

WATER AUTHORITY OF GREAT NECK NORTH

AUDITED FINANCIAL STATEMENTS

Years Ended December 31, 2010 and 2009

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INDEPENDENT AUDITORS' REPORT

To the Board of Directors
Water Authority of Great Neck North
Great Neck, New York

We have audited the accompanying statements of net assets of the Water Authority of Great Neck North (the Authority) (a public benefit corporation of the State of New York) as of December 31, 2010 and 2009, and the related statements revenues, expenses and changes in net assets and cash flows for the years then ended. These financial statements are the responsibility of the Water Authority of Great Neck North's management. Our responsibility is to express an opinion on these financial statements based on our audits.

We conducted our audits in accordance with auditing standards generally accepted in the United States of America and 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 financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation. We believe that our audits provide a reasonable basis for our opinion.

In our opinion, the financial statements referred to above present fairly, in all material respects, the respective financial position of the Authority as of December 31, 2010 and 2009, and the changes in net assets and its cash flows for the years then ended in conformity with accounting principles generally accepted in the United States of America.

In accordance with *Government Auditing Standards*, we have also issued our report dated March 16, 2011, on our consideration of the Authority'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 controls 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 considered in assessing the results of our audit.

The management's discussion and analysis is not a required part of the basic financial statements but is supplementary information required by accounting principles generally accepted in the United States of America. This supplementary information is the responsibility of the Authority's management. We have applied certain limited procedures, which consist principally of inquires of management regarding the methods of measurement and presentation of the required supplementary information. However, we did not audit the information and express no opinion on it.

A handwritten signature in black ink, reading 'Albrecht, Viggiano, Zureck & Co., P.C.'.

Hauppauge, New York
March 16, 2011

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WATER AUTHORITY OF GREAT NECK NORTH
MANAGEMENT'S DISCUSSION AND ANALYSIS
December 31, 2010 and 2009

The Water Authority of Great Neck North (the Authority) was established to provide potable water to the northern area of the Great Neck peninsula which encompasses the Villages of Great Neck, Great Neck Estates, Kensington, Kings Point, Saddle Rock and portions of Great Neck Plaza, and Thomaston. The service area also includes portions of the unincorporated areas of the Town of North Hempstead within the service territory.

Overview of the Financial Statements

The financial statements of the Authority include the Statement of Net Assets, the Statement of Revenue, Expenses and Changes in Net Assets, and the Statement of Cash Flows, and related notes to the financial statements. The Statement of Net Assets, or balance sheet, provides information about the nature and the amounts of investments and resources (assets) and the obligations to the Authority's creditors (liabilities), with the difference between the two reported as net assets.

The Statement of Revenue, Expenses and Changes in Net Assets, or income statement, shows how the Authority's net assets changed during the year. It accounts for all the year's revenues and expenses, measures the financial results of the Authority's operations for the year and can be used to determine how the Authority has funded its costs.

The Statement of Cash Flows provides information about the Authority's cash receipts, cash payments, and net changes in cash resulting from operations, financing and investing activities.

The notes to the financial statements contain information that is essential to the understanding of the financial statements, such as the Authority's accounting methods and policies.

Management provides the following discussion and analysis (MD&A) of the Authority's financial position and activities. This overview is provided for the year ended December 31, 2010 and 2009. The information contained in this analysis should be used by the reader in conjunction with the information contained in our audited financial statements and the notes to those financial statements, all of which follow this narrative on the subsequent pages.

Financial Highlights

- The assets of the Authority exceeded its liabilities at the close of its most recent year end by \$24.6 million (net assets). Of this amount \$11.7 million (unrestricted net assets) may be used to meet the Authority's ongoing operations.
- The change in net assets of the Water Authority for the most current year was an increase of \$5 million compared with an increase of \$775,000 in the prior year. This increase is primarily the result of a legal settlement in the amount of \$3 million and increased water sales.
- Water sales in the current year increased by \$1.3 million from \$6.8 million for the 2009 year to \$8.0 million for the 2010 year. Water usage increased significantly in 2010 due to the lack of precipitation, especially during the spring and summer of 2010.

WATER AUTHORITY OF GREAT NECK NORTH
MANAGEMENT'S DISCUSSION AND ANALYSIS
 December 31, 2010 and 2009

Summary of Net Assets

Net assets are an indication of the Authority's financial strength. Our analysis focuses on the net assets and changes in net assets of the Authority as a whole.

Reclassifications were made to certain prior year balances in the Condensed Statements of Net Assets and Revenues, Expenses and Changes in Net Assets to conform to current year presentation.

Condensed Statement of Net Assets

	2010	2009	2008
ASSETS			
Current assets	\$ 12,456,743	\$ 7,644,193	\$ 9,078,001
Restricted assets	19,415,438	21,508,901	22,555,647
Capital assets	28,935,675	27,473,220	26,023,653
Other assets	816,441	417,002	
Total assets	61,624,297	57,043,316	57,657,301
LIABILITIES			
Current liabilities	1,469,326	1,401,334	2,115,354
Non-current liabilities	35,510,397	36,040,015	36,714,609
Total liabilities	36,979,723	37,441,349	38,829,963
NET ASSETS			
Invested in capital assets, net of debt	8,603,807	8,164,366	8,194,794
Restricted	4,367,393	4,322,927	3,094,761
Unrestricted	11,673,374	7,114,674	7,537,782
Total net assets	\$ 24,644,574	\$ 19,601,967	\$ 18,827,337

The Authority's total assets at December 31, 2010 were \$61.6 million, an increase of \$4.6 million over the 2009 year. Total liabilities at December 31, 2010 were \$37.0 million, a decrease of \$462,000 from the 2009 year. Accordingly, total net assets of the Authority at December 31, 2010 were \$24.6 million, an increase of \$5 million over the 2009 year. Of the Authority's net assets at December 31, 2010, \$8.6 million were invested in capital assets, net of related debt, \$4.4 million were restricted for debt service and capital and \$11.7 million were unrestricted.

