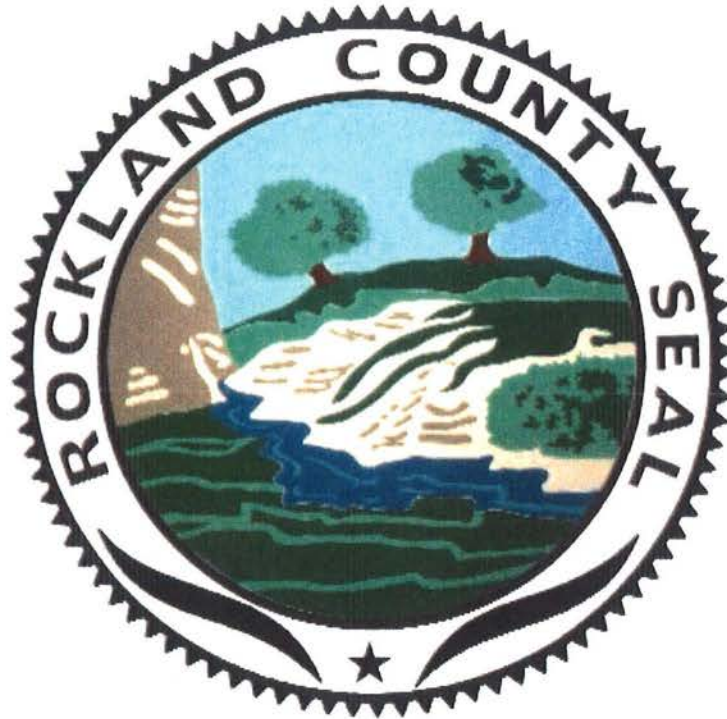


COUNTY OF ROCKLAND

State of New York



Comprehensive Annual Financial Report

Fiscal Year Ended
December 31, 2013

COUNTY OF ROCKLAND

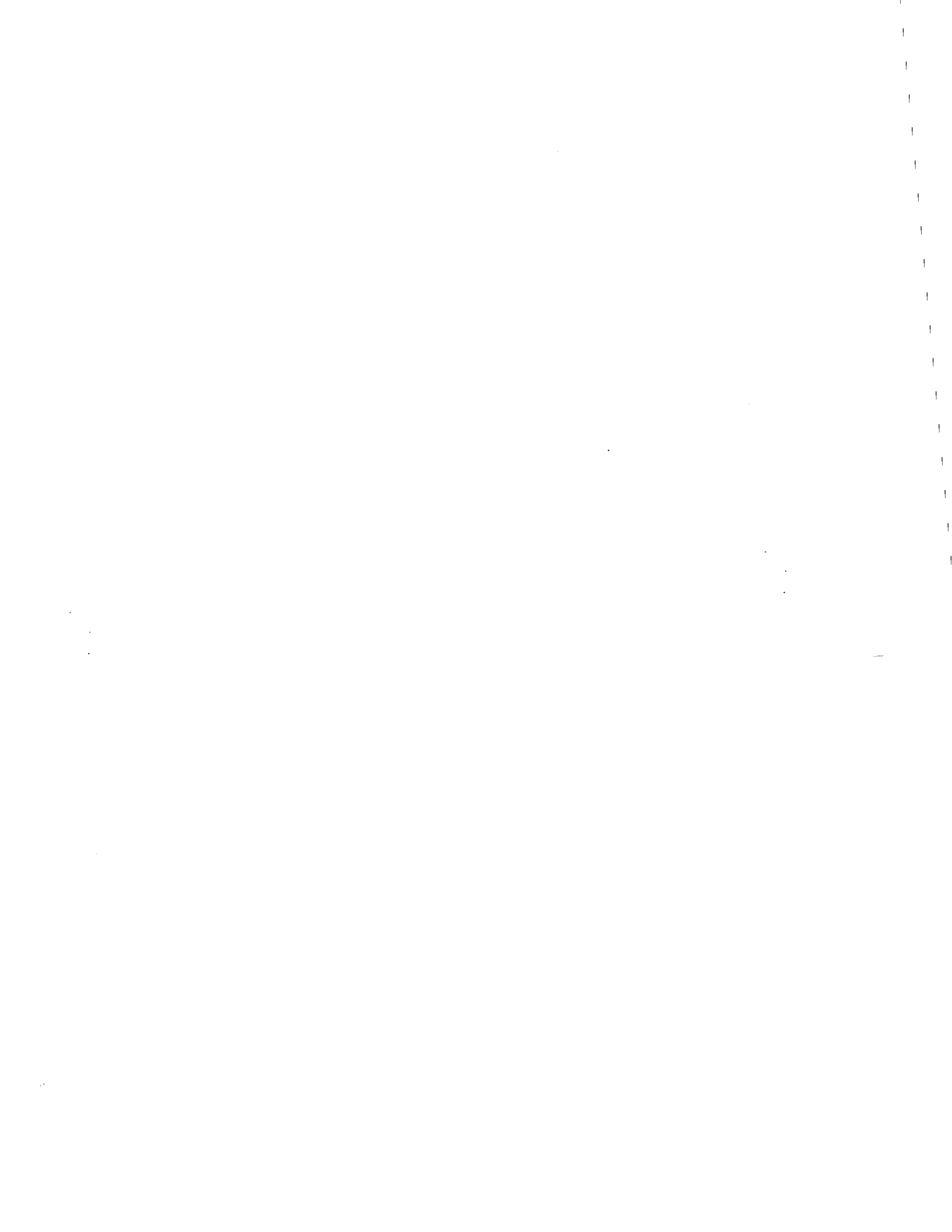
State of New York



*C. Scott Vanderhoef,
County Executive*

*Stephen F. DeGroat, CPA
Commissioner of Finance &
Budget Director*

*Steven J. Grogan, MPA, MS
Deputy Budget Director &
Deputy Commissioner of Finance*



**County of Rockland, New York
Comprehensive Annual Financial Report**

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

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ROCKLAND COUNTY LEGISLATURE

As of December 31, 2013

<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 Day
District 6	Hon. Alden H. Wolfe
District 7	Hon. Philip Soskin
District 8	Hon. Toney L. Earl
District 9	Hon. Christopher J. Carey
District 10	Hon. Harriet D. Cornell
District 11	Hon. Frank Sparaco
District 12	Hon. Joseph L. Meyers
District 13	Hon. Aron B. Wieder
District 14	Hon. Aney Paul
District 15	Hon. Patrick J. Moroney
District 16	Hon. John A. Murphy
District 17	Hon. Nancy Low-Hogan



LEGISLATIVE LEADERSHIP

Harriet D. Cornell Chairwoman of the Legislature

Alden H. Wolfe Vice - Chairman

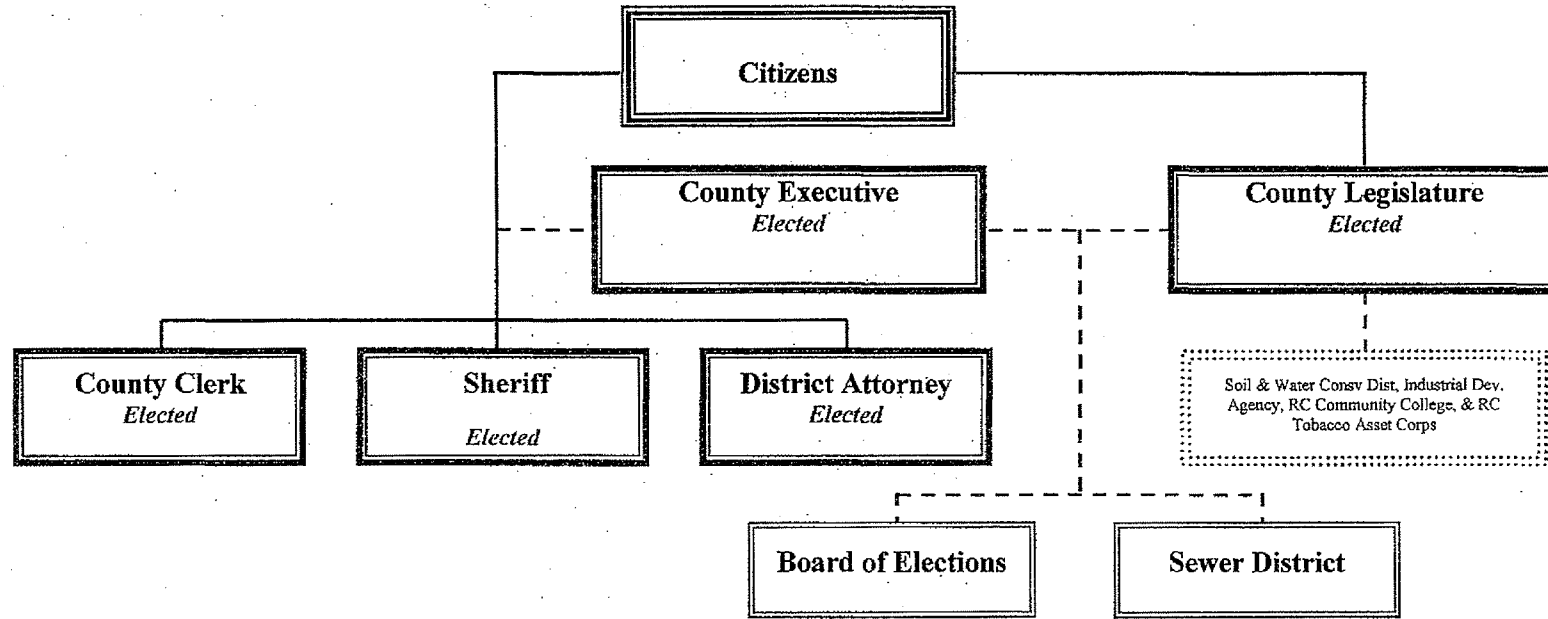
Jay Hood, Jr. Majority Leader

Toney L. Earl Deputy Majority Leader

Christopher J. Carey Minority Leader

Frank Sparaco 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
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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
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**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 29, 2014

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, 2013 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, 2013, 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 unmodified opinion that the County of Rockland's basic financial statements for the fiscal year ended December 31, 2013, 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, 2013 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. These reports are available in the County's separately issued Single Audit Report.

PROFILE OF THE COUNTY

The County was organized in 1798 and has a land area of 176 square miles. The County is approximately 33 miles northwest of Manhattan and is bordered by Orange County to the north

and west, Bergen County, New Jersey to the south and the Hudson River to the east. Within the County are 5 towns and 19 incorporated villages.

The County is one of the suburban counties located within the New York Metropolitan Area and is primarily residential in character. Southern portions of the County are in close proximity to the New York State Thruway and are well developed and heavily populated. Approximately 83% of the County's population resides in this area. Northern sections of the County are more rural due in part to the extensive system of parks located in this part of the County.

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. 61, 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 48%, is employed in service related industries. According to preliminary 3rd quarter 2013 data compiled 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 16% of the County's labor force is classified as government related, a significant part of this group of employees work 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. According to the Bureau of Economic Analysis, the estimated per capita personal income of County residents in 2013 was \$56,230. State and U.S. income averages reported on this basis were \$53,241 and \$43,735 respectively. According to the U.S. Census Bureau, the median household income for households in the County for 2012 was \$82,677, which was significantly greater than the median household income of \$56,448 for the State.

Hospital services are provided by Good Samaritan Hospital, Helen Hayes Hospital, Nyack Hospital, and Summit Park Nursing Care Center (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 2013, the County of Rockland experienced a small decrease in sales tax revenues showing .8% decrease from the previous year. The main reason for this decrease is due in part to residential energy tax being a new revenue source and having no historical data to budget from. The County's housing market continues to strengthen in 2013, with mortgage tax revenues increasing 27% from the previous year, bringing in \$4.5 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:

- Continuation of Rockland County Highway Department's (3) year road repaving, equipment replacement program and bridge/culvert repair and maintenance program.
- Complete construction phase of \$33.3 million New Hempstead Road reconstruction project. 80-90% estimated Federal and NYS reimbursement.
- Complete installation of 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.
- Improvements at Rockland Community College including campus-wide electrical upgrades and upgrades to the utility plant.
- County-wide personal computer replacement and upgrade to integrated Financial and HR systems.
- Construction and repairs to Pascack Brook\Union Road including bridges and culverts.

The County Legislature has determined to end its financial support of the Hospital Facility. To accomplish this goal, on March 19, 2013, the County Legislature passed Resolution #138-2013, setting a date for a Public Hearing regarding the formation of local development corporation to be known as the Rockland County Health Facilities Corporation (the "Corporation") pursuant to the State Not for Profit Corporation Law and the transfer to such Corporation of the County-owned 321 bed residential health care facility known as Summit Park Nursing Care Center (the "Skilled Nursing Facility"), constituting a portion of the Hospital Facility. The public hearing was held on April 16, 2013 and on the same date, the County

Legislature passed Resolution #192-2013, which authorized the formation and organization of the Corporation, to be known as the Rockland County Health Facilities Corporation and the execution of lease and leaseback agreements between the County and the Corporation (the "Lease Agreements") providing for transfer to the Corporation of all of the County's right, title and interest in and to the Skilled Nursing Facility by ninety-nine year lease, with option to take fee title, subject to the retained rights of the County to continue to operate such facility until such time as the Corporation terminates such reserved rights. The Corporation is governed by seven voting directors, four of whom were appointed by the County Executive and three of whom were appointed by the County Legislature.

On August 6, 2013, the Board of Directors of the Corporation held their organizational meeting and approved the transfer of the residential health care facility from the County to the Corporation through execution of the Lease Agreements and preparation and circulation of a Request for Proposals ("RFP") for private acquisition and operation of the Skilled Nursing Facility. The RFP was circulated and four proposals were received, each of which contained bids at or above the minimum price of \$22.47 million. The Lease Agreements were finalized and executed as of November 1, 2013. By resolution adopted on December 30, 2013, the County Legislature authorized the transfer to the Corporation of the County's remaining interest in Building A which houses the County-owned, 100-bed long term acute care hospital ("LTACH") by ninety-nine year lease, with option to take fee title, subject to the retained rights of the County to continue to operate such its remaining interest in Building A including the LTACH, until such time as the Corporation terminates such reserved rights. At a meeting held March 14, 2014, the Board of Directors of the Corporation accepted such transfer and authorized execution of amendments to the Lease Agreements to include such remaining interest in Building A. The amendments to the Lease Agreements were finalized and executed on March 18, 2014.

The Corporation is engaged in the procurement of a private purchaser and operator for the Skilled Nursing Facility and the LTACH. At a meeting held June 13, 2014, the Board of Directors

of the Corporation selected and awarded the bid to Summit Park Acquisition Group (“SPAG”) as the purchaser of Building A and operator of the Skilled Nursing Facility and the LTACH. At a meeting held July 10, 2014, the Board of Directors of the Corporation approved the purchase and sale agreement by and among the Corporation, SPAG (the “Real Property Purchaser”), Sympaticare, LLC (the “Skilled Nursing Facility Operator”), and Sympaticare Health LLC (the “LTACH Operator”), and approved the acknowledgment by the Corporation of facility transition agreements, consulting agreements and HIPAA business associate agreements between the County and Skilled Nursing Facility Operator with respect to the Skilled Nursing Facility, and between the County and LTACH Operator with respect to the Hospital. The Real Property Purchaser, the Skilled Nursing Facility Operator, and the LTACH Operator are all related special purpose entities under common ownership, which were formed for the purpose of acquiring and operating the Skilled Nursing Facility and the LTACH. On July 16 the purchase and sale agreement between the Corporation and the Real Property purchaser was executed and facility transition agreements, consulting agreements and HIPPA business associate agreements between the County and Skilled Nursing Facility Operator with respect to the Skilled Nursing Facility, and between the County and the LTACH Operator with respect to the Hospital were also executed, and acknowledged by the Corporation. Assuming that the Skilled Nursing Facility Operator and LTACH Operator are licensed by the State Department of Health, all other necessary governmental approvals are obtained, and the litigation referenced below is resolved favorably to the County and the Corporation, the Corporation will terminate the County’s reserved operating rights and consummate the transfer of Building A, including the Skilled Nursing Facility and the LTACH to the Real Property Purchaser for future operation by the Skilled Nursing Facility Operator and LTACH Operator, and the County will no longer be in the business of operating or supporting the Skilled Nursing Facility and the LTACH.

In a certain legal action entitled: *In the Matter of the CSEA et. al. v. County of Rockland et. al.* filed on March 13, 2014, the Civil Service Employees Association, Inc., Local 1000, AFSCME, AFL-CIO (hereinafter “CSEA”) and individual employees filed a combined Article 78 Petition

and Declaratory Judgment action. The Petitioners'/Plaintiffs' arguments revolve around a theory that the County, through its Executive and Legislature, exceeded its authority by creation of the LDC and that all subsequent actions related thereto should be nullified. The claims are based on various alleged technical irregularities in the formation of the Corporation and the subsequent transfer of the Skilled Nursing Facility pursuant to the Lease Agreements and the related authorization for transfer of the Hospital Facility pursuant to the December 30, 2013 resolution of the County Legislature.

The County and the Corporation have each filed motions to dismiss *In the Matter of the CSEA et. al. v. County of Rockland et. al.* As of May 2, 2014, those motions will be fully submitted to the Court. The motions argue similarly that: the actions of the Legislature are not subject to challenge under Article 78; the challenge to actions taken by the County in the spring and summer of 2013 are barred by the applicable statute of limitations; the petitioners lack standing; that the technical violations alleged do not exist or are not a basis for the annulment of acts performed or preclusion of acts to be performed, and; there is a lack of any allegation of wrongdoing against certain respondents.

In another legal action related to the sale of the Skilled Nursing Facility and LTACH entitled: *Northern Services, Group, Inc. v. County of Rockland, et. al.*, filed on March 13, 2014, one of the responders to the RFP is challenging the December 30, 2013 resolution of the County Legislature that authorized the transfer to the Corporation of the County's remaining interest in Building A which houses the LTACH and is also making claims as to irregularities in the Corporation's procurement process.

The County, the Corporation and Markus and Millichap, the broker for the sale of the Skilled Nursing Facility and LTACH, have each filed motions to dismiss *Northern Services, Group, Inc. v. County of Rockland, et. al.* As of May 9, 2014, those motions will be fully submitted to the Court. The motions argue that: the resolution is a legislative action not subject to challenge

pursuant to Article 78; the petitioners lack standing, the procedural alleged to be irregular was in fact lawful as a matter of law, the allegations lacking any basis in fact and there is a lack of any allegation of wrongdoing against certain respondents.

Recently on June 26, 2014, after the original *Northern Services Group, Inc.* action filed in Putnam County was transferred to Rockland County, the Petitioners filed another proceeding naming the same parties but also adding the proposed purchasers of the Skilled Nursing Facility and the LTACH. The County and the LDC along with the proposed purchasers, Summit Park Acquisition Group, LLC and Sympaticare, LLC, respectively, are moving to dismiss the new action based on similar grounds as stated above. The new Article 78 proceeding is pending before the same Supreme Court Justice who has received the transferred case. In a recent court hearing wherein, the Petitioner, Northern Group made an application for a stay and temporary restraining order to prevent the sale and purchase from proceeding, that application was denied by the Court.

Nyack Hospital was awarded a grant from the State to construct and open a psychiatric inpatient unit. The new Behavioral Health Center at Nyack Hospital opened on April 22, 2014. On the same date, at the request of the State Department of Health, the County's Summit Park Psychiatric Inpatient Unit and Crisis Unit were closed. The State Department of Health in cooperation with the County, determined that the services being provided by the County's Psychiatric Inpatient Unit and Crisis Unit would be better provided at a location within an acute care hospital in the area that also possessed an emergency room, Nyack Hospital. It is a regular part of the screening process for psychiatric care to rule out acute medical conditions, a procedure often undertaken in an emergency room. The employment positions in the two County-operated mental health units were abolished as of April 19, 2014, by Legislative Resolution #86-2014.

All of the LTACH beds previously certified for use by the County's Psychiatric Inpatient Unit are still in the County's possession. The State Department of Health has requested that at least 26 of the 43 psychiatric-certified beds be decertified. However, the County intends to, and has taken steps toward, having the psychiatric beds' certification changed from a psychiatry use, to another use for which the State Department of Health would see a need in the region such as physical medicine and rehabilitation or other use. The County has discussed this option with the State Department of Health and shall be following up with its plan.

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, 2012. 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.

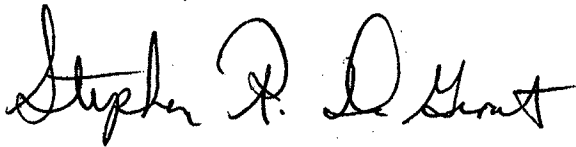
A Certificate of Achievement is valid for a period of only one year. We believe our current report continues to conform to the Certificate of Achievement program requirements, and we are submitting it to GFOA to determine its eligibility for another certificate.

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, reading "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/ Budget Director

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Government Finance Officers Association

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, 2012

Executive Director/CEO

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**FINANCIAL
SECTION**

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Independent Auditors' Report

**The Honorable Legislature of the
County of Rockland, New York**

Report on the Financial Statements

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, 2013, and the related notes to the financial statements, which collectively comprise the County's basic financial statements as listed in the table of contents.

Management's Responsibility for the Financial Statements

Management is responsible for the preparation and fair presentation of these financial statements in accordance with accounting principles generally accepted in the United States of America; this includes the design, implementation and maintenance of internal control relevant to the preparation and fair presentation of financial statements that are free from material misstatement, whether due to fraud or error.

Auditors' Responsibility

Our responsibility is to express opinions on these financial statements based on our audit. 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 financial statements are free from material misstatement.

We did not audit the financial statements of the Home and Infirmary Fund (a major enterprise fund) and the Rockland County Industrial Development Agency (a component unit) for the year ended December 31, 2013, which represent 83.92%, 65.08% and 93.94% and .21%, 42.37% and 1.30% respectively, of the assets, net position and revenues of the enterprise funds and the component units. Those statements were audited by other auditors, whose reports have been furnished to us, and our opinion, insofar as it related to the amounts included for such major enterprise fund and component unit, is based solely on the reports of the other auditors.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditors' judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the County's preparation and fair presentation of the financial statements in order to design 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. Accordingly, we express no such opinion. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinions.

Opinions

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

O'CONNOR DAVIES, LLP

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fund information of the County, as of December 31, 2013, and the respective changes in financial position and, where applicable, cash flows thereof and the Statement of Revenues, Expenditures and Changes in Fund Balance – Budget and Actual for the General Fund for the year then ended in accordance with accounting principles generally accepted in the United States of America.

Other Matters

Required Supplementary Information

Accounting principles generally accepted in the United States of America require that 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 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.

Supplementary and Other Information

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

The introductory and statistical sections have not been subjected to the auditing procedures applied in the audit of the basic financial statements and, accordingly, we do not express an opinion or provide any assurance on them.

Other Reporting Required by Government Auditing Standards

In accordance with *Government Auditing Standards*, we have also issued our report dated September 29, 2014 on our consideration of the County's internal control over financial reporting and on 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* in considering the County's internal control over financial reporting and compliance.

O'Connor Davies, LLP

O'Connor Davies, LLP

Harrison, New York

September 29, 2014

County of Rockland, New York

Management's Discussion and Analysis (MD&A) December 31, 2013

Introduction

The County of Rockland's ("County") management team offers the readers of the County's financial statements this narrative overview and analysis of the financial activities of the County for the fiscal year ended December 31, 2013. We encourage readers to consider the information presented here in conjunction with additional information that we have furnished in our letter of transmittal.

Financial Highlights for Fiscal Year 2013

- The County recognized \$8,199,069 in revenue in 2013 from the sale of two County-owned buildings. The sale of these buildings was originally anticipated to occur in 2012, but due to delays, both sales did not occur until after the close of the 2012 fiscal year.
- Real Property Tax Revenue increased by \$14,815,437 to \$93,746,979 in 2013 from \$78,931,542 in 2012, Sales Tax Revenue increased by \$9,156,126 to \$178,737,484 in 2013 from \$169,581,358 in 2012, and Mortgage Tax Revenue increased by \$965,354 to \$4,446,008 in 2013 from \$3,480,654 in 2012.
- The net position (assets plus deferred outflows of resources minus liabilities and deferred inflows of resources) of the County for fiscal year 2013 was a deficit of (\$121,032,253). Of this amount, \$101,398,432 represents governmental net position while a deficit of (\$222,430,685) is reflected for the business type activities.
- The General Fund reported an ending fund deficit of (\$50,111,219) which represents an increase of (\$723,746) from fiscal year 2012. The unassigned portion of this total fund deficit was (\$138,114,028) an increase of (\$10,861,021) from the prior year.
- The County's total outstanding bonds payable for December 31, 2013 were \$494,315,482 an increase of \$22,821,716 from the prior year.
- In recent years, the County has experienced financial difficulties resulting in an accumulated deficit in the County's General Fund. The New York State Legislature enacted Chapter 468 of the laws of 2013 ("Chapter 468") authorizing the County to issue bonds in an aggregate principal amount not to exceed \$96,000,000 to finance liquidation of the accumulated deficit in the General Fund as of December 31, 2012. On March 13, 2014, the County issued its \$96,000,000 General Obligation (Serial) Bonds, 2014 Series A for this purpose. Chapter 468 also provided for annual review of the County's proposed budget by the New York State Comptroller during the effective period of Chapter 468 and the making of adjustments to each proposed budget by the County Legislature consistent with any recommendations made by the State Comptroller.

Overview of the Financial Statements

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

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

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

Government-wide Financial Statements

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

The Statement of Net Position presents information on all of the County's assets and liabilities and deferred inflows/outflows of resources (when applicable), with the difference reported as net position. Over time, increases or decreases in the net position may serve as a useful indicator as to whether the financial position of the County is improving or deteriorating.

The Statement of Activities presents information showing how the County's net position changed during the most recent fiscal year. All changes in net position are reported as soon as the underlying event giving rise to the change occurs, regardless of the timing of related cash flows. Thus revenues and expenses are reported in this statement for some items that will only result in cash flows in future fiscal periods (for example, uncollected taxes and other post employment benefit obligations ("OPEB")).

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

Governmental Activities - The activities reflected in this section are general government support, education, public safety, health, transportation, economic opportunity and development, culture and recreation, home and community services and interest. These activities are mostly supported by taxes, 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, deferred outflows of resources, liabilities, deferred inflows of resources, fund balance, net position, revenues, and expenditures or expenses, as appropriate. Government resources are allocated to and accounted for in individual funds based upon the purposes for which they are to be spent and the means by which spending activities are controlled. The County divides its funds into three categories: governmental funds, proprietary funds, and fiduciary funds.

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

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

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

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

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

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

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

Notes to Financial Statements

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

Other Information

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

Government-wide Financial Analysis

As noted earlier, net position may serve over time as a useful indicator of a government's financial position. In the case of the County, liabilities exceeded assets and deferred outflows of resources by \$121,032,253 for fiscal year 2013.

The following table reflects the condensed Statement of Net Position:

	Governmental Activities		Business-Type Activities		Total	
	2013	2012	2013	2012	2013	2012
Current and Other Assets	\$ 379,176,190	\$ 378,754,990	\$ (28,637,296)	\$ (26,052,190)	\$ 350,538,894	\$ 352,702,800
Capital Assets	713,173,174	706,968,836	18,665,300	19,099,701	731,838,474	726,068,537
Total Assets	1,092,349,364	1,085,723,826	(9,971,996)	(6,952,489)	1,082,377,368	1,078,771,337
Deferred Outflows of Resources	4,287,763	-	-	-	4,287,763	-
Current Liabilities	332,386,738	346,038,292	10,489,927	9,740,916	342,876,665	355,779,208
Long-Term Liabilities	662,851,957	597,919,165	201,968,762	186,950,036	864,820,719	784,869,201
Total Liabilities	995,238,695	943,957,457	212,458,689	196,690,952	1,207,697,384	1,140,648,409
NET POSITION						
Net Investment in Capital Assets	399,882,283	406,255,827	8,687,161	8,473,692	408,569,444	414,729,519
Restricted	49,940,089	45,321,506	-	-	49,940,089	45,321,506
Unrestricted	(348,423,940)	(309,810,964)	(231,117,846)	(212,117,133)	(579,541,786)	(521,928,097)
Total Net Assets	\$ 101,398,432	\$ 141,766,369	\$ (222,430,685)	\$ (203,643,441)	\$ (121,032,253)	\$ (61,877,072)

The largest component of the County's net position is invested in Capital Assets, net of related debt of \$408,569,444 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.

A portion of the County's 2013 net position of \$49,940,089 represents resources that are subject to external restrictions on how they may be used. The restrictions are as follows:

Capital Projects	\$	893,678
Law Enforcement		9,517,605
Stop-DWI Program		918,212
Handicapped Parking		56,965
Debt Service		15,380,030
Unemployment Benefits		127,881
Special Revenue Funds		<u>23,045,718</u>
	\$	<u>49,940,089</u>

The County's governmental activities had a net increase of \$4,618,583 in restricted net position compared to the prior year. The increase in amount restricted for special revenue funds which consists of Community Development, Sewer and Trusts, of \$3,986,390 is largely due to appropriated sewer fund balance in the 2014 budget and an increase in the amount of Community Development loans issued to eligible applicants by the County. The amounts restricted for debt service saw an increase of \$1,905,826 due to the combination of tax certiorari bonds issued less the County's non expended portion and proceeds from sale of a County building net related debt. The increase in amount restricted for capital projects of \$779,238 was due to an increase in the amount of MTA revenue received that is designated for future transportation uses. These increases were partially offset by a reduction in the amount restricted for law enforcement of \$1,917,414 due to planned use of these funds for law enforcement purposes permitted under federal guidelines. These factors combined for the majority of the change in the County's restricted net position.

The remaining net position, unrestricted net position, is a negative (\$579,541,786), with a deficit of (\$348,423,940) reported in governmental activities and a (\$231,117,846) deficit reported for business-type activities. This deficit does not mean the County does not have the resources available to meet its obligations in the ensuing year. Rather, it is partly the result of having long-term commitments, including claims payable \$16,303,860 and compensated absences \$29,517,899 that are greater than currently available resources.

Additionally, in accordance with the Governmental Accounting Standards Board Statement No.45 *Accounting and Financial Reporting by Employers for Postemployment Benefits Other than Pensions* ("OPEB"), municipalities were required to begin recognizing an actuarial determined liability for benefits provided to retirees. The liability will be amortized in the County's entity-wide operations over a period of 30 years. The liability reflected in 2013 for primary government was \$281,694,587. The recording of the current year's increase in the net OPEB obligation of \$30,352,967 was the primary reason for the overall decrease in the County's net position of \$59,155,181. Additional information on all of these long-term liabilities can be found in Note 3 in the notes to the financial statements.

Rockland County Changes in Net Position:

	Governmental Activities		Business-Type Activities		Total	
	2013	2012	2013	2012	2013	2012
REVENUES						
Program Revenues						
Charges for Services	\$ 39,530,136	\$ 34,536,792	\$ 61,277,422	\$ 73,658,002	\$ 100,807,558	\$ 108,194,794
Operating Grants and Contributions	132,077,625	144,656,039	4,237,672	3,758,109	136,315,297	148,414,148
Capital Grants and Contributions	9,810,850	18,937,891	-	-	9,810,850	18,937,891
	<u>181,418,611</u>	<u>198,130,722</u>	<u>65,515,094</u>	<u>77,416,111</u>	<u>246,933,705</u>	<u>275,546,833</u>
General Revenues						
Real Property Taxes	128,690,277	111,274,889	-	-	128,690,277	111,274,889
Other Tax items	10,788,365	9,500,343	-	-	10,788,365	9,500,343
Non-Property Taxes	194,725,908	176,220,815	-	-	194,725,908	176,220,815
Unrestricted Use of Money and Property Sale of Property and Compensation for Loss	140,245	110,267	-	-	140,245	110,267
Other Revenues	696,087	989,263	-	-	696,087	989,263
Gain on Sale of Property	4,655,287	-	-	-	4,655,287	-
Total General Revenues	<u>339,760,003</u>	<u>298,153,089</u>	<u>-</u>	<u>-</u>	<u>828,972,126</u>	<u>849,246,755</u>
Total Revenues	<u>521,178,614</u>	<u>496,283,811</u>	<u>65,515,094</u>	<u>77,416,111</u>	<u>1,075,905,831</u>	<u>1,124,793,588</u>
PROGRAM EXPENSES						
General Government						
Support	82,857,557	75,339,999	-	-	82,857,557	75,339,999
Education	52,864,260	61,187,980	-	-	52,864,260	61,187,980
Public Safety	84,798,097	80,067,023	-	-	84,798,097	80,067,023
Health	43,639,894	42,871,027	-	-	43,639,894	42,871,027
Transportation	51,611,960	51,440,827	-	-	51,611,960	51,440,827
Economic Opportunity and Development	183,124,815	180,315,323	-	-	183,124,815	180,315,323
Culture and Recreation	912,444	790,039	-	-	912,444	790,039
Home and Community Services	30,527,243	30,494,470	-	-	30,527,243	30,494,470
Interest	17,885,215	17,284,497	-	-	17,885,215	17,284,497
Home and Infirmary	-	-	91,199,289	101,631,745	91,199,289	101,631,745
Rockland Tobacco Asset Corporations	-	-	5,497,220	5,446,009	5,497,220	5,446,009
Total Expenses	<u>548,221,485</u>	<u>539,791,185</u>	<u>96,696,509</u>	<u>107,077,754</u>	<u>644,917,994</u>	<u>646,868,939</u>
Decrease in Net Position Before Transfers	(27,042,871)	(43,507,374)	(31,181,415)	(29,661,643)	(58,224,286)	(73,169,017)
Transfers	(13,325,066)	450,000	13,325,066	(450,000)	-	-
Increase/(Decrease) in Net Position	<u>(40,367,937)</u>	<u>(43,057,374)</u>	<u>(17,856,349)</u>	<u>(30,111,643)</u>	<u>(58,224,286)</u>	<u>(73,169,017)</u>
NET POSITION						
Beginning of Year	141,766,369	184,823,743	(204,574,336)	(173,531,798)	(62,807,967)	11,291,945
End of Year	<u>\$ 101,398,432</u>	<u>\$ 141,766,369</u>	<u>\$ (222,430,685)</u>	<u>\$ (203,643,441)</u>	<u>\$ (121,032,253)</u>	<u>\$ (61,877,072)</u>

Governmental Activities - Governmental activities decreased the County's net position by \$40.4 million. The Other Post Employment Benefits accrual of \$22.5 million accounts for the majority of this decrease.

For the fiscal year end December 31, 2013, the revenues from governmental activities totaled \$521.2 million.

Tax revenues of \$334.2 million, comprised of real property taxes, sales and mortgage tax items and non property taxes, increased by \$37.2 million from 2012 and represents the largest revenue source (64%). The increase over prior year is largely due to an increase in 2013 to budgeted property taxes by 18.4%. Non-property taxes yielded \$194.7 million, an increase of \$18.5 million from 2012, due to increases in recognized revenue from residential energy tax, hotel/motel tax and motor vehicle use tax over prior year. Collection of the current tax levy remains strong at 94.96%, while averaging 98.40% over the last five years.

Business-type Activities – Business –type activities decreased the County’s net assets by \$17.9 million for the year ended December 31, 2013. This is due mainly to the 2013 GASB 45 accrual of \$7.9 million. The reasons are discussed in the next section of this report.

The net position beginning for business-type activities is restated in the amount of (\$930,895) from (\$203,643,441) at end of 2012 to (\$204,574,336) as beginning in 2013 due to implementation of GASB Statement No. 65 for the Rockland Tobacco Asset Securitization Corporation and the Rockland Second Tobacco Asset Securitization Corporation. In accordance with the provisions of GASB Statement No. 65, bond issuance costs are to be expensed when incurred, rather than amortized over the life of the bonds. Accordingly, the net position as of January 1, 2013 has been restated to remove \$723,263 and \$207,632 of previously unamortized bond issuance costs for the Rockland Tobacco Asset Securitization Corp. and the Rockland Second Tobacco Asset Securitization Corp., respectively.

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 near-term inflows, outflows, and balances of spendable 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.

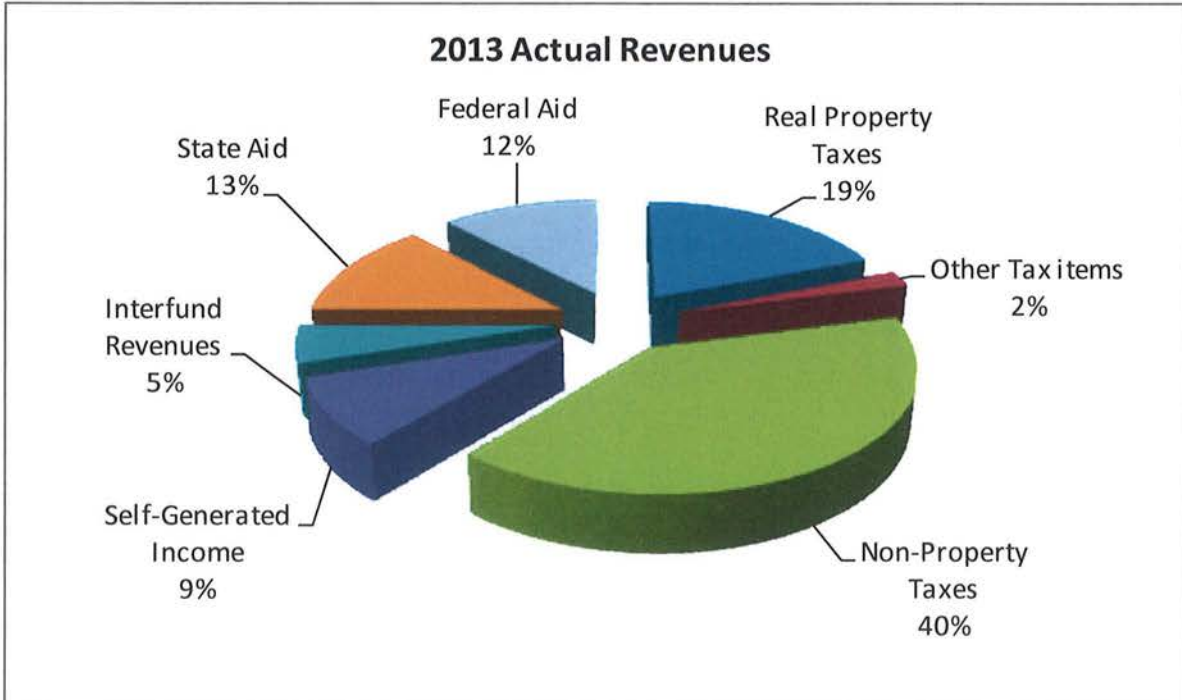
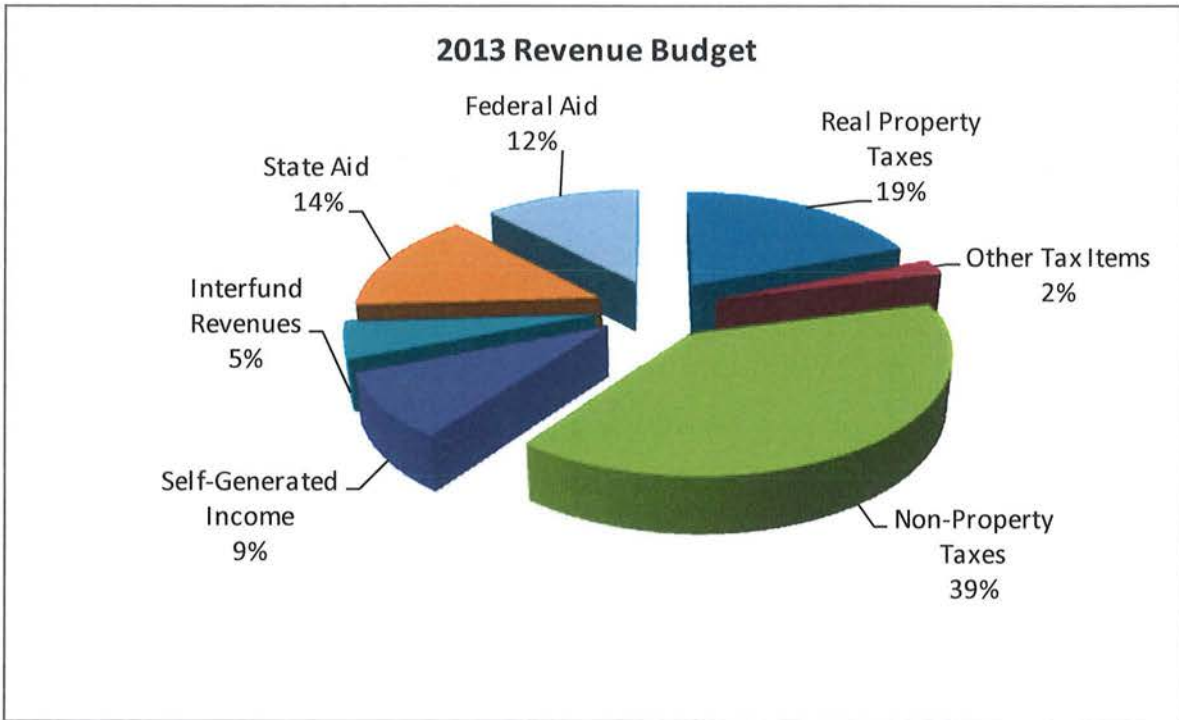
As of the end of the current fiscal year, the County’s total governmental funds reported a combined ending fund balance of \$21.1 million, an increase of \$12.8 million in comparison with \$8.3 million the prior year.

