

County of Rockland, New York



Comprehensive Annual Financial Report

Fiscal Year Ending
December 31, 2011

County of Rockland, New York



C. Scott Vanderhoef
County Executive

Stephen DeGroat, CPA
Commissioner of Finance
Budget Director

Steven J. Grogan, MPA MS
Deputy Budget Director

COUNTY OF ROCKLAND, NEW YORK
COMPREHENSIVE ANNUAL FINANCIAL REPORT

FISCAL YEAR ENDED DECEMBER 31, 2011
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(Unaudited)

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

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**INTRODUCTORY
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ROCKLAND COUNTY LEGISLATURE

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



LEGISLATIVE LEADERSHIP

Harriet D. Cornell

Alden H. Wolfe

Michael M. Grant

Connie Coker

Frank Sparaco

John A. Murphy

Chairwoman of the Legislature

Vice-Chairman

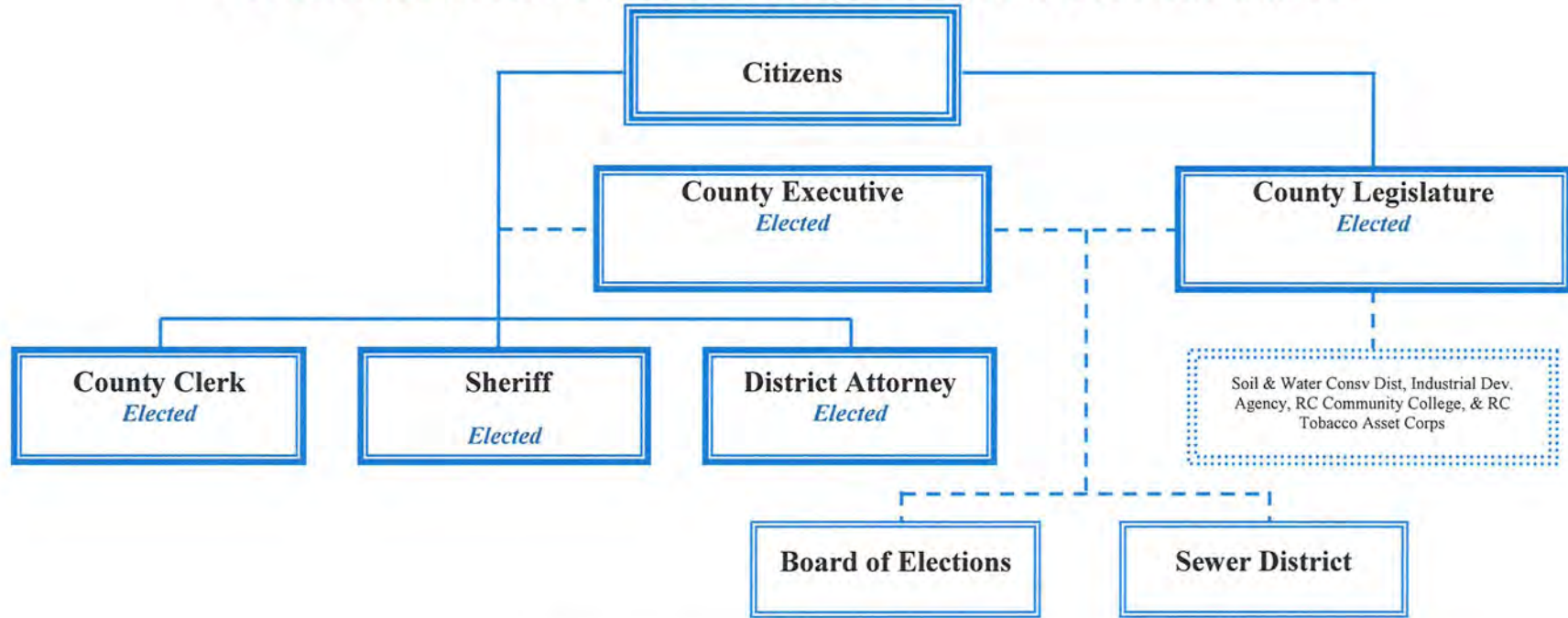
Majority Leader

Deputy Majority Leader

Minority Leader

Deputy Minority Leader

ORGANIZATION OF ROCKLAND COUNTY GOVERNMENT



ALL OTHER CHARTERED DEPARTMENTS

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

STEPHEN F. DeGROAT, CPA
Commissioner of Finance
Budget Director

STEVEN J. GROGAN
Deputy Budget Director

September 6, 2012

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, 2011 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 financial statements have been audited by O'Connor Davies, LLP, a firm of licensed certified public accountants. The goal of the independent audit was to provide reasonable assurance that the basic financial statements of the County for the fiscal year ended December 31, 2011, 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, 2011, 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, 2011 financial statements to accompany the basic financial statements in the form of Management's Discussion and Analysis ("MD&A").

This 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 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. The Single Audit reports and schedules have been included in the current year's financial statements as the last section of the 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.

PROFILE OF GOVERNMENT

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

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

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

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

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

FACTORS AFFECTING FINANCIAL CONDITION

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

Local Economy

A major part of the County's labor force, over 49%, is employed in service related jobs. According to data compiled in 2000 by the State Labor Department, only 8% of the workforce is employed by companies engaged in manufacturing. Many residents commute to jobs in New York City or Westchester County, which is connected to the County by the Tappan Zee Bridge and U.S. Interstate 287/87. Approximately 19% of the County's labor force is classified as government related, a significant part of this group of employees works at the various State hospitals and institutions located in the County. Major non-governmental employers in the County include Pfizer 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 2011 was \$52,030. State per capita income averages reported on this basis were \$48,596. These statistics were prepared by the U.S. Department of Commerce, Bureau of Economic Analysis.

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

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

Primary education is the responsibility of the nine independent public school districts located within the County. There are numerous colleges, universities and vocational schools located throughout the County as well. Rockland Community College offers two-year associate degree

and one-year certificate programs. Dominican College, St. Thomas Aquinas College and Empire State College/SUNY are four-year liberal arts colleges. Iona College - Rockland Campus and Long Island University - Rockland Campus offer graduate programs.

The County has a wide array of recreational and cultural facilities highlighted by the Palisades Interstate Park System, the County Park System and the Community College. Over one-third of the Palisades Interstate Park System's 80,000 acres lie within the County and the parklands account for approximately 30% of the County's area. The Bear Mountain-Harriman State Park on the Hudson River, in the County's northeast corner, has 26,118 of its 51,026 acres in the County. Facilities include fishing, hiking, camping, swimming, picnicking, museum, playfield, winter sports and row boating. The County has 27 parks/open space, all of which have natural scenic areas, some affording panoramic views of the County. There are also over 20 private commercial swimming pools and lakes, and twelve golf courses, eight of which are open to the public. All of the towns and many of the villages have separate park facilities. In addition, there are numerous libraries, museums and marinas in the County.

In 2011, the County of Rockland experienced a small increase with sales tax revenues showing .1% increase over the previous year. The County's housing market stabilized in 2011, with mortgage tax revenues remaining flat from the previous year, bringing in \$3.5 million.

LONG TERM FINANCIAL PLANNING

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

The County's ongoing and future projects include the following:

- Rockland Community college Cultural Arts Center roof replacement and rehabilitation.

- Continuation of Rockland County Highway Department's (3) year road repaving, equipment replacement program and bridge/culvert repair and maintenance program.
- Construction phase of \$33.3 million New Hempstead Road reconstruction project. 80-90% estimated Federal and NYS reimbursement.
- Install a Countywide Emergency Service Radio Communications System which will allow all agencies to communicate with each other during County-wide events.
- Extension of the Sewer District's boundaries to include Hillburn, Sloatsburg and Western Ramapo. Additionally, the proposed new plant will provide advanced treatment to enhance the water supply in the Ramapo River basin, which is the sole source aquifer for the County's needs.
- Upgrade eight (8) sewer pump stations in the Town of Clarkstown to comply with current national electric code and OSHA standards.
- Continuation of a West Shore Railroad Safety and Quiet Zone Project to be funded with an 80% Federal Grant.

OPERATIONAL PROCEDURES AND PRACTICES

The County adopted a resolution on March 16, 2011 requesting the State Legislature to approve legislation creating a public benefit corporation. The County had contracted with an outside consulting firm to analyze the operations of the County hospital and to investigate the various opportunities that are available including the sale and/or creation of a public benefit corporation. The consultants have completed their analysis and have presented their report. The County is currently reviewing the report as of the issuance date of these 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 2011, the County received a one-time revenue source in the amount of \$5 million from general obligation bonds. These funds became available to finance certain judgments on settled claims resulting from court orders on proceedings brought pursuant to Article 7 of the Real Property Tax Law.

AWARDS AND ACKNOWLEDGEMENTS

GFOA - Certificates of Achievement for Excellence in Financial Reporting

The Government Finance Officers Association ("GFOA") of the United States and Canada awarded a Certificate of Achievement for Excellence in Financial Reporting to the County of Rockland, New York for its CAFR for the year ended December 31, 2010. The Certificate of Achievement is a prestigious national award-recognizing conformance with the highest standards for preparation of state and local government reports.

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

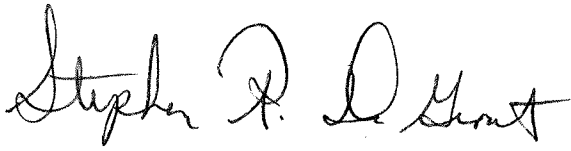
A Certificate of Achievement is valid for a period of only one year. We believe our current report continues to conform to the Certificate of Achievement program requirements, and we are submitting it to GFOA to determine its eligibility for another certificate.

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

Acknowledgements

I would like to thank all of the personnel in the Budget and Finance departments who have assisted in the preparation of this report, as well as our independent auditor who assisted in its preparation. Appreciation is also offered to the County Executive and the members of the County Legislature for their interest and support in the financial operation of the County.

Respectfully Submitted,

A handwritten signature in black ink, appearing to read "Stephen F. DeGroat". The signature is written in a cursive style with a large initial 'S' and 'D'.

Stephen F. DeGroat, CPA
Commissioner of Finance/Acting 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, 2010

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.



Linda C. Davison

President

Jeffrey R. Emer

Executive Director

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**FINANCIAL
SECTION**

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INDEPENDENT AUDITORS' REPORT

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

We have audited the accompanying financial statements of the governmental activities, the business-type activities, the aggregate discretely presented component units, each major fund and the aggregate remaining fund information of the County of Rockland, New York ("County") as of and for the year ended December 31, 2011, 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 an opinion 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, 2011, which represents 79.9% and 95.1%, 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, 2011, which represents .08% and .05%, 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 opinion 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 opinion.

In our opinion, based on our audit and the reports of the other auditors, the financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities, the business-type activities, the aggregate discretely presented component units, each major fund and the aggregate remaining fund information of the County as of December 31, 2011 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.

O'CONNOR DAVIES, LLP

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O'Connor Davies, LLP is a member firm of the PKF International Limited network of legally independent firms and does not accept any responsibility or liability for the actions or inactions on the part of any other individual member firm or firms.

In accordance with *Government Auditing Standards*, we have also issued our report dated September 6, 2012 on our consideration of the County's internal control over financial reporting and our tests of its compliance with certain provisions of laws, regulations, contracts and grant agreements and other matters. The purpose of that report is to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing and not to provide an opinion on the internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* and should be considered in assessing the results of our audit.

Accounting principles generally accepted in the United States of America require that the management's discussion and analysis and the Schedule of Funding Progress – Other Post Employment Benefits be presented to supplement the basic financial statements. Such information, although not a part of the basic financial statements, is required by the Governmental Accounting Standards Board, who considers it to be an essential part of financial reporting for placing the basic financial statements in an appropriate operational, economic or historical context. We and the other auditors have applied certain limited procedures to the required supplementary information in accordance with auditing standards generally accepted in the United States of America, which consisted of inquiries of management about the methods of preparing the information and comparing the information for consistency with management's responses to our inquiries, the basic financial statements and other knowledge we obtained during our audit of the basic financial statements. We do not express an opinion or provide any assurance on the information because the limited procedures do not provide us with sufficient evidence to express an opinion or provide any assurance.

Our audit was conducted for the purpose of forming an opinion on the financial statements that collectively comprise the County's basic financial statements as a whole. The introductory section, combining and individual fund financial statements and schedules and statistical section are presented for purposes of additional analysis and are not a required part of the financial statements. The accompanying schedule of expenditures of federal awards is presented for purposes of additional analysis as required by U.S. Office of Management and Budget Circular A-133, Audits of States, Local Governments and Non-Profit Organizations, and is also not a required part of the financial statements. The combining and individual fund financial statements and schedules and the schedule of expenditures of federal awards are the responsibility of management and were derived from and relate directly to the underlying accounting and other records used to prepare the financial statements. The information has been subjected to the auditing procedures applied by us and the other auditors in the audit of the financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the financial statements or to the financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, based on our audit and the report of other auditors, the information is fairly stated in all material respects in relation to the financial statements as a whole. The introductory and statistical sections have 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 do not express an opinion or provide any assurance on them.

O'Connor Davies, LLP

O'Connor Davies, LLP
Harrison, New York
September 6, 2012

**County of Rockland, New York
Management's Discussion and Analysis (MD&A)
December 31, 2011**

Introduction

The following discussion and analysis of Rockland County (the County), New York's financial statements provides an overview of the financial activities of the County, for the fiscal year ended December 31, 2011. 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.

In addition, for the year ended December 31, 2011, the County has implemented the Governmental Accounting Standards Board Statement No. 54 ("GASB No. 54"), *Fund Balance Reporting and Governmental Fund Type Definitions* which was issued in February 2009 and effective for the County's fiscal period ended December 31, 2011; therefore, GASB No. 54 is a change from the classification in the Fund Statements of reserved and unreserved fund balance to five new classifications as follows:

Nonspendable fund balance – amounts that are not in a spendable form (such as inventory) or are required to be maintained intact (such as the corpus of an endowment fund);

Restricted fund balance – amounts constrained to specific purposes by their providers (such as grantors, bondholders, and higher levels of government), through constitutional provisions, or by enabling legislation;

Committed fund balance – amounts constrained to specific purposes by a government itself, using its highest level of decision-making authority, to be reported as committed, amounts cannot be used for any other purpose unless the government takes the same highest-level action to remove or change the constraint;

Assigned fund balance – amounts a government intends to use for a specific purpose, intent can be expressed by the governing body or by an official or body to which the governing body delegates the authority;

Unassigned fund balance – amounts that are available for any purpose, these amounts are reported only in the general fund.

These fund balance classification changes were made to bring greater clarity and consistency to fund balance reporting. Also, the 2010 fund balance has been restated to conform to the GASB No. 54 presentation as disclosed in Note 3 to the accompanying financial statements.

Financial Highlights for Fiscal Year 2011

- Economically sensitive revenues, such as sales tax and mortgage tax, in the General fund, fell short of expectations by \$6.3 million in 2011.
- The combined net assets of the primary government were \$11.3 million for fiscal year 2011. Of that amount, \$184.8 million are attributed to the governmental net assets and \$(173.5) 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: the Statement of Net Assets and the 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 two different types of activities. These two types of activities are:

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

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

The government-wide financial statements include the County itself (the primary government) and the Rockland County Community College, the Rockland County Soil and Water Conservation District, the Rockland County Solid Waste Management Authority and the Rockland County Industrial Development Agency, for which the County is financially accountable. Financial information for these component units are reported separately from the financial information presented for the primary government.

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

Fund Financial Statements

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

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

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

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

The County adopts an annual budget for its General Fund, certain Special Revenue Funds and the Debt Service Fund. A budgetary comparison statement for the General Fund has been provided to demonstrate compliance with the respective budget. 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 to the financial statements 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 \$11,291,945 for fiscal year 2011.

The following table reflects the condensed Statement of Net Assets:

	Governmental Activities		Business-Type Activities		Total	
	2011	2010	2011	2010	2011	2010
Current and Other Assets	\$ 347,410,328	\$ 363,292,451	\$ (12,187,645)	\$ 5,979,327	\$ 335,222,683	\$ 369,271,778
Capital Assets	701,594,359	684,755,831	20,385,140	21,570,693	721,979,499	706,326,524
Total Assets	1,049,004,687	1,048,048,282	8,197,495	27,550,020	1,057,202,182	1,075,598,302
Current Liabilities	308,592,339	300,548,731	7,640,430	8,845,539	316,232,769	309,394,270
Long-Term Liabilities	555,588,605	481,729,944	174,088,863	167,205,079	729,677,468	648,935,023
Total Liabilities	864,180,944	782,278,675	181,729,293	176,050,618	1,045,910,237	958,329,293
Net Assets -						
Invested in Capital Assets						
Net of Related Debt	394,449,480	401,818,749	9,351,936	10,070,880	403,801,416	411,889,629
Restricted	43,843,923	110,920,044	-	-	43,843,923	110,920,044
Unrestricted	(253,469,660)	(246,969,186)	(182,883,734)	(158,571,478)	(436,353,394)	(405,540,664)
Total Net Assets	\$ 184,823,743	\$ 265,769,607	\$ (173,531,798)	\$ (148,500,598)	\$ 11,291,945	\$ 117,269,009

The largest component of the County's net assets is invested in Capital Assets, net of related debt of \$403,801,416 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 \$43,843,923 or 338% of total net assets, represents resources that are subject to external restrictions on how they may be used. The restrictions are as follows:

Capital Projects	\$ 1,057,403
Law Enforcement	13,481,610
Stop-DWI Program	1,154,238
Handicapped Parking	56,965
Debt Service	8,464,954
Community Development	7,448,299
Parklands	44,000
Unemployment Benefits	127,881
Special Revenue Funds	12,008,573

The remaining portion of net assets is classified as unrestricted and is (\$463,353,394).

Rockland County Changes in Net Assets

	Governmental Activities		Business-Type Activities		Total	
	2011	2010	2011	2010	2011	2010
Program Revenues:						
Charges for Services	\$ 31,694,861	\$ 37,191,673	\$ 81,357,297	\$ 87,266,807	\$ 113,052,158	\$ 124,458,480
Operating Grants and Contributions	147,921,778	156,809,424	4,178,314	4,206,749	152,100,092	161,016,173
Capital Grants and Contributions	13,437,559	15,465,469	-	-	13,437,559	15,465,469
General Revenues:						
Real Property Taxes	89,684,666	92,768,618	-	-	89,684,666	92,768,618
Other Tax items	8,984,061	4,941,267	-	-	8,984,061	4,941,267
Non-Property Taxes	172,735,486	172,690,625	-	-	172,735,486	172,690,625
Unrestricted Use of Money and Property	183,172	1,207,909	-	-	183,172	1,207,909
Sale of Property and Compensation for Loss	121,310	456,659	-	-	121,310	456,659
Other Revenues	1,084,318	1,170,362	-	-	1,084,318	1,170,362
Total Revenues	465,847,211	482,702,006	85,535,611	91,473,556	551,382,822	574,175,562
Program Expenses:						
General Government Support	66,978,200	65,578,858	-	-	66,978,200	65,578,858
Education	60,294,608	64,096,792	-	-	60,294,608	64,096,792
Public Safety	82,354,581	78,884,977	-	-	82,354,581	78,884,977
Health	47,274,572	46,040,723	-	-	47,274,572	46,040,723
Transportation	53,254,863	55,073,427	-	-	53,254,863	55,073,427
Economic Opportunity and Development	181,264,332	182,610,808	-	-	181,264,332	182,610,808
Culture and Recreation	1,185,479	973,087	-	-	1,185,479	973,087
Home and Community Services	38,698,119	35,091,249	-	-	38,698,119	35,091,249
Interest	15,746,647	13,768,045	-	-	15,746,647	13,768,045
Home and Infirmary	-	-	104,940,810	112,706,758	104,940,810	112,706,758
Rockland Tobacco Asset Corporations	-	-	5,367,675	5,316,013	5,367,675	5,316,013
Total Expenses	547,051,401	542,117,966	110,308,485	118,022,771	657,359,886	660,140,737
Increase/(Decrease) in Net Assets Before Transfers	(81,204,190)	(59,415,960)	(24,772,874)	(26,549,215)	(105,977,064)	(85,965,175)
Transfers	258,326	2,000,000	(258,326)	(2,000,000)	-	-
(Decrease)/Increase in Net Assets	(80,945,864)	(57,415,960)	(25,031,200)	(28,549,215)	(105,977,064)	(85,965,175)
Net Assets - Beginning	265,769,607	323,185,567	(148,500,598)	(119,951,383)	117,269,009	203,234,184
Net Assets - Ending	\$ 184,823,743	\$ 265,769,607	\$ (173,531,798)	\$ (148,500,598)	\$ 11,291,945	\$ 117,269,009

Governmental Activities - Governmental activities decreased the County's net assets by \$80.9 million. The Other Post Employment Benefits accrual of \$25.6 million accounts for the bulk of this decrease. The continued down turning of the economy has greatly affected the County's ability to collect on its major sources of budgeted revenue, sales tax and mortgage tax. This coupled with more demand on our services has resulted in this large decrease of our net assets.

For the fiscal year ended December 31, 2011, revenues from governmental activities totaled \$466 million. Tax revenues of \$271 million, comprised of real property taxes, sales and mortgage tax items and non-property taxes, represent the largest revenue source (58%). Collection of the current tax levy remains strong at 86.16%, while averaging 90.75% over the last 5 years. Non-property taxes yielded \$172.7 million.

Business-Type Activities - Business-type activities decreased the County's net assets by \$25 million for the year ended December 31, 2011. This is due mainly to the 2011

GASB 45 accrual of \$10.6 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.

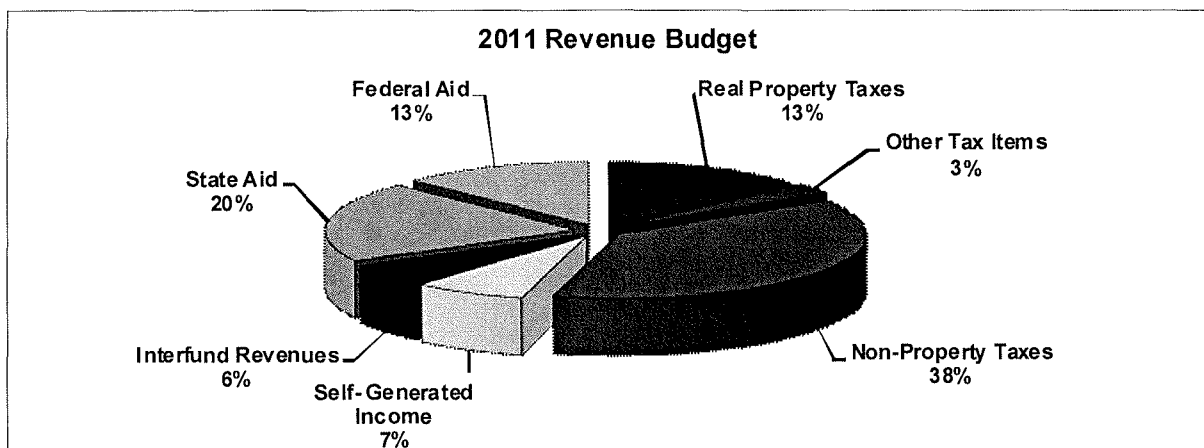
Governmental Funds – The focus of the County's governmental funds schedules is to provide information on inflows, outflows and balances having available resources. Such information is useful in assessing the County's financing requirements. In particular, unassigned fund balance may serve as a useful 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 \$15.7 million, a decrease of \$23.3 million in comparison with the prior year. \$8.1 million has been assigned for subsequent year's expenditures and represents the amount estimated for use in the 2012 budget. As of December 31, 2011, the General Fund had unassigned fund deficit of \$(96.5) million. This deficit was created by multiple factors, mostly the current economic downturn.

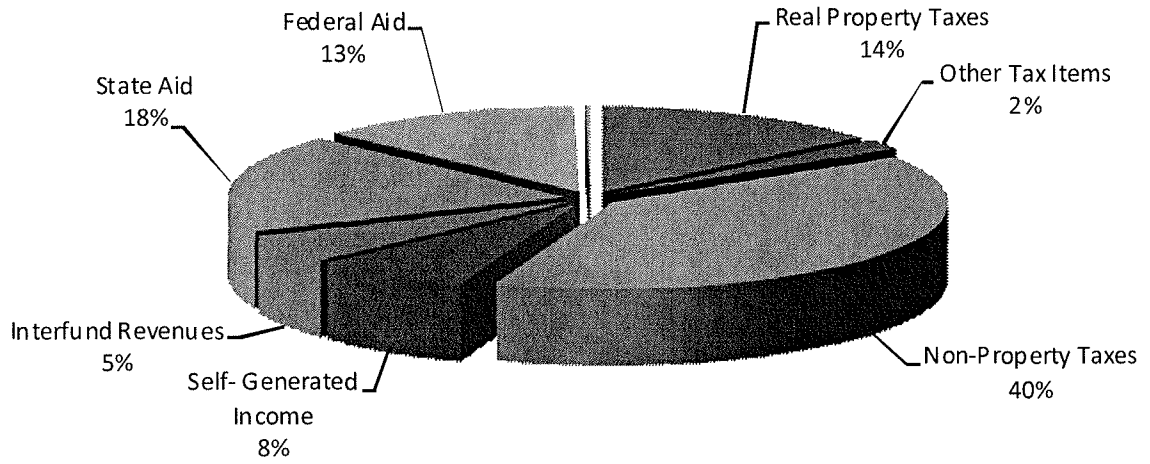
Like many other municipalities, Rockland County has continued to be effected by the economic slowdown. The largest portion of our budgeted revenues, 37%, is dependent on sales tax and mortgage tax. Our actual revenue for Non-Property tax items fell short of budget by 3.5%, which amounts to \$6,272,191. We continue to be challenged by the reduction of consumer spending and the sluggish housing market.

The General Fund is the primary operating fund of the County. At the end of the current fiscal year, the total fund deficit was \$(33,178,077). Of this amount, (\$96,514,297) million was unassigned.

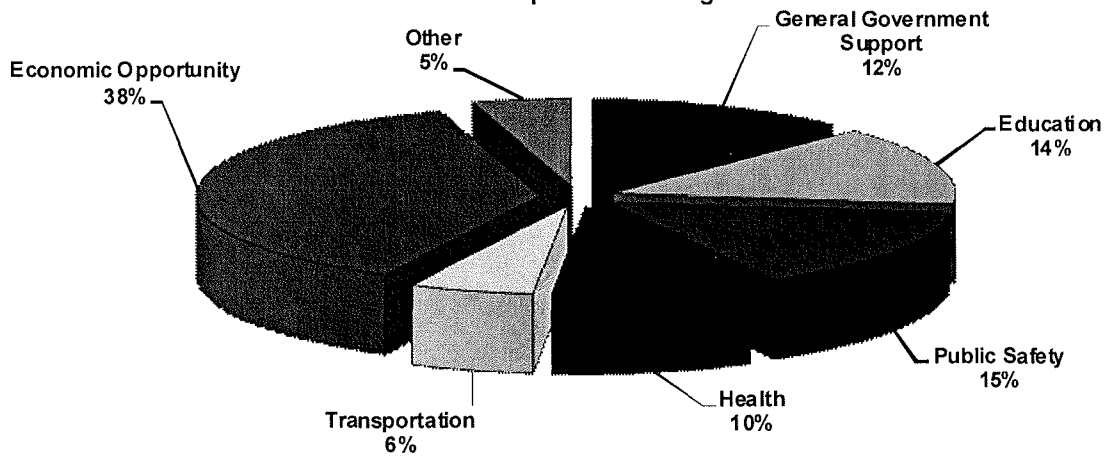
The following graphs indicate the sources and uses of the General Fund.



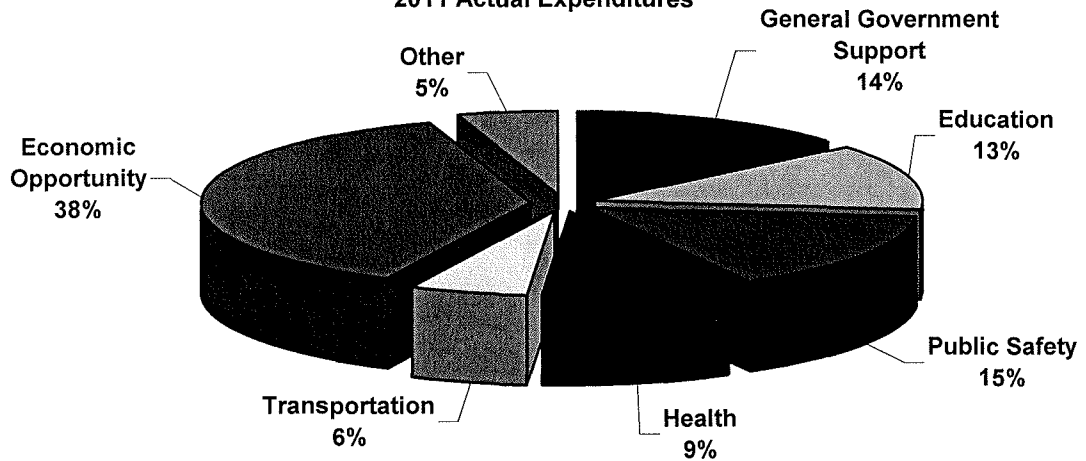
2011 Actual Revenues



2011 Expenditure Budget



2011 Actual Expenditures



The Capital Projects Fund is used to account for capital project activity throughout the County. The Capital Projects Fund's ending fund balance is \$13,768,806. This is an increase of \$10,265,654 from the prior year. The County continued to keep down debt service interest expenses in 2011 by focusing on completion of existing projects and borrowing at a minimum for 2011.

Non-major Governmental Funds consist of the Special Revenue Funds and the Debt Service Fund. The Special Revenue Funds are made up of the following individual funds: County Road Fund, Road Machinery Fund, Community Development Fund, Sewer District Fund and Special Purpose Fund. For the fiscal year ending December 31, 2011, the combined fund balance of these funds total \$22.5 million. This represents a decrease of \$2.4 million from the prior year and the bulk of this decrease 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 \$23.6 million leaving a deficit balance of net assets of (\$100.2) million. This was a result primarily due to GASB 45 Other Post Employment Benefits (OPEB) going from \$56.1 in 2010 to \$66.7 in 2011.

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

Budgetary Highlights

General Funds - Actual General Fund revenues were \$438.2 million, which was \$32.1 less than the final budget. The majority of this shortfall was from the area of other tax items, non-property taxes and State aid. The four main revenue sources that comprised this number were as follows:

State Aid	\$(14.9) million
Sales Tax	\$ (5.7) million
Federal Aid	\$ (2.6) million
Interfund Revenues	\$ (2.1) million

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

Overall, actual General Fund expenditures were \$443 million, which was \$15.2 million less than the final budget. The major areas where spending was less than budget was Education of \$9.9 million, Economic Opportunity and Development of \$5.1 million, and Health of \$2.8 million.

Capital Asset and Debt Administration

Capital Assets - The County's investment in its capital assets for the governmental and business type activities as of December 31, 2011, amounts to \$722 million, net of accumulated depreciation. This investment in capital assets includes land, buildings, improvements, equipment, infrastructure and construction-in-progress.

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

	Governmental Activities		Business-Type Activities		Total	
	2011	2010	2011	2010	2011	2010
Land	\$ 68,149	\$ 67,156	\$ 439	\$ 439	\$ 68,588	\$ 67,595
Buildings and Improvements	134,517	134,487	10,908	12,025	145,425	146,512
Equipment	37,486	33,709	7,503	7,549	44,989	41,258
Infrastructure	195,857	204,984	-	-	195,857	204,984
Construction-in- Progress	265,585	244,420	1,535	1,558	267,120	245,978
Total	\$ 701,594	\$ 684,756	\$ 20,385	\$ 21,571	\$ 721,979	\$ 706,327

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

Long-Term Debt - At the December 31, 2011, the County had \$457,064 in total long-term debt outstanding. This represents an increase of \$27,075 over 2010. All of this debt is backed by the full faith and credit of the County.

Rockland County Outstanding Debt General Obligation Bonds (In Thousands)

	Governmental Activities		Business-Type Activities		Total	
	2011	2010	2011	2010	2011	2010
General Obligation Bonds - Gross	\$ 359,239	\$ 331,510	\$ 97,825	\$ 98,479	\$ 457,064	\$ 429,989

The County's current long-term borrowing rate is Baa3 issued by Moody's as of June 2012.

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.

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

Requests for Information

This financial report is designed to provide a general overview of the County's finances for all those with an interest in the government's finances. Questions concerning any of the information provided in this report or requests for additional financial information should be addressed to Stephen F. DeGroat, CPA, Commissioner of Finance, Rockland County Finance Department, 18 New Hempstead Road, New City, New York 10956. The telephone number is (845) 638-5135.

