

County of Rockland

State of New York

Comprehensive Annual Financial Report

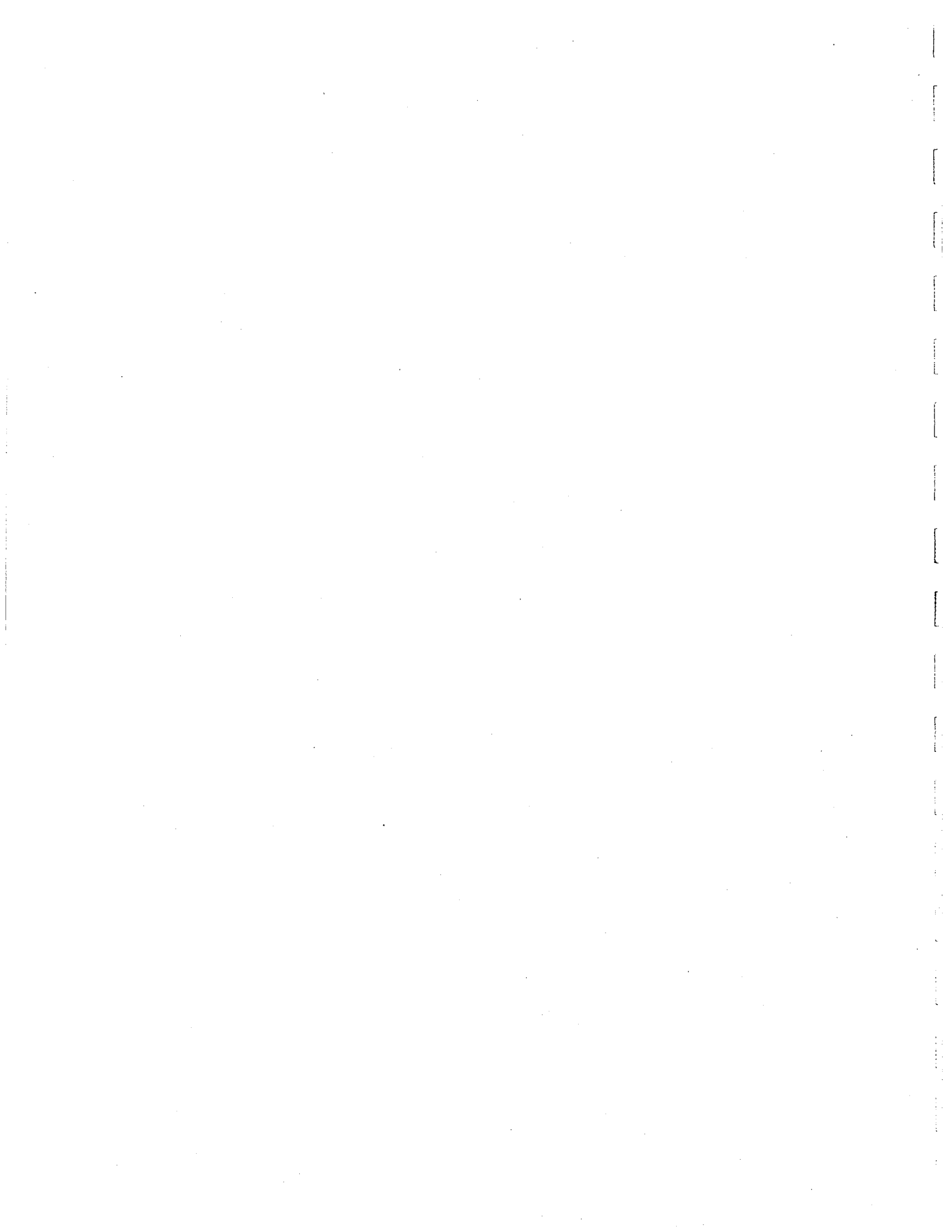
Year Ended: December 31, 2007



C. Scott Vanderhoef
County Executive

H. Chris Kopf, CPA
Commissioner of Finance

Arlene Karger
Deputy Commissioner of Finance



COUNTY OF ROCKLAND, NEW YORK
COMPREHENSIVE ANNUAL FINANCIAL REPORT

FISCAL YEAR ENDED DECEMBER 31, 2007
TABLE OF CONTENTS

Page

INTRODUCTORY SECTION

Principal Officials	i
Organization Chart	ii
Letter of Transmittal	iii
Certificate of Achievement for Excellence in Financial Reporting	xiii

FINANCIAL SECTION

Independent Auditors' Report	1
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	3
Management's Discussion and Analysis	5
Basic Financial Statements:	
Government-wide Financial Statements:	
Statement of Net Assets	15
Statement of Activities	16
Fund Financial Statements:	
Balance Sheet - Governmental Funds	18
Reconciliation of the Governmental Funds Balance Sheet to the Government-wide Statement of Net Assets - Governmental Activities	19
Statement of Revenues, Expenditures and Changes in Fund Balances - Governmental Funds	20
Reconciliation of the Statement of Revenues, Expenditures, and Changes in Fund Balances of Governmental Funds to the Statement of Activities	21
Statement of Revenues, Expenditures and Changes in Fund Balance - Budget and Actual - General Fund	22
Statement of Net Assets - Proprietary Funds	23
Statement of Revenues, Expenses and Changes in Net Assets - Proprietary Funds	25
Statement of Cash Flows - Proprietary Funds	27
Statement of Assets and Liabilities - Fiduciary Funds	29
Statement of Net Assets - Component Units	30
Statement of Activities - Component Units	32
Notes to Financial Statements	34

COUNTY OF ROCKLAND, NEW YORK
 COMPREHENSIVE ANNUAL FINANCIAL REPORT

FISCAL YEAR ENDED DECEMBER 31, 2007
 TABLE OF CONTENTS (Continued)

	<u>Page</u>
Combining and Individual Fund Financial Statements and Schedules:	
Major Governmental Funds:	
General Fund:	
Comparative Balance Sheet	73
Comparative Schedule of Revenues, Expenditures and Changes in Fund Balance - Budget and Actual	74
Schedule of Revenues and Other Financing Sources Compared to Budget	76
Schedule of Expenditures and Other Financing Uses Compared to Budget	78
Capital Projects Fund:	
Comparative Balance Sheet	80
Comparative Statement of Revenues, Expenditures and Changes in Fund Balance	81
Non-Major Governmental Funds:	
Combining Balance Sheet -Non-Major Governmental Funds	82
Combining Statement of Revenues, Expenditures and Changes in Fund Balances - Non-Major Governmental Funds	84
Special Revenue Funds:	
Combining Balance Sheet - Non-Major Special Revenue Funds	86
Combining Statement of Revenues, Expenditures and Changes in Fund Balances - Non-Major Special Revenue Funds	88
County Road Fund:	
Comparative Balance Sheet	90
Comparative Schedule of Revenues, Expenditures and Changes in Fund Balance - Budget and Actual	91
Road Machinery Fund:	
Comparative Balance Sheet	93
Comparative Schedule of Revenues, Expenditures and Changes in Fund Balance - Budget and Actual	94
Community Development Fund:	
Comparative Balance Sheet	96
Comparative Schedule of Revenues, Expenditures and Changes in Fund Balance - Budget and Actual	97
Sewer District Fund:	
Comparative Balance Sheet	99
Comparative Schedule of Revenues, Expenditures and Changes in Fund Balance - Budget and Actual	100
Special Purpose Fund:	
Comparative Balance Sheet	102
Comparative Statement of Revenues, Expenditures and Changes in Fund Balance	103
Debt Service Fund:	
Comparative Balance Sheet	104
Comparative Schedule of Revenues, Expenditures and Changes in Fund Balance - Budget and Actual	105
Proprietary Funds:	
Enterprise Funds:	
Home and Infirmary Fund:	
Comparative Statement of Net Assets	107
Comparative Statement of Revenues, Expenses and Changes in Net Assets	108
Comparative Statement of Cash Flows	109

COUNTY OF ROCKLAND, NEW YORK
COMPREHENSIVE ANNUAL FINANCIAL REPORT

FISCAL YEAR ENDED DECEMBER 31, 2007
TABLE OF CONTENTS (Continued)

	<u>Page</u>
Rockland Tobacco Asset Securitization Corporation:	
Comparative Statement of Net Assets	110
Comparative Statement of Revenues, Expenses and Changes in Net Assets	111
Comparative Statement of Cash Flows	112
Rockland Second Tobacco Asset Securitization Corporation:	
Comparative Statement of Net Assets	113
Comparative Statement of Revenues, Expenses and Changes in Net Assets	114
Comparative Statement of Cash Flows	115
Internal Service Funds:	
Combining Statement of Net Assets	116
Combining Statement of Revenues, Expenses and Changes in Net Assets	118
Combining Statement of Cash Flows	120
Workers' Compensation Benefits Fund:	
Comparative Statement of Net Assets	122
Comparative Statement of Revenues, Expenses and Changes in Net Assets	123
Comparative Statement of Cash Flows	124
General Liability Claims Fund:	
Comparative Statement of Net Assets	125
Comparative Statement of Revenues, Expenses and Changes in Net Assets	126
Comparative Statement of Cash Flows	127
Unemployment Benefits Fund:	
Comparative Statement of Net Assets	128
Comparative Statement of Revenues, Expenses and Changes in Net Assets	129
Comparative Statement of Cash Flows	130
General Services Fund:	
Comparative Statement of Net Assets	131
Comparative Statement of Revenues, Expenses and Changes in Net Assets	132
Comparative Statement of Cash Flows	133
Fiduciary Funds - Statement of Changes in Assets and Liabilities	134

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

This section includes the following schedules:

Financial Trends:	
Net Assets by Component - Last Six Fiscal Years	135
Changes in Net Assets - Last Six Fiscal Years	137
Fund Balances, Governmental Funds - Last Ten Fiscal Years	141
Changes in Fund Balances, Governmental Funds - Last Ten Fiscal Years	143

COUNTY OF ROCKLAND, NEW YORK
COMPREHENSIVE ANNUAL FINANCIAL REPORT

FISCAL YEAR ENDED DECEMBER 31, 2007
TABLE OF CONTENTS (Concluded)

	<u>Page</u>
Revenue Capacity:	
Tax Revenues by Source, Governmental Funds - Last Ten Fiscal Years	145
Sales Tax Rates - Last Ten Fiscal Years	146
Taxable Sales by Industry - Eight Years Stated	148
Assessed Value and Estimated Actual Value of Taxable Property per \$1,000 of Assessed Valuation - Last Ten Fiscal Years	150
County Property Tax Rates by Town per \$1,000 of Assessed Valuation - Last Ten Fiscal Years	152
Principal Taxpayers - Current Year and Nine Years Ago	153
Property Tax Levies and Collections - Last Ten Fiscal Years	154
Debt Capacity:	
Ratios of Net General Bonded Debt Outstanding - Last Ten Fiscal Years	156
Direct and Underlying Governmental Activities Debt	158
Legal Debt Margin Information - Last Ten Fiscal Years	159
Demographic and Economic Information -	
Demographic and Economic Statistics - Last Ten Fiscal Years	161
Operating Information:	
Principal Employers - Current Year and Nine Years Ago	163
Full-Time Equivalent County Government Employees by Function - Last Eight Fiscal Years	164
Operating Indicators by Function - Last Ten Fiscal Years	166
Capital Asset Statistics by Function - Last Ten Fiscal Years	168

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

**INTRODUCTORY
SECTION**

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ROCKLAND COUNTY, NEW YORK
Principal Officials

COUNTY EXECUTIVE
C. Scott Vanderhoef

COUNTY LEGISLATORS
Harriet D. Cornell
Chairwoman of the Legislature

Gerold M. Bierker
Connie Coker
William L. Darden
Edwin J. Day
Theodore R. Dusanenko
David Fried
Michael M. Grant
Jay Hood, Jr.

Douglas J. Jobson
Bruce M. Levine
Patrick J. Moroney
John A. Murphy
V.J. Pradhan
Ilan S. Schoenberger
Philip Soskin
Patrick Withers

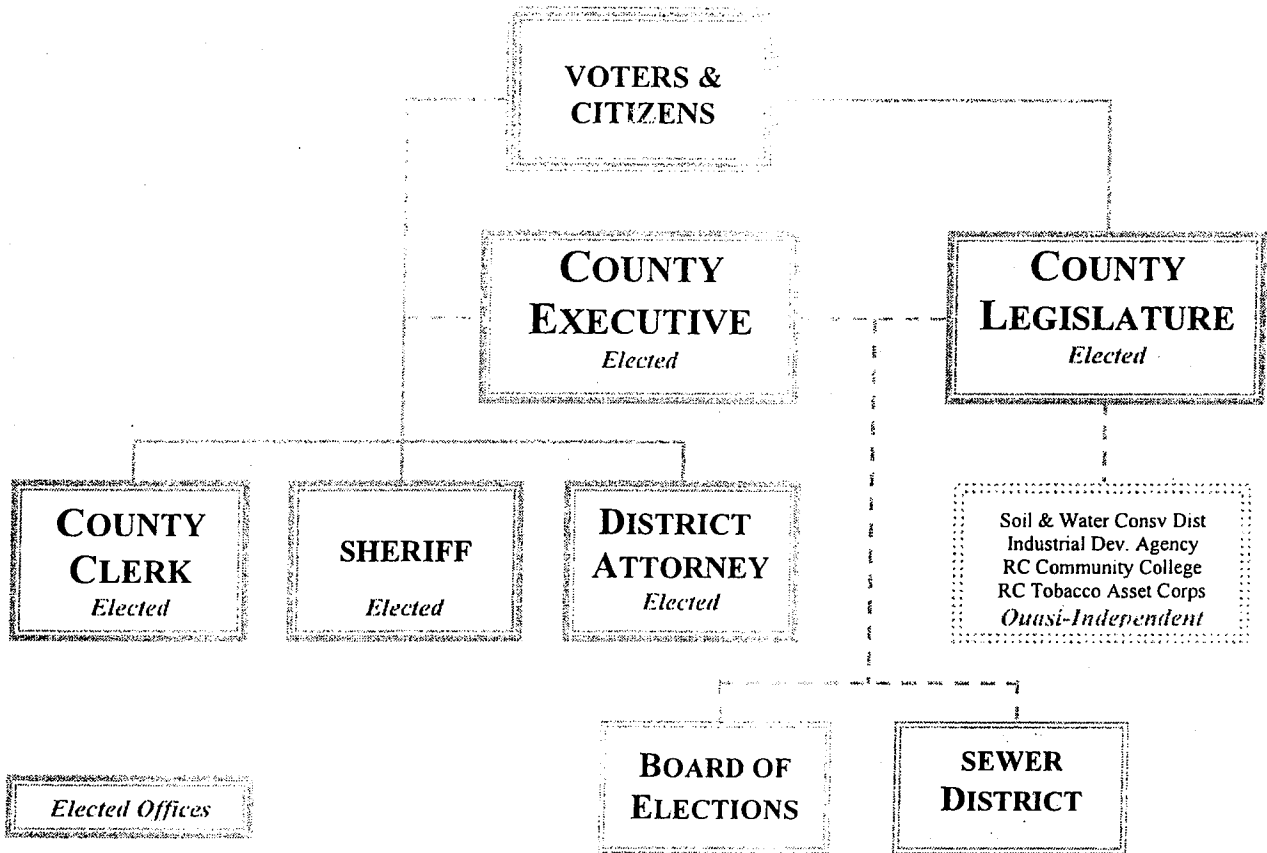
Michael Bongiorno
James Kralik
Paul Piperato

District Attorney
Sheriff
County Clerk

H. Chris Kopf
Patricia Zugibe

Commissioner of Finance
County Attorney

ORGANIZATION OF ROCKLAND COUNTY GOVERNMENT



ALL OTHER CHARTERED DEPARTMENTS

<p>Dept of Planning Commissioner Charter 5.01</p>	<p>Dept of Personnel Commissioner Charter 6.01</p>	<p>Dept of Health Commissioner Charter 7.01</p>	<p>Dept of Hospitals Commissioner Charter 8.01</p>
<p>Dept of Mental Health Commissioner Charter 9.01</p>	<p>Dept of Social Services Commissioner Charter 10.01</p>	<p>Dept of Highways Superintendent Charter 11.01</p>	<p>Office of the Public Defender Charter 15.01</p>
<p>Dept of Law County Attorney Charter 16.01</p>	<p>Dept of Finance Commissioner Charter 17.01</p>	<p>Dept of Audit County Auditor Charter 18.01</p>	<p>Human Rights Commissioner Charter 19.01</p>

**Other County Boards,
Offices, Institutions &
Functions**
Charter 20.04



COUNTY OF ROCKLAND
DEPARTMENTS OF FINANCE AND BUDGET

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

C. SCOTT VANDERHOEF
County Executive

H. CHRIS KOPF, CPA
Commissioner of Finance
Budget Director

STEVEN J. GROGAN
Deputy Budget Director

ARLENE KARGER
Deputy Commissioner of Finance

July 21, 2008

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, 2007 is submitted herewith. New York State requires the County to submit an annual report of our financial records and transactions presented in conformity with generally accepted accounting principles ("GAAP") and audited in accordance with generally accepted auditing standards by a firm of licensed certified public accountants. This CAFR is issued pursuant to that requirement.

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

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

The County's basic financial statements have been audited by Bennett Kielson Storch DeSantis, The Government Services Division of O'Connor Davies Munns & Dobbins, LLP, a firm of licensed certified public accountants. The goal of the independent audit was to provide reasonable assurance that the basic financial statements of the County for the fiscal year ended December 31, 2007, 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, 2007, 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, 2007 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 1st, 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 23rd. Subsequent to October 23rd, 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 20th, and after the public hearing, the Legislature may make changes to the budget. The budget is adopted no later than December 7th. Budget to actual comparisons are provided in this report for each individual governmental fund for which an appropriated annual budget has been adopted. The level of budgetary control (that is, the level at which expenditures cannot legally exceed the appropriated amount) is established within individual funds at the function level.

FACTORS AFFECTING FINANCIAL CONDITION

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

Local Economy

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

County include Wyeth Corporation, Orange and Rockland Utilities, Good Samaritan Hospital and Nyack Hospital.

Wealth levels for the County's residents are significantly above State and national averages. The estimated per capita income of County residents in 2006 was \$50,947. State per capita income averages reported on this basis were \$44,027. 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 17 parks, all of which have natural scenic areas, some affording panoramic views of the County. There are also over 20 private commercial swimming pools and lakes, and twelve golf courses, eight of which are open to the public. All of the towns and many of the villages have separate park facilities. In addition, there are numerous libraries, museums and marinas in the County.

In 2007, the County of Rockland experienced a leveling off of retail sales with sales tax revenues showing no increase over the previous year. The County's housing market softened in 2007, with our mortgage tax revenues declining 19.5% from the previous year, bringing in \$7.4 million.

LONG TERM FINANCIAL PLANNING

The County's future projects include the following:

- ❖ The Village of Haverstraw approved a \$200 million dollar waterfront development project of which Phase I is complete. Phase II of the project is in progress.
- ❖ Develop a Countywide Emergency Service Radio Communications System which will allow all agencies to communicate with each other during County-wide events.
- ❖ Extension of the Sewer District's boundaries to include Hillburn, Sloatsburg and Western Ramapo. Additionally, the proposed new plant will provide advanced treatment to enhance the water supply in the Ramapo River basin, which is the sole source aquifer for the County's needs.
- ❖ Creation of a revolving fund to purchase land/property to construct housing for people with special needs and/or low income.
- ❖ Continuing the open space acquisition program to preserve and protect environmentally sensitive parcels, agricultural value, historical integrity and significant natural beauty.
- ❖ Expand academic space for the Early Childhood Program and the Campus Fun & Learn Daycare Center at Rockland Community College.

- ❖ Conduct a preliminary study of County watersheds with regard to drainage issues impacting the multiple jurisdictions within each watershed.
- ❖ Construction of a new state of the art nursing facility at Summit Park Hospital.
- ❖ Continue the process of the redesign and improvement of various County roads to meet the traffic demands of an ever-growing community.
- ❖ Implementation of a West Shore Railroad Safety and Quiet Zone Project to be funded with an 80% Federal Grant.

CASH MANAGEMENT POLICIES AND PRACTICES

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

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

During 2007, the County had an average monthly cash balance in the General Fund of \$252.5 million. Earnings from these investments amounted to approximately \$15.4 million for an average rate of return of 6.09%. The large increase in cash balance was due to the cash borrowings the County did in connection with the Mirant settlement to make our local municipalities whole.

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

RISK MANAGEMENT

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

The County is also self-insured for workers' compensation benefits through a multi-municipal consortium. The County has secured conventional insurance coverage for individual losses in excess of \$750,000.

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

PENSION AND OTHER POST-EMPLOYMENT BENEFITS

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

The County also provides health care benefits for retired employees. The various collective bargaining agreements stipulate the employees covered and the percentage of required contribution. As of the end of the current fiscal year, there were 1,851 retired employees receiving these benefits. The County's annual other post employment benefit ("OPEB") cost is calculated based on the annual required contribution ("ARC") of the employer, 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, instead of expressing the current year premiums paid, a per capita claims cost is determined, which is then used to determine a "normal cost", an "actuarial accrued liability", and ultimately the 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 liabilities over a period not to exceed thirty years. For the calendar year ended December 31, 2007, the County's annual OPEB cost for the primary government of \$57,372,475 was equal to the ARC.

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

AWARDS AND ACKNOWLEDGEMENTS

GFOA - Certificates of Achievement for Excellence in Financial Reporting and Budget Presentation

The Government Finance Officers Association ("GFOA") of the United States and Canada awarded a Certificate of Achievement for Excellence in Financial Reporting to the County of Rockland, New York for its CAFR for the year ended December 31, 2006. 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 2008 Budgets. In order to achieve this prestigious award, a budget document must meet program criteria as a policy document, as an operations guide, as a financial plan, and as a communications device.

The Budget Award is valid for a period of one year. We intend to continue participation in the program and will be submitting our 2009 budget for review.

Acknowledgements

I would like to thank all of the personnel in the Budget and Finance departments who have assisted in the preparation of this report. In particular, special thanks are offered to Arlene Karger, Deputy Commissioner of Finance and her Finance staff Michael Cappabianca, Laura

Del Principio and Linda Hill; Steven Grogan, Deputy Budget Director and his Budget staff Nancy Hoffman, James Hayden and Michael Drummond, as well as our independent auditor who assisted in its preparation. Appreciation is also offered to the County Executive and the members of the County Legislature for their interest and support in the financial operation of the County.

Respectfully Submitted,

A handwritten signature in cursive script that reads "H. Chris Kopf".

H. Chris Kopf, CPA
Commissioner of Finance/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, 2006

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.



Charles S. Cox

President

Jeffrey R. Emer

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 as of and for the year ended December 31, 2007, which collectively comprise the County's basic financial statements as listed in the table of contents. These financial statements are the responsibility of the County's management. Our responsibility is to express opinions on these basic financial statements based on our audit. We did not audit the financial statements of the Home and Infirmary Fund for the year ended December 31, 2007, which represents 78.9% and 95.3%, 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, 2007. Those financial statements were audited by other auditors whose reports thereon have been furnished to us, and our opinions on the basic financial statements insofar as it relates to amounts included for such fund and component units is based on the reports of the other auditors.

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

In our opinion, based on our audit and the reports of the other auditors, the financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities, the business-type activities, the aggregate discretely presented component units, each major fund and the aggregate remaining fund information of the County of Rockland, New York as of December 31, 2007 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 is not a required part of the basic financial statements, but is supplementary information required by the Governmental Accounting Standards Board. We applied certain limited procedures, which consisted principally of inquiries of management regarding the methods of measurement and presentation of the required supplementary information. However, we did not audit the information and express no opinion on it.

In accordance with *Government Auditing Standards*, we have also issued our report dated July 17, 2008 on our consideration of the County of Rockland, New York's internal control over financial reporting and our tests of its compliance with certain provisions of laws, regulations, contracts and grant agreements and other matters. The purpose of that report is to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing and not to provide an opinion on the internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* and should be considered in assessing the results of our audit.

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the County of Rockland, New York's basic financial statements. The accompanying financial information listed as combining and individual fund financial statements and schedules in the table of contents is presented for purposes of additional analysis and is not a required part of the basic financial statements of the County of Rockland, New York. Such information has been subjected to the auditing procedures applied in the audit of the basic financial statements and, in our opinion, is fairly stated in all material respects in relation to the basic financial statements taken as a whole.

Bennett Kielson Storch DeSantis

The Government Services Division of
O'Connor Davies Munns & Dobbins, LLP
July 17, 2008



**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 Legislature of the
of the County of Rockland, New York:

We have audited the basic financial statements of the County of Rockland, New York as of and for the year ended December 31, 2007, and have issued our report thereon dated July 17, 2008. 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.

Internal Control Over Financial Reporting

In planning and performing our audit, we considered the County of Rockland, New York'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 of Rockland, New York's internal control over financial reporting. Accordingly, we do not express an opinion of the effectiveness of the County of Rockland, New York's internal control over financial reporting.

A control deficiency 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 misstatements on a timely basis. A significant deficiency is a control deficiency, or combination of control deficiencies, that adversely affects the entity's ability to initiate, authorize, record, process, or report financial data reliably in accordance with generally accepted accounting principles such that there is more than a remote likelihood that a misstatement of the entity's financial statements that is more than inconsequential will not be prevented or detected by the entity's internal control.

A material weakness is a significant deficiency, or combination of significant deficiencies, that result in more than a remote likelihood that a material misstatement of the financial statements will not be prevented or detected by the entity's internal control.

Our consideration of internal control over financial reporting was for the limited purpose described in the first paragraph of this section and would not necessarily identify all deficiencies in internal control that might be 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 of Rockland, New York'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 the management of the County of Rockland, New York in a separate letter.

This report is intended solely for the information of management and 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. However, this report is a matter of public record and its distribution is not limited.

Bennett Kielson Storch DeSantis

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

July 17, 2008

**County of Rockland, New York
Management's Discussion and Analysis (MD&A)
December 31, 2007**

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, 2007. 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 2007

- The net assets (assets minus liabilities) of the primary government for fiscal year 2007 were \$318,527,930. Of this amount, \$414,019,664 represents governmental net assets and \$(96,491,734) is business-type net assets.
- The General Fund reported an ending fund balance of \$11,338,228 which represents a decrease of \$38,811,872 from fiscal year 2006. The unrestricted fund balance was \$(33,535,024) which represents a decrease of \$30,602,965 from fiscal year 2006. The Capital Projects Fund reported an ending fund balance of \$91,953,837, a decrease of \$5,160,398 from fiscal year 2006.
- The County's total outstanding bonds payable for December 31, 2007 were \$401,283,600.

Overview of the Financial Statements

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

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

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

Government-Wide Financial Statements

The government-wide financial statements are presented in a manner similar to private sector business financial statements. The statements are prepared using the economic resources measurement focus and the accrual basis of accounting. The government-wide financial statements include two statements: Statement of Net Assets and Statement of Activities. Fiduciary activities, whose resources are not available to finance County programs, are excluded from these statements.

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

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

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

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

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

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

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

Fund Financial Statements

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

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

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

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

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

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

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

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

Fiduciary Funds – These funds are used to account for resources held for the benefit of parties outside of the County. The fiduciary funds are not reflected in the government-wide financial statements because the assets of these funds are not available to support the activities of the County.

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

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

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

Notes to Financial Statements

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

Other Information

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

Government-wide Financial Analysis

As noted earlier, net assets may serve over time as a useful indicator of a government's financial position. In the case of the County, assets exceeded liabilities by \$318,527,930 for fiscal year 2007.

The following table reflects the condensed Statement of Net Assets:

	Governmental Activities		Business-Type Activities		Total	
	2007	2006	2007	2006	2007	2006
Current and Other Assets	\$ 327,435,042	\$ 590,835,456	\$ 15,926,418	\$ 18,853,459	\$ 343,361,460	\$ 609,688,915
Capital Assets	628,793,643	616,674,266	22,497,885	23,517,000	651,291,528	640,191,266
Total Assets	956,228,685	1,207,509,722	38,424,303	42,370,459	994,652,988	1,249,880,181
Current Liabilities	204,557,426	423,105,659	24,053,500	23,313,246	228,610,926	446,418,905
Long-Term Liabilities	337,651,595	294,003,792	109,862,537	95,429,439	447,514,132	389,433,231
Total Liabilities	542,209,021	717,109,451	133,916,037	118,742,685	676,125,058	835,852,136
Net Assets Invested in Capital Assets						
Net of Related Debt	410,512,788	357,075,560	11,269,462	12,411,965	421,782,250	369,487,525
Restricted	123,090,125	84,186,029	-	-	123,090,125	84,186,029
Unrestricted	(119,583,249)	49,138,682	(106,761,196)	(88,784,191)	(226,344,445)	(39,645,509)
Total Net Assets	\$ 414,019,664	\$ 490,400,271	\$ (95,491,734)	\$ (76,372,226)	\$ 318,527,930	\$ 414,028,045

The largest component of the County's net assets is invested in Capital Assets, net of related debt of \$421,782,250 (132%) 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 capital assets. 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 \$123,090,125 or 38% represents resources that are subject to external restrictions on how they may be used. The restrictions are as follows:

Capital Projects	\$ 85,592,039
Law Enforcement	150,637
Stop-DWI Program	898,655
Handicapped Parking	56,965
Social Service Programs	48,483
Debt Service	22,913,219
Parklands	44,000
Workers' Compensation Benefits	365,825
Unemployment Benefits	126,365
Special Revenue Funds	12,893,937
	<u>\$ 123,090,125</u>

The remaining portion of net assets is classified as unrestricted and is \$(226,344,445).

	Governmental Activities		Business-Type Activities		Total	
	2007	2006	2007	2006	2007	2006
Program Revenues:						
Charges for Services	\$ 33,398,390	\$ 33,117,270	\$ 78,790,038	\$ 79,335,999	\$ 112,188,428	\$ 112,453,269
Operating Grants and Contributions	143,651,066	141,316,084	21,240,829	12,019,557	164,891,895	153,335,641
Capital Grants and Contributions	23,349,064	17,079,414	-	-	23,349,064	17,079,414
General Revenues:						
Real Property Taxes	72,855,145	58,727,783	-	-	72,855,145	58,727,783
Other Tax items	5,253,994	27,764,921	-	-	5,253,994	27,764,921
Non-Property Taxes	171,348,227	160,336,908	-	-	171,348,227	160,336,908
Unrestricted Use of Money and Property	15,365,523	2,658,983	-	-	15,365,523	2,658,983
Sale of Property and Compensation for Loss	49,315	135,224	-	-	49,315	135,224
Other Revenues	2,560,186	2,663,407	-	-	2,560,186	2,663,407
Total Revenues	467,830,910	443,799,994	100,030,867	91,355,556	567,861,777	535,155,550
Program Expenses:						
General Government Support	58,494,042	53,181,226	-	-	58,494,042	53,181,226
Education	63,708,235	62,269,510	-	-	63,708,235	62,269,510
Public Safety	68,781,351	61,374,333	-	-	68,781,351	61,374,333
Health	55,693,202	42,866,537	-	-	55,693,202	42,866,537
Transportation	56,039,377	52,467,203	-	-	56,039,377	52,467,203
Economic Opportunity and Development	161,783,425	154,921,214	-	-	161,783,425	154,921,214
Culture and Recreation	922,107	672,310	-	-	922,107	672,310
Home and Community Services	33,924,151	25,128,078	-	-	33,924,151	25,128,078
Interest	24,724,724	17,421,520	-	-	24,724,724	17,421,520
Rockland Tobacco Asset Corporation	-	-	5,091,710	5,028,631	5,091,710	5,028,631
Home and Infirmary	-	-	114,058,665	100,045,431	114,058,665	100,045,431
Total Expenses	524,070,614	470,301,931	119,150,375	105,074,062	643,220,989	575,375,993
Excess (Deficiency) Before Transfers	(56,239,704)	(26,501,937)	(19,119,508)	(13,718,506)	(75,359,212)	(40,220,443)
Prior Period Adjustment	(20,140,903)	-	-	-	(20,140,903)	-
Net Assets - Beginning	490,400,271	516,902,208	(76,372,226)	(62,653,720)	414,028,045	454,248,488
Net Assets - Ending	\$ 414,019,664	\$ 490,400,271	\$ (95,491,734)	\$ (76,372,226)	\$ 318,527,930	\$ 414,028,045

Governmental Activities – Governmental activities decreased the County's net assets by \$56.2 million, which accounts for 74.6% of the total decrease in net assets. This decrease is due to depreciation of capital assets and a prior period adjustment of \$20.1 million.