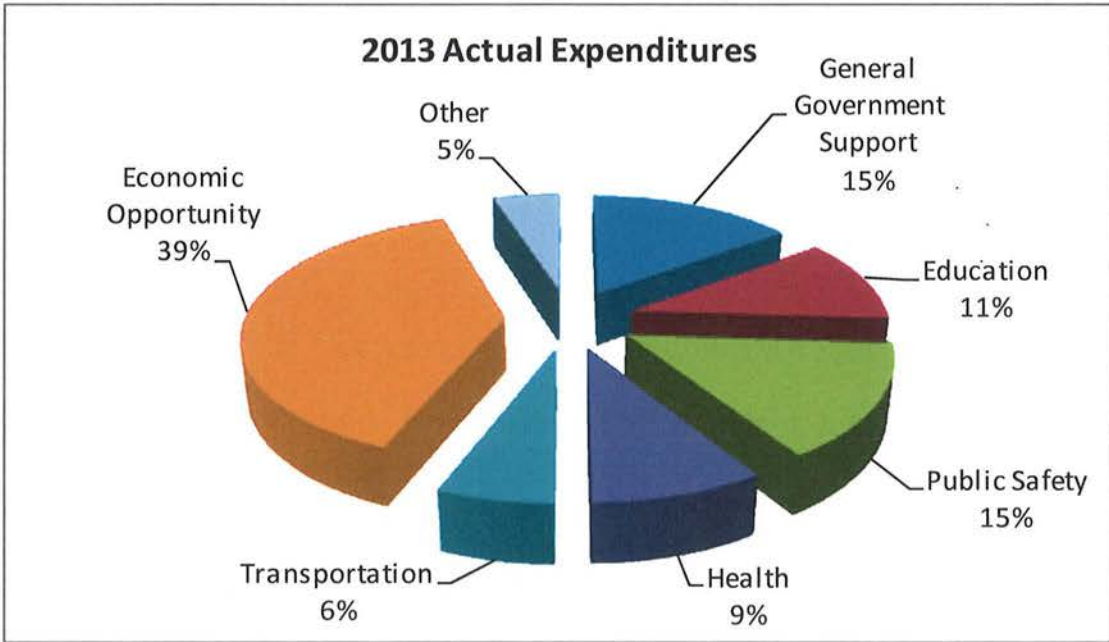
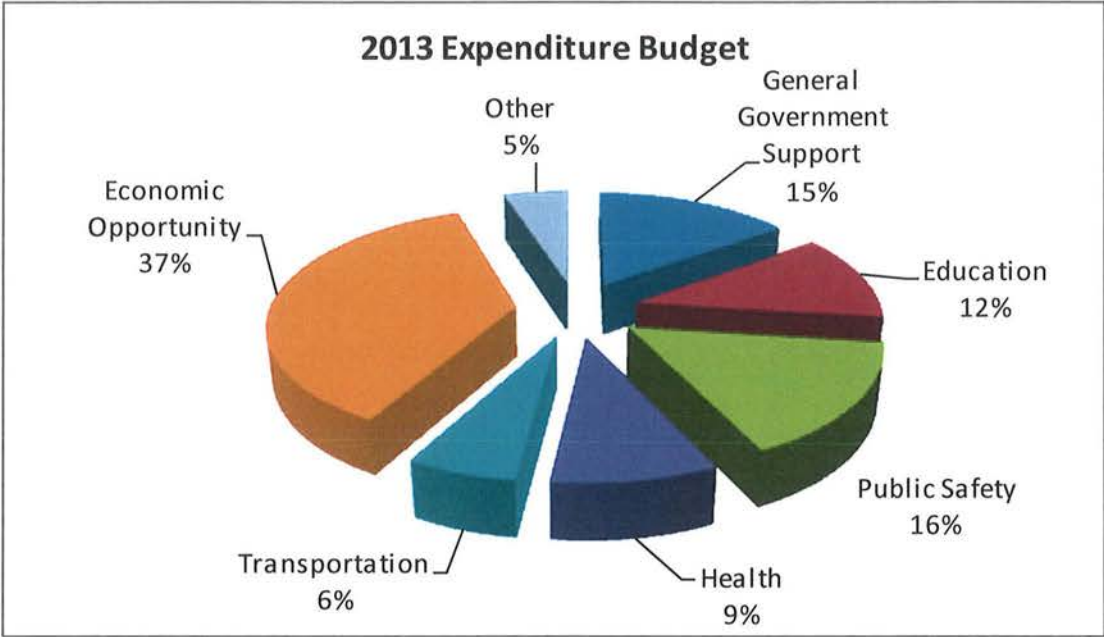
The non-spendable fund balance component of \$70.6 million is reserved for collection of long-term taxes receivable of \$11.8 million, and advances to Home and Infirmary Fund of \$58.8 million. The restricted fund balance component of \$54.6 million is for \$10.5 million of law enforcement and related items in the general fund, \$15.4 million of unspent bond proceeds restricted for debt service, and \$28.7 million for capital projects, exclusive of unexpended bond proceeds and unrestricted interest earnings. The committed portion of fund balance of \$1.0 million is designated for treatment plant and collection system in the Sewer Fund. The assigned fund balance totaling \$33.0 million is composed primarily of encumbrances of \$1.5 million, subsequent years expenditures of \$8.0 million and undesignated of \$22.7 million in the special revenue funds, further detail of which can be found in Note 3 of this report. The remaining fund balance of (\$138.1) is composed of the unassigned fund deficit in the general fund.

The General Fund is the primary operating fund of the County. At the end of the current 2013 fiscal year, the total fund deficit of the General Fund was (\$50.1) million (composed of non-spendable \$70.6 million, restricted \$17.4 million, and unassigned (\$138.1) million). At the end of the 2012 fiscal year, the

total fund deficit of (\$49.4) million (composed of non-spendable \$62.1 million, restricted \$15.8 million, and unassigned (\$127.3) million).

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





Major changes in specific actual revenues and expenditures in comparison to the prior year were as follows:

- Non property tax revenues increased by 11% in the amount \$18,721,044, from \$177,267,770 to \$195,988,814, which reflects an increase in sales tax revenue in the amount of \$9,156,126 as well as the first full year of revenue recognized for the addition of three new tax revenue sources adopted in 2012: residential energy tax in the amount of \$8,677,106 (an increase of \$6,599,419), hotel/motel occupancy tax in the amount of \$1,199,830 (an increase of \$230,993) and motor vehicle use tax in the amount of \$1,665,480 (an increase of \$1,553,201).
- Real property tax revenues increased by 19% in the amount of \$14,815,437 from \$78,931,542 to \$93,746,979, which reflects the real property tax increase budgeted in 2013 of 18.4%.
- Sale of real property in the amount of \$8,199,069 represents the sale of two County-owned buildings in 2013, of which \$5,785,000 was budgeted for in 2012 and \$2,400,000 in 2013. Because the sales were delayed until after the close of the 2012 fiscal year, no revenue was recognized in 2012.
- Departmental income decreased by 9% in the amount of \$3,672,494 from \$40,389,791 to \$36,717,297 which represents decrease in Medicaid reimbursement for State mandated Early Intervention Program. Formerly in 2012 and prior, this Medicaid reimbursement was classified as State Aid for financial statement purposes.
- State aid decreased by 6% in the amount of \$4,225,761 from \$69,349,552 to \$65,123,791 due to decreased corresponding expenditures in these areas, primarily Education of Handicapped Children.
- Transfers In decreased by 49% in the amount of \$3,071,754 from \$6,341,754 to \$3,270,000 primarily due to less available funds in Debt Service Fund due to decreases in premium revenue, interest income and State Aid.
- Education expenditures decreased by 14% in the amount of \$7,784,321 from \$57,340,086 to \$49,555,765 primarily due to State Legislation in 2013 establishing a State Fiscal Agent and requiring the County to only fund the escrow balance of the Early Intervention Program. In 2012 and prior, the County would fund the entire cost and apply for partial Medicaid and State Aid reimbursement.
- General government support expenditures increased by 7% in the amount of \$4,196,023 from \$64,209,911 to \$68,405,934 due to increased departmental costs.
- Transfers out increased by 47% in the amount of \$18,166,130 from \$38,601,290 to \$56,767,420 mainly due to County transfer to the Home and Infirmary Fund of \$13,325,066 and increased contribution to Debt Service Fund in the amount of \$2,831,959.
- Transportation expenditures increased by 7% in the amount of \$1,868,487 from \$26,597,164 to \$28,465,651, primarily due to increased demand for services.
- Health expenditures decreased by 4% in the amount of \$1,316,739 from \$39,792,305 to \$38,475,566 due to decreases in retirement and health costs, and decreases in staffing but not services.
- Home and community services expenditures decreased by 21% in the amount of \$1,390,016 from \$6,704,671 to \$5,314,655 also due to decreases in retirement and health benefit costs.

The Capital Projects Fund is used to account for capital project activity throughout the County. The Capital Projects Fund's ending fund balance is \$29,629,562. This is an increase of \$9,565,272. This is due to an increase in revenue from serial bonds, approximately \$5.5 million and a decrease in expenditures of approximately \$4.2 million.

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 ended December 31, 2013, the combined fund balance of these funds totaled \$28.5 million. This represents an increase of \$4.1 million from the prior year and the bulk of this increase can be attributed to the Sewer District as a result of an increase in property taxes and federal aid.

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 net position of the Hospital (Home and Infirmary) fund decreased by \$16.6 million leaving a balance of net position of \$(144.8) million. This was a result primarily due to GASB 45 Other Post Employment Benefits (OPEB) going from \$78.5 in 2012 to \$86.4 in 2013.

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, exclusive of other financing sources, were \$485.6 million, which was \$22.2 less from the final budget. The majority of this shortfall was from the area of State and Federal Aid. The three main revenue sources that comprised this number were as follows:

State Aid	\$ (6.8) million
Federal Aid	\$ (5.5) million
Interfund Revenues	\$ (3.0) million

Federal Aid and State Aid were down because General Fund corresponding expenditures were down in these areas. Similarly, because employee benefits costs for the Community College were under budget, the corresponding inter-fund revenues were down as well.

Overall, the actual General Fund expenditures were \$446.7 million, which was \$34.9 million less than the final budget. The major areas where spending was less than budget was Education, \$10.3 million as a result of New York State law effective in April of 2013 providing for the State to directly fund Early Intervention programs providers and require the County as of April 2013 to fund only the escrow balance, Public Safety and Economic Opportunity and Development was \$7.6 million and \$7.5 million respectively as a result of the retirement budget methodology and that actual health insurance premiums were less than budgeted and reduced program expenses, lastly, General Government Support \$5.2 million primarily as a result of budgeted contingent fund savings.

Capital Asset and Debt Administration

Capital Assets - The County's investment in capital assets for its governmental and business type activities as of December 31, 2013, amounts to \$731.8 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	
	2013	2012	2013	2012	2013	2012
Land	\$ 68,111	\$ 68,149	\$ 439	\$ 439	\$ 68,550	\$ 68,588
Buildings and Improvements	108,813	122,140	8,573	9,778	117,386	131,918
Equipment	35,981	42,804	6,331	6,749	42,312	49,553
Infrastructure	188,378	198,732	-	-	188,378	198,732
Construction-in- Progress	311,890	275,143	3,322	2,134	315,212	277,277
Total	\$ 713,173	\$ 706,968	\$ 18,665	\$ 19,100	\$ 731,838	\$ 726,068

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

Long-Term Debt – For the fiscal year end, December 31, 2013, the County had \$494.3 million in total long-term debt outstanding. This represents an increase of \$22.8 million over 2012. 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	
	2013	2012	2013	2012	2013	2012
General Obligation Bonds - Gross	\$ 389,009	\$ 372,815	\$ 105,306	\$ 98,679	\$ 494,315	\$ 471,494

The County's current long-term borrowing rate is Baa2 issued by Moody's as of July 2014.

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.

Deficit Financing Legislation and Subsequent Year's Budgets

On May 7, 2013, the County Legislature adopted a resolution requesting the State Legislature to enact special State legislation (State Assembly Bill A.6758 and Senate Bill S.4674) authorizing the County to issue up to \$96 million in deficit financing to fund the accumulated General Fund deficit through December 31, 2012. This legislation passed both the State Assembly and the State Senate and on November 13, 2013, was signed into law by the Governor as Chapter 468.

Upon the enactment of Chapter 468, the County is subject to certain requirements and procedures pursuant to Section 10.10 of the Local Finance Law ("Section 10.10") which states that the County may not issue any bonds for the purpose of liquidating such deficits until the amounts of such deficits are confirmed and certified by the State Comptroller. On January 27, 2014, the Office of the State Comptroller certified the County's accumulated deficit of \$125,607,865 as of December 31, 2012. On March 13, 2014, the County issued its \$96,000,000 General Obligation (Serial) Bonds, 2014 Series A pursuant to Chapter 468 (the "Deficit Financing Bonds").

The County must submit to the State Comptroller each year, starting with the 2013 fiscal year and for each subsequent fiscal year during which deficit financing obligations are outstanding, its tentative or preliminary budget for the succeeding fiscal year. The State Comptroller must examine the proposed budget and make recommendations for any changes that are needed to bring the proposed budget into balance. Such recommendations are made after the examination into the estimates of revenues and expenditures of the County. Pursuant to Chapter 468, the County Legislature, no later than five days prior to the adoption of the budget, shall review any such recommendations made by the State Comptroller and make adjustments to its proposed budget consistent with those recommendations.

For each fiscal year that the Deficit Financing Bonds are outstanding, the County must prepare a quarterly report of summarized budget data depicting trends of actual revenues and budget expenditures for the entire budget. Such budgetary reports must compare revenue estimates and appropriations as set forth in the budget with actual revenues and expenditures made to date. The report must also contain a corrective action plan to address any unfavorable budget variances. All reports must be completed within thirty (30) days after the end of each quarter and must be submitted at the end of each quarter to each member of the County Legislature, the Director of the New York State Division of Budget, the State Comptroller and the Chairs of the Senate Finance Committee and the Assembly Ways and Means Committee. On April 29, 2014, the County submitted its report for the first quarter of 2014. The County submitted its report for the second quarter of 2014 on July 9, 2014.

In addition, for each fiscal year that the Deficit Financing Bonds are outstanding, within thirty days after final adoption of the budget for the next succeeding fiscal year, the County Executive must prepare a three (3) year financial plan covering the next succeeding fiscal year and the two fiscal years thereafter. The financial plan must contain the information required by paragraph (e) of Section 10.10 and must be submitted to each member of the County Legislature, the Director of the New York State Division of Budget, the State Comptroller and the Chairs of the Senate Finance Committee and the Assembly Ways and Means Committee.

Beginning with the fiscal year in which the County is authorized to incur debt to finance its deficits and for each fiscal year occurring during the time the Deficit Financing Bonds are outstanding, the County Commissioner of Finance must notify the State Comptroller at least fifteen (15) days prior to the issuance of any bonds or notes or entering into any installment purchase contract by the County.

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.

**BASIC
FINANCIAL STATEMENTS**

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County of Rockland, New York

Statement of Net Position
December 31, 2013

	Primary Government			Component Units
	Governmental Activities	Business-Type Activities	Total	
ASSETS				
Cash and equivalents	\$ 137,292,593	\$ 8,351,542	\$ 145,644,135	\$ 31,702,261
Investments		1,098,290	1,098,290	3,654,262
Receivables				
Taxes, net	65,074,053	-	65,074,053	-
Accounts, net	31,088,813	19,432,575	50,521,388	12,665,580
Accounts - Patient care, net	-	7,778,122	7,778,122	-
Loans	6,405,142	-	6,405,142	-
State and Federal aid, net	55,736,925	-	55,736,925	2,287,186
Funds held in trust for residents	-	233,366	233,366	-
Due from other governments	6,388,350	-	6,388,350	128,595
Internal balances	70,684,449	(70,676,400)	8,049	-
Inventories	81,039	796,462	877,501	-
Restricted cash	6,263,932	-	6,263,932	9,817,794
Prepaid expenses	160,894	19,771	180,665	342,872
Intangible asset	-	-	-	15,506,746
Other assets	-	-	-	445,778
	<u>379,176,190</u>	<u>(32,966,272)</u>	<u>346,209,918</u>	<u>76,551,074</u>
Restricted cash and equivalents	-	250,712	250,712	-
Restricted investments	-	4,078,264	4,078,264	3,125,532
	-	4,328,976	4,328,976	3,125,532
Capital assets				
Not being depreciated	380,001,143	3,761,098	383,762,241	7,882,413
Being depreciated, net	333,172,031	14,904,202	348,076,233	36,164,599
	<u>713,173,174</u>	<u>18,665,300</u>	<u>731,838,474</u>	<u>44,047,012</u>
Total Assets	<u>1,092,349,364</u>	<u>(9,971,996)</u>	<u>1,082,377,368</u>	<u>123,723,618</u>
DEFERRED OUTFLOWS OF RESOURCES				
Deferred amounts on refunding bonds	4,287,763	-	4,287,763	123,707
LIABILITIES				
Accounts payable	33,000,773	8,381,045	41,381,818	12,750,058
Accrued liabilities	37,797,275	867,257	38,664,532	1,585,124
Due to other governments	16,155,346	-	16,155,346	9,441
Due to school districts	51,508,249	-	51,508,249	-
Unearned revenues	4,533,160	501,169	5,034,329	6,193,009
Accrued interest payable	5,131,935	170,090	5,302,025	-
Tax anticipation note payable	55,000,000	-	55,000,000	-
Revenue anticipation note payable	105,000,000	-	105,000,000	-
Bond anticipation notes payable	24,260,000	337,000	24,597,000	-
Funds held in trust for residents	-	233,366	233,366	-
Non-current liabilities				
Due within one year	41,713,655	3,400,297	45,113,952	4,561,068
Due in more than one year	621,138,302	198,568,465	819,706,767	102,675,317
Total Liabilities	<u>995,238,695</u>	<u>212,458,689</u>	<u>1,207,697,384</u>	<u>127,774,017</u>
NET POSITION				
Net Investment in capital assets	399,882,283	8,687,161	408,569,444	11,691,151
Restricted for				
Capital projects	893,678	-	893,678	164,479
Law enforcement	9,517,605	-	9,517,605	-
STOP-DWI Program	918,212	-	918,212	-
Handicapped parking	56,965	-	56,965	-
Debt service	15,380,030	-	15,380,030	-
Student loans	-	-	-	11,569
Unemployment benefits	127,881	-	127,881	-
Scholarships and student services	-	-	-	2,553,832
Permanent endowments	-	-	-	820,147
Special Revenue funds				
Community Development	7,116,361	-	7,116,361	-
Sewer	15,900,542	-	15,900,542	-
Trusts	28,815	-	28,815	-
Unrestricted	(348,423,940)	(231,117,846)	(579,541,786)	(19,167,870)
Total Net Position	<u>\$ 101,398,432</u>	<u>\$ (222,430,685)</u>	<u>\$ (121,032,253)</u>	<u>\$ (3,926,692)</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, 2013

Functions/Programs	Expenses	Program Revenues		
		Charges for Services	Operating Grants and Contributions	Capital Grants and Contributions
Primary government				
Governmental activities				
General government support	\$ 82,857,557	\$ 12,820,733	\$ 4,773,430	\$ -
Education	52,864,260	-	-	-
Public safety	84,798,097	4,472,553	5,905,228	-
Health	43,639,894	9,486,387	29,370,908	-
Transportation	51,611,960	5,345,408	24,363,054	6,350,771
Economic opportunity and development	183,124,815	6,685,722	66,882,731	-
Culture and recreation	912,444	-	-	-
Home and community services	30,527,243	719,333	782,274	-
Interest	17,885,215	-	-	3,460,079
Total Governmental Activities	548,221,485	39,530,136	132,077,625	9,810,850
Business-type activities				
Home and Infirmary Fund	91,199,289	61,277,422	-	-
Rockland Tobacco Asset Securitization Corporation	5,093,095	-	3,428,387	-
Rockland Second Tobacco Asset Securitization Corporation	404,125	-	809,285	-
Total Business-type Activities	96,696,509	61,277,422	4,237,672	-
Total Primary Government	\$ 644,917,994	\$ 100,807,558	\$ 136,315,297	\$ 9,810,850
Component units				
Rockland County Community College	\$ 81,646,800	\$ 21,747,603	\$ 18,647,055	\$ 858,661
Rockland County Soil and Water Conservation District	55,685	-	-	-
Rockland County Solid Waste Management Authority	45,738,295	45,529,936	1,112,904	-
Rockland County Industrial Development Agency	237,477	1,591,749	-	-
Total Component Units	\$ 127,678,257	\$ 68,869,288	\$ 19,759,959	\$ 858,661
General revenues				
Real property taxes				
Other tax items				
Interest and penalties on real property taxes				
Payments in lieu of taxes				
Non-property taxes				
Sales and use tax				
Mortgage tax				
Hotel/Motel tax				
Residential energy use tax				
Motor vehicle use 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				
Gain on sale of property				
Transfers				
Total General Revenues				
Change in Net Position				
Net Position - Beginning, as restated				
Net Position - Ending				

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

Net (Expense) Revenue and Changes in Net Position

Primary Government

Governmental Activities	Business-type Activities	Total	Component Units
\$ (65,263,394)	\$ -	\$ (65,263,394)	\$ -
(52,864,260)	-	(52,864,260)	-
(74,420,316)	-	(74,420,316)	-
(4,782,599)	-	(4,782,599)	-
(15,552,727)	-	(15,552,727)	-
(109,556,362)	-	(109,556,362)	-
(912,444)	-	(912,444)	-
(29,025,636)	-	(29,025,636)	-
(14,425,136)	-	(14,425,136)	-
<u>(366,802,874)</u>	<u>-</u>	<u>(366,802,874)</u>	<u>-</u>
-	(29,921,867)	(29,921,867)	-
-	(1,664,708)	(1,664,708)	-
-	405,160	405,160	-
-	<u>(31,181,415)</u>	<u>(31,181,415)</u>	<u>-</u>
<u>(366,802,874)</u>	<u>(31,181,415)</u>	<u>(397,984,289)</u>	<u>-</u>
-	-	-	(40,393,481)
-	-	-	(55,685)
-	-	-	904,545
-	-	-	1,354,272
-	-	-	<u>(38,190,349)</u>
128,690,277	-	128,690,277	-
10,516,731	-	10,516,731	-
271,634	-	271,634	-
178,737,484	-	178,737,484	-
4,446,008	-	4,446,008	-
1,199,830	-	1,199,830	-
8,677,106	-	8,677,106	-
1,665,480	-	1,665,480	-
140,245	-	140,245	398,296
63,834	-	63,834	-
-	-	-	16,375,600
-	-	-	15,802,722
696,087	-	696,087	1,870,657
4,655,287	-	4,655,287	-
<u>(13,325,066)</u>	<u>13,325,066</u>	<u>-</u>	<u>-</u>
<u>326,434,937</u>	<u>13,325,066</u>	<u>339,760,003</u>	<u>34,447,275</u>
(40,367,937)	(17,856,349)	(58,224,286)	(3,743,074)
<u>141,766,369</u>	<u>(204,574,336)</u>	<u>(62,807,967)</u>	<u>(183,618)</u>
<u>\$ 101,398,432</u>	<u>\$ (222,430,685)</u>	<u>\$ (121,032,253)</u>	<u>\$ (3,926,692)</u>

County of Rockland, New York

Balance Sheet
 Governmental Funds
 December 31, 2013

	General	Capital Projects
ASSETS		
Cash and equivalents	\$ 17,611,021	\$ 68,673,538
Taxes receivable, net	65,074,053	-
Other receivables		
Accounts, net of allowance for uncollectible amounts	30,729,321	-
Loans	-	-
State and Federal aid, net of allowance for uncollectible amounts	51,537,421	1,724,575
Due from other governments	6,388,350	-
Due from other funds	4,747,981	-
Advances to other funds	58,810,128	-
	152,213,201	1,724,575
Restricted cash	-	6,263,932
Total Assets	\$ 234,898,275	\$ 76,662,045
LIABILITIES, DEFERRED INFLOWS OF RESOURCES AND FUND BALANCES (DEFICITS)		
Liabilities		
Accounts payable	\$ 22,801,431	\$ 7,669,714
Accrued liabilities	32,706,795	-
Due to other governments	2,502,922	13,652,424
Due to school districts	51,508,249	-
Due to other funds	-	1,450,345
Unearned revenues	3,821,941	-
Tax anticipation note payable	55,000,000	-
Revenue anticipation note payable	105,000,000	-
Bond anticipation notes payable	-	24,260,000
Total Liabilities	273,341,338	47,032,483
Deferred inflows of resources		
Deferred tax revenues	11,668,156	-
Total Liabilities and Deferred Inflows of Resources	285,009,494	47,032,483
Fund balances (deficits)		
Nonspendable	70,565,150	-
Restricted	17,437,659	28,735,884
Committed	-	-
Assigned	-	893,678
Unassigned	(138,114,028)	-
Total Fund Balances (Deficits)	(50,111,219)	29,629,562
Total Liabilities, Deferred Inflows of Resources and Fund Balances (Deficits)	\$ 234,898,275	\$ 76,662,045

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

Other Governmental	Total Governmental Funds
\$ 42,675,140	\$ 128,959,699
-	65,074,053
275,196	31,004,517
6,405,142	6,405,142
2,045,696	55,307,692
-	6,388,350
3,768,156	8,516,137
-	58,810,128
12,494,190	166,431,966
-	6,263,932
<u>\$ 55,169,330</u>	<u>\$ 366,729,650</u>
\$ 1,618,122	\$ 32,089,267
2,697,667	35,404,462
-	16,155,346
-	51,508,249
2,123,720	3,574,065
7,116,361	10,938,302
-	55,000,000
-	105,000,000
-	24,260,000
13,555,870	333,929,691
-	11,668,156
13,555,870	345,597,847
-	70,565,150
8,463,968	54,637,511
1,001,999	1,001,999
32,147,493	33,041,171
-	(138,114,028)
41,613,460	21,131,803
<u>\$ 55,169,330</u>	<u>\$ 366,729,650</u>

County of Rockland, New York

Reconciliation of Governmental Funds Balance Sheet to
the Government-Wide Statement of Net Position
December 31, 2013

Fund Balances - Governmental Funds	<u>\$ 21,131,803</u>
Amounts Reported for Governmental Activities in the Statement of Net Position are Different Because:	
Capital assets used in governmental activities are not financial resources and, therefore, are not reported in the funds.	<u>709,139,521</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 position.	<u>(23,233,323)</u>
Governmental funds report the effect of premiums, discounts and similar items when debt is first issue, whereas these amounts are deferred and amortized in the statement of activities. Deferred charges	<u>4,287,763</u>
Other long-term assets are not available to pay for current-period expenditures and, therefore, are deferred in the funds.	
Real property taxes	11,668,156
Unearned revenues	<u>6,405,142</u>
	<u>18,073,298</u>
Long-term liabilities that are not due and payable in the current period are not reported in the funds.	
Bonds payable	(385,991,322)
Compensated absences	(18,549,939)
New York State loan payable - NYPA	(2,597,879)
New York State loan payable - Retirement	(32,869,565)
Pension obligations	(4,853,277)
Other post employment benefit obligations payable	(178,006,713)
Accrued interest payable	<u>(5,131,935)</u>
	<u>(628,000,630)</u>
Net Position of Governmental Activities	<u>\$ 101,398,432</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, 2013

	General	Capital Projects	Other Governmental	Total Governmental Funds
REVENUES				
Real property taxes	\$ 93,746,979	\$ -	\$ 33,218,249	\$ 126,965,228
Other tax items	10,667,685	-	120,680	10,788,365
Non-property taxes	195,988,814	-	-	195,988,814
Departmental income	36,717,297	-	598,884	37,316,181
Intergovernmental charges	1,023,361	-	-	1,023,361
Use of money and property	172,754	-	258,553	431,307
Licenses and permits	1,782,666	-	26,490	1,809,156
Fines and forfeitures	850,273	-	16,855	867,128
Sale of property and compensation for loss	63,834	-	188,304	252,138
Interfund revenues	22,492,459	-	593,536	23,085,995
State aid	65,123,791	2,146,831	2,299,967	69,570,589
Federal aid	56,280,532	3,308,664	5,819,947	65,409,143
Miscellaneous	696,087	895,276	735,277	2,326,640
Total Revenues	485,606,532	6,350,771	43,876,742	535,834,045
EXPENDITURES				
Current				
General government support	68,405,934	-	-	68,405,934
Education	49,555,765	-	-	49,555,765
Public safety	69,197,018	-	-	69,197,018
Health	38,475,566	-	-	38,475,566
Transportation	28,465,651	-	14,476,161	42,941,812
Economic opportunity and development	169,746,120	-	4,672,446	174,418,566
Culture and recreation	374,492	-	-	374,492
Home and community services	5,314,655	-	16,604,369	21,919,024
Employee benefits	12,233,904	-	3,627,419	15,861,323
Debt service				
Principal	-	-	28,309,066	28,309,066
Interest	4,943,667	-	12,211,101	17,154,768
Refunding bond issuance costs	-	-	70,804	70,804
Capital outlay	-	38,036,154	-	38,036,154
Total Expenditures	446,712,772	38,036,154	79,971,366	564,720,292
Excess (Deficiency) of Revenues Over Expenditures	38,893,760	(31,685,383)	(36,094,624)	(28,886,247)
OTHER FINANCING SOURCES (USES)				
Bonds issued	5,000,000	40,632,482	-	45,632,482
Refunding bonds issued	-	-	7,180,078	7,180,078
Payment to refunding bond escrow agent	-	-	(7,705,618)	(7,705,618)
Issuance premium	680,845	-	1,052,959	1,733,804
Sale of real property	8,199,069	-	-	8,199,069
Transfers in	3,270,000	1,489,273	52,420,534	57,179,807
Transfers out	(56,767,420)	(871,100)	(12,866,353)	(70,504,873)
Total Other Financing Sources (Uses)	(39,617,506)	41,250,655	40,081,600	41,714,749
Net Change in Fund Balances	(723,746)	9,565,272	3,986,976	12,828,502
FUND BALANCES (DEFICITS)				
Beginning of Year	(49,387,473)	20,064,290	37,626,484	8,303,301
End of Year	<u>\$ (50,111,219)</u>	<u>\$ 29,629,562</u>	<u>\$ 41,613,460</u>	<u>\$ 21,131,803</u>

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, 2013

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

Net Change in Fund Balances - Total Governmental Funds	\$ 12,828,502
<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	39,413,613
Depreciation expense	<u>(28,170,431)</u>
	<u>11,243,182</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	1,725,049
Unearned revenues	287,625
Sale of real property	<u>(3,543,782)</u>
	<u>(1,531,108)</u>
<p>Bond proceeds provide current financial resources to governmental funds, but issuing debt increases long-term liabilities in the statement of net position. Repayment of bond principal is an expenditure in the governmental funds, but the repayment reduces long-term liabilities in the statement of net position. Also, governmental funds report the effect of 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	(45,632,482)
Principal paid on bonds	27,911,677
Refunding bonds issued	(7,180,078)
Payment to refunding bond escrow agent	7,705,618
Principal paid on New York State Loan - NYPA	397,390
Amortization of loss on refunding bonds and issuance premium	<u>(2,263,665)</u>
	<u>(19,061,540)</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	2,284,373
New York State loan - Retirement	(22,437,566)
Compensated absences	(1,444,957)
Other post employment benefit obligations	(20,754,529)
Accrued interest	<u>563,039</u>
	<u>(41,789,640)</u>
<p>Internal service funds are used by management to charge the costs of risk to individual funds. The net revenue of the internal service funds are reported within governmental activities.</p>	
	<u>(2,057,333)</u>
Change in Net Position of Governmental Activities	<u>\$ (40,367,937)</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, 2013

	Original Budget	Final Budget	Actual	Variance with Final Budget Positive (Negative)
REVENUES				
Real property taxes	\$ 96,000,000	\$ 96,000,000	\$ 93,746,979	\$ (2,253,021)
Other tax items	10,660,000	10,660,000	10,667,685	7,685
Non-property taxes	196,200,000	196,200,000	195,988,814	(211,186)
Departmental income	38,083,185	38,237,020	36,717,297	(1,519,723)
Intergovernmental charges	3,200,000	3,200,000	1,023,361	(2,176,639)
Use of money and property	300,000	300,000	172,754	(127,246)
Licenses and permits	1,910,000	1,910,000	1,782,666	(127,334)
Fines and forfeitures	839,715	839,715	850,273	10,558
Sale of property and compensation for loss	31,800	58,981	63,834	4,853
Interfund revenues	25,526,420	25,526,420	22,492,459	(3,033,961)
State aid	69,229,335	71,881,137	65,123,791	(6,757,346)
Federal aid	55,012,610	61,769,854	56,280,532	(5,489,322)
Miscellaneous	1,084,000	1,190,447	696,087	(494,360)
Total Revenues	498,077,065	507,773,574	485,606,532	(22,167,042)
EXPENDITURES				
Current				
General government support	69,184,207	73,566,957	68,405,934	5,161,023
Education	59,882,135	59,831,135	49,555,765	10,275,370
Public safety	72,045,705	76,751,678	69,197,018	7,554,660
Health	36,291,459	41,190,928	38,475,566	2,715,362
Transportation	28,591,325	28,907,325	28,465,651	441,674
Economic opportunity and development	178,443,759	177,291,086	169,746,120	7,544,966
Culture and recreation	344,320	395,635	374,492	21,143
Home and community services	5,680,969	5,784,058	5,314,655	469,403
Employee benefits	12,966,000	12,966,000	12,233,904	732,096
Debt service				
Interest	5,120,000	4,968,000	4,943,667	24,333
Total Expenditures	468,549,879	481,652,802	446,712,772	34,940,030
Excess of Revenues Over Expenditures	29,527,186	26,120,772	38,893,760	12,772,988
OTHER FINANCING SOURCES (USES)				
Bonds issued	5,000,000	5,000,000	5,000,000	-
Issuance premium	2,000,000	2,000,000	680,845	(1,319,155)
Sale of real property	2,400,000	2,400,000	8,199,069	5,799,069
New York State loan	14,685,000	14,685,000	-	(14,685,000)
Transfers in	3,420,000	3,420,000	3,270,000	(150,000)
Transfers out	(58,466,145)	(58,636,220)	(56,767,420)	1,868,800
Total Other Financing Uses	(30,961,145)	(31,131,220)	(39,617,506)	(8,486,286)
Net Change in Fund Balance	(1,433,959)	(5,010,448)	(723,746)	4,286,702
FUND BALANCE (DEFICIT)				
Beginning of Year	1,433,959	5,010,448	(49,387,473)	(54,397,921)
End of Year	\$ -	\$ -	\$ (50,111,219)	\$ (50,111,219)

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

County of Rockland, New York

Statement of Net Position
 Proprietary Funds
 December 31, 2013

	Business - Type Activities - Enterprise Funds		
	Home and Infirmiry Fund	Rockland Tobacco Asset Securitization Corporation	Rockland Second Tobacco Asset Securitization Corporation
ASSETS			
Current Assets			
Cash and equivalents	\$ 7,963,654	\$ 277,614	\$ 110,274
Investments	-	1,098,290	-
Receivables			
Accounts	15,505,839	3,146,254	780,482
Accounts - patient care, net of allowance for uncollectible amounts	7,778,122	-	-
State and Federal aid	-	-	-
Funds held in trust for residents	233,366	-	-
Due from other funds	-	-	-
Inventories	796,462	-	-
Prepaid expenses	-	19,771	-
	<u>32,277,443</u>	<u>4,541,929</u>	<u>890,756</u>
Noncurrent Assets			
Restricted cash and equivalents	-	249,942	770
Restricted investments	-	3,367,209	711,055
	<u>-</u>	<u>3,617,151</u>	<u>711,825</u>
Capital Assets			
Not being depreciated	3,761,098	-	-
Being depreciated, net	14,904,202	-	-
	<u>18,665,300</u>	<u>-</u>	<u>-</u>
Total Capital Assets, net of accumulated depreciation	<u>18,665,300</u>	<u>-</u>	<u>-</u>
Total Noncurrent Assets	<u>18,665,300</u>	<u>3,617,151</u>	<u>711,825</u>
Total Assets	<u>50,942,743</u>	<u>8,159,080</u>	<u>1,602,581</u>
LIABILITIES			
Current Liabilities			
Accounts payable	8,370,496	-	10,549
Accrued liabilities	-	838,662	28,595
Accrued interest payable	170,090	-	-
Due to other funds	11,866,272	-	-
Advances from other funds	58,810,128	-	-
Bond anticipation notes payable - Other	337,000	-	-
Funds held in trust for residents	233,366	-	-
Unearned revenue	501,169	-	-
Current portion of long-term obligations			
Bonds payable - Capital construction	1,971,297	-	-
Bonds payable - Other	-	410,000	105,000
Compensated absences	914,000	-	-
Claims payable	-	-	-
	<u>83,173,818</u>	<u>1,248,662</u>	<u>144,144</u>
Total Current Liabilities	<u>83,173,818</u>	<u>1,248,662</u>	<u>144,144</u>
Noncurrent Liabilities			
Bonds payable - Capital construction	15,547,732	-	-
Bonds payable - Other	-	80,700,093	5,335,470
Compensated absences	8,229,737	-	-
Claims payable	-	-	-
Other post employment benefit obligations payable	86,411,273	-	-
Estimated third-party liabilities	2,344,160	-	-
	<u>112,532,902</u>	<u>80,700,093</u>	<u>5,335,470</u>
Total Noncurrent Liabilities	<u>112,532,902</u>	<u>80,700,093</u>	<u>5,335,470</u>
Total Liabilities	<u>195,706,720</u>	<u>81,948,755</u>	<u>5,479,614</u>
NET POSITION			
Net Investment in capital assets	8,687,161	-	-
Unrestricted	(153,451,138)	(73,789,675)	(3,877,033)
Total Net Position	<u>\$ (144,763,977)</u>	<u>\$ (73,789,675)</u>	<u>\$ (3,877,033)</u>

