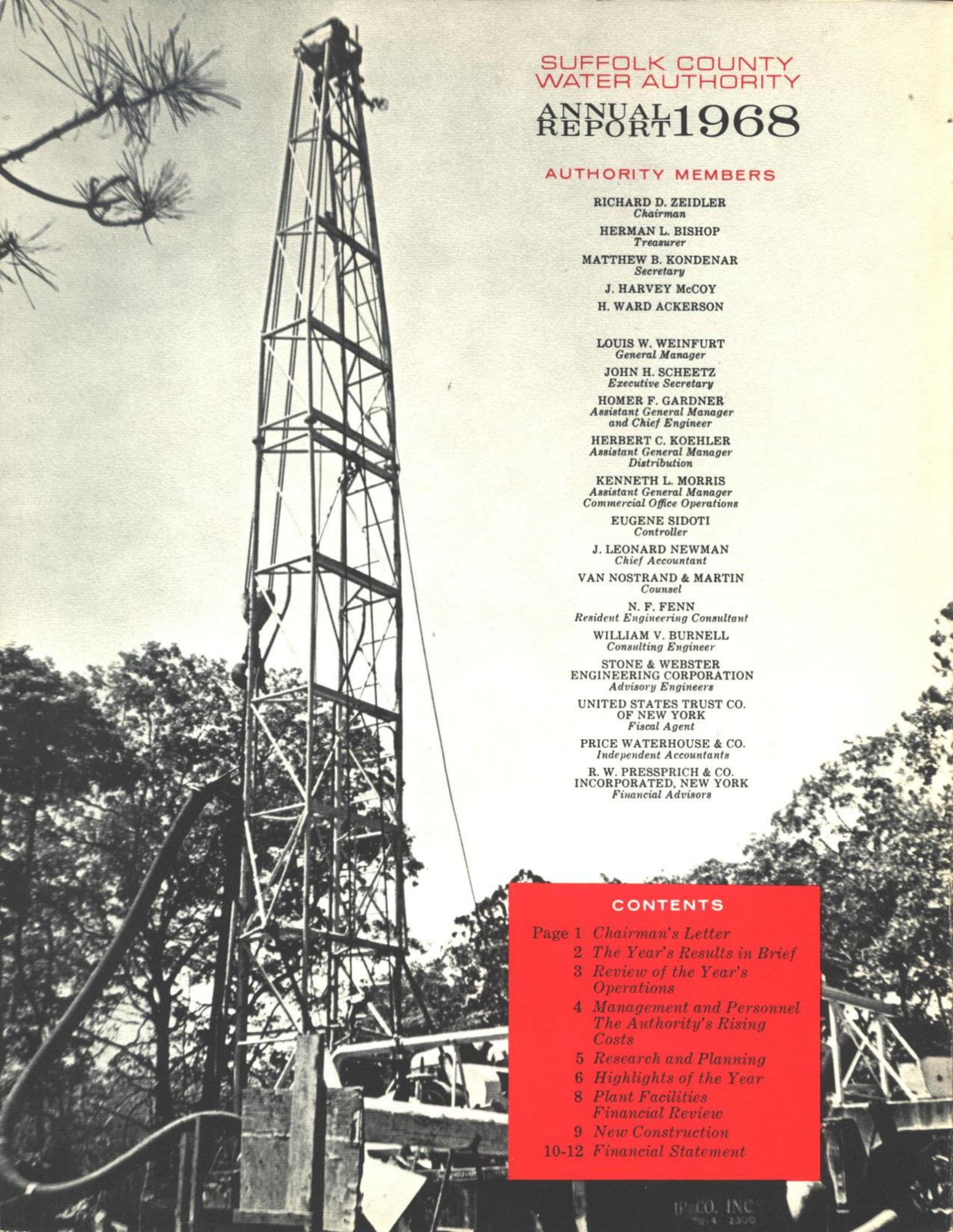


A scenic photograph of a pond. In the foreground, a white swan with an orange beak is resting on a grassy bank, partially obscured by green foliage. The pond's surface is calm, reflecting the sky and the surrounding trees. In the background, a dense line of trees borders the water. A large, leafy branch hangs down from the top right corner of the frame. The overall atmosphere is peaceful and natural.

