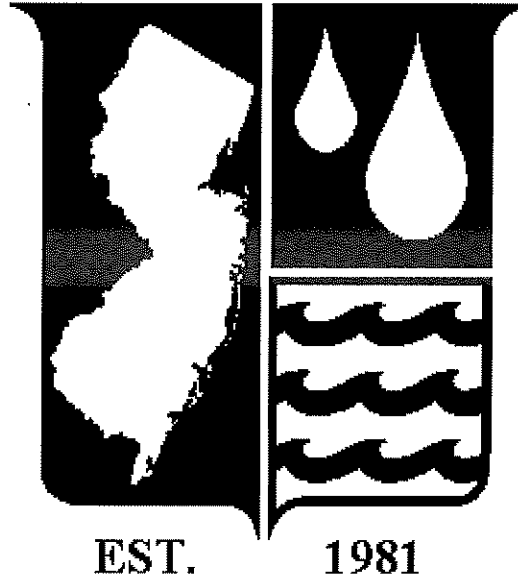


NEW JERSEY WATER SUPPLY AUTHORITY



COMPREHENSIVE ANNUAL FINANCIAL REPORT

(A Component Unit of the State of New Jersey)

March 31, 2026 AND JUNE 30, 2025

(UNAUDITED)

NEW JERSEY WATER SUPPLY AUTHORITY

INDEX

| <u>DESCRIPTION</u> | <u>PAGE NUMBER</u> |
|--|--------------------|
| Statements of Net Position as of March 31, 2026 and June 30, 2025 | 1 |
| Statements of Revenue, Expenses, and Changes in Net Position for the Nine Months Ended March 31, 2026 and 2025 | 2 |
| Statements of Cash Flows for the Nine Months Ended March 31, 2026 and 2025 | 3 |
| Notes to Financial Statements | 4-11 |
| Supplemental Information | |
| Combining Schedule of Net Position as of March 31, 2026 | 13 |
| Combined Schedule of Revenue, Expenses and Changes in Net Position for the Nine Months Ended March 31, 2026 | 14 |
| Raritan Basin System Schedule of Changes in Cash and Investments by Fund for the Nine Months Ended March 31, 2026 | 15-18 |
| Manasquan Water Supply System Schedule of Changes in Cash and Investments by Fund for the Nine Months Ended March 31, 2026 | 19-22 |

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

STATEMENTS OF NET POSITION

| | Unaudited | |
|---|---------------------------|--------------------------|
| | <u>March 31, 2026</u> | <u>June 30, 2025</u> |
| Assets | | |
| Current assets: | | |
| Unrestricted assets: | | |
| Cash and cash equivalents | \$ 42,208,636 | \$ 58,324,520 |
| Unbilled sales | 1,963,734 | 2,028,029 |
| Accounts receivable, less allowance for doubtful accounts of \$1,000 at March 31, 2026 and June 30, 2025 | 53,413,482 | 53,896,163 |
| Interest receivable | 391,229 | 282,844 |
| Prepaid expenses and other current assets | 2,503,428 | 1,886,481 |
| Total unrestricted current assets | <u>100,480,509</u> | <u>116,418,037</u> |
| Restricted assets: | | |
| Cash equivalents | 27,236,803 | 29,231,447 |
| Total current assets | <u>127,717,312</u> | <u>145,649,484</u> |
| Non-current assets: | | |
| Investments | 45,882,782 | 26,635,061 |
| Capital assets, net | 266,772,010 | 251,823,395 |
| Total non-current assets | <u>312,654,792</u> | <u>278,458,456</u> |
| Total assets | <u>440,372,104</u> | <u>424,107,940</u> |
| Deferred outflows of resources: | | |
| Cost recovery | 7,800,113 | 6,382,192 |
| Pension related | 1,954,406 | 1,954,406 |
| OPEB related | 18,288,143 | 18,288,143 |
| Total deferred outflows of resources | <u>28,042,662</u> | <u>26,624,741</u> |
| Total assets and deferred outflows of resources | <u>\$ 468,414,766</u> | <u>\$ 450,732,681</u> |
| Liabilities | | |
| Current liabilities: | | |
| Current portion of bonds, notes and loans payable | \$ - | \$ 5,114,132 |
| Accounts payable | 6,605,467 | 2,159,164 |
| Accrued liabilities | 2,592,826 | 3,351,046 |
| Unearned revenue | 4,964,764 | 5,391,196 |
| Total current liabilities | <u>14,163,057</u> | <u>16,015,538</u> |
| Non-current liabilities: | | |
| Non-current portion of bonds, notes and loans payable | 189,801,962 | 189,877,320 |
| Lease liability | 49,215 | 5,164 |
| Net pension liability | 13,950,280 | 13,950,280 |
| Net OPEB liability | 35,047,940 | 35,047,940 |
| Total non-current liabilities | <u>238,849,397</u> | <u>238,880,704</u> |
| Total liabilities | <u>253,012,454</u> | <u>254,896,242</u> |
| Deferred inflows of resources: | | |
| Pension related | 1,400,466 | 1,400,466 |
| OPEB related | 14,054,875 | 14,054,875 |
| Gain on refunding | 147,995 | 165,772 |
| Total deferred inflows of resources | <u>15,603,336</u> | <u>15,621,113</u> |
| Total liabilities and deferred inflows of resources | <u>268,615,790</u> | <u>270,517,355</u> |
| Net Position | | |
| Net investment in capital assets | 102,336,022 | 82,224,191 |
| Restricted for cash, investments, and unearned revenue | 22,272,039 | 23,840,251 |
| Unrestricted | 75,190,915 | 74,150,884 |
| Total net position | <u>199,798,976</u> | <u>180,215,326</u> |
| Total liabilities, deferred inflows of resources, and net position | <u>\$ 468,414,766</u> | <u>\$ 450,732,681</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, | |
|--|------------------------------------|-----------------------|
| | 2026 | 2025 |
| Operating revenues: | | |
| Water sales | \$ 24,987,496 | \$ 25,340,204 |
| Reimbursement of operating expenses | 1,980,000 | 1,935,000 |
| Total operating revenues | <u>26,967,496</u> | <u>27,275,204</u> |
| Operating expenses: | | |
| Payroll | 7,091,392 | 6,674,160 |
| Operations and maintenance | 6,323,286 | 6,037,023 |
| Fringe benefits | 5,079,549 | 4,526,673 |
| Depreciation | 4,387,715 | 4,336,247 |
| Total operating expenses | <u>22,881,942</u> | <u>21,574,103</u> |
| Income from operations | 4,085,554 | 5,701,101 |
| Non-operating revenues: | | |
| State of New Jersey - Grant Programs | 12,432,150 | 414,775 |
| Investment and interest income | 2,105,817 | 2,933,209 |
| Rental income | 65,603 | 63,683 |
| Other income | 169,442 | 29,327 |
| Recovery of deferred outflows of resources | 1,407,617 | 1,422,617 |
| Total non-operating revenues | <u>16,180,629</u> | <u>4,863,611</u> |
| Non-operating expenses: | | |
| Interest component of debt service to the State of New Jersey | 1,170,523 | 1,754,486 |
| SMMUA operations, net | (487,990) | (475,004) |
| Total non-operating expenses | <u>682,533</u> | <u>1,279,482</u> |
| Changes in net position | 19,583,650 | 9,285,230 |
| Net position, beginning of year | 180,215,326 | 164,724,875 |
| Net position, end of year | <u>\$ 199,798,976</u> | <u>\$ 174,010,105</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, | |
| | 2026 | 2025 |
| Cash flows from operating activities | | |
| Cash received from water sales | \$ 26,968,830 | \$ 28,204,124 |
| Cash received from reimbursable expenses | 2,497,633 | 2,423,273 |
| Cash received from rental income | 30,916 | 36,701 |
| Cash paid to or on behalf of employees | (12,475,389) | (11,502,059) |
| Cash paid to suppliers | (4,133,738) | (6,917,006) |
| Net cash provided by operating activities | <u>12,888,252</u> | <u>12,245,033</u> |
| Cash flows from noncapital financing activities | | |
| Cash received for grant programs | 10,971,037 | 547,903 |
| Net cash provided by non-capital financing activities | <u>10,971,037</u> | <u>547,903</u> |
| Cash flows from capital and related financing activities | | |
| Proceeds from borrowing | - | 495,050 |
| Principal paid on bonds, notes and loans | (5,633,698) | (6,089,433) |
| Lease liability | 44,051 | - |
| Interest paid on bonds, notes and loans | (1,614,752) | (2,442,188) |
| Acquisition and construction of capital assets | (17,676,961) | (6,735,728) |
| Proceeds from sale of capital assets | 161,832 | 23,605 |
| Net cash used in capital and related financing activities | <u>(24,719,528)</u> | <u>(14,748,694)</u> |
| Cash flows from investing activities | | |
| Sale of investment securities | 23,164,803 | 35,115,000 |
| Purchase of investment securities | (42,263,032) | (30,040,239) |
| Interest received on investments | 1,997,432 | 3,246,974 |
| Premium on matured investments | (149,492) | (75,145) |
| Net cash provided/(used) by investing activities | <u>(17,250,289)</u> | <u>8,246,590</u> |
| Net increase in cash and cash equivalents | (18,110,528) | 6,290,832 |
| Cash and cash equivalents, beginning of year | 87,555,967 | 81,676,767 |
| Cash and cash equivalents, end of year | <u>\$ 69,445,439</u> | <u>\$ 87,967,599</u> |
| Reconciliation of income from operations to net cash provided by operating activities: | | |
| Income from operations | \$ 4,085,554 | \$ 5,701,101 |
| Adjustments to reconcile income from operations to net cash provided by operating activities | | |
| Cash received for operating activity included in other income | 561,203 | 544,410 |
| Depreciation | 4,387,715 | 4,336,247 |
| Increase (decrease) in cash from: | | |
| Unbilled sales | 64,295 | 73,054 |
| Accounts receivable | 1,941,250 | 2,824,618 |
| Prepaid expenses and other current assets | (616,947) | (829,028) |
| Accounts payable | 2,789,478 | (67,999) |
| Accrued liabilities | 2,672 | (112) |
| Accrued payroll and taxes | (326,968) | (337,258) |
| Net cash provided by operating activities | <u>\$ 12,888,252</u> | <u>\$ 12,245,033</u> |
| Non cash investing activities | | |
| Decrease/Increase in fair value of investments | <u>\$ (48,998)</u> | <u>\$ 844,012</u> |

