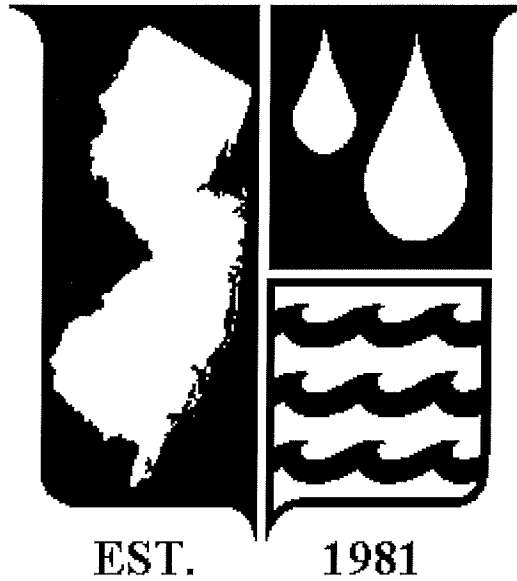


NEW JERSEY WATER SUPPLY AUTHORITY



COMPREHENSIVE ANNUAL FINANCIAL REPORT

(A Component Unit of the State of New Jersey)

March 31, 2023 AND JUNE 30, 2022

(UNAUDITED)

NEW JERSEY WATER SUPPLY AUTHORITY

INDEX

<u>DESCRIPTION</u>	<u>PAGE NUMBER</u>
Statements of Net Position as of March 31, 2023 and June 30, 2022	1
Statements of Revenue, Expenses, and Changes in Net Position for the Nine Months Ended March 31, 2023 and 2022	2
Statements of Cash Flows for the Nine Months Ended March 31, 2023 and 2022	3
Notes to Financial Statements	4-11
Supplemental Information	
Combining Schedule of Net Position as of March 31, 2023	13
Combined Schedule of Revenue, Expenses and Changes in Net Position for the Nine Months Ended March 31, 2023	14
Raritan Basin System Schedule of Changes in Cash and Investments by Fund for the Nine Months Ended March 31, 2023	15-18
Manasquan Water Supply System Schedule of Changes in Cash and Investments by Fund for the Nine Months Ended March 31, 2023	19-22

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

STATEMENTS OF NET POSITION

	Unaudited	
	March 31, 2023	June 30, 2022
Assets		
Current assets:		
Unrestricted assets:		
Cash and cash equivalents	\$ 57,886,188	\$ 68,938,148
Unbilled sales	1,935,746	1,749,325
Accounts receivable, less allowance for doubtful accounts of \$1,000 at March 31, 2023 and June 30, 2022	15,594,618	23,904,476
Interest receivable	105,746	-
Prepaid expenses and other current assets	2,473,506	1,387,434
Total unrestricted current assets	<u>77,995,804</u>	<u>95,979,383</u>
Restricted assets:		
Cash equivalents	38,143,883	35,629,870
Total current assets	<u>116,139,687</u>	<u>131,609,253</u>
Non-current assets:		
Investments	14,949,558	-
Capital assets, net	229,905,601	223,816,244
Total non-current assets	<u>244,855,159</u>	<u>223,816,244</u>
Total assets	<u>360,994,846</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>\$ 374,642,850</u>	<u>\$ 369,073,501</u>
Liabilities		
Current liabilities:		
Current portion of bonds, notes and loans payable	\$ -	\$ 3,183,435
Accounts payable	4,356,575	4,356,299
Accrued liabilities	2,292,853	2,853,901
Unearned revenue	5,637,431	5,463,619
Total current liabilities	<u>12,286,859</u>	<u>15,857,254</u>
Non-current liabilities:		
Non-current portion of bonds, notes and loans payable	152,779,718	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>196,102,585</u>	<u>196,177,942</u>
Total liabilities	<u>208,389,444</u>	<u>212,035,196</u>
Deferred inflows of resources:		
Cost recovery	(2,152,363)	(685,718)
Pension related	8,086,596	8,086,596
OPEB related	14,054,948	14,054,948
Gain on refunding	219,040	236,817
Total deferred inflows of resources	<u>20,208,221</u>	<u>21,692,643</u>
Total liabilities and deferred inflows of resources	<u>228,597,665</u>	<u>233,727,839</u>
Net Position		
Net investment in capital assets	102,470,027	93,104,101
Restricted for cash, investments, and unearned revenue	32,506,452	30,166,251
Unrestricted	11,068,706	12,075,310
Total net position	<u>146,045,185</u>	<u>135,345,662</u>
Total liabilities, deferred inflows of resources, and net position	<u>\$ 374,642,850</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

