

NASSAU COUNTY
NEW YORK



COMPREHENSIVE
ANNUAL FINANCIAL
REPORT
OF THE
COMPTROLLER

FOR THE FISCAL YEARS ENDED
DECEMBER 31, 2008 AND 2007

HOWARD S. WEITZMAN
COMPTROLLER

NASSAU COUNTY
NEW YORK



COMPREHENSIVE
ANNUAL FINANCIAL
REPORT
OF THE
COMPTROLLER

FOR THE FISCAL YEARS ENDED
DECEMBER 31, 2008 AND 2007

HOWARD S. WEITZMAN
COMPTROLLER

ELIZABETH D. BOTWIN
CHIEF DEPUTY COMPTROLLER

ALINE KHATCHADOURIAN
DEPUTY COMPTROLLER FOR AUDIT & SPECIAL PROJECTS

KATHLEEN L. KUGLER
COUNTY DIRECTOR OF ACCOUNTING



HOWARD S. WEITZMAN
NASSAU COUNTY COMPTROLLER

COUNTY OF NASSAU, NEW YORK

COMPREHENSIVE ANNUAL FINANCIAL REPORT FOR THE FISCAL YEARS ENDED DECEMBER 31, 2008 AND 2007 TABLE OF CONTENTS

	Exhibit	Page
<u>INTRODUCTORY SECTION</u>		
Letter of Transmittal.....		1
Certificate of Achievement for Excellence in Financial Reporting		8
Principal Officials		9
County Departments and Offices		10
<u>FINANCIAL SECTION</u>		
Independent Auditors' Report.....		13
Management's Discussion and Analysis.....		15
BASIC FINANCIAL STATEMENTS		
Government-wide Financial Statements:		
Statement of Net Assets – December 31, 2008	X-1	29
Statement of Net Assets – December 31, 2007	X-1	30
Statement of Activities – for the year ended December 31, 2008.....	X-2	31
Statement of Activities – for the year ended December 31, 2007.....	X-2	32
Fund Financial Statements:		
Governmental Funds – Balance Sheet - December 31, 2008.....	X-3	33
Governmental Funds – Balance Sheet - December 31, 2007.....	X-3	34
Reconciliation of the Balance Sheet of Governmental Funds to the Statement of Net Assets - December 31, 2008	X-4	35
Reconciliation of the Balance Sheet of Governmental Funds to the Statement of Net Assets - December 31, 2007	X-4	36
Governmental Funds - Statement of Revenues, Expenditures and Changes in Fund Balances - for the year ended December 31, 2008	X-5	37
Governmental Funds - Statement of Revenues, Expenditures and Changes in Fund Balances - for the year ended December 31, 2007	X-5	38
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	X-6	39
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	X-6	40
Statement of Revenues, Expenditures and Changes in Fund Balances - Total Budgetary Authority and Actual:		
General Fund for the year ended December 31, 2008	X-7	41
General Fund for the year ended December 31, 2007	X-7	42
Fire Prevention, Safety, Communications and Education Fund for the year ended December 31, 2008	X-8	43

COUNTY OF NASSAU, NEW YORK

COMPREHENSIVE ANNUAL FINANCIAL REPORT FOR THE FISCAL YEARS ENDED DECEMBER 31, 2008 AND 2007 TABLE OF CONTENTS

FINANCIAL SECTION (CONTINUED)

BASIC FINANCIAL STATEMENTS (CONTINUED)

	Exhibit	Page
Statement of Revenues, Expenditures and Changes in Fund		
Balances - Total Budgetary Authority and Actual (Continued):		
Fire Prevention, Safety, Communications and Education Fund		
for the year ended December 31, 2007	X-8	44
County Parks and Recreation Fund for the year ended December 31, 2007	X-9	45
Police District Fund for the year ended December 31, 2008	X-10	46
Police District Fund for the year ended December 31, 2007	X-10	47
Police Headquarters Fund for the year ended December 31, 2008.....	X-11	48
Police Headquarters Fund for the year ended December 31, 2007.....	X-11	49
Sewer and Storm Water District Fund - for the Year Ended December 31, 2008...	X-12	50
Sewer and Storm Water District Fund - for the Year Ended December 31, 2007...	X-12	51
Statement of Fiduciary Net Assets – December 31, 2008	X-13	52
Statement of Fiduciary Net Assets – December 31, 2007	X-13	53
Statement of Net Assets - All Discretely Presented Component Units		
December 31, 2008.....	X-14	54
Statement of Net Assets - All Discretely Presented Component Units		
December 31, 2007.....	X-14	55
Statement of Activities - Discretely Presented Component		
Units – Proprietary – for the year ended December 31, 2008	X-15	56
Statement of Activities - Discretely Presented Component		
Units – Proprietary – for the year ended December 31, 2007	X-15	57
Notes to Financial Statements	X-16	
1. Summary of Significant Accounting Policies.....		59
2. Deposits and Investments		74
3. Due from Other Governments		76
4. Tax Real Estate		77
5. Tax Sale Certificates.....		77
6. Interfund Receivables, Payables and Transfers		78
7. Capital Assets		81
8. Leases		90
9. Notes Payable and Long-Term Obligations.....		92
10. Refinancing of Long-Term Obligations		110
11. Pension Plans.....		110
12. Reconciliation of GAAP Fund Balances to Budgetary Basis.....		112
13. Designation of Unreserved Fund Balances.....		114
14. Other Post-Employment Benefits.....		114
15. Contingencies and Commitments.....		120
16. Nassau Health Care Corporation (“NHCC”).....		122
17. Fund Balance Deficit.....		123
Required Supplementary Information.....		
Schedule of Funding Progress.....	X-17	127

COUNTY OF NASSAU, NEW YORK

COMPREHENSIVE ANNUAL FINANCIAL REPORT FOR THE FISCAL YEARS ENDED DECEMBER 31, 2008 AND 2007 TABLE OF CONTENTS

FINANCIAL SECTION (CONTINUED)

COMBINING AND INDIVIDUAL FUND STATEMENTS AND SCHEDULES

	Exhibit	Page
<u>NONMAJOR GOVERNMENTAL FUNDS</u>		
Combining Balance Sheet – December 31, 2008.....	A-1	131
Combining Balance Sheet – December 31, 2007.....	A-1	132
Combining Statement of Revenues, Expenditures and Changes in Fund Balances – for the year ended December 31, 2008	A-2	133
Combining Statement of Revenues, Expenditures and Changes in Fund Balances – for the year ended December 31, 2007	A-2	134

OTHER SUPPLEMENTARY INFORMATION

MAJOR GOVERNMENTAL FUNDS

Comparative Statement of Actual Revenues vs. Modified Budget - General Fund - for the year ended December 31, 2008	B-1	137
Comparative Statement of Actual Revenues vs. Modified Budget – General Fund - for the year ended December 31, 2007	B-1	142
Comparative Statement of Actual Expenditures vs. Total Budgetary Authority - General Fund - for the year ended December 31, 2008	B-2	147
Comparative Statement of Actual Expenditures vs. Total Budgetary Authority - General Fund - for the year ended December 31, 2007	B-2	158
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	B-3	169
Fire Prevention, Safety, Communication and Education Fund - for the year ended December 31, 2007	B-3	170
County Parks and Recreation Fund - for the year ended December 31, 2007	B-4	171
Police Department Fund - for the year ended December 31, 2008	B-5	172
Police Department Fund - for the year ended December 31, 2007	B-5	173
Police Headquarters Fund - for the year ended December 31, 2008.....	B-6	174
Police Headquarters Fund - for the year ended December 31, 2007.....	B-6	175
Sewer and Storm Water District Fund - for the year ended December 31, 2008.....	B-7	176
Sewer and Storm Water District Fund - for the year ended December 31, 2007.....	B-7	177

COUNTY OF NASSAU, NEW YORK

COMPREHENSIVE ANNUAL FINANCIAL REPORT FOR THE FISCAL YEARS ENDED DECEMBER 31, 2008 AND 2007 TABLE OF CONTENTS

FINANCIAL SECTION (CONTINUED)

COMBINING AND INDIVIDUAL FUND STATEMENTS AND SCHEDULES (CONTINUED)

OTHER SUPPLEMENTARY INFORMATION (CONTINUED)

	Exhibit	Page
<u>NONMAJOR GOVERNMENTAL FUNDS</u>		
Statement of Revenues, Expenditures, and Changes in Fund Balances – Total Budgetary Authority and Actual:		
Technology Fund - for the Year Ended December 31, 2008.....	B-8	178
Technology Fund - for the Year Ended December 31, 2007.....	B-8	179
Statement of Expenditures by County Departments and Offices Total Budgetary Authority and Actual – Grant Fund for the year ended December 31, 2008.....	B-9	180
Statement of Expenditures by County Departments and Offices Total Budgetary Authority and Actual – Grant Fund for the year ended December 31, 2007.....	B-9	181
Statement of Revenues, Expenditures, and Changes in Fund Balances – Total Budgetary Authority and Actual:		
Environmental Protection Fund - for the Year Ended December 31, 2008.....	B-10	182
Environmental Protection Fund - for the Year Ended December 31, 2007.....	B-10	183
<u>CAPITAL ASSETS</u>		
Capital Assets Used in the Operation of Governmental Funds by Function - December 31, 2008.....	C-1	184
Capital Assets Used in the Operation of Governmental Funds by Function - December 31, 2007.....	C-1	185
Capital Assets Statement of Changes by Function – December 31, 2008.....	C-2	186
Capital Assets Statement of Changes by Function – December 31, 2007.....	C-2	187
<u>DEBT SERVICE FUND</u>		
Statement of Revenues, Expenditures and Changes in Fund Balances – Total Budgetary Authority and Actual for the year ended December 31, 2008	D-1	188
Statement of Revenues, Expenditures and Changes in Fund Balances – Total Budgetary Authority and Actual for the year ended December 31, 2007	D-1	189
<u>FIDUCIARY FUNDS</u>		
Statement of Changes in Fiduciary Assets and Liabilities – December 31, 2008	E-1	190
Statement of Changes in Fiduciary Assets and Liabilities – December 31, 2007.....	E-1	191
Statement of Changes in Other Liabilities – Fiduciary Fund for the year ended December 31, 2008.....	E-2	192
Statement of Changes in Other Liabilities – Fiduciary Fund for the year ended December 31, 2007.....	E-2	193

COUNTY OF NASSAU, NEW YORK

COMPREHENSIVE ANNUAL FINANCIAL REPORT FOR THE FISCAL YEARS ENDED DECEMBER 31, 2008 AND 2007 TABLE OF CONTENTS

FINANCIAL SECTION (CONTINUED)

Other Supplementary Information (CONTINUED)

	Exhibit	Page
<u>CASH IN BANKS</u>		
Statement of Cash in Banks - All Funds of the Primary Government – December 31, 2008.....	F-1	194
Statement of Cash in Banks - All Funds of the Primary Government – December 31, 2007.....	F-1	195

STATISTICAL SECTION

FINANCIAL TRENDS

Net Assets of Primary Government.....	T-1	201
Changes in Net Assets.....	T-2	202
Governmental Activities Tax Revenue by Source (Accrual Basis)	T-3	203
Fund Balances of Governmental Funds	T-4	204
Changes in Fund Balances of Governmental Funds.....	T-5	205

REVENUE CAPACITY INFORMATION

Government Activities Tax Revenues by Source (Modified Accrual Basis).....	T-6	209
Sales Tax, Assessed Value and Estimated Actual Value of Taxable Property	T-7	210
Property Tax Levies, Rates, Direct and Overlapping Governments	T-8	211
Principal Property Taxpayers	T-9	212
Constitutional Tax Margin	T-10	213
Property Tax Levies and Collections	T-11	214

DEBT CAPACITY INFORMATION

Ratios of Outstanding Debt by Type.....	T-12	217
Ratios of General Bonded Debt Outstanding.....	T-13	219
Direct and Overlapping Net Debt.....	T-14	220
Taxable Full Value Calculation for 2008	T-15	221
Legal Debt Margin Information	T-16	222
Pledged-Revenue Coverage	T-17	223

ECONOMIC AND DEMOGRAPHIC INFORMATION

Demographic and Economic Statistics.....	T-18	227
Principal Employers- Current year and nine years ago.....	T-19	228
Average Yearly Employment by Industry.....	T-20	229

COUNTY OF NASSAU, NEW YORK

**COMPREHENSIVE ANNUAL FINANCIAL REPORT
FOR THE FISCAL YEARS ENDED DECEMBER 31, 2008 AND 2007
TABLE OF CONTENTS**

STATISTICAL SECTION (CONTINUED)

	Exhibit	Page
<u>OPERATING INFORMATION</u>		
County Government Employees by Function	T-21	233
Capital Asset Statistics by Function.....	T-22	234
Operating Indicators by Function.....	T-23	235

APPENDIX

Independent Auditors' Report On Internal Control Over Financial Reporting and on Compliance and Other Matters Based On an Audit Performed In Accordance With <i>Government Auditing Standards</i>		241
---	--	-----

INTRODUCTORY SECTION

**HOWARD S. WEITZMAN
COUNTY COMPTROLLER**



OFFICE OF THE COUNTY COMPTROLLER

240 Old Country Road

Mineola, NY 11501

Tel: (516) 571-2386

Fax : (516) 571-5900

Email: hweitzman@nassaucountyny.gov

June 24, 2009

TO THE PEOPLE OF NASSAU COUNTY

I am pleased to submit this Comprehensive Annual Financial Report (“the report”) for the year ended December 31, 2008, as required by New York State County Law § 577[1] (j)-(k). During 2008 the County achieved its seventh annual surplus under the current administration. Although the County faces significant financial challenges in the years ahead, I remain committed to working with County Executive Suozzi and the Nassau County Legislature in my role as independent fiscal watchdog to help the County maintain its fiscal health.

The County is responsible for the accuracy of the report’s data and the completeness and fairness of the data’s presentation – including all disclosures. I believe the data, as presented, is accurate in all material aspects and presents the financial and operational condition of the County fairly as measured by the financial activity of the governmental entity, its various funds and component units, and includes necessary disclosures.

This letter of transmittal is designed to complement Management’s Discussion and Analysis (“MD&A”) and should be read in conjunction with it. For 2008, Governmental Accounting Standards Board Statements (“GASB”) 49 and 51 have been implemented by the County and are reflected in this year’s financial statements.

The accounting firm of Deloitte & Touche LLP was selected by the County to perform an independent audit of the County’s financial statements as of, and for the year ended, December 31, 2008. The auditors’ report on the basic financial statements and combined and individual fund statements and schedules is located on pages 13 and 14 of this report.

County programs expending federal funds also undergo an annual “single audit” in conformance with the provisions of the Federal Single Audit Act and the United States Office of Management and Budget’s Circular A-133: *Audits of States, Local Governments, and Non-Profit Organizations*. The single audit is presented as a separate report. The independent auditors’ report on internal controls over financial reporting and or compliance and other matters is included as an appendix.

The County is responsible for establishing and maintaining internal control structures, which should be designed to ensure that its assets are protected from loss, theft or misuse, and to ensure that adequate accounting data are compiled to allow for preparation of financial statements in conformance with accounting principles generally accepted in the United States. Internal control structures are designed to provide reasonable, but not absolute, assurance that these objectives are met. The concept of reasonable assurance recognizes that (1) the cost of a control should not exceed the benefits likely to be derived; and, (2) the valuation of costs and benefits requires estimates and judgment by County managers. As a recipient of federal grants, the County must also establish internal control structures in compliance with applicable laws and regulations related to those programs. The County's internal control structures are subject to periodic evaluation by comptroller's office personnel, as well as by the independent auditors engaged to conduct the annual single audit as required by law.

Profile of the Government

Nassau County funds a full range of municipal services – including public safety, health, highways, sanitation, public improvements and parks, recreational facilities and cultural events, as well as planning and general administrative services. Incorporated in 1899, the County contains three towns, two cities, 64 incorporated villages, 56 school districts and approximately 200 special taxing districts that provide services in specific areas, such as garbage collection and water supply. With a population of approximately 1.4 million people, it occupies 287 square miles located approximately 15 miles east from Manhattan.

The various funds and component units included in this report are deemed to be controlled by, or financially accountable to, the County based on criteria set forth by the Governmental Accounting Standards Board Statement No. 14 as discussed in Note 1 to the Financial Statements. The County's component units are comprised of the Nassau County Interim Finance Authority, the Nassau County Tobacco Settlement Corporation, the Nassau County Sewer and Storm Water Finance Authority, the Nassau Community College, the Nassau Health Care Corporation, the Nassau Regional Off-Track Betting Corporation, and the Nassau County Industrial Development Agency.

The County establishes budgetary controls to ensure compliance with legal provisions contained in the annual appropriated budgets approved by the County Legislature. Activities of the General Fund, Debt Service Fund, and Special Revenue Funds, with the exception of the Grant Fund, are provided for in annual appropriated budgets. Activities of the Grant Fund are appropriated for the life of each grant, as the individual grants are made available to the County. Project-length financial plans, as well as annual spending plans, are adopted for the Capital Projects Funds. The level of budgetary control at which expenditures cannot exceed the appropriated amount is exercised by object appropriation level within a department control center. The County also maintains an encumbrance accounting system as one technique of accomplishing budgetary control. Appropriations, which have not been expended or encumbered, lapse at the end of the year. Encumbrances outstanding at year-end are recorded in order to reserve that portion of the applicable appropriation and may be expended in a subsequent budgetary period.

Financial Condition

Although it continues to be one of America's wealthiest suburban communities, in the 1990's Nassau County increasingly encountered severe financial difficulties, including deepening structural deficits and diminished debt ratings. In response to this perilous financial situation, in 2000 New York State established the Nassau County Interim Finance Authority ("NIFA") to reduce the cost of borrowing and oversee the County's financial management. By the end of 2005, all NIFA financial assistance and borrowing for County purposes had been completed, and NIFA's approval over the County's multi-year financial plans ended at the close of 2008. Between February 2003 and June 2008, the three principal debt-rating agencies upgraded the County's general obligation debt ratings thirteen times citing their increasing confidence in the County's ability to manage its finances successfully.

During 2008, the County's financial position was weakened by the national credit crisis and economic downturn. Sales tax, which comprises approximately 40% of the County's budgeted income, dropped 0.8% below 2007 receipts, the first year over year decline since 1991. Sales tax revenue was approximately \$37.7 million below the 2008 budgeted amount. Despite the national recession and its impact on the County, all three rating agencies affirmed the County's current ratings in April 2009.

Nassau County completed the fiscal year ended December 31, 2008, with a combined budgetary surplus in its primary funds (General Fund, Police Headquarters, Police Districts, Fire Safety and Debt Service) of \$2.1 million. This was the seventh annual surplus under the current County administration, however, it included approximately \$125 million of non-recurring revenues and expense reductions, without which the County would not have achieved a surplus.

The County continued to pay a portion of its real property tax refund expense from the operating budget, using \$40 million of budgeted funds, in addition to \$58.8 million of borrowed funds. The County's estimated liability for property tax refunds at December 31, 2008 was approximately \$139 million, as compared to an estimated liability of \$102 million as of December 31, 2007.

Long Term Planning

As required by the NIFA Act and by local law, the County annually adopts multi-year financial plans with its budget. The multi-year plan is prepared by the administration and approved by the County Legislature with the annual operating budget. Under the NIFA Act, the NIFA Board's authority to approve the County's multi-year plan ended with the *2009-2012 Multi-Year Financial Plan*. At NIFA's request the administration has continued to update this Multi-Year Plan and NIFA has approved these updates. Pursuant to local law, the administration must continue to present three year plans annually for approval by the County Legislature.

The Multi-Year plan presents the administration's strategy for maintaining fiscal stability through the plan years. This Plan establishes a baseline for expenditures and revenues, projects likely changes and the impact of new initiatives, and presents alternatives for closing potential budgetary shortfalls. The Plan also includes the County's fund balance policy.

The County also engages in long term capital planning by preparing four year Capital Improvement Plans, which present the administration's plans for its on-going capital improvement process and its funding. The Legislature must approve both the Capital Improvement Plan and the spending plan for the current year, which is the first year of each multi-year Capital Improvement Plan.

Debt Administration

As of December 31, 2008, the outstanding long-term debt issued by the County, NIFA, the Nassau County Sewer and Storm Water Finance Authority (“SSWFA”), the Nassau County Tobacco Settlement Corporation (“NCTSC”), and the New York State Environmental Facilities Corporation (“EFC”) on behalf of the County totaled approximately \$3.2 billion. The County general obligation debt includes debt issued for Nassau Community College (“NCC”). This outstanding debt, categorized by issuing entity, is broken down as follows:

Outstanding Principal as of December 31, 2008
(\$'s in millions)

Indenture	Amount
County General Obligation	\$ 549.7
County Sewer	79.1
NIFA	1,875.1
SSWFA	175.8
NCTSC	426.4
EFC	<u>138.8</u>
Total	<u>\$ 3,244.9</u>

The amount of long-term debt outstanding at December 31, 2008 issued by the County and by NIFA to finance property tax refund payments totals approximately \$1.2 billion.

As a result of changes in the credit market, during 2008 NIFA refinanced its auction rate securities and converted to variable rate debt obligations. The County’s debt service expense in 2008 was approximately \$22.2 million lower than budgeted as a result of lower interest rates and less than projected borrowings.

Between February 2003 and the end of June 2008, the County earned thirteen rating upgrades from the three principal credit rating agencies. Moody's Investors Service increased the County's rating from Baa3 to A2. Standard and Poor's upgraded its rating of the County's general obligation debt from BBB- to A. Fitch Ratings increased the credit rating it has assigned to the County's general obligation debt from BBB to A+. The three rating agencies affirmed their current ratings of Nassau County debt in April 2009. During 2008, the County issued bond anticipation notes (BANs) in the amount of \$125 million, including BANs issued for NCC, revenue anticipation notes of \$105 million, and \$132 million in tax anticipation notes.

The County is subject to a state constitutional limit on the amount of debt it may finance, excluding sewer and water project debt, of ten percent of the County's average real property valuation for the previous five years. At December 31, 2008 the County’s debt was 1.428 percent of the average real

property valuation or 14.28 percent of the constitutional limit, which represents a decrease from 2007. The County's long-term debt per capita of General Obligation Bonded Debt Outstanding, including NIFA, was \$1,787.

Cash Management

The Office of the Treasurer is responsible for investing the County's available funds on a daily basis, which range from \$500 million to \$800 million. In accordance with General Municipal Law of the State of New York (the "State"), permitted investments include: special time deposits or certificates of deposits in a bank, trust company or national banking association located and authorized to do business in the State; obligations of the United States of America; obligations of the State or of any public authority or public benefit corporation as may be provided by State law. The law further requires that all bank deposits in excess of the amount insured under the Federal Deposit Insurance Act be fully collateralized.