For the fiscal year ended December 31, 2007, revenues from governmental activities totaled \$468 million. Tax revenues (\$249 million), comprised of real property taxes, sales and mortgage tax items and non-property taxes, represent the largest revenue source (53.2%). Collection of the current tax levy remains very strong at 96.59%, while averaging 94.38% over the last 10 years. Non-property taxes yielded \$171.3 million, an increase of \$11 million over fiscal year 2006.

Business-Type Activities – Business-type activities decreased the County's net assets by \$19.1 million for the year ended December 31, 2007. This decrease is due to losses sustained by our Hospital and Mental Health units. This loss was caused by a leveling off of patient days along with a payor source made up of predominantly Medicaid patients.

Financial Analysis of the Government's Funds

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

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

As of the end of the current fiscal year, the County's total governmental funds reported a combined ending fund balance of \$131.5 million, a decrease of \$44.2 million in comparison with the prior year. Of the total combined fund balance, \$78.6 million constitutes unreserved fund balance, of which \$9.9 million has been designated for subsequent year's expenditures and represents the amount estimated for use in the 2008 budget. As of December 31, 2007, the General Fund had undesignated fund balance of \$(33.5) million. This deficit was created by multiple factors. As discussed in previous years, the County had one of its largest taxpayer's declare bankruptcy and file a tax certiorari for years beginning 2004. This resulted in their failure to pay their property taxes for approximately four years. The bankruptcy and certiorari was finally settled in February of 2007. The settlement had a great impact on the municipalities of the County of Rockland. The County had to make a refund of over \$163.2 million on behalf of the municipalities effected, of which \$155 million was repaid to the County by those effected municipalities. In addition, the County also took a loss of approximately \$20 million in penalties and interest that were ordered written off and \$3.2 million of uncollected property tax.

The current economic slowdown has effected Rockland County as it has most other municipalities in the area. The majority of our revenue is derived from sources that have been directly effected by this slowdown of sales tax, mortgage tax and interest earnings. In 2007 a shortfall of sales tax amounted to \$4.3 million and mortgage tax of

\$2.3 million. Over the past few years, the County has had similar losses in these accounts. The cumulative effect of the economy on these revenues has severely impacted our undesignated fund balance. The economic slowdown has created a greater demand for County services such as the \$6.1 million on our social service programs and \$9 million on our health program. At this point and time, we do not see a change in this trend and strive to meet our future budget needs.

The last item of concern facing Rockland County is the operation of the Hospital. Over the past two years, the fund has lost over \$55 million. This is mainly due to continued low census and reduced reimbursements from insurance companies. For 2008, this trend has been improving and our nursing unit and Hospital have shown signs of improvement but our Mental Health unit continues to find it difficult to attract new clients.

The General Fund is the primary operating fund of the County. At the end of the current fiscal year, the total fund balance of the General Fund was \$11.3 million. Of this amount, \$(33.5) million was unreserved.

When the fiscal 2007 budget was adopted, it anticipated the use of fund balance. However, actual results of operations generated a deficit of \$11 million. Overall, General Fund expenditures were \$432.6 million, which was \$11.2 million less than the final budget. The major areas where spending was less than budget was general government support (\$6 million), health (\$1 million) economic opportunity (\$1.1 million) and transportation (\$2 million).

The Capital Projects Fund is used to account for capital project activity throughout the County. The Capital Projects Fund's ending fund balance is \$92 million for fiscal year 2007.

Non-major Governmental Funds consist of the Special Revenue Funds and the Debt Service Fund. The Special Revenue Funds are made up of the following individual funds: County Road Fund, Road Machinery Fund, Community Development Fund, Sewer District Fund and Special Purpose Fund. For the fiscal year ending December 31, 2007, the combined fund balance of these funds totaled \$28.2 million. This represents a decrease of \$.2 million for fiscal year 2007.

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

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

Total assets of the Proprietary Funds decreased by \$19.2 million leaving a balance of net assets of \$(95.5) million.

Budgetary Highlights

General Fund – Differences between the original budget and the final amended budget was a \$24 million increase in appropriations. Increases in the budget for grants received by the Department of Health (\$13.9 million), the Department of Transportation (\$5.6 million), and Economic Opportunity and Development (\$1.8 million) accounted for most of the changes.

Capital Asset and Debt Administration

Capital Assets – The County's investment in capital assets for its governmental and business type activities as of December 31, 2007, amounts to \$651.3 million (net of accumulated depreciation). This investment in capital assets includes land, buildings, improvements, equipment, infrastructure and construction-in-progress.

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

	Governmental Activities		Business-Type Activities		Total	
	2007	2006	2007	2006	2007	2006
Land	\$ 46,964	\$ 46,964	\$ 439	\$ 439	\$ 47,403	\$ 47,403
Buildings and Improvements	122,972	114,118	15,008	16,242	137,980	130,360
Equipment	50,705	43,065	6,117	4,440	56,822	47,505
Infrastructure	231,355	246,403	-	-	231,355	246,403
Construction-in- Progress	176,798	166,125	934	2,396	177,732	168,521
Total	\$ 628,794	\$ 616,675	\$ 22,498	\$ 23,517	\$ 651,292	\$ 640,192

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

Long-Term Debt – At the end of the current fiscal year, the County had total debt outstanding of \$401,283,600. The County's total debt increased by \$16,843,559. All of this debt is backed by the full faith and credit of the County.

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

	<u>Governmental Activities</u>		<u>Business-Type Activities</u>		<u>Total</u>	
	<u>2007</u>	<u>2006</u>	<u>2007</u>	<u>2006</u>	<u>2007</u>	<u>2006</u>
General Obligation Bonds - Gross	<u>\$ 302,460</u>	<u>\$ 286,381</u>	<u>\$ 98,823</u>	<u>\$ 98,098</u>	<u>\$ 401,283</u>	<u>\$ 384,479</u>

Through sound financial management and manageable debt levels, the County has been successful in maintaining its high-grade rating for its general obligation bonds. In 2007, the County received an A1 rating from Moody's Investors Service. The County has a very favorable bond rating of AA from Standard & Poors.

The State Constitution limits the amount of indebtedness, both long-term and short-term, which the County may incur. The State Constitution provides that the County may not contract indebtedness in an amount greater than seven percent of the average full value of taxable real property in the County for the most recent five years, certain indebtedness is excluded in ascertaining the County's authority to contract indebtedness within the constitutional limits; accordingly, debt of this kind, commonly referred to as "excluding debt", may be issued without regard to the constitutional limits and without affecting the County's authority to issue debt subject to the limit. At December 31, 2007, the County of Rockland had used \$199,340,948 or 7.8% of the constitutional debt limit leaving \$2,347,160,274 remaining to be used.

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

Requests for Information

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

**BASIC
FINANCIAL STATEMENTS**

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STATEMENT OF NET ASSETS
DECEMBER 31, 2007

	Primary Government			Component Units
	Governmental Activities	Business-Type Activities	Total	
ASSETS				
Cash and equivalents	\$ 111,655,283	\$ 6,258,794	\$ 117,914,077	\$ 21,381,960
Investments	26,125,000	1,286,395	27,411,395	3,412,578
Receivables:				
Taxes, net of allowance for uncollectible taxes	37,528,941	-	37,528,941	-
Accounts, net of allowance for uncollectible amounts	29,484,592	8,632,224	38,116,816	4,564,361
Accounts - Patient care, net of allowance for uncollectible amounts	-	14,244,560	14,244,560	-
Loans	182,747	-	182,747	-
State and Federal aid, net of allowance for uncollectible amounts	53,071,351	1,922,457	54,993,808	785,214
Due from other governments	9,315,898	-	9,315,898	-
Internal balances	25,903,419	(25,908,419)	-	-
Inventories	70,857	524,613	595,470	-
Restricted assets	30,856,943	-	30,856,943	7,240,098
Prepaid expenses	3,170,010	1,274,376	4,444,386	816,636
Deferred charges	65,001	-	65,001	-
	<u>327,435,042</u>	<u>8,235,000</u>	<u>335,670,042</u>	<u>38,200,847</u>
Restricted cash and equivalents	-	2,285,930	2,285,930	-
Restricted investments	-	4,236,716	4,236,716	-
Cost of issuance, net of accumulated amortization	-	1,168,772	1,168,772	-
	-	<u>7,691,418</u>	<u>7,691,418</u>	-
Capital assets				
Land	46,963,910	438,504	47,402,414	1,773,312
Buildings	118,114,979	46,467,787	164,582,766	38,954,022
Improvements	77,372,737	345,975	77,718,712	2,420,054
Equipment	98,635,535	17,016,044	115,651,579	19,784,267
Infrastructure	519,801,121	-	519,801,121	-
Construction-in-progress	176,798,331	934,092	177,732,423	349,094
	<u>1,037,686,613</u>	<u>65,202,402</u>	<u>1,102,889,015</u>	<u>63,280,749</u>
Less - Accumulated depreciation	<u>(408,892,970)</u>	<u>(42,704,517)</u>	<u>(451,597,487)</u>	<u>(25,204,839)</u>
Total Capital Assets, net of accumulated depreciation	<u>628,793,643</u>	<u>22,497,885</u>	<u>651,291,528</u>	<u>38,075,910</u>
Total Assets	<u>956,228,685</u>	<u>38,424,303</u>	<u>994,652,988</u>	<u>76,276,757</u>
LIABILITIES				
Accounts payable	28,428,973	3,234,076	31,663,049	2,501,207
Accrued liabilities	14,069,945	3,800,275	17,870,220	9,249,086
Deposits payable	-	-	-	5,000
Due to other governments	5,005,865	-	5,005,865	109,588
Due to school districts	48,444,935	-	48,444,935	-
Unearned revenues	3,375,514	-	3,375,514	5,353,047
Accrued interest payable	4,972,787	205,659	5,178,446	-
Revenue anticipation note payable	65,000,000	-	65,000,000	-
Bond anticipation notes payable	11,000,000	-	11,000,000	-
Non-current liabilities:				
Due within one year:				
Bonds payable - Capital construction	19,269,085	2,333,897	21,602,982	1,810,000
Bonds payable - Other	1,866,981	920,000	2,786,981	-
Compensated absences	1,835,365	13,559,593	15,394,958	-
Pension obligations	143,319	-	143,319	-
Claims payable	1,144,657	-	1,144,657	-
Due in more than one year:				
Bonds payable - Capital construction	272,373,043	15,478,697	287,851,740	35,388,274
Bonds payable - Other	8,951,858	80,090,039	89,041,897	-
Compensated absences	16,518,281	-	16,518,281	-
Pension obligations	1,135,488	-	1,135,488	-
Claims payable	10,301,915	-	10,301,915	-
Other post employment benefit obligations	28,371,010	14,293,801	42,664,811	768,670
Total Liabilities	<u>542,209,021</u>	<u>133,916,037</u>	<u>676,125,058</u>	<u>55,184,872</u>
NET ASSETS				
Invested in capital assets, net of related debt	410,512,788	11,269,462	421,782,250	8,768,531
Restricted for:				
Capital projects	85,592,039	-	85,592,039	869,985
Law enforcement	150,637	-	150,637	-
STOP-DWI Program	898,655	-	898,655	-
Handicapped parking	56,965	-	56,965	-
Social service programs	48,483	-	48,483	-
Debt service	22,913,219	-	22,913,219	-
Parklands	44,000	-	44,000	-
Student loans	-	-	-	10,003
Workers' compensation benefits	365,825	-	365,825	-
Unemployment benefits	126,365	-	126,365	-
Scholarships and student services	-	-	-	2,094,732
Permanent endowments	-	-	-	1,161,706
Special Revenue funds:				
Sewer	12,668,937	-	12,668,937	-
Community Development	225,000	-	225,000	-
Unrestricted	<u>(119,583,249)</u>	<u>(106,761,196)</u>	<u>(226,344,445)</u>	<u>8,186,928</u>
Total Net Assets	<u>\$ 414,019,664</u>	<u>\$ (95,491,734)</u>	<u>\$ 318,527,930</u>	<u>\$ 21,091,885</u>

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

STATEMENT OF ACTIVITIES
 YEAR ENDED DECEMBER 31, 2007

Functions/Programs	Expenses	Program Revenues		
		Charges for Services	Operating Grants and Contributions	Capital Grants and Contributions
Primary Government:				
Governmental activities:				
General government support	\$ 58,494,042	\$ 12,527,092	\$ 2,101,325	\$ 12,167
Education	63,708,235	-	-	-
Public safety	68,781,351	3,335,455	3,579,072	587,912
Health	55,693,202	4,275,920	74,616,358	-
Transportation	56,039,377	4,164,539	22,237,724	10,707,452
Economic opportunity and development	161,783,425	6,968,579	40,823,098	-
Culture and recreation	922,107	-	85,931	-
Home and community services	33,924,151	2,126,805	207,558	6,973,600
Interest	24,724,724	-	-	5,067,933
Total Governmental Activities	524,070,614	33,398,390	143,651,066	23,349,064
Business-type activities:				
Home and Infirmary Fund	114,058,665	78,790,038	16,491,989	-
Rockland Tobacco Asset Securitization Corporation	4,571,080	-	3,839,495	-
Rockland Second Tobacco Asset Securitization Corporation	520,630	-	909,345	-
Total Business-type Activities	119,150,375	78,790,038	21,240,829	-
Total Primary Government	\$ 643,220,989	\$ 112,188,428	\$ 164,891,895	\$ 23,349,064
Component Units:				
Rockland County Community College	\$ 58,755,494	\$ 18,909,263	\$ 7,130,835	\$ 521,602
Rockland County Soil and Water Conservation District	47,801	-	-	-
Rockland County Solid Waste Management Authority	25,923,295	24,563,497	362,066	-
Rockland County Industrial Development Agency	160,098	133,757	-	-
Total Component Units	\$ 84,886,688	\$ 43,606,517	\$ 7,492,901	\$ 521,602

General Revenues:
 Real property taxes
 Other tax items:
 Interest and penalties on real property taxes
 Payments in lieu of taxes
 Special assessments
 Non-property taxes:
 Sales and use tax
 Mortgage tax
 Unrestricted use of money and property
 Sale of property and compensation for loss
 Contributions from Rockland County
 Grants and contributions not restricted to specific programs
 Miscellaneous

Change in Net Assets

Net Assets - Beginning of Year, as reported

Prior Period Adjustment

Net Assets - Beginning of Year, as restated

Net Assets - End of Year

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

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

Governmental Activities	Business-type Activities	Total	Component Units
\$ (43,853,458)	\$ -	\$ (43,853,458)	\$ -
(63,708,235)	-	(63,708,235)	-
(61,278,912)	-	(61,278,912)	-
23,199,076	-	23,199,076	-
(18,929,662)	-	(18,929,662)	-
(113,991,748)	-	(113,991,748)	-
(836,176)	-	(836,176)	-
(24,616,188)	-	(24,616,188)	-
(19,656,791)	-	(19,656,791)	-
<u>(323,672,094)</u>	<u>-</u>	<u>(323,672,094)</u>	<u>-</u>
-	(18,776,638)	(18,776,638)	-
-	(731,585)	(731,585)	-
-	388,715	388,715	-
<u>-</u>	<u>(19,119,508)</u>	<u>(19,119,508)</u>	<u>-</u>
<u>(323,672,094)</u>	<u>(19,119,508)</u>	<u>(342,791,602)</u>	<u>-</u>
-	-	-	(32,193,794)
-	-	-	(47,801)
-	-	-	(997,732)
-	-	-	(26,341)
<u>-</u>	<u>-</u>	<u>-</u>	<u>(33,265,668)</u>
72,855,145	-	72,855,145	-
4,884,312	-	4,884,312	-
166,082	-	166,082	-
203,600	-	203,600	-
163,931,697	-	163,931,697	-
7,416,530	-	7,416,530	-
15,365,523	-	15,365,523	2,741,154
49,315	-	49,315	-
-	-	-	14,047,480
-	-	-	12,417,354
2,560,186	-	2,560,186	1,667,855
<u>267,432,390</u>	<u>-</u>	<u>267,432,390</u>	<u>30,873,843</u>
<u>(56,239,704)</u>	<u>(19,119,508)</u>	<u>(75,359,212)</u>	<u>(2,391,825)</u>
490,400,271	(76,372,226)	414,028,045	23,483,710
<u>(20,140,903)</u>	<u>-</u>	<u>(20,140,903)</u>	<u>-</u>
<u>470,259,368</u>	<u>(76,372,226)</u>	<u>393,887,142</u>	<u>23,483,710</u>
<u>\$ 414,019,664</u>	<u>\$ (95,491,734)</u>	<u>\$ 318,527,930</u>	<u>\$ 21,091,885</u>

BALANCE SHEET
GOVERNMENTAL FUNDS
DECEMBER 31, 2007

<u>ASSETS</u>	<u>General</u>	<u>Capital Projects</u>	<u>Other Governmental Funds</u>	<u>Total Governmental Funds</u>
Cash and Equivalents	\$ 22,705,259	\$ 57,331,859	\$ 20,449,848	\$ 100,486,966
Investments	-	17,000,000	9,125,000	26,125,000
Taxes Receivable, net of allowance for uncollectible taxes	37,528,941	-	-	37,528,941
Other Receivables:				
Accounts, net of allowance for uncollectible amounts	28,337,436	8,125	426,479	28,772,040
Loans	-	-	182,747	182,747
State and Federal aid, net of allowance for uncollectible amounts	43,477,795	7,130,686	1,971,797	52,580,278
Due from other governments	9,315,898	-	-	9,315,898
Due from other funds	14,407,931	-	855,602	15,263,533
Advances to other funds	14,685,084	-	-	14,685,084
	<u>110,224,144</u>	<u>7,138,811</u>	<u>3,436,625</u>	<u>120,799,580</u>
Restricted Assets	-	30,856,943	-	30,856,943
Prepaid Expenditures	2,594,640	-	301,892	2,896,532
Total Assets	\$ 173,052,984	\$ 112,327,613	\$ 33,313,365	\$ 318,693,962
<u>LIABILITIES AND FUND BALANCES</u>				
Liabilities:				
Accounts payable	\$ 17,808,164	\$ 7,518,427	\$ 1,521,415	\$ 26,848,006
Accrued liabilities	11,647,248	-	1,147,853	12,795,101
Due to other governments	4,563,964	424,159	-	4,988,123
Due to school districts	48,444,935	-	-	48,444,935
Due to other funds	816,129	1,431,190	1,183,121	3,430,440
Advances from other funds	-	-	42,333	42,333
Deferred revenues - Taxes	11,221,055	-	-	11,221,055
Deferred revenues - Other	2,213,261	-	1,162,253	3,375,514
Revenue anticipation note payable	65,000,000	-	-	65,000,000
Bond anticipation notes payable	-	11,000,000	-	11,000,000
Total Liabilities	161,714,756	20,373,776	5,056,975	187,145,507
Fund Balances (Deficits):				
Reserved for encumbrances	4,346,295	-	1,482,431	5,828,726
Reserved for prepaid expenditures	2,594,640	-	301,892	2,896,532
Reserved for law enforcement	150,637	-	-	150,637
Reserved for STOP - DWI Program	898,655	-	-	898,655
Reserved for handicapped parking	56,965	-	-	56,965
Reserved for social service programs	-	-	48,483	48,483
Reserved for compensated absences	11,599,622	-	1,775,348	13,374,970
Reserved for debt service	10,541,354	-	4,371,865	14,913,219
Reserved for parklands	-	44,000	-	44,000
Reserved for advances	14,685,084	-	-	14,685,084
Unreserved reported in:				
General Fund	(33,535,024)	-	-	(33,535,024)
Capital Projects Fund	-	91,909,837	-	91,909,837
Special Revenue Funds	-	-	12,276,371	12,276,371
Debt Service Fund	-	-	8,000,000	8,000,000
Total Fund Balances	11,338,228	91,953,837	28,256,390	131,548,455
Total Liabilities and Fund Balances	\$ 173,052,984	\$ 112,327,613	\$ 33,313,365	\$ 318,693,962

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

COUNTY OF ROCKLAND, NEW YORK

RECONCILIATION OF GOVERNMENTAL FUNDS BALANCE SHEET TO
 THE GOVERNMENT - WIDE STATEMENT OF NET ASSETS
 DECEMBER 31, 2007

Fund Balances - Governmental Funds	<u>\$ 131,548,455</u>
Amounts Reported for Governmental Activities in the Statement of Net Assets are Different Because:	
Capital assets used in governmental activities are not financial resources and, therefore, are not reported in the funds	<u>612,272,250</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>(1,766,257)</u>
Other long-term assets are not available to pay for current-period expenditures and, therefore, are deferred in the funds - Real property taxes	<u>11,221,055</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>65,001</u>
Long-term liabilities that are not due and payable in the current period and, therefore, are not reported in the funds.	
Bonds payable	(290,967,609)
Compensated absences	(16,331,122)
Pension obligations	(1,278,807)
Other post employment benefit obligations	(25,770,515)
Accrued interest payable	<u>(4,972,787)</u>
	<u>(339,320,840)</u>
Net Assets of Governmental Activities	<u><u>\$ 414,019,664</u></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, 2007

	General	Capital Projects	Other Governmental Funds	Total Governmental Funds
Revenues:				
Real property taxes	\$ 46,469,638	\$ -	\$ 26,475,766	\$ 72,945,404
Other tax items	5,050,394	-	203,600	5,253,994
Non-property taxes	171,761,695	-	-	171,761,695
Departmental income	30,736,433	-	27,775	30,764,208
Use of money and property	15,452,274	-	4,425,235	19,877,509
Licenses and permits	1,388,246	-	60,150	1,448,396
Fines and forfeitures	975,368	-	14,922	990,290
Sale of property and compensation for loss	47,318	-	1,997	49,315
Interfund revenues	14,379,729	-	285,019	14,664,748
State aid	89,967,943	9,273,316	1,659,224	100,900,483
Federal aid	42,933,094	7,999,610	7,069,080	58,001,784
Miscellaneous	2,385,637	1,008,205	1,276,957	4,670,799
Total Revenues	421,547,769	18,281,131	41,499,725	481,328,625
Expenditures:				
Current:				
General government support	48,895,671	-	-	48,895,671
Education	60,595,502	-	-	60,595,502
Public safety	59,002,667	-	-	59,002,667
Health	51,976,073	-	-	51,976,073
Transportation	27,931,369	-	13,649,069	41,580,438
Economic opportunity and development	150,581,714	-	5,987,346	156,569,060
Culture and recreation	661,650	-	-	661,650
Home and community services	7,547,032	-	14,484,197	22,031,229
Employee benefits	7,910,802	-	2,235,964	10,146,766
Debt service:				
Principal	-	-	17,736,847	17,736,847
Interest	17,509,980	-	10,394,511	27,904,491
Capital Outlay	-	42,526,497	-	42,526,497
Total Expenditures	432,612,460	42,526,497	64,487,934	539,626,891
Deficiency of Revenues Over Expenditures	(11,064,691)	(24,245,366)	(22,988,209)	(58,298,266)
Other Financing Sources (Uses):				
Bonds issued	8,095,748	26,174,000	-	34,269,748
Transfers in	13,097,053	800,000	40,523,976	54,421,029
Transfers out	(28,799,079)	(7,889,032)	(17,732,918)	(54,421,029)
Total Other Financing Sources (Uses)	(7,606,278)	19,084,968	22,791,058	34,269,748
Net Change in Fund Balances	(18,670,969)	(5,160,398)	(197,151)	(24,028,518)
Fund Balances - Beginning of Year, as previously reported	50,150,100	97,114,235	28,453,541	175,717,876
Prior Period Adjustment	(20,140,903)	-	-	(20,140,903)
Fund Balances - Beginning of Year, as restated	30,009,197	97,114,235	28,453,541	155,576,973
Fund Balances - End of Year	\$ 11,338,228	\$ 91,953,837	\$ 28,256,390	\$ 131,548,455

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, 2007

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

Net Change in Fund Balances - Total Governmental Funds \$ (24,028,518)

Governmental funds report capital outlays as expenditures. However, in the statement of activities, the cost of those assets is allocated over their estimated useful lives and reported as depreciation expense. This is the amount by which capital outlay exceeded depreciation expense in the current period.

Capital outlay expenditures	44,017,329
Depreciation expense	<u>(31,312,504)</u>
	<u>12,704,825</u>

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

Real property taxes	<u>(90,259)</u>
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Bond proceeds provide current financial resources to governmental funds, but issuing debt increases long-term liabilities in the statement of net assets. Repayment of bond principal is an expenditure in the governmental funds, but the repayment reduces long-term liabilities in the statement of net assets. Also, governmental funds report the effect of issuance costs, premiums, discounts and similar items when debt is first issued, whereas these amounts are deferred and amortized in the statement of activities.

Principal paid on bonds	17,736,847
Bonds issued	(34,269,748)
Amortization of issuance costs, loss on refunding and premium	<u>(124,882)</u>
	<u>(16,657,783)</u>

Some expenses reported in the statement of activities do not require the use of current financial resources and, therefore, are not reported as expenditures in governmental funds.

Pension obligations	458,839
Compensated absences	(1,288,376)
Other post employment benefit obligations	(25,770,515)
Accrued interest	<u>3,431,449</u>
	<u>(23,168,603)</u>

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

<u>(4,999,366)</u>

Change in Net Assets of Governmental Activities	<u>\$ <u>(56,239,704)</u></u>
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The notes to the financial statements are an integral part of this statement.

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COUNTY OF ROCKLAND, NEW YORK

GENERAL FUND
STATEMENT OF REVENUES, EXPENDITURES AND CHANGES
IN FUND BALANCE - BUDGET AND ACTUAL
YEAR ENDED DECEMBER 31, 2007

	Original Budget	Final Budget	Actual	Variance with Final Budget Positive (Negative)
Revenues:				
Real property taxes	\$ 46,253,000	\$ 46,253,000	\$ 46,469,638	\$ 216,638
Other tax items	10,010,000	10,010,000	5,050,394	(4,959,606)
Non-property taxes	178,700,000	178,700,000	171,761,695	(6,938,305)
Departmental income	32,643,822	32,960,229	30,736,433	(2,223,796)
Use of money and property	16,195,968	16,195,968	15,452,274	(743,694)
Licenses and permits	1,495,000	1,541,500	1,388,246	(153,254)
Fines and forfeitures	851,045	851,045	975,368	124,323
Sale of property and compensation for loss	109,000	109,000	47,318	(61,682)
Interfund revenues	14,641,448	14,641,448	14,379,729	(261,719)
State aid	88,188,650	96,089,180	89,967,943	(6,121,237)
Federal aid	36,035,220	43,010,978	42,933,094	(77,884)
Miscellaneous	10,360,000	10,649,009	2,385,637	(8,263,372)
Total Revenues	435,483,153	451,011,357	421,547,769	(29,463,588)
Expenditures:				
Current:				
General government support	56,422,631	54,850,361	48,895,671	5,954,690
Education	60,812,230	60,649,060	60,595,502	53,558
Public safety	55,975,093	59,847,818	59,002,667	845,151
Health	39,037,300	52,976,155	51,976,073	1,000,082
Transportation	24,284,305	29,962,987	27,931,369	2,031,618
Economic opportunity and development	149,695,992	151,751,937	150,581,714	1,170,223
Culture and recreation	631,591	661,691	661,650	41
Home and community services	7,475,183	7,644,520	7,547,032	97,488
Employee benefits	8,051,008	7,959,008	7,910,802	48,206
Debt service - Interest	17,398,000	17,513,000	17,509,980	3,020
Total Expenditures	419,783,333	443,816,537	432,612,460	11,204,077
Excess (Deficiency) of Revenues Over Expenditures	15,699,820	7,194,820	(11,064,691)	(18,259,511)
Other Financing Sources (Uses):				
Bonds issued	-	8,300,000	8,095,748	(204,252)
Transfers in	10,777,053	10,897,053	13,097,053	2,200,000
Transfers out	(28,884,750)	(28,799,750)	(28,799,079)	671
Total Other Financing Uses	(18,107,697)	(9,602,697)	(7,606,278)	1,996,419
Net Change in Fund Balance	(2,407,877)	(2,407,877)	(18,670,969)	(16,263,092)
Fund Balance - Beginning of Year, as previously reported	2,407,877	2,407,877	50,150,101	47,742,224
Prior Period Adjustment	-	-	(20,140,903)	(20,140,903)
Fund Balance - Beginning of Year, as restated	2,407,877	2,407,877	30,009,198	27,601,321
Fund Balance - End of Year	\$ -	\$ -	\$ 11,338,229	\$ 11,338,229

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

STATEMENT OF NET ASSETS
 PROPRIETARY FUNDS
 DECEMBER 31, 2007

	Business - type Activities - Enterprise Funds		
	Home and Infirmary Fund	Rockland Tobacco Asset Securitization Corporation	Rockland Second Tobacco Asset Securitization Corporation
ASSETS			
Current Assets:			
Cash and equivalents	\$ 6,066,738	\$ 72,176	\$ 119,880
Investments	-	1,286,395	-
Receivables:			
Accounts	4,209,404	3,536,974	885,846
Accounts - patient care, net of allowance for uncollectible amounts	14,244,560	-	-
State and Federal aid	1,922,457	-	-
Due from other funds	-	-	-
Inventories	524,613	-	-
Prepaid expenses	1,265,126	9,250	-
Total Current Assets	28,232,898	4,904,795	1,005,726
Other Noncurrent Assets:			
Restricted cash and equivalents	-	2,285,063	867
Restricted investments	-	3,525,755	710,961
Cost of issuance, net of accumulated amortization	-	927,613	241,159
Total Other Noncurrent Assets	-	6,738,431	952,987
Capital Assets:			
Land	438,504	-	-
Buildings	46,467,787	-	-
Improvements other than buildings	345,975	-	-
Equipment	17,016,044	-	-
Construction-in-progress	934,092	-	-
Less - Accumulated depreciation	(42,704,517)	-	-
Total Capital Assets, net of accumulated depreciation	22,497,885	-	-
Total Noncurrent Assets	22,497,885	6,738,431	952,987
Total Assets	50,730,783	11,643,226	1,958,713
LIABILITIES			
Current Liabilities:			
Accounts payable	3,226,302	-	7,774
Accrued liabilities	2,788,271	972,883	39,121
Accrued interest payable	205,659	-	-
Due to other funds	14,072,536	-	-
Due to other governments	-	-	-
Advances from other funds	11,835,883	-	-
Current portion of long-term obligations:			
Claims payable	-	-	-
Compensated absences	13,559,593	-	-
Bonds payable - Capital construction	2,333,897	-	-
Bonds payable - Other	-	920,000	-
Bonds payable - Pension obligations	-	-	-
Total Current Liabilities	48,022,141	1,892,883	46,895
Noncurrent Liabilities:			
Claims payable	-	-	-
Compensated absences	-	-	-
Bonds payable - Capital construction	15,478,697	-	-
Bonds payable - Other	-	72,290,551	7,799,488
Other post employment benefit obligations	14,293,801	-	-
Total Noncurrent Liabilities	29,772,498	72,290,551	7,799,488
Total Liabilities	77,794,639	74,183,434	7,846,383
NET ASSETS (DEFICITS)			
Invested in Capital Assets, net of related debt	11,269,462	-	-
Unrestricted (Deficits)	(38,333,318)	(62,540,208)	(5,887,670)
Total Deficits	\$ (27,063,856)	\$ (62,540,208)	\$ (5,887,670)

