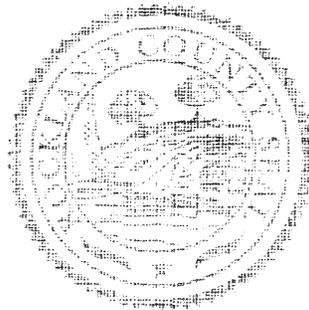


COUNTY OF ROCKLAND NEW YORK

COMPREHENSIVE ANNUAL FINANCIAL REPORT

YEAR ENDED: DECEMBER 31, 2003



C. SCOTT VANDERHOEF
COUNTY EXECUTIVE



COUNTY OF ROCKLAND, NEW YORK

Comprehensive Annual Financial Report
Fiscal Year Ended December 31, 2003

Prepared by

Department of Finance

Robert E. Bergman, Jr.

Commissioner

18 New Hempstead Road

New City, New York 10956

(845) 638-5131

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COUNTY OF ROCKLAND, NEW YORK
COMPREHENSIVE ANNUAL FINANCIAL REPORT

FISCAL YEAR ENDED DECEMBER 31, 2003

TABLE OF CONTENTS

Page

INTRODUCTORY SECTION

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

FINANCIAL SECTION

Independent Auditors' Report	1
Management's Discussion and Analysis	3
Basic Financial Statements:	
Government-wide Financial Statements:	
Statement of Net Assets	12
Statement of Activities	13
Fund Financial Statements:	
Balance Sheet - Governmental Funds	15
Reconciliation of Governmental Funds Balance Sheet to the Government-Wide Statement of Net Assets - Governmental Activities	16
Statement of Revenues, Expenditures and Changes in Fund Balances - Governmental Funds	17
Reconciliation of the Statement of Revenues, Expenditures, and Changes in Fund Balances of Governmental Funds to the Statement of Activities	18
Statement of Revenues, Expenditures and Changes in Fund Balance - Budget and Actual - General Fund	19
Statement of Net Assets - Proprietary Funds	20
Statement of Revenues, Expenses and Changes in Fund Net Assets - Proprietary Funds	21
Statement of Cash Flows - Proprietary Funds	22
Statement of Assets and Liabilities - Fiduciary Funds	23
Statement of Net Assets - Component Units	24
Statement of Activities - Component Units	26
Notes to the Basic Financial Statements	28
Combining and Individual Fund Financial Statements and Schedules:	
Major Governmental Funds:	
General Fund:	
Comparative Balance Sheet	64
Comparative Schedule of Revenues, Expenditures and Changes in Fund Balance - Budget and Actual	65
Schedule of Revenues and Other Financing Sources Compared to Budget	67

COUNTY OF ROCKLAND, NEW YORK
COMPREHENSIVE ANNUAL FINANCIAL REPORT

FISCAL YEAR ENDED DECEMBER 31, 2003

TABLE OF CONTENTS (Continued)

	<u>Page</u>
Schedule of Expenditures and Other Financing Uses Compared to Budget	73
Capital Projects Fund:	
Comparative Balance Sheet	79
Comparative Statement of Revenues, Expenditures and Changes in Fund Balances	80
Non-Major Governmental Funds:	
Combining Balance Sheet -Non-Major Governmental Funds	81
Combining Statement of Revenues, Expenditures and Changes in Fund Balances - Non-Major Governmental Funds	83
Special Revenue Funds:	
Combining Balance Sheet - Non-Major Special Revenue Funds	85
Combining Statement of Revenues, Expenditures and Changes in Fund Balances - Non-Major Special Revenue Funds	87
County Road Fund:	
Comparative Balance Sheet	89
Comparative Schedule of Revenues, Expenditures and Changes in Fund Balance - Budget and Actual	90
Road Machinery Fund:	
Comparative Balance Sheet	92
Comparative Schedule of Revenues, Expenditures and Changes in Fund Balance - Budget and Actual	93
Community Development Fund:	
Comparative Balance Sheet	95
Comparative Schedule of Revenues, Expenditures and Changes in Fund Balance - Budget and Actual	96
Sewer District Fund:	
Comparative Balance Sheet	98
Comparative Schedule of Revenues, Expenditures and Changes in Fund Balance - Budget and Actual	99
Special Purpose Fund:	
Comparative Balance Sheet	101
Comparative Statement of Revenues, Expenditures and Changes in Fund Balance	102
Debt Service Fund:	
Comparative Balance Sheet	103
Comparative Schedule of Revenues, Expenditures and Changes in Fund Balance - Budget and Actual	104
Proprietary Funds:	
Enterprise Fund - Home and Infirmary Fund:	
Comparative Statement of Net Assets	106
Comparative Statement of Revenues, Expenses and Changes in Net Assets	107
Comparative Statement of Cash Flows	108
Internal Service Funds:	
Combining Statement of Net Assets	109
Combining Statement of Revenues, Expenses and Changes in Net Assets	111
Combining Statement of Cash Flows	113
Workers' Compensation Benefits Fund:	
Comparative Statement of Net Assets	115
Comparative Statement of Revenues, Expenses and Changes in Net Assets	116
Comparative Statement of Cash Flows	117

COUNTY OF ROCKLAND, NEW YORK
 COMPREHENSIVE ANNUAL FINANCIAL REPORT

FISCAL YEAR ENDED DECEMBER 31, 2003
 TABLE OF CONTENTS (Concluded)

	Page
General Liability Claims Fund:	
Comparative Statement of Net Assets	118
Comparative Statement of Revenues, Expenses and Changes in Net Assets	119
Comparative Statement of Cash Flows	120
Unemployment Benefits Fund:	
Comparative Statement of Net Assets	121
Comparative Statement of Revenues, Expenses and Changes in Net Assets	122
Comparative Statement of Cash Flows	123
General Service Fund:	
Comparative Statement of Net Assets	124
Comparative Statement of Revenues, Expenses and Changes in Net Assets	125
Comparative Statement of Cash Flows	126
Fiduciary Funds - Statement of Changes in Assets and Liabilities	127

**STATISTICAL SECTION
 (Unaudited)**

General Governmental Expenditures and Other Uses by Function - Last Ten Fiscal Years	128
General Governmental Revenues and Other Sources by Source - Last Ten Fiscal Years	130
Property Tax Levies and Collections - Last Ten Fiscal Years	132
Assessed Valuation of Taxable Real Property, State Special Equalization Ratio and Full Valuation - Last Ten Fiscal Years	134
Property Tax Rates per \$1,000 of Assessed Valuation - All Direct and Overlapping Governments - Last Ten Fiscal Years	135
Computation of Legal Debt Margin	136
Ratio of Net Long-Term Debt to Assessed Valuation and Net Long-Term Debt per Capita - Last Ten Fiscal Years	137
Ratio of Annual Debt Service Expenditures for Long-Term Debt to Total General Governmental Expenditures - Last Ten Fiscal Years	139
Computation of Direct and Overlapping Debt	140
Demographic Statistics - Last Ten Fiscal Years	141
Construction Permit Data - Last Ten Fiscal Years	142
Deposits in Local Banks by All Customers -Last Ten Fiscal Years	143
Principal Taxpayers	144
Miscellaneous Statistics	145

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**INTRODUCTORY
SECTION**

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ROCKLAND COUNTY, NEW YORK
Principal Officials

COUNTY EXECUTIVE

C. Scott Vanderhoef

COUNTY LEGISLATORS

Salvatore Corallo

Chairman of the Legislature

Robert M. Berliner
Gerald Bierker
Harriett D. Cornell
William L. Darden
Theodore R. Dusanenko
Frank A. Fornario
David Fried
Ellen C. Jaffee

Douglas J. Jobson
Patrick J. Moroney
John A. Murphy
V.J. Pradhan
Roman Rodriguez
Ilan S. Schoenberger
Philip Soskin
Kenneth P. Zebrowski

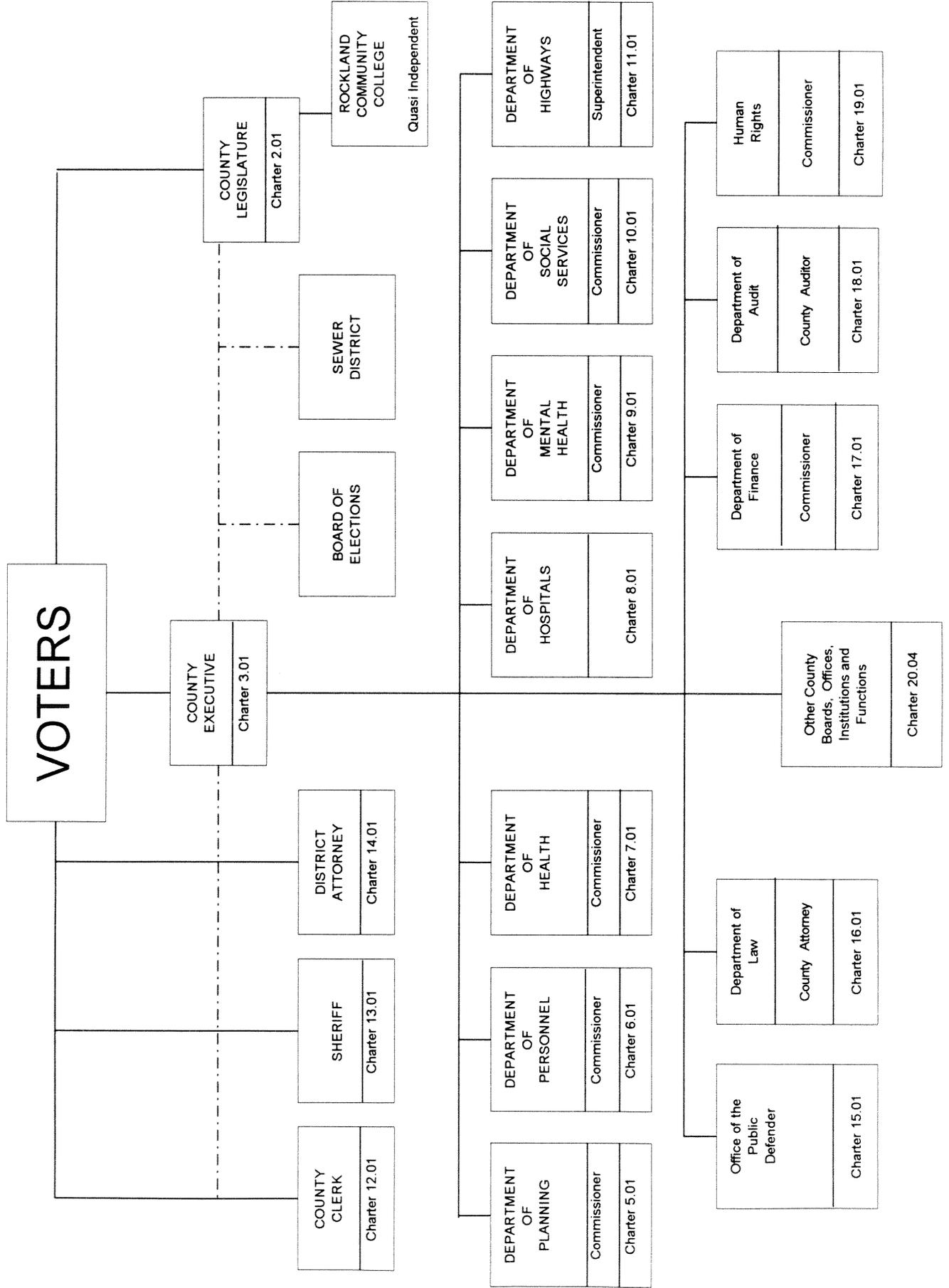
Edward Gorman
James Kralik
Michael Bongiorno

County Clerk
Sheriff
District Attorney

Patricia Zugibe
Robert E. Bergman, Jr.

County Attorney
Commissioner of Finance

ORGANIZATION CHART OF ROCKLAND COUNTY, NEW YORK





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

ROBERT E. BERGMAN, JR., MPA
Commissioner of Finance
Budget Director

H. CHRIS KOPF, CPA
First Deputy Commissioner

August 11, 2004

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, 2003 is submitted herewith. New York State requires the County to submit an annual report of our financial records and transactions presented in conformity with generally accepted accounting principles (GAAP) and audited in accordance with generally accepted auditing standards by a firm of licensed certified public accountants. This CAFR is issued pursuant to that requirement.

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

The County's basic financial statements have been audited by Bennett Kielson Storch DeSantis, The Government Services Division of ODMD, 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, 2003, are free of material misstatement. The independent audit involved examining, on a test basis, evidence supporting the amounts and disclosures in the basic financial statements; assessing the accounting principles used and significant estimates made by management; and evaluating the overall financial statement presentation. The independent auditor concluded, based upon the audit, that there was a reasonable basis for rendering an unqualified opinion that the County of Rockland's basic financial statements for the fiscal year ended December 31, 2003, 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 independent audit of the basic financial statements of the County was part of a broader, Federally mandated "Single Audit" designed to meet the special needs of Federal grantor agencies. The standards governing Single Audit engagements require the independent auditor to not only report on the fair presentation of the basic financial statements, but also on the audited government's internal controls and compliance with legal requirements, with special emphasis on internal controls and legal requirements involving the administration of Federal awards. These reports are available in the County's separately issued Single Audit Report.

This report is presented in three sections: introductory, financial and statistical. The introductory section includes this transmittal letter, a general government organization chart and a list of the County's principal officials. The financial section includes the independent auditors' report, the basic financial statements, notes to the financial statements and combining and individual fund financial statements and schedules. Under the new reporting model, the financial section includes a narrative introduction, overview and analysis of the December 31, 2003 financial statements to accompany the basic financial statements in the form of Management's Discussion and Analysis (MD&A). This letter of transmittal is designed to complement the MD&A and should be read in conjunction with it. The MD&A can be found immediately following the report of the independent auditors. Finally, the statistical section includes selected financial and general information presented on a multi-year basis.

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 reside in this area. Northern sections of the County are more rural due in part to the extensive system of parks located in this part of the County.

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

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

The Chief Fiscal Officer of the County is the Commissioner of Finance who is appointed by the County Executive and confirmed by the County Legislature. The Commissioner of Finance is responsible for the administration of the financial affairs of the County. Duties of this position

include; collecting and disbursing County funds, investing such funds for temporary periods, issuing debt, maintaining accounting records and preparing financial statements there from.

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

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

FACTORS AFFECTING FINANCIAL CONDITION

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

Local Economy

A major part of the County's labor force, over 49%, is employed in service related jobs. According to 2000 data compiled by the State Labor Department, only 7% of the workforce is

employed by companies engaged in manufacturing. Many residents commute to jobs in New York City or Westchester County, which is connected to the County by the Tappan Zee Bridge and U.S. Interstate 287/87. Approximately 18% of the County's labor force is classified as government related, a significant part of this group of employees works at the various State hospitals and institutions located in the County. Major non-governmental employers in the County include Wyeth Corporation, Orange and Rockland Utilities, Good Samaritan Hospital and Nyack Hospital.

Wealth levels for the County's residents are significantly above State and national averages. The estimated per capita income of County residents in 2000 was \$41,311. State and U.S. per capita income averages reported on this basis were \$35,805 and \$30,906, respectively. The median household income for families residing in the County for 2000 was \$74,239, which was significantly greater than the median household income of \$44,923 for the State.

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

A network consisting of all the major forms of transportation serves the County. Several primary State and U.S. Highways including the New York State Thruway, Palisades Interstate Parkway, Garden State Parkway and U.S. Routes 9W and 17 run through the County. The Metro-North Commuter Railroad division of the New York Metropolitan Transportation Authority, in cooperation with New Jersey Transit, provides rail service to Manhattan via the PATH rapid transit. Freight service is provided by Conrail. NY Waterways, Transport of Rockland, Shortline and Adirondack Trailways 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 and St. Thomas Aquinas College are four-year independent liberal arts colleges. Empire State College/SUNY, Iona College - Rockland Campus and Long Island University - Rockland Campus, all 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 13 parks, all of which have natural scenic areas, some affording panoramic views of the County. There are also over 20 private commercial swimming pools and lakes, and twelve golf courses, eight of which are open to the public. All of the towns and many of the villages have separate park facilities. In addition, there are numerous libraries, museums and marinas in the County.

In 2003, the County of Rockland experienced robust retail sales with the Sales Tax Revenue showing an 18% increase over the previous year. The County also enjoyed a 45% increase in the number of mortgages filed.

In 2003, the County opened the Haverstraw Bay County Park which is a beautiful 50-acre park situated along the Hudson River. The park boasts a doublewide boat launch, large soft surface playground area, fishing piers, a walking path and a September 11th memorial monument and reflection area. The land was acquired as a result of the County Executive's Open Space Acquisition Plan. The park was funded in part by the Hudson River Valley Greenway Communities Council.

LONG TERM FINANCIAL PLANNING

The County's future projects include the following:

- ❖ Develop, in conjunction with other County municipalities, a uniform, Countywide communication system.
- ❖ Improvements to the Letchworth Developmental Center property in the Towns of Haverstraw and Stony Point into a mixed-use recreation, commercial, and residential purpose.
- ❖ The Village of Haverstraw is in the process of approving a \$200 million dollar waterfront development project.

- ❖ 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.
- ❖ Design and construction of a number of sewer repair capital projects in the Towns of Clarkstown and Ramapo.
- ❖ Continuing the open space acquisition program to preserve and protect environmentally sensitive parcels, agricultural value, historical integrity and significant natural beauty.
- ❖ Construction of a new technology building at Rockland Community College. This modern, state of the art training center will be available to both students and businesses in our community.
- ❖ Design and implementation of an on-line registration/payment system at RCC.
- ❖ Construction of a new Health Services Training Center at RCC to meet the growing demand of health care professionals in Rockland County.
- ❖ Construction of a new state of the art nursing facility at Summit Park Hospital.
- ❖ Continue the process of the redesign and improvement of various County roads to meet the traffic demands of an ever-growing community.
- ❖ Participation in the Tappan Zee Bridge Alternatives Study, to accommodate the County's future transportation needs.

CASH MANAGEMENT POLICIES AND PRACTICES

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

The County is authorized to use demand deposit accounts, time deposit accounts and certificates of deposit. Permissible investments include obligations of the U.S. Treasury, U.S. Agencies,

repurchase agreements and obligations of New York State or its political subdivisions. These transactions require the issuer to post collateral of 105% of value to secure the investments. This collateral must consist of securities issued by either the Federal government, an agency thereof or from the State of New York or a subdivision of the State.

During 2003, the County had an average monthly cash balance in the General Fund of \$49.8 million. Earnings from these investments amounted to approximately \$850,000 for an average rate of return of 1.7%.

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

RISK MANAGEMENT

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

The County is also self-insured for workers' compensation benefits through a multi-municipal consortium. The County has secured conventional insurance coverage for individual losses in excess of \$550,000.

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

PENSION AND OTHER POST-EMPLOYMENT BENEFITS

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

The County also provides health care benefits for retired employees. The various collective bargaining agreements stipulate the employees covered and the percentage of required contribution. As of the end of the current fiscal year, there were 1,726 retired employees

receiving these benefits. GAAP does not currently require governments to report a liability in the financial statements in connection with an employer's obligation to provide these benefits.

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

AWARDS AND ACKNOWLEDGEMENTS

GFOA - Certificate 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 comprehensive annual financial report (CAFR) for the year ended December 31, 2002. The Certificate of Achievement is a prestigious national award-recognizing conformance with the highest standards for preparation of state and local government reports.

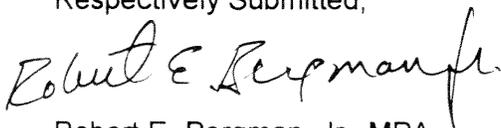
In order to be awarded a Certificate of Achievement, a government unit must publish an easily readable and efficiently organized comprehensive annual financial report, whose contents conform to program standards. This report must satisfy both generally accepted accounting principles and applicable legal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

Acknowledgements

I would like to thank all of the personnel in the Budget and Finance departments who have assisted in the preparation of this report. In particular, special thanks are offered to H. Chris Kopf, First Deputy Commissioner of Finance, Arlene Karger, Accountant IV, Michael Cappabianca, Accountant III and Linda Szachewicz, Accountant III as well as our independent auditors 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.

Respectively Submitted,



Robert E. Bergman, Jr., MPA
Commissioner of Finance

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Certificate of Achievement for Excellence in Financial Reporting

Presented to

County of Rockland,
New York

For its Comprehensive Annual
Financial Report
for the Fiscal Year Ended
December 31, 2002

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



President

Executive Director

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**FINANCIAL
SECTION**

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INDEPENDENT AUDITORS' REPORT

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

We have audited the accompanying financial statements of the governmental activities, the business-type activities, the aggregate discretely presented component units, each major fund and the aggregate remaining fund information of the County of Rockland, New York as of and for the year ended December 31, 2003, which collectively comprise the County's basic financial statements as listed in the table of contents. These financial statements are the responsibility of the County's management. Our responsibility is to express opinions on these basic financial statements based on our audit. We did not audit the financial statements of the Home and Infirmary Fund. We also did not audit the financial statements of the Rockland County Industrial Development Agency (a component unit) for the year ended December 31, 2003, and the Rockland County Community College (a component unit) for the year ended August 31, 2003 which represent 23.3% and 73.3%, respectively, of the assets and revenues of the component units. Those financial statements were audited by other auditors whose reports thereon have been furnished to us, and our opinion on the basic financial statements insofar as it relates to amounts included for such fund and component units is based on the reports of the other auditors.

We conducted our audit in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the basic financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the basic financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation. We believe that our audit and the reports of the other auditors, provides a reasonable basis for our opinions.

In our opinion, based on our audit and the reports of the other auditors, the financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities, the business-type activities, the aggregate discretely presented component units, each major fund and the aggregate remaining fund information of the County of Rockland, New York at December 31, 2003 and the respective changes in financial position and cash flows, where applicable, thereof, and the respective budgetary comparison for the General Fund for the year then ended in conformity with accounting principles generally accepted in the United States of America.

Management's Discussion and Analysis is not a required part of the basic financial statements, but is supplementary information required by the Governmental Accounting Standards Board. We applied certain limited procedures, which consisted principally of inquiries of management regarding the methods of measurement and presentation of the required supplementary information. However, we did not audit the information and express no opinion on it.

In accordance with *Government Auditing Standards*, we have also issued our report dated May 28, 2004 on our consideration of the County of Rockland, New York's internal control over financial reporting and our tests of its compliance with certain provisions of laws, regulations, contracts and grants. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* and should be read in conjunction with this report in considering the results of our audit.

Our audit was made for the purpose of forming opinions on the financial statements that collectively comprise the County of Rockland, New York's basic financial statements. The accompanying financial information listed as combining and individual fund financial statements and schedules in the table of contents is presented for purposes of additional analysis and is not a required part of the basic financial statements of the County of Rockland, New York. Such information has been subjected to the auditing procedures applied in the audit of the basic financial statements and, in our opinion, is fairly presented in all material respects in relation to the basic financial statements taken as whole. The information listed in the statistical section of the table of contents has not been subjected to the auditing procedures applied in our audit of the basic financial statements, and, accordingly we express no opinion on it.

Bennett Kielson Storch DeSantis

The Government Services Division of ODMD, LLP
May 28, 2004

**County of Rockland, New York
Management's Discussion and Analysis (MD&A)
December 31, 2003**

Introduction

The following discussion and analysis of the County of Rockland, New York's financial statements provides an overview of the financial activities of the County of Rockland, New York for the fiscal year ended December 31, 2003. Please read it in conjunction with the transmittal letter, located at the front of this report and the basic financial statements and the accompanying notes to those statements that follow this section.

Financial Highlights for Fiscal Year 2003

- The net assets (assets minus liabilities) of the primary government for fiscal year 2003 were \$492,189,272. Of this amount, \$485,211,644 represents governmental net assets and \$6,977,628 is business-type net assets.
- The General Fund reported an ending fund balance of \$32,101,920 which represents an increase of \$7,263,571 from fiscal year 2002. The unreserved fund balance was \$19,842,531 which represents an increase of \$8,236,196 from fiscal year 2002. The Capital Projects Fund reported an ending fund balance of \$37,258,091, an increase of \$3,807,145 from fiscal year 2002.
- The County's total outstanding bonds payable for December 31, 2003 were \$152,127,240.

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 combining and individual fund statements and schedules in addition to the basic financial statements, along with statistical tables.

Government-Wide Financial Statements

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

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

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

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

Governmental Activities - The activities reflected in this section are general government support, education, public safety, health, transportation, economic opportunity and development, culture and recreation, home and community services and interest. These activities are mostly supported by real property taxes, non-property taxes including sales tax, 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. These activities are intended to recover their cost of operation, including depreciation, primarily through user charges.

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

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

Fund Financial Statements

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

activities are controlled. The County divides its funds into three categories: governmental funds, proprietary funds, and fiduciary funds.

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

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

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

The County adopts an annual budget for its General Fund, certain Special Revenue funds and the Debt Service Fund. A budgetary comparison statement has been provided for these funds to demonstrate compliance with the respective budgets.

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

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

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

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

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

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

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

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

Notes to the Financial Statements

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

Other Information

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

Government-Wide Financial Analysis

As noted earlier, net assets may serve over time as a useful indicator of a government's financial position. In the case of the County, assets exceeded liabilities by \$492,189,272 for fiscal year 2003.

The following table reflects the condensed Statement of Net Assets:

	<u>Governmental Activities</u>		<u>Business-Type Activities</u>		<u>Total</u>	
	<u>2003</u>	<u>2002</u>	<u>2003</u>	<u>2002</u>	<u>2003</u>	<u>2002</u>
Current and Other Assets	\$ 312,633,121	\$ 236,944,185	\$ 19,396,840	\$ 23,685,705	\$ 332,029,961	\$ 260,629,890
Capital Assets	<u>543,952,227</u>	<u>541,626,823</u>	<u>20,349,097</u>	<u>19,887,811</u>	<u>564,301,324</u>	<u>561,514,634</u>
Total Assets	<u>\$ 856,585,348</u>	<u>\$ 778,571,008</u>	<u>\$ 39,745,937</u>	<u>\$ 43,573,516</u>	<u>\$ 896,331,285</u>	<u>\$ 822,144,524</u>

	Governmental Activities		Business-Type Activities		Total	
	2003	2002	2003	2002	2003	2002
Current Liabilities	\$ 203,017,696	\$ 156,393,824	\$ 12,619,621	\$ 13,510,735	\$ 215,637,317	\$ 169,904,559
Long-Term Liabilities	<u>168,356,008</u>	<u>136,162,999</u>	<u>20,148,688</u>	<u>20,625,410</u>	<u>188,504,696</u>	<u>156,788,409</u>
Total Liabilities	<u>\$ 371,373,704</u>	<u>\$ 292,556,823</u>	<u>\$ 32,768,309</u>	<u>\$ 34,136,145</u>	<u>\$ 404,142,013</u>	<u>\$ 326,692,968</u>
Net Assets						
Invested in Capital Assets Net of Related Debt	\$ 440,635,684	\$ 438,310,280	\$ 13,571,289	\$ 14,021,370	\$ 454,206,973	\$ 452,331,650
Restricted	38,837,101	40,014,214	-	-	38,837,101	40,014,214
Unrestricted	<u>5,738,859</u>	<u>7,689,691</u>	<u>(6,593,661)</u>	<u>(4,583,999)</u>	<u>(854,802)</u>	<u>3,105,692</u>
Total Net Assets	<u>\$ 485,211,644</u>	<u>\$ 486,014,185</u>	<u>\$ 6,977,628</u>	<u>\$ 9,437,371</u>	<u>\$ 492,189,272</u>	<u>\$ 495,451,556</u>

The largest component of the County's net assets is invested in Capital Assets, net of related debt of \$454,206,973 (92%) which reflects its investment in capital assets, less any related debt used to acquire those assets that are still outstanding. Capital assets include: parkland, buildings, roads, bridges, sewer lines and treatment facilities, a hospital and the community college among other things. The County uses these capital assets to provide services to its citizens and consequently, these assets are not available for future spending. Although the County's investment in its capital assets is reported net of related debt, it should be noted that the resources needed to repay this debt must be provided from other sources, since the capital assets themselves cannot be used to liquidate these liabilities.

The restricted net assets of \$38,837,101 or 8% represents resources that are subject to external restrictions on how they may be used. The restrictions are as follows:

Capital Projects	\$ 14,696,054
Law Enforcement	235,257
Stop-DWI Program	295,170
E-911	146,611
Handicapped Parking	32,955
Social Service Programs	95,769
Debt Service	11,311,531
Parklands	194,000
Affordable Housing	225,000
Workers' Compensation Benefits	2,293,318
Unemployment Benefits	117,878
Special Revenue Funds	<u>9,193,558</u>
	<u>\$ 38,837,101</u>

The remaining portion of net assets is classified as unrestricted and is \$(854,802).

Rockland County Changes in Net Assets

	Governmental Activities		Business-Type Activities		Total	
	2003	2002	2003	2002	2003	2002
Program Revenues:						
Charges for						
Services	\$ 54,454,153	\$ 55,026,183	\$ 72,984,404	\$ 76,307,046	\$ 127,438,557	\$ 131,333,229
Operating Grants and Contributions	131,170,162	130,500,453	3,925,219	4,768,833	135,095,381	135,269,286
Capital Grants and Contributions	10,424,140	7,442,323	-	-	10,424,140	7,442,323
General Revenues:						
Real Property taxes	58,818,064	55,170,006	-	2,764,269	58,818,064	57,934,275
Other Tax Items	4,262,453	4,461,514	-	-	4,262,453	4,461,514
Non-Property Taxes	142,163,349	119,079,563	-	-	142,163,349	119,079,563
Unrestricted Use of Money and Property	1,295,908	1,655,496	-	-	1,295,908	1,655,496
OTB Distributed Earnings	2,892,790	3,072,716	-	-	2,892,790	3,072,716
Other Revenues	9,392,384	1,305,144	-	-	9,392,384	1,305,144
Total Revenues	414,873,403	377,713,398	76,909,623	83,840,148	491,783,026	461,553,546
Program Expenses:						
General Government Support	62,287,057	63,153,245	-	-	62,287,057	63,153,245
Education	52,671,673	46,881,083	-	-	52,671,673	46,881,083
Public Safety	45,279,632	44,674,007	-	-	45,279,632	44,674,007
Health	35,079,290	38,430,956	-	-	35,079,290	38,430,956
Transportation	43,410,593	42,416,503	-	-	43,410,593	42,416,503
Economic Opportunity and Development	148,325,942	139,549,521	-	-	148,325,942	139,549,521
Culture and Recreation	746,302	662,233	-	-	746,302	662,233
Home and Community Services	21,385,606	18,434,960	-	-	21,385,606	18,434,960
Interest	6,489,849	6,217,396	-	-	6,489,849	6,217,396
Home and Infirmary	-	-	79,369,366	83,329,746	79,369,366	83,329,746
Total Expenses	415,675,944	400,419,904	79,369,366	83,329,746	495,045,310	483,749,650
Change in Net Assets	(802,541)	(22,706,506)	(2,459,743)	510,402	(3,262,284)	(22,196,104)
Net Assets - Beginning	486,014,185	508,720,691	9,437,371	8,926,969	495,451,556	517,647,660
Net Assets - Ending	\$ 485,211,644	\$ 486,014,185	\$ 6,977,628	\$ 9,437,371	\$ 492,189,272	\$ 495,451,556

Governmental Activities - Governmental activities decreased the County's net assets by \$802,541, which accounts for 25% of the total decrease in net assets. This decrease is directly attributable to the operations of the non-major governmental funds.

For the fiscal year ended December 31, 2003, revenues from governmental activities totaled \$414 million. Tax revenues (\$205 million), comprised of real property taxes, other tax items and non-property taxes, represent the largest revenue source (49.5%).

Collection of the current tax levy remains very strong at 97.04%, while averaging 97.5% over the last 10 years. Non-property taxes yielded \$142.2 million, an increase of \$23.1 million over fiscal year 2002.

Business-Type Activities - Business-type activities decreased the County's net assets by \$2,459,743 for the year ended December 31, 2003.

Financial Analysis of the Government's Funds

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

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

As of the end of the current fiscal year, the County's total governmental funds reported a combined ending fund balance of \$90.9 million, an increase of \$8.5 million in comparison with the prior year. Of the total combined fund balance, \$48.6 million constitutes unreserved fund balance, of which \$9.3 million has been designated for subsequent year's expenditures and represents the amount estimated for use in the 2004 budget. The balance of \$25.5 million, net of the amount available in the Capital Projects Fund of \$13.8 million, is available for spending at the County's discretion. The remainder of the fund balance is reserved to indicate that it is not available for new spending because it has already been committed to encumbrances (\$26.8 million), compensated absences (\$8.6 million), debt service (\$3.5 million) and a variety of other purposes (\$3.4 million).

The General Fund is the primary operating fund of the County. At the end of the current fiscal year, the total fund balance of the General Fund was \$32.1 million. Of this amount, \$19.8 million was unreserved.

When the fiscal 2003 budget was adopted, it anticipated the no use of fund balance. However, actual results of operations generated a surplus of \$7.3 million. Overall, General Fund expenditures were \$346.4 million, which was \$29.0 million less than the final budget. The major areas where spending was less than budget was general government support (\$10.1 million), education (\$2.5 million), health (\$4.9 million) and economic opportunity and development (\$8.4 million).

The revenue categories that reflected positive variances as compared to the budget were non-property taxes (\$1.9 million).

The Capital Projects Fund is used to account for capital project activity throughout the County. The Capital Projects Fund's ending fund balance is \$37.3 million for fiscal year 2003.

