



County of Rockland

State of New York

C. Scott Vanderhoef
County Executive

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

Arlene Karger
Deputy Commissioner of Finance

2008

Comprehensive Annual
Financial Report

COUNTY OF ROCKLAND, NEW YORK
COMPREHENSIVE ANNUAL FINANCIAL REPORT

FISCAL YEAR ENDED DECEMBER 31, 2008

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**STATISTICAL SECTION
 (Unaudited)**

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

This section includes the following schedules:

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

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**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
Jacques O. D'I. Michel
Michael M. Grant
Jay Hood, Jr.
Robert Jackson

Douglas J. Jobson
Joseph L. Meyers
Patrick J. Moroney
John A. Murphy
Ilan S. Schoenberger
Philip Soskin
Frank Sparaco
Alden H. Wolfe

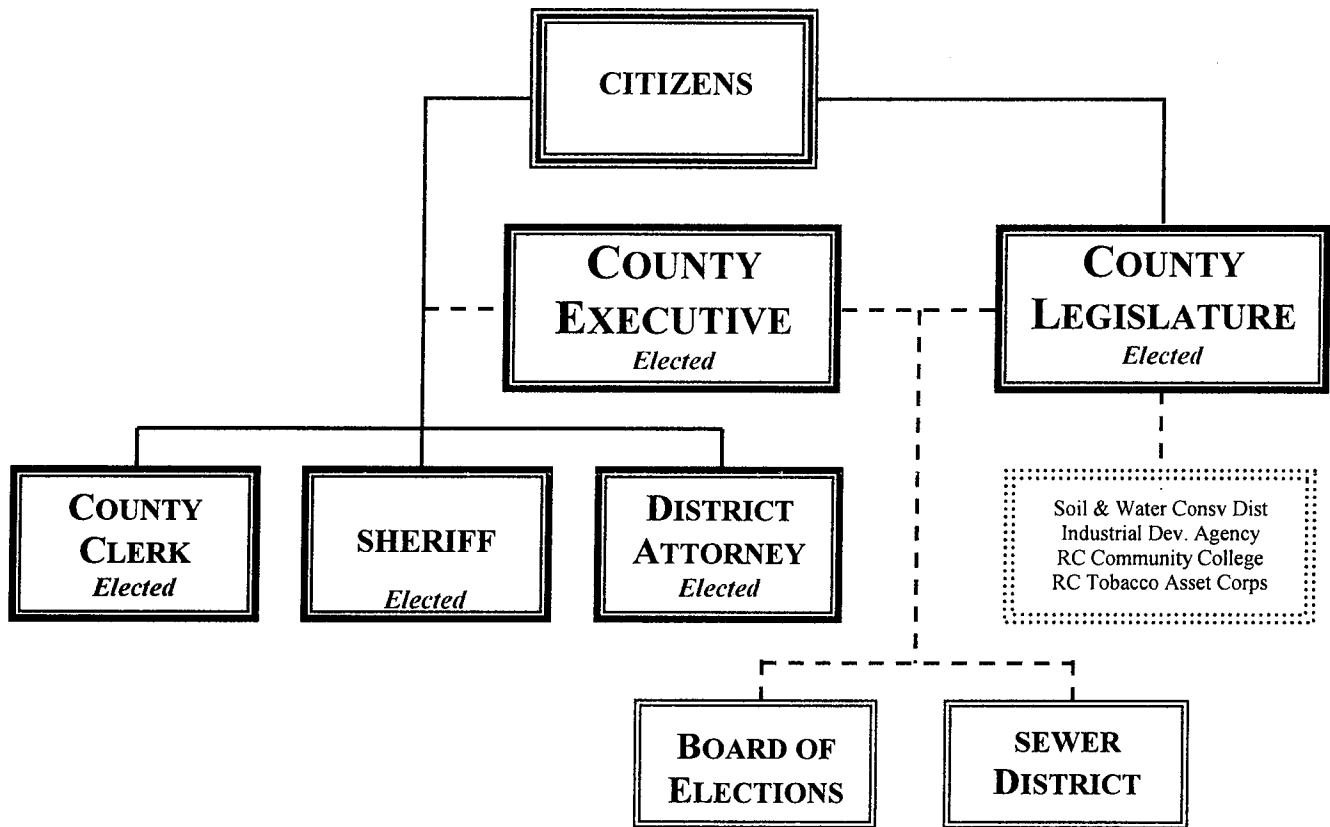
James Kralik
Paul Piperato
Thomas Zugibe

Sheriff
County Clerk
District Attorney

H. Chris Kopf
Patricia Zugibe

Commissioner of Finance
County Attorney

ORGANIZATION OF ROCKLAND COUNTY GOVERNMENT



ALL OTHER CHARTERED DEPARTMENTS

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



COUNTY OF ROCKLAND
DEPARTMENTS OF FINANCE AND BUDGET

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

C. SCOTT VANDERHOEF
County Executive

H. CHRIS KOPF, CPA
Commissioner of Finance
Budget Director

STEVEN J. GROGAN
Deputy Budget Director

ARLENE KARGER
Deputy Commissioner of Finance

July 21, 2009

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, 2008 is submitted herewith. New York State requires the County to submit an annual report of our financial records and transactions presented in conformity with generally accepted accounting principles ("GAAP") and audited in accordance with generally accepted auditing standards by a firm of licensed certified public accountants. This CAFR is issued pursuant to that requirement.

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

designed to provide reasonable, rather than absolute, assurance that the financial statements will be free from material misstatement. Management asserts that, to the best of our knowledge and belief, this financial report is complete and reliable in all material respects.

The County's basic financial statements have been audited by O'Connor Davies Munns & Dobbins, LLP Bennett Kielson Storch DeSantis Division, 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, 2008, 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, 2008, 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, 2008 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 2008 was \$53,482. State per capita income averages reported on this basis were \$46,364. 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 2008, the County of Rockland purchased 497 acres located in the Town of Ramapo to be used for parkland and open space.

In 2008, the County of Rockland experienced a small increase with sales tax revenues showing a 2.7% increase over the previous year. The County's housing market continued to soften in 2008, with our mortgage tax revenues declining 30% from the previous year, bringing in \$5.1 million.

LONG TERM FINANCIAL PLANNING

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

The County's future projects include the following:

- 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.
- Purchase of nine (9) efficient hybrid replacement buses for County Service.
- Install best available retrofit technology.
- (BART) on all diesel fueled County vehicles to comply with County law.
- Upgrade eight (8) sewer pump stations in the Town of Clarkstown to comply with current national electric code and OSHA standards.
- Construction of a new state of the art nursing facility at Summit Park Hospital.
- Implement a Countywide bridge painting program to paint ten (10) bridges.
- Continuation of a West Shore Railroad Safety and Quiet Zone Project to be funded with an 80% Federal Grant.
- Implement a Countywide guide rail replacement program.

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 2008, the County had an average monthly cash balance in the General Fund of \$26.8 million. Earnings from these investments amounted to approximately \$1.2 million for an average rate of return of 4.47%. 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.

ONE-TIME REVENUE SOURCES

The County's policy on the use of one-time revenue sources is that we do not budget any of the proceeds from one-time revenue sources. These one-time revenue sources are recorded directly to the revenue and ultimately reside in the County's Fund balance. During 2008, the County received a one-time revenue source in the amount of \$13,600,000 in Federal Asset Forfeiture funds. These funds were seized assets from an illegal gambling ring operating here in Rockland County.

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 2,004 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, 2008, the County's annual OPEB cost for the primary government of \$36,571,687 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, 2007. The Certificate of Achievement is a prestigious national award-recognizing conformance with the highest standards for preparation of state and local government reports.

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

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

GFOA also bestowed a Distinguished Budget Presentation Award to the County of Rockland for the 2006 through 2009 Budgets. In order to achieve this prestigious award, a budget document must meet program criteria as a policy document, as an operations guide, as a financial plan, and as a communications device.

The Budget Award is valid for a period of one year. We intend to continue participation in the program and will be submitting our 2010 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 Linda Hill, Michael Cappabianca and Laura Del Principio; Steven Grogan, Deputy Budget Director and his Budget staff Nancy

Hoffman, Michael Drummond, James Hayden and Phyllis Tucker, 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

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Certificate of Achievement for Excellence in Financial Reporting

Presented to

County of Rockland
New York

For its Comprehensive Annual
Financial Report
for the Fiscal Year Ended
December 31, 2007

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



A handwritten signature in black ink, appearing to read "M. L. Post".

President

A handwritten signature in black ink, appearing to read "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, 2008, 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, 2008, which represents 79.8% and 95.9%, 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, 2008, which represents .47% and .13%, respectively of the assets and revenues of the component units. Those financial statements were audited by other auditors whose reports thereon have been furnished to us, and our opinions on the basic financial statements insofar as it relates to amounts included for such fund and component units is based on the reports of the other auditors.

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

In our opinion, based on our audit and the reports of the other auditors, the financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities, the business-type activities, the aggregate discretely presented component units, each major fund and the aggregate remaining fund information of the County of Rockland, New York as of December 31, 2008 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 and the other auditors have applied certain limited procedures, which consisted principally of inquiries of management regarding the methods of measurement and presentation of the required supplementary information. However, we did not audit the information and express no opinion on it.

In accordance with *Government Auditing Standards*, we have also issued our report dated July 14, 2009 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 by us and the other auditors in the audit of the basic financial statements and, in our opinion, based on our audit and the reports of the other auditors, is fairly stated in all material respects in relation to the basic financial statements taken as a whole. The information listed in the statistical section of the table of contents has not been subjected to the auditing procedures applied by us and the other auditors in the audit of the basic financial statements, and, accordingly, we express no opinion on it.

O'Connor Davies Munns & Dobbins, LLP

O'Connor Davies Munns & Dobbins, LLP
Bennett Kielson Storch DeSantis Division
July 14, 2009

**County of Rockland, New York
Management's Discussion and Analysis (MD&A)
December 31, 2008**

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, 2008. 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 2008

- Economically sensitive revenues, in the General fund, fell short of expectations by \$18 million in 2008.
- The Hospital fund ended 2008 with an unrestricted deficit of \$(13.7), an improvement of \$10 million over 2007's ending unrestricted deficit of \$(24) million. These unrestricted deficits are exclusive of GASB Statement No. 45 expenses.
- The combined net assets of the primary government were \$255 million for fiscal year 2008. Of that amount, \$355 million are attributed to the governmental net assets and \$(100) million are attributed to the business-type.

Overview of the Financial Statements

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

1. Government-wide Financial Statements.
2. Fund Financial Statements.
3. Notes to the Financial Statements.

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

Government-wide Financial Statements

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

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

The Statement of Activities presents information showing the change in the County's net assets during the current fiscal year. All revenues and expenses are reported in this statement regardless of the timing of cash flows. The focus of this statement is on the net cost of providing various activities to the citizens of the County. Both of the above financial statements have separate sections for the two different types of activities. These two types of activities are:

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

Business-type Activities - These activities consist of the Home and 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 the County itself (the primary government) and the Rockland County Community College, the Rockland County Soil and Water Conservation District, the Rockland County Solid Waste Management Authority and the Rockland County Industrial Development Agency, for which the County is financially accountable. Financial information for these component units are reported separately from the financial information presented for the primary government.

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

Fund Financial Statements

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

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

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

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

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

Proprietary Funds - These funds are used to show activities that operate similar to private business enterprises. Because these funds charge fees for services provided, they are known as proprietary funds. Proprietary fund financial statements use the economic resources measurement focus and the accrual basis of accounting, similar to the government-wide financial statements. Proprietary funds provide the same type of information as the government-wide financial statements, only in more detail. The proprietary fund financial statements provide information for the Enterprise Funds. In

addition, the internal service funds are presented in the proprietary fund financial statements. The proprietary fund financial statements can be found in the basic financial statements section of this report.

Fiduciary Funds - These funds are used to account for resources held for the benefit of parties outside of the County. The fiduciary funds are not reflected in the government-wide financial statements because the assets of these funds are not available to support the activities of the County. The fiduciary fund financial statements can be found in the basic financial statements section of this report.

Component Units - As discussed above, component units are legally separate entities for which the County is financially accountable. The component units enumerated above are reported in the aggregate in the government-wide financial statements. The combining statements can be found in the basic financial statements section of this report.

Notes to Financial Statements

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

Other Information

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

Government-wide Financial Analysis

As noted earlier, net assets may serve over time as a useful indicator of a government's financial position. In the case of the County, assets exceeded liabilities by \$255,192,837 for fiscal year 2008.

The following table reflects the condensed Statement of Net Assets:

	Governmental Activities		Business-Type Activities		Total	
	2008	2007	2008	2007	2008	2007
Current and Other Assets	\$ 325,857,588	\$ 327,435,042	\$ 23,781,515	\$ 15,926,418	\$ 349,639,103	\$ 343,361,460
Capital Assets	635,470,275	628,793,643	21,477,644	22,497,885	656,947,919	651,291,528
Total Assets	961,327,863	956,228,685	45,259,159	38,424,303	1,006,587,022	994,652,988
Current Liabilities	213,332,263	180,298,019	5,869,362	7,240,010	219,201,625	187,538,029
Long-Term Liabilities	392,696,526	361,911,002	139,496,034	126,676,027	532,192,560	488,587,029
Total Liabilities	606,028,789	542,209,021	145,365,396	133,916,037	751,394,185	676,125,058
Net Assets Invested in Capital Assets						
Net of Related Debt	405,279,887	410,512,788	11,068,096	11,269,462	416,347,983	421,782,250
Restricted	113,990,838	123,090,125	-	-	113,990,838	123,090,125
Unrestricted	(163,971,651)	(119,583,249)	(111,174,333)	(106,761,196)	(275,145,984)	(226,344,445)
Total Net Assets	\$ 355,299,074	\$ 414,019,664	\$ (100,106,237)	\$ (95,491,734)	\$ 255,192,837	\$ 318,527,930

The largest component of the County's net assets is invested in Capital Assets, net of related debt of \$430,915,419 (169%) which reflects its investment in capital assets, less any related debt used to acquire those assets that are still outstanding. Capital assets include: parkland, buildings, roads, bridges, sewer lines and treatment facilities, a hospital and the community college among other things. The County uses these capital assets to provide services to its citizens and consequently, these assets are not available for future spending. Although the County's investment in its capital assets is reported net of related debt, it should be noted that the resources needed to repay this debt must be provided from other sources, since the capital assets themselves cannot be used to liquidate these liabilities.

The restricted net assets of \$113,990,838 or 45% represents resources that are subject to external restrictions on how they may be used. The restrictions are as follows:

Capital Projects	\$ 67,642,798
Law Enforcement	13,830,349
Stop-DWI Program	1,116,540
Handicapped Parking	56,965
Social Service Programs	49,169
Debt Service	18,592,478
Parklands	44,000
Unemployment Benefits	124,231
Special Revenue Funds	12,534,308

The remaining portion of net assets is classified as unrestricted and is \$(275,145,984).

Rockland County Changes in Net Assets:

	Governmental Activities		Business-Type Activities		Total	
	2008	2007	2008	2007	2008	2007
Program Revenues:						
Charges for Services	\$ 36,379,973	\$ 33,398,390	\$ 106,029,852	\$ 78,790,038	\$ 142,409,825	\$ 112,188,428
Operating Grants and Contributions	164,476,127	143,651,066	9,632,735	21,240,829	174,108,862	164,891,895
Capital Grants and Contributions	11,845,084	23,349,064	-	-	11,845,084	23,349,064
General Revenues:						
Real Property Taxes	71,646,043	72,855,145	-	-	71,646,043	72,855,145
Other Tax items	7,125,096	5,253,994	-	-	7,125,096	5,253,994
Non-Property Taxes	173,614,483	171,348,227	-	-	173,614,483	171,348,227
Unrestricted Use of Money and Property	3,285,209	15,365,523	-	-	3,285,209	15,365,523
Sale of Property and Compensation for Loss	40,543	49,315	-	-	40,543	49,315
Other Revenues	2,821,904	2,560,186	-	-	2,821,904	2,560,186
Total Revenues	471,234,462	467,830,910	115,662,587	100,030,867	586,897,049	567,861,777
Program Expenses:						
General Government						
Support	67,293,698	58,494,042	-	-	67,293,698	58,494,042
Education	71,519,828	63,708,235	-	-	71,519,828	63,708,235
Public Safety	70,103,143	68,781,351	-	-	70,103,143	68,781,351
Health	50,413,128	55,693,202	-	-	50,413,128	55,693,202
Transportation	55,737,309	56,039,377	-	-	55,737,309	56,039,377
Economic Opportunity and Development	174,367,673	161,783,425	-	-	174,367,673	161,783,425
Culture and Recreation	939,766	922,107	-	-	939,766	922,107
Home and Community Services	35,782,255	33,924,151	-	-	35,782,255	33,924,151
Interest	13,400,239	24,724,724	-	-	13,400,239	24,724,724
Rockland Tobacco Asset Corporation	-	-	5,141,399	5,091,710	5,141,399	5,091,710
Home and Infirmary	-	-	115,135,691	114,058,665	115,135,691	114,058,665
Total Expenses	539,557,039	524,070,614	120,277,090	119,150,375	659,834,129	643,220,989
Excess (Deficiency) Before Transfers	(68,322,577)	(56,239,704)	(4,614,503)	(19,119,508)	(72,937,080)	(75,359,212)
Prior Period Adjustment	9,601,987	(20,140,903)	-	-	9,601,987	(20,140,903)
Net Assets - Beginning	423,621,651	470,259,368	(95,491,734)	(76,372,226)	328,129,917	393,867,142
Net Assets - Ending	\$ 355,299,074	\$ 414,019,664	\$ (100,106,237)	\$ (95,491,734)	\$ 255,192,837	\$ 318,527,930

Governmental Activities - Governmental activities decreased the County's net assets by \$68.3 million. The Other Post Employment Benefits accrual of \$57.1 million accounts for the majority of this decrease. The continued down turning of the economy has greatly affected the County's ability to collect on its major sources of budgeted revenue, sales tax and mortgage tax. This coupled with more demand on our services has resulted in this large decrease of our net assets.

For the fiscal year ended December 31, 2008, revenues from governmental activities totaled \$471 million. Tax revenues (\$252 million), comprised of real property taxes, sales and mortgage tax items and non-property taxes, represent the largest revenue source (54%). Collection of the current tax levy remains very strong at 97.25%, while averaging 91.43% over the last 5 years. Non-property taxes yielded \$173.6 million, an increase of only \$2.3 million over fiscal year 2007.

Business-Type Activities - Business-type activities decreased the County's net assets by \$4.6 million for the year ended December 31, 2008. While this is a decrease, it is an improvement over fiscal year 2007's decrease of \$19 million. The reasons are discussed in the next section of this report.

Financial Analysis of the Government's Funds

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

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

As of the end of the current fiscal year, the County's total governmental funds reported a combined ending fund balance of \$105.3 million, a decrease of \$26.3 million in comparison with the prior year. Of the total combined fund balance, \$41.4 million constitutes unreserved fund balance, of which \$6.8 million has been designated for subsequent year's expenditures and represents the amount estimated for use in the 2009 budget. As of December 31, 2008, the General Fund had undesignated fund balance of \$(31.5) million. This deficit was created by multiple factors.

Like many other municipalities, Rockland County has continued to be effected by the economic slowdown. The largest portion of our budgeted revenues, 40%, is dependent on sales tax and mortgage tax. Our actual revenue for Non-Property tax items fell short of budget by 8.8%, which amounts to \$16,781,364. We continue to be challenged by the reduction of consumer spending and the sluggish housing market.

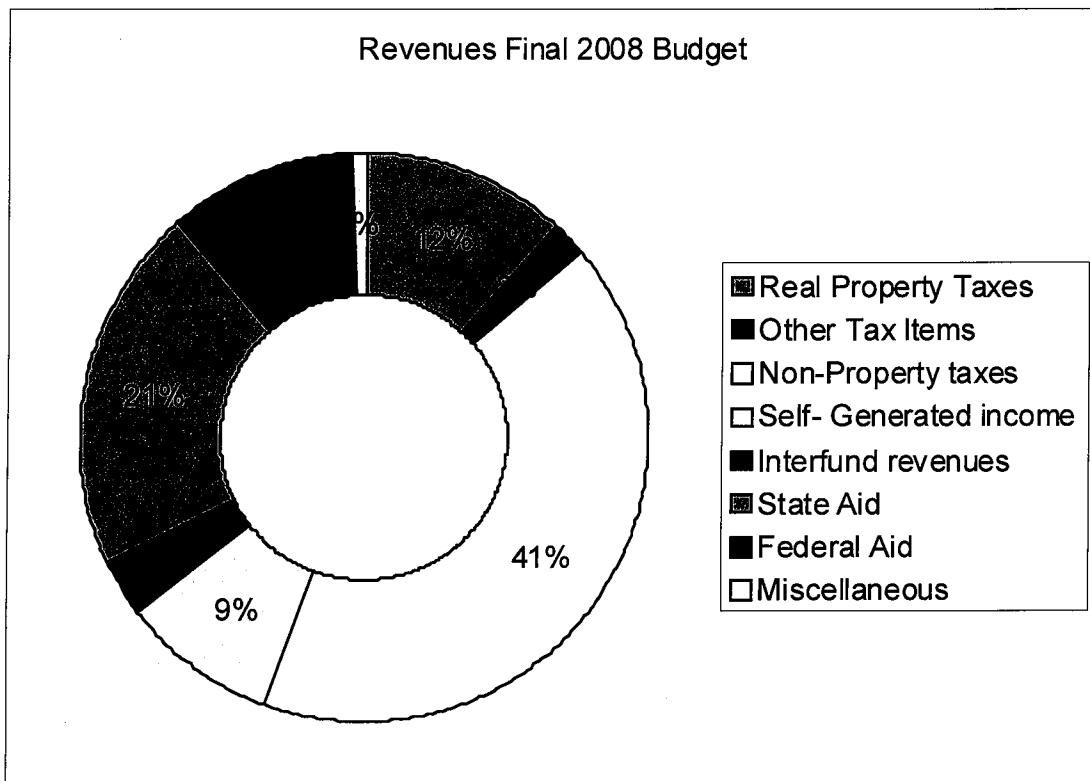
In recent years the Hospital has suffered from a low census and reduced reimbursement from insurance companies. In 2008 the Hospital management was successful in increasing the patient census and was able to partake in an Intergovernmental Transfer that increased revenues by \$13.1 million. Due to our participation, the Hospital was able to reduce their negative fund balance (exclusive of OPEB) from \$(24 million) in 2007 to \$(13.8 million) in 2008. The Mental Health unit continues to struggle and management is constantly looking at ways to both attract new clients as well as increase efficiencies.

The participation in the Intergovernmental Transfer did not however, come without a cost. The County was required to pay \$6.6 million in order to participate in the program. The burden of this expense fell on our Department of Social Services and is recorded in the Economic Opportunity and Development Program. Although this expense was not anticipated we were able to take advantage of this due to the fact that departmental spending was held back to compensate for the shortfalls in sales tax and mortgage tax.

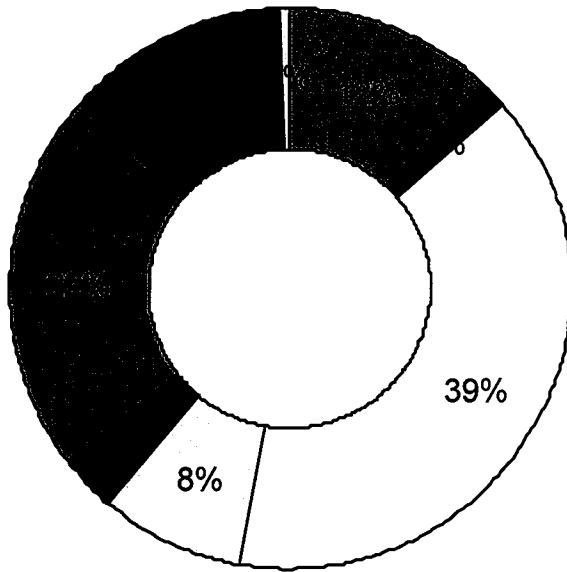
The year 2008 ended with Federal Aid coming in at \$9,751,072 over budget. This is due to an accrual of \$13,600,000 in Federal Asset Forfeiture funds. The Rockland County Sheriff's Intelligence Unit investigated, and with the assistance of Federal Investigators, seized assets from an illegally operated gambling ring.

The General Fund is the primary operating fund of the County. At the end of the current fiscal year, the total fund balance was \$23,258,063. Of this amount, \$(31,526,746) million was unreserved.

The General Fund financial statements for fiscal year ended December 31, 2008 reflect a change in accounting methodology regarding the recording of real property tax allowances. Details can be found in Note 2,D in the Note section of this report.

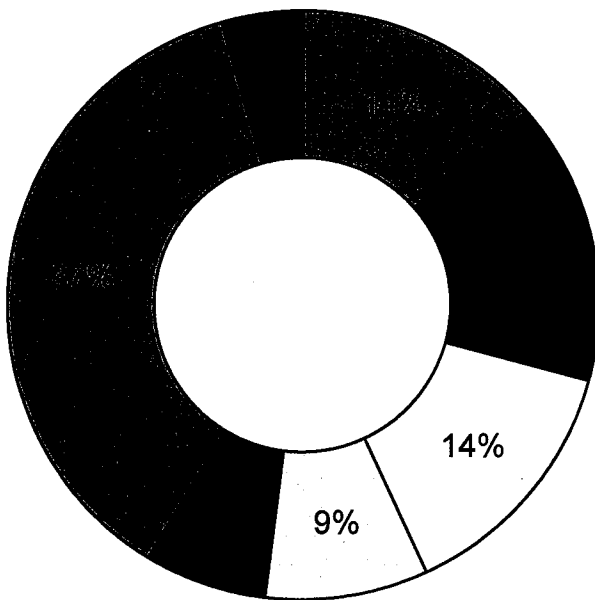


Revenues Final 2008 Actual



- Real Property Taxes
- Other Tax Items
- Non-Property taxes
- Self-Generated income
- Interfund revenues
- State Aid
- Federal Aid
- Miscellaneous

2008 Final Actual Expenditures



- General Government Support
- Education
- Public Safety
- Health
- Transportation
- Economic opportunity
- Other

The Capital Projects Fund is used to account for capital project activity throughout the County. The Capital Fund's ending fund balance is \$51,591,862. This is a decrease of \$40,361,975 from the prior year. In an effort to hold down debt service interest expenses during these tough economic times, the County did not borrow any new monies during 2008. We instead focused our efforts into using existing funds to complete projects.

Non-major Governmental Funds consist of the Special Revenue Funds and the Debt Service Funds. The Special Revenue Funds are made up of the following individual funds: County Road Fund, Road Machinery Fund, Community Development Fund, Sewer District Fund and Special Purpose Fund. For the fiscal year ending December 31, 2008, the combined fund balance of these funds total \$18.5 million. This represents an increase of \$2.6 million from the prior year and the bulk of this increase can be attributed to the Sewer District.

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

Total assets of the Hospital (Home and Infirmary) fund decreased by \$4.2 million leaving a balance of net assets of \$(31.3) million.

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

Budgetary Highlights

General Funds-Differences between the original budget and the final amended budget was a \$17 million increase in appropriations. Increases in the budget for grants received by the Department of Health (\$8.2 million), Public Safety (\$3.7 million) and Economic Opportunity and Development (\$1.1 million) accounted for most of the changes. As mentioned earlier, the County needed \$6.6 million in appropriations to partake in the Inter-Governmental Transfer and so available appropriations were transferred from most areas to the Economic Opportunity and Development area.

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, 2008, amounts to \$657 million, net of accumulated depreciation. This investment in capital assets includes land, buildings, improvements, equipment, infrastructure and construction-in-progress.

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

	<u>Governmental Activities</u>		<u>Business-Type Activities</u>		<u>Total</u>	
	<u>2008</u>	<u>2007</u>	<u>2008</u>	<u>2007</u>	<u>2008</u>	<u>2007</u>
Land	\$ 49,872	\$ 46,964	\$ 439	\$ 439	\$ 50,311	\$ 47,403
Buildings and Improvements	134,527	122,972	13,714	15,008	148,241	137,980
Equipment	43,797	50,705	5,638	6,117	49,435	56,822
Infrastructure	218,502	231,355	-	-	218,502	231,355
Construction-in- Progress	188,772	176,798	1,687	934	190,459	177,732
Total	\$ 635,470	\$ 628,794	\$ 21,478	\$ 22,498	\$ 656,948	\$ 651,292

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

Long-Term Debt- At the December 31, 2008, the County had \$405,139,698 in total long-term debt outstanding. This represents a nominal increase of \$1.1 million increase over 2007. 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>2008</u>	<u>2007</u>	<u>2008</u>	<u>2007</u>	<u>2008</u>	<u>2007</u>
General Obligation Bonds - Gross	<u>\$ 306,426</u>	<u>\$ 303,582</u>	<u>\$ 98,713</u>	<u>\$ 100,454</u>	<u>\$ 405,139</u>	<u>\$ 404,036</u>

During 2008, the County received an A1 rating from Moody's Investors Service and a very favorable AA bond rating from Stand & Poor's. The County was able to maintain our high ratings, despite the economy, due to our low debt levels and our proactive approach to managing our cash flow. It should be noted, however, that in January 2009, Moody's downgraded the County's long term borrowing rate from A1 to A2. This is due to the fact that the County is largely dependent on economically sensitive revenues.

