

NEW JERSEY WATER SUPPLY AUTHORITY



COMPREHENSIVE QUARTERLY FINANCIAL REPORT

(A Component Unit of the State of New Jersey)

December 31, 2023 AND JUNE 30, 2023

(UNAUDITED)

NEW JERSEY WATER SUPPLY AUTHORITY

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

STATEMENTS OF NET POSITION

	Unaudited	
	<u>December 31, 2023</u>	<u>June 30, 2023</u>
Assets		
Current assets:		
Unrestricted assets:		
Cash and cash equivalents	\$ 59,500,847	\$ 56,288,289
Unbilled sales	2,707,102	1,853,997
Accounts receivable, less allowance for doubtful accounts of \$1,000 at December 31, 2023 and June 30, 2023	3,862,881	13,967,536
Interest receivable	565,837	285,544
Prepaid expenses and other current assets	411,770	1,760,875
Total unrestricted current assets	<u>67,048,437</u>	<u>74,156,241</u>
Restricted assets:		
Cash equivalents	<u>21,494,239</u>	<u>19,823,574</u>
Total current assets	<u>88,542,676</u>	<u>93,979,815</u>
Non-current assets:		
Investments	34,963,664	34,751,456
Capital assets, net	<u>243,801,012</u>	<u>235,324,883</u>
Total non-current assets	<u>278,764,676</u>	<u>270,076,339</u>
Total assets	<u>367,307,352</u>	<u>364,056,154</u>
Deferred outflows of resources:		
Cost recovery	3,536,177	2,672,857
Pension related	3,016,579	3,016,579
OPEB related	10,685,054	10,685,054
Construction loan DEP fee	-	742,575
Total deferred outflows of resources	<u>17,237,810</u>	<u>17,117,065</u>
Total assets and deferred outflows of resources	<u>\$ 384,545,162</u>	<u>\$ 381,173,219</u>
Liabilities		
Current liabilities:		
Current portion of bonds, notes and loans payable	\$ 572,717	\$ 3,116,146
Accounts payable	3,267,122	4,550,507
Accrued liabilities	3,255,771	2,927,674
Unearned revenue	6,463,964	6,533,836
Total current liabilities	<u>13,559,574</u>	<u>17,128,163</u>
Non-current liabilities:		
Non-current portion of bonds, notes and loans payable	150,332,651	149,640,545
Lease liability	24,884	24,884
Net pension liability	16,101,898	16,101,898
Net OPEB liability	<u>27,662,158</u>	<u>27,662,158</u>
Total non-current liabilities	<u>194,121,591</u>	<u>193,429,485</u>
Total liabilities	<u>207,681,165</u>	<u>210,557,648</u>
Deferred inflows of resources:		
Pension related	2,796,346	2,796,346
OPEB related	16,528,732	16,528,732
Gain on refunding	201,230	213,136
Total deferred inflows of resources	<u>19,526,308</u>	<u>19,538,214</u>
Total liabilities and deferred inflows of resources	<u>227,207,473</u>	<u>230,095,862</u>
Net Position		
Net investment in capital assets	118,257,598	107,918,240
Restricted for cash, investments, and unearned revenue	15,030,275	13,289,738
Unrestricted	<u>24,049,816</u>	<u>29,869,379</u>
Total net position	<u>157,337,689</u>	<u>151,077,357</u>
Total liabilities, deferred inflows of resources, and net position	<u>\$ 384,545,162</u>	<u>\$ 381,173,219</u>

See notes to financial statements.

**NEW JERSEY WATER SUPPLY AUTHORITY
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STATEMENTS OF REVENUES, EXPENSES AND CHANGES IN NET POSITION

Unaudited

	Six months ended Dec. 31,	
	2023	2022
Operating revenues:		
Water sales	\$ 16,850,606	\$ 17,489,194
Reimbursement of operating expenses	1,290,000	1,290,000
Total operating revenues	<u>18,140,606</u>	<u>18,779,194</u>
Operating expenses:		
Payroll	4,420,393	4,148,347
Operations and maintenance	3,361,100	3,411,726
Fringe benefits	2,792,876	2,308,171
Depreciation	2,463,174	2,460,308
Total operating expenses	<u>13,037,543</u>	<u>12,328,552</u>
Income from operations	5,103,063	6,450,642
Non-operating revenues:		
State of New Jersey - Grant Programs	168,702	532,945
Investment and interest income	1,875,657	93,693
Rental income	58,011	54,108
Other income	(56,635)	18,902
Recovery of deferred outflows of resources	958,710	867,665
Total non-operating revenues	<u>3,004,445</u>	<u>1,567,313</u>
Non-operating expenses:		
Interest component of debt service to the State of New Jersey	1,918,845	319,797
SMMUA operations, net	(71,669)	(56,433)
Total non-operating expenses	<u>1,847,176</u>	<u>263,364</u>
Changes in net position	6,260,332	7,754,591
Net position, beginning of year	151,077,357	135,345,662
Net position, end of year	<u>\$ 157,337,689</u>	<u>\$ 143,100,253</u>

See notes to financial statements.

