

**NEW JERSEY WATER SUPPLY AUTHORITY**



**EST.**

**1981**

**COMPREHENSIVE ANNUAL FINANCIAL REPORT**

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

**SEPTEMBER 31, 2015 AND JUNE 30, 2015**

**(UNAUDITED)**

NEW JERSEY WATER SUPPLY AUTHORITY

INDEX

<u>DESCRIPTION</u>	<u>PAGE NUMBER</u>
Statement of Net Position as of September 30, 2015 and June 30, 2015	1
Statements of Revenues, Expenses, and Changes in Net Position for the Nine Months Ended September 30, 2015 and 2014	2
Statements of Cash Flows for the Nine Months Ended September 30, 2015 and 2014	3
Notes to Financial Statements	4-11
Supplemental Information	
Combining Statement of Net Position as of September 30, 2015	13
Combining Statement of Revenues, Expenses and Changes in Net Position for the Nine Months Ended September 30, 2015	14
Raritan Basin System Statement of Changes in Cash and Investments by Fund for the Nine Months Ended September 30, 2015	15-18
Manasquan Water Supply System Statement of Changes in Cash and Investments by Fund for the Nine Months Ended September 30, 2015	19-22

New Jersey Water Supply Authority  
A Component Unit of the State of New Jersey  
Statement of Net Position

Unaudited

	Sept 30, 2015	June 30, 2015
<b>Assets</b>		
Current assets:		
Unrestricted assets		
Cash and cash equivalents	\$40,150,586	\$37,174,983
Unbilled sales	1,890,773	1,097,005
Accounts receivable, less allowance for doubtful accounts of \$1,000 at September 30, 2015 and June 30, 2015	1,880,717	2,908,472
Interest receivable	135,838	243,335
Prepaid expenses and other current assets	641,601	1,026,563
Total unrestricted assets	44,699,515	42,450,358
Restricted assets:		
Cash equivalents	3,200,045	4,499,245
Investments	5,169,814	7,840,414
Total restricted current assets	8,369,859	12,339,659
Total current assets	53,069,374	54,790,017
Non-current assets:		
Investments	11,969,443	11,824,171
Capital assets, net	140,644,136	141,237,393
Total non-current assets	152,613,579	153,061,564
Deferred outflows of resources	1,280,619	1,280,619
Total assets and deferred outflows of resources	206,963,572	209,132,200
<b>Liabilities</b>		
Current liabilities:		
Current portion of bonds, notes and loans payable	180,552	3,930,734
Accounts payable	469,142	656,022
Accrued liabilities	795,673	1,342,565
Unearned revenue	3,130,325	3,110,567
Total current liabilities	4,575,692	9,039,888
Non-current liabilities:		
Non-current portion of bonds, notes and loans payable	71,197,214	71,231,389
Net pension liability	18,416,851	18,141,342
Total non-current Liabilities	89,614,065	89,372,731
Deferred inflows of resources	2,787,310	2,623,839
<b>Net position</b>		
Net investment in capital assets	94,829,554	91,638,454
Restricted	5,239,534	9,229,092
Unrestricted	9,917,417	7,228,196
Total net position	109,986,505	108,095,742
Total liabilities, deferred inflows of resources, and net position	\$206,963,572	\$209,132,200

\*Certain balances have been reclassified to conform to current year presentation

See accompanying notes.

New Jersey Water Supply Authority  
A Component Unit of the State of New Jersey  
Statements of Revenues, Expenses and Changes in Net Position

Unaudited

	Three months ended September 30,	
	2015	2014
Operating revenues:		
Water sales	\$6,514,155	\$6,002,021
Reimbursement of operating expenses	660,600	660,600
Total operating revenues	7,174,755	6,662,621
Operating expenses:		
Payroll	1,802,240	1,808,342
Operations and maintenance	1,156,222	1,821,558
Fringe benefits	1,133,460	1,048,445
Depreciation	1,108,538	1,088,121
Total operating expenses	5,200,460	5,766,466
Income from operations	1,974,295	896,155
Non-operating revenue:		
State of New Jersey - Grant Programs	0	0
Investment income	376,080	227,245
Rental income	43,272	43,140
Other income	2,357	21,965
Total non-operating revenue	421,709	292,350
Non-operating expenses:		
Interest component of debt service to the State of New Jersey	318,599	356,678
Bond discount/insurance premium expense	7,144	7,144
Recovery of deferred inflows of resources	179,498	134,139
Total non-operating expenses	505,241	497,961
Change in net position	1,890,763	690,544
Net position, beginning of year	108,095,742	121,682,236
Net position, end of year	\$109,986,505	\$122,372,780

See accompanying notes.

New Jersey Water Supply Authority  
A Component Unit of the State of New Jersey  
Statements of Cash Flows

Unaudited

	Three months ended September 30,	
	2015	2014
<b>Cash flows from operating activities</b>		
Cash received from water sales	\$6,839,923	\$4,305,171
Cash received from reimbursable expenses	663,852	676,904
Cash received from rental income	32,075	30,434
Cash paid to or on behalf of employees	(2,773,834)	(2,645,473)
Cash paid to suppliers	(827,986)	(1,591,614)
Net cash provided by operating activities	3,934,030	775,422
<b>Cash flows from noncapital financing activities</b>		
Cash received for grant programs	0	0
Net cash provided by noncapital financing activities	0	0
<b>Cash flows from capital and related financing activities</b>		
Proceeds from borrowing	0	0
Principal paid on bonds, notes and loans	(3,809,545)	(3,887,613)
Interest paid on bonds, notes and loans	(725,581)	(801,011)
Acquisition and construction of capital assets	(733,386)	(779,538)
Proceeds from sale of capital assets	1,980	20,736
Net cash used in financing activities	(5,266,532)	(5,447,426)
<b>Cash flows from investing activities</b>		
Sale of investment securities	3,720,372	3,646,369
Purchase of investment securities	(1,195,044)	(1,051,368)
Interest received on investments	483,577	363,356
Net cash provided by investing activities	3,008,905	2,958,357
Net increase in cash and cash equivalents	1,676,403	(1,713,647)
Cash and cash equivalents, beginning of year	41,674,228	41,877,517
Cash and cash equivalents, end of year	\$43,350,631	\$40,163,870
Reconciliation of income from operations to net cash provided by operating activities:		
Income from operations	\$1,974,295	\$896,155
Adjustments to reconcile income from operations to net cash provided by operating activities:		
Non-cash items expensed to operations and maintenance	43,272	43,140
Cash received for operating activity shown in other income	377	1,229
Depreciation	1,108,538	1,088,121
Increase (decrease) in cash from:		
Unbilled sales	(793,768)	(529,788)
Accounts receivable	1,006,545	(1,267,251)
Prepaid expenses and other current assets	384,962	388,499
Accounts payable	52,435	(50,012)
Accrued liabilities	(1,197)	(7,152)
Accrued payroll and taxes	(116,938)	212,481
Net pension liability	275,509	-
Net cash provided by operating activities	\$3,934,030	\$775,422
<b>Non cash investing activities</b>		
Increase (decrease) in fair value of investments	\$201,762	\$7,515