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 fiscal year ending December 31, 2003, the combined fund balance of these funds totaled \$21.6 million. This represents a decrease of \$2.5 million for fiscal year 2003.

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

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

Net assets of the Internal Service Funds decreased by \$2.3 million leaving a balance of net assets of \$.3 million.

Budgetary Highlights

General Fund - Differences between the original budget and the final amended budget was a \$28 million increase in appropriations and other financing uses. Increases in the budget for grants received by the Department of Health (\$5.5 million), Department of Social Services (\$1 million), Department of Transportation (\$2.0 million), Employee Benefits for retirement expenditures (\$7 million) and Transfers to the Capital Projects Fund of \$8 million accounted for most of the changes.

Capital Asset and Debt Administration

Capital Assets - The County's investment in capital assets for its governmental and business type activities as of December 31, 2003, amounts to \$564.3 million (net of accumulated depreciation). This investment in capital assets includes land, buildings, improvements, equipment, infrastructure and construction-in-progress.

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

	Governmental Activities		Business-Type Activities		Total	
	2003	2002	2003	2002	2003	2002
Land	\$ 27,424	\$ 27,424	\$ 439	\$ 439	\$ 27,863	\$ 27,863
Buildings and Improvements	125,184	132,329	4,988	5,408	130,172	137,737
Equipment	9,694	9,994	10,298	10,890	19,992	20,884
Infrastructure	54,267	54,433	-	-	54,267	54,433
Construction-in-Progress	327,383	317,447	4,624	3,151	332,007	320,598
Total	\$ 543,952	\$ 541,627	\$ 20,349	\$ 19,888	\$ 564,301	\$ 561,515

The following highlights the amounts expended during the current fiscal year on major capital assets:

- Started renovating our Community College Campus, purchases of open space and expansion of Countywide sewer system.

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

Long-Term Debt - At the end of the current fiscal year, the County had total debt outstanding of \$152,127,240. The County’s total debt increased by \$17,542,240. 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	
	2003	2002	2003	2002	2003	2002
General Obligation Bonds	\$ 140,528	\$ 125,788	\$ 11,599	\$ 8,797	\$ 152,127	\$ 134,585

Through sound financial management and manageable debt levels, the County has been successful in maintaining its high-grade rating for its general obligation bonds. In 2003, the County received an A1 rating from Moody’s Investors Service. The County has a very favorable bond rating of AA from Standard & Poors.

The State Constitution limits the amount of indebtedness, both long-term and short-term, which the County may incur. The State Constitution provides that the County may not contract indebtedness in an amount greater than seven percent of the average full value of taxable real property in the County for the most recent five years, certain indebtedness is excluded in ascertaining the County’s authority to contract indebtedness within the constitutional limits; accordingly, debt of this kind, commonly referred to as “excluded debt”, may be issued without regard to the constitutional limits and without affecting the County’s authority to issue debt subject to the limit. At December 31, 2003, the County of Rockland had used \$113,921,930 or 7.64% of the constitutional debt limit leaving \$1,377,900,361 remaining to be used.

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

Requests for Information

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

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**BASIC
FINANCIAL STATEMENTS**

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STATEMENT OF NET ASSETS
DECEMBER 31, 2003

	Primary Government			Component Units
	Governmental Activities	Business-Type Activities	Total	
ASSETS				
Cash and equivalents	\$ 129,419,810	\$ 2,431,914	\$ 131,851,724	\$ 17,001,449
Investments	13,028,549	-	13,028,549	540,700
Receivables:				
Taxes, net of allowance for uncollectible amounts	72,309,054	-	72,309,054	-
Accounts, net of allowance for uncollectible amounts	28,033,150	1,714,701	29,747,851	3,051,404
Accounts - Patient care, net of allowance for uncollectible amounts	-	12,237,622	12,237,622	-
Loans	227,226	-	227,226	-
State and Federal aid	67,086,004	-	67,086,004	1,084,641
Due from other governments	3,200,791	-	3,200,791	-
Internal balances	(1,953,542)	1,953,542	-	-
Inventories	68,756	556,165	624,921	-
Prepaid expenses	1,170,638	502,896	1,673,534	483,206
Deferred charges	42,685	-	42,685	-
Restricted assets	-	-	-	10,024,428
	<u>312,633,121</u>	<u>19,396,840</u>	<u>332,029,961</u>	<u>32,185,828</u>
Capital assets				
Land	27,423,835	438,504	27,862,339	1,423,312
Buildings	50,975,447	16,221,905	67,197,352	35,865,680
Improvements	329,130,497	345,975	329,476,472	-
Equipment	33,548,721	35,901,184	69,449,905	13,211,964
Infrastructure	77,666,274	-	77,666,274	-
Construction-in-progress	327,383,053	4,624,088	332,007,141	105,186
	<u>846,127,827</u>	<u>57,531,656</u>	<u>903,659,483</u>	<u>50,606,142</u>
Less - Accumulated depreciation	<u>(302,175,600)</u>	<u>(37,182,559)</u>	<u>(339,358,159)</u>	<u>(13,823,793)</u>
Total Capital Assets, net of accumulated depreciation	<u>543,952,227</u>	<u>20,349,097</u>	<u>564,301,324</u>	<u>36,782,349</u>
Total Assets	<u>856,585,348</u>	<u>39,745,937</u>	<u>896,331,285</u>	<u>68,968,177</u>
LIABILITIES				
Current liabilities:				
Accounts payable	28,422,049	2,035,856	30,457,905	3,464,413
Accrued liabilities	17,280,303	8,804,989	26,085,292	7,500,906
Deposits payable	-	-	-	5,000
Due to other governments	5,052,529	637,498	5,690,027	1,534
Due to school districts	79,920,047	-	79,920,047	-
Deferred revenues	4,933,081	-	4,933,081	5,204,767
Accrued interest payable	1,855,187	116,278	1,971,465	-
Revenue anticipation note payable	55,000,000	-	55,000,000	-
Bond anticipation notes payable	10,554,500	1,025,000	11,579,500	-
Non-current liabilities:				
Due within one year:				
Bonds payable	5,186,509	1,281,518	6,468,027	1,115,000
Compensated absences	1,350,758	8,549,931	9,900,689	-
Pension obligations	342,166	-	342,166	-
Claims payable	1,488,234	-	1,488,234	-
Due in more than one year:				
Bonds payable	133,698,850	10,317,239	144,016,089	33,529,780
Compensated absences	12,156,825	-	12,156,825	-
Pension obligations	1,098,820	-	1,098,820	-
Claims payable	13,033,846	-	13,033,846	-
Total Liabilities	<u>371,373,704</u>	<u>32,768,309</u>	<u>404,142,013</u>	<u>50,821,400</u>
NET ASSETS				
Invested in capital assets, net of related debt	440,635,684	13,571,289	454,206,973	11,167,058
Restricted for:				
Capital projects	14,696,054	-	14,696,054	1,235,913
Law enforcement	235,257	-	235,257	-
STOP-DWI Program	295,170	-	295,170	-
E-911	146,611	-	146,611	-
Handicapped parking	32,955	-	32,955	-
Social service programs	95,769	-	95,769	-
Debt service	11,311,531	-	11,311,531	13,883
Parklands	194,000	-	194,000	-
Affordable housing	225,000	-	225,000	-
Student loans	-	-	-	4,028
Workers' compensation benefits	2,293,318	-	2,293,318	-
Unemployment benefits	117,878	-	117,878	-
Permanent endowments	-	-	-	70,532
Special revenue funds	9,193,558	-	9,193,558	-
Unrestricted	5,738,859	(6,593,661)	(854,802)	5,655,363
Total Net Assets	<u>\$ 485,211,644</u>	<u>\$ 6,977,628</u>	<u>\$ 492,189,272</u>	<u>\$ 18,146,777</u>

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

STATEMENT OF ACTIVITIES
YEAR ENDED DECEMBER 31, 2003

Functions/ Programs	Expenses	Program Revenues		
		Charges for Services	Operating Grants and Contributions	Capital Grants and Contributions
Primary Government:				
Governmental activities:				
General government support	\$ 62,287,057	\$ 38,054,253	\$ 1,312,390	\$ -
Education	52,671,673	-	-	422,163
Public safety	45,279,632	3,741,384	2,434,036	-
Health	35,079,290	4,270,675	99,836,578	-
Transportation	43,410,593	2,710,516	18,124,428	9,172,656
Economic opportunity and development	148,325,942	5,596,867	4,986,458	-
Culture and recreation	746,302	-	2,696,478	45,000
Home and community services	21,385,606	80,458	94,618	-
Interest	6,489,849	-	1,685,176	784,321
Total Governmental Activities	415,675,944	54,454,153	131,170,162	10,424,140
Business-type activities -				
Home and Infirmiry Fund	79,369,366	72,984,404	3,925,219	-
Total Primary Government	\$ 495,045,310	\$ 127,438,557	\$ 135,095,381	\$ 10,424,140
Component Units:				
Rockland County Community College	\$ 59,268,787	\$ 20,718,885	\$ 5,029,442	\$ 4,857,648
Rockland County Soil and Water Conservation District	20,227	-	-	-
Rockland County Solid Waste Management Authority	20,844,775	20,220,328	378,673	-
Rockland County Industrial Development Agency	155,617	130,267	-	-
Total Component Units	\$ 80,289,406	\$ 41,069,480	\$ 5,408,115	\$ 4,857,648

General Revenues:

Real property taxes
Other tax items
Non-property taxes
Unrestricted use of money and property
Contributions from Rockland County
Grants and contributions not restricted to specific programs
OTB distributed earnings
Other revenues

Total General Revenues

Change in Net Assets

Net Assets - Beginning of Year, as previously reported

Prior Period Adjustment

Net Assets - Beginning of Year, as restated

Net Assets - End of Year

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

Net (Expense) Revenue and Changes in Net Assets			
Primary Government			
Governmental Activities	Business-type Activities	Total	Component Units
\$ (22,920,414)	\$ -	\$ (22,920,414)	\$ -
(52,249,510)	-	(52,249,510)	-
(39,104,212)	-	(39,104,212)	-
69,027,963	-	69,027,963	-
(13,402,993)	-	(13,402,993)	-
(137,742,617)	-	(137,742,617)	-
1,995,176	-	1,995,176	-
(21,210,530)	-	(21,210,530)	-
(4,020,352)	-	(4,020,352)	-
(219,627,489)	-	(219,627,489)	-
-	(2,459,743)	(2,459,743)	-
(219,627,489)	(2,459,743)	(222,087,232)	-
-	-	-	(28,662,812)
-	-	-	(20,227)
-	-	-	(245,774)
-	-	-	(25,350)
-	-	-	(28,954,163)
58,818,064	-	58,818,064	-
4,262,453	-	4,262,453	-
142,163,349	-	142,163,349	-
1,295,908	-	1,295,908	1,229,077
-	-	-	12,769,968
-	-	-	11,451,340
2,892,790	-	2,892,790	-
9,392,384	-	9,392,384	1,094,352
218,824,948	-	218,824,948	26,544,737
(802,541)	(2,459,743)	(3,262,284)	(2,409,426)
486,014,185	9,437,371	495,451,556	20,122,039
-	-	-	434,164
486,014,185	9,437,371	495,451,556	20,556,203
<u>\$ 485,211,644</u>	<u>\$ 6,977,628</u>	<u>\$ 492,189,272</u>	<u>\$ 18,146,777</u>

COUNTY OF ROCKLAND, NEW YORK

BALANCE SHEET
GOVERNMENTAL FUNDS
DECEMBER 31, 2003

	General	Capital Projects	Other Governmental Funds	Total Governmental Funds
<u>ASSETS</u>				
Cash and Equivalents	\$ 49,464,140	\$ 48,530,432	\$ 16,409,111	\$ 114,403,683
Investments	4,601,689	-	8,426,860	13,028,549
Taxes Receivable, net of allowance for uncollectible taxes	72,309,054	-	-	72,309,054
Other Receivables:				
Accounts	27,647,414	-	342,545	27,989,959
Loans	-	-	227,226	227,226
State and Federal aid	56,860,124	7,962,045	1,797,952	66,620,121
Due from other governments	3,200,791	-	-	3,200,791
Due from other funds	659,085	-	460,101	1,119,186
Advances to other funds	1,039,143	-	-	1,039,143
	<u>89,406,557</u>	<u>7,962,045</u>	<u>2,827,824</u>	<u>100,196,426</u>
Prepaid Expenditures	932,295	-	128,434	1,060,729
Total Assets	<u>\$ 216,713,735</u>	<u>\$ 56,492,477</u>	<u>\$ 27,792,229</u>	<u>\$ 300,998,441</u>
<u>LIABILITIES AND FUND BALANCES</u>				
Liabilities:				
Accounts payable	\$ 21,326,069	\$ 5,030,759	\$ 891,859	\$ 27,248,687
Accrued liabilities	15,605,177	-	877,330	16,482,507
Due to other governments	1,442,000	3,610,529	-	5,052,529
Due to school districts	79,920,047	-	-	79,920,047
Due to other funds	1,039,143	38,598	481,103	1,558,844
Advances from other funds	-	-	1,039,143	1,039,143
Deferred revenues - Taxes	8,271,794	-	-	8,271,794
Deferred revenues - Other	2,007,585	-	2,925,496	4,933,081
Revenue anticipation note payable	55,000,000	-	-	55,000,000
Bond anticipation notes payable	-	10,554,500	-	10,554,500
Total Liabilities	<u>184,611,815</u>	<u>19,234,386</u>	<u>6,214,931</u>	<u>210,061,132</u>
Fund Balances:				
Reserved for encumbrances	1,997,235	23,247,633	1,617,873	26,862,741
Reserved for prepaid expenditures	932,295	-	128,434	1,060,729
Reserved for law enforcement	235,257	-	-	235,257
Reserved for STOP - DWI Program	295,170	-	-	295,170
Reserved for E-911	146,611	-	-	146,611
Reserved for handicapped parking	32,955	-	-	32,955
Reserved for long-term receivable	-	-	116,170	116,170
Reserved for social service programs	-	-	95,769	95,769
Reserved for compensated absences	7,340,097	-	1,346,837	8,686,934
Reserved for debt service	240,626	-	3,296,188	3,536,814
Reserved for parklands	-	194,000	-	194,000
Reserved for advances	1,039,143	-	-	1,039,143
Unreserved:				
Reported in:				
Special Revenue Funds	-	-	7,229,050	7,229,050
Debt Service Fund	-	-	7,746,977	7,746,977
General Fund	-	13,816,458	-	13,816,458
Capital Project Fund	19,842,531	-	-	19,842,531
Total Fund Balances	<u>32,101,920</u>	<u>37,258,091</u>	<u>21,577,298</u>	<u>90,937,309</u>
Total Liabilities and Fund Balances	<u>\$ 216,713,735</u>	<u>\$ 56,492,477</u>	<u>\$ 27,792,229</u>	<u>\$ 300,998,441</u>

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

COUNTY OF ROCKLAND, NEW YORK

RECONCILIATION OF GOVERNMENTAL FUNDS BALANCE SHEET TO
 THE GOVERNMENT - WIDE STATEMENT OF NET ASSETS - GOVERNMENTAL ACTIVITIES
 DECEMBER 31, 2003

Fund Balances - Total Governmental Funds	\$ 90,937,309
Amounts reported for governmental activities in the statement of net assets are different because:	
Capital assets used in governmental activities are not financial resources and, therefore, are not reported in the funds	533,987,191
Internal service funds are used by management to charge the costs of insurance and general services to individual funds. The assets and liabilities of the internal service funds are included in governmental activities in the statement of net assets.	298,526
Other long-term assets are not available to pay for current-period expenditures and, therefore, are deferred in the funds - Real property taxes	8,271,794
Government funds report the effect of issuance costs and similiar items when debt is first issued, whereas these amounts are deferred and amortized in the statement of activities. Deferred charges	42,685
Long-term liabilities that are not due and payable in the current period and, therefore, are not reported in the funds.	
Bonds payable	(133,187,263)
Compensated absences	(11,842,425)
Pension obligations	(1,440,986)
Accrued interest payable	(1,855,187)
Net Assets of Governmental Activities	<u>\$ 485,211,644</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, 2003

	General	Capital Projects	Other Governmental Funds	Total Governmental Funds
Revenues:				
Real property taxes	\$ 42,387,667	\$ -	\$ 16,305,673	\$ 58,693,340
Other tax items	4,262,453	-	-	4,262,453
Non-property taxes	142,819,235	-	-	142,819,235
Departmental income	28,491,559	-	177,238	28,668,797
Use of money and property	847,410	-	971,784	1,819,194
Licenses and permits	1,288,073	-	33,855	1,321,928
Fines and forfeitures	707,723	-	11,142	718,865
Sale of property and compensation for loss	153,048	-	21,404	174,452
Interfund revenues	9,405,426	-	99,177	9,504,603
State aid	77,672,879	7,765,316	2,135,109	87,573,304
Federal aid	41,539,131	592,716	4,926,885	47,058,732
Miscellaneous	14,513,090	-	766,818	15,279,908
Total Revenues	364,087,694	8,358,032	25,449,085	397,894,811
Expenditures:				
Current:				
General government support	34,993,828	-	-	34,993,828
Education	50,182,282	-	-	50,182,282
Public safety	42,894,951	-	-	42,894,951
Health	34,217,931	-	-	34,217,931
Transportation	20,138,440	-	11,224,908	31,363,348
Economic opportunity and development	142,680,151	-	4,083,763	146,763,914
Culture and recreation	643,684	-	-	643,684
Home and community services	5,551,228	-	12,038,199	17,589,427
Employee benefits	13,746,315	-	1,687,489	15,433,804
Debt Service:				
Principal	-	-	6,190,771	6,190,771
Interest	1,380,640	-	5,356,399	6,737,039
Advance refunding escrow	-	-	8,154,357	8,154,357
Refunding bond issuance costs	-	-	95,790	95,790
Capital Outlay	-	21,121,468	-	21,121,468
Total Expenditures	346,429,450	21,121,468	48,831,676	416,382,594
Excess (Deficiency) of Revenues Over Expenditures	17,658,244	(12,763,436)	(23,382,591)	(18,487,783)
Other Financing Sources (Uses):				
Bonds issued	6,673,743	20,327,000	-	27,000,743
Refunding bonds issued	-	-	3,812,318	3,812,318
Issuance premium	-	-	51,524	51,524
Payment to refunded bond escrow agent	-	-	(3,768,051)	(3,768,051)
Transfers in	5,343,859	400,000	32,037,402	37,781,261
Transfers out	(22,412,275)	(4,156,419)	(11,303,263)	(37,871,957)
Total Other Financing Sources (Uses)	(10,394,673)	16,570,581	20,829,930	27,005,838
Net Change in Fund Balances	7,263,571	3,807,145	(2,552,661)	8,518,055
Fund Balances - Beginning of Year	24,838,349	33,450,946	24,129,959	82,419,254
Fund Balances - End of Year	\$ 32,101,920	\$ 37,258,091	\$ 21,577,298	\$ 90,937,309

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, 2003

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

Net Change in Fund Balances - Total Governmental Funds \$ 8,518,055

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

Capital outlay expenditures	21,250,427
Depreciation expense	<u>(19,576,573)</u>
	<u>1,673,854</u>

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

Real property taxes	<u>124,724</u>
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Bond proceeds provide current financial resources to governmental funds, but issuing debt increases long-term liabilities in the statement of net assets. Repayment of bond principal is an expenditure in the governmental funds, but the repayment reduces long-term liabilities in the statement of net assets.

Principal paid on bonds	6,190,771
Refunding bond issuance costs	95,790
Bonds issued	(27,000,743)
Refunding bonds issued	(3,812,318)
Issuance premium	(51,524)
Payment to refunded bond escrow agent	3,768,051
Advance refunding escrow	8,154,357
Amortization of issuance costs, loss on refunding and premium	<u>(62,437)</u>
	<u>(12,718,053)</u>

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

Pension obligations	6,460,363
Compensated absences	(2,920,982)
Accrued interest payable	<u>336,263</u>
	<u>3,875,644</u>

The net revenue of certain activities of internal service funds is reported with governmental activities.

<u>(2,276,765)</u>

Change in Net Assets of Governmental Activities	<u>\$ (802,541)</u>
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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, 2003

	Original Budget	Final Budget	Actual	Variance with Final Budget Positive (Negative)
Revenues:				
Real property taxes	\$ 42,348,000	\$ 42,348,000	\$ 42,387,667	\$ 39,667
Other tax items	4,900,000	4,900,000	4,262,453	(637,547)
Non-property taxes	140,926,000	140,926,000	142,819,235	1,893,235
Departmental income	29,347,496	30,092,200	28,491,559	(1,600,641)
Use of money and property	730,000	730,000	847,410	117,410
Licenses and permits	1,287,000	1,287,000	1,288,073	1,073
Fines and forfeitures	677,935	685,060	707,723	22,663
Sale of property and compensation for loss	78,000	78,000	153,048	75,048
Interfund revenues	10,339,609	10,342,883	9,405,426	(937,457)
State aid	84,616,286	89,650,587	77,672,879	(11,977,708)
Federal aid	40,927,006	47,749,375	41,539,131	(6,210,244)
Miscellaneous	5,141,863	13,433,259	14,513,090	1,079,831
Total Revenues	361,319,195	382,222,364	364,087,694	(18,134,670)
Expenditures:				
Current:				
General government support	43,587,396	45,124,093	34,993,828	10,130,265
Education	52,486,999	52,701,765	50,182,282	2,519,483
Public safety	41,025,258	44,012,542	42,894,951	1,117,591
Health	34,232,642	39,131,625	34,217,931	4,913,694
Transportation	18,468,577	20,565,373	20,138,440	426,933
Economic opportunity and development	150,130,911	151,094,652	142,680,151	8,414,501
Culture and recreation	681,407	681,407	643,684	37,723
Home and community services	5,592,917	5,874,539	5,551,228	323,311
Employee benefits	7,657,020	14,431,422	13,746,315	685,107
Debt Service - Interest	1,800,000	1,800,000	1,380,640	419,360
Total Expenditures	355,663,127	375,417,418	346,429,450	28,987,968
Excess of Revenues Over Expenditures	5,656,068	6,804,946	17,658,244	10,853,298
Other Financing Sources (Uses):				
Bonds issued	-	6,673,743	6,673,743	-
Transfers in	5,380,293	5,380,293	5,343,859	(36,434)
Transfers out	(14,200,998)	(22,446,051)	(22,412,275)	33,776
Total Other Financing Uses	(8,820,705)	(10,392,015)	(10,394,673)	(2,658)
Net Change in Fund Balance	(3,164,637)	(3,587,069)	7,263,571	10,850,640
Fund Balance - Beginning of Year	3,164,637	3,587,069	24,838,349	21,251,280
Fund Balance - End of Year	\$ -	\$ -	\$ 32,101,920	\$ 32,101,920

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

COUNTY OF ROCKLAND, NEW YORK

STATEMENT OF NET ASSETS
 PROPRIETARY FUNDS
 DECEMBER 31, 2003

	Business-type Activities - Enterprise Fund	-	Governmental Activities - Internal Service Funds
	Home and Infirmary Fund		Funds
ASSETS			
Cash and equivalents	\$ 2,431,914	\$	15,016,127
Receivables:			
Accounts	1,714,701		43,191
Accounts - patient care, net of allowance for uncollectible amounts	12,237,622		-
State and Federal aid	-		465,883
Due from other funds	1,953,542		41,801
Inventories	556,165		68,756
Prepaid expenses	502,896		109,909
Total Current Assets	<u>19,396,840</u>		<u>15,745,667</u>
Capital assets:			
Land	438,504		-
Buildings	16,221,905		2,980
Improvements	345,975		-
Equipment	35,901,184		4,559,876
Construction-in-progress	4,624,088		9,564,849
Less - accumulated depreciation	<u>(37,182,559)</u>		<u>(4,162,669)</u>
Total Capital Assets, net of accumulated depreciation	<u>20,349,097</u>		<u>9,965,036</u>
Total Assets	<u>39,745,937</u>		<u>25,710,703</u>
LIABILITIES			
Accounts payable	2,035,856		1,173,364
Accrued liabilities	8,804,989		797,796
Due to other governments	637,498		-
Accrued interest payable	116,278		-
Bond anticipation notes payable	1,025,000		-
Due to other funds	-		1,555,685
Compensated absences	8,549,931		166,515
Current portion of long-term obligations:			
Claims payable	-		1,488,234
Bonds payable - Capital construction	1,281,518		110,085
Bonds payable - Pension obligations	-		52,295
Total Current Liabilities	<u>22,451,070</u>		<u>5,343,974</u>
Non-current liabilities:			
Claims payable	-		13,033,846
Compensated absences	-		1,498,641
Bonds payable - Capital construction	10,317,239		5,020,956
Bonds payable - Pension obligations	-		514,760
Total Current Liabilities	<u>10,317,239</u>		<u>20,068,203</u>
Total Liabilities	<u>32,768,309</u>		<u>25,412,177</u>
NET ASSETS			
Invested in capital assets, net of related debt	13,571,289		4,834,935
Unrestricted	<u>(6,593,661)</u>		<u>(4,536,409)</u>
Total Net Assets	<u>\$ 6,977,628</u>	\$	<u>298,526</u>

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

COUNTY OF ROCKLAND, NEW YORK

STATEMENT OF REVENUES, EXPENSES AND CHANGES IN NET ASSETS
 PROPRIETARY FUNDS
 YEAR ENDED DECEMBER 31, 2003

	Business-type Activities- Enterprise Fund	Governmental Activities - Internal Service Funds
	Home and Infirmary Fund	
Operating Revenues:		
Charges for services	\$ 72,589,354	\$ 26,088,677
Miscellaneous	395,050	-
Total Operating Revenues	<u>72,984,404</u>	<u>26,088,677</u>
Operating Expenses:		
Administrative and general expenses	9,926,749	4,662,773
Salaries and wage expenses	41,954,882	100,984
Pension and employee benefits	15,847,217	5,381,584
Judgments and claims	-	3,388,501
Supplies and other expenses	7,516,884	14,925,345
Depreciation	1,746,931	254,305
Provision for bad debts	2,088,786	-
Total Operating Expenses	<u>79,081,449</u>	<u>28,713,492</u>
Loss from Operations	<u>(6,097,045)</u>	<u>(2,624,815)</u>
Non-Operating Revenues (Expenses):		
Intergovernmental transfer	3,925,219	-
Interest income	-	269,794
Interest on indebtedness	(287,917)	(12,440)
Total Non-Operating Revenues	<u>3,637,302</u>	<u>257,354</u>
Loss Before Transfers	(2,459,743)	(2,367,461)
Transfers in	-	90,696
Change in Net Assets	(2,459,743)	(2,276,765)
Net Assets - Beginning of Year	<u>9,437,371</u>	<u>2,575,291</u>
Net Assets - End of Year	<u>\$ 6,977,628</u>	<u>\$ 298,526</u>

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

COUNTY OF ROCKLAND, NEW YORK

STATEMENT OF CASH FLOWS
 PROPRIETARY FUNDS
 YEAR ENDED DECEMBER 31, 2003

	Business-type Activities- Enterprise Fund	Governmental Activities- Internal Service Funds
	Home and Infirmary Fund	
Cash Flows From Operating Activities:		
Cash received from patients and third-party payors	\$ 69,212,156	\$ -
Other receipts	3,498,903	-
Cash received from charges for services	-	26,203,537
Cash payments to insurance carriers and claimants	-	(5,205,126)
Cash payments to employees	(65,005,231)	(12,974,846)
Cash payments to vendors	(18,020,094)	(9,713,696)
	<u>(10,314,266)</u>	<u>(1,690,131)</u>
Net Cash Used in Operating Activities		
Cash Flows From Non-Capital Financing Activities:		
Intergovernmental transfer	3,925,219	-
Retirement of long-term debt	-	(470)
Interest on indebtedness	-	(12,440)
Transfers in	-	90,696
	<u>3,925,219</u>	<u>77,786</u>
Net Cash Provided by Non-Capital Financing Activities		
Cash Flows From Capital and Related Financing Activities:		
Remittances to County of Rockland, net	4,942,409	-
Issuance of long-term debt	5,266,450	462,474
Retirement of long-term debt	(1,439,705)	(125,373)
Interest on indebtedness	(278,272)	-
Acquisition and construction of fixed assets	(2,208,217)	(905,855)
	<u>6,282,665</u>	<u>(568,754)</u>
Net Cash Provided by (Used in) Capital and Related and Related Financing Activities		
Cash Flows From Investing Activities:		
Interest income	-	269,794
Proceeds from sale of investments	-	4,855,000
	<u>-</u>	<u>5,124,794</u>
Net Cash Provided by Investing Activities		
Net Increase (Decrease) in Cash and Equivalents		
	(106,382)	2,943,695
Cash and Equivalents - Beginning of Year	<u>2,538,296</u>	<u>12,072,432</u>
Cash and Equivalents - End of Year	<u>\$ 2,431,914</u>	<u>\$ 15,016,127</u>
Reconciliation of Loss from Operations to Net Cash Used in Operating Activities:		
Loss from operations	\$ (6,097,045)	\$ (2,624,815)
Adjustments to reconcile loss from operations to net cash used in operating activities:		
Depreciation	1,746,931	254,305
Provision for bad debts	2,088,786	-
Changes in assets and liabilities:		
Accounts receivable	(821,366)	33,870
Accounts receivable - Patient care	(5,191,765)	-
State and Federal aid receivable	-	2,499
Due from other funds	2,883,180	39,626
Prepaid expenses	(370,191)	(77,126)
Inventories	(50,486)	(19,522)
Accounts payable	(294,970)	161,403
Accrued liabilities	(1,279,831)	96,348
Claims payable	-	(16,138)
Compensated absences	357,111	51,550
Due to retirement system	(3,635,578)	(523,728)
Due to other governments	350,958	-
Due to other funds	-	931,597
	<u>-</u>	<u>931,597</u>
Net Cash Used in Operating Activities	<u>\$ (10,314,266)</u>	<u>\$ (1,690,131)</u>

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

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COUNTY OF ROCKLAND, NEW YORK

STATEMENT OF ASSETS AND LIABILITIES
FIDUCIARY FUNDS - AGENCY FUND
DECEMBER 31, 2003

ASSETS

Cash:		
Demand deposits	\$	4,372,651
Time deposits		2,524,331
Certificates of deposit		<u>415,000</u>
		7,311,982
Accounts Receivable		<u>71,099</u>
Total Assets	\$	<u><u>7,383,081</u></u>

LIABILITIES

Employee Payroll Deductions	\$	622,403
Deposits		3,765,962
Due to Other Governments		<u>2,994,716</u>
Total Liabilities	\$	<u><u>7,383,081</u></u>

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

COUNTY OF ROCKLAND, NEW YORK

STATEMENT OF NET ASSETS

COMPONENT UNITS

DECEMBER 31, 2003 (Rockland County Community College as of August 31, 2003)

	Rockland County Community College	Rockland County Soil and Water Conservation District	Rockland County Solid Waste Management Authority
ASSETS			
Cash and equivalents	\$ 12,120,550	\$ 49,693	\$ 4,613,333
Investments	540,700	-	-
Receivables:			
Accounts, net of allowance for uncollectible amounts	1,319,967	-	1,731,437
State and Federal aid	192,842	30,000	861,799
Prepaid expenses	-	-	483,206
Restricted assets	-	-	10,024,428
	<u>14,174,059</u>	<u>79,693</u>	<u>17,714,203</u>
Capital assets:			
Land	-	-	1,423,312
Buildings	-	-	35,865,680
Equipment	4,325,294	14,767	8,871,903
Construction-in-progress	-	-	105,186
	<u>4,325,294</u>	<u>14,767</u>	<u>46,266,081</u>
Less - Accumulated depreciation	<u>(2,653,929)</u>	<u>(7,440)</u>	<u>(11,162,424)</u>
Total Capital Assets, net of accumulated depreciation	<u>1,671,365</u>	<u>7,327</u>	<u>35,103,657</u>
Total Assets	<u>15,845,424</u>	<u>87,020</u>	<u>52,817,860</u>
LIABILITIES			
Accounts payable	656,190	-	2,808,223
Accrued liabilities	7,326,169	15,000	159,595
Deposits payable	5,000	-	-
Due to other governments	1,534	-	-
Deferred revenues	5,204,767	-	-
Non-current liabilities:			
Due within one year - Bonds payable	-	-	1,115,000
Due in more than one year - Bonds payable	-	-	33,529,780
Total Liabilities	<u>13,193,660</u>	<u>15,000</u>	<u>37,612,598</u>
NET ASSETS			
Invested in capital assets, net of related debt	1,671,365	7,327	9,488,366
Restricted for:			
Capital projects	1,235,913	-	-
Debt service	-	-	13,883
Student loans	4,028	-	-
Permanent endowments	70,532	-	-
Unrestricted	<u>(330,074)</u>	<u>64,693</u>	<u>5,703,013</u>
Total Net Assets	<u>\$ 2,651,764</u>	<u>\$ 72,020</u>	<u>\$ 15,205,262</u>

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

Rockland County Industrial Development Agency	Totals
\$ 217,873	\$ 17,001,449
-	540,700
-	3,051,404
-	1,084,641
-	483,206
-	10,024,428
217,873	32,185,828
-	1,423,312
-	35,865,680
-	13,211,964
-	105,186
-	50,606,142
-	(13,823,793)
-	36,782,349
217,873	68,968,177
-	3,464,413
142	7,500,906
-	5,000
-	1,534
-	5,204,767
-	1,115,000
-	33,529,780
142	50,821,400
-	11,167,058
-	1,235,913
-	13,883
-	4,028
-	70,532
217,731	5,655,363
\$ 217,731	\$ 18,146,777

COUNTY OF ROCKLAND, NEW YORK

STATEMENT OF ACTIVITIES
 COMPONENT UNITS
 YEAR ENDED DECEMBER 31, 2003

Functions/Programs	Expenses	Program Revenues		
		Charges for Services	Operating Grants and Contributions	Capital Grants and Contributions
Rockland County Community College - Education	\$ 59,268,787	\$ 20,718,885	\$ 5,029,442	\$ 4,857,648
Rockland County Soil and Water Conservation - Home and Community Services	20,227	-	-	-
Rockland County Solid Waste Management Authority - Home and Community Services	20,844,775	20,220,328	378,673	-
Rockland County Industrial Development Agency - Economic Opportunity and Development	155,617	130,267	-	-
Total Component Units	\$ 80,289,406	\$ 41,069,480	\$ 5,408,115	\$ 4,857,648

General Revenues:

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

Total General Revenues

Change in Net Assets

Net Assets - Beginning of Year, as previously reported

Prior Period Adjustment

Net Assets - Beginning of Year, as restated

Net Assets - End of Year

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

Net (Expense) Revenue
and Changes in Net Assets

Rockland County Community College	Rockland County Soil and Water Conservation District	Rockland County Solid Waste Management Authority	Rockland County Industrial Development Agency	Total
\$ (28,662,812)	\$ -	\$ -	\$ -	\$ (28,662,812)
-	(20,227)	-	-	(20,227)
-	-	(245,774)	-	(245,774)
-	-	-	(25,350)	(25,350)
<u>(28,662,812)</u>	<u>(20,227)</u>	<u>(245,774)</u>	<u>(25,350)</u>	<u>(28,954,163)</u>
1,054,052	-	171,972	3,053	1,229,077
12,769,968	-	-	-	12,769,968
11,421,340	30,000	-	-	11,451,340
1,094,352	-	-	-	1,094,352
<u>26,339,712</u>	<u>30,000</u>	<u>171,972</u>	<u>3,053</u>	<u>26,544,737</u>
<u>(2,323,100)</u>	<u>9,773</u>	<u>(73,802)</u>	<u>(22,297)</u>	<u>(2,409,426)</u>
4,540,700	62,247	15,279,064	240,028	20,122,039
434,164	-	-	-	434,164
<u>4,974,864</u>	<u>62,247</u>	<u>15,279,064</u>	<u>240,028</u>	<u>20,556,203</u>
<u>\$ 2,651,764</u>	<u>\$ 72,020</u>	<u>\$ 15,205,262</u>	<u>\$ 217,731</u>	<u>\$ 18,146,777</u>

Note 1 - Summary of Significant Accounting Policies

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

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

A. Financial Reporting Entity

The financial reporting entity consists of a) the primary government, which is the County of Rockland, b) organizations for which the County is financially accountable and c) other organizations for which the nature and significance of their relationship with the County are such that exclusion would cause the reporting entity's financial statements to be misleading or incomplete as set forth in GASB Statement No. 14.