The State Constitution limits the amount of indebtedness, both long-term and short-term, which the County may incur. In accordance with Article VIII of the State Constitution the County may not contract indebtedness in an amount greater than seven percent of the average full value of taxable real property in the County of the most recent five years. Certain indebtedness is excluded in ascertaining the County's authority to contract indebtedness within the constitutional limits; accordingly, debt of this kind, commonly referred to as "excluding debt", may be issued without regard to the constitutional limits and without affecting the County's authority to issue debt subject to the limit. At December 31, 2008, the County of Rockland has used \$321,904,925 or 12% of the constitutional debt limit leaving a remaining balance of \$2,699,769,307 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, 2008

	Primary Government			Component Units
	Governmental Activities	Business-Type Activities	Total	
ASSETS				
Cash and equivalents	\$ 79,211,657	\$ 5,866,011	\$ 85,077,668	\$ 24,562,575
Investments	58,601,613	1,218,964	59,820,577	3,287,367
Receivables:				
Taxes, net of allowance for uncollectible taxes	40,892,855	-	40,892,865	-
Accounts, net of allowance for uncollectible amounts	26,092,917	13,773,752	39,866,669	4,299,355
Accounts - Patient care, net of allowance for uncollectible amounts	-	15,234,894	15,234,894	-
Loans	172,604	-	172,604	-
State and Federal aid, net of allowance for uncollectible amounts	73,531,714	1,308,967	74,840,681	1,612,905
Funds held in trust for residents	-	280,577	280,577	-
Due from other governments	6,589,538	-	6,589,538	428,190
Internal balances	23,089,662	(23,089,662)	-	-
Deposits	-	-	-	1,500,000
Inventories	45,872	551,715	597,587	-
Restricted assets	14,998,635	-	14,998,635	25,355,520
Prepaid expenses	2,572,353	998,145	3,570,498	2,034,171
Intangible asset	-	-	-	3,848,089
Deferred charges	58,158	-	58,158	-
Deferred bond fees, net	-	-	-	1,021,466
Other assets	-	-	-	605,297
	<u>325,857,588</u>	<u>16,143,363</u>	<u>342,000,951</u>	<u>68,554,935</u>
Restricted cash and equivalents	-	2,279,494	2,279,494	-
Restricted investments	-	4,237,462	4,237,462	-
Cost of issuance, net of accumulated amortization	-	1,121,196	1,121,196	-
	-	<u>7,638,152</u>	<u>7,638,152</u>	-
Capital assets				
Land	49,872,238	438,504	50,310,742	2,133,312
Buildings	118,114,979	46,524,347	164,639,326	40,491,206
Improvements	97,355,989	345,975	97,701,964	2,420,054
Equipment	99,842,340	16,905,348	116,747,688	21,796,144
Infrastructure	520,717,834	-	520,717,834	-
Construction-in-progress	188,771,732	1,687,774	190,459,506	-
	<u>1,074,675,112</u>	<u>65,901,948</u>	<u>1,140,577,060</u>	<u>66,840,716</u>
Less - Accumulated depreciation	<u>(439,204,837)</u>	<u>(44,424,304)</u>	<u>(483,629,141)</u>	<u>(28,397,382)</u>
Total Capital Assets, net of accumulated depreciation	<u>635,470,275</u>	<u>21,477,644</u>	<u>656,947,919</u>	<u>38,443,334</u>
Total Assets	<u>961,327,863</u>	<u>45,259,159</u>	<u>1,006,587,022</u>	<u>106,998,269</u>
LIABILITIES				
Accounts payable	36,825,068	2,523,265	39,348,333	5,239,692
Accrued liabilities	12,626,005	984,136	13,610,141	8,893,421
Estimated third-party liabilities	-	1,658,474	1,658,474	-
Deposits payable	-	-	-	5,000
Due to other governments	4,936,514	-	4,936,514	-
Due to school districts	46,362,278	-	46,362,278	-
Unearned revenues	3,579,674	-	3,579,674	5,459,031
Accrued interest payable	4,496,724	187,910	4,684,634	-
Funds held in trust for residents	-	280,577	280,577	-
Revenue anticipation note payable	80,000,000	-	80,000,000	-
Bond anticipation notes payable	24,506,000	235,000	24,741,000	-
Non-current liabilities:				
Due within one year:				
Bonds payable - Capital construction	20,766,557	1,567,620	22,334,177	1,880,000
Bonds payable - Other	285,748	1,085,000	1,370,748	-
Compensated absences	1,795,404	1,190,072	2,985,476	-
Pension obligations	154,784	-	154,784	-
Claims payable	1,107,533	-	1,107,533	-
Due in more than one year:				
Bonds payable - Capital construction	252,560,629	13,911,077	266,471,706	60,124,483
Bonds payable - Other	31,810,000	80,584,130	112,394,130	-
Compensated absences	16,158,640	10,710,650	26,869,290	-
Pension obligations	980,704	-	980,704	-
Claims payable	9,967,801	-	9,967,801	-
Other post employment benefit obligations	57,108,726	28,569,064	85,677,790	7,523,617
Estimated third-party liabilities, net of current portion	-	1,878,421	1,878,421	-
Total Liabilities	<u>606,028,789</u>	<u>145,365,396</u>	<u>751,394,185</u>	<u>89,125,244</u>
NET ASSETS				
Invested in capital assets, net of related debt	405,279,887	11,068,096	416,347,983	10,082,585
Restricted for:				
Capital projects	67,642,798	-	67,642,798	1,081,401
Law enforcement	13,830,349	-	13,830,349	-
STOP-DWI Program	1,116,540	-	1,116,540	-
Handicapped parking	56,965	-	56,965	-
Social service programs	49,169	-	49,169	-
Debt service	18,592,478	-	18,592,478	-
Parklands	44,000	-	44,000	-
Student loans	-	-	-	10,009
Unemployment benefits	124,231	-	124,231	-
Scholarships and student services	-	-	-	2,124,658
Permanent endowments	-	-	-	1,006,009
Special Revenue Funds:				
Road Machinery	510,586	-	510,586	-
Community Development	225,000	-	225,000	-
Sewer	11,798,722	-	11,798,722	-
Unrestricted	<u>(163,971,851)</u>	<u>(111,174,333)</u>	<u>(275,145,984)</u>	<u>3,568,363</u>
Total Net Assets	<u>\$ 355,299,074</u>	<u>\$ (100,106,237)</u>	<u>\$ 255,192,837</u>	<u>\$ 17,873,025</u>

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

STATEMENT OF ACTIVITIES
YEAR ENDED DECEMBER 31, 2008

Functions/Programs	Expenses	Program Revenues		
		Charges for Services	Operating Grants and Contributions	Capital Grants and Contributions
Primary Government:				
Governmental activities:				
General government support	\$ 67,293,698	\$ 12,961,766	\$ 4,594,914	\$ -
Education	71,519,828	-	-	-
Public safety	70,103,143	1,935,136	18,265,478	-
Health	50,413,128	4,091,463	50,610,789	-
Transportation	55,737,309	7,937,745	19,407,246	7,504,144
Economic opportunity and development	174,367,673	7,676,041	71,179,558	-
Culture and recreation	939,766	-	86,792	-
Home and community services	35,782,255	1,777,822	331,350	-
Interest	13,400,239	-	-	4,340,940
Total Governmental Activities	539,557,039	36,379,973	164,476,127	11,845,084
Business-type activities:				
Home and Infirmary Fund	115,135,691	106,029,852	4,896,669	-
Rockland Tobacco Asset Securitization Corporation	4,640,294	-	3,818,692	-
Rockland Second Tobacco Asset Securitization Corporation	501,105	-	917,374	-
Total Business-type Activities	120,277,090	106,029,852	9,632,735	-
Total Primary Government	\$ 659,834,129	\$ 142,409,825	\$ 174,108,862	\$ 11,845,084
Component Units:				
Rockland County Community College	\$ 68,869,848	\$ 18,693,163	\$ 9,554,883	\$ 4,019,682
Rockland County Soil and Water Conservation District	32,296	-	-	-
Rockland County Solid Waste Management Authority	28,679,313	28,258,228	507,132	-
Rockland County Industrial Development Agency	131,512	66,272	-	-
Total Component Units	\$ 97,712,969	\$ 47,017,663	\$ 10,062,015	\$ 4,019,682
General Revenues:				
Real property taxes				
Other tax items:				
Interest and penalties on real property taxes				
Gain on sale of tax acquired property				
Payments in lieu of taxes				
Non-property taxes:				
Sales and use tax				
Mortgage tax				
Unrestricted use of money and property				
Sale of property and compensation for loss				
Contributions from Rockland County				
Grants and contributions not restricted to specific programs				
Miscellaneous				
Total General Revenues				
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
\$ (49,737,018)	\$ -	\$ (49,737,018)	\$ -
(71,519,828)	-	(71,519,828)	-
(49,902,529)	-	(49,902,529)	-
4,289,124	-	4,289,124	-
(20,888,174)	-	(20,888,174)	-
(95,512,074)	-	(95,512,074)	-
(852,974)	-	(852,974)	-
(33,673,083)	-	(33,673,083)	-
(9,059,299)	-	(9,059,299)	-
<u>(326,855,855)</u>	<u>-</u>	<u>(326,855,855)</u>	<u>-</u>
-	(4,209,170)	(4,209,170)	-
-	(821,602)	(821,602)	-
-	416,269	416,269	-
-	(4,614,503)	(4,614,503)	-
<u>(326,855,855)</u>	<u>(4,614,503)</u>	<u>(331,470,358)</u>	<u>-</u>
-	-	-	(36,602,120)
-	-	-	(32,296)
-	-	-	86,047
-	-	-	(65,240)
-	-	-	(36,613,609)
71,646,043	-	71,646,043	-
6,472,073	-	6,472,073	-
455,390	-	455,390	-
197,633	-	197,633	-
168,498,939	-	168,498,939	-
5,115,544	-	5,115,544	-
3,285,209	-	3,285,209	2,388,933
40,543	-	40,543	-
-	-	-	14,775,271
-	-	-	14,481,237
2,821,904	-	2,821,904	1,750,952
<u>258,533,278</u>	<u>-</u>	<u>258,533,278</u>	<u>33,396,393</u>
<u>(68,322,577)</u>	<u>(4,614,503)</u>	<u>(72,937,080)</u>	<u>(3,217,216)</u>
414,019,664	(95,491,734)	318,527,930	21,090,241
9,601,987	-	9,601,987	-
<u>423,621,651</u>	<u>(95,491,734)</u>	<u>328,129,917</u>	<u>21,090,241</u>
<u>\$ 355,299,074</u>	<u>\$ (100,106,237)</u>	<u>\$ 255,192,837</u>	<u>\$ 17,873,025</u>

COUNTY OF ROCKLAND, NEW YORK

BALANCE SHEET
GOVERNMENTAL FUNDS
DECEMBER 31, 2008

	<u>ASSETS</u>	<u>General</u>	<u>Capital Projects</u>	<u>Other Governmental Funds</u>
Cash and Equivalents		\$ 21,439,649	\$ 26,756,502	\$ 20,908,534
Investments		6,676,613	44,800,000	7,125,000
Taxes Receivable, net of allowance for uncollectible taxes		40,892,865	-	-
Other Receivables:				
Accounts, net of allowance for uncollectible amounts		25,479,640	-	326,466
Loans		-	-	172,604
State and Federal aid, net of allowance for uncollectible amounts		67,832,145	4,232,028	944,524
Due from other governments		6,589,538	-	-
Due from other funds		20,696,059	-	5,154,075
Advances to other funds		4,545,451	-	-
		<u>125,142,833</u>	<u>4,232,028</u>	<u>6,597,669</u>
Restricted Assets		-	14,998,635	-
Prepaid Expenditures		2,106,463	-	237,723
Total Assets		<u>\$ 196,258,423</u>	<u>\$ 90,787,165</u>	<u>\$ 34,868,926</u>
<u>LIABILITIES AND FUND BALANCES</u>				
Liabilities:				
Accounts payable		\$ 25,516,343	\$ 7,947,342	\$ 2,354,038
Accrued liabilities		10,289,409	-	1,127,176
Due to other governments		2,312,723	2,604,749	-
Due to school districts		46,362,278	-	-
Due to other funds		3,120,865	4,137,212	616,347
Deferred revenues - Taxes		2,165,150	-	-
Deferred revenues - Other		3,233,592	-	346,082
Revenue anticipation note payable		80,000,000	-	-
Bond anticipation notes payable		-	24,506,000	-
Total Liabilities		<u>173,000,360</u>	<u>39,195,303</u>	<u>4,443,643</u>
Fund Balances (Deficits):				
Reserved for encumbrances		2,768,545	-	2,497,847
Reserved for prepaid expenditures		2,106,463	-	237,723
Reserved for law enforcement		13,830,349	-	-
Reserved for STOP - DWI Program		1,116,540	-	-
Reserved for handicapped parking		56,965	-	-
Reserved for long-term receivable		12,088,102	-	-
Reserved for social service programs		-	-	49,169
Reserved for compensated absences		11,595,781	-	1,798,635
Reserved for debt service		6,676,613	-	4,415,865
Reserved for parklands		-	44,000	-
Reserved for advances		4,545,451	-	-
Unreserved reported in:				
General Fund		(31,526,746)	-	-
Capital Projects Fund		-	51,547,862	-
Special Revenue Funds		-	-	13,926,044
Debt Service Fund		-	-	7,500,000
Total Fund Balances		<u>23,258,063</u>	<u>51,591,862</u>	<u>30,425,283</u>
Total Liabilities and Fund Balances		<u>\$ 196,258,423</u>	<u>\$ 90,787,165</u>	<u>\$ 34,868,926</u>

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

Total
Governmental
Funds

\$ 69,104,685

58,601,613

40,892,865

25,806,106
172,604

73,008,697
6,589,538
25,850,134
4,545,451

135,972,530

14,998,635

2,344,186

\$ 321,914,514

\$ 35,817,723
11,416,585
4,917,472
46,362,278
7,874,424
2,165,150
3,579,674
80,000,000
24,506,000

216,639,306

5,266,392
2,344,186
13,830,349
1,116,540
56,965
12,088,102
49,169
13,394,416
11,092,478
44,000
4,545,451

(31,526,746)
51,547,862
13,926,044
7,500,000

105,275,208

\$ 321,914,514

RECONCILIATION OF GOVERNMENTAL FUNDS BALANCE SHEET TO
 THE GOVERNMENT - WIDE STATEMENT OF NET ASSETS
 DECEMBER 31, 2008

Fund Balances - Governmental Funds	<u>\$ 105,275,208</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>621,948,526</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>(5,205,451)</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>2,165,150</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>58,158</u>
Long-term liabilities that are not due and payable in the current period and, therefore, are not reported in the funds.	
Bonds payable	(295,343,557)
Compensated absences	(16,076,500)
Pension obligations	(1,135,488)
Other post employent benefit obligations	(51,890,248)
Accrued interest payable	<u>(4,496,724)</u>
	<u>(368,942,517)</u>
Net Assets of Governmental Activities	<u><u>\$ 355,299,074</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, 2008

	General	Capital Projects	Other Governmental Funds	Total Governmental Funds
Revenues:				
Real property taxes	\$ 53,300,876	\$ -	\$ 27,401,072	\$ 80,701,948
Other tax items	7,125,096	-	155,350	7,280,446
Non-property taxes	173,963,636	-	-	173,963,636
Departmental income	31,054,928	-	775,710	31,830,638
Use of money and property	3,373,710	-	3,386,565	6,760,275
Licenses and permits	1,637,918	-	63,950	1,701,868
Fines and forfeitures	1,046,086	-	4,080	1,050,166
Sale of property and compensation for loss	40,543	-	46,286	86,829
Interfund revenues	15,257,173	-	434,584	15,691,757
State aid	98,088,322	7,281,965	1,866,485	107,236,772
Federal aid	57,862,868	126,005	7,650,625	65,639,498
Miscellaneous	2,362,789	96,174	203,211	2,662,174
Total Revenues	445,113,945	7,504,144	41,987,918	494,606,007
Expenditures:				
Current:				
General government support	60,184,410	-	-	60,184,410
Education	67,786,623	-	-	67,786,623
Public safety	61,193,182	-	-	61,193,182
Health	46,691,701	-	-	46,691,701
Transportation	29,451,791	-	13,253,031	42,704,822
Economic opportunity and development	162,504,738	-	6,760,013	169,264,751
Culture and recreation	667,428	-	-	667,428
Home and community services	7,685,185	-	15,947,314	23,632,499
Employee benefits	8,537,991	-	2,490,844	11,028,835
Debt service:				
Principal	-	-	19,742,088	19,742,088
Interest	2,801,933	-	10,542,995	13,344,928
Capital outlay	-	38,699,088	-	38,699,088
Total Expenditures	447,504,982	38,699,088	68,736,285	554,940,355
Deficiency of Revenues Over Expenditures	(2,391,037)	(31,194,944)	(26,748,367)	(60,334,348)
Other Financing Sources (Uses):				
Bonds issued	24,000,000	-	-	24,000,000
Premium on obligations	459,114	-	-	459,114
Transfers in	11,495,872	903,665	45,589,149	57,988,686
Transfers out	(31,246,101)	(10,070,696)	(16,671,889)	(57,988,686)
Total Other Financing Sources (Uses)	4,708,885	(9,167,031)	28,917,260	24,459,114
Net Change in Fund Balances	2,317,848	(40,361,975)	2,168,893	(35,875,234)
Fund Balances - Beginning of Year, as previously reported	11,338,228	91,953,837	28,256,390	131,548,455
Prior Period Adjustment	9,601,987	-	-	9,601,987
Fund Balances - Beginning of Year, as restated	20,940,215	91,953,837	28,256,390	141,150,442
Fund Balances - End of Year	\$ 23,258,063	\$ 51,591,862	\$ 30,425,283	\$ 105,275,208

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

RECONCILIATION OF THE STATEMENT OF REVENUES,
EXPENDITURES, AND CHANGES IN FUND BALANCES OF GOVERNMENTAL FUNDS
TO THE STATEMENT OF ACTIVITIES
YEAR ENDED DECEMBER 31, 2008

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

Net Change in Fund Balances - Total Governmental Funds \$ (35,875,234)

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	40,017,755
Depreciation expense	<u>(30,341,479)</u>
	<u>9,676,276</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>(9,055,905)</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	19,742,088
Bonds issued	(24,000,000)
Amortization of issuance costs, loss on refunding and premium	<u>(124,879)</u>
	<u>(4,382,791)</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	143,319
Compensated absences	254,622
Other post employment benefit obligations	(26,119,733)
Accrued interest	<u>476,063</u>
	<u>(25,245,729)</u>

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

<u>(3,439,194)</u>

Change in Net Assets of Governmental Activities

<u>\$ (68,322,577)</u>

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

COUNTY OF ROCKLAND, NEW YORK

GENERAL FUND
 STATEMENT OF REVENUES, EXPENDITURES AND CHANGES
 IN FUND BALANCE - BUDGET AND ACTUAL
 YEAR ENDED DECEMBER 31, 2008

	Original Budget	Final Budget	Actual	Variance with Final Budget Positive (Negative)
Revenues:				
Real property taxes	\$ 53,801,924	\$ 53,801,924	\$ 53,300,876	\$ (501,048)
Other tax items	8,700,000	8,700,000	7,125,096	(1,574,904)
Non-property taxes	190,745,000	190,745,000	173,963,636	(16,781,364)
Departmental income	35,185,830	35,540,960	31,054,928	(4,486,032)
Use of money and property	2,085,500	2,085,500	3,373,710	1,288,210
Licenses and permits	1,718,000	1,718,000	1,637,918	(80,082)
Fines and forfeitures	893,742	893,742	1,046,086	152,344
Sale of property and compensation for loss	107,000	125,864	40,543	(85,321)
Interfund revenues	15,360,128	15,360,128	15,257,173	(102,955)
State aid	89,171,822	95,974,931	98,088,322	2,113,391
Federal aid	39,203,216	48,111,796	57,862,868	9,751,072
Miscellaneous	3,070,006	3,296,694	2,362,789	(933,905)
Total Revenues	440,042,168	456,354,539	445,113,945	(11,240,594)
Expenditures:				
Current:				
General government support	69,044,214	60,742,268	60,184,410	557,858
Education	66,285,121	67,816,121	67,786,623	29,498
Public safety	57,566,548	61,281,062	61,193,182	87,880
Health	39,871,942	46,748,402	46,691,701	56,701
Transportation	28,854,627	29,452,027	29,451,791	236
Economic opportunity and development	150,151,187	162,704,179	162,504,738	199,441
Culture and recreation	636,591	667,591	667,428	163
Home and community services	7,446,884	7,688,235	7,685,185	3,050
Employee benefits	8,616,380	8,543,380	8,537,991	5,389
Debt service - Interest	2,565,000	2,809,000	2,801,933	7,067
Total Expenditures	431,038,494	448,452,265	447,504,982	947,283
Excess (Deficiency) of Revenues Over Expenditures	9,003,674	7,902,274	(2,391,037)	(10,293,311)
Other Financing Sources (Uses):				
Bonds issued	-	-	24,000,000	24,000,000
Premium on obligations	-	-	459,114	459,114
Transfers in	12,708,547	12,897,947	11,495,872	(1,402,075)
Transfers out	(32,158,516)	(31,246,516)	(31,246,101)	415
Total Other Financing Sources (Uses)	(19,449,969)	(18,348,569)	4,708,885	23,057,454
Net Change in Fund Balance	(10,446,295)	(10,446,295)	2,317,848	12,764,143
Fund Balance - Beginning of Year, as previously reported	10,446,295	10,446,295	11,338,228	891,933
Prior Period Adjustment	-	-	9,601,987	9,601,987
Fund Balance - Beginning of Year, as restated	10,446,295	10,446,295	20,940,215	10,493,920
Fund Balance - End of Year	\$ -	\$ -	\$ 23,258,063	\$ 23,258,063

STATEMENT OF NET ASSETS
PROPRIETARY FUNDS
DECEMBER 31, 2008

	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	\$ 5,360,984	\$ 366,139	\$ 138,888
Investments	-	1,218,964	-
Receivables:			
Accounts	9,311,566	3,583,123	879,063
Accounts - patient care, net of allowance for uncollectible amounts	15,234,894	-	-
State and Federal aid	1,308,967	-	-
Funds held in trust for residents	280,577	-	-
Due from other funds	-	-	-
Inventories	551,715	-	-
Prepaid expenses	994,645	3,500	-
Total Current Assets	<u>33,043,348</u>	<u>5,171,726</u>	<u>1,017,951</u>
Other Noncurrent Assets:			
Restricted cash and equivalents	-	2,279,440	54
Restricted investments	-	3,525,691	711,771
Cost of issuance, net of accumulated amortization	-	886,743	234,453
Total Other Noncurrent Assets	<u>-</u>	<u>6,691,874</u>	<u>946,278</u>
Capital Assets:			
Land	438,504	-	-
Buildings	46,524,347	-	-
Improvements other than buildings	345,975	-	-
Equipment	16,905,348	-	-
Construction-in-progress	1,687,774	-	-
Less - Accumulated depreciation	<u>(44,424,304)</u>	<u>-</u>	<u>-</u>
Total Capital Assets, net of accumulated depreciation	<u>21,477,644</u>	<u>-</u>	<u>-</u>
Total Assets	<u>54,520,992</u>	<u>11,863,600</u>	<u>1,964,229</u>
LIABILITIES			
Current Liabilities:			
Accounts payable	2,515,491	-	7,774
Accrued liabilities	-	946,765	37,371
Estimated third party liabilities	1,658,474	-	-
Accrued interest payable	187,910	-	-
Funds held in trust for residents	280,577	-	-
Due to other funds	20,028,254	-	-
Due to other governments	-	-	-
Advances from other funds	3,061,408	-	-
Bond anticipation notes payable	235,000	-	-
Current portion of long-term obligations:			
Claims payable	-	-	-
Compensated absences	1,190,072	-	-
Bonds payable - Capital construction	1,567,620	-	-
Bonds payable - Other	-	1,015,000	70,000
Total Current Liabilities	<u>30,724,806</u>	<u>1,961,765</u>	<u>115,145</u>
Noncurrent Liabilities:			
Claims payable	-	-	-
Bonds payable - Capital construction	13,911,077	-	-
Bonds payable - Other	-	73,263,645	7,320,485
Estimated third party liabilities	1,878,421	-	-
Compensated absences	10,710,650	-	-
Other post employment benefit obligations	<u>28,569,064</u>	<u>-</u>	<u>-</u>
Total Noncurrent Liabilities	<u>55,069,212</u>	<u>73,263,645</u>	<u>7,320,485</u>
Total Liabilities	<u>85,794,018</u>	<u>75,225,410</u>	<u>7,435,630</u>
NET ASSETS (DEFICITS)			
Invested in Capital Assets, net of related debt	11,068,096	-	-
Unrestricted (Deficits)	<u>(42,341,122)</u>	<u>(63,361,810)</u>	<u>(5,471,401)</u>
Total Net Assets (Deficits)	<u>\$ (31,273,026)</u>	<u>\$ (63,361,810)</u>	<u>\$ (5,471,401)</u>

Total Business-type Activities - Enterprise Funds	Governmental Activities - Internal Service Funds
\$ 5,866,011	\$ 10,106,972
1,218,964	-
13,773,752	286,811
15,234,894	-
1,308,967	523,017
280,577	-
-	2,052,544
551,715	45,872
998,145	228,167
<u>39,233,025</u>	<u>13,243,383</u>
2,279,494	-
4,237,462	-
1,121,196	-
<u>7,638,152</u>	<u>-</u>
438,504	-
46,524,347	-
345,975	-
16,905,348	21,524,387
1,687,774	-
(44,424,304)	(8,002,638)
<u>21,477,644</u>	<u>13,521,749</u>
<u>68,348,821</u>	<u>26,765,132</u>
2,523,265	1,007,345
984,136	1,209,420
1,658,474	-
187,910	-
280,577	-
20,028,254	-
-	19,042
3,061,408	1,484,043
235,000	-
-	1,107,533
1,190,072	189,794
1,567,620	1,367,833
1,085,000	-
<u>32,801,716</u>	<u>6,385,010</u>
-	9,967,801
13,911,077	8,711,544
80,584,130	-
1,878,421	-
10,710,650	1,687,750
28,569,064	5,218,478
<u>135,653,342</u>	<u>25,585,573</u>
<u>168,455,058</u>	<u>31,970,583</u>
11,068,096	3,442,372
(111,174,333)	(8,647,823)
<u>\$ (100,106,237)</u>	<u>\$ (5,205,451)</u>

STATEMENT OF REVENUES, EXPENSES AND CHANGES IN NET ASSETS
 PROPRIETARY FUNDS
 YEAR ENDED DECEMBER 31, 2008

	Business-type Activities - Enterprise Funds		
	Home and Infirmity Fund	Rockland Tobacco Asset Securitization Corporation	Rockland Second Tobacco Asset Securitization Corporation
Operating Revenues:			
Charges for services	\$ 105,489,482	\$ -	\$ -
State aid	-	-	-
Tobacco settlement revenues	-	3,530,591	882,647
Miscellaneous	540,370	-	-
Total Operating Revenues	106,029,852	3,530,591	882,647
Operating Expenses:			
Administrative and general expenses	13,776,228	-	-
Salaries and wage expenses	50,066,229	-	-
Employee benefits	39,611,731	-	-
Professional fees	-	32,084	25,202
Directors' fees	-	2,000	1,000
Insurance	-	21,525	-
Judgments and claims	-	-	-
Supplies and other expenses	9,239,937	-	-
Depreciation and amortization	2,214,605	40,870	6,706
Total Operating Expenses	114,908,730	96,479	32,908
Income (Loss) from Operations	(8,878,878)	3,434,112	849,739
Non-Operating Revenues (Expenses):			
Intergovernmental transfer	4,896,669	-	-
Interest income	-	288,101	34,727
Interest on indebtedness	(226,961)	(4,543,815)	(468,197)
Total Non-Operating Revenues (Expenses)	4,669,708	(4,255,714)	(433,470)
Net Income (Loss)	(4,209,170)	(821,602)	416,269
Net Deficiency - Beginning of Year	(27,063,856)	(62,540,208)	(5,887,670)
Net Deficiency - End of Year	\$ (31,273,026)	\$ (63,361,810)	\$ (5,471,401)

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

Total Business-type Activities - Enterprise Funds	Governmental Activities - Internal Service Funds
\$ 105,489,482	\$ 37,195,079
-	585,662
4,413,238	-
540,370	-
<u>110,443,090</u>	<u>37,780,741</u>
13,776,228	12,223,936
50,066,229	139,259
39,611,731	8,759,314
57,286	-
3,000	-
21,525	-
-	1,999,547
9,239,937	14,954,049
2,262,181	3,061,829
<u>115,038,117</u>	<u>41,137,934</u>
<u>(4,595,027)</u>	<u>(3,357,193)</u>
4,896,669	-
322,828	331,340
<u>(5,238,973)</u>	<u>(413,341)</u>
<u>(19,476)</u>	<u>(82,001)</u>
(4,614,503)	(3,439,194)
<u>(95,491,734)</u>	<u>(1,766,257)</u>
<u>\$ (100,106,237)</u>	<u>\$ (5,205,451)</u>

STATEMENT OF CASH FLOWS
 PROPRIETARY FUNDS
 YEAR ENDED DECEMBER 31, 2008

	Business-type Activities - Enterprise Funds			Total Business-type Activities - Enterprise Funds
	Infirmary Fund	Rockland Tobacco Asset Securitization Corporation	Rockland Second Tobacco Asset Securitization Corporation	
Cash Flows From Operating Activities:				
Cash received from patients and third-party payers	\$ 100,788,229	\$ -	\$ -	\$ 100,788,229
Cash received from tobacco settlement revenues	-	3,543,296	885,824	4,429,120
Cash received from charges for services	-	-	-	-
Advances to other funds	-	-	-	-
Other	818,274	-	-	818,274
Cash payments to directors	-	(2,000)	(1,000)	(3,000)
Cash payments to insurance carriers and claimants	-	-	-	-
Cash payments to vendors	(23,754,080)	(55,367)	(25,202)	(23,834,649)
Cash payments to employees	(76,791,087)	-	-	(76,791,087)
Net Cash Provided by Operating Activities	1,061,336	3,485,929	859,622	5,406,887
Cash Flows From Non-Capital Financing Activities:				
Intergovernmental transfer, net	2,077,913	-	-	2,077,913
Retirement of long-term debt	(863,020)	(920,000)	(420,000)	(2,203,020)
Interest on indebtedness	(33,442)	(2,574,331)	(458,950)	(3,066,723)
Net Cash Provided by (Used in) Non-Capital Financing Activities	1,181,451	(3,494,331)	(878,950)	(3,191,830)
Cash Flows From Capital and Related Financing Activities:				
Proceeds from short-term debt	235,000	-	-	235,000
Retirement of debt	(1,470,877)	-	-	(1,470,877)
Interest on indebtedness	(681,109)	-	-	(681,109)
Acquisition and construction of capital assets	(724,523)	-	-	(724,523)
Net Cash Used in Capital and Related Financing Activities	(2,641,509)	-	-	(2,641,509)
Cash Flows From Investing Activities:				
Interest income	-	229,247	38,333	267,580
Purchase of investments	-	(1,218,964)	-	(1,218,964)
Sale of investments	-	1,286,395	-	1,286,395
Purchase of restricted investments	-	(3,525,691)	(711,771)	(4,237,462)
Sale of restricted investments	-	3,525,755	710,961	4,236,716
Net Cash Provided by Investing Activities	-	296,742	37,523	334,265
Net Increase (Decrease) in Cash and Equivalents	(398,722)	288,340	18,195	(92,187)
Cash and Equivalents - Beginning of Year	5,759,706	2,357,239	120,747	8,237,692
Cash and Equivalents - End of Year	\$ 5,360,984	\$ 2,645,579	\$ 138,942	\$ 8,145,505
Reconciliation of Income (Loss) from Operations to Net Cash Provided by Operating Activities:				
Income (loss) from operations	\$ (8,878,878)	\$ 3,434,112	\$ 849,739	\$ (4,595,027)
Adjustments to reconcile income (loss) from operations to net cash provided by operating activities:				
Depreciation and amortization	2,214,605	40,870	6,706	2,262,181
Provision for bad debts	4,482,053	-	-	4,482,053
Changes in assets and liabilities:				
Accounts receivable	(5,102,162)	12,705	3,177	(5,086,280)
Accounts receivable - Patient care	(5,472,387)	-	-	(5,472,387)
State and Federal aid receivable	613,490	-	-	613,490
Due from other funds	-	-	-	-
Inventories	(27,102)	5,750	-	(21,352)
Prepaid expenses	270,481	-	-	270,481
Accounts payable and accrued expenses	8,063,664	-	-	8,063,664
Accrued liabilities	-	(7,508)	-	(7,508)
Estimated third party liabilities	1,055,656	-	-	1,055,656
Due to other funds	-	-	-	-
Due to other governments	-	-	-	-
Advances from other funds	(8,774,475)	-	-	(8,774,475)
Claims payable	-	-	-	-
Compensated absences	(1,658,872)	-	-	(1,658,872)
Other post employment benefit obligations	14,275,263	-	-	14,275,263
Net Cash Provided by Operating Activities	\$ 1,061,336	\$ 3,485,929	\$ 859,622	\$ 5,406,887
Noncash Investing Activities:				
Increase in bonds payable from amortization of original issue and underwriters' discount	\$ -	\$ 54,849	\$ 10,997	\$ 65,846
Increase in bonds payable from accredited interest	\$ -	\$ 1,933,245	\$ -	\$ 1,933,245