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
\$ 8,351,542	\$ 8,332,894
1,098,290	-
19,432,575	92,345
7,778,122	-
-	429,233
233,366	-
-	6,924,200
796,462	81,039
19,771	160,894
<u>37,710,128</u>	<u>16,020,605</u>
250,712	-
4,078,264	-
<u>4,328,976</u>	-
3,761,098	143,000
14,904,202	3,890,653
<u>18,665,300</u>	<u>4,033,653</u>
<u>22,994,276</u>	<u>4,033,653</u>
<u>60,704,404</u>	<u>20,054,258</u>
8,381,045	911,506
867,257	2,392,813
170,090	-
11,866,272	-
58,810,128	-
337,000	-
233,366	-
501,169	-
1,971,297	813,602
515,000	-
914,000	184,666
-	1,744,908
<u>84,566,624</u>	<u>6,047,495</u>
15,547,732	3,764,976
86,035,563	-
8,229,737	1,639,557
-	14,558,952
86,411,273	17,276,601
2,344,160	-
<u>198,568,465</u>	<u>37,240,086</u>
<u>283,135,089</u>	<u>43,287,581</u>
8,687,161	(544,925)
(231,117,846)	(22,688,398)
<u>\$ (222,430,685)</u>	<u>\$ (23,233,323)</u>

County of Rockland, New York

Statement of Revenues, Expenses and Changes in Net Position
 Proprietary Funds
 Year Ended December 31, 2013

	Business - Type Activities - Enterprise Funds		
	Home and Infirmiry Fund	Rockland Tobacco Asset Securitization Corporation	Rockland Second Tobacco Asset Securitization Corporation
OPERATING REVENUES			
Charges for services	\$ 60,757,324	\$ -	\$ -
State aid	-	-	-
Tobacco settlement revenues	-	3,180,123	775,317
Miscellaneous	520,098	-	-
Total Operating Revenues	61,277,422	3,180,123	775,317
OPERATING EXPENSES			
Administrative and general expenses	9,888,213	-	-
Salaries and wage expenses	37,089,314	-	-
Employee benefits	34,667,105	-	-
Professional fees	-	39,007	24,527
Directors' fees	-	16,000	16,000
Insurance	-	19,853	-
Judgments and claims	-	-	-
Supplies and other expenses	7,125,605	-	-
Depreciation and amortization	2,185,761	-	-
Total Operating Expenses	90,955,998	74,860	40,527
Income (Loss) from Operations	(29,678,576)	3,105,263	734,790
NON-OPERATING REVENUES (EXPENSES)			
Interest income	-	248,264	33,968
Interest on indebtedness	(243,291)	(5,018,235)	(363,598)
Total Non-Operating Expenses	(243,291)	(4,769,971)	(329,630)
Income (Loss) Before Transfers	(29,921,867)	(1,664,708)	405,160
Transfers In	13,325,066	-	-
Change in Net Position	(16,596,801)	(1,664,708)	405,160
NET POSTION			
Beginning of Year, as restated	(128,167,176)	(72,124,967)	(4,282,193)
End of Year	<u>\$ (144,763,977)</u>	<u>\$ (73,789,675)</u>	<u>\$ (3,877,033)</u>

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
\$ 60,757,324	\$ 34,492,534
-	607,705
3,955,440	-
520,098	-
<u>65,232,862</u>	<u>35,100,239</u>
9,888,213	605,552
37,089,314	10,298,683
34,667,105	12,918,142
63,534	-
32,000	-
19,853	-
-	1,862,783
7,125,605	9,671,259
2,185,761	1,638,062
<u>91,071,385</u>	<u>36,994,481</u>
<u>(25,838,523)</u>	<u>(1,894,242)</u>
282,232	17,438
<u>(5,625,124)</u>	<u>(180,529)</u>
<u>(5,342,892)</u>	<u>(163,091)</u>
(31,181,415)	(2,057,333)
<u>13,325,066</u>	<u>-</u>
(17,856,349)	(2,057,333)
<u>(204,574,336)</u>	<u>(21,175,990)</u>
<u>\$ (222,430,685)</u>	<u>\$ (23,233,323)</u>

County of Rockland, New York

Statement of Cash Flows
 Proprietary Funds
 Year Ended December 31, 2013

	Business-Type Activities - Enterprise Funds			
	Home and 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	\$ 59,776,407	\$ -	\$ -	\$ 59,776,407
Cash received from tobacco settlement revenues	-	3,198,028	784,724	3,982,752
Cash received from charges for services	-	-	-	-
Cash received from State and Federal aid	-	-	-	-
Other receipts	21,094,198	-	-	21,094,198
Cash payments to directors	-	-	(16,000)	(16,000)
Cash payments to insurance carriers and claimants	-	-	-	-
Cash payments to vendors	(16,214,251)	(76,575)	(24,527)	(16,315,353)
Cash payments to employees	(64,144,736)	-	-	(64,144,736)
Net Cash from Operating Activities	511,618	3,121,453	744,197	4,377,268
CASH FLOWS FROM NON-CAPITAL FINANCING ACTIVITIES				
Proceeds from County of Rockland	2,138,606	-	-	2,138,606
Interest on indebtedness	-	(2,291,981)	(354,494)	(2,646,475)
Residual payment to County of Rockland	-	-	-	-
Net Cash from Non-Capital Financing Activities	2,138,606	(2,291,981)	(354,494)	(507,869)
CASH FLOWS FROM CAPITAL AND RELATED FINANCING ACTIVITIES				
Proceeds from the issuance of long-term debt	7,292,000	-	-	7,292,000
Retirement of debt	(2,065,244)	-	-	(2,065,244)
Interest on indebtedness	(450,825)	-	-	(450,825)
Acquisition and construction of capital assets	(1,514,424)	-	-	(1,514,424)
Net Cash from Capital and Related Financing Activities	3,261,507	-	-	3,261,507
CASH FLOWS FROM INVESTING ACTIVITIES				
Decrease in restricted cash and equivalents	-	(158,056)	-	(158,056)
Interest income	-	246,765	33,965	280,730
Purchase of investments	-	(1,098,290)	-	(1,098,290)
Sale of investments	-	1,137,038	-	1,137,038
Purchase of restricted investments	-	(3,367,209)	(711,055)	(4,078,264)
Sale of restricted investments	-	3,440,137	711,055	4,151,192
Net Cash from Investing Activities	-	200,385	33,965	234,350
Net Change in Cash and Equivalents	5,911,731	1,029,857	423,668	7,365,256
CASH AND EQUIVALENTS				
Beginning of Year	2,051,923	257,757	81,606	2,391,286
End of Year	\$ 7,963,654	\$ 1,287,614	\$ 505,274	\$ 9,756,542
RECONCILIATION OF INCOME (LOSS) FROM OPERATIONS TO NET CASH FROM OPERATING ACTIVITIES				
Income (loss) from operations	\$ (29,678,576)	\$ 3,105,263	\$ 734,790	\$ (25,838,523)
Adjustments to reconcile income (loss) from operations to net cash from operating activities				
Depreciation and amortization	2,185,761	17,905	-	2,203,666
Provision for bad debts	2,657,082	-	-	2,657,082
Transfers in	13,325,066	-	-	13,325,066
Changes in assets and liabilities				
Accounts receivable	3,850,787	-	9,407	3,860,194
Accounts receivable - Patient care	(942,843)	-	-	(942,843)
State and Federal aid receivable	-	-	-	-
Due from other funds	-	-	-	-
Inventories	(92,900)	-	-	(92,900)
Prepaid expenses	-	(1,715)	-	(1,715)
Accounts payable	892,467	-	-	892,467
Accrued liabilities	-	-	-	-
Due to other funds	-	-	-	-
Unearned revenues	(11,116)	-	-	(11,116)
Estimated third party liabilities	714,207	-	-	714,207
Claims payable	-	-	-	-
Compensated absences	(277,677)	-	-	(277,677)
Other post employment benefit obligations payable	7,889,360	-	-	7,889,360
Net Cash from Operating Activities	\$ 511,618	\$ 3,121,453	\$ 744,197	\$ 4,377,268
Noncash Investing Activities				
Increase in bonds payable from amortization of original issue and underwriters' discount	\$ -	\$ 54,849	\$ 10,997	\$ 65,846
Increase in bonds payable from accreted interest	-	2,692,236	-	2,692,236

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

Governmental
Activities -
Internal Service
Funds

\$ -
-
34,324,602
605,925
-
-
(8,977,138)
(15,274,866)
(10,160,371)

518,152

-
-
-

-
-
(1,094,652)
(194,860)
(143,000)

(1,432,512)

-
17,438
-
-
-
17,438

(896,922)

9,229,816
\$ 6,332,894

\$ (1,894,242)

1,638,062
-
-
255,012
-
(1,780)
(422,944)
3,571
89,278
(282,790)
276,101
(21,941)
-
-
(776,296)
(52,957)
1,709,078

\$ 518,152

\$ -
-

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County of Rockland, New York

Statement of Assets and Liabilities

Fiduciary Fund

December 31, 2013

	<u>Agency</u>
ASSETS	
Cash and equivalents	<u>\$ 6,143,344</u>
LIABILITIES	
Accounts payable	\$ 289,215
Employee payroll deductions	613,915
Deposits	2,914,008
Due to other governments	<u>2,326,206</u>
 Total Liabilities	 <u>\$ 6,143,344</u>

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

County of Rockland, New York

Statement of Net Position

Component Units

December 31, 2013 (Rockland County Community College as of August 31, 2013)

	Rockland County Community College	Rockland County Soil and Water Conservation District	Rockland County Solid Waste Management Authority
ASSETS			
Cash and equivalents	\$ 9,402,454	\$ 126,603	\$ 20,510,887
Investments	3,601,823	52,439	-
Receivables			
Accounts, net of allowance for uncollectible amounts	10,393,005	-	2,272,575
State and Federal aid	1,165,785	59,523	1,061,878
Due from other governments	128,595	-	-
Restricted cash	-	-	9,817,794
Restricted investments	-	-	3,125,532
Prepaid expenses	-	-	341,603
Intangible asset	-	-	15,506,746
Other assets	445,778	-	-
	<u>25,137,440</u>	<u>238,565</u>	<u>52,637,015</u>
Capital assets			
Not being depreciated	-	-	7,882,413
Being depreciated, net	5,780,089	107	30,384,403
	<u>5,780,089</u>	<u>107</u>	<u>38,266,816</u>
Total Capital Assets	<u>5,780,089</u>	<u>107</u>	<u>38,266,816</u>
Total Assets	<u>30,917,529</u>	<u>238,672</u>	<u>90,903,831</u>
DEFERRED OUTFLOWS OF RESOURCES			
Deferred amounts on refunding bonds	-	-	123,707
LIABILITIES			
Accounts payable	6,723,368	-	6,026,690
Accrued liabilities	-	20,000	1,565,124
Due to other governments	-	9,441	-
Unearned revenues	6,193,009	-	-
Non-current liabilities			
Due within one year	617,016	-	3,944,052
Due in more than one year	42,894,756	-	59,780,561
	<u>56,428,149</u>	<u>29,441</u>	<u>71,316,427</u>
Total Liabilities	<u>56,428,149</u>	<u>29,441</u>	<u>71,316,427</u>
NET POSITION			
Net investment in capital assets	5,780,089	107	5,910,955
Restricted for			
Capital projects	164,479	-	-
Student loans	11,569	-	-
Scholarships and student services	2,553,832	-	-
Permanent endowments	820,147	-	-
Unrestricted	(34,840,736)	209,124	13,800,156
	<u>(25,510,620)</u>	<u>209,231</u>	<u>19,711,111</u>
Total Net Position	<u>\$ (25,510,620)</u>	<u>\$ 209,231</u>	<u>\$ 19,711,111</u>

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

Rockland County Industrial Development Agency		Totals
\$ 1,662,317	\$	31,702,261
-		3,654,262
-		12,665,580
-		2,287,186
-		128,595
-		9,817,794
-		3,125,532
1,269		342,872
-		15,506,746
-		445,778
<u>1,663,586</u>		<u>79,676,606</u>
-		7,882,413
-		36,164,599
-		44,047,012
<u>1,663,586</u>		<u>123,723,618</u>
-		123,707
-		12,750,058
-		1,585,124
-		9,441
-		6,193,009
-		4,561,068
-		102,675,317
-		127,774,017
-		11,691,151
-		164,479
-		11,569
-		2,553,832
-		820,147
<u>1,663,586</u>		<u>(19,167,870)</u>
<u>\$ 1,663,586</u>	<u>\$</u>	<u>(3,926,692)</u>

County of Rockland, New York

Statement of Activities

Component Units

Year Ended December 31, 2013

(Rockland County Community College Year Ended August 31, 2013)

Functions/Programs	Expenses	Program Revenues		
		Charges for Services	Operating Grants and Contributions	Capital Grants and Contributions
Rockland County Community College - Education	\$ 81,646,800	\$ 21,747,603	\$ 18,647,055	\$ 858,661
Rockland County Soil and Water Conservation District Home and Community Services	55,685	-	-	-
Rockland County Solid Waste Management Authority Home and Community Services	45,738,295	45,529,936	1,112,904	-
Rockland County Industrial Development Agency Economic Opportunity and Development	237,477	1,591,749	-	-
Total Component Units	\$ 127,678,257	\$ 68,869,288	\$ 19,759,959	\$ 858,661

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 Position

NET POSITION

Beginning of Year, as restated

End of Year

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

Net (Expense) Revenue
and Changes in Net Position

Rockland County Community College	Rockland County Soil and Water Conservation District	Rockland County Solid Waste Management Authority	Rockland County Industrial Development Agency	Totals
\$ (40,393,481)	\$ -	\$ -	\$ -	\$ (40,393,481)
-	(55,685)	-	-	(55,685)
-	-	904,545	-	904,545
-	-	-	1,354,272	1,354,272
(40,393,481)	(55,685)	904,545	1,354,272	(38,190,349)
233,846	25	163,643	782	398,296
16,375,600	-	-	-	16,375,600
15,739,224	63,498	-	-	15,802,722
1,844,759	6,615	-	19,283	1,870,657
34,193,429	70,138	163,643	20,065	34,447,275
(6,200,052)	14,453	1,068,188	1,374,337	(3,743,074)
(19,310,568)	194,778	18,642,923	289,249	(183,618)
\$ (25,510,620)	\$ 209,231	\$ 19,711,111	\$ 1,663,586	\$ (3,926,692)

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County of Rockland, New York

Notes to Financial Statements
December 31, 2013

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 Rockland County Health Facilities Corporation ("Corporation") is a not-for-profit local development corporation created pursuant to Section 1411 of the Not-For-Profit Corporation Law of the State of New York (the "LDC Act") and legislative resolution to lessen the burdens of local government and acting in the public interest of the County. Members of the Corporation are appointed by the County Executive and the County Legislature. The governing board of the Corporation serves at the pleasure of the County Executive, and therefore, the primary government is able to impose its will on the Corporation. The Corporation has no assets or liabilities nor did it have any financial activities in the current fiscal year.

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

County of Rockland, New York

Notes to Financial Statements (Continued)
December 31, 2013

Note 1 - Summary of Significant Accounting Policies (Continued)

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 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 Position 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

Note 1 - Summary of Significant Accounting Policies (Continued)

activities, which normally are supported by taxes and intergovernmental revenues, are reported separately from business-type activities, which rely to a significant extent on fees and charges for support. Likewise, the primary government is reported separately from the legally separate component units for which the primary government is financially accountable.

The Statement of Net Position 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, deferred outflows of resources, liabilities, deferred inflows of resources, fund balances/net position, 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.

Note 1 - Summary of Significant Accounting Policies (Continued)

The County's resources are reflected in the fund financial statements in three broad fund categories, in accordance with generally accepted accounting principles as follows:

Fund Categories

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

General Fund - The General Fund constitutes the primary operating fund of the County in that it includes all revenues and expenditures not accounted for and reported in another fund.

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 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.

Note 1 - Summary of Significant Accounting Policies (Continued)

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

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 but 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 revenues 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

Note 1 - Summary of Significant Accounting Policies (Continued)

soon as they are both measurable and available. Revenues are considered to be available when they are collectible within the current period or soon enough thereafter to pay liabilities of the current period. Property taxes are considered to be available if collected within sixty days of the fiscal year end. A ninety-day availability period is used for revenue recognition for all other governmental fund revenues. Property taxes associated with the current fiscal period as well as charges for services and intergovernmental revenues are considered to be susceptible to accrual and have been recognized as revenues of the current fiscal period. Fees and other similar revenues are not susceptible to accrual because generally they are not measurable until received in cash. If expenditures are the prime factor for determining eligibility, revenues from Federal and State grants are accrued when the expenditure is made. Expenditures generally are recorded when a liability is incurred, as under accrual accounting. However, debt service expenditures, as well as expenditures related to compensated absences, certain claims, other post employment benefit obligations 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") guidance issued after November 30, 1989 in accounting and reporting their operations.

E. Assets, Liabilities, Deferred Outflows/Inflows of Resources and Net Position 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.

Note 1 - Summary of Significant Accounting Policies (Continued)

These agreements authorize the obligations that may be pledged as collateral. Such obligations include, among other instruments, obligations of the United States and its agencies and obligations of the State and its municipal and school district subdivisions.

Custodial credit risk is the risk that in the event of a bank failure, the County's deposits may not be returned to it. GASB Statement No. 40 directs that deposits be disclosed as exposed to custodial credit risk if they are not covered by depository insurance and the deposits are either under collateralized, 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, 2013.

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

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

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

Note 1 - Summary of Significant Accounting Policies (Continued)

the amount of the unpaid school tax. The County collects unpaid school taxes during the month of November. Any taxes remaining unpaid after this time are relieved, with a 7% penalty, as County taxes for the following year. The County must satisfy the full amount of the unpaid school districts taxes no later than April 1st of the year following the levy of such taxes.

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

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

Due From/To Other Funds - During the course of its operations, the County has numerous transactions between funds to finance operations, provide services and construct assets. To the extent that certain transactions between funds had not been paid or received as of December 31, 2013, 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 nonspendable fund balance 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 inventorable 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.

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

Note 1 - Summary of Significant Accounting Policies (Continued)

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 Assets - Intangible assets represent goodwill. Goodwill is the excess of cost of an acquired entity over the amounts assigned to assets acquired and liabilities assumed in a business combination. The Authority adopted new FASB guidance on goodwill impairment testing which allows an entity to first assess qualitative factors to determine whether it is more likely than not that goodwill may be impaired. Under this guidance, qualitative factors are assessed at least annually, or more frequently, if events or changes in circumstances indicate that the carrying value of the reporting unit is less than its carrying amount. If the Authority's qualitative assessment indicates that goodwill may be impaired, the Authority will estimate the fair value of the reporting unit based on one or more of the following valuation techniques; i. income; ii. discounted cash flows, or; iii. market approach. If such fair value estimate is less than the carrying value of goodwill, an impairment loss is recognized. The Authority concluded that goodwill was not impaired during the year.

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

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

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

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

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

Note 1 - Summary of Significant Accounting Policies (Continued)

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

Unearned Revenues - Unearned 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.

Unearned 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 unearned revenues of \$3,821,941 for State and Federal aid received in advance in the General Fund. The County has also reported unearned revenues of \$7,116,361 for Federal aid received in advance in the Community Development Fund, \$501,169 in the Enterprise Fund - Home Infirmary Fund for State and Federal aid received in advance and \$6,193,009 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.

Deferred Outflows/Inflows of Resources - In addition to assets, the statement of financial position will sometimes report a separate section for deferred outflows of resources. This separate financial statement element represents a consumption of net position that applies to a future period and so will not be recognized as an outflow of resources (expense/expenditure) until then.

In addition to liabilities, the statement of financial position will sometimes report a separate section for deferred inflows of resources. This separate financial statement element represents an acquisition of net position that applies to a future period and so will not be recognized as an inflow of resources (revenue) until that time.

The County reported deferred outflows of resources of \$4,287,763 and \$123,707 for a deferred loss on refunding bonds in the government-wide and component units Statements of Net Position. These amounts result from the difference in the carrying value of the refunded debt and its reacquisition price. These amounts are deferred and amortized over the shorter of the life of the refunded or refunding debt.

The County has reported deferred inflows of resources of \$11,668,156 for real property taxes in the General Fund. This amount is deferred and recognized as an inflow of resources in the period that the amount becomes available.

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 Position. Bond premiums and discounts 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 expended as incurred.

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.

Note 1 - Summary of Significant Accounting Policies (Continued)

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.

Net Position - Net position represents the difference between assets, deferred outflows of resources, liabilities and deferred inflows of resources. Net position is 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 position on the Statement of Net Position include, net investment in capital assets, restricted for capital projects, law enforcement, Stop-DWI Program, handicapped parking, debt service, student loans, unemployment benefits, scholarships and student services, permanent endowments, special revenue funds and community development. The balance is classified as unrestricted.

Fund Balance - Generally, fund balance represents the difference between current assets and deferred outflows of resources and current liabilities and deferred inflows of resources. 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 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 is used to report funds that are restricted for debt service obligations and for other items contained in General Municipal Law of the State of New York.

Committed fund balance is 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. The County Legislature is the highest level of decision making authority for the County that can, by the adoption of a resolution prior to the end of the fiscal year, commit fund balance. Once adopted, these funds may only be used for the purpose specified unless the County removes or changes the purpose by taking the same action that was used to establish the commitment. This classification includes certain amounts established and approved by the County Legislature.

Note 1 - Summary of Significant Accounting Policies (Continued)

Assigned fund balance, in the General Fund, represents amounts constrained either by policies of the County Legislature for amounts assigned for balancing the subsequent year's budget or the Commissioner of Finance for amounts assigned for encumbrances. Unlike commitments, assignments generally only exist temporarily, in that additional action does not normally have to be taken for the removal of an assignment. An assignment cannot result in a deficit in the unassigned fund balance in the General Fund. Assigned fund balance in all other governmental funds represents any positive remaining amount after classifying nonspendable, restricted or committed fund balance amounts.

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 and deferred inflows of resources, together with amounts already classified as nonspendable, restricted and committed would exceed the fund's assets and deferred outflows of resources.

In order to calculate the amounts to report as restricted and unrestricted fund balance in governmental fund financial statements, a flow assumption must be made about the order in which the resources are considered to be applied. 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, deferred outflows of resources, liabilities and deferred inflows of resources 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 29, 2014.

County of Rockland, New York

Notes to Financial Statements (Continued)
December 31, 2013

Note 2 - Stewardship, Compliance and Accountability

A. Budgetary Data

The County generally follows the procedures enumerated below in establishing the budgetary data reflected in the financial statements:

- a) On or before August 1st, the administrative head of each department is required to submit to the County Executive the expenditure requirements for the next fiscal year.
- b) The County Executive is required to file the tentative budget for the ensuing year with the Clerk of the Legislature on or before October 23rd.
- c) Subsequent to October 23rd, the Legislature conducts the necessary review of the tentative budget and proposes any changes thereto.
- d) Prior to November 20th, the Legislature shall hold a public hearing on the budget.
- e) After the public hearing, the Legislature may make changes to the budget. The budget shall be adopted no later than December 7th.
- f) Formal budgetary integration is employed during the year as a management control device for General, County Road, Road Machinery, Community Development, Sewer District and Debt Service funds.
- g) Budgets for General, County Road, Road Machinery, Community Development, Sewer District and Debt Service funds are legally adopted annually on a basis consistent with generally accepted accounting principles. The Capital Projects Fund is budgeted on a project basis. Annual budgets are not adopted for the Proprietary and Special Purpose funds.
- h) The County Legislature has legal responsibility for all budget amendments and transfers between functions of expenditure. The County Executive has authority for the transfer of appropriations within functions of expenditure.
- i) Appropriations in General, County Road, Road Machinery, Community Development, Sewer District and Debt Service funds lapse at the end of the fiscal year, except that outstanding encumbrances are re-appropriated in the succeeding year, pursuant to the Uniform System of Accounts promulgated by the Office of the State Comptroller.

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

B. Property Tax Limitation

The County is permitted by the State Constitution to levy for purposes other than debt service up to 1½% of the five year average full valuation of taxable real estate located within the County. In accordance with this provision, the maximum amount of the tax levy for 2013 was \$595,059,629, which exceeded the actual levy by \$499,059,629.

Note 2 - Stewardship, Compliance and Accountability (Continued)

Additionally, 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 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.

C. Application of Accounting Standards

For the year ended December 31, 2013, the County implemented GASB Statement No. 65, "*Items Previously Reported as Assets and Liabilities*". This statement establishes accounting and financial reporting standards that reclassify, as deferred outflows/inflows of resources, certain items that were previously reported as assets and liabilities. This statement also recognizes as outflows of resources (expenses or expenditures) or inflows of resources (revenues), certain items that were previously reported as assets and liabilities.

D. Fund Deficits

The General Fund has an unassigned deficit of \$129,426,867 at December 31, 2013.

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 \$153,451,138, \$73,789,675, \$3,877,033, \$6,461,313 and \$16,354,966, respectively at December 31, 2013. These deficits will be addressed in the subsequent year.

County of Rockland, New York

Notes to Financial Statements (Continued)
December 31, 2013

Note 3 - Detailed Notes on All Funds

A. Investments

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

Business-type Activities -
Rockland Tobacco Asset Securitization Corporation, Federal Home Loan Bank at cost, which approximates fair value, due in February 2014, interest at .25% \$ 1,098,290

Investments of the Rockland County Community College (component unit) consists of government securities and Treasury bills and notes valued at cost which approximates fair value.

Investment of the Soil and Water conservation District (component unit) consist 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, 2013 consisted of the following:

	<u>Maturity Date</u>	<u>Interest Rate</u>	<u>Amount</u>
Rockland Tobacco Asset Securitization Corporation Federal Home Loan Bank, at cost, which approximates fair value	January, 2014	0.2 %	\$ 3,367,209
Rockland Second Tobacco Asset Securitization Corporation Commercial paper, at cost, which approximates fair value	February, 2014	-	<u>711,055</u>
			<u>4,078,264</u>
Rockland County Solid Waste Management Authority Collateralized Investment Agreements			
AIG Matched Funding Corp.	12/15/2025	4.59	555,651
AIG Matched Funding Corp.	12/15/2028	4.59	399,966
Repurchase Agreement Westdeutsche Landesbank	12/15/2016	6.43	1,130,599
U.S. Treasury Bond SLUG	06/15/2025	-	841,020
Certificates of Deposit			
Capmark Bank	05/13/2014	3.5	99,179
CIT Bank	05/06/2014	3.5	<u>99,117</u>
			<u>3,125,532</u>
			<u>\$ 7,203,796</u>

Investments of the Rockland Tobacco Asset Securitization Corporation and the Rockland Second Tobacco Asset Securitization Corporation are not subject to risk categorization. The Rockland County Solid Waste Management Authority investments are fully collateralized with securities guaranteed by the U.S. Government.

County of Rockland, New York

Notes to Financial Statements (Continued)
December 31, 2013

Note 3 - Detailed Notes on All Funds (Continued)

B. Taxes Receivable

Taxes receivable at December 31, 2013 consisted of the following:

Tax liens	\$ 32,034,873
Tax installments	9,288,305
Returned school districts taxes	24,315,203
Returned village taxes	<u>2,335,672</u>
	67,974,053
Allowance for uncollectible taxes	<u>(2,900,000)</u>
Taxes Receivable	<u>\$ 65,074,053</u>

School district and village taxes are offset by liabilities to the school districts and villages which will be paid no later than April 2014. Taxes receivable, at the fund level, are also partially offset by deferred tax revenues of \$11,668,156, which represents an estimate of the receivable which will not be collected within the first sixty days of the subsequent year. School District and village taxes receivable in the amount of \$11,755,022 are also classified as nonspendable fund balance in the fund financial statements, which represents an estimate of taxes receivable that will not be collected within 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, 2013 were as follows:

<u>Fund</u>	<u>Due From</u>	<u>Due To</u>	<u>Advances From/To</u>
General	\$ 4,747,981	\$ -	\$ 58,810,128
Capital Projects	-	1,450,345	-
Non-Major Governmental	3,768,156	2,123,720	-
Home and Infirmary	-	11,866,272	(58,810,128)
Internal Service	<u>6,924,200</u>	<u>-</u>	<u>-</u>
	<u>\$ 15,440,337</u>	<u>\$ 15,440,337</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, 2013

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, 2013	Additions	Deductions	Balance December 31, 2013
Governmental Activities (inclusive of Internal Service Funds)				
Capital Assets, not being depreciated				
Land	\$ 68,149,734	\$ -	\$ 38,965	\$ 68,110,769
Construction-in-progress	275,142,743	38,179,155	1,431,524	311,890,374
Total Capital Assets, not being depreciated	<u>\$ 343,292,477</u>	<u>\$ 38,179,155</u>	<u>\$ 1,470,489</u>	<u>\$ 380,001,143</u>
Capital Assets, being depreciated				
Buildings	\$ 127,445,670	\$ -	\$ 2,509,951	\$ 124,935,719
Improvements	117,497,319	817,327	5,004,065	113,310,581
Equipment	116,980,934	1,377,459	4,474,425	113,883,968
Infrastructure	548,586,841	614,197	4,983,108	544,217,930
Total Capital Assets, being depreciated	<u>910,510,764</u>	<u>2,808,983</u>	<u>16,971,549</u>	<u>896,348,198</u>
Less Accumulated Depreciation for:				
Buildings	55,812,473	3,061,669	526,452	58,347,690
Improvements	66,990,125	7,577,945	3,482,747	71,085,323
Equipment	74,177,038	8,200,202	4,474,425	77,902,815
Infrastructure	349,854,769	10,968,678	4,983,108	355,840,339
Total Accumulated Depreciation	<u>546,834,405</u>	<u>29,808,494</u>	<u>13,466,732</u>	<u>563,176,167</u>
Total Capital Assets, being depreciated, net	<u>\$ 363,676,359</u>	<u>\$ (26,999,511)</u>	<u>\$ 3,504,817</u>	<u>\$ 333,172,031</u>
Governmental Activities Capital Assets, net	<u>\$ 706,968,836</u>	<u>\$ 11,179,644</u>	<u>\$ 4,975,306</u>	<u>\$ 713,173,174</u>

Class	Balance January 1, 2013	Additions	Deductions	Balance December 31, 2013
Business-type Activities:				
Capital Assets, not being depreciated:				
Land	\$ 438,504	\$ -	\$ -	\$ 438,504
Construction-in-progress	2,134,230	1,750,894	562,530	3,322,594
Total Capital Assets, not being depreciated	<u>\$ 2,572,734</u>	<u>\$ 1,750,894</u>	<u>\$ 562,530</u>	<u>\$ 3,761,098</u>

County of Rockland, New York

Notes to Financial Statements (Continued)
December 31, 2013

Note 3 - Detailed Notes on All Funds (Continued)

Class	Balance January 1, 2013	Additions	Deductions	Balance December 31, 2013
Capital Assets, being depreciated:				
Buildings	\$ 47,943,446	\$ 13,689	\$ -	\$ 47,957,135
Improvements	345,975	-	-	345,975
Equipment	18,278,012	549,307	510,751	18,316,568
Total Capital Assets, being depreciated	<u>66,567,433</u>	<u>562,996</u>	<u>510,751</u>	<u>66,619,678</u>
Less Accumulated Depreciation for:				
Buildings	38,165,430	1,218,596	-	39,384,026
Improvements	345,975	-	-	345,975
Equipment	11,529,061	967,165	510,751	11,985,475
Total Accumulated Depreciation	<u>50,040,466</u>	<u>2,185,761</u>	<u>510,751</u>	<u>51,715,476</u>
Total Capital Assets, being depreciated, net	<u>\$ 16,526,967</u>	<u>\$ (1,622,765)</u>	<u>\$ -</u>	<u>\$ 14,904,202</u>
Business-type Activities				
Capital Assets, net	<u>\$ 19,099,701</u>	<u>\$ 128,129</u>	<u>\$ 562,530</u>	<u>\$ 18,665,300</u>

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

Governmental Activities	
General Government Support	\$ 4,819,639
Education	3,742,579
Public Safety	2,975,541
Health	431,245
Transportation	8,305,761
Economic Opportunity and Development	110,069
Culture and Recreation	537,952
Home and Community Services	7,247,646
Capital assets held by the government's internal service fund are charged to the various functions based on their usage of the assets	<u>1,638,062</u>
Total Depreciation Expense - Governmental Activities	<u>\$ 29,808,494</u>
Business-type Activities - Home and Infirmary	<u>\$ 2,185,761</u>

County of Rockland, New York

Notes to Financial Statements (Continued)
December 31, 2013

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, 2012	Additions	Balance August 31, 2013
Capital Assets, being depreciated - Equipment	\$ 12,288,481	\$ 63,987	\$ 12,352,468
Less Accumulated Depreciation	<u>(7,384,911)</u>	<u>812,532</u>	<u>(6,572,379)</u>
Community College Capital Assets, net	<u>\$ 4,903,570</u>	<u>\$ 876,519</u>	<u>\$ 5,780,089</u>

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

Class	Balance January 1, 2013	Additions	Balance December 31, 2013
Capital Assets, being depreciated - Equipment	\$ 13,969	\$ -	\$ 13,969
Less Accumulated Depreciation	<u>(13,647)</u>	<u>(215)</u>	<u>(13,862)</u>
Soil and Water Conservation District Capital Assets, net	<u>\$ 322</u>	<u>\$ (215)</u>	<u>\$ 107</u>

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

Class	Balance January 1, 2013	Additions	Deductions	Balance December 31, 2013
Capital Assets, not being depreciated:				
Land	\$ 6,200,325	\$ -	\$ -	\$ 6,200,325
Construction-in-progress	<u>4,876,268</u>	<u>1,931,695</u>	<u>(5,125,875)</u>	<u>1,682,088</u>
Total Capital Assets, not being depreciated	<u>\$ 11,076,593</u>	<u>\$ 1,931,695</u>	<u>\$ (5,125,875)</u>	<u>\$ 7,882,413</u>
Capital Assets, being depreciated:				
Buildings	\$ 46,257,432	\$ 3,731,941	\$ -	\$ 49,989,373
Improvements	2,420,054	-	-	2,420,054
Equipment	<u>17,413,785</u>	<u>1,609,813</u>	<u>-</u>	<u>19,023,598</u>
Total Capital Assets, being depreciated	<u>66,091,271</u>	<u>5,341,754</u>	<u>-</u>	<u>71,433,025</u>

County of Rockland, New York

Notes to Financial Statements (Continued)
December 31, 2013

Note 3 - Detailed Notes on All Funds (Continued)

Class	Balance January 1, 2013	Additions	Deductions	Balance December 31, 2013
Less Accumulated Depreciation for:				
Buildings	\$ 25,205,359	\$ 2,404,741	\$ -	\$ 27,610,100
Improvements	580,813	96,802	-	677,615
Equipment	11,435,257	1,325,650	-	12,760,907
Total Accumulated Depreciation	<u>37,221,429</u>	<u>3,827,193</u>	<u>-</u>	<u>41,048,622</u>
Total Capital Assets, being depreciated, net	<u>\$ 28,869,842</u>	<u>\$ 1,514,561</u>	<u>\$ -</u>	<u>\$ 30,384,403</u>
Solid Waste Management Authority Capital Assets, net	<u>\$ 39,946,435</u>	<u>\$ 3,446,256</u>	<u>\$ (5,125,875)</u>	<u>\$ 38,266,816</u>

E. Accrued Liabilities

Accrued liabilities at December 31, 2013 were as follows:

	Governmental Activities	Business- Type Activities	Total
Payroll and employee benefits	\$ 26,647,304	\$ -	\$ 26,647,304
Other	11,149,971	867,257	12,017,228
Total Accrued Liabilities	<u>\$ 37,797,275</u>	<u>\$ 867,257</u>	<u>\$ 38,664,532</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.

Purpose	Year of Original Issue	Maturity Date	Rate of Interest	Balance January 1, 2013	New Issues	Redemptions	Balance December 31, 2013
Tax Anticipation Notes:							
County Operations	2012	-	- %	\$ 55,000,000	\$ -	\$ 55,000,000	\$ -
County Operations	2013	3/14/2014	2.25	-	55,000,000	-	55,000,000
Revenue Anticipation Notes:							
County Operations	2012	-	- %	45,000,000	-	45,000,000	-
County Operations	2012	-	-	35,000,000	-	35,000,000	-
County Operations	2012	-	-	30,000,000	-	30,000,000	-
County Operations	2013	3/14/2014	2.25	-	45,000,000	-	45,000,000
County Operations	2013	6/27/2014	1.75	-	60,000,000	-	60,000,000
				<u>\$ 165,000,000</u>	<u>\$ 160,000,000</u>	<u>\$ 165,000,000</u>	<u>\$ 160,000,000</u>

The \$55,000,000 tax anticipation notes that were issued on March 9, 2012, matured on March 6, 2013. Interest expenditures of \$1,363,542 was recorded in the General Fund financial statements. The \$45,000,000 revenue anticipation notes that were issued on March 9, 2012, matured on March 6, 2013, the \$35,000,000 revenue anticipation notes that were issued on June 28, 2012, matured on June 28, 2013 and the \$30,000,000 revenue anticipation note was issued

County of Rockland, New York

Notes to Financial Statements (Continued)
December 31, 2013

Note 3 - Detailed Notes on All Funds (Continued)

on September 24, 2012, matured on September 24, 2013. Interest expenditures of \$3,178,125 was recorded in the General Fund financial statements.