**NEW JERSEY WATER SUPPLY AUTHORITY
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STATEMENTS OF CASH FLOWS

Unaudited

	Six months ended Dec. 31,	
	2023	2022
Cash flows from operating activities		
Cash received from water sales	\$ 14,618,004	\$ 17,122,249
Cash received from reimbursable expenses	1,381,038	1,284,492
Cash received from rental income	31,062	43,666
Cash paid to or on behalf of employees	(6,402,473)	(5,893,916)
Cash paid to suppliers	(1,996,101)	(3,114,314)
Net cash provided by operating activities	<u>7,631,530</u>	<u>9,442,177</u>
Cash flows from noncapital financing activities		
Cash received for grant programs	29,216	532,945
Net cash provided by non-capital financing activities	<u>29,216</u>	<u>532,945</u>
Cash flows from capital and related financing activities		
Proceeds from borrowing	11,777,115	9,000,866
Principal paid on bonds, notes and loans	(1,190,526)	(2,684,596)
Interest paid on bonds, notes and loans	(2,297,069)	(235,508)
Acquisition and construction of capital assets	(12,393,157)	(8,886,214)
Proceeds from sale of capital assets	(57,042)	17,971
Net cash used in capital and related financing activities	<u>(4,160,679)</u>	<u>(2,787,481)</u>
Cash flows from investing activities		
Sale of investment securities	12,296,476	-
Purchase of investment securities	(12,508,684)	(14,846,317)
Interest received on investments	1,595,364	(76,309)
Net cash provided/(used) by investing activities	<u>1,383,156</u>	<u>(14,922,626)</u>
Net increase in cash and cash equivalents	4,883,223	(7,813,077)
Cash and cash equivalents, beginning of year	76,111,863	104,568,018
Cash and cash equivalents, end of year	<u>\$ 80,995,086</u>	<u>\$ 96,754,941</u>
Reconciliation of income from operations to net cash provided by operating activities:		
Income from operations	\$ 5,103,063	\$ 6,450,642
Adjustments to reconcile income from operations to net cash provided by operating activities:		
Cash received for operating activity included in other income	130,087	55,039
Depreciation	2,463,174	2,460,308
Increase (decrease) in cash from:		
Unbilled sales	(853,105)	(1,520,205)
Accounts receivable	(1,450,893)	1,040,061
Prepaid expenses and other current assets	1,349,105	501,598
Accounts payable	88,388	(100,286)
Accrued liabilities	2,368	(745)
Accrued payroll and taxes	799,343	555,765
Net cash provided by operating activities	<u>\$ 7,631,530</u>	<u>\$ 9,442,177</u>
Non cash investing activities		
Increase/Decrease in fair value of investments	<u>\$ 149,644</u>	<u>\$ (519,546)</u>

See notes to financial statements.

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

NOTES TO FINANCIAL STATEMENTS

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.

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.

**NEW JERSEY WATER SUPPLY AUTHORITY
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NOTES TO FINANCIAL STATEMENTS

B. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Revenues (Continued)

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. Effective July 1, 2023, the Authority modified the capital asset definition to an asset as having an initial individual cost of \$5,000 (previously \$1,000) or more 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 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

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 assets 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 assets that applies to a future period which will not be recognized as an inflow of resources until that time.

Deferred Inflows/Outflows 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 outflows of resources. The deferred outflows will be recovered through future revenue in accordance with the rate model. The deferred amounts for the six months ended December 31, 2023 and the year ended June 30, 2023 were determined as follows:

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NOTES TO FINANCIAL STATEMENTS

B. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Deferred Inflows and Outflows of Resources (Continued)

	<u>December 31, 2023</u>	<u>June 30, 2023</u>
Raritan Basin System		
Cost excluded from rate model:		
Depreciation of debt-financed capital assets recoverable from rate payers	\$ 405,783	\$ 823,423
Excess vacation expense over vacation paid	(97,414)	22,814
Accrued sick pay	-	22,646
	<u>308,369</u>	<u>868,883</u>
Cost included in rate model:		
Debt principal repayment	-	-
Subtotal Raritan Basin System	<u>308,369</u>	<u>868,883</u>
Manasquan System		
Cost excluded from rate model:		
Depreciation of debt-financed capital assets recoverable from rate payers	\$ 770,427	1,540,854
Excess vacation expense over vacation paid	2,024	(8,206)
Accrued sick pay	-	608
	<u>772,451</u>	<u>1,533,256</u>
Cost included in rate model:		
Debt principal repayment	(217,500)	(415,000)
Subtotal Manasquan System	<u>554,951</u>	<u>1,118,256</u>
Total Raritan Basin and Manasquan	863,320	1,987,139
Balance, beginning of year	<u>2,672,857</u>	<u>685,718</u>
Balance, end of year	<u>\$ 3,536,177</u>	<u>\$ 2,672,857</u>

As shown in the statements of revenue, expenses and changes in net position for six months ended December 31, 2023, deferred outflows of resources debit of \$958,710, does not include a credit balance of \$95,390 of accrued vacation and sick pay. The June 30, 2023, deferred outflows of resources debit balance of \$1,949,277, does not include a debit balance of \$37,862 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.

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.

B. 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 statements of net position. These excess costs or billings will be recovered or recognized in future periods. As of December 31, 2023 and 2022, unearned revenue amounting to \$5,210,475 and \$4,698,625 respectively, was determined as follows:

	<u>2023</u>	<u>2022</u>
Reimbursement of operating expenses	\$ 1,339,949	\$ 1,305,091
Operating expenses	<u>1,411,618</u>	<u>1,248,658</u>
Unearned revenue	<u>(71,669)</u>	56,433
Balance, beginning of year	<u>5,282,144</u>	<u>4,642,192</u>
Balance, end of year	<u>\$ 5,210,475</u>	<u>\$ 4,698,625</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 December 31, 2023 and 2022, the amount included in unearned revenue was \$346,835 and \$250,119, respectively.

Accounting for Watershed Protection Program

For the six months ended December 31, 2023 and 2022, the Authority received \$29,216 and \$3,001 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 December 31, 2023, all the funds received had been recognized as revenue.

Accounting for Mitigation Funds

For the six months ended December 31, 2023, and 2022, the Authority received \$0, and \$8,940, 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 December 31, 2023 and June 30, 2023, the balance of unearned revenue was \$556,425, and \$556,425, 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 \$0, and \$451,851, for the six months ending December 31, 2023, and 2022, respectively. As of December 31, 2023 and 2022, the balance of unearned revenue was \$350,228 and \$0, respectively.

**NEW JERSEY WATER SUPPLY AUTHORITY
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NOTES TO FINANCIAL STATEMENTS

C. CAPITAL ASSETS

Capital assets activity for the six months ended December 31, 2023 and the year ended June 30, 2023, was as follows:

	2024 Beginning Balance	Additions	Retirements	2024 Ending Balance
Capital assets not being depreciated:				
Land	\$ 25,648,119	\$ -	\$ -	\$ 25,648,119
Construction work in progress	120,950,550	9,958,335	-	130,908,885
Total capital assets not being depreciated	146,598,669	9,958,335	-	156,557,004
Capital assets being depreciated:				
Dams	77,369,160	-	(10,529)	77,358,631
Building, structures and improvements	149,849,470	-	(182,366)	149,667,104
D & R Canal dredging	21,160,274	-	-	21,160,274
Machinery and equipment	8,553,908	1,131,236	(1,264,629)	8,420,515
Leased equipment	38,738	-	-	38,738
Total capital assets being depreciated	256,971,550	1,131,236	(1,457,524)	256,645,262
Less accumulated depreciation for:				
Dams	(34,644,441)	(380,882)	10,529	(35,014,794)
Building, structures and improvements	(106,382,065)	(1,794,748)	156,865	(108,019,948)
D & R Canal dredging	(21,160,274)	-	-	(21,160,274)
Machinery and equipment	(6,044,030)	(282,701)	1,139,862	(5,186,869)
Leased equipment	(14,526)	(4,843)	-	(19,369)
Total accumulated depreciation	(168,245,336)	(2,463,174)	1,307,256	(169,401,254)
Total capital assets being depreciated, net	88,726,214	(1,331,938)	(150,268)	87,244,008
Total capital assets, net	\$ 235,324,883	\$ 8,626,397	\$ (150,268)	\$ 243,801,012
	2023 Beginning Balance	Additions	Retirements	2023 Ending Balance
Capital assets not being depreciated:				
Land	\$ 26,444,952	\$ -	\$ (796,833)	\$ 25,648,119
Construction work in progress	105,010,249	16,217,601	(277,300)	120,950,550
Total capital assets not being depreciated	131,455,201	16,217,601	(1,074,133)	146,598,669
Capital assets being depreciated:				
Dams	77,369,160	-	-	77,369,160
Building, structures and improvements	149,573,239	277,300	(1,069)	149,849,470
D & R Canal dredging	21,160,274	-	-	21,160,274
Machinery and equipment	7,830,475	1,011,588	(288,155)	8,553,908
Leased equipment	38,738	-	-	38,738
Total capital assets being depreciated	255,971,886	1,288,888	(289,224)	256,971,550
Less accumulated depreciation for:				
Dams	(33,882,675)	(761,766)	-	(34,644,441)
Building, structures and improvements	(102,739,113)	(3,644,021)	1,069	(106,382,065)
D & R Canal dredging	(21,160,274)	-	-	(21,160,274)
Machinery and equipment	(5,823,939)	(508,246)	288,155	(6,044,030)
Leased equipment	(4,842)	(9,684)	-	(14,526)
Total accumulated depreciation	(163,610,843)	(4,923,717)	289,224	(168,245,336)
Total capital assets being depreciated, net	92,361,043	(3,634,829)	-	88,726,214
Total capital assets, net	\$ 223,816,244	\$ 12,582,772	\$ (1,074,133)	\$ 235,324,883

**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 December 31, 2023 and June 30, 2023, the Authority's bank balance was \$81,286,088 and \$78,083,431, respectively, of which \$250,000 was covered through the FDIC. The remaining balance of \$81,036,088 and \$77,833,431 as of December 31, 2023 and June 30, 2023, respectively, were collateralized through an irrevocable stand-by letter of credit issued by the Federal Home Loan Bank of Pittsburgh through TD Bank. The letter of credit covers up to a maximum of \$100,000,000 of Authority deposits and expires on March 28, 2024. The cash balance per the statement of net position is shown exclusive of outstanding checks totaling \$291,302 and \$1,971,868, respectively. The statements of net position amount includes petty cash totaling \$300 as of December 31, 2023 and June 30, 2023, 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 balances of \$81,286,088 and \$78,083,431 as of December 31, 2023 and June 30, 2023, respectively, was exposed to custodial credit risk as follows:

	December 31, 2023	June 30, 2023
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 December 31, 2023, 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, inclusive of interest receivable:

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	\$ 35,529,501	\$ 35,529,501	\$ -
Total		\$ 35,529,501	\$ 35,529,501	\$ -

As of June 30, 2023, 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, inclusive of interest receivable:

**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	\$ 35,037,000	\$ 23,302,701	\$ 11,734,299
Total		\$ 35,037,000	\$ 23,302,701	\$ 11,734,299

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 December 31, 2023, all deposits were collateralized.

5. Investment Income

The following comprises investment income for the six months ended December 31, 2023 and 2022, respectively:

	2023	2022
Interest earned on bank accounts and certificates of deposit	\$ 1,057,682	\$ 381,543
Interest earned on securities	668,331	231,696
Decrease/Increase in fair value of securities	149,644	(519,546)
	<u>\$ 1,875,657</u>	<u>\$ 93,693</u>

E. MAJOR WATER CUSTOMERS

During fiscal years 2023 and 2022, the Authority supplied water to approximately 30 customers of the Raritan Basin System and 12 customers of the Manasquan System.

Revenue

During fiscal years 2023 and 2022, two customers accounted for approximately 86% and 85%, respectively, of total Raritan Basin System operating revenue. During fiscal years 2023 and 2022, two customers accounted for approximately 86% and 85%, respectively, of the total Manasquan System operating revenue.

Accounts Receivable

During fiscal year 2023 and 2022, two customers accounted for approximately 91% and 90%, respectively, of the total Raritan Basin System water sales accounts receivable. During fiscal years 2023 and 2022, two customers accounted for approximately 91% and 95%, respectively, of total Manasquan System water sales 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 SIX MONTHS ENDED DECEMBER 31, 2023