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

Governmental
Activities-
Internal Service
Funds

\$ -
-
40,526,898
(3,549)
553,718
-
(7,512,564)
(5,194,597)
(27,873,084)
496,822

-
(122,289)
(4,344)
(126,633)

-
(1,291,692)
(408,997)
(62,185)
(1,762,874)

331,340
-
-
-
331,340

(1,061,345)
11,168,317
\$ 10,106,972

\$ (3,357,193)

3,061,829
-
425,741
-
(31,944)
2,221,785
24,985
45,311
(573,622)
(69,074)
-
(2,034,886)
1,300
(1,322,825)
(367,588)
(144,980)
2,617,983
\$ 496,822

\$ -
\$ -

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COUNTY OF ROCKLAND, NEW YORK

STATEMENT OF ASSETS AND LIABILITIES
FIDUCIARY FUND
DECEMBER 31, 2008

ASSETS

	<u>Agency</u>
Cash:	
Demand deposits	\$ 6,483,035
Time deposits	<u>4,528,913</u>
Total Assets	<u>\$ 11,011,948</u>

LIABILITIES

Accounts Payable	\$ 1,526,999
Employee Payroll Deductions	421,295
Deposits	6,904,726
Due to Other Governments	<u>2,158,928</u>
Total Liabilities	<u>\$ 11,011,948</u>

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

STATEMENT OF NET ASSETS
 COMPONENT UNITS

DECEMBER 31, 2008 (Rockland County Community College as of August 31, 2008)

	Rockland County Community College	Rockland County Soil and Water Conservation District	Rockland County Solid Waste Management Authority
ASSETS			
Cash and equivalents	\$ 6,823,322	\$ 124,575	\$ 17,293,710
Investments	3,287,367	-	-
Receivables:			
Accounts, net of allowance for uncollectible amounts	2,769,229	-	1,530,126
State and Federal aid	1,132,762	40,043	440,100
Due from other governments	428,190	-	-
Deposits	-	-	1,500,000
Restricted assets	-	-	25,355,520
Prepaid expenses	-	-	2,034,171
Intangible Asset	-	-	3,848,089
Deferred bond fees, net	-	-	1,021,466
Other assets	605,297	-	-
	<u>15,046,167</u>	<u>164,618</u>	<u>53,023,182</u>
Capital assets:			
Land	-	-	2,133,312
Buildings	-	-	40,491,206
Improvements	-	-	2,420,054
Equipment	7,970,453	12,895	13,812,796
	7,970,453	12,895	58,857,368
Less - Accumulated depreciation	<u>(4,750,307)</u>	<u>(12,895)</u>	<u>(23,634,180)</u>
Total Capital Assets, net of accumulated depreciation	<u>3,220,146</u>	<u>-</u>	<u>35,223,188</u>
Total Assets	<u>18,266,313</u>	<u>164,618</u>	<u>88,246,370</u>
LIABILITIES			
Accounts payable	-	-	5,239,692
Accrued liabilities	7,553,658	15,000	1,227,938
Deposits payable	5,000	-	-
Deferred revenues	5,459,031	-	-
Non-current liabilities:			
Due within one year -			
Bonds payable	-	-	1,880,000
Due in more than one year :			
Bonds payable	-	-	60,124,483
Other post employment benefit obligations	6,051,059	-	1,472,558
Total Liabilities	<u>19,068,748</u>	<u>15,000</u>	<u>69,944,671</u>
NET ASSETS (DEFICITS)			
Invested in capital assets, net of related debt	3,220,146	-	6,862,439
Restricted for:			
Capital projects	1,081,401	-	-
Student loans	10,009	-	-
Scholarships and student services	2,124,658	-	-
Permanent endowments	1,006,009	-	-
Unrestricted	<u>(8,244,658)</u>	<u>149,618</u>	<u>11,439,260</u>
Total Net Assets (Deficits)	<u>\$ (802,435)</u>	<u>\$ 149,618</u>	<u>\$ 18,301,699</u>

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

Rockland County
Industrial
Development
Agency

Totals

\$ 320,968	\$ 24,562,575
-	3,287,367
-	4,299,355
-	1,612,905
-	428,190
-	1,500,000
-	25,355,520
-	2,034,171
-	3,848,089
-	1,021,466
-	605,297
<u>320,968</u>	<u>68,554,935</u>
-	2,133,312
-	40,491,206
-	2,420,054
-	21,796,144
-	66,840,716
-	(28,397,382)
-	38,443,334
<u>320,968</u>	<u>106,998,269</u>
-	5,239,692
96,825	8,893,421
-	5,000
-	5,459,031
-	1,880,000
-	60,124,483
-	7,523,617
<u>96,825</u>	<u>89,125,244</u>
-	10,082,585
-	1,081,401
-	10,009
-	2,124,658
-	1,006,009
<u>224,143</u>	<u>3,568,363</u>
<u>\$ 224,143</u>	<u>\$ 17,873,025</u>

COUNTY OF ROCKLAND, NEW YORK

STATEMENT OF ACTIVITIES

COMPONENT UNITS

YEAR ENDED DECEMBER 31, 2008

(Rockland County Community College Year Ended August 31, 2008)

Functions/Programs	Expenses	Program Revenues		
		Charges for Services	Operating Grants and Contributions	Capital Grants and Contributions
Rockland County Community College - Education	\$ 68,869,848	\$ 18,693,163	\$ 9,554,883	\$ 4,019,682
Rockland County Soil and Water Conservation District - Home and Community Services	32,296	-	-	-
Rockland County Solid Waste Management Authority - Home and Community Services	28,679,313	28,258,228	507,132	-
Rockland County Industrial Development Agency- Economic Opportunity and Development	<u>131,512</u>	<u>66,272</u>	-	-
Total Component Units	<u>\$ 97,712,969</u>	<u>\$ 47,017,663</u>	<u>\$ 10,062,015</u>	<u>\$ 4,019,682</u>

General Revenues:

Unrestricted use of money and property

Contributions from County of Rockland

Grants and contributions not restricted to specific programs

Other revenues

Total General Revenues

Change in Net Assets

Net Assets - Beginning of Year

Net Assets (Deficit) - 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
\$ (36,602,120)	\$ -	\$ -	\$ -	\$ (36,602,120)
-	(32,296)	-	-	(32,296)
-	-	86,047	-	86,047
-	-	-	(65,240)	(65,240)
<u>(36,602,120)</u>	<u>(32,296)</u>	<u>86,047</u>	<u>(65,240)</u>	<u>(36,613,609)</u>
1,798,108	1,902	536,078	52,845	2,388,933
14,775,271	-	-	-	14,775,271
14,413,281	67,956	-	-	14,481,237
1,750,952	-	-	-	1,750,952
<u>32,737,612</u>	<u>69,858</u>	<u>536,078</u>	<u>52,845</u>	<u>33,396,393</u>
(3,864,508)	37,562	622,125	(12,395)	(3,217,216)
<u>3,062,073</u>	<u>112,056</u>	<u>17,679,574</u>	<u>236,538</u>	<u>21,090,241</u>
<u>\$ (802,435)</u>	<u>\$ 149,618</u>	<u>\$ 18,301,699</u>	<u>\$ 224,143</u>	<u>\$ 17,873,025</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 pages following, which briefly explains the adjustments necessary to transform the fund based financial statements into the governmental activities column of the government-wide presentation. The County's resources are reflected in the fund financial statements in three broad fund categories, in accordance with generally accepted accounting principles as follows:

Note 1 - Summary of Significant Accounting Policies (Continued)

Fund Categories

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

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

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

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

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

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

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

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

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

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

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

- b. Proprietary Funds - Proprietary funds include enterprise and internal service funds. Enterprise funds are used to account for operations that are financed and operated in a manner similar to private enterprises or where the governing body has decided that periodic determination of revenues earned, expenses incurred and/or net income is necessary for management accountability. Enterprise funds are used

Note 1 - Summary of Significant Accounting Policies (Continued)

to account for those operations that provide services to the public. Internal service funds account for operations that provide services to other departments or agencies of the government, or to other governments, on a cost reimbursement basis. The operations of the Summit Park Hospital (Nursing Care Center), are recorded as a major enterprise fund. The Nursing Care Center is a chronic care hospital and a skilled nursing facility established and operated under the provisions of Article 6 of General Municipal Law. The County has established its Workers' Compensation Benefits, General Liability Claims, Unemployment Benefits and General Services funds as internal service funds. The County applies all applicable Financial Accounting Standards Board ("FASB") pronouncements issued after November 30, 1989 in accounting and reporting for its enterprise operations.

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

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

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

The government-wide financial statements are reported using the *economic resources measurement focus* and the *accrual basis of accounting*, as are the proprietary funds. The Agency Fund has no measurement focus and utilizes the accrual basis of accounting. Revenues are recorded when earned and expenses are recorded when a liability is incurred, regardless of the timing of related cash flows. Property taxes are recognized as revenues in the year for which they are levied. Grants and similar items are recognized as revenue as soon as all eligibility requirements imposed by the provider have been met.

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

Governmental fund financial statements are reported using the *current financial resources measurement focus* and the *modified accrual basis of accounting*. Revenues are recognized as soon as they are both measurable and available. Revenues are considered to be available when they are collectible within the current period or soon enough thereafter to pay liabilities of the current period. Property taxes are considered to be available if collected within sixty days of the fiscal year end. A ninety-day availability period is used for revenue recognition for all other

Note 1 - Summary of Significant Accounting Policies (Continued)

governmental fund revenues. Property taxes associated with the current fiscal period as well as charges for services and intergovernmental revenues are considered to be susceptible to accrual and have been recognized as revenues of the current fiscal period. Fees and other similar revenues are not susceptible to accrual because generally they are not measurable until received in cash. If expenditures are the prime factor for determining eligibility, revenues from Federal and State grants are accrued when the expenditure is made. Expenditures generally are recorded when a liability is incurred, as under accrual accounting. However, debt service expenditures, as well as expenditures related to compensated absences and certain pension costs, are recorded only when payment is due. General capital assets acquisitions are reported as expenditures in governmental funds. Issuance of long-term debt and acquisitions under capital leases are reported as other financing sources.

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

Component Units

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

E. Assets, Liabilities and Net Assets or Fund Balances

Deposits, Investments and Risk Disclosure

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

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

Collateral is required for demand deposit accounts, time deposit accounts and certificates of deposit at 100% of all deposits not covered by Federal deposit insurance. The County has entered into custodial agreements with the various banks which hold their deposits. These agreements authorize the obligations that may be pledged as collateral.

Note 1 - Summary of Significant Accounting Policies (Continued)

Such obligations include, among other instruments, obligations of the United States and its agencies and obligations of the State and its municipal and school district subdivisions.

Custodial credit risk is the risk that in the event of a bank failure, the County's deposits may not be returned to it. GASB Statement No. 40 directs that deposits be disclosed as exposed to custodial credit risk if they are not covered by depository insurance and the deposits are either undercollateralized, collateralized by securities held by the pledging financial institution or collateralized by securities held by the pledging financial institution's trust department but not in the County's name. The County's aggregate bank balances that were not covered by depository insurance were not exposed to custodial credit risk at December 31, 2008.

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, 2008, balances of interfund amounts receivable or payable have been recorded in the fund financial statements. Any residual balances outstanding between the governmental activities and the business-type activities are reported in the government-wide financial statements as internal balances.

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

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

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

Note 1 - Summary of Significant Accounting Policies (Continued)

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

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

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

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

In the case of the initial capitalization of general infrastructure assets (i.e., those reported by governmental activities), the County chose to include all such items regardless of their acquisition date or amount. The County was able to estimate the historical cost for the initial reporting of these assets through backtrending (i.e., estimating the current replacement cost of the infrastructure to be capitalized and using an appropriate price-level index to deflate the cost to the acquisition year or estimated acquisition year).

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

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

<u>Class</u>	<u>Life in Years</u>
Buildings	40
Improvements	8-40
Equipment	3-30
Infrastructure	5-40

Note 1 - Summary of Significant Accounting Policies (Continued)

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

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

Deferred revenues in fund financial statements are those where asset recognition criteria have been met, but for which revenue recognition criteria have not been met. The County has reported deferred revenues of \$2,165,150 for real property taxes and \$3,233,592 for State and Federal aid received in advance in the General Fund. The County has also reported deferred revenues of \$346,082 for Federal aid received in advance in the Community Development Fund, \$5,459,031 in the Component Unit - Rockland County Community College for tuition and other fees received in advance. Such amounts have been deemed to be measurable but not "available" pursuant to generally accepted accounting principles.

Compensated Absences - The various collective bargaining agreements provide for the payment of accumulated vacation 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, unemployment benefits, scholarships and student services, permanent endowments and special revenue funds. The balance is classified as unrestricted.

Note 1 - Summary of Significant Accounting Policies (Continued)

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

F. Encumbrances

In governmental funds, encumbrance accounting, under which purchase orders, contracts and other commitments for the expenditure of monies are recorded in order to reserve applicable appropriations, is generally employed as an extension of formal budgetary integration in the General, County Road, Road Machinery, Community Development 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.

Note 2 - Stewardship, Compliance and Accountability (Continued)

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

Budgeted amounts are as originally adopted, or as amended by the County Legislature. 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 2008 was \$579,918,212, which exceeded the actual levy by \$526,116,288.

C. Fund Deficits

The General Fund has an undesignated deficit of \$31,526,746.

The County Road Fund, Home and Infirmary Fund, Rockland Tobacco Asset Securitization Corporation, Rockland Tobacco Second Asset Securitization Corporation, Workers' Compensating Fund and the General Services Fund also reflect undesignated or unrestricted deficits of \$170,449, \$42,341,122, \$63,361,810, \$5,471,401, \$418,757 and \$8,353,297, respectively at December 31, 2008. These deficits will be addressed in the subsequent year.

D. Prior Period Adjustment

A prior period adjustment in the amount of \$9,601,987 is recorded due to a change in the calculation of deferred real property tax revenue for 2008. Previously the calculation included delinquent taxes due from the County and other municipalities. The new calculation includes only

Note 2 - Stewardship, Compliance and Accountability (Continued)

the County portion of delinquent taxes. The result of this calculation was to increase fund balance as of January 1, 2008.

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>U.S. Government Obligations</u>	<u>Commercial Paper</u>	<u>Total</u>
Governmental Activities:				
General Fund	\$ -	\$ 6,676,613	\$ -	\$ 6,676,613
Capital Projects Fund	44,800,000	-	-	44,800,000
Community Development Fund	225,000	-	-	225,000
Debt Service Fund	6,900,000	-	-	6,900,000
	<u>51,925,000</u>	<u>6,676,613</u>	<u>-</u>	<u>58,601,613</u>
Business-type Activities -				
Rockland Tobacco Asset Securitization Corporation	<u>-</u>	<u>-</u>	<u>1,218,964</u>	<u>1,218,964</u>
	<u>\$ 51,925,000</u>	<u>\$ 6,676,613</u>	<u>\$ 1,218,964</u>	<u>\$ 59,820,577</u>

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

Restricted Investments

Restricted investments at December 31, 2008 consisted of the following:

Rockland Tobacco Asset Securitization Corporation - Commercial paper, at cost, which approximates fair value, due in February 2009, interest at 5.15%	\$ 3,525,691
Rockland Second Tobacco Asset Securitization Corporation - Commercial paper, at cost, which approximates fair value, due in February 2009, interest at 3.35%	<u>711,771</u>
	<u>\$ 4,237,462</u>

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

Note 3 - Detailed Notes on All Funds (Continued)

B. Taxes Receivable

Taxes receivable at December 31, 2008 consisted of the following:

Tax liens	\$ 14,985,269
Tax installments	3,460,286
Returned school districts taxes	22,042,671
Returned village taxes	<u>2,355,552</u>
	42,843,778
	<u>(1,950,913)</u>
Allowance for uncollectible taxes	<u><u>\$ 40,892,865</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 2009. Taxes receivable, at the fund level, are also partially offset by deferred tax revenues of \$2,165,150, which represents an estimate of the receivable which will not be collected within the first sixty days of the subsequent year.

C. Due From/To Other Funds, Advances From/To Other Funds

The balances reflected as due from/to other funds at December 31, 2008 were as follows:

Fund	Due From	Due To	Advances From/To
General	\$ 20,696,059	\$ 3,120,865	\$ 4,545,451
Capital Projects	-	4,137,212	-
Non-Major Governmental	5,154,075	616,347	-
Home and Infirmary	-	20,028,254	(3,061,408)
Internal Service	<u>2,052,544</u>	<u>-</u>	<u>(1,484,043)</u>
	<u><u>\$ 27,902,678</u></u>	<u><u>\$ 27,902,678</u></u>	<u><u>\$ -</u></u>

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

COUNTY OF ROCKLAND, NEW YORK

NOTES TO FINANCIAL STATEMENTS (Continued)
DECEMBER 31, 2008

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, 2008	Additions	Deductions	Balance December 31, 2008
Governmental Activities (inclusive of Internal Service Funds):				
Capital Assets, not being depreciated:				
Land	\$ 46,963,910	\$ 2,908,328	\$ -	\$ 49,872,238
Construction-in-progress	176,798,331	34,929,111	22,955,710	188,771,732
Total Capital Assets, not being depreciated	\$ 223,762,241	\$ 37,837,439	\$ 22,955,710	\$ 238,643,970
Capital Assets, being depreciated:				
Buildings	\$ 118,114,979	\$ -	\$ -	\$ 118,114,979
Improvements	77,372,737	19,983,252	-	97,355,989
Equipment	98,635,535	4,298,246	3,091,441	99,842,340
Infrastructure	519,801,121	916,713	-	520,717,834
Total Capital Assets, being depreciated	813,924,372	25,198,211	3,091,441	836,031,142
Less Accumulated Depreciation for:				
Buildings	38,549,476	3,793,128	-	42,342,604
Improvements	33,966,706	4,635,033	-	38,601,739
Equipment	47,930,976	11,205,618	3,091,441	56,045,153
Infrastructure	288,445,812	13,769,529	-	302,215,341
Total Accumulated Depreciation	408,892,970	33,403,308	3,091,441	439,204,837
Total Capital Assets, being depreciated, net	\$ 405,031,402	\$ (8,205,097)	\$ -	\$ 396,826,305
Governmental Activities Capital Assets, net	\$ 628,793,643	\$ 29,632,342	\$ 22,955,710	\$ 635,470,275

COUNTY OF ROCKLAND, NEW YORK

NOTES TO FINANCIAL STATEMENTS (Continued)
DECEMBER 31, 2008

Note 3 - Detailed Notes on All Funds (Continued)

Class	Balance January 1, 2008	Additions	Deductions	Balance December 31, 2008
Business-type Activities:				
Capital Assets, not being depreciated:				
Land	\$ 438,504	\$ -	\$ -	\$ 438,504
Construction-in-progress	934,092	1,123,901	370,219	1,687,774
Total Capital Assets, not being depreciated	\$ 1,372,596	\$ 1,123,901	\$ 370,219	\$ 2,126,278
Capital Assets, being depreciated:				
Buildings	\$ 46,467,787	\$ 56,560	\$ -	\$ 46,524,347
Improvements	345,975	-	-	345,975
Equipment	17,016,144	384,122	494,818	16,905,448
Total Capital Assets, being depreciated	63,829,906	440,682	494,818	63,775,770
Less Accumulated Depreciation for:				
Buildings	31,459,290	1,351,309	-	32,810,599
Improvements	345,975	-	-	345,975
Equipment	10,899,252	863,296	494,818	11,267,730
Total Accumulated Depreciation	42,704,517	2,214,605	494,818	44,424,304
Total Capital Assets, being depreciated, net	\$ 21,125,389	\$ (1,773,923)	\$ -	\$ 19,351,466
Business-type Activities				
Capital Assets, net	\$ 22,497,985	\$ (650,022)	\$ 370,219	\$ 21,477,744

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

Governmental Activities:	
General Government Support	\$ 5,394,334
Education	4,079,991
Public Safety	2,633,106
Health	387,089
Transportation	10,309,562
Economic Opportunity and Development	265,800
Culture and Recreation	323,172
Home and Community Services	6,948,425
Capital assets held by the government's internal service fund are charged to the various functions based on their usage of the assets	<u>3,061,829</u>
Total Depreciation Expense - Governmental Activities	\$ 33,403,308
Business-type Activities - Home and Infirmary	\$ 2,214,605

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, 2007	Additions	Balance August 31, 2008
Capital Assets, being depreciated - Equipment	\$ 6,823,428	\$ 1,147,025	\$ 7,970,453
Less Accumulated Depreciation	<u>(4,356,332)</u>	<u>(393,975)</u>	<u>(4,750,307)</u>
Community College Capital Assets, net	<u>\$ 2,467,096</u>	<u>\$ 753,050</u>	<u>\$ 3,220,146</u>

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

Class	Balance January 1, 2008	Additions	Balance December 31, 2008
Capital Assets, being depreciated - Equipment	\$ 12,895	\$ -	\$ 12,895
Less Accumulated Depreciation	<u>(12,635)</u>	<u>(260)</u>	<u>(12,895)</u>
Soil and Water Conservation District Capital Assets, net	<u>\$ 260</u>	<u>\$ (260)</u>	<u>\$ -</u>

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

Class	Balance January 1, 2008	Additions	Deductions	Balance December 31, 2008
Capital Assets, not being depreciated:				
Land	\$ 1,773,312	\$ 360,000	\$ -	\$ 2,133,312
Construction-in-progress	<u>349,094</u>	<u>-</u>	<u>(349,094)</u>	<u>-</u>
Total Capital Assets, not being depreciated	<u>\$ 2,122,406</u>	<u>\$ 360,000</u>	<u>\$ (349,094)</u>	<u>\$ 2,133,312</u>

COUNTY OF ROCKLAND, NEW YORK

NOTES TO FINANCIAL STATEMENTS (Continued)
DECEMBER 31, 2008

Note 3 - Detailed Notes on All Funds (Continued)

Class	Balance January 1, 2008	Additions	Deductions	Balance December 31, 2008
Capital Assets, being depreciated:				
Buildings	\$ 38,954,022	\$ 1,537,184	\$ -	\$ 40,491,206
Improvements	2,420,054	-	-	2,420,054
Equipment	12,947,944	864,852	-	13,812,796
Total Capital Assets, being depreciated	54,322,020	2,402,036	-	56,724,056
Less Accumulated Depreciation for:				
Buildings	14,536,507	2,024,561	-	16,561,068
Improvements	96,802	96,802	-	193,604
Equipment	6,203,575	675,933	-	6,879,508
Total Accumulated Depreciation	20,836,884	2,797,296	-	23,634,180
Total Capital Assets, being depreciated, net	\$ 33,485,136	\$ (395,260)	\$ -	\$ 33,089,876
Solid Waste Management Authority Capital Assets, net	\$ 35,607,542	\$ (35,260)	\$ (349,094)	\$ 35,223,188

E. Accrued Liabilities

Accrued liabilities at December 31, 2008 were as follows:

	Governmental Activities	Business- Type Activities	Total
Payroll and employee benefits	\$ 11,719,886	\$ -	11,719,886
Other	906,119	984,136	1,890,255
Total Accrued Liabilities	\$ 12,626,005	\$ 984,136	\$ 13,610,141

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, 2008	New Issues	Redemptions	Balance December 31, 2008
Revenue Anticipation Notes:							
County Operations	2008	3/19/09	2.0 %	\$ 65,000,000	\$ 80,000,000	\$ 65,000,000	\$ 80,000,000

The \$65,000,000 revenue anticipation note matured on March 20, 2008. The \$80,000,000 revenue anticipation note was issued on March 27, 2008 and matures on March 19, 2009 with interest at 2.0%. Interest expense of \$2,491,666 was recorded in the fund financial statements in the General Fund. Interest expense of \$1,213,333 was recorded in government-wide financial statements of governmental activities.

G. Short-Term Capital Borrowings

Governmental Activities:

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

Purpose	Year of Original Issue	Maturity Date	Rate of Interest	Balance January 1, 2008	New Issue	Redemptions	Balance December 31, 2008
Sewer Improvements	2007	2/21/08	4.00 %	\$ 1,600,000	\$ -	\$ 1,600,000	\$ -
Sewer Improvements	2008	2/19/09	1.90	-	800,000	-	800,000
Sewer Improvements	2007	4/25/08	3.85	1,400,000	-	1,400,000	-
Sewer Improvements	2008	4/24/09	2.50	-	2,370,000	-	2,370,000
Sewer Improvements	2007	9/6/08	3.90	8,000,000	-	8,000,000	-
Sewer Improvements	2008	9/03/09	3.00	-	21,336,000	-	21,336,000
				<u>\$ 11,000,000</u>	<u>\$ 24,506,000</u>	<u>\$ 11,000,000</u>	<u>\$ 24,506,000</u>

Business-type Activities:

Purpose	Year of Original Issue	Maturity Date	Rate of Interest	Balance January 1, 2008	New Issue	Redemptions	Balance December 31, 2008
Public Improvements	2008	9/3/2009	3.00 %	\$ -	\$ 235,000	-	\$ 235,000

Note 3 - Detailed Notes on All Funds (Continued)

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 \$310,267 and \$117,900 were recorded in the fund financial statements in the General Fund and Sewer Fund, respectively. Interest expense of \$267,160 was recorded in the government-wide financial statements for governmental activities.

Interest costs of \$2,291 were recorded in the Home and Infirmary, Enterprise fund, and capitalized as a component of capital assets.

H. Pension Plans

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

Funding Policy - The System is non-contributory except for employees who joined after July 27, 1976 and have less than ten years of service, who contribute 3% of their salary. Contributions are certified by the State Comptroller and expressed as a percentage of members' salary. Contribution rates are actuarially determined and based upon membership tier and plan. Contributions consist of a life insurance portion and regular pension contributions. Contribution rates for the plan year ended March 31, 2009 are as follows:

	<u>Tier/Plan</u>	<u>Rate</u>
1	553B	15.1%
1	75I	10.8
1	89D,M	14.2
1	89PAF	13.0
2	553B	15.0
2	75I	10.0
2	75I	9.9
2	89D,M	21.7
2	89PAF	12.8
2	89VR	12.8
3	A14	8.1

Note 3 - Detailed Notes on All Funds (Continued)

<u>Tier/Plan</u>		<u>Rate</u>
2	A14	8.0%
3	553B	14.0
4	A15	8.1
4	A15	8.0
4	553B	14.0
4	603OR	12.6
4	604PR	12.6
4	604S4	9.9
4	603R3	9.9
4	89PAF	9.9
4	89VR3	9.9
4	89VR4	9.9

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>
2008	\$ 12,955,645	\$ 743,189	\$ 109,076
2007	12,815,077	749,800	136,121
2006	12,660,464	888,433	168,372

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

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

	<u>Amount</u>
Governmental Funds:	
General	\$ 10,921,231
County Road	507,015
Road Machinery	47,016
Sewer	492,342
	<u>11,967,604</u>
Proprietary Funds:	
General Services	981,237
Workers' Compensation Benefits	6,804
	<u>988,041</u>
	<u>\$ 12,955,645</u>

Note 3 - Detailed Notes on All Funds (Continued)

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, 2008 are as follows:

<u>Tiers</u>	<u>Rate</u>
1-4	8.73%

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

2008	\$ 361,060
2007	345,410
2006	290,547

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, 2008, 2007 and 2006, the College incurred pension costs under this Plan of \$1,526,426, \$1,529,700 and \$1,581,200 respectively.

Note 3 - Detailed Notes on All Funds (Continued)

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, 2008, 2007 and 2006 were \$912, \$3,848 and \$5,539, respectively.