The Authority's total assets at December 31, 2009 were \$57 million, a decrease of \$614,000 million over the 2008 year. Total liabilities at December 31, 2009 were \$37.4 million, a decrease of \$1.4 million from the 2008 year. Accordingly, total net assets of the Authority at December 31, 2009 were \$19.6 million, an increase of \$775,000 over the 2008 year. Of the Authority's net assets at December 31, 2010, \$8.2 million were invested in capital assets, net of related debt, \$4.3 million were restricted for debt service and capital and \$7.1 million were unrestricted.

WATER AUTHORITY OF GREAT NECK NORTH
MANAGEMENT'S DISCUSSION AND ANALYSIS
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Condensed Statement of Revenues, Expenses and Changes in Net Assets

Reclassifications were made to certain prior year balances in the Condensed Statement of Revenues, Expenses and Changes in Net Assets to conform to current year presentation.

	2010	2009	2008
Water service revenues	\$ 8,570,517	\$ 7,289,795	\$ 8,094,007
Operating expenses	5,924,415	6,082,683	5,947,070
Operating income	2,646,102	1,207,112	2,146,937
Non-operating revenues	593,585	621,237	861,873
Costs to be recovered from future revenues	399,439	417,002	
Non-operating expenses	(1,618,119)	(1,656,519)	(1,609,421)
Income before capital contributions and extraordinary item	2,021,007	588,832	1,399,389
Capital contributions	21,600	127,342	40,427
Extraordinary Item	3,000,000	58,456	560,369
Change in net assets	<u>\$ 5,042,607</u>	<u>\$ 774,630</u>	<u>\$ 2,000,185</u>

Water service revenues increased \$1.3 million or 18% during the current year from \$7.3 million in 2009 to \$8.6 million for 2010. This increase is consistent with higher than normal temperatures and significantly less rainfall during usually peak periods of water usage during 2010.

Water service revenues decreased \$800,000 or 10% for 2009 from \$8.1 million in 2008 to \$7.3 for 2009. This decrease in water sales in 2009 was due to the high levels of precipitation, especially during the spring and summer months. Fluctuations in water sales revenue were consistent with the water usage due to levels of precipitation.

During the year ended December 31, 2010, the Authority received \$3,000,000 in settlement with the responsible party for remediation of a groundwater plume. The Authority designed and constructed a granular activated carbon treatment system to treat two (2) of the Authority's wells. This settlement is to be used to offset some of the costs to design and build two (2) packed tower aeration systems to cover the wells already being treated by the existing granular activated system, as well as the Authority's future well #14.

Operating expenses decreased \$158,000 or 2.6% during the current year from \$6.1 million in 2009 to \$5.9 million in 2010. Operating expenses for 2010 include \$399,439 to account for GASB Statement No. 45. Operating expenses increased \$136,000 or 2.3% during the prior year from \$5.9 million in 2008 to \$6.1 million for 2009 and included \$417,002 to account for GASB Statement No. 45.

WATER AUTHORITY OF GREAT NECK NORTH
MANAGEMENT'S DISCUSSION AND ANALYSIS
 December 31, 2010 and 2009

Condensed Statement of Revenues, Expenses and Changes in Net Assets (continued)

Costs to be recovered from future revenues (\$399,439) represent the difference between the Authority's annual required contributions for postemployment benefits other than pensions as required by GASB Statement No. 45 and the amount paid out for such benefits by the Authority during fiscal 2010. In accordance with FASB statement No. 71, *Accounting for the Effects of Certain Types of Regulation*, the Authority has deferred the excess of the annual required contributions over the amount paid during the fiscal year. The deferred costs will be recovered through future revenues in accordance with the Authority's rate model.

Budget vs. Actual

	Actual	Budget	Variance Positive (Negative)
Operating Revenues:			
Water service	\$ 8,031,224	\$ 7,920,000	\$ 111,224
Fire protection	539,293	539,000	293
	<u>8,570,517</u>	<u>8,459,000</u>	<u>111,517</u>
Operating Expenses:			
Administrative	2,202,580	2,218,000	15,420
Transmission and distribution	1,096,493	1,216,000	119,507
Source of supply, power and pumping	1,102,204	1,100,000	(2,204)
Purification	289,727	300,000	10,273
Depreciation and amortization	1,233,411	1,245,000	11,589
	<u>5,924,415</u>	<u>6,079,000</u>	<u>154,585</u>
Operating income	<u>\$ 2,646,102</u>	<u>\$ 2,380,000</u>	<u>\$ 266,102</u>

Water service revenues are projected based on average historical usage. This year's operating revenues were approximately 1% over budget. Actual operating expenses overall were approximately 2.5% lower than the budget. Administrative expenses include the cost of postemployment benefits other than pensions in the amount of \$399,439.

Postemployment Benefits Other than Pensions

GASB Statement No. 45 establishes guidance for the financial reporting of OPEB cost over a period that approximates employees' years of service. Under GASB Statement No. 45, based on the actuarial valuation, an annual required contribution ("ARC") is determined by the Authority. The ARC is the sum of (a) the normal cost for the year (the present value of future benefits being earned by current employees) plus (b) amortization of the unfunded accrued liability (benefits already earned by current and former employees but not yet provided for), using an amortization period of not more than 30 years. To the extent that the Authority contributes an amount less than the ARC, a net incremental OPEB obligation will result, which is required to be recorded as a liability on its financial statements.

WATER AUTHORITY OF GREAT NECK NORTH
MANAGEMENT'S DISCUSSION AND ANALYSIS
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Postemployment Benefits Other than Pensions (continued)

GASB Statement No. 45 does not require that the unfunded liability actually be funded, only that the Authority account for unfunded accrued liability. The financial statements at December 31, 2010 include a liability in the amount of \$816,441 that represents the Authority's unfunded liability.

Capital Assets and Debt Administration

The Authority owns and maintains over 113 miles of various types and sizes of water mains, pumping stations, tanks, water treatment plants, four storage facilities, two emergency interconnections with Manhasset-Lakeville Water District, land and other facilities required in the treatment and distribution of potable water to its customers.