ANNUAL
REPORT 1968

SUFFOLK COUNTY WATER AUTHORITY



SUFFOLK COUNTY
WATER AUTHORITY

ANNUAL 1968
REPORT

AUTHORITY MEMBERS

RICHARD D. ZEIDLER
Chairman

HERMAN L. BISHOP
Treasurer

MATTHEW B. KONDENAR
Secretary

J. HARVEY MCCOY

H. WARD ACKERSON

LOUIS W. WEINFURT
General Manager

JOHN H. SCHEETZ
Executive Secretary

HOMER F. GARDNER
*Assistant General Manager
and Chief Engineer*

HERBERT C. KOEHLER
*Assistant General Manager
Distribution*

KENNETH L. MORRIS
*Assistant General Manager
Commercial Office Operations*

EUGENE SIDOTI
Controller

J. LEONARD NEWMAN
Chief Accountant

VAN NOSTRAND & MARTIN
Counsel

N. F. FENN
Resident Engineering Consultant

WILLIAM V. BURNELL
Consulting Engineer

STONE & WEBSTER
ENGINEERING CORPORATION
Advisory Engineers

UNITED STATES TRUST CO.
OF NEW YORK
Fiscal Agent

PRICE WATERHOUSE & CO.
Independent Accountants

R. W. PRESSPRICH & CO.
INCORPORATED, NEW YORK
Financial Advisors

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CHAIRMAN'S LETTER

The authority reached new highs during fiscal 1968, both in service to its customers and in total plant value, which this year passed the \$100 million mark. At the end of the fiscal period, May 31, 1968, the total plant value was \$100,393,680 as compared to \$7,786,264 at the end of the first year of operation on May 31, 1952. Combined with this \$92,607,416 capital investment over the 17-year period has been a corresponding decrease of the Authority's bonded indebtedness, which on May 31, 1952, represented 103 percent of total plant value as compared to just 65 percent on May 31, 1968.

Service was extended to 10,091 new customers during the year, bringing the total number of Authority customers to a new high of 154,191. Service to these customers was improved by the installation of 170 miles of main, and the addition of 830 fire hydrants for a total of 14,156. Accompanying this rapid growth was a corresponding increase in water production, with 18,038 million gallons produced, as compared with 17,626 million gallons for the previous fiscal year.

The excellent financial position of the Authority was continued throughout the year, with year-end results showing revenues of \$9,186,276 for this period. Revenues, before interest and depreciation, were \$5,725,060, or 1.75 times debt service. Revenues invested in facilities since 1951 reached a new high of \$20,658,806.

Funds to complete budgeted construction and to redeem \$5,500,000 series "K" Bond Anticipation Notes were obtained in a \$12,000,000 Series "K" Bond Issue sold to the lowest bidder at 4.34% average net interest cost on August 22, 1967. These bonds were rated "A" by Moody's Investors Service and Standard & Poor's.

The past fiscal year saw a continuation of the Authority's cooperation with various agencies in studying and researching the fresh water supplies of Suffolk County.

The \$1 million Comprehensive Water Study and Test Well Program which is being conducted in cooperation with New York State, the Suffolk County Board of Supervisors, and other local governmental agencies, reached the halfway point. Work continued throughout the year on the Mid-Island Project and the Stream-Gauging and Detergent Monitoring Program being sponsored jointly by the Water Authority, the Board of Supervisors, and the United States Geological Survey.

Long range forecasts for the continued growth of both Suffolk County and the Water Authority continue to be optimistic. The Water Authority will continue concentrating its efforts toward planning methods to conserve Suffolk's fresh water supplies and to meet the ever increasing human demand for greater and greater amounts of fresh water. Meanwhile, steps will continue toward planning for the eventual single distribution system needed to preserve Suffolk's underground water supply and to insure that this supply will be reserved for the use of Suffolk County residents exclusively.

For the Members of the Authority



Chairman

August 26, 1968



THE YEAR'S RESULTS IN BRIEF

YEAR ENDED MAY 31

	<u>1968</u>	<u>1967</u>
Revenues	\$ 9,186,276	\$ 9,071,336
Operating and Maintenance Expense, except depreciation	3,461,216	3,188,670
Interest on bonds and notes; also amortization of debt discount and expense	2,422,317	2,176,705
Depreciation	1,156,887	1,035,526
Revenues Invested in Facilities for the Year	2,145,856	2,670,435
Revenues Invested in Facilities (<i>since June 1, 1951</i>)	20,658,806	18,512,950
Total Water Plant at cost	100,393,680	90,912,225
Net Additons to Water Plant (<i>excluding property acquisitions</i>)	8,987,616	9,268,154
Customers (Active Services)	154,191	144,100
Miles of Mains in Service	2,382	2,212
Fire Hydrants in Service	14,156	13,326
Water Production (Million Gallons)	18,038	17,626





REVIEW OF THE YEAR'S OPERATIONS

The rapid expansion and corresponding excellent financial position, which has characterized the Authority's operations over the past 17 years, was continued during the 1967-68 fiscal year which ended May 31, 1968. Authority facilities were expanded to serve all segments of the economy, with operations centering on meeting the needs of Suffolk's booming home building industry, which is engaged in the construction of single family dwellings.

At the close of fiscal 1968 the Authority was supplying water service to a total of 154,191 customers, 10,091 of whom joined the system during fiscal 1968. During the period covered by this report the Authority acquired the facilities of the New Highway Water Works Company, which served 865 customers included in the above total. Not included in the above were four water districts which purchase their water from the Authority. These districts had approximately 7,420 customers as of May 31, 1968. Combining the customers served by these districts with those of the Authority, the total number of customers receiving water produced by the Authority stands at 161,611, or an estimated population of more than 565,000 people—more than 50 percent of Suffolk's population.

Water production for the fiscal year was 18,038 million gallons. Revenues for the year reached a total of \$9,186,276.