See notes to financial statements.

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

NOTES TO FINANCIAL STATEMENTS

A. ORGANIZATION AND OPERATIONS

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

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

B. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Basis of Accounting

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

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

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

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

Revenues

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

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

NOTES TO FINANCIAL STATEMENTS

B. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Revenues (Continued)

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

Capital Assets

Capital assets are stated at original cost and consist primarily of amounts expended to license, construct, acquire, complete and place into operation the projects of the Authority. Effective July 1, 2023, the Authority modified the capital asset definition to an asset having an initial individual cost of \$5,000 (previously \$1,000) or more and an estimated useful life in excess of three years. Such expenditures include labor, materials, services and indirect costs. Normal maintenance and repair costs are charged to operations and maintenance expense. Improvements and replacements are capitalized. Interest earned on long-term debt proceeds used for capital 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 U.S. Treasury notes, money market funds, federal agency securities, certificates of deposit, and municipal bonds 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, which is included in accrued liabilities in the statements of net position.

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

NOTES TO FINANCIAL STATEMENTS

B. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Use of Estimates

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

Income Taxes

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

Net Position

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

- *Net Investment in Capital Assets* - This represents capital assets, net of accumulated depreciation, less the outstanding balances of any bonds, notes, or other borrowings that are attributable to the acquisition construction or improvement of those assets.
- *Restricted for cash, investments, and unearned revenue* - This represents the net position that is not accessible for general use because its use is subject to restrictions enforceable by third parties. When both restricted and unrestricted resources are available for use, it is the Authority's policy to use restricted resources first and then unrestricted resources, as they are needed.
- *Unrestricted Net Position* - This represents net position that is available for general use.

Deferred Inflows and Outflows of Resources

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

Deferred Inflows/Outflows of Resources - Cost Recovery

The Authority's cost recovery rate model used to establish rates, fees and charges, includes an amount for debt principal repayment (but not for depreciation on the related debt financed assets) and also includes vacation amounts paid. In accordance with GASB Statement No. 62, the Authority has deferred the excess of current depreciation on assets financed with debt proceeds over the costs for debt principal repayment and the excess of vacation expense over vacation paid, and accrued sick pay, which are being classified as deferred outflows of resources. The deferred outflows will be recovered through future revenue in accordance with the rate model. The deferred amounts for the nine months ended March 31, 2026 and the year ended June 30, 2025 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, 2026</u> | <u>June 30, 2025</u> |
|--|---------------------------|--------------------------|
| Raritan Basin System | | |
| Cost excluded from rate model: | | |
| Depreciation of debt-financed capital assets recoverable from rate payers | \$ 608,226 | \$ 810,968 |
| Excess vacation expense over vacation paid | 9,729 | 11,973 |
| Accrued sick pay | - | (29,078) |
| | <u>617,955</u> | <u>793,863</u> |
| Cost included in rate model: | | |
| Debt principal repayment | - | - |
| Subtotal Raritan Basin System | <u>617,955</u> | <u>793,863</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 | 575 | 450 |
| Accrued sick pay | - | 1,277 |
| | <u>1,156,216</u> | <u>1,542,581</u> |
| Cost included in rate model: | | |
| Debt principal repayment | (356,250) | (455,000) |
| Subtotal Manasquan System | <u>799,966</u> | <u>1,087,581</u> |
| Total Raritan Basin and Manasquan | 1,417,921 | 1,881,444 |
| Balance, beginning of year | 6,382,192 | 4,500,748 |
| Balance, end of year | <u>\$ 7,800,113</u> | <u>\$ 6,382,192</u> |

As shown in the statements of revenue, expenses and changes in net position for the nine months ended March 31, 2026, deferred outflows of resources debit of \$1,407,617, does not include a debit balance of \$10,304 of accrued vacation and sick pay. The June 30, 2025, deferred outflows of resources debit balance of \$1,896,822 does not include a credit balance of \$15,378 of accrued vacation and sick pay.

Deferred Inflows/Outflows of Resources - Debt Refunding

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

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

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

**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)

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, 2026 and 2025, unearned revenue amounting to \$4,041,045 and \$4,603,891 respectively, was determined as follows:

| | <u>2026</u> | <u>2025</u> |
|-------------------------------------|---------------------|---------------------|
| Reimbursement of operating expenses | \$ 2,014,588 | \$ 1,994,189 |
| Operating expenses | <u>2,502,578</u> | <u>2,469,193</u> |
| Unearned revenue | <u>(487,990)</u> | <u>(475,004)</u> |
| Balance, beginning of year | <u>4,529,035</u> | <u>5,078,895</u> |
| Balance, end of year | <u>\$ 4,041,045</u> | <u>\$ 4,603,891</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, 2026 and 2025, the amount included in unearned revenue was \$320,736 and \$376,270, respectively.

Accounting for Watershed Protection Program

For the nine months ended March 31, 2026 and 2025, the Authority received \$38,752, and \$197,675, 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, 2026, all the funds received had been recognized as revenue.

Accounting for Mitigation Funds

During the nine months ended March 31, 2026, and 2025, the Authority received \$61,558 and \$0, 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 funds are maintained in a separate mitigation account. As of March 31, 2026 and 2025, the balance of unearned revenue was \$602,983 and \$541,425, respectively.