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 in GASB Statement No. 14, including legal standing, fiscal dependency and financial accountability. Based upon the application of the above criteria, the following individual component units are included in the County's reporting entity because of their operational or financial relationship with the County.

The Rockland County Community College was established in 1959, with the County of Rockland as the local sponsor under provisions of Article 126 of the Education Law. The College is administered by a board of trustees consisting of nine voting members; five are appointed by the County Legislature and four by the Governor. 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 31st 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.

The Rockland County Soil and Water Conservation District was established pursuant to New York State Soil Conservation District Law and legislative resolution. The District provides for the conservation of soil and soil resources of the State and the County. The Board of Directors are

Note 1 - Summary of Significant Accounting Policies (Continued)

appointed by the County Legislature. The Board of Directors serve at the pleasure of the County Legislature and therefore, the primary government is able to impose its will on the District. The District is also dependent on the financial support provided by the County. Since the District does not provide services entirely or almost entirely to the County, the financial statements of the District have been reflected as a discretely presented component unit.

The Rockland County Solid Waste Management Authority is a public benefit corporation created pursuant to the Rockland County Solid Waste Management Authority Act constituting Title 13-M of the New York State Public Authorities Law. The Authority provides solid waste management services to the residents of the County. The Authority is administered by seventeen members. Eight members are members of the County Legislature, five members are supervisors of towns within the County, two members are mayors of villages recommended by the Conference of Mayors and two members are appointed by the County Executive. Consequently, the County is considered able to impose its will on the Agency. Authority members have complete responsibility for management of the Authority and accountability for fiscal matters. The Authority has the power to issue debt and enter into loan agreements. The County is not liable for the Authority's debt. Since the Authority does not provide services entirely or almost entirely to the County, the financial statements of the Authority have been reflected as a discretely presented component unit.

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

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

Note 1 - Summary of Significant Accounting Policies (Continued)

B. Government-Wide Financial Statements

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

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

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

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

C. Fund Financial Statements

The accounts of the County are organized and operated on the basis of funds. A fund is an independent fiscal and accounting entity with a self-balancing set of accounts which comprise its assets, liabilities, fund balances/net assets, revenues and expenditures/expenses. Fund accounting segregates funds according to their intended purpose and is used to aid management in demonstrating compliance with finance related legal and contractual provisions. The County maintains the minimum number of funds consistent with legal and managerial requirements. The focus of governmental 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 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

Note 1 - Summary of Significant Accounting Policies (Continued)

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

1. Fund Categories

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

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

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

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

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

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

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

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

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

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

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

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 (Home and Infirmary) are recorded as an enterprise fund. The Home and Infirmary is a chronic care hospital and a skilled nursing facility established and operated under provisions of Article 6 of General Municipal Law. The County has established its Workers' Compensation Benefits, General Liability Claims, Unemployment Benefits and General Services funds as internal service funds. The County applies all applicable Financial Accounting Standards Board (FASB) pronouncements issued after November 30, 1989 in accounting and reporting for its enterprise operations.
- c. Fiduciary Funds (Not Included in Government-wide Statements) - The Fiduciary Funds are used to account for assets held by the County in an agency capacity on behalf of others.

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

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

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

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

Note 1 - Summary of Significant Accounting Policies (Continued)

Governmental fund financial statements are reported using the *current financial resources measurement focus* and the *modified accrual basis of accounting*. Revenues are recognized as soon as they are both measurable and available. Revenues are considered to be available when they are collectible within the current period or soon enough thereafter to pay liabilities of the current period. Property taxes are considered to be available if collected within sixty days of the fiscal year end. A ninety day availability period is used for revenue recognition for all other governmental fund revenues. Property taxes associated with the current fiscal period as well as charges for services and intergovernmental revenues are considered to be susceptible to accrual and have been recognized as revenues of the current fiscal period. Fees and other similar revenues are not susceptible to accrual because generally they are not measurable until received in cash. If expenditures are the prime factor for determining eligibility, revenues from Federal and State grants are accrued when the expenditure is made. Expenditures generally are recorded when a liability is incurred, as under accrual accounting. However, debt service expenditures, as well as expenditures related to compensated absences and pension costs, are recorded only when payment is due. General capital assets acquisitions are reported as expenditures in governmental funds. Issuance of long-term debt and acquisitions under capital leases are reported as other financing sources.

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

Component Units

Component units are presented on the basis of accounting that most accurately reflect their activities. The Soil and Water Conservation District is accounted for on the modified accrual basis and is converted to the accrual basis for the government-wide statements. The Community College, Industrial Development Agency and 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 Solid Waste Management Authority apply all applicable Financial Accounting Standards Board (FASB) pronouncements issued after November 30, 1989 in accounting and reporting their operations.

E. Assets, Liabilities and Net Assets or Fund Balances

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.

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

Note 1 - Summary of Significant Accounting Policies (Continued)

entered into custodial agreements with the various banks which hold their deposits. 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.

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

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

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

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

Note 1 - Summary of Significant Accounting Policies (Continued)

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.

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, 2003, balances of interfund amounts receivable or payable have been recorded in the fund financial statements. Any residual balances outstanding between the governmental activities and the business-type activities are reported in the government-wide financial statements as internal balances.

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

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

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

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

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

Capital Assets - Capital assets, which include property, plant and equipment, 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.

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.

Note 1 - Summary of Significant Accounting Policies (Continued)

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

Class	Life in Years
Buildings	50
Improvements	5-50
Equipment	3-30
Infrastructure	5-40

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

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

Deferred revenues in fund financial statements are those where asset recognition criteria have been met, but for which revenue recognition criteria have not been met. The County has reported deferred revenues of \$8,271,794 for real property taxes and \$2,007,585 for State and Federal aid received in advance in the General Fund. The County has also reported deferred revenues of \$2,925,496 for Federal aid received in advance in the Community Development Fund and \$5,204,767 in the Rockland Community College Fund for tuition and other fees received in advance. Such amounts have been deemed to be measurable but not "available" pursuant to generally accepted accounting principles.

Compensated Absences - The various collective bargaining agreements provide for the payment of accumulated vacation or sick leave upon separation from service. The liability for such accumulated leave is reflected in the government-wide and proprietary fund financial statements. A liability for these amounts is reported in the governmental funds only if the liability has matured through employee resignation or retirement. The liability for compensated absences includes salary related payments, where applicable.

Long-term Liabilities - In the government-wide financial statements, long-term debt and other long-term obligations are reported as liabilities in the Statement of Net Assets. Bond premiums and discounts, as well as issuance costs, are deferred and amortized over the life of the bonds. Bonds payable are reported net of the applicable bond premium or discount, where applicable. Bond issuance costs are amortized over the term of the related debt.

In the fund financial statements, governmental funds recognize bond premiums and discounts, as well as bond issuance costs, during the current period. The face amount of debt issued is reported as other financing sources. Premium received on debt issuances are reported as other financing sources, while discounts on debt issuances are reported as other financing uses. Issuance costs, whether or not withheld from the actual debt proceeds received, are reported as Debt Service Fund or Capital Project Fund expenditures.

Note 1 - Summary of Significant Accounting Policies (Continued)

Net Assets - Net assets represent the difference between assets and liabilities. Net assets are reported as restricted when there are limitations imposed on their use either through the enabling legislation adopted by the County or through external restrictions imposed by creditors, grantors, or laws or regulations of other governments. Net assets on the Statement of Net Assets include, invested in capital assets, net of related debt, restricted for capital projects, law enforcement, Stop-DWI Program, E-911, handicapped parking, social service programs, debt service, parklands, affordable housing, student loans, workers' compensation benefits, unemployment benefits, permanent endowments and special revenue funds. The balance is classified as unrestricted.

Fund Balances - Reserves and Designations - Portions of fund balance are segregated for future use and are therefore not available for future appropriation or expenditure. Amounts reserved for encumbrances, prepaid expenditures, law enforcement, STOP-DWI Program, E-911, handicapped parking, long-term receivable, social service programs, compensated absences, debt service, parklands and advances are required to be segregated in accordance with State law or generally accepted accounting principles. Designation of unreserved fund balances in governmental funds indicates the utilization of these resources in the ensuing year's budget or tentative plans for future use.

F. Encumbrances

In governmental funds, encumbrance accounting, under which purchase orders, contracts and other commitments for the expenditure of monies are recorded in order to reserve applicable appropriations, is generally employed as an extension of formal budgetary integration in the General, certain Special Revenue and Capital Projects funds. Encumbrances outstanding at year end are reported as reservations of fund balance since they do not constitute expenditures or liabilities.

G. Use of Estimates

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

Note 2 - Stewardship, Compliance and Accountability

A. Budgetary Data

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

- a) On or before August 1st, the administrative head of each department is required to submit to the County Executive the expenditure requirements for the next fiscal year.
- b) The County Executive is required to file the tentative budget for the ensuing year with the Clerk of the Legislature on or before October 23rd.

Note 2 - Stewardship, Compliance and Accountability (Continued)

- 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, certain Special Revenue and Debt Service funds.
- g) Budgets for General, certain Special Revenue 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, certain Special Revenue and Debt Service funds lapse at the end of the fiscal year, except that outstanding encumbrances are reappropriated in the succeeding year, pursuant to the Uniform System of Accounts promulgated by the Office of the State Comptroller.

Budgeted amounts are as originally adopted, or as amended by the County Legislature. Individual amendments for the current year were not material in relation to the original appropriations which were amended.

B. Property Tax Limitation

The County is permitted by the State Constitution to levy for purposes other than debt service up to 1 1/2% 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 2003 was \$329,553,140, which exceeded the actual levy by \$289,122,021.

C. County Road

The County Road Fund reflects an undesignated deficit of \$1,039,143 at December 31, 2003. This deficit will be addressed in the subsequent year.

D. Prior Period Adjustment - Rockland County Community College

The College determined during the year ended August 31, 2002 that its obligation for compensated absences had been overstated. Accordingly, the College has restated its prior year net asset balance to give effect to the full recognition of this obligation. The net effect of this change resulted in an increase to net assets of \$434,164.

Note 3 - Detailed Notes on All Funds

A. Deposits and Investments

The carrying amount of the primary government's deposits, inclusive of non-negotiable certificates of deposit of \$8,426,860, reflected as investments on the balance sheet and fiduciary deposits of \$7,311,982 was \$147,573,026. This amount is exclusive of petty cash of \$17,540. The bank balance was \$151,694,122. Of the bank balance, \$906,413 was covered by Federal deposit insurance, \$15,428,643 was covered by collateral held by the County's agent, a third party financial institution in the County's name and \$135,359,066 was covered by collateral held by the trust department of the pledging financial institution in the County's name.

The carrying amount of the component units' deposits at December 31, 2003 was \$17,001,249. This amount is exclusive of petty cash of \$200 for the Solid Waste Management Authority. The bank balances and collateral of the component units are detailed below.

	<u>Community College</u>	<u>Soil and Water Conservation District</u>	<u>Solid Waste Management Authority</u>	<u>Industrial Development Agency</u>
Carrying amount	<u>\$ 12,120,550</u>	<u>\$ 49,693</u>	<u>\$ 4,613,133</u>	<u>\$ 217,873</u>
Bank balance	<u>\$ 11,269,000</u>	<u>\$ 53,625</u>	<u>\$ 4,622,513</u>	<u>\$ 217,873</u>
Amount insured by FDIC	\$ 207,889	\$ 53,625	\$ 298,304	\$ 217,873
Collateral held by a third party in the entity's name	11,060,766	-	4,324,209	-
Uninsured and uncollateralized	<u>345</u>	<u>-</u>	<u>-</u>	<u>-</u>
	<u>\$ 11,269,000</u>	<u>\$ 53,625</u>	<u>\$ 4,622,513</u>	<u>\$ 217,873</u>

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

<u>Fund</u>	<u>Repurchase Agreements</u>	<u>Certificates of Deposits</u>	<u>Total</u>
General	\$ 4,601,689	\$ -	\$ 4,601,689
Community Development	-	225,000	225,000
Debt Service	<u>-</u>	<u>8,201,860</u>	<u>8,201,860</u>
	<u>\$ 4,601,689</u>	<u>\$ 8,426,860</u>	<u>\$ 13,028,549</u>

The repurchase agreements are secured by the underlying investment and are held by a third party financial institution in the County's name.

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

Note 3 - Detailed Notes on All Funds (Continued)

B. Taxes Receivable

Taxes receivable at December 31, 2003 consisted of the following:

Tax liens	\$ 9,309,068
Tax installments	1,757,123
Returned school districts taxes	60,717,346
Returned village taxes	1,458,049
Property acquired for taxes	<u>123,468</u>
	73,365,054
Allowance for uncollectible taxes	<u>(1,056,000)</u>
	<u>\$ 72,309,054</u>

School district and village taxes are offset by liabilities to the school districts and villages which will be paid no later than April 2004. Taxes receivable, at the fund level, are also partially offset by deferred tax revenues of \$8,271,794, which represents an estimate of the receivable which will not be collected within the first sixty days of the subsequent year.

C. Due From/To Other Funds

The balances reflected as due from/to other funds at December 31, 2003 were as follows:

Fund	Due From	Due To
General	\$ 659,085	\$ 1,039,143
Capital Projects	-	38,598
Non-Major Governmental	460,101	481,103
Home and Infirmary	1,953,542	-
Internal Services	<u>41,801</u>	<u>1,555,685</u>
	<u>\$ 3,114,529</u>	<u>\$ 3,114,529</u>

D. Capital Assets

Changes in the County's capital assets are as follows:

Class	Balance January 1, 2003	Additions	Deductions	Balance December 31, 2003
Governmental Activities (inclusive of Internal Service Funds):				
Capital Assets, not being depreciated:				
Land	\$ 27,423,835	\$ -	\$ -	\$ 27,423,835
Construction-in-progress	<u>317,447,137</u>	<u>9,935,916</u>	<u>-</u>	<u>327,383,053</u>
Total Capital Assets, not being Depreciated	<u>\$ 344,870,972</u>	<u>\$ 9,935,916</u>	<u>\$ -</u>	<u>\$ 354,806,888</u>

Note 3 - Detailed Notes on All Funds (Continued)

Class	Balance January 1, 2003	Additions	Deductions	Balance December 31, 2003
Capital Assets, being depreciated:				
Buildings and improvements	\$ 371,025,472	\$ 9,080,472	\$ -	\$ 380,105,944
Equipment	35,265,972	3,139,894	(4,857,145)	33,548,721
Infrastructure	77,666,274	-	-	77,666,274
Total Capital Assets being Depreciated	<u>483,957,718</u>	<u>12,220,366</u>	<u>(4,857,145)</u>	<u>491,320,939</u>
Less Accumulated Depreciation for:				
Buildings and improvements	\$ (238,696,760)	\$ (16,224,351)	\$ -	\$ (254,921,111)
Equipment	(25,271,915)	(3,439,894)	4,857,145	(23,854,664)
Infrastructure	(23,233,192)	(166,633)	-	(23,399,825)
Total Accumulated Depreciation	<u>(287,201,867)</u>	<u>(19,830,878)</u>	<u>4,857,145</u>	<u>(302,175,600)</u>
Total Capital Assets, being depreciated, net	<u>\$ 196,755,851</u>	<u>\$ (7,610,512)</u>	<u>\$ -</u>	<u>\$ 189,145,339</u>
Governmental Activities Capital Assets, net	<u>\$ 541,626,823</u>	<u>\$ 2,325,404</u>	<u>\$ -</u>	<u>\$ 543,952,227</u>
Business-type Activities:				
Capital Assets, not being depreciated:				
Land	\$ 438,504	\$ -	\$ -	\$ 438,504
Construction-in-progress	3,150,885	1,473,203	-	4,624,088
Total Capital Assets, not being Depreciated	<u>\$ 3,589,389</u>	<u>\$ 1,473,203</u>	<u>\$ -</u>	<u>\$ 5,062,592</u>
Capital Assets, being depreciated:				
Buildings and improvements	\$ 16,567,880	\$ -	\$ -	\$ 16,567,880
Equipment	35,166,170	735,014	-	35,901,184
Total Capital Assets being Depreciated	<u>51,734,050</u>	<u>735,014</u>	<u>-</u>	<u>52,469,064</u>
Less Accumulated Depreciation for:				
Buildings and improvements	(11,159,192)	(420,220)	-	(11,579,412)
Equipment	(24,276,436)	(1,326,711)	-	(25,603,147)
Total Accumulated Depreciation	<u>(35,435,628)</u>	<u>(1,746,931)</u>	<u>-</u>	<u>(37,182,559)</u>
Total Capital Assets, being depreciated, net	<u>\$ 16,298,422</u>	<u>\$ (1,011,917)</u>	<u>\$ -</u>	<u>\$ 15,286,505</u>
Business-type Activities Capital Assets, net	<u>\$ 19,887,811</u>	<u>\$ 461,286</u>	<u>\$ -</u>	<u>\$ 20,349,097</u>

Note 3 - Detailed Notes on All Funds (Continued)

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

Governmental Activities:	
General Government Support	\$ 689,119
Education	2,351,977
Public Safety	1,672,021
Health	412,174
Transportation	11,250,958
Economic Opportunity and Development	198,091
Culture and Recreation	96,776
Home and Community Services	2,905,457
Capital assets held by the government's internal service fund are charged to the various functions based on their usage of the assets	<u>254,305</u>
Total Depreciation Expense - Governmental Activities	<u>\$ 19,830,878</u>
Business-type Activities:	
Home and Infirmary	<u>\$ 1,746,931</u>

Construction Commitments

The County has active construction projects as of December 31, 2003. These projects include new construction and renovations. At year-end, the County had \$23,247,633 in construction encumbrances.

Capital Assets - Component Units

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

Class	Balance September 1, 2002	Additions	Deductions	Balance August 31, 2003
Capital Assets, being depreciated - Equipment	\$ 5,457,883	\$ -	\$ (1,132,589)	\$ 4,325,294
Less Accumulated Depreciation	<u>(408,199)</u>	<u>(3,378,319)</u>	<u>1,132,589</u>	<u>(2,653,929)</u>
Community College Capital Assets, net	<u>\$ 5,049,684</u>	<u>\$ (3,378,319)</u>	<u>\$ -</u>	<u>\$ 1,671,365</u>

NOTES TO FINANCIAL STATEMENTS (Continued)
DECEMBER 31, 2003

Note 3 - Detailed Notes on All Funds (Continued)

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

Class	Balance January 1, 2003	Additions	Deductions	Balance December 31, 2003
Capital Assets, being depreciated - Equipment	\$ 11,424	\$ 3,923	\$ (580)	\$ 14,767
Less Accumulated Depreciation	<u>(5,284)</u>	<u>(2,736)</u>	<u>580</u>	<u>(7,440)</u>
Soil and Water Conservation District Capital Assets, net	<u>\$ 6,140</u>	<u>\$ 1,187</u>	<u>\$ -</u>	<u>\$ 7,327</u>

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

Class	Balance January 1, 2003	Additions	Deductions	Balance December 31, 2003
Capital Assets, not being depreciated:				
Land	\$ 1,423,312	\$ -	\$ -	\$ 1,423,312
Construction-in-progress	<u>109,185</u>	<u>54,776</u>	<u>(58,775)</u>	<u>105,186</u>
Total Capital Assets, not being Depreciated	<u>\$ 1,532,497</u>	<u>\$ 54,776</u>	<u>\$ (58,775)</u>	<u>\$ 1,528,498</u>
Capital Assets, being depreciated:				
Buildings	35,849,712	15,968	-	35,865,680
Equipment	<u>8,592,903</u>	<u>279,000</u>	<u>-</u>	<u>8,871,903</u>
Total Capital Assets being Depreciated	<u>44,442,615</u>	<u>294,968</u>	<u>-</u>	<u>44,737,583</u>
Less Accumulated Depreciation for:				
Buildings	(5,427,706)	(1,777,647)	-	(7,205,353)
Equipment	<u>(3,073,711)</u>	<u>(883,360)</u>	<u>-</u>	<u>(3,957,071)</u>
Total Accumulated Depreciation	<u>(8,501,417)</u>	<u>(2,661,007)</u>	<u>-</u>	<u>(11,162,424)</u>
Total Capital Assets, being depreciated, net	<u>\$ 35,941,198</u>	<u>\$ (2,366,039)</u>	<u>\$ -</u>	<u>\$ 33,575,159</u>
Solid Waste Management Authority Capital Assets, net	<u>\$ 37,473,695</u>	<u>\$ (2,311,263)</u>	<u>\$ (58,775)</u>	<u>\$ 35,103,657</u>

Note 3 - Detailed Notes on All Funds (Continued)

E. Accrued Liabilities

Accrued liabilities at December 31, 2003 were as follows:

	<u>Governmental Activities</u>	<u>Business-Type Activities</u>	<u>Total</u>
Payroll and employee benefits	\$ 6,558,993	\$ -	\$ 6,558,993
Other	<u>10,721,310</u>	<u>8,804,989</u>	<u>19,526,299</u>
Total Accrued Liabilities	<u>\$ 17,280,303</u>	<u>\$ 8,804,989</u>	<u>\$ 26,085,292</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 revenues.

	<u>Balance January 1, 2003</u>	<u>Issues</u>	<u>Redemptions</u>	<u>Balance December 31, 2003</u>
Revenue Anticipation Note	<u>\$ 60,000,000</u>	<u>\$ 55,000,000</u>	<u>\$ 60,000,000</u>	<u>\$ 55,000,000</u>

The \$55,000,000 revenue anticipation note matures on February 26, 2004, with interest at rates varying from 1.05% to 2.0%.

Interest expenditures of \$1,380,640 were recorded in the fund financial statements in the General Fund. Interest expense of \$1,373,267 was recorded in the government-wide financial statements for governmental activities.

G. Short-Term Capital Borrowings

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

<u>Purpose</u>	<u>Year of Original Issue</u>	<u>Rate of Interest</u>	<u>Balance January 1, 2001</u>	<u>Issues</u>	<u>Redemptions</u>	<u>Balance December 31, 2002</u>
Enterprise Fund - Home and Infirmary	2003	1.5%	\$ -	\$ 1,025,000	\$ -	\$ 1,025,000
Sewer Improvements	2002	1.5%-2.0%	4,800,000	-	400,000	4,400,000
Sewer Improvements	2003	1.50%	-	<u>6,154,500</u>	-	<u>6,154,500</u>
Total			<u>\$ 4,800,000</u>	<u>\$ 7,179,500</u>	<u>\$ 400,000</u>	<u>\$ 11,579,500</u>

Liabilities for bond anticipation notes are generally accounted for in the Capital Projects Fund. Bond anticipation notes issued for judgments or settled claims are recorded in the fund paying the claim. 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

Note 3 - Detailed Notes on All Funds (Continued)

equivalent to the maximum life of the permanent financing, provided that stipulated annual reductions of principal are made.

Interest expenditures of \$36,819 were recorded in the fund financial statements in the Sewer Fund. Interest expense of \$147,079 was recorded in the government-wide financial statements for governmental activities.

H. Unpaid Claim Liabilities

The Internal Service funds reflect workers' compensation benefit liabilities, general liability claims 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, 2003		
	Workers' Compensation Benefits	General Liability Claims	Unemployment Benefits
Balance - Beginning of Year	\$ 8,393,428	\$ 6,025,511	\$ 119,279
Provision for Claims and Claims Adjustment Expenses	1,444,624	3,388,501	57
Claims and Claims Adjustment Expenses Paid	<u>(2,759,888)</u>	<u>(2,010,125)</u>	<u>(79,307)</u>
Balance - End of Year	<u>\$ 7,078,164</u>	<u>\$ 7,403,887</u>	<u>\$ 40,029</u>

	December 31, 2002		
	Workers' Compensation Benefits	General Liability Claims	Unemployment Benefits
Balance - Beginning of Year	\$ 9,038,682	\$ 5,516,833	\$ 47,017
Provision for Claims and Claims Adjustment Expenses	1,933,227	2,299,123	226,921
Claims and Claims Adjustment Expenses Paid	<u>(2,578,481)</u>	<u>(1,790,445)</u>	<u>(154,659)</u>
Balance - End of Year	<u>\$ 8,393,428</u>	<u>\$ 6,025,511</u>	<u>\$ 119,279</u>

Note 3 - Detailed Notes on All Funds (Continued)

I. Pension Plans

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

Funding Policy - The System is non-contributory except for employees who joined after July 27, 1976 and have less than ten years of service, who contribute 3% of their salary. Contributions are certified by the State Comptroller and expressed as a percentage of members' salary. Contribution rates are actuarially determined and based upon membership tier and plan. Contributions consist of a life insurance portion (GTLI) and regular pension contributions. Contribution rates for the plan year ended March 31, 2004 are as follows:

<u>Tier/Plan</u>	<u>GTLI</u>	<u>Regular</u>
1 553	.2%	4.5 %
1 75I	.4	4.5
1 89D	.2	4.5
2 553	.2	4.5
2 75I	.4	4.5
2 89A	.2	4.5
2 89D	.2	12.1
2 89VR	.2	4.5
3 A14	.4	4.5
3 553	.2	4.5
4 A15	.4	4.5
4 553	.2	4.5
4 603OR	.2	4.5
4 604PR	.2	4.5
4 60454	.2	4.5
4 603R3	.2	4.5
4 89VR3	.2	4.5
4 89VR4	.2	.9

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

	<u>Primary Government</u>	<u>Component Units</u>		
		<u>College</u>	<u>Industrial Development Agency</u>	<u>Solid Waste Management Authority</u>
2003	\$ 6,703,189	\$ 380,474	\$ 2,780	\$ 40,449
2002	1,754,760	114,869	2,935	11,709
2001	892,461	56,110	2,721	7,178

Note 3 - Detailed Notes on All Funds (Continued)

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 and is reflected as pension expense in the government-wide financial statements.

	<u>Amount</u>
Governmental Funds	\$ 4,248,628
Proprietary Funds	2,454,561
	\$ 6,703,189

Community College

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

Funding Policy - TRS is non-contributory except for employees who joined the System after July 27, 1976 and have less than ten years of service, who contribute 3% of their salary. Pursuant to Article 11 of Education Law, contributions are established annually for TRS by the New York State Teachers' Retirement Board. Contribution rates are actuarially determined and based upon membership tier and plan. Contribution rates for the plan year ended June 30, 2003 are as follows:

<u>Tiers</u>	<u>Regular</u>
1-4	.36%

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

2003	\$	10,308
2002		10,238
2001		10,939

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

TIAA/CREF is an optional retirement program, designated by the trustees of the State University of New York, which has been made available by the College to eligible employees. This System is a privately operated defined contribution retirement plan. The College assumes no liability for the financial status of TIAA/CREF members' accounts other than payment of contributions. Participation eligibility as well as contributory and non-contributory requirements are

Note 3 - Detailed Notes on All Funds (Continued)

established by the New York State Retirement and Social Security Law. Benefits are determined by the amount of individual accumulations and the retirement income option selected.

All benefits are fully vested after thirteen months of participation in TIAA/CREF. New York State Education Law establishes the contribution rate for each employee electing this optional retirement program. TIAA/CREF is non-contributory, except for employees who joined after July 1, 1976 and have less than ten years of service, who contribute 3% of their salary. TIAA/CREF allows members to make extra payments at any time. These extra payments are not matched by the College. It is the policy of the College to fund pension costs as incurred. For the plan year ended August 31, 2003, the College incurred \$1,434,000 in pension costs under this Plan.

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.

J. Long-Term Liabilities

The following table summarizes changes in the County's long-term indebtedness for the year ended December 31, 2003:

	Balance January 1, 2003	New Issues/ Additions	Maturities and/or Payments	Balance December 31, 2003	Due Within One Year
Governmental Activities:					
Bonds Payable	\$ 125,787,988	\$ 31,275,535	\$ 16,535,040	\$ 140,528,483	\$ 5,186,509
Less-Deferred amounts on refunding	-	(1,703,980)	(60,856)	(1,643,124)	-
	125,787,988	29,571,555	16,474,184	138,885,359	5,186,509
Compensated Absences	12,155,291	2,957,407	1,605,115	13,507,583	1,350,758
Pension Obligations	8,425,077	-	6,984,091	1,440,986	342,166
Claims Payable	14,538,218	4,833,182	4,849,320	14,522,080	1,488,234
Governmental Activities Long-term Liabilities	<u>\$ 160,906,574</u>	<u>\$ 37,362,144</u>	<u>\$ 29,912,710</u>	<u>\$ 168,356,008</u>	<u>\$ 8,367,667</u>
Business-type Activities:					
Bonds Payable	\$ 8,797,012	\$ 4,151,465	\$ 1,349,720	\$ 11,598,757	\$ 1,281,518
Compensated Absences	8,192,820	357,111	-	8,549,931	8,549,931
Pension Obligations	3,635,578	-	3,635,578	-	-
Business-type Activities Long-term Liabilities	<u>\$ 20,625,410</u>	<u>\$ 4,508,576</u>	<u>\$ 4,985,298</u>	<u>\$ 20,148,688</u>	<u>\$ 9,831,449</u>
Solid Waste Management Authority - Component Unit:					
Bonds Payable	<u>\$ 27,600,968</u>	<u>\$ 23,525,000</u>	<u>\$ 16,481,188</u>	<u>\$ 34,644,780</u>	<u>\$ 1,115,000</u>

Note 3 - Detailed Notes on All Funds (Continued)

Each governmental fund's liability for compensated absences and pension obligations is liquidated by the respective fund. Governmental fund liabilities for bonds are liquidated by the Debt Service Fund, which is funded by other governmental funds.