Capital assets consisted of the following for the years ended December 31, 2010 and 2009:

	2010	2009
Land and land rights	\$ 639,639	\$ 639,639
Construction in progress	4,280,606	2,442,599
Building	1,695,410	1,695,410
Pumping and purification	15,129,884	15,002,727
Transmission and distribution	17,755,510	17,403,632
Transportation equipment	635,218	595,121
Other equipment	831,357	799,736
Organization and acquisition	725,646	725,646
Total capital assets	41,693,270	39,304,510
Accumulated depreciation and amortization	12,757,595	11,831,290
Total net capital assets	\$ 28,935,675	\$ 27,473,220

On June 5, 2008, the Authority issued \$38,850,000 of Series 2008 Water System Revenue Bonds. The Series 2008 Bonds were issued in part to refinance the Authority's 1993 Series A Water System Revenue Bonds outstanding of \$18,700,000 and the balance to finance the cost of improvements to the Authority's water system. As of December 31, 2010, the Authority has water revenue bonds outstanding totaling \$36,610,000.

The Authority is committed to the long-term maintenance of the water system and currently has plans for capital improvements to the system on a regular basis. The Authority currently has a five-year capital budget with expenditures estimated as follows:

2011	\$5,350,000
2012	3,050,000
2013	1,750,000
2014	1,900,000
2015	1,550,000

**WATER AUTHORITY OF GREAT NECK NORTH
MANAGEMENT'S DISCUSSION AND ANALYSIS
December 31, 2010 and 2009**

Credit Ratings

The Authority is the recipient of a very favorable AA+ credit rating assigned to its revenue bonds from Standard & Poor's.

Economic Factors and Next Year's Plan and Rates

The Authority derives a significant portion of its operating revenues from metered water sales. Water revenues are dependent on the amount of rainfall particularly during the summer months. As a result, these revenues are unpredictable and very volatile. Water revenues for the Authority can vary significantly from a rainy year to a dry year. Water revenues are budgeted on the conservative side, which is in anticipation of a rainy year. However, actual water revenues can still fall far short of estimates. The Authority also believes that such adverse weather conditions can easily recur consecutively over two or more years running. Water rates are set annually in concurrence with the adoption of its annual operating budget. The Authority is required to set rates and fees sufficient to cover all its operating and capital expenses as well as meeting debt service covenant requirements.

Contacting the Authority's Financial Management

This financial report is designed to provide our readers with a general overview of the Authority's finances and to show the Authority's accountability for the money it receives. If you have questions about this report or need additional financial information, contact the Water Authority's Superintendent at 50 Watermill Lane, Great Neck, New York, 11021.

WATER AUTHORITY OF GREAT NECK NORTH
STATEMENTS OF NET ASSETS
 December 31, 2010 and 2009

ASSETS	<u>2010</u>	<u>2009</u>
Current Assets		
Cash and cash equivalents	\$ 9,527,738	\$ 5,049,839
Renewal and replacement fund	1,298,975	1,299,886
Accounts receivable	743,421	369,195
Accrued unbilled revenue	635,578	606,706
Interest and other receivables	760	86,538
Prepaid expenses and other assets	91,601	72,843
Inventory of materials and supplies	158,670	159,186
Total Current Assets	<u>12,456,743</u>	<u>7,644,193</u>
Restricted Assets		
Construction fund	15,048,045	17,185,974
Bond fund and bond reserve fund - held by trustee	4,367,393	4,322,927
Total Restricted Assets	<u>19,415,438</u>	<u>21,508,901</u>
Other Assets		
Costs to be recovered from future revenues	<u>816,441</u>	<u>417,002</u>
Capital Assets		
Nondepreciable	4,920,245	3,082,238
Depreciable, net	24,015,430	24,390,982
Total Capital Assets	<u>28,935,675</u>	<u>27,473,220</u>
Total Assets	<u>61,624,297</u>	<u>57,043,316</u>
LIABILITIES AND NET ASSETS		
Current Liabilities		
Current portion of water revenue bonds	1,154,915	1,114,915
Accounts payable and accrued liabilities	56,771	90,508
Retainage payable	202,640	140,911
Deferred revenue	55,000	55,000
Total Current Liabilities	<u>1,469,326</u>	<u>1,401,334</u>
Non-Current Liabilities		
Water revenue bonds, net of unamortized bond premium, issuance costs and deferred amount on refunding	34,224,998	35,379,913
Customer deposits payable	468,958	243,100
Postemployment benefits other than pensions	816,441	417,002
Total Non-Current Liabilities	<u>35,510,397</u>	<u>36,040,015</u>
Total Liabilities	<u>36,979,723</u>	<u>37,441,349</u>
NET ASSETS		
Investment in capital assets, net	8,603,807	8,164,366
Restricted	4,367,393	4,322,927
Unrestricted	11,673,374	7,114,674
Total Net Assets	<u>\$ 24,644,574</u>	<u>\$ 19,601,967</u>

See notes to financial statements.

WATER AUTHORITY OF GREAT NECK NORTH
STATEMENTS OF REVENUES, EXPENSES AND CHANGES IN NET ASSETS
 Years Ended December 31, 2010 and 2009

	2010	2009
Operating Revenues:		
Water sales - residential and apartments	\$ 6,989,087	\$ 5,773,106
Water sales - commercial and municipal	1,042,137	977,717
Fire protection	539,293	538,972
Total Operating Revenues	8,570,517	7,289,795
Operating Expenses:		
Administrative	2,202,580	2,266,909
Transmission and distribution	1,096,493	1,180,807
Source of supply, power and pumping	1,102,204	1,006,564
Purification	289,727	251,237
Depreciation and amortization	1,233,411	1,377,166
Total Operating Expenses	5,924,415	6,082,683
Operating Income	2,646,102	1,207,112
Non-Operating Revenues (Expenses)		
Interest and other	223,066	250,032
Rental of real property	369,772	371,205
Interest on water system revenue bonds	(1,618,119)	(1,656,519)
Costs to be recovered from future revenues	399,439	417,002
Gain on disposal of capital assets	747	
Total Non-Operating Expenses	(625,095)	(618,280)
Income Before Capital Contributions and Extraordinary Items	2,021,007	588,832
Capital Contributions		
Developers and customers	21,600	127,342
Extraordinary Item		
Litigation settlement	3,000,000	58,456
Changes in Net Assets	5,042,607	774,630
Total Net Assets - Beginning of Year	19,601,967	18,827,337
Net Assets - End of Year	\$ 24,644,574	\$ 19,601,967

See notes to financial statements.