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

Total Business-type Activities - Enterprise Funds	Governmental Activities - Internal Service Funds
\$ 6,258,794	\$ 11,168,317
1,286,395	-
8,632,224	712,552
14,244,560	-
1,922,457	491,073
-	4,274,329
524,613	70,857
1,274,376	273,478
<u>34,143,419</u>	<u>16,990,606</u>
2,285,930	-
4,236,716	-
1,168,772	-
<u>7,691,418</u>	<u>-</u>
438,504	-
46,467,787	-
345,975	-
17,016,044	22,876,419
934,092	-
<u>(42,704,517)</u>	<u>(6,355,026)</u>
<u>22,497,885</u>	<u>16,521,393</u>
<u>30,189,303</u>	<u>16,521,393</u>
<u>64,332,722</u>	<u>33,511,999</u>
3,234,076	1,580,967
3,800,275	1,274,844
205,659	-
14,072,536	2,034,886
-	17,742
11,835,883	2,806,868
-	1,144,657
13,559,593	203,914
2,333,897	1,291,692
920,000	-
-	122,289
<u>49,961,919</u>	<u>10,477,859</u>
-	10,301,915
-	1,818,610
15,478,697	10,079,377
80,090,039	-
14,293,801	2,600,495
<u>109,862,537</u>	<u>24,800,397</u>
<u>159,824,456</u>	<u>35,278,256</u>
11,269,462	5,150,324
<u>(106,761,196)</u>	<u>(6,916,581)</u>
<u>\$ (95,491,734)</u>	<u>\$ (1,766,257)</u>

STATEMENT OF REVENUES, EXPENSES AND CHANGES IN NET ASSETS
 PROPRIETARY FUNDS
 YEAR ENDED DECEMBER 31, 2007

	Business-type Activities - Enterprise Funds		
	Home and Infirmary Fund	Rockland Tobacco Asset Securitization Corporation	Rockland Second Tobacco Asset Securitization Corporation
Operating Revenues:			
Charges for services	\$ 78,132,424	\$ -	\$ -
State aid	-	-	-
Tobacco settlement revenues	-	3,457,420	863,464
Miscellaneous	657,614	-	-
Total Operating Revenues	78,790,038	3,457,420	863,464
Operating Expenses:			
Administrative and general expenses	12,937,899	-	-
Salaries and wage expenses	51,361,822	-	-
Employee benefits	38,000,897	-	-
Professional fees	-	44,403	23,560
Directors' fees	-	2,000	2,000
Insurance	-	21,525	-
Judgments and claims	-	-	-
Supplies and other expenses	9,322,106	-	-
Depreciation and amortization	2,158,684	40,870	6,706
Total Operating Expenses	113,781,408	108,798	32,266
Income (Loss) from Operations	(34,991,370)	3,348,622	831,198
Non-Operating Revenues (Expenses):			
Intergovernmental transfer	16,491,989	-	-
Interest income	-	382,075	45,881
Interest on indebtedness	(277,257)	(4,462,282)	(488,364)
Total Non-Operating Revenues (Expenses)	16,214,732	(4,080,207)	(442,483)
Net Income (Loss)	(18,776,638)	(731,585)	388,715
Net Deficiency - Beginning of Year	(8,287,218)	(61,808,623)	(6,276,385)
Net Deficiency - End of Year	\$ (27,063,856)	\$ (62,540,208)	\$ (5,887,670)

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

Total Business-type Activities - Enterprise Funds	Governmental Activities - Internal Service Funds
\$ 78,132,424	\$ 33,389,958
-	597,872
4,320,884	-
657,614	-
<u>83,110,922</u>	<u>33,987,830</u>
12,937,899	679,003
51,361,822	11,133,545
38,000,897	8,578,578
67,963	-
4,000	-
21,525	-
-	2,577,046
9,322,106	14,517,570
2,206,260	2,027,226
<u>113,922,472</u>	<u>39,512,968</u>
<u>(30,811,550)</u>	<u>(5,525,138)</u>
16,491,989	-
427,956	659,421
(5,227,903)	(133,649)
<u>11,692,042</u>	<u>525,772</u>
(19,119,508)	(4,999,366)
<u>(76,372,226)</u>	<u>3,233,109</u>
<u>\$ (95,491,734)</u>	<u>\$ (1,766,257)</u>

STATEMENT OF CASH FLOWS
PROPRIETARY FUNDS
YEAR ENDED DECEMBER 31, 2007

	Business-type Activities - Enterprise Funds			
	Infirmary Fund	Rockland 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 payors	\$ 76,049,893	\$ -	\$ -	\$ 76,049,893
Cash received from tobacco settlement revenues	-	3,470,852	867,637	4,338,489
Cash received from charges for services	-	-	-	-
Cash received from State	4,312,890	-	-	4,312,890
Cash payments to directors	-	-	(2,000)	(2,000)
Cash payments to insurance carriers and claimants	-	-	-	-
Cash payments to vendors	(22,249,733)	(69,170)	(23,560)	(22,342,463)
Cash payments to employees	(77,826,731)	-	-	(77,826,731)
Net Cash Provided by (Used in) Operating Activities	(19,713,681)	3,401,682	842,077	(15,469,922)
Cash Flows From Non-Capital Financing Activities:				
Intergovernmental transfer	16,491,989	-	-	16,491,989
Retirement of long-term debt	-	(760,000)	(380,000)	(1,140,000)
Interest on indebtedness	-	(2,615,537)	(478,950)	(3,094,487)
Net Cash Provided by (Used in) Non-Capital Financing Activities	16,491,989	(3,375,537)	(858,950)	12,257,502
Cash Flows From Capital and Related Financing Activities:				
Remittances to County of Rockland, net	5,818,939	-	-	5,818,939
Issuance of long-term debt	1,900,000	-	-	1,900,000
Retirement of long-term debt	(1,908,340)	-	-	(1,908,340)
Interest on indebtedness	(775,475)	-	-	(775,475)
Acquisition and construction of capital assets	(1,139,569)	-	-	(1,139,569)
Net Cash Provided by (Used in) Capital and Related Financing Activities	3,895,555	-	-	3,895,555
Cash Flows From Investing Activities:				
Interest income	-	366,682	45,865	412,547
Purchase of investments	-	(1,286,395)	-	(1,286,395)
Sale of investments	-	1,306,956	-	1,306,956
Purchase of restricted investments	-	(3,525,755)	(710,961)	(4,236,716)
Sale of restricted investments	-	3,525,018	710,961	4,235,979
Net Cash Provided by Investing Activities	-	386,506	45,865	432,371
Net Increase (Decrease) in Cash and Equivalents	673,863	412,651	28,992	1,115,506
Cash and Equivalents - Beginning of Year	5,392,875	1,946,588	91,755	7,431,218
Cash and Equivalents - End of Year	\$ 6,066,738	\$ 2,359,239	\$ 120,747	\$ 8,546,724
Reconciliation of Income (Loss) from Operations to Net Cash Provided by (Used in) Operating Activities:				
Income (loss) from operations	\$ (34,991,370)	\$ 3,348,622	\$ 831,198	\$ (30,811,550)
Adjustments to reconcile income (loss) from operations to net cash provided by (used in) operating activities:				
Depreciation and amortization	2,158,684	40,870	6,706	2,206,260
Provision for bad debts	4,547,568	-	-	4,547,568
Changes in assets and liabilities:				
Accounts receivable	(1,572,865)	13,432	4,173	(1,555,260)
Accounts receivable - Patient care	(9,574,034)	-	-	(9,574,034)
State and Federal aid receivable	(1,605,110)	-	-	(1,605,110)
Due from other governments	-	-	-	-
Due from other funds	-	-	-	-
Inventories	11,193	-	-	11,193
Prepaid expenses	294,955	(9,250)	-	285,705
Accounts payable	(921)	-	-	(921)
Accrued liabilities	(852,185)	6,008	-	(846,177)
Due to other funds	7,362,812	-	-	7,362,812
Due to other governments	-	-	-	-
Advances from other funds	(863,300)	-	-	(863,300)
Claims payable	-	-	-	-
Compensated absences	1,077,091	-	-	1,077,091
Other post employment benefit obligations	14,293,801	-	-	14,293,801
Net Cash Provided by (Used in) Operating Activities	\$ (19,713,681)	\$ 3,399,682	\$ 842,077	\$ (15,471,922)
Noncash Non-Capital Financing 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	-	1,807,348	-	1,807,348

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

Governmental
Activities-
Internal Service
Funds

\$ -
31,044,907
676,327
(6,732,404)
(22,107,080)
(4,968,856)
(2,087,106)

-
(117,620)
(8,855)
(126,475)

-
750,000
(1,203,256)
(1,441,779)
(1,895,035)

659,421
-
-
659,421
(3,449,195)
14,742,306
\$ 11,293,111

\$ (5,525,138)

2,027,226

(243,006)

78,455
10,531
(2,102,045)
(15,478)
660,051
420,523
(122,595)
1,960,466
17,742
(2,152,870)
105,026
193,511
2,600,495

\$ (2,087,106)

\$

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COUNTY OF ROCKLAND, NEW YORK

STATEMENT OF ASSETS AND LIABILITIES
FIDUCIARY FUND
DECEMBER 31, 2007

ASSETS

	<u>Agency</u>
Cash:	
Demand deposits	\$ 4,732,657
Time deposits	<u>2,070,770</u>
 Total Assets	 <u>\$ 6,803,427</u>

LIABILITIES

Accounts Payable	\$ 39,243
Employee Payroll Deductions	479,046
Deposits	3,595,465
Due to Other Governments	<u>2,689,673</u>
 Total Liabilities	 <u>\$ 6,803,427</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, 2007 (Rockland County Community College as of August 31, 2007)

	Rockland County Community College	Rockland County Soil and Water Conservation District	Rockland County Solid Waste Management Authority
ASSETS			
Cash and equivalents	\$ 6,849,034	\$ 36,344	\$ 14,258,520
Investments	3,358,059	54,519	-
Receivables:			
Accounts, net of allowance for uncollectible amounts	3,746,904	-	817,457
State and Federal aid	378,596	39,958	366,660
Restricted assets	-	-	7,240,098
Prepaid expenses	-	-	816,636
	<u>14,332,593</u>	<u>130,821</u>	<u>23,499,371</u>
Capital assets:			
Land	-	-	1,773,312
Buildings	-	-	38,954,022
Improvements	-	-	2,420,054
Equipment	6,823,428	12,895	12,947,944
Construction-in-progress	-	-	349,094
	<u>6,823,428</u>	<u>12,895</u>	<u>56,444,426</u>
Less - Accumulated depreciation	<u>(4,356,332)</u>	<u>(11,623)</u>	<u>(20,836,884)</u>
Total Capital Assets, net of accumulated depreciation	<u>2,467,096</u>	<u>1,272</u>	<u>35,607,542</u>
Total Assets	<u>16,799,689</u>	<u>132,093</u>	<u>59,106,913</u>
LIABILITIES			
Accounts payable	518,726	-	1,982,481
Accrued liabilities	7,781,030	19,025	1,448,139
Deposits payable	5,000	-	-
Due to other governments	109,588	-	-
Deferred revenues	5,323,272	-	29,775
Non-current liabilities:			
Due within one year -			
Bonds payable	-	-	1,810,000
Due in more than one year -			
Bonds payable	-	-	35,388,274
Other postemployment benefit obligations	-	-	768,670
Total Liabilities	<u>13,737,616</u>	<u>19,025</u>	<u>41,427,339</u>
NET ASSETS			
Invested in capital assets, net of related debt	2,467,096	1,272	6,300,163
Restricted for:			
Capital projects	869,985	-	-
Student loans	10,003	-	-
Scholarships and student services	2,094,732	-	-
Permanent endowments	1,161,706	-	-
Unrestricted	<u>(3,541,449)</u>	<u>111,796</u>	<u>11,379,411</u>
Total Net Assets	<u>\$ 3,062,073</u>	<u>\$ 113,068</u>	<u>\$ 17,679,574</u>

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

Rockland County Industrial Development Agency		Totals
\$ 238,062	\$ 21,381,960	
-	3,412,578	
-	4,564,361	
-	785,214	
-	7,240,098	
-	816,636	
<u>238,062</u>	<u>38,200,847</u>	
-	1,773,312	
-	38,954,022	
-	2,420,054	
-	19,784,267	
-	349,094	
-	63,280,749	
-	(25,204,839)	
-	38,075,910	
<u>238,062</u>	<u>76,276,757</u>	
-	2,501,207	
892	9,249,086	
-	5,000	
-	109,588	
-	5,353,047	
-	1,810,000	
-	35,388,274	
-	768,670	
<u>892</u>	<u>55,184,872</u>	
-	8,768,531	
-	869,985	
-	10,003	
-	2,094,732	
-	1,161,706	
<u>237,170</u>	<u>8,186,928</u>	
<u>\$ 237,170</u>	<u>\$ 21,091,885</u>	

COUNTY OF ROCKLAND, NEW YORK

STATEMENT OF ACTIVITIES

COMPONENT UNITS

YEAR ENDED DECEMBER 31, 2007

(Rockland County Community College Year Ended August 31, 2007)

Functions/Programs	Expenses	Program Revenues		
		Charges for Services	Operating Grants and Contributions	Capital Grants and Contributions
Rockland County Community College - Education	\$ 58,755,494	\$ 18,909,263	\$ 7,130,835	\$ 521,602
Rockland County Soil and Water Conservation District - Home and Community Services	47,801	-	-	-
Rockland County Solid Waste Management Authority - Home and Community Services	25,923,295	24,563,497	362,066	-
Rockland County Industrial Development Agency - Economic Opportunity and Development	160,098	133,757	-	-
Total Component Units	\$ 84,886,688	\$ 43,606,517	\$ 7,492,901	\$ 521,602

General Revenues:

Unrestricted use of money and property

Contributions from Rockland County

Grants and contributions not restricted to specific programs

Other revenues

Total General Revenues

Change in Net Assets

Net Assets - Beginning of Year

Net Assets - End of Year

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

Net (Expense) Revenue
and Changes in Net Assets

Rockland County Community College	Rockland County Soil and Water Conservation District	Rockland County Solid Waste Management Authority	Rockland County Industrial Development Agency	Total
\$ (32,193,794)	\$ -	\$ -	\$ -	\$ (32,193,794)
-	(47,801)	-	-	(47,801)
-	-	(997,732)	-	(997,732)
-	-	-	(26,341)	(26,341)
<u>(32,193,794)</u>	<u>(47,801)</u>	<u>(997,732)</u>	<u>(26,341)</u>	<u>(33,265,668)</u>
1,692,066	2,435	1,040,251	6,402	2,741,154
14,047,480	-	-	-	14,047,480
12,375,190	42,164	-	-	12,417,354
1,667,855	-	-	-	1,667,855
<u>29,782,591</u>	<u>44,599</u>	<u>1,040,251</u>	<u>6,402</u>	<u>30,873,843</u>
(2,411,203)	(3,202)	42,519	(19,939)	(2,391,825)
<u>5,473,276</u>	<u>116,270</u>	<u>17,637,055</u>	<u>257,109</u>	<u>23,483,710</u>
<u>\$ 3,062,073</u>	<u>\$ 113,068</u>	<u>\$ 17,679,574</u>	<u>\$ 237,170</u>	<u>\$ 21,091,885</u>

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Note 1 - Summary of Significant Accounting Policies

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

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

A. Financial Reporting Entity

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

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

The Rockland County Community College was established in 1959, with the County of Rockland as the local sponsor under provisions of Article 126 of the Education Law. The College is administered by a board of trustees consisting of 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 County of Rockland, New York's ("County") County Executive, one designee of the chairman of the County Legislature, one designee of the chairman of the County's Budget and Finance Committee and a fifth shall be designated by a majority of the other four members. The Boards of Directors have complete responsibility for management of the Corporations and accountability for fiscal matters. The County is not liable for any deficits or the Corporations bonds or notes. GASB, in April 2004, issued a technical bulletin which clarified the financial reporting of Tobacco Settlement Authorities (TSA). This bulletin, which is effective for fiscal years ending after June 15, 2004, 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

Note 1 - Summary of Significant Accounting Policies (Continued)

accountability criteria are met and the TSA should be reported as a blended component unit of the settling government. Consequently, these organizations have been reflected as blended component units in the financial statements.

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 page following, which briefly explains the adjustments necessary to transform the fund based financial statements into the governmental activities column of the government-wide presentation. The County's resources are reflected in the fund financial statements in three broad fund categories, in accordance with generally accepted accounting principles as follows:

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

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

Note 1 - Summary of Significant Accounting Policies (Continued)

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, 2007.

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, 2007, balances of interfund amounts receivable or payable have been recorded in the fund financial statements. Any residual balances outstanding between the governmental activities and the business-type activities are reported in the government-wide financial statements as internal balances.

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

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

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

Prepaid Expenses/Expenditures - Prepaid expenses/expenditures consist of employee retirement and other costs which have been satisfied prior to the end of the fiscal year, but

Note 1 - Summary of Significant Accounting Policies (Continued)

represent items which have been provided for in the subsequent year's budget and/or will benefit such periods. Reported amounts in governmental funds are equally offset by a reservation of fund balance in the fund financial statements, which indicates that these amounts do not constitute "available spendable resources" even though they are a component of current assets.

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

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

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.

<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.

Note 1 - Summary of Significant Accounting Policies (Continued)

Deferred revenues in fund financial statements are those where asset recognition criteria have been met, but for which revenue recognition criteria have not been met. The County has reported deferred revenues of \$11,221,055 for real property taxes and \$2,213,261 for State and Federal aid received in advance in the General Fund. The County has also reported deferred revenues of \$1,162,253 for Federal aid received in advance in the Community Development Fund, \$5,323,272 in the Component Unit - Rockland County Community College for tuition and other fees received in advance and \$29,775 in the component unit - Rockland County Solid Waste Management Authority for State 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.

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

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

Note 1 - Summary of Significant Accounting Policies (Continued)

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

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.

Note 2 - Stewardship, Compliance and Accountability (Continued)

- 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. Individual amendments for the current year were not material in relation to the original appropriations which were amended.

B. Property Tax Limitation

The County is permitted by the State Constitution to levy for purposes other than debt service up to 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 2007 was \$526,799,830, which exceeded the actual levy by \$513,596,630.

C. Expenditures in Excess of Budget

The following Debt Service expenditures exceeded its budgetary authorization by the amount indicated –

Transfers Out	\$500,000
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D. Fund Deficits

The General Fund undesignated deficit of \$32,860,919, arises as a result of amounts due to the General Fund from other funds that have deficits and will not be able to repay these amounts within the subsequent operating cycle.

The County Road Fund, Road Machinery Fund, Home and Infirmary Fund, Rockland Tobacco Asset Securitization Corporation, Rockland Tobacco Second Asset Securitization Corporation and the General Services Fund also reflect undesignated or unrestricted deficits of \$631,460, \$92,727, \$38,333,318, \$62,540,208, \$5,887,670 and \$7,408,771, respectively at December 31, 2007. These deficits will be addressed in the subsequent year.

E. Prior Period Adjustment

In December of 2006 the County and other local municipalities signed a settlement agreement with the Mirant Corporation regarding a lengthy certiorari proceeding. The agreement which became final on March 15, 2007, provided for the refund of property taxes to Mirant by the County and the payment of back taxes to the County by Mirant. The terms of the settlement required the County to write off penalties on the unpaid taxes that had been accrued over several years.

The write off amounted to \$20.1 million. This amount consisted of approximately \$5.7 million for 2003/2004, \$5.5 million for 2004/2005, \$5.8 million for 2005/2006 and \$3.1 million for 2006/2007.

Note 2 - Stewardship, Compliance and Accountability (Continued)

The write off was entered into the County's books for fiscal year 2007. During the County's audit for 2007, it was determined that the write off properly belonged to budget year 2006. As a result, a prior period adjustment was made to the fund balance for 2006 in the amount of \$20.1 million.

The County intends to bond the certiorari for a period of twenty years which will result in revenue to the County thus increasing our fund balance.

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>Certificates of Deposit</u>	<u>Commercial Paper</u>	<u>Total</u>
Governmental Activities:			
Community Development Fund	\$ 225,000	\$ -	\$ 225,000
Debt Service Fund	8,900,000	-	8,900,000
Capital Projects Fund	<u>17,000,000</u>	<u>-</u>	<u>17,000,000</u>
	26,125,000	-	26,125,000
Business-type Activities -			
Rockland Tobacco Asset Securitization Corporation	<u>-</u>	<u>1,286,395</u>	<u>1,286,395</u>
	<u>\$ 26,125,000</u>	<u>\$ 1,286,395</u>	<u>\$ 27,411,395</u>

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

Restricted Investments

Restricted investments at December 31, 2007 consisted of the following:

Rockland Tobacco Asset Securitization Corporation - Commercial paper, at cost, which approximates fair value, due in January 2008, interest at 4.96%	\$ 3,525,755
Rockland Second Tobacco Asset Securitization Corporation - Commercial paper, at cost, which approximates fair value, due in May 2008, interest at 4.82%	<u>710,961</u>
	<u>\$ 4,236,716</u>

Note 3 - Detailed Notes on All Funds (Continued)

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

B. Taxes Receivable

Taxes receivable at December 31, 2007 consisted of the following:

Tax liens	\$ 13,242,293
Tax installments	2,634,318
Returned school districts taxes	21,320,647
Returned village taxes	<u>1,958,183</u>
	39,155,441
	<u>(1,626,500)</u>
Allowance for uncollectible taxes	<u><u>\$ 37,528,941</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 2008. Taxes receivable, at the fund level, are also partially offset by deferred tax revenues of \$11,221,055, which represents an estimate of the receivable which will not be collected within the first sixty days of the subsequent year.

C. Due From/To Other Funds

The balances reflected as due from/to other funds at December 31, 2007 were as follows:

<u>Fund</u>	<u>Due From</u>	<u>Due To</u>
General	\$ 14,407,931	\$ 816,129
Capital Projects	-	1,431,190
Non-Major Governmental	855,602	1,183,121
Home and Infirmary	-	14,072,536
Internal Service	<u>4,274,329</u>	<u>2,034,886</u>
	<u><u>\$ 19,537,862</u></u>	<u><u>\$ 19,537,862</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, 2007

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, 2007	Additions	Deductions	Balance December 31, 2007
Governmental Activities (inclusive of Internal Service Funds):				
Capital Assets, not being depreciated:				
Land	\$ 46,963,910	\$ -	\$ -	\$ 46,963,910
Construction-in-progress	166,124,097	43,938,644	33,264,410	176,798,331
Total Capital Assets, not being depreciated	\$ 213,088,007	\$ 43,938,644	\$ 33,264,410	\$ 223,762,241
Capital Assets, being depreciated:				
Buildings	\$ 117,187,408	\$ 927,571	\$ -	\$ 118,114,979
Improvements	62,140,182	15,232,555	-	77,372,737
Equipment	82,838,914	17,426,735	1,630,114	98,635,535
Infrastructure	518,603,109	1,198,012	-	519,801,121
Total Capital Assets, being depreciated	780,769,613	34,784,873	1,630,114	813,924,372
Less Accumulated Depreciation for:				
Buildings	35,081,229	3,468,247	-	38,549,476
Improvements	30,127,926	3,838,780	-	33,966,706
Equipment	39,773,752	9,787,338	1,630,114	47,930,976
Infrastructure	272,200,447	16,245,365	-	288,445,812
Total Accumulated Depreciation	377,183,354	33,339,730	1,630,114	408,892,970
Total Capital Assets, being depreciated, net	\$ 403,586,259	\$ 1,445,143	\$ -	\$ 405,031,402
Governmental Activities Capital Assets, net	\$ 616,674,266	\$ 45,383,787	\$ 33,264,410	\$ 628,793,643

COUNTY OF ROCKLAND, NEW YORK

NOTES TO FINANCIAL STATEMENTS (Continued)
DECEMBER 31, 2007

Note 3 - Detailed Notes on All Funds (Continued)

Class	Balance January 1, 2007	Additions	Deductions	Balance December 31, 2007
Business-type Activities:				
Capital Assets, not being depreciated:				
Land	\$ 438,504	\$ -	\$ -	\$ 438,504
Construction-in-progress	2,396,743	949,660	2,412,311	934,092
Total Capital Assets, not being depreciated	<u>\$ 2,835,247</u>	<u>\$ 949,660</u>	<u>\$ 2,412,311</u>	<u>\$ 1,372,596</u>
Capital Assets, being depreciated:				
Buildings	\$ 46,279,217	\$ 188,570	\$ -	\$ 46,467,787
Improvements	345,975	-	-	345,975
Equipment	16,516,729	2,413,650	1,914,335	17,016,044
Total Capital Assets, being depreciated	<u>63,141,921</u>	<u>2,602,220</u>	<u>1,914,335</u>	<u>63,829,806</u>
Less Accumulated Depreciation for:				
Buildings	30,037,330	1,421,960	-	31,459,290
Improvements	345,975	-	-	345,975
Equipment	12,076,863	736,724	1,914,335	10,899,252
Total Accumulated Depreciation	<u>42,460,168</u>	<u>2,158,684</u>	<u>1,914,335</u>	<u>42,704,517</u>
Total Capital Assets, being depreciated, net	<u>\$ 20,681,753</u>	<u>\$ 443,536</u>	<u>\$ -</u>	<u>\$ 21,125,289</u>
Business-type Activities Capital Assets, net	<u>\$ 23,517,000</u>	<u>\$ 1,393,196</u>	<u>\$ 2,412,311</u>	<u>\$ 22,497,885</u>

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

Governmental Activities:	
General Government Support	\$ 5,117,478
Education	3,436,824
Public Safety	2,498,902
Health	394,060
Transportation	12,490,780
Economic Opportunity and Development	201,060
Culture and Recreation	260,457
Home and Community Services	6,912,943
Capital assets held by the government's internal service fund are charged to the various functions based on their usage of the assets	<u>2,027,226</u>
Total Depreciation Expense - Governmental Activities	<u>\$ 33,339,730</u>
Business-type Activities - Home and Infirmary	<u>\$ 2,158,684</u>

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, 2006	Additions	Balance August 31, 2007
Capital Assets, being depreciated - Equipment	\$ 6,553,595	\$ 269,833	\$ 6,823,428
Less Accumulated Depreciation	<u>(3,777,871)</u>	<u>(578,461)</u>	<u>(4,356,332)</u>
Community College Capital Assets, net	<u>\$ 2,775,724</u>	<u>\$ (308,628)</u>	<u>\$ 2,467,096</u>

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

Class	Balance January 1, 2007	Additions	Balance December 31, 2007
Capital Assets, being depreciated - Equipment	\$ 12,895	\$ -	\$ 12,895
Less Accumulated Depreciation	<u>(11,338)</u>	<u>(285)</u>	<u>(11,623)</u>
Soil and Water Conservation District Capital Assets, net	<u>\$ 1,557</u>	<u>\$ (285)</u>	<u>\$ 1,272</u>

COUNTY OF ROCKLAND, NEW YORK

NOTES TO FINANCIAL STATEMENTS (Continued)
DECEMBER 31, 2007

Note 3 - Detailed Notes on All Funds (Continued)

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

Class	Balance January 1, 2007	Additions	Deductions	Balance December 31, 2007
Capital Assets, not being depreciated:				
Land	\$ 1,773,312	\$ -	\$ -	\$ 1,773,312
Construction-in-progress	5,289,915	349,094	(5,289,915)	349,094
Total Capital Assets, not being depreciated	\$ 7,063,227	\$ 349,094	\$ (5,289,915)	\$ 2,122,406
Capital Assets, being depreciated:				
Buildings	\$ 35,894,108	\$ 3,059,914	\$ -	\$ 38,954,022
Equipment	11,642,149	2,134,468	(828,673)	12,947,944
Improvements	-	2,420,054	-	2,420,054
Total Capital Assets, being depreciated	47,536,257	7,614,436	(828,673)	54,322,020
Less Accumulated Depreciation for:				
Buildings	12,588,805	1,947,702	-	14,536,507
Equipment	5,837,057	366,518	(372,903)	6,203,575
Improvement	-	96,802	-	96,802
Total Accumulated Depreciation	18,425,862	2,411,022	(372,903)	20,836,884
Total Capital Assets, being depreciated, net	\$ 29,110,395	\$ 5,203,414	\$ (455,770)	\$ 33,485,136
Solid Waste Management Authority Capital Assets, net	\$ 36,173,622	\$ 5,552,508	\$ (5,745,685)	\$ 35,607,542

E. Accrued Liabilities

Accrued liabilities at December 31, 2007 were as follows:

	Governmental Activities	Business- Type Activities	Total
Payroll and employee benefits	\$ 11,828,097	\$ 2,788,271	14,616,368
Other	2,241,848	1,012,004	3,253,852
Total Accrued Liabilities	\$ 14,069,945	\$ 3,800,275	\$ 17,870,220

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, 2007	New Issues	Redemptions	Balance December 31, 2007
Tax Anticipation Notes:							
Mirant Settlement	2007	12/20/07	3.549 %	\$ 175,000,000	\$ 83,800,000	\$ 258,800,000	\$ -
Mirant Settlement	2007	12/20/07	3.573	-	31,200,000	31,200,000	-
				<u>\$ 175,000,000</u>	<u>\$ 115,000,000</u>	<u>\$ 290,000,000</u>	<u>\$ -</u>
Bond Anticipation Notes:							
Mirant Settlement	2007	12/20/07	3.592	\$ -	\$ 155,164,748	\$ 155,164,748	\$ -
Revenue Anticipation Notes:							
County Operations	2007	3/20/08	3.570	\$ 55,000,000	\$ 65,000,000	\$ 55,000,000	\$ 65,000,000

The \$175,000,000 tax anticipation note matured on March 22, 2007. The \$83,800,000 tax anticipation note was issued on January 3, 2007 and matured on December 20, 2007 with interest at 4.0%. The \$31,200,000 tax anticipation note was issued on January 11, 2007 and matured on December 20, 2007 with interest at 4.0%. Interest expense of \$10,156,760 was recorded in the fund financial statements in the General Fund. Interest expense of \$5,710,789 was recorded in the government-wide financial statements for governmental activities.

The \$155,164,748 bond anticipation note was issued on January 11, 2007 and matured on December 20, 2007 with interest at 4.0%. Interest expense of \$5,197,685 was recorded in the fund financial statements in the General Fund. Interest expense of \$5,173,779 was recorded in the government-wide financial statements for governmental activities.

The \$55,000,000 revenue anticipation note matured on March 22, 2007. The \$65,000,000 revenue anticipation note was issued on April 5, 2007 and matures on March 20, 2008 with interest at 4.0%. Interest expense of \$1,915,435 was recorded in the fund financial statements in the General Fund. Interest expense of \$2,528,194 was recorded in government-wide financial statements of governmental activities.

