

# *County of Nassau, New York*

Independent Auditors' Report on the  
Basic Financial Statements for the  
Years Ended December 31, 2008 and 2007,  
and the Schedule of Expenditures of Federal Awards  
for the Year Ended December 31, 2008



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## INDEPENDENT AUDITORS' REPORT

Honorable Thomas R. Suozzi, County Executive  
and Members of the County Legislature  
County of Nassau, New York

We have audited the accompanying financial statements of the governmental activities, the aggregate discretely presented component units, each major fund, and the aggregate remaining fund information of the County of Nassau, New York, (the "County"), as of and for the years ended December 31, 2008 and 2007, (with the Nassau Community College for the years ended August 31, 2008 and 2007), which collectively comprise the County's basic financial statements as listed in the table of contents. We also have audited the financial statements of the County's nonmajor governmental and fiduciary funds presented as supplementary information in the accompanying combining and individual fund financial statements as of December 31, 2008 and 2007 and for the years then ended 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 financial statements based on our audits. We did not audit the financial statements of the Nassau Regional Off-Track Betting Corporation, the Nassau County Industrial Development Agency, and the Nassau Health Care Corporation, all discretely presented component units, which as combined represent 9 and 9 percent and 19 and 16 percent, respectively, of the assets and revenues of the County for each of the years ended December 31, 2008 and 2007. Those statements were audited by other auditors whose reports have been furnished to us, and our opinion, insofar as it relates to the amounts included for such entities is based solely on the reports of the other auditors.

We conducted our audits in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the basic financial statements are free of material misstatement. An audit includes consideration of internal control over financial reporting as a basis for designing audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of County's internal control over financial reporting. Accordingly, we express no such opinion. 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 and the reports of other auditors provide a reasonable basis for our opinions. The financial statements of the Nassau Regional Off-Track Betting Corporation and Nassau Health Care Corporation were not audited in accordance with *Government Auditing Standards*.

In our opinion, based on our audits and the reports of other auditors, the financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities, the aggregate discretely presented component units, each major fund, and the aggregate remaining fund information of the County of Nassau, New York, as of December 31, 2008 and 2007, and the respective changes in financial position, where applicable, thereof and the respective budgetary comparison for the

applicable major funds for the years then ended in conformity with accounting principles generally accepted in the United States of America. In addition, in our opinion, the financial statements referred to above present fairly, in all material respects, the respective financial position of nonmajor governmental and fiduciary funds of the County of Nassau, New York, as of December 31, 2008 and 2007, and the respective changes in financial position, where applicable, thereof for the year then ended in conformity with accounting principles generally accepted in the United States of America.

As discussed in Note 15a, during 2008, the County changed its method of estimating the liability for workers compensation claims.

The Management's Discussion and Analysis and the schedule of funding progress on pages 3 through 13, and page 115, are not a required part of the basic financial statements but are supplementary information required by the Governmental Accounting Standards Board. We and the other auditors have applied certain limited procedures, which consisted principally of inquiries of management regarding the methods of measurement and presentation of the required 2008 supplementary information. However, we did not audit the information and express no opinion on it.

Our audits were conducted for the purpose of forming opinions on the financial statements that collectively comprise the County's basic financial statements. The accompanying financial information listed as Other Supplementary Information, in the foregoing table of contents, is presented for purposes of additional analysis and is not a required part of the basic financial statements. This supplementary information is the responsibility of the County's management. The accompanying financial information listed as Other Supplementary Information, in the foregoing table of contents, has been subjected to the auditing procedures applied by us and the other auditors in the audit of the basic financial statements and, in our opinion, based on our audit and the reports of other auditors, is fairly stated in all material respects in relation to the basic financial statements taken as a whole.

In accordance with *Government Auditing Standards*, we have also issued our report dated June 24, 2009, on our consideration of the County's internal control over financial reporting and our tests of its compliance with certain provisions of laws, regulations, contracts and grant agreements and other matters. The purpose of that report is to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on the internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* and should be read in conjunction with this report in considering the results of our audit.

*Deloitte + Touche LLP*

June 24, 2009

## MANAGEMENT DISCUSSION AND ANALYSIS

Nassau County's Comprehensive Annual Financial Report ("CAFR") complies with the requirements of Governmental Accounting Standards Board Statement No. 34 ("GASB 34"). This section of the report, required under GASB 34, presents Management's Discussion and Analysis ("MD&A") of the County's financial activities and performance for the fiscal years ended December 31, 2008 and 2007. This section should be read in conjunction with the letter of transmittal and the County's financial statements.

## FINANCIAL HIGHLIGHTS

- The County's net worth declined by \$291.8 million during 2008 to negative \$4.7 billion. The decline was due to increases in estimated long term liabilities for workers compensation, post employment benefits and property tax refunds. The total increase in Long Term Liabilities was partially offset by a slight increase in Capital Assets.
- The County generated a budgetary surplus of \$2.1 million in its primary operating funds (General, Police Headquarters, Police Districts and Fire Safety) in 2008. This surplus can be attributed to conservative budgeting, cost containment, and progress in the implementation of key components of the multi-year financial plan.
- In 2008, the County paid \$98.8 million in refund payments to residential and commercial property taxpayers who successfully challenged their assessments. The Administration funded the tax certiorari payments by using \$40 million from the operating budget, which continues the County's use of pay-as-you-go financing ("PAYGO"). The balance of \$58.8 million was funded by the issuance of debt.
- These financial statements are presented in accordance with Generally Accepted Accounting Principles ("GAAP"). In addition, certain statements present GAAP to budgetary basis conversion columns to present actual results on a budgetary basis. Unreserved fund balance in the County's primary operating funds total \$74.1 million on a budgetary basis (\$53.1 million on a GAAP basis, of which \$57.9 million is in the General Fund offset by a deficit in the Police District Fund). Unreserved fund balance in the Sewer and Storm Water District Fund totals \$129.5 million on a GAAP basis.
- From February of 2003 through June 2009 the County's credit rating had been increased a total of 13 times by the three major rating agencies. In June 2009, Fitch IBCA, Moody's Investors Services and Standard and Poor's, all reaffirmed the County's ratings with no change from the prior year.

## ANALYSIS OF GOVERNMENT-WIDE FINANCIAL STATEMENTS FOR 2008

GASB 34 requires the inclusion of two types of financial statements in the CAFR: *government-wide financial statements* and *fund financial statements*.

Government-wide financial statements provide information about the County as a whole using the *economic resources measurement focus* and the *accrual basis of accounting*. The economic resources measurement focus looks at the transactions and events that have increased or decreased the total economic resources of the government as a whole during the accounting period being reported. The accrual basis of accounting requires revenues to be recognized as soon as they are earned, regardless of the timing of related inflows of cash, and it requires expenses to be recognized as soon as liabilities are incurred, regardless of the timing of related outflows of cash. These statements present a long-term view of the County's finances.

There are two government-wide financial statements: the *statement of net assets* and the *statement of activities*. The statement of net assets reports everything the County owns (its assets) and owes (its liabilities) as of the end of the year. Net assets are what remain after all liabilities have been paid off or otherwise satisfied; they signify the net worth of the government. This statement is designed to display assets and liabilities in order of their basic liquidity and maturity while presenting the basic accounting relationship applicable to public sector entities:  $assets - liabilities = net\ assets$ . This statement also presents all of the County's economic resources – that is, all of its assets and liabilities, both financial and capital. The statement of activities tracks the County's annual revenues and expenses as well as any other transactions that increase or reduce net assets. It divides the County's activities into three elements: its governmental activities, its business-type activities (currently not applicable), and the activities of its component units.

### *The Statement of Net Assets*

The statement of net assets for the 2008 fiscal year shows that Nassau County has a deficit balance of \$4.7 billion. Table 1 shows that the County's net worth declined by \$291.8 million during 2008 primarily due to increases in the estimated long term liability for workers compensation, post employment benefits, and property tax refunds. The accrual increase in workers compensation was primarily the result of a change in methodology. Property tax refund accruals resulted from the inclusion of the Assessment Review Commission's estimate of the additional liability associated with unilateral reductions.

**Table 1**  
**Summary of Net Assets (Deficit)**  
(dollars in millions)

	<u>Total Primary Governmental Activities</u>		<u>Change</u>
	<u>2008</u>	<u>2007</u>	
Current and Other Assets	\$ 1,593.0	\$ 1,592.3	\$ 0.7
Capital Assets	2,389.3	2,318.7	70.6
<b>Total Assets</b>	<u>3,982.3</u>	<u>3,911.0</u>	<u>71.3</u>
Long-Term Liabilities	7,671.0	7,226.3	444.7
Other Liabilities	1,030.6	1,112.2	(81.6)
<b>Total Liabilities</b>	<u>8,701.6</u>	<u>8,338.5</u>	<u>363.1</u>
Net Assets			
Invested in Capital Assets, Net of Related Debt	1,356.9	1,602.2	(245.3)
Restricted	56.7	-	56.7
Unrestricted	(6,132.9)	(6,029.7)	(103.2)
<b>Total Net Assets (Deficit)</b>	<u>\$ (4,719.3)</u>	<u>\$ (4,427.5)</u>	<u>\$ (291.8)</u>

The County's total assets increased by \$71.3 million in 2008 from \$3.9 billion to \$4.0 billion. The increase in Capital Assets of \$70.6 million was primarily due to the completion of renovations to the Old County Courthouse as part of the building consolidation project, sewer and storm water improvements, and open space purchases. As a result of the adoption of GASB 51 in 2008, which establishes standards for accounting and reporting of intangible assets for all state and local governments, the County has recorded \$8.8 million of land rights as intangible assets within Capital Assets.

Table 1 also shows that total liabilities increased in 2008 by \$363.1 million. This was primarily due to the aforementioned increases in Long Term Liabilities partially offset by a slight decrease in Other Liabilities from the conversion of short term notes to bonds.

The County has \$1.4 billion invested in its capital assets, recorded at acquisition cost, net of related debt. Capital assets are used by the County in the provision of services to the taxpayers; hence, this investment of County equity is allocated in the County's capital assets and is not immediately available to support future expenses.

Finally, the County's Statement of Net Assets shows a deficit balance of \$4.7 billion in net assets at December 31, 2008, which represents an increase in the deficit of \$291.8 million since the close of the 2007 fiscal year. Unrestricted net assets reflect all liabilities that are not related to the County's capital assets and which are not expected to be repaid from restricted resources. Accordingly, the County will have to allocate future revenues towards the payment of these liabilities.

As of December 31, 2008, Nassau County and its blended component units had a combined \$3.2 billion in outstanding long-term debt. The County's debt indicators and ratios are disproportionately high. This is because the County has historically issued long-term debt to finance judgments, settlements, and the payment of real property tax refunds resulting from successful grievances of property tax assessments.

Nassau County is responsible under State law for guaranteeing the tax levy of the three towns within the County, all but one of the 56 school districts, and approximately 200 special districts. Prior to the court ordered mass property revaluation which was completed in 2002, the County had not reassessed its residential properties since 1938, nor had it reassessed its commercial properties since 1986. Even after the revaluation, over one-hundred thousand grievances have been filed annually by residential and commercial property owners protesting the accuracy of the assessed values assigned to their properties. Starting in 2006 and continuing through 2008, the County has been transitioning to PAYGO financing for real property tax refunds.

#### *The Statement of Activities*

The Statement of Activities for the fiscal year that ended December 31, 2008 details the decline in the County's net worth from 2007 to 2008. Table 2 summarizes the changes in the County's net assets. Several factors impacted the County's net worth. They include:

- Revenue from operating grants increased by \$15.5 million primarily due to increased State Aid in the Departments of Social Services and Mental Health and Chemical Dependency and Developmental Disabilities. The increases were primarily driven by three factors; incremental reimbursement in federal and state aid due to higher social services caseloads, revenue maximization efforts in Social Services and increases in grants to Mental Health and Chemical Dependency and Developmental Disabilities and Social Services.
- Sales Tax revenues decreased \$11.9 million from 2007, as the County experienced a decline in sales tax revenue for the first time in eighteen years. For the region, lower sales tax growth is projected, due to slowing economic activity from higher unemployment and a declining regional housing market.
- Capital Grants decreased by \$21.9 million, primarily because receipts from land sales fell from \$17 million in 2007 to \$1.5 million in 2008 and there was no pass through federal aid for the police department's computer aided dispatch system, which had received approximately \$5 million in federal aid in 2007.
- Revenue from Tobacco Settlements increased in 2008 by \$14.9 million. Those funds are disbursed by the

county to the Nassau Health Care Corporation.

- General Government expenses increased by a net of \$230 million. This increase primarily related to an increase in the workers compensation liability of \$124.7 million, an adjustment to OPEB of \$101.8 million and an increase in real property tax refund expense of \$37.2 million. Partially offsetting these increases were decreases to capital assets expense. This decrease was the result of a larger share of the 2008 capital assets qualifying to be amortized rather than expensed in the current year.
- Protection of Persons increased by \$46.7 million due to increases in salaries and related employee benefits including workers compensation expense of \$7.9 million, formerly reported as general government expense, and an increase in capital asset expense of \$13 million. Salaries increased because of wage increases in labor contracts and an increase in termination pay expense.
- Social Services expense increased by \$18 million due to higher TANF and Safety Net caseloads and increases in the cost of Medicaid. This was partially offset by the increased state aid discussed above.

**Table 2**  
**Change in Net Assets**  
(dollars in millions)

	2008	2007	Change
<b>Revenues</b>			
Program Revenues			
Charges for Services	\$ 174.0	\$ 194.4	\$ (20.4)
Operating Grants	413.0	397.5	15.5
Capital Grants	15.1	37.0	(21.9)
General Revenues			
Property Taxes	889.5	886.7	2.8
Sales Taxes	998.6	1,010.5	(11.9)
Other Taxes	39.0	45.0	(6.0)
Tobacco Settlement Revenues	74.1	59.2	14.9
Investment Income	48.7	45.3	3.4
Other General Revenues	26.4	21.9	4.5
<b>Total Revenues</b>	<u>2,678.4</u>	<u>2,697.5</u>	<u>(19.1)</u>
<b>Expenses</b>			
Legislative	10.1	9.8	0.3
Judicial	53.0	49.9	3.1
General Government	759.2	529.2	230.0
Implementation of GASB 45*		3,354.8	(3,354.8)
Protection of Persons	719.0	672.3	46.7
Health	259.5	254.9	4.6
Public Works	224.6	221.7	2.9
Recreation and Parks	43.1	48.8	(5.7)
Social Services	519.3	501.3	18.0
Corrections	212.1	226.0	(13.9)
Education	10.7	10.2	0.5
Interest on Long Term Debt	159.6	157.4	2.2
<b>Total Expenses</b>	<u>2,970.2</u>	<u>6,036.3</u>	<u>(3,066.1)</u>
Decrease in Net Assets	(291.8)	(3,338.8)	3,047.0
Implementation of GASB 48*		375.8	(375.8)
Net Assets - (Deficit) Beginning	<u>(4,427.5)</u>	<u>(1,464.5)</u>	<u>(2,963.0)</u>
<b>Net Assets - (Deficit) Ending</b>	<u>\$ (4,719.3)</u>	<u>\$ (4,427.5)</u>	<u>\$ (291.8)</u>

\* Implemented in 2007. In subsequent years, adjustments are included in General Government.

### ANALYSIS OF FUND FINANCIAL STATEMENTS FOR 2008

The remaining statements in the CAFR are *fund financial statements (governmental fund statements and fiduciary fund statements)* that focus on individual parts of the County government, reporting on the County's operations in more detail than the government-wide statements. Funds are accounting devices that the County uses to keep track of specific sources of funding and spending on particular programs. The fund financial statements employ the *current financial resources measurement focus* and are presented using the *modified-accrual basis of accounting*. The current financial resources measurement focus requires the fund financial statements to report near-term inflows and outflows of financial resources. To achieve this objective, the application of the accrual basis of accounting must be modified so that the fund financial statements report only those transactions and events that affect inflows and outflows of financial resources in the near future.



The County's governmental fund statements (*balance sheet and statement of revenues, expenditures, and changes in fund balance*) tell how the general governmental services were financed in the short term as well as what money remains for future spending. These statements present the government's current financial resources (which include its cash and assets that will become cash in the next year) and the current liabilities that these assets will be used to retire.

The County's general operations are financed through four primary operating funds: the General Fund; the Fire Prevention, Safety, Communication, and Education Fund; the Police Headquarters Fund; and the Police District Fund. In 2007, the County Parks and Recreation Fund was merged into the General Fund. With the exception of the Police District Fund, the remaining primary operating funds have identical tax bases; accordingly, the resources in these funds are fungible. The County also has a debt service fund into which resources are transferred to pay current and future debt service obligations. The County's sewer and storm water operations are funded through a sewer and storm water resources district, which through state legislation consolidated three sewage disposal district maintenance funds as well as a sewage collection district maintenance fund for the twenty-seven sewer collection districts located throughout Nassau County. The County also has a Technology Fund, an Open Space Fund, as well as a series of other non-major operating and capital project funds.

*The Governmental Fund Statements*

Nassau County ended the 2008 fiscal year with a budgetary surplus of \$2.1 million aggregated across its primary operating funds. This surplus resulted from the County's ability to meet the unprecedented budgetary challenges from the national credit crisis. This aforementioned crisis led to lower sales tax revenue and lower investment income. However, to meet the challenge the Administration was able to offset the revenue shortfalls by implementing spending controls. The key measures taken to reduce expenses were: limiting hiring of personnel to key positions, the implementation of an inventory management initiative, continued progress in the implementation of initiatives in the multi-year financial plan and savings generated from successful labor negotiations resulting in no across the board increase for the Civil Service Employees Association in the current year.

**Table 3**  
**Summary of Changes in Unreserved Fund Balance**  
**Major Operating Funds and Sewer and Storm Water District Fund**  
(dollars in millions)

	2008	2007	Change
<b>Primary Operating Funds</b>			
General Fund	\$ 57.9	\$ 64.7	\$ (6.8)
Fire Commission			
Police Headquarters	1.6		1.6
Police District	(6.4)	6.1	(12.5)
<b>Total Primary Operating Funds</b>	<u>\$ 53.1</u>	<u>\$ 70.8</u>	<u>\$ (17.7)</u>
<b>Sewer and Storm Water District Fund</b>	<u>\$ 129.5</u>	<u>\$ 162.1</u>	<u>\$ (32.6)</u>

As Table 3 shows, accumulated unreserved, undesignated fund balance in the primary operating funds totaled \$53.1 million at the end of 2008 on a financial reporting basis. On a budgetary basis, the County ended 2008 with accumulated unreserved and undesignated fund balance totaling \$74.1 million. \$10 million of prior years' surplus has been appropriated into the 2009 budget to fund revenue shortfalls.

Unreserved fund balance in the Sewer and Storm Water District declined by \$32.6 million, reflecting the use of fund balance to pay down debt and to cushion the effects of the rate harmonization of the old sewer districts into the new zones of assessments.

The County's operating surplus on a budgetary basis was the result of conservative budgeting and substantial progress in the implementation of core elements of the multi-year financial plan. Specific factors that contributed to the County's fiscal performance were as follows:

- The County's workforce management program limited new hiring primarily to essential and/or emergency functional areas, and throughout the year, full-time staffing levels were below budgeted levels. For example, on December 18, 2008, full-time staffing in the primary operating funds was 365 positions below the budget allotment of 9,159. The County also achieved savings of \$14.8 million, primarily in the General Fund, from the settlement of the Sheriff's Officers Association labor contract.
- By controlling spending on contracts and restricting purchasing via better inventory management, the County achieved a \$23 million favorable variance to budget, also primarily in the General Fund.
- The County successfully implemented a series of "smart government initiatives", such as recoveries associated with workers compensation claims, the value of which totaled \$9.9 million.
- Budgeted borrowings were delayed to later in 2008 and were less than anticipated. This resulted in lower debt service costs with a budgetary surplus of \$22.7 million.
- Partially offsetting these positive results were negative factors in the General Fund including a \$9.9 million shortfall in investment income due to lower interest rates and a \$41.9 million shortfall in sales tax revenue. These negative variances are primarily a result of slower economic activity due to the negative effects of the credit crisis, higher unemployment, and lower consumer confidence.

#### **CAPITAL INVESTMENTS**

The County completed a number of capital projects during the 2008 fiscal year, including \$9.9 million in park improvements and upgrades and \$28 million in road improvements. Major roadway improvements were undertaken on Guy Lombardo Avenue in Freeport and Rockaway Turnpike in Cedarhurst. The County completed the refurbishment of Nunley's Carousel, which was moved to a new location on Museum Row in 2009.

The building consolidation project saw the successful completion of the Old County Courthouse renovation. The building was opened and dedicated in February 2008 as the County's new Executive and Legislative building. The Police and Fire Communication Center in Westbury continues to undergo structural expansion and improvements.

The County made capital improvements during 2008 in the following areas:

**Table 4**  
**Capital Improvements**  
**January 1, 2008 to December 31, 2008**  
**(dollars in millions)**

Project Category	Amount
Building Consolidation Plan	\$ 34.0
Building Improvements	6.0
Environmental Bond Act	1.5
Equipment	3.4
Infrastructure and Economic Development	10.8
Open Space Property Purchases	29.8
Parks	9.9
Property Acquisition	0.4
Public Safety	13.7
Roads	28.4
Sewer and Storm Water	31.8
Technology	15.6
Traffic	7.0
Miscellaneous	<u>2.2</u>
<b>Total</b>	<b><u>\$ 194.5</u></b>

Detailed information on capital asset activity is available in the Notes to the Financial Statements Exhibit X-16, Note 7.

## **DEBT**

Nassau County and its blended component units - NIFA, NCTSC, and the SSWFA - had approximately a combined \$3.2 billion in outstanding long-term debt as of December 31, 2008, representing a net increase of \$178.7 million (\$155.5 million was used to repay commercial paper and BANs that were outstanding at the end of 2007) over the combined long-term debt outstanding as of December 31, 2007. The County also provides a direct-pay guarantee of \$262.1 million outstanding from the refunding and new money debt issued in October of 2004 by the Nassau Health Care Corporation and \$17.4 million outstanding from the refunding and new money debt issued in June of 2005 by the Nassau Regional Off-Track Betting Corporation. Since the two corporations are discretely-presented component units of the County, their debt is not itemized in Table 5 below.

**Table 5**  
**Changes in Long-Term Debt Obligations**  
(dollars in thousands)

	<u>Balance</u> <u>31-Dec-07</u>	<u>Additions</u>	<u>Reductions</u>	<u>Balance</u> <u>31-Dec-08</u>
General Obligation County Bonds	\$ 363,300	\$ 272,863	\$ 96,671	\$ 539,492
Sewage Purpose Bonds	83,392	20,000	24,327	79,065
SRF Revenue Bonds	<u>147,379</u>	<u>          </u>	<u>8,569</u>	<u>138,810</u>
Total county Long -Term Debt	<u>594,071</u>	<u>292,863</u>	<u>129,567</u>	<u>757,367</u>
NIFA Sales Tax Secured Bonds	<u>1,958,525</u>	<u>728,240</u>	<u>811,690</u>	<u>1,875,075</u>
Tobacco Settlement Asset-Backed Bonds	<u>431,034</u>	<u>          </u>	<u>4,683</u>	<u>426,351</u>
Sewer Financing Authority	<u>72,225</u>	<u>152,240</u>	<u>48,670</u>	<u>175,795</u>
<b>TOTAL LONG TERM DEBT</b>	<u>\$ 3,055,855</u>	<u>\$ 1,173,343</u>	<u>\$ 994,610</u>	<u>\$ 3,234,588</u>

In 2008, the County issued \$292.9 million of long-term debt to fund its capital program and to repay \$86.4 million of BANs. The County did not issue any new debt through the State Revolving Loan Fund ("SRF") during 2008. The SRF is administered by the New York State Environmental Facilities Corporation which provides interest-subsidized loans to local governments for eligible environmental projects (e.g. sewer and storm water improvement initiatives).

Offsetting new issuances was a decrease in NIFA's long-term debt of \$83.5 million during the 2008 fiscal year. This decrease reflects the maturing and run-off of the existing NIFA debt.

The amount of outstanding debt of the NCTSC was reduced due to \$4.7 million of maturities.

During fiscal year 2008, the SSWFA issued \$152.2 million in new bonds, retired \$114.5 million of Auction Rate Securities and commercial paper notes and had \$3.3 million of bonds mature.

The County issued two cash flow notes during the 2008 fiscal year. Management anticipates issuing one or more cash flow notes in 2009.

Detailed information on long-term debt activity is available in the Notes to the Financial Statements Exhibit X-16, Note 9.

## NASSAU COUNTY'S CREDIT RATING

The three major credit rating agencies have responded to the County's fiscal progress by increasing the ratings assigned to the County's long-term general obligation debt a total of 13 times from February of 2003 through June of 2008. In June 2009, Fitch IBCA, Moody's Investors Services and Standard and Poor's all reaffirmed the County's ratings, with no change from the prior year.

## CONCLUSION

The County's net worth declined by \$291.8 million during 2008 to negative \$4.7 billion. This decline was primarily driven by the increases in long term liabilities for Workers Compensation, OPEB, and Tax Certiorari refund claims. The negative balance in total net worth is principally driven by the implementation of GASB 45 in 2007 of \$3.4 billion. The remaining balance is primarily the result of outstanding borrowings for real property tax refunds.

During 2008, the County generated a slight positive budgetary surplus of \$2.1 million across its primary operating funds. This surplus resulted from the County's ability to meet the unprecedented budgetary challenges and revenue shortfalls during 2008 with sound conservative budgeting and progress in the implementation of the Multi-Year Financial Plan in addition to the limiting of hiring of personnel, implementation of spending controls, and generating savings from successful labor settlements. At the end of 2008, unreserved, undesignated fund balance in the County's primary operating funds stood at \$74.1 million on a budgetary basis.

The County's recent history of credit rating upgrades coupled with the reaffirmation by all three ratings agencies of the County's stable outlook reflects the County's improved pro-active financial management and performance. Nassau County faces difficult challenges as do other municipalities around the Country. The Multi Year Plan acknowledges these challenges by addressing the structural imbalance with a combination of recurring revenue options. The Administration has received New York State legislative approval for the use of red light cameras starting in 2009 to increase safety and generate revenue. The County continues to aggressively pursue the passage of legislation authorizing a cigarette tax, Traffic and Parking Violation Agency ticket surcharge and video lottery terminals, among other items that are included in the County's State legislative package. As part of a three year effort to reduce the real property tax refund liability, the County will use bond proceeds in order to stabilize tax certiorari payments and continue to reduce the backlog of claims which will sustain PAYGO financing. The administration is committed to pursuing cost reduction and maximizing funding before relying on taxpayers to bear any additional burden.



## **BASIC FINANCIAL STATEMENTS**





## EXHIBIT X-1

## COUNTY OF NASSAU, NEW YORK

STATEMENT OF NET ASSETS  
DECEMBER 31, 2008 (Dollars in Thousands)

	Primary Government	
	Governmental Activities	Component Units
<b>ASSETS</b>		
<b>CURRENT ASSETS:</b>		
Cash and Cash Equivalents	\$ 468,078	\$ 69,281
Investments, Including Accrued Interest (Note 2)	110,466	
Assets Whose Use is Limited- Current		18,246
Sales Tax Receivable	91,212	
Interest Receivable	3,177	
Student Accounts and Loans Receivable		7,802
Less Allowance for Doubtful Amounts		(2,557)
Due from Other Governments (Note 3)	168,070	4,148
Less Allowance for Doubtful Accounts	(1,751)	
Other Receivables		5,434
Accounts Receivable	29,383	326,671
Less Allowance for Doubtful Accounts		(217,251)
Real Property Taxes Receivable	67,525	
Less Allowance for Doubtful Accounts	(6,995)	
Due from Component Unit (Note 6)	39,257	
Inventories		5,579
Prepays	103,414	
Other Assets - Current	17,257	18,658
<b>Total Current Assets</b>	<b>1,089,093</b>	<b>236,011</b>
<b>NON CURRENT ASSETS:</b>		
Deferred Financing Costs	174,588	8,475
Less Accumulated Amortization	(45,180)	(2,827)
Deferred Charges	363,848	
Assets Whose Use is Limited		58,149
Capital Assets Not Being Depreciated (Note 7)	713,595	18,427
Depreciable Capital Assets (Note 7)	2,905,825	673,789
Less Accumulated Depreciation	(1,230,127)	(430,175)
Deposits Held by Trustees		11,027
Deposits Held in Custody for Others		1,638
Tax Sale Certificates (Note 5)	4,162	
Tax Real Estate Held for Sale (Note 4)	6,481	
Other Assets		8,344
<b>Total Non Current Assets</b>	<b>2,893,192</b>	<b>346,847</b>
<b>Total Assets</b>	<b>3,982,285</b>	<b>582,858</b>
<b>LIABILITIES</b>		
<b>CURRENT LIABILITIES:</b>		
Accounts Payable	86,587	40,647
Accrued Liabilities	179,289	24,359
Tax Anticipation Notes Payable	132,000	
Bond Anticipation Notes Payable	122,616	
Revenue Anticipation Notes Payable	105,000	
Accrued Interest Payable	11,370	1,923
Notes Payable - Current		52
Due to Primary Government (Note 6)		5,145
Deferred Revenue - Current	22,869	18,179
Current Portion of Long Term Liabilities (Note 9)	341,161	8,479
Other Liabilities - Current	29,647	8,835
<b>Total Current Liabilities</b>	<b>1,030,539</b>	<b>107,619</b>
<b>NON CURRENT LIABILITIES:</b>		
Notes Payable		189
Serial Bonds Payable (Notes 9 and 10)	3,019,613	287,233
Deferred Bond Premium (Net of Amortization)	62,943	2,270
Deferred Revenue	11,796	
Accrued Vacation and Sick Pay (Note 9 and 15)	532,527	85,247
Deferred Payroll	38,567	
Estimated Workers' Compensation Liability (Notes 9 and 15)	231,414	
Estimated Tax Certiorari Payable (Notes 9 and 15)	88,982	
Estimated Liability for Litigation and Malpractice (Notes 9 and 15)	219,469	40,856
Liability for Future Pension Expense		2,386
Capital Lease (Note 8)	5,482	
Other Liabilities - Non Current	3,366	46,188
Deposits Held in Custody for Others		1,638
Insurance Reserve Liability		1,944
Postemployment Retirement Benefits Liability	3,456,529	402,027
<b>Total Non Current Liabilities</b>	<b>7,670,988</b>	<b>869,978</b>
<b>Total Liabilities</b>	<b>8,701,527</b>	<b>977,597</b>
<b>NET ASSETS</b>		
Invested in Capital Assets, Net of Related Debt	1,356,866	119,281
Restricted:		
General		1,651
Special Revenue		
Nassau Community College Foundation Fund		
Donor Imposed Stipulations		1,124
Direct Scholarships		82
Restricted Scholarships		982
Capital Projects	56,742	2,883
Debt Service		16,120
Student Loans		508
Unrestricted Deficit	(6,132,850)	(537,370)
<b>Total Net Assets (Deficit)</b>	<b>\$ (4,719,242)</b>	<b>\$ (394,739)</b>

See accompanying notes to financial statements.

## EXHIBIT X-1

## COUNTY OF NASSAU, NEW YORK

STATEMENT OF NET ASSETS  
DECEMBER 31, 2007 (Dollars in Thousands)

	Primary Government	
	Governmental Activities	Component Units
<b>ASSETS</b>		
<b>CURRENT ASSETS:</b>		
Cash and Cash Equivalents	\$ 500,254	\$ 66,342
Investments, Including Accrued Interest (Note 2)	68,557	
Assets Whose Use is Limited- Current		32,632
Sales Tax Receivable	108,211	
Interest Receivable	5,781	
Student Accounts and Loans Receivable		6,933
Less Allowance for Doubtful Amounts		(3,131)
Due from Primary Government		
Due from Other Governments (Note 3)	175,056	3,335
Less Allowance for Doubtful Accounts	(1,751)	
Other Receivables		4,169
Accounts Receivable	17,892	269,804
Less Allowance for Doubtful Accounts		(172,507)
Real Property Taxes Receivable	61,538	
Less Allowance for Doubtful Accounts	(6,995)	
Due from Component Unit (Note 6)	21,402	
Inventories		5,269
Prepays	108,436	
Other Assets - Current	16,945	15,302
<b>Total Current Assets</b>	<b>1,075,326</b>	<b>228,148</b>
<b>NON CURRENT ASSETS:</b>		
Deferred Financing Costs	164,012	8,149
Less Accumulated Amortization	(33,341)	(2,235)
Deferred Charges	375,806	
Assets Whose Use is Limited		50,831
Capital Assets Not Being Depreciated (Note 7)	561,979	18,365
Depreciable Capital Assets (Note 7)	2,878,334	640,510
Less Accumulated Depreciation	(1,121,509)	(409,804)
Leasehold Acquisition Costs		
Less Accumulated Amortization		
Deposits Held by Trustees		10,908
Deposits Held in Custody for Others		3,081
Tax Sale Certificates (Note 5)	3,953	
Tax Real Estate Held for Sale (Note 4)	6,473	
Other Assets		8,292
<b>Total Non Current Assets</b>	<b>2,835,707</b>	<b>328,097</b>
<b>Total Assets</b>	<b>3,911,033</b>	<b>556,245</b>
<b>LIABILITIES</b>		
<b>CURRENT LIABILITIES:</b>		
Accounts Payable	90,164	42,428
Accrued Liabilities	224,492	19,783
Tax Anticipation Notes Payable	125,000	
Bond Anticipation Notes Payable	86,398	947
Revenue Anticipation Notes Payable	75,000	
Accrued Interest Payable	13,300	1,144
Notes Payable - Current	89,135	49
Due to Primary Government (Note 6)		559
Due to Other Governments		
Deferred Revenue - Current	32,162	18,001
Current Portion of Long Term Liabilities (Note 9)	373,375	7,012
Other Liabilities - Current	23,183	2,336
<b>Total Current Liabilities</b>	<b>1,112,209</b>	<b>92,259</b>
<b>NON CURRENT LIABILITIES:</b>		
Notes Payable		241
Serial Bonds Payable (Notes 9 and 10)	2,846,425	319,579
Deferred Bond Premium (Net of Amortization)	83,197	2,408
Deferred Revenue	3,159	
Accrued Vacation and Sick Pay (Note 9 and 15)	524,326	77,591
Estimated Workers' Compensation Liability (Notes 9 and 15)	108,376	
Estimated Tax Certiorari Payable (Notes 9 and 15)	51,849	
Estimated Liability for Litigation and Malpractice (Notes 9 and 15)	208,424	44,661
Liability for Future Pension Expense		15,870
Capital Lease (Note 8)	5,522	
Other Liabilities - Non Current	40,226	20,523
Deposits Held in Custody for Others		2,643
Insurance Reserve Liability		1,873
Postemployment Retirement Benefits Liability	3,354,770	347,017
<b>Total Non Current Liabilities</b>	<b>7,226,274</b>	<b>832,406</b>
<b>Total Liabilities</b>	<b>8,338,483</b>	<b>924,665</b>
<b>NET ASSETS</b>		
Invested in Capital Assets, Net of Related Debt	1,602,186	131,891
Restricted:		
Special Revenue		
Donor Imposed Stipulations		1,377
Direct Scholarships		95
Restricted Scholarships		941
Capital Projects		918
Debt Service		14,546
Student Loans		505
Unrestricted Deficit	(6,029,636)	(518,493)
<b>Total Net Assets (Deficit)</b>	<b>\$ (4,427,450)</b>	<b>\$ (368,420)</b>

See accompanying notes to financial statements.

**EXHIBIT X-2**

**COUNTY OF NASSAU, NEW YORK**

**STATEMENT OF ACTIVITIES  
FOR THE YEAR ENDED DECEMBER 31, 2008 (Dollars in Thousands)**

Functions/Programs	Program Revenues				Net (Expense) Revenue and Changes in Net Assets	
	Expenses	Charges for Services	Operating Grants	Capital Grants	Primary Government	Component Units
					Governmental Activities	
Primary Government:						
Legislative	\$ 10,126	\$ 233	\$	\$	\$ (9,893)	\$
Judicial	52,998	17,953	6,722		(28,323)	
General Government	759,162	43,712	32,824		(682,626)	
Protection of Persons	718,984	33,285	11,304		(674,395)	
Health	259,517	22,208	153,913		(83,396)	
Public Works	224,577	7,612	436	15,106	(201,423)	
Recreation and Parks	43,125	19,775			(23,350)	
Social Services	519,326	19,227	188,826		(311,273)	
Corrections	212,124	7,420	18,940		(185,764)	
Education	10,741	2,579			(8,162)	
Debt Service Interest	159,632				(159,632)	
<b>Total Primary Government</b>	<b>\$ 2,970,312</b>	<b>\$ 174,004</b>	<b>\$ 412,965</b>	<b>\$ 15,106</b>	<b>(2,368,237)</b>	
Component Units	\$ 907,503	\$ 657,660	\$ 145,328	\$ 72,864		(31,651)
General Revenues:						
Taxes:						
Property Taxes					\$ 889,519	
Sales Taxes					998,733	
Other Taxes					38,991	
Tobacco Settlement Revenue and Tobacco Receipts					74,078	
Investment Income					48,701	5,332
Other					26,423	
<b>Total General Revenues</b>					<b>2,076,445</b>	<b>5,332</b>
<b>Change in Net Assets</b>					<b>(291,792)</b>	<b>(26,319)</b>
Subtotal					(291,792)	(26,319)
Net Assets (Deficit) - Beginning					(4,427,450)	(368,420)
Net Assets (Deficit) - Ending					\$ (4,719,242)	\$ (394,739)

See accompanying notes to financial statements.

**EXHIBIT X-2**

**COUNTY OF NASSAU, NEW YORK**

**STATEMENT OF ACTIVITIES  
FOR THE YEAR ENDED DECEMBER 31, 2007 (Dollars in Thousands)**

Functions/Programs	Net (Expense) Revenue and Changes in Net Assets					
	Expenses	Program Revenues			Primary Government	Component Units
		Charges for Services	Operating Grants	Capital Grants	Governmental Activities	
Primary Government:						
Legislative	\$ 9,789	\$ 122	\$	\$	\$ (9,667)	\$
Judicial	49,995	18,329	5,062		(26,604)	
General Government	529,185	70,641	28,182		(430,362)	
Postemployment Retirement Benefits	3,354,770				(3,354,770)	
Protection of Persons	672,293	35,544	12,668		(624,081)	
Health	254,856	22,798	145,603		(86,455)	
Public Works	221,678	5,366	534	37,031	(178,747)	
Recreation and Parks	48,833	17,902			(30,931)	
Social Services	501,254	14,558	181,081		(305,615)	
Corrections	225,968	5,483	24,401		(196,084)	
Education	10,216	3,668			(6,548)	
Debt Service Interest	157,439				(157,439)	
Total Primary Government	\$ 6,036,276	\$ 194,411	\$ 397,531	\$ 37,031	(5,407,303)	
Component Units	\$ 1,110,942	\$ 617,461	\$ 132,074	\$ 21,822		(339,585)
General Revenues:						
Taxes:						
Property Taxes					\$ 886,691	
Sales Taxes					1,010,566	
Other Taxes					45,037	
Tobacco Settlement Revenue and Tobacco Receipts					59,153	
Investment Income					45,284	6,062
Other					21,865	(6,196)
Total General Revenues					2,068,596	(134)
Change in Net Assets					(3,338,707)	(339,719)
Implementation of GASB 48					375,806	
Subtotal					(2,962,901)	(339,719)
Net Assets (Deficit) - Beginning					(1,464,549)	(28,701)
Net Assets (Deficit) - Ending					\$ (4,427,450)	\$ (368,420)

See accompanying notes to financial statements.

EXHIBIT X-3

COUNTY OF NASSAU, NEW YORK

GOVERNMENTAL FUNDS

BALANCE SHEET

DECEMBER 31, 2008 (Dollars in Thousands)

ASSETS	General Fund	NIFA General Fund	Debt Service Fund	Fire Prevention, Safety, and Communication		Police District Fund	Police Headquarters Fund	Sewer and Storm Water District Fund	Capital Fund	Nonmajor Governmental Funds	Total Governmental Funds
				and Education Fund	Fund						
Cash	\$ 58,280	\$ 264	\$ 1,951	\$ 475	\$ 12,894	\$ 2,075	\$ 138,791	\$ 176,572	\$ 76,976	\$ 488,078	
Investments (Note 2)		510							109,956	110,466	
Sales Tax Receivable		91,212								91,212	
Interest Receivable	155,665					1,622			563	168,070	
Due from Other Governments (Note 3)	(1,751)									(1,751)	
Less Allowance for Doubtful Accounts	24,560				179	2,149	617			29,383	
Accounts Receivable	67,525									67,525	
Real Property Taxes Receivable	(6,995)									(6,995)	
Less Allowance for Doubtful Accounts	4,162									4,162	
Tax Sale Certificates (Note 5)	6,481									6,481	
Tax Real Estate Held for Sale (Note 4)	218,548		28,946	819	1,227	7,016	8,591			322,428	
Interfund Receivables (Note 6)	38,312		189		32,816	28,186	1,486			103,414	
Prepays	38,889									38,889	
Due from Component Units (Note 6)		35		140	3,860	3,788	456	206		40,684	
Other Assets	8,727									17,257	
<b>TOTAL ASSETS</b>	<b>\$ 612,423</b>	<b>\$ 92,021</b>	<b>\$ 31,086</b>	<b>\$ 1,434</b>	<b>\$ 50,776</b>	<b>\$ 44,846</b>	<b>\$ 149,951</b>	<b>\$ 176,778</b>	<b>\$ 261,612</b>	<b>\$ 1,420,927</b>	

LIABILITIES AND FUND EQUITY

LIABILITIES:

Accounts Payable	\$ 59,520	\$	\$	\$ 17	\$ 713	\$ 926	\$ 4,530	\$ 11,709	\$ 9,172	\$ 86,587
Accrued Liabilities	98,492	27		148	14,540	993	3,461	57,242	61,059	179,320
Bond Anticipation Notes Payable (Note 9)	132,000								14,617	171,859
Tax Anticipation Notes Payable (Note 9)	105,000									132,000
Revenue Anticipation Notes Payable (Note 9)	27,872									105,000
Deferred Revenue	41,511	92,010	31,086	1,258	41,429	39,778	7,227	62,351	27,238	55,110
Interfund Payables (Note 6)						45	63	94	5,780	322,428
Due to Component Units (Note 6)								625	1,175	1,377
Other Liabilities	17,487								14,901	33,013
<b>Total Liabilities</b>	<b>481,862</b>	<b>92,037</b>	<b>31,086</b>	<b>1,423</b>	<b>56,682</b>	<b>41,740</b>	<b>15,281</b>	<b>132,021</b>	<b>134,542</b>	<b>886,694</b>

FUND EQUITY:

Fund Balances:										
Reserved for Retirement of Temporary Financing					542	1,522	5,147	4,679	136,925	4,679
Reserved for Encumbrances	72,597							195,388	24,008	412,121
Restricted - Senior Liquidity Reserve										24,009
Unreserved and Designated for Ensuing Year's Budget (Note 13):										
General	10,000									10,000
Special Revenue										59,486
Unreserved Nonmajor Fund Balances (Deficits):										
Special Revenue										(31,613)
Capital Projects										(179,038)
Debt Service										21,477
Unreserved Major Fund Balances (Deficits) (Note 13)	47,944	(16)		11	(6,448)	1,584	70,027	(155,310)	(31,613)	(179,038)
Total Fund Equity	130,541	(16)		11	(5,905)	3,106	134,670	44,757	127,070	113,102

Commitments and Contingencies (Note 15)

<b>TOTAL LIABILITIES AND FUND EQUITY</b>	<b>\$ 612,423</b>	<b>\$ 92,021</b>	<b>\$ 31,086</b>	<b>\$ 1,434</b>	<b>\$ 50,778</b>	<b>\$ 44,846</b>	<b>\$ 149,951</b>	<b>\$ 176,778</b>	<b>\$ 261,612</b>	<b>\$ 1,420,927</b>
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The reconciliation of the fund balances of governmental funds to the net assets of governmental funds is presented in an accompanying statement.

See accompanying notes to financial statements.

EXHIBIT X-3

COUNTY OF NASSAU, NEW YORK

GOVERNMENTAL FUNDS  
BALANCE SHEET  
DECEMBER 31, 2007 (Dollars in Thousands)

	General Fund	NIFA General Fund	Debt Service Fund	Fire Prevention, Safety, Communication and Education Fund	Police District Fund	Police Headquarters Fund	Sewer and Storm Water District Fund	Capital Fund	Nonmajor Governmental Funds	Total Governmental Funds
<b>ASSETS</b>										
Cash	\$ 109,221	\$ 663	\$ 5,260	\$ 2,013	\$ 15,499	\$ 1,391	\$ 98,977	\$ 155,864	\$ 111,366	\$ 500,254
Investments (Note 2)		108,211							68,557	166,768
Sales Tax Receivable									3,129	3,130
Interest Receivable	163,229				1,554				10,273	175,056
Due from Other Governments (Note 3)	(1,751)									(1,751)
Less Allowance for Doubtful Accounts	12,814									(1,751)
Accounts Receivable	61,538			769	3,319		338	476	176	61,538
Real Property Taxes Receivable	(6,985)									(6,985)
Less Allowance for Doubtful Accounts	3,953									3,953
Tax Sale Certificates (Note 5)	6,473									6,473
Tax Real Estate Held for Sale (Note 4)	255,906		35,751	23	2,296	13,109	84,258	75	70,290	461,708
Interfund Receivables (Note 6)	41,637		1,017	31,437	31,033	1,700	1,700		1,612	108,436
Prepays	21,904								1,617	23,521
Due from Component Units (Note 6)	9,189	27		3,478	3,577	424		216	34	16,945
Other Assets										
<b>TOTAL ASSETS</b>	<b>\$ 677,118</b>	<b>\$ 108,902</b>	<b>\$ 41,011</b>	<b>\$ 3,053</b>	<b>\$ 53,479</b>	<b>\$ 53,983</b>	<b>\$ 185,697</b>	<b>\$ 156,631</b>	<b>\$ 267,054</b>	<b>\$ 1,546,928</b>

LIABILITIES AND FUND EQUITY

LIABILITIES:

Accounts Payable	\$ 58,960	\$ 115	\$ 67	\$ 719	\$ 617	\$ 617	\$ 6,128	\$ 14,960	\$ 8,723	\$ 90,164
Accrued Liabilities	137,318		534	14,143	10,233		4,022	77,175	58,121	224,486
Bond Anticipation Notes Payable (Note 9)									9,223	86,386
Tax Anticipation Notes Payable (Note 9)	125,000									125,000
Revenue Anticipation Notes Payable (Note 9)	75,000									75,000
Commercial Paper Notes Payable										
Deferred Revenue	25,434									69,135
Interfund Payables (Note 6)	94,732	107,238	41,011	2,486	31,886	42,145	4,885	83,447	53,878	55,766
Due to Component Units (Note 6)				4		47	66	1,146	856	2,119
Other Liabilities	22,370							810	40,229	63,409
<b>Total Liabilities</b>	<b>538,804</b>	<b>107,353</b>	<b>41,011</b>	<b>3,091</b>	<b>46,748</b>	<b>53,042</b>	<b>15,101</b>	<b>177,538</b>	<b>270,497</b>	<b>1,253,185</b>

FUND EQUITY:

Fund Balances:										
Reserved for Retirement of Temporary Financing								7,251	75	7,326
Reserved for Encumbrances	73,592			670	941		8,462	142,438	88,883	314,986
Restricted - Senior Liquidity Reserve									24,009	24,009
Unreserved and Designated for Ensuing Year's Budget (Note 13):										
General	10,000									10,000
Special Revenue										53,203
Unreserved Nonmajor Fund Balances (Deficits):										
Special Revenue								(170,596)	(41,132)	(41,132)
Capital Projects									(48,854)	(219,450)
Debt Services									(28,424)	(28,424)
Unreserved Major Fund Balances (Deficits) (Note 13)	54,722	1,549		(38)	8,061	108,931				171,225
Total Fund Equity	138,314	1,549		(38)	6,731	941	170,996	(20,907)	(3,443)	293,743
Commitments and Contingencies (Note 15)										
<b>TOTAL LIABILITIES AND FUND EQUITY</b>	<b>\$ 677,118</b>	<b>\$ 108,902</b>	<b>\$ 41,011</b>	<b>\$ 3,053</b>	<b>\$ 53,479</b>	<b>\$ 53,983</b>	<b>\$ 185,697</b>	<b>\$ 156,631</b>	<b>\$ 267,054</b>	<b>\$ 1,546,928</b>

The reconciliation of the fund balances of governmental funds to the net assets of governmental activities in the Statement of Net Assets is presented in an accompanying statement.

See accompanying notes to financial statements.

**EXHIBIT X-4**

**COUNTY OF NASSAU, NEW YORK**

**RECONCILIATION OF THE BALANCE SHEET OF GOVERNMENTAL FUNDS  
TO THE STATEMENT OF NET ASSETS  
DECEMBER 31, 2008 (Dollars in Thousands)**

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**Amounts reported for governmental activities in the Statement of Net Assets are different because:**

Total fund balances - governmental funds	\$	434,233
Revenue recorded in the statement of net assets is recorded as deferred revenue in the governmental funds		20,445
Premium on debt issued is recorded in the governmental funds as revenue. In the statement of activities, the premium is amortized over the lives of the debt		(62,943)
Capital assets used in governmental activities are not financial resources and therefore are not reported in the funds, net		2,389,293
Other long-term assets are not available to pay for current-period expenditures and, therefore, are deferred in the funds		493,256
Long-term liabilities are not due and payable in the current period and accordingly are not reported in the funds:		
Bonds payable		(3,070,370)
GASB 45 liability		(3,456,529)
Other long term liabilities		(1,116,741)
Current portion of long term liabilities and short term notes payable		(341,161)
Accrued expenses and interest payable		<u>(8,725)</u>
Net assets (deficit) of governmental activities	\$	<u>(4,719,242)</u>

See accompanying notes to financial statements.

**EXHIBIT X-4**

**COUNTY OF NASSAU, NEW YORK**

**RECONCILIATION OF THE BALANCE SHEET OF GOVERNMENTAL FUNDS  
TO THE STATEMENT OF NET ASSETS  
DECEMBER 31, 2007 (Dollars in Thousands)**

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**Amounts reported for governmental activities in the Statement of Net Assets are different because:**

Total fund balances - governmental funds	\$	293,743
Revenue recorded in the statement of net assets is recorded as deferred revenue in the governmental funds		20,445
Premium on debt issued is recorded in the governmental funds as revenue. In the statement of activities, the premium is amortized over the lives of the debt		(83,197)
Capital assets used in governmental activities are not financial resources and therefore are not reported in the funds, net		2,318,804
Other long-term assets are not available to pay for current-period expenditures and, therefore, are deferred in the funds		506,477
Long-term liabilities are not due and payable in the current period and accordingly are not reported in the funds:		
Bonds payable		(2,846,425)
Implementation of GASB 45		(3,354,770)
Other long term liabilities		(898,497)
Current portion of long term liabilities and short term notes payable		(373,375)
Accrued expenses and interest payable		<u>(10,655)</u>
Net assets (deficit) of governmental activities	\$	<u>(4,427,450)</u>

See accompanying notes to financial statements.



**EXHIBIT X-5**

**COUNTY OF NASSAU, NEW YORK**

**GOVERNMENTAL FUNDS  
STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES  
FOR THE YEAR ENDED DECEMBER 31, 2008 (Dollars in Thousands)**

	General Fund	NIFA General Fund	Debt Service Fund	Fire Prevention, Safety, Communication and Education Fund	Police District Fund	Police Headquarters Fund	Sewer and Storm Water District Fund	Capital Fund	Nonmajor Governmental Funds	Total Governmental Funds
<b>REVENUES:</b>										
Interest and Penalties on Taxes	\$ 26,423									\$ 26,423
Licenses and Permits	7,515				1,511	884	266			10,176
Fines and Forfeits	21,936				83				2,122	24,141
Interest Income	6,333	841		5	592	35	2,807	3,926	5,105	19,644
Rents and Recoveries	28,757			14	277	147	252	1,474	272	31,193
Tobacco Settlement Revenue	23,000									23,000
Tobacco Proceeds									29,415	29,415
Tobacco Receipts									21,663	21,663
Departmental Revenue	62,246			5,397	3,374	17,697	1,935	24	2,815	93,488
Interdepartmental Revenue	125,872				377	10,989	836		352	138,426
Federal Aid	109,579					466		6,208	51,831	168,084
State Aid	201,007			195		1,485			48,433	257,491
Sales Tax	754,792	181,512								936,304
Preempted Sales Tax in Lieu of Property Taxes	62,429									62,429
Property Taxes	150,691			15,555	332,326	279,632	103,940		7,375	889,519
Payments in Lieu of Taxes	4,154									4,154
Special Taxes	9,831					21,895			3,111	34,837
Other Revenues	9,036			26	1,312	1,800	156	964	1,629	14,923
<b>Total Revenues</b>	<b>1,603,601</b>	<b>182,353</b>		<b>21,192</b>	<b>339,852</b>	<b>335,030</b>	<b>110,192</b>	<b>18,967</b>	<b>174,123</b>	<b>2,785,310</b>
<b>EXPENDITURES:</b>										
<b>Current:</b>										
Legislative	10,118									10,118
Judicial	49,998								3,053	53,051
General Administration	217,187	1,137							33,015	251,339
Protection of Persons	13,238			21,237	352,374	342,709			8,935	738,493
Health	214,808								48,377	263,185
Public Works	93,589						87,519		165	181,273
Recreation and Parks	34,244								1,784	36,028
Capital Outlay								149,533		149,533
Sewage Districts									27,801	27,801
Social Services	518,409								6,424	524,833
Corrections	205,186								2,001	207,187
Education	8,656									8,656
Payments for Tax Certiorari and Other Judgments	115,717									115,717
Other	123,649								29,415	153,064
<b>Total Current</b>	<b>1,604,799</b>	<b>1,137</b>		<b>21,237</b>	<b>352,374</b>	<b>342,709</b>	<b>87,519</b>	<b>149,533</b>	<b>160,970</b>	<b>2,720,278</b>
<b>Debt Service:</b>										
Principal			80,600				29,466		96,893	206,959
Interest			26,162				8,723		119,144	154,029
Financing Costs			4,765						1,954	6,719
<b>Total Debt Service</b>			<b>111,527</b>				<b>38,189</b>		<b>217,991</b>	<b>367,707</b>
<b>Total Expenditures</b>	<b>1,604,799</b>	<b>1,137</b>	<b>111,527</b>	<b>21,237</b>	<b>352,374</b>	<b>342,709</b>	<b>125,708</b>	<b>149,533</b>	<b>378,961</b>	<b>3,087,985</b>
<b>EXCESS (DEFICIENCY) OF REVENUES OVER (UNDER) EXPENDITURES</b>	<b>(1,198)</b>	<b>181,216</b>	<b>(111,527)</b>	<b>(45)</b>	<b>(12,522)</b>	<b>(7,679)</b>	<b>(15,516)</b>	<b>(130,566)</b>	<b>(204,838)</b>	<b>(302,675)</b>
<b>OTHER FINANCING SOURCES (USES):</b>										
Other Financing Sources - Premium on Bonds			7,719						1,081	8,800
Transfers In	188,720		283,965	832		13,536				487,053
Transfers In of Investment Income	3,926						218			4,144
Transfers Out	(269,778)		(180,157)	(738)	(115)	(3,692)	(6,836)	(23,741)	(1,996)	(487,053)
Transfers Out of Investment Income								(3,926)	(218)	(4,144)
Deposited with Escrow Agent for Defeasance	(21,585)								(788,150)	(789,735)
Transfers In from NIFA	3,109	2,146							184,597	189,852
Transfers Out to NIFA		(184,927)							(4,925)	(189,852)
Transfers In from SFA									268,029	268,029
Transfers Out to SFA							(13,792)		(254,237)	(268,029)
Issuance of Notes	50,757									50,757
Issuance of Bonds	38,276							223,897	911,170	1,173,343
<b>Total Other Financing Sources (Uses)</b>	<b>(6,575)</b>	<b>(182,781)</b>	<b>111,527</b>	<b>94</b>	<b>(115)</b>	<b>9,844</b>	<b>(20,410)</b>	<b>196,230</b>	<b>335,351</b>	<b>443,165</b>
<b>NET CHANGE IN FUND BALANCES</b>	<b>(7,773)</b>	<b>(1,565)</b>		<b>49</b>	<b>(12,637)</b>	<b>2,165</b>	<b>(35,926)</b>	<b>65,664</b>	<b>130,513</b>	<b>140,490</b>
<b>TOTAL FUND BALANCES (DEFICITS) AT BEGINNING OF YEAR</b>	<b>138,314</b>	<b>1,549</b>		<b>(39)</b>	<b>6,731</b>	<b>941</b>	<b>170,596</b>	<b>(20,907)</b>	<b>(3,443)</b>	<b>293,743</b>
<b>TOTAL FUND BALANCES (DEFICITS) AT END OF YEAR</b>	<b>\$ 130,541</b>	<b>\$ (16)</b>	<b>\$</b>	<b>\$ 11</b>	<b>\$ (5,906)</b>	<b>\$ 3,106</b>	<b>\$ 134,670</b>	<b>\$ 44,757</b>	<b>\$ 127,070</b>	<b>\$ 434,233</b>

See accompanying notes to financial statements.