WATER AUTHORITY OF GREAT NECK NORTH
STATEMENTS OF CASH FLOWS
 Years Ended December 31, 2010 and 2009

	2010	2009
Cash Flows from Operating Activities		
Receipts from customers	\$ 8,393,277	\$ 7,613,629
Payments to suppliers	(2,477,251)	(2,314,448)
Payments to employees	(1,804,564)	(1,973,999)
Net Cash Provided by Operating Activities	4,111,462	3,325,182
Cash Flows from Capital and Related Financing Activities		
Purchase of fixed assets	(2,417,843)	(2,548,219)
Contributions for capital assets	21,600	127,342
Payments on revenue bonds	(1,280,000)	(960,000)
Interest paid	(1,731,550)	(2,799,234)
Net Cash Used in Capital and Related Financing Activities	(5,407,793)	(6,180,111)
Cash Flows from Investing and Other Non-Operating Activities		
(Increase) decrease in investments - unrestricted	911	(859)
(Increase) decrease in construction fund - restricted	2,137,929	2,274,912
(Increase) decrease in restricted assets held by Trustee	(44,466)	(1,228,166)
Rental income	369,772	360,625
Interest and dividends received	308,845	429,236
Proceeds from sale of Capital Asset	1,239	
Extraordinary item - litigation settlement	3,000,000	58,456
Net Cash Provided by Investing Activities and Other Non-Operating Activities	5,774,230	1,894,204
Net Increase (Decrease) in Cash and Cash Equivalents	4,477,899	(960,725)
Cash and Cash Equivalents at Beginning of Year	5,049,839	6,010,564
Cash and Cash Equivalents at End of Year	\$ 9,527,738	\$ 5,049,839
Reconciliation of Operating Income to Net Cash Provided by Operating Activities		
Operating income	\$ 2,646,102	\$ 1,207,112
Adjustments to reconcile operating income to net cash provided by operating activities:		
Depreciation and amortization	1,233,411	1,377,166
(Increase) decrease in:		
Accounts receivable	(374,226)	309,549
Accrued unbilled revenue	(28,872)	(9,038)
Prepaid expenses and other assets	(18,758)	3,401
Inventory of materials and supplies	516	(9,176)
Costs to be recovered from future revenues	399,439	417,002
Increase (decrease) in:		
Accounts payable and accrued liabilities	(33,737)	(22,289)
Retainage payable	61,729	28,134
Customer deposits	225,858	23,321
Net Cash Provided by Operating Activities	\$ 4,111,462	\$ 3,325,182

See notes to financial statements.

WATER AUTHORITY OF GREAT NECK NORTH
NOTES TO FINANCIAL STATEMENTS
December 31, 2010 and 2009

Note 1 – Organization

The Water Authority of Great Neck North (the Authority) is a public benefit corporation created in 1985 under the Public Authorities Law of the State of New York. The Authority was created to acquire, construct, finance, operate and maintain the supply and distribution system for the benefit of the residents within the boundaries of the Water Authority of Great Neck North. The Authority commenced operations in 1989 and currently provides water service through approximately 8,800 service connections.

The Authority is governed by a board of directors consisting of eight members. The chief executive officers of the Incorporated Villages of Great Neck, Great Neck Estates, Great Neck Plaza, Kensington, Saddle Rock, Thomaston and certain unincorporated areas within the Town of North Hempstead each appoint one member who serves for a period of two years.

Note 2 – Summary of Significant Accounting Policies

Basis of Accounting

The accompanying financial statements of the Authority have been prepared in conformity with accounting principles generally accepted in the United States of America (GAAP) for governments as prescribed by the Governmental Accounting Standards Board (GASB), which is the primary standard setting body for establishing governmental accounting and financial reporting principles. The Authority is engaged only in business-type activities as defined in GASB Statement No. 34. Private-sector standards of accounting and financial reporting issued prior to December 1, 1989, generally are followed in enterprise fund financial statements to the extent that those standards do not conflict with or contradict guidance of the Governmental Accounting Standards Board. Governments also have the option of following subsequent private-sector guidance for their business-type activities and enterprise funds, subject to this same limitation.

Basis of Presentation

GASB requires the classification of net assets into three components – invested in capital assets, restricted and unrestricted. These classifications are defined as follows:

- Invested in capital assets – This component of net assets consists of capital assets, net of accumulated depreciation, reduced by the outstanding balances of any bonds, mortgages, notes, or other borrowings that are attributable to the acquisition, construction, or improvement of those assets. If there are significant unspent related debt proceeds at year-end, the portion of the debt attributable to the unspent proceeds is not included in the calculation of invested in capital assets, net of related debt. Rather, the portion of the debt is included in the same net assets component as the unspent proceeds.
- Restricted – This component of net assets consists of amounts which have external constraints placed on its use imposed by creditors (such as through debt covenants), grantors, contributions, or laws or regulations of other governments or constraints imposed by law through constitutional provisions or enabling legislation.
- Unrestricted net assets – This component of net assets consists of net assets that do not meet the definition of “invested in capital assets” or “restricted”.

WATER AUTHORITY OF GREAT NECK NORTH
NOTES TO FINANCIAL STATEMENTS
December 31, 2010 and 2009

Note 2 – Summary of Significant Accounting Policies (continued)

Cash, Cash Equivalents and Investments

For purposes of presenting the statement of cash flows, the Authority considers all highly liquid short-term investments with a maturity of three months or less from the date of purchase to be cash or cash equivalents. The Statement of Cash Flows presented uses the direct method of reporting cash flows. Marketable securities with maturities greater than ninety days, are recorded at cost which approximates fair value.