Accounting for FEMA Reimbursements

The Authority received Federal Emergency Management Agency reimbursements for COVID-19 and the remnants of Hurricane Ida flooding in the amounts of \$0 for the nine months ending March 31, 2026, and 2025, respectively. As of March 31, 2026 and 2025, the balance of unearned revenue was \$0, respectively.

The Authority received Federal Emergency Management Agency reimbursements for the Building Resilient Infrastructure Communities (BRIC) program in the amounts of \$10,932,286 and \$0, for the nine months ending March 31, 2026 and 2025, respectively. These funds are restricted to be used on the Spruce Run Foundation Grouting Project and are recognized as revenue as the related expenses are incurred.

**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, 2026 and the year ended June 30, 2025, was as follows:

| | 2026 Beginning Balance | Additions | Retirements | 2026 Ending Balance |
|---|------------------------------|----------------------|---------------------|---------------------------|
| Capital assets not being depreciated: | | | | |
| Land | \$ 25,648,119 | \$ - | \$ - | \$ 25,648,119 |
| Construction work in progress | 105,634,083 | 17,999,095 | - | 123,633,178 |
| Total capital assets not being depreciated | <u>131,282,202</u> | <u>17,999,095</u> | <u>-</u> | <u>149,281,297</u> |
| Capital assets being depreciated: | | | | |
| Dams | 77,358,631 | - | - | 77,358,631 |
| Building, structures and improvements | 150,285,185 | 6,678 | - | 150,291,863 |
| D & R Canal dredging | 60,844,736 | - | - | 60,844,736 |
| Machinery and equipment | 9,248,982 | 1,281,342 | (543,066) | 9,987,258 |
| Leased equipment | 38,738 | 49,215 | (38,738) | 49,215 |
| Total capital assets being depreciated | <u>297,776,272</u> | <u>1,337,235</u> | <u>(581,804)</u> | <u>298,531,703</u> |
| Less accumulated depreciation for: | | | | |
| Dams | (36,157,442) | (571,324) | - | (36,728,766) |
| Building, structures and improvements | (113,344,020) | (2,647,812) | - | (115,991,832) |
| D & R Canal dredging | (22,020,103) | (595,267) | - | (22,615,370) |
| Machinery and equipment | (5,679,618) | (566,419) | 543,066 | (5,702,971) |
| Leased equipment | (33,896) | (6,893) | 38,738 | (2,051) |
| Total accumulated depreciation | <u>(177,235,079)</u> | <u>(4,387,715)</u> | <u>581,804</u> | <u>(181,040,990)</u> |
| Total capital assets being depreciated, net | <u>120,541,193</u> | <u>(3,050,480)</u> | <u>-</u> | <u>117,490,713</u> |
| Total capital assets, net | <u>\$ 251,823,395</u> | <u>\$ 14,948,615</u> | <u>\$ -</u> | <u>\$ 266,772,010</u> |
| | | | | |
| | 2025 Beginning Balance | Additions | Retirements | 2025 Ending Balance |
| Capital assets not being depreciated: | | | | |
| Land | \$ 25,648,119 | \$ - | \$ - | \$ 25,648,119 |
| Construction work in progress | 95,300,520 | 10,360,690 | (27,127) | 105,634,083 |
| Total capital assets not being depreciated | <u>120,948,639</u> | <u>10,360,690</u> | <u>(27,127)</u> | <u>131,282,202</u> |
| Capital assets being depreciated: | | | | |
| Dams | 77,358,631 | - | - | 77,358,631 |
| Building, structures and improvements | 150,278,507 | 6,678 | - | 150,285,185 |
| D & R Canal dredging | 60,844,736 | - | - | 60,844,736 |
| Machinery and equipment | 8,431,061 | 1,155,931 | (338,010) | 9,248,982 |
| Leased equipment | 38,738 | - | - | 38,738 |
| Total capital assets being depreciated | <u>296,951,673</u> | <u>1,162,609</u> | <u>(338,010)</u> | <u>297,776,272</u> |
| Less accumulated depreciation for: | | | | |
| Dams | (35,395,677) | (761,765) | - | (36,157,442) |
| Building, structures and improvements | (109,797,926) | (3,546,094) | - | (113,344,020) |
| D & R Canal dredging | (21,226,414) | (793,689) | - | (22,020,103) |
| Machinery and equipment | (5,110,745) | (676,380) | 107,507 | (5,679,618) |
| Leased equipment | (24,211) | (9,685) | - | (33,896) |
| Total accumulated depreciation | <u>(171,554,973)</u> | <u>(5,787,613)</u> | <u>107,507</u> | <u>(177,235,079)</u> |
| Total capital assets being depreciated, net | <u>125,396,700</u> | <u>(4,625,004)</u> | <u>(230,503)</u> | <u>120,541,193</u> |
| Total capital assets, net | <u>\$ 246,345,339</u> | <u>\$ 5,735,686</u> | <u>\$ (257,630)</u> | <u>\$ 251,823,395</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, 2026 and June 30, 2025, the Authority's bank balance were \$69,569,106 and \$89,337,576, respectively, of which \$250,000 was covered through the FDIC. The remaining balance of \$69,319,106 and \$89,087,576 as of March 31, 2026 and June 30, 2025, 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 was renewed through June 1, 2026. The cash balance per the statement of net position is shown exclusive of outstanding checks totaling \$123,967 and \$1,781,909, respectively. The statements of net position amount includes petty cash totaling \$300 as of March 31, 2026 and June 30, 2025, respectively.

2. Custodial Credit Risk - Deposits

Custodial credit risk is the risk that, in the event of a bank failure, the Authority's deposits may not be returned. The Authority does not have a deposit policy for custodial credit risk. The Authority's bank balances of \$69,569,106 and \$89,337,576 as of March 31, 2026 and June 30, 2025, respectively, was exposed to custodial credit risk as follows:

| | March 31, 2026 | June 30, 2025 |
|--------------------------------|-------------------|------------------|
| 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 3 investments.

As of March 31, 2026, the Authority had the following investments, inclusive of interest receivable:

| Investment Type | Valuation Inputs Level | Fair Value | Investment Maturities (In Years) | |
|---------------------------|---------------------------|----------------------|----------------------------------|-------------|
| | | | Less than 1 | 1-5 |
| US Treasury Notes | Level 1 | \$ 42,055,891 | \$ 42,055,891 | \$ - |
| Money Market Funds | Level 1 | - | - | - |
| Federal Agency Securities | Level 2 | 4,218,121 | 4,218,121 | - |
| Total | | \$ 46,274,012 | \$ 46,274,012 | \$ - |

**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)

As of June 30, 2025, the Authority had the following investments, inclusive of interest receivable:

| Investment and Cash Equivalent Type | Valuation Inputs Level | Fair Value | Investment Maturities (In Years) | |
|--|---------------------------|----------------------|----------------------------------|-------------|
| | | | Less than 1 | 1-5 |
| Certificates of Deposit | Level 1 | \$ 12,162,256 | \$ 12,162,256 | \$ - |
| Money Market Funds | Level 1 | 24,316 | 24,316 | - |
| Federal Agency Securities | Level 2 | 14,731,333 | 14,731,333 | - |
| Total | | \$ 26,917,905 | \$ 26,917,905 | \$ - |

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, 2026 and 2025, all deposits were collateralized.

5. Investment Income

The following comprises investment income for the six months ended March 31, 2026 and 2025, respectively:

| | 2026 | 2025 |
|-----------------------------------|---------------------|---------------------|
| Interest earned on cash accounts | \$ 1,184,969 | \$ 1,535,360 |
| Interest earned on investments | 969,846 | 553,837 |
| Gain on fair value of investments | (48,998) | 844,012 |
| | \$ 2,105,817 | \$ 2,933,209 |

E. MAJOR WATER CUSTOMERS

During fiscal years 2025 and 2024, the Authority supplied water to approximately 30 customers of the Raritan Basin System and 12 customers of the Manasquan System.

