

SUMMARY OF SYNOPSIS OF 2013 AUDIT REPORT
TWO RIVERS WATER RECLAMATION AUTHORITY
AS REQUIRED BY N.J.S. 40A:5A-16
COMBINED STATEMENT OF NET ASSETS

	As of October 31,	
<u>ASSETS</u>	<u>2013</u>	<u>2012</u> (As Restated)
Current Assets:		
Cash and Investments	\$ 5,069,620	\$ 4,211,145
Customer Charges and Sewer Billings Receivable	997,387	649,176
Other Assets	32,125	31,200
Total Current Assets	6,099,132	4,891,521
Restricted Assets:		
Cash and Investments	18,206,580	23,180,665
Accrued Interest and Other Assets		
Total Restricted Assets	18,206,580	23,180,665
Deferred Outflow	6,810	10,215
Capital Assets, Net of Depreciation	74,620,435	75,827,178
Total Assets	\$ 98,932,957	\$ 103,909,579
<u>LIABILITIES AND NET POSITION</u>		
		<u>(As Restated)</u>
Current Liabilities Payable from Unrestricted Assets	\$ 1,544,232	\$ 1,447,451
Current Liabilities Payable from Restricted Assets	3,199,788	4,040,868
Long-Term Revenue Bonds Payable (Net)	19,011,775	25,674,627
Other Long-Term Liabilities	435,448	436,566
Net Position:		
Restricted	15,752,053	15,452,053
Net Investment in Capital Assets	52,759,599	46,518,035
Unrestricted	6,230,062	10,339,980
Total Liabilities and Net Position	\$ 98,932,957	\$ 103,909,579

SUMMARY OF SYNOPSIS OF 2013 AUDIT REPORT
TWO RIVERS WATER RECLAMATION AUTHORITY
COMPARATIVE STATEMENT OF REVENUES,
EXPENSES AND CHANGES IN NET POSITION

	<u>For the Fiscal Years Ended October 31,</u>	
	<u>2013</u>	<u>2012</u>
Operating Revenues:		
Customer Municipalities	\$ 7,493,430	\$ 7,561,319
Participating Municipalities	5,758,129	5,690,609
Other Fees	854,164	667,586
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Total Operating Revenues	14,105,723	13,919,514
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Operating Expenses:		
Administration and General	2,008,391	1,683,019
Treatment Plant and Main Pumping Station	6,205,287	4,998,025
Lines and System Pumping Stations	970,531	1,141,716
Depreciation	2,976,946	2,957,887
Renewal and Replacement	31,022	75,873
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Total Operating Expenses	12,192,178	10,856,520
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Operating Income	1,913,546	3,062,994
Non-Operating Revenues/(Expenses) - Net	518,101	(1,271,827)
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Change in Net Position	2,431,646	1,791,166
Net Position, Beginning	72,310,068	70,518,901
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Net Position, Ending	\$ 74,741,714	\$ 72,310,068
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RECOMMENDATIONS
OCTOBER 31, 2013

It is recommended:

2013-1 That any changes made to the adopted budget be done by budget amendment in accordance with N.J.A.C. 40A:5A-17.

2013-2 That all new hires be enrolled in the Public Employees Retirement System timely.

*2013-3 That the general ledger be maintained accurately.

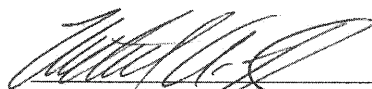
2013-4 That all bank reconciliations be prepared accurately.

2013-5 That the dormant Developers' Escrow cash accounts be reviewed for closure.

2013-6 That all records are retained in accordance with N.J.A.C. 14:3-7.8.

The preceding summary of synopsis was prepared from the report of audit of the Two Rivers Water Reclamation Authority, County of Monmouth, New Jersey, for the years ended October 31, 2013 and 2012. The report of audit, submitted by David A. Kaplan, Certified Public Accountant, for the firm DAK CPA, is on file at the Administration Building and may be inspected by any interested person.

A corrective action plan, which outlines actions the Two Rivers Water Reclamation Authority will take to correct the findings listed above, will be prepared in accordance with federal and state requirements. A copy of it will be placed on file and made available for public inspection in the office of the Executive Director of the Two Rivers Water Reclamation Authority within 45 days of this notice.



Michael A. Gianforte, P.E.
Executive Director