Accrued Unbilled Revenues

Accrued unbilled revenues represent revenue earned in the current year but not billed to customers until future dates, usually within three months, and based on billings occurring in the first two months of the succeeding year using historical trends.

Materials and Supplies

Materials and supplies are stated at cost, which approximates lower of cost or market on a first in first out basis. The Authority maintains a perpetual inventory system.

Capital Assets

Capital assets are carried at cost to the Authority. Improvements, renewals and significant repairs that extend the life of the asset are capitalized; other repairs and maintenance costs are expensed as incurred. Depreciation is provided on the straight-line basis using the various lives for each asset which range between 5 and 50 years. Organization and acquisition costs are amortized on the straight-line basis over 30 years. When assets are retired or otherwise disposed of, the related assets and accumulated depreciation is written off and any unrelated gains or losses are recorded.

Bond Fund and Bond Fund Reserve Funds Held by Trustee

The Authority's bond resolution authorizing the Series 2008 bond issue establishes a Bond Fund and Bond Reserve Fund to be maintained by a trustee. The debt service is to be paid out of the Bond Fund. As additional security for the bonds, the Authority must maintain an amount equal to the maximum amount of principal and interest coming due during the current or any future years in the Bond Reserve Fund.

Construction Fund

The Authority's bond resolution authorizing the Series 2008 bond issue establishes a Construction Fund in which the proceeds of the bond are deposited. Amounts paid from the Construction Fund are restricted to the cost of improvements or the replacement of the water system specified in the bond resolution.

Renewal and Replacement Fund

In accordance with the bond resolution, monies in the Renewal and Replacement Fund may be applied to the cost of improvements or betterment to, or the replacement of the water system. Deposits to the Renewal and Replacement Fund are set forth in the annual budget.

WATER AUTHORITY OF GREAT NECK NORTH
NOTES TO FINANCIAL STATEMENTS
 December 31, 2010 and 2009

Note 2 – Summary of Significant Accounting Policies (continued)

Unamortized Bond Premiums and Issue Costs

Premiums and costs related to the issuance of long-term debt and the loss on the early retirement of refunded debt are amortized in relation to principal repayment over the life of the issue.

Deferred Revenue

Deferred revenue includes unearned income and payments for services in advance.

Revenue Recognition

Revenues from water sales are recognized at the time of service delivery based on actual or estimated water meter readings. Billings for water service are generally rendered on a quarterly basis except for certain consumers, which are billed monthly since they generally use large volumes of water. The Authority has the power to independently set rates and charges, which are sufficient to meet its obligations, and is not subject to the regulation of any department or commission, including the State Public Service Commission. The Authority has elected to record bad debts using the direct write-off method. Generally accepted accounting principles require the allowance method be used to recognize bad debts; however, the effect of using the direct write-off method is not materially different from the results that would have been obtained under the allowance method.

Operating and Non-Operating Revenues and Expenses

Operating revenue consists of water revenue and other related revenue. The Authority defines non-operating revenue as interest earnings on investment assets, realized/unrealized gains or losses on sales of investments and miscellaneous rental income. Non-operating expenditures are defined as interest expense on long-term debt and gains/losses on disposals of capital assets.

Costs to be Recovered from Future Revenues

The Authority's cost recovery rate model used to establish rates, fees and charges includes an amount for postemployment benefits other than pensions that are expected to be paid out during the fiscal year, but not for the amount of the annual required contribution as calculated under GASB Statement No. 45, *Accounting and Financial Reporting by Employers for Postemployment Benefits Other than Pensions*. In accordance with FASB Statement No. 71, *Accounting for the Effects of Certain Types of Regulation*, the Authority has deferred the excess of current annual required contribution over the amount paid during the 2009 fiscal year. The deferred costs will be recovered through future revenues in accordance with the Authority's rate model. The deferred amount for the years ended December 31, 2010 and 2009 was determined as follows:

	2010	2009
Costs excluded from rate model:		
Annual OPEB costs recoverable from rate payers	\$ 449,760	\$ 433,080
Costs included in rate model:		
Amount of current year payments	(50,321)	(16,078)
	399,439	417,002
Balance, beginning of year	417,002	
Balance, end of year	\$ 816,441	\$ 417,002

WATER AUTHORITY OF GREAT NECK NORTH
NOTES TO FINANCIAL STATEMENTS
December 31, 2010 and 2009

Note 2 – Summary of Significant Accounting Policies (continued)

Income Taxes

As a public benefit corporation, the Authority is exempt from federal and state income taxes, as well as state and local property and sales taxes.

Insurance

The Authority purchases insurance against liability for most risk including, but not limited to, property damage and personal injury liability. Judgments and claims are recorded when it is probable that an asset has been impaired or a liability not covered by insurance has been incurred and the amount of loss can be reasonably estimated.

Estimates

The preparation of financial statements in conformity with accounting principles generally accepted in the United States requires management to make estimates and assumptions that affect the amounts reported in the financial statements and accompanying notes. Actual results could differ from those estimates.

Subsequent Events

Management has evaluated subsequent events through March 16, 2011 which is the date the financial statements were available to be issued.

Reclassifications

Certain reclassifications have been made to the prior year statements to conform to the current year presentation. These changes have no effect on the previously reported change in net assets.

New Pronouncements

The Authority has adopted all of the current statements of the GASB that are applicable. GASB Statement No. 51 "Accounting and Financial Reporting for Intangible Assets" and GASB Statement No. 53 "Accounting and Financial Reporting for Derivative Instruments" are effective for financial report for the year ended December 31, 2010. Management has determined that these new accounting principles have no effect on these financial statements.

Note 3 – Cash, Cash Equivalents and Investments

The guidelines established by the Authority permit the investment of funds held by the Authority and funds held in trust for the Authority to be invested in accordance with New York State Public Authority Law. Investments must be in the form of obligations of the State of New York, or in general obligations of its political subdivisions; obligations of the United States or its agencies whose principal and interest payments are fully guaranteed by the federal government; and in collateralized time deposits or certificates of deposits issued by a commercial bank or trust company, which is a member of the Federal Deposit Insurance Corporation (FDIC).