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**BASIC
FINANCIAL STATEMENTS**

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COUNTY OF ROCKLAND, NEW YORK

STATEMENT OF NET ASSETS
DECEMBER 31, 2011

	Primary Government			Component Units
	Governmental Activities	Business-Type Activities	Total	
ASSETS				
Cash and equivalents	\$ 121,397,199	\$ 2,704,875	\$ 124,102,074	\$ 27,272,183
Investments	-	1,172,674	1,172,674	3,688,142
Receivables:				
Taxes, net	57,223,608	-	57,223,608	-
Accounts, net	26,239,989	14,496,885	40,736,874	5,942,624
Accounts - Patient care, net	-	11,803,546	11,803,546	-
Loans	6,719,451	-	6,719,451	-
State and Federal aid, net	64,475,130	-	64,475,130	1,534,346
Funds held in trust for residents	-	309,513	309,513	-
Due from other governments	8,616,083	-	8,616,083	-
Internal balances	49,516,424	(49,516,424)	-	-
Inventories	89,899	653,789	743,688	-
Restricted assets	6,247,750	-	6,247,750	17,899,659
Prepaid expenses	6,256,070	915,449	7,171,519	440,724
Intangible asset	-	-	-	15,506,746
Deferred charges	628,725	-	628,725	1,038,683
Other assets	-	-	-	837,360
	<u>347,410,328</u>	<u>(17,459,693)</u>	<u>329,950,635</u>	<u>74,160,467</u>
Restricted cash and equivalents	-	57,545	57,545	-
Restricted investments	-	4,236,035	4,236,035	-
Cost of issuance, net	-	978,468	978,468	-
	<u>-</u>	<u>5,272,048</u>	<u>5,272,048</u>	<u>-</u>
Capital assets:				
Not being depreciated	333,734,672	1,973,712	335,708,384	9,120,536
Being depreciated, net	367,859,687	18,411,428	386,271,115	34,149,879
Total Assets	<u>1,049,004,687</u>	<u>8,197,495</u>	<u>1,057,202,182</u>	<u>117,430,882</u>
LIABILITIES				
Accounts payable	40,239,284	2,625,785	42,865,069	4,436,699
Accrued liabilities	8,651,256	911,771	9,563,027	10,814,495
Due to other governments	17,913,155	-	17,913,155	139,870
Due to school districts	50,229,583	-	50,229,583	-
Unearned revenues	1,279,979	3,204,365	4,484,344	6,399,765
Accrued interest payable	5,903,582	138,996	6,042,578	-
Tax anticipation note payable	55,000,000	-	55,000,000	-
Revenue anticipation note payable	85,000,000	-	85,000,000	-
Bond anticipation notes payable	26,575,500	450,000	27,025,500	-
Deficiency note payable	17,800,000	-	17,800,000	-
Funds held in trust for residents	-	309,513	309,513	-
Non-current liabilities:				
Due within one year	33,508,020	3,936,484	37,444,504	3,650,317
Due in more than one year	522,080,585	170,152,379	692,232,964	89,544,569
Total Liabilities	<u>864,180,944</u>	<u>181,729,293</u>	<u>1,045,910,237</u>	<u>114,985,715</u>
NET ASSETS				
Invested in capital assets, net of related debt	394,449,480	9,351,936	403,801,416	12,272,233
Restricted for:				
Capital projects	1,057,403	-	1,057,403	760,783
Law enforcement	13,481,610	-	13,481,610	-
STOP-DWI Program	1,154,238	-	1,154,238	-
Handicapped parking	56,965	-	56,965	-
Debt service	8,464,954	-	8,464,954	-
Community development	7,448,299	-	7,448,299	-
Parklands	44,000	-	44,000	-
Student loans	-	-	-	10,479
Unemployment benefits	127,881	-	127,881	-
Scholarships and student services	-	-	-	2,465,718
Permanent endowments	-	-	-	872,638
Special Revenue funds:				
Sewer	11,977,313	-	11,977,313	-
Trusts	31,260	-	31,260	-
Unrestricted	<u>(253,469,660)</u>	<u>(182,883,734)</u>	<u>(436,353,394)</u>	<u>(13,936,684)</u>
Total Net Assets	<u>\$ 184,823,743</u>	<u>\$ (173,531,798)</u>	<u>\$ 11,291,945</u>	<u>\$ 2,445,167</u>

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

COUNTY OF ROCKLAND, NEW YORK

STATEMENT OF ACTIVITIES
YEAR ENDED DECEMBER 31, 2011

Functions/Programs	Expenses	Program Revenues		
		Charges for Services	Operating Grants and Contributions	Capital Grants and Contributions
Primary Government:				
Governmental activities:				
General government support	\$ 66,978,200	\$ 10,638,502	\$ 4,514,364	\$ -
Education	60,294,608	-	-	-
Public safety	82,354,581	3,378,478	3,831,487	-
Health	47,274,572	2,943,275	47,969,276	-
Transportation	53,254,863	5,468,990	21,832,330	9,818,863
Economic opportunity and development	181,264,332	8,076,489	69,175,659	-
Culture and recreation	1,185,479	-	64,589	-
Home and community services	38,698,119	1,189,127	534,073	-
Interest	15,746,647	-	-	3,618,696
Total Governmental Activities	547,051,401	31,694,861	147,921,778	13,437,559
Business-type activities:				
Home and Infirmary Fund	104,940,810	81,357,297	-	-
Rockland Tobacco Asset Securitization Corporation	4,917,932	-	3,385,346	-
Rockland Second Tobacco Asset Securitization Corporation	449,743	-	792,968	-
Total Business-type Activities	110,308,485	81,357,297	4,178,314	-
Total Primary Government	\$ 657,359,886	\$ 113,052,158	\$ 152,100,092	\$ 13,437,559
Component Units:				
Rockland County Community College	\$ 80,952,575	\$ 21,169,860	\$ 17,413,032	\$ 3,008,617
Rockland County Soil and Water Conservation District	45,051	-	-	-
Rockland County Solid Waste Management Authority	43,614,230	43,985,211	602,889	-
Rockland County Industrial Development Agency	113,777	62,745	-	-
Total Component Units	\$ 124,725,633	\$ 65,217,816	\$ 18,015,921	\$ 3,008,617

General Revenues:

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

Change in Net Assets

Net Assets - Beginning of Year

Net Assets - End of Year

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

Net (Expense) Revenue and Changes in Net Assets

Primary Government

Governmental Activities	Business-type Activities	Total	Component Units
\$ (51,825,334)	\$ -	\$ (51,825,334)	\$ -
(60,294,608)	-	(60,294,608)	-
(75,144,616)	-	(75,144,616)	-
3,637,979	-	3,637,979	-
(16,134,680)	-	(16,134,680)	-
(104,012,184)	-	(104,012,184)	-
(1,120,890)	-	(1,120,890)	-
(36,974,919)	-	(36,974,919)	-
(12,127,951)	-	(12,127,951)	-
<u>(353,997,203)</u>	<u>-</u>	<u>(353,997,203)</u>	<u>-</u>
-	(23,583,513)	(23,583,513)	-
-	(1,532,586)	(1,532,586)	-
-	343,225	343,225	-
-	<u>(24,772,874)</u>	<u>(24,772,874)</u>	<u>-</u>
<u>(353,997,203)</u>	<u>(24,772,874)</u>	<u>(378,770,077)</u>	<u>-</u>
-	-	-	(39,361,066)
-	-	-	(45,051)
-	-	-	973,870
-	-	-	<u>(51,032)</u>
-	-	-	<u>(38,483,279)</u>
89,684,666	-	89,684,666	-
8,632,359	-	8,632,359	-
187,224	-	187,224	-
164,478	-	164,478	-
169,265,205	-	169,265,205	-
3,470,281	-	3,470,281	-
183,172	-	183,172	2,958,280
121,310	-	121,310	-
-	-	-	15,783,575
-	-	-	12,235,002
1,084,318	-	1,084,318	1,956,716
258,326	<u>(258,326)</u>	<u>-</u>	<u>-</u>
<u>273,051,339</u>	<u>(258,326)</u>	<u>272,793,013</u>	<u>32,933,573</u>
(80,945,864)	(25,031,200)	(105,977,064)	(5,549,706)
<u>265,769,607</u>	<u>(148,500,598)</u>	<u>117,269,009</u>	<u>7,994,873</u>
<u>\$ 184,823,743</u>	<u>\$ (173,531,798)</u>	<u>\$ 11,291,945</u>	<u>\$ 2,445,167</u>

COUNTY OF ROCKLAND, NEW YORK

BALANCE SHEET
GOVERNMENTAL FUNDS
DECEMBER 31, 2011

<u>ASSETS</u>	<u>General</u>	<u>Capital Projects</u>
Cash and Equivalents	\$ 24,753,170	\$ 52,591,204
Taxes Receivable, net of allowance for uncollectible taxes	57,223,608	-
Other Receivables:		
Accounts, net of allowance for uncollectible amounts	25,608,619	13,664
Loans	-	-
State and Federal aid, net of allowance for uncollectible amounts	57,542,687	5,010,615
Due from other governments	8,449,832	-
Due from other funds	12,685,520	-
Advances to other funds	32,304,720	-
	<u>136,591,378</u>	<u>5,024,279</u>
Restricted Cash	-	6,247,750
Prepaid Expenditures	5,605,846	-
Total Assets	<u>\$ 224,174,002</u>	<u>\$ 63,863,233</u>
<u>LIABILITIES AND FUND BALANCES (DEFICITS)</u>		
Liabilities:		
Accounts payable	\$ 29,813,848	\$ 7,780,382
Accrued liabilities	7,315,884	-
Due to other governments	2,758,539	15,154,616
Due to school districts	50,229,583	-
Due to other funds	-	583,929
Deferred revenues - Taxes	8,154,246	-
Deferred revenues - Other	1,279,979	-
Tax anticipation note payable	55,000,000	-
Revenue anticipation note payable	85,000,000	-
Bond anticipation notes payable	-	26,575,500
Deficiency note payable	17,800,000	-
Total Liabilities	<u>257,352,079</u>	<u>50,094,427</u>
Fund Balances (Deficits):		
Nonspendable	46,719,075	-
Restricted	16,617,145	12,711,403
Committed	-	-
Assigned	-	1,057,403
Unassigned	(96,514,297)	-
Total Fund Balances (Deficits)	<u>(33,178,077)</u>	<u>13,768,806</u>
Total Liabilities and Fund Balances (Deficits)	<u>\$ 224,174,002</u>	<u>\$ 63,863,233</u>

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

<u>Other Governmental</u>	<u>Total Governmental Funds</u>
\$ 34,635,445	\$ 111,979,819
-	57,223,608
352,131	25,974,414
6,719,451	6,719,451
1,494,413	64,047,715
-	8,449,832
1,886,369	14,571,889
-	32,304,720
10,452,364	152,068,021
-	6,247,750
266,143	5,871,989
<u>\$ 45,353,952</u>	<u>\$ 333,391,187</u>

\$ 1,700,608	\$ 39,294,838
616,699	7,932,583
-	17,913,155
-	50,229,583
506,942	1,090,871
-	8,154,246
7,448,299	8,728,278
-	55,000,000
-	85,000,000
-	26,575,500
-	17,800,000
10,272,548	317,719,054
266,143	46,985,218
6,571,882	35,900,430
1,100,575	1,100,575
27,142,804	28,200,207
-	(96,514,297)
35,081,404	15,672,133
<u>\$ 45,353,952</u>	<u>\$ 333,391,187</u>

COUNTY OF ROCKLAND, NEW YORK

RECONCILIATION OF GOVERNMENTAL FUNDS BALANCE SHEET TO
THE GOVERNMENT - WIDE STATEMENT OF NET ASSETS
DECEMBER 31, 2011

Fund Balances - Governmental Funds	\$ 15,672,133
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>694,425,277</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>(16,716,506)</u>
Other long-term assets are not available to pay for current-period expenditures and, therefore, are deferred in the funds.	
Real property taxes	8,154,246
Deferred revenues	<u>7,448,299</u>
	<u>15,602,545</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>628,725</u>
Long-term liabilities that are not due and payable in the current period are not reported in the funds.	
Bonds payable	(347,064,863)
Compensated absences	(16,544,025)
New York State loan payable - NYPA	(3,389,459)
New York State loan payable - Retirement	(11,415,525)
Pension obligations	(9,261,741)
Other post employment benefit obligations payable	(131,209,236)
Accrued interest payable	<u>(5,903,582)</u>
	<u>(524,788,431)</u>
Net Assets of Governmental Activities	<u>\$ 184,823,743</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, 2011

	General	Capital Projects	Other Governmental	Total Governmental Funds
Revenues:				
Real property taxes	\$ 61,212,218	\$ -	\$ 28,119,675	\$ 89,331,893
Other tax items	8,984,061	-	90,000	9,074,061
Non-property taxes	173,277,809	-	-	173,277,809
Departmental income	30,128,774	-	790,149	30,918,923
Use of money and property	301,935	-	313,660	615,595
Licenses and permits	1,775,811	-	80,540	1,856,351
Fines and forfeitures	835,272	-	68,128	903,400
Sale of property and compensation for loss	121,310	-	41,539	162,849
Interfund revenues	23,578,985	-	641,953	24,220,938
State aid	80,892,319	3,591,521	2,176,453	86,660,293
Federal aid	55,995,362	5,192,644	5,254,273	66,442,279
Miscellaneous	1,084,317	1,034,698	1,011,495	3,130,510
Total Revenues	438,188,173	9,818,863	38,587,865	486,594,901
Expenditures:				
Current:				
General government support	61,594,915	-	-	61,594,915
Education	56,226,904	-	-	56,226,904
Public safety	68,586,927	-	-	68,586,927
Health	41,010,199	-	-	41,010,199
Transportation	26,076,975	-	14,661,224	40,738,199
Economic opportunity and development	167,960,613	-	4,582,421	172,543,034
Culture and recreation	525,845	-	-	525,845
Home and community services	7,469,063	-	18,356,962	25,826,025
Employee benefits	11,536,645	-	3,135,843	14,672,488
Debt service:				
Principal	-	-	25,280,970	25,280,970
Interest	2,057,986	-	10,945,472	13,003,458
Capital outlay	-	45,767,866	-	45,767,866
Total Expenditures	443,046,072	45,767,866	76,962,892	565,776,830
Deficiency of Revenues Over Expenditures	(4,857,899)	(35,949,003)	(38,375,027)	(79,181,929)
Other Financing Sources (Uses):				
Bonds issued	5,000,000	48,625,003	-	53,625,003
Premium on obligations	1,924,332	-	-	1,924,332
Sale of real property	55,900	-	-	55,900
Transfers in	6,138,326	244,000	49,269,433	55,651,759
Transfers out	(37,483,944)	(2,654,346)	(15,255,143)	(55,393,433)
Total Other Financing Sources (Uses)	(24,365,386)	46,214,657	34,014,290	55,863,561
Net Change in Fund Balances	(29,223,285)	10,265,654	(4,360,737)	(23,318,368)
Fund Balances (Deficits) - Beginning of Year	(3,954,792)	3,503,152	39,442,141	38,990,501
Fund Balances (Deficits) - End of Year	\$ (33,178,077)	\$ 13,768,806	\$ 35,081,404	\$ 15,672,133

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

COUNTY OF ROCKLAND, NEW YORK

RECONCILIATION OF THE STATEMENT OF REVENUES,
EXPENDITURES AND CHANGES IN FUND BALANCES OF GOVERNMENTAL FUNDS
TO THE STATEMENT OF ACTIVITIES
YEAR ENDED DECEMBER 31, 2011

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

Net Change in Fund Balances - Total Governmental Funds	\$ (23,318,368)
<p>Governmental funds report capital outlays as expenditures. However, in the statement of activities, the cost of those assets is allocated over their estimated useful lives and reported as depreciation expense. This is the amount by which capital outlay exceeded depreciation expense in the current period.</p>	
Capital outlay expenditures	46,865,177
Depreciation expense	<u>(28,381,615)</u>
	<u>18,483,562</u>
<p>Revenues in the statement of activities that do not provide current financial resources are not reported as revenues in the funds.</p>	
Real property taxes	352,773
Deferred revenues	<u>(37,568)</u>
	<u>315,205</u>
<p>Bond proceeds provide current financial resources to governmental funds, but issuing debt increases long-term liabilities in the statement of net assets. Repayment of bond principal is an expenditure in the governmental funds, but the repayment reduces long-term liabilities in the statement of net assets. Also, governmental funds report the effect of issuance costs, premiums, discounts and similar items when debt is first issued, whereas these amounts are deferred and amortized in the statement of activities.</p>	
Bonds issued	(53,625,003)
Principal paid on bonds	24,884,168
Principal paid on New York State Loan - NYPA	396,802
Principal paid on New York State Loan - Retirement	290,720
Amortization of issuance costs, loss on refunding and premium	(1,111,013)
New York State Loan - Retirement	(11,205,008)
Pension obligations	<u>(8,049,614)</u>
	<u>(48,418,948)</u>
<p>Some expenses reported in the statement of activities do not require the use of current financial resources and, therefore, are not reported as expenditures in governmental funds.</p>	
Pension obligations	2,756,804
Compensated absences	(1,133,814)
Other post employment benefit obligations	(23,401,416)
Accrued interest	<u>(1,454,545)</u>
	<u>(23,232,971)</u>
<p>The net revenue of certain activities of internal service funds are reported within governmental activities.</p>	
	<u>(4,774,344)</u>
Change in Net Assets of Governmental Activities	<u>\$ (80,945,864)</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, 2011

	Original Budget	Final Budget	Actual	Variance with Final Budget Positive (Negative)
Revenues:				
Real property taxes	\$ 61,700,000	\$ 61,700,000	\$ 61,212,218	\$ (487,782)
Other tax items	13,010,000	13,010,000	8,984,061	(4,025,939)
Non-property taxes	179,550,000	179,550,000	173,277,809	(6,272,191)
Departmental income	30,163,105	30,483,412	30,128,774	(354,638)
Use of money and property	675,000	675,000	301,935	(373,065)
Licenses and permits	2,020,000	2,020,000	1,775,811	(244,189)
Fines and forfeitures	1,013,405	1,013,405	835,272	(178,133)
Sale of property and compensation for loss	36,500	61,758	121,310	59,552
Interfund revenues	25,468,870	25,710,770	23,578,985	(2,131,785)
State aid	92,618,715	95,820,115	80,892,319	(14,927,796)
Federal aid	51,230,730	58,590,852	55,995,362	(2,595,490)
Miscellaneous	1,616,000	1,663,383	1,084,317	(579,066)
Total Revenues	459,102,325	470,298,695	438,188,173	(32,110,522)
Expenditures:				
Current:				
General government support	49,674,680	56,853,195	61,594,915	(4,741,720)
Education	67,478,910	66,154,138	56,226,904	9,927,234
Public safety	65,809,710	69,551,113	68,586,927	964,186
Health	37,940,808	43,804,823	41,010,199	2,794,624
Transportation	24,874,898	27,042,056	26,076,975	965,081
Economic opportunity and opportunity	172,027,691	173,093,253	167,960,613	5,132,640
Culture and recreation	489,875	528,375	525,845	2,530
Home and community services	7,682,588	7,591,014	7,469,063	121,951
Employee benefits	11,285,000	11,531,900	11,536,645	(4,745)
Debt service - Interest	2,100,000	2,100,000	2,057,986	42,014
Total Expenditures	439,364,160	458,249,867	443,046,072	15,203,795
Excess (Deficiency) of Revenues Over Expenditures	19,738,165	12,048,828	(4,857,899)	(16,906,727)
Other Financing Sources (Uses):				
Bonds issued	-	725,000	5,000,000	4,275,000
Premium on obligations	-	-	1,924,332	1,924,332
Sale of real property	17,800,000	-	55,900	55,900
Obligations authorized	-	17,800,000	-	(17,800,000)
Transfers in	6,460,000	6,460,000	6,138,326	(321,674)
Transfers out	(45,467,748)	(42,308,248)	(37,483,944)	4,824,304
Total Other Financing Uses	(21,207,748)	(17,323,248)	(24,365,386)	(7,042,138)
Net Change in Fund Balance	(1,469,583)	(5,274,420)	(29,223,285)	(23,948,865)
Fund Balance (Deficit) - Beginning of Year	1,469,583	5,274,420	(3,954,792)	(9,229,212)
Fund Deficit - End of Year	\$ -	\$ -	\$ (33,178,077)	\$ (33,178,077)

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

COUNTY OF ROCKLAND, NEW YORK

STATEMENT OF NET ASSETS
 PROPRIETARY FUNDS
 DECEMBER 31, 2011

	Business - Type Activities - Enterprise Funds		
	Home and Infirmity Fund	Rockland Tobacco Asset Securitization Corporation	Rockland Second Tobacco Asset Securitization Corporation
ASSETS			
Current Assets:			
Cash and equivalents	\$ 1,964,327	\$ 540,280	\$ 200,268
Investments	-	1,172,674	-
Receivables:			
Accounts	10,149,410	3,481,599	865,876
Accounts - patient care, net of allowance for uncollectible amounts	11,803,546	-	-
State and Federal aid	-	-	-
Funds held in trust for residents	309,513	-	-
Due from other governments	-	-	-
Due from other funds	-	-	-
Inventories	653,789	-	-
Prepaid expenses	897,393	18,056	-
Total Current Assets	25,777,978	5,212,609	1,066,144
Noncurrent Assets:			
Restricted cash and equivalents	-	56,681	864
Restricted investments	-	3,525,074	710,961
Cost of issuance, net of accumulated amortization	-	764,133	214,335
	-	4,345,888	926,160
Capital Assets:			
Land	438,504	-	-
Buildings	47,772,153	-	-
Improvements other than buildings	345,975	-	-
Equipment	20,013,937	-	-
Construction-in-progress	1,535,208	-	-
Less - Accumulated depreciation	(49,720,637)	-	-
Total Capital Assets, net of accumulated depreciation	20,385,140	-	-
Total Noncurrent Assets	20,385,140	4,345,888	926,160
Total Assets	46,163,118	9,558,497	1,992,304
LIABILITIES			
Current Liabilities:			
Accounts payable	2,623,285	-	2,500
Accrued liabilities	-	879,546	32,225
Accrued interest payable	138,996	-	-
Due to other funds	17,203,655	-	8,049
Advances from other funds	32,304,720	-	-
Bond anticipation notes payable - Other	450,000	-	-
Funds held in trust for residents	309,513	-	-
Deferred revenue	3,204,365	-	-
Current portion of long-term obligations:			
Bonds payable - Capital construction	1,510,484	-	-
Bonds payable - Other	-	1,280,000	90,000
Compensated absences	1,056,000	-	-
Claims payable	-	-	-
Total Current Liabilities	58,801,018	2,159,546	132,774
Noncurrent Liabilities:			
Bonds payable - Capital construction	10,979,274	-	-
Bonds payable - Other	-	76,498,370	6,098,476
Compensated absences	9,502,345	-	-
Claims payable	-	-	-
Other post employment benefit obligations payable	66,682,304	-	-
Estimated third-party liabilities	391,610	-	-
Total Noncurrent Liabilities	87,555,533	76,498,370	6,098,476
Total Liabilities	146,356,551	78,657,916	6,231,250
NET ASSETS (DEFICITS)			
Invested in Capital Assets, net of related debt	9,351,936	-	-
Unrestricted Deficits	(109,545,369)	(69,099,419)	(4,238,946)
Total Deficits	\$ (100,193,433)	\$ (69,099,419)	\$ (4,238,946)

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

Total Business-type Activities - Enterprise Funds	Total Governmental Activities - Internal Service Funds
\$ 2,704,875	\$ 9,417,380
1,172,674	-
14,496,885	265,575
11,803,546	-
-	427,415
309,513	-
-	166,251
-	3,750,211
653,789	89,899
915,449	384,081
<u>32,056,731</u>	<u>14,500,812</u>
57,545	-
4,236,035	-
978,468	-
<u>5,272,048</u>	<u>-</u>
438,504	-
47,772,153	-
345,975	-
20,013,937	20,733,006
1,535,208	-
(49,720,637)	(13,563,924)
<u>20,385,140</u>	<u>7,169,082</u>
<u>25,657,188</u>	<u>7,169,082</u>
<u>57,713,919</u>	<u>21,669,894</u>
2,625,785	944,446
911,771	718,673
138,996	-
17,211,704	19,525
32,304,720	-
450,000	-
309,513	-
3,204,365	-
1,510,484	1,045,689
1,370,000	-
1,056,000	183,756
-	1,622,862
<u>61,093,338</u>	<u>4,534,951</u>
10,979,274	5,673,231
82,596,846	-
9,502,345	1,628,706
-	13,413,828
66,682,304	13,135,684
391,610	-
<u>170,152,379</u>	<u>33,851,449</u>
<u>231,245,717</u>	<u>38,386,400</u>
9,351,936	450,162
(182,883,734)	(17,166,668)
<u>\$ (173,531,798)</u>	<u>\$ (16,716,506)</u>

COUNTY OF ROCKLAND, NEW YORK

STATEMENT OF REVENUES, EXPENSES AND CHANGES IN NET ASSETS
 PROPRIETARY FUNDS
 YEAR ENDED DECEMBER 31, 2011

	<u>Business - Type Activities - Enterprise Funds</u>		
	<u>Home and Infirmary Fund</u>	<u>Rockland Tobacco Asset Securitization Corporation</u>	<u>Rockland Second Tobacco Asset Securitization Corporation</u>
Operating Revenues:			
Charges for services	\$ 80,718,084	\$ -	\$ -
State aid	-	-	-
Federal aid	-	-	-
Tobacco settlement revenues	-	3,032,544	756,225
Miscellaneous	639,213	-	-
Total Operating Revenues	81,357,297	3,032,544	756,225
Operating Expenses:			
Administrative and general expenses	11,979,404	-	-
Salaries and wage expenses	43,997,129	-	-
Employee benefits	37,897,829	-	-
Professional fees	-	41,331	27,194
Directors' fees	-	16,000	10,750
Insurance	-	21,338	-
Judgments and claims	-	-	-
Supplies and other expenses	8,462,680	-	-
Depreciation and amortization	2,392,423	40,870	6,706
Total Operating Expenses	104,729,465	119,539	44,650
Income (Loss) from Operations	(23,372,168)	2,913,005	711,575
Non-Operating Revenues (Expenses):			
Interest income	-	352,802	36,743
Interest on indebtedness	(211,345)	(4,798,393)	(405,093)
Total Non-Operating Expenses	(211,345)	(4,445,591)	(368,350)
Income (Loss) Before Transfers	(23,583,513)	(1,532,586)	343,225
Transfers Out - Residual payment to County of Rockland	-	(250,277)	(8,049)
Change in Net Assets	(23,583,513)	(1,782,863)	335,176
Net Deficit - Beginning of Year	(76,609,920)	(67,316,556)	(4,574,122)
Net Deficit - End of Year	\$ (100,193,433)	\$ (69,099,419)	\$ (4,238,946)

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

Total Business-type Activities - Enterprise Funds	Total Governmental Activities - Internal Service Funds
\$ 80,718,084	\$ 35,578,757
-	544,324
-	598,114
3,788,769	-
639,213	-
<u>85,146,066</u>	<u>36,721,195</u>
11,979,404	566,403
43,997,129	10,748,869
37,897,829	14,298,123
68,525	-
26,750	-
21,338	-
-	2,905,218
8,462,680	11,115,270
2,439,999	1,645,034
<u>104,893,654</u>	<u>41,278,917</u>
<u>(19,747,588)</u>	<u>(4,557,722)</u>
389,545	35,372
<u>(5,414,831)</u>	<u>(251,994)</u>
<u>(5,025,286)</u>	<u>(216,622)</u>
<u>(24,772,874)</u>	<u>(4,774,344)</u>
<u>(258,326)</u>	<u>-</u>
<u>(25,031,200)</u>	<u>(4,774,344)</u>
<u>(148,500,598)</u>	<u>(11,942,162)</u>
<u>\$ (173,531,798)</u>	<u>\$ (16,716,506)</u>

COUNTY OF ROCKLAND, NEW YORK

STATEMENT OF CASH FLOWS
 PROPRIETARY FUNDS
 YEAR ENDED DECEMBER 31, 2011

	Business-Type Activities - Enterprise Funds			
	Infirmary Fund	Rockland Tobacco Asset Securitization Corporation	Rockland Second Tobacco Asset Securitization Corporation	Total Business -Type Activities - Enterprise Funds
Cash Flows From Operating Activities:				
Cash received from patients and third-party payers	\$ 74,934,531	\$ -	\$ -	\$ 74,934,531
Cash received from tobacco settlement revenues	-	3,082,916	770,729	3,853,645
Cash received from charges for services	-	-	-	-
Cash received from State and Federal aid	-	-	-	-
Other receipts	6,510,400	-	-	6,510,400
Cash payments to directors	-	-	(10,750)	(10,750)
Cash payments to insurance carriers and claimants	-	-	-	-
Cash payments to vendors	(21,040,782)	(77,028)	(27,194)	(21,145,004)
Cash payments to employees	(71,583,754)	-	-	(71,583,754)
Net Cash Provided by (Used in) Operating Activities	(11,179,605)	3,005,888	732,785	(7,440,932)
Cash Flows From Non-Capital Financing Activities:				
Proceeds from County of Rockland	13,078,795	-	-	13,078,795
Retirement of long-term debt	-	(1,195,000)	(355,000)	(1,550,000)
Interest on indebtedness	-	(2,410,800)	(395,575)	(2,806,375)
Residual payment to County of Rockland	-	(2,250,277)	-	(2,250,277)
Net Cash Provided by (Used in) Non-Capital Financing Activities	13,078,795	(5,856,077)	(750,575)	6,472,143
Cash Flows From Capital and Related Financing Activities:				
Remittances to County of Rockland	450,000	-	-	450,000
Retirement of debt	(1,461,881)	-	-	(1,461,881)
Interest on indebtedness	(495,787)	-	-	(495,787)
Acquisition and construction of capital assets	(937,417)	-	-	(937,417)
Net Cash Used in Capital and Related Financing Activities	(2,445,085)	-	-	(2,445,085)
Cash Flows From Investing Activities:				
Decrease in restricted cash and equivalents	-	(16,274)	-	(16,274)
Interest income	-	358,757	34,083	392,840
Purchase of investments	-	(1,172,674)	-	(1,172,674)
Sale of investments	-	1,183,827	-	1,183,827
Purchase of restricted investments	-	(3,525,074)	(710,961)	(4,236,035)
Sale of restricted investments	-	3,464,835	710,961	4,175,796
Net Cash Provided by Investing Activities	-	293,397	34,083	327,480
Net Increase (Decrease) in Cash and Equivalents	(545,895)	(2,556,792)	16,293	(3,086,394)
Cash and Equivalents - Beginning of Year	2,510,222	3,097,072	183,975	5,791,269
Cash and Equivalents - End of Year	\$ 1,964,327	\$ 540,280	\$ 200,268	\$ 2,704,875
Reconciliation of Income (Loss) from Operations to Net Cash Provided by (Used in) Operating Activities:				
Income (loss) from operations	\$ (23,372,168)	\$ 2,913,005	\$ 711,575	\$ (19,747,588)
Adjustments to reconcile income (loss) from operations to net cash provided by (used in) operating activities:				
Depreciation and amortization	2,392,423	40,870	6,706	2,439,999
Provision for bad debts	4,201,965	-	-	4,201,965
Changes in assets and liabilities:				
Accounts receivable	764,309	50,372	14,504	829,185
Accounts receivable - Patient care	(4,656,282)	-	-	(4,656,282)
State and Federal aid receivable	(1,037,201)	-	-	(1,037,201)
Due from other governments	-	-	-	-
Due from other funds	-	-	-	-
Inventories	24,872	-	-	24,872
Prepaid expenses	311,548	1,641	-	313,189
Accounts payable	(623,570)	-	-	(623,570)
Accrued liabilities	-	-	-	-
Due to other funds	-	-	-	-
Advances from other funds	814,843	-	-	814,843
Deferred revenues	-	-	-	-
Claims payable	-	-	-	-
Compensated absences	(620,729)	-	-	(620,729)
Other post employment benefit obligations payable	10,620,385	-	-	10,620,385
Net Cash Provided by (Used in) Operating Activities	\$ (11,179,605)	\$ 3,005,888	\$ 732,785	\$ (7,440,932)
Noncash Investing Activities:				
Increase in bonds payable from amortization of original issue and underwriters' discount	\$ -	\$ 54,849	\$ 10,997	\$ 65,846
Increase in bonds payable from accreted interest	-	1,907,251	-	1,907,251

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

**Governmental
Activities -
Internal Service
Funds**

\$ -
-
35,467,141
1,236,698
-
-
(7,379,532)
(18,230,173)
(11,151,788)

(57,654)

-
-
-

-

-
(1,012,092)
(262,313)
-

(1,274,405)

-
35,372
-
-
-

35,372

(1,296,687)

10,714,067

\$ 9,417,380

\$ (4,557,722)

1,645,034

-

177,387

-

94,260

(158,531)

(130,472)

(31,286)

(83,979)

(688,097)

(768,319)

(16,240)

-

(211,123)

2,473,495

22,283

2,175,656

\$ (57,654)

\$ -

-

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COUNTY OF ROCKLAND, NEW YORK

STATEMENT OF ASSETS AND LIABILITIES
FIDUCIARY FUND
DECEMBER 31, 2011

ASSETS

	<u>Agency</u>
Cash:	
Demand deposits	\$ 5,149,828
Time deposits	<u>1,792,932</u>
 Total Assets	 <u>\$ 6,942,760</u>

LIABILITIES

Employee Payroll deductions	\$ 703,420
Deposits	4,453,602
Due to Other Governments	<u>1,785,738</u>
 Total Liabilities	 <u>\$ 6,942,760</u>

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

COUNTY OF ROCKLAND, NEW YORK

STATEMENT OF NET ASSETS

COMPONENT UNITS

DECEMBER 31, 2011 (Rockland County Community College as of August 31, 2011)

	Rockland County Community College	Rockland County Soil and Water Conservation District	Rockland County Solid Waste Management Authority
ASSETS			
Cash and equivalents	\$ 12,845,374	\$ 237,921	\$ 14,094,859
Investments	3,635,744	52,398	-
Receivables:			
Accounts, net of allowance for uncollectible amounts	4,061,297	-	1,881,327
State and Federal aid	975,828	30,000	528,518
Restricted assets	-	-	17,899,659
Prepaid expenses	-	-	440,724
Intangible asset	-	-	15,506,746
Deferred bond fees, net	-	-	1,038,683
Other assets	837,360	-	-
	<u>22,355,603</u>	<u>320,319</u>	<u>51,390,516</u>
Capital assets:			
Not being depreciated	-	-	9,120,536
Being depreciated, net	3,172,800	537	30,976,542
	<u>25,528,403</u>	<u>320,856</u>	<u>91,487,594</u>
LIABILITIES			
Accounts payable	-	-	4,436,699
Accrued liabilities	9,856,347	20,000	934,848
Due to other governments	-	139,870	-
Deferred revenues	6,399,765	-	-
Non-current liabilities:			
Due within one year	-	-	3,650,317
Due in more than one year	25,107,326	-	64,437,243
	<u>41,363,438</u>	<u>159,870</u>	<u>73,459,107</u>
NET ASSETS (DEFICITS)			
Invested in capital assets, net of related debt	3,172,800	537	9,098,896
Restricted for:			
Capital projects	760,783	-	-
Student loans	10,479	-	-
Scholarships and student services	2,465,718	-	-
Permanent endowments	872,638	-	-
Unrestricted	(23,117,453)	160,449	8,929,591
	<u>\$ (15,835,035)</u>	<u>\$ 160,986</u>	<u>\$ 18,028,487</u>

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

Rockland County Industrial Development Agency		Totals	
\$	94,029	\$	27,272,183
	-		3,688,142
	-		5,942,624
	-		1,534,346
	-		17,899,659
	-		440,724
	-		15,506,746
	-		1,038,683
	-		837,360
	94,029		74,160,467
	-		9,120,536
	-		34,149,879
	94,029		117,430,882
	-		4,436,699
	3,300		10,814,495
	-		139,870
	-		6,399,765
	-		3,650,317
	-		89,544,569
	3,300		114,985,715
	-		12,272,233
	-		760,783
	-		10,479
	-		2,465,718
	-		872,638
	90,729		(13,936,684)
\$	90,729	\$	2,445,167

COUNTY OF ROCKLAND, NEW YORK

STATEMENT OF ACTIVITIES

COMPONENT UNITS

YEAR ENDED DECEMBER 31, 2011

(Rockland County Community College Year Ended August 31, 2011)

Functions/Programs	Expenses	Program Revenues		
		Charges for Services	Operating Grants and Contributions	Capital Grants and Contributions
Rockland County Community College - Education	\$ 80,952,575	\$ 21,169,860	\$ 17,413,032	\$ 3,008,617
Rockland County Soil and Water Conservation District - Home and Community Services	45,051	-	-	-
Rockland County Solid Waste Management Authority - Home and Community Services	43,614,230	43,985,211	602,889	-
Rockland County Industrial Development Agency - Economic Opportunity and Development	113,777	62,745	-	-
Total Component Units	\$ 124,725,633	\$ 65,217,816	\$ 18,015,921	\$ 3,008,617

General Revenues:

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

Total General Revenues

Change in Net Assets

Net Assets (Deficits) - Beginning of Year

Net Assets (Deficits) - End of Year

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

**Net (Expense) Revenue
and Changes in Net Assets**

Rockland County Community College	Rockland County Soil and Water Conservation District	Rockland County Solid Waste Management Authority	Rockland County Industrial Development Agency	Total
\$ (39,361,066)	\$ -	\$ -	\$ -	\$ (39,361,066)
-	(45,051)	-	-	(45,051)
-	-	973,870	-	973,870
-	-	-	(51,032)	(51,032)
<u>(39,361,066)</u>	<u>(45,051)</u>	<u>973,870</u>	<u>(51,032)</u>	<u>(38,483,279)</u>
2,403,348	269	554,303	360	2,958,280
15,783,575	-	-	-	15,783,575
12,185,919	49,083	-	-	12,235,002
1,952,886	3,830	-	-	1,956,716
<u>32,325,728</u>	<u>53,182</u>	<u>554,303</u>	<u>360</u>	<u>32,933,573</u>
(7,035,338)	8,131	1,528,173	(50,672)	(5,549,706)
<u>(8,799,697)</u>	<u>152,855</u>	<u>16,500,314</u>	<u>141,401</u>	<u>7,994,873</u>
<u>\$ (15,835,035)</u>	<u>\$ 160,986</u>	<u>\$ 18,028,487</u>	<u>\$ 90,729</u>	<u>\$ 2,445,167</u>

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Note 1 - Summary of Significant Accounting Policies

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

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

A. Financial Reporting Entity

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

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

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

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

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

Note 1 - Summary of Significant Accounting Policies (Continued)

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

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

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

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

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

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

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

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

B. Government-Wide Financial Statements

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

Note 1 - Summary of Significant Accounting Policies (Continued)

The Statement of Net Assets presents the financial position of the County and its component units at the end of its fiscal year. The Statement of Activities demonstrates the degree to which direct expenses of a given function or segment are offset by program revenues. Direct expenses are those that are clearly identifiable with a specific function or segment. Program revenues include (1) charges to customers or applicants who purchase, use or directly benefit from goods or services, or privileges provided by a given function or segment, (2) grants and contributions that are restricted to meeting the operational or capital requirements of a particular function or segment and (3) interest earned on grants that is required to be used to support a particular program. Taxes and other items not identified as program revenues are reported as general revenues. The County does not allocate indirect expenses to functions in the Statement of Activities.

Separate financial statements are provided for governmental funds, proprietary funds and fiduciary funds, even though the latter are excluded from the government-wide financial statements. Major individual governmental funds and individual enterprise funds are reported as separate columns in the fund financial statements.

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

C. Fund Financial Statements

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

Note 1 - Summary of Significant Accounting Policies (Continued)

Fund Categories

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

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

Capital Projects Fund - The Capital Projects Fund is used to account for and report financial resources that are restricted, committed or assigned for capital outlay, including the acquisition or construction of major capital facilities and other capital assets, other than those financed by proprietary funds.

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

Special Revenue Funds - Special revenue funds are used to account for and report the proceeds of specific revenue sources that are restricted, committed or assigned to expenditures for specified purposes other than debt service or capital projects. The major special revenue funds of the County are as follows:

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 and report financial resources that are restricted, committed or assigned to expenditures for principal and interest and for financial resources that are being accumulated for principal and interest maturing in future years.

- b. Proprietary Funds - Proprietary funds include enterprise and internal service funds. Enterprise funds are used to account for operations that are financed and operated

Note 1 - Summary of Significant Accounting Policies (Continued)

in a manner similar to private enterprises or where the governing body has decided that periodic determination of revenues earned, expenses incurred and/or net income is necessary for management accountability. Enterprise funds are used to account for those operations that provide services to the public. Internal service funds account for operations that provide services to other departments or agencies of the government, or to other governments, on a cost reimbursement basis. The operations of the Summit Park Hospital (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 revenues 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

Note 1 - Summary of Significant Accounting Policies (Continued)

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

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, 2011.

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

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

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

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

The County is also responsible for collecting and enforcing delinquent school district taxes. Such taxes are collected by the towns in the County between September 1st and October 31st, after which the school tax rolls and unpaid taxes are remitted to the County. A 5% penalty is added to the amount of the unpaid school tax. The County collects unpaid school taxes during the

Note 1 - Summary of Significant Accounting Policies (Continued)

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, 2011, 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 To/From 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. The County uses the consumption method to relieve inventory. 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 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.

Restricted cash in the Capital Projects fund represents bond proceeds held by a state agency.

Restricted cash and cash equivalents and investments in the Solid Waste Management Authority consist of bond proceeds held by a custodial agent. These funds are to be used for the construction of solid waste disposal facilities and payment of debt service.

Note 1 - Summary of Significant Accounting Policies (Continued)

Prepaid Expenses/Expenditures - Certain payments to vendors reflect costs applicable to future accounting periods and are recorded as prepaid items using the consumption method in both the government wide and fund financial statements. Prepaid expenses/expenditures consist of employee retirement and other costs which have been satisfied prior to the end of the fiscal year, but represent items which have been provided for in the subsequent year's budget and/or will benefit such periods. Reported amounts in governmental funds are equally offset by nonspendable 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.

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.