Unaudited				
	Raritan Basin System	Manasquan Reservoir System	Elimination Entries	Combined Total
Assets				
Current assets:				
Unrestricted assets:				
Cash and cash equivalents	\$ 32,931,504	\$ 26,569,343	\$ -	\$ 59,500,847
Unbilled sales	2,707,102	-	-	2,707,102
Accounts receivable, less allowance for doubtful accounts of \$1,000 at December 31, 2023	2,308,693	1,770,388	(216,200)	3,862,881
Interest receivable	548,699	17,138	-	565,837
Prepaid expenses and other current assets	313,935	97,835	-	411,770
Total unrestricted assets	<u>38,809,933</u>	<u>28,454,704</u>	<u>(216,200)</u>	<u>67,048,437</u>
Restricted assets:				
Cash equivalents	15,386,352	6,107,887	-	21,494,239
Total current assets	<u>54,196,285</u>	<u>34,562,591</u>	<u>(216,200)</u>	<u>88,542,676</u>
Non-current assets:				
Investments				
Capital assets net of accumulated depreciation of \$169,401,254 at December 31, 2023	33,347,586	1,616,078	-	34,963,664
Total non-current assets	<u>198,612,841</u>	<u>45,188,171</u>	<u>-</u>	<u>243,801,012</u>
Total assets	<u>231,960,427</u>	<u>46,804,249</u>	<u>-</u>	<u>278,764,676</u>
Deferred outflows of resources:				
Cost recovery				
Pension related	(7,848,827)	11,385,004	-	3,536,177
OPEB related	2,373,143	643,436	-	3,016,579
Construction loan DEP fee	8,288,866	2,396,188	-	10,685,054
Total deferred outflows of resources	<u>0</u>	<u>-</u>	<u>-</u>	<u>0</u>
Total deferred outflows of resources	<u>2,813,182</u>	<u>14,424,628</u>	<u>-</u>	<u>17,237,810</u>
Total assets and deferred outflows of resources	<u>\$ 288,969,894</u>	<u>\$ 95,791,468</u>	<u>\$ (216,200)</u>	<u>\$ 384,545,162</u>
Liabilities				
Current liabilities:				
Current portion of bonds, notes and loans payable				
Accounts payable	\$ 533,526	\$ 39,191	\$ -	\$ 572,717
Accrued liabilities	2,841,239	642,083	(216,200)	3,267,122
Unearned revenue	2,615,362	640,409	-	3,255,771
Total current liabilities	<u>906,654</u>	<u>5,557,310</u>	<u>-</u>	<u>6,463,964</u>
Non-current liabilities:				
Non-current portion of bonds, notes and loans payable				
Non-current lease liability	110,953,514	39,379,137	-	150,332,651
Net pension liability	19,178	5,706	-	24,884
Total OPEB liability	12,667,363	3,434,535	-	16,101,898
Total non-current liabilities	<u>21,761,820</u>	<u>5,900,338</u>	<u>-</u>	<u>27,662,158</u>
Total liabilities	<u>145,401,875</u>	<u>48,719,716</u>	<u>-</u>	<u>194,121,591</u>
Deferred inflows of resources				
Pension related				
OPEB related	2,199,886	596,460	-	2,796,346
Gain on refunding	13,003,153	3,525,579	-	16,528,732
Total deferred inflow of resources	<u>-</u>	<u>201,230</u>	<u>-</u>	<u>201,230</u>
Total deferred inflow of resources	<u>15,203,039</u>	<u>4,323,269</u>	<u>-</u>	<u>19,526,308</u>
Net position				
Net investment in capital assets	87,125,801	31,131,797	-	118,257,598
Restricted for cash, investments and unearned revenue	14,479,698	550,577	-	15,030,275
Unrestricted	19,862,700	4,187,116	-	24,049,816
Total net position	<u>121,468,199</u>	<u>35,869,490</u>	<u>-</u>	<u>157,337,689</u>
Total liabilities, deferred inflows of resources, and net position	<u>\$ 288,969,894</u>	<u>\$ 95,791,468</u>	<u>\$ (216,200)</u>	<u>\$ 384,545,162</u>

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 SIX MONTHS ENDED DECEMBER 31, 2023

	Unaudited			Combined Total
	Raritan Basin System	Manasquan Reservoir System	Manasquan Water Treatment Plant	
Operating revenue:				
Water sales	\$ 13,078,722	\$ 3,771,884	\$ -	\$ 16,850,606
Reimbursement of operating expenses	-	-	1,290,000	1,290,000
Total operating revenue	<u>13,078,722</u>	<u>3,771,884</u>	<u>1,290,000</u>	<u>18,140,606</u>
Operating expenses:				
Payroll	3,441,301	528,945	450,147	4,420,393
Operations and maintenance (direct)	2,101,704	602,300	561,264	3,265,268
Operations and maintenance (general and administrative)	-	58,382	37,450	95,832
Fringe benefits	2,147,832	344,289	300,755	2,792,876
Headquarters overhead	(447,002)	385,000	62,002	-
Depreciation	1,535,643	927,531	-	2,463,174
Total operating expenses	<u>8,779,478</u>	<u>2,846,447</u>	<u>1,411,618</u>	<u>13,037,543</u>
Income from operations	<u>4,299,244</u>	<u>925,437</u>	<u>(121,618)</u>	<u>5,103,063</u>
Non-operating revenue:				
State of New Jersey - Grant Programs	168,702	-	-	168,702
Investment and interest income	1,420,002	405,706	49,949	1,875,657
Rental income	58,011	-	-	58,011
Other income/(loss)	(24,609)	(32,026)	-	(56,635)
Recovery of deferred outflows of resources	405,783	552,927	-	958,710
Total non-operating revenue	<u>2,027,889</u>	<u>926,607</u>	<u>49,949</u>	<u>3,004,445</u>
Non-operating expenses:				
Interest component of debt service to the State of New Jersey	1,880,116	38,729	-	1,918,845
SMMUA operations, net	-	-	(71,669)	(71,669)
Total non-operating expenses	<u>1,880,116</u>	<u>38,729</u>	<u>(71,669)</u>	<u>1,847,176</u>
Changes in net position	<u>4,447,017</u>	<u>1,813,315</u>	<u>-</u>	<u>6,260,332</u>
Net position, beginning of year	<u>117,021,182</u>	<u>34,056,175</u>	<u>-</u>	<u>151,077,357</u>
Net position, end of year	<u>\$ 121,468,199</u>	<u>\$ 35,869,490</u>	<u>\$ -</u>	<u>\$ 157,337,689</u>

**NEW JERSEY WATER SUPPLY AUTHORITY
(A COMPONENT UNIT OF THE STATE OF NEW JERSEY)**
**SCHEDULE OF CHANGE IN CASH AND INVESTMENTS - RARITAN BASIN SYSTEM
FOR THE SIX MONTHS ENDED DECEMBER 31, 2023**