	Nine months ended March 31,	
	2023	2022
Operating revenues:		
Water sales	\$ 24,850,443	\$ 23,273,665
Reimbursement of operating expenses	1,935,000	1,935,000
Total operating revenues	<u>26,785,443</u>	<u>25,208,665</u>
Operating expenses:		
Payroll	6,201,144	6,185,158
Operations and maintenance	5,323,494	4,987,503
Fringe benefits	3,608,152	3,422,584
Depreciation	3,692,052	3,512,698
Total operating expenses	<u>18,824,842</u>	<u>18,107,943</u>
Income from operations	7,960,601	7,100,722
Non-operating revenues:		
State of New Jersey - Grant Programs	982,200	39,457
Investment and interest income	749,880	74,691
Rental income	57,812	56,795
Other income	64,746	67,671
Total non-operating revenues	<u>1,854,638</u>	<u>238,614</u>
Non-operating expenses:		
Interest component of debt service to the State of New Jersey	492,846	370,979
Recovery of deferred inflows of resources	<u>(1,377,130)</u>	<u>(1,452,235)</u>
Total non-operating expenses	<u>(884,284)</u>	<u>(1,081,256)</u>
Changes in net position	10,699,523	8,420,592
Net position, beginning of year	135,345,662	122,013,313
Net position, end of year	<u>\$ 146,045,185</u>	<u>\$ 130,433,905</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	
	Nine months ended March 31,	
	2023	2022
Cash flows from operating activities		
Cash received from water sales	\$ 24,166,965	\$ 22,605,488
Cash received from reimbursable expenses	2,798,585	2,008,376
Cash received from rental income	43,666	44,001
Cash paid to or on behalf of employees	(10,376,905)	(9,886,367)
Cash paid to suppliers	(4,357,254)	(3,389,350)
Net cash provided by operating activities	<u>12,275,057</u>	<u>11,382,148</u>
Cash flows from noncapital financing activities		
Cash received for grant programs	58,747	97,872
Net cash provided by non-capital financing activities	<u>58,747</u>	<u>97,872</u>
Cash flows from capital and related financing activities		
Proceeds from borrowing	9,000,866	8,431,861
Principal paid on bonds, notes and loans	(3,190,532)	(3,285,088)
Lease liability	-	-
Interest paid on bonds, notes and loans	(476,521)	(440,337)
Acquisition and construction of capital assets	(11,962,637)	(18,423,241)
Proceeds from sale of capital assets	62,497	(11,596)
Net cash used in capital and related financing activities	<u>(6,566,327)</u>	<u>(13,728,401)</u>
Cash flows from investing activities		
Sale of investment securities	-	250,000
Purchase of investment securities	(14,949,558)	(2,011)
Interest received on investments	644,134	76,966
Net cash provided/(used) by investing activities	<u>(14,305,424)</u>	<u>324,955</u>
Net increase in cash and cash equivalents	(8,537,947)	(1,923,426)
Cash and cash equivalents, beginning of year	104,568,018	97,922,918
Cash and cash equivalents, end of year	<u>\$ 96,030,071</u>	<u>\$ 95,999,492</u>
Reconciliation of income from operations to net cash provided by operating activities:		
Income from operations	\$ 7,960,601	\$ 7,100,722
Adjustments to reconcile income from operations to net cash provided by operating activities:		
Cash received for operating activity included in other income	920,710	136,062
Depreciation	3,692,052	3,512,698
Increase (decrease) in cash from:		
Unbilled sales	(186,421)	(784,745)
Accounts receivable	(655,495)	(48,084)
Prepaid expenses and other current assets	(1,086,072)	(227,401)
Accounts payable	2,208,795	1,983,182
Accrued liabilities	1,816	(9,621)
Accrued payroll and taxes	(580,929)	(280,665)
Net cash provided by operating activities	<u>\$ 12,275,057</u>	<u>\$ 11,382,148</u>
Non cash investing activities		
Decrease/Increase in fair value of investments	<u>\$ (416,306)</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

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

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 March 31, 2023 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)

	<u>March 31, 2023</u>	<u>June 30, 2022</u>
Raritan Basin System		
Cost excluded from rate model:		
Depreciation of debt-financed capital assets recoverable from rate payers	\$ (620,514)	\$ (835,209)
Excess vacation expense over vacation paid	(5,526)	45,359
Accrued sick pay	-	26,741
	<u>(626,040)</u>	<u>(763,109)</u>
Cost included in rate model:		
Debt principal repayment	-	-
Subtotal Raritan Basin System	<u>(626,040)</u>	<u>(763,109)</u>
Manasquan System		
Cost excluded from rate model:		
Depreciation of debt-financed capital assets recoverable from rate payers	(1,155,641)	(1,540,854)
Excess vacation expense over vacation paid	3,786	11,903
Accrued sick pay	-	844
	<u>(1,151,855)</u>	<u>(1,528,107)</u>
Cost included in rate model:		
Debt principal repayment	311,250	395,000
Subtotal Manasquan System	<u>(840,605)</u>	<u>(1,133,107)</u>
Total Raritan Basin and Manasquan	(1,466,645)	(1,896,216)
Balance, beginning of year	(685,718)	1,210,498
Balance, end of year	<u>\$ (2,152,363)</u>	<u>\$ (685,718)</u>

As shown in the statements of revenue, expenses and changes in net position for the nine months ended March 31, 2023, deferred inflow of resources credit of \$1,377,130 includes a debit balance of \$87,775 of Manasquan Water Treatment Plant unearned revenue, which is not part of the rate model, and does not include a credit balance of \$1,740 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
(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)

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 March 31, 2023 and 2022, unearned revenue amounting to \$4,729,967 and \$3,959,992 respectively, was determined as follows:

	<u>2023</u>	<u>2022</u>
Reimbursement of operating expenses	\$ 1,966,572	\$ 1,937,503
Operating expenses	<u>1,878,797</u>	<u>1,903,941</u>
Unearned revenue	87,775	33,562
Balance, beginning of year	<u>4,642,192</u>	<u>3,926,430</u>
Balance, end of year	<u>\$ 4,729,967</u>	<u>\$ 3,959,992</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 March 31, 2023 and 2022, the amount included in unearned revenue was \$345,039 and \$293,549, respectively.