Revenues before interest and depreciation, namely, revenues available for debt service, were \$5,725,060 or 1.75 times debt service.

At the close of the fiscal year, \$20,658,806 of the Authority's plant cost represented revenues of the Authority reinvested in the business.

MANAGEMENT AND PERSONNEL

On June 10, 1968, Mr. H. Ward Ackerson of Brightwaters was appointed by the Suffolk County Board of Supervisors to a five-year term expiring March 29, 1973. Mr. Ackerson was named to the position formerly held by Mr. Edward McGowan, who did not seek reappointment. Mr. H. Ward Ackerson has been an active Suffolk County Realtor since 1923. He served for 25 years as a member of the Islip Town Planning Board, serving 5 years as chairman; he has served as a member of the Suffolk County Planning & Development Commission and for ten years he was chairman of the Planning & Zoning Committee of the New York State Association of Towns. He has been active in realty and civic affairs and in recent years has specialized in appraisal work.

A 25-month collective bargaining agreement was signed with Local 393 Utility Workers' Union of America following a three day work stoppage which began at midnight, June 11. The New York State Public Employee Relations Board assisted in negotiations which led to the settlement and the signing of the contract agreement on July 12. The new contract covers the period from June 11, 1968 to July 13, 1970 and provides for a general 8 percent wage increase for the first 11-month period and a 6 percent general increase effective May 11, 1969 covering the remaining 14-month period. Additional fringe benefits were also provided in the contract.

At the close of the fiscal year, which ended May 31, 1968, there were 388 personnel carried on the Authority's payroll as compared to 368 a year earlier.

The Members of the Authority would like to once again express their appreciation to all employees for their continued cooperation. Their efforts have contributed greatly to the success the Authority has had in meeting its obligations to the public and to its rapid growth over the past 17 years.

THE AUTHORITY'S RISING COSTS

Capable and prudent management over the past 10 years has made it possible for the Authority to continue its modernization and expansion program that has seen total plant value jump from \$24,232,438 as of May 31, 1958 to \$100,393,680 as of May 31, 1968 without a rate increase while still facing a constant increase in operating costs. The table below illustrates the increased costs the Authority has managed to absorb while still fulfilling its obligations to the people of Suffolk County without increasing the customer's cost for the services he receives.

	<u>Installed Costs</u>		<u>Increase</u>
	<u>1958</u>	<u>1968</u>	<u>in Costs</u>
8" Cast Iron Pipe, per foot	\$ 5.28	\$ 6.24	18%
House Service Connection	57.00	112.51	97%
Water Meter and Fittings	32.00	43.78	37%
Authority Labor Rates			
(Average Hourly Contract Rates)	2.05	3.50	71%
Money	3.574%	4.342%	21%



RESEARCH AND PLANNING

Continued emphasis on probing the geological formations underlying Long Island, to obtain vital data concerning Suffolk County's water resources, was maintained throughout fiscal 1968. The Authority continued its cooperation with the United States Geological Survey in the Mid-Island Study and the stream gauging and detergent monitoring program underway since 1956, and also with the State of New York and the Suffolk County Board of Supervisors in the \$1 million Comprehensive Study of Suffolk County's Water Supply, in addition to expanding its own test well program.

The joint Comprehensive Study has passed the halfway point with the drilling of the eighth well in the 14-well series, four of these wells being drilled on property owned by the Authority. Three of these four wells have been designed to serve as permanent observation and production wells and will one day help supply water to the Authority's customers. The data obtained from the joint Water Authority and County 14-well series will be made available to the engineering firm of Holzmacher,

McLendon & Murrell, for the purpose of compiling a report which has as its goal the developing of a comprehensive inventory of the fresh water resources of Suffolk County as well as a 50-year plan for the development of these resources.

Vital data on the available water supplies is also being compiled as part of the test well program being conducted by the Authority. This program has utilized more than 91 test and observation wells drilled under the direction of the Authority's Chief Engineer, Homer F. Gardner, with the assistance of Leggette, Brashears & Graham, the Authority's consulting groundwater geologists. These wells have provided a wealth of information on Long Island's geological formation and water bearing strata which has resulted in tremendous savings, both in time and money, for the Authority.

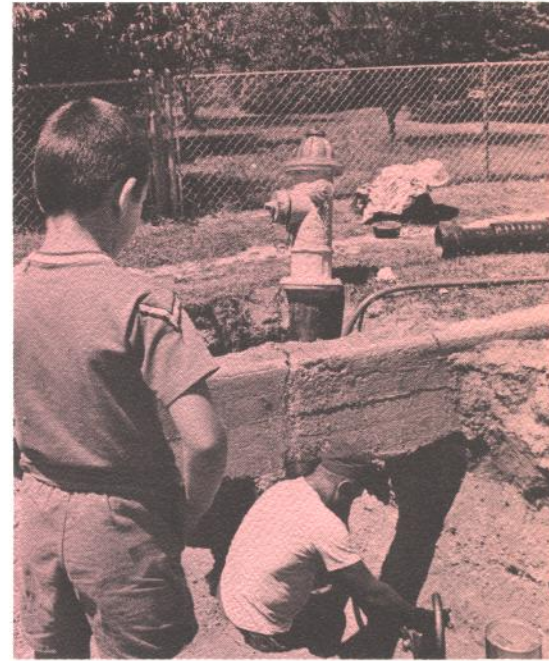
These programs will be continued throughout the coming fiscal period, and where practical, improved and expanded if necessary.