I. Long-Term Liabilities

The following table summarizes changes in the County's long-term indebtedness for the year ended December 31, 2008:

	Balance January 1, 2008	New Issues/ Additions	Maturities and/or Payments	Balance December 31, 2008	Due Within One Year
Governmental Activities:					
Bonds Payable	\$ 303,582,277	\$ 24,000,000	\$ 21,156,069	\$ 306,426,208	\$ 21,052,305
Less-Deferred amounts on refunding	(1,121,310)	-	(118,037)	(1,003,273)	-
	302,460,967	24,000,000	21,038,032	305,422,935	21,052,305
Compensated Absences	18,353,646	-	399,602	17,954,044	1,795,404
Pension Obligations	1,278,807	-	143,319	1,135,488	154,784
Claims Payable	11,446,572	5,848,503	6,219,741	11,075,334	1,107,533
Other Post Employment Benefit Obligation Payable	28,371,010	40,008,356	11,270,640	57,108,726	-
Governmental Activities Long-term Liabilities	<u>\$ 361,911,002</u>	<u>\$ 69,856,859</u>	<u>\$ 39,071,334</u>	<u>\$ 392,696,527</u>	<u>\$ 24,110,026</u>

COUNTY OF ROCKLAND, NEW YORK

NOTES TO FINANCIAL STATEMENTS (Continued)
DECEMBER 31, 2008

Note 3 - Detailed Notes on All Funds (Continued)

	Balance January 1, 2008	New Issues/ Additions	Maturities and/or Payments	Balance December 31, 2008	Due Within One Year
Business-type Activities:					
Bonds Payable	\$ 100,454,142	\$ -	\$ 1,740,652	\$ 98,713,490	\$ 2,652,620
Less-Deferred amounts on refunding	(1,631,509)	-	(65,846)	(1,565,663)	-
	98,822,633	-	1,674,806	97,147,827	2,652,620
Compensated Absences	13,559,593	-	1,658,871	11,900,722	1,190,072
Other Post Employment Benefit Obligation Payable	14,293,801	20,099,361	5,824,098	28,569,064	-
Business-type Activities					
Long-term Liabilities	<u>\$ 126,676,027</u>	<u>\$ 20,099,361</u>	<u>\$ 9,157,775</u>	<u>\$ 137,617,613</u>	<u>\$ 3,842,692</u>
Solid Waste Management Authority - Component Unit -					
Bonds Payable	\$ 37,330,000	\$ 27,535,000	\$ 1,810,000	\$ 63,055,000	\$ 1,880,000
Less-Deferred amounts on refunding	(131,726)	(1,191,896)	(273,105)	(1,050,517)	-
	37,198,274	26,343,104	1,536,895	62,004,483	1,880,000
Other Post Employment Benefit Obligations	768,670	703,888	-	1,472,558	-
	<u>\$ 37,966,944</u>	<u>\$ 27,046,992</u>	<u>\$ 1,536,895</u>	<u>\$ 63,477,041</u>	<u>\$ 1,880,000</u>

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

Bonds Payable

Bonds payable at December 31, 2008 are comprised of the following individual issues:

Purpose	Year of Issue	Original Issue Amount	Final Maturity	Interest Rates	Amount Outstanding at December 31, 2008
Sewer Improvements	1984	\$ 11,160,000	May, 2009	9.500 %	\$ 395,000
Sewer Improvements	1986	10,000,000	April, 2011	7.0-7.100	1,425,000
Sewer Improvements	1986	9,520,000	June, 2011	7.500	1,265,000
Public Improvements	1989	11,785,000	February, 2009	6.600	42,000

COUNTY OF ROCKLAND, NEW YORK

NOTES TO FINANCIAL STATEMENTS (Continued)
DECEMBER 31, 2008

Note 3 - Detailed Notes on All Funds (Continued)

Purpose	Year of Issue	Original Issue Amount	Final Maturity	Interest Rates	Amount Outstanding at December 31, 2008
Various Purposes	1992	\$ 9,950,000	April, 2012	5.500 %	\$ 48,000
Sewer EFC B	1993	2,675,000	November, 2013	2.65-5.200	775,000
Various Purposes A	1994	11,248,000	April, 2011	5.6-5.800	273,000
Various Purposes B	1994	12,347,000	November, 2014	6.000	264,000
Various Purposes	1997	19,806,000	August, 2009	4.6-5.000	2,120,000
Various Purposes	1998	25,477,000	May, 2013	4.1-4.400	10,235,000
Various Purposes	*1999	26,517,000	October, 2016	5.12-5.600	6,465,000
Various Purposes	*2000	15,225,000	November, 2016	4.75-5.125	9,440,000
Sewer Improvements	2001	6,000,000	October, 2031	4.75-5.000	5,280,000
Various Purposes	2001	14,425,000	October, 2016	4.0-5.000	9,150,000
Tobacco	2001	47,750,000	August, 2043	4.625-5.75	44,018,900
Sewer EFC-partial Refund 90B	2002	28,609,114	March, 2020	5.9-7.900	6,296,000
Sewer EFC-partial Refund 92A	2002	3,694,000	September, 2021	6.460	783,000
Sewer EFC-partial Refund 92B	2002	7,470,000	September, 2022	3.0-6.650	1,946,000
Sewer EFC-partial Refund 93A	2002	5,660,000	September, 2022	3.0-6.650	1,653,000
Various Purposes	*2002	16,673,000	October, 2017	3.125-4.000	11,570,000
Sewer EFC Refunding 1996	2003	4,855,000	December, 2025	4.625-5.200	3,795,000
Sewer Refunding 93 Bonds	*2003	3,525,000	March, 2017	2.75-4.000	2,115,000
Various Purposes	2003	21,027,000	June, 2023	4.0-2.500	17,410,000
Tobacco	2003	9,715,000	June 2041	5.027-5.27	7,390,485
Sewer EFC 2004D	2004	31,082,062	February, 2034	2.48-5.150	28,755,000
Various Purposes	*2004	29,311,745	January, 2017	3.0-6.000	23,090,000
Sewer EFC 2005A	2005	12,395,713	May, 2034	2.094-4.569	11,030,000
Sewer EFC 2005B	2005	34,756,050	October, 2034	2.659-4.129	31,430,000
Various Purposes	2005	30,000,000	February, 2019	3.0-4.000	25,090,000
Tobacco	2005	26,964,181	August, 2040	5.875-7.624	31,825,388
Sewer EFC 2006C	2006	14,930,177	April, 2035	3.671-4.731	14,120,177
Various Purposes A	*2006	24,512,500	April, 2017	3.75-4.000	22,005,000
Various Purposes B	*2006	13,749,700	December, 2021	3.70-4.000	12,720,000
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
Mirant Settlement	2008	24,000,000	June, 2028	4.0-4.650	24,000,000
					<u>\$ 405,139,698</u>

*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.

COUNTY OF ROCKLAND, NEW YORK

NOTES TO FINANCIAL STATEMENTS (Continued)
DECEMBER 31, 2008

Note 3 - Detailed Notes on All Funds (Continued)

Payments to Maturity

The annual requirements to amortize all bonded debt outstanding as of December 31, 2008 including interest payments of \$148,763,477 are as follows:

Year Ending December 31,	Governmental Activities		Business-Type Activities		Total	
	Principal	Interest	Principal	Interest	Principal	Interest
2009	\$ 21,052,305	\$ 11,444,194	\$ 2,652,620	\$ 3,679,282	\$ 23,704,925	\$ 15,123,476
2010	20,194,979	10,050,430	2,493,022	3,546,909	22,688,001	13,597,339
2011	20,842,440	9,276,943	2,661,560	3,427,240	23,504,000	12,704,183
2012	20,573,760	8,526,813	2,809,240	3,304,062	23,383,000	11,830,875
2013	21,092,505	7,775,123	2,943,495	3,172,704	24,036,000	10,947,827
2014-2018	90,018,677	27,797,835	13,098,322	14,305,747	103,116,999	42,103,582
2019-2023	49,716,027	15,003,542	14,856,973	9,919,609	64,573,000	24,923,151
2024-2028	37,550,515	7,230,467	18,714,464	5,266,333	56,264,979	12,496,800
2029-2033	20,155,000	2,272,308	19,048,794	1,260,810	39,203,794	3,533,118
2034-2038	5,230,000	139,626	10,855,000	1,240,785	16,085,000	1,380,411
2039-2043	-	-	8,580,000	122,715	8,580,000	122,715
	<u>\$ 306,426,208</u>	<u>\$ 99,517,281</u>	<u>\$ 98,713,490</u>	<u>\$ 49,246,196</u>	<u>\$ 405,139,698</u>	<u>\$ 148,763,477</u>

Interest expenditures/expense of \$10,425,095 and \$413,341, were recorded in the fund financial statements in the Debt Service Fund and Internal Service Fund, respectively. Interest expense of \$11,919,746 was recorded in the government-wide financial statements for governmental activities. Interest expense of \$226,961, \$4,543,815 and \$468,197 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, 2008, \$14,240,000 of bonds outstanding are considered defeased.

Note 3 - Detailed Notes on All Funds (Continued)

Indebtedness – Component Unit

Solid Waste Management Authority

Bonds payable at December 31, 2008 consisted of the following issues:

<u>Purpose</u>	<u>Year of Issue</u>	<u>Original Issue Amount</u>	<u>Final Maturity</u>	<u>Interest Rates</u>	<u>Amount Outstanding at December 31, 2008</u>
Serial Bonds	1996	\$ 11,620,000	December 2014	5.625 %	\$ 3,465,000
Serial Bonds	1999	4,000,000	December 2018	5.13 - 5.750	2,570,000
Serial Bonds	2003	15,273,468	December 2025	3.959 - 6.189	12,430,000
Serial Bonds	2003	8,720,000	December 2028	3.0 - 5.125	7,760,000
Serial Bonds	2006	10,080,000	December 2021	4.0 - 5.000	9,295,000
Serial Bonds	2008	27,535,000	December 2023	3.25 - 5.750	27,535,000
					<u>\$ 63,055,000</u>

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

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

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

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

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

Note 3 - Detailed Notes on All Funds (Continued)

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

The annual requirements to amortize all bonds outstanding at December 31, 2008, including interest of \$33,982,103 are as follows:

<u>Year Ending December 31,</u>	<u>Principal</u>	<u>Interest</u>	<u>Total</u>
2009	\$ 1,880,000	\$ 3,302,890	\$ 5,182,890
2010	2,820,000	3,232,644	6,052,644
2011	2,940,000	3,110,955	6,050,955
2012	3,075,000	2,979,626	6,054,626
2013	3,215,000	2,836,761	6,051,761
2014-2018	18,680,000	11,591,543	30,271,543
2019-2023	24,220,000	6,025,790	30,245,790
2024-2028	6,075,000	892,144	6,967,144
2029-2033	150,000	9,750	159,750
	63,055,000	<u>\$ 33,982,103</u>	<u>\$ 97,037,103</u>
Less: Unamortized original issue discount	<u>(1,050,517)</u>		
	<u>\$ 62,004,483</u>		

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 \$2,445,000 were outstanding at December 31, 2008.

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.

Note 3 - Detailed Notes on All Funds (Continued)

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, 2008, the expense related to vested vacation pay for employees was accrued based upon pay rates currently in effect. Accrued vacation pay aggregated approximately \$4,370,129 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, 2008 was \$184,454. These amounts are included in accrued liabilities of the Authority.

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

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

Pension Obligations

Section 89P of the New York State Retirement and Social Security Law authorizes the granting of credit for previous services performed by a correction officer, a Sheriff, an Under-sheriff, and a Deputy Sheriff. The aggregate cost of the program is \$2,456,230. The payment terms provide for repayment over a ten-year period with interest at 8.5%. The current year payment of \$245,623 has been charged to the General Fund. The remaining liability for this program is \$1,135,488 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.

Note 3 - Detailed Notes on All Funds (Continued)

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

	December 31, 2008		
	Workers' Compensation Benefits	General Liability Claims	Unemployment Benefits
Balance - Beginning of Year	\$ 5,714,769	\$ 5,731,803	\$ -
Provision for Claims and Claims Adjustment Expenses	3,720,974	1,999,547	127,982
Claims and Claims Adjustment Expenses Paid	<u>(3,878,873)</u>	<u>(2,212,886)</u>	<u>(127,982)</u>
Balance - End of Year	<u>\$ 5,556,870</u>	<u>\$ 5,518,464</u>	<u>\$ -</u>
Due With One Year	<u>\$ 555,687</u>	<u>\$ 551,846</u>	<u>\$ -</u>

	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	3,377,238	2,577,046	117,029
Claims and Claims Adjustment Expenses Paid	<u>(2,962,507)</u>	<u>(2,886,751)</u>	<u>(117,029)</u>
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>

Other Post Employment Benefit Obligations Payable

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

Note 3 - Detailed Notes on All Funds (Continued)

Expenditures/expenses for the primary government in 2008 aggregated \$17,094,738 and were paid on behalf of 2,004 retirees. Expenses for the College aggregated approximately \$3,720,380 for 313 retirees for the year ended August 31, 2008. 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 other post employment benefit (OPEB) cost (expense) is calculated based on the annual required contribution, (ARC), an amount actuarially determined in accordance with the parameters of GASB Statement No. 45. GASB Statement No. 45 establishes standards for the measurement, recognition and display of the expenses and liabilities for retirees' medical insurance. As a result, reporting of expenses and liabilities will no longer be done under the "pay-as-you-go" approach. Instead of expensing the current year premiums paid, a per capita claims cost will be determined, which will be used to determine a "normal cost", an "actuarial accrued liability", and ultimately the annual required contribution (ARC). The ARC represents a level of funding that, if paid on an ongoing basis, is projected to cover normal cost each year and amortize any unfunded actuarial liabilities over a period not to exceed thirty years. For the calendar year ended December 31, 2008, the County's annual OPEB cost of \$69,830,000 was equal to the Annual Required Contribution.

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

- (1) The County is required to accrue on the government-wide and proprietary fund financial statements the amounts necessary to finance the plan as actuarially determined, which is equal to the balance not paid by plan members. Funding for the plan has been established on a pay-as-you-go basis.
- (2) The assumed increase in postretirement benefits is 10% for the first year, decreases in years two through seven to 9%, 8%, 7%, 6% (for years five and six) and 5% respectively, and then continues at 5% thereafter.
- (3) The amortization basis is the level percentage of payroll method with an open amortization approach.
- (4) The unit credit method was used to determine the actuarial value of assets of the OPEB plan, however, the City currently has no assets set aside for the purpose of paying postemployment benefits.
- (5) The actuarial cost method utilized was the unit credit method.
- (6) The investment rate of return and the annual healthcare cost trend rate assume a 3% inflation assumption.

COUNTY OF ROCKLAND, NEW YORK

NOTES TO FINANCIAL STATEMENTS (Continued)
 DECEMBER 31, 2008

Note 3 - Detailed Notes on All Funds (Continued)

For the calendar year ended December 31, 2008, the County's annual OPEB cost was \$26,119,733 for the Operating Funds.

General Fund	\$ 23,015,990
County Road Fund	1,398,865
Road Machinery Fund	119,329
Sewer Fund	<u>1,585,549</u>
	<u>\$ 26,119,733</u>

For the calendar year ended December 31, 2008, the County's annual OPEB cost for the Internal Service Funds was \$2,617,983.

General Service Fund	\$ 2,600,279
Workers' Compensation Fund	<u>17,704</u>
	<u>\$ 2,617,983</u>

For the calendar year ended December 31, 2008, the County's annual OPEB cost was \$14,274,263 for the Hospital Fund.

Hospital Fund	<u>\$ 14,275,263</u>
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The number of participants as of December 31, 2008 was as follows:

	<u>Operating Funds</u>	<u>Internal Service Funds</u>	<u>Hospital Funds</u>
Active employees	1,569	160	779
Retired employees	<u>1,365</u>	<u>172</u>	<u>825</u>
Total	<u>2,934</u>	<u>332</u>	<u>1,604</u>

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

Note 3 - Detailed Notes on All Funds (Continued)

	Operating Funds	Internal Service Funds	Hospital Funds
Amortization Component:			
Actuarial Accrued Liability as of January 1, 2009	\$ 356,878,422	\$ 38,141,295	\$ 204,013,110
Assets at Market Value	-	-	-
Unfunded Actuarial Accrued Liability	<u>356,878,422</u>	<u>38,141,295</u>	<u>204,013,110</u>
Funded Ratio	<u>0%</u>	<u>0%</u>	<u>0%</u>
Covered Payroll (active plan members)	<u>1,125,688</u>	<u>11,760,923</u>	<u>463,834</u>
UAAL as a percentage of covered payroll	<u>317%</u>	<u>324%</u>	<u>467%</u>
Annual Required Contribution	36,571,687	3,863,694	20,314,503
Interest on Net OBEB Obligation	1,288,526	130,025	714,690
Adjustment to Annual Required Contribution	<u>(1,676,410)</u>	<u>(169,166)</u>	<u>(929,832)</u>
Annual OPEB Cost	36,183,803	3,824,553	20,099,361
Contributions Made	<u>(10,064,070)</u>	<u>(1,206,570)</u>	<u>(5,824,098)</u>
Increase in Net OPEB Obligation	26,119,733	2,617,983	14,275,263
Net OPEB Obligation - Beginning of Year	<u>25,770,515</u>	<u>2,600,495</u>	<u>14,293,801</u>
Net OPEB Obligation - End of Year	<u>\$ 51,890,248</u>	<u>\$ 5,218,478</u>	<u>\$ 28,569,064</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, 2008 actuarial valuation, the projected unit credit method was used. The actuarial assumptions utilized a 5.0% discount rate.

Note 3 - Detailed Notes on All Funds (Continued)

J. Revenues and Expenditures

Interfund Transfers

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

Transfers Out	Transfers In			Total
	General	Capital Projects	Non-Major Governmental	
General	\$ -	\$ -	\$ 31,246,101	\$ 31,246,101
Capital Projects	7,995,872	-	2,074,824	10,070,696
Non-Major Governmental	3,500,000	903,665	12,268,224	16,671,889
	<u>\$ 11,495,872</u>	<u>\$ 903,665</u>	<u>\$ 45,589,149</u>	<u>\$ 57,988,686</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.

Note 3 - Detailed Notes on All Funds (Continued)

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

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

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

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

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

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

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

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

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.

Note 3 - Detailed Notes on All Funds (Continued)

Reserved

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

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

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

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

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

Unreserved - Designations

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

Designated for Transportation Projects - This designation, \$5,522,197, 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, \$758,925, 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, 2008, the County Legislature has designated that \$1,877,952 of the fund balance of the Sewer District Fund and \$7,500,000 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 seeking reimbursement for past costs associated with the closure of a municipal solid waste landfill. The litigation has not yet commenced and the parties continue to negotiate a potential settlement. It is not possible at this time to predict the outcome of this matter or the amount of contingent liability.

The County is a defendant in a lawsuit by a plaintiff seeking reimbursement on a drainage issue claiming that the County excavated dredged spoils during a construction project. The amount claimed by plaintiff is \$308,667. The case has been referred to a Magistrate Judge for discussions with all parties. The settlement conference has been scheduled for July 16, 2009. It is not possible to predict the outcome at this time.

A claim for compensation has been filed against the County in connection with acquisition of land condemnation in the Town of Ramapo. The County offered a sum of \$244,800 for condemnation. The plaintiff asserts that the property has a value in excess of \$8 million. A trial to determine the value is scheduled for July 2009 with the Supreme Court of Rockland County. At this time it is not possible to predict the outcome or the range of loss.

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.

B. Risk Management

Liability Claims

The County is currently self-insured for general liability, property damage and medical malpractice claims. In addition, the County maintains a commercial insurance policy, with coverage up \$330 million. The County claims administrator has reviewed the status of all incurred and incurred but not reported cases and believes that the amounts accrued within the Internal Service Funds are sufficient. Conventional insurance is not purchased for catastrophic losses.

Note 4 - Summary Disclosure of Significant Contingencies (Continued)

Workers' Compensation

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

Unemployment Benefits

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

Component Units

Rockland Community College

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

Soil and Water Conservation District

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

Solid Waste Management Authority

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

Note 4 - Summary Disclosure of Significant Contingencies (Continued)

C. Contingencies

The County and the College participate in various Federal grant programs. These programs are subject to program compliance audits pursuant to the Single Audit Act. This audit is currently in process and the report will be issued under separate cover. Accordingly, the County and the College's compliance with applicable grant requirements will be established at a future date. The amount of expenditures which may be disallowed by the granting agencies cannot be determined at this time, although the entities anticipate such amounts, if any, to be immaterial.

Note 5 - Subsequent Events

The County, on April 23, 2009, issued bond anticipation notes in the amount of \$2,360,000 due April 23, 2010, and bearing interest of 2.5%.

The County, on March 20, 2009, issued tax anticipation notes in the amounts of \$45,000,000, due March 9, 2010, and bearing interest of 2.00%.

The County, on March 20, 2009, issued revenue anticipation notes in the amounts of \$40,000,000. The notes bear interest at 2.5%, and mature on March 9, 2010.

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, 2008 AND 2007

<u>ASSETS</u>	<u>2008</u>	<u>2007</u>
Cash - Demand deposits	\$ 21,439,649	\$ 12,163,905
Investments	6,676,613	10,541,354
Taxes Receivable:		
Tax liens	14,985,269	13,242,293
Tax installments	3,460,286	2,634,318
Returned school and village taxes	24,398,223	23,278,830
	42,843,778	39,155,441
Allowance for uncollectible taxes	(1,950,913)	(1,626,500)
	40,892,865	37,528,941
Other Receivables:		
Accounts, net of allowance for uncollectible amounts	25,479,640	28,337,436
State and Federal aid, net of allowance for uncollectible amounts	67,832,145	43,477,795
Due from other governments	6,589,538	9,315,898
Due from other funds	20,696,059	14,407,931
Advances to other funds	4,545,451	14,685,084
	125,142,833	110,224,144
Prepaid Expenditures	2,106,463	2,594,640
Total Assets	\$ 196,258,423	\$ 173,052,984
<u>LIABILITIES AND FUND BALANCE</u>		
Liabilities:		
Accounts payable	\$ 25,516,343	\$ 17,808,164
Accrued liabilities	10,289,409	11,647,248
Due to other governments	2,312,723	4,563,964
Due to school districts	46,362,278	48,444,935
Due to other funds	3,120,865	816,129
Deferred revenues - Taxes	2,165,150	11,221,055
Deferred revenues - Other	3,233,592	2,213,261
Revenue anticipation note payable	80,000,000	65,000,000
Total Liabilities	173,000,360	161,714,756
Fund Balance (Deficit):		
Reserved for encumbrances	2,768,545	4,346,295
Reserved for prepaid expenditures	2,106,463	2,594,640
Reserved for law enforcement	13,830,349	150,637
Reserved for Stop - DWI Program	1,116,540	898,655
Reserved for handicapped parking	56,965	56,965
Reserved for long-term receivable	12,088,102	-
Reserved for compensated absences	11,595,781	11,599,622
Reserved for debt service	6,676,613	10,541,354
Reserved for advances	4,545,451	14,685,084
Unreserved and undesignated:		
Road Machinery Fund - Deficit	-	(42,333)
Home and Infirmary Fund - Deficit	(3,061,408)	(11,835,883)
General Services Fund - Deficit	(1,484,043)	(2,806,868)
Bonds to be issued for tax certiorari	-	(24,000,000)
Undesignated	(26,981,295)	(33,535,024)
Total Fund Balance	23,258,063	11,338,228
Total Liabilities and Fund Balance	\$ 196,258,423	\$ 173,052,984

GENERAL FUND
 COMPARATIVE SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES
 IN FUND BALANCE - BUDGET AND ACTUAL
 YEARS ENDED DECEMBER 31, 2008 AND 2007

	2008			Variance with Final Budget Positive (Negative)
	Original Budget	Final Budget	Actual	
Revenues:				
Real property taxes	\$ 53,801,924	\$ 53,801,924	\$ 53,300,876	\$ (501,048)
Other tax items	8,700,000	8,700,000	7,125,096	(1,574,904)
Non-property taxes	190,745,000	190,745,000	173,963,636	(16,781,364)
Departmental income	35,185,830	35,540,960	31,054,928	(4,486,032)
Use of money and property	2,085,500	2,085,500	3,373,710	1,288,210
Licenses and permits	1,718,000	1,718,000	1,637,918	(80,082)
Fines and forfeitures	893,742	893,742	1,046,086	152,344
Sale of property and compensation for loss	107,000	125,864	40,543	(85,321)
Interfund revenues	15,360,128	15,360,128	15,257,173	(102,955)
State aid	89,171,822	95,974,931	98,088,322	2,113,391
Federal aid	39,203,216	48,111,796	57,862,868	9,751,072
Miscellaneous	3,070,006	3,296,694	2,362,789	(933,905)
Total Revenues	440,042,168	456,354,539	445,113,945	(11,240,594)
Expenditures:				
Current:				
General government support	69,044,214	60,742,268	60,184,410	557,858
Education	66,285,121	67,816,121	67,786,623	29,498
Public safety	57,566,548	61,281,062	61,193,182	87,880
Health	39,871,942	46,748,402	46,691,701	56,701
Transportation	28,854,627	29,452,027	29,451,791	236
Economic opportunity and development	150,151,187	162,704,179	162,504,738	199,441
Culture and recreation	636,591	667,591	667,428	163
Home and community services	7,446,884	7,688,235	7,685,185	3,050
Employee benefits	8,616,380	8,543,380	8,537,991	5,389
Debt Service - Interest	2,565,000	2,809,000	2,801,933	7,067
Total Expenditures	431,038,494	448,452,265	447,504,982	947,283
Excess (Deficiency) of Revenues Over Expenditures	9,003,674	7,902,274	(2,391,037)	(10,293,311)
Other Financing Sources (Uses):				
Bonds issued	-	-	24,000,000	24,000,000
Premium on obligations	-	-	459,114	459,114
Transfers in	12,708,547	12,897,947	11,495,872	(1,402,075)
Transfers out	(32,158,516)	(31,246,516)	(31,246,101)	415
Total Other Financing Sources (Uses)	(19,449,969)	(18,348,569)	4,708,885	23,057,454
Net Change in Fund Balance	(10,446,295)	(10,446,295)	2,317,848	12,764,143
Fund Balance - Beginning of Year, as previously reported	10,446,295	10,446,295	11,338,228	891,933
Prior Period Adjustment	-	-	9,601,987	9,601,987
Fund Balance - Beginning of Year, as restated	10,446,295	10,446,295	20,940,215	10,493,920
Fund Balance - End of Year	\$ -	\$ -	\$ 23,258,063	\$ 23,258,063

2007

Original Budget	Final Budget	Actual	Variance with Final Budget Positive (Negative)
\$ 46,253,000	\$ 46,253,000	\$ 46,469,638	\$ 216,638
10,010,000	10,010,000	5,050,394	(4,959,606)
178,700,000	178,700,000	179,381,518	681,518
32,643,822	32,960,229	30,736,433	(2,223,796)
16,195,968	16,195,968	15,452,274	(743,694)
1,495,000	1,541,500	1,388,246	(153,254)
851,045	851,045	975,368	124,323
109,000	109,000	47,318	(61,682)
14,641,448	14,641,448	14,379,729	(261,719)
88,188,650	96,039,180	89,967,943	(6,121,237)
36,035,220	43,010,978	42,933,094	(77,884)
10,360,000	10,649,009	2,385,637	(8,263,372)
<u>435,483,153</u>	<u>451,011,357</u>	<u>429,167,592</u>	<u>(21,843,765)</u>
56,422,631	54,850,361	56,515,494	(1,665,133)
60,812,230	60,649,060	60,595,502	53,558
55,975,093	59,847,818	59,002,667	845,151
39,037,300	52,976,155	51,976,073	1,000,082
24,284,305	29,962,987	27,931,369	2,031,618
149,695,992	151,751,937	150,581,714	1,170,223
631,591	661,691	661,650	41
7,475,183	7,644,520	7,547,032	97,488
8,051,008	7,959,008	7,910,802	48,206
17,398,000	17,513,000	17,509,980	3,020
<u>419,783,333</u>	<u>443,816,537</u>	<u>440,232,283</u>	<u>3,584,254</u>
15,699,820	7,194,820	(11,064,691)	(18,259,511)
-	8,300,000	8,095,748	(204,252)
-	-	-	-
10,777,053	10,897,053	13,097,053	2,200,000
(28,884,750)	(28,799,750)	(28,799,079)	671
<u>(18,107,697)</u>	<u>(9,602,697)</u>	<u>(7,606,278)</u>	<u>1,996,419</u>
<u>(2,407,877)</u>	<u>(2,407,877)</u>	<u>(18,670,969)</u>	<u>(16,263,092)</u>
2,407,877	2,407,877	50,150,100	47,742,223
-	-	(20,140,903)	(20,140,903)
<u>2,407,877</u>	<u>2,407,877</u>	<u>30,009,197</u>	<u>27,601,320</u>
-	\$ -	\$ 11,338,228	\$ 11,338,228

COUNTY OF ROCKLAND, NEW YORK

GENERAL FUND
 SCHEDULE OF REVENUES AND OTHER FINANCING SOURCES COMPARED TO BUDGET
 YEAR ENDED DECEMBER 31, 2008
 (With Comparative Actuals for 2007)

	Original Budget	Final Budget	Actual	Variance with Final Budget Positive (Negative)	2007 Actual
REAL PROPERTY TAXES	\$ 53,801,924	\$ 53,801,924	\$ 53,300,876	\$ (501,048)	\$ 46,469,635
OTHER TAX ITEMS					
Interest and penalties on real property taxes	7,750,000	7,750,000	6,472,073	(1,277,927)	4,884,312
Gain on sale of tax acquired property	750,000	750,000	455,390	(294,610)	-
Payments in lieu of taxes	200,000	200,000	197,633	(2,367)	166,082
Total Other Tax Items	8,700,000	8,700,000	7,125,096	(1,574,904)	5,050,394
NON-PROPERTY TAXES					
Sales and use tax	181,700,000	181,700,000	168,498,939	(13,201,061)	171,551,520
Mortgage tax	8,300,000	8,300,000	5,115,544	(3,184,456)	7,416,530
E-911 surcharge	745,000	745,000	349,153	(395,847)	413,468
Total Non-Property Taxes	190,745,000	190,745,000	173,963,636	(16,781,364)	179,381,518
DEPARTMENTAL INCOME					
General government support	12,696,200	12,907,940	12,115,560	(792,380)	12,276,654
Public safety	2,447,875	2,453,727	1,585,984	(867,743)	1,388,501
Health	5,398,955	5,536,493	4,091,463	(1,445,030)	3,864,358
Transportation	7,240,800	7,240,800	7,231,957	(8,843)	7,092,017
Economic opportunity and development	3,034,000	3,034,000	5,998,633	2,964,633	6,082,557
Home and community services	22,000	22,000	31,249	9,249	29,766
Employee benefits	4,346,000	4,346,000	82	(4,345,918)	2,580
Total Departmental Income	35,185,830	35,540,960	31,054,928	(4,486,032)	30,736,433
USE OF MONEY AND PROPERTY					
Earnings on investments	2,000,000	2,000,000	3,285,209	1,285,209	15,365,523
Rental of real property	85,500	85,500	88,501	3,001	86,751
Total Use of Money and Property	2,085,500	2,085,500	3,373,710	1,288,210	15,452,274
LICENSES AND PERMITS					
Licenses	1,133,000	1,133,000	1,102,773	(30,227)	830,128
Alarm charges	585,000	585,000	535,145	(49,855)	558,118
Total Licenses and Permits	1,718,000	1,718,000	1,637,918	(80,082)	1,388,246
FINES AND FORFEITURES					
Fines	818,742	818,742	1,006,672	187,930	786,169
Forfeitures	75,000	75,000	39,414	(35,586)	189,199
Total Fines and Forfeitures	893,742	893,742	1,046,086	152,344	975,368
SALE OF PROPERTY AND COMPENSATION FOR LOSS					
Other sales	65,000	83,864	31,007	(52,857)	34,429
Insurance recoveries	42,000	42,000	9,536	(32,464)	12,889
Total Sale of Property and Compensation for Loss	107,000	125,864	40,543	(85,321)	47,318
INTERFUND REVENUES					
Pension bond allocation	1,486,455	1,486,455	1,486,455	-	1,430,000
Classified ad chargebacks	13,000	13,000	-	(13,000)	9,331
Chargeback - Liability and health insurance	628,800	628,800	575,017	(53,783)	586,788
Interfund revenues - Central Services	4,247,993	4,247,993	4,494,940	246,947	4,273,551
Community College Fund	8,983,880	8,983,880	8,700,761	(283,119)	8,080,059
Total Interfund Revenues	15,360,128	15,360,128	15,257,173	(102,955)	14,379,729

