

COUNTY OF ROCKLAND
INDUSTRIAL DEVELOPMENT AGENCY

AUDIT REPORT

DECEMBER 31, 2011





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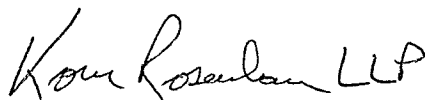
To the Members of the County of Rockland
Industrial Development Agency
Pearl River, New York

We have audited the accompanying statement of financial position of County of Rockland Industrial Development Agency as of December 31, 2011 and December 31, 2010, and the related statements of activities, changes in net assets and cash flows for the years ended December 31, 2011 and December 31, 2010. 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, 2011 and 2010, and the results of its operations for the years ended December 31, 2011 and 2010, 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 9-10 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
April 26, 2012

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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, 2011 and December 31, 2010, and have issued our report thereon dated April 26, 2012. 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.

INTERNAL CONTROL OVER FINANCIAL REPORTING

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



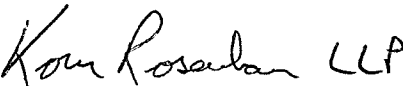
A *deficiency in internal control* exists when the design or operation of a control does not allow management or employees, in the normal course of performing their assigned functions, to prevent, or detect and correct misstatements on a timely basis. A *material weakness* is a deficiency, or a combination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

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

COMPLIANCE AND OTHER MATTERS

As part of obtaining reasonable assurance about whether the County 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*.

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

April 26, 2012

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

	<u>2011</u>	<u>2010</u>
<u>ASSETS</u>		
<u>CURRENT ASSETS</u>		
Cash and Equivalents	\$ 94,029	\$ 223,164
Accounts Receivable	-	15,000
	<hr/>	<hr/>
<u>TOTAL ASSETS</u>	<u>\$ 94,029</u>	<u>\$ 238,164</u>
 <u>LIABILITIES</u>		
Accrued Expenses	\$ 3,300	\$ 96,763
	<hr/>	<hr/>
<u>TOTAL LIABILITIES</u>	<u>\$ 3,300</u>	<u>\$ 96,763</u>
 <u>NET ASSETS</u>		
Unrestricted	90,729	141,401
	<hr/>	<hr/>
<u>TOTAL LIABILITIES AND NET ASSETS</u>	<u>\$ 94,029</u>	<u>\$ 238,164</u>

See notes to the financial statements.

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

	<u>2011</u>	<u>2010</u>
<u>CHANGES IN UNRESTRICTED NET ASSETS:</u>		
<u>REVENUES AND GAINS</u>		
Administrative Fees	\$ 61,745	\$ 123,000
Application Fees	1,000	1,750
Investment Income	360	573
	63,105	125,323
<u>TOTAL UNRESTRICTED REVENUES AND GAINS</u>		
<u>EXPENSES</u>		
Salaries	\$ 29,527	\$ 33,053
Payroll Taxes	2,465	2,747
Other Fringe Benefits	428	375
Administrative Support	65,800	65,800
Insurance	1,919	1,829
Pension	5,419	4,468
Meetings/Conference Expenses	282	3,111
Office Supplies/Payroll Service Fees	1,290	790
Other Administrative Expenses	1,066	750
Community Outreach	1,261	1,200
Audit Fees	3,300	3,300
Legal Notices/Legal Fees	1,020	2,608
	113,777	120,031
<u>TOTAL EXPENSES</u>		
	-	-
<u>INCREASE IN UNRESTRICTED NET ASSETS</u>		
	\$ (50,672)	\$ 5,292
Unrestricted Net Assets - Beginning of Year	141,401	136,109
Unrestricted Net Assets - End of Year	90,729	141,401

See notes to the financial statements.