In 2008, the Office of the Treasurer invested the County's available funds primarily in demand and time deposits and the County earned an average rate of 2.77% .

The County's investment policy is designed to ensure the prudent management of public funds by accomplishing the following objectives: (i) comply with all applicable provisions of law; (ii) safeguard the principal of all deposits and investments; (iii) provide sufficient liquidity to ensure that monies invested are available to meet expenditures and fulfill obligations as they come due; and (iv) obtain the maximum rate of return that is consistent with these objectives.

Risk Management

The County is exposed to various risks of loss related to torts, property loss, motor vehicle accidents, employee injuries, errors and omissions of its employees, and natural disasters. Except for police helicopter insurance, which includes hull insurance and personal injury and property damage coverage, insurance dealing with environmental issues, insurance required by some real estate transactions and a blanket fidelity bond covering all County employees, the County self-insures, with loss payments paid directly from operating or capital funds.

The County contracts with a third party administrator to manage claims under its workers compensation program. The administrator provides an automated system to record losses and expenditures associated with workers compensation. The County Attorney's office records other claims and loss activity. County contracts transfer risk to vendors by requiring that vendors' insurance policies name the County as an additional insured. In addition, the County will continue its review of risk exposures and programs to transfer and reduce those risks, including the possible procurement of additional outside insurance.

In 2007 the County established a Risk Management Unit within the Office of Management and Budget. The unit establishes policies to reduce and control overall risk exposure. It has issued policies on: Nassau County Motor Vehicle Risk Management Policy and Procedure, Workplace Violence Policy and Procedure, a revised Workers Compensation Claims Management and Incident Reporting Procedure and procedures to improve subrogation recoveries.

Risk is also limited through the Comptroller's independent audit advisory committee. In response to the private sector's Sarbanes-Oxley Act and Government Finance Officers Association recommendation that state and local governments create audit committees, the County Comptroller established an independent audit advisory committee in 2003. The committee meets with the Comptroller, the Deputy County Executive for Management and Budget and senior Comptroller staff bimonthly and advises on the County's financial and auditing operations.

Major Initiatives

The County has a Capital Improvement Program to rehabilitate and expand the County's infrastructure. Over \$9.9 million in improvements were completed during 2008 within the County's Parks system. Site and facility upgrades, including installation of synthetic turf, fencing, court refurbishment, lighting, and pathway improvements to County parks, and Old Bethpage Restoration Village were continued in 2008. Over \$28.4 million of improvements were made to the road system through the county's resurfacing program and other projects, including improvements to Guy Lombardo Avenue in Freeport at a cost of \$6.6 million and \$10.2 million of improvements to Rockaway Turnpike in Cedarhurst.

Significant projects underway include a new Police and Fire Communications Center in Westbury. This \$65 million project consists of a modernized hub for the County's Police and Fire Communications, and is expected to be completed in 2009. The County continues to restore important symbols of its history with the restoration of Nunley's Carousel, which has been refurbished and placed in a new building in Museum Row in 2009. Additionally the County has a capital project to replace its legacy main frame financial and human resource computer system and is issuing contracts for this purpose in 2009.

Pending approval, capital projects planned to begin in 2009 include \$9.5 million to purchase new police cars, \$2.25 million to improve fire alarm and protection systems at various county facilities, \$1 million in new bus purchases for the MTALIB, \$1.5 million for the upgrade of storm water basins, as well as \$7 million for improvements to the Bay Park Total Residual Chlorine system.

Awards and Acknowledgements

The Government Finance Officers Association of the United States and Canada ("GFOA") has awarded a Certificate of Achievement for Excellence in Financial Reporting to the County for its Comprehensive Annual Financial Report for the year ended December 31, 2007. This is the twenty-fourth consecutive year in which the County's Comprehensive Annual Financial Report has been so honored. In order to be awarded the Certificate of Achievement, a governmental unit must publish an easily readable and efficiently organized Comprehensive Annual Financial Report whose contents conform to program standards. Such reports must satisfy both generally accepted accounting principles and applicable legal requirements.

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

The County has also earned GFOA's Distinguished Budget Presentation Awards for its 2008 budget submissions. In order to receive this award, a governmental unit must publish a budget document that meets criteria as a policy document, as an operations guide, as a financial plan, and as a communications device.

The preparation of this 2008 Comprehensive Annual Financial Report on a timely basis could not have been accomplished without the invaluable assistance of the efficient and dedicated staff of the offices of the County Comptroller, the County Executive, the County Treasurer and our independent auditors, Deloitte & Touche LLP. I would like to express my appreciation to all those who assisted and contributed to its preparation.

Respectfully submitted,

A handwritten signature in black ink, appearing to read "Howard S. Weitzman", with a long horizontal flourish extending to the right.

Howard S. Weitzman
Nassau County Comptroller

Certificate of Achievement for Excellence in Financial Reporting

Presented to

County of Nassau
New York

For its Comprehensive Annual
Financial Report
for the Fiscal Year Ended
December 31, 2007

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



President

Executive Director

COUNTY OF NASSAU, NEW YORK

PRINCIPAL OFFICIALS

December 31, 2008

Executive

County Executive
County Comptroller
County Treasurer
County Attorney
Director of the Budget
District Attorney
County Clerk
Chairman, Board of Assessors

Thomas R. Suozzi
Howard S. Weitzman
Steven D. Conkling
Lorna B. Goodman
Martha H. Wong
Kathleen M. Rice
Maureen C. O'Connell
Harvey B. Levinson

Legislative

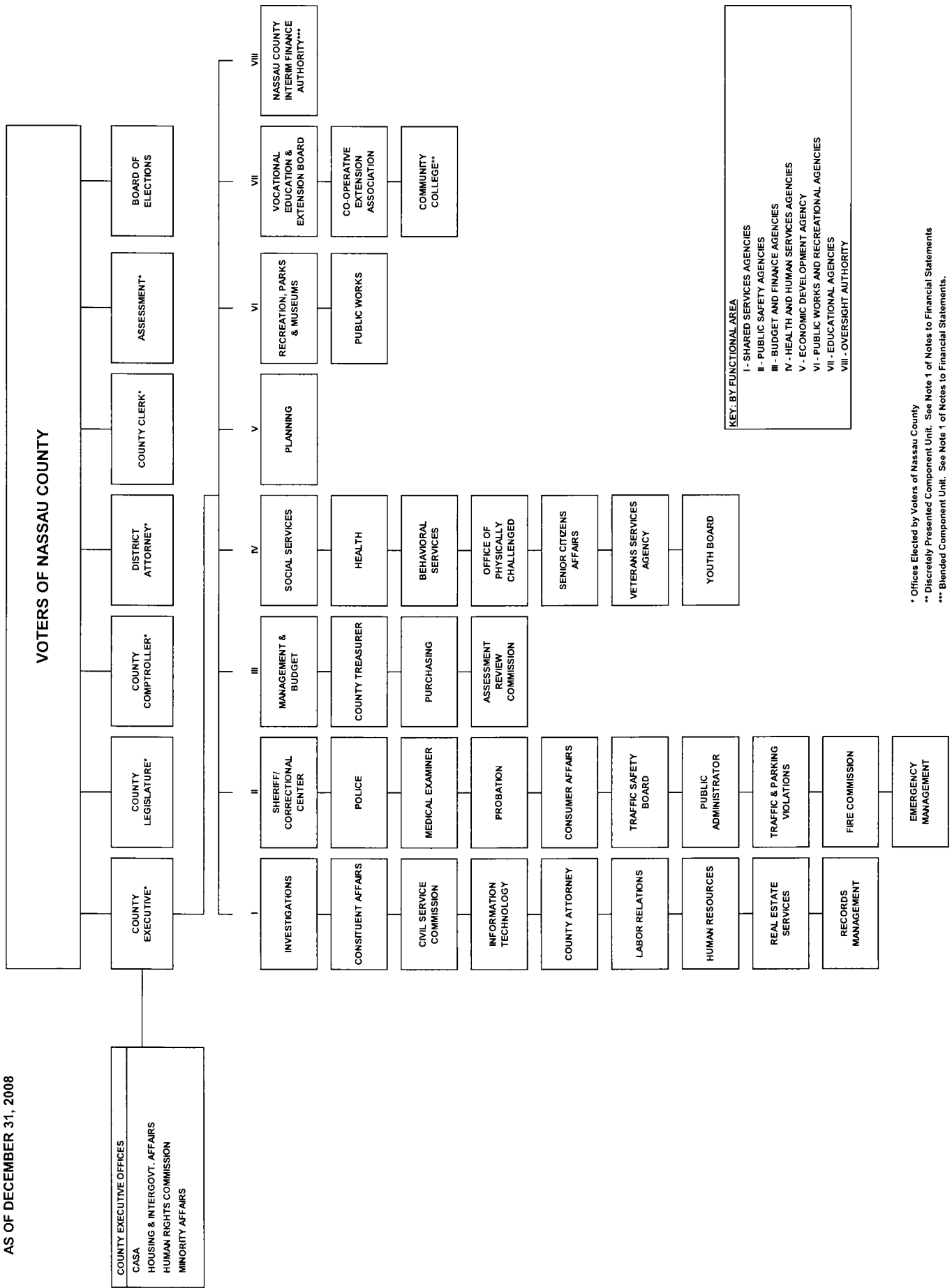
Diane Yatauro, Presiding Officer
Roger H. Corbin, Deputy Presiding Officer
Jeffrey W. Toback, Alternate Deputy Presiding Officer
Peter J. Schmitt, Minority Leader
Legislator Kevan M. Abrahams
Legislator John J. Ciotti
Legislator Denise Ford
Legislator Joseph K. Scannell
Legislator Francis X. Becker, Jr.
Legislator Vincent T. Muscarella
Legislator Richard J. Nicoletto
Legislator Judi Bosworth
Legislator Wayne H. Wink, Jr.
Legislator Norma L. Gonsalves
Legislator David Mejias
Legislator Dennis Dunne, Sr.
Legislator Judith A. Jacobs
Legislator Edward P. Mangano
Legislator David W. Denenberg

18th Legislative District
2nd Legislative District
7th Legislative District
12th Legislative District
1st Legislative District
3rd Legislative District
4th Legislative District
5th Legislative District
6th Legislative District
8th Legislative District
9th Legislative District
10th Legislative District
11th Legislative District
13th Legislative District
14th Legislative District
15th Legislative District
16th Legislative District
17th Legislative District
19th Legislative District

COUNTY OF NASSAU, NEW YORK

COUNTY DEPARTMENTS AND OFFICES

AS OF DECEMBER 31, 2008



* Offices Elected by Voters of Nassau County
 ** Discretely Presented Component Unit. See Note 1 of Notes to Financial Statements
 *** Blended Component Unit. See Note 1 of Notes to Financial Statements.

FINANCIAL SECTION

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 15 through 25, and page 127, 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. The Introductory Section and Statistical Section, in the foregoing table of contents, have not been subjected to the auditing procedures applied by us in the audit of the basic financial statements and, accordingly, we express no opinion on them.

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)

	Total Primary Governmental Activities		Change
	2008	2007	
Current and Other Assets	\$ 1,593.0	\$ 1,592.3	\$ 0.7
Capital Assets	2,389.3	2,318.7	70.6
Total Assets	3,982.3	3,911.0	71.3
Long-Term Liabilities	7,671.0	7,226.3	444.7
Other Liabilities	1,030.6	1,112.2	(81.6)
Total Liabilities	8,701.6	8,338.5	363.1
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)
Total Net Assets (Deficit)	\$ (4,719.3)	\$ (4,427.5)	\$ (291.8)

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
Revenues			
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
Total Revenues	<u>2,678.4</u>	<u>2,697.5</u>	<u>(19.1)</u>
Expenses			
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
Total Expenses	<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>
Net Assets - (Deficit) Ending	<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
Primary Operating Funds			
General Fund	\$ 57.9	\$ 64.7	\$ (6.8)
Fire Commission			
Police Headquarters	1.6		1.6
Police District	(6.4)	6.1	(12.5)
Total Primary Operating Funds	<u>\$ 53.1</u>	<u>\$ 70.8</u>	<u>\$ (17.7)</u>
Sewer and Storm Water District Fund	<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>
Total	<u>\$ 194.5</u>

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>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>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>
TOTAL LONG TERM DEBT	<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
ASSETS		
CURRENT ASSETS:		
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 5)	39,257	
Inventories		5,579
Prepays	103,414	
Other Assets - Current	17,257	18,658
Total Current Assets	1,089,093	236,011
NON CURRENT ASSETS:		
Deferred Financing Costs	174,588	8,475
Less Accumulated Amortization	(45,190)	(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
Total Non Current Assets	2,893,192	346,847
Total Assets	3,982,285	582,858
LIABILITIES		
CURRENT LIABILITIES:		
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
Total Current Liabilities	1,030,539	107,619
NON CURRENT LIABILITIES:		
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)	532,827	65,247
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
Total Non Current Liabilities	7,670,988	869,978
Total Liabilities	8,701,527	977,597
NET ASSETS		
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)
Total Net Assets (Deficit)	\$ (4,719,242)	\$ (394,739)

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
ASSETS		
CURRENT ASSETS:		
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	(6,985)	
Due from Component Unit (Note 6)	21,402	
Inventories		5,269
Prepays	108,436	
Other Assets - Current	16,945	15,302
Total Current Assets	1,075,326	228,148
NON CURRENT ASSETS:		
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
Total Non Current Assets	2,835,707	328,097
Total Assets	3,911,033	556,245
LIABILITIES		
CURRENT LIABILITIES:		
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	69,135	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
Total Current Liabilities	1,112,209	92,259
NON CURRENT LIABILITIES:		
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	5,522	15,870
Capital Lease (Note 8)		
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
Total Non Current Liabilities	7,226,274	832,406
Total Liabilities	8,338,483	924,665
NET ASSETS		
Invested in Capital Assets, Net of Related Debt	1,602,186	131,691
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)
Total Net Assets (Deficit)	\$ (4,427,450)	\$ (368,420)

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					Net (Expense) Revenue and Changes in Net Assets	
	Expenses	Program Revenues			Primary Governmental Activities	Component Units
		Charges for Services	Operating Grants	Capital Grants		
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)	
Total Primary Government	\$ 2,970,312	\$ 174,004	\$ 412,965	\$ 15,106	(2,368,237)	
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	
Total General Revenues					2,076,445	5,332
Change in Net Assets					(291,792)	(26,319)
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, Communication and Education			Police District Fund	Police Headquarters Fund	Sewer and Storm Water District Fund	Capital Fund	Nonmajor Governmental Funds	Total Governmental Funds
				Fund	Fund	Fund						
Cash	\$ 58,280	\$ 264	\$ 1,951	\$ 475	\$ 12,694	\$ 2,075	\$ 136,791	\$ 176,572	\$ 76,976	\$ 468,078		
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	24,580									29,383		
Accounts Receivable	67,525			179		2,149	617			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		1,227	7,016	8,591			322,428		
Interfund Receivables (Note 6)	38,312		189	819	32,816	28,186	1,496			103,414		
Prepays	38,889									1,596		
Due from Component Units (Note 6)	8,727	35	31,086	140	3,860	3,798	456	206		40,634		
Other Assets										35		
TOTAL ASSETS	\$ 612,423	\$ 92,021	\$ 31,086	\$ 1,434	\$ 50,776	\$ 44,846	\$ 149,951	\$ 176,778	\$ 261,612	\$ 1,420,927		

LIABILITIES AND FUND EQUITY

LIABILITIES:

Accounts Payable	\$ 59,520	\$ 27	\$ 17	\$ 713	\$ 926	\$ 4,530	\$ 4,530	\$ 11,709	\$ 9,172	\$ 86,567
Accrued Liabilities	98,492		148	14,540	993	3,461		57,242	61,659	179,320
Bond Anticipation Notes Payable (Note 9)	132,000								14,617	132,000
Tax Anticipation Notes Payable (Note 9)	105,000									105,000
Revenue Anticipation Notes Payable (Note 9)	27,872	92,010	31,086	41,429	39,776	7,227	7,227	62,351	27,238	55,110
Deferred Revenue				1,258	45		63	94	5,780	322,428
Interfund Payables (Note 6)								625	1,175	1,377
Due to Component Units (Note 6)									14,901	33,013
Other Liabilities	17,487									
Total Liabilities	481,882	92,037	31,086	1,423	56,682	41,740	15,281	132,021	134,542	986,694

FUND EQUITY:

Fund Balances:											
Reserved for Retirement of Temporary Financing								4,679		4,679	
Reserved for Encumbrances	72,597			542	1,522	5,147		195,388	136,925	412,121	
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										59,496	
Unreserved Nonmajor Fund Balances (Deficits):										(31,613)	
Special Revenue										(23,728)	
Capital Projects										21,477	
Debt Service											
Unreserved Major Fund Balances (Deficits) (Note 13)	47,944	(16)		11	1,584	70,027	70,027			113,102	
Total Fund Equity	130,541	(16)		11	(5,906)	3,106	134,670	44,757	127,070	434,233	
Commitments and Contingencies (Note 15)											
TOTAL LIABILITIES AND FUND EQUITY	\$ 612,423	\$ 92,021	\$ 31,086	\$ 1,434	\$ 50,776	\$ 44,846	\$ 149,951	\$ 176,778	\$ 261,612	\$ 1,420,927	

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-3

COUNTY OF NASSAU, NEW YORK

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

ASSETS	File										Total Governmental Funds
	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		
Cash	\$ 109,221	\$ 663	\$ 5,260	\$ 2,013	\$ 15,499	\$ 1,391	\$ 98,977	\$ 155,864	\$ 111,366	\$ 500,254	
Investments (Note 2)									68,557	68,557	
Sales Tax Receivable		108,211								108,211	
Interest Receivable									3,129	3,130	
Due from Other Governments (Note 3)						1,554			10,273	175,056	
Less Allowance for Doubtful Accounts									(1,751)	(1,751)	
Accounts Receivable	183,229				769	3,319	338	476	176	17,892	
Real Property Taxes Receivable	12,814									61,538	
Less Allowance for Doubtful Accounts	(6,985)									(6,985)	
Tax Sale Certificates (Note 5)	6,473									3,953	
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	1,617		1,612	108,436	
Prepays	21,904									23,521	
Due from Component Units (Note 6)	9,189	27		3,478		3,577	424	216	34	16,945	
Other Assets											
TOTAL ASSETS	\$ 677,118	\$ 108,902	\$ 41,011	\$ 3,053	\$ 53,479	\$ 53,983	\$ 185,697	\$ 156,631	\$ 267,054	\$ 1,546,928	

LIABILITIES AND FUND EQUITY

LIABILITIES:											Total Governmental Funds
Accounts Payable	\$ 58,650	\$ 115	\$ 67	\$ 719	\$ 617	\$ 6,128	\$ 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	96,398	
Tax Anticipation Notes Payable (Note 9)	125,000									125,000	
Revenue Anticipation Notes Payable (Note 9)	75,000									75,000	
Commercial Paper Notes Payable										69,135	
Deferred Revenue	25,434									30,332	
Interfund Payables (Note 6)	94,732	107,238	41,011	2,486	31,886	42,145	4,885	83,447	53,878	461,708	
Due to Component Units (Note 6)				4	47	66		1,146	856	2,119	
Other Liabilities	22,370							810	40,229	63,409	
Total Liabilities	538,804	107,353	41,011	3,091	46,748	53,042	15,101	177,538	270,497	1,253,195	

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 Ensuring Year's Budget (Note 13):										
General	10,000									10,000
Special Revenue										
Unreserved Nonmajor Fund Balances (Deficits):										
Special Revenue								(170,596)	(41,132)	(41,132)
Capital Projects									(48,854)	(219,450)
Debt Service									(26,424)	(26,424)
Unreserved Major Fund Balances (Note 13)	54,722	1,549		(38)	6,061	108,931				171,225
Total Fund Equity	138,314	1,549		(38)	6,731	170,596		(20,907)	(3,443)	293,743
Commitments and Contingencies (Note 15)										
TOTAL LIABILITIES AND FUND EQUITY	\$ 677,118	\$ 108,902	\$ 41,011	\$ 3,053	\$ 53,479	\$ 53,983	\$ 185,697	\$ 156,631	\$ 267,054	\$ 1,546,928

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)**

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)**

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
REVENUES:										
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
Tobacco Receipts										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		6,371	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
Total Revenues	1,603,601	182,353		21,192	339,852	335,030	110,192	18,967	174,123	2,785,310
EXPENDITURES:										
Current:										
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
Total Current	1,604,799	1,137		21,237	352,374	342,709	87,519	149,533	160,970	2,720,278
Debt Service:										
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
Total Debt Service			111,527				38,189		217,991	367,707
Total Expenditures	1,604,799	1,137	111,527	21,237	352,374	342,709	125,708	149,533	378,961	3,087,985
EXCESS (DEFICIENCY) OF REVENUES OVER (UNDER) EXPENDITURES	(1,198)	181,216	(111,527)	(45)	(12,522)	(7,679)	(15,516)	(130,566)	(204,838)	(302,675)
OTHER FINANCING SOURCES (USES):										
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)								(768,150)	(789,735)
Transfers In from NIFA	3,109	2,146							184,587	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
Total Other Financing Sources (Uses)	(6,575)	(182,781)	111,527	94	(115)	9,844	(20,410)	196,230	335,351	443,165
NET CHANGE IN FUND BALANCES	(7,773)	(1,565)		49	(12,637)	2,165	(35,926)	65,664	130,513	140,490
TOTAL FUND BALANCES (DEFICITS) AT BEGINNING OF YEAR	138,314	1,549		(38)	6,731	941	170,596	(20,907)	(3,443)	293,743
TOTAL FUND BALANCES (DEFICITS) AT END OF YEAR	\$ 130,541	\$ (16)	\$	\$ 11	\$ (5,906)	\$ 3,106	\$ 134,670	\$ 44,757	\$ 127,070	\$ 434,233

