

**NEW JERSEY WATER SUPPLY AUTHORITY**



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**COMPREHENSIVE ANNUAL FINANCIAL REPORT**

**(A Component Unit of the State of New Jersey)**

**SEPTEMBER 30, 2013 AND JUNE 30, 2013**

**(UNAUDITED)**

NEW JERSEY WATER SUPPLY AUTHORITY

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New Jersey Water Supply Authority

Statement of Net Position

Unaudited

	Sept 30, 2013	June 30, 2013
<b>Assets</b>		
Current assets:		
Cash and cash equivalents	\$37,106,662	\$42,001,799
Unbilled sales	1,382,266	968,323
Accounts receivable, less allowance for doubtful accounts of \$1,000 at September 30, 2013 and June 30, 2013	781,585	979,511
Interest receivable	122,098	118,995
Prepaid expenses and other current assets	654,374	1,018,480
Costs to be recovered from future revenues	2,132,233	2,886,478
Total current assets	<u>42,179,218</u>	<u>47,973,586</u>
Non-current assets:		
Restricted assets:		
Cash equivalents	2,640,199	2,130,879
Investments	7,916,653	12,540,844
Investments	12,776,968	5,651,260
Costs to be recovered from future revenues	(445,437)	(445,437)
Deferred issuance cost	330,034	341,514
Capital assets, net	142,940,797	143,500,274
Total non-current assets	<u>166,159,214</u>	<u>163,719,334</u>
Total assets	<u>208,338,432</u>	<u>211,692,920</u>
<b>Liabilities</b>		
Current liabilities:		
Current portion of bonds, notes and loans payable	2,793,263	6,232,825
Accounts payable	691,684	283,150
Accrued liabilities	2,023,882	2,350,436
Unearned revenue	2,229,187	2,544,814
Total current liabilities	<u>7,738,016</u>	<u>11,411,225</u>
Non-current liabilities:		
Long-term portion of bonds, notes and loans payable	79,232,940	79,269,979
Total liabilities	<u>86,970,956</u>	<u>90,681,204</u>
<b>Net Position</b>		
Invested in capital assets, net of related debt	86,477,778	83,560,654
Restricted for repayment of debt principal and interest	8,327,665	12,126,909
Unrestricted	26,562,033	25,324,153
Total net position	<u>\$121,367,476</u>	<u>\$121,011,716</u>

See accompanying notes.

New Jersey Water Supply Authority

Statements of Revenues, Expenses and Changes in Net Position

Unaudited

	Three months ended September 30,	
	2013	2012
Operating revenues:		
Water sales	\$5,842,422	\$5,849,706
Reimbursement of operating expenses	639,519	608,472
Total operating revenues	<u>6,481,941</u>	<u>6,458,178</u>
Operating expenses:		
Payroll	1,835,098	1,792,971
Operations and maintenance	1,244,692	1,096,210
Fringe benefits	1,064,437	1,068,234
Depreciation	1,088,455	1,072,790
Total operating expenses	<u>5,232,682</u>	<u>5,030,205</u>
Income from operations	1,249,259	1,427,973
Non-operating revenues:		
State of New Jersey - Grant Programs	0	0
Investment income	185,911	207,267
Rental income	45,392	10,263
Other income	13,391	1,713
Total non-operating revenues	<u>244,694</u>	<u>219,243</u>
Non-operating expenses:		
Interest component of debt service to the State of New Jersey	427,016	485,323
Amortization of issuance costs - D & R System Revenue Refunding Bonds, Series 1998	2,160	6,359
Amortization of issuance costs - Manasquan State Loan Notes	16,464	16,464
Reduction in costs to be recovered from future revenues	692,553	708,653
Total non-operating expenses	<u>1,138,193</u>	<u>1,216,799</u>
Change in net position	355,760	430,417
Net position, beginning of year	121,011,716	114,249,113
Net position, end of year	<u>\$121,367,476</u>	<u>\$114,679,530</u>

See accompanying notes.

New Jersey Water Supply Authority

Statements of Cash Flows

Unaudited

	Three months ended September 30,	
	2013	2012
<b>Cash flows from operating activities</b>		
Cash received from water sales	\$5,703,565	\$5,212,639
Cash received from reimbursable expenses	651,080	587,814
Cash received from rental income	33,407	33,021
Cash paid to or on behalf of employees	(2,726,304)	(2,688,079)
Cash paid to suppliers	(625,770)	(843,543)
Net cash provided by operating activities	<u>3,035,978</u>	<u>2,301,852</u>
<b>Cash flows from noncapital financing activities</b>		
Cash received for grant programs	0	0
Net cash provided by noncapital financing activities	<u>0</u>	<u>0</u>
<b>Cash flows from capital and related financing activities</b>		
Proceeds from Borrowing	0	0
Principal paid on bonds, notes and loans	(3,770,305)	(2,287,357)
Interest paid on bonds, notes and loans	(869,809)	(905,146)
Acquisition and construction of capital assets	(462,972)	270,951
Proceeds from sale of capital assets	0	0
Net cash used in capital and related financing activities	<u>(5,103,086)</u>	<u>(2,921,552)</u>
<b>Cash flows from investing activities</b>		
Sale of investment securities	(1,302,022)	5,640,673
Purchase of investment securities	(1,199,495)	(3,189,701)
Interest received on investments	182,808	265,252
Net cash provided by investing activities	<u>(2,318,709)</u>	<u>2,716,224</u>
Net increase in cash and cash equivalents	(4,385,817)	2,096,524
Cash and cash equivalents, beginning of year	44,132,678	35,066,623
Cash and cash equivalents, end of year	<u>\$39,746,861</u>	<u>\$37,163,147</u>
<b>Reconciliation of income from operations to net cash provided</b>		
by operating activities:		
Income from operations	\$1,249,259	\$1,427,973
Adjustments to reconcile income from operations to net cash provided by operating activities:		
Non-cash items expensed to operations and maintenance	45,392	0
Cash received for operating activity shown in other income	13,391	11,976
Depreciation	1,088,455	1,072,790
Increase (decrease) in cash from:		
Unbilled sales	(413,943)	(405,826)
Accounts receivable	171,366	(338,725)
Prepaid expenses	364,106	337,492
Accounts payable	369,088	33,015
Accrued liabilities	(3,412)	(17,996)
Accrued payroll and taxes	152,276	181,153
Net cash provided by operating activities	<u>\$3,035,978</u>	<u>\$2,301,852</u>
<b>Non cash investing activities</b>		
Increase (decrease) in fair value of investments	<u>\$9,088</u>	<u>(\$247,472)</u>

See accompanying notes.