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

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

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

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

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

Note 1 - Summary of Significant Accounting Policies (Continued)

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

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

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

Deferred revenues in fund financial statements are those where asset recognition criteria have been met, but for which revenue recognition criteria have not been met. The County has reported deferred revenues of \$8,154,246 for real property taxes and \$1,279,979 for State and Federal aid received in advance in the General Fund. The County has also reported deferred revenues of \$7,448,299 for Federal aid received in advance in the Community Development Fund, \$3,204,365 in the Enterprise Fund - Home Infirmary Fund for State and Federal aid received in advance and \$6,399,765 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.

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.

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.

Note 1 - Summary of Significant Accounting Policies (Continued)

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

Fund Balance - Generally, fund balance represents the difference between current assets and current liabilities. In the fund financial statements, governmental funds report fund classifications that comprise a hierarchy based primarily on the extent to which the County is bound to honor constraints on the specific purposes for which amounts in those funds can be spent. Under this standard, the fund balance classifications are as follows:

Nonspendable fund balance includes amounts that cannot be spent because they are either not in spendable form (inventories, prepaid amounts, long-term receivables advances) or they are legally or contractually required to be maintained intact (the corpus of a permanent fund).

Restricted fund balance is to be reported when constraints placed on the use of the resources are imposed by grantors, contributors, laws or regulations of other governments or imposed by law through enabling legislation. Enabling legislation includes a legally enforceable requirement that these resources be used only for the specific purposes as provided in the legislation. This fund balance classification will be used to report funds that are restricted for debt service obligations and for other items contained in General Municipal Law.

Committed fund balance will be reported for amounts that can only be used for specific purposes pursuant to formal action of the entity's highest level of decision making authority. These funds may only be used for the purpose specified unless the entity removes or changes the purpose by taking the same action that was used to establish the commitment. This classification includes certain designations established and approved by the entity's governing board.

Assigned fund balance, in the General Fund, will represent amounts constrained either by the entity's highest level of decision making authority or a person with delegated authority from the governing board to assign amounts for a specific intended purpose. An assignment cannot result in a deficit in the unassigned fund balance in the General Fund. This classification will include amounts designated for balancing the subsequent year's budget and encumbrances. Assigned fund balance in all other governmental funds represents any positive remaining amount after classifying nonspendable, restricted or committed fund balance amounts.

Note 1 - Summary of Significant Accounting Policies (Continued)

Unassigned fund balance, in the General Fund, represents amounts not classified as nonspendable, restricted, committed or assigned. The General Fund is the only fund that would report a positive amount in unassigned fund balance. For all governmental funds other than the General Fund, unassigned fund balance would necessarily be negative, since the fund's liabilities, together with amounts already classified as nonspendable, restricted and committed would exceed the fund's assets.

When both restricted and unrestricted amounts of fund balance are available for use for expenditures incurred, it is the County's policy to use restricted amounts first and then unrestricted amounts as they are needed. For unrestricted amounts of fund balance, it is the County's policy to use fund balance in the following order: committed, assigned, and unassigned.

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 assigned fund balance since they do not constitute expenditures or liabilities.

G. Use of Estimates

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

H. Subsequent Events Evaluation by Management

Management has evaluated subsequent events for disclosure and/or recognition in the financial statements through the date that the financial statements were available to be issued, which date is September 6, 2012.

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.

Note 2 - Stewardship, Compliance and Accountability (Continued)

- b) The County Executive is required to file the tentative budget for the ensuing year with the Clerk of the Legislature on or before October 23rd.
- c) Subsequent to October 23rd, the Legislature conducts the necessary review of the tentative budget and proposes any changes thereto.
- d) Prior to November 20th, the Legislature shall hold a public hearing on the budget.
- e) After the public hearing, the Legislature may make changes to the budget. The budget shall be adopted no later than December 7th.
- f) Formal budgetary integration is employed during the year as a management control device for General, County Road, Road Machinery, Community Development, Sewer District and Debt Service funds.
- g) Budgets for General, County Road, Road Machinery, Community Development, Sewer District and Debt Service funds are legally adopted annually on a basis consistent with generally accepted accounting principles. The Capital Projects Fund is budgeted on a project basis. Annual budgets are not adopted for the Proprietary and Special Purpose funds.
- h) The County Legislature has legal responsibility for all budget amendments and transfers between functions of expenditure. The County Executive has authority for the transfer of appropriations within functions of expenditure.
- i) Appropriations in General, County Road, Road Machinery, Community Development, Sewer District and Debt Service funds lapse at the end of the fiscal year, except that outstanding encumbrances are re-appropriated in the succeeding year, pursuant to the Uniform System of Accounts promulgated by the Office of the State Comptroller.

Budgeted amounts are as originally adopted, or as amended by the County Legislature.

B. Property Tax Limitation

The County is permitted by the State Constitution to levy for purposes other than debt service up to 1½% of the five year average full valuation of taxable real estate located within the County. In accordance with this provision, the maximum amount of the tax levy for 2011 was \$631,792,031, which exceeded the actual levy by \$570,092,031.

C. Fund Deficits

The General Fund has an unassigned deficit of \$96,514,297 at December 31, 2011.

The Home and Infirmary Fund, Rockland Tobacco Asset Securitization Corporation, Rockland Tobacco Second Asset Securitization Corporation, Workers' Compensation Fund and the General Services Fund also reflect unassigned or unrestricted deficits of \$109,545,369, \$69,009,419, \$4,238,946, \$4,055,193 and \$13,239,356, respectively at December 31, 2011. These deficits will be addressed in the subsequent year.

Note 2 - Stewardship, Compliance and Accountability (Continued)

D. Excess of Actual Expenditures Over Budget

The following categories exceeded their budgetary provisions by the amounts indicated:

General Fund -		
General Government Support –		
Contingent fund	\$	7,706,678
Debt Service Fund -		
Serial Bonds:		
Principal		1,473,970
Interest		203,237

Note 3 - Detailed Notes on All Funds

A. Investments

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

	<u>Commercial Paper</u>
Business-type Activities -	
Rockland Tobacco Asset	
Securitization Corporation,	
at cost, which approximates	
fair value, due in January 2012,	
interest at 5.1%	<u>\$ 1,172,674</u>

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

Restricted Investments

Restricted investments at December 31, 2011 consisted of the following:

Rockland Tobacco Asset Securitization Corporation -	
Commercial paper, at cost, which approximates	
fair value, due in January 2012, interest at 5.1%	\$ 3,525,074
Rockland Second Tobacco Asset Securitization Corporation -	
Commercial paper, at cost, which approximates	
fair value, due in February 2012, interest at 1.3%	<u>710,961</u>
	<u>\$ 4,236,035</u>

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

COUNTY OF ROCKLAND, NEW YORK

NOTES TO FINANCIAL STATEMENTS (Continued)
 DECEMBER 31, 2011

Note 3 - Detailed Notes on All Funds (Continued)

B. Taxes Receivable

Taxes receivable at December 31, 2011 consisted of the following:

Tax liens	\$ 26,024,774
Tax installments	7,707,981
Returned school districts taxes	23,278,335
Returned village taxes	<u>2,782,518</u>
	59,793,608
Allowance for uncollectible taxes	<u>(2,570,000)</u>
Taxes Receivable	<u>\$ 57,223,608</u>

School district and village taxes are offset by liabilities to the school districts and villages which will be paid no later than April 2012. Taxes receivable, at the fund level, are also partially offset by deferred tax revenues of \$8,154,246, 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, 2011 were as follows:

Fund	Due From	Due To	Advances From/To
General	\$ 12,685,520	\$ -	\$ 32,304,720
Capital Projects	-	583,929	-
Non-Major Governmental Home and Infirmary	1,886,369	506,942	-
Rockland Second Tobacco Asset Securitization Corp.	-	17,203,655	(32,304,720)
Internal Service	-	8,049	-
	<u>3,750,211</u>	<u>19,525</u>	-
	<u>\$ 18,322,100</u>	<u>\$ 18,322,100</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, 2011

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, 2011	Additions	Deductions	Balance December 31, 2011
Governmental Activities (inclusive of Internal Service Funds):				
Capital Assets, not being depreciated:				
Land	\$ 67,156,806	\$ 992,928	\$ -	\$ 68,149,734
Construction-in-progress	<u>244,420,326</u>	<u>45,767,866</u>	<u>24,603,254</u>	<u>265,584,938</u>
Total Capital Assets, not being depreciated	<u>\$ 311,577,132</u>	<u>\$ 46,760,794</u>	<u>\$ 24,603,254</u>	<u>\$ 333,734,672</u>
Capital Assets, being depreciated:				
Buildings	\$ 124,979,910	\$ -	\$ 605,491	\$ 124,374,419
Improvements	110,044,646	11,662,806	4,354,457	117,352,995
Equipment	98,096,397	10,139,793	1,872,241	106,363,949
Infrastructure	<u>530,120,810</u>	<u>2,905,038</u>	<u>-</u>	<u>533,025,848</u>
Total Capital Assets, being depreciated	<u>863,241,763</u>	<u>24,707,637</u>	<u>6,832,189</u>	<u>881,117,211</u>
Less Accumulated Depreciation for:				
Buildings	49,182,657	3,585,984	605,491	52,163,150
Improvements	51,354,974	8,046,527	4,354,457	55,047,044
Equipment	64,387,946	6,362,536	1,872,241	68,878,241
Infrastructure	<u>325,137,487</u>	<u>12,031,602</u>	<u>-</u>	<u>337,169,089</u>
Total Accumulated Depreciation	<u>490,063,064</u>	<u>30,026,649</u>	<u>6,832,189</u>	<u>513,257,524</u>
Total Capital Assets, being depreciated, net	<u>\$ 373,178,699</u>	<u>\$ (5,319,012)</u>	<u>\$ -</u>	<u>\$ 367,859,687</u>
Governmental Activities Capital Assets, net	<u>\$ 684,755,831</u>	<u>\$ 41,441,782</u>	<u>\$ 24,603,254</u>	<u>\$ 701,594,359</u>

Class	Balance January 1, 2011	Additions	Deductions	Balance December 31, 2011
Business-type Activities:				
Capital Assets, not being depreciated:				
Land	\$ 438,504	\$ -	\$ -	\$ 438,504
Construction-in-progress	<u>1,558,621</u>	<u>1,193,986</u>	<u>1,217,399</u>	<u>1,535,208</u>
Total Capital Assets, not being depreciated	<u>\$ 1,997,125</u>	<u>\$ 1,193,986</u>	<u>\$ 1,217,399</u>	<u>\$ 1,973,712</u>

COUNTY OF ROCKLAND, NEW YORK

NOTES TO FINANCIAL STATEMENTS (Continued)
DECEMBER 31, 2011

Note 3 - Detailed Notes on All Funds (Continued)

Class	Balance January 1, 2011	Additions	Deductions	Balance December 31, 2011
Business-type Activities (Continued):				
Capital Assets, being depreciated:				
Buildings	\$ 47,518,034	\$ 254,119	\$ -	\$ 47,772,153
Improvements	345,975	-	-	345,975
Equipment	<u>19,117,696</u>	<u>976,164</u>	<u>79,923</u>	<u>20,013,937</u>
Total Capital Assets, being depreciated	<u>66,981,705</u>	<u>1,230,283</u>	<u>79,923</u>	<u>68,132,065</u>
Less Accumulated Depreciation for:				
Buildings	\$ 35,493,154	\$ 1,370,919	\$ -	\$ 36,864,073
Improvements	345,975	-	-	345,975
Equipment	<u>11,569,008</u>	<u>1,021,504</u>	<u>79,923</u>	<u>12,510,589</u>
Total Accumulated Depreciation	<u>47,408,137</u>	<u>2,392,423</u>	<u>79,923</u>	<u>49,720,637</u>
Total Capital Assets, being depreciated, net	<u>\$ 19,573,568</u>	<u>\$ (1,162,140)</u>	<u>\$ -</u>	<u>\$ 18,411,428</u>
Business-type Activities Capital Assets, net	<u>\$ 21,570,693</u>	<u>\$ 31,846</u>	<u>\$ 1,217,399</u>	<u>\$ 20,385,140</u>

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

Governmental Activities:	
General Government Support	\$ 4,297,357
Education	4,575,117
Public Safety	2,674,890
Health	463,346
Transportation	9,189,264
Economic Opportunity and Development	130,538
Culture and Recreation	659,634
Home and Community Services	6,391,469
Capital assets held by the government's internal service fund are charged to the various functions based on their usage of the assets	<u>1,645,034</u>
Total Depreciation Expense - Governmental Activities	<u>\$ 30,026,649</u>
Business-type Activities - Home and Infirmary	<u>\$ 2,392,423</u>

COUNTY OF ROCKLAND, NEW YORK

NOTES TO FINANCIAL STATEMENTS (Continued)
 DECEMBER 31, 2011

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, 2010	Additions	Balance August 31, 2011
Capital Assets, being depreciated - Equipment	\$ 9,359,403	\$ 387,281	\$ 9,746,684
Less Accumulated Depreciation	<u>(5,951,818)</u>	<u>(622,066)</u>	<u>(6,573,884)</u>
Community College Capital Assets, net	<u>\$ 3,407,585</u>	<u>\$ (234,785)</u>	<u>\$ 3,172,800</u>

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

Class	Balance January 1, 2011	Additions	Balance December 31, 2011
Capital Assets, being depreciated - Equipment	\$ 13,969	\$ -	\$ 13,969
Less Accumulated Depreciation	<u>(13,217)</u>	<u>(215)</u>	<u>(13,432)</u>
Soil and Water Conservation District Capital Assets, net	<u>\$ 752</u>	<u>\$ (215)</u>	<u>\$ 537</u>

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

Class	Balance January 1, 2011	Additions	Deductions	Balance December 31, 2011
Capital Assets, not being depreciated:				
Land	\$ 6,200,325	\$ -	\$ -	\$ 6,200,325
Construction-in-progress	<u>3,295,844</u>	<u>2,003,673</u>	<u>(2,379,306)</u>	<u>2,920,211</u>
Total Capital Assets, not being depreciated	<u>\$ 9,496,169</u>	<u>\$ 2,003,673</u>	<u>\$ (2,379,306)</u>	<u>\$ 9,120,536</u>
Capital Assets, being depreciated:				
Buildings	\$ 42,350,477	\$ 2,493,680	\$ -	\$ 44,844,157
Improvements	2,420,054	-	-	2,420,054
Equipment	<u>16,888,448</u>	<u>440,117</u>	<u>-</u>	<u>17,328,565</u>
Total Capital Assets, being depreciated	<u>61,658,979</u>	<u>2,933,797</u>	<u>-</u>	<u>64,592,776</u>

COUNTY OF ROCKLAND, NEW YORK

NOTES TO FINANCIAL STATEMENTS (Continued)
DECEMBER 31, 2011

Note 3 - Detailed Notes on All Funds (Continued)

Class	Balance January 1, 2011	Additions	Deductions	Balance December 31, 2011
Less Accumulated Depreciation for:				
Buildings	\$ 20,763,415	\$ 2,178,197	\$ -	\$ 22,941,612
Improvements	387,208	96,802	-	484,010
Equipment	8,984,301	1,206,311	-	10,190,612
Total Accumulated Depreciation	30,134,924	3,481,310	-	33,616,234
Total Capital Assets, being depreciated, net	<u>\$ 31,524,055</u>	<u>\$ (547,513)</u>	<u>\$ -</u>	<u>\$ 30,976,542</u>
Solid Waste Management Authority Capital Assets, net	<u>\$ 41,020,224</u>	<u>\$ 1,456,160</u>	<u>\$ (2,379,306)</u>	<u>\$ 40,097,078</u>

E. Accrued Liabilities

Accrued liabilities at December 31, 2011 were as follows:

	Governmental Activities	Business- Type Activities	Total
Payroll and employee benefits	\$ 5,745,745	\$ -	\$ 5,745,745
Other	2,905,511	911,771	3,817,282
Total Accrued Liabilities	<u>\$ 8,651,256</u>	<u>\$ 911,771</u>	<u>\$ 9,563,027</u>

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 and to cover a revenue deficiency in the County's General Fund.

Purpose	Year of Original Issue	Maturity Date	Rate of Interest	Balance January 1, 2011	New Issues	Redemptions	Balance December 31, 2011
Tax Anticipation Notes:							
County Operations	2010	3/9/2011	1.80 %	\$ 50,000,000	\$ -	\$ 50,000,000	\$ -
County Operations	2011	3/8/2012	3.00	-	55,000,000	-	55,000,000
Revenue Anticipation Notes:							
County Operations	2010	3/9/2011	1.60	45,000,000	-	45,000,000	-
County Operations	2010	8/30/2011	1.75	25,000,000	-	25,000,000	-
County Operations	2011	3/8/2012	3.00	-	45,000,000	-	45,000,000
County Operations	2011	9/21/2012	2.25	-	40,000,000	-	40,000,000
Deficiency Notes	2011	6/22/2012	1.75	-	17,800,000	-	17,800,000
				<u>\$ 120,000,000</u>	<u>\$ 157,800,000</u>	<u>\$ 120,000,000</u>	<u>\$ 157,800,000</u>

COUNTY OF ROCKLAND, NEW YORK

NOTES TO FINANCIAL STATEMENTS (Continued)
DECEMBER 31, 2011

Note 3 - Detailed Notes on All Funds (Continued)

The \$50,000,000 tax anticipation notes that were issued on March 10, 2010, matured on March 9, 2011. Interest expense of \$897,500 was recorded in the General Fund financial statements. The \$45,000,000 revenue anticipation notes that were issued on March 10, 2010, matured on March 9, 2011 and the \$25,000,000 revenue anticipation notes that were issued on August 30, 2010, matured on August 30, 2011. Interest expense of \$1,160,486 was recorded in the General Fund financial statements.

Tax anticipation notes, in the amount of \$55,000,000 were issued on March 10, 2011. They mature on March 8, 2012 and have an interest rate of 3.0%. Interest expense of \$1,326,340 was recorded in the government wide financial statements for governmental activities. Revenue anticipation notes, in the amount of \$45,000,000 were issued on March 10, 2011. They mature on March 8, 2012 and have an interest rate of 3.00%. Interest expense of \$1,085,188 was recorded in the government wide financial statements for governmental activities. Additional revenue anticipation notes, of \$40,000,000 were issued on September 22, 2011. They mature on September 21, 2012 and have an interest rate of 2.25%. Interest expense of \$255,040 was recorded in the governmental wide financial statements for governmental activities. Deficiency notes, in the amount of \$17,800,000 were issued on June 22, 2011. They mature on June 22, 2012 and have an interest rate of 1.75%. Interest expense of \$163,538 was recorded in the governmental wide financial statements for 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, 2011	New Issue	Redemptions	Balance December 31, 2011
Sewer Improvements	2010	4/22/11	1.50 %	\$ 13,433,000	\$ -	\$ 13,433,000	\$ -
Sewer Improvements	2010	4/22/11	1.50	6,709,500	-	6,709,500	-
Sewer Improvements	2010	9/01/11	1.30	9,816,000	-	9,816,000	-
Sewer Improvements	2011	4/20/12	3.00	-	13,433,000	13,433,000	-
Sewer Improvements	2011	4/20/12	1.26	-	6,709,500	-	6,709,500
Sewer Improvements	2011	8/31/12	1.75	-	9,816,000	-	9,816,000
Public Improvements	2011	6/07/12	2.00	-	2,000,000	-	2,000,000
Public Improvements	2011	6/07/12	1.75	-	8,050,000	-	8,050,000
				<u>\$ 29,958,500</u>	<u>\$ 40,008,500</u>	<u>\$ 43,391,500</u>	<u>\$ 26,575,500</u>

Business-type Activities:

Purpose	Year of Original Issue	Maturity Date	Rate of Interest	Balance January 1, 2011	New Issue	Redemptions	Balance December 31, 2011
Public Improvements	2011	6/07/12	1.75 %	\$ -	\$ 450,000	\$ -	\$ 450,000

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 \$559,735 were recorded in the fund financial statements in the Sewer Fund. Interest expense of \$222,763 was recorded in the government-wide financial statements for governmental activities.

H. Pension Plans

The County 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 in tiers 3 and 4 that have less than ten years of service, who contribute 3% of their salary and employees in tier 5 who also contribute 3% of their salary without regard to their years of service. Contributions are certified by the State Comptroller and expressed as a percentage of members' salary. Contribution rates are actuarially determined and based upon membership tier and plan. Contributions consist of a life insurance portion and regular pension contributions. Contribution rates for the plan year ended March 31, 2012 are as follows:

	<u>Tier/Plan</u>	<u>Rate</u>
1	75I	21.5%
1	89D,M	26.3
2	75I	19.7
2	89PAF	22.7
3	A14	15.8
3	553B	25.5
4	A15	15.8
4	553B	25.5
4	603OR	22.0
4	604PR	22.0
4	604S4	16.5
4	89PAF	16.5
4	89VR3	16.5
4	89VR4	16.5
5	A15	12.7
5	89PAF	14.4

COUNTY OF ROCKLAND, NEW YORK

NOTES TO FINANCIAL STATEMENTS (Continued)
 DECEMBER 31, 2011

Note 3 - Detailed Notes on All Funds (Continued)

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

	Primary Government	Component Units	
		College	Solid Waste Management Authority
2011	\$ 21,627,972	\$ 981,324	\$ 247,718
2010	20,031,165	678,526	243,742
2009	12,879,308	743,189	97,107

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

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

	Amount
Governmental Funds:	
General	\$ 13,455,763
County Road	777,431
Road Machinery	71,160
Sewer	713,381
	<u>15,017,735</u>
Proprietary Funds:	
General Services	1,294,643
Workers' Compensation Benefits	10,752
Hospital	5,304,842
	<u>6,610,237</u>
	<u>\$ 21,627,972</u>

Community College

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

Note 3 - Detailed Notes on All Funds (Continued)

Funding Policy - TRS is non-contributory except for employees who joined the System after July 27, 1976 and have less than ten years of service, who contribute 3% of their salary. Pursuant to Article 11 of Education Law, contributions are established annually for TRS by the New York State Teachers' Retirement Board. Contribution rates are actuarially determined and based upon membership tier and plan. Contribution rates for the plan year ended June 30, 2011 are as follows:

<u>Tiers</u>	<u>Rate</u>
1-4	8.62%

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

2011	\$	485,968
2010		351,184
2009		359,227

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, 2011, 2010 and 2009, the College incurred pension costs under this Plan of \$1,938,099, \$1,784,981 and \$1,696,745 respectively.

Soil and Water Conservation District

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

Rockland County Industrial Development Agency

The County of Rockland Industrial Development Agency has a non-contributory unqualified simplified employee pension plan ("SEP") covering all employees who have met the minimum requirements for inclusion. The annual contribution is 10-15 percent of covered compensation. Total pension costs for years ended December 31, 2011, 2010 and 2009 were \$5,419, \$4,468 and \$4,165 respectively.

COUNTY OF ROCKLAND, NEW YORK

NOTES TO FINANCIAL STATEMENTS (Continued)
DECEMBER 31, 2011

Note 3 - Detailed Notes on All Funds (Continued)

I. Long-Term Liabilities

The following table summarizes changes in the County's long-term indebtedness for the year ended December 31, 2011:

	Balance January 1, 2011	New Issues/ Additions	Maturities and/or Payments	Balance December 31, 2011	Due Within One Year
Governmental Activities:					
Bonds Payable					
Capital Construction	\$ 289,505,505	\$ 48,625,003	\$ 23,631,260	\$ 314,499,248	\$ 24,061,516
Other	42,005,000	5,000,000	2,265,000	44,740,000	2,485,000
	331,510,505	53,625,003	25,896,260	359,239,248	26,546,516
Less-Deferred amounts on refunding	(6,568,423)	-	(1,112,958)	(5,455,465)	-
	324,942,082	53,625,003	24,783,302	353,783,783	26,546,516
Compensated Absences	17,200,390	2,876,136	1,720,039	18,356,487	1,836,000
New York State Loan Payable - Retirement	3,656,631	8,049,614	290,720	11,415,525	982,223
Pension Obligations	813,537	11,205,008	2,756,804	9,261,741	2,124,091
Due to NYS Power Authority	3,786,261	-	396,802	3,389,459	396,328
Claims Payable	12,563,195	11,184,205	8,710,710	15,036,690	1,622,862
Other Post Employment Benefit Obligation Payable	118,767,848	38,554,338	12,977,266	144,344,920	-
Governmental Activities Long-term Liabilities	\$ 481,729,944	\$ 125,494,304	\$ 51,635,643	\$ 555,588,605	\$ 33,508,020
Business-type Activities:					
Bonds Payable	\$ 98,479,360	\$ 2,357,251	\$ 3,011,882	\$ 97,824,729	\$ 2,880,484
Less-Deferred amounts on refunding	(1,433,971)	-	(65,846)	(1,368,125)	-
	97,045,389	2,357,251	2,946,036	96,456,604	2,880,484
Compensated Absences	11,179,074	-	620,729	10,558,345	1,056,000
Estimated third party liability	2,918,696	2,999,377	5,526,463	391,610	-
Other Post Employment Benefit Obligation Payable	56,061,919	17,614,294	6,993,909	66,682,304	-
Business-type Activities Long-term Liabilities	\$ 167,205,078	\$ 22,970,922	\$ 16,087,137	\$ 174,088,863	\$ 3,936,484
Solid Waste Management Authority - Component Unit -					
Bonds Payable	\$ 66,345,000	\$ -	\$ 3,180,000	\$ 63,165,000	\$ 3,310,000
Less-Deferred amounts on refunding	(1,161,465)	-	(70,154)	(1,091,311)	-
	65,183,535	-	3,109,846	62,073,689	3,310,000
Capital lease payable	711,477	392,840	255,275	849,042	340,317
Loans Payable	-	1,526,553	-	1,526,553	-
Other Post Employment Benefit Obligations	2,907,503	730,773	-	3,638,276	-
	\$ 68,802,515	\$ 2,650,166	\$ 3,365,121	\$ 68,087,560	\$ 3,650,317
Rockland County Community College - Component Unit -					
Other Post Employment Benefit Obligations	\$ 17,758,972	\$ 10,910,816	\$ 3,562,462	\$ 25,107,326	\$ -

COUNTY OF ROCKLAND, NEW YORK

NOTES TO FINANCIAL STATEMENTS (Continued)
DECEMBER 31, 2011

Note 3 - Detailed Notes on All Funds (Continued)

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

Bonds Payable

Bonds payable at December 31, 2011 are comprised of the following individual issues:

Purpose	Year of Issue	Original Issue Amount	Final Maturity	Interest Rates	Amount Outstanding at December 31, 2011
Various Purposes	1992	\$ 9,950,000	April, 2012	5.500 %	\$ 12,000
Sewer EFC B	1993	2,675,000	November, 2013	2.650-5.200	320,000
Various Purposes B	1994	12,347,000	November, 2014	6.000	117,000
Tobacco	2001	47,750,000	August, 2040	4.625-5.750	41,460,000
Sewer EFC-partial Refund 90B	2002	28,609,114	March, 2020	5.900-7.900	4,970,000
Sewer EFC-partial Refund 92A	2002	3,694,000	September, 2021	6.460	537,000
Sewer EFC-partial Refund 92B	2002	7,470,000	September, 2022	3.000-6.650	1,229,000
Sewer EFC-partial Refund 93A	2002	5,660,000	September, 2022	3.000-6.650	1,114,000
Various Purposes	2002	16,673,000	October, 2017	3.375-4.000	8,140,000
Sewer EFC Refunding 1996	2003	4,855,000	December, 2025	4.625-5.200	3,265,000
Sewer Refunding 93 Bonds	2003	3,525,000	March, 2017	3.500-4.000	1,365,000
Various Purposes	2003	21,027,000	June, 2023	3.000-5.000	14,700,000
Tobacco	2003	9,715,000	June 2038	5.027-5.270	6,540,000
Sewer EFC 2004D	2004	31,082,062	February, 2034	3.751-5.150	26,320,003
Various Purposes	2004	29,311,745	January, 2017	3.250-3.750	16,260,000
Sewer EFC 2005A	2005	12,395,713	May, 2034	2.094-4.569	9,950,000
Sewer EFC 2005B	2005	34,756,050	October, 2034	3.199-4.129	28,360,000
Various Purposes	2005	30,000,000	February, 2019	3.500-4.000	19,185,000
Tobacco	2005	26,964,181	August, 2040	5.875-7.625	37,334,971
Sewer EFC 2006C	2006	14,930,177	April, 2035	3.971-4.731	12,860,000
Various Purposes A	2006	24,512,500	April, 2017	3.875-4.000	15,475,000
Various Purposes B	2006	13,749,700	December, 2021	3.700-4.000	10,305,000
Various Purposes	2007	28,824,000	August, 2027	4.375-4.500	25,690,000
Mirant Settlement	2007	8,095,748	January, 2027	4.100-4.250	7,190,000
Mirant Settlement	2008	24,000,000	June, 2028	4.000-4.650	22,175,000
Various Purpose Refunding	2009	21,250,000	May, 2016	2.250-4.000	14,495,000
Various Purpose	2010	33,791,000	September, 2017	2.000-3.500	32,155,000
Various Purpose Refunding	2010	19,225,000	May, 2031	2.000-4.000	17,760,000
Sewer EFC 2010C	2010	15,128,142	October, 2039	.724-4.603	14,535,000
Public Improvement	2010	11,400,000	June, 2020	2.000-3.125	10,375,000
Sewer EFC 2011C	2011	28,290,003	November, 2040	.281-4.746	27,535,003
Various Purpose	2011	20,335,000	June, 2026	4.000-4.500	20,335,000
Judgments	2011	5,000,000	December, 2031	3.500-6.500	5,000,000
					\$ 457,063,977

COUNTY OF ROCKLAND, NEW YORK

NOTES TO FINANCIAL STATEMENTS (Continued)
DECEMBER 31, 2011

Note 3 - Detailed Notes on All Funds (Continued)

Payments to Maturity

The annual requirements to amortize all bonded debt outstanding as of December 31, 2011 including interest payments of \$144,474,540 are as follows:

Year Ending December 31,	Governmental Activities					
	Bonds		New York State Loan - NYPA		New York State Loan - Retirement	
	Principal	Interest	Principal	Interest	Principal	Interest
2012	\$ 26,546,516	\$ 11,643,073	\$ 396,328	\$ 23,443	\$ 982,223	\$ 473,499
2013	27,439,014	13,227,307	399,230	20,540	1,023,152	432,571
2014	25,799,821	9,559,028	402,155	17,616	1,065,821	389,901
2015	26,656,718	8,735,194	405,100	14,671	1,110,297	345,425
2016	27,515,917	8,338,193	408,316	11,455	1,156,666	299,056
2017-2021	90,493,818	29,143,643	1,378,330	17,550	6,077,366	727,694
2022-2026	69,272,430	16,265,026	-	-	-	-
2027-2031	37,980,014	6,328,254	-	-	-	-
2032-2036	21,245,000	2,107,437	-	-	-	-
2037-2040	6,290,000	372,462	-	-	-	-
	<u>\$ 359,239,248</u>	<u>\$ 105,719,617</u>	<u>\$ 3,389,459</u>	<u>\$ 105,275</u>	<u>\$ 11,415,525</u>	<u>\$ 2,668,146</u>

Year Ending December 31,	Pension Obligations		Business-Type Activities		Total	
	Principal	Interest	Principal	Interest	Principal	Interest
	2012	\$ 2,124,091	\$ 647,155	\$ 2,880,484	\$ 3,186,556	\$ 32,929,642
2013	2,284,373	502,473	3,011,993	3,054,184	34,157,762	17,237,075
2014	2,456,753	346,939	3,051,179	2,916,360	32,775,729	13,229,844
2015	2,396,524	179,739	3,104,282	2,777,761	33,672,921	12,052,790
2016	-	-	4,610,723	2,633,189	33,691,622	11,281,893
2017-2021	-	-	13,241,901	13,713,912	111,191,415	43,602,799
2022-2026	-	-	11,534,188	5,224,739	80,806,618	21,489,765
2027-2031	-	-	16,193,850	798,495	54,173,864	7,126,749
2032-2036	-	-	19,989,483	-	41,234,483	2,107,437
2037-2040	-	-	20,206,646	-	26,496,646	372,462
	<u>\$ 9,261,741</u>	<u>\$ 1,676,306</u>	<u>\$ 97,824,729</u>	<u>\$ 34,305,196</u>	<u>\$ 481,130,702</u>	<u>\$ 144,474,540</u>

Interest expenditures/expense of \$10,385,737 and \$251,994, were recorded in the fund financial statements in the Debt Service Fund and Internal Service Fund, respectively. Interest expense of \$12,693,778 was recorded in the government-wide financial statements for governmental activities. Interest expense of \$211,345, \$4,798,393 and \$405,093 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.

COUNTY OF ROCKLAND, NEW YORK

NOTES TO FINANCIAL STATEMENTS (Continued)
DECEMBER 31, 2011

Note 3 - Detailed Notes on All Funds (Continued)

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.

Indebtedness - Component Unit

Solid Waste Management Authority

Bonds payable at December 31, 2011 consisted of the following issues:

Purpose	Year of Issue	Original Issue Amount	Final Maturity	Interest Rates	Amount Outstanding at December 31, 2011
Public Improvements	1996	\$ 11,620,000	December 2014	5.625 %	\$ 1,785,000
Public Improvements	2003	15,273,468	December 2025	4.629-6.189	10,910,000
Public Improvements	2003	8,720,000	December 2028	3.750-5.125	7,030,000
Public Improvements	2006	10,080,000	December 2021	4.250-5.000	7,980,000
Public Improvements	2008	27,535,000	December 2033	3.250-5.750	25,770,000
Public Improvements	2010	7,900,000	December 2024	2.500-4.000	7,690,000
Public Improvements	2010	2,250,000	December 2018	3.000-3.500	2,000,000
					\$ 63,165,000

At the option of the Authority, the serial bonds are subject to redemption prior to maturity at various dates, depending on the issue.

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

Capital Lease Payable

The Authority has entered into various agreements to lease certain equipment. The terms of the agreements provide options to purchase the equipment at any time during the lease period. The lease meets the criteria of a capital lease as defined by FASB guidance. The annual payments include interest with rates ranging from 3.09% to 6.759% and mature in various months through 2014. The balance due at December 31, 2011 was \$849,042.

Note 3 - Detailed Notes on All Funds (Continued)

The annual requirements to amortize all capital leases outstanding at December 31, 2011, including interest of \$44,311 are as follows:

<u>Year</u>	<u>Principal</u>	<u>Interest</u>	<u>Total</u>
2012	\$ 340,317	\$ 27,755	\$ 368,072
2013	334,669	14,140	348,809
2014	174,056	2,416	176,472
	<u>\$ 849,042</u>	<u>\$ 44,311</u>	<u>\$ 893,353</u>

Loan Payable

The Authority entered into two revolving loan agreements in the amount of \$1,859,580 each with the Environmental Facilities Corporation (“EFC”) in 2010. These agreements allow the Authority to draw down on these loans up to a maximum amount of \$3,719,160 for eligible project costs. During 2011 the Authority drew down \$1,526,553 for various repairs to the Clarkstown Transfer Station. The first \$1,859,580 is interest free and the second \$1,859,580 bears interest at .69%. The first principal payments are due on August 1, 2012, which will be based on the loan outstanding at that time. The agreements also stipulate that the Authority will refinance the loans with EFC through long term financing within 60 days of the completion of the project, or no later than September 30, 2013.

Other Post Employment Benefit Obligations

In addition to providing pension benefits, the Authority provides certain health care benefits for retired employees through a single employer defined benefit plan. The employee handbook stipulates the employees covered and the percentage of contribution. The cost of providing post employment health care benefits is shared between the Authority and the retired employee. Substantially all of the Authority's employees may become eligible for those benefits if they have a minimum of five years of service and reach normal retirement age while working for the Authority. There are currently no retirees of the Authority.

The Authority's annual 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 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.

COUNTY OF ROCKLAND, NEW YORK

NOTES TO FINANCIAL STATEMENTS (Continued)
 DECEMBER 31, 2011

Note 3 - Detailed Notes on All Funds (Continued)

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. In addition, the assumptions and projections utilized do not explicitly incorporate the potential effects of legal or contractual funding limitations on the pattern of cost sharing between the employer and plan members in the future. The actuarial calculations of the OPEB plan reflect a long-term perspective.

The Authority is required to accrue 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. The assumed rates of increase in post retirement benefits are as follows:

<u>Year Ended December 31,</u>	<u>Health Insurance</u>	<u>Medicare Part B</u>
2012	10.50 %	8.50 %
2013	10.00	8.00
2014	9.50	7.50
2015	9.00	7.00
2016	8.50	6.50
2017	8.00	6.00
2018	7.50	5.50
2019	7.00	5.00
2020	6.50	5.00
2021	6.00	5.00
2022	5.50	5.00
2023+	5.00	5.00

The amortization basis is the level dollar amortization method with an open amortization approach with 26 years remaining in the amortization period. The Authority's assumptions included a 6.0% investment rate of return. The Authority currently has no assets set aside for the purpose of paying post employment benefits. The actuarial cost method utilized was the unit credit cost method. Payroll growth is not considered when using this method. The inflation rate is implicit in the trend rate and cannot be separately identified.