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
REVENUES:											
Interest and Penalties on Taxes	\$ 21,885	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$ 21,885
Licenses and Permits	7,790					1,705	1,085				10,580
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	23,800										23,800
Tobacco Proceeds	14,500										14,500
Tobacco Receipts											14,500
Departmental Revenue	86,942			5,036		3,381	18,430	1,113		2,586	21,053
Interdepartmental Revenue	121,337					283	11,382	390		349	97,488
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			15,699		331,640	287,070	118,934		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	50,496
Total Revenues	1,616,793	172,163	19,281	20,964		340,145	346,189	127,468	42,348	135,116	2,820,465
EXPENDITURES:											
Current:											
Legislative	9,781										9,781
Judicial	46,304									2,968	49,272
General Administration	227,812	1,244								27,125	256,181
Protection of Persons	13,711			19,846		350,404	330,017			7,951	721,729
Health	216,106									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	116,883									890	116,883
Total Current	1,601,093	1,244		19,646		350,404	330,017	86,201	124,129	113,577	2,626,311
Debt Service:											
Principal			96,190					30,217		83,200	209,607
Interest			26,257					9,690		113,467	149,434
Financing Costs			994								994
Total Debt Service			123,441					39,907		196,687	360,035
Total Expenditures	1,601,093	1,244	123,441	19,646		350,404	330,017	126,108	124,129	310,264	2,966,346
EXCESS (DEFICIENCY) OF REVENUES OVER (UNDER) EXPENDITURES	15,700	170,919	(104,160)	1,318		(10,259)	16,172	1,360	(81,783)	(175,148)	(165,881)
OTHER FINANCING SOURCES (USES):											
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)	(446,731)
Transfers Out of Investment Income									(5,390)	(1,294)	(6,684)
Transfers In from NIFA	6,289	4,982							28,497	168,582	208,350
Transfers Out to NIFA		(174,940)								(33,410)	(206,350)
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
Total Other Financing Sources (Uses)	(19,539)	(169,958)	104,160	(1,245)	(3,482)	(194)	(6,349)	41,570	45,161	64,776	54,900
NET CHANGE IN FUND BALANCES	(3,839)	961		73	(3,482)	(10,453)	9,823	42,930	(36,622)	(110,372)	(110,981)
TOTAL FUND BALANCES (DEFICITS) AT BEGINNING OF YEAR	142,153	588		(111)	3,482	17,184	(8,882)	127,866	15,716	108,929	404,724
TOTAL FUND BALANCES (DEFICITS) AT END OF YEAR	\$ 138,314	\$ 1,549	\$	\$ (38)	\$	\$ 6,731	\$ 941	\$ 170,596	\$ (20,907)	\$ (3,443)	\$ 283,743

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)**

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)**

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)
Revenues:						
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)
State 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)
Total Revenues	1,915,065	2,011,550	1,603,601	(11,710)	1,591,891	(419,659)
Expenditures:						
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
Total Expenditures	1,737,586	1,820,535	1,604,799	(17,756)	1,587,043	233,492
Excess (Deficiency) of Revenues Over (Under) Expenditures	177,479	191,015	(1,198)	6,046	4,848	(186,167)
Other Financing Sources (Uses):						
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
Total Other Financing Sources (Uses)	(286,815)	(300,351)	(6,575)	(67,448)	(74,023)	226,328
Net Change in Fund Balance	(109,336)	(109,336)	(7,773)	(61,402)	(69,175)	40,161
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)
Revenues:						
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)
Total Revenues	1,834,280	1,851,471	1,616,793	(4,109)	1,612,684	(238,787)
Expenditures:						
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
Total Expenditures	1,671,708	1,743,186	1,601,093	42,733	1,643,826	99,360
Excess (Deficiency) of Revenues Over (Under) Expenditures	162,572	108,285	15,700	(46,842)	(31,142)	(139,427)
Other Financing Sources (Uses):						
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)		
Total Other Financing Sources (Uses)	(253,941)	(224,654)	(19,539)	(13,681)	(33,220)	191,434
Net Change in Fund Balance	(91,369)	(116,369)	(3,839)	(60,523)	(64,362)	52,007
Fund Balance (Deficit) at Beginning of Year	91,369	116,369	142,153		142,153	25,784
Fund Balance (Deficit) at End of Year	\$	\$	\$ 138,314	\$ (60,523)	\$ 77,791	\$ 77,791

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>
Revenues:						
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	<u>21,442</u>	<u>21,442</u>	<u>21,192</u>	<u>(26)</u>	<u>21,166</u>	<u>(276)</u>
Expenditures:						
Current:						
Protection of Persons	<u>21,066</u>	<u>21,898</u>	<u>21,237</u>	<u>(15)</u>	<u>21,222</u>	<u>676</u>
Total Expenditures	<u>21,066</u>	<u>21,898</u>	<u>21,237</u>	<u>(15)</u>	<u>21,222</u>	<u>676</u>
Excess of Revenues Over Expenditures	<u>376</u>	<u>(456)</u>	<u>(45)</u>	<u>(11)</u>	<u>(56)</u>	<u>400</u>
Other Financing Uses:						
Transfers In		832	832		832	
Transfers Out	<u>(489)</u>	<u>(489)</u>	<u>(738)</u>		<u>(738)</u>	<u>(249)</u>
Total Other Financing Sources (Uses)	<u>(489)</u>	<u>343</u>	<u>94</u>		<u>94</u>	<u>(249)</u>
Net Change in Fund Balance	<u>(113)</u>	<u>(113)</u>	<u>49</u>	<u>(11)</u>	<u>38</u>	<u>151</u>
Fund Balance (Deficit) at Beginning of Year	<u>113</u>	<u>113</u>	<u>(38)</u>		<u>(38)</u>	<u>(151)</u>
Fund Balance (Deficit) at End of Year	<u>\$</u>	<u>\$</u>	<u>\$ 11</u>	<u>\$ (11)</u>	<u>\$</u>	<u>\$</u>

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)**

	<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>
Revenues:						
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>
Expenditures:						
Current:						
Protection of Persons	<u>20,646</u>	<u>20,099</u>	<u>19,646</u>	<u>(65)</u>	<u>19,581</u>	<u>518</u>
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>
Other Financing Uses:						
Transfers Out	<u>(649)</u>	<u>(1,245)</u>	<u>(1,245)</u>		<u>(1,245)</u>	
Total Other Financing Sources (Uses)	<u>(649)</u>	<u>(1,245)</u>	<u>(1,245)</u>		<u>(1,245)</u>	
Net Change in Fund Balance	<u>(112)</u>	<u>(111)</u>	<u>73</u>	<u>38</u>	<u>111</u>	<u>222</u>
Fund Balance (Deficit) at Beginning of Year	<u>112</u>	<u>111</u>	<u>(111)</u>		<u>(111)</u>	<u>(222)</u>
Fund Balance (Deficit) at End of Year	<u>\$</u>	<u>\$</u>	<u>\$ (38)</u>	<u>\$ 38</u>	<u>\$</u>	<u>\$</u>

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)
Revenues:						
Rents and Recoveries	\$	\$	\$	\$	\$	\$
Licenses and Permits						
Interest Income						
Departmental Revenue						
Property Taxes						
Special Taxes						
Other Revenues						
Total Revenues						
Expenditures:						
Current:						
Recreation and Parks						
Total Expenditures						
Excess (Deficiency) of Revenues Over (Under) Expenditures						
Other Financing Sources (Uses):						
Transfers In						
Transfers Out			(3,482)		(3,482)	(3,482)
Total Other Financing Uses			(3,482)		(3,482)	(3,482)
Net Change in Fund Balance			(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)
Revenues:						
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)
Total Revenues	339,911	339,911	339,852	(1,312)	338,540	(1,371)
Expenditures:						
Current:						
Protection of Persons	351,048	358,948	352,374	(12,221)	340,153	18,795
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
Other Financing Sources (Uses):						
Transfers In	10,408	10,408				(10,408)
Transfer 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) at Beginning of Year	848	8,748	6,731		6,731	(2,017)
Fund Balance (Deficit) at End of Year	\$	\$	\$ (5,906)	\$ 10,909	\$ 5,003	\$ 5,003

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>
Revenues:						
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)
Total Revenues	338,162	338,162	340,145	(1,334)	338,811	649
Expenditures:						
Current:						
Protection of Persons	349,793	355,094	350,404	(6,752)	343,652	11,442
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
Other Financing Sources (Uses):						
Transfers In	9,153	9,153				(9,153)
Transfer 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) at Beginning of Year	2,675	7,976	17,184		17,184	9,208
Fund Balance (Deficit) at End of Year	\$	\$	\$ 6,731	\$ 5,418	\$ 12,149	\$ 12,149

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)**

	<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>
Revenues:						
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)
Total Revenues	340,621	340,621	335,030	(1,800)	333,230	(7,391)
Expenditures:						
Current:						
Protection of Persons	339,561	350,501	342,709	1,306	344,015	6,486
Total Expenditures	339,561	350,501	342,709	1,306	344,015	6,486
Excess (Deficiency) of Revenues Over (Under) Expenditures	1,060	(9,880)	(7,679)	(3,106)	(10,785)	(905)
Other Financing Sources (Uses):						
Transfers In		10,940	13,536		13,536	2,596
Transfers Out	(3,349)	(3,349)	(3,692)		(3,692)	(343)
Total Other Financing Sources (Uses)	(3,349)	7,591	9,844		9,844	2,253
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>
Revenues:						
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)
Total Revenues	345,338	345,338	346,189	(1,829)	344,360	(978)
Expenditures:						
Current:						
Protection of Persons	345,487	344,809	330,017	(888)	329,129	15,680
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
Other Financing Sources (Uses):						
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) at Beginning of Year	3,220	3,220	(8,882)		(8,882)	(12,102)
Fund Balance (Deficit) at End of Year	\$	\$	\$ 941	\$ (941)	\$	\$

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)
Revenues:						
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>
Expenditures:						
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>
Other Financing Sources (Uses):						
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></u>	<u>(20,410)</u>	<u></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></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)

	<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>
Revenues:						
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>
Expenditures:						
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>
Other Financing Sources (Uses):						
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)**

AGENCY FUND

	Balance December 31, <u>2008</u>
<u>ASSETS:</u>	
Cash	\$ 86,770
Due From Component Unit	<u>3,912</u>
TOTAL ASSETS	<u>\$ 90,682</u>
 <u>LIABILITIES:</u>	
Accounts Payable	\$ 208
Other Liabilities	<u>90,474</u>
TOTAL LIABILITIES	<u>\$ 90,682</u>

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)**

AGENCY FUND

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

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
ASSETS					
CURRENT ASSETS:					
Cash and Cash Equivalents	\$ 46,430	\$ 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			5,434
Accounts Receivable		326,441	204	26	326,671
Less Allowance for Doubtful Amounts		(217,251)			(217,251)
Inventories		5,579			5,579
Other Assets - Current	2,329	15,722	598	9	18,658
Total Current Assets	58,762	158,538	13,495	5,216	236,011
NON CURRENT ASSETS:					
Deferred Financing Costs	2,838	5,107	532		8,475
Less Accumulated Amortization	(1,378)	(1,325)	(124)		(2,827)
Assets Whose Use is Limited		58,149			58,149
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
Total Non Current Assets	118,775	205,331	22,731	10	346,847
Total Assets	177,537	363,869	36,226	5,226	582,858
LIABILITIES					
CURRENT LIABILITIES:					
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	4,959	2,065	1,455		8,479
Other Liabilities	2,128	4,986	1,720		8,835
Total Current Liabilities	31,449	62,226	13,784	160	107,619
NON CURRENT LIABILITIES:					
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
Total Non Current Liabilities	373,884	434,905	61,137	52	869,978
Total Liabilities	405,333	497,131	74,921	212	977,597
NET ASSETS					
Invested in Capital Assets, Net of Related Debt	62,682	53,056	3,533	10	119,281
Restricted:					
General		1,651			1,651
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)
Total Net Assets (deficit)	\$ (227,796)	\$ (133,262)	\$ (38,695)	\$ 5,014	\$ (384,739)

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)**

	<u>Nassau Community College</u>	<u>Nassau Health Care Corporation</u>	<u>Nassau Regional Off-Track Betting Corp.</u>	<u>Nassau County Industrial Development Agency</u>	<u>Total</u>
ASSETS					
CURRENT ASSETS:					
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
Total Current Assets	52,917	161,701	12,170	6,089	232,877
NON CURRENT ASSETS:					
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
Total Non Current Assets	120,914	182,842	24,328	13	328,097
Total Assets	173,831	344,543	36,498	6,102	560,974
LIABILITIES					
CURRENT LIABILITIES:					
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
Total Current Liabilities	35,564	50,805	10,460	159	96,988
NON CURRENT LIABILITIES:					
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
Total Non Current Liabilities	355,941	414,918	61,514	33	832,406
Total Liabilities	391,505	465,723	71,974	192	929,394
NET ASSETS					
Invested in Capital Assets, Net of Related Debt	68,291	58,673	4,714	13	131,691
Restricted:					
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)
Total Net Assets (deficit)	\$ (217,674)	\$ (121,180)	\$ (35,476)	\$ 5,910	\$ (368,420)

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
Expenses	\$ 212,424	\$ 585,966	\$ 73,584	\$ 2,207	\$ 874,181
Program Revenues:					
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
General Revenues (Expenses):					
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
Expenses	\$ 448,933	\$ 544,408	\$ 117,121	\$ 480	\$ 1,110,942
Program Revenues:					
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)
General Revenues (Expenses):					
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.

THIS PAGE IS INTENTIONALLY LEFT BLANK

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

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**

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 31st, 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**

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

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

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**

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**

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**

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**

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

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**

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**

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

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

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**

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</u> <u>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		Fire Comm Fund	Police Districts Fund	Police Headquarters Fund	Sewer & Storm Water District Fund	Capital Fund	Nonmajor Funds	Total	
	General Fund	General Fund								
INTERFUND RECEIVABLE										
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
TOTAL RECEIVABLE	\$ 218,548	\$	\$ 28,946	\$	\$ 1,227	\$ 7,016	\$ 8,591	\$	\$ 58,100	\$ 322,428

INTERFUND PAYABLE										
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)
TOTAL PAYABLE	\$ (41,511)	\$ (92,010)	\$ (31,086)	\$ (1,258)	\$ (41,429)	\$ (39,776)	\$ (7,227)	\$ (62,351)	\$ (5,780)	\$ (322,428)

2008	Transfers In:				Total
	General Fund	Debt Service Fund	Fire Comm Fund	Police Headquarters Fund	
Transfers Out:					
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
TOTAL	\$ 188,720	\$ 283,965	\$ 832	\$ 13,536	\$ 487,053

* 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 District Fund	Police Headquarters Fund	Sewer & Storm Water District Fund	Capital Fund	Nonmajor Funds	Total
INTERFUND RECEIVABLE										
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
TOTAL RECEIVABLE	\$ 255,906	\$	\$ 35,751	\$ 23	\$ 2,296	\$ 13,109	\$ 84,258	\$ 75	\$ 70,290	\$ 461,708
INTERFUND PAYABLE										
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)
TOTAL PAYABLE	\$ (94,732)	\$ (107,238)	\$ (41,011)	\$ (2,486)	\$ (31,886)	\$ (42,145)	\$ (4,885)	\$ (83,446)	\$ (53,879)	\$ (461,708)
2007										
Transfers In:										
Debt Service										
Transfers Out:	General Fund	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							
TOTAL	\$ 176,372	\$ 272,359	\$ 448,731							

* 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

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:

	2008		
	Summary of Capital Asset Balances		
	(dollars in thousands)		
	Primary		
	<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
Governmental activities:				
Capital Assets, Not Being Depreciated:				
Land	\$ 145,168	\$ 53,239	\$ 17	\$ 198,390
Intangibles		8,804		8,804
Construction in progress	<u>416,811</u>	<u>102,321</u>	<u>12,731</u>	<u>506,401</u>
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	<u>685,096</u>	<u>11,196</u>		<u>696,292</u>
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	<u>423,480</u>	<u>20,847</u>		<u>444,327</u>
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>
Transfer from Construction in Progress	\$ (12,731)	\$	\$ (12,731)
Additions to Capital Assets:			
Capital Assets being Depreciated			
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
Governmental activities:				
Capital Assets, Not Being Depreciated:				
Land	\$ 137,574	\$ 12,735	\$ 5,141	\$ 145,168
Construction in progress	<u>362,428</u>	<u>107,271</u>	<u>52,888</u>	<u>416,811</u>
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	<u>665,404</u>	<u>19,692</u>		<u>685,096</u>
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	<u>402,105</u>	<u>21,375</u>		<u>423,480</u>
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>
Transfer from Construction in Progress	<u>\$ (52,888)</u>	<u>\$</u>	<u>\$</u>	<u>\$ (52,888)</u>
Additions to Capital Assets				
Capital Assets not being Depreciated				
Land	\$ 12,735	\$	\$	\$ 12,735
Capital Assets being Depreciated				
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>
Total Additions to Capital Assets	<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>
Functions:					
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>
Functions:					
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	<u>5,457</u>	<u>5,457</u>
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	<u>8,804</u>	<u></u>
Total	3,619,420	3,440,313
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>
Less Accumulated Depreciation:							
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
Capital Assets Not Being Depreciated							
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>
Capital Assets Being Depreciated							
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>
Less Accumulated Depreciation:							
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>\$</u>	<u>\$ 105,075</u>	<u>\$ (641)</u>	<u>\$</u>	<u>\$ 104,435</u>

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

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 & 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**

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, <u>2006</u>	<u>Additions</u>	<u>Reductions</u>	Balance, December 31, <u>2007</u>	<u>Additions</u>	<u>Reductions</u>	Balance, December 31, <u>2008</u>
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	<u>\$ _____</u>	<u>\$ 947</u>	<u>\$ _____</u>	<u>\$ 947</u>	<u>\$ 2,384</u>	<u>\$ 947</u>	<u>\$ 2,384</u>

* 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
	2006	Additions	Reductions	2007	Additions	Reductions	2008		
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	
Total Serial Bonds - County	643,026	74,918	123,873	594,071	292,863	129,567	757,367	102,062	
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	
Total Serial Bonds - NIFA, NCSSWFA, NCTSC	2,544,984		83,200	2,461,784	880,480	865,043	2,477,221	112,915	
Total Serial Bonds	3,188,010	74,918	207,073	3,055,855	1,173,343	994,610	3,234,588	214,977	
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	
Total Other	1,074,066	172,141	183,766	1,062,441	372,791	192,307	1,242,925	126,184	
Total General Long-Term Obligations	\$ 4,262,076	\$ 247,059	\$ 390,839	\$ 4,118,296	\$ 1,546,134	\$ 1,186,917	\$ 4,477,513	\$ 341,161	

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 December 31,			Balance December 31, Due within		
	2007	Additions	Reductions	2008	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**

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**

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. (“GSMMDP”)
- \$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**

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.

COUNTY OF NASSAU, NEW YORK

EXHIBIT X-16

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
Notional 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 26 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)	\$ (290,562)	\$ (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) Moody's/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**

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	Principal	Interest	Total
Ending			
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	<u>324,859</u>	<u>1,090,497</u>	<u>1,415,356</u>	
Total	<u>\$ 426,351</u>	<u>\$ 1,444,464</u>	<u>\$ 1,870,815</u>	

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	<u>45,317</u>	<u>4,021</u>		<u>49,338</u>	<u>1,367</u>
Total long term liabilities	<u>\$ 352,723</u>	<u>\$ 30,503</u>	<u>\$ 9,626</u>	<u>\$ 373,600</u>	<u>\$ 4,958</u>

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

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

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

Nassau Community College Long-Term Debt (Continued)

Principal				
Year Ending			General	
August 31	DASNY	Obligations	Total	
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>\$</u>	<u>41,971</u>

Interest				
Year Ending			General	
August 31	DASNY	Obligations	Total	
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>\$</u>	<u>17,341</u>

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

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**

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

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	<u>\$ 69,139</u>	<u>\$ 5,003</u>	<u>\$</u>	<u>\$</u>	<u>\$ 129,400</u>	<u>\$</u>	<u>\$ 10,376</u>

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	\$ (33,864)	\$ _____	\$ (33,864)
December 31, 2007	\$ (116,410)	\$ _____	\$ (116,410)
 <u>Major Governmental Funds</u>			
December 31, 2008	\$ 27,288	\$ 69,496	\$ (42,208)
December 31, 2007	\$ 63,832	\$ 63,203	\$ 629

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**

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	<u>(3,504,911)</u>	<u>(274,084)</u>	<u>(2,511)</u>	<u>(43,912)</u>	<u>(823)</u>	<u>(3,826,241)</u>
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	<u>105,347</u>	<u>5,900</u>	<u>2,395</u>	<u>842</u>	<u>16</u>	<u>114,500</u>
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

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**

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**

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**

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)**

Actuarial Valuation Date	Actuarial Value of Assets (a)	Actuarial Accrued Liability (AAL) Level Dollar (b)	Unfunded AAL (UAAL) (b-a)	Funded Ratio (a/b)	Covered Payroll (c)	Accrued Percentage of Covered Payroll (b-a)/c
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 Accd Liab Reserve Fund	Bonded Indebtedness Reserve Fund	Grant Fund	Sewer and Storm Water District Construction Fund	Sewage Disposal District Construction Funds	Sewage Collection Districts Construction Fund	Tobacco Settlement Corp Debt Service Fund	NIFA Debt Service Fund	Total			
ASSETS																		
Cash	\$ 1,843	\$ 10,540	\$ 116	\$ 146	\$ 1,438	\$ 484	\$ 15,166	\$ 41	\$ 16,344	\$ 9,586	\$ 20,826	\$ 224	\$ 24,530	\$ 12	\$ 76,976			
Investments				28,709										56,717	109,956			
Interest Receivable				314					10,783					249	563			
Due From Other Governments									1,745						10,783			
Due From Component Units									327	1,531					1,745			
Accounts Receivable									33,144	308	78	54	700	23,816	1,888			
Interfund Receivables									1,596						96,100			
Prepays									7						1,596			
Other Assets			28												35			
TOTAL ASSETS	\$ 1,843	\$ 10,540	\$ 144	\$ 29,169	\$ 1,438	\$ 494	\$ 15,166	\$ 41	\$ 64,146	\$ 11,425	\$ 20,904	\$ 278	\$ 25,230	\$ 80,794	\$ 261,612			

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 Accd Liab Reserve Fund	Bonded Indebtedness Reserve Fund	Grant Fund	Sewer and Storm Water District Construction Fund	Sewage Disposal District Construction Funds	Sewage Collection Districts Construction Fund	Tobacco Settlement Corp Debt Service Fund	NIFA Debt Service Fund	Total			
LIABILITIES																		
Accounts Payable	\$ 12	\$	\$ 5	\$	\$	\$	\$	\$	\$ 3,815	\$ 948	\$ 4,262	\$ 130	\$	\$ 60,394	\$ 9,172			
Accrued Liabilities									1,265	3,782	10,835				61,659			
Bond Anticipation Notes Payable									27,238						14,617			
Deferred Revenue															27,238			
Interfund Payables		1,995	700				800		1,476	479	186			144	5,780			
Due to Component Unit									1,175						1,175			
Other Liabilities						494	14,266	41							14,901			
Total Liabilities	12	1,995	705			494	15,166	41	34,969	5,209	15,283	130		60,538	134,542			
Fund Balances (Deficits):																		
Reserved for Encumbrances									101,212	8,935	26,655	123	24,009	20,256	136,925			
Reserved - Senior Liquidity Reserve	1,831	8,545	(561)	29,169	1,438				(72,035)	(2,719)	(21,034)	25	1,221	20,256	24,009			
Unreserved									29,177	6,216	5,621	148	25,230	20,256	(33,864)			
Total Fund Balances	1,831	8,545	(561)	29,169	1,438				29,177	6,216	5,621	148	25,230	20,256	127,070			
TOTAL LIABILITIES AND FUND BALANCES	\$ 1,843	\$ 10,540	\$ 144	\$ 29,169	\$ 1,438	\$ 494	\$ 15,166	\$ 41	\$ 64,146	\$ 11,425	\$ 20,904	\$ 278	\$ 25,230	\$ 80,794	\$ 261,612			