See accompanying notes.

New Jersey Water Supply Authority  
A Component Unit of the State of New Jersey  
Notes to Financial Statements

**1. Organization and Operations**

The New Jersey Water Supply Authority (the "Authority"), a Component Unit of the State of New Jersey (the "State"), consisting of the Spruce Run/Round Valley Reservoirs Complex, the Delaware and Raritan Canal Transmission Complex ( the "Raritan Basin System") and the Manasquan Reservoir Water Supply System (the "Manasquan System"), is a public body, corporate and politic, constituted as an instrumentality of the State of New Jersey, exercising public and essential governmental functions. The Authority was created by the New Jersey Water Supply Authority Act (the "Act") on October 7, 1981, and in connection with the Act, all water supply facilities owned or operated by the State (*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 consent of the New Jersey Senate. The public members represent the agricultural community, industrial water users, residential water users, private watershed associations, public finance, and water resource management and distribution. The Authority prepares an annual budget that is used to establish rates and as a management tool but it does not constitute a legal budget or establish spending limitations.

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

**2. Summary of Significant Accounting Policies**

**Basis of Accounting**

The Authority 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 principals generally accepted in the United States of America as prescribed by the Governmental Accounting Standards Board ('GASB')

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

**Revenue**

Charges for wholesale water usage are established to provide revenues sufficient for services, essential repairs and improvements to utility plant, and repayment of debt service on certain long-term obligations used for plant construction. Sales are recognized as revenue when water is made available to customers, and the customers are billed in the following month or quarter.

The Authority distinguishes operating revenues and expenses from non-operating items. Operating revenues and expenses result from the sale of water to customers. Operating expenses include costs of providing water, administrative expenses and depreciation on capital assets. All revenue and expenses not meeting this definition are reported as non-operating revenue and expenses.

New Jersey Water Supply Authority  
A Component Unit of the State of New Jersey  
Notes to Financial Statements (continued)

**Capital Assets**

Capital assets are stated at original cost and consist primarily of amounts expended to license, construct, acquire, complete and place in operation the projects of the Authority. Capital assets are defined by the Authority as assets with an initial, individual cost of more than \$1,000, and an 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 assets construction and temporarily invested during the construction period is netted against interest costs. The excess, if any, is capitalized to construction work in progress, and the portion related to completed projects is expensed. The cost of capital assets retired, net of any gain or loss on the disposal of such capital 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 for construction and payment of interest consist of money market funds and U.S. Government-backed securities with various interest rates. Restricted investments are restricted under the terms of the Authority's bond indentures for the payment of debt service. All investments are carried at fair value, in accordance with GASB Statement No. 31, *Accounting and Financial Reporting for Certain Investments and for External Investment Pools*.

**Accounts Receivable**

The Authority considers most of its accounts receivable to be collectible; accordingly, the change in net position is charged with an allowance for estimated uncollectible accounts based on past experience and an analysis of current accounts receivable collectability. Accounts deemed uncollectible are charged to the allowance in the year they are deemed uncollectible. At September 30, 2015 and 2014, accounts receivable included amounts due from the New Jersey Environmental Infrastructure Financing Program ("NJEIFP") for \$0 and \$757 respectively.

During fiscal years 2015 and 2014, respectively, two customers accounted for approximately 84% of total Raritan Basin System accounts receivable and five customers accounted for approximately 88% of the Manasquan Reservoir accounts receivable.

New Jersey Water Supply Authority  
A Component Unit of the State of New Jersey  
Notes to Financial Statements (continued)

**Compensated Absences**

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

**Use of Estimates**

The preparation of financial statements in conformity with accounting principles generally accepted in the United States of America requires management to make estimates and assumptions that affect the amounts reported in the financial statements and accompanying notes. Actual results could differ from those estimates.

**Income Taxes**

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

**Net Position**

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

- ◆ *Net Investment, 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 Net Position* - 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 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.



New Jersey Water Supply Authority  
A Component Unit of the State of New Jersey  
Notes to Financial Statements (continued)

*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, 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 amount for the three months ended September 30, 2015 and the year ended June 30, 2015, were determined as follows:

	Sept 30, 2015	June 30, 2015
<b>Raritan Basin System</b>		
Cost excluded from rate model:		
Depreciation of debt-financed capital assets recoverable from rate payers	\$208,802	\$835,209
Excess vacation expense over vacation paid	(20,488)	(27,721)
	<u>188,314</u>	<u>807,488</u>
Cost included in rate model:		
Debt principal repayment	0	0
	<u>188,314</u>	<u>807,488</u>
<b>Manasquan System</b>		
Cost excluded from rate model:		
Depreciation of debt-financed capital assets recoverable from rate payers	385,213	1,540,854
Excess vacation expense over vacation paid	(1,327)	(487)
	<u>383,886</u>	<u>1,540,367</u>
Cost included in rate model:		
Debt principal repayment	(735,713)	(2,797,693)
	<u>(351,827)</u>	<u>(1,257,326)</u>
Total Raritan Basin and Manasquan	<u>(163,513)</u>	<u>(449,838)</u>
Balance, beginning of year	(890,268)	(440,430)
Balance, end of year	<u>(\$1,053,781)</u>	<u>(\$890,268)</u>

As shown in the statement of revenue, expenses and changes in net position for the three months ended September 30, 2015 and the year ended June 30, 2015, respectively, deferred inflows of resources of \$179,498 and \$730,229 includes a debit balance of \$37,800, and a debit balance of \$308,599 of Manasquan Water Treatment Plant deferred revenue, which is not part of the rate model, and does not include a debit balance of \$21,815 and a debit balance of \$28,208 of accrued vacation.