(Continued)

COUNTY OF ROCKLAND, NEW YORK

GENERAL FUND
 SCHEDULE OF REVENUES AND OTHER FINANCING SOURCES COMPARED TO BUDGET (Continued)
 YEAR ENDED DECEMBER 31, 2008
 (With Comparative Actuals for 2007)

	Original Budget	Final Budget	Actual	Variance with Final Budget Positive (Negative)	2007 Actual
STATE AID					
General government support	\$ 1,536,500	\$ 1,825,821	\$ 2,643,450	\$ 817,629	\$ 655,663
Public safety	2,230,545	3,299,444	2,916,710	(382,734)	2,813,069
Health	44,339,277	47,694,197	47,517,230	(176,967)	45,207,940
Transportation	13,120,000	13,141,000	15,305,731	2,164,731	14,930,105
Economic opportunity and development	27,857,500	29,916,469	29,609,300	(307,169)	26,275,235
Culture and recreation	88,000	98,000	86,792	(11,208)	85,931
Home and community services	-	-	9,109	9,109	-
Total State Aid	89,171,822	95,974,931	98,088,322	2,113,391	89,967,943
FEDERAL AID					
General government support	687,931	1,456,205	1,365,802	(90,403)	847,790
Public safety	228,100	1,660,494	15,348,768	13,688,274	766,003
Health	392,505	3,403,899	3,093,559	(310,340)	3,133,183
Transportation	826,000	2,626,000	2,894,408	268,408	3,087,361
Economic opportunity and development	36,798,680	38,587,822	34,838,090	(3,749,732)	34,891,199
Home and community services	270,000	377,376	322,241	(55,135)	207,558
Total Federal Aid	39,203,216	48,111,796	57,862,868	9,751,072	42,933,094
MISCELLANEOUS					
Refund of prior year's expenditures	50,000	50,000	579,455	529,455	46,630
OTB distributed earnings	3,000,000	3,000,000	1,587,195	(1,412,805)	1,941,924
Other	20,006	246,694	196,139	(50,555)	397,083
Total Miscellaneous	3,070,006	3,296,694	2,362,789	(933,905)	2,385,637
TOTAL REVENUES	440,042,168	456,354,539	445,113,945	(11,240,594)	429,167,592
OTHER FINANCING SOURCES					
Bonds Issued	-	-	24,000,000	24,000,000	8,095,748
Premium on obligations	-	-	459,114	459,114	-
Transfers in:					
Debt Service Fund	3,500,000	3,500,000	3,500,000	-	7,188,000
Capital Projects Fund	9,208,547	9,397,947	7,995,872	(1,402,075)	5,909,053
TOTAL OTHER FINANCING SOURCES	12,708,547	12,897,947	35,954,986	23,057,039	21,192,801
TOTAL REVENUES AND OTHER FINANCING SOURCES	\$ 452,750,715	\$ 469,252,486	\$ 481,068,931	\$ 11,816,445	\$ 450,360,393

COUNTY OF ROCKLAND, NEW YORK

GENERAL FUND
 SCHEDULE OF EXPENDITURES AND OTHER FINANCING USES COMPARED TO BUDGET
 YEAR ENDED DECEMBER 31, 2008
 (With Comparative Actuals for 2007)

	Original Budget	Final Budget	Actual	Variance with Final Budget Positive (Negative)	2007 Actual
GENERAL GOVERNMENT SUPPORT					
Legislative Branch	\$ 4,001,088	\$ 3,669,188	\$ 3,636,911	\$ 32,277	\$ 3,687,902
County Executive	4,425,546	4,682,525	4,657,117	25,408	4,052,327
Youth Bureau	2,106,606	2,381,154	2,353,045	28,109	2,192,395
Community Development Program	1,127,324	1,187,224	1,186,685	539	981,999
District Attorney	7,066,480	7,562,255	7,556,431	5,824	7,253,789
Public Defender	2,933,335	2,996,125	2,994,615	1,510	2,835,180
Assigned Counsel	1,355,160	1,305,160	1,302,962	2,198	1,156,129
Medical Examiner	1,450,651	1,560,251	1,559,643	608	1,543,062
Department of Budget and Finance	5,128,734	4,728,734	4,712,155	16,579	5,889,676
Department of Records	4,297,021	4,446,008	4,439,409	6,599	4,170,567
Department of Law	3,257,562	3,297,839	3,296,859	980	3,285,673
Department of Personnel	3,921,148	4,283,648	4,283,316	332	3,906,270
Board of Elections	3,199,271	3,200,869	3,199,456	1,413	2,660,197
Other General Departments	2,004,876	2,818,176	2,807,427	10,749	3,609,545
Department of Insurance	1,186,850	1,018,250	1,009,546	8,704	1,059,496
Revenue Sharing - Sales Tax	11,300,000	10,532,000	10,531,184	816	7,619,823
Department of Tourism	555,594	549,394	548,219	1,175	502,034
Contingent fund	9,617,538	414,038	-	414,038	-
Contract Agencies	109,430	109,430	109,430	-	109,430
Total General Government Support	69,044,214	60,742,268	60,184,410	557,858	56,515,494
EDUCATION					
Community college tuition	1,300,000	1,531,000	1,530,865	135	1,337,021
Contribution to Community College Fund	14,921,409	14,921,409	14,921,409	-	14,047,480
Education of handicapped children	50,063,712	51,363,712	51,334,349	29,363	45,211,001
Total Education	66,285,121	67,816,121	67,786,623	29,498	60,595,502
PUBLIC SAFETY					
Office of the Sheriff	21,512,011	23,863,079	23,796,425	66,654	22,969,589
Correctional Facility	23,151,105	24,358,861	24,358,562	299	23,159,915
Narcotics task force	2,907,187	2,960,487	2,959,219	1,268	2,970,794
Probation Department	6,006,676	6,098,974	6,084,384	14,590	5,871,404
Department of Fire and Emergency Services	3,054,809	3,135,220	3,133,728	1,492	3,129,816
E-911 telephone system	795,090	724,771	721,194	3,577	761,479
Contract Agencies	139,670	139,670	139,670	-	139,670
Total Public Safety	57,566,548	61,281,062	61,193,182	87,880	59,002,667
HEALTH					
Department of Health	30,969,162	36,971,508	36,921,286	50,222	42,950,598
Department of Mental Health	400,000	412,000	411,777	223	389,871
Contracted mental health services	7,810,800	8,672,914	8,666,558	6,256	7,943,624
Contracted health services	691,980	691,980	691,980	-	691,980
Total Health	39,871,942	46,748,402	46,691,701	56,701	51,976,073
TRANSPORTATION					
Public transportation	28,854,627	29,452,027	29,451,791	236	27,931,369
ECONOMIC OPPORTUNITY AND DEVELOPMENT					
Department of Social Services	49,617,807	55,772,299	55,681,795	90,504	52,261,899
Social Services Program Grants	91,180,000	97,510,800	97,425,800	85,000	89,257,962
Veterans' Service Agency	493,283	503,883	490,634	13,249	497,757
Consumer Protection	1,861,224	1,937,424	1,936,102	1,322	1,772,620
Office of the Aging	5,384,198	5,363,098	5,361,232	1,866	5,176,801
Contract Agencies	1,614,675	1,616,675	1,609,175	7,500	1,614,675
Total Economic Opportunity and Development	150,151,187	162,704,179	162,504,738	199,441	150,581,714
CULTURE AND RECREATION					
County historian	7,461	8,461	8,298	163	7,520
Contract Agencies	629,130	659,130	659,130	-	654,130
Total Culture and Recreation	636,591	667,591	667,428	163	661,650

COUNTY OF ROCKLAND, NEW YORK

GENERAL FUND

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

YEAR ENDED DECEMBER 31, 2008

(With Comparative Actuals for 2007)

	Original Budget	Final Budget	Actual	Variance with Final Budget Positive (Negative)	2007 Actual
HOME AND COMMUNITY SERVICES					
Department of Planning	\$ 2,906,617	\$ 2,987,117	\$ 2,986,879	\$ 238	\$ 2,902,633
Commission of Human Rights	395,471	594,222	593,586	636	580,809
Commissioner of Labor	19,503	19,503	18,385	1,118	17,558
Department of Environmental Resources	2,145,423	2,105,023	2,104,369	654	2,015,876
Office for the disabled	-	500	96	404	48,286
Contract Agencies	1,979,870	1,981,870	1,981,870	-	1,981,870
Total Home and Community Services	7,446,884	7,688,235	7,685,185	3,050	7,547,032
EMPLOYEE BENEFITS - UNDISTRIBUTED					
Hospitalization and dental	8,606,380	8,543,380	8,537,991	5,389	7,910,802
Employee tuition	10,000	-	-	-	-
Total Employee Benefits	8,616,380	8,543,380	8,537,991	5,389	7,910,802
DEBT SERVICE					
Interest:					
Bond anticipation notes	315,000	315,000	310,267	4,733	5,437,785
Revenue anticipation notes	2,250,000	2,494,000	2,491,666	2,334	1,915,435
Tax anticipation notes	-	-	-	-	10,156,760
Total Debt Service	2,565,000	2,809,000	2,801,933	7,067	17,509,980
TOTAL EXPENDITURES	431,038,494	448,452,265	447,504,982	947,283	440,232,283
OTHER FINANCING USES					
Transfers out:					
County Road Fund	8,798,383	8,798,383	8,798,383	-	9,075,210
Road Machinery Fund	1,394,358	1,394,358	1,394,358	-	1,348,540
Debt Service Fund	21,965,775	21,053,775	21,053,360	415	18,375,329
TOTAL OTHER FINANCING USES	32,158,516	31,246,516	31,246,101	415	28,799,079
TOTAL EXPENDITURES AND OTHER FINANCING USES	\$ 463,197,010	\$ 479,698,781	\$ 478,751,083	\$ 947,698	\$ 469,031,361

COUNTY OF ROCKLAND, NEW YORK

CAPITAL PROJECTS FUND
 COMPARATIVE BALANCE SHEET
 DECEMBER 31, 2008 AND 2007

	<u>2008</u>	<u>2007</u>
<u>ASSETS</u>		
Cash:		
Demand deposits	\$ 3,626,502	\$ 8,951,859
Certificates of deposit	23,130,000	48,380,000
	<u>26,756,502</u>	<u>57,331,859</u>
Investments	<u>44,800,000</u>	<u>17,000,000</u>
Receivables:		
Accounts	-	8,125
State and Federal aid	4,232,028	7,130,686
	<u>4,232,028</u>	<u>7,138,811</u>
Restricted Assets	<u>14,998,635</u>	<u>30,856,943</u>
Total Assets	<u>\$ 90,787,165</u>	<u>\$ 112,327,613</u>
<u>LIABILITIES AND FUND BALANCE</u>		
Liabilities:		
Accounts payable	\$ 7,947,342	\$ 7,518,427
Due to other governments	2,604,749	424,159
Due to other funds	4,137,212	1,431,190
Bond anticipation notes payable	24,506,000	11,000,000
Total Liabilities	<u>39,195,303</u>	<u>20,373,776</u>
Fund Balance:		
Reserved for parklands	44,000	44,000
Unreserved:		
Designated for transportation projects	5,522,197	8,695,670
Undesignated	46,025,665	83,214,167
Total Fund Balance	<u>51,591,862</u>	<u>91,953,837</u>
Total Liabilities and Fund Balance	<u>\$ 90,787,165</u>	<u>\$ 112,327,613</u>

COUNTY OF ROCKLAND, NEW YORK

CAPITAL PROJECTS FUND
 COMPARATIVE STATEMENT OF REVENUES, EXPENDITURES
 AND CHANGES IN FUND BALANCE
 YEARS ENDED DECEMBER 31, 2008 AND 2007

	<u>2008</u>	<u>2007</u>
Revenues:		
State aid	\$ 7,281,965	\$ 9,273,316
Federal aid	126,005	7,999,610
Miscellaneous	96,174	1,008,205
Total Revenues	<u>7,504,144</u>	<u>18,281,131</u>
Expenditures - Capital outlay	<u>38,699,088</u>	<u>42,526,497</u>
Deficiency of Revenues Over Expenditures	<u>(31,194,944)</u>	<u>(24,245,366)</u>
Other Financing Sources (Uses):		
Bonds issued	-	26,174,000
Transfers in	903,665	800,000
Transfers out	<u>(10,070,696)</u>	<u>(7,889,032)</u>
Total Other Financing Sources (Uses)	<u>(9,167,031)</u>	<u>19,084,968</u>
Net Change in Fund Balance	<u>(40,361,975)</u>	<u>(5,160,398)</u>
Fund Balance - Beginning of Year	<u>91,953,837</u>	<u>97,114,235</u>
Fund Balance - End of Year	<u>\$ 51,591,862</u>	<u>\$ 91,953,837</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, 2008
 (With Comparative Totals for 2007)

	Special Revenue Funds	Debt Service Fund
<u>ASSETS</u>		
Cash and Equivalents	\$ 19,478,344	\$ 1,430,190
Investments	225,000	6,900,000
Receivables:		
Accounts	326,466	-
Loans	172,604	-
State and Federal aid	373,868	570,656
Due from other funds	2,139,056	3,015,019
	<u>3,011,994</u>	<u>3,585,675</u>
Prepaid Expenditures	237,723	-
Total Assets	<u>\$ 22,953,061</u>	<u>\$ 11,915,865</u>
<u>LIABILITIES AND FUND BALANCES</u>		
Liabilities:		
Accounts payable	\$ 2,354,038	\$ -
Accrued liabilities	1,127,176	-
Due to other funds	616,347	-
Advances from other funds	-	-
Deferred revenues - Other	346,082	-
Total Liabilities	<u>4,443,643</u>	<u>-</u>
Fund Balances:		
Reserved for encumbrances	2,497,847	-
Reserved for prepaid expenditures	237,723	-
Reserved for social service programs	49,169	-
Reserved for compensated absences	1,798,635	-
Reserved for debt service	-	4,415,865
Unreserved:		
Designated for affordable housing	225,000	-
Designated for treatment plant and collection system	758,925	-
Designated for subsequent year's expenditures	1,877,952	7,500,000
Undesignated	11,064,167	-
Total Fund Balances	<u>18,509,418</u>	<u>11,915,865</u>
Total Liabilities and Fund Balances	<u>\$ 22,953,061</u>	<u>\$ 11,915,865</u>

Totals

2008

2007

\$ 20,908,534 \$ 20,449,848

7,125,000 9,125,000

326,466 426,479

172,604 182,747

944,524 1,971,797

5,154,075 855,602

6,597,669 3,436,625

237,723 301,892

\$ 34,868,926 \$ 33,313,365

\$ 2,354,038 \$ 1,521,415

1,127,176 1,147,853

616,347 1,183,121

42,333

346,082 1,162,253

4,443,643 5,056,975

2,497,847 1,482,431

237,723 301,892

49,169 48,483

1,798,635 1,775,348

4,415,865 4,371,865

225,000 225,000

758,925 603,575

9,377,952 9,914,775

11,064,167 9,533,021

30,425,283 28,256,390

\$ 34,868,926 \$ 33,313,365

COUNTY OF ROCKLAND, NEW YORK

COMBINING STATEMENT OF REVENUES, EXPENDITURES AND CHANGES
 IN FUND BALANCES
 NON-MAJOR GOVERNMENTAL FUNDS
 YEAR ENDED DECEMBER 31, 2008
 (With Comparative Totals for 2007)

	Special Revenue Funds	Debt Service Fund
Revenues:		
Real property taxes	\$ 27,401,072	\$ -
Other tax items	155,350	-
Departmental income	775,710	-
Use of money and property	687,829	2,698,736
Licenses and permits	63,950	-
Fines and forfeitures	4,080	-
Sale of property and compensation for loss	46,286	-
Interfund revenues	434,584	-
State aid	1,160,344	706,141
Federal aid	6,778,931	871,694
Miscellaneous	138,842	64,369
Total Revenues	37,646,978	4,340,940
Expenditures:		
Current:		
Transportation	13,253,031	-
Economic opportunity and development	6,760,013	-
Home and community services	15,947,314	-
Employee benefits	2,490,844	-
Debt service:		
Principal	-	19,742,088
Interest	117,900	10,425,095
Total Expenditures	38,569,102	30,167,183
Deficiency of Revenues Over Expenditures	(922,124)	(25,826,243)
Other Financing Sources (Uses):		
Transfers in	13,265,241	32,323,908
Transfers out	(9,718,224)	(6,953,665)
Total Other Financing Sources	3,547,017	25,370,243
Net Change in Fund Balances	2,624,893	(456,000)
Fund Balances - Beginning of Year	15,884,525	12,371,865
Fund Balances - End of Year	\$ 18,509,418	\$ 11,915,865

Totals

2008	2007
\$ 27,401,072	\$ 26,475,766
155,350	203,600
775,710	633,870
3,386,565	4,892,797
63,950	60,150
4,080	14,922
46,286	1,997
434,584	319,944
1,866,485	1,659,224
7,650,625	7,069,080
203,211	168,375
<u>41,987,918</u>	<u>41,499,725</u>
13,253,031	13,649,069
6,760,013	5,987,346
15,947,314	14,484,197
2,490,844	2,235,964
19,742,088	17,736,847
10,542,995	10,394,511
<u>68,736,285</u>	<u>64,487,934</u>
<u>(26,748,367)</u>	<u>(22,988,209)</u>
45,589,149	40,523,976
(16,671,889)	(17,732,918)
<u>28,917,260</u>	<u>22,791,058</u>
2,168,893	(197,151)
<u>28,256,390</u>	<u>28,453,541</u>
<u>30,425,283</u>	<u>\$ 28,256,390</u>

COUNTY OF ROCKLAND, NEW YORK

COMBINING BALANCE SHEET
 NON-MAJOR SPECIAL REVENUE FUNDS
 DECEMBER 31, 2008
 (With Comparative Totals for 2007)

	County Road - Fund	Road Machinery Fund	Community Development Fund
<u>ASSETS</u>			
Cash:			
Demand deposits	\$ 100	\$ -	\$ 173,478
Time deposits	-	-	-
Certificates of deposit	-	-	-
	<u>100</u>	<u>-</u>	<u>173,478</u>
Investments	<u>-</u>	<u>-</u>	<u>225,000</u>
Receivables:			
Accounts	24,000	-	-
Loans	-	-	172,604
State and Federal aid	20,614	-	330,013
Due from other funds	<u>1,261,445</u>	<u>877,611</u>	<u>-</u>
	<u>1,306,059</u>	<u>877,611</u>	<u>502,617</u>
Prepaid Expenditures	<u>114,852</u>	<u>10,057</u>	<u>-</u>
Total Assets	<u>\$ 1,421,011</u>	<u>\$ 887,668</u>	<u>\$ 901,095</u>
<u>LIABILITIES AND FUND BALANCES</u>			
Liabilities:			
Accounts payable	\$ 143,087	\$ 34,592	\$ -
Accrued liabilities	506,713	47,073	-
Due to other funds	-	-	330,013
Advances from other funds	-	-	-
Deferred revenues - Other	<u>-</u>	<u>-</u>	<u>346,082</u>
Total Liabilities	<u>649,800</u>	<u>81,665</u>	<u>676,095</u>
Fund Balances (Deficits):			
Reserved for encumbrances	68,363	571,535	-
Reserved for prepaid expenditures	114,852	10,057	-
Reserved for social service programs	-	-	-
Reserved for compensated absences	758,445	58,676	-
Unreserved:			
Designated for affordable housing	-	-	225,000
Designated for treatment plant and collection system	-	-	-
Designated for subsequent year's expenditures	-	-	-
Undesignated	<u>(170,449)</u>	<u>165,735</u>	<u>-</u>
Total Fund Balances	<u>771,211</u>	<u>806,003</u>	<u>225,000</u>
Total Liabilities and Fund Balances	<u>\$ 1,421,011</u>	<u>\$ 887,668</u>	<u>\$ 901,095</u>

Sewer District Fund	Special Purpose Fund	Totals	
		2008	2007
\$ -	\$ -	\$ 173,578	\$ 1,285,353
5,597	49,169	54,766	48,483
19,250,000	-	19,250,000	16,450,000
19,255,597	49,169	19,478,344	17,783,836
-	-	225,000	225,000
302,466	-	326,466	238,177
-	-	172,604	182,747
23,241	-	373,868	1,612,515
-	-	2,139,056	597,333
325,707	-	3,011,994	2,630,772
112,814	-	237,723	301,892
<u>\$ 19,694,118</u>	<u>\$ 49,169</u>	<u>\$ 22,953,061</u>	<u>\$ 20,941,500</u>
\$ 2,176,359	\$ -	\$ 2,354,038	\$ 1,521,415
573,390	-	1,127,176	1,147,853
286,334	-	616,347	1,183,121
-	-	-	42,333
-	-	346,082	1,162,253
3,036,083	-	4,443,643	5,056,975
1,857,949	-	2,497,847	1,482,431
112,814	-	237,723	301,892
-	49,169	49,169	48,483
981,514	-	1,798,635	1,775,348
-	-	225,000	225,000
758,925	-	758,925	603,575
1,877,952	-	1,877,952	1,914,775
11,068,881	-	11,064,167	9,533,021
16,658,035	49,169	18,509,418	15,884,525
<u>\$ 19,694,118</u>	<u>\$ 49,169</u>	<u>\$ 22,953,061</u>	<u>\$ 20,941,500</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, 2008
 (With Comparative Totals for 2007)

	County Road Fund	Road Machinery Fund	Community Development Fund
Revenues:			
Real property taxes	\$ -	\$ -	\$ -
Other tax items	-	-	-
Departmental income	-	-	-
Use of money and property	-	-	16,886
Licenses and permits	63,950	-	-
Fines and forfeitures	3,100	-	-
Sale of property and compensation for loss	27,885	-	-
Interfund revenues	389,604	-	-
State aid	1,160,344	-	-
Federal aid	46,763	-	6,732,168
Miscellaneous	52,896	43,781	10,959
Total Revenues	1,744,542	43,781	6,760,013
Expenditures:			
Current:			
Transportation	11,879,064	1,373,967	-
Economic opportunity and development	-	-	6,760,013
Home and community services	-	-	-
Employee benefits	-	-	-
Debt service - Interest	-	-	-
Total Expenditures	11,879,064	1,373,967	6,760,013
Excess (Deficiency) of Revenues Over Expenditures	(10,134,522)	(1,330,186)	-
Other Financing Sources (Uses):			
Transfers in	10,698,383	2,066,858	-
Transfers out	(100,170)	(7,721)	-
Total Other Financing Sources (Uses)	10,598,213	2,059,137	-
Net Change in Fund Balances	463,691	728,951	-
Fund Balances - Beginning of Year	307,520	77,052	225,000
Fund Balances - End of Year	\$ 771,211	\$ 806,003	\$ 225,000

Sewer District Fund	Special Purpose Fund	Totals	
		2008	2007
\$ 27,401,072	\$ -	\$ 27,401,072	\$ 26,475,766
155,350	-	155,350	203,600
775,710	-	775,710	633,870
670,257	686	687,829	1,471,720
-	-	63,950	60,150
980	-	4,080	14,922
18,401	-	46,286	1,997
44,980	-	434,584	319,944
-	-	1,160,344	1,075,745
-	-	6,778,931	6,076,412
31,206	-	138,842	97,666
<u>29,097,956</u>	<u>686</u>	<u>37,646,978</u>	<u>36,431,792</u>
-	-	13,253,031	13,649,069
-	-	6,760,013	5,987,346
15,947,314	-	15,947,314	14,484,197
2,490,844	-	2,490,844	2,235,964
117,900	-	117,900	316,362
<u>18,556,058</u>	<u>-</u>	<u>38,569,102</u>	<u>36,672,938</u>
<u>10,541,898</u>	<u>686</u>	<u>(922,124)</u>	<u>(241,146)</u>
500,000	-	13,265,241	12,558,132
(9,610,333)	-	(9,718,224)	(10,044,918)
<u>(9,110,333)</u>	<u>-</u>	<u>3,547,017</u>	<u>2,513,214</u>
1,431,565	686	2,624,893	2,272,068
<u>15,226,470</u>	<u>48,483</u>	<u>15,884,525</u>	<u>13,612,457</u>
<u>16,658,035</u>	<u>\$ 49,169</u>	<u>\$ 18,509,418</u>	<u>\$ 15,884,525</u>

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COUNTY OF ROCKLAND, NEW YORK

COUNTY ROAD FUND
 COMPARATIVE BALANCE SHEET
 DECEMBER 31, 2008 AND 2007

	<u>2008</u>	<u>2007</u>
<u>ASSETS</u>		
Cash - Demand deposits	\$ 100	\$ 100
Receivables:		
Accounts	24,000	34,049
State and Federal aid	20,614	1,115,603
Due from other funds	1,261,445	-
	<u>1,306,059</u>	<u>1,149,652</u>
Prepaid Expenditures	<u>114,852</u>	<u>147,330</u>
Total Assets	<u>\$ 1,421,011</u>	<u>\$ 1,297,082</u>
<u>LIABILITIES AND FUND BALANCE</u>		
Liabilities:		
Accounts payable	\$ 143,087	\$ 150,191
Accrued liabilities	506,713	561,127
Due to other funds	-	278,244
	<u>649,800</u>	<u>989,562</u>
Fund Balance (Deficit):		
Reserved for encumbrances	68,363	64,745
Reserved for prepaid expenditures	114,852	147,330
Reserved for compensated absences	758,445	726,905
Unreserved and undesignated	<u>(170,449)</u>	<u>(631,460)</u>
Total Fund Balance	<u>771,211</u>	<u>307,520</u>
Total Liabilities and Fund Balance	<u>\$ 1,421,011</u>	<u>\$ 1,297,082</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, 2008 AND 2007

	2008			Variance with Final Budget Positive (Negative)
	Original Budget	Final Budget	Actual	
Revenues:				
Licenses and permits	\$ 55,000	\$ 55,000	\$ 63,950	\$ 8,950
Fines and forfeitures	40,000	40,000	3,100	(36,900)
Sale of property and compensation for loss	20,000	20,000	27,885	7,885
Interfund revenues	90,000	90,000	389,604	299,604
State aid	1,212,000	1,256,609	1,160,344	(96,265)
Federal aid	66,000	84,438	46,763	(37,675)
Miscellaneous	195,500	195,500	52,896	(142,604)
Total Revenues	1,678,500	1,741,547	1,744,542	2,995
Expenditures - Current - Transportation	12,341,128	12,404,175	11,879,064	525,111
Deficiency of Revenues Over Expenditures	(10,662,628)	(10,662,628)	(10,134,522)	528,106
Other Financing Sources (Uses):				
Transfers in	10,698,383	10,698,383	10,698,383	-
Transfers out	(100,500)	(100,500)	(100,170)	330
Total Other Financing Sources	10,597,883	10,597,883	10,598,213	330
Net Change in Fund Balance	(64,745)	(64,745)	463,691	528,436
Fund Balance (Deficit) - Beginning of Year	64,745	64,745	307,520	242,775
Fund Balance - End of Year	\$ -	\$ -	\$ 771,211	\$ 771,211

2007

Original Budget	Final Budget	Actual	Variance with Final Budget Positive (Negative)
\$ 37,000	\$ 37,000	\$ 60,150	\$ 23,150
12,000	12,000	12,372	372
20,000	20,000	1,997	(18,003)
90,000	90,000	285,019	195,019
1,412,850	1,412,850	1,075,745	(337,105)
130,000	130,000	144,513	14,513
130,000	204,000	87,540	(116,460)
1,831,850	1,905,850	1,667,336	(238,514)
12,409,477	12,483,477	11,690,473	793,004
(10,577,627)	(10,577,627)	(10,023,137)	554,490
10,675,210	10,675,210	10,675,210	-
(100,000)	(100,000)	(99,734)	266
10,575,210	10,575,210	10,575,476	266
(2,417)	(2,417)	552,339	554,756
2,417	2,417	(244,819)	(247,236)
\$ -	\$ -	\$ 307,520	\$ 307,520

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COUNTY OF ROCKLAND, NEW YORK

ROAD MACHINERY FUND
 COMPARATIVE BALANCE SHEET
 DECEMBER 31, 2008 AND 2007

<u>ASSETS</u>	<u>2008</u>	<u>2007</u>
Due from Other Funds	\$ 877,611	\$ 597,333
Prepaid Expenditures	10,057	15,521
 Total Assets	 <u>\$ 887,668</u>	 <u>\$ 612,854</u>
 <u>LIABILITIES AND FUND BALANCE</u>		
Liabilities:		
Accounts payable	\$ 34,592	\$ 89,980
Accrued liabilities	47,073	45,848
Due to other funds	-	357,641
Advance from other funds	-	42,333
 Total Liabilities	 <u>81,665</u>	 <u>535,802</u>
Fund Balance (Deficit):		
Reserved for encumbrances	571,535	103,864
Reserved for prepaid expenditures	10,057	15,521
Reserved for compensated absences	58,676	50,394
Unreserved and undesignated	165,735	(92,727)
 Total Fund Balance	 <u>806,003</u>	 <u>77,052</u>
 Total Liabilities and Fund Balance	 <u>\$ 887,668</u>	 <u>\$ 612,854</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, 2008 AND 2007

