</u>
Net Cash Provided By (Used In) Operating Activities	<u>(804)</u>	<u>376,600</u>
Cash Flows From Investing Activities -		
Interest income	<u>21,501</u>	<u>47,173</u>
Net Increase in Cash	20,697	423,773
Cash - Beginning of Year	<u>5,300,241</u>	<u>4,876,468</u>
Cash - End of Year	<u>\$ 5,320,938</u>	<u>\$ 5,300,241</u>
Reconciliation of Income (Loss) from Operations to Net Cash Provided by (Used in) Operating Activities:		
Income (loss) from operations	\$ (1,759,184)	\$ 6,863
Adjustments to reconcile income (loss) from operations to net cash used in operating activities -		
Changes in assets and liabilities:		
Accounts receivable	(331,385)	-
Due from other funds	575,663	105,081
Prepaid expenses	(493)	(197)
Accounts payable	354,827	(200,188)
Accrued liabilities	(1,189)	(359)
Due to other funds	35,765	-
Due to other governments	-	(19,042)
Claims payable	1,105,488	468,210
Compensated absences	88	346
Other post employment benefit obligations	<u>19,616</u>	<u>15,886</u>
Net Cash Provided By (Used in) Operating Activities	<u>\$ (804)</u>	<u>\$ 376,600</u>

COUNTY OF ROCKLAND, NEW YORK

PROPRIETARY FUND - INTERNAL SERVICE FUND - GENERAL LIABILITY CLAIMS FUND
 COMPARATIVE STATEMENT OF NET ASSETS
 DECEMBER 31, 2010 AND 2009

	<u>2010</u>	<u>2009</u>
<u>ASSETS</u>		
Cash - Demand deposits	\$ 5,392,929	\$ 4,911,821
Receivables:		
Due from other governments	7,720	7,720
Due from other funds	<u>66,978</u>	<u>379,113</u>
	<u>74,698</u>	<u>386,833</u>
 Total Assets	 <u>5,467,627</u>	 <u>5,298,654</u>
<u>LIABILITIES</u>		
Current Liabilities:		
Accounts payable	35,000	34,999
Claims payable	<u>651,915</u>	<u>526,366</u>
 Total Current Liabilities	 686,915	 561,365
Noncurrent Liabilities -		
Claims payable	<u>4,780,712</u>	<u>4,737,289</u>
 Total Liabilities	 <u>\$ 5,467,627</u>	 <u>\$ 5,298,654</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, 2010 AND 2009

	<u>2010</u>	<u>2009</u>
Operating Revenues - Charges for services	\$ 2,418,352	\$ 1,608,923
Operating Expenses - Judgments and claims	<u>2,443,374</u>	<u>1,660,695</u>
Loss From Operations	(25,022)	(51,772)
Non-Operating Revenues - Interest income	<u>25,022</u>	<u>51,772</u>
Change in Net Assets	-	-
Net Assets - Beginning of Year	<u>-</u>	<u>-</u>
Net Assets - End of Year	<u>\$ -</u>	<u>\$ -</u>

COUNTY OF ROCKLAND, NEW YORK

PROPRIETARY FUND - INTERNAL SERVICE FUND - GENERAL LIABILITY CLAIMS FUND
 COMPARATIVE STATEMENT OF CASH FLOWS
 YEARS ENDED DECEMBER 31, 2010 AND 2009

	<u>2010</u>	<u>2009</u>
Cash Flows From Operating Activities:		
Cash received from charges to services	\$ 2,730,487	\$ 1,545,874
Cash payments to insurance carriers and claimants	<u>(2,274,401)</u>	<u>(1,916,129)</u>
Net Cash Provided by (Used in) Operating Activities	<u>456,086</u>	<u>(370,255)</u>
Cash Flows From Investing Activities - Interest income	<u>25,022</u>	<u>51,772</u>
Net Increase (Decrease) in Cash	481,108	(318,483)
Cash - Beginning of Year	<u>4,911,821</u>	<u>5,230,304</u>
Cash - End of Year	<u>\$ 5,392,929</u>	<u>\$ 4,911,821</u>
Reconciliation of Loss from Operations		
to Net Cash Provided by (Used in) Operating Activities:		
Loss from operations	\$ (25,022)	\$ (51,772)
Adjustments to reconcile loss from operations		
to net cash provided by (used in) operating activities -		
Changes in assets and liabilities:		
Due from other governments	-	(7,720)
Due from other funds	312,135	(55,328)
Accounts payable	1	(626)
Claims payable	<u>168,972</u>	<u>(254,809)</u>
Net Cash Provided by (Used in) Operating Activities	<u>\$ 456,086</u>	<u>\$ (370,255)</u>

COUNTY OF ROCKLAND, NEW YORK

PROPRIETARY FUND - INTERNAL SERVICE FUND - UNEMPLOYMENT BENEFITS FUND
COMPARATIVE STATEMENT OF NET ASSETS
DECEMBER 31, 2010 AND 2009

	<u>2010</u>	<u>2009</u>
<u>ASSETS</u>		
Due from Other Funds	<u>\$ 127,881</u>	<u>\$ 127,881</u>
<u>NET ASSETS</u>		
Unrestricted	<u><u>\$ 127,881</u></u>	<u><u>\$ 127,881</u></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, 2010 AND 2009

	<u>2010</u>	<u>2009</u>
Operating Revenues - Charges for services	\$ 219,119	\$ 148,946
Operating Expenses - Employee benefits	<u>219,119</u>	<u>145,296</u>
Income from Operations	-	3,650
Net Assets - Beginning of Year	<u>127,881</u>	<u>124,231</u>
Net Assets - End of Year	<u>\$ 127,881</u>	<u>\$ 127,881</u>

COUNTY OF ROCKLAND, NEW YORK

PROPRIETARY FUND - INTERNAL SERVICE FUND - UNEMPLOYMENT BENEFITS FUND
 COMPARATIVE STATEMENT OF CASH FLOWS
 YEARS ENDED DECEMBER 31, 2010 AND 2009

	<u>2010</u>	<u>2009</u>
Cash Flows From Operating Activities:		
Cash received from charges for services	\$ 219,119	\$ 148,946
Cash payments to insurance carriers and claimants	<u>(219,119)</u>	<u>(148,946)</u>
Net Cash Provided by Operating Activities	<u>-</u>	<u>-</u>
Net Increase in Cash	-	-
Cash - Beginning of Year	<u>-</u>	<u>-</u>
Cash - End of Year	<u>\$ -</u>	<u>\$ -</u>
Reconciliation of Income from Operations to Net Cash Provided by Operating Activities:		
Income from operations	\$ -	\$ 3,650
Adjustments to reconcile income from operations to net cash provided by operating activities -		
Changes in assets and liabilities -		
Accrued liabilities	<u>-</u>	<u>(3,650)</u>
Net Cash Provided by Operating Activities	<u>\$ -</u>	<u>\$ -</u>

COUNTY OF ROCKLAND, NEW YORK

PROPRIETARY FUND - INTERNAL SERVICE FUND - GENERAL SERVICES FUND
 COMPARATIVE STATEMENT OF NET ASSETS
 DECEMBER 31, 2010 AND 2009

	<u>2010</u>	<u>2009</u>
<u>ASSETS</u>		
Cash - Petty cash	\$ 200	\$ 200
Receivables:		
Accounts	111,577	78,617
State and Federal aid	521,675	487,582
Due from other funds	<u>3,424,880</u>	<u>1,837,986</u>
	4,058,132	2,404,185
Inventories	<u>58,613</u>	<u>61,314</u>
Prepaid Expenses	<u>297,818</u>	<u>249,472</u>
Total Current Assets	<u>4,414,763</u>	<u>2,715,171</u>
Capital Assets -		
Equipment	21,066,950	21,274,498
Less - Accumulated depreciation	<u>(12,252,834)</u>	<u>(10,806,610)</u>
Total Capital Assets	<u>8,814,116</u>	<u>10,467,888</u>
Total Assets	<u>13,228,879</u>	<u>13,183,059</u>
<u>LIABILITIES</u>		
Current Liabilities:		
Accounts payable	1,086,357	719,429
Accrued liabilities	1,492,995	1,191,981
Deferred revenues	211,123	226,000
Current maturities of bonds payable	1,012,092	979,149
Compensated absences	<u>178,748</u>	<u>206,491</u>
Total Current Liabilities	<u>3,981,315</u>	<u>3,323,050</u>
Noncurrent Liabilities:		
Compensated absences, less current maturities	1,608,731	1,858,418
Bonds payable - Less current maturities	6,718,920	7,731,012
Other post employment benefit obligations	<u>10,887,552</u>	<u>7,696,573</u>
Total Noncurrent Liabilities	<u>19,215,203</u>	<u>17,286,003</u>
Total Liabilities	<u>23,196,518</u>	<u>20,609,053</u>
<u>NET ASSETS (DEFICIT)</u>		
Invested in Capital Assets, net of related debt	1,083,104	1,757,727
Unrestricted	<u>(11,050,743)</u>	<u>(9,183,721)</u>
Total Net Deficit	<u>\$ (9,967,639)</u>	<u>\$ (7,425,994)</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, 2010 AND 2009

	<u>2010</u>	<u>2009</u>
Operating Revenues:		
Charges for services	\$ 30,583,767	\$ 30,818,131
Miscellaneous	-	3,442
State aid	566,099	576,510
Federal aid	33,877	24,000
	<u>31,183,743</u>	<u>31,422,083</u>
Operating Expenses:		
Salaries and wage expenses	11,919,167	11,625,627
Employee benefits	8,797,508	7,891,643
Supplies and other expenses	11,071,912	11,025,449
Depreciation	1,653,771	3,053,862
	<u>33,442,358</u>	<u>33,596,581</u>
Total Operating Expenses	<u>33,442,358</u>	<u>33,596,581</u>
Loss From Operations	(2,258,615)	(2,174,498)
Non-Operating Expenses -		
Interest on indebtedness	<u>(283,030)</u>	<u>(340,571)</u>
Change in Net Assets	(2,541,645)	(2,515,069)
Deficit- Beginning of Year	<u>(7,425,994)</u>	<u>(4,910,925)</u>
Deficit - End of Year	<u>\$ (9,967,639)</u>	<u>\$ (7,425,994)</u>