The Authority's investment policy limits its deposit and investment activity to time deposits, demand deposits, certificate of deposits issued by banks or trust companies and direct obligations of the United States of America.

WATER AUTHORITY OF GREAT NECK NORTH
NOTES TO FINANCIAL STATEMENTS
December 31, 2010 and 2009

Note 3 – Cash, Cash Equivalents and Investments (continued)

It is the Authority's policy to require its demand deposits, money market deposits and certificates of deposit, not controlled by the Trustee to be fully collateralized by federal deposit insurance or other collateral held in the name of the Authority. Obligations that may be pledged as collateral are obligations of, or guaranteed by, the United States of America and its agencies.

Cash, cash equivalents and investments not controlled by the Trustee are recorded as follows:

	2010	2009
Cash and cash equivalents	\$ 9,527,738	\$ 5,049,839
Renewal and replacement fund	1,298,975	1,299,886
Construction fund - restricted	15,048,045	17,185,974
	<u>\$ 25,874,758</u>	<u>\$ 23,535,699</u>
Demand and time deposits banks	\$ 24,175,932	\$ 21,835,838
Investments - United States Treasury Bill and Notes	1,698,826	1,699,861
	<u>\$ 25,874,758</u>	<u>\$ 23,535,699</u>

Custodial Credit Risk – Deposits/Investments - Custodial credit risk for deposits exists when, in the event of the failure of a depository financial institution, a government may be unable to recover the deposits, or recover collateral securities that are in possession of an outside agency. Custodial credit risk for investments exists when, in the event of the failure of the counterparty, a government will not be able to recover the value of its investments or collateral securities that are in possession of an outside party.

At December 31, 2010 the Authority's bank deposit balances were \$24,378,459, of which \$500,000 was covered by the Federal Deposit Insurance Corporation and \$23,878,459, was covered by collateral held by the Authority's agent, a third-party financial institution in the Authority's name.

At December 31, 2010 the Authority also had restricted deposits held by the Trustee in the Bond Reserve Fund in the amount of \$4,367,393.

Credit Risk – State law limits investments to those authorized by State statutes. The Authority has a written investment policy.

Concentration of Credit Risk – Credit risk can arise as a result of failure to adequately diversify investments. Concentration risk disclosure is required for positions of five percent or more in securities of a single issuer.

Interest-Rate Risk - Interest-rate risk arises because potential purchasers of debt securities will not agree to pay face value for those securities if interest rates substantially increase, thereby affording potential purchasers more favorable rates on essentially equivalent securities. Accordingly, such investments would have to be held to maturity to avoid potential loss.

As of December 31, 2010, the Authority did not have any investments subject to credit risk, interest rate risk or concentration of credit risk.

WATER AUTHORITY OF GREAT NECK NORTH
NOTES TO FINANCIAL STATEMENTS
 December 31, 2010 and 2009

Note 4 – Capital Assets

Capital assets activity for the year ended December 31, 2010 was as follows:

	Balance 1/1/2010	Additions	Disposals/ Transfers	Balance 12/31/2010
<u>Capital assets not being depreciated:</u>				
Land and land rights	\$ 639,639			\$ 639,639
Construction in progress	2,442,599	\$ 2,417,843	\$ 579,836	4,280,606
	<u>3,082,238</u>	<u>2,417,843</u>	<u>579,836</u>	<u>4,920,245</u>
<u>Depreciable capital assets:</u>				
Building	1,695,410			1,695,410
Pumping and purification	15,002,727	127,157		15,129,884
Transmission and distribution	17,403,632	351,878		17,755,510
Transportation equipment	595,121	68,680	28,583	635,218
Other equipment	799,736	32,121	500	831,357
Organization and acquisition	725,646			725,646
	<u>36,222,272</u>	<u>579,836</u>	<u>29,083</u>	<u>36,773,025</u>
<u>Accumulated depreciation and amortization:</u>				
Building	362,540	33,908		396,448
Pumping and purification	6,286,638	424,759		6,711,397
Transmission and distribution	3,604,314	373,806		3,978,120
Transportation equipment	460,014	36,857	28,091	468,780
Other equipment	646,117	61,378	500	706,995
Organization and acquisition	471,667	24,188		495,855
Total accumulated depreciation and amortization	<u>\$ 11,831,290</u>	<u>\$ 954,896</u>	<u>\$ 28,591</u>	<u>12,757,595</u>
Total net depreciable capital assets				<u>24,015,430</u>
Total net capital assets				<u>\$ 28,935,675</u>

Depreciation and amortization of capital assets totaled \$954,896 and \$1,098,652 for the years ended December 31, 2010 and 2009, respectively.

WATER AUTHORITY OF GREAT NECK NORTH
NOTES TO FINANCIAL STATEMENTS
 December 31, 2010 and 2009

Note 5 – Water System Revenue Bonds

On June 5, 2008, the Authority issued \$38,850,000 of 2008 Series Water Revenue Bonds. The 2008 Series Bonds which bear interest at rates ranging from 3.0% to 5.0% have a final maturity date of January 1, 2038. Proceeds of the new debt were used in part to retire the existing 1993 Series A bonds in the amount of \$18,700,000. The balance of the proceeds will be used for several major capital projects as specified in the bond resolution. The bond resolution required that various funds be established including a Bond Fund, Bond Reserve Fund, Renewal and Replacement Fund and a Construction Fund. The Bond and Bond Reserve Fund are held by the trustee and are required to maintain on deposit amounts sufficient to cover the annual debt service.

The Authority covenants in its Bond Resolution that it will establish water rates so that each year net revenues shall equal the greater of (1) the sum of its aggregate debt service on all bonds outstanding plus the deposits required to fund the Bond Fund and Renewal and Replacement Fund as stated in the Bond Resolution or (2) 110% of the sum of the aggregate debt service. Net revenues are defined as revenues for any period less operating expenses used to maintain reasonable and necessary working capital and operating reserves for such period. As of December 31, 2010, the Authority is in compliance with its financial covenants.