Tax anticipation notes, in the amount of \$55,000,000 were issued on March 14, 2013. They mature on March 14, 2014 and have an interest rate of 2.25%. Interest expense of \$983,125 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 14, 2013. They mature on March 14, 2014 and have an interest rate of 2.25%. Interest expense of \$804,375 was recorded in the government wide financial statements for governmental activities. Additional revenue anticipation notes, of \$60,000,000 were issued on July 2, 2013. They mature on June 27, 2014 and have an interest rate of 1.75%. Interest expense of \$519,167 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, 2013	New Issue	Redemptions	Balance December 31, 2013
Sewer Improvements	2012	-	- %	\$ 6,655,000	\$ -	\$ 6,655,000	\$ -
Sewer Improvements	2012	-	-	9,735,000	-	9,735,000	-
Public Improvements	2012	-	-	2,000,000	-	2,000,000	-
Public Improvements	2012	-	-	8,050,000	-	8,050,000	-
Sewer Improvements	2013	4/9/14	2.00	-	6,595,000	6,045,000	550,000
Public Improvements	2013	6/5/14	2.00	-	9,065,000	-	9,065,000
Sewer Improvements	2013	8/9/14	2.25	-	11,645,000	-	11,645,000
Sewer Improvements	2013	8/9/14	2.50	-	3,000,000	-	3,000,000
				<u>\$ 26,440,000</u>	<u>\$ 30,305,000</u>	<u>\$ 32,485,000</u>	<u>\$ 24,260,000</u>

Business-type Activities

Purpose	Year of Original Issue	Maturity Date	Rate of Interest	Balance January 1,	New Issue	Redemptions	Balance December 31,
Public Improvements	2012	-	- %	\$ 450,000	\$ -	\$ 450,000	\$ -
Public Improvements	2013	6/5/14	2.00	-	337,000	-	337,000
				<u>\$ 450,000</u>	<u>\$ 337,000</u>	<u>\$ 450,000</u>	<u>\$ 337,000</u>

Liabilities for bond anticipation notes are generally accounted for in the Capital Projects Fund. Principal payments on bond anticipation notes must be made annually. State law requires that bond anticipation notes issued for capital purposes or judgments be converted to long-term obligations generally within five years after the original issue date. However, bond anticipation notes issued for assessable improvement projects may be renewed for periods equivalent to the maximum life of the permanent financing, provided that stipulated annual reductions of principal are made.

County of Rockland, New York

Notes to Financial Statements (Continued)

December 31, 2013

Note 3 - Detailed Notes on All Funds (Continued)

Interest expenditures of \$424,839 were recorded in the fund financial statements in the Sewer Fund and \$402,000 was recorded in the General Fund. Interest expense of \$658,405 was recorded in the government-wide financial statements for governmental activities. Interest expense of \$7,875 was recorded in the fund financial and government-wide financial statements for the business-type activities - Home and Infirmary Fund.

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, employees in tier 5 who also contribute 3% of their salary without regard to their years of service and employees in tier 6 who contribute between 3% and 6% depending on salary levels and also without regard to 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, 2014 are as follows:

<u>Tier/Plan</u>	<u>Rate</u>
1 75I	25.4%
1 89D,M	31.6
2 75I	23.2
2 89PAF	27.3
3 A14	18.6
3 553B	30.5
4 A15	18.6
4 553B	30.5
4 603OR	26.5
4 604PR	26.5
4 604S4	19.9
4 89PAF	19.9
4 89VR3	19.9
4 89VR4	19.9
5 A15	15.1
5 89PAF	17.5
5 89VR4	17.5
5 604PR	24.4
5 604S4	11.8

County of Rockland, New York

Notes to Financial Statements (Continued)
December 31, 2013

Note 3 - Detailed Notes on All Funds (Continued)

	<u>Tier/Plan</u>	<u>Rate</u>
6	604PR	18.8%
6	604S4	11.8
6	89PAF	11.8
6	89VR4	11.8
6	A15	10.1

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

		<u>Component Units</u>		
	<u>Primary Government</u>	<u>College</u>	<u>Solid Waste Management Authority</u>	<u>Industrial Development Agency</u>
2013	\$ 22,068,198	\$ 1,348,254	\$ 415,108	\$ 11,000
2012	20,305,004	1,174,744	417,126	7,050
2011	21,627,972	981,324	247,718	5,419

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

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

	<u>Amount</u>
Governmental Funds	
General	\$ 14,596,374
County Road	728,672
Road Machinery	74,580
Sewer	759,399
	<u>16,159,025</u>
Proprietary Funds	
General Services	1,253,212
Workers' Compensation Benefits	11,360
Hospital	4,644,601
	<u>5,909,173</u>
	<u>\$ 22,068,198</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 and the TIAA-CREF is a cost sharing multiple-employer defined contribution

Note 3 - Detailed Notes on All Funds (Continued)

pension plan. TRS and TIAA-CREF provide retirement, disability and death benefits to plan members. Obligations of employers and employees to contribute and benefits to employees are governed by New York State Retirement and Social Security Law. The System and TIAA-CREF issue publicly available financial report that includes financial statements and required supplementary information. 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. The TIAA-CREF report may be obtained by writing to Teacher's Insurance and Annuity Association – College Retirement Equities Fund, 730 Third Avenue, New York, New York 10017.

Funding Policy - TRS 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 contribute 3.5% of their salary without regard to their years of service. 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, 2013 are as follows:

<u>Tiers</u>	<u>Rate</u>
1-4	11.84%

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

2013	\$ 673,187
2012	634,691
2011	485,968

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

TIAA/CREF is a privately operated contribution plan which provides benefits to certain employees of the College. Under the plan, the College is required to make contributions based on gross salaries of the participants. Certain participants are also required to make a participating contribution. Pension costs incurred for the current and two preceding years were as follows:

2013	\$ 2,044,523
2012	2,068,958
2011	1,938,099

Solid Waste Management Authority

The Authority participates in the New York State and Local Employees' Retirement System ("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.

County of Rockland, New York

Notes to Financial Statements (Continued)
December 31, 2013

Note 3 - Detailed Notes on All Funds (Continued)

Funding Policy - The System is non-contributory except for employees in tiers 3 and 4 that have less than ten years of service, who contribute 3% of their salary and employees in tier 5 who also contribute 3% of their salary without regard to their years of service and employees in tier 6 who contribute between 3% and 6% depending on salary levels and also without regard to 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 a regular pension contribution. Contribution rates for the plan year ended March 31, 2014 is as follows:

<u>Tier/Plan</u>	<u>Rate</u>
4 A15	20.8 %
5 A15	16.7

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

2013	\$ 415,108
2012	417,126
2011	247,718

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

Industrial Development Agency

The County of Rockland Industrial Development Agency also participates in the New York State and Local Employees' Retirement System. This is a cost sharing multiple public employee retirement system. The System provides retirement benefits as well as death and disability benefits. Obligations of employers and employees to contribute and benefits to employees are governed by the New York State Retirement and Social Security Law (NYSRSSL). As set forth in the NYSRSSL, the Comptroller of the State of New York (Comptroller) serves as sole trustee and administrative head of the Systems. The Comptroller shall adopt and may amend rules and regulations for the administration and transaction of the business of the Systems and for the custody of control of their funds. The system issues a publicly available financial report that includes financial statements and required supplementary information. That report may be obtained by writing to the New York State and Local Retirement Systems, Gov. Alfred e. Smith State Office Building, Albany, New York 12244.

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.

I. Long-Term Liabilities

The following table summarizes changes in the County's long-term indebtedness for the year ended December 31, 2013:

County of Rockland, New York

Notes to Financial Statements (Continued)
December 31, 2013

Note 3 - Detailed Notes on All Funds (Continued)

	Balance January 1, 2013	New Issues/ Additions	Maturities and/or Payments	Balance December 31, 2013	Due Within One Year
Governmental Activities:					
Bonds Payable					
Capital Construction	\$ 325,559,732	\$ 48,035,494	\$ 34,295,770	\$ 339,299,456	\$ 29,610,703
Other	47,255,000	5,000,000	2,545,000	49,710,000	3,130,000
	<u>372,814,732</u>	<u>53,035,494</u>	<u>36,840,770</u>	<u>389,009,456</u>	<u>32,740,703</u>
Less-Deferred amounts on refunding	(54,747)	502,233	(1,112,958)	1,560,444	-
	<u>372,759,985</u>	<u>53,537,727</u>	<u>35,727,812</u>	<u>390,569,900</u>	<u>32,740,703</u>
Compensated Absences	18,982,162	3,290,000	1,898,000	20,374,162	2,037,000
New York State Loan Payable - Retirement	10,431,999	24,691,246	2,253,680	32,869,565	2,332,982
Pension Obligations	7,137,650	-	2,284,373	4,853,277	2,456,753
Due to NYS Power Authority	2,995,269	-	397,390	2,597,879	400,846
Claims Payable	17,080,156	7,339,948	8,116,244	16,303,860	1,744,908
Other Post Employment Benefit Obligations Payable	<u>172,819,707</u>	<u>35,539,964</u>	<u>13,076,357</u>	<u>195,283,314</u>	<u>-</u>
Governmental Activities Long-term Liabilities	<u>\$ 602,206,928</u>	<u>\$ 124,398,885</u>	<u>\$ 63,753,856</u>	<u>\$ 662,851,957</u>	<u>\$ 41,713,192</u>
Business-type Activities:					
Bonds Payable	\$ 98,679,034	\$ 10,079,225	\$ 3,452,233	\$ 105,306,026	\$ 2,486,297
Less-Deferred amounts on refunding	(1,302,278)	-	(65,844)	(1,236,434)	-
	<u>97,376,756</u>	<u>-</u>	<u>-</u>	<u>104,069,592</u>	<u>2,486,297</u>
Compensated Absences	9,421,414	-	277,677	9,143,737	914,000
Estimated third party liability	1,629,953	714,207	-	2,344,160	-
Other Post Employment Benefit Obligations Payable	<u>78,521,913</u>	<u>15,055,705</u>	<u>7,166,345</u>	<u>86,411,273</u>	<u>-</u>
Business-type Activities Long-term Liabilities	<u>\$ 186,950,036</u>	<u>\$ 15,769,912</u>	<u>\$ 7,444,022</u>	<u>\$ 201,968,762</u>	<u>\$ 3,400,297</u>
Solid Waste Management					
Authority - Component Unit - Bonds Payable	\$ 59,855,000	\$ 3,270,434	\$ 3,615,000	\$ 59,510,434	\$ 3,770,000
Less-Deferred amounts on refunding	(872,788)	-	(45,496)	(827,292)	-
	<u>58,982,212</u>	<u>3,270,434</u>	<u>3,569,504</u>	<u>58,683,142</u>	<u>3,770,000</u>
Capital lease payable	508,724	-	334,672	174,052	174,052
Loans Payable	3,022,637	-	3,022,637	-	-
Other Post Employment Benefit Obligations Payable	<u>4,362,809</u>	<u>504,610</u>	<u>-</u>	<u>4,867,419</u>	<u>-</u>
Solid Waste Management Long-term Liabilities	<u>\$ 66,876,382</u>	<u>\$ 3,775,044</u>	<u>\$ 6,926,813</u>	<u>\$ 63,724,613</u>	<u>\$ 3,944,052</u>
Rockland County Community					
College - Component Unit - Compensated Absences	\$ 4,902,325	\$ 622,251	\$ 490,000	\$ 5,034,576	\$ 503,000
Other Post Employment Benefit Obligations Payable	<u>31,087,974</u>	<u>10,365,563</u>	<u>3,850,462</u>	<u>37,603,075</u>	<u>-</u>
	<u>\$ 35,990,299</u>	<u>\$ 10,987,814</u>	<u>\$ 4,340,462</u>	<u>\$ 42,637,651</u>	<u>\$ 503,000</u>

Governmental fund liabilities for bonds are liquidated by the Debt Service Fund, which is funded by other governmental funds. The liability for compensated absences is liquidated by the General,

County of Rockland, New York

Notes to Financial Statements (Continued)
December 31, 2013

Note 3 - Detailed Notes on All Funds (Continued)

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, 2013 are comprised of the following individual issues:

Purpose	Year of Issue	Original Issue Amount	Final Maturity	Interest Rates	Amount Outstanding at December 31, 2013
Various Purposes B	1994	\$ 12,347,000	November, 2014	6.000 %	\$ 39,000
Tobacco	2001	47,750,000	August, 2040	4.625-5.750	39,470,000
Various Purposes	2002	16,673,000	October, 2017	3.500-4.000	1,325,000
Sewer EFC Refunding 1996	2003	4,855,000	December, 2025	4.625-5.200	400,000
Sewer Refunding 93 Bonds	2003	3,525,000	March, 2017	3.500-4.000	455,000
Various Purposes	2003	21,027,000	June, 2023	3.000-4.000	9,155,000
Tobacco	2003	9,715,000	June 2038	5.027-5.270	5,770,000
Sewer EFC 2004D	2004	31,082,062	February, 2034	3.751-5.150	24,615,003
Various Purposes	2004	29,311,745	January, 2017	3.500-3.750	11,270,000
Sewer EFC 2005A	2005	12,395,713	May, 2034	2.094-4.569	9,195,000
Sewer EFC 2005B	2005	34,756,050	October, 2034	3.199-4.129	26,225,000
Various Purposes	2005	30,000,000	February, 2019	3.500-4.000	14,910,000
Tobacco	2005	26,964,181	August, 2040	5.875-7.625	42,546,997
Sewer EFC 2006C	2006	14,930,177	April, 2035	3.971-4.731	11,985,000
Various Purposes A	2006	24,512,500	April, 2017	3.875-4.000	10,710,000
Various Purposes B	2006	13,749,700	December, 2021	3.700-4.000	8,540,000
Various Purposes	2007	28,824,000	August, 2027	4.375-4.500	23,375,000
Mirant Settlement	2007	8,095,748	January, 2027	4.125-4.250	6,525,000
Mirant Settlement	2008	24,000,000	June, 2028	4.500-4.650	20,240,000
Various Purpose Refunding	2009	21,250,000	May, 2016	2.500-4.000	6,325,000
Various Purpose	2010	33,791,000	September, 2017	2.000-3.500	28,835,000
Various Purpose Refunding	2010	19,225,000	May, 2031	2.000-4.000	12,620,000
Sewer EFC 2010C	2010	15,128,142	October, 2039	1.054-4.603	13,685,000
Public Improvement	2010	11,400,000	June, 2020	2.000-3.125	8,280,000
Sewer EFC 2011C	2011	28,290,003	November, 2040	.507-4.746	25,975,000
Various Purpose	2011	20,335,000	June, 2026	4.000-4.500	18,460,000
Judgments	2011	5,000,000	December, 2031	3.500-6.000	4,665,000
Sewer EFC Refunding 2002I	2012	795,000	September, 2022	4.490-5.380	731,000
Sewer EFC Refunding 2002I	2012	979,000	September, 2022	4.490-5.380	900,000
Sewer EFC Refunding 2002I	2012	452,000	September, 2021	4.490-5.380	411,000
Sewer EFC Refunding 2003B	2012	2,655,000	December, 2025	5.459-6.189	2,490,000
Sewer EFC Refunding 2002C	2012	4,518,000	March, 2020	4.629-5.179	4,045,000
Various Purpose	2012	36,322,000	October, 2032	3.500-3.750	34,970,000
Judgments	2012	5,000,000	December, 2022	3.000-5.000	5,000,000
Various Purpose	2013	33,746,000	October, 2027	2.000-4.000	33,746,000
Various Purpose	2013	7,835,000	March, 2018	3.000-5.000	7,835,000
Various Purpose 2013 B	2013	5,000,000	December, 2023	5.0000	5,000,000
Sewer EFC Refunding 2013B	2013	13,841,482	May, 2043	0.263-4.756	13,591,482
					<u>\$ 494,315,482</u>

Note 3 - Detailed Notes on All Funds (Continued)

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 \$227,429 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, 2013 was \$4,625,848.

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 \$37,005,618. The balance due at December 31, 2013 was \$32,869,565.

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, 2013 is \$2,597,879.

County of Rockland, New York

Notes to Financial Statements (Continued)
December 31, 2013

Note 3 - Detailed Notes on All Funds (Continued)

Payments to Maturity

The annual requirements to amortize all bonded debt outstanding as of December 31, 2013 including interest payments of \$147,790,609 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
2014	\$ 29,610,703	\$ 12,493,548	\$ 400,846	\$ 20,764	\$ 4,543,262	\$ 1,392,013
2015	30,814,390	11,608,970	404,307	17,303	4,795,160	1,140,115
2016	31,690,355	11,020,152	407,798	13,813	4,817,356	872,296
2017	27,924,276	9,594,879	411,319	10,292	2,506,276	607,113
2018	22,229,321	8,722,674	414,870	6,740	2,594,851	518,538
2019-2023	102,287,206	32,856,057	558,739	3,410	13,612,660	1,169,569
2024-2028	82,024,492	16,460,423	-	-	-	-
2029-2033	40,753,713	6,056,073	-	-	-	-
2034-2038	16,200,000	1,669,230	-	-	-	-
2039-2043	5,475,000	251,650	-	-	-	-
	<u>\$ 389,009,456</u>	<u>\$ 110,733,656</u>	<u>\$ 2,597,879</u>	<u>\$ 72,322</u>	<u>\$ 32,869,565</u>	<u>\$ 5,699,644</u>

Year Ending December 31,	Pension Obligations		Business-Type Activities		Total	
	Principal	Interest	Principal	Interest	Principal	Interest
	2014	\$ 2,456,753	\$ 346,939	\$ 3,501,297	\$ 3,233,496	\$ 40,512,861
2015	2,396,524	179,739	3,553,092	3,094,735	41,963,473	16,040,862
2016	-	-	5,066,285	2,936,273	41,981,794	14,842,534
2017	-	-	5,346,844	2,764,876	36,188,715	12,977,160
2018	-	-	5,848,719	2,606,373	31,087,761	11,854,325
2019-2023	-	-	25,029,490	9,065,389	141,488,095	43,094,425
2024-2028	-	-	37,211,886	5,670,217	119,236,378	22,130,640
2029-2033	-	-	18,113,413	1,121,544	58,867,126	7,177,617
2034-2038	-	-	1,635,000	265,406	17,835,000	1,934,636
2039-2041	-	-	-	-	5,475,000	251,650
	<u>\$ 4,853,277</u>	<u>\$ 526,678</u>	<u>\$ 105,306,026</u>	<u>\$ 30,758,309</u>	<u>\$ 534,636,203</u>	<u>\$ 147,790,609</u>

Interest expenditures/expense of \$11,786,262 and \$180,529, were recorded in the fund financial statements in the Debt Service Fund and Internal Service Fund, respectively. Interest expense of \$11,923,845 was recorded in the government-wide financial statements for governmental activities. Interest expense of \$235,416, \$5,018,235 and \$363,598 were recorded in the fund financial and government-wide financial statements for the business-type activities in the Home and Infirmary Fund, the Rockland Tobacco Asset Securitization Corporation and the Rockland Second Tobacco Asset Securitization Corporation, respectively.

The above general obligation bonds are direct obligations of the County for which its full faith and credit are pledged and are payable from taxes levied on all taxable real property within the County, except for the 2001, 2003 and 2006 Rockland Tobacco Asset Securitization Corporation and the Rockland Second Tobacco Asset Securitization Corporation bonds, respectively. These bonds are the obligations of the RTASC and RSTASC, and will be repaid from future tobacco revenues.

County of Rockland, New York

Notes to Financial Statements (Continued)
December 31, 2013

Note 3 - Detailed Notes on All Funds (Continued)

Indebtedness - Component Unit

Solid Waste Management Authority

Bonds payable at December 31, 2013 consisted of the following issues:

<u>Purpose</u>	<u>Year of Issue</u>	<u>Original Issue Amount</u>	<u>Final Maturity</u>	<u>Interest Rates</u>	<u>Amount Outstanding at December 31, 2013</u>
Public Improvements	1996	\$ 11,620,000	December 2014	5.625 %	\$ 485,000
Public Improvements	2003	15,273,468	December 2025	4.629-6.189	9,825,000
Public Improvements	2003	8,720,000	December 2028	3.750-5.125	6,495,000
Public Improvements	2006	10,080,000	December 2021	4.250-5.000	7,005,000
Public Improvements	2008	27,535,000	December 2033	3.250-5.750	23,855,000
Public Improvements	2010	7,900,000	December 2024	2.500-4.000	7,265,000
Public Improvements	2010	2,250,000	December 2018	3.000-3.500	1,465,000
Public Improvements	2013	3,270,434	November, 2029	.263 - 4.083	3,115,434
					<u>\$ 59,510,434</u>

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.

The annual requirements to amortize all bonds outstanding at December 31, 2013, including interest of \$21,818,840 are as follows:

<u>Year Ending December 31,</u>	<u>Principal</u>	<u>Interest</u>	<u>Total</u>
2014	\$ 3,770,000	\$ 2,998,056	\$ 6,768,056
2015	3,945,434	2,825,497	6,770,931
2016	4,140,000	2,639,920	6,779,920
2017	4,340,000	2,443,659	6,783,659
2018	4,555,000	2,230,308	6,785,308
2019-2023	26,520,000	7,383,457	33,903,457
2024-2028	11,860,000	1,239,802	13,099,802
2029-2033	380,000	58,141	438,141
	59,510,434	<u>\$ 21,818,840</u>	<u>\$ 81,329,274</u>
Less: Unamortized original issue discount	(827,292)		
	<u>\$ 58,683,142</u>		

Note 3 - Detailed Notes on All Funds (Continued)

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, 2013 was \$508,724.

The annual requirements to amortize all capital leases outstanding at December 31, 2013, including interest of \$16,556 are as follows:

<u>Year</u>	<u>Principal</u>	<u>Interest</u>	<u>Total</u>
2014	<u>\$ 174,052</u>	<u>\$ 2,416</u>	<u>\$ 176,468</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 and 2012 the Authority drew down \$1,526,553 and \$1,546,084 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 payment was made in July, 2012, which was based on the loan outstanding at that time. Pursuant to the agreement with EFC, the Authority refinanced the loans with EFC through long-term financing in 2013. Interest expense was \$7,795 for the year ended December 31, 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.

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:

Year Ended December 31,	Health Insurance	Medicare Part B
2014	10.00 %	8.00 %
2015	9.50	7.50
2016	9.00	7.00
2017	8.50	6.50
2018	8.00	6.00
2019	7.50	5.50
2020	7.00	5.00
2021	7.50	5.00
2022	6.00	5.00
2023	5.50	5.00
2024+	5.00	5.00

The amortization basis is the level dollar amortization method with an open amortization approach with 25 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, 2013 was as follows:

Active Employees	29
Retired Employees	<u>-</u>
Total	<u><u>29</u></u>

County of Rockland, New York

Notes to Financial Statements (Continued)
December 31, 2013

Note 3 - Detailed Notes on All Funds (Continued)

Amortization Component:	
Actuarial Accrued Liability as of 1/1/13	\$ 2,604,825
Assets at Market Value	<u>-</u>
Unfunded Actuarial Accrued Liability	<u>\$ 2,604,825</u>
Funded Ratio	<u>0.00%</u>
Covered Payroll (active plan members)	<u>\$ 2,286,839</u>
UAAL as a Percentage of Covered Payroll	<u>114%</u>
Annual Required Contribution	541,868
Interest on Net OPEB Obligation	261,769
Adjustment to Annual Required Contribution	<u>(299,027)</u>
Annual OPEB Cost	504,610
Contributions Made	<u>-</u>
Increase in Net OPEB Obligation	504,610
Net OPEB Obligation - Beginning of Year	<u>4,362,809</u>
Net OPEB Obligation - End of Year	<u>\$ 4,867,419</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</u> <u>Year Ended</u> <u>December 31,</u>	<u>Annual</u> <u>OPEB Cost</u>	<u>Percentage of</u> <u>Annual OPEB</u> <u>Cost Contributed</u>	<u>Net OPEB</u> <u>Obligation</u>
2013	\$ 504,610	- %	\$ 4,867,419
2012	724,533	-	4,362,809
2011	730,773	-	3,638,276

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, 2013, the expense related to vested vacation pay for employees was accrued based upon pay rates currently in effect. Accrued vacation pay aggregated \$5,034,576.

County of Rockland, New York

Notes to Financial Statements (Continued)
December 31, 2013

Note 3 - Detailed Notes on All Funds (Continued)

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, 2013 was \$577,152. These amounts are included in accrued liabilities of the Authority.

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

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

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, 2013		
	Workers' Compensation Benefits	General Liability Claims	Unemployment Benefits
Balance - Beginning of Year	\$ 10,683,054	\$ 6,397,102	\$ -
Provision for Claims and Claims Adjustment Expenses	5,095,402	1,862,783	381,763
Claims and Claims Adjustment Expenses Paid	<u>(5,223,829)</u>	<u>(2,510,652)</u>	<u>(381,763)</u>
Balance - End of Year	<u>\$ 10,554,627</u>	<u>\$ 5,749,233</u>	<u>\$ -</u>
Due With One Year	<u>\$ 1,055,000</u>	<u>\$ 689,908</u>	<u>\$ -</u>

County of Rockland, New York

Notes to Financial Statements (Continued)
December 31, 2013

Note 3 - Detailed Notes on All Funds (Continued)

	December 31, 2012		
	Workers' Compensation Benefits	General Liability Claims	Unemployment Benefits
Balance - Beginning of Year	\$ 9,077,031	\$ 5,959,659	\$ -
Provision for Claims and Claims Adjustment Expenses	6,604,915	2,594,368	381,763
Claims and Claims Adjustment Expenses Paid	<u>(4,998,892)</u>	<u>(2,156,925)</u>	<u>(381,763)</u>
Balance - End of Year	<u>\$ 10,683,054</u>	<u>\$ 6,397,102</u>	<u>\$ -</u>
Due With One Year	<u>\$ 1,068,305</u>	<u>\$ 767,652</u>	<u>\$ -</u>

Other Post Employment Benefit Obligations Payable

In addition to providing pension benefits, the primary government and its College component unit provides certain health care benefits for retired employees 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 \$964,380 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, 2013, the County's annual OPEB cost was \$35,539,964 and the Annual Required Contribution was \$13,076,357.

County of Rockland, New York

Notes to Financial Statements (Continued)
December 31, 2013

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. 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 9% for the first year, then decreases annually until the ultimate trend rate is reached in 2022 of 5%.
- (3) The amortization basis is the level percentage of payroll method with an open amortization approach.
- (4) The actuarial cost method utilized was the projected unit credit method.
- (5) The investment rate of return assumed was 5% and the inflation rate was 3%.

For the calendar year ended December 31, 2013, the County's annual OPEB cost was \$32,467,845 for the Operating Funds.

General Fund	\$ 28,879,598
County Road Fund	1,716,682
Road Machinery Fund	179,706
Sewer Fund	<u>1,691,859</u>
	<u>\$ 32,467,845</u>

For the calendar year ended December 31, 2013, the County's annual OPEB cost for the Internal Service Funds was \$3,072,119.

General Service Fund	\$ 3,035,350
Workers' Compensation Fund	<u>36,769</u>
	<u>\$ 3,072,119</u>

For the calendar year ended December 31, 2013, the County's annual OPEB cost was \$15,055,705 for the Hospital Fund.

County of Rockland, New York

Notes to Financial Statements (Continued)
December 31, 2013

Note 3 - Detailed Notes on All Funds (Continued)

The number of participants as of December 31, 2013 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>

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.

	<u>Operating Funds</u>	<u>Internal Service Funds</u>	<u>Total Primary Government</u>	<u>Hospital Funds</u>
Amortization Component:				
Actuarial Accrued Liability as of January 1, 2013	\$ 359,515,112	\$ 36,025,906	\$ 395,541,018	\$ 183,467,584
Assets at Market Value	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Unfunded Actuarial Accrued Liability	<u>\$ 359,515,112</u>	<u>\$ 36,025,906</u>	<u>\$ 395,541,018</u>	<u>\$ 183,467,584</u>
Funded Ratio	<u>0%</u>	<u>0%</u>	<u>0%</u>	<u>0%</u>
Covered Payroll (active plan members)	<u>\$ 103,908,603</u>	<u>\$ 8,143,278</u>	<u>\$ 112,051,881</u>	<u>\$ 29,342,429</u>
UAAL as a percentage of covered payroll	<u>346.0%</u>	<u>442.4%</u>	<u>353.0%</u>	<u>546.2%</u>
Annual Required Contribution	\$ 34,834,716	\$ 3,306,433	\$ 38,141,149	\$ 16,237,572
Interest on Net OBEB Obligation	7,862,609	778,376	8,640,985	3,926,096
Adjustment to Annual Required Contribution	<u>(10,229,480)</u>	<u>(1,012,690)</u>	<u>(11,242,170)</u>	<u>(5,107,963)</u>
Annual OPEB Cost	32,467,845	3,072,119	35,539,964	15,055,705
Contributions Made	<u>(11,754,197)</u>	<u>(1,322,160)</u>	<u>(13,076,357)</u>	<u>(7,166,345)</u>
Increase in Net OPEB Obligation	20,713,648	1,749,959	22,463,607	7,889,360
Net OPEB Obligation - Beginning of Year	<u>157,252,184</u>	<u>15,567,523</u>	<u>172,819,707</u>	<u>78,521,913</u>
Net OPEB Obligation - End of Year	<u><u>\$ 177,965,832</u></u>	<u><u>\$ 17,317,482</u></u>	<u><u>\$ 195,283,314</u></u>	<u><u>\$ 86,411,273</u></u>

County of Rockland, New York

Notes to Financial Statements (Continued)
December 31, 2013

Note 3 - Detailed Notes on All Funds (Continued)

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:

	<u>Fiscal Year Ended December 31,</u>	<u>Annual OPEB Cost</u>	<u>% of Annual OPEB Cost Contributed</u>	<u>Net OPEB Obligation</u>
Operating Funds	2013	\$ 32,467,845	30.99 %	\$ 177,965,832
	2012	37,736,914	30.99	157,252,184
	2011	34,956,045	33.05	131,209,236
Internal Service Funds	2013	3,072,119	36.98	17,317,482
	2012	3,859,143	36.98	15,567,523
	2011	3,598,293	39.54	13,135,684
Total Primary Government	2013	35,539,964	31.54	195,283,314
	2012	41,596,057	31.54	172,819,707
	2011	38,554,338	33.66	144,344,920
Hospital Funds	2013	15,055,705	37.16	86,411,273
	2012	18,841,059	37.16	78,521,913
	2011	17,614,294	39.71	66,682,304

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.

County of Rockland, New York

Notes to Financial Statements (Continued)
December 31, 2013

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. 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:

<u>Fiscal Year</u>	<u>Pre-65 Medical</u>		<u>Post-65 Medical</u>		<u>Prescription Drug</u>	
2014	8.50	%	6.75	%	6.25	%
2015	8.00		6.50		6.00	
2016	7.50		6.25		5.75	
2017	7.00		6.00		5.63	
2018	6.50		5.75		5.50	
2019	6.00		5.50		5.38	
2020	5.50		5.25		5.25	
2021	5.25		5.13		5.13	
2022+	5.00		5.00		5.00	

The amortization basis is the level dollar of payroll method with an open amortization approach with 25 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, 2013 was as follows:

Active Employees	394
Retired Employees and dependents	<u>483</u>
Total	<u><u>877</u></u>

County of Rockland, New York

Notes to Financial Statements (Continued)
December 31, 2013

Note 3 - Detailed Notes on All Funds (Continued)

Amortization Component:	
Actuarial Accrued Liability as of January 1, 2012	\$ 109,784,463
Assets at Market Value	<u>-</u>
Unfunded Actuarial Accrued Liability ("UAAL")	<u>\$ 109,784,463</u>
Funded Ratio	<u>0.00%</u>
Covered Payroll (active plan members)	<u>\$ 30,231,449</u>
UAAL as a Percentage of Covered Payroll	<u>363%</u>
Annual Required Contribution	\$ 10,833,481
Interest on Net OPEB Obligation	1,554,399
Adjustment to Annual Required Contribution	<u>(2,022,317)</u>
Annual OPEB Cost	10,365,563
Contributions Made	<u>(3,850,462)</u>
Increase in Net OPEB Obligation	6,515,101
Net OPEB Obligation - Beginning of Year	<u>31,087,974</u>
Net OPEB Obligation - End of Year	<u>\$ 37,603,075</u>

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:

<u>Fiscal Year Ended August 31,</u>	<u>Annual OPEB Cost</u>	<u>Percentage of Annual OPEB Cost Contributed</u>	<u>Net OPEB Obligation</u>
2013	\$ 10,365,563	37.15 %	\$ 37,603,075
2012	9,658,575	38.08	31,087,974
2011	10,910,816	32.65	25,107,326

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.

County of Rockland, New York

Notes to Financial Statements (Continued)
December 31, 2013

Note 3 - Detailed Notes on All Funds (Continued)

Transfers Out	Transfers In				Total
	General Fund	Capital Projects Fund	Non-Major Governmental Funds	Hospital Fund	
Governmental Activities					
General Fund	\$ -	\$ 985,000	\$ 42,457,354	\$ 13,325,066	\$ 56,767,420
Capital Projects Fund	270,000	-	601,100	-	871,100
Non-Major Governmental Funds	3,000,000	504,273	9,362,080	-	12,866,353
	<u>\$ 3,270,000</u>	<u>\$ 1,489,273</u>	<u>\$ 52,420,534</u>	<u>\$ 13,325,066</u>	<u>\$ 70,504,873</u>

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

K. Net Position

The components of net position are detailed below:

Net Investment in Capital Assets - the component of net position that reports the difference between capital assets less both the accumulated depreciation and the outstanding balance of debt, excluding unexpended proceeds, that is directly attributable to the acquisition, construction or improvement of those assets.

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

County of Rockland, New York

Notes to Financial Statements (Continued)
December 31, 2013

Note 3 - Detailed Notes on All Funds (Continued)

Restricted for Unemployment Benefits - the component of net position 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 position that has been established through external restrictions imposed by contributors.

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

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

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

Unrestricted - all other net position that do not meet the definition of "restricted" or "net investment in capital assets".

County of Rockland, New York

Notes to Financial Statements (Continued)
December 31, 2013

Note 3 - Detailed Notes on All Funds (Continued)

L. Fund Balances

	2013				2012			
	General Fund	Capital Projects Fund	Non-Major Governmental Funds	Total	General Fund	Capital Projects Fund	Non-Major Governmental Funds	Total
Nonspendable								
Prepaid expenditures	\$ -	\$ -	\$ -	\$ -	\$ 1,286,881	\$ -	\$ -	\$ 1,286,881
Long-term receivable	11,755,022	-	-	11,755,022	12,066,073	-	-	12,066,073
Advances	58,810,128	-	-	58,810,128	48,697,541	-	-	48,697,541
Total Nonspendable	70,565,150	-	-	70,565,150	62,050,495	-	-	62,050,495
Restricted								
Law enforcement	9,517,605	-	-	9,517,605	11,435,019	-	-	11,435,019
Driving while intoxicated program	918,212	-	-	918,212	1,053,669	-	-	1,053,669
Handicapped parking	56,965	-	-	56,965	56,965	-	-	56,965
Trusts	-	-	28,815	28,815	-	-	28,775	28,775
Debt service	6,944,877	-	8,435,153	15,380,030	3,269,386	-	10,204,818	13,474,204
Parklands	-	-	-	-	-	-	-	-
Capital	-	28,735,884	-	28,735,884	-	19,949,850	-	19,949,850
Total Restricted	17,437,659	28,735,884	8,463,968	54,637,511	15,815,039	19,949,850	10,233,593	45,998,482
Committed								
Designated for treatment plant and development	-	-	1,001,999	1,001,999	-	-	1,193,725	1,193,725
Assigned								
Purchases on order:								
Transportation	-	-	110,378	110,378	-	-	114,163	114,163
Home and community services	-	-	1,380,800	1,380,800	-	-	1,462,069	1,462,069
	-	-	1,491,178	1,491,178	-	-	1,576,232	1,576,232
Subsequent year's expenditures								
Transportation projects	-	893,678	-	893,678	-	114,440	-	114,440
County Road Fund	-	-	13,711	13,711	-	-	-	-
Road Machinery Fund	-	-	421,282	421,282	-	-	325,920	325,920
Sewer Fund	-	-	22,241,292	22,241,292	-	-	19,074,674	19,074,674
Total Assigned	-	893,678	32,147,493	33,041,171	-	114,440	26,199,166	26,313,606
Unassigned								
Purchases on order:								
General government support	604,034	-	-	604,034	476,181	-	-	476,181
Public safety	144,477	-	-	144,477	212,571	-	-	212,571
Health	169,819	-	-	169,819	41,358	-	-	41,358
Transportation	169,120	-	-	169,120	22,625	-	-	22,625
Economic opportunity and development	142,558	-	-	142,558	212,243	-	-	212,243
Home and community services	224,792	-	-	224,792	36,511	-	-	36,511
Unassigned	(139,568,828)	-	-	(139,568,828)	(128,254,496)	-	-	(128,254,496)
Total Unassigned	(138,114,028)	-	-	(138,114,028)	(127,253,007)	-	-	(127,253,007)
Total Fund Balances (Deficits)	\$ (50,111,219)	\$ 29,629,562	\$ 41,613,460	\$ 21,131,803	\$ (49,387,473)	\$ 20,064,290	\$ 37,626,484	\$ 8,303,301

County of Rockland, New York

Notes to Financial Statements (Continued)
December 31, 2013

Note 3 - Detailed Notes on All Funds (Continued)

Certain elements of fund balance are described above. Those additional elements which are not reflected in the statement of net position but are reported in the governmental funds balance sheet are described 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, \$110,378, of fund balance represents surplus monies received for transportation projects, which are to be used to fund transportation capital project costs.

Treatment Plant and Development - This commitment, \$1,001,999, 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.

Purchases on order are assigned and represent the County's intention to honor contracts in process at year end. The subsequent years appropriations will be amended to provide authority to complete the transactions.

Subsequent Year's Expenditures - Sewer District and Debt Service Funds. At December 31, 2013, the County Legislature has utilized \$3,330,030 of the fund balance of the Sewer District Fund and \$4,650,000 of the fund balance of the Debt Service Fund to be appropriated for the ensuing year's budget.

Unassigned

Purchases on order in the General Fund are reflected within unassigned fund balance to indicate that the County cannot assign fund balance when an unassigned deficit exists.

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.

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 \$40 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 \$1,000,000. Settled claims resulting from these risks have not exceeded commercial insurance coverage in any of the past three fiscal years.

Unemployment Benefits

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

Component Units

Rockland Community College

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

Note 4 - Summary Disclosure of Significant Contingencies (Continued)

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 auto policy provides coverage up to \$1 million 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 - Subsequent Events

The County, on March 13, 2014, issued General Obligation (Serial) Bonds, Series 2014A in the amount of \$96,000,000 due March 1, 2024, with interest rates ranging from 4.784% to 5.00%.

The County, on March 17, 2014, issued tax anticipation notes in the amount of \$55,000,000 due March 17, 2015, and bearing interest of 2.00%.

The County, on March 27, 2014, issued Public Improvement (Serial) Bonds, Series 2014B in the amount of \$10,734,000, bearing interest at 4.25%.

The County, on April 8, 2014, issued bond anticipation notes in the amounts of \$1,625,503, due April 8, 2015, and bearing interest of 1.75%.