# New Jersey Water Supply Authority

## Notes to Financial Statements

September 30, 2013

### 1. Organization and Operations

The New Jersey Water Supply Authority (the "Authority"), a component Unit of the State of New Jersey (the "State"), consisting of the Spruce Run/Round Valley Reservoirs Complex, the Delaware and Raritan Canal Transmission Complex ( the "Raritan Basin System") and the Manasquan Reservoir Water Supply System (the "Manasquan System"), is a public body, corporate and politic, constituted as an instrumentality of the State of New Jersey, exercising public and essential governmental functions. The Authority was created by the New Jersey Water Supply Authority Act (the "Act") on October 7, 1981, and in connection with the Act, all water supply facilities owned or operated by the State (Raritan Basin System) were transferred or leased to the Authority. The Act empowers the Authority to acquire, finance, construct and operate water systems and issue bonds. Members of the Authority consist of the Commissioner of the New Jersey Department of Environmental Protection (ex officio member) and six public members appointed by the Governor upon the advise and consent of the New Jersey Senate. The public members represent the agricultural community, industrial water users, residential water users, private watershed associations, public finance, and water resource management and distribution. The Authority prepares an annual budget that is used to establish rates and as a management tool, but it does not constitute a legal budget or establish spending limitations.

The Authority does not have component units that should be included within its financial statements.

### 2. Summary of Significant Accounting Policies

#### Basis of Accounting

The Authority derives most of its revenues from water user charges and is considered to be an enterprise fund; accordingly, the Authority presents its financial statements on the accrual basis of accounting. In addition, the Authority has established certain restricted "funds or accounts" as directed by internal resolution and bond indentures.

In its accounting and financial reporting, the Authority follows the pronouncements of the Governmental Accounting Standards Board ("GASB") and other entities that promulgate accounting principals according to a hierarchy of sources of accounting principles. Per GASB Statement 55, *The Hierarchy of Generally Accepted Accounting Principles for State and Local Governments*, priority is established as to which source of accounting principles to utilize in determining proper accounting treatment. The hierarchy is as follows: GASB Statements and Interpretations; GASB Technical Bulletins; American Institute of Certified Public Accountants ("AICPA") Industry Audit and Accounting Guides and AICPA Statements of Position, if applicable and cleared by GASB; AICPA Practical Bulletins, if applicable and cleared by GASB; Implementation Guides published by the GASB; AICPA pronouncements that are not specifically applicable to state and governmental entities; Financial Accounting Standards Board ("FASB") Statements and Interpretations; and Accounting Research Bulletins of the Committee on Accounting Procedure (issued on or before November 30, 1989. The Authority has elected not to follow FASB pronouncements issued after November 30, 1989. The Authority follows the hierarchy in determining accounting treatment.

New Jersey Water Supply Authority  
Notes to Financial Statements (continued)

**2. Summary of Significant Accounting Policies (continued)**

Other significant accounting policies are:

**Revenues**

Charges for wholesale water usage are established to provide revenues sufficient for services, essential repairs and improvements to utility plant, and repayment of debt service on certain long-term obligations used for plant construction. Sales are recognized as revenue when water is made available to customers, and the customers are billed in the following month or quarter. The Authority distinguishes operating revenues and expenses from non-operating items. Operating revenues and expenses result from the sale of water to customers. Operating expenses include costs of providing water, administrative expenses and depreciation on capital assets. All revenues and expenses not meeting this definition are reported as non-operating revenues and expenses.

**Capital Assets**

Capital assets are stated at original cost and consists primarily of amounts expended to license, construct, acquire, complete and place in operation the projects of the Authority. Capital assets are defined by the Authority as assets with an initial, individual cost of more than \$1,000, and an estimate useful life in excess of three years. Such expenditures include labor, materials, services and indirect costs. Normal maintenance and repair costs are charged to operations and maintenance expense. Improvements and replacements are capitalized. Interest earned on long-term debt proceeds used for capital assets construction and temporarily invested during the construction period is netted against interest costs. The excess, if any, is capitalized to construction work in progress, and the portion related to completed projects is expensed. The cost of capital assets retired net of any gain or loss on the disposal of such capital asset is offset to accumulated depreciation. The Authority also holds several restricted easements for utility access, conservation and water rights. These easements are recorded at the lower of cost or fair market value upon acquisition.

**Depreciation**

Capital assets are depreciated on the straight-line basis over the estimated useful lives of the various classes of plant, as follows:

Dams	100 years
Buildings, structures and improvements	15-40 years
D&R canal dredging	20 years
Machinery & equipment	3-10 years

**Cash and Cash Equivalents**

For purposes of the statements of cash flows the Authority considers short-term investments that have original maturities of ninety days or less to be cash equivalents.

New Jersey Water Supply Authority

Notes to Financial Statements (continued)

**2. Summary of Significant Accounting Policies (continued)**

**Investments**

Short-term investments and restricted investments for construction and payment of interest consist of money market funds and U.S. Government-backed securities with various interest rates. Restricted investments are restricted under the terms of the Authority's bond indentures for the payment of debt service. All investments are carried at fair value, in accordance with GASB Statement No. 31, *Accounting and Financial Reporting for Certain Investments and for External Investment Pools*.

**Accounts Receivable**

The Authority considers most of its accounts receivable to be collectible; accordingly, the change in net position is charged with an allowance for estimated uncollectible accounts based on past experience and an analysis of current accounts receivable collectibility. Accounts deemed uncollectible are charged to the allowance in the year they are deemed uncollectible. At September 30, 2013 and 2012, accounts receivable included amounts due from the New Jersey Environmental Infrastructure Financing Program ("NJEIFP") for \$0 and \$0, respectively.

During fiscal years 2013 and 2012, respectively, two customers accounted for approximately 84% of total Raritan Basin System accounts receivable and five customers accounted for approximately 88% of the Manasquan Reservoir accounts receivable.

**Compensated Absences**

All full-time employees accumulate vacation benefits in varying annual amounts up to a maximum allowable accumulation of two years benefit. Unused sick leave benefits are earned by all full-time employees at a rate of 15 days per year and may be accumulated without limit. In the event of termination, an employee is reimbursed for all accumulated vacation days. Unused sick leave benefits do not vest but are payable only upon retirement to a maximum of \$15,000. A liability is accrued in the financial statements when incurred.

**Use of Estimates**

The preparation of financial statements in conformity with accounting principles generally accepted in the United States of America 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.

**Income Taxes**

The Authority is exempt from federal income taxes under the Internal Revenue Code, Section 115, and from state income taxes under N.J.S.A. 27:25-16 and, accordingly, no provision is recorded for federal and state income taxes.

**Net Position**

Net position represent the difference between assets and liabilities and is classified into three categories:

- *Invested in Capital Assets, Net of Related Debt* - This reflects the net position of the Authority that are invested in capital assets, net of related debt. This indicates that the net position are not accessible for other purposes.