COUNTY OF ROCKLAND, NEW YORK

PROPRIETARY FUND - INTERNAL SERVICE FUND - GENERAL SERVICES FUND
 COMPARATIVE STATEMENT OF CASH FLOWS
 YEARS ENDED DECEMBER 31, 2010 AND 2009

	<u>2010</u>	<u>2009</u>
Cash Flows From Operating Activities:		
Cash received from charges for services	\$ 28,963,913	\$ 30,111,915
Cash received from State and Federal aid	551,006	861,945
Cash payments to vendors	<u>(28,252,741)</u>	<u>(29,264,072)</u>
Net Cash Provided by Operating Activities	<u>1,262,178</u>	<u>1,709,788</u>
Cash Flows From Non-Capital Financing Activities -		
Interest on indebtedness - Other	<u>-</u>	<u>(4,344)</u>
Cash Flows from Capital and Related Financing Activities:		
Retirement of long-term debt	(979,148)	(1,369,217)
Interest on indebtedness - Capital construction	<u>(283,030)</u>	<u>(336,227)</u>
Net Cash Used in Capital and Related Financing Activities	<u>(1,262,178)</u>	<u>(1,705,444)</u>
Net Increase in Cash	-	-
Cash - Beginning of Year	<u>200</u>	<u>200</u>
Cash - End of Year	<u>\$ 200</u>	<u>\$ 200</u>
Reconciliation of Loss from Operations to Net Cash Provided by Operating Activities:		
Loss from operations	\$ (2,258,615)	\$ (2,174,498)
Adjustments to reconcile loss from operations to net cash provided by operating activities:		
Depreciation	1,653,771	3,053,862
Changes in assets and liabilities:		
Accounts receivable	(32,960)	208,194
State and Federal aid receivable	(34,093)	35,435
Due from other funds	(1,586,894)	(917,852)
Inventories	2,701	(15,442)
Prepaid expenses	(48,346)	(22,899)
Accounts payable	366,928	104,256
Accrued liabilities	301,014	(7,925)
Advances from other funds	-	(1,484,043)
Deferred revenues	(14,877)	226,000
Compensated absences	(277,430)	189,631
Other post employment benefit obligations	<u>3,190,979</u>	<u>2,515,069</u>
Net Cash Provided by Operating Activities	<u>\$ 1,262,178</u>	<u>\$ 1,709,788</u>

COUNTY OF ROCKLAND, NEW YORK

FIDUCIARY FUNDS - AGENCY FUND
 STATEMENT OF CHANGES IN ASSETS AND LIABILITIES
 YEAR ENDED DECEMBER 31, 2010

	<u>Balance January 1, 2010</u>	<u>Increases</u>	<u>Decreases</u>	<u>Balance December 31, 2010</u>
<u>ASSETS</u>				
Cash:				
Demand deposits	\$ 11,470,381	\$ 226,590,007	\$ 229,384,727	\$ 8,675,661
Time deposits	5,254,642	787,859	4,160,407	1,882,094
	<u> </u>	<u> </u>	<u> </u>	<u> </u>
Total Assets	<u>\$ 16,725,023</u>	<u>\$ 227,377,866</u>	<u>\$ 233,545,134</u>	<u>\$ 10,557,755</u>
<u>LIABILITIES</u>				
Accounts Payable	\$ 7,139,877	\$ 218,257,042	\$ 222,159,369	\$ 3,237,550
Employee Payroll Deductions	29,198	89,643,191	89,054,769	617,620
Deposits	7,630,484	3,555,768	6,454,264	4,731,988
Due to Other Governments	1,925,464	7,624,685	7,579,552	1,970,597
	<u> </u>	<u> </u>	<u> </u>	<u> </u>
Total Liabilities	<u>\$ 16,725,023</u>	<u>\$ 319,080,686</u>	<u>\$ 325,247,954</u>	<u>\$ 10,557,755</u>



**REPORT ON INTERNAL CONTROL OVER FINANCIAL REPORTING AND ON
COMPLIANCE AND OTHER MATTERS BASED ON AN AUDIT OF FINANCIAL
STATEMENTS PERFORMED IN ACCORDANCE WITH GOVERNMENT AUDITING
STANDARDS**

To the Honorable Board of Legislators of the
County of Rockland, New York:

We have audited the 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 (the "County") as of and for the year ended December 31, 2010, which collectively comprise the County's basic financial statements and have issued our report thereon dated September 14, 2011. 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. Other auditors audited the financial statements of the Home and Infirmary Fund and the Rockland County Industrial Development Agency (a component unit), as described in our report on the County of Rockland, New York's financial statements. The financial statements of the Home and Infirmary Fund and the Rockland County Industrial Development Agency were not audited in accordance with *Government Auditing Standards*.

Internal Control Over Financial Reporting

Management of the County is responsible for establishing and maintaining effective internal control over finance reporting.

In planning and performing our audit, we considered the County's internal control over financial reporting as a basis for designing our auditing procedures for the purpose of expressing our opinion on the financial statements, but not for the purpose of expressing an opinion on the effectiveness of the County's internal control over financial reporting. Accordingly, we do not express an opinion on the effectiveness of the County's internal control over financial reporting.

A *deficiency in internal control* exists when the design or operation of a control does not allow management or employees, in the normal course of performing their assigned functions, to prevent, or detect and correct misstatements on a timely basis. A *material weakness* is a deficiency, or a combination of deficiencies, in internal control such that there is a reasonable possibility that a material misstatement of the entity's financial statements will not be prevented, or detected and corrected on a timely basis.

Our consideration of the internal control over financial reporting was for the limited purpose described in the first paragraph of this section and was not designed to identify all deficiencies in the internal control over financial reporting that might be deficiencies, significant deficiencies or material weaknesses. We did not identify any deficiencies in internal control over financial reporting that we consider to be material weaknesses, as defined above.

Compliance and Other Matters

As part of obtaining reasonable assurance about whether the County's financial statements are free of material misstatement, we performed tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements, noncompliance with which could have a direct and material effect on the determination of financial statement amounts. However, providing an opinion on compliance with those provisions was not an objective of our audit and, accordingly, we do not express such an opinion. The results of our tests disclosed no instances of noncompliance or other matters that are required to be reported under *Government Auditing Standards*.

We noted certain matters that we reported to management of the County in a separate letter dated September 14, 2011

This report is intended solely for the information and use of the Board of Legislators, management, federal awarding agencies and pass-through entities, and is not intended to be and should not be used by anyone other than these specified parties.

O'Connor Davies Munns & Dobbins, LLP

O'Connor Davies Munns & Dobbins, LLP

September 14, 2011

**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 NINE FISCAL YEARS

	<u>2002</u>	<u>2003</u>	<u>2004</u>	<u>2005</u>
Governmental Activities				
Invested in Capital Assets, Net of Related Debt	\$ 438,310,280	\$ 440,635,684	\$ 419,627,796	\$ 385,766,788
Restricted	40,014,214	38,837,101	49,562,629	79,252,547
Unrestricted	<u>7,689,691</u>	<u>5,738,859</u>	<u>24,270,260</u>	<u>51,882,873</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>
Business-Type Activities				
Invested in Capital Assets, Net of Related Debt	\$ 14,021,370	\$ 13,571,289	\$ 13,213,254	\$ 12,484,425
Unrestricted	<u>(4,583,999)</u>	<u>(6,593,661)</u>	<u>(55,956,825)</u>	<u>(75,138,145)</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>
Primary Government				
Invested in Capital Assets Net of Related Debt	\$ 452,331,650	\$ 454,206,973	\$ 432,841,050	\$ 398,251,213
Restricted	40,014,214	38,837,101	49,562,629	79,252,547
Unrestricted	<u>3,105,692</u>	<u>(854,802)</u>	<u>(31,686,565)</u>	<u>(23,255,272)</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>

(1)

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.

<u>2006</u>	<u>2007</u>	<u>2008</u>	<u>2009</u>	<u>2010</u>
\$ 357,075,560	\$ 410,512,788	\$ 405,279,887	\$ 413,765,675	\$ 401,818,749
84,186,029	123,090,125	113,990,838	104,294,397	110,920,044
<u>49,138,682</u>	<u>(119,583,249)</u>	<u>(163,971,651)</u>	<u>(194,874,505)</u>	<u>(246,969,186)</u>
<u>\$ 490,400,271</u>	<u>\$ 414,019,664</u>	<u>\$ 355,299,074</u>	<u>\$ 323,185,567</u>	<u>\$ 265,769,607</u>
\$ 12,411,965	\$ 11,269,462	\$ 11,068,096	\$ 10,662,786	\$ 10,070,880
<u>(88,784,191)</u>	<u>(106,761,196)</u>	<u>(111,174,333)</u>	<u>(130,614,169)</u>	<u>(158,571,478)</u>
<u>\$ (76,372,226)</u>	<u>\$ (95,491,734)</u>	<u>\$ (100,106,237)</u>	<u>\$ (119,951,383)</u>	<u>\$ (148,500,598)</u>
\$ 369,487,525	\$ 421,782,250	\$ 416,347,983	\$ 424,428,461	\$ 411,889,629
84,186,029	123,090,125	113,990,838	104,294,397	110,920,044
<u>(39,645,509)</u>	<u>(226,344,445)</u>	<u>(275,145,984)</u>	<u>(325,488,674)</u>	<u>(405,540,664)</u>
<u>\$ 414,028,045</u>	<u>\$ 318,527,930</u>	<u>\$ 255,192,837</u>	<u>\$ 203,234,184</u>	<u>\$ 117,269,009</u>