	Operating Fund											
	Revenue Account	Operating Account	Payroll Account	Operating Fund	Reserve for O&M	Self-Insurance Reserve	Depreciation Reserve	Dredging RV/SR Investments	Pumping Reserve	Capital Improvements Investments II	Source Water Protection Fund	Subtotal
Cash and investments - July 1, 2023	\$ 1,420,368	\$ 2,041,134	\$ 177,800	\$ 4,134,865	\$ 3,650,437	\$ 915,414	\$ 4,770,561	\$ 19,989,762	\$ 1,860,870	\$ 6,920,011	\$ 4,193,362	\$ 50,074,584
Cash receipts:												
Water sales operations and maintenance	5,780,563	-	-	42	-	-	-	-	-	-	-	5,780,605
Water sales NJEIFF	3,046,736	-	-	-	-	-	-	-	-	-	-	3,046,736
Water sales capital fund	968,638	-	-	-	-	-	-	-	-	-	-	968,638
Water sales source water protection fund	612,504	-	-	-	-	-	-	-	-	-	-	612,504
Water sales overdrafts	397,352	-	-	-	-	-	-	-	-	-	-	397,352
Rental income	31,062	-	-	-	-	-	-	-	-	-	-	31,062
Manasquan reservoir support	99,176	-	-	-	-	-	-	-	-	-	-	99,176
Headquarters overhead	11,144	-	-	416,002	-	-	-	-	-	-	-	416,002
Disposition of property	318	-	-	-	-	-	-	-	-	-	-	318
Recycling revenue	2,986	26,229	-	-	-	-	-	9,923,046	-	1,638,188	-	11,561,234
Investment securities	150,927	-	-	-	-	-	-	-	-	-	-	150,927
Grant Programs	-	-	-	-	-	-	-	-	-	-	-	-
Insurance reimbursement	-	-	-	-	-	-	-	-	-	-	-	-
Miscellaneous expense reimbursement	-	-	-	-	-	-	-	-	-	-	-	-
Transfers:												
Contributions from operating fund	1,662,950	14,909,786	2,125,130	(25,039,885)	-	-	224,677	-	75,000	-	213,294	(5,829,048)
Contributions to operating fund	-	-	-	11,758,580	-	-	(404,002)	-	(218,411)	-	(170,187)	10,965,980
Transfers for operations	(13,905,040)	-	-	13,905,040	-	-	-	-	-	-	-	-
Transfers for investments	200,000	6,037	-	94,900	-	-	(94,900)	-	-	-	(200,000)	6,037
Distribution from reserves to operations	7,013	26,420	-	49,461	58,143	13,471	74,218	334,747	24,984	150,234	57,973	796,864
Investment income	287,898	-	-	(49,461)	(57,537)	(13,329)	(55,072)	(1)	-	(112,498)	-	-
Per resolution, Section 603:	(69,737)	-	-	-	68,737	10,100	43,898	(85,533)	-	-	-	-
Investment income, transfer from	-	-	-	-	30,598	10,242	(211,181)	10,172,259	(118,427)	79,611	-	78,674
Investment income, transfer to	-	-	-	-	99,941	10,242	(211,181)	10,172,259	(118,427)	1,755,535	(98,920)	29,123,220
Unrealized gain/(loss) on fair value	(714,510)	14,968,472	2,125,130	1,134,679	99,941	10,242	(211,181)	10,172,259	(118,427)	1,755,535	(98,920)	29,123,220
Total cash receipts	\$ 705,858	\$ 17,009,606	\$ 2,302,930	\$ 5,269,544	\$ 3,750,378	\$ 925,656	\$ 4,559,380	\$ 30,162,021	\$ 1,742,443	\$ 8,675,546	\$ 4,094,442	\$ 79,197,804
Total available cash and investments												

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 SIX MONTHS ENDED DECEMBER 31, 2023

	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
Cash and investments - July 1, 2023	\$ 50,074,584	\$ 348,851	\$ 663,838	\$ 1,435,398	\$ 9,224,410	\$ 582,910	\$ 12,827,270	\$ 1,397,333	\$ 88,865	\$ 1,917,964	\$ 78,581,423
Cash receipts:											
Water sales operations and maintenance	5,780,605	-	-	-	-	-	-	-	-	-	5,780,605
Water sales NJEFP	3,046,736	-	-	-	-	-	-	-	-	-	3,046,736
Water sales capital fund	968,638	-	-	-	-	-	-	-	-	-	968,638
Water sales source water protection fund	612,504	-	-	-	-	-	-	-	-	-	612,504
Water sales overdrafts	397,352	-	-	-	-	-	-	-	-	-	397,352
Rental income	31,062	-	-	-	-	-	-	-	-	-	31,062
Manasquan reservoir support	99,176	-	-	-	-	-	-	-	-	-	99,176
Headquarters overhead	416,002	-	-	-	-	-	-	-	-	-	416,002
Disposition of property	11,144	-	-	-	-	-	-	-	-	-	11,144
Recycling revenue	318	-	-	-	-	-	-	-	-	-	318
Investment securities	11,561,234	-	-	-	-	-	-	-	-	-	11,561,234
Grant Programs	29,215	-	-	-	-	-	-	-	-	-	29,215
Insurance reimbursement	-	-	-	-	-	-	-	-	-	-	-
Miscellaneous expense reimbursement	150,927	-	-	-	11,777,115	-	-	-	-	4,450	11,932,492
Transfers:											
Contributions from operating fund	(5,829,048)	107,772	346,299	-	1,101,146	-	3,637,116	75,000	-	561,715	-
Contributions to operating fund	10,965,980	-	-	-	(10,959,980)	(6,000)	-	-	-	-	-
Transfers for operations	-	-	-	-	-	-	-	-	-	-	-
Transfers for investments	-	-	-	-	-	-	-	-	-	-	-
Distribution from reserves to operations	6,037	-	-	-	-	-	-	-	-	(6,037)	-
Investment income	796,664	2,930	5,024	20,287	169,225	7,916	189,550	20,130	842	28,172	1,240,740
Per resolution, Section 603:											
Investment income, transfer from	-	-	-	-	-	-	-	-	-	-	-
Investment income, transfer to	-	-	-	-	-	-	-	-	-	-	-
Unrealized gain/(loss) on fair value	78,674	-	-	-	-	-	-	-	-	-	78,674
Total cash receipts	29,123,220	110,702	351,323	20,287	2,087,806	1,916	3,826,666	95,130	842	588,300	36,205,892
Total available cash and investments	\$ 79,197,804	\$ 459,553	\$ 1,035,161	\$ 1,455,685	\$ 11,311,916	\$ 584,826	\$ 16,653,936	\$ 1,492,463	\$ 89,707	\$ 2,506,264	\$ 114,787,315

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 SIX MONTHS ENDED DECEMBER 31, 2023