Bonds Payable

Bonds payable at December 31, 2003 are comprised of the following individual issues:

<p>\$16,170,000 - 1973 bonds for sewer district improvements, due in annual installments of \$550,000 in April 2004 and \$415,000 in April 2005; interest at 4.50%</p>	<p>\$ 965,000</p>
<p>\$11,160,000 - 1984 bonds for sewer district improvements, due in annual installments of \$450,000 through May 2008 and \$395,000 in May 2009; interest at 9.40% for maturities through 2005 and 9.50% for maturities through 2009</p>	<p>2,645,000</p>
<p>\$9,520,000 - 1986 bonds for sewer purposes, due in annual installments of \$400,000 through June 2006, \$420,000 through June 2010 and \$425,000 in June 2011; interest at 7.40% and 7.50%, depending upon maturity</p>	<p>3,305,000</p>
<p>\$10,000,000 - 1986 bonds for sewer purposes, due in annual installments of \$425,000 in April 2004, \$450,000 through April 2008 and \$475,000 through April 2011; interest at 7.00% and 7.10%, depending upon maturity</p>	<p>3,650,000</p>
<p>\$11,785,000 - 1989 bonds for public improvements including the health complex, due in annual installments of \$115,000 in February 2004 and \$42,000 through February 2009; interest at 6.60%</p>	<p>325,000</p>
<p>\$20,284,115 - 1990 bonds for refunding of sewer improvement bonds, due in annual installments of \$483,000 in March 2004, \$478,000 in March 2005, \$471,000 in March 2006, \$466,000 in March 2007, \$458,000 in March 2008, \$451,000 in March 2009, \$443,000 in March 2010, \$432,000 in March 2011, \$452,000 in March 2012, \$473,000 in March 2013, \$495,000 in March 2014, \$520,000 in March 2015, \$546,000 in March 2016, \$574,000 in March 2017, \$604,000 in March 2018, \$636,000 in March 2019 and \$670,000 in March 2020; interest at rates ranging from 5.9% to 7.5%, depending on maturity</p>	<p>8,652,000</p>
<p>\$9,950,000 - 1992 bonds for various purposes, due in annual installments of \$96,000 in October 2004, \$92,000 in October 2005, \$79,000 through October 2007, \$31,000 in October 2008 and \$12,000 in through October 2012; interest at rates ranging from 5.20% to 5.50%, depending on maturity</p>	<p>425,000</p>
<p>\$2,905,000 - 1992 bonds for various purposes, due in annual</p>	

Note 3 - Detailed Notes on All Funds (Continued)

\$2,905,000 - 1992 bonds for various purposes, due in annual installments of \$70,000 in September 2004, \$71,000 in September 2005, \$72,000 in September 2006, \$76,000 in September 2007, \$74,000 in September 2008, \$80,000 through September 2010, \$86,000 in September 2011, \$85,000 in September 2012, \$41,000 in September 2013, \$43,000 in September 2014, \$45,000 in September 2015, \$47,000 in September 2016, \$50,000 in September 2017, \$52,000 in September 2018, \$55,000 in September 2019, \$58,000 in September 2020 and \$61,000 in September 2021; interest at 6.46%	\$ 1,146,000
\$8,185,000 - 1992 bonds to satisfy pension liability, due in annual installments of \$775,000 through December 2005; interest at rates ranging from 7.20% to 7.25%, depending on maturity	1,550,000
\$5,855,000 - 1992 bonds for sewer purposes, due in annual installments of \$207,000 in September 2004, \$214,000 in September 2005, \$218,000 in September 2006, \$222,000 in September 2007, \$227,000 in September 2008, \$232,000 in September 2009, \$240,000 in September 2010, \$245,000 in September 2011, \$250,000 in September 2012, \$79,000 in September 2013, \$82,000 in September 2014, \$86,000 in September 2015, \$90,000 in September 2016, \$94,000 in September 2017, \$99,000 in September 2018, \$104,000 in September 2019, \$109,000 in September 2020, \$115,000 in September 2021 and \$121,000 in September 2022; interest at rates ranging from 3.00% to 6.65%, depending on maturity	3,034,000
\$11,310,000 - 1993 bonds for refunding sewer and various purpose bonds, due in March 2004; interest at 2.45%	605,000
\$4,350,000 - 1993 bonds for sewer purposes, due in annual installments of \$156,000 in September 2004, \$161,000 in September 2005, \$164,000 in September 2006, \$167,000 in September 2007, \$172,000 in September 2008, \$177,000 in September 2009, \$178,000 in September 2010, \$184,000 in September 2011, \$189,000 in September 2012, \$194,000 in September 2013, \$67,000 in September 2014, \$70,000 in September 2015, \$73,000 in September 2016, \$77,000 in September 2017, \$80,000 in September 2018, \$84,000 in September 2019, \$89,000 in September 2020, \$93,000 in September 2021 and \$98,000 in September 2022; interest at rates ranging from 3.00% to 6.65%, depending on maturity	2,473,000
\$2,675,000 - 1993 bonds for sewer purposes, due in annual installments of \$135,000 in November 2004, \$140,000 through November 2006, \$145,000 through November 2008, \$150,000 through November 2010, \$155,000 in November 2011 and \$160,000 through November 2013; interest at rates ranging from 2.65% to 5.20%, depending upon maturity	1,480,000

Note 3 - Detailed Notes on All Funds (Continued)

<p>\$11,248,000 - 1994 bonds for public improvements including the health complex, due in annual installments of \$158,000 in April 2004, \$146,000 in April 2005, \$92,000 in April 2006, \$97,000 in April 2007, \$90,000 in April 2008, \$96,000 in April 2009, \$91,000 in April 2010 and \$86,000 in April 2011; interest at rates ranging from 5.20% to 5.80%</p>	<p>\$ 856,000</p>
<p>\$12,347,000 - 1994 bonds for public improvements including the health complex, due in annual installments of \$195,000 in November 2004, \$67,000 through November 2006, \$68,000 through November 2008, \$69,000 in November 2009 and \$39,000 through November 2014; interest at rates ranging from 5.90% to 6.00%, depending upon maturity</p>	<p>729,000</p>
<p>\$12,546,000 - 1995 bonds for various purposes, due in annual installments of \$563,000 in August 2004 and \$527,000 through August 2006; interest at rates ranging from 4.00% to 6.00%, depending upon maturity</p>	<p>1,617,000</p>
<p>\$6,365,000 - 1996 bonds for sewer purposes, due in annual installments of \$170,000 in December 2004, \$165,000 through December 2006, \$170,000 through December 2008, \$175,000 through December 2010, \$180,000 in December 2011, \$185,000 in December 2012, \$190,000 in December 2013, \$195,000 in December 2014, \$205,000 in December 2015, \$210,000 in December 2016, \$220,000 in December 2017, \$225,000 in December 2018, \$235,000 in December 2019, \$240,000 in December 2020, \$250,000 in December 2021, \$260,000 in December 2022, \$270,000 in December 2023, \$285,000 in December 2024 and \$295,000 in December 2025; interest at rates ranging from 4.625% to 5.2%, depending on maturity</p>	<p>4,635,000</p>
<p>\$19,806,000 - 1997 bonds for various purposes including the health complex, due in annual installments of \$335,000 in August 2004, \$1,750,000 in August 2005, \$1,835,000 in August 2006, \$1,925,000 in August 2007, \$2,020,000 in August 2008 and \$2,120,000 in August 2009; interest at rates ranging from 4.25% to 5.00%, depending on maturity</p>	<p>9,985,000</p>
<p>\$25,477,000 - 1998 bonds for various purposes including courthouse construction, due in annual installments of \$74,000 in May 2004, \$1,600,000 in May 2005, \$1,665,000 in May 2006, \$1,730,000 in May 2007, \$1,800,000 in May 2008, \$1,875,000 in May 2009, \$1,955,000 in May 2010, \$2,040,000 in May 2011, \$2,135,000 in May 2012 and \$2,230,000 in May 2013; interest at rates ranging from 4.00% to 4.40%, depending on maturity</p>	<p>17,104,000</p>

Note 3 - Detailed Notes on All Funds (Continued)

\$26,517,000 - 1999 bonds for various purposes including the health complex, due in annual installments of \$167,000 in October 2004, \$550,000 in October 2005, \$575,000 in October 2006, \$602,000 in October 2007, \$634,000 in October 2008, \$666,000 in October 2009, \$700,000 in October 2010, \$735,000 in October 2011, \$776,000 in October 2012, \$825,000 in October 2013, \$870,000 in October 2014, \$921,000 in October 2015 and \$972,000 in October 2016; interest at rates ranging from 5.125% to 5.60%, depending on maturity

\$ 8,993,000

\$15,225,000 - 2000 bonds for various purposes, due in annual installments of \$315 in November 2004, \$16,256 in November 2005, \$16,946 in November 2006, \$900,000 in November 2007, \$945,000 in November 2008, \$990,000 in November 2009, \$1,035,000 in November 2010, \$1,085,000 in November 2011, \$1,140,000 in November 2012, \$1,200,000 in November 2013, \$1,260,000 in November 2014, \$1,330,000 in November 2015 and \$1,400,000 in November 2016; interest at rates ranging from 4.75% to 5.125%, depending on maturity

11,318,517

\$14,425,000 - 2001 bonds for various purposes, due in annual installments of \$11,646 in October 2004, \$131,161 in October 2005, \$135,737 in October 2006, \$920,000 in October 2007, \$950,000 in October 2008, \$990,000 in October 2009, \$1,025,000 in October 2010, \$1,070,000 in October 2011, \$1,110,000 in October 2012, \$1,160,000 in October 2013, \$1,210,000 in October 2014, \$1,265,000 in October 2015 and \$1,320,000 in October 2016; interest at rates ranging from 4.00% to 5.00%, depending on maturity.

11,298,544

\$6,000,000 - 2001 bonds for sewer district improvements, due in annual installments of \$115,000 in October 2004, \$120,000 through October 2006, \$125,000 in October 2007, \$130,000 in October 2008, \$135,000 in October 2009, \$140,000 in October 2010, \$145,000 in October 2011, \$150,000 in October 2012, \$160,000 in October 2013, \$165,000 in October 2014, \$170,000 in October 2015, \$180,000 in October 2016, \$190,000 in October 2017, \$195,000 in October 2018, \$205,000 in October 2019, \$215,000 in October 2020, \$225,000 in October 2021, \$240,000 in October 2022, \$250,000 in October 2023, \$265,000 in October 2024, \$275,000 in October 2025, \$290,000 in October 2026, \$305,000 in October 2027, \$320,000 in October 2028, \$335,000 in October 2029, \$355,000 in October 2030 and \$370,000 in October 2031; interest at rates ranging from 4.00% to 5.00%, depending on maturity.

5,890,000

Note 3 - Detailed Notes on All Funds (Continued)

\$16,673,000 - 2002 bonds for various purposes, due in annual installments of \$75,760 in October 2004, \$811,731 in October 2005, \$856,111 in October 2006, \$1,040,000 in October 2007, \$1,070,000 in October 2008, \$1,105,000 in October 2009, \$1,140,000 in October 2010, \$1,185,000 in October 2011, \$1,225,000 in October 2012, \$1,275,000 in October 2013, \$1,325,000 in October 2014, \$1,380,000 in October 2015, \$1,435,000 in October 2016 and \$1,500,000 in October 2017; interest at rates ranging from 3.5% to 4.0%, depending on maturity

\$ 15,423,602

\$10,400,000 - 2003 bonds to satisfy pension liability, due in annual installments of \$2,465,000 in December 2005, \$2,540,000 in December 2006, \$2,645,000 in December 2007, and \$2,750,000 in December 2008; interest at rates ranging from 3.5% to 3.875%, depending on maturity

10,400,000

\$21,027,000 - 2003 for various purposes, due in annual installments of \$51,306 in June 2004, \$248,265 in June 2005, \$253,006 in June 2006, \$820,000 in June 2007, \$840,000 in June 2008, \$865,000 in June 2009, \$900,000 in June 2010, \$945,000 in June 2011, \$985,000 in June 2012, \$1,015,000 in June 2013, \$1,045,000 in June 2014, \$1,085,000 in June 2015, \$1,130,000 in June 2016, \$1,180,000 in June 2017, \$1,235,000 in June 2018, \$1,290,000 in June 2019, \$1,345,000 in June 2020, \$1,400,000 in June 2021, \$1,470,000 in June 2022 and \$1,520,000 in June 2023; interest at rates ranging from 2.5% to 5.0%, depending on maturity

19,622,577

\$4,000,000 - 2003 bonds for refunding of sewer and various purpose bonds, due in annual installments of \$85,000 in March 2004, \$650,000 in March 2005, \$630,000 in March 2006, \$265,000 in March 2007, \$255,000 through March 2009, \$250,000 in March 2010, \$245,000 in March 2011, \$240,000 in March 2012, \$235,000 in March 2013, \$230,000 in March 2014, \$225,000 in March 2015, \$220,000 in March 2016 and \$215,000 in March 2017; interest at rates ranging from 2.5% to 4.0%, depending on maturity

4,000,000

\$ 152,127,240

Note 3 - Detailed Notes on All Funds (Continued)

Payments to Maturity

The annual requirements to amortize all bonded debt outstanding as of December 31, 2003 including interest payments of \$49,248,795 are as follows:

Year Ending December 31,	Governmental Activities		Business-type Activities		Total	
	Principal	Interest	Principal	Interest	Principal	Interest
2004	\$ 5,186,509	\$ 4,949,439	\$ 1,281,518	\$ 537,054	\$ 6,468,027	\$ 5,486,493
2005	10,904,355	5,620,451	2,031,058	449,427	12,935,413	6,069,878
2006	10,135,667	5,162,497	1,828,133	355,130	11,963,800	5,517,627
2007	12,334,607	4,732,300	1,489,393	277,614	13,824,000	5,009,914
2008	10,959,595	3,729,336	3,231,405	695,587	14,191,000	4,424,923
2009-2013	47,938,730	14,315,197	1,462,270	218,620	49,401,000	14,533,817
2014-2018	28,316,622	5,754,151	224,378	28,992	28,541,000	5,783,143
2019-2023	11,657,398	1,793,531	50,602	633	11,708,000	1,794,164
2024-2028	2,035,000	521,086	-	-	2,035,000	521,086
2029-2031	1,060,000	107,750	-	-	1,060,000	107,750
	<u>\$ 140,528,483</u>	<u>\$ 46,685,738</u>	<u>\$ 11,598,757</u>	<u>\$ 2,563,057</u>	<u>\$ 152,127,240</u>	<u>\$ 49,248,795</u>

Interest expenditures of \$5,319,580 and \$12,440, were recorded in the fund financial statements in the Debt Service Fund and Internal Service Fund, respectively. Interest expense of \$4,969,503 was recorded in the government-wide financial statements for governmental activities. Interest expense of \$287,917 was recorded in the fund financial and government-wide financial statements for the business-type activities - Home and Infirmity Fund.

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.

Prior Year Defeasance of Debt

In prior years, the County defeased certain sewer improvement and various purpose bonds by placing the proceeds of new bonds or certain defined revenues in an irrevocable trust to provide for all future debt service payments on the old bonds. Accordingly, the trust account assets and the liability for the defeased bonds are not included in the County's financial statements. At December 31, 2003, \$14,070,000 of bonds outstanding are considered defeased.

Advance Refunding

- A. The County, during 2003, deposited \$8,245,054 in an irrevocable trust with an escrow agent to provide for all future debt service payments on various serial bond issues. The following serial bond amounts are considered defeased and the liability for these bonds has been removed from the Governmental Funds and the Internal Service - General Services Fund.

Note 3 - Detailed Notes on All Funds (Continued)

<u>Year of Issue</u>	<u>Amount</u>
2000	\$ 1,667,483
2001	2,311,456
2002	1,249,397
2003	<u>1,404,424</u>
	<u>\$ 6,632,760</u>
Governmental Funds	\$ 6,559,682
General Services Fund	<u>73,078</u>
	<u>\$ 6,632,760</u>

The County advanced refunded the serial bonds with the proceeds from the sale of a portion its tobacco rights.

- B. During 2003, the County of Rockland issued \$4,000,000 in sewer and various purpose serial bonds with interest rates ranging from 2.5% to 4.0%, depending on maturity. The proceeds were used to advance refund \$3,840,000 of outstanding 1993 sewer and various purpose serial bonds which bear interest at rates ranging from 3.0% to 5.375%, depending on maturity. The net proceeds of \$3,953,554 (including \$56,804 of reoffering premium and accrued interest and after payment of \$103,250 in underwriting fees and other issuance costs) were used to purchase U.S. Government Securities. Those securities were deposited in an irrevocable trust with an escrow agent to provide for all future debt service payments. As a result, the 1993 sewer and various purpose serial bonds are considered to be defeased and the liability for those bonds has been removed from the governmental activities column of the Statement of Net Assets and the Enterprise Fund as follows:

Governmental activities column of the Statement of Net Assets	\$ 3,658,745
Enterprise Fund	<u>181,255</u>
	<u>\$ 3,840,000</u>

The County advance refunded the 1993 sewer and various purpose serial bonds to reduce its total debt service payments over 14 years by \$354,366 and to obtain a net present value economic gain of \$279,027.

Note 3 - Detailed Notes on All Funds (Continued)

Indebtedness - Component Unit

Solid Waste Management Authority

Bonds payable at December 31, 2003 consisted of the following individual issues:

<p>\$11,620,000 - 1996B serial bonds net of unamortized discount of \$67,192, repaid partially during 1999 with a State grant and other funds; due in annual principal installments of \$410,000 in 2004, \$430,000 in 2005, \$455,000 in 2006, \$480,000 in 2007, \$505,000 in 2008, \$530,000 in 2009, \$560,000 in 2010, \$590,000 in 2011, \$630,000 in 2012, \$670,000 in 2013, \$700,000 in 2014, \$965,000 in 2015 and \$1,015,000 in 2016; interest at stated rates between 4.60% and 5.625%, depending upon maturity</p>	<p>\$ 7,872,808</p>
<p>\$4,000,000 - 1999 serial bonds net of unamortized discount of \$28,629, due in annual principal installments of \$155,000 in 2004, \$165,000 in 2005, \$170,000 in 2006, \$180,000 in 2007, \$190,000 in 2008, \$200,000 in 2009, \$210,000 in 2010, \$220,000 in 2011, \$235,000 in 2012, \$245,000 in 2013, \$260,000 in 2014, \$275,000 in 2015, \$290,000 in 2016, \$310,000 in 2017 and \$325,000 in 2018; interest at stated rates between 4.25% and 5.75%, depending on maturity</p>	<p>3,401,371</p>
<p>\$15,273,468 - 2003 serial bonds due in annual principal installments of \$465,000 in 2004, \$470,000 in 2005, \$475,000 in 2006, \$480,000 in 2007, \$485,000 in 2008, \$495,000 in 2009, \$505,000 in 2010, \$520,000 in 2011, \$535,000 in 2012, \$550,000 in 2013, \$570,000 in 2014, \$590,000 in 2015, \$610,000 in 2016, \$630,000 in 2017, \$650,000 in 2018, \$675,000 in 2019, \$700,000 in 2020, \$725,000 in 2021, \$755,000 in 2022, \$785,000 in 2023, \$820,000 in 2024 and \$2,315,000 in 2025; interest at stated rates between 2.539% and 6.189%, depending on maturity</p>	<p>14,805,000</p>
<p>\$8,720,000 - 2003 serial bonds net of unamortized discount of \$154,399 in 2003, due in annual principal installments of \$85,000 in 2004, \$210,000 in 2005, \$215,000 in 2006, \$220,000 in 2007, \$230,000 in 2008, \$235,000 in 2009, \$245,000 in 2010, \$250,000 in 2011, \$260,000 in 2012, \$275,000 in 2013, \$285,000 in 2014, \$300,000 in 2015, \$315,000 in 2016, \$330,000 in 2017, \$345,000 in 2018, \$360,000 in 2019, \$375,000 in 2020, \$395,000 in 2021, \$415,000 in 2022, \$435,000 in 2023, \$460,000 in 2024, \$480,000 in 2025, \$505,000 in 2026, \$535,000 in 2027 and \$960,000 in 2028; interest at stated rates between 2.5% and 5.125%, depending on maturity</p>	<p><u>8,565,601</u></p>
	<p><u>\$ 34,644,780</u></p>

Note 3 - Detailed Notes on All Funds (Continued)

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

<u>Redemption Period (Dates Inclusive)</u>	<u>Redemption Price (as a % of Par)</u>
December 15, 2006 to December 14, 2007	102%
December 15, 2007 to December 14, 2008	101%
December 15, 2008 and thereafter	100%

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

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

The annual requirements to amortize all bonds outstanding at December 31, 2003, including interest of \$23,766,590 are as follows:

<u>Year</u>	<u>Principal</u>	<u>Interest</u>	<u>Total</u>
2004	\$ 1,115,000	\$ 1,925,575	\$ 3,040,575
2005	1,275,000	1,764,088	3,039,088
2006	1,315,000	1,714,817	3,029,817
2007	1,360,000	1,661,296	3,021,296
2008	1,410,000	1,601,709	3,011,709
2009 - 2013	7,960,000	6,935,565	14,895,565
2014 - 2018	8,765,000	4,619,744	13,384,744
2019 - 2023	5,620,000	2,700,402	8,320,402
2024 - 2028	<u>6,075,000</u>	<u>843,394</u>	<u>6,918,394</u>
	34,895,000	<u>\$ 23,766,590</u>	<u>\$ 58,661,590</u>
Less - Unamortized original issue discount	<u>(250,220)</u>		
	<u>\$ 34,644,780</u>		

Extinguishment of Debt

The Authority, on September 15, 1999, extinguished \$2,330,000 of its 1996A serial bonds and \$2,195,000 of its 1996B serial bonds using grants of \$4,000,000 from New York State and \$525,000 from the release of restricted funds. This transaction was required as a condition of the

Note 3 - Detailed Notes on All Funds (Continued)

grant. These funds were used to purchase U.S. Government securities. Those securities were deposited in an irrevocable trust with an escrow agent to provide for portions of future debt service on the 1996A and 1996B serial bonds. As a result, portions of these serial bonds are considered to be extinguished and the liability for those bonds has been removed from the financial statements. Defeased bonds totaling \$3,645,000 were outstanding at December 31, 2003.

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, up to a maximum of 35 days. The primary government is also obligated to pay employees accrued vacation pay up to a maximum of 77 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, 2003, the expense related to vested vacation pay for employees was accrued based upon pay rates currently in effect. Accrued vacation pay aggregated approximately \$1,417,204 and was included in accrued liabilities.

Unused vacation time of the Solid Waste Management Authority employees may be carried forward to subsequent years. Unused personal time is added to sick leave, which may be taken at any time. The Authority has determined that the potential liability for accumulated vacation and sick leave at December 31, 2003 was \$33,077. These amounts are included in accrued liabilities of the Authority.

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

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

Pension Obligations

The County, pursuant to Article 14-B of the Retirement and Social Security Law, elected to participate in a retirement option which provides for special retirement benefits for sheriffs and deputy sheriffs engaged in criminal law enforcement activities. The aggregate cost of the plan was \$2,519,140. The payment terms provide for repayment over a ten year period, with interest at 8.5%. The remaining liability for this program is \$1,159,094 and is applicable to the governmental funds.

The County, pursuant to Article 14-B of the Retirement and Social Security Law, elected to participate in a retirement option which provides for special retirement benefits for deputy sheriffs engaged in criminal law enforcement activities. The aggregate cost of the plan was \$472,292. The payment terms provide for repayment over a five year period, with interest at 8.5%. The remaining liability for this program is \$281,892 and is applicable to the governmental funds.

Note 3 - Detailed Notes on All Funds (Continued)

K. Revenues and Expenditures

Interfund Transfers

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

Transfers Out	Transfers In				Total
	General	Capital Projects	Non-Major Govern-mental	Internal Service	
General	\$ -	\$ -	\$ 22,321,579	\$ 90,696	\$ 22,412,275
Capital Projects	1,875,945	-	2,280,474	-	4,156,419
Non-Major Govern-mental	3,467,914	400,000	7,435,349	-	11,303,263
	<u>\$ 5,343,859</u>	<u>\$ 400,000</u>	<u>\$ 32,037,402</u>	<u>\$ 90,696</u>	<u>\$ 37,871,957</u>

L. Post-Employment Health Care Benefits

In addition to providing pension benefits, the primary government and its College component unit provides certain health care benefits for retired employees. The various collective bargaining agreements stipulate the employees covered and the percentage of contribution. Contributions by the primary government and its College component unit may vary according to length of service. Substantially all employees may become eligible for those benefits if they reach normal retirement age while working for these entities. The cost of retiree health care benefits is recognized as an expenditure/expense as claims are paid. Expenditures/expenses for the primary government in 2003 aggregated \$11,401,030 and were paid on behalf of 1,425 retirees. Expenditures for the College aggregated \$2,401,670 for 301 retirees for the year ended August 31, 2003. The Soil and Water Conservation District, Industrial Development Agency and the Solid Waste Management Authority did not incur expenditures/expenses for retiree health care benefits.

M. Net Assets

The components of net assets are detailed below:

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

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

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

Note 3 - Detailed Notes on All Funds (Continued)

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

Restricted for E-911 - the component of net assets that has been established to set aside funds pursuant to a State directive to be used for a County-wide Emergency 911 Telephone System.

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

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

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

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

Restricted for Affordable Housing - the component of net assets established by the U.S. Department of Housing and Urban Development to be utilized for the purposes of creating an affordable housing program in the County.

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

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

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

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

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

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

Note 3 - Detailed Notes on All Funds (Continued)

N. Fund Balances

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

Reserved

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

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

The Reserve for Long-Term Receivable is used to indicate that certain receivables will not be collected in sufficient time to use the funds to satisfy liabilities of the period. A reserve has been established to indicate that the funds are not "available" for appropriation or expenditure even though the amounts are a component of current assets.

The Reserve for Compensated Absences represent funds set aside for the payment of accumulated vacation and sick leave in accordance with various collective bargaining agreements and General Municipal Law. These funds are not "available" for appropriation or expenditure.

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

Unreserved - Designations

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

Designated for Affordable Housing - This designation, established by the County Legislature, is used to segregate a portion of fund balance to be utilized for the purpose of creating an affordable housing program in the County.

Designated for Section 8 - This designation of fund balance represent surplus monies from the Section 8 Program, which is to be used to fund certain programs.

Designation for Transportation Projects - This designation of fund balance represent surplus monies received for transportation projects, which are to be used to fund transportation capital project costs.

Designated for Treatment Plant and Collection System - This designation, established by the County Legislature, represents collected assessment fees to be used for future expansion and/or upgrade of the Treatment Plant and Collection System.

Note 3 - Detailed Notes on All Funds (Continued)

Designated for Subsequent Year's Expenditures - Special Revenue and Debt Service Funds - At December 31, 2003, the County Legislature has designated that \$1,530,564 of the fund balance of the Sewer District Fund and \$7,746,977 of the fund balance of the Debt Service Fund be appropriated for the ensuing year's budget.

Note 4 - Summary Disclosure of Significant Contingencies

A. Litigation

The County 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.

The Solid Waste Management Authority is a defendant in a lawsuit brought over the value of land it acquired through condemnation proceedings. The parties are in settlement discussions, but it is not possible to estimate the cost, if any, of this litigation to the Authority. The Authority is also a defendant, along with the general contractor, in a personal injury suit brought by a construction worker who was injured in the construction of one of its buildings. It is not possible to estimate the cost to the Authority, if any, in excess of insurance coverage in this case.

B. Risk Management

Liability Claims

The County is currently self-insured for general liability, property damage and medical malpractice claims. 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 \$500,000. 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.

Note 4 - Summary Disclosure of Significant Contingencies (Continued)

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 Rockland County that extends coverage to the College. The self-insured retention under these policies is \$1 million. Settled claims resulting from these risks have not exceeded commercial insurance coverage in any of the past three years. In addition, the College participates in the Rockland County Workers' Compensation Self Insurance Plan, a risk sharing pool, administered by the County, to insure workers' compensation claims. This is a public entity risk pool created under Article 5, Workers' Compensation Law, to finance liability and risk related to workers' compensation claims.

Soil and Water Conservation District

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

Solid Waste Management Authority

The Authority purchases various conventional insurance policies to reduce its exposure to loss. The Authority maintains a general liability policy with coverage of up to \$8.795 million, property and pollution policies of \$3 million each, and automobile, and directors and officers liability policies with coverage up to \$2 million each. Settled claims resulting from these risks have not exceeded commercial insurance coverage in any of the past three fiscal years. The Authority purchases conventional insurance coverage for health, workers' compensation and unemployment benefits.

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 25, 2004, issued tax anticipation notes in the amount of \$63,000,000. The notes bear interest at rates ranging from 1.75% to 2.00% and mature on March 24, 2005.

The County, on March 25, 2004, issued revenue anticipation notes in the amount of \$45,000,000. The notes bear interest at 1.75%, and mature on March 24, 2005.

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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, 2003 AND 2002

	<u>2003</u>	<u>2002</u>
<u>ASSETS</u>		
Cash:		
Demand deposits	\$ 49,447,200	\$ 34,147,467
Departmental cash	16,940	16,690
	<u>49,464,140</u>	<u>34,164,157</u>
Investments	<u>4,601,689</u>	<u>3,622,571</u>
Taxes Receivable:		
Tax liens	9,309,068	9,299,288
Tax installments	1,757,123	2,481,188
Returned school and village taxes	62,175,395	14,182,980
Property acquired for taxes	123,468	123,468
	<u>73,365,054</u>	<u>26,086,924</u>
Allowance for uncollectible taxes	<u>(1,056,000)</u>	<u>(1,158,000)</u>
	<u>72,309,054</u>	<u>24,928,924</u>
Other Receivables:		
Accounts, net of allowance for uncollectible amounts	27,647,414	29,116,036
State and Federal aid, net of allowance for uncollectible amounts	56,860,124	57,595,986
Due from other governments	3,200,791	5,216,964
Due from other funds	659,085	-
Advances to other funds	1,039,143	1,388,381
	<u>89,406,557</u>	<u>93,317,367</u>
Prepaid Expenditures	<u>932,295</u>	<u>241,790</u>
Total Assets	<u>\$ 216,713,735</u>	<u>\$ 156,274,809</u>
<u>LIABILITIES AND FUND BALANCE</u>		
Liabilities:		
Accounts payable	\$ 21,326,069	\$ 22,290,441
Accrued liabilities	15,605,177	15,039,365
Due to other governments	1,442,000	1,113,434
Due to school districts	79,920,047	15,746,349
Due to other funds	1,039,143	6,663,915
Deferred revenues - Taxes	8,271,794	8,147,070
Deferred revenues - Other	2,007,585	2,435,886
Revenue anticipation note payable	55,000,000	60,000,000
Total Liabilities	<u>184,611,815</u>	<u>131,436,460</u>
Fund Balance:		
Reserved for encumbrances	1,997,235	3,164,637
Reserved for prepaid expenditures	932,295	241,790
Reserved for law enforcement	235,257	427,229
Reserved for Stop - DWI Program	295,170	182,734
Reserved for E-911	146,611	134,630
Reserved for Handicapped Parking	32,955	23,655
Reserved for compensated absences	7,340,097	7,668,958
Reserved for Debt service	240,626	-
Reserved for advances	1,039,143	1,388,381
Unreserved:		
Designated for Section 8	122,803	122,803
Undesignated	19,719,728	11,483,532
Total Fund Balance	<u>32,101,920</u>	<u>24,838,349</u>
Total Liabilities and Fund Balance	<u>\$ 216,713,735</u>	<u>\$ 156,274,809</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, 2003 AND 2002

	2003			Variance with Final Budget Positive (Negative)
	Original Budget	Final Budget	Actual	
Revenues:				
Real property taxes	\$ 42,348,000	\$ 42,348,000	\$ 42,387,667	\$ 39,667
Other tax items	4,900,000	4,900,000	4,262,453	(637,547)
Non-property taxes	140,926,000	140,926,000	142,819,235	1,893,235
Departmental income	29,347,496	30,092,200	28,491,559	(1,600,641)
Use of money and property	730,000	730,000	847,410	117,410
Licenses and permits	1,287,000	1,287,000	1,288,073	1,073
Fines and forfeitures	677,935	685,060	707,723	22,663
Sale of property and compensation for loss	78,000	78,000	153,048	75,048
Interfund revenues	10,339,609	10,342,883	9,405,426	(937,457)
State aid	84,616,286	89,650,587	77,672,879	(11,977,708)
Federal aid	40,927,006	47,749,375	41,539,131	(6,210,244)
Miscellaneous	5,141,863	13,433,259	14,513,090	1,079,831
Total Revenues	361,319,195	382,222,364	364,087,694	(18,134,670)
Expenditures:				
Current:				
General government support	43,587,396	45,124,093	34,993,828	10,130,265
Education	52,486,999	52,701,765	50,182,282	2,519,483
Public safety	41,025,258	44,012,542	42,894,951	1,117,591
Health	34,232,642	39,131,625	34,217,931	4,913,694
Transportation	18,468,577	20,565,373	20,138,440	426,933
Economic opportunity and development	150,130,911	151,094,652	142,680,151	8,414,501
Culture and recreation	681,407	681,407	643,684	37,723
Home and community services	5,592,917	5,874,539	5,551,228	323,311
Employee benefits	7,657,020	14,431,422	13,746,315	685,107
Debt Service - Interest	1,800,000	1,800,000	1,380,640	419,360
Total Expenditures	355,663,127	375,417,418	346,429,450	28,987,968
Excess (Deficiency) of Revenues Over Expenditures	5,656,068	6,804,946	17,658,244	10,853,298
Other Financing Sources (Uses):				
Bonds issued	-	6,673,743	6,673,743	-
Transfers in	5,380,293	5,380,293	5,343,859	(36,434)
Transfers out	(14,200,998)	(22,446,051)	(22,412,275)	33,776
Total Other Financing Uses	(8,820,705)	(10,392,015)	(10,394,673)	(2,658)
Net Change in Fund Balance	(3,164,637)	(3,587,069)	7,263,571	10,850,640
Fund Balance - Beginning of Year, as previously reported	3,164,637	3,587,069	24,838,349	21,251,280
Change in Accounting Principle	-	-	-	-
Fund Balance - Beginning of Year, as restated	3,164,637	3,587,069	24,838,349	21,251,280
Fund Balance - End of Year	\$ -	\$ -	\$ 32,101,920	\$ 32,101,920