COUNTY OF ROCKLAND, NEW YORK

**CHANGES IN NET ASSETS
LAST NINE FISCAL YEARS**

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

	2006	2007	2008	2009	2010
\$	53,181,226	\$ 58,494,042	\$ 67,293,698	\$ 65,817,442	\$ 65,578,858
	62,269,510	63,708,235	71,519,828	68,916,165	64,096,792
	61,374,333	68,781,351	70,103,143	70,550,166	78,884,977
	42,866,537	55,693,202	50,413,128	43,227,034	46,040,723
	52,467,203	56,039,377	55,737,309	52,323,652	55,073,427
	154,921,214	161,783,425	174,367,673	180,334,640	182,610,808
	672,310	922,107	939,766	896,680	973,087
	25,128,078	33,924,151	35,782,255	34,575,699	35,091,249
	17,421,520	24,724,724	13,400,239	14,110,025	13,768,045
	<u>470,301,931</u>	<u>524,070,614</u>	<u>539,557,039</u>	<u>530,751,503</u>	<u>542,117,966</u>
	100,045,431	114,058,665	115,135,691	108,938,933	112,706,758
	4,486,554	4,571,080	4,640,294	4,728,599	4,838,451
	542,077	520,630	501,105	482,028	477,562
	<u>105,074,062</u>	<u>119,150,375</u>	<u>120,277,090</u>	<u>114,149,560</u>	<u>118,022,771</u>
\$	<u>575,375,993</u>	<u>643,220,989</u>	<u>659,834,129</u>	<u>644,901,063</u>	<u>660,140,737</u>
\$	13,488,832	\$ 12,527,092	\$ 12,961,766	\$ 16,075,012	\$ 8,049,813
	4,376,291	3,335,455	1,935,136	1,951,080	2,306,656
	2,227,880	4,275,920	4,091,463	4,010,535	4,279,322
	3,649,497	4,164,539	7,937,745	7,879,870	7,548,277
	7,118,757	6,968,579	7,676,041	7,597,193	9,785,895
	2,256,013	2,126,805	1,777,822	4,333,518	5,221,710
	141,316,084	143,651,066	164,476,127	161,630,529	156,809,424
	17,079,414	23,349,064	11,845,084	14,177,004	15,465,469
	<u>191,512,768</u>	<u>200,398,520</u>	<u>212,701,184</u>	<u>217,654,741</u>	<u>209,466,566</u>
	79,335,999	78,790,038	106,029,852	89,041,990	87,266,807
	7,781,080	16,491,989	4,896,669	-	-
	3,379,057	3,839,495	3,818,692	4,234,771	3,377,533
	859,420	909,345	917,374	1,027,653	829,216
	<u>91,355,556</u>	<u>100,030,867</u>	<u>115,662,587</u>	<u>94,304,414</u>	<u>91,473,556</u>
\$	<u>282,868,324</u>	<u>300,429,387</u>	<u>328,363,771</u>	<u>311,959,155</u>	<u>300,940,122</u>

(Continued)

COUNTY OF ROCKLAND, NEW YORK

CHANGES IN NET ASSETS
LAST NINE FISCAL YEARS (Continued)

	<u>2002</u>	<u>2003</u>	<u>2004</u>	<u>2005</u>
Net (Expense)/Revenue				
Governmental Activities	(207,450,945)	(219,627,459)	(227,849,234)	(251,845,001)
Business-Type Activities	<u>\$ (2,253,867)</u>	<u>\$ (2,459,743)</u>	<u>\$ 1,717,555</u>	<u>\$ (1,193,595)</u>
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>
General Revenues				
Governmental Activities				
Taxes				
Real Property Taxes	\$ 55,170,006	\$ 58,818,064	\$ 65,836,542	\$ 78,272,043
Other Tax Items	\$ 4,461,514	4,262,453	11,078,086	9,898,911
Sales Tax	\$ 119,079,563	142,163,349	144,674,541	148,457,535
Mortgage Tax	-	-	9,721,165	10,180,660
Unrestricted Use of Money and Property	\$ 1,655,496	1,295,908	1,275,851	2,012,813
Sale of property and compensation for loss	-	-	-	-
Transfers	-	-	-	23,997,609
Miscellaneous	4,377,860	12,285,174	3,903,607	3,191,953
Transfers	-	-	-	-
Total Governmental Activities	<u>184,744,439</u>	<u>218,824,948</u>	<u>236,489,792</u>	<u>276,011,524</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>
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>
Change in Net Assets				
Governmental Activities	\$ (22,706,506)	\$ (802,511)	\$ 8,640,558	\$ 24,166,523
Business-Type Activities	<u>(2,253,867)</u>	<u>(2,459,743)</u>	<u>1,717,555</u>	<u>(25,191,204)</u>
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>

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.

<u>2006</u>	<u>2007</u>	<u>2008</u>	<u>2009</u>	<u>2010</u>
(278,789,163)	(323,672,094)	(326,855,855)	(313,096,762)	(332,651,400)
\$ (13,718,506)	\$ (19,119,508)	\$ (4,614,503)	\$ (19,845,146)	\$ (26,549,215)
<u>\$ (292,507,669)</u>	<u>\$ (342,791,602)</u>	<u>\$ (331,470,358)</u>	<u>\$ (332,941,908)</u>	<u>\$ (359,200,615)</u>
\$ 58,727,783	\$ 72,855,145	\$ 71,646,043	\$ 87,696,519	\$ 92,768,618
27,764,921	5,253,994	7,125,096	8,326,783	4,941,267
151,119,113	163,931,697	168,498,939	162,439,750	169,152,688
9,217,795	7,416,530	5,115,544	3,951,076	3,537,937
2,658,983	15,365,523	3,285,209	504,419	1,207,909
135,224	49,315	40,543	53,969	456,659
-	-	-	-	-
2,663,407	2,560,186	2,821,904	10,290,708	1,170,362
-	-	-	-	2,000,000
<u>252,287,226</u>	<u>267,432,390</u>	<u>258,533,278</u>	<u>273,263,224</u>	<u>275,235,440</u>
-	-	-	-	(2,000,000)
-	-	-	-	(2,000,000)
<u>\$ 252,287,226</u>	<u>\$ 267,432,390</u>	<u>\$ 258,533,278</u>	<u>\$ 273,263,224</u>	<u>\$ 273,235,440</u>
\$ (26,501,937)	\$ (56,239,704)	\$ (68,322,577)	\$ (39,833,538)	\$ (57,415,960)
(13,718,506)	(19,119,508)	(4,614,503)	(19,845,146)	(28,549,215)
<u>\$ (40,220,443)</u>	<u>\$ (75,359,212)</u>	<u>\$ (72,937,080)</u>	<u>\$ (59,678,684)</u>	<u>\$ (85,965,175)</u>

COUNTY OF ROCKLAND, NEW YORK

FUND BALANCES OF GOVERNMENTAL FUNDS
LAST TEN FISCAL YEARS

	<u>2001</u>	<u>2002</u>	<u>2003</u>	<u>2004</u>
General Fund				
Reserved	\$ 3,361,395	\$ 13,232,014	\$ 12,259,389	\$ 80,273,905
Unreserved	<u>13,768,634</u>	<u>11,606,335</u>	<u>19,842,531</u>	<u>(41,322,044)</u>
Total General Fund	<u>\$ 17,130,029</u>	<u>\$ 24,838,349</u>	<u>\$ 32,101,920</u>	<u>\$ 38,951,861</u>
All Other Governmental Funds				
Reserved	\$ 34,930,741	\$ 33,923,864	\$ 30,042,904	\$ 40,358,037
Unreserved, Reported In:				
Special Revenue Funds	8,379,054	5,882,068	7,229,050	7,874,712
Capital Projects Fund	20,878,561	12,278,033	13,816,458	25,479,845
Debt Service Fund	<u>6,680,126</u>	<u>5,496,940</u>	<u>7,746,977</u>	<u>7,245,082</u>
Total All Other Governmental Funds	<u>\$ 70,868,482</u>	<u>\$ 57,580,905</u>	<u>\$ 58,835,389</u>	<u>\$ 80,957,676</u>
Total Governmental Funds	<u>\$ 87,998,511</u>	<u>\$ 82,419,254</u>	<u>\$ 90,937,309</u>	<u>\$ 119,909,537</u>

<u>2005</u>	<u>2006</u>	<u>2007</u>	<u>2008</u>	<u>2009</u>	<u>2010</u>
\$ 168,348,692 (110,667,341)	\$ 53,082,159 (2,932,059)	\$ 44,873,252 (33,535,024)	\$ 54,784,809 (31,526,746)	\$ 51,006,383 (38,732,135)	\$ 48,086,001 (52,040,793)
<u>\$ 57,681,351</u>	<u>\$ 50,150,100</u>	<u>\$ 11,338,228</u>	<u>\$ 23,258,063</u>	<u>\$ 12,274,248</u>	<u>\$ (3,954,792)</u>
\$ 31,312,497	\$ 58,853,881	\$ 8,024,019	\$ 9,043,239	\$ 7,760,958	\$ 11,849,335
7,929,375	8,720,490	12,276,371	13,926,044	17,038,024	21,876,806
74,516,172	50,805,405	91,909,837	51,547,862	7,660,442	3,459,152
6,660,644	7,188,000	8,000,000	7,500,000	6,800,000	5,760,000
<u>\$ 120,418,688</u>	<u>\$ 125,567,776</u>	<u>\$ 120,210,227</u>	<u>\$ 82,017,145</u>	<u>\$ 39,259,424</u>	<u>\$ 42,945,293</u>
<u>\$ 178,100,039</u>	<u>\$ 175,717,876</u>	<u>\$ 131,548,455</u>	<u>\$ 105,275,208</u>	<u>\$ 51,533,672</u>	<u>\$ 38,990,501</u>