New Jersey Water Supply Authority  
Notes to Financial Statements (continued)

- *Restricted Net Position* - This represents the net position that are not accessible for general use because their use is subject to restrictions enforceable by third parties.
- *Unrestricted Net Position* - This represents the net position that are available for general use. When both restricted and unrestricted resources are available for use, it is the Authority's policy to use restricted resources first and then unrestricted resources, as they are needed.

**Costs to be Recovered from Future Revenue**

The Authority's cost recovery rate model used to establish rates, fees and charges, includes an amount for debt principal repayment (but not for depreciation on the related debt financed assets) and also includes vacation amounts paid. In accordance with FASB Statement No. 71, the Authority has deferred the excess of current depreciation on assets financed with debt proceeds over the costs for debt principal repayment and the excess of vacation expense over vacation paid. The deferred costs will be recovered through future revenue in accordance with the rate model. The deferred amount for the three months ended September 30, 2013 and the year ended June 30, 2013, were determined as follows:

	September 30, 2013	June 30, 2013
<b>Raritan Basin System</b>		
Cost excluded from rate model:		
Depreciation of debt-financed capital assets recoverable from rate payers	\$208,802	\$835,209
Excess vacation expense over vacation paid	(34,310)	(16,178)
	174,492	819,031
Cost included in rate model:		
Debt principal repayment	(650,000)	(2,465,000)
	(475,508)	(1,645,969)
<b>Manasquan System</b>		
Cost excluded from rate model:		
Depreciation of debt-financed capital assets recoverable from rate payers	385,213	1,540,854
Excess vacation expense over vacation paid	1,685	(2,874)
	386,898	1,537,980
Cost included in rate model:		
Debt principal repayment	(665,635)	(2,527,398)
	(278,737)	(989,418)
Total Raritan Basin and Manasquan	(754,245)	(2,635,387)
Balance, beginning of year	2,441,041	5,076,428
Balance, end of year	\$1,686,796	\$2,441,041

As shown in the statement of revenue, expenses and changes in net position for the three months ended September 30, 2013 and the year ended June 30, 2013 respectively, the cost to be recovered from future revenues of \$692,553 and 2,744,198 includes a credit balance of \$29,067, and a debit balance of \$127,863 of Manasquan Water Treatment Plant deferred revenue, which is not part of the rate model, and does not include a debit balance of \$32,625 and a debit balance of \$19,052 of accrued vacation.

New Jersey Water Supply Authority  
Notes to Financial Statements (continued)

**2. Summary of Significant Accounting Policies (continued)**

**Accounting for Southeast Monmouth Municipal Utilities Authority Agreement**

The Authority operates and maintains a Water Treatment Plant/Transmission System for the Southeast Monmouth Municipal Utilities Authority ("SMMUA"). The SMMUA is charged for budgeted operating expenses expected to be incurred by the Authority during the SMMUA's fiscal year (January 1 through December 31).

Because of the difference resulting from billing the SMMUA for budgeted expenses versus actual expenses appearing in the financial statements, the Authority includes unearned costs (actual costs exceeding SMMUA billings) or unearned revenue (SMMUA billings exceeding actual costs) in its statement of net position. These excess costs or billings will be recovered or recognized in future periods. As of September 30, 2013 and 2012, unearned revenue amounting to \$1,363,144 and \$1,318,917, respectively, was determined as follows:

	2013	2012
Reimbursement of operating expenses	\$640,067	\$608,645
Operating expenses	869,134	554,076
Unearned revenue	(29,067)	54,569
Balance, beginning of year	1,392,211	1,264,348
Balance, end of year	\$1,363,144	\$1,318,917

During the fiscal years ended June 30, 2006 and 2005 the Authority received \$39,966 and \$191,877, respectively. These funds are restricted for use by the SMMUA for costs associated in operating the Water Treatment Plant. As of September 30, 2013 and 2012, the amount included in unearned revenue was \$866,043 and \$1,230,063, respectively.

**Accounting for Watershed Protection Program**

For the three months ended September 30, 2013 and 2012, the Authority received \$101,120 and \$52,200, respectively, from the New Jersey Department of Environmental Protection for the costs associated with various watershed protection studies of the Raritan Basin System. These funds are restricted to uses specifically identified in grant agreements between the Authority and NJDEP and will be recognized as revenue as the related costs are incurred. Eligible project expenses include, but are not limited to, the cost of mapping out streams and other water sources and studying and implementing best land use practices to improve water quality. As of September 30, 2013, all the funds received had been recognized as revenue.

**Other Post Employment Benefits ("OPEB") Other than Pensions**

On July 1, 2007, the Authority implemented Government Standards Board Statement ("GASB") Number 45, which covers accounting and financial reporting requirements for government employers, which provide post employment benefits other than, pensions. Since the Authority participates in the State of New Jersey's multiple-employer cost-sharing plan (Public Employee's Retirement System), the Authority's portion of this liability and cost is calculated and recorded at the State of New Jersey level and included in the State's Comprehensive Annual Financial Report. The Authority records OPEB expense based on the billings from the State PERS. Required financial statement disclosures are included in Note 6 of these audited financial statements.

New Jersey Water Supply Authority  
Notes to Financial Statements (continued)

**3. Capital Assets**

Capital assets activity for the three months ended September 30, 2013 and the year ended June 30, 2013, was as follows:

	2014 Beginning Balance	Additions	Retirements	2014 Ending Balance
<b>Capital assets not being depreciated:</b>				
Land	\$25,553,880	\$ -	\$ -	\$25,553,880
Construction work in progress	8,267,082	467,571	-	8,734,653
Total capital assets not being depreciated	<u>33,820,962</u>	<u>467,571</u>	<u>-</u>	<u>34,288,533</u>
<b>Capital assets being depreciated:</b>				
Dams	77,369,160	-	-	77,369,160
Building, structures and improvements	130,138,986	24,656	-	130,163,642
D & R canal dredging	21,160,274	-	-	21,160,274
Machinery and equipment	6,263,667	36,751	-	6,300,418
Total capital assets being depreciated	<u>234,932,087</u>	<u>61,407</u>	<u>0</u>	<u>234,993,494</u>
<b>Less accumulated depreciation for:</b>				
Dams	(26,770,161)	(199,499)	-	(26,969,660)
Building, structures and improvements	(72,041,815)	(810,061)	-	(72,851,876)
D & R canal dredging	(21,160,273)	-	-	(21,160,273)
Machinery and equipment	(5,280,526)	(78,895)	-	(5,359,421)
Total accumulated depreciation	<u>(125,252,775)</u>	<u>(1,088,455)</u>	<u>0</u>	<u>(126,341,230)</u>
Total capital assets being depreciated, net	<u>109,679,312</u>	<u>(1,027,048)</u>	<u>0</u>	<u>108,652,264</u>
Total capital assets, net	<u>\$143,500,274</u>	<u>(\$559,477)</u>	<u>\$0</u>	<u>\$142,940,797</u>
	2013 Beginning Balance	Additions	Retirements	2013 Ending Balance
<b>Capital assets not being depreciated:</b>				
Land	\$24,290,450	\$ 1,263,430	\$ -	\$25,553,880
Construction work in progress	9,615,784	2,957,817	(4,306,519)	8,267,082
Total capital assets not being depreciated	<u>33,906,234</u>	<u>4,221,247</u>	<u>(4,306,519)</u>	<u>33,820,962</u>
<b>Capital assets being depreciated:</b>				
Dams	77,369,160	-	-	77,369,160
Building, structures and improvements	126,574,124	3,589,214	(24,352)	130,138,986
D & R canal dredging	21,160,274	-	-	21,160,274
Machinery and equipment	6,206,788	285,688	(228,809)	6,263,667
Total capital assets being depreciated	<u>231,310,346</u>	<u>3,874,902</u>	<u>(253,161)</u>	<u>234,932,087</u>
<b>Less accumulated depreciation for:</b>				
Dams	(25,972,166)	(797,995)	-	(26,770,161)
Building, structures and improvements	(68,926,858)	(3,139,309)	24,352	(72,041,815)
D & R canal dredging	(21,160,273)	-	-	(21,160,273)
Machinery and equipment	(5,168,597)	(331,649)	219,720	(5,280,526)
Total accumulated depreciation	<u>(121,227,894)</u>	<u>(4,268,953)</u>	<u>244,072</u>	<u>(125,252,775)</u>
Total capital assets being depreciated, net	<u>110,082,452</u>	<u>(394,051)</u>	<u>(9,089)</u>	<u>109,679,312</u>
Total capital assets, net	<u>\$143,988,686</u>	<u>\$3,827,196</u>	<u>(\$4,315,603)</u>	<u>\$143,500,274</u>

New Jersey Water Supply Authority  
Notes to Financial Statements (continued)

**4. Cash and Investments**

New Jersey statutes permit the deposit of public funds in the State of New Jersey Cash Management Fund or in institutions located in New Jersey that are insured by the Federal Deposit Insurance Corporation ("FDIC") or by any other agencies of the United States that insure deposits. All funds of the Authority may be invested in obligations of, or guaranteed by, the United States Government.

The Authority's bond resolutions limit the investment of restricted assets to obligations of the U.S. Government or its agencies, investments in certain certificate of deposit of commercial banks which are members of the Federal Reserve System, investments in the State of New Jersey Cash Management Fund and direct and general obligations of any State which meets the minimum requirements of the resolution.

a. Cash

As of September 30, 2013 and June 30, 2013, the Authority's bank balance was \$5,050,614 and 4,483,866, respectively, of which \$250,000 was covered through the FDIC. The remaining balance of \$4,800,614 and \$4,233,866 as of September 30, 2013 and June 30, 2013, respectively, was collateralized, and the cash balance per the statement of net position is shown exclusive of outstanding checks totaling \$138,617 and \$1,086,268, respectively. The statement of net position amount includes petty cash totaling \$300 as of September 30, 2013 and June 30, 2013, respectively.

b. Custodial Credit Risk - Deposits

Custodial credit risk is the risk that, in the event of a bank failure, the Authority's deposits may not be returned. The Authority has a deposit policy for custodial credit risk. The Authority's bank balance of \$5,050,614 and \$4,483,866 as of September 30, 2013, and June 30, 2013, respectively, was exposed to custodial credit risk as follows:

	September 30, 2013	June 30, 2013
Uninsured and uncollateralized	\$0	\$0

c. Investments and Cash Equivalents

The Authority does not have a policy limit interest rate risk; however, its practice is to hold investments to maturity.

As of September 30, 2013 the Authority had the following investments and cash equivalents, and maturities:

Investment and Cash Equivalent Type	Fair Value	Investment Maturities (in Years)	
		Less than 1	1-5
U.S. Treasuries	\$42,751,217	\$42,751,217	\$ -
U.S. Agencies (FNMA)	12,899,066	-	12,899,066
Total	\$55,650,283	\$42,751,217	\$12,899,066

New Jersey Water Supply Authority  
Notes to Financial Statements (continued)

**4. Cash and Investments (continued)**

**d. Investment Income**

The following comprises investment income of \$185,911 and \$207,267 for the three months ended September 30, 2013 and 2012, respectively:

	2013	2012
Interest earned on bank accounts and certificates of deposit	75,366	76,692
Interest earned on securities	101,457	66,907
Increase (decrease) in fair value of securities	9,088	63,668
	<u>\$185,911</u>	<u>\$207,267</u>

**5. Major Water Customers**

During fiscal years 2013 and 2012, the Authority supplied water to approximately 27 customers of the Raritan Basin System and 13 customers of the Manasquan System.

During fiscal years 2013 and 2012, two customers accounted for approximately 84% of total Raritan Basin System operating revenue. Three customers accounted for approximately 81% of total Manasquan System operating revenue.

**6. Risk Management**

The Authority carries insurance for all of its facilities covering direct physical loss or damage and loss of revenue resulting therefrom, with deductibles as it deems appropriate. The Authority also carries General and Umbrella Public Liability Insurance with self-insured retainers as it deems appropriate. Automotive and Public Officials Liability coverage is also maintained with deductibles. Workers' Compensation coverage is also maintained as required by State law. Settled claims resulting from the aforementioned risks have not exceeded insurance coverage in any of the past three fiscal years.