The County, on June 4, 2014, issued bond anticipation notes in the amount of \$8,309,000 due on October 1, 2014 and bearing interest of 1.00%.

The County, on July 2, 2014, issued New York State Environmental Facilities Corporation's Series 2014B bonds, in the amount of \$11,113,997, due May 1, 2044, with interest ranging from 0.1815% to 4.2925%.

County of Rockland, New York

Notes to Financial Statements (Concluded)
December 31, 2013

Note 5 - Subsequent Events (Continued)

The County, on July 2, 2014, issued New York State Environmental Facilities Corporation Series 2014B bonds, in the amount of \$23,735,000 due February 15, 2034, with interest ranging from 4.251% to 5.15%.

The County, on August 12, 2014, issued revenue anticipation notes in the amount of \$10,000,000 due April 12, 2015, and bearing interest at 1.50%.

The County, on August 12, 2014, issued revenue anticipation notes in the amount of \$10,000,000 due August 12, 2015, and bearing interest at 1.25%.

The County, on August 12, 2014, Public Improvement (Serial) Bonds, 2014C in the amount of \$41,549,000 due May 1, 202, with interest rates ranging from 3.0% to 4.0%.

On May 7, 2013, the County Legislature adopted a resolution requesting the State Legislature to enact special State legislation (State Assembly Bill A.6758 and Senate Bill S.4674) authorizing the County to issue up to \$96 million in deficit financing to fund the accumulated General Fund deficit through *December 31, 2012*. This legislation has passed both the State Assembly and the State Senate and the Governor's office has signed the bill into law. The County, on March 13, 2014 issued \$96 million in General Obligation Serial Bonds, bearing interest at an average coupon rate of 4.86%.

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, 2011	\$ -	\$ 375,153,248	\$ 375,153,248	- %	\$ 110,086,081	340.78 %
January 1, 2012	-	401,322,084	401,322,084	-	138,645,190	289.46
January 1, 2013	-	359,515,112	359,515,112	-	103,908,603	345.99
<u>Internal Service Funds</u>						
January 1, 2011	-	40,639,298	40,639,298	-	9,752,953	416.69
January 1, 2012	-	43,082,670	43,082,670	-	8,522,150	505.54
January 1, 2013	-	36,025,906	36,025,906	-	8,143,278	442.40
<u>Home and Infirmary Fund</u>						
January 1, 2011	-	205,728,109	205,728,109	-	37,664,649	546.21
January 1, 2012	-	216,923,538	216,923,538	-	32,517,151	667.10
January 1, 2013	-	183,467,584	183,467,584	-	29,342,429	625.26

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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,

	2013	2012
ASSETS		
Cash and equivalents	\$ 17,611,021	\$ 27,140,209
Taxes receivable		
Tax liens	32,034,873	29,754,057
Tax installments	9,288,305	8,365,123
Returned school and village taxes	26,650,875	26,065,095
	67,974,053	64,184,275
Allowance for uncollectible taxes	(2,900,000)	(2,810,000)
	65,074,053	61,374,275
Other receivables		
Accounts, net of allowance for uncollectible amounts	30,729,321	27,831,542
State and Federal aid, net of allowance for uncollectible amounts	51,537,421	57,475,818
Due from other governments	6,388,350	6,402,370
Due from other funds	4,747,981	12,524,398
Advances to other funds	58,810,128	48,697,541
	152,213,201	152,931,669
Prepaid expenditures	-	1,286,881
Total Assets	<u>\$ 234,898,275</u>	<u>\$ 242,733,034</u>
LIABILITIES, DEFERRED INFLOWS OF RESOURCES AND FUND DEFICIT		
Liabilities		
Accounts payable	\$ 22,801,431	30,269,167
Accrued liabilities	32,706,795	30,584,175
Due to other governments	2,502,922	2,557,749
Due to school districts	51,508,249	50,278,178
Unearned revenues	3,821,941	3,488,131
Tax anticipation note payable	55,000,000	55,000,000
Revenue anticipation note payable	105,000,000	110,000,000
Total Liabilities	273,341,338	282,177,400
Deferred inflows of resources		
Deferred tax revenues	11,668,156	9,943,107
Total Liabilities and Deferred Inflows of Resources	285,009,494	292,120,507
Fund balance (deficit)		
Nonspendable	70,565,150	62,050,495
Restricted	17,437,659	15,815,039
Unassigned		
Home and Infirmary Fund - Deficit	(58,810,128)	(48,697,541)
Other	(79,303,900)	(78,555,466)
Total Fund Deficit	(138,114,028)	(127,253,007)
Total Liabilities, Deferred Inflows of Resources and Fund Deficit	<u>(50,111,219)</u>	<u>(49,387,473)</u>
	<u>\$ 234,898,275</u>	<u>\$ 242,733,034</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,

	2013			
	Original Budget	Final Budget	Actual	Variance with Final Budget Positive (Negative)
REVENUES				
Real property taxes	\$ 96,000,000	\$ 96,000,000	\$ 93,746,979	\$ (2,253,021)
Other tax items	10,660,000	10,660,000	10,667,685	7,685
Non-property taxes	196,200,000	196,200,000	195,988,814	(211,186)
Departmental income	38,083,185	38,237,020	36,717,297	(1,519,723)
Intergovernmental charges	3,200,000	3,200,000	1,023,361	(2,176,639)
Use of money and property	300,000	300,000	172,754	(127,246)
Licenses and permits	1,910,000	1,910,000	1,782,666	(127,334)
Fines and forfeitures	839,715	839,715	850,273	10,558
Sale of property and compensation for loss	31,800	58,981	63,834	4,853
Interfund revenues	25,526,420	25,526,420	22,492,459	(3,033,961)
State aid	69,229,335	71,881,137	65,123,791	(6,757,346)
Federal aid	55,012,610	61,769,854	56,280,532	(5,489,322)
Miscellaneous	1,084,000	1,190,447	696,087	(494,360)
Total Revenues	<u>498,077,065</u>	<u>507,773,574</u>	<u>485,606,532</u>	<u>(22,167,042)</u>
EXPENDITURES				
Current				
General government support	69,184,207	73,566,957	68,405,934	5,161,023
Education	59,882,135	59,831,135	49,555,765	10,275,370
Public safety	72,045,705	76,751,678	69,197,018	7,554,660
Health	36,291,459	41,190,928	38,475,566	2,715,362
Transportation	28,591,325	28,907,325	28,465,651	441,674
Economic opportunity and development	178,443,759	177,291,086	169,746,120	7,544,966
Culture and recreation	344,320	395,635	374,492	21,143
Home and community services	5,680,969	5,784,058	5,314,655	469,403
Employee benefits	12,966,000	12,966,000	12,233,904	732,096
Debt service				
Principal	-	-	-	-
Interest	5,120,000	4,968,000	4,943,667	24,333
Total Expenditures	<u>468,549,879</u>	<u>481,652,802</u>	<u>446,712,772</u>	<u>34,940,030</u>
Excess of Revenues Over Expenditures	<u>29,527,186</u>	<u>26,120,772</u>	<u>38,893,760</u>	<u>12,772,988</u>
OTHER FINANCING SOURCES (USES)				
Bonds issued	5,000,000	5,000,000	5,000,000	-
Issuance premium	2,000,000	2,000,000	680,845	(1,319,155)
Sale of real property	2,400,000	2,400,000	8,199,069	5,799,069
New York State loan	14,685,000	14,685,000	-	(14,685,000)
Transfers in	3,420,000	3,420,000	3,270,000	(150,000)
Transfers out	(58,466,145)	(58,636,220)	(56,767,420)	1,868,800
Total Other Financing Uses	<u>(30,961,145)</u>	<u>(31,131,220)</u>	<u>(39,617,506)</u>	<u>(8,486,286)</u>
Net Change in Fund Balance	<u>(1,433,959)</u>	<u>(5,010,448)</u>	<u>(723,746)</u>	<u>4,286,702</u>
FUND BALANCE (DEFICIT)				
Beginning of Year	1,433,959	5,010,448	(49,387,473)	(54,397,921)
End of Year	<u>\$ -</u>	<u>\$ -</u>	<u>\$ (50,111,219)</u>	<u>\$ (50,111,219)</u>

2012

Original Budget	Final Budget	Actual	Variance with Final Budget Positive (Negative)
\$ 81,059,855	\$ 81,059,855	\$ 78,931,542	\$ (2,128,313)
11,008,725	11,008,725	9,619,155	(1,389,570)
200,821,875	200,821,875	177,267,770	(23,554,105)
39,693,200	40,267,366	40,389,791	122,425
1,400,000	1,400,000	2,614,580	1,214,580
675,000	675,000	255,193	(419,807)
1,995,000	1,995,000	1,781,053	(213,947)
925,560	925,560	917,331	(8,229)
37,100	37,100	57,512	20,412
28,879,845	28,879,845	22,781,524	(6,098,321)
72,546,775	75,292,952	69,349,552	(5,943,400)
52,426,750	61,572,979	55,307,866	(6,265,113)
1,176,000	1,206,692	989,263	(217,429)
<u>492,645,685</u>	<u>505,142,949</u>	<u>460,262,132</u>	<u>(44,880,817)</u>
69,182,727	73,588,939	64,209,911	9,379,028
62,069,988	57,635,489	57,340,086	295,403
58,993,938	71,833,726	70,078,849	1,754,877
35,492,769	41,820,526	39,792,305	2,028,221
25,408,484	26,730,610	26,597,164	133,446
170,815,278	169,575,770	168,981,440	594,330
389,265	396,924	391,837	5,087
6,874,685	6,878,635	6,704,671	173,964
16,267,000	16,267,000	11,781,962	4,485,038
17,800,000	17,800,000	-	17,800,000
4,500,000	4,500,000	4,405,257	94,743
<u>467,794,134</u>	<u>487,027,619</u>	<u>450,283,482</u>	<u>36,744,137</u>
<u>24,851,551</u>	<u>18,115,330</u>	<u>9,978,650</u>	<u>(8,136,680)</u>
-	-	5,000,000	5,000,000
1,500,391	1,500,391	1,071,490	(428,901)
5,785,000	5,785,000	-	(5,785,000)
7,000,000	7,000,000	-	(7,000,000)
5,935,000	5,935,000	6,341,754	406,754
(46,242,241)	(42,871,641)	(38,601,290)	4,270,351
<u>(26,021,850)</u>	<u>(22,651,250)</u>	<u>(26,188,046)</u>	<u>(3,536,796)</u>
(1,170,299)	(4,535,920)	(16,209,396)	(11,673,476)
<u>1,170,299</u>	<u>4,535,920</u>	<u>(33,178,077)</u>	<u>(37,713,997)</u>
<u>\$ -</u>	<u>\$ -</u>	<u>\$ (49,387,473)</u>	<u>\$ (49,387,473)</u>

County of Rockland, New York

General Fund
 Schedule of Revenues and Other Financing Sources Compared to Budget
 Year Ended December 31, 2013
 (With Comparative Actuals for 2012)

	Original Budget	Final Budget	Actual	Variance with Final Budget Positive (Negative)	2012 Actual
REAL PROPERTY TAXES	\$ 96,000,000	\$ 96,000,000	\$ 93,746,979	\$ (2,253,021)	\$ 78,931,542
OTHER TAX ITEMS					
Interest and penalties on real property taxes	10,000,000	10,000,000	10,396,051	396,051	9,262,081
Gain on sale of tax acquired property	500,000	500,000	-	(500,000)	118,812
Payments in lieu of taxes	160,000	160,000	271,634	111,634	238,262
Total Other Tax Items	10,660,000	10,660,000	10,667,685	7,685	9,619,155
NON-PROPERTY TAXES					
Sales and use tax	175,000,000	175,000,000	178,737,484	3,737,484	169,581,358
Mortgage tax	3,500,000	3,500,000	4,446,008	946,008	3,480,654
E-911 surcharge	1,200,000	1,200,000	1,262,906	62,906	1,046,955
Hotel/Motel Occupancy Tax	1,100,000	1,100,000	1,199,830	99,830	968,837
Residential energy use tax	14,000,000	14,000,000	8,677,106	(5,322,894)	2,077,687
Motor vehicle use tax	1,400,000	1,400,000	1,665,480	265,480	112,279
Total Non-Property Taxes	196,200,000	196,200,000	195,988,814	(211,186)	177,267,770
DEPARTMENTAL INCOME					
General government support	7,028,000	7,113,500	9,126,685	2,013,185	8,389,429
Public safety	1,552,000	1,597,899	1,721,397	123,498	1,829,090
Health	12,985,105	13,063,317	9,486,387	(3,576,930)	13,268,758
Transportation	8,698,500	8,698,500	8,189,527	(508,973)	8,082,612
Economic Opportunity and Development	5,056,000	5,056,000	5,541,033	485,033	5,463,271
Home and Community Services	41,500	41,500	31,528	(9,972)	40,425
Employee benefits	2,722,080	2,666,304	2,620,740	(45,564)	3,316,206
Total Departmental Income	38,083,185	38,237,020	36,717,297	(1,519,723)	40,389,791

INTERGOVERNMENTAL CHARGES

Election service charges	1,400,000	1,400,000	1,023,361	(376,639)	986,015
Community college chargebacks	1,800,000	1,800,000	-	(1,800,000)	1,628,565
Total Intergovernmental Charge	3,200,000	3,200,000	1,023,361	(2,176,639)	2,614,580

USE OF MONEY AND PROPERTY

Earnings on investments	300,000	300,000	122,807	(177,193)	134,502
Rental of real property	-	-	49,947	49,947	120,691
Total Use of Money and Property	300,000	300,000	172,754	(127,246)	255,193

LICENSES AND PERMITS

Licenses	1,280,000	1,280,000	1,144,689	(135,311)	1,122,505
Alarm charges	630,000	630,000	637,977	7,977	658,548
Total Licenses and Permits	1,910,000	1,910,000	1,782,666	(127,334)	1,781,053

FINES AND FORFEITURES

Fines	829,715	829,715	573,971	(255,744)	663,554
Forfeitures	10,000	10,000	276,302	266,302	253,777
Total Fines and Forfeitures	839,715	839,715	850,273	10,558	917,331

SALE OF PROPERTY AND COMPENSATION FOR LOSS

Other sales	16,800	16,800	32,854	16,054	17,052
Insurance recoveries	15,000	42,181	30,980	(11,201)	40,460
Total Sale of Property and Compensation for Loss	31,800	58,981	63,834	4,853	57,512

INTERFUND REVENUES

Liability and health insurance	569,300	569,300	569,300	-	630,400
Interfund revenues - Central services	11,921,120	11,921,120	9,630,040	(2,291,080)	10,644,675
Community College Fund	13,036,000	13,036,000	12,293,119	(742,881)	11,506,449
Total Interfund Revenues	25,526,420	25,526,420	22,492,459	(3,033,961)	22,781,524

STATE AID

General government support	785,450	684,230	628,071	(56,159)	985,250
Public safety	1,610,720	2,410,569	2,214,599	(195,970)	2,866,750
Health	29,832,065	31,715,298	26,684,648	(5,030,650)	29,541,087
Transportation	13,600,000	13,663,200	14,712,413	1,049,213	13,877,998
Economic opportunity and development	23,336,100	23,342,840	20,807,543	(2,535,297)	21,786,178
Culture and recreation	65,000	65,000	76,517	11,517	246,682
Home and community services	-	-	-	-	45,607
Total State Aid	69,229,335	71,881,137	65,123,791	(6,757,346)	69,349,552

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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, 2013

(With Comparative Actuals for 2012)

	Original Budget	Final Budget	Actual	Variance with Final Budget Positive (Negative)	2012 Actual
FEDERAL AID					
General government support	\$ 3,218,610	\$ 3,778,813	\$ 3,537,654	\$ (241,159)	\$ 2,854,470
Public safety	759,000	3,661,100	3,690,629	29,529	2,719,617
Health	150,000	3,003,525	2,686,260	(317,265)	3,273,232
Transportation	5,729,000	5,981,800	4,923,080	(1,058,720)	6,040,308
Economic opportunity and development	44,771,000	44,897,696	41,115,077	(3,782,619)	39,940,630
Home and community services	385,000	446,920	327,832	(119,088)	479,609
Total Federal Aid	55,012,610	61,769,854	56,280,532	(5,489,322)	55,307,866
MISCELLANEOUS					
Refund of prior year's expenditures	50,000	50,000	78,091	28,091	40,239
OTB distributed earnings	800,000	800,000	373,574	(426,426)	754,006
Other	234,000	340,447	244,422	(96,025)	195,018
Total Miscellaneous	1,084,000	1,190,447	696,087	(494,360)	989,263
TOTAL REVENUES	498,077,065	507,773,574	485,606,532	(22,167,042)	460,262,132
OTHER FINANCING SOURCES					
Bond proceeds	5,000,000	5,000,000	5,000,000	-	5,000,000
Issuance premium	2,000,000	2,000,000	680,845	(1,319,155)	1,071,490
Sale of real property	2,400,000	2,400,000	8,199,069	5,799,069	-
New York State loan	14,685,000	14,685,000	-	(14,685,000)	-
Transfers in					
Debt Service Fund	3,000,000	3,000,000	3,000,000	-	5,518,000
Rockland Tobacco Asset Securitization Corp	-	-	-	-	450,000
Capital Projects Fund	420,000	420,000	270,000	(150,000)	373,754
TOTAL OTHER FINANCING SOURCES	27,505,000	27,505,000	17,149,914	(10,355,086)	12,413,244
TOTAL REVENUES AND OTHER FINANCING SOURCES	\$ 525,582,065	\$ 535,278,574	\$ 502,756,446	\$ (32,522,128)	\$ 472,675,376

County of Rockland, New York

General Fund

Schedule of Expenditures and Other Financing Uses Compared to Budget

Year Ended December 31, 2013

(With Comparative Actuals for 2012)

	Original Budget	Final Budget	Actual	Variance with Final Budget Positive (Negative)	2012 Actual
GENERAL GOVERNMENT SUPPORT					
Legislative Branch	\$ 5,796,485	\$ 5,728,779	\$ 3,825,883	\$ 1,902,896	\$ 3,905,989
County Executive	5,655,608	5,752,358	5,073,823	678,535	4,961,623
Youth Bureau	1,662,850	2,100,231	1,762,088	338,143	2,043,182
Community Development Program	1,583,805	1,583,805	1,471,326	112,479	1,427,856
District Attorney	10,319,358	12,562,827	11,229,830	1,332,997	10,544,290
Public Defender	3,754,405	3,920,457	3,632,810	287,647	3,580,135
Assigned Counsel	1,365,000	1,365,000	1,309,529	55,471	1,371,153
Medical Examiner	1,731,600	1,731,600	1,454,959	276,641	1,614,346
Department of Budget and Finance	9,596,340	10,938,936	10,277,747	661,189	6,631,071
Department of Records	4,648,171	4,740,693	4,416,606	324,087	4,347,127
Department of Law	2,958,840	2,958,840	2,617,673	341,167	2,871,295
Department of Personnel	5,036,475	5,036,475	4,388,655	647,820	4,548,665
Board of Elections	3,361,990	3,390,089	3,226,836	163,253	3,314,733
Other General Departments	2,554,890	2,893,815	791,680	2,102,135	1,215,888
Department of Insurance	1,087,345	1,087,345	992,286	95,059	961,505
Revenue Sharing - Sales Tax	11,750,000	11,872,000	11,871,218	782	10,739,851
Contingent fund	(3,741,940)	(4,159,278)	-	(4,159,278)	-
Department of Tourism	-	-	-	-	68,217
Contract Agencies - General Government Support	62,985	62,985	62,985	-	62,985
Total General Government Support	69,184,207	73,566,957	68,405,934	5,161,023	64,209,911
EDUCATION					
Community College - Tuition	1,800,000	1,800,000	1,731,364	68,636	1,633,129
Contribution to Community College Fund	16,636,870	16,636,870	16,636,870	-	16,351,392
Education of handicapped children	41,445,265	41,394,265	31,187,531	10,206,734	39,355,565
Total Education	59,882,135	59,831,135	49,555,765	10,275,370	57,340,086

PUBLIC SAFETY

Office of the Sheriff	25,818,386	30,417,535	27,053,457	3,364,078	26,669,510
Correctional Facility	32,524,417	32,524,417	30,080,823	2,443,594	29,956,311
Narcotics task force	2,416,170	2,390,170	1,880,562	509,608	3,364,701
Probation Department	6,591,850	6,652,155	5,815,565	836,590	5,987,808
Department of Fire and Emergency Services	3,576,922	3,649,441	3,308,983	340,458	3,263,176
E-911 telephone system	1,029,045	1,029,045	968,713	60,332	782,624
Contract Agencies - Public Safety	88,915	88,915	88,915	-	54,719
Total Public Safety	72,045,705	76,751,678	69,197,018	7,554,660	70,078,849

HEALTH

Department of Health	25,694,169	30,404,786	28,021,056	2,383,730	30,293,125
Department of Mental Health	688,115	885,115	878,457	6,658	669,506
Contracted mental health services	9,468,160	9,460,012	9,135,038	324,974	8,388,661
Contracted health services	441,015	441,015	441,015	-	441,013
Total Health	36,291,459	41,190,928	38,475,566	2,715,362	39,792,305

TRANSPORTATION

Public transportation	28,591,325	28,907,325	28,465,651	441,674	26,597,164
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ECONOMIC OPPORTUNITY AND DEVELOPMENT

Department of Social Services	59,197,520	59,330,956	53,979,957	5,350,999	54,037,530
Social Services Program Grants	110,535,000	109,234,000	107,814,597	1,419,403	107,066,023
Veterans' Service Agency	510,385	510,385	457,079	53,306	391,711
Consumer Protection	2,033,815	2,033,815	1,788,227	245,588	1,814,992
Office of the Aging	5,350,209	5,350,209	4,874,539	475,670	4,857,085
Contract Agencies - Economic Opportunity and Development	816,830	831,721	831,721	-	814,099
Total Economic Opportunity and Development	178,443,759	177,291,086	169,746,120	7,544,966	168,981,440

CULTURE AND RECREATION

County Historian	10,340	10,340	9,527	813	9,415
Contract Agencies - Culture and Recreation	333,980	385,295	364,965	20,330	382,422
Total Culture and Recreation	344,320	395,635	374,492	21,143	391,837

(Continued)

County of Rockland, New York

General Fund

Schedule of Expenditures and Other Financing Uses Compared to Budget (Continued)

Year Ended December 31, 2013

(With Comparative Actuals for 2012)

	Original Budget	Final Budget	Actual	Variance with Final Budget Positive (Negative)	2012 Actual
HOME AND COMMUNITY SERVICES					
Department of Planning	\$ 1,889,479	\$ 1,889,479	\$ 1,711,616	\$ 177,863	\$ 2,861,322
Commission of Human Rights	382,440	431,029	368,134	62,895	444,733
Commissioner of Labor	25,025	25,025	22,211	2,814	23,027
Department of Environmental Resources	2,022,585	2,075,585	1,849,754	225,831	1,962,494
Contract Agencies - Home and Community Services	1,361,440	1,362,940	1,362,940	-	1,413,095
Total Home and Community Services	5,680,969	5,784,058	5,314,655	469,403	6,704,671
EMPLOYEE BENEFITS - UNDISTRIBUTED					
Workers' Compensation Benefit - RCC	200,000	200,000	200,000	-	199,770
Retirement - RCC	1,715,000	1,715,000	1,417,440	297,560	980,346
Hospital & Medical Insurance - RCC	11,051,000	11,051,000	10,616,464	434,536	10,601,846
Total Employee Benefits - RCC	12,966,000	12,966,000	12,233,904	732,096	11,781,962
DEBT SERVICE					
Interest					
Bond anticipation notes	420,000	402,000	402,000	-	183,007
Deficiency note	-	-	-	-	311,500
Revenue anticipation notes	3,300,000	3,198,000	3,178,125	19,875	2,269,917
Tax anticipation notes	1,400,000	1,368,000	1,363,542	4,458	1,640,833
	5,120,000	4,968,000	4,943,667	24,333	4,405,257
Total Debt Service	5,120,000	4,968,000	4,943,667	24,333	4,405,257
TOTAL EXPENDITURES	468,549,879	481,652,802	446,712,772	34,940,030	450,283,482

OTHER FINANCING USES

Transfers out

County Road Fund	10,410,975	10,410,975	10,085,975	325,000	9,287,000
Road Machinery Fund	1,568,130	1,568,130	1,568,130	-	1,343,000
Capital Projects Fund	-	985,000	985,000	-	-
Hospital Fund	14,717,040	14,735,115	13,325,066	1,410,049	-
Debt Service Fund	31,770,000	30,937,000	30,803,249	133,751	27,971,290
	<u>58,466,145</u>	<u>58,636,220</u>	<u>56,767,420</u>	<u>1,868,800</u>	<u>38,601,290</u>
TOTAL OTHER FINANCING USES					
TOTAL EXPENDITURES AND OTHER FINANCING USES	<u><u>\$ 527,016,024</u></u>	<u><u>\$ 540,289,022</u></u>	<u><u>\$ 503,480,192</u></u>	<u><u>\$ 36,808,830</u></u>	<u><u>\$ 488,884,772</u></u>

County of Rockland, New York

Capital Projects Fund
Comparative Balance Sheet
December 31,

	2013	2012
ASSETS		
Cash and equivalents	\$ 68,673,538	\$ 62,046,553
Receivables		
Accounts	-	616,313
State and Federal aid	1,724,575	4,449,342
	<u>1,724,575</u>	<u>5,065,655</u>
Restricted cash	<u>6,263,932</u>	<u>5,211,640</u>
Total Assets	<u>\$ 76,662,045</u>	<u>\$ 72,323,848</u>
LIABILITIES AND FUND BALANCE		
Liabilities		
Accounts payable	\$ 7,669,714	\$ 7,207,431
Due to other governments	13,652,424	17,232,146
Due to other funds	1,450,345	1,379,981
Bond anticipation notes payable	<u>24,260,000</u>	<u>26,440,000</u>
Total Liabilities	<u>47,032,483</u>	<u>52,259,558</u>
Fund balance		
Restricted	28,735,884	19,949,850
Assigned	<u>893,678</u>	<u>114,440</u>
Total Fund Balance	<u>29,629,562</u>	<u>20,064,290</u>
Total Liabilities and Fund Balance	<u>\$ 76,662,045</u>	<u>\$ 72,323,848</u>

County of Rockland, New York

Capital Projects Fund
Comparative Statement of Revenues, Expenditures
and Changes in Fund Balance
Years Ended December 31,

	<u>2013</u>	<u>2012</u>
REVENUES		
State aid	\$ 2,146,831	\$ 2,805,733
Federal aid	3,308,664	8,088,327
Miscellaneous	<u>895,276</u>	<u>2,986,735</u>
Total Revenues	6,350,771	13,880,795
EXPENDITURES		
Capital outlay	<u>38,036,154</u>	<u>39,338,593</u>
Deficiency of Revenues Over Expenditures	<u>(31,685,383)</u>	<u>(25,457,798)</u>
OTHER FINANCING SOURCES (USES)		
Bonds issued	40,632,482	35,122,000
Transfers in	1,489,273	412,000
Transfers out	<u>(871,100)</u>	<u>(3,780,718)</u>
Total Other Financing Sources	<u>41,250,655</u>	<u>31,753,282</u>
Net Change in Fund Balance	9,565,272	6,295,484
FUND BALANCE		
Beginning of Year	<u>20,064,290</u>	<u>13,768,806</u>
End of Year	<u>\$ 29,629,562</u>	<u>\$ 20,064,290</u>

County of Rockland, New York

Combining Balance Sheet
Non-Major Governmental Funds
December 31, 2013
(With Comparative Totals for 2012)

	Special Revenue Funds	Debt Service Fund
ASSETS		
Cash and equivalents	\$ 29,136,034	\$ 13,539,106
Receivables		
Accounts	275,196	-
Loans	6,405,142	-
State and Federal aid	1,110,929	934,767
Due from other funds	3,768,156	-
	<u>11,559,423</u>	<u>934,767</u>
Total Assets	<u>\$ 40,695,457</u>	<u>\$ 14,473,873</u>
LIABILITIES AND FUND BALANCES		
Liabilities		
Accounts payable	\$ 1,618,122	\$ -
Accrued liabilities	2,697,667	-
Due to other funds	735,000	1,388,720
Unearned revenues	7,116,361	-
Total Liabilities	<u>12,167,150</u>	<u>1,388,720</u>
Fund balances		
Restricted	28,815	8,435,153
Committed	1,001,999	-
Assigned	27,497,493	4,650,000
Total Fund Balances	<u>28,528,307</u>	<u>13,085,153</u>
Total Liabilities and Fund Balances	<u>\$ 40,695,457</u>	<u>\$ 14,473,873</u>

Totals	
2013	2012
\$ 42,675,140	\$ 34,517,988
275,196	377,383
6,405,142	6,117,517
2,045,696	4,475,594
3,768,156	2,736,271
12,494,190	13,706,765
<u>\$ 55,169,330</u>	<u>\$ 48,224,753</u>
\$ 1,618,122	\$ 1,524,055
2,697,667	2,236,536
2,123,720	519,750
7,116,361	6,317,928
13,555,870	10,598,269
8,463,968	10,233,593
1,001,999	1,193,725
32,147,493	26,199,166
41,613,460	37,626,484
<u>\$ 55,169,330</u>	<u>\$ 48,224,753</u>

County of Rockland, New York

Combining Statement of Revenues, Expenditures and Changes
in Fund Balances
Non-Major Governmental Funds
December 31, 2013
(With Comparative Totals for 2012)

	Special Revenue Funds	Debt Service Fund
REVENUES		
Real property taxes	\$ 33,218,249	\$ -
Other tax items	120,680	-
Departmental income	598,884	-
Use of money and property	135,196	123,357
Licenses and permits	26,490	-
Fines and forfeitures	16,855	-
Sale of property and compensation for loss	188,304	-
Interfund revenues	593,536	-
State aid	1,455,401	844,566
Federal aid	5,064,217	755,730
Miscellaneous	136,311	598,966
Total Revenues	<u>41,554,123</u>	<u>2,322,619</u>
EXPENDITURES		
Current		
Transportation	14,476,161	-
Economic opportunity and development	4,672,446	-
Home and community services	16,604,369	-
Employee benefits	3,627,419	-
Debt service		
Principal	-	28,309,066
Interest	424,839	11,786,262
Refunding bond issuance cost	-	70,804
Total Expenditures	<u>39,805,234</u>	<u>40,166,132</u>
Excess (Deficiency) of Revenues Over Expenditures	<u>1,748,889</u>	<u>(37,843,513)</u>
OTHER FINANCING SOURCES (USES)		
Refunding bonds issued	-	7,180,078
Payment to refunded bond escrow agent	-	(7,705,618)
Issuance premium	-	1,052,959
Transfers in	12,154,105	40,266,429
Transfers out	(9,796,353)	(3,070,000)
Total Other Financing Sources	<u>2,357,752</u>	<u>37,723,848</u>
Net Change in Fund Balances	4,106,641	(119,665)
FUND BALANCES		
Beginning of Year	<u>24,421,666</u>	<u>13,204,818</u>
End of Year	<u>\$ 28,528,307</u>	<u>\$ 13,085,153</u>

Totals	
2013	2012
\$ 33,218,249	\$ 30,435,674
120,680	93,150
598,884	763,238
258,553	231,874
26,490	30,059
16,855	17,461
188,304	23,584
593,536	487,084
2,299,967	1,956,254
5,819,947	8,033,170
735,277	585,141
<u>43,876,742</u>	<u>42,656,689</u>
14,476,161	14,634,663
4,672,446	4,944,043
16,604,369	16,077,116
3,627,419	3,364,174
28,309,066	25,500,827
12,211,101	11,727,992
70,804	-
<u>79,971,366</u>	<u>76,248,815</u>
<u>(36,094,624)</u>	<u>(33,592,126)</u>
7,180,078	9,529,000
(7,705,618)	(9,717,712)
1,052,959	669,048
52,420,534	51,580,931
(12,866,353)	(15,502,677)
<u>40,081,600</u>	<u>36,558,590</u>
3,986,976	2,966,464
<u>37,626,484</u>	<u>35,081,404</u>
<u>\$ 41,613,460</u>	<u>\$ 38,047,868</u>

County of Rockland, New York

Combining Balance Sheet
 Non-Major Special Revenue Funds
 December 31, 2013
 (With Comparative Totals for 2012)

	County Road Fund	Road Machinery Fund	Community Development Fund
ASSETS			
Cash and equivalents	\$ 100	\$ -	\$ 711,219
Receivables			
Accounts	35,444	-	-
Loans	-	-	6,405,142
State and Federal aid	373,834	-	737,095
Due from other funds	1,145,983	657,170	-
	<u>1,555,261</u>	<u>657,170</u>	<u>7,142,237</u>
Total Assets	<u><u>\$ 1,555,361</u></u>	<u><u>\$ 657,170</u></u>	<u><u>\$ 7,853,456</u></u>
LIABILITIES AND FUND BALANCES			
Liabilities			
Accounts payable	\$ 183,885	\$ 102,982	\$ 2,095
Accrued liabilities	1,256,797	123,496	-
Due to other funds	-	-	735,000
Unearned revenues	-	-	7,116,361
	<u>1,440,682</u>	<u>226,478</u>	<u>7,853,456</u>
Total Liabilities	<u><u>1,440,682</u></u>	<u><u>226,478</u></u>	<u><u>7,853,456</u></u>
Fund balances			
Restricted	-	-	-
Committed	-	-	-
Assigned	114,679	430,692	-
	<u>114,679</u>	<u>430,692</u>	<u>-</u>
Total Fund Balances	<u><u>114,679</u></u>	<u><u>430,692</u></u>	<u><u>-</u></u>
Total Liabilities and Fund Balances	<u><u>\$ 1,555,361</u></u>	<u><u>\$ 657,170</u></u>	<u><u>\$ 7,853,456</u></u>

Sewer District Fund	Special Purpose Fund	Totals	
		2013	2012
\$ 28,395,900	\$ 28,815	\$ 29,136,034	\$ 24,489,946
239,752	-	275,196	377,383
-	-	6,405,142	6,117,517
-	-	1,110,929	1,850,182
1,965,003	-	3,768,156	2,184,907
2,204,755	-	11,559,423	10,529,989
<u>\$ 30,600,655</u>	<u>\$ 28,815</u>	<u>\$ 40,695,457</u>	<u>\$ 35,019,935</u>
\$ 1,329,160	\$ -	\$ 1,618,122	\$ 1,524,055
1,317,374	-	2,697,667	2,236,536
-	-	735,000	519,750
-	-	7,116,361	6,317,928
2,646,534	-	12,167,150	10,598,269
-	28,815	28,815	28,775
1,001,999	-	1,001,999	1,193,725
26,952,122	-	27,497,493	23,199,166
27,954,121	28,815	28,528,307	24,421,666
<u>\$ 30,600,655</u>	<u>\$ 28,815</u>	<u>\$ 40,695,457</u>	<u>\$ 35,019,935</u>

County of Rockland, New York

Combining Statement of Revenues, Expenditures and Changes
in Fund Balances
Non-Major Special Revenue Funds
December 31, 2013
(With Comparative Totals for 2012)

	County Road Fund	Road Machinery Fund	Community Development Fund
REVENUES			
Real property taxes	\$ -	\$ -	\$ -
Other tax items	-	-	-
Departmental income	61,885	1,973	-
Use of money and property	-	-	15,469
Licenses and permits	26,490	-	-
Fines and forfeitures	3,700	-	-
Sale of property and compensation for loss	80,543	48,988	-
Interfund revenues	543,902	-	-
State aid	1,438,495	-	-
Federal aid	178,466	-	4,644,419
Miscellaneous	38,530	4,372	12,558
Total Revenues	2,372,011	55,333	4,672,446
EXPENDITURES			
Current			
Transportation	12,957,470	1,518,691	-
Economic opportunity and development	-	-	4,672,446
Home and community services	-	-	-
Employee benefits	-	-	-
Debt service			
Interest	-	-	-
Total Expenditures	12,957,470	1,518,691	4,672,446
Excess (Deficiency) of Revenues Over Expenditures	(10,585,459)	(1,463,358)	-
OTHER FINANCING SOURCES (USES)			
Transfers in	10,585,975	1,568,130	-
Transfers out	-	-	-
Total Other Financing Sources (Uses)	10,585,975	1,568,130	-
Net Change in Fund Balances	516	104,772	-
FUND BALANCES			
Beginning of Year	114,163	325,920	-
End of Year	\$ 114,679	\$ 430,692	\$ -

Sewer District Fund	Special Purpose Fund	Totals	
		2013	2012
\$ 33,218,249	\$ -	\$ 33,218,249	\$ 30,435,674
120,680	-	120,680	93,150
535,026	-	598,884	763,238
119,687	40	135,196	120,220
-	-	26,490	30,059
13,155	-	16,855	17,461
58,773	-	188,304	23,584
49,634	-	593,536	487,084
16,906	-	1,455,401	1,288,001
241,332	-	5,064,217	5,661,183
80,851	-	136,311	231,765
<u>34,454,293</u>	<u>40</u>	<u>41,554,123</u>	<u>39,151,419</u>
-	-	14,476,161	14,634,663
-	-	4,672,446	4,944,043
16,604,369	-	16,604,369	16,077,116
3,627,419	-	3,627,419	3,364,174
<u>424,839</u>	<u>-</u>	<u>424,839</u>	<u>263,407</u>
<u>20,656,627</u>	<u>-</u>	<u>39,805,234</u>	<u>39,283,403</u>
<u>13,797,666</u>	<u>40</u>	<u>1,748,889</u>	<u>(131,984)</u>
-	-	12,154,105	11,782,545
<u>(9,796,353)</u>	<u>-</u>	<u>(9,796,353)</u>	<u>(9,689,132)</u>
<u>(9,796,353)</u>	<u>-</u>	<u>2,357,752</u>	<u>2,093,413</u>
4,001,313	40	4,106,641	1,961,429
<u>23,952,808</u>	<u>28,775</u>	<u>24,421,666</u>	<u>22,460,237</u>
<u>\$ 27,954,121</u>	<u>\$ 28,815</u>	<u>\$ 28,528,307</u>	<u>\$ 24,421,666</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.

