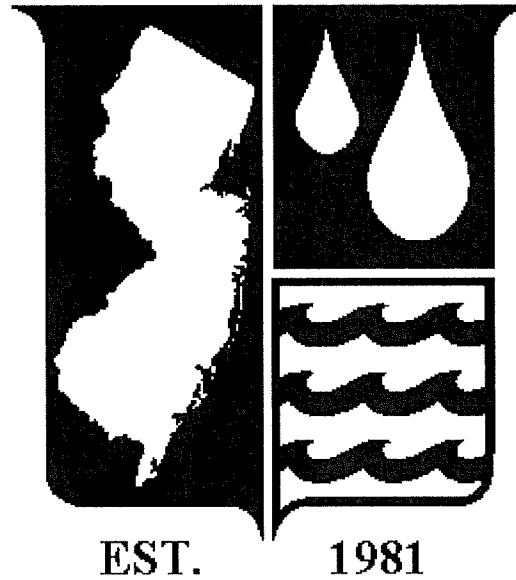


**NEW JERSEY WATER SUPPLY AUTHORITY**



**COMPREHENSIVE ANNUAL FINANCIAL REPORT**

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

**September 30, 2022 AND JUNE 30, 2022**

**(UNAUDITED)**

NEW JERSEY WATER SUPPLY AUTHORITY

INDEX

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**NEW JERSEY WATER SUPPLY AUTHORITY  
(A COMPONENT UNIT OF THE STATE OF NEW JERSEY)**

STATEMENTS OF NET POSITION

	Unaudited	
	September 30, 2022	June 30, 2022
<b>Assets</b>		
Current assets:		
Unrestricted assets:		
Cash and cash equivalents	\$ 51,005,439	\$ 68,938,148
Unbilled sales	2,978,290	1,749,325
Accounts receivable, less allowance for doubtful accounts of \$1,000 at September 30, 2022 and June 30, 2022	24,182,918	23,904,476
Interest receivable	110,041	-
Prepaid expenses and other current assets	828,202	1,387,434
Total unrestricted current assets	<u>79,104,890</u>	<u>95,979,383</u>
Restricted assets:		
Cash equivalents	35,244,909	35,629,870
Total current assets	<u>114,349,799</u>	<u>131,609,253</u>
Non-current assets:		
Investments	14,954,740	-
Capital assets, net	227,477,402	223,816,244
Total non-current assets	<u>242,432,142</u>	<u>223,816,244</u>
Total assets	<u>356,781,941</u>	<u>355,425,497</u>
Deferred outflows of resources:		
Pension related	2,085,383	2,085,383
OPEB related	10,820,046	10,820,046
Construction loan DEP fee	742,575	742,575
Total deferred outflows of resources	<u>13,648,004</u>	<u>13,648,004</u>
Total assets and deferred outflows of resources	<u>\$ 370,429,945</u>	<u>\$ 369,073,501</u>
<b>Liabilities</b>		
Current liabilities:		
Current portion of bonds, notes and loans payable	\$ 579,205	\$ 3,183,435
Accounts payable	5,097,297	4,356,299
Accrued liabilities	2,908,513	2,853,901
Unearned revenue	5,448,644	5,463,619
Total current liabilities	<u>14,033,659</u>	<u>15,857,254</u>
Non-current liabilities:		
Non-current portion of bonds, notes and loans payable	152,829,773	152,855,075
Lease liability	34,205	34,205
Net pension liability	12,251,099	12,251,099
Net OPEB liability	31,037,563	31,037,563
Total non-current liabilities	<u>196,152,640</u>	<u>196,177,942</u>
Total liabilities	<u>210,186,299</u>	<u>212,035,196</u>
Deferred inflows of resources:		
Cost recovery	(1,150,178)	(685,718)
Pension related	8,086,596	8,086,596
OPEB related	14,054,948	14,054,948
Gain on refunding	230,848	236,817
Total deferred inflows of resources	<u>21,222,214</u>	<u>21,692,643</u>
Total liabilities and deferred inflows of resources	<u>231,408,513</u>	<u>233,727,839</u>
<b>Net Position</b>		
Net investment in capital assets	99,400,760	93,104,101
Restricted for cash, investments, and unearned revenue	29,796,265	30,166,251
Unrestricted	9,824,407	12,075,310
Total net position	<u>139,021,432</u>	<u>135,345,662</u>
<b>Total liabilities, deferred inflows of resources, and net position</b>	<u>\$ 370,429,945</u>	<u>\$ 369,073,501</u>

See notes to financial statements.

**NEW JERSEY WATER SUPPLY AUTHORITY  
(A COMPONENT UNIT OF THE STATE OF NEW JERSEY)**

STATEMENTS OF REVENUES, EXPENSES AND CHANGES IN NET POSITION

Unaudited		<u>Three months ended Sept. 30,</u>	
		<u>2022</u>	<u>2021</u>
Operating revenues:			
Water sales		\$ 8,511,981	\$ 7,475,812
Reimbursement of operating expenses		<u>645,000</u>	<u>645,000</u>
Total operating revenues		<u>9,156,981</u>	<u>8,120,812</u>
Operating expenses:			
Payroll		2,109,905	2,099,650
Operations and maintenance		1,703,839	1,827,715
Fringe benefits		1,176,975	1,129,750
Depreciation		<u>1,225,940</u>	<u>1,164,426</u>
Total operating expenses		<u>6,216,659</u>	<u>6,221,541</u>
Income from operations		2,940,322	1,899,271
Non-operating revenues:			
State of New Jersey - Grant Programs		510,750	14,038
Investment and interest income		(181,200)	30,284
Rental income		50,933	50,064
Other income		<u>14,749</u>	<u>34</u>
Total non-operating revenues		<u>395,232</u>	<u>94,420</u>
Non-operating expenses:			
Interest component of debt service to the State of New Jersey		159,565	136,474
Recovery of deferred inflows of resources		<u>(499,781)</u>	<u>(541,773)</u>
Total non-operating expenses		<u>(340,216)</u>	<u>(405,299)</u>
Changes in net position		3,675,770	2,398,990
Net position, beginning of year		<u>135,345,662</u>	<u>122,013,313</u>
Net position, end of year		<u>\$ 139,021,432</u>	<u>\$ 124,412,303</u>

See notes to financial statements.