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

	<u>2011</u>	<u>2010</u>
<u>CASH FLOWS FROM OPERATING ACTIVITIES</u>		
Increase (Decrease) in Net Assets - Unrestricted	\$ (50,672)	\$ 5,292
Adjustments to Reconcile Excess Revenues over Expenditures to Net Cash Provided by Operating Activities:		
Decrease (Increase) in Accounts Receivable	15,000	(15,000)
Increase (Decrease) in Accrued Expenses	<u>(93,463)</u>	<u>-</u>
<u>NET CASH PROVIDED BY OPERATING ACTIVITIES</u>	<u>\$ (129,135)</u>	<u>\$ (9,708)</u>
<u>CASH FLOWS FROM INVESTING ACTIVITIES</u>		
<u>NET CASH PROVIDED (USED) BY INVESTING ACTIVITIES</u>	<u>\$ -</u>	<u>\$ -</u>
<u>NET (DECREASE) INCREASE IN CASH</u>	<u>\$ (129,135)</u>	<u>\$ (9,708)</u>
CASH - BEGINNING OF YEAR	<u>223,164</u>	<u>232,872</u>
CASH - END OF YEAR	<u>\$ 94,029</u>	<u>\$ 223,164</u>
 <u>SUPPLEMENTAL CASH FLOW INFORMATION:</u>		
Cash Paid for Interest	<u>\$ -</u>	<u>\$ -</u>

See notes to the financial statements.

COUNTY OF ROCKLAND
INDUSTRIAL DEVELOPMENT AGENCY
NOTES TO FINANCIAL STATEMENTS
FOR THE YEAR ENDED DECEMBER 31, 2011 AND 2010

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, 2011 AND 2010

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.

Schedules of Supplemental Information

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Project Year	Project Number	Name	Company	ST-340	#Jobs	# Construction jobs	
		BOND					
1999	3901-99-01-A	Itzkowitz, Michael	Assisted Living at Northern Riverview		44	44	
2002	3901-02-01-A	Itzkowitz, Michael	Northern Manor Geriatric Center, Inc.		262	0	
2005	3901-05-02-A	Kenny, VP, Cathleen	Dominican College (Rosary Hall/H&S Ctr)		482	0	
2006	3901-06-03-A	Kenny, VP, Cathleen	Dominican College		48	0	
1998	3901-98-04-A	Edner, Lonnie	Shock Tech		45	0	
2000	3901-00-03-A	Campione, Mark	Jawonio, Inc.		120	0	
2000	3901-00-04-A	Hayden, Anne	Intercos America	\$ -	481	0	
2001	3901-01-03-A	Gussack, David	Gussack Realty Company		206	26	
2004	3901-04-03-A	Donald L. Abrams	Cardiovascular Research Foundation		21	0	
2006	3901-06-02-A	Sammis, William	Pooled - Crystal Run		12	0	
2006	3901-06-02-A	Wegman, Karen	Pooled - Learning Disabled		65	0	
2007	3901-07-01-A	Mahoney James	Nyack Library		33	5	
2008	3901-07-03-A	Downey, Daniel	JCC-Y of Rockland		166	0	
2010	3901-10-05-A	Advani, Balram	ADH Health Products, Inc.	\$ -	69	1	
		LEASE					
2003	3901-03-01-A	Bogdewicz, Walter	Avon Products, Inc.		347	0	
2003	3901-03-02-A	Prusmack, A. Jon	DHS Systems, LLC		136	0	
2005	3901-05-03-A	Amar, Raja R.	Portables Unlimited, Inc.	\$ -	28	0	
2005	3901-05-04-A	Rosen, Daniel S.	Sentry Industries, Inc.		28	0	
2008	3901-08-01-A	Sasson, Uri	Urarn Associates		5	0	
2008	3901-08-02-A	Blackburn, Esq., Robert	Klik Technologies	\$ -	116	0	
2008	3901-08-03-A	Cohen, Yoav M.	Vision Sciences, Inc.	\$ -	91	4	
2008	3901-08-04-A	Wertheimer, George	Manhattan Beer Distributors, LLC	\$ -	236	0	
2008	3901-08-05-A	Rosenblum, Barry	Central Plumbing	\$ 7,766.36	4	0	
2009	3901-09-02-A	DeRiggi, Esq., Brendan	Liptis Pharmaceuticals USA Inc.	\$ 368.36	27	0	
2009	3901-09-03-A	Angiolillo, Joseph	ICCO Cheese Company, Inc.		70	0	
2010	3901-10-01-A	O'Muirithe, Cormach	United Structural Works	\$ 74,109.23	25	0	
2010	3901-10-06-A	Khan, Gordon	Hunter Douglas, Inc.	\$ 290,912.00	85	0	
2010	3901-10-02-A	Piscitelli, Nick	Magnum Development/Zagwear	\$ 15,074.00	25	0	
2010	3901-10-03-A	Hayden, Anne	Intercos America	0		see Bond	
2010	3901-10-04-A	Goldstein, Joshua	Empire Executive Inn	\$ 670,000.00	51	13	
2011	3901-11-01-A	Reisen, Daniel	DER Specialty Products, LLC	0	2	2	
2011	3901-11-02-A	Curti, William Scott	Curti's Landscaping Inc./Route 303	\$ 4,136.82	25	0	
2011	3901-11-03-A	Tropper, Elisha	Cambridge Security Seals LLC	0	17	0	
2011	3901-11-04-A	Khalid, Mohammed	Vitane Pharmaceuticals, Inc.	0	0	0	