*Deferred Inflows/Outflows of Resources - Pensions*

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 the pension plan investments, changes in the State's proportion of expenses and liabilities to the pension as a whole, differences between the Authority's pension contributions and its proportionate share of contributions, and the Authority's pension contributions subsequent to the pension valuation measurement date.

New Jersey Water Supply Authority  
A Component Unit of the State of New Jersey  
Notes to Financial Statements (continued)

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

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

Because of the difference resulting from billing the SMMUA for budgeted expenses versus actual expenses appearing in the financial statements, the Authority includes unearned costs (actual costs exceeding SMMUA billings) or unearned revenue (SMMUA billings exceeding actual costs) in its statement of net position. These excess costs or billings will be recovered or recognized in future periods. As of September 30, 2015 and 2014, unearned revenue amounting to \$1,935,402 and \$1,617,735, respectively, was determined as follows:

	2015	2014
Reimbursement of operating expenses	\$661,447	\$661,583
Operating expenses	623,647	632,851
Unearned revenue	37,800	28,732
Balance, beginning of year	1,897,602	1,589,003
Balance, end of year	\$1,935,402	\$1,617,735

In previous years, the Authority received additional funds that are restricted for the use by the SMMUA for costs associated in operating the Water Treatment Plant. As of September 30, 2015 and 2014, the amount included in unearned revenue was \$1,194,923 and \$1,662,692, respectively.

**Accounting for Watershed Protection Program**

For the three months ended September 30, 2015 and 2014, the Authority received \$0 and \$0 respectively, from the New Jersey Department of Environmental Protection for the costs associated with various watershed protection studies of the Raritan Basin System. These funds are restricted to uses specifically identified in grant agreements between the Authority and NJDEP and will be recognized as revenue as the related costs are incurred. Eligible project expenses include, but are not limited to, the cost of mapping out streams and other water sources and studying and implementing best land use practices to improve water quality. As of September 30, 2015, all the funds received had been recognized as revenue.

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

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

New Jersey Water Supply Authority  
A Component Unit of the State of New Jersey  
Notes to Financial Statements (continued)

**3. Capital Assets**

Capital assets activity for the years ended September 30, 2015 and the year ended June 30, 2015, was as follows:

	2016 Beginning Balance	Additions	Retirements	2016 Ending Balance
Capital assets not being depreciated:				
Land	\$25,566,853	\$ 81,266	\$ -	\$25,648,119
Construction work in progress	10,445,244	392,267	-	10,837,511
Total capital assets not being depreciated	<u>36,012,097</u>	<u>473,533</u>	<u>-</u>	<u>36,485,630</u>
Capital assets being depreciated:				
Dams	77,369,160	-	-	77,369,160
Building, structures and improvements	133,475,474	-	-	133,475,474
D & R canal dredging	21,160,274	-	-	21,160,274
Machinery and equipment	6,320,308	41,748	(3,648)	6,358,408
Total capital assets being depreciated	<u>238,325,216</u>	<u>41,748</u>	<u>(3,648)</u>	<u>238,363,316</u>
Less accumulated depreciation for:				
Dams	(28,366,150)	(199,499)	-	(28,565,649)
Building, structures and improvements	(78,436,800)	(831,157)	-	(79,267,957)
D & R canal dredging	(21,160,273)	-	-	(21,160,273)
Machinery and equipment	(5,136,697)	(77,882)	3,648	(5,210,931)
Total accumulated depreciation	<u>(133,099,920)</u>	<u>(1,108,538)</u>	<u>3,648</u>	<u>(134,204,810)</u>
Total capital assets being depreciated, net	<u>105,225,296</u>	<u>(1,066,790)</u>	<u>0</u>	<u>104,158,506</u>
Total capital assets, net	<u>\$141,237,393</u>	<u>(\$593,257)</u>	<u>\$0</u>	<u>\$140,644,136</u>
	2015 Beginning Balance	Additions	Retirements	2015 Ending Balance
Capital assets not being depreciated:				
Land	\$25,566,853		\$ -	\$25,566,853
Construction work in progress	9,778,693	4,037,997	(3,371,446)	10,445,244
Total capital assets not being depreciated	<u>35,345,546</u>	<u>4,037,997</u>	<u>(3,371,446)</u>	<u>36,012,097</u>
Capital assets being depreciated:				
Dams	77,369,160	-	-	77,369,160
Building, structures and improvements	130,095,629	3,379,845	-	133,475,474
D & R canal dredging	21,160,274	-	-	21,160,274
Machinery and equipment	6,564,082	425,196	(668,970)	6,320,308
Total capital assets being depreciated	<u>235,189,145</u>	<u>3,805,041</u>	<u>(668,970)</u>	<u>238,325,216</u>
Less accumulated depreciation for:				
Dams	(27,568,155)	(797,995)	-	(28,366,150)
Building, structures and improvements	(75,195,448)	(3,241,352)	-	(78,436,800)
D & R canal dredging	(21,160,273)	-	-	(21,160,273)
Machinery and equipment	(5,455,726)	(329,376)	648,405	(5,136,697)
Total accumulated depreciation	<u>(129,379,602)</u>	<u>(4,368,723)</u>	<u>648,405</u>	<u>(133,099,920)</u>
Total capital assets being depreciated, net	<u>105,809,543</u>	<u>(563,682)</u>	<u>(20,565)</u>	<u>105,225,296</u>
Total capital assets, net	<u>\$141,155,089</u>	<u>\$3,474,315</u>	<u>(\$3,392,011)</u>	<u>\$141,237,393</u>

New Jersey Water Supply Authority  
A Component Unit of the State of New Jersey  
Notes to Financial Statements (continued)

**4. Cash and Investments**

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

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

**a. Cash**

As of September 30, 2015 and June 30, 2015, the Authority's bank balance was \$3,719,135 and \$2,275,529, respectively, of which \$250,000 was covered through the FDIC. The remaining balance of \$3,469,135 and \$2,025,529 as of September 30, 2015 and June 30, 2015, respectively, was collateralized, and the cash balance per the statement of net position is shown exclusive of outstanding checks totaling \$66,108 and \$36,108, respectively. The statement of net position amount includes petty cash totaling \$300 as of September 30, 2015 and June 30, 2015, respectively.