Accounting for Watershed Protection Program

For the nine months ended March 31, 2023 and 2022, the Authority received \$58,746 and \$97,872 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 March 31, 2023, all the funds received had been recognized as revenue.

Accounting for Mitigation Funds

As of March 31, 2023 and June 30, 2022, the Authority received \$8,940 and \$86,768, 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 March 31, 2023 and June 30, 2022, the balance of unearned revenue was \$562,425 and \$553,485, 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 \$837,450 and \$0 for the months ended March 31, 2023, and 2022, 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 nine months ended March 31, 2023 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	\$ -	\$ (796,833)	\$ 25,648,119
Construction work in progress	105,010,249	10,067,531	-	115,077,780
Total capital assets not being depreciated	<u>131,455,201</u>	<u>10,067,531</u>	<u>(796,833)</u>	<u>140,725,899</u>
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	510,711	(288,155)	8,053,031
Leased equipment	38,738	-	-	38,738
Total capital assets being depreciated	<u>255,971,886</u>	<u>510,711</u>	<u>(289,224)</u>	<u>256,193,373</u>
Less accumulated depreciation for:				
Dams	(33,882,675)	(571,324)	-	(34,453,999)
Building, structures and improvements	(102,739,113)	(2,737,062)	1,069	(105,475,106)
D & R Canal dredging	(21,160,274)	-	-	(21,160,274)
Machinery and equipment	(5,823,939)	(376,403)	288,155	(5,912,187)
Leased equipment	(4,842)	(7,263)	-	(12,105)
Total accumulated depreciation	<u>(163,610,843)</u>	<u>(3,692,052)</u>	<u>289,224</u>	<u>(167,013,671)</u>
Total capital assets being depreciated, net	<u>92,361,043</u>	<u>(3,181,341)</u>	<u>-</u>	<u>89,179,702</u>
Total capital assets, net	<u>\$ 223,816,244</u>	<u>\$ 6,886,190</u>	<u>\$ (796,833)</u>	<u>\$ 229,905,601</u>
	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	<u>115,986,363</u>	<u>19,821,529</u>	<u>(4,352,691)</u>	<u>131,455,201</u>
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	<u>251,200,123</u>	<u>5,364,509</u>	<u>(592,746)</u>	<u>255,971,886</u>
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	<u>(159,446,521)</u>	<u>(4,744,222)</u>	<u>579,900</u>	<u>(163,610,843)</u>
Total capital assets being depreciated, net	<u>91,753,602</u>	<u>620,287</u>	<u>(12,846)</u>	<u>92,361,043</u>
Total capital assets, net	<u>\$ 207,739,965</u>	<u>\$ 20,441,816</u>	<u>\$ (4,365,537)</u>	<u>\$ 223,816,244</u>

**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 March 31, 2023 and June 30, 2022, the Authority's bank balance was \$96,273,168 and \$104,682,169, respectively, of which \$250,000 was covered through the FDIC. The remaining balance of \$96,023,168 and \$104,432,169 as of March 31, 2023 and June 30, 2022, 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 September 28, 2023. The cash balance per the statement of net position is shown exclusive of outstanding checks totaling \$243,397 and \$114,451, respectively. The statements of net position amount includes petty cash totaling \$300 as of March 31, 2023 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 \$96,273,168 and \$104,682,169 as of March 31, 2023 and June 30, 2022, respectively, was exposed to custodial credit risk as follows:

	March 31, 2023	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 March 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:

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	\$ 15,055,304	\$ 2,133,338	\$ 12,921,966
Total		\$ 15,055,304	\$ 2,133,338	\$ 12,921,966

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	\$ -	\$ -	\$ -
Total		\$ -	\$ -	\$ -

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 March 31, 2023, all deposits were collateralized.

5. Investment Income

The following comprises investment income for the nine months ended March 31, 2023 and 2021, respectively:

	2023	2022
Interest earned on bank accounts and certificates of deposit	\$ 815,754	\$ 72,399
Interest earned on securities	350,432	281
Decrease in fair value of securities	(416,306)	2,011
	<u>\$ 749,880</u>	<u>\$ 74,691</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 NINE MONTHS ENDED MARCH 31, 2023