2002

Original Budget	Final Budget	Actual	Variance with Final Budget Positive (Negative)
\$ 40,131,825	\$ 40,131,825	\$ 43,024,198	\$ 2,892,373
4,810,000	4,810,000	4,461,514	(348,486)
119,708,986	119,708,986	119,731,942	22,956
24,967,181	25,919,576	29,514,747	3,595,171
610,000	610,000	928,699	318,699
1,372,000	1,372,000	1,222,638	(149,362)
664,879	657,754	663,206	5,452
13,500	13,500	135,547	122,047
9,185,905	38,904,782	39,112,951	208,169
75,472,602	80,035,929	76,070,704	(3,965,225)
35,280,651	44,095,393	42,680,443	(1,414,950)
6,154,000	6,206,955	6,912,934	705,979
<u>318,371,529</u>	<u>362,466,700</u>	<u>364,459,523</u>	<u>1,992,823</u>
42,926,735	39,471,281	34,958,991	4,512,290
47,775,971	47,806,080	45,329,687	2,476,393
36,935,296	40,231,601	41,745,805	(1,514,204)
34,752,664	39,207,625	37,298,006	1,909,619
16,604,981	19,654,867	19,868,067	(213,200)
127,537,476	133,197,864	135,363,082	(2,165,218)
598,205	598,555	598,690	(135)
5,084,615	6,007,341	5,082,674	924,667
8,381,632	38,116,925	36,281,171	1,835,754
441,000	441,000	372,078	68,922
<u>321,038,575</u>	<u>364,733,139</u>	<u>356,898,251</u>	<u>7,834,888</u>
<u>(2,667,046)</u>	<u>(2,266,439)</u>	<u>7,561,272</u>	<u>9,827,711</u>
-	-	-	-
5,049,245	5,076,135	4,847,915	(228,220)
<u>(13,063,028)</u>	<u>(13,234,638)</u>	<u>(12,746,451)</u>	<u>488,187</u>
<u>(8,013,783)</u>	<u>(8,158,503)</u>	<u>(7,898,536)</u>	<u>259,967</u>
<u>(10,680,829)</u>	<u>(10,424,942)</u>	<u>(337,264)</u>	<u>10,087,678</u>
10,680,829	10,424,942	17,130,029	6,705,087
-	-	8,045,584	8,045,584
<u>10,680,829</u>	<u>10,424,942</u>	<u>25,175,613</u>	<u>14,750,671</u>
<u>\$ -</u>	<u>\$ -</u>	<u>\$ 24,838,349</u>	<u>\$ 24,838,349</u>

COUNTY OF ROCKLAND, NEW YORK

GENERAL FUND

SCHEDULE OF REVENUES AND OTHER FINANCING SOURCES COMPARED TO BUDGET
 YEAR ENDED DECEMBER 31, 2003
 (With Comparative Actual for 2002)

	Original Budget	Final Budget	Actual	Variance with Final Budget Positive (Negative)	2002 Actual
REAL PROPERTY TAXES	\$ 42,348,000	\$ 42,348,000	\$ 42,387,667	\$ 39,667	\$ 43,024,198
OTHER TAX ITEMS					
Interest and penalties on real property taxes	4,500,000	4,500,000	3,981,875	(518,125)	4,331,873
Gain on sale of tax acquired property	300,000	300,000	161,205	(138,795)	26,784
Payments in lieu of taxes	100,000	100,000	119,373	19,373	102,857
Total Other Tax Items	4,900,000	4,900,000	4,262,453	(637,547)	4,461,514
NON-PROPERTY TAXES					
Sales and use tax	135,000,000	135,000,000	140,024,664	5,024,664	119,079,563
Mortgage tax	5,200,000	5,200,000	2,138,685	(3,061,315)	-
E-911 surcharge	726,000	726,000	655,886	(70,114)	652,379
Total Non-Property Taxes	140,926,000	140,926,000	142,819,235	1,893,235	119,731,942
DEPARTMENTAL INCOME					
General:					
Department of Finance	150,000	150,000	168,638	18,638	126,119
Redemption advertising	15,000	15,000	11,369	(3,631)	10,138
County Clerk	3,667,145	3,667,145	4,861,999	1,194,854	3,529,240
Sheriff patrol	430,000	430,000	430,000	-	423,146
Title search and auction fees	175,000	175,000	85,095	(89,905)	102,883
Reimbursement - County Youth program	-	12,401	26,737	14,336	173,157
Reimbursement - Solid Waste Authority	153,400	153,400	195,356	41,956	127,042
Reimbursement - Workers' compensation insurance	170,000	170,000	128,851	(41,149)	164,410
Reimbursement - Participant Health	610,000	610,000	430,315	(179,685)	526,006
Reimbursement - New Employee Health	650,000	650,000	992,409	342,409	730,728
Reimbursement - Archivist	10,000	10,000	5,213	(4,787)	-
Reimbursement - PINs	142,122	188,372	36,688	(151,684)	-
Jail School Lunch program	20,000	20,000	26,912	6,912	34,509
Shared services	5,200,747	5,200,747	4,012,205	(1,188,542)	5,136,471
Tuition chargeback	46,870	46,870	25,369	(21,501)	37,514
Other	685,306	919,751	982,809	63,058	770,487
Total General	12,125,590	12,418,686	12,419,965	1,279	11,891,850

Public Safety:									
Sheriff	959,811	959,811	928,108	(31,703)	721,606				
DWI Program	18,000	18,000	28,312	10,312	18,000				
Courts and bails	6,000	6,000	13,588	7,588	11,534				
Dog license fees	-	-	4,982	4,982	5,060				
Other	303,300	304,295	317,240	12,945	336,792				
Total Public Safety	1,287,111	1,288,106	1,292,230	4,124	1,092,992				
Health:									
Environmental health	3,720,200	3,742,870	2,760,553	(982,317)	3,892,983				
Clinic and miscellaneous health fees	71,650	71,650	74,495	2,845	66,600				
Prenatal care	235,000	235,000	562,796	327,796	562,103				
HIV clinic	-	121,218	97,802	(23,416)	148,348				
Assisted living program	7,250	7,250	1,560	(5,690)	7,137				
Prenatal inspection	25,000	25,000	42,300	17,300	35,000				
Third party reimbursement	991,600	1,167,833	565,311	(602,522)	156,021				
Physically handicapped adults	-	130,492	165,308	34,816	232,355				
Medical Exam Reports	-	-	550	550	435				
Total Health	5,050,700	5,501,313	4,270,675	(1,230,638)	5,100,982				
Transportation:									
Bus operations	3,512,595	3,512,595	2,666,749	(845,846)	3,298,525				
Municipality contribution	-	-	-	-	60,000				
MTA - Deficit funding	3,000,000	3,000,000	3,000,000	-	3,000,000				
Total Transportation	6,512,595	6,512,595	5,666,749	(845,846)	6,358,525				
Economic Assistance and Opportunity:									
Medical assistance	1,800,000	1,800,000	1,602,061	(197,939)	1,441,860				
Administration	121,500	121,500	125,480	3,980	317,360				
Emergency shelter	600,000	600,000	462,323	(137,677)	670,573				
Adult home fees	250,000	250,000	221,656	(28,344)	283,561				
Children's services	200,000	200,000	335,121	135,121	317,005				
Aid to dependent children	750,000	750,000	1,162,847	412,847	1,270,067				
Title IVD incentive	150,000	150,000	414,182	264,182	198,730				
Juvenile delinquents	150,000	150,000	35,487	(114,513)	6,261				
Home relief	350,000	350,000	482,783	132,783	564,981				
Total Economic Assistance and Opportunity	4,371,500	4,371,500	4,841,940	470,440	5,070,398				
Total Departmental Income	29,347,496	30,092,200	28,491,559	(1,600,641)	29,514,747				
USE OF MONEY AND PROPERTY									
Earnings on investments	730,000	730,000	847,410	117,410	926,476				
Rental of real property	-	-	-	-	2,223				
Total Use of Money and Property	730,000	730,000	847,410	117,410	928,699				

(Continued)

COUNTY OF ROCKLAND, NEW YORK

GENERAL FUND
 SCHEDULE OF REVENUES AND OTHER FINANCING SOURCES COMPARED TO BUDGET (Continued)
 YEAR ENDED DECEMBER 31, 2003
 (With Comparative Actual for 2002)

	Original Budget	Final Budget	Actual	Variance with Final Budget Positive (Negative)	2002 Actual
LICENSES AND PERMITS					
Licenses	\$ 779,000	\$ 779,000	\$ 696,128	\$ (82,872)	\$ 677,188
Alarm charges	508,000	508,000	591,945	83,945	545,450
Total Licenses and Permits	1,287,000	1,287,000	1,288,073	1,073	1,222,638
FINES AND FORFEITURES					
Fines	597,935	605,060	642,157	37,097	606,212
Forfeitures	80,000	80,000	65,566	(14,434)	56,994
Total Fines and Forfeitures	677,935	685,060	707,723	22,663	663,206
SALE OF PROPERTY AND COMPENSATION FOR LOSS					
Other sales	27,000	27,000	99,063	72,063	68,967
Insurance recoveries	51,000	51,000	53,985	2,985	66,580
Total Sale of Property and Compensation for Loss	78,000	78,000	153,048	75,048	135,547
INTERFUND REVENUES					
Classified ad chargebacks	25,500	25,500	6,362	(19,138)	19,922
Chargeback - Liability and health insurance	399,660	399,660	285,201	(114,459)	338,736
Interfund revenues - Central Services	3,502,510	3,505,784	3,210,516	(295,268)	3,209,093
Interfund revenues - Health and Dental Benefits	-	-	-	-	14,129,517
Intrafund revenues - Health and Dental Benefits	-	-	-	-	15,731,225
Community College Fund	6,411,939	6,411,939	5,903,347	(508,592)	5,684,458
Total Interfund/Intrafund Revenues	10,339,609	10,342,883	9,405,426	(937,457)	39,112,951
STATE AID					
General:					
"I Love NY" grant	86,231	86,231	81,617	(4,614)	86,198
MTA special allocation	2,000,000	2,000,000	2,000,000	-	2,000,000
Other	645,292	813,991	1,179,590	365,599	704,128
Total General	2,731,523	2,900,222	3,261,207	360,985	2,790,326

Public Safety:									
Public safety									6,000
Probation services	756,000	911,203	893,802	(17,401)	-	893,802	(17,401)		949,569
Alternatives to incarceration	35,000	35,000	35,300	300		35,300			35,300
Occupant restraint project	90,000	90,000	64,355	(25,645)		64,355	(25,645)		71,988
Sheriff	95,000	96,926	101,932	5,006		101,932	5,006		86,952
Jail	187,500	187,500	188,254	754		188,254	754		213,198
Emergency Preparedness Program	-	374,949	374,947	(2)		374,947	(2)		314,256
Other	270,000	494,014	561,133	67,119		561,133	67,119		558,982
Total Public Safety	1,433,500	2,189,592	2,219,723	30,131		2,219,723	30,131		2,236,245
Health:									
Health Department	4,780,365	5,110,049	5,424,472	314,423		5,424,472	314,423		3,852,117
Medical Examiner	-	119,953	113,348	(6,605)		113,348	(6,605)		119,750
Medicaid reimbursement	6,805,800	6,847,168	8,401,488	1,554,320		8,401,488	1,554,320		5,168,914
Physically handicapped children	17,248,130	17,248,130	15,571,764	(1,676,366)		15,571,764	(1,676,366)		13,959,462
Family Planning Grant	231,425	249,929	230,991	(18,938)		230,991	(18,938)		240,156
Mental health programs	6,738,901	7,953,864	7,193,406	(760,458)		7,193,406	(760,458)		6,523,916
Mosquito Control	371,425	371,425	(35,041)	(406,466)		(35,041)	(406,466)		260,233
Other	242,310	860,751	738,070	(122,681)		738,070	(122,681)		661,564
Total Health	36,418,356	38,761,269	37,638,498	(1,122,771)		37,638,498	(1,122,771)		30,786,112
Transportation -									
Buses and other mass transit	7,133,055	7,258,055	8,027,961	769,906		8,027,961	769,906		8,492,057
Social Services:									
Aid to dependent children	2,250,000	2,250,000	1,496,104	(753,896)		1,496,104	(753,896)		1,674,936
MD/L THC reimbursement	15,400,000	15,400,000	13,202,031	(2,197,969)		13,202,031	(2,197,969)		12,565,396
Medical assistance and managed care program	-	86,610	430,610	344,000		430,610	344,000		76,717
Children's services	2,856,000	2,856,000	2,121,279	(734,721)		2,121,279	(734,721)		1,724,162
Tuition reimbursement	18,750	18,750	-	(18,750)		-	(18,750)		-
Special needs	2,000	702,000	939	(701,061)		939	(701,061)		938,835
Social services administration	11,076,532	11,093,358	3,759,271	(7,334,087)		3,759,271	(7,334,087)		9,294,848
Juvenile delinquent care	750,000	750,000	422,289	(327,711)		422,289	(327,711)		460,650
Home relief	2,100,000	2,100,000	1,667,678	(432,322)		1,667,678	(432,322)		1,627,325
Services for recipients	750,000	727,394	759,643	32,249		759,643	32,249		706,457
Emergency relief to adults	100,000	100,000	25,466	(74,534)		25,466	(74,534)		25,641
Displaced Homemaker Program	-	277,448	300,408	22,960		300,408	22,960		400,144
Child Assistance Program	-	166,724	149,262	(17,462)		149,262	(17,462)		150,617
Legal services for disabled	-	57,571	49,296	(8,275)		49,296	(8,275)		25,485
Other	191,372	436,469	574,330	137,861		574,330	137,861		832,115
Total Social Services	35,494,654	37,022,324	24,958,606	(12,063,718)		24,958,606	(12,063,718)		30,503,328

(Continued)

COUNTY OF ROCKLAND, NEW YORK

GENERAL FUND
 SCHEDULE OF REVENUES AND OTHER FINANCING SOURCES COMPARED TO BUDGET (Continued)
 YEAR ENDED DECEMBER 31, 2003
 (With Comparative Actual for 2002)

	Original Budget	Final Budget	Actual	Variance with Final Budget Positive (Negative)	2002 Actual
Economic Opportunity and Development	\$ 18,200	\$ 18,200	\$ 17,744	\$ (456)	\$ 17,859
Culture and Recreation:					
Programs for aging	289,055	289,055	318,736	29,681	217,744
Supplemental Nutrition Assistance Program	166,934	166,934	173,839	6,905	143,830
Youth programs	440,976	454,076	472,819	18,743	427,559
EICEP Grant	363,261	363,261	401,196	37,935	330,164
Other	126,772	227,599	182,550	(45,049)	125,480
Total Culture and Recreation	1,386,998	1,500,925	1,549,140	48,215	1,244,777
Total State Aid	84,616,286	89,650,587	77,672,879	(11,977,708)	76,070,704
FEDERAL AID					
Public Safety:					
Civil defense	44,500	54,842	122,321	67,479	342,691
Crime proceeds	-	-	4,987	4,987	54,999
Domestic Violence Against Women	-	95,000	75,398	(19,602)	73,260
Other	-	376,356	11,607	(364,749)	462,043
Total Public Safety	44,500	526,198	214,313	(311,885)	932,993
Health:					
Community Partnership Program	75,000	75,000	(18,750)	(93,750)	150,000
Ryan White Title I Grant	-	304,441	287,159	(17,282)	301,812
W.I.C. Program	-	1,039,059	1,577,412	538,353	979,074
Other	82,905	242,244	393,851	151,607	132,418
Total Health	157,905	1,660,744	2,239,672	578,928	1,563,304
Transportation:					
Federal highway assistance	-	1,792,369	1,792,369	-	2,514,679
UMTA	764,620	764,660	188,900	(575,760)	460,002
Total Transportation	764,620	2,557,029	1,981,269	(575,760)	2,974,681

Social Services									
Services for recipients	11,016,250	10,767,584	7,476,371	(3,291,213)	5,933,825				
Aid to dependent children	4,500,000	4,500,000	4,302,987	(197,013)	4,171,923				
Social services administration	18,378,040	18,630,282	16,474,969	(2,155,313)	18,957,495				
Children's services	2,856,000	4,012,612	3,588,793	(423,819)	3,176,164				
Energy Assistance Program	1,375,000	1,375,000	1,896,968	521,968	740,106				
Refugee Program	50,000	50,000	(100,891)	(150,891)	377,471				
Other	155,225	1,518,879	1,360,605	(158,274)	2,185,170				
Total Social Services	38,330,515	40,854,357	34,999,802	(5,854,555)	35,542,154				
Economic Opportunity and Development:									
Section 8 program	446,911	650,733	542,141	(108,592)	311,736				
Other	61,538	330,322	414,596	84,274	314,462				
Total Economic Opportunity and Development	508,449	981,055	956,737	(24,318)	626,198				
Culture and Recreation:									
USDA	110,000	110,000	91,711	(18,289)	60,202				
Programs for the aging	1,011,017	1,059,992	1,055,627	(4,365)	980,911				
Total Culture and Recreation	1,121,017	1,169,992	1,147,338	(22,654)	1,041,113				
Total Federal Aid	40,927,006	47,749,375	41,539,131	(6,210,244)	42,680,443				
MISCELLANEOUS									
Refund of prior year's expenditures	50,000	50,000	19,803	(30,197)	108,502				
Tobacco securitization proceeds	-	8,245,053	8,245,053	-	-				
OTB distributed earnings	2,500,000	2,500,000	2,892,790	392,790	3,072,716				
Tobacco revenue settlement	2,500,000	2,500,000	3,118,003	618,003	3,476,633				
Gifts and donations	5,000	28,643	51,183	22,540	36,855				
Other	86,863	109,563	186,258	76,695	218,228				
Total Miscellaneous	5,141,863	13,433,259	14,513,090	1,079,831	6,912,934				
TOTAL REVENUES	361,319,195	382,222,364	364,087,694	(18,134,670)	364,459,523				
OTHER FINANCING SOURCES									
Bond issued	-	6,673,743	6,673,743	-	-				
Transfers in:									
Debt Service Fund	3,496,940	3,496,940	3,467,914	(29,026)	4,375,126				
Capital Projects Fund	1,883,353	1,883,353	1,875,945	(7,408)	472,789				
TOTAL OTHER FINANCING SOURCES	5,380,293	12,054,036	12,017,602	(36,434)	4,847,915				
TOTAL REVENUES AND OTHER FINANCING SOURCES	\$ 366,699,488	\$ 394,276,400	\$ 376,105,296	\$ (18,171,104)	\$ 369,307,438				

COUNTY OF ROCKLAND, NEW YORK

GENERAL FUND

SCHEDULE OF EXPENDITURES AND OTHER FINANCING USES COMPARED TO BUDGET

YEAR ENDED DECEMBER 31, 2003

(With Comparative Actual for 2002)

	Original Budget	Final Budget	Actual	Variance with Final Budget Positive (Negative)	2002 Actual
GENERAL GOVERNMENT SUPPORT					
Legislative Branch	\$ 3,332,015	\$ 3,260,399	\$ 2,807,418	\$ 452,981	\$ 2,880,521
County Executive	4,902,883	4,899,430	1,340,402	3,559,028	1,292,727
Drug Court	131,563	137,242	120,554	16,688	125,925
Crime Victims Program	-	61,753	61,729	24	62,095
Community Partnership Program	224,811	224,811	214,491	10,320	209,067
Youth Bureau	1,794,716	2,195,468	2,083,218	112,250	2,008,613
Community Development Program	862,943	1,013,584	748,626	264,958	777,339
DWI Program	349,835	353,292	243,111	110,181	323,470
District Attorney	4,940,453	5,039,465	4,967,458	72,007	5,336,658
Public Defender	2,035,178	2,201,887	2,201,666	221	1,981,467
Major Offense Prosecution Program	250,000	363,607	362,618	989	319,820
Justice of Peace - Police Court	50,000	65,000	64,706	294	51,082
Legal Aid Society	101,750	101,750	101,750	-	93,500
Assigned Counsel	612,622	764,622	764,130	492	605,221
Medical Examiner	1,036,263	1,086,388	1,086,252	136	1,219,294
Department of Audit	294,610	364,610	287,130	77,480	211,762
Department of Budget and Management	881,956	881,956	696,443	185,513	827,025
Department of Finance	2,674,330	2,685,330	2,684,695	635	2,643,292
Department of Records	2,907,013	3,033,514	2,947,042	86,472	2,735,419
Department of Law	2,041,153	2,210,154	1,897,374	312,780	2,337,971
Department of Personnel	4,095,169	3,906,843	3,438,726	468,117	3,341,580
County Archivist	439,750	448,857	419,049	29,808	396,552
Board of Elections	1,284,864	1,284,864	1,224,429	60,435	1,225,289
Rockland County Board of Ethics	22,680	22,680	9,557	13,123	7,278
Rockland Economic Development Corporation	475,000	475,000	445,000	30,000	420,000
Unallocated general services	2,036,589	1,557,671	1,556,941	730	995,890
Department of Insurance	931,104	931,104	782,581	148,523	846,040
Municipal dues	41,982	41,982	41,982	-	44,277
Refunds of real property taxes	770,000	770,000	603,506	166,494	885,387
Department of Tourism	428,147	467,147	466,730	417	417,239
Office of Affirmative Action	385,970	385,970	324,514	61,456	337,191
Contingent fund	3,252,047	3,887,713	-	3,887,713	-
Total General Government Support	43,587,396	45,124,093	34,993,828	10,130,265	34,958,991

EDUCATION

Community college tuition	800,000	987,000	986,230	770	801,638
Contribution to Community College Fund	12,861,864	12,861,864	12,861,864	-	12,758,971
Education of handicapped children	38,825,135	38,852,901	36,334,188	2,518,713	31,769,078
Total Education	52,486,999	52,701,765	50,182,282	2,519,483	45,329,687

PUBLIC SAFETY

Sheriff	3,109,702	3,270,883	3,120,706	150,177	2,894,275
Bureau of Criminal Identification	2,175,900	2,199,674	2,198,779	895	2,046,078
Sheriff's patrol	6,463,424	7,367,050	7,356,467	10,583	6,638,859
Sheriff's patrol - Health complex	1,032,296	1,032,296	970,109	62,187	1,104,752
Sheriff - Communications	1,273,555	1,273,616	1,174,660	98,956	1,206,959
Sheriff - Police Academy	551,764	551,764	460,227	91,537	509,377
Narcotics task force	2,137,413	2,231,465	2,220,650	10,815	1,682,051
Major Offense Police Program	-	-	-	-	664,327
Probation Department	4,944,835	5,292,718	4,823,244	469,474	5,616,762
Jail	16,401,849	17,330,281	17,328,934	1,347	16,114,346
Rockland County Highway Safety Committee	173,713	174,052	135,318	38,734	146,391
Department of Fire and Emergency Services	1,780,125	1,900,664	1,898,749	1,915	2,146,090
Fire Advisory Board	3,700	3,700	1,849	1,851	1,505
Animal shelter	-	75,000	75,000	-	42,000
Animal care	50,000	-	-	-	-
H.E.L.P.	42,500	42,500	42,500	-	35,000
Crime Prevention Bureau	10,000	10,000	10,000	-	-
Emergency Preparedness Program	46,274	374,949	374,947	2	-
Hazardous materials	109,158	117,678	107,420	10,258	95,694
WTC Response grant	-	-	-	-	181,016
E-911 telephone system	719,050	764,252	595,392	168,860	620,323
Total Public Safety	41,025,258	44,012,542	42,894,951	1,117,591	41,745,805

HEALTH

Department of Health	22,169,670	23,175,973	19,775,156	3,400,817	24,261,192
Family planning	733,914	758,462	757,968	494	729,105
Physically handicapped children	192,500	289,500	289,372	128	229,974
Immunization action program	-	119,953	117,294	2,659	122,354
Emergency medical services	253,608	257,288	221,749	35,539	235,092
Association for the Visually Impaired	268,250	268,250	268,250	-	246,500
WIC program	41,200	1,080,259	1,037,315	42,944	1,078,481
Rockland Family Shelter	80,000	117,000	117,000	-	105,000
Drug Abuse Control Committee	1,141,116	1,183,135	1,114,812	68,323	1,160,209
Department of Mental Health	400,000	449,000	448,063	937	396,421
Contracted mental health services	1,341,795	1,379,739	1,333,596	46,143	1,255,427
Contracted health services	12,750	12,750	12,750	-	12,750

(Continued)

COUNTY OF ROCKLAND, NEW YORK

GENERAL FUND
 SCHEDULE OF EXPENDITURES AND OTHER FINANCING USES COMPARED TO BUDGET (Continued)
 YEAR ENDED DECEMBER 31, 2003
 (With Comparative Actual for 2002)

HEALTH (Continued)	Original Budget	Final Budget	Actual	Variance with Final Budget	
				Positive (Negative)	2002 Actual
Good Samaritan Hospital	\$ 12,941	\$ 13,361	\$ 2,067	\$ 11,294	\$ 12,940
Mental health programs	5,060,353	6,574,504	6,055,587	518,917	4,879,768
Bio-terrorism	8,100	373,175	340,732	32,443	15,070
Breast cancer education and treatment	157,712	157,712	56,892	100,820	52,740
Tobacco prevention and enforcement program	776,108	1,047,870	556,464	491,406	645,261
Youth against tobacco use program	-	109,632	108,778	854	131,290
Rockland Council on Alcoholism	155,708	159,245	159,245	-	155,708
Mid-Hudson Society for Epilepsy	236,719	236,719	236,719	-	226,719
New York Association for Learning Disabled	91,883	91,883	91,883	-	81,883
Safe drinking water program	-	129,378	129,091	287	87,088
Mosquito control program	944,697	944,697	785,008	159,689	1,003,167
St. Agatha respite program	10,000	10,000	10,000	-	10,000
Open arms	143,618	192,140	192,140	-	163,867
Total Health	34,232,642	39,131,625	34,217,931	4,913,694	37,298,006
TRANSPORTATION					
Public transportation	18,468,577	20,565,373	20,138,440	426,933	19,868,067
ECONOMIC OPPORTUNITY AND DEVELOPMENT					
Department of Social Services	39,594,909	38,895,961	38,357,080	538,881	38,192,404
Social Services Program Grants	-	769,710	625,516	144,194	918,753
Displaced homemaker	-	258,648	258,648	-	285,785
Family daycare provider	-	725,607	527,489	198,118	467,429
Purchase of services	12,016,250	10,124,550	8,636,953	1,487,597	7,355,481
Medical assistance	66,600,000	66,903,000	62,371,052	4,531,948	56,557,435
Aid to dependent children	9,000,000	9,000,000	8,942,400	57,600	8,946,729
Children services	8,400,000	9,387,692	8,900,540	487,152	9,660,530
Juvenile delinquent care	1,500,000	1,500,000	1,450,574	49,426	1,582,422
Home relief	4,200,000	4,200,000	3,656,256	543,744	3,677,427
State fuel crisis assistance	1,500,000	1,867,000	1,866,793	207	795,942
Emergency relief to adults	200,000	200,000	84,603	115,397	167,261
Family Health Plus Program	-	75,000	74,840	160	96,637
Veterans' Service Agency	357,666	368,367	368,269	98	385,802
Department of Weights and Measures	1,201,090	1,201,090	1,099,485	101,605	1,129,681
Office of the Aging	4,024,621	4,081,652	3,923,278	158,374	3,725,614
Rockland Community Development Council	46,250	46,250	46,250	-	42,500
MLK multi-purpose center	120,250	120,250	120,250	-	110,500
HACSO	25,000	25,000	25,000	-	-

Hogar, Inc.	120,250	120,250	120,250	-	110,500
Konbit Neg Lakay, Inc.	74,000	74,000	74,000	-	68,000
Mid-Hudson Community Council	41,625	41,625	41,625	-	38,250
NAACP	9,250	9,250	9,250	-	8,500
Community Action Program of Rockland	231,250	231,250	231,250	-	212,500
Help From People To People	10,000	10,000	10,000	-	10,000
Community Improvement Council	208,125	208,125	208,125	-	191,250
Haverstraw Ecumenical Project	7,500	7,500	7,500	-	-
Community Services of Rockland	222,000	222,000	222,000	-	204,000
Headstart of Rockland, Inc.	166,500	166,500	166,500	-	153,000
Nyack Center	69,375	69,375	69,375	-	63,750
Community Outreach Center	115,625	115,625	115,625	-	106,250
Adult Shelter on the Hill	32,375	32,375	32,375	-	29,750
Stop F.E.A.R. Coalition	4,625	4,625	4,625	-	4,250
UJA Federation of Rockland County	23,125	23,125	23,125	-	21,250
MIA Veterans' Shelter	9,250	9,250	9,250	-	8,500
St. Paul's Amez Outreach Program	-	-	-	-	35,000
Total Economic Opportunity and Development	150,130,911	151,094,652	142,680,151	8,414,501	135,363,082

CULTURE AND RECREATION

Library Board	69,375	69,375	69,375	-	63,750
India Culture Society of Rockland	7,500	7,500	7,500	-	-
Northern Rockland Irish American Cultural Society	20,000	20,000	20,000	-	-
County historian	7,268	7,268	6,545	723	6,452
Friends Help Friends	9,250	9,250	9,250	-	8,500
Haverstraw Brick Museum	22,750	22,750	22,750	-	21,250
Hudson Valley Children's Museum	37,000	37,000	-	37,000	34,000
Rockland Historical Society	51,250	51,250	51,250	-	42,500
Center for Holocaust Studies	13,875	13,875	13,875	-	12,750
YMHA	27,750	27,750	27,750	-	25,500
Rockland Symphony Association	3,700	3,700	3,700	-	3,400
Rockland Conservatory of Music	27,750	27,750	27,750	-	25,500
Debra Weiss Dance Company	3,238	3,238	3,238	-	2,975
Dance Visions Center for Integrated Arts, Inc.	9,250	9,250	9,250	-	8,500
Antrim Players	11,000	11,000	11,000	-	8,500
Elmwood Community Playhouse	14,338	14,338	14,338	-	13,175
County Choral	5,550	5,550	5,550	-	5,100
Rockland Opera Society	8,325	8,325	8,325	-	7,650
Helen Hayes Theater	78,625	78,625	78,625	-	72,250

(Continued)

COUNTY OF ROCKLAND, NEW YORK

GENERAL FUND
 SCHEDULE OF EXPENDITURES AND OTHER FINANCING USES COMPARED TO BUDGET (Continued)
 YEAR ENDED DECEMBER 31, 2003
 (With Comparative Actual for 2002)

CULTURE AND RECREATION (Continued)	Original Budget	Final Budget	Actual	Variance with Final Budget Positive (Negative)	2002	
					Budget	Actual
Arts Council of Rockland	\$ 69,375	\$ 69,375	\$ 69,375	\$ -		63,750
Rockland Center for the Arts	66,250	66,250	66,250	-		64,600
Arts Alliance of Haverstraw	39,775	39,775	39,775	-		36,550
Hudson Vagabond Puppets	6,938	6,938	6,938	-		6,375
Thorpe Senior Center	9,250	9,250	9,250	-		8,500
Rockland Camerata	2,775	2,775	2,775	-		2,550
Music Amici	2,775	2,775	2,775	-		2,550
Morning Music Group	1,900	1,900	1,900	-		1,913
Rockland Youth Dance Ensemble	8,325	8,325	8,325	-		7,650
YMCA - Nyack Branch	41,625	41,625	41,625	-		38,250
Other culture and recreation grants	4,625	4,625	4,625	-		4,250
Total Culture and Recreation	681,407	681,407	643,684	37,723		598,690
HOME AND COMMUNITY SERVICES						
Department of Planning	2,228,575	2,280,901	2,210,225	70,676		2,023,690
Employee commute options	-	27,018	-	27,018		12,050
Department of Environmental Resources	1,206,977	1,294,107	1,081,994	212,113		991,381
Rockland Housing Coalition	75,000	75,000	75,000	-		75,000
Venture Foundation, LTD	92,500	92,500	92,500	-		85,000
Commission of Human Rights	362,797	435,819	435,191	628		352,516
Commissioner of Labor	20,388	20,588	20,576	12		19,544
Disability Advisory Council	1,825	1,825	-	1,825		-
Cooperative extension	453,500	453,500	453,500	-		433,500
Jewish Family Services	32,375	34,375	34,375	-		29,750
Volunteer counseling services	231,250	269,750	269,750	-		242,500
Big brother/sister	100,000	100,000	100,000	-		100,000
CASA	60,000	60,000	60,000	-		60,000
Office for the disabled	137,130	138,556	127,517	11,039		118,068
T.O.U.C.H. of Rockland County	9,250	9,250	9,250	-		8,500
Candle, Inc.	38,850	38,850	38,850	-		35,700
Literacy Volunteers of Rockland	2,950	2,950	2,950	-		-
Women of Tomorrow	5,000	5,000	5,000	-		-
Keep Rockland Beautiful, Inc.	90,000	90,000	90,000	-		80,000
Home and Community Contracted Services	46,250	46,250	46,250	-		42,500
Family support services	398,300	398,300	398,300	-		372,975
Total Home and Community Services	5,592,917	5,874,539	5,551,228	323,311		5,082,674

EMPLOYEE BENEFITS

Workers' compensation	-	7,321,124	-	-	3,941
Hospitalization and dental	7,220,465	36,555	7,282,575	38,549	36,048,614
Vision	-	6,673,743	30,623	5,932	492,773
Retirement incentives	-	400,000	6,433,117	240,626	-
Compensated absences	400,000	-	-	400,000	(264,157)
Total Employee Benefits	7,657,020	14,431,422	13,746,315	685,107	36,281,171

DEBT SERVICE

Interest - Revenue anticipation notes	1,800,000	1,800,000	1,380,640	419,360	372,078
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TOTAL EXPENDITURES

	355,663,127	375,417,418	346,429,450	28,987,968	356,898,251
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OTHER FINANCING USES

Transfers out:

County Road Fund	7,192,019	7,192,019	7,192,019	-	5,889,034
Road Machinery Fund	933,974	933,974	933,974	-	1,000,992
Debt Service Fund	6,075,005	14,229,362	14,195,586	33,776	5,856,425
Internal Service Fund - General Services Fund	-	90,696	90,696	-	-

TOTAL OTHER FINANCING USES

	14,200,998	22,446,051	22,412,275	33,776	12,746,451
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TOTAL EXPENDITURES AND OTHER

FINANCING USES	\$ 369,864,125	\$ 397,863,469	\$ 368,841,725	\$ 29,021,744	\$ 369,644,702
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COUNTY OF ROCKLAND, NEW YORK

CAPITAL PROJECTS FUND
 COMPARATIVE BALANCE SHEET
 DECEMBER 31, 2003 AND 2002

<u>ASSETS</u>	<u>2003</u>	<u>2002</u>
Cash:		
Demand deposits	\$ 21,962,432	\$ 4,848,538
Certificates of deposit	26,568,000	32,716,000
	<u>48,530,432</u>	<u>37,564,538</u>
Receivables:		
Accounts	-	342,869
State and Federal aid	7,962,045	5,608,547
	<u>7,962,045</u>	<u>5,951,416</u>
 Total Assets	 <u>\$ 56,492,477</u>	 <u>\$ 43,515,954</u>
 <u>LIABILITIES AND FUND BALANCE</u>		
Liabilities:		
Accounts payable	\$ 5,030,759	\$ 3,782,398
Due to other governments	3,610,529	547,098
Due to other funds	38,598	935,512
Bond anticipation notes payable	10,554,500	4,800,000
	<u>19,234,386</u>	<u>10,065,008</u>
 Fund Balance:		
Reserved for encumbrances	23,247,633	20,978,913
Reserved for parklands	194,000	194,000
Unreserved:		
Designated for transportation projects	12,339,417	7,623,873
Undesignated	1,477,041	4,654,160
	<u>37,258,091</u>	<u>33,450,946</u>
 Total Fund Balance	 <u>37,258,091</u>	 <u>33,450,946</u>
 Total Liabilities and Fund Balance	 <u>\$ 56,492,477</u>	 <u>\$ 43,515,954</u>

COUNTY OF ROCKLAND, NEW YORK

CAPITAL PROJECTS FUND
 COMPARATIVE STATEMENT OF REVENUES, EXPENDITURES
 AND CHANGES IN FUND BALANCE
 YEARS ENDED DECEMBER 31, 2003 AND 2002

	<u>2003</u>	<u>2002</u>
Revenues:		
State aid	\$ 7,765,316	\$ 5,187,569
Federal aid	592,716	254,690
Total Revenues	<u>8,358,032</u>	<u>5,442,259</u>
Expenditures - Capital outlay	<u>21,121,468</u>	<u>25,899,601</u>
Deficiency of Revenues Over Expenditures	<u>(12,763,436)</u>	<u>(20,457,342)</u>
Other Financing Sources (Uses):		
Bonds issued	20,327,000	14,488,000
Transfers in	400,000	400,000
Transfers out	<u>(4,156,419)</u>	<u>(3,031,186)</u>
Total Other Financing Sources	<u>16,570,581</u>	<u>11,856,814</u>
Net Change in Fund Balance	3,807,145	(8,600,528)
Fund Balance - Beginning of Year	<u>33,450,946</u>	<u>42,051,474</u>
Fund Balance - End of Year	<u>\$ 37,258,091</u>	<u>\$ 33,450,946</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 general long-term debt.