**b. Custodial Credit Risk - Deposits**

Custodial credit risk is the risk that, in the event of a bank failure, the Authority's deposits may not be returned. The Authority has a deposit policy for custodial credit risk. The Authority's bank balance of \$3,719,135 and \$2,275,529 as of September 30, 2015 and June 30, 2015, respectively, was exposed to custodial credit risk as follows:

	September 30, 2015	June 30, 2015
Uninsured and uncollateralized	\$ -	\$ -

**c. Investments and Cash Equivalents**

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

As of September 30, 2015 the Authority had the following investments and cash equivalents, with maturities as indicated:

Investment and Cash Equivalent Type	Fair Value	Investment Maturities (in Years)	
		Less than 1	1-5
U.S. Treasuries	\$44,867,118	\$44,867,118	\$ -
N/J G/O Bonds	12,105,281	-	12,105,281
<b>Total</b>	<b>\$56,972,399</b>	<b>\$44,867,118</b>	<b>\$12,105,281</b>

As of June 30, 2015, the Authority had the following investments and cash equivalents, with maturities as indicated:

Investment and Cash Equivalent Type	Fair Value	Investment Maturities (in Years)	
		Less than 1	1-5
U.S. Treasuries	\$47,274,921	\$47,274,921	\$ -
N/J G/O Bonds	12,067,506	-	12,067,506
<b>Total</b>	<b>\$59,342,427</b>	<b>\$47,274,921</b>	<b>\$12,067,506</b>

New Jersey Water Supply Authority  
A Component Unit of the State of New Jersey  
Notes to Financial Statements (continued)

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 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 PNC Bank and TD Bank to collateralize all deposits held at market rate equal to 102% of the daily combined total of all deposits. As of September 30, 2015, all deposits were collateralized.

d. Investment Income

The following comprises investment income for the three months ended September 30, 2015 and 2014, respectively:

	2015	2014
Interest earned on bank accounts and certificates of deposit	72,120	74,785
Interest earned on securities	154,489	144,945
Increase (decrease) in fair value of securities	149,471	7,515
	\$376,080	\$227,245

**5. Major Water Customers**

During fiscal years 2015 and 2014, the Authority supplied water to approximately 29 customers of the Raritan Basin System and 13 customers of the Manasquan System.

During fiscal years 2015 and 2014, two customers accounted for approximately 84% of total Raritan Basin System operating revenue. Three customers accounted for approximately 82% of total Manasquan System operating revenue.

**6. Risk Management**

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

## Supplemental Information

New Jersey Water Supply Authority

Combining Schedule of Net Position

September 30, 2015

Unaudited

	Raritan Basin System	Manasquan Reservoir System	Elimination Entries	Combined Total
<b>Assets</b>				
Current assets:				
Unrestricted assets:				
Cash and cash equivalents	\$29,820,708	\$10,329,878		\$40,150,586
Unbilled sales	1,890,773			1,890,773
Accounts receivable, less allowance for doubtful accounts of \$1,000 at September 30, 2015	196,239	1,854,064	(169,586)	1,880,717
Interest receivable	127,306	8,532		135,838
Prepaid expenses and other current assets	499,679	141,922		641,601
Total unrestricted current assets	<u>32,534,705</u>	<u>12,334,396</u>	<u>(169,586)</u>	<u>44,699,515</u>
Restricted assets:				
Cash equivalents	619,350	2,580,695		3,200,045
Investments	0	5,169,814		5,169,814
Total restricted current assets	<u>619,350</u>	<u>7,750,509</u>	<u>0</u>	<u>8,369,859</u>
Total current assets	<u>33,154,055</u>	<u>20,084,905</u>	<u>(169,586)</u>	<u>53,069,374</u>
Non-current assets:				
Investments	11,008,217	961,226		11,969,443
Capital assets net of accumulated depreciation of \$134,204,810 at September 30, 2015	82,907,759	57,736,377		140,644,136
Total non-current assets	<u>93,915,976</u>	<u>58,697,603</u>	<u>-</u>	<u>152,613,579</u>
Deferred outflows of resources	988,207	292,412		1,280,619
Total assets and deferred outflows of resources	<u>\$128,058,238</u>	<u>\$79,074,920</u>	<u>(169,586)</u>	<u>\$206,963,572</u>
<b>Liabilities</b>				
Current liabilities:				
Current portion of bonds, notes and loans payable	\$141,361	\$39,191		\$180,552
Accounts payable	280,238	358,490	(169,586)	469,142
Accrued liabilities	475,734	319,939		795,673
Unearned revenue	0	3,130,325		3,130,325
Total current liabilities	<u>897,333</u>	<u>3,847,945</u>	<u>(169,586)</u>	<u>4,575,692</u>
Non-current liabilities:				
Non-current portion of bonds, notes and loans payable	10,908,285	60,288,929		71,197,214
Net pension liability	14,312,707	4,104,144		18,416,851
Total non-current liabilities	<u>25,220,992</u>	<u>64,393,073</u>		<u>89,614,065</u>
Deferred inflows of resources	16,393,488	(13,606,178)		2,787,310
<b>Net position</b>				
Net investment in capital assets	71,858,113	22,971,441		94,829,554
Restricted for repayment of debt principal and interest	619,350	4,620,184		5,239,534
Unrestricted	13,068,962	(3,151,545)	-	9,917,417
Total net position	<u>85,546,425</u>	<u>24,440,080</u>	<u>0</u>	<u>109,986,505</u>
Total liabilities, deferred inflows of resources, and net position	<u>\$128,058,238</u>	<u>\$79,074,920</u>	<u>(\$169,586)</u>	<u>\$206,963,572</u>

