

COUNTY OF ROCKLAND
INDUSTRIAL DEVELOPMENT AGENCY

AUDIT REPORT

DECEMBER 31, 2010



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To the Members of the County of Rockland
Industrial Development Agency
Pearl River, New York

We have audited the accompanying statement of financial position of County of Rockland Industrial Development Agency as of December 31, 2010 and December 31, 2009, and the related statements of activities, changes in net assets and cash flows for the years ended December 31, 2010 and December 31, 2009. These financial statements are the responsibility of the Organization's management. Our responsibility is to express an opinion on these financial statements based on our audits.

We conducted our audits in accordance with auditing standards generally accepted in the United States of America and Government Auditing Standards, issued by the Comptroller of the United States. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the 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 audits provide a reasonable basis for our opinion.

In our opinion, the financial statements referred to above present fairly, in all material respects, the financial position of County of Rockland Industrial Development Agency as of December 31, 2010 and 2009, and the results of its operations for the years ended December 31, 2010 and 2009, in conformity with accounting principles generally accepted in the United States of America.

Our audit was conducted for the purpose of forming an opinion on the basic financial statements taken as a whole. The Schedules of Supplemental Information on pages 9-58 are presented for purposes of additional analysis and are not a required part of the basic financial statements. Such information has been subjected to the auditing procedures applied in the audit of the basic financial statements and, in our opinion, is fairly stated in all material respects in relation to the basic financial statements taken as a whole.

Korn Rosenbaum LLP
March 31, 2011



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INDEPENDENT AUDITORS' REPORT ON COMPLIANCE AND ON
INTERNAL CONTROL OVER FINANCIAL REPORTING

To the Members of the County of Rockland
Industrial Development Agency
Pearl River, New York

We have audited the general-purpose financial statements of the County of Rockland Industrial Development Agency as of and for the years ended December 31, 2010 and December 31, 2009, and have issued our report thereon dated March 31, 2011. 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.

COMPLIANCE


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



INTERNAL CONTROL OVER FINANCIAL REPORTING

In planning and performing our audit, we considered County of Rockland Industrial Development Agency's internal control over financial reporting in order to determine our auditing procedures for the purpose of expressing our opinion on the financial statements and not to provide assurance on the internal control over financial reporting. Our consideration of the internal control over financial reporting would not necessarily disclose all matters in the internal control over financial reporting that might be material weaknesses. A material weakness is a condition in which the design or operation of one or more of the internal control components does not reduce to a relatively low level the risk that misstatements in amounts that would be material in relation to the financial statements being audited may occur and not be detected within a timely period by employees in the normal course of performing their assigned functions. We noted no matters involving the internal control over financial reporting and its operation that we consider to be material weaknesses.

This report is intended for the information of the audit committee, management and federal awarding agencies and pass-through entities. However, this report is a matter of public record and its distribution is not limited.


Korn Rosenbaum LLP

March 31, 2011

COUNTY OF ROCKLAND
INDUSTRIAL DEVELOPMENT AGENCY
STATEMENT OF FINANCIAL POSITION
AS OF DECEMBER 31,

	<u>2010</u>	<u>2009</u>
<u>ASSETS</u>		
<u>CURRENT ASSETS</u>		
Cash and Equivalents	\$ 223,164	\$ 232,872
Accounts Receivable	<u>15,000</u>	<u>-</u>
<u>TOTAL ASSETS</u>	<u>\$ 238,164</u>	<u>\$ 232,872</u>
 <u>LIABILITIES</u>		
Accrued Expenses	<u>\$ 96,763</u>	<u>\$ 96,763</u>
 <u>TOTAL LIABILITIES</u>	 <u>\$ 96,763</u>	 <u>\$ 96,763</u>
 <u>NET ASSETS</u>		
Unrestricted	<u>141,401</u>	<u>136,109</u>
 <u>TOTAL LIABILITIES AND NET ASSETS</u>	 <u>\$ 238,164</u>	 <u>\$ 232,872</u>

See notes to the financial statements.

COUNTY OF ROCKLAND
INDUSTRIAL DEVELOPMENT AGENCY
STATEMENT OF ACTIVITIES
FOR THE YEARS ENDED DECEMBER 31.