**NEW JERSEY WATER SUPPLY AUTHORITY  
(A COMPONENT UNIT OF THE STATE OF NEW JERSEY)**

STATEMENTS OF CASH FLOWS

	Unaudited	
	Three months ended Sept. 30,	
	2022	2021
<b>Cash flows from operating activities</b>		
Cash received from water sales	\$ 7,057,198	\$ 5,595,058
Cash received from reimbursable expenses	1,111,866	645,123
Cash received from rental income	42,062	42,599
Cash paid to or on behalf of employees	(3,095,219)	(2,853,043)
Cash paid to suppliers	(1,099,896)	(1,163,502)
Net cash provided by operating activities	<u>4,016,011</u>	<u>2,266,235</u>
<b>Cash flows from noncapital financing activities</b>		
Cash received for grant programs	2,781	38,430
Net cash provided by non-capital financing activities	<u>2,781</u>	<u>38,430</u>
<b>Cash flows from capital and related financing activities</b>		
Proceeds from borrowing	-	-
Principal paid on bonds, notes and loans	(2,640,961)	(2,746,137)
Lease liability	-	-
Interest paid on bonds, notes and loans	(266,779)	(204,149)
Acquisition and construction of capital assets	(4,196,741)	(6,652,880)
Proceeds from sale of capital assets	14,000	-
Net cash used in capital and related financing activities	<u>(7,090,481)</u>	<u>(9,603,166)</u>
<b>Cash flows from investing activities</b>		
Sale of investment securities	-	250,000
Purchase of investment securities	(14,954,740)	(2,011)
Interest received on investments	(291,241)	32,559
Premium on matured investments	-	-
Net cash provided/(used) by investing activities	<u>(15,245,981)</u>	<u>280,548</u>
Net increase in cash and cash equivalents	(18,317,670)	(7,017,953)
Cash and cash equivalents, beginning of year	104,568,018	97,922,918
Cash and cash equivalents, end of year	<u>\$ 86,250,348</u>	<u>\$ 90,904,965</u>
Reconciliation of income from operations to net cash provided by operating activities:		
Income from operations	\$ 2,940,322	\$ 1,899,271
Adjustments to reconcile income from operations to net cash provided by operating activities:		
Cash received for operating activity included in other income	503,533	50,098
Depreciation	1,225,940	1,164,426
Increase (decrease) in cash from:		
Unbilled sales	(1,228,965)	(378,845)
Accounts receivable	(266,924)	(1,557,041)
Prepaid expenses and other current assets	559,232	553,704
Accounts payable	95,241	161,442
Accrued liabilities	(1,369)	(7,837)
Accrued payroll and taxes	189,001	381,017
Net pension liability	-	-
Net OPEB liability	-	-
Net cash provided by operating activities	<u>\$ 4,016,011</u>	<u>\$ 2,266,235</u>
<b>Non cash investing activities</b>		
Decrease/Increase in fair value of investments	<u>\$ (411,124)</u>	<u>\$ 2,011</u>

See notes to financial statements.

**NEW JERSEY WATER SUPPLY AUTHORITY  
(A COMPONENT UNIT OF THE STATE OF NEW JERSEY)**

NOTES TO FINANCIAL STATEMENTS

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**A. 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, 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 (*i.e.*, *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 ("NJDEP"), ex officio member and six public members appointed by the Governor upon the advice and the 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 the budget 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.

**B. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES**

**Basis of Accounting**

The Authority is a component unit of the State of New Jersey and is included in their general purpose financial statements.

The accompanying basic financial statements have been prepared in conformity with accounting principles generally accepted in the United States of America as prescribed by the Governmental Accounting Standards Board ("GASB").

In its accounting and financial reporting, the Authority follows the pronouncements of the GASB and other entities that promulgate accounting principals. GASB Statement 76, *The Hierarchy of Generally Accepted Accounting Principals for the State and Local Governments*, establishes the order of priority of pronouncements and other sources of accounting and financial reporting guidance that a governmental entity should apply. Per the Statement, the sources of authoritative generally accepted accounting principals ("GAAP") are categorized in descending order of authority as follows: GASB Statements and Interpretations, GASB Technical Bulletins, GASB Implementation Guides, and literature of the American Institute of Certified Public Accountants ("AICPA") cleared by the GASB. Authoritative GAAP is incorporated periodically into the Codification of Governmental Accounting and Financial Reporting Standards (Codification), and when presented in the Codification, it retains its authoritative status. If the accounting treatment for a transaction or other event is not specified within a source of authoritative GAAP described above, a governmental entity should first consider accounting principals for similar transactions or other events within a source of authoritative GAAP described above and then may consider nonauthoritative accounting literature from other sources. These include GASB Concepts Statements; pronouncements and other Statements, pronouncements and other literature of the Financial Accounting Standards Board ("FASB"), Federal Accounting Standards Advisory Board, International Public Sector Accounting Standards Board, and International Accounting Standards Board, and AICPA literature not cleared by the GASB; practices that are widely recognized and prevalent in state and local government; literature of other professional associations or regulatory agencies; and accounting textbooks, handbooks, and articles.

The Authority derives most of its revenue 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.

**NEW JERSEY WATER SUPPLY AUTHORITY  
(A COMPONENT UNIT OF THE STATE OF NEW JERSEY)**

NOTES TO FINANCIAL STATEMENTS

---

**B. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)**

**Revenues**

Charges for wholesale water usage are established to provide revenues sufficient for services, essential repairs and improvements to the 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 revenue 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 revenue and expenses not meeting this definition are reported as non-operating revenue and expenses.

**Capital Assets**

Capital assets are stated at original cost and consist primarily of amounts expended to license, construct, acquire, complete and place into 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 estimated 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 asset construction and temporarily invested during the construction period is netted against interest cost. 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 assets, 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.

**Investments**

Short-term investments and restricted investments used 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* and GASB Statement No. 72, *Fair Value Measurement and Application*.

**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 collectability. Accounts deemed uncollectible are charged to the allowance in the year they are deemed uncollectible.

**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 up to a maximum of \$15,000. A liability is accrued in the financial statements when incurred.

**NEW JERSEY WATER SUPPLY AUTHORITY  
(A COMPONENT UNIT OF THE STATE OF NEW JERSEY)**

NOTES TO FINANCIAL STATEMENTS

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**B. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)**

**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 represents the difference between assets and liabilities and is classified into three categories:

- *Net Investment in Capital Assets* - This represents capital assets, net of accumulated depreciation, less the outstanding balances of any bonds, notes, or other borrowings that are attributable to the acquisition construction or improvement of those assets.
- *Restricted for cash, investments, and unearned revenue* - This represents the net position that is not accessible for general use because its use is subject to restrictions enforceable by third parties. 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.
- *Unrestricted Net Position* - This represents net position that is available for general use.

**Deferred Inflows and Outflows of Resources**

In addition to assets and liabilities, the statements of net position report separate sections of deferred outflows of resources and deferred inflows of resources. Deferred outflows of resources represent a consumption of net position that applies to a future period which will not be recognized as an outflow of resources until that time. Deferred inflows of resources represent an acquisition of net position that applies to a future period which will not be recognized as an inflow of resources until that time.

*Deferred Inflows of Resources - Cost Recovery*

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 GASB Statement No. 62, 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, and accrued sick pay, which are being classified as deferred inflows of resources. The deferred inflows will be recovered through future revenue in accordance with the rate model. The deferred amounts for the months ended September 30, 2022 and the year ended June 30, 2022, were determined as follows:



**NEW JERSEY WATER SUPPLY AUTHORITY  
(A COMPONENT UNIT OF THE STATE OF NEW JERSEY)**

NOTES TO FINANCIAL STATEMENTS

**B. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)**

**Deferred Inflows and Outflows of Resources (Continued)**

	September 30, 2022	June 30, 2022
<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	23,317	45,359
Accrued sick pay	-	26,741
	(185,485)	(763,109)
Cost included in rate model:		
Debt principal repayment	-	-
<b>Subtotal Raritan Basin System</b>	(185,485)	(763,109)
<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	2,488	11,903
Accrued sick pay	-	844
	(382,725)	(1,528,107)
Cost included in rate model:		
Debt principal repayment	103,750	395,000
<b>Subtotal Manasquan System</b>	(278,975)	(1,133,107)
Total Raritan Basin and Manasquan	(464,460)	(1,896,216)
Balance, beginning of year	(685,718)	1,210,498
Balance, end of year	\$ (1,150,178)	\$ (685,718)

As shown in the statements of revenue, expenses and changes in net position for the three months ended September 30, 2022, deferred inflow of resources credit of \$499,781 includes a credit balance of \$9,516 of Manasquan Water Treatment Plant unearned revenue, which is not part of the rate model, and does not include a debit balance of \$25,805 of accrued vacation and sick pay. The June 30, 2022, deferred inflows of resources credit balance of \$1,265,301 includes a debit balance of \$715,762 of Manasquan Water Treatment Plant unearned revenue and does not include a debit balance of \$84,847 of accrued vacation and sick pay.