Revenue

During fiscal years 2025 and 2024, two customers accounted for approximately 85% of total Raritan Basin System operating revenue. During fiscal years 2025 and 2024, two customers accounted for approximately 85% of the total Manasquan System operating revenue.

Accounts Receivable

During fiscal year 2025 and 2024, two customers accounted for approximately 85% and 92%, respectively, of the total Raritan Basin System water sales accounts receivable. During fiscal years 2025 and 2024, two customers accounted for approximately 87% and 92%, respectively, of total Manasquan System water sales accounts receivable.

F. RISK MANAGEMENT

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

Supplemental Information

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

COMBINING SCHEDULE OF NET POSITION
FOR THE NINE MONTHS ENDED MARCH 31, 2026

| | Unaudited | | | |
|---|------------------------------|----------------------------------|----------------------------|------------------------------|
| | Raritan Basin System | Manasquan Reservoir System | Elimination Entries | Combined Total |
| Assets | | | | |
| Current assets: | | | | |
| Unrestricted assets: | | | | |
| Cash and cash equivalents | \$ 24,506,762 | \$ 17,701,874 | \$ - | \$ 42,208,636 |
| Unbilled sales | 1,963,734 | - | - | 1,963,734 |
| Accounts receivable, less allowance for doubtful accounts of \$1,000 at March 31, 2026 | 53,527,494 | 84,046 | (198,058) | 53,413,482 |
| Interest receivable | 254,776 | 136,453 | - | 391,229 |
| Prepaid expenses and other current assets | 1,927,693 | 575,735 | - | 2,503,428 |
| Total unrestricted assets | <u>82,180,459</u> | <u>18,498,108</u> | <u>(198,058)</u> | <u>100,480,509</u> |
| Restricted assets: | | | | |
| Cash equivalents | 22,259,797 | 4,977,006 | - | 27,236,803 |
| Total current assets | <u>104,440,256</u> | <u>23,475,114</u> | <u>(198,058)</u> | <u>127,717,312</u> |
| Non-current assets: | | | | |
| Investments | 27,448,117 | 18,434,665 | - | 45,882,782 |
| Capital assets net of accumulated depreciation of \$181,040,990 at March 31, 2026 | 225,476,102 | 41,295,908 | - | 266,772,010 |
| Total non-current assets | <u>252,924,219</u> | <u>59,730,573</u> | <u>-</u> | <u>312,654,792</u> |
| Total assets | <u>357,364,475</u> | <u>83,205,687</u> | <u>(198,058)</u> | <u>440,372,104</u> |
| Deferred outflows of resources: | | | | |
| Cost recovery | (6,034,882) | 13,834,995 | - | 7,800,113 |
| Pension related | 1,517,010 | 437,396 | - | 1,954,406 |
| OPEB related | 14,067,892 | 4,220,251 | - | 18,288,143 |
| Total deferred outflows of resources | <u>9,550,020</u> | <u>18,492,642</u> | <u>-</u> | <u>28,042,662</u> |
| Total assets and deferred outflows of resources | <u>\$ 366,914,495</u> | <u>\$ 101,698,329</u> | <u>\$ (198,058)</u> | <u>\$ 468,414,766</u> |
| Liabilities | | | | |
| Current liabilities: | | | | |
| Accounts payable | \$ 5,639,851 | \$ 1,163,674 | \$ (198,058) | \$ 6,605,467.00 |
| Accrued liabilities | 2,119,095 | 473,731 | - | 2,592,826 |
| Unearned revenue | 602,983 | 4,361,781 | - | 4,964,764 |
| Total current liabilities | <u>8,361,929</u> | <u>5,999,186</u> | <u>(198,058)</u> | <u>14,163,057</u> |
| Non-current liabilities: | | | | |
| Non-current portion of bonds, notes and loans payable | 151,791,951 | 38,010,011 | - | 189,801,962 |
| Non-current lease liability | 36,289 | 12,926 | - | 49,215 |
| Net pension liability | 10,828,207 | 3,122,073 | - | 13,950,280 |
| Total OPEB liability | 27,204,211 | 7,843,729 | - | 35,047,940 |
| Total non-current liabilities | <u>189,860,658</u> | <u>48,988,739</u> | <u>-</u> | <u>238,849,397</u> |
| Total liabilities | <u>198,222,587</u> | <u>54,987,925</u> | <u>(198,058)</u> | <u>253,012,454</u> |
| Deferred inflows of resources | | | | |
| Pension related | 1,087,041 | 313,425 | - | 1,400,466 |
| OPEB related | 10,909,394 | 3,145,481 | - | 14,054,875 |
| Gain on refunding | - | 147,995 | - | 147,995 |
| Total deferred inflow of resources | <u>11,996,435</u> | <u>3,606,901</u> | <u>-</u> | <u>15,603,336</u> |
| Net position | | | | |
| Net investment in capital assets | 73,647,862 | 28,688,160 | - | 102,336,022 |
| Restricted for cash, investments and unearned revenue | 21,656,814 | 615,225 | - | 22,272,039 |
| Unrestricted | 61,390,797 | 13,800,118 | - | 75,190,915 |
| Total net position | <u>156,695,473</u> | <u>43,103,503</u> | <u>-</u> | <u>199,798,976</u> |
| Total liabilities, deferred inflows of resources, and net position | <u>\$ 366,914,495</u> | <u>\$ 101,698,329</u> | <u>\$ (198,058)</u> | <u>\$ 468,414,766</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, 2026

| | Unaudited | | | Combined Total |
|---|----------------------------|----------------------------------|--|-----------------------|
| | Raritan Basin System | Manasquan Reservoir System | Manasquan Water Treatment Plant | |
| Operating revenue: | | | | |
| Water sales | \$ 19,469,449 | \$ 5,518,047 | \$ - | \$ 24,987,496 |
| Reimbursement of operating expenses | - | - | 1,980,000 | 1,980,000 |
| Total operating revenue | <u>19,469,449</u> | <u>5,518,047</u> | <u>1,980,000</u> | <u>26,967,496</u> |
| Operating expenses: | | | | |
| Payroll | 5,478,555 | 796,704 | 816,133 | 7,091,392 |
| Operations and maintenance (direct) | 3,987,149 | 1,298,608 | 912,395 | 6,198,152 |
| Operations and maintenance (general and administrative) | - | 75,121 | 50,013 | 125,134 |
| Fringe benefits | 3,838,143 | 608,120 | 633,286 | 5,079,549 |
| Headquarters overhead | (668,251) | 577,500 | 90,751 | - |
| Depreciation | 2,969,111 | 1,418,604 | - | 4,387,715 |
| Total operating expenses | <u>15,604,707</u> | <u>4,774,657</u> | <u>2,502,578</u> | <u>22,881,942</u> |
| Income from operations | <u>3,864,742</u> | <u>743,390</u> | <u>(522,578)</u> | <u>4,085,554</u> |
| Non-operating revenue: | | | | |
| State of New Jersey - Grant Programs | 12,432,150 | - | - | 12,432,150 |
| Investment and interest income | 1,517,385 | 553,844 | 34,588 | 2,105,817 |
| Rental income | 65,603 | - | - | 65,603 |
| Other income/(loss) | 156,412 | 13,030 | - | 169,442 |
| Recovery of deferred outflows of resources | 608,228 | 799,391 | - | 1,407,617 |
| Total non-operating revenue | <u>14,779,776</u> | <u>1,366,265</u> | <u>34,588</u> | <u>16,180,629</u> |
| Non-operating expenses: | | | | |
| Interest component of debt service to the State of New Jersey | 1,151,376 | 19,147 | - | 1,170,523 |
| SMMUA operations, net | - | - | (487,990) | (487,990) |
| Total non-operating expenses | <u>1,151,376</u> | <u>19,147</u> | <u>(487,990)</u> | <u>682,533</u> |
| Changes in net position | 17,493,142 | 2,090,508 | - | 19,583,650 |
| Net position, beginning of year | 139,202,331 | 41,012,995 | - | 180,215,326 |
| Net position, end of year | <u>\$ 156,695,473</u> | <u>43,103,503</u> | <u>\$ -</u> | <u>\$ 199,798,976</u> |