	2008			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	43,781	35,981
Total Revenues	57,800	57,800	43,781	(14,019)
Expenditures - Current - Transportation	2,220,722	2,220,722	1,373,967	846,755
Deficiency of Revenues Over Expenditures	(2,162,922)	(2,162,922)	(1,330,186)	(832,736)
Other Financing Sources (Uses):				
Transfers in	2,066,858	2,066,858	2,066,858	-
Transfers out	(7,800)	(7,800)	(7,721)	79
Total Other Financing Sources	2,059,058	2,059,058	2,059,137	79
Net Change in Fund Balance	(103,864)	(103,864)	728,951	832,815
Fund Balance - Beginning of Year	103,864	103,864	77,052	(26,812)
Fund Balance - End of Year	\$ -	\$ -	\$ 806,003	\$ 806,003

2007

Original Budget	Final Budget	Actual	Variance with Final Budget Positive (Negative)
\$ 50,000	\$ 50,000	\$ -	\$ (50,000)
7,800	7,800	258	(7,542)
57,800	57,800	258	(57,542)
<u>2,121,489</u>	<u>2,121,489</u>	<u>1,958,596</u>	<u>162,893</u>
<u>(2,063,689)</u>	<u>(2,063,689)</u>	<u>(1,958,338)</u>	<u>(105,351)</u>
1,520,540	1,520,540	1,382,922	(137,618)
(7,800)	(7,800)	(7,687)	113
<u>1,512,740</u>	<u>1,512,740</u>	<u>1,375,235</u>	<u>(137,505)</u>
(550,949)	(550,949)	(583,103)	(32,154)
<u>550,949</u>	<u>550,949</u>	<u>660,155</u>	<u>109,206</u>
<u>\$ -</u>	<u>\$ -</u>	<u>\$ 77,052</u>	<u>\$ 77,052</u>

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COUNTY OF ROCKLAND, NEW YORK

COMMUNITY DEVELOPMENT FUND
 COMPARATIVE BALANCE SHEET
 DECEMBER 31, 2008 AND 2007

<u>ASSETS</u>	<u>2008</u>	<u>2007</u>
Cash - Demand deposits	\$ 173,478	\$ 979,506
Investments	225,000	225,000
Receivables:		
Loans	172,604	182,747
State and Federal aid	330,013	473,671
	<u>502,617</u>	<u>656,418</u>
Total Assets	<u>\$ 901,095</u>	<u>\$ 1,860,924</u>
<u>LIABILITIES AND FUND BALANCE</u>		
Liabilities:		
Due to other funds	\$ 330,013	\$ 473,671
Deferred revenues - Other	346,082	1,162,253
Total Liabilities	676,095	1,635,924
Fund Balance - Unreserved - Designated for affordable housing	<u>225,000</u>	<u>225,000</u>
Total Liabilities and Fund Balance	<u>\$ 901,095</u>	<u>\$ 1,860,924</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, 2008 AND 2007

	2008			Variance with Final Budget Positive (Negative)
	Original Budget	Final Budget	Actual	
Revenues:				
Use of money and property	\$ -	\$ -	\$ 16,886	\$ 16,886
Federal aid	-	12,204,390	6,732,168	(5,472,222)
Miscellaneous	-	-	10,959	10,959
Total Revenues	-	12,204,390	6,760,013	(5,444,377)
Expenditures - Current - Economic opportunity and development	-	12,204,390	6,760,013	5,444,377
Excess of Revenues Over Expenditures	-	-	-	-
Fund Balance - Beginning of Year	-	-	225,000	225,000
Fund Balance - End of Year	\$ -	\$ -	\$ 225,000	\$ 225,000

2007

Original Budget	Final Budget	Actual	Variance with Final Budget Positive (Negative)
\$ -	\$ -	\$ 44,783	\$ 44,783
-	10,825,169	5,931,899	(4,893,270)
-	-	9,836	9,836
-	10,825,169	5,986,518	(4,838,651)
-	10,825,169	5,986,518	4,838,651
-	-	-	-
-	-	225,000	225,000
\$ -	\$ -	\$ 225,000	\$ 225,000

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2007

Original Budget	Final Budget	Actual	Variance with Final Budget Positive (Negative)
\$ -	\$ -	\$ 3,421,077	\$ 3,421,077
-	-	583,479	583,479
-	-	992,668	992,668
-	-	70,709	70,709
-	-	5,067,933	5,067,933
18,272,200	18,272,200	17,736,847	535,353
10,967,600	10,967,600	10,078,149	889,451
29,239,800	29,239,800	27,814,996	1,424,804
(29,239,800)	(29,239,800)	(22,747,063)	6,492,737
29,239,800	29,239,800	27,965,844	(1,273,956)
(7,188,000)	(7,188,000)	(7,688,000)	(500,000)
22,051,800	22,051,800	20,277,844	(1,773,956)
(7,188,000)	(7,188,000)	(2,469,219)	4,718,781
7,188,000	7,188,000	14,841,084	7,653,084
\$ -	\$ -	\$ 12,371,865	\$ 12,371,865

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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.

PROPRIETARY FUND - ENTERPRISE FUND
 HOME AND INFIRMARY FUND
 COMPARATIVE STATEMENT OF NET ASSETS
 DECEMBER 31, 2008 AND 2007

	2008	2007
ASSETS		
Cash and Equivalents	\$ 5,360,984	\$ 5,759,706
Receivables:		
Accounts	9,311,566	4,209,404
Accounts - Patient care, net of allowance for uncollectible amounts	15,234,894	14,244,560
State and Federal aid	1,308,967	1,922,457
Funds held in trust for residents	280,577	307,032
Inventories	551,715	524,613
Prepaid Expenses	994,645	1,265,126
Total Current Assets	33,043,348	28,232,898
Capital Assets:		
Land	438,504	438,504
Buildings	46,524,347	46,467,787
Improvements other than buildings	345,975	345,975
Equipment	16,905,348	17,016,044
Construction-in-progress	1,687,774	934,092
Less - Accumulated depreciation	(44,424,304)	(42,704,517)
Total Capital Assets, net of accumulated depreciation	21,477,644	22,497,885
Total Assets	54,520,992	50,730,783
Current Liabilities:		
Accounts payable	2,515,491	3,226,302
Estimated third party liabilities	1,658,474	402,362
Accrued interest payable	187,910	205,659
Funds held in trust for residents	280,577	307,032
Due to other funds	20,028,254	14,072,536
Advances from other funds	3,061,408	11,835,883
Compensated absences	1,190,072	1,355,959
Bond anticipation notes payable	235,000	-
Current maturities of bonds payable	1,567,620	2,333,897
Total Current Liabilities	30,724,806	33,739,630
Noncurrent Liabilities -		
Bonds payable	13,911,077	15,478,697
Compensated absences	10,710,650	12,203,634
Other post employment benefit obligations payable	28,569,064	14,293,801
Estimated third party liabilities, net of current portion	1,878,421	2,078,877
Total Noncurrent Liabilities	55,069,212	44,055,009
Total Liabilities	85,794,018	77,794,639
NET ASSETS (DEFICIENCY)		
Invested in Capital Assets, net of related debt	11,068,096	11,269,462
Unrestricted	(42,341,122)	(38,333,318)
Total Net Assets (Deficiency)	\$ (31,273,026)	\$ (27,063,856)

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, 2008 AND 2007

	<u>2008</u>	<u>2007</u>
Operating Revenues:		
Charges for services:		
Net patient service revenue	\$ 100,109,416	\$ 78,132,424
Services provided to the County jail	1,955,680	2,073,313
Services provided to the County of Rockland	<u>3,424,386</u>	<u>3,154,828</u>
	<u>105,489,482</u>	<u>83,360,565</u>
Miscellaneous	<u>540,370</u>	<u>657,614</u>
Total Operating Revenues	<u>106,029,852</u>	<u>84,018,179</u>
Operating Expenses:		
Administrative and general expenses	13,776,228	12,937,899
Salaries and wage expenses	50,066,229	51,361,822
Employee benefits	39,611,731	38,000,897
Supplies and other expenses	9,239,937	9,322,106
Depreciation	<u>2,214,605</u>	<u>2,158,684</u>
Total Operating Expenses	<u>114,908,730</u>	<u>113,781,408</u>
Loss from Operations	<u>(8,878,878)</u>	<u>(29,763,229)</u>
Non-Operating Revenues (Expenses):		
Intergovernmental transfer	4,896,669	11,263,848
Interest on indebtedness	<u>(226,961)</u>	<u>(277,257)</u>
Total Non-Operating Revenues	<u>4,669,708</u>	<u>10,986,591</u>
Change in Net Assets	(4,209,170)	(18,776,638)
Deficiency - Beginning of Year	<u>(27,063,856)</u>	<u>(8,287,218)</u>
Deficiency - End of Year	<u>\$ (31,273,026)</u>	<u>\$ (27,063,856)</u>

PROPRIETARY FUND - ENTERPRISE FUND
 HOME AND INFIRMARY FUND
 COMPARATIVE STATEMENT OF CASH FLOWS
 YEARS ENDED DECEMBER 31, 2008 AND 2007

	2008	2007
Cash Flows From Operating Activities:		
Cash received from patients and third-party payers	\$ 100,788,229	\$ 76,049,893
Other	818,274	4,312,890
Cash payments to vendors	(23,754,080)	(22,249,733)
Cash payments to employees	(76,791,087)	(73,696,872)
Net Cash Used in Operating Activities	1,061,336	(15,583,822)
Cash Flows From Non-Capital Financing Activities:		
Proceeds from County of Rockland-Transfer	4,896,669	11,263,848
Proceeds from County Of Rockland, net	(2,818,756)	6,499,512
Retirement of debt	(863,020)	(830,067)
Interest on indebtedness	(33,442)	(62,495)
Net Cash Provided by Non-Capital Financing Activities	1,181,451	16,870,798
Cash Flows From Capital and Related Financing Activities:		
Proceeds from short-term debt	235,000	-
Issuance of long-term debt	-	1,900,000
Retirement of debt	(1,470,877)	(1,078,273)
Interest on indebtedness	(681,109)	(712,980)
Acquisition and construction of capital assets	(724,523)	(699,612)
Related Financing Activities	(2,641,509)	(590,865)
Net Increase (Decrease) in Cash and Equivalents	(398,722)	696,111
Cash and Equivalents - Beginning of Year	5,759,706	5,063,595
Cash and Equivalents - End of Year	\$ 5,360,984	\$ 5,759,706
Reconciliation of Loss from Operations to Net Cash Used in Operating Activities:		
Loss from operations	\$ (8,878,878)	\$ (29,763,229)
Adjustments to reconcile loss from operations to net cash used in operating activities:		
Depreciation	2,214,605	2,158,684
Provision for bad debts	4,482,053	4,547,568
Changes in assets and liabilities:		
Other receivables, net	(5,102,162)	(1,572,865)
Accounts receivable - Patient care	(5,472,387)	(4,195,052)
State and Federal aid recievable	613,490	(1,605,110)
Inventories	(27,102)	11,193
Prepaid expenses	270,481	294,955
Accounts payable and accrued expenses	8,063,664	(921)
Advances from other funds	(8,774,475)	(863,300)
Estimated third party liabilities	1,055,656	33,363
Compensated absences	(1,658,872)	1,077,091
Other post employment benefits payable	14,275,263	14,293,801
Net Cash Used in Operating Activities	\$ 1,061,336	\$ (15,583,822)

PROPRIETARY FUND - ENTERPRISE FUND
 ROCKLAND TOBACCO ASSET SECURITIZATION CORPORATION
 COMPARATIVE STATEMENT OF NET ASSETS
 DECEMBER 31, 2008 AND 2007

	<u>2008</u>	<u>2007</u>
<u>ASSETS</u>		
Current Assets:		
Cash and equivalents	\$ 366,139	\$ 72,176
Investments	1,218,964	1,286,395
Accounts receivable	3,583,123	3,536,974
Prepaid expenses	3,500	9,250
	<u>5,171,726</u>	<u>4,904,795</u>
Total Current Assets		
Noncurrent Assets:		
Restricted cash and equivalents	2,279,440	2,285,063
Restricted investments	3,525,691	3,525,755
Costs of issuance, net of accumulated amortization of \$214,025 in 2008 and \$173,155 in 2007	886,743	927,613
	<u>6,691,874</u>	<u>6,738,431</u>
Total Noncurrent Assets		
Total Assets	<u>11,863,600</u>	<u>11,643,226</u>
<u>LIABILITIES</u>		
Current Liabilities:		
Accrued liabilities	946,765	972,883
Current maturities of bonds payable	1,015,000	920,000
	<u>1,961,765</u>	<u>1,892,883</u>
Total Current Liabilities		
Noncurrent Liabilities -		
Bonds payable, less current maturities	73,263,645	72,290,551
	<u>75,225,410</u>	<u>74,183,434</u>
Total Liabilities		
<u>NET ASSETS</u>		
Deficit	<u>\$ (63,361,810)</u>	<u>\$ (62,540,208)</u>

PROPRIETARY FUND - ENTERPRISE FUND
 ROCKLAND TOBACCO ASSET SECURITIZATION CORPORATION
 COMPARATIVE STATEMENT OF REVENUES, EXPENSES AND
 CHANGES IN NET ASSETS
 YEARS ENDED DECEMBER 31, 2008 AND 2007

	<u>2008</u>	<u>2007</u>
Operating Revenues -		
Tobacco settlement revenues	\$ 3,530,591	\$ 3,457,420
Operating Expenses:		
Professional fees	32,084	44,403
Directors' fees	2,000	2,000
Insurance	21,525	21,525
Amortization	40,870	40,870
Total Operating Expenses	<u>96,479</u>	<u>108,798</u>
Income from Operations	<u>3,434,112</u>	<u>3,348,622</u>
Non-Operating Revenues (Expenses):		
Interest income	288,101	382,075
Interest on indebtedness	<u>(4,543,815)</u>	<u>(4,462,282)</u>
Total Non-Operating Expenses	<u>(4,255,714)</u>	<u>(4,080,207)</u>
Change in Net Assets	(821,602)	(731,585)
Deficit - Beginning of Year	<u>(62,540,208)</u>	<u>(61,808,623)</u>
Deficit - End of Year	<u>\$ (63,361,810)</u>	<u>\$ (62,540,208)</u>

PROPRIETARY FUND - ENTERPRISE FUND
 ROCKLAND TOBACCO ASSET SECURITIZATION CORPORATION
 COMPARATIVE STATEMENT OF CASH FLOWS
 YEARS ENDED DECEMBER 31, 2008 AND 2007

	2008	2007
Cash Flows From Operating Activities:		
Cash received from tobacco settlement revenues	\$ 3,543,296	\$ 3,470,852
Cash payments to directors	(2,000)	(2,000)
Cash payments to vendors	(55,367)	(69,170)
Net Cash Provided by Operating Activities	3,485,929	3,399,682
Cash Flows from Non-Capital Financing Activities:		
Retirement of long-term debt	(920,000)	(760,000)
Interest on indebtedness	(2,574,331)	(2,615,537)
Net Cash Used in Non-Capital Financing Activities	(3,494,331)	(3,375,537)
Cash Flows From Investing Activities:		
Interest income	229,247	366,682
Purchase of investments	(1,218,964)	(1,286,395)
Sale of investments	1,286,395	1,306,956
Purchase of restricted investments	(3,525,691)	(3,525,755)
Sale of restricted investments	3,525,755	3,525,018
Net Cash Provided by Investing Activities	296,742	386,506
Net Increase in Cash and Equivalents	288,340	410,651
Cash and Equivalents - Beginning of Year	2,357,239	1,946,588
Cash and Equivalents - End of Year	\$ 2,645,579	\$ 2,357,239
Reconciliation of Income from Operations to Net Cash Provided by Operating Activities:		
Income from operations	\$ 3,434,112	\$ 3,348,622
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	12,705	13,432
Prepaid expenses	5,750	(9,250)
Accrued liabilities	(7,508)	6,008
Net Cash Provided by Operating Activities	\$ 3,485,929	\$ 3,399,682
Noncash Investing Activities:		
Increase in bonds payable from amortization of original issue and underwriters' discount	\$ 54,849	\$ 54,849
Increase in bonds payable from accreted interest	1,933,245	1,807,348

PROPRIETARY FUND - ENTERPRISE FUND
 ROCKLAND SECOND TOBACCO ASSET SECURITIZATION CORPORATION
 COMPARATIVE STATEMENT OF NET ASSETS
 DECEMBER 31, 2008 AND 2007

	<u>2008</u>	<u>2007</u>
<u>ASSETS</u>		
Current Assets:		
Cash and equivalents	\$ 138,888	\$ 119,880
Accounts receivable	879,063	885,846
Total Current Assets	<u>1,017,951</u>	<u>1,005,726</u>
Noncurrent Assets:		
Restricted cash and equivalents	54	867
Restricted investments	711,771	710,961
Costs of issuance, net of accumulated amortization of \$33,772 in 2008 and \$27,066 in 2007	<u>234,453</u>	<u>241,159</u>
Total Noncurrent Assets	<u>946,278</u>	<u>952,987</u>
Total Assets	<u>1,964,229</u>	<u>1,958,713</u>
<u>LIABILITIES</u>		
Current Liabilities:		
Accounts payable	7,774	7,774
Accrued liabilities	37,371	39,121
Current maturities of bonds payable	<u>70,000</u>	<u>-</u>
Total Current Liabilities	115,145	46,895
Noncurrent Liabilities -		
Bonds payable, less current maturities	<u>7,320,485</u>	<u>7,799,488</u>
Total Liabilities	<u>7,435,630</u>	<u>7,846,383</u>
Deficit	<u>\$ (5,471,401)</u>	<u>\$ (5,887,670)</u>

COUNTY OF ROCKLAND, NEW YORK

SEWER DISTRICT FUND
 COMPARATIVE BALANCE SHEET
 DECEMBER 31, 2008 AND 2007

	<u>2008</u>	<u>2007</u>
<u>ASSETS</u>		
Cash:		
Demand deposits	\$ -	\$ 293,283
Time deposits	5,597	12,464
Certificates of deposit	<u>19,250,000</u>	<u>16,450,000</u>
	<u>19,255,597</u>	<u>16,755,747</u>
Receivables:		
Accounts	302,466	204,128
State and Federal aid	<u>23,241</u>	<u>23,241</u>
	<u>325,707</u>	<u>227,369</u>
Prepaid Expenditures	<u>112,814</u>	<u>139,041</u>
Total Assets	<u>\$ 19,694,118</u>	<u>\$ 17,122,157</u>
<u>LIABILITIES AND FUND BALANCE</u>		
Liabilities:		
Accounts payable	\$ 2,176,359	\$ 1,281,244
Accrued liabilities	573,390	540,878
Due to other funds	<u>286,334</u>	<u>73,565</u>
Total Liabilities	<u>3,036,083</u>	<u>1,895,687</u>
Fund Balance:		
Reserved for encumbrances	1,857,949	1,313,822
Reserved for prepaid expenditures	112,814	139,041
Reserved for compensated absences	981,514	998,049
Unreserved:		
Designated for treatment plant and collection system	758,925	603,575
Designated for subsequent year's expenditures	1,877,952	1,914,775
Undesignated	<u>11,068,881</u>	<u>10,257,208</u>
Total Fund Balance	<u>16,658,035</u>	<u>15,226,470</u>
Total Liabilities and Fund Balance	<u>\$ 19,694,118</u>	<u>\$ 17,122,157</u>

SEWER DISTRICT FUND
 COMPARATIVE SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES
 IN FUND BALANCE - BUDGET AND ACTUAL
 YEARS ENDED DECEMBER 31, 2008 AND 2007

	2008			Variance with Final Budget Positive (Negative)
	Original Budget	Final Budget	Actual	
Revenues:				
Real property taxes	\$ 27,007,288	\$ 27,007,288	\$ 27,401,072	\$ 393,784
Other tax items	-	-	155,350	155,350
Departmental income	505,000	505,000	775,710	270,710
Use of money and property	400,000	400,000	670,257	270,257
Fines and forfeitures	-	-	980	980
Sale of property and compensation for loss	-	-	18,401	18,401
Interfund revenues	-	-	44,980	44,980
Miscellaneous	41,992	41,992	31,206	(10,786)
Total Revenues	27,954,280	27,954,280	29,097,956	1,143,676
Expenditures:				
Current:				
Home and community services	16,428,730	18,720,544	15,947,314	2,773,230
Employee benefits	2,635,642	2,720,742	2,490,844	229,898
Debt service - Interest	120,000	120,000	117,900	2,100
Total Expenditures	19,184,372	21,561,286	18,556,058	3,005,228
Excess of Revenues Over Expenditures	8,769,908	6,392,994	10,541,898	4,148,904
Other Financing Sources (Uses):				
Transfers in	500,000	500,000	500,000	-
Transfers out	(12,498,505)	(12,498,505)	(9,610,333)	2,888,172
Total Other Financing Uses	(11,998,505)	(11,998,505)	(9,110,333)	2,888,172
Net Change in Fund Balance	(3,228,597)	(5,605,511)	1,431,565	7,037,076
Fund Balance - Beginning of Year	3,228,597	5,605,511	15,226,470	9,620,959
Fund Balance - End of Year	\$ -	\$ -	\$ 16,658,035	\$ 16,658,035

2007

Original Budget	Final Budget	Actual	Variance with Final Budget Positive (Negative)
\$ 26,278,645	\$ 26,278,645	\$ 26,475,766	\$ 197,121
-	-	203,600	203,600
460,000	460,000	633,870	173,870
400,000	400,000	1,425,662	1,025,662
-	-	2,550	2,550
-	-	-	-
-	-	34,925	34,925
42,000	42,000	32	(41,968)
<u>27,180,645</u>	<u>27,180,645</u>	<u>28,776,405</u>	<u>1,595,760</u>
16,575,639	16,575,639	14,484,197	2,091,442
2,464,982	2,464,982	2,235,964	229,018
276,000	276,000	316,362	(40,362)
<u>19,316,621</u>	<u>19,316,621</u>	<u>17,036,523</u>	<u>2,280,098</u>
<u>7,864,024</u>	<u>7,864,024</u>	<u>11,739,882</u>	<u>3,875,858</u>
500,000	500,000	500,000	-
(10,916,000)	(10,916,000)	(9,937,497)	978,503
<u>(10,416,000)</u>	<u>(10,416,000)</u>	<u>(9,437,497)</u>	<u>978,503</u>
(2,551,976)	(2,551,976)	2,302,385	4,854,361
2,551,976	2,551,976	12,924,085	10,372,109
<u>-</u>	<u>\$ -</u>	<u>\$ 15,226,470</u>	<u>\$ 15,226,470</u>

COUNTY OF ROCKLAND, NEW YORK

SPECIAL PURPOSE FUND
COMPARATIVE BALANCE SHEET
DECEMBER 31, 2008 AND 2007

	<u>2008</u>	<u>2007</u>
<u>ASSETS</u>		
Cash - Time deposits	<u>\$ 49,169</u>	<u>\$ 48,483</u>
 <u>FUND BALANCE</u>		
Reserved for Social Service Programs	<u>\$ 49,169</u>	<u>\$ 48,483</u>

COUNTY OF ROCKLAND, NEW YORK

SPECIAL PURPOSE FUND

COMPARATIVE STATEMENT OF REVENUES, EXPENDITURES AND CHANGES

IN FUND BALANCE

YEARS ENDED DECEMBER 31, 2008 AND 2007

	<u>2008</u>	<u>2007</u>
Revenues - Use of money and property	\$ 686	\$ 1,275
Expenditures - Current - Economic opportunity and development	<u>-</u>	<u>828</u>
Excess of Revenues Over Expenditures	686	447
Fund Balance - Beginning of Year	<u>48,483</u>	<u>48,036</u>
Fund Balance - End of Year	<u>\$ 49,169</u>	<u>\$ 48,483</u>

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COUNTY OF ROCKLAND, NEW YORK

DEBT SERVICE FUND
 COMPARATIVE BALANCE SHEET
 DECEMBER 31, 2008 AND 2007

	<u>2008</u>	<u>2007</u>
<u>ASSETS</u>		
Cash - Demand deposits	<u>\$ 1,430,190</u>	<u>\$ 2,666,012</u>
Investments	<u>6,900,000</u>	<u>8,900,000</u>
Receivables:		
Accounts	-	188,302
State and Federal aid	570,656	359,282
Due from other funds	<u>3,015,019</u>	<u>258,269</u>
	<u>3,585,675</u>	<u>805,853</u>
 Total Assets	 <u><u>\$ 11,915,865</u></u>	 <u><u>\$ 12,371,865</u></u>
<u>FUND BALANCE</u>		
Fund Balance:		
Reserved for debt service	<u>\$ 4,415,865</u>	<u>\$ 4,371,865</u>
Unreserved - Designated for subsequent year's expenditures	<u>7,500,000</u>	<u>8,000,000</u>
 Total Fund Balance	 <u>11,915,865</u>	 <u>12,371,865</u>
 Total Liabilities and Fund Balance	 <u><u>\$ 11,915,865</u></u>	 <u><u>\$ 12,371,865</u></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, 2008 AND 2007

	2008			Variance with Final Budget Positive (Negative)
	Original Budget	Final Budget	Actual	
Revenues:				
Use of money and property	\$ -	\$ -	\$ 2,698,736	\$ 2,698,736
State aid	-	-	706,141	706,141
Federal aid	-	-	871,694	871,694
Miscellaneous	-	-	64,369	64,369
Total Revenues	-	-	4,340,940	4,340,940
Expenditures -				
Debt Service -				
Serial bonds:				
Principal	21,308,965	21,308,965	19,742,088	1,566,877
Interest	12,463,615	12,463,615	10,425,095	2,038,520
Total Expenditures	33,772,580	33,772,580	30,167,183	3,605,397
Deficiency of Revenues Over Expenditures	(33,772,580)	(33,772,580)	(25,826,243)	7,946,337
Other Financing Sources (Uses):				
Transfers in	33,772,580	33,772,580	32,323,908	(1,448,672)
Transfers out	(8,000,000)	(8,000,000)	(6,953,665)	1,046,335
Total Other Financing Sources	25,772,580	25,772,580	25,370,243	(402,337)
Net Change in Fund Balance	(8,000,000)	(8,000,000)	(456,000)	7,544,000
Fund Balance - Beginning of Year	8,000,000	8,000,000	12,371,865	4,371,865
Fund Balance - End of Year	\$ -	\$ -	\$ 11,915,865	\$ 11,915,865

PROPRIETARY FUND - ENTERPRISE FUND
 ROCKLAND SECOND TOBACCO ASSET SECURITIZATION CORPORATION
 COMPARATIVE STATEMENT OF REVENUES, EXPENSES AND
 CHANGES IN NET ASSETS
 YEARS ENDED DECEMBER 31, 2008 AND 2007

	2008	2007
Operating Revenues - Tobacco settlement revenues	<u>\$ 882,647</u>	<u>\$ 863,464</u>
Operating Expenses:		
Professional fees	25,202	23,560
Directors' fees	1,000	2,000
Amortization	<u>6,706</u>	<u>6,706</u>
Total Operating Expenses	<u>32,908</u>	<u>32,266</u>
Income from Operations	<u>849,739</u>	<u>831,198</u>
Non-Operating Revenues (Expenses):		
Interest income	34,727	45,881
Interest on indebtedness	<u>(468,197)</u>	<u>(488,364)</u>
Total Non-Operating Expenses	<u>(433,470)</u>	<u>(442,483)</u>
Change in Net Assets	416,269	388,715
Deficit - Beginning of Year	<u>(5,887,670)</u>	<u>(6,276,385)</u>
Deficit - End of Year	<u>\$ (5,471,401)</u>	<u>\$ (5,887,670)</u>

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PROPRIETARY FUND - ENTERPRISE FUND
 ROCKLAND SECOND TOBACCO ASSET SECURITIZATION CORPORATION
 COMPARATIVE STATEMENT OF CASH FLOWS
 YEARS ENDED DECEMBER 31, 2008 AND 2007

	2008	2007
Cash Flows From Operating Activities:		
Cash received from tobacco settlement revenues	\$ 885,824	\$ 867,637
Cash payments to directors	(1,000)	(2,000)
Cash payments to vendors	(25,202)	(23,560)
Net Cash Provided by Operating Activities	<u>859,622</u>	<u>842,077</u>
Cash Flows from Non-Capital Financing Activities:		
Retirement of long-term debt	(420,000)	(380,000)
Interest on indebtedness	(458,950)	(478,950)
Net Cash Used in Non-Capital Financing Activities	<u>(878,950)</u>	<u>(858,950)</u>
Cash Flows From Investing Activities:		
Interest income	38,333	45,865
Purchase of restricted investments	(711,771)	(710,961)
Sale of restricted investments	710,961	710,961
Net Cash Provided by Investing Activities	<u>37,523</u>	<u>45,865</u>
Net Increase in Cash and Equivalents	18,195	28,992
Cash and Equivalents - Beginning of Year	<u>120,747</u>	<u>91,755</u>
Cash and Equivalents - End of Year	<u>\$ 138,942</u>	<u>\$ 120,747</u>
Reconciliation of Income from Operations to Net Cash Provided by Operating Activities:		
Income from operations	\$ 849,739	\$ 831,198
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	3,177	4,173
Net Cash Provided by Operating Activities	<u>\$ 859,622</u>	<u>\$ 842,077</u>
Non-cash Investing Activities - Increase in bonds payable from amortization of original issue and underwriters' discount	\$ 10,997	\$ 10,997

PROPRIETARY FUNDS - INTERNAL SERVICE FUNDS
 COMBINING STATEMENT OF NET ASSETS
 DECEMBER 31, 2008
 (With Comparative Totals for 2007)