COUNTY OF ROCKLAND, NEW YORK

CHANGES IN FUND BALANCES OF GOVERNMENTAL FUNDS
LAST TEN FISCAL YEARS

	2001	2002	2003	2004
Revenues				
Real Property Taxes	\$ 55,125,499	\$ 58,090,243	\$ 58,693,340	\$ 62,218,149
Other Tax Items	4,662,533	4,461,514	4,262,453	11,078,086
Non-Property Taxes	104,741,932	119,731,942	142,819,235	154,932,812
Departmental Income	23,652,207	29,627,090	28,668,797	32,576,362
Use of Money and Property	5,189,419	3,300,400	1,819,194	2,727,187
Licenses and Permits	963,061	1,252,367	1,321,928	1,477,592
Fines and Forfeitures	725,337	674,941	718,865	868,114
Sale of Property and Compensation for Loss	416,613	159,583	174,452	194,830
Interfund Revenues	2,476,541	39,264,640	9,504,603	9,995,961
State Aid	75,073,483	83,186,148	87,573,304	100,122,546
Federal Aid	42,486,644	46,183,076	47,058,732	62,912,164
Miscellaneous	53,983,421	7,731,765	15,279,908	4,539,643
Total Revenues	369,496,690	393,663,709	397,894,811	443,643,446
Expenditures				
Current:				
General Government	34,802,149	34,958,991	34,993,828	39,754,114
Education	28,377,650	45,329,687	50,182,282	53,635,959
Public Safety	40,084,416	41,745,805	42,894,951	49,560,136
Health	30,284,190	37,298,006	34,217,931	41,256,330
Transportation	28,706,131	31,225,049	31,363,348	33,227,664
Economic Opportunity and Development	130,813,053	138,444,547	146,763,914	163,421,773
Culture and Recreation	853,647	598,690	643,684	651,769
Home and Community Services	15,022,224	16,502,315	17,589,427	16,962,202
Employee Benefits	1,956,682	37,451,415	15,433,804	10,464,391
Debt Service:				
Principal	13,245,814	7,472,536	6,190,771	5,133,743
Interest	7,921,721	6,051,010	6,737,039	5,405,520
Refunding Bond Issuance Costs	-	-	95,790	-
Advance Refunding Escrow	40,762,014	-	8,154,357	-
Capital Outlay	27,516,480	25,899,601	21,121,468	46,003,907
Total Expenditures	400,346,171	422,977,652	416,382,594	465,477,508
Excess (Deficiency) of Revenues Over Expenditures	(30,849,481)	(29,313,943)	(18,487,783)	(21,834,062)
Other Financing Sources (Uses)				
Bonds Issued	20,225,000	14,488,000	27,000,743	51,197,807
Transfers In	82,625,020	29,604,599	37,781,261	29,274,285
Transfers Out	(101,788,669)	(29,604,599)	(37,871,957)	(29,274,285)
Refunding Bonds Issued	-	-	3,812,318	-
Issuance Premium	-	-	51,524	-
New York State loan proceeds	-	-	-	-
Payment to Refunded Bond Escrow Agent	-	-	(3,768,051)	-
Total Other Financing Sources (Uses)	1,061,351	14,488,000	27,005,838	51,197,807
Net Change in Fund Balances	\$ (29,788,130)	\$ (14,825,943)	\$ 8,518,055	\$ 29,363,745
Debt Service as a Percentage of Non-Capital Expenditures	16.6%	3.4%	5.4%	2.4%

	2005	2006	2007	2008	2009	2010
\$	67,573,335	\$ 70,005,364	\$ 72,945,404	\$ 80,701,948	\$ 87,028,735	\$ 87,800,079
	9,898,911	27,764,921	5,253,994	7,280,446	8,427,783	5,091,917
	159,169,424	160,802,521	171,761,695	173,963,636	166,731,320	173,232,759
	34,063,306	30,578,872	30,764,208	31,830,638	36,307,225	32,200,999
	4,132,707	6,152,871	19,877,509	6,760,275	2,495,692	2,420,254
	1,512,041	1,487,720	1,448,396	1,701,868	2,220,626	1,912,108
	760,839	918,522	990,290	1,050,166	1,138,392	905,750
	123,880	136,334	49,315	86,829	68,687	517,546
	11,996,089	12,581,214	14,664,748	15,691,757	15,235,243	23,708,228
	106,299,593	99,322,826	100,900,483	107,236,772	96,469,342	81,400,046
	48,858,105	52,385,776	58,001,784	65,639,498	77,357,853	89,359,897
	4,370,725	4,238,295	4,670,799	2,662,174	11,305,071	2,479,776
	<u>448,758,955</u>	<u>466,375,236</u>	<u>481,328,625</u>	<u>494,606,007</u>	<u>504,785,969</u>	<u>501,029,359</u>
	43,149,881	54,942,689	48,895,671	60,184,410	59,499,136	63,793,645
	56,287,051	59,108,151	60,595,502	67,786,623	64,602,751	60,029,496
	55,473,720	58,893,768	59,002,667	61,193,182	61,580,954	68,157,961
	43,904,877	42,109,558	51,976,073	46,691,701	39,419,209	41,393,398
	36,248,794	40,142,905	41,580,438	42,704,822	42,742,977	43,350,978
	155,278,769	154,605,187	156,569,060	169,264,751	175,552,253	176,620,319
	698,272	636,212	661,650	667,428	598,820	510,699
	19,212,556	20,302,722	22,031,229	23,632,499	22,714,338	23,557,043
	11,371,661	9,380,119	10,146,766	11,028,835	11,600,192	13,167,104
	10,869,372	13,858,182	17,736,847	19,742,088	19,684,472	20,097,765
	9,278,123	13,783,091	27,904,491	13,344,928	13,348,694	12,172,015
	-	-	-	-	329,477	409,034
	-	-	-	-	-	-
	44,447,249	48,004,692	42,526,497	38,699,088	50,083,709	56,470,847
	<u>486,220,325</u>	<u>515,767,276</u>	<u>539,626,891</u>	<u>554,940,355</u>	<u>561,756,982</u>	<u>579,730,304</u>
	<u>(37,461,370)</u>	<u>(49,392,040)</u>	<u>(58,298,266)</u>	<u>(60,334,348)</u>	<u>(56,971,013)</u>	<u>(78,700,945)</u>
	72,379,263	47,009,877	34,269,748	24,000,000	2,900,000	56,045,142
	72,045,546	48,275,803	54,421,029	57,988,686	19,140,422	62,941,820
	(48,047,937)	(48,275,803)	(54,421,029)	(57,988,686)	53,785,489	(60,941,820)
	-	-	-	-	(53,785,489)	18,989,304
	-	-	-	459,114	689,475	852,178
	-	-	-	-	-	7,703,598
	-	-	-	-	(19,500,420)	(19,432,448)
	<u>96,376,872</u>	<u>47,009,877</u>	<u>34,269,748</u>	<u>24,459,114</u>	<u>3,229,477</u>	<u>66,157,774</u>
\$	<u>58,915,502</u>	<u>(2,382,163)</u>	<u>(24,028,518)</u>	<u>(35,875,234)</u>	<u>(53,741,536)</u>	<u>(12,543,171)</u>

4.6%

5.9%

9.2%

6.4%

6.4%

6.1%

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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 Value and Estimated Actual Value of Taxable Property,
Per \$1,000 of Assessed 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	Non-Property Taxes					Total
	Real Property Taxes	Sales Tax	911 Emergency Surcharge	Mortgage Tax		
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		201,512,575
2004	62,218,149	144,674,541	537,106	9,721,165	e	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
2007	72,945,404	163,931,697	413,468	7,416,530		244,707,099
2008	80,701,948	168,498,939	349,153	5,115,544		254,665,584
2009	87,028,735	162,439,750	340,494	3,951,076		253,760,055
2010	87,800,079	169,152,688	542,134	3,537,937		261,032,838

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>2001</u>	<u>2002</u>	<u>2003</u>	<u>2004</u>	<u>2005</u>
New York State *	4.000 %	4.000 %	4.250 %	4.250 %	4.000 %
MTA (1) **	0.250	0.250	0.250	0.250	0.375
County *** ****	<u>3.000</u>	<u>3.625</u>	<u>3.625</u>	<u>3.625</u>	<u>3.625</u>
Total	<u>7.250 %</u>	<u>7.875 %</u>	<u>8.125 %</u>	<u>8.125 %</u>	<u>8.000 %</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% of 1% was designated for towns and villages.

**** Effective March 01, 2007 the County rate increased from 3 5/8% to 4%, of which 3/16 of 1% was designated for towns and villages.

<u>2006</u>	<u>2007</u>	<u>2008</u>	<u>2009</u>	<u>2010</u>
4.000 %	4.000 %	4.000 %	4.000 %	4.000 %
0.375	0.375	0.375	0.375	0.375
<u>3.625</u>	<u>4.000</u>	<u>4.000</u>	<u>4.000</u>	<u>4.000</u>
<u>8.000 %</u>	<u>8.375 %</u>	<u>8.375 %</u>	<u>8.375 %</u>	<u>8.375 %</u>

COUNTY OF ROCKLAND, NEW YORK

**TAXABLE SALES BY INDUSTRY
TEN YEARS STATED**

Industry	March 1999 to February 2000	March 2000 to February 2001	March 2001 to February 2002	March 2002 to February 2003
Utilities (excluding residential energy)	\$ 96,184,000	\$ 119,840,000	\$ 114,864,000	\$ 118,800,000
Construction	59,649,000	68,658,000	68,713,000	64,293,000
Manufacturing	88,755,000	122,784,000	128,864,000	141,460,000
Wholesale Trade	229,984,000	279,522,000	296,848,000	283,951,000
Retail Trade:				
Motor Vehicles and Parts	424,877,000	449,095,000	498,188,000	513,970,000
Furniture and Home Furnishings	82,723,000	85,713,000	85,100,000	88,393,000
Electronics and Appliances	93,107,000	111,927,000	138,774,000	136,166,000
Building Materials and Garden Equipment	184,675,000	200,227,000	198,247,000	212,272,000
Food and Beverage	136,191,000	138,145,000	146,508,000	148,024,000
Health and Personal Care	41,790,000	42,920,000	40,938,000	42,770,000
Gasoline Stations	83,793,000	96,544,000	90,429,000	88,269,000
Clothing	181,000,000	54,099,000	58,420,000	57,409,000
Sporting Goods, Hobby, Book and Music Stores	92,680,000	87,037,000	85,959,000	89,532,000
General Merchandise	330,527,000	222,666,000	231,179,000	241,274,000
Miscellaneous Retail	82,240,000	83,204,000	102,597,000	102,028,000
Nonstore Retail	37,344,000	35,882,000	32,490,000	36,083,000
Information	227,598,000	237,884,000	257,000,000	284,511,000
Professional, Scientific, and Technical	32,307,000	36,894,000	40,985,000	33,505,000
Administrative/Support Services	91,439,000	105,682,000	102,828,000	95,295,000
Health Care	1,366,000	2,132,000	1,618,000	1,618,000
Arts, Entertainment, and Recreation	32,884,000	32,586,000	28,774,000	25,576,000
Accommodation and Food Services:				
Food Services	206,689,000	228,703,000	247,023,000	254,670,000
Accommodation	42,880,000	47,072,000	46,809,000	48,832,000
Other Services:				
Repair and Maintenance	66,254,000	71,944,000	73,134,000	73,524,000
Personal and Laundry Services	5,714,000	7,175,000	9,270,000	8,973,000
All Other Services	894,000	1,708,000	4,128,000	2,271,000
Ag., Mining, Trans., FIRE, Educ., Govt.	144,441,000	160,730,000	161,561,000	152,753,000
Unclassified by Industry	98,480,000	41,255,000	5,802,000	20,200,000
Sales to Qualified Empire Zone Enterprises (QEZE)	-	-	-	193,000
Services to tangible personal property used in prod.	528,000	47,000	-	-
Grand Total	\$ 3,196,993,000	\$ 3,172,075,000	\$ 3,297,050,000	\$ 3,366,615,000