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

September 30, 2015

Unaudited

	Raritan Basin System	Manasquan Reservoir System	Manasquan Water Treatment Plant	Combined Total
Operating revenues:				
Water Sales	\$4,571,343	\$1,942,812		\$6,514,155
Reimbursement of operating expenses			660,600	660,600
Total operating revenues	<u>4,571,343</u>	<u>1,942,812</u>	<u>660,600</u>	<u>7,174,755</u>
Operating expenses:				
Payroll	1,376,164	196,271	229,805	1,802,240
Operations and maintenance (direct)	720,005	180,560	220,509	1,121,074
Operations and maintenance (general and administrative)		19,564	15,584	35,148
Fringe benefits	886,037	113,927	133,496	1,133,460
Headquarters overhead	(184,253)	160,000	24,253	0
Depreciation	689,592	418,946	-	1,108,538
Total operating expenses	<u>3,487,545</u>	<u>1,089,268</u>	<u>623,647</u>	<u>5,200,460</u>
Income from operations	<u>1,083,798</u>	<u>853,544</u>	<u>36,953</u>	<u>1,974,295</u>
Non-operating revenue:				
State of New Jersey - Grant Programs	-			0
Investment income	296,730	78,503	847	376,080
Rental income	43,272	0		43,272
Other income	336	2,021		2,357
Total non-operating revenue	<u>340,338</u>	<u>80,524</u>	<u>847</u>	<u>421,709</u>
Non-operating expenses:				
Interest component of debt service to the State of New Jersey	45,700	272,899		318,599
Bond discount/insurance premium expense		7,144		7,144
Recovery of deferred inflows of resources	(208,802)	350,500	37,800	179,498
Total non-operating expenses	<u>(163,102)</u>	<u>630,543</u>	<u>37,800</u>	<u>505,241</u>
Changes in net position	1,587,238	303,525	0	1,890,763
Net position, beginning of year	<u>83,959,187</u>	<u>24,136,555</u>		<u>108,095,742</u>
Net position, end of year	<u>\$85,546,425</u>	<u>\$24,440,080</u>	<u>\$0</u>	<u>\$109,986,505</u>



**New Jersey Water Supply Authority**  
**A Component Unit of the State of New Jersey**  
**Schedule of Changes in Cash and Investments**  
**Raritan Basin System**  
**For the three months ended September 30, 2015**

	Revenue Fund	Operating Fund						Pumping Reserve	Capital Improvements II	Source Water Protection Fund	Subtotal
		Operating Account	Payroll Account	Operating Fund	Reserve for O&M	Self-Insurance Reserve	Depreciation Reserve				
<b>Cash and Investments - July 1, 2015</b>	\$289,108	\$1,187,370	\$30,000	\$972,749	\$3,693,572	\$1,009,445	\$3,437,514	\$926,772	\$6,677,330	\$2,889,273	\$21,113,133
<b>Cash receipts:</b>											
Water sales operations and maintenance	2,600,618										2,600,618
Water sales debt service	433,044										433,044
Water sales capital fund	541,510										541,510
Water sales source water protection fund	415,722										415,722
Water sales overdrafts	1,930										1,930
Rental income	32,590										32,590
Manasquan reservoir support	8,381			12,316							20,697
Headquarters overhead				193,253							193,253
Disposition of property											-
Recycling revenue											-
Sale of investment securities							400,184				400,184
Nonrefundable bid deposits											-
Insurance reimbursement	17,033										17,033
Miscellaneous expense reimbursement	1,036,666										1,036,666
<b>Transfers:</b>											
Contributions from operating fund		3,102,067	838,358	(5,869,700)			258,885	37,500		139,500	(1,493,390)
Contributions to operating fund				544,750			(1,496)			(30,024)	513,230
Transfers for operations	(4,549,260)			6,119,260							1,570,000
Transfers for investments											-
Distribution from reserves to operations		5,523									5,523
Investment income				528	40,268	18,481	52,592	380	131,260	1,229	244,738
<b>Per resolution, Section 603:</b>											
Investment income, transfer from	240,994				(39,375)	(18,375)	(51,994)		(131,250)		-
Investment income, transfer to	(55,293)				3,299		51,994				-
Unrealized gain/(loss) on fair value					15,556	7,259	66,733		105,809		195,357
<b>Total cash receipts</b>	<b>723,935</b>	<b>3,107,590</b>	<b>838,358</b>	<b>1,000,407</b>	<b>19,748</b>	<b>7,365</b>	<b>776,898</b>	<b>37,880</b>	<b>105,819</b>	<b>110,705</b>	<b>6,728,705</b>
<b>Total available cash and investments</b>	<b>\$1,013,043</b>	<b>\$4,294,960</b>	<b>\$868,358</b>	<b>\$1,973,156</b>	<b>\$3,713,320</b>	<b>\$1,016,810</b>	<b>\$4,214,412</b>	<b>\$964,652</b>	<b>\$6,783,149</b>	<b>\$2,999,978</b>	<b>\$27,841,838</b>

**New Jersey Water Supply Authority**  
**A Component Unit of the State of New Jersey**  
**Schedule of Changes in Cash and Investments**  
**Raritan Basin System (continued)**  
**For the three months ended September 30, 2015**