## Supplemental Information

New Jersey Water Supply Authority

Combining Schedule of Net Position

September 30, 2013

Unaudited

	Raritan Basin System	Manasquan Reservoir System	Elimination Entries	Combined Total
<b>Assets</b>				
Current assets:				
Cash and cash equivalents	\$26,322,981	\$10,783,681	\$ -	\$37,106,662
Unbilled sales	1,382,266		-	1,382,266
Accounts receivable, less allowance for doubtful accounts of \$1,000 at September 30, 2013	248,535	697,595	(164,545)	781,585
Interest receivable	113,567	8,531	-	122,098
Prepaid expenses and other current assets	512,897	141,477	-	654,374
Costs to be recovered from future revenues	1,289,283	842,950	-	2,132,233
Total current assets	<u>29,869,529</u>	<u>12,474,234</u>	<u>(164,545)</u>	<u>42,179,218</u>
Non-current assets:				
Restricted assets:				
Cash equivalents	435,926	2,204,273	-	2,640,199
Investments	2,755,728	5,160,925	-	7,916,653
Investments	11,729,398	1,047,570	-	12,776,968
Costs to be recovered from future revenues	(16,060,243)	15,614,806	-	(445,437)
Deferred issuance cost	6,411	323,623	-	330,034
Capital assets net of accumulated depreciation of \$126,341,230 at September 30, 2013	82,982,630	59,958,167	-	142,940,797
Total non-current assets	<u>81,849,850</u>	<u>84,309,364</u>	<u>0</u>	<u>166,159,214</u>
Total assets	<u>\$111,719,379</u>	<u>\$96,783,598</u>	<u>(\$164,545)</u>	<u>\$208,338,432</u>
<b>Liabilities</b>				
Current liabilities:				
Current portion of bonds, notes and loans payable	\$2,754,072	\$39,191	\$ -	\$2,793,263
Accounts payable	254,445	601,784	(164,545)	691,684
Accrued liabilities	1,410,497	613,385	-	2,023,882
Unearned revenue	0	2,229,187	-	2,229,187
Total current liabilities	<u>4,419,014</u>	<u>3,483,547</u>	<u>(164,545)</u>	<u>7,738,016</u>
Non-current liabilities:				
Long-term portion of bonds, notes and loans payable	12,610,780	66,622,160	-	79,232,940
Total liabilities	<u>17,029,794</u>	<u>70,105,707</u>	<u>(164,545)</u>	<u>86,970,956</u>
<b>Net Position</b>				
Invested in capital assets, net of related debt	67,617,778	18,860,000	-	86,477,778
Restricted for repayment of debt principal and interest	3,191,654	5,136,011	-	8,327,665
Unrestricted	23,880,153	2,681,880	-	26,562,033
Total net position	<u>\$94,689,585</u>	<u>\$26,677,891</u>	<u>\$0</u>	<u>\$121,367,476</u>

New Jersey Water Supply Authority  
 Combining Schedule of Revenues, Expenses  
 and Changes in Net Position

September 30, 2013

Unaudited

	Raritan Basin System	Manasquan Reservoir System	Manasquan Water Treatment Plant	Combined Total
<b>Operating Revenues:</b>				
Water Sales	\$3,874,740	\$1,967,682	\$ -	\$5,842,422
Reimbursement of operating expenses			639,519	639,519
<b>Total operating revenues</b>	<u>3,874,740</u>	<u>1,967,682</u>	<u>639,519</u>	<u>6,481,941</u>
<b>Operating Expenses:</b>				
Payroll	1,411,741	193,981	229,376	1,835,098
Operations and maintenance (direct)	708,657	223,099	281,969	1,211,725
Operations and maintenance (general and administrative)		19,684	13,283	32,967
Fringe benefits	840,183	104,170	120,084	1,064,437
Headquarters overhead	(185,022)	160,600	24,422	0
Depreciation	673,577	414,878	-	1,088,455
<b>Total operating expenses</b>	<u>3,447,136</u>	<u>1,116,412</u>	<u>669,134</u>	<u>5,232,682</u>
<b>Income from operations</b>	<u>427,604</u>	<u>851,270</u>	<u>(29,615)</u>	<u>1,249,259</u>
<b>Non-operating revenues:</b>				
State of New Jersey - Grant Programs	-	-	-	-
Investment income	95,850	89,513	548	185,911
Rental income	45,392	0	-	45,392
Other income	1,236	12,155	-	13,391
<b>Total non-operating revenues</b>	<u>142,478</u>	<u>101,668</u>	<u>548</u>	<u>244,694</u>
<b>Non-operating expenses:</b>				
Interest component of debt service to the State of New Jersey	82,818	344,198	-	427,016
Amortization of issuance costs - D & R System Revenue Refunding Bonds, Series 1998	2,160	-	-	2,160
Amortization of issuance costs - Manasquan State Loan Notes		16,464	-	16,464
Costs to be recovered from future revenue	441,198	280,422	(29,067)	692,553
<b>Total non-operating expenses</b>	<u>526,176</u>	<u>641,084</u>	<u>(29,067)</u>	<u>1,138,193</u>
<b>Changes in net position</b>	43,906	311,854	-	355,760
Net position, beginning of year	94,845,679	26,366,037	-	121,011,716
<b>Net position, end of year</b>	<u>\$94,689,585</u>	<u>\$26,677,891</u>	<u>\$0</u>	<u>\$121,367,476</u>



New Jersey Water Supply Authority  
A Component Unit of the State of New Jersey  
Schedule of Changes in Cash and Investments  
Raritan Basin System  
For the three months ended September 30, 2013

	Revenue Fund	Operating Fund						Pumping Reserve	Capital Improvements II	Source Water Protection Fund	Subtotal
		Operating Account	Payroll Account	Operating Fund	Reserve for O&M	Self-Insurance Reserve	Depreciation Reserve				
Cash and investments - July 1, 2013	\$7,048	\$601,265	\$30,000	\$1,187,542	\$3,267,792	\$1,067,909	\$3,670,216	\$624,345	\$7,227,566	\$1,734,698	\$19,418,381
<b>Cash receipts:</b>											
Water sales operations and maintenance	2,669,386										2,669,386
Water sales debt service	1,294,533										1,294,533
Water sales capital fund	537,132										537,132
Water sales source water protection fund	389,025										389,025
Water sales overdrafts											-
Rental income	34,312										34,312
Manasquan reservoir support					12,104						12,104
Headquarters overhead				167,022							167,022
Disposition of property							42,314				42,314
Recycling revenue											-
Sale of investment securities											-
Nonrefundable bid deposits											-
Insurance reimbursement											-
Miscellaneous expense reimbursement					63,083						63,083
<b>Transfers:</b>											
Contributions from operating fund		4,540,305	878,893	(7,006,175)				37,500		159,000	(1,390,477)
Contributions to operating fund				410,572						(14,194)	396,378
Transfers for operations	(6,825,340)			6,825,340							-
Transfers for investments											-
Distribution from reserves to operations	2,108,553	5,977									2,114,530
Investment income				465	40,008	18,466	52,593	236	2,567	723	115,058
<b>Per resolution, Section 603:</b>											
Investment income, transfer from	109,744				(39,375)	(18,375)	(51,994)				-
Investment income, transfer to	(109,744)				57,750		51,994				-
Unrealized gain/(loss) on fair value					18,488	8,627	22,805		(53,081)		(3,161)
<b>Total cash receipts</b>	<b>207,601</b>	<b>4,546,282</b>	<b>878,893</b>	<b>397,224</b>	<b>152,058</b>	<b>8,718</b>	<b>117,712</b>	<b>37,736</b>	<b>(50,514)</b>	<b>145,529</b>	<b>6,441,239</b>
<b>Total available cash and Investments</b>	<b>\$214,649</b>	<b>\$5,147,547</b>	<b>\$908,893</b>	<b>\$1,584,766</b>	<b>\$3,419,850</b>	<b>\$1,076,627</b>	<b>\$3,787,928</b>	<b>\$662,081</b>	<b>\$7,177,052</b>	<b>\$1,880,227</b>	<b>\$25,859,620</b>