The number of participants as of December 31, 2011 was as follows:

Active Employees	28
Retired Employees	<u>-</u>
Total	<u><u>28</u></u>

COUNTY OF ROCKLAND, NEW YORK

NOTES TO FINANCIAL STATEMENTS (Continued)
 DECEMBER 31, 2011

Note 3 - Detailed Notes on All Funds (Continued)

Amortization Component:	
Actuarial Accrued Liability as of 1/1/11	\$ 2,117,542
Assets at Market Value	<u>-</u>
Unfunded Actuarial Accrued Liability	<u>\$ 2,117,542</u>
Funded Ratio	<u>0.00%</u>
Covered Payroll (active plan members)	<u>\$ 2,223,909</u>
UAAL as a Percentage of Covered Payroll	<u>95%</u>
Annual Required Contribution	755,604
Interest on Net OPEB Obligation	174,450
Adjustment to Annual Required Contribution	<u>(199,281)</u>
Annual OPEB Cost	730,773
Contributions Made	<u>-</u>
Increase in Net OPEB Obligation	730,773
Net OPEB Obligation - Beginning of Year	<u>2,907,503</u>
Net OPEB Obligation - End of Year	<u>\$ 3,638,276</u>

The Authority's annual OPEB cost, the percentage of annual OPEB cost contributed to the plan and the net OPEB obligation for the current and two preceding years is as follows:

<u>Fiscal Year Ended December 31,</u>	<u>Annual OPEB Cost</u>	<u>Percentage of Annual OPEB Cost Contributed</u>	<u>Net OPEB Obligation</u>
2011	\$ 730,773	- %	\$ 3,638,276
2010	737,068	-	2,907,503
2009	697,877	-	2,170,435

COUNTY OF ROCKLAND, NEW YORK

NOTES TO FINANCIAL STATEMENTS (Continued)
 DECEMBER 31, 2011

Note 3 - Detailed Notes on All Funds (Continued)

The annual requirements to amortize all bonds outstanding at December 31, 2010, including interest of \$28,736,033 are as follows:

<u>Year Ending December 31,</u>	<u>Principal</u>	<u>Interest</u>	<u>Total</u>
2012	\$ 3,310,000	\$ 3,208,045	\$ 6,518,045
2013	3,460,000	3,064,518	6,524,518
2014	3,610,000	2,912,725	6,522,725
2015	3,785,000	2,740,746	6,525,746
2016	3,970,000	2,556,345	6,526,345
2017-2021	23,055,000	9,562,749	32,617,749
2022-2026	20,330,000	2,925,706	23,255,706
2027-2031	1,495,000	1,745,699	3,240,699
2032-2033	150,000	19,500	169,500
	<u>63,165,000</u>	<u>\$ 28,736,033</u>	<u>\$ 91,901,033</u>
Less: Unamortized original issue discount	<u>(1,091,311)</u>		
	<u>\$ 62,073,689</u>		

Compensated Absences

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

Under the terms of existing collective bargaining agreements, College employees are granted vacation and sick leave and earn compensatory absences in varying amounts. Upon retirement or involuntary termination prior to normal retirement, employees are entitled to payment for accumulated vacation and sick leave and unused compensatory absences at various rates subject to certain maximum limitations. At August 31, 2011, the expense related to vested vacation pay for employees was accrued based upon pay rates currently in effect. Accrued vacation pay aggregated \$4,647,357.

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, 2011 was \$458,986. These amounts are included in accrued liabilities of the Authority.

Note 3 - Detailed Notes on All Funds (Continued)

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 \$632,996 and is applicable to the Governmental Funds.

Chapter 105 of the Laws of 2010 authorizes the adoption of the Early Retirement Incentive Programs Part A and Part B. Part A of the programs provides eligible employees one month of additional service credit for each year of service up to 36 months. Part B of the Program provides for no age reduction if the employees were at least age 55 with 25 years or more of service credit. Participating employers were not required to eliminate vacated positions provided they could demonstrate, over a two year period, savings of at least one-half of the base salary of the retiring employee. The estimated cost of the program will be approximately 60% of the employee's final average salary. The balance due at December 31, 2011 was \$8,628,745.

New York State Loan Payable – Retirement

The State Legislature enacted Chapter 57 of the Laws of 2010. This chapter authorized local governments, at their option, to amortize a portion of their respective ERS contributions beginning in 2010. The maximum amortization amount each year going forward will be determined by the difference between each employer's effective contribution rate as compared to the System's overall graded rate. The amortized amounts are to be paid in equal installments over a ten year period, although amounts may be prepaid at any time. Interest will be charged at annual rates which approximate a market rate of return on taxable fixed rate securities of a comparable duration and will be adjusted annually. The County has elected to amortize the maximum amount allowable, which aggregated \$11,415,525.

Due to NYS Power Authority

The County entered into a Customer Installation Commitment Agreement with the New York State Power Authority for the County Office Building Utility Plant Upgrade and Renovation. The loan is for ten years, to be paid in monthly installments, including interest at the rate of 4%. The balance due at December 31, 2010 is \$3,389,459.

Note 3 - Detailed Notes on All Funds (Continued)

Claims Payable

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

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

	December 31, 2011		
	Workers' Compensation Benefits	General Liability Claims	Unemployment Benefits
Balance - Beginning of Year	\$ 7,130,568	\$ 5,432,627	\$ -
Provision for Claims and Claims Adjustment Expenses	5,805,492	2,905,218	214,081
Claims and Claims Adjustment Expenses Paid	<u>(3,859,029)</u>	<u>(2,378,186)</u>	<u>(214,081)</u>
Balance - End of Year	<u>\$ 9,077,031</u>	<u>\$ 5,959,659</u>	<u>\$ -</u>
Due With One Year	<u>\$ 907,703</u>	<u>\$ 715,159</u>	<u>\$ -</u>
	December 31, 2010		
	Workers' Compensation Benefits	General Liability Claims	Unemployment Benefits
Balance - Beginning of Year	\$ 6,025,080	\$ 5,263,655	\$ -
Provision for Claims and Claims Adjustment Expenses	6,063,380	2,443,374	219,119
Claims and Claims Adjustment Expenses Paid	<u>(4,957,892)</u>	<u>(2,274,402)</u>	<u>(219,119)</u>
Balance - End of Year	<u>\$ 7,130,568</u>	<u>\$ 5,432,627</u>	<u>\$ -</u>
Due With One Year	<u>\$ 713,058</u>	<u>\$ 651,915</u>	<u>\$ -</u>

Note 3 - Detailed Notes on All Funds (Continued)

Other Post Employment Benefit Obligations Payable

In addition to providing pension benefits, the primary government and its College component unit provides certain health care benefits for retired employees through a single employer defined benefit plan. The various collective bargaining agreements stipulate the employees covered and the percentage of contribution. Contributions by the primary government and its College component unit may vary according to length of service. Substantially all employees may become eligible for those benefits if they reach normal retirement age while working for these entities. The cost of retiree health care benefits is recognized as an expenditure/expense as claims are paid. The County has recognized revenues and expenditures of \$954,011 for Medicare Part D payments made directly to its health insurance carriers on behalf of its retirees.

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, 2011, the County's annual OPEB cost was \$65,822,316 and the Annual Required Contribution was \$68,831,731.

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.

COUNTY OF ROCKLAND, NEW YORK

NOTES TO FINANCIAL STATEMENTS (Continued)
 DECEMBER 31, 2011

Note 3 - Detailed Notes on All Funds (Continued)

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

For the calendar year ended December 31, 2011, the County's annual OPEB cost was \$34,956,045 for the Operating Funds.

General Fund	\$ 31,133,355
County Road Fund	1,943,162
Road Machinery Fund	187,666
Sewer Fund	<u>1,691,862</u>
	<u>\$ 34,956,045</u>

For the calendar year ended December 31, 2011, the County's annual OPEB cost for the Internal Service Funds was \$3,598,293.

General Service Fund	\$ 3,550,842
Workers' Compensation Fund	<u>47,451</u>
	<u>\$ 3,598,293</u>

For the calendar year ended December 31, 2011, the County's annual OPEB cost was \$17,614,294 for the Hospital Fund.

Hospital Fund	<u>\$ 17,614,294</u>
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The number of participants as of December 31, 2011 was as follows:

	<u>Operating Funds</u>	<u>Internal Service Funds</u>	<u>Hospital Funds</u>
Active employees	1,477	141	620
Retired employees	<u>1,056</u>	<u>123</u>	<u>679</u>
Total	<u><u>2,533</u></u>	<u><u>264</u></u>	<u><u>1,299</u></u>

COUNTY OF ROCKLAND, NEW YORK

NOTES TO FINANCIAL STATEMENTS (Continued)
DECEMBER 31, 2011

Note 3 - Detailed Notes on All Funds (Continued)

Funding for the plans has been established on a pay-as-you go 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.

	Operating Funds	Internal Service Funds	Hospital Funds
Amortization Component:			
Actuarial Accrued Liability as of January 1, 2011	\$ 375,153,248	\$ 40,639,298	\$ 205,728,109
Assets at Market Value	-	-	-
Unfunded Actuarial Accrued Liability	<u>\$ 375,153,248</u>	<u>\$ 40,639,298</u>	<u>\$ 205,728,109</u>
Funded Ratio	<u>0%</u>	<u>0%</u>	<u>0%</u>
Covered Payroll (active plan members)	<u>\$ 110,086,081</u>	<u>\$ 9,752,953</u>	<u>\$ 37,664,649</u>
UAAL as a percentage of covered payroll	<u>340.8%</u>	<u>416.7%</u>	<u>546.2%</u>
Annual Required Contribution	\$ 36,578,708	\$ 3,758,440	\$ 18,458,106
Interest on Net OPEB Obligation	5,390,391	553,137	2,803,096
Adjustment to Annual Required Contribution	<u>(7,013,054)</u>	<u>(713,284)</u>	<u>(3,646,908)</u>
Annual OPEB Cost	34,956,045	3,598,293	17,614,294
Contributions Made	<u>(11,554,629)</u>	<u>(1,422,637)</u>	<u>(6,993,909)</u>
Increase in Net OPEB Obligation	23,401,416	2,175,656	10,620,385
Net OPEB Obligation - Beginning of Year	<u>107,807,820</u>	<u>10,960,028</u>	<u>56,061,919</u>
Net OPEB Obligation - End of Year	<u>\$ 131,209,236</u>	<u>\$ 13,135,684</u>	<u>\$ 66,682,304</u>

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

	Fiscal Year Ended December 31,	Annual OPEB Cost	% of Annual OPEB Cost Contributed	Net OPEB Obligation
Operating Funds	2011	\$ 34,956,045	33.05 %	\$ 131,209,236
	2010	40,574,799	23.30	107,807,820
	2009	34,445,866	28.07	76,668,840
Internal Service Funds	2011	3,598,293	39.54	13,135,684
	2010	4,369,686	26.50	10,960,028
	2009	3,708,389	31.75	7,749,433
Hospital Funds	2011	17,614,294	39.71	66,682,304
	2010	20,981,830	27.00	56,061,919
	2009	18,022,332	32.44	40,745,293

Note 3 - Detailed Notes on All Funds (Continued)

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, 2011 actuarial valuation, the projected unit credit method was used. The actuarial assumptions utilized a 5.0% discount rate.

Other Post Employment Benefit Obligations Payable – Component Unit

Rockland Community College

In addition to providing pension benefits, the College provides certain health care benefits for retired employees through a single employer defined benefit plan. The various collective bargaining agreements stipulate the employees covered and the percentage of contribution. Contributions by the College may vary according to length of service. The cost of providing post employment health care benefits is shared between the College and the retired employee. Substantially all of the College's employees may become eligible for those benefits if they reach normal retirement age while working for the College.

The College's annual other postemployment 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 accounted for 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 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.

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. The actuarial calculations of the OPEB plan reflect a long-term perspective.

The College is required to accrue on the statement of revenues, expenses and changes in net assets 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. The assumed rate of increase in postretirement benefits is presented below:

COUNTY OF ROCKLAND, NEW YORK

NOTES TO FINANCIAL STATEMENTS (Continued)
DECEMBER 31, 2011

Note 3 - Detailed Notes on All Funds (Continued)

Fiscal Year	Pre-65 Medical		Post-65 Medical		Prescription Drug
2011	9.50	%	8.00	%	9.00 %
2012	8.50		7.50		8.00
2013	7.50		7.00		7.00
2014	6.50		6.50		6.50
2015	6.00		6.00		6.00
2016	5.50		5.50		5.50
2017	5.00		5.00		5.00

The amortization basis is the level dollar of payroll method with an open amortization approach with 26 years remaining in the amortization period. The actuarial assumptions included a 5.0% investment return with a 3.0% inflation rate. The unit credit method was used to determine the actuarial value of the assets of the OPEB plan, however, the College currently has no assets set aside for the purpose of paying postemployment benefits and has no plan for budgeting this cost in the future.

The number of participants as of December 31, 2010 was as follows:

Active Employees	390
Retired Employees and dependents	<u>550</u>
Total	<u><u>940</u></u>

Amortization Component:

Actuarial Accrued Liability as of January 1, 2010	\$ 113,722,909
Assets at Market Value	<u>-</u>
Unfunded Actuarial Accrued Liability ("UAAL")	<u><u>\$ 113,722,909</u></u>
Funded Ratio	<u><u>0.00%</u></u>
Covered Payroll (active plan members)	<u><u>\$ 28,508,712</u></u>
UAAL as a Percentage of Covered Payroll	<u><u>399%</u></u>
Annual Required Contribution	\$ 11,178,114
Interest on Net OPEB Obligation	887,949
Adjustment to Annual Required Contribution	<u>(1,155,247)</u>
Annual OPEB Cost	10,910,816
Contributions Made	<u>(3,562,462)</u>
Increase in Net OPEB Obligation	7,348,354
Net OPEB Obligation - Beginning of Year	<u>17,758,972</u>
Net OPEB Obligation - End of Year	<u><u>\$ 25,107,326</u></u>

COUNTY OF ROCKLAND, NEW YORK

NOTES TO FINANCIAL STATEMENTS (Continued)
DECEMBER 31, 2011

Note 3 - Detailed Notes on All Funds (Continued)

The College's annual OPEB cost, the percentage of annual OPEB cost contributed to the plan and the net OPEB obligation for the current and two preceding years are as follows:

Fiscal Year Ended August 31,	Annual OPEB Cost	Percentage of Annual OPEB Cost Contributed	Net OPEB Obligation
2011	\$ 10,910,816	32.65 %	\$ 25,107,326
2010	9,390,123	38.53	17,758,972
2009	9,715,760	38.90	11,986,947

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 Fund	Capital Projects Fund	Non-Major Governmental Funds	
Governmental Activities:				
General Fund	\$ -	\$ -	\$ 37,483,944	\$ 37,483,944
Capital Projects Fund	-	-	2,654,346	2,654,346
Non-Major Governmental Funds	5,880,000	244,000	9,131,143	15,255,143
	5,880,000	244,000	49,269,433	55,393,433
Blended Component Units:				
RTASC I	250,277	-	-	250,277
RTASC II	8,049	-	-	8,049
	258,326	-	-	258,326
	\$ 6,138,326	\$ 244,000	\$ 49,269,433	\$ 55,651,759

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

Note 3 - Detailed Notes on All Funds (Continued)

balance of debt, excluding unexpended proceeds, that is directly attributable to the acquisition, construction or improvement of those assets.

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

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

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

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

Restricted for 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 Community Development - the component of net assets that has been established to set aside funds for Community Development, pursuant to grant agreements.

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".

COUNTY OF ROCKLAND, NEW YORK

NOTES TO FINANCIAL STATEMENTS (Continued)
DECEMBER 31, 2011

Note 3 - Detailed Notes on All Funds (Continued)

L. Fund Balances

	2011				2010			
	General Fund	Capital Projects Fund	Non-Major Governmental Funds	Total	General Fund	Capital Projects Fund	Non-Major Governmental Funds	Total
Nonspendable:								
Prepaid expenditures	\$ 5,605,846	\$ -	\$ 266,143	\$ 5,871,989	\$ 4,022,306	\$ -	\$ 341,936	\$ 4,364,242
Long-term receivable	8,808,509	-	-	8,808,509	7,755,795	-	-	7,755,795
Advances	32,304,720	-	-	32,304,720	19,439,807	-	-	19,439,807
Total Nonspendable	46,719,075	-	266,143	46,985,218	31,217,908	-	341,936	31,559,844
Restricted:								
Law enforcement	13,481,610	-	-	13,481,610	14,130,777	-	-	14,130,777
Driving while intoxicated program	1,154,238	-	-	1,154,238	1,210,768	-	-	1,210,768
Handicapped parking	56,965	-	-	56,965	56,965	-	-	56,965
Trusts	-	-	31,260	31,260	-	-	33,895	33,895
Debt service	1,924,332	-	6,540,622	8,464,954	-	-	8,806,426	8,806,426
Parklands	-	44,000	-	44,000	-	44,000	-	44,000
Capital	-	12,667,403	-	12,667,403	-	2,621,916	-	2,621,916
Total Restricted	16,617,145	12,711,403	6,571,882	35,900,430	15,398,510	2,665,916	8,840,321	26,904,747
Committed -								
Designated for treatment plant and development	-	-	1,100,575	1,100,575	-	-	859,925	859,925
Assigned:								
Purchases on order:								
Transportation	-	-	44,327	44,327	-	-	345,464	345,464
Home and community services	-	-	2,027,348	2,027,348	-	-	2,277,614	2,277,614
	-	-	2,071,675	2,071,675	-	-	2,623,078	2,623,078
Subsequent year's expenditures	-	-	8,116,395	8,116,395	-	-	7,680,580	7,680,580
Transportation projects	-	1,057,403	-	1,057,403	-	837,236	-	837,236
County Road Fund	-	-	505,304	505,304	-	-	265,393	265,393
Road Machinery Fund	-	-	302,764	302,764	-	-	268,927	268,927
Community Development Fund	-	-	-	-	-	-	225,000	225,000
Sewer Fund	-	-	16,146,666	16,146,666	-	-	18,336,981	18,336,981
Total Assigned	-	1,057,403	27,142,804	28,200,207	-	837,236	29,399,959	30,237,195
Unassigned:								
Purchases on order:								
General government support	485,661	-	-	485,661	384,031	-	-	384,031
Public safety	176,316	-	-	176,316	84,741	-	-	84,741
Health	77,080	-	-	77,080	31,097	-	-	31,097
Transportation	200,645	-	-	200,645	472,930	-	-	472,930
Economic opportunity and development	150,423	-	-	150,423	455,966	-	-	455,966
Home and community services	80,174	-	-	80,174	40,818	-	-	40,818
Unassigned	(97,684,596)	-	-	(97,684,596)	(52,040,793)	-	-	(52,040,793)
Total Unassigned	(96,514,297)	-	-	(96,514,297)	(50,571,210)	-	-	(50,571,210)
Total Fund Balances (Deficits)	\$ (33,178,077)	\$ 13,768,806	\$ 35,081,404	\$ 15,672,133	\$ (3,954,792)	\$ 3,503,152	\$ 39,442,141	\$ 38,990,501

Note 3 - Detailed Notes on All Funds (Continued)

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 components of fund balance are also detailed below.

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.

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.

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

Assigned

Transportation Projects - This assignment, \$1,057,403, of fund balance represents surplus monies received for transportation projects, which are to be used to fund transportation capital project costs.

Treatment Plant and Collection System - This commitment, \$1,100,575, established by the County Legislature, represents collected assessment fees to be used for future expansion and/or upgrade of the Treatment Plant and Collection System.

Subsequent Year's Expenditures - Sewer District and Debt Service Funds. At December 31, 2011, the County Legislature has utilized \$2,035,850 of the fund balance of the Sewer District Fund and \$6,080,545 of the fund balance of the Debt Service Fund to be appropriated for the ensuing year's budget.

Note 4 - Summary Disclosure of Significant Contingencies

A. Litigation

The County is a party to lawsuits involving claims of personal injury, wrongful death, negligence, property disputes and civil rights violations. The County is self-insured for general liability claims to the extent disclosed below. 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, other than the following cases.

The County is a defendant in a lawsuit for wrongful death as a result of the plaintiff's electrocution due to flood. A Summary Judgment Motion has been filed. The County is vigorously defending this case.

The County is a defendant in a lawsuit arising out of a pedestrian knock down. There appears to be a liability on the part of the County. The amount is being evaluated for settlement purposes.

Note 4 - Summary Disclosure of Significant Contingencies (Continued)

The County is a defendant in a lawsuit in Federal Court for violations under the Americans with Disabilities Act ("ADA"), for disability discrimination, retaliation under the ADA, violations of her constitutional rights under New York Law and breach of contract. A motion for summary judgment has been filed on the County's behalf seeking to dismiss plaintiff's complaint in its entirety. Plaintiff has filed for summary judgment on liability, which was denied. The plaintiff has filed a Notice of Appeal to the Second Circuit.

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

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

B. Risk Management

Liability Claims

The County is currently self-insured for general liability, property damage and medical malpractice claims. In addition, the County maintains a commercial insurance policy, with coverage up \$41 million. The County claims administrator has reviewed the status of all incurred and incurred but not reported cases and believes that the amounts accrued within the Internal Service Funds are sufficient. Conventional insurance is not purchased for catastrophic losses.

Workers' Compensation

The County, as the predominant entity, and certain towns and villages within the County are participants in a County-wide workers' compensation program. Premiums are assessed on each participant based upon a formula involving payroll and the actual historical claims experience of such participant. Costs relating to the litigation of claims are charged to expenses as incurred. The County has secured conventional insurance coverage for individual losses in excess of \$800,000. Settled claims resulting from these risks have not exceeded commercial insurance coverage in any of the past three fiscal years.

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

Note 4 - Summary Disclosure of Significant Contingencies (Continued)

County, to insure workers' compensation claims. This is a public entity risk pool created under Article 5, Workers' Compensation Law, to finance liability and risk related to workers' compensation claims.

Soil and Water Conservation District

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

Solid Waste Management Authority

The Authority purchases various conventional insurance coverages to reduce its exposure to loss. The Authority maintains general liability insurance coverage with a policy limit of \$3 million. The public officials liability and auto policies provide coverage up to \$1 million, each and the pollution liability policy provides coverage up to \$10 million. The Authority also maintains an umbrella policy with coverage up to \$10 million. The Authority purchases conventional workers' compensation insurance with coverage at statutory limits. Settled claims resulting from these risks have not exceeded commercial insurance coverage in any of the past three fiscal years.

C. Contingencies

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

Note 5 - Other Matters

On June 24, 2011, the Governor signed Chapter 97 of the Laws of 2011 ("Tax Levy Limitation Law"). This applies to all local governments.

The Tax Levy Limitation Law restricts the amount of real property taxes that may be levied by a County in a particular year, beginning with the 2012 year. It expires on June 16, 2016.

The following is a brief summary of certain relevant provisions of the Tax Levy Limitation Law. The summary is not complete and the full text of the Tax Levy Limitation Law should be read in order to understand the details and implementations thereof.

The Tax Levy Limitation Law imposes a limitation on increases in the real property tax levy, subject to certain exceptions. The Tax Levy Limitation Law permits the County to increase its overall real property tax levy over the tax levy of the prior year by no more than the "Allowable Levy Growth Factor," which is the lesser of one and two-one hundredths or the sum of one plus the Inflation Factor; provided, however that in no case shall the levy growth factor be less than one. The "Inflation Factor" is the quotient of: (i) the average of the 20 National Consumer Price Indexes determined by the United States Department of Labor for the twelve-month period ending six months prior to the start of the coming fiscal year minus the average of the National Consumer Price Indexes determined by the United States Department of Labor for the twelve-month period ending six months prior to the start of the prior fiscal year, divided by (ii) the

Note 5 - Other Matters (Continued)

average of the National Consumer Price Indexes determined by the United States with the result expressed as a decimal to four places. The County is required to calculate its tax levy limit for the upcoming year in accordance with the provision above and provide all relevant information to the New York State Comptroller prior to adopting its budget. The Tax Levy Limitation Law sets forth certain exclusions to the real property tax levy limitation of the County, including exclusions for certain portions of the expenditures for retirement system contributions and tort judgments payable by the County. The County Legislature may adopt a budget that exceeds the tax levy limit for the coming fiscal year, only if the County Legislature first enacts, by a vote of at least sixty percent of the total voting power of the County Legislature, a local law to override such limit for such coming fiscal year.

Note 6 - Subsequent Events

The County, on March 9, 2012, issued tax anticipation notes in the amount of \$55,000,000 due March 6, 2013, and bearing interest of 1.70%.

The County, on March 9, 2012, issued revenue anticipation notes in the amounts of \$45,000,000, due March 6, 2013, and bearing interest of 1.75%.

The County, on April 19, 2012, issued bond anticipation notes in the amount of \$6,655,000 due on April 19, 2013 and bearing interest of 1.75%.

The County, on June 6, 2012, issued bond anticipation notes in the amount of \$10,500,000 due June 6, 2013, and bearing interest of 3.92%.

The County, on June 28, 2012, issued revenue anticipation notes in the amount of \$35,000,000 due June 28, 2013, and bearing interest of 2.98%.

The County, on August 30, 2012, issued bond anticipation notes in the amount of \$9,735,000, due August 30, 2013 and bearing interest of 2.29%.

On June 20, 2012, MOODY'S Investor Services has confirmed the Baa3 rating on the County's rated general obligation debt and revised the outlook to negative. The rating is no longer on review. Earlier in the year, the County's rating was downgraded from A1 to A3 and again downgraded from A3 to Baa3.

On June 29, 2012, STANDARD & POOR'S Rating Services lowered its long-term rating on the County's general obligation bonds to BBB- from BBB+. The outlook remains negative.

COUNTY OF ROCKLAND, NEW YORK

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

Valuation Date	Actuarial		Unfunded Actuarial Accrued Liability	Funded Ratio	Covered Payroll	Unfunded Liability as a Percentage of Covered Payroll
	Value of Assets	Accrued Liability				
<u>Governmental Funds</u>						
January 1, 2010	\$ -	378,496,057	\$ 378,496,057	- %	\$ 113,297,080	334.07 %
January 1, 2011	-	400,930,326	400,930,326	-	117,440,258	341.39
January 1, 2012	-	375,153,248	375,153,248	-	110,086,081	340.78
<u>Internal Service Funds</u>						
January 1, 2010	\$ -	42,139,190	\$ 42,139,190	- %	\$ 10,782,636	390.81 %
January 1, 2011	-	44,326,836	44,326,836	-	10,824,319	409.51
January 1, 2012	-	40,639,298	40,639,298	-	9,752,953	416.69
<u>Home and Infirmary Fund</u>						
January 1, 2010	\$ -	211,136,744	\$ 211,136,744	- %	\$ 42,242,277	499.82 %
January 1, 2011	-	220,105,615	220,105,615	-	41,747,339	527.23
January 1, 2012	-	205,728,109	205,728,109	-	37,664,649	546.21

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MAJOR GOVERNMENTAL FUNDS

GENERAL FUND

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

CAPITAL PROJECTS FUND

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

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COUNTY OF ROCKLAND, NEW YORK

GENERAL FUND
COMPARATIVE BALANCE SHEET
DECEMBER 31, 2011 AND 2010

<u>ASSETS</u>	<u>2011</u>	<u>2010</u>
Cash - Demand deposits	\$ 24,753,170	\$ 41,944,528
Taxes Receivable:		
Tax liens	26,024,774	23,782,916
Tax installments	7,707,981	6,121,702
Returned school and village taxes	26,060,853	25,745,453
	<u>59,793,608</u>	<u>55,650,071</u>
Allowance for uncollectible taxes	<u>(2,570,000)</u>	<u>(2,347,350)</u>
	<u>57,223,608</u>	<u>53,302,721</u>
Other Receivables:		
Accounts, net of allowance for uncollectible amounts	25,608,619	30,675,752
State and Federal aid, net of allowance for uncollectible amounts	57,542,687	60,308,514
Due from other governments	8,449,832	5,419,133
Due from other funds	12,685,520	13,043,887
Advances to other funds	32,304,720	19,439,807
	<u>136,591,378</u>	<u>128,887,093</u>
Prepaid Expenditures	<u>5,605,846</u>	<u>4,022,306</u>
Total Assets	<u>\$ 224,174,002</u>	<u>\$ 228,156,648</u>
<u>LIABILITIES AND FUND DEFICIT</u>		
Liabilities:		
Accounts payable	\$ 29,813,848	39,527,828
Accrued liabilities	7,315,884	9,818,864
Due to other governments	2,758,539	2,702,799
Due to school districts	50,229,583	49,773,257
Deferred revenues - Taxes	8,154,246	7,801,473
Deferred revenues - Other	1,279,979	2,487,219
Tax anticipation note payable	55,000,000	50,000,000
Revenue anticipation note payable	85,000,000	70,000,000
Deficiency note payable	17,800,000	-
Total Liabilities	<u>257,352,079</u>	<u>232,111,440</u>
Fund Balance (Deficit):		
Nonspendable	46,719,075	31,217,908
Restricted	16,617,145	15,398,510
Unassigned:		
Home and Infirmary Fund - Deficit	(32,304,720)	(19,439,807)
Other	(64,209,577)	(31,131,403)
	<u>(96,514,297)</u>	<u>(50,571,210)</u>
Total Fund Deficit	<u>(33,178,077)</u>	<u>(3,954,792)</u>
Total Liabilities and Fund Deficit	<u>\$ 224,174,002</u>	<u>\$ 228,156,648</u>

COUNTY OF ROCKLAND, NEW YORK

GENERAL FUND
 COMPARATIVE SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES
 IN FUND BALANCE - BUDGET AND ACTUAL
 YEARS ENDED DECEMBER 31, 2011 AND 2010

	2011			Variance with Final Budget Positive (Negative)
	Original Budget	Final Budget	Actual	
Revenues:				
Real property taxes	\$ 61,700,000	\$ 61,700,000	\$ 61,212,218	\$ (487,782)
Other tax items	13,010,000	13,010,000	8,984,061	(4,025,939)
Non-property taxes	179,550,000	179,550,000	173,277,809	(6,272,191)
Departmental income	30,163,105	30,483,412	30,128,774	(354,638)
Use of money and property	675,000	675,000	301,935	(373,065)
Licenses and permits	2,020,000	2,020,000	1,775,811	(244,189)
Fines and forfeitures	1,013,405	1,013,405	835,272	(178,133)
Sale of property and compensation for loss	36,500	61,758	121,310	59,552
Interfund revenues	25,468,870	25,710,770	23,578,985	(2,131,785)
State aid	92,618,715	95,820,115	80,892,319	(14,927,796)
Federal aid	51,230,730	58,590,852	55,995,362	(2,595,490)
Miscellaneous	1,616,000	1,663,383	1,084,317	(579,066)
Total Revenues	459,102,325	470,298,695	438,188,173	(32,110,522)
Expenditures:				
Current:				
General government support	49,674,680	56,853,195	61,594,915	(4,741,720)
Education	67,478,910	66,154,138	56,226,904	9,927,234
Public safety	65,809,710	69,551,113	68,586,927	964,186
Health	37,940,808	43,804,823	41,010,199	2,794,624
Transportation	24,874,898	27,042,056	26,076,975	965,081
Economic opportunity and development	172,027,691	173,093,253	167,960,613	5,132,640
Culture and recreation	489,875	528,375	525,845	2,530
Home and community services	7,682,588	7,591,014	7,469,063	121,951
Employee benefits	11,285,000	11,531,900	11,536,645	(4,745)
Debt service - Interest	2,100,000	2,100,000	2,057,986	42,014
Total Expenditures	439,364,160	458,249,867	443,046,072	15,203,795
Excess (Deficiency) of Revenues Over Expenditures	19,738,165	12,048,828	(4,857,899)	(16,906,727)
Other Financing Sources (Uses):				
Bonds issued	-	725,000	5,000,000	4,275,000
Premium on obligations	-	-	1,924,332	1,924,332
Sale of real property	17,800,000	-	55,900	55,900
Obligations authorized	-	17,800,000	-	(17,800,000)
New York State loan	-	-	-	-
Transfers in	6,460,000	6,460,000	6,138,326	(321,674)
Transfers out	(45,467,748)	(42,308,248)	(37,483,944)	4,824,304
Total Other Financing Uses	(21,207,748)	(17,323,248)	(24,365,386)	(7,042,138)
Net Change in Fund Balance	(1,469,583)	(5,274,420)	(29,223,285)	(23,948,865)
Fund Balance (Deficit) - Beginning of Year	1,469,583	5,274,420	(3,954,792)	(9,229,212)
Fund Deficit - End of Year	\$ -	\$ -	\$ (33,178,077)	\$ (33,178,077)

2010

Original Budget	Final Budget	Actual	Variance with Final Budget Positive (Negative)
\$ 60,500,000	\$ 60,500,000	\$ 59,249,591	\$ (1,250,409)
9,975,000	9,975,000	4,941,267	(5,033,733)
184,275,000	184,275,000	173,232,759	(11,042,241)
29,058,325	29,250,423	31,096,125	1,845,702
2,210,500	2,210,500	1,830,845	(379,655)
1,921,000	1,921,000	1,860,390	(60,610)
901,040	901,040	884,600	(16,440)
34,500	41,358	456,659	415,301
24,782,885	24,782,885	23,171,655	(1,611,230)
95,126,345	98,892,140	75,681,152	(23,210,988)
57,360,225	67,880,023	74,445,874	6,565,851
3,100,000	8,330,294	1,170,364	(7,159,930)
<u>469,244,820</u>	<u>488,959,663</u>	<u>448,021,281</u>	<u>(40,938,382)</u>
63,512,010	70,699,741	63,793,645	6,906,096
72,858,785	69,031,783	60,029,496	9,002,287
65,046,578	67,789,019	68,157,961	(368,942)
37,383,108	43,501,745	41,393,398	2,108,347
28,422,632	30,135,132	27,411,754	2,723,378
164,626,065	171,915,352	171,991,637	(76,285)
511,739	541,489	510,699	30,790
7,783,786	7,845,285	7,944,728	(99,443)
11,193,685	11,193,685	10,146,078	1,047,607
3,416,000	3,416,000	2,565,723	850,277
<u>454,754,388</u>	<u>476,069,231</u>	<u>453,945,119</u>	<u>22,124,112</u>
<u>14,490,432</u>	<u>12,890,432</u>	<u>(5,923,838)</u>	<u>(18,814,270)</u>
8,500,000	8,500,000	8,500,000	-
-	-	-	-
-	-	-	-
-	-	-	-
2,300,000	2,300,000	3,656,631	1,356,631
6,905,630	6,905,630	9,741,422	2,835,792
(34,162,635)	(32,562,635)	(32,203,255)	359,380
<u>(16,457,005)</u>	<u>(14,857,005)</u>	<u>(10,305,202)</u>	<u>4,551,803</u>
(1,966,573)	(1,966,573)	(16,229,040)	(14,262,467)
<u>1,966,573</u>	<u>1,966,573</u>	<u>12,274,248</u>	<u>10,307,675</u>
<u>\$ -</u>	<u>\$ -</u>	<u>\$ (3,954,792)</u>	<u>\$ (3,954,792)</u>

COUNTY OF ROCKLAND, NEW YORK

GENERAL FUND
 SCHEDULE OF REVENUES AND OTHER FINANCING SOURCES COMPARED TO BUDGET
 YEAR ENDED DECEMBER 31, 2011
 (With Comparative Actuals for 2010)

	Original Budget	Final Budget	Actual	Variance with Final Budget Positive (Negative)	2010 Actual
REAL PROPERTY TAXES	\$ 61,700,000	\$ 61,700,000	\$ 61,212,218	\$ (487,782)	\$ 59,249,591
OTHER TAX ITEMS					
Interest and penalties on real property taxes	11,000,000	11,000,000	8,632,359	(2,367,641)	4,737,710
Gain on sale of tax acquired property	1,850,000	1,850,000	187,224	(1,662,776)	55,809
Payments in lieu of taxes	160,000	160,000	164,478	4,478	147,748
Total Other Tax Items	13,010,000	13,010,000	8,984,061	(4,025,939)	4,941,267
NON-PROPERTY TAXES					
Sales and use tax	175,000,000	175,000,000	169,265,205	(5,734,795)	169,152,688
Mortgage tax	4,000,000	4,000,000	3,470,281	(529,719)	3,537,937
E-911 surcharge	550,000	550,000	542,323	(7,677)	542,134
Total Non-Property Taxes	179,550,000	179,550,000	173,277,809	(6,272,191)	173,232,759
DEPARTMENTAL INCOME					
General government support	7,519,475	7,716,228	7,364,756	(351,472)	6,689,301
Public safety	2,224,000	2,165,772	1,366,190	(799,582)	1,764,522
Health	4,064,000	4,252,913	2,943,275	(1,309,638)	4,279,322
Transportation	8,517,000	8,517,000	8,375,340	(141,660)	7,204,748
Economic Opportunity and Development	4,214,700	4,214,700	6,935,371	2,720,671	7,909,501
Home and Community Services	36,500	36,500	35,887	(613)	52,571
Employee benefits	3,587,430	3,580,299	3,107,955	(472,344)	3,196,160
Total Departmental Income	30,163,105	30,483,412	30,128,774	(354,638)	31,096,125

USE OF MONEY AND PROPERTY

Earnings on investments	550,000	550,000	192,044	(357,956)	1,207,909
Rental of real property	125,000	125,000	109,891	(15,109)	622,936
Total Use of Money and Property	675,000	675,000	301,935	(373,065)	1,830,845

LICENSES AND PERMITS

Licenses	1,360,000	1,360,000	1,141,118	(218,882)	1,229,729
Alarm charges	660,000	660,000	634,693	(25,307)	630,661
Total Licenses and Permits	2,020,000	2,020,000	1,775,811	(244,189)	1,860,390

FINES AND FORFEITURES

Fines	990,405	990,405	752,479	(237,926)	829,041
Forfeitures	23,000	23,000	82,793	59,793	55,559
Total Fines and Forfeitures	1,013,405	1,013,405	835,272	(178,133)	884,600