	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
<b>Total cash and investments</b>	\$21,113,133	\$287,978	\$535,658	\$1,375,581	\$13,411,879	\$20,121	\$1,751,704	\$150,052	\$85,886	\$1,053,188	\$39,785,180
<b>Cash receipts:</b>											
Water sales operations and maintenance	2,600,618										2,600,618
Water sales debt service	433,044										433,044
Water sales capital fund	541,510										541,510
Water sales source water protection fund	415,722										415,722
Water sales overdrafts	1,930										1,930
Rental income	32,590										32,590
Manasquan reservoir support	20,697										20,697
Headquarters overhead	193,253										193,253
Disposition of property	-										-
Recycling revenue	-										-
Sale of investment securities	400,184										400,184
Nonrefundable bid deposits	-										-
Insurance reimbursement	17,033										17,033
Miscellaneous expense reimbursement	1,036,666										1,036,666
<b>Transfers:</b>											
Contributions from operating fund	(1,493,390)	88,500	172,500		550,574		417,047	37,500		227,269	-
Contributions to operating fund	513,230				(513,230)						-
Transfers for operations	1,570,000						(1,570,000)				-
Transfers for investments	-										-
Distribution from reserves to operations	5,523									(5,523)	-
Investment income	244,738	34	85	567	5,772	8	470	47	15	382	252,118
<b>Per resolution, Section 603:</b>											
Investment income, transfer from	-										-
Investment income, transfer to	-										-
Unrealized gain/(loss) on fair value	195,357										195,357
<b>Total cash receipts</b>	<b>6,728,705</b>	<b>88,534</b>	<b>172,585</b>	<b>567</b>	<b>43,116</b>	<b>8</b>	<b>(1,152,483)</b>	<b>37,547</b>	<b>15</b>	<b>222,128</b>	<b>6,140,722</b>
<b>Total available cash and investments</b>	<b>\$27,841,838</b>	<b>\$376,512</b>	<b>\$708,243</b>	<b>\$1,376,148</b>	<b>\$13,454,995</b>	<b>\$20,129</b>	<b>\$599,221</b>	<b>\$187,599</b>	<b>\$85,901</b>	<b>\$1,275,316</b>	<b>\$45,925,902</b>

**New Jersey Water Supply Authority**  
**A Component Unit of the State of New Jersey**  
**Schedule of Changes in Cash and Investments**  
**Raritan Basin System (continued)**  
**For the three months ended September 30, 2015**

	Revenue Fund	Operating Fund					Pumping Reserve	Capital Improvements II	Source Water Protection Fund	Subtotal	
		Operating Account	Payroll Account	Operating Fund	Reserve for O&M	Self-Insurance Reserve					Depreciation Reserve
<b>Total available cash and investments</b>	\$1,013,043	\$4,294,960	\$868,358	\$1,973,156	\$3,713,320	\$1,016,810	\$4,214,412	\$964,652	\$6,783,149	\$2,999,978	\$27,841,838
<b>Cash disbursements:</b>											
Payroll			838,358								838,358
Fringe benefits		11,658		206,056							217,714
Employee deferred compensation and credit union		156,866		47,902							204,768
Operations and maintenance		1,945,866									1,945,866
Prepaid insurance											-
Miscellaneous disbursements											-
Watershed Management Fund											-
<b>Capital improvements:</b>											
Capital assets											-
New five year construction project											-
Purchase of investments securities							456,674				456,674
Principal on 1981 bonds											-
Interest on 1981 bonds											-
Principal on 1998 bonds											-
Interest on 1998 revenue bonds											-
Principal on NJEIT bonds											-
Interest on NJEIT revenue bonds											-
<b>Total cash disbursements</b>	-	2,114,390	838,358	253,958	-	-	456,674	-	-	-	3,663,380
<b>Cash and investments - September 30, 2015</b>	\$1,013,043	\$2,180,570	\$30,000	\$1,719,198	\$3,713,320	\$1,016,810	\$3,757,738	\$964,652	\$6,783,149	\$2,999,978	\$24,178,458
<b>Summary of cash and investments:</b>											
Cash	\$1,013,043	\$2,180,570	\$30,000								\$3,223,613
Short-term investments				\$1,719,198	\$2,170,409	\$296,785	\$1,721,096	\$964,652	\$74,510	\$2,999,978	9,946,628
Long-term investments					1,542,911	720,025	2,036,642		6,708,639		11,008,217
Restricted Investments (current)											-
Restricted Investments (long-term)											-
<b>Total cash and investments</b>	\$1,013,043	\$2,180,570	\$30,000	\$1,719,198	\$3,713,320	\$1,016,810	\$3,757,738	\$964,652	\$6,783,149	\$2,999,978	\$24,178,458

**New Jersey Water Supply Authority**  
**A Component Unit of the State of New Jersey**  
**Schedule of Changes in Cash and Investments**  
**Raritan Basin System (continued)**  
**For the three months ended September 30, 2015**

	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
<b>Total available cash and investments</b>	\$27,841,838	\$376,512	\$708,243	\$1,376,148	\$13,454,995	\$20,129	\$599,221	\$187,599	\$85,901	\$1,275,316	\$45,925,902
<b>Cash disbursements:</b>											
Payroll	838,358										838,358
Fringe benefits	217,714										217,714
Employee deferred compensation and credit union	204,768										204,768
Operations and maintenance	1,945,866										1,945,866
Prepaid insurance	-										-
Miscellaneous disbursements	-									12,587	12,587
Watershed Management Fund	-										-
<b>Capital improvements:</b>											
Capital assets	-										-
New five year construction project	-										-
Purchase of investments securities	456,674										456,674
Principal on 1981 bonds	-										-
Interest on 1981 bonds	-										-
Principal on 1998 bonds	-										-
Interest on 1998 revenue bonds	-										-
Principal on NJEIT bonds	-	268,882	435,066								703,948
Interest on NJEIT revenue bonds	-	18,073	79,639								97,712
<b>Total cash disbursements</b>	<b>3,663,380</b>	<b>286,955</b>	<b>514,705</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>12,587</b>	<b>4,477,627</b>
<b>Cash and investments - September 30, 2015</b>	<b>\$24,178,458</b>	<b>\$89,557</b>	<b>\$193,538</b>	<b>\$1,376,148</b>	<b>\$13,454,995</b>	<b>\$20,129</b>	<b>\$599,221</b>	<b>\$187,599</b>	<b>\$85,901</b>	<b>\$1,262,729</b>	<b>\$41,448,275</b>
<b>Summary of cash and investments:</b>											
Cash	\$3,223,613									\$42,875	\$3,266,488
Short-term investments	9,946,628	\$89,557	\$193,538	\$1,376,148	\$13,454,995	\$20,129	\$599,221	\$187,599	\$85,901	1,219,854	27,173,570
Long-term investments	11,008,217										11,008,217
Restricted Investments (current)	-										-
Restricted Investments (long-term)	-										-
<b>Total cash and investments</b>	<b>\$24,178,458</b>	<b>\$89,557</b>	<b>\$193,538</b>	<b>\$1,376,148</b>	<b>\$13,454,995</b>	<b>\$20,129</b>	<b>\$599,221</b>	<b>\$187,599</b>	<b>\$85,901</b>	<b>\$1,262,729</b>	<b>\$41,448,275</b>