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 Grant Fund	Sewer Financing Authority Grant Fund	Open Space Fund	Retirement Contribution Reserve Fund	Employee Benefit Assets Reserve Fund	Bonded Indebtedness Reserve Fund	Grant Fund	NIFA Capital Projects Fund	Sewer and Storm Water Construction Fund	Sewage Disposal Construction Funds	Sewage Collection Construction Fund	Sewer Financing Debt Service Fund	Tobacco Settlement Capital Service Fund	NIFA Debt Service Fund	Total			
ASSETS																				
Cash	1,792	4,129	112	16,387	1,353	26,639	22,489	41	14,664	2	1,391	11,524	2,389	8,212	24,132	232	111,366			
Investments										2,547					41,776		68,557			
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									176								176			
Interfund Receivables		23							30,026	4	13			10,762	550	28,892	70,290			
Prepays									1,612								1,612			
Other Assets			22						12								34			
TOTAL ASSETS	\$ 1,792	\$ 4,152	\$ 134	\$ 17,477	\$ 1,353	\$ 26,639	\$ 22,489	\$ 41	\$ 58,380	\$ 2,563	\$ 1,395	\$ 11,537	\$ 2,389	\$ 20,614	\$ 24,682	\$ 71,307	\$ 267,054			

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 Grant Fund	Sewer Financing Authority Grant Fund	Open Space Fund	Retirement Contribution Reserve Fund	Employee Benefit Assets Reserve Fund	Bonded Indebtedness Reserve Fund	Grant Fund	NIFA Capital Projects Fund	Sewer and Storm Water Construction Fund	Sewage Disposal Construction Funds	Sewage Collection Construction Fund	Sewer Financing Debt Service Fund	Tobacco Settlement Capital Service Fund	NIFA Debt Service Fund	Total			
LIABILITIES																				
Accounts Payable									5,744		366	2,392	229				8,723			
Accrued Liabilities									2,719		2,406	6,796	21				9,221			
Deferred Liabilities																	89,135			
Deferred Income Notes Payable																	30,332			
Notes Payable				24,700					30,332					44,435			89,135			
Deferred Revenue						1,620	7,323		1,125					18,594			30,332			
Interfund Payables		1,079	550			25,019	15,166		856				2,583				53,878			
Due to Component Unit				3													856			
Other Liabilities								41									40,229			
Total Liabilities	1,079	1,079	550	24,703	1,353	26,639	22,489	41	40,776	14	5,192	27,183	2,833	63,429	55,569	55,569	270,497			
Fund Balances (Deficits)																				
Reserved for Retirement of Temporary Financing									57,287	75	9,709	21,653	199				75			
Reserved for Encumbrances	35																88,883			
Restricted - Senior Liquidity Reserve		3,073	(416)	(7,226)	1,363				(39,663)	(13,561)	(37,279)	(643)	(42,815)	24,039	973	15,718	24,039			
Unreserved	1,757									2,649							(116,219)			
Total Fund Balances	1,792	3,073	(416)	(7,226)	1,363	25,019	15,166	41	17,604	(3,797)	(15,626)	(444)	(42,815)	24,682	15,718	(3,443)	(116,219)			
TOTAL LIABILITIES AND FUND BALANCES	\$ 1,792	\$ 4,152	\$ 134	\$ 17,477	\$ 1,363	\$ 26,639	\$ 22,489	\$ 41	\$ 58,380	\$ 2,663	\$ 1,395	\$ 11,537	\$ 2,389	\$ 20,614	\$ 24,682	\$ 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					Total Nonmajor Governmental Funds
	Technology Fund	Environmental Protection Fund	Tobacco Settlement Corp General Fund	Sewer Financing Authority General Fund	Open Space Fund	Grant Fund	NIFA Capital Projects Fund	Sewer and Storm Water District Construction Fund	Sewage Disposal District Construction Funds	Sewage Collection Districts Construction Fund	Sewer Financing Authority Debt Service Fund	Tobacco Settlement Corp Debt Service Fund	NIFA Debt Service Fund			
Revenues:																
Fines and Forfeits	\$ 51	\$ 93	\$ -	\$ 684	\$ -	\$ 2,122	\$ -	\$ 42	\$ 141	\$ 35	\$ -	\$ 1,144	\$ 2,687	2,122		
Interest on Bonds						246								5,105		
Plan and Pensions						272								272		
Departmental Revenue						2,815								2,815		
Interdepartmental Revenue						352								352		
Federal Aid						51,831		32						51,831		
State Aid						48,401								48,433		
Tobacco Proceeds		7,375				29,415					21,683			29,415		
Tobacco Receipts														21,683		
Property Taxes						3,111								3,111		
Special Taxes						23		1,531						3,111		
Other Revenues					75									3,111		
Total Revenues	51	7,468		684	75	138,590		1,605	141	35	22,807		2,687	174,123		
Expenditures:																
Current:																
Judicial	12		145	5,995		3,053								3,053		
General Administration						26,863								33,015		
Protection of Persons						8,935								8,935		
Health						48,377								48,377		
Public Works						165								165		
Recreation and Parks						1,784		8,524	19,228	49				1,784		
Sewage Districts						8,424								27,801		
Social Services						2,001								6,424		
Corrections						29,415								29,415		
Other Expenses						127,017		6,524	19,228	49				160,970		
Total Current Expenditures	12		145	5,995		127,017		6,524	19,228	49				160,970		
Debt Service																
Principal																
Interest																
Financing Cost				1,435										96,915		
Total Debt Service				1,435										96,915		
Total Expenditures	12		145	7,430		127,017		6,524	19,228	49				376,961		
Excess (Deficiency) of Revenues Over (Under) Expenditures	39	7,468	(145)	(6,766)	75	11,573		(6,919)	(19,087)	(14)			(6,362)	(304,839)		
Other Financing Sources (Uses):																
Other Financing Sources - Premium on Bonds														1,081		
Transfers Out														(1,996)		
Deposited with Escrow Agent for Deleasance														(218)		
Transfers In from NIFA														(764,150)		
Transfers In from SFA														184,597		
Transfers Out to SFA														(4,925)		
Transfers Out to SFA														260,029		
Issuance of Bonds														(264,231)		
Total Other Financing Sources (Uses)														911,170		
Net Change in Fund Balances	39	5,472	(145)	38,395	75	11,573		10,013	21,247	562			4,538	130,513		
Fund Balances (Deficits) Beginning of Year	1,792	3,073	(419)	(7,228)	1,363	17,804		(3,797)	(15,626)	(444)			(42,815)	(3,443)		
Fund Balances (Deficits) End of Year	1,631	8,545	(561)	29,169	1,438	29,177		6,216	5,621	148			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					
	Technology Fund	Environmental Protection Fund	Tobacco Settlement Corp General Fund	Sewer Financing Authority General Fund	Open Space Fund	Grant Fund	NIFA Capital Projects Fund	Sewer and 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				
Revenues:																		
Fines and Forfeits	\$ 98	\$ 24	\$ -	\$ -	\$ -	\$ 1,330	\$ 494	\$ 84	\$ 1,087	\$ 123	\$ -	\$ 1,826	\$ 4,077	\$ 1,330				
Interest Income						456								8,500				
Rents and Recoveries						343								343				
Departmental Revenue						2,586								2,586				
Interdepartmental Revenue						3,609								3,609				
Federal Aid						47,855								47,855				
State Aid Receipts						43,880		75						43,955				
Tobacco Taxes		4,128									21,053			21,053				
Priority Taxes						4,027								4,128				
Special Taxes						16								4,027				
Other Revenues					874									890				
Total Revenues	98	4,152			874	100,942	494	159	1,087	123		22,879	4,077	135,116				
Expenditures:																		
Current:																		
Judicial	118		127			2,968								2,968				
General Administration				699		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				18,456				
Sewage Districts						5,802								5,802				
Social Services						2,799								2,799				
Corrections																		
Total Current Expenditures	118		127	699	874	94,177		3,658	14,581	217				113,577				
Debt Service:																		
Principal																		
Interest																		
Total Debt Service																		
Total Expenditures	118		127	699	874	94,177		3,658	14,581	217				113,577				
Excess (Deficiency) of Revenues Over (Under) Expenditures	(20)	4,152	(127)	(469)	874	6,765	494	(3,499)	(13,494)	(84)		5,147	(166,847)	(175,148)				
Other Financing Sources (Uses):																		
Other Financing Sources - EFC Drawdowns																		
Other Financing Uses - Funding of Residual Trust																		
Transfers Out		(1,079)					356					(21,073)		356				
Transfers Out of Investment Income							(84)		(1,087)	(123)				(1,079)				
Transfers In from NIFA							53		10			168,434		(1,294)				
Transfers Out to NIFA												(4,068)		168,562				
Transfers In from SFA												164,200		(33,410)				
Transfers Out to SFA												(166,240)		283,134				
Issuance of Debt														(330,440)				
Total Other Financing Sources (Uses)		(1,079)		(26,272)			(29,342)	325	(17,915)	(2,194)		(2,040)	164,366	64,776				
Net Change in Fund Balances	(20)	3,073	(127)	(26,740)	874	6,765	(28,846)	(3,174)	(31,409)	(2,288)		(10,071)	(2,481)	(110,372)				
Fund Balances (Deficits) Beginning of Year	1,812		(289)	19,514	489	10,839	31,497	(623)	15,783	1,844		(32,744)	18,199	106,929				
Fund Balances (Deficits) End of Year	\$ 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)				

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)
INTEREST AND PENALTIES ON TAXES	\$ 22,500	\$ 25,301	\$ 26,423	\$	\$ 26,423	\$ 1,122
LICENSES AND PERMITS						
Day Camp Permits	5	5	5		5	
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
Total 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						
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)
Total Rents and Recoveries	52,031	144,422	51,757	(140)	51,617	(92,805)
DEPARTMENTAL REVENUE						
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>
DEPARTMENTAL REVENUE (Continued)						
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
Total Departmental Revenue	71,119	71,119	62,246		62,246	(8,873)
INTERDEPARTMENTAL REVENUE						
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)
INTERDEPARTMENTAL REVENUE (Continued)						
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)
Total Interdepartmental Revenue	154,270	154,280	125,872		125,872	(28,408)
FEDERAL AID						
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)
Total Federal Aid	119,969	120,109	109,579		109,579	(10,530)
STATE AID						
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)
STATE AID (Continued)						
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)
<u>Total State Aid</u>	<u>219,954</u>	<u>221,096</u>	<u>201,007</u>		<u>201,007</u>	<u>(20,089)</u>
SALES TAX *	978,174	978,174	754,792		754,792	(223,382)
PREEMPTED SALES TAX IN LIEU OF PROPERTY TAXES						
Towns and City of Glen Cove	64,384	64,384	62,429		62,429	(1,955)
<u>Total Preempted Sales Tax in Lieu of Property Taxes</u>	<u>64,384</u>	<u>64,384</u>	<u>62,429</u>		<u>62,429</u>	<u>(1,955)</u>
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						
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)
<u>Total Special Taxes</u>	<u>10,780</u>	<u>10,780</u>	<u>9,831</u>		<u>9,831</u>	<u>(949)</u>

(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)
OTHER REVENUES						
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>
OTHER FINANCING SOURCES						
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>
TOTAL REVENUES AND OTHER FINANCING SOURCES	\$ 1,915,065	\$ 2,011,550 **	\$ 1,888,389	\$ (79,158)	\$ 1,809,231	\$ (202,319)

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

** Total revenues and other financing sources, estimates per 2008 County budget as adopted

Less: Budgeted opening fund balance	\$ 1,925,065
Original Budget per above	(10,000)
Add: Supplemental appropriations	1,915,065
Budget estimates, total revenues and other financing sources	<u>96,485</u>
	<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)
INTEREST AND PENALTIES ON TAXES	\$ 24,650	\$ 24,650	\$ 21,865	\$	\$ 21,865	\$ (2,785)
LICENSES AND PERMITS						
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	
Total 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						
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
Total Rents and Recoveries	51,414	66,009	62,117	(337)	61,780	(4,229)
DEPARTMENTAL REVENUE						
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)

	<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>
<u>DEPARTMENTAL REVENUE (Continued)</u>						
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	
Total Departmental Revenue	65,718	65,718	66,942		66,942	1,224
<u>INTERDEPARTMENTAL REVENUE</u>						
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)
INTERDEPARTMENTAL REVENUE (Continued)						
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)
Total Interdepartmental Revenue	149,500	150,464	121,337		121,337	(29,127)
FEDERAL AID						
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)
Total Federal Aid	111,129	111,278	111,892		111,892	614
STATE AID						
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>
STATE AID (Continued)						
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
<u>Total State Aid</u>	<u>194,773</u>	<u>195,806</u>	<u>192,051</u>		<u>192,051</u>	<u>(3,755)</u>
SALES TAX *	968,142	968,142	778,483		778,483	(189,659)
PREEMPTED SALES TAX IN LIEU OF PROPERTY TAXES						
Towns and City of Glen Cove	62,772	62,772	61,629		61,629	(1,143)
<u>Total Preempted Sales Tax in Lieu of Property Taxes</u>	<u>62,772</u>	<u>62,772</u>	<u>61,629</u>		<u>61,629</u>	<u>(1,143)</u>
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						
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
<u>Total Special Taxes</u>	<u>10,471</u>	<u>10,471</u>	<u>10,358</u>		<u>10,358</u>	<u>(113)</u>

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

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)
CURRENT:						
LEGISLATIVE						
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>
Total Legislative	<u>11,964</u>	<u>12,085</u>	<u>10,118</u>	<u>448</u>	<u>10,566</u>	<u>1,519</u>
JUDICIAL						
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>
Total Judicial	<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)
GENERAL ADMINISTRATION						
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)
GENERAL ADMINISTRATION (Continued)						
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	<u>5,453</u>	<u>5,522</u>	<u>4,671</u>	<u>125</u>	<u>4,796</u>	<u>726</u>
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	<u>4,096</u>	<u>4,073</u>	<u>3,850</u>	<u>30</u>	<u>3,880</u>	<u>193</u>
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	<u>6,729</u>	<u>6,720</u>	<u>5,892</u>	<u>10</u>	<u>5,902</u>	<u>818</u>
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	<u>1,116</u>	<u>1,124</u>	<u>1,021</u>		<u>1,021</u>	<u>103</u>
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	<u>34,555</u>	<u>33,361</u>	<u>26,367</u>	<u>2,645</u>	<u>29,012</u>	<u>4,349</u>
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	<u>4,442</u>	<u>4,245</u>	<u>1,603</u>		<u>1,603</u>	<u>2,642</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)
GENERAL ADMINISTRATION (Continued)						
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	<u>2,142</u>	<u>2,153</u>	<u>1,352</u>	<u>423</u>	<u>1,775</u>	<u>378</u>
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	<u>16,538</u>	<u>16,633</u>	<u>14,784</u>	<u>384</u>	<u>15,168</u>	<u>1,465</u>
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	<u>1,795</u>	<u>1,874</u>	<u>1,540</u>	<u>189</u>	<u>1,729</u>	<u>145</u>
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	<u>52,688</u>	<u>52,887</u>	<u>50,564</u>	<u>1,215</u>	<u>51,779</u>	<u>1,108</u>
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	<u>2,758</u>	<u>2,744</u>	<u>2,262</u>		<u>2,262</u>	<u>482</u>
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	<u>16,745</u>	<u>16,747</u>	<u>15,107</u>	<u>163</u>	<u>15,270</u>	<u>1,477</u>
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	<u>1,789</u>	<u>1,789</u>	<u>1,776</u>		<u>1,776</u>	<u>13</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)
GENERAL ADMINISTRATION (Continued)						
Building Management						
Supplies	\$ 132	\$ 132	\$	\$	\$	\$ 132
General Expenses	94	94				94
Contractual Services	335	335				335
Building Management Total	<u>561</u>	<u>561</u>				<u>561</u>
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	<u>2,311</u>	<u>2,299</u>	<u>1,258</u>	<u>74</u>	<u>1,332</u>	<u>967</u>
Total General Administration	<u>254,399</u>	<u>252,056</u>	<u>217,187</u>	<u>9,025</u>	<u>226,212</u>	<u>25,844</u>
PROTECTION OF PERSONS						
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	<u>1,188</u>	<u>1,187</u>	<u>948</u>		<u>948</u>	<u>239</u>
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	<u>415</u>	<u>419</u>	<u>281</u>		<u>281</u>	<u>138</u>
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	<u>3,734</u>	<u>3,716</u>	<u>3,522</u>		<u>3,522</u>	<u>194</u>
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	<u>9,152</u>	<u>8,926</u>	<u>8,487</u>	<u>51</u>	<u>8,538</u>	<u>388</u>
Total Protection of Persons	<u>14,489</u>	<u>14,248</u>	<u>13,238</u>	<u>51</u>	<u>13,289</u>	<u>959</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)
HEALTH						
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	<u>227,920</u>	<u>227,486</u>	<u>194,408</u>	<u>14,968</u>	<u>209,376</u>	<u>18,110</u>
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	3	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	<u>31,597</u>	<u>31,514</u>	<u>20,400</u>	<u>3,414</u>	<u>23,814</u>	<u>7,700</u>
Total Health	<u>259,517</u>	<u>259,000</u>	<u>214,808</u>	<u>18,382</u>	<u>233,190</u>	<u>25,810</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)
PUBLIC WORKS						
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
Total Public Works	112,635	109,966	93,589	3,087	96,676	13,290
RECREATION AND PARKS						
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
Total Recreation and Parks	40,108	40,057	34,244	2,735	36,979	3,078

(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)
SOCIAL SERVICES						
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 IIID/CSI (Health Promotion)						
Contractual Services	145	149	84	36	120	29
TITLE IIIE (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)
SOCIAL SERVICES (continued)						
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)
<u>SOCIAL SERVICES (continued)</u>						
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>
Total Social Services	<u>558,542</u>	<u>559,764</u>	<u>518,409</u>	<u>18,057</u>	<u>536,466</u>	<u>23,298</u>
<u>CORRECTIONS</u>						
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		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>
Total Corrections	<u>241,277</u>	<u>235,987</u>	<u>205,186</u>	<u>20,330</u>	<u>225,516</u>	<u>10,471</u>
<u>EDUCATION</u>						
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
Total Education	<u>19,922</u>	<u>22,722</u>	<u>8,656</u>		<u>8,656</u>	<u>14,066</u>
<u>PAYMENTS FOR TAX CERTIORARI AND OTHER JUDGMENTS</u>						
	<u>40,000</u>	<u>40,000</u>	<u>115,717</u>	<u>(75,763)</u>	<u>39,954</u>	<u>46</u>
<u>OTHER EXPENDITURES</u>						
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
Total Other Expenditures	<u>131,845</u>	<u>222,251</u>	<u>123,649</u>	<u>(14,502)</u>	<u>109,147</u>	<u>113,104</u>
Total Expenditures	<u>1,737,586</u>	<u>1,820,535</u>	<u>1,604,799</u>	<u>(17,756)</u>	<u>1,587,043</u>	<u>233,492</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>
<u>TRANSFERS OUT</u>						
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	
Total Transfers Out	286,815	300,351	291,363		291,363	8,988
<u>TOTAL EXPENDITURES AND TRANSFERS OUT</u>	\$ 2,024,401	\$ 2,120,886	\$ 1,896,162	\$ (17,756)	\$ 1,878,406	\$ 242,480

*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)
CURRENT:						
LEGISLATIVE						
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>
JUDICIAL						
Court Administration						
Fringe Benefits	2,129	2,129	1,963		1,963	166
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)
GENERAL ADMINISTRATION						
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	2	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	30	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	1	104	90
Materials and Supplies	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)
GENERAL ADMINISTRATION (Continued)						
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	5,582	5,555	5,019	199	5,218	337
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	5,144	4,909	4,074	35	4,109	800
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	7,170	7,144	6,401	25	6,426	718
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	1,316	1,370	1,039	271	1,310	60
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	32,513	32,050	24,799	3,482	28,281	3,769
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	5,023	5,026	2,143	22	2,165	2,861

(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)
GENERAL ADMINISTRATION (Continued)						
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	666	2,142	1,406	314	1,720	422
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	5,088	6,478	6,003	106	6,109	369
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	1,797	1,787	1,266	220	1,486	301
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	51,351	51,272	49,497	1,035	50,532	740
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	4,504	4,479	2,588	1	2,589	1,890
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	17,639	17,600	15,386	1,702	17,088	512
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	2,387	2,387	2,011		2,011	376

(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)
GENERAL ADMINISTRATION (Continued)						
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
Total General Administration	261,019	262,272	227,812	13,799	241,611	20,661
PROTECTION OF PERSONS						
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	1	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		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	
Total Protection of Persons	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)
HEALTH						
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	<u>210,007</u>	<u>214,278</u>	<u>189,591</u>	<u>11,272</u>	<u>200,863</u>	<u>13,415</u>
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	<u>35,072</u>	<u>34,672</u>	<u>26,515</u>	<u>3,871</u>	<u>30,386</u>	<u>4,286</u>
Total Health	<u>245,079</u>	<u>248,950</u>	<u>216,106</u>	<u>15,143</u>	<u>231,249</u>	<u>17,701</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)
<u>PUBLIC WORKS</u>						
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		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	
Total Public Works	114,883	113,212	99,780	2,683	102,463	10,749
<u>RECREATION AND PARKS</u>						
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	2	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	
Total Recreation and Parks	43,065	43,996	40,863	3,085	43,948	48

