

**SUMMARY OR SYNOPSIS OF REPORT OF AUDIT
TWO RIVERS WATER RECLAMATION AUTHORITY**

**STATEMENTS OF NET POSITION
October 31, 2021 AND 2020**

	<u>2021</u>	<u>2020</u>
ASSETS AND DEFERRED OUTFLOWS OF RESOURCES		
Current Assets:		
Cash	\$ 2,115,018	\$ 4,484,117
Inventory	26,223	12,092
Sewer Billings Receivable	2,139,792	2,097,142
Other Accounts Receivable	52,525	82,435
Intergovernmental Accounts Receivable - Federal	<u>1,372,281</u>	<u>525,247</u>
Total Current Assets	<u>5,705,839</u>	<u>7,201,033</u>
Restricted Assets:		
Cash and Cash Equivalents	12,449,251	6,998,510
Investments	7,389,529	6,052,124
Accrued Interest Receivable	15,625	49,082
NJIB Drawdown Receivable	<u>404,743</u>	<u>2,885,199</u>
Total Restricted Assets	<u>20,259,148</u>	<u>15,984,915</u>
Capital Assets, Net of Depreciation	<u>71,255,609</u>	<u>70,056,751</u>
Deferred Outflows of Resources:		
Pension Deferrals	493,090	1,179,768
OPEB Deferrals	<u>2,259,127</u>	<u>1,897,235</u>
Total Deferred Outflows of Resources	<u>2,752,217</u>	<u>3,077,003</u>
Total Assets and Deferred Outflows of Resources	<u>\$ 99,972,813</u>	<u>\$ 96,319,702</u>
LIABILITIES, DEFERRED INFLOWS OF RESOURCES AND NET POSITION		
Current Liabilities:		
Accounts Payable	\$ 1,661,569	\$ 1,627,147
Accrued Expenses	245,828	420,832
Customer Overpayments	67,409	66,366
Unearned Revenue	1,011,550	983,651
Reserve for Developers' Deposits	68,074	121,888
Accrued Interest on Bonds Payable	23,716	25,920
NJIB Temporary Construction Loan	5,433,113	2,885,199
Revenue Bonds Payable - Current Portion	<u>238,779</u>	<u>233,779</u>
Total Current Liabilities	<u>8,750,038</u>	<u>6,364,782</u>
Noncurrent Liabilities:		
Net Pension Liability	4,572,315	6,526,116
Net OPEB Liability	8,697,314	8,267,107
Long-term Revenue Bonds Payable, net	2,484,361	2,723,140
Unemployment Claims Reserve	64,055	64,055
Compensated Absences Payable	<u>316,715</u>	<u>353,751</u>
Total Noncurrent Liabilities	<u>16,134,760</u>	<u>17,934,169</u>
Deferred Inflows of Resources:		
Pension Deferrals	3,144,607	2,840,355
OPEB Deferrals	<u>4,336,429</u>	<u>4,628,598</u>
Total Deferred Inflows of Resources	<u>7,481,036</u>	<u>7,468,953</u>
Net Position:		
Net Invested in Capital Assets	63,099,356	64,214,633
Restricted for:		
Debt Service	100,000	100,000
Renewal and Replacement	1,500,000	1,500,000
Dredging Project - Shrewsbury River	190,000	190,000
Unrestricted:		
Designated for:		
Collection System Improvements	400,000	400,000
Rate Stabilization	3,000,000	3,000,000
Unrestricted (Deficit)	<u>(682,377)</u>	<u>(4,852,835)</u>
Total Net Position	<u>67,606,979</u>	<u>64,551,798</u>
Total Liabilities, Deferred Inflows of Resources, and Net Position	<u>\$ 99,972,813</u>	<u>\$ 96,319,702</u>

**SUMMARY OR SYNOPSIS OF REPORT OF AUDIT
TWO RIVERS WATER RECLAMATION AUTHORITY**

**STATEMENTS OF REVENUES, EXPENSES AND
CHANGES IN NET POSITION
FOR THE YEARS ENDED OCTOBER 31, 2021 AND 2020**

	<u>2021</u>	<u>2020</u>
<u>Operating Revenues</u>		
Customer Municipalities - Annual Charges	\$ 6,221,240	\$ 6,830,981
Participating Municipalities - Service Charges	<u>6,438,732</u>	<u>6,074,293</u>
Total Operating Revenues	<u>12,659,972</u>	<u>12,905,274</u>
<u>Operating Expenses</u>		
Administration and General	1,030,072	1,930,328
Treatment Plant and Main Pumping Station	5,133,824	5,245,748
Lines and System Pumping Stations	1,322,685	1,005,404
Depreciation	<u>3,385,823</u>	<u>3,263,172</u>
Total Operating Expenses	<u>10,872,404</u>	<u>11,444,652</u>
Operating Income	<u>1,787,568</u>	<u>1,460,622</u>
<u>Nonoperating Revenues / (Expenses)</u>		
Interest on Bonds	(61,112)	(153,946)
Interest Income	131,090	243,903
Federal Emergency Management Agency	899,560	525,246
Connection Fees	211,440	112,700
Miscellaneous Income	<u>86,635</u>	<u>442,265</u>
Total Nonoperating Revenues/(Expenditures)	<u>1,267,613</u>	<u>1,170,168</u>
Changes in Net Position	<u>3,055,181</u>	<u>2,630,790</u>
Total Net Position - Beginning (Restated)	<u>64,551,798</u>	<u>61,921,008</u>
Total Net Position - Ending	<u>\$ 67,606,979</u>	<u>\$ 64,551,798</u>

TWO RIVERS WATER RECLAMATION AUTHORITY
SYNOPSIS OF AUDIT
OCTOBER 31, 2021

RECOMMENDATIONS

1. It is recommended the Authority encumber funds and issue purchase orders prior to acquiring goods and services.

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The above summary or synopsis was prepared from the Report of Audit of the Two Rivers Water Reclamation Authority, Monmouth County, New Jersey for the fiscal year 2021. The financial data included in the summary or synopsis is presented in the form prescribed by the Local Finance Board, Department of Community Affairs, State of New Jersey. Readers are cautioned that the summary or synopsis was prepared solely for the purpose of compliance with the public disclosure provisions of N.J.S.A. 40A:5-76, and accordingly, the summary or synopsis should not be relied upon for any other purpose. The Report of Audit, submitted by PKF O'Connor Davies, LLP, is on file at the office of the Two Rivers Water Reclamation Authority, 1 Highland Avenue, Monmouth Beach, New Jersey 07750 and may be inspected by any interested person.