Unaudited				
	Raritan Basin System	Manasquan Reservoir System	Elimination Entries	Combined Total
Assets				
Current assets:				
Unrestricted assets:				
Cash and cash equivalents	\$ 35,404,834	\$ 22,481,354	\$ -	\$ 57,886,188
Unbilled sales	1,935,746	-	-	1,935,746
Accounts receivable, less allowance for doubtful accounts of \$1,000 at March 31, 2023	12,545,240	3,213,887	(164,509)	15,594,618
Interest receivable	93,581	12,165	-	105,746
Prepaid expenses and other current assets	1,947,798	525,708	-	2,473,506
Total unrestricted assets	<u>51,927,199</u>	<u>26,233,114</u>	<u>(164,509)</u>	<u>77,995,804</u>
Restricted assets:				
Cash equivalents	31,852,027	6,291,856	-	38,143,883
Total current assets	<u>83,779,226</u>	<u>32,524,970</u>	<u>(164,509)</u>	<u>116,139,687</u>
Non-current assets:				
Investments	13,351,432	1,598,126	-	14,949,558
Capital assets net of accumulated depreciation of \$167,013,671 at March 31, 2023	183,894,074	46,011,527	-	229,905,601
Total non-current assets	<u>197,245,506</u>	<u>47,609,653</u>	<u>-</u>	<u>244,855,159</u>
Total assets	<u>281,024,732</u>	<u>80,134,623</u>	<u>(164,509)</u>	<u>360,994,846</u>
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	<u>10,746,992</u>	<u>2,901,012</u>	<u>-</u>	<u>13,648,004</u>
Total assets and deferred outflows of resources	<u>\$ 291,771,724</u>	<u>\$ 83,035,635</u>	<u>\$ (164,509)</u>	<u>\$ 374,642,850</u>
Liabilities				
Current liabilities:				
Accounts payable	\$ 3,569,150	\$ 951,934	\$ (164,509)	\$ 4,356,575
Accrued liabilities	1,939,438	353,415	-	2,292,853
Unearned revenue	562,425	5,075,006	-	5,637,431
Total current liabilities	<u>6,071,013</u>	<u>6,380,355</u>	<u>(164,509)</u>	<u>12,286,859</u>
Non-current liabilities:				
Non-current portion of bonds, notes and loans payable	112,766,531	40,013,187	-	152,779,718
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	<u>146,517,768</u>	<u>49,584,817</u>	<u>-</u>	<u>196,102,585</u>
Total liabilities	<u>152,588,781</u>	<u>55,965,172</u>	<u>(164,509)</u>	<u>208,389,444</u>
Deferred inflows of resources				
Cost recovery	8,400,039	(10,552,402)	-	(2,152,363)
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	-	219,040	-	219,040
Total deferred inflow of resources	<u>25,643,854</u>	<u>(5,435,633)</u>	<u>-</u>	<u>20,208,221</u>
Net position				
Net investment in capital assets	71,127,543	31,342,484	-	102,470,027
Restricted for cash, investments and unearned revenue	31,289,602	1,216,850	-	32,506,452
Unrestricted	11,121,944	(53,238)	-	11,068,706
Total net position	<u>113,539,089</u>	<u>32,506,096</u>	<u>-</u>	<u>146,045,185</u>
Total liabilities, deferred inflows of resources, and net position	<u>\$ 291,771,724</u>	<u>\$ 83,035,635</u>	<u>\$ (164,509)</u>	<u>\$ 374,642,850</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 NINE MONTHS ENDED MARCH 31, 2023

	Unaudited			Combined Total
	Raritan Basin System	Manasquan Reservoir System	Manasquan Water Treatment Plant	
Operating revenue:				
Water sales	\$ 19,137,255	\$ 5,713,188	\$ -	\$ 24,850,443
Reimbursement of operating expenses	-	-	1,935,000	1,935,000
Total operating revenue	<u>19,137,255</u>	<u>5,713,188</u>	<u>1,935,000</u>	<u>26,785,443</u>
Operating expenses:				
Payroll	4,831,117	736,932	633,095	6,201,144
Operations and maintenance (direct)	3,467,203	1,016,734	715,404	5,199,341
Operations and maintenance (general and administrative)	-	75,012	49,141	124,153
Fringe benefits	2,742,599	461,647	403,906	3,608,152
Headquarters overhead	(561,751)	484,500	77,251	-
Depreciation	2,300,907	1,391,145	-	3,692,052
Total operating expenses	<u>12,780,075</u>	<u>4,165,970</u>	<u>1,878,797</u>	<u>18,824,842</u>
Income from operations	<u>6,357,180</u>	<u>1,547,218</u>	<u>56,203</u>	<u>7,960,601</u>
Non-operating revenue:				
State of New Jersey - Grant Programs	982,200	-	-	982,200
Investment and interest income	516,661	201,647	31,572	749,880
Rental income	57,812	-	-	57,812
Other income/(loss)	56,372	8,374	-	64,746
Total non-operating revenue	<u>1,613,045</u>	<u>210,021</u>	<u>31,572</u>	<u>1,854,638</u>
Non-operating expenses:				
Interest component of debt service to the State of New Jersey	418,402	74,444	-	492,846
Recovery of deferred inflows of resources	(620,514)	(844,391)	87,775	(1,377,130)
Total non-operating expenses	<u>(202,112)</u>	<u>(769,947)</u>	<u>87,775</u>	<u>(884,284)</u>
Changes in net position	8,172,337	2,527,186	-	10,699,523
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>\$ 113,539,089</u>	<u>\$ 32,506,096</u>	<u>\$ -</u>	<u>\$ 146,045,185</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
YEAR NINE MONTHS ENDED MARCH 31, 2023

