

ROSLYN WATER DISTRICT
FINANCIAL STATEMENTS
YEAR ENDED DECEMBER 31, 2010

ROSLYN WATER DISTRICT

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INDEPENDENT AUDITOR'S REPORT

Board of Commissioners
Roslyn Water District
Roslyn, NY

We have audited the accompanying financial statements of the governmental activities, the business-type activities, each major fund, and the aggregate discretely presented component unit and remaining fund information of Roslyn Water District, a component unit of the Town of North Hempstead, as of and for the year ended December 31, 2010, which collectively comprise the District's basic financial statements as listed in the table of contents. These financial statements are the responsibility of Roslyn Water District management. Our responsibility is to express opinions on these financial statements based on our audit.

We conducted our audit in accordance with auditing standards generally accepted in the United States of America. 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 audit provides a reasonable basis for our opinions.

In our opinion, the financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities, the business-type activities, the aggregate discretely presented component units, each major fund, the aggregate remaining fund information of the Roslyn Water District as of December 31, 2010, and the respective changes in financial position thereof, for the year then ended in conformity with accounting principles generally accepted in the United States of America.

As discussed in Note 1M and Note 3F, the Roslyn Water District adopted the provisions of Governmental Accounting Standards Board Statements No. 45 *Accounting and Financial Reporting by Employers for Postemployment Benefits Other Than Pensions* as of January 1, 2008.

The management's discussion and analysis and budgetary comparison information are not a required part of the basic financial statements but are supplementary information required by accounting principles generally accepted in the United States of America. We have applied certain limited procedures, which consisted principally of inquiries 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.

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the Roslyn Water District basic financial statements. The combining and fund financial statements have been subjected to the auditing procedures applied in the audit of the basic financial statements and, in our opinion, are fairly stated in all material respects in relation to the basic financial statements taken as a whole.

JOHNSON & MEYER, CPAs, LLP

May 27, 2011