	Operating Fund										Subtotal	
	Revenue Account	Operating Account	Payroll Account	Operating Fund	Reserve for O&M	Self-Insurance Reserve	Depreciation Reserve	Dredging RV/SR Investments	Pumping Reserve	Capital Improvements Investments II		Source Water Protection Fund
Total available cash and investments	\$ 705,658	\$ 17,009,606	\$ 2,302,930	\$ 5,269,544	\$ 3,750,378	\$ 925,656	\$ 4,559,380	\$ 30,162,021	\$ 1,742,443	\$ 8,675,546	\$ 4,094,442	\$ 79,197,804
Cash disbursements:												
Payroll	-	-	2,125,130	-	-	-	-	-	-	-	-	2,125,130
Fringe benefits	-	14,286	-	919,901	-	-	-	-	-	-	-	934,187
Employee deferred compensation and credit union	-	365,066	-	131,320	-	-	-	-	-	-	-	516,406
Operations and maintenance	-	15,219,391	-	(474,428)	-	-	-	-	-	-	-	14,744,963
Prepaid insurance	-	-	-	-	-	-	-	-	-	-	-	-
Miscellaneous disbursements	1,671	-	-	-	-	-	-	-	-	-	-	1,671
Watershed Management Fund	-	-	-	-	-	-	-	-	-	-	-	-
Capital improvements:												
Capital assets	-	-	-	-	-	-	-	-	-	-	-	-
New five year construction project	-	-	-	-	-	-	-	-	-	-	-	-
Maturity of investments securities	-	-	-	-	-	-	-	9,787,260	-	1,673,409	-	11,460,669
Principal on NJEIT bonds	-	-	-	-	-	-	-	-	-	-	-	-
Interest, Fees, and Credits on NJIB loans	-	-	-	-	-	-	-	-	-	-	-	-
Total cash disbursements	1,671	15,618,763	2,125,130	576,793	-	-	-	9,787,260	-	1,673,409	-	29,783,026
Cash and investments - December 31, 2023	\$ 704,187	\$ 1,390,843	\$ 177,800	\$ 4,692,751	\$ 3,750,378	\$ 925,656	\$ 4,559,380	\$ 20,374,761	\$ 1,742,443	\$ 7,002,137	\$ 4,094,442	\$ 49,414,778
Summary of cash and investments:												
Cash	\$ 704,187	\$ 1,390,843	\$ 177,800	\$ -	\$ -	\$ 48	\$ 42	\$ 65,978	\$ -	\$ 15,346	\$ -	\$ 2,354,244
Short-term investments	-	-	-	4,692,751	1,278,366	181,683	1,097,095	1	1,742,443	77,468	4,094,442	13,164,249
Long-term investments	-	-	-	-	2,472,012	743,925	3,462,243	20,308,782	-	6,909,323	-	33,896,285
Restricted investments (current)	-	-	-	-	-	-	-	-	-	-	-	-
Restricted investments (long-term)	-	-	-	-	-	-	-	-	-	-	-	-
Total cash and investments	\$ 704,187	\$ 1,390,843	\$ 177,800	\$ 4,692,751	\$ 3,750,378	\$ 925,656	\$ 4,559,380	\$ 20,374,761	\$ 1,742,443	\$ 7,002,137	\$ 4,094,442	\$ 49,414,778

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 SIX MONTHS ENDED DECEMBER 31, 2023

	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	\$ 79,197,804	\$ 459,553	\$ 1,095,161	\$ 1,455,685	\$ 11,311,916	\$ 584,826	\$ 16,653,936	\$ 1,492,463	\$ 89,707	\$ 2,506,264	\$ 114,787,315
Cash disbursements:											
Payroll	2,125,130	-	-	-	-	-	-	-	-	-	2,125,130
Fringe benefits	934,187	-	-	-	-	-	-	-	-	-	934,187
Employee deferred compensation and credit union	516,406	-	-	-	-	-	-	-	-	-	516,406
Operations and maintenance	14,744,963	-	-	-	-	-	602,687	-	-	-	15,347,650
Prepaid insurance	-	-	-	-	-	-	-	-	-	-	-
Miscellaneous disbursements	1,671	-	-	-	-	-	-	-	-	26,188	27,859
Watershed Management Fund	-	-	-	-	-	-	-	-	-	-	-
Capital improvements:											
Capital assets											
New five year construction project	-	-	-	-	-	-	-	-	-	-	-
Maturity of investments securities	11,460,669	-	-	-	-	-	-	-	-	-	11,460,669
Principal on NJET bonds	-	203,992	553,616	-	-	-	1,232,439	-	-	-	1,990,047
Interest, Fees, and Credits on NJIB loans	-	(2,121)	21,511	-	-	-	151,837	-	-	-	171,227
Total cash disbursements	29,783,026	201,871	575,127	-	-	-	1,986,963	-	-	26,188	32,573,175
Cash and investments - December 31, 2023	\$ 49,414,778	\$ 257,682	\$ 460,034	\$ 1,455,685	\$ 11,311,916	\$ 584,826	\$ 14,666,973	\$ 1,492,463	\$ 89,707	\$ 2,480,076	\$ 82,214,140
Summary of cash and investments:											
Cash	\$ 2,354,244	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 53,138	\$ 2,407,382
Short-term investments	13,164,249	257,682	460,034	1,455,685	11,311,916	584,826	14,666,973	1,492,463	89,707	2,426,938	45,910,473
Long-term investments	33,896,285	-	-	-	-	-	-	-	-	-	33,896,285
Restricted investments (current)	-	-	-	-	-	-	-	-	-	-	-
Restricted investments (long-term)	-	-	-	-	-	-	-	-	-	-	-
Total cash and investments	\$ 49,414,778	\$ 257,682	\$ 460,034	\$ 1,455,685	\$ 11,311,916	\$ 584,826	\$ 14,666,973	\$ 1,492,463	\$ 89,707	\$ 2,480,076	\$ 82,214,140

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 SIX MONTHS ENDED DECEMBER 31, 2023