*Deferred Inflows/Outflows of Resources - Debt Refunding*

Deferred charges for debt refunding result from the difference between the net carrying amount of refunded bonds and the amount deposited to escrow to defease the bonds. In accordance with GASB 23, the Authority has deferred the difference between the reacquisition price and the net carrying amount of the Manasquan Reservoir Water Supply System Revenue Bonds, Series 2005. The deferred amount is reported as a deferred inflow of resources and amortized as a component of interest expense over the remaining life of the Manasquan Reservoir Water Supply System Revenue Bonds, Series 2016.

**NEW JERSEY WATER SUPPLY AUTHORITY  
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NOTES TO FINANCIAL STATEMENTS

**B. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)**

**Deferred Inflows and Outflows of Resources (Continued)**

*Deferred Inflows/Outflows of Resources - Pensions & Other Postretirement Benefits (OPEB)*

Deferred charges for the defined benefit plans result from the difference between expected (actuarial) and actual experience, changes in actuarial assumptions, net difference between projected (actuarial) and actual earnings on plan investments, changes in the State's proportion of expenses and liabilities to the plans as a whole, differences between the Authority's plan contributions and its proportionate share of contributions, and the Authority's pension contributions subsequent to the pension valuation measurement date.

**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 statements of net position. These excess costs or billings will be recovered or recognized in future periods. As of September 30, 2022 and 2021, unearned revenue amounting to \$4,632,676 and \$3,879,922 respectively, was determined as follows:

	<u>2022</u>	<u>2021</u>
Reimbursement of operating expenses	\$ 649,432	\$ 645,960
Operating expenses	658,948	692,468
Unearned revenue	<u>(9,516)</u>	<u>(46,508)</u>
Balance, beginning of year	4,642,192	3,926,430
Balance, end of year	<u>\$ 4,632,676</u>	<u>\$ 3,879,922</u>

In previous years, the Authority received additional funds that are restricted for use by the SMMUA for costs associated in operating the Water Treatment Plant. As of September 30, 2022 and 2021, the amount included in unearned revenue was \$262,483 and \$259,527, respectively.

**Accounting for Watershed Protection Program**

For the three months ended September 30, 2022 and 2021, the Authority received \$2,780 and \$38,430 respectively, from federal and/or state environmental agencies 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 these agencies 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, 2022, all the funds received had been recognized as revenue.

**Accounting for Mitigation Funds**

During fiscal years ended June 30, 2022, 2020, 2019, and 2011, the Authority received \$86,768, \$247,000, \$475,000, and \$20,000, respectively, for the costs associated with implementing water quality improvement projects for the Delaware and Raritan Canal. These funds are restricted to projects specifically identified by the D&R Canal Commission ("DRCC") and administered by the Authority and are recognized as revenue as the related costs are incurred. These are maintained in a separate mitigation account. As of September 30, 2022 and June 30, 2021, the balance of unearned revenue was \$553,485 and \$601,793, respectively.

**Accounting for FEMA Reimbursements**

The Authority received Federal Emergency Management Agency reimbursements for COVID-19 and the remnants of Hurricane Ida flooding in the amounts of \$451,851 and \$0 for the months ended September 30, 2022, and 2021, respectively.

**NEW JERSEY WATER SUPPLY AUTHORITY  
(A COMPONENT UNIT OF THE STATE OF NEW JERSEY)**

NOTES TO FINANCIAL STATEMENTS

**C. CAPITAL ASSETS**

Capital assets activity for the three months ended September 30, 2022 and the year ended June 30, 2022, was as follows

	2023 Beginning Balance	Additions	Retirements	2023 Ending Balance
Capital assets not being depreciated:				
Land	\$ 26,444,952	\$ -	\$ -	\$ 26,444,952
Construction work in progress	105,010,249	4,649,421	-	109,659,670
Total capital assets not being depreciated	131,455,201	4,649,421	-	136,104,622
Capital assets being depreciated:				
Dams	77,369,160	-	-	77,369,160
Building, structures and improvements	149,573,239	-	(1,069)	149,572,170
D & R Canal dredging	21,160,274	-	-	21,160,274
Machinery and equipment	7,830,475	237,677	(1,500)	8,066,652
Leased equipment	38,738	-	-	38,738
Total capital assets being depreciated	255,971,886	237,677	(2,569)	256,206,994
Less accumulated depreciation for:				
Dams	(33,882,675)	(190,441)	-	(34,073,116)
Building, structures and improvements	(102,739,113)	(914,412)	1,069	(103,652,456)
D & R Canal dredging	(21,160,274)	-	-	(21,160,274)
Machinery and equipment	(5,823,939)	(118,666)	1,500	(5,941,105)
Leased equipment	(4,842)	(2,421)	-	(7,263)
Total accumulated depreciation	(163,610,843)	(1,225,940)	2,569	(164,834,214)
Total capital assets being depreciated, net	92,361,043	(988,263)	-	91,372,780
Total capital assets, net	\$ 223,816,244	\$ 3,661,158	\$ -	\$ 227,477,402
	2022 Beginning Balance	Additions	Retirements	2022 Ending Balance
Capital assets not being depreciated:				
Land	\$ 26,444,952	\$ -	\$ -	\$ 26,444,952
Construction work in progress	89,541,411	19,821,529	(4,352,691)	105,010,249
Total capital assets not being depreciated	115,986,363	19,821,529	(4,352,691)	131,455,201
Capital assets being depreciated:				
Dams	77,369,160	-	-	77,369,160
Building, structures and improvements	145,169,966	4,404,482	(1,209)	149,573,239
D & R Canal dredging	21,160,274	-	-	21,160,274
Machinery and equipment	7,444,203	921,289	(535,017)	7,830,475
Leased equipment	56,520	38,738	(56,520)	38,738
Total capital assets being depreciated	251,200,123	5,364,509	(592,746)	255,971,886
Less accumulated depreciation for:				
Dams	(33,120,909)	(761,766)	-	(33,882,675)
Building, structures and improvements	(99,174,956)	(3,565,366)	1,209	(102,739,113)
D & R Canal dredging	(21,160,274)	-	-	(21,160,274)
Machinery and equipment	(5,940,894)	(405,216)	522,171	(5,823,939)
Leased equipment	(49,488)	(11,874)	56,520	(4,842)
Total accumulated depreciation	(159,446,521)	(4,744,222)	579,900	(163,610,843)
Total capital assets being depreciated, net	91,753,602	620,287	(12,846)	92,361,043
Total capital assets, net	\$ 207,739,965	\$ 20,441,816	\$ (4,365,537)	\$ 223,816,244

**NEW JERSEY WATER SUPPLY AUTHORITY  
(A COMPONENT UNIT OF THE STATE OF NEW JERSEY)**

NOTES TO FINANCIAL STATEMENTS

**D. CASH, CASH EQUIVALENTS AND INVESTMENTS**

New Jersey statutes permit the deposit of public funds in the State of New Jersey Cash Management Fund ("NJCMF") or in institutions located in New Jersey that are insured by the Federal Deposit Insurance Corporation (the "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 U.S. 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 certificates of deposit of commercial banks that are members of the Federal Reserve System, investments in the NJCMF and direct and general obligations of any state that meets the minimum requirements of the resolution.

1. Cash

As of September 30, 2022 and June 30, 2022, the Authority's bank balance was \$86,324,529 and \$104,682,169, respectively, of which \$250,000 was covered through the FDIC. The remaining balance of \$86,074,529 and \$104,432,169 as of September 30, 2022 and June 30, 2022, respectively, were collateralized through irrevocable stand-by letters of credit issued by the Federal Home Loan Bank of Pittsburgh through TD Bank. The letters of credit cover up to a maximum of \$100,000,000, and \$104,000,000 and \$2,000,000 of Authority deposits, respectively. The letters expire on March 28, 2023 and August 23, 2022, of the Authority deposits, respectively. The cash balance per the statement of net position is shown exclusive of outstanding checks totaling \$74,481 and \$114,451, respectively. The statements of net position amount includes petty cash totaling \$300 as of September 30, 2022 and June 30, 2022, respectively.