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County of Rockland, New York

County Road Fund
Comparative Balance Sheet
December 31,

	<u>2013</u>	<u>2012</u>
ASSETS		
Cash and equivalents	\$ 100	\$ 100
Receivables		
Accounts	35,444	44,216
State and Federal aid	373,834	1,476,019
Due from other funds	1,145,983	-
	<u>1,555,261</u>	<u>1,520,235</u>
Total Assets	<u>\$ 1,555,361</u>	<u>\$ 1,520,335</u>
LIABILITIES AND FUND BALANCE		
Liabilities		
Accounts payable	\$ 183,885	\$ 262,899
Accrued liabilities	1,256,797	1,028,472
Due to other funds	-	114,801
	<u>1,440,682</u>	<u>1,406,172</u>
Fund balance		
Assigned	<u>114,679</u>	<u>114,163</u>
Total Liabilities and Fund Balance	<u>\$ 1,555,361</u>	<u>\$ 1,520,335</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,

	2013			
	Original Budget	Final Budget	Actual	Variance with Final Budget Positive (Negative)
REVENUES				
Departmental income	\$ 115,400	\$ 115,400	\$ 61,885	\$ (53,515)
Licenses and permits	41,000	41,000	26,490	(14,510)
Fines and forfeitures	4,500	4,500	3,700	(800)
Sale of property and compensation for loss	21,500	21,500	80,543	59,043
Interfund revenues	495,000	495,000	543,902	48,902
State aid	1,250,000	1,250,000	1,438,495	188,495
Federal aid	750,000	750,000	178,466	(571,534)
Miscellaneous	50,000	50,000	38,530	(11,470)
Total Revenues	2,727,400	2,727,400	2,372,011	(355,389)
EXPENDITURES				
Current				
Transportation	13,753,265	13,753,265	12,957,470	795,795
Deficiency of Revenues Over Expenditures	(11,025,865)	(11,025,865)	(10,585,459)	440,406
OTHER FINANCING SOURCES				
Transfers in	10,910,975	10,910,975	10,585,975	(325,000)
Net Change in Fund Balance	(114,890)	(114,890)	516	115,406
FUND BALANCE				
Beginning of Year	114,890	114,890	114,163	(727)
End of Year	\$ -	\$ -	\$ 114,679	\$ 114,679

2012

Original Budget	Final Budget	Actual	Variance with Final Budget Positive (Negative)
\$ 115,000	\$ 115,000	\$ 106,638	\$ (8,362)
41,000	41,000	30,059	(10,941)
-	-	700	700
35,000	35,000	23,584	(11,416)
495,000	495,000	461,760	(33,240)
1,350,000	1,350,000	1,260,975	(89,025)
245,000	245,000	636,406	391,406
83,000	83,000	55,716	(27,284)
2,364,000	2,364,000	2,575,838	211,838
12,945,327	13,079,710	13,288,474	(208,764)
(10,581,327)	(10,715,710)	(10,712,636)	3,074
10,537,000	10,537,000	10,144,000	(393,000)
(44,327)	(178,710)	(568,636)	(389,926)
44,327	178,710	682,799	504,089
\$ -	\$ -	\$ 114,163	\$ 114,163

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County of Rockland, New York

Road Machinery Fund
Comparative Balance Sheet
December 31,

	<u>2013</u>	<u>2012</u>
ASSETS		
Receivables		
Accounts	\$ -	\$ 94
Due from other funds	<u>657,170</u>	<u>496,135</u>
Total Assets	<u>\$ 657,170</u>	<u>\$ 496,229</u>
LIABILITIES AND FUND BALANCE		
Liabilities		
Accounts payable	\$ 102,982	\$ 82,246
Accrued liabilities	<u>123,496</u>	<u>88,063</u>
Total Liabilities	226,478	170,309
Fund balance		
Assigned	<u>430,692</u>	<u>325,920</u>
Total Liabilities and Fund Balance	<u>\$ 657,170</u>	<u>\$ 496,229</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,

	2013			Variance with Final Budget Positive (Negative)
	Original Budget	Final Budget	Actual	
REVENUES				
Departmental income	\$ 2,000	\$ 2,000	\$ 1,973	\$ (27)
Sale of property and compensation for loss	5,000	5,000	48,988	43,988
Federal aid	-	-	-	-
Miscellaneous	29,000	29,000	4,372	(24,628)
Total Revenues	36,000	36,000	55,333	19,333
EXPENDITURES				
Current				
Transportation	1,604,130	1,604,130	1,518,691	85,439
Deficiency of Revenues Over Expenditures	(1,568,130)	(1,568,130)	(1,463,358)	104,772
OTHER FINANCING SOURCES				
Transfers in	1,568,130	1,568,130	1,568,130	-
Net Change in Fund Balance	-	-	104,772	104,772
FUND BALANCE				
Beginning of year	-	-	325,920	325,920
End of Year	\$ -	\$ -	\$ 430,692	\$ 430,692

2012

Original Budget	Final Budget	Actual	Variance with Final Budget Positive (Negative)
\$ 2,000	\$ 2,000	\$ 1,977	\$ (23)
20,000	20,000	-	(20,000)
-	-	342	342
46,000	46,000	12,019	(33,981)
68,000	68,000	14,338	(53,662)
<u>1,411,000</u>	<u>1,411,000</u>	<u>1,346,189</u>	<u>64,811</u>
(1,343,000)	(1,343,000)	(1,331,851)	11,149
<u>1,343,000</u>	<u>1,343,000</u>	<u>1,343,000</u>	<u>-</u>
-	-	11,149	11,149
-	-	314,771	314,771
<u>\$ -</u>	<u>\$ -</u>	<u>\$ 325,920</u>	<u>\$ 325,920</u>

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County of Rockland, New York

Community Development Fund
Comparative Balance Sheet
December 31,

	<u>2013</u>	<u>2012</u>
ASSETS		
Cash and equivalents	<u>\$ 711,219</u>	<u>\$ 231,197</u>
Receivables		
Loans	6,405,142	6,117,517
State and Federal aid	<u>737,095</u>	<u>374,163</u>
	<u>7,142,237</u>	<u>6,491,680</u>
 Total Assets	 <u><u>\$ 7,853,456</u></u>	 <u><u>\$ 6,722,877</u></u>
 LIABILITIES		
Liabilities		
Accounts payable	\$ 2,095	\$ -
Due to other funds	735,000	404,949
Unearned revenues	<u>7,116,361</u>	<u>6,317,928</u>
 Total Liabilities	 <u><u>\$ 7,853,456</u></u>	 <u><u>\$ 6,722,877</u></u>

County of Rockland, New York

Community Development Fund
 Comparative Schedule of Revenues, Expenditures and Changes
 in Fund Balance - Budget and Actual
 Years Ended December 31,

	2013			Variance with Final Budget Positive (Negative)
	Original Budget	Final Budget	Actual	
REVENUES				
Use of money and property	\$ -	\$ -	\$ 15,469	\$ 15,469
Federal aid	-	14,506,618	4,644,419	(9,862,199)
Miscellaneous	-	-	12,558	12,558
Total Revenues	-	14,506,618	4,672,446	(9,834,172)
EXPENDITURES				
Current				
Economic opportunity and development	-	14,506,618	4,672,446	9,834,172
Excess of Revenues Over Expenditures	-	-	-	-
FUND BALANCE				
Beginning of year	-	-	-	-
End of year	\$ -	\$ -	\$ -	\$ -

2012

<u>Original Budget</u>	<u>Final Budget</u>	<u>Actual</u>	<u>Variance with Final Budget Positive (Negative)</u>
\$ -	\$ -	\$ 4,533	\$ 4,533
-	14,514,245	4,925,547	(9,588,698)
-	-	11,435	11,435
-	14,514,245	4,941,515	(9,572,730)
-	14,514,245	4,941,515	9,572,730
-	-	-	-
-	-	-	-
-	-	-	-
<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>

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County of Rockland, New York

Sewer District Fund
Comparative Balance Sheet
December 31,

	<u>2013</u>	<u>2012</u>
ASSETS		
Cash and equivalents	\$ 28,395,900	\$ 24,229,874
Receivables		
Accounts	239,752	333,073
Due from other funds	<u>1,965,003</u>	<u>1,688,772</u>
	<u>2,204,755</u>	<u>2,021,845</u>
Total Assets	<u>\$ 30,600,655</u>	<u>\$ 26,251,719</u>
LIABILITIES AND FUND BALANCE		
Liabilities		
Accounts payable	\$ 1,329,160	\$ 1,178,910
Accrued liabilities	<u>1,317,374</u>	<u>1,120,001</u>
Total Liabilities	<u>2,646,534</u>	<u>2,298,911</u>
Fund balance		
Committed	1,001,999	1,193,725
Assigned	<u>26,952,122</u>	<u>22,759,083</u>
Total Fund Balance	<u>27,954,121</u>	<u>23,952,808</u>
Total Liabilities and Fund Balance	<u>\$ 30,600,655</u>	<u>\$ 26,251,719</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,

	2013			
	Original Budget	Final Budget	Actual	Variance with Final Budget Positive (Negative)
REVENUES				
Real property taxes	\$ 32,674,050	\$ 32,674,050	\$ 33,218,249	\$ 544,199
Other tax items	-	-	120,680	120,680
Departmental income	563,000	563,000	535,026	(27,974)
Use of money and property	145,000	145,000	119,687	(25,313)
Fines and forfeitures	-	-	13,155	13,155
Sale of property and compensation for loss	-	-	58,773	58,773
Interfund revenues	-	-	49,634	49,634
State aid	-	-	16,906	16,906
Federal aid	-	-	241,332	241,332
Miscellaneous	86,300	88,700	80,851	(7,849)
Total Revenues	33,468,350	33,470,750	34,454,293	983,543
EXPENDITURES				
Current				
Home and community services	20,706,199	21,010,179	16,604,369	4,405,810
Employee benefits	4,536,600	4,235,020	3,627,419	607,601
Debt service				
Interest	2,065,000	2,065,000	424,839	1,640,161
Total Expenditures	27,307,799	27,310,199	20,656,627	6,653,572
Excess of Revenues Over Expenditures	6,160,551	6,160,551	13,797,666	7,637,115
OTHER FINANCING SOURCES (USES)				
Transfers in	-	-	-	-
Transfers out	(9,853,000)	(9,853,000)	(9,796,353)	56,647
Total Other Financing Uses	(9,853,000)	(9,853,000)	(9,796,353)	56,647
Net Change in Fund Balance	(3,692,449)	(3,692,449)	4,001,313	7,693,762
FUND BALANCE				
Beginning of year	3,692,449	3,692,449	23,952,808	20,260,359
End of Year	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 27,954,121</u>	<u>\$ 27,954,121</u>

2012

Original Budget	Final Budget	Actual	Variance with Final Budget Positive (Negative)
\$ 29,821,880	\$ 29,821,880	\$ 30,435,674	\$ 613,794
-	-	93,150	93,150
15,000	15,000	654,623	639,623
90,000	90,000	115,644	25,644
-	-	16,761	16,761
-	-	-	-
-	-	25,324	25,324
-	35,000	27,026	(7,974)
-	-	98,888	98,888
734,000	734,000	152,595	(581,405)
<u>30,660,880</u>	<u>30,695,880</u>	<u>31,619,685</u>	<u>923,805</u>
20,496,303	19,984,029	16,077,116	3,906,913
3,537,320	3,596,520	3,364,174	232,346
<u>862,000</u>	<u>862,000</u>	<u>263,407</u>	<u>598,593</u>
<u>24,895,623</u>	<u>24,442,549</u>	<u>19,704,697</u>	<u>4,737,852</u>
<u>5,765,257</u>	<u>6,253,331</u>	<u>11,914,988</u>	<u>5,661,657</u>
295,545	295,545	295,545	-
<u>(10,124,000)</u>	<u>(10,124,000)</u>	<u>(9,689,132)</u>	<u>434,868</u>
<u>(9,828,455)</u>	<u>(9,828,455)</u>	<u>(9,393,587)</u>	<u>434,868</u>
(4,063,198)	(3,575,124)	2,521,401	6,096,525
<u>4,063,198</u>	<u>3,575,124</u>	<u>21,431,407</u>	<u>17,856,283</u>
<u>\$ -</u>	<u>\$ -</u>	<u>\$ 23,952,808</u>	<u>\$ 23,952,808</u>

County of Rockland, New York

Special Purpose Fund
Comparative Balance Sheet
December 31,

	<u>2013</u>	<u>2012</u>
ASSETS		
Cash and equivalents	<u>\$ 28,815</u>	<u>\$ 28,775</u>
 FUND BALANCE		
Restricted	<u>\$ 28,815</u>	<u>\$ 28,775</u>

County of Rockland, New York

Special Purpose Fund

Comparative Statement of Revenues, Expenditures and Changes
in Fund Balance

Years Ended December 31,

	<u>2013</u>	<u>2012</u>
REVENUES		
Use of money and property	\$ 40	\$ 43
EXPENDITURES		
Current		
Economic opportunity and development	<u>-</u>	<u>2,528</u>
Excess (Deficiency) of Revenues Over Expenditures	40	(2,485)
FUND BALANCE		
Beginning of Year	<u>28,775</u>	<u>31,260</u>
End of Year	<u>\$ 28,815</u>	<u>\$ 28,775</u>

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County of Rockland, New York

Debt Service Fund
Comparative Balance Sheet
December 31,

	<u>2013</u>	<u>2012</u>
ASSETS		
Cash and equivalents	\$ 13,539,106	\$ 10,028,042
Receivables		
State and Federal aid	934,767	2,625,412
Due from other funds	-	551,364
	<u>934,767</u>	<u>3,176,776</u>
Total Assets	<u>\$ 14,473,873</u>	<u>\$ 13,204,818</u>
LIABILITIES AND FUND BALANCE		
Liabilities		
Due to other funds	\$ 1,388,720	\$ -
Fund balance		
Restricted	8,435,153	10,204,818
Assigned	4,650,000	3,000,000
Total Fund Balance	<u>13,085,153</u>	<u>13,204,818</u>
Total Liabilities and Fund Balance	<u>\$ 14,473,873</u>	<u>\$ 13,204,818</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,

	2013			Variance with Final Budget Positive (Negative)
	Original Budget	Final Budget	Actual	
REVENUES				
Use of money and property	\$ -	\$ -	\$ 123,357	\$ 123,357
State aid	-	-	844,566	844,566
Federal aid	-	-	755,730	755,730
Miscellaneous	138,000	208,000	598,966	390,966
Total Revenues	138,000	208,000	2,322,619	2,114,619
EXPENDITURES				
Debt service				
Serial bonds				
Principal	28,127,610	28,085,347	27,911,676	173,671
Interest	11,719,755	11,762,018	11,762,017	1
Refunding bond issuance cost	-	70,804	70,804	-
NYS Power Authority				
Principal	397,390	397,390	397,390	-
Interest	24,245	24,245	24,245	-
Total Expenditures	40,269,000	40,339,804	40,166,132	173,672
Deficiency of Revenues Over Expenditures	(40,131,000)	(40,131,804)	(37,843,513)	2,288,291
OTHER FINANCING SOURCES (USES)				
Refunding bonds issued	-	7,180,078	7,180,078	-
Payment to refunded bond escrow agent	-	(7,705,618)	(7,705,618)	-
Issuance premium	-	596,344	1,052,959	456,615
Transfers in	40,131,000	40,131,000	40,266,429	135,429
Transfers out	(3,000,000)	(3,070,000)	(3,070,000)	-
Total Other Financing Sources	37,131,000	37,131,804	37,723,848	592,044
Net Change in Fund Balance	(3,000,000)	(3,000,000)	(119,665)	2,880,335
FUND BALANCE				
Beginning of Year	3,000,000	3,000,000	13,204,818	10,204,818
End of Year	\$ -	\$ -	\$ 13,085,153	\$ 13,085,153

2012

Original Budget	Final Budget	Actual	Variance with Final Budget Positive (Negative)
\$ -	\$ -	\$ 111,654	\$ 111,654
-	-	668,253	668,253
-	-	2,371,987	2,371,987
-	234,000	353,376	119,376
-	234,000	3,505,270	3,271,270
25,483,809	25,501,809	25,500,827	982
11,438,807	11,465,807	11,464,585	1,222
-	-	-	-
394,191	394,191	394,191	-
27,193	27,193	27,193	-
37,344,000	37,389,000	37,386,796	2,204
(37,344,000)	(37,155,000)	(33,881,526)	3,273,474
-	9,529,000	9,529,000	-
-	(9,718,000)	(9,717,712)	288
-	-	669,048	669,048
37,344,000	37,344,000	39,798,386	2,454,386
(6,080,545)	(6,080,545)	(5,813,545)	267,000
31,263,455	31,074,455	34,465,177	3,390,722
(6,080,545)	(6,080,545)	583,651	6,664,196
6,080,545	6,080,545	12,621,167	6,540,622
\$ -	\$ -	\$ 13,204,818	\$ 13,204,818

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ENTERPRISE FUND

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

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

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

County of Rockland, New York

Proprietary Fund - Enterprise Fund
 Home and Infirmary Fund
 Comparative Statement of Net Position
 December 31,

	2013	2012
ASSETS		
Cash and equivalents	\$ 7,963,654	\$ 2,051,923
Receivables		
Accounts	15,505,839	19,356,626
Accounts - Patient care, net of allowance for uncollectible amounts	7,778,122	9,492,361
Funds held in trust for residents	233,366	259,385
Inventories	796,462	703,562
Total Current Assets	<u>32,277,443</u>	<u>31,863,857</u>
Capital assets		
Land	438,504	438,504
Buildings	47,957,135	47,943,446
Improvements other than buildings	345,975	345,975
Equipment	18,316,568	18,278,012
Construction-in-progress	3,322,594	2,134,230
Less - Accumulated depreciation	<u>(51,715,476)</u>	<u>(50,040,466)</u>
Total Capital Assets, net of accumulated depreciation	<u>18,665,300</u>	<u>19,099,701</u>
Total Assets	<u>50,942,743</u>	<u>50,963,558</u>
LIABILITIES		
Current liabilities		
Accounts payable	8,370,496	7,478,029
Accrued interest payable	170,090	140,687
Funds held in trust for residents	233,366	259,385
Due to other funds	11,866,272	19,840,253
Advances from other funds	58,810,128	48,697,541
Current portion of compensated absences	914,000	942,000
Unearned revenues	501,169	512,285
Bond anticipation notes payable	337,000	450,000
Current maturities of bonds payable	<u>1,971,297</u>	<u>1,596,660</u>
Total Current Liabilities	<u>83,173,818</u>	<u>79,916,840</u>
Noncurrent liabilities		
Bonds payable, less current portion	15,547,732	10,582,614
Compensated absences, less current portion	8,229,737	8,479,414
Other post employment benefit obligations payable	86,411,273	78,521,913
Estimated third-party liabilities	<u>2,344,160</u>	<u>1,629,953</u>
Total Noncurrent Liabilities	<u>112,532,902</u>	<u>99,213,894</u>
Total Liabilities	<u>195,706,720</u>	<u>179,130,734</u>
NET POSITION		
Net investment in capital assets	8,687,161	8,473,692
Unrestricted	<u>(153,451,138)</u>	<u>(136,640,868)</u>
Total Net Position	<u>\$ (144,763,977)</u>	<u>\$ (128,167,176)</u>

County of Rockland, New York

Proprietary Fund - Enterprise Fund
 Home and Infirmary Fund
 Comparative Statement of Revenues, Expenses
 and Changes in Net Position
 Years Ended December 31,

	<u>2013</u>	<u>2012</u>
OPERATING REVENUES		
Charges for services		
Net patient service revenues	\$ 57,440,172	\$ 69,671,135
Services provided to the County jail	330,000	330,000
Services provided to the County of Rockland	<u>2,987,152</u>	<u>3,114,138</u>
	60,757,324	73,115,273
Miscellaneous	<u>520,098</u>	<u>542,729</u>
Total Operating Revenues	<u>61,277,422</u>	<u>73,658,002</u>
OPERATING EXPENSES		
Administrative and general expenses	9,888,213	11,238,974
Salaries and wage expenses	37,089,314	40,007,303
Employee benefits	34,667,105	39,522,610
Supplies and other expenses	7,125,605	8,286,066
Depreciation	<u>2,185,761</u>	<u>2,289,193</u>
Total Operating Expenses	<u>90,955,998</u>	<u>101,344,146</u>
Loss from Operations	(29,678,576)	(27,686,144)
NON-OPERATING REVENUES (EXPENSES)		
Non-operating expenses		
Interest on indebtedness	<u>(243,291)</u>	<u>(287,599)</u>
Loss Before Transfers	(29,921,867)	(27,973,743)
Transfers in	<u>13,325,066</u>	<u>-</u>
Change in Net Position	(16,596,801)	(27,973,743)
NET POSITION		
Beginning of Year	<u>(128,167,176)</u>	<u>(100,193,433)</u>
End of Year	<u>\$ (144,763,977)</u>	<u>\$ (128,167,176)</u>

County of Rockland, New York

Proprietary Fund - Enterprise Fund
 Home and Infirmity Fund
 Comparative Statement of Cash Flows
 Years Ended December 31,

	2013	2012
CASH FLOWS FROM OPERATING ACTIVITIES		
Cash received from patients and third-party payers	\$ 59,776,407	\$ 75,157,828
Other receipts	21,094,198	(9,849,594)
Cash payments to vendors	(16,214,251)	(14,720,069)
Cash payments to employees	(64,144,736)	(67,929,842)
Net Cash from Operating Activities	<u>511,618</u>	<u>(17,341,677)</u>
CASH FLOWS FROM NON-CAPITAL FINANCING ACTIVITIES		
Proceeds from County of Rockland	<u>2,138,606</u>	<u>19,029,419</u>
CASH FLOWS FROM CAPITAL AND RELATED FINANCING ACTIVITIES		
Proceeds from long-term debt	7,292,000	1,200,000
Retirement of debt	(2,065,244)	(1,510,484)
Interest on indebtedness	(450,825)	(452,626)
Acquisition and construction of capital assets	<u>(1,514,424)</u>	<u>(837,036)</u>
Net Cash from Capital and Related Financing Activities	<u>3,261,507</u>	<u>(1,600,146)</u>
Net Change in Cash and Equivalents	5,911,731	87,596
CASH AND EQUIVALENTS		
Beginning of Year	<u>2,051,923</u>	<u>1,964,327</u>
End of Year	<u>\$ 7,963,654</u>	<u>\$ 2,051,923</u>
RECONCILIATION OF LOSS FROM OPERATIONS TO NET CASH FROM OPERATING ACTIVITIES		
Loss from operations	\$ (29,678,576)	\$ (27,686,144)
Adjustments to reconcile loss from operations to net cash from operating activities		
Depreciation	2,185,761	2,289,193
Provision for bad debts	2,657,082	1,994,004
Transfers in	13,325,066	-
Changes in assets and liabilities		
Accounts receivable	3,850,787	(13,836,461)
Accounts receivable - Patient care	(942,843)	317,181
Due to/from State of New York by mental health units for outpatient subsidy, net	-	3,032,229
Inventories	(92,900)	(49,773)
Prepaid expenses	-	897,393
Accounts payable	892,467	4,854,744
Unearned revenue	(11,116)	(2,692,080)
Compensated absences	(277,677)	(1,136,931)
Other post employment benefit obligations payable	7,889,360	11,839,609
Estimated third party liabilities	<u>714,207</u>	<u>2,835,359</u>
Net Cash from Operating Activities	<u>\$ 511,618</u>	<u>\$ (17,341,677)</u>

County of Rockland, New York

Proprietary Fund - Enterprise Fund
 Rockland Tobacco Asset Securitization Corporation
 Comparative Statement of Net Position
 December 31,

	2013	2012
ASSETS		
Current assets		
Cash and equivalents	\$ 277,614	\$ 257,757
Investments	1,098,290	1,137,038
Accounts receivable	3,146,254	3,162,660
Prepaid expenses	19,771	18,056
Total Current Assets	<u>4,541,929</u>	<u>4,575,511</u>
Noncurrent assets		
Restricted cash and equivalents	249,942	91,887
Restricted investments	3,367,209	3,440,137
Costs of issuance, net of accumulated amortization of \$377,505 in 2012	-	723,263
Total Noncurrent Assets	<u>3,617,151</u>	<u>4,255,287</u>
Total Assets	<u>8,159,080</u>	<u>8,830,798</u>
LIABILITIES		
Current liabilities		
Accrued liabilities	838,662	859,493
Current maturities of bonds payable	410,000	375,000
Total Current Liabilities	1,248,662	1,234,493
Noncurrent liabilities		
Bonds payable, less current portion	80,700,093	78,998,009
Total Liabilities	<u>81,948,755</u>	<u>80,232,502</u>
NET POSITION		
Unrestricted	<u>\$ (73,789,675)</u>	<u>\$ (71,401,704)</u>

County of Rockland, New York

Proprietary Fund - Enterprise Fund
Rockland Tobacco Asset Securitization Corporation
Comparative Statement Of Revenues, Expenses and
Changes in Net Position
Years Ended December 31,

	<u>2013</u>	<u>2012</u>
OPERATING REVENUES		
Tobacco settlement revenues	<u>\$ 3,180,123</u>	<u>\$ 2,852,327</u>
Operating expenses		
Professional fees	39,007	39,690
Directors' fees	16,000	16,000
Insurance	19,853	19,697
Amortization	<u>-</u>	<u>40,870</u>
Total Operating Expenses	<u>74,860</u>	<u>116,257</u>
Income from Operations	<u>3,105,263</u>	<u>2,736,070</u>
NON-OPERATING REVENUES (EXPENSES)		
Interest income	248,264	161,687
Interest on indebtedness	<u>(5,018,235)</u>	<u>(4,900,042)</u>
Total Non-Operating Expenses	<u>(4,769,971)</u>	<u>(4,738,355)</u>
Loss Before Transfers	(1,664,708)	(2,002,285)
Transfers out	<u>-</u>	<u>(300,000)</u>
Change in Net Position	(1,664,708)	(2,302,285)
NET POSITION		
Beginning of Year, as restated	<u>(72,124,967)</u>	<u>(69,099,419)</u>
End of Year	<u>\$ (73,789,675)</u>	<u>\$ (71,401,704)</u>

COUNTY OF ROCKLAND, NEW YORK

Proprietary Fund - Enterprise Fund
 Rockland Tobacco Asset Securitization Corporation
 Comparative Statement of Cash Flows
 Years Ended December 31,

	<u>2013</u>	<u>2012</u>
CASH FLOWS FROM OPERATING ACTIVITIES		
Cash received from tobacco settlement revenues	\$ 3,198,028	\$ 3,144,011
Cash payments to vendors	<u>(76,575)</u>	<u>(75,387)</u>
Net Cash from Operating Activities	<u>3,121,453</u>	<u>3,068,624</u>
CASH FLOWS FROM NON-CAPITAL FINANCING ACTIVITIES		
Retirement of long-term debt	(1,010,000)	(980,000)
Interest on indebtedness	(2,291,981)	(2,345,456)
Residual payment to County of Rockland	<u>-</u>	<u>(300,000)</u>
Net Cash from Non-Capital Financing Activities	<u>(3,301,981)</u>	<u>(3,625,456)</u>
CASH FLOWS FROM INVESTING ACTIVITIES		
Increase in restricted cash and equivalents	(158,056)	(35,206)
Interest income	246,765	188,942
Purchase of investments	(1,098,290)	(1,137,038)
Sale of investments	1,137,038	1,172,674
Purchase of restricted investments	(3,367,209)	(3,440,137)
Sale of restricted investments	<u>3,440,137</u>	<u>3,525,074</u>
Net Cash from Investing Activities	<u>200,385</u>	<u>274,309</u>
Net Change in Cash and Equivalents	19,857	(282,523)
CASH AND EQUIVALENTS		
Beginning of Year	<u>257,757</u>	<u>540,280</u>
End of Year	<u>\$ 277,614</u>	<u>\$ 257,757</u>
RECONCILIATION OF INCOME FROM OPERATIONS TO NET CASH FROM OPERATING ACTIVITIES		
Income from operations	\$ 3,105,263	\$ 2,736,070
Adjustments to reconcile income from operations to net cash from operating activities		
Amortization	17,905	40,870
Changes in assets and liabilities		
Accounts receivable	-	291,684
Prepaid expenses	<u>(1,715)</u>	<u>-</u>
Net Cash from Operating Activities	<u>\$ 3,121,453</u>	<u>\$ 3,068,624</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	2,692,236	2,519,790

County of Rockland, New York

Proprietary Fund - Enterprise Fund
Rockland Second Tobacco Asset Securitization Corporation
Comparative Statement of Net Position
December 31,

	<u>2013</u>	<u>2012</u>
ASSETS		
Current assets		
Cash and equivalents	\$ 110,274	\$ 81,606
Accounts receivable	<u>780,482</u>	<u>789,889</u>
Total Current Assets	<u>890,756</u>	<u>871,495</u>
Noncurrent assets		
Restricted cash and equivalents	770	770
Restricted investments	711,055	711,055
Costs of issuance, net of accumulated amortization of \$60,595 in 2012	<u>-</u>	<u>207,629</u>
Total Noncurrent Assets	<u>711,825</u>	<u>919,454</u>
Total Assets	<u>1,602,581</u>	<u>1,790,949</u>
LIABILITIES		
Current liabilities		
Accounts payable	10,549	10,549
Accrued liabilities	28,595	30,488
Current maturities of bonds payable	<u>105,000</u>	<u>95,000</u>
Total Current Liabilities	144,144	136,037
Noncurrent liabilities		
Bonds payable, less current portion	<u>5,335,470</u>	<u>5,729,473</u>
Total Liabilities	<u>5,479,614</u>	<u>5,865,510</u>
NET POSITION		
Unrestricted	<u>\$ (3,877,033)</u>	<u>\$ (4,074,561)</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 Position
Years Ended December 31,

	<u>2013</u>	<u>2012</u>
OPERATING REVENUES		
Tobacco settlement revenues	\$ 775,317	\$ 713,096
OPERATING EXPENSES		
Professional fees	24,527	22,219
Directors' fees	16,000	15,250
Amortization	-	6,706
Total Operating Expenses	<u>40,527</u>	<u>44,175</u>
Income from Operations	<u>734,790</u>	<u>668,921</u>
NON-OPERATING REVENUES (EXPENSES)		
Interest income	33,968	30,999
Interest on indebtedness	<u>(363,598)</u>	<u>(385,535)</u>
Total Non-Operating Expenses	<u>(329,630)</u>	<u>(354,536)</u>
Income Before Transfers	405,160	314,385
Transfers out	<u>-</u>	<u>(150,000)</u>
Change in Net Position	405,160	164,385
NET POSITION		
Beginning of Year, as restated	<u>(4,282,193)</u>	<u>(4,238,946)</u>
End of Year	<u>\$ (3,877,033)</u>	<u>\$ (4,074,561)</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,

	2013	2012
CASH FLOWS FROM OPERATING ACTIVITIES		
Cash received from tobacco settlement revenues	\$ 784,724	\$ 786,002
Cash payments to directors	(16,000)	(15,250)
Cash payments to vendors	(24,527)	(22,219)
	<u>744,197</u>	<u>748,533</u>
Net Cash from Operating Activities		
CASH FLOWS FROM NON-CAPITAL FINANCING ACTIVITIES		
Retirement of long-term debt	(395,000)	(375,000)
Interest on indebtedness	(354,494)	(376,275)
Payment to County of Rockland	-	(150,000)
	<u>(749,494)</u>	<u>(901,275)</u>
Net Cash from Non-Capital Financing Activities		
CASH FLOWS FROM INVESTING ACTIVITIES		
Decrease in restricted cash and equivalents	-	94
Interest income	33,965	34,080
Purchase of restricted investments	(711,055)	(711,055)
Sale of restricted investments	711,055	710,961
	<u>33,965</u>	<u>34,080</u>
Net Cash from Investing Activities		
Net Change in Cash and Equivalents	28,668	(118,662)
CASH AND EQUIVALENTS		
Beginning of Year	<u>81,606</u>	<u>200,268</u>
End of Year	<u>\$ 110,274</u>	<u>\$ 81,606</u>
RECONCILIATION OF INCOME FROM OPERATIONS TO NET CASH FROM OPERATING ACTIVITIES		
Income from operations	\$ 734,790	\$ 668,921
Adjustments to reconcile income from operations to net cash from operating activities		
Amortization	-	6,706
Changes in assets and liabilities		
Accounts receivable	9,407	-
Accrued liabilities	-	(1,344)
	<u>\$ 744,197</u>	<u>\$ 675,627</u>
Net Cash from Operating Activities		
Noncash Investing Activities		
Increase in bonds payable from amortization of original issue and underwriters' discount	\$ 10,997	\$ 10,997

INTERNAL SERVICE FUNDS

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

County of Rockland, New York

Proprietary Funds - Internal Service Funds
 Combining Statement of Net Position
 December 31, 2013
 (With Comparative Totals for 2012)

	Workers' Compensation Benefits	General Liability Claims	Unemployment Benefits
ASSETS			
Cash and equivalents	\$ 4,225,421	\$ 4,107,273	\$ -
Receivables			
Accounts	-	-	-
State and Federal aid	-	-	-
Due from other funds	13,185	1,679,460	127,881
	<u>13,185</u>	<u>1,679,460</u>	<u>127,881</u>
Inventories	-	-	-
Prepaid expenses	-	-	-
Total Current Assets	<u>4,238,606</u>	<u>5,786,733</u>	<u>127,881</u>
Capital assets			
Not being depreciated	-	-	-
Being depreciated, net	-	-	-
	<u>-</u>	<u>-</u>	<u>-</u>
Total Assets	<u>4,238,606</u>	<u>5,786,733</u>	<u>127,881</u>
LIABILITIES			
Current liabilities			
Accounts payable	77	37,500	-
Accrued liabilities	19,589	-	-
Due to other funds	-	-	-
Current portion of claims payable	1,055,000	689,908	-
Current maturities of bonds payable	-	-	-
Current portion of compensated absences	2,666	-	-
	<u>1,077,332</u>	<u>727,408</u>	<u>-</u>
Noncurrent liabilities			
Claims payable, less current portion	9,499,627	5,059,325	-
Bonds payable, less current portion	-	-	-
Compensated absences, less current portion	-	-	-
Other post employment benefit obligations payable	122,960	-	-
	<u>9,622,587</u>	<u>5,059,325</u>	<u>-</u>
Total Noncurrent Liabilities	<u>9,622,587</u>	<u>5,059,325</u>	<u>-</u>
Total Liabilities	<u>10,699,919</u>	<u>5,786,733</u>	<u>-</u>
NET POSITION			
Net investment in capital assets	-	-	-
Unrestricted	(6,461,313)	-	127,881
	<u>(6,461,313)</u>	<u>-</u>	<u>127,881</u>
Total Net Position	<u>\$ (6,461,313)</u>	<u>\$ -</u>	<u>\$ 127,881</u>

General Services	Totals	
	2013	2012
\$ 200	\$ 8,332,894	\$ 9,229,816
92,345	92,345	347,357
429,233	429,233	427,453
5,103,674	6,924,200	6,501,256
5,625,252	7,445,778	7,276,066
81,039	81,039	84,610
160,894	160,894	250,172
5,867,385	16,020,605	16,840,664
143,000	143,000	-
3,890,653	3,890,653	5,528,715
4,033,653	4,033,653	5,528,715
9,901,038	20,054,258	22,369,379
873,929	911,506	1,194,296
2,373,224	2,392,813	2,131,043
-	-	21,941
-	1,744,908	1,835,957
813,602	813,602	1,084,666
182,000	184,666	191,402
4,242,755	6,047,495	6,459,305
-	14,558,952	15,244,199
3,764,976	3,764,976	4,588,564
1,639,557	1,639,557	1,685,778
17,153,641	17,276,601	15,567,523
22,558,174	37,240,086	37,086,064
26,800,929	43,287,581	43,545,369
(544,925)	(544,925)	(144,515)
(16,354,966)	(22,688,398)	(21,031,475)
\$ (16,899,891)	\$ (23,233,323)	\$ (21,175,990)

County of Rockland, New York

Proprietary Funds - Internal Service Funds
 Combining Statement of Revenues, Expenses and Changes
 in Net Position
 Year Ended December 31, 2013
 (With Comparative Totals for 2012)

	Workers' Compensation Benefits	General Liability Claims	Unemployment Benefits
OPERATING REVENUES			
Charges for services	\$ 5,485,570	\$ 1,860,032	\$ 152,871
State aid	-	-	-
Federal aid	-	-	-
Total Operating Revenues	<u>5,485,570</u>	<u>1,860,032</u>	<u>152,871</u>
OPERATING EXPENSES			
Administrative and general expenses	605,552	-	-
Salaries and wage expenses	159,652	-	-
Employee benefits	5,095,402	-	152,871
Judgments and claims	-	1,862,783	-
Supplies and other expenses	-	-	-
Depreciation	-	-	-
Total Operating Expenses	<u>5,860,606</u>	<u>1,862,783</u>	<u>152,871</u>
Loss From Operations	<u>(375,036)</u>	<u>(2,751)</u>	<u>-</u>
NON-OPERATING REVENUES (EXPENSES)			
Interest income	14,687	2,751	-
Interest on indebtedness	-	-	-
Total Non-Operating Revenues (Expenses)	<u>14,687</u>	<u>2,751</u>	<u>-</u>
Change in Net Position	(360,349)	-	-
NET POSITION			
Beginning of Year	<u>(6,100,964)</u>	<u>-</u>	<u>127,881</u>
End of Year	<u>\$ (6,461,313)</u>	<u>\$ -</u>	<u>\$ 127,881</u>

General Services	Totals	
	2013	2012
\$ 26,994,061	\$ 34,492,534	\$ 36,347,099
607,705	607,705	568,265
-	-	151,956
<u>27,601,766</u>	<u>35,100,239</u>	<u>37,067,320</u>
-	605,552	613,290
10,139,031	10,298,683	10,774,112
7,669,869	12,918,142	15,750,509
-	1,862,783	2,594,368
9,671,259	9,671,259	9,957,129
1,638,062	1,638,062	1,640,367
<u>29,118,221</u>	<u>36,994,481</u>	<u>41,329,775</u>
<u>(1,516,455)</u>	<u>(1,894,242)</u>	<u>(4,262,455)</u>
-	17,438	22,677
<u>(180,529)</u>	<u>(180,529)</u>	<u>(219,706)</u>
<u>(180,529)</u>	<u>(163,091)</u>	<u>(197,029)</u>
<u>(1,696,984)</u>	<u>(2,057,333)</u>	<u>(4,459,484)</u>
<u>(15,202,907)</u>	<u>(21,175,990)</u>	<u>(16,716,506)</u>
<u>\$ (16,899,891)</u>	<u>\$ (23,233,323)</u>	<u>\$ (21,175,990)</u>

County of Rockland, New York

Proprietary Funds - Internal Service Funds
 Combining Statement of Cash Flows
 Year Ended December 31, 2013
 (With Comparative Totals for 2012)