	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, 2023	\$ 41,511	\$ 1,548,883	\$ 55,872	\$ 6,777,349	\$ 1,582,305	\$ 214,540	\$ 3,950,762	\$ 30,401	\$ 1,469,820	\$ 627,302	\$ 152,513	\$ 8,927,090	\$ 256,325	\$ 25,634,574
Cash receipts:														
Water sales operations and maintenance	1,604,714	-	-	-	-	-	-	-	-	-	-	-	-	1,604,714
Water sales capital fund	1,626,311	-	-	-	-	-	-	-	-	-	-	-	-	1,626,311
Water sales debt service	355,743	-	-	-	-	-	-	-	-	-	-	-	-	355,743
Source water protection	53,990	-	-	-	-	-	-	-	-	-	-	-	-	53,990
Water sales debt service NJEIT	89,733	-	-	-	-	-	-	-	-	-	-	-	-	89,733
Water sales overdrafts	81,713	-	-	-	-	-	-	-	-	-	-	-	-	81,713
NJ-American pumping costs	135,039	-	-	-	-	-	-	-	-	-	-	-	-	135,039
Headquarters overhead	-	-	-	(161,500)	-	-	-	-	-	-	-	-	-	(161,500)
Reimbursement of WTP capital expenses	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Disposition of assets	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Reimbursement from/(to) Raritan Basin	19,574	-	-	-	-	-	-	-	-	-	-	-	-	19,574
Sale/Transfer for investment securities	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Nonrefundable bid deposits	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Miscellaneous reimbursement	1,197	-	-	-	-	-	-	-	-	-	-	-	-	1,197
Transfers:														
Contributions from operating fund	-	3,941,760	605,948	(7,402,822)	-	-	60,000	-	53,299	24,968	-	1,602,023	15,000	(1,099,824)
Contributions to operating fund	-	-	-	1,115,622	-	-	(34,460)	-	(318,032)	(14,743)	-	-	-	743,367
Transfers for operations	(4,439,425)	-	-	4,439,425	-	-	-	-	-	-	-	-	-	-
Distribution from reserves to operations	587,180	728	-	-	-	-	-	-	-	-	-	-	-	587,908
Investment income	2,562	31,757	-	80,859	23,721	2,958	57,030	3	20,268	8,854	1,963	139,969	3,362	373,296
Per resolution, Section 603:														
Investment income, transfer from	118,507	-	-	(80,850)	(23,519)	(2,919)	-	-	-	(5,759)	(1,936)	-	(3,362)	152
Investment income, transfer to	(93,540)	-	-	83,540	12,627	1,864	-	-	-	5,288	1,242	-	-	21,021
Unrealized gain/(loss) on fair value	-	-	-	(1,915,736)	12,629	1,903	82,570	3	(244,465)	18,608	1,269	1,741,962	15,000	4,439,454
Total cash receipts	143,298	3,974,245	605,948	(1,915,736)	12,629	1,903	82,570	3	(244,465)	18,608	1,269	1,741,962	15,000	4,439,454
Total cash and investments	\$ 184,809	\$ 5,523,128	\$ 662,820	\$ 4,861,613	\$ 1,595,135	\$ 216,443	\$ 4,033,332	\$ 30,404	\$ 1,225,355	\$ 645,910	\$ 153,782	\$ 10,669,072	\$ 271,325	\$ 30,073,128

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 SIX MONTHS ENDED DECEMBER 31, 2023

	Water Treatment Plant/Transmission System													
	Subtotal	Operating Account	Operating Fund	Residuals Reserve	Carbon Filter Reserve	Self-Insurance Reserve	Capital Improvement Reserve	NJ/EIT Debt Service	2016 Debt Service Account	2016 Debt Service Reserve	Rebate Fund	General Reserve Fund	Employment Benefit Funds	Totals
Cash and investments - July 1, 2023	\$ 25,634,674	\$ 233,176	\$ 2,872,520	\$ 9,480	\$ 99,175	\$ 255,540	\$ 151,453	\$ 178,803	\$ 563,421	\$ 1,746,553	\$ 254,242	\$ 41,197	\$ 527,206	\$ 32,567,440
Water sales operations and maintenance	1,604,714	-	-	-	-	-	-	-	-	-	-	-	-	1,604,714
Water sales capital fund	1,626,311	-	-	-	-	-	-	-	-	-	-	-	-	1,626,311
Water sales debt service	355,743	-	-	-	-	-	-	-	-	-	-	-	-	355,743
Source water protection	53,990	-	-	-	-	-	-	-	-	-	-	-	-	53,990
Water sales debt service NJ/EIT	89,733	-	-	-	-	-	-	-	-	-	-	-	-	89,733
Water sales overdrafts	81,713	-	-	-	-	-	-	-	-	-	-	-	-	81,713
NJ-American pumping costs	135,039	-	-	-	-	-	-	-	-	-	-	-	-	135,039
Headquarters overhead	(181,500)	-	1,290,000	-	-	-	-	-	-	-	-	-	-	1,128,500
Reimbursement of WTP capital expenses	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Disposition of assets	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Reimbursement from/(to) Raritan Basin	19,574	-	-	-	-	-	-	-	-	-	-	-	-	19,574
Sale/transfer for investment securities	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Nonrefundable bid deposits	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Miscellaneous reimbursement	1,197	-	66	-	-	-	-	-	-	-	-	-	-	1,263
Transfers:														
Contributions from operating fund	(1,086,824)	300,000	(322,400)	-	-	-	-	86,581	294,919	-	-	587,180	150,544	-
Contributions to operating fund	748,387	-	(744,783)	-	-	-	(3,604)	-	-	-	-	-	-	-
Transfers to operations	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Distribution from reserves to operations	587,908	-	-	-	-	-	-	-	-	-	-	-	-	-
Investment income	373,256	2,100	41,870	-	990	3,249	1,741	1,420	-	3,230	(587,180)	(728)	6,587	
Per resolution, Section 603:														
Investment income, transfer from	152	-	6,785	-	(1,590)	(5,194)	-	-	-	-	(153)	-	-	-
Investment income, transfer to	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Unrealized gain/(loss) on fair value	21,021	-	-	-	-	-	-	-	-	-	-	-	-	-
Total cash receipts	4,438,454	302,100	271,538	9,480	(600)	(1,945)	(1,883)	90,001	294,919	3,230	-	-	-	21,021
Total cash and investments	\$ 30,073,128	\$ 535,276	\$ 3,144,058	\$ 9,480	\$ 98,575	\$ 253,595	\$ 149,590	\$ 288,804	\$ 858,340	\$ 1,746,553	\$ 257,472	\$ 41,197	\$ 683,609	\$ 38,119,677