New Jersey Water Supply Authority  
A Component Unit of the State of New Jersey  
Schedule of Changes in Cash and Investments  
Raritan Basin System (continued)  
For the three months ended September 30, 2013

	Subtotal	Parity SWP Bond Fund	Subordinated SWP Bond Fund	Major Rehabilitation	Water Reuse & Recycling Fund	Capital Improvement Fund	D&R Mitigation Fund	D&R Canal Dredging	Employment Benefit Funds	1998 Bonds Debt Service Account	1998 Bonds Debt Service Reserve	Rate Stabilization Fund	Totals
<b>Total cash and investments</b>	\$19,418,381	\$362,972	\$567,319	\$1,180,678	\$0	\$13,882,019	\$20,060	\$0	\$754,847	\$10,249	\$2,741,704	\$2,112,227	\$41,050,456
<b>Cash receipts:</b>													
Water sales operations and maintenance	2,669,386												2,669,386
Water sales debt service	1,294,533												1,294,533
Water sales capital fund	537,132												537,132
Water sales source water protection fund	389,025												389,025
Water sales overdrafts	-												-
Rental income	34,312												34,312
Manasquan reservoir support	12,104												12,104
Headquarters overhead	167,022												167,022
Disposition of property	42,314												42,314
Recycling revenue	-												-
Sale of investment securities	-												-
Nonrefundable bid deposits	-												-
Insurance reimbursement	-												-
Miscellaneous expense reimbursement	63,083												63,083
<b>Transfers:</b>													
Contributions from operating fund	(1,390,477)	66,000	174,000			509,096		415,824	225,557				-
Contributions to operating fund	396,378					(396,378)							-
Transfers for operations	-												-
Transfers for investments	-												-
Distribution from reserves to operations	2,114,530								(5,977)			(2,108,553)	-
Investment income	115,058	77	114	462		5,676	7	34	266		70	31	121,795
<b>Per resolution, Section 603:</b>													
Investment income, transfer from	-												-
Investment income, transfer to	-												-
Unrealized gain/(loss) on fair value	(3,161)												(3,161)
<b>Total cash receipts</b>	<b>6,441,239</b>	<b>66,077</b>	<b>174,114</b>	<b>462</b>	<b>-</b>	<b>118,394</b>	<b>7</b>	<b>415,858</b>	<b>219,846</b>	<b>-</b>	<b>70</b>	<b>(2,108,522)</b>	<b>5,327,545</b>
<b>Total available cash and investments</b>	<b>\$25,859,620</b>	<b>\$429,049</b>	<b>\$741,433</b>	<b>\$1,181,140</b>	<b>\$0</b>	<b>\$14,000,413</b>	<b>\$20,067</b>	<b>\$415,858</b>	<b>\$974,693</b>	<b>\$10,249</b>	<b>\$2,741,774</b>	<b>\$3,705</b>	<b>\$46,378,001</b>

New Jersey Water Supply Authority  
A Component Unit of the State of New Jersey  
Schedule of Changes in Cash and Investments  
Raritan Basin System (continued)  
For the three months ended September 30, 2013

	Revenue Fund	Operating Fund						Pumping Reserve	Capital Improvements II	Source Water Protection Fund	Subtotal
		Operating Account	Payroll Account	Operating Fund	Reserve for O&M	Self-Insurance Reserve	Depreciation Reserve				
<b>Total available cash and investments</b>	\$214,649	\$5,147,547	\$908,893	\$1,584,766	\$3,419,850	\$1,076,627	\$3,787,928	\$662,081	\$7,177,052	\$1,880,227	\$25,859,620
<b>Cash disbursements:</b>											
Payroll			878,893								878,893
Fringe benefits		13,334		256,127							269,461
Employee deferred compensation and credit union		158,581		59,696							218,277
Operations and maintenance		2,931,175									2,931,175
Prepaid insurance											-
Miscellaneous disbursements											-
Watershed Management Fund											-
<b>Capital improvements:</b>											
Capital assets											-
New five year construction project											-
Purchase of investments securities									39,137		39,137
Principal on 1981 bonds											-
Interest on 1981 bonds											-
Principal on 1998 bonds											-
Interest on 1998 revenue bonds											-
Principal on NJEIT bonds											-
Interest on NJEIT revenue bonds											-
<b>Total cash disbursements</b>	-	3,103,090	878,893	315,823	-	-	-	-	39,137	-	4,336,943
<b>Cash and investments - September 30, 2013</b>	\$214,649	\$2,044,457	\$30,000	\$1,268,943	\$3,419,850	\$1,076,627	\$3,787,928	\$662,081	\$7,137,915	\$1,880,227	\$21,522,677
<b>Summary of cash and investments:</b>											
Cash	\$214,649	\$2,044,457	\$30,000								\$2,289,106
Short-term investments				\$1,268,943	\$1,748,741	\$296,777	\$1,573,033	\$662,081	\$74,371	\$1,880,227	7,504,173
Long-term investments					1,671,109	779,850	2,214,895		7,063,544		11,729,398
Restricted Investments (current)											-
Restricted Investments (long-term)											-
<b>Total cash and investments</b>	\$214,649	\$2,044,457	\$30,000	\$1,268,943	\$3,419,850	\$1,076,627	\$3,787,928	\$662,081	\$7,137,915	\$1,880,227	\$21,522,677

New Jersey Water Supply Authority  
A Component Unit of the State of New Jersey  
Schedule of Changes in Cash and Investments  
Raritan Basin System (continued)  
For the three months ended September 30, 2013