	Workers' Compensation Benefits	General Liability Claims	Unemployment Benefits
CASH FLOWS FROM OPERATING ACTIVITIES			
Cash received from charges for services	\$ 5,472,385	\$ 2,597,174	\$ 152,871
Cash received from State and Federal aid	-	-	-
Cash payments to insurance carriers and claimants	(6,315,995)	(2,508,272)	(152,871)
Cash payments to employees	(159,652)	-	-
Cash payments to vendors	-	-	-
Net Cash from Operating Activities	<u>(1,003,262)</u>	<u>88,902</u>	<u>-</u>
CASH FLOWS FROM CAPITAL AND RELATED FINANCING ACTIVITIES			
Retirement of long-term debt	-	-	-
Interest on indebtedness	-	-	-
Acquisition and construction of capital assets	-	-	-
Net Cash from Capital and Related Financing Activities	<u>-</u>	<u>-</u>	<u>-</u>
CASH FLOWS FROM INVESTING ACTIVITIES			
Interest income	<u>14,687</u>	<u>2,751</u>	<u>-</u>
Net Change in Cash and Equivalents	(988,575)	91,653	-
CASH AND EQUIVALENTS			
Beginning of Year	<u>5,213,996</u>	<u>4,015,620</u>	<u>-</u>
End of Year	<u>\$ 4,225,421</u>	<u>\$ 4,107,273</u>	<u>\$ -</u>
RECONCILIATION OF LOSS FROM OPERATIONS TO NET CASH FROM OPERATING ACTIVITIES			
Loss from operations	\$ (375,036)	\$ (2,751)	\$ -
Adjustments to reconcile loss from operations to net cash from operating activities			
Depreciation	-	-	-
Changes in operating assets and liabilities			
Accounts receivable	-	-	-
State and Federal aid receivable	-	-	-
Due from other governments	-	-	-
Due from other funds	(13,185)	737,142	-
Inventories	-	-	-
Prepaid expenses	-	-	-
Accounts payable	(478,751)	2,380	-
Accrued liabilities	3,410	-	-
Due to other funds	(21,941)	-	-
Claims payable	(128,427)	(647,869)	-
Compensated absences	(1,427)	-	-
Other post employment benefit obligations payable	12,095	-	-
Net Cash from Operating Activities	<u>\$ (1,003,262)</u>	<u>\$ 88,902</u>	<u>\$ -</u>

General Services	Totals	
	2013	2012
\$ 26,102,172	\$ 34,324,602	\$ 33,680,523
605,925	605,925	720,183
-	(8,977,138)	(7,781,170)
(10,000,719)	(10,160,371)	(10,476,487)
(15,274,866)	(15,274,866)	(15,076,668)
<u>1,432,512</u>	<u>518,152</u>	<u>1,066,381</u>
(1,094,652)	(1,094,652)	(1,045,690)
(194,860)	(194,860)	(230,932)
(143,000)	(143,000)	-
<u>(1,432,512)</u>	<u>(1,432,512)</u>	<u>(1,276,622)</u>
-	17,438	22,677
-	(896,922)	(187,564)
200	9,229,816	9,417,380
<u>\$ 200</u>	<u>\$ 8,332,894</u>	<u>\$ 9,229,816</u>
\$ (1,516,455)	\$ (1,894,242)	\$ (4,262,455)
1,638,062	1,638,062	1,640,367
255,012	255,012	(81,782)
(1,780)	(1,780)	(38)
-	-	166,251
(1,146,901)	(422,944)	(2,751,045)
3,571	3,571	5,289
89,278	89,278	133,909
193,581	(282,790)	249,850
272,691	276,101	1,423,596
-	(21,941)	2,416
-	(776,296)	2,043,466
(51,530)	(52,957)	64,718
<u>1,696,983</u>	<u>1,709,078</u>	<u>2,431,839</u>
<u>\$ 1,432,512</u>	<u>\$ 518,152</u>	<u>\$ 1,066,381</u>

County of Rockland, New York

Proprietary Fund - Internal Service Fund - Workers' Compensation Benefits Fund
Comparative Statement of Net Position
December 31,

	<u>2013</u>	<u>2012</u>
ASSETS		
Cash and equivalents	\$ 4,225,421	\$ 5,213,996
Due from other funds	<u>13,185</u>	<u>-</u>
Total Assets	<u>4,238,606</u>	<u>5,213,996</u>
LIABILITIES		
Current liabilities		
Accounts payable	77	478,828
Accrued liabilities	19,589	16,179
Due to other funds	-	21,941
Current portion of claims payable	1,055,000	1,068,305
Compensated absences	<u>2,666</u>	<u>4,093</u>
Total Current Liabilities	<u>1,077,332</u>	<u>1,589,346</u>
Noncurrent liabilities		
Claims payable, less current portion	9,499,627	9,614,749
Other post employment benefit obligations payable	<u>122,960</u>	<u>110,865</u>
Total Noncurrent Liabilities	<u>9,622,587</u>	<u>9,725,614</u>
Total Liabilities	<u>10,699,919</u>	<u>11,314,960</u>
NET POSITION		
Unrestricted	<u>\$ (6,461,313)</u>	<u>\$ (6,100,964)</u>

County of Rockland, New York

Proprietary Fund - Internal Service Fund - Workers' Compensation Benefits Fund
Comparative Statement of Revenues, Expenses and Changes
in Net Position
Years Ended December 31,

	<u>2013</u>	<u>2012</u>
OPERATING REVENUES		
Charges for services	<u>\$ 5,485,570</u>	<u>\$ 5,321,979</u>
OPERATING EXPENSES		
Administrative and general expenses	605,552	613,290
Salaries and wage expenses	159,652	168,317
Employee benefits	<u>5,095,402</u>	<u>6,604,915</u>
Total Operating Expenses	<u>5,860,606</u>	<u>7,386,522</u>
Loss From Operations	(375,036)	(2,064,543)
Non-Operating Revenues		
Interest income	<u>14,687</u>	<u>18,772</u>
Change in Net Position	(360,349)	(2,045,771)
NET POSITION		
Beginning of Year	<u>(6,100,964)</u>	<u>(4,055,193)</u>
End of Year	<u><u>\$ (6,461,313)</u></u>	<u><u>\$ (6,100,964)</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,

	2013	2012
CASH FLOWS FROM OPERATING ACTIVITIES		
Cash received from charges for services	\$ 5,472,385	\$ 5,321,979
Cash payments to insurance carriers and claimants	(6,315,995)	(5,242,602)
Cash payments to employees	(159,652)	(168,317)
	<u>(1,003,262)</u>	<u>(88,940)</u>
Net Cash from Operating Activities		
CASH FLOWS FROM INVESTING ACTIVITIES		
Interest income	14,687	18,772
	<u>14,687</u>	<u>18,772</u>
Net Change in Cash and Equivalents	(988,575)	(70,168)
CASH AND EQUIVALENTS		
Beginning of Year	5,213,996	5,284,164
	<u>5,213,996</u>	<u>5,284,164</u>
End of Year	\$ 4,225,421	\$ 5,213,996
	<u>\$ 4,225,421</u>	<u>\$ 5,213,996</u>
RECONCILIATION OF LOSS FROM OPERATIONS TO NET CASH FROM OPERATING ACTIVITIES		
Loss from operations	\$ (375,036)	\$ (2,064,543)
Adjustments to reconcile loss from operations to net cash from operating activities		
Changes in assets and liabilities		
Due from other funds	(13,185)	-
Prepaid expenses	-	1,847
Accounts payable	(478,751)	334,027
Accrued liabilities	3,410	11,861
Due to other funds	(21,941)	2,416
Claims payable	(128,427)	1,606,023
Compensated absences	(1,427)	1,304
Other post employment benefit obligations payable	12,095	18,125
	<u>12,095</u>	<u>18,125</u>
Net Cash from Operating Activities	<u>\$ (1,003,262)</u>	<u>\$ (88,940)</u>

County of Rockland, New York

Proprietary Fund - Internal Service Fund - General Liability Claims Fund
Comparative Statement of Net Position
December 31,

	<u>2013</u>	<u>2012</u>
ASSETS		
Cash and equivalents	\$ 4,107,273	\$ 4,015,620
Due from other funds	<u>1,679,460</u>	<u>2,416,602</u>
Total Assets	<u>5,786,733</u>	<u>6,432,222</u>
LIABILITIES		
Current liabilities		
Accounts payable	37,500	35,120
Current portion of claims payable	<u>689,908</u>	<u>767,652</u>
Total Current Liabilities	727,408	802,772
Noncurrent liabilities		
Claims payable, less current portion	<u>5,059,325</u>	<u>5,629,450</u>
Total Liabilities	<u>\$ 5,786,733</u>	<u>\$ 6,432,222</u>

County of Rockland, New York

Proprietary Fund - Internal Service Fund - General Liability Claims Fund
Comparative Statement of Revenues, Expenses and Changes
in Net Position
Years Ended December 31,

	<u>2013</u>	<u>2012</u>
OPERATING REVENUES		
Charges for services	\$ 1,860,032	\$ 2,590,463
OPERATING EXPENSES		
Judgments and claims	<u>1,862,783</u>	<u>2,594,368</u>
Loss From Operations	(2,751)	(3,905)
NON-OPERATING REVENUES		
Interest income	<u>2,751</u>	<u>3,905</u>
Change in Net Position	-	-
NET POSITION		
Beginning of Year	<u>-</u>	<u>-</u>
End of Year	<u><u>\$ -</u></u>	<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,

	<u>2013</u>	<u>2012</u>
CASH FLOWS FROM OPERATING ACTIVITIES		
Cash received from charges for services	\$ 2,597,174	\$ 2,035,504
Cash payments to insurance carriers and claimants	<u>(2,508,272)</u>	<u>(2,156,805)</u>
Net Cash from Operating Activities	<u>88,902</u>	<u>(121,301)</u>
CASH FLOWS FROM INVESTING ACTIVITIES		
Interest income	<u>2,751</u>	<u>3,905</u>
Net Change in Cash and Equivalents	91,653	(117,396)
CASH AND EQUIVALENTS		
Beginning of Year	<u>4,015,620</u>	<u>4,133,016</u>
End of Year	<u>\$ 4,107,273</u>	<u>\$ 4,015,620</u>
RECONCILIATION OF LOSS FROM OPERATIONS TO NET CASH FROM OPERATING ACTIVITIES		
Loss from operations	\$ (2,751)	\$ (3,905)
Adjustments to reconcile loss from operations to net cash from operating activities		
Changes in assets and liabilities		
Due from other governments	-	166,251
Due from other funds	737,142	(721,210)
Accounts payable	2,380	120
Claims payable	<u>(647,869)</u>	<u>437,443</u>
Net Cash from Operating Activities	<u>\$ 88,902</u>	<u>\$ (121,301)</u>

County of Rockland, New York

Proprietary Fund - Internal Service Fund - Unemployment Benefits Fund
Comparative Statement of Net Position
December 31,

	<u>2013</u>	<u>2012</u>
ASSETS		
Due from other funds	<u>\$ 127,881</u>	<u>\$ 127,881</u>
NET POSITION		
Unrestricted	<u><u>\$ 127,881</u></u>	<u><u>\$ 127,881</u></u>

County of Rockland, New York

Proprietary Fund - Internal Service Fund - Unemployment Benefits Fund
Comparative Statement of Revenues, Expenses and Changes
in Net Position
Years Ended December 31,

	<u>2013</u>	<u>2012</u>
OPERATING REVENUES		
Charges for services	\$ 152,871	\$ 381,763
OPERATING EXPENSES		
Employee benefits	<u>152,871</u>	<u>381,763</u>
Income from Operations	-	-
NET POSITION		
Beginning of Year	<u>127,881</u>	<u>127,881</u>
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,

	<u>2013</u>	<u>2012</u>
CASH FLOWS FROM OPERATING ACTIVITIES		
Cash received from charges for services	\$ 152,871	\$ 381,763
Cash payments to insurance carriers and claimants	<u>(152,871)</u>	<u>(381,763)</u>
Net Cash from Operating Activities	<u>-</u>	<u>-</u>
Net Change in Cash	-	-
CASH AND EQUIVALENTS		
Beginning of Year	<u>-</u>	<u>-</u>
End of Year	<u>\$ -</u>	<u>\$ -</u>
RECONCILIATION OF INCOME FROM OPERATIONS TO NET CASH FROM OPERATING ACTIVITIES		
Income from operations	<u>\$ -</u>	<u>\$ -</u>

County of Rockland, New York

Proprietary Fund - Internal Service Fund - General Services Fund
 Comparative Statement of Net Position
 December 31,

	2013	2012
ASSETS		
Cash and equivalents	\$ 200	\$ 200
Receivables		
Accounts	92,345	347,357
State and Federal aid	429,233	427,453
Due from other funds	5,103,674	3,956,773
	<u>5,625,252</u>	<u>4,731,583</u>
Inventories	<u>81,039</u>	<u>84,610</u>
Prepaid expenses	<u>160,894</u>	<u>250,172</u>
Total Current Assets	<u>5,867,385</u>	<u>5,066,565</u>
Capital assets		
Not being depreciated	143,000	-
Being depreciated, net	<u>3,890,653</u>	<u>5,528,715</u>
	<u>4,033,653</u>	<u>5,528,715</u>
Total Assets	<u>9,901,038</u>	<u>10,595,280</u>
LIABILITIES		
Current liabilities		
Accounts payable	873,929	680,348
Accrued liabilities	2,373,224	2,114,864
Current maturities of bonds payable	813,602	1,084,666
Current portion of compensated absences	<u>182,000</u>	<u>187,309</u>
Total Current Liabilities	<u>4,242,755</u>	<u>4,067,187</u>
Noncurrent liabilities		
Bonds payable, less current maturities	3,764,976	4,588,564
Compensated absences, less current maturities	1,639,557	1,685,778
Other post employment benefit obligations payable	<u>17,153,641</u>	<u>15,456,658</u>
Total Noncurrent Liabilities	<u>22,558,174</u>	<u>21,731,000</u>
Total Liabilities	<u>26,800,929</u>	<u>25,798,187</u>
NET POSITION		
Net investment in capital assets	(544,925)	(144,515)
Unrestricted	<u>(16,354,966)</u>	<u>(15,058,392)</u>
Total Net Position	<u>\$ (16,899,891)</u>	<u>\$ (15,202,907)</u>

County of Rockland, New York

Proprietary Fund - Internal Service Fund - General Services Fund
Comparative Statement of Revenues, Expenses and Changes
in Net Position
Years Ended December 31,

	<u>2013</u>	<u>2012</u>
OPERATING REVENUES		
Charges for services	\$ 26,994,061	\$ 28,052,894
State aid	607,705	568,265
Federal aid	-	151,956
	<u>27,601,766</u>	<u>28,773,115</u>
OPERATING EXPENSES		
Salaries and wage expenses	10,139,031	10,605,795
Employee benefits	7,669,869	8,763,831
Supplies and other expenses	9,671,259	9,957,129
Depreciation	1,638,062	1,640,367
	<u>29,118,221</u>	<u>30,967,122</u>
Total Operating Expenses		
	<u>29,118,221</u>	<u>30,967,122</u>
Loss From Operations	(1,516,455)	(2,194,007)
NON-OPERATING EXPENSES		
Interest on indebtedness	<u>(180,529)</u>	<u>(219,706)</u>
Change in Net Position	(1,696,984)	(2,413,713)
NET POSITION		
Beginning of Year	<u>(15,202,907)</u>	<u>(12,789,194)</u>
End of Year	<u><u>\$ (16,899,891)</u></u>	<u><u>\$ (15,202,907)</u></u>

County of Rockland, New York

Proprietary Fund - Internal Service Fund - General Services Fund
 Comparative Statement of Cash Flows
 Years Ended December 31,

	2013	2012
CASH FLOWS FROM OPERATING ACTIVITIES		
Cash received from charges for services	\$ 26,102,172	\$ 25,941,277
Cash received from State and Federal aid	605,925	720,183
Cash payments to employees	(10,000,719)	(10,308,170)
Cash payments to vendors	(15,274,866)	(15,076,668)
Net Cash From Operating Activities	<u>1,432,512</u>	<u>1,276,622</u>
CASH FLOWS FROM CAPITAL AND RELATED FINANCING ACTIVITIES		
Retirement of long-term debt	(1,094,652)	(1,045,690)
Interest on indebtedness	(194,860)	(230,932)
Acquisition and construction of capital assets	(143,000)	-
Net Cash From Capital and Related Financing Activities	<u>(1,432,512)</u>	<u>(1,276,622)</u>
Net Change in Cash	-	-
CASH AND EQUIVALENTS		
Beginning of Year	<u>200</u>	<u>200</u>
End of Year	<u>\$ 200</u>	<u>\$ 200</u>
RECONCILIATION OF LOSS FROM OPERATIONS TO NET CASH FROM OPERATING ACTIVITIES		
Loss from operations	\$ (1,516,455)	\$ (2,194,007)
Adjustments to reconcile loss from operations to net cash from operating activities		
Depreciation	1,638,062	1,640,367
Changes in assets and liabilities		
Accounts receivable	255,012	(81,782)
State and Federal aid receivable	(1,780)	(38)
Due from other funds	(1,146,901)	(2,029,835)
Inventories	3,571	5,289
Prepaid expenses	89,278	132,062
Accounts payable	193,581	(84,297)
Accrued liabilities	272,691	1,411,735
Compensated absences	(51,530)	63,414
Other post employment benefit obligations payable	1,696,983	2,413,714
Net Cash from Operating Activities	<u>\$ 1,432,512</u>	<u>\$ 1,276,622</u>

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FIDUCIARY FUNDS

AGENCY FUND

The Fiduciary Funds: 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 that are payable to other jurisdictions or individuals.

County of Rockland, New York

Fiduciary Funds - Agency Fund
 Statement of Changes in Assets and Liabilities
 Year Ended December 31, 2013

	Balance January 1, 2013	Increases	Decreases	Balance December 31, 2013
ASSETS				
Cash and equivalents	\$ 6,265,105	\$ 200,886,464	\$ 201,008,225	\$ 6,143,344
Accounts receivable	77,575	367,521,906	367,599,481	-
Total Assets	<u>\$ 6,342,680</u>	<u>\$ 568,408,370</u>	<u>\$ 568,607,706</u>	<u>\$ 6,143,344</u>
LIABILITIES				
Accounts payable	\$ 14,085	\$ 10,413,763	\$ 10,138,633	\$ 289,215
Employee payroll deductions	367,392	80,770,570	80,524,047	613,915
Deposits	3,966,082	3,460,540	4,512,614	2,914,008
Due to other governments	1,995,121	9,702,319	9,371,234	2,326,206
Total Liabilities	<u>\$ 6,342,680</u>	<u>\$ 104,347,192</u>	<u>\$ 104,546,528</u>	<u>\$ 6,143,344</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 POSITION BY COMPONENT
LAST TEN FISCAL YEARS**

	2004	2005	2006	2007
Governmental Activities				
Invested in Capital Assets, Net of Related Debt	\$ 419,627,796	\$ 385,766,788	\$ 357,075,560	\$ 410,512,788
Restricted	49,562,629	79,252,547	84,186,029	123,090,125
Unrestricted	<u>24,270,260</u>	<u>51,882,873</u>	<u>49,138,682</u>	<u>(119,583,249)</u>
Total Governmental Activities Net Assets	<u>\$ 493,460,685</u>	<u>\$ 516,902,208</u>	<u>\$ 490,400,271</u>	<u>\$ 414,019,664</u>
Business-Type Activities				
Invested in Capital Assets, Net of Related Debt	\$ 13,213,254	\$ 12,484,425	\$ 12,411,965	\$ 11,269,462
Unrestricted	<u>(55,956,825)</u>	<u>(75,138,145)</u>	<u>(88,784,191)</u>	<u>(106,761,196)</u>
Total Business-Type Activities Net Assets	<u>\$ (42,743,571)</u>	<u>\$ (62,653,720)</u>	<u>\$ (76,372,226)</u>	<u>\$ (95,491,734)</u>
Primary Government				
Invested in Capital Assets Net of Related Debt	\$ 398,251,213	\$ 369,487,525	\$ 421,782,250	\$ 416,347,983
Restricted	79,252,547	84,186,029	123,090,125	113,990,838
Unrestricted	<u>(23,255,272)</u>	<u>(39,645,509)</u>	<u>(226,344,445)</u>	<u>(275,145,984)</u>
Total Primary Government Net Position	<u>\$ 454,248,488</u>	<u>\$ 414,028,045</u>	<u>\$ 318,527,930</u>	<u>\$ 255,192,837</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.

2008	2009	2010	2011	2012	2013
\$ 405,279,887	\$ 413,765,675	\$ 401,818,749	\$ 394,449,480	\$ 406,255,827	\$ 399,882,283
113,990,838	104,294,397	110,920,044	43,843,923	45,321,506	49,940,089
<u>(163,971,651)</u>	<u>(194,874,505)</u>	<u>(246,969,186)</u>	<u>(253,469,660)</u>	<u>(309,810,964)</u>	<u>(348,423,940)</u>
<u>\$ 355,299,074</u>	<u>\$ 323,185,567</u>	<u>\$ 265,769,607</u>	<u>\$ 184,823,743</u>	<u>\$ 141,766,369</u>	<u>\$ 101,398,432</u>
\$ 11,068,096	\$ 10,662,786	\$ 10,070,880	\$ 9,351,936	\$ 8,473,692	\$ 8,687,161
<u>(111,174,333)</u>	<u>(130,614,169)</u>	<u>(158,571,478)</u>	<u>(182,883,734)</u>	<u>(212,117,133)</u>	<u>(231,117,846)</u>
<u>\$ (100,106,237)</u>	<u>\$ (119,951,383)</u>	<u>\$ (148,500,598)</u>	<u>\$ (173,531,798)</u>	<u>\$ (203,643,441)</u>	<u>\$ (222,430,685)</u>
\$ 424,428,461	\$ 411,889,629	\$ 403,801,416	\$ 414,729,519	\$ 414,729,519	\$ 408,569,444
104,294,397	110,920,044	43,843,923	45,321,506	45,321,506	49,940,089
<u>(325,488,674)</u>	<u>(405,540,664)</u>	<u>(436,353,394)</u>	<u>(521,928,097)</u>	<u>(521,928,097)</u>	<u>(579,541,786)</u>
<u>\$ 203,234,184</u>	<u>\$ 117,269,009</u>	<u>\$ 11,291,945</u>	<u>\$ (61,877,072)</u>	<u>\$ (61,877,072)</u>	<u>\$ (121,032,253)</u>

COUNTY OF ROCKLAND, NEW YORK

CHANGES IN NET POSITION
LAST TEN FISCAL YEARS

	2004	2005	2006	2007
Expenses				
Governmental Activities				
General government	\$ 68,779,564	\$ 44,538,213	\$ 53,181,226	\$ 58,494,042
Education	55,930,405	58,507,380	62,269,510	63,708,235
Public safety	52,371,937	58,963,721	61,374,333	68,781,351
Health	42,374,788	45,380,653	42,866,537	55,693,202
Transportation	45,144,431	48,426,869	52,467,203	56,039,377
Economic opportunity and development	164,700,249	156,812,258	154,921,214	161,783,425
Culture and recreation	728,454	745,730	672,310	922,107
Home and community services	20,023,499	24,060,557	25,128,078	33,924,151
Interest	7,165,388	10,991,331	17,421,520	24,724,724
Total Governmental Activities	457,218,715	448,426,712	470,301,931	524,070,614
Business-Type Activities				
Home and Infirmity Fund	87,141,861	93,268,805	100,045,431	114,058,665
Rockland Tobacco Asset Securitization Corporation	2,800,273	3,069,161	4,486,554	4,571,080
Rockland Second Tobacco Asset Securitization Corporation	574,291	553,016	542,077	520,630
	90,516,425	96,890,982	105,074,062	119,150,375
Total Primary Government Expenses	\$ 547,735,140	\$ 545,317,694	\$ 575,375,993	\$ 643,220,989
Program Revenues				
Governmental Activities				
Charges for Services				
General Government	\$ 39,249,733	\$ 12,202,376	\$ 13,488,832	\$ 12,527,092
Education	-	-	-	-
Public Safety	3,835,679	4,352,301	4,376,291	3,335,455
Health	5,818,755	6,446,459	2,227,880	4,275,920
Transportation	3,241,293	3,386,565	3,649,497	4,164,539
Economic opportunity and development	8,665,341	9,174,374	7,118,757	6,968,579
Home and Community Services	261,278	1,811,248	2,256,013	2,126,805
Operating Grants and Contributions	146,655,838	137,068,005	141,316,084	143,651,066
Capital Grants and Contributions	21,641,564	22,140,383	17,079,414	23,349,064
Total Governmental Activities	229,369,481	196,581,711	191,512,768	200,398,520
Business-type Activities				
Home and Infirmity Fund				
Charges for Services	77,680,143	79,880,694	79,335,999	78,790,038
Operating Grants and Contributions	9,720,424	10,792,911	7,781,080	16,491,989
Rockland Tobacco Asset Securitization Corporation				
Operating Grants and Contributions	3,893,466	4,076,906	3,379,057	3,839,495
Rockland Second Tobacco Asset Securitization Corporation				
Operating Grants and Contributions	939,947	946,876	859,420	909,345
Total Business-Type Activities	92,233,980	95,697,387	91,355,556	100,030,867
Total Primary Government Program Revenues	\$ 321,603,461	\$ 292,279,098	\$ 282,868,324	\$ 300,429,387

2008	2009	2010	2011	2012	2013
\$ 67,293,698	\$ 65,817,442	\$ 65,578,858	\$ 66,978,200	\$ 75,339,999	\$ 82,857,557
71,519,828	68,916,165	64,096,792	60,294,608	61,187,980	52,864,260
70,103,143	70,550,166	78,884,977	82,354,581	80,067,023	84,798,097
50,413,128	43,227,034	46,040,723	47,274,572	42,871,027	43,639,894
55,737,309	52,323,652	55,073,427	53,254,863	51,440,827	51,611,960
174,367,673	180,334,640	182,610,808	181,264,332	180,315,323	183,124,815
939,766	896,680	973,087	1,185,479	790,039	912,444
35,782,255	34,575,699	35,091,249	38,698,119	30,494,470	30,527,243
13,400,239	14,110,025	13,768,045	15,746,647	17,284,497	17,885,215
539,557,039	530,751,503	542,117,966	547,051,401	539,791,185	548,221,485
115,135,691	108,938,933	112,706,758	104,940,810	101,631,745	91,199,289
4,640,294	4,728,599	4,838,451	4,917,932	5,016,299	5,093,095
501,105	482,028	477,562	449,743	429,710	404,125
120,277,090	114,149,560	118,022,771	110,308,485	107,077,754	96,696,509
<u>\$ 659,834,129</u>	<u>\$ 644,901,063</u>	<u>\$ 660,140,737</u>	<u>\$ 657,359,886</u>	<u>\$ 646,868,939</u>	<u>\$ 644,917,994</u>
\$ 12,961,766	\$ 16,075,012	\$ 8,049,813	\$ 10,638,502	\$ 12,812,341	\$ 12,820,733
-	-	-	-	1,628,565	-
1,935,136	1,951,080	2,306,656	3,378,478	4,451,924	4,472,553
4,091,463	4,010,535	4,279,322	2,943,275	2,636,827	9,486,387
7,937,745	7,879,870	7,548,277	5,468,990	5,463,805	5,345,408
7,676,041	7,597,193	9,785,895	8,076,489	6,585,776	6,685,722
1,777,822	4,333,518	5,221,710	1,189,127	957,554	719,333
164,476,127	161,630,529	156,809,424	147,921,778	144,656,039	132,077,625
11,845,084	14,177,004	15,465,469	13,437,559	18,937,891	9,810,850
212,701,184	217,654,741	209,466,566	193,054,198	198,130,722	181,418,611
106,029,852	89,041,990	87,266,807	81,357,297	73,658,002	61,277,422
4,896,669	-	-	-	-	-
3,818,692	4,234,771	3,377,533	3,385,346	3,014,014	3,428,387
917,374	1,027,653	829,216	792,968	744,095	809,285
115,662,587	94,304,414	91,473,556	85,535,611	77,416,111	65,515,094
<u>\$ 328,363,771</u>	<u>\$ 311,959,155</u>	<u>\$ 300,940,122</u>	<u>\$ 278,589,809</u>	<u>\$ 275,546,833</u>	<u>\$ 246,933,705</u>

(Continued)

COUNTY OF ROCKLAND, NEW YORK

CHANGES IN NET POSITION
LAST TEN FISCAL YEARS (Continued)

	2004	2005	2006	2007
Net (Expense)/Revenue				
Governmental Activities	\$ (227,849,234)	\$ (251,845,001)	\$ (278,789,163)	\$ (323,672,094)
Business-Type Activities	1,717,555	(1,193,595)	(13,718,506)	(19,119,508)
Total Primary Government Net Expense	\$ (226,131,679)	\$ (253,038,596)	\$ (292,507,669)	\$ (342,791,602)
General Revenues				
Governmental Activities				
Taxes				
Real Property Taxes	\$ 65,836,542	\$ 78,272,043	\$ 58,727,783	\$ 72,855,145
Other Tax Items	11,078,086	9,898,911	27,764,921	5,253,994
Sales Tax	144,674,541	148,457,535	151,119,113	163,931,697
Mortgage Tax	9,721,165	10,180,660	9,217,795	7,416,530
Hotel/Motel Tax	-	-	-	-
Residential Energy Use Tax	-	-	-	-
Motor Vehicle Use Tax	-	-	-	-
Unrestricted Use of Money and Property	1,275,851	2,012,813	2,658,983	15,365,523
Sale of Property and				
Compensation for Loss	-	-	135,224	49,315
Miscellaneous	3,903,607	3,191,953	2,663,407	2,560,186
Gain on Sale of Property	-	-	-	-
Transfers	-	23,997,609	-	-
Total Governmental Activities	236,489,792	276,011,524	252,287,226	267,432,390
Business-type activities				
Real Property Taxes	-	-	-	-
Transfers	-	(23,997,609)	-	-
Total Business-Type Activities	-	(23,997,609)	-	-
Total Primary Government General Revenues	\$ 236,489,792	\$ 252,013,915	\$ 252,287,226	\$ 267,432,390
Change in Net Position				
Governmental Activities	\$ 8,640,558	\$ 24,166,523	\$ (26,501,937)	\$ (56,239,704)
Business-Type Activities	1,717,555	(25,191,204)	(13,718,506)	(19,119,508)
Total Primary Government Change-in Net Position	\$ 10,358,113	\$ (1,024,681)	\$ (40,220,443)	\$ (75,359,212)

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.

2008	2009	2010	2011	2012	2013
\$ (326,855,855) (4,614,503)	\$ (313,096,762) (19,845,146)	\$ (332,651,400) (26,549,215)	\$ (353,997,203) (24,772,874)	\$ (341,660,463) (29,661,643)	\$ (366,802,874) (31,181,415)
<u>\$ (331,470,358)</u>	<u>\$ (332,941,908)</u>	<u>\$ (359,200,615)</u>	<u>\$ (378,770,077)</u>	<u>\$ (371,322,106)</u>	<u>\$ (397,984,289)</u>
\$ 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 1,084,318 - 258,326	\$ 111,274,889 9,500,343 169,581,358 3,480,654 968,837 2,077,687 112,279 110,267 57,512 989,263 - 450,000	\$ 128,690,277 10,788,365 178,737,484 4,446,008 1,199,830 8,677,106 1,665,480 140,245 63,834 696,087 4,655,287 (13,325,066)
<u>258,533,278</u>	<u>273,263,224</u>	<u>275,235,440</u>	<u>273,051,339</u>	<u>298,603,089</u>	<u>326,434,937</u>
-	-	-	-	-	-
-	-	(2,000,000)	(258,326)	(450,000)	13,325,066
-	-	(2,000,000)	(258,326)	(450,000)	13,325,066
<u>\$ 258,533,278</u>	<u>\$ 273,263,224</u>	<u>\$ 273,235,440</u>	<u>\$ 272,793,013</u>	<u>\$ 298,153,089</u>	<u>\$ 339,760,003</u>
\$ (68,322,577) (4,614,503)	\$ (39,833,538) (19,845,146)	\$ (57,415,960) (28,549,215)	\$ (80,945,864) (25,031,200)	\$ (43,057,374) (30,111,643)	\$ (40,367,937) (17,856,349)
<u>\$ (72,937,080)</u>	<u>\$ (59,678,684)</u>	<u>\$ (85,965,175)</u>	<u>\$ (105,977,064)</u>	<u>\$ (73,169,017)</u>	<u>\$ (58,224,286)</u>

COUNTY OF ROCKLAND, NEW YORK

FUND BALANCES OF GOVERNMENTAL FUNDS
LAST TEN FISCAL YEARS

	2004	2005	2006	2007
General Fund				
Nonspendable	\$ -	\$ -	\$ -	\$ -
Restricted	-	-	-	-
Committed	-	-	-	-
Assigned	-	-	-	-
Unassigned	-	-	-	-
Reserved	80,273,905	168,348,692	53,082,159	44,873,252
Unreserved	<u>(41,322,044)</u>	<u>(110,667,341)</u>	<u>(2,932,059)</u>	<u>(33,535,024)</u>
Total General Fund	<u>\$ 38,951,861</u>	<u>\$ 57,681,351</u>	<u>\$ 50,150,100</u>	<u>\$ 11,338,228</u>
All Other Governmental Funds				
Nonspendable	\$ -	\$ -	\$ -	\$ -
Restricted	-	-	-	-
Committed	-	-	-	-
Assigned	-	-	-	-
Unassigned	-	-	-	-
Reserved	40,358,037	31,312,497	58,853,881	8,024,019
Unreserved, Reported In:				
Special Revenue Funds	7,874,712	7,929,375	8,720,490	12,276,371
Capital Projects Fund	25,479,845	74,516,172	50,805,405	91,909,837
Debt Service Fund	<u>7,245,082</u>	<u>6,660,644</u>	<u>7,188,000</u>	<u>8,000,000</u>
Total All Other Governmental Funds	<u>\$ 80,957,676</u>	<u>\$ 120,418,688</u>	<u>\$ 125,567,776</u>	<u>\$ 120,210,227</u>
Total Governmental Funds	<u>\$ 119,909,537</u>	<u>\$ 178,100,039</u>	<u>\$ 175,717,876</u>	<u>\$ 131,548,455</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.