SALE OF PROPERTY AND COMPENSATION FOR LOSS

Other sales	32,500	32,500	86,662	54,162	446,846
Insurance recoveries	4,000	29,258	34,648	5,390	9,813
Total Sale of Property and Compensation for Loss	36,500	61,758	121,310	59,552	456,659

INTERFUND REVENUES

Liability and health insurance	581,000	581,000	580,900	(100)	526,200
Interfund revenues - Central services	13,533,300	13,533,300	11,723,133	(1,810,167)	12,802,064
Community College Fund	11,354,570	11,596,470	11,274,952	(321,518)	9,843,391
Total Interfund Revenues	25,468,870	25,710,770	23,578,985	(2,131,785)	23,171,655

STATE AID

General government support	2,640,000	2,625,934	2,078,155	(547,779)	1,229,813
Public safety	1,804,900	2,912,030	2,193,502	(718,528)	2,521,134
Health	46,639,660	48,547,734	40,404,044	(8,143,690)	35,828,670
Transportation	13,150,000	13,075,000	13,502,316	427,316	13,197,030
Economic opportunity and development	28,234,155	28,467,417	22,589,713	(5,877,704)	22,840,648
Culture and recreation	150,000	132,000	64,589	(67,411)	63,857
Home and community services	-	60,000	60,000	-	-
Total State Aid	92,618,715	95,820,115	80,892,319	(14,927,796)	75,681,152

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COUNTY OF ROCKLAND, NEW YORK

GENERAL FUND

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

YEAR ENDED DECEMBER 31, 2011

(With Comparative Actuals for 2010)

	Original Budget	Final Budget	Actual	Variance with Final Budget Positive (Negative)	2010 Actual
FEDERAL AID					
General government support	\$ 869,845	\$ 1,442,657	\$ 1,293,771	\$ (148,886)	\$ 1,685,015
Public safety	585,190	1,385,681	1,593,741	208,060	4,238,365
Health	3,664,000	6,865,802	7,565,232	699,430	22,404,431
Transportation	1,805,000	3,785,000	3,207,954	(577,046)	5,565,389
Economic opportunity and development	44,106,695	44,865,129	42,043,728	(2,821,401)	40,300,609
Home and community services	200,000	246,583	290,936	44,353	252,065
Total Federal Aid	<u>51,230,730</u>	<u>58,590,852</u>	<u>55,995,362</u>	<u>(2,595,490)</u>	<u>74,445,874</u>
MISCELLANEOUS					
Refund of prior year's expenditures	50,000	50,000	183,747	133,747	12,595
OTB distributed earnings	1,400,000	1,400,000	762,878	(637,122)	925,463
Other	166,000	213,383	137,692	(75,691)	232,306
Total Miscellaneous	<u>1,616,000</u>	<u>1,663,383</u>	<u>1,084,317</u>	<u>(579,066)</u>	<u>1,170,364</u>
TOTAL REVENUES	<u>459,102,325</u>	<u>470,298,695</u>	<u>438,188,173</u>	<u>(32,110,522)</u>	<u>448,021,281</u>
OTHER FINANCING SOURCES					
Bond proceeds	-	725,000	5,000,000	4,275,000	8,500,000
Premium on obligations	-	-	1,924,332	1,924,332	-
Sale of real property	17,800,000	-	55,900	55,900	-
Obligations authorized	-	17,800,000	-	(17,800,000)	-
New York State loan	-	-	-	-	3,656,631
Transfers in:					
Debt Service Fund	4,260,000	4,260,000	4,260,000	-	7,135,792
Rockland Tobacco Asset Securitization Corp	-	-	258,326	258,326	2,000,000
Community Development Fund	-	-	225,000	225,000	-
Capital Projects Fund	2,200,000	2,200,000	1,395,000	(805,000)	605,630
TOTAL OTHER FINANCING SOURCES	<u>24,260,000</u>	<u>24,985,000</u>	<u>13,118,558</u>	<u>(11,866,442)</u>	<u>21,898,053</u>
TOTAL REVENUES AND OTHER FINANCING SOURCES	<u>\$ 483,362,325</u>	<u>\$ 495,283,695</u>	<u>\$ 451,306,731</u>	<u>\$ (43,976,964)</u>	<u>\$ 469,919,334</u>

COUNTY OF ROCKLAND, NEW YORK

GENERAL FUND

SCHEDULE OF EXPENDITURES AND OTHER FINANCING USES COMPARED TO BUDGET

YEAR ENDED DECEMBER 31, 2011

(With Comparative Actuals for 2010)

	Original Budget	Final Budget	Actual	Variance with Final Budget Positive (Negative)	2010 Actual
GENERAL GOVERNMENT SUPPORT					
Legislative Branch	\$ 4,006,087	\$ 3,972,437	\$ 3,799,368	\$ 173,069	\$ 3,779,389
County Executive	4,819,373	4,889,273	4,605,377	283,896	3,438,547
Youth Bureau	1,826,507	2,439,499	2,265,534	173,965	2,301,792
Community Development Program	1,511,445	1,455,654	1,454,808	846	1,415,401
District Attorney	8,163,865	10,687,961	9,798,764	889,197	12,086,109
Public Defender	3,463,730	3,381,002	3,377,994	3,008	3,369,379
Assigned Counsel	1,350,500	1,350,500	1,330,511	19,989	1,280,832
Medical Examiner	1,686,349	1,707,149	1,706,925	224	1,648,682
Department of Budget and Finance	5,142,345	5,694,300	5,691,673	2,627	5,333,963
Department of Records	4,529,879	4,361,538	4,216,675	144,863	4,505,677
Department of Law	3,059,387	3,175,699	3,097,741	77,958	3,090,462
Department of Personnel	4,647,060	4,381,302	4,380,796	506	4,799,607
Board of Elections	3,242,280	3,222,308	3,003,668	218,640	3,228,104
Other General Departments	1,046,063	1,292,813	881,886	410,927	1,480,920
Department of Insurance	976,284	1,050,584	1,050,200	384	890,566
Revenue Sharing - Sales Tax	10,938,000	10,938,000	10,499,884	438,116	10,680,541
Contingent fund	(11,336,869)	(7,706,678)	-	(7,706,678)	-
Department of Tourism	513,995	471,454	344,711	126,743	372,564
Contract Agencies - General Government Support	88,400	88,400	88,400	-	91,110
Total General Government Support	49,674,680	56,853,195	61,594,915	(4,741,720)	63,793,645
EDUCATION					
Community College - Tuition	1,700,000	1,700,000	1,699,120	880	1,662,945
Contribution to Community College Fund	16,013,560	16,013,560	16,013,560	-	16,955,308
Education of handicapped children	49,765,350	48,440,578	38,514,224	9,926,354	41,411,243
Total Education	67,478,910	66,154,138	56,226,904	9,927,234	60,029,496

(Continued)

PUBLIC SAFETY

Office of the Sheriff	24,798,398	26,678,875	26,535,002	143,873	26,185,623
Correctional Facility	27,027,869	28,776,624	28,776,404	220	27,758,396
Narcotics task force	3,404,545	3,513,129	3,255,242	257,887	3,620,690
Probation Department	6,070,839	6,097,791	5,810,004	287,787	6,117,808
Department of Fire and Emergency Services	3,591,029	3,549,125	3,293,892	255,233	3,518,773
E-911 telephone system	804,230	822,769	822,333	436	840,221
Contract Agencies - Public Safety	112,800	112,800	94,050	18,750	116,450
Total Public Safety	65,809,710	69,551,113	68,586,927	964,186	68,157,961

HEALTH

Department of Health	27,999,513	33,376,543	31,339,381	2,037,162	32,133,192
Department of Mental Health	829,500	868,556	564,921	303,635	325,415
Contracted mental health services	8,563,095	9,011,024	8,557,197	453,827	8,369,221
Contracted health services	548,700	548,700	548,700	-	565,570
Total Health	37,940,808	43,804,823	41,010,199	2,794,624	41,393,398

TRANSPORTATION

∞ Public transportation	24,874,898	27,042,056	26,076,975	965,081	27,411,754
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ECONOMIC OPPORTUNITY AND DEVELOPMENT

Department of Social Services	56,641,581	55,152,883	53,489,706	1,663,177	56,430,749
Social Services Program Grants	106,070,000	108,842,000	105,757,268	3,084,732	106,335,739
Veterans' Service Agency	581,205	498,875	498,708	167	588,080
Consumer Protection	2,094,640	1,838,688	1,838,174	514	2,018,744
Office of the Aging	5,602,165	5,524,007	5,238,457	285,550	5,343,165
Contract Agencies - Economic Opportunity & Development	1,038,100	1,236,800	1,138,300	98,500	1,275,160
Total Economic Opportunity and Development	172,027,691	173,093,253	167,960,613	5,132,640	171,991,637

CULTURE AND RECREATION

County Historian	9,575	9,575	7,740	1,835	261
Contract Agencies - Culture and Recreation	480,300	518,800	518,105	695	510,438
Total Culture and Recreation	489,875	528,375	525,845	2,530	510,699

(Continued)

COUNTY OF ROCKLAND, NEW YORK

GENERAL FUND

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

YEAR ENDED DECEMBER 31, 2011

(With Comparative Actuals for 2010)

	Original Budget	Final Budget	Actual	Variance with Final Budget Positive (Negative)	2010 Actual
HOME AND COMMUNITY SERVICES					
Department of Planning	\$ 3,029,713	\$ 3,000,870	\$ 2,893,700	\$ 107,170	\$ 3,136,583
Commission of Human Rights	488,840	485,371	485,104	267	566,308
Commissioner of Labor	21,515	22,015	21,801	214	17,878
Department of Environmental Resources	2,251,135	2,189,623	2,175,323	14,300	2,272,176
Contract Agencies - Home and Community Services	1,891,385	1,893,135	1,893,135	-	1,951,783
Total Home and Community Services	7,682,588	7,591,014	7,469,063	121,951	7,944,728
EMPLOYEE BENEFITS - UNDISTRIBUTED					
Workers' Compensation Benefit - RCC	200,000	200,000	200,000	-	-
Retirement - RCC	835,000	835,000	1,061,064	(226,064)	844,161
Hospital & Medical Insurance - RCC	10,250,000	10,496,900	10,275,581	221,319	9,301,917
Total Employee Benefits - RCC	11,285,000	11,531,900	11,536,645	(4,745)	10,146,078
DEBT SERVICE					
Interest:					
Bond anticipation notes	-	-	-	-	723,779
Revenue anticipation notes	1,175,000	1,175,000	1,160,486	14,514	969,444
Tax anticipation notes	925,000	925,000	897,500	27,500	872,500
Total Debt Service	2,100,000	2,100,000	2,057,986	42,014	2,565,723
TOTAL EXPENDITURES	439,364,160	458,249,867	443,046,072	15,203,795	453,945,119

OTHER FINANCING USES

Transfers out:

Capital Projects Fund	-	-	-	-	937,000
County Road Fund	11,618,522	11,860,522	10,276,104	1,584,418	8,777,306
Road Machinery Fund	1,356,245	1,511,245	1,511,245	-	1,282,074
Hospital Fund	7,430,481	3,238,981	-	3,238,981	-
Debt Service Fund	25,062,500	25,697,500	25,696,595	905	21,206,875

TOTAL OTHER FINANCING USES	<u>45,467,748</u>	<u>42,308,248</u>	<u>37,483,944</u>	<u>4,824,304</u>	<u>32,203,255</u>
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TOTAL EXPENDITURES AND OTHER FINANCING USES	<u>\$ 484,831,908</u>	<u>\$ 500,558,115</u>	<u>\$ 480,530,016</u>	<u>\$ 20,028,099</u>	<u>\$ 486,148,374</u>
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COUNTY OF ROCKLAND, NEW YORK

CAPITAL PROJECTS FUND
 COMPARATIVE BALANCE SHEET
 DECEMBER 31, 2011 AND 2010

	<u>2011</u>	<u>2010</u>
<u>ASSETS</u>		
Cash - Demand deposits	\$ 52,591,204	\$ 59,446,846
Receivables:		
Accounts	13,664	380,318
State and Federal aid	5,010,615	3,313,166
	<u>5,024,279</u>	<u>3,693,484</u>
Restricted Cash	<u>6,247,750</u>	<u>6,317,176</u>
Total Assets	<u>\$ 63,863,233</u>	<u>\$ 69,457,506</u>
<u>LIABILITIES AND FUND BALANCE</u>		
Liabilities:		
Accounts payable	\$ 7,780,382	\$ 11,782,044
Due to other governments	15,154,616	24,170,926
Due to other funds	583,929	42,884
Bond anticipation notes payable	26,575,500	29,958,500
Total Liabilities	<u>50,094,427</u>	<u>65,954,354</u>
Fund Balance:		
Restricted	12,711,403	2,665,916
Assigned	1,057,403	837,236
Total Fund Balance	<u>13,768,806</u>	<u>3,503,152</u>
Total Liabilities and Fund Balance	<u>\$ 63,863,233</u>	<u>\$ 69,457,506</u>

COUNTY OF ROCKLAND, NEW YORK

**CAPITAL PROJECTS FUND
COMPARATIVE STATEMENT OF REVENUES, EXPENDITURES
AND CHANGES IN FUND BALANCE
YEARS ENDED DECEMBER 31, 2011 AND 2010**

	<u>2011</u>	<u>2010</u>
Revenues:		
State aid	\$ 3,591,521	\$ 2,595,228
Federal aid	5,192,644	9,478,175
Miscellaneous	<u>1,034,698</u>	<u>396,224</u>
Total Revenues	9,818,863	12,469,627
Expenditures - Capital outlay	<u>45,767,866</u>	<u>56,470,847</u>
Deficiency of Revenues Over Expenditures	<u>(35,949,003)</u>	<u>(44,001,220)</u>
Other Financing Sources (Uses):		
Bonds issued	48,625,003	47,545,142
New York State loan	-	4,046,967
Transfers in	244,000	1,065,000
Transfers out	<u>(2,654,346)</u>	<u>(12,857,179)</u>
Total Other Financing Sources	<u>46,214,657</u>	<u>39,799,930</u>
Net Change in Fund Balance	10,265,654	(4,201,290)
Fund Balance - Beginning of Year	<u>3,503,152</u>	<u>7,704,442</u>
Fund Balance - End of Year	<u>\$ 13,768,806</u>	<u>\$ 3,503,152</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, 2011
 (With Comparative Totals for 2010)

<u>ASSETS</u>	<u>Special Revenue Funds</u>	<u>Debt Service Fund</u>
Cash and Equivalents	\$ 22,426,529	\$ 12,208,916
Receivables:		
Accounts	352,131	-
Loans	6,719,451	-
State and Federal aid	1,098,783	395,630
Due from other funds	1,869,748	16,621
	<u>10,040,113</u>	<u>412,251</u>
Prepaid Expenditures	266,143	-
Total Assets	<u>\$ 32,732,785</u>	<u>\$ 12,621,167</u>
<u>LIABILITIES AND FUND BALANCES</u>		
Liabilities:		
Accounts payable	\$ 1,700,608	\$ -
Accrued liabilities	616,699	-
Due to other funds	506,942	-
Deferred revenues - Other	7,448,299	-
Total Liabilities	<u>10,272,548</u>	<u>-</u>
Fund Balances:		
Nonspendable	266,143	-
Restricted	31,260	6,540,622
Committed	1,100,575	-
Assigned	21,062,259	6,080,545
Total Fund Balances	<u>22,460,237</u>	<u>12,621,167</u>
Total Liabilities and Fund Balances	<u>\$ 32,732,785</u>	<u>\$ 12,621,167</u>

Totals	
2011	2010
\$ 34,635,445	\$ 39,217,106
352,131	404,116
6,719,451	7,143,382
1,494,413	1,877,645
1,886,369	1,168,606
10,452,364	10,593,749
266,143	341,936
\$ 45,353,952	\$ 50,152,791
\$ 1,700,608	\$ 1,752,141
616,699	708,832
506,942	763,810
7,448,299	7,485,867
10,272,548	10,710,650
266,143	341,936
6,571,882	8,840,321
1,100,575	859,925
27,142,804	29,399,959
35,081,404	39,442,141
\$ 45,353,952	\$ 50,152,791

COUNTY OF ROCKLAND, NEW YORK

COMBINING STATEMENT OF REVENUES, EXPENDITURES AND CHANGES
 IN FUND BALANCES
 NON-MAJOR GOVERNMENTAL FUNDS
 DECEMBER 31, 2011
 (With Comparative Totals for 2010)

	Special Revenue Funds	Debt Service Fund
Revenues:		
Real property taxes	\$ 28,119,675	\$ -
Other tax items	90,000	-
Departmental income	790,149	-
Use of money and property	147,193	166,467
Licenses and permits	80,540	-
Fines and forfeitures	68,128	-
Sale of property and compensation for loss	41,539	-
Interfund revenues	641,953	-
State aid	1,380,821	795,632
Federal aid	5,026,048	228,225
Miscellaneous	507,455	504,040
	<u>36,893,501</u>	<u>1,694,364</u>
Total Revenues		
Expenditures:		
Current:		
Transportation	14,661,224	-
Economic opportunity and development	4,582,421	-
Home and community services	18,356,962	-
Employee benefits	3,135,843	-
Debt service:		
Principal	-	25,280,970
Interest	559,735	10,385,737
Refunding bond issuance costs	-	-
	<u>41,296,185</u>	<u>35,666,707</u>
Total Expenditures		
Deficiency of Revenues Over Expenditures	<u>(4,402,684)</u>	<u>(33,972,343)</u>
Other Financing Sources (Uses):		
Refunding bonds issued	-	-
Payment to refunded bond escrow agent	-	-
Issuance premium	-	-
Transfers in	12,287,349	36,982,084
Transfers out	(10,300,143)	(4,955,000)
	<u>1,987,206</u>	<u>32,027,084</u>
Total Other Financing Sources		
Net Change in Fund Balances	(2,415,478)	(1,945,259)
Fund Balances - Beginning of Year	<u>24,875,715</u>	<u>14,566,426</u>
Fund Balances - End of Year	<u>\$ 22,460,237</u>	<u>\$ 12,621,167</u>

Totals	
2011	2010
\$ 28,119,675	\$ 28,550,488
90,000	150,650
790,149	1,104,874
313,660	589,409
80,540	51,718
68,128	21,150
41,539	60,887
641,953	536,573
2,176,453	3,123,666
5,254,273	5,435,848
1,011,495	913,188
<u>38,587,865</u>	<u>40,538,451</u>
14,661,224	15,939,224
4,582,421	4,628,682
18,356,962	15,612,315
3,135,843	3,021,026
25,280,970	20,097,765
10,945,472	9,606,292
-	409,034
<u>76,962,892</u>	<u>69,314,338</u>
<u>(38,375,027)</u>	<u>(28,775,887)</u>
-	18,989,304
-	(19,432,448)
-	852,178
49,269,433	52,135,398
<u>(15,255,143)</u>	<u>(15,881,386)</u>
<u>34,014,290</u>	<u>36,663,046</u>
(4,360,737)	7,887,159
<u>39,442,141</u>	<u>31,554,982</u>
<u>\$ 35,081,404</u>	<u>\$ 39,442,141</u>

COUNTY OF ROCKLAND, NEW YORK

COMBINING BALANCE SHEET
 NON-MAJOR SPECIAL REVENUE FUNDS
 DECEMBER 31, 2011
 (With Comparative Totals for 2010)

	County Road Fund	Road Machinery Fund	Community Development Fund
<u>ASSETS</u>			
Cash:			
Demand deposits	\$ -	\$ -	\$ 728,848
Time deposits	-	-	-
Petty cash	100	-	-
	<u>100</u>	<u>-</u>	<u>728,848</u>
Receivables:			
Accounts	33,078	9	-
Loans	-	-	6,719,451
State and Federal aid	530,753	2,225	506,942
Due from other funds	407,329	407,220	-
	<u>971,160</u>	<u>409,454</u>	<u>7,226,393</u>
Prepaid Expenditures	<u>133,168</u>	<u>12,007</u>	<u>-</u>
Total Assets	<u>\$ 1,104,428</u>	<u>\$ 421,461</u>	<u>\$ 7,955,241</u>
<u>LIABILITIES AND FUND BALANCES</u>			
Liabilities:			
Accounts payable	\$ 143,305	\$ 83,353	\$ -
Accrued liabilities	278,324	23,337	-
Due to other funds	-	-	506,942
Deferred revenues - Other	-	-	7,448,299
Total Liabilities	<u>421,629</u>	<u>106,690</u>	<u>7,955,241</u>
Fund Balances:			
Nonspendable	133,168	12,007	-
Restricted	-	-	-
Committed	-	-	-
Assigned	549,631	302,764	-
Total Fund Balances	<u>682,799</u>	<u>314,771</u>	<u>-</u>
Total Liabilities and Fund Balances	<u>\$ 1,104,428</u>	<u>\$ 421,461</u>	<u>\$ 7,955,241</u>

Sewer District Fund	Special Purpose Fund	Totals	
		2011	2010
\$ 21,666,321	\$ -	\$ 22,395,169	\$ 24,437,768
-	31,260	31,260	33,895
-	-	100	100
<u>21,666,321</u>	<u>31,260</u>	<u>22,426,529</u>	<u>24,471,763</u>
319,044	-	352,131	404,116
-	-	6,719,451	7,143,382
58,863	-	1,098,783	1,873,393
1,055,199	-	1,869,748	1,168,606
<u>1,433,106</u>	<u>-</u>	<u>10,040,113</u>	<u>10,589,497</u>
<u>120,968</u>	<u>-</u>	<u>266,143</u>	<u>341,936</u>
<u>\$ 23,220,395</u>	<u>\$ 31,260</u>	<u>\$ 32,732,785</u>	<u>\$ 35,403,196</u>
\$ 1,473,950	\$ -	\$ 1,700,608	\$ 1,752,141
315,038	-	616,699	708,832
-	-	506,942	580,641
-	-	7,448,299	7,485,867
<u>1,788,988</u>	<u>-</u>	<u>10,272,548</u>	<u>10,527,481</u>
120,968	-	266,143	341,936
-	31,260	31,260	33,895
1,100,575	-	1,100,575	859,925
20,209,864	-	21,062,259	23,639,959
<u>21,431,407</u>	<u>31,260</u>	<u>22,460,237</u>	<u>24,875,715</u>
<u>\$ 23,220,395</u>	<u>\$ 31,260</u>	<u>\$ 32,732,785</u>	<u>\$ 35,403,196</u>

COUNTY OF ROCKLAND, NEW YORK

COMBINING STATEMENT OF REVENUES, EXPENDITURES AND CHANGES
 IN FUND BALANCES
 NON-MAJOR SPECIAL REVENUE FUNDS
 DECEMBER 31, 2011
 (With Comparative Totals for 2010)

	County Road Fund	Road Machinery Fund	Community Development Fund
Revenues:			
Real property taxes	\$ -	\$ -	\$ -
Other tax items	-	-	-
Departmental income	103,583	7,598	-
Use of money and property	-	-	4,880
Licenses and permits	80,540	-	-
Fines and forfeitures	8,490	-	-
Sale of property and compensation for loss	28,352	13,131	-
Interfund revenues	592,866	-	-
State aid	1,330,355	9,578	-
Federal aid	460,078	2,225	4,563,745
Miscellaneous	171,691	89	11,097
Total Revenues	2,775,955	32,621	4,579,722
Expenditures:			
Current:			
Transportation	13,052,059	1,609,165	-
Economic opportunity and development	-	-	4,579,722
Home and community services	-	-	-
Employee benefits	-	-	-
Debt service - Interest	-	-	-
Total Expenditures	13,052,059	1,609,165	4,579,722
Excess (Deficiency) of Revenues Over Expenditures	(10,276,104)	(1,576,544)	-
Other Financing Sources (Uses):			
Transfers in	10,276,104	1,511,245	-
Transfers out	-	-	(225,000)
Total Other Financing Sources (Uses)	10,276,104	1,511,245	(225,000)
Net Change in Fund Balances	-	(65,299)	(225,000)
Fund Balances - Beginning of Year	682,799	380,070	225,000
Fund Balances - End of Year	\$ 682,799	\$ 314,771	\$ -

Sewer District Fund	Special Purpose Fund	Totals	
		2011	2010
\$ 28,119,675	\$ -	\$ 28,119,675	\$ 28,550,488
90,000	-	90,000	150,650
678,968	-	790,149	1,104,874
142,249	64	147,193	107,944
-	-	80,540	51,718
59,638	-	68,128	21,150
56	-	41,539	60,887
49,087	-	641,953	536,573
40,888	-	1,380,821	1,586,662
-	-	5,026,048	5,095,736
324,578	-	507,455	835,289
<u>29,505,139</u>	<u>64</u>	<u>36,893,501</u>	<u>38,101,971</u>
-	-	14,661,224	15,939,224
-	2,699	4,582,421	4,628,682
18,356,962	-	18,356,962	15,612,315
3,135,843	-	3,135,843	3,021,026
<u>559,735</u>	<u>-</u>	<u>559,735</u>	<u>180,517</u>
<u>22,052,540</u>	<u>2,699</u>	<u>41,296,185</u>	<u>39,381,764</u>
<u>7,452,599</u>	<u>(2,635)</u>	<u>(4,402,684)</u>	<u>(1,279,793)</u>
500,000	-	12,287,349	12,884,380
(10,075,143)	-	(10,300,143)	(8,444,665)
<u>(9,575,143)</u>	<u>-</u>	<u>1,987,206</u>	<u>4,439,715</u>
(2,122,544)	(2,635)	(2,415,478)	3,159,922
<u>23,553,951</u>	<u>33,895</u>	<u>24,875,715</u>	<u>21,715,793</u>
<u>\$ 21,431,407</u>	<u>\$ 31,260</u>	<u>\$ 22,460,237</u>	<u>\$ 24,875,715</u>

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COUNTY OF ROCKLAND, NEW YORK

COUNTY ROAD FUND
 COMPARATIVE BALANCE SHEET
 DECEMBER 31, 2011 AND 2010

<u>ASSETS</u>	<u>2011</u>	<u>2010</u>
Cash - Petty cash	\$ 100	\$ 100
Receivables:		
Accounts	33,078	76,343
State and Federal aid	530,753	1,163,270
Due from other funds	<u>407,329</u>	<u>11,453</u>
	<u>971,160</u>	<u>1,251,066</u>
Prepaid Expenditures	<u>133,168</u>	<u>166,970</u>
Total Assets	<u>\$ 1,104,428</u>	<u>\$ 1,418,136</u>
<u>LIABILITIES AND FUND BALANCE</u>		
Liabilities:		
Accounts payable	\$ 143,305	\$ 370,585
Accrued liabilities	<u>278,324</u>	<u>364,752</u>
Total Liabilities	<u>421,629</u>	<u>735,337</u>
Fund Balance:		
Nonspendable	133,168	166,970
Assigned	<u>549,631</u>	<u>515,829</u>
Total Fund Balance	<u>682,799</u>	<u>682,799</u>
Total Liabilities and Fund Balance	<u>\$ 1,104,428</u>	<u>\$ 1,418,136</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, 2011 AND 2010

	2011			Variance with Final Budget Positive (Negative)
	Original Budget	Final Budget	Actual	
Revenues:				
Departmental income	\$ 185,700	\$ 185,700	\$ 103,583	\$ (82,117)
Licenses and permits	41,000	41,000	80,540	39,540
Fines and forfeitures	5,000	5,000	8,490	3,490
Sale of property and compensation for loss	28,000	28,000	28,352	352
Interfund revenues	470,000	470,000	592,866	122,866
State aid	1,300,000	1,300,000	1,330,355	30,355
Federal aid	245,000	245,000	460,078	215,078
Miscellaneous	45,000	45,000	171,691	126,691
Total Revenues	2,319,700	2,319,700	2,775,955	456,255
Expenditures - Current - Transportation	14,188,658	14,430,658	13,052,059	1,378,599
Deficiency of Revenues Over Expenditures	(11,868,958)	(12,110,958)	(10,276,104)	1,834,854
Other Financing Sources - Transfers in	11,618,522	11,860,522	10,276,104	(1,584,418)
Net Change in Fund Balance	(250,436)	(250,436)	-	250,436
Fund Balance - Beginning of Year	250,436	250,436	682,799	432,363
Fund Balance - End of Year	\$ -	\$ -	\$ 682,799	\$ 682,799

2010

Original Budget	Final Budget	Actual	Variance with Final Budget Positive (Negative)
\$ 109,930	\$ 109,930	\$ 116,564	\$ 6,634
40,750	40,750	51,718	10,968
15,000	15,000	7,085	(7,915)
120,000	120,000	48,053	(71,947)
470,000	470,000	504,575	34,575
1,249,000	1,798,571	1,581,543	(217,028)
196,240	248,240	378,246	130,006
92,000	40,000	68,193	28,193
2,292,920	2,842,491	2,755,977	(86,514)
13,433,364	13,982,935	14,193,804	(210,869)
(11,140,444)	(11,140,444)	(11,437,827)	(297,383)
11,102,306	11,102,306	11,102,306	-
(38,138)	(38,138)	(335,521)	(297,383)
38,138	38,138	1,018,320	980,182
<u>\$ -</u>	<u>\$ -</u>	<u>\$ 682,799</u>	<u>\$ 682,799</u>

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COUNTY OF ROCKLAND, NEW YORK

ROAD MACHINERY FUND
 COMPARATIVE BALANCE SHEET
 DECEMBER 31, 2011 AND 2010

<u>ASSETS</u>	<u>2011</u>	<u>2010</u>
Receivables:		
Accounts	\$ 9	\$ 26
State and Federal aid	2,225	106,241
Due from other funds	<u>407,220</u>	<u>436,282</u>
	409,454	542,549
Prepaid Expenditures	<u>12,007</u>	<u>16,115</u>
Total Assets	<u>\$ 421,461</u>	<u>\$ 558,664</u>
<u>LIABILITIES AND FUND BALANCE</u>		
Liabilities:		
Accounts payable	\$ 83,353	\$ 127,422
Accrued liabilities	<u>23,337</u>	<u>51,172</u>
Total Liabilities	<u>106,690</u>	<u>178,594</u>
Fund Balance:		
Nonspendable	12,007	16,115
Assigned	<u>302,764</u>	<u>363,955</u>
Total Fund Balance	<u>314,771</u>	<u>380,070</u>
Total Liabilities and Fund Balance	<u>\$ 421,461</u>	<u>\$ 558,664</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, 2011 AND 2010

	2011			Variance with Final Budget Positive (Negative)
	Original Budget	Final Budget	Actual	
Revenues:				
Departmental income	\$ 12,800	\$ 12,800	\$ 7,598	\$ (5,202)
Sale of property and compensation for loss	20,000	20,000	13,131	(6,869)
State aid	-	-	9,578	9,578
Federal aid	-	-	2,225	2,225
Miscellaneous	40,000	40,000	89	(39,911)
Total Revenues	72,800	72,800	32,621	(40,179)
Expenditures - Current - Transportation	1,524,073	1,679,073	1,609,165	69,908
Deficiency of Revenues Over Expenditures	(1,451,273)	(1,606,273)	(1,576,544)	29,729
Other Financing Sources - Transfers in	1,356,245	1,511,245	1,511,245	-
Net Change in Fund Balance	(95,028)	(95,028)	(65,299)	29,729
Fund Balance - Beginning of Year	95,028	95,028	380,070	285,042
Fund Balance - End of Year	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 314,771</u>	<u>\$ 314,771</u>

2010

Original Budget	Final Budget	Actual	Variance with Final Budget Positive (Negative)
\$ 7,480	\$ 7,480	\$ 8,422	\$ 942
75,000	75,000	1,165	(73,835)
-	-	-	-
-	-	106,241	106,241
40,000	160,000	42,329	(117,671)
122,480	242,480	158,157	(84,323)
1,727,488	1,847,488	1,745,420	102,068
(1,605,008)	(1,605,008)	(1,587,263)	17,745
1,282,074	1,282,074	1,282,074	-
(322,934)	(322,934)	(305,189)	17,745
322,934	322,934	685,259	362,325
<u>\$ -</u>	<u>\$ -</u>	<u>\$ 380,070</u>	<u>\$ 380,070</u>

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COUNTY OF ROCKLAND, NEW YORK

COMMUNITY DEVELOPMENT FUND
 COMPARATIVE BALANCE SHEET
 DECEMBER 31, 2011 AND 2010

<u>ASSETS</u>	<u>2011</u>	<u>2010</u>
Cash - Demand deposits	\$ 728,848	\$ 567,485
Receivables:		
Loans	6,719,451	7,143,382
State and Federal aid	<u>506,942</u>	<u>580,641</u>
	<u>7,226,393</u>	<u>7,724,023</u>
 Total Assets	 <u>\$ 7,955,241</u>	 <u>\$ 8,291,508</u>
 <u>LIABILITIES AND FUND BALANCE</u>		
Liabilities:		
Due to other funds	\$ 506,942	\$ 580,641
Deferred revenues - Other	<u>7,448,299</u>	<u>7,485,867</u>
 Total Liabilities	 7,955,241	 8,066,508
 Fund Balance - Assigned	 <u>-</u>	 <u>225,000</u>
 Total Liabilities and Fund Balance	 <u>\$ 7,955,241</u>	 <u>\$ 8,291,508</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, 2011 AND 2010

	2011			Variance with Final Budget Positive (Negative)
	Original Budget	Final Budget	Actual	
Revenues:				
Use of money and property	\$ -	\$ -	\$ 4,880	\$ 4,880
Federal aid	-	12,368,091	4,563,745	(7,804,346)
Miscellaneous	-	-	11,097	11,097
Total Revenues	-	12,368,091	4,579,722	(7,788,369)
Expenditures - Current - Economic opportunity and development	-	12,368,091	4,579,722	7,788,369
Excess of Revenues Over Expenditures	-	-	-	-
Other Financing Sources - Transfers out	-	(225,000)	(225,000)	-
Net Change in Fund Balance	-	(225,000)	(225,000)	-
Fund Balance - Beginning of Year	-	225,000	225,000	-
Fund Balance - End of Year	\$ -	\$ -	\$ -	\$ -

2010

Original Budget	Final Budget	Actual	Variance with Final Budget Positive (Negative)
\$ -	\$ -	\$ 5,045	\$ 5,045
-	11,011,983	4,611,249	(6,400,734)
-	-	10,770	10,770
-	11,011,983	4,627,064	(6,384,919)
-	11,011,983	4,627,064	6,384,919
-	-	-	-
-	-	225,000	225,000
\$ -	\$ -	\$ 225,000	\$ 225,000

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COUNTY OF ROCKLAND, NEW YORK

SEWER DISTRICT FUND
 COMPARATIVE BALANCE SHEET
 DECEMBER 31, 2011 AND 2010

<u>ASSETS</u>	<u>2011</u>	<u>2010</u>
Cash - Demand deposits	\$ 21,666,321	\$ 23,870,283
Receivables:		
Accounts	319,044	327,747
State and Federal aid	58,863	23,241
Due from other funds	1,055,199	720,871
	<u>1,433,106</u>	<u>1,071,859</u>
Prepaid Expenditures	<u>120,968</u>	<u>158,851</u>
Total Assets	<u>\$ 23,220,395</u>	<u>\$ 25,100,993</u>
<u>LIABILITIES AND FUND BALANCE</u>		
Liabilities:		
Accounts payable	\$ 1,473,950	\$ 1,254,134
Accrued liabilities	315,038	292,908
Total Liabilities	<u>1,788,988</u>	<u>1,547,042</u>
Fund Balance:		
Nonspendable	120,968	158,851
Committed	1,100,575	859,925
Assigned	20,209,864	22,535,175
Total Fund Balance	<u>21,431,407</u>	<u>23,553,951</u>
Total Liabilities and Fund Balance	<u>\$ 23,220,395</u>	<u>\$ 25,100,993</u>

COUNTY OF ROCKLAND, NEW YORK

SEWER DISTRICT FUND
 COMPARATIVE SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES
 IN FUND BALANCE - BUDGET AND ACTUAL
 YEARS ENDED DECEMBER 31, 2011 AND 2010

	2011			
	Original Budget	Final Budget	Actual	Variance with Final Budget Positive (Negative)
Revenues:				
Real property taxes	\$ 27,888,740	\$ 27,888,740	\$ 28,119,675	\$ 230,935
Other tax items	-	-	90,000	90,000
Departmental income	575,000	575,000	678,968	103,968
Use of money and property	110,000	110,000	142,249	32,249
Fines and forfeitures	-	-	59,638	59,638
Sale of property and compensation for loss	-	-	56	56
Interfund revenues	-	-	49,087	49,087
State aid	-	67,354	40,888	(26,466)
Miscellaneous	133,500	133,500	324,578	191,078
Total Revenues	28,707,240	28,774,594	29,505,139	730,545
Expenditures:				
Current:				
Home and community services	19,956,244	22,544,026	18,356,962	4,187,064
Employee benefits	3,096,190	3,139,790	3,135,843	3,947
Debt service - Interest	1,081,000	560,000	559,735	265
Total Expenditures	24,133,434	26,243,816	22,052,540	4,191,276
Excess of Revenues Over Expenditures	4,573,806	2,530,778	7,452,599	4,921,821
Other Financing Sources (Uses):				
Transfers in	500,000	500,000	500,000	-
Transfers out	(9,272,000)	(10,128,972)	(10,075,143)	53,829
Total Other Financing Uses	(8,772,000)	(9,628,972)	(9,575,143)	53,829
Net Change in Fund Balance	(4,198,194)	(7,098,194)	(2,122,544)	4,975,650
Fund Balance - Beginning of Year	4,198,194	7,098,194	23,553,951	16,455,757
Fund Balance - End of Year	\$ -	\$ -	\$ 21,431,407	\$ 21,431,407