Source: New York State Department of Taxation and Finance

- (1) Preliminary
- (2) Revised

	March 2003 to February 2004	March 2004 to February 2005	March 2005 to February 2006	March 2006 to February 2007 (1)	March 2007 to February 2008 (2)	March 2008 to February 2009 (1)
\$	115,461,000	\$ 114,884,000	\$ 137,792,000	\$ 141,988,000	\$ 163,002,000	\$ 158,344,000
	69,527,000	71,394,000	78,378,000	77,578,000	81,720,000	75,289,000
	132,495,000	128,961,000	134,948,000	123,204,000	122,873,000	105,796,000
	294,210,000	324,209,000	377,532,000	371,992,000	392,869,000	347,945,000
	574,350,000	549,774,000	511,010,000	466,498,000	468,920,000	427,901,000
	105,468,000	116,529,000	105,980,000	113,692,000	114,307,000	100,076,000
	91,930,000	84,371,000	80,725,000	82,325,000	73,782,000	71,865,000
	250,815,000	281,658,000	285,681,000	268,814,000	252,831,000	231,800,000
	170,071,000	176,772,000	184,358,000	188,296,000	189,433,000	194,638,000
	46,520,000	46,999,000	50,141,000	50,727,000	52,273,000	54,192,000
	97,591,000	103,933,000	111,767,000	43,629,000	21,843,000	21,745,000
	274,408,000	241,350,000	251,913,000	98,481,000	80,359,000	76,804,000
	104,785,000	101,920,000	99,241,000	87,601,000	84,213,000	76,362,000
	391,825,000	426,801,000	424,132,000	335,776,000	338,294,000	324,747,000
	102,798,000	104,989,000	105,816,000	110,698,000	108,855,000	101,345,000
	41,916,000	45,591,000	54,069,000	47,030,000	52,510,000	63,956,000
	293,356,000	292,754,000	293,391,000	289,692,000	305,344,000	284,761,000
	48,837,000	42,577,000	48,973,000	48,136,000	59,139,000	61,944,000
	91,510,000	94,736,000	100,014,000	101,403,000	111,610,000	115,593,000
	1,927,000	2,292,000	2,553,000	2,771,000	2,522,000	2,789,000
	27,027,000	27,411,000	29,114,000	29,077,000	27,458,000	27,696,000
	259,443,000	271,397,000	277,472,000	283,573,000	308,607,000	316,388,000
	46,964,000	52,329,000	52,048,000	51,199,000	55,538,000	49,628,000
	78,453,000	79,309,000	85,282,000	85,180,000	94,239,000	95,020,000
	9,754,000	10,058,000	10,242,000	13,461,000	14,264,000	14,386,000
	2,227,000	2,185,000	2,167,000	2,080,000	1,485,000	1,770,000
	124,683,000	125,246,000	132,057,000	127,963,000	150,179,000	146,375,000
	29,284,000	39,761,000	53,840,000	66,600,000	34,992,000	34,565,000
	118,000	158,000	143,000	303,000	-	-
	-	-	-	-	-	-
\$	3,877,753,000	\$ 3,960,348,000	\$ 4,080,779,000	\$ 3,709,767,000	\$ 3,763,461,000	\$ 3,583,720,000

COUNTY OF ROCKLAND, NEW YORK

**ASSESSED VALUE AND ESTIMATED ACTUAL VALUE OF TAXABLE PROPERTY
PER \$1,000 OF ASSESSED VALUATION
LAST TEN FISCAL YEARS**

Fiscal Year Ended December 31	Real Property		Less: Tax Exempt Real Property	Total Taxable Assessed Value
	Residential Property	Commercial Property		
2001	\$ 7,446,154,102	\$ 4,852,115,154	\$ 1,676,603,412	\$ 10,621,665,844
2002	7,536,725,428	4,839,746,241	1,695,674,207	10,680,797,462
2003	7,616,951,050	4,820,083,115	1,710,092,853	10,726,941,312
2004	7,667,943,584	4,544,165,006	1,457,767,798	10,754,340,792
2005	7,726,957,540	4,455,045,219	1,419,978,625	10,762,024,134
2006	7,787,032,400	4,353,541,689	1,387,025,553	10,753,548,536
2007	10,930,926,706	5,504,098,539	1,610,720,267	14,824,304,978
2008	10,880,269,795	5,734,402,680	1,549,232,372	15,065,440,103
2009	10,772,710,984	5,647,856,442	1,636,309,661	14,784,257,765
2010	10,382,170,444	5,420,326,097	1,633,457,426	14,169,039,115

Source : Rockland County Real Property Tax Department

Note: Taxable assessed values are determined by the city and town governments located within the County. The estimated actual taxable values represent the weighted average State equalization rates established for each city and town within the County.

Total Direct Tax Rate	Estimated Actual Taxable Value	Assessed Value as a Percentage of Actual Value
3.842 %	\$ 27,167,732,267	39.10 %
3.910	29,112,479,511	36.69
4.101	32,717,799,793	32.79
4.394	41,616,489,304	25.84
4.534	33,774,550,066	31.86
4.482	44,273,013,422	24.29
3.150	44,069,523,707	33.64
3.570	48,274,170,415	31.21
3.997	43,318,941,021	34.13
4.270	41,710,339,760	33.97

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>
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
2007	4.826161	1.293	3.5060	10.9980	10.000
2008	5.023156	1.356	3.1316	12.0287	11.269
2009	5.267550	1.487	3.3264	11.2172	11.340
2010	5.363834	1.603	3.310	12.3397	12.317

COUNTY OF ROCKLAND, NEW YORK

PRINCIPAL TAXPAYERS
CURRENT YEAR AND TEN YEARS AGO

2010

Taxpayer	Type of Business	Assessed Valuation	Percent of Total Assessed Valuation
Palisades Interstate Park	State Lands	\$ 960,520,328	2.30 %
Pyramid/Eklecco Properties	Shopping Center	819,462,841	1.96
Pfizer	Pharmaceuticals	811,434,072	1.95
Orange & Rockland Utilities	Public Utility	600,944,879	1.44
United Water	Public Utility	442,046,072	1.06
Verizon	Public Utility	213,608,353	0.51
Mirant	Public Utility	199,284,112	0.48
Consolidated Edison	Public Utility	148,321,856	0.36
Novartis Pharmaceuticals	Pharmaceuticals	110,717,667	0.27
Glorious Sun Roberts FKA Blue Hill Community	Retirement Community	104,874,362	0.25
		<u>\$ 4,411,214,542</u>	<u>10.58 %</u>

Note: Total assessed valuation on the 2010 roll is \$ 41,710,339,760.00

2001

Taxpayer	Type of Business	Assessed Valuation	Percent of Total Assessed Valuation
Southern Energy	Public Utility	\$ 1,407,101,846	5.18 %
Palisades Interstate Park	State Lands	596,965,103	2.20
Pyramid/Eklecco Properties	Retail Shopping	582,227,900	2.14
American Home Products	Industrial	566,557,914	2.09
Orange & Rockland Utilities	Industrial	468,467,554	1.72
United Water	Public Utility	217,891,797	0.80
Consolidated Edison	Public Utility	144,443,710	0.53
The Retail Property Trust	Retail Shopping	91,092,350	0.34
Glorious Sun Roberts -FKA Blue Hill Community	Retirement Community	87,500,000	0.32
Verizon	Public Utility	163,189,430	0.60
		<u>\$ 4,325,437,604</u>	<u>15.92 %</u>

Note: Total assessed valuation on the 2000 roll is \$ 27,167,744,884.00

Source: Rockland County Real Property Tax Office

COUNTY OF ROCKLAND, NEW YORK

PROPERTY TAX LEVIES AND COLLECTIONS
LAST TEN FISCAL YEARS

Fiscal Year	Total Tax Levy for the Fiscal Year						Late Penalties and fees
	County	Town Chargebacks (Deficiency)	Local Special Districts	Relevied Schools	Relevied Villages	Towns	
2001	\$ 39,153,167	\$ 2,394,669	\$ 19,603,208	\$ 14,033,317	\$ 1,240,960	\$ 155,679,266	\$ 4,192,307
2002	40,132,057	4,381,134	21,859,867	14,907,751	1,559,130	167,486,388	4,331,873
2003	42,346,114	3,077,428	24,187,109	13,817,020	1,358,769	175,954,485	3,981,875
2004	45,498,869	2,030,474	25,897,119	64,967,561	1,560,113	194,495,574	10,594,200
2005	46,750,299	2,061,033	32,077,602	58,638,047	2,877,192	210,922,000	9,768,229
2006	46,252,999	503,279	35,979,516	64,720,965	3,081,058	225,832,360	27,220,048
2007	46,253,287	2,311,456	40,743,696	62,311,061	3,402,769	238,759,492	15,004,173
2008	53,804,066	4,759,562	42,010,230	22,813,093	2,094,973	246,122,883	6,472,073
2009	59,100,000	1,367,704	45,737,352	23,585,657	2,520,442	253,650,648	8,149,546
2010	60,500,000	2,154,896	48,736,705	24,687,900	2,859,696	263,478,889	4,737,710

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.