	Subtotal	Parity SWP Bond Fund	Subordinated SWP Bond Fund	Major Rehabilitation	Water Reuse & Recycling Fund	Capital Improvement Fund	D&R Mitigation Fund	D&R Canal Dredging	Employment Benefit Funds	1998 Bonds Debt Service Account	1998 Bonds Debt Service Reserve	Rate Stabilization Fund	Totals
<b>Total available cash and investments</b>	\$25,859,620	\$429,049	\$741,433	\$1,181,140	\$0	\$14,000,413	\$20,067	\$415,858	\$974,693	\$10,249	\$2,741,774	\$3,705	\$46,378,001
<b>Cash disbursements:</b>													
Payroll	878,893												878,893
Fringe benefits	269,461												269,461
Employee deferred compensation and credit union	218,277												218,277
Operations and maintenance	2,931,175												2,931,175
Prepaid insurance	-												-
Miscellaneous disbursements	-								7,279				7,279
Watershed Management Fund	-												-
<b>Capital improvements:</b>													
Capital assets	-												-
New five year construction project	-												-
Purchase of investments securities	39,137												39,137
Principal on 1981 bonds	-												-
Interest on 1981 bonds	-												-
Principal on 1998 bonds	-												-
Interest on 1998 revenue bonds	-												-
Principal on NJEIT bonds	-	246,849	426,791										673,640
Interest on NJEIT revenue bonds	-	25,909	90,197										116,106
<b>Total cash disbursements</b>	4,336,943	272,758	516,988	-	-	-	-	-	7,279	-	-	-	5,133,968
<b>Cash and investments - September 30, 2013</b>	\$21,522,677	\$156,291	\$224,445	\$1,181,140	\$0	\$14,000,413	\$20,067	\$415,858	\$967,414	\$10,249	\$2,741,774	\$3,705	\$41,244,033
<b>Summary of cash and investments:</b>													
Cash	\$2,289,106								\$44,767				\$2,333,873
Short-term investments	7,504,173	\$156,291	\$224,445	\$1,181,140	\$0	\$14,000,413	\$20,067	\$415,858	922,647				24,425,034
Long-term investments	11,729,398												11,729,398
Restricted Investments (current)	-									\$10,249	\$2,741,774	\$3,705	2,755,728
Restricted Investments (long-term)	-												-
<b>Total cash and investments</b>	\$21,522,677	\$156,291	\$224,445	\$1,181,140	\$0	\$14,000,413	\$20,067	\$415,858	\$967,414	\$10,249	\$2,741,774	\$3,705	\$41,244,033

New Jersey Water Supply Authority  
A Component Unit of the State of New Jersey  
Schedule of Changes in Cash and Investments  
Manasquan Water Supply System  
For the three months ended September 30, 2013

	Operating Fund					Self-Insurance Reserve	Renewal and Replacement Account	Water Reuse & Recycling	Source Water Protection	Depreciation Reserve	Pumping Reserve	Sediment Reserve	Subtotal
	Revenue Fund	Operating Account	Payroll Account	Operating Fund	Reserve for O&M								
<b>Cash and Investments - July 1, 2013</b>	\$103,552	\$2,451,457	\$20,000	\$1,420,212	\$1,234,679	\$260,002	\$3,024,148	\$29,978	\$1,367,667	\$446,547	\$163,484	\$103,298	\$10,625,024
<b>Cash receipts:</b>													
Water sales operations and maintenance	670,635												670,635
Water sales debt service	1,238,234												1,238,234
Source water protection	28,474												28,474
Water sales debt service NJEIT	52,865												52,865
Water sales overdrafts													-
NJ-American pumping costs					75,022								75,022
Headquarters overhead													-
Reimbursement of WTP capital expenses													-
Disposition of assets													-
Reimbursement from Raritan Basin													-
Sale of investments securities													-
Nonrefundable bid deposits													-
Miscellaneous reimbursement					8,747		2,575						11,322
<b>Transfers:</b>													
Contributions from operating fund		709,400	281,927	(2,293,890)			30,000		28,142			2,500	(1,241,921)
Contributions to operating fund				1,108,938	(1,722)		(49,080)		(710)	(19,134)			1,038,292
Transfers for operations	(1,728,050)			1,728,050									-
Distribution from reserves to operations	(239,830)	2,049		239,830									2,049
<b>Investment income</b>				195	10,797	5,514	1,223	11	544	8,236	998	27	27,545
<b>Per resolution, Section 603:</b>													
Investment income, transfer from	25,175				(10,500)	(5,500)				(8,213)	(962)		-
Investment income, transfer to	(25,175)				18,962					8,213			-
Unrealized gain/(loss) on fair value				4,930		2,492				4,310	511		12,243
<b>Total cash receipts</b>	22,528	711,449	281,927	782,923	104,236	2,506	(15,282)	11	27,976	(6,588)	547	2,527	1,914,760
<b>Total cash and investments</b>	\$128,080	\$3,162,908	\$301,927	\$2,203,135	\$1,338,915	\$262,508	\$3,008,866	\$29,989	\$1,395,643	\$439,959	\$164,031	\$105,825	\$12,539,784

New Jersey Water Supply Authority  
A Component Unit of the State of New Jersey  
Schedule of Changes in Cash and Investments  
Manasquan Water Supply System (continued)  
For the three months ended September 30, 2013

	Water Treatment Plant/Transmission System															Totals
	Subtotal	Operating Account	Operating Fund	Residuals Reserve	Carbon Filter Reserve	Self-Insurance Reserve	Capital Improvement Reserve	NJEIT Debt Service	2005 Debt Service Account	2005 Debt Service Reserve	2006 Debt Service Account	2006 Debt Service Reserve	Rebate Fund	General Reserve Fund	Employment Benefit Funds	
Cash and investments - July 1, 2013	\$10,625,024	\$144,820	\$76,977	\$9,487	\$98,434	\$253,183	\$1,527,918	\$312,861	\$3,567,199	\$3,819,684	\$19,220	\$7,965	\$149,735	\$617,245	\$244,574	\$21,274,326
<b>Cash receipts:</b>																
Water sales operations and maintenance	670,635															670,635
Water sales debt service	1,238,234															1,238,234
Source water protection	28,474															28,474
Water sales debt service NJEIT	52,865															52,865
Water sales overdrafts	-															-
NJ-American pumping costs	75,022															75,022
Headquarters overhead	-		639,519													639,519
Reimbursement of WTP capital expenses	-															-
Disposition of assets	-															-
Reimbursement from Raritan Basin	-															-
Sale of investments securities	-															-
Nonrefundable bid deposits	-															-
Miscellaneous reimbursement	11,322		9,540				1,093,443									1,114,305
<b>Transfers:</b>																
Contributions from operating fund	(1,241,921)	1,275,000	(1,621,722)				400,000	66,451	1,059,500		1,266	317			81,109	-
Contributions to operating fund	1,038,292		1,674,948				(2,009,237)			(128,000)				(578,003)		-
Transfers for operations	-															-
Distribution from reserves to operations	2,049														(2,049)	-
Investment income	27,545		66	3	18	82	379	83	73	62,576	1		39	120	74	91,059
<b>Per resolution, Section 603:</b>																
Investment income, transfer from	-															-
Investment income, transfer to	-															-
Unrealized gain/(loss) on fair value	12,243															12,243
<b>Total cash receipts</b>	<b>1,914,760</b>	<b>1,275,000</b>	<b>702,351</b>	<b>3</b>	<b>18</b>	<b>82</b>	<b>(515,415)</b>	<b>66,534</b>	<b>1,059,573</b>	<b>(65,424)</b>	<b>1,267</b>	<b>317</b>	<b>39</b>	<b>(575,883)</b>	<b>59,134</b>	<b>3,922,356</b>
<b>Total cash and investments</b>	<b>\$12,539,784</b>	<b>\$1,419,820</b>	<b>\$779,328</b>	<b>\$9,490</b>	<b>\$98,452</b>	<b>\$253,265</b>	<b>\$1,012,503</b>	<b>\$379,395</b>	<b>\$4,626,772</b>	<b>\$3,554,260</b>	<b>\$20,487</b>	<b>\$8,282</b>	<b>\$149,774</b>	<b>\$41,362</b>	<b>\$303,708</b>	<b>\$25,196,682</b>