(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)
SOCIAL SERVICES						
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 III E (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)
SOCIAL SERVICES (continued)						
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)
<u>SOCIAL SERVICES (continued)</u>						
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>
Total Social Services	<u>555,955</u>	<u>556,442</u>	<u>516,968</u>	<u>20,881</u>	<u>537,849</u>	<u>18,593</u>
<u>CORRECTIONS</u>						
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	1	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>
Total Corrections	<u>220,050</u>	<u>234,370</u>	<u>218,509</u>	<u>14,382</u>	<u>232,891</u>	<u>1,479</u>
<u>EDUCATION</u>						
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
Total Education	<u>14,009</u>	<u>9,061</u>	<u>7,325</u>		<u>7,325</u>	<u>1,736</u>
<u>PAYMENTS FOR TAX CERTIORARI AND OTHER JUDGMENTS</u>						
	<u>25,000</u>	<u>73,544</u>	<u>87,251</u>	<u>(13,707)</u>	<u>73,544</u>	
<u>OTHER EXPENDITURES</u>						
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
Total Other Expenditures	<u>118,983</u>	<u>127,901</u>	<u>116,683</u>	<u>(14,538)</u>	<u>102,145</u>	<u>25,756</u>
Total Expenditures	<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>
TRANSFERS OUT						
Debt Service Fund	\$ 253,941	\$ 223,804	\$ 221,138	\$	\$ 221,138	\$ 2,666
County Parks & Recreation Fund						
Police Headquarters Fund		850				850
<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>
TOTAL EXPENDITURES AND TRANSFERS OUT						
	<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						\$ 1,847,355
Outstanding encumbrances, January 1, 2007						78,294
Original Budget per above						1,925,649
Add: Supplemental appropriations						42,191
Total Budgetary Authority						<u>\$ 1,967,840</u>

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)

	<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>
Revenues:						
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)
Expenditures:						
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
Other Financing Use:						
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>
Revenues:						
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>
Expenditures:						
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>
Other Financing Use:						
Transfers Out	<u>(649)</u>	<u>(1,245)</u>	<u>(1,245)</u>		<u>(1,245)</u>	
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>
Revenues:						
Rents and Recoveries	\$	\$	\$	\$	\$	\$
Licenses and Permits						
Interest Income						
Departmental Revenue						
Property Tax						
Special Taxes						
Other Revenues						
Total Revenues						
Expenditures:						
Salaries						
Fringe Benefits						
Equipment						
Other						
Total Expenditures						
Excess (Deficiency) of Revenues Over (Under) Expenditures						
Other Financing Sources (Uses):						
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>
Revenues:						
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	<u>1,062</u>	<u>1,062</u>	<u>1,312</u>	<u>(1,312)</u>		<u>(1,062)</u>
Total Revenues	<u>339,911</u>	<u>339,911</u>	<u>339,852</u>	<u>(1,312)</u>	<u>338,540</u>	<u>(1,371)</u>
Expenditures:						
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	<u>30,119</u>	<u>31,044</u>	<u>28,205</u>	<u>529</u>	<u>28,734</u>	<u>2,310</u>
Total Expenditures	<u>351,048</u>	<u>358,948</u>	<u>352,374</u>	<u>(12,221)</u>	<u>340,153</u>	<u>18,795</u>
Excess (Deficiency) of Revenues Over (Under) Expenditures	<u>(11,137)</u>	<u>(19,037)</u>	<u>(12,522)</u>	<u>10,909</u>	<u>(1,613)</u>	<u>17,424</u>
Other Financing Sources (Uses):						
Transfers In	10,408	10,408				(10,408)
Transfers Out	<u>(119)</u>	<u>(119)</u>	<u>(115)</u>		<u>(115)</u>	<u>4</u>
Total Other Financing Sources (Uses)	<u>10,289</u>	<u>10,289</u>	<u>(115)</u>		<u>(115)</u>	<u>(10,404)</u>
Net Change in Fund Balance	(848)	(8,748)	(12,637)	10,909	(1,728)	7,020
Fund Balance (Deficit) Beginning of Year	<u>848</u>	<u>8,748</u>	<u>6,731</u>		<u>6,731</u>	<u>(2,017)</u>
Fund Balance (Deficit) End of Year	<u>\$</u>	<u>\$</u>	<u>\$ (5,906)</u>	<u>\$ 10,909</u>	<u>\$ 5,003</u>	<u>\$ 5,003</u>

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>
Revenues:						
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	<u>1,038</u>	<u>1,038</u>	<u>1,334</u>	<u>(1,334)</u>		<u>(1,038)</u>
Total Revenues	<u>338,162</u>	<u>338,162</u>	<u>340,145</u>	<u>(1,334)</u>	<u>338,811</u>	<u>649</u>
Expenditures:						
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	<u>34,752</u>	<u>37,887</u>	<u>36,606</u>	<u>616</u>	<u>37,222</u>	<u>665</u>
Total Expenditures	<u>349,793</u>	<u>355,094</u>	<u>350,404</u>	<u>(6,752)</u>	<u>343,652</u>	<u>11,442</u>
Excess (Deficiency) of Revenues Over (Under) Expenditures	<u>(11,631)</u>	<u>(16,932)</u>	<u>(10,259)</u>	<u>5,418</u>	<u>(4,841)</u>	<u>12,091</u>
Other Financing Sources (Uses):						
Transfers In	9,153	9,153				(9,153)
Transfers Out	<u>(197)</u>	<u>(197)</u>	<u>(194)</u>		<u>(194)</u>	<u>3</u>
Total Other Financing Sources (Uses)	<u>8,956</u>	<u>8,956</u>	<u>(194)</u>		<u>(194)</u>	<u>(9,150)</u>
Net Change in Fund Balance	(2,675)	(7,976)	(10,453)	5,418	(5,035)	2,941
Fund Balance (Deficit) Beginning of Year	<u>2,675</u>	<u>7,976</u>	<u>17,184</u>		<u>17,184</u>	<u>9,208</u>
Fund Balance (Deficit) End of Year	<u>\$</u>	<u>\$</u>	<u>\$ 6,731</u>	<u>\$ 5,418</u>	<u>\$ 12,149</u>	<u>\$ 12,149</u>

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>
Revenues:						
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)
Total Revenues	<u>340,621</u>	<u>340,621</u>	<u>335,030</u>	<u>(1,800)</u>	<u>333,230</u>	<u>(7,391)</u>
Expenditures:						
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
Total Expenditures	<u>339,561</u>	<u>350,501</u>	<u>342,709</u>	<u>1,306</u>	<u>344,015</u>	<u>6,486</u>
Excess (Deficiency) of Revenues Over (Under) Expenditures	<u>1,060</u>	<u>(9,880)</u>	<u>(7,679)</u>	<u>(3,106)</u>	<u>(10,785)</u>	<u>(905)</u>
Other Financing Sources (Uses):						
Transfers In		10,940	13,536		13,536	2,596
Transfers Out	(3,349)	(3,349)	(3,692)		(3,692)	(343)
Total Other Financing Sources (Uses)	<u>(3,349)</u>	<u>7,591</u>	<u>9,844</u>		<u>9,844</u>	<u>2,253</u>
Net Change in Fund Balance	(2,289)	(2,289)	2,165	(3,106)	(941)	1,348
Fund Balance (Deficit) Beginning of Year	<u>2,289</u>	<u>2,289</u>	<u>941</u>		<u>941</u>	<u>(1,348)</u>
Fund Balance (Deficit) End of Year	<u>\$</u>	<u>\$</u>	<u>\$ 3,106</u>	<u>\$ (3,106)</u>	<u>\$</u>	<u>\$</u>

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)

	<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>
Revenues:						
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	<u>345,338</u>	<u>345,338</u>	<u>346,189</u>	<u>(1,829)</u>	<u>344,360</u>	<u>(978)</u>
Expenditures:						
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	<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	<u>(149)</u>	<u>529</u>	<u>16,172</u>	<u>(941)</u>	<u>15,231</u>	<u>14,702</u>
Other Financing Sources (Uses):						
Transfers In		2,600				(2,600)
Transfers Out	(3,071)	(6,349)	(6,349)		(6,349)	
Total Other Financing Sources (Uses)	<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) Beginning of Year	<u>3,220</u>	<u>3,220</u>	<u>(8,882)</u>		<u>(8,882)</u>	<u>(12,102)</u>
Fund Balance (Deficit) End of Year	<u>\$</u>	<u>\$</u>	<u>\$ 941</u>	<u>\$ (941)</u>	<u>\$</u>	<u>\$</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, 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>
Revenues:						
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>
Expenditures:						
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>
Other Financing Sources (Uses):						
Transfer In of Investment Income			218		218	218
Transfer Out to SFA			(13,792)		(13,792)	(13,792)
Transfer Out	<u>(10,939)</u>		<u>(6,836)</u>		<u>(6,836)</u>	<u>(6,836)</u>
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>
Revenues:						
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>
Expenditures:						
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	<u>13,335</u>	<u>13,335</u>	<u>9,690</u>		<u>9,690</u>	<u>3,645</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>
Other Financing Sources (Uses):						
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>

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>
Revenues:						
Interest Income	\$ _____	\$ _____	\$ 51	\$ _____	\$ 51	\$ 51
Expenditures:						
Contractual	_____ 35	_____ 35	_____ 12	_____	_____ 12	_____ 23
Total Expenditures	_____ 35	_____ 35	_____ 12	_____	_____ 12	_____ 23
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	\$ _____	\$ _____	\$ 1,831	\$ _____	\$ 1,831	\$ 1,831

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>
Revenues:						
Interest Income	\$ _____	\$ _____	\$ 98	\$ _____	\$ 98	\$ 98
Expenditures:						
Equipment	20	20				20
General	75	75				75
Contractual	475	475	118	35	153	322
Total Expenditures	<u>570</u>	<u>570</u>	<u>118</u>	<u>35</u>	<u>153</u>	<u>417</u>
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
Total	\$ 2,409,833	\$ 1,747,648	\$ 662,185	\$ 127,017	\$ 535,168

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
Total	\$ 2,188,358	\$ 1,655,429	\$ 532,929	\$ 94,177	\$ 438,752

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>
<u>Revenues:</u>						
Interest Income	\$	\$	\$ 93	\$	\$ 93	\$ 93
Property Taxes	7,375	7,375	7,375		7,375	
Total Revenues	<u>7,375</u>	<u>7,375</u>	<u>7,468</u>		<u>7,468</u>	<u>93</u>
<u>Other Financing Use:</u>						
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>
<u>Revenues:</u>						
Interest Income	\$	\$	\$ 24	\$	\$ 24	\$ 24
Property Taxes	4,128	4,128	4,128		4,128	
<u>Total Revenues</u>	<u>4,128</u>	<u>4,128</u>	<u>4,152</u>		<u>4,152</u>	<u>24</u>
<u>Other Financing Use:</u>						
Transfer Out	(4,128)	(4,128)	(1,079)		(1,079)	3,049
Total Other Financing Uses	(4,128)	(4,128)	(1,079)		(1,079)	3,049
Net Change in Fund Balance			3,073		3,073	3,073
Fund Balance (Deficit) Beginning of Year						
Fund Balance (Deficit) End of Year	\$	\$	\$ 3,073	\$	\$ 3,073	\$ 3,073

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

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	3,440,313	195,276	16,169	3,619,420
Less: Accumulated Depreciation	1,121,509	111,531	2,913	1,230,127
Total Changes in Net Capital Assets	\$ 2,318,804	\$ 83,745	\$ 13,256	\$ 2,389,293

* 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	\$ 2,332,821	\$ 66,175	\$ 80,192	\$ 2,318,804

* 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>
Revenues:						
Other Revenue	\$ _____	\$ _____	\$ _____	\$ _____	\$ _____	\$ _____
Expenditures:						
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>
Other Financing Sources (Uses):						
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	<u>\$ _____</u>	<u>\$ _____</u>	<u>\$ _____</u>	<u>\$ _____</u>	<u>\$ _____</u>	<u>\$ _____</u>

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>
Revenues:						
Other Revenue	\$ 16,800	\$ 16,800	\$ 19,281	\$	\$ 19,281	\$ 2,481
Expenditures:						
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>
Other Financing Sources (Uses):						
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>
<u>ASSETS:</u>				
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>
<u>LIABILITIES:</u>				
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>
<u>ASSETS:</u>				
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>
<u>LIABILITIES:</u>				
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
Total Other Liabilities	\$ 98,005	\$ 1,259,762	\$ 1,267,293	\$ 90,474

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, 2007	Additions	Deductions	Balance December 31, 2007
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	\$ 220,877	\$ 1,193,168	\$ 1,316,040	\$ 98,005

COUNTY OF NASSAU, NEW YORK

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

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

STATISTICAL SECTION

This Section of the County of Nassau's Comprehensive Annual Financial Report presents additional information, schedules, and historical content as a context to assist financial users to provide a greater understanding of the information in the financial statements, note disclosures, and required supplementary information, and to assist in the assessment of the County's overall financial condition. It is intended to provide readers of this report with a broader and more complete understanding of the County and its financial affairs than is possible from the financial statements and schedules included in the Financial section. In some cases, statistical information comes from towns, cities, villages, school districts, and special districts which are not part of the County reporting entity. Many schedules cover several fiscal years for comparison purposes, and present certain data from outside the County's accounting records.

Contents

Financial Trends Information

These schedules contain trend information to help the reader understand how the County's financial performance and position has changed over time.

Revenue Capacity Information

These schedules contain information to assist readers in understanding the factors affecting the County's local revenue sources, namely property and sales taxes.

Debt Capacity Information

These schedules contain information to assist readers in assessing the County's current levels of outstanding debt and the County's ability to issue additional debt in the future.

Economic and Demographic Information

These schedules provide demographic and economic indicators to help the reader understand the environment within which the County's financial activities take place.

Operating Information

These schedules provide contextual information about the County's operations and resources to assist readers in understanding how the information in the County's financial report relates to the services it provides and the activities it performs.

Note: Certain information prior to 2002 is presented when available. Implementation of GASB 34 in 2002 precludes the reporting of similar financial information in the prior year.

Sources: The information in these schedules is derived from the Comprehensive Annual Financial Report for the applicable year, unless otherwise noted.

FINANCIAL TRENDS INFORMATION

COUNTY OF NASSAU, NEW YORK

**Net Assets of Primary Government
Last Seven Fiscal Years
(Accrual Basis of Accounting)
(Dollars in Thousands)**

	Fiscal Year						
	2008	2007	2006	2005	2004	2003	2002
Primary Government							
Invested in Capital Assets, Net of Related Debt	\$ 1,356,866	\$ 1,602,186	\$ 1,556,170	\$ 1,429,730	\$ 1,554,662	\$ 1,530,864	\$ 1,481,579
Restricted:							
Statutory							(2,076,191)
Special Revenue							(227,012)
Capital Projects	56,742		32,719	113,534	136,826	136,327	78,167
Unrestricted (Deficit)	<u>(6,132,850)</u>	<u>(6,029,636)</u>	<u>(3,053,438)</u>	<u>(2,973,679)</u>	<u>(3,120,945)</u>	<u>(3,136,151)</u>	<u>(510,432)</u>
Total Primary Government Net Assets / (Deficit)	<u>\$ (4,719,242)</u>	<u>\$ (4,427,450)</u>	<u>\$ (1,464,549)</u>	<u>\$ (1,430,415)</u>	<u>\$ (1,429,457)</u>	<u>\$ (1,468,960)</u>	<u>\$ (1,243,889)</u>

COUNTY OF NASSAU, NEW YORK

**Changes in Net Assets
Last Seven Fiscal Years
(Accrual Basis of Accounting)
(Dollars in Thousands)**

	Fiscal Year						
	2008	2007	2006	2005	2004	2003	2002
Expenditures							
Primary Government:							
Legislative	\$ 10,126	\$ 9,789	\$ 8,754	\$ 8,321	\$ 6,866	\$ 6,525	\$ 5,847
Judicial	52,998	49,995	45,018	42,533	45,584	42,764	40,974
General Government	759,162	529,185	587,841	493,012	560,382	788,063	479,242
Postemployment Retirement Benefits		3,354,770					
Protection of Persons	718,984	672,293	633,154	638,393	620,384	522,711	556,196
Health	259,517	254,856	248,782	239,111	233,916	230,590	207,803
Public Works	224,577	221,678	226,599	228,119	222,859	177,691	177,418
Recreation and Parks	43,125	48,833	45,687	41,541	37,704	46,037	44,778
Social Services	519,326	501,254	490,302	535,021	627,511	529,093	540,759
Corrections	212,124	225,968	225,334	218,053	193,434	184,199	172,361
Education	10,741	10,216	10,545	13,621	14,975	22,649	10,097
Debt Service Interest	159,632	157,439	160,847	150,564	122,391	186,041	214,186
Total Primary Government Expenses	2,970,312	6,036,276	2,682,863	2,608,289	2,686,006	2,736,363	2,449,661
Program Revenues							
Primary Government:							
Charges for services:							
Legislative	233	122	18	1	23	2	
Judicial	17,953	18,329	20,062	18,065	13,047	11,121	10,514
General Government	43,712	70,641	71,494	55,543	55,609	45,211	77,693
Protection of Persons	33,285	35,544	36,127	31,406	29,379	31,002	19,371
Health	22,208	22,798	19,807	28,209	17,021	16,712	17,521
Public Works	7,612	5,366	5,245	5,975	2,764	10,813	10,182
Recreation and Parks	19,775	17,902	17,458	16,623	16,335	14,229	15,791
Social Services	19,227	14,558	20,364	55,782	138,304	77,277	115,040
Corrections	7,420	5,483	4,822	5,389	2,579	2,269	1,206
Education	2,579	3,668			7,186	7,399	233
Operating Grants	412,965	397,531	382,954	381,293	448,624	397,876	396,994
Capital Grants	15,106	37,031	32,484	27,269	56,369	29,548	35,032
Total Primary Government Program Revenues	602,075	628,973	610,835	625,555	787,240	643,459	699,577
Total Primary Government Net (Expenses)/Revenues	(2,368,237)	(5,407,303)	(2,072,028)	(1,982,734)	(1,898,766)	(2,092,904)	(1,750,084)
General Revenues and Other Changes in Net Assets							
Primary Government:							
Taxes:							
Property Taxes	889,519	886,691	883,637	884,859	881,934	883,616	757,481
Sales Taxes	998,733	1,010,566	989,243	952,675	933,863	890,860	863,157
Other Taxes	38,991	45,037	39,452	40,870	36,027	30,187	28,321
Tobacco Settlement Revenue and Tobacco Receipts	74,078	59,153	53,661	45,301	45,656	26,186	26,180
Investment Income	48,701	45,284	49,369	36,622	18,066	13,560	15,906
Other Federal and State Aid							20,000
Other	26,423	21,865	22,532	21,449	22,723	23,424	21,472
Total Primary Government	2,076,445	2,068,596	2,037,894	1,981,776	1,938,269	1,867,833	1,732,517
Change in Net Assets	(291,792)	(3,338,707)	(34,134)	(958)	39,503	(225,071)	(17,567)
Implementation of GASB 48		375,806					
Net Assets (Deficit) - Beginning	(4,427,450)	(1,464,549)	(1,430,415)	(1,429,457)	(1,468,960)	(1,243,889)	(1,226,322)
Net Assets (Deficit) - Ending	\$ (4,719,242)	\$ (4,427,450)	\$ (1,464,549)	\$ (1,430,415)	\$ (1,429,457)	\$ (1,468,960)	\$ (1,243,889)

COUNTY OF NASSAU, NEW YORK

**Governmental Activities Tax Revenues By Source
Last Ten Fiscal Years
(Accrual Basis of Accounting)
(Dollars in Thousands)**

Fiscal Year	Property Tax	Sales Tax	Preempted Sales Tax in Lieu of Property Taxes	Payments in Lieu of Taxes	Special Taxes*	Total
2008	\$ 889,519	\$ 936,304	\$ 62,429	\$ 4,154	\$ 34,837	\$1,927,243
2007	886,691	948,937	61,629	7,356	37,681	1,942,294
2006	883,637	929,817	59,426	4,551	34,901	1,912,332
2005	884,859	895,107	57,568	4,298	36,572	1,878,404
2004	881,934	883,892	49,971	3,632	32,395	1,851,824
2003	883,616	841,940	48,920	4,205	25,982	1,804,663
2002	757,481	814,160	48,997	2,974	25,347	1,648,959
2001	706,584	785,094	43,717	3,450	19,086	1,557,931
2000	640,061	760,832	42,570	2,329	14,778	1,460,570
1999	594,874	720,395	37,830	1,392	16,181	1,370,672

*For 1999 through 2001 Special Taxes were previously presented as "Other Revenues" in the Police Department Headquarters Fund.