(1) Excludes relevied schools and village taxes

Collected within the Fiscal Year of Levy			Total Collections to Date		
Total (1)	Amount	Percentage of Levy	Collections in Subsequent Years	Amount	Percentage of Levy
\$ 221,022,617	\$ 220,622,640	99.82 %	\$ 274,451	\$ 220,897,091	99.94 %
238,191,319	211,943,207	88.98	26,053,763	237,996,970	99.92
249,547,011	228,344,847	91.50	21,000,282	249,345,129	99.92
278,516,236	211,071,054	75.78	67,248,138	278,319,192	99.93
301,579,163	255,301,753	84.65	46,059,376	301,361,129	99.93
335,788,202	267,868,291	79.77	67,646,606	335,514,897	99.92
343,072,104	303,646,408	88.51	38,963,441	342,609,849	99.87
353,168,814	325,889,714	92.28	24,101,606	349,991,320	99.10
368,005,250	343,864,852	93.44	9,121,467	352,986,319	95.92
379,608,200	354,481,303	93.38	6,025,450	360,506,753	94.97

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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)
Governmental Activities:				
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	1.55
2006	287,620,252	32,637,387	254,982,865	1.70
2007	303,582,277	22,913,219	280,669,058	1.86
2008	306,426,208	18,592,478	287,833,730	1.80
2009	292,501,813	9,839,189	282,662,624	1.67
2010	331,510,505	14,566,426	316,944,079	1.81
Business-Type Activities:				
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	72,433,237	-	72,433,237	0.55
2005	95,700,649	-	95,700,649	0.69
2006	99,795,134	-	99,795,134	0.66
2007	100,454,142	-	100,454,142	0.67
2008	98,713,490	-	98,713,490	0.62
2009	97,645,874	-	97,645,874	0.58
2010	98,479,360	-	98,479,360	0.55
Total Primary Government:				
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	1.17
2004	263,173,020	10,063,392	253,109,628	1.92
2005	350,857,840	38,398,625	312,459,215	2.24
2006	387,415,386	32,637,387	354,777,999	2.36
2007	404,036,419	22,913,219	381,123,200	2.52
2008	405,139,698	18,592,478	386,547,220	2.42
2009	390,147,687	9,839,189	380,308,498	2.25
2010	429,989,865	14,566,426	415,423,439	2.36

- (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 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)
--	-------------------

0.38 %	\$ 354.68
0.39	387.11
0.40	440.27
0.43	614.19
0.64	735.68
0.58	864.45
0.64	946.66
0.60	964.12
0.65	941.67
0.75	1,016.87

0.03 %	\$ 30.50
0.03	30.37
0.04	39.51
0.17	246.23
0.28	324.81
0.23	338.33
0.23	338.82
0.20	330.65
0.23	325.30
0.23	315.96

0.41 %	\$ 385.18
0.42	417.48
0.43	479.79
0.61	860.42
0.93	1,060.49
0.80	1,202.78
0.86	1,285.48
0.80	1,294.77
0.88	1,266.96
0.98	1,332.82

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COUNTY OF ROCKLAND, NEW YORK

**DIRECT AND UNDERLYING GOVERNMENTAL ACTIVITIES DEBT
DECEMBER 31, 2010**

<u>Governmental Unit</u>	<u>Gross Long-Term Debt (1)</u>	<u>Less Exclusions (2)</u>	<u>Amount Applicable to County (3)</u>
Towns (five)	\$ 362,957,777	\$ 6,487,389	\$ 356,470,388
Villages (nineteen)	58,369,968	5,264,699	53,105,269
School Districts (eight)	525,425,750	8,500,000	516,925,750
Fire Districts (twenty-one)	<u>7,154,406</u>	<u>219,406</u>	<u>6,935,000</u>
Subtotal, Underlying Debt	953,907,901	20,471,494	933,436,407
Direct Bonded Debt of the County	<u>331,510,505</u>	<u>14,566,426</u>	<u>316,944,079</u>
Direct and Overlapping Debt	<u>\$ 1,285,418,406</u>	<u>\$ 35,037,920</u>	<u>\$ 1,250,380,486</u>

(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 New York State Office of the State Comptroller.

COUNTY OF ROCKLAND, NEW YORK

LEGAL DEBT MARGIN INFORMATION
LAST TEN FISCAL YEARS

	<u>2001</u>	<u>2002</u>	<u>2003</u>
Debt Limit	\$ 1,428,062	\$ 1,428,062	\$ 1,664,315
Total Net Debt Applicable to Limit	<u>73,212</u>	<u>85,863</u>	<u>113,922</u>
Legal Debt Margin	<u>\$ 1,354,850</u>	<u>\$ 1,342,199</u>	<u>\$ 1,550,393</u>
Total Net Debt Applicable to the Limit As a Percentage of Debt Limit	5.13%	6.01%	6.84%

Legal Debt Margin Calculation for Fiscal Year 2009

Five Year Average Full Valuation of Taxable Real Property	<u>\$ 42,563,198</u>
Debt Limit - 7% of Average Full Valuation	<u>2,979,424</u>
Outstanding Indebtedness - Serial bonds (1)	345,462
Less Exclusions:	
2010 Debt Service Appropriations for Bond \$	23,761
Revenue Anticipation Notes	95,000
Exempt Sewer District Debt	<u>119,192</u>
	<u>237,953</u>
Total Net Indebtedness	107,509
Net Debt Contracting Margin	<u>\$ 2,871,915</u>
Percentage of Debt Contracting Margin Available as of December 31, 2010	96.39%
Percentage of Debt Contracting Power Exhausted as of December 31, 2010	3.61%

Note - Amounts expressed in thousands

(1) - Excludes serial bonds for the Rockland Tobacco Asset Securitization Corporation and the Rockland Second Tobacco Asset Securitization Corporation

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>2004</u>	<u>2005</u>	<u>2006</u>	<u>2007</u>	<u>2008</u>	<u>2009</u>	<u>2010</u>
\$ 1,630,612	\$ 1,812,219	\$ 1,998,593	\$ 2,458,399	\$ 2,706,285	\$ 2,869,344	\$ 2,979,424
<u>140,314</u>	<u>159,289</u>	<u>182,697</u>	<u>131,121</u>	<u>112,262</u>	<u>95,750</u>	<u>107,509</u>
<u>\$ 1,490,298</u>	<u>\$ 1,652,930</u>	<u>\$ 1,815,896</u>	<u>\$ 2,327,278</u>	<u>\$ 2,594,023</u>	<u>\$ 2,773,594</u>	<u>2,871,915</u>
8.60%	8.79%	9.14%	5.33%	4.15%	3.34%	3.61%

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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)	K-12 School Enrollment (4)	Unemployment Rate (5)
2001	287,555	\$ 11,758,124	\$ 40,890	36.3	88.8 %	40,580	3.6
2002	289,644	11,798,359	40,734	36.8	86.2	41,229	4.4
2003	293,555	12,086,834	41,174	37.3	90.0	41,874	4.7
2004	294,171	13,156,798	44,725	36.9	88.2	42,248	4.4
2005	294,636	13,951,604	47,352	37.4	89.3	42,076	4.1
2006	294,965	15,027,582	50,947	37.4	88.7	41,750	3.7
2007	296,483	15,104,919	50,947	37.4	88.7	41,750	3.8
2008	298,545	15,966,784	53,482	37.5	88.2	41,343	4.8
2009	300,173	16,903,342	56,312	37.7	90.8	41,102	7.0
2010	311,687	17,551,718	56,312	37.7	90.8	41,162	7.1

(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

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 TEN YEARS AGO

<u>EMPLOYER</u>	<u>2010</u>		<u>2000</u>	
	<u>EMPLOYEES</u>	<u>PERCENTAGE OF TOTAL COUNTY EMPLOYMENT</u>	<u>EMPLOYEES</u>	<u>PERCENTAGE OF TOTAL COUNTY EMPLOYMENT</u>
Active International	360	0.33 %	-	- %
American Home Products	-	-	2,900	2.72
ARC of Rockland	648	0.59	-	-
AT & T Healthcare	750	0.68	-	-
Avon	332	0.30	500	0.47
Barr Laboratories	415	0.38	-	-
Bon Secours Good Samaritan Hospital	2,100	1.90	1,477	1.39
Camp Venture, Inc.	600	0.54	500	0.47
Chestnut Ridge Transportation, Inc.	600	0.54	-	-
Chromalloy American Corp.	501	0.45	490	0.46
Corporate Maintenance Services	-	-	350	0.33
Helen Hayes Hospital	861	0.78	900	0.84
Insurance Service Office	-	-	425	0.40
Jawonio, Inc.	806	0.73	460	0.43
Lamont-Doherty Geological Observatory	480	0.44	600	0.56
Louis Hornick & Co., Inc.	-	-	400	0.38
Materials Research Corp	-	-	320	0.30
Nice-Pak Products, Inc.	752	0.68	-	-
Northern Services Group	1,100	1.00	-	-
Novartis Pharmaceuticals Corp.	440	0.40	680	0.64
Nyack Hospital	1,500	1.36	1,119	1.05
NYNEX	-	-	1,000	0.94
Orange & Rockland Utilities	766	0.69	1,486	1.39
Pavion Ltd.	-	-	500	0.47
Pharmaceutical Resources	-	-	450	0.42
Rockland Bakery, Inc.	396	0.36	-	-
Sears Roebuck & Co.	-	-	301	0.28
St. Agatha's Home	-	-	550	0.52
St. Dominic's Home	399	0.36	400	0.38
The Dress Barn	350	0.32	321	0.30
Tilcon New York, Inc.	338	0.31	-	-
Verizon Wireless	1,000	0.91	-	-
Wyeth-Ayerst Laboratories (Pfizer)	2,450	2.22	-	-
	17,944	16.27 %	16,129	15.14 %

Source: Rockland County Planning Department

COUNTY OF ROCKLAND, NEW YORK

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

Function	Full-time Equivalent Employees as of December 31,				
	2001	2002	2003	2004	2005
General Government	558	556	533	541	551
Public Safety	382	389	383	391	394
Health	1,191	1,196	1,146	1,160	1,163
Transportation	130	130	131	132	132
Economic Opportunity and Development	600	600	581	586	573
Culture and Recreation	1	1	1	1	1
Home and Community Services	141	139	143	145	148
Total	3,003	3,011	2,918	2,956	2,962

Source - Rockland County Budget Department

<u>2006</u>	<u>2007</u>	<u>2008</u>	<u>2009</u>	<u>2010</u>
551	554	548	574	336
394	398	400	370	374
1,163	1,165	1,091	954	948
132	131	134	125	298
573	555	533	500	496
1	1	1	1	1
148	144	141	131	132
<u>2,962</u>	<u>2,948</u>	<u>2,848</u>	<u>2,655</u>	<u>2,585</u>