	Workers' Compensation Benefits Fund	General Liability Claims Fund	Unemployment Benefits Fund
<u>ASSETS</u>			
Cash:			
Demand deposits	\$ 111,468	\$ 1,525,304	\$ -
Certificates of deposit	4,765,000	3,705,000	-
Petty cash	-	-	-
	<u>4,876,468</u>	<u>5,230,304</u>	<u>-</u>
Receivables:			
Accounts	-	-	-
State and Federal aid	-	-	-
Due from other funds	680,744	323,785	127,881
	<u>680,744</u>	<u>323,785</u>	<u>127,881</u>
Inventories	-	-	-
Prepaid Expenses	1,594	-	-
Total Current Assets	<u>5,558,806</u>	<u>5,554,089</u>	<u>127,881</u>
Capital Assets	-	-	-
Less - Accumulated depreciation	-	-	-
Total Capital Assets	<u>-</u>	<u>-</u>	<u>-</u>
Total Assets	<u>5,558,806</u>	<u>5,554,089</u>	<u>127,881</u>
<u>LIABILITIES</u>			
Current Liabilities:			
Accounts payable	356,547	35,625	-
Accrued liabilities	5,864	-	3,650
Due to other funds	-	-	-
Due to other governments	19,042	-	-
Advances from other funds	-	-	-
Claims payable	555,687	551,846	-
Compensated absences	2,266	-	-
Current maturities of bonds payable - Capital construction	-	-	-
Current maturities of bonds payable - Pension obligations	-	-	-
Total Current Liabilities	<u>939,406</u>	<u>587,471</u>	<u>3,650</u>
Noncurrent Liabilities:			
Claims payable	5,001,183	4,966,618	-
Compensated absences	-	-	-
Bonds payable - Capital construction, less current maturities	-	-	-
Other post employment benefit obligations payable	36,974	-	-
Total Noncurrent Liabilities	<u>5,038,157</u>	<u>4,966,618</u>	<u>-</u>
Total Liabilities	<u>5,977,563</u>	<u>5,554,089</u>	<u>3,650</u>
<u>NET ASSETS (DEFICIT)</u>			
Invested in Capital Assets, net of related debt	-	-	-
Unrestricted	(418,757)	-	124,231
Total Net Assets (Deficit)	<u>\$ (418,757)</u>	<u>\$ -</u>	<u>\$ 124,231</u>

General Services Fund	Totals	
	2008	2007
\$ -	\$ 1,636,772	\$ 518,117
-	8,470,000	10,650,000
200	200	200
200	10,106,972	11,168,317
286,811	286,811	712,552
523,017	523,017	491,073
920,134	2,052,544	4,274,329
1,729,962	2,862,372	5,477,954
45,872	45,872	70,857
226,573	228,167	273,478
2,002,607	13,243,383	16,990,606
21,524,387	21,524,387	22,876,419
(8,002,638)	(8,002,638)	(6,355,026)
13,521,749	13,521,749	16,521,393
15,524,356	26,765,132	33,511,999
615,173	1,007,345	1,580,967
1,199,906	1,209,420	1,274,844
-	-	2,034,886
-	19,042	17,742
1,484,043	1,484,043	2,806,868
-	1,107,533	1,144,657
187,528	189,794	203,914
1,367,833	1,367,833	1,291,692
-	-	122,289
4,854,483	6,385,010	10,477,859
-	9,967,801	10,301,915
1,687,750	1,687,750	1,818,610
8,711,544	8,711,544	10,079,377
5,181,504	5,218,478	2,600,495
15,580,798	25,585,573	24,800,397
20,435,281	31,970,583	35,278,256
3,442,372	3,442,372	5,150,324
(8,353,297)	(8,647,823)	(6,916,581)
\$ (4,910,925)	\$ (5,205,451)	\$ (1,766,257)

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INTERNAL SERVICE FUNDS

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

COUNTY OF ROCKLAND, NEW YORK

PROPRIETARY FUNDS - INTERNAL SERVICE FUNDS
 COMBINING STATEMENT OF REVENUES, EXPENSES AND CHANGES
 IN NET ASSETS
 YEAR ENDED DECEMBER 31, 2008
 (With Comparative Totals for 2007)

	Workers' Compensation Benefits Fund	General Liability Claims Fund	Unemployment Benefits Fund
Operating Revenues:			
Charges for services	\$ 3,458,741	\$ 1,891,420	\$ 124,332
State aid	-	-	-
Total Operating Revenues	<u>3,458,741</u>	<u>1,891,420</u>	<u>124,332</u>
Operating Expenses:			
Administrative and general expenses	604,787	-	-
Salaries and wage expenses	139,259	-	-
Employee benefits	3,720,974	-	127,982
Judgments and claims	-	1,999,547	-
Supplies and other expenses	-	-	-
Depreciation	-	-	-
Total Operating Expenses	<u>4,465,020</u>	<u>1,999,547</u>	<u>127,982</u>
Loss From Operations	<u>(1,006,279)</u>	<u>(108,127)</u>	<u>(3,650)</u>
Non-Operating Revenues (Expenses):			
Interest income	221,697	108,127	1,516
Interest on indebtedness	-	-	-
Total Non-Operating Revenues (Expenses)	<u>221,697</u>	<u>108,127</u>	<u>1,516</u>
Change in Net Assets	<u>(784,582)</u>	<u>-</u>	<u>(2,134)</u>
Net Assets (Deficit) - Beginning of Year	<u>365,825</u>	<u>-</u>	<u>126,365</u>
Net Assets (Deficit) - End of Year	<u>\$ (418,757)</u>	<u>\$ -</u>	<u>\$ 124,231</u>

General Services Fund	Totals	
	2008	2007
\$ 31,720,586	\$ 37,195,079	\$ 33,389,958
585,662	585,662	597,872
<u>32,306,248</u>	<u>37,780,741</u>	<u>33,987,830</u>
11,619,149	12,223,936	11,676,616
-	139,259	135,932
4,910,358	8,759,314	8,578,578
-	1,999,547	2,577,046
14,954,049	14,954,049	14,517,570
3,061,829	3,061,829	2,027,226
<u>34,545,385</u>	<u>41,137,934</u>	<u>39,512,968</u>
<u>(2,239,137)</u>	<u>(3,357,193)</u>	<u>(5,525,138)</u>
-	331,340	659,421
<u>(413,341)</u>	<u>(413,341)</u>	<u>(133,649)</u>
<u>(413,341)</u>	<u>(82,001)</u>	<u>525,772</u>
(2,652,478)	(3,439,194)	(4,999,366)
<u>(2,258,447)</u>	<u>(1,766,257)</u>	<u>3,233,109</u>
<u>\$ (4,910,925)</u>	<u>\$ (5,205,451)</u>	<u>\$ (1,766,257)</u>

PROPRIETARY FUNDS - INTERNAL SERVICE FUNDS
 COMBINING STATEMENT OF CASH FLOWS
 YEAR ENDED DECEMBER 31, 2008
 (With Comparative Totals for 2007)

	Workers' Compensation Benefits Fund	General Liability Claims Fund	Unemployment Benefits Fund
Cash Flows From Operating Activities:			
Cash received from charges for services	\$ 3,458,741	\$ 2,803,526	\$ -
Advances to other funds	-	-	(3,549)
Cash received from State	-	-	-
Cash payments to insurance carriers and claimants	(5,210,971)	(2,177,261)	(124,332)
Cash payments to employees	(138,839)	-	-
Cash payments to vendors	-	-	-
Net Cash Provide by (Used in) Operating Activities	(1,891,069)	626,265	(127,881)
Cash Flows From Non-Capital Financing Activities:			
Retirement of long-term debt	-	-	-
Interest on indebtedness	-	-	-
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	-	-	-
Acquisition and construction of capital assets	-	-	-
Net Cash Used in Capital and Related Financing Activities	-	-	-
Cash Flows From Investing Activities -			
Interest income	221,697	108,127	1,516
Net Increase (Decrease) in Cash	(1,669,372)	734,392	(126,365)
Cash - Beginning of Year	6,545,840	4,495,912	126,365
Cash - End of Year	<u>\$ 4,876,468</u>	<u>\$ 5,230,304</u>	<u>\$ -</u>
Reconciliation of Loss from Operations to Net Cash			
Provided by (Used in) Operating Activities:			
Loss from operations	\$ (1,006,279)	\$ (108,127)	\$ (3,650)
Adjustments to reconcile loss from operations to net cash provided by (used in) operating activities:			
Depreciation	-	-	-
Changes in operating assets and liabilities:			
Accounts receivable	-	-	-
State and Federal aid receivable	-	-	-
Due from other governments	-	-	-
Due from other funds	(680,744)	912,106	(127,881)
Inventories	-	-	-
Prepaid expenses	219	-	-
Accounts payable	(51,760)	35,625	-
Accrued liabilities	178	-	-
Due to other funds	(14,208)	-	-
Due to other governments	1,300	-	-
Advances from other funds	-	-	-
Claims payable	(157,899)	(213,339)	3,650
Compensated absences	420	-	-
Other post employment benefit obligations payable	17,704	-	-
Net Cash Provided by (Used in) Operating Activities	\$ (1,891,069)	\$ 626,265	\$ (127,881)

General Services Fund	Totals	
	2008	2007
\$ 34,264,631	\$ 40,526,898	\$ 31,044,907
-	(3,549)	-
553,718	553,718	676,327
-	(7,512,564)	(6,732,404)
(5,055,758)	(5,194,597)	(4,968,856)
<u>(27,873,084)</u>	<u>(27,873,084)</u>	<u>(22,107,080)</u>
1,889,507	496,822	(2,087,106)
(122,289)	(122,289)	(117,620)
<u>(4,344)</u>	<u>(4,344)</u>	<u>(8,855)</u>
(126,633)	(126,633)	(126,475)
-	-	750,000
(1,291,692)	(1,291,692)	(1,203,256)
(408,997)	(408,997)	(124,794)
<u>(62,185)</u>	<u>(62,185)</u>	<u>(1,441,779)</u>
(1,762,874)	(1,762,874)	(2,019,829)
-	331,340	659,421
-	(1,061,345)	(3,573,989)
200	11,168,317	14,742,306
<u>\$ 200</u>	<u>\$ 10,106,972</u>	<u>\$ 11,168,317</u>
\$ (2,239,137)	\$ (3,357,193)	\$ (5,525,138)
3,061,829	3,061,829	2,027,226
425,741	425,741	(243,006)
(31,944)	(31,944)	78,455
-	-	10,531
2,118,304	2,221,785	(2,102,045)
24,985	24,985	(15,478)
45,092	45,311	660,051
(557,487)	(573,622)	420,523
(69,252)	(69,074)	(122,595)
(2,020,678)	(2,034,886)	1,960,466
-	1,300	17,742
(1,322,825)	(1,322,825)	(2,152,870)
-	(367,588)	105,026
(145,400)	(144,980)	193,511
<u>2,600,279</u>	<u>2,617,983</u>	<u>2,600,495</u>
<u>\$ 1,889,507</u>	<u>\$ 496,822</u>	<u>\$ (2,087,106)</u>

COUNTY OF ROCKLAND, NEW YORK

PROPRIETARY FUND - INTERNAL SERVICE FUND - WORKERS' COMPENSATION BENEFITS FUND
 COMPARATIVE STATEMENT OF NET ASSETS
 DECEMBER 31, 2008 AND 2007

	<u>2008</u>	<u>2007</u>
<u>ASSETS</u>		
Cash:		
Demand deposits	\$ 111,468	\$ 195,840
Certificates of deposit	4,765,000	6,350,000
	<u>4,876,468</u>	<u>6,545,840</u>
Due from Other Funds	<u>680,744</u>	<u>-</u>
Prepaid Expenses	<u>1,594</u>	<u>1,813</u>
Total Assets	<u>5,558,806</u>	<u>6,547,653</u>
<u>LIABILITIES</u>		
Current Liabilities:		
Accounts payable	356,547	408,307
Accrued liabilities	5,864	5,686
Due to other funds	-	14,208
Due to other governments	19,042	17,742
Claims payable	555,687	571,477
Compensated absences	2,266	1,846
Total Current Liabilities	<u>939,406</u>	<u>1,019,266</u>
Noncurrent Liabilities:		
Claims payable	5,001,183	5,143,292
Other post employment benefit obligations payable	36,974	19,270
Total Noncurrent Liabilities	<u>5,038,157</u>	<u>5,162,562</u>
Total Liabilities	<u>5,977,563</u>	<u>6,181,828</u>
<u>NET ASSETS (DEFICIT)</u>		
Unrestricted	<u>\$ (418,757)</u>	<u>\$ 365,825</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, 2008 AND 2007

	<u>2008</u>	<u>2007</u>
Operating Revenues - Charges for services	\$ 3,458,741	\$ 1,275,125
Operating Expenses:		
Administrative and general expenses	604,787	679,003
Salaries and wage expenses	139,259	135,932
Employee benefits	<u>3,720,974</u>	<u>3,377,238</u>
Total Operating Expenses	<u>4,465,020</u>	<u>4,192,173</u>
Loss From Operations	(1,006,279)	(2,917,048)
Non-Operating Revenues - Interest income	<u>221,697</u>	<u>411,562</u>
Change in Net Assets	(784,582)	(2,505,486)
Net Assets - Beginning of Year	<u>365,825</u>	<u>2,871,311</u>
Net Assets (Deficit) - End of Year	<u>\$ (418,757)</u>	<u>\$ 365,825</u>

PROPRIETARY FUND - INTERNAL SERVICE FUND - WORKERS' COMPENSATION BENEFITS FUND
 COMPARATIVE STATEMENT OF CASH FLOWS
 YEARS ENDED DECEMBER 31, 2008 AND 2007

	<u>2008</u>	<u>2007</u>
Cash Flows From Operating Activities:		
Cash received from charges for services	\$ 3,458,741	\$ 1,275,125
Cash payments to insurance carriers and claimants	(5,210,971)	(3,676,774)
Cash payments to employees	(138,839)	(76,210)
	<u>(1,891,069)</u>	<u>(2,477,859)</u>
Cash Flows From Investing Activities -		
Interest income	<u>221,697</u>	<u>411,562</u>
	<u>(1,669,372)</u>	<u>(2,066,297)</u>
Cash - Beginning of Year	<u>6,545,840</u>	<u>8,612,137</u>
Cash - End of Year	<u>\$ 4,876,468</u>	<u>\$ 6,545,840</u>
Reconciliation of Loss from Operations to Net Cash Used in Operating Activities:		
Loss from operations	\$ (1,006,279)	\$ (2,917,048)
Adjustments to reconcile loss from operations to net cash used in operating activities -		
Changes in assets and liabilities:		
Due from other governments	-	10,531
Due from other funds	(680,744)	-
Prepaid expenses	219	1,115
Accounts payable	(51,760)	8,731
Accrued liabilities	178	5,686
Due to other funds	(14,208)	(40,463)
Due to other governments	1,300	17,742
Claims payable	(157,899)	414,731
Compensated absences	420	1,846
Other post employment benefit obligations payable	17,704	19,270
	<u>\$ (1,891,069)</u>	<u>\$ (2,477,859)</u>

COUNTY OF ROCKLAND, NEW YORK

PROPRIETARY FUND - INTERNAL SERVICE FUND - GENERAL LIABILITY CLAIMS FUND
 COMPARATIVE STATEMENT OF NET ASSETS
 DECEMBER 31, 2008 AND 2007

	<u>2008</u>	<u>2007</u>
<u>ASSETS</u>		
Cash:		
Demand deposits	\$ 1,525,304	\$ 195,912
Certificates of deposit	<u>3,705,000</u>	<u>4,300,000</u>
	<u>5,230,304</u>	<u>4,495,912</u>
Due from Other Funds	<u>323,785</u>	<u>1,235,891</u>
 Total Assets	 <u>5,554,089</u>	 <u>5,731,803</u>
<u>LIABILITIES</u>		
Current Liabilities:		
Accounts payable	35,625	-
Claims payable	<u>551,846</u>	<u>573,180</u>
Total Current Liabilities	587,471	573,180
Noncurrent Liabilities -		
Claims payable	<u>4,966,618</u>	<u>5,158,623</u>
Total Liabilities	<u>\$ 5,554,089</u>	<u>\$ 5,731,803</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, 2008 AND 2007

	<u>2008</u>	<u>2007</u>
Operating Revenues - Charges for services	\$ 1,891,420	\$ 2,416,532
Operating Expenses - Judgments and claims	<u>1,999,547</u>	<u>2,577,046</u>
Loss From Operations	(108,127)	(160,514)
Non-Operating Revenues - Interest income	<u>108,127</u>	<u>242,997</u>
Change in Net Assets	-	82,483
Net Assets (Deficiency) - Beginning of Year	<u>-</u>	<u>(82,483)</u>
Net Assets - End of Year	<u>\$ -</u>	<u>\$ -</u>

PROPRIETARY FUND - INTERNAL SERVICE FUND - GENERAL LIABILITY CLAIMS FUND
 COMPARATIVE STATEMENT OF CASH FLOWS
 YEARS ENDED DECEMBER 31, 2008 AND 2007

	<u>2008</u>	<u>2007</u>
Cash Flows From Operating Activities:		
Cash received from charges for services	\$ 2,803,526	\$ 1,183,050
Cash payments to insurance carriers and claimants	<u>(2,177,261)</u>	<u>(2,938,601)</u>
Net Cash Provided by (Used in) Operating Activities	626,265	(1,755,551)
Cash Flows From Investing Activities - Interest income	<u>108,127</u>	<u>242,997</u>
Net Increase (Decrease) in Cash	734,392	(1,512,554)
Cash - Beginning of Year	<u>4,495,912</u>	<u>6,008,466</u>
Cash - End of Year	<u>\$ 5,230,304</u>	<u>\$ 4,495,912</u>
Reconciliation of Loss from Operations to Net Cash Provided by (Used in) Operating Activities:		
Loss from operations	\$ (108,127)	\$ (160,514)
Adjustments to reconcile loss from operations to net cash provided by (used in) operating activities -		
Changes in assets and liabilities:		
Accounts receivable	-	2,409
Due from other funds	912,106	(1,235,891)
Accounts payable	35,625	(32,101)
Due to other funds	-	(19,749)
Claims payable	<u>(213,339)</u>	<u>(309,705)</u>
Net Cash Provided by (Used in) Operating Activities	<u>\$ 626,265</u>	<u>\$ (1,755,551)</u>

PROPRIETARY FUND - INTERNAL SERVICE FUND - UNEMPLOYMENT BENEFITS FUND
 COMPARATIVE STATEMENT OF NET ASSETS
 DECEMBER 31, 2008 AND 2007

	<u>2008</u>	<u>2007</u>
<u>ASSETS</u>		
Cash - Demand deposits	\$ -	\$ 126,365
Due from Other Funds	127,881	-
Total Assets	<u>127,881</u>	<u>126,365</u>
<u>LIABILITIES</u>		
Accrued Liabilities	<u>3,650</u>	<u>-</u>
<u>NET ASSETS</u>		
Unrestricted	<u>\$ 124,231</u>	<u>\$ 126,365</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, 2008 AND 2007

	2008	2007
Operating Revenues - Charges for services	\$ 124,332	\$ 117,029
Operating Expenses - Employee benefits	<u>127,982</u>	<u>117,029</u>
Income (Loss) From Operations	(3,650)	-
Non-Operating Revenues - Interest income	<u>1,516</u>	<u>4,862</u>
Change in Net Assets	(2,134)	4,862
Net Assets - Beginning of Year	<u>126,365</u>	<u>121,503</u>
Net Assets - End of Year	<u><u>\$ 124,231</u></u>	<u><u>\$ 126,365</u></u>

PROPRIETARY FUND - INTERNAL SERVICE FUND - UNEMPLOYMENT BENEFITS FUND
 COMPARATIVE STATEMENT OF CASH FLOWS
 YEARS ENDED DECEMBER 31, 2008 AND 2007

	2008	2007
Cash Flows From Operating Activities:		
Advances to other funds	\$ (3,549)	\$ 117,029
Cash payments to insurance carriers and claimants	(124,332)	(117,029)
Net Cash Provided by (Used in) Operating Activities	<u>(127,881)</u>	<u>-</u>
Cash Flows From Investing Activities -		
Interest income	1,516	4,862
Net Increase (Decrease) in Cash	(126,365)	4,862
Cash - Beginning of Year	<u>126,365</u>	<u>121,503</u>
Cash - End of Year	<u>\$ -</u>	<u>\$ 126,365</u>
Reconciliation of Income (Loss) from Operations to Net Cash Provided by (Used In) Operating Activities:		
Income (loss) from operations	\$ (3,650)	\$ -
Adjustments to reconcile income (loss) from operations to net cash provided by (used in) operating activities -		
Changes in assets and liabilities:		
Due from other funds	(127,881)	-
Accrued Liabilities	3,650	-
Net Cash Provided by (Used in) Operating Activities	<u>\$ (127,881)</u>	<u>\$ -</u>

PROPRIETARY FUND - INTERNAL SERVICE FUND - GENERAL SERVICES FUND
 COMPARATIVE STATEMENT OF NET ASSETS
 DECEMBER 31, 2008 AND 2007

	2008	2007
<u>ASSETS</u>		
Cash - Petty cash	\$ 200	\$ 200
Receivables:		
Accounts	286,811	712,552
State and Federal aid	523,017	491,073
Due from other funds	920,134	3,038,438
	<u>1,729,962</u>	<u>4,242,063</u>
Inventories	45,872	70,857
Prepaid Expenses	226,573	271,665
Total Current Assets	<u>2,002,607</u>	<u>4,584,785</u>
Capital Assets:		
Buildings	2,980	2,980
Equipment	21,521,407	22,873,439
	<u>21,524,387</u>	<u>22,876,419</u>
Less - Accumulated depreciation	<u>(8,002,638)</u>	<u>(6,355,026)</u>
	<u>13,521,749</u>	<u>16,521,393</u>
Total Assets	<u>15,524,356</u>	<u>21,106,178</u>
<u>LIABILITIES</u>		
Current Liabilities:		
Accounts payable	615,173	1,172,660
Accrued liabilities	1,199,906	1,269,158
Due to other funds	-	2,020,678
Advances from other funds	1,484,043	2,806,868
Current maturities of - compensated absences	187,528	202,068
Current maturities of bonds payable - Capital construction	1,367,833	1,291,692
Current maturities of bonds payable - Pension obligations	-	122,289
Total Current Liabilities	<u>4,854,483</u>	<u>8,885,413</u>
Noncurrent Liabilities:		
Compensated absences, less current maturities	1,687,750	1,818,610
Bonds payable - Capital construction, less current maturities	8,711,544	10,079,377
Other post employment benefit obligations payable	5,181,504	2,581,225
Total Noncurrent Liabilities	<u>15,580,798</u>	<u>14,479,212</u>
Total Liabilities	<u>20,435,281</u>	<u>23,364,625</u>
<u>NET ASSETS (DEFICIT)</u>		
Invested in Capital Assets, net of related debt	3,442,372	5,150,324
Unrestricted	<u>(8,353,297)</u>	<u>(7,408,771)</u>
Total Deficit	<u>\$ (4,910,925)</u>	<u>\$ (2,258,447)</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, 2008 AND 2007

	<u>2008</u>	<u>2007</u>
Operating Revenues:		
Charges for services	\$ 31,720,586	\$ 29,581,272
State aid	585,662	597,872
Total Operating Revenues	<u>32,306,248</u>	<u>30,179,144</u>
Operating Expenses:		
Salaries and wage expenses	11,619,149	10,997,613
Employee benefits	4,910,358	5,084,311
Supplies and other expenses	14,954,049	14,517,570
Depreciation	3,061,829	2,027,226
Total Operating Expenses	<u>34,545,385</u>	<u>32,626,720</u>
Loss From Operations	(2,239,137)	(2,447,576)
Non-Operating Expenses -		
Interest on indebtedness	<u>(413,341)</u>	<u>(133,649)</u>
Change in Net Assets	(2,652,478)	(2,581,225)
Net Assets (Deficit) - Beginning of Year	<u>(2,258,447)</u>	<u>322,778</u>
Deficit - End of Year	<u>\$ (4,910,925)</u>	<u>\$ (2,258,447)</u>

PROPRIETARY FUND - INTERNAL SERVICE FUND - GENERAL SERVICES FUND
 COMPARATIVE STATEMENT OF CASH FLOWS
 YEARS ENDED DECEMBER 31, 2008 AND 2007

	<u>2008</u>	<u>2007</u>
Cash Flows From Operating Activities:		
Cash received from charges for services	\$ 34,264,631	\$ 28,469,703
Cash received from State	553,718	676,327
Cash payments to vendors	(27,873,084)	(22,107,080)
Cash payments to employees	<u>(5,055,758)</u>	<u>(4,892,646)</u>
Net Cash Provided by Operating Activities	<u>1,889,507</u>	<u>2,146,304</u>
Cash Flows From Non-Capital Financing Activities:		
Retirement of long-term debt	(122,289)	(117,620)
Interest on indebtedness	<u>(4,344)</u>	<u>(8,855)</u>
Net Cash Used in Non-Capital Financing Activities	<u>(126,633)</u>	<u>(126,475)</u>
Cash Flows from Capital and Related Financing Activities:		
Issuance of long-term debt	-	750,000
Retirement of long-term debt	(1,291,692)	(1,203,256)
Interest on indebtedness	(408,997)	(124,794)
Acquisition and construction of capital assets	<u>(62,185)</u>	<u>(1,441,779)</u>
Net Cash Used in Capital and Related Financing Activities	<u>(1,762,874)</u>	<u>(2,019,829)</u>
Net Increase in Cash	-	-
Cash - Beginning of Year	<u>200</u>	<u>200</u>
Cash - End of Year	<u>\$ 200</u>	<u>\$ 200</u>
Reconciliation of Loss from Operations to Net Cash Provided by Operating Activities:		
Loss from operations	\$ (2,239,137)	\$ (2,447,576)
Adjustments to reconcile loss from operations to net cash provided by operating activities:		
Depreciation	3,061,829	2,027,226
Changes in assets and liabilities:		
Accounts receivable	425,741	(245,415)
State and Federal aid receivable	(31,944)	78,455
Due from other funds	2,118,304	(866,154)
Inventories	24,985	(15,478)
Prepaid expenses	45,092	658,936
Accounts payable	(557,487)	443,893
Accrued liabilities	(69,252)	(128,281)
Due to other funds	(2,020,678)	2,020,678
Advances from other funds	(1,322,825)	(2,152,870)
Compensated absences	(145,400)	191,665
Other post employment benefit obligations payable	<u>2,600,279</u>	<u>2,581,225</u>
Net Cash Provided by Operating Activities	<u>\$ 1,889,507</u>	<u>\$ 2,146,304</u>

FIDUCIARY FUNDS - AGENCY FUND
 STATEMENT OF CHANGES IN ASSETS AND LIABILITIES
 YEAR ENDED DECEMBER 31, 2008

	Balance January 1, 2008	Increases	Decreases	Balance December 31, 2008
<u>ASSETS</u>				
Cash:				
Demand deposits	\$ 4,732,657	\$ 232,920,701	\$ 231,170,323	\$ 6,483,035
Time deposits	2,070,770	3,534,250	1,076,107	4,528,913
	6,803,427	236,454,951	232,246,430	11,011,948
Accounts Receivable	-	54,409	54,409	-
Total Assets	\$ 6,803,427	\$ 236,509,360	\$ 232,300,839	\$ 11,011,948
<u>LIABILITIES</u>				
Accounts Payable	\$ 39,243	\$ 226,573,576	\$ 225,085,820	\$ 1,526,999
Employee Payroll Deductions	479,046	88,426,651	88,484,402	421,295
Deposits	3,595,465	6,243,276	2,934,015	6,904,726
Due to Other Governments	2,689,673	11,284,983	11,815,728	2,158,928
Total Liabilities	\$ 6,803,427	\$ 332,528,486	\$ 328,319,965	\$ 11,011,948

**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 SEVEN FISCAL YEARS

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

(1)

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

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

STATEMENT OF LIABILITIES

2006	2007	2008
\$ 357,075,560	\$ 410,512,788	\$ 405,279,887
84,186,029	123,090,125	113,990,838
49,138,682	(119,583,249)	(163,971,651)
<u>\$ 490,400,271</u>	<u>\$ 414,019,664</u>	<u>\$ 355,299,074</u>
\$ 12,411,965	\$ 11,269,462	\$ 11,068,096
(88,784,191)	(106,761,196)	(111,174,333)
<u>\$ (76,372,226)</u>	<u>\$ (95,491,734)</u>	<u>\$ (100,106,237)</u>
\$ 369,487,525	\$ 421,782,250	\$ 416,347,983
84,186,029	123,090,125	113,990,838
(39,645,509)	(226,344,445)	(275,145,984)
<u>\$ 414,028,045</u>	<u>\$ 318,527,930</u>	<u>\$ 255,192,837</u>

COUNTY OF ROCKLAND, NEW YORK

CHANGES IN NET ASSETS
LAST SEVEN FISCAL YEARS

	2002	2003	2004	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	400,419,904	415,675,944	457,218,715	448,426,712
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	\$ 483,749,650	\$ 495,045,310	\$ 547,735,140	\$ 545,317,694
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	192,968,959	196,048,485	229,369,481	196,581,711
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	-	-	3,893,466	4,076,906
Rockland Second Tobacco Asset Securitization Corporation	-	-	939,947	946,876
Total Business-Type Activities	81,075,879	76,909,623	92,233,980	95,697,387
Total Primary Government Program Revenues	\$ 274,044,838	\$ 272,958,108	\$ 321,603,461	\$ 292,279,098

	2006	2007	2008
\$	53,181,226	\$ 58,494,042	\$ 67,293,698
	62,269,510	63,708,235	71,519,828
	61,374,333	68,781,351	70,103,143
	42,866,537	55,693,202	50,413,128
	52,467,203	56,039,377	55,737,309
	154,921,214	161,783,425	174,367,673
	672,310	922,107	939,766
	25,128,078	33,924,151	35,782,255
	17,421,520	24,724,724	13,400,239
	<u>470,301,931</u>	<u>524,070,614</u>	<u>539,557,039</u>
	100,045,431	114,058,665	115,135,691
	4,486,554	4,571,080	4,640,294
	542,077	520,630	501,105
	<u>105,074,062</u>	<u>119,150,375</u>	<u>120,277,090</u>
\$	<u>575,375,993</u>	<u>643,220,989</u>	<u>659,834,129</u>
\$	13,488,832	\$ 12,527,092	\$ 12,961,766
	4,376,291	3,335,455	1,935,136
	2,227,880	4,275,920	4,091,463
	3,649,497	4,164,539	7,937,745
	7,118,757	6,968,579	7,676,041
	2,256,013	2,126,805	1,777,822
	141,316,084	143,651,066	164,476,127
	17,079,414	23,349,064	11,845,084
	<u>191,512,768</u>	<u>200,398,520</u>	<u>212,701,184</u>
	79,335,999	78,790,038	106,029,852
	7,781,080	16,491,989	4,896,669
	3,379,057	3,839,495	3,818,692
	859,420	909,345	917,374
	<u>91,355,556</u>	<u>100,030,867</u>	<u>115,662,587</u>
\$	<u>282,868,324</u>	<u>300,429,387</u>	<u>328,363,771</u>