COUNTY OF NASSAU, NEW YORK

**Fund Balances of Governmental Funds
Last Ten Fiscal Years
(Modified Accrual Basis of Accounting)
(Dollars in Thousands)**

	Fiscal Year									
	2008	2007	2006	2005	2004	2003	2002	2001	2000	1999
General Fund (Includes NIFA General Fund)										
Reserved for Encumbrances	\$ 72,597	\$ 73,592	\$ 56,324	\$ 65,052	\$ 67,123	\$ 91,483	\$ 70,433	\$ 66,907	\$ 56,949	\$ 46,138
Unreserved and Designated for Ensuing Year's Budget	10,000	10,000	13,075	13,367				18,000		
Unreserved	47,928	56,271	73,342	75,771	86,084	76,706	68,956	9,525	35,396	39,327
Total General Fund	130,525	139,863	142,741	154,190	153,207	168,189	139,389	94,432	92,345	85,465
All Other Governmental Funds										
Reserved for Retirement of Temporary Financing	4,679	7,326	25,961	7,816	64,106	54,642	36,590	16,718	14,568	17,763
Reserved for State Revolving Fund							1,499	13,647	19,264	14,088
Reserved for Encumbrances	339,524	241,394	286,165	245,489	170,363	136,614	141,057	211,355	251,835	258,119
Reserved for Police Terminations						38,500				
Restricted - Senior Liquidity Reserve	24,009	24,009	24,009	52,087	10,000	44,311	23,305	9,819	14,683	7,480
Unreserved and Designated for Ensuing Year's Budget	59,496	53,203								
Unreserved:										
Special Revenue Fund	65,174	114,954	123,199	(10,376)	4,870	4,870		(19,278)	(57,309)	(50,677)
Nonmajor Special Revenue Funds	(31,613)	(41,132)	(29,733)	72,140	77,362	15,469	(3,372)			
Nonmajor Capital Projects Funds	(179,038)	(219,450)	(149,672)	33,923	132,855	92,765	50,168	26,314	306,060	94,571
Nonmajor Debt Service Funds	21,477	(26,424)	2,054	3,994	51,017	55,999	45,273	10,121	49,603	
Total All Other Governmental Funds	303,708	153,880	261,983	405,073	510,573	443,170	294,520	268,696	598,704	341,344
Total Governmental Funds	\$ 434,233	\$ 293,743	\$ 404,724	\$ 559,263	\$ 663,780	\$ 611,359	\$ 433,909	\$ 363,128	\$ 691,049	\$ 426,809

COUNTY OF NASSAU, NEW YORK

Changes in Fund Balances of Governmental Funds
Last Ten Fiscal Years
(Modified Accrual Basis of Accounting)
(Dollars in Thousands)

	Fiscal Year									
	2008	2007	2006	2005	2004	2003	2002	2001	2000	1999
Revenues										
Major Governmental Funds										
Interest and Penalties on Taxes	\$ 26,423	\$ 21,865	\$ 22,532	\$ 21,369	\$ 22,682	\$ 22,458	\$ 20,156	\$ 19,014	\$ 13,297	\$ 9,006
Gifts and Donations										10
Licenses and Permits	10,176	10,580	10,525	9,455	6,050	6,776	4,751	4,276	2	4,033
Fines and Forfeitures	22,019	22,266	23,001	21,237	14,477	13,059	12,785	11,802	3,853	9,954
Interest Income ¹	14,539	29,597	22,733	12,883	6,474	3,661	6,874	9,941	6,874	9,941
Rents and Recoveries ¹	30,921	25,338	43,696	30,798	32,229	13,951	48,088	49,387	81,264	238,810
Tobacco Settlement Revenue	23,000	23,500	23,000	23,017	23,682					
Tobacco Proceeds	14,500	10,273								
Departmental Revenue	90,673	94,902	87,795	126,731	206,459	147,938	158,516	127,275	149,233	77,766
Interdepartmental Revenue	138,074	133,402	135,478	129,788	102,187	123,729	105,357	101,196	105,289	108,545
Federal Aid	116,253	123,872	115,193	114,519	126,205	107,592	124,421	102,767	105,153	97,908
State Aid	209,058	201,682	187,799	199,715	209,019	198,767	191,342	185,968	185,968	170,725
Sales Tax	936,304	948,937	929,817	895,107	883,892	841,940	814,160	762,968	756,111	720,395
Preempted Sales Tax in Lieu of Property Taxes	82,429	61,629	59,425	57,568	49,971	48,920	48,997	43,717	42,570	37,830
Property Taxes	882,144	882,563	884,512	884,859	743,002	741,779	604,651	445,100	72,455	68,529
Payments in Lieu of Taxes	4,154	7,356	4,551	4,298	3,632	4,205	2,974	3,450	2,339	1,932
Special Taxes	31,726	33,654	34,901	36,572	32,395	25,982	25,142	8,259	5,518	9,370
Other Revenue	13,294	49,696	25,081	24,830	11,098	9,922	13,231	1,635	4,983	2,321
Total Major Governmental Funds	2,611,187	2,685,349	2,620,313	2,592,744	2,473,457	2,310,677	2,181,445	1,670,761	1,637,756	1,556,594
Nonmajor Governmental Funds										
Unrealized Gain on Investments				80	41	968	1,317		18	
Fines and Forfeits	2,122	1,330	2,559	1,478						
Interest Income ¹	5,105	8,500	17,532	17,305	6,754	5,539	5,859			
Rents and Recoveries ¹	272	343	169	185	241	263	812	24,797	34,792	27,449
Departmental Revenue	2,815	2,596	2,470	2,219	4,116	15,372	29,135	36,561	32,352	30,464
Interdepartmental Revenue	352	349	710	725	2,580	1,494	1,336	2,623	2,557	2,216
Federal Aid	51,831	47,955	54,461	50,982	49,629	61,539	63,593	67,826	36,003	57,990
State Aid	48,433	43,955	55,639	31,671	66,300	38,301	33,118	69,040	57,505	30,222
State Aid from NIFA				7,500	7,500	15,000	20,000	25,167	25,000	
Sales Tax	29,415							22,128	4,721	
Tobacco Proceeds	21,863	21,053	20,388	22,264	21,974	26,186	26,180			
Property Taxes	7,375	4,128			138,932	142,638	153,616	561,484	567,606	526,345
Special Taxes	3,111	4,027					205			
Other Revenues	1,629	890	2,447	4,236	7,622	1,357	988	11,788	13,179	8,989
Total Nonmajor Governmental Funds	174,123	135,116	156,375	139,665	305,689	308,657	326,156	821,432	773,715	683,695
Total Revenues	2,785,310	2,820,465	2,776,688	2,732,409	2,779,146	2,619,334	2,507,604	2,392,193	2,311,471	2,240,289
Expenditures										
Major Governmental Funds										
Legislative	10,118	9,781	8,747	8,325	7,629	6,572	5,865	5,643	5,232	5,012
Judicial	49,998	46,304	41,753	39,791	44,715	42,063	39,049	45,752	41,671	41,184
General Administration	218,324	229,058	228,451	232,038	209,952	228,558	183,150	179,530	171,575	164,029
Protection of Persons	729,558	713,778	672,021	674,719	653,567	562,281	560,389	10,088	9,985	10,390
Health	214,808	216,106	215,413	197,873	190,873	183,073	169,065	162,353	145,904	150,854
Public Works	181,108	185,981	182,580	196,478	87,453	54,430	44,104	44,039	41,307	43,726
Recreation and Parks	34,244	40,863	55,919	50,704	46,440	61,654		3	797	954
Capital Outlay-General County	149,533	124,129		537,107	625,213	523,765	538,402	518,600	499,740	475,762
Social Services	518,409	516,969	505,817	511,928	193,390	183,931	171,289	171,555	143,723	144,130
Corrections	205,186	218,509	217,820	211,928	193,390	183,931	171,289	171,555	143,723	144,130
Education	8,656	7,325	6,898	6,740	5,801	4,953	5,017	4,779	5,354	5,066
Payments for Tax Certiorari and Other Judgments	115,717	87,251	74,670	260,207	198,663	141,820	125,545	175,474	122,890	104,730
Other	123,649	116,683	125,336	120,946	156,254	109,367	116,253	94,840	64,354	76,118
Debt Service:										
Principal	110,096	126,407	146,324	168,495	171,434	196,314	196,975		2,074	273,573
Interest	34,885	35,947	41,375	48,425	60,269	96,525	126,725			111,099
Financing Costs	4,765	994	249	841	612	1,189	691	1,421		
Total Major Governmental Funds	2,709,024	2,676,082	2,523,353	2,754,617	2,652,265	2,391,496	2,281,519	1,414,117	1,274,606	1,806,617
Nonmajor Governmental Funds										
Judicial	3,053	2,968	1,725	1,853	749	926	855	477	759	135
General Administration	33,015	27,125	28,360	29,238	32,797	23,252	34,935	35,139	23,954	28,003
Protection of Persons	8,935	7,951	8,497	8,195	5,657	7,547	24,910	551,881	535,294	504,416
Health	48,377	47,484	42,580	45,706	45,179	50,585	45,034	40,888	45,779	33,160
Public Works	166	208	223	223	78,453	71,700	65,624	66,964	64,437	61,894
Recreation and Parks	1,784	784	458	636	422	395	60,187	58,539	56,124	56,979
Capital Outlay-General County			125,298	103,055	70,381	31,360	48,589	248,966	136,872	185,298
Capital Outlay-Sewage Districts	27,801	18,458	8,949	5,369	5,840	11,234	27,497			
Social Services	6,424	5,802	5,258	6,063	5,509	6,077	2,632	3,129	2,356	3,441
Corrections	2,001	2,799	2,598	3,328	1,664	711	1,053	344	641	318
Education						1,313	1,053	803	914	750
Other	29,415									
Debt Service:										
Principal	96,893	83,200	94,015	57,906	55,118	22,975	18,860	186,363	218,747	50,691
Interest	119,144	113,487	118,643	94,744	91,294	66,052	40,831	178,892	134,530	26,847
Financing Costs	1,954	14,389	4,290	10,165	5,195	1,703	86	86	191	
Total Nonmajor Governmental Funds	378,961	310,264	450,991	360,303	403,248	301,322	371,743	1,372,593	1,220,596	951,932
Total Expenditures	3,087,985	2,986,346	2,974,344	3,115,000	3,055,513	2,692,817	2,653,262	2,786,710	2,495,204	2,558,549
Other Financing Sources (Uses)										
Transfers In - Component Unit								18,037	22,333	16,997
Transfers Out - Component Unit								(93)	(85)	(8,843)
Transfers In from MTA										70,000
Other Financing Sources - Premium	8,800	1,055		17,252	33,915	48,013	13,595			
Other Financing Sources - EFC Subsidy		356	912	550		4,884				
Other Financing Uses - Funding of Residual Trust		(21,073)	(140,265)							
Transfer from NIFA for Escrow Agent					(9,076)	(41,623)				
Operating Transfers to RAN Withholding Account									(2,812)	(1,289)
Deposited with Escrow Agent for Defeasance	(789,735)		(248,564)	(130,798)	(322,806)	(26,417)				
Payments to Refunding Bond Escrow Holder					(397,200)	(341,731)	(114,817)	(90,426)	(42,497)	
Transfers In	487,053	448,731	640,408	546,434	331,873	420,981	410,873	490,833	523,587	295,947
Transfers In of Investment Income	4,144	6,664	4,938	4,481	2,551	3,477	2,763	13,133	25,857	18,763
Transfers In of Investment Income on Sales Tax from NIFA							2,783			
Transfers Out	(487,053)	(448,731)	(640,408)	(546,434)	(331,873)	(358,750)	(634,233)	(864,438)	(668,029)	(260,411)
Transfers Out of Investment Income	(4,144)	(6,664)	(4,938)	(4,481)	(2,551)	(3,477)	(2,783)	(13,133)	(25,857)	(18,763)
Transfers In from NIFA	189,852	208,350	77,841	224,418	494,878	67,943	108,305	145,357	79,088	
Transfers Out from NIFA	(189,852)	(208,350)	(77,841)	(477,350)	(693,541)	(271,995)				
Transfers In from SFA	268,029	330,440	426,510	112,571	238,557					
Transfers Out from SFA	(268,029)	(330,440)	(426,510)	(112,571)	(238,557)					
Transfers to RAN Withholding Account - NIFA							(220)			
Payments to Refunding Bond Escrow Agent							(50,329)			
Transfers Out of Investment Income on Sales Tax to County							(2,783)			
Proceeds from BANS										100,119
Issuance of Notes	50,757	74,562	431,034	392,070	1,023,955	565,511	328,268	181,480	395,153	358,784
Issuance of Debt	1,173,343									
Proceeds from Refunding Bonds										

REVENUE CAPACITY INFORMATION

COUNTY OF NASSAU, NEW YORK

Governmental Activities Tax Revenues By Source
 Last Ten Fiscal Years
 (Modified Accrual Basis of Accounting)
 (Dollars in Thousands)

Fiscal Year	Property Tax	Sales Tax	Preempted Sales Tax in Lieu of Property Taxes	Payments in Lieu of Taxes	Special Taxes*	Total
2008	\$ 889,519	\$ 936,304	\$ 62,429	\$ 4,154	\$ 34,837	\$ 1,927,243
2007	886,691	948,937	61,629	7,356	37,681	1,942,294
2006	884,512	929,817	59,426	4,551	34,901	1,913,207
2005	884,859	895,107	57,568	4,298	36,572	1,878,404
2004	881,934	883,892	49,971	3,632	32,395	1,851,824
2003	884,417	841,940	48,920	4,205	25,982	1,805,464
2002	758,267	814,160	48,997	2,974	25,347	1,649,745
2001	706,584	785,094	43,717	3,450	19,086	1,557,931
2000	640,061	760,832	42,570	2,329	14,778	1,460,570
1999	594,874	720,395	37,830	1,392	16,181	1,370,672

*For 1999 through 2001 Special Taxes were previously presented as "Other Revenues" in the Police Department Headquarters Fund.

COUNTY OF NASSAU, NEW YORK

Sales Tax, Assessed Value and Estimated Actual Value of Taxable Property
Last Ten Fiscal Years
(Dollars in Thousands)

Fiscal Year Ended December 31	Sales Tax Revenue	Sales Tax Rate	Class				Total Taxable Assessed Value	Levied Property Taxes	Total Direct Property Tax Rate per \$100 Assessed Value	Estimated Actual Taxable Full Valuation	Assessed Value as a Percentage of Actual Taxable Full Valuation
			Class 1 Assessed Value	Class 2 Assessed Value	Class 3 Assessed Value	Class 4 Assessed Value					
2008	\$ 998,733	4.25%	\$ 523,214 ****	\$ 31,036 ***	\$ 30,820 ****	\$ 193,634 ****	\$ 778,704 ***	\$ 114.23	\$ 261,031,961	0.30%	
2007	1,010,566	4.25%	493,266 ****	28,852 ****	28,680 ****	177,797 ****	728,595 ***	121.70	244,238,974	0.30%	
2006	989,243	4.25%	833,629	27,593	24,576	177,379	1,063,177 **	83.20	212,313,816	0.50%	
2005	952,675	4.25%	1,353,982	26,684	24,748	176,878	1,582,292 *	56.92	193,592,238	0.82%	
2004	933,863	4.25%	1,380,126	28,135	24,590	180,954	1,613,805 *	54.65	179,807,935	0.90%	
2003	890,860	4.25%	2,455,967	142,131	453,775	1,067,207	4,119,080	21.47	161,160,799	2.56%	
2002	863,157	4.25%	2,444,307	148,778	438,892	1,089,444	4,121,421	18.40	140,129,811	2.94%	
2001	828,811	4.25%	2,434,142	149,466	401,100	1,098,352	4,083,060	17.31	125,852,983	3.24%	
2000	803,402	4.25%	2,426,382	150,520	365,210	1,105,920	4,048,032	15.81	115,091,989	3.52%	
1999	758,225	4.25%	2,424,659	151,305	335,912	1,112,349	4,024,225	14.78	101,427,301	3.97%	

* In 2004 and 2005, a new Department of Assessment methodology was developed and approved by the State in deriving total taxable assessed valuation by utilizing one percent of market value applicable to each of the four property classes.

** In 2006, a new Department of Assessment methodology was developed and approved by the State in deriving total taxable assessed valuation by utilizing one half of one percent of market value for Class 1 properties and utilizing one percent of market value for the other property classes.

*** Beginning in 2007, a new Department of Assessment methodology was developed and approved by the State in deriving total taxable assessed valuation by utilizing one quarter of one percent of market value for Class 1 properties and utilizing one percent of market value for the other property classes.

****Additional Source: Nassau County Adopted Budget

COUNTY OF NASSAU, NEW YORK

PROPERTY TAX LEVIES AND TAX RATES, DIRECT AND OVERLAPPING GOVERNMENTS

FOR THE FISCAL PERIODS ENDED IN 1998 THROUGH 2007 (Dollars in Thousands)

(Tax Rates per \$100 of Assessed Valuation)

	2007	2006	2005	2004	2003	2002	2001	2000	1999	1998
	Tax Levy	Tax Rate/Range	Tax Levy	Tax Rate/Range	Tax Levy	Tax Rate/Range	Tax Levy	Tax Rate/Range	Tax Levy	Tax Rate/Range
County of Nassau - General County Government (Net)	\$ 123,962	14.08/ 28.70	\$ 80,016	6.08/ 34.05	\$ 112,770	4.69/ 33.05	\$ 136,984	4.69/ 34.05	\$ 105,502	4.37/ 34.05
Police District	331,640	52.41/ 160.16	333,627	17.69/ 174.58	309,307	18.93/ 175.22	301,287	18.93/ 175.22	270,810	18.93/ 175.22
Police Headquarters	287,070	34.38/ 43.10	258,050	12.87/ 42.84	252,898	2.52/ 7.74	238,071	2.52/ 7.74	131,022	1.62/ 3.85
Fire Prevention	15,688	1.90/ 2.38	15,850	1.95/ 2.02	15,444	1.95/ 2.02	17,782	1.95/ 2.02	14,195	1.95/ 2.02
Community College	48,381	5.73/ 7.19	46,546	3.91/ 7.76	44,789	2.28/ 8.38	43,117	2.10/ 7.68	39,941	0.44/ 1.06
Sewage Disposal Districts	118,932	1.03/ 140.70	138,932	7.71/ 211.49	138,932	4.2/ 205.18	138,932	4.2/ 210.77	84,240	2.53/ 7.05
Sewer & Storm Water District Fund										
Sewage Collection Districts										
Parks & Recreation	51,188	4.60/ 5.2/	46,294	2.80/ 9.15	46,294	2.80/ 9.15	43,577	2.28/ 8.28	36,523	0.64/ 5.5/
Environmental Bond	4,128	0.55/								
Total County of Nassau	929,792	17.96%	924,169	19.38%	922,444	19.38%	920,780	20.61%	675,581	16.65%
Town and City Governments	220,779	53/ 38.56	208,080	0.47/ 42.22	208,854	0.47/ 42.22	183,287	0.47/ 42.22	190,739	22/ 73.38
Incorporated Village Governments	367,733	14/ 203.37	367,408	11/ 118.09	344,868	12/ 68.50	330,851	14/ 68.50	248,280	11/ 32.52
School Districts	3,167,628	1.18/ 1005.38	3,010,888	1.31/ 1106.35	2,833,955	21.62/ 1108.50	2,818,054	1.71/ 987.32	1,982,065	5.77/ 74.20
Special Districts	96,001	4.37/ 421.75	97,873	2.96/ 505.37	88,558	1.99/ 164.42	84,143	1.93/ 152.86	72,091	7.3/ 6.96
Fire Protection	16,842	2.88/ 145.37	15,853	1.16/ 132.98	15,292	1.16/ 132.98	14,239	1.16/ 144.88	11,480	4.1/ 8.88
Garbage, Refuse and Sanitary	201,869	51/ 179.01	191,776	28/ 182.98	174,235	17/ 220.28	169,131	17/ 162.54	136,536	11/ 6.39
Lighting	15,358	1.26/ 11.54	14,525	92/ 12.72	14,194	52/ 12.46	12,643	50/ 11.20	11,414	17/ 0.54
Park	87,036	89/ 78.40	84,291	46/ 83.64	60,837	25/ 86.75	54,730	43/ 86.75	45,787	3.1/ 6.18
Parking and Improvement	43,607	11/ 268.51	42,116	06/ 298.80	48,159	04/ 311.80	38,582	02/ 307.14	32,814	01/ 11.20
Sewage - Special	13,776	00/ 319.64	12,866	00/ 224.17	12,015	00/ 220.28	11,501	00/ 208.83	10,174	00/ 10.11
Water	34,875	00/ 154.17	34,295	00/ 143.57	31,739	00/ 95.90	28,605	00/ 143.57	21,733	08/ 2.93
Total Special Districts	468,704	9.46%	473,585	9.51%	448,028	9.38%	414,374	9.20%	343,177	8.55%
Totals	\$ 5,175,634		\$ 4,981,970		\$ 4,755,750		\$ 4,467,306		\$ 3,344,800	
	(100.00)%		(100.00)%		(100.00)%		(100.00)%		(100.00)%	

* Per Approved Legislative Tax Ordinances.
 ** Indicates Tax Rate Credit.
 Note: Nassau County has elected to keep this schedule since it has been requested for both internal and external agency purposes. Fiscal Year 2007 is the most recent data available.
 Sources: Various County, Towns, Schools, and Special Districts

COUNTY OF NASSAU, NEW YORK

Principal Property Taxpayers
December 31, 2008
(Dollars in Thousands)

Taxpayer	2008*			1999		
	Taxable Assessed Value	Rank	Percentage of Total Taxable Assessed Value	Taxable Assessed Value	Rank	Percentage of Total Taxable Assessed Value
Long Island Lighting Co. & LIPA	\$ 17,933	1	2.30%	\$ 260,509	1	6.47%
KEYSPAN	7,282	2	0.93			
Verizon	5,165	3	0.66			
Retail Property Trust	3,496	4	0.45			
BEC EAB LLC & Reckson (formerly Galaxy LI Assoc LLC)	2,072	5	0.27			
E Q K Green Acres LP	1,991	6	0.26			
Reckson Association	1,595	7	0.20	12,980	5	0.32
Sunrise Mall LLC	1,442	8	0.19			
Greater NY Assoc & NYRA	1,225	9	0.16	11,158	6	0.28
Long Island Water Corp.	1,182	10	0.15	18,517	4	0.46
Bell Atlantic				64,205	2	1.60
Corporate Property Investors				21,490	3	0.53
Northrop Grumman Corp.				9,878	7	0.25
We're Associates				8,526	8	0.21
Coliseum Plaza Associates				8,171	9	0.20
New York Water Corp				7,481	10	0.19
Totals	\$ 43,383		5.57%	\$ 422,915		10.51%

* Beginning in 2007, a new Department of Assessment methodology was developed and approved by the State in deriving total taxable assessed valuation by utilizing one quarter of one percent of market value for Class I properties and utilizing one percent of market value for class II, III and IV property classes.

Source: Department of Assessment

COUNTY OF NASSAU, NEW YORK

STATEMENT OF CONSTITUTIONAL TAX MARGIN
FOR THE YEAR ENDED DECEMBER 31, 2008 (Dollars in Thousands)

(The Constitutional limit of real property taxation is 2% of the average full valuation of real estate for the five years preceding the current year.)

Average Full Valuation of Real Estate
for the Five Years Preceding the Current Year:*

2007 Full Valuation	\$ 244,238,974	
2006 Full Valuation	212,313,816	
2005 Full Valuation	193,592,238	
2004 Full Valuation	179,807,935	
2003 Full Valuation	161,160,799	
	<u>991,113,762</u>	
Average Full Valuation	\$ <u>198,222,752</u>	
 <u>Constitutional Tax Margin:</u>		
Constitutional Limit of Real Property Taxation, 2% of Average Full Valuation	\$ 3,964,455	
<u>Add: Exclusions for Debt Service</u>	<u>137,818</u>	
Net Constitutional Tax Limit		\$ 4,102,273
 <u>2008 Tax Levies:</u>		
General County Government	\$ 208,287	
<u>Less: Sales Tax Allocation Credit</u>	<u>62,429</u>	
General County Government - net	145,858	
Police District	332,326	
Police Headquarters	279,632	
Fire Prevention, Safety, Communication and Education	15,555	
Community College	50,247	
Environmental Bond Fund	7,375	
Sewer & Storm Water District	<u>103,932</u>	
Total 2008 Tax Levies which are subject to the Constitutional Tax Limit (22.79%)		<u>934,925</u>
Constitutional Tax Margin (77.21%)		<u>\$ 3,167,348</u>

* Full valuation is determined by dividing the total taxable assessed valuation by the average State equalization rate.

COUNTY OF NASSAU, NEW YORK

Property Tax Levies and Collections Last Ten Fiscal Years (Dollars in Thousands)

<u>Fiscal Year Beginning January 1</u>	<u>Total Ad Valorem or General Property Tax Levy</u>	<u>Amount Collected at End of Fiscal Year December 31</u>	<u>Percentage Collected at End of Fiscal Year December 31</u>	<u>Amount Collected in Subsequent Years</u>	<u>Amount Collected at December 31, 2008</u>	<u>Percentage Collected at December 31, 2008</u>
2008	\$ 1,620,669	\$ 1,601,364	98.8088%	\$	\$ 1,601,364	98.8088%
2007	1,592,436	1,574,231	98.8568%	17,350	1,591,581	99.9463%
2006	1,557,392	1,538,101	98.7613%	18,672	1,556,773	99.9603%
2005	1,531,582	1,514,518	98.8859%	16,670	1,531,188	99.9743%
2004	1,478,831	1,465,377	99.0902%	13,105	1,478,482	99.9764%
2003	1,451,342	1,437,849	99.0703%	13,113	1,450,962	99.9738%
2002	1,292,438	1,272,749	98.4766%	19,353	1,292,102	99.9740%
2001	1,230,980	1,214,515	98.6624%	16,071	1,230,586	99.9680%
2000	1,143,781	1,126,640	98.5014%	16,905	1,143,545	99.9794%
1999	1,080,129	1,063,513	98.4617%	16,464	1,079,977	99.9859%

DEBT CAPACITY INFORMATION

COUNTY OF NASSAU, NEW YORK

EXHIBIT T-12

Ratios of Outstanding Debt by Type
Last Ten Fiscal Years
(Dollars in Thousands, Except Per Capita Amount)

Fiscal Year	General Obligation Bonds (a)		Sewage Purpose Bonds		State Water Pollution Control Fund Revolving Revenue Bonds		Bond Anticipation Notes		Tax Anticipation Notes		Revenue Anticipation Notes		Nassau County Sewer and Storm Water Finance Authority Payable		Dormitory Authority State of NY Bonds (DASNY) (a)		Sales Tax Secured Bonds, NIFA		Nassau County Sewer and Storm Water Finance Authority System Revenue Bonds		Tobacco Settlement Asset-Backed Bonds, Series A	
	\$	%	\$	%	\$	%	\$	%	\$	%	\$	%	\$	%	\$	%	\$	%	\$	%	\$	%
2008	549,918	79.065	138,810	125,000 (g)	132,000	105,000	69,135	31,546	1,875,075	175,795	426,351											
2007	371,980	83.392	147,379	87,345 (g)	125,000	75,000	44,435	32,072	1,958,525	72,225	431,034											
2006	394,333	105.176	155,814		150,000		11,885	29,733	2,038,500	75,450	431,034											
2005	509,170	128.308	164,159		120,000			29,282	2,086,960	78,575	272,125											
2004	775,689	148.324	170,584					27,293	1,748,425	81,550	275,295											
2003	1,239,234	244.394	174,771		120,000			32,037	1,123,320		278,095											
2002	1,646,214	277.093	191,030	202,155	68,920	109,145		29,203	650,180		283,625											
2001	1,851,917	317.140	205,390	465,965	159,150	180,920		30,276	436,200		288,815											
2000	2,075,461	346.450	225,570	224,360	224,360	245,000		31,200	254,720		289,265											
1999	2,031,742	388.314	196,114	97,113	200,000	230,000		34,262			294,500											

continued

- (a) Includes debt of Nassau Community College as of August 31, a discretely presented component unit.
- (b) Includes debt of the Tobacco Settlement Corporation and NIFA (blended component units).
- (c) In 2004 and 2005, a new Department of Assessment methodology was developed and approved by the State in deriving total taxable assessed valuation by utilizing one percent of market value applicable to each of the four property classes.
- (d) For 2006, a new Department of Assessment methodology was developed and approved by the State in deriving total taxable assessed valuation by utilizing one percent of market value applicable to Class I properties and utilizing one percent of market value for Class II, III, and IV property classes.
- (e) Includes all debt of blended component units stated in footnote (b) above, as well as, the debt for the Sewer and Storm Water Finance Authority beginning in 2007, a new Department of Assessment methodology was developed and approved by the State in deriving total taxable assessed valuation by utilizing one quarter of one percent of market value applicable to Class I properties and utilizing one percent of market value for Class II, III, and IV property classes.
- (f) Includes debt of Nassau Community College as of December 31, a discretely presented component unit.
- (g) NA Not available

COUNTY OF NASSAU, NEW YORK

EXHIBIT T-12

Ratios of Outstanding Debt by Type
 Last Ten Fiscal Years
 (Dollars in Thousands, Except Per Capita Amount)

Fiscal Year	NHCC Bonds	Total Serial Bonds - NIFA, NCSSWFA, NCTSC	State Revolving Fund Loan	Capital Leases	Total Primary Government (a)	Taxable Assessed Valuation	Percentage of Debt to Taxable Assessed Valuation	Debt Per Capita	Percentage of Debt to Total Personal Income	Percentage of Debt to Estimated Total Full Valuation
2008	\$ 262,120	\$ 2,477,221	\$	\$ 5,522	\$ 3,906,202 (e)	\$ 778,704 (f)	501.63%	\$ 2,879	NA	1.50%
2007	296,210	2,461,784		5,550	3,754,847 (e)	728,595 (f)	515.35%	2,771	4.40%	1.54%
2006	298,591	2,544,984		5,567	3,728,633 (e)	1,063,177 (d)	350.71%	2,758	4.43%	1.76%
2005	300,961	2,437,660		5,574	3,706,999 (e)	1,582,292 (c)	234.28%	2,750	5.01%	1.91%
2004	303,355	2,105,270		5,573	3,536,088 (e)	1,613,805 (c)	219.11%	2,629	4.97%	1.97%
2003	261,482	1,401,415		5,566	3,478,899 (b)	4,119,080	84.46%	2,590	5.20%	2.16%
2002	261,482	933,805		5,552	3,724,599 (b)	4,121,421	90.37%	2,760	5.65%	2.66%
2001	261,482	725,015	2,696		4,199,951 (b)	4,083,060	102.86%	3,146	6.34%	3.34%
2000	259,735	543,985	2,696		4,178,817 (b)	4,048,032	103.23%	3,224	6.80%	3.63%
1999	259,735	294,500	15,297		3,747,077 (b)	4,024,225	93.11%	2,896	6.47%	3.69%

concluded

- (a) Includes debt of Nassau Community College as of August 31, a discretely presented component unit.
- (b) Includes debt of the Tobacco Settlement Corporation and NIFA (blended component units).
- (c) In 2004 and 2005, a new Department of Assessment methodology was developed and approved by the State in deriving total taxable assessed valuation by utilizing one percent of market value applicable to each of the four property classes.
- (d) For 2006, a new Department of Assessment methodology was developed and approved by the State in deriving total taxable assessed valuation by utilizing one half of one percent of market value applicable to Class I properties and utilizing one percent of market value for Class II, III, and IV property classes.
- (e) Includes all debt of blended component units stated in footnote (b) above, as well as, the debt for the Sewer and Storm Water Finance Authority
- (f) Beginning in 2007, a new Department of Assessment methodology was developed and approved by the State in deriving total taxable assessed valuation by utilizing one quarter of one percent of market value applicable to Class I properties and utilizing one percent of market value for Class II, III, and IV property classes.
- (g) Includes debt of Nassau Community College as of December 31, a discretely presented component unit.

COUNTY OF NASSAU, NEW YORK

**Ratios of General Bonded Debt Outstanding
Last Ten Fiscal Years**

Fiscal Year	General Obligation Bonds (Expressed in Thousands) (a)	Percentage of Estimated Average Full Valuation of Property	Per Capita
2008	\$ 2,424,993	0.93%	1,787
2007	2,330,505	0.95%	1,720
2006	2,432,833	1.15%	1,799
2005	2,596,130	1.34%	1,926
2004	2,524,114	1.40%	1,877
2003	2,362,554	1.47%	1,759
2002	2,296,394	1.64%	1,714
2001	2,288,117	1.82%	1,766
2000	2,330,181	2.02%	1,746
1999	2,031,742	2.00%	1,571

(a) Includes Nassau Community College General Obligation Bonds and NIFA Sales Tax Secured Bonds

COUNTY OF NASSAU, NEW YORK

GENERAL COUNTY GOVERNMENT, TOWNS AND CITIES
DIRECT AND OVERLAPPING NET DEBT
FOR THE FISCAL PERIODS ENDED IN 1998 THROUGH 2007 (Dollars in Thousands)

	2007	2006	2005	2004	2003	2002	2001	2000	1999	1998
DIRECT DEBT, COUNTY OF NASSAU:										
General Government:										
Bonds	\$ 2,752,859	\$ 2,851,570	\$ 3,162,586	\$ 3,091,974	\$ 2,933,562	\$ 2,870,029	\$ 2,868,306	\$ 2,911,365	\$ 2,821,486	\$ 1,816,510
Other Debt Obligations	77,175					202,155	465,965	224,360	86,826	85,321
Total	2,830,034	2,851,570	3,162,586	3,091,974	2,933,562	3,072,184	3,334,271	3,135,725	2,707,312	1,901,831
Sewer and Storm Water District Fund:										
Bonds	302,696	336,440	371,042	400,458	416,447	465,251	519,149	568,639	590,800	626,907
Other Debt Obligations	9,223						2,696	2,696	26,484	7,087
Total	312,219	336,440	371,042	400,458	416,447	465,251	521,845	571,335	607,284	633,994
County of Nassau:										
Bonds	3,055,855	3,188,010	3,533,628	3,492,432	3,350,009	3,335,280	3,387,455	3,480,004	3,202,286	2,443,417
Other Debt Obligations	86,398					202,155	468,961	227,056	112,310	92,408
Total	3,142,253	3,188,010	3,533,628	3,492,432	3,350,009	3,537,435	3,856,416	3,707,060	3,314,596	2,535,825
OVERLAPPING DEBT, TOWNS AND CITIES:										
Town of Hempstead:										
Bonds	1,153,943	1,119,647	1,050,612	988,954	871,471	801,123	737,337	724,874	674,839	589,922
Other Debt Obligations	78,502	71,950	29,336	77,920	152,269	90,467	113,413	29,488	51,299	78,481
Less Sinking Funds	(4,191)	(1,435)	(1,435)	(1,605)	(1,511)	(1,511)	(1)	(1,501)	(52)	(1,577)
Total	1,232,445	1,187,406	1,078,513	1,065,269	1,022,229	890,079	850,749	752,861	725,086	666,826
Town of North Hempstead:										
Bonds	676,906	601,741	660,883	599,574	619,421	487,111	430,789	435,450	468,168	417,729
Other Debt Obligations	22,966	20,387	35,550	63,990	98,143	135,633	109,528	42,658	33,308	40,397
Less Sinking Funds	(565)	(540)	(105)	(114)	(35)	(53)	(95)	(95)	(115)	(110)
Total	699,307	621,588	696,328	663,450	717,529	622,691	540,317	478,011	501,361	458,016
Town of Oyster Bay:										
Bonds	698,343	653,792	597,447	626,207	566,167	502,638	453,624	362,325	298,429	246,737
Other Debt Obligations	128,201	96,922	141,085	76,152	74,153	62,479	106,283	115,952	101,893	74,090
Less Sinking Funds					(871)	(871)			(406)	(355)
Total	826,544	750,714	738,532	702,359	639,449	564,246	559,907	478,277	400,916	320,472
City of Glen Cove:										
Bonds	56,016	34,166	35,884	34,605	28,530	32,309	37,765	38,248	40,671	41,777
Other Debt Obligations	12,109	18,142	17,123	16,054	19,115	17,681	7,377	5,794	965	5,844
Total	68,125	52,308	53,007	50,659	47,645	49,970	45,142	44,042	41,636	47,421
City of Long Beach:										
Bonds	39,851	52,390	39,657	64,673	10,200	37,275	40,205	27,768	24,475	24,386
Other Debt Obligations					4,065	4,065	7,050	13,112	13,112	13,177
Less Sinking Funds					(418)	(576)	(781)	(1,033)		
Total	39,851	52,390	39,657	64,673	43,786	40,764	46,474	40,037	36,763	37,563
Total Overlapping Debt, Towns and Cities:										
Bonds	2,625,059	2,451,735	2,384,483	2,314,013	2,119,793	1,860,456	1,699,720	1,688,655	1,507,582	1,320,551
Other Debt Obligations	241,778	207,401	223,094	234,116	353,680	310,305	343,651	207,202	189,753	211,789
Less Sinking Funds	(665)	(4,731)	(1,540)	(1,719)	(2,935)	(3,011)	(782)	(2,629)	(573)	(2,042)
Total	2,866,272	2,654,405	2,606,037	2,546,410	2,470,538	2,167,750	2,042,589	1,793,228	1,706,762	1,530,298
TOTAL DIRECT & OVERLAPPING NET DEBT:										
Bonds	5,680,914	5,649,746	5,918,111	5,806,445	5,489,802	5,195,735	5,087,175	5,069,650	4,709,868	3,763,968
Other Debt Obligations	328,176	207,401	223,094	234,116	353,680	310,305	343,651	207,202	189,753	211,789
Less Sinking Funds	(965)	(4,731)	(1,540)	(1,719)	(2,935)	(3,011)	(782)	(2,629)	(573)	(2,042)
TOTAL	\$ 6,008,525	\$ 5,852,416	\$ 6,139,665	\$ 6,038,842	\$ 5,820,547	\$ 5,175,185	\$ 5,888,705	\$ 5,500,288	\$ 5,021,358	\$ 4,066,123

Nassau County has elected to keep this schedule in its original format since it has been requested for both internal and external agency purposes. 2007 Fiscal Year is most recent data available.

* Beginning with fiscal year 1999, County of Nassau direct debt also includes all bonded component units, the NHCC, NCC, (proprietary component units) and DASNY debt.

**Sewer District Funds listed separately prior to 2004 were combined for comparison purposes.

COUNTY OF NASSAU, NEW YORK

COUNTY, TOWNS AND CITIES
 TAXABLE FULL VALUE CALCULATION FOR 2008*
 (Dollars in Thousands)

	<u>Taxable Assessed Valuation, Real Property</u>	<u>Taxable Assessed Valuation, Special Franchises</u>	<u>Total Taxable Assessed Valuation</u>	<u>State Equali- zation Rate</u>	<u>Average Full Valuation</u>
Town of Hempstead	\$ 342,350	\$ 9,560	\$ 351,910	0.30 %	\$ 117,303,333
Town of North Hempstead	189,959	4,072	194,031	0.30 %	64,677,000
Town of Oyster Bay	195,338	4,526	199,864	0.29 %	68,918,621
City of Long Beach	16,317	532	16,849	0.34 %	4,955,588
City of Glen Cove	<u>15,560</u>	<u>490</u>	<u>16,050</u>	0.31 %	<u>5,177,419</u>
	<u>\$ 759,524</u>	<u>\$ 19,180</u>	<u>\$ 778,704</u>		<u>\$ 261,031,961</u>

* Last completed assessed valuation fixed in 2007 on which the 2008 taxes are levied.

Beginning in 2007, a new Department of Assessment methodology was developed and approved by New York State in deriving total taxable assessed valuation by utilizing one quarter of one percent of market value for Class 1 properties and utilizing one percent of market value for the other property classes.

COUNTY OF NASSAU, NEW YORK

Legal Debt Margin Information Last Ten Fiscal Years (Dollars In Thousands)

	Fiscal Year									
	2008	2007	2006	2005	2004	2003	2002	2001	2000	1999
Debt Limit (10% of Average Full Valuation)*	\$ 21,824,049	\$ 19,822,275	\$ 17,740,092	\$ 16,010,875	\$ 14,440,870	\$ 12,873,258	\$ 11,649,191	\$ 10,779,437	\$ 10,182,066	\$ 9,778,078
Total Net Debt Applicable to Limit	3,115,417	3,140,619	3,161,557	3,326,385	3,085,302	3,264,837	2,958,862	2,887,184	2,725,062	2,769,243
Legal Debt Margin	\$ 18,708,632	\$ 16,681,656	\$ 14,578,535	\$ 12,684,490	\$ 11,355,568	\$ 9,608,421	\$ 8,690,329	\$ 7,892,253	\$ 7,457,004	\$ 7,008,835
Total Net Debt Applicable to the Limit as a Percentage of Debt Limit	14.28%	15.84%	17.82%	20.78%	21.37%	25.36%	25.40%	26.78%	26.76%	28.32%

Legal Debt Margin Calculation for Fiscal Year 2008

Average Full Valuation	\$ 218,240,493
Debt Limit (10% of Average Full Valuation)	21,824,049
Debt Applicable to Limit:**	
General Government (Including College)***	\$ 549,740
NIFA Serial Bonds	1,875,075
Sewer District	79,065
Environmental Facilities Corporation	138,810
Notes Payable	362,000
Real Property Liabilities	7,700
Guarantees	279,565
Contract Liabilities	237,034
Total Debt Applicable to Limit	3,528,989
Less: Legal Exclusions	
Cash and Investments -Capital Projects Funds	176,572
Tax and Revenue Anticipation Notes Payable	237,000
Less: Total Exclusions	413,572
Total Net Debt Applicable to Limit	3,115,417
Legal Debt Margin	\$ 18,708,632

Calculation of 2008 Constitutional limit of total indebtedness
(The Constitutional limit of total indebtedness is 10% of the average full valuation of real estate for the latest five years.)

Average Full Valuation of Real Estate for the Fiscal Years Ended in 2004 Through 2008

2008 Full Valuation	\$ 261,249,503
2007 Full Valuation	244,238,974
2006 Full Valuation	212,313,816
2005 Full Valuation	193,592,238
2004 Full Valuation	179,807,935
	<u>\$ 1,091,202,466</u>
Average Full Valuation	\$ 218,240,493

Constitutional Debt Margin:	
Constitutional Limit of Total Indebtedness, 10% Average Full Valuation	<u>\$ 21,824,049</u>

* Full valuation is determined by dividing the total taxable assessed valuation by the average State equalization rate.

** The Tobacco Settlement and the Sewer and Storm Water Finance Authority Serial Bonds Payable are not included in the calculation of the Constitutional Debt Margin

*** The Community College Serial Bonds Payable as of December 31, 2008 are unaudited. The last Audit conducted on behalf of the Community College was for the Fiscal Year ended August 31, 2008.

COUNTY OF NASSAU, NEW YORK

Pledged-Revenue Coverage
 Last Ten Fiscal Years *
 (Dollars in Thousands, Except for Coverage)

Fiscal Year*	NIFA Sales Tax Secured Bonds			
	Debt Service			
	Sales Tax Paid to NIFA	Principal	Interest	Coverage
2008	\$ 944,104	\$ 88,915	\$ 96,501	5.09
2007	952,509	79,975	90,949	5.57
2006	932,573	48,460	94,397	6.53
2005	897,405	51,761	74,577	7.10
2004	884,384	26,260	58,323	10.46
2003	842,881	17,445	49,161	12.65
2002	814,350	11,670	22,465	23.86
2001	782,707		24,400	32.08
2000	251,467	4,571		55.01

* Nassau County did not have pledged revenue prior to 2000, the year NIFA came into existence.

DEMOGRAPHIC AND ECONOMIC INFORMATION

COUNTY OF NASSAU, NEW YORK

DEMOGRAPHIC AND ECONOMIC STATISTICS
Last Ten Fiscal Years

<u>Year</u>	<u>Population (In Thousands) (a)</u>	<u>Total Personal Income (In Thousands)</u>	<u>Per Capita Personal Income (b)</u>	<u>Unemployment Rate (c)</u>
2008	1,357	\$ N/A	\$ N/A	4.7%
2007	1,355	85,339,255	62,981	3.6%
2006	1,352	84,199,856	62,278	3.7%
2005	1,348	74,060,468	54,941	4.1%
2004	1,345	71,149,155	52,899	4.5%
2003	1,343	66,923,033	49,831	3.9%
2002	1,340	65,945,420	49,213	4.1%
2001	1,335	66,264,060	49,636	3.1%
2000	1,296	61,490,016	47,446	2.7%
1999	1,294	57,879,326	44,729	3.1%

Sources:

(a) Annual LIPA Long Island Population Survey estimates

(b) United States Bureau of Economic Analysis

(c) NYS Department of Labor

COUNTY OF NASSAU, NEW YORK

Principal Employment by Sector Current Year and Eight Years Ago*

Employment Sector	2008			2000		
	Employees	Rank	Percentage of Total County Employment	Employees	Rank	Percentage of Total County Employment
Health Care and Social Assistance	102,201	1	17.26%	79,725	3	13.32%
Retail Trade	80,548	2	13.60%	85,267	1	14.25%
Government**	72,006	3	12.16%	81,751	2	13.66%
Accommodation and Food Services	39,661	4	6.70%	35,227	7	5.89%
Professional and Technical Services	36,727	5	6.20%	37,337	6	6.24%
Finance and Insurance	33,432	6	5.65%	43,015	4	7.19%
Administrative and Waste Services	32,231	7	5.44%	31,478	9	5.26%
Construction	31,892	8	5.39%	26,419	10	4.41%
Wholesale Trade	29,177	9	4.93%	34,501	8	5.76%
Other Services	27,198	10	4.59%	25,749	11	4.30%
Manufacturing	23,404	11	3.95%	37,680	5	6.30%
Educational Services	17,627	12	2.98%	15,785	12	2.64%
Arts, Entertainment, and Recreation	14,961	13	2.53%	10,621	16	1.77%
Information	14,389	14	2.43%	15,111	14	2.52%
Transportation and Warehousing	14,291	15	2.41%	15,395	13	2.57%
Real Estate and Rental and Leasing	10,328	16	1.74%	11,025	15	1.84%
Total	580,073		97.96%	586,086		97.92%

* Previously we provided a list of Principal Employers, Our Source No longer collects this Data
As an Alternative we are providing Principal Employment by Industry, earliest
Information available is for year 2000

** 2008 Government consists of 61,976 Local Govt, 6,243 Federal, and 3,787 State Employees
2000 Government consists of 69,299 Local Govt, 8,684 Federal, and 3,768 State Employees

Data Source: Quarterly Census of Employment and Wages, developed through a cooperative program
between the State of New York and the U. S. Bureau of Labor Statistics.