COUNTY OF ROCKLAND, NEW YORK

OPERATING INDICATORS BY FUNCTION
LAST TEN FISCAL YEARS

Function:	2001	2002	2003	2004
General Government (1):				
Motor Vehicles				
Number of drivers' licenses issued	205,530	204,622	213,025	210,125
Number of vehicle registrations	n/a	n/a	n/a	n/a
Public Safety (2):				
Emergency Services				
Number of calls at 911 center	166,982	200,378	222,420	266,904
Corrections (2)				
Number of inmates	2,596	2,819	2,870	2,864
Transportation (2):				
Paving (Sq. yards)	120,828	113,000	54,775	95,609
Sealing- Microseal (Sq. yards)	163,102	92,264	117,024	91,207
Sealing- Chipseal (Sq. yards)	195,300	78,432	63,241	88,367
Ridership on public buses	2,138,408	2,179,406	2,220,743	2,441,226
Home and Community Services (2):				
Number of Metered Accounts	67,322	68,031	68,667	69,240
Miles of Mains	1,001	1,006	1,011	1,016
Average daily sewage treatment (thousands of gallons)	25,286,937	22,752,465	23,799,951	24,342,282
Summit Park Nursing Care Center (2) -				
Number of beds occupied	372	367	364	360

n/a - Information not available

(1) Source: Department of Motor Vehicles

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

<u>2005</u>	<u>2006</u>	<u>2007</u>	<u>2008</u>	<u>2009</u>	<u>2010</u>
206,296	205,078	207,913	205,523	205,880	204,672
n/a	n/a	210,763	211,399	210,205	210,957
309,608	337,473	322,816	322,572	388,309	304,194
2,955	3,174	3,148	3,377	3,123	3,083
69,063	90,100	69,756	43,850	53,232	55,591
145,715	107,900	114,369	93,653	87,342	126,727
24,506	129,200	86,200	70,971	76,306	120,232
2,677,098	3,151,973	3,406,924	3,852,758	3,675,390	3,534,225
69,779	70,401	71,460	72,334	72,966	73,364
1,018	1,022	1,024	1,027	1,041	1,046
25,507,016	26,082,619	25,180,408	25,331,565	28,442,011	29,830,136
366	356	351	338	336	322

COUNTY OF ROCKLAND, NEW YORK

CAPITAL ASSET STATISTICS BY FUNCTION
LAST TEN FISCAL YEARS

Function	2001	2002	2003	2004
General Government:				
Construction Permit Data- New Residential				
Number of Permits Issued	531	529	411	256
Estimated Value	66,735,166	68,781,755	58,596,306	57,790,857
Buildings	7	7	7	7
Vehicles	147	152	148	156
Education :				
Buildings	10	10	10	10
Public Safety:				
Buildings	8	8	8	8
Vehicles	33	35	36	39
Number of Fire and Rescue Companies	42	42	42	42
Number of Firehouses	50	50	50	50
Number of Members	2,802	2,701	2,634	2,441
Health:				
Buildings	16	16	16	16
Vehicles	118	127	117	116
Transportation:				
Buildings	2	2	2	2
Vehicles	63	65	66	91
Culture and Recreation:				
County Parks\ Open Space (acreage)	2,218	2,259	2,260	2,532
Number of County Parks\ Open Space	18	19	20	22
Vehicles	5	5	5	5

Source - Various County departments

n/a - Information not available

2005	2006	2007	2008	2009	2010
348	362	371	260	82	117
76,073,511	74,062,592	88,351,116	68,725,212	36,601,485	48,907,870
7	7	7	7	7	7
156	156	156	199	125	126
10	10	10	10	10	10
8	8	8	8	8	8
38	37	37	151	159	159
42	42	42	42	42	42
50	50	50	51	51	51
2,225	2,183	2,189	2,180	2,344	2,346
16	16	16	16	16	16
110	108	103	115	107	110
2	2	2	2	2	2
91	91	91	257	262	263
2,574	2,597	2,597	3,094	3,094	3,179
23	24	24	25	25	27
5	5	5	17	17	17



O'Connor Davies Munns & Dobbins, llp
ACCOUNTANTS AND CONSULTANTS

REPORT ON COMPLIANCE WITH REQUIREMENTS THAT COULD HAVE A DIRECT AND MATERIAL EFFECT ON EACH MAJOR PROGRAM AND ON INTERNAL CONTROL OVER COMPLIANCE IN ACCORDANCE WITH OMB CIRCULAR A-133

INDEPENDENT AUDITORS' REPORT

To the Honorable Board of Legislators of the
County of Rockland, New York

Compliance

We have audited County of Rockland, New York's (the "County") compliance with the types of compliance requirements described in the OMB *Circular A-133 Compliance Supplement* that could have a direct and material effect on each of the County's major federal programs for the year ended December 31, 2010. The County's major federal programs are identified in the summary of auditor's results section of the accompanying schedule of findings and questioned costs. Compliance with the requirements of laws, regulations, contracts, and grants applicable to each of its major federal programs is the responsibility of County's management. Our responsibility is to express an opinion on the County's compliance based on our audit.

We conducted our audit of compliance in accordance with auditing standards generally accepted in the United States of America; the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States; and OMB Circular A-133, *Audits of States, Local Governments, and Non-Profit Organizations*. Those standards and OMB Circular A-133 require that we plan and perform the audit to obtain reasonable assurance about whether noncompliance with the types of compliance requirements referred to above that could have a direct and material effect on a major federal program occurred. An audit includes examining, on a test basis, evidence about the County's compliance with those requirements and performing such other procedures as we considered necessary in the circumstances. We believe that our audit provides a reasonable basis for our opinion. Our audit does not provide a legal determination of the Westchester County, New York's compliance with those requirements.

In our opinion, the County complied, in all material respects, with the compliance requirements referred to above that could have a direct and material effect on each of its major federal programs for the year ended December 31, 2010.

Internal Control Over Compliance

The management of the County is responsible for establishing and maintaining effective internal control over compliance with the requirements of laws, regulations, contracts, and grants applicable to federal programs. In planning and performing our audit, we considered the County's internal control over compliance with the requirements that could have a direct and material effect on a major federal program to determine our auditing procedures for the purpose

of expressing our opinion on compliance and to test and report on internal control over compliance in accordance with OMB Circular A-133, but not for the purpose of expressing an opinion on the effectiveness of internal control over compliance. Accordingly, we do not express an opinion on the effectiveness of the County's internal control over compliance.

A deficiency in internal control over compliance exists when the design or operation of a control over compliance does not allow management or employees, in the normal course of performing their assigned functions, to prevent, or detect and correct, noncompliance with a type of compliance requirement of a federal program on a timely basis. A material weakness in internal control over compliance is a deficiency, or a combination of deficiencies, in internal control over compliance, such that there is a reasonable possibility that material noncompliance with a type of compliance requirement of a federal program will not be prevented, or detected and corrected, on a timely basis.

Our consideration of internal control over compliance was for the limited purpose described in the first paragraph of this section and was not designed to identify all deficiencies in internal control over compliance that might be deficiencies, significant deficiencies or material weaknesses. We did not identify any deficiencies in internal control over compliance that we consider to be *material weaknesses* as defined above.

Schedule of Expenditures of Federal Awards

We have audited the 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 County of Rockland, New York as of and for the year ended December 31, 2010 and have issued our report thereon dated September 14,, 2011 which contained unqualified opinions on those financial statements. Our audit was performed for the purpose of forming our opinions on the financial statements that collectively comprise the County's basic financial statements. The accompanying schedule of expenditures of federal awards is presented for purposes of additional analysis as required by OMB Circular A-133 and is not a required part of the basic financial statements. 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.

This report is intended solely for the information and use of the Board of Legislators, management, federal awarding agencies and pass-through entities, and is not intended to be and should not be used by anyone other than these specified parties.

O'Connor Davies Munns & Dobbins, LLP

O'Connor Davies Munns & Dobbins, LLP

September 14, 2011

COUNTY OF ROCKLAND, NEW YORK

SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
Year Ending December 31, 2010

<u>Federal Grantor</u> <u>Program Title</u>	<u>Federal CFDA Number (1)</u>	<u>Non - ARRA</u>	<u>ARRA (2)</u>	<u>Federal Program Expenditures</u>
<u>U.S. Department of Agriculture</u>				
Indirect Programs - Passed through New York State Office of Temporary and Disability Assistance -				
State Administrative Matching Grants for the Supplemental Nutrition Assistance Program	10.561	\$ 2,677,017	\$ -	\$ 2,677,017
Indirect Program - Passed through New York State Department of Health - Special Supplemental Food Program for Women, Infants and Children Program				
	10.557	1,336,281	-	1,336,281
Total U.S. Department of Agriculture		<u>4,013,298</u>	<u>-</u>	<u>4,013,298</u>
<u>U.S. Department of Housing and Urban Development</u>				
Direct Programs:				
<i>CDBG Entitlement Cluster</i>				
Community Development				
Block Grants/Entitlement Grants	14.218	2,678,931	-	2,678,931
Community Development Block Grant Entitlement Grants	14.253		<u>362,845</u>	<u>362,845</u>
Sub-Total CDBG Entitlement Cluster				<u>3,041,776</u>
Emergency Shelter Grant	14.231	47,197	-	47,197
Supportive Housing Program	14.235	329,934	-	329,934
Home Investment Partnership Program	14.239	360,996	-	360,996
Homelessness Prevention and Rapid Re-Housing Program	14.257	-	294,967	294,967
Fair Housing Assistance Program State and Local	14.401	80,739	-	80,739
Lower Income Housing Assistance Program - Section 8 Moderate Rehabilitation	14.856	<u>683,610</u>	<u>-</u>	<u>683,610</u>
Total Direct Programs		<u>4,181,407</u>	<u>657,812</u>	<u>4,839,219</u>
Indirect Program - Passed through New York City - Housing Opportunities for Persons with AIDS				
	14.241	<u>541,307</u>	<u>-</u>	<u>541,307</u>
Total U.S. Department of Housing and Urban Development		<u>4,722,714</u>	<u>657,812</u>	<u>5,380,526</u>
<u>U.S. Department of the Interior-National Parks Services</u>				
Indirect Program - Passed through New York State Office of Parks and Recreation- Save America's Treasures				
	15.929	<u>1,695</u>	<u>-</u>	<u>1,695</u>

(Continued)

COUNTY OF ROCKLAND, NEW YORK

SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS (Continued)
 Year Ending December 31, 2010