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

**SCHEDULE OF CHANGE IN CASH AND INVESTMENTS - RARITAN BASIN SYSTEM
FOR THE NINE MONTHS ENDED MARCH 31, 2026**

| | Operating Fund | | | | | | | | | | | Subtotal |
|--|-----------------|-------------------|-----------------|----------------|-----------------|------------------------|----------------------|-----------------------------|-----------------|-------------------------------------|------------------------------|---------------|
| | Revenue Account | Operating Account | Payroll Account | Operating Fund | Reserve for O&M | Self-Insurance Reserve | Depreciation Reserve | Dredging RV/RSR Investments | Pumping Reserve | Capital Improvements Investments II | Source Water Protection Fund | |
| Cash and investments - July 1, 2025 | \$ 70 | \$ 370,693 | \$ 178,000 | \$ 2,634,051 | \$ 3,997,346 | \$ 945,068 | \$ 4,644,712 | \$ 20,376,414 | \$ 797,719 | \$ 177,997 | \$ 4,172,953 | \$ 38,295,023 |
| Cash receipts: | | | | | | | | | | | | |
| Water sales operations and maintenance | 10,274,925 | - | - | - | - | - | - | - | - | - | - | 10,274,925 |
| Water sales NJEIFP | 5,517,111 | - | - | - | - | - | - | - | - | - | - | 5,517,111 |
| Water sales capital fund | 1,670,319 | - | - | - | - | - | - | - | - | - | - | 1,670,319 |
| Water sales source water protection fund | 1,012,313 | - | - | - | - | - | - | - | - | - | - | 1,012,313 |
| Water sales overdrafts | 1,248,733 | - | - | - | - | - | - | - | - | - | - | 1,248,733 |
| Rental income | 34,816 | - | - | - | - | - | - | - | - | - | - | 34,816 |
| Manasquan reservoir support | 96,433 | - | - | - | - | - | - | - | - | - | - | 96,433 |
| Headquarters overhead | - | - | - | 677,001 | - | - | - | - | - | - | - | 677,001 |
| Disposition of property | 126,376 | - | - | - | - | - | - | - | - | - | - | 126,376 |
| Recycling revenue | 1,205 | - | - | - | - | - | - | - | - | - | - | 1,205 |
| Investment securities | - | - | - | - | 70,372 | 21,921 | 36,947 | 729,753 | - | - | - | 858,993 |
| Grant Programs | 10,942,325 | 28,712 | - | - | - | - | - | - | - | - | - | 10,971,037 |
| Insurance reimbursement | - | - | - | - | - | - | - | - | - | - | - | - |
| Miscellaneous expense reimbursement | 682,986 | - | - | - | - | - | - | - | - | - | - | 682,986 |
| Transfers: | | | | | | | | | | | | |
| Contributions from operating fund | - | 25,557,514 | 3,399,552 | (54,537,066) | - | - | 210,994 | - | 112,500 | - | 518,649 | (24,737,857) |
| Contributions to operating fund | - | - | - | 22,976,677 | - | - | (369,778) | - | (526,125) | - | (386,630) | 21,674,144 |
| Transfers for operations | (31,337,847) | - | - | 31,337,847 | - | - | - | - | - | - | - | - |
| Transfers for investments | - | - | - | - | - | - | - | - | - | - | - | - |
| Distribution from reserves to operations | - | 37,029 | - | 6,678 | - | - | (6,678) | - | - | - | (200,000) | (162,971) |
| Investment income | 8,891 | 11,762 | - | 63,985 | 23,425 | 2,246 | 17,495 | - | 6,460 | 566 | 66,758 | 201,588 |
| Per resolution, Section 603: | | | | | | | | | | | | |
| Investment income, transfer from | 89,655 | - | - | (63,984) | (23,425) | (2,246) | - | - | - | - | - | - |
| Investment income, transfer to | (89,655) | - | - | - | 89,655 | - | - | - | - | - | - | - |
| Unrealized gain/(loss) on fair value | - | - | - | - | (6,501) | (686) | 42,764 | (127,521) | - | 1,272 | - | (90,672) |
| Total cash receipts | 278,586 | 25,635,017 | 3,399,552 | 461,138 | 153,526 | 21,235 | (88,256) | 602,232 | (407,165) | 1,838 | (1,223) | 30,056,480 |
| Total available cash and investments | \$ 278,656 | \$ 26,005,710 | \$ 3,577,552 | \$ 3,095,189 | \$ 4,150,872 | \$ 966,303 | \$ 4,556,456 | \$ 20,978,646 | \$ 390,554 | \$ 179,835 | \$ 4,171,730 | \$ 68,351,503 |

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

**SCHEDULE OF CHANGE IN CASH AND INVESTMENTS - RARITAN BASIN SYSTEM (CONTINUED)
FOR THE NINE MONTHS ENDED MARCH 31, 2026**

| | 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 | \$ 38,295,023 | \$ 336,786 | \$ 737,625 | \$ 1,513,745 | \$ 6,689,354 | \$ 592,040 | \$ 20,889,993 | \$ 1,780,940 | \$ 3,800,660 | \$ 2,057,924 | \$ 76,694,112 |
| Cash receipts: | | | | | | | | | | | |
| Water sales operations and maintenance | 10,274,925 | - | - | - | - | - | - | - | - | - | 10,274,925 |
| Water sales NJEIPF | 5,517,111 | - | - | - | - | - | - | - | - | - | 5,517,111 |
| Water sales capital fund | 1,670,319 | - | - | - | - | - | - | - | - | - | 1,670,319 |
| Water sales source water protection fund | 1,012,313 | - | - | - | - | - | - | - | - | - | 1,012,313 |
| Water sales overdrafts | 1,248,733 | - | - | - | - | - | - | - | - | - | 1,248,733 |
| Rental income | 34,816 | - | - | - | - | - | - | - | - | - | 34,816 |
| Manasquan reservoir support | 96,433 | - | - | - | - | - | - | - | - | - | 96,433 |
| Headquarters overhead | 677,001 | - | - | - | - | - | - | - | - | - | 677,001 |
| Disposition of property | 126,376 | - | - | - | - | - | - | - | - | - | 126,376 |
| Recycling revenue | 1,205 | - | - | - | - | - | - | - | - | - | 1,205 |
| Investment securities | 858,993 | - | - | - | - | - | - | - | - | - | 858,993 |
| Grant Programs | 10,971,037 | - | - | - | - | - | - | - | - | - | 10,971,037 |
| Insurance reimbursement | - | - | - | - | - | - | - | - | - | - | - |
| Miscellaneous expense reimbursement | 682,986 | - | - | - | - | - | - | - | - | 9,729 | 692,715 |
| Transfers: | | | | | | | | | | | |
| Contributions from operating fund | (24,737,857) | - | 479,487 | - | 12,787,708 | - | 5,709,499 | 112,500 | 4,652,970 | 995,693 | - |
| Contributions to operating fund | 21,674,144 | - | - | (17,550) | (16,852,101) | - | - | - | (3,669,350) | (1,135,143) | - |
| Transfers for operations | - | - | - | - | - | - | - | - | - | - | - |
| Transfers for investments | - | - | - | - | - | - | - | - | - | - | - |
| Distribution from reserves to operations | (162,971) | - | - | - | - | - | - | - | 200,000 | (37,029) | - |
| Investment income | 201,588 | 3,912 | 5,630 | 24,150 | 54,718 | 9,008 | 328,596 | 29,285 | 25,990 | 35,669 | 718,546 |
| Per resolution, Section 603: | | | | | | | | | | | |
| Investment income, transfer from | - | - | - | - | - | - | - | - | - | - | - |
| Investment income, transfer to | - | - | - | - | - | - | - | - | - | - | - |
| Unrealized gain/(loss) on fair value | (90,672) | - | - | - | - | - | - | - | - | - | (90,672) |
| Total cash receipts | 30,056,480 | 3,912 | 485,117 | 6,600 | (4,009,675) | 9,008 | 6,038,095 | 141,785 | 1,209,610 | (131,081) | 33,809,851 |
| Total available cash and investments | \$ 68,351,503 | \$ 340,700 | \$ 1,222,742 | \$ 1,520,345 | \$ 2,679,679 | \$ 601,048 | \$ 26,928,088 | \$ 1,922,725 | \$ 5,010,290 | \$ 1,926,843 | \$ 110,503,963 |