2. 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 does not have a deposit policy for custodial credit risk. The Authority's bank balance of \$86,324,529 and \$104,682,169 as of September 30, 2022 and June 30, 2022, respectively, was exposed to custodial credit risk as follows:

	September 30, 2022	June 30, 2022
Uninsured and uncollateralized	\$ -	\$ -

3. Investments and Cash Equivalents

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

The Authority categorizes its fair value measurements within fair value hierarchy established by generally accepted accounting principals. The hierarchy is based on the valuation inputs used to measure the fair value of the asset. Level 1 inputs are quoted prices in active markets for identical assets; Level 2 inputs are significant other observable inputs; Level 3 inputs are significant unobservable inputs. The Authority has no level 1 or level 3 investments.

As of September 30, 2022, the Authority had the following recurring fair value measurements using current sale prices or sale prices of comparable securities for New Jersey General Obligation Bonds (Level 2 inputs) for investments and cash equivalents, and maturities:

Investment and Cash Equivalent Type	Valuation Inputs Level	Fair Value	Investment Maturities (In Years)	
			Less than 1	1-5
NJ G/O Bonds and CDs	Level 2	\$ 15,064,781	\$ 1,632,375	\$ 13,432,406
Total		\$ 15,064,781	\$ 1,632,375	\$ 13,432,406

As of June 30, 2022, the Authority had the following recurring fair value measurements using current sale prices or sale prices of comparable securities for New Jersey General Obligation Bonds (Level 2 inputs) for investments and cash equivalents, and maturities:

**NEW JERSEY WATER SUPPLY AUTHORITY  
(A COMPONENT UNIT OF THE STATE OF NEW JERSEY)**

NOTES TO FINANCIAL STATEMENTS

**D. CASH, CASH EQUIVALENTS AND INVESTMENTS (CONTINUED)**

3. Investments and Cash Equivalents (continued)

Investment and Cash Equivalent Type	Valuation Inputs Level	Fair Value	Investment Maturities (In Years)	
			Less than 1	1-5
NJ G/O Bonds and CDs	Level 2	\$ -	\$ -	\$ -
<b>Total</b>		<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>

4. Credit and Custodial Credit Risk

In order to limit exposure to credit risk, the Authority follows the investment policies set forth by the NJCMF. These policies allow investment in securities that achieve a certain rating from the three major ratings organizations as determined annually by the governing board of the NJCMF, as well as limiting investments to certain types of marketable securities.

U.S. Treasury notes are explicitly guaranteed by the U.S. government and are not subject to credit risk or custodial credit risk.

The Authority entered into an agreement with TD Bank to collateralize all deposits held at market rate equal to 102% of the daily combined total of all deposits. As of September 30, 2022, all deposits were collateralized.

5. Investment Income

The following comprises investment income for the three months ended September 30, 2022 and 2021, respectively:

	2022	2021
Interest earned on bank accounts and certificates of deposit	\$ 121,604	\$ 27,992
Interest earned on securities	108,320	281
Decrease in fair value of securities	(411,124)	2,011
	<u>\$ (181,200)</u>	<u>\$ 30,284</u>

**E. MAJOR WATER CUSTOMERS**

During fiscal years 2022 and 2021, the Authority supplied water to approximately 30 customers of the Raritan Basin System and 13 customers of the Manasquan System.

*Revenue*

During fiscal years 2022 and 2021, two customers accounted for approximately 84% of total Raritan Basin System operating revenue. During fiscal years 2022 and 2021, three customers accounted for approximately 85% of the total Manasquan System operating revenue.

*Accounts Receivable*

During fiscal year 2022, two customers accounted for approximately 100% of the total Raritan Basin System accounts receivable and three customers accounted for approximately 95% of total Manasquan System accounts receivable. During fiscal year 2021, three customers accounted for approximately 90% of total Raritan Basin System accounts receivable and three customers accounted for approximately 85% of total Manasquan System accounts receivable.

**F. RISK MANAGEMENT**

The Authority carries insurance for all of its facilities, covering direct physical loss or damage and loss of revenue resulting therefrom, with such 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  
(A COMPONENT UNIT OF THE STATE OF NEW JERSEY)

COMBINING SCHEDULE OF NET POSITION  
FOR THE THREE MONTHS ENDED SEPTEMBER 30, 2022

Unaudited

	Raritan Basin System	Manasquan Reservoir System	Elimination Entries	Combined Total
<b>Assets</b>				
Current assets:				
Unrestricted assets:				
Cash and cash equivalents	\$ 28,674,769	\$ 22,330,670	\$ -	\$ 51,005,439
Unbilled sales	2,978,290	-	-	2,978,290
Accounts receivable, less allowance for doubtful accounts of \$1,000 at September 30, 2022	22,579,178	1,779,141	(175,401)	24,182,918
Interest receivable	97,275	12,766	-	110,041
Prepaid expenses and other current assets	627,884	200,318	-	828,202
Total unrestricted assets	54,957,396	24,322,895	(175,401)	79,104,890
Restricted assets:				
Cash equivalents	29,394,093	5,850,816	-	35,244,909
Total current assets	84,351,489	30,173,711	(175,401)	114,349,799
Non-current assets:				
Investments	13,352,975	1,601,765	-	14,954,740
Capital assets net of accumulated depreciation of \$164,834,215 at September 30, 2022	180,845,324	46,632,078	-	227,477,402
Total non-current assets	194,198,299	48,233,843	-	242,432,142
Total assets	278,549,788	78,407,554	(175,401)	356,781,941
Deferred outflows of resources:				
Pension related	1,619,742	465,641	-	2,085,383
OPEB related	8,384,675	2,435,371	-	10,820,046
Construction loan DEP fee	742,575	-	-	742,575
Total deferred outflows of resources	10,746,992	2,901,012	-	13,648,004
Total assets and deferred outflows of resources	\$ 289,296,780	\$ 81,308,566	\$ (175,401)	\$ 370,429,945
<b>Liabilities</b>				
Current liabilities:				
Current portion of bonds, notes and loans payable	\$ 540,014	\$ 39,191	\$ -	\$ 579,205
Accounts payable	4,957,816	314,882	(175,401)	5,097,297
Accrued liabilities	2,392,926	515,587	-	2,908,513
Unearned revenue	553,485	4,895,159	-	5,448,644
Total current liabilities	8,444,241	5,764,819	(175,401)	14,033,659
Non-current liabilities:				
Non-current portion of bonds, notes and loans payable	112,789,085	40,040,688	-	152,829,773
Non-current lease liability	26,362	7,843	-	34,205
Net pension liability	9,515,576	2,735,523	-	12,251,099
Total OPEB liability	24,209,299	6,828,264	-	31,037,563
Total non-current liabilities	146,540,322	49,612,318	-	196,152,640
Total liabilities	154,984,563	55,377,137	(175,401)	210,186,299
Deferred inflows of resources				
Cost recovery	8,840,594	(9,990,772)	-	(1,150,178)
Pension related	6,280,956	1,805,640	-	8,086,596
OPEB related	10,962,859	3,092,089	-	14,054,948
Gain on refunding	-	230,848	-	230,848
Total deferred inflow of resources	26,084,409	(4,862,195)	-	21,222,214
<b>Net position</b>				
Net investment in capital assets	67,516,225	31,884,535	-	99,400,760
Restricted for cash, investments and unearned revenue	28,840,608	955,657	-	29,796,265
Unrestricted	11,870,975	(2,046,568)	-	9,824,407
Total net position	108,227,808	30,793,624	-	139,021,432
Total liabilities, deferred inflows of resources, and net position	\$ 289,296,780	\$ 81,308,566	\$ (175,401)	\$ 370,429,945