	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	10,182,129	-	-	-	-	-	-	-	-	-	10,182,129
Water sales NJEIFP	4,474,903	-	-	-	-	-	-	-	-	-	4,474,903
Water sales capital fund	1,737,315	-	-	-	-	-	-	-	-	-	1,737,315
Water sales source water protection fund	1,263,501	-	-	-	-	-	-	-	-	-	1,263,501
Water sales overdrafts	2,432,937	-	-	-	-	-	-	-	-	-	2,432,937
Rental income	42,616	-	-	-	-	-	-	-	-	-	42,616
Manasquan reservoir support	41,245	-	-	-	-	-	-	-	-	-	41,245
Headquarters overhead	-	-	-	546,001	-	-	-	-	-	-	546,001
Disposition of property	878,445	-	-	-	-	-	-	-	-	-	878,445
Recycling revenue	1,656	-	-	-	-	-	-	-	-	-	1,656
Sale/Transfer for investment securities	-	-	-	-	2,500,048	750,000	3,500,000	-	7,000,000	-	13,750,048
Grant Programs	928,336	-	-	-	-	-	-	-	-	-	928,336
Insurance reimbursement	175,468	-	-	-	-	-	-	-	-	-	175,468
Miscellaneous expense reimbursement	1,463,928	663	-	-	-	-	-	-	-	-	1,464,591
Transfers:											
Contributions from operating fund	1,086,340	23,163,825	2,991,714	(36,568,172)	-	-	250,257	112,500	-	424,476	(8,539,060)
Contributions to operating fund	-	-	-	15,366,554	-	-	(187,021)	-	-	(419,276)	14,760,257
Transfers for operations	(23,720,390)	8,112	-	23,720,390	-	-	-	-	-	-	8,112
Transfers for investments	-	-	-	-	-	-	-	-	-	-	-
Distribution from reserves to operations	200,000	10,700	-	37,580	-	-	(37,580)	-	-	(200,000)	10,700
Investment income	4,924	18,778	-	20,980	70,232	18,407	94,539	19,715	189,026	39,831	476,432
Per resolution, Section 603:											
Investment income, transfer from	280,506	-	-	(20,979)	(48,448)	(12,472)	(56,591)	-	(142,016)	-	-
Investment income, transfer to	(28,386)	-	-	-	28,792	(406)	-	-	-	-	-
Unrealized gain/(loss) on fair value	-	-	-	-	(72,508)	(21,438)	(100,281)	-	(173,031)	-	(367,258)
Total cash receipts	1,445,473	23,202,078	2,991,714	3,102,354	2,478,116	734,091	3,463,323	132,215	6,873,979	(154,969)	44,268,374
Total available cash and investments	\$ 1,931,188	\$ 25,262,895	\$ 3,169,530	\$ 4,841,400	\$ 6,128,480	\$ 1,665,773	\$ 8,325,465	\$ 2,169,201	\$ 6,950,137	\$ 4,230,043	\$ 64,674,112

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)
YEAR NINE MONTHS ENDED MARCH 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 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	10,182,129	-	-	-	-	-	-	-	-	-	10,182,129
Water sales NJEIFP	4,474,903	-	-	-	-	-	-	-	-	-	4,474,903
Water sales capital fund	1,737,315	-	-	-	-	-	-	-	-	-	1,737,315
Water sales source water protection fund	1,263,501	-	-	-	-	-	-	-	-	-	1,263,501
Water sales overdrafts	2,432,937	-	-	-	-	-	-	-	-	-	2,432,937
Rental income	42,616	-	-	-	-	-	-	-	-	-	42,616
Manasquan reservoir support	41,245	-	-	-	-	-	-	-	-	-	41,245
Headquarters overhead	546,001	-	-	-	-	-	-	-	-	-	546,001
Disposition of property	878,445	-	-	-	-	-	-	-	-	-	878,445
Recycling revenue	1,656	-	-	-	-	-	-	-	-	-	1,656
Sale/Transfer for investment securities	13,750,048	-	-	-	-	-	-	-	-	-	13,750,048
Grant Programs	928,336	-	-	-	-	-	-	-	-	-	928,336
Insurance reimbursement	175,468	-	-	-	-	-	-	-	-	-	175,468
Miscellaneous expense reimbursement	1,464,591	-	-	-	9,000,866	-	-	-	-	4,451	10,469,908
Transfers:											
Contributions from operating fund	(8,539,060)	238,059	535,428	-	2,644,206	-	4,242,801	112,500	-	766,066	-
Contributions to operating fund	14,760,257	-	-	-	(13,605,701)	(85,075)	-	-	-	(1,069,481)	-
Transfers for operations	8,112	-	-	-	-	-	-	-	-	(8,112)	-
Transfers for investments	-	-	-	-	-	-	-	-	-	-	-
Distribution from reserves to operations	10,700	-	-	-	-	-	-	-	-	(10,700)	-
Investment income	476,432	1,170	2,775	13,175	100,360	5,099	282,289	11,945	463	21,063	914,771
Per resolution, Section 603:											
Investment income, transfer from	-	-	-	-	-	-	-	-	-	-	-
Investment income, transfer to	-	-	-	-	-	-	-	-	-	-	-
Unrealized gain/(loss) on fair value	(367,258)	-	-	-	-	-	-	-	-	-	(367,258)
Total cash receipts	44,268,374	239,229	538,203	13,175	(1,860,269)	(79,976)	4,525,090	124,445	463	(296,713)	47,472,021
Total available cash and investments	\$ 64,674,112	\$ 578,873	\$ 1,199,520	\$ 1,426,510	\$ 17,751,570	\$ 570,521	\$ 33,223,388	\$ 1,351,364	\$ 88,496	\$ 1,726,027	\$ 122,590,381

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)
YEAR NINE MONTHS ENDED MARCH 31, 2023