COUNTY OF ROCKLAND, NEW YORK

NOTES TO FINANCIAL STATEMENTS (Continued)
DECEMBER 31, 2007

Note 3 - Detailed Notes on All Funds (Continued)

G. Short-Term Capital Borrowings

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

Purpose	Year of Original Issue	Maturity Date	Rate of Interest	Balance January 1, 2007	New Issue	Redemptions	Balance December 31, 2007
Sewer Improvements	2005	2/23/07	4.500 %	\$ 2,400,000	\$ -	\$ 2,400,000	\$ -
Sewer Improvements	2007	2/21/08	4.000	-	1,600,000	-	1,600,000
Sewer Improvements	2007	10/4/07	3.875	-	2,500,000	2,500,000	-
Sewer Improvements	2006	4/26/07	4.500	500,000	-	500,000	-
Sewer Improvements	2006	4/26/07	4.250	5,000,000	-	5,000,000	-
Sewer Improvements	2007	4/25/08	3.850	-	1,400,000	-	1,400,000
Public Improvements	2006	6/1/06	3.580	2,000,000	-	2,000,000	-
Public Improvements	2006	6/1/06	4.000	3,100,000	-	3,100,000	-
Public Improvements	2007	9/06/08	3.900	-	8,000,000	-	8,000,000
				<u>\$ 13,000,000</u>	<u>\$ 13,500,000</u>	<u>\$ 15,500,000</u>	<u>\$ 11,000,000</u>

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 \$240,100 and \$316,362 were recorded in the fund financial statements in the General Fund and Sewer Fund, respectively. Interest expense of \$196,663 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 who joined after July 27, 1976 and have less than ten years of service, who contribute 3% of their salary. Contributions are certified by the State Comptroller and expressed as a percentage of members' salary. Contribution rates are actuarially determined and based upon membership tier and plan. Contributions consist of a life insurance portion (GTLI) and regular pension contributions. Contribution rates for the plan year ended March 31, 2008 are as follows:

	<u>Tier/Plan</u>	<u>Rate</u>
1	553B	16.7%
1	75I	12.1%
1	89D,M	15.6%
1	89PAF	14.5%
2	553B	16.5%
2	75I	11.2%
2	75I	11.1%
2	89D,M	23.1%
2	89PAF	14.3%
2	89VR	14.3%
3	A14	9.0%
2	A14	8.9%
3	553B	15.3%
4	A15	9.0%
4	A15	8.9%
4	553B	15.3%
4	603OR	14.0%
4	604PR	14.0%
4	604S5	11.0%
4	603R3	11.0%
4	89PAF	11.0%
4	89VR3	11.0%
4	89VR4	11.0%

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

	<u>Primary Government</u>	<u>Component Units</u>	
		<u>College</u>	<u>Solid Waste Management Authority</u>
2007	\$ 12,815,077	\$ 749,800	\$ 136,121
2006	12,660,464	888,433	168,372
2005	15,147,777	993,407	97,346

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

COUNTY OF ROCKLAND, NEW YORK

NOTES TO FINANCIAL STATEMENTS (Continued)
 DECEMBER 31, 2007

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	\$ 10,704,340
County Road	538,034
Road Machinery	56,435
Sewer	<u>513,068</u>
	<u>11,811,877</u>
Proprietary Funds:	
General Services	995,801
Workers' Compensation Benefits	<u>7,399</u>
	<u>1,003,200</u>
	<u>\$ 12,815,077</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, 2007 are as follows:

<u>Tiers</u>	<u>Rate</u>
1-4	8.60%

Note 3 - Detailed Notes on All Funds (Continued)

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

2007	\$	345,410
2006		290,547
2005		158,721

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, 2007, 2006 and 2005, the College incurred pension costs under this Plan of \$1,529,700, \$1,581,200 and \$1,512,800, 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, 2007, 2006 and 2005 were \$3,848, \$5,539 and \$2,957, respectively.

COUNTY OF ROCKLAND, NEW YORK

NOTES TO FINANCIAL STATEMENTS (Continued)
DECEMBER 31, 2007

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, 2007:

	Balance January 1, 2007	New Issues/ Additions	Maturities and/or Payments	Balance December 31, 2007	Due Within One Year
Governmental Activities:					
Bonds Payable	\$ 287,620,252	\$ 35,019,748	\$ 19,057,723	\$ 303,582,277	\$ 21,156,066
Less-Deferred amounts on refunding	<u>(1,239,347)</u>		<u>(118,037)</u>	<u>(1,121,310)</u>	<u>-</u>
	286,380,905	35,019,748	18,939,686	302,460,967	21,156,066
Compensated Absences	16,871,757	1,650,606	168,717	18,353,646	1,835,336
Pension Obligations	1,737,646	-	458,839	1,278,807	143,319
Claims Payable	11,341,546	2,752,681	2,647,655	11,446,572	1,144,657
Other Post Employment Benefit Obligation Payable	<u>-</u>	<u>37,940,220</u>	<u>9,569,210</u>	<u>28,371,010</u>	<u>-</u>
Governmental Activities Long-term Liabilities	<u>\$ 316,331,854</u>	<u>\$ 77,363,255</u>	<u>\$ 31,784,107</u>	<u>\$ 361,911,002</u>	<u>\$ 24,279,378</u>
Business-type Activities:					
Bonds Payable	\$ 99,795,134	\$ 1,900,000	\$ 1,240,992	\$ 100,454,142	\$ 1,320,652
Less-Deferred amounts on refunding	<u>(1,697,355)</u>		<u>(65,846)</u>	<u>(1,631,509)</u>	<u>-</u>
	98,097,779	1,900,000	1,175,146	98,822,633	1,320,652
Compensated Absences	12,482,502	1,077,091		13,559,593	1,355,959
Other Post Employment Benefit Obligation Payable	<u>-</u>	<u>19,432,255</u>	<u>5,138,454</u>	<u>14,293,801</u>	<u>-</u>
Business-type Activities Long-term Liabilities	<u>\$ 110,580,281</u>	<u>\$ 22,409,346</u>	<u>\$ 6,313,600</u>	<u>\$ 126,676,027</u>	<u>\$ 2,676,611</u>
Solid Waste Management Authority - Component Unit -					
Bonds Payable	\$ 38,933,739	\$ -	\$ 1,735,465	\$ 37,198,274	\$ 1,810,000
Other Post Employment Benefit Obligation Payable	<u>-</u>	<u>768,670</u>	<u>-</u>	<u>768,670</u>	<u>-</u>
	<u>\$ 38,933,739</u>	<u>\$ 768,670</u>	<u>\$ 1,735,465</u>	<u>\$ 37,966,944</u>	<u>\$ 1,810,000</u>

Note 3 - Detailed Notes on All Funds (Continued)

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 post employment benefit obligations are liquidated by the respective fund.

Bonds Payable

Bonds payable at December 31, 2007 are comprised of the following individual issues:

Purpose	Year of Issue	Original Issue Amount	Final Maturity	Interest Rates	Amount Outstanding at December 31, 2007
Sewer Improvements	1984	\$ 11,160,000	May, 2009	9.500 %	\$ 845,000
Sewer Improvements	1986	10,000,000	April, 2011	7.0-7.100	1,875,000
Sewer Improvements	1986	9,520,000	June, 2011	7.500	1,685,000
Public Improvements	1989	11,785,000	February, 2009	6.600	84,000
Various Purposes	1992	9,950,000	April, 2012	5.500	79,000
Sewer EFC B	1993	2,675,000	November, 2013	2.65-5.200	920,000
Various Purposes A	1994	11,248,000	April, 2011	5.6-5.800	363,000
Various Purposes B	1994	12,347,000	November, 2014	6.000	332,000
Various Purposes	1997	19,806,000	August, 2009	4.6-5.000	4,140,000
Various Purposes	1998	25,477,000	May, 2013	4.1-4.400	12,035,000
Various Purposes	*1999	26,517,000	October, 2016	5.12-5.600	7,099,000
Various Purposes	*2000	15,225,000	November, 2016	4.75-5.125	10,385,000
Sewer Improvements	2001	6,000,000	October, 2031	4.75-5.000	5,410,000
Various Purposes	2001	14,425,000	October, 2016	4.0-5.000	10,100,000
Tobacco	2001	47,750,000	August, 2029	4.625-5.75	45,675,000
Sewer EFC-partial Refund 90B	2002	28,609,114	March, 2020	5.9-7.900	6,754,000
Sewer EFC-partial Refund 92A	2002	3,694,000	September, 2021	6.460	857,000
Sewer EFC-partial Refund 92B	2002	7,470,000	September, 2022	3.0-6.650	2,173,000
Sewer EFC-partial Refund 93A	2002	5,660,000	September, 2022	3.0-6.650	1,825,000
Various Purposes	*2002	16,673,000	October, 2017	3.125-4.000	12,640,000
Sewer EFC Refunding 1996	2003	4,855,000	December, 2025	4.625-5.200	3,965,000
Sewer Refunding 93 Bonds	*2003	3,525,000	March, 2017	2.75-4.000	2,370,000
Various Purposes	2003	21,027,000	June, 2003	4.0-2.500	18,250,000
Pension Incentive	2003	10,400,000	December, 2008	3.875	2,750,000
Tobacco	2003	9,715,000	June 2041	5.027-5.27	8,195,000
Sewer EFC 2004D	2004	31,082,062	February, 2034	2.48-5.150	29,545,000
Various Purposes	*2004	29,311,745	January, 2017	3.0-6.000	25,225,000

COUNTY OF ROCKLAND, NEW YORK

NOTES TO FINANCIAL STATEMENTS (Continued)
DECEMBER 31, 2007

Note 3 - Detailed Notes on All Funds (Continued)

Purpose	Year of Issue	Original Issue Amount	Final Maturity	Interest Rates	Amount Outstanding at December 31, 2007
Sewer EFC 2005A	2005	\$ 12,395,713	May, 2034	2.094-4.569 %	\$ 11,375,713
Sewer EFC 2005B	2005	34,756,050	October, 2034	2.659-4.129	32,416,050
Various Purposes	2005	30,000,000	February, 2019	3.0-4.000	26,945,000
Tobacco	2005	26,964,181	August, 2040	5.875-7.624	28,771,531
Sewer EFC 2006C	2006	14,930,177	April, 2035	3.671-4.731	14,530,177
Various Purposes A	*2006	24,512,500	April, 2017	3.75-4.000	24,032,500
Various Purposes B	*2006	13,749,700	December, 2021	3.70-4.000	13,469,700
Various Purposes	2007	28,824,000	August, 2027	4.3-4.500	28,824,000
Mirant Settlement	*2007	8,095,748	January, 2027	4.0-4.250	8,095,748
					\$ 404,036,419

*The nine 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. 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, 2008.

Payments to Maturity

The annual requirements to amortize all bonded debt outstanding as of December 31, 2007 including interest payments of \$151,200,436 are as follows:

Year Ending December 31,	Governmental Activities		Business-Type Activities		Total	
	Principal	Interest	Principal	Interest	Principal	Interest
2008	\$ 21,156,066	\$ 10,814,508	\$ 1,320,652	\$ 3,752,446	\$ 22,476,718	\$ 14,566,954
2009	21,052,308	9,837,243	515,726	3,605,032	21,568,034	13,442,275
2010	19,294,979	8,997,129	216,986	3,476,159	19,511,965	12,473,288
2011	19,917,440	8,260,142	224,313	3,360,240	20,141,753	11,620,382
2012	19,618,760	7,547,613	199,450	3,241,312	19,818,210	10,788,925
2013-2017	93,996,244	27,176,748	2,464,274	14,209,764	96,460,518	41,386,512
2018-2022	46,307,527	13,930,476	10,798,056	10,699,365	57,105,583	24,629,841
2023-2027	32,933,953	7,355,575	15,592,676	6,568,702	48,526,629	13,924,277
2028-2032	20,105,000	2,866,732	20,365,417	2,225,997	40,470,417	5,092,729
2033-2037	9,200,000	357,278	27,011,043	1,418,125	36,211,043	1,775,403
2038-2042	-	-	17,200,549	1,363,500	17,200,549	1,363,500
2043	-	-	4,545,000	136,350	4,545,000	136,350
	\$ 303,582,277	\$ 97,143,444	\$ 100,454,142	\$ 54,056,992	\$ 404,036,419	\$ 151,200,436

Note 3 - Detailed Notes on All Funds (Continued)

Interest expenditures/expense of \$10,078,149 and \$133,649, were recorded in the fund financial statements in the Debt Service Fund and Internal Service Fund, respectively. Interest expense of \$11,115,299 was recorded in the government-wide financial statements for governmental activities. Interest expense of \$277,257, \$4,462,282 and \$488,364 were recorded in the fund financial and government-wide financial statements for the business-type activities in the Home and Infirmary Fund, the Rockland Tobacco Asset Securitization Corporation and the Rockland Second 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.

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, 2007, \$14,660,000 of bonds outstanding are considered defeased.

Indebtedness – Component Unit

Solid Waste Management Authority

Bonds payable at December 31, 2007 consisted of the following issues:

Purpose	Year of Issue	Original Issue Amount	Final Maturity	Interest Rates	Amount Outstanding at December 31, 2007
Serial Bonds	1996	\$ 11,620,000	December 2014	5.625 %	\$ 3,970,000
Serial Bonds	1999	4,000,000	December 2018	5.13 - 5.75	2,760,000
Serial Bonds	2003	15,273,468	December 2025	3.959 - 6.189	12,915,000
Serial Bonds	2003	8,720,000	December 2028	3.0 - 5.125	7,990,000
Serial Bonds	2006	10,080,000	December 2021	4.0 - 5.0	9,695,000
					\$ 37,330,000

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

COUNTY OF ROCKLAND, NEW YORK

NOTES TO FINANCIAL STATEMENTS (Continued)
DECEMBER 31, 2007

Note 3 - Detailed Notes on All Funds (Continued)

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

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

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

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

The annual requirements to amortize all bonds outstanding at December 31, 2007, including interest of \$20,346,013 are as follows:

<u>Year Ending December 31,</u>	<u>Principal</u>	<u>Interest</u>	<u>Total</u>
2008	\$ 1,810,000	\$ 2,041,109	\$ 3,851,109
2009	1,880,000	1,950,639	3,830,639
2010	1,955,000	1,872,148	3,827,148
2011	2,040,000	1,778,571	3,818,571
2012	2,140,000	1,678,742	3,818,742
2013-2017	11,865,000	6,454,245	18,319,245
2018-2022	8,345,000	3,312,759	11,657,759
2023-2027	6,335,000	1,208,600	7,543,600
2028	960,000	49,200	1,009,200
	37,330,000	<u>\$ 20,346,013</u>	<u>\$ 57,676,013</u>
Less: Unamortized original issue discount	<u>(131,726)</u>		
	<u>\$ 37,198,274</u>		

Note 3 - Detailed Notes on All Funds (Continued)

Defeasance of Debt

The Authority, on September 15, 1999, extinguished \$2,330,000 of its 1996A serial bonds and \$2,195,000 of its 1996B serial bonds using grants of \$4,000,000 from New York State and \$525,000 from the release of restricted funds. This transaction was required as a condition of the grant. These funds were used to purchase U.S. Government securities. Those securities were deposited in an irrevocable trust with an escrow agent to provide for portions of future debt service on the 1996A and 1996B serial bonds. As a result, portions of these serial bonds are considered to be extinguished and the liability for those bonds has been removed from the financial statements. Defeased bonds totaling \$2,705,000 were outstanding at December 31, 2007.

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, 2007, the expense related to vested vacation pay for employees was accrued based upon pay rates currently in effect. Accrued vacation pay aggregated approximately \$3,944,775 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, 2007 was \$127,111. These amounts are included in accrued liabilities of the Authority.

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

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

Pension Obligations

The County, pursuant to Article 14-5 of the Retirement and Social Security Law, elected to participate in a retirement option which provides for special retirement benefits for sheriffs and deputy sheriffs engaged in criminal law enforcement activities. The aggregate cost of the plan was \$2,519,140. The payment terms provide for repayment over a ten year period, with interest at 8.5%. The current year payment of \$357,279 has been charged to the General Fund. There is no remaining liability for this program.

Note 3 - Detailed Notes on All Funds (Continued)

The County, pursuant to Article 14-6 of the Retirement and Social Security Law, elected to participate in a retirement option which provides for special retirement benefits for deputy sheriffs engaged in criminal law enforcement activities. The aggregate cost of the plan was \$472,292. The payment terms provide for repayment over a five-year period, with interest at 8.5%. There is no remaining liability for this program.

Section 89P of the New York State Retirement and Social Security Law authorizes the granting of credit for previous services performed by a correction officer, a Sheriff, an 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 \$1,278,807 and is applicable to the Governmental Funds.

Claims Payable

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

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

	December 31, 2007		
	Workers' Compensation Benefits	General Liability Claims	Unemployment Benefits
Balance - Beginning of Year	\$ 5,300,038	\$ 6,041,508	\$ -
Provision for Claims and Claims Adjustment Expenses	58,606	2,577,046	117,029
Claims and Claims Adjustment Expenses Paid	356,125	(2,886,751)	(117,029)
Balance - End of Year	<u>\$ 5,714,769</u>	<u>\$ 5,731,803</u>	<u>\$ -</u>
Due With One Year	<u>\$ 571,477</u>	<u>\$ 573,180</u>	<u>\$ -</u>

Note 3 - Detailed Notes on All Funds (Continued)

	December 31, 2006		
	Workers' Compensation Benefits	General Liability Claims	Unemployment Benefits
Balance - Beginning of Year	\$ 8,908,292	\$ 6,872,306	\$ -
Provision for Claims and Claims Adjustment Expenses	(22,413)	1,287,899	115,177
Claims and Claims Adjustment Expenses Paid	<u>(3,585,841)</u>	<u>(2,118,697)</u>	<u>(115,177)</u>
Balance - End of Year	<u>\$ 5,300,038</u>	<u>\$ 6,041,508</u>	<u>\$ -</u>
Due With One Year	<u>\$ 530,004</u>	<u>\$ 604,151</u>	<u>\$ -</u>

Post-Employment Health Care Benefits

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

Expenditures/expenses for the primary government in 2007 aggregated \$14,190,258 and were paid on behalf of 1,851 retirees. Expenses for the College aggregated approximately \$3,570,440 for 316 retirees for the year ended August 31, 2007. The Soil and Water Conservation District, Industrial Development Agency and the Solid Waste Management Authority did not incur expenditures/expenses for retiree health care benefits.

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 annual other post employment benefit (OPEB) cost (expense) is calculated based on the annual required contribution (ARC) of the employer, an amount actually determined in accordance with the parameters of GASB 45. The County has elected to calculate the ARC and related information using the projected unit credit method permitted by GASB 45 for employers in plans with annual revenues of \$100 million.

Note 3 - Detailed Notes on All Funds (Continued)

The ARC represents a level of funding that, if paid on an ongoing basis, is projected to cover normal costs each year and amortize any unfunded actuarial liabilities over a period not to exceed thirty years.

For the calendar year ended December 31, 2007, the County's annual OPEB cost was \$25,770,515 for the Operating Funds.

General Fund	\$ 22,784,075
County Road Fund	1,327,112
Road Machinery Fund	121,582
Sewer Fund	<u>1,537,746</u>
	<u>\$ 25,770,515</u>

For the calendar year ended December 31, 2007, the County's annual OPEB cost for the Internal Service Funds was \$2,600,495.

General Service Fund	\$ 2,581,225
Workers' Compensation Fund	<u>19,270</u>
	<u>\$ 2,600,495</u>

For the calendar year ended December 31, 2007, the County's annual OPEB cost was \$19,432,255 for the Hospital Fund.

Hospital Fund	<u>\$ 14,293,801</u>
---------------	----------------------

The number of participants as of December 31, 2007 was as follows:

	<u>Operating Funds</u>	<u>Internal Service Funds</u>	<u>Hospital Funds</u>
Active employees	1569	160	779
Retired employees	1365	172	825

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.

Note 3 - Detailed Notes on All Funds (Continued)

	Operating Funds	Internal Service Funds	Hospital Funds
Amortization Component:			
Actuarial Accrued Liability as of 1/1/07 Assets at Market Value	\$ 311,415,714	\$ 33,857,429	\$ 184,705,230
	-	-	-
	<u>311,415,714</u>	<u>33,857,429</u>	<u>184,705,230</u>
Normal Cost Component:			
Interest on Normal Cost	13,365,586	1,376,989	7,063,729
	668,280	68,850	353,186
	<u>14,033,866</u>	<u>1,445,839</u>	<u>7,416,915</u>
Total Normal Cost			
	<u>14,033,866</u>	<u>1,445,839</u>	<u>7,416,915</u>
Amortization of Unfunded Accrued Liability	19,293,371	2,097,595	11,443,181
Interest on Amortization of Unfunded Accrued Liability	964,669	104,880	572,159
	<u>20,258,040</u>	<u>2,202,475</u>	<u>12,015,340</u>
Total Amortization of Unfunded Accrued Liability			
	<u>20,258,040</u>	<u>2,202,475</u>	<u>12,015,340</u>
OPEB Cost	34,291,906	3,648,314	19,432,255
Contributions Made	(8,521,391)	(1,047,819)	(5,138,454)
	<u>\$ 25,770,515</u>	<u>\$ 2,600,495</u>	<u>\$ 14,293,801</u>

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, 2007 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.

Note 3 - Detailed Notes on All Funds (Continued)

Transfers Out	Transfers In			Total
	General	Capital Projects	Non-Major Governmental	
General	\$ -	\$ -	\$ 28,799,079	\$ 28,799,079
Capital Projects	5,909,053	-	1,979,979	7,889,032
Non-Major Governmental	7,188,000	800,000	9,744,918	17,732,918
	<u>\$ 13,097,053</u>	<u>\$ 800,000</u>	<u>\$ 40,523,976</u>	<u>\$ 54,421,029</u>

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

K. 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.

Note 3 - Detailed Notes on All Funds (Continued)

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

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

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

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

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

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

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

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

L. Fund Balances

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

Reserved

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 Compensated Absences represent funds set aside for the payment of accumulated vacation and sick leave in accordance with various collective bargaining agreements and General Municipal Law.

Note 3 - Detailed Notes on All Funds (Continued)

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

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, \$8,695,670, 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, \$603,575, 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.

Designated for Subsequent Year's Expenditures - Sewer District and Debt Service Funds - At December 31, 2007, the County Legislature has designated that \$1,914,775 of the fund balance of the Sewer District Fund and \$8,000,000 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 by a plaintiff that is currently under appeal. The claim is for damages based on an alleged defect in a sidewalk and improper signage in a crosswalk. The case is awaiting argument before the Appellate Division and it is not possible to estimate damages, if any, at this time.

The County is a defendant in a lawsuit by a plaintiff who is alleging he was discriminated against when he was terminated from his position as mental health worker. The plaintiff's present demand is \$300,000 to \$500,000. The discovery stage is complete and a motion to dismiss is currently pending. It is not possible at this time to determine the outcome.

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.

Note 4 - Summary Disclosure of Significant Contingencies (Continued)

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 to \$330 million. The County claims administrator has reviewed the status of all incurred and incurred but not reported cases and believes that the amounts accrued within the Internal Service Funds are sufficient. Conventional insurance is not purchased for catastrophic losses.

Workers' Compensation

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

Unemployment Benefits

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

Component Units

Rockland Community College

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

Soil and Water Conservation District

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

Note 4 - Summary Disclosure of Significant Contingencies (Continued)

Solid Waste Management Authority

The Authority purchases various conventional insurance coverages to reduce its exposure to loss. The Authority maintains general liability insurance coverage with a policy limit of \$2 million. The public officials liability and auto policies provide coverage up to \$1 million, each and the pollution liability policy provides coverage up to \$3 million. The Authority also maintains an umbrella policy with coverage up to \$5 million. The Authority purchases conventional workers' compensation insurance with coverage at statutory limits. Settled claims resulting from these risks have not exceeded commercial insurance coverage in any of the past three fiscal years.

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 February 20, 2008, issued bond anticipation notes in the amount of \$800,000 due February 19, 2009, and bearing interest of 1.9%.

The County, on April 24, 2008, issued bond anticipation notes in the amounts of \$2,370,000, due April 24, 2009, and bearing interest of 2.50%.

The County, on March 27, 2008, issued revenue anticipation notes in the amounts of \$80,000,000. The notes bear interest at 2.00%, and mature on March 19, 2009.

The County, on June 15, 2008, issued public improvement serial bonds for the purpose financing incidental costs resulting from taxes not paid and tax certiorari proceedings in the amount of \$24,000,000 with maturities from June 15, 2010 through June 15, 2028. Interest rates vary from 4.0% to 4.65%, depending on maturity.

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MAJOR GOVERNMENTAL FUNDS

GENERAL FUND

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

CAPITAL PROJECTS FUND

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

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COUNTY OF ROCKLAND, NEW YORK

GENERAL FUND
COMPARATIVE BALANCE SHEET
DECEMBER 31, 2007 AND 2006

	<u>2007</u>	<u>2006</u>
<u>ASSETS</u>		
Cash:		
Demand deposits	\$ 22,705,259	\$ 28,837,355
Departmental cash	-	16,940
	<u>22,705,259</u>	<u>28,854,295</u>
Taxes Receivable:		
Tax liens	13,242,293	97,360,068
Tax installments	2,634,318	2,756,724
Returned school and village taxes	23,278,830	61,414,795
	<u>39,155,441</u>	<u>161,531,587</u>
Allowance for uncollectible taxes	(1,626,500)	(1,371,000)
	<u>37,528,941</u>	<u>160,160,587</u>
Other Receivables:		
Accounts, net of allowance for uncollectible amounts	28,337,436	46,523,780
State and Federal aid, net of allowance for uncollectible amounts	43,477,795	51,240,879
Due from other governments	9,315,898	109,012,626
Due from other funds	14,407,931	7,700,001
Advances to other funds	14,685,084	18,777,631
	<u>110,224,144</u>	<u>233,254,917</u>
Prepaid Expenditures	<u>2,594,640</u>	<u>3,011,644</u>
Total Assets	<u>\$ 173,052,984</u>	<u>\$ 425,281,443</u>
<u>LIABILITIES AND FUND BALANCE</u>		
Liabilities:		
Accounts payable	\$ 17,808,164	\$ 31,035,018
Accrued liabilities	11,647,248	11,916,910
Due to other governments	4,563,964	3,255,165
Due to school districts	48,444,935	84,319,164
Due to other funds	816,129	1,320,032
Deferred revenues - Taxes	11,221,055	11,311,314
Deferred revenues - Other	2,213,261	1,973,740
Tax anticipation note payable	-	175,000,000
Revenue anticipation note payable	65,000,000	55,000,000
Total Liabilities	<u>161,714,756</u>	<u>375,131,343</u>
Fund Balance (Deficit):		
Reserved for encumbrances	4,346,295	2,407,877
Reserved for prepaid expenditures	2,594,640	3,011,644
Reserved for law enforcement	150,637	334,843
Reserved for Stop - DWI Program	898,655	746,367
Reserved for handicapped parking	56,965	53,248
Reserved for compensated absences	11,599,622	9,954,246
Reserved for debt service	10,541,354	17,796,303
Reserved for advances	14,685,084	18,777,631
Unreserved and undesignated:		
Road Machinery Fund - Deficit	(42,333)	-
County Road Fund - Deficit	-	(1,118,710)
Home and Infirmary Fund - Deficit	(11,835,883)	(12,699,183)
General Services Fund - Deficit	(2,806,868)	(4,959,738)
Bonds to be issued for tax certiorari	(24,000,000)	-
Undesignated	5,150,060	(2,932,059)
	<u>(33,535,024)</u>	<u>15,845,572</u>
Total Fund Balance	<u>11,338,228</u>	<u>50,150,100</u>
Total Liabilities and Fund Balance	<u>\$ 173,052,984</u>	<u>\$ 425,281,443</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, 2007 AND 2006

	2007			Variance with Final Budget Positive (Negative)
	Original Budget	Final Budget	Actual	
Revenues:				
Real property taxes	\$ 46,253,000	\$ 46,253,000	\$ 46,469,638	\$ 216,638
Other tax items	10,010,000	10,010,000	5,050,394	(4,959,606)
Non-property taxes	178,700,000	178,700,000	171,761,695	(6,938,305)
Departmental income	32,643,822	32,960,229	30,736,433	(2,223,796)
Use of money and property	16,195,968	16,195,968	15,452,274	(743,694)
Licenses and permits	1,495,000	1,541,500	1,388,246	(153,254)
Fines and forfeitures	851,045	851,045	975,368	124,323
Sale of property and compensation for loss	109,000	109,000	47,318	(61,682)
Interfund revenues	14,641,448	14,641,448	14,379,729	(261,719)
State aid	88,188,650	96,089,180	89,967,943	(6,121,237)
Federal aid	36,035,220	43,010,978	42,933,094	(77,884)
Miscellaneous	10,360,000	10,649,009	2,385,637	(8,263,372)
Total Revenues	435,483,153	451,011,357	421,547,769	(29,463,588)
Expenditures:				
Current:				
General government support	56,422,631	54,850,361	48,895,671	5,954,690
Education	60,812,230	60,649,060	60,595,502	53,558
Public safety	55,975,093	59,847,818	59,002,667	845,151
Health	39,037,300	52,976,155	51,976,073	1,000,082
Transportation	24,284,305	29,962,987	27,931,369	2,031,618
Economic opportunity and development	149,695,992	151,751,937	150,581,714	1,170,223
Culture and recreation	631,591	661,691	661,650	41
Home and community services	7,475,183	7,644,520	7,547,032	97,488
Employee benefits	8,051,008	7,959,008	7,910,802	48,206
Debt service - Interest	17,398,000	17,513,000	17,509,980	3,020
Total Expenditures	419,783,333	443,816,537	432,612,460	11,204,077
Excess (Deficiency) of Revenues Over Expenditures	15,699,820	7,194,820	(11,064,691)	(18,259,511)
Other Financing Sources (Uses):				
Bond issued	-	8,300,000	8,095,748	(204,252)
Transfers in	10,777,053	10,897,053	13,097,053	2,200,000
Transfers out	(28,884,750)	(28,799,750)	(28,799,079)	671
Total Other Financing Uses	(18,107,697)	(9,602,697)	(7,606,278)	1,996,419
Net Change in Fund Balance	(2,407,877)	(2,407,877)	(18,670,969)	(16,263,092)
Fund Balance - Beginning of Year, as previously reported	2,407,877	2,407,877	50,150,100	47,742,223
Prior Period Adjustment	-	-	(20,140,903)	(20,140,903)
Fund Balance - Beginning of Year, as restated	2,407,877	2,407,877	30,009,197	27,601,320
Fund Balance - End of Year	\$ -	\$ -	\$ 11,338,228	\$ 11,338,228

2006

Original Budget	Final Budget	Actual	Variance with Final Budget Positive (Negative)
\$ 46,253,000	\$ 46,253,000	\$ 46,310,651	\$ 57,651
4,950,000	4,950,000	27,691,624	22,741,624
172,420,000	172,420,000	160,802,521	(11,617,479)
32,987,938	34,442,104	31,375,556	(3,066,548)
1,850,000	1,850,000	2,119,570	269,570
1,394,000	1,394,000	1,434,925	40,925
822,281	822,281	900,063	77,782
156,000	156,000	178,442	22,442
12,684,246	13,172,041	12,456,621	(715,420)
84,530,434	89,210,498	85,691,518	(3,518,980)
38,935,078	44,550,426	39,631,046	(4,919,380)
9,252,000	9,304,840	2,751,580	(6,553,260)
<u>406,234,977</u>	<u>418,525,190</u>	<u>411,344,117</u>	<u>(7,181,073)</u>
48,648,372	49,749,754	54,731,895	4,982,141
57,947,208	57,947,208	59,104,083	1,156,875
55,126,587	56,870,054	58,871,287	2,001,233
33,896,290	39,043,114	42,107,724	3,064,610
23,766,920	25,671,920	26,513,628	841,708
151,632,792	153,119,716	144,365,174	(8,754,542)
696,356	709,356	635,352	(74,004)
7,428,159	7,657,078	7,334,541	(322,537)
7,867,780	7,867,780	7,491,484	(376,296)
4,362,883	4,362,883	4,234,792	(128,091)
<u>391,373,347</u>	<u>402,998,863</u>	<u>405,389,960</u>	<u>2,391,097</u>
<u>14,861,630</u>	<u>15,526,327</u>	<u>5,954,157</u>	<u>(9,572,170)</u>
-	-	-	-
10,917,415	10,917,415	10,917,313	(102)
(29,914,018)	(29,914,018)	(24,402,721)	5,511,297
<u>(18,996,603)</u>	<u>(18,996,603)</u>	<u>(13,485,408)</u>	<u>5,511,195</u>
<u>(4,134,973)</u>	<u>(3,470,276)</u>	<u>(7,531,251)</u>	<u>(4,060,975)</u>
4,134,973	3,470,276	57,681,351	54,211,075
-	-	-	-
<u>4,134,973</u>	<u>3,470,276</u>	<u>57,681,351</u>	<u>54,211,075</u>
<u>\$ -</u>	<u>\$ -</u>	<u>\$ 50,150,100</u>	<u>\$ 50,150,100</u>