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

**SCHEDULE OF CHANGE IN CASH AND INVESTMENTS - RARITAN BASIN SYSTEM (CONTINUED)
FOR THE NINE MONTHS ENDED MARCH 31, 2026**

| | Operating Fund | | | | | | | | | | | Subtotal |
|---|-----------------|-------------------|-----------------|----------------|-----------------|------------------------|----------------------|----------------------------|-----------------|-------------------------------------|------------------------------|---------------|
| | Revenue Account | Operating Account | Payroll Account | Operating Fund | Reserve for O&M | Self-Insurance Reserve | Depreciation Reserve | Dredging RV/SR Investments | Pumping Reserve | Capital Improvements Investments II | Source Water Protection Fund | |
| Total available cash and investments | \$ 278,656 | \$ 26,005,710 | \$ 3,577,552 | \$ 3,095,189 | \$ 4,150,872 | \$ 966,303 | \$ 4,556,456 | \$ 20,978,646 | \$ 390,554 | \$ 179,835 | \$ 4,171,730 | \$ 68,351,503 |
| Cash disbursements: | | | | | | | | | | | | |
| Payroll | - | - | 3,399,552 | - | - | - | - | - | - | - | - | 3,399,552 |
| Fringe benefits | - | 57,860 | - | 1,477,564 | - | - | - | - | - | - | - | 1,535,424 |
| Employee deferred compensation and credit union | - | 1,970,952 | - | (127,519) | - | - | - | - | - | - | - | 1,843,433 |
| Operations and maintenance | - | 23,739,680 | - | (957,591) | - | - | - | - | - | - | - | 22,782,089 |
| Prepaid insurance | - | - | - | - | - | - | - | - | - | - | - | - |
| Miscellaneous disbursements | - | - | - | - | - | - | - | - | - | - | - | - |
| Watershed Management Fund | - | - | - | - | - | - | - | - | - | - | - | - |
| Capital improvements: | | | | | | | | | | | | |
| Capital assets | - | - | - | - | - | - | - | - | - | - | - | - |
| New five year construction project | - | - | - | - | - | - | - | - | - | - | - | - |
| Maturity of investments securities | - | - | - | - | 59,335 | 23,956 | 62,651 | 349,624 | - | 651 | - | 496,217 |
| Principal on NJEIT bonds | - | - | - | - | - | - | - | - | - | - | - | - |
| Interest, Fees, and Credits on NJB loans | - | - | - | - | - | - | - | - | - | - | - | - |
| Total cash disbursements | - | 25,768,492 | 3,399,552 | 392,454 | 59,335 | 23,956 | 62,651 | 349,624 | - | 651 | - | 30,056,715 |
| Cash and investments - March 31, 2026 | \$ 278,656 | \$ 237,218 | \$ 178,000 | \$ 2,702,735 | \$ 4,091,537 | \$ 942,347 | \$ 4,493,805 | \$ 20,629,022 | \$ 390,554 | \$ 179,184 | \$ 4,171,730 | \$ 38,294,786 |
| Summary of cash and investments: | | | | | | | | | | | | |
| Cash | \$ 278,656 | \$ 237,218 | \$ 178,000 | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ 693,874 |
| Short-term investments | - | - | - | 2,702,735 | 1,537,643 | 181,682 | 969,675 | - | 390,554 | 79,667 | 4,171,730 | 10,033,686 |
| Long-term investments | - | - | - | - | 2,535,739 | 756,832 | 3,509,217 | 20,548,591 | - | 97,938 | - | 27,448,117 |
| Restricted Investments (current) | - | - | - | - | 18,155 | 4,033 | 14,913 | 80,431 | - | 1,579 | - | 119,111 |
| Restricted Investments (long-term) | - | - | - | - | - | - | - | - | - | - | - | - |
| Total cash and investments | \$ 278,656 | \$ 237,218 | \$ 178,000 | \$ 2,702,735 | \$ 4,091,537 | \$ 942,347 | \$ 4,493,805 | \$ 20,629,022 | \$ 390,554 | \$ 179,184 | \$ 4,171,730 | \$ 38,294,786 |

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

**SCHEDULE OF CHANGE IN CASH AND INVESTMENTS - RARITAN BASIN SYSTEM (CONTINUED)
FOR THE NINE MONTHS ENDED MARCH 31, 2026**

| | 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 | \$ 68,351,503 | \$ 340,700 | \$ 1,222,742 | \$ 1,520,345 | \$ 2,679,679 | \$ 601,048 | \$ 26,928,088 | \$ 1,922,725 | \$ 5,010,290 | \$ 1,926,843 | \$ 110,503,963 |
| Cash disbursements: | | | | | | | | | | | |
| Payroll | 3,399,552 | - | - | - | - | - | - | - | - | - | 3,399,552 |
| Fringe benefits | 1,535,424 | - | - | - | - | - | - | - | - | - | 1,535,424 |
| Employee deferred compensation and credit union | 1,843,433 | - | - | - | - | - | - | - | - | - | 1,843,433 |
| Operations and maintenance | 22,782,089 | - | - | - | - | - | - | - | - | - | 22,782,089 |
| Prepaid insurance | - | - | - | - | - | - | - | - | - | - | - |
| Miscellaneous disbursements | - | - | - | - | - | - | - | - | - | 38,807 | 38,807 |
| Watershed Management Fund | - | - | - | - | - | - | - | - | - | - | - |
| Capital improvements: | | | | | | | | | | | |
| Capital assets | - | - | - | - | - | - | - | - | - | - | - |
| New five year construction project | - | - | - | - | - | - | - | - | - | - | - |
| Maturity of investments securities | 496,217 | - | - | - | - | - | - | - | - | - | 496,217 |
| Principal on NJEIT bonds | - | 80,000 | 655,888 | - | - | - | 3,745,672 | - | - | - | 4,481,560 |
| Interest, Fees, and Credits on NJIB loans | - | (16,946) | 32,777 | - | - | - | 1,696,374 | - | - | - | 1,712,205 |
| Total cash disbursements | 30,056,715 | 63,054 | 688,665 | - | - | - | 5,442,046 | - | - | 38,807 | 36,289,287 |
| Cash and investments - March 31, 2026 | \$ 38,294,788 | \$ 277,646 | \$ 534,077 | \$ 1,520,345 | \$ 2,679,679 | \$ 601,048 | \$ 21,486,042 | \$ 1,922,725 | \$ 5,010,290 | \$ 1,888,036 | \$ 74,214,676 |
| Summary of cash and investments: | | | | | | | | | | | |
| Cash | \$ 693,874 | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ 693,874 |
| Short-term investments | 10,033,686 | 277,646 | 534,077 | 1,520,345 | 2,679,679 | - | - | 1,922,725 | 5,010,290 | 1,834,440 | 23,812,868 |
| Long-term investments | 27,448,117 | - | - | - | - | - | - | - | - | - | 27,448,117 |
| Restricted investments (current) | 119,111 | - | - | - | - | 601,048 | 21,486,042 | - | - | 53,596 | 22,259,797 |
| Restricted investments (long-term) | - | - | - | - | - | - | - | - | - | - | - |
| Total cash and investments | \$ 38,294,788 | \$ 277,646 | \$ 534,077 | \$ 1,520,345 | \$ 2,679,679 | \$ 601,048 | \$ 21,486,042 | \$ 1,922,725 | \$ 5,010,290 | \$ 1,888,036 | \$ 74,214,676 |