Annual Salary of jobs to be created	Annualized salary range	Annual salary of jobs retained	Local Town & Village	PILOT County	PILOT School
\$ -	\$ -	\$ -	N/A	N/A	N/A
\$ -	\$ -	\$ -	\$ 76,226.24	\$ 17,488.24	\$ 280,157.73
\$ -	\$ -	\$ 38,000.00	N/A	N/A	N/A
\$ -	\$ -	\$ 38,000.00	N/A	N/A	N/A
\$ 33,600.00	27,000 to 40,000	\$ 55,000.00	Ended in 2004		\$ 123,078.15
\$ 35,200.00	25,000 to 50,000	\$ 35,200.00	N/A	N/A	N/A
\$ 40,000.00	35,000 to 60,000	\$ 40,000.00	\$ 85,131.46	\$ 19,531.43	\$ 225,106.00
\$ 7,504,128.00	\$ -	\$ -	\$ 47,530.94	\$ 14,609.66	\$ 231,568.54
\$ 150,000.00	140,000 to 160,000	\$ 2,100,000.00	N/A	N/A	N/A
\$ -	\$ -	\$ 26,177.00	N/A	N/A	N/A
\$ 27,900.00	\$ -	\$ 28,000.00	N/A	N/A	N/A
\$ 7,900.00	5,000 to 10,000	\$ 16,400.00	N/A	N/A	N/A
\$ -	\$ -	\$ -	N/A	N/A	N/A
\$ 30,000.00	25,000 to 30,000	\$ 35,000.00	\$ 24,186.00	\$ 5,548.89	\$ 69,141.02
will not provide			\$ 153,854.80	\$ 16,190.20	\$ 308,955.00
project completed			Completed		
unknown	unknown	\$ 60,000.00	\$ 10,345.39	\$ 2,373.50	\$ 38,022.80
\$ 25,000.00	22,000 to 26,000	\$ 25,000.00	\$ 10,041.95	\$ 2,965.80	\$ 38,992.25
\$ 25,000.00	25,000 to 30,000	\$ 25,000.00	No PILOT		
\$ 29,500.00	20,000 to 45,000	\$ 31,000.00	No PILOT		
\$ 120,000.00	26,000 to 35,000	\$ 10,792,000.00	No PILOT		
\$ 52,832.00	18,714 to 67,989	\$ 51,298.00	started 9/1/11 - only school taxes		\$ 335,535.95
\$ 50,000.00	30,000 to 90,000	\$ 50,000.00	No PILOT		
\$ -	\$ -	\$ 45,966.34	started 9/1/11 - only school taxes		\$ 43,101.71
\$ 31,000.00	17,000 to 45,500	\$ 38,000.00	\$ 10,500.46	\$ 3,227.54	\$ 32,084.75
\$ 47,000.00	47,000 to 52,000	\$ 47,000.00	0	0	0
\$ 123,041.98	32,893.12 to 710,000	n/a	0	0	0
\$ -	\$ -	\$ 1,900,000.00	0	0	\$ 105,303.79
			0	0	0
\$ 37,444.00	20,800 to 54,088	\$ 24,960.00	\$ 23,626.68	\$ 8,714.28	\$ 112,358.44
\$ 40,000.00	30,000 to 50,000	\$ 40,000.00	0	0	0
\$ 39,500.00	24,000 to 55,000	\$ 1,550,000.00	0	0	0
\$ 50,000.00	30,000 to 130,000	\$ 70,000.00	0	0	0
\$ -	\$ -	\$ -	not in effect		