COUNTY OF ROCKLAND, NEW YORK

COMBINING BALANCE SHEET
 NON-MAJOR GOVERNMENTAL FUNDS
 DECEMBER 31, 2003
 (With Comparative Totals for 2002)

<u>ASSETS</u>	Special Revenue Funds	Debt Service Fund
Cash and Equivalents	\$ 14,567,076	\$ 1,842,035
Investments	225,000	8,201,860
Receivables:		
Accounts	287,065	55,480
Loans	227,226	-
State and Federal aid	1,024,353	773,599
Due from other funds	262,170	197,931
	<u>1,800,814</u>	<u>1,027,010</u>
Prepaid Expenditures	128,434	-
Total Assets	<u>\$ 16,721,324</u>	<u>\$ 11,070,905</u>
<u>LIABILITIES AND FUND BALANCES</u>		
Liabilities:		
Accounts payable	\$ 891,859	\$ -
Accrued liabilities	877,330	-
Due to other funds	481,103	-
Advances from other funds	1,039,143	-
Deferred revenues - Other	2,925,496	-
Total Liabilities	<u>6,214,931</u>	<u>-</u>
Fund Balances:		
Reserved for encumbrances	1,617,873	-
Reserved for prepaid expenditures	128,434	-
Reserved for long-term receivable	88,430	27,740
Reserved for social service programs	95,769	-
Reserved for compensated absences	1,346,837	-
Reserved for debt service	-	3,296,188
Unreserved:		
Designated for affordable housing	225,000	-
Designated for treatment plant and collection system	222,500	-
Designated for subsequent year's expenditures	1,530,564	7,746,977
Undesignated	5,250,986	-
Total Fund Balances	<u>10,506,393</u>	<u>11,070,905</u>
Total Liabilities and Fund Balances	<u>\$ 16,721,324</u>	<u>\$ 11,070,905</u>

Total Non-Major Governmental Funds	
2003	2002
\$ 16,409,111	\$ 9,399,224
8,426,860	15,001,860
342,545	521,855
227,226	286,026
1,797,952	1,075,730
460,101	1,581,270
2,827,824	3,464,881
128,434	30,585
\$ 27,792,229	\$ 27,896,550
\$ 891,859	\$ 811,339
877,330	703,041
481,103	334,927
1,039,143	1,388,381
2,925,496	528,903
6,214,931	3,766,591
1,617,873	3,209,331
128,434	30,585
116,170	70,988
95,769	60,785
1,346,837	1,213,089
3,296,188	8,166,173
225,000	225,000
222,500	135,625
9,277,541	6,380,744
5,250,986	4,637,639
21,577,298	24,129,959
\$ 27,792,229	\$ 27,896,550

COUNTY OF ROCKLAND, NEW YORK

COMBINING STATEMENT OF REVENUES, EXPENDITURES AND CHANGES
 IN FUND BALANCES
 NON-MAJOR GOVERNMENTAL FUNDS
 YEAR ENDED DECEMBER 31, 2003
 (With Comparative Totals for 2002)

	Special Revenue Funds	Debt Service Funds
Revenues:		
Real property taxes	\$ 16,305,673	\$ -
Departmental income	177,238	-
Use of money and property	187,463	784,321
Licenses and permits	33,855	-
Fines and forfeitures	11,142	-
Sale of property and compensation for loss	21,404	-
Interfund revenues	99,177	-
State aid	1,114,415	1,020,694
Federal aid	4,271,163	655,722
Miscellaneous	633,099	133,719
Total Revenues	<u>22,854,629</u>	<u>2,594,456</u>
Expenditures:		
Current:		
Transportation	11,224,908	-
Economic opportunity and development	4,083,763	-
Home and community services	12,038,199	-
Employee benefits	1,687,489	-
Debt Service:		
Principal	-	6,190,771
Interest	36,819	5,319,580
Advance refunding escrow	-	8,154,357
Refunding bond issuance costs	-	95,790
Total Expenditures	<u>29,071,178</u>	<u>19,760,498</u>
Deficiency of Revenues Over Expenditures	<u>(6,216,549)</u>	<u>(17,166,042)</u>
Other Financing Sources (Uses):		
Refunding bonds issued	-	3,812,318
Issuance premium	-	51,524
Payment to refunded bond escrow agent	-	(3,768,051)
Transfers in	12,146,925	19,890,477
Transfers out	(5,835,349)	(5,467,914)
Total Other Financing Sources	<u>6,311,576</u>	<u>14,518,354</u>
Net Change in Fund Balances	<u>95,027</u>	<u>(2,647,688)</u>
Fund Balances - Beginning of Year, as previously reported	10,411,366	13,718,593
Change in Accounting Principle	-	-
Fund Balances - Beginning of Year, as restated	<u>10,411,366</u>	<u>13,718,593</u>
Fund Balances - End of Year	<u>\$ 10,506,393</u>	<u>\$ 11,070,905</u>

Total Non-Major Governmental Funds	
2003	2002
\$ 16,305,673	\$ 15,066,045
177,238	112,343
971,784	2,371,701
33,855	29,729
11,142	11,735
21,404	24,036
99,177	151,689
2,135,109	1,927,875
4,926,885	3,247,943
766,818	818,831
<u>25,449,085</u>	<u>23,761,927</u>
11,224,908	11,356,982
4,083,763	3,081,465
12,038,199	11,419,641
1,687,489	1,170,244
6,190,771	7,472,536
5,356,399	5,678,932
8,154,357	-
95,790	-
<u>48,831,676</u>	<u>40,179,800</u>
<u>(23,382,591)</u>	<u>(16,417,873)</u>
3,812,318	-
51,524	-
(3,768,051)	-
32,037,402	24,356,684
(11,303,263)	(13,826,962)
<u>20,829,930</u>	<u>10,529,722</u>
<u>(2,552,661)</u>	<u>(5,888,151)</u>
24,129,959	28,881,517
-	1,136,593
<u>24,129,959</u>	<u>30,018,110</u>
<u>\$ 21,577,298</u>	<u>\$ 24,129,959</u>

COUNTY OF ROCKLAND, NEW YORK

COMBINING BALANCE SHEET
 NON-MAJOR SPECIAL REVENUE FUNDS
 DECEMBER 31, 2003
 (With Comparative Totals with 2002)

<u>ASSETS</u>	<u>County Road Fund</u>	<u>Road Machinery Fund</u>	<u>Community Development Fund</u>
Cash:			
Demand deposits	\$ 668,529	\$ 200	\$ 2,581,404
Time deposits	-	-	-
Certificates of deposit	-	-	-
Petty cash	100	-	-
	<u>668,629</u>	<u>200</u>	<u>2,581,404</u>
Investments	-	-	<u>225,000</u>
Receivables:			
Accounts	66,919	847	-
Loans	-	-	227,226
State and Federal aid	459,238	-	281,917
Due from other funds	165,861	96,309	-
	<u>692,018</u>	<u>97,156</u>	<u>509,143</u>
Prepaid Expenditures	<u>62,604</u>	<u>6,297</u>	<u>-</u>
Total Assets	<u>\$ 1,423,251</u>	<u>\$ 103,653</u>	<u>\$ 3,315,547</u>
<u>LIABILITIES AND FUND BALANCES (DEFICITS)</u>			
Liabilities:			
Accounts payable	\$ 214,136	\$ 25,050	\$ -
Accrued liabilities	301,906	30,210	-
Due to other funds	-	-	165,051
Advances from other funds	1,039,143	-	-
Deferred revenues - Other	-	-	2,925,496
Total Liabilities	<u>1,555,185</u>	<u>55,260</u>	<u>3,090,547</u>
Fund Balances (Deficits):			
Reserved for encumbrances	263,622	-	-
Reserved for prepaid expenditures	62,604	6,297	-
Reserved for long-term receivable	-	-	-
Reserved for social service programs	-	-	-
Reserved for compensated absences	580,983	35,005	-
Unreserved:			
Designated for affordable housing	-	-	225,000
Designated for treatment plant and collection system	-	-	-
Designated for subsequent year's expenditures	-	-	-
Undesignated	(1,039,143)	7,091	-
Total Fund Balances (Deficits)	<u>(131,934)</u>	<u>48,393</u>	<u>225,000</u>
Total Liabilities and Fund Balances (Deficits)	<u>\$ 1,423,251</u>	<u>\$ 103,653</u>	<u>\$ 3,315,547</u>

Sewer District Fund	Special Purpose Fund	Total Non-Major Special Revenue Funds	
		2003	2002
\$ 50,774	\$ 94,904	\$ 3,395,811	\$ 228,264
-	865	865	60,785
11,170,000	-	11,170,000	4,477,000
300	-	400	400
<u>11,221,074</u>	<u>95,769</u>	<u>14,567,076</u>	<u>4,766,449</u>
-	-	225,000	6,281,000
219,299	-	287,065	199,166
-	-	227,226	286,026
283,198	-	1,024,353	1,061,130
-	-	262,170	1,553,601
<u>502,497</u>	<u>-</u>	<u>1,800,814</u>	<u>3,099,923</u>
59,533	-	128,434	30,585
<u>\$ 11,783,104</u>	<u>\$ 95,769</u>	<u>\$ 16,721,324</u>	<u>\$ 14,177,957</u>
\$ 652,673	\$ -	\$ 891,859	\$ 811,339
545,214	-	877,330	703,041
316,052	-	481,103	334,927
-	-	1,039,143	1,388,381
-	-	2,925,496	528,903
<u>1,513,939</u>	<u>-</u>	<u>6,214,931</u>	<u>3,766,591</u>
1,354,251	-	1,617,873	3,209,331
59,533	-	128,434	30,585
88,430	-	88,430	15,508
-	95,769	95,769	60,785
730,849	-	1,346,837	1,213,089
-	-	225,000	225,000
222,500	-	222,500	135,625
1,530,564	-	1,530,564	883,804
6,283,038	-	5,250,986	4,637,639
<u>10,269,165</u>	<u>95,769</u>	<u>10,506,393</u>	<u>10,411,366</u>
<u>\$ 11,783,104</u>	<u>\$ 95,769</u>	<u>\$ 16,721,324</u>	<u>\$ 14,177,957</u>

COUNTY OF ROCKLAND, NEW YORK

COMBINING STATEMENT OF REVENUES, EXPENDITURES AND CHANGES
 IN FUND BALANCES
 NON-MAJOR SPECIAL REVENUE FUNDS
 YEAR ENDED DECEMBER 31, 2003
 (With Comparative totals for 2002)

	County Road Fund	Road Machinery Fund	Community Development Fund
Revenues:			
Real property taxes	\$ -	\$ -	\$ -
Departmental income	-	-	58,799
Use of money and property	-	-	8,401
Licenses and permits	33,855	-	-
Fines and forfeitures	9,912	-	-
Sale of property and compensation for loss	-	-	-
Interfund revenues	99,177	-	-
State aid	1,019,797	-	-
Federal aid	259,186	-	4,011,977
Miscellaneous	33,763	30,350	-
Total Revenues	1,455,690	30,350	4,079,177
Expenditures:			
Current:			
Transportation	10,246,603	978,305	-
Economic opportunity and development	-	-	4,079,177
Home and community services	-	-	-
Employee benefits	-	-	-
Debt Service - Interest	-	-	-
Total Expenditures	10,246,603	978,305	4,079,177
Excess (Deficiency) of Revenues Over Expenditures	(8,790,913)	(947,955)	-
Other Financing Sources (Uses):			
Transfers in	9,212,951	933,974	-
Transfers out	(38,110)	(3,577)	-
Total Other Financing Sources (Uses)	9,174,841	930,397	-
Net Change in Fund Balances	383,928	(17,558)	-
Fund Balances (Deficit) - Beginning of Year, as previously reported	(515,862)	65,951	225,000
Change in Accounting Principle	-	-	-
Fund Balances (Deficit) - Beginning of Year, as restated	(515,862)	65,951	225,000
Fund Balances (Deficits) - End of Year	\$ (131,934)	\$ 48,393	\$ 225,000

Sewer District Fund	Special Purpose Fund	Total Non-Major Special Revenue Funds	
		2003	2002
\$ 16,305,673	\$ -	\$ 16,305,673	\$ 15,066,045
79,228	39,211	177,238	112,343
178,703	359	187,463	371,637
-	-	33,855	29,729
1,230	-	11,142	11,735
21,404	-	21,404	24,036
-	-	99,177	151,689
94,618	-	1,114,415	1,542,762
-	-	4,271,163	3,223,420
568,986	-	633,099	810,786
<u>17,249,842</u>	<u>39,570</u>	<u>22,854,629</u>	<u>21,344,182</u>
-	-	11,224,908	11,356,982
-	4,586	4,083,763	3,081,465
12,038,199	-	12,038,199	11,419,641
1,687,489	-	1,687,489	1,170,244
36,819	-	36,819	207,422
<u>13,762,507</u>	<u>4,586</u>	<u>29,071,178</u>	<u>27,235,754</u>
<u>3,487,335</u>	<u>34,984</u>	<u>(6,216,549)</u>	<u>(5,891,572)</u>
2,000,000	-	12,146,925	9,769,094
(5,793,662)	-	(5,835,349)	(7,451,836)
<u>(3,793,662)</u>	<u>-</u>	<u>6,311,576</u>	<u>2,317,258</u>
<u>(306,327)</u>	<u>34,984</u>	<u>95,027</u>	<u>(3,574,314)</u>
10,575,492	60,785	10,411,366	12,849,087
-	-	-	1,136,593
<u>10,575,492</u>	<u>60,785</u>	<u>10,411,366</u>	<u>13,985,680</u>
<u>\$ 10,269,165</u>	<u>\$ 95,769</u>	<u>\$ 10,506,393</u>	<u>\$ 10,411,366</u>

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COUNTY OF ROCKLAND, NEW YORK

COUNTY ROAD FUND
 COMPARATIVE BALANCE SHEET
 DECEMBER 31, 2003 AND 2002

<u>ASSETS</u>	<u>2003</u>	<u>2002</u>
Cash:		
Demand deposits	\$ 668,529	\$ 13,944
Petty cash	100	100
	<u>668,629</u>	<u>14,044</u>
Receivables:		
Accounts	66,919	41,237
State and Federal aid	459,238	251,771
Due from other funds	165,861	1,029,476
	<u>692,018</u>	<u>1,322,484</u>
Prepaid Expenditures	<u>62,604</u>	<u>14,990</u>
Total Assets	<u>\$ 1,423,251</u>	<u>\$ 1,351,518</u>
<u>LIABILITIES AND FUND DEFICIT</u>		
Liabilities:		
Accounts payable	\$ 214,136	\$ 161,821
Accrued liabilities	301,906	317,178
Advances from other funds	1,039,143	1,388,381
Total Liabilities	<u>1,555,185</u>	<u>1,867,380</u>
Fund Balance (Deficit):		
Reserved for encumbrances	263,622	341,745
Reserved for prepaid expenditures	62,604	14,990
Reserved for compensated absences	580,983	515,784
Unreserved and undesignated	<u>(1,039,143)</u>	<u>(1,388,381)</u>
Total Fund Deficit	<u>(131,934)</u>	<u>(515,862)</u>
Total Liabilities and Fund Deficit	<u>\$ 1,423,251</u>	<u>\$ 1,351,518</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, 2003 AND 2002

	2003			Variance with Final Budget Positive (Negative)
	Original Budget	Final Budget	Actual	
Revenues:				
Licenses and permits	\$ 34,100	\$ 34,100	\$ 33,855	\$ (245)
Fines and forfeitures	7,500	7,500	9,912	2,412
Interfund revenues	100,000	100,000	99,177	(823)
State aid	2,549,400	2,799,400	1,019,797	(1,779,603)
Federal aid	50,000	50,000	259,186	209,186
Miscellaneous	93,112	93,112	33,763	(59,349)
Total Revenues	2,834,112	3,084,112	1,455,690	(1,628,422)
Expenditures - Current - Transportation	10,329,764	10,579,842	10,246,603	333,239
Deficiency of Revenues Over Expenditures	(7,495,652)	(7,495,730)	(8,790,913)	(1,295,183)
Other Financing Sources (Uses):				
Transfers in	7,192,019	7,192,019	9,212,951	2,020,932
Transfers out	(38,112)	(38,112)	(38,110)	2
Total Other Financing Sources	7,153,907	7,153,907	9,174,841	2,020,934
Net Change in Fund Balance	(341,745)	(341,823)	383,928	725,751
Fund Balance (Deficit) - Beginning of Year, as previously reported	341,745	341,823	(515,862)	(857,685)
Change in Accounting Principle	-	-	-	-
Fund Balance (Deficit) - Beginning of Year, as restated	341,745	341,823	(515,862)	(857,685)
Fund Deficit - End of Year	\$ -	\$ -	\$ (131,934)	\$ (131,934)

2002

Original Budget	Final Budget	Actual	Variance with Final Budget Positive (Negative)
\$ 24,575	\$ 24,575	\$ 29,729	\$ 5,154
7,500	7,500	11,260	3,760
61,000	61,000	151,689	90,689
3,730,800	3,730,800	1,425,565	(2,305,235)
90,000	90,000	179,261	89,261
95,381	178,504	96,925	(81,579)
4,009,256	4,092,379	1,894,429	(2,197,950)
10,276,331	10,516,063	10,039,506	476,557
(6,267,075)	(6,423,684)	(8,145,077)	(1,721,393)
5,732,504	5,889,034	6,768,102	879,068
(40,381)	(40,381)	(40,380)	1
5,692,123	5,848,653	6,727,722	879,069
(574,952)	(575,031)	(1,417,355)	(842,324)
574,952	575,031	439,462	(135,569)
-	-	462,031	462,031
574,952	575,031	901,493	326,462
\$ -	\$ -	\$ (515,862)	\$ (515,862)

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COUNTY OF ROCKLAND, NEW YORK

ROAD MACHINERY FUND
 COMPARATIVE BALANCE SHEET
 DECEMBER 31, 2003 AND 2002

<u>ASSETS</u>	<u>2003</u>	<u>2002</u>
Cash - Demand deposits	\$ 200	\$ 202
Receivables:		
Accounts	847	847
Due from other funds	<u>96,309</u>	<u>106,708</u>
	<u>97,156</u>	<u>107,555</u>
Prepaid Expenditures	<u>6,297</u>	<u>1,465</u>
Total Assets	<u>\$ 103,653</u>	<u>\$ 109,222</u>
<u>LIABILITIES AND FUND BALANCE</u>		
Liabilities:		
Accounts payable	\$ 25,050	\$ 14,916
Accrued liabilities	<u>30,210</u>	<u>28,355</u>
Total Liabilities	<u>55,260</u>	<u>43,271</u>
Fund Balance:		
Reserved for encumbrances	-	715
Reserved for prepaid expenditures	6,297	1,465
Reserved for compensated absences	35,005	27,466
Unreserved:		
Designated for subsequent year's expenditures	-	12,440
Undesignated	<u>7,091</u>	<u>23,865</u>
Total Fund Balance	<u>48,393</u>	<u>65,951</u>
Total Liabilities and Fund Balance	<u>\$ 103,653</u>	<u>\$ 109,222</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, 2003 AND 2002

	2003			Variance with Final Budget Positive (Negative)
	Original Budget	Final Budget	Actual	
Revenues - Miscellaneous	\$ 38,577	\$ 38,577	\$ 30,350	\$ (8,227)
Expenditures - Current - Transportation	982,129	982,129	978,305	3,824
Deficiency of Revenues Over Expenditures	(943,552)	(943,552)	(947,955)	4,403
Other Financing Sources (Uses):				
Transfers in	933,974	933,974	933,974	-
Transfers out	(3,577)	(3,577)	(3,577)	-
Total Other Financing Sources	930,397	930,397	930,397	-
Net Change in Fund Balance	(13,155)	(13,155)	(17,558)	(4,403)
Fund Balance - Beginning of Year, as previously reported	13,155	13,155	65,951	52,796
Change in Accounting Principle	-	-	-	-
Fund Balance - Beginning of Year, as restated	13,155	13,155	65,951	52,796
Fund Balance - End of Year	\$ -	\$ -	\$ 48,393	\$ 48,393

2002

Original Budget	Final Budget	Actual	Variance with Final Budget Positive (Negative)
\$ 3,790	\$ 3,790	\$ 46,116	\$ 42,326
<u>1,289,078</u>	<u>1,304,159</u>	<u>1,317,476</u>	<u>(13,317)</u>
<u>(1,285,288)</u>	<u>(1,300,369)</u>	<u>(1,271,360)</u>	<u>(29,009)</u>
985,912	1,000,992	1,000,992	-
<u>(3,790)</u>	<u>(3,790)</u>	<u>(3,789)</u>	<u>1</u>
<u>982,122</u>	<u>997,202</u>	<u>997,203</u>	<u>1</u>
<u>(303,166)</u>	<u>(303,167)</u>	<u>(274,157)</u>	<u>29,010</u>
303,166	303,167	316,547	13,380
<u>-</u>	<u>-</u>	<u>23,561</u>	<u>23,561</u>
<u>303,166</u>	<u>303,167</u>	<u>340,108</u>	<u>36,941</u>
<u>\$ -</u>	<u>\$ -</u>	<u>\$ 65,951</u>	<u>\$ 65,951</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, 2003 AND 2002

	2003			Variance with Final Budget Positive (Negative)
	Original Budget	Final Budget	Actual	
Revenues - Miscellaneous	\$ 38,577	\$ 38,577	\$ 30,350	\$ (8,227)
Expenditures - Current - Transportation	982,129	982,129	978,305	3,824
Deficiency of Revenues Over Expenditures	(943,552)	(943,552)	(947,955)	4,403
Other Financing Sources (Uses):				
Transfers in	933,974	933,974	933,974	-
Transfers out	(3,577)	(3,577)	(3,577)	-
Total Other Financing Sources	930,397	930,397	930,397	-
Net Change in Fund Balance	(13,155)	(13,155)	(17,558)	(4,403)
Fund Balance - Beginning of Year, as previously reported	13,155	13,155	65,951	52,796
Change in Accounting Principle	-	-	-	-
Fund Balance - Beginning of Year, as restated	13,155	13,155	65,951	52,796
Fund Balance - End of Year	\$ -	\$ -	\$ 48,393	\$ 48,393

2002

Original Budget	Final Budget	Actual	Variance with Final Budget Positive (Negative)
\$ 3,790	\$ 3,790	\$ 46,116	\$ 42,326
<u>1,289,078</u>	<u>1,304,159</u>	<u>1,317,476</u>	<u>(13,317)</u>
<u>(1,285,288)</u>	<u>(1,300,369)</u>	<u>(1,271,360)</u>	<u>(29,009)</u>
985,912 <u>(3,790)</u>	1,000,992 <u>(3,790)</u>	1,000,992 <u>(3,789)</u>	- <u>1</u>
<u>982,122</u>	<u>997,202</u>	<u>997,203</u>	<u>1</u>
<u>(303,166)</u>	<u>(303,167)</u>	<u>(274,157)</u>	<u>29,010</u>
303,166	303,167	316,547	13,380
<u>-</u>	<u>-</u>	<u>23,561</u>	<u>23,561</u>
<u>303,166</u>	<u>303,167</u>	<u>340,108</u>	<u>36,941</u>
<u>\$ -</u>	<u>\$ -</u>	<u>\$ 65,951</u>	<u>\$ 65,951</u>

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COUNTY OF ROCKLAND, NEW YORK

COMMUNITY DEVELOPMENT FUND
 COMPARATIVE BALANCE SHEET
 DECEMBER 31, 2003 AND 2002

<u>ASSETS</u>	<u>2003</u>	<u>2002</u>
Cash - Demand deposits	\$ 2,581,404	\$ 65,158
Investments	<u>225,000</u>	<u>225,000</u>
Receivables:		
Loans	227,226	286,026
State and Federal aid	<u>281,917</u>	<u>515,303</u>
	<u>509,143</u>	<u>801,329</u>
 Total Assets	 <u>\$ 3,315,547</u>	 <u>\$ 1,091,487</u>
 <u>LIABILITIES AND FUND BALANCE</u>		
Liabilities:		
Accounts payable	\$ -	\$ 2,657
Due to other funds	165,051	334,927
Deferred revenues - Other	<u>2,925,496</u>	<u>528,903</u>
 Total Liabilities	 3,090,547	 866,487
Fund Balance - Unreserved - Designated for affordable housing	 <u>225,000</u>	 <u>225,000</u>
 Total Liabilities and Fund Balance	 <u>\$ 3,315,547</u>	 <u>\$ 1,091,487</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, 2003 AND 2002

	2003			Variance with Final Budget Positive (Negative)
	Original Budget	Final Budget	Actual	
Revenues:				
Departmental income	\$ -	\$ -	\$ 58,799	\$ 58,799
Use of money and property	-	-	8,401	8,401
Federal aid	-	3,884,258	4,011,977	127,719
Total Revenues	-	3,884,258	4,079,177	194,919
Expenditures - Current - Economic opportunity and development	-	3,884,258	4,079,177	(194,919)
Excess of Revenues Over Expenditures	-	-	-	-
Fund Balance - Beginning of Year	-	-	225,000	225,000
Fund Balance - End of Year	\$ -	\$ -	\$ 225,000	\$ 225,000

2002

Original Budget	Final Budget	Actual	Variance with Final Budget Positive (Negative)
\$ -	\$ -	\$ 21,658	\$ 21,658
-	-	8,060	8,060
-	3,276,225	3,044,159	(232,066)
-	3,276,225	3,073,877	(202,348)
-	3,276,225	3,073,877	202,348
-	-	-	-
-	-	225,000	225,000
<u>\$ -</u>	<u>\$ -</u>	<u>\$ 225,000</u>	<u>\$ 225,000</u>

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COUNTY OF ROCKLAND, NEW YORK

SEWER DISTRICT FUND
 COMPARATIVE BALANCE SHEET
 DECEMBER 31, 2003 AND 2002

<u>ASSETS</u>	<u>2003</u>	<u>2002</u>
Cash:		
Demand deposits	\$ 50,774	\$ 148,960
Certificates of deposit	11,170,000	4,477,000
Petty cash	300	300
	<u>11,221,074</u>	<u>4,626,260</u>
Investments	<u>-</u>	<u>6,056,000</u>
Receivables:		
Accounts	219,299	157,082
State and Federal aid	283,198	294,056
Due from other funds	-	417,417
	<u>502,497</u>	<u>868,555</u>
Prepaid Expenditures	<u>59,533</u>	<u>14,130</u>
Total Assets	<u>\$ 11,783,104</u>	<u>\$ 11,564,945</u>
<u>LIABILITIES AND FUND BALANCE</u>		
Liabilities:		
Accounts payable	\$ 652,673	\$ 631,945
Accrued liabilities	545,214	357,508
Due to other funds	316,052	-
Total Liabilities	<u>1,513,939</u>	<u>989,453</u>
Fund Balance:		
Reserved for encumbrances	1,354,251	2,866,871
Reserved for prepaid expenditures	59,533	14,130
Reserved for long-term receivable	88,430	15,508
Reserved for compensated absences	730,849	669,839
Unreserved:		
Designated for treatment plant and collection system	222,500	135,625
Designated for subsequent year's expenditures	1,530,564	871,364
Undesignated	6,283,038	6,002,155
Total Fund Balance	<u>10,269,165</u>	<u>10,575,492</u>
Total Liabilities and Fund Balance	<u>\$ 11,783,104</u>	<u>\$ 11,564,945</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, 2003 AND 2002

	2003			Variance with Final Budget Positive (Negative)
	Original Budget	Final Budget	Actual	
Revenues:				
Real property taxes -				
Sewer benefit tax	\$ 16,132,280	\$ 16,132,280	\$ 16,305,673	\$ 173,393
Departmental income	60,000	60,000	79,228	19,228
Use of money and property	400,000	400,000	178,703	(221,297)
Fines and forfeitures	-	-	1,230	1,230
Sale of property and compensation for loss	-	-	21,404	21,404
State aid	-	164,983	94,618	(70,365)
Miscellaneous	402,553	402,553	568,986	166,433
Total Revenues	16,994,833	17,159,816	17,249,842	90,026
Expenditures:				
Current:				
General government support	300,000	290,663	-	290,663
Home and community services	14,365,291	14,539,611	12,038,199	2,501,412
Employee benefits	1,822,536	1,822,536	1,687,489	135,047
Debt Service - Interest	96,000	96,000	36,819	59,181
Total Expenditures	16,583,827	16,748,810	13,762,507	2,986,303
Excess (Deficiency) of Revenues Over Expenditures	411,006	411,006	3,487,335	3,076,329
Other Financing Sources (Uses):				
Transfers in	2,000,000	2,000,000	2,000,000	-
Transfers out	(6,149,241)	(6,149,241)	(5,793,662)	355,579
Total Other Financing Uses	(4,149,241)	(4,149,241)	(3,793,662)	355,579
Net Change in Fund Balance	(3,738,235)	(3,738,235)	(306,327)	3,431,908
Fund Balance - Beginning of Year, as previously reported	3,738,235	3,738,235	10,575,492	6,837,257
Change in Accounting Principle	-	-	-	-
Fund Balance - Beginning of Year, as restated	3,738,235	3,738,235	10,575,492	6,837,257
Fund Balance - End of Year	\$ -	\$ -	\$ 10,269,165	\$ 10,269,165

2002

Original Budget	Final Budget	Actual	Variance with Final Budget Positive (Negative)
\$ 14,696,638	\$ 14,696,638	\$ 15,066,045	\$ 369,407
70,000	70,000	87,375	17,375
500,000	500,000	363,023	(136,977)
-	-	475	475
-	-	24,036	24,036
-	-	117,197	117,197
504,193	516,207	667,745	151,538
<u>15,770,831</u>	<u>15,782,845</u>	<u>16,325,896</u>	<u>543,051</u>
380,108	239,701	-	239,701
14,802,417	15,614,046	11,419,641	4,194,405
1,601,066	1,601,066	1,170,244	430,822
208,000	208,000	207,422	578
<u>16,991,591</u>	<u>17,662,813</u>	<u>12,797,307</u>	<u>4,865,506</u>
<u>(1,220,760)</u>	<u>(1,879,968)</u>	<u>3,528,589</u>	<u>5,408,557</u>
2,000,000	2,000,000	2,000,000	-
<u>(7,042,214)</u>	<u>(7,042,214)</u>	<u>(7,407,667)</u>	<u>(365,453)</u>
<u>(5,042,214)</u>	<u>(5,042,214)</u>	<u>(5,407,667)</u>	<u>(365,453)</u>
<u>(6,262,974)</u>	<u>(6,922,182)</u>	<u>(1,879,078)</u>	<u>5,043,104</u>
6,262,974	6,922,182	11,803,569	4,881,387
-	-	651,001	651,001
<u>6,262,974</u>	<u>6,922,182</u>	<u>12,454,570</u>	<u>5,532,388</u>
<u>\$ -</u>	<u>\$ -</u>	<u>\$ 10,575,492</u>	<u>\$ 10,575,492</u>

