

SYNOPSIS OF THE AUDIT REPORT OF THE
 RAHWAY VALLEY SEWERAGE AUTHORITY
 FOR THE FISCAL YEAR ENDED DECEMBER 31, 2020 AND 2019
AS REQUIRED BY N.J. S. 40A:5A-16

STATEMENTS OF NET POSITION

	<u>2020</u>	<u>2019</u>
<u>ASSETS</u>		
Cash and Cash Equivalents	\$ 9,598