NEW JERSEY WATER SUPPLY AUTHORITY  
(A COMPONENT UNIT OF THE STATE OF NEW JERSEY)

COMBINED SCHEDULE OF REVENUE, EXPENSES AND CHANGES IN NET POSITION  
FOR THE THREE MONTHS ENDED SEPTEMBER 30, 2022

	Unaudited			Combined Total
	Raritan Basin System	Manasquan Reservoir System	Manasquan Water Treatment Plant	
Operating revenue:				
Water sales	\$ 6,654,475	\$ 1,857,506	\$ -	\$ 8,511,981
Reimbursement of operating expenses	-	-	645,000	645,000
Total operating revenue	<u>6,654,475</u>	<u>1,857,506</u>	<u>645,000</u>	<u>9,156,981</u>
Operating expenses:				
Payroll	1,634,879	250,817	224,209	2,109,905
Operations and maintenance (direct)	1,159,593	235,341	253,869	1,648,803
Operations and maintenance (general and administrative)	-	34,197	20,839	55,036
Fringe benefits	893,832	148,865	134,278	1,176,975
Headquarters overhead	(187,253)	161,500	25,753	-
Depreciation	762,148	463,792	-	1,225,940
Total operating expenses	<u>4,263,199</u>	<u>1,294,512</u>	<u>658,948</u>	<u>6,216,659</u>
Income from operations	<u>2,391,276</u>	<u>562,994</u>	<u>(13,948)</u>	<u>2,940,322</u>
Non-operating revenue:				
State of New Jersey - Grant Programs	510,750	-	-	510,750
Investment and interest income	(182,191)	(3,441)	4,432	(181,200)
Rental income	50,933	-	-	50,933
Other income/(loss)	14,720	29	-	14,749
Total non-operating revenue	<u>394,212</u>	<u>(3,412)</u>	<u>4,432</u>	<u>395,232</u>
Non-operating expenses:				
Interest component of debt service to the State of New Jersey	133,234	26,331	-	159,565
Recovery of deferred inflows of resources	(208,802)	(281,463)	(9,516)	(499,781)
Total non-operating expenses	<u>(75,568)</u>	<u>(255,132)</u>	<u>(9,516)</u>	<u>(340,216)</u>
Changes in net position	2,861,056	814,714	-	3,675,770
Net position, beginning of year	<u>105,366,752</u>	<u>29,978,910</u>	<u>-</u>	<u>135,345,662</u>
Net position, end of year	<u>\$ 108,227,808</u>	<u>\$ 30,793,624</u>	<u>\$ -</u>	<u>\$ 139,021,432</u>



**NEW JERSEY WATER SUPPLY AUTHORITY  
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**SCHEDULE OF CHANGE IN CASH AND INVESTMENTS - RARITAN BASIN SYSTEM  
FOR THE THREE MONTHS ENDED SEPTEMBER 30, 2022**

	Operating Fund										Subtotal
	Revenue Account	Operating Account	Payroll Account	Operating Fund	Reserve for O&M	Self-Insurance Reserve	Depreciation Reserve	Pumping Reserve	Capital Improvements Investments II	Source Water Protection Fund	
Cash and investments - July 1, 2022	\$ 485,715	\$ 2,060,817	\$ 177,816	\$ 1,739,046	\$ 3,650,364	\$ 931,682	\$ 4,862,142	\$ 2,036,986	\$ 76,158	\$ 4,385,012	\$ 20,405,738
Cash receipts:											
Water sales operations and maintenance	3,045,211	-	-	-	-	-	-	-	-	-	3,045,211
Water sales NJEIFP	1,402,492	-	-	-	-	-	-	-	-	-	1,402,492
Water sales capital fund	544,497	-	-	-	-	-	-	-	-	-	544,497
Water sales source water protection fund	395,998	-	-	-	-	-	-	-	-	-	395,998
Water sales overdrafts	-	-	-	-	-	-	-	-	-	-	-
Rental income	42,062	-	-	-	-	-	-	-	-	-	42,062
Manasquan reservoir support	13,208	-	-	-	-	-	-	-	-	-	13,208
Headquarters overhead	-	-	-	171,503	-	-	-	-	-	-	171,503
Disposition of property	58,600	-	-	-	-	-	-	-	-	-	58,600
Recycling revenue	646	-	-	-	-	-	-	-	-	-	646
Sale/Transfer for investment securities	-	-	-	-	2,500,048	750,000	3,500,000	-	7,000,000	-	13,750,048
Nonrefundable bid deposits	-	-	-	-	-	-	-	-	-	-	-
Insurance reimbursement	-	-	-	-	-	-	-	-	-	-	-
Miscellaneous expense reimbursement	502,300	663	-	-	-	-	-	-	-	-	502,963
Transfers:											
Contributions from operating fund	1,086,340	6,530,597	1,054,638	(11,503,735)	-	-	44,600	37,500	-	141,492	(2,608,568)
Contributions to operating fund	-	-	-	5,786,785	-	-	(7,185)	-	-	(52,861)	5,726,739
Transfers for operations	(7,806,770)	8,112	-	7,806,770	-	-	-	-	-	-	8,112
Transfers for investments	-	-	-	-	-	-	-	-	-	-	-
Distribution from reserves to operations	200,000	-	-	37,580	-	-	(37,580)	-	-	(200,000)	-
Investment income	413	2,706	-	-	21,354	6,188	30,231	2,953	76,340	6,283	146,468
Per resolution, Section 603:											
Investment income, transfer from	28,091	-	-	-	1,471	-	(1,401)	-	(28,161)	-	-
Investment income, transfer to	2,872	-	-	-	(2,466)	(406)	-	-	-	-	-
Unrealized gain/(loss) on fair value	-	-	-	-	(66,652)	(20,370)	(96,427)	-	(182,265)	-	(365,714)
Total cash receipts	(484,040)	6,542,078	1,054,638	2,298,903	2,453,755	735,412	3,432,238	40,453	6,865,914	(105,086)	22,834,265
Total available cash and investments	\$ 1,675	\$ 8,602,895	\$ 1,232,454	\$ 4,037,949	\$ 6,104,119	\$ 1,667,094	\$ 8,294,380	\$ 2,077,439	\$ 6,942,072	\$ 4,279,926	\$ 43,240,003

**NEW JERSEY WATER SUPPLY AUTHORITY  
(A COMPONENT UNIT OF THE STATE OF NEW JERSEY)**

**SCHEDULE OF CHANGE IN CASH AND INVESTMENTS - RARITAN BASIN SYSTEM (CONTINUED)  
FOR THE THREE MONTHS ENDED SEPTEMBER 30, 2022**