	Beginning Balance	Increases	Decreases	Due within one year	Long-term portion
2008 Series Bonds	\$ 37,890,000		\$ (1,280,000)	\$ 1,320,000	\$ 35,290,000
Premium on issuance of debt	1,511,222		(113,430)	113,430	1,284,362
Deferred loss on refunding, unamortized bond discount and deferred issuance costs	(2,906,394)		278,515	(278,515)	(2,349,364)
Total Water Revenue Bonds	\$ 36,494,828	\$ -	\$ (1,114,915)	\$ 1,154,915	\$ 34,224,998

Bond maturities for the years ending December 31, are as follows:

Years	Principal	Interest	Total
2011	\$ 1,320,000	\$ 1,691,950	\$ 3,011,950
2012	1,360,000	1,647,750	3,007,750
2013	1,400,000	1,591,750	2,991,750
2014	1,460,000	1,518,750	2,978,750
2015	1,530,000	1,442,250	2,972,250
2016-2020	8,855,000	5,970,500	14,825,500
2021-2025	4,100,000	4,524,375	8,624,375
2026-2030	5,180,000	3,394,250	8,574,250
2031-2035	6,600,000	1,893,250	8,493,250
2036-2038	4,805,000	248,000	5,053,000
	<u>\$ 36,610,000</u>	<u>\$ 23,922,825</u>	<u>\$ 60,532,825</u>

WATER AUTHORITY OF GREAT NECK NORTH
NOTES TO FINANCIAL STATEMENTS
December 31, 2010 and 2009

Note 5 – Water System Revenue Bonds (continued)

The Authority refunded the 1989 bond issue by placing the proceeds from the 1993 Series A Bonds in an irrevocable escrow accounts to provide for all future debt service payments on the old bond issue. Accordingly, the escrow account and the defeased bonds are not included in the Authority's financial statements. These refunding transactions effectively released the Authority from its obligation to repay the refunded bonds and constituted a defeasance. The refunding of the Series A bond transactions resulted in a deferred loss on early retirement of debt totaling \$2,967,300. The deferred loss is being amortized over the remaining life of the 1993 Series A Bonds. As of December 31, 2010 and 2009 this unamortized balance of refunding loss was \$1,017,360 and \$1,130,400, respectively. In June of 2008 the Authority refunded the balance of the 1993 Series A Bonds with the new 2008 Series Bonds issuance. Bond issuance costs in the amount of \$1,675,205 and bond premium of \$1,690,821 on this new issue as well as the unamortized balance of refunding loss are being amortized over the remaining lives of both the 1993 Series A Bonds and the 2008 Series Bonds on a prorate basis. As of December 31, 2010 and 2009, the unamortized balance of bond costs were \$1,610,519 and \$1,775,994, respectively; and the unamortized balance of bond premiums were \$1,284,362 and \$1,511,222, respectively.

Note 6 – Retirement System

Plan Description

The Water Authority of Great Neck North participates in the New York State and Local Employees' Retirement System (ERS) and the Public Employees' Group Life Insurance Plan (System). This is a cost sharing multiple public employer retirement system. The System provides retirement benefits as well as death and disability benefits. Obligation 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 a sole trustee and administrative head of the System. The Comptroller shall adopt and may amend rules and regulations for the administration and transaction of the business of the System and for the custody and control of their funds. The System issues a publicly available financial report that includes financial statements and required supplementary information. That report may be obtained by writing to the New York State and Local Retirement Systems, Gov. Alfred E. Smith State Office Building, Albany, NY 12244.

Funding Policy

The System is noncontributory except for employees who joined the Employees' Retirement System after July 27, 1976 who contribute 3% of their salary. Employee contributions are deducted by employers from employees' paychecks and are sent currently to the Employees' Retirement System. Under the authority of the NYSRSSL, the 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 employers to the pension accumulation fund.

WATER AUTHORITY OF GREAT NECK NORTH
NOTES TO FINANCIAL STATEMENTS
December 31, 2010 and 2009

Note 6 – Retirement System (continued)

Funding Policy (continued)

The Authority is required to contribute at an actuarially determined rate. The required contributions for the current year and two preceding years are as follows:

2010	\$177,293
2009	\$148,984
2008	\$155,256

The Authority's contributions made to the System were equal to 100 percent of the contributions required for each year.

Note 7 – Compensated Absences

Employees of the Authority earn vacation leave each month at a schedule rate in accordance with their years of service and sick leave at a rate of one day per month. Unused vacation days for all employees cannot be carried forward to the next year. Unused sick days for union unit members are allowed to accumulate without restriction to be used when an employee needs them. Upon retirement any unused and unpaid sick days are added to the employees' credited service for State pension benefit calculation purposes.

Note 8 – Postemployment Health Care Benefits

The Authority sponsors a single employer health care plan that provides postemployment medical benefits for eligible retirees and their spouses through the New York State Health Insurance Plan. Substantially all the Authority's employees may become eligible for these benefits if they reach normal retirement age and 15 years of service while working for the Authority. The Authority does not issue a publicly available financial report for the plan.

Benefit provisions for the plan are established and amended through the Authority's Board of Directors and there is no statutory requirement of the Authority to continue this plan for future Authority employees. The Authority shall pay fifty percent (50%) of the individual coverage plus \$2,000 per annum (prorated for each monthly premium payment) and thirty-five percent (35%) of the additional cost of family coverage, plus an additional five percent (5%) of the cost for family coverage and \$4,000 per annum (prorated for each monthly premium payment) toward the medical plan.

During 2010, there were 29 participants that were eligible to receive benefits, which included 5 retirees and 24 active employees.

In June 2004, the GASB issued Statement No. 45. The Statement establishes guidance for the financial reporting of OPEB cost over a period that approximates employees' years of service and providing information about actuarially calculated liabilities associated with OPEB and whether and to what extent progress is being made in funding the plan. The Authority has adopted this new standard effective January 1, 2009.