2010

Original Budget	Final Budget	Actual	Variance with Final Budget Positive (Negative)
\$ 28,345,005	\$ 28,345,005	\$ 28,550,488	\$ 205,483
-	-	150,650	150,650
556,000	556,000	979,888	423,888
100,000	100,000	102,710	2,710
-	-	14,065	14,065
-	-	11,669	11,669
-	-	31,998	31,998
-	7,390	5,119	(2,271)
54,730	54,730	713,997	659,267
<u>29,055,735</u>	<u>29,063,125</u>	<u>30,560,584</u>	<u>1,497,459</u>
18,363,960	18,371,350	15,612,315	2,759,035
2,885,890	2,885,890	3,021,026	(135,136)
324,000	324,000	180,517	143,483
<u>21,573,850</u>	<u>21,581,240</u>	<u>18,813,858</u>	<u>2,767,382</u>
<u>7,481,885</u>	<u>7,481,885</u>	<u>11,746,726</u>	<u>4,264,841</u>
500,000	500,000	500,000	-
(11,679,000)	(11,679,000)	(8,444,665)	3,234,335
<u>(11,179,000)</u>	<u>(11,179,000)</u>	<u>(7,944,665)</u>	<u>3,234,335</u>
(3,697,115)	(3,697,115)	3,802,061	7,499,176
<u>3,697,115</u>	<u>3,697,115</u>	<u>19,751,890</u>	<u>16,054,775</u>
<u>\$ -</u>	<u>\$ -</u>	<u>\$ 23,553,951</u>	<u>\$ 23,553,951</u>

COUNTY OF ROCKLAND, NEW YORK

SPECIAL PURPOSE FUND
COMPARATIVE BALANCE SHEET
DECEMBER 31, 2011 AND 2010

	<u>2011</u>	<u>2010</u>
<u>ASSETS</u>		
Cash - Time deposits	<u>\$ 31,260</u>	<u>\$ 33,895</u>
<u>FUND BALANCE</u>		
Restricted	<u>\$ 31,260</u>	<u>\$ 33,895</u>

COUNTY OF ROCKLAND, NEW YORK

SPECIAL PURPOSE FUND

COMPARATIVE STATEMENT OF REVENUES, EXPENDITURES AND CHANGES

IN FUND BALANCE

YEARS ENDED DECEMBER 31, 2011 AND 2010

	<u>2011</u>	<u>2010</u>
Revenue - Use of money and property	\$ 64	\$ 189
Expenditures - Current - Economic opportunity and development	<u>2,699</u>	<u>1,618</u>
Deficiency of Revenues Over Expenditures	(2,635)	(1,429)
Fund Balance - Beginning of Year	<u>33,895</u>	<u>35,324</u>
Fund Balance - End of Year	<u>\$ 31,260</u>	<u>\$ 33,895</u>

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COUNTY OF ROCKLAND, NEW YORK

DEBT SERVICE FUND
 COMPARATIVE BALANCE SHEET
 DECEMBER 31, 2011 AND 2010

<u>ASSETS</u>	<u>2011</u>	<u>2010</u>
Cash - Demand deposits	\$ 12,208,916	\$ 14,745,343
Receivables:		
State and Federal aid	395,630	4,252
Due from other funds	16,621	-
	<u>412,251</u>	<u>4,252</u>
 Total Assets	 <u>\$ 12,621,167</u>	 <u>\$ 14,749,595</u>
 <u>LIABILITIES AND FUND BALANCE</u>		
Liabilities -		
Due to other funds	\$ -	\$ 183,169
Fund Balance:		
Restricted	6,540,622	8,806,426
Assigned	6,080,545	5,760,000
	<u>12,621,167</u>	<u>14,566,426</u>
 Total Fund Balance	 <u>12,621,167</u>	 <u>14,566,426</u>
 Total Liabilities and Fund Balance	 <u>\$ 12,621,167</u>	 <u>\$ 14,749,595</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, 2011 AND 2010

	2011			Variance with Final Budget Positive (Negative)
	Original Budget	Final Budget	Actual	
Revenues:				
Use of money and property	\$ -	\$ -	\$ 166,467	\$ 166,467
State aid	-	-	795,632	795,632
Federal aid	-	-	228,225	228,225
Miscellaneous	-	-	504,040	504,040
Total Revenues	-	-	1,694,364	1,694,364
Expenditures -				
Debt service - Serial bonds:				
Principal	23,807,000	23,807,000	25,280,970	(1,473,970)
Interest	10,182,500	10,182,500	10,385,737	(203,237)
Refunding bond issuance costs	-	-	-	-
Total Expenditures	33,989,500	33,989,500	35,666,707	(1,677,207)
Deficiency of Revenues Over Expenditures	(33,989,500)	(33,989,500)	(33,972,343)	17,157
Other Financing Sources (Uses):				
Refunding bonds issued	-	-	-	-
Payment to refunded bond escrow agent	-	-	-	-
Issuance premium	-	-	-	-
Transfers in	33,989,500	33,989,500	36,982,084	2,992,584
Transfers out	(5,760,000)	(5,760,000)	(4,955,000)	805,000
Total Other Financing Sources	28,229,500	28,229,500	32,027,084	3,797,584
Net Change in Fund Balance	(5,760,000)	(5,760,000)	(1,945,259)	3,814,741
Fund Balance - Beginning of Year	5,760,000	5,760,000	14,566,426	8,806,426
Fund Balance - End of Year	\$ -	\$ -	\$ 12,621,167	\$ 12,621,167

2010

Original Budget	Final Budget	Actual	Variance with Final Budget Positive (Negative)
\$ -	\$ -	\$ 481,465	\$ 481,465
-	-	1,537,004	1,537,004
-	-	340,112	340,112
-	-	77,899	77,899
-	-	2,436,480	2,436,480
21,457,000	21,457,000	20,097,765	1,359,235
11,710,000	11,710,000	9,425,775	2,284,225
-	409,034	409,034	-
33,167,000	33,576,034	29,932,574	3,643,460
(33,167,000)	(33,576,034)	(27,496,094)	6,079,940
-	18,989,304	18,989,304	-
-	(19,432,448)	(19,432,448)	-
-	852,178	852,178	-
33,167,000	33,167,000	39,251,018	6,084,018
(6,800,000)	(6,800,000)	(7,436,721)	(636,721)
26,367,000	26,776,034	32,223,331	5,447,297
(6,800,000)	(6,800,000)	4,727,237	11,527,237
6,800,000	6,800,000	9,839,189	3,039,189
\$ -	\$ -	\$ 14,566,426	\$ 14,566,426

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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.

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COUNTY OF ROCKLAND, NEW YORK

PROPRIETARY FUND - ENTERPRISE FUND
HOME AND INFIRMARY FUND
COMPARATIVE STATEMENT OF NET ASSETS
DECEMBER 31, 2011 AND 2010

	<u>2011</u>	<u>2010</u>
<u>ASSETS</u>		
Cash and Equivalents	\$ 1,964,327	\$ 2,510,222
Receivables:		
Accounts	10,149,410	12,189,774
Accounts - Patient care, net of allowance for uncollectible amounts	11,803,546	11,349,229
Funds held in trust for residents	309,513	328,752
Inventories	653,789	678,661
Prepaid expenses	897,393	1,208,941
Total Current Assets	<u>25,777,978</u>	<u>28,265,579</u>
Capital Assets:		
Land	438,504	438,504
Buildings	47,772,153	47,518,034
Improvements other than buildings	345,975	345,975
Equipment	20,013,937	19,117,696
Construction-in-progress	1,535,208	1,558,621
Less - Accumulated depreciation	<u>(49,720,637)</u>	<u>(47,408,137)</u>
Total Capital Assets, net of accumulated depreciation	<u>20,385,140</u>	<u>21,570,693</u>
Total Assets	<u>46,163,118</u>	<u>49,836,272</u>
<u>LIABILITIES</u>		
Current Liabilities:		
Accounts payable	2,623,285	3,246,855
Accrued interest payable	138,996	153,986
Funds held in trust for residents	309,513	328,752
Due to other funds	17,203,655	16,989,773
Advances from other funds	32,304,720	19,439,807
Compensated absences	1,056,000	1,117,907
Deferred revenue	3,204,365	2,175,692
Bond anticipation notes payable	450,000	-
Current maturities of bonds payable	1,510,484	1,461,880
Total Current Liabilities	<u>58,801,018</u>	<u>44,914,652</u>
Noncurrent Liabilities:		
Bonds payable	10,979,274	12,489,758
Compensated absences	9,502,345	10,061,167
Other post employment benefit obligations payable	66,682,304	56,061,919
Estimated third-party liabilities, net of current portion	391,610	2,918,696
Total Noncurrent Liabilities	<u>87,555,533</u>	<u>81,531,540</u>
Total Liabilities	<u>146,356,551</u>	<u>126,446,192</u>
<u>NET ASSETS (DEFICIT)</u>		
Invested in Capital Assets, net of related debt	9,351,936	10,070,880
Unrestricted	<u>(109,545,369)</u>	<u>(86,680,800)</u>
Total Deficit	<u>\$ (100,193,433)</u>	<u>\$ (76,609,920)</u>

COUNTY OF ROCKLAND, NEW YORK

PROPRIETARY FUND - ENTERPRISE FUND
 HOME AND INFIRMARY FUND
 COMPARATIVE STATEMENT OF REVENUES, EXPENSES
 AND CHANGES IN NET ASSETS
 YEARS ENDED DECEMBER 31, 2011 AND 2010

	<u>2011</u>	<u>2010</u>
Operating Revenues:		
Charges for services:		
Net patient service revenues	\$ 77,038,824	\$ 83,138,572
Services provided to the County jail	420,000	420,500
Services provided to the County of Rockland	<u>3,259,260</u>	<u>3,074,763</u>
	80,718,084	86,633,835
Miscellaneous	<u>639,213</u>	<u>632,972</u>
Total Operating Revenues	<u>81,357,297</u>	<u>87,266,807</u>
Operating Expenses:		
Administrative and general expenses	11,979,404	13,276,462
Salaries and wage expenses	43,997,129	47,403,206
Employee benefits	37,897,829	41,068,354
Supplies and other expenses	8,462,680	8,402,345
Depreciation	<u>2,392,423</u>	<u>2,358,486</u>
Total Operating Expenses	<u>104,729,465</u>	<u>112,508,853</u>
Loss from Operations	<u>(23,372,168)</u>	<u>(25,242,046)</u>
Non-Operating Expenses -		
Interest on indebtedness	<u>(211,345)</u>	<u>(197,905)</u>
Change in Net Assets	(23,583,513)	(25,439,951)
Deficit - Beginning of Year	<u>(76,609,920)</u>	<u>(51,169,969)</u>
Deficit - End of Year	<u>\$ (100,193,433)</u>	<u>\$ (76,609,920)</u>

COUNTY OF ROCKLAND, NEW YORK

PROPRIETARY FUND - ENTERPRISE FUND
HOME AND INFIRMARY FUND
COMPARATIVE STATEMENT OF CASH FLOWS
YEARS ENDED DECEMBER 31, 2011 AND 2010

	<u>2011</u>	<u>2010</u>
Cash Flows From Operating Activities:		
Cash received from patients and third-party payers	\$ 74,934,531	\$ 80,872,832
Other receipts	6,510,400	163,560
Cash payments to vendors	(21,040,782)	(21,802,791)
Cash payments to employees	(71,583,754)	(74,447,128)
Net Cash Used in Operating Activities	<u>(11,179,605)</u>	<u>(15,213,527)</u>
Cash Flows From Non-Capital Financing Activities -		
Advances from County of Rockland	<u>13,078,795</u>	<u>17,072,895</u>
Cash Flows From Capital and Related Financing Activities:		
Proceeds from long-term debt	450,000	1,609,444
Retirement of debt	(1,461,881)	(2,016,993)
Interest on indebtedness	(495,787)	(519,393)
Acquisition and construction of capital assets	(937,417)	(2,784,808)
Net Cash Used in Capital and Related Financing Activities	<u>(2,445,085)</u>	<u>(3,711,750)</u>
Net Decrease in Cash and Equivalents	(545,895)	(1,852,382)
Cash and Equivalents - Beginning of Year	<u>2,510,222</u>	<u>4,362,604</u>
Cash and Equivalents - End of Year	<u>\$ 1,964,327</u>	<u>\$ 2,510,222</u>
Reconciliation of Loss from Operations to Net Cash Used in Operating Activities:		
Loss from operations	\$ (23,372,168)	\$ (25,242,046)
Adjustments to reconcile loss from operations to net cash used in operating activities:		
Depreciation	2,392,423	2,358,486
Provision for bad debts	4,201,965	1,454,672
Changes in assets and liabilities:		
Accounts receivable	764,309	(3,964,675)
Accounts receivable - Patient care	(4,656,282)	371,681
Due to/from State of New York	(1,037,201)	(1,959,151)
Inventories	24,872	(52,436)
Prepaid expenses	311,548	(159,822)
Accounts payable	(623,570)	(71,550)
Estimated third party liabilities	814,843	(2,132,942)
Compensated absences	(620,729)	(1,132,370)
Other post employment benefit obligations payable	10,620,385	15,316,626
Net Cash Used in Operating Activities	<u>\$ (11,179,605)</u>	<u>\$ (15,213,527)</u>

COUNTY OF ROCKLAND, NEW YORK

PROPRIETARY FUND - ENTERPRISE FUND
 ROCKLAND TOBACCO ASSET SECURITIZATION CORPORATION
 COMPARATIVE STATEMENT OF NET ASSETS
 DECEMBER 31, 2011 AND 2010

	<u>2011</u>	<u>2010</u>
<u>ASSETS</u>		
Current Assets:		
Cash and equivalents	\$ 540,280	\$ 3,097,072
Investments	1,172,674	1,183,827
Accounts receivable	3,481,599	3,537,926
Prepaid expenses	18,056	19,697
	<u>5,212,609</u>	<u>7,838,522</u>
Total Current Assets		
Noncurrent Assets:		
Restricted cash and equivalents	56,681	40,407
Restricted investments	3,525,074	3,464,835
Costs of issuance, net of accumulated amortization of \$336,635 in 2011 and \$295,765 in 2010	764,133	805,003
	<u>4,345,888</u>	<u>4,310,245</u>
Total Noncurrent Assets		
	<u>9,558,497</u>	<u>12,148,767</u>
Total Assets		
<u>LIABILITIES</u>		
Current Liabilities:		
Accrued liabilities	879,546	904,050
Due to other funds	-	2,000,000
Current maturities of bonds payable	1,280,000	1,195,000
	<u>2,159,546</u>	<u>4,099,050</u>
Total Current Liabilities		
Noncurrent Liabilities -		
Bonds payable, less current portion	76,498,370	75,366,273
	<u>78,657,916</u>	<u>79,465,323</u>
Total Liabilities		
<u>NET ASSETS</u>		
Deficit	<u>\$ (69,099,419)</u>	<u>\$ (67,316,556)</u>

COUNTY OF ROCKLAND, NEW YORK

PROPRIETARY FUND - ENTERPRISE FUND
 ROCKLAND TOBACCO ASSET SECURITIZATION CORPORATION
 COMPARATIVE STATEMENT OF REVENUES, EXPENSES AND
 CHANGES IN NET ASSETS
 YEARS ENDED DECEMBER 31, 2011 AND 2010

	<u>2011</u>	<u>2010</u>
Operating Revenues -		
Tobacco settlement revenues	\$ 3,032,544	\$ 3,189,277
Operating Expenses:		
Professional fees	41,331	33,750
Directors' fees	16,000	12,980
Insurance	21,338	21,547
Amortization	40,870	40,870
Total Operating Expenses	<u>119,539</u>	<u>109,147</u>
Income from Operations	<u>2,913,005</u>	<u>3,080,130</u>
Non-Operating Revenues (Expenses):		
Interest income	352,802	188,256
Interest on indebtedness	<u>(4,798,393)</u>	<u>(4,729,304)</u>
Total Non-Operating Expenses	<u>(4,445,591)</u>	<u>(4,541,048)</u>
Loss Before Transfers	(1,532,586)	(1,460,918)
Transfers Out - Residual payment to County of Rockland	<u>(250,277)</u>	<u>(2,000,000)</u>
Change in Net Assets	(1,782,863)	(3,460,918)
Deficit - Beginning of Year	<u>(67,316,556)</u>	<u>(63,855,638)</u>
Deficit - End of Year	<u>\$ (69,099,419)</u>	<u>\$ (67,316,556)</u>

COUNTY OF ROCKLAND, NEW YORK

PROPRIETARY FUND - ENTERPRISE FUND
 ROCKLAND TOBACCO ASSET SECURITIZATION CORPORATION
 COMPARATIVE STATEMENT OF CASH FLOWS
 YEARS ENDED DECEMBER 31, 2011 AND 2010

	<u>2011</u>	<u>2010</u>
Cash Flows From Operating Activities:		
Cash received from tobacco settlement revenues	\$ 3,082,916	\$ 3,251,744
Cash payments to vendors	(77,028)	(84,474)
Net Cash Provided by Operating Activities	<u>3,005,888</u>	<u>3,167,270</u>
Cash Flows From Non-Capital Financing Activities:		
Retirement of long-term debt	(1,195,000)	(1,085,000)
Interest on indebtedness	(2,410,800)	(2,490,544)
Residual payment to County of Rockland	(2,250,277)	-
Net Cash Used in Non-Capital Financing Activities	<u>(5,856,077)</u>	<u>(3,575,544)</u>
Cash Flows From Investing Activities:		
Decrease (Increase) in restricted cash and equivalents	(16,274)	2,810,756
Interest income	358,757	204,399
Purchase of investments	(1,172,674)	(1,183,827)
Sale of investments	1,183,827	1,234,224
Purchase of restricted investments	(3,525,074)	(3,464,835)
Sale of restricted investments	3,464,835	3,525,312
Net Cash Provided by Investing Activities	<u>293,397</u>	<u>3,126,029</u>
Net Increase (Decrease) in Cash and Equivalents	(2,556,792)	2,717,755
Cash and Equivalents - Beginning of Year	<u>3,097,072</u>	<u>379,317</u>
Cash and Equivalents - End of Year	<u>\$ 540,280</u>	<u>\$ 3,097,072</u>
Reconciliation of Income from Operations to Net Cash Provided by Operating Activities:		
Income from operations	\$ 2,913,005	\$ 3,080,130
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	50,372	62,467
Prepaid expenses	1,641	(16,197)
Net Cash Provided by Operating Activities	<u>\$ 3,005,888</u>	<u>\$ 3,167,270</u>
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	1,907,251	2,206,036
Increase in due to other funds from transfers out - residual payments	-	2,000,000

COUNTY OF ROCKLAND, NEW YORK

PROPRIETARY FUND - ENTERPRISE FUND
 ROCKLAND SECOND TOBACCO ASSET SECURITIZATION CORPORATION
 COMPARATIVE STATEMENT OF NET ASSETS
 DECEMBER 31, 2011 AND 2010

	<u>2011</u>	<u>2010</u>
<u>ASSETS</u>		
Current Assets:		
Cash and equivalents	\$ 200,268	\$ 183,975
Accounts receivable	865,876	877,720
	<u>1,066,144</u>	<u>1,061,695</u>
Total Current Assets		
Noncurrent Assets:		
Restricted cash and equivalents	864	864
Restricted investments	710,961	710,961
Costs of issuance, net of accumulated amortization of \$53,887 in 2011 and \$47,183 in 2010	214,335	221,041
	<u>926,160</u>	<u>932,866</u>
Total Noncurrent Assets		
Total Assets	<u>1,992,304</u>	<u>1,994,561</u>
<u>LIABILITIES</u>		
Current Liabilities:		
Accounts payable	2,500	2,500
Accrued liabilities	32,225	33,704
Due to other fund	8,049	-
Current maturities of bonds payable	90,000	80,000
	<u>132,774</u>	<u>116,204</u>
Total Current Liabilities		
Noncurrent Liabilities -		
Bonds payable, less current portion	<u>6,098,476</u>	<u>6,452,479</u>
Total Liabilities	<u>6,231,250</u>	<u>6,568,683</u>
<u>NET ASSETS</u>		
Deficit	<u>\$ (4,238,946)</u>	<u>\$ (4,574,122)</u>

COUNTY OF ROCKLAND, NEW YORK

PROPRIETARY FUND - ENTERPRISE FUND
 ROCKLAND SECOND TOBACCO ASSET SECURITIZATION CORPORATION
 COMPARATIVE STATEMENT OF REVENUES, EXPENSES AND
 CHANGES IN NET ASSETS
 YEARS ENDED DECEMBER 31, 2011 AND 2010

	<u>2011</u>	<u>2010</u>
Operating Revenues -		
Tobacco settlement revenues	\$ 756,225	\$ 796,846
Operating Expenses:		
Professional fees	27,194	34,805
Directors' fees	10,750	13,000
Amortization	6,706	6,706
Total Operating Expenses	<u>44,650</u>	<u>54,511</u>
Income from Operations	<u>711,575</u>	<u>742,335</u>
Non-Operating Revenues (Expenses):		
Interest income	36,743	32,370
Interest on indebtedness	(405,093)	(423,051)
Total Non-Operating Expenses	<u>(368,350)</u>	<u>(390,681)</u>
Income Before Transfers	343,225	351,654
Transfers Out - Residual payment to County of Rockland	<u>(8,049)</u>	<u>-</u>
Change in Net Assets	335,176	351,654
Deficit - Beginning of Year	<u>(4,574,122)</u>	<u>(4,925,776)</u>
Deficit - End of Year	<u>\$ (4,238,946)</u>	<u>\$ (4,574,122)</u>

COUNTY OF ROCKLAND, NEW YORK

PROPRIETARY FUND - ENTERPRISE FUND
 ROCKLAND SECOND TOBACCO ASSET SECURITIZATION CORPORATION
 COMPARATIVE STATEMENT OF CASH FLOWS
 YEARS ENDED DECEMBER 31, 2011 AND 2010

	<u>2011</u>	<u>2010</u>
Cash Flows From Operating Activities:		
Cash received from tobacco settlement revenues	\$ 770,729	\$ 812,936
Cash payments to directors	(10,750)	(13,000)
Cash payments to vendors	(27,194)	(34,805)
	<u>732,785</u>	<u>765,131</u>
Net Cash Provided by Operating Activities		
Cash Flows from Non-Capital Financing Activities:		
Retirement of long-term debt	(355,000)	(365,000)
Interest on indebtedness	(395,575)	(413,575)
	<u>(750,575)</u>	<u>(778,575)</u>
Net Cash Used in Non-Capital Financing Activities		
Cash Flows From Investing Activities:		
Interest income	34,083	34,097
Purchase of restricted investments	(710,961)	(710,961)
Sale of restricted investments	710,961	710,961
	<u>34,083</u>	<u>34,097</u>
Net Cash Provided by Investing Activities		
Net Increase in Cash and Equivalents	16,293	20,653
Cash and Equivalents - Beginning of Year	<u>183,975</u>	<u>163,322</u>
Cash and Equivalents - End of Year	<u>\$ 200,268</u>	<u>\$ 183,975</u>
Reconciliation of Income from Operations to Net Cash Provided by Operating Activities:		
Income from operations	\$ 711,575	\$ 742,335
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	<u>14,504</u>	<u>16,090</u>
Net Cash Provided by Operating Activities	<u>\$ 732,785</u>	<u>\$ 765,131</u>
Noncash Investing Activities -		
Increase in bonds payable from amortization of original issue and underwriters' discount	\$ 10,997	\$ 10,997

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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 NET ASSETS
 DECEMBER 31, 2011
 (With Comparative Totals for 2010)

	<u>Workers' Compensation Benefits</u>	<u>General Liability Claims Fund</u>	<u>Unemployment Benefits Fund</u>
<u>ASSETS</u>			
Cash:			
Demand deposits	\$ 5,284,164	\$ 4,133,016	\$ -
Petty cash	-	-	-
	<u>5,284,164</u>	<u>4,133,016</u>	<u>-</u>
Receivables:			
Accounts	-	-	-
State and Federal aid	-	-	-
Due from other governments	-	166,251	-
Due from other funds	-	1,695,392	127,881
	<u>-</u>	<u>1,861,643</u>	<u>127,881</u>
Inventories	-	-	-
Prepaid Expenses	1,847	-	-
Total Current Assets	<u>5,286,011</u>	<u>5,994,659</u>	<u>127,881</u>
Capital Assets	-	-	-
Less - Accumulated depreciation	-	-	-
Total Capital Assets	<u>-</u>	<u>-</u>	<u>-</u>
Total Assets	<u>5,286,011</u>	<u>5,994,659</u>	<u>127,881</u>
<u>LIABILITIES</u>			
Current Liabilities:			
Accounts payable	144,801	35,000	-
Accrued liabilities	4,318	-	-
Due to other funds	19,525	-	-
Deferred revenues	-	-	-
Current portion of claims payable	907,703	715,159	-
Current maturities of bonds payable	-	-	-
Current portion of compensated absences	2,789	-	-
Total Current Liabilities	<u>1,079,136</u>	<u>750,159</u>	<u>-</u>
Noncurrent Liabilities:			
Claims payable, less current portion	8,169,328	5,244,500	-
Compensated absences, less current portion	-	-	-
Bonds payable, less current portion	-	-	-
Other post employment benefit obligations payable	92,740	-	-
Total Noncurrent Liabilities	<u>8,262,068</u>	<u>5,244,500</u>	<u>-</u>
Total Liabilities	<u>9,341,204</u>	<u>5,994,659</u>	<u>-</u>
<u>NET ASSETS (DEFICITS)</u>			
Invested In Capital Assets, net of related debt	-	-	-
Unrestricted	(4,055,193)	-	127,881
Total Net Assets (Deficits)	<u>\$ (4,055,193)</u>	<u>\$ -</u>	<u>\$ 127,881</u>

General Services Fund	Totals	
	2011	2010
\$ -	\$ 9,417,180	\$ 10,713,867
200	200	200
200	9,417,380	10,714,067
265,575	265,575	442,962
427,415	427,415	521,675
-	166,251	7,720
1,926,938	3,750,211	3,619,739
2,619,928	4,609,452	4,592,096
89,899	89,899	58,613
382,234	384,081	300,102
3,092,261	14,500,812	15,664,878
20,733,006	20,733,006	21,066,950
(13,563,924)	(13,563,924)	(12,252,834)
7,169,082	7,169,082	8,814,116
10,261,343	21,669,894	24,478,994
764,645	944,446	1,632,543
714,355	718,673	1,497,311
-	19,525	35,765
-	-	211,123
-	1,622,862	1,364,973
1,045,689	1,045,689	1,012,092
180,967	183,756	181,448
2,705,656	4,534,951	5,935,255
-	13,413,828	11,198,222
1,628,706	1,628,706	1,608,731
5,673,231	5,673,231	6,718,920
13,042,944	13,135,684	10,960,028
20,344,881	33,851,449	30,485,901
23,050,537	38,386,400	36,421,156
450,162	450,162	1,083,104
(13,239,356)	(17,166,668)	(13,025,266)
\$ (12,789,194)	\$ (16,716,506)	\$ (11,942,162)

COUNTY OF ROCKLAND, NEW YORK

PROPRIETARY FUNDS - INTERNAL SERVICE FUNDS
 COMBINING STATEMENT OF REVENUES, EXPENSES AND CHANGES
 IN NET ASSETS
 YEAR ENDED DECEMBER 31, 2011
 (With Comparative Totals for 2010)

	Workers' Compensation Benefits Fund	General Liability Claims Fund	Unemployment Benefits Fund
Operating Revenues:			
Charges for services	\$ 4,554,342	\$ 2,897,692	\$ 214,081
State aid	-	-	-
Federal aid	-	-	-
Total Operating Revenues	<u>4,554,342</u>	<u>2,897,692</u>	<u>214,081</u>
Operating Expenses:			
Administrative and general expenses	566,403	-	-
Salaries and wage expenses	163,082	-	-
Employee benefits	5,805,492	-	214,081
Judgments and claims	-	2,905,218	-
Supplies and other expenses	-	-	-
Depreciation	-	-	-
Total Operating Expenses	<u>6,534,977</u>	<u>2,905,218</u>	<u>214,081</u>
Loss From Operations	<u>(1,980,635)</u>	<u>(7,526)</u>	<u>-</u>
Non-Operating Revenues (Expenses):			
Interest income	27,846	7,526	-
Interest on indebtedness	-	-	-
Total Non-Operating Revenues (Expenses)	<u>27,846</u>	<u>7,526</u>	<u>-</u>
Change in Net Assets	(1,952,789)	-	-
Net Assets (Deficits) - Beginning of Year	<u>(2,102,404)</u>	<u>-</u>	<u>127,881</u>
Net Assets (Deficits) - End of Year	<u>\$ (4,055,193)</u>	<u>\$ -</u>	<u>\$ 127,881</u>

General Services Fund	Totals	
	2011	2010
\$ 27,912,642	\$ 35,578,757	\$ 38,265,839
544,324	544,324	566,099
598,114	598,114	33,877
<u>29,055,080</u>	<u>36,721,195</u>	<u>38,865,815</u>
-	566,403	589,736
10,585,787	10,748,869	12,069,836
8,278,550	14,298,123	15,080,007
-	2,905,218	2,443,374
11,115,270	11,115,270	11,071,912
1,645,034	1,645,034	1,653,771
<u>31,624,641</u>	<u>41,278,917</u>	<u>42,908,636</u>
<u>(2,569,561)</u>	<u>(4,557,722)</u>	<u>(4,042,821)</u>
-	35,372	46,523
<u>(251,994)</u>	<u>(251,994)</u>	<u>(283,030)</u>
<u>(251,994)</u>	<u>(216,622)</u>	<u>(236,507)</u>
(2,821,555)	(4,774,344)	(4,279,328)
<u>(9,967,639)</u>	<u>(11,942,162)</u>	<u>(7,662,834)</u>
<u>\$ (12,789,194)</u>	<u>\$ (16,716,506)</u>	<u>\$ (11,942,162)</u>

COUNTY OF ROCKLAND, NEW YORK

PROPRIETARY FUNDS - INTERNAL SERVICE FUNDS
 COMBINING STATEMENT OF CASH FLOWS
 YEAR ENDED DECEMBER 31, 2011
 (With Comparative Totals for 2010)

	Workers' Compensation Benefits Fund	General Liability Claims Fund	Unemployment Benefits Fund
Cash Flows From Operating Activities:			
Cash received from charges for services	\$ 4,885,727	\$ 1,110,747	\$ 214,081
Cash received from State and Federal aid	-	-	-
Cash payments to insurance carriers and claimants	(4,787,265)	(2,378,186)	(214,081)
Cash payments to employees	(163,082)	-	-
Cash payments to vendors	-	-	-
Net Cash Provided by (Used in) Operating Activities	<u>(64,620)</u>	<u>(1,267,439)</u>	<u>-</u>
Cash Flows From Capital and Related Financing Activities:			
Retirement of long-term debt	-	-	-
Interest on indebtedness	-	-	-
Net Cash Used in Capital and Related Financing Activities	<u>-</u>	<u>-</u>	<u>-</u>
Cash Flows From Investing Activities -			
Interest income	27,846	7,526	-
Net Increase (Decrease) in Cash	(36,774)	(1,259,913)	-
Cash - Beginning of Year	5,320,938	5,392,929	-
Cash - End of Year	<u>\$ 5,284,164</u>	<u>\$ 4,133,016</u>	<u>\$ -</u>
Reconciliation of Loss from Operations to Net Cash Provided by (Used in) Operating Activities:			
Loss from operations	\$ (1,980,635)	\$ (7,526)	\$ -
Adjustments to reconcile loss from operations to net cash provided by (used in) operating activities:			
Depreciation	-	-	-
Changes in operating assets and liabilities:			
Accounts receivable	331,385	-	-
State and Federal aid receivable	-	-	-
Due from other governments	-	(158,531)	-
Due from other funds	-	(1,628,414)	-
Inventories	-	-	-
Prepaid expenses	437	-	-
Accounts payable	(366,385)	-	-
Accrued liabilities	2	-	-
Due to other funds	(16,240)	-	-
Deferred revenues	-	-	-
Claims payable	1,946,463	527,032	-
Compensated absences	89	-	-
Other post employment benefit obligations payable	20,264	-	-
Net Cash Provided by (Used in) Operating Activities	<u>\$ (64,620)</u>	<u>\$ (1,267,439)</u>	<u>\$ -</u>

General Services Fund	Totals	
	2011	2010
\$ 29,256,586	\$ 35,467,141	\$ 36,958,120
1,236,698	1,236,698	551,006
-	(7,379,532)	(7,388,256)
(10,988,706)	(11,151,788)	(150,669)
(18,230,173)	(18,230,173)	(28,252,741)
1,274,405	(57,654)	1,717,460
(1,012,092)	(1,012,092)	(979,148)
(262,313)	(262,313)	(283,030)
(1,274,405)	(1,274,405)	(1,262,178)
-	35,372	46,523
-	(1,296,687)	501,805
200	10,714,067	10,212,262
\$ 200	\$ 9,417,380	\$ 10,714,067
\$ (2,569,561)	\$ (4,557,722)	\$ (4,042,821)
1,645,034	1,645,034	1,653,771
(153,998)	177,387	(364,345)
94,260	94,260	(34,093)
-	(158,531)	-
1,497,942	(130,472)	(699,096)
(31,286)	(31,286)	2,701
(84,416)	(83,979)	(48,839)
(321,712)	(688,097)	721,756
(768,321)	(768,319)	299,825
-	(16,240)	35,765
(211,123)	(211,123)	(14,877)
-	2,473,495	1,274,460
22,194	22,283	(277,342)
2,155,392	2,175,656	3,210,595
\$ 1,274,405	\$ (57,654)	\$ 1,717,460

COUNTY OF ROCKLAND, NEW YORK

PROPRIETARY FUND - INTERNAL SERVICE FUND - WORKERS' COMPENSATION BENEFITS FUND
 COMPARATIVE STATEMENT OF NET ASSETS
 DECEMBER 31, 2011 AND 2010

<u>ASSETS</u>	<u>2011</u>	<u>2010</u>
Cash - Demand deposits	\$ 5,284,164	\$ 5,320,938
Accounts Receivable	-	331,385
Prepaid Expenses	1,847	2,284
Total Assets	<u>5,286,011</u>	<u>5,654,607</u>
 <u>LIABILITIES</u> 		
Current Liabilities:		
Accounts payable	144,801	511,186
Accrued liabilities	4,318	4,316
Due to other funds	19,525	35,765
Current portion of claims payable	907,703	713,058
Compensated absences	2,789	2,700
Total Current Liabilities	<u>1,079,136</u>	<u>1,267,025</u>
Noncurrent Liabilities:		
Claims payable, less current portion	8,169,328	6,417,510
Other post employment benefit obligations payable	92,740	72,476
Total Noncurrent Liabilities	<u>8,262,068</u>	<u>6,489,986</u>
Total Liabilities	<u>9,341,204</u>	<u>7,757,011</u>
 <u>NET DEFICIT</u> 		
Unrestricted	<u>\$ (4,055,193)</u>	<u>\$ (2,102,404)</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, 2011 AND 2010

	<u>2011</u>	<u>2010</u>
Operating Revenues - Charges for services	\$ 4,554,342	\$ 5,044,601
Operating Expenses:		
Administrative and general expenses	566,403	589,736
Salaries and wage expenses	163,082	150,669
Employee benefits	<u>5,805,492</u>	<u>6,063,380</u>
Total Operating Expenses	<u>6,534,977</u>	<u>6,803,785</u>
Loss From Operations	(1,980,635)	(1,759,184)
Non-Operating Revenues - Interest income	<u>27,846</u>	<u>21,501</u>
Change in Net Assets	(1,952,789)	(1,737,683)
Deficit - Beginning of Year	<u>(2,102,404)</u>	<u>(364,721)</u>
Deficit - End of Year	<u><u>\$ (4,055,193)</u></u>	<u><u>\$ (2,102,404)</u></u>

COUNTY OF ROCKLAND, NEW YORK

PROPRIETARY FUND - INTERNAL SERVICE FUND - WORKERS' COMPENSATION BENEFITS FUND
 COMPARATIVE STATEMENT OF CASH FLOWS
 YEARS ENDED DECEMBER 31, 2011 AND 2010

	<u>2011</u>	<u>2010</u>
Cash Flows From Operating Activities:		
Cash received from charges for services	\$ 4,885,727	\$ 5,044,601
Cash payments to insurance carriers and claimants	(4,787,265)	(4,894,736)
Cash payments to employees	<u>(163,082)</u>	<u>(150,669)</u>
Net Cash Used In Operating Activities	<u>(64,620)</u>	<u>(804)</u>
Cash Flows From Investing Activities -		
Interest income	<u>27,846</u>	<u>21,501</u>
Net Increase (Decrease) in Cash	(36,774)	20,697
Cash - Beginning of Year	<u>5,320,938</u>	<u>5,300,241</u>
Cash - End of Year	<u>\$ 5,284,164</u>	<u>\$ 5,320,938</u>
Reconciliation of Loss from Operations to Net Cash Used in Operating Activities:		
Loss from operations	\$ (1,980,635)	\$ (1,759,184)
Adjustments to reconcile loss from operations to net cash used in operating activities -		
Changes in assets and liabilities:		
Accounts receivable	331,385	(331,385)
Due from other funds	-	575,663
Prepaid expenses	437	(493)
Accounts payable	(366,385)	354,827
Accrued liabilities	2	(1,189)
Due to other funds	(16,240)	35,765
Claims payable	1,946,463	1,105,488
Compensated absences	89	88
Other post employment benefit obligations payable	<u>20,264</u>	<u>19,616</u>
Net Cash Used in Operating Activities	<u>\$ (64,620)</u>	<u>\$ (804)</u>