New Jersey Water Supply Authority  
A Component Unit of the State of New Jersey  
Schedule of Changes in Cash and Investments  
Manasquan Water Supply System  
For the three months ended September 30, 2015

	Operating Fund				Self-Insurance Reserve	Renewal and Replacement Account	Water Reuse & Recycling	Source Water Protection	Depreciation Reserve	Pumping Reserve	Sediment Reserve	Subtotal	
	Revenue Fund	Operating Account	Payroll Account	Operating Fund									Reserve for O&M
Cash and Investments - July 1, 2015	\$171,096	\$312,936	\$20,000	\$3,610,830	\$1,653,051	\$242,339	\$2,300,477	\$30,069	\$1,570,510	\$390,690	\$160,392	\$136,797	\$10,599,187
<b>Cash receipts:</b>													
Water sales operations and maintenance	622,066												622,066
Water sales debt service	1,139,343												1,139,343
Source water protection	25,494												25,494
Water sales debt service NJEIT	42,421												42,421
Water sales overdrafts	3,840												3,840
NJ-American pumping costs	48,715												48,715
Headquarters overhead													-
Reimbursement of WTP capital expenses													-
Disposition of assets	1,980												1,980
Reimbursement from Raritan Basin													-
Sale of investments securities													-
Nonrefundable bid deposits													-
Miscellaneous reimbursement	29,587												29,587
<b>Transfers:</b>													
Contributions from operating fund		707,016	270,052	(2,213,348)			30,000		28,142			7,000	(1,171,138)
Contributions to operating fund				845,091			(114,015)		(31,004)				700,072
Transfers for operations	(2,076,440)			2,116,440					(40,000)				-
Distribution from reserves to operations		1,901											1,901
Investment income				1,444	11,005	5,514	953	12	637	8,227	989	32	28,813
<b>Per resolution, Section 603:</b>													
Investment income, transfer from	25,175				(10,500)	(5,500)				(8,212)	(963)		-
Investment income, transfer to	(8,212)									8,212			-
Unrealized gain/(loss) on fair value					2,398	1,258				2,456	295		6,407
Total cash receipts	(146,031)	708,917	270,052	749,627	2,903	1,272	(83,062)	12	(42,225)	10,683	321	7,032	1,479,501
Total cash and Investments	\$25,065	\$1,021,853	\$290,052	\$4,360,457	\$1,655,954	\$243,611	\$2,217,415	\$30,081	\$1,528,285	\$401,373	\$160,713	\$143,829	\$12,078,688

New Jersey Water Supply Authority  
A Component Unit of the State of New Jersey  
Schedule of Changes in Cash and Investments  
Manasquan Water Supply System (continued)  
For the three months ended September 30, 2015

	Water Treatment Plant/Transmission System														Totals	
	Subtotal	Operating Account	Operating Fund	Residuals Reserve	Carbon Filter Reserve	Self-Insurance Reserve	Capital Improvement Reserve	NJEIT Debt Service	2005 Debt Service Account	2005 Debt Service Reserve	2006 Debt Service Account	2006 Debt Service Reserve	Rebate Fund	General Reserve Fund		Employment Benefit Funds
Cash and investments - July 1, 2015	\$10,599,167	\$185,236	\$1,011,428	\$9,488	\$98,444	\$253,205	\$1,169,619	\$349,508	\$3,709,558	\$3,606,827	\$14,247	\$10,186	\$150,088	\$41,198	\$345,414	\$21,553,633
<b>Cash receipts:</b>																
Water sales operations and maintenance	622,066															622,066
Water sales debt service	1,139,343															1,139,343
Source water protection	25,494															25,494
Water sales debt service NJEIT	42,421															42,421
Water sales overdrafts	3,840															3,840
NJ-American pumping costs	48,715															48,715
Headquarters overhead	-		660,600													660,600
Reimbursement of WTP capital expenses	-															-
Disposition of assets	1,980															1,980
Reimbursement from Raritan Basin	-															-
Sale of investments securities	-															-
Nonrefundable bid deposits	-															-
Miscellaneous reimbursement	29,587		2,229				34,410									66,226
<b>Transfers:</b>																
Contributions from operating fund	(1,171,138)	225,000	(226,632)					45,814	1,061,313		1,267				64,376	-
Contributions to operating fund	700,072		(418,528)				(166,544)			(116,000)						-
Transfers for operations	-															-
Distribution from reserves to operations	1,901														(1,901)	-
Investment income	28,813		309	4	21	87	426	106	76	56,153		42	15	130	86,182	-
<b>Per resolution, Section 603:</b>																
Investment income, transfer from	-															-
Investment income, transfer to	-															-
Unrealized gain/(loss) on fair value	6,407															6,407
<b>Total cash receipts</b>	<b>1,479,501</b>	<b>225,000</b>	<b>17,978</b>	<b>4</b>	<b>21</b>	<b>87</b>	<b>(131,708)</b>	<b>45,920</b>	<b>1,061,389</b>	<b>(58,847)</b>	<b>1,267</b>	<b>-</b>	<b>42</b>	<b>15</b>	<b>62,805</b>	<b>2,703,274</b>
<b>Total cash and investments</b>	<b>\$12,078,688</b>	<b>\$410,236</b>	<b>\$1,029,406</b>	<b>\$9,492</b>	<b>\$98,465</b>	<b>\$253,292</b>	<b>\$1,037,911</b>	<b>\$395,428</b>	<b>\$4,770,947</b>	<b>\$3,547,980</b>	<b>\$15,514</b>	<b>\$10,186</b>	<b>\$150,130</b>	<b>\$41,213</b>	<b>\$408,019</b>	<b>\$24,256,907</b>