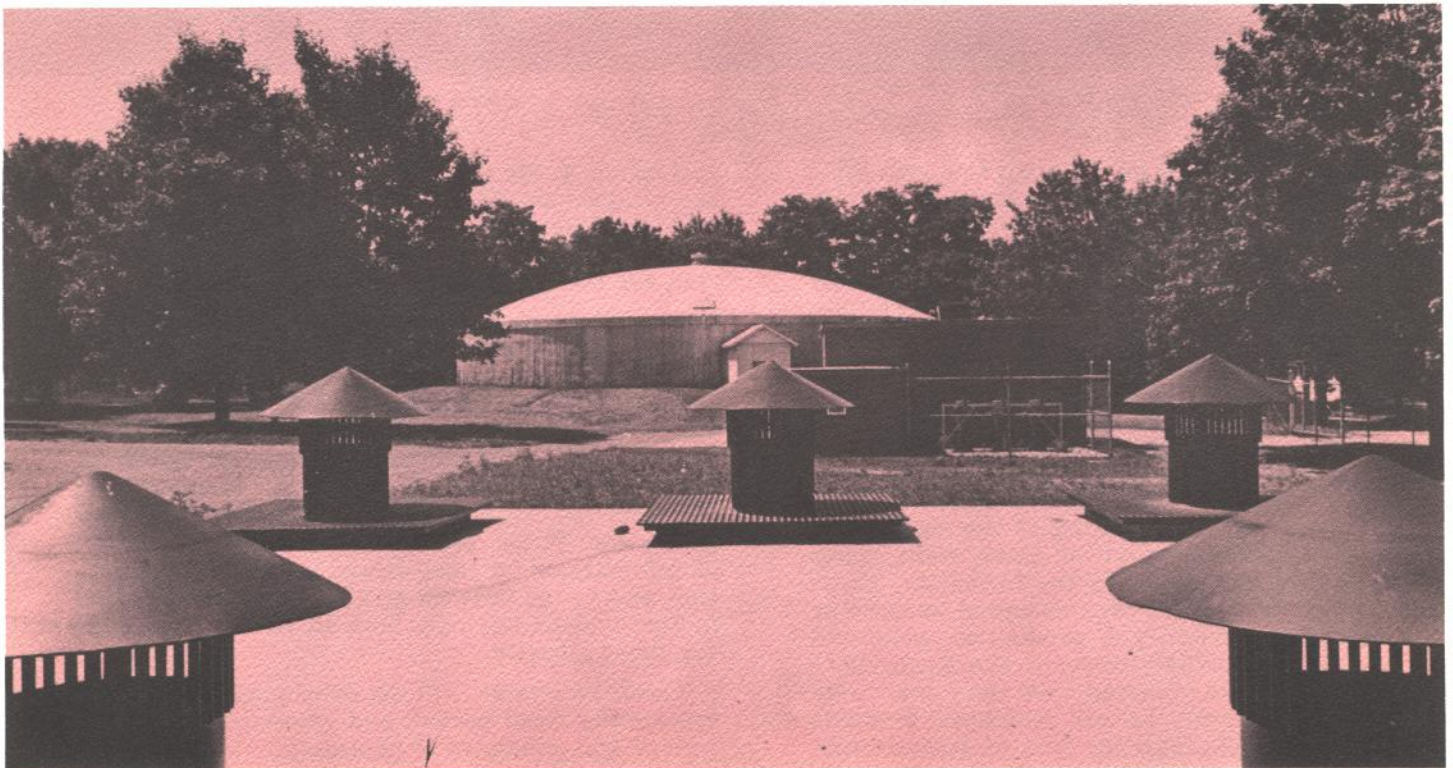
A member of one of the Authority's 18 service installation crews puts finishing touches on one of the 10,091 new services connected during 1968. Approximately 10,000 new customers have been joining the Authority's system every year for the past five years.



Workmen begin setting up drilling rig to commence construction of one of the 19 new wells added during 1968 to the Authority's backbone plant facilities. The Authority now operates 215 wells capable of pumping more than 216 million gallons of water daily.