	<u>2010</u>	<u>2009</u>
<u>CHANGES IN UNRESTRICTED NET ASSETS:</u>		
<u>REVENUES AND GAINS</u>		
Closing Fees	\$ 110,500	\$ 17,000
Administrative Fees	12,500	12,010
Application Fees	1,750	750
Investment Income	573	155
	\$ 125,323	\$ 29,915
<u>EXPENSES</u>		
Salaries	\$ 33,053	\$ 33,053
Payroll Taxes	2,747	2,714
Other Fringe Benefits	375	365
Administrative Support	65,800	65,800
Insurance	1,829	2,200
Pension	4,468	4,165
Meetings/Conference Expenses	3,111	-
Bank Charges	-	32
Office Supplies/Payroll Service Fees	790	782
Dues and Subscriptions	750	750
Other Administrative Expenses	-	1,561
Marketing	1,200	1,200
Audit Fees	3,300	3,300
Employee Travel	-	159
Legal Notices/Legal Fees	2,608	1,868
	\$ 120,031	\$ 117,949
	-	-
<u>INCREASE IN UNRESTRICTED NET ASSETS</u>	\$ 5,292	\$ (88,034)
Unrestricted Net Assets - Beginning of Year	136,109	224,143
Unrestricted Net Assets - End of Year	\$ 141,401	\$ 136,109

See notes to the financial statements.

COUNTY OF ROCKLAND
INDUSTRIAL DEVELOPMENT AGENCY
STATEMENT OF CASH FLOWS
FOR THE YEARS ENDED DECEMBER 31.

	<u>2010</u>	<u>2009</u>
<u>CASH FLOWS FROM OPERATING ACTIVITIES</u>		
Increase (Decrease) in Net Assets - Unrestricted	\$ 5,292	\$ 5,292
Adjustments to Reconcile Excess Revenues over Expenditures to Net Cash Provided by Operating Activities:		
Decrease (Increase) in Accounts Receivable	-	-
Increase (Decrease) in Accrued Expenses	-	(62)
	\$ 5,292	\$ 5,230
<u>NET CASH PROVIDED BY OPERATING ACTIVITIES</u>		
<u>CASH FLOWS FROM INVESTING ACTIVITIES</u>		
<u>NET CASH PROVIDED (USED) BY INVESTING ACTIVITIES</u>	\$ -	\$ -
<u>NET (DECREASE) INCREASE IN CASH</u>	\$ 5,292	\$ 5,230
CASH - BEGINNING OF YEAR	-	320,968
CASH - END OF YEAR	\$ 5,292	\$ 326,198
 <u>SUPPLEMENTAL CASH FLOW INFORMATION:</u>		
Cash Paid for Interest	\$ -	\$ -

See notes to the financial statements.

COUNTY OF ROCKLAND
INDUSTRIAL DEVELOPMENT AGENCY
NOTES TO FINANCIAL STATEMENTS
FOR THE YEAR ENDED DECEMBER 31, 2010 AND 2009

NOTE A SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

The books of the County of Rockland Industrial Development Agency (IDA) are maintained on the accrual basis of accounting. Using this method, revenues are recognized when earned and expenses are recognized when incurred.

NOTE B INDUSTRIAL DEVELOPMENT AGENCY BONDS

Certain industrial development revenue bonds and notes issued by the Industrial Development Agency are secured property which is leased to companies and is retired by lease payments. The bonds and notes which are special purpose non-recourse moral obligation bonds, and are not obligations of the County or the State. Furthermore, they are non-recourse as to the Agency. The bondholders and Mortgagees' sole recourse in a default is against the underlying project. The Agency does not record the assets or liabilities resulting from completed bond and note issues in its accounts as its primary function is to arrange the financing between the borrowing companies and the bond and note holders, and funds arising therefrom are controlled by trustees or banks acting as trustees and fiscal agents. For providing this service, the Agency receives administrative fees from the borrowing companies. Such administrative fee income is recognized immediately upon issuance of bonds and notes.

NOTE C ORGANIZATION

The Agency was created in 1981 by the Legislature of Rockland County under the provision of Chapter 24, Article 18A and Section 925-1 of the 1969 Laws of New York State for the purpose of encouraging economic growth in the County of Rockland. The Agency, although established by the County of Rockland Legislature, is a separate entity and operates independently of the County of Rockland.

COUNTY OF ROCKLAND
INDUSTRIAL DEVELOPMENT AGENCY
NOTES TO FINANCIAL STATEMENTS
FOR THE YEAR ENDED DECEMBER 31, 2010 AND 2009

NOTE D INVESTMENTS

The agency's investment policies are governed by State statutes. In addition, the Agency has its own written investment policy. Agency monies must be deposited in FDIC insured commercial banks or trust companies located within the State. The Agency is authorized to use demand accounts and certificates of deposits. Permissible investments include obligations of the U.S. Treasury, and obligations of New York State or its localities.

Collateral is required for demand deposits and certificates of deposit at (105%) of all deposits not covered by federal deposit insurance. Obligations that may be pledged as collateral are obligations of the United States and its Agencies and obligations of the State and its municipalities and school districts.

The IDA's cash accounts are fully insured and/or collateralized as required by its investment policy.

NOTE E EMPLOYEE BENEFIT PLANS

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