New Jersey Water Supply Authority  
A Component Unit of the State of New Jersey  
Schedule of Changes in Cash and Investments  
Manasquan Water Supply System (continued)  
For the three months ended September 30, 2015

	Operating Fund				Self- Insurance Reserve	Renewal and Replacement Account	Water Reuse & Recycling	Source Water Protection	Depreciation Reserve	Pumping Reserve	Sediment Reserve	Subtotal	
	Revenue Fund	Operating Account	Payroll Account	Operating Fund									Reserve for O&M
<b>Total available cash and investments</b>	\$25,065	\$1,021,853	\$290,052	\$4,360,457	\$1,655,954	\$243,611	\$2,217,415	\$30,081	\$1,528,265	\$401,373	\$160,713	\$143,829	\$12,078,688
<b>Cash disbursements:</b>													
Payroll			270,052										270,052
Fringe benefits		510,452		(394,577)									115,875
Employee deferred compensation and credit union				53,595									53,595
Operations and maintenance		346,009		201,018					81,267				628,294
NJ-American pumping costs													-
Prepaid Insurance													-
Headquarters overhead				169,000									169,000
Capital assets reservoir													-
Capital improvement program (reservoir)													-
Purchase of investments securities													-
Principal on bonds													-
Interest on bonds													-
<b>Total cash disbursements</b>	-	856,461	270,052	29,036	-	-	-	-	81,267	-	-	-	1,236,816
<b>Cash and investments - September 30, 2015</b>	\$25,065	\$165,392	\$20,000	\$4,331,421	\$1,655,954	\$243,611	\$2,217,415	\$30,081	\$1,447,018	\$401,373	\$160,713	\$143,829	\$10,841,872
<b>Summary of cash and investments:</b>													
Cash (Manasquan)	\$25,065	\$165,392	\$20,000										\$210,457
Cash (Water Treatment Plant/TS)													-
Short-term investments				\$4,331,421	\$1,245,445	\$37,699	\$2,217,415	\$30,081	\$1,447,018	\$92,603	\$124,678	\$143,829	9,670,189
Short-term investments (Water Treatment Plant/TS)													-
Long-term investments					410,509	205,912				308,770	36,035		961,226
Restricted investments (current)													-
Restricted investments (long-term)													-
<b>Total cash and investments</b>	\$25,065	\$165,392	\$20,000	\$4,331,421	\$1,655,954	\$243,611	\$2,217,415	\$30,081	\$1,447,018	\$401,373	\$160,713	\$143,829	\$10,841,872

New Jersey Water Supply Authority  
A Component Unit of the State of New Jersey  
Schedule of Changes in Cash and Investments  
Manasquan Water Supply System (continued)  
For the three months ended September 30, 2015

	Water Treatment Plant/Transmission System							NJ/EIT Debt Service	2005 Debt Service Account	2005 Debt Service Reserve	2006 Debt Service Account	2006 Debt Service Reserve	Rebate Fund	General Reserve Fund	Employment Benefit Funds	Totals
	Subtotal	Operating Account	Operating Fund	Residuals Reserve	Carbon Filter Reserve	Self- Insurance Reserve	Capital Improvement Reserve									
<b>Total available cash and investments</b>	\$12,078,688	\$410,236	\$1,029,406	\$9,492	\$98,465	\$253,292	\$1,037,911	\$395,428	\$4,770,947	\$3,547,980	\$15,514	\$10,186	\$150,130	\$41,213	\$408,019	\$24,256,907
<b>Cash disbursements:</b>																
Payroll	270,052															270,052
Fringe benefits	115,875															115,875
Employee deferred compensation and credit union	53,595															53,595
Operations and maintenance	628,294	233,854														862,148
NJ-American pumping costs	-															-
Prepaid insurance	-															-
Headquarters overhead	169,000		24,253													193,253
Capital assets reservoir	-															-
Capital improvement program (reservoir)	-															-
Purchase of investments securities	-															-
Principal on bonds	-							103,381	2,940,000		2,853					3,046,234
Interest on bonds	-							19,122	652,626		2,390					674,137
<b>Total cash disbursements</b>	<b>1,236,816</b>	<b>233,854</b>	<b>24,253</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>122,503</b>	<b>3,592,626</b>	<b>-</b>	<b>5,243</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>5,215,294</b>
<b>Cash and investments - September 30, 2015</b>	<b>\$10,841,872</b>	<b>\$176,382</b>	<b>\$1,005,153</b>	<b>\$9,492</b>	<b>\$98,465</b>	<b>\$253,292</b>	<b>\$1,037,911</b>	<b>\$272,925</b>	<b>\$1,178,322</b>	<b>\$3,547,980</b>	<b>\$10,271</b>	<b>\$10,186</b>	<b>\$150,130</b>	<b>\$41,213</b>	<b>\$408,019</b>	<b>\$19,041,613</b>
<b>Summary of cash and investments:</b>																
Cash (Manasquan)	\$210,457															\$210,457
Cash (Water Treatment Plant/TS)	-	\$176,382														176,382
Short-term investments	9,670,189													\$41,213	\$408,019	10,119,421
Short-term investments (Water Treatment Plant/TS)	-		\$1,005,153	\$9,492	\$98,465	\$253,292	\$1,037,911									2,404,313
Long-term investments	961,226															961,226
Restricted investments (current)	-							\$272,925	\$1,178,322	\$3,547,980	\$10,271	\$10,186	\$150,130			5,169,814
Restricted investments (long-term)	-															-
<b>Total cash and investments</b>	<b>\$10,841,872</b>	<b>\$176,382</b>	<b>\$1,005,153</b>	<b>\$9,492</b>	<b>\$98,465</b>	<b>\$253,292</b>	<b>\$1,037,911</b>	<b>\$272,925</b>	<b>\$1,178,322</b>	<b>\$3,547,980</b>	<b>\$10,271</b>	<b>\$10,186</b>	<b>\$150,130</b>	<b>\$41,213</b>	<b>\$408,019</b>	<b>\$19,041,613</b>