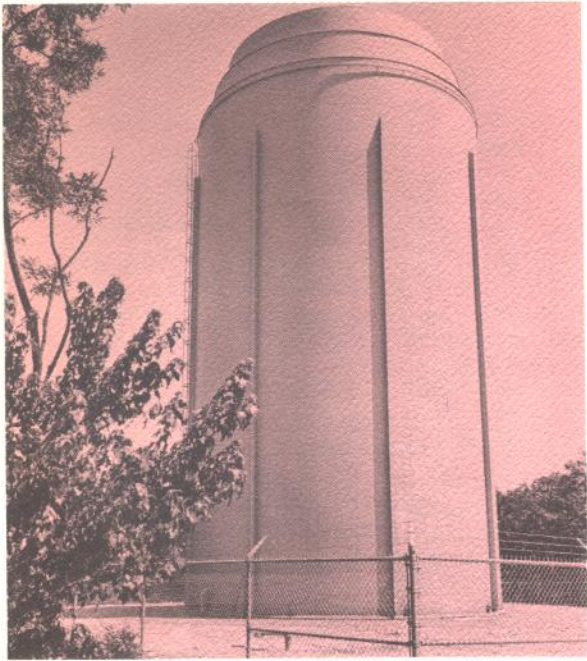


During 1968 the Authority added 830 new fire hydrants throughout its ever increasing service area bringing the total number of fire hydrants to 14,156. These hydrants are installed through special contracts with the various fire districts serving the Authority's distribution area.



A major project was completed in the Authority's Northport District with the addition of a booster station at Reservoir Avenue. The new station is made up of three pumping units capable of pumping 2,100 gallons of water per minute into the intermediate or high level systems. In the background is

the 1 million gallon reservoir which serves as elevated storage for the low level system serving the Village of Northport and as ground level storage that can be utilized by the booster station to supply the needs of either the intermediate or high level systems.



Placed in service during fiscal 1968 was the 1,320,000 gallon standpipe at Landscape Drive in the Town of Babylon. This new tank takes its place with the other 42 water storage facilities operated by the Authority that are capable of storing more than 28 million gallons of water.



A new IBM 360 computer system was added by the Authority this year. The new system has been designed to serve the Authority's more than 150,000 customer accounts and perform the necessary internal accounting procedures necessary in its daily operation.



The cooperation between the Authority and the United States Geological Service in maintaining a stream gauging program was continued throughout fiscal 1968. This program has been in operation since 1956 as one part of the Authority's continued interest in conservation projects.

PLANT FACILITIES

At Acquisition <input type="checkbox"/> <input type="checkbox"/> As of May 31, 1968													
Service Areas or Plants	Wells In Service		Pumping Plants				Storage Facilities						
			No.	Capacity—1000 Gals. Daily		No.	Capacity in 1000 Gallons		Active Services				
Amityville	5	9	1	3	936	7,058	1	2	295	1,045	3,260	8,872	
Babylon	12	36	3	12	4,464	37,952	1	5	300	4,770	5,829	31,552	
Bay Shore	19	44	2	13	5,040	45,152	2	6	558	3,080	7,366	36,439	
East Hampton	5	5	3	3	3,750	3,750	2	1	210	500	2,048	2,255	
Huntington	7	22	3	6	4,620	15,200	5	6	1,292	3,832	6,835	12,279	
Northport	7	12	3	6	7,500	18,160	4	5	1,700	3,020	8,090	11,784	
Patchogue	11	22	8	12	10,942	26,162	2	5	428	3,343	8,094	19,346	
Port Jefferson	6	20	2	10	2,664	22,900	3	6	863	5,504	3,281	13,931	
Sag Harbor	1	3	1	2	432	1,170	1	1	235	235	662	824	
Smithtown-Kings Park*	10	25	8	13	10,784	31,560	2	4	568	2,084	3,589	12,740	
Southampton	2	4	1	1	1,296	2,592	1	1	300	300	1,413	1,968	
Westhampton**	8	13	2	3	2,229	4,409	1	1	234	500	1,154	2,201	
TOTALS	93	215	37	84	54,657	216,065	25	43	6,983	28,213	51,621	154,191	
PERCENT INCREASE (since acquisition)					295				304				199
* Includes acquisition of New Highway Water Works Co. (865 services and two wells, each rated at 1,400 GPM) on September 21, 1967.													
** Includes acquisition of West Beach Water Service, Inc. (two small wells, rated at a total of 48 GPM) on May 21, 1968.													

FINANCIAL REVIEW

Funds to complete budgeted construction and to redeem \$5,500,000 Series "K" Bond Anticipation Notes were generated by the sale of a \$12,000,000 Series "K" Bond Issue to the lowest bidder, at 4.34% average net interest cost, on August 22, 1967. This issue, dated June 1, 1967, matures serially to 2002 and was rated "A" by both Moody's Investors Service and Standard & Poor's. Net proceeds from the bond issue, after deductions for prescribed debt service reserve requirements and issuing expense, in the amount of \$5,595,221, were available for acquisition of water properties, and new construction anticipated for the fiscal year ended May 31, 1968.

NEW CONSTRUCTION

New construction activity followed the eastward movement of Long Island's population growth and centered this year in the Port Jefferson District which serves the northern portion of Brookhaven and Smithtown. New construction expenditures totaled \$9,322,804 during the 1968 fiscal year with an additional \$493, 839 being invested to purchase existing water properties. Retirements for the fiscal period totaled \$335,188 leaving a net figure of \$9,481,455 for additions to the water plant.