COUNTY OF ROCKLAND, NEW YORK

SPECIAL PURPOSE FUND
COMPARATIVE BALANCE SHEET
DECEMBER 31, 2003 AND 2002

	<u>2003</u>	<u>2002</u>
<u>ASSETS</u>		
Cash:		
Demand deposits	\$ 94,904	\$ 60,785
Time deposits	<u>865</u>	<u>-</u>
Total Assets	<u>\$ 95,769</u>	<u>\$ 60,785</u>
<u>FUND BALANCE</u>		
Reserved for Social Service Programs	<u>\$ 95,769</u>	<u>\$ 60,785</u>

COUNTY OF ROCKLAND, NEW YORK

SPECIAL PURPOSE FUND
 COMPARATIVE STATEMENT OF REVENUES, EXPENDITURES AND CHANGES
 IN FUND BALANCE
 YEARS ENDED DECEMBER 31, 2003 AND 2002

	<u>2003</u>	<u>2002</u>
Revenues:		
Departmental income	\$ 39,211	\$ 3,310
Use of money and property	359	554
	<u>39,570</u>	<u>3,864</u>
Total Revenues	39,570	3,864
Expenditures - Current -		
Economic opportunity and development	<u>4,586</u>	<u>7,588</u>
	34,984	(3,724)
Excess (Deficiency) of Revenues Over Expenditures	34,984	(3,724)
Fund Balance - Beginning of Year	<u>60,785</u>	<u>64,509</u>
Fund Balance - End of Year	<u><u>\$ 95,769</u></u>	<u><u>\$ 60,785</u></u>

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COUNTY OF ROCKLAND, NEW YORK

DEBT SERVICE FUND
 COMPARATIVE BALANCE SHEET
 DECEMBER 31, 2003 AND 2002

	<u>2003</u>	<u>2002</u>
<u>ASSETS</u>		
Cash:		
Time deposits	\$ 1,242,035	\$ 1,305,775
Certificates of deposit	600,000	3,327,000
	<u>1,842,035</u>	<u>4,632,775</u>
Investments	<u>8,201,860</u>	<u>8,720,860</u>
Receivables:		
Accounts	55,480	322,689
State and Federal aid	773,599	14,600
Due from other funds	197,931	27,669
	<u>1,027,010</u>	<u>364,958</u>
Total Assets	<u>\$ 11,070,905</u>	<u>\$ 13,718,593</u>

FUND BALANCE

Reserved for Long-Term Receivable	\$ 27,740	\$ 55,480
Reserved for Debt Service	3,296,188	8,166,173
Unreserved - Designated for subsequent year's expenditures	<u>7,746,977</u>	<u>5,496,940</u>
Total Fund Balance	<u>\$ 11,070,905</u>	<u>\$ 13,718,593</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, 2003 AND 2002

	2003			Variance with Final Budget Positive (Negative)
	Original Budget	Final Budget	Actual	
Revenues:				
Use of money and property	\$ -	\$ -	\$ 784,321	\$ 784,321
State aid	-	-	1,020,694	1,020,694
Federal aid	-	-	655,722	655,722
Miscellaneous	-	-	133,719	133,719
Total Revenues	-	-	2,594,456	2,594,456
Expenditures -				
Debt Service -				
Serial bonds:				
Principal	6,490,773	6,490,773	6,190,771	300,002
Interest	5,375,162	5,375,162	5,319,580	55,582
Advance refunding escrow	-	8,154,357	8,154,357	-
Refunding bond issuance costs	-	95,791	95,790	1
Total Expenditures	11,865,935	20,116,083	19,760,498	355,585
Deficiency of Revenues Over Expenditures	(11,865,935)	(20,116,083)	(17,166,042)	2,238,871
Other Financing Sources (Uses):				
Refunding bonds issued	-	3,812,318	3,812,318	-
Issuance premium	-	51,524	51,524	-
Payment to refunded bond escrow agent	-	(3,768,051)	(3,768,051)	-
Transfers in	11,865,935	20,020,292	19,890,477	129,815
Transfers out	(5,496,940)	(5,496,940)	(5,467,914)	(29,026)
Total Other Financing Sources	6,368,995	14,619,143	14,518,354	100,789
Net Change in Fund Balance	(5,496,940)	(5,496,940)	(2,647,688)	2,849,252
Fund Balance - Beginning of Year	5,496,940	5,496,940	13,718,593	8,221,653
Fund Balance - End of Year	\$ -	\$ -	\$ 11,070,905	\$ 11,070,905

2002			
Original Budget	Final Budget	Actual	Variance with Final Budget Positive (Negative)
\$ -	\$ -	\$ 2,000,064	\$ 2,000,064
-	-	385,113	385,113
-	-	24,523	24,523
-	-	8,045	8,045
-	-	2,417,745	2,417,745
7,785,877	7,785,877	7,472,536	313,341
5,110,120	5,110,120	5,471,510	(361,390)
-	-	-	-
-	-	-	-
12,895,997	12,895,997	12,944,046	(48,049)
(12,895,997)	(12,895,997)	(10,526,301)	2,465,794
-	-	-	-
-	-	-	-
-	-	-	-
12,895,997	12,895,997	14,587,590	1,691,593
(6,680,126)	(6,680,126)	(6,375,126)	305,000
6,215,871	6,215,871	8,212,464	1,996,593
(6,680,126)	(6,680,126)	(2,313,837)	4,366,289
6,680,126	6,680,126	16,032,430	9,352,304
\$ -	\$ -	\$ 13,718,593	\$ 13,718,593

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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. The operations of the Summit Park Hospital/Rockland County Infirmary are recorded as an enterprise fund.

COUNTY OF ROCKLAND, NEW YORK

ENTERPRISE FUND - HOME AND INFIRMARY FUND
 COMPARATIVE STATEMENT OF NET ASSETS
 DECEMBER 31, 2003 AND 2002

	2003	2002
ASSETS		
Cash and Equivalents	\$ 2,431,914	\$ 2,538,296
Receivables:		
Accounts	1,714,701	893,541
Accounts - Patient care, net of allowance for uncollectible amounts	12,237,622	12,719,739
Due from other funds	1,953,542	6,895,745
Inventories	556,165	505,679
Prepaid Expenses	502,896	132,705
Total Current Assets	19,396,840	23,685,705
Capital Assets:		
Land	438,504	438,504
Buildings	16,221,905	16,221,905
Improvements other than buildings	345,975	345,975
Equipment	35,901,184	35,166,170
Construction-in-progress	4,624,088	3,150,885
Less - Accumulated depreciation	(37,182,559)	(35,435,628)
Total Capital Assets, net of accumulated depreciation	20,349,097	19,887,811
Total Assets	39,745,937	43,573,516
Current Liabilities:		
Accounts payable	2,035,856	2,330,826
Accrued liabilities	8,804,989	10,084,820
Compensated absences	8,549,931	8,192,820
Due to other governments	637,498	988,456
Bond anticipation notes payable	1,025,000	-
Accrued interest payable	116,278	106,633
Current maturities of bonds payable	1,281,518	1,168,464
Current portion of due to retirement system	-	1,008,703
Total Current Liabilities	22,451,070	23,880,722
Noncurrent Liabilities:		
Bonds payable	10,317,239	7,628,548
Due to retirement system	-	2,626,875
Total Noncurrent Liabilities	10,317,239	10,255,423
Total Liabilities	32,768,309	34,136,145
<u>NET ASSETS</u>		
Invested in Capital Assets, net of related debt	13,571,289	14,021,370
Unrestricted	(6,593,661)	(4,583,999)
Total Net Assets	\$ 6,977,628	\$ 9,437,371

COUNTY OF ROCKLAND, NEW YORK

ENTERPRISE FUND - HOME AND INFIRMARY FUND
 COMPARATIVE STATEMENT OF REVENUES, EXPENSES
 AND CHANGES IN NET ASSETS
 YEARS ENDED DECEMBER 31, 2003 AND 2002

	<u>2003</u>	<u>2002</u>
Operating Revenues:		
Charges for services:		
Net patient service revenues:		
Rehabilitation and skilled nursing facility	\$ 42,023,838	\$ 43,868,285
Mental health	30,565,516	31,617,280
	<u>72,589,354</u>	<u>75,485,565</u>
Miscellaneous	395,050	821,481
	<u>72,984,404</u>	<u>76,307,046</u>
Total Operating Revenues		
Operating Expenses:		
Administrative and general expenses	9,926,749	10,068,291
Salaries and wage expenses	41,954,882	43,266,319
Pension and employee benefits	15,847,217	17,056,144
Supplies and other expenses	7,516,884	7,342,656
Depreciation	1,746,931	1,838,779
Provision for bad debts	2,088,786	3,481,421
	<u>79,081,449</u>	<u>83,053,610</u>
Total Operating Expenses		
Loss from Operations	<u>(6,097,045)</u>	<u>(6,746,564)</u>
Non-Operating Revenues (Expenses):		
Real property taxes	-	2,764,269
Intergovernmental transfer	3,925,219	4,768,833
Interest on indebtedness	(287,917)	(276,136)
	<u>3,637,302</u>	<u>7,256,966</u>
Total Non-Operating Revenues		
Change in Net Assets	(2,459,743)	510,402
Net Assets - Beginning of Year	<u>9,437,371</u>	<u>8,926,969</u>
Net Assets - End of Year	<u>\$ 6,977,628</u>	<u>\$ 9,437,371</u>

COUNTY OF ROCKLAND, NEW YORK

ENTERPRISE FUND - HOME AND INFIRMARY FUND
 COMPARATIVE STATEMENT OF CASH FLOWS
 YEARS ENDED DECEMBER 31, 2003 AND 2002

	2003	2002
Cash Flows From Operating Activities:		
Cash received from patients and third-party payors	\$ 69,212,156	\$ 72,917,416
Other receipts	3,498,903	5,742,509
Cash payments to employees	(65,005,231)	(62,693,909)
Cash payments to vendors	(18,020,094)	(17,347,406)
Net Cash Used in Operating Activities	<u>(10,314,266)</u>	<u>(1,381,390)</u>
Cash Flows From Non-Capital Financing Activities:		
Real property taxes	-	2,764,269
Intergovernmental transfer	3,925,219	4,768,833
Net Cash Provided by Non-Capital Financing Activities	<u>3,925,219</u>	<u>7,533,102</u>
Cash Flows From Capital and Related Financing Activities:		
Remittances to County of Rockland, net	4,942,409	(4,959,423)
Issuance of long-term debt	5,266,450	1,285,000
Retirement of long-term debt	(1,439,705)	(1,257,452)
Interest on indebtedness	(278,272)	(281,139)
Acquisition and construction of fixed assets	(2,208,217)	(1,014,782)
Net Cash Provided by (Used in) Capital and Related Financing Activities	<u>6,282,665</u>	<u>(6,227,796)</u>
Net Decrease in Cash and Equivalents	(106,382)	(76,084)
Cash and Equivalents - Beginning of Year	<u>2,538,296</u>	<u>2,614,380</u>
Cash and Equivalents - End of Year	<u>\$ 2,431,914</u>	<u>\$ 2,538,296</u>
Reconciliation of Loss from Operations to Net Cash Used in Operating Activities:		
Loss from operations	\$ (6,097,045)	\$ (6,746,564)
Adjustments to reconcile loss from operations to net cash used in operating activities:		
Depreciation	1,746,931	1,838,779
Provision for bad debts	2,088,786	3,481,421
Changes in assets and liabilities:		
Accounts receivable	(821,366)	1,080,610
Accounts receivable - Patient care	(5,191,765)	(3,385,919)
Due from other funds	2,883,180	(3,476,148)
Prepaid expenses	(370,191)	(62,812)
Inventories	(50,486)	(137,856)
Accounts payable	(294,970)	132,479
Accrued liabilities	(1,279,831)	2,671,291
Compensated absences	357,111	551,442
Due to retirement system	(3,635,578)	1,994,645
Due to other governments	350,958	677,242
Net Cash Provided by Operating Activities	<u>\$ (10,314,266)</u>	<u>\$ (1,381,390)</u>

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, Health Benefits and General Services funds as internal service funds.

COUNTY OF ROCKLAND, NEW YORK

INTERNAL SERVICE FUNDS
 COMBINING STATEMENT OF NET ASSETS
 DECEMBER 31, 2003
 (With Comparative Totals for 2002)

	Workers' Compensation Benefits Fund	General Liability Claims Fund	Unemployment Benefits Fund
<u>ASSETS</u>			
Cash:			
Demand deposits	\$ 4,950,362	\$ 14,235	\$ 116,106
Certificates of deposit	5,000,000	4,902,000	-
Petty cash	-	-	-
	<u>9,950,362</u>	<u>4,916,235</u>	<u>116,106</u>
Investments	-	-	-
Receivables:			
Accounts	-	-	-
State and Federal aid	-	-	-
Due from other funds	-	-	41,801
	-	-	<u>41,801</u>
Inventories	-	-	-
Prepaid Expenses	854	-	-
Total Current Assets	<u>9,951,216</u>	<u>4,916,235</u>	<u>157,907</u>
Capital Assets	-	-	-
Less - Accumulated depreciation	-	-	-
	-	-	-
Total Assets	<u>9,951,216</u>	<u>4,916,235</u>	<u>157,907</u>
<u>LIABILITIES</u>			
Current Liabilities:			
Accounts payable	516,677	-	-
Accrued liabilities	-	-	-
Claims payable	707,816	740,389	40,029
Due to other funds	45,274	-	-
Compensated absences	1,684	-	-
Current maturities of bonds payable - Capital construction	470	-	-
Current maturities of bonds payable - Pension obligations	-	-	-
Due to retirement system	-	-	-
Total Current Liabilities	<u>1,271,921</u>	<u>740,389</u>	<u>40,029</u>
Noncurrent Liabilities:			
Claims payable	6,370,348	6,663,498	-
Compensated absences	15,159	-	-
Bonds payable - Capital construction, less current maturities	470	-	-
Bonds payable - Pension obligations, less current maturities	-	-	-
Due to retirement system	-	-	-
Total Noncurrent Liabilities	<u>6,385,977</u>	<u>6,663,498</u>	<u>-</u>
Total Liabilities	<u>7,657,898</u>	<u>7,403,887</u>	<u>40,029</u>
<u>NET ASSETS (DEFICIENCY)</u>			
Invested in Capital Assets, net of related debt	-	-	-
Unrestricted	2,293,318	(2,487,652)	117,878
Total Net Assets (Deficiency)	<u>\$ 2,293,318</u>	<u>\$ (2,487,652)</u>	<u>\$ 117,878</u>

General Services Fund	Totals	
	2003	2002
\$ 33,224	\$ 5,113,927	\$ 276,232
-	9,902,000	11,796,000
200	200	200
33,424	15,016,127	12,072,432
-	-	4,855,000
43,191	43,191	77,061
465,883	465,883	468,382
-	41,801	81,427
509,074	550,875	626,870
68,756	68,756	49,234
109,055	109,909	32,783
720,309	15,745,667	17,636,319
14,127,705	14,127,705	13,221,850
(4,162,669)	(4,162,669)	(3,908,364)
9,965,036	9,965,036	9,313,486
10,685,345	25,710,703	26,949,805
656,687	1,173,364	1,011,961
797,796	797,796	701,448
-	1,488,234	1,561,173
1,510,411	1,555,685	624,088
164,831	166,515	159,813
109,615	110,085	531,972
52,295	52,295	52,295
-	-	98,408
3,291,635	5,343,974	4,741,158
-	13,033,846	12,977,045
1,483,482	1,498,641	1,453,793
5,020,486	5,020,956	4,672,617
514,760	514,760	104,581
-	-	425,320
7,018,728	20,068,203	19,633,356
10,310,363	25,412,177	24,374,514
4,834,935	4,834,935	3,953,431
(4,459,953)	(4,536,409)	(1,378,140)
\$ 374,982	\$ 298,526	\$ 2,575,291

COUNTY OF ROCKLAND, NEW YORK

INTERNAL SERVICE FUNDS
 COMBINING STATEMENT OF REVENUES, EXPENSES AND CHANGES
 IN NET ASSETS
 YEAR ENDED DECEMBER 31, 2003
 (With Comparative Totals for 2002)

	Workers' Compensation Benefits Fund	General Liability Claims Fund	Unemployment Benefits Fund
Operating Revenues - Charges for services	\$ 2,963,446	\$ -	\$ -
Operating Expenses:			
Administrative and general expenses	563,210	-	-
Salaries and wages expenses	100,984	-	-
Employee benefits	1,444,624	-	57
Judgments and claims	-	3,388,501	-
Supplies and other expenses	-	-	-
Depreciation	-	-	-
Total Operating Expenses	2,108,818	3,388,501	57
Income (Loss) From Operations	854,628	(3,388,501)	(57)
Non-Operating Revenues (Expenses):			
Interest income	172,346	97,004	444
Interest on indebtedness	(102)	-	-
Total Non-Operating Revenues (Expenses)	172,244	97,004	444
Income (Loss) Before Transfers	1,026,872	(3,291,497)	387
Transfers in	-	-	-
Change in Net Assets	1,026,872	(3,291,497)	387
Net Assets - Beginning of Year	1,266,446	803,845	117,491
Net Assets (Deficiency) - End of Year	\$ 2,293,318	\$ (2,487,652)	\$ 117,878

General Services Fund	Totals	
	2003	2002
\$ 23,125,231	\$ 26,088,677	\$ 25,877,183
4,099,563	4,662,773	4,191,190
-	100,984	93,904
3,936,903	5,381,584	6,085,657
-	3,388,501	2,299,123
14,925,345	14,925,345	14,978,640
254,305	254,305	318,630
<u>23,216,116</u>	<u>28,713,492</u>	<u>27,967,144</u>
<u>(90,885)</u>	<u>(2,624,815)</u>	<u>(2,089,961)</u>
-	269,794	357,383
<u>(12,338)</u>	<u>(12,440)</u>	<u>(14,952)</u>
<u>(12,338)</u>	<u>257,354</u>	<u>342,431</u>
<u>(103,223)</u>	<u>(2,367,461)</u>	<u>(1,747,530)</u>
<u>90,696</u>	<u>90,696</u>	<u>-</u>
<u>(12,527)</u>	<u>(2,276,765)</u>	<u>(1,747,530)</u>
<u>387,509</u>	<u>2,575,291</u>	<u>4,322,821</u>
<u>\$ 374,982</u>	<u>\$ 298,526</u>	<u>\$ 2,575,291</u>

COUNTY OF ROCKLAND, NEW YORK

INTERNAL SERVICE FUNDS
 COMBINING STATEMENT OF CASH FLOWS
 YEAR ENDED DECEMBER 31, 2003
 (With Comparative Totals for 2002)

	Workers' Compensation Benefits Fund	General Liability Claims Fund	Unemployment Benefits Fund
Cash Flows From Operating Activities:			
Cash received from charges for services	\$ 3,004,810	\$ -	\$ 79,166
Cash payments to insurance carriers and claimants	(3,115,694)	(2,010,125)	(79,307)
Cash payments to vendors	-	-	-
Cash payments to employees	(76,346)	-	-
Net Cash Provide by (Used in) Operating Activities	(187,230)	(2,010,125)	(141)
Cash Flows From Non-Capital Financing Activities:			
Retirement of long-term debt	(470)	-	-
Interest on indebtedness	(102)	-	-
Transfers in	-	-	-
Net Cash Provided by (Used in) Non-Capital Financing Activities	(572)	-	-
Cash Flows From Capital and Related Financing Activities:			
Proceeds from the issuance of long-term debt	-	-	-
Retirement of long-term debt	-	-	-
Acquisition and construction of capital assets	-	-	-
Net Cash Used in Capital and Related Financing Activities	-	-	-
Cash Flows From Investing Activities			
Interest income	172,346	97,004	444
Proceeds from sale of investments	4,855,000	-	-
Purchase of investments	-	-	-
Net Cash Provided by Investing Activities	5,027,346	97,004	444
Net Increase (Decrease) in Cash	4,839,544	(1,913,121)	303
Cash - Beginning of Year	5,110,818	6,829,356	115,803
Cash - End of Year	\$ 9,950,362	\$ 4,916,235	\$ 116,106
Reconciliation of Income (Loss) from Operations to Net Cash Provided by (Used in) Operating Activities:			
Income (loss) from operations	\$ 854,628	\$ (3,388,501)	\$ (57)
Adjustments to reconcile income (loss) from operations to net cash provided by (used in) operating activities:			
Depreciation	-	-	-
Changes in operating assets and liabilities:			
Accounts receivable	-	-	39,540
State and Federal aid receivable	-	-	-
Due from other funds	-	-	39,626
Inventories	-	-	-
Prepaid expenses	(674)	-	-
Accounts payable	231,347	-	-
Accrued liabilities	-	-	-
Claims payable	(1,315,264)	1,378,376	(79,250)
Compensated absences	1,369	-	-
Due to retirement system	-	-	-
Due to other funds	41,364	-	-
Net Cash Provided by (Used in) Operating Activities	\$ (187,230)	\$ (2,010,125)	\$ (141)

General Services Fund	Totals	
	2003	2002
\$ 23,119,561	\$ 26,203,537	\$ 13,710,538
-	(5,205,126)	(4,353,105)
(12,974,846)	(12,974,846)	(11,110,340)
(9,637,350)	(9,713,696)	-
<u>507,365</u>	<u>(1,690,131)</u>	<u>(1,752,907)</u>
-	(470)	(470)
(12,338)	(12,440)	(14,952)
90,696	90,696	-
<u>78,358</u>	<u>77,786</u>	<u>(15,422)</u>
462,474	462,474	900,000
(125,373)	(125,373)	(75,542)
(905,855)	(905,855)	(447,163)
<u>(568,754)</u>	<u>(568,754)</u>	<u>377,295</u>
-	269,794	357,383
-	4,855,000	10,132,000
-	-	(4,855,000)
<u>-</u>	<u>5,124,794</u>	<u>5,634,383</u>
16,969	2,943,695	4,243,349
16,455	12,072,432	7,829,083
<u>\$ 33,424</u>	<u>\$ 15,016,127</u>	<u>\$ 12,072,432</u>
\$ (90,885)	\$ (2,624,815)	\$ (2,089,961)
254,305	254,305	318,630
(5,670)	33,870	374,966
2,499	2,499	(443,719)
-	39,626	861,009
(19,522)	(19,522)	57,818
(76,452)	(77,126)	(14,685)
(69,944)	161,403	(17,944)
96,348	96,348	5,101
-	(16,138)	(66,148)
50,181	51,550	(420,011)
(523,728)	(523,728)	309,889
890,233	931,597	(627,852)
<u>\$ 507,365</u>	<u>\$ (1,690,131)</u>	<u>\$ (1,752,907)</u>

COUNTY OF ROCKLAND, NEW YORK

INTERNAL SERVICE FUNDS - WORKERS' COMPENSATION BENEFITS FUND
 COMPARATIVE STATEMENT OF NET ASSETS
 DECEMBER 31, 2003 AND 2002

	<u>ASSETS</u>	<u>2003</u>	<u>2002</u>
Cash:			
Demand deposits		\$ 4,950,362	\$ 115,818
Certificates of deposit		5,000,000	4,995,000
		<u>9,950,362</u>	<u>5,110,818</u>
Investments		-	4,855,000
Prepaid Expenses		854	180
Total Assets		<u>9,951,216</u>	<u>9,965,998</u>
	<u>LIABILITIES</u>		
Current Liabilities:			
Accounts payable		516,677	285,330
Claims payable		707,816	839,343
Compensated absences		1,684	1,547
Due to other funds		45,274	3,910
Current maturities of bonds payable - Pension obligations		470	470
Total Current Liabilities		<u>1,271,921</u>	<u>1,130,600</u>
Noncurrent Liabilities:			
Claims payable		6,370,348	7,554,085
Compensated absences		15,159	13,927
Bonds payable - Pension obligations, less current maturities		470	940
Total Noncurrent Liabilities		<u>6,385,977</u>	<u>7,568,952</u>
Total Liabilities		<u>7,657,898</u>	<u>8,699,552</u>
	<u>NET ASSETS</u>		
Unrestricted		<u>\$ 2,293,318</u>	<u>\$ 1,266,446</u>

COUNTY OF ROCKLAND, NEW YORK

INTERNAL SERVICE FUNDS - WORKERS' COMPENSATION BENEFITS FUND
 COMPARATIVE STATEMENT OF REVENUES, EXPENSES AND CHANGES
 IN NET ASSETS
 YEARS ENDED DECEMBER 31, 2003 AND 2002

	<u>2003</u>	<u>2002</u>
Operating Revenues - Charges for services	\$ 2,963,446	\$ 2,719,828
Operating Expenses:		
Administrative and general expenses	563,210	498,237
Salaries and wage expenses	100,984	93,904
Employee benefits	<u>1,444,624</u>	<u>1,933,227</u>
Total Operating Expenses	<u>2,108,818</u>	<u>2,525,368</u>
Income From Operations	<u>854,628</u>	<u>194,460</u>
Non-Operating Revenues (Expenses):		
Interest income	172,346	229,485
Interest on indebtedness	<u>(102)</u>	<u>(136)</u>
Total Non-Operating Revenues	<u>172,244</u>	<u>229,349</u>
Change in Net Assets	1,026,872	423,809
Net Assets - Beginning of Year	<u>1,266,446</u>	<u>842,637</u>
Net Assets - End of Year	<u><u>\$ 2,293,318</u></u>	<u><u>\$ 1,266,446</u></u>

COUNTY OF ROCKLAND, NEW YORK

INTERNAL SERVICE FUNDS - WORKERS' COMPENSATION BENEFITS FUND
 COMPARATIVE STATEMENT OF CASH FLOWS
 YEARS ENDED DECEMBER 31, 2003 AND 2002

	<u>2003</u>	<u>2002</u>
Cash Flows From Operating Activities:		
Cash received from charges for services	\$ 3,004,810	\$ 2,719,828
Cash payments to insurance carriers and claimants	(3,115,694)	(3,147,350)
Cash payments to employees	<u>(76,346)</u>	<u>(78,159)</u>
Net Cash Used in Operating Activities	<u>(187,230)</u>	<u>(505,681)</u>
Cash Flows From Non-Capital Financing Activities:		
Retirement of long-term debt	(470)	(470)
Interest on indebtedness	<u>(102)</u>	<u>(136)</u>
Net Cash Used in Non-Capital Financing Activities	<u>(572)</u>	<u>(606)</u>
Cash Flows From Investing Activities:		
Interest income	172,346	229,485
Proceeds from sale of investments	4,855,000	10,132,000
Purchase of investments	<u>-</u>	<u>(4,855,000)</u>
Net Cash Provided by Investing Activities	<u>5,027,346</u>	<u>5,506,485</u>
Net Increase in Cash	4,839,544	5,000,198
Cash - Beginning of Year	<u>5,110,818</u>	<u>110,620</u>
Cash - End of Year	<u>\$ 9,950,362</u>	<u>\$ 5,110,818</u>
Reconciliation of Income from Operations to Net Cash Used in Operating Activities:		
Income from operations	\$ 854,628	\$ 194,460
Adjustments to reconcile income from operations to net cash used in operating activities:		
Changes in assets and liabilities:		
Due from other funds	-	8,790
Prepaid expenses	(674)	(82)
Accounts payable	231,347	(82,978)
Claims payable	(1,315,264)	(647,088)
Compensated absences	1,369	1,834
Due to other funds	<u>41,364</u>	<u>19,383</u>
Net Cash Used in Operating Activities	<u>\$ (187,230)</u>	<u>\$ (505,681)</u>

COUNTY OF ROCKLAND, NEW YORK

INTERNAL SERVICE FUNDS - GENERAL LIABILITY CLAIMS FUND
 COMPARATIVE STATEMENT OF NET ASSETS
 DECEMBER 31, 2003 AND 2002

	<u>2003</u>	<u>2002</u>
<u>ASSETS</u>		
Cash:		
Demand deposits	\$ 14,235	\$ 28,356
Certificates of deposit	4,902,000	6,801,000
	<u>4,916,235</u>	<u>6,829,356</u>
<u>LIABILITIES</u>		
Current Liabilities -		
Claims payable	740,389	602,551
Noncurrent Liabilities -		
Claims payable	6,663,498	5,422,960
	<u>7,403,887</u>	<u>6,025,511</u>
<u>NET ASSETS (DEFICIENCY)</u>		
Unrestricted	<u>\$ (2,487,652)</u>	<u>\$ 803,845</u>

COUNTY OF ROCKLAND, NEW YORK

INTERNAL SERVICE FUNDS - GENERAL LIABILITY CLAIMS FUND
 COMPARATIVE STATEMENT OF REVENUES, EXPENSES AND CHANGES
 IN NET ASSETS
 YEARS ENDED DECEMBER 31, 2003 AND 2002

	<u>2003</u>	<u>2002</u>
Operating Revenues	\$ -	\$ -
Operating Expenses - Judgments and claims	<u>3,388,501</u>	<u>2,299,123</u>
Loss From Operations	(3,388,501)	(2,299,123)
Non-Operating Revenues - Interest income	<u>97,004</u>	<u>126,984</u>
Change in Net Assets	(3,291,497)	(2,172,139)
Net Assets - Beginning of Year	<u>803,845</u>	<u>2,975,984</u>
Net Assets (Deficiency) - End of Year	<u>\$ (2,487,652)</u>	<u>\$ 803,845</u>

COUNTY OF ROCKLAND, NEW YORK

INTERNAL SERVICE FUNDS - GENERAL LIABILITY CLAIMS FUND
 COMPARATIVE STATEMENT OF CASH FLOWS
 YEARS ENDED DECEMBER 31, 2003 AND 2002

	<u>2003</u>	<u>2002</u>
Cash Flows From Operating Activities -		
Cash payments to insurance carriers and claimants	\$ (2,010,125)	\$ (900,812)
Cash Flows From Investing Activities -		
Interest income	<u>97,004</u>	<u>126,984</u>
Net Decrease in Cash	(1,913,121)	(773,828)
Cash - Beginning of Year	<u>6,829,356</u>	<u>7,603,184</u>
Cash - End of Year	<u>\$ 4,916,235</u>	<u>\$ 6,829,356</u>
Reconciliation of Loss from Operations to Net Cash Used in Operating Activities:		
Loss from operations	\$ (3,388,501)	\$ (2,299,123)
Adjustments to reconcile loss from operations to net cash used in operating activities:		
Change in assets and liabilities:		
Due from other funds	-	889,633
Claims payable	<u>1,378,376</u>	<u>508,678</u>
Net Cash Used in Operating Activities	<u>\$ (2,010,125)</u>	<u>\$ (900,812)</u>

COUNTY OF ROCKLAND, NEW YORK

INTERNAL SERVICE FUNDS - UNEMPLOYMENT BENEFITS FUND
 COMPARATIVE STATEMENT OF NET ASSETS
 DECEMBER 31, 2003 AND 2002

		<u>2003</u>	<u>2002</u>
	<u>ASSETS</u>		
Cash - Demand deposits		\$ 116,106	\$ 115,803
Accounts Receivable		-	39,540
Due from Other Funds		<u>41,801</u>	<u>81,427</u>
Total Assets		157,907	236,770
	<u>LIABILITIES</u>		
Claims Payable		<u>40,029</u>	<u>119,279</u>
	<u>NET ASSETS</u>		
Unrestricted		<u>\$ 117,878</u>	<u>\$ 117,491</u>

COUNTY OF ROCKLAND, NEW YORK

INTERNAL SERVICE FUNDS - UNEMPLOYMENT BENEFITS FUND
 COMPARATIVE STATEMENT OF REVENUES, EXPENSES AND CHANGES
 IN NET ASSETS
 YEARS ENDED DECEMBER 31, 2003 AND 2002

	<u>2003</u>	<u>2002</u>
Operating Revenues - Charges for services	\$ -	\$ 226,807
Operating Expenses - Employee benefits	<u>57</u>	<u>226,921</u>
Loss From Operations	(57)	(114)
Non-Operating Revenues - Interest income	<u>444</u>	<u>914</u>
Change in Net Assets	387	800
Net Assets - Beginning of Year	<u>117,491</u>	<u>116,691</u>
Net Assets - End of Year	<u><u>\$ 117,878</u></u>	<u><u>\$ 117,491</u></u>

COUNTY OF ROCKLAND, NEW YORK

INTERNAL SERVICE FUNDS - UNEMPLOYMENT BENEFITS FUND
 COMPARATIVE STATEMENT OF CASH FLOWS
 YEARS ENDED DECEMBER 31, 2003 AND 2002