EXHIBIT X-5

COUNTY OF NASSAU, NEW YORK

GOVERNMENTAL FUNDS  
STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES  
FOR THE YEAR ENDED DECEMBER 31, 2007 (Dollars in Thousands)

	General Fund	NIFA General Fund	Debt Service Fund	Fire Prevention, Safety, Communication and Education Fund	County Parks and Recreation Fund	Police District Fund	Police Headquarters Fund	Sewer and Storm Water District Fund	Capital Fund	Nonmajor Governmental Funds	Total Governmental Funds
<b>REVENUES:</b>											
Interest and Penalties on Taxes	\$ 21,865										\$ 21,865
Licenses and Permits	7,790					1,705	1,085				10,560
Fines and Forfeits	22,161					99	6			1,330	23,596
Interest Income	13,846	1,709		18		1,557	341	6,736	5,390	8,500	38,097
Rents and Recoveries	24,017			4		136	1,138	43		343	25,681
Tobacco Settlement Revenue	23,600										23,600
Tobacco Proceeds	14,500										14,500
Tobacco Receipts											
Departmental Revenue	66,942			5,036		3,381	18,430	1,113		21,053	97,488
Interdepartmental Revenue	121,337					293	11,382	390		349	133,751
Federal Aid	111,892						221		11,759	47,955	171,827
State Aid	192,051			180			1,353		8,098	43,955	245,637
Sales Tax	778,483	170,454									948,937
Preempted Sales Tax in Lieu of Property Taxes	61,629										61,629
Property Taxes	129,220			15,609		331,640	287,070	118,834		4,128	886,691
Payments in Lieu of Taxes	7,356										7,356
Special Taxes	10,358						23,296			4,027	37,681
Other Revenues	9,746		19,281	27		1,334	1,867	252	17,099	890	50,486
<b>Total Revenues</b>	<b>1,818,793</b>	<b>172,163</b>	<b>19,281</b>	<b>20,964</b>		<b>340,145</b>	<b>348,189</b>	<b>127,468</b>	<b>42,346</b>	<b>135,116</b>	<b>2,820,465</b>
<b>EXPENDITURES:</b>											
<b>Current:</b>											
Legislative	9,781										9,781
Judicial	46,304									2,066	49,272
General Administration	227,812	1,244								27,125	256,181
Protection of Persons	13,711			18,646		350,404	330,017			7,951	721,729
Health	218,106									47,484	263,590
Public Works	99,780							86,201		208	186,189
Recreation and Parks	40,863									784	41,647
Capital Outlay									124,129		124,129
Sewage Districts										18,456	18,456
Social Services	516,968									5,802	522,770
Corrections	218,509									2,799	221,308
Education	7,325										7,325
Payments for Tax Certiorari and Other Judgments	87,251										87,251
Other	116,683										116,683
<b>Total Current</b>	<b>1,801,093</b>	<b>1,244</b>		<b>19,646</b>		<b>350,404</b>	<b>330,017</b>	<b>86,201</b>	<b>124,129</b>	<b>113,577</b>	<b>2,628,311</b>
<b>Debt Service:</b>											
Principal			96,190					30,217		83,200	209,607
Interest			26,257					8,690		113,487	149,434
Financing Costs			994								994
<b>Total Debt Service</b>			<b>123,441</b>					<b>39,907</b>		<b>196,687</b>	<b>360,035</b>
<b>Total Expenditures</b>	<b>1,801,093</b>	<b>1,244</b>	<b>123,441</b>	<b>19,646</b>		<b>350,404</b>	<b>330,017</b>	<b>126,108</b>	<b>124,129</b>	<b>310,264</b>	<b>2,986,346</b>
<b>EXCESS (DEFICIENCY) OF REVENUES OVER (UNDER) EXPENDITURES</b>	<b>15,700</b>	<b>170,919</b>	<b>(104,160)</b>	<b>1,318</b>		<b>(10,259)</b>	<b>16,172</b>	<b>1,360</b>	<b>(81,783)</b>	<b>(175,148)</b>	<b>(165,881)</b>
<b>OTHER FINANCING SOURCES (USES):</b>											
Other Financing Sources - Premium			1,055								1,055
Other Financing Sources - EFC drawdowns										356	356
Other Financing Uses - Funding of Residual Trust										(21,073)	(21,073)
Transfers In	176,372		272,359								448,731
Transfers In of Investment Income	5,390							1,294			6,684
Transfers Out	(221,138)		(169,254)	(1,245)	(3,482)	(194)	(6,349)	(7,030)	(38,960)	(1,079)	(448,731)
Transfers Out of Investment Income									(5,390)	(1,294)	(6,684)
Transfers In from NIFA	6,289	4,982							28,497	166,582	208,350
Transfers Out to NIFA		(174,940)								(33,410)	(208,350)
Transfers In from SFA								47,306		283,134	330,440
Transfers Out to SFA										(330,440)	(330,440)
Issuance of Debt	13,548								61,014		74,562
<b>Total Other Financing Sources (Uses)</b>	<b>(19,539)</b>	<b>(169,958)</b>	<b>104,160</b>	<b>(1,245)</b>	<b>(3,482)</b>	<b>(194)</b>	<b>(6,349)</b>	<b>41,570</b>	<b>45,161</b>	<b>64,776</b>	<b>54,900</b>
<b>NET CHANGE IN FUND BALANCES</b>	<b>(3,839)</b>	<b>961</b>		<b>73</b>	<b>(3,482)</b>	<b>(10,453)</b>	<b>9,823</b>	<b>42,930</b>	<b>(36,622)</b>	<b>(110,372)</b>	<b>(110,981)</b>
<b>TOTAL FUND BALANCES (DEFICITS) AT BEGINNING OF YEAR</b>	<b>142,153</b>	<b>588</b>		<b>(111)</b>	<b>3,482</b>	<b>17,184</b>	<b>(8,882)</b>	<b>127,666</b>	<b>15,715</b>	<b>106,929</b>	<b>404,724</b>
<b>TOTAL FUND BALANCES (DEFICITS) AT END OF YEAR</b>	<b>\$ 138,314</b>	<b>\$ 1,549</b>	<b>\$</b>	<b>\$ (36)</b>	<b>\$</b>	<b>\$ 6,731</b>	<b>\$ 941</b>	<b>\$ 170,596</b>	<b>\$ (20,907)</b>	<b>\$ (3,443)</b>	<b>\$ 293,743</b>

See accompanying notes to financial statements.

**EXHIBIT X-6**

**COUNTY OF NASSAU, NEW YORK**

**RECONCILIATION OF THE STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES  
OF GOVERNMENTAL FUNDS TO THE STATEMENT OF ACTIVITIES  
FOR THE YEAR ENDED DECEMBER 31, 2008 (Dollars in Thousands)**

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Amounts reported for governmental activities in the Statement of Activities are different because:

Net change in fund balances - total governmental funds		\$	140,490
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 depreciation exceeded capital outlays in the current period			
Purchase of capital assets	\$	195,276	
Depreciation expense		(111,531)	
Other		(13,256)	70,489
The issuance of long-term debt (e.g., bonds, leases) provides current financial resources to governmental funds, while the repayment of the principal of long-term debt consumes the current financial resources of governmental funds. Neither transaction, however, has any effect on net assets. Also, governmental funds report the effect of issuance costs, premiums, discounts, and similar items when debt is first issued, whereas these amounts are deferred and amortized in the Statement of Activities. This amount is the net effect of these differences in the treatment of long-term debt and related items.			
Effect of GASB 45 and GASB 48 (net)		(113,717)	
Proceeds from sales of bonds		(1,173,343)	
Proceeds from sales of BANs		(50,757)	
Principal payments of bonds and payments for refunded bonds		994,609	
Accrued interest payable		1,930	
Additions to and amortization of debt issuance costs		(1,263)	
Amortized deferred liabilities		20,254	
Change in long-term liabilities		(180,484)	
			<u>(502,771)</u>
Change in net assets - governmental activities		\$	<u>(291,792)</u>

See accompanying notes to financial statements.

**EXHIBIT X-6**

**COUNTY OF NASSAU, NEW YORK**

**RECONCILIATION OF THE STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES  
OF GOVERNMENTAL FUNDS TO THE STATEMENT OF ACTIVITIES  
FOR THE YEAR ENDED DECEMBER 31, 2007 (Dollars in Thousands)**

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Amounts reported for governmental activities in the Statement of Activities are different because:

Net change in fund balances - total governmental funds \$ (110,981)

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 depreciation exceeded capital outlays in the current period

Purchase of capital assets	\$ 177,423	
Depreciation expense	(111,248)	
Other	<u>(80,192)</u>	(14,017)

The issuance of long-term debt (e.g., bonds, leases) provides current financial resources to governmental funds, while the repayment of the principal of long-term debt consumes the current financial resources of governmental funds. Neither transaction, however, has any effect on net assets. Also, governmental funds report the effect of issuance costs, premiums, discounts, and similar items when debt is first issued, whereas these amounts are deferred and amortized in the Statement of Activities. This amount is the net effect of these differences in the treatment of long-term debt and related items.

Implementation of GASB 45 and GASB 48 (net)	(2,978,964)	
Proceeds from sales of bonds	(74,663)	
Principal payments of bonds	209,607	
Accrued interest payable	(212)	
Amortized debt issuance costs	(8,242)	
Amortized deferred liabilities	6,092	
Payment of component unit debt costs	(2,791)	
Change in long-term liabilities	11,625	
Other	<u>(355)</u>	<u>(2,837,903)</u>

Change in net assets - governmental activities \$ (2,962,901)

See accompanying notes to financial statements.

EXHIBIT X-7

COUNTY OF NASSAU, NEW YORK

STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES  
 TOTAL BUDGETARY AUTHORITY AND ACTUAL  
 GENERAL FUND  
 FOR THE YEAR ENDED DECEMBER 31, 2008 (Dollars in Thousands)

	Original Budget	Total Budgetary Authority	Actual	GAAP to Budgetary Basis Conversion (Note 12)	Actual on a Budgetary Basis	Variance Over (Under)
<b>Revenues:</b>						
Interest and Penalties on Taxes	\$ 22,500	\$ 25,301	\$ 26,423	\$	\$ 26,423	\$ 1,122
Licenses and Permits	7,509	7,509	7,515		7,515	6
Fines and Forfeits	26,571	26,571	21,936		21,936	(4,635)
Interest Income	23,455	23,455	6,333		6,333	(17,122)
Rents and Recoveries	29,031	30,296	28,757	(140)	28,617	(1,679)
Tobacco Settlement Revenue	23,000	23,000	23,000		23,000	
Tobacco Proceeds		91,126				(91,126)
Departmental Revenue	71,119	71,119	62,246		62,246	(8,873)
Interdepartmental Revenue	154,270	154,280	125,872		125,872	(28,408)
Federal Aid	119,969	120,109	109,579		109,579	(10,530)
Slate Aid	219,954	221,096	201,007		201,007	(20,089)
Sales Tax	978,174	978,174	754,792		754,792	(223,382)
Preempted Sales Tax in Lieu of Property Taxes	64,384	64,384	62,429		62,429	(1,955)
Property Taxes	145,858	145,858	150,691		150,691	4,833
Payments in Lieu of Taxes	6,306	6,306	4,154		4,154	(2,152)
Special Taxes	10,780	10,780	9,831		9,831	(949)
Other Revenues	12,185	12,186	9,036	(11,570)	(2,534)	(14,720)
<b>Total Revenues</b>	<b>1,915,065</b>	<b>2,011,550</b>	<b>1,603,601</b>	<b>(11,710)</b>	<b>1,591,891</b>	<b>(419,659)</b>
<b>Expenditures:</b>						
Current:						
Legislative	11,964	12,085	10,118	448	10,566	1,519
Judicial	52,888	52,399	49,998	394	50,392	2,007
General Administration	254,399	252,056	217,187	9,025	226,212	25,844
Protection of Persons	14,489	14,248	13,238	51	13,289	959
Health	259,517	259,000	214,808	18,382	233,190	25,810
Public Works	112,635	109,966	93,589	3,087	96,676	13,290
Recreation and Parks	40,108	40,057	34,244	2,735	36,979	3,078
Social Services	558,542	559,764	518,409	18,057	536,466	23,298
Corrections	241,277	235,987	205,186	20,330	225,516	10,471
Education	19,922	22,722	8,656		8,656	14,066
Payments for Tax Certiorari and Other Judgments	40,000	40,000	115,717	(75,763)	39,954	46
Other	131,845	222,251	123,649	(14,502)	109,147	113,104
<b>Total Expenditures</b>	<b>1,737,586</b>	<b>1,820,535</b>	<b>1,604,799</b>	<b>(17,756)</b>	<b>1,587,043</b>	<b>233,492</b>
Excess (Deficiency) of Revenues Over (Under) Expenditures	177,479	191,015	(1,198)	6,046	4,848	(186,167)
<b>Other Financing Sources (Uses):</b>						
Transfers In			188,720		188,720	188,720
Transfers In of Investment Income			3,926		3,926	3,926
Transfers Out	(286,815)	(300,351)	(269,778)		(269,778)	30,573
Deposited with Escrow Agent for Defeasance			(21,585)		(21,585)	(21,585)
Transfer In from NIFA			3,109		3,109	3,109
Issuance of Notes			50,757	(50,757)		
Issuance of Bonds			38,276	(16,691)	21,585	21,585
<b>Total Other Financing Sources (Uses)</b>	<b>(286,815)</b>	<b>(300,351)</b>	<b>(6,575)</b>	<b>(67,448)</b>	<b>(74,023)</b>	<b>226,328</b>
<b>Net Change in Fund Balance</b>	<b>(109,336)</b>	<b>(109,336)</b>	<b>(7,773)</b>	<b>(61,402)</b>	<b>(69,175)</b>	<b>40,161</b>
Fund Balance (Deficit) at Beginning of Year	109,336	109,336	138,314		138,314	28,978
Fund Balance (Deficit) at End of Year	\$	\$	\$ 130,541	\$ (61,402)	\$ 69,139	\$ 69,139

See accompanying notes to financial statements.

**EXHIBIT X-7**

**COUNTY OF NASSAU, NEW YORK**

**STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES  
TOTAL BUDGETARY AUTHORITY AND ACTUAL  
GENERAL FUND  
FOR THE YEAR ENDED DECEMBER 31, 2007 (Dollars in Thousands)**

	Original Budget	Total Budgetary Authority	Actual	GAAP to Budgetary Basis Conversion (Note 12)	Actual on a Budgetary Basis	Variance Over (Under)
<b>Revenues:</b>						
Interest and Penalties on Taxes	\$ 24,650	\$ 24,650	\$ 21,865	\$	\$ 21,865	\$ (2,785)
Licenses and Permits	10,642	10,642	7,790		7,790	(2,852)
Fines and Forfeits	24,497	24,497	22,161		22,161	(2,336)
Interest Income	19,601	19,601	13,846		13,846	(5,755)
Rents and Recoveries	27,814	27,909	24,017	(337)	23,680	(4,229)
Tobacco Settlement Revenue	23,600	23,600	23,600		23,600	
Tobacco Proceeds		14,500	14,500		14,500	
Departmental Revenue	65,718	65,718	66,942		66,942	1,224
Interdepartmental Revenue	149,500	150,464	121,337		121,337	(29,127)
Federal Aid	111,129	111,278	111,892		111,892	614
State Aid	194,773	195,806	192,051		192,051	(3,755)
Sales Tax	968,142	968,142	778,483		778,483	(189,659)
Preempted Sales Tax in Lieu of Property Taxes	62,772	62,772	61,629		61,629	(1,143)
Property Taxes	123,962	123,962	129,220		129,220	5,258
Payments in Lieu of Taxes	5,914	5,914	7,356		7,356	1,442
Special Taxes	10,471	10,471	10,358		10,358	(113)
Other Revenues	11,095	11,545	9,746	(3,772)	5,974	(5,571)
<b>Total Revenues</b>	<b>1,834,280</b>	<b>1,851,471</b>	<b>1,616,793</b>	<b>(4,109)</b>	<b>1,612,684</b>	<b>(238,787)</b>
<b>Expenditures:</b>						
Current:						
Legislative	11,784	11,591	9,781	478	10,259	1,332
Judicial	48,153	47,696	46,304	468	46,772	924
General Administration	261,019	262,272	227,812	13,799	241,611	20,661
Protection of Persons	13,728	14,151	13,711	59	13,770	381
Health	245,079	248,950	216,106	15,143	231,249	17,701
Public Works	114,883	113,212	99,780	2,683	102,463	10,749
Recreation and Parks	43,065	43,996	40,863	3,085	43,948	48
Social Services	555,955	556,442	516,968	20,881	537,849	18,593
Corrections	220,050	234,370	218,509	14,382	232,891	1,479
Education	14,009	9,061	7,325		7,325	1,736
Payments for Tax Certiorari and Other Judgments	25,000	73,544	87,251	(13,707)	73,544	
Other	118,983	127,901	116,683	(14,538)	102,145	25,756
<b>Total Expenditures</b>	<b>1,671,708</b>	<b>1,743,186</b>	<b>1,601,093</b>	<b>42,733</b>	<b>1,643,826</b>	<b>99,360</b>
Excess (Deficiency) of Revenues Over (Under) Expenditures	162,572	108,285	15,700	(46,842)	(31,142)	(139,427)
<b>Other Financing Sources (Uses):</b>						
Transfers In			176,372		176,372	176,372
Transfers In of Investment Income			5,390		5,390	5,390
Transfers Out	(253,941)	(224,654)	(221,138)		(221,138)	3,516
Transfer In from NIFA			6,289	(133)	6,156	6,156
Issuance of Debt			13,548	(13,548)		
<b>Total Other Financing Sources (Uses)</b>	<b>(253,941)</b>	<b>(224,654)</b>	<b>(19,539)</b>	<b>(13,681)</b>	<b>(33,220)</b>	<b>191,434</b>
<b>Net Change in Fund Balance</b>	<b>(91,369)</b>	<b>(116,369)</b>	<b>(3,839)</b>	<b>(60,523)</b>	<b>(64,362)</b>	<b>52,007</b>
Fund Balance (Deficit) at Beginning of Year	91,369	116,369	142,153		142,153	25,784
<b>Fund Balance (Deficit) at End of Year</b>	<b>\$</b>	<b>\$</b>	<b>\$ 138,314</b>	<b>\$ (60,523)</b>	<b>\$ 77,791</b>	<b>\$ 77,791</b>

See accompanying notes to financial statements.

**EXHIBIT X-8**

**COUNTY OF NASSAU, NEW YORK**

**STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES  
TOTAL BUDGETARY AUTHORITY AND ACTUAL  
FIRE PREVENTION, SAFETY, COMMUNICATION AND EDUCATION FUND  
FOR THE YEAR ENDED DECEMBER 31, 2008 (Dollars in Thousands)**

	<u>Original Budget</u>	<u>Total Budgetary Authority</u>	<u>Actual</u>	<u>GAAP to Budgetary Basis Conversion (Note 12)</u>	<u>Actual on a Budgetary Basis</u>	<u>Variance Over (Under)</u>
<b>Revenues:</b>						
Rents and Recoveries	\$	\$	\$ 14	\$	\$ 14	\$ 14
Interest Income	60	60	5		5	(55)
Departmental Revenue	5,651	5,651	5,397		5,397	(254)
State Aid	150	150	195		195	45
Property Taxes	15,555	15,555	15,555		15,555	
Other Revenues	26	26	26	(26)		(26)
<b>Total Revenues</b>	<b>21,442</b>	<b>21,442</b>	<b>21,192</b>	<b>(26)</b>	<b>21,166</b>	<b>(276)</b>
<b>Expenditures:</b>						
Current:						
Protection of Persons	21,066	21,898	21,237	(15)	21,222	676
<b>Total Expenditures</b>	<b>21,066</b>	<b>21,898</b>	<b>21,237</b>	<b>(15)</b>	<b>21,222</b>	<b>676</b>
Excess of Revenues Over Expenditures	376	(456)	(45)	(11)	(56)	400
<b>Other Financing Uses:</b>						
Transfers In		832	832		832	
Transfers Out	(489)	(489)	(738)		(738)	(249)
<b>Total Other Financing Sources (Uses)</b>	<b>(489)</b>	<b>343</b>	<b>94</b>		<b>94</b>	<b>(249)</b>
<b>Net Change in Fund Balance</b>	<b>(113)</b>	<b>(113)</b>	<b>49</b>	<b>(11)</b>	<b>38</b>	<b>151</b>
Fund Balance (Deficit) at Beginning of Year	113	113	(38)		(38)	(151)
Fund Balance (Deficit) at End of Year	\$	\$	\$ 11	\$ (11)	\$	\$

See accompanying notes to financial statements.

EXHIBIT X-8

COUNTY OF NASSAU, NEW YORK

STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES  
 TOTAL BUDGETARY AUTHORITY AND ACTUAL  
 FIRE PREVENTION, SAFETY, COMMUNICATION AND EDUCATION FUND  
 FOR THE YEAR ENDED DECEMBER 31, 2007 (Dollars in Thousands)

	Original Budget	Total Budgetary Authority	Actual	GAAP to Budgetary Basis Conversion (Note 12)	Actual on a Budgetary Basis	Variance Over (Under)
<b>Revenues:</b>						
Rents and Recoveries	\$	\$	\$ 4	\$	\$ 4	\$ 4
Interest Income			18		18	18
Departmental Revenue	5,364	5,364	5,036		5,036	(328)
State Aid	120	170	180		180	10
Property Taxes	15,699	15,699	15,699		15,699	
Other Revenues			27	(27)		
<b>Total Revenues</b>	<b>21,183</b>	<b>21,233</b>	<b>20,964</b>	<b>(27)</b>	<b>20,937</b>	<b>(296)</b>
<b>Expenditures:</b>						
Current:						
Protection of Persons	20,646	20,099	19,646	(65)	19,581	518
<b>Total Expenditures</b>	<b>20,646</b>	<b>20,099</b>	<b>19,646</b>	<b>(65)</b>	<b>19,581</b>	<b>518</b>
Excess of Revenues Over Expenditures	537	1,134	1,318	38	1,356	222
<b>Other Financing Uses:</b>						
Transfers Out	(649)	(1,245)	(1,245)		(1,245)	
<b>Total Other Financing Sources (Uses)</b>	<b>(649)</b>	<b>(1,245)</b>	<b>(1,245)</b>		<b>(1,245)</b>	
Net Change in Fund Balance	(112)	(111)	73	38	111	222
Fund Balance (Deficit) at Beginning of Year	112	111	(111)		(111)	(222)
Fund Balance (Deficit) at End of Year	\$	\$	\$ (38)	\$ 38	\$	\$

See accompanying notes to financial statements.



EXHIBIT X-9

COUNTY OF NASSAU, NEW YORK

STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES  
 TOTAL BUDGETARY AUTHORITY AND ACTUAL  
 COUNTY PARKS AND RECREATION FUND  
 FOR THE YEAR ENDED DECEMBER 31, 2007 (Dollars in Thousands)

	Original Budget	Total Budgetary Authority	Actual	GAAP to Budgetary Basis Conversion (Note 12)	Actual on a Budgetary Basis	Variance Over (Under)
<b>Revenues:</b>						
Rents and Recoveries	\$	\$	\$	\$	\$	\$
Licenses and Permits						
Interest Income						
Departmental Revenue						
Property Taxes						
Special Taxes						
Other Revenues						
<b>Total Revenues</b>						
<b>Expenditures:</b>						
Current:						
Recreation and Parks						
<b>Total Expenditures</b>						
Excess (Deficiency) of Revenues Over (Under) Expenditures						
<b>Other Financing Sources (Uses):</b>						
Transfers In						
Transfers Out			(3,482)		(3,482)	(3,482)
<b>Total Other Financing Uses</b>			(3,482)		(3,482)	(3,482)
<b>Net Change in Fund Balance</b>			(3,482)		(3,482)	(3,482)
Fund Balance (Deficit) at Beginning of Year			3,482		3,482	3,482
Fund Balance (Deficit) at End of Year	\$	\$	\$	\$	\$	\$

See accompanying notes to financial statements.

**EXHIBIT X-10**

**COUNTY OF NASSAU, NEW YORK**

**STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES  
TOTAL BUDGETARY AUTHORITY AND ACTUAL  
POLICE DISTRICT FUND  
FOR THE YEAR ENDED DECEMBER 31, 2008 (Dollars in Thousands)**

	Original Budget	Total Budgetary Authority	Actual	GAAP to Budgetary Basis Conversion (Note 12)	Actual on a Budgetary Basis	Variance Over (Under)
<b>Revenues:</b>						
Rents and Recoveries	\$ 150	\$ 150	\$ 277		\$ 277	\$ 127
Licenses and Permits	2,150	2,150	1,511		1,511	(639)
Fines and Forfeits	475	475	83		83	(392)
Interest Income	120	120	592		592	472
Departmental Revenue	3,188	3,188	3,374		3,374	186
Interdepartmental Revenue	440	440	377		377	(63)
Property Taxes	332,326	332,326	332,326		332,326	
Other Revenue	1,062	1,062	1,312	(1,312)		(1,062)
<b>Total Revenues</b>	<b>339,911</b>	<b>339,911</b>	<b>339,852</b>	<b>(1,312)</b>	<b>338,540</b>	<b>(1,371)</b>
<b>Expenditures:</b>						
Current:						
Protection of Persons	351,048	358,948	352,374	(12,221)	340,153	18,795
<b>Total Expenditures</b>	<b>351,048</b>	<b>358,948</b>	<b>352,374</b>	<b>(12,221)</b>	<b>340,153</b>	<b>18,795</b>
Excess (Deficiency) of Revenues Over (Under) Expenditures	(11,137)	(19,037)	(12,522)	10,909	(1,613)	17,424
<b>Other Financing Sources (Uses):</b>						
Transfers In	10,408	10,408				(10,408)
Transfer Out	(119)	(119)	(115)		(115)	4
<b>Total Other Financing Sources (Uses)</b>	<b>10,289</b>	<b>10,289</b>	<b>(115)</b>		<b>(115)</b>	<b>(10,404)</b>
<b>Net Change in Fund Balance</b>	<b>(848)</b>	<b>(8,748)</b>	<b>(12,637)</b>	<b>10,909</b>	<b>(1,728)</b>	<b>7,020</b>
Fund Balance (Deficit) at Beginning of Year	848	8,748	6,731		6,731	(2,017)
<b>Fund Balance (Deficit) at End of Year</b>	<b>\$</b>	<b>\$</b>	<b>\$ (5,906)</b>	<b>\$ 10,909</b>	<b>\$ 5,003</b>	<b>\$ 5,003</b>

See accompanying notes to financial statements.

**EXHIBIT X-10**

**COUNTY OF NASSAU, NEW YORK**

**STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES  
TOTAL BUDGETARY AUTHORITY AND ACTUAL  
POLICE DISTRICT FUND  
FOR THE YEAR ENDED DECEMBER 31, 2007 (Dollars in Thousands)**

	<u>Original Budget</u>	<u>Total Budgetary Authority</u>	<u>Actual</u>	<u>GAAP to Budgetary Basis Conversion (Note 12)</u>	<u>Actual on a Budgetary Basis</u>	<u>Variance Over (Under)</u>
<b>Revenues:</b>						
Rents and Recoveries	\$ 150	\$ 150	\$ 136	\$	\$ 136	\$ (14)
Licenses and Permits	1,792	1,792	1,705		1,705	(87)
Fines and Forfeits	110	110	99		99	(11)
Interest Income	117	117	1,557		1,557	1,440
Departmental Revenue	3,188	3,188	3,381		3,381	193
Interdepartmental Revenue	127	127	293		293	166
Property Taxes	331,640	331,640	331,640		331,640	
Other Revenue	1,038	1,038	1,334	(1,334)		(1,038)
<b>Total Revenues</b>	<b>338,162</b>	<b>338,162</b>	<b>340,145</b>	<b>(1,334)</b>	<b>338,811</b>	<b>649</b>
<b>Expenditures:</b>						
Current:						
Protection of Persons	349,793	355,094	350,404	(6,752)	343,652	11,442
<b>Total Expenditures</b>	<b>349,793</b>	<b>355,094</b>	<b>350,404</b>	<b>(6,752)</b>	<b>343,652</b>	<b>11,442</b>
Excess (Deficiency) of Revenues Over (Under) Expenditures	(11,631)	(16,932)	(10,259)	5,418	(4,841)	12,091
<b>Other Financing Sources (Uses):</b>						
Transfers In	9,153	9,153				(9,153)
Transfer Out	(197)	(197)	(194)		(194)	3
<b>Total Other Financing Sources (Uses)</b>	<b>8,956</b>	<b>8,956</b>	<b>(194)</b>		<b>(194)</b>	<b>(9,150)</b>
<b>Net Change in Fund Balance</b>	<b>(2,675)</b>	<b>(7,976)</b>	<b>(10,453)</b>	<b>5,418</b>	<b>(5,035)</b>	<b>2,941</b>
Fund Balance (Deficit) at Beginning of Year	2,675	7,976	17,184		17,184	9,208
<b>Fund Balance (Deficit) at End of Year</b>	<b>\$</b>	<b>\$</b>	<b>\$ 6,731</b>	<b>\$ 5,418</b>	<b>\$ 12,149</b>	<b>\$ 12,149</b>

See accompanying notes to financial statements.

EXHIBIT X-11

COUNTY OF NASSAU, NEW YORK

STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES  
 TOTAL BUDGETARY AUTHORITY AND ACTUAL  
 POLICE HEADQUARTERS FUND  
 FOR THE YEAR ENDED DECEMBER 31, 2008 (Dollars in Thousands)

	Original Budget	Total Budgetary Authority	Actual	GAAP to Budgetary Basis Conversion (Note 12)	Actual on a Budgetary Basis	Variance Over (Under)
<b>Revenues:</b>						
Licenses and Permits	\$ 1,345	\$ 1,345	\$ 884	\$	\$ 884	\$ (461)
Rents and Recoveries	200	200	147		147	(53)
Interest Income	129	129	35		35	(94)
Departmental Revenue	17,452	17,452	17,697		17,697	245
Interdepartmental Revenue	15,643	15,643	10,989		10,989	(4,654)
Federal Aid	428	428	466		466	38
State Aid	862	862	1,485		1,485	623
Property Taxes	279,632	279,632	279,632		279,632	
Special Taxes	23,453	23,453	21,895		21,895	(1,558)
Other Revenues	1,477	1,477	1,800	(1,800)		(1,477)
<b>Total Revenues</b>	<b>340,621</b>	<b>340,621</b>	<b>335,030</b>	<b>(1,800)</b>	<b>333,230</b>	<b>(7,391)</b>
<b>Expenditures:</b>						
Current:						
Protection of Persons	339,561	350,501	342,709	1,306	344,015	6,486
<b>Total Expenditures</b>	<b>339,561</b>	<b>350,501</b>	<b>342,709</b>	<b>1,306</b>	<b>344,015</b>	<b>6,486</b>
Excess (Deficiency) of Revenues Over (Under) Expenditures	1,060	(9,880)	(7,679)	(3,106)	(10,785)	(905)
<b>Other Financing Sources (Uses):</b>						
Transfers In		10,940	13,536		13,536	2,596
Transfers Out	(3,349)	(3,349)	(3,692)		(3,692)	(343)
<b>Total Other Financing Sources (Uses)</b>	<b>(3,349)</b>	<b>7,591</b>	<b>9,844</b>		<b>9,844</b>	<b>2,253</b>
Net Change in Fund Balance	(2,289)	(2,289)	2,165	(3,106)	(941)	1,348
Fund Balance (Deficit) at Beginning of Year	2,289	2,289	941		941	(1,348)
Fund Balance (Deficit) at End of Year	\$	\$	\$ 3,106	\$ (3,106)	\$	\$

See accompanying notes to financial statements.

**EXHIBIT X-11**

**COUNTY OF NASSAU, NEW YORK**

**STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES  
TOTAL BUDGETARY AUTHORITY AND ACTUAL  
POLICE HEADQUARTERS FUND  
FOR THE YEAR ENDED DECEMBER 31, 2007 (Dollars in Thousands)**

	<u>Original Budget</u>	<u>Total Budgetary Authority</u>	<u>Actual</u>	<u>GAAP to Budgetary Basis Conversion (Note 12)</u>	<u>Actual on a Budgetary Basis</u>	<u>Variance Over (Under)</u>
<b>Revenues:</b>						
Licenses and Permits	\$ 1,070	\$ 1,070	\$ 1,085	\$	\$ 1,085	\$ 15
Fines and Forfeits			6		6	6
Rents and Recoveries	200	200	1,138		1,138	938
Interest Income	125	125	341		341	216
Departmental Revenue	15,722	15,722	18,430		18,430	2,708
Interdepartmental Revenue	15,239	15,239	11,382		11,382	(3,857)
Federal Aid	428	428	221		221	(207)
State Aid	589	589	1,353		1,353	764
Property Taxes	287,070	287,070	287,070		287,070	
Special Taxes	23,453	23,453	23,296		23,296	(157)
Other Revenues	1,442	1,442	1,867	(1,829)	38	(1,404)
<b>Total Revenues</b>	<u>345,338</u>	<u>345,338</u>	<u>346,189</u>	<u>(1,829)</u>	<u>344,360</u>	<u>(978)</u>
<b>Expenditures:</b>						
Current:						
Protection of Persons	345,487	344,809	330,017	(888)	329,129	15,680
<b>Total Expenditures</b>	<u>345,487</u>	<u>344,809</u>	<u>330,017</u>	<u>(888)</u>	<u>329,129</u>	<u>15,680</u>
Excess (Deficiency) of Revenues Over (Under) Expenditures	(149)	529	16,172	(941)	15,231	14,702
<b>Other Financing Sources (Uses):</b>						
Transfers In		2,600				(2,600)
Transfers Out	(3,071)	(6,349)	(6,349)		(6,349)	
<b>Total Other Financing Sources (Uses)</b>	<u>(3,071)</u>	<u>(3,749)</u>	<u>(6,349)</u>		<u>(6,349)</u>	<u>(2,600)</u>
Net Change in Fund Balance	(3,220)	(3,220)	9,823	(941)	8,882	12,102
Fund Balance (Deficit) at Beginning of Year	3,220	3,220	(8,882)		(8,882)	(12,102)
Fund Balance (Deficit) at End of Year	<u>\$</u>	<u>\$</u>	<u>\$ 941</u>	<u>\$ (941)</u>	<u>\$</u>	<u>\$</u>

See accompanying notes to financial statements.

## COUNTY OF NASSAU, NEW YORK

STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE  
 TOTAL BUDGETARY AUTHORITY AND ACTUAL  
 SEWER & STORM WATER DISTRICT FUND  
 FOR THE YEAR ENDED DECEMBER 31, 2008 (Dollars in Thousands)

	Original Budget	Total Budgetary Authority	Actual	GAAP to Budgetary Basis Conversion	Actual on a Budgetary Basis	Variance Over (Under)
<b>Revenues:</b>						
Licenses and Permits	\$ 216	\$ 216	\$ 266	\$	\$ 266	\$ 50
Rents and Recoveries	471	471	252		252	(219)
Interest Income	6,000	6,000	2,807		2,807	(3,193)
Departmental Revenue	1,464	1,464	1,935		1,935	471
Interdepartmental Revenue	479	479	836		836	357
Interfund Revenue	12,280	12,280				(12,280)
Property Taxes	103,932	103,932	103,940		103,940	8
Other Revenues			156	(156)		
Total Revenues	<u>124,842</u>	<u>124,842</u>	<u>110,192</u>	<u>(156)</u>	<u>110,036</u>	<u>(14,806)</u>
<b>Expenditures:</b>						
Current:						
Public Works	<u>177,450</u>	<u>177,451</u>	<u>125,708</u>	<u>5,114</u>	<u>130,822</u>	<u>46,629</u>
Total Expenditures	<u>177,450</u>	<u>177,451</u>	<u>125,708</u>	<u>5,114</u>	<u>130,822</u>	<u>46,629</u>
Excess (Deficiency) of Revenues Over (Under) Expenditures	<u>(52,608)</u>	<u>(52,609)</u>	<u>(15,516)</u>	<u>(5,270)</u>	<u>(20,786)</u>	<u>31,823</u>
<b>Other Financing Sources (Uses):</b>						
Transfers In of Investment Income			218		218	218
Transfers Out	(10,939)		(6,836)		(6,836)	(6,836)
Transfers Out to SFA			(13,792)		(13,792)	(13,792)
Total Other Financing Sources (Uses)	<u>(10,939)</u>		<u>(20,410)</u>		<u>(20,410)</u>	<u>(20,410)</u>
Net Change in Fund Balance	(63,547)	(52,609)	(35,926)	(5,270)	(41,196)	11,413
Fund Balance (Deficit) at Beginning of Year	<u>63,547</u>	<u>52,609</u>	<u>170,596</u>		<u>170,596</u>	<u>117,987</u>
Fund Balance (Deficit) at End of Year	<u>\$</u>	<u>\$</u>	<u>\$ 134,670</u>	<u>\$ (5,270)</u>	<u>\$ 129,400</u>	<u>\$ 129,400</u>

See accompanying notes to financial statements.

## COUNTY OF NASSAU, NEW YORK

STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE  
 TOTAL BUDGETARY AUTHORITY AND ACTUAL  
 SEWER & STORM WATER DISTRICT FUND  
 FOR THE YEAR ENDED DECEMBER 31, 2007 (Dollars in Thousands)

	Original Budget	Total Budgetary Authority	Actual	GAAP to Budgetary Basis Conversion	Actual on a Budgetary Basis	Variance Over (Under)
<b>Revenues:</b>						
Rents and Recoveries	\$ 288	\$ 288	\$ 43	\$	\$ 43	\$ (245)
Interest Income	1,067	1,067	6,736		6,736	5,669
Departmental Revenue	1,656	1,656	1,113		1,113	(543)
Interdepartmental Revenue	463	463	390		390	(73)
Interfund Revenue	16,985	16,985				(16,985)
Property Taxes	118,932	118,932	118,934		118,934	2
Other Revenues			252	(143)	109	109
Total Revenues	<u>139,391</u>	<u>139,391</u>	<u>127,468</u>	<u>(143)</u>	<u>127,325</u>	<u>(12,066)</u>
<b>Expenditures:</b>						
Current:						
Public Works	<u>174,320</u>	<u>174,321</u>	<u>126,108</u>	<u>8,479</u>	<u>134,587</u>	<u>39,734</u>
Total Expenditures	<u>174,320</u>	<u>174,321</u>	<u>126,108</u>	<u>8,479</u>	<u>134,587</u>	<u>39,734</u>
Excess (Deficiency) of Revenues Over (Under) Expenditures	<u>(34,929)</u>	<u>(34,930)</u>	<u>1,360</u>	<u>(8,622)</u>	<u>(7,262)</u>	<u>27,668</u>
<b>Other Financing Sources (Uses):</b>						
Transfers In of Investment Income	703	703	1,294		1,294	591
Transfers Out	(6,293)		(7,030)		(7,030)	(7,030)
Transfers In from SFA			47,306		47,306	47,306
Total Other Financing Sources (Uses)	<u>(5,590)</u>	<u>703</u>	<u>41,570</u>		<u>41,570</u>	<u>40,867</u>
Net Change in Fund Balance	(40,519)	(34,227)	42,930	(8,622)	34,308	68,535
Fund Balance (Deficit) at Beginning of Year	<u>40,519</u>	<u>34,227</u>	<u>127,666</u>		<u>127,666</u>	<u>93,439</u>
Fund Balance (Deficit) at End of Year	<u>\$</u>	<u>\$</u>	<u>\$ 170,596</u>	<u>\$ (8,622)</u>	<u>\$ 161,974</u>	<u>\$ 161,974</u>

See accompanying notes to financial statements.

**EXHIBIT X-13**

**COUNTY OF NASSAU, NEW YORK**

**STATEMENT OF FIDUCIARY NET ASSETS  
FIDUCIARY FUND  
DECEMBER 31, 2008 (Dollars in Thousands)**

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**AGENCY FUND**

**Balance  
December 31,  
2008**

**ASSETS:**

Cash	\$	86,770
Due From Component Unit		<u>3,912</u>
<b>TOTAL ASSETS</b>	<b>\$</b>	<b><u>90,682</u></b>

**LIABILITIES:**

Accounts Payable	\$	208
Other Liabilities		<u>90,474</u>
<b>TOTAL LIABILITIES</b>	<b>\$</b>	<b><u>90,682</u></b>

See accompanying notes to financial statements.



**EXHIBIT X-13**

**COUNTY OF NASSAU, NEW YORK**

**STATEMENT OF FIDUCIARY NET ASSETS  
FIDUCIARY FUND  
DECEMBER 31, 2007 (Dollars in Thousands)**

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**AGENCY FUND**

	<b>Balance December 31, <u>2007</u></b>
<b><u>ASSETS:</u></b>	
Cash	\$ 100,944
Due From Component Unit	<u>956</u>
<b>TOTAL ASSETS</b>	<b><u>\$ 101,900</u></b>
 <b><u>LIABILITIES:</u></b>	
Accounts Payable	\$ 3,895
Other Liabilities	<u>98,005</u>
<b>TOTAL LIABILITIES</b>	<b><u>\$ 101,900</u></b>

See accompanying notes to financial statements.

EXHIBIT X-14

COUNTY OF NASSAU, NEW YORK

STATEMENT OF NET ASSETS  
 ALL DISCRETELY PRESENTED COMPONENT UNITS  
 DECEMBER 31, 2008 (WITH THE NASSAU COMMUNITY COLLEGE AUGUST 31, 2008)  
 (Dollars in Thousands)

	Nassau Community College	Nassau Health Care Corporation	Nassau Regional Off-Track Betting Corp.	Nassau County Industrial Development Agency	Total
<b>ASSETS</b>					
<b>CURRENT ASSETS:</b>					
Cash and Cash Equivalents	\$ 48,430	\$ 4,978	\$ 12,693	\$ 5,180	\$ 69,281
Assets Whose Use is Limited - Current		18,246			18,246
Student Accounts and Loans Receivable	7,802				7,802
Less Allowance for Doubtful Amounts	(2,557)				(2,557)
Due from Other Governments	4,148				4,148
Other Receivables	610	4,823		1	5,434
Accounts Receivable		328,441	204	26	328,671
Less Allowance for Doubtful Amounts		(217,251)			(217,251)
Inventories		5,579			5,579
Other Assets - Current	2,329	15,722	598	0	18,658
<b>Total Current Assets</b>	<b>58,762</b>	<b>158,538</b>	<b>13,495</b>	<b>5,216</b>	<b>236,011</b>
<b>NON CURRENT ASSETS:</b>					
Deferred Financing Costs	2,836	5,107	532		8,475
Less Accumulated Amortization	(1,378)	(1,325)	(124)		(2,827)
Assets Whose Use is Limited		58,148			58,148
Capital Assets Not Being Depreciated	3,641	12,498	2,288		18,427
Depreciable Capital Assets	205,225	430,962	37,530	72	673,789
Less Accumulated Depreciation	(104,214)	(308,404)	(17,495)	(62)	(430,175)
Deposits Held by Trustees	11,027				11,027
Deposits Held in Custody for Others	1,638				1,638
Other Assets		8,344			8,344
<b>Total Non Current Assets</b>	<b>118,775</b>	<b>205,331</b>	<b>22,731</b>	<b>10</b>	<b>346,847</b>
<b>Total Assets</b>	<b>177,537</b>	<b>363,869</b>	<b>36,226</b>	<b>5,226</b>	<b>582,858</b>
<b>LIABILITIES</b>					
<b>CURRENT LIABILITIES:</b>					
Accounts Payable	4,478	32,834	3,255	82	40,647
Accrued Liabilities		17,487	6,872		24,359
Accrued Interest Payable		1,923			1,923
Notes Payable - Current			52		52
Due To Primary Government	1,784	2,931	430		5,145
Deferred Revenue	18,101			78	18,179
Current Portion of Long Term Liabilities	4,958	2,065	1,455		8,478
Other Liabilities	2,129	4,986	1,720		8,835
<b>Total Current Liabilities</b>	<b>31,449</b>	<b>62,226</b>	<b>13,784</b>	<b>160</b>	<b>107,619</b>
<b>NON CURRENT LIABILITIES:</b>					
Notes Payable			189		189
Serial Bonds Payable	38,379	232,864	15,990		287,233
Accrued Vacation and Sick Pay	47,971	37,224		52	85,247
Estimated Liability for Litigation	2,500	38,356			40,856
Deposits Held in Custody for Others	1,838				1,838
Insurance Reserve Liability	1,944				1,944
Deferred Bond Premium (Net of Amortization)	2,270				2,270
Liability for Future Pension Expense	1,334	1,052			2,386
Postemployment Retirement Benefits Liability	277,848	79,221	44,958		402,027
Other Liabilities		46,188			46,188
<b>Total Non Current Liabilities</b>	<b>373,884</b>	<b>434,905</b>	<b>61,137</b>	<b>52</b>	<b>869,978</b>
<b>Total Liabilities</b>	<b>405,333</b>	<b>497,131</b>	<b>74,921</b>	<b>212</b>	<b>977,597</b>
<b>NET ASSETS</b>					
Invested in Capital Assets, Net of Related Debt	62,682	53,056	3,533	10	119,281
Restricted:					
General		1,651			1,851
Special Revenue					
Nassau Community College Foundation Fund					
Donor Imposed Stipulations	1,124				1,124
Direct Scholarships	82				82
Restricted Scholarships	982				982
Capital Projects	2,883				2,883
Debt Service	11,027		5,093		16,120
Student Loans	508				508
Unrestricted (deficit)	(307,084)	(187,969)	(47,321)	5,004	(537,370)
<b>Total Net Assets (deficit)</b>	<b>\$ (227,796)</b>	<b>\$ (133,282)</b>	<b>\$ (38,695)</b>	<b>\$ 5,014</b>	<b>\$ (394,739)</b>

See accompanying notes to financial statements.

EXHIBIT X-14

COUNTY OF NASSAU, NEW YORK

STATEMENT OF NET ASSETS  
 ALL DISCRETELY PRESENTED COMPONENT UNITS  
 DECEMBER 31, 2007 (WITH THE NASSAU COMMUNITY COLLEGE AUGUST 31, 2007)  
 (Dollars in Thousands)

	Nassau Community College	Nassau Health Care Corporation	Nassau Regional Off-Track Betting Corp.	Nassau County Industrial Development Agency	Total
<b>ASSETS</b>					
<b>CURRENT ASSETS:</b>					
Cash and Cash Equivalents	\$ 43,138	\$ 5,736	\$ 11,427	\$ 6,041	\$ 66,342
Assets Whose Use is Limited - Current		32,632			32,632
Student Accounts and Loans Receivable	6,933				6,933
Less Allowance for Doubtful Amounts	(3,131)				(3,131)
Due from Other Governments	3,335				3,335
Due from Primary Government	1,767	2,962			4,729
Other Receivables	110	4,054		5	4,169
Accounts Receivable		269,636	140	28	269,804
Less Allowance for Doubtful Amounts		(172,507)			(172,507)
Inventories		5,269			5,269
Other Assets - Current	765	13,919	603	15	15,302
<b>Total Current Assets</b>	<b>52,917</b>	<b>161,701</b>	<b>12,170</b>	<b>6,089</b>	<b>232,877</b>
<b>NON CURRENT ASSETS:</b>					
Deferred Financing Costs	2,836	4,781	532		8,149
Less Accumulated Amortization	(1,184)	(962)	(89)		(2,235)
Assets Whose Use is Limited		50,831			50,831
Capital Assets Not Being Depreciated	3,637	12,498	2,230		18,365
Depreciable Capital Assets	201,282	402,084	37,074	70	640,510
Less Accumulated Depreciation	(99,646)	(294,682)	(15,419)	(57)	(409,804)
Leasehold Acquisition Costs					
Less Accumulated Amortization					
Deposits Held by Trustees	10,908				10,908
Deposits Held in Custody for Others	3,081				3,081
Other Assets		8,292			8,292
<b>Total Non Current Assets</b>	<b>120,914</b>	<b>182,842</b>	<b>24,328</b>	<b>13</b>	<b>328,097</b>
<b>Total Assets</b>	<b>173,831</b>	<b>344,543</b>	<b>36,498</b>	<b>6,102</b>	<b>560,974</b>
<b>LIABILITIES</b>					
<b>CURRENT LIABILITIES:</b>					
Accounts Payable	8,347	32,200	1,806	75	42,428
Accrued Liabilities		15,071	4,712		19,783
Accrued Interest Payable		1,144			1,144
Notes Payable - Current			49		49
Due To Primary Government	4,585		703		5,288
Due To Other Governments					
Deferred Revenue	17,917			84	18,001
Bond Anticipation Notes	947				947
Current Portion of Long Term Liabilities	3,167	2,390	1,455		7,012
Other Liabilities	601		1,735		2,336
<b>Total Current Liabilities</b>	<b>35,564</b>	<b>50,805</b>	<b>10,460</b>	<b>159</b>	<b>96,988</b>
<b>NON CURRENT LIABILITIES:</b>					
Notes Payable			241		241
Serial Bonds Payable	37,585	264,549	17,445		319,579
Accrued Vacation and Sick Pay	45,317	32,241		33	77,591
Estimated Liability for Litigation	2,500	42,161			44,661
Deposits Held in Custody for Others	2,643				2,643
Insurance Reserve Liability	1,873				1,873
Deferred Bond Premium (Net of Amortization)	2,408				2,408
Liability for Future Pension Expense	1,334	14,536			15,870
Postemployment Retirement Benefits Liability	262,281	40,908	43,828		347,017
Other Liabilities		20,523			20,523
<b>Total Non Current Liabilities</b>	<b>355,941</b>	<b>414,918</b>	<b>61,514</b>	<b>33</b>	<b>832,406</b>
<b>Total Liabilities</b>	<b>391,505</b>	<b>465,723</b>	<b>71,974</b>	<b>192</b>	<b>929,394</b>
<b>NET ASSETS</b>					
Invested in Capital Assets, Net of Related Debt Restricted:	68,291	58,673	4,714	13	131,691
Special Revenue					
Donor Imposed Stipulations	1,377				1,377
Direct Scholarships	95				95
Restricted Scholarships	941				941
Capital Projects	918				918
Debt Service	10,908		3,638		14,546
Student Loans	505				505
Unrestricted (deficit)	(300,709)	(179,853)	(43,828)	5,897	(518,493)
<b>Total Net Assets (deficit)</b>	<b>\$ (217,674)</b>	<b>\$ (121,180)</b>	<b>\$ (35,476)</b>	<b>\$ 5,910</b>	<b>\$ (368,420)</b>

See accompanying notes to financial statements.

## COUNTY OF NASSAU, NEW YORK

STATEMENT OF ACTIVITIES  
 DISCRETELY PRESENTED COMPONENT UNITS - PROPRIETARY  
 FOR THE YEAR ENDED DECEMBER 31, 2008 (WITH THE NASSAU COMMUNITY COLLEGE AUGUST 31, 2008)  
 (Dollars in Thousands)

	Nassau Community College	Nassau Health Care Corporation	Nassau Regional Off-Track Betting Corp.	Nassau County Industrial Development Agency	Total
<b>Expenses</b>	\$ 212,424	\$ 585,966	\$ 73,584	\$ 2,207	\$ 874,181
<b>Program Revenues:</b>					
Charges for Services	58,100	531,913	66,458	1,189	657,660
Operating Grants and Contributions	141,717				141,717
Increase in Net Assets - Foundation		3,611			3,611
Capital Grants and Contributions		71,888	976		72,864
Total Program Revenues	199,817	607,412	67,434	1,189	875,852
Net (Expenses) Program Revenues	(12,607)	21,446	(6,150)	(1,018)	1,671
<b>General Revenues (Expenses):</b>					
Investment Income	2,579	2,396	235	122	5,332
Other	(94)	(35,924)	2,696		(33,322)
Net General Revenues (Expenses)	2,485	(33,528)	2,931	122	(27,990)
Change in Net Assets	(10,122)	(12,082)	(3,219)	(896)	(26,319)
Net Assets (Deficits) - Beginning of Year	(217,674)	(121,180)	(35,476)	5,910	(368,420)
Net Assets (Deficits) - End of Year	\$ (227,796)	\$ (133,262)	\$ (38,695)	\$ 5,014	\$ (394,739)

See accompanying notes to financial statements.

## COUNTY OF NASSAU, NEW YORK

STATEMENT OF ACTIVITIES  
 DISCRETELY PRESENTED COMPONENT UNITS - PROPRIETARY  
 FOR THE YEAR ENDED DECEMBER 31, 2007 (WITH THE NASSAU COMMUNITY COLLEGE AUGUST 31, 2007)  
 (Dollars in Thousands)

	Nassau Community College	Nassau Health Care Corporation	Nassau Regional Off-Track Betting Corp.	Nassau County Industrial Development Agency	Total
<b>Expenses</b>	\$ 448,933	\$ 544,408	\$ 117,121	\$ 480	\$ 1,110,942
<b>Program Revenues:</b>					
Charges for Services	53,143	492,355	69,001	2,962	617,461
Operating Grants and Contributions	132,074				132,074
Capital Grants and Contributions		20,773	1,049		21,822
Total Program Revenues	185,217	513,128	70,050	2,962	771,357
Net (Expenses) Program Revenues	(263,716)	(31,280)	(47,071)	2,482	(339,585)
<b>General Revenues (Expenses):</b>					
Investment Income	693	4,709	473	187	6,062
Other	457	(9,515)	2,862		(6,196)
Net General Revenues (Expenses)	1,150	(4,806)	3,335	187	(134)
Change in Net Assets	(262,566)	(36,086)	(43,736)	2,669	(339,719)
Net Assets (Deficits) - Beginning of Year	44,892	(85,094)	8,260	3,241	(28,701)
Net Assets (Deficits) - End of Year	\$ (217,674)	\$ (121,180)	\$ (35,476)	\$ 5,910	\$ (368,420)

See accompanying notes to financial statements.

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**NOTES TO FINANCIAL STATEMENTS  
YEARS ENDED DECEMBER 31, 2008 AND 2007**

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**1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES**

**Reporting Entity** - The County of Nassau (the "County"), incorporated in 1899, contains three towns, two cities and 64 incorporated villages. In conformance with the Governmental Accounting Standards Board ("GASB") Statement No. 14, *The Financial Reporting Entity*, these financial statements present the County (the primary government) which includes all funds, elected offices, departments and agencies of the County, as well as boards and commissions, since the County is financially accountable for these and its legally separate component units. A primary government is financially accountable for a component unit if its officials appoint a voting majority of the organization's governing body, and it is either able to impose its will on that organization or there is a potential for the organization to provide specific financial benefits to, or impose specific financial burdens on, the primary government, or the organization is fiscally dependent upon the primary government as defined by GASB No. 14. The Nassau County Interim Finance Authority ("NIFA") is included, because exclusion would be misleading. The County continuously assesses the need to include various organizations within the County whose status as a component unit may change due to financial dependence, legislative developments or level of influence the County may exercise over such entity.

**Discretely Presented Component Units** - Financial data of the County's component units that are not part of the primary government is reported in the component unit's column in the government-wide financial statements, to emphasize that these component units are legally separate from the County. They include the following:

- (a) *The Nassau Community College* (the "College") provides educational services under New York State Education Law. It is reported as a component unit - governmental as the County appoints its governing body, the County approves its budget, issues debt for College purposes and provides approximately 27% of the College's revenues through a Countywide real property tax levy. The College has authority to enter into contracts under New York State Education Law and to sue and be sued. The College is presented in accordance with policies prescribed by the Governmental Accounting Standards Board ("GASB"): Statement No.35, *Basic Financial Statements – and Management's Discussion and Analysis for Public Colleges and Universities*, and in accordance with the New York State Education Law. Therefore, the College is discretely presented. This component unit is presented as of and for its fiscal years ended August 31, 2008 and 2007.

*Financial Reporting Entity* – GASB Statement No. 39, an amendment of GASB Statement No. 14, was issued and became effective for the year ended August 31, 2006. This statement provided additional guidance in determining whether certain organizations for which the primary government is not financially accountable should be reported as component units based on the nature and significance of their relationship with the primary government. As a result of this statement, the College's financial statements include two component units as of August 31, 2008 and 2007.

These financial statements present the College (the primary government) and its component units, the Nassau Community College Foundation, Inc. and the Faculty-Student Association of Nassau Community College, Inc. As defined in GASB Statement No. 39, component units are legally separate entities that are included in the College's reporting entity because of the significance of their operating or financial relationships with the College. The College has elected to include the financial statements of the component units, even though the amounts reported in the component units' financial statements are not significant to the reporting entity.

**NOTES TO FINANCIAL STATEMENTS  
YEARS ENDED DECEMBER 31, 2008 AND 2007**

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**1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)****Discretely Presented Component Units (Continued)**

Each component unit is reported separately to emphasize that they are legally separate from the primary government. Each of the College's discretely presented component units has a fiscal year end of August 31<sup>st</sup>, the same as that of the College.

- (b) Nassau Health Care Corporation (the "NHCC") is a public benefit corporation created in 1997 by an act of the New York State Legislature for the purpose of acquiring and operating the health facilities of Nassau County, State of New York. Effective September 29, 1999 (the "Transfer Date"), a transaction was executed which transferred ownership of the County health facilities to the NHCC which included Nassau University Medical Center, A. Holly Patterson Extended Care Facility, Faculty Practice Plan, Nassau Health Care Foundation ("NHCF"), and the Health Centers. Concurrent with the transaction, \$259.7 million of Nassau Health Care Corporation Health System Revenue Bonds, Series 1999 were issued. During 2004, \$303.4 million of Nassau Health Care Corporation Bonds, Series 2005 were issued to refund the Corporation's Revenue Bond Series 1999, fund certain capital projects and provide working capital. The bonds are insured and guaranteed by the County. NHCC is fiscally dependent on the County should certain NHCC debt service reserve funds fall below their requirements. NHCC is considered to be a component unit of the County and is presented as a proprietary type component unit on the accrual basis of accounting. The Corporation accounts for its investment in the limited liability company using the equity method. A successor agreement (the "Successor Agreement") in 2007 clarifies the services provided by the Corporation to the County and establishes the mechanism for payments to the Corporation by the County and provides the Corporation with capital funding and is in effect until 2029.

In March 2008, the Corporation received approval from the New York State Department to amend the NHCF's certificate of incorporation. The NHCF's purpose was restated to be limited to supporting, maintaining, and otherwise benefiting and being responsive to the needs and objectives of the Corporation. In 2008, the Corporation consolidated the NHCF which increased net assets by approximately \$ 3.6 million.

The Board of the NHCC consists of fifteen voting and three nonvoting Directors. Eight voting Directors are appointed by the Governor, four by the County Legislature and three by the County Executive. The nonvoting Directors are the Chief Executive Officer of NHCC, one individual appointed by the County Executive and one individual appointed by the County Legislature. The directors serve staggered five-year terms. The County Executive selects one of the voting directors as Chairman of the Board.

- (c) The Nassau Regional Off-Track Betting Corporation (the "OTB") was created by the New York State Legislature as a public benefit corporation. It is reported as a component unit as the County Legislature appoints its governing body and receives 4.375% of winning wagers made at Nassau County racetracks and all net operating profits from OTB. These revenues are recorded in the County's General Fund. The OTB is shown as a proprietary type component unit, and is presented on the accrual basis of accounting for its fiscal years ended December 31, 2008 and 2007, respectively.



**NOTES TO FINANCIAL STATEMENTS  
YEARS ENDED DECEMBER 31, 2008 AND 2007**

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**1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)****Discretely Presented Component Units (Continued)**

In the Statement of Net Assets, OTB has reported an accumulated deficit of \$ 2,363,000 which is included in their unrestricted net deficit. Section 516 of the NYS Racing & Wagering Law dictates in subsection 2 that net revenue remaining to the Corporation after payment of all of the costs of the Corporation's functions shall be distributed to Nassau County. As such, any deficit the Corporation incurs during a given quarter becomes unrecoverable because the Law does not enable the Corporation to allocate accumulated deficits to future earnings.

- (d) The Nassau County Industrial Development Agency (the "NCIDA") is a public benefit corporation established pursuant to the New York State General Municipal Law. The NCIDA's purpose is to arrange long-term low interest financing with the intent of developing commerce and industry in the County. It is reported as a component unit as the County appoints its governing body and may remove the NCIDA board at will. The County has at times provided support to the NCIDA in the form of employees and facilities. Support expenditures would be included in the County's General Fund under personal services. The NCIDA has sole authority for establishing administrative and fiscal policy in the pursuit of its objectives. The County is not liable for any obligations or deficits the NCIDA may incur, nor does it share in any surpluses. The NCIDA is shown as a proprietary type component unit and is presented on the accrual basis of accounting for its fiscal years ended December 31, 2008 and 2007, respectively.

**Blended Component Units**

- (a) Nassau County Interim Finance Authority (the "Authority" or "NIFA") is included as a blended component unit of the County's primary government pursuant to GASB No. 14 because exclusion would be misleading. It acts as a temporary financial intermediary to the County and is authorized to act as an oversight authority to the County under certain circumstances. It reports using the governmental model and its funds are reported as part of the County's general funds, debt service funds and capital projects funds.

NIFA is a corporate governmental agency and instrumentality of the State of New York (the "State") constituting a public benefit corporation created by the Nassau County Interim Finance Authority Act, Chapter 84 of the Laws of 2000, as supplemented by Chapter 179 of the Laws of 2000 and as may be amended from time to time, including, but not limited to, Chapter 528 of the Laws of 2002, and Chapters 314 and 685 of the Laws of 2003 (the "Act"). The Act became effective June 23, 2000. Although legally separate and independent of Nassau County, the Authority is a component unit of the County for County financial reporting purposes and, accordingly, is included in the County's financial statements.

The Authority is governed by seven directors, each appointed by the Governor, including one each appointed upon the recommendation of the Majority Leader of the State Senate, the Speaker of the Assembly, and the State Comptroller. The Governor also designates the chairperson and vice-chairperson from among the directors. At present one Director's position is vacant.

The Authority has power under the Act to monitor and oversee the finances of Nassau County, and upon declaration of a "Control Period" as defined in the Act, additional oversight authority. Although the Act currently provides that the Authority may no longer issue new bonds or notes, other than to retire or otherwise refund Authority debt, the Authority was previously empowered to and did issue its bonds and notes for various County purposes, defined in the Act as "Financeable

**NOTES TO FINANCIAL STATEMENTS  
YEARS ENDED DECEMBER 31, 2008 AND 2007**

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**1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)****Blended Component Units (Continued)**

Costs.” No bond of the Authority may mature later than January 31, 2036, or more than 30 years from its date of issuance.

Revenues of the Authority (“Revenues”) consist of sales tax revenues, defined as net collections from sales and compensating use taxes, penalties and interest authorized by the State and imposed by the County on the sale and use of tangible personal property and services in the County (“Sales Tax Revenues”), and investment earnings on money and investments on deposit in various Authority accounts. Sales tax revenues collected by the State Comptroller for transfer to the

Authority are not subject to appropriation by the State or County. Revenues of the Authority that are not required to pay debt service, operating expenses, and other costs of the Authority are payable to the County.

- (b) The Nassau County Tobacco Settlement Corporation (“NCTSC”) is a special purpose local development corporation organized under the Not-for-Profit Corporation Law of the State of New York and is an instrumentality of, but separate and apart from Nassau County. Although legally separate and independent of Nassau County, NCTSC is considered an affiliated organization under Governmental Accounting Standards Board Statement No. 39 “*Determining whether Certain Organizations are Component Units*” and reported as a component unit of the County for County financial reporting purposes and, accordingly, is included in the County’s financial statements.

The NCTSC board of directors has three members, one of whom must meet certain requirements of independence: (i) one elected by the County Legislature, (ii) one, who must be the County Treasurer, *ex officio*, designated by the County Executive and (iii) one selected by (i) and (ii). As of December 31, 2008, one position was vacant.

On November 23, 1999, NCTSC entered into a Purchase and Sale Agreement dated as of October 1, 1999 with the County pursuant to which NCTSC acquired from the County all of the County’s right title and interest under the Master Settlement Agreement (the “MSA”) and the Consent Decree and Final Judgment (the “Decree”). These rights include the County’s share of all Tobacco Settlement Revenues received after November 23, 1999 and in perpetuity to be received under the MSA and the Decree. The consideration paid by NCTSC to the County for such acquisition consisted of \$247,500,000 cash (of which \$77,500,000 was paid into escrow for the benefit of the County) and the sole beneficial interest in NCTSC Residual Trust, a Delaware business trust to which NCTSC has conveyed a residual interest in all the Tobacco Settlement Revenues, annually received in excess of those required to pay debt service on the Series A Bonds (the “Residual”). NCTSC’s right to receive Tobacco Settlement Revenues is its most significant asset and is expected to produce funding for all its obligations.

On March 31, 2006, NCTSC, issued \$431,034,246 of Nassau County Tobacco Settlement Corporation Tobacco Settlement Asset-Backed bonds, Series 2006. Proceeds were used to refund all of NCTSC’s 1999 Bonds and creation of a Residual Trust Fund for the benefit of the County and Senior Liquidity Reserve to pay future debt service on the new bonds.

- (c) The Nassau County Sewer and Storm Water Finance Authority (“NCSSWFA”) is a public benefit corporation established in 2003 by the State of New York under the Nassau County Sewer and Storm Water Finance Authority Act, codified as Title-10-D of Article 5 of the Public Authorities

NOTES TO FINANCIAL STATEMENTS  
 YEARS ENDED DECEMBER 31, 2008 AND 2007

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1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

Blended Component Units (Continued)

Law of the State. The NCSSWFA was established for the purpose of refinancing outstanding sewer and storm water resources debt issued by or on behalf of the County and financing future County sewer and storm water resources projects. The NCSSWFA may issue debt in an amount up to \$350,000,000 for such purposes (exclusive of debt issued to refund or otherwise repay the NCSSWFA debt).

The NCSSWFA has acquired all of the sewer and storm water resources facilities, buildings, equipment and related assets other than land of the County pursuant to a Financing and Acquisition Agreement dated as of March 1, 2004 by and between the NCSSWFA and the County.

The NCSSWFA is to pay for the assets acquired in installments by undertaking to pay debt service on outstanding bonds issued by or on behalf of the County to finance the assets acquired ("County Bonds"). In addition, as part of such purchase price, the NCSSWFA may, at the request of the County, refinance County Bonds. Most of the NCSSWFA's revenues are derived through the imposition by the County of assessments for sewer and storm water resources services. The County has directed each city and town receiver of taxes to pay all such assessments directly to the trustee for the NCSSWFA's bonds. The NCSSWFA retains sufficient funds to service all debt (including County Bonds), and pay its operating expenses. Excess funds are remitted to the Nassau County Sewer and Storm Water Resources District (the "District"). The District is responsible for the operations of the County's sewer and storm water resources services.

Complete financial statements of the individual component units can be obtained from their respective administrative offices:

Nassau Community College  
 One Education Drive  
 Garden City, New York 11530

Nassau Regional Off-Track Betting Corp.  
 220 Fulton Avenue  
 Hempstead, New York 11550

Nassau County Industrial  
 Development Agency  
 1550 Franklin Avenue  
 Mineola, New York 11501

Nassau Health Care  
 Corporation  
 2201 Hempstead Turnpike  
 East Meadow, New York 11554

Nassau County Interim  
 Finance Authority  
 170 Old Country Road  
 Suite 205  
 Mineola, New York 11501

Nassau County Tobacco  
 Settlement Corporation  
 240 Old Country Road  
 Mineola, New York 11501

Nassau County Sewer and Storm Water  
 Finance Authority  
 240 Old Country Road  
 Mineola, New York 11501

**NOTES TO FINANCIAL STATEMENTS  
YEARS ENDED DECEMBER 31, 2008 AND 2007**

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**1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)****Accounting Pronouncements**

In accordance with GASB Statement No. 20, *Accounting and Financial Reporting for Proprietary Funds and Other Governmental Entities That Use Proprietary Fund Accounting*, the County applies all applicable GASB pronouncements and only Financial Accounting Standards Board ("FASB") Statements and Interpretations issued on or before November 30, 1989 that do not conflict with GASB pronouncements.

The County prepares its financial statements in accordance with GASB Statement No. 34 (as amended by Statement No. 37), which represents a very significant change in the financial reporting model used by state and local governments. Statement No. 34 requires government-wide financial statements to be prepared using the accrual basis of accounting and the economic resources measurement focus. Government-wide financial statements do not provide information by fund, but distinguish between the County's governmental activities and activities of its discretely presented component units on the Statement of Net Assets and Statement of Activities. Significantly, the County's Statement of Net Assets includes both noncurrent assets and noncurrent liabilities of the County, which were previously recorded in the General Fixed Assets Account Group and the General Long-term Obligations Account Group. In addition to the capital assets previously recorded in the General Fixed Assets Account Group, the County retroactively capitalized infrastructure assets that were acquired beginning with fiscal year ended December 31, 1980. In addition, the government-wide statement of activities reflects depreciation expenses on the County's capital assets, including infrastructure.

In addition to the government-wide financial statements, fund financial statements continue to be reported using the modified accrual basis of accounting and the current financial resources measurement focus. Accordingly, the accounting and financial reporting for the County's General Fund, NIFA General Fund, Debt Service Fund, Parks and Recreation Fund, Fire Prevention, Safety, Communication and Education Fund, Police District Fund, Police Headquarters Fund, Capital Fund, and Sewer and Storm Water District Fund is similar to that previously presented in the County's financial statements, although the format of financial statements has been modified by Statement No. 34.

Statement No. 34 also requires supplementary information. Management's Discussion and Analysis includes an analytical overview of the County's financial activities. In addition, a budgetary comparison statement is presented that compares the adopted and modified General Fund's, Major Special Revenue Funds' and Nonmajor Special Revenue Funds' budgets with actual results.

The Nassau Community College prepares its financial statements in accordance with GASB No. 35, *"Basic Financial Statements and Management's Discussion and Analysis for Public Colleges and Universities"*.

Statement No. 38 requires certain disclosures to be made in the notes to the financial statements concurrent with the implementation of Statement No. 34. While this Statement did not affect amounts reported in the financial statements of the County, certain note disclosures have been added and or amended including descriptions of activities of major funds, violations of legal or contractual provisions, future debt service and lease obligations in five year increments, short-term obligations, interest rates, and interfund balances and transactions.

**NOTES TO FINANCIAL STATEMENTS  
YEARS ENDED DECEMBER 31, 2008 AND 2007**

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**1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)**

The accounting policies of the County of Nassau conform to accounting principles generally accepted in the United States of America ("GAAP") as applicable to governments. The following is a summary of the more significant policies:

**A. BASIS OF PRESENTATION**

**Government-wide Statements:** The government-wide financial statements, *i.e.* the Statement of Net Assets and the Statement of Activities, display information about the primary government and its component units. These statements include the financial activities of the overall government except for fiduciary activities. Eliminations of internal activity have been made in these statements. The primary government is reported separately from certain legally separate component units for which the primary government is financially accountable. All of the activities of the County as primary government are governmental activities.

The Statement of Activities presents a comparison between direct expenses and program revenues for each function of the County's governmental activities. Direct expenses are those that are clearly identifiable with a specific function. Program revenues include: (i) charges for services such as rental revenue from operating leases on buildings, lots, etc (ii) grants and contributions that are restricted to meeting the operational or capital requirements of a particular function or program. Taxes and other revenues not properly included among program revenues are reported as general revenues.

**Fund Financial Statements:** The fund financial statements provide information about the County's funds, including fiduciary funds and blended component units. Separate statements for the governmental and fiduciary fund categories are presented. The emphasis of fund financial statements is on major governmental funds, each displayed in a separate column. All remaining governmental funds are aggregated and reported as non major funds.

The County uses funds to report on its financial position and the results of its operations. Fund accounting is designed to demonstrate legal compliance and to aid financial management by segregating transactions related to certain government functions or activities. A fund is a separate accounting entity with a self-balancing set of accounts. Funds are classified into three categories: governmental, fiduciary, and proprietary. There are no proprietary funds at the County. Each category, in turn, is divided into separate "fund types."

The County reports the following major governmental funds:

**General Fund** - The General Fund is the general operating fund of the County through which the County provides most Countywide services. Its principal sources of revenue are sales tax, the Countywide real property tax, other local taxes and charges, departmental revenues, and Federal and State aid.

**NIFA General Fund** - The NIFA General Fund accounts for sales tax revenues received by NIFA and for general operating expenses as well as distributions to Nassau County. The NIFA Debt Service Fund accounts for the accumulation of resources for payment of principal and interest on the Authority's bonds. Only that portion of bonds payable expected to be financed from expendable available resources is reported as a liability of the NIFA Debt Service Fund. The NIFA Capital Projects Fund accounts for the financial resources to be transferred to the County for its Financeable Costs.

**NOTES TO FINANCIAL STATEMENTS  
YEARS ENDED DECEMBER 31, 2008 AND 2007**

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**1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)****A. BASIS OF PRESENTATION (Continued)**

Debt Service Funds - The debt service fund is established to account for the payment of the principal of and interest on outstanding bonds and other long-term obligations of the County.

Fire Prevention, Safety, Communication and Education Fund - This fund is used to enforce the Nassau County Fire Prevention Ordinance, coordinate services to the County's Volunteer Fire Departments, investigate arson and provide education at the Fire/Police Emergency Medical Service (EMS) Academy. Revenues are raised primarily through a special property tax levied on a County-wide basis.

Sewer and Storm Water District Fund - This fund consists of the sewage treatment and collection districts and is responsible for the operation and repair of the County sewage collection areas and maintaining and enhancing the region's water environment.

County Parks and Recreation Fund - This fund has been established to maintain parks, museums, and all recreational facilities. The principal sources of revenue in this fund are user fees and a special real property tax levied on a County-wide basis. In 2007, this fund was merged within the General Fund.

Police District Fund - This fund is used to provide police services to those areas of the County that do not maintain their own local police forces. Revenues are raised principally through a special real property tax levied only in those areas served by the County police. This fund does not include Police Department headquarters expenses which are funded through the Police Headquarters Fund.

Police Headquarters Fund - This fund is used to record all the costs of police headquarters. Revenues are raised principally through a special real property tax levied on a County-wide basis. The Police Department headquarters services the entire County with all police services that the local police departments cannot provide.

Capital Fund - This fund is used to account for the cost of County general improvement capital construction projects. Some of the major project initiatives included in this fund are aimed at enhancements to County buildings, rehabilitation of County roadways, drainage improvements, redevelopment of park facilities and major capital equipment purchases. Funding for these projects is primarily provided by the issuance of long term debt but also may be supplemented by Federal and State aid grant awards.

Additionally, the County reports the following fund type:

Fiduciary Fund - The fiduciary fund is an agency fund used to account for resources received and held by the County as the agent for others. These resources include among other things, withholdings for payroll taxes and garnishments. Use of this fund facilitates the discharge of responsibilities placed upon the County by law or other authority. Individual accounts are maintained for all other escrow-type and fiduciary accounts required by law or other authority in administering such monies received by the County.

**NOTES TO FINANCIAL STATEMENTS  
YEARS ENDED DECEMBER 31, 2008 AND 2007**

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**1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)****A. BASIS OF PRESENTATION (Continued)***New Accounting Standards*

In June 2004, GASB issued Statement No. 45, *Accounting and Financial Reporting by Employers for Postemployment Benefits Other Than Pensions*. The Statement establishes standards for the measurement, recognition, and display of Other Postemployment Benefits (“OPEB”) expense and related liabilities (assets), note disclosures, and, if applicable, required supplementary information in the financial reports of state and local governmental employers. OPEB includes postemployment healthcare, as well as other forms of postemployment benefits (e.g., life insurance) when provided separately from a pension plan. The approach followed in the Statement generally is consistent with the approach adopted in Statement No. 27, *Accounting for Pensions by State and Local Governmental Employers*, with modifications to reflect differences between pension benefits and OPEB. Statement No. 45 improves the relevance and usefulness of financial reporting by: (i) recognizing the cost of benefits in periods when the related services are received by the employer; (ii) providing information about the actuarial accrued liabilities for promised benefits associated with past services and whether and to what extent those benefits have been funded; and (iii) providing information useful in assessing potential demands on the employer’s future cash flows. The requirement applies to any state or local government employer that provides OPEB. As a result, the County has implemented GASB statement No. 45 for the fiscal year ended December 31, 2007. Prior to the implementation of GASB Statement No. 45, the County’s postretirement benefits were accounted for on a pay-as-you-go basis.

In July 2005, GASB issued statement No. 47, *Accounting for Termination Benefits*. There was no impact on the County’s financial statements as a result of the implementation of Statement No. 47. For termination benefits provided through a deferred benefit OPEB plan, the provisions of this Statement have been implemented in conjunction with Statement No. 45.

In September 2005, GASB issued GASB Statement No. 48, *Sales and Pledges of Receivables and Future Revenues and Intra-Entity Transfers of Assets and Future Revenues*. The County has implemented this Statement for the fiscal year ended December 31, 2007.

In January 2006, GASB issued GASB Statement No. 49, *Accounting and Financial Reporting for Pollution Remediation Obligations*. The County has implemented this Statement for the fiscal year ended December 31, 2008 and determined that the adoption of this statement had no impact on the County’s financial statement.

In June 2007, GASB issued Statement 51, *Accounting and Financial Reporting for Intangible Assets*. The County has implemented this Statement for the fiscal year ended December 31, 2008 and has recorded \$8.8 million of intangible assets.

In November 2007, GASB issued Statement 52, *Land and Other Real Estate Held as Investments by Endowments*, which should be implemented beginning with fiscal years ending December 31, 2009. The County has determined that there is no impact from Statement No. 52 on its financial position or results of operations resulting from the adoption.

In June 2008, GASB issued Statement No.53, *Accounting and Financial Reporting for Derivative Instruments*, which should be implemented beginning with fiscal years ending December 31, 2010.

**NOTES TO FINANCIAL STATEMENTS  
YEARS ENDED DECEMBER 31, 2008 AND 2007**

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**1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)****A. BASIS OF PRESENTATION (Continued)**

The County has not completed the process of evaluating the impact that will result from implementing this Statement and is therefore unable to determine the impact that adopting this Statement will have on its financial position and results of operations.

In February 2009, GASB issued Statement No.54, *Fund Balance Reporting and Governmental Fund Type Definitions*, which should be implemented beginning with fiscal years ending December 31, 2011. The County has not completed the process of evaluating the impact that will result from implementing this Statement and is therefore unable to determine the impact that adopting this will have on its financial position and results of operations when such statement is adopted.

In March 2009, GASB issued Statement No.55, *The Hierarchy of Generally Accepted Accounting Principles for State and Local Governments* and Statement No. 56, *Codification of Accounting and Financial Reporting Guidance Contained in the AICPA Statements on Auditing Standards*, which were both effective immediately. Neither of these Statements have an impact on the County's financial statements.

**B. BASIS OF ACCOUNTING AND MEASUREMENT FOCUS**

The basis of accounting determines when transactions are reported on the financial statements. The government-wide financial statements are reported using the economic resources measurement focus and the accrual basis of accounting. Revenues are recorded when earned and expenses are recorded at the time liabilities are incurred, regardless of when the related cash flows take place. Nonexchange transactions, in which the County either gives or receives value without directly receiving or giving equal value in exchange, include, for example sales and property taxes, grants, and donations. On an accrual basis, revenue from sales taxes is recognized when the underlying 'exchange' transaction takes place. Revenue from property taxes is recognized in the fiscal year for which the taxes are levied. Revenue from grants and donations is recognized in the fiscal year in which all eligibility requirements have been satisfied.

All discretely presented component units-proprietary funds are accounted for on a flow of economic resources measurement focus.

Governmental funds are accounted for on the modified accrual basis of accounting. Governmental fund revenues are recognized in the accounting period in which they become susceptible to accrual (i.e., both measurable and available to finance expenditures of the fiscal period). Revenue items accrued are property taxes and sales taxes, provided the revenue is collected within 60 days of the fiscal year end; and reimbursable amounts from Federal and State supported programs, provided the revenue is collected within one year of year-end. Expenditures are recognized in the accounting period in which the fund liability is incurred, if measurable, with the following exceptions that are in conformity with accounting principles generally accepted in the United States of America: general long-term obligation principal and interest are reported only when due, vacation and sick leave when paid, pension costs when due, and judgments and claims when settled. Discretely presented component units proprietary funds are accounted for on the accrual basis of accounting. Their revenues are recognized in the period earned and expenses are recognized in the period incurred. Proprietary funds' unbilled services receivable are recognized as revenue.



**NOTES TO FINANCIAL STATEMENTS  
YEARS ENDED DECEMBER 31, 2008 AND 2007**

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**1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)****B. BASIS OF ACCOUNTING AND MEASUREMENT FOCUS (Continued)**

The fiduciary fund is accounted for on the cash basis of accounting for the purpose of asset and liability recognition.

Transfers among funds are recognized in the accounting period in which the interfund receivable and payable arise.

*Nassau Community College* - The College reports as a special purpose government engaged only in business type activities as defined in GASB Statement No. 35 "*Basic Financial Statements – and Management's Discussion and Analysis – for Public Colleges and Universities*".

**C. BUDGETS AND BUDGETARY ACCOUNTING**

An appropriated budget is legally adopted for each fiscal year for the General Fund, Debt Service Fund and each of the Special Revenue Funds, with the exception of NIFA, NCSSWFA, NCTSC, Open Space Fund and the Grant Fund. NIFA funds consist of sales tax revenues collected by the State Comptroller and transferred to the fund and are not subject to appropriation by the State or County. NCTSC Funds consist of Tobacco Settlement Revenues received annually as a result of a Master Settlement Agreement between the Tobacco Settlement Corporation and Tobacco Manufacturing Companies. The Grant Funds are appropriated for the life of specific grants, not for annual fiscal periods. Accordingly, the Grant Funds are excluded from the Combined Statement of Revenues, Expenditures, and Changes in Fund Balance presented for budgeted special revenue funds. The budget amounts as shown include prior year encumbrances carried forward as well as current year authorizations. In the case of the Grant Fund, an appropriated budget is legally adopted for the life of each grant as it is received. The County Legislature also authorizes and rescinds spending and financing authority in a Capital Budget. Each project authorized has continuing budget authority until the project is completed or rescinded. All appropriated budgets are adopted by ordinance of the County Legislature on the same modified accrual basis of accounting used to report revenues and expenditures except that appropriations are not provided for certain interfund indirect costs and encumbrances are treated as charges to appropriations when incurred. All supplemental appropriations amending appropriated budgets as originally adopted are also provided by ordinance of the Legislature. During the fiscal years ended December 31, 2008 and 2007, supplemental appropriations for the General Fund, Debt Service Fund and for the Special Revenue Funds and appropriation budgets for the Grant Fund were adopted and are included in the Combined Statement of Revenues, Expenditures and Changes in Fund Balances - Budgeted Funds as follows (dollars in thousands):

NOTES TO FINANCIAL STATEMENTS  
 YEARS ENDED DECEMBER 31, 2008 AND 2007

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

C. BUDGETS AND BUDGETARY ACCOUNTING (Continued)

	<u>2008</u>	<u>2007</u>
Supplemental Appropriations:		
General Fund	\$ 96,485	\$ 42,191
Police District	7,900	5,300
Police Headquarters	10,940	2,600
Fire Prevention, Safety, Communication and Education	<u>832</u>	<u>50</u>
 Total Supplemental Appropriations	 \$ 116,157	 \$ 50,141
Grant Fund Appropriated Budgets	<u>222,418</u>	<u>113,920</u>
 Total Supplemental Appropriations and Grant Fund Appropriated Budgets	 <u>\$ 338,575</u>	 <u>\$ 164,061</u>

Appropriations which have not been expended or encumbered by the end of the fiscal period lapse at that time.

The County followed these procedures in establishing the budgetary data reflected in the financial statements:

1. The proposed budget must be presented to the County Legislature and NIFA not later than September 15. (For the College, the proposed budget is submitted on or before the second Monday in July for the fiscal year commencing the following September 1.) The proposed budgets include proposed expenditures and the means of financing them.
2. Public hearings are conducted to obtain taxpayer comments.
3. Budgets must be adopted by the County Legislature no later than October 30 of the prior year. (For the College, the budget is legally enacted on or before the third Monday in August.)
4. The appropriated budget can be legally amended by the County Legislature subsequent to its initial adoption. Proposed amendments can be submitted by the County Executive to the Legislature at any time during the fiscal year. These proposed amendments are then voted on by the Legislature at the next available meeting. Amendments which are legally approved by the Legislature are immediately reflected in the operating appropriated budget.
5. Formal budgetary integration is employed as a management control device during the year for the governmental funds. The legal level of budgetary control is exercised at the object appropriation level within a departmental control center. The County Legislature must approve all transfers and supplemental appropriations at this level.

**NOTES TO FINANCIAL STATEMENTS  
YEARS ENDED DECEMBER 31, 2008 AND 2007**

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**1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)****D. ENCUMBRANCES**

Encumbrance accounting, under which purchase orders, contracts, and other commitments for the expenditure of monies are recorded in order to reserve that portion of the applicable appropriation, is employed as an extension of formal budgetary integration in the governmental funds.

Encumbrances outstanding at year-end are reported as reservations of fund balances since they do not constitute expenditures or liabilities.

**E. CASH AND INVESTMENTS**

Cash includes amounts in demand deposits as well as short-term investments with original maturities of three months or less from the date acquired by the County. Investments are carried at cost, which approximates market, and are fully collateralized in accordance with the New York State Local Finance Law.

**F. CAPITAL ASSETS**

All capital assets which are acquired or constructed for general governmental purposes are reported as expenditures in the fund that finances the asset acquisition and are accounted for and reported in the government-wide financial statements, as capital assets, if they meet the County's capitalization criteria. These statements also contain the County's infrastructure elements that are now required to be capitalized under GAAP. Infrastructure assets include public domain assets such as roads, bridges, streets, sidewalks, curbs and gutters, drainage systems, lighting systems, and the like. Real property acquired in 1984 and prior (except for infrastructure assets) is recorded at historical cost based on an appraisal performed in 1984. Real property acquired after 1984 as well as all infrastructure assets are recorded at historical cost. Capital leases are classified as capital assets in amounts equal to the lesser of the fair market value or the present value of net minimum lease payments at the inception of the lease. Equipment with a unit cost of \$5,000 or more is included in the financial statements as general capital assets of the County. Electronic equipment valued at a unit cost of \$500 or more and all other equipment valued at \$1,000 or more is inventoried and recorded for internal control purposes. Donated capital assets, if material, are stated at their fair market value as of the date of the donation. Intangible assets are classified as capital assets if identifiable. Intangible assets are characterized as an asset that lacks physical substance, is nonfinancial in nature, and has an initial useful life extending beyond a single reporting period. All of the County's intangible capital assets have indefinite useful lives.

**G. DEPRECIATION**

Depreciation is defined by the AICPA as a method of accounting which aims to distribute the cost or value of tangible capital assets, less any salvage value, over the estimated useful life of the assets in a systematic and rational manner. GASB 34 states that capital assets should be depreciated over their estimated useful lives, unless they are inexhaustible. Pursuant to GASB 34, accumulated depreciation is reported for land improvements, buildings, equipment and infrastructure. (The County's land improvements consist of exhaustible capital assets such as swimming pools, parking lots, and playgrounds.) Land, which is an inexhaustible asset, and construction in progress are not depreciated. Land improvements, buildings, equipment, and infrastructure are depreciated, using straight-line method of depreciation, over their estimated useful lives of 20 years for land improvements, 40 years for buildings, 3 to 25 years for equipment and 15 to 40 years for infrastructure. Capital lease assets are amortized over the term of the lease or the life of the asset, whichever is less.

NOTES TO FINANCIAL STATEMENTS  
 YEARS ENDED DECEMBER 31, 2008 AND 2007

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1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

G. DEPRECIATION (Continued)

Depreciation is recorded by the proprietary type entities, as follows:

*Nassau Community College* - Depreciation on buildings, land improvements and infrastructure, and equipment is calculated using the straight line method over the assets' estimated useful lives, ranging from 5 to 50 years. Library books and audiovisual items are not depreciated.

*Nassau Health Care Corporation* - Depreciation is provided over the estimated useful life of each class of depreciable assets and is computed using the straight-line method. Interest cost incurred on borrowed funds during the period of construction of capital assets is capitalized as a component of the cost of acquiring these assets.

*Nassau Regional Off-Track Betting Corporation* - For capital improvement assets, depreciation and amortization is recorded over the assets' estimated useful lives using the straight-line method (4 to 20 years) and is charged directly against the assets. No charge to operations is recorded. For all other assets, depreciation and amortization are computed on the straight-line method and charged to operations over the assets' estimated useful lives (4 to 20 years). Leasehold improvements are amortized over their estimated useful lives, or the remaining term of the leases, exclusive of renewal options.

*Nassau County Industrial Development Agency* - Depreciation is calculated on the straight-line basis over an estimated useful life of five years, utilizing the half-year convention.

*Nassau County Sewer and Storm Water Finance Authority* - Capital assets are depreciated over their economic useful life using straight-line method.

H. INVENTORIES AND PREPAID EXPENSES

Inventory on hand is not significant and is recorded as an expenditure in the period purchased. Prepaid expenses represent amounts paid as of year end which will benefit future operations and are accounted for using the consumption method.

I. RESERVES

Portions of governmental fund equity are reserved for specific purposes, and are therefore not available as spendable resources.

J. ACCUMULATED UNPAID VACATION, SICK PAY, AND OTHER EMPLOYEE BENEFITS

County employees receive vacation time, sick leave, and other benefits pursuant to the labor contract or County ordinance covering their terms of employment. The cash value of these accumulated unpaid employee benefits and the related employer costs (e.g. Social Security) has been accrued and reported with other long-term liabilities in the government-wide financial statements of net assets. The compensated absences for the governmental funds are treated as long term as they will not be liquidated with expendable available financial resources. For those employees who have retired prior to December 31, 2008, any accumulated and unpaid benefits as of that date have been recorded in the government-wide financial statements of net assets.

**NOTES TO FINANCIAL STATEMENTS  
YEARS ENDED DECEMBER 31, 2008 AND 2007**

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**1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)****K. GRANTS AND OTHER INTERGOVERNMENT REVENUES**

Federal and State grants and assistance awards made on the basis of entitlement periods are recorded as intergovernmental receivables and revenues when entitlement occurs. All other Federal and State reimbursement type grants are recorded as intergovernmental receivables and revenues when the related expenditures or expenses are incurred.

**L. REAL PROPERTY TAX**

County real property taxes are levied on or before the third Monday in December and recorded as a receivable on January 1, the first day of the fiscal year. They are collected in two semiannual installments, payable on January 1 and July 1 by the town and city receivers of taxes together with the town and city tax levies, all of which become a lien on January 1. At year-end, adjustments are made for taxes that are estimated to be uncollectible, or collectible but not available soon enough in the next year to finance current period expenditures. The town receivers of taxes likewise collect real property taxes for all towns, school districts and special districts in the County, and return to the County after June 1 any uncollected taxes receivable. Pursuant to the Nassau County Administrative Code, the County assumes the burden of such uncollected taxes, and has the responsibility for their collection from the taxpayers.

The New York State constitutional limit of real property taxation for counties is set at two percent of the average full valuation of real estate for the five years preceding the current year for general government services other than the payment of principal and interest on its long-term debt. The constitutional tax limit controlling the levy of County real property taxes for 2008 and 2007 fiscal years was \$4.1 billion and \$3.9 billion, respectively. The constitutional tax margin was \$3.2 billion or approximately 77.21% in 2008 and \$2.9 billion or approximately 76.03% in 2007.

Property tax revenue is recognized in the year for which it is levied provided that it is payable and collected before the current fiscal year-end, or within 60 days thereafter in order to be available to pay for liabilities of the current fiscal year. Property tax revenue not so available is presented as deferred revenue for the fund financial statements. Additionally, the government-wide financial statements recognize real estate tax revenue which is not available to the governmental fund type in the fiscal year for which the taxes are levied.

**M. INTERFUND TRANSACTIONS**

During the course of normal operations, the County has numerous transactions among funds, including transfers of resources to provide services, construct assets, and service debt. The accompanying financial statements generally reflect such transactions as operating transfers. The General Fund provides administrative and other services to other funds. Amounts charged to the users for these services are based on the County's cost allocation plan and are treated as revenues in the General Fund and as expenditures or operating expenses in the user funds.

**N. NOTES PAYABLE**

Tax anticipation notes and revenue anticipation notes are generally recorded as fund liabilities in the fund receiving the proceeds. Bond anticipation notes are classified as fund liabilities in the funds receiving the proceeds unless all legal steps have been taken to refinance the notes and the intent is

**NOTES TO FINANCIAL STATEMENTS  
YEARS ENDED DECEMBER 31, 2008 AND 2007**

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**1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)****N. NOTES PAYABLE (Continued)**

supported by an ability to consummate refinancing the short-term note on a long-term basis at which time they are recorded in the government-wide financial statement of net assets.

**O. LONG-TERM LIABILITIES**

For long-term liabilities, only that portion expected to be financed from expendable available financial resources is reported as a fund liability of a governmental fund. All long-term liabilities are reported in the government-wide financial statement of net assets. Long-term liabilities expected to be financed from discretely presented component unit operations are accounted for in those component unit financial statements.

**P. ISSUANCE COSTS**

In the governmental fund types, issuance costs are recognized as expenditures in the period incurred. Issuance costs recorded in the government-wide financial statements units are deferred and amortized over the term of the bonds using the bonds-outstanding method, which approximates the effective interest method. Bond discounts are presented as a reduction of the face amount of bonds payable, whereas issuance costs are recorded as deferred charges.

**Q. CLAIMS AND CONTINGENCIES**

The County is self-insured with respect to risks including, but not limited to, property damage, personal injury, and workers' compensation. In the fund financial statements, expenditures for judgments and claims and workers' compensation are recorded when paid. In the government-wide financial statements the estimated liability for all judgments and claims is recorded as a liability.

**R. USE OF ESTIMATES**

Significant accounting estimates reflected in the County's financial statements include estimated tax certiorari liability, the allowance for doubtful accounts, allowance for property taxes, accrued liabilities, workers' compensation claims, accrued vacation and sick leave, deferred payroll, estimated malpractice liability, liability for litigation and claims, and depreciation. Actual results could differ from these estimates.

**2. DEPOSITS AND INVESTMENTS**

In accordance with General Municipal Law of the State of New York, the County may invest in certificates of deposits, money market and time deposit accounts, repurchase agreements, obligations of the United States Government and obligations of the State of New York and its various municipal subdivisions.

*Deposits* - As required by law, all cash deposits and cash equivalents are required to be fully collateralized or insured. At December 31, 2008 and 2007, the carrying amount of the County's deposits was approximately \$468.1 and \$500.3 million, respectively, and the bank balance was \$597.3 and \$609.5 million, respectively. The bank balance was covered by Federal depository insurance or by collateral consisting of obligations of the United States Government held by the County's agent in the County's name.

**NOTES TO FINANCIAL STATEMENTS  
YEARS ENDED DECEMBER 31, 2008 AND 2007**

**2. DEPOSITS AND INVESTMENTS (Continued)**

*Investments* – Total cash and cash equivalents amounted to \$554.8 and \$601.2 million in 2008 and 2007 respectively, which consisted of approximately \$554.7 and \$576.1 million in money market interest bearing bank accounts at rates averaging 2.77% and 5.3% annually, respectively.

The investments at December 31, 2008 and 2007 consisted of U.S. Treasury Notes and other obligations of the U.S. government which are explicitly guaranteed by the U.S. government and therefore not considered to have credit risk.

Interest rate risk is the risk that the fair value of investments could be adversely affected by the change in interest rates. Duration limits are used to control the portfolios exposure to interest rate changes. Investments are limited to less than one year in duration.

The following table summarizes the County’s unrestricted cash and investment position at December 31, 2008, all investments mature in less than one year (dollars in thousands):

	<u>2008</u>		
	<u>Total</u>	<u>Cash and Cash Equivalents</u>	<u>Investments</u>
Cash	\$ 554,748	\$ 554,748	\$
Treasury Notes and Investment Paper	<u>110,566</u>	<u>100</u>	<u>110,466</u>
Totals	<u>\$ 665,314</u>	<u>\$ 554,848</u>	<u>\$ 110,466</u>
Governmental Funds	\$ 578,544	\$ 468,078	\$ 110,466
Fiduciary Funds	<u>86,770</u>	<u>86,770</u>	<u>          </u>
Totals	<u>\$ 665,314</u>	<u>\$ 554,848</u>	<u>\$ 110,466</u>

NOTES TO FINANCIAL STATEMENTS  
 YEARS ENDED DECEMBER 31, 2008 AND 2007

2. DEPOSITS AND INVESTMENTS (Continued)

Investments (Continued)

The following table summarizes the County’s unrestricted cash and investment position at December 31, 2007 (dollars in thousands):

	<u>2007</u>		
	<u>Total</u>	<u>Cash and Cash Equivalents</u>	<u>Investments</u>
Cash	\$ 576,080	\$ 576,080	\$
Treasury Notes, Commercial Paper, and Investment Paper	<u>93,675</u>	<u>25,118</u>	<u>68,557</u>
Totals	<u>\$ 669,755</u>	<u>\$ 601,198</u>	<u>\$ 68,557</u>
Governmental Funds	\$ 568,811	\$ 500,254	\$ 68,557
Fiduciary Funds	<u>100,944</u>	<u>100,944</u>	<u>          </u>
Totals	<u>\$ 669,755</u>	<u>\$ 601,198</u>	<u>\$ 68,557</u>

The County maintains a consolidated disbursement account with a financial institution on behalf of the College. At August 31, 2008 and 2007, the College had a cash balance of \$43.4 and of \$43.1 million, respectively; and the bank balance was \$42.9 and \$39.5 million, respectively. The bank balance is covered by Federal depository insurance or by collateral consisting of obligations of the United States Government held by the County’s agent in the County’s name.

At August 31, 2008 and 2007, the carrying amount (fair value) of the College’s investments was \$0.

3. DUE FROM OTHER GOVERNMENTS

The account “Due from Other Governments” at December 31, 2008 and 2007 represents aid, grants, and other amounts receivable from the State and Federal governments. The following summarizes such receivables (dollars in thousands):



NOTES TO FINANCIAL STATEMENTS  
YEARS ENDED DECEMBER 31, 2008 AND 2007

3. DUE FROM OTHER GOVERNMENTS (Continued)

DUE FROM OTHER GOVERNMENTS

Fund	2008			2007		
	Total	Federal	State/Other*	Total	Federal	State/Other*
General	\$ 155,665	\$ 55,376	\$ 100,289	\$ 163,229	\$ 54,794	\$ 108,435
Police Headquarters	1,622	404	1,218	1,554	92	1,462
Nonmajor Governmental	10,783	7,028	3,755	10,273	7,343	2,930
Totals	<u>\$ 168,070</u>	<u>\$ 62,808</u>	<u>\$ 105,262</u>	<u>\$ 175,056</u>	<u>\$ 62,229</u>	<u>\$ 112,827</u>

\* Includes \$ 10,070 and \$11,174 of sales taxes receivable at December 31, 2008 and 2007, respectively.

4. TAX REAL ESTATE

The account "Tax Real Estate" includes real property which the County has acquired through foreclosure proceedings. The property is valued at the amount of the delinquent tax liens which could not be sold and which the County was required to retain.

Real property designated as Tax Real Estate is accounted for as an asset of the General Fund inasmuch as it is not being considered for use by the County at this time, but rather is available for sale to private buyers. Since any taxes unpaid to other funds from this property were paid to those funds by the General Fund, no portion of this asset is allocable to those other funds.

Certain real property which was acquired by the County as Tax Real Estate and subsequently designated for public use is currently not available for sale and is included as part of the capital assets in the government-wide financial statements of net assets.

5. TAX SALE CERTIFICATES

The account "Tax Sale Certificates" includes the amount of delinquent real property tax liens which could not be sold and which the County was required to retain. It also includes the value of tax sale certificates bought by the public which the County subsequently reacquired upon default of the purchaser.

NOTES TO FINANCIAL STATEMENTS  
YEARS ENDED DECEMBER 31, 2008 AND 2007

6. INTERFUND RECEIVABLES, PAYABLES AND TRANSFERS

A. Interfund Receivables, Payables and Transfers (dollars in thousands)

The individual fund Interfund Receivables and Interfund Payables as of December 31, 2008 and 2007 are reconciled as follows:

December 31, 2008	NIFA		Debt Service Fund	Fire Comm Fund	Police Districts Fund	Police Headquarters Fund	Sewer & Storm Water District Fund	Capital Fund	Nonmajor Funds	Total
	General Fund	General Fund								
<b>INTERFUND RECEIVABLE</b>										
General Fund	\$	\$	\$	\$	\$	\$	\$ 7,927	\$	\$ 33,584	\$ 41,511
NIFA General	68,194								23,816	92,010
Debt Service Fund	31,086									31,086
Fire Comm Fund	768		490							1,258
Police District	36,055		115			5,259				41,429
Police Headquarters	36,084		3,692							39,776
Sewer & Storm District			7,227							7,227
Capital Fund	46,217		15,426			708				62,351
Nonmajor Funds	144		1,996		1,227	1,049	664		700	5,780
<b>TOTAL RECEIVABLE</b>	<b>\$ 218,548</b>	<b>\$</b>	<b>\$ 28,946</b>	<b>\$</b>	<b>\$ 1,227</b>	<b>\$ 7,016</b>	<b>\$ 8,591</b>	<b>\$</b>	<b>\$ 58,100</b>	<b>\$ 322,428</b>
<b>INTERFUND PAYABLE</b>										
General Fund	\$	\$ (68,194)	\$ (31,086)	\$ (768)	\$ (36,055)	\$ (36,084)	\$	\$ (46,217)	\$ (144)	\$ (218,548)
Debt Service				(490)	(115)	(3,692)	(7,227)	(15,426)	(1,996)	(28,946)
Police District									(1,227)	(1,227)
Police Headquarters					(5,259)			(708)	(1,049)	(7,016)
Sewer & Storm District	(7,927)								(664)	(8,591)
Nonmajor Funds	(33,584)	(23,816)							(700)	(58,100)
<b>TOTAL PAYABLE</b>	<b>\$ (41,511)</b>	<b>\$ (92,010)</b>	<b>\$ (31,086)</b>	<b>\$ (1,258)</b>	<b>\$ (41,429)</b>	<b>\$ (39,776)</b>	<b>\$ (7,227)</b>	<b>\$ (62,351)</b>	<b>\$ (5,780)</b>	<b>\$ (322,428)</b>

2008

Transfers Out:	Transfers In:				
	General Fund	Debt Service Fund	Fire Comm Fund	Police Headquarters Fund	Total
General Fund	\$	\$ 255,410	\$ 832	\$ 13,536	\$ 269,778
Debt Service Fund	180,157				180,157
Fire Comm Fund	248	490			738
Police District		115			115
Police Headquarters		3,692			3,692
Sewer & Storm District		6,836			6,836
Capital Fund	8,315	15,426			23,741
Nonmajor Funds		1,996			1,996
<b>TOTAL</b>	<b>\$ 188,720</b>	<b>\$ 283,965</b>	<b>\$ 832</b>	<b>\$ 13,536</b>	<b>\$ 487,053</b>

\* Interfund transactions are described in Note 1(L)

NOTES TO FINANCIAL STATEMENTS  
YEARS ENDED DECEMBER 31, 2008 AND 2007

6. INTERFUND RECEIVABLES, PAYABLES AND TRANSFERS (Continued)

A. Interfund Receivables, Payables and Transfers (dollars in thousands) (Continued)

December 31, 2007	General Fund	NIFA General Fund	Debt Service Fund	Fire Comm Fund	Police	Police	Sewer & Storm Water	Capital Fund	Nonmajor Funds	Total
					District Fund	Headquarters Fund	District Fund			
<b>INTERFUND RECEIVABLE</b>										
General Fund	\$	\$	\$	\$	\$	\$	\$ 64,683	\$	\$ 30,049	\$ 94,732
NIFA General	78,346								28,892	107,238
Debt Service Fund	41,011									41,011
Fire Comm Fund	1,801		685							2,486
Police District	25,432		194			6,260				31,886
Police Headquarters	38,797		3,273					75		42,145
Sewer & Storm District			4,885							4,885
Nonmajor Funds	70,519		26,714	23	2,296	6,849	19,575		11,349	137,325
<b>TOTAL RECEIVABLE</b>	<b>\$ 255,906</b>	<b>\$</b>	<b>\$ 35,751</b>	<b>\$ 23</b>	<b>\$ 2,296</b>	<b>\$ 13,109</b>	<b>\$ 84,258</b>	<b>\$ 75</b>	<b>\$ 70,290</b>	<b>\$ 461,708</b>
<b>INTERFUND PAYABLE</b>										
General Fund	\$	\$ (78,346)	\$ (41,011)	\$ (1,801)	\$ (25,432)	\$ (38,797)	\$	\$ (57,794)	\$ (12,725)	\$ (255,906)
Debt Service Fund				(685)	(194)	(3,273)	(4,885)	(25,635)	(1,079)	(35,751)
Fire Comm Fund									(23)	(23)
Police District									(2,296)	(2,296)
Police Headquarters					(6,260)				(6,849)	(13,109)
Sewer & Storm District	(64,683)								(19,575)	(84,258)
Nonmajor Funds	(30,049)	(28,892)				(75)		(17)	(11,332)	(70,365)
<b>TOTAL PAYABLE</b>	<b>\$ (94,732)</b>	<b>\$ (107,238)</b>	<b>\$ (41,011)</b>	<b>\$ (2,486)</b>	<b>\$ (31,886)</b>	<b>\$ (42,145)</b>	<b>\$ (4,885)</b>	<b>\$ (83,446)</b>	<b>\$ (53,879)</b>	<b>\$ (461,708)</b>
<b>2007 Transfers In:</b>										
<b>Transfers Out:</b>										
	General Fund	Debt Service Fund	Total							
General Fund	\$	\$ 221,138	\$ 221,138							
Debt Service Fund	169,254		169,254							
Fire Comm Fund	560	685	1,245							
Parks Fund	3,482		3,482							
Police District		194	194							
Police Headquarters	3,076	3,273	6,349							
Sewer & Storm District		7,030	7,030							
Capital Fund		38,960	38,960							
Nonmajor Funds		1,079	1,079							
<b>TOTAL</b>	<b>\$ 176,372</b>	<b>\$ 272,359</b>	<b>\$ 448,731</b>							

\* Interfund transactions are described in Note 1 (L)

NOTES TO FINANCIAL STATEMENTS  
YEARS ENDED DECEMBER 31, 2008 AND 2007

6. INTERFUND RECEIVABLES, PAYABLES AND TRANSFERS (Continued)

A. Interfund Receivables, Payables and Transfers (Continued)

The outstanding balances between funds result primarily from the time lag between the date the reimbursement is received and the date the interfund goods and services are provided.

The total amounts shown as Due to Primary Government and Due from/to Component Units at December 31, 2008 and 2007 do not offset each other as they include accounts of the Nassau Community College at the end of their fiscal years on August 31, 2008 and 2007. The following reconciles the December 31, 2008 and 2007 amounts by carrying forward the Nassau Community College transactions affecting these accounts from September 1, 2008 through December 31, 2008 and from September 1, 2007 through December 31, 2007, respectively.

B. Due from/Due to Primary Government and Component Units

	<u>Dollars in Thousands</u>	
	<u>2008</u>	<u>2007</u>
Net Due to Primary Government (Exhibit X-1)	<u>\$ (5,145)</u>	<u>\$ (559)</u>
Nassau Community College Transactions from September 1, to December 31:		
Increase in due to ATF	\$ (3,879)	\$ (1,489)
Decrease in due from Capital fund	(2,776)	(520)
Decrease in due to Grant fund	52	45
Decrease in Capital chargeback	212	68
Decrease in due to General fund	<u>2,578</u>	<u>2,734</u>
Subtotals	(3,813)	838
Nassau Health Care Corporation		
Net Change in Encumbrances	(34,211)	(15,836)
Settlement in Transit	<u>          </u>	<u>(6,801)</u>
Subtotals	(34,211)	(22,637)
Due From Component Units - Fiduciary per Balance Sheet (Exhibit X-13)	3,912	956
Net Due From Component Units - Governmental per Balance Sheet (Exhibit X-1)	<u>39,257</u>	<u>21,402</u>
Net Due from Component Units - Fiduciary and Governmental	<u>\$ 5,145</u>	<u>\$ 559</u>

NOTES TO FINANCIAL STATEMENTS  
 YEARS ENDED DECEMBER 31, 2008 AND 2007

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7. CAPITAL ASSETS

The following schedules for the 2008 capital assets are reconciled to the 2008 amounts reported on Exhibit X-1 in the table below:

	<b>2008</b>		
	<b>Summary of Capital Asset Balances</b>		
	<b>(dollars in thousands)</b>		
	<b>Primary</b>		
	<u>Government</u>	<u>NCSSWFA</u>	<u>Total per X-1</u>
Capital Assets Not Being Depreciated	\$ 713,595	\$	\$ 713,595
Depreciable Capital Assets	1,859,396	1,046,429	2,905,825
Accumulated Depreciation	<u>(1,051,415)</u>	<u>(178,712)</u>	(1,230,127)
Capital Assets Net	<u>\$ 1,521,576</u>	<u>\$ 867,717</u>	

NOTES TO FINANCIAL STATEMENTS  
YEARS ENDED DECEMBER 31, 2008 AND 2007

7. CAPITAL ASSETS (Continued)

Activity for capital assets excluding the Nassau Community College, which are capitalized by the County, is summarized below (dollars in thousands):

Primary Government	Balance, December 31, 2007	Additions	Reductions	Balance, December 31, 2008
<b>Governmental activities:</b>				
Capital Assets, Not Being Depreciated:				
Land	\$ 145,168	\$ 53,239	\$ 17	\$ 198,390
Intangibles		8,804		8,804
Construction in progress	416,811	102,321	12,731	506,401
Total Capital Assets, Not Being Depreciated	<u>561,979</u>	<u>164,364</u>	<u>12,748</u>	<u>713,595</u>
Capital Assets, Being Depreciated:				
Land Improvements	77,894	578		78,472
Buildings	635,096	597		635,693
Equipment	434,585	17,775	3,421	448,939
Infrastructure	685,096	11,196		696,292
Total Capital Assets, Being Depreciated	<u>1,832,671</u>	<u>30,146</u>	<u>3,421</u>	<u>1,859,396</u>
Total Capital Assets	<u>2,394,650</u>	<u>194,510</u>	<u>16,169</u>	<u>2,572,991</u>
Less Accumulated Depreciation:				
Land Improvements	34,250	3,519		37,769
Buildings	250,101	14,638		264,739
Equipment	274,256	33,237	2,913	304,580
Infrastructure	423,480	20,847		444,327
Total Accumulated Depreciation	<u>982,087</u>	<u>72,241</u>	<u>2,913</u>	<u>1,051,415</u>
Total Capital Assets, Being Depreciated - net	<u>850,584</u>	<u>(42,095)</u>	<u>508</u>	<u>807,981</u>
Governmental Activities Capital Assets - net	<u>\$ 1,412,563</u>	<u>\$ 122,269</u>	<u>\$ 13,256</u>	<u>\$ 1,521,576</u>

NOTES TO FINANCIAL STATEMENTS  
YEARS ENDED DECEMBER 31, 2008 AND 2007

7. CAPITAL ASSETS (Continued)

The table below presents the reconciliation of the reduction of Construction in Progress to the additions to Capital Assets.

**2008**  
**Reconciliation of Reductions of Construction In Progress to Additions to Capital Assets**  
**(dollars in thousands)**

	<u>Primary</u> <u>Government</u>	<u>NCSSWFA</u>	<u>Total</u>
<b>Transfer from Construction in Progress</b>	\$ (12,731)	\$	\$ (12,731)
<b>Additions to Capital Assets:</b>			
<b>Capital Assets being Depreciated</b>			
Land Improvements	\$ 438	\$	\$ 438
Buildings	597	425	1,022
Infrastructure	<u>11,196</u>	<u>75</u>	<u>11,271</u>
	<u>\$ 12,231</u>	<u>\$ 500</u>	<u>\$ 12,731</u>

The following schedules for the 2007 capital assets are reconciled to the 2007 amounts reported on Exhibit X-1 in the table below:

**2007**  
**Summary of Capital Asset Balances**  
**(dollars in thousands)**

	<u>Primary</u> <u>Government</u>	<u>NCSSWFA</u>	<u>Total per X-1</u>
Capital Assets Not Being Depreciated	\$ 561,979	\$	\$ 561,979
Depreciable Capital Assets	1,832,671	1,045,663	2,878,334
Accumulated Depreciation	<u>(982,087)</u>	<u>(139,422)</u>	(1,121,509)
Capital Assets - Net	<u>\$ 1,412,563</u>	<u>\$ 906,241</u>	

NOTES TO FINANCIAL STATEMENTS  
YEARS ENDED DECEMBER 31, 2008 AND 2007

7. CAPITAL ASSETS (Continued)

Activity for capital assets excluding the Nassau Community College, which are capitalized by the County, is summarized below (dollars in thousands):

Primary Government	Balance, December 31, 2006	Additions	Reductions	Balance, December 31, 2007
<b>Governmental activities:</b>				
Capital Assets, Not Being Depreciated:				
Land	\$ 137,574	\$ 12,735	\$ 5,141	\$ 145,168
Construction in progress	362,428	107,271	52,888	416,811
Total Capital Assets, Not Being Depreciated	<u>500,002</u>	<u>120,006</u>	<u>58,029</u>	<u>561,979</u>
Capital Assets, Being Depreciated:				
Land Improvements	77,587	307		77,894
Buildings	650,907	8,489	24,300	635,096
Equipment	424,515	16,912	6,842	434,585
Infrastructure	665,404	19,692		685,096
Total Capital Assets, Being Depreciated	<u>1,818,413</u>	<u>45,400</u>	<u>31,142</u>	<u>1,832,671</u>
Total Capital Assets	<u>2,318,415</u>	<u>165,406</u>	<u>89,171</u>	<u>2,394,650</u>
Less Accumulated Depreciation:				
Land Improvements	30,747	3,503		34,250
Buildings	238,351	14,544	2,794	250,101
Equipment	247,749	32,692	6,185	274,256
Infrastructure	402,105	21,375		423,480
Total Accumulated Depreciation	<u>918,952</u>	<u>72,114</u>	<u>8,979</u>	<u>982,087</u>
Total Capital Assets, Being Depreciated - net	<u>899,461</u>	<u>(26,714)</u>	<u>22,163</u>	<u>850,584</u>
Governmental Activities Capital Assets - net	<u>\$ 1,399,463</u>	<u>\$ 93,292</u>	<u>\$ 80,192</u>	<u>\$ 1,412,563</u>



NOTES TO FINANCIAL STATEMENTS  
 YEARS ENDED DECEMBER 31, 2008 AND 2007

7. CAPITAL ASSETS (Continued)

The table below presents the reconciliation of the reduction of Construction in Progress to the additions to Capital Assets.

2007				
Reconciliation of Reductions of Construction In Progress to Additions to Capital Assets				
(dollars in thousands)				
	Primary			
	<u>Government</u>	<u>NCSSWFA</u>	<u>NCC</u>	<u>Total</u>
<b>Transfer from Construction in Progress</b>	\$ (52,888)	\$ _____	\$ _____	\$ (52,888)
<b>Additions to Capital Assets</b>				
<b>Capital Assets not being Depreciated</b>				
Land	\$ 12,735	\$ _____	\$ _____	\$ 12,735
<b>Capital Assets being Depreciated</b>				
Land Improvements	2			2
Buildings	8,489	9,693		18,182
Infrastructure	<u>19,692</u>	<u>2,272</u>	<u>5</u>	<u>21,969</u>
<b>Total Additions to Capital Assets</b>	<u>\$ 40,918</u>	<u>\$ 11,965</u>	<u>\$ 5</u>	<u>\$ 52,888</u>

NOTES TO FINANCIAL STATEMENTS  
YEARS ENDED DECEMBER 31, 2008 AND 2007

7. CAPITAL ASSETS (Continued)

Depreciation expense was charged to functions of the County for the fiscal year ended December 31, 2008 and 2007 as follows (dollars in thousands):

December 31, 2008	<u>Land Improvements</u>	<u>Buildings</u>	<u>Equipment</u>	<u>Infrastructure</u>	<u>Total</u>
<b>Functions:</b>					
Legislative	\$	\$ 6	\$ 2	\$	\$ 8
Judicial	80	1,231	270		1,581
General Administration	60	598	1,454		2,112
Protection of Persons	9	1,839	7,247		9,095
Health		113	300		413
Public Works	30	269	2,943	20,208	23,450
Recreation and Parks	3,275	2,093	667	639	6,674
Social Services	60	189	69		318
Corrections		4,582	355		4,937
Other Expenditures/MSBA		660	8,846		9,506
Metropolitan Transportation Authority			11,084		11,084
Misc. Unclassified	<u>5</u>	<u>3,058</u>			<u>3,063</u>
Total Depreciation Expense	<u>\$ 3,519</u>	<u>\$ 14,638</u>	<u>\$ 33,237</u>	<u>\$ 20,847</u>	<u>\$ 72,241</u>

December 31, 2007	<u>Land Improvements</u>	<u>Buildings</u>	<u>Equipment</u>	<u>Infrastructure</u>	<u>Total</u>
<b>Functions:</b>					
Legislative	\$	\$ 6	\$ 2	\$	\$ 8
Judicial	80	1,231	226		1,537
General Administration	60	591	2,030		2,681
Protection of Persons	9	1,738	6,522		8,269
Health		113	261		374
Public Works	7	275	2,702	20,716	23,700
Recreation and Parks	3,282	2,087	655	659	6,683
Social Services	60	189	84		333
Corrections		4,582	304		4,886
Other Expenditures/MSBA		660	8,823		9,483
Metropolitan Transportation Authority			11,083		11,083
Misc. Unclassified	<u>5</u>	<u>3,072</u>			<u>3,077</u>
Total Depreciation Expense	<u>\$ 3,503</u>	<u>\$ 14,544</u>	<u>\$ 32,692</u>	<u>\$ 21,375</u>	<u>\$ 72,114</u>

NOTES TO FINANCIAL STATEMENTS  
YEARS ENDED DECEMBER 31, 2008 AND 2007

7. CAPITAL ASSETS (Continued)

Sources of funding of the general capital assets at December 31, 2008 and 2007 were as follows (dollars in thousands):

	<u>2008</u>	<u>2007</u>
Long Term Serial Bonds	\$ 2,201,078	\$ 2,048,707
Temporary Financing and Bond Anticipation Notes	59,922	59,922
Federal Grants	10,593	9,367
New York State Grants	48,551	47,191
General Fund Revenues	117,703	116,647
Special Revenue Funds Revenues	61,041	61,422
Gifts	27,755	4,364
Acquisitions Prior to December 31, 1985	40,891	41,573
Capitalized Lease	5,457	5,457
Total Funding Sources	<u>\$ 2,572,991</u>	<u>\$ 2,394,650</u>

General capital assets of the County by function at December 31, 2008 and 2007 were as follows (dollars in thousands):

	<u>2008</u>	<u>2007</u>
Legislative	\$ 365	\$ 365
Judicial	80,864	80,632
General Administration	145,602	92,560
Protection of Persons	157,885	153,368
Health	8,848	8,683
Public Works	1,796,696	1,781,491
Recreation and Parks	214,176	213,641
Social Services	25,736	25,620
Corrections	192,491	192,013
Other Expenditures/MSBA	148,433	141,993
Metropolitan Transportation Authority	140,040	140,040
Misc. Unclassified	193,079	193,096
Construction in Progress	506,401	416,811
Intangible Assets	8,804	
Total	<u>3,619,420</u>	<u>3,440,313</u>
Less: Accumulated Depreciation	<u>1,230,127</u>	<u>1,121,509</u>
Total Net Capital Assets	<u>\$ 2,389,293</u>	<u>\$ 2,318,804</u>

NOTES TO FINANCIAL STATEMENTS  
YEARS ENDED DECEMBER 31, 2008 AND 2007

7. CAPITAL ASSETS (Continued)

The following is a summary of the Nassau County Sewer and Storm Water Finance Authority capital assets at cost, except as noted (dollars in thousands):

Capital Assets	Balance December 31,			Balance December 31,			Balance December 31,
	2006	Additions	Reductions	2007	Additions	Reductions	2008
Buildings	\$ 307,998	\$ 9,693	\$	\$ 317,691	\$ 425	\$	\$ 318,116
Equipment	689	52		741	266		1,007
Infrastructure	<u>724,959</u>	<u>2,272</u>		<u>727,231</u>	<u>75</u>		<u>727,306</u>
Total Capital Assets	<u>1,033,646</u>	<u>12,017</u>		<u>1,045,663</u>	<u>766</u>		<u>1,046,429</u>
<b>Less Accumulated Depreciation:</b>							
Buildings	23,194	9,146		32,340	9,273		41,613
Equipment	157	66		223	66		289
Infrastructure	<u>76,937</u>	<u>29,922</u>		<u>106,859</u>	<u>29,951</u>		<u>136,810</u>
Total Accumulated Depreciation	<u>100,288</u>	<u>39,134</u>		<u>139,422</u>	<u>39,290</u>		<u>178,712</u>
Capital Assets - net	<u>\$ 933,358</u>	<u>\$ (27,117)</u>	<u>\$</u>	<u>\$ 906,241</u>	<u>\$ (38,524)</u>	<u>\$</u>	<u>\$ 867,717</u>

Total combined capital assets of the County, including its blended component unit, Nassau County Sewer and Storm Water Finance Authority as of December 31, 2008, is \$3,619,420 with Accumulated Depreciation of \$1,230,127.

NOTES TO FINANCIAL STATEMENTS  
YEARS ENDED DECEMBER 31, 2008 AND 2007

7. CAPITAL ASSETS (Continued)

The following is a summary of the Nassau Community College capital assets at cost, except as noted (dollars in thousands):

	Balance August 31, 2006	Additions	Reductions	Balance August 31, 2007	Additions	Reductions	Balance August 31, 2008
<b>Capital Assets Not Being Depreciated</b>							
Land	\$ 2,733	\$	\$	\$ 2,733	\$	\$	\$ 2,733
Library	899	5		904	4		908
Total Capital Assets, Not Being Depreciated	<u>3,632</u>	<u>5</u>		<u>3,637</u>	<u>4</u>		<u>3,641</u>
<b>Capital Assets Being Depreciated</b>							
Land Improvements	1,133			1,133			1,133
Infrastructure	1,275			1,275	1,628		2,903
Buildings	166,131	81		166,212	767		166,979
Building Improvements	24,779	874		25,653	896		26,549
Equipment	6,247	340	56	6,531	821	253	7,099
Total Capital Assets, Being Depreciated	<u>199,565</u>	<u>1,295</u>	<u>56</u>	<u>200,804</u>	<u>4,112</u>	<u>253</u>	<u>204,663</u>
Total Capital Assets	<u>203,197</u>	<u>1,300</u>	<u>56</u>	<u>204,441</u>	<u>4,116</u>	<u>253</u>	<u>208,304</u>
<b>Less Accumulated Depreciation:</b>							
Land Improvements	751	48		799	38		837
Infrastructure	736	63		799	116		915
Buildings	75,930	3,115		79,045	3,123		82,168
Building Improvements	12,092	1,219		13,311	1,231		14,542
Equipment	5,204	264	56	5,412	248	253	5,407
Total Accumulated Depreciation	<u>94,713</u>	<u>4,709</u>	<u>56</u>	<u>99,366</u>	<u>4,756</u>	<u>253</u>	<u>103,869</u>
Net Capital Assets Being Depreciated	<u>104,852</u>	<u>(3,414)</u>		<u>101,438</u>	<u>(645)</u>		<u>100,794</u>
Capital Assets - net	<u>\$ 108,484</u>	<u>\$ (3,409)</u>		<u>\$ 105,075</u>	<u>\$ (641)</u>		<u>\$ 104,435</u>

NOTES TO FINANCIAL STATEMENTS  
YEARS ENDED DECEMBER 31, 2008 AND 2007

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7. CAPITAL ASSETS (Continued)

Capital assets of the Faculty-Student Association, the Component unit of Nassau Community College as of August 31, 2008 and 2007, respectively, consisted of the following (dollars in thousands):

	Balance August 31, <u>2008</u>	Balance August 31, <u>2007</u>
Furniture and equipment	\$ 337	\$ 284
Vans	<u>225</u>	<u>194</u>
	562	478
Less accumulated depreciation	<u>(345)</u>	<u>(280)</u>
Total Capital assets (net)	<u>\$ 217</u>	<u>\$ 198</u>

Total capital assets of the Nassau Community College and Faculty-Student Association, the component unit of Nassau Community College as of August 31, 2008, was \$205,225 with accumulated depreciation of \$104,214

8. LEASES

The County leases some property and equipment. Leased property having elements of ownership is recorded in the government-wide financial statements. The related obligations, in amounts equal to the present value of minimum lease payments payable during the remaining term of the leases, are also recorded in the government-wide financial statements. The County leases a building valued at \$5.5 million, under a capital lease. Other leased property, not having elements of ownership, are classified as operating leases. Both capital and operating lease payments are recorded as expenditures when payable. Total expenditures on such leases for the fiscal year ended December 31, 2008 and 2007 were approximately \$7.7 and \$7.2 million, respectively.

NOTES TO FINANCIAL STATEMENTS  
YEARS ENDED DECEMBER 31, 2008 AND 2007

8. LEASES (Continued)

The County (excluding discretely presented component units) had future minimum payments under capital and operating leases with a remaining term in excess of one year as follows (dollars in thousands):

	<u>Capital Lease</u>	<u>Operating Leases</u>	<u>Total Capital &amp; Operating Leases</u>
Governmental Activities			
Fiscal Year ending December 31:			
2009	\$ 757	\$ 7,871	\$ 8,628
2010	766	7,419	8,185
2011	777	7,545	8,322
2012	787	7,689	8,476
2013	799	7,646	8,445
2014-2018	4,172	21,286	25,458
2019-2023	4,506		4,506
2024-2026	<u>1,503</u>		<u>1,503</u>
Future Minimum Payments	14,067	<u>\$ 59,456</u>	<u>\$ 73,523</u>
Less Interest	<u>8,545</u>		
Present value of future Minimum lease payments	<u>\$ 5,522</u>		

The County also leases County-owned property to others and the leases are classified as operating leases. Total rental revenue on these leases for 2008 and 2007 was \$6.0 and \$5.9 million, respectively.

As of December 31, 2008, the following future minimum rentals are provided for by the leases (dollars in thousands):

Fiscal year ending December 31:	<u>Operating Leases</u>
2009	\$ 6,041
2010	6,168
2011	6,216
2012	6,231
2013	6,271
2014-2018	25,683
2019-2023	11,022
2024-2028	2,441
2029-2033	<u>559</u>
Total	<u>\$ 70,632</u>

**NOTES TO FINANCIAL STATEMENTS  
YEARS ENDED DECEMBER 31, 2008 AND 2007**

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**8. LEASES (Continued)**

These leases are for land and buildings with the total cost and carrying amount of \$10,552,023 for land, and the original cost, accumulated depreciation and carrying cost of \$19,793,464, \$19,546,046 and \$247,418 respectively for buildings at December 31, 2008.

**9. NOTES PAYABLE AND LONG-TERM OBLIGATIONS****County of Nassau Notes Payable**

On June 18, 2008, the County issued Revenue Anticipation Notes in the amount of \$ 105 million to finance cash flow needs within the County.

On December 18, 2008, the County issued \$ 85 million Tax Anticipation Notes, Series 2008A and \$47 million Tax Anticipation Notes, Series 2008B, (the "2008A Notes" and "2008B Notes", respectively). The Notes were issued to finance cash flow needs of the County. The 2008A Notes bear interest at the rate of 2.0% to 2.5% per annum, pay interest only at maturity, and will mature on September 30, 2009. The 2008B Notes bear interest at the rate of 2.25% to 2.5% per annum, pay interest only at maturity, and will mature on October 30, 2009.

On December 18, 2008, the County issued \$ 125 million Bond Anticipation Notes, Series 2008 to finance cash flow needs of the County (\$ 122.6 million) and Nassau Community College (\$ 2.4 million) capital projects.



NOTES TO FINANCIAL STATEMENTS  
YEARS ENDED DECEMBER 31, 2008 AND 2007

9. NOTES PAYABLE AND LONG-TERM OBLIGATIONS (Continued)

*County of Nassau Notes Payable (Continued)*

Governmental fund notes payable of the County, including the range of interest rates, issue dates, and maturity dates, are as follows (dollars in thousands):

	Balance, December 31, 2006	Additions	Reductions	Balance, December 31, 2007	Additions	Reductions	Balance, December 31, 2008
General Fund:							
Tax Anticipation Notes - (2.0% to 3.75% issued 2006 to 2008, maturity dates in 2008 to 2009)	\$ 150,000	\$ 125,000	\$ 150,000	\$ 125,000	\$ 132,000	\$ 125,000	\$ 132,000
Revenue Anticipation Notes - (3.0% to 4.25% issued in 2007 to 2008, maturity dates in 2008 to 2009)	_____	75,000	_____	75,000	105,000	75,000	105,000
Total General Fund	<u>\$ 150,000</u>	<u>\$ 200,000</u>	<u>\$ 150,000</u>	<u>\$ 200,000</u>	<u>\$ 237,000</u>	<u>\$ 200,000</u>	<u>\$ 237,000</u>
County Capital Projects Funds:							
Bond Anticipation Notes - (2.5% issued in 2008, maturity dates in 2009):							
General County Projects	\$	\$ 77,175	\$	\$ 77,175	\$ 57,242	\$ 77,175	\$ 57,242
Tax Certiorari and Other Judgments*					50,757	50,757	
Sewage and Storm water Projects		2,406		2,406	3,782	2,406	3,782
Sewage Disposal Districts		6,796		6,796	10,835	6,796	10,835
Sewage Collection Districts	_____	21	_____	21	_____	21	_____
Total County Capital Projects Funds	<u>\$ _____</u>	<u>\$ 86,398</u>	<u>\$ _____</u>	<u>\$ 86,398</u>	<u>\$ 122,616</u>	<u>\$ 137,155</u>	<u>\$ 71,859</u>
Component Unit:							
Bond Anticipation Notes - (3.625% issued in 2007, maturity date in 2008):							
Nassau Community College	\$ _____	\$ 947	\$ _____	\$ 947	\$ 2,384	\$ 947	\$ 2,384

\* The \$50,757 million of Bond Anticipation Notes (BANS) issued in the General Fund for Tax Certiorari and Other Judgment payments have been redeemed by bonds issued in June 2009.

Reconciliation of BANS reported

BANS outstanding per above and Exhibit X-3	\$ 71,859
BANS used for Tax Certiorari and Other Judgments reported as long term debt due to funding by bonds June 2009	_____ 50,757
BANS outstanding per Exhibit X-1	<u>\$ 122,616</u>

NOTES TO FINANCIAL STATEMENTS  
YEARS ENDED DECEMBER 31, 2008 AND 2007

9. NOTES PAYABLE AND LONG-TERM OBLIGATIONS (Continued)

Long – Term Obligations

Long-term obligations of the County, NIFA, NCTSC and NCSSWFA are recorded in the government-wide financial statements of net assets. The amounts including the range of interest rates, issue dates, and maturity dates, are as follows (dollars in thousands):

	Balance December 31, 2006			Balance December 31, 2007			Balance December 31, 2008		Due Within One Year
	Additions	Reductions	Additions	Reductions	Additions	Reductions			
General Long-Term Obligations									
Debt:									
General Obligation County Bonds - (2.90% to 11.50%, issued in 1970 through 2000, maturity dates 2002 through 2028)	\$ 382,036	\$ 74,562	\$ 93,298	\$ 363,300	\$ 272,863	\$ 96,671	\$ 539,492	\$ 76,761	
Sewage purpose bonds - (2.20% to 7.90%, issued in 1970 through 2000, maturity dates 2002 through 2033) - County	105,176		21,784	83,392	20,000	24,327	79,065	16,575	
State Water Pollution Control Revolving Fund revenue bonds - (1.46% to 7.10%, issued in 1991 through 2005, maturity dates 2002 through 2034) - County	155,814	356	8,791	147,379		8,569	138,810	8,726	
<b>Total Serial Bonds - County</b>	<b>643,026</b>	<b>74,918</b>	<b>123,873</b>	<b>594,071</b>	<b>292,863</b>	<b>129,567</b>	<b>757,367</b>	<b>102,062</b>	
Sales Tax Secured Bonds -NIFA, various interest rates % and maturity dates	2,038,500		79,975	1,958,525	728,240	811,690	1,875,075	104,265	
Nassau County Sewer and Storm Water Finance Authority System Revenue Bonds, Series 2004A&B &Series 2008A (2004-2028)	75,450		3,225	72,225	152,240	48,670	175,795	6,545	
Tobacco Settlement Asset-Backed Bonds, Series A (variable rate) Term Bond Due 2029 with mandatory sinking fund redemptions 2004-2039 - NCTSC, Series 2006A&B	431,034			431,034		4,683	426,351	2,105	
<b>Total Serial Bonds - NIFA, NCSSWFA, NCTSC</b>	<b>2,544,984</b>		<b>83,200</b>	<b>2,461,784</b>	<b>880,480</b>	<b>865,043</b>	<b>2,477,221</b>	<b>112,915</b>	
<b>Total Serial Bonds</b>	<b>3,188,010</b>	<b>74,918</b>	<b>207,073</b>	<b>3,055,855</b>	<b>1,173,343</b>	<b>994,610</b>	<b>3,234,588</b>	<b>214,977</b>	
Other:									
Deferred Payroll	36,837	15,535	7,105	45,267	23,627	15,295	53,599	15,032	
Accrued Vacation and Sick Pay	536,831	60,328	36,580	560,579	48,665	38,338	570,906	38,079	
Capital Lease Obligations	5,567		17	5,550		28	5,522	40	
Estimated Tax Certiorari Payable	137,200	51,708	87,059	101,849	135,901	98,768	138,982	50,000	
Estimated Liability for Litigation & Malpractice Claims	225,000	34,361	34,361	225,000	17,329	17,329	225,000	5,531	
Estimated Liability for Workers' Compensation	132,631	10,209	18,644	124,196	147,269	22,549	248,916	17,502	
<b>Total Other</b>	<b>1,074,066</b>	<b>172,141</b>	<b>183,766</b>	<b>1,062,441</b>	<b>372,791</b>	<b>192,307</b>	<b>1,242,925</b>	<b>126,184</b>	
<b>Total General Long-Term Obligations</b>	<b>\$ 4,262,076</b>	<b>\$ 247,059</b>	<b>\$ 390,839</b>	<b>\$ 4,118,296</b>	<b>\$ 1,546,134</b>	<b>\$ 1,186,917</b>	<b>\$ 4,477,513</b>	<b>\$ 341,161</b>	

Revenues from the Special Revenue Sewer Funds will be utilized to finance the debt service for the Sewer purpose bonds and a portion of the State Water Pollution Control Revolving Fund revenue bonds. All other debt service will be financed by the General Fund. Also, for the governmental activities, claims and judgments are generally liquidated by the general fund and compensated absences are liquidated principally by the general, police, and fire safety funds.

NOTES TO FINANCIAL STATEMENTS  
YEARS ENDED DECEMBER 31, 2008 AND 2007

9. NOTES PAYABLE AND LONG-TERM OBLIGATIONS (Continued)

Long – Term Obligations (Continued)

The annual requirements and sources to amortize the County’s General Obligation serial bonds payable as of December 31, 2008 are as follows (dollars in thousands):

Year Ending	Debt Service Requirements			Sources		
	Principal	Interest	Total	General County	Sewer District	Total
				Budgets	Budgets	
2009	\$ 102,062	\$ 113,337	\$ 215,399	\$ 179,068	\$ 36,331	\$ 215,399
2010	94,739	104,170	198,909	167,181	31,729	198,910
2011	72,925	81,631	154,556	128,000	26,555	154,555
2012	49,055	55,976	105,031	80,941	24,090	105,031
2013	44,836	51,675	96,511	75,506	21,006	96,512
2014-2018	172,673	194,869	367,542	289,113	78,429	367,542
2019-2023	151,283	144,463	295,746	238,636	57,110	295,746
2024-2028	62,874	53,583	116,457	94,967	21,489	116,456
2029-2033	6,850	709	7,559		7,559	7,559
2034-2038	70	2	72		72	72
Total	<u>\$ 757,367</u>	<u>\$ 800,415</u>	<u>\$ 1,557,782</u>	<u>\$ 1,253,412</u>	<u>\$ 304,370</u>	<u>\$ 1,557,782</u>

The County’s constitutional debt margin was approximately \$18.7 and \$16.7 billion and total long-term obligation bonds authorized but unissued for general County and sewage district purposes were approximately \$ 1,399.0 and \$1,265.7 million at December 31, 2008 and 2007, respectively.

NIFA Long-Term Debt

A summary of changes in long-term debt for governmental activities is as follows (dollars in thousands):

	Balance			Balance		
	December 31, 2007	Additions	Reductions	December 31, 2008	Due within one year	Non-current
Bonds payable:						
Sales tax secured bonds payable	\$ 1,958,525	\$ 728,240	\$ (811,690)	\$ 1,875,075	\$ 104,265	\$ 1,770,810
Premiums	76,261		(23,246)	53,015	4,100	48,915
Total bonds payable	2,034,786	728,240	(834,936)	1,928,090	108,365	1,819,725
OPEB liability	788	120	(16)	892	16	876
Compensated absences	392		(124)	268		268
Total long term debt	<u>\$ 2,035,966</u>	<u>\$ 728,360</u>	<u>\$ (835,076)</u>	<u>\$ 1,929,250</u>	<u>\$ 108,381</u>	<u>\$ 1,820,869</u>

Bonds of the Authority are issued pursuant to an Indenture, as supplemented and amended (the “Indenture”) between the Authority and the United States Trust Company of New York and its successor The Bank of New York Mellon (the “Trustee”), under which the Authority has pledged its right, title and interest in the revenues of the Authority to secure repayment of Authority debt. The Act provides that the Authority’s pledge of its revenues represents a perfected first security interest on behalf of holders of its

**NOTES TO FINANCIAL STATEMENTS  
YEARS ENDED DECEMBER 31, 2008 AND 2007**

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**9. NOTES PAYABLE AND LONG-TERM OBLIGATIONS (Continued)****NIFA Long-Term Debt (Continued)**

bonds. The lien of the indenture on the revenues for the security of Authority bonds is prior to all other liens thereon. The Authority does not have any significant assets or sources of funds other than sales tax revenues and amounts on deposit pursuant to the indenture. The Authority does not have independent taxing power.

As of December 31, 2008, the Authority had outstanding sales tax secured bonds in the amount of \$1,875,075,000, maturing through the year 2025 which are comprised of fixed and variable rate bonds issued at variable rates, which are discussed below. Other than a possible refunding of its debt if market conditions permit, the Authority has no plans or authority to issue additional bonds, expect to cover the costs of issuance incurred in connection with the refunding of its bonds.

**Fixed Rate Bonds** - The Authority has outstanding fixed rate bonds at rates ranging between 2% and 6%. Interest on the Authority's fixed rate bonds is payable on May 15 and November 15 of each year, and interest on the variable rate bonds is payable on the first business day of each month. Principal on all bonds is payable on November 15. A debt service account has been established under the indenture to provide for the payment of interest and principal of bonds outstanding under the indenture. The trustee makes monthly deposits to the debt service account in the amount of debt service accrued through the end of that month. For the fixed rate bonds, this is essentially one-sixth of the next interest payment and one-twelfth of the next principal payment. For the variable rate bonds, this is one-twelfth of the next principal payment and the amount needed to maintain a prudent level of funding in excess of the anticipated interest expense to be accrued that month. Because of this monthly deposit requirement, the amount accrued for debt service in the Authority's financial statements in any year will not be the same as the debt service on the bonds paid to bondholders in that year.

**Variable Rate Bonds** - Interest rates on the variable rate bonds are currently reset weekly by a remarketing agent at the minimum rate necessary for the bonds to have a market value equal to the principal amount. Interest rates are set separately for each series of variable rate bonds. The variable rate bonds are in most circumstances subject to tender at the option of the bondholder. Payment of the purchase price of eligible Series 2008 A-F and Series 2002 A-B bonds are subject to optional or mandatory tender for purchase and if not remarketed by the remarketing agent, payment will be made under and pursuant to, and subject to the terms, conditions and provisions of liquidity facility agreements. The liquidity facility agreements are slated to expire as follows: 2008 Series between May and June 2011, and the 2002 Series on November 15, 2022 and are subject to extension or early termination. Bonds that are purchased by financial institutions under the liquidity facility and not remarketed, if any, must be paid over a five year period. If this was to occur, annual Authority debt service expense would increase substantially.

The County has assumed responsibility for calculating and paying arbitrage rebate liability on bonds or notes issued by the Authority.

NOTES TO FINANCIAL STATEMENTS  
YEARS ENDED DECEMBER 31, 2008 AND 2007

9. NOTES PAYABLE AND LONG-TERM OBLIGATIONS (Continued)

NIFA Long-Term Debt (Continued)

Aggregate debt service to maturity as of December 31, 2008, is as follows (dollars in thousands):

Years Ending December 31,	Principal	Interest*	Total
2009	\$ 104,265	\$ 81,218	\$ 185,483
2010	104,930	76,296	181,226
2011	119,690	71,446	191,136
2012	144,725	65,844	210,569
2013	151,510	58,768	210,278
2014-2018	566,315	167,773	734,088
2019-2023	542,380	90,510	632,890
2024-2025	<u>141,260</u>	<u>10,022</u>	<u>151,282</u>
	<u>\$ 1,875,075</u>	<u>\$ 621,877</u>	<u>\$ 2,496,952</u>

\* Interest on the Variable Rate Bonds is calculated at 5%. During 2008, the interest rate on the Variable Rate Bonds ranged from 0.5% to 8.8%.

**Refunding Bond** - During 2008, the Authority issued \$728,240,000 of Sales Tax Secured Bonds, 2008 Series A-F with a variable interest rate to refund \$722,775,000 of Sales Tax Secured Series 2004 B-K, Series 2002 A-B, and Series 2005 B-C auction rate bonds with a variable interest rate. The Authority’s refunding noted above is expected to result in a present value savings of approximately \$63.9 million.

**SWAP AGREEMENTS**

**Board-Adopted Guidelines** - On March 25, 2004, NIFA adopted guidelines (“Interest Rate Swap Policy”) with respect to the use of swap contracts to manage the interest rate exposure of its debt. The Interest Rate Swap Policy establishes specific requirements that must be satisfied for NIFA to enter into a swap contract.

**Objectives of Swaps** - To protect against the potential of rising interest rates, to achieve a lower net cost of borrowing, to reduce exposure to changing interest rates on a related bond issue or in some cases where Federal tax law prohibits an advance refunding, and to achieve debt service savings through a synthetic fixed rate. In an effort to hedge against rising interest rates, NIFA entered into nine separate pay-fixed, receive-variable interest rate Swap Agreements during FY 2004 (the “Swaps”).

**Background** - NIFA entered into the following six swap contracts with an effective date of April 8, 2004, in connection with the issuance of \$450 million in auction rate securities to provide for the refunding or restructuring of a portion of the County’s outstanding bonds, refunding of certain outstanding NIFA bonds, tax certiorari judgments and settlements to which the County is a party, other legal judgments and settlements, County capital projects and to pay costs of issuance. These auction rate securities were subsequently refunded on May 16, 2008 with variable rate demand bonds and the swap agreements transferred to the 2008 Bond Series A-E.

**NOTES TO FINANCIAL STATEMENTS  
YEARS ENDED DECEMBER 31, 2008 AND 2007**

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**9. NOTES PAYABLE AND LONG-TERM OBLIGATIONS (Continued)****NIFA Long-Term Debt (Continued)**

- \$72.5 million notional amount (2004 Series B – swap agreement) with Goldman Sachs Mitsui Marine Derivative Products, L.P. (“GSMDP”)
- \$72.5 million notional amount (2004 Series C – swap agreement) with Goldman Sachs Mitsui Marine Derivative Products, L.P.
- \$80 million notional amount (2004 Series D – swap agreement) with Goldman Sachs Mitsui Marine Derivative Products, L.P.
- \$72.5 million notional amount (2004 Series E – swap agreement) with UBS AG
- \$72.5 million notional amount (2004 Series F – swap agreement) with UBS AG
- \$80 million notional amount (2004 Series G – swap agreement) with UBS AG

NIFA entered into the following three swap contracts with an effective date of December 9, 2004, in connection with the issuance of \$150 million in Auction Rate Securities to provide for the refunding of a portion of the County’s outstanding bonds, tax certiorari judgments and settlements to which the County is a party, other legal judgments, and settlements and to pay costs of issuance. These auction rate securities were subsequently refunded on May 16, 2008 with variable rate demand bonds and the swap agreements transferred to the 2008 Bond Series A-E.

- \$50 million notional amount (2004 Series I – swap agreement) with Goldman Sachs Mitsui Marine Derivative Products, L.P.
- \$50 million notional amount (2004 Series J - swap agreement) with UBS AG
- \$50 million notional amount (2004 Series K – swap agreement) with Morgan Stanley Capital Services (“MSCS”)

**Fair Value** - Replacement interest rates on the swaps, as of December 31, 2008, are reflected in the chart entitled “Interest Rate Swap Valuation” (the “Chart”). As noted in the chart, replacement rates were lower than market interest rates on the effective date of the swaps. Consequently, as of December 31, 2008, the swaps had negative fair values. In the event there is a positive fair value, NIFA would be exposed to the credit risk of the counterparties in the amount of the swaps’ fair value should the Swap be terminated.

The total value of each swap, including accrued interest, is provided in the chart. The total value of each swap listed represents the theoretical value/(cost) to NIFA if it terminated the swap as of the date indicated, assuming that a termination event occurred on that date. Negative fair values may be offset by reductions in total interest payments required under the related variable interest rate bonds. The market value is calculated at the mid-market for each of the swaps. Fair values were estimated using the zero coupon methodology. This methodology calculates the future net settlement payments under the swap agreement, assuming the current forward rates implied by the yield curve correctly anticipate future spot rates. These payments are then discounted using rates derived from the same yield curve. As of December 31, 2008, the total market-to-market valuation, net of accruals, of NIFA’s swaps was negative \$80,328,731. In the event that both parties continue to perform their obligations under the swap, there is not a risk of termination and neither party is required to make a termination payment to the other. NIFA is not aware of any event that would lead to a termination event with respect to any of its swaps.

NOTES TO FINANCIAL STATEMENTS  
YEARS ENDED DECEMBER 31, 2008 AND 2007

9. NOTES PAYABLE AND LONG-TERM OBLIGATIONS (Continued)

NIFA Long-Term Debt (Continued)

**Risks Associated with the Swap Agreements** - From NIFA’s perspective, the following risks are generally associated with swap agreements:

- *Credit/Counterparty Risk* - The counterparty becomes insolvent or is otherwise not able to perform its financial obligations. In the event of deterioration in the credit ratings of the counterparty or NIFA, the swap agreement may require that collateral be posted to secure the party’s obligations under the swap agreement.

Under the swap agreements, neither party has to collateralize its termination exposure unless its ratings, or that of the insurer, fall below certain triggers. For the Authority, there is no requirement to collateralize until the Authority is at an A3/A- level, and then only for the amount over \$50 million (threshold amount) of exposure. The threshold amount declines if the Authority falls into the BBB ratings category.

NIFA’s swap policy requires that counterparties have credit ratings from at least one nationally recognized statistical rating agency that is within the two highest investment grade categories, without distinction as to grade within the category. If after entering into an agreement the ratings of the counterparty or its guarantor or credit support party are downgraded below the described ratings by any one of the rating agencies, then the agreement is subject to termination unless the counterparty provides either a substitute guarantor or assigns the agreement, in either case, to a party meeting the rating criteria reasonably acceptable to NIFA or collateralizes its obligations in accordance with the criteria set forth in the transaction documents. The counterparties have the ratings set forth below. The table shows the diversification, by percentage of notional amount, among the various counterparties that have entered into agreements with NIFA.

Counterparty	Dollars in millions	Notional percentage
GSMMDP	\$ 275	45.8%
UBS AG	275	45.8%
MSCS	<u>50</u>	<u>8.4%</u>
	<u>\$ 600</u>	<u>100.0%</u>

NIFA insured its performance in connection with the swaps associated with the Series 2004 B-G bonds with Ambac Assurance Corporation (“Ambac”), which is rated Baa1/A/NR (Moody’s/S&P/Fitch), including NIFA termination payments. NIFA’s payments to the counterparties on the swaps associated with the Series 2004 I-K bonds are insured with CDC IXIS Financial Guaranty North America, Inc. (“CIFG NA”), which is rated B3/B/NR (Moody’s/S&P/Fitch). However, termination payments from NIFA are not guaranteed except on NIFA’s swap with UBS AG, where it is guaranteed up to a maximum of \$2 million.

- *Basis Risk* - The variable interest rate paid by the counterparty under the swap and the variable interest rate paid by NIFA on the associated variable interest rate bonds are not the same. If the counterparty’s rate under the swap is lower than the bond interest rate, then the counterparty’s payment under the swap agreement does not fully reimburse NIFA for its interest payment on the

**NOTES TO FINANCIAL STATEMENTS  
YEARS ENDED DECEMBER 31, 2008 AND 2007**

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**9. NOTES PAYABLE AND LONG-TERM OBLIGATIONS (Continued)****NIFA Long-Term Debt (Continued)**

associated bonds. Conversely, if the bond interest rate is lower than the counterparty's rate on the swap, there is a net benefit to NIFA.

NIFA is exposed to basis risk on the swaps. NIFA is paying a fixed rate of interest to the counterparties and the counterparties are paying a variable rate to NIFA represented by a percentage of the One-Month LIBOR ("London Inter-bank Offered Rate"), rate plus a fixed spread. The amount of the variable rate swap payments received from the counterparties does not normally equal the actual variable rate payable to the bondholders. Should the historical relationship between LIBOR and NIFA's variable rate on its bonds move to converge, the expected cost savings may not be realized. Conversely, should the relationship between LIBOR and NIFA's variable rate on its bonds move to diverge, there is a benefit to NIFA.

- *Termination Risk* - The swap agreement will be terminated and NIFA will be required to make a large termination payment to the counterparty.

The swaps use International Swaps and Derivative Association ("ISDA") documentation and use standard provisions regarding termination events with one exception: if the termination amount is over \$5 million for the Authority, the Authority can pay such excess amount over six months, financing the delay at LIBOR, plus 1%. However, adverse termination for credit deterioration is unlikely due to NIFA's current credit rating. NIFA or the counterparty may terminate any of the swaps if the other party fails to perform under the terms of the contract. In addition, NIFA may terminate the swaps at their fair market value at any time. NIFA would be exposed to variable rates if the counterparty to the swap defaults or if the swap is terminated. A termination of the swap agreement may also result in NIFA making or receiving a termination payment. NIFA is not aware of any event that would lead to a termination event with respect to any of its swaps.

- *Rollover Risk* - The notional amount under the swap agreement terminates prior to the final maturity of the associated bonds, and NIFA may be exposed to then market rates and cease to get the benefit of the synthetic fixed rate for the duration of the bond issue.

NIFA is not exposed to rollover risk, because the notional amounts under the swaps do not terminate prior to the final maturity of the associated variable interest auction rate bonds.



NOTES TO FINANCIAL STATEMENTS  
YEARS ENDED DECEMBER 31, 2008 AND 2007

9. NOTES PAYABLE AND LONG-TERM OBLIGATIONS (Continued)

*NIFA Long-Term Debt (Continued)*

As of December 31, 2008, NIFA's Interest Rate Swap Valuation is as follows:

Nassau County Interim Finance Authority  
Interest Rate Swap Valuation  
(as of December 31, 2008)

Swap Agreements	2004 Series B	2004 Series C	2004 Series D	2004 Series E	2004 Series F	2004 Series G	2004 Series I	2004 Series J	2004 Series K	Total
National Amount	\$ 72,500,000	\$ 72,500,000	\$ 80,000,000	\$ 72,500,000	\$ 72,500,000	\$ 80,000,000	\$ 50,000,000	\$ 50,000,000	\$ 50,000,000	\$ 600,000,000
Counterparty	GSMMDP	GSMMDP	GSMMDP	UBS	UBS	UBS	GSMMDP	UBS	MSCS	
Counterparty Rating (1)	Aaa/AAA/NR	Aaa/AAA/NR	Aaa/AAA/NR	Aa2/A+/A+	Aa2/A+/A+	Aa2/A+/A+	Aaa/AAA/NR	Aa2/A+/A+	A2/A/A	
Effective Date	April 8, 2004	April 8, 2004	April 8, 2004	April 8, 2004	April 8, 2004	April 8, 2004	December 9, 2004	December 9, 2004	December 9, 2004	
Maturity Date	November 15, 2024	November 15, 2024	November 15, 2016	November 15, 2024	November 15, 2024	November 15, 2016	November 15, 2025	November 15, 2025	November 15, 2025	
NIFA Pays	3.146 %	3.146 %	3.002 %	3.146 %	3.146 %	3.003 %	3.432 %	3.432 %	3.432 %	
Replacement Rate	1.747 %	1.747 %	1.643 %	1.747 %	1.747 %	1.624 %	1.898 %	1.898 %	1.898 %	
NIFA Receives	60% of LIBOR plus 16 basis points weekly (Tuesday)	60% of LIBOR plus 16 basis points weekly (Friday)	60% of LIBOR plus 25 basis points monthly (4th Monday)	60% of LIBOR plus 16 basis points weekly (Tuesday)	60% of LIBOR plus 16 basis points weekly (Friday)	60% of LIBOR plus 26 basis points monthly (5th Thursday)	61.5% of LIBOR plus 20 basis points	61.5% of LIBOR plus 20 basis points	61.5% of LIBOR plus 20 basis points	
Net Accrued	\$ (290,562)	\$ (286,984)	\$ (251,867)	\$ (250,562)	\$ (286,984)	\$ (263,067)	\$ (203,927)	\$ (203,927)	\$ (203,927)	\$ (2,281,807)
Net Present Value	(9,743,173)	(9,739,950)	(6,691,099)	(9,742,505)	(9,739,950)	(6,692,577)	(8,565,890)	(8,565,890)	(8,565,890)	(78,046,924)
Total Fair Value of Swap	(10,033,735)	(10,026,934)	(6,942,966)	(10,033,067)	(10,026,934)	(6,955,644)	(8,769,817)	(8,769,817)	(8,769,817)	(80,328,731)

(1) Moodys/S&P/Fitch.

NOTES TO FINANCIAL STATEMENTS  
YEARS ENDED DECEMBER 31, 2008 AND 2007

9. NOTES PAYABLE AND LONG-TERM OBLIGATIONS (Continued)

NIFA Long-Term Debt (Continued)

**Swap Payments and Associated Debt** - Using rates as of December 31, 2008, debt service requirements of the variable-rate debt and net swap payments, assuming current interest rates remain the same for their term, is shown below. \*As rates vary, variable-rate bond interest payments and net swap payments will vary (dollars in thousands).

Years Ending December 31,	Variable-Rate Bonds		Interest Rate Swaps, Net	Total
	Principal	Interest		
2009	\$ -	\$ 11,293	\$ 16,277	\$ 27,570
2010		11,293	16,277	27,570
2011		11,293	16,277	27,570
2012		11,324	16,269	27,593
2013	31,100	11,215	16,181	58,496
2014-2018	259,130	35,039	65,221	359,390
2019-2023	275,375	5,507	23,360	304,242
2024-2025	39,450	251	1,263	40,964
Total	<u>\$ 605,055</u>	<u>\$ 97,215</u>	<u>\$ 171,125</u>	<u>\$ 873,395</u>

\*Note: As a result of credit and liquidity concerns among short-term investors, the variable rate demand bond market witnessed unusual volatility between the middle of September and the end of the year. Although there can be no assurance that market volatility will not return, it appears that NIFA’s variable rate problem peaked in September when the weighted average of weekly interest rates exceeded 8 percent. In addition, a portion of NIFA’s variable rate demand bonds were temporarily put back to NIFA’s liquidity facilities and accrued interest at the Bank Bond rates defined in the respective Standby Bond Purchase Agreement (“SBPA”).

NCSSWFA Long-Term Debt

The Authority issued its System Revenue Bonds, 2008 Series A (the “2008A Bonds”) pursuant to the Authority’s General Revenue Bond Resolution dated as of March 1, 2004, as supplemented by a Third Supplemental Resolution dated as of May 13, 2008.

The 2008A Bonds were issued to refund the 2004 Series A (the “2004A Bonds”) Authority Bonds, to refund all of the Authority’s Tax-Exempt Commercial Paper Notes outstanding at December 31, 2008, and to pay for the related costs of issuance and refinancing.

Each 2008A Bond maturing on November 1, 2023 and November 1, 2028 is subject to redemption on or after November 1, 2018 at the option of the Authority, in whole, or in part by lot on any date, at a Redemption Price of 100% of the principal amount of such 2008A Bond or portions thereof to be redeemed, plus accrued interest to the date of redemption. The 2008A Bonds bear interest rates ranging from 3.000% to 5.375%, per annum.

**NOTES TO FINANCIAL STATEMENTS  
YEARS ENDED DECEMBER 31, 2008 AND 2007**

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**9. NOTES PAYABLE AND LONG-TERM OBLIGATIONS (Continued)****NCSSWFA Long-Term Debt (Continued)**

Berkshire Hathaway Assurance Corporation has provided a bond insurance policy for certain of the Series 2008A Bonds.

The 2004A Bonds were issued to refund a portion of the County Bonds associated with the System and to pay for the related costs of issuance and refinancing.

The 2004A Bonds bore interest at an auction rate, which rates varied from 3.60% to 9.18% per annum at December 31, 2008, and were wholly refunded by the 2008A Bonds in 2008.

The Authority issued its System Revenue Bonds, 2004 Series B (the "2004B Bonds") pursuant to the Authority's General Revenue Bond Resolution dated as of March 1, 2004, as supplemented by a Second Supplemental Resolution dated as of October 1, 2004. Proceeds of the 2004B Bonds included a \$1,787,498 original issue premium.

The 2004B Bonds were issued to refund a portion of the County Bonds associated with the System and to pay for the related costs of issuance and refinancing.

Each 2004B Bond maturing on and after October 1, 2015, is subject to redemption on or after October 1, 2014, at the option of the Authority, in whole on any date, or in part by lot on any interest payment date, at a redemption price of 100% of the principal amount of such 2004B Bond or portion thereof to be redeemed, plus accrued interest to the date of redemption. The 2004B Bonds bear interest rates ranging from 2.5% to 5.0%, per annum.

MBIA Insurance Corporation has provided a bond insurance policy for each of the Series 2004A Bonds and the Series 2004B Bonds.

The Authority issued \$7,345,000 and \$24,700,000 of Tax-Exempt Commercial Paper Notes in 2008 and 2007, respectively, at interest rates ranging between 0.5% and 4.0%. Rollovers totaled \$1,330,005 in 2008. As of December 31, 2008 there were no Tax-Exempt Commercial Paper Notes outstanding.

NOTES TO FINANCIAL STATEMENTS  
YEARS ENDED DECEMBER 31, 2008 AND 2007

9. NOTES PAYABLE AND LONG-TERM OBLIGATIONS (Continued)

NCSSWFA Long-Term Debt (Continued)

Aggregate debt service to maturity as of December 31, 2008, is as follows (dollars in thousands):

Year	Ending	Principal	Interest	Total
2009	\$ 6,545	\$ 8,279	\$ 14,824	
2010	7,295	8,321	15,616	
2011	7,360	7,992	15,352	
2012	7,800	7,679	15,479	
2013	7,955	7,310	15,265	
2014-2018	44,780	31,036	75,816	
2019-2023	55,040	19,115	74,155	
2024-2028	39,020	6,271	45,291	
Total	<u>\$ 175,795</u>	<u>\$ 96,003</u>	<u>\$ 271,798</u>	

NCTSC Long-Term Debt

In 1999, the NCTSC issued \$294,500,000 of the 1999 Bonds. On April 5, 2006, NCTSC issued \$431,034,246 of Tobacco Settlement Asset-Backed Bonds, Series 2006 (“Series 2006 Bonds”) pursuant to an Amended and Restated Indenture dated as of March 1, 2006 (“Indenture”). The Series 2006 Bonds consist of the “Series 2006A-1 Taxable Senior Current Interest Bonds” of \$42,645,000, the “Series 2006A-2 Senior Convertible Bonds” of \$37,905,610, the “Series 2006A-3 Senior Current Interest Bonds” of \$291,540,000, and the “Series 2006B-E Subordinate CABs” of \$58,943,636. Unless otherwise indicated, defined terms have the meanings ascribed to them in the Offering Circular for the Series 2006 Bonds dated March 31, 2006.

NCTSC used the proceeds from the Series 2006 Bonds, along with other funds, to (i) refund all of the 1999 Bonds then-currently outstanding in the aggregate principal amount of \$272,125,000; (ii) fund a Senior Liquidity Reserve for the Series 2006 Senior Bonds of \$24,009,156; (iii) pay the costs of issuance of the Series 2006 Bonds; (iv) fund certain projected requirements for the Operating Account; (v) fund interest on the Series 2006 Bonds through the December 1, 2007 payment; and (vi) pay certain amounts to the NCTSC Residual Trust as registered owner of the Residual Certificate. Pursuant to the Indenture, TSRs paid on or after April 1, 2008, are subject to the lien of the Indenture.

The payment of the Series 2006 Bonds is dependent on the receipt of TSRs. The amount of TSRs actually collected is dependent on many factors including cigarette consumption and the continued operations of the Participating Manufacturers. Such bonds are secured by and payable solely from TSRs and other collateral pledged under the Indenture.

Failure to pay when due any Swap Payment or interest on Senior Bonds or any Serial Maturity or Turbo Term Bond Maturity for Senior Bonds, among other things, will constitute an event of default.

NOTES TO FINANCIAL STATEMENTS  
YEARS ENDED DECEMBER 31, 2008 AND 2007

9. NOTES PAYABLE AND LONG-TERM OBLIGATIONS (Continued)

NCTSC Long-Term Debt (Continued)

As described in the Offering Circular, the Series 2006 Bonds were issued with various schedules for, among other things, the payment of interest, principal, sinking fund installments and/or Turbo Redemptions. NCTSC's projected Sinking Fund Installments and interest payments are as follows (dollars in thousands):

Year	Ending	Principal	Interest	Total
2009	\$ 2,105	\$ 18,513	\$ 20,618	
2010	1,270	19,569	20,839	
2011	1,610	19,471	21,081	
2012	1,965	19,349	21,314	
2013	2,340	19,202	21,542	
2014-2018	17,125	93,119	110,244	
2019-2023	32,661	88,369	121,030	
2024-2028	42,416	76,375	118,791	
thereafter	324,859	1,090,497	1,415,356	
Total	\$ 426,351	\$ 1,444,464	\$ 1,870,815	

Nassau Community College Long-Term Debt

Long-term liability activity for the year ended August 31, 2008 follows (dollars in thousands):

	Balance August 31, 2007	Additions	Reductions	Balance August 31, 2008	Due within one year
General Obligation Bonds	\$ 8,680	\$ 4,945	\$ 3,200	\$ 10,425	\$ 2,039
Dormitory Authority - State of NY bonds	32,072		526	31,546	1,552
Litigation Liability	2,500			2,500	
Postemployment Retirement Benefits Payable	262,281	21,467	5,900	277,848	
Insurance Reserve Liability	1,873	70		1,943	
Accrued Compensated Absences	45,317	4,021		49,338	1,367
Total long term liabilities	\$ 352,723	\$ 30,503	\$ 9,626	\$ 373,600	\$ 4,958

**NOTES TO FINANCIAL STATEMENTS  
YEARS ENDED DECEMBER 31, 2008 AND 2007**

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**9. NOTES PAYABLE AND LONG-TERM OBLIGATIONS (Continued)****Nassau Community College Long-Term Debt (Continued)**

***Dormitory Authority - State of New York*** - The College has entered into financing agreements with the Dormitory Authority - State of New York (the "Authority" or "DASNY") for the purpose of financing the State's one-half share of various capital construction costs. The Bonds are special obligations of the Authority, payable from amounts to be appropriated each year by the State pursuant to a provision of the State Education Law, and from moneys in the Debt Service Reserve Fund held by the Trustee. The amounts to be appropriated annually are assigned under the agreement from the County to the Authority. The Authority has no taxing power. Accordingly, under the Constitution of the State of New York, the availability of funds to make Annual Payments is subject to annual appropriations being made by the State Legislature. The State Education Law that allows the State to make these appropriations does not constitute a legally enforceable obligation of the State and the State is not legally required to appropriate such funds. The Bonds are not a debt of the State and the State is not liable for them.

The aggregate amount due the Authority under the agreement in each bond year (the "Annual Payments") is equal to debt service on the bonds plus certain administrative and other expenses of the Authority. No revenues or assets of the College or the County have been pledged or will be available to pay the debt service on the bonds. The County has not pledged its full faith and credit to the payments of principal and interest on the bonds. The Authority will not have title to, a lien on or a security interest in any of the projects being financed by the bonds or in other property of the County or College.

***County of Nassau*** - The County of Nassau has issued general obligation serial bonds in the name of the County for various College construction projects. The amount of serial bonds outstanding at August 31, 2008 is \$10,425,254 and principal is scheduled to mature from 2009 to 2028. This debt is the obligation of the County. No revenues or assets of the College have been pledged or will be available to pay debt service on the bonds. The County has pledged its full faith and credit to the payment of principal and interest on the bonds. As of August 31, 2008, principal and interest payments relating to the DASNY and General Obligation bonds are as follow (dollars in thousands):

NOTES TO FINANCIAL STATEMENTS  
YEARS ENDED DECEMBER 31, 2008 AND 2007

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9. NOTES PAYABLE AND LONG-TERM OBLIGATIONS (Continued)

Nassau Community College Long-Term Debt (Continued)

<b>Principal</b>				
<b>Year Ending</b>			<b>General</b>	
<b>August 31</b>	<b>DASNY</b>	<b>Obligations</b>	<b>Total</b>	
2009	\$ 1,552	\$ 2,039	\$ 3,591	
2010	1,623	1,298	2,921	
2011	1,702	1,085	2,787	
2012	1,456	901	2,357	
2013	1,506	821	2,327	
2014-2018	9,802	2,138	11,940	
2019-2023	10,718	1,395	12,113	
2024-2028	2,010	748	2,758	
2029-2033	1,112		1,112	
2034-2035	<u>65</u>	<u></u>	<u>65</u>	
Total	<u>\$ 31,546</u>	<u>\$ 10,425</u>	<u>\$ 41,971</u>	

<b>Interest</b>				
<b>Year Ending</b>			<b>General</b>	
<b>August 31</b>	<b>DASNY</b>	<b>Obligations</b>	<b>Total</b>	
2009	\$ 1,487	\$ 468	\$ 1,955	
2010	1,418	387	1,805	
2011	1,339	315	1,654	
2012	1,258	264	1,522	
2013	1,210	221	1,431	
2014-2018	4,985	687	5,672	
2019-2023	2,219	323	2,542	
2024-2028	549	77	626	
2029-2033	129		129	
2034-2035	<u>5</u>	<u></u>	<u>5</u>	
Total	<u>\$ 14,599</u>	<u>\$ 2,742</u>	<u>\$ 17,341</u>	

**NOTES TO FINANCIAL STATEMENTS  
YEARS ENDED DECEMBER 31, 2008 AND 2007**

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**9. NOTES PAYABLE AND LONG-TERM OBLIGATIONS (Continued)****Nassau Community College Long-Term Debt (Continued)**

Interest on the DASNY and General Obligation bonds range from 3.094% to 5.5% and from 3.25% to 9%, respectively. The current amortization expense for the deferred financing costs for these bonds is \$193,218.

On January 24, 2007, the County issued Bond Anticipation Notes in the amount of \$947,567 on behalf of the College to temporarily fund capital project expenditures. The Notes were paid in full on February 24, 2008. In December, 2007, the County issued \$75,000,000 General Obligation Bonds of which \$526,104 were earmarked for the various College construction projects. In January, 2008, the County issued \$125,000,000 General Obligation Bonds Series A and B, and in June, 2008 the County issued \$171,810,000 General

Obligation Bonds Series C and D, of which \$3,841,453 were earmarked for the various College construction projects and \$559,603 were issued to refund existing College related debt in the amount of \$577,751.

**NHCC Long-Term Debt**

In October 2004, the Series 2004 Bonds were issued to refund the NHCC Series 1999 Revenue Bonds, finance capital projects and pay the costs of issuance, including the required premium of the Bond Insurer. The bond issuance resulted in NHCC receiving approximately \$41 million of cash at closing of which \$26 million is available for working capital and \$15 million for financing new capital project. The net present value savings from lower debt service payment requirements was approximately \$22 million. In connection with the refunding, the NHCC incurred a loss of approximately \$38 million. The loss (the difference between the reacquisition price and the net carrying amount of the old debt) is carried as a deferred item, net in long-term debt in the accompanying consolidated balance sheet. Amortization of the deferred loss is \$2.3 million for each of the years ended December 31, 2008 and 2007.

The County guarantees to the Trustee, the Owners of Series 2004 Bonds and the Bond Insurer, the full and prompt payment of the principal and interest of Series of 2004 Bonds. The County guaranty may be amended without consent of the bond owners but only with consent of the Bond Insurer. Payments with respect to principal of and interest in the Series 2004 bonds under the County guaranty are required to be made directly by the County to the Trustee. Pursuant to the Stabilization Agreement, superseded by the Successor Agreement, the County deposits Article VI Health Center subsidies, payable to the NHCC monthly, in an escrow account reserved for payment of the Series 2004 Bonds. In addition to the County guarantee, the bond payments are insured by a municipal bond insurance policy, through a commercial insurer. In 2006, NHCC agreed to forego the historical mission service payments due to the change in NHCC's IGT entitlement. The Successor Agreement, which commenced in November 2007 and is in effect to 2029, clarifies the services provided by NHCC to the County and establishes the mechanism for payments to the Corporation. The agreement also provides NHCC with capital funding.



NOTES TO FINANCIAL STATEMENTS  
YEARS ENDED DECEMBER 31, 2008 AND 2007

9. NOTES PAYABLE AND LONG-TERM OBLIGATIONS (Continued)

NHCC Long-Term Debt (Continued)

Long-term debt at December 31, 2008 and 2007 consists of the following (dollars in thousands):

	December 31, 2008	December 31, 2007
2004 Series A Bonds payable at varying dates through August 1, 2022 bearing interest at taxable variable rates	\$ 25,775	\$ 59,475
2004 Series B Bonds payable at varying dates through August 1, 2014 at tax-exempt fixed interest rates ranging from 3.0% to 5.0%	16,735	17,126
2004 Series C Bonds payable at varying dates through August 1, 2029 bearing interest at tax-exempt variable rates	<u>219,610</u>	<u>219,610</u>
	262,120	296,211
Deferred loss on refunding	(27,860)	(30,169)
Net unamortized bond premium	669	897
Current portion	<u>(2,065)</u>	<u>(2,390)</u>
Total long term debt	<u>\$ 232,864</u>	<u>\$ 264,549</u>

Principal payments are due annually on August 1. Interest payments are due semiannually on February 1 and August 1. Payments applicable to long-term debt for years subsequent to December 31, 2008 are as follows (dollars in thousands):

Years Ending December 31,	Estimated		
	<u>Principal</u>	<u>Interest</u>	<u>Total</u>
2009	\$ 2,065	\$ 9,858	\$ 11,923
2010	2,420	9,765	12,185
2011	2,440	9,614	12,054
2012	4,815	9,407	14,222
2013	3,960	9,137	13,097
2014-2018	61,635	38,477	100,112
2019-2023	74,715	26,248	100,963
2024-2028	89,990	10,855	100,845
2029	<u>20,080</u>	<u>1,140</u>	<u>21,220</u>
	<u>\$ 262,120</u>	<u>\$ 124,501</u>	<u>\$ 386,621</u>

NOTES TO FINANCIAL STATEMENTS  
 YEARS ENDED DECEMBER 31, 2008 AND 2007

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9. NOTES PAYABLE AND LONG-TERM OBLIGATIONS (Continued)

NHCC Long-Term Debt (Continued)

In connection with the issuance of the Series 2004 Bonds, the NHCC entered into interest rate swap agreements with commercial banks to convert the variable interest rate Series C Bonds to a fixed interest rate based on total initial notional amount of \$220 million. The fixed interest rate paid by the NHCC under the swap agreements is 3.46% and the variable rate received is based on LIBOR. The swap agreements expire on August 1, 2029.

NHCC also entered into a cancelable swap agreement with a commercial bank to convert the variable interest rate Series A Bonds to a fixed interest rate based on an initial notional amount of \$65 million. The fixed interest rate paid by the NHCC under the swap agreement is 4.61% and the variable rate received is based on LIBOR. The swap agreement expires on August 1, 2012.

The swap agreements expose the NHCC to market risk in the event of changes in interest rates, and credit risk in the event of nonperformance by the counterparty. However, the NHCC believes that the risk of a material impact to its financial condition arising from such events is low. The County guarantees payments to the swap contract counterparties. The fair value of the derivative instruments was a liability of approximately \$39.5 million at December 31, 2008 and \$5.9 million at December 31, 2007.

In 2008, NHCC received a \$37 million grant award from the Health Care Efficiency and Affordability Law for New Yorkers Capital Grant Program (“HEAL”), as established pursuant to Section 2818 of the Public Health Law. A portion HEAL grant award will be used by NHCC to redeem approximately \$34 million of the 2004 Series A bonds. The redemption does not impact the 2008 amortization of the bonds.

10. REFINANCING OF LONG-TERM OBLIGATIONS

Prior to December 31, 2008, the County defeased certain general obligation bonds and Combined Sewer District Bonds by refinancing them and placing the proceeds of the new bonds 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. As of December 31, 2008 and 2007, approximately \$319.4 million and \$365.5 million of outstanding bonds (including NIFA), respectively, are considered defeased.

11. PENSION PLANS

Plan Descriptions - The County participates in the New York State and Local Employees’ Retirement System (“ERS”), the New York State and Local Police and Fire Retirement System (“PFRS”) and the Public Employees’ Group Life Insurance Plan (“Systems”). These are cost-sharing multiple-employer defined benefit retirement systems. The Systems provide 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 and control of their funds. The Systems issue a publicly available financial report that includes financial statements and required supplementary information.

NOTES TO FINANCIAL STATEMENTS  
 YEARS ENDED DECEMBER 31, 2008 AND 2007

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11. PENSION PLANS (Continued)

Plan Descriptions (Continued)

That report may be obtained by writing to the New York State and Local Retirement Systems, 110 State Street, Albany, NY 12244.

Funding Policy - The Systems are noncontributory except for employees who joined the New York State and Local Employees' Retirement System after July 27, 1976 who contribute 3% of their salary. The State passed legislation in 2000 that suspends the 3% contribution for employees who have 10 years or more of credited service. In addition, members who meet certain eligibility requirement will receive one month's additional service credit for each completed year of service up to a maximum of two additional years of service credit. Under the authority of the NYSRSSL, the NYS Comptroller shall certify annually the rates expressed as proportions of payroll of members, which shall be used in computing the contributions required to be made by the employers to the pension accumulation fund. The County is required to contribute an actuarially determined amount.

In addition, legislation enacted in New York State during 2004 changed the date by which municipalities are required to make yearly New York State & Local Retirement System contributions, from December 15 to February 1 of the following year. Consistent with GASB's guidance, the County recognized this liability during 2004 for financial reporting purposes. As a result of the new State legislation, which was enacted to grant counties budgetary relief, the Nassau County Legislature established a reserve to fund anticipated higher pension costs in 2006, 2007 and 2008. During 2008, the County used approximately \$24.5 million of the Retirement Contribution Reserve Fund to offset a portion the 2008 pension expense. The balance remaining in that reserve at December 31, 2008 is approximately \$0.5 million. The use of such funds is under the control of the Nassau County Legislature.

The required contributions for the current year and two preceding years were (dollars in thousands):

		<u>ERS</u>		<u>PFRS</u>
2008	\$	46,306	\$	55,882
2007		50,642		56,575
2006		54,531		60,497

NOTES TO FINANCIAL STATEMENTS  
YEARS ENDED DECEMBER 31, 2008 AND 2007

12. RECONCILIATION OF GAAP FUND BALANCES TO BUDGETARY BASIS

The following reconciles fund balances at December 31, 2008 as prepared on a GAAP basis to the budgetary basis of reporting (dollars in thousands):

	General	Police District Fund	Police Headquarters Fund	Fire Prevention, Safety, Communication and Education Fund	Sewer & Storm Water District Fund	Capital Fund	Nonmajor Governmental Funds
Fund Balances at December 31, 2008 Prepared in Accordance with GAAP	\$ 130,541	\$ (5,906)	\$ 3,106	\$ 11	\$ 134,670	\$ 44,757	\$ 127,070
Add:							
Funding for Tax Certiorari and Other Judgements	75,763						
Medicare and Pension Benefits - Accrual Basis Only	11,195	11,451	(1,584)	(11)	(123)		
Less:							
Encumbrances	(72,597)	(542)	(1,522)		(5,147)		
Payments for Tax Certiorari and Other Judgments	(75,763)						
Unbudgeted Grant Fund							(29,177)
Unbudgeted NCTSC General Fund							561
Open Space Fund							(1,438)
Unbudgeted Sewage Disposal Construction Fund							(5,621)
Unbudgeted Sewer and Storm Water District							(6,216)
Unbudgeted Sewage Collection Construction Fund							(148)
Unbudgeted Capital Project Fund						(44,757)	
Unbudgeted NCTSC Debt Service Fund							(25,230)
Unbudgeted SFA General Fund							(29,169)
Unbudgeted NIFA Debt Service Fund							(20,256)
Fund Balances at December 31, 2008 Prepared on the Budgetary Basis of Reporting	\$ 69,139	\$ 5,003	\$	\$	\$ 129,400	\$	\$ 10,376

NOTES TO FINANCIAL STATEMENTS  
YEARS ENDED DECEMBER 31, 2008 AND 2007

12. RECONCILIATION OF GAAP FUND BALANCES TO BUDGETARY BASIS (Continued)

The following reconciles fund balances at December 31, 2007 as prepared on a GAAP basis to the budgetary basis of reporting (dollars in thousands):

	General	Police District Fund	Police Headquarters Fund	Fire Prevention, Safety, Communication and Education Fund	Sewer & Storm Water District Fund	Capital Fund	Nonmajor Governmental Funds
Fund Balances at December 31, 2007 Prepared in Accordance with GAAP	\$ 138,314	\$ 6,731	\$ 941	\$ (38)	\$ 170,596	\$ (20,907)	\$ (3,443)
Add:							
Funding for Tax Certiorari and Other Judgements	13,707						
Medicare and Pension Benefits - Accrual Basis Only	13,069	6,088		38	(160)		
Less:							
Encumbrances	(73,592)	(670)	(941)		(8,462)		(35)
Payments for Tax Certiorari and Other Judgments	(13,707)						
Unbudgeted Grant Fund							(17,604)
Unbudgeted NIFA Capital Projects Fund							(2,649)
Unbudgeted NCTSC General Fund							416
Open Space Fund							(1,363)
Unbudgeted Sewage Disposal Construction Fund							15,626
Unbudgeted Sewer and Storm Water District							3,797
Unbudgeted Sewage Collection Construction Fund							444
Unbudgeted Capital Project Fund						20,907	
Unbudgeted NCTSC Debt Service Fund							(24,682)
Unbudgeted SFA Debt Service Fund							42,815
Unbudgeted SFA General Fund							7,226
Unbudgeted NIFA Debt Service Fund							(15,718)
Fund Balances at December 31, 2007 Prepared on the Budgetary Basis of Reporting	\$ 77,791	\$ 12,149	\$	\$	\$ 161,974	\$	\$ 4,830

NOTES TO FINANCIAL STATEMENTS  
YEARS ENDED DECEMBER 31, 2008 AND 2007

13. DESIGNATION OF UNRESERVED FUND BALANCES

Portions of the unreserved fund balances at December 31, 2008 and 2007 were designated as sources of revenue in the ensuing year's operating budgets as follows (dollars in thousands)

<u>Nonmajor Governmental Funds</u>	<u>Total Fund Balance (Deficit) Unreserved</u>	<u>Fund Balance Unreserved and Designated for Ensuing Year's Budget</u>	<u>Fund Balance (Deficit) Unreserved and Undesignated</u>
December 31, 2008	\$ <u>(33,864)</u>	\$ _____	\$ <u>(33,864)</u>
December 31, 2007	\$ <u>(116,410)</u>	\$ _____	\$ <u>(116,410)</u>
 <u>Major Governmental Funds</u>			
December 31, 2008	\$ <u>27,288</u>	\$ <u>69,496</u>	\$ <u>(42,208)</u>
December 31, 2007	\$ <u>63,832</u>	\$ <u>63,203</u>	\$ <u>629</u>

14. OTHER POSTEMPLOYMENT BENEFITS

**Plan Description** - The County provides health care benefits in accordance with New York State Health Insurance Rules and Regulations administered by the New York State Department of Civil Service (the "NYSHIP" plan). The County's several union contracts and ordinances require the County to provide all eligible enrollees with either the NYSHIP plan or other equivalent health insurance. Substantially all of the County's retirees and employees are enrolled in the NYSHIP Plan. NYSHIP is a defined benefit agent multiple-employer healthcare plan. Under the provisions of the NYSHIP Plan, premiums are adjusted on a prospective basis for any losses experienced by the NYSHIP Plan. The County has the option to terminate its participation in the NYSHIP Plan at any time without liability for its respective share of any previously incurred loss.

**Funding Policy** - Eligibility for health benefits upon retirement are governed by Ordinance bargaining unit, age, and years of service. Non-union employees hired after August 2008 are required to have 10 years of governmental service, 5 of which must be with the County to be eligible for post retirement health insurance benefits. CSEA employees hired after August 2003 are required to have 10 years of County employment. All other employees are eligible after 5 years of service. The County contributes 100% of the health insurance costs for the Government Employees Health Insurance program for all police officers and County employees who retired after December 31, 1975, with the exception of Ordinance employees retired after January 1, 2002 who are required to contribute either 5% or 10% of the cost depending on coverage. For employees who retired prior to December 31, 1975, the County's contribution is reduced in accordance with the union agreement applicable to their respective retirement dates. Nassau County is not required by law to provide funding other than the pay-as-you-go amount necessary to provide current benefits to retirees and eligible beneficiaries/dependents. The County recognizes the expenditure of providing current and postretirement health care benefits in the year to which the insurance

**NOTES TO FINANCIAL STATEMENTS**  
**YEARS ENDED DECEMBER 31, 2008 AND 2007**

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**14. OTHER POSTEMPLOYMENT BENEFITS (Continued)**

**Funding Policy (Continued)**

premiums apply. NYSHIP plan insurance premiums are billed in advance and therefore the County has recorded a prepaid asset for these amounts at December 31, 2008 and 2007. The total cost for providing health care benefits was \$225.4 and \$213.2 million in 2008 and 2007, respectively, of which approximately \$105.3 and \$98.8 million was for retirees and approximately \$120.1 and \$114.4 million was for active employees and other eligible individuals, in 2008 and 2007 respectively. In 2008 and 2007, the subsidy provided by the Medicare Reform Act of 2003 to employers who continued prescription drug coverage for its Medicare eligible retirees of \$6.5 and \$7.1 million respectively was recorded as income.

**Annual OPEB Cost and Net OPEB Obligation** - The County provides group health care benefits for retirees (and for eligible dependents and survivors of retirees). The following are the retiree contributions for non-union (Ordinance #543) employees:

- Hired prior to January 1, 2002 or earning less than \$30,000 in the year of retirement: none
- Hired on or after January 1, 2002 and earning more than \$30,000 per year in the year of retirement: 5% of premium for single coverage and 10% of the premium for family coverage (contribution rate are the same for Medicare eligible and Medicare ineligible participants)
- Union employees (CSEA Local 830): none
- Public safety employees: none
- Employees who retired prior to 1976 pay contributions (varies as a percentage of the premium)

An actuarially determined valuation of these benefits was performed by an outside consultant to estimate the impact of changes in GASB accounting rules applicable to the retiree medical benefits for retired employees and their eligible dependents.

The County elected to record the entire amount of the Unfunded Actuarial Accrued Liability ("UAAL"), totaling approximately \$3.5 billion in the fiscal year ended December 31, 2007, and not to fund the UAAL. The UAAL, including accrued interest relating to postemployment benefits remains at approximately \$3.5 billion as of December 31, 2008 which included both the County and an allocation of the Nassau Health Care Corporation's cost as of December 31, 2008. The County is not required by law or contractual agreement to provide funding for postemployment retirement benefits other than the pay-as-you-go amount necessary to provide current benefits to retirees and eligible beneficiaries/dependents. During the fiscal year ended December 31, 2008, the County paid \$105.3 million on behalf of the Plan.

The County's annual OPEB cost (expense) is calculated based on the annual required contribution ("ARC") of the employer, an amount that was actuarially determined by using the Projected Unit Credit Method (one of the actuarial cost methods that meet the requirements with of the GASB Statement No. 45). The portion of this Actuarial Present Value allocated to a valuation year is called the Normal Cost. The County uses a level dollar amount and an amortization period of one year on an open basis.

Under this method, actuarial gains/losses, as they occur, reduce/increase future Normal Costs.

NOTES TO FINANCIAL STATEMENTS  
YEARS ENDED DECEMBER 31, 2008 AND 2007

14. OTHER POSTEMPLOYMENT BENEFITS (Continued)

Annual OPEB Cost and Net OPEB Obligation (Continued)

The following table shows the elements of the County's annual OPEB cost for the year, the amount actually paid, and changes in the County's net OPEB obligation to the plan for the year ended December 31, 2008. (dollars in thousands):

Calculation of ARC and Annual OPEB Cost

	Nassau County	*Nassau Community College	** Nassau Health Care Corporation	Nassau Regional Off-Track Betting Corp.	Nassau County Interim Finance Authority	Total
Amortization of UAAL	\$ 3,465,346	\$ 272,204	\$ 16,630	\$ 41,954	\$ 822	\$ 3,796,956
Normal Cost at the Beginning of year	91,520	11,047	23,682	1,874	82	128,205
Interest on Normal Cost	4,118	497	1,066	84	4	5,769
Annual Required Contribution	<u>3,560,984</u>	<u>283,748</u>	<u>41,378</u>	<u>43,912</u>	<u>908</u>	<u>3,930,930</u>
Interest on net OPEB Obligations	150,929	11,803	1,841	1,972	35	166,580
Adjustment to ARC	(3,504,911)	(274,084)	(2,511)	(43,912)	(823)	(3,826,241)
Total Annual OPEB cost	<u>207,002</u>	<u>21,467</u>	<u>40,708</u>	<u>1,972</u>	<u>120</u>	<u>271,269</u>
Actual Contributions	105,347	5,900	2,395	842	16	114,500
Increase in net OPEB obligation	<u>101,655</u>	<u>15,567</u>	<u>38,313</u>	<u>1,130</u>	<u>104</u>	<u>156,769</u>
Net OPEB Obligation at December 31, 2007	3,353,982	262,281	40,908	43,828	788	3,701,787
Net OPEB Obligation at December 31, 2008	<u>\$ 3,455,637</u>	<u>\$ 277,848</u>	<u>\$ 79,221</u>	<u>\$ 44,958</u>	<u>\$ 892</u>	<u>\$ 3,858,556</u>

\* Nassau Community College data as of fiscal year ended August 31, 2008

\*\* Nassau Health Care Corporation uses a 30 year basis for amortization

As of December 31, 2008, the OPEB liability was approximately \$3.5 billion and the 2008 payroll cost was \$882.4 million or 391.6% of the unfunded liability amount. The County's annual OPEB cost, the actual annual OPEB amount contributed to the plan, and the net OPEB obligation for the fiscal year ended December 31, 2008 and 2007, were as follows (dollars in thousands):

Fiscal Year Ended	Annual OPEB Cost	Actual Annual OPEB Cost Paid	Percentage of Annual	
			OPEB Cost Contributed	Net OPEB Obligation
12/31/2008	\$ 207,002	\$ 105,347	50.9%	\$ 3,455,637
12/31/2007	3,452,801	98,819	2.9%	3,352,982



NOTES TO FINANCIAL STATEMENTS  
YEARS ENDED DECEMBER 31, 2008 AND 2007

14. OTHER POSTEMPLOYMENT BENEFITS (Continued)

**Actuarial Methods and Assumptions** - The OPEB-specific actuarial assumptions used (which is required at least biennially) in the January 1, 2007, OPEB actuarial valuations are as follows:

Valuation date:	January 1, 2007
Actuarial cost method:	Projected Unit Credit Method
Discount rate:	4.50% per annum
Per-capita retiree contributions:	Retiree contributions are assumed to increase at the same rates as incurred claims.

Health insurance benefits are provided by the New York State Health Insurance Plan. This also includes a reimbursement of Medicare Part B premium. Benefits vest at five to ten years of service and are subject to continuous participation in NYSHIP.

The premium rate is used for all non-Medicare eligible retirees and dependents with basic medical coverage.

Initial monthly premium rates are shown in the following table:

Monthly Rate for Fiscal Year 2007	
Pre-65 Non-Medicare:	
Single	\$ 564.84
Family	1,198.07
Post- 65 Medicare:	
Single	333.18
Family	734.81
Medicare (Part B)	93.50 per person

Medicare Part B Premiums	
Calendar Year	Monthly Premium
2006	\$88.50 per person
2007	93.50 per person

Medicare Part B premiums are assumed to increase by the following trend rates;

Calendar Year	Trend Rates
2007	7.00 %
2008	6.67
2009	6.33
2010	6.00
2011	5.75
2012	5.50
2013	5.25
2014 +	5.00

NOTES TO FINANCIAL STATEMENTS  
YEARS ENDED DECEMBER 31, 2008 AND 2007

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14. OTHER POSTEMPLOYMENT BENEFITS (Continued)

No retiree assumed to have income in excess of the threshold, which would result in increasing Part B premium above 25% of Medicare Part B Costs.

**Health Care Cost Trend Rate (“HCCTR”)** - Covered medical expenses are assumed to increase by the following percentages:

*HCCTR Assumptions*

Year Ending	Annual Rates of Increase
2007	9.50 %
2008	8.75
2009	8.00
2010	7.25
2011	6.50
2012	6.00
2013	5.50
2014 and later	5.00

*Mortality* - Mortality rates are those recommended by the actuary:

Preretirement

Age	TRS		ERS	PFRS
	Male	Female		
20	0.0075 %	0.0043 %	0.0510 %	0.0600 %
30	0.0428	0.0262	0.0550	0.0600
40	0.0518	0.0349	0.0980	0.0640
50	0.1326	0.0818	0.2070	0.1430
60	0.1771	0.1331	0.4210	0.7430

Postretirement

Age	ERS		PFRS Unisex	TRS	
	Male	Female		Male	Female
50	0.2441 %	0.2177 %	0.2594 %	0.2579 %	0.2294 %
60	0.7365	0.5332	0.6976	0.6624	0.5525
70	1.8246	1.2686	1.8828	1.8241	1.2021
80	4.6846	3.4091	5.4210	5.3926	3.5874
90	14.5417	11.0872	14.7447	15.7604	12.2460

NOTES TO FINANCIAL STATEMENTS  
YEARS ENDED DECEMBER 31, 2008 AND 2007

14. OTHER POSTEMPLOYMENT BENEFITS (Continued)

The cost of providing health care to retirees not including the accrual for prior service costs, totaled \$105.3 million during fiscal year 2008 and \$98.8 million during fiscal year 2007.

It should be noted that actuarial valuations have inherent limitations, reflect a long-term perspective, and involve estimates of the value of the reported amounts and assumptions about the probability of events far into the future, and that actuarially determined amounts are subject to continual revision as results are compared to past expectations and new estimates are made about the future. Calculations are based on the benefits provided under the terms of the substantive plan in effect at the time of each valuation and of the pattern of sharing of costs between the employer and plan members to that point. The projection of benefits for financial reporting purposes does not explicitly incorporate the potential effects of legal and contractual funding limitations on the pattern of costs sharing between the employer and plan members in the future. Actuarial methods and assumptions used also include techniques that are designed to reduce short-term volatility in actuarial accrued liabilities and the actuarial value of assets.

*Required Supplemental Information:*

The schedule of funding progress presents the results of OPEB valuations as of January 1, 2008 and 2007 for the fiscal year ending December 31, 2008. The schedule provides trend information about whether the actuarial values of the plan assets are increasing or decreasing over time relative to the actuarial accrued liabilities for benefits. (dollars in thousands)

Actuarial Valuation Date	Actuarial Value of Assets (a)	Actuarial Accrued Liability (AAL)* (b)	Unfunded AAL (UAAL) (b-a)	Funded Ratio (a/b)	Covered Payroll (c)	UAAL as a Percentage of Covered Payroll (b-a)/c
1/1/2008	\$ 0	\$ 3,316,121	\$ 3,316,121	0.0%	\$ 882,420	375.8%
1/1/2007	0	3,222,200	3,222,200	0.0%	890,843	361.7%

\* Based on the Projected Unit Credit Actuarial Cost Method.

**NOTES TO FINANCIAL STATEMENTS  
YEARS ENDED DECEMBER 31, 2008 AND 2007**

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**15. CONTINGENCIES AND COMMITMENTS****A. Claims and Litigation**

The County, its officers and employees are defendants in litigation. Such litigation includes, but is not limited to, actions commenced and claims asserted against the County arising out of alleged torts, alleged breaches of contracts (which include union and employee disputes), condemnation proceedings, medical malpractice actions and other alleged violations of law. The County self-insures for everything except helicopter accidents and employee bonding. The County annually appropriates sums for the payment of judgments and settlements of claims and litigation, which appropriations may be financed, in whole or in part, pursuant to the Local Finance Law by the issuance of County debt. The County intends to defend itself vigorously against all claims and in all litigation. Estimated liabilities of approximately \$225 million for claims and litigation (excluding tax certiorari claims) have been recorded as a long-term liability in the government-wide financial statement of net assets as of December 31, 2008 and 2007. The County Attorney is of the opinion that the ultimate resolution of such claims and litigation outstanding at December 31, 2008 will not result in a material adverse effect on the County's financial position. Approximately \$248.9 and \$124.2 million has been accrued as a liability at December 31, 2008 and 2007, respectively, related to workers' compensation claims where the County Attorney can reasonably estimate the ultimate outcome. In 2008 the methodology used to estimate the long-term liability for worker's compensation claims was changed from valuations discounted by 6% (compounded) to full values. The liability for certain other asserted and unasserted malpractice claims cannot be estimated as of December 31, 2008. All malpractice occurrences prior to September 29, 1999 are the responsibility of the County. Subsequent malpractice occurrences arising from events in connection with NHCC are the responsibility of NHCC.

**B. Tax Certioraris**

In fiscal 2008 and 2007, respectively, there were approximately 132,992 and 140,397 taxpayers' claims filed against the Board of Assessors, for the incorrect determination of assessed valuation (certiorari proceedings) for the 2009 (May 1, 2008) and 2008 (May 1, 2007) assessment roll, respectively. The total amount of tax certiorari bonds issued and outstanding by both the County and NIFA was approximately \$1.2 billion at December 31, 2008 and \$1.3 billion at December 31, 2007. This amount has been included with serial bonds reported in the government-wide financial statement of net assets. An amount estimated for future settlements and judgments of \$139.0 million and \$101.8 million has also been recorded as a long-term liability in the government-wide financial statements of net assets at December 31, 2008 and 2007, respectively. In prior years, tax certiorari settlements were financed by the issuance of long-term debt or through BANs which are thereafter refinanced by bond issuances. Pursuant to NIFA enabling legislation, beginning in 2006, the County began to pay a portion of property tax refunds from operating funds. For the year ended December 31, 2008, tax certiorari expenditures were \$98.8 million, \$40 million financed by operating funds in addition to \$58.8 million of borrowed funds. For the year ended December 31, 2007, tax certiorari payments were \$87.1 million. In December 2008, the County, issued \$48.2 million of debt for the anticipated payment of future tax certiorari claims.

**NOTES TO FINANCIAL STATEMENTS  
YEARS ENDED DECEMBER 31, 2008 AND 2007**

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**15. CONTINGENCIES AND COMMITMENTS (Continued)****C. Contingencies under Grant Programs**

The County participates in a number of Federal and State grant programs. These programs are subject to financial and compliance audits by the grantors or their representatives. As of December 31, 2008, the audits of certain programs have not been completed. Provisions for certain expected disallowances, where considered necessary, have been made as of December 31, 2008. In the County's opinion, any additional disallowances resulting from these audits will not be material.

**D. Certain Third - Party Reimbursement Matters**

Net patient service revenue of NHCC's health facilities included amounts estimated to be reimbursable by third-party payer programs. Such amounts are subject to revision based on changes in a variety of factors as set forth in the applicable regulations. It is the opinion of NHCC's management that adjustments, if any, would not have a material effect on the County's financial position.

**E. Insurance**

The County carries property insurance on its police helicopters and a blanket fidelity bond covering all County employees. Essentially all other risks are assumed directly by the County. The County suffered no material property losses during 2008 and 2007.

**F. Accumulated Vacation and Sick Leave Entitlements**

County employees are entitled to accumulate unused vacation leave and sick leave up to certain contractual amounts. At current salary levels, the County's liability for the payment of these accumulations is approximately \$570.9 and \$560.6 million at December 31, 2008 and 2007, respectively. At August 31, 2008 and 2007, the Nassau Community College's vacation leave and sick leave liability was \$49.3 and \$45.3 million, respectively.

**G. Deferred Payroll**

The County has entered into agreements with the Civil Service Employees' Association ("CSEA"), the Police Benevolent Association, ("PBA"), Superior Officers Association, ("SOA"), and the Detective Association, Inc. ("DAI"), and certain Ordinance employees, to defer 10 days pay which shall be paid to the employee on separation of service at the salary rate then in effect. The County has also entered into bargaining agreements with CSEA, PBA, SOA, DAI, and ShOA that include deferrals of wages and longevity that cover various periods of time during 2007 through 2011 and are scheduled to be paid to the employee during the period 2009 through 2015 depending on the bargaining unit, or at termination at the rate earned. The amount deferred at December 31, 2008 and 2007 was approximately \$ 33.1 million and \$22.6 million, respectively. This deferral is reported as a long-term liability in the government-wide financial statement of net assets, as certain contractual arrangements to provide for the payment of these commitments at specific dates in future fiscal periods. The College, a component unit of the County, entered into a similar agreement in 1992 payable to eligible employees on September 1, 2002. The amount deferred at the College close of August 31, 2008 and 2007 was approximately \$ 1.1 million and \$1.1 million, respectively, and is also reported in the government-wide financial statement

**NOTES TO FINANCIAL STATEMENTS  
YEARS ENDED DECEMBER 31, 2008 AND 2007**

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**15. CONTINGENCIES AND COMMITMENTS (Continued)****G. Deferred Payroll (Continued)**

of net assets. In addition, termination pay for accumulated leave in excess of \$5,000 for CSEA and Ordinance members shall be paid by the County in three equal installments of accumulated days on the three consecutive Januarys following termination. The amount deferred at December 31, 2008 and 2007 was approximately \$ 19.4 million and \$21.6 million, respectively, and is also reported in the government-wide financial statement of net assets.

**H. Capital Commitments**

At December 31, 2008 and 2007, there were capital project contract commitments of \$223.1 and \$174.9 million, respectively.

**I. MTA Commitment**

Under the Mass Transportation Funding Agreement (the "Agreement") between the County and Metropolitan Transportation Authority (the "MTA") dated as of December 30, 1996, The County agreed to pay \$102 million over time to the MTA for MTA capital improvements in return for a cash payment or payments totaling \$51 million. As of December 31, 2008, the MTA has paid the County \$51 million under the agreement and the County has paid to the MTA approximately \$81 million for such capital improvements. There has been a long-term disagreement between the County and the MTA as to the validity of any claim by the MTA to any further payments under the Agreement. Authorization for the County to fund any potential further payments under the Agreement nevertheless remains available under approved County bond ordinances.

**16. NASSAU HEALTH CARE CORPORATION ("NHCC")**

Effective September 29, 1999, the Nassau Health Care Corporation (the "NHCC") acquired the "Health Facilities" of the County. The purchase, pursuant to the terms of an acquisition agreement between the NHCC and the County (the "Acquisition Agreement"), resulted in the transfer of all real property owned by the County on which the Nassau University Medical Center and A. Holly Patterson Extended Care are situated, as defined. Additionally, as defined in the Acquisition Agreement, the County assumed the net accounts receivable and the majority of liability balances, as defined, of the Health Facilities which existed on September 28, 1999, as well as commitments to making annual historic mission payments, funding certain capital projects and other costs associated with NHCC.

NOTES TO FINANCIAL STATEMENTS  
YEARS ENDED DECEMBER 31, 2008 AND 2007

16. NASSAU HEALTH CARE CORPORATION (“NHCC”) (Continued)

At December 31, 2008 and 2007, the NHCC had total net assets deficiency of \$133.3 million and \$121.2 million, respectively. The deficiency arose from operating losses and the adoption of Governmental Accounting Standards Board Statement No. 45. NHCC plans to reduce its net asset deficiency by achieving profitability, continuing to progress with collecting on patient accounts, especially those accounts eligible for Medicaid that are being processed by the Department of Social Services, and cash flow provided by government subsidies and funding of capital projects. NHCC has undertaken a number of initiatives to reduce its operating losses and sustain positive cash flows. Such actions include continued revenue cycle enhancements, changes to medical management practices, improved supply chain and inventory management and further cost reductions and a major modernization program. The modernization program includes significant investments in real estate consolidation, facility improvements, clinical equipment and information technology, the replacement (rebuilding) of the nursing home and enhancements to the community health centers. The Successor Agreement, which commenced in November 2007 and is in effect to 2029, clarifies the services provided by NHCC to the County and establishes the mechanism for payments to the Corporation. The agreement also provides NHCC with capital funding.

17. FUND BALANCE SURPLUS/DEFICIT

The following non-major governmental funds reported surplus/deficits as of December 31 (in thousands):

	<u>2008</u>	<u>2007</u>
Tobacco Settlement Corporation:		
General Fund	\$ (561)	\$ (416)
Debt Service Fund	<u>25,230</u>	<u>24,682</u>
Total	<u>\$ 24,669</u>	<u>\$ 24,266</u>
Sewer Financing Authority:		
General Fund	\$ 29,169	\$ (7,226)
Debt Service Fund	<u>          </u>	<u>(42,815)</u>
Total	<u>\$ 29,169</u>	<u>\$ (50,041)</u>

\* \* \* \* \*





**REQUIRED SUPPLEMENTARY INFORMATION**



**EXHIBIT X-17**

**COUNTY OF NASSAU, NEW YORK**

**SCHEDULE OF FUNDING PROGRESS  
POST-EMPLOYMENT RETIREMENT HEALTHCARE BENEFIT PLAN  
DECEMBER 31, 2008 (Dollars in Thousands)**

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<b>Actuarial Valuation Date</b>	<b>Actuarial Value of Assets (a)</b>	<b>Actuarial Accrued Liability (AAL) Level Dollar (b)</b>	<b>Unfunded AAL (UAAL) (b-a)</b>	<b>Funded Ratio (a/b)</b>	<b>Covered Payroll (c)</b>	<b>Accrued Percentage of Covered Payroll (b-a)/c</b>
1/1/2008	\$	\$ 3,316,121	\$ 3,316,121	0.0%	\$ 882,420	375.8%
1/1/2007		3,222,200	3,222,200	0.0%	890,843	361.7%



**COMBINING AND INDIVIDUAL FUND  
FINANCIAL STATEMENTS AND SCHEDULES**



EXHIBIT A-1

COUNTY OF NASSAU, NEW YORK  
 NONMAJOR GOVERNMENTAL FUNDS  
 COMBINING BALANCE SHEET  
 December 31, 2008  
 (in thousands)

	Nonmajor Special Revenue Funds					Nonmajor Capital Projects Funds					Nonmajor Debt Service Funds				
	Technology Fund	Environmental Protection Fund	Tobacco Settlement Corp General Fund	Sewer Financing Authority General Fund	Open Space Fund	Retirement Contribution Reserve Fund	Employee Benefit Acc'd Lib Reserve Fund	Bonded Indebtedness Reserve Fund	Grant Fund	Sewer and Storm Water District Construction Fund	Sewer Disposal District Construction Funds	Sewage Collection Districts Construction Fund	Tobacco Settlement Corp Debt Service Fund	NIFA Debt Service Fund	Total
<b>ASSETS</b>															
Cash	\$ 1,843	\$ 10,540	\$ 116	\$ 146	\$ 1,438	\$ 494	\$ 15,166	\$ 41	\$ 16,544	\$ 9,586	\$ 20,626	\$ 224	\$ 24,530	\$ 12	
Investments				28,709										563	
Interest Receivable				314										249	
Due From Other Governments							10,783							10,783	
Due From Component Units							1,745							1,745	
Accounts Receivable							327							1,858	
Interfund Receivables							33,144			78			700	58,100	
Prepays							1,586							1,586	
Other Assets			28				7							36	
<b>TOTAL ASSETS</b>	<b>\$ 1,843</b>	<b>\$ 10,540</b>	<b>\$ 144</b>	<b>\$ 29,169</b>	<b>\$ 1,438</b>	<b>\$ 494</b>	<b>\$ 15,166</b>	<b>\$ 41</b>	<b>\$ 84,146</b>	<b>\$ 11,425</b>	<b>\$ 20,904</b>	<b>\$ 278</b>	<b>\$ 25,230</b>	<b>\$ 80,794</b>	<b>\$ 261,612</b>

**LIABILITIES AND FUND BALANCES (DEFICITS)**

	Nonmajor Special Revenue Funds					Nonmajor Capital Projects Funds					Nonmajor Debt Service Funds				
	Technology Fund	Environmental Protection Fund	Tobacco Settlement Corp General Fund	Sewer Financing Authority General Fund	Open Space Fund	Retirement Contribution Reserve Fund	Employee Benefit Acc'd Lib Reserve Fund	Bonded Indebtedness Reserve Fund	Grant Fund	Sewer and Storm Water District Construction Fund	Sewer Disposal District Construction Funds	Sewage Collection Districts Construction Fund	Tobacco Settlement Corp Debt Service Fund	NIFA Debt Service Fund	Total
<b>Liabilities:</b>															
Accounts Payable	\$ 12	\$ 1,995	\$ 5	\$ 5	\$ 5	\$ 494	\$ 14,366	\$ 41	\$ 3,815	\$ 948	\$ 4,262	\$ 130	\$ 24,530	\$ 12	
Acc'd Liabilities									1,265	3,782	10,635			563	
Bond Anticipation Notes Payable									27,238					14,617	
Deferred Revenue		1,995	700				800		1,476	479	186			27,238	
Interfund Payables									1,175					5,780	
Due to Component Unit														1,175	
Other Liabilities														144	
<b>Total Liabilities</b>	<b>12</b>	<b>1,995</b>	<b>705</b>	<b>5</b>	<b>5</b>	<b>494</b>	<b>14,366</b>	<b>41</b>	<b>34,969</b>	<b>5,209</b>	<b>15,283</b>	<b>130</b>	<b>24,530</b>	<b>60,538</b>	<b>134,542</b>
<b>Fund Balances (Deficits):</b>															
Reserved for Encumbrances									101,212	8,935	26,655	123	24,009	136,925	
Restricted - Senior Liquidity Reserve	1,831	8,545	(861)	29,169	1,438			(72,035)	(2,719)	(21,034)	25	1,221	20,256	24,009	
Unreserved	1,831	8,545	(861)	29,169	1,438			29,177	6,216	5,621	148	25,230	20,256	(33,984)	
<b>Total Fund Balances</b>	<b>1,831</b>	<b>8,545</b>	<b>(861)</b>	<b>29,169</b>	<b>1,438</b>	<b>494</b>	<b>15,166</b>	<b>41</b>	<b>84,146</b>	<b>11,425</b>	<b>20,904</b>	<b>278</b>	<b>25,230</b>	<b>80,794</b>	<b>127,070</b>
<b>TOTAL LIABILITIES AND FUND BALANCES</b>	<b>\$ 1,843</b>	<b>\$ 10,540</b>	<b>\$ 144</b>	<b>\$ 29,169</b>	<b>\$ 1,438</b>	<b>\$ 494</b>	<b>\$ 15,166</b>	<b>\$ 41</b>	<b>\$ 84,146</b>	<b>\$ 11,425</b>	<b>\$ 20,904</b>	<b>\$ 278</b>	<b>\$ 25,230</b>	<b>\$ 80,794</b>	<b>\$ 261,612</b>

EXHIBIT A-1

COUNTY OF NASSAU, NEW YORK  
NONMAJOR GOVERNMENTAL FUNDS  
COMBINING BALANCE SHEET  
December 31, 2007  
(in thousands)

	Nonmajor Special Revenue Funds										Nonmajor Capital Projects Funds				Nonmajor Debt Service Funds			
	Technology Fund	Environmental Protection Fund	Tobacco Settlement Corp General Fund	Sewer Financing Authority General Fund	Open Space Fund	Retirement Contribution Reserve Fund	Employee Benefit Accd Lab Reserve Fund	Bonded Indebtedness Reserve Fund	Grant Fund	NIFA Capital Projects Fund	Storm Water District Construction Fund	Sewer and District Construction Fund	Seepage District Construction Fund	Seepage Collection District Construction Fund	Sewer Financing Authority Debt Service Fund	Tobacco Settlement Corp Debt Service Fund	NIFA Debt Service Fund	Total
<b>ASSETS</b>																		
Cash	\$ 1,792	\$ 4,129	\$ 112	\$ 16,387	\$ 1,363	\$ 26,639	\$ 22,489	\$ 41	\$ 14,664	\$ 2	\$ 1,391	\$ 11,524	\$ 2,369	\$ 8,212	\$ 24,132	\$ 232	\$ 111,366	
Investments										2,647				1,620		41,778	69,557	
Interest Receivable				1,090						14						405	3,129	
Due From Other Governments									10,273								10,273	
Due From Component Units									1,617								1,617	
Accounts Receivable									30,026		4	13		10,782	550	28,892	70,290	
Prepaid Receivables		23							1,612							1,612	1,612	
Other Assets			22					12									34	
<b>TOTAL ASSETS</b>	\$ 1,792	\$ 4,152	\$ 134	\$ 17,477	\$ 1,363	\$ 26,639	\$ 22,489	\$ 41	\$ 58,360	\$ 2,663	\$ 1,395	\$ 11,537	\$ 2,369	\$ 20,614	\$ 24,662	\$ 71,307	\$ 267,054	
<b>LIABILITIES AND FUND BALANCES (DEFICITS)</b>																		
<b>Liabilities:</b>																		
Accounts Payable									\$ 5,744	\$	\$ 358	\$ 2,392	\$ 229	\$	\$	\$	\$ 8,723	
Accrued Liabilities									2,719		2,408	6,796	21	44,435		55,402	58,121	
Bond Anticipation Notes Payable																	9,223	
Notes Payable				24,700					30,332								69,136	
Deferred Revenue									1,125		2,228	17,975	2,583	18,994			30,332	
Outstanding Payables		1,079	550			1,620	7,323		1,125								53,878	
Due to Component Units						25,019	15,166	41	856								686	
Other Liabilities				3													40,629	
<b>Total Liabilities</b>	1,079	1,079	550	24,703		26,639	22,489	41	40,776	14	5,192	27,163	2,833	63,429		55,569	270,697	
<b>Fund Balances (Deficits):</b>																		
Reserved for Retirement of Temporary Financing																		
Reserved for Encumbrances	35								57,287		75	21,663	199				89,683	
Restricted - Senior Liquidity Reserve		3,073	(416)	(7,226)	1,363				(39,683)	2,649	(13,981)	(37,279)	(643)	(42,815)	24,009	673	(116,410)	
Unreserved	1,757																	
<b>Total Fund Balances</b>	1,792	3,073	(416)	(7,226)	1,363				17,604	2,649	(3,797)	(15,626)	(444)	(42,815)	24,682	15,718	(3,443)	
<b>TOTAL LIABILITIES AND FUND BALANCES</b>	\$ 1,792	\$ 4,152	\$ 134	\$ 17,477	\$ 1,363	\$ 26,639	\$ 22,489	\$ 41	\$ 58,360	\$ 2,663	\$ 1,395	\$ 11,537	\$ 2,369	\$ 20,614	\$ 24,662	\$ 71,307	\$ 267,054	



EXHIBIT A-2

COUNTY OF NASSAU, NEW YORK  
NONMAJOR GOVERNMENTAL FUNDS  
Combining Statement of Revenues Expenditures and Changes in Fund Balances  
For the Year ended December 31, 2008  
(in thousands)

	Nonmajor Special Revenue Funds										Nonmajor Capital Projects Funds										Nonmajor Debt Service Funds								
	Technology Fund	Environmental Protection Fund	Tobacco Settlement Corp General Fund	Sewer Financing Authority General Fund	Open Space Fund	Grant Fund	NIFA Capital Project Fund	Sewer Storm Water District Construction Fund	Sewage Disposal District Construction Fund	Sewage Collection Districts Construction Fund	Sewer Financing Authority Debt Service Fund	Tobacco Settlement Corp Debt Service Fund	NIFA Debt Service Fund	Total Nonmajor Governmental Funds															
<b>Revenues:</b>																													
Fees and Profits	\$ 51	\$ 80	\$ -	\$ 684	\$ -	\$ 2,122	\$ -	\$ 42	\$ 141	\$ 35	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	
Interest Income						276																							
Rents and Recoveries						272																							
Departmental Revenue						2,815																							
Interdepartmental Revenue						352																							
Federal Aid						51,831		32																					
State Aid						48,401																							
Tobacco Proceeds						28,415																							
Tobacco Receipts		7,375																					21,883						
Property Taxes						3,111																							
Special Taxes						23																							
Other Revenues						75																							
Total Revenues	51	7,488		884	75	138,590		1,805	141	35												22,807		2,887				174,123	
<b>Expenditures:</b>																													
Current:																													
Judicial	12					3,053																							
General Administration						20,863																							
Protection of Persons						8,935																							
Health						48,377																							
Public Works						165																							
Recreation and Parks						1,784																							
Sewage Districts						8,424		8,524	19,228	49																			
Social Services						2,001																							
Connections						28,415																							
Other Expenses						127,017		8,524	19,228	49																			
Total Current Expenditures	12		145	5,895		127,017		8,524	19,228	49																		180,970	
Debt Service:																													
Principal																													
Interest																													
Financing Cost						1,435																							
Total Debt Service						1,435																							
Total Expenditures	12		145	7,430		127,017		8,524	19,228	49																		180,970	
Excess (Deficiency) of Revenues Over (Under) Expenditures	39	7,488	(145)	(8,768)	75	11,573		(8,519)	(19,087)	(14)												548		(183,248)				(204,838)	
<b>Other Financing Sources (Uses):</b>																													
Other Financing Sources - Premium on Bonds																													
Transfers Out		(1,988)																											
Transfers Out of Investment Income																													
Deposited with Escrow Agent for Delinquency																													
Transfers in from NIFA																													
Transfers Out to NIFA																													
Transfers in from SFA																													
Transfers Out to SFA																													
Issuance of Bonds																													
Total Other Financing Sources (Uses)		(1,988)		1,081																									
Net Change in Fund Balances	39	5,472	(145)	38,395	75	11,573		(2,649)	18,532	40,334																		335,351	
Fund Balances (Deficits) Beginning of Year	1,792	3,073	(418)	(7,228)	1,363	17,804		2,849	10,013	21,247																		130,513	
Fund Balances (Deficits) End of Year	1,831	6,545	(561)	(29,169)	1,438	29,177		8,218	5,821	148												25,230		20,256				127,070	

EXHIBIT A-2

COUNTY OF NASSAU, NEW YORK  
 NONMAJOR GOVERNMENTAL FUNDS  
 Combining Statement of Revenues Expenditures and Changes in Fund Balances  
 For the Year ended December 31, 2007  
 (in thousands)

	Nonmajor Special Revenue Funds				Nonmajor Capital Project Funds				Nonmajor Debt Service Funds				Total Nonmajor Governmental Funds	
	Technology Fund	Environmental Protection Fund	Tobacco Settlement Corp General Fund	Sewer Financing Authority Capital Fund	Open Space Fund	Grant Fund	NIFA Capital Projects Fund	Sewer and Storm Water District Construction Fund	Sewer Disposal District Construction Fund	Sewerage Collection District Construction Fund	Sewer Financing Authority Debt Service Fund	Tobacco Settlement Corp Debt Service Fund		NIFA Debt Service Fund
<b>Revenues:</b>														
Fines and Forfeits	\$ 98	\$ 24	\$ -	\$ 231	\$ -	\$ 1,330	\$ 494	\$ 84	\$ 1,087	\$ 123	\$ -	\$ 1,626	\$ 4,077	\$ 1,330
Interest Income						456								8,500
Rents and Recoveries						343								343
Departmental Revenue						2,586								2,586
Interdepartmental Revenue						349								349
Federal Aid						47,955		75						47,955
State Aid						43,880								43,880
Tobacco Receipts		4,128			4,027						21,053			21,053
Property Taxes					874									4,128
Special Taxes						16								4,027
Other Revenues														890
<b>Total Revenues</b>	<b>98</b>	<b>4,152</b>	<b>127</b>	<b>231</b>	<b>874</b>	<b>100,942</b>	<b>494</b>	<b>159</b>	<b>1,087</b>	<b>123</b>	<b>22,879</b>	<b>4,077</b>	<b>135,116</b>	
<b>Expenditures:</b>														
Current:														
Judicial	118		127	699		2,968								2,968
General Administration						26,181								27,125
Protection of Persons						7,951								7,951
Health						47,484								47,484
Public Works						208								208
Recreation and Parks						784		3,658	14,581	217				784
Sewage Districts						5,802								18,456
Social Services						2,799								5,802
Corrections								3,658	14,581	217				2,799
<b>Total Current Expenditures</b>	<b>118</b>	<b>127</b>	<b>699</b>	<b>699</b>	<b>94,177</b>	<b>94,177</b>	<b>494</b>	<b>3,658</b>	<b>14,581</b>	<b>217</b>	<b>22,879</b>	<b>4,077</b>	<b>113,577</b>	
Debt Service:														
Principal												79,975		63,200
Interest												17,732		13,457
<b>Total Debt Service</b>												<b>170,924</b>		<b>196,657</b>
<b>Total Expenditures</b>	<b>118</b>	<b>127</b>	<b>699</b>	<b>699</b>	<b>94,177</b>	<b>94,177</b>	<b>494</b>	<b>3,658</b>	<b>14,581</b>	<b>217</b>	<b>22,879</b>	<b>170,924</b>	<b>170,924</b>	<b>310,264</b>
Excess (Deficiency) of Revenues Over (Under) Expenditures	(20)	4,152	(127)	(468)	874	6,765	494	(3,499)	(13,494)	(84)	5,147	(166,847)	(175,149)	
<b>Other Financing Sources (Uses):</b>														
Other Financing Sources - EFC Drawdowns								356						356
Other Financing Uses - Funding of Residual Trust Transfers Out		(1,079)						(84)	(1,087)	(123)		(21,073)		(21,073)
Transfers Out of Investment Income								53	10	85				(1,294)
Transfers In from NIFA													168,434	168,562
Transfers Out to NIFA													(4,069)	(33,410)
Transfers In from SFA				118,934										283,134
Transfers Out to SFA				(145,206)					(16,838)	(2,156)				(330,440)
Issuance of Debt														
<b>Total Other Financing Sources (Uses)</b>	<b>(1,079)</b>	<b>(1,079)</b>	<b>(289)</b>	<b>(28,272)</b>	<b>325</b>	<b>(29,342)</b>	<b>(29,342)</b>	<b>(3,174)</b>	<b>(17,915)</b>	<b>(2,194)</b>	<b>(21,073)</b>	<b>184,366</b>	<b>64,776</b>	
<b>Net Change in Fund Balances</b>	<b>(20)</b>	<b>3,073</b>	<b>(127)</b>	<b>(26,740)</b>	<b>674</b>	<b>6,765</b>	<b>(28,846)</b>	<b>(3,174)</b>	<b>(31,409)</b>	<b>(2,268)</b>	<b>(10,071)</b>	<b>(2,481)</b>	<b>(110,372)</b>	
<b>Fund Balances (Deficits) Beginning of Year</b>	<b>1,812</b>		<b>(289)</b>	<b>19,514</b>	<b>489</b>	<b>10,839</b>	<b>31,497</b>	<b>(623)</b>	<b>15,783</b>	<b>1,844</b>	<b>(32,744)</b>	<b>18,199</b>	<b>106,929</b>	
<b>Fund Balances (Deficits) End of Year</b>	<b>1,792</b>	<b>3,073</b>	<b>(416)</b>	<b>(7,226)</b>	<b>1,363</b>	<b>17,604</b>	<b>2,649</b>	<b>(3,797)</b>	<b>(15,626)</b>	<b>(444)</b>	<b>(24,662)</b>	<b>15,718</b>	<b>(3,443)</b>	

## **OTHER SUPPLEMENTARY INFORMATION**



## COUNTY OF NASSAU, NEW YORK

COMPARATIVE STATEMENT OF ACTUAL REVENUES VS. MODIFIED BUDGET  
 GENERAL FUND  
 FOR THE YEAR ENDED DECEMBER 31, 2008 (Dollars in Thousands)

	Original Budget	Total Budgetary Authority	Actual Revenues	GAAP to Budgetary Basis Conversion	Actual on a Budgetary Basis	Variance Over (Under)
<b>INTEREST AND PENALTIES ON TAXES</b>	\$ 22,500	\$ 25,301	\$ 26,423	\$	\$ 26,423	\$ 1,122
<b>LICENSES AND PERMITS</b>						
Day Camp Permits	5	5	5		5	2
Food Establishments	2,200	2,200	2,397		2,397	197
Hazardous Materials Registration Fees	989	989	1,282		1,282	293
Home Improvements	2,046	2,046	1,635		1,635	(411)
Manufacturing Frozen Desserts	15	15	17		17	2
Realty Subdivision Filing	63	63	120		120	57
Road Openings	182	182	206		206	24
Swimming Pools and Bathing Beaches	160	160	188		188	28
Temporary Residence Inspection Permit	66	66	88		88	22
Weights & Measures	825	825	865		865	40
X-rays, Surveys and Inspections	106	106	110		110	4
Cross Connections	64	64	63		63	(1)
Water Supply Plan Review	50	50	101		101	51
Tattoo Parlor / Piercing	7	7	17		17	10
Taxi and Limo Registration Fees	650	650	310		310	(340)
Lifeguard Certification	48	48	54		54	6
ATM Registration Fees	33	33	57		57	24
<b>Total Licenses and Permits</b>	<b>7,509</b>	<b>7,509</b>	<b>7,515</b>		<b>7,515</b>	<b>6</b>
<b>FINES AND FORFEITS</b>	<b>26,571</b>	<b>26,571</b>	<b>21,936</b>		<b>21,936</b>	<b>(4,635)</b>
<b>INTEREST INCOME</b>	<b>23,455</b>	<b>23,455</b>	<b>6,333</b>		<b>6,333</b>	<b>(17,122)</b>
<b>RENTS AND RECOVERIES</b>						
Rental of Mitchell Field	5,653	5,653	5,708		5,708	55
Coliseum Concessions	71	71	909		909	838
Coliseum Rental	149	149	315		315	166
Coliseum Utilities	2,009	2,009	2,442		2,442	433
Recovery of Damage to County Property	1,500	1,500	590		590	(910)
Recovery of Prior Year Appropriations	13,284	14,519	9,235	(140)	9,095	(5,424)
Recovery of Workers' Compensation	1,500	1,500	1,197		1,197	(303)
Rental of County Property	1,086	1,086	1,099		1,099	13
Rental of Voting Machines	120	120	107		107	(13)
Sale of County Property	650	650	140		140	(510)
Proceeds from Online Auction			385		385	385
Tobacco Settlement Revenue	23,000	23,000	23,000		23,000	
Tobacco Proceeds		91,126				(91,126)
Other Recoveries	2,884	2,914	6,586		6,586	3,672
Recoveries from Enterprise Funds	125	125	44		44	(81)
<b>Total Rents and Recoveries</b>	<b>52,031</b>	<b>144,422</b>	<b>51,757</b>	<b>(140)</b>	<b>51,617</b>	<b>(92,805)</b>
<b>DEPARTMENTAL REVENUE</b>						
Assessment	210	210	167		167	(43)
Board of Elections	35	35	34		34	(1)
CASA	25	25	6		6	(19)
Civil Service	211	211	360		360	149
Correctional Center	2,360	2,360	2,594		2,594	234
County Attorney	2,091	2,091	132		132	(1,959)
County Clerk	13,000	13,000	10,229		10,229	(2,771)
County Comptroller	19	19	13		13	(6)
District Attorney			7		7	7

(Continued)

## COUNTY OF NASSAU, NEW YORK

COMPARATIVE STATEMENT OF ACTUAL REVENUES VS. MODIFIED BUDGET  
GENERAL FUND  
FOR THE YEAR ENDED DECEMBER 31, 2008 (Dollars in Thousands)

	<u>Original Budget</u>	<u>Total Budgetary Authority</u>	<u>Actual Revenues</u>	<u>GAAP to Budgetary Basis Conversion</u>	<u>Actual on a Budgetary Basis</u>	<u>Variance Over (Under)</u>
<b>DEPARTMENTAL REVENUE (Continued)</b>						
Health						
Administration	\$ 4	\$ 4	\$ 47	\$	\$ 47	\$ 43
Environmental Health			70		70	70
Children's Early Intervention	7,700	7,700	8,367		8,367	667
Pre School Education	1,500	1,500	1,487		1,487	(13)
Laboratory Research	58	58	41		41	(17)
Personal Health	4	4	164		164	160
Information Technology	27	27				(27)
Medical Examiner	20	20	16		16	(4)
Mental Health, Chemical Dependency and Disabled Services	300	300	228		228	(72)
Miscellaneous	870	870	874		874	4
Parks and Recreation						
Administration	4,535	4,535	127		127	(4,408)
Recreation Services	9,803	9,803	8,872		8,872	(931)
Museums	818	818	663		663	(155)
Golf Operations	9,915	9,915	8,461		8,461	(1,454)
Planning	1,558	1,558	1,203		1,203	(355)
Probation	1,500	1,500	1,870		1,870	370
Public Administrator	328	328	339		339	11
Public Utility Authority	1,789	1,789	1,784		1,784	(5)
Public Works - Administration	1,130	1,130	732		732	(398)
Purchasing	20	20	25		25	5
Real Estate	115	115	115		115	
Senior Citizen Affairs	15	15	13		13	(2)
Social Services						
Administration	14	14	214		214	200
Aid to Dependent Children	3,870	3,870	4,449		4,449	579
Burials	12	12	18		18	6
Children in Foster Homes	305	305	237		237	(68)
Children in Institutions	300	300	120		120	(180)
Education of Handicapped Children	2,900	2,900	2,415		2,415	(485)
Home Relief	2,100	2,100	2,545		2,545	445
Juvenile Delinquents	80	80	63		63	(17)
Medicaid MMIS	640	640	2,045		2,045	1,405
Title XX	328	328	361		361	33
Treasurer	610	610	739		739	129
<b>Total Departmental Revenue</b>	<b>71,119</b>	<b>71,119</b>	<b>62,246</b>		<b>62,246</b>	<b>(8,873)</b>
<b>INTERDEPARTMENTAL REVENUE</b>						
Constituent Affairs	1,156	1,156	1,308		1,308	152
Correctional Center	120	120	242		242	122
County Attorney	3,654	3,654	1,886		1,886	(1,768)
District Attorney	460	460	358		358	(102)
Health Department	-	-	60		60	60
Physically Challenged	629	629				(629)
Information Technology	6,613	6,613	5,398		5,398	(1,215)
Management and Budgets	613	613	557		557	(56)
Mental Health, Chemical Dependency and Disabled Services	870	870	637		637	(233)
Probation	1,187	1,187	214		214	(973)
Purchasing	1,433	1,432	767		767	(665)
Public Works - Roads & Bridge Maintenance	11,849	11,849	5,271		5,271	(6,578)
Real Estate	8,466	8,466	10,247		10,247	1,781
Records Maintenance	627	627	131		131	(496)
Revenues from Capital Fund	8,434	8,434	11,122		11,122	2,688

(Continued)

## COUNTY OF NASSAU, NEW YORK

COMPARATIVE STATEMENT OF ACTUAL REVENUES VS. MODIFIED BUDGET  
GENERAL FUND  
FOR THE YEAR ENDED DECEMBER 31, 2008 (Dollars in Thousands)

	Original Budget	Total Budgetary Authority	Actual Revenues	GAAP to Budgetary Basis Conversion	Actual on a Budgetary Basis	Variance Over (Under)
<b>INTERDEPARTMENTAL REVENUE (Continued)</b>						
Revenues from Indirect Cost Chargebacks	\$ 48,002	\$ 48,002	\$ 46,474	\$	\$ 46,474	\$ (1,528)
Revenues from Grant Closeouts	577	577	205		205	(372)
Interfund Revenue	39,398	39,398	22,612		22,612	(16,786)
NHCC Reimbursement on Guaranteed Debt	14,233	14,233	13,546		13,546	(687)
OTB Reimbursement	2,150	2,150	2,150		2,150	
Interdepartmental Revenue	1,876	1,876	1,687		1,687	(189)
Stop DWI Grant Revenue	260	260	385		385	125
Senior Citizens Affairs	508	519	509		509	(10)
Social Services			106		106	106
Veterans Service Agency	1,155	1,155				(1,155)
<b>Total Interdepartmental Revenue</b>	<b>154,270</b>	<b>154,280</b>	<b>125,872</b>		<b>125,872</b>	<b>(28,408)</b>
<b>FEDERAL AID</b>						
Correctional Center	13,878	13,878	12,298		12,298	(1,580)
County Attorney	228	228	329		329	101
District Attorney	31	31	51		51	20
Emergency Management	295	295	380		380	85
Housing and Minority Affairs	1,000	1,000				(1,000)
Miscellaneous General Fund Aid	154	154	119		119	(35)
Planning	192	192	46		46	(146)
Probation			16		16	16
Public Works	580	580				(580)
Senior Citizen Affairs	4,981	5,120	5,250		5,250	130
Social Services						
Administration	9,252	9,252	12,441		12,441	3,189
Aid to Dependent Children	7,162	7,162	10,264		10,264	3,102
Children in Foster Homes	1,439	1,440	613		613	(827)
Children in Institutions	10,894	10,894	9,610		9,610	(1,284)
Division of Services	9,476	9,476	9,530		9,530	54
Home Energy Assistance Program	2,500	2,500	343		343	(2,157)
Juvenile Delinquents	3,996	3,996	2,309		2,309	(1,687)
Medicaid MMIS			33		33	33
Public Financial Assistance	23,447	23,447	21,203		21,203	(2,244)
Subsidized Adoptions	2,052	2,052	1,062		1,062	(990)
Title XX	28,412	28,412	23,682		23,682	(4,730)
<b>Total Federal Aid</b>	<b>119,969</b>	<b>120,109</b>	<b>109,579</b>		<b>109,579</b>	<b>(10,530)</b>
<b>STATE AID</b>						
Assessment	917	917	761		761	(156)
Consumer Affairs	46	46	55		55	9
Correctional Center	1,172	1,172	696		696	(476)
County Attorney	61	61	84		84	23
Court Facility Aid	1,793	1,793	1,848		1,848	55
Mental Health, Chemical Dependency and Disabled Services						
Administration	1,119	1,119	1,036		1,036	(83)
Contractual Services	5,575	5,575	5,509		5,509	(66)
Direct Services	1,513	1,513	1,313		1,313	(200)
District Attorney	56	56	42		42	(14)
Health						
Administration	2,359	2,359	1,306		1,306	(1,053)
Children's Early Intervention	20,425	20,425	22,015		22,015	1,590
Pre School Education	70,189	70,189	66,596		66,596	(3,593)
Environmental Health	1,622	1,622	1,490		1,490	(132)
Laboratory Research	979	979	1,047		1,047	68
Personal Health	3,344	3,344	953		953	(2,391)

(Continued)

## COUNTY OF NASSAU, NEW YORK

COMPARATIVE STATEMENT OF ACTUAL REVENUES VS. MODIFIED BUDGET  
GENERAL FUND  
FOR THE YEAR ENDED DECEMBER 31, 2008 (Dollars in Thousands)

	Original Budget	Total Budgetary Authority	Actual Revenues	GAAP to Budgetary Basis Conversion	Actual on a Budgetary Basis	Variance Over (Under)
<b>STATE AID (Continued)</b>						
Housing and Intergovernmental Affairs	\$ 865	\$ 865	\$ 30	\$	\$ 30	\$ (835)
Information Technology	372	372	411		411	39
Medical Examiner	1,819	1,819	1,898		1,898	79
Miscellaneous General Fund Aid	23,212	23,212	2,981		2,981	(20,231)
Probation	3,800	3,800	3,876		3,876	76
Public Works	55	55	149		149	94
Senior Citizen Affairs	6,063	7,205	7,382		7,382	177
Social Services						
Administration	7,731	7,731	6,476		6,476	(1,255)
Aid to Dependent Children	7,162	7,162	8,868		8,868	1,706
Burials	5	5	8		8	3
Children in Foster Homes	851	851	859		859	8
Children in Institutions	4,328	4,328	7,014		7,014	2,686
Division of Services	6,374	6,374	10,534		10,534	4,160
Education of Handicapped Children	5,800	5,800	5,545		5,545	(255)
Home Relief	8,890	8,890	10,625		10,625	1,735
Juvenile Delinquents	2,139	2,139	1,573		1,573	(566)
Juvenile Detention Center	4,157	4,157	2,953		2,953	(1,204)
Medicaid MMIS	3,000	3,000	1,135		1,135	(1,865)
Public Financial Assistance	14,033	14,033	19,071		19,071	5,038
Subsidized Adoptions	2,565	2,565	3,134		3,134	569
Title XX	3,912	3,912	141		141	(3,771)
Veterans Service Agency	35	35	33		33	(2)
Nassau County Youth Board	1,616	1,616	1,560		1,560	(56)
<b>Total State Aid</b>	<b>219,954</b>	<b>221,096</b>	<b>201,007</b>		<b>201,007</b>	<b>(20,089)</b>
<b>SALES TAX *</b>	<b>978,174</b>	<b>978,174</b>	<b>754,792</b>		<b>754,792</b>	<b>(223,382)</b>
<b>PREEMPTED SALES TAX IN LIEU OF PROPERTY TAXES</b>						
Towns and City of Glen Cove	64,384	64,384	62,429		62,429	(1,955)
<b>Total Preempted Sales Tax in Lieu of Property Taxes</b>	<b>64,384</b>	<b>64,384</b>	<b>62,429</b>		<b>62,429</b>	<b>(1,955)</b>
<b>PROPERTY TAXES</b>	<b>145,858</b>	<b>145,858</b>	<b>150,691</b>		<b>150,691</b>	<b>4,833</b>
<b>PAYMENTS IN LIEU OF TAXES</b>	<b>6,306</b>	<b>6,306</b>	<b>4,154</b>		<b>4,154</b>	<b>(2,152)</b>
<b>SPECIAL TAXES</b>						
Admission Tax - Belmont Park	55	55	61		61	6
Entertainment Tax	2,600	2,600	2,381		2,381	(219)
Off-Track Betting Surtax	6,500	6,500	5,925		5,925	(575)
Hotel-Motel Room Tax	1,625	1,625	1,464		1,464	(161)
<b>Total Special Taxes</b>	<b>10,780</b>	<b>10,780</b>	<b>9,831</b>		<b>9,831</b>	<b>(949)</b>

(Continued)



## COUNTY OF NASSAU, NEW YORK

COMPARATIVE STATEMENT OF ACTUAL REVENUES VS. MODIFIED BUDGET  
GENERAL FUND  
FOR THE YEAR ENDED DECEMBER 31, 2008 (Dollars in Thousands)

	<u>Original Budget</u>	<u>Total Budgetary Authority</u>	<u>Actual Revenues</u>	<u>GAAP to Budgetary Basis Conversion</u>	<u>Actual on a Budgetary Basis</u>	<u>Variance Over (Under)</u>
<b><u>OTHER REVENUES</u></b>						
Miscellaneous	\$ 12,185	\$ 12,186	\$ 9,036	\$ (11,570)	\$ (2,534)	\$ (14,720)
<u>Total Other Revenues</u>	<u>12,185</u>	<u>12,186</u>	<u>9,036</u>	<u>(11,570)</u>	<u>(2,534)</u>	<u>(14,720)</u>
<u>Total Revenues</u>	<u>1,915,065</u>	<u>2,011,550</u>	<u>1,603,601</u>	<u>(11,710)</u>	<u>1,591,891</u>	<u>(419,659)</u>
<b><u>OTHER FINANCING SOURCES</u></b>						
Transfers In			188,720		188,720	188,720
Transfer in from NIFA			3,109		3,109	3,109
Issuance of Notes			50,757	(50,757)		
Issuance of Bonds			38,276	(16,691)	21,585	21,585
Transfers in of Investment Income			3,926		3,926	3,926
<u>Total Other Financing Sources</u>			<u>284,788</u>	<u>(67,448)</u>	<u>217,340</u>	<u>217,340</u>
<b>TOTAL REVENUES AND OTHER FINANCING SOURCES</b>	<b>\$ 1,915,065</b>	<b>\$ 2,011,550</b>	<b>** \$ 1,888,389</b>	<b>\$ (79,158)</b>	<b>\$ 1,809,231</b>	<b>\$ (202,319)</b>

\* Paid to County \$54,629; paid to NIFA \$944,104

** Total revenues and other financing sources, estimates per 2008 County budget as adopted	\$ 1,925,065
Less: Budgeted opening fund balance	(10,000)
Original Budget per above	1,915,065
Add: Supplemental appropriations	96,485
Budget estimates, total revenues and other financing sources	<u>\$ 2,011,550</u>

## COUNTY OF NASSAU, NEW YORK

COMPARATIVE STATEMENT OF ACTUAL REVENUES VS. MODIFIED BUDGET  
 GENERAL FUND  
 FOR THE YEAR ENDED DECEMBER 31, 2007 (Dollars in Thousands)

	Original Budget	Total Budgetary Authority	Actual Revenues	GAAP to Budgetary Basis Conversion	Actual on a Budgetary Basis	Variance Over (Under)
<b>INTEREST AND PENALTIES ON TAXES</b>	\$ 24,650	\$ 24,650	\$ 21,865	\$	\$ 21,865	\$ (2,785)
<b>LICENSES AND PERMITS</b>						
Day Camp Permits	5	5	5		5	
Food Establishments	2,200	2,200	2,253		2,253	53
Hazardous Materials Registration Fees	935	935	1,070		1,070	135
Home Improvements	4,868	4,868	2,356		2,356	(2,512)
Manufacturing Frozen Desserts	15	15	15		15	
Realty Subdivision Filing	63	63	100		100	37
Road Openings	182	182	170		170	(12)
Sewage Connections			57		57	57
Swimming Pools and Bathing Beaches	160	160	167		167	7
Temporary Residence Inspection Permit Verification	65	65	65		65	
Weights & Measures	800	800	811		811	11
X-rays, Surveys and Inspections	106	106	95		95	(11)
Cross Connections	64	64	53		53	(11)
Water Supply Plan Review	50	50	86		86	36
Tattoo Parlor / Piercing	7	7	15		15	8
Taxi and Limo Registration Fees	33	33	33		33	
Traffic Signal Permits	1,041	1,041	345		345	(696)
Lifeguard Certification	48	48	48		48	
<b>Total Licenses and Permits</b>	<b>10,642</b>	<b>10,642</b>	<b>7,790</b>		<b>7,790</b>	<b>(2,852)</b>
<b>FINES AND FORFEITS</b>	<b>24,497</b>	<b>24,497</b>	<b>22,161</b>		<b>22,161</b>	<b>(2,336)</b>
<b>INTEREST INCOME</b>	<b>19,601</b>	<b>19,601</b>	<b>13,846</b>		<b>13,846</b>	<b>(5,755)</b>
<b>RENTS AND RECOVERIES</b>						
Rental of Mitchell Field	5,074	5,074	5,262		5,262	188
Coliseum Concessions	93	93	736		736	643
Coliseum Rental	1,500	1,500	179		179	(1,321)
Coliseum Utilities	2,748	2,748	1,443		1,443	(1,305)
Recovery of Damage to County Property	400	400	398		398	(2)
Recovery of Prior Year Appropriations	13,227	13,227	3,731	(337)	3,394	(9,833)
Recovery of Workers' Compensation	2,000	2,000	2,734		2,734	734
Rental of County Property	1,503	1,503	1,254		1,254	(249)
Rental of Voting Machines			127		127	127
Sale of County Property	52	147	323		323	176
Tobacco Settlement Revenue	23,600	23,600	23,600		23,600	
Tobacco Proceeds		14,500	14,500		14,500	
Other Recoveries	1,017	1,017	7,320		7,320	6,303
Recoveries from Enterprise Funds	200	200	510		510	310
<b>Total Rents and Recoveries</b>	<b>51,414</b>	<b>66,009</b>	<b>62,117</b>	<b>(337)</b>	<b>61,780</b>	<b>(4,229)</b>
<b>DEPARTMENTAL REVENUE</b>						
Assessment	245	245	126		126	(119)
Board of Elections	35	35	34		34	(1)
CASA	25	25	19		19	(6)
Civil Service	1,001	1,001	1,897		1,897	896
Correctional Center	2,015	2,015	2,744		2,744	729
County Attorney	75	75	159		159	84
County Clerk	14,021	14,021	12,938		12,938	(1,083)
County Comptroller	16	16	21		21	5
District Attorney			25		25	25

(Continued)

## COUNTY OF NASSAU, NEW YORK

COMPARATIVE STATEMENT OF ACTUAL REVENUES VS. MODIFIED BUDGET  
 GENERAL FUND  
 FOR THE YEAR ENDED DECEMBER 31, 2007 (Dollars in Thousands)

	Original Budget	Total Budgetary Authority	Actual Revenues	GAAP to Budgetary Basis Conversion	Actual on a Budgetary Basis	Variance Over (Under)
<b>DEPARTMENTAL REVENUE (Continued)</b>						
Health						
Administration	\$ 15	\$ 15	\$ 20	\$	\$ 20	\$ 5
Environmental Health			39		39	39
Children's Early Intervention	7,250	7,250	8,701		8,701	1,451
Pre School Education	1,500	1,500	1,491		1,491	(9)
Laboratory Research	58	58	61		61	3
Personal Health	79	79	239		239	160
Information Technology	202	202				(202)
Medical Examiner	20	20	17		17	(3)
Mental Health, Chemical Dependency and Disabled Services	300	300	282		282	(18)
Miscellaneous	870	870	1,060		1,060	190
Parks and Recreation						
Administration	1,033	1,033	13		13	(1,020)
Recreation Services	9,818	9,818	7,856		7,856	(1,962)
Museums	661	661	681		681	20
Golf Operations	9,104	9,104	7,895		7,895	(1,209)
Planning	1,296	1,296	2,676		2,676	1,380
Probation	1,500	1,500	1,924		1,924	424
Public Administrator	328	328	338		338	10
Public Utility Authority	2,024	2,024	1,702		1,702	(322)
Public Works - Administration	941	941	1,018		1,018	77
Purchasing	28	28	29		29	1
Real Estate	115	115	115		115	
Social Services						
Administration	662	662	61		61	(601)
Aid to Dependent Children	3,795	3,795	4,100		4,100	305
Burials	11	11	13		13	2
Children in Foster Homes	300	300	623		623	323
Children in Institutions	375	375	131		131	(244)
Education of Handicapped Children	2,800	2,800	3,040		3,040	240
Home Relief	2,000	2,000	1,988		1,988	(12)
Juvenile Delinquents	80	80	66		66	(14)
Medicaid MMIS	200	200	1,446		1,446	1,246
Title XX	325	325	300		300	(25)
Treasurer	420	420	879		879	459
Traffic Safety Board	175	175	175		175	
<b>Total Departmental Revenue</b>	<b>65,718</b>	<b>65,718</b>	<b>66,942</b>		<b>66,942</b>	<b>1,224</b>
<b>INTERDEPARTMENTAL REVENUE</b>						
Constituent Affairs	1,355	1,355	1,498		1,498	143
Correctional Center	120	120	233		233	113
County Attorney	10,023	10,023	10,217		10,217	194
District Attorney	191	191	184		184	(7)
Physically Challenged	502	502				(502)
Information Technology	5,966	5,966	4,553		4,553	(1,413)
Mental Health, Chemical Dependency and Disabled Services	1,031	1,031	715		715	(316)
Probation	1,000	1,000	1,106		1,106	106
Purchasing	765	765	747		747	(18)
Public Works						
Groundwater Remediation	729	729	136		136	(593)
Roads & Bridge Maintenance	10,096	10,135	4,178		4,178	(5,957)
Real Estate	4,489	5,414	8,872		8,872	3,458
Records Maintenance	218	218	174		174	(44)
Revenues from Capital Fund	7,849	7,849	7,586		7,586	(263)

(Continued)

## COUNTY OF NASSAU, NEW YORK

COMPARATIVE STATEMENT OF ACTUAL REVENUES VS. MODIFIED BUDGET  
GENERAL FUND  
FOR THE YEAR ENDED DECEMBER 31, 2007 (Dollars in Thousands)

	Original Budget	Total Budgetary Authority	Actual Revenues	GAAP to Budgetary Basis Conversion	Actual on a Budgetary Basis	Variance Over (Under)
<b>INTERDEPARTMENTAL REVENUE (Continued)</b>						
Revenues from Indirect Cost Chargebacks	\$ 56,052	\$ 56,052	\$ 56,052	\$	\$ 56,052	\$
Revenues from Grant Closeouts	918	918	213		213	(705)
Interfund Revenue	45,211	45,211	22,918		22,918	(22,293)
Interdepartmental Revenue	1,367	1,367	1,173		1,173	(194)
Stop DWI Grant Revenue			292		292	292
Senior Citizens Affairs	390	390	413		413	23
Social Services			77		77	77
Youth Board	401	401				(401)
Veterans Service Agency	827	827				(827)
<b>Total Interdepartmental Revenue</b>	<b>149,500</b>	<b>150,464</b>	<b>121,337</b>		<b>121,337</b>	<b>(29,127)</b>
<b>FEDERAL AID</b>						
Correctional Center	9,784	9,784	17,024		17,024	7,240
County Attorney	228	228	584		584	356
District Attorney	65	65	31		31	(34)
Emergency Management	262	262	295		295	33
Housing and Minority Affairs	600	600	5		5	(595)
Miscellaneous General Fund Aid	154	154	88		88	(66)
Planning	192	192	469		469	277
Probation			10		10	10
Public Works	440	440				(440)
Senior Citizen Affairs	5,044	5,193	5,052		5,052	(141)
Social Services						
Administration	4,125	4,125	3,862		3,862	(263)
Aid to Dependent Children	8,260	8,260	7,733		7,733	(527)
Children in Foster Homes	1,490	1,490	1,395		1,395	(95)
Children in Institutions	11,700	11,700	10,953		10,953	(747)
Division of Services	10,243	10,243	9,589		9,589	(654)
Home Energy Assistance Program	2,500	2,500	2,340		2,340	(160)
Juvenile Delinquents	3,518	3,518	3,293		3,293	(225)
Public Financial Assistance	22,472	22,472	21,037		21,037	(1,435)
Subsidized Adoptions	2,052	2,052	1,921		1,921	(131)
Title XX	28,000	28,000	26,211		26,211	(1,789)
<b>Total Federal Aid</b>	<b>111,129</b>	<b>111,278</b>	<b>111,892</b>		<b>111,892</b>	<b>614</b>
<b>STATE AID</b>						
Assessment	800	800	920		920	120
Consumer Affairs	46	46	53		53	7
Correctional Center	1,150	1,150	1,206		1,206	56
County Attorney	61	61	152		152	91
Court Facility Aid	1,793	1,793	1,827		1,827	34
Mental Health, Chemical Dependency and Disabled Services						
Administration	915	915	929		929	14
Contractual Services	5,421	5,421	5,685		5,685	264
Direct Services	908	908	372		372	(536)
District Attorney	56	61	53		53	(8)
Health						
Administration	1,150	1,150	1,553		1,553	403
Children's Early Intervention	21,462	21,462	18,119		18,119	(3,343)
Pre School Education	62,635	62,635	63,920		63,920	1,285
Environmental Health	1,456	1,456	1,326		1,326	(130)
Laboratory Research	879	879	1,156		1,156	277
Personal Health	3,412	3,412	4,510		4,510	1,098

(Continued)

## COUNTY OF NASSAU, NEW YORK

COMPARATIVE STATEMENT OF ACTUAL REVENUES VS. MODIFIED BUDGET  
GENERAL FUND  
FOR THE YEAR ENDED DECEMBER 31, 2007 (Dollars in Thousands)

	<u>Original Budget</u>	<u>Total Budgetary Authority</u>	<u>Actual Revenues</u>	<u>GAAP to Budgetary Basis Conversion</u>	<u>Actual on a Budgetary Basis</u>	<u>Variance Over (Under)</u>
<b>STATE AID (Continued)</b>						
Housing and Intergovernmental Affairs	\$ 1,800	\$ 1,800	\$ 15	\$	\$ 15	\$ (1,785)
Information Technology	372	372	398		398	26
Medical Examiner	1,526	1,526	2,127		2,127	601
Miscellaneous General Fund Aid	7,212	7,212	2,337		2,337	(4,875)
Probation	3,672	3,672	4,111		4,111	439
Public Works	55	55	64		64	9
Real Estate	94	94				(94)
Senior Citizen Affairs	5,778	6,806	7,055		7,055	249
Social Services						
Administration	8,847	8,847	7,535		7,535	(1,312)
Aid to Dependent Children	7,965	7,965	7,899		7,899	(66)
Burials	5	5	5		5	
Children in Foster Homes	953	953	647		647	(306)
Children in Institutions	1,950	1,950	3,895		3,895	1,945
Division of Services	6,529	6,529	9,216		9,216	2,687
Education of Handicapped Children	5,600	5,600	5,202		5,202	(398)
Home Relief	9,114	9,114	8,608		8,608	(506)
Juvenile Delinquents	2,384	2,384	1,074		1,074	(1,310)
Juvenile Detention Center	3,088	3,088	4,115		4,115	1,027
Public Financial Assistance	17,223	17,223	20,373		20,373	3,150
Subsidized Adoptions	2,565	2,565	3,409		3,409	844
Title XX	4,308	4,308	534		534	(3,774)
Veterans Service Agency	35	35	35		35	
Nassau County Youth Board	1,554	1,554	1,616		1,616	62
<b>Total State Aid</b>	<b>194,773</b>	<b>195,806</b>	<b>192,051</b>		<b>192,051</b>	<b>(3,755)</b>
<b>SALES TAX *</b>	<b>968,142</b>	<b>968,142</b>	<b>778,483</b>		<b>778,483</b>	<b>(189,659)</b>
<b>PREEMPTED SALES TAX IN LIEU OF PROPERTY TAXES</b>						
Towns and City of Glen Cove	62,772	62,772	61,629		61,629	(1,143)
<b>Total Preempted Sales Tax in Lieu of Property Taxes</b>	<b>62,772</b>	<b>62,772</b>	<b>61,629</b>		<b>61,629</b>	<b>(1,143)</b>
<b>PROPERTY TAXES</b>	<b>123,962</b>	<b>123,962</b>	<b>129,220</b>		<b>129,220</b>	<b>5,258</b>
<b>PAYMENTS IN LIEU OF TAXES</b>	<b>5,914</b>	<b>5,914</b>	<b>7,356</b>		<b>7,356</b>	<b>1,442</b>
<b>SPECIAL TAXES</b>						
Admission Tax - Belmont Park	40	40	63		63	23
Entertainment Tax	2,400	2,400	2,435		2,435	35
Off-Track Betting Surtax	6,500	6,500	6,249		6,249	(251)
Hotel-Motel Room Tax	1,531	1,531	1,611		1,611	80
<b>Total Special Taxes</b>	<b>10,471</b>	<b>10,471</b>	<b>10,358</b>		<b>10,358</b>	<b>(113)</b>

(Continued)

## COUNTY OF NASSAU, NEW YORK

COMPARATIVE STATEMENT OF ACTUAL REVENUES VS. MODIFIED BUDGET  
GENERAL FUND  
FOR THE YEAR ENDED DECEMBER 31, 2007 (Dollars in Thousands)

	Original Budget	Total Budgetary Authority	Actual Revenues	GAAP to Budgetary Basis Conversion	Actual on a Budgetary Basis	Variance Over (Under)
<b><u>OTHER REVENUES</u></b>						
Miscellaneous	\$ 11,095	\$ 11,545	\$ 9,746	\$ (3,772)	\$ 5,974	\$ (5,571)
<u>Total Other Revenues</u>	<u>11,095</u>	<u>11,545</u>	<u>9,746</u>	<u>(3,772)</u>	<u>5,974</u>	<u>(5,571)</u>
<u>Total Revenues</u>	<u>1,834,280</u>	<u>1,851,471</u>	<u>1,616,793</u>	<u>(4,109)</u>	<u>1,612,684</u>	<u>(238,787)</u>
<b><u>OTHER FINANCING SOURCES</u></b>						
Transfers In			176,372		176,372	176,372
Transfer in from NIFA			6,289	(133)	6,156	6,156
Issuance of Debt			13,548	(13,548)		
Transfers in of Investment Income			5,390		5,390	5,390
<u>Total Other Financing Sources</u>			<u>201,599</u>	<u>(13,681)</u>	<u>187,918</u>	<u>187,918</u>
TOTAL REVENUES AND OTHER FINANCING SOURCES	\$ 1,834,280	\$ 1,851,471 **	\$ 1,818,392	\$ (17,790)	\$ 1,800,602	\$ (50,869)

\* Paid to County \$58,057; paid to NIFA \$952,509

\*\* Total revenues and other financing sources, estimates per 2007 County budget as adopted

Less: Budgeted opening fund balance	\$ 1,847,355
Original Budget per above	(13,075)
Add: Supplemental appropriations	1,834,280
Less: Supplementally appropriated fund balance	42,191
Budget estimates, total revenues and other financing sources	<u>(25,000)</u>
	\$ 1,851,471

## COUNTY OF NASSAU, NEW YORK

COMPARATIVE STATEMENT OF ACTUAL EXPENDITURES  
 VS. TOTAL BUDGETARY AUTHORITY  
 GENERAL FUND  
 FOR THE YEAR ENDED DECEMBER 31, 2008 (Dollars in Thousands)

FUNCTIONS	Original Budget	Total Budgetary Authority	Actual Expenditures	GAAP to Budgetary Basis Conversion	Actual on a Budgetary Basis	Variance Over (Under)
<b>CURRENT:</b>						
<b>LEGISLATIVE</b>						
Legislature						
Legislators						
Salaries	\$ 4,755	\$ 4,755	\$ 4,316	\$	\$ 4,316	\$ 439
Fringe Benefits	1,825	1,916	1,683		1,683	233
Equipment	11	11		1	1	10
General Expenses	19	19	4		4	15
Contractual Services	284	254	55	3	58	196
Legislative Central Staff						
Salaries	689	689	603		603	86
Fringe Benefits	255	268	268		268	
Equipment	77	77	17		17	60
General Expenses	1,417	1,447	1,391	42	1,433	14
Contractual Services	1,319	1,319	527	395	922	397
Legislative Budget Review						
Salaries	880	880	866		866	14
Fringe Benefits	366	384	384		384	
Equipment	3	2				2
General Expenses	8	8	4		4	4
Contractual Services	56	56		7	7	49
Legislature Total	<u>11,964</u>	<u>12,085</u>	<u>10,118</u>	<u>448</u>	<u>10,566</u>	<u>1,519</u>
<b>Total Legislative</b>	<u>11,964</u>	<u>12,085</u>	<u>10,118</u>	<u>448</u>	<u>10,566</u>	<u>1,519</u>
<b>JUDICIAL</b>						
Court Administration						
Fringe Benefits	<u>2,182</u>	<u>2,182</u>	<u>1,924</u>		<u>1,924</u>	<u>258</u>
District Attorney						
Salaries	29,552	29,141	29,140		29,140	1
Fringe Benefits	12,585	12,938	11,764		11,764	1,174
Equipment	141	71	67		67	4
Materials and Supplies	912					
General Expenses	1,186	962	917	41	958	4
Contractual Services		1,117	954	116	1,070	47
District Attorney Total	<u>44,376</u>	<u>44,229</u>	<u>42,842</u>	<u>157</u>	<u>42,999</u>	<u>1,230</u>
Public Administrator						
Salaries	498	492	490		490	2
Fringe Benefits	207	218	198		198	20
General Expenses	12	9	3		3	6
Contractual Services	20	20	7		7	13
Public Administrator Total	<u>737</u>	<u>739</u>	<u>698</u>		<u>698</u>	<u>41</u>
Traffic and Parking Violations						
Salaries	3,102	2,751	2,683		2,683	68
Fringe Benefits	1,134	1,191	1,082		1,082	109
Equipment	8	8	4		4	4
General Expenses	347	347	261	12	273	74
Contractual Services	1,002	952	504	225	729	223
Traffic and Parking Violations Total	<u>5,593</u>	<u>5,249</u>	<u>4,534</u>	<u>237</u>	<u>4,771</u>	<u>478</u>
<b>Total Judicial</b>	<u>52,888</u>	<u>52,399</u>	<u>49,998</u>	<u>394</u>	<u>50,392</u>	<u>2,007</u>

(Continued)

## COUNTY OF NASSAU, NEW YORK

COMPARATIVE STATEMENT OF ACTUAL EXPENDITURES  
 VS. TOTAL BUDGETARY AUTHORITY  
 GENERAL FUND  
 FOR THE YEAR ENDED DECEMBER 31, 2008 (Dollars in Thousands)

FUNCTIONS	Original Budget	Total Budgetary Authority	Actual Expenditures	GAAP to Budgetary Basis Conversion	Actual on a Budgetary Basis	Variance Over (Under)
<b>GENERAL ADMINISTRATION</b>						
Assessment						
Salaries	\$ 14,522	\$ 14,089	\$ 13,410	\$	\$ 13,410	\$ 679
Fringe Benefits	5,669	5,954	5,413		5,413	541
Equipment	85	85	62	4	66	19
General Expenses	830	830	591	36	627	203
Contractual Services	1,891	1,891	673	65	738	1,153
Assessment Total	<u>22,997</u>	<u>22,849</u>	<u>20,149</u>	<u>105</u>	<u>20,254</u>	<u>2,595</u>
Board of Assessment Review						
Salaries	3,715	3,613	3,366		3,366	247
Fringe Benefits	1,423	1,495	1,359		1,359	136
Equipment	20	20	12		12	8
General Expenses	149	149	75	12	87	62
Contractual Services	4,193	4,193	948	1,607	2,555	1,638
Board of Assessment Review Total	<u>9,500</u>	<u>9,470</u>	<u>5,760</u>	<u>1,619</u>	<u>7,379</u>	<u>2,091</u>
Board of Elections Administration						
Salaries	3,707	3,328	3,213		3,213	115
Fringe Benefits	1,359	1,427	1,018		1,018	409
Equipment	45	45	17		17	28
General Expenses	23	23	14	2	16	7
General Elections						
Salaries	5,586	6,143	6,065		6,065	78
Fringe Benefits	2,564	2,693	2,692		2,692	1
Equipment	76	76	54	8	62	14
General Expenses	896	896	649	111	760	136
Contractual Services	543	543	290	14	304	239
Primary Elections						
Salaries	1,258	933	887		887	46
Fringe Benefits	375	394	394		394	
General Expenses	195	195	142		142	53
Contractual Services	268	268	112	72	184	84
Board of Elections Total	<u>16,895</u>	<u>16,964</u>	<u>15,547</u>	<u>207</u>	<u>15,754</u>	<u>1,210</u>
Civil Service						
Salaries	5,231	5,053	4,518		4,518	535
Fringe Benefits	1,910	2,006	1,824		1,824	182
Equipment	24	24	1		1	23
General Expenses	264	264	147	7	154	110
Contractual Services		25				25
Interdepartmental Charges	50	50	10		10	40
Civil Service Total	<u>7,479</u>	<u>7,422</u>	<u>6,500</u>	<u>7</u>	<u>6,507</u>	<u>915</u>
County Attorney						
Salaries	12,261	12,043	11,927		11,927	116
Fringe Benefits	5,042	5,295	4,815		4,815	480
Equipment	44	44	22		22	22
General Expenses	751	740	704	7	711	29
Contractual Services	4,468	3,399	1,873	983	2,856	543
County Attorney Total	<u>22,566</u>	<u>21,521</u>	<u>19,341</u>	<u>990</u>	<u>20,331</u>	<u>1,190</u>
County Clerk						
Salaries	5,952	5,759	5,192		5,192	567
Fringe Benefits	2,195	2,305	2,096		2,096	209
Equipment	154	154	26		26	128
Materials and Supplies	2	2				2
General Expenses	410	410	287	7	294	116
Contractual Services	532	532	163	239	402	130
County Clerk Total	<u>9,245</u>	<u>9,162</u>	<u>7,764</u>	<u>246</u>	<u>8,010</u>	<u>1,152</u>
County Comptroller						
Salaries	7,666	7,461	6,697		6,697	764
Fringe Benefits	2,831	2,973	2,703		2,703	270
Equipment	269	269	195	34	229	40
General Expenses	212	212	75	3	78	134
Contractual Services	1,021	1,021	409	556	965	56
County Comptroller Total	<u>11,999</u>	<u>11,936</u>	<u>10,079</u>	<u>593</u>	<u>10,672</u>	<u>1,264</u>

(Continued)



## COUNTY OF NASSAU, NEW YORK

COMPARATIVE STATEMENT OF ACTUAL EXPENDITURES  
 VS. TOTAL BUDGETARY AUTHORITY  
 GENERAL FUND  
 FOR THE YEAR ENDED DECEMBER 31, 2008 (Dollars in Thousands)

FUNCTIONS	Original Budget	Total Budgetary Authority	Actual Expenditures	GAAP to Budgetary Basis Conversion	Actual on a Budgetary Basis	Variance Over (Under)
<b>GENERAL ADMINISTRATION (Continued)</b>						
County Executive						
Salaries	\$ 3,738	\$ 3,738	\$ 3,252	\$	\$ 3,252	\$ 486
Fringe Benefits	1,375	1,444	1,313		1,313	131
Equipment	2	2				2
General Expenses	38	38	27		27	11
Contractual Services	300	300	79	125	204	96
County Executive Total	5,453	5,522	4,671	125	4,796	726
County Treasurer						
Salaries	2,595	2,480	2,436		2,436	44
Fringe Benefits	1,030	1,082	983		983	99
Equipment	19	8	6		6	2
General Expenses	302	383	376	1	377	6
Contractual Services	150	120	49	29	78	42
County Treasurer Total	4,096	4,073	3,850	30	3,880	193
Office of Constituent Affairs						
Salaries	1,205	1,055	861		861	194
Fringe Benefits	364	382	382		382	
Office of Constituent Affairs Printing & Graphics						
Salaries	2,007	1,941	1,852		1,852	89
Fringe Benefits	783	822	713		713	109
Equipment	3	3				3
General Expenses	1,715	1,865	1,822		1,822	43
Contractual Services	12	12		7	7	5
Interdepartmental Charges	640	640	262	3	265	375
Office of Constituent Affairs Total	6,729	6,720	5,892	10	5,902	818
Office of Emergency Management						
Salaries	574	571	516		516	55
Fringe Benefits	218	229	208		208	21
Equipment	296	296	281		281	15
General Expenses	28	28	16		16	12
Office of Emergency Management Total	1,116	1,124	1,021		1,021	103
Information Technology						
Administration						
Salaries	8,906	9,356	9,327		9,327	29
Fringe Benefits	3,943	4,141	3,687		3,687	454
Equipment	73	73	2	38	40	33
General Expenses	1,100	879	375	165	540	339
Contractual Services	11,530	9,848	5,947	2,211	8,158	1,690
Utilities	5,093	5,165	4,390	219	4,609	556
Interdepartmental Charges	1,877	1,877	675		675	1,202
Project Management						
Salaries	988	988	973		973	15
Fringe Benefits	411	432	432		432	
General Expenses	47	15	1		1	14
Contractual Services	587	587	558	12	570	17
Information Technology Total	34,555	33,361	26,367	2,645	29,012	4,349
Housing and Intergovernmental Affairs:						
Salaries	1,004	793	657		657	136
Fringe Benefits	278	292	266		266	26
Equipment	10	10	9		9	1
General Expenses	196	196	31		31	165
Contractual Services	2,505	2,315	1		1	2,314
Interdepartmental Charges	449	639	639		639	
Housing and Intergovernmental Affairs Total	4,442	4,245	1,603		1,603	2,642

(Continued)

## COUNTY OF NASSAU, NEW YORK

COMPARATIVE STATEMENT OF ACTUAL EXPENDITURES  
 VS. TOTAL BUDGETARY AUTHORITY  
 GENERAL FUND  
 FOR THE YEAR ENDED DECEMBER 31, 2008 (Dollars in Thousands)

FUNCTIONS	Original Budget	Total Budgetary Authority	Actual Expenditures	GAAP to Budgetary Basis Conversion	Actual on a Budgetary Basis	Variance Over (Under)
<b>GENERAL ADMINISTRATION (Continued)</b>						
Labor Relations						
Salaries	\$ 519	\$ 559	\$ 555	\$	\$ 555	\$ 4
Fringe Benefits	235	246	224		224	22
Equipment	4	4				4
General Expenses	9	9	7		7	2
Contractual Services	1,375	1,335	566	423	989	346
Labor Relations Total	2,142	2,153	1,352	423	1,775	378
Management and Budgets						
Salaries	3,726	3,726	3,542		3,542	184
Fringe Benefits	1,497	1,572	1,430		1,430	142
Equipment						
General Expenses	33	63	48		48	15
Contractual Services	1,873	2,038	1,677	193	1,870	168
Worker's Compensation Expense						
Fringe Benefits	9,207	9,032	8,087	191	8,278	754
Contractual Services	202	202				202
Management and Budgets Total	16,538	16,633	14,784	384	15,168	1,465
Personnel						
Salaries	978	1,064	1,041		1,041	23
Fringe Benefits	440	462	420		420	42
General Expenses	97	68	31		31	37
Contractual Services	280	280	48	189	237	43
Personnel Total	1,795	1,874	1,540	189	1,729	145
Planning						
Salaries	2,014	1,966	1,644		1,644	322
Fringe Benefits	695	730	663		663	67
Equipment	23	23	23		23	
General Expenses	72	72	13		13	59
Contractual Services	2,029	2,029	489	1,215	1,704	325
Interdepartmental Charges	335	335				335
Mass Transportation						
Pt. Lookout/Lido Beach Bus Route	150	150	150		150	
Metropolitan Suburban Bus Authority	7,500	7,500	7,500		7,500	
LIRR Station Maintenance	25,286	25,498	25,498		25,498	
MTA-LIRR Operating Assistance	11,584	11,584	11,584		11,584	
Physically Challenged Transportation	3,000	3,000	3,000		3,000	
Planning Total	52,688	52,887	50,564	1,215	51,779	1,108
Purchasing						
Salaries	1,706	1,659	1,541		1,541	118
Fringe Benefits	651	684	622		622	62
Equipment	2	2				2
General Expenses	31	31	23		23	8
Contractual Services	153	153	1		1	152
Interdepartmental Charges	215	215	75		75	140
Purchasing Total	2,758	2,744	2,262		2,262	482
Office of Real Estate Services						
Salaries	834	818	810		810	8
Fringe Benefits	342	360	328		328	32
General Expenses	343	318	127	4	131	187
Contractual Services	172	197	110	29	139	58
Insurance on Buildings	343	343	343		343	
Rent	14,711	14,711	13,389	130	13,519	1,192
Office of Real Estate Services Total	16,745	16,747	15,107	163	15,270	1,477
Public Utility Authority						
General Expenses	1,721	1,732	1,732		1,732	
Contractual Services	22	11				11
Interdepartmental Charges	46	46	44		44	2
Public Utility Authority Total	1,789	1,789	1,776		1,776	13

(Continued)

## COUNTY OF NASSAU, NEW YORK

COMPARATIVE STATEMENT OF ACTUAL EXPENDITURES  
 VS. TOTAL BUDGETARY AUTHORITY  
 GENERAL FUND  
 FOR THE YEAR ENDED DECEMBER 31, 2008 (Dollars in Thousands)

FUNCTIONS	Original Budget	Total Budgetary Authority	Actual Expenditures	GAAP to Budgetary Basis Conversion	Actual on a Budgetary Basis	Variance Over (Under)
<b>GENERAL ADMINISTRATION (Continued)</b>						
Building Management						
Supplies	\$ 132	\$ 132	\$	\$	\$	\$ 132
General Expenses	94	94				94
Contractual Services	335	335				335
Building Management Total	561	561				561
Office of Records Management						
Salaries	849	823	693		693	130
Fringe Benefits	293	307	279		279	28
Equipment	51	51	1	1	2	49
General Expenses	379	379	172	4	176	203
Contractual Services	346	346	60	69	129	217
Interdepartmental Charges	393	393	53		53	340
Office of Records Management Total	2,311	2,299	1,258	74	1,332	967
Total General Administration	254,399	252,056	217,187	9,025	226,212	25,844
<b>PROTECTION OF PERSONS</b>						
Commission on Human Rights						
Salaries	843	827	670		670	157
Fringe Benefits	283	298	270		270	28
Equipment	6	6				6
General Expenses	24	24	8		8	16
Contractual Services	32	32				32
Commission on Human Rights Total	1,188	1,187	948		948	239
Commissioner of Accounts						
Salaries	277	277	186		186	91
Fringe Benefits	78	82	75		75	7
Equipment	7	7	1		1	6
General Expenses	12	12	1		1	11
Contractual Services	41	41	18		18	23
Commissioner of Accounts Total	415	419	281		281	138
Consumer Affairs						
Salaries	2,650	2,579	2,501		2,501	78
Fringe Benefits	1,058	1,111	1,010		1,010	101
Equipment	5	5	3		3	2
General Expenses	21	21	8		8	13
Consumer Affairs Total	3,734	3,716	3,522		3,522	194
Medical Examiner						
Salaries	5,319	4,988	4,925		4,925	63
Fringe Benefits	2,082	2,187	1,988		1,988	199
Equipment	50	50	13		13	37
General Expenses	592	586	468	42	510	76
Contractual Services	90	94	72	9	81	13
Interdepartmental Charges	1,019	1,021	1,021		1,021	
Medical Examiner Total	9,152	8,926	8,487	51	8,538	388
Total Protection of Persons	14,489	14,248	13,238	51	13,289	959

(Continued)

## COUNTY OF NASSAU, NEW YORK

COMPARATIVE STATEMENT OF ACTUAL EXPENDITURES  
 VS. TOTAL BUDGETARY AUTHORITY  
 GENERAL FUND  
 FOR THE YEAR ENDED DECEMBER 31, 2008 (Dollars In Thousands)

FUNCTIONS	Original Budget	Total Budgetary Authority	Actual Expenditures	GAAP to Budgetary Basis Conversion	Actual on a Budgetary Basis	Variance Over (Under)
<b>HEALTH</b>						
Health Department						
Administration						
Salaries	\$ 2,301	\$ 2,096	\$ 2,015	\$	\$ 2,015	\$ 81
Fringe Benefits	852	895	894		894	1
Equipment	28	87	45	36	81	6
General Expenses	266	406	216	117	333	73
Interdepartmental Charges	5,516	5,516	5,180		5,180	336
Interfund Charges	25	25				25
Environmental Health						
Salaries	6,876	6,607	6,553		6,553	54
Fringe Benefits	2,771	2,910	2,243		2,243	667
Equipment	14	14	9		9	5
General Expenses	410	410	334	26	360	50
Contractual Services	162	162	58	42	100	62
Interdepartmental Charges	385	385	180		180	205
Laboratory Research						
Salaries	2,142	1,853	1,791		1,791	62
Fringe Benefits	757	795	795		795	
Equipment	9	9	5		5	4
General Expenses	577	667	608	47	655	12
Interdepartmental Charges	203	203	183		183	20
Public Health						
Salaries	2,165	2,036	1,905		1,905	131
Fringe Benefits	805	846	845		845	1
Equipment	1	1				1
General Expenses	238	238	153	9	162	76
Contractual Services	8,229	8,229	6,937	848	7,785	444
Interdepartmental Charges	133	133	102		102	31
Early Intervention						
Salaries	4,229	4,032	3,994		3,994	38
Fringe Benefits	1,689	1,773	1,772		1,772	1
General Expenses	429	555	526		526	29
Contractual Services	24	24				24
Interdepartmental Charges	10	10				10
Early Intervention Charges	50,500	50,620	43,745	107	43,852	6,768
Preschool Education						
Salaries	459	347	322		322	25
Fringe Benefits	136	143	143		143	
General Expenses	3	3	1		1	2
Contractual Services	113	113	101	12	113	
Early Intervention Charges	135,463	135,343	112,753	13,724	126,477	8,866
Health Department Total	227,920	227,486	194,408	14,968	209,376	18,110
Mental Health, Chemical Dependency and Disabled Services						
Administration						
Salaries	3,051	2,956	2,857		2,857	99
Fringe Benefits	1,208	1,268	1,017		1,017	251
General Expenses	56	56	33		33	23
Contractual Services	123	123	47		47	76
Interdepartmental Charges	3,415	3,415	2,180		2,180	1,235
Contractual Services						
General Expenses	2	2				2
Contractual Services	15,919	15,919	8,319	3,385	11,704	4,215
Direct Services						
Salaries	3,716	3,596	3,378		3,378	218
Fringe Benefits	1,428	1,500	1,499		1,499	1
Equipment		17	3		3	14
General Expenses	670	653	302	1	303	350
Contractual Services	2,009	2,009	765	28	793	1,216
Mental Health, Chemical Dependency and Disabled Services	31,597	31,514	20,400	3,414	23,814	7,700
Total Health	259,517	259,000	214,808	18,382	233,190	25,810

(Continued)

## COUNTY OF NASSAU, NEW YORK

COMPARATIVE STATEMENT OF ACTUAL EXPENDITURES  
 VS. TOTAL BUDGETARY AUTHORITY  
 GENERAL FUND  
 FOR THE YEAR ENDED DECEMBER 31, 2008 (Dollars in Thousands)

<u>FUNCTIONS</u>	<u>Original Budget</u>	<u>Total Budgetary Authority</u>	<u>Actual Expenditures</u>	<u>GAAP to Budgetary Basis Conversion</u>	<u>Actual on a Budgetary Basis</u>	<u>Variance Over (Under)</u>
<b>PUBLIC WORKS</b>						
Administration						
Salaries	\$ 3,679	\$ 3,316	\$ 3,149	\$	\$ 3,149	\$ 167
Fringe Benefits	1,331	1,398	1,398		1,398	
Worker's Compensation	1,099	1,692	1,692		1,692	
Equipment	5	5				5
General Expenses	85	80	51	11	62	18
Contractual Services	93	93	77		77	16
Highway and Engineering						
Salaries	12,063	11,310	10,443		10,443	867
Fringe Benefits	4,415	4,637	4,635		4,635	2
Equipment	49	49	16		16	33
General Expenses	136	131	68		68	63
Contractual Services	5,859	5,889	3,721	485	4,206	1,683
Utility Costs	2,432	2,509	2,320		2,320	189
Highway and Bridge Maintenance						
Salaries	19,736	18,521	17,820		17,820	701
Fringe Benefits	7,534	7,912	6,571		6,571	1,341
Equipment	89	89	47	4	51	38
Supplies	36	36				36
General Expenses	2,813	2,473	1,296	272	1,568	905
Contractual Services	4,711	4,918	3,083	805	3,888	1,030
Utility Costs	32,812	30,939	27,576	1,371	28,947	1,992
Interdepartmental Charges	6,917	6,918	3,735		3,735	3,183
Groundwater Remediation						
Salaries	2,199	2,117	1,947		1,947	170
Fringe Benefits	823	865	864		864	1
Equipment	46	46	1		1	45
Supplies	20	20	1		1	19
General Expenses	2,839	3,189	2,385	128	2,513	676
Contractual Services	156	156	142	11	153	3
Interfund Charges	658	658	551		551	107
<u>Total Public Works</u>	<u>112,635</u>	<u>109,966</u>	<u>93,589</u>	<u>3,087</u>	<u>96,676</u>	<u>13,290</u>
<b>RECREATION AND PARKS</b>						
Administration						
Salaries	2,351	2,263	1,357		1,357	906
Fringe Benefits	921	967	967		967	
Equipment	11	11	11		11	
General Expenses	87	87	48		48	39
Contractual Services	3,770	3,770	932	2,419	3,351	419
Technical Service						
Salaries	6,335	6,015	5,610		5,610	405
Fringe Benefits	2,372	2,496	2,490		2,490	6
Equipment	50	50	47		47	3
General Expenses	536	536	453	3	456	80
Contractual Services	1,697	1,697	1,398	111	1,509	188
Recreation Service						
Salaries	6,310	6,231	5,955		5,955	276
Fringe Benefits	2,518	2,644	2,643		2,643	1
Equipment	29	29	28	1	29	
General Expenses	189	189	150	18	168	21
Contractual Services	564	564	393	137	530	34
Museum						
Salaries	3,123	3,051	3,047		3,047	4
Fringe Benefits	1,288	1,353	1,352		1,352	1
Equipment	20	20	16		16	4
General Expenses	205	205	162	6	168	37
Contractual Services	1,242	1,242	745	23	768	474
Golf Operations						
Salaries	3,682	3,751	3,685		3,685	66
Fringe Benefits	1,558	1,636	1,635		1,635	1
Equipment	190	190	179		179	11
General Expenses	585	585	571	3	574	11
Contractual Services	475	475	370	14	384	91
<u>Total Recreation and Parks</u>	<u>40,108</u>	<u>40,057</u>	<u>34,244</u>	<u>2,735</u>	<u>36,979</u>	<u>3,078</u>

(Continued)

## COUNTY OF NASSAU, NEW YORK

COMPARATIVE STATEMENT OF ACTUAL EXPENDITURES  
 VS. TOTAL BUDGETARY AUTHORITY  
 GENERAL FUND  
 FOR THE YEAR ENDED DECEMBER 31, 2008 (Dollars in Thousands)

<u>FUNCTIONS</u>	<u>Original Budget</u>	<u>Total Budgetary Authority</u>	<u>Actual Expenditures</u>	<u>GAAP to Budgetary Basis Conversion</u>	<u>Actual on a Budgetary Basis</u>	<u>Variance Over (Under)</u>
<b>SOCIAL SERVICES</b>						
Bar Association - Public Defender	\$ 6,343	\$ 6,343	\$ 5,868	\$ (49)	\$ 5,819	\$ 524
CASA						
Salaries	449	449	442		442	7
Fringe Benefits	187	196	178		178	18
General Expenses	6	6	2		2	4
Contractual Services	56	56	16	29	45	11
CASA Total	698	707	638	29	667	40
Legal Aid Society	5,205	5,205	5,205		5,205	
Minority Affairs						
Salaries	658	658	594		594	64
Fringe Benefits	251	264	239		239	25
Equipment	1	1				1
General Expenses	56	56	18	10	28	28
Contractual Services	148	148	80	25	105	43
Minority Affairs Total	1,114	1,127	931	35	966	161
Senior Citizens Affairs						
Administration						
Salaries	2,683	2,598	2,401		2,401	197
Fringe Benefits	1,015	1,066	970		970	96
Equipment	10	10	2		2	8
General Expenses	34	34	13		13	21
Contractual Services	486	496	417	10	427	69
Interdepartmental Charges	1,427	1,427	1,243		1,243	184
Community Services						
Contractual Services	1,905	2,290	1,549	464	2,013	277
Nutrition Program						
Contractual Services	5,007	5,135	4,112	585	4,697	438
Community Centers						
General Expenses	19	19	8	1	9	10
Contractual Services	160	160		80	80	80
Area Agency Title III						
Contractual Services	2,549	2,702	2,083	203	2,286	416
Foster Grandparents Program						
General Expenses	1	1	1		1	
Extended In-home Services						
Contractual Services	5,443	5,687	4,957	404	5,361	326
SNAP (Nutrition)						
Contractual Services	1,094	1,463	831	456	1,287	176
TITLE III(D)/CSI (Health Promotion)						
Contractual Services	145	149	84	36	120	29
TITLE III(E) (Caregivers)						
Contractual Services	1,241	1,241	879	128	1,007	234
Senior Citizens Affairs Total	23,219	24,478	19,550	2,367	21,917	2,561
Social Services Department						
Administration						
Salaries	5,568	4,512	4,482		4,482	30
Fringe Benefits	1,894	1,993	1,989		1,989	4
Equipment	17	17	13		13	4
General Expenses	475	475	413	55	468	7
Contractual Services	4,789	4,614	4,007	231	4,238	376
Interdepartmental Charges	18,875	18,805	14,459		14,459	4,346
Public Financial Assistance						
Salaries	26,726	24,897	24,897		24,897	
Fringe Benefits	10,527	11,059	9,019		9,019	2,040
Equipment	28	28	16		16	12
General Expenses	524	624	536	69	605	19
Contractual Services	16,590	15,890	6,820	4,880	11,700	4,190

(Continued)

## COUNTY OF NASSAU, NEW YORK

COMPARATIVE STATEMENT OF ACTUAL EXPENDITURES  
 VS. TOTAL BUDGETARY AUTHORITY  
 GENERAL FUND  
 FOR THE YEAR ENDED DECEMBER 31, 2008 (Dollars in Thousands)

FUNCTIONS	Original Budget	Total Budgetary Authority	Actual Expenditures	GAAP to Budgetary Basis Conversion	Actual on a Budgetary Basis	Variance Over (Under)
<b>SOCIAL SERVICES (continued)</b>						
Division of Services						
Salaries	\$ 20,564	\$ 19,194	\$ 19,180	\$	\$ 19,180	\$ 14
Fringe Benefits	8,109	8,516	8,512		8,512	4
General Expenses	232	282	204	48	252	30
Contractual Services	899	827	450	13	463	364
Juvenile Detention Center						
Salaries	3,149	3,058	2,995		2,995	63
Fringe Benefits	1,267	1,335	1,329		1,329	6
Equipment	71	71	27		27	44
General Expenses	207	207	73	34	107	100
Contractual Services	1,334	1,409	627	536	1,163	246
Interdepartmental Charges	674	743	743		743	
Real Estate						
General Expenses	1	1				1
Handicapped Children Education						
Emergency Vendor Payments	15,423	15,423	13,561	485	14,046	1,377
Physically Challenged						
Salaries	392	392	374		374	18
Fringe Benefits	158	166	151		151	15
Equipment	2	2				2
General Expenses	35	35	16		16	19
Contractual Services	26	26	24	(5)	19	7
Interdepartmental Charges	299	299	168		168	131
Aid to Dependent Children						
Recipient Grants	20,499	21,174	21,166		21,166	8
Emergency Vendor Payments	4,705	5,579	5,478	73	5,551	28
Home Relief						
Recipient Grants	18,749	20,750	20,745		20,745	5
Emergency Vendor Payments	1,917	3,267	3,266		3,266	1
Children in Institutions						
Emergency Vendor Payments	22,463	21,938	16,791	2,601	19,392	2,546
Children in Foster Homes						
Recipient Grants	1,117	1,312	1,231		1,231	81
Purchased Services	1	1	1		1	
Emergency Vendor Payments	415	415	409		409	6
Juvenile Delinquents						
Emergency Vendor Payments	8,674	8,674	8,082	82	8,164	510
Training Schools						
Emergency Vendor Payments	3,200	3,200	3,200		3,200	
Children in Institutions - Title 4E						
Emergency Vendor Payments	2,765	2,635	1,576	836	2,412	223
Children in Foster Homes - Title 4E						
Recipient Grants	625	575	569		569	6
Emergency Vendor Payments	300	300	217		217	83
Subsidized Adoptions						
Recipient Grants	5,400	5,380	5,303		5,303	77
Burials						
Emergency Vendor Payments	300	250	244		244	6
Medicaid						
Medicaid	225,699	225,514	225,227		225,227	287
Home Energy Assistance						
Recipient Grants	2,500	250	128		128	122
Title-XX						
Purchased Services	50,498	52,513	46,855	4,299	51,154	1,359
Social Services Department Total	<u>508,682</u>	<u>508,627</u>	<u>475,573</u>	<u>14,237</u>	<u>489,810</u>	<u>18,817</u>
Veterans Service Agency						
Salaries	635	623	602		602	21
Fringe Benefits	254	267	243		243	24
General Expenses	39	39	24		24	15
Contractual Services	1	1				1
Interdepartmental Charges	496	496	194		194	302
Veterans Service Agency Total	<u>1,425</u>	<u>1,426</u>	<u>1,063</u>		<u>1,063</u>	<u>363</u>

(Continued)

## COUNTY OF NASSAU, NEW YORK

COMPARATIVE STATEMENT OF ACTUAL EXPENDITURES  
 VS. TOTAL BUDGETARY AUTHORITY  
 GENERAL FUND  
 FOR THE YEAR ENDED DECEMBER 31, 2008 (Dollars in Thousands)

FUNCTIONS	Original Budget	Total Budgetary Authority	Actual Expenditures	GAAP to Budgetary Basis Conversion	Actual on a Budgetary Basis	Variance Over (Under)
<b><u>SOCIAL SERVICES (continued)</u></b>						
Youth Board						
Salaries	\$ 555	\$ 540	\$ 472		\$ 472	\$ 68
Fringe Benefits	200	210	190		190	20
General Expenses	30	30	25		25	5
Contractual Services	10,384	10,384	8,424	1,438	9,862	522
Interdepartmental Charges	687	687	470		470	217
Youth Board Total	<u>11,856</u>	<u>11,851</u>	<u>9,581</u>	<u>1,438</u>	<u>11,019</u>	<u>832</u>
<b>Total Social Services</b>	<b><u>558,542</u></b>	<b><u>559,764</u></b>	<b><u>518,409</u></b>	<b><u>18,057</u></b>	<b><u>536,466</u></b>	<b><u>23,298</u></b>
<b><u>CORRECTIONS</u></b>						
Correctional Center						
Salaries	111,256	104,972	103,127		103,127	1,845
Fringe Benefits	43,602	45,791	41,407		41,407	4,384
Worker's Compensation	2,186	3,925	3,925		3,925	
Equipment	61	61	58		58	3
General Expenses	4,588	4,144	3,799	203	4,002	142
Contractual Services	42,287	41,692	18,864	20,045	38,909	2,783
Utility Costs	724	595	562	1	563	32
Correctional Center Total	<u>204,704</u>	<u>201,180</u>	<u>171,742</u>	<u>20,249</u>	<u>191,991</u>	<u>9,189</u>
Sheriff						
Salaries	5,997	5,797	5,598		5,598	199
Fringe Benefits	2,363	2,481	2,481		2,481	
Equipment	2	2				2
General Expenses	37	37	30	2	32	5
Sheriff Total	<u>8,399</u>	<u>8,317</u>	<u>8,109</u>	<u>2</u>	<u>8,111</u>	<u>206</u>
Correctional Center and Sheriff Total	<u>213,103</u>	<u>209,497</u>	<u>179,851</u>	<u>20,251</u>	<u>200,102</u>	<u>9,395</u>
Probation Administration						
Salaries	20,062	17,996	17,772		17,772	224
Fringe Benefits	7,513	7,895	7,176		7,176	719
Equipment	26	26	16		16	10
General Expenses	219	219	163	6	169	50
Contractual Services	354	354	208	73	281	73
Probation Total	<u>28,174</u>	<u>26,490</u>	<u>25,335</u>	<u>79</u>	<u>25,414</u>	<u>1,076</u>
<b>Total Corrections</b>	<b><u>241,277</u></b>	<b><u>235,987</u></b>	<b><u>205,186</u></b>	<b><u>20,330</u></b>	<b><u>225,516</u></b>	<b><u>10,471</u></b>
<b><u>EDUCATION</u></b>						
Payment to Long Beach Schools	106	106	106		106	
Public Library Services	14,000	14,000				14,000
State School Tuition	5,816	8,616	8,550		8,550	66
<b>Total Education</b>	<b><u>19,922</u></b>	<b><u>22,722</u></b>	<b><u>8,656</u></b>		<b><u>8,656</u></b>	<b><u>14,066</u></b>
<b><u>PAYMENTS FOR TAX CERTIORARI AND OTHER JUDGMENTS</u></b>						
	<u>40,000</u>	<u>40,000</u>	<u>115,717</u>	<u>(75,763)</u>	<u>39,954</u>	<u>46</u>
<b><u>OTHER EXPENDITURES</u></b>						
Nassau Health Care Corporation	37,693	128,200	35,611		35,611	92,589
Aid to Towns and Cities	62,622	62,622	60,321		60,321	2,301
County Executive Associations	31	31	28		28	3
Lido-Point Lookout Fire District	6	6	6		6	
HIPPA Payments	25	25				25
NYS Association of Counties	54	54	52		52	2
NIFA Expenditures	1,300	1,355				1,355
Insurance on Buildings	500	195	57		57	138
Suits and Damages	2,596	2,745	1,417		1,417	1,328
Unallocated Fringe	3,191	3,191	4,815	(14,648)	(9,833)	13,024
Unallocated Expenses	23,827	23,827	21,342	146	21,488	2,339
<b>Total Other Expenditures</b>	<b><u>131,845</u></b>	<b><u>222,251</u></b>	<b><u>123,649</u></b>	<b><u>(14,502)</u></b>	<b><u>109,147</u></b>	<b><u>113,104</u></b>
<b>Total Expenditures</b>	<b><u>1,737,586</u></b>	<b><u>1,820,535</u></b>	<b><u>1,604,799</u></b>	<b><u>(17,756)</u></b>	<b><u>1,587,043</u></b>	<b><u>233,492</u></b>

(Continued)



## COUNTY OF NASSAU, NEW YORK

COMPARATIVE STATEMENT OF ACTUAL EXPENDITURES  
 VS. TOTAL BUDGETARY AUTHORITY  
 GENERAL FUND  
 FOR THE YEAR ENDED DECEMBER 31, 2008 (Dollars in Thousands)

<u>FUNCTIONS</u>	<u>Original Budget</u>	<u>Total Budgetary Authority</u>	<u>Actual Expenditures</u>	<u>GAAP to Budgetary Basis Conversion</u>	<u>Actual on a Budgetary Basis</u>	<u>Variance Over (Under)</u>
<b>TRANSFERS OUT</b>						
Debt Service Fund	\$ 286,815	\$ 264,398	\$ 255,410	\$	\$ 255,410	\$ 8,988
County Fire Commission Fund		832	832		832	
Police Headquarters Fund		13,536	13,536		13,536	
Deposited with Escrow Agent for Defeasance		21,585	21,585		21,585	
<u>Total Transfers Out</u>	<u>286,815</u>	<u>300,351</u>	<u>291,363</u>		<u>291,363</u>	<u>8,988</u>
<b>TOTAL EXPENDITURES AND TRANSFERS OUT</b>	<b>\$ 2,024,401</b>	<b>\$ 2,120,886</b>	<b>\$ 1,896,162</b>	<b>\$ (17,756)</b>	<b>\$ 1,878,406</b>	<b>\$ 242,480</b>

\*Appropriations per 2008 budget as adopted  
 Outstanding encumbrances, January 1, 2008  
 Original Budget per above  
 Add: Supplemental appropriations  
 Total Budgetary Authority

\$ 1,925,065  
99,336  
 2,024,401  
96,485  
**\$ 2,120,886**

## COUNTY OF NASSAU, NEW YORK

COMPARATIVE STATEMENT OF ACTUAL EXPENDITURES  
 VS. TOTAL BUDGETARY AUTHORITY  
 GENERAL FUND  
 FOR THE YEAR ENDED DECEMBER 31, 2007 (Dollars in Thousands)

FUNCTIONS	Original Budget	Total Budgetary Authority	Actual Expenditures	GAAP to Budgetary Basis Conversion	Actual on a Budgetary Basis	Variance Over (Under)
<b>CURRENT:</b>						
<b>LEGISLATIVE</b>						
Legislature						
Legislators						
Salaries	\$ 4,721	\$ 4,621	\$ 3,971	\$	\$ 3,971	\$ 650
Fringe Benefits	1,619	1,450	1,450		1,450	
Equipment	11	11	4		4	7
General Expenses	19	18	3		3	15
Contractual Services	334	175	50	70	120	55
Legislative Central Staff						
Salaries	746	746	593		593	153
Fringe Benefits	180	216	216		216	
Equipment	57	57	14	17	31	26
General Expenses	1,308	1,838	1,743	44	1,787	51
Contractual Services	1,515	1,245	611	340	951	294
Legislative Budget Review						
Salaries	840	840	822		822	18
Fringe Benefits	360	300	300		300	
Equipment	1	1				1
General Expenses	6	6	4		4	2
Contractual Services	67	67		7	7	60
Legislature Total	<u>11,784</u>	<u>11,591</u>	<u>9,781</u>	<u>478</u>	<u>10,259</u>	<u>1,332</u>
Total Legislative	<u>11,784</u>	<u>11,591</u>	<u>9,781</u>	<u>478</u>	<u>10,259</u>	<u>1,332</u>
<b>JUDICIAL</b>						
Court Administration						
Fringe Benefits	<u>2,129</u>	<u>2,129</u>	<u>1,963</u>		<u>1,963</u>	<u>166</u>
District Attorney						
Salaries	28,250	28,195	28,178		28,178	17
Fringe Benefits	9,716	9,206	9,206		9,206	
Equipment	133	113	74	22	96	17
General Expenses	918	918	810	65	875	43
Contractual Services	1,180	1,260	866	200	1,066	194
District Attorney Total	<u>40,197</u>	<u>39,692</u>	<u>39,134</u>	<u>287</u>	<u>39,421</u>	<u>271</u>
Public Administrator						
Salaries	430	485	481		481	4
Fringe Benefits	180	216	216		216	
Equipment	2	2	1		1	1
General Expenses	8	8	6		6	2
Contractual Services	14	14	7		7	7
Public Administrator Total	<u>634</u>	<u>725</u>	<u>711</u>		<u>711</u>	<u>14</u>
Traffic and Parking Violations						
Salaries	2,830	2,824	2,708		2,708	116
Fringe Benefits	900	897	897		897	
Equipment	24	30	30		30	
General Expenses	331	341	214	53	267	74
Contractual Services	1,108	1,058	647	128	775	283
Traffic and Parking Violations Total	<u>5,193</u>	<u>5,150</u>	<u>4,496</u>	<u>181</u>	<u>4,677</u>	<u>473</u>
Total Judicial	<u>48,153</u>	<u>47,696</u>	<u>46,304</u>	<u>468</u>	<u>46,772</u>	<u>924</u>

(Continued)

## COUNTY OF NASSAU, NEW YORK

 COMPARATIVE STATEMENT OF ACTUAL EXPENDITURES  
 VS. TOTAL BUDGETARY AUTHORITY  
 GENERAL FUND  
 FOR THE YEAR ENDED DECEMBER 31, 2007 (Dollars in Thousands)

FUNCTIONS	Original Budget	Total Budgetary Authority	Actual Expenditures	GAAP to Budgetary Basis Conversion	Actual on a Budgetary Basis	Variance Over (Under)
<b>GENERAL ADMINISTRATION</b>						
Assessment						
Salaries	\$ 13,103	\$ 13,603	\$ 13,373	\$	\$ 13,373	\$ 230
Fringe Benefits	6,117	5,806	5,806		5,806	
Equipment	367	367	188		188	179
Materials and Supplies	2	2				2
General Expenses	952	1,052	864	21	885	167
Contractual Services	4,002	3,402	1,713	925	2,638	764
Assessment Total	<u>24,543</u>	<u>24,232</u>	<u>21,944</u>	<u>946</u>	<u>22,890</u>	<u>1,342</u>
Board of Assessment Review						
Salaries	3,694	3,543	3,458		3,458	85
Fringe Benefits	1,080	1,094	1,094		1,094	
Equipment	21	9				9
General Expenses	152	133	106	4	110	23
Contractual Services	4,208	4,208	1,521	2,238	3,759	449
Board of Assessment Review Total	<u>9,155</u>	<u>8,987</u>	<u>6,179</u>	<u>2,242</u>	<u>8,421</u>	<u>566</u>
Board of Elections						
Administration						
Salaries	3,673	3,673	3,288		3,288	385
Fringe Benefits	1,259	1,171	1,171		1,171	
Equipment	49	49	36		38	11
General Expenses	20	20	10	3	13	7
General Elections						
Salaries	4,999	5,249	5,135		5,135	114
Fringe Benefits	1,979	1,829	1,829		1,829	
Equipment	55	55	13		43	12
General Expenses	751	751	531	194	725	26
Contractual Services	437	437	271	19	290	147
Primary Elections						
Salaries	991	741	298		298	443
Fringe Benefits	180	107	107		107	
General Expenses	118	118	38		38	80
Contractual Services	210	210	34	69	103	107
Board of Elections Total	<u>14,721</u>	<u>14,410</u>	<u>12,761</u>	<u>317</u>	<u>13,078</u>	<u>1,332</u>
Civil Service						
Salaries	5,052	5,052	4,455		4,455	597
Fringe Benefits	1,979	1,796	1,796		1,796	
Equipment	19	17	2	1	3	14
General Expenses	350	287	154	6	160	127
Contractual Services	8	45	44		44	1
Interdepartmental Charges	150	150	12		12	138
Civil Service Total	<u>7,558</u>	<u>7,347</u>	<u>6,463</u>	<u>7</u>	<u>6,470</u>	<u>877</u>
County Attorney						
Salaries	10,702	11,646	11,646		11,646	
Fringe Benefits	4,318	4,100	4,100		4,100	
Equipment	51	47	41	1	42	5
Materials and Supplies	2	2	2		2	
General Expenses	743	754	731	18	749	5
Contractual Services	4,482	3,974	2,004	944	2,948	1,026
Worker's Compensation Expense						
Fringe Benefits	20,210	19,875	19,684	190	19,874	1
Contractual Services	450	1,100	1,100		1,100	
County Attorney Total	<u>40,958</u>	<u>41,498</u>	<u>39,308</u>	<u>1,153</u>	<u>40,461</u>	<u>1,037</u>
County Clerk						
Salaries	5,425	5,425	4,934		4,934	491
Fringe Benefits	2,879	2,795	2,795		2,795	
Equipment	194	194	103		104	90
Materials and Supplies	2	2		2	2	
General Expenses	414	414	292	38	330	84
Contractual Services	408	408	108	178	286	122
County Clerk Total	<u>9,322</u>	<u>9,238</u>	<u>8,232</u>	<u>219</u>	<u>8,451</u>	<u>787</u>
County Comptroller						
Salaries	7,093	7,093	6,328		6,328	765
Fringe Benefits	3,059	2,856	2,856		2,856	
Equipment	212	212	48	162	210	2
General Expenses	111	111	106	2	108	3
Contractual Services	1,415	1,415	657	373	1,030	385
County Comptroller Total	<u>11,890</u>	<u>11,687</u>	<u>9,995</u>	<u>537</u>	<u>10,532</u>	<u>1,155</u>

(Continued)

## COUNTY OF NASSAU, NEW YORK

COMPARATIVE STATEMENT OF ACTUAL EXPENDITURES  
 VS. TOTAL BUDGETARY AUTHORITY  
 GENERAL FUND  
 FOR THE YEAR ENDED DECEMBER 31, 2007 (Dollars in Thousands)

FUNCTIONS	Original Budget	Total Budgetary Authority	Actual Expenditures	GAAP to Budgetary Basis Conversion	Actual on a Budgetary Basis	Variance Over (Under)
<b>GENERAL ADMINISTRATION (Continued)</b>						
County Executive						
Salaries	\$ 3,983	\$ 3,953	\$ 3,636		\$ 3,636	\$ 317
Fringe Benefits	1,259	1,232	1,232		1,232	
Equipment	2	2				2
General Expenses	6	36	25	3	28	8
Contractual Services	332	332	126	196	322	10
County Executive Total	<u>5,582</u>	<u>5,555</u>	<u>5,019</u>	<u>199</u>	<u>5,218</u>	<u>337</u>
County Treasurer						
Salaries	2,675	2,575	2,543		2,543	32
Fringe Benefits	1,439	1,353	1,353		1,353	
Equipment	10	9	7		7	2
General Expenses	294	351	141	3	144	207
Contractual Services	726	621	30	32	62	559
County Treasurer Total	<u>5,144</u>	<u>4,909</u>	<u>4,074</u>	<u>35</u>	<u>4,109</u>	<u>800</u>
Office of Constituent Affairs						
Salaries	1,234	1,200	1,135		1,135	65
Fringe Benefits	540	428	428		428	
Office of Constituent Affairs Printing & Graphics						
Salaries	1,924	1,934	1,934		1,934	
Fringe Benefits	720	730	730		730	
Equipment	7	7	3	1	4	3
General Expenses	1,678	1,778	1,729	24	1,753	25
Interdepartmental Charges	1,067	1,067	442		442	625
Office of Constituent Affairs Total	<u>7,170</u>	<u>7,144</u>	<u>6,401</u>	<u>25</u>	<u>6,426</u>	<u>718</u>
Office of Emergency Management						
Salaries	465	573	543		543	30
Fringe Benefits	180	131	131		131	
Equipment	638	635	351	269	620	15
General Expenses	33	31	14	2	16	15
Office of Emergency Management Total	<u>1,316</u>	<u>1,370</u>	<u>1,039</u>	<u>271</u>	<u>1,310</u>	<u>60</u>
Information Technology						
Administration						
Salaries	8,175	8,317	8,303		8,303	14
Fringe Benefits	3,239	3,050	3,050		3,050	
Equipment	214	205	96	38	134	71
General Expenses	2,202	2,028	1,706	157	1,863	165
Contractual Services	9,985	9,949	4,037	3,071	7,108	2,841
Utilities	5,072	5,007	4,603	210	4,813	194
Interdepartmental Charges	1,596	1,596	1,190		1,190	406
Project Management						
Salaries	1,018	907	907		907	
Fringe Benefits	360	339	339		339	
General Expenses	72	72	55	1	56	16
Contractual Services	580	580	513	5	518	62
Information Technology Total	<u>32,513</u>	<u>32,050</u>	<u>24,799</u>	<u>3,482</u>	<u>28,281</u>	<u>3,769</u>
Housing and Intergovernmental Affairs:						
Salaries	1,071	1,071	1,043		1,043	28
Fringe Benefits	540	589	589		589	
Equipment	19	14	1	9	10	4
General Expenses	251	209	85	12	97	112
Contractual Services	2,603	2,603	(39)	1	(38)	2,641
Interdepartmental Charges	539	540	464		464	76
Housing and Intergovernmental Affairs Total	<u>5,023</u>	<u>5,026</u>	<u>2,143</u>	<u>22</u>	<u>2,165</u>	<u>2,861</u>

(Continued)

## COUNTY OF NASSAU, NEW YORK

COMPARATIVE STATEMENT OF ACTUAL EXPENDITURES  
 VS. TOTAL BUDGETARY AUTHORITY  
 GENERAL FUND  
 FOR THE YEAR ENDED DECEMBER 31, 2007 (Dollars in Thousands)

FUNCTIONS	Original Budget	Total Budgetary Authority	Actual Expenditures	GAAP to Budgetary Basis Conversion	Actual on a Budgetary Basis	Variance Over (Under)
<b>GENERAL ADMINISTRATION (Continued)</b>						
Labor Relations						
Salaries	\$ 468	\$ 520	\$ 520	\$	\$ 520	\$
Fringe Benefits	180	127	127		127	
Equipment	6	3	3		3	
General Expenses	9	11	9		9	2
Contractual Services	3	1,481	747	314	1,061	420
Labor Relations Total	<u>666</u>	<u>2,142</u>	<u>1,406</u>	<u>314</u>	<u>1,720</u>	<u>422</u>
Management and Budgets						
Salaries	3,015	3,539	3,386		3,386	153
Fringe Benefits	1,259	1,128	1,128		1,128	
Equipment	7	2				2
General Expenses	87	69	49		49	20
Contractual Services	332	1,352	1,065	105	1,170	182
Fiscal Analysis						
Contractual Services	388	388	375	1	376	12
Management and Budgets Total	<u>5,088</u>	<u>6,478</u>	<u>6,003</u>	<u>106</u>	<u>6,109</u>	<u>369</u>
Personnel						
Salaries	833	893	882		882	11
Fringe Benefits	360	352	352		352	
General Expenses	90	63	31	5	36	27
Contractual Services	514	479	1	215	216	263
Personnel Total	<u>1,797</u>	<u>1,787</u>	<u>1,266</u>	<u>220</u>	<u>1,486</u>	<u>301</u>
Planning						
Salaries	1,886	1,886	1,620		1,620	266
Fringe Benefits	900	828	828		828	
Equipment		48	12	23	35	13
General Expenses	98	66	24	1	25	41
Contractual Services	1,160	1,137	79	936	1,015	122
Bus Shelter Maint. & Cleaning	5	5				5
Mass Transportation						
Pt. Lookout/Lido Beach Bus Route	75	75		75	75	
Metropolitan Suburban Bus Authority	7,800	7,800	7,800		7,800	
LIRR Station Maintenance	24,843	24,843	24,550		24,550	293
MTA-LIRR Operating Assistance	11,584	11,584	11,584		11,584	
Physically Challenged Transportation	3,000	3,000	3,000		3,000	
Planning Total	<u>51,351</u>	<u>51,272</u>	<u>49,497</u>	<u>1,035</u>	<u>50,532</u>	<u>740</u>
Purchasing						
Salaries	1,634	1,584	1,545		1,545	39
Fringe Benefits	900	840	840		840	
Equipment	2	2				2
General Expenses	31	41	19	1	20	21
Contractual Services	165	240	26		26	214
Interdepartmental Charges	1,772	1,772	158		158	1,614
Purchasing Total	<u>4,504</u>	<u>4,479</u>	<u>2,588</u>	<u>1</u>	<u>2,589</u>	<u>1,890</u>
Office of Real Estate Services						
Salaries	896	906	785		785	121
Fringe Benefits	360	285	285		285	
General Expenses	409	372	134	133	267	105
Contractual Services	136	136	67	59	126	10
Insurance on Buildings	500	425	83	342	425	
Rent	15,338	15,476	14,032	1,168	15,200	276
Office of Real Estate Services Total	<u>17,639</u>	<u>17,600</u>	<u>15,386</u>	<u>1,702</u>	<u>17,088</u>	<u>512</u>
Public Utility Authority						
General Expenses	2,311	2,316	1,953		1,953	363
Contractual Services	29	13				13
Other Suits and Damages		11	11		11	
Interdepartmental Charges	47	47	47		47	
Public Utility Authority Total	<u>2,387</u>	<u>2,387</u>	<u>2,011</u>		<u>2,011</u>	<u>376</u>

(Continued)

## COUNTY OF NASSAU, NEW YORK

COMPARATIVE STATEMENT OF ACTUAL EXPENDITURES  
 VS. TOTAL BUDGETARY AUTHORITY  
 GENERAL FUND  
 FOR THE YEAR ENDED DECEMBER 31, 2007 (Dollars in Thousands)

FUNCTIONS	Original Budget	Total Budgetary Authority	Actual Expenditures	GAAP to Budgetary Basis Conversion	Actual on a Budgetary Basis	Variance Over (Under)
<b>GENERAL ADMINISTRATION (Continued)</b>						
Building Management						
Supplies	\$ 134	\$ 134	\$	\$ 133	\$ 133	\$ 1
General Expenses	94	94		94	94	
Contractual Services	362	363	18	335	353	10
Building Management Total	590	591	18	562	580	11
Office of Records Management						
Salaries	754	754	560		560	194
Fringe Benefits	540	521	520		520	1
Equipment	48	48	22	1	23	25
Materials and Supplies	2	2		2	2	
General Expenses	232	232	23	190	213	19
Contractual Services	312	312	33	211	244	68
Interdepartmental Charges	214	214	122		122	92
Office of Records Management Total	2,102	2,083	1,280	404	1,684	399
<u>Total General Administration</u>	261,019	262,272	227,812	13,799	241,611	20,661
<b>PROTECTION OF PERSONS</b>						
Commission on Human Rights						
Salaries	811	811	677		677	134
Fringe Benefits	360	401	401		401	
Equipment	6	3				3
General Expenses	27	15	3		4	11
Contractual Services	25	25	13	(6)	7	18
Commission on Human Rights Total	1,229	1,255	1,094	(5)	1,089	166
Commissioner of Accounts						
Salaries	389	268	228		228	40
Fringe Benefits	180	175	175		175	
Equipment	6	5	2	1	3	2
General Expenses	17	6	2		2	4
Contractual Services	54	54	17	1	18	36
Commissioner of Accounts Total	646	508	424	2	426	82
Consumer Affairs						
Salaries	2,467	2,467	2,459		2,459	8
Fringe Benefits	1,259	1,135	1,135		1,135	
Equipment	19	10	8		8	2
General Expenses	23	11	9	1	10	1
Contractual Services		5	5		5	
Consumer Affairs Total	3,768	3,628	3,616	1	3,617	11
Medical Examiner						
Salaries	5,264	5,111	5,074		5,074	37
Fringe Benefits	1,799	1,684	1,684		1,684	
Equipment	50	34	18		18	16
General Expenses	617	597	500	52	552	45
Contractual Services	86	86	53	9	62	24
Interdepartmental Charges		973	973		973	
Medical Examiner Total	7,816	8,485	8,302	61	8,363	122
Traffic Safety Board						
Salaries	192	198	198		198	
Fringe Benefits	77	77	77		77	
Traffic Safety Board Total	269	275	275		275	
<u>Total Protection of Persons</u>	13,728	14,151	13,711	59	13,770	381

(Continued)

## COUNTY OF NASSAU, NEW YORK

COMPARATIVE STATEMENT OF ACTUAL EXPENDITURES  
 VS. TOTAL BUDGETARY AUTHORITY  
 GENERAL FUND  
 FOR THE YEAR ENDED DECEMBER 31, 2007 (Dollars in Thousands)

FUNCTIONS	Original Budget	Total Budgetary Authority	Actual Expenditures	GAAP to Budgetary Basis Conversion	Actual on a Budgetary Basis	Variance Over (Under)
<b>HEALTH</b>						
Health Department						
Administration						
Salaries	\$ 2,213	\$ 2,008	\$ 1,885	\$	\$ 1,885	\$ 123
Fringe Benefits	1,080	952	952		952	
Equipment		205		28	28	177
General Expenses	254	239	144	87	231	8
Contractual Services	10	10				10
Interdepartmental Charges	5,179	5,179	4,857		4,857	322
Interfund Charges	25	25				25
Environmental Health						
Salaries	6,876	6,876	6,498		6,498	378
Fringe Benefits	3,419	3,282	3,282		3,282	
Equipment	18	17	14		14	3
General Expenses	441	441	297	88	385	56
Contractual Services	205	205	36	61	97	108
Interdepartmental Charges	166	166				166
Laboratory Research						
Salaries	2,010	1,925	1,823		1,823	102
Fringe Benefits	900	921	921		921	
Equipment	9	8	6		6	2
Supplies	2	2				2
General Expenses	552	638	480	67	547	91
Interdepartmental Charges	87	198	198		198	
Public Health						
Salaries	2,308	2,208	1,874		1,874	334
Fringe Benefits	1,080	947	947		947	
Equipment	1					
General Expenses	333	232	80	68	148	84
Contractual Services	7,612	7,612	6,532	774	7,306	306
Early Intervention						
Salaries	4,016	4,016	3,988		3,988	28
Fringe Benefits	2,159	2,014	2,014		2,014	
General Expenses	431	500	463	1	464	36
Contractual Services	24	24				24
Interdepartmental Charges	152	152				152
Early Intervention Charges	54,768	50,599	42,354	53	42,407	8,192
Preschool Education						
Salaries	414	414	383		383	31
Fringe Benefits	180	193	193		193	
General Expenses	3	3	1		1	2
Contractual Services	25	25	25		25	
Early Intervention Charges	113,055	122,042	109,344	10,045	119,389	2,653
Health Department Total	210,007	214,278	189,591	11,272	200,863	13,415
Mental Health, Chemical Dependency and Disabled Services						
Administration						
Salaries	3,146	3,115	2,851		2,851	264
Fringe Benefits	1,799	1,655	1,655		1,655	
Equipment	1	1	1		1	
General Expenses	103	103	53		53	50
Contractual Services	196	196	46	31	77	119
Interdepartmental Charges	4,431	4,431	3,122		3,122	1,309
Contractual Services						
General Expenses	2	2		2	2	
Contractual Services	17,135	17,135	12,459	3,798	16,257	878
Direct Services						
Salaries	3,607	3,607	3,469		3,469	138
Fringe Benefits	2,159	2,022	2,022		2,022	
Equipment	1	16	1		1	15
General Expenses	799	709	291		291	418
Contractual Services	1,693	1,680	545	40	585	1,095
Mental Health, Chemical Dependency and Disabled Services	35,072	34,672	26,515	3,871	30,386	4,286
<b>Total Health</b>	<b>245,079</b>	<b>248,950</b>	<b>216,106</b>	<b>15,143</b>	<b>231,249</b>	<b>17,701</b>

(Continued)

## COUNTY OF NASSAU, NEW YORK

COMPARATIVE STATEMENT OF ACTUAL EXPENDITURES  
 VS. TOTAL BUDGETARY AUTHORITY  
 GENERAL FUND  
 FOR THE YEAR ENDED DECEMBER 31, 2007 (Dollars in Thousands)

FUNCTIONS	Original Budget	Total Budgetary Authority	Actual Expenditures	GAAP to Budgetary Basis Conversion	Actual on a Budgetary Basis	Variance Over (Under)
<b><u>PUBLIC WORKS</u></b>						
Administration						
Salaries	\$ 3,461	\$ 3,506	\$ 3,208		\$ 3,208	\$ 298
Fringe Benefits	1,799	1,747	1,747		1,747	
Equipment	3	3				3
Supplies		1				1
General Expenses	80	80	43	7	50	30
Contractual Services	145	145	99	3	102	43
Highway and Engineering						
Salaries	12,132	11,049	10,791		10,791	258
Fringe Benefits	6,297	5,877	5,877		5,877	
Equipment	55	54	7	11	18	36
Supplies	16	16				16
General Expenses	141	141	76	30	106	35
Contractual Services	6,124	6,752	4,800	644	5,444	1,308
Utility Costs	2,225	2,225	2,102	21	2,123	102
Highway and Bridge Maintenance						
Salaries	18,324	18,686	18,672		18,672	14
Fringe Benefits	10,796	10,169	10,169		10,169	
Equipment	102	84	40	2	42	42
Supplies	76	76	2	36	38	38
General Expenses	2,898	2,752	1,272	423	1,695	1,057
Contractual Services	4,172	4,172	3,437	310	3,747	425
Utility Costs	31,648	31,148	26,071	932	27,003	4,145
Interdepartmental Charges	7,316	7,316	4,743		4,743	2,573
Groundwater Remediation						
Salaries	2,138	2,138	2,092		2,092	46
Fringe Benefits	1,259	1,140	1,140		1,140	
Equipment	157	149	121	7	128	21
Supplies	21	21	1	20	21	
General Expenses	2,538	2,634	2,390	175	2,565	69
Contractual Services	373	373	123	62	185	188
Utility Costs	1	1				1
Interfund Charges	586	757	757		757	
<b>Total Public Works</b>	<b>114,883</b>	<b>113,212</b>	<b>99,780</b>	<b>2,683</b>	<b>102,463</b>	<b>10,749</b>
<b><u>RECREATION AND PARKS</u></b>						
Administration						
Salaries	2,261	2,286	2,281		2,281	5
Fringe Benefits	1,259	1,124	1,124		1,124	
Equipment	55	10	9	1	10	
General Expenses	216	106	104	2	106	
Contractual Services	4,423	2,104	1,257	847	2,104	
Interfund Charges		1,750	1,750		1,750	
Technical Service						
Salaries	6,003	5,910	5,904		5,904	6
Fringe Benefits	3,059	2,909	2,909		2,909	
Equipment	62	62	58	4	62	
General Expenses	754	655	569	86	655	
Contractual Services	1,550	1,603	1,487	116	1,603	
Recreation Service						
Salaries	5,644	5,835	5,835		5,835	
Fringe Benefits	3,059	2,875	2,875		2,875	
Equipment	61	(685)	59	(744)	(685)	
General Expenses	178	158	132	12	144	14
Contractual Services	1,565	2,078	1,967	111	2,078	
Museum						
Salaries	3,426	3,161	3,138		3,138	23
Fringe Benefits	1,619	1,546	1,546		1,546	
Equipment	16	15	13		15	
General Expenses	200	146	104	42	146	
Contractual Services	1,130	3,790	1,304	2,486	3,790	
Golf Operations						
Salaries	3,498	3,567	3,567		3,567	
Fringe Benefits	1,799	1,759	1,759		1,759	
Equipment	205	195	195		195	
General Expenses	623	623	616	7	623	
Contractual Services	400	414	301	113	414	
<b>Total Recreation and Parks</b>	<b>43,065</b>	<b>43,996</b>	<b>40,863</b>	<b>3,085</b>	<b>43,948</b>	<b>48</b>

(Continued)



## COUNTY OF NASSAU, NEW YORK

COMPARATIVE STATEMENT OF ACTUAL EXPENDITURES  
 VS. TOTAL BUDGETARY AUTHORITY  
 GENERAL FUND  
 FOR THE YEAR ENDED DECEMBER 31, 2007 (Dollars in Thousands)

FUNCTIONS	Original Budget	Total Budgetary Authority	Actual Expenditures	GAAP to Budgetary Basis Conversion	Actual on a Budgetary Basis	Variance Over (Under)
<b>SOCIAL SERVICES</b>						
Bar Association - Public Defender	\$ 5,022	\$ 6,672	\$ 6,324	\$	\$ 6,324	\$ 348
CASA						
Salaries	438	438	393		393	45
Fringe Benefits	180	143	143		143	
Equipment	4	3				3
General Expenses	10	7	3		3	4
Contractual Services	90	90	33	6	39	51
CASA Total	722	681	572	6	578	103
Legal Aid Society	4,973	4,972	4,972		4,972	
Minority Affairs						
Salaries	665	665	665		665	
Fringe Benefits	180	243	243		243	
Equipment		1	1		1	
General Expenses	85	80	19	19	38	42
Contractual Services	207	207	37	36	73	134
Minority Affairs Total	1,137	1,196	965	55	1,020	176
Senior Citizens Affairs						
Administration						
Salaries	2,550	2,550	2,218		2,218	332
Fringe Benefits	1,259	1,252	1,252		1,252	
Equipment	8	7	1	5	6	1
General Expenses	54	48	22	2	24	24
Contractual Services	724	784	326	256	582	202
Interdepartmental Charges	1,410	1,410	1,324		1,324	86
Community Services						
Contractual Services	2,039	2,379	1,675	524	2,199	180
Nutrition Program						
Contractual Services	4,364	4,416	3,801	311	4,112	304
Community Centers						
General Expenses	14	16	7	2	9	7
Contractual Services	160	160	76	62	138	22
Area Agency Title III						
Contractual Services	2,424	2,607	2,133	316	2,449	158
Foster Grandparents Program						
General Expenses	2	2	1	1	2	
Contractual Services	2	2	2		2	
Extended In-home Services						
Contractual Services	5,158	5,470	4,521	408	4,929	541
SNAP (Nutrition)						
Contractual Services	851	1,081	853	221	1,074	7
TITLE IIID/CSI (Health Promotion)						
Contractual Services	144	144	137	6	143	1
TITLE IIIE (Caregivers)						
Contractual Services	1,415	1,415	1,083	152	1,235	180
Senior Citizens Affairs Total	22,578	23,743	19,432	2,266	21,698	2,045
Social Services Department						
Administration						
Salaries	5,366	5,366	5,271		5,271	95
Fringe Benefits	2,519	2,440	2,440		2,440	
Equipment	28	24	3	12	15	9
General Expenses	1,029	1,029	766	75	841	188
Contractual Services	3,556	3,555	2,168	1,022	3,190	365
Interdepartmental Charges	17,190	18,770	18,769		18,769	1
Public Financial Assistance						
Salaries	25,655	25,655	24,535		24,535	1,120
Fringe Benefits	12,055	11,356	11,356		11,356	
Equipment	53	53	27	18	45	8
General Expenses	551	551	459	67	526	25
Contractual Services	17,456	17,491	9,353	5,012	14,365	3,126

(Continued)

## COUNTY OF NASSAU, NEW YORK

COMPARATIVE STATEMENT OF ACTUAL EXPENDITURES  
 VS. TOTAL BUDGETARY AUTHORITY  
 GENERAL FUND  
 FOR THE YEAR ENDED DECEMBER 31, 2007 (Dollars in Thousands)

FUNCTIONS	Original Budget	Total Budgetary Authority	Actual Expenditures	GAAP to Budgetary Basis Conversion	Actual on a Budgetary Basis	Variance Over (Under)
<b>SOCIAL SERVICES (continued)</b>						
Division of Services						
Salaries	\$ 19,895	\$ 19,895	\$ 19,140	\$	\$ 19,140	\$ 755
Fringe Benefits	9,356	8,859	8,859		8,859	
General Expenses	245	245	227	5	232	13
Contractual Services	1,958	1,875	1,187	590	1,777	98
Juvenile Detention Center						
Salaries	2,834	2,834	2,756		2,756	78
Fringe Benefits	1,439	1,275	1,275		1,275	
Equipment	76	76	22	16	38	38
Supplies	1	1				1
General Expenses	153	153	87	42	129	24
Contractual Services	1,204	1,203	813	224	1,037	166
Interdepartmental Charges	599	905	905		905	
Real Estate Expense						
General Expenses	1	1				1
Handicapped Children Education						
Emergency Vendor Payments	15,081	15,081	14,009	(3)	14,006	1,075
Physically Challenged						
Salaries	354	384	382		382	2
Fringe Benefits	180	132	132		132	
Equipment	2	2				2
General Expenses	16	29	25	2	27	2
Contractual Services	61	61	30		30	31
Interdepartmental Charges	144	146	146		146	
Food Stamp Program						
Recipient Grants	1	1				1
Aid to Dependent Children						
Recipient Grants	24,500	20,567	20,557		20,557	10
Emergency Vendor Payments	5,069	5,069	4,933	61	4,994	75
Home Relief						
Recipient Grants	18,900	19,964	19,964		19,964	
Emergency Vendor Payments	2,087	2,087	2,086		2,086	1
Children in Institutions						
Emergency Vendor Payments	24,030	23,030	14,752	5,638	20,390	2,640
Children in Foster Homes						
Recipient Grants	1,375	1,375	1,303		1,303	72
Purchased Services	1	1	1		1	
Emergency Vendor Payments	400	400	400		400	
Juvenile Delinquents						
Emergency Vendor Payments	9,894	9,594	8,661	800	9,461	133
Training Schools						
Emergency Vendor Payments	2,000	3,001	3,001		3,001	
Children in Institutions - Title 4E						
Emergency Vendor Payments	2,834	2,834	2,200	246	2,446	388
Children in Foster Homes - Title 4E						
Recipient Grants	1,000	635	595		595	40
Emergency Vendor Payments	315	315	253		253	62
Subsidized Adoptions						
Recipient Grants	5,400	5,400	5,096		5,096	304
Burials						
Emergency Vendor Payments	325	325	248		248	77
Medicaid						
Medicaid	218,025	219,005	218,991		218,991	14
Home Energy Assistance						
Recipient Grants	2,500	2,500	2,071		2,071	429
Title-XX						
Purchased Services	50,174	50,174	43,550	3,465	47,015	3,159
Social Services Department Total	<u>507,887</u>	<u>505,724</u>	<u>473,804</u>	<u>17,292</u>	<u>491,096</u>	<u>14,628</u>
Veterans Service Agency						
Salaries	644	633	615		615	18
Fringe Benefits	360	268	268		268	
Equipment	14	25	12	11	23	2
Contractual Services	1	1	1		1	
Interdepartmental Charges	242	242	85		85	157
Veterans Service Agency Total	<u>1,261</u>	<u>1,169</u>	<u>981</u>	<u>11</u>	<u>992</u>	<u>177</u>

(Continued)

## COUNTY OF NASSAU, NEW YORK

COMPARATIVE STATEMENT OF ACTUAL EXPENDITURES  
 VS. TOTAL BUDGETARY AUTHORITY  
 GENERAL FUND  
 FOR THE YEAR ENDED DECEMBER 31, 2007 (Dollars in Thousands)

FUNCTIONS	Original Budget	Total Budgetary Authority	Actual Expenditures	GAAP to Budgetary Basis Conversion	Actual on a Budgetary Basis	Variance Over (Under)
<b><u>SOCIAL SERVICES (continued)</u></b>						
Youth Board						
Salaries	\$ 611	\$ 591	\$ 426	\$	\$ 426	\$ 165
Fringe Benefits	360	270	270		270	
General Expenses	11	31	7	20	27	4
Contractual Services	10,651	10,651	8,613	1,231	9,844	807
Interdepartmental Charges	742	742	602		602	140
Youth Board Total	<u>12,375</u>	<u>12,285</u>	<u>9,918</u>	<u>1,251</u>	<u>11,169</u>	<u>1,116</u>
<b>Total Social Services</b>	<u>555,955</u>	<u>556,442</u>	<u>516,968</u>	<u>20,881</u>	<u>537,849</u>	<u>18,593</u>
<b><u>CORRECTIONS</u></b>						
Correctional Center						
Salaries	108,346	122,795	122,795		122,795	
Fringe Benefits	44,184	41,702	41,630		41,630	72
Equipment	127	101	62	25	87	14
Supplies	54	54	24		24	30
General Expenses	4,348	4,289	3,814	331	4,145	144
Contractual Services	25,207	28,112	13,688	13,910	27,598	514
Utility Costs	655	654	588	5	593	61
Correctional Center Total	<u>182,921</u>	<u>197,707</u>	<u>182,601</u>	<u>14,271</u>	<u>196,872</u>	<u>835</u>
Sheriff						
Salaries	5,534	5,740	5,735		5,735	5
Fringe Benefits	2,339	2,191	2,191		2,191	
Equipment	2	2	1		1	1
General Expenses	30	30	20	3	23	7
Sheriff Total	<u>7,905</u>	<u>7,963</u>	<u>7,947</u>	<u>3</u>	<u>7,950</u>	<u>13</u>
Correctional Center and Sheriff Total	<u>190,826</u>	<u>205,670</u>	<u>190,548</u>	<u>14,274</u>	<u>204,822</u>	<u>848</u>
Probation						
Administration						
Salaries	19,131	19,131	18,582		18,582	549
Fringe Benefits	9,536	9,050	9,050		9,050	
Equipment	35	30	18		19	11
General Expenses	271	197	142	21	163	34
Contractual Services	251	251	128	86	214	37
Interfund Charges		41	41		41	
Probation Total	<u>29,224</u>	<u>28,700</u>	<u>27,961</u>	<u>108</u>	<u>28,069</u>	<u>631</u>
<b>Total Corrections</b>	<u>220,050</u>	<u>234,370</u>	<u>218,509</u>	<u>14,382</u>	<u>232,891</u>	<u>1,479</u>
<b><u>EDUCATION</u></b>						
Cooperative Extension Service	87	87				87
Payment to Long Beach Schools	106	106	106		106	
Public Library Services	8,000	1,564				1,564
State School Tuition	5,816	7,304	7,219		7,219	85
<b>Total Education</b>	<u>14,009</u>	<u>9,061</u>	<u>7,325</u>		<u>7,325</u>	<u>1,736</u>
<b><u>PAYMENTS FOR TAX CERTIORARI AND OTHER JUDGMENTS</u></b>						
	<u>25,000</u>	<u>73,544</u>	<u>87,251</u>	<u>(13,707)</u>	<u>73,544</u>	
<b><u>OTHER EXPENDITURES</u></b>						
Nassau Health Care Corporation	38,166	50,954	49,023		49,023	1,931
Aid to Towns and Cities	62,047	62,047	60,836		60,836	1,211
County Executive Associations	47	52	52		52	
Lido-Point Lookout Fire District	6	6	6		6	
HIPPA Payments	34	34				34
NYS Association of Counties	54	51	51		51	
NIFA Expenditures	1,300	1,300				1,300
Reserves		233				233
Suits and Damages	7,209	7,209	3,892	1,100	4,992	2,217
Unallocated Fringe	1,802	3,797	646	(15,638)	(14,992)	18,789
Unallocated Expenses	8,318	2,218	2,177		2,177	41
<b>Total Other Expenditures</b>	<u>118,983</u>	<u>127,901</u>	<u>116,683</u>	<u>(14,538)</u>	<u>102,145</u>	<u>25,756</u>
<b>Total Expenditures</b>	<u>1,671,708</u>	<u>1,743,186</u>	<u>1,601,093</u>	<u>42,733</u>	<u>1,643,826</u>	<u>99,360</u>

(Continued)

## COUNTY OF NASSAU, NEW YORK

COMPARATIVE STATEMENT OF ACTUAL EXPENDITURES  
 VS. TOTAL BUDGETARY AUTHORITY  
 GENERAL FUND  
 FOR THE YEAR ENDED DECEMBER 31, 2007 (Dollars in Thousands)

<u>FUNCTIONS</u>	<u>Original Budget</u>	<u>Total Budgetary Authority</u>	<u>Actual Expenditures</u>	<u>GAAP to Budgetary Basis Conversion</u>	<u>Actual on a Budgetary Basis</u>	<u>Variance Over (Under)</u>
<b>TRANSFERS OUT</b>						
Debt Service Fund	\$ 253,941	\$ 223,804	\$ 221,138	\$	\$ 221,138	\$ 2,666
County Parks & Recreation Fund		850				850
Police Headquarters Fund						
<u>Total Transfers Out</u>	<u>253,941</u>	<u>224,654</u>	<u>221,138</u>		<u>221,138</u>	<u>3,516</u>
<b>TOTAL EXPENDITURES AND TRANSFERS OUT</b>						
	<u>\$ 1,925,649</u>	<u>\$ 1,967,840</u>	<u>\$ 1,822,231</u>	<u>\$ 42,733</u>	<u>\$ 1,864,964</u>	<u>\$ 102,876</u>

\*Appropriations per 2007 budget as adopted  
 Outstanding encumbrances, January 1, 2007  
 Original Budget per above  
 Add: Supplemental appropriations  
 Total Budgetary Authority

\$ 1,847,355  
 78,294  
 1,925,649  
 42,191  
\$ 1,967,840

## COUNTY OF NASSAU, NEW YORK

STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE  
 TOTAL BUDGETARY AUTHORITY AND ACTUAL  
 FIRE PREVENTION, SAFETY, COMMUNICATION AND EDUCATION FUND  
 FOR THE YEAR ENDED DECEMBER 31, 2008 (Dollars in Thousands)

	Original Budget	Total Budgetary Authority	Actual	GAAP to Budgetary Basis Conversion	Actual on a Budgetary Basis	Variance Over (Under)
<b>Revenues:</b>						
Rents and Recoveries	\$	\$	\$ 14	\$	\$ 14	\$ 14
Interest Income	60	60	5		5	(55)
Departmental Revenue	5,651	5,651	5,397		5,397	(254)
State Aid	150	150	195		195	45
Property Taxes	15,555	15,555	15,555		15,555	
Other Revenues	26	26	26	(26)		(26)
Total Revenues	21,442	21,442	21,192	(26)	21,166	(276)
<b>Expenditures:</b>						
Salaries	10,579	10,687	10,518		10,518	169
Fringe Benefits	3,664	4,496	4,367	(25)	4,342	154
Equipment	77	7	7		7	
Other	6,746	6,708	6,345	10	6,355	353
Total Expenditures	21,066	21,898	21,237	(15)	21,222	676
Excess of Revenues Over Expenditures	376	(456)	(45)	(11)	(56)	400
<b>Other Financing Use:</b>						
Transfers In	0	832	832		832	
Transfers Out	(489)	(489)	(738)		(738)	(249)
Total Other Financing Use	(489)	343	94		94	(249)
Net Change in Fund Balance	(113)	(113)	49	(11)	38	151
Fund Balance (Deficit) Beginning of Year	113	113	(38)		(38)	(151)
Fund Balance (Deficit) End of Year	\$	\$	\$ 11	\$ (11)	\$	\$

## COUNTY OF NASSAU, NEW YORK

STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE  
TOTAL BUDGETARY AUTHORITY AND ACTUAL  
FIRE PREVENTION, SAFETY, COMMUNICATION AND EDUCATION FUND  
FOR THE YEAR ENDED DECEMBER 31, 2007 (Dollars in Thousands)

	<u>Original Budget</u>	<u>Total Budgetary Authority</u>	<u>Actual</u>	<u>GAAP to Budgetary Basis Conversion</u>	<u>Actual on a Budgetary Basis</u>	<u>Variance Over (Under)</u>
<b>Revenues:</b>						
Rents and Recoveries	\$	\$	\$ 4	\$	\$ 4	\$ 4
Interest Income			18		18	18
Departmental Revenue	5,364	5,364	5,036		5,036	(328)
State Aid	120	170	180		180	10
Property Taxes	15,699	15,699	15,699		15,699	
Other Revenues			27	(27)		
Total Revenues	<u>21,183</u>	<u>21,233</u>	<u>20,964</u>	<u>(27)</u>	<u>20,937</u>	<u>(296)</u>
<b>Expenditures:</b>						
Salaries	9,974	10,254	10,251		10,251	3
Fringe Benefits	3,351	3,501	3,238	(127)	3,111	390
Equipment	130	25	11	1	12	13
Other	7,191	6,319	6,146	61	6,207	112
Total Expenditures	<u>20,646</u>	<u>20,099</u>	<u>19,646</u>	<u>(65)</u>	<u>19,581</u>	<u>518</u>
Excess of Revenues Over Expenditures	<u>537</u>	<u>1,134</u>	<u>1,318</u>	<u>38</u>	<u>1,356</u>	<u>222</u>
<b>Other Financing Use:</b>						
Transfers Out	(649)	(1,245)	(1,245)		(1,245)	
Total Other Financing Use	<u>(649)</u>	<u>(1,245)</u>	<u>(1,245)</u>		<u>(1,245)</u>	
Net Change in Fund Balance	(112)	(111)	73	38	111	222
Fund Balance (Deficit) Beginning of Year	<u>112</u>	<u>111</u>	<u>(111)</u>		<u>(111)</u>	<u>(222)</u>
Fund Balance (Deficit) End of Year	<u>\$</u>	<u>\$</u>	<u>\$ (38)</u>	<u>\$ 38</u>	<u>\$</u>	<u>\$</u>

## COUNTY OF NASSAU, NEW YORK

STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE  
 TOTAL BUDGETARY AUTHORITY AND ACTUAL  
 COUNTY PARKS AND RECREATION FUND  
 FOR THE YEAR ENDED DECEMBER 31, 2007 (Dollars in Thousands)

	<u>Original Budget</u>	<u>Total Budgetary Authority</u>	<u>Actual</u>	<u>GAAP to Budgetary Basis Conversion</u>	<u>Actual on a Budgetary Basis</u>	<u>Variance Over (Under)</u>
<b><u>Revenues:</u></b>						
Rents and Recoveries	\$	\$	\$	\$	\$	\$
Licenses and Permits						
Interest Income						
Departmental Revenue						
Property Tax						
Special Taxes						
Other Revenues						
Total Revenues						
<b><u>Expenditures:</u></b>						
Salaries						
Fringe Benefits						
Equipment						
Other						
Total Expenditures						
Excess (Deficiency) of Revenues Over (Under) Expenditures						
<b><u>Other Financing Sources (Uses):</u></b>						
Transfers In						
Transfers Out			(3,482)		(3,482)	(3,482)
Total Other Financing Sources (Uses)			(3,482)		(3,482)	(3,482)
Net Change in Fund Balance			(3,482)		(3,482)	(3,482)
Fund Balance (Deficit) Beginning of Year			3,482		3,482	3,482
Fund Balance (Deficit) End of Year	\$	\$	\$	\$	\$	\$

## COUNTY OF NASSAU, NEW YORK

STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE  
TOTAL BUDGETARY AUTHORITY AND ACTUAL  
POLICE DISTRICT FUND  
FOR THE YEAR ENDED DECEMBER 31, 2008 (Dollars in Thousands)

	<u>Original Budget</u>	<u>Total Budgetary Authority</u>	<u>Actual</u>	<u>GAAP to Budgetary Basis Conversion</u>	<u>Actual on a Budgetary Basis</u>	<u>Variance Over (Under)</u>
<b>Revenues:</b>						
Rents and Recoveries	\$ 150	\$ 150	\$ 277	\$	\$ 277	\$ 127
Licenses & Permits	2,150	2,150	1,511		1,511	(639)
Fines and Forfeits	475	475	83		83	(392)
Interest Income	120	120	592		592	472
Departmental Revenue	3,188	3,188	3,374		3,374	186
Interdepartmental Revenue	440	440	377		377	(63)
Property Tax	332,326	332,326	332,326		332,326	
Other Revenue	1,062	1,062	1,312	(1,312)		(1,062)
Total Revenues	339,911	339,911	339,852	(1,312)	338,540	(1,371)
<b>Expenditures:</b>						
Salaries	218,596	225,096	225,358		225,358	(262)
Fringe Benefits	99,907	102,045	98,505	(12,763)	85,742	16,303
Equipment	2,426	763	306	13	319	444
Other	30,119	31,044	28,205	529	28,734	2,310
Total Expenditures	351,048	358,948	352,374	(12,221)	340,153	18,795
Excess (Deficiency) of Revenues Over (Under) Expenditures	(11,137)	(19,037)	(12,522)	10,909	(1,613)	17,424
<b>Other Financing Sources (Uses):</b>						
Transfers In	10,408	10,408				(10,408)
Transfers Out	(119)	(119)	(115)		(115)	4
Total Other Financing Sources (Uses)	10,289	10,289	(115)		(115)	(10,404)
Net Change in Fund Balance	(848)	(8,748)	(12,637)	10,909	(1,728)	7,020
Fund Balance (Deficit) Beginning of Year	848	8,748	6,731		6,731	(2,017)
Fund Balance (Deficit) End of Year	\$	\$	\$ (5,906)	\$ 10,909	\$ 5,003	\$ 5,003



## COUNTY OF NASSAU, NEW YORK

STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE  
 TOTAL BUDGETARY AUTHORITY AND ACTUAL  
 POLICE DISTRICT FUND  
 FOR THE YEAR ENDED DECEMBER 31, 2007 (Dollars in Thousands)

	<u>Original Budget</u>	<u>Total Budgetary Authority</u>	<u>Actual</u>	<u>GAAP to Budgetary Basis Conversion</u>	<u>Actual on a Budgetary Basis</u>	<u>Variance Over (Under)</u>
<b>Revenues:</b>						
Rents and Recoveries	\$ 150	\$ 150	\$ 136	\$	\$ 136	\$ (14)
Licenses & Permits	1,792	1,792	1,705		1,705	(87)
Fines and Forfeits	110	110	99		99	(11)
Interest Income	117	117	1,557		1,557	1,440
Departmental Revenue	3,188	3,188	3,381		3,381	193
Interdepartmental Revenue	127	127	293		293	166
Property Tax	331,640	331,640	331,640		331,640	
Other Revenue	1,038	1,038	1,334	(1,334)		(1,038)
Total Revenues	338,162	338,162	340,145	(1,334)	338,811	649
<b>Expenditures:</b>						
Salaries	205,902	218,963	218,951		218,951	12
Fringe Benefits	106,585	96,197	92,538	(7,411)	85,127	11,070
Equipment	2,554	2,047	2,309	43	2,352	(305)
Other	34,752	37,887	36,606	616	37,222	665
Total Expenditures	349,793	355,094	350,404	(6,752)	343,652	11,442
Excess (Deficiency) of Revenues Over (Under) Expenditures	(11,631)	(16,932)	(10,259)	5,418	(4,841)	12,091
<b>Other Financing Sources (Uses):</b>						
Transfers In	9,153	9,153				(9,153)
Transfers Out	(197)	(197)	(194)		(194)	3
Total Other Financing Sources (Uses)	8,956	8,956	(194)		(194)	(9,150)
Net Change in Fund Balance	(2,675)	(7,976)	(10,453)	5,418	(5,035)	2,941
Fund Balance (Deficit) Beginning of Year	2,675	7,976	17,184		17,184	9,208
Fund Balance (Deficit) End of Year	\$	\$	\$ 6,731	\$ 5,418	\$ 12,149	\$ 12,149

## COUNTY OF NASSAU, NEW YORK

STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE  
TOTAL BUDGETARY AUTHORITY AND ACTUAL  
POLICE HEADQUARTERS FUND  
FOR THE YEAR ENDED DECEMBER 31, 2008 (Dollars in Thousands)

	<u>Original Budget</u>	<u>Total Budgetary Authority</u>	<u>Actual</u>	<u>GAAP to Budgetary Basis Conversion</u>	<u>Actual on a Budgetary Basis</u>	<u>Variance Over (Under)</u>
<b>Revenues:</b>						
Rents and Recoveries	\$ 200	\$ 200	\$ 147	\$	\$ 147	\$ (53)
Licenses and Permits	1,345	1,345	884		884	(461)
Interest Income	129	129	35		35	(94)
Departmental Revenue	17,452	17,452	17,697		17,697	245
Interdepartmental Revenue	15,643	15,643	10,989		10,989	(4,654)
Federal Aid	428	428	466		466	38
State Aid	862	862	1,485		1,485	623
Property Tax	279,632	279,632	279,632		279,632	
Special Taxes	23,453	23,453	21,895		21,895	(1,558)
Other Revenues	1,477	1,477	1,800	(1,800)		(1,477)
<b>Total Revenues</b>	<b>340,621</b>	<b>340,621</b>	<b>335,030</b>	<b>(1,800)</b>	<b>333,230</b>	<b>(7,391)</b>
<b>Expenditures:</b>						
Salaries	200,416	211,936	211,877		211,877	59
Fringe Benefits	97,340	97,682	95,563	(216)	95,347	2,335
Equipment	1,364	414	339		339	75
Other	40,441	40,469	34,930	1,522	36,452	4,017
<b>Total Expenditures</b>	<b>339,561</b>	<b>350,501</b>	<b>342,709</b>	<b>1,306</b>	<b>344,015</b>	<b>6,486</b>
Excess (Deficiency) of Revenues Over (Under) Expenditures	1,060	(9,880)	(7,679)	(3,106)	(10,785)	(905)
<b>Other Financing Sources (Uses):</b>						
Transfers In		10,940	13,536		13,536	2,596
Transfers Out	(3,349)	(3,349)	(3,692)		(3,692)	(343)
<b>Total Other Financing Sources (Uses)</b>	<b>(3,349)</b>	<b>7,591</b>	<b>9,844</b>		<b>9,844</b>	<b>2,253</b>
Net Change in Fund Balance	(2,289)	(2,289)	2,165	(3,106)	(941)	1,348
Fund Balance (Deficit) Beginning of Year	2,289	2,289	941		941	(1,348)
Fund Balance (Deficit) End of Year	\$	\$	\$ 3,106	\$ (3,106)	\$	\$

## COUNTY OF NASSAU, NEW YORK

STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE  
 TOTAL BUDGETARY AUTHORITY AND ACTUAL  
 POLICE HEADQUARTERS FUND  
 FOR THE YEAR ENDED DECEMBER 31, 2007 (Dollars in Thousands)

	Original Budget	Total Budgetary Authority	Actual	GAAP to Budgetary Basis Conversion	Actual on a Budgetary Basis	Variance Over (Under)
<b>Revenues:</b>						
Rents and Recoveries	\$ 200	\$ 200	\$ 1,138	\$	\$ 1,138	\$ 938
Licenses and Permits	1,070	1,070	1,085		1,085	15
Fines and Forfeits			6		6	6
Interest Income	125	125	341		341	216
Departmental Revenue	15,722	15,722	18,430		18,430	2,708
Interdepartmental Revenue	15,239	15,239	11,382		11,382	(3,857)
Federal Aid	428	428	221		221	(207)
State Aid	589	589	1,353		1,353	764
Property Tax	287,070	287,070	287,070		287,070	
Special Taxes	23,453	23,453	23,296		23,296	(157)
Other Revenues	1,442	1,442	1,867	(1,829)	38	(1,404)
Total Revenues	345,338	345,338	346,189	(1,829)	344,360	(978)
<b>Expenditures:</b>						
Salaries	201,772	209,994	209,693		209,693	301
Fringe Benefits	99,025	92,152	81,657	(2,876)	78,781	13,371
Equipment	1,115	1,051	1,144	71	1,215	(164)
Other	43,575	41,612	37,523	1,917	39,440	2,172
Total Expenditures	345,487	344,809	330,017	(888)	329,129	15,680
Excess (Deficiency) of Revenues Over (Under) Expenditures	(149)	529	16,172	(941)	15,231	14,702
<b>Other Financing Sources (Uses):</b>						
Transfers In		2,600				(2,600)
Transfers Out	(3,071)	(6,349)	(6,349)		(6,349)	
Total Other Financing Sources (Uses)	(3,071)	(3,749)	(6,349)		(6,349)	(2,600)
Net Change in Fund Balance	(3,220)	(3,220)	9,823	(941)	8,882	12,102
Fund Balance (Deficit) Beginning of Year	3,220	3,220	(8,882)		(8,882)	(12,102)
Fund Balance (Deficit) End of Year	\$	\$	\$ 941	\$ (941)	\$	\$

## COUNTY OF NASSAU, NEW YORK

## STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE

## TOTAL BUDGETARY AUTHORITY AND ACTUAL

## SEWER &amp; STORM WATER DISTRICT FUND

FOR THE YEAR ENDED DECEMBER 31, 2008 (Dollars in Thousands)

	<u>Original Budget</u>	<u>Total Budgetary Authority</u>	<u>Actual</u>	<u>GAAP to Budgetary Basis Conversion</u>	<u>Actual on a Budgetary Basis</u>	<u>Variance Over (Under)</u>
<b>Revenues:</b>						
Licenses and Permits	\$ 216	\$ 216	\$ 266	\$	\$ 266	\$ 50
Rents and Recoveries	471	471	252		252	(219)
Interest Income	6,000	6,000	2,807		2,807	(3,193)
Departmental Revenue	1,464	1,464	1,935		1,935	471
Interdepartmental Revenue	479	479	836		836	357
Interfund Revenue	12,280	12,280				(12,280)
Property Taxes	103,932	103,932	103,940		103,940	8
Other Revenues			156	(156)		
Total Revenues	<u>124,842</u>	<u>124,842</u>	<u>110,192</u>	<u>(156)</u>	<u>110,036</u>	<u>(14,806)</u>
<b>Expenditures:</b>						
Salaries	23,004	23,004	19,073		19,073	3,931
Fringe Benefits	10,131	10,131	9,477	(33)	9,444	687
Equipment	1,104	1,104	408	306	714	390
Other	97,311	97,312	58,561	4,841	63,402	33,910
Debt Service						
Principal	30,991	30,991	29,466		29,466	1,525
Interest	14,909	14,909	8,723		8,723	6,186
Total Expenditures	<u>177,450</u>	<u>177,451</u>	<u>125,708</u>	<u>5,114</u>	<u>130,822</u>	<u>46,629</u>
Excess (Deficiency) of Revenues Over (Under) Expenditures	<u>(52,608)</u>	<u>(52,609)</u>	<u>(15,516)</u>	<u>(5,270)</u>	<u>(20,786)</u>	<u>31,823</u>
<b>Other Financing Sources (Uses):</b>						
Transfer In of Investment Income			218		218	218
Transfer Out to SFA			(13,792)		(13,792)	(13,792)
Transfer Out	(10,939)		(6,836)		(6,836)	(6,836)
Total Other Financing Sources (Uses)	<u>(10,939)</u>		<u>(20,410)</u>		<u>(20,410)</u>	<u>(20,410)</u>
Net Change in Fund Balances	(63,547)	(52,609)	(35,926)	(5,270)	(41,196)	11,413
Fund Balance (Deficit) Beginning of Year	<u>63,547</u>	<u>52,609</u>	<u>170,596</u>		<u>170,596</u>	<u>117,987</u>
Fund Balance (Deficit) End of Year	<u>\$</u>	<u>\$</u>	<u>\$ 134,670</u>	<u>\$ (5,270)</u>	<u>\$ 129,400</u>	<u>\$ 129,400</u>

## COUNTY OF NASSAU, NEW YORK

STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE  
TOTAL BUDGETARY AUTHORITY AND ACTUAL  
SEWER & STORM WATER DISTRICT FUND  
FOR THE YEAR ENDED DECEMBER 31, 2007 (Dollars in Thousands)

	<u>Original Budget</u>	<u>Total Budgetary Authority</u>	<u>Actual</u>	<u>GAAP to Budgetary Basis Conversion</u>	<u>Actual on a Budgetary Basis</u>	<u>Variance Over (Under)</u>
<b>Revenues:</b>						
Rents and Recoveries	\$ 288	\$ 288	\$ 43	\$	\$ 43	\$ (245)
Interest Income	1,067	1,067	6,736		6,736	5,669
Departmental Revenue	1,656	1,656	1,113		1,113	(543)
Interdepartmental Revenue	463	463	390		390	(73)
Interfund Revenue	16,985	16,985				(16,985)
Property Taxes	118,932	118,932	118,934		118,934	2
Other Revenues			252	(143)	109	109
Total Revenues	<u>139,391</u>	<u>139,391</u>	<u>127,468</u>	<u>(143)</u>	<u>127,325</u>	<u>(12,066)</u>
<b>Expenditures:</b>						
Salaries	23,823	22,523	19,820		19,820	2,703
Fringe Benefits	10,660	10,660	8,777	17	8,794	1,866
Equipment	809	809	123	326	449	360
Other	95,476	96,777	57,481	8,136	65,617	31,160
Debt Service						
Principal	30,217	30,217	30,217		30,217	
Interest	13,335	13,335	9,690		9,690	3,645
Total Expenditures	<u>174,320</u>	<u>174,321</u>	<u>126,108</u>	<u>8,479</u>	<u>134,587</u>	<u>39,734</u>
Excess (Deficiency) of Revenues Over (Under) Expenditures	<u>(34,929)</u>	<u>(34,930)</u>	<u>1,360</u>	<u>(8,622)</u>	<u>(7,262)</u>	<u>27,668</u>
<b>Other Financing Sources (Uses):</b>						
Transfer In of Investment Income	703	703	1,294		1,294	591
Transfer Out	(6,293)		(7,030)		(7,030)	(7,030)
Transfer In from SFA			47,306		47,306	47,306
Total Other Financing Sources (Uses)	<u>(5,590)</u>	<u>703</u>	<u>41,570</u>		<u>41,570</u>	<u>40,867</u>
Net Change in Fund Balances	(40,519)	(34,227)	42,930	(8,622)	34,308	68,535
Fund Balance (Deficit) Beginning of Year	<u>40,519</u>	<u>34,227</u>	<u>127,666</u>		<u>127,666</u>	<u>93,439</u>
Fund Balance (Deficit) End of Year	<u>\$</u>	<u>\$</u>	<u>\$ 170,596</u>	<u>\$ (8,622)</u>	<u>\$ 161,974</u>	<u>\$ 161,974</u>

**EXHIBIT B-8**

**COUNTY OF NASSAU, NEW YORK**

**STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE  
TOTAL BUDGETARY AUTHORITY AND ACTUAL  
TECHNOLOGY FUND  
FOR THE YEAR ENDED DECEMBER 31, 2008 (Dollars in Thousands)**

	<u>Original Budget</u>	<u>Total Budgetary Authority</u>	<u>Actual</u>	<u>GAAP to Budgetary Basis Conversion</u>	<u>Actual on a Budgetary Basis</u>	<u>Variance Over (Under)</u>
<b>Revenues:</b>						
Interest Income	\$ _____	\$ _____	\$ 51	\$ _____	\$ 51	\$ 51
<b>Expenditures:</b>						
Contractual	35	35	12	_____	12	23
<b>Total Expenditures</b>	<u>35</u>	<u>35</u>	<u>12</u>	_____	<u>12</u>	<u>23</u>
Net Change in Fund Balances	(35)	(35)	39	_____	39	74
Fund Balance (Deficit) Beginning of Year	35	35	1,792	_____	1,792	1,757
Fund Balance (Deficit) End of Year	<u>\$ _____</u>	<u>\$ _____</u>	<u>\$ 1,831</u>	<u>\$ _____</u>	<u>\$ 1,831</u>	<u>\$ 1,831</u>

**EXHIBIT B-8**

**COUNTY OF NASSAU, NEW YORK**

**STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE  
TOTAL BUDGETARY AUTHORITY AND ACTUAL  
TECHNOLOGY FUND  
FOR THE YEAR ENDED DECEMBER 31, 2007 (Dollars in Thousands)**

	<u>Original Budget</u>	<u>Total Budgetary Authority</u>	<u>Actual</u>	<u>GAAP to Budgetary Basis Conversion</u>	<u>Actual on a Budgetary Basis</u>	<u>Variance Over (Under)</u>
<b>Revenues:</b>						
Interest Income	\$	\$	\$ 98	\$	\$ 98	\$ 98
<b>Expenditures:</b>						
Equipment	20	20				20
General	75	75				75
Contractual	475	475	118	35	153	322
<b>Total Expenditures</b>	<b>570</b>	<b>570</b>	<b>118</b>	<b>35</b>	<b>153</b>	<b>417</b>
Net Change in Fund Balances	(570)	(570)	(20)	(35)	(55)	515
Fund Balance (Deficit) Beginning of Year	570	570	1,812		1,812	1,242
Fund Balance (Deficit) End of Year	\$	\$	\$ 1,792	\$ (35)	\$ 1,757	\$ 1,757

## COUNTY OF NASSAU, NEW YORK

## STATEMENT OF EXPENDITURES BY COUNTY DEPARTMENTS AND OFFICES

## TOTAL BUDGETARY AUTHORITY AND ACTUAL

## GRANT FUND

FOR THE YEAR ENDED DECEMBER 31, 2008

(INCLUDING LIFETIME ACTIVITY THROUGH DECEMBER 31, 2008) (Dollars in Thousands)

<u>County Departments, Offices and Boards</u>	<u>Total Budgetary Authority</u>	<u>All Prior Years' Actual Expenditures</u>	<u>Remaining Budgetary Authority January 1, 2008</u>	<u>2008 Actual Expenditures</u>	<u>Remaining Budgetary Authority December 31, 2008</u>
Affirmative Action	\$ 1,240	\$ 1,140	\$ 100	\$	\$ 100
Assessment	13,000	11,363	1,637		1,637
Behavioral Health	119,182	28,188	90,994	34,176	56,818
CASA	735	627	108		108
Correctional Center	9,151	8,299	852	642	210
County Attorney	295	295			
County Clerk	265	149	116	41	75
County Comptroller	805	446	359		359
Criminal Justice Coordinating Council	55,761	50,679	5,082	888	4,194
Cultural Development	441	437	4		4
District Attorney	20,309	10,797	9,512	2,423	7,089
Drug and Alcohol	693,474	525,191	168,283	1,560	166,723
Board of Election	1,378	14	1,364	80	1,284
Emergency Management	7,073	3,765	3,308	1,301	2,007
Fire Commission	1,841	1,353	488	258	230
General Services	415	335	80		80
Health	189,295	140,100	49,195	12,464	36,731
Housing and Inter- governmental Affairs	619,203	518,672	100,531	24,487	76,044
Human Rights	1,897	1,806	91		91
Information Technology	198		198	99	99
Labor	50	46	4		4
Medical Center	5,119	188	4,931		4,931
Medical Examiner	4,682	2,983	1,699	630	1,069
Mental Health	213,875	169,165	44,710	177	44,533
Miscellaneous	91,127		91,127	29,415	61,712
Planning	27,092	18,937	8,155	855	7,300
Police	72,605	45,662	26,943	5,591	21,352
Probation	35,832	29,035	6,797	1,359	5,438
Public Works	15,066	13,170	1,896	165	1,731
Recreation and Parks	14,216	5,035	9,181	1,784	7,397
Senior Citizen Affairs	61,493	57,819	3,674	705	2,969
Sheriff	66	55	11		11
Social Services	41,589	24,232	17,357	5,012	12,345
Traffic Safety Board	53,521	47,965	5,556	2,198	3,358
Veterans Services	458	420	38	8	30
Women's Services	194	148	46		46
Youth Board	36,890	29,132	7,758	699	7,059
<b>Total</b>	<b>\$ 2,409,833</b>	<b>\$ 1,747,648</b>	<b>\$ 662,185</b>	<b>\$ 127,017</b>	<b>\$ 535,168</b>



## COUNTY OF NASSAU, NEW YORK

STATEMENT OF EXPENDITURES BY COUNTY DEPARTMENTS AND OFFICES  
TOTAL BUDGETARY AUTHORITY AND ACTUAL  
GRANT FUND

FOR THE YEAR ENDED DECEMBER 31, 2007

(INCLUDING LIFETIME ACTIVITY THROUGH DECEMBER 31, 2007) (Dollars in Thousands)

County Departments, Offices and Boards	Total Budgetary Authority	All Prior Years' Actual Expenditures	Remaining Budgetary Authority January 1, 2007	2007 Actual Expenditures	Remaining Budgetary Authority December 31, 2007
Affirmative Action	\$ 1,240	\$ 1,140	\$ 100	\$	\$ 100
Assessment	13,000	11,363	1,637		1,637
Behavioral Health	78,488		78,488	28,188	50,300
CASA	735	626	109	1	108
Correctional Center	8,547	7,481	1,066	818	248
County Attorney	295	295			
County Clerk	265	149	116		116
County Comptroller	805	446	359		359
Criminal Justice Coordinating Council	54,828	49,678	5,150	1,007	4,143
Cultural Development	441	438	3	(2)	5
District Attorney	14,514	8,691	5,823	2,106	3,717
Drug and Alcohol	693,474	522,467	171,007	2,977	168,030
Board of Election	1,378		1,378	14	1,364
Emergency Management	5,207	2,570	2,637	1,195	1,442
Fire Commission	1,691	1,000	691	353	338
General Services	415	335	80		80
Health	166,593	127,151	39,442	13,639	25,803
Housing and Inter- governmental Affairs	586,061	494,589	91,472	24,418	67,054
Human Rights	1,897	1,806	91		91
Information Technology	198		198		198
Labor	50	46	4		4
Medical Center	5,119	188	4,931		4,931
Medical Examiner	3,988	2,120	1,868	862	1,006
Mental Health	213,875	166,593	47,282	2,680	44,602
Planning	25,311	18,411	6,900	554	6,346
Police	67,347	41,546	25,801	4,116	21,685
Probation	34,526	27,221	7,305	1,981	5,324
Public Works	14,996	12,962	2,034	208	1,826
Recreation and Parks	9,988	4,280	5,708	786	4,922
Senior Citizen Affairs	60,544	56,590	3,954	1,229	2,725
Sheriff	66	55	11		11
Social Services	34,869	20,842	14,027	3,732	10,295
Traffic Safety Board	51,075	45,489	5,586	2,475	3,111
Veterans Services	453	417	36	4	32
Women's Services	194	148	46		46
Youth Board	35,885	28,296	7,589	836	6,753
<b>Total</b>	<b>\$ 2,188,358</b>	<b>\$ 1,655,429</b>	<b>\$ 532,929</b>	<b>\$ 94,177</b>	<b>\$ 438,752</b>

## COUNTY OF NASSAU, NEW YORK

STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE  
 TOTAL BUDGETARY AUTHORITY AND ACTUAL  
 ENVIRONMENTAL PROTECTION FUND  
 FOR THE YEAR ENDED DECEMBER 31, 2008 (Dollars in Thousands)

	<u>Original Budget</u>	<u>Total Budgetary Authority</u>	<u>Actual</u>	<u>GAAP to Budgetary Basis Conversion</u>	<u>Actual on a Budgetary Basis</u>	<u>Variance Over (Under)</u>
<b>Revenues:</b>						
Interest Income	\$	\$	\$ 93	\$	\$ 93	\$ 93
Property Taxes	7,375	7,375	7,375		7,375	
<b>Total Revenues</b>	<u>7,375</u>	<u>7,375</u>	<u>7,468</u>		<u>7,468</u>	<u>93</u>
<b>Other Financing Use:</b>						
Transfer Out	(7,375)	(7,375)	(1,996)		(1,996)	5,379
Total Other Financing Uses	<u>(7,375)</u>	<u>(7,375)</u>	<u>(1,996)</u>		<u>(1,996)</u>	<u>5,379</u>
Net Change in Fund Balance			5,472		5,472	5,472
Fund Balance (Deficit) Beginning of Year			3,073		3,073	3,073
Fund Balance (Deficit) End of Year	<u>\$</u>	<u>\$</u>	<u>\$ 8,545</u>	<u>\$</u>	<u>\$ 8,545</u>	<u>\$ 8,545</u>

## COUNTY OF NASSAU, NEW YORK

STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE  
TOTAL BUDGETARY AUTHORITY AND ACTUAL  
ENVIRONMENTAL PROTECTION FUND  
FOR THE YEAR ENDED DECEMBER 31, 2007 (Dollars in Thousands)

	<u>Original Budget</u>	<u>Total Budgetary Authority</u>	<u>Actual</u>	<u>GAAP to Budgetary Basis Conversion</u>	<u>Actual on a Budgetary Basis</u>	<u>Variance Over (Under)</u>
<b>Revenues:</b>						
Interest Income	\$	\$	\$ 24	\$	\$ 24	\$ 24
Property Taxes	4,128	4,128	4,128		4,128	
<b>Total Revenues</b>	<u>4,128</u>	<u>4,128</u>	<u>4,152</u>		<u>4,152</u>	<u>24</u>
<b>Other Financing Use:</b>						
Transfer Out	(4,128)	(4,128)	(1,079)		(1,079)	3,049
Total Other Financing Uses	<u>(4,128)</u>	<u>(4,128)</u>	<u>(1,079)</u>		<u>(1,079)</u>	<u>3,049</u>
Net Change in Fund Balance			3,073		3,073	3,073
Fund Balance (Deficit) Beginning of Year						
Fund Balance (Deficit) End of Year	<u>\$</u>	<u>\$</u>	<u>\$ 3,073</u>	<u>\$</u>	<u>\$ 3,073</u>	<u>\$ 3,073</u>

## COUNTY OF NASSAU, NEW YORK

CAPITAL ASSETS USED IN THE OPERATION OF GOVERNMENTAL FUNDS BY FUNCTION  
FOR THE YEAR ENDED DECEMBER 31, 2008 (Dollars in Thousands)

	Land	Land Improvements	Buildings	Equipment	Infrastructure	Total
Legislative	\$	\$	\$ 254	\$ 111	\$	\$ 365
Judicial	2,593	1,933	73,629	2,709		80,864
General Administration	89,443	1,197	23,920	31,042		145,602
Protection of Persons	4,251	190	73,628	79,816		157,885
Health	475		4,709	3,664		8,848
Public Works	13,491	1,315	329,900	45,879	1,406,111	1,796,696
Recreation and Parks	28,952	69,281	83,946	14,510	17,487	214,176
Social Services	545	3,840	19,687	1,664		25,736
Corrections			183,288	9,203		192,491
Other Expenditures/MSBA		716	26,409	121,308		148,433
Metropolitan Transportation Authority				140,040		140,040
Misc. Unclassified	58,640		134,439			193,079
Total	198,390	78,472	953,809	449,946	1,423,598	3,104,215
Less: Accumulated Depreciation		37,769	306,352	304,869	581,137	1,230,127
	\$ 198,390	\$ 40,703	\$ 647,457	\$ 145,077	\$ 842,461	1,874,088
Construction in Progress						506,401
Intangible Assets						8,804
Total Net Capital Assets						\$ 2,389,293

## EXHIBIT C-1

## COUNTY OF NASSAU, NEW YORK

CAPITAL ASSETS USED IN THE OPERATION OF GOVERNMENTAL FUNDS BY FUNCTION  
FOR THE YEAR ENDED DECEMBER 31, 2007 (Dollars in Thousands)

	Land	Land Improvements	Buildings	Equipment	Infrastructure	Total
Legislative	\$	\$	\$ 254	\$ 111	\$	\$ 365
Judicial	2,593	1,933	73,629	2,477		80,632
General Administration	36,204	1,197	23,909	31,250		92,560
Protection of Persons	4,251	190	73,482	75,445		153,368
Health	475		4,709	3,499		8,683
Public Works	13,491	737	329,475	42,948	1,394,840	1,781,491
Recreation and Parks	28,952	69,281	83,506	14,415	17,487	213,641
Social Services	545	3,840	19,687	1,548		25,620
Corrections			183,288	8,725		192,013
Other Expenditures/MSBA		716	26,409	114,868		141,993
Metropolitan Transportation Authority				140,040		140,040
Misc. Unclassified	58,657		134,439			193,096
Total	145,168	77,894	952,787	435,326	1,412,327	3,023,502
Less: Accumulated Depreciation		34,250	282,441	274,479	530,339	1,121,509
	\$ 145,168	\$ 43,644	\$ 670,346	\$ 160,847	\$ 881,988	1,901,993
Construction in Progress						416,811
Total Net Capital Assets						\$ 2,318,804

## COUNTY OF NASSAU, NEW YORK

STATEMENT OF CHANGES IN CAPITAL ASSETS BY FUNCTION  
DECEMBER 31, 2008 (Dollars in Thousands)

	Capital Assets January 1, 2008	Additions*	Deletions*	Capital Assets December 31, 2008
Legislative	\$ 365	\$	\$	\$ 365
Judicial	80,632	232		80,864
General Administration	92,560	53,598	556	145,602
Protection of Persons	153,368	6,313	1,796	157,885
Health	8,683	165		8,848
Public Works	1,781,491	15,559	354	1,796,696
Recreation and Parks	213,641	786	251	214,176
Social Services	25,620	138	22	25,736
Corrections	192,013	863	385	192,491
Other Expenditures/MSBA	141,993	6,497	57	148,433
Metropolitan Transportation Authority	140,040			140,040
Misc. Unclassified	193,096		17	193,079
Construction in Progress	416,811	102,321	12,731	506,401
Intangible Assets		8,804		8,804
Total	<u>3,440,313</u>	<u>195,276</u>	<u>16,169</u>	<u>3,619,420</u>
Less: Accumulated Depreciation	<u>1,121,509</u>	<u>111,531</u>	<u>2,913</u>	<u>1,230,127</u>
Total Changes in Net Capital Assets	<u>\$ 2,318,804</u>	<u>\$ 83,745</u>	<u>\$ 13,256</u>	<u>\$ 2,389,293</u>

\* Additions include buildings, equipment, infrastructure and intangible assets for both the county and the Nassau County Sewer and Storm Water Finance Authority and the transfer of construction in progress. Deletions include buildings, equipment and infrastructure for the county and the transfer of construction in progress to the Nassau County Sewer and Storm Water Finance Authority.

## COUNTY OF NASSAU, NEW YORK

STATEMENT OF CHANGES IN CAPITAL ASSETS BY FUNCTION  
DECEMBER 31, 2007 (Dollars in Thousands)

	Capital Assets January 1, 2007	Additions*	Deletions*	Capital Assets December 31, 2007
Legislative	\$ 364	\$ 1	\$	\$ 365
Judicial	80,004	628		80,632
General Administration	107,637	14,538	29,615	92,560
Protection of Persons	138,592	16,997	2,221	153,368
Health	9,061	810	1,188	8,683
Public Works	1,747,495	36,293	2,297	1,781,491
Recreation and Parks	213,828	273	460	213,641
Social Services	25,607	13		25,620
Corrections	191,478	599	64	192,013
Other Expenditures/MSBA	142,431		438	141,993
Metropolitan Transportation Authority	140,040			140,040
Misc. Unclassified	193,096			193,096
Construction in Progress	362,428	107,271	52,888	416,811
Total	3,352,061	177,423	89,171	3,440,313
Less: Accumulated Depreciation	1,019,240	111,248	8,979	1,121,509
Total Changes in Net Capital Assets	<u>\$ 2,332,821</u>	<u>\$ 66,175</u>	<u>\$ 80,192</u>	<u>\$ 2,318,804</u>

\* Additions include buildings, equipment and infrastructure for both the county and the Nassau County Sewer and Storm Water Finance Authority and the transfer of construction in progress. Deletions include buildings, equipment and infrastructure for the county and the transfer of construction in progress to the Nassau County Sewer and Storm Water Finance Authority.

**EXHIBIT D-1**

**COUNTY OF NASSAU, NEW YORK**

**STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES  
TOTAL BUDGETARY AUTHORITY AND ACTUAL  
DEBT SERVICE FUND  
FOR THE YEAR ENDED DECEMBER 31, 2008 (Dollars in Thousands)**

	<u>Original Budget</u>	<u>Total Budgetary Authority</u>	<u>Actual</u>	<u>GAAP to Budgetary Basis Conversion (Note 12)</u>	<u>Actual on a Budgetary Basis</u>	<u>Variance Over (Under)</u>
<b>Revenues:</b>						
Other Revenue	\$ _____	\$ _____	\$ _____	\$ _____	\$ _____	\$ _____
<b>Expenditures:</b>						
Debt Service:						
Principal	90,940	90,940	80,600		80,600	10,340
Interest	40,063	40,063	26,162		26,162	13,901
Financing Costs	<u>2,725</u>	<u>2,725</u>	<u>4,765</u>		<u>4,765</u>	<u>(2,040)</u>
Total Expenditures	<u>133,728</u>	<u>133,728</u>	<u>111,527</u>		<u>111,527</u>	<u>22,201</u>
Excess (Deficiency) of Revenues Over (Under) Expenditures	<u>(133,728)</u>	<u>(133,728)</u>	<u>(111,527)</u>		<u>(111,527)</u>	<u>22,201</u>
<b>Other Financing Sources (Uses):</b>						
Other Financing Sources - Premium on Bonds			7,719		7,719	7,719
Transfers In	314,727	314,727	283,965		283,965	(30,762)
Transfers Out	<u>(180,999)</u>	<u>(180,999)</u>	<u>(180,157)</u>		<u>(180,157)</u>	<u>842</u>
Total Other Financing Sources (Uses)	<u>133,728</u>	<u>133,728</u>	<u>111,527</u>		<u>111,527</u>	<u>(22,201)</u>
Net Change in Fund Balance						
Fund Balance (Deficit) Beginning of Year	_____	_____	_____	_____	_____	_____
Fund Balance (Deficit) End of Year	\$ _____	\$ _____	\$ _____	\$ _____	\$ _____	\$ _____



**EXHIBIT D-1****COUNTY OF NASSAU, NEW YORK**
**STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES**  
**TOTAL BUDGETARY AUTHORITY AND ACTUAL**  
**DEBT SERVICE FUND**  
**FOR THE YEAR ENDED DECEMBER 31, 2007 (Dollars in Thousands)**

	<u>Original Budget</u>	<u>Total Budgetary Authority</u>	<u>Actual</u>	<u>GAAP to Budgetary Basis Conversion (Note 12)</u>	<u>Actual on a Budgetary Basis</u>	<u>Variance Over (Under)</u>
<b>Revenues:</b>						
Other Revenue	\$ 16,800	\$ 16,800	\$ 19,281	\$	\$ 19,281	\$ 2,481
<b>Expenditures:</b>						
Debt Service:						
Principal	99,103	98,663	96,190		96,190	2,473
Interest	25,817	26,257	26,257		26,257	
Financing Costs	994	994	994		994	
Total Expenditures	<u>125,914</u>	<u>125,914</u>	<u>123,441</u>		<u>123,441</u>	<u>2,473</u>
Excess (Deficiency) of Revenues Over (Under) Expenditures	<u>(109,114)</u>	<u>(109,114)</u>	<u>(104,160)</u>		<u>(104,160)</u>	<u>4,954</u>
<b>Other Financing Sources (Uses):</b>						
Other Financing Sources - Premium on Bonds			1,055		1,055	1,055
Transfers In	283,078	283,078	272,359		272,359	(10,719)
Transfers Out	<u>(173,964)</u>	<u>(173,964)</u>	<u>(169,254)</u>		<u>(169,254)</u>	<u>4,710</u>
Total Other Financing Sources (Uses)	<u>109,114</u>	<u>109,114</u>	<u>104,160</u>		<u>104,160</u>	<u>(4,954)</u>
Net Change in Fund Balance						
Fund Balance (Deficit) Beginning of Year						
Fund Balance (Deficit) End of Year	<u>\$</u>	<u>\$</u>	<u>\$</u>	<u>\$</u>	<u>\$</u>	<u>\$</u>

## COUNTY OF NASSAU, NEW YORK

STATEMENT OF CHANGES IN FIDUCIARY ASSETS AND LIABILITIES  
 FIDUCIARY FUND  
 DECEMBER 31, 2008 (Dollars in Thousands)

## AGENCY FUND

	Balance January 1, <u>2008</u>	<u>Additions</u>	<u>Deductions</u>	Balance December 31, <u>2008</u>
<b><u>ASSETS:</u></b>				
Cash	\$ 100,944	\$ 1,143,673	\$ 1,157,847	\$ 86,770
Due From Component Unit	<u>956</u>	<u>24,773</u>	<u>21,817</u>	<u>3,912</u>
TOTAL ASSETS	<u>\$ 101,900</u>	<u>\$ 1,168,446</u>	<u>\$ 1,179,664</u>	<u>\$ 90,682</u>
<b><u>LIABILITIES:</u></b>				
Accounts Payable	\$ 3,895	\$ 354,745	\$ 358,432	\$ 208
Other Liabilities	<u>98,005</u>	<u>1,259,762</u>	<u>1,267,293</u>	<u>90,474</u>
TOTAL LIABILITIES	<u>\$ 101,900</u>	<u>\$ 1,614,507</u>	<u>\$ 1,625,725</u>	<u>\$ 90,682</u>

## COUNTY OF NASSAU, NEW YORK

STATEMENT OF CHANGES IN FIDUCIARY ASSETS AND LIABILITIES  
 FIDUCIARY FUND  
 DECEMBER 31, 2007 (Dollars in Thousands)

## AGENCY FUND

	Balance January 1, <u>2007</u>	<u>Additions</u>	<u>Deductions</u>	Balance December 31, <u>2007</u>
<b><u>ASSETS:</u></b>				
Cash	\$ 225,757	\$ 1,209,144	\$ 1,333,957	\$ 100,944
Due From Component Unit	<u>                    </u>	<u>81,707</u>	<u>80,751</u>	<u>956</u>
TOTAL ASSETS	<u>\$ 225,757</u>	<u>\$ 1,290,851</u>	<u>\$ 1,414,708</u>	<u>\$ 101,900</u>
<b><u>LIABILITIES:</u></b>				
Accounts Payable	\$ 3,725	\$ 347,409	\$ 347,239	\$ 3,895
Due to Component Unit	1,155	12,871	14,026	
Other Liabilities	<u>220,877</u>	<u>1,193,168</u>	<u>1,316,040</u>	<u>98,005</u>
TOTAL LIABILITIES	<u>\$ 225,757</u>	<u>\$ 1,553,448</u>	<u>\$ 1,677,305</u>	<u>\$ 101,900</u>

## COUNTY OF NASSAU, NEW YORK

STATEMENT OF CHANGES IN OTHER LIABILITIES  
FIDUCIARY FUND  
FOR THE YEAR ENDED DECEMBER 31, 2008 (Dollars in Thousands)

	Balance January 1, 2008	Additions	Deductions	Balance December 31, 2008
Bid Deposits	\$ 325	\$ 162	\$ 168	\$ 319
Cash Bail	13,433	16,798	16,795	13,436
Contractors' Cash Bond Escrow	2,383	320	112	2,591
Dental Insurance	111	5,727	5,728	110
Eggers College Settlement	1,613	38		1,651
Estate Suspense Account	238	1,592	1,380	450
Federal Withholding Taxes	103	155,583	151,161	4,525
FICA Refunds	122	270	244	148
Flex Benefit Plan		3,209	3,209	
Health Insurance		250,595	250,595	
Highway Deposits	1,060	464	365	1,159
Medical Assistance Pay In	5,303	883	2,556	3,630
Mortgage Taxes	13,048	53,629	59,973	6,704
New York City Withholding Taxes	6	1,172	1,139	39
New York State Withholding Taxes	454	55,076	53,832	1,698
Optical Insurance	83	1,662	1,664	81
Payments in Lieu of Taxes	4,635	21,438	18,334	7,739
Payroll Deductions	(2,520)	72,518	69,941	57
Payroll Deferred Compensation		60,929	60,933	(4)
Plans and Specification Deposits	42			42
Real Estate Escrow	164			164
Reimbursements	1	5		6
Retirement System	71	115,262	114,060	1,273
Social Security Taxes	188	139,508	136,819	2,877
TIAA/CREF Payroll Deductions	1,166	6,973	7,256	883
TIAA Escrow	110	176	169	117
Tobacco Unpledged TSRs	35,306	22,091	44,415	12,982
Traffic Violations Clearing Account	2,161	27,943	25,810	4,294
Unclaimed Matured Bonds and Coupons	11,677	186,639	184,433	13,883
Unemployment Insurance	122	756	689	189
United States Savings Bonds	(26)	435	451	(42)
All Other Liabilities	6,626	57,909	55,062	9,473
<b>Total Other Liabilities</b>	<b>\$ 98,005</b>	<b>\$ 1,259,762</b>	<b>\$ 1,267,293</b>	<b>\$ 90,474</b>

## COUNTY OF NASSAU, NEW YORK

STATEMENT OF CHANGES IN OTHER LIABILITIES  
 FIDUCIARY FUND  
 FOR THE YEAR ENDED DECEMBER 31, 2007 (Dollars in Thousands)

	Balance January 1, <u>2007</u>	<u>Additions</u>	<u>Deductions</u>	Balance December 31, <u>2007</u>
Bid Deposits	\$ 320	\$ 99	\$ 94	\$ 325
Cash Bail	15,714	16,745	19,026	13,433
Contractors' Cash Bond Escrow	2,111	283	11	2,383
Dental Insurance	106	5,683	5,678	111
Eggers College Settlement	1,531	82		1,613
Estate Suspense Account	422	725	909	238
Federal Withholding Taxes	355	148,274	148,526	103
FICA Refunds	32	646	556	122
Flex Benefit Plan		2,707	2,707	
Health Insurance		234,746	234,746	
Highway Deposits	1,107	340	387	1,060
Liability for Tobacco Corp. Medical Expenses	14,657		14,657	
Liability for Future Nassau Health Care Corp. Cap. Expenses	145,861		145,861	
Medical Assistance Pay In	4,474	867	38	5,303
Mortgage Taxes	17,020	92,208	96,180	13,048
New York City Withholding Taxes	4	1,102	1,100	6
New York State Withholding Taxes	362	52,316	52,224	454
Optical Insurance	83	1,614	1,614	83
Payments in Lieu of Taxes	1,642	28,437	25,444	4,635
Payroll Deductions	(2,699)	71,083	70,904	(2,520)
Payroll Deferred Compensation		60,734	60,734	
Plans and Specification Deposits	42			42
Real Estate Escrow	164			164
Reimbursements	4	10	13	1
Retirement System	57	116,614	116,600	71
Social Security Taxes	220	133,193	133,225	188
TIAA/CREF Payroll Deductions	1,235	6,798	6,867	1,166
TIAA Escrow	44	104	38	110
Tobacco Unpledged TSRs		44,248	8,942	35,306
Traffic Violations Clearing Account	2,434	27,486	27,759	2,161
Unclaimed Matured Bonds and Coupons	9,005	117,307	114,635	11,677
Unemployment Insurance	101	594	573	122
United States Savings Bonds	(24)	471	473	(26)
All Other Liabilities	4,493	27,652	25,519	6,626
Total Other Liabilities	<u>\$ 220,877</u>	<u>\$ 1,193,168</u>	<u>\$ 1,316,040</u>	<u>\$ 98,005</u>

## COUNTY OF NASSAU, NEW YORK

STATEMENT OF CASH IN BANKS\*  
 ALL FUNDS OF THE PRIMARY GOVERNMENT  
 DECEMBER 31, 2008 (Dollars in Thousands)

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**CASH BALANCES BY FUND:**

General Fund	\$ 58,280
NIFA General Fund	264
Police District	12,694
Police Headquarters	2,075
Capital	176,572
Fire Prevention, Safety, Communication and Education Fund	475
Debt Service Fund	1,951
Sewer & Storm Water	138,791
Nonmajor Governmental Funds	76,976
Agency Fund	<u>86,770</u>
Total Cash Balances By Funds	<u>\$ 554,848</u>

**CASH BALANCES BY BANK:**

The Bank of New York	\$ 12
JP Morgan Chase-NCTSC	116
The Bank of New York-SFA	146
Citibank	20,514
Commerce	101,748
Bank of America	79,308
JP Morgan Chase	26,495
State Bank of Long Island	211
Capital One Bank	179,872
Signature Bank	135,495
City National Bank of New Jersey	9,975
Petty Cash	<u>956</u>
Total Cash Balances By Bank	<u>\$ 554,848</u>

\*See Exhibit X-16 Note 2, Deposits and Investments

## COUNTY OF NASSAU, NEW YORK

STATEMENT OF CASH IN BANKS\*  
 ALL FUNDS OF THE PRIMARY GOVERNMENT  
 DECEMBER 31, 2007 (Dollars in Thousands)

**CASH BALANCES BY FUND:**

General Fund	\$ 109,221
NIFA General Fund	663
Police District	15,499
Police Headquarters	1,391
Capital	155,864
Fire Prevention, Safety, Communication and Education Fund	2,013
Debt Service Fund	5,260
Sewer & Storm Water	98,977
Nonmajor Governmental Funds	111,366
Agency Fund	<u>100,944</u>
Total Cash Balances By Funds	<u>\$ 601,198</u>

**CASH BALANCES BY BANK:**

The Bank of New York-NCTSC	112
The Bank of New York-SFA	24,600
The Bank of New York-NIFA	234
Citibank	79,497
Commerce	217,298
Bank of America	10,156
Bank of America - NIFA	663
JP Morgan Chase	28,284
State Bank of Long Island	37,881
North Fork Bank	150,729
Signature Bank	40,948
City National Bank of New Jersey	10,015
Petty Cash	<u>781</u>
Total Cash Balances By Bank	<u>\$ 601,198</u>

\*See Exhibit X-16 Note 2, Deposits and Investments





**SUPPLEMENTAL SCHEDULES**



COUNTY OF NASSAU, NEW YORK  
SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS  
FOR THE YEAR ENDED DECEMBER 31, 2008

FEDERAL GRANTOR/PASS-THROUGH GRANTOR/ PROGRAM TITLE	FEDERAL CFDA NUMBER	FEDERAL/PASS-THROUGH GRANTOR'S NUMBER	FEDERAL EXPENDITURES
<b><u>U.S. DEPARTMENT OF AGRICULTURE</u></b>			
<i>PASSED THROUGH:</i>			
NEW YORK STATE DEPARTMENT OF EDUCATION:			
CHILD NUTRITION CLUSTER -			
SCHOOL BREAKFAST PROGRAM	10.553	705962	\$ 13,806
NATIONAL SCHOOL LUNCH PROGRAM	10.555	705962	21,308
<b>TOTAL - CHILD NUTRITION CLUSTER</b>			<u>35,114</u>
<i>PASSED THROUGH:</i>			
NEW YORK STATE DEPARTMENT OF HEALTH:			
SPECIAL SUPPLEMENTAL NUTRITION PROGRAM FOR WOMEN, INFANTS AND CHILDREN (WIC Program)			
	10.557	C019365, C023634	16,279,610
NEW YORK STATE OFFICE OF TEMPORARY AND DISABILITY ASSISTANCE:			
FOOD STAMP CLUSTER -			
SUPPLEMENTAL NUTRITION ASSISTANCE PROGRAM	10.551	N/A	42,128,797
STATE ADMINISTRATIVE MATCHING GRANTS FOR THE SUPPLEMENTAL NUTRITION ASSISTANCE PROGRAM	10.561	N/A	4,552,949
<b>TOTAL - FOOD STAMP CLUSTER</b>			<u>46,681,746</u>
<b>TOTAL - U.S. DEPARTMENT OF AGRICULTURE</b>			<u>62,996,470</u>
<b><u>U.S. DEPARTMENT OF HOUSING AND URBAN DEVELOPMENT</u></b>			
<i>DIRECT PROGRAMS:</i>			
COMMUNITY DEVELOPMENT BLOCK GRANTS/ ENTITLEMENT GRANTS	14.218	B01-UC-36-0101	17,505,045
EMERGENCY SHELTER GRANTS PROGRAM (ESG)	14.231	S01-UC-36-0106	700,692
HOME INVESTMENT PARTNERSHIPS PROGRAM (HOME Program)	14.239	M01-UC-36-0207	3,439,425
COMMUNITY DEVELOPMENT BLOCK GRANT SECTION 108 LOAN GUARANTEES	14.248	N/A	99,329
<b>TOTAL - U.S. DEPARTMENT OF HOUSING AND URBAN DEVELOPMENT</b>			<u>21,744,491</u>

See notes to the schedule of expenditures of federal awards.

continued

COUNTY OF NASSAU, NEW YORK  
 SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS  
 FOR THE YEAR ENDED DECEMBER 31, 2008

FEDERAL GRANTOR/PASS-THROUGH GRANTOR/ PROGRAM TITLE	FEDERAL CFDA NUMBER	FEDERAL/PASS-THROUGH GRANTOR'S NUMBER	FEDERAL EXPENDITURES
<b><u>U. S. DEPARTMENT OF JUSTICE</u></b>			
<i>DIRECT PROGRAMS:</i>			
ASSET FORFEITURE PROGRAM	16.000	N/A	\$ 2,158,621
STATE CRIMINAL ALIEN ASSISTANCE PROGRAM (SCAAP)	16.606	N/A	3,188,736
PUBLIC SAFETY PARTNERSHIP AND COMMUNITY POLICING GRANTS	16.710	2002-HS-WX-0022, 2003-IN-WX-0013 & 2005-VT-BX-0018	317,628
GANG RESISTANCE EDUCATION AND TRAINING (G.R.E.A.T)	16.737	2006-JV-FX-0001	110,880
FORENSIC DNA BACKLOG REDUCTION PROGRAM	16.741	2007-DN-BX-K109, 2008-DN-BS-K097	144,754
PAUL COVERDELL FORENSIC SCIENCES IMPROVEMENT GRANT PROGRAM	16.742	T100411, T661975	75,217
ANTI-GANG INITIATIVE	16.744	2006-PG-BX-0046	130,741
<i>PASSED THROUGH:</i>			
<b>NEW YORK STATE CRIME VICTIMS BOARD:</b>			
CRIME VICTIM ASSISTANCE	16.575	C401089 & C401198	116,200
<b>NEW YORK STATE DIVISION OF CRIMINAL JUSTICE SERVICES:</b>			
JUVENILE ACCOUNTABILITY BLOCK GRANTS	16.523	C520477 & C520478	119,545
EDWARD BYRNE MEMORIAL FORMULA GRANT PROGRAM	16.579	C817936 & C817937	119,391
VIOLENCE AGAINST WOMEN FORMULA GRANTS	16.588	C551734 & C544435	89,760
COMMUNITY PROSECUTION AND PROJECT SAFE NEIGHBORHOODS	16.609	2007-PG-BX-0013, 2007-PG-BX-0008	49,637
<b>TOTAL - U.S. DEPARTMENT OF JUSTICE</b>			<b>6,621,110</b>
<b><u>U.S. DEPARTMENT OF LABOR</u></b>			
<i>DIRECT PROGRAMS:</i>			
HOMELESS VETERANS REINTEGRATION PROJECT	17.805	N/A	4,294
<i>PASSED THROUGH:</i>			
<b>NEW YORK STATE OFFICE FOR AGING:</b>			
SENIOR COMMUNITY SERVICE EMPLOYMENT PROGRAM (SCSEP)	17.235	N/A	141,587
<b>TOTAL - U.S. DEPARTMENT OF LABOR</b>			<b>145,881</b>

See notes to the schedule of expenditures of federal awards.

continued

COUNTY OF NASSAU, NEW YORK  
SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS  
FOR THE YEAR ENDED DECEMBER 31, 2008

FEDERAL GRANTOR/PASS-THROUGH GRANTOR/ PROGRAM TITLE	FEDERAL CFDA NUMBER	FEDERAL/PASS-THROUGH GRANTOR'S NUMBER	FEDERAL EXPENDITURES
<b><u>U.S. DEPARTMENT OF TRANSPORTATION</u></b>			
<i>DIRECT PROGRAMS:</i>			
FEDERAL TRANSIT - FORMULA GRANTS	20.507	NY90X334, NY03-0324 & NY03-0342	\$ 111,328
<i>PASSED THROUGH:</i>			
NEW YORK STATE DEPARTMENT OF TRANSPORTATION: HIGHWAY PLANNING AND CONSTRUCTION	20.205	0752.22.12, 0757.50.321, 0757.78.121 0758.06.321, 0758.21.3211 & 0758.24.121	6,762,095
NEW YORK STATE GOVERNOR'S TRAFFIC SAFETY COMMITTEE: STATE AND COMMUNITY HIGHWAY SAFETY	20.600	C-000583, C-000918 C-001078 & C-3000551	428,100
<b>TOTAL - U.S. DEPARTMENT OF TRANSPORTATION</b>			7,301,523
<b><u>U.S. DEPARTMENT OF THE TREASURY</u></b>			
<i>DIRECT PROGRAMS:</i>			
TREASURY ASSET FORFEITURE PROGRAM	21.000	N/A	581,493
<b>TOTAL - U.S. DEPARTMENT OF THE TREASURY</b>			581,493
<b><u>U.S. ENVIRONMENTAL PROTECTION AGENCY</u></b>			
<i>PASSED THROUGH:</i>			
NEW YORK STATE DEPARTMENT OF HEALTH: BEACH MONITORING AND NOTIFICATION PROGRAM IMPLEMENTATION GRANTS	66.472	C021899	46,250
<b>TOTAL - U.S. ENVIRONMENTAL PROTECTION AGENCY</b>			46,250

See notes to the schedule of expenditures of federal awards.

continued

COUNTY OF NASSAU, NEW YORK  
 SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS  
 FOR THE YEAR ENDED DECEMBER 31, 2008

FEDERAL GRANTOR/PASS-THROUGH GRANTOR/ PROGRAM TITLE	FEDERAL CFDA NUMBER	FEDERAL/PASS-THROUGH GRANTOR'S NUMBER	FEDERAL EXPENDITURES
<b>U.S. DEPARTMENT OF EDUCATION</b>			
<i>DIRECT PROGRAMS:</i>			
<b>STUDENT FINANCIAL ASSISTANCE CLUSTER -</b>			
FEDERAL SUPPLEMENTAL EDUCATIONAL OPPORTUNITY GRANTS (FSEOG)	84.007	E-P007A62879	\$ 276,031
FEDERAL WORK-STUDY PROGRAM	84.033	E-P033A62876	204,941
PERKINS LOAN CANCELLATIONS	84.037	E-P038A02876	1,550
FEDERAL PELL GRANT PROGRAM (Pell Grants)	84.063	E-P063P64539	15,988,298
FEDERAL DIRECT STUDENT LOANS	84.268	N/A	11,361,361
ACADEMIC COMPETITIVENESS GRANT (ACG)	84.375	P375A060313	212,745
<b>TOTAL - STUDENT FINANCIAL ASSISTANCE CLUSTER</b>			28,044,926
<i>DIRECT PROGRAMS:</i>			
TRIO - STUDENT SUPPORT SERVICES	84.042	PO42A010070 A	366,319
GAINING EARLY AWARENESS AND READINESS FOR UNDER - GRADUATE PROGRAMS (GEAR - UP)	84.334	P334A9901 CY-GU	23,898
<i>PASSED THROUGH:</i>			
<b>NEW YORK STATE DEPARTMENT OF EDUCATION:</b>			
CAREER AND TECHNICAL EDUCATION - BASIC GRANTS TO STATES	84.048	N/A	109,659
SAFE AND DRUG-FREE SCHOOLS AND COMMUNITIES - STATE GRANTS	84.186	N/A	68,992
<b>NEW YORK STATE DEPARTMENT OF HEALTH:</b>			
SPECIAL EDUCATION - GRANTS FOR INFANTS AND FAMILIES	84.181	C017612, C021804	1,025,273
<b>TOTAL - U.S. DEPARTMENT OF EDUCATION</b>			29,639,067

See notes to the schedule of expenditures of federal awards.

continued

COUNTY OF NASSAU, NEW YORK  
 SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS  
 FOR THE YEAR ENDED DECEMBER 31, 2008

FEDERAL GRANTOR/PASS-THROUGH GRANTOR/ PROGRAM TITLE	FEDERAL CFDA NUMBER	FEDERAL/PASS-THROUGH GRANTOR'S NUMBER	FEDERAL EXPENDITURES
<b>U.S. DEPARTMENT OF HEALTH AND HUMAN SERVICES</b>			
<i>DIRECT PROGRAMS:</i>			
NURSING WORKFORCE DIVERSITY	93.178	D19HP04594	\$ 212,876
HIV EMERGENCY RELIEF PROJECT GRANTS	93.914	5H89HA00020-10	4,968,624
HIV DEMONSTRATION, RESEARCH, PUBLIC AND PROFESSIONAL EDUCATION PROJECTS	93.941	6H89HA00020-11-01	515,000
<i>PASSED THROUGH:</i>			
<b>NEW YORK STATE DEPARTMENT OF HEALTH:</b>			
MEDICAL RESERVE CORPS SMALL GRANT PROGRAM	93.008	N/A	10,000
PROJECT GRANTS AND COOPERATIVE AGREEMENTS FOR TUBERCULOSIS CONTROL PROGRAMS	93.116	C017989, C020234	26,558
IMMUNIZATION GRANTS	93.268	C018671, C023254	122,217
CANCER DETECTION AND DIAGNOSIS RESEARCH	93.394	C012437, C022069	37,831
MEDICAL ASSISTANCE PROGRAM	93.778	C017451, C021368	11,705,137
PREVENTIVE HEALTH SERVICES-SEXUALLY TRANSMITTED DISEASES CONTROL GRANTS	93.977	C017972, C01798, C021837, C021842	227,731
PREVENTIVE HEALTH AND HEALTH SERVICES BLOCK GRANT	93.991	C020170	4,105
MATERNAL AND CHILD HEALTH SERVICES BLOCK GRANT TO THE STATES	93.994	C020617, C021562, C021654, C022069	280,026
<b>NEW YORK STATE OFFICE OF TEMPORARY AND DISABILITY ASSISTANCE:</b>			
TEMPORARY ASSISTANCE FOR NEEDY FAMILIES (TANF)	93.558	N/A	41,821,624
CHILD SUPPORT ENFORCEMENT	93.563	N/A	5,217,288
REFUGEE AND ENTRANT ASSISTANCE STATE ADMINISTERED PROGRAMS	93.566	N/A	113,995
LOW-INCOME HOME ENERGY ASSISTANCE	93.568	N/A	394,659
<b>NEW YORK STATE OFFICE OF CHILDREN AND FAMILY SERVICES:</b>			
PROMOTING SAFE AND STABLE FAMILIES	93.556	N/A	730,266
CHILD CARE AND DEVELOPMENT BLOCK GRANT	93.575	N/A	25,116,461
FOSTER CARE-TITLE IV-E	93.658	N/A	6,483,406
ADOPTION ASSISTANCE	93.659	N/A	1,179,956
SOCIAL SERVICES BLOCK GRANT	93.667	N/A	28,001,723
CHAFEE FOSTER CARE INDEPENDENCE PROGRAM (CFCIP)	93.674	N/A	261,398

See notes to the schedule of expenditures of federal awards.

continued

COUNTY OF NASSAU, NEW YORK  
SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS  
FOR THE YEAR ENDED DECEMBER 31, 2008

FEDERAL GRANTOR/PASS-THROUGH GRANTOR/ PROGRAM TITLE	FEDERAL CFDA NUMBER	FEDERAL/PASS-THROUGH GRANTOR'S NUMBER	FEDERAL EXPENDITURES
<b>NEW YORK STATE BOARD OF ELECTIONS</b>			
VOTING ACCESS FOR INDIVIDUALS WITH DISABILITIES GRANTS TO STATES	93.617	C002611, T002795	\$ 63,016
<b>NEW YORK STATE HEALTH RESEARCH, INC.:</b>			
CENTERS FOR DISEASE CONTROL AND PREVENTION - INVESTIGATIONS AND TECHNICAL ASSISTANCE	93.283	1624-05 & 1624-06 & 1624-07	1,247,869
<b>MEDICAL AND HEALTH RESEARCH ASSOCIATES OF NYC, INC.:</b>			
CENTERS FOR DISEASE CONTROL AND PREVENTION - INVESTIGATIONS AND TECHNICAL ASSISTANCE	93.283	06-NCDOH01	139,943
<b>NEW YORK STATE OFFICE FOR THE AGING:</b>			
SPECIAL PROGRAMS FOR THE AGING - TITLE VII, CHAPTER 2 - LONG TERM CARE OMBUDSMAN SERVICES FOR OLDER INDIVIDUALS	93.042	N/A	48,207
SPECIAL PROGRAMS FOR THE AGING - TITLE III, PART D - DISEASE PREVENTION AND HEALTH PROMOTION SERVICES	93.043	N/A	80,425
<b>AGING CLUSTER -</b>			
SPECIAL PROGRAMS FOR THE AGING - TITLE III, PART B - GRANTS FOR SUPPORTIVE SERVICES AND SENIOR CENTERS	93.044	N/A	1,294,616
SPECIAL PROGRAMS FOR THE AGING - TITLE III, PART C - NUTRITION SERVICES	93.045	N/A	2,605,480
NUTRITION SERVICES INCENTIVE PROGRAM	93.053	N/A	<u>267,955</u>
<b>TOTAL - AGING CLUSTER</b>			<u>4,168,051</u>
<b>PASSED THROUGH:</b>			
NATIONAL FAMILY CAREGIVER SUPPORT, TITLE III, PART E	93.052	N/A	769,256
LOW-INCOME HOME ENERGY ASSISTANCE	93.568	N/A	230,304
CENTERS FOR MEDICARE AND MEDICAID SERVICES (CMS) RESEARCH, DEMONSTRATIONS AND EVALUATIONS	93.779	N/A	113,299
<b>NEW YORK STATE OFFICE OF ALCOHOL AND SUBSTANCE ABUSE SERVICES:</b>			
BLOCK GRANTS FOR PREVENTION AND TREATMENT OF SUBSTANCE ABUSE	93.959	N/A	5,840,282
<b>NEW YORK STATE OFFICE OF MENTAL HEALTH:</b>			
MEDICAL ASSISTANCE PROGRAM	93.778	N/A	226,985
BLOCK GRANTS FOR COMMUNITY MENTAL HEALTH SERVICES	93.958	N/A	<u>2,124,698</u>
<b>TOTAL - U.S. DEPARTMENT OF HEALTH AND HUMAN SERVICES</b>			<u>142,483,216</u>

See notes to the schedule of expenditures of federal awards.

continued



COUNTY OF NASSAU, NEW YORK  
SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS  
FOR THE YEAR ENDED DECEMBER 31, 2008

FEDERAL GRANTOR/PASS-THROUGH GRANTOR/ PROGRAM TITLE	FEDERAL CFDA NUMBER	FEDERAL/PASS-THROUGH GRANTOR'S NUMBER	FEDERAL EXPENDITURES
<b><u>CORPORATION FOR NATIONAL AND COMMUNITY SERVICE</u></b>			
<i>DIRECT PROGRAMS:</i>			
RETIRED AND SENIOR VOLUNTEER PROGRAM (RSVP)	94.002	OISRANY136	\$ 68,258
FOSTER GRANDPARENT PROGRAM (FGP)	94.011	439A021/15,16	<u>184,435</u>
<b>TOTAL - CORPORATION FOR NATIONAL AND COMMUNITY SERVICE</b>			<u>252,693</u>
<b><u>DEPARTMENT OF HOMELAND SECURITY</u></b>			
<i>DIRECT PROGRAMS:</i>			
ASSISTANCE TO FIREFIGHTERS GRANT	97.044	EMW-2007-F0-07008	217,586
PORT SECURITY GRANT PROGRAM	97.056	T702278	24,778
<i>PASSED THROUGH:</i>			
<b>NEW YORK STATE OFFICE OF HOMELAND SECURITY:</b>			
URBAN AREAS SECURITY INITIATIVE (UASI)	97.008	C884353, C834163, C834173	1,653,710
STATE HOMELAND SECURITY PROGRAM (SHSP)	97.073	C834150, C834160, C834170, C834140 & C843153	813,425
<b>NEW YORK STATE EMERGENCY MANAGEMENT OFFICE:</b>			
EMERGENCY MANAGEMENT PERFORMANCE GRANTS (EMPG)	97.042	NY-1-2005 & NY-1-2006	380,350
CITIZEN CORPS	97.053	N/A	145,864
<b>TOTAL - DEPARTMENT OF HOMELAND SECURITY</b>			<u>3,235,713</u>
<b><u>TOTAL EXPENDITURES OF FEDERAL AWARDS</u></b>			<u>\$275,047,907</u>

See notes to the schedule of expenditures of federal awards.

Concluded

# COUNTY OF NASSAU, NEW YORK

## NOTES TO SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS FOR THE YEAR ENDED DECEMBER 31, 2008

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**(1) Basis of Presentation**

The accompanying Schedule of Expenditures of Federal Awards presents the activity of federal financial assistance programs administered by the County of Nassau, New York (the "County"), a financial reporting entity as defined in Note 1 to the County's basic financial statements. All federal financial assistance received directly from federal agencies as well as federal financial assistance passed through other government agencies is included in the Schedule of Expenditures of Federal Awards.

**(2) Basis of Accounting**

The accompanying Schedule of Expenditures of Federal Awards is presented using the modified accrual basis of accounting, which is described in Note 1 to the County's basic financial statements. The amounts reported as expenditures in the accompanying Schedule of Expenditures of Federal Awards generally were obtained from the amounts reported in financial reports with federal agencies, which are prepared from records maintained for each program. These records are reconciled to the Nassau Integrated Financial System ("NIFS") accounting system, which is the source of the basic financial statements.

**(3) Relationship to the Basic Financial Statements**

The Schedule of Expenditures of Federal Awards includes pass through federal funds. The amounts presented below consist of disbursements to program recipients or vendors, which were drawn directly from New York State ("NYS") accounts, and are not included in the County's basic financial statements.

<u>Federal Program</u>	<u>CFDA Number</u>	<u>Direct Recipients</u>	<u>County</u>	<u>Total Federal Assistance</u>
Supplemental Nutrition Assistance Program	10.551	\$42,128,797 (a)	\$ -	\$42,128,797
WIC	10.557	13,559,333 (b)	2,720,277*	16,279,610

(a) The recipient utilizes a card and PIN number at vendor locations to initiate transactions online with the state. This amount represents food stamps redeemed by recipients for the year ended December 31, 2008.

(b) The County distributed the NYS checks to the recipients.

\* Amount represents funds passed through to the County for administration expenditures.

# COUNTY OF NASSAU, NEW YORK

## NOTES TO SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS (Continued) FOR THE YEAR ENDED DECEMBER 31, 2008 (AS REVISED)

### (4) Loan Programs

The amounts reported below represent administrative costs, total loans issued, and amounts outstanding, respectively, for the year ended December 31, 2008. The following are revolving loans, which have been issued from the repayments of former loans. The loan amounts presented here are not included in the basic financial statements of the County.

<u>Program Title</u>	<u>Federal CFDA Number</u>	<u>Loans Issued</u>	<u>Amounts Outstanding</u>
Perkins Loans	84.038	\$20,764	\$202,633 (a)
Nursing Student Loans	93.364	24,184	127,308 (b)

(a) Administrative costs totaled \$1,600; Federal Capital Contributions were \$31,000 and Loan Cancellations totaled \$1,550

(b) Federal Capital Contributions were \$48,000.

### (5) Federal Asset Forfeitures – Unexpended Cash Balances

The County receives funds under Federal Asset Forfeiture Programs administered by the U.S. Department of Justice and the U.S. Department of the Treasury. Unexpended cash balances on hand relating to these programs at December 31, 2008, were as follows:

#### U.S. Department of Justice:

Police Department	16.000	\$3,763,895
District Attorney	16.000	2,899,581
Correctional Center	16.000	<u>89,319</u>
Total U.S. Department of Justice		<u>6,752,795</u>

#### U.S. Department of the Treasury:

Police Department	21.000	2,516,496
District Attorney	21.000	<u>587,821</u>
Total U.S. Department of the Treasury		<u>3,104,317</u>

Total Federal Asset Forfeiture Funds on Hand		<u>\$9,857,112</u>
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# COUNTY OF NASSAU, NEW YORK

## NOTES TO SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS (Continued) FOR THE YEAR ENDED DECEMBER 31, 2008 (AS REVISED)

### (6) Program Clusters

Part 5 of OMB Circular A-133 defines a cluster of programs as a grouping of federal programs with different CFDA numbers that are closely related and that share common compliance requirements. Program clusters are considered as one program for purposes of determining major programs. At December 31, 2008, the following programs were categorized as clusters:

#### U.S. Department of Agriculture

##### *Child Nutrition Cluster:*

<u>Direct/Pass- Through Grantor</u>	<u>Program</u>	<u>CFDA No.</u>	<u>2008 Expenditures</u>
Passed Through NYS Department of Education	School Breakfast Program	10.553	\$ 13,806
	National School Lunch Program	10.555	<u>21,308</u>
	Total		<u>\$ 35,114</u>

##### *Food Stamp Cluster:*

Passed Through NYS Office of Temporary and Disability Assistance	Supplemental Nutrition Assistance Program	10.551	\$ 42,128,797
	State Administrative Matching Grants for Supplemental Nutrition Assistance Program	10.561	<u>4,552,949</u>
	Total		<u>\$46,681,746</u>

# COUNTY OF NASSAU, NEW YORK

## NOTES TO SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS (Continued) FOR THE YEAR ENDED DECEMBER 31, 2008 (AS REVISED)

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### (6) Program Clusters (Continued)

#### U.S. Department of Education

##### *Student Financial Assistance Programs Cluster:*

Direct	Federal Supplemental Educational Opportunity Grants ("FSEOG")	84.007	\$ 276,031
	Federal Work-Study Program	84.033	204,941
	Perkins Loans Cancellations	84.037	1,550
	Federal Pell Grant Program	84.063	15,988,298
	Federal Direct Student Loans	84.268	11,361,361
	Academic Competitiveness Grant ("ACG")	84.375	<u>212,745</u>
	Total		<u>\$ 28,044,926</u>

# COUNTY OF NASSAU, NEW YORK

## NOTES TO SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS (Continued) FOR THE YEAR ENDED DECEMBER 31, 2008 (AS REVISED)

### (6) Program Clusters (Continued)

#### U.S. Department of Health and Human Services

##### *Aging Cluster:*

<u>Direct/Pass- Through Grantor</u>	<u>Program</u>	<u>CFDA No.</u>	<u>2008 Expenditures</u>
Passed Through NYS Office for the Aging	Special Programs for the Aging – Title III, Part B – Grants for Supportive Services and Senior Centers	93.044	\$ 1,294,616
	Special Programs for the Aging – Title III, Part C – Nutrition Services	93.045	2,605,480
	Nutrition Services Incentive Programs (“NSIP”)	93.053	<u>267,955</u>
	Total		<u>\$ 4,168,051</u>

##### *Medical Assistance Cluster:*

Passed Through NYS Department of Health	Medical Assistance Program	93.778	\$11,705,137
Passed Through NYS Office of Mental Health	Medical Assistance Program	93.778	<u>226,985</u>
	Total		<u>\$11,932,122</u>

**COUNTY OF NASSAU, NEW YORK**

**NOTES TO SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS (Continued)  
FOR THE YEAR ENDED DECEMBER 31, 2008 (AS REVISED)**

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**(6) Program Clusters (Continued)**

**U.S. Department of Health and Human Services**

*Home Energy Assistance Cluster:*

<u>Direct/Pass- Through Grantor</u>	<u>Program</u>	<u>CFDA No.</u>	<u>2008 Expenditures</u>
Passed Through NYS Office of Temporary and Disability Assistance	Low-Income Home Energy Assistance	93.568	\$394,659
Passed Through NYS Office for the Aging	Low-Income Home Energy Assistance	93.568	<u>230,304</u>
	Total		<u>\$624,963</u>

\* \* \* \* \*





## **Internal Control and Compliance**



**INDEPENDENT AUDITORS' REPORT ON INTERNAL CONTROL OVER FINANCIAL REPORTING AND ON COMPLIANCE AND OTHER MATTERS BASED ON AN AUDIT OF FINANCIAL STATEMENTS PERFORMED IN ACCORDANCE WITH GOVERNMENT AUDITING STANDARDS**

The Honorable Thomas R. Suozzi, County Executive  
And Members of the County Legislature  
County of Nassau, New York

We have audited financial statements of the County of Nassau, New York, (the "County") as of and for the year ended December 31, 2008, (with the Nassau Community College for the year ended August 31, 2008) and have issued our report thereon dated June 24, 2009 which includes an explanatory paragraph regarding the change in method of estimating the liability for workers compensation claims.

We did not audit the financial statements of the Nassau Regional Off-Track Betting Corporation, the Nassau County Industrial Development Agency, and the Nassau Health Care Corporation, for the year ended December 31, 2008, all discretely presented component units. Those statements were audited by other auditors whose reports have been furnished to us, and our opinion, insofar as it relates to the amounts included for such entities is based solely 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. The financial statements of the Nassau Regional Off-Track Betting Corporation and Nassau Health Care Corporation were not audited in accordance with *Government Auditing Standards*.

**INTERNAL CONTROL OVER FINANCIAL REPORTING**

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

A control deficiency 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 misstatements on a timely basis. A significant deficiency is a control deficiency, or combination of control deficiencies, that adversely affects the entity's ability to initiate, authorize, record, process, or report financial data reliably in accordance with generally accepted accounting principles such that there is more than a remote likelihood that a misstatement of the entity's financial statements that is more than inconsequential will not be prevented or detected by the entity's internal control.

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

#### COMPLIANCE AND OTHER MATTERS

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

We noted certain matters that we reported to management of the County in a separate letter dated June 24, 2009.

This report is intended solely for the information and use of the County Legislature, management, federal awarding agencies, and pass-through entities and is not intended to be and should not be used by anyone other than these specified parties.

*Deloitte + Touche LLP*

June 24, 2009

## REPORT ON COMPLIANCE WITH REQUIREMENTS APPLICABLE TO EACH MAJOR PROGRAM AND ON INTERNAL CONTROL OVER COMPLIANCE IN ACCORDANCE WITH OMB CIRCULAR A-133

The Honorable Thomas R. Suozzi, County Executive  
and Members of the County Legislature  
County of Nassau, New York

### COMPLIANCE

We have audited the compliance of the County of Nassau, New York (the "County") with the types of compliance requirements described in the U.S. Office of Management and Budget (OMB) *Circular A-133 Compliance Supplement* that are applicable to each of its major federal programs for the year ended December 31, 2008. The County's major federal programs are identified in the summary of auditors' results section of the accompanying schedule of findings and questioned costs. Compliance with the requirements of laws, regulations, contracts, and grants applicable to each of its major federal programs is the responsibility of the County's management. Our responsibility is to express an opinion on the County's compliance based on our audit.

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

In our opinion, the County complied, in all material respects, with the requirements referred to above that are applicable to each of its major federal programs for the year ended December 31, 2008.

### INTERNAL CONTROL OVER COMPLIANCE

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

A *control deficiency* in an entity's internal control over compliance 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 noncompliance with a type of compliance requirement of a federal program on a timely basis. A *significant deficiency* is a control deficiency, or combination of control deficiencies, that adversely affects the entity's ability to administer a federal program such that there is more than a remote likelihood that noncompliance with a type of compliance requirement of a federal program that is more than inconsequential will not be prevented or detected by the entity's internal control.

A *material weakness* is a significant deficiency, or combination of significant deficiencies, that results in more than a remote likelihood that material noncompliance with a type of compliance requirement of a federal program will not be prevented or detected by the entity's internal control.

Our consideration of internal control over compliance was for the limited purpose described in the first paragraph of this section and would not necessarily identify all deficiencies in internal control that might be significant deficiencies or material weaknesses. We did not identify any deficiencies in internal control over compliance that we consider to be material weaknesses, as defined above. The County's responses to the findings identified in our audit are described in the accompanying schedule of findings and questioned costs. We did not audit the County's responses and, accordingly, we express no opinion on them.

We have audited the accompanying financial statements of the governmental activities, the aggregate discretely presented component units, each major fund, and the aggregate remaining fund information of the County as of and for the year ended December 31, 2008 (with the Nassau Community College for the years ended August 31, 2008), which collectively comprise the County's basic financial statements as listed in the table of contents. We also have audited the financial statements of the County's nonmajor governmental and fiduciary funds presented as supplementary information in the accompanying combining and individual fund financial statements as of December 31, 2008, and for the years then ended as listed in the table of contents and have issued our report thereon dated June 24, 2009. Our audit was performed for the purpose of forming our opinions on the financial statements that collectively comprise the County's basic financial statements. We did not audit the financial statements of the Nassau Regional Off-Track Betting Corporation, the Nassau County Industrial Development Agency, and the Nassau Health Care Corporation, all discretely presented component units, which as combined represent 9 and 9 percent and 19 and 16 percent, respectively, of the assets and revenues of the County for each of the years ended December 31, 2008 and 2007. Those statements were audited by other auditors whose reports have been furnished to us, and our opinion, insofar as it relates to the amounts included for such entities is based solely on the reports of the other auditors. The accompanying schedule of expenditures of federal awards is presented for purposes of additional analysis as required by OMB Circular A-133 and is 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.

This report is intended solely for the information and use of use of the County legislature, management and federal awarding agencies and pass-through entities and is not intended to be, and should not be, used by anyone other than these specified parties.

*Deloitte + Touche LLP*

September 21, 2009

## **Findings and Questioned Costs**





# COUNTY OF NASSAU, NEW YORK

## FINDINGS AND QUESTIONED COSTS FOR THE YEAR ENDED DECEMBER 31, 2008

### I. SUMMARY OF AUDITORS' RESULTS

The independent auditors' report on the financial statements expressed an unqualified opinion.

No significant deficiencies in internal control over financial reporting were identified.

Instances of noncompliance, which are material to the December 31, 2008, financial statements were not identified.

No significant deficiencies in internal control over compliance with requirements applicable to major federal award programs were reported.

The independent auditors' report on compliance with requirements applicable to major federal award programs expressed an unqualified opinion.

The audit disclosed findings required to be reported under Sec. 510(a) of OMB Circular A-133.

Major Programs/Clusters:

<b>Funding Source</b>	<b>Program</b>	<b>CFDA No.</b>
U.S. Department of Agriculture	Special Supplemental Nutrition Program For Women, Infants and Children (WIC Program)	10.557
U.S. Department of Agriculture	Food Stamps	10.551
U.S. Department of Agriculture	State Administrative Matching Grants for Food Stamp Program	10.561
U.S. Department of Justice	Asset Forfeiture Program	16.000
U.S. Department of Transportation	Highway Planning & Construction	20.205
U.S. Department of Education	Federal Supplemental Education Opportunity Grants (FSEOG)	84.007
U.S. Department of Education	Federal Work-Study Program	84.033
U.S. Department of Education	Perkins Loan Cancellations	84.037
U.S. Department of Education	Perkins Loan	84.038

# COUNTY OF NASSAU, NEW YORK

## FINDINGS AND QUESTIONED COSTS FOR THE YEAR ENDED DECEMBER 31, 2008

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### I. SUMMARY OF AUDITORS' RESULTS (Continued)

Major Programs/Clusters (Continued):

<b>Funding Source</b>	<b>Program</b>	<b>CFDA No.</b>
U.S. Department of Education	Federal Pell Grant Program	84.063
U.S. Department of Education	Federal Direct Student Loans	84.268
U.S. Department of Education	Academic Competitiveness Grant (ACG)	84.375
U.S. Department of Education	Special Education – Grants For Infants and Families with Disabilities	84.181
U.S. Department of Health and Human Services	Medical Assistance Program	93.778
U.S. Department of Health and Human Services	Child Care and Development Block Grant	93.575
U.S. Department of Health and Human Services	Adoption Assistance	93.659
U.S. Department of Health and Human Services	Centers for Disease Control and Prevention – Investigations and Technical Assistance	93.283
U.S. Department of Health and Human Services	National Family Caregiver Support	93.052
U.S. Department of Health and Human Services	Block Grants for Prevention and Treatment of Substance Abuse	93.959
U.S. Department of Health and Human Services	Block Grants for Community Mental Health Services	93.958
U.S. Department of Homeland Security	Urban Areas Security Initiative (UASI)	97.008
U.S. Department of Homeland Security	Emergency Management Performance Grants (EMPG)	97.042

Dollar Threshold Used to Distinguish Type A and Type B Programs: \$3,000,000

The County did not qualify as a low-risk auditee as defined in OMB Circular A-133.

# COUNTY OF NASSAU, NEW YORK

## FINDINGS AND QUESTIONED COSTS FOR THE YEAR ENDED DECEMBER 31, 2008

### II. FINANCIAL STATEMENT FINDINGS

Reference # 08-01

**Highway Planning and Construction (CFDA 20.205)**  
**Centers for Disease Control and Prevention (CFDA 93.283)**  
**Refugee and Entrant Assistance State Administered Programs (CFDA 93.566)**  
**Maternal and Child Health Services Block Grant to the States (CFDA 93.994)**  
**Voting Access for Individuals with Disabilities Grants to States (CFDA 93.617)**  
**New York State Office of Homeland Security: Urban Areas Security Initiative (UASI) (CFDA 97.008)**  
**New York State Office of Homeland Security: State Homeland Security Program (SHSP) (CFDA 97.073)**  
**New York State Emergency Management Office: Emergency Management Performance Grants (EMPG) (CFDA 97.042)**  
**New York State Emergency Management Office: Citizen Corps (CFDA 97.053)**

#### **Statement of Condition**

The Department is not reconciling amounts reported as expenditures for Federal awards to the Schedule of Expenditures of Federal Awards ("SEFA") on a timely basis. Several adjustments were required to correctly report the amounts shown on the SEFA.

#### **Effect**

Potential misstatement of expenditures of Federal Awards.

#### **Cause**

Reconciliation of data prepared by the Departments to the amounts reported on the SEFA is not being performed.

#### **Recommendation**

Departments preparing data to support the amount of expenditures for grant programs should compare such to those reports in the County's NIFS system. Such amounts are then reported in the SEFA. Such reconciliation should be performed in a timely manner to ensure that all transactions are appropriate.

#### **Questioned Costs**

None.

#### **View of Responsible Official**

To prevent this issue in the future we have instituted an additional level of quality control over SEFA preparation that will be completed independently by the Comptroller's Office Field Audit section. This will be the final step in the SEFA preparation and will be completed after the Comptroller's Office Accounting section has prepared the schedule and reconciled to the county's financial system and departmental records. The SEFA will not be released to our independent auditors until final quality control has been completed. To also avoid any misunderstanding from recurring, the accounting supervisor in charge will no longer release 'draft' of the SEFA to our independent auditor prior to completion of final quality control. These procedures were instituted and completed prior to the issuance of this report and the Schedule of Federal Awards is accurate.

**COUNTY OF NASSAU, NEW YORK  
FINDINGS AND QUESTIONED COSTS  
FOR THE YEAR ENDED DECEMBER 31, 2008**

**II. FINANCIAL STATEMENT FINDINGS (Continued)**

**Reference # 08-2**

**New York State Department of Health:  
Special Education – Grants for Infants and Families  
with Disabilities (CFDA# 84.181)**

**Statement of Condition**

The Department did not post and/or prepare journal entries and revenue accruals on a timely basis.

**Effect**

Risk of misstated financial statements.

**Cause**

Delays in receiving approval to post journal entries.

**Recommendation**

Journal entries should be prepared and submitted for approval on a timely basis.  
Approved journal entries should then be recorded in the appropriate period.

**Questioned Costs**

None.

**View of Responsible Official**

Effective 4th Quarter 2009, Departments will be required to periodically reconcile their departmental records of grant program expenditures to the amounts noted in the County's financial system. In addition, Departments will formally communicate the results of their reconciliation efforts and adjusting journal entries (if necessary) to the Comptroller's Office Accounting section for their SEFA reporting preparation.

# COUNTY OF NASSAU, NEW YORK

## FINDINGS AND QUESTIONED COSTS FOR THE YEAR ENDED DECEMBER 31, 2008

### III. FINDINGS AND QUESTIONED COSTS FOR FEDERAL AWARDS

There were no matters noted.

### IV. STATUS OF PRIOR YEAR'S FINDING

**U.S. Department of Transportation  
Highway Planning and Construction (CFDA #20.205)**

**07-01 – Davis Bacon Act**

This situation has been corrected.

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