OPERATING INFORMATION

COUNTY OF NASSAU, NEW YORK

County Government Employees by Function**
Last Seven Fiscal Years*

Function	Fiscal Year																							
	2008			2007			2006			2005			2004			2003			2002					
	F/T	P/T	SEAS	F/T	P/T	SEAS	F/T	P/T	SEAS	F/T	P/T	SEAS	F/T	P/T	SEAS	F/T	P/T	SEAS	F/T	P/T	SEAS			
Legislative																								
Legislature	89	1	21	88	1	59	87	1	17	87	1	35	83	1	24	86	1	12	90	1	5			
Judicial																								
District Attorney	384	1		387	1		368			357			340			343	1		340	1				
Public Administrator	7			7			7			7			7			7			7					
Traffic Violations Bureau	38	33		37	30		36	30		37	24		34	17		28	12		28	8				
General Administration																								
Assessment	244	2		252	3		258	4		222	4		172	4		130	4		116	7				
Assessment Review Commission	46	6		45	6		45	7		43	7		30	8		31	9		17	10				
Board of Elections	114	70	36	108	58	8	106	40	8	107	38	20	106	38	20	107	37	18	102	31	14			
Civil Service	63	36	1	62	36		62	32		60	32		62	27		60	15		61	8				
County Attorney	161	1		157	1		153	1		159	4		158	4		146	4		128	4				
County Clerk / Records Management	112	52	3	105	54	5	108	49		110	49		96	46		100	24		85	13	1			
County Comptroller	92	3		95	3		89	3		89	2		84	2	1	80	1	4	76	3				
County Executive	34	2		36	2		48	3		42	4		39	3	2	16			32	1	2			
County Treasurer	41	1		41			45			44			45			45			47					
Office of Constituent Affairs	50	4		52	4		56	7		56	8	1	56	1	10	57	1	4						
Office of Emergency Management	6			7			5			5			5			3								
Information Technology	139	6	1	99	1		100	4	1	95	2	3	93	6	20	97	21	22	89					
Housing and Intergovernmental Affairs	83			75	1		71	1		68		1	62			59		13	48		6			
Labor Relations	7			6			5			6			4			4								
Office of Management and Budget	39	3		41	3	1	33	1		40	1		42	3	9	53	1	11	26					
Personnel / Human Resources	17	1	1	15	1	1	12	1	2	12	2		11	1	3	9		3	9		1			
Planning	27	10		27	11		27	10		25	10		22	10		16	10		21	11				
Purchasing Department	23			22			23			21			23			23			24					
Real Estate Services	9	1		8	1		10			12	5		13	4		11								
Protection of Persons																								
Police																								
Uniformed Personnel / Officers	2,868	446		2,818	469		2,764	458		2,849	477		2,655	485		2,556	485		2,616	458				
Administrative / Support	654	30	1	675	26	1	685	15	1	669	19		651	18	1	605	10		614	6				
Fire Commission																								
Fire Commissioners / Inspectors	93			91			93			97			99			97			98					
Administrative / Support	16	24		13	26		17	24		15	27		15	26		16	23		16	19				
Probation Department																								
Uniformed Personnel / Officers	213	8		208	9		232	2		214	9		209	9		180	6		186	2				
Administrative / Support	26	5		29	3		36	1		37	3		41	4		36	3		42	2				
Parks Department - Security																								
Human Rights Commission	9	2	1	10	2	1	10	1	2	10	1		10	1		9	1		10	1				
Dept of Investigations	1			2			5			4			4			3			4					
Medical Examiner	52	5		55	6		52	6		52	6		47	6		49	2		46					
Traffic Safety Board	2			2			2			2			3			3			3					
Consumer Affairs	38	3		43	3		41	3		39	3		34	3		30	3		31	2				
Health																								
Behavioral Health***	119	4		124	5		100	2		114	2		124	2		124	5		135	7				
Drug and Alcohol																								
Mental Health																								
Health Department	330	22	9	314	26	11	333	27	5	326	23	8	335	28	22	340	39		331	25				
Social Services																								
CASA	8	1		8	1		7	2		6	2		6	5		6	5		4	5				
Criminal Justice Coordinating Council	1	1		1	1		1	1		1			2			2			2					
Minority Affairs	8			9			10	1		10			6			6			5					
Senior Citizens Affairs	36	8		38	8		35	7		37	8		34	3		35	3		37	3				
Social Services	904	101		912	130		919	127		899	158		899	182		893	177		890	73				
Office for the Physically Challenged	7	1		7	1		7			7			6			6			6					
Veterans Services	8			9			9			9			8			9			9					
Youth Board	6			7			5			7			7			7			7					
Public Works																								
Maintenance / Engineering	773	32	39	790	31	66	806	30	26	806	40	4	847	43	1	819	23	53	752	10				
Culture and Recreation																								
Parks Department	258	174	357	265	214	299	277	222	225	258	240	193	221	205	402	267	238	572	437	224	479			
Corrections																								
Corrections / Sheriff																								
Uniformed Personnel / Officers	1,124			1,089			1,120			1,099			1,077			1,082			1,115					
Administrative / Support	125	14		132	14		133	9		127	8		119	8		119	8		124	12				
Total	9,502	1,114	470	9,423	1,192	452	9,474	1,133	287	9,426	1,219	265	9,077	1,204	515	8,841	1,174	712	8,934	962	508			

* Information prior to 2002 is not readily available.
 ** Full-Time, Part-Time and Seasonal Employee numbers are shown at 12/31 of each year.
 F/T = Full Time, P/T = Part Time, SEAS = Seasonal
 *** Starting in 2007 Drug and Alcohol and Mental Health were combined into Behavioral Health

COUNTY OF NASSAU, NEW YORK

Capital Asset Statistics by Function Last Seven Fiscal Years*

Function	Fiscal Year						
	2008	2007	2006	2005	2004	2003	2002
Public Safety							
Police:							
Stations	9	9	9	9	9	9	9
Patrol Units	205	205	205	205	205	205	205
Highways, Streets, Bridges							
Streets (lane miles)	1,963	1,969	1,969	1,969	1,969	1,970	1,970
Streetlights	581	581	581	581 (2)	581 (2)	581 (2)	581 (2)
Miscellaneous Street Light Devices	22	22	22	22 (2)	22 (2)	22 (2)	22 (2)
Miscellaneous Traffic Control Devices	275	260	260	260 (2)	260 (2)	260 (2)	260 (2)
Traffic Signals	1548	1,542	1,540	1,540 (2)	1,540 (2)	1,540 (2)	1,540 (2)
Bridges (Vehicle)	80 (4)	81 (3)	84 (1)	84 (1)	84 (1)	84 (1)	84 (1)
Bridges (Pedestrian)	27	27	27	27	27	27	27
Culture and Recreation							
Parks Acreage	5,187	5,810	6,116	6,116	6,116	6,116	6,116
Parks	68	70	80	80	80	80	80
Swimming Pools	5	5	7	7	7	7	7
Tennis Courts	70	70	72	72	72	72	72
Sewer and Drainage							
Bay Park Service Area Sanitary Sewers (miles)	1,400	1,400	1,400	1,400	1,400	1,400	1,400
Cedar Creek Service Area Sanitary Sewers (miles)	1,550	1,550	1,550	1,550	1,550	1,550	1,550
Bay Park Plant Design Flow (MGD)	70	70	70	70	70	70	70
Cedar Creek Plant Design Flow (MGD)	72	72	72	72	72	72	72
Storm Sewers (lane miles)	2,000	2,000	2,000	2,000	2,000	2,000	2,000
Storm Water Basins	560	559	559	559	559	559	559
Water Pump Stations	6	6	6	6	6	6	6
Drainage Stream Corridors (miles)	60	60	60	60	60	60	60

* Information prior to 2002 is not readily available.

MGD - Millions of Gallons per Day

(1) 41 Bridges solely owned by County and 43 co-owned with other Municipalities

(2) Estimated based on 2006 and relative stability of data.

(3) 40 Bridges solely owned by County and 41 co-owned with other Municipalities

(4) 39 Bridges solely owned by County and 41 co-owned with other Municipalities

Sources: Various Nassau County Departments

COUNTY OF NASSAU, NEW YORK

Operating Indicators by Function
Last Seven Fiscal Years*

Function	Fiscal Year						
	2008	2007	2006	2005	2004	2003	2002
Judicial							
District Attorney							
Felony Conviction Rate ⁽¹⁾	90.0%	91.2%	91.7%	91.1%	91.5%	90.6%	88.7%
Total Number of Cases Handled	34,460	36,399	38,397	36,264	35,118	38,015	38,014
Number of Indicted Cases	1,032	900	688	494	508	490	587
General Administration							
Assessment							
Number of Building Permits Issued	20,704	29,915	24,008	28,896	26,790	NA	NA
Number of Building Inspections Performed	23,641	22,373	47,169	40,099	36,657	24,380	19,696
Number of Basic STAR Exemptions	264,653 ⁽²⁾	251,746 ⁽²⁾	265,098 ⁽²⁾	280,679 ⁽²⁾	259,987 ⁽²⁾	244,400 ⁽²⁾	248,556 ⁽²⁾
Number of Enhanced STAR Exemptions	49,865 ⁽²⁾	49,238 ⁽²⁾	50,276 ⁽²⁾	51,385 ⁽²⁾	52,014 ⁽²⁾	48,675 ⁽²⁾	51,132 ⁽²⁾
Number of Veterans Exemptions	47,286 ⁽²⁾	59,526 ⁽²⁾	58,758 ⁽²⁾	60,994 ⁽²⁾	64,618 ⁽²⁾	65,193 ⁽²⁾	73,553 ⁽²⁾
Number of Solar Energy Exemptions	37 ⁽²⁾	37 ⁽²⁾	37 ⁽²⁾	37 ⁽²⁾	38 ⁽²⁾	39 ⁽²⁾	70 ⁽²⁾
Assessment Review Commission							
Number of Residential Appeal Applications Reviewed	110,379 ⁽³⁾	114,808 ⁽³⁾	122,027 ⁽³⁾	128,220 ⁽³⁾	106,678 ⁽³⁾	141,043 ⁽³⁾	98,984 ⁽³⁾
Number of Commercial Appeal Applications Reviewed	18,391 ⁽³⁾	18,181 ⁽³⁾	18,370 ⁽³⁾	18,219 ⁽³⁾	18,336 ⁽³⁾	19,505 ⁽³⁾	18,320 ⁽³⁾
Purchasing Department							
Number of Purchase Orders Processed	10,232	11,983	11,561	12,401	13,299	12,106	10,461
County Comptroller							
Number of Claims Processed	91,117	93,033	97,500	101,919	110,072	83,817	83,400
County Treasurer							
Investment Portfolio Return	2.77%	5.28%	5.15%	3.41%	1.69%	1.35%	1.28%
Total number of Tax Liens Sold ⁽⁴⁾	5,330	4,520	3,748	3,488	3,426	3,791	3,730
County Clerk							
Land Records Recorded	123,471	191,121	211,790	273,496	306,324	236,170	208,851
Court Records Recorded	322,025	346,879	309,755	281,772	368,037	234,947	287,789
Miscellaneous Records Recorded	89,702	105,455	100,597	94,665	89,723	85,654	89,916
Certified Copies Issued	30,598	21,529	28,522	27,091	34,341	28,440	23,227
Board of Elections							
Voting Precincts	1,160	1,160	1,160	1,160	1,160	1,160	1,160
Polling Places	389	388	388	388	388	388	388
Voters	906,064	866,978	853,651	888,631	886,352	844,156	867,611
Poll Workers	6,210	5,394	4,560	4,534	4,783	4,600	4,552
Civil Service							
Number of Position Classification Reviews	3,513	3,601	3,222	3,227	3,187	NA	4,401
Number of Performance Tests Conducted	2,008	2,270	753	903	2,245	NA	2,084
Number of Psychological Tests Conducted	747	822	896	369	505	NA	135
Planning Department							
Number of New Zoning Applications Received	2,938	2,924	2,989	2,623	2,759	2,947	NA
Number of Subdivision Waiver Applications Approved	72	102	129	108	95	65	NA
Number of Bus Shelters	340	340	340	340	341	340	340
Number of Maintenance Checks Performed	203	210	280	277	264	200	NA
Protection of Persons							
Police							
Physical Arrests	16,778	16,436	16,860	15,339	15,595	15,627	16,546
Parking Violations	108,975	113,203	118,855	115,013	100,218	164,924	117,027
Moving Violations	200,886	203,180	202,009	183,873	158,533	123,155	202,908
Fire Commission							
Emergency Light Tests	2,413	2,469	2,018	1,593	1,277	761	468
Automatic Extinguishing System Reviews	549	459	550	594	733	493	333
Hospital Plans Developed	65	87	63	48	53	54	60
Rescue / Ambulance Dispatched	35,305	32,919	32,057	33,282	32,687	32,941	33,195
Medical Examiner							
Number of Cases Reported and Investigated by ME	6,302	4,965	4,828	2,037	4,990	5,130	5,064
Number of Cases Accepted and Certified by ME Office	1,387	1,322	1,371	1,381	1,345	1,455	1,495
Total Number of DNA Cases Received	617	654	482	412	484	NA	NA
Average Number of Days to complete Forensic DNA Cases	65	63	60	86	42	NA	NA

continued

COUNTY OF NASSAU, NEW YORK

EXHIBIT T-23

Operating Indicators by Function
Last Seven Fiscal Years*

Function	Fiscal Year						
	2008	2007	2006	2005	2004	2003	2002
Probation Department							
Supervision Caseload (Criminal & Family)	8,453	8,418	8,245	7,975	7,800	7,834	6,950
Adult Intake: Number of Cases Assigned	3,928	3,562	3,778	4,515	5,707	5,400	6,510
Juvenile Intake: Number of Cases Assigned	969 ⁽¹⁰⁾	1,874	1,948	1,963	2,376	2,524	2,203
Pre-trial Cases Interviewed	2,616	2,573	3,464	3,090	NA	NA	NA
Pre-trial Supervision Caseload (Criminal & Family)	1,235	813	627	519	NA	NA	NA
Investigations Assigned (Criminal & Family)	6,532	6,274	6,274	6,323	6,062	6,341	6,065
Consumers Affairs							
Number of Weights and Measures Inspections	16,135	16,185	16,896	18,003	13,340	14,510	14,039
Total Number of Stores Participating in Item Price Exemption	190	158	160	170	151	73	NA
Number of Home Improvement License Applications Issued	4,038	5,846	4,169	5,645	3,852	5,260	2,941
Total Number of Investigations with a Violation Issued	1,667	1,566	1,445	1,590	1,652	1,094	1,285
Health							
Behavioral Health (Drug & Alcohol)							
Caseload Referred by DSS Screening	6,687	6,778	6,262	6,986	5,432	4,681	NA
Assessments, Consultations, Support Services	4,459	3,136	3,693	3,775	2,886	2,374	NA
Referrals to Treatment	2,648	2,539	2,510	2,199	2,125	1,760	NA
TIPS Treatment Placement Number of Unique Clients Served	154 ⁽¹¹⁾	976	1,194	1,232	1,050	415 ⁽⁵⁾	NA
EAP Number of Training and Management Consultation Attendees	1,376	930	519	788	679	1,521	NA
Behavioral Health (Mental Health)							
Average Monthly Assisted Outpatient Treatment (AOT) Caseload	132	111	108	131	130	NA	NA
Average Monthly AOT Cases Under Court Order	104	84	76	87	89	NA	NA
Average Monthly AOT Voluntary Cases	15	12	23	31	21	NA	NA
Average Monthly AOT Cases under Investigation	14	14	9	14	19	NA	NA
Significant AOT Event Episodes	186	309	338	397	373	NA	NA
Family Court Number of Individuals Remanded	110	91	109	149	146	NA	NA
Family Court Number of Diversions	50	42	63	66	79	NA	NA
Number of Forensic Evaluations	358	255	319	251	210	195	267
Number of Individuals Seen	308	223	283	285	230	182	244
Health Department							
Total Number of Communicable Diseases Reports Received	22,743	21,403	20,983	24,062	22,095	NA	NA
Total Number of Communicable Diseases Reports Confirmed	4,162	3,480	3,811	3,443	6,004	NA	NA
Number of Immediate Response Investigations	89	21	52	50	15 ⁽⁶⁾	NA	NA
Number of 72 Hour Response Investigations	1,337	1,025	1,390	1,421	871 ⁽⁶⁾	NA	NA
Number of 1 Week Response Investigations	2,704	2,103	2,369	1,971	2,076 ⁽⁶⁾	NA	NA
Monthly Environmental Nuisances All Cases	3,674	3,730	3,880	4,872	5,127	NA	NA
Community Sanitation Inspections	3,395	3,098	3,100	3,281	2,859	NA	NA
Food Protection Inspections	14,734	16,426	14,811	15,667	14,254	NA	NA
Social Services							
Senior Citizens Affairs							
Number of Congregate Meals Served at Centers	237,855	247,179	251,675	284,520	250,901	260,368	273,555
Number of Seniors Served Meals	5,634	6,426	6,596	6,769	8,555	7,767	8,196
Number of Home Meals Served	500,203	535,862	506,508	410,734	404,113	400,167	393,934
Total Number of Funded Senior Center Trips	185,953	187,725	208,508	235,673	201,918	243,353	261,483
Number of Senior Passengers Transported	1,722	2,066	1,964	1,872	1,659	2,037	2,267
Social Services⁽⁸⁾							
Medicaid Total Medical Assistance Cases Only	63,908	67,970	75,959	74,346	70,391	58,626	48,005
Medicaid Applications Pending	7,538	4,893	3,393	4,416	3,727	9,488	8,471
Percentage of Applications Processed over 30 Days	54%	49%	37%	41%	33%	54%	63%
Child Protective Investigative Unit Caseload / Per Caseworker	19	17	16	18	20	19	24
Child Protection Total Caseload / Per Caseworker	18	15	14	17	19	18	21
Child Protective Services Primary Open Investigations	1,189	854	826	810	895	892	1,132
Child Protective Services Primary Open Investigations / Per Caseworker	15	14	13	14	13	14	17
Active Public Assistance Cases	5,695	4,865	4,754	5,031	4,704	4,389	3,891
Number of Public Assistance Applications Pending Over 30 Days	1,001	825	621	633	565	453	480
HEAP Individuals (Clients, HEAP-Only)	5,885	4,948	5,822	5,399	5,814	5,136	4,956
Social Service Applications Disposed	6,408	4,793	4,060	5,037	5,293	6,129	4,201
Emergency Shelter Individuals (Clients, Homeless)	509	380	433	479	458	584	430
Food Stamp Individuals (Clients, Total)	34,143	28,288	27,027	26,877	27,169	20,156	17,916
Services Cases	4,762	4,675	4,885	4,670	5,024	5,532	5,313
Number of Summer Lunches Served	71,127 ⁽¹²⁾						
Office for Physically Challenged							
Number of Parking Permits Issued	11,201	13,806	15,511	18,053	19,411	20,280	12,593
Number of Inquiries Responded To	11,201	18,000	17,550	18,970	13,550	18,970	17,550
Number of Institutional Outreach Contacts	1,885 ⁽⁷⁾	285	280	295	275	195	150

continued

COUNTY OF NASSAU, NEW YORK

Operating Indicators by Function
Last Seven Fiscal Years*

Function	Fiscal Year						
	2008	2007	2006	2005	2004	2003	2002
Veterans Services							
Number of Clients Helped	12,476	14,383	11,506	12,726	12,395	20,373	24,848
Number of Services Provided	28,764	29,971	19,365	24,856	25,995	40,270	48,035
Number of Claims Opened	1,474	1,502	773	761	436	1,181	1,769
Veterans Population ⁽¹⁾	79,146	85,794	87,721	91,269	94,953	95,582	102,256
Youth Board							
Number of Contacts for Contract Management and Assessment	783	860	1,379	1,350	1,385	1,323	1,350
Number of Youths Participating within Three Community Service Learning Programs	70	54	30	30	70	50	55
Number of Grant Applications Written by Department	12	4	7	7	5	3	9
Number of Youths Serviced Through Various Programs	24,390	25,000	22,000	22,000	22,000	21,500	21,500
Number of Referrals to Other Departments and Other Organizations	425	430	422	400	400	375	380
Number of Professional Development Trainings	21	16	15	15	10	6	10
Number of Staff Members Attending Training	1,365	1,159	1,000	1,000	800	220	525
Number of Summer Lunches Served ⁽¹²⁾	67,000	72,000	61,362	78,635	98,876	103,420	
Public Works							
Maintenance / Engineering							
Lane Miles Resurfaced	127.26	120.95	111.11	122.19	98.60	66.47	22.93
Street Sweeping (lane miles)	11,611	25,628	34,172	36,809	NA	NA	NA
Bridge Maintenance (man hours/year)	145	35	97	62	58	NA	NA
Average Number of Potholes Filled (per month)	1,188	1,685	2,653	2,134	3,327	NA	NA
Snow Plowing (man hours/year)	5,903	2,750	2,277	4,592	2,396	NA	NA
Average Flow - Bay Sewage Treatment Plant (MGD)	60.1	60.3	59.4	58.1	57.1	57.4	55.3
Average Flow - Cedar Creek Water Pollution Control Plant (MGD)	55.3	55.4	57.3	61.2	53.8	55.2	50.4
Culture and Recreation							
Parks Department							
Athletic Field Use Permits Issued	440	653	442	450	440	NA	NA
Field/Court Reservations	6,343	8,943	8,734	NA	NA	NA	NA
Museum Admissions	942,383	899,065	909,928	342,365	681,542	312,403	263,089
Pool Admissions	418,842	446,800	447,050	NA	NA	NA	NA
Golf Admissions	273,540	271,641	254,632	245,077	259,709	245,039	304,281
Corrections							
Corrections / Sheriff							
Number of Inmates Transported To Court	34,306	34,278	22,409	21,045	23,570	20,069	NA
Average Monthly Number of Inmates	1,607	1,717	1,633	1,581	1,646	1,685	1,740
Number of Summonses Issued	5,674	5,939	8,645	10,008	10,234	8,618	10,444
Number of Court Orders Enforced	27,894	26,969	26,015	29,013	27,990	26,468	27,976

* Information prior to 2002 is not readily available.

NA - data not available

MGD - Millions of Gallons per Day

(1) Source: Dept of Criminal Justice Services (DCJS)

(2) Exemptions processed in 2002 are for Tax Year 2003/2004, Exemptions processed in 2003 are for Tax Year 2004/2005, Exemptions processed in 2004 are for Tax Year 2005/2006, Exemptions processed in 2005 are for Tax Year 2006/2007, Exemptions Processed in 2006 are for Tax Year 2007/2008, Exemptions processed in 2007 are for Tax Year 2008/2009, and Exemptions processed in 2008 are for Tax Year 2009/2010.

(3) Appeals for correction of assessments are filed yearly between January 1 and March 1 with the Assessment Review Commission. The appeals filed in 2008 were for the 2009/10 tax year. ARC reviews the applications and reduces the assessment roll where appropriate. The review process is completed on or around March 10th of the following year. The number of appeals represents the number of parcels appealed, multiple filings on a parcel is not included.

(4) Includes liens sold to Nassau County by Default

(5) Program Start - 7/03

(6) Statistics started to be collected in May 2004

(7) In 2008, Staff Members were increased to 4 that are doing Institutional Outreach

(8) Data Sources: NYS WST-002, NYS WINR-1240, OCI Summary Report, CCRS/Connections, NCDSS Homeless Report

(9) Based on 2000 census - does not include Gulf War Veterans

(10) As of Jan 31, 2008, DSS took over all PINS (Persons in Need of Supervision) diversion cases at the Intake level

(11) TIPS Unit lost 3 Staff Personnel during 2008

(12) Summer Lunch Program transferred to Department of Social Services in 2008

Sources: Various County of Nassau Departments, Office of Management and Budget

For more information about County Departments and Services please visit our website - www.nassaucountyny.gov

concluded

APPENDIX

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.

A material weakness is a significant deficiency, or combination of significant deficiencies, that results in more than a remote likelihood that a material misstatement of the financial statements 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*.

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