COUNTY OF ROCKLAND, NEW YORK

GENERAL FUND
 SCHEDULE OF REVENUES AND OTHER FINANCING SOURCES COMPARED TO BUDGET
 YEAR ENDED DECEMBER 31, 2007
 (With Comparative Actuals for 2006)

	Original Budget	Final Budget	Actual	Variance with Final Budget Positive (Negative)	2006 Actual
REAL PROPERTY TAXES	\$ 46,253,000	\$ 46,253,000	\$ 46,469,638	\$ 216,638	\$ 46,310,651
OTHER TAX ITEMS					
Interest and penalties on real property taxes	8,390,000	8,390,000	4,884,312	(3,505,688)	27,220,048
Gain on sale of tax acquired property	1,470,000	1,470,000	-	(1,470,000)	316,967
Payments in lieu of taxes	150,000	150,000	166,082	16,082	154,609
Total Other Tax Items	10,010,000	10,010,000	5,050,394	(4,959,606)	27,691,624
NON-PROPERTY TAXES					
Sales and use tax	168,250,000	168,250,000	163,931,697	(4,318,303)	151,119,113
Mortgage tax	9,750,000	9,750,000	7,416,530	(2,333,470)	9,217,795
E-911 surcharge	700,000	700,000	413,468	(286,532)	465,613
Total Non-Property Taxes	178,700,000	178,700,000	171,761,695	(6,938,305)	160,802,521
DEPARTMENTAL INCOME					
General government support	12,595,967	12,770,752	12,276,654	(494,098)	13,665,107
Public safety	1,439,535	1,441,549	1,388,501	(53,048)	1,999,202
Health	4,882,300	5,021,908	3,864,358	(1,157,550)	3,081,949
Transportation	7,045,800	7,045,800	7,092,017	46,217	6,441,876
Economic opportunity and development	3,143,120	3,143,120	6,082,557	2,939,437	6,166,543
Home and community services	22,100	22,100	29,766	7,666	19,003
Employee benefits	3,515,000	3,515,000	2,580	(3,512,420)	1,876
Total Departmental Income	32,643,822	32,960,229	30,736,433	(2,223,796)	31,375,556
USE OF MONEY AND PROPERTY					
Earnings on investments	16,110,968	16,110,968	15,365,523	(745,445)	2,034,070
Rental of real property	85,000	85,000	86,751	1,751	85,500
Total Use of Money and Property	16,195,968	16,195,968	15,452,274	(743,694)	2,119,570
LICENSES AND PERMITS					
Licenses	880,000	926,500	830,128	(96,372)	863,825
Alarm charges	615,000	615,000	558,118	(56,882)	571,100
Total Licenses and Permits	1,495,000	1,541,500	1,388,246	(153,254)	1,434,925
FINES AND FORFEITURES					
Fines	776,045	776,045	786,169	10,124	840,564
Forfeitures	75,000	75,000	189,199	114,199	59,499
Total Fines and Forfeitures	851,045	851,045	975,368	124,323	900,063
SALE OF PROPERTY AND COMPENSATION FOR LOSS					
Other sales	68,000	68,000	34,429	(33,571)	130,652
Insurance recoveries	41,000	41,000	12,889	(28,111)	47,790
Total Sale of Property and Compensation for Loss	109,000	109,000	47,318	(61,682)	178,442
INTERFUND REVENUES					
Pension bond allocation	1,430,000	1,430,000	1,430,000	-	-
Classified ad chargebacks	13,000	13,000	9,331	(3,669)	22,072
Chargeback - Liability and health insurance	681,100	681,100	586,788	(94,312)	602,892
Interfund revenues - Central Services	4,088,640	4,088,640	4,273,551	184,911	4,129,886
Community College Fund	8,428,708	8,428,708	8,080,059	(348,649)	7,701,771
Total Interfund Revenues	14,641,448	14,641,448	14,379,729	(261,719)	12,456,621

(Continued)

COUNTY OF ROCKLAND, NEW YORK

GENERAL FUND
 SCHEDULE OF REVENUES AND OTHER FINANCING SOURCES COMPARED TO BUDGET (Continued)
 YEAR ENDED DECEMBER 31, 2007
 (With Comparative Actuals for 2006)

	Original Budget	Final Budget	Actual	Variance with Final Budget Positive (Negative)	2006 Actual
STATE AID					
General government support	\$ 1,269,500	\$ 1,428,862	\$ 655,663	\$ (773,199)	\$ 1,503,700
Public safety	2,145,400	3,295,430	2,813,069	(482,361)	3,498,732
Health	40,350,950	43,421,600	45,207,940	1,786,340	41,795,616
Transportation	12,852,000	15,830,833	14,930,105	(900,728)	14,149,264
Economic opportunity and development	31,284,800	32,026,455	26,275,235	(5,751,220)	24,608,556
Culture and recreation	86,000	86,000	85,931	(69)	95,831
Home and community services	200,000	-	-	-	39,819
Total State Aid	88,188,650	96,089,180	89,967,943	(6,121,237)	85,691,518
FEDERAL AID					
General government support	747,545	1,003,337	847,790	(155,547)	876,656
Public safety	196,600	781,527	766,003	(15,524)	1,219,176
Health	370,225	2,937,804	3,133,183	195,379	3,112,730
Transportation	919,000	3,419,864	3,087,361	(332,503)	2,378,239
Economic opportunity and development	33,801,850	34,579,325	34,891,199	311,874	31,859,191
Home and community services	-	289,121	207,558	(81,563)	185,054
Total Federal Aid	36,035,220	43,010,978	42,933,094	(77,884)	39,631,046
MISCELLANEOUS					
Refund of prior year's expenditures	50,000	50,000	46,630	(3,370)	75,960
OTB distributed earnings	3,100,000	3,100,000	1,941,924	(1,158,076)	2,587,447
Other	7,210,000	7,499,009	397,083	(7,101,926)	88,173
Total Miscellaneous	10,360,000	10,649,009	2,385,637	(8,263,372)	2,751,580
TOTAL REVENUES	435,483,153	451,011,357	421,547,769	(29,463,588)	411,344,117
OTHER FINANCING SOURCES					
Bonds issued	-	8,300,000	8,095,748	(204,252)	-
Transfers in:					
Debt Service Fund	7,188,000	7,188,000	7,188,000	-	4,160,644
Capital Projects Fund	3,589,053	3,709,053	5,909,053	2,200,000	6,756,669
TOTAL OTHER FINANCING SOURCES	10,777,053	19,197,053	21,192,801	1,995,748	10,917,313
TOTAL REVENUES AND OTHER FINANCING SOURCES	\$ 446,260,206	\$ 470,208,410	\$ 442,740,570	\$ (27,467,840)	\$ 422,261,430

COUNTY OF ROCKLAND, NEW YORK

GENERAL FUND
 SCHEDULE OF EXPENDITURES AND OTHER FINANCING USES COMPARED TO BUDGET
 YEAR ENDED DECEMBER 31, 2007
 (With Comparative Actuals for 2006)

	Original Budget	Final Budget	Actual	Variance with Final Budget Positive (Negative)	2006 Actual
GENERAL GOVERNMENT SUPPORT					
Legislative Branch	\$ 4,051,647	\$ 4,024,650	\$ 3,687,902	\$ 336,748	\$ 3,614,545
County Executive	4,268,004	4,199,336	4,052,327	147,009	3,911,692
Youth Bureau	1,934,989	2,302,423	2,192,395	110,028	2,163,584
Community Development Program	1,192,178	1,192,179	981,999	210,180	1,062,021
District Attorney	6,695,705	7,254,149	7,253,789	360	7,218,534
Public Defender	2,822,402	2,852,192	2,835,180	17,012	2,875,154
Assigned Counsel	1,207,000	1,207,000	1,156,129	50,871	1,424,734
Medical Examiner	1,498,336	1,543,336	1,543,062	274	1,476,207
Department of Budget and Finance	5,229,277	6,020,278	5,889,676	130,602	12,508,733
Department of Records	4,067,512	4,172,874	4,170,567	2,307	3,992,740
Department of Law	2,956,863	3,356,964	3,285,673	71,291	3,175,075
Department of Personnel	4,128,236	3,953,236	3,906,270	46,966	4,324,707
Board of Elections	2,456,991	2,661,991	2,660,197	1,794	2,410,407
Other General Departments	2,323,381	3,657,485	3,609,545	47,940	2,672,486
Department of Insurance	1,272,641	1,087,641	1,059,496	28,145	1,292,007
Department of Tourism	517,387	517,387	502,034	15,353	502,339
Contingent fund	9,690,652	4,737,810	-	4,737,810	-
Contract Agencies	109,430	109,430	109,430	-	106,930
Total General Government Support	56,422,631	54,850,361	48,895,671	5,954,690	54,731,895
EDUCATION					
Community college tuition	1,250,000	1,350,000	1,337,021	12,979	1,195,271
Contribution to Community College Fund	14,047,480	14,047,480	14,047,480	-	13,520,388
Education of handicapped children	45,514,750	45,251,580	45,211,001	40,579	44,388,424
Total Education	60,812,230	60,649,060	60,595,502	53,558	59,104,083
PUBLIC SAFETY					
Office of the Sheriff	20,201,837	23,016,876	22,969,589	47,287	22,654,198
Correctional Facility	22,890,830	23,160,714	23,159,915	799	22,577,591
Narcotics task force	2,810,452	3,029,347	2,970,794	58,553	2,956,696
Probation Department	6,049,291	5,986,787	5,871,404	115,383	6,089,132
Department of Fire and Emergency Services	3,123,851	3,131,589	3,129,816	1,773	3,212,837
E-911 telephone system	759,162	1,382,835	761,479	621,356	1,258,503
Contract Agencies	139,670	139,670	139,670	-	122,330
Total Public Safety	55,975,093	59,847,818	59,002,667	845,151	58,871,287
HEALTH					
Department of Health	30,543,420	43,275,158	42,950,598	324,560	34,226,539
Department of Mental Health	400,000	400,000	389,871	10,129	226,949
Contracted mental health services	7,401,900	8,609,017	7,943,624	665,393	6,874,846
Contracted health services	691,980	691,980	691,980	-	779,390
Total Health	39,037,300	52,976,155	51,976,073	1,000,082	42,107,724
TRANSPORTATION					
Public transportation	24,284,305	29,962,987	27,931,369	2,031,618	26,513,628

(Continued)

COUNTY OF ROCKLAND, NEW YORK

GENERAL FUND
 SCHEDULE OF EXPENDITURES AND OTHER FINANCING USES COMPARED TO BUDGET (Continued)
 YEAR ENDED DECEMBER 31, 2007
 (With Comparative Actuals for 2006)

	Original Budget	Final Budget	Actual	Variance with Final Budget Positive (Negative)	2006 Actual
ECONOMIC OPPORTUNITY AND DEVELOPMENT					
Department of Social Services	\$ 50,390,755	\$ 52,327,047	\$ 52,261,899	\$ 65,148	\$ 50,949,426
Social Services Program Grants	90,285,000	90,314,800	89,257,962	1,056,838	84,645,600
Veterans' Service Agency	518,946	518,946	497,757	21,189	470,099
Consumer Protection	1,745,673	1,792,173	1,772,620	19,553	1,671,378
Office of the Aging	5,140,943	5,184,296	5,176,801	7,495	4,970,316
Contract Agencies	1,614,675	1,614,675	1,614,675	-	1,658,355
Total Economic Opportunity and Development	149,695,992	151,751,937	150,581,714	1,170,223	144,365,174
CULTURE AND RECREATION					
County historian	7,461	7,561	7,520	41	7,422
Contract Agencies	624,130	654,130	654,130	-	627,930
Total Culture and Recreation	631,591	661,691	661,650	41	635,352
HOME AND COMMUNITY SERVICES					
Department of Planning	2,972,219	2,992,294	2,902,633	89,661	2,692,610
Commission of Human Rights	444,594	581,656	580,809	847	517,208
Commissioner of Labor	7,377	17,577	17,558	19	4,493
Department of Environmental Resources	2,019,483	2,019,483	2,015,876	3,607	2,036,516
Office for the disabled	51,640	51,640	48,286	3,354	130,944
Contract Agencies	1,979,870	1,981,870	1,981,870	-	1,952,770
Total Home and Community Services	7,475,183	7,644,520	7,547,032	97,488	7,334,541
EMPLOYEE BENEFITS - UNDISTRIBUTED					
Hospitalization and dental	8,041,008	7,949,008	7,910,802	38,206	7,491,484
Employee tuition	10,000	10,000	-	10,000	-
Total Employee Benefits	8,051,008	7,959,008	7,910,802	48,206	7,491,484
DEBT SERVICE					
Interest:					
Bond anticipation notes	5,890,000	5,440,000	5,437,785	2,215	130,909
Revenue anticipation notes	1,916,000	1,916,000	1,915,435	565	1,009,178
Tax anticipation notes	9,592,000	10,157,000	10,156,760	240	3,094,705
Total Debt Service	17,398,000	17,513,000	17,509,980	3,020	4,234,792
TOTAL EXPENDITURES	419,783,333	443,816,537	432,612,460	11,204,077	405,389,960
OTHER FINANCING USES					
Transfers out:					
Capital Projects Fund	-	-	-	-	65,000
County Road Fund	9,075,210	9,075,210	9,075,210	-	8,918,467
Road Machinery Fund	793,540	1,348,540	1,348,540	-	1,277,710
Debt Service Fund	19,016,000	18,376,000	18,375,329	671	14,141,544
TOTAL OTHER FINANCING USES	28,884,750	28,799,750	28,799,079	671	24,402,721
TOTAL EXPENDITURES AND OTHER FINANCING USES	\$ 448,668,083	\$ 472,616,287	\$ 461,411,539	\$ 11,204,748	\$ 429,792,681

COUNTY OF ROCKLAND, NEW YORK

CAPITAL PROJECTS FUND
 COMPARATIVE BALANCE SHEET
 DECEMBER 31, 2007 AND 2006

	<u>2007</u>	<u>2006</u>
<u>ASSETS</u>		
Cash:		
Demand deposits	\$ 8,951,859	\$ 28,175,127
Certificates of deposit	48,380,000	37,400,000
	<u>57,331,859</u>	<u>65,575,127</u>
Investments	<u>17,000,000</u>	<u>-</u>
Receivables:		
Accounts	8,125	100,000
State and Federal aid	7,130,686	6,606,091
Due from other funds	-	65,000
	<u>7,138,811</u>	<u>6,771,091</u>
Restricted Assets	<u>30,856,943</u>	<u>49,666,953</u>
Total Assets	<u>\$ 112,327,613</u>	<u>\$ 122,013,171</u>
<u>LIABILITIES AND FUND BALANCE</u>		
Liabilities:		
Accounts payable	\$ 7,518,427	\$ 10,684,428
Due to other governments	424,159	-
Due to other funds	1,431,190	1,214,508
Bond anticipation notes payable	11,000,000	13,000,000
	<u>20,373,776</u>	<u>24,898,936</u>
Total Liabilities		
Fund Balance:		
Reserved for parklands	44,000	44,000
Unreserved:		
Designated for transportation projects	8,695,670	13,691,615
Undesignated	83,214,167	83,378,620
	<u>91,953,837</u>	<u>97,114,235</u>
Total Fund Balance		
Total Liabilities and Fund Balance	<u>\$ 112,327,613</u>	<u>\$ 122,013,171</u>

COUNTY OF ROCKLAND, NEW YORK

CAPITAL PROJECTS FUND
 COMPARATIVE STATEMENT OF REVENUES, EXPENDITURES
 AND CHANGES IN FUND BALANCE
 YEARS ENDED DECEMBER 31, 2007 AND 2006

	<u>2007</u>	<u>2006</u>
Revenues:		
State aid	\$ 9,273,316	\$ 9,331,558
Federal aid	7,999,610	1,284,758
Miscellaneous	<u>1,008,205</u>	<u>-</u>
Total Revenues	18,281,131	10,616,316
Expenditures - Capital outlay	<u>42,526,497</u>	<u>48,004,692</u>
Deficiency of Revenues Over Expenditures	<u>(24,245,366)</u>	<u>(37,388,376)</u>
Other Financing Sources (Uses):		
Bonds issued	26,174,000	47,009,877
Transfers in	800,000	865,000
Transfers out	<u>(7,889,032)</u>	<u>(7,418,412)</u>
Total Other Financing Sources	<u>19,084,968</u>	<u>40,456,465</u>
Net Change in Fund Balance	(5,160,398)	3,068,089
Fund Balance - Beginning of Year	<u>97,114,235</u>	<u>94,046,146</u>
Fund Balance - End of Year	<u>\$ 91,953,837</u>	<u>\$ 97,114,235</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, 2007
 (With Comparative Totals for 2006)

<u>ASSETS</u>	<u>Special Revenue Funds</u>	<u>Debt Service Fund</u>
Cash and Equivalents	\$ 17,783,836	\$ 2,666,012
Investments	225,000	8,900,000
Receivables:		
Accounts	238,177	188,302
Loans	182,747	-
State and Federal aid	1,612,515	359,282
Due from other funds	597,333	258,269
	<u>2,630,772</u>	<u>805,853</u>
Prepaid Expenditures	<u>301,892</u>	-
Total Assets	<u>\$ 20,941,500</u>	<u>\$ 12,371,865</u>
<u>LIABILITIES AND FUND BALANCES</u>		
Liabilities:		
Accounts payable	\$ 1,521,415	\$ -
Accrued liabilities	1,147,853	-
Due to other funds	1,183,121	-
Advances from other funds	42,333	-
Deferred revenues - Other	1,162,253	-
Total Liabilities	<u>5,056,975</u>	-
Fund Balances:		
Reserved for encumbrances	1,482,431	-
Reserved for prepaid expenditures	301,892	-
Reserved for long-term receivable	-	-
Reserved for social service programs	48,483	-
Reserved for compensated absences	1,775,348	-
Reserved for debt service	-	4,371,865
Unreserved:		
Designated for affordable housing	225,000	-
Designated for treatment plant and collection system	603,575	-
Designated for subsequent year's expenditures	1,914,775	8,000,000
Undesignated	9,533,021	-
Total Fund Balances	<u>15,884,525</u>	<u>12,371,865</u>
Total Liabilities and Fund Balances	<u>\$ 20,941,500</u>	<u>\$ 12,371,865</u>

Totals	
2007	2006
\$ 20,449,848	\$ 18,502,034
9,125,000	10,100,000
426,479	632,300
182,747	193,398
1,971,797	4,031,190
855,602	1,943,799
3,436,625	6,800,687
301,892	362,983
\$ 33,313,365	\$ 35,765,704
\$ 1,521,415	\$ 1,189,977
1,147,853	965,925
1,183,121	2,562,400
42,333	1,118,710
1,162,253	1,475,151
5,056,975	7,312,163
1,482,431	2,876,870
301,892	362,983
-	188,302
48,483	48,036
1,775,348	1,604,078
4,371,865	7,464,782
225,000	225,000
603,575	399,975
9,914,775	7,416,472
9,533,021	7,867,043
28,256,390	28,453,541
\$ 33,313,365	\$ 35,765,704

COUNTY OF ROCKLAND, NEW YORK

COMBINING STATEMENT OF REVENUES, EXPENDITURES AND CHANGES
 IN FUND BALANCES
 NON-MAJOR GOVERNMENTAL FUNDS
 YEAR ENDED DECEMBER 31, 2007
 (With Comparative Totals for 2006)

	Special Revenue Funds	Debt Service Fund
Revenues:		
Real property taxes	\$ 26,475,766	\$ -
Other tax items	203,600	-
Departmental income	27,775	-
Use of money and property	1,004,158	3,421,077
Licenses and permits	60,150	-
Fines and forfeitures	14,922	-
Sale of property and compensation for loss	1,997	-
Interfund revenues	285,019	-
State aid	1,075,745	583,479
Federal aid	6,076,412	992,668
Miscellaneous	1,206,248	70,709
Total Revenues	36,431,792	5,067,933
Expenditures:		
Current:		
Transportation	13,649,069	-
Economic opportunity and development	5,987,346	-
Home and community services	14,484,197	-
Employee benefits	2,235,964	-
Debt service:		
Principal	-	17,736,847
Interest	316,362	10,078,149
Total Expenditures	36,672,938	27,814,996
Deficiency of Revenues Over Expenditures	(241,146)	(22,747,063)
Other Financing Sources (Uses):		
Transfers in	12,558,132	27,965,844
Transfers out	(10,044,918)	(7,688,000)
Total Other Financing Sources	2,513,214	20,277,844
Net Change in Fund Balances	2,272,068	(2,469,219)
Fund Balances - Beginning of Year	13,612,457	14,841,084
Fund Balances - End of Year	\$ 15,884,525	\$ 12,371,865

Totals	
2007	2006
\$ 26,475,766	\$ 23,768,011
203,600	38,100
27,775	44,921
4,425,235	4,016,716
60,150	52,895
14,922	7,280
1,997	114,440
285,019	1,003,773
1,659,224	3,327,953
7,069,080	11,470,266
1,276,957	570,448
41,499,725	44,414,803
13,649,069	13,629,277
5,987,346	10,238,920
14,484,197	12,815,467
2,235,964	2,282,479
17,736,847	13,858,182
10,394,511	9,548,299
64,487,934	62,372,624
(22,988,209)	(17,957,821)
40,523,976	36,493,490
(17,732,918)	(16,454,670)
22,791,058	20,038,820
(197,151)	2,080,999
28,453,541	26,372,542
\$ 28,256,390	\$ 28,453,541

COUNTY OF ROCKLAND, NEW YORK

COMBINING BALANCE SHEET
 NON-MAJOR SPECIAL REVENUE FUNDS
 DECEMBER 31, 2007
 (With Comparative Totals for 2006)

	County Road Fund	Road Machinery Fund	Community Development Fund
<u>ASSETS</u>			
Cash:			
Demand deposits	\$ 100	\$ -	\$ 979,506
Time deposits	-	-	-
Certificates of deposit	-	-	-
Petty cash	-	-	-
	<u>100</u>	<u>-</u>	<u>979,506</u>
Investments	<u>-</u>	<u>-</u>	<u>225,000</u>
Receivables:			
Accounts	34,049	-	-
Loans	-	-	182,747
State and Federal aid	1,115,603	-	473,671
Due from other funds	-	597,333	-
	<u>1,149,652</u>	<u>597,333</u>	<u>656,418</u>
Prepaid Expenditures	<u>147,330</u>	<u>15,521</u>	<u>-</u>
Total Assets	<u>\$ 1,297,082</u>	<u>\$ 612,854</u>	<u>\$ 1,860,924</u>
<u>LIABILITIES AND FUND BALANCES</u>			
Liabilities:			
Accounts payable	\$ 150,191	\$ 89,980	\$ -
Accrued liabilities	561,127	45,848	-
Due to other funds	278,244	357,641	473,671
Advances from other funds	-	42,333	-
Deferred revenues - Other	-	-	1,162,253
Total Liabilities	<u>989,562</u>	<u>535,802</u>	<u>1,635,924</u>
Fund Balances (Deficits):			
Reserved for encumbrances	64,745	103,864	-
Reserved for prepaid expenditures	147,330	15,521	-
Reserved for social service programs	-	-	-
Reserved for compensated absences	726,905	50,394	-
Unreserved:			
Designated for affordable housing	-	-	225,000
Designated for treatment plant and collection system	-	-	-
Designated for subsequent year's expenditures	-	-	-
Undesignated	<u>(631,460)</u>	<u>(92,727)</u>	<u>-</u>
Total Fund Balances	<u>307,520</u>	<u>77,052</u>	<u>225,000</u>
Total Liabilities and Fund Balances	<u>\$ 1,297,082</u>	<u>\$ 612,854</u>	<u>\$ 1,860,924</u>

Sewer District Fund	Special Purpose Fund	Totals	
		2007	2006
\$ 305,747	\$ -	\$ 1,285,353	\$ 1,312,080
-	48,483	48,483	48,036
16,450,000	-	16,450,000	15,275,000
-	-	-	400
<u>16,755,747</u>	<u>48,483</u>	<u>17,783,836</u>	<u>16,635,516</u>
-	-	225,000	-
204,128	-	238,177	262,885
-	-	182,747	193,398
23,241	-	1,612,515	1,616,961
-	-	597,333	1,852,877
<u>227,369</u>	<u>-</u>	<u>2,630,772</u>	<u>3,926,121</u>
<u>139,041</u>	<u>-</u>	<u>301,892</u>	<u>362,983</u>
<u>\$ 17,122,157</u>	<u>\$ 48,483</u>	<u>\$ 20,941,500</u>	<u>\$ 20,924,620</u>
\$ 1,281,244	\$ -	\$ 1,521,415	\$ 1,189,977
540,878	-	1,147,853	965,925
73,565	-	1,183,121	2,562,400
-	-	42,333	1,118,710
-	-	1,162,253	1,475,151
<u>1,895,687</u>	<u>-</u>	<u>5,056,975</u>	<u>7,312,163</u>
1,313,822	-	1,482,431	2,876,870
139,041	-	301,892	362,983
-	48,483	48,483	48,036
998,049	-	1,775,348	1,604,078
-	-	225,000	225,000
603,575	-	603,575	399,975
<u>1,914,775</u>	<u>-</u>	<u>1,914,775</u>	<u>228,472</u>
<u>10,257,208</u>	<u>-</u>	<u>9,533,021</u>	<u>7,867,043</u>
<u>15,226,470</u>	<u>48,483</u>	<u>15,884,525</u>	<u>13,612,457</u>
<u>\$ 17,122,157</u>	<u>\$ 48,483</u>	<u>\$ 20,941,500</u>	<u>\$ 20,924,620</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, 2007
 (With Comparative Totals for 2006)

	County Road Fund	Road Machinery Fund	Community Development Fund
Revenues:			
Real property taxes	\$ -	\$ -	\$ -
Other tax items	-	-	-
Departmental income	-	-	-
Use of money and property	-	-	44,783
Licenses and permits	60,150	-	-
Fines and forfeitures	12,372	-	-
Sale of property and compensation for loss	1,997	-	-
Interfund revenues	285,019	-	-
State aid	1,075,745	-	-
Federal aid	144,513	-	5,931,899
Miscellaneous	87,540	258	9,836
Total Revenues	1,667,336	258	5,986,518
Expenditures:			
Current:			
Transportation	11,690,473	1,958,596	-
Economic opportunity and development	-	-	5,986,518
Home and community services	-	-	-
Employee benefits	-	-	-
Debt service - Interest	-	-	-
Total Expenditures	11,690,473	1,958,596	5,986,518
Excess (Deficiency) of Revenues Over Expenditures	(10,023,137)	(1,958,338)	-
Other Financing Sources (Uses):			
Transfers in	10,675,210	1,382,922	-
Transfers out	(99,734)	(7,687)	-
Total Other Financing Sources (Uses)	10,575,476	1,375,235	-
Net Change in Fund Balances	552,339	(583,103)	-
Fund Balances (Deficits) - Beginning of Year	(244,819)	660,155	225,000
Fund Balances - End of Year	<u>\$ 307,520</u>	<u>\$ 77,052</u>	<u>\$ 225,000</u>

Sewer District Fund	Special Purpose Fund	Totals	
		2007	2006
\$ 26,475,766	\$ -	\$ 26,475,766	\$ 23,768,011
203,600	-	203,600	38,100
27,775	-	27,775	44,921
958,100	1,275	1,004,158	836,094
-	-	60,150	52,895
2,550	-	14,922	7,280
-	-	1,997	114,440
-	-	285,019	1,003,773
-	-	1,075,745	1,035,482
-	-	6,076,412	10,516,569
1,108,614	-	1,206,248	534,140
<u>28,776,405</u>	<u>1,275</u>	<u>36,431,792</u>	<u>37,951,705</u>
-	-	13,649,069	13,629,277
-	828	5,987,346	10,238,920
14,484,197	-	14,484,197	12,815,467
2,235,964	-	2,235,964	2,282,479
316,362	-	316,362	77,267
<u>17,036,523</u>	<u>828</u>	<u>36,672,938</u>	<u>39,043,410</u>
<u>11,739,882</u>	<u>447</u>	<u>(241,146)</u>	<u>(1,091,705)</u>
500,000	-	12,558,132	12,896,177
(9,937,497)	-	(10,044,918)	(9,794,026)
<u>(9,437,497)</u>	<u>-</u>	<u>2,513,214</u>	<u>3,102,151</u>
2,302,385	447	2,272,068	2,010,446
<u>12,924,085</u>	<u>48,036</u>	<u>13,612,457</u>	<u>11,602,011</u>
<u>\$ 15,226,470</u>	<u>\$ 48,483</u>	<u>\$ 15,884,525</u>	<u>\$ 13,612,457</u>

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COUNTY OF ROCKLAND, NEW YORK

COUNTY ROAD FUND
 COMPARATIVE BALANCE SHEET
 DECEMBER 31, 2007 AND 2006

<u>ASSETS</u>	<u>2007</u>	<u>2006</u>
Cash - Demand deposits	\$ 100	\$ 100
Receivables:		
Accounts	34,049	29,152
State and Federal aid	1,115,603	1,242,018
Due from other funds	-	1,118,710
	<u>1,149,652</u>	<u>2,389,880</u>
Prepaid Expenditures	<u>147,330</u>	<u>174,675</u>
Total Assets	<u>\$ 1,297,082</u>	<u>\$ 2,564,655</u>
<u>LIABILITIES AND FUND BALANCE (DEFICIT)</u>		
Liabilities:		
Accounts payable	\$ 150,191	\$ 253,347
Accrued liabilities	561,127	443,685
Due to other funds	278,244	993,732
Advances from other funds	-	1,118,710
Total Liabilities	<u>989,562</u>	<u>2,809,474</u>
Fund Balance (Deficit):		
Reserved for encumbrances	64,745	2,417
Reserved for prepaid expenditures	147,330	174,675
Reserved for compensated absences	726,905	696,799
Unreserved and undesignated	<u>(631,460)</u>	<u>(1,118,710)</u>
Total Fund Balance (Deficit)	<u>307,520</u>	<u>(244,819)</u>
Total Liabilities and Fund Balance (Deficit)	<u>\$ 1,297,082</u>	<u>\$ 2,564,655</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, 2007 AND 2006

2007

	Original Budget	Final Budget	Actual	Variance with Final Budget Positive (Negative)
Revenues:				
Licenses and permits	\$ 37,000	\$ 37,000	\$ 60,150	\$ 23,150
Fines and forfeitures	12,000	12,000	12,372	372
Sale of property and compensation for loss	20,000	20,000	1,997	(18,003)
Interfund revenues	90,000	90,000	285,019	195,019
State aid	1,412,850	1,412,850	1,075,745	(337,105)
Federal aid	130,000	130,000	144,513	14,513
Miscellaneous	130,000	204,000	87,540	(116,460)
Total Revenues	1,831,850	1,905,850	1,667,336	(238,514)
Expenditures - Current - Transportation	12,409,477	12,483,477	11,690,473	793,004
Deficiency of Revenues Over Expenditures	(10,577,627)	(10,577,627)	(10,023,137)	554,490
Other Financing Sources (Uses):				
Transfers in	10,675,210	10,675,210	10,675,210	-
Transfers out	(100,000)	(100,000)	(99,734)	266
Total Other Financing Sources	10,575,210	10,575,210	10,575,476	266
Net Change in Fund Balance	(2,417)	(2,417)	552,339	554,756
Fund Balance (Deficit) - Beginning of Year	2,417	2,417	(244,819)	(247,236)
Fund Balance (Deficit) - End of Year	\$ -	\$ -	\$ 307,520	\$ 307,520