2008	2009	2010	2011	2012	2013
\$ -	\$ -	\$ -	\$ 46,719,075	\$ 62,050,495	\$ 70,565,150
-	-	-	16,617,145	15,815,039	17,437,659
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	(96,514,297)	(127,253,007)	(138,114,028)
54,784,809	51,006,383	48,086,001	-	-	-
(31,526,746)	(38,732,135)	(52,040,793)	-	-	-
<u>\$ 23,258,063</u>	<u>\$ 12,274,248</u>	<u>\$ (3,954,792)</u>	<u>\$ -</u>	<u>\$ (49,387,473)</u>	<u>\$ (50,111,219)</u>
\$ -	\$ -	\$ -	\$ 266,143	\$ -	\$ -
-	-	-	20,085,391	30,183,443	37,199,852
-	-	-	1,100,575	1,193,725	1,001,999
-	-	-	28,200,207	26,313,606	33,041,171
-	-	-	-	-	-
9,043,239	7,760,958	11,849,335	-	-	-
13,926,044	17,038,024	21,876,806	-	-	-
51,547,862	7,660,442	3,459,152	-	-	-
7,500,000	6,800,000	5,760,000	-	-	-
<u>\$ 82,017,145</u>	<u>\$ 39,259,424</u>	<u>\$ 42,945,293</u>	<u>\$ 49,386,173</u>	<u>\$ 57,690,774</u>	<u>\$ 71,243,022</u>
<u>\$ 105,275,208</u>	<u>\$ 51,533,672</u>	<u>\$ 38,990,501</u>	<u>\$ 49,386,173</u>	<u>\$ 8,303,301</u>	<u>\$ 21,131,803</u>

(1)

COUNTY OF ROCKLAND, NEW YORK

CHANGES IN FUND BALANCES OF GOVERNMENTAL FUNDS
LAST TEN FISCAL YEARS

	2004	2005	2006	2007
Revenues				
Real Property Taxes	\$ 62,218,149	\$ 67,573,335	\$ 70,005,364	\$ 72,945,404
Other Tax Items	11,078,086	9,898,911	27,764,921	5,253,994
Non-Property Taxes	154,932,812	159,169,424	160,802,521	171,761,695
Departmental Income	32,576,362	34,063,306	30,578,872	30,764,208
Intergovernmental Charges	-	-	-	-
Use of Money and Property	2,727,187	4,132,707	6,152,871	19,877,509
Licenses and Permits	1,477,592	1,512,041	1,487,720	1,448,396
Fines and Forfeitures	868,114	760,839	918,522	990,290
Sale of Property and Compensation for Loss	194,830	123,880	136,334	49,315
Interfund Revenues	9,995,961	11,996,089	12,581,214	14,664,748
State Aid	100,122,546	106,299,593	99,322,826	100,900,483
Federal Aid	62,912,164	48,858,105	52,385,776	58,001,784
Miscellaneous	4,539,643	4,370,725	4,238,295	4,670,799
Total Revenues	443,643,446	448,758,955	466,375,236	481,328,625
Expenditures				
Current:				
General Government	39,754,114	43,149,881	54,942,689	48,895,671
Education	53,635,959	56,287,051	59,108,151	60,595,502
Public Safety	49,560,136	55,473,720	58,893,768	59,002,667
Health	41,256,330	43,904,877	42,109,558	51,976,073
Transportation	33,227,664	36,248,794	40,142,905	41,580,438
Economic Opportunity and Development	163,421,773	155,278,769	154,605,187	156,569,060
Culture and Recreation	651,769	698,272	636,212	661,650
Home and Community Services	16,962,202	19,212,556	20,302,722	22,031,229
Employee Benefits	10,464,391	11,371,661	9,380,119	10,146,766
Debt Service:				
Principal	5,133,743	10,869,372	13,858,182	17,736,847
Interest	5,405,520	9,278,123	13,783,091	27,904,491
Refunding Bond Issuance Costs	-	-	-	-
Advance Refunding Escrow	-	-	-	-
Capital Outlay	46,003,907	44,447,249	48,004,692	42,526,497
Total Expenditures	465,477,508	486,220,325	515,767,276	539,626,891
Deficiency of Revenues Over Expenditures	(21,834,062)	(37,461,370)	(49,392,040)	(58,298,266)
Other Financing Sources (Uses)				
Bonds Issued	51,197,807	72,379,263	47,009,877	34,269,748
Transfers In	29,274,285	72,045,546	48,275,803	54,421,029
Transfers Out	(29,274,285)	(48,047,937)	(48,275,803)	(54,421,029)
Sale of Real Property	-	-	-	-
Refunding Bonds Issued	-	-	-	-
Issuance Premium	-	-	-	-
New York State loan proceeds	-	-	-	-
Payment to Refunded Bond Escrow Agent	-	-	-	-
Total Other Financing Sources	51,197,807	96,376,872	47,009,877	34,269,748
Net Change in Fund Balances	\$ 29,363,745	\$ 58,915,502	\$ (2,382,163)	\$ (24,028,518)
Debt Service as a Percentage of Non-Capital Expenditures	2.4%	4.4%	4.6%	9.2%

2008	2009	2010	2011	2012	2013
\$ 80,701,948	\$ 87,028,735	\$ 87,800,079	\$ 89,331,893	\$ 109,486,028	\$ 126,965,228
7,280,446	8,427,783	5,091,917	9,074,061	9,593,493	10,788,365
173,963,636	166,731,320	173,232,759	173,277,809	177,267,770	195,988,814
31,830,638	36,307,225	32,200,999	30,918,923	30,521,098	37,316,181
-	-	-	-	2,614,580	1,023,361
6,760,275	2,495,692	2,420,254	615,595	487,067	431,307
1,701,868	2,220,626	1,912,108	1,856,351	1,811,112	1,809,156
1,050,166	1,138,392	905,750	903,400	934,792	867,128
86,829	68,687	517,546	162,849	81,096	252,138
15,691,757	15,235,243	23,708,228	24,220,938	23,268,608	23,085,995
107,236,772	96,469,342	81,400,046	86,660,293	84,743,470	69,570,589
65,639,498	77,357,853	89,359,897	66,442,279	71,429,363	65,409,143
2,662,174	11,305,071	2,479,776	3,130,510	4,561,139	2,326,640
<u>494,606,007</u>	<u>504,785,969</u>	<u>501,029,359</u>	<u>486,594,901</u>	<u>516,799,616</u>	<u>535,834,045</u>
60,184,410	59,499,136	63,793,645	61,594,915	64,209,911	68,405,934
67,786,623	64,602,751	60,029,496	56,226,904	57,340,086	49,555,765
61,193,182	61,580,954	68,157,961	68,586,927	70,078,849	69,197,018
46,691,701	39,419,209	41,393,398	41,010,199	39,792,305	38,475,566
42,704,822	42,742,977	43,350,978	40,738,199	41,231,827	42,941,812
169,264,751	175,552,253	176,620,319	172,543,034	173,925,483	174,418,566
667,428	598,820	510,699	525,845	391,837	374,492
23,632,499	22,714,338	23,557,043	25,826,025	22,781,787	21,919,024
11,028,835	11,600,192	13,167,104	14,672,488	15,146,136	15,861,323
19,742,088	19,684,472	20,097,765	25,280,970	25,895,018	28,309,066
13,344,928	13,348,694	12,172,015	13,003,458	16,160,442	17,154,768
-	329,477	409,034	-	-	70,804
-	-	-	-	-	-
38,699,088	50,083,709	56,470,847	45,767,866	39,338,593	38,036,154
<u>554,940,355</u>	<u>561,756,982</u>	<u>579,730,304</u>	<u>565,776,830</u>	<u>566,292,274</u>	<u>564,720,292</u>
<u>(60,334,348)</u>	<u>(56,971,013)</u>	<u>(78,700,945)</u>	<u>(79,181,929)</u>	<u>(49,492,658)</u>	<u>(28,886,247)</u>
24,000,000	2,900,000	56,045,142	53,625,003	40,122,000	45,632,482
57,988,686	19,140,422	62,941,820	55,651,759	58,334,685	57,179,807
(57,988,686)	53,785,489	(60,941,820)	(55,393,433)	(57,884,685)	(70,504,873)
-	-	-	55,900	-	8,199,069
-	(53,785,489)	18,989,304	-	9,529,000	7,180,078
459,114	689,475	852,178	1,924,332	1,740,538	1,733,804
-	-	7,703,598	-	-	-
-	(19,500,420)	(19,432,448)	-	(9,717,712)	(7,705,618)
<u>24,459,114</u>	<u>3,229,477</u>	<u>66,157,774</u>	<u>55,863,561</u>	<u>42,123,826</u>	<u>41,714,749</u>
<u>\$ (35,875,234)</u>	<u>\$ (53,741,536)</u>	<u>\$ (12,543,171)</u>	<u>\$ (23,318,368)</u>	<u>\$ (7,368,832)</u>	<u>\$ 12,828,502</u>
9.2%	6.4%	6.1%	7.5%	8.0%	8.7%

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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	
2004	\$ 62,218,149	\$ 144,674,541	\$ 537,106	\$ 9,721,165	c \$ 217,150,961
2005	67,573,335	148,457,536	a b 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
2012	109,486,028	169,581,359	1,046,955	3,480,654	283,594,996
2013	126,965,228	178,737,484	1,262,906	4,446,008	311,411,626

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

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

c Effective October 1, 2003

COUNTY OF ROCKLAND, NEW YORK

SALES TAX RATES
LAST TEN FISCAL YEARS

	<u>2004</u>	<u>2005</u>	<u>2006</u>	<u>2007</u>	<u>2008</u>
New York State *	4.250 %	4.000 %	4.000 %	4.000 %	4.000 %
MTA (1) **	0.250	0.375	0.375	0.375	0.375
County *** ****	<u>3.625</u>	<u>3.625</u>	<u>3.625</u>	<u>4.000</u>	<u>4.000</u>
Total	<u>8.125 %</u>	<u>8.000 %</u>	<u>8.000 %</u>	<u>8.375 %</u>	<u>8.375 %</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>2009</u>	<u>2010</u>	<u>2011</u>	<u>2012</u>	<u>2013</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 2002 to February 2003	March 2003 to February 2004	March 2004 to February 2005	March 2005 to February 2006
Utilities (excluding residential energy)	\$ 118,800,000	\$ 115,461,000	\$ 114,884,000	\$ 137,792,000
Construction	64,293,000	69,527,000	71,394,000	78,378,000
Manufacturing	141,460,000	132,495,000	128,961,000	134,948,000
Wholesale Trade	283,951,000	294,210,000	324,209,000	377,532,000
Retail Trade:				
Motor Vehicles and Parts	513,970,000	574,350,000	549,774,000	511,010,000
Furniture and Home Furnishings	88,393,000	105,468,000	116,529,000	105,980,000
Electronics and Appliances	136,166,000	91,930,000	84,371,000	80,725,000
Building Materials and Garden Equipment	212,272,000	250,815,000	281,658,000	285,681,000
Food and Beverage	148,024,000	170,071,000	176,772,000	184,358,000
Health and Personal Care	42,770,000	46,520,000	46,999,000	50,141,000
Gasoline Stations	88,269,000	97,591,000	103,933,000	111,767,000
Clothing	57,409,000	274,408,000	241,350,000	251,913,000
Sporting Goods, Hobby, Book and Music Stores	89,532,000	104,785,000	101,920,000	99,241,000
General Merchandise	241,274,000	391,825,000	426,801,000	424,132,000
Miscellaneous Retail	102,028,000	102,798,000	104,989,000	105,816,000
Nonstore Retail	36,083,000	41,916,000	45,591,000	54,069,000
Information	284,511,000	293,356,000	292,754,000	293,391,000
Professional, Scientific, and Technical	33,505,000	48,837,000	42,577,000	48,973,000
Administrative/Support Services	95,295,000	91,510,000	94,736,000	100,014,000
Health Care	1,618,000	1,927,000	2,292,000	2,553,000
Arts, Entertainment, and Recreation	25,576,000	27,027,000	27,411,000	29,114,000
Accommodation and Food Services:				
Food Services	254,670,000	259,443,000	271,397,000	277,472,000
Accommodation	48,832,000	46,964,000	52,329,000	52,048,000
Other Services:				
Repair and Maintenance	73,524,000	78,453,000	79,309,000	85,282,000
Personal and Laundry Services	8,973,000	9,754,000	10,058,000	10,242,000
All Other Services	2,271,000	2,227,000	2,185,000	2,167,000
Ag., Mining, Trans., FIRE, Educ., Govt.	152,753,000	124,683,000	125,246,000	132,057,000
Unclassified by Industry	20,200,000	29,284,000	39,761,000	53,840,000
Sales to Qualified Empire Zone Enterprises (QEZE)	193,000	118,000	158,000	143,000
Services to tangible personal property used in prod.	-	-	-	-
Grand Total	\$ 3,366,615,000	\$ 3,877,753,000	\$ 3,960,348,000	\$ 4,080,779,000

Source: New York State Department of Taxation and Finance

(1) Preliminary

March 2006 to February 2007	March 2007 to February 2008	March 2008 to February 2009	March 2009 to February 2010	March 2010 to February 2011	March 2011 to February 2012 (1)
\$ 141,988,000	\$ 163,002,000	\$ 158,344,000	\$ 157,587,000	\$ 140,446,000	\$ 126,439,000
77,578,000	81,720,000	75,289,000	74,296,000	72,087,000	77,996,000
123,204,000	122,873,000	105,796,000	107,198,000	79,296,000	167,207,000
371,992,000	392,869,000	347,945,000	347,851,000	334,822,000	184,216,000
466,498,000	468,920,000	427,901,000	427,817,000	437,861,000	430,674,000
113,692,000	114,307,000	100,076,000	99,613,000	91,312,000	89,196,000
82,325,000	73,782,000	71,865,000	72,225,000	85,563,000	122,363,000
268,814,000	252,831,000	231,800,000	230,730,000	222,662,000	222,659,000
188,296,000	189,433,000	194,638,000	193,139,000	211,277,000	223,019,000
50,727,000	52,273,000	54,192,000	54,036,000	56,677,000	53,859,000
43,629,000	21,843,000	21,745,000	22,805,000	25,521,000	35,363,000
98,481,000	80,359,000	76,804,000	77,200,000	156,555,000	137,264,000
87,601,000	84,213,000	76,362,000	78,101,000	78,003,000	67,458,000
335,776,000	338,294,000	324,747,000	325,470,000	308,310,000	265,616,000
110,698,000	108,855,000	101,345,000	101,311,000	98,445,000	151,270,000
47,030,000	52,510,000	63,956,000	63,077,000	74,606,000	92,813,000
289,692,000	305,344,000	284,761,000	286,566,000	298,896,000	247,583,000
48,136,000	59,139,000	61,944,000	61,510,000	47,884,000	51,984,000
101,403,000	111,610,000	115,593,000	117,114,000	117,815,000	117,690,000
2,771,000	2,522,000	2,789,000	2,692,000	3,273,000	3,020,000
29,077,000	27,458,000	27,696,000	28,018,000	22,703,000	25,303,000
283,573,000	308,607,000	316,388,000	320,055,000	329,970,000	351,111,000
51,199,000	55,538,000	49,628,000	49,628,000	43,795,000	38,571,000
85,180,000	94,239,000	95,020,000	96,470,000	99,037,000	139,343,000
13,461,000	14,264,000	14,386,000	13,357,000	9,365,000	11,033,000
2,080,000	1,485,000	1,770,000	1,628,000	2,028,000	1,355,000
127,963,000	150,179,000	146,375,000	144,796,000	140,920,000	137,463,000
66,600,000	34,992,000	34,565,000	25,493,000	16,740,000	13,501,000
303,000	-	-	-	-	-
-	-	-	-	-	-
<u>\$ 3,709,767,000</u>	<u>\$ 3,763,461,000</u>	<u>\$ 3,583,720,000</u>	<u>\$ 3,579,783,000</u>	<u>\$ 3,605,869,000</u>	<u>\$ 3,585,369,000</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		
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
2012	10,196,423,647	5,319,167,057	1,654,615,377	13,860,975,327
2013	10,000,314,618	5,216,019,671	1,669,260,505	13,547,073,784

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
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
4.289	41,710,339,760	33.97
4.374	38,236,489,073	36.89
5.848	38,245,682,561	36.24
7.086	36,615,123,723	37.00

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
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	3.3103	12.3397	12.317
2011	6.978614	2.207	4.981	15.2841	16.054
2012	8.257075	2.695	5.766	18.4361	18.467
2013	9.184049	3.088	6.290	20.5166	18.986

COUNTY OF ROCKLAND, NEW YORK

**PRINCIPAL TAXPAYERS
CURRENT YEAR AND NINE YEARS AGO**

2013

Taxpayer	Type of Business	Assessed Valuation	Percent of Total Assessed Valuation
Palisades Interstate Park	State Lands	\$ 810,300,104	2.21 %
Orange & Rockland Utilities	Public Utility	731,675,891	2.00
Pfizer	Pharmaceuticals	567,561,568	1.55
Pyramid/Eklecco Properties	Retail Shopping	536,830,923	1.47
United Water	Public Utility	463,651,687	1.27
Verizon	Public Utility	169,099,118	0.46
Mirant	Public Utility	141,750,037	0.39
Algonquin Gas	Public Utility	124,382,977	0.34
Novartis Pharmaceuticals	Public Utility	96,448,343	0.26
Glorious Sun Roberts FKA Blue Hill Community	Retirement Community	83,433,270	0.23
		<u>\$ 3,725,133,918</u>	<u>10.17 %</u>

Note: Total assessed valuation on the 2013 roll is \$36,615,123,723

2004

Taxpayer	Type of Business	Assessed Valuation	Percent of Total Assessed Valuation
Southern Energy	Public Utility	\$ 1,171,547,548	3.41 %
American Cyanamid Corporation	Industrial	753,611,261	2.20
Palisades Interstate Park	State Lands	740,855,665	2.16
Pyramid/Eklecco Properties	Retail Shopping	738,656,547	2.15
Orange & Rockland Utilities	Industrial	556,956,017	1.62
United Water	Public Utility	312,511,840	0.91
Verizon	Public Utility	163,734,486	0.48
Consolidated Edison	Public Utility	155,594,683	0.45
Glorious Sun Roberts -FKA Blue Hill Community	Retirement Community	138,248,848	0.40
The Retail Property Trust	Retail Shopping	115,880,108	0.34
		<u>\$ 4,847,597,003</u>	<u>14.12 %</u>

Note: Total assessed valuation on the 2004 roll is \$ 34,331,257,411

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
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	61,700,000	2,154,896	48,736,690	24,687,900	2,859,696	273,693,972	9,536,186
2012	81,060,623	4,942,177	52,400,670	25,029,192	2,980,506	279,333,437	8,632,359
2013	96,000,000	3,530,977	55,557,615	25,164,473	2,725,140	297,661,098	9,470,285

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
\$ 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	38,963,442	342,609,850	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	9,121,466	352,986,318	95.92
379,608,200	354,481,303	93.38	6,025,450	360,506,753	94.97
395,821,744	367,357,941	92.81	39,646,827	407,004,768	102.83
426,369,266	425,984,189	99.91	14,500,622	440,484,811	103.31
462,219,975	430,631,166	93.17	8,270,685	438,901,851	94.96

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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>				
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
2012	372,814,732	13,204,818	359,609,914	1.13
2013	389,009,453	13,085,153	375,924,300	2.08
<u>Business-Type Activities:</u>				
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
2012	98,679,034	-	98,679,034	0.31
2013	105,306,026	-	105,306,026	0.58
<u>Total Primary Government:</u>				
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
2012	471,493,766	13,204,818	458,288,948	1.44
2013	494,315,479	13,085,153	481,230,326	2.66

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

0.43 %	\$ 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
0.94	1,131.71
1.03	1,171.46

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
0.26	310.55
0.29	328.16

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
1.20	1,442.26
1.32	1,499.61

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COUNTY OF ROCKLAND, NEW YORK

**DIRECT AND UNDERLYING GOVERNMENTAL ACTIVITIES DEBT
DECEMBER 31, 2013**

Governmental Unit	Gross Long-Term Debt (1)	Less Exclusions (2)	Amount Applicable to County (3)
Towns (five)	\$ 245,392,923	\$ 2,609,584	\$ 242,783,339
Villages (nineteen)	63,920,279	3,347,661	60,572,618
School Districts (eight)	484,743,270	31,328,345	453,414,925
Fire Districts (twenty-one)	<u>10,471,201</u>	<u>325,348</u>	<u>10,145,853</u>
Subtotal, Underlying Debt	804,527,673	37,610,938	766,916,735
Direct Bonded Debt of the County	<u>389,009,453</u>	<u>13,085,153</u>	<u>375,924,300</u>
Direct and Overlapping Debt	<u>\$ 1,193,537,126</u>	<u>\$ 50,696,091</u>	<u>\$ 1,142,841,035</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

	2004	2005	2006
Debt Limit	\$ 1,630,612	\$ 1,812,219	\$ 1,998,593
Total Net Debt Applicable to Limit	<u>140,314</u>	<u>159,289</u>	<u>174,797</u>
Legal Debt Margin	<u>\$ 1,490,298</u>	<u>\$ 1,652,930</u>	<u>\$ 1,823,796</u>
Total Net Debt Applicable to the Limit As a Percentage of Debt Limit	8.60%	8.79%	8.75%

Legal Debt Margin Calculation for Fiscal Year 2013

Five Year Average Full Valuation of Taxable Real Property	<u>\$ 39,670,642</u>
Debt Limit - 7% of Average Full Valuation	<u>2,776,945</u>
Outstanding Indebtedness - Serial bonds (1)	406,529
Bond Anticipation Notes	24,597
Less Exclusions:	
Debt Service Appropriations for Bonds	\$ 30,951
Revenue Anticipation Notes	-
Exempt Sewer District Debt	<u>158,004</u>
Total Net Indebtedness	242,171
Net Debt Contracting Margin	<u>\$ 2,534,774</u>
Percentage of Debt Contracting Margin Available as of December 31, 2013	91.28%
Percentage of Debt Contracting Power Exhausted as of December 31, 2013	8.72%

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>2007</u>	<u>2008</u>	<u>2009</u>	<u>2010</u>	<u>2011</u>	<u>2012</u>	<u>2013</u>
\$ 2,458,399	\$ 2,706,285	\$ 2,869,344	\$ 2,979,424	\$ 2,988,989	\$ 2,925,248	\$ 2,776,945
<u>204,121</u>	<u>195,497</u>	<u>205,161</u>	<u>179,210</u>	<u>179,210</u>	<u>232,297</u>	<u>242,171</u>
<u>\$ 2,254,278</u>	<u>\$ 2,510,788</u>	<u>\$ 2,664,183</u>	<u>\$ 2,594,023</u>	<u>\$ 2,809,779</u>	<u>2,692,951</u>	<u>2,534,774</u>
8.30%	7.22%	7.15%	6.01%	6.00%	7.94%	8.72%

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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)
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
20085	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
2012	317,757	17,091,196	53,787	36.6	87.9	43,218	6.7
2013	320,903	18,044,376	56,230	36.6	87.9	40,279	5.3

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

Principal Employers

Full-Time Equivalent County Government Employees by Function

Operating Indicators by Function

Capital Asset Statistics by Function

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COUNTY OF ROCKLAND, NEW YORK

PRINCIPAL EMPLOYERS
CURRENT YEAR AND NINE YEARS AGO

EMPLOYER	2013		2004	
	EMPLOYEES	PERCENTAGE OF TOTAL COUNTY EMPLOYMENT	EMPLOYEES	PERCENTAGE OF TOTAL COUNTY EMPLOYMENT
Active International	340	0.30 %	350	0.31 %
American Home Products	-	-	2,900	2.61
ARC of Rockland	650	0.57	493	0.44
AT & T Healthcare	760	0.67	800	0.72
Avon	320	0.28	500	0.45
Barr Laboratories	415	0.36	612	0.55
Bon Secours Good Samaritan Hospital	1,629	1.43	1,477	1.33
Camp Venture, Inc.	645	0.56	470	0.42
Chestnut Ridge Transportation, Inc.	412	0.36	485	0.44
Chromalloy American Corp.	374	0.33	490	0.44
Corporate Maintenance Services	-	-	350	0.31
Helen Hayes Hospital	920	0.81	900	0.81
Insurance Service Office	-	-	425	0.38
Jawonio, Inc.	1,000	0.88	460	0.41
Lamont-Doherty Geological Observatory	520	0.46	600	0.54
Louis Hornick & Co., Inc.	-	-	400	0.36
Materials Research Corp	-	-	320	0.29
Nice-Pak Products, Inc.	960	0.84	300	0.27
Northern Services Group	1,100	0.96	1,000	0.90
Novartis Pharmaceuticals Corp.	537	0.47	550	0.49
Nyack Hospital	1,693	1.48	1,119	1.01
NYNEX	-	-	1,000	0.90
Orange & Rockland Utilities	765	0.67	1,486	1.34
Pavion Ltd.	-	-	500	0.45
Pharmaceutical Resources	-	-	450	0.40
Rockland Bakery, Inc.	400	0.35	200	0.18
Sears Roebuck & Co.	170	0.15	301	0.27
St. Agatha's Home	-	-	550	0.49
St. Dominic's Home	810	0.71	400	0.36
The Dress Barn	350	0.31	321	0.29
Tilcon New York, Inc.	292	0.26	135	0.12
Verizon Wireless	850	0.74	1,100	0.99
Wyeth-Ayerst Laboratories (Pfizer)	1,352	1.18	-	-
	<u>17,264</u>	<u>15.12 %</u>	<u>21,444</u>	<u>19.29 %</u>

Source: Rockland County Planning Department

COUNTY OF ROCKLAND, NEW YORK

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

Function	Full-time Equivalent Employees as of December 31,				
	2004	2005	2006	2007	2008
General Government	541	551	551	554	548
Public Safety	391	394	394	398	400
Health	1,160	1,163	1,163	1,165	1,091
Transportation	132	132	132	131	134
Economic Opportunity and Development	586	573	573	555	533
Culture and Recreation	1	1	1	1	1
Home and Community Services	145	148	148	144	141
Total	<u>2,956</u>	<u>2,962</u>	<u>2,962</u>	<u>2,948</u>	<u>2,848</u>

Source - Rockland County Budget Department

<u>2009</u>	<u>2010</u>	<u>2011</u>	<u>2012</u>	<u>2013</u>
574	336	600	480	471
370	374	356	343	366
954	948	908	812	707
125	298	118	118	115
500	496	474	444	424
1	1	1	1	1
<u>131</u>	<u>132</u>	<u>128</u>	<u>125</u>	<u>117</u>
<u><u>2,655</u></u>	<u><u>2,585</u></u>	<u><u>2,585</u></u>	<u><u>2,323</u></u>	<u><u>2,201</u></u>

COUNTY OF ROCKLAND, NEW YORK

OPERATING INDICATORS BY FUNCTION
LAST TEN FISCAL YEARS

Function:	2004	2005	2006	2007
General Government (1):				
Motor Vehicles				
Number of drivers' licenses issued	210,125	206,296	205,078	207,913
Number of vehicle registrations	n/a	n/a	n/a	210,763
Public Safety (2):				
Emergency Services				
Number of calls at 911 center	266,904	309,608	337,473	322,816
Corrections (2)				
Number of inmates	2,864	2,955	3,174	3,148
Transportation (2):				
Paving (Sq. yards)	95,609	69,063	90,100	69,756
Sealing- Microseal (Sq. yards)	91,207	145,715	107,900	114,369
Sealing- Chipseal (Sq. yards)	88,367	24,506	129,200	86,200
Ridership on public buses	2,441,226	2,677,098	3,151,973	3,406,924
Home and Community Services (2):				
Number of Metered Accounts	69,240	69,779	70,401	71,460
Miles of Mains	1,016	1,018	1,022	1,024
Average daily sewage treatment (thousands of gallons)	24,342,282	25,507,016	26,082,619	25,180,408
Summit Park Nursing Care Center (2) -				
Number of beds occupied	360	366	356	351

n/a - Information not available

(1) Source: Department of Motor Vehicles

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

2008	2009	2010	2011	2012	2013
205,523	205,880	204,672	203,819	204,531	207,459
211,399	210,205	210,957	211,312	213,166	214,264
322,572	388,309	304,194	306,546	370,114	365,126
3,377	3,123	3,083	3,219	2,972	2,844
43,850	53,232	55,591	45,220	-	180,017
93,653	87,342	126,727	105,968	95,542	149,332
70,971	76,306	120,232	76,491	73,122	203,385
3,852,758	3,675,390	3,534,225	3,405,632	3,320,589	3,178,084
72,334	72,966	73,364	73,394	75,146	75,177
1,027	1,041	1,046	1,049	1,053	1,051
25,331,565	28,442,011	29,830,136	29,119,833	28,275,588	28,269,480
338	336	322	306	289	253

COUNTY OF ROCKLAND, NEW YORK

CAPITAL ASSET STATISTICS BY FUNCTION
LAST TEN FISCAL YEARS

Function	2004	2005	2006	2007
General Government:				
Construction Permit Data- New Residential				
Number of Permits Issued	256	348	362	371
Estimated Value	57,790,857	76,073,511	74,062,592	88,351,116
Buildings	7	7	7	7
Vehicles	156	156	156	156
Education :				
Buildings	10	10	10	10
Public Safety:				
Buildings	8	8	8	8
Vehicles	39	38	37	37
Number of Fire and Rescue Companies	42	42	42	42
Number of Firehouses	50	50	50	50
Number of Members	2,441	2,225	2,183	2,189
Health:				
Buildings	16	16	16	16
Vehicles	116	110	108	103
Transportation:				
Buildings	2	2	2	2
Vehicles	91	91	91	91
Culture and Recreation:				
County Parks\ Open Space (acreage)	2,532	2,574	2,597	2,597
Number of County Parks\ Open Space	22	23	24	24
Vehicles	5	5	5	5

Source - Various County departments

n/a - Information not available

2008	2009	2010	2011	2012	2013
260	82	117	136	106	167
68,725,212	36,601,485	48,907,870	39,854,614	38,382,672	53,807,151
7	7	7	7	7	5
199	125	126	128	137	134
10	10	10	10	10	10
8	8	8	8	8	8
151	159	159	165	167	205
42	42	42	42	42	42
51	51	51	51	51	51
2,180	2,344	2,346	2,349	2,279	2,225
16	16	16	16	16	16
115	107	110	112	50	52
2	2	2	2	2	2
257	262	263	265	162	167
3,094	3,094	3,179	3,179	3,179	3,179
25	25	27	27	27	27
17	17	17	15	14	14

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**FEDERAL
AWARDS**

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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**

Independent Auditors' Report

**The Honorable Legislature
of the County of Rockland, New York**

We have audited, in accordance with the 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, 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, 2013, and the related notes to the financial statements, which collectively comprise the County's basic financial statements, and have issued our report thereon dated September 29, 2014. Our audit report includes a reference to other auditors who audited the financial statements of the Home and Infirmary Fund (a major enterprise fund) and the Rockland County Industrial Development Agency (a component unit) as described in our report on the County's financial statements. This report does not include the results of the other auditor's 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

In planning and performing our audit of the financial statements, we considered the County's internal control over financial reporting ("internal control") to determine the audit procedures that are appropriate in the circumstances for the purpose of expressing our opinions on the financial statements, but not for the purpose of expressing an opinion on the effectiveness of the County's internal control. Accordingly, we do not express an opinion on the effectiveness of the County's internal control.

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. A *significant deficiency* is a deficiency, or a combination of deficiencies, in internal control that is less severe than a material weakness, yet important enough to merit attention by those charged with governance.

Our consideration of internal control was for the limited purpose described in the first paragraph of this section and was not designed to identify all deficiencies in internal control that might be material weaknesses or significant deficiencies. Given these limitations, during our audit we did not identify any deficiencies in internal control that we consider to be material weaknesses. However, material weaknesses may exist that have not been identified.

Compliance and Other Matters

As part of obtaining reasonable assurance about whether the County's financial statements are free from 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.

Purpose of this Report

The purpose of this report is solely to describe the scope of our testing of internal control and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the County's internal control or on compliance. This report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the County's internal control and compliance. Accordingly, this communication is not suitable for any other purpose.

O'Connor Davies, LLP

O'Connor Davies, LLP
Harrison, New York
September 29, 2014

**Report on Compliance For Each Major Federal Program and on
Internal Control Over Compliance Required by OMB Circular A-133**

Independent Auditors' Report

**The Honorable Legislature
of the County of Rockland, New York**

Report on Compliance for Each Major Federal Program

We have audited the County of Rockland, New York's ("County") compliance with the types of compliance requirements described in the *OMB Circular A-133 Compliance Supplement* that could have a direct and material effect on each of the County's major federal programs for the year ended December 31, 2013. The County's major federal programs are identified in the summary of auditors' results section of the accompanying schedule of findings and questioned costs.

Management's Responsibility

Management is responsible for compliance with the requirements of laws, regulations, contracts, and grants applicable to its federal programs.

Auditors' Responsibility

Our responsibility is to express an opinion on compliance for each of the County's major federal programs based on our audit of the types of compliance requirements referred to above. 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 on compliance for each major federal program. However, our audit does not provide a legal determination of the County's compliance.

Opinion on Each Major Federal Program

In our opinion, the County complied, in all material respects, with the types of 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, 2013.

Report on Internal Control Over Compliance

Management of the County is responsible for establishing and maintaining effective internal control over compliance with the types of compliance requirements referred to above. In planning and performing our audit of compliance, we considered the County's internal control over compliance with the types of requirements that could have a direct and material effect on each major federal program to determine the auditing procedures that are appropriate in the circumstances for the purpose of expressing an opinion on compliance for each major federal program 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. *A significant deficiency in internal control over compliance* is a deficiency, or a combination of deficiencies, in internal control over compliance with a type of compliance requirement of a federal program that is less severe than a material weakness in internal control over compliance, yet important enough to merit attention by those charged with governance.

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 material weaknesses or significant deficiencies. We did not identify any deficiencies in internal control over compliance that we consider to be material weaknesses. However, material weaknesses may exist that have not been identified.

The purpose of this report on internal control over compliance is solely to describe the scope of our testing of internal control over compliance and the results of that testing based on the requirements of OMB Circular A-133. Accordingly, this report is not suitable for any other purpose.

O'Connor Davies, LLP

O'Connor Davies, LLP
Harrison, New York
September 29, 2014

County of Rockland, New York

Schedule of Expenditures of Federal Awards
Year Ending December 31, 2013

<u>Federal Grantor / Pass-Through Grantor / Program or Cluster Title</u>	<u>Federal CFDA Number (1)</u>	<u>Federal Program Expenditures</u>
<u>Department of Agriculture</u>		
Indirect Program Pass -Through From: NYS Department of Health Special Supplemental Nutrition Program for Women, Infants and Children	10.557	\$ 1,657,754
Indirect Program Pass -Through From: NYS Office of Temporary Disability Assistance State Administrative Matching Grants for the Supplemental Nutrition Assistance Program (SNAP)	10.561	3,502,443
Direct Program: Supplemental Nutrition Assistance Program, Process and Technology Improvement Grants	10.580	<u>45,314</u>
Total Department of Agriculture		<u>5,205,511</u>
<u>Department of Housing and Urban Development</u>		
Direct Programs:		
Community Development Block Grants/Entitlement Grants	14.218	2,939,789
Emergency Shelter Grant Program	14.231	91,290
Supportive Housing Program	14.235	275,900
Home Investment Partnership Program	14.239	850,875
Fair Housing Assistance Program State and Local	14.401	44,320
Lower Income Housing Assistance Program-Section 8 Moderate Rehabilitation	14.856	<u>760,775</u>
Total Direct Programs		<u>4,962,949</u>
Indirect Program Pass-Through From: New York City Department of Health and mental Hygiene Housing Opportunities for Persons With AIDS	14.241	<u>521,565</u>
Total Department of Housing and Urban Development		<u>5,484,514</u>
<u>Department of Justice</u>		
Direct Program:		
Joint Law Enforcement Operations	16.111	13,256
Drug Court Discretionary Grant Program	16.585	88,448
Public Safety Partnership and Community Policing Grants	16.710	67,890
State Criminal Alien Assistance Program	16.606	481,572
Bullet Proof Vest Partnership Program	16.607	4,952
Criminal and Juvenile Justice and Mental Health Collaboration Program	16.745	150,484
Equitable Sharing Program	16.922	<u>1,918,416</u>
Total Direct Programs		2,725,018

County of Rockland, New York

Schedule of Expenditures of Federal Awards (Continued)
 Year Ending December 31, 2013

<u>Federal Grantor / Pass-Through Grantor / Program or Cluster Title</u>	<u>Federal CFDA Number (1)</u>	<u>Federal Program Expenditures</u>
<u>Department of Justice (Continued)</u>		
Indirect Program Pass-Through From: Town of Clarkstown, New York		
Edward Byrne Memorial Justice Assistance Grant Program	16.738	\$ 10,535
Indirect Program Pass -Through From: NYS Division of Criminal Justice Services		
Violence Against Women Formula Grants	16.588	<u>144,475</u>
Total Department of Justice		<u>2,880,028</u>
<u>Department of Labor</u>		
Indirect Program Pass -Through From: NYS Department of Labor		
<i>WIA Cluster</i>		
WIA Adult Program	17.258	494,299
WIA Youth Activities	17.259	434,592
WIA Dislocated Workers	17.278	<u>541,403</u>
Subtotal WIA Cluster		1,470,294
Employment Service /Wagner-Peyser Funded Activities	17.207	1,112
Trade Adjustment Assistance	17.245	333,907
National Emergency Grants (NEG)	17.277	373,785
Indirect Program Pass -Through From: Senior Service of America		
Senior Service of America		
Senior Community Service Employment Program	17.235	<u>240,262</u>
Total Department of Labor		<u>2,419,360</u>
<u>Department of Transportation</u>		
Direct Programs:		
Federal Transit - Formula Grants (Urbanized Area Formula Program)	20.507	3,005,122
Indirect Program Pass -Through From: NYS Department of Transportation		
Highway Planning and Construction (Federal-Aid Highway Program)	20.205	6,000,046
Federal Transit - Formula Grants (Urbanized Area Formula Program)	20.507	<u>11,190</u>
Total Department of Transportation		<u>9,016,358</u>

(Continued)

County of Rockland, New York

Schedule of Expenditures of Federal Awards (Continued)
 Year Ending December 31, 2013

<u>Federal Grantor / Pass-Through Grantor / Program or Cluster Title</u>	<u>Federal CFDA Number (1)</u>	<u>Federal Program Expenditures</u>
<u>Environmental Protection Agency</u>		
Indirect Program Pass-Through From: NYS Environmental Facilities Corporation		
ARRA (2)- Capitalization Grants for Clean Water State Revolving	66.458	\$ 3,750,444
Indirect Program Pass-Through From: NYS Environmental Conservation		
Performance Partnership Grants	66.605	8,815
Total Environmental Protection Agency		<u>3,759,259</u>
<u>Department of Education</u>		
Indirect Program Pass-Through From: NYS Department of Education		
Special Education -Grants for Infants and Families	84.181	132,850
Total Department of Education		<u>132,850</u>
<u>Department of Health and Human Services</u>		
Indirect Program Pass- Through From: NYS Office of Temporary Disability Assistance		
Temporary Assistance for Needy Families (TANF) Summer Youth Employment Program	93.558	201,525
Indirect Program Pass-Through From: NYS Office of the Aging		
Special Programs for the Aging-Title VII, Chapter 2		
Long Term Care Ombudsman Services for Older Individuals	93.042	17,920
Special Programs for the Aging Title III, Part D Disease Prevention and Health Promotion Services	93.043	14,672
National Family Caregiver Support - Title III, Part E	93.052	105,196
<i>Aging - Cluster</i>		
Special Programs for the Aging - Title III, Part B - Grants for Supportive Services and Senior Centers	93.044	253,455
Special Programs for the Aging - Title III, Part C - Nutrition Services	93.045	467,832
Nutrition Services Incentive Program	93.053	69,002
Subtotal Aging Cluster		<u>790,289</u>

(Continued)

County of Rockland, New York

Schedule of Expenditures of Federal Awards (Continued)
 Year Ending December 31, 2013

<u>Federal Grantor / Pass-Through Grantor / Program or Cluster Title</u>	<u>Federal CFDA Number (1)</u>	<u>Federal Program Expenditures</u>
<u>Department of Health and Human Services(Continued)</u>		
Indirect Program Pass-Through From: Health Research Incorporated		
Public Health Emergency Preparedness	93.069	\$ 190,463
Hospital Preparedness Program (HPP) and Public Health Emergency Preparedness (PHEP) Aligned Cooperative Agreements	93.074	41,725
Centers for Disease Control and Prevention Investigations and Technical Assistance	93.283	4,995
Indirect Program Pass-Through From: Westchester County, New York		
HIV Emergency Relief Project Grants	93.914	414,280
Indirect Program-Pass Through From: NYS Department of Social Services		
State Planning and Establishment Grants for the Affordable Care Act (ACA)'s Exchanges	93.525	30,293
Temporary Assistance for Needy Families (TANF)	93.558	15,013,240
Low-Income Home Energy Assistance	93.568	3,547,734
Child Care and Development Block Grant	93.575	7,109,302
Foster Care - Title IV-E	93.658	3,915,444
Basic Center Grants	93.623	190,545
Chafee Foster Care Independence Program	93.674	45,531
Immunization Cooperative Agreements	93.268	73,250
Family Planning Services	93.217	47,635
Adoption Assistance - Title IV-E	93.659	45,296
Social Services Block Grant	93.667	2,325,250
Medical Assistance Program (Medicaid Title XIX)	93.778	5,627,108
Child Support Enforcement	93.563	2,047,670
Children's Health Insurance Program (CHIP)	93.767	36,251
Maternal and Child Health Services Block Grant to States	93.994	117,701
Stephanie Tubbs Jones Child Welfare Services Program	93.645	236,643
Indirect Program Pass-Through From: NYS Office of Alcoholism and Substance Abuse Services		
Block Grants for Prevention and Treatment of Substance Abuse	93.959	155,446
Indirect Program Pass-Through From: NYS Board of Elections		
Voter Access to Individuals With Disabilities	93.617	21,039
Total Department of Health and Human Services		<u>42,366,443</u>

(Continued)

County of Rockland, New York

Schedule of Expenditures of Federal Awards (Concluded)
Year Ending December 31, 2013

<u>Federal Grantor / Pass-Through Grantor / Program or Cluster Title</u>	<u>Federal CFDA Number (1)</u>	<u>Federal Program Expenditures</u>
<u>Corporation for National and Community Service</u>		
Direct Program - AmeriCorps	94.006	\$ 144,227
Total Corporation for National and Community Services		<u>144,227</u>
<u>Social Security Administration</u>		
Direct Program - Social Security Retirement Insurance	96.002	<u>9,800</u>
Total Corporation for Social Security Administration		<u>9,800</u>
<u>Department of Homeland Security</u>		
Direct Program - Homeland Security Grant Program	97.067	66,119
Indirect Program Pass-Through From: NYS Division of Military and Naval Affairs		
Disaster Grants - Public Assistance (Presidentially Declared Disasters)	97.036	674,425
Emergency Management Performance Grant	97.042	120,203
Homeland Security Grant Program	97.067	2,443,332
Fire Service Hazardous Materials Preparedness and Response	97.093	<u>8,726</u>
Total Department of Homeland Security		<u>3,312,805</u>
TOTAL EXPENDITURES OF FEDERAL AWARDS		<u><u>\$ 74,731,155</u></u>

(1) Catalog of Federal Domestic Assistance number.

(2) American Recovery and Reinvestment Act

See notes to schedule of expenditures of federal awards.

County of Rockland, New York

Notes to Schedule of Expenditures of Federal Awards
December 31, 2013

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, 2013. 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, 2013**

NONE

County of Rockland, New York

Schedule of Findings and Questioned Costs
December 31, 2013

Section I - Summary of Auditors' Results

Financial Statements

Type of auditors' report issued: Unmodified

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: Unmodified

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
16.606	State Criminal Alien Assistance Program WIA Cluster
17.258	WIA Adult Program
17.259	WIA Youth Program
17.278	WIA Dislocated Workers Formula Grant
20.205	Department of Transportation Highway Planning & Construction
66.458	ARRA -EFC Capitalization Grant for Clean Water State Revolving Funds - (1)
93.563	Child Support Enforcement
93.568	Low Income Home Energy Assistance
97.067	Homeland Security Grant
(1)	American Recovery and Reinvestment Act

County of Rockland, New York

**Schedule of Findings and Questioned Costs
December 31, 2013**

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

\$2,241,935

Auditee qualified as low-risk auditee?

X Yes No

Section II - Financial Statement Findings

None

Section III - Federal Award Findings and Questioned Costs

None