	Operating Fund										
	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	Subtotal
Total available cash and investments	\$ 1,931,188	\$ 25,262,895	\$ 3,169,530	\$ 4,841,400	\$ 6,128,480	\$ 1,665,773	\$ 8,325,465	\$ 2,169,201	\$ 6,950,137	\$ 4,230,043	\$ 64,674,112
Cash disbursements:											
Payroll	-	-	2,991,730	-	-	-	-	-	-	-	2,991,730
Fringe benefits	-	31,971	-	1,308,491	-	-	-	-	-	-	1,340,462
Employee deferred compensation and credit union	-	1,875,740	-	(116,886)	-	-	-	-	-	-	1,758,854
Operations and maintenance	-	19,608,831	-	(631,419)	-	-	-	-	-	-	18,977,412
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 NJIB loans	-	-	-	-	-	-	-	-	-	-	-
Total cash disbursements	-	21,516,542	2,991,730	560,186	2,501,127	750,792	3,502,973	-	26,258	-	31,849,608
Cash and investments - March 31, 2023	\$ 1,931,188	\$ 3,746,353	\$ 177,800	\$ 4,281,214	\$ 3,627,353	\$ 914,981	\$ 4,822,492	\$ 2,169,201	\$ 6,923,879	\$ 4,230,043	\$ 32,824,504
Summary of cash and investments:											
Cash	\$ 1,931,188	\$ 3,746,353	\$ 177,800	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 5,855,341
Short-term investments	-	-	-	4,281,214	1,184,445	181,730	1,401,010	2,169,201	76,507	4,230,043	13,524,150
Long-term investments	-	-	-	-	2,442,908	733,251	3,421,482	-	6,847,372	-	13,445,013
Restricted investments (current)	-	-	-	-	-	-	-	-	-	-	-
Restricted Investments (long-term)	-	-	-	-	-	-	-	-	-	-	-
Total cash and investments	\$ 1,931,188	\$ 3,746,353	\$ 177,800	\$ 4,281,214	\$ 3,627,353	\$ 914,981	\$ 4,822,492	\$ 2,169,201	\$ 6,923,879	\$ 4,230,043	\$ 32,824,504

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)
YEAR NINE MONTHS ENDED MARCH 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	\$ 64,674,112	\$ 578,873	\$ 1,199,520	\$ 1,426,510	\$ 17,751,570	\$ 570,521	\$ 33,223,388	\$ 1,351,364	\$ 88,496	\$ 1,726,027	\$ 122,590,381
Cash disbursements:											
Payroll	2,991,730	-	-	-	-	-	-	-	-	-	2,991,730
Fringe benefits	1,340,462	-	-	-	-	-	-	-	-	-	1,340,462
Employee deferred compensation and credit union	1,758,854	-	-	-	-	-	-	-	-	-	1,758,854
Operations and maintenance	18,977,412	-	-	-	-	-	-	-	-	-	18,977,412
Prepaid insurance	-	-	-	-	-	-	-	-	-	-	-
Miscellaneous disbursements	31,102	-	-	-	-	-	-	-	-	38,378	69,480
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	-	301,735	632,970	-	-	-	1,681,158	-	-	-	2,615,863
Interest, Fees, and Credits on NJIB loans	-	9,277	64,474	-	-	-	310,907	-	-	-	384,658
Total cash disbursements	31,849,608	311,012	697,444	-	7,000,000	-	1,992,065	-	-	38,378	41,888,507
Cash and investments - March 31, 2023	\$ 32,824,504	\$ 267,861	\$ 502,076	\$ 1,426,510	\$ 10,751,570	\$ 570,521	\$ 31,231,323	\$ 1,351,364	\$ 88,496	\$ 1,687,649	\$ 80,701,874
Summary of cash and investments:											
Cash	\$ 5,855,341	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 50,093	\$ 5,905,434
Short-term investments	13,524,150	267,861	502,076	1,426,510	10,751,570	570,521	31,231,323	1,351,364	88,496	1,637,556	61,351,427
Long-term investments	13,445,013	-	-	-	-	-	-	-	-	-	13,445,013
Restricted Investments (current)	-	-	-	-	-	-	-	-	-	-	-
Restricted Investments (long-term)	-	-	-	-	-	-	-	-	-	-	-
Total cash and investments	\$ 32,824,504	\$ 267,861	\$ 502,076	\$ 1,426,510	\$ 10,751,570	\$ 570,521	\$ 31,231,323	\$ 1,351,364	\$ 88,496	\$ 1,687,649	\$ 80,701,874