WATER AUTHORITY OF GREAT NECK NORTH
NOTES TO FINANCIAL STATEMENTS
 December 31, 2010 and 2009

Note 8 – Postemployment Health Care Benefits (continued)

In accordance with this standard, the Authority’s annual OPEB cost for the plan is calculated based on the annual required contribution of the employer (ARC). The Authority has elected to calculate the ARC and related information using the alternative measurement method permitted in GASB Statement No. 45 for employers with fewer than one hundred total plan members. The ARC represents a level of funding that if paid on an ongoing basis, is projected to cover normal cost each year and to amortize any unfunded actuarial liabilities (or funding excess) over a period not to exceed 30 years.

The following table shows the components of the Authority’s annual OPEB cost for the year, the amount contributed to the plans, and changes in the authority’s net OPEB obligation for the years ended December 31, 2010 and 2009.

	2010	2009
Annual required contribution	\$ 433,080	\$ 433,080
Interest on net OPEB obligation	16,680	
Annual OPEB cost (expense)	449,760	433,080
Contributions made	(50,321)	(16,078)
Increase in net OPEN obligation	399,439	417,002
Net OPEB obligation, beginning of year	417,002	
Net OPEB obligation, end of year	\$ 816,441	\$ 417,002

The Authority’s annual OPEB cost, the percentage of annual OPEB contributed to the plan, and the OPEB obligation were as follows:

Fiscal Year Ended	Annual OPEB Cost	Percentage of Annual OPEB Cost Contributed	Net OPEB Obligation
2010	\$ 449,760	11.6%	\$ 816,441
2009	433,080	3.71%	417,002

As of December 31, 2009, the actuarial accrued liability of benefits was \$3,742,696, all of which was unfunded. For December 31, 2010 and 2009 the covered payroll (annual payroll of active employees covered by the plan) was \$1,973,998, and \$1,804,564 respectively, and the ratio of the unfunded actuarial accrued liability to the covered payroll was 1.896 the ratio of the unfunded actuarial accrued liability to the covered payroll was 1.896 and 2.074 respectively.

The actuarial valuation date is January 1, 2009. Actuarial valuations involve estimates of the value of reported amounts and assumptions about the probability of events in the future. Amounts determined regarding the funded status of the plan and the ARCs of the employer are subject to continual revision as actual results are compared to past expectations and new estimates are made about the future. The required schedule of funding progress presented as required supplemental information provides multiyear information that shows whether the actuarial value of plan assets is increasing or decreasing over time relative to the actuarial accrued liability for benefits.

WATER AUTHORITY OF GREAT NECK NORTH
NOTES TO FINANCIAL STATEMENTS
December 31, 2010 and 2009

Note 8 – Postemployment Health Care Benefits (continued)

Projections of benefits are based on the substantive plan (the plan as understood by the employer and plan members) and include the types of benefits in force at the valuation date and the pattern of sharing benefit costs between the Authority and the plan members to that point. Actuarial calculations reflect a long-term perspective and employ methods and assumptions that are designed to reduce short-term volatility in actuarial accrued liabilities and the actuarial value of assets.

For the 2009 actuarial valuation, the alternate measurement method was used. The actuarial assumptions included a 4% discount rate and an annual health care cost trend rate of 10.5% and grading down to an ultimate rate of 5%. The unfunded actuarial accrued liability is being amortized over 30 years using the level dollar amortization method. The remaining amortization period at December 31, 2010 was 28 years.

Note 9 – Commitments and Contingencies

Commitments

The Authority leases space for telecommunication transmission equipment to various telecommunication companies. Under the lease agreements, the initial lease term is 10 years, with the option to extend for 5 years. Rental income for the years ended December 31, 2010 and 2009 totaled \$369,772 and \$371,205.

Contingencies

The Authority has various insurance policies with third-party carriers related to property protection, casualty and statutory and non-statutory employee protection.

The Authority is subject to litigation in the ordinary conduct of its affairs. Management does not believe, however, that such litigation, individually or in the aggregate, is likely to have a material adverse effect on the financial condition of the Authority.

Note 10 – Extraordinary Item - Proceeds from Settlement

During the year ended December 31, 2010, the Authority received \$3,000,000 in settlement with the responsible party for remediation of a groundwater plume. The Authority designed and constructed a granular activated carbon treatment system to treat two (2) of the Authority's wells. This settlement is to be used to offset some of the costs to design and build two (2) packed tower aeration systems to cover the wells already being treated by the existing granular activated system, as well as the Authority's future well #14. Payment was received on November 23, 2010 and was recognized as an extraordinary item in the Statements of Revenues, Expenses and Changes in Net Assets.

SUPPLEMENTARY INFORMATION

WATER AUTHORITY OF GREAT NECK NORTH
SCHEDULE OF FUNDING PROGRESS FOR THE RETIREE HEALTH PLAN
For Year Ended December 31, 2010

<u>Actuarial Valuation Date</u>	<u>Actuarial Value of Assets (a)</u>	<u>Actuarial Accrued Liability (AAL)- Level Dollar (b)</u>	<u>Unfunded AAL (UAAL) (b-a)</u>	<u>Funded Ratio (a/b)</u>	<u>Covered Payroll c</u>	<u>UAAL as a Percentage of Covered Payroll ((b-a)/c)</u>
1/1/2009	\$ -	\$ 3,742,696	\$ 3,742,696	0%	\$ 1,973,998	189.6%

OTHER REPORTS



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

To the Board of Directors
Water Authority of Great Neck North

We have audited the financial statements of the Water Authority of Great Neck North, New York, as of December 31, 2010 and 2009, and for the year then ended, as listed in the table of contents and have issued our report thereon dated March 16, 2011. We conducted our audit in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States.

Internal Control Over Financial Reporting

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

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

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

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Compliance and Other Matters

As part of obtaining reasonable assurance about whether the Water Authority of Great Neck North'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 or other matters that are required to be reported under *Government Auditing Standards*.

This report is intended solely for the information and use of the Board of Directors, management, and other regulatory agencies and is not intended to be and should not be used by anyone other than specified parties.



Hauppauge, New York
March 16, 2011