(Continued)

CHANGES IN NET ASSETS
LAST SEVEN FISCAL YEARS (Continued)

	2002	2003	2004	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>

(1)

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

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2006	2007	2008
\$ (278,789,163)	\$ (323,672,094)	\$ (326,855,855)
(13,718,506)	(19,119,508)	(4,614,503)
<u>\$ (292,507,669)</u>	<u>\$ (342,791,602)</u>	<u>\$ (331,470,358)</u>
\$ 58,727,783	\$ 72,855,145	\$ 71,646,043
27,764,921	5,253,994	7,125,096
151,119,113	163,931,697	168,498,939
9,217,795	7,416,530	5,115,544
2,658,983	15,365,523	3,285,209
135,224	49,315	40,543
-	-	-
<u>2,663,407</u>	<u>2,560,186</u>	<u>2,821,904</u>
<u>252,287,226</u>	<u>267,432,390</u>	<u>258,533,278</u>
-	-	-
-	-	-
-	-	-
<u>\$ 252,287,226</u>	<u>\$ 267,432,390</u>	<u>\$ 258,533,278</u>
(26,501,937)	(56,239,704)	(68,322,577)
(13,718,506)	(19,119,508)	(4,614,503)
<u>\$ (40,220,443)</u>	<u>\$ (75,359,212)</u>	<u>\$ (72,937,080)</u>

COUNTY OF ROCKLAND, NEW YORK

FUND BALANCES OF GOVERNMENTAL FUNDS
LAST TEN FISCAL YEARS

	1999	2000	2001	2002
General Fund				
Reserved	\$ 2,980,555	\$ 3,245,642	\$ 3,361,395	\$ 13,232,014
Unreserved	27,756,789	36,408,613	13,768,634	11,606,335
Total General Fund	<u>\$ 30,737,344</u>	<u>\$ 39,654,255</u>	<u>\$ 17,130,029</u>	<u>\$ 24,838,349</u>
All Other Governmental Funds				
Reserved	\$ 42,464,536	\$ 33,721,960	\$ 34,930,741	\$ 33,923,864
Unreserved, Reported In:				
Special Revenue Funds	12,482,421	11,896,838	8,379,054	5,882,068
Capital Projects Fund	24,401,416	24,324,147	20,878,561	12,278,033
Debt Service Fund	8,034,173	8,162,151	6,680,126	5,496,940
Total All Other Governmental Funds	<u>\$ 87,382,546</u>	<u>\$ 78,105,096</u>	<u>\$ 70,868,482</u>	<u>\$ 57,580,905</u>
Total Governmental Funds	<u>\$ 118,119,890</u>	<u>\$ 117,759,351</u>	<u>\$ 87,998,511</u>	<u>\$ 82,419,254</u>

2003	2004	2005	2006	2007	2008
\$ 12,259,389	\$ 80,273,905	\$ 168,348,692	\$ 53,082,159	\$ 44,873,252	\$ 54,784,809
19,842,531	(41,322,044)	(110,667,341)	(2,932,059)	(33,535,024)	(31,526,746)
<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>	<u>\$ 23,258,063</u>
\$ 30,042,904	\$ 40,358,037	\$ 31,312,497	\$ 58,853,881	\$ 8,024,019	\$ 9,043,239
7,229,050	7,874,712	7,929,375	8,720,490	12,276,371	13,926,044
13,816,458	25,479,845	74,516,172	50,805,405	91,909,837	51,547,862
7,746,977	7,245,082	6,660,644	7,188,000	8,000,000	7,500,000
<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>\$ 82,017,145</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>	<u>\$ 105,275,208</u>

CHANGES IN FUND BALANCES OF GOVERNMENTAL FUNDS
LAST TEN FISCAL YEARS

	1999	2000	2001	2002
Revenues				
Real Property Taxes	\$ 43,129,354	\$ 67,842,937	\$ 55,125,499	\$ 58,090,243
Other Tax Items	6,322,957	5,778,747	4,662,533	4,461,514
Non-Property Taxes	98,961,356	102,873,798	104,741,932	119,731,942
Departmental Income	22,854,660	25,583,674	23,652,207	29,627,090
Use of Money and Property	5,694,288	6,243,659	5,189,419	3,300,400
Licenses and Permits	940,525	1,001,528	963,061	1,252,367
Fines and Forfeitures	717,214	798,226	725,337	674,941
Sale of Property and Compensation for Loss	149,535	261,352	416,613	159,583
Interfund Revenues	3,410,953	4,425,683	2,476,541	39,264,640
State Aid	76,076,126	78,339,196	75,073,483	83,186,148
Federal Aid	43,980,271	40,333,285	42,486,644	46,183,076
Miscellaneous	5,557,989	8,629,166	53,983,421	7,731,765
Total Revenues	307,795,228	342,111,251	369,496,690	393,663,709
Expenditures				
Current				
General Government	33,321,844	36,565,661	34,802,149	34,958,991
Education	18,308,853	24,714,657	28,377,650	45,329,687
Public Safety	39,497,205	40,297,186	40,084,416	41,745,805
Health	25,975,744	27,259,565	30,284,190	37,298,006
Transportation	25,089,535	26,895,533	28,706,131	31,225,049
Economic Opportunity and Development	117,797,041	120,336,401	130,813,053	138,444,547
Culture and Recreation	1,236,264	1,494,388	853,647	598,690
Home and Community Services	14,293,762	15,051,164	15,022,224	16,502,315
Employee Benefits	1,833,836	1,631,716	1,956,682	37,451,415
Debt Service				
Principal	13,387,160	12,999,600	13,245,814	7,472,536
Interest	7,100,682	7,336,930	7,921,721	6,051,010
Refunding Bond Issuance Costs	-	-	-	-
Advance Refunding Escrow	-	-	40,762,014	-
Capital Outlay	23,128,085	24,194,811	27,516,480	25,899,601
Total Expenditures	320,970,011	338,777,612	400,346,171	422,977,652
Excess (Deficiency) of Revenues Over Expenditures	(13,174,783)	3,333,639	(30,849,481)	(29,313,943)
Other Financing Sources (Uses)				
Bonds Issued	25,217,000	14,925,000	20,225,000	14,488,000
Transfers In	37,165,862	39,001,678	82,625,020	29,604,599
Transfers Out	(53,350,896)	(57,628,911)	(101,788,669)	(29,604,599)
Refunding Bonds Issued	-	-	-	-
Issuance Premium	-	-	-	-
Payment to Refunded Bond Escrow Agent	-	-	-	-
Total Other Financing Sources (Uses)	9,031,966	(3,702,233)	1,061,351	14,488,000
Net Change in Fund Balances	\$ (4,142,817)	\$ (368,594)	\$ (29,788,130)	\$ (14,825,943)
Debt Service as a Percentage of Non-Capital Expenditures	6.9%	6.5%	16.6%	3.4%

	2003	2004	2005	2006	2007	2008
\$	58,693,340	\$ 62,218,149	\$ 67,573,335	\$ 70,005,364	\$ 72,945,404	\$ 80,701,948
	4,262,453	11,078,086	9,898,911	27,764,921	5,253,994	7,280,446
	142,819,235	154,932,812	159,169,424	160,802,521	171,761,695	173,963,636
	28,668,797	32,576,362	34,063,306	30,578,872	30,764,208	31,830,638
	1,819,194	2,727,187	4,132,707	6,152,871	19,877,509	6,760,275
	1,321,928	1,477,592	1,512,041	1,487,720	1,448,396	1,701,868
	718,865	868,114	760,839	918,522	990,290	1,050,166
	174,452	194,830	123,880	136,334	49,315	86,829
	9,504,603	9,995,961	11,996,089	12,581,214	14,664,748	15,691,757
	87,573,304	100,122,546	106,299,593	99,322,826	100,900,483	107,236,772
	47,058,732	62,912,164	48,858,105	52,385,776	58,001,784	65,639,498
	15,279,908	4,539,643	4,370,725	4,238,295	4,670,799	2,662,174
	<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>	<u>494,606,007</u>
	34,993,828	39,754,114	43,149,881	54,942,689	48,895,671	60,184,410
	50,182,282	53,635,959	56,287,051	59,108,151	60,595,502	67,786,623
	42,894,951	49,560,136	55,473,720	58,893,768	59,002,667	61,193,182
	34,217,931	41,256,330	43,904,877	42,109,558	51,976,073	46,691,701
	31,363,348	33,227,664	36,248,794	40,142,905	41,580,438	42,704,822
	146,763,914	163,421,773	155,278,769	154,605,187	156,569,060	169,264,751
	643,684	651,769	698,272	636,212	661,650	667,428
	17,589,427	16,962,202	19,212,556	20,302,722	22,031,229	23,632,499
	15,433,804	10,464,391	11,371,661	9,380,119	10,146,766	11,028,835
	6,190,771	5,133,743	10,869,372	13,858,182	17,736,847	19,742,088
	6,737,039	5,405,520	9,278,123	13,783,091	27,904,491	13,344,928
	95,790	-	-	-	-	-
	8,154,357	-	-	-	-	-
	21,121,468	46,003,907	44,447,249	48,004,692	42,526,497	38,699,088
	<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>	<u>554,940,355</u>
	<u>(18,487,783)</u>	<u>(21,834,062)</u>	<u>(37,461,370)</u>	<u>(49,392,040)</u>	<u>(58,298,266)</u>	<u>(60,334,348)</u>
	27,000,743	51,197,807	72,379,263	47,009,877	34,269,748	24,000,000
	37,781,261	29,274,285	72,045,546	48,275,803	54,421,029	57,988,686
	(37,871,957)	(29,274,285)	(48,047,937)	(48,275,803)	(54,421,029)	(57,988,686)
	3,812,318	-	-	-	-	-
	51,524	-	-	-	-	459,114
	(3,768,051)	-	-	-	-	-
	<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>24,459,114</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>	<u>\$ (35,875,234)</u>
	5.4%	2.4%	4.6%	5.9%	9.2%	6.4%

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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	
1999	\$ 43,129,354	\$ 98,341,111	\$ 620,245	\$ -	\$ 142,090,710
2000	67,842,937	102,276,094	597,704	-	170,716,735
2001	55,125,499	104,103,483	638,449	-	159,867,431
2002	58,090,243	119,079,563 d	652,379	-	177,822,185
2003	58,693,340	140,024,664 a	655,886	2,138,685 e	201,512,575
2004	62,218,149	144,674,541	537,106	9,721,165	217,150,961
2005	67,573,335	148,457,536 b c	531,229	10,180,660	226,742,760
2006	70,005,364	151,119,113	465,613	9,217,795	230,807,885
2007	72,945,404	163,931,697	413,468	7,416,530	244,707,099
2008	80,701,948	168,498,939	349,153	5,115,544	254,665,584

- 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

	1999	2000	2001	2002	2003
New York State *	4.000 %	4.000 %	4.000 %	4.000 %	4.250 %
MTA (1) **	0.250	0.250	0.250	0.250	0.250
County *** ****	3.000	3.000	3.000	3.625	3.625
Total	<u>7.250 %</u>	<u>7.250 %</u>	<u>7.250 %</u>	<u>7.875 %</u>	<u>8.125 %</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>2004</u>	<u>2005</u>	<u>2006</u>	<u>2007</u>	<u>2008</u>
4.250 %	4.000 %	4.000 %	4.000 %	4.000 %
0.250	0.375	0.375	0.375	0.375
<u>3.625</u>	<u>3.625</u>	<u>3.625</u>	<u>4.000</u>	<u>4.000</u>
<u>8.125 %</u>	<u>8.000 %</u>	<u>8.000 %</u>	<u>8.375 %</u>	<u>8.375 %</u>

TAXABLE SALES BY INDUSTRY
NINE YEARS STATED

Industry	March 1998 to February 1999	March 1999 to February 2000	March 2000 to February 2001	March 2001 to February 2002
Utilities (excluding residential energy)	\$ 96,724,000	\$ 96,184,000	\$ 119,840,000	\$ 114,864,000
Construction	55,146,000	59,649,000	68,658,000	68,713,000
Manufacturing	92,419,000	88,755,000	122,784,000	128,864,000
Wholesale Trade	225,622,000	229,984,000	279,522,000	296,848,000
Retail Trade:				
Motor Vehicles and Parts	348,266,000	424,877,000	449,095,000	498,188,000
Furniture and Home Furnishings	76,832,000	82,723,000	85,713,000	85,100,000
Electronics and Appliances	58,748,000	93,107,000	111,927,000	138,774,000
Building Materials and Garden Equipment	158,830,000	184,675,000	200,227,000	198,247,000
Food and Beverage	142,946,000	136,191,000	138,145,000	146,508,000
Health and Personal Care	36,586,000	41,790,000	42,920,000	40,938,000
Gasoline Stations	66,540,000	83,793,000	96,544,000	90,429,000
Clothing	155,373,000	181,000,000	54,099,000	58,420,000
Sporting Goods, Hobby, Book and Music Stores	81,780,000	92,680,000	87,037,000	85,959,000
General Merchandise	316,446,000	330,527,000	222,666,000	231,179,000
Miscellaneous Retail	141,484,000	82,240,000	83,204,000	102,597,000
Nonstore Retail	28,990,000	37,344,000	35,882,000	32,490,000
Information	208,214,000	227,598,000	237,884,000	257,000,000
Professional, Scientific, and Technical	27,168,000	32,307,000	36,894,000	40,985,000
Administrative/Support Services	77,617,000	91,439,000	105,682,000	102,828,000
Health Care	1,635,000	1,366,000	2,132,000	1,618,000
Arts, Entertainment, and Recreation	24,332,000	32,884,000	32,586,000	28,774,000
Accommodation and Food Services:				
Food Services	198,330,000	206,689,000	228,703,000	247,023,000
Accommodation	40,622,000	42,880,000	47,072,000	46,809,000
Other Services:				
Repair and Maintenance	52,229,000	66,254,000	71,944,000	73,134,000
Personal and Laundry Services	5,299,000	5,714,000	7,175,000	9,270,000
All Other Services	10,971,000	894,000	1,708,000	4,128,000
Ag., Mining, Trans., FIRE, Educ., Govt.	161,736,000	144,441,000	160,730,000	161,561,000
Unclassified by Industry	13,772,000	98,480,000	41,255,000	5,802,000
Sales to Qualified Empire Zone Enterprises (QEZE)s	-	-	-	-
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	\$ 3,297,050,000

Source: New York State Department of Taxation and Finance

(1) Preliminary

March 2002 to February 2003	March 2003 to February 2004	March 2004 to February 2005	March 2005 to February 2006	March 2006 to February 2007 (1)
\$ 118,800,000	\$ 115,461,000	\$ 114,884,000	\$ 137,792,000	\$ 141,988,000
64,293,000	69,527,000	71,394,000	78,378,000	77,578,000
141,460,000	132,495,000	128,961,000	134,948,000	123,204,000
283,951,000	294,210,000	324,209,000	377,532,000	371,992,000
513,970,000	574,350,000	549,774,000	511,010,000	466,498,000
88,393,000	105,468,000	116,529,000	105,980,000	113,692,000
136,166,000	91,930,000	84,371,000	80,725,000	82,325,000
212,272,000	250,815,000	281,658,000	285,681,000	268,814,000
148,024,000	170,071,000	176,772,000	184,358,000	188,296,000
42,770,000	46,520,000	46,999,000	50,141,000	50,727,000
88,269,000	97,591,000	103,933,000	111,767,000	43,629,000
57,409,000	274,408,000	241,350,000	251,913,000	98,481,000
89,532,000	104,785,000	101,920,000	99,241,000	87,601,000
241,274,000	391,825,000	426,801,000	424,132,000	335,776,000
102,028,000	102,798,000	104,989,000	105,816,000	110,698,000
36,083,000	41,916,000	45,591,000	54,069,000	47,030,000
284,511,000	293,356,000	292,754,000	293,391,000	289,692,000
33,505,000	48,837,000	42,577,000	48,973,000	48,136,000
95,295,000	91,510,000	94,736,000	100,014,000	101,403,000
1,618,000	1,927,000	2,292,000	2,553,000	2,771,000
25,576,000	27,027,000	27,411,000	29,114,000	29,077,000
254,670,000	259,443,000	271,397,000	277,472,000	283,573,000
48,832,000	46,964,000	52,329,000	52,048,000	51,199,000
73,524,000	78,453,000	79,309,000	85,282,000	85,180,000
8,973,000	9,754,000	10,058,000	10,242,000	13,461,000
2,271,000	2,227,000	2,185,000	2,167,000	2,080,000
152,753,000	124,683,000	125,246,000	132,057,000	127,963,000
20,200,000	29,284,000	39,761,000	53,840,000	66,600,000
193,000	118,000	158,000	143,000	303,000
-	-	-	-	-
<u>\$ 3,366,615,000</u>	<u>\$ 3,877,753,000</u>	<u>\$ 3,960,348,000</u>	<u>\$ 4,080,779,000</u>	<u>\$ 3,709,767,000</u>

COUNTY OF ROCKLAND, NEW YCRK

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		
1999	\$ n/a	\$ n/a	\$ n/a	\$ 10,448,220,457
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
2008	10,880,269,795	5,734,402,680	1,549,232,372	15,065,440,103

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	\$ 19,363,192,018	53.96 %
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
3.570	48,274,170,415	31.21

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>
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
2008	5.023156	1.356	3.1316	12.0287	11.269

* Town Wide tax rate

** Town Outside Villages tax rate

COUNTY OF ROCKLAND, NEW YORK

PRINCIPAL TAXPAYERS
DECEMBER 31, 2008 AND 1999

2008			
Taxpayer	Type of Business	Assessed Valuation	Percent of Total Assessed Valuation
Palisades Interstate Park	State Lands	\$ 1,052,994,452	2.37 %
Pyramid/Eklecco Properties	Shopping Center	1,037,021,947	2.33
Wyeth-Ayerst Laboratories	Pharmaceuticals	920,346,464	2.07
Mirant	Public Utility	702,799,361	1.58
Orange & Rockland Utilities	Public Utility	584,454,161	1.31
United Water	Public Utility	424,835,917	0.95
Verizon	Public Utility	226,162,027	0.51
Consolidated Edison	Public Utility	176,072,499	0.40
Novartis Pharmaceuticals	Pharmaceuticals	123,846,245	0.28
Glorious Sun Roberts FKA Blue Hill Community	Retirement Community	118,558,891	0.27
		<u>\$ 2,356,729,101</u>	<u>12.07 %</u>

Note: Total assessed valuation on the 2008 roll is \$44,499,242,282

1999			
Taxpayer	Type of Business	Assessed Valuation	Percent of Total Assessed Valuation
Orange & Rockland Utilities and Con Edison	Public Utility	\$ 1,677,548,910	7.83 %
Southern Energy	Public Utility	1,016,682,008	4.75
Palisades Interstate Park	State Lands	481,926,233	2.25
Orange & Rockland Utilities	Public Utility	404,519,772	1.89
American Home Products	Industrial	403,993,640	1.89
Pyramid/Eklecco Properties	Retail Shopping	349,681,450	1.63
United Water	Public Utility	217,544,013	1.02
Spring Valley Water Company	Water Supply	216,113,816	1.01
Con Edison	Public Utility	140,145,920	0.65
Glorious Sun Roberts -FKA Blue Hill Community	Retirement Community	99,685,205	0.47
		<u>\$ 5,007,840,967</u>	<u>15.56 %</u>

Note: Total assessed valuation on the 1999 roll is \$21,413,262,981.

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
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
2008	53,804,066	4,759,562	42,010,230	22,813,093	2,094,973	246,122,883

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

Late Penalties and fees	Collected within the Fiscal Year of Levy			Collections in Subsequent Years	Total Collections to Date	
	Total (1)	Amount	Percentage of Levy		Amount	Percentage of Levy
\$ 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	66,314,728	334,183,019	99.52
15,004,173	343,072,104	303,646,408	88.51	29,039,976	332,686,384	96.97
6,472,073	353,168,814	325,889,714	92.28	27,279,100	353,168,814	100.00

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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>				
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
2008	306,426,208	18,592,478	287,833,730	1.80
<u>Business-Type Activities:</u>				
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
2008	98,713,490	-	98,713,490	0.62
<u>Total Primary Government:</u>				
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
2008	405,139,698	18,592,478	386,547,220	2.42

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

0.68	%	\$	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
0.60			964.12

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
0.20			330.65

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
0.80			1,294.77

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COUNTY OF ROCKLAND, NEW YORK

DIRECT AND UNDERLYING GOVERNMENTAL ACTIVITIES DEBT
 DECEMBER 31, 2008

Governmental Unit	Gross Long-Term Debt (1)	Less Exclusions (2)	Amount Applicable to County (3)
Towns (five)	\$ 346,888,333	\$ 15,358,420	\$ 331,529,913
Villages (nineteen)	51,711,915	16,518,115	35,193,800
School Districts (eight)	555,082,949	63,232	555,019,717
Fire Districts (twenty-one)	<u>1,133,984</u>	<u>248,984</u>	<u>885,000</u>
Subtotal, Underlying Debt	954,817,181	32,188,751	922,628,430
Direct Bonded Debt of the County	<u>306,426,208</u>	<u>18,592,478</u>	<u>287,833,730</u>
Direct and Overlapping Debt	<u>\$ 1,261,243,389</u>	<u>\$ 50,781,229</u>	<u>\$ 1,210,462,160</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

	1999	2000	2001	2002
Debt Limit	\$ 1,279,310	\$ 1,276,671	\$ 1,428,062	\$ 1,428,062
Total Net Debt Applicable to Limit	<u>99,810</u>	<u>104,075</u>	<u>73,212</u>	<u>85,863</u>
Legal Debt Margin	<u>\$ 1,179,500</u>	<u>\$ 1,172,596</u>	<u>\$ 1,354,850</u>	<u>\$ 1,342,199</u>
Total Net Debt Applicable to the Limit As a Percentage of Debt Limit	7.80%	8.15%	5.13%	6.01%

Legal Debt Margin Calculation for Fiscal Year 2008

Five Year Average Full Valuation of Taxable Real Property	<u>\$ 38,661,214</u>
Debt Limit - 7% of Average Full Valuation	<u>2,706,285</u>
Outstanding Indebtedness - Serial bonds (1)	321,395
Less Exclusions:	
2009 Debt Service Appropriations for Bonds	\$ 17,070
Revenue Anticipation Notes	80,000
Exempt Sewer District Debt	<u>112,063</u>
	<u>209,133</u>
Total Net Indebtedness	112,262
Net Debt Contracting Margin	<u>\$ 2,594,023</u>
Percentage of Debt Contracting Margin Available as of December 31, 2008	95.85%
Percentage of Debt Contracting Power Exhausted as of December 31, 2008	4.15%

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>2003</u>	<u>2004</u>	<u>2005</u>	<u>2006</u>	<u>2007</u>	<u>2008</u>
\$ 1,664,315	\$ 1,630,612	\$ 1,812,219	\$ 1,998,593	\$ 2,458,399	\$ 2,706,285
<u>113,922</u>	<u>140,314</u>	<u>159,289</u>	<u>182,697</u>	<u>131,121</u>	<u>112,262</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>	<u>\$ 2,594,023</u>
6.84%	8.60%	8.79%	9.14%	5.33%	4.15%

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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)
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
2008	298,545	15,966,784	53,482	37.5	88.2

- (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>
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
41,343	4.8

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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	2008		1999	
	EMPLOYEES	PERCENTAGE OF TOTAL COUNTY EMPLOYMENT	EMPLOYEES	PERCENTAGE OF TOTAL COUNTY EMPLOYMENT
Active International	360	0.31 %	-	- %
American Home Products	-	-	2,900	2.84
ARC of Rockland	648	0.55	-	-
AT & T Healthcare	750	0.64	-	-
Avon	332	0.28	500	0.49
Barr Laboratories	415	0.36	-	-
Bon Secours Good Samaritan Hospital	2,100	1.80	1,477	1.45
Camp Venture, Inc.	600	0.51	500	0.49
Chestnut Ridge Transportation, Inc.	600	0.51	-	-
Chromalloy American Corp.	501	0.43	490	0.48
Corporate Maintenance Services	-	-	350	0.34
Helen Hayes Hospital	861	0.74	900	0.88
Insurance Service Office	-	-	425	0.42
Jawonio, Inc.	806	0.69	460	0.45
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.	752	0.64	-	-
Northern Services Group	1,100	0.94	-	-
Novartis Pharmaceuticals Corp.	440	0.38	680	0.67
Nyack Hospital	1,500	1.28	1,119	1.10
NYNEX	-	-	1,000	0.98
Orange & Rockland Utilities	766	0.66	1,486	1.46
Pavion Ltd.	-	-	500	0.49
Pharmaceutical Resources	-	-	450	0.44
Rockland Bakery, Inc.	396	0.34	-	-
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	350	0.30	321	0.31
Tilcon New York, Inc.	338	0.29	-	-
U.S. Information Systems, Inc.	375	0.32	-	-
Verizon Wireless	1,000	0.86	-	-
Wyeth-Ayerst Laboratories	3,059	2.62	-	-
	<u>18,928</u>	<u>16.19 %</u>	<u>16,129</u>	<u>15.82 %</u>

COUNTY OF ROCKLAND, NEW YORK

FULL-TIME EQUIVALENT COUNTY GOVERNMENT EMPLOYEES BY FUNCTION
 LAST NINE 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	3,064	3,003	3,011	2,918	2,956

Source - Rockland County Budget Department

<u>2005</u>	<u>2006</u>	<u>2007</u>	<u>2008</u>
551	551	554	548
394	394	398	400
1,163	1,163	1,165	1091
132	132	131	134
573	573	555	533
1	1	1	1
<u>148</u>	<u>148</u>	<u>144</u>	<u>141</u>
<u><u>2,962</u></u>	<u><u>2,962</u></u>	<u><u>2,948</u></u>	<u><u>2,848</u></u>

COUNTY OF ROCKLAND, NEW YORK

OPERATING INDICATORS BY FUNCTION
LAST TEN FISCAL YEARS

Function:	1999	2000	2001	2002
General Government (1):				
Motor Vehicles				
Number of drivers' licenses issued	199,012	202,983	205,530	204,622
Public Safety (2):				
Emergency Services				
Number of calls at 911 center	147,947	150,540	166,982	200,378
Corrections (2)				
Number of inmates	2,432	2,367	2,596	2,819
Transportation (2):				
Paving (Sq. yards)	202,466	303,855	120,828	113,000
Sealing- Microseal (Sq. yards)	n/a	n/a	163,102	92,264
Sealing- Chipseal (Sq. yards)	n/a	n/a	195,300	78,432
Ridership on public buses	1,805,194	1,906,316	2,138,408	2,179,406
Home and Community Services (2):				
Number of Metered Accounts	65,679	66,138	67,322	68,031
Miles of Mains	993	1,001	1,001	1,006
Average daily sewage treatment (thousands of gallons)	25,121,285	24,201,542	25,286,937	22,752,465
Summit Park Nursing Care Center (2) -				
Number of beds occupied	384	380	372	367

n/a - Information not available

(1) Source: Department of Motor Vehicles

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

2003	2004	2005	2006	2007	2008
213,025	210,125	206,296	205,078	207,913	205,523
222,420	266,904	309,608	337,473	322,816	322,572
2,870	2,864	2,955	3,174	3,148	3,377
54,775	95,609	69,063	90,100	69,756	43,850
117,024	91,207	145,715	107,900	114,369	93,653
63,241	88,367	24,506	129,200	86,200	70,971
2,220,743	2,441,226	2,677,098	3,151,973	3,406,924	3,850,960
68,667	69,240	69,779	70,401	71,460	72,334
1,011	1,016	1,018	1,022	1,024	1,027
23,799,951	24,342,282	25,507,016	26,082,619	25,180,408	25,331,565
364	360	366	356	351	338

COUNTY OF ROCKLAND, NEW YORK

CAPITAL ASSET STATISTICS BY FUNCTION
LAST TEN FISCAL YEARS

Function	1999	2000	2001	2002
General Government:				
Construction Permit Data- New Residential				
Number of Permits Issued	870	547	531	529
Estimated Value	116,658,956	67,365,382	66,735,166	68,781,755
Buildings	7	7	7	7
Vehicles	112	125	147	152
Education :				
Buildings	10	10	10	10
Public Safety:				
Buildings	8	8	8	8
Vehicles	31	28	33	35
Number of Fire and Rescue Companies	n/a	n/a	42	42
Number of Firehouses	n/a	n/a	50	50
Number of Members	n/a	n/a	2,802	2,701
Health:				
Buildings	15	16	16	16
Vehicles	103	113	118	127
Transportation:				
Buildings	2	2	2	2
Vehicles	18	22	63	65
Culture and Recreation:				
County Parks\ Open Space (acreage)	1,986	2,039	2,218	2,259
Number of County Parks\ Open Space	15	16	18	19
Vehicles	5	5	5	5

Source - Various County departments
n/a - Information not available

2003	2004	2005	2006	2007	2008
431	349	436	519	547	338
58,596,306	57,790,857	76,073,511	74,062,592	88,351,116	68,725,212
7	7	7	7	7	7
148	156	156	156	156	199
10	10	10	10	10	10
8	8	8	8	8	8
36	39	38	37	37	151
42	42	42	42	42	42
50	50	50	50	50	51
2,634	2,441	2,225	2,183	2,189	2,180
16	16	16	16	16	16
117	116	110	108	103	115
2	2	2	2	2	2
66	91	91	91	91	128
2,260	2,532	2,574	2,597	2,597	3,094
20	22	23	24	24	25
5	5	5	5	5	17

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APPENDIX

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O'Connor Davies Munns & Dobbins, llp

ACCOUNTANTS AND CONSULTANTS

**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 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, 2008, which collectively comprise the County of Rockland, New York's basic financial statements and have issued our report thereon dated July 14, 2009. We conducted our audit in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States. Other auditors audited the financial statements of the Home and Infirmary Fund, and the Rockland County Industrial Development Agency (a component unit), as described in our report on the County of Rockland, New York's financial statements. The financial statements of the Home and Infirmary Fund and Rockland County Industrial Development Agency were not audited in accordance with Government Auditing Standards.

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.

Bennett Kielson Storch DeSantis Division

One Barker Avenue, White Plains, New York 10601 914.421.5600 tel 914.421.5099 fax www.odmd.com

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.

O'Connor Davies Munns & Dobbins, LLP

O'Connor Davies Munns & Dobbins, LLP
Bennett Kielson Storch DeSantis Division
July 14, 2009