	Subtotal	Parity SWP Bond Fund	Subordinated SWP Bond Fund	Major Rehabilitation	Capital Improvement Fund	D&R Mitigation Fund	D&R Canal Dredging	Capital Equipment Reserve	Rate Stabilization Fund	Employment Benefit Funds	Totals
Total cash and investments	\$ 20,405,738	\$ 339,644	\$ 661,317	\$ 1,413,335	\$ 19,611,839	\$ 650,497	\$ 28,698,298	\$ 1,226,919	\$ 88,033	\$ 2,022,740	\$ 75,118,360
Cash receipts:											
Water sales operations and maintenance	3,045,211	-	-	-	-	-	-	-	-	-	3,045,211
Water sales NJEIFP	1,402,492	-	-	-	-	-	-	-	-	-	1,402,492
Water sales capital fund	544,497	-	-	-	-	-	-	-	-	-	544,497
Water sales source water protection fund	395,998	-	-	-	-	-	-	-	-	-	395,998
Water sales overdrafts	-	-	-	-	-	-	-	-	-	-	-
Rental income	42,062	-	-	-	-	-	-	-	-	-	42,062
Manasquan reservoir support	13,208	-	-	-	-	-	-	-	-	-	13,208
Headquarters overhead	171,503	-	-	-	-	-	-	-	-	-	171,503
Disposition of property	58,600	-	-	-	-	-	-	-	-	-	58,600
Recycling revenue	646	-	-	-	-	-	-	-	-	-	646
Sale/Transfer for investment securities	13,750,048	-	-	-	-	-	-	-	-	-	13,750,048
Nonrefundable bid deposits	-	-	-	-	-	-	-	-	-	-	-
Insurance reimbursement	-	-	-	-	-	-	-	-	-	-	-
Miscellaneous expense reimbursement	502,963	-	-	-	-	-	-	-	-	624	503,587
Transfers:											
Contributions from operating fund	(2,608,568)	79,353	178,476	-	629,668	-	1,414,269	37,500	-	269,302	-
Contributions to operating fund	5,726,739	-	-	-	(5,641,664)	(85,075)	-	-	-	-	-
Transfers for operations	8,112	-	-	-	-	-	-	-	-	(8,112)	-
Transfers for investments	-	-	-	-	-	-	-	-	-	-	-
Distribution from reserves to operations	-	-	-	-	-	-	-	-	-	-	-
Investment income	146,468	86	249	2,004	18,249	791	42,142	1,741	20	2,624	214,374
Per resolution, Section 603:											
Investment income, transfer from	-	-	-	-	-	-	-	-	-	-	-
Investment income, transfer to	-	-	-	-	-	-	-	-	-	-	-
Unrealized gain/(loss) on fair value	(365,714)	-	-	-	-	-	-	-	-	-	(365,714)
Total cash receipts	22,834,265	79,439	178,725	2,004	(4,993,747)	(84,284)	1,456,411	39,241	20	264,438	19,776,512
Total available cash and investments	\$ 43,240,003	\$ 419,083	\$ 840,042	\$ 1,415,339	\$ 14,618,092	\$ 566,213	\$ 30,154,709	\$ 1,266,160	\$ 88,053	\$ 2,287,178	\$ 94,894,872

**NEW JERSEY WATER SUPPLY AUTHORITY  
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**SCHEDULE OF CHANGE IN CASH AND INVESTMENTS - RARITAN BASIN SYSTEM (CONTINUED)  
FOR THE THREE MONTHS ENDED SEPTEMBER 30, 2022**

	Operating Fund										
	Revenue Account	Operating Account	Payroll Account	Operating Fund	Reserve for O&M	Self-Insurance Reserve	Depreciation Reserve	Pumping Reserve	Capital Improvements II	Source Water Protection Fund	Subtotal
Total available cash and investments	\$ 1,675	\$ 8,602,895	\$ 1,232,454	\$ 4,037,949	\$ 6,104,119	\$ 1,667,094	\$ 8,294,380	\$ 2,077,439	\$ 6,942,072	\$ 4,279,926	\$ 43,240,003
Cash disbursements:											
Payroll	-	-	1,054,638	-	-	-	-	-	-	-	1,054,638
Fringe benefits	-	13,111	-	459,582	-	-	-	-	-	-	472,693
Employee deferred compensation and credit union	-	182,016	-	78,336	-	-	-	-	-	-	260,352
Operations and maintenance	-	5,736,160	-	(202,977)	-	-	-	-	-	-	5,533,183
Prepaid insurance	-	-	-	-	-	-	-	-	-	-	-
Miscellaneous disbursements	-	-	-	-	1,079	792	2,973	-	26,258	-	31,102
Watershed Management Fund	-	-	-	-	-	-	-	-	-	-	-
Capital improvements:											
Capital assets	-	-	-	-	-	-	-	-	-	-	-
New five year construction project	-	-	-	-	-	-	-	-	-	-	-
Purchase/Sale of investments securities	-	-	-	-	2,500,048	750,000	3,500,000	-	-	-	6,750,048
Principal on NJEIT bonds	-	-	-	-	-	-	-	-	-	-	-
Interest, Fees, and Credits on NJEIT revenue bonds	-	-	-	-	-	-	-	-	-	-	-
Total cash disbursements	-	5,931,287	1,054,638	334,941	2,501,127	750,792	3,502,973	-	26,258	-	14,102,016
Cash and investments - September 30, 2022	\$ 1,675	\$ 2,671,608	\$ 177,816	\$ 3,703,008	\$ 3,602,992	\$ 916,302	\$ 4,791,407	\$ 2,077,439	\$ 6,915,814	\$ 4,279,926	\$ 29,137,987
Summary of cash and investments:											
Cash	\$ 1,675	\$ 2,671,608	\$ 177,816	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 2,851,099
Short-term investments	-	-	-	3,703,008	1,153,188	181,731	1,365,186	2,077,439	76,160	4,279,926	12,836,638
Long-term investments	-	-	-	-	2,449,804	734,571	3,426,221	-	6,839,654	-	13,450,250
Restricted Investments (current)	-	-	-	-	-	-	-	-	-	-	-
Restricted Investments (long-term)	-	-	-	-	-	-	-	-	-	-	-
Total cash and investments	\$ 1,675	\$ 2,671,608	\$ 177,816	\$ 3,703,008	\$ 3,602,992	\$ 916,302	\$ 4,791,407	\$ 2,077,439	\$ 6,915,814	\$ 4,279,926	\$ 29,137,987

**NEW JERSEY WATER SUPPLY AUTHORITY  
(A COMPONENT UNIT OF THE STATE OF NEW JERSEY)**

**SCHEDULE OF CHANGE IN CASH AND INVESTMENTS - RARITAN BASIN SYSTEM (CONTINUED)  
FOR THE THREE MONTHS ENDED SEPTEMBER 30, 2022**

	Subtotal	Parity SWP Bond Fund	Subordinated SWP Bond Fund	Major Rehabilitation	Capital Improvement Fund	D&R Mitigation Fund	D&R Canal Dredging	Capital Equipment Reserve	Rate Stabilization Fund	Employment Benefit Funds	Totals
Total available cash and investments	\$ 43,240,003	\$ 419,083	\$ 840,042	\$ 1,415,339	\$ 14,618,092	\$ 566,213	\$ 30,154,709	\$ 1,266,160	\$ 88,053	\$ 2,287,178	\$ 94,894,872
Cash disbursements:											
Payroll	1,054,638	-	-	-	-	-	-	-	-	-	1,054,638
Fringe benefits	472,693	-	-	-	-	-	-	-	-	-	472,693
Employee deferred compensation and credit union	260,352	-	-	-	-	-	-	-	-	-	260,352
Operations and maintenance	5,533,183	-	-	-	-	-	-	-	-	-	5,533,183
Prepaid insurance	-	-	-	-	-	-	-	-	-	-	-
Miscellaneous disbursements	31,102	-	-	-	-	-	-	-	-	11,791	42,893
Watershed Management Fund	-	-	-	-	-	-	-	-	-	-	-
Capital improvements:											
Capital assets	-	-	-	-	-	-	-	-	-	-	-
New five year construction project	-	-	-	-	-	-	-	-	-	-	-
Purchase/Sale of investments securities	6,750,048	-	-	-	7,000,000	-	-	-	-	-	13,750,048
Principal on NJEIT bonds	-	298,901	559,509	-	-	-	1,217,439	-	-	-	2,075,849
Interest, Fees, and Credits on NJEIT revenue bonds	-	1,361	25,674	-	-	-	159,069	-	-	-	186,104
Total cash disbursements	14,102,016	300,262	585,183	-	7,000,000	-	1,376,508	-	-	11,791	23,375,760
Cash and investments - September 30, 2022	\$ 29,137,987	\$ 118,821	\$ 254,859	\$ 1,415,339	\$ 7,618,092	\$ 566,213	\$ 28,778,201	\$ 1,266,160	\$ 88,053	\$ 2,275,387	\$ 71,519,112
Summary of cash and investments:											
Cash	\$ 2,851,099	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 49,678	\$ 2,900,777
Short-term investments	12,836,638	118,821	254,859	1,415,339	7,618,092	566,213	28,778,201	1,266,160	88,053	2,225,709	55,168,085
Long-term investments	13,450,250	-	-	-	-	-	-	-	-	-	13,450,250
Restricted Investments (current)	-	-	-	-	-	-	-	-	-	-	-
Restricted Investments (long-term)	-	-	-	-	-	-	-	-	-	-	-
Total cash and investments	\$ 29,137,987	\$ 118,821	\$ 254,859	\$ 1,415,339	\$ 7,618,092	\$ 566,213	\$ 28,778,201	\$ 1,266,160	\$ 88,053	\$ 2,275,387	\$ 71,519,112