2006

Original Budget	Final Budget	Actual	Variance with Final Budget Positive (Negative)
\$ 39,250	\$ 39,250	\$ 52,895	\$ 13,645
10,000	10,000	5,435	(4,565)
20,000	20,000	22,254	2,254
80,000	80,000	115,445	35,445
1,744,000	1,764,275	1,035,434	(728,841)
140,000	150,762	366,848	216,086
109,170	109,170	22,746	(86,424)
2,142,420	2,173,457	1,621,057	(552,400)
12,678,319	12,709,356	12,112,263	597,093
(10,535,899)	(10,535,899)	(10,491,206)	44,693
10,348,467	10,348,467	10,348,467	-
(99,170)	(99,170)	(99,170)	-
10,249,297	10,249,297	10,249,297	-
(286,602)	(286,602)	(241,909)	44,693
286,602	286,602	(2,910)	(289,512)
\$ -	\$ -	\$ (244,819)	\$ (244,819)

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COUNTY OF ROCKLAND, NEW YORK

ROAD MACHINERY FUND
 COMPARATIVE BALANCE SHEET
 DECEMBER 31, 2007 AND 2006

	<u>2007</u>	<u>2006</u>
<u>ASSETS</u>		
Due from Other Funds	\$ 597,333	\$ 734,167
Prepaid Expenditures	15,521	18,155
 Total Assets	 <u>\$ 612,854</u>	 <u>\$ 752,322</u>
<u>LIABILITIES AND FUND BALANCE</u>		
Liabilities:		
Accounts payable	\$ 89,980	\$ 50,137
Accrued liabilities	45,848	42,030
Due to other funds	357,641	-
Advances from other funds	42,333	-
 Total Liabilities	 <u>535,802</u>	 <u>92,167</u>
Fund Balance (Deficit):		
Reserved for encumbrances	103,864	550,949
Reserved for prepaid expenditures	15,521	18,155
Reserved for compensated absences	50,394	55,047
Unreserved and undesignated	(92,727)	36,004
 Total Fund Balance	 <u>77,052</u>	 <u>660,155</u>
 Total Liabilities and Fund Balance	 <u>\$ 612,854</u>	 <u>\$ 752,322</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, 2007 AND 2006

	2007			Variance with Final Budget Positive (Negative)
	Original Budget	Final Budget	Actual	
Revenues:				
Sale of property and compensation for loss	\$ 50,000	\$ 50,000	\$ -	\$ (50,000)
Miscellaneous	7,800	7,800	258	(7,542)
Total Revenues	57,800	57,800	258	(57,542)
Expenditures - Current - Transportation	2,121,489	2,121,489	1,958,596	162,893
Deficiency of Revenues Over Expenditures	(2,063,689)	(2,063,689)	(1,958,338)	(105,351)
Other Financing Sources (Uses):				
Transfers in	1,520,540	1,520,540	1,382,922	(137,618)
Transfers out	(7,800)	(7,800)	(7,687)	113
Total Other Financing Sources	1,512,740	1,512,740	1,375,235	(137,505)
Net Change in Fund Balance	(550,949)	(550,949)	(583,103)	(32,154)
Fund Balance - Beginning of Year	550,949	550,949	660,155	109,206
Fund Balance - End of Year	\$ -	\$ -	\$ 77,052	\$ 77,052

2006

Original Budget	Final Budget	Actual	Variance with Final Budget Positive (Negative)
\$ 35,000	\$ 35,000	\$ 81,457	\$ 46,457
7,645	7,645	-	(7,645)
42,645	42,645	81,457	38,812
<u>2,085,427</u>	<u>2,085,427</u>	<u>1,517,014</u>	<u>568,413</u>
<u>(2,042,782)</u>	<u>(2,042,782)</u>	<u>(1,435,557)</u>	<u>(607,225)</u>
2,047,710	2,047,710	2,047,710	-
(7,645)	(7,645)	(7,645)	-
<u>2,040,065</u>	<u>2,040,065</u>	<u>2,040,065</u>	<u>-</u>
(2,717)	(2,717)	604,508	607,225
<u>2,717</u>	<u>2,717</u>	<u>55,647</u>	<u>52,930</u>
<u>\$ -</u>	<u>\$ -</u>	<u>\$ 660,155</u>	<u>\$ 660,155</u>

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COUNTY OF ROCKLAND, NEW YORK

COMMUNITY DEVELOPMENT FUND
 COMPARATIVE BALANCE SHEET
 DECEMBER 31, 2007 AND 2006

	<u>2007</u>	<u>2006</u>
<u>ASSETS</u>		
Cash - Demand deposits	\$ 979,506	\$ 1,308,681
Investments	225,000	225,000
Receivables:		
Loans	182,747	193,398
State and Federal aid	473,671	347,990
	<u>656,418</u>	<u>541,388</u>
Total Assets	<u><u>\$ 1,860,924</u></u>	<u><u>\$ 2,075,069</u></u>
<u>LIABILITIES AND FUND BALANCE</u>		
Liabilities:		
Due to other funds	\$ 473,671	\$ 374,918
Deferred revenues - Other	1,162,253	1,475,151
	<u>1,635,924</u>	<u>1,850,069</u>
Total Liabilities	<u>1,635,924</u>	<u>1,850,069</u>
Fund Balance - Unreserved - Designated for affordable housing	<u>225,000</u>	<u>225,000</u>
Total Liabilities and Fund Balance	<u><u>\$ 1,860,924</u></u>	<u><u>\$ 2,075,069</u></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, 2007 AND 2006

	2007			
	Original Budget	Final Budget	Actual	Variance with Final Budget Positive (Negative)
Revenues:				
Use of money and property	\$ -	\$ -	\$ 44,783	\$ 44,783
Federal aid	-	10,825,169	5,931,899	(4,893,270)
Miscellaneous	-	-	9,836	9,836
Total Revenues	-	10,825,169	5,986,518	(4,838,651)
Expenditures - Current - Economic opportunity and development	-	10,825,169	5,986,518	4,838,651
Excess of Revenues Over Expenditures	-	-	-	-
Fund Balance - Beginning of Year	-	-	225,000	225,000
Fund Balance - End of Year	\$ -	\$ -	\$ 225,000	\$ 225,000

2006

Original Budget	Final Budget	Actual	Variance with Final Budget Positive (Negative)
\$ -	\$ -	\$ 60,376	\$ 60,376
-	14,411,312	10,149,426	(4,261,886)
-	-	8,746	8,746
-	14,411,312	10,218,548	(4,192,764)
-	14,411,312	10,218,548	4,192,764
-	-	-	-
-	-	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, 2007 AND 2006

<u>ASSETS</u>	<u>2007</u>	<u>2006</u>
Cash:		
Demand deposits	\$ 305,747	\$ 3,399
Certificates of deposit	16,450,000	15,050,000
Petty cash	-	300
	<u>16,755,747</u>	<u>15,053,699</u>
Receivables:		
Accounts	204,128	233,733
State and Federal aid	23,241	26,953
	<u>227,369</u>	<u>260,686</u>
Prepaid Expenditures	<u>139,041</u>	<u>170,153</u>
Total Assets	<u>\$ 17,122,157</u>	<u>\$ 15,484,538</u>
<u>LIABILITIES AND FUND BALANCE</u>		
Liabilities:		
Accounts payable	\$ 1,281,244	\$ 886,493
Accrued liabilities	540,878	480,210
Due to other funds	73,565	1,193,750
Total Liabilities	<u>1,895,687</u>	<u>2,560,453</u>
Fund Balance:		
Reserved for encumbrances	1,313,822	2,323,504
Reserved for prepaid expenditures	139,041	170,153
Reserved for compensated absences	998,049	852,232
Unreserved:		
Designated for treatment plant and collection system	603,575	399,975
Designated for subsequent year's expenditures	1,914,775	228,472
Undesignated	10,257,208	8,949,749
Total Fund Balance	<u>15,226,470</u>	<u>12,924,085</u>
Total Liabilities and Fund Balance	<u>\$ 17,122,157</u>	<u>\$ 15,484,538</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, 2007 AND 2006

	2007			Variance with Final Budget Positive (Negative)
	Original Budget	Final Budget	Actual	
Revenues:				
Real property taxes	\$ 26,278,645	\$ 26,278,645	\$ 26,475,766	\$ 197,121
Other tax items	-	-	203,600	203,600
Departmental income	10,000	10,000	27,775	17,775
Use of money and property	400,000	400,000	958,100	558,100
Fines and forfeitures	-	-	2,550	2,550
Sale of property and compensation for loss	-	-	-	-
State aid	-	-	-	-
Federal aid	-	-	-	-
Miscellaneous	492,000	492,000	1,108,614	616,614
Total Revenues	27,180,645	27,180,645	28,776,405	1,595,760
Expenditures:				
Current:				
Home and community services	16,575,639	16,575,639	14,484,197	2,091,442
Employee benefits	2,464,982	2,464,982	2,235,964	229,018
Debt service - Interest	276,000	276,000	316,362	(40,362)
Total Expenditures	19,316,621	19,316,621	17,036,523	2,280,098
Excess of Revenues Over Expenditures	7,864,024	7,864,024	11,739,882	3,875,858
Other Financing Sources (Uses):				
Transfers in	500,000	500,000	500,000	-
Transfers out	(10,916,000)	(10,916,000)	(9,937,497)	978,503
Total Other Financing Uses	(10,416,000)	(10,416,000)	(9,437,497)	978,503
Net Change in Fund Balance	(2,551,976)	(2,551,976)	2,302,385	4,854,361
Fund Balance - Beginning of Year	2,551,976	2,551,976	12,924,085	10,372,109
Fund Balance - End of Year	\$ -	\$ -	\$ 15,226,470	\$ 15,226,470

2006

Original Budget	Final Budget	Actual	Variance with Final Budget Positive (Negative)
\$ 23,566,568	\$ 23,566,568	\$ 23,763,011	\$ 201,443
-	-	38,100	38,100
10,000	10,000	42,421	32,421
200,000	200,000	772,757	572,757
-	-	1,845	1,845
-	-	10,729	10,729
-	11,946	48	(11,898)
-	-	295	295
491,565	539,488	1,390,976	851,488
<u>24,268,133</u>	<u>24,328,002</u>	<u>26,025,182</u>	<u>1,697,180</u>
14,879,470	15,771,325	12,815,467	2,955,858
2,510,007	2,510,007	2,282,479	227,528
77,268	77,268	77,267	1
<u>17,466,745</u>	<u>18,358,600</u>	<u>15,175,213</u>	<u>3,183,387</u>
<u>6,801,388</u>	<u>5,969,402</u>	<u>10,849,969</u>	<u>4,880,567</u>
500,000	500,000	500,000	-
(10,670,883)	(10,670,883)	(9,687,211)	983,672
<u>(10,170,883)</u>	<u>(10,170,883)</u>	<u>(9,187,211)</u>	<u>983,672</u>
(3,369,495)	(4,201,481)	1,662,758	5,864,239
<u>3,369,495</u>	<u>4,201,481</u>	<u>11,261,327</u>	<u>7,059,846</u>
<u>\$ -</u>	<u>\$ -</u>	<u>\$ 12,924,085</u>	<u>\$ 12,924,085</u>

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COUNTY OF ROCKLAND, NEW YORK

DEBT SERVICE FUND
 COMPARATIVE BALANCE SHEET
 DECEMBER 31, 2007 AND 2006

	<u>2007</u>	<u>2006</u>
<u>ASSETS</u>		
Cash - Demand deposits	\$ 2,666,012	\$ 2,091,518
Investments	8,900,000	9,875,000
Receivables:		
Accounts	188,302	369,415
State and Federal aid	359,282	2,414,229
Due from other funds	258,269	90,922
	<u>805,853</u>	<u>2,874,566</u>
 Total Assets	 <u>\$ 12,371,865</u>	 <u>\$ 14,841,084</u>
<u>FUND BALANCE</u>		
Fund Balance:		
Reserved for long-term receivable	\$ -	\$ 188,302
Reserved for debt service	4,371,865	7,464,782
Unreserved - Designated for subsequent year's expenditures	8,000,000	7,188,000
	<u>8,000,000</u>	<u>7,188,000</u>
 Total Fund Balance	 <u>\$ 12,371,865</u>	 <u>\$ 14,841,084</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, 2007 AND 2006

	2007			Variance with Final Budget Positive (Negative)
	Original Budget	Final Budget	Actual	
Revenues:				
Use of money and property	\$ -	\$ -	\$ 3,421,077	\$ 3,421,077
State aid	-	-	583,479	583,479
Federal aid	-	-	992,668	992,668
Miscellaneous	-	-	70,709	70,709
Total Revenues	-	-	5,067,933	5,067,933
Expenditures -				
Debt Service -				
Serial bonds:				
Principal	18,272,200	18,272,200	17,736,847	535,353
Interest	10,967,600	10,967,600	10,078,149	889,451
Total Expenditures	29,239,800	29,239,800	27,814,996	1,424,804
Deficiency of Revenues Over Expenditures	(29,239,800)	(29,239,800)	(22,747,063)	6,492,737
Other Financing Sources (Uses):				
Transfers in	29,239,800	29,239,800	27,965,844	(1,273,956)
Transfers out	(7,188,000)	(7,188,000)	(7,688,000)	(500,000)
Total Other Financing Sources	22,051,800	22,051,800	20,277,844	(1,773,956)
Net Change in Fund Balance	(7,188,000)	(7,188,000)	(2,469,219)	4,718,781
Fund Balance - Beginning of Year	7,188,000	7,188,000	14,841,084	7,653,084
Fund Balance - End of Year	\$ -	\$ -	\$ 12,371,865	\$ 12,371,865

2006

Original Budget	Final Budget	Actual	Variance with Final Budget Positive (Negative)
\$ -	\$ -	\$ 3,197,207	\$ 3,197,207
-	-	2,292,471	2,292,471
-	-	953,697	953,697
-	-	19,723	19,723
-	-	6,463,098	6,463,098
15,090,733	15,090,733	13,858,182	1,232,551
9,842,192	9,842,192	9,471,032	371,160
24,932,925	24,932,925	23,329,214	1,603,711
(24,932,925)	(24,932,925)	(16,866,116)	8,066,809
24,932,925	24,932,925	23,597,313	(1,335,612)
(6,660,644)	(6,660,644)	(6,660,644)	-
18,272,281	18,272,281	16,936,669	(1,335,612)
(6,660,644)	(6,660,644)	70,553	6,731,197
6,660,644	6,660,644	14,770,531	8,109,887
\$ -	\$ -	\$ 14,841,084	\$ 14,841,084

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ENTERPRISE FUND

Enterprise Funds are used to account for operations that are financed and operated in a manner similar to private enterprises or where the governing body has decided that periodic determination of revenues earned, expenses incurred and/or net income is necessary for management accountability. Enterprise funds are used to account for those operations that provide services to the public.

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

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

COUNTY OF ROCKLAND, NEW YORK

PROPRIETARY FUND - ENTERPRISE FUND
 HOME AND INFIRMARY FUND
 COMPARATIVE STATEMENT OF NET ASSETS
 DECEMBER 31, 2007 AND 2006

	2007	2006
ASSETS		
Cash and Equivalents	\$ 6,066,738	\$ 5,392,875
Receivables:		
Accounts	4,209,404	2,636,539
Accounts - Patient care, net of allowance for uncollectible amounts	14,244,560	14,597,076
State and Federal aid	1,922,457	317,347
Inventories	524,613	535,806
Prepaid Expenses	1,265,126	1,560,081
Total Current Assets	28,232,898	25,039,724
Capital Assets:		
Land	438,504	438,504
Buildings	46,467,787	46,279,217
Improvements other than buildings	345,975	345,975
Equipment	17,016,044	16,516,729
Construction-in-progress	934,092	2,396,743
Less - Accumulated depreciation	(42,704,517)	(42,460,168)
Total Capital Assets, net of accumulated depreciation	22,497,885	23,517,000
Total Assets	50,730,783	48,556,724
Current Liabilities:		
Accounts payable	3,226,302	3,227,223
Accrued liabilities	2,788,271	3,640,456
Accrued interest payable	205,659	263,920
Due to other funds	14,072,536	6,709,724
Advances from other funds	11,835,883	12,699,183
Compensated absences	13,559,593	12,482,502
Current maturities of bonds payable	2,333,897	1,908,340
Total Current Liabilities	48,022,141	40,931,348
Noncurrent Liabilities:		
Bonds payable	15,478,697	15,912,594
Other post employment benefit obligations	14,293,801	-
Total Noncurrent Liabilities	29,772,498	15,912,594
Total Liabilities	77,794,639	56,843,942
<u>NET ASSETS (DEFICIENCY)</u>		
Invested in Capital Assets, net of related debt	11,269,462	12,411,965
Unrestricted	(38,333,318)	(20,699,183)
Total Deficiency	\$ (27,063,856)	\$ (8,287,218)

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, 2007 AND 2006

	<u>2007</u>	<u>2006</u>
Operating Revenues:		
Charges for services:		
Net patient service revenues:		
Rehabilitation and skilled nursing facility	\$ 48,444,325	\$ 49,930,435
Mental health	<u>29,688,099</u>	<u>28,741,162</u>
	78,132,424	78,671,597
Miscellaneous	<u>657,614</u>	<u>664,402</u>
Total Operating Revenues	<u>78,790,038</u>	<u>79,335,999</u>
Operating Expenses:		
Administrative and general expenses	12,937,899	12,550,536
Salaries and wage expenses	51,361,822	52,452,898
Employee benefits	38,000,897	23,883,950
Supplies and other expenses	9,322,106	8,838,052
Depreciation	<u>2,158,684</u>	<u>1,939,354</u>
Total Operating Expenses	<u>113,781,408</u>	<u>99,664,790</u>
Loss from Operations	<u>(34,991,370)</u>	<u>(20,328,791)</u>
Non-Operating Revenues (Expenses):		
Intergovernmental transfer	16,491,989	7,781,080
Interest on indebtedness	<u>(277,257)</u>	<u>(380,641)</u>
Total Non-Operating Revenues	<u>16,214,732</u>	<u>7,400,439</u>
Change in Net Assets	(18,776,638)	(12,928,352)
Net Assets (Deficiency) - Beginning of Year	<u>(8,287,218)</u>	<u>4,641,134</u>
Deficiency - End of Year	<u>\$ (27,063,856)</u>	<u>\$ (8,287,218)</u>

COUNTY OF ROCKLAND, NEW YORK

PROPRIETARY FUND - ENTERPRISE FUND
 HOME AND INFIRMARY FUND
 COMPARATIVE STATEMENT OF CASH FLOWS
 YEARS ENDED DECEMBER 31, 2007 AND 2006

	2007	2006
Cash Flows From Operating Activities:		
Cash received from patients and third party payors	\$ 76,049,893	\$ 79,451,481
Other	4,312,890	4,469,218
Cash payments to vendors	(22,249,733)	(20,532,532)
Cash payments to employees	(77,826,731)	(82,804,906)
Net Cash Used in Operating Activities	(19,713,681)	(19,416,739)
Cash Flows From Non-Capital Financing Activities -		
Intergovernmental transfer	16,491,989	7,781,080
Cash Flows From Capital and Related Financing Activities:		
Remittances to County of Rockland, net	5,818,939	14,867,960
Issuance of long-term debt	1,900,000	5,670,000
Retirement of debt	(1,908,340)	(2,216,248)
Interest on indebtedness	(775,475)	(598,613)
Acquisition and construction of capital assets	(1,139,569)	(4,033,214)
Net Cash Provided by Capital and Related Financing Activities	3,895,555	13,689,885
Net Increase in Cash and Equivalents	673,863	2,054,226
Cash and Equivalents - Beginning of Year	5,392,875	3,338,649
Cash and Equivalents - End of Year	\$ 6,066,738	\$ 5,392,875
Reconciliation of Loss from Operations to Net Cash Used in Operating Activities:		
Loss from operations	\$ (34,991,370)	\$ (20,328,791)
Adjustments to reconcile loss from operations to net cash used in operating activities:		
Depreciation	2,158,684	1,939,354
Provision for bad debts	4,547,568	3,032,203
Changes in assets and liabilities:		
Accounts receivable	(1,572,865)	(1,256,104)
Accounts receivable - Patient care	(9,574,034)	(12,343,873)
State and Federal aid receivable	(1,605,110)	(1,720,721)
Inventories	11,193	56,252
Prepaid expenses	294,955	(601,979)
Accounts payable	(921)	799,804
Accrued liabilities	(852,185)	(2,808,309)
Due to other funds	7,362,812	(551,384)
Advances from other funds	(863,300)	12,699,183
Compensated absences	1,077,091	1,667,626
Other postemployment benefit obligations	14,293,801	-
Net Cash Used in Operating Activities	\$ (19,713,681)	\$ (19,416,739)

COUNTY OF ROCKLAND, NEW YORK

PROPRIETARY FUND - ENTERPRISE FUND
 ROCKLAND TOBACCO ASSET SECURITIZATION CORPORATION
 COMPARATIVE STATEMENT OF NET ASSETS
 DECEMBER 31, 2007 AND 2006

	2007	2006
ASSETS		
Current Assets:		
Cash and equivalents	\$ 72,176	\$ 93,796
Investments	1,286,395	1,306,956
Accounts receivable	3,536,974	3,535,013
Prepaid expenses	9,250	-
Total Current Assets	4,904,795	4,935,765
Noncurrent Assets:		
Restricted cash and equivalents	2,285,063	1,852,792
Restricted investments	3,525,755	3,525,018
Costs of issuance, net of accumulated amortization of \$173,156 in 2007 and \$132,286 in 2006	927,613	968,483
Total Noncurrent Assets	6,738,431	6,346,293
Total Assets	11,643,226	11,282,058
LIABILITIES		
Current Liabilities:		
Accrued liabilities	972,883	982,327
Current maturities of bonds payable	920,000	760,000
Total Current Liabilities	1,892,883	1,742,327
Noncurrent Liabilities -		
Bonds payable, net of current maturities	72,290,551	71,348,354
Total Liabilities	74,183,434	73,090,681
NET ASSETS		
Deficiency	\$ (62,540,208)	\$ (61,808,623)

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, 2007 AND 2006

	<u>2007</u>	<u>2006</u>
Operating Revenues - Tobacco settlement revenues	<u>\$ 3,457,420</u>	<u>\$ 3,043,988</u>
Operating Expenses:		
Professional fees	44,403	32,075
Directors' fees	2,000	3,000
Insurance	21,525	21,525
Amortization	<u>40,870</u>	<u>40,870</u>
Total Operating Expenses	<u>108,798</u>	<u>97,470</u>
Income from Operations	<u>3,348,622</u>	<u>2,946,518</u>
Non-Operating Revenues (Expenses):		
Interest income	382,075	335,069
Interest on indebtedness	<u>(4,462,282)</u>	<u>(4,389,084)</u>
Total Non-Operating Expenses	<u>(4,080,207)</u>	<u>(4,054,015)</u>
Loss From Operations	(731,585)	(1,107,497)
Deficit - Beginning of Year	<u>(61,808,623)</u>	<u>(60,701,126)</u>
Deficit - End of Year	<u>\$ (62,540,208)</u>	<u>\$ (61,808,623)</u>

COUNTY OF ROCKLAND, NEW YORK

PROPRIETARY FUND - ENTERPRISE FUND
 ROCKLAND TOBACCO ASSET SECURITIZATION CORPORATION
 COMPARATIVE STATEMENT OF CASH FLOWS
 YEARS ENDED DECEMBER 31, 2007 AND 2006

	<u>2007</u>	<u>2006</u>
Cash Flows From Operating Activities:		
Cash received from tobacco settlement revenues	\$ 3,470,852	\$ 3,334,773
Cash payments to directors	(2,000)	(3,000)
Cash payments to vendors	<u>(69,170)</u>	<u>(53,600)</u>
Net Cash Provided by Operating Activities	<u>3,399,682</u>	<u>3,278,173</u>
Cash Flows from Non-Capital Financing Activities:		
Repayment of long-term debt	(760,000)	(680,000)
Interest on indebtedness	<u>(2,615,537)</u>	<u>(2,652,281)</u>
Net Cash Used in Non-Capital Financing Activities	<u>(3,375,537)</u>	<u>(3,332,281)</u>
Cash Flows From Investing Activities:		
Interest income	366,682	429,353
Purchase of investments	(1,286,395)	(1,306,956)
Sale of investments	1,306,956	1,326,117
Purchase of restricted investments	(3,525,755)	(3,525,018)
Sale of restricted investments	<u>3,525,018</u>	<u>3,525,133</u>
Net Cash Provided by Investing Activities	<u>386,506</u>	<u>448,629</u>
Net Increase in Cash and Equivalents	410,651	394,521
Cash and Equivalents - Beginning of Year	<u>1,946,588</u>	<u>1,552,067</u>
Cash and Equivalents - End of Year	<u>\$ 2,357,239</u>	<u>\$ 1,946,588</u>
Reconciliation of Income from Operations to Net Cash Provided by Operating Activities:		
Income from operations	\$ 3,348,622	\$ 2,946,518
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	13,432	290,785
Prepaid expenses	(9,250)	-
Accrued liabilities	<u>6,008</u>	<u>-</u>
Net Cash Provided by Operating Activities	<u>\$ 3,399,682</u>	<u>\$ 3,278,173</u>
Noncash Non-Capital Financing Activities:		
Increase in bonds payable from amortization of original issue and underwriters' discount	\$ 54,849	\$ 54,849
Increase in bonds payable from accreted interest	1,807,348	-

COUNTY OF ROCKLAND, NEW YORK

PROPRIETARY FUND - ENTERPRISE FUND
 ROCKLAND SECOND TOBACCO ASSET SECURITIZATION CORPORATION
 COMPARATIVE STATEMENT OF CASH FLOWS
 YEARS ENDED DECEMBER 31, 2007 AND 2006

	2007	2006
Cash Flows From Operating Activities:		
Cash received from tobacco settlement revenues	\$ 867,637	\$ 834,247
Cash payments to directors	(2,000)	(6,000)
Cash payments to vendors	(23,560)	(22,111)
Net Cash Provided by Operating Activities	842,077	806,136
Cash Flows from Non-Capital Financing Activities:		
Retirement of long-term debt	(380,000)	(375,000)
Interest on indebtedness	(478,950)	(497,825)
Net Cash Used in Non-Capital Financing Activities	(858,950)	(872,825)
Cash Flows From Investing Activities:		
Interest income	45,865	45,730
Purchase of restricted investments	(710,961)	(710,961)
Sale of restricted investments	710,961	710,961
Net Cash Provided by Investing Activities	45,865	45,730
Net Increase (Decrease) in Cash and Equivalents	28,992	(20,959)
Cash and Equivalents - Beginning of Year	91,755	112,714
Cash and Equivalents - End of Year	\$ 120,747	\$ 91,755
Reconciliation of Income from Operations to Net Cash Provided by Operating Activities:		
Income from operations	\$ 831,198	\$ 778,889
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	4,173	20,541
Net Cash Provided by Operating Activities	\$ 842,077	\$ 806,136
Noncash Investing Activities -		
Increase in bonds payable from amortization of original issue and underwriters' discount	\$ 10,997	\$ 10,997

INTERNAL SERVICE FUNDS

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

COUNTY OF ROCKLAND, NEW YORK

PROPRIETARY FUNDS - INTERNAL SERVICE FUNDS

COMBINING STATEMENT OF NET ASSETS

DECEMBER 31, 2007

(With Comparative Totals for 2006)

	Workers' Compensation Benefits Fund	General Liability Claims Fund	Unemployment Benefits Fund
<u>ASSETS</u>			
Cash:			
Demand deposits	\$ 195,840	\$ 195,912	\$ 126,365
Certificates of deposit	6,350,000	4,300,000	-
Petty cash	-	-	-
	<u>6,545,840</u>	<u>4,495,912</u>	<u>126,365</u>
Receivables:			
Accounts	-	-	-
State and Federal aid	-	-	-
Due from other governments	-	-	-
Due from other funds	-	1,235,891	-
	<u>-</u>	<u>1,235,891</u>	<u>-</u>
Inventories	-	-	-
Prepaid Expenses	1,813	-	-
Total Current Assets	<u>6,547,653</u>	<u>5,731,803</u>	<u>126,365</u>
Capital Assets	-	-	-
Less - Accumulated depreciation	-	-	-
Total Capital Assets	<u>-</u>	<u>-</u>	<u>-</u>
Total Assets	<u>6,547,653</u>	<u>5,731,803</u>	<u>126,365</u>
<u>LIABILITIES</u>			
Current Liabilities:			
Accounts payable	408,307	-	-
Accrued liabilities	5,686	-	-
Due to other funds	14,208	-	-
Due to other governments	17,742	-	-
Advances from other funds	-	-	-
Claims payable	571,477	573,180	-
Compensated absences	1,846	-	-
Current maturities of bonds payable - Capital construction	-	-	-
Current maturities of bonds payable - Pension obligations	-	-	-
Total Current Liabilities	<u>1,019,266</u>	<u>573,180</u>	<u>-</u>
Noncurrent Liabilities:			
Claims payable	5,143,292	5,158,623	-
Compensated absences	-	-	-
Bonds payable - Capital construction, less current maturities	-	-	-
Bonds payable - Pension obligations, less current maturities	-	-	-
Other post employment benefit obligations	19,270	-	-
Total Noncurrent Liabilities	<u>5,162,562</u>	<u>5,158,623</u>	<u>-</u>
Total Liabilities	<u>6,181,828</u>	<u>5,731,803</u>	<u>-</u>
<u>NET ASSETS (DEFICIENCY)</u>			
Invested in Capital Assets, net of related debt	-	-	-
Unrestricted	365,825	-	126,365
Total Net Assets (Deficiency)	<u>\$ 365,825</u>	<u>\$ -</u>	<u>\$ 126,365</u>

General Services Fund	Totals	
	2007	2006
\$ -	\$ 518,117	\$ 3,292,106
-	10,650,000	11,450,000
200	200	200
200	11,168,317	14,742,306
712,552	712,552	469,546
491,073	491,073	569,528
-	-	10,531
3,038,438	4,274,329	2,172,284
4,242,063	5,477,954	3,221,889
70,857	70,857	55,379
271,665	273,478	933,529
4,584,785	16,990,606	18,953,103
22,876,419	22,876,419	22,968,161
(6,355,026)	(6,355,026)	(5,861,320)
16,521,393	16,521,393	17,106,841
21,106,178	33,511,999	36,059,944
1,172,660	1,580,967	1,160,444
1,269,158	1,274,844	1,397,439
2,020,678	2,034,886	74,420
-	17,742	-
2,806,868	2,806,868	4,959,738
-	1,144,657	1,134,155
202,068	203,914	182,901
1,291,692	1,291,692	1,203,256
122,289	122,289	117,620
8,885,413	10,477,859	10,229,973
-	10,301,915	10,207,391
1,818,610	1,818,610	1,646,112
10,079,377	10,079,377	10,621,070
-	-	122,289
2,581,225	2,600,495	-
14,479,212	24,800,397	22,596,862
23,364,625	35,278,256	32,826,835
5,150,324	5,150,324	5,282,516
(7,408,771)	(6,916,581)	(2,049,407)
\$ (2,258,447)	\$ (1,766,257)	\$ 3,233,109

COUNTY OF ROCKLAND, NEW YORK

PROPRIETARY FUNDS - INTERNAL SERVICE FUNDS
 COMBINING STATEMENT OF REVENUES, EXPENSES AND CHANGES
 IN NET ASSETS
 YEAR ENDED DECEMBER 31, 2007
 (With Comparative Totals for 2006)