	<u>2003</u>	<u>2002</u>
Cash Flows From Operating Activities:		
Cash received from charges for services	\$ 79,166	\$ 226,807
Cash payments to insurance carriers and claimants	<u>(79,307)</u>	<u>(226,784)</u>
Net Cash Provided by (Used in) Operating Activities	<u>(141)</u>	<u>23</u>
Cash Flows From Investing Activities -		
Interest income	<u>444</u>	<u>914</u>
Net Increase in Cash	303	937
Cash - Beginning of Year	<u>115,803</u>	<u>114,866</u>
Cash - End of Year	<u>\$ 116,106</u>	<u>\$ 115,803</u>
Reconciliation of Loss from Operations to Net Cash Provided by (Used In) Operating Activities:		
Loss from operations	\$ (57)	\$ (114)
Adjustments to reconcile loss from operations to net cash provided by (used in) operating activities:		
Changes in assets and liabilities:		
Accounts receivable	39,540	(34,711)
Due from other funds	39,626	(37,414)
Claims payable	<u>(79,250)</u>	<u>72,262</u>
Net Cash Provided by (Used in) Operating Activities	<u>\$ (141)</u>	<u>\$ 23</u>

COUNTY OF ROCKLAND, NEW YORK

INTERNAL SERVICE FUNDS - GENERAL SERVICES FUND
 COMPARATIVE STATEMENT OF NET ASSETS
 DECEMBER 31, 2003 AND 2002

	<u>2003</u>	<u>2002</u>
<u>ASSETS</u>		
Cash:		
Demand deposits	\$ 33,224	\$ 16,255
Petty cash	200	200
	<u>33,424</u>	<u>16,455</u>
Receivables:		
Accounts	43,191	37,521
State and Federal aid	465,883	468,382
	<u>509,074</u>	<u>505,903</u>
Inventories	<u>68,756</u>	<u>49,234</u>
Prepaid Expenses	<u>109,055</u>	<u>32,603</u>
Total Current Assets	<u>720,309</u>	<u>604,195</u>
Capital Assets:		
Buildings	2,980	2,980
Equipment	14,124,725	13,218,870
	<u>14,127,705</u>	<u>13,221,850</u>
Less - Accumulated depreciation	<u>(4,162,669)</u>	<u>(3,908,364)</u>
	<u>9,965,036</u>	<u>9,313,486</u>
Total Assets	<u>10,685,345</u>	<u>9,917,681</u>
<u>LIABILITIES</u>		
Current Liabilities:		
Accounts payable	656,687	726,631
Accrued liabilities	797,796	701,448
Due to other funds	1,510,411	620,178
Compensated absences	164,831	159,813
Current maturities of bonds payable - Capital construction	109,615	531,502
Current maturities of bonds payable - Pension obligations	52,295	52,295
Due to retirement system	-	98,408
Total Current Liabilities	<u>3,291,635</u>	<u>2,890,275</u>
Noncurrent liabilities:		
Compensated absences	1,483,482	1,438,319
Bonds payable - Capital construction, less current maturities	5,020,486	4,671,677
Bonds payable - Pension obligations, less current maturities	514,760	104,581
Due to retirement system	-	425,320
Total Noncurrent Liabilities	<u>7,018,728</u>	<u>6,639,897</u>
Total Liabilities	<u>10,310,363</u>	<u>9,530,172</u>
<u>NET ASSETS</u>		
Invested in Capital Assets, net of related debt	4,834,935	3,953,431
Unrestricted	<u>(4,459,953)</u>	<u>(3,565,922)</u>
Total Net Assets	<u>\$ 374,982</u>	<u>\$ 387,509</u>

COUNTY OF ROCKLAND, NEW YORK

INTERNAL SERVICE FUNDS - GENERAL SERVICES FUND
 COMPARATIVE STATEMENT OF REVENUES, EXPENSES AND CHANGES
 IN NET ASSETS
 YEARS ENDED DECEMBER 31, 2003 AND 2002

	<u>2003</u>	<u>2002</u>
Operating Revenues - Charges for services	\$ 23,125,231	\$ 22,930,548
Operating Expenses:		
Administration and general expenses	4,099,563	3,692,953
Employee benefits	3,936,903	3,925,509
Supplies and other expenses	14,925,345	14,978,640
Depreciation	<u>254,305</u>	<u>318,630</u>
Total Operating Expenses	<u>23,216,116</u>	<u>22,915,732</u>
Income (Loss) From Operations	(90,885)	14,816
Non-Operating Expenses -		
Interest on indebtedness	<u>(12,338)</u>	<u>(14,816)</u>
Income (Loss) Before Transfers	(103,223)	-
Transfers In	<u>90,696</u>	-
Change in Net Assets	(12,527)	-
Net Assets - Beginning of Year	<u>387,509</u>	<u>387,509</u>
Net Assets - End of Year	<u>\$ 374,982</u>	<u>\$ 387,509</u>

COUNTY OF ROCKLAND, NEW YORK

INTERNAL SERVICE FUNDS - GENERAL SERVICES FUND
 COMPARATIVE STATEMENT OF CASH FLOWS
 YEARS ENDED DECEMBER 31, 2003 AND 2002

	<u>2003</u>	<u>2002</u>
Cash Flows From Operating Activities:		
Cash received from charges for services	\$ 23,119,561	\$ 10,763,903
Cash payments to vendors	(12,974,846)	(1,566,035)
Cash payments to employees	(9,637,350)	(9,544,305)
Net Cash Provided by (Used in) Operating Activities	<u>507,365</u>	<u>(346,437)</u>
Cash Flows From Non-Capital Financing Activities:		
Interest on indebtedness	(12,338)	(14,816)
Transfers in	90,696	-
Net Cash Provided by (Used in) Non-Capital Financing Activities	<u>78,358</u>	<u>(14,816)</u>
Cash Flows from Capital and Related Financing Activities:		
Proceeds from the issuance of long-term debt	462,474	900,000
Retirement of long-term debt	(125,373)	(75,542)
Acquisition and construction of capital assets	(905,855)	(447,163)
Net Cash Provided by (Used in) Capital and Related Financing Activities	<u>(568,754)</u>	<u>377,295</u>
Net Increase in Cash	16,969	16,042
Cash - Beginning of Year	<u>16,455</u>	<u>413</u>
Cash - End of Year	<u>\$ 33,424</u>	<u>\$ 16,455</u>
Reconciliation of Income (Loss) from Operations to Net Cash Provided by (Used in) Operating Activities:		
Income (loss) from operations	\$ (90,885)	\$ 14,816
Adjustments to reconcile income (loss) from operations to net cash provided by (used in) operating activities:		
Depreciation	254,305	318,630
Changes in assets and liabilities:		
Accounts receivable	(5,670)	409,677
State and Federal aid receivable	2,499	(443,719)
Inventories	(19,522)	57,818
Prepaid expenses	(76,452)	(14,603)
Accounts payable	(69,944)	65,034
Accrued liabilities	96,348	5,101
Compensated absences	50,181	(421,845)
Due to retirement system	(523,728)	309,889
Due to other funds	890,233	(647,235)
Net Cash Provided by (Used in) Operating Activities	<u>\$ 507,365</u>	<u>\$ (346,437)</u>

COUNTY OF ROCKLAND, NEW YORK

FIDUCIARY FUNDS - AGENCY FUND
 STATEMENT OF CHANGES IN ASSETS AND LIABILITIES
 YEAR ENDED DECEMBER 31, 2003

	Balance January 1, 2003	Increases	Decreases	Balance December 31, 2003
<u>ASSETS</u>				
Cash:				
Demand deposits	\$ 3,807,710	\$ 223,634,360	\$ 223,069,419	\$ 4,372,651
Time deposits	1,988,891	2,193,768	1,658,328	2,524,331
Certificates of deposit	250,000	185,000	20,000	415,000
	6,046,601	226,013,128	224,747,747	7,311,982
Investments	85,000	-	85,000	-
Accounts Receivable	111,441	2,214,625	2,254,967	71,099
Total Assets	\$ 6,243,042	\$ 228,227,753	\$ 227,087,714	\$ 7,383,081
<u>LIABILITIES</u>				
Accounts Payable	\$ 544,008	\$ 727,514	\$ 1,271,522	\$ -
Employee Payroll Deductions	458,214	67,025,823	66,861,634	622,403
Deposits	2,385,839	181,791,181	180,411,058	3,765,962
Due to Other Governments	2,854,981	21,810,196	21,670,461	2,994,716
Total Liabilities	\$ 6,243,042	\$ 271,354,714	\$ 270,214,675	\$ 7,383,081

**STATISTICAL
SECTION**

(Unaudited)

COUNTY OF ROCKLAND, NEW YORK

GENERAL GOVERNMENTAL EXPENDITURES AND OTHER USES BY FUNCTION
 LAST TEN FISCAL YEARS

Year	General Government Support	Education	Public Safety	Health	Trans- portation	Economic Opportunity and Development
1994	\$ 33,124,434	\$ 15,349,657	\$ 26,727,082	\$ 20,355,900	\$ 20,573,652	\$ 102,978,654
1995	32,866,153	17,045,488	29,408,241	22,399,878	21,133,640	107,189,665
1996	26,086,819	17,761,342	28,503,784	22,848,339	21,928,753	103,421,593
1997	26,351,172	17,669,155	29,035,303	22,765,864	21,933,974	106,484,669
1998	29,165,713	18,963,895	32,791,199	23,642,299	23,471,743	109,731,262
1999	33,321,844	18,308,853	39,497,205	25,975,744	25,089,535	117,790,941
2000	36,565,661	24,714,657	40,297,186	27,259,565	26,895,533	120,307,920
2001	34,802,149	28,377,650	40,084,416	30,284,190	28,706,131	130,779,870
2002	34,958,991	45,329,687	41,745,805	37,298,006	31,225,049	138,444,547
2003	34,993,828	50,182,282	42,894,951	34,217,931	31,363,348	146,763,914

Note: Includes General and Special Revenue funds.

Culture and Recreation	Home and Community Services	Employee Benefits	Debt Service	Other Financing Uses	Total
\$ 547,141	\$ 10,873,338	\$ 38,056,371	\$ 1,097,841	\$ 44,033,496	\$ 313,717,566
824,572	11,447,765	1,532,165	776,667	45,178,302	289,802,536
905,101	11,725,224	1,686,581	1,663,367	43,449,961	279,980,864
503,036	12,530,954	1,849,750	1,126,708	42,719,721	282,970,306
999,630	12,251,620	1,967,157	843,979	43,142,677	296,971,174
1,236,264	14,293,762	1,833,836	585,289	44,918,872	322,852,145
1,494,388	15,051,164	1,631,716	194,458	47,772,219	342,184,467
853,647	15,022,224	1,956,682	718,880	91,658,327	403,244,166
598,690	16,502,315	37,451,415	579,500	20,198,287	404,332,292
643,684	17,589,427	15,433,804	21,177,957	41,640,008	436,901,134

COUNTY OF ROCKLAND, NEW YORK

GENERAL GOVERNMENTAL REVENUES AND OTHER SOURCES BY SOURCE
 LAST TEN FISCAL YEARS

Year	Real Property Taxes	Other Tax Items	Non Property Taxes	Departmental Income	Use of Money and Property	Licenses and Permits
1994	\$ 66,221,367	\$ 5,867,112	\$ 70,632,560	\$ 34,290,569	\$ 1,695,380	\$ 747,928
1995	66,102,391	6,729,483	71,285,314	28,308,565	2,287,729	824,666
1996	71,514,319	6,357,491	75,554,316	21,346,455	2,558,952	791,048
1997	69,082,413	6,519,996	82,200,190	22,157,045	3,069,193	796,684
1998	61,401,794	5,512,354	90,389,817	23,063,315	3,277,177	876,645
1999	43,129,354	6,322,957	98,961,356	22,851,032	2,454,549	940,525
2000	67,842,937	5,778,747	102,873,798	25,565,336	2,733,764	1,001,528
2001	55,125,499	4,662,533	104,741,932	23,647,511	1,728,009	963,061
2002	58,090,243	4,461,514	119,731,942	29,627,090	1,300,336	1,252,367
2003	58,693,340	4,262,453	142,819,235	28,668,797	1,819,194	1,321,928

Note: Includes General and Special Revenue funds.

Fines and Forfeitures	Sale of Property and Compensation for Loss	Interfund/ Intrafund Revenues	State Aid	Federal Aid	Miscellaneous	Other Financing Sources	Total
\$ 791,243	\$ 118,370	\$ 32,787,426	\$ 56,604,573	\$ 29,869,759	\$ 2,014,760	\$ 9,892,007	\$ 311,533,054
587,980	399,619	4,037,370	60,510,005	33,347,644	2,363,856	11,745,366	288,529,988
492,366	30,777	3,647,471	60,879,379	31,840,907	2,141,255	12,372,562	289,527,298
627,795	57,079	4,003,463	61,105,011	33,427,046	2,452,479	13,559,299	299,057,693
652,565	123,487	3,519,629	66,940,031	35,819,413	3,291,014	13,919,540	308,786,781
717,214	149,535	3,410,953	69,510,791	42,088,539	4,910,111	15,359,524	310,806,440
798,226	261,352	4,425,683	73,847,533	38,747,001	8,599,439	17,978,563	350,453,907
725,337	416,613	2,476,541	71,663,720	42,058,770	53,938,484	18,105,094	380,253,104
674,941	159,583	39,264,640	77,613,466	45,903,863	7,723,720	14,617,009	400,420,714
718,865	174,452	9,504,603	79,807,988	46,466,016	15,279,908	68,645,846	458,182,625

COUNTY OF ROCKLAND, NEW YORK

PROPERTY TAX LEVIES AND COLLECTIONS
 LAST TEN FISCAL YEARS

<u>Year</u>	<u>Total Tax Levy (1)</u>	<u>Current Tax Collections</u>	<u>Percent of Levy Collected</u>	<u>Delinquent Tax Collections</u>	<u>Total Tax Collections</u>
1994	\$ 509,605,577	\$ 496,583,504	97.44 %	\$ 13,052,061	\$ 509,635,565
1995	534,011,807	520,133,056	97.40	11,233,342	531,366,398
1996	551,457,259	543,530,258	98.56	13,145,029	556,675,287
1997	572,674,963	561,187,252	97.99	13,572,108	574,759,360
1998	585,327,997	574,856,512	98.21	12,860,870	587,717,382
1999	607,008,983	578,540,733	95.31	11,939,136	590,479,869
2000	634,247,752	618,086,483	97.45	30,483,575	648,570,058
2001	689,955,045	683,714,595	99.10	9,347,889	693,062,484
2002	724,492,068	699,222,177	96.51	14,398,714	713,620,891
2003	748,090,490	725,998,760	97.05	23,519,403	749,518,163

(1) Includes County, Town, Village and School relevy as the County is the levying body.

Percent of Total Tax Collection To Tax Levy	Outstanding Delinquent Taxes	Percent of Delinquent Taxes to Tax Levy
100.01 %	\$ 31,013,962	6.09 %
99.50	33,659,371	6.30
100.95	28,441,343	5.16
100.36	21,072,381	3.68
100.41	15,682,996	2.68
97.28	32,212,110	5.31
102.26	17,889,804	2.82
100.45	14,782,365	2.14
98.50	12,388,084	1.71
100.19	11,142,528	1.49

COUNTY OF ROCKLAND, NEW YORK

ASSESSED VALUATION OF TAXABLE REAL PROPERTY, AVERAGE
 EQUALIZATION RATE AND FULL VALUATION
 LAST TEN FISCAL YEARS

<u>Year</u>	<u>Assessed Valuation</u>	<u>Average Equalization Rate (1)</u>	<u>Full Valuation</u>
1994	\$ 9,435,211,487	53.67 %	\$ 17,581,112,520
1995	9,882,162,386	53.84	18,353,200,207
1996	9,503,468,123	53.24	17,787,386,306
1997	9,544,444,519	50.78	18,795,889,785
1998	10,448,220,457	53.82	19,411,552,626
1999	10,440,633,136	53.92	19,363,192,018
2000	10,621,665,844	44.58	23,824,679,124
2001	10,680,794,462	39.30	27,167,732,267
2002	10,726,941,312	36.85	29,112,479,511
2003	10,754,340,792	32.87	32,717,799,793

(1) The equalization rate is the weighted average of the State equalization rate established for each Town within the County. The Town's equalization rates are established by the New York State Board of Equalization and Assessment.

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
1994	\$ 4.866005	\$ 24.590	\$ 2.808	\$ 9.5846	\$ 9.410
1995	4.456823	24.880	2.908*/2.948**	9.2872	9.510
1996	4.382969	24.610	2.8669	8.9738	9.370
1997	4.385030	24.450	3.0580	9.0848	9.135
1998	4.054420	21.990	3.3068	8.5864	8.985
1999	3.636083	18.770	2.5316	7.8604	7.320
2000	3.455003	17.540	2.3170	7.5770	6.730
2001	3.834400	17.020	2.2859	7.2878	6.568
2002	3.728106	18.450	3.0668	7.2251	6.447
2003	4.018649	18.330	2.7935	7.7300	8.512

* Town Wide tax rate

** Town Outside Villages tax rate

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COUNTY OF ROCKLAND, NEW YORK

COMPUTATION OF LEGAL DEBT MARGIN
DECEMBER 31, 2003

Five Year Full Valuation of Taxable Real Property (1998 - 2002)		<u>\$ 118,879,635,546</u>
Five Year Average Full Valuation		<u>\$ 23,775,927,109</u>
Debt Limit - 7% of Five Year Average Full Valuation		\$ 1,664,314,898
Indebtedness:		
Serial Bonds:		
General Purpose	\$ 110,529,131	
Sewer District Facilities	<u>41,598,109</u>	
		\$ 152,127,240
Bond Anticipation Notes -		
Sewer District Facilities		4,400,000
General Purpose		7,179,500
Revenue Anticipation Notes		<u>55,000,000</u>
Total Indebtedness		218,706,740
Less Exclusions:		
Sewer District Facilities:		
Serial Bonds	41,598,109	
Bond Anticipation Notes	<u>4,400,000</u>	
		45,998,109
2004 Budget Appropriations for		
Non-Exempt Debt	3,786,701	
Revenue Anticipation Notes	<u>55,000,000</u>	
Total Exclusions		<u>104,784,810</u>
Total Net Indebtedness		<u>113,921,930</u>
Net Debt Contracting Margin		<u>\$ 1,550,392,968</u>
Percentage of Debt Contracting Power Exhausted as of December 31, 2003		<u>6.84 %</u>

RATIO OF NET LONG-TERM DEBT TO ASSESSED VALUATION
AND NET LONG-TERM DEBT PER CAPITA
LAST TEN FISCAL YEARS

Year	Population (1)	Assessed Valuation	Gross Long-Term Debt (2)	Less Debt Service Funds Available	Net Long-Term Debt
1994	274,834	\$ 9,435,211,487	\$ 129,813,665	\$ 9,076,375	\$ 120,737,290
1995	276,898	9,882,162,386	128,712,882	18,287,756	110,425,126
1996	278,000	9,503,468,123	123,225,445	15,662,759	107,562,686
1997	279,860	9,544,444,519	124,413,221	15,931,007	108,482,214
1998	281,838	10,448,220,457	132,142,092	16,617,923	115,524,169
1999	284,022	10,440,633,136	143,971,932	18,970,715	125,001,217
2000	286,753	10,621,665,844	145,897,331	18,286,289	127,611,042
2001	286,753	10,680,794,462	113,411,059	15,957,255	97,453,804
2002	286,753	10,726,941,312	125,787,988	13,663,113	112,124,875
2003	286,753	10,754,340,792	140,528,483	11,271,106	129,257,377

(1) The population figures are based on the 1990 U.S. Census and estimates by the U.S. Census Bureau in cooperation with the N.Y.S. Department of Economic Development for 1994-1999. The figures for 2000 - 2003 are based on the U.S. Census.

(2) Represents bonds and capital notes, exclusive of debt outstanding for the Proprietary Fund types.

Net Long-Term Debt to Assessed Valuation	Net Long-Term Debt Per Capita
1.28 %	\$ 439.31
1.12	398.79
1.13	386.92
1.14	387.63
1.11	409.90
1.20	440.11
1.20	445.02
0.91	339.85
1.05	391.02
1.20	450.76

COUNTY OF ROCKLAND, NEW YORK

RATIO OF ANNUAL DEBT SERVICE EXPENDITURES FOR
 LONG-TERM DEBT TO TOTAL GENERAL GOVERNMENTAL EXPENDITURES
 LAST TEN FISCAL YEARS

<u>Year</u>	<u>Principal (1)</u>	<u>Interest (1)</u>	<u>Annual Debt Service Expend- itures (1)</u>	<u>Total General Governmental Expend- itures (2)</u>	<u>Ratio of Debt Service to Total General Governmental Expenditures</u>
1994	\$ 10,546,725	\$ 6,802,730	\$ 17,349,455	\$ 313,717,566	5.53 %
1995	11,221,783	7,514,672	18,736,455	289,802,536	6.47
1996	11,605,840	7,273,529	18,879,369	279,980,864	6.74
1997	12,708,224	6,672,877	19,381,101	282,970,306	6.85
1998	13,241,129	6,419,313	19,660,442	296,971,174	6.62
1999	13,387,160	6,515,393	19,902,553	322,852,145	6.16
2000	12,999,600	7,142,472	20,142,072	342,184,467	5.89
2001	13,245,814	7,202,841	20,448,655	403,244,166	5.07
2002	7,472,540	5,471,506	12,944,046	404,332,292	3.20
2003	6,190,771	5,319,580	11,510,351	436,901,134	2.63

(1) Reflects debt service expenditures recorded in the Debt Service Fund for bonds and capital notes.

(2) Includes expenditures and other financing uses for General and Special Revenue funds.

COUNTY OF ROCKLAND, NEW YORK

COMPUTATION OF DIRECT AND UNDERLYING DEBT
 DECEMBER 31, 2003

Governmental Unit	Amount Applicable to County
Towns:	
Clarkstown (1)	\$ 60,892,125
Haverstraw (1)	18,469,898
Orangetown (1)	35,432,746
Ramapo (1)	38,051,784
Stoney Point (2)	12,395,000
Villages - 19 (3)	13,942,000
School Districts - 9 (3)	70,856,000
Fire Districts - 24 (3)	2,435,000
Net Underlying Debt	252,474,553
Net Direct Debt	129,257,377
Net Underlying and Direct Debt	\$ 381,731,930

(1) As of December 31, 2003

(2) As of December 31, 2002

(3) Information obtained from the NYS Comptroller's
 Special Report on Municipal Affairs: Released December 2001

COUNTY OF ROCKLAND, NEW YORK

DEMOGRAPHIC STATISTICS
LAST TEN FISCAL YEARS

<u>Year</u>	<u>Population (1)</u>	<u>Per Capita Income (2)</u>	<u>Unemployment Rate (3)</u>
1994	274,834	\$ N/A	5.40 %
1995	276,898	N/A	4.90
1996	278,000	N/A	4.30
1997	279,860	N/A	4.10
1998	281,838	N/A	3.30
1999	284,022	N/A	3.50
2000	286,753	28,115	3.00
2001	286,753	N/A	3.10
2002	286,753	N/A	3.80
2003	286,753	N/A	3.70

Sources: (1) The population figures are based on the 1990 U.S. Census and estimates by the U.S. Census Bureau in cooperation with the N.Y.S. Department of Economic Development for 1994-1999. The figures for 2000 - 2003 are based on the U.S. Census.

(2) U.S. Department of Commerce, Bureau of Economics Analysis, New York State Department of Labor, Division of Research and Statistics.

(3) New York State Department of Labor, Division of Research and Statistics.
(Note: Figures not seasonally adjusted).

N/A Figures are not available for inclusion in this table.

COUNTY OF ROCKLAND, NEW YORK

CONSTRUCTION PERMIT DATA
LAST TEN FISCAL YEARS

Year	New Non-Residential (1)		New Residential	
	No. of Permits	Estimated Value	No. of Permits	Estimated Value
1994	239	\$ 33,476,440	542	\$ 53,230,810
1995	201	10,082,102	539	51,790,432
1996	N/A	N/A	1,049	74,889,738
1997	N/A	N/A	765	75,275,224
1998	N/A	N/A	570	71,158,820
1999	N/A	N/A	870	116,658,956
2000	N/A	N/A	547	67,365,382
2001	N/A	N/A	531	66,735,166
2002	N/A	N/A	529	68,781,775
2003	N/A	N/A	431	58,596,306

Sources: N.Y.S. Division of Housing and Community Renewal
U.S. Census Building Permit Survey

(1) This category has been eliminated as of 1996.

N/A Figures are not available for inclusion in this table.

COUNTY OF ROCKLAND, NEW YORK

DEPOSITS IN LOCAL BANKS BY ALL CUSTOMERS
LAST TEN FISCAL YEARS

Year	Commercial Banks		Total Deposits (1)	Fiscal Ending 6/30	Savings/Savings and Loan		Total Deposits
	No.	No. of Branches			No.	No. of Branches (2)	
1994	11	78	\$ 2,982,574,000	94	7	18	\$ 1,183,665,000
1995	11	76	3,013,084,000	95	8	20	1,310,838,000
1996	11	73	3,099,631,000	96	8	22	1,437,989,000
1997	9	71	3,323,803,000	97	5	21	1,100,644,000
1998	9	70	3,406,488,000	98	6	25	1,138,123,000
1999	11	76	4,305,233,000	99	5	19	951,411,000
2000	11	76	3,887,779,000	00	5	19	971,874,000
2001	10	75	4,033,579,000	01	5	21	1,007,665,000
2002	13	80	4,507,913,000	02	3	18	997,002,000
2003	14	81	4,927,000,000	03	4	20	1,148,000,000

Sources: (1) N.Y.S. Banking Office and FDIC Research Department

(2) Federal Home Loan Banking - Research Department

COUNTY OF ROCKLAND, NEW YORK

PRINCIPAL TAXPAYERS
DECEMBER 31, 2003

<u>Taxpayer</u>	<u>Type of Business</u>	<u>Full Valuation</u>	<u>Percent of Total Full Valuation</u>
Southern Energy	Public Utility	\$ 1,166,250,100	3.6 %
Palisades Interstate Park	State Lands	686,072,924	2.1
American Cyanamid Corp.	Industrial	705,916,024	2.2
Pyramid/EKLECCO Properties	Retail Shopping	674,556,533	2.1
Orange and Rockland Utilities	Public Utility	594,831,142	1.8
United Water	Water Supply	293,186,268	0.9
Verizon	Public Utility	183,777,452	0.6
Consolidated Edison	Public Utility	146,752,230	0.5
Glorious Sun Roberts - FKA Blue Hill Community	Retirement Community	130,434,783	0.4
The Retail Property Trust	Retail	<u>105,837,165</u>	<u>0.3</u>
Total		<u><u>\$ 4,687,614,621</u></u>	<u><u>14.5 %</u></u>

Note: Total taxable full values on the 2002 tax roll are \$32,717,799,793

COUNTY OF ROCKLAND, NEW YORK

MISCELLANEOUS STATISTICS
DECEMBER 31, 2003

Date of Incorporation: 1798
Form of Government: County Executive/County Legislature

Location and Area: The County is located in Southeast New York State, on the west bank of the Hudson River. The geographical center of the County is situated about 33 miles north of the Manhattan business district in New York City. The County has a land area of 176 square miles, about 30% of which is devoted to parkland and recreational purposes.

Employees:

(Authorized Positions)	
General Government	385
Transportation	123
Public Safety	451
Social Services	1,874
Environment and Housing	132
Other	105
	<hr/>
	3,070
	<hr/> <hr/>

Fire Protection:

Number of Stations	49
Municipal Fire Departments	26
Number of Volunteer Fire Firefighters	3,150

Police Protection:

Number of Stations	12
Number of Police Officers (Authorized Positions)	648

Ambulance:

Number of Emergency Services	14
	(1 Fire Company Based)
Number of Vehicles	50
	(6 Paramedic)

Water Operations:

Number of Metered Accounts	57,110
Average Daily Consumption	29,500,000 (Gallons)
Miles of Water Supply	905
Supply	Several underground stream sources, springs, ponds and wells; also two reservoirs.

COUNTY OF ROCKLAND, NEW YORK

MISCELLANEOUS STATISTICS (Concluded)
DECEMBER 31, 2003

Natural Gas, Electricity and
Telephone Services:

Furnished by private corporations.

Public Works:

Number of Street Lights	16,032
Miles of Paved Streets	863
Miles of Sanitary Sewers	1,090

Public Education:

(Independent School District)

Elementary Schools	41
Middle Schools	11
High Schools	10
Total Enrollment	40,580

Recreation and Culture:

Total Acres	36,349
Number of Parks and Recreational Facilities	15
Number of Libraries	19
Number of Volumes	880,928

Population (United States Census):

1940	74,261
1950	89,276
1960	136,803
1970	229,903
1980	259,530
1990	265,475
2000	286,753

Retail Trade:

Number of Shopping Centers	24
Floor Area	3,340,000 sq. ft.

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

Governmental Activities	Business-type Activities	Total	Component Units
\$ (22,920,414)	\$ -	\$ (22,920,414)	\$ -
(52,249,510)	-	(52,249,510)	-
(39,104,212)	-	(39,104,212)	-
69,027,963	-	69,027,963	-
(13,402,993)	-	(13,402,993)	-
(137,742,617)	-	(137,742,617)	-
1,995,176	-	1,995,176	-
(21,210,530)	-	(21,210,530)	-
(4,020,352)	-	(4,020,352)	-
(219,627,489)	-	(219,627,489)	-
-	(2,459,743)	(2,459,743)	-
(219,627,489)	(2,459,743)	(222,087,232)	-
-	-	-	(28,662,812)
-	-	-	(20,227)
-	-	-	(245,774)
-	-	-	(25,350)
-	-	-	(28,954,163)
58,818,064	-	58,818,064	-
4,262,453	-	4,262,453	-
142,163,349	-	142,163,349	-
1,295,908	-	1,295,908	1,229,077
-	-	-	12,769,968
-	-	-	11,451,340
2,892,790	-	2,892,790	-
9,392,384	-	9,392,384	1,094,352
218,824,948	-	218,824,948	26,544,737
(802,541)	(2,459,743)	(3,262,284)	(2,409,426)
486,014,185	9,437,371	495,451,556	20,122,039
-	-	-	434,164
486,014,185	9,437,371	495,451,556	20,556,203
<u>\$ 485,211,644</u>	<u>\$ 6,977,628</u>	<u>\$ 492,189,272</u>	<u>\$ 18,146,777</u>

BALANCE SHEET
GOVERNMENTAL FUNDS
DECEMBER 31, 2003

<u>ASSETS</u>	General	Capital Projects	Other Governmental Funds	Total Governmental Funds
Cash and Equivalents	\$ 49,464,140	\$ 48,530,432	\$ 16,409,111	\$ 114,403,683
Investments	4,601,689	-	8,426,860	13,028,549
Taxes Receivable, net of allowance for uncollectible taxes	72,309,054	-	-	72,309,054
Other Receivables:				
Accounts	27,647,414	-	342,545	27,989,959
Loans	-	-	227,226	227,226
State and Federal aid	56,860,124	7,962,045	1,797,952	66,620,121
Due from other governments	3,200,791	-	-	3,200,791
Due from other funds	659,085	-	460,101	1,119,186
Advances to other funds	1,039,143	-	-	1,039,143
	<u>89,406,557</u>	<u>7,962,045</u>	<u>2,827,824</u>	<u>100,196,426</u>
Prepaid Expenditures	932,295	-	128,434	1,060,729
Total Assets	<u>\$ 216,713,735</u>	<u>\$ 56,492,477</u>	<u>\$ 27,792,229</u>	<u>\$ 300,998,441</u>
<u>LIABILITIES AND FUND BALANCES</u>				
Liabilities:				
Accounts payable	\$ 21,326,069	\$ 5,030,759	\$ 891,859	\$ 27,248,687
Accrued liabilities	15,605,177	-	877,330	16,482,507
Due to other governments	1,442,000	3,610,529	-	5,052,529
Due to school districts	79,920,047	-	-	79,920,047
Due to other funds	1,039,143	38,598	481,103	1,558,844
Advances from other funds	-	-	1,039,143	1,039,143
Deferred revenues - Taxes	8,271,794	-	-	8,271,794
Deferred revenues - Other	2,007,585	-	2,925,496	4,933,081
Revenue anticipation note payable	55,000,000	-	-	55,000,000
Bond anticipation notes payable	-	10,554,500	-	10,554,500
Total Liabilities	<u>184,611,815</u>	<u>19,234,386</u>	<u>6,214,931</u>	<u>210,061,132</u>
Fund Balances:				
Reserved for encumbrances	1,997,235	23,247,633	1,617,873	26,862,741
Reserved for prepaid expenditures	932,295	-	128,434	1,060,729
Reserved for law enforcement	235,257	-	-	235,257
Reserved for STOP - DWI Program	295,170	-	-	295,170
Reserved for E-911	146,611	-	-	146,611
Reserved for handicapped parking	32,955	-	-	32,955
Reserved for long-term receivable	-	-	116,170	116,170
Reserved for social service programs	-	-	95,769	95,769
Reserved for compensated absences	7,340,097	-	1,346,837	8,686,934
Reserved for debt service	240,626	-	3,296,188	3,536,814
Reserved for parklands	-	194,000	-	194,000
Reserved for advances	1,039,143	-	-	1,039,143
Unreserved:				
Reported in:				
Special Revenue Funds	-	-	7,229,050	7,229,050
Debt Service Fund	-	-	7,746,977	7,746,977
Capital Project Fund	-	13,816,458	-	13,816,458
General Fund	19,842,531	-	-	19,842,531
Total Fund Balances	<u>32,101,920</u>	<u>37,258,091</u>	<u>21,577,298</u>	<u>90,937,309</u>
Total Liabilities and Fund Balances	<u>\$ 216,713,735</u>	<u>\$ 56,492,477</u>	<u>\$ 27,792,229</u>	<u>\$ 300,998,441</u>

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