<u>Federal Grantor</u> <u>Program Title</u>	<u>Federal CFDA Number (1)</u>	<u>Non - ARRA</u>	<u>ARRA (2)</u>	<u>Federal Program Expenditures</u>
<u>U.S. Department of Labor</u>				
Indirect Program - Passed through New York State Department of Labor - Senior Community Service Employment Program	17.235	\$ 398,744	\$ 20,379	\$ 419,123
WIA Youth Activities	17.259	25,000	-	25,000
Total U.S. Department of Labor		423,744	20,379	444,123
<u>U.S. Department of Transportation</u>				
Direct Programs:				
Federal Transit - Capital Investment Grants	20.507	7,924,241	2,132,152	10,056,393
		7,924,241	2,132,152	10,056,393
Indirect Programs - Passed through New York State Department of Transportation:				
Highway Planning and Construction (Federal-aid Highway Program)	20.205	857,939	1,139,307	1,997,246
Metropolitan Transportation Planning	20.505	3,221,764	-	3,221,764
Federal Transit - Capital Investment Grants	20.507	1,786,395	-	1,786,395
		5,866,098	1,139,307	7,005,405
Total U.S. Department of Transportation		13,790,339	3,271,459	17,061,798
<u>U.S. Department of Health and Human Services</u>				
Compassion Capital Fund	93.009	359,925	-	359,925
Indirect Programs - Passed through New York State Office for the Aging:				
<i>Aging Cluster</i>				
Special Programs for the Aging - Title VII Chapter 3 Programs for Prevention of Elder Abuse, Neglect and Expatriation	93.041	16,585	-	16,585
Special Programs for the Aging - Title III, Part B - Grants for Supportive Services and Senior Centers	93.044	323,147	-	323,147
Special Programs for the Aging - Title III, Part C Nutrition Services	93.045	475,179	-	475,179
Nutrition Services Incentive Program	93.053	77,608	-	77,608
Sub-Total Aging Cluster		892,519	-	892,519
Indirect Programs - Passed through New York State Department of Social Services:				
Temporary Assistance for Needy Families (TANF)	93.558	12,500,989	-	12,500,989
Low Income Home Energy Assistance	93.568	4,466,874	-	4,466,874
<i>CCDF Cluster:</i>				
Child Care and Development Block Grant	93.575	7,370,602	-	7,370,602
Child Care and Development Block Grant	93.713	-	659,601	659,601
Sub-Total CCDF Cluster		7,370,602	659,601	8,030,203

(Continued)

COUNTY OF ROCKLAND, NEW YORK

SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS (Continued)
 Year Ending December 31, 2010

<u>Federal Grantor</u> <u>Program Title</u>	<u>Federal</u> <u>CFDA</u> <u>Number (1)</u>	<u>Non -</u> <u>ARRA</u>	<u>ARRA (2)</u>	<u>Federal</u> <u>Program</u> <u>Expenditures</u>
<u>U.S. Department of Health</u> <u>and Human Services</u> (Continued)				
Immunization Grants	93.268	\$ 49,470	-	\$ 49,470
Foster Care -Title IV - E	93.658	2,829,171	23,532	2,852,703
Basic Center Grant	93.623	111,720	-	111,720
Centers for Disease Control and Prevention- Investigations and Technical Assistance	93.283	448,595	-	448,595
Adoption Assistance- Title IV-E	93.659	56,603	1,194,033	1,250,636
Social Services Block Grant	93.667	4,034,604	-	4,034,604
Medical Assistance Program (Medicaid, Title XIX)	93.778	4,519,319	12,870,752	17,390,071
Child Support Enforcement	93.563	2,003,978	156,712	2,160,690
Independent Living	93.674	47,092	-	47,092
HIV Emergency Relief Grants	93.914	449,310	-	449,310
HIV Care Formula Grants	93.917	41,302	-	41,302
Children's Health Insurance Program (CHIP)	93.767	87,043	-	87,043
Maternal and Child Health Services Block Grant to States	93.994	102,158	-	102,158
Child Welfare Services State Grants	93.645	150,000	4,925	154,925
Indirect Programs - Passed through New York State Office of Alcoholism and Substance Abuse Services: Block Grants for Prevention and Treatment of Substance Abuse	93.959	299,171	-	299,171
Total U.S. Department of Health and Human Services		<u>40,820,445</u>	<u>14,909,555</u>	<u>55,730,000</u>
<u>U.S. Department of Justice</u>				
Direct Programs:				
Public Safety Partnership and Community Policing Grant Part E - Developing, Testing and Demonstrating Promising New Programs	16.710	13,031	-	13,031
State Criminal Alien Assistance Program	16.541	202,074	-	202,074
Violence Against Women Formula Grants	16.606	43,209	-	43,209
	16.588	136,686	101,145	237,831
Total Direct Programs		<u>395,000</u>	<u>101,145</u>	<u>496,145</u>
Indirect Program - Passed through American Bar Association Closed Circuit Televising of Child Victims of Abus	16.611	-	50,134	50,134
Total U.S. Department of Justice		395,000	151,279	546,279
<u>U.S. Department of Homeland Security</u>				
Direct Program:				
Disaster Grants - Public Assistance (Presidentially Declared Disaster)	97.036	449,314	-	449,314
Indirect Programs - Passed through New York State Division of Military and Naval Affairs:				
Disaster Assistance	97.UNKNOWN	128,320	-	128,320
Hazard Mitigation Grant	97.039	37,553	-	37,553
Homeland Security Research, Testing, Evaluation & Demonstration of Technologies	97.108	19,625	-	19,625
Homeland Security Grant Program	97.067	489,254	-	489,254
Rail and Transit Security Grant Program	97.075	74,526	-	74,526
Total U.S. Department of Homeland Security		<u>1,198,592</u>	<u>-</u>	<u>1,198,592</u>

(Continued)

COUNTY OF ROCKLAND, NEW YORK

SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS (Continued)
 Year Ending December 31, 2010

<u>Federal Grantor Program Title</u>	<u>Federal CFDA Number (1)</u>	<u>Non - ARRA</u>	<u>ARRA (2)</u>	<u>Federal Program Expenditures</u>
<u>U.S. Department of Education</u>				
Indirect Program - Passed through New York State Department of Education Special Education Grants for Infants and Families with Disabilities	84.181	\$ 213,308	\$ 3,722	\$ 217,030
State Fiscal Stabilization Government Services Fund	84.397	-	6,526,535	6,526,535
Total U.S. Department of Education		<u>213,308</u>	<u>6,530,257</u>	<u>6,743,565</u>
<u>U. S. Department of Energy</u>				
Direct Program - Energy Efficiency and Conservation Block Grant Program	81.128	-	33,877	33,877
<u>U.S. Environmental Protection Agency</u>				
Indirect Program - Passed through New York State Department of Environmental Protection - Performance Partnership Grants	66.605	1,930	-	1,930
<u>U.S. Election Assistance Commission</u>				
Direct Program - Help America Vote Act Requirement Payments	90.401	-	199,185	199,185
<u>Corporation for National and Community Service</u>				
Direct Program - AmeriCorps	94.006	237,607	189,124	426,731
<u>Social Security Administration</u>				
Direct Program - Social Security Retirement Insurance	96.002	4,600		4,600
Total Expenditures of Federal Awards		<u>65,823,272</u>	<u>25,962,927</u>	<u>91,786,199</u>

(1) Catalog of Federal Domestic Assistance number.

(2) American Recovery and Reinvestment Act

See notes to schedule of expenditures of federal awards.

County of Rockland, New York
Notes to Schedule of Expenditures of Federal Awards
Year Ended December 31, 2010

NOTE A - SUMMARY OF ACCOUNTING POLICIES

1. *General*

The accompanying Schedule of Expenditures of Federal Awards presents all activity of all Federal award programs for the year ended December 31, 2010. Federal awards received directly from Federal agencies as well as Federal awards passed through other government agencies are included on the Schedule.

2. *Basis of Accounting*

The accompanying Schedule of Expenditures of Federal Awards is presented using the modified accrual basis of accounting. The basis used to determine noncash awards expended; such as food stamps, food commodities and donated property, is the fair market value at the time of the receipt, or the assessed value provided by the Federal or pass-through agency.

3. *Relationship to Financial Statements*

The County's fund financial statements are presented on the modified accrual basis of accounting

County of Rockland, New York
Schedule of Findings and Questioned Costs
December 31, 2010

Section I - Summary of Auditor's Results

Financial Statements

Type of auditor's report issued: Unqualified

Internal control over financial reporting:

- Material weakness(es) identified? ___ yes X no
- Significant deficiency(ies) identified? ___ yes X none reported
- Noncompliance material to financial statements noted? ___ yes X no

Federal Awards

Internal control over major programs:

- Material weakness(es) identified? ___ yes X no
- Significant deficiency(ies) identified? ___ yes X none reported

Type of auditor's report issued on compliance for major programs: Unqualified

Any audit findings disclosed that are required to be reported in accordance with Section 510(a) of Circular A-133? ___ yes X no

County of Rockland, New York
 Schedule of Findings and Questioned Costs (Continued)
December 31, 2010

Identification of major programs:

CFDA Number(s)	Name of Federal Program or Cluster
14.241	Housing Opportunities for Persons With Aids
14.257	ARRA - Homelessness Prevention and Rapid Re-Housing Program (HPRP)
20.205	Highway Planning and Construction (Federal Aid Highway Program)
20.205	ARRA - Highway Planning and Construction (Federal Aid Highway Program)
20.505	Metropolitan Transportation Planning
84.397	ARRA - State Fiscal Stabilization Government Services Fund
93.009	Compassion Capital Fund
93.568	Low-Income Home Energy Assistance
93.778	Medical Assistance Program (Medicaid: Title XIX)
93.914	HIV Emergency Relief Project Grants

Dollar threshold used to distinguish
 between Type A and Type B programs

\$2,753,586

Auditee qualified as low-risk auditee?

X yes no

Section II – Financial Statement Findings

No matters to report

Section III – Federal Award Findings and Questioned Costs

No matters to report

Rockland County, New York
Summary Schedule of Prior Findings

December 31, 2010

Federal Awards findings and Questioned Cost

Finding 2009-01: Quarterly Reporting – State Fiscal Stabilization Fund (SFSF) Government Services, Recovery Act (CFDA 84.397) passed through New York State Education Department

Status of Prior Finding:

Management took corrective action and has filed the required reports to New York State Education Department on a timely basis.