During fiscal 1968 the Authority added 19 new wells to its backbone plant, thus increasing its pumping capacity by more than 27 million gallons daily. In addition, 10 new pump stations were added to the Authority's extensive system. At the end of the fiscal period the Authority had a total of 84 pump stations capable of pumping 216,065 million gallons daily and plans were already being implemented that will add another 7 pump stations during 1969. Fiscal 1968 also saw the installation of standby diesel generators in five of the Authority's pump stations. At the end of the year more than 85 percent of the Authority's pumping facilities were equipped with standby power and were capable of operating without employing an outside source of power in case of an emergency.

Work was completed on the \$200,000 Circle Drive pump station complex in Wyandanch in Babylon District. This work consisted of increasing the capacity of wells number one and two from 500 gallons per minute to 700 gpm each, and the drill-

ing of the 1,000 gpm well number three. Finishing touches were also applied to the pump station and landscaping of the entire well field site is to be included.

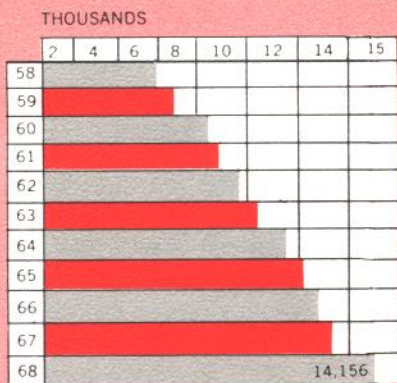
Completed and placed in service in early Spring was the 1,320,000-gallon standpipe at the Landscape Drive site in the Town of Babylon. Placing this tank in service increased the Authority's capacity to 28,213,000 gallons. The Landscape Drive tank is tied into the North Babylon and Deer Park systems but primarily serves the community of Wyandanch, helping to maintain water pressures for fire-fighting purposes and residential users.

Fiscal 1968 also saw the installation of two more Water Supply Districts in accordance with contracts signed with the Towns of Islip and Smithtown. In October work got underway on the extension of the Victory Farms Water Supply District and in April of 1968 crews began work on the Smithtown Pines Water Supply District which, when completed, will serve more than 618 homes. Included in the \$650,000 contract is the installation of 5.4 miles of eight inch or larger pipe and 7.8 miles of six inch main.

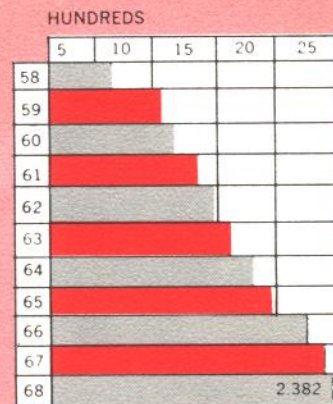
There were 170 miles of pipelines and 830 fire hydrants included in the additions to the water plant this year. This brings the total miles of pipeline to 2,382 and hydrants to 14,156 at year's end.

At the end of the fiscal year the total cost of the water plant was \$100,393,680.

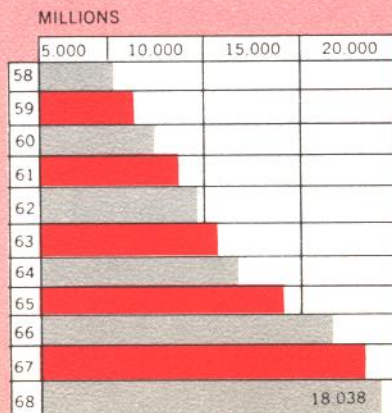
FIRE HYDRANTS



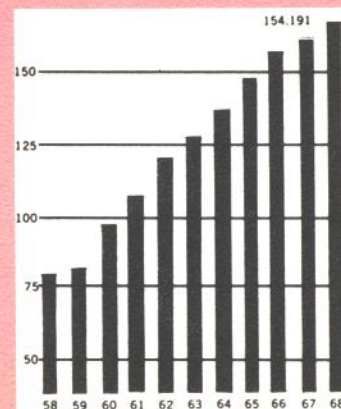
MILES OF MAIN



GALLONS PUMPED



ACTIVE SERVICES



STATEMENT OF REVENUES

	<i>Year ended May 31</i>	
	<u>1968</u>	<u>1967</u>
Revenues:		
Operating	\$ 8,703,137	\$ 8,654,937
Interest	483,139	416,399
Total Revenues	<u>9,186,276</u>	<u>9,071,336</u>
Operating Expenses:		
Operation	2,860,072	2,667,788
Maintenance	601,144	520,882
Total operating expenses, except depreciation deducted below	<u>3,461,216</u>	<u>3,188,670</u>
Revenues before interest and depreciation (Note C)	<u>5,725,060</u>	<u>5,882,666</u>
Deduct:		
Interest on bonds and notes	2,355,077	2,112,034
Amortization of debt discount and expense ...	67,240	64,671
Depreciation	<u>1,156,887</u>	<u>1,035,526</u>
	<u>3,579,204</u>	<u>3,212,231</u>
Revenues invested in facilities:		
For the year	2,145,856	2,670,435
At beginning of year	18,512,950	15,842,515
At end of year	<u>\$20,658,806</u>	<u>\$18,512,950</u>