	Workers' Compensation Benefits Fund	General Liability Claims Fund	Unemployment Benefits Fund
Operating Revenues:			
Charges for services	\$ 1,275,125	\$ 2,416,532	\$ 117,029
State aid	-	-	-
Total Operating Revenues	<u>1,275,125</u>	<u>2,416,532</u>	<u>117,029</u>
Operating Expenses:			
Administrative and general expenses	679,003	-	-
Salaries and wage expenses	135,932	-	-
Employee benefits	3,377,238	-	117,029
Judgments and claims	-	2,577,046	-
Supplies and other expenses	-	-	-
Depreciation	-	-	-
Total Operating Expenses	<u>4,192,173</u>	<u>2,577,046</u>	<u>117,029</u>
Income (Loss) From Operations	<u>(2,917,048)</u>	<u>(160,514)</u>	<u>-</u>
Non-Operating Revenues (Expenses):			
Interest income	411,562	242,997	4,862
Interest on indebtedness	-	-	-
Total Non-Operating Revenues (Expenses)	<u>411,562</u>	<u>242,997</u>	<u>4,862</u>
Change in Net Assets	(2,505,486)	82,483	4,862
Net Assets (Deficiency) - Beginning of Year	<u>2,871,311</u>	<u>(82,483)</u>	<u>121,503</u>
Net Assets (Deficiency) - End of Year	<u>\$ 365,825</u>	<u>\$ -</u>	<u>\$ 126,365</u>

General Services Fund	Totals	
	2007	2006
\$ 29,581,272	\$ 33,389,958	\$ 32,986,096
597,872	597,872	658,640
<u>30,179,144</u>	<u>33,987,830</u>	<u>33,644,736</u>
-	679,003	11,406,675
10,997,613	11,133,545	128,635
5,084,311	8,578,578	5,091,236
-	2,577,046	1,287,899
14,517,570	14,517,570	11,466,723
2,027,226	2,027,226	995,994
<u>32,626,720</u>	<u>39,512,968</u>	<u>30,377,162</u>
<u>(2,447,576)</u>	<u>(5,525,138)</u>	<u>3,267,574</u>
-	659,421	624,913
(133,649)	(133,649)	(164,585)
<u>(133,649)</u>	<u>525,772</u>	<u>460,328</u>
(2,581,225)	(4,999,366)	3,727,902
<u>322,778</u>	<u>3,233,109</u>	<u>(494,793)</u>
<u>\$ (2,258,447)</u>	<u>\$ (1,766,257)</u>	<u>\$ 3,233,109</u>

PROPRIETARY FUNDS - INTERNAL SERVICE FUNDS
 COMBINING STATEMENT OF CASH FLOWS
 YEAR ENDED DECEMBER 31, 2007
 (With Comparative Totals for 2006)

	Workers' Compensation Benefits Fund	General Liability Claims Fund	Unemployment Benefits Fund
Cash Flows From Operating Activities:			
Cash received from charges for services	\$ 1,275,125	\$ 1,183,050	\$ 117,029
Cash received from State	-	-	-
Cash payments to insurance carriers and claimants	(3,676,774)	(2,938,601)	(117,029)
Cash payments to employees	(76,210)	-	-
Cash payments to vendors	-	-	-
Net Cash Provide by (Used in) Operating Activities	(2,477,859)	(1,755,551)	-
Cash Flows From Non-Capital Financing Activities:			
Retirement of long-term debt	-	-	-
Interest on indebtedness - other	-	-	-
Net Cash Used in Non-Capital Financing Activities	-	-	-
Cash Flows From Capital and Related Financing Activities:			
Issuance of long-term debt	-	-	-
Retirement of long-term debt	-	-	-
Interest on indebtedness - Capital construction	-	-	-
Acquisition and construction of capital assets	-	-	-
Net Cash Used in Capital and Related Financing Activities	-	-	-
Cash Flows From Investing Activities -			
Interest income	411,562	242,997	4,862
Net Increase (Decrease) in Cash	(2,066,297)	(1,512,554)	4,862
Cash - Beginning of Year	8,612,137	6,008,466	121,503
Cash - End of Year	<u>\$ 6,545,840</u>	<u>\$ 4,495,912</u>	<u>\$ 126,365</u>
Reconciliation of Income (Loss) from Operations to Net Cash			
Provided by (Used in) Operating Activities:			
Income (loss) from operations	\$ (2,917,048)	\$ (160,514)	\$ -
Adjustments to reconcile income (loss) from operations to net cash provided by (used in) operating activities:			
Depreciation	-	-	-
Changes in operating assets and liabilities:			
Accounts receivable	-	2,409	-
State and Federal aid receivable	-	-	-
Due from other governments	10,531	-	-
Due from other funds	-	(1,235,891)	-
Inventories	-	-	-
Prepaid expenses	1,115	-	-
Accounts payable	8,731	(32,101)	-
Accrued liabilities	5,686	-	-
Due to other funds	(40,463)	(19,749)	-
Due to other governments	17,742	-	-
Advances from other funds	-	-	-
Claims payable	414,731	(309,705)	-
Compensated absences	1,846	-	-
Other post employment benefit obligations	19,270	-	-
Net Cash Provided by (Used in) Operating Activities	\$ (2,477,859)	\$ (1,755,551)	\$ -

General Services Fund	Totals	
	2007	2006
\$ 28,469,703	\$ 31,044,907	\$ 36,032,244
676,327	676,327	601,871
-	(6,732,404)	(6,403,591)
(4,892,646)	(4,968,856)	(4,463,390)
<u>(22,107,080)</u>	<u>(22,107,080)</u>	<u>(21,426,244)</u>
2,146,304	(2,087,106)	4,340,890
(117,620)	(117,620)	(112,950)
<u>(8,855)</u>	<u>(8,855)</u>	<u>(12,809)</u>
(126,475)	(126,475)	(125,759)
750,000	750,000	512,500
(1,203,256)	(1,203,256)	(1,088,165)
(124,794)	(124,794)	(151,775)
<u>(1,441,779)</u>	<u>(1,441,779)</u>	<u>(1,746,155)</u>
(2,019,829)	(2,019,829)	(2,473,595)
-	659,421	624,913
-	(3,573,989)	2,366,449
200	14,742,306	12,375,857
<u>\$ 200</u>	<u>\$ 11,168,317</u>	<u>\$ 14,742,306</u>
\$ (2,447,576)	\$ (5,525,138)	\$ 3,267,574
2,027,226	2,027,226	995,994
(245,415)	(243,006)	4,030
78,455	78,455	(56,769)
-	10,531	(531)
(866,154)	(2,102,045)	3,042,649
(15,478)	(15,478)	(634)
658,936	660,051	(723,332)
443,893	420,523	(387,168)
(128,281)	(122,595)	527,678
2,020,678	1,960,466	(2,739,282)
-	17,742	-
(2,152,870)	(2,152,870)	4,959,738
-	105,026	(4,439,211)
191,665	193,511	(109,846)
<u>2,581,225</u>	<u>2,600,495</u>	<u>-</u>
<u>\$ 2,146,304</u>	<u>\$ (2,087,106)</u>	<u>\$ 4,340,890</u>

COUNTY OF ROCKLAND, NEW YORK

PROPRIETARY FUND - INTERNAL SERVICE FUND - WORKERS' COMPENSATION BENEFITS FUND
 COMPARATIVE STATEMENT OF NET ASSETS
 DECEMBER 31, 2007 AND 2006

	<u>2007</u>	<u>2006</u>
<u>ASSETS</u>		
Cash:		
Demand deposits	\$ 195,840	\$ 162,137
Certificates of deposit	<u>6,350,000</u>	<u>8,450,000</u>
	6,545,840	8,612,137
Due from Other Governments	-	10,531
Prepaid Expenses	<u>1,813</u>	<u>2,928</u>
Total Assets	<u>6,547,653</u>	<u>8,625,596</u>
<u>LIABILITIES</u>		
Current Liabilities:		
Accounts payable	408,307	399,576
Accrued liabilities	5,686	-
Due to other funds	14,208	54,671
Due to other governments	17,742	-
Claims payable	571,477	530,004
Compensated absences	<u>1,846</u>	<u>-</u>
Total Current Liabilities	<u>1,019,266</u>	<u>984,251</u>
Noncurrent Liabilities:		
Claims payable	5,143,292	4,770,034
Other post employment benefit obligations	<u>19,270</u>	<u>-</u>
Total Noncurrent Liabilities	<u>5,162,562</u>	<u>4,770,034</u>
Total Liabilities	<u>6,181,828</u>	<u>5,754,285</u>
<u>NET ASSETS</u>		
Unrestricted	<u>\$ 365,825</u>	<u>\$ 2,871,311</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, 2007 AND 2006

	<u>2007</u>	<u>2006</u>
Operating Revenues - Charges for services	\$ 1,275,125	\$ 2,460,846
Operating Expenses:		
Administrative and general expenses	679,003	569,325
Salaries and wage expenses	135,932	128,635
Employee benefits	<u>3,377,238</u>	<u>(22,413)</u>
Total Operating Expenses	<u>4,192,173</u>	<u>675,547</u>
Income (Loss) From Operations	(2,917,048)	1,785,299
Non-Operating Revenues - Interest income	<u>411,562</u>	<u>504,722</u>
Change in Net Assets	(2,505,486)	2,290,021
Net Assets - Beginning of Year	<u>2,871,311</u>	<u>581,290</u>
Net Assets - End of Year	<u>\$ 365,825</u>	<u>\$ 2,871,311</u>

COUNTY OF ROCKLAND, NEW YORK

PROPRIETARY FUND - INTERNAL SERVICE FUND - WORKERS' COMPENSATION BENEFITS FUND
 COMPARATIVE STATEMENT OF CASH FLOWS
 YEARS ENDED DECEMBER 31, 2007 AND 2006

	<u>2007</u>	<u>2006</u>
Cash Flows From Operating Activities:		
Cash received from charges for services	\$ 1,275,125	\$ 2,460,315
Cash payments to insurance carriers and claimants	(3,676,774)	(4,218,648)
Cash payments to employees	(76,210)	(127,034)
	<u>(2,477,859)</u>	<u>(1,885,367)</u>
Net Cash Used in Operating Activities		
Cash Flows From Investing Activities -		
Interest income	411,562	504,722
	<u>411,562</u>	<u>504,722</u>
Net Decrease in Cash	(2,066,297)	(1,380,645)
Cash - Beginning of Year	8,612,137	9,992,782
	<u>8,612,137</u>	<u>9,992,782</u>
Cash - End of Year	<u>\$ 6,545,840</u>	<u>\$ 8,612,137</u>
Reconciliation of Income (Loss) from Operations to Net Cash Used in Operating Activities:		
Income (loss) from operations	\$ (2,917,048)	\$ 1,785,299
Adjustments to reconcile income (loss) from operations to net cash used in operating activities:		
Changes in assets and liabilities:		
Due from other governments	10,531	(531)
Prepaid expenses	1,115	(1,601)
Accounts payable	8,731	(61,486)
Accrued liabilities	5,686	-
Due to other funds	(40,463)	15,773
Due to other governments	17,742	-
Claims payable	414,731	(3,608,413)
Compensated absences	1,846	(14,408)
Other post employment benefit obligations	19,270	-
	<u>19,270</u>	<u>-</u>
Net Cash Used in Operating Activities	<u>\$ (2,477,859)</u>	<u>\$ (1,885,367)</u>

COUNTY OF ROCKLAND, NEW YORK

PROPRIETARY FUND - INTERNAL SERVICE FUND - GENERAL LIABILITY CLAIMS FUND
 COMPARATIVE STATEMENT OF NET ASSETS
 DECEMBER 31, 2007 AND 2006

	<u>2007</u>	<u>2006</u>
<u>ASSETS</u>		
Cash:		
Demand deposits	\$ 195,912	\$ 3,008,466
Certificates of deposit	4,300,000	3,000,000
	<u>4,495,912</u>	<u>6,008,466</u>
Receivables:		
Accounts	-	2,409
Due from other funds	1,235,891	-
	<u>1,235,891</u>	<u>2,409</u>
 Total Assets	 <u>5,731,803</u>	 <u>6,010,875</u>
<u>LIABILITIES</u>		
Current Liabilities:		
Accounts payable	-	32,101
Due to other funds	-	19,749
Claims payable	573,180	604,151
	<u>573,180</u>	<u>656,001</u>
 Total Current Liabilities	 <u>573,180</u>	 <u>656,001</u>
Noncurrent Liabilities -		
Claims payable	5,158,623	5,437,357
	<u>5,158,623</u>	<u>5,437,357</u>
 Total Liabilities	 <u>5,731,803</u>	 <u>6,093,358</u>
<u>NET ASSETS (DEFICIENCY)</u>		
Unrestricted	<u>\$ -</u>	<u>\$ (82,483)</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, 2007 AND 2006

	<u>2007</u>	<u>2006</u>
Operating Revenues - Charges for services	\$ 2,416,532	\$ 2,605,589
Operating Expenses - Judgments and claims	<u>2,577,046</u>	<u>1,287,899</u>
Income (Loss) From Operations	(160,514)	1,317,690
Non-Operating Revenues - Interest income	<u>242,997</u>	<u>117,068</u>
Change in Net Assets	82,483	1,434,758
Deficiency - Beginning of Year	<u>(82,483)</u>	<u>(1,517,241)</u>
Net Assets (Deficiency) - End of Year	<u>\$ -</u>	<u>\$ (82,483)</u>

COUNTY OF ROCKLAND, NEW YORK

PROPRIETARY FUND - INTERNAL SERVICE FUND - GENERAL LIABILITY CLAIMS FUND
 COMPARATIVE STATEMENT OF CASH FLOWS
 YEARS ENDED DECEMBER 31, 2007 AND 2006

	<u>2007</u>	<u>2006</u>
Cash Flows From Operating Activities:		
Cash received from charges for services	\$ 1,183,050	\$ 5,589,589
Cash payments to insurance carriers and claimants	<u>(2,938,601)</u>	<u>(2,069,766)</u>
Net Cash Provided by (Used in) Operating Activities	<u>(1,755,551)</u>	<u>3,519,823</u>
Cash Flows From Investing Activities -		
Interest income	<u>242,997</u>	<u>117,068</u>
Net Increase (Decrease) in Cash	(1,512,554)	3,636,891
Cash - Beginning of Year	<u>6,008,466</u>	<u>2,371,575</u>
Cash - End of Year	<u>\$ 4,495,912</u>	<u>\$ 6,008,466</u>
Reconciliation of Income (Loss) from Operations to Net Cash Provided by (Used in) Operating Activities:		
Income (loss) from operations	\$ (160,514)	\$ 1,317,690
Adjustments to reconcile income (loss) from operations to net cash provided by (used in) operating activities:		
Changes in assets and liabilities:		
Accounts receivable	2,409	(2,409)
Due from other funds	(1,235,891)	2,986,409
Accounts payable	(32,101)	29,182
Due to other funds	(19,749)	19,749
Claims payable	<u>(309,705)</u>	<u>(830,798)</u>
Net Cash Provided by (Used in) Operating Activities	<u>\$ (1,755,551)</u>	<u>\$ 3,519,823</u>

COUNTY OF ROCKLAND, NEW YORK

PROPRIETARY FUND - INTERNAL SERVICE FUND - UNEMPLOYMENT BENEFITS FUND
COMPARATIVE STATEMENT OF NET ASSETS
DECEMBER 31, 2007 AND 2006

		<u>2007</u>	<u>2006</u>
	<u>ASSETS</u>		
Cash - Demand deposits		<u>\$ 126,365</u>	<u>\$ 121,503</u>
	<u>NET ASSETS</u>		
Unrestricted		<u>\$ 126,365</u>	<u>\$ 121,503</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, 2007 AND 2006

	<u>2007</u>	<u>2006</u>
Operating Revenues - Charges for services	\$ 117,029	\$ 115,177
Operating Expenses - Employee benefits	<u>117,029</u>	<u>115,177</u>
Income From Operations	-	-
Non-Operating Revenues - Interest income	<u>4,862</u>	<u>3,123</u>
Change in Net Assets	4,862	3,123
Net Assets - Beginning of Year	<u>121,503</u>	<u>118,380</u>
Net Assets - End of Year	<u><u>\$ 126,365</u></u>	<u><u>\$ 121,503</u></u>

COUNTY OF ROCKLAND, NEW YORK

PROPRIETARY FUND - INTERNAL SERVICE FUND - UNEMPLOYMENT BENEFITS FUND
 COMPARATIVE STATEMENT OF CASH FLOWS
 YEARS ENDED DECEMBER 31, 2007 AND 2006

	<u>2007</u>	<u>2006</u>
Cash Flows From Operating Activities:		
Cash received from charges for services	\$ 117,029	\$ 227,185
Cash payments to insurance carriers and claimants	<u>(117,029)</u>	<u>(115,177)</u>
Net Cash Provided by Operating Activities	<u>-</u>	<u>112,008</u>
Cash Flows From Investing Activities -		
Interest income	<u>4,862</u>	<u>3,123</u>
Net Increase in Cash	4,862	115,131
Cash - Beginning of Year	<u>121,503</u>	<u>6,372</u>
Cash - End of Year	<u>\$ 126,365</u>	<u>\$ 121,503</u>
Reconciliation of Income from Operations to Net Cash Provided by Operating Activities:		
Income from operations	\$ -	\$ -
Adjustments to reconcile income from operations to net cash provided by operating activities:		
Changes in assets and liabilities:		
Due from other funds	<u>-</u>	<u>112,008</u>
Net Cash Provided by Operating Activities	<u>\$ -</u>	<u>\$ 112,008</u>

COUNTY OF ROCKLAND, NEW YORK

PROPRIETARY FUND - INTERNAL SERVICE FUND - GENERAL SERVICES FUND
 COMPARATIVE STATEMENT OF NET ASSETS
 DECEMBER 31, 2007 AND 2006

	2007	2006
<u>ASSETS</u>		
Cash - Petty cash	\$ 200	\$ 200
Receivables:		
Accounts	712,552	467,137
State and Federal aid	491,073	569,528
Due from other funds	3,038,438	2,172,284
	<u>4,242,063</u>	<u>3,208,949</u>
Inventories	70,857	55,379
Prepaid Expenses	271,665	930,601
Total Current Assets	<u>4,584,785</u>	<u>4,195,129</u>
Capital Assets:		
Buildings	2,980	2,980
Equipment	22,873,439	22,965,181
	<u>22,876,419</u>	<u>22,968,161</u>
Less - Accumulated depreciation	<u>(6,355,026)</u>	<u>(5,861,320)</u>
Total Capital Assets	<u>16,521,393</u>	<u>17,106,841</u>
Total Assets	<u>21,106,178</u>	<u>21,301,970</u>
<u>LIABILITIES</u>		
Current Liabilities:		
Accounts payable	1,172,660	728,767
Accrued liabilities	1,269,158	1,397,439
Due to other funds	2,020,678	-
Advances from other funds	2,806,868	4,959,738
Current maturities of compensated absences	202,068	182,901
Current maturities of bonds payable - Capital construction	1,291,692	1,203,256
Current maturities of bonds payable - Pension obligations	122,289	117,620
Total Current Liabilities	<u>8,885,413</u>	<u>8,589,721</u>
Noncurrent Liabilities:		
Compensated absences, less current maturities	1,818,610	1,646,112
Bonds payable - Capital construction, less current maturities	10,079,377	10,621,070
Bonds payable - Pension obligations, less current maturities	-	122,289
Other post employment benefit obligations	2,581,225	-
Total Noncurrent Liabilities	<u>14,479,212</u>	<u>12,389,471</u>
Total Liabilities	<u>23,364,625</u>	<u>20,979,192</u>
<u>NET ASSETS (DEFICIENCY)</u>		
Invested in Capital Assets, net of related debt	5,150,324	5,282,515
Unrestricted	<u>(7,408,771)</u>	<u>(4,959,737)</u>
Total Net Assets	<u>\$ (2,258,447)</u>	<u>\$ 322,778</u>

COUNTY OF ROCKLAND, NEW YORK

PROPRIETARY FUND - INTERNAL SERVICE FUND - GENERAL SERVICES FUND
 COMPARATIVE STATEMENT OF REVENUES, EXPENSES AND CHANGES
 IN NET ASSETS
 YEARS ENDED DECEMBER 31, 2007 AND 2006

	<u>2007</u>	<u>2006</u>
Operating Revenues:		
Charges for services	\$ 29,581,272	\$ 27,804,484
State aid	597,872	658,640
Total Operating Revenues	<u>30,179,144</u>	<u>28,463,124</u>
Operating Expenses:		
Salaries and wage expenses	10,997,613	10,837,350
Employee benefits	5,084,311	4,998,472
Supplies and other expenses	14,517,570	11,466,723
Depreciation	2,027,226	995,994
Total Operating Expenses	<u>32,626,720</u>	<u>28,298,539</u>
Income (Loss) From Operations	(2,447,576)	164,585
Non-Operating Expenses -		
Interest on indebtedness	<u>(133,649)</u>	<u>(164,585)</u>
Change in Net Assets	(2,581,225)	-
Net Assets - Beginning of Year	<u>322,778</u>	<u>322,778</u>
Net Assets (Deficiency) - End of Year	<u>\$ (2,258,447)</u>	<u>\$ 322,778</u>

COUNTY OF ROCKLAND, NEW YORK

PROPRIETARY FUND - INTERNAL SERVICE FUND - GENERAL SERVICES FUND
 COMPARATIVE STATEMENT OF CASH FLOWS
 YEARS ENDED DECEMBER 31, 2007 AND 2006

	2007	2006
Cash Flows From Operating Activities:		
Cash received from charges for services	\$ 28,469,703	\$ 27,755,155
Cash received from State	676,327	601,871
Cash payments to vendors	(22,107,080)	(21,426,244)
Cash payments to employees	(4,892,646)	(4,336,356)
Net Cash Provided by Operating Activities	2,146,304	2,594,426
Cash Flows From Non-Capital Financing Activities:		
Retirement of long-term debt	(117,620)	(112,950)
Interest on indebtedness - other	(8,855)	(12,809)
Net Cash Used in Non-Capital Financing Activities	(126,475)	(125,759)
Cash Flows from Capital and Related Financing Activities:		
Issuance of long-term debt	750,000	512,500
Retirement of long-term debt	(1,203,256)	(1,088,165)
Interest on indebtedness - Capital construction	(124,794)	(151,775)
Acquisition and construction of capital assets	(1,441,779)	(1,746,155)
Net Cash Used in Capital and Related Financing Activities	(2,019,829)	(2,473,595)
Net Decrease in Cash	-	(4,928)
Cash - Beginning of Year	200	5,128
Cash - End of Year	\$ 200	\$ 200
Reconciliation of Income (Loss) from Operations to Net Cash Provided by Operating Activities:		
Income (loss) from operations	\$ (2,447,576)	\$ 164,585
Adjustments to reconcile income (loss) from operations to net cash provided by operating activities:		
Depreciation	2,027,226	995,994
Changes in assets and liabilities:		
Accounts receivable	(245,415)	6,439
State and Federal aid receivable	78,455	(56,769)
Due from other funds	(866,154)	(55,768)
Inventories	(15,478)	(634)
Prepaid expenses	658,936	(721,731)
Accounts payable	443,893	(354,864)
Accrued liabilities	(128,281)	527,678
Due to other funds	2,020,678	(2,774,804)
Advances from other funds	(2,152,870)	4,959,738
Compensated absences	191,665	(95,438)
Other post employment benefit obligations	2,581,225	-
Net Cash Provided by Operating Activities	\$ 2,146,304	\$ 2,594,426

COUNTY OF ROCKLAND, NEW YORK

FIDUCIARY FUND - AGENCY FUND
 STATEMENT OF CHANGES IN ASSETS AND LIABILITIES
 YEAR ENDED DECEMBER 31, 2007

	Balance January 1, 2007	Increases	Decreases	Balance December 31, 2007
<u>ASSETS</u>				
Cash:				
Demand deposits	\$ 5,801,956	\$ 230,060,378	\$ 231,129,677	\$ 4,732,657
Time deposits	2,085,103	1,368,083	1,382,416	2,070,770
	<u>7,887,059</u>	<u>231,428,461</u>	<u>232,512,093</u>	<u>6,803,427</u>
Accounts Receivable	<u>55,785</u>	<u>212,801,978</u>	<u>212,857,763</u>	<u>-</u>
Total Assets	<u>\$ 7,942,844</u>	<u>\$ 444,230,439</u>	<u>\$ 445,369,856</u>	<u>\$ 6,803,427</u>
<u>LIABILITIES</u>				
Accounts Payable	\$ 166,984	\$ 228,921,625	\$ 229,049,366	\$ 39,243
Employee Payroll Deductions	491,765	85,285,255	85,297,974	479,046
Deposits	4,188,785	2,534,656	3,127,976	3,595,465
Due to Other Governments	<u>3,095,310</u>	<u>15,944,172</u>	<u>16,349,809</u>	<u>2,689,673</u>
Total Liabilities	<u>\$ 7,942,844</u>	<u>\$ 332,685,708</u>	<u>\$ 333,825,125</u>	<u>\$ 6,803,427</u>

**STATISTICAL
SECTION**

(Unaudited)

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Financial Trends

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

Net Assets by Component

Changes in Net Assets

Fund Balances of Governmental Funds

Changes in Fund Balances of Governmental Funds

COUNTY OF ROCKLAND, NEW YORK

NET ASSETS BY COMPONENT
LAST SIX FISCAL YEARS

	<u>2002</u>	<u>2003</u>	<u>2004(1)</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>

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>
\$ 357,075,560	\$ 410,512,788
84,186,029	123,090,125
<u>49,138,682</u>	<u>(119,583,249)</u>
<u>\$ 490,400,271</u>	<u>\$ 414,019,664</u>
\$ 12,411,965	\$ 11,269,462
<u>(88,784,191)</u>	<u>(106,761,196)</u>
<u>\$ (76,372,226)</u>	<u>\$ (95,491,734)</u>
\$ 369,487,525	\$ 421,782,250
84,186,029	123,090,125
<u>(39,645,509)</u>	<u>(226,344,445)</u>
<u>\$ 414,028,045</u>	<u>\$ 318,527,930</u>

COUNTY OF ROCKLAND, NEW YORK

CHANGES IN NET ASSETS
LAST SIX FISCAL YEARS

	2002	2003	2004 (1)	2005
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
\$	53,181,226	\$ 58,494,042
	62,269,510	63,708,235
	61,374,333	68,781,351
	42,866,537	55,693,202
	52,467,203	56,039,377
	154,921,214	161,783,425
	672,310	922,107
	25,128,078	33,924,151
	17,421,520	24,724,724
	<u>470,301,931</u>	<u>524,070,614</u>
	100,045,431	114,058,665
	4,486,554	4,571,080
	<u>542,077</u>	<u>520,630</u>
	<u>105,074,062</u>	<u>119,150,375</u>
\$	<u>575,375,993</u>	<u>\$ 643,220,989</u>
\$	13,488,832	\$ 12,527,092
	4,376,291	3,335,455
	2,227,880	4,275,920
	3,649,497	4,164,539
	7,118,757	6,968,579
	2,256,013	2,126,805
	141,316,084	143,651,066
	17,079,414	23,349,064
	<u>191,512,768</u>	<u>200,398,520</u>
	79,335,999	78,790,038
	7,781,080	16,491,989
	3,379,057	3,839,495
	<u>859,420</u>	<u>909,345</u>
	<u>91,355,556</u>	<u>100,030,867</u>
\$	<u>282,868,324</u>	<u>\$ 300,429,387</u>

(Continued)

COUNTY OF ROCKLAND, NEW YORK

CHANGES IN NET ASSETS
LAST SIX FISCAL YEARS (Continued)

	2002	2003	2004 (1)	2005
Net (Expense)/Revenue				
Governmental Activities	\$ (207,450,945)	\$ (219,627,459)	\$ (227,849,234)	\$ (251,845,001)
Business-Type Activities	(2,253,867)	(2,459,743)	1,717,555	(1,193,595)
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
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	(2,253,867)	(2,459,743)	1,717,555	(25,191,204)
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.