NEW JERSEY WATER SUPPLY AUTHORITY  
(A COMPONENT UNIT OF THE STATE OF NEW JERSEY)

SCHEDULE OF CHANGE IN CASH AND INVESTMENTS - MANASQUAN WATER SUPPLY SYSTEM  
FOR THE THREE MONTHS ENDED SEPTEMBER 30, 2022

	Operating Fund													Subtotal
	Revenue Account	Operating Account	Payroll Account	Operating Fund	Reserve for O&M	Self - Insurance Reserve	Renewal and Replacement Account	Water Reuse & Recycling	Source Water Protection	Depreciation Reserve	Pumping Reserve	Capital Improvement Fund	Sediment Reserve	
Cash and investments - July 1, 2022	\$ 338,394	\$ 376,214	\$ 55,872	\$ 7,764,044	\$ 1,604,939	\$ 217,965	\$ 4,064,117	\$ 30,386	\$ 1,456,030	\$ 605,759	\$ 154,799	\$ 5,605,535	\$ 346,297	\$ 22,620,351
Cash receipts:														
Water sales operations and maintenance	711,390	-	-	-	-	-	-	-	-	-	-	-	-	711,390
Water sales capital fund	706,211	-	-	-	-	-	-	-	-	-	-	-	-	706,211
Water sales debt service	177,628	-	-	-	-	-	-	-	-	-	-	-	-	177,628
Source water protection	23,935	-	-	-	-	-	-	-	-	-	-	-	-	23,935
Water sales debt service NJEIT	39,780	-	-	-	-	-	-	-	-	-	-	-	-	39,780
Water sales overdrafts	10,055	-	-	-	-	-	-	-	-	-	-	-	-	10,055
NJ-American pumping costs	59,367	-	-	-	-	-	-	-	-	-	-	-	-	59,367
Headquarters overhead	-	-	-	(145,750)	-	-	-	-	-	-	-	-	-	(145,750)
Reimbursement of WTP capital expenses	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Disposition of assets	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Reimbursement from/(to) Raritan Basin	13,913	-	-	-	1,000,000	150,000	-	-	-	400,000	100,000	-	-	1,663,913
Sale/Transfer for investment securities	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Nonrefundable bid deposits	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Miscellaneous reimbursement	1,046	-	-	-	-	-	-	-	-	-	-	-	-	1,046
Transfers:														
Contributions from operating fund	-	1,110,663	310,275	(3,131,273)	-	-	30,000	-	26,613	-	-	799,916	7,500	(846,306)
Contributions to operating fund	-	-	-	384,154	-	-	(18,025)	-	(36,822)	-	-	-	-	329,307
Transfers for operations	(2,624,350)	-	-	2,624,350	-	-	-	-	-	-	-	-	-	-
Distribution from reserves to operations	584,130	-	-	-	-	-	-	-	-	-	-	-	-	584,130
Investment income	406	290	-	10,134	9,075	1,056	5,989	-	2,085	3,449	699	9,169	415	42,767
Per resolution, Section 603:														
Investment income, transfer from	11,747	-	-	(10,134)	(1,131)	(43)	-	-	-	-	(24)	-	(415)	-
Investment income, transfer to	(11,747)	-	-	11,747	-	-	-	-	-	-	-	-	-	-
Unrealized gain/(loss) on fair value	-	-	-	-	(27,677)	(3,764)	-	-	-	(11,460)	(2,509)	-	-	(45,410)
Total cash receipts	(296,489)	1,110,953	310,275	(256,772)	980,267	147,249	17,964	-	(8,124)	391,989	98,166	809,085	7,500	3,312,063
Total cash and investments	\$ 41,905	\$ 1,487,167	\$ 366,147	\$ 7,507,272	\$ 2,585,206	\$ 365,214	\$ 4,082,081	\$ 30,386	\$ 1,447,906	\$ 997,748	\$ 252,965	\$ 6,414,620	\$ 353,797	\$ 25,932,414

NEW JERSEY WATER SUPPLY AUTHORITY  
(A COMPONENT UNIT OF THE STATE OF NEW JERSEY)

SCHEDULE OF CHANGE IN CASH AND INVESTMENTS - MANASQUAN WATER SUPPLY SYSTEM (CONTINUED)  
FOR THE THREE MONTHS ENDED SEPTEMBER 30, 2022

	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	2016 Debt Service Account	2016 Debt Service Reserve	Rebate Fund	General Reserve Fund	Employment Benefit Funds	
Cash and investments - July 1, 2022	\$ 22,620,351	\$ 48,848	\$ 3,025,287	\$ 9,480	\$ 98,416	\$ 253,136	\$ 78,178	\$ 169,346	\$ 553,796	\$ 1,746,553	\$ 250,803	\$ 41,197	\$ 554,267	\$ 29,449,658
Cash receipts:														
Water sales operations and maintenance	711,390	-	-	-	-	-	-	-	-	-	-	-	-	711,390
Water sales capital fund	706,211	-	-	-	-	-	-	-	-	-	-	-	-	706,211
Water sales debt service	177,628	-	-	-	-	-	-	-	-	-	-	-	-	177,628
Source water protection	23,935	-	-	-	-	-	-	-	-	-	-	-	-	23,935
Water sales debt service NJEIT	39,780	-	-	-	-	-	-	-	-	-	-	-	-	39,780
Water sales overdrafts	10,055	-	-	-	-	-	-	-	-	-	-	-	-	10,055
NJ-American pumping costs	59,367	-	-	-	-	-	-	-	-	-	-	-	-	59,367
Headquarters overhead	(145,750)	-	645,000	-	-	-	-	-	-	-	-	-	-	499,250
Reimbursement of WTP capital expenses	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Disposition of assets	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Reimbursement from/(to) Raritan Basin	1,663,913	-	-	-	-	-	-	-	-	-	-	-	-	1,663,913
Sale/Transfer for investment securities	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Nonrefundable bid deposits	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Miscellaneous reimbursement	1,046	697	-	-	-	-	-	-	-	-	-	-	-	1,743
Transfers:														
Contributions from operating fund	(846,306)	299,985	(302,304)	-	-	-	-	44,230	147,897	-	-	584,130	72,368	-
Contributions to operating fund	329,307	-	(323,354)	-	-	(5,953)	-	-	-	-	-	-	-	-
Transfers for operations	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Distribution from reserves to operations	584,130	-	-	-	-	-	-	-	-	-	-	(584,130)	-	-
Investment income	42,767	150	3,974	-	36	267	6	49	-	-	263	-	556	48,068
Per resolution, Section 603:														
Investment income, transfer from	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Investment income, transfer to	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Unrealized gain/(loss) on fair value	(45,410)	-	-	-	-	-	-	-	-	-	-	-	-	(45,410)
Total cash receipts	3,312,063	300,832	23,316	-	36	267	(5,947)	44,279	147,897	-	263	-	72,924	3,895,930
Total cash and investments	\$ 25,932,414	\$ 349,680	\$ 3,048,603	\$ 9,480	\$ 98,452	\$ 253,403	\$ 72,231	\$ 213,625	\$ 701,693	\$ 1,746,553	\$ 251,066	\$ 41,197	\$ 627,191	\$ 33,345,588