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, 2026

| | 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, 2025 | \$ 41 | \$ 77,929 | \$ 58,000 | \$ 6,632,841 | \$ 1,603,438 | \$ 216,120 | \$ 4,104,106 | \$ 30,405 | \$ 837,296 | \$ 673,670 | \$ 153,982 | \$ 16,004,704 | \$ 299,325 | \$ 30,689,857 |
| Cash receipts: | | | | | | | | | | | | | | |
| Water sales operations and maintenance | 3,114,461 | - | - | - | - | - | - | - | - | - | - | - | - | 3,114,461 |
| Water sales capital fund | 3,141,506 | - | - | - | - | - | - | - | - | - | - | - | - | 3,141,506 |
| Water sales debt service | 710,512 | - | - | - | - | - | - | - | - | - | - | - | - | 710,512 |
| Source water protection | 104,787 | - | - | - | - | - | - | - | - | - | - | - | - | 104,787 |
| Water sales debt service NJEIT | 174,160 | - | - | - | - | - | - | - | - | - | - | - | - | 174,160 |
| Water sales overdrafts | - | - | - | - | - | - | - | - | - | - | - | - | - | - |
| NJ-American pumping costs | 200,516 | - | - | - | - | - | - | - | - | - | - | - | - | 200,516 |
| Headquarters overhead | - | - | - | (586,250) | - | - | - | - | - | - | - | - | - | (586,250) |
| Reimbursement of WTP capital expenses | - | - | - | - | - | - | - | - | - | - | - | - | - | - |
| Disposition of assets | 13,000 | - | - | - | - | - | - | - | - | - | - | - | - | 13,000 |
| Reimbursement from/(to) Raritan Basin | 15,462 | - | - | - | - | - | - | - | - | - | - | - | - | 15,462 |
| Sale/Transfer for investment securities | - | - | - | - | 43,671 | 6,388 | - | - | - | 5,757 | - | 17,057,913 | - | 17,113,729 |
| Nonrefundable bid deposits | - | - | - | - | - | - | - | - | - | - | - | - | - | - |
| Miscellaneous reimbursement | 60,040 | - | - | - | - | - | - | - | - | - | - | - | - | 60,040 |
| Transfers: | | | | | | | | | | | | | | |
| Contributions from operating fund | - | 3,087,009 | 962,891 | (8,791,103) | - | - | 90,000 | - | 85,010 | 39,444 | - | 2,399,748 | 22,500 | (2,104,501) |
| Contributions to operating fund | - | - | - | 2,520,471 | - | - | (34,500) | - | (156,293) | (26,477) | - | - | - | 2,303,201 |
| Transfers for operations | (7,422,385) | - | - | 7,422,385 | - | - | - | - | - | - | - | - | - | - |
| Distribution from reserves to operations | - | 10,825 | - | - | - | - | - | - | - | - | - | - | - | - |
| Investment income | 2,650 | 425 | - | 119,881 | 9,182 | 383 | 66,966 | - | 12,418 | 3,968 | 167 | 191,921 | 4,337 | 412,338 |
| Per resolution, Section 603: | | | | | | | | | | | | | | |
| Investment income, transfer from | 139,812 | - | - | (119,881) | (9,182) | (383) | - | - | - | - | (167) | - | (4,337) | 5,862 |
| Investment income, transfer to | (139,812) | - | - | 139,812 | - | - | - | - | - | - | - | - | - | - |
| Unrealized gain/(loss) on fair value | - | - | - | - | 6,286 | 1,381 | - | - | - | 898 | 1,272 | (117,652) | - | (107,815) |
| Total cash receipts | 114,749 | 3,098,259 | 962,891 | 705,315 | 49,957 | 7,769 | 122,466 | - | (58,865) | 23,590 | 1,272 | 19,531,830 | 22,500 | 24,581,833 |
| Total cash and investments | \$ 114,790 | \$ 3,176,188 | \$ 1,018,891 | \$ 7,338,156 | \$ 1,653,395 | \$ 223,889 | \$ 4,226,572 | \$ 30,405 | \$ 778,431 | \$ 697,260 | \$ 155,254 | \$ 35,636,634 | \$ 321,825 | \$ 55,271,690 |

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, 2026

| | 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 cash and investments | \$ 30,689,857 | \$ 54,894 | \$ 2,062,670 | \$ 9,480 | \$ 99,238 | \$ 256,096 | \$ 128,984 | \$ 195,926 | \$ 592,970 | \$ 1,734,755 | \$ 266,474 | \$ 833,617 | \$ 571,955 | \$ 37,496,916 |
| Cash receipts: | | | | | | | | | | | | | | |
| Water sales operations and maintenance | 3,114,461 | - | - | - | - | - | - | - | - | - | - | - | - | 3,114,461 |
| Water sales capital fund | 3,141,506 | - | - | - | - | - | - | - | - | - | - | - | - | 3,141,506 |
| Water sales debt service | 710,512 | - | - | - | - | - | - | - | - | - | - | - | - | 710,512 |
| Source water protection | 104,787 | - | - | - | - | - | - | - | - | - | - | - | - | 104,787 |
| Water sales debt service NJEIT | 174,160 | - | - | - | - | - | - | - | - | - | - | - | - | 174,160 |
| Water sales overdrafts | - | - | - | - | - | - | - | - | - | - | - | - | - | - |
| NJ-American pumping costs | 200,516 | - | - | - | - | - | - | - | - | - | - | - | - | 200,516 |
| Headquarters overhead | (586,250) | - | 1,980,000 | - | - | - | - | - | - | - | - | - | - | 1,393,750 |
| Reimbursement of WTP capital expenses | - | - | - | - | - | - | - | - | - | - | - | - | - | - |
| Disposition of assets | 13,000 | - | - | - | - | - | - | - | - | - | - | - | - | 13,000 |
| Reimbursement from/(to) Raritan Basin | 15,462 | - | - | - | - | - | - | - | - | - | - | - | - | 15,462 |
| Sale/Transfer for investment securities | 17,113,729 | - | - | - | - | - | - | - | - | - | - | - | - | 17,113,729 |
| Nonrefundable bid deposits | - | - | - | - | - | - | - | - | - | - | - | - | - | - |
| Miscellaneous reimbursement | 60,040 | - | 18,321 | - | - | - | - | - | - | - | - | - | - | 78,361 |
| Transfers: | | | | | | | | | | | | | | |
| Contributions from operating fund | (2,104,501) | 500,000 | (515,650) | - | - | - | - | 132,680 | 441,253 | - | - | 1,275,760 | 271,458 | - |
| Contributions to operating fund | 2,303,201 | 350,000 | (1,850,248) | - | - | - | (10,533) | - | - | - | - | (792,420) | - | - |
| Transfers for operations | - | - | - | - | - | - | - | - | 1,156,617 | (1,156,617) | - | - | - | - |
| Distribution from reserves to operations | 10,825 | - | - | - | - | - | - | - | - | - | - | - | (10,825) | - |
| Investment income | 412,338 | 210 | 28,771 | - | 894 | 3,463 | 1,249 | 1,614 | - | - | 3,650 | 5,862 | 8,372 | 466,423 |
| Per resolution, Section 603: | | | | | | | | | | | | | | |
| Investment income, transfer from | 5,862 | - | 6,256 | - | (1,302) | (4,954) | - | - | - | - | - | (5,862) | - | - |
| Investment income, transfer to | - | - | - | - | - | - | - | - | - | - | - | - | - | - |
| Unrealized gain/(loss) on fair value | (107,815) | - | - | - | - | - | - | - | - | - | - | - | - | (107,815) |
| Total cash receipts | 24,581,833 | 850,210 | (333,580) | - | (408) | (1,491) | (9,284) | 134,304 | 1,597,870 | (1,156,617) | 3,650 | 483,340 | 269,005 | 26,418,852 |
| Total cash and investments | \$ 55,271,690 | \$ 905,104 | \$ 1,729,110 | \$ 9,480 | \$ 98,830 | \$ 254,605 | \$ 119,700 | \$ 330,230 | \$ 2,190,840 | \$ 578,138 | \$ 270,124 | \$ 1,316,957 | \$ 840,960 | \$ 27,252,469 |