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 NINE MONTHS ENDED MARCH 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, 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	1,677,004	-	-	-	-	-	-	-	-	-	-	-	-	1,677,004
Water sales capital fund	1,715,669	-	-	-	-	-	-	-	-	-	-	-	-	1,715,669
Water sales debt service	355,256	-	-	-	-	-	-	-	-	-	-	-	-	355,256
Source water protection	56,535	-	-	-	-	-	-	-	-	-	-	-	-	56,535
Water sales debt service NJEIT	93,961	-	-	-	-	-	-	-	-	-	-	-	-	93,961
Water sales overdrafts	175,516	-	-	-	-	-	-	-	-	-	-	-	-	175,516
NJ-American pumping costs	159,271	-	-	-	-	-	-	-	-	-	-	-	-	159,271
Headquarters overhead	-	-	-	(307,250)	-	-	-	-	-	-	-	-	-	(307,250)
Reimbursement of WTP capital expenses	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Disposition of assets	8,000	-	-	-	-	-	-	-	-	-	-	-	-	8,000
Reimbursement from/(to) Raritan Basin	25,971	-	-	-	1,000,000	150,000	-	-	-	400,000	100,000	-	-	1,675,971
Sale/Transfer for investment securities	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Nonrefundable bid deposits	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Miscellaneous reimbursement	8,337	-	-	-	-	-	-	-	-	-	-	-	-	8,337
Transfers:														
Contributions from operating fund	-	3,642,527	854,096	(8,466,698)	-	-	90,000	-	79,839	29,946	-	2,399,748	22,500	(1,348,042)
Contributions to operating fund	-	-	-	1,419,953	-	-	(217,165)	-	(105,932)	(6,009)	-	-	-	1,090,847
Transfers for operations	(5,086,830)	-	-	5,086,830	-	-	-	-	-	-	-	-	-	-
Distribution from reserves to operations	584,130	3,017	-	-	-	-	-	-	-	-	-	-	-	587,147
Investment income	1,252	3,282	-	71,386	28,656	3,734	38,805	14	13,522	13,819	2,484	67,772	3,068	247,794
Per resolution, Section 603:														
Investment income, transfer from	106,080	-	-	(71,386)	(21,163)	(2,748)	-	-	-	(5,800)	(1,826)	-	(3,068)	89
Investment income, transfer to	(80,829)	-	-	80,829	-	-	-	-	-	-	-	-	-	-
Unrealized gain/(loss) on fair value	-	-	-	-	(29,952)	(4,452)	-	-	-	(11,676)	(2,968)	-	-	(49,048)
Total cash receipts	(200,677)	3,648,826	854,096	(2,186,336)	977,541	146,534	(88,360)	14	(12,571)	420,280	97,690	2,467,520	22,500	6,147,057
Total cash and investments	\$ 137,717	\$ 4,025,040	\$ 909,968	\$ 5,577,708	\$ 2,582,480	\$ 364,499	\$ 3,975,757	\$ 30,400	\$ 1,443,459	\$ 1,026,039	\$ 252,489	\$ 8,073,055	\$ 368,797	\$ 28,767,408

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 NINE MONTHS ENDED MARCH 31, 2023

	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	1,677,004	-	-	-	-	-	-	-	-	-	-	-	-	1,677,004
Water sales capital fund	1,715,669	-	-	-	-	-	-	-	-	-	-	-	-	1,715,669
Water sales debt service	355,256	-	-	-	-	-	-	-	-	-	-	-	-	355,256
Source water protection	56,535	-	-	-	-	-	-	-	-	-	-	-	-	56,535
Water sales debt service NJEIT	93,961	-	-	-	-	-	-	-	-	-	-	-	-	93,961
Water sales overdrafts	175,516	-	-	-	-	-	-	-	-	-	-	-	-	175,516
NJ-American pumping costs	159,271	-	-	-	-	-	-	-	-	-	-	-	-	159,271
Headquarters overhead	(307,250)	-	1,935,000	-	-	-	-	-	-	-	-	-	-	1,627,750
Reimbursement of WTP capital expenses	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Disposition of assets	8,000	-	-	-	-	-	-	-	-	-	-	-	-	8,000
Reimbursement from/(to) Raritan Basin	1,675,971	-	-	-	-	-	-	-	-	-	-	-	-	1,675,971
Sale/Transfer for investment securities	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Nonrefundable bid deposits	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Miscellaneous reimbursement	8,337	697	126,483	-	-	-	-	-	-	-	-	-	-	135,517
Transfers:														
Contributions from operating fund	(1,348,042)	899,985	(913,294)	-	-	-	-	132,690	443,691	-	-	584,130	200,840	-
Contributions to operating fund	1,090,847	-	(1,063,032)	-	-	-	(23,807)	-	-	-	-	-	(4,008)	-
Transfers for operations	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Distribution from reserves to operations	587,147	-	-	-	-	-	-	-	-	-	(584,130)	-	(3,017)	-
Investment income	247,794	1,210	27,477	-	562	2,042	283	785	-	-	2,023	89	4,955	287,220
Per resolution, Section 603:														
Investment income, transfer from	89	-	1,300	-	(238)	(1,062)	-	-	-	-	-	(89)	-	-
Investment income, transfer to	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Unrealized gain/(loss) on fair value	(49,048)	-	-	-	-	-	-	-	-	-	-	-	-	(49,048)
Total cash receipts	6,147,057	901,892	113,934	-	324	980	(23,524)	133,475	443,691	-	2,023	-	198,770	7,918,622
Total cash and investments	\$ 28,767,408	\$ 950,740	\$ 3,139,221	\$ 9,480	\$ 98,740	\$ 254,116	\$ 54,654	\$ 302,821	\$ 997,487	\$ 1,746,553	\$ 252,826	\$ 41,197	\$ 753,037	\$ 37,368,280