New Jersey Water Supply Authority  
A Component Unit of the State of New Jersey  
Schedule of Changes in Cash and Investments  
Manasquan Water Supply System (continued)  
For the three months ended September 30, 2013

	Revenue Fund	Operating Fund			Reserve for O&M	Self-Insurance Reserve	Renewal and Replacement Account	Water Reuse & Recycling	Source Water Protection	Depreciation Reserve	Pumping Reserve	Sediment Reserve	Subtotal
		Operating Account	Payroll Account	Operating Fund									
<b>Total available cash and investments</b>	\$126,080	\$3,162,906	\$301,927	\$2,203,135	\$1,338,915	\$262,508	\$3,008,866	\$29,989	\$1,395,643	\$439,959	\$164,031	\$105,825	\$12,539,784
<b>Cash disbursements:</b>													
Payroll			281,927										281,927
Fringe benefits		533,196		(411,248)									121,948
Employee deferred compensation and credit union				56,251									56,251
Operations and maintenance		295,755		155,122									450,877
NJ-American pumping costs													-
Prepaid insurance													-
Headquarters overhead				142,600									142,600
Capital assets reservoir													-
Capital improvement program (reservoir)													-
Purchase of investments securities													-
Principal on bonds													-
Interest on bonds													-
<b>Total cash disbursements</b>		828,951	281,927	(57,275)	-	-	-	-	-	-	-	-	1,053,603
<b>Cash and investments - September 30, 2013</b>	\$126,080	\$2,333,955	\$20,000	\$2,260,410	\$1,338,915	\$262,508	\$3,008,866	\$29,989	\$1,395,643	\$439,959	\$164,031	\$105,825	\$11,486,181
<b>Summary of cash and investments:</b>													
Cash (Manasquan)	\$126,080	\$2,333,955	\$20,000										\$2,480,035
Cash (Water Treatment Plant/TS)													-
Short-term investments				\$2,280,410	\$892,469	\$37,700	\$3,008,866	\$29,989	\$1,395,643	\$102,985	\$124,689	\$105,825	7,958,576
Short-term investments (Water Treatment Plant/TS)													-
Long-term investments					446,446	224,808				336,974	39,342		1,047,570
Restricted investments (current)													-
Restricted investments (long-term)													-
<b>Total cash and investments</b>	\$126,080	\$2,333,955	\$20,000	\$2,280,410	\$1,338,915	\$262,508	\$3,008,866	\$29,989	\$1,395,643	\$439,959	\$164,031	\$105,825	\$11,486,181

New Jersey Water Supply Authority  
A Component Unit of the State of New Jersey  
Schedule of Changes in Cash and Investments  
Manasquan Water Supply System (continued)  
For the three months ended September 30, 2013

	Water Treatment Plant/Transmission System														Totals	
	Subtotal	Operating Account	Operating Fund	Residuals Reserve	Carbon Filter Reserve	Self-Insurance Reserve	Capital Improvement Reserve	NJEIT Debt Service	2005 Debt Service Account	2005 Debt Service Reserve	2006 Debt Service Account	2006 Debt Service Reserve	Rebate Fund	General Reserve Fund		Employment Benefit Funds
<b>Total available cash and investments</b>	\$12,539,784	\$1,419,820	\$779,328	\$9,490	\$98,452	\$253,265	\$1,012,503	\$379,395	\$4,626,772	\$3,554,260	\$20,487	\$8,282	\$149,774	\$41,362	\$303,708	\$25,196,662
<b>Cash disbursements:</b>																
Payroll	281,927															281,927
Fringe benefits	121,948															121,948
Employee deferred compensation and credit union	56,251															56,251
Operations and maintenance	450,877	1,321,431														1,772,308
NJ-American pumping costs	-															-
Prepaid insurance	-															-
Headquarters overhead	142,600		24,422													167,022
Capital assets reservoir	-															-
Capital improvement program (reservoir)	-						22,732									22,732
Purchase of investments securities	-															-
Principal on bonds	-							103,381	2,660,000		2,541					2,765,922
Interest on bonds	-							20,576	789,000		2,547					812,123
<b>Total cash disbursements</b>	<b>1,053,603</b>	<b>1,321,431</b>	<b>24,422</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>22,732</b>	<b>123,957</b>	<b>3,449,000</b>	<b>-</b>	<b>5,088</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>6,000,233</b>
<b>Cash and investments - September 30, 2013</b>	<b>\$11,486,181</b>	<b>\$98,389</b>	<b>\$754,906</b>	<b>\$9,490</b>	<b>\$98,452</b>	<b>\$253,265</b>	<b>\$989,771</b>	<b>\$255,438</b>	<b>\$1,177,772</b>	<b>\$3,554,260</b>	<b>\$15,399</b>	<b>\$8,282</b>	<b>\$149,774</b>	<b>\$41,362</b>	<b>\$303,708</b>	<b>\$19,196,449</b>
<b>Summary of cash and investments:</b>																
Cash (Manasquan)	\$2,480,035															\$2,480,035
Cash (Water Treatment Plant/TS)	-	\$98,389														98,389
Short-term investments	7,958,576													\$41,362	\$303,708	8,303,646
Short-term investments (Water Treatment Plant/TS)	-		\$754,906	\$9,490	\$98,452	\$253,265	\$989,771									2,105,884
Long-term investments	1,047,570															1,047,570
Restricted investments (current)	-							\$255,438	\$1,177,772	\$3,554,260	\$15,399	\$8,282	\$149,774			5,160,925
Restricted investments (long-term)	-															-
<b>Total cash and investments</b>	<b>\$11,486,181</b>	<b>\$98,389</b>	<b>\$754,906</b>	<b>\$9,490</b>	<b>\$98,452</b>	<b>\$253,265</b>	<b>\$989,771</b>	<b>\$255,438</b>	<b>\$1,177,772</b>	<b>\$3,554,260</b>	<b>\$15,399</b>	<b>\$8,282</b>	<b>\$149,774</b>	<b>\$41,362</b>	<b>\$303,708</b>	<b>\$19,196,449</b>