2006	2007
\$ (278,789,163)	\$ (323,672,094)
(13,718,506)	(19,119,508)
<u>\$ (292,507,669)</u>	<u>\$ (342,791,602)</u>
\$ 58,727,783	\$ 72,855,145
27,764,921	5,253,994
151,119,113	163,931,697
9,217,795	7,416,530
2,658,983	15,365,523
135,224	49,315
-	-
2,663,407	2,560,186
<u>252,287,226</u>	<u>267,432,390</u>
-	-
-	-
<u>\$ 252,287,226</u>	<u>\$ 267,432,390</u>
(26,501,937)	(56,239,704)
(13,718,506)	(19,119,508)
<u>\$ (40,220,443)</u>	<u>\$ (75,359,212)</u>

COUNTY OF ROCKLAND, NEW YORK

FUND BALANCES OF GOVERNMENTAL FUNDS
LAST TEN FISCAL YEARS

	<u>1998</u>	<u>1999</u>	<u>2000</u>	<u>2001</u>
General Fund				
Reserved	\$ 2,512,705	\$ 2,980,555	\$ 3,245,642	\$ 3,361,395
Unreserved	<u>41,017,782</u>	<u>27,756,789</u>	<u>36,408,613</u>	<u>13,768,634</u>
Total General Fund	<u>\$ 43,530,487</u>	<u>\$ 30,737,344</u>	<u>\$ 39,654,255</u>	<u>\$ 17,130,029</u>
All Other Governmental Funds				
Reserved	\$ 18,943,569	\$ 42,464,536	\$ 33,721,960	\$ 34,930,741
Unreserved, Reported In:				
Special Revenue Funds	11,887,286	12,482,421	11,896,838	8,379,054
Capital Projects Fund	47,901,133	24,401,416	24,324,147	20,878,561
Debt Service Fund	<u>-</u>	<u>8,034,173</u>	<u>8,162,151</u>	<u>6,680,126</u>
Total All Other Governmental Funds	<u>\$ 78,731,988</u>	<u>\$ 87,382,546</u>	<u>\$ 78,105,096</u>	<u>\$ 70,868,482</u>
Total Governmental Funds	<u>\$ 122,262,475</u>	<u>\$ 118,119,890</u>	<u>\$ 117,759,351</u>	<u>\$ 87,998,511</u>

2002	2003	2004	2005	2006	2007
\$ 13,232,014	\$ 12,259,389	\$ 80,273,905	\$ 168,348,692	\$ 53,082,159	\$ 44,873,252
11,606,335	19,842,531	(41,322,044)	(110,667,341)	(2,932,059)	(33,535,024)
<u>\$ 24,838,349</u>	<u>\$ 32,101,920</u>	<u>\$ 38,951,861</u>	<u>\$ 57,681,351</u>	<u>\$ 50,150,100</u>	<u>\$ 11,338,228</u>
\$ 33,923,864	\$ 30,042,904	\$ 40,358,037	\$ 31,312,497	\$ 58,853,881	\$ 8,024,019
5,882,068	7,229,050	7,874,712	7,929,375	8,720,490	12,276,371
12,278,033	13,816,458	25,479,845	74,516,172	50,805,405	91,909,837
5,496,940	7,746,977	7,245,082	6,660,644	7,188,000	8,000,000
<u>\$ 57,580,905</u>	<u>\$ 58,835,389</u>	<u>\$ 80,957,676</u>	<u>\$ 120,418,688</u>	<u>\$ 125,567,776</u>	<u>\$ 120,210,227</u>
<u>\$ 82,419,254</u>	<u>\$ 90,937,309</u>	<u>\$ 119,909,537</u>	<u>\$ 178,100,039</u>	<u>\$ 175,717,876</u>	<u>\$ 131,548,455</u>

COUNTY OF ROCKLAND, NEW YORK

CHANGES IN FUND BALANCES OF GOVERNMENTAL FUNDS
LAST TEN FISCAL YEARS

	1998	1999	2000	2001
Revenues				
Real Property Taxes	\$ 61,401,794	\$ 43,129,354	\$ 67,842,937	\$ 55,125,499
Other Tax Items	5,512,354	6,322,957	5,778,747	4,662,533
Non-Property Taxes	90,389,817	98,961,356	102,873,798	104,741,932
Departmental Income	23,064,161	22,854,660	25,583,674	23,652,207
Use of Money and Property	6,015,790	5,694,288	6,243,659	5,189,419
Licenses and Permits	876,645	940,525	1,001,528	963,061
Fines and Forfeitures	652,565	717,214	798,226	725,337
Sale of Property and Compensation for Loss	123,487	149,535	261,352	416,613
Interfund Revenues	3,519,629	3,410,953	4,425,683	2,476,541
State Aid	71,421,188	76,076,126	78,339,196	75,073,483
Federal Aid	44,840,062	43,980,271	40,333,285	42,486,644
Miscellaneous	3,852,067	5,557,989	8,629,166	53,983,421
Total Revenues	311,669,559	307,795,228	342,111,251	369,496,690
Expenditures				
Current				
General Government	29,165,713	33,321,844	36,565,661	34,802,149
Education	18,963,895	18,308,853	24,714,657	28,377,650
Public Safety	32,791,199	39,497,205	40,297,186	40,084,416
Health	23,642,299	25,975,744	27,259,565	30,284,190
Transportation	23,471,743	25,089,535	26,895,533	28,706,131
Economic Opportunity and Development	109,733,514	117,797,041	120,336,401	130,813,053
Culture and Recreation	999,630	1,236,264	1,494,388	853,647
Home and Community Services	12,251,620	14,293,762	15,051,164	15,022,224
Employee Benefits	1,967,157	1,833,836	1,631,716	1,956,682
Debt Service				
Principal	13,241,129	13,387,160	12,999,600	13,245,814
Interest	7,263,292	7,100,682	7,336,930	7,921,721
Refunding Bond Issuance Costs	-	-	-	-
Advance Refunding Escrow	-	-	-	40,762,014
Capital Outlay	21,107,440	23,128,085	24,194,811	27,516,480
Total Expenditures	294,598,631	320,970,011	338,777,612	400,346,171
Excess (Deficiency) of Revenues Over Expenditures	17,070,928	(13,174,783)	3,333,639	(30,849,481)
Other Financing Sources (Uses)				
Bonds Issued	20,970,000	25,217,000	14,925,000	20,225,000
Transfers In	35,281,932	37,165,862	39,001,678	82,625,020
Transfers Out	(50,158,624)	(53,350,896)	(57,628,911)	(101,788,669)
Refunding Bonds Issued	-	-	-	-
Issuance Premium	-	-	-	-
Payment to Refunded Bond Escrow Agent	-	-	-	-
Total Other Financing Sources (Uses)	6,093,308	9,031,966	(3,702,233)	1,061,351
Net Change in Fund Balances	\$ 23,164,236	\$ (4,142,817)	\$ (368,594)	\$ (29,788,130)
Debt Service as a Percentage of Non-Capital Expenditures	7.5%	6.9%	6.5%	16.6%

	2002	2003	2004	2005	2006	2007
\$	58,090,243	\$ 58,693,340	\$ 62,218,149	\$ 67,573,335	\$ 70,005,364	\$ 72,945,404
	4,461,514	4,262,453	11,078,086	9,898,911	27,764,921	5,253,994
	119,731,942	142,819,235	154,932,812	159,169,424	160,802,521	171,761,695
	29,627,090	28,668,797	32,576,362	34,063,306	30,578,872	30,764,208
	3,300,400	1,819,194	2,727,187	4,132,707	6,152,871	19,877,509
	1,252,367	1,321,928	1,477,592	1,512,041	1,487,720	1,448,396
	674,941	718,865	868,114	760,839	918,522	990,290
	159,583	174,452	194,830	123,880	136,334	49,315
	39,264,640	9,504,603	9,995,961	11,996,089	12,581,214	14,664,748
	83,186,148	87,573,304	100,122,546	106,299,593	99,322,826	100,900,483
	46,183,076	47,058,732	62,912,164	48,858,105	52,385,776	58,001,784
	7,731,765	15,279,908	4,539,643	4,370,725	4,238,295	4,670,799
	<u>393,663,709</u>	<u>397,894,811</u>	<u>443,643,446</u>	<u>448,758,955</u>	<u>466,375,236</u>	<u>481,328,625</u>
	34,958,991	34,993,828	39,754,114	43,149,881	54,942,689	48,895,671
	45,329,687	50,182,282	53,635,959	56,287,051	59,108,151	60,595,502
	41,745,805	42,894,951	49,560,136	55,473,720	58,893,768	59,002,667
	37,298,006	34,217,931	41,256,330	43,904,877	42,109,558	51,976,073
	31,225,049	31,363,348	33,227,664	36,248,794	40,142,905	41,580,438
	138,444,547	146,763,914	163,421,773	155,278,769	154,605,187	156,569,060
	598,690	643,684	651,769	698,272	636,212	661,650
	16,502,315	17,589,427	16,962,202	19,212,556	20,302,722	22,031,229
	37,451,415	15,433,804	10,464,391	11,371,661	9,380,119	10,146,766
	7,472,536	6,190,771	5,133,743	10,869,372	13,858,182	17,736,847
	6,051,010	6,737,039	5,405,520	9,278,123	13,783,091	27,904,491
	-	95,790	-	-	-	-
	-	8,154,357	-	-	-	-
	25,899,601	21,121,468	46,003,907	44,447,249	48,004,692	42,526,497
	<u>422,977,652</u>	<u>416,382,594</u>	<u>465,477,508</u>	<u>486,220,325</u>	<u>515,767,276</u>	<u>539,626,891</u>
	(29,313,943)	(18,487,783)	(21,834,062)	(37,461,370)	(49,392,040)	(58,298,266)
	14,488,000	27,000,743	51,197,807	72,379,263	47,009,877	34,269,748
	29,604,599	37,781,261	29,274,285	72,045,546	48,275,803	54,421,029
	(29,604,599)	(37,871,957)	(29,274,285)	(48,047,937)	(48,275,803)	(54,421,029)
	-	3,812,318	-	-	-	-
	-	51,524	-	-	-	-
	-	(3,768,051)	-	-	-	-
	<u>14,488,000</u>	<u>27,005,838</u>	<u>51,197,807</u>	<u>96,376,872</u>	<u>47,009,877</u>	<u>34,269,748</u>
\$	<u>(14,825,943)</u>	<u>\$ 8,518,055</u>	<u>\$ 29,363,745</u>	<u>\$ 58,915,502</u>	<u>\$ (2,382,163)</u>	<u>\$ (24,028,518)</u>
	3.4%	5.4%	2.5%	4.6%	5.9%	9.2%

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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	Real Property Taxes	Non-Property Taxes			Total
		Sales Taxes	911 Emergency Surcharge	Mortgage Tax	
1998	\$ 61,401,794	\$ 89,793,121	\$ 596,696	\$ -	\$ 151,791,611
1999	43,129,354	98,341,111	620,245	-	142,090,710
2000	43,129,354	102,276,094	597,704	-	146,003,152
2001	55,125,499	104,103,483	638,449	-	159,867,431
2002	58,090,243	119,079,563	d 652,379		177,822,185
2003	58,693,340	140,024,664	a 655,886	2,138,685 e	201,512,575
2004	62,218,149	144,674,541	537,106	9,721,165	217,150,961
2005	67,573,335	148,457,536	b c 531,229	10,180,660	226,742,760
2006	70,005,364	151,119,113	465,613	9,217,795	230,807,885
2007	72,945,404	163,931,697	413,468	7,416,530	244,707,099

- 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>1998</u>	<u>1999</u>	<u>2000</u>	<u>2001</u>	<u>2002</u>
New York State *	4.000 %	4.000 %	4.000 %	4.000 %	4.000 %
MTA (1) **	0.250	0.250	0.250	0.250	0.250
County *** ****	<u>3.000</u>	<u>3.000</u>	<u>3.000</u>	<u>3.000</u>	<u>3.625</u>
Total	<u>7.250 %</u>	<u>7.250 %</u>	<u>7.250 %</u>	<u>7.250 %</u>	<u>7.875 %</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>2003</u>	<u>2004</u>	<u>2005</u>	<u>2006</u>	<u>2007</u>
4.250 %	4.250 %	4.000 %	4.000 %	4.000 %
0.250	0.250	0.375	0.375	0.375
<u>3.625</u>	<u>3.625</u>	<u>3.625</u>	<u>3.625</u>	<u>4.000</u>
<u>8.125 %</u>	<u>8.125 %</u>	<u>8.000 %</u>	<u>8.000 %</u>	<u>8.375 %</u>

COUNTY OF ROCKLAND, NEW YORK

TAXABLE SALES BY INDUSTRY
EIGHT YEARS STATED

Industry	March 1998 to February 1999	March 1999 to February 2000	March 2000 to February 2001
Utilities (excluding residential energy)	\$ 96,724,000	\$ 96,184,000	\$ 119,840,000
Construction	55,146,000	59,649,000	68,658,000
Manufacturing	92,419,000	88,755,000	122,784,000
Wholesale Trade	225,622,000	229,984,000	279,522,000
Retail Trade:			
Motor Vehicles and Parts	348,266,000	424,877,000	449,095,000
Furniture and Home Furnishings	76,832,000	82,723,000	85,713,000
Electronics and Appliances	58,748,000	93,107,000	111,927,000
Building Materials and Garden Equipment	158,830,000	184,675,000	200,227,000
Food and Beverage	142,946,000	136,191,000	138,145,000
Health and Personal Care	36,586,000	41,790,000	42,920,000
Gasoline Stations	66,540,000	83,793,000	96,544,000
Clothing	155,373,000	181,000,000	54,099,000
Sporting Goods, Hobby, Book and Music Stores	81,780,000	92,680,000	87,037,000
General Merchandise	316,446,000	330,527,000	222,666,000
Miscellaneous Retail	141,484,000	82,240,000	83,204,000
Nonstore Retail	28,990,000	37,344,000	35,882,000
Information	208,214,000	227,598,000	237,884,000
Professional, Scientific, and Technical	27,168,000	32,307,000	36,894,000
Administrative/Support Services	77,617,000	91,439,000	105,682,000
Health Care	1,635,000	1,366,000	2,132,000
Arts, Entertainment, and Recreation	24,332,000	32,884,000	32,586,000
Accommodation and Food Services:			
Food Services	198,330,000	206,689,000	228,703,000
Accommodation	40,622,000	42,880,000	47,072,000
Other Services:			
Repair and Maintenance	52,229,000	66,254,000	71,944,000
Personal and Laundry Services	5,299,000	5,714,000	7,175,000
All Other Services	10,971,000	894,000	1,708,000
Ag., Mining, Trans., FIRE, Educ., Govt.	161,736,000	144,441,000	160,730,000
Unclassified by Industry	13,772,000	98,480,000	41,255,000
Sales to Qualified Empire Zone Enterprises (QEZE)	-	-	-
Services to tangible personal property used in prod.	592,000	528,000	47,000
Grand Total	\$ 2,905,249,000	\$ 3,196,993,000	\$ 3,172,075,000

Source: New York State Department of Taxation and Finance

(1) Preliminary

March 2001 to February 2002	March 2002 to February 2003	March 2003 to February 2004	March 2004 to February 2005	March 2005 to February 2006 (1)
\$ 114,864,000	\$ 118,800,000	\$ 115,461,000	\$ 114,884,000	\$ 137,792,000
68,713,000	64,293,000	69,527,000	71,394,000	78,045,000
128,864,000	141,460,000	132,495,000	128,961,000	134,662,000
296,848,000	283,951,000	294,210,000	324,209,000	378,029,000
498,188,000	513,970,000	574,350,000	549,774,000	511,015,000
85,100,000	88,393,000	105,468,000	116,529,000	105,938,000
138,774,000	136,166,000	91,930,000	84,371,000	80,638,000
198,247,000	212,272,000	250,815,000	281,658,000	285,238,000
146,508,000	148,024,000	170,071,000	176,772,000	182,201,000
40,938,000	42,770,000	46,520,000	46,999,000	50,141,000
90,429,000	88,269,000	97,591,000	103,933,000	111,767,000
58,420,000	57,409,000	274,408,000	241,350,000	250,626,000
85,959,000	89,532,000	104,785,000	101,920,000	99,241,000
231,179,000	241,274,000	391,825,000	426,801,000	420,704,000
102,597,000	102,028,000	102,798,000	104,989,000	104,970,000
32,490,000	36,083,000	41,916,000	45,591,000	54,001,000
257,000,000	284,511,000	293,356,000	292,754,000	292,660,000
40,985,000	33,505,000	48,837,000	42,577,000	49,369,000
102,828,000	95,295,000	91,510,000	94,736,000	98,873,000
1,618,000	1,618,000	1,927,000	2,292,000	2,371,000
28,774,000	25,576,000	27,027,000	27,411,000	29,056,000
247,023,000	254,670,000	259,443,000	271,397,000	275,369,000
46,809,000	48,832,000	46,964,000	52,329,000	52,048,000
73,134,000	73,524,000	78,453,000	79,309,000	82,543,000
9,270,000	8,973,000	9,754,000	10,058,000	10,270,000
4,128,000	2,271,000	2,227,000	2,185,000	2,167,000
161,561,000	152,753,000	124,683,000	125,246,000	131,728,000
5,802,000	20,200,000	29,284,000	39,761,000	74,524,000
-	193,000	118,000	158,000	143,000
-	-	-	-	-
<u>\$ 3,297,050,000</u>	<u>\$ 3,366,615,000</u>	<u>\$ 3,877,753,000</u>	<u>\$ 3,960,348,000</u>	<u>\$ 4,086,129,000</u>

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		
1998	\$ n/a	\$ n/a	\$ n/a	\$ 10,448,220,457
1999	n/a	n/a	n/a	10,440,633,136
2000	7,330,491,081	4,850,966,026	1,669,111,770	10,512,345,337
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

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.

n/a - Information not available

Total Direct Tax Rate	Estimated Actual Taxable Value	Assessed Value as a Percentage of Actual Value
n/a	\$ 19,411,552,626	53.82 %
n/a	19,363,192,018	53.92
3.987	23,824,679,124	44.12
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

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>
1998	4.054420	21.990	3.3068	8.5864	8.985
1999	3.636083	18.770	2.5316	7.8604	7.320
2000	3.455003	17.540	2.3170	7.5770	6.730
2001	3.834400	17.020	2.2859	7.2878	6.568
2002	3.728106	18.450	3.0668	7.2251	6.447
2003	4.018649	18.330	2.7935	7.7300	8.512
2004	4.054183	20.900	2.8044	8.4530	8.352
2005	3.991577	19.740	2.4980	8.5290	8.049
2006	4.024980	0.978	2.8865	8.6577	8.453
2007	4.826161	1.293	3.5060	10.9980	10.000

* Town Wide tax rate

** Town Outside Villages tax rate

COUNTY OF ROCKLAND, NEW YORK

PRINCIPAL TAXPAYERS
DECEMBER 31, 2007 AND 1998

2007

Taxpayer	Type of Business	Assessed Valuation	Percent of Total Assessed Valuation
Mirant	Public Utility	\$ 735,380,729	1.56 %
Palisades Interstate Park	State Lands	1,096,518,337	2.33
Pyramid/Eklecco Properties	Shopping Center	928,288,807	1.97
Wyeth-Ayerst Laboratories	Pharmaceuticals	962,418,338	2.05
Orange & Rockland Utilities	Public Utility	547,438,599	1.16
United Water	Public Utility	406,594,684	0.86
Verizon	Public Utility	234,342,314	0.50
Glorious Sun Roberts FKA Blue Hill Community	Retirement Community	124,149,940	0.26
Consolidated Edison	Public Utility	173,120,494	0.37
Novartis Pharmaceuticals	Pharmaceuticals	125,539,176	0.27
		<u>\$ 5,333,791,418</u>	<u>11.33 %</u>

Note: Total assessed valuation on the 2007 roll is \$47,011,411,426

1998

Taxpayer	Type of Business	Assessed Valuation	Percent of Total Assessed Valuation
Orange & Rockland Utilities and Con Edison	Public Utility	\$ 1,677,548,910	8.64 %
Orange & Rockland Utilities	Public Utility	678,790,150	3.50
Palisades Interstate Park	State Lands	1,585,245,748	8.17
American Home Products	Industrial	472,205,200	2.43
Spring Valley Water Company	Water Supply	216,113,816	1.11
Con Edison	Public Utility	139,792,732	0.72
Blue Hill Plaza	Commercial	110,829,639	0.57
Corporate Property Investors	Shopping Center	98,946,419	0.51
Bell Atlantic	Public Utility	111,643,786	0.58
Krupp Realty Corp.	Commercial	19,436,118	0.10
		<u>\$ 5,110,552,518</u>	<u>26.33 %</u>

Note: Total assessed valuation on the 1998 roll is \$19,411,552,626.

Source: Rockland County Real Property Tax Office

PROPERTY TAX LEVIES AND COLLECTIONS
 LAST TEN FISCAL YEARS

Fiscal Year	Total Tax Levy for the Fiscal Year					
	County	Town Chargebacks (Deficiency)	Local Special Districts	Relevied Schools	Relevied Villages	Towns
1998	\$ 45,170,502	\$ 4,343,619	\$ 21,583,878	\$ 12,959,572	\$ 1,438,010	\$ 135,355,473
1999	40,476,849	1,851,289	21,744,040	23,174,738	1,672,118	142,516,300
2000	39,749,302	317,199	19,857,270	12,795,608	1,257,065	147,152,638
2001	39,153,167	2,394,669	19,603,208	14,033,317	1,240,960	155,679,266
2002	40,132,057	4,381,134	21,859,867	14,907,751	1,559,130	167,486,388
2003	42,346,114	3,077,428	24,187,109	13,817,020	1,358,769	175,954,485
2004	45,498,869	2,030,474	25,897,119	64,967,561	1,560,113	194,495,574
2005	46,750,299	2,061,033	32,077,602	58,638,047	2,877,192	210,922,000
2006	46,252,999	503,279	35,979,516	64,720,965	3,081,058	225,832,360
2007	46,253,287	2,311,456	40,743,696	62,311,061	3,402,769	238,759,492

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	
Late Penalties and fees	Total (1)	Amount	Percentage of Levy	Collections in Subsequent Years	Amount	Percentage of Levy
\$ 4,590,291	\$ 211,043,763	\$ 200,469,622	94.99 %	\$ 10,328,570	\$ 210,798,192	99.88 %
6,051,851	212,640,329	197,196,024	92.74	15,334,300	212,530,324	99.95
5,436,457	212,512,866	199,538,049	93.89	12,844,119	212,382,168	99.94
4,192,307	221,022,617	220,622,640	99.82	272,872	220,895,512	99.94
4,331,873	238,191,319	211,943,207	88.98	26,052,073	237,995,280	99.92
3,981,875	249,547,011	228,344,847	91.50	20,983,649	249,328,496	99.91
10,594,200	278,516,236	211,071,054	75.78	67,218,068	278,289,122	99.92
9,768,229	301,579,163	255,301,753	84.65	45,820,834	301,122,587	99.85
27,220,048	335,788,202	267,868,291	79.77	66,314,729	334,183,020	99.52
15,004,173	343,072,104	303,646,408	88.51	29,039,976	332,686,384	96.97

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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

RATIOS OF NET GENERAL BONDED DEBT OUTSTANDING
LAST TEN FISCAL YEARS

Fiscal Year	General Obligation Bonds	Less: Amounts Available for Debt Service	Total	Percentage of Personal Income (1)
<u>Governmental Activities:</u>				
1998	\$ 139,821,861	\$ 16,617,923	\$ 123,203,938	1.18 %
1999	151,152,400	18,970,715	132,181,685	1.21
2000	152,557,537	18,286,289	134,271,248	1.14
2001	117,948,536	15,957,255	101,991,281	0.87
2002	125,787,988	13,663,113	112,124,875	0.95
2003	140,528,483	11,283,791	129,244,692	1.07
2004	190,739,783	10,063,392	180,676,391	1.37
2005	255,157,191	38,398,625	216,758,566	1.55
2006	287,620,252	32,637,387	254,982,865	1.70
2007	303,582,277	22,913,219	280,669,058	1.86
<u>Business-Type Activities:</u>				
1998	\$ 11,281,639	\$ -	\$ 11,281,639	0.11 %
1999	11,094,600	-	11,094,600	0.10
2000	9,947,463	-	9,947,463	0.08
2001	8,769,464	-	8,769,464	0.07
2002	8,797,012	-	8,797,012	0.07
2003	11,598,757	-	11,598,757	0.10
2004 (3)	72,433,237	-	72,433,237	0.55
2005	95,700,649	-	95,700,649	0.69
2006	99,795,134	-	99,795,134	0.66
2007	100,454,142	-	100,454,142	0.67
<u>Total Primary Government:</u>				
1998	\$ 151,103,500	\$ 16,617,923	\$ 134,485,577	1.29 %
1999	162,247,000	18,970,715	143,276,285	1.31
2000	162,505,000	18,286,289	144,218,711	1.22
2001	126,718,000	15,957,255	110,760,745	0.94
2002	134,585,000	13,663,113	120,921,887	1.02
2003	152,127,240	11,283,791	140,843,449	1.17
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

(1) - Population and personal income data can be found in the schedule of demographic and economic statistics
(2) - Based on values presented in the schedule of assessed value and estimated actual value of taxable property
(3) - In accordance with Governmental Accounting Standards Board Technical Bulletin No. 2004-1, Tobacco Settlement Recognition and Financial Reporting Entity Issues, the activities of the Rockland Tobacco Asset Securitization Corporation and the Rockland Second Tobacco Asset Securitization Corporation have been reflected as blended component units of the County as of December 31, 2004.

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

0.63	%	\$	436.83
0.68			463.36
0.56			468.25
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

0.06	%	\$	40.00
0.06			38.89
0.04			34.69
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

0.69	%	\$	476.82
0.74			502.26
0.61			502.94
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

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COUNTY OF ROCKLAND, NEW YORK

DIRECT AND UNDERLYING GOVERNMENTAL ACTIVITIES DEBT
DECEMBER 31, 2007

Governmental Unit	Gross Long-Term Debt (1)	Less Exclusions (2)	Amount Applicable to County (3)
Towns (five)	\$ 283,879,571	\$ 19,083,124	\$ 264,796,447
Villages (nineteen)	45,914,802	15,952,491	29,962,311
School Districts (eight)	558,494,946	9,123,448	549,371,498
Fire Districts (twenty-one)	1,376,148	291,148	1,085,000
Subtotal, Underlying Debt	889,665,467	44,450,211	845,215,256
Direct Bonded Debt of the County	303,582,277	22,913,219	280,669,058
Direct and Overlapping Debt	<u>\$ 1,193,247,744</u>	<u>\$ 67,363,430</u>	<u>\$ 1,125,884,314</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

	1998	1999	2000	2001
Debt Limit	\$ 1,270,713	\$ 1,279,310	\$ 1,276,671	\$ 1,428,062
Total Net Debt Applicable to Limit	<u>84,360</u>	<u>99,810</u>	<u>104,075</u>	<u>73,212</u>
Legal Debt Margin	<u>\$ 1,186,353</u>	<u>\$ 1,179,500</u>	<u>\$ 1,172,596</u>	<u>\$ 1,354,850</u>
Total Net Debt Applicable to the Limit As a Percentage of Debt Limit	6.64%	7.80%	8.15%	5.13%

Legal Debt Margin Calculation for Fiscal Year 2007

Five Year Average Full Valuation of Taxable Real Property	<u>\$ 35,119,989</u>
Debt Limit - 7% of Average Full Valuation	<u>2,458,399</u>
Outstanding Indebtedness - Serial bonds (1)	321,395
Less Exclusions:	
2008 Debt Service Appropriations for Bonds \$	7,688
Revenue Anticipation Notes	65,000
Exempt Sewer District Debt	<u>117,586</u>
Total Net Indebtedness	131,121
Net Debt Contracting Margin	<u>\$ 2,327,278</u>
Percentage of Debt Contracting Margin Available as of December 31, 2007	94.67%
Percentage of Debt Contracting Power Exhausted as of December 31, 2007	5.33%

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>2002</u>	<u>2003</u>	<u>2004</u>	<u>2005</u>	<u>2006</u>	<u>2007</u>
\$ 1,428,062	\$ 1,664,315	\$ 1,630,612	\$ 1,812,219	\$ 1,998,593	\$ 2,458,399
85,863	113,922	140,314	159,289	182,697	131,121
<u>\$ 1,342,199</u>	<u>\$ 1,550,393</u>	<u>\$ 1,490,298</u>	<u>\$ 1,652,930</u>	<u>\$ 1,815,896</u>	<u>\$ 2,327,278</u>
6.01%	6.84%	8.60%	8.79%	9.14%	5.33%

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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)
1998	282,044	\$ 10,431,115	\$ 36,984	36.9	89.5 %
1999	285,265	10,953,035	38,396	37.7	87.9
2000	286,753	11,799,886	41,150	36.2	85.3
2001	287,555	11,758,124	40,890	36.3	88.8
2002	289,644	11,798,359	40,734	36.8	86.2
2003	293,555	12,086,834	41,174	37.3	90.0
2004	294,171	13,156,798	44,725	36.9	88.2
2005	294,636	13,951,604	47,352	37.4	89.3
2006	294,965	15,027,582	50,947	37.4	88.7
2007	296,483	15,104,919	50,947	37.4	88.7

(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

<u>K-12 School Enrollment (4)</u>	<u>Unemployment Rate (5)</u>
39,347	3.4 %
40,090	3.4
40,334	3.3
40,580	3.6
41,229	4.4
41,874	4.7
42,248	4.4
42,076	4.1
41,750	3.7
41,750	3.8

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Operating Information

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

Principal Employers

Full-Time Equivalent County Government Employees by Function

Operating Indicators by Function

Capital Asset Statistics by Function

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COUNTY OF ROCKLAND, NEW YORK

PRINCIPAL EMPLOYERS
CURRENT YEAR AND NINE YEARS AGO

EMPLOYER	2007		1998	
	EMPLOYEES	PERCENTAGE OF TOTAL COUNTY EMPLOYMENT	EMPLOYEES	PERCENTAGE OF TOTAL COUNTY EMPLOYMENT
Active International	400	0.34 %	-	- %
American Home Products	-	-	2,900	2.84
ARC of Rockland	560	0.48	-	-
AT & T Healthcare	650	0.56	-	-
Avon	-	-	500	0.49
Barr Laboratories	410	0.35	-	-
Bon Secours Good Samaritan Hospital	1,651	1.41	1,477	1.45
Camp Venture, Inc.	600	0.51	500	0.49
Chestnut Ridge Transportation, Inc.	625	0.53	-	-
Chromalloy American Corp.	520	0.44	490	0.48
Corporate Maintenance Services	-	-	350	0.34
Helen Hayes Hospital	843	0.72	900	0.88
Insurance Service Office	-	-	425	0.42
Interstate Waste Services/ AIG	424	0.36	-	-
Jawonio, Inc.	811	0.69	460	0.45
Key Bank	406	0.35	-	-
Lamont-Doherty Geological Observatory	480	0.41	600	0.59
Louis Hornick & Co., Inc.	-	-	400	0.39
Materials Research Corp	-	-	320	0.31
Nice-Pak Products, Inc.	767	0.66	-	-
Northern Services Group	1,100	0.94	-	-
Novartis Pharmaceuticals Corp.	476	0.41	680	0.67
Nyack Hospital	1,400	1.20	1,119	1.10
NYNEX	-	-	1,000	0.98
Orange & Rockland Utilities	740	0.63	1,486	1.46
Par Pharmaceutical, Inc.	419	0.36	-	-
Pavion Ltd.	-	-	500	0.49
Pharmaceutical Resources	-	-	450	0.44
Prudential Rand Realty	398	0.34	-	-
Rockland Bakery, Inc.	359	0.31	-	-
Sears Roebuck & Co.	-	-	301	0.30
St. Agatha's Home	-	-	550	0.54
St. Dominic's Home	399	0.34	400	0.39
The Dress Barn	-	-	321	0.31
Tilcon New York, Inc.	400	0.34	-	-
Verizon Wireless	900	0.77	-	-
WMC Mortgage Corp	384	0.33	-	-
Wyeth-Ayerst Laboratories	3,130	2.68	-	-
	<u>19,252</u>	<u>16.47 %</u>	<u>16,129</u>	<u>15.82 %</u>

COUNTY OF ROCKLAND, NEW YORK

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

Function	Full-time Equivalent Employees as of December 31,				
	2000	2001	2002	2003	2004
General Government	570	558	556	533	541
Public Safety	435	382	389	383	391
Health	1,190	1,191	1,196	1,146	1,160
Transportation	115	130	130	131	132
Economic Opportunity and Development	633	600	600	581	586
Culture and Recreation	1	1	1	1	1
Home and Community Services	120	141	139	143	145
Total	<u>3,064</u>	<u>3,003</u>	<u>3,011</u>	<u>2,918</u>	<u>2,956</u>

Source - County Budget Office

	2005	2006	2007
	551	551	554
	394	394	398
	1,163	1,163	1,165
	132	132	131
	573	573	555
	1	1	1
	148	148	144
	<u>2,962</u>	<u>2,962</u>	<u>2,948</u>

<u>2005</u>	<u>2006</u>	<u>2007</u>
551	551	554
394	394	398
1,163	1,163	1,165
132	132	131
573	573	555
1	1	1
<u>148</u>	<u>148</u>	<u>144</u>
<u><u>2,962</u></u>	<u><u>2,962</u></u>	<u><u>2,948</u></u>

COUNTY OF ROCKLAND, NEW YORK

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

Full-time Equivalent Employees as of December 31,

Function	Full-time Equivalent Employees as of December 31,				
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Economic Opportunity and Development	633	600	600	581	586
Culture and Recreation	1	1	1	1	1
Home and Community Services	120	141	139	143	145
Total	3,064	3,003	3,011	2,918	2,956

Source - Rockland County Budget Department

2002	2003	2004	2005	2006	2007
204,622	213,025	210,125	206,296	205,078	207,913
200,378	222,420	266,904	309,608	337,473	322,816
2,819	2,870	2,864	2,955	3,174	3,148
113,000	54,775	95,609	69,063	90,100	69,756
92,264	117,024	91,207	145,715	107,900	114,369
78,432	63,241	88,367	24,506	129,200	86,200
2,179,406	2,220,743	2,441,226	2,677,098	3,151,973	3,406,924
68,031	68,667	69,240	69,779	70,401	71,460
1,006	1,011	1,016	1,018	1,022	1,024
22,752,465	23,799,951	24,342,282	25,507,016	26,082,619	25,180,408
367	364	360	366	356	351

COUNTY OF ROCKLAND, NEW YORK

OPERATING INDICATORS BY FUNCTION
LAST TEN FISCAL YEARS

Function:	1998	1999	2000	2001
General Government (1):				
Motor Vehicles				
Number of drivers' licenses issued	197,943	199,012	202,983	205,530
Public Safety (2):				
Emergency Services				
Number of calls at 911 center	133,286	147,947	150,540	166,982
Corrections (2)				
Number of inmates	2,548	2,432	2,367	2,596
Transportation (2):				
Paving (Sq. yards)	165,944	202,466	303,855	120,828
Sealing- Microseal (Sq. yards)	n/a	n/a	n/a	163,102
Sealing- Chipseal (Sq. yards)	n/a	n/a	n/a	195,300
Ridership on public buses	1,690,916	1,805,194	1,906,316	2,138,408
Home and Community Services (2):				
Number of Metered Accounts	64,712	65,679	66,138	67,322
Miles of Mains	979	993	1,001	1,001
Average daily sewage treatment (thousands of gallons)	24,834,441	25,121,285	24,201,542	25,286,937
Summit Park Nursing Care Center (2) -				
Number of beds occupied	384	384	380	372

NA - Information not available

(1) Source: Department of Motor Vehicles

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