COUNTY OF ROCKLAND, NEW YORK

PROPRIETARY FUND - INTERNAL SERVICE FUND - GENERAL LIABILITY CLAIMS FUND
 COMPARATIVE STATEMENT OF NET ASSETS
 DECEMBER 31, 2011 AND 2010

<u>ASSETS</u>	<u>2011</u>	<u>2010</u>
Cash - Demand deposits	\$ 4,133,016	\$ 5,392,929
Receivables:		
Due from other governments	166,251	7,720
Due from other funds	<u>1,695,392</u>	<u>66,978</u>
	<u>1,861,643</u>	<u>74,698</u>
 Total Assets	 <u>5,994,659</u>	 <u>5,467,627</u>
 <u>LIABILITIES</u>		
Current Liabilities:		
Accounts payable	35,000	35,000
Current portion of claims payable	<u>715,159</u>	<u>651,915</u>
 Total Current Liabilities	 750,159	 686,915
Noncurrent Liabilities -		
Claims payable, less current portion	<u>5,244,500</u>	<u>4,780,712</u>
 Total Liabilities	 <u>\$ 5,994,659</u>	 <u>\$ 5,467,627</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, 2011 AND 2010

	<u>2011</u>	<u>2010</u>
Operating Revenues - Charges for services	\$ 2,897,692	\$ 2,418,352
Operating Expenses - Judgments and claims	<u>2,905,218</u>	<u>2,443,374</u>
Loss From Operations	(7,526)	(25,022)
Non-Operating Revenues - Interest income	<u>7,526</u>	<u>25,022</u>
Change in Net Assets	-	-
Net Assets - Beginning of Year	<u>-</u>	<u>-</u>
Net Assets - End of Year	<u>\$ -</u>	<u>\$ -</u>

COUNTY OF ROCKLAND, NEW YORK

PROPRIETARY FUND - INTERNAL SERVICE FUND - GENERAL LIABILITY CLAIMS FUND
 COMPARATIVE STATEMENT OF CASH FLOWS
 YEARS ENDED DECEMBER 31, 2011 AND 2010

	<u>2011</u>	<u>2010</u>
Cash Flows From Operating Activities:		
Cash received from charges to services	\$ 1,110,747	\$ 2,730,487
Cash payments to insurance carriers and claimants	<u>(2,378,186)</u>	<u>(2,274,401)</u>
Net Cash Provided by (Used in) Operating Activities	<u>(1,267,439)</u>	<u>456,086</u>
Cash Flows From Investing Activities - Interest income	<u>7,526</u>	<u>25,022</u>
Net Increase (Decrease) in Cash	(1,259,913)	481,108
Cash - Beginning of Year	<u>5,392,929</u>	<u>4,911,821</u>
Cash - End of Year	<u>\$ 4,133,016</u>	<u>\$ 5,392,929</u>
Reconciliation of Loss from Operations to Net Cash Provided by (Used in) Operating Activities:		
Loss from operations	\$ (7,526)	\$ (25,022)
Adjustments to reconcile loss from operations to net cash provided by (used in) operating activities -		
Changes in assets and liabilities:		
Due from other governments	(158,531)	-
Due from other funds	(1,628,414)	312,135
Accounts payable	-	1
Claims payable	<u>527,032</u>	<u>168,972</u>
Net Cash Provided by (Used in) Operating Activities	<u>\$ (1,267,439)</u>	<u>\$ 456,086</u>

COUNTY OF ROCKLAND, NEW YORK

PROPRIETARY FUND - INTERNAL SERVICE FUND - UNEMPLOYMENT BENEFITS FUND
COMPARATIVE STATEMENT OF NET ASSETS
DECEMBER 31, 2011 AND 2010

	<u>2011</u>	<u>2010</u>
<u>ASSETS</u>		
Due from Other Funds	<u>\$ 127,881</u>	<u>\$ 127,881</u>
<u>NET ASSETS</u>		
Unrestricted	<u>\$ 127,881</u>	<u>\$ 127,881</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, 2011 AND 2010

	<u>2011</u>	<u>2010</u>
Operating Revenues - Charges for services	\$ 214,081	\$ 219,119
Operating Expenses - Employee benefits	<u>214,081</u>	<u>219,119</u>
Income from Operations	-	-
Net Assets - Beginning of Year	<u>127,881</u>	<u>127,881</u>
Net Assets - End of Year	<u><u>\$ 127,881</u></u>	<u><u>\$ 127,881</u></u>

COUNTY OF ROCKLAND, NEW YORK

PROPRIETARY FUND - INTERNAL SERVICE FUND - UNEMPLOYMENT BENEFITS FUND
 COMPARATIVE STATEMENT OF CASH FLOWS
 YEARS ENDED DECEMBER 31, 2011 AND 2010

	<u>2011</u>	<u>2010</u>
Cash Flows From Operating Activities:		
Cash received from charges for services	\$ 214,081	\$ 219,119
Cash payments to insurance carriers and claimants	<u>(214,081)</u>	<u>(219,119)</u>
Net Cash Provided by Operating Activities	<u>-</u>	<u>-</u>
Net Increase in Cash	-	-
Cash - Beginning of Year	<u>-</u>	<u>-</u>
Cash - End of Year	<u>\$ -</u>	<u>\$ -</u>
Reconciliation of Income from Operations to Net Cash Provided by Operating Activities:		
Income from operations	\$ -	\$ -
Adjustments to reconcile income from operations to net cash provided by operating activities -		
Changes in assets and liabilities -		
Due from other funds	<u>-</u>	<u>-</u>
Net Cash Provided by Operating Activities	<u>\$ -</u>	<u>\$ -</u>

COUNTY OF ROCKLAND, NEW YORK

PROPRIETARY FUND - INTERNAL SERVICE FUND - GENERAL SERVICES FUND
 COMPARATIVE STATEMENT OF NET ASSETS
 DECEMBER 31, 2011 AND 2010

<u>ASSETS</u>	<u>2011</u>	<u>2010</u>
Cash - Petty cash	\$ 200	\$ 200
Receivables:		
Accounts	265,575	111,577
State and Federal aid	427,415	521,675
Due from other funds	1,926,938	3,424,880
	<u>2,619,928</u>	<u>4,058,132</u>
Inventories	<u>89,899</u>	<u>58,613</u>
Prepaid Expenses	<u>382,234</u>	<u>297,818</u>
Total Current Assets	<u>3,092,261</u>	<u>4,414,763</u>
Capital Assets:		
Equipment	20,733,006	21,066,950
Less - Accumulated depreciation	<u>(13,563,924)</u>	<u>(12,252,834)</u>
Total Capital Assets	<u>7,169,082</u>	<u>8,814,116</u>
Total Assets	<u>10,261,343</u>	<u>13,228,879</u>
<u>LIABILITIES</u>		
Current Liabilities:		
Accounts payable	764,645	1,086,357
Accrued liabilities	714,355	1,492,995
Deferred revenues	-	211,123
Current maturities of bonds payable	1,045,689	1,012,092
Current portion of compensated absences	<u>180,967</u>	<u>178,748</u>
Total Current Liabilities	<u>2,705,656</u>	<u>3,981,315</u>
Noncurrent Liabilities:		
Bonds payable - Less current maturities	5,673,231	6,718,920
Compensated absences, less current maturities	1,628,706	1,608,731
Other post employment benefit obligations payable	<u>13,042,944</u>	<u>10,887,552</u>
Total Noncurrent Liabilities	<u>20,344,881</u>	<u>19,215,203</u>
Total Liabilities	<u>23,050,537</u>	<u>23,196,518</u>
<u>NET ASSETS (DEFICIT)</u>		
Invested in Capital Assets, net of related debt	450,162	1,083,104
Unrestricted	<u>(13,239,356)</u>	<u>(11,050,743)</u>
Total Net Deficit	<u>\$ (12,789,194)</u>	<u>\$ (9,967,639)</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, 2011 AND 2010

	<u>2011</u>	<u>2010</u>
Operating Revenues:		
Charges for services	\$ 27,912,642	\$ 30,583,767
State aid	544,324	566,099
Federal aid	598,114	33,877
	<u>29,055,080</u>	<u>31,183,743</u>
Total Operating Revenues		
Operating Expenses:		
Salaries and wage expenses	10,585,787	11,919,167
Employee benefits	8,278,550	8,797,508
Supplies and other expenses	11,115,270	11,071,912
Depreciation	1,645,034	1,653,771
	<u>31,624,641</u>	<u>33,442,358</u>
Total Operating Expenses		
Loss From Operations	(2,569,561)	(2,258,615)
Non-Operating Expenses -		
Interest on indebtedness	<u>(251,994)</u>	<u>(283,030)</u>
Change in Net Assets	(2,821,555)	(2,541,645)
Deficit- Beginning of Year	<u>(9,967,639)</u>	<u>(7,425,994)</u>
Deficit - End of Year	<u>\$ (12,789,194)</u>	<u>\$ (9,967,639)</u>

COUNTY OF ROCKLAND, NEW YORK

PROPRIETARY FUND - INTERNAL SERVICE FUND - GENERAL SERVICES FUND
 COMPARATIVE STATEMENT OF CASH FLOWS
 YEARS ENDED DECEMBER 31, 2011 AND 2010

	<u>2011</u>	<u>2010</u>
Cash Flows From Operating Activities:		
Cash received from charges for services	\$ 29,256,586	\$ 28,963,913
Cash received from State and Federal aid	1,236,698	551,006
Cash payments to employees	(10,988,706)	-
Cash payments to vendors	<u>(18,230,173)</u>	<u>(28,252,741)</u>
Net Cash Provided by Operating Activities	<u>1,274,405</u>	<u>1,262,178</u>
Cash Flows from Capital and Related Financing Activities:		
Retirement of long-term debt	(1,012,092)	(979,148)
Interest on indebtedness	<u>(262,313)</u>	<u>(283,030)</u>
Net Cash Used in Capital and Related Financing Activities	<u>(1,274,405)</u>	<u>(1,262,178)</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	\$ (2,569,561)	\$ (2,258,615)
Adjustments to reconcile loss from operations to net cash provided by operating activities:		
Depreciation	1,645,034	1,653,771
Changes in assets and liabilities:		
Accounts receivable	(153,998)	(32,960)
State and Federal aid receivable	94,260	(34,093)
Due from other funds	1,497,942	(1,586,894)
Inventories	(31,286)	2,701
Prepaid expenses	(84,416)	(48,346)
Accounts payable	(321,712)	366,928
Accrued liabilities	(768,321)	301,014
Deferred revenues	(211,123)	(14,877)
Compensated absences	22,194	(277,430)
Other post employment benefit obligations payable	<u>2,155,392</u>	<u>3,190,979</u>
Net Cash Provided by Operating Activities	<u>\$ 1,274,405</u>	<u>\$ 1,262,178</u>

COUNTY OF ROCKLAND, NEW YORK

FIDUCIARY FUNDS - AGENCY FUND
 STATEMENT OF CHANGES IN ASSETS AND LIABILITIES
 YEAR ENDED DECEMBER 31, 2011

	<u>Balance January 1, 2011</u>	<u>Increases</u>	<u>Decreases</u>	<u>Balance December 31, 2011</u>
<u>ASSETS</u>				
Cash:				
Demand deposits	\$ 8,675,661	\$ 220,252,694	\$ 223,778,527	\$ 5,149,828
Time deposits	<u>1,882,094</u>	<u>648,315</u>	<u>737,477</u>	<u>1,792,932</u>
Total Assets	<u>\$ 10,557,755</u>	<u>\$ 220,901,009</u>	<u>\$ 224,516,004</u>	<u>\$ 6,942,760</u>
 <u>LIABILITIES</u>				
Accounts Payable	\$ 3,237,550	\$ 188,367,073	\$ 191,604,623	\$ -
Employee Payroll Deductions	617,620	82,823,326	82,737,526	703,420
Deposits	4,731,988	2,652,919	2,931,305	4,453,602
Due to Other Governments	<u>1,970,597</u>	<u>7,756,514</u>	<u>7,941,373</u>	<u>1,785,738</u>
Total Liabilities	<u>\$ 10,557,755</u>	<u>\$ 281,599,832</u>	<u>\$ 285,214,827</u>	<u>\$ 6,942,760</u>

STATISTICAL

SECTION

(Unaudited)

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Financial Trends

These schedules contain 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 TEN 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	7,689,691	5,738,859	24,270,260	51,882,873
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.

2006	2007	2008	2009	2010	2011
\$ 357,075,560	\$ 410,512,788	\$ 405,279,887	\$ 413,765,675	\$ 401,818,749	\$ 394,449,480
84,186,029	123,090,125	113,990,838	104,294,397	110,920,044	43,843,923
<u>49,138,682</u>	<u>(119,583,249)</u>	<u>(163,971,651)</u>	<u>(194,874,505)</u>	<u>(246,969,186)</u>	<u>(253,469,660)</u>
<u>\$ 490,400,271</u>	<u>\$ 414,019,664</u>	<u>\$ 355,299,074</u>	<u>\$ 323,185,567</u>	<u>\$ 265,769,607</u>	<u>\$ 184,823,743</u>
\$ 12,411,965	\$ 11,269,462	\$ 11,068,096	\$ 10,662,786	\$ 10,070,880	\$ 9,351,936
<u>(88,784,191)</u>	<u>(106,761,196)</u>	<u>(111,174,333)</u>	<u>(130,614,169)</u>	<u>(158,571,478)</u>	<u>(182,883,734)</u>
<u>\$ (76,372,226)</u>	<u>\$ (95,491,734)</u>	<u>\$ (100,106,237)</u>	<u>\$ (119,951,383)</u>	<u>\$ (148,500,598)</u>	<u>\$ (173,531,798)</u>
\$ 369,487,525	\$ 421,782,250	\$ 416,347,983	\$ 424,428,461	\$ 411,889,629	\$ 403,801,416
84,186,029	123,090,125	113,990,838	104,294,397	110,920,044	43,843,923
<u>(39,645,509)</u>	<u>(226,344,445)</u>	<u>(275,145,984)</u>	<u>(325,488,674)</u>	<u>(405,540,664)</u>	<u>(436,353,394)</u>
<u>\$ 414,028,045</u>	<u>\$ 318,527,930</u>	<u>\$ 255,192,837</u>	<u>\$ 203,234,184</u>	<u>\$ 117,269,009</u>	<u>\$ 11,291,945</u>

COUNTY OF ROCKLAND, NEW YORK

CHANGES IN NET ASSETS
LAST TEN 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
	83,329,746	79,369,366	90,516,425	96,890,982
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				
Operating Grants and Contributions	-	-	3,893,466	4,076,906
Rockland Second Tobacco Asset Securitization Corporation				
Operating Grants and Contributions	-	-	939,947	946,876
Total Business-Type Activities	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	2009	2010	2011
\$ 53,181,226	\$ 58,494,042	\$ 67,293,698	\$ 65,817,442	\$ 65,578,858	\$ 66,978,200
62,269,510	63,708,235	71,519,828	68,916,165	64,096,792	60,294,608
61,374,333	68,781,351	70,103,143	70,550,166	78,884,977	82,354,581
42,866,537	55,693,202	50,413,128	43,227,034	46,040,723	47,274,572
52,467,203	56,039,377	55,737,309	52,323,652	55,073,427	53,254,863
154,921,214	161,783,425	174,367,673	180,334,640	182,610,808	181,264,332
672,310	922,107	939,766	896,680	973,087	1,185,479
25,128,078	33,924,151	35,782,255	34,575,699	35,091,249	38,698,119
17,421,520	24,724,724	13,400,239	14,110,025	13,768,045	15,746,647
470,301,931	524,070,614	539,557,039	530,751,503	542,117,966	547,051,401
100,045,431	114,058,665	115,135,691	108,938,933	112,706,758	104,940,810
4,486,554	4,571,080	4,640,294	4,728,599	4,838,451	4,917,932
542,077	520,630	501,105	482,028	477,562	449,743
105,074,062	119,150,375	120,277,090	114,149,560	118,022,771	110,308,485
<u>\$ 575,375,993</u>	<u>\$ 643,220,989</u>	<u>\$ 659,834,129</u>	<u>\$ 644,901,063</u>	<u>\$ 660,140,737</u>	<u>\$ 657,359,886</u>
\$ 13,488,832	\$ 12,527,092	\$ 12,961,766	\$ 16,075,012	\$ 8,049,813	\$ 10,638,502
4,376,291	3,335,455	1,935,136	1,951,080	2,306,656	3,378,478
2,227,880	4,275,920	4,091,463	4,010,535	4,279,322	2,943,275
3,649,497	4,164,539	7,937,745	7,879,870	7,548,277	5,468,990
7,118,757	6,968,579	7,676,041	7,597,193	9,785,895	8,076,489
2,256,013	2,126,805	1,777,822	4,333,518	5,221,710	1,189,127
141,316,084	143,651,066	164,476,127	161,630,529	156,809,424	147,921,778
17,079,414	23,349,064	11,845,084	14,177,004	15,465,469	13,437,559
191,512,768	200,398,520	212,701,184	217,654,741	209,466,566	193,054,198
79,335,999	78,790,038	106,029,852	89,041,990	87,266,807	81,357,297
7,781,080	16,491,989	4,896,669	-	-	-
3,379,057	3,839,495	3,818,692	4,234,771	3,377,533	3,385,346
859,420	909,345	917,374	1,027,653	829,216	792,968
91,355,556	100,030,867	115,662,587	94,304,414	91,473,556	85,535,611
<u>\$ 282,868,324</u>	<u>\$ 300,429,387</u>	<u>\$ 328,363,771</u>	<u>\$ 311,959,155</u>	<u>\$ 300,940,122</u>	<u>\$ 278,589,809</u>

COUNTY OF ROCKLAND, NEW YORK

CHANGES IN NET ASSETS
LAST TEN 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
Transfers	-	-	-	-
Total Governmental Activities	<u>184,744,439</u>	<u>218,824,948</u>	<u>236,489,792</u>	<u>276,011,524</u>
Business-type activities				
Real Property Taxes	2,764,269	-	-	-
Transfers	-	-	-	(23,997,609)
Total Business-Type Activities	<u>2,764,269</u>	<u>-</u>	<u>-</u>	<u>(23,997,609)</u>
Total Primary Government General Revenues	<u>\$ 187,508,708</u>	<u>\$ 218,824,948</u>	<u>\$ 236,489,792</u>	<u>\$ 252,013,915</u>
Change in Net Assets				
Governmental Activities	\$ (22,706,506)	\$ (802,511)	\$ 8,640,558	\$ 24,166,523
Business-Type Activities	(2,253,867)	(2,459,743)	1,717,555	(25,191,204)
Total Primary Government Change in Net Assets	<u>\$ (24,960,373)</u>	<u>\$ (3,262,254)</u>	<u>\$ 10,358,113</u>	<u>\$ (1,024,681)</u>

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

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

2006	2007	2008	2009	2010	2011
\$ (278,789,163) (13,718,506)	\$ (323,672,094) (19,119,508)	\$ (326,855,855) (4,614,503)	\$ (313,096,762) (19,845,146)	\$ (332,651,400) (26,549,215)	\$ (353,997,203) (24,772,874)
<u>\$ (292,507,669)</u>	<u>\$ (342,791,602)</u>	<u>\$ (331,470,358)</u>	<u>\$ (332,941,908)</u>	<u>\$ (359,200,615)</u>	<u>\$ (378,770,077)</u>
\$ 58,727,783 27,764,921 151,119,113 9,217,795 2,658,983 135,224 - 2,663,407 -	\$ 72,855,145 5,253,994 163,931,697 7,416,530 15,365,523 49,315 - 2,560,186 -	\$ 71,646,043 7,125,096 168,498,939 5,115,544 3,285,209 40,543 - 2,821,904 -	\$ 87,696,519 8,326,783 162,439,750 3,951,076 504,419 53,969 - 10,290,708 -	\$ 92,768,618 4,941,267 169,152,688 3,537,937 1,207,909 456,659 - 1,170,362 2,000,000	\$ 89,684,666 8,984,061 169,265,205 3,470,281 183,172 121,310 258,326 1,084,318 -
<u>252,287,226</u>	<u>267,432,390</u>	<u>258,533,278</u>	<u>273,263,224</u>	<u>275,235,440</u>	<u>273,051,339</u>
-	-	-	-	-	-
-	-	-	-	(2,000,000)	(258,326)
-	-	-	-	(2,000,000)	(258,326)
<u>\$ 252,287,226</u>	<u>\$ 267,432,390</u>	<u>\$ 258,533,278</u>	<u>\$ 273,263,224</u>	<u>\$ 273,235,440</u>	<u>\$ 272,793,013</u>
\$ (26,501,937) (13,718,506)	\$ (56,239,704) (19,119,508)	\$ (68,322,577) (4,614,503)	\$ (39,833,538) (19,845,146)	\$ (57,415,960) (28,549,215)	\$ (80,945,864) (25,031,200)
<u>\$ (40,220,443)</u>	<u>\$ (75,359,212)</u>	<u>\$ (72,937,080)</u>	<u>\$ (59,678,684)</u>	<u>\$ (85,965,175)</u>	<u>\$ (105,977,064)</u>

COUNTY OF ROCKLAND, NEW YORK

FUND BALANCES OF GOVERNMENTAL FUNDS
LAST TEN FISCAL YEARS

	2002	2003	2004	2005
General Fund				
Nonspendable	\$ -	\$ -	\$ -	\$ -
Restricted	-	-	-	-
Committed	-	-	-	-
Assigned	-	-	-	-
Unassigned	-	-	-	-
Reserved	13,232,014	12,259,389	80,273,905	168,348,692
Unreserved	11,606,335	19,842,531	(41,322,044)	(110,667,341)
Total General Fund	<u>\$ 24,838,349</u>	<u>\$ 32,101,920</u>	<u>\$ 38,951,861</u>	<u>\$ 57,681,351</u>
All Other Governmental Funds				
Nonspendable	\$ -	\$ -	\$ -	\$ -
Restricted	-	-	-	-
Committed	-	-	-	-
Assigned	-	-	-	-
Unassigned	-	-	-	-
Reserved	33,923,864	30,042,904	40,358,037	31,312,497
Unreserved, Reported In:				
Special Revenue Funds	5,882,068	7,229,050	7,874,712	7,929,375
Capital Projects Fund	12,278,033	13,816,458	25,479,845	74,516,172
Debt Service Fund	5,496,940	7,746,977	7,245,082	6,660,644
Total All Other Governmental Funds	<u>\$ 57,580,905</u>	<u>\$ 58,835,389</u>	<u>\$ 80,957,676</u>	<u>\$ 120,418,688</u>
Total Governmental Funds	<u>\$ 82,419,254</u>	<u>\$ 90,937,309</u>	<u>\$ 119,909,537</u>	<u>\$ 178,100,039</u>

(1) - The County implemented The provisions of Government Accounting Standards Board Statement No. 54, "Fund Balance Reporting and Government Fund Type Definitions", for the fiscal year ended December 31, 2011.

2006	2007	2008	2009	2010	2011 (1)
\$ -	\$ -	\$ -	\$ -	\$ -	\$ 46,719,075
-	-	-	-	-	16,617,145
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	(96,514,297)
53,082,159	44,873,252	54,784,809	51,006,383	48,086,001	-
(2,932,059)	(33,535,024)	(31,526,746)	(38,732,135)	(52,040,793)	-
<u>\$ 50,150,100</u>	<u>\$ 11,338,228</u>	<u>\$ 23,258,063</u>	<u>\$ 12,274,248</u>	<u>\$ (3,954,792)</u>	<u>\$ (33,178,077)</u>
\$ -	\$ -	\$ -	\$ -	\$ -	\$ 266,143
-	-	-	-	-	19,283,285
-	-	-	-	-	1,100,575
-	-	-	-	-	28,200,207
-	-	-	-	-	-
58,853,881	8,024,019	9,043,239	7,760,958	11,849,335	-
8,720,490	12,276,371	13,926,044	17,038,024	21,876,806	-
50,805,405	91,909,837	51,547,862	7,660,442	3,459,152	-
7,188,000	8,000,000	7,500,000	6,800,000	5,760,000	-
<u>\$ 125,567,776</u>	<u>\$ 120,210,227</u>	<u>\$ 82,017,145</u>	<u>\$ 39,259,424</u>	<u>\$ 42,945,293</u>	<u>\$ 48,850,210</u>
<u>\$ 175,717,876</u>	<u>\$ 131,548,455</u>	<u>\$ 105,275,208</u>	<u>\$ 51,533,672</u>	<u>\$ 38,990,501</u>	<u>\$ 15,672,133</u>

COUNTY OF ROCKLAND, NEW YORK

CHANGES IN FUND BALANCES OF GOVERNMENTAL FUNDS
LAST TEN FISCAL YEARS

	2002	2003	2004	2005
Revenues				
Real Property Taxes	\$ 58,090,243	\$ 58,693,340	\$ 62,218,149	\$ 67,573,335
Other Tax Items	4,461,514	4,262,453	11,078,086	9,898,911
Non-Property Taxes	119,731,942	142,819,235	154,932,812	159,169,424
Departmental Income	29,627,090	28,668,797	32,576,362	34,063,306
Use of Money and Property	3,300,400	1,819,194	2,727,187	4,132,707
Licenses and Permits	1,252,367	1,321,928	1,477,592	1,512,041
Fines and Forfeitures	674,941	718,865	868,114	760,839
Sale of Property and Compensation for Loss	159,583	174,452	194,830	123,880
Interfund Revenues	39,264,640	9,504,603	9,995,961	11,996,089
State Aid	83,186,148	87,573,304	100,122,546	106,299,593
Federal Aid	46,183,076	47,058,732	62,912,164	48,858,105
Miscellaneous	7,731,765	15,279,908	4,539,643	4,370,725
Total Revenues	393,663,709	397,894,811	443,643,446	448,758,955
Expenditures				
Current:				
General Government	34,958,991	34,993,828	39,754,114	43,149,881
Education	45,329,687	50,182,282	53,635,959	56,287,051
Public Safety	41,745,805	42,894,951	49,560,136	55,473,720
Health	37,298,006	34,217,931	41,256,330	43,904,877
Transportation	31,225,049	31,363,348	33,227,664	36,248,794
Economic Opportunity and Development	138,444,547	146,763,914	163,421,773	155,278,769
Culture and Recreation	598,690	643,684	651,769	698,272
Home and Community Services	16,502,315	17,589,427	16,962,202	19,212,556
Employee Benefits	37,451,415	15,433,804	10,464,391	11,371,661
Debt Service:				
Principal	7,472,536	6,190,771	5,133,743	10,869,372
Interest	6,051,010	6,737,039	5,405,520	9,278,123
Refunding Bond Issuance Costs	-	95,790	-	-
Advance Refunding Escrow	-	8,154,357	-	-
Capital Outlay	25,899,601	21,121,468	46,003,907	44,447,249
Total Expenditures	422,977,652	416,382,594	465,477,508	486,220,325
Excess (Deficiency) of Revenues Over Expenditures	(29,313,943)	(18,487,783)	(21,834,062)	(37,461,370)
Other Financing Sources (Uses)				
Bonds Issued	14,488,000	27,000,743	51,197,807	72,379,263
Transfers In	29,604,599	37,781,261	29,274,285	72,045,546
Transfers Out	(29,604,599)	(37,871,957)	(29,274,285)	(48,047,937)
Sale of Real Property	-	-	-	-
Refunding Bonds Issued	-	3,812,318	-	-
Issuance Premium	-	51,524	-	-
New York State loan proceeds	-	-	-	-
Payment to Refunded Bond Escrow Agent	-	(3,768,051)	-	-
Total Other Financing Sources (Uses)	14,488,000	27,005,838	51,197,807	96,376,872
Net Change in Fund Balances	\$ (14,825,943)	\$ 8,518,055	\$ 29,363,745	\$ 58,915,502
Debt Service as a Percentage of Non-Capital Expenditures	3.4%	5.4%	2.4%	4.6%

2006	2007	2008	2009	2010	2011
\$ 70,005,364	\$ 72,945,404	\$ 80,701,948	\$ 87,028,735	\$ 87,800,079	\$ 89,331,893
27,764,921	5,253,994	7,280,446	8,427,783	5,091,917	9,074,061
160,802,521	171,761,695	173,963,636	166,731,320	173,232,759	173,277,809
30,578,872	30,764,208	31,830,638	36,307,225	32,200,999	30,918,923
6,152,871	19,877,509	6,760,275	2,495,692	2,420,254	615,595
1,487,720	1,448,396	1,701,868	2,220,626	1,912,108	1,856,351
918,522	990,290	1,050,166	1,138,392	905,750	903,400
136,334	49,315	86,829	68,687	517,546	162,849
12,581,214	14,664,748	15,691,757	15,235,243	23,708,228	24,220,938
99,322,826	100,900,483	107,236,772	96,469,342	81,400,046	86,660,293
52,385,776	58,001,784	65,639,498	77,357,853	89,359,897	66,442,279
4,238,295	4,670,799	2,662,174	11,305,071	2,479,776	3,130,510
<u>466,375,236</u>	<u>481,328,625</u>	<u>494,606,007</u>	<u>504,785,969</u>	<u>501,029,359</u>	<u>486,594,901</u>
54,942,689	48,895,671	60,184,410	59,499,136	63,793,645	61,594,915
59,108,151	60,595,502	67,786,623	64,602,751	60,029,496	56,226,904
58,893,768	59,002,667	61,193,182	61,580,954	68,157,961	68,586,927
42,109,558	51,976,073	46,691,701	39,419,209	41,393,398	41,010,199
40,142,905	41,580,438	42,704,822	42,742,977	43,350,978	40,738,199
154,605,187	156,569,060	169,264,751	175,552,253	176,620,319	172,543,034
636,212	661,650	667,428	598,820	510,699	525,845
20,302,722	22,031,229	23,632,499	22,714,338	23,557,043	25,826,025
9,380,119	10,146,766	11,028,835	11,600,192	13,167,104	14,672,488
13,858,182	17,736,847	19,742,088	19,684,472	20,097,765	25,280,970
13,783,091	27,904,491	13,344,928	13,348,694	12,172,015	13,003,458
-	-	-	329,477	409,034	-
-	-	-	-	-	-
48,004,692	42,526,497	38,699,088	50,083,709	56,470,847	45,767,866
<u>515,767,276</u>	<u>539,626,891</u>	<u>554,940,355</u>	<u>561,756,982</u>	<u>579,730,304</u>	<u>565,776,830</u>
<u>(49,392,040)</u>	<u>(58,298,266)</u>	<u>(60,334,348)</u>	<u>(56,971,013)</u>	<u>(78,700,945)</u>	<u>(79,181,929)</u>
47,009,877	34,269,748	24,000,000	2,900,000	56,045,142	53,625,003
48,275,803	54,421,029	57,988,686	19,140,422	62,941,820	55,651,759
(48,275,803)	(54,421,029)	(57,988,686)	53,785,489	(60,941,820)	(55,393,433)
-	-	-	-	-	55,900
-	-	-	(53,785,489)	18,989,304	-
-	-	459,114	689,475	852,178	1,924,332
-	-	-	-	7,703,598	-
-	-	-	(19,500,420)	(19,432,448)	-
<u>47,009,877</u>	<u>34,269,748</u>	<u>24,459,114</u>	<u>3,229,477</u>	<u>66,157,774</u>	<u>55,863,561</u>
<u>\$ (2,382,163)</u>	<u>\$ (24,028,518)</u>	<u>\$ (35,875,234)</u>	<u>\$ (53,741,536)</u>	<u>\$ (12,543,171)</u>	<u>\$ (23,318,368)</u>
5.9%	9.2%	6.4%	6.4%	6.3%	7.3%

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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 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 Tax	911 Emergency Surcharge	Mortgage Tax	
2002	\$ 58,090,243	\$ 119,079,563	d \$ 652,379	\$ -	\$ 177,822,185
2003	58,693,340	140,024,664	a 655,886	2,138,685	201,512,575
2004	62,218,149	144,674,541	537,106	9,721,165	e 217,150,961
2005	67,573,335	148,457,536	b c 531,229	10,180,660	226,742,760
2006	70,005,364	151,119,113	465,613	9,217,795	230,807,885
2007	72,945,404	163,931,697	413,468	7,416,530	244,707,099
2008	80,701,948	168,498,939	349,153	5,115,544	254,665,584
2009	87,028,735	162,439,750	340,494	3,951,076	253,760,055
2010	87,800,079	169,152,688	542,134	3,537,937	261,032,838
2011	89,331,893	169,265,205	542,323	3,470,281	262,609,702

a Effective June 1, 2003 - May 31, 2005 the New York State rate increased from 4% to 4 1/4%

b Effective June 1, 2005 the New York State rate decreased from 4 1/4% to 4%

c Effective June 1, 2005 the Metropolitan Transportation Authority rate increased from 1/4% to 3/8%

d Effective March 1, 2002 the County rate increased from 3% to 3 5/8%, of which 1/8% was designated for towns and villages

e Effective October 1, 2003

COUNTY OF ROCKLAND, NEW YORK

SALES TAX RATES
LAST TEN FISCAL YEARS

	<u>2002</u>	<u>2003</u>	<u>2004</u>	<u>2005</u>	<u>2006</u>
New York State *	4.000 %	4.250 %	4.250 %	4.000 %	4.000 %
MTA (1) **	0.250	0.250	0.250	0.375	0.375
County *** ****	<u>3.625</u>	<u>3.625</u>	<u>3.625</u>	<u>3.625</u>	<u>3.625</u>
Total	<u>7.875 %</u>	<u>8.125 %</u>	<u>8.125 %</u>	<u>8.000 %</u>	<u>8.000 %</u>

(1) Metropolitan Transit Authority

* Effective June 1, 2003 - May 31, 2005 the New York State rate increased from 4% to 4 1/4%
Effective June 1, 2005 the New York State rate decreased from 4 1/4% to 4%.

** Effective June 1, 2005 the MTA rate increased from 1/4% to 3/8%

*** Effective March 1, 2002 the County rate increased from 3% to 3 5/8%, of which 1/8% of 1% was designated for towns and villages.