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 SIX MONTHS ENDED DECEMBER 31, 2023

	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	\$ 184,809	\$ 5,523,128	\$ 662,820	\$ 4,861,613	\$ 1,595,135	\$ 216,443	\$ 4,033,332	\$ 30,404	\$ 1,225,355	\$ 645,910	\$ 153,782	\$ 10,669,072	\$ 271,325	\$ 30,073,128
Cash disbursements:														
Payroll	-	-	606,948	-	-	-	-	-	-	-	-	-	-	606,948
Fringe benefits	-	(1,078)	-	107,228	-	-	-	-	-	-	-	-	-	106,150
Employee deferred compensation and credit union	-	1,155,392	-	(919,901)	-	-	-	-	-	-	-	-	-	235,491
Operations and maintenance	-	977,654	-	474,428	-	-	-	-	-	-	-	-	-	1,452,082
NJ-American pumping costs	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Prepaid insurance	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Headquarters overhead	-	-	-	192,500	-	-	-	-	-	-	-	-	-	192,500
Capital assets reservoir	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Capital improvement program (reservoir)	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Purchase of investments securities	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Principal on bonds	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Interest, Fees, and Credits on NJIB loans and bonds	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Total cash disbursements	\$ 2,131,958	\$ 3,391,160	\$ 55,872	\$ 5,007,358	\$ 1,595,135	\$ 216,443	\$ 4,033,332	\$ 30,404	\$ 1,225,355	\$ 645,910	\$ 153,782	\$ 10,669,072	\$ 271,325	\$ 27,479,957
Cash and investments - December 31, 2023	\$ 184,809	\$ 3,391,160	\$ 55,872	\$ 5,007,358	\$ 1,595,135	\$ 216,443	\$ 4,033,332	\$ 30,404	\$ 1,225,355	\$ 645,910	\$ 153,782	\$ 10,669,072	\$ 271,325	\$ 27,479,957
Cash (Manasquan)	\$ 184,809	\$ 3,391,160	\$ 55,872	\$ -	\$ 779	\$ -	\$ -	\$ -	\$ -	\$ 345	\$ -	\$ -	\$ -	\$ 3,632,965
Cash (Water Treatment Plant/TS)	-	-	-	-	-	-	-	30,404	1,225,355	249,236	54,793	10,669,072	271,325	22,213,775
Short-term investments	-	-	-	5,007,358	604,941	67,960	4,033,332	-	-	-	-	-	-	-
Long-term investments (Water Treatment Plant/TS)	-	-	-	-	-	148,483	-	-	-	396,329	-	-	-	1,633,216
Restricted investments (current)	-	-	-	-	989,415	-	-	-	-	-	-	-	-	-
Restricted investments (long-term)	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Total cash and investments	\$ 184,809	\$ 3,391,160	\$ 55,872	\$ 5,007,358	\$ 1,595,135	\$ 216,443	\$ 4,033,332	\$ 30,404	\$ 1,225,355	\$ 645,910	\$ 153,782	\$ 10,669,072	\$ 271,325	\$ 27,479,957

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 SIX MONTHS ENDED DECEMBER 31, 2023

Water Treatment Plant/Transmission System

	Subtotal	Operating Account	Operating Fund	Residuals Reserve	Carbon Filter Reserve	Self-Insurance Reserve	Capital Improvement Reserve	NJNET Debt Service	2016 Debt Service Account	2016 Debt Service Reserve	Rebate Fund	General Reserve Fund	Employment Benefit Funds	Totals
Total available cash and investments	\$ 30,073,128	\$ 535,276	\$ 3,144,058	\$ 9,480	\$ 98,575	\$ 253,595	\$ 149,590	\$ 268,804	\$ 858,340	\$ 1,746,553	\$ 257,472	\$ 41,197	\$ 683,609	\$ 38,119,677
Cash disbursements:														
Payroll	606,948	-	-	-	-	-	-	-	-	-	-	-	-	606,948
Fringe benefits	106,150	-	-	-	-	-	-	-	-	-	-	-	-	106,150
Employee deferred compensation and credit union	235,491	-	-	-	-	-	-	-	-	-	-	-	1,078	235,491
Operations and maintenance	1,452,082	513,507	-	-	-	-	-	-	-	-	-	-	-	1,965,589
NJ-American pumping costs	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Prepaid insurance	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Headquarters overhead	192,500	-	62,003	-	-	-	-	-	-	-	-	-	-	254,503
Capital assets reservoir	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Capital improvement program (reservoir)	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Purchase of investments securities	-	-	-	-	-	-	-	-	435,000	-	-	-	-	435,000
Principal on bonds	-	-	-	-	-	-	-	116,381	-	-	-	-	-	116,381
Interest, Fees, and Credits on NJIB loans and bonds	-	-	-	-	-	-	-	7,795	-	-	-	-	-	7,795
Total cash disbursements	2,593,171	513,507	62,003	-	-	-	-	128,176	513,284	-	-	-	-	3,099,229
Cash and investments - December 31, 2023	\$ 27,479,957	\$ 21,769	\$ 3,082,055	\$ 9,480	\$ 98,575	\$ 253,595	\$ 149,590	\$ 142,628	\$ 345,046	\$ 1,746,553	\$ 257,472	\$ 41,197	\$ 682,531	\$ 34,310,448

Cash (Manasquan)	\$ 3,632,965	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 3,632,965
Cash (Water Treatment Plant/TS)	22,213,776	21,769	3,082,055	9,480	98,575	253,595	149,590	-	-	-	-	41,197	682,531	22,937,504
Short-term investments	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Long-term investments	1,633,216	-	-	-	-	-	-	142,628	345,046	1,746,553	257,472	-	-	3,995,295
Restricted investments (current)	-	-	-	-	-	-	-	-	-	-	-	-	-	1,633,216
Restricted investments (long-term)	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Total cash and investments	\$ 27,479,957	\$ 21,769	\$ 3,082,055	\$ 9,480	\$ 98,575	\$ 253,595	\$ 149,590	\$ 142,628	\$ 345,046	\$ 1,746,553	\$ 257,472	\$ 41,197	\$ 682,531	\$ 34,310,448