BALANCE SHEET

ASSETS

	<i>May 31</i>	
	<u>1968</u>	<u>1967</u>
WATER PLANT, at cost	\$100,393,680	\$ 90,912,225
Less — Accumulated depreciation	6,985,482	5,960,503
	<u>93,408,198</u>	<u>84,951,722</u>
FUNDS HELD BY FISCAL AGENT (Notes A and B):		
New construction fund	444,880	859,942
Debt service reserve fund, comprising cash of \$1,932 (\$2,314 in 1967) and U.S. Government securities at cost, which approximates market...	3,673,623	2,907,758
Bond proceeds fund, comprising cash of \$603,799 (\$7,110 in 1967) and U.S. Government securities at cost, which approximates market...	1,609,264	2,734,463
	<u>5,727,767</u>	<u>6,502,163</u>
CURRENT ASSETS:		
Cash (Note B)	2,837,810	1,890,908
U.S. Government securities at cost, which approximates market, and bank certificates of deposit \$2,200,000 (\$1,000,000 in 1967)	2,577,149	1,673,714
Additional funds held by Fiscal Agent (Note A):		
General fund	143,456	235,053
Debt service fund	2,082,964	1,850,740
Accounts receivable, less estimated doubtful accounts	967,665	860,270
Accrued unbilled fire protection revenue	301,437	283,783
Materials and supplies, at average cost	561,927	661,279
Prepayments	87,881	61,439
	<u>9,560,289</u>	<u>7,517,186</u>
DEFERRED CHARGES:		
Unamortized debt discount and expense	1,377,349	1,409,373
Other	15,764	9,010
	<u>1,393,113</u>	<u>1,418,383</u>
	<u>\$110,089,367</u>	<u>\$100,389,454</u>

LIABILITIES

	<i>May 31</i>	
	<u>1968</u>	<u>1967</u>
WATER WORKS REVENUE BONDS		
(Notes A, D and E)	\$ 64,300,000	\$ 53,214,000
BOND ANTICIPATION NOTES		
(Note D)		<u>5,550,000</u>
CURRENT LIABILITIES:		
Accounts payable	800,243	1,008,404
Accrued interest on bonds and notes	1,188,720	1,117,537
Other accrued liabilities	731,425	709,967
Customers' deposits	1,708,715	1,515,287
Current maturities of revenue bonds	914,000	753,000
	<u>5,343,103</u>	<u>5,104,195</u>
ADVANCES FOR CONSTRUCTION	10,157,898	10,464,531
CONTRIBUTIONS IN AID OF CONSTRUCTION	9,629,560	7,593,778
REVENUES INVESTED IN FACILITIES	20,658,806	18,512,950
	<u>\$110,089,367</u>	<u>\$100,389,454</u>

NOTES TO FINANCIAL STATEMENTS MAY 31, 1968

NOTE A — BONDS OUTSTANDING:

The Authority's resolution authorizing the bond issues requires that all revenues be deposited in the name of the Fiscal Agent and allocated to specific funds. After certain dates, bonds are redeemable in the inverse order of their maturity at

varying prices in excess of principal amount depending upon the redemption date. The bonds bear annual interest rates and mature as follows, exclusive of current maturities:

<u>Series</u>	<u>Interest rate</u>	<u>Principal amount</u>	<u>Final date</u>	<u>Maturity*</u> <u>Annual amounts</u>
A	2 $\frac{3}{4}$ %	\$ 3,115,000	1984	\$160,000 to \$ 235,000
A (Term)	2 $\frac{3}{4}$ %	1,995,000	1985	86,000 to 263,000
B-D	3 $\frac{1}{2}$ %	1,665,000	1988	60,000 to 115,000
F	4.10-4 $\frac{1}{2}$ %	5,285,000	1998	30,000 to 350,000
G	4-5%	4,375,000	2000	25,000 to 500,000
H	3 $\frac{1}{4}$ -5%	5,375,000	2001	25,000 to 1,100,000
I	3 $\frac{1}{4}$ -5%	16,125,000	2002	240,000 to 1,000,000
J	0.10-5%	14,495,000	2002	195,000 to 910,000
K	4.10-5%	11,870,000	2002	140,000 to 1,000,000
		<u>\$64,300,000</u>		

*The bonds are serial bonds which mature in increasing annual installments, except that \$1,995,000 of the Series A bonds are term bonds which mature on June 1, 1985. However, the resolution authorizing this issue provides for the retirement of the term bonds in increasing annual amounts out of the sinking fund accumulated for this purpose. The annual maturities shown for serial bonds represent the amounts maturing in 1969 and in the last year of their term, respectively, and the required sinking fund payments have been treated as maturities for the term bonds.

NOTE B—FUNDS HELD BY FISCAL AGENT:

A substantial portion of cash represents monies received from the New Construction Fund held by the Fiscal Agent and from housing developers to be used solely for new construction. In addition, the Bond Proceeds Fund is similarly restricted.

NOTE C — DEBT SERVICE REQUIREMENTS

Debt service requirements (interest on bonds and notes, principal of bonds maturing serially, and sinking fund requirements) for the year ended May 31, 1968, were \$3,272,237. Revenues before interest and depreciation for the year ended May 31, 1968 equaled 1.75 times debt service requirements.

Debt service requirements of the bonds for the next five years ending May 31 are as follows:

<u>Fiscal year</u>	<u>Amount</u>
1969	\$3,348,663
1970	3,354,365
1971	3,346,553
1972	3,350,048
1973	3,350,700

NOTE D — AUTHORIZATION OF ISSUANCE OF WATER WORKS REVENUE BONDS, SERIES K:

On September 12, 1967 the Authority sold \$12,000,000 of Water Works Revenue Bonds, Series K. The proceeds from the sale of the Series K Bonds were used, in part: (1) to pay the then outstanding Bond Anticipation Notes and (2) to increase the Debt Service Reserve Fund as required by the resolution. The remaining proceeds were used to pay the expenses of the issuance and sale of the Series K bonds and to meet new construction requirements.

NOTE E — BONDS MATURING OR REDEEMABLE ON JUNE 1, 1968:

There are outstanding \$2,850,000 Huntington-Babylon-Sag Harbor Division Water Works Revenue Bonds, Series C, maturing or redeemable on June 1, 1968, heretofore issued by the Authority as obligations secured by the revenues formerly derived from the Authority's former Huntington-Babylon-Sag Harbor Division. The Authority has elected to call for redemption on June 1, 1968 all the bonds maturing after that date and has deposited in trust with the Fiscal Agent for, and to be applied to, the payment in full of the principal, premium and interest on such bonds to and including June 1, 1968, with irrevocable instructions to make such payments. The redemption fund for such bonds has been offset against the outstanding bonds in the financial statements.

To the Members of Suffolk County Water Authority

In our opinion, the accompanying balance sheet and statement of revenues present fairly the financial position of Suffolk County Water Authority at May 31, 1968 and the results of its operations for the year then ended, in conformity with generally accepted accounting principles applied on a basis consistent with that of the preceding year. Our examination of these statements was made in accordance with generally accepted auditing standards and accordingly included such tests of the accounting records and such other auditing procedures as we considered necessary in the circumstances.

*Price Waterhouse & Co.
Mineola, L.I. N.Y.
July 29, 1968*

AMITYVILLE

Amityville
Copiague
North Amityville

BABYLON

Babylon
Deer Park
Lindenhurst
North Babylon
West Babylon
Wyandanch

BAY SHORE

Bay Shore
Brightwaters
Central Islip
East Islip
Great River

PATCHOGUE

Bayport
Bellport
Blue Point
Bohemia
East Patchogue
Farmingville
Lake Ronkonkoma
Medford
North Patchogue
Patchogue
Sayville
West Sayville

KINGS PARK

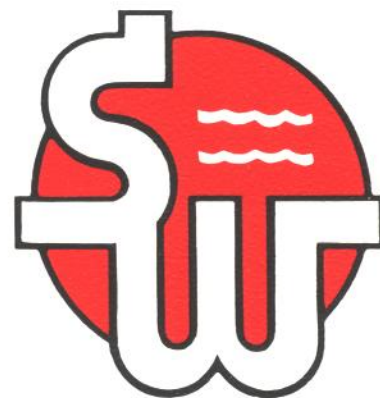
Retail:
Commack
Kings Park
Wholesale:
Smithtown‡

SAG HARBOR

North Haven
Sag Harbor

SMITHTOWN

Retail:
Hauppauge
Head-of-the-Harbor
Nesconset
Nissequogue
Smithtown
The Branch
Wholesale:
St. James‡



COMMUNITIES SERVED

Islip
Islip Manor
Islip Terrace
North Brentwood
Oakdale
West Islip

EAST HAMPTON

East Hampton

HUNTINGTON

Centerport
Cold Spring Harbor
Halesite
Huntington
Huntington Bay
Huntington Station
Lloyd Harbor

NORTHPORT

Asharoken
Commack
East Northport
Northport

PORT JEFFERSON

Retail:
Belle Terre
Centereach
East Setauket
Miller Place
Poquot
Port Jefferson
Port Jefferson Station

PORT JEFFERSON

Retail:
Selden
Setauket
Sound Beach
South Setauket
Stony Brook
Terryville

Wholesale:
Pipe Stave Hollow‡
Stony Brook‡

SOUTHAMPTON

Southampton

WESTHAMPTON BEACH

East Quogue
Quogue
Quogue
Westhampton
Westhampton Beach

OUR COVER:

*The beautiful South
Haven County Park in
Shirley, New York,
provided the inspiration
for our cover this
year for its quiet beauty
and its emphasis on
conservation. The 1400
acre park is the
former Suffolk Lodge
Game Preserve and
is open to the public.*



**SUFFOLK COUNTY
WATER AUTHORITY**

OAKDALE, LONG ISLAND, NEW YORK