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

<u>2007</u>	<u>2008</u>	<u>2009</u>	<u>2010</u>	<u>2011</u>
4.000 %	4.000 %	4.000 %	4.000 %	4.000 %
0.375	0.375	0.375	0.375	0.375
<u>4.000</u>	<u>4.000</u>	<u>4.000</u>	<u>4.000</u>	<u>4.000</u>
<u>8.375 %</u>	<u>8.375 %</u>	<u>8.375 %</u>	<u>8.375 %</u>	<u>8.375 %</u>

COUNTY OF ROCKLAND, NEW YORK

TAXABLE SALES BY INDUSTRY
TEN YEARS STATED

Industry	March 2000 to February 2001	March 2001 to February 2002	March 2002 to February 2003	March 2003 to February 2004
Utilities (excluding residential energy)	\$ 119,840,000	\$ 114,864,000	\$ 118,800,000	\$ 115,461,000
Construction	68,658,000	68,713,000	64,293,000	69,527,000
Manufacturing	122,784,000	128,864,000	141,460,000	132,495,000
Wholesale Trade	279,522,000	296,848,000	283,951,000	294,210,000
Retail Trade:				
Motor Vehicles and Parts	449,095,000	498,188,000	513,970,000	574,350,000
Furniture and Home Furnishings	85,713,000	85,100,000	88,393,000	105,468,000
Electronics and Appliances	111,927,000	138,774,000	136,166,000	91,930,000
Building Materials and Garden Equipment	200,227,000	198,247,000	212,272,000	250,815,000
Food and Beverage	138,145,000	146,508,000	148,024,000	170,071,000
Health and Personal Care	42,920,000	40,938,000	42,770,000	46,520,000
Gasoline Stations	96,544,000	90,429,000	88,269,000	97,591,000
Clothing	54,099,000	58,420,000	57,409,000	274,408,000
Sporting Goods, Hobby, Book and Music Stores	87,037,000	85,959,000	89,532,000	104,785,000
General Merchandise	222,666,000	231,179,000	241,274,000	391,825,000
Miscellaneous Retail	83,204,000	102,597,000	102,028,000	102,798,000
Nonstore Retail	35,882,000	32,490,000	36,083,000	41,916,000
Information	237,884,000	257,000,000	284,511,000	293,356,000
Professional, Scientific, and Technical	36,894,000	40,985,000	33,505,000	48,837,000
Administrative/Support Services	105,682,000	102,828,000	95,295,000	91,510,000
Health Care	2,132,000	1,618,000	1,618,000	1,927,000
Arts, Entertainment, and Recreation	32,586,000	28,774,000	25,576,000	27,027,000
Accommodation and Food Services:				
Food Services	228,703,000	247,023,000	254,670,000	259,443,000
Accommodation	47,072,000	46,809,000	48,832,000	46,964,000
Other Services:				
Repair and Maintenance	71,944,000	73,134,000	73,524,000	78,453,000
Personal and Laundry Services	7,175,000	9,270,000	8,973,000	9,754,000
All Other Services	1,708,000	4,128,000	2,271,000	2,227,000
Ag., Mining, Trans., FIRE, Educ., Govt.	160,730,000	161,561,000	152,753,000	124,683,000
Unclassified by Industry	41,255,000	5,802,000	20,200,000	29,284,000
Sales to Qualified Empire Zone Enterprises (QEZE)	-	-	193,000	118,000
Services to tangible personal property used in prod.	47,000	-	-	-
Grand Total	\$ 3,172,075,000	\$ 3,297,050,000	\$ 3,366,615,000	\$ 3,877,753,000

Source: New York State Department of Taxation and Finance

(1) Preliminary

March 2004 to February 2005	March 2005 to February 2006	March 2006 to February 2007	March 2007 to February 2008	March 2008 to February 2009	March 2009 to February 2010 (1)
\$ 114,884,000	\$ 137,792,000	\$ 141,988,000	\$ 163,002,000	\$ 158,344,000	\$ 157,587,000
71,394,000	78,378,000	77,578,000	81,720,000	75,289,000	74,296,000
128,961,000	134,948,000	123,204,000	122,873,000	105,796,000	107,198,000
324,209,000	377,532,000	371,992,000	392,869,000	347,945,000	347,851,000
549,774,000	511,010,000	466,498,000	468,920,000	427,901,000	427,817,000
116,529,000	105,980,000	113,692,000	114,307,000	100,076,000	99,613,000
84,371,000	80,725,000	82,325,000	73,782,000	71,865,000	72,225,000
281,658,000	285,681,000	268,814,000	252,831,000	231,800,000	230,730,000
176,772,000	184,358,000	188,296,000	189,433,000	194,638,000	193,139,000
46,999,000	50,141,000	50,727,000	52,273,000	54,192,000	54,036,000
103,933,000	111,767,000	43,629,000	21,843,000	21,745,000	22,805,000
241,350,000	251,913,000	98,481,000	80,359,000	76,804,000	77,200,000
101,920,000	99,241,000	87,601,000	84,213,000	76,362,000	78,101,000
426,801,000	424,132,000	335,776,000	338,294,000	324,747,000	325,470,000
104,989,000	105,816,000	110,698,000	108,855,000	101,345,000	101,311,000
45,591,000	54,069,000	47,030,000	52,510,000	63,956,000	63,077,000
292,754,000	293,391,000	289,692,000	305,344,000	284,761,000	286,566,000
42,577,000	48,973,000	48,136,000	59,139,000	61,944,000	61,510,000
94,736,000	100,014,000	101,403,000	111,610,000	115,593,000	117,114,000
2,292,000	2,553,000	2,771,000	2,522,000	2,789,000	2,692,000
27,411,000	29,114,000	29,077,000	27,458,000	27,696,000	28,018,000
271,397,000	277,472,000	283,573,000	308,607,000	316,388,000	320,055,000
52,329,000	52,048,000	51,199,000	55,538,000	49,628,000	49,628,000
79,309,000	85,282,000	85,180,000	94,239,000	95,020,000	96,470,000
10,058,000	10,242,000	13,461,000	14,264,000	14,386,000	13,357,000
2,185,000	2,167,000	2,080,000	1,485,000	1,770,000	1,628,000
125,246,000	132,057,000	127,963,000	150,179,000	146,375,000	144,796,000
39,761,000	53,840,000	66,600,000	34,992,000	34,565,000	25,493,000
158,000	143,000	303,000	-	-	-
-	-	-	-	-	-
<u>\$ 3,960,348,000</u>	<u>\$ 4,080,779,000</u>	<u>\$ 3,709,767,000</u>	<u>\$ 3,763,461,000</u>	<u>\$ 3,583,720,000</u>	<u>\$ 3,579,783,000</u>

COUNTY OF ROCKLAND, NEW YORK

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

Fiscal Year Ended December 31	Real Property		Less: Tax Exempt Real Property	Total Taxable Assessed Value
	Residential Property	Commercial Property		
2002	\$ 7,536,725,428	\$ 4,839,746,241	\$ 1,695,674,207	\$ 10,680,797,462
2003	7,616,951,050	4,820,083,115	1,710,092,853	10,726,941,312
2004	7,667,943,584	4,544,165,006	1,457,767,798	10,754,340,792
2005	7,726,957,540	4,455,045,219	1,419,978,625	10,762,024,134
2006	7,787,032,400	4,353,541,689	1,387,025,553	10,753,548,536
2007	10,930,926,706	5,504,098,539	1,610,720,267	14,824,304,978
2008	10,880,269,795	5,734,402,680	1,549,232,372	15,065,440,103
2009	10,772,710,984	5,647,856,442	1,636,309,661	14,784,257,765
2010	10,382,170,444	5,420,326,097	1,633,457,426	14,169,039,115
2011	10,353,021,141	5,392,238,666	1,639,692,384	14,105,567,423

Source : Rockland County Real Property Tax Department

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

Total Direct Tax Rate	Estimated Actual Taxable Value	Assessed Value as a Percentage of Actual Value
3.910 %	\$ 29,112,479,511	36.69 %
4.101	32,717,799,793	32.79
4.394	41,616,489,304	25.84
4.534	33,774,550,066	31.86
4.482	44,273,013,422	24.29
3.150	44,069,523,707	33.64
3.570	48,274,170,415	31.21
3.997	43,318,941,021	34.13
4.270	41,710,339,760	33.97
4.374	38,236,489,073	36.89

COUNTY OF ROCKLAND, NEW YORK

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

Year	Clarkstown	Haverstraw	Orangetown	Stony Point	Ramapo
2002	\$ 3.728106	\$ 18.450	\$ 3.0668	\$ 7.2251	\$ 6.447
2003	4.018649	18.330	2.7935	7.7300	8.512
2004	4.054183	20.900	2.8044	8.4530	8.352
2005	3.991577	19.740	2.4980	8.5290	8.049
2006	4.024980	0.978	2.8865	8.6577	8.453
2007	4.826161	1.293	3.5060	10.9980	10.000
2008	5.023156	1.356	3.1316	12.0287	11.269
2009	5.267550	1.487	3.3264	11.2172	11.340
2010	5.363834	1.603	3.310	12.3397	12.317
2011	6.978614	2.207	4.981	15.2841	16.054

COUNTY OF ROCKLAND, NEW YORK

PRINCIPAL TAXPAYERS
CURRENT YEAR AND NINE YEARS AGO

2011

Taxpayer	Type of Business	Assessed Valuation	Percent of Total Assessed Valuation
Palisades Interstate Park	State Lands	\$ 945,777,873	2.47 %
Pyramid/Eklecco Properties	Shopping Center	784,368,062	2.05
Pfizer	Pharmaceuticals	749,397,234	1.96
Orange & Rockland Utilities	Public Utility	620,708,876	1.62
United Water	Public Utility	443,676,823	1.16
Verizon	Public Utility	203,367,580	0.53
Mirant	Public Utility	174,976,107	0.46
Consolidated Edison	Public Utility	138,767,946	0.36
Novartis Pharmaceuticals	Pharmaceuticals	103,599,162	0.27
Glorious Sun Roberts FKA Blue Hill Community	Retirement Community	101,655,446	0.27
		<u>\$ 4,266,295,109</u>	<u>11.16 %</u>

Note: Total assessed valuation on the 2011 roll is \$38,236,489,073

2002

Taxpayer	Type of Business	Assessed Valuation	Percent of Total Assessed Valuation
Southern Energy	Public Utility	\$ 1,893,347,376	6.50 %
Palisades Interstate Park	State Lands	633,257,513	2.18
American Cyanamid Corporation	Industrial	627,185,022	2.15
Pyramid/Eklecco Properties	Retail Shopping	603,992,140	2.07
Orange & Rockland Utilities	Industrial	540,180,940	1.86
United Water	Public Utility	226,428,730	0.78
Verizon	Public Utility	173,336,264	0.60
Consolidated Edison	Public Utility	144,310,290	0.50
Glorious Sun Roberts -FKA Blue Hill Community	Retirement Community	137,708,530	0.47
The Retail Property Trust	Retail Shopping	94,497,429	0.32
		<u>\$ 5,074,244,234</u>	<u>17.43 %</u>

Note: Total assessed valuation on the 2002 roll is \$ 29,112,479,511

Source: Rockland County Real Property Tax Office

COUNTY OF ROCKLAND, NEW YORK

PROPERTY TAX LEVIES AND COLLECTIONS
LAST TEN FISCAL YEARS

Fiscal Year	Total Tax Levy for the Fiscal Year						
	County	Town Chargebacks (Deficiency)	Local Special Districts	Relevied Schools	Relevied Villages	Towns	Late Penalties and fees
2002	\$ 40,132,057	\$ 4,381,134	\$ 21,859,867	\$ 14,907,751	\$ 1,559,130	\$ 167,486,388	\$ 4,331,873
2003	42,346,114	3,077,428	24,187,109	13,817,020	1,358,769	175,954,485	3,981,875
2004	45,498,869	2,030,474	25,897,119	64,967,561	1,560,113	194,495,574	10,594,200
2005	46,750,299	2,061,033	32,077,602	58,638,047	2,877,192	210,922,000	9,768,229
2006	46,252,999	503,279	35,979,516	64,720,965	3,081,058	225,832,360	27,220,048
2007	46,253,287	2,311,456	40,743,696	62,311,061	3,402,769	238,759,492	15,004,173
2008	53,804,066	4,759,562	42,010,230	22,813,093	2,094,973	246,122,883	6,472,073
2009	59,100,000	1,367,704	45,737,352	23,585,657	2,520,442	253,650,648	8,149,546
2010	60,500,000	2,154,896	48,736,705	24,687,900	2,859,696	263,478,889	4,737,710
2011	81,060,623	4,942,177	52,400,670	25,029,192	2,980,506	279,333,437	8,632,359

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

- (1) Excludes relevied schools and village taxes

		Collected within the Fiscal Year of Levy		Total Collections to Date	
Total (1)	Amount	Percentage of Levy	Collections in Subsequent Years	Amount	Percentage of Levy
\$ 238,191,319	\$ 211,943,207	88.98 %	\$ 26,053,763	\$ 237,996,970	99.92 %
249,547,011	228,344,847	91.50	21,000,282	249,345,129	99.92
278,516,236	211,071,054	75.78	67,248,138	278,319,192	99.93
301,579,163	255,301,753	84.65	46,059,376	301,361,129	99.93
335,788,202	267,868,291	79.77	67,646,606	335,514,897	99.92
343,072,104	303,646,408	88.51	38,963,441	342,609,849	99.87
353,168,814	325,889,714	92.28	24,101,606	349,991,320	99.10
368,005,250	343,864,852	93.44	9,121,467	352,986,319	95.92
379,608,200	354,481,303	93.38	6,025,450	360,506,753	94.97
426,369,266	367,357,941	86.16	39,646,827	407,004,768	95.46

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Debt Capacity

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

Ratios of Net General Bonded Debt Outstanding

Direct and Underlying Governmental Activities Debt

Legal Debt Margin Information

COUNTY OF ROCKLAND, NEW YORK

RATIOS OF NET GENERAL BONDED DEBT OUTSTANDING
LAST TEN FISCAL YEARS

Fiscal Year	General Obligation Bonds	Less: Amounts Available for Debt Service	Total	Percentage of Personal Income (1)
<u>Governmental Activities:</u>				
2002	\$ 125,787,988	\$ 13,663,113	\$ 112,124,875	0.95 %
2003	140,528,483	11,283,791	129,244,692	1.07
2004	190,739,783	10,063,392	180,676,391	1.37
2005	255,157,191	38,398,625	216,758,566	1.55
2006	287,620,252	32,637,387	254,982,865	1.70
2007	303,582,277	22,913,219	280,669,058	1.86
2008	306,426,208	18,592,478	287,833,730	1.80
2009	292,501,813	9,839,189	282,662,624	1.67
2010	331,510,505	14,566,426	316,944,079	1.81
2011	359,239,248	12,621,169	346,618,079	2.12
<u>Business-Type Activities:</u>				
2002	\$ 8,797,012	\$ -	\$ 8,797,012	0.07 %
2003	11,598,757	-	11,598,757	0.10
2004	72,433,237	-	72,433,237	0.55
2005	95,700,649	-	95,700,649	0.69
2006	99,795,134	-	99,795,134	0.66
2007	100,454,142	-	100,454,142	0.67
2008	98,713,490	-	98,713,490	0.62
2009	97,645,874	-	97,645,874	0.58
2010	98,479,360	-	98,479,360	0.55
2011	97,824,729	-	97,824,729	0.60
<u>Total Primary Government:</u>				
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	2.53
2008	405,139,698	18,592,478	386,547,220	2.42
2009	390,147,687	9,839,189	380,308,498	2.25
2010	429,989,865	14,566,426	415,423,439	2.36
2011	457,063,977	12,621,169	444,442,808	2.72

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

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

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

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

0.39 %	\$ 387.11
0.40	440.27
0.43	614.19
0.64	735.68
0.58	864.45
0.64	946.66
0.60	964.12
0.65	941.67
0.75	1,016.87
0.91	1,099.82

0.03 %	\$ 30.37
0.04	39.51
0.17	246.23
0.28	324.81
0.23	338.33
0.23	338.82
0.20	330.65
0.23	325.30
0.23	315.96
0.26	310.40

0.42 %	\$ 417.48
0.44	479.79
0.60	860.42
0.92	1,060.49
0.81	1,202.78
0.87	1,285.48
0.80	1,294.77
0.88	1,266.96
0.98	1,332.82
1.17	1,410.22

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COUNTY OF ROCKLAND, NEW YORK

DIRECT AND UNDERLYING GOVERNMENTAL ACTIVITIES DEBT
DECEMBER 31, 2011

Governmental Unit	Gross Long-Term Debt (1)	Less Exclusions (2)	Amount Applicable to County (3)
Towns (five)	\$ 390,482,261	\$ 3,758,304	\$ 386,723,957
Villages (nineteen)	51,438,572	1,762,362	49,676,210
School Districts (eight)	500,164,649	10,000,000	490,164,649
Fire Districts (twenty-one)	<u>6,381,516</u>	<u>186,516</u>	<u>6,195,000</u>
Subtotal, Underlying Debt	948,466,998	15,707,182	932,759,816
Direct Bonded Debt of the County	<u>359,239,248</u>	<u>12,621,169</u>	<u>346,618,079</u>
Direct and Overlapping Debt	<u>\$ 1,307,706,246</u>	<u>\$ 28,328,351</u>	<u>\$ 1,279,377,895</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

	2002	2003	2004
Debt Limit	\$ 1,428,062	\$ 1,664,315	\$ 1,630,612
Total Net Debt Applicable to Limit	85,863	113,922	140,314
Legal Debt Margin	<u>\$ 1,342,199</u>	<u>\$ 1,550,393</u>	<u>\$ 1,490,298</u>
Total Net Debt Applicable to the Limit As a Percentage of Debt Limit	6.01%	6.84%	8.60%

Legal Debt Margin Calculation for Fiscal Year 2011

Five Year Average Full Valuation of Taxable Real Property	<u>\$ 42,699,849</u>
Debt Limit - 7% of Average Full Valuation	<u>2,988,989</u>
Outstanding Indebtedness - Serial bonds (1)	332,888
Less Exclusions:	
2011 Debt Service Appropriations for Bonds	\$ 23,294
Revenue Anticipation Notes	70,000
Exempt Sewer District Debt	<u>140,884</u>
	<u>234,178</u>
Total Net Indebtedness	98,710
Net Debt Contracting Margin	<u>\$ 2,890,279</u>
Percentage of Debt Contracting Margin Available as of December 31, 2011	96.70%
Percentage of Debt Contracting Power Exhausted as of December 31, 2011	3.30%

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>2005</u>	<u>2006</u>	<u>2007</u>	<u>2008</u>	<u>2009</u>	<u>2010</u>	<u>2011</u>
\$ 1,812,219	\$ 1,998,593	\$ 2,458,399	\$ 2,706,285	\$ 2,869,344	\$ 2,979,424	\$ 2,988,989
<u>159,289</u>	<u>182,697</u>	<u>131,121</u>	<u>112,262</u>	<u>95,750</u>	<u>107,509</u>	<u>98,710</u>
<u>\$ 1,652,930</u>	<u>\$ 1,815,896</u>	<u>\$ 2,327,278</u>	<u>\$ 2,594,023</u>	<u>\$ 2,594,023</u>	<u>\$ 2,871,915</u>	<u>2,890,279</u>
8.79%	9.14%	5.33%	4.15%	3.34%	3.61%	3.30%

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Demographic and Economic Information

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

Demographic and Economic Statistics

COUNTY OF ROCKLAND, NEW YORK

DEMOGRAPHIC AND ECONOMIC STATISTICS
LAST TEN FISCAL YEARS

Fiscal Year	Population (1)	Personal Income (amounts expressed in thousands) (2)	Per Capita Personal Income (2)	Median Age (3)	Percent High School Graduate or Higher (3)	K-12 School Enrollment (4)	Unemployment Rate (5)
2002	289,644	\$ 11,798,359	\$ 40,734	36.8	86.2 %	41,229	4.4
2003	293,555	12,086,834	41,174	37.3	90.0	41,874	4.7
2004	294,171	13,156,798	44,725	36.9	88.2	42,248	4.4
2005	294,636	13,951,604	47,352	37.4	89.3	42,076	4.1
2006	294,965	15,027,582	50,947	37.4	88.7	41,750	3.7
2007	296,483	15,104,919	50,947	37.4	88.7	41,750	3.8
2008	298,545	15,966,784	53,482	37.5	88.2	41,343	4.8
2009	300,173	16,903,342	56,312	37.7	90.8	41,102	7.0
2010	311,687	17,551,718	56,312	37.7	90.8	41,162	7.1
2011	315,158	16,397,671	52,030	36.7	87.3	41,089	6.5

(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, 2010 Census, Summary File 4

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

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

Operating Information

These schedules contain serve 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	2011		2002	
	EMPLOYEES	PERCENTAGE OF TOTAL COUNTY EMPLOYMENT	EMPLOYEES	PERCENTAGE OF TOTAL COUNTY EMPLOYMENT
Active International	360	0.32 %	350	0.32 %
American Home Products	-	-	2,900	2.66
ARC of Rockland	650	0.57	493	0.45
AT & T Healthcare	750	0.66	800	0.73
Avon	347	0.30	523	0.48
Barr Laboratories	415	0.36	612	0.56
Bon Secours Good Samaritan Hospital	1,629	1.43	1,525	1.40
Camp Venture, Inc.	625	0.55	470	0.43
Chestnut Ridge Transportation, Inc.	460	0.40	485	0.44
Chromalloy American Corp.	374	0.33	563	0.52
Corporate Maintenance Services	-	-	350	0.32
Helen Hayes Hospital	838	0.74	900	0.82
Insurance Service Office	-	-	425	0.39
Jawonio, Inc.	1,000	0.88	615	0.56
Lamont-Doherty Geological Observatory	480	0.42	600	0.55
Louis Hornick & Co., Inc.	-	-	400	0.37
Materials Research Corp	-	-	320	0.29
Nice-Pak Products, Inc.	881	0.77	300	0.27
Northern Services Group	1,100	0.97	1,000	0.92
Novartis Pharmaceuticals Corp.	485	0.43	550	0.50
Nyack Hospital	1,650	1.45	1,447	1.33
NYNEX	-	-	1,000	0.92
Orange & Rockland Utilities	792	0.70	700	0.64
Pavion Ltd.	-	-	500	0.46
Pharmaceutical Resources	-	-	450	0.41
Rockland Bakery, Inc.	460	0.40	200	0.18
Sears Roebuck & Co.	210	0.18	360	0.33
St. Agatha's Home	-	-	550	0.50
St. Dominic's Home	810	0.71	321	0.29
The Dress Barn	350	0.31	325	0.30
Tilcon New York, Inc.	335	0.29	135	0.12
Verizon Wireless	850	0.75	1,100	1.01
Wyeth-Ayerst Laboratories (Pfizer)	1,950	1.71	-	-
	<u>17,801</u>	<u>15.64 %</u>	<u>21,269</u>	<u>19.50 %</u>

Source: Rockland County Planning Department

COUNTY OF ROCKLAND, NEW YORK

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

	<u>Full-time Equivalent Employees as of December 31,</u>				
Function	<u>2002</u>	<u>2003</u>	<u>2004</u>	<u>2005</u>	<u>2006</u>
General Government	556	533	541	551	551
Public Safety	389	383	391	394	394
Health	1,196	1,146	1,160	1,163	1,163
Transportation	130	131	132	132	132
Economic Opportunity and Development	600	581	586	573	573
Culture and Recreation	1	1	1	1	1
Home and Community Services	<u>139</u>	<u>143</u>	<u>145</u>	<u>148</u>	<u>148</u>
Total	<u><u>3,011</u></u>	<u><u>2,918</u></u>	<u><u>2,956</u></u>	<u><u>2,962</u></u>	<u><u>2,962</u></u>

Source - Rockland County Budget Department

<u>2007</u>	<u>2008</u>	<u>2009</u>	<u>2010</u>	<u>2011</u>
554	548	574	336	600
398	400	370	374	356
1,165	1,091	954	948	908
131	134	125	298	118
555	533	500	496	474
1	1	1	1	1
<u>144</u>	<u>141</u>	<u>131</u>	<u>132</u>	<u>128</u>
<u><u>2,948</u></u>	<u><u>2,848</u></u>	<u><u>2,655</u></u>	<u><u>2,585</u></u>	<u><u>2,585</u></u>

COUNTY OF ROCKLAND, NEW YORK

OPERATING INDICATORS BY FUNCTION
LAST TEN FISCAL YEARS

Function:	2002	2003	2004	2005
General Government (1):				
Motor Vehicles				
Number of drivers' licenses issued	204,622	213,025	210,125	206,296
Number of vehicle registrations	n/a	n/a	n/a	n/a
Public Safety (2):				
Emergency Services				
Number of calls at 911 center	200,378	222,420	266,904	309,608
Corrections (2)				
Number of inmates	2,819	2,870	2,864	2,955
Transportation (2):				
Paving (Sq. yards)	113,000	54,775	95,609	69,063
Sealing- Microseal (Sq. yards)	92,264	117,024	91,207	145,715
Sealing- Chipseal (Sq. yards)	78,432	63,241	88,367	24,506
Ridership on public buses	2,179,406	2,220,743	2,441,226	2,677,098
Home and Community Services (2):				
Number of Metered Accounts	68,031	68,667	69,240	69,779
Miles of Mains	1,006	1,011	1,016	1,018
Average daily sewage treatment (thousands of gallons)	22,752,465	23,799,951	24,342,282	25,507,016
Summit Park Nursing Care Center (2) -				
Number of beds occupied	367	364	360	366

n/a - Information not available

(1) Source: Department of Motor Vehicles

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

2006	2007	2008	2009	2010	2011
205,078	207,913	205,523	205,880	204,672	203,819
n/a	210,763	211,399	210,205	210,957	211,312
337,473	322,816	322,572	388,309	304,194	306,546
3,174	3,148	3,377	3,123	3,083	3,219
90,100	69,756	43,850	53,232	55,591	45,220
107,900	114,369	93,653	87,342	126,727	105,968
129,200	86,200	70,971	76,306	120,232	76,491
3,151,973	3,406,924	3,852,758	3,675,390	3,534,225	3,405,632
70,401	71,460	72,334	72,966	73,364	73,394
1,022	1,024	1,027	1,041	1,046	1,049
26,082,619	25,180,408	25,331,565	28,442,011	29,830,136	29,119,833
356	351	338	336	322	306

COUNTY OF ROCKLAND, NEW YORK

CAPITAL ASSET STATISTICS BY FUNCTION
LAST TEN FISCAL YEARS

Function	2002	2003	2004	2005
General Government:				
Construction Permit Data- New Residential				
Number of Permits Issued	529	411	256	348
Estimated Value	68,781,755	58,596,306	57,790,857	76,073,511
Buildings	7	7	7	7
Vehicles	152	148	156	156
Education :				
Buildings	10	10	10	10
Public Safety:				
Buildings	8	8	8	8
Vehicles	35	36	39	38
Number of Fire and Rescue Companies	42	42	42	42
Number of Firehouses	50	50	50	50
Number of Members	2,701	2,634	2,441	2,225
Health:				
Buildings	16	16	16	16
Vehicles	127	117	116	110
Transportation:				
Buildings	2	2	2	2
Vehicles	65	66	91	91
Culture and Recreation:				
County Parks\ Open Space (acreage)	2,259	2,260	2,532	2,574
Number of County Parks\ Open Space	19	20	22	23
Vehicles	5	5	5	5

Source - Various County departments

n/a - Information not available

2006	2007	2008	2009	2010	2011
362	371	260	82	117	136
74,062,592	88,351,116	68,725,212	36,601,485	48,907,870	39,854,614
7	7	7	7	7	7
156	156	199	125	126	128
10	10	10	10	10	10
8	8	8	8	8	8
37	37	151	159	159	165
42	42	42	42	42	42
50	50	51	51	51	51
2,183	2,189	2,180	2,344	2,346	2,349
16	16	16	16	16	16
108	103	115	107	110	112
2	2	2	2	2	2
91	91	257	262	263	265
2,597	2,597	3,094	3,094	3,179	3,179
24	24	25	25	27	27
5	5	17	17	17	15

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APPENDIX

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**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
County of Rockland, New York:

We have audited the financial statements of the governmental activities, the business-type activities, the aggregate discretely presented component units, each major fund, and the aggregate remaining fund information of the County of Rockland, New York ("County") as of and for the year ended December 31, 2011, which collectively comprise the County's basic financial statements and have issued our report thereon dated September 6, 2012. Our report includes a reference to 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. Other auditors audited the financial statements of the Home and Infirmary Fund which represents 77.9% and 95.1%, respectively of the assets and revenues of the enterprise funds and the Rockland County Industrial Development Agency (a component unit) which represents .08% and .05%, respectively of the assets and revenues of the component units as described in our report on the County's financial statements. This report does not include the results of the other auditors' testing of internal control over financial reporting or compliance and other matters that are reported on separately by those auditors.

Internal Control Over Financial Reporting

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

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

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

Compliance and Other Matters

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

We noted certain matters that we reported to the management of the County in a separate letter.

This report is intended solely for the information and use of the County Manager, Legislature, 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, LLP

O'Connor Davies, LLP
Harrison, New York
September 6, 2012

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

INDEPENDENT AUDITOR'S REPORT

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

Compliance

We have audited the County of Rockland, New York's ("County") compliance with the types of compliance requirements described in the U.S. Office of Management and Budget (*OMB Circular A-133 Compliance Supplement*) that could have a direct and material effect on each of the County's major federal programs for the year ended December 31, 2011. The County's major federal programs are identified in the summary of auditor's results section of the accompanying schedule of findings and questioned costs. Compliance with the requirements of laws, regulations, contracts, and grants applicable to each of its major federal programs is the responsibility of the County's management. Our responsibility is to express an opinion on the County's compliance based on our audit.

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

In our opinion, the County complied, in all material respects, with the compliance requirements referred to above that could have a direct and material effect on each of its major federal programs for the year ended December 31, 2011.

Internal Control Over Compliance

Management of the County is responsible for establishing and maintaining effective internal control over compliance with the requirements of laws, regulations, contracts, and grants applicable to federal programs. In planning and performing our audit, we considered the County's internal control over compliance with the requirements that could have a direct and material effect on a major federal program to determine the auditing procedures for the purpose of expressing our opinion on compliance and to test and report on internal control over compliance in accordance with OMB Circular A-133, but not for the purpose of expressing an opinion on the effectiveness of internal control over compliance. Accordingly, we do not express an opinion on the effectiveness of the County's internal control over compliance.

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

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

This report is intended solely for the information and use of the Board of Legislators, management, federal awarding agencies and pass-through entities and is not intended to be and should not be used by anyone other than these specified parties. However, this report is a matter of public record and its distribution is not limited.

O'Connor Davies, LLP

O'Connor Davies, LLP
Harrison, New York
September 6, 2012

COUNTY OF ROCKLAND, NEW YORK

SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
 Year Ending December 31, 2011

<u>Federal Grantor Program Title</u>	<u>Federal CFDA Number (1)</u>	<u>Non - ARRA (2)</u>	<u>ARRA (2)</u>	<u>Federal Program Expenditures</u>
<u>U.S. Department of Agriculture</u>				
Indirect Programs - Passed through New York State Office of Temporary and Disability Assistance				
State Administrative Matching Grants for the Supplemental Nutrition Assistance Program	10.561	\$ 2,885,655	\$ -	\$ 2,885,655
Indirect Program - Passed through New York State Department of Health - Special Supplemental Food Program for Women, Infants and Children Program	10.557	1,118,239	-	1,118,239
Total U.S. Department of Agriculture		4,003,894	-	4,003,894
<u>U.S. Department of Housing and Urban Development</u>				
Direct Programs:				
Community Development Block Grants/Entitlement Grants	14.218	2,655,121	-	2,655,121
Supportive Housing Demonstration Program	14.235	315,265	-	315,265
Home Investment Partnership Program	14.239	851,180	-	851,180
Homelessness Prevention & Rapid Re-Housing Program	14.257	158,913	247,519	406,432
Fair Housing Assistance Program State and Local Section 8 Existing Moderate Rehabilitation	14.401 14.856	83,127 673,875	- -	83,127 673,875
Total Direct Programs		4,737,481	247,519	4,985,000
Indirect Program - Passed through New York City - Housing Opportunities for Persons with AIDS	14.241	370,747	-	370,747
Total U.S. Department of Housing and Urban Development		5,108,228	247,519	5,355,747
<u>U.S. Department of Labor</u>				
Direct Programs				
Senior Community Service Employment Program	17.235	424,249	-	424,249
WIA Youth Activities	17.259	94,161	-	94,161
Total U.S. Department of Labor		518,410	-	518,410

(Continued)

COUNTY OF ROCKLAND, NEW YORK

SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS (Continued)
 Year Ending December 31, 2011

<u>Federal Grantor Program Title</u>	<u>Federal CFDA Number (1)</u>	<u>Non - ARRA (2)</u>	<u>ARRA (2)</u>	<u>Federal Program Expenditures</u>
<u>U.S. Department of Transportation</u>				
Direct Programs:				
Federal Transit - Capital Investment Grants	20.507	\$ 19,522	\$ -	\$ 19,522
Indirect Programs - Passed through New York State Department of Transportation:				
Sub regional Transportation Highway, Planning and Construction	20.205	4,512,227	22,191	4,534,418
Metro Planning Grants	20.505	978,030	-	978,030
Federal Formula Transit Grant	20.507	2,229,924	-	2,229,924
		<u>7,720,181</u>	<u>22,191</u>	<u>7,742,372</u>
Total U.S. Department of Transportation		<u>7,739,703</u>	<u>22,191</u>	<u>7,761,894</u>
<u>U.S. Department of Health and Human Services</u>				
Direct Programs:				
Temporary Assistance for Needy Families (TANF)	93.558	227,512	-	227,512
Indirect Programs - Passed through New York State Office for the Aging:				
Special Programs for the Aging - Title VII, Chapter 3 for the Prevention of Elder Abuse, Neglect and Exploitation	93.041	16,585	-	16,585
Special Programs for the Aging - Title III, Part D Disease Prevention and Health Promotion Services	93.043	15,728	-	15,728
<i>Aging Cluster</i>				
Special Programs for the Aging - Title III, Part B - Grants for Supportive Services and Senior Centers	93.044	370,003	-	370,003
Special Programs for the Aging - Title III, Part C - Nutrition Services	93.045	471,404	-	471,404
Nutrition Services Incentive Program	93.053	47,887	-	47,887
Sub-Total Aging Cluster		<u>889,294</u>	<u>-</u>	<u>889,294</u>
Indirect Programs - Passed through New York State Office of Disability and Temporary Assistance				
Temporary Assistance for Needy Families (TANF)	93.558	14,782,417	-	14,782,417
Low Income Home Energy Assistance	93.568	3,814,437	-	3,814,437

(Continued)

COUNTY OF ROCKLAND, NEW YORK

SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS (Continued)
 Year Ending December 31, 2011

Federal Grantor Program Title	Federal CFDA Number (1)	Non - ARRA (2)	ARRA (2)	Federal Program Expenditures
<u>U.S. Department of Health and Human Services</u>				
Indirect Programs - Passed through New York State Department of Social Services				
Child Care and Development Block Grant	93.575	\$ 9,008,022	\$ -	\$ 9,008,022
Immunization Grants	93.268	40,978	32,394	73,372
Foster Care - Title IV-E	93.658	4,013,508	23,375	4,036,883
Basic Center Grant	93.623	230,250	-	230,250
Centers for Disease Control and Prevention - Investigations and Technical Support	93.283	284,299	-	284,299
Adoption Assistance - Title IV-E	93.659	34,943	50,269	85,212
Social Services Block Grant	93.667	1,975,793	-	1,975,793
Medical Assistance Program (Medicaid Title XIX)	93.778	5,142,300	6,013,032	11,155,332
Prevention and Wellness	93.723	-	24,530	24,530
Child Support Enforcement	93.563	1,865,352	77,255	1,942,607
Independent Living	93.674	56,025	-	56,025
HIV Emergency Relief Grants	93.914	439,406	-	439,406
Children's Health Insurance Program (CHIP)	93.767	83,107	-	83,107
Maternal and Child Health Services Block Grant to States	93.994	64,934	-	64,934
Child Welfare Services State Grants	93.645	36,235	-	36,235
Total U.S. Department of Health and Human Services		<u>43,021,125</u>	<u>6,220,855</u>	<u>49,241,980</u>
<u>U.S. Department of Justice</u>				
Direct Programs:				
Public Safety Partnership and Community Policing	16.710	1,061,932	-	1,061,932
State Criminal Alien Assistance Program	16.606	502,846	-	502,846
Bullet Proof Vest Partnership	16.607	277	-	277
Domestic Violence Grant	16.588	149,347	30,510	179,857
Edward Byrne Memorial Justice Assistance	16.738	2,462	-	2,462
Equitable Sharing Program	16.922	1,844,288	-	1,844,288
Total U.S. Department of Justice		<u>3,561,152</u>	<u>30,510</u>	<u>3,591,662</u>
<u>U.S. Department of Homeland Security</u>				
Indirect Programs - Passed through New York State Division of Military and Naval Affairs:				
Disaster Assistance	97.036	67,011	-	67,011
Disaster Assistance Projects	97.088	500,523	-	500,523
Homeland Security Research, Testing & Demonstration of Technologies	97.108	53,712	-	53,712
Homeland Security Grant Program	97.067	381,119	-	381,119
State Homeland Security Program	97.073	49,043	-	49,043
Rail and Transport Security	97.075	64,981	-	64,981
Law Enforcement Terrorism Prevention	97.074	165,889	-	165,889
Total U.S. Department of Homeland Security		<u>1,282,278</u>	<u>-</u>	<u>1,282,278</u>

COUNTY OF ROCKLAND, NEW YORK

SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS (Concluded)
 Year Ending December 31, 2011

<u>Federal Grantor Program Title</u>	<u>Federal CFDA Number (1)</u>	<u>Non - ARRA (2)</u>	<u>ARRA (2)</u>	<u>Federal Program Expenditures</u>
<u>U.S. Department of Education</u>				
Indirect Program - Passed through New York State Department of Education				
Special Education Grants for Infants and Families with Disabilities	84.181	\$ 241,870	\$ 88,038	\$ 329,908
<u>U. S. Department of Energy</u>				
Direct Program -				
Energy Efficiency and Conservation Block Grant	81.128	-	554,085	554,085
<u>U.S. Environmental Protection Agency</u>				
Indirect Program - Passed through New York State Department of Environmental Protection				
Performance Partnership Grants	66.605	2,293	-	2,293
<u>U.S. Election Assistance Commission</u>				
Direct Program -				
Help America Vote	90.401	19,745	-	19,745
<u>Corporation for National and Community Service</u>				
Direct Program -				
AmeriCorps	94.006	240,740	-	240,740
<u>Social Security Administration</u>				
Direct Program -				
Social Security Retirement Insurance	96.002	7,000	-	7,000
Total		<u>\$ 65,746,438</u>	<u>\$ 7,163,198</u>	<u>\$ 72,909,636</u>

(1) Catalog of Federal Domestic Assistance number.

(2) American Recovery and Reinvestment Act

See notes to schedule of expenditures of federal awards.

NOTE A - SUMMARY OF ACCOUNTING POLICIES

1. *General*

The accompanying Schedule of Expenditures of Federal Awards presents all activity of all federal awards programs for the year ended December 31, 2011. Federal awards received directly from federal agencies as well as federal awards passed through other government agencies are included on the Schedule.

2. *Basis of Accounting*

The accompanying Schedule of Expenditures of Federal Awards is presented using the modified accrual basis of accounting.

3. *Relationship to Financial Statements*

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

COUNTY OF ROCKLAND, NEW YORK

SUMMARY SCHEDULE OF PRIOR AUDIT FINDINGS
YEAR ENDED DECEMBER 31, 2011

NONE

SCHEDULE OF FINDINGS AND QUESTIONED COSTS
 DECEMBER 31, 2011

Section I - Summary of Auditors' Results

Financial Statements

Type of auditors' report issued: Unqualified

Internal control over financial reporting:

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

Federal Awards

Internal control over major programs:

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

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

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

Identification of major programs:

CFDA Number(s)	Name of Federal Program or Cluster
14.218	Community Development Block Grants/Entitlement Grants
14.856	Lower Income Housing Assistance Program - Section 8 Moderate Rehabilitation
16.710	Public Safety Partnership and Community Policing Grants
16.922	Equitable Sharing Program
81.128	Energy Efficiency and Conservation Block Grant Program
93.778	Medical Assistance Program (Medicaid: Title XIX)
93.778	Medical Assistance Program (Medicaid: Title XIX) - American Recovery and Reinvestment Act
97.088	Disaster Assistance Projects

COUNTY OF ROCKLAND, NEW YORK

SCHEDULE OF FINDINGS AND QUESTIONED COSTS
DECEMBER 31, 2011

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

\$2,187,289

Auditee qualified as low-risk auditee?

X Yes No

Section II - Financial Statement Findings

None

Section III - Federal Award Findings and Questioned Costs

None