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, 2026

| | 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 | \$ 114,790 | \$ 3,176,188 | \$ 1,018,891 | \$ 7,338,156 | \$ 1,653,395 | \$ 223,889 | \$ 4,226,572 | \$ 30,405 | \$ 778,431 | \$ 697,260 | \$ 155,254 | \$ 35,536,634 | \$ 321,825 | \$ 55,271,690 |
| Cash disbursements: | | | | | | | | | | | | | | |
| Payroll | - | - | 962,881 | - | - | - | - | - | - | - | - | - | - | 962,881 |
| Fringe benefits | - | 1,899,318 | - | (1,477,564) | - | - | - | - | - | - | - | - | - | 421,754 |
| Employee deferred compensation and credit union | - | 8,015 | - | 223,248 | - | - | - | - | - | - | - | - | - | 229,263 |
| Operations and maintenance | - | 1,205,894 | - | 957,591 | - | - | - | - | - | - | - | - | - | 2,163,485 |
| NJ-American pumping costs | - | - | - | - | - | - | - | - | - | - | - | - | - | - |
| Prepaid insurance | - | - | - | - | - | - | - | - | - | - | - | - | - | - |
| Headquarters overhead | - | - | - | - | - | - | - | - | - | - | - | - | - | - |
| Capital assets reservoir | - | - | - | - | - | - | - | - | - | - | - | - | - | - |
| Capital improvement program (reservoir) | - | - | - | - | - | - | - | - | - | - | - | - | - | - |
| Purchase of investments securities | - | - | - | - | 37,544 | 7,427 | - | - | - | 2,437 | 652 | 17,000,000 | - | 17,048,060 |
| Principal on bonds | - | - | - | - | - | - | - | - | - | - | - | - | - | - |
| Interest, Fees, and Credits on NJIB loans and bonds | - | - | - | - | - | - | - | - | - | - | - | - | - | - |
| Total cash disbursements | - | 3,111,227 | 962,881 | (296,725) | 37,544 | 7,427 | - | - | - | 2,437 | 652 | 17,000,000 | - | 20,825,443 |
| Cash and investments - March 31, 2026 | \$ 114,790 | \$ 64,961 | \$ 56,010 | \$ 7,634,881 | \$ 1,615,851 | \$ 216,462 | \$ 4,226,572 | \$ 30,405 | \$ 778,431 | \$ 694,823 | \$ 154,602 | \$ 18,536,634 | \$ 321,825 | \$ 34,446,247 |
| Cash (Manasquan) | \$ 114,790 | \$ 64,961 | \$ 56,010 | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ 235,761 |
| Cash (Water Treatment Plant/TS) | - | - | - | - | - | - | - | - | - | - | - | - | - | - |
| Short-term investments | - | - | - | 7,634,881 | 604,940 | 67,959 | 4,226,572 | 30,405 | 778,431 | 280,189 | 54,793 | 1,596,374 | 321,825 | 15,606,389 |
| Short-term investments (Water Treatment Plant/TS) | - | - | - | - | - | - | - | - | - | - | - | - | - | - |
| Long-term investments | - | - | - | - | 996,276 | 147,241 | - | - | - | 396,506 | 97,938 | 16,796,704 | - | 18,434,665 |
| Restricted investments (current) | - | - | - | - | 14,635 | 1,282 | - | - | - | 8,128 | 1,871 | 143,556 | - | 169,452 |
| Restricted investments (long-term) | - | - | - | - | - | - | - | - | - | - | - | - | - | - |
| Total cash and investments | \$ 114,790 | \$ 64,961 | \$ 56,010 | \$ 7,634,881 | \$ 1,615,851 | \$ 216,462 | \$ 4,226,572 | \$ 30,405 | \$ 778,431 | \$ 694,823 | \$ 154,602 | \$ 18,536,634 | \$ 321,825 | \$ 34,446,247 |

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, 2026

| | 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 | \$ 55,271,690 | \$ 905,104 | \$ 1,729,110 | \$ 9,480 | \$ 98,830 | \$ 254,605 | \$ 119,700 | \$ 330,230 | \$ 2,190,840 | \$ 578,138 | \$ 270,124 | \$ 1,316,957 | \$ 840,960 | \$ 63,915,768 |
| Cash disbursements: | | | | | | | | | | | | | | |
| Payroll | 962,881 | - | - | - | - | - | - | - | - | - | - | - | - | 962,881 |
| Fringe benefits | 421,754 | - | - | - | - | - | - | - | - | - | - | - | - | 421,754 |
| Employee deferred compensation and credit union | 229,263 | - | - | - | - | - | - | - | - | - | - | - | 298,173 | 719,927 |
| Operations and maintenance | 2,163,485 | 543,521 | - | - | - | - | - | - | - | - | - | - | - | 229,263 |
| NJ-American pumping costs | - | - | - | - | - | - | - | - | - | - | - | - | - | 3,007,006 |
| Prepaid insurance | - | - | - | - | - | - | - | - | - | - | - | - | - | - |
| Headquarters overhead | - | - | 90,751 | - | - | - | - | - | - | - | - | - | - | - |
| Capital assets reservoir | - | - | - | - | - | - | - | - | - | - | - | - | - | 90,751 |
| Capital improvement program (reservoir) | - | - | - | - | - | - | - | - | - | - | - | - | - | - |
| Purchase of investments securities | 17,048,060 | - | - | - | - | - | - | - | - | - | - | - | - | 17,048,060 |
| Principal on bonds | - | - | - | - | - | - | - | 157,572 | 475,000 | - | - | - | - | 632,572 |
| Interest, Fees, and Credits on NJIB loans and bonds | - | - | - | - | - | - | - | 11,550 | 100,213 | - | - | - | - | 111,763 |
| Total cash disbursements | 20,825,443 | 543,521 | 90,751 | - | - | - | - | 169,122 | 575,213 | - | - | - | 298,173 | 22,802,223 |
| Cash and investments - March 31, 2026 | \$ 34,446,247 | \$ 61,583 | \$ 1,638,359 | \$ 9,480 | \$ 98,830 | \$ 254,605 | \$ 119,700 | \$ 161,108 | \$ 1,615,627 | \$ 578,138 | \$ 270,124 | \$ 1,316,957 | \$ 542,787 | \$ 41,113,545 |
| Cash (Manasquan) | \$ 235,761 | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ 235,761 |
| Cash (Water Treatment Plant/TS) | - | 61,583 | - | - | - | - | - | - | - | - | - | - | - | 61,583 |
| Short-term investments | 15,606,369 | - | - | - | - | - | - | - | - | - | - | 1,316,957 | 542,787 | 17,466,113 |
| Short-term investments (Water Treatment Plant/TS) | - | - | 1,638,359 | 9,480 | 98,830 | 254,605 | 119,700 | - | - | - | - | - | - | 2,120,974 |
| Long-term investments | 18,434,665 | - | - | - | - | - | - | - | - | - | - | - | - | 18,434,665 |
| Restricted investments (current) | 169,452 | - | - | - | - | - | - | 161,108 | 1,615,627 | 578,138 | 270,124 | - | - | 2,794,449 |
| Restricted investments (long-term) | - | - | - | - | - | - | - | - | - | - | - | - | - | - |
| Total cash and investments | \$ 34,446,247 | \$ 61,583 | \$ 1,638,359 | \$ 9,480 | \$ 98,830 | \$ 254,605 | \$ 119,700 | \$ 161,108 | \$ 1,615,627 | \$ 578,138 | \$ 270,124 | \$ 1,316,957 | \$ 542,787 | \$ 41,113,545 |