NEW JERSEY WATER SUPPLY AUTHORITY  
(A COMPONENT UNIT OF THE STATE OF NEW JERSEY)

SCHEDULE OF CHANGE IN CASH AND INVESTMENTS - MANASQUAN WATER SUPPLY SYSTEM  
FOR THE THREE MONTHS ENDED SEPTEMBER 30, 2022

	Operating Fund													Subtotal
	Revenue Account	Operating Account	Payroll Account	Operating Fund	Reserve for O&M	Self - Insurance Reserve	Renewal and Replacement Account	Water Reuse & Recycling	Source Water Protection	Depreciation Reserve	Pumping Reserve	Capital Improvement Fund	Sediment Reserve	
Total available cash and investments	\$ 41,905	\$ 1,487,167	\$ 366,147	\$ 7,507,272	\$ 2,585,206	\$ 365,214	\$ 4,082,081	\$ 30,386	\$ 1,447,906	\$ 997,748	\$ 252,965	\$ 6,414,620	\$ 353,797	\$ 25,932,414
Cash disbursements:														
Payroll	-	-	310,275	-	-	-	-	-	-	-	-	-	-	310,275
Fringe benefits	-	(2,321)	-	52,676	-	-	-	-	-	-	-	-	-	50,355
Employee deferred compensation and credit union	-	581,286	-	(459,583)	-	-	-	-	-	-	-	-	-	121,703
Operations and maintenance	-	315,135	-	202,977	1,084	5	-	-	-	617	5	-	-	519,823
NJ-American pumping costs	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Prepaid insurance	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Headquarters overhead	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Capital assets reservoir	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Capital improvement program (reservoir)	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Purchase of investments securities	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Principal on bonds	-	-	-	-	1,000,000	150,000	-	-	-	400,000	100,000	-	-	1,650,000
Interest, Fees, and Credits on NJEIT revenue bonds	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Total cash disbursements	-	894,100	310,275	(203,930)	1,001,084	150,005	-	-	-	400,617	100,005	-	-	2,652,156
Cash and investments - September 30, 2022	\$ 41,905	\$ 593,067	\$ 55,872	\$ 7,711,202	\$ 1,584,122	\$ 215,209	\$ 4,082,081	\$ 30,386	\$ 1,447,906	\$ 597,131	\$ 152,960	\$ 6,414,620	\$ 353,797	\$ 23,280,258
Summary of cash and investments:														
Cash (Manasquan)	\$ 41,905	\$ 593,067	\$ 55,872	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 690,844
Cash (Water Treatment Plant/TS)	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Short-term investments	-	-	-	7,711,202	605,719	67,960	4,082,081	30,386	1,447,906	206,418	54,794	6,414,620	353,797	20,974,883
Short-term investments (Water Treatment Plant/TS)	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Long-term investments	-	-	-	-	978,403	147,249	-	-	-	390,713	98,166	-	-	1,614,531
Restricted investments (current)	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Restricted investments (long-term)	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Total cash and investments	\$ 41,905	\$ 593,067	\$ 55,872	\$ 7,711,202	\$ 1,584,122	\$ 215,209	\$ 4,082,081	\$ 30,386	\$ 1,447,906	\$ 597,131	\$ 152,960	\$ 6,414,620	\$ 353,797	\$ 23,280,258

NEW JERSEY WATER SUPPLY AUTHORITY  
(A COMPONENT UNIT OF THE STATE OF NEW JERSEY)

SCHEDULE OF CHANGE IN CASH AND INVESTMENTS - MANASQUAN WATER SUPPLY SYSTEM (CONTINUED)  
FOR THE THREE MONTHS ENDED SEPTEMBER 30, 2022

	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	2016 Debt Service Account	2016 Debt Service Reserve	Rebate Fund	General Reserve Fund	Employment Benefit Funds		
Total available cash and investments	\$ 25,932,414	\$ 349,680	\$ 3,048,603	\$ 9,480	\$ 98,452	\$ 253,403	\$ 72,231	\$ 213,625	\$ 701,693	\$ 1,746,553	\$ 251,066	\$ 41,197	\$ 627,191	\$ 33,345,588	
Cash disbursements:															
Payroll	310,275	-	-	-	-	-	-	-	-	-	-	-	-	310,275	
Fringe benefits	50,355	-	-	-	-	-	-	-	-	-	-	-	-	52,676	
Employee deferred compensation and credit union	121,703	-	-	-	-	-	-	-	-	-	-	-	2,321	121,703	
Operations and maintenance	519,623	243,694	-	-	-	-	-	-	-	-	-	-	-	763,517	
NJ-American pumping costs	-	-	-	-	-	-	-	-	-	-	-	-	-	-	
Prepaid insurance	-	-	25,753	-	-	-	-	-	-	-	-	-	-	25,753	
Headquarters overhead	-	-	-	-	-	-	-	-	-	-	-	-	-	-	
Capital assets reservoir	-	-	-	-	-	-	-	-	-	-	-	-	-	-	
Capital improvement program (reservoir)	-	-	-	-	-	-	-	-	-	-	-	-	-	-	
Purchase of investments securities	1,650,000	-	-	-	-	-	-	-	-	-	-	-	-	1,650,000	
Principal on bonds	-	-	-	-	-	-	-	113,381	415,000	-	-	-	-	528,381	
Interest, Fees, and Credits on NJEIT revenue bonds	-	-	-	-	-	-	-	8,597	88,669	-	-	-	-	97,266	
Total cash disbursements	2,652,156	243,694	25,753	-	-	-	-	121,978	503,669	-	-	-	2,321	3,549,571	
Cash and investments - September 30, 2022	\$ 23,280,258	\$ 105,986	\$ 3,022,850	\$ 9,480	\$ 98,452	\$ 253,403	\$ 72,231	\$ 91,647	\$ 198,024	\$ 1,746,553	\$ 251,066	\$ 41,197	\$ 624,870	\$ 29,796,017	
Summary of cash and investments:															
Cash (Manasquan)	\$ 690,844	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 690,844	
Cash (Water Treatment Plant/TS)	-	105,986	-	-	-	-	-	-	-	-	-	-	-	105,986	
Short-term investments	20,974,883	-	-	-	-	-	-	-	-	-	-	-	-	21,640,950	
Short-term investments (Water Treatment Plant/TS)	-	-	3,022,850	9,480	98,452	253,403	72,231	-	-	-	-	41,197	624,870	3,456,416	
Long-term investments	1,614,531	-	-	-	-	-	-	-	-	-	-	-	-	1,614,531	
Restricted investments (current)	-	-	-	-	-	-	-	91,647	198,024	1,746,553	251,066	-	-	2,287,290	
Restricted investments (long-term)	-	-	-	-	-	-	-	-	-	-	-	-	-	-	
Total cash and investments	\$ 23,280,258	\$ 105,986	\$ 3,022,850	\$ 9,480	\$ 98,452	\$ 253,403	\$ 72,231	\$ 91,647	\$ 198,024	\$ 1,746,553	\$ 251,066	\$ 41,197	\$ 624,870	\$ 29,796,017	