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 NINE MONTHS ENDED MARCH 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	\$ 137,717	\$ 4,025,040	\$ 909,968	\$ 5,577,708	\$ 2,582,480	\$ 364,499	\$ 3,975,757	\$ 30,400	\$ 1,443,459	\$ 1,026,039	\$ 252,489	\$ 8,073,055	\$ 368,797	\$ 28,767,408
Cash disbursements:														
Payroll	-	-	854,096	-	-	-	-	-	-	-	-	-	-	854,096
Fringe benefits	-	(2,321)	-	180,718	-	-	-	-	-	-	-	-	-	178,397
Employee deferred compensation and credit union	-	1,647,626	-	(1,308,491)	-	-	-	-	-	-	-	-	-	339,135
Operations and maintenance	-	1,360,038	-	634,708	1,084	5	-	-	-	617	5	-	-	1,996,457
NJ-American pumping costs	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Prepaid insurance	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Headquarters overhead	-	-	-	161,500	-	-	-	-	-	-	-	-	-	161,500
Capital assets reservoir	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Capital improvement program (reservoir)	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Purchase of investments securities	-	-	-	-	1,000,000	150,000	-	-	-	400,000	100,000	-	-	1,650,000
Principal on bonds	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Interest, Fees, and Credits on NJIB loans and bonds	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Total cash disbursements	-	3,005,343	854,096	(331,565)	1,001,084	150,005	-	-	-	400,617	100,005	-	-	5,179,585
Cash and investments - March 31, 2023	\$ 137,717	\$ 1,019,697	\$ 55,872	\$ 5,909,273	\$ 1,581,396	\$ 214,494	\$ 3,975,757	\$ 30,400	\$ 1,443,459	\$ 625,422	\$ 152,484	\$ 8,073,055	\$ 368,797	\$ 23,587,823
Summary of cash and investments:														
Cash (Manasquan)	\$ 137,717	\$ 1,019,697	\$ 55,872	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 1,213,286
Cash (Water Treatment Plant/TS)	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Short-term investments	-	-	-	5,909,273	605,718	67,960	3,975,757	30,400	1,443,459	235,033	54,794	8,073,055	368,797	20,764,246
Short-term investments (Water Treatment Plant/TS)	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Long-term investments	-	-	-	-	975,678	146,534	-	-	-	390,389	97,690	-	-	1,610,291
Restricted investments (current)	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Restricted investments (long-term)	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Total cash and investments	\$ 137,717	\$ 1,019,697	\$ 55,872	\$ 5,909,273	\$ 1,581,396	\$ 214,494	\$ 3,975,757	\$ 30,400	\$ 1,443,459	\$ 625,422	\$ 152,484	\$ 8,073,055	\$ 368,797	\$ 23,587,823

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 NINE MONTHS ENDED MARCH 31, 2023

	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	\$ 28,767,408	\$ 950,740	\$ 3,139,221	\$ 9,480	\$ 98,740	\$ 254,116	\$ 54,654	\$ 302,821	\$ 997,487	\$ 1,746,553	\$ 252,826	\$ 41,197	\$ 753,037	\$ 37,368,280
Cash disbursements:														
Payroll	854,096	-	-	-	-	-	-	-	-	-	-	-	-	854,096
Fringe benefits	178,397	-	-	-	-	-	-	-	-	-	-	-	2,320	180,717
Employee deferred compensation and credit union	339,135	-	-	-	-	-	-	-	-	-	-	-	-	339,135
Operations and maintenance	1,996,457	687,456	170	-	-	-	-	-	-	-	-	-	286,968	2,971,051
NJ-American pumping costs	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Prepaid insurance	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Headquarters overhead	161,500	-	77,251	-	-	-	-	-	-	-	-	-	-	238,751
Capital assets reservoir	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Capital improvement program (reservoir)	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Purchase of investments securities	1,650,000	-	-	-	-	-	-	-	-	-	-	-	-	1,650,000
Principal on bonds	-	-	-	-	-	-	-	152,572	493,294	-	-	-	-	645,866
Interest, Fees, and Credits on NJIB loans and bonds	-	-	-	-	-	-	-	16,494	88,659	-	-	-	-	105,163
Total cash disbursements	5,179,585	687,456	77,421	-	-	-	-	169,066	581,953	-	-	-	289,288	6,984,779
Cash and investments - March 31, 2023	\$ 23,587,823	\$ 263,284	\$ 3,061,800	\$ 9,480	\$ 98,740	\$ 254,116	\$ 54,654	\$ 133,755	\$ 415,524	\$ 1,746,553	\$ 252,826	\$ 41,197	\$ 463,749	\$ 30,383,501
Summary of cash and investments:														
Cash (Manasquan)	\$ 1,213,286	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 1,213,286
Cash (Water Treatment Plant/TSS)	-	263,284	-	-	-	-	-	-	-	-	-	-	-	263,284
Short-term investments	20,764,246	-	-	-	-	-	-	-	-	-	-	41,197	463,749	21,269,192
Short-term investments (Water Treatment Plant/TSS)	-	-	3,061,800	9,480	98,740	254,116	54,654	-	-	-	-	-	-	3,478,790
Long-term investments	1,610,291	-	-	-	-	-	-	-	-	-	-	-	-	1,610,291
Restricted investments (current)	-	-	-	-	-	-	-	133,755	415,524	1,746,553	252,826	-	-	2,548,658
Restricted investments (long-term)	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Total cash and investments	\$ 23,587,823	\$ 263,284	\$ 3,061,800	\$ 9,480	\$ 98,740	\$ 254,116	\$ 54,654	\$ 133,755	\$ 415,524	\$ 1,746,553	\$ 252,826	\$ 41,197	\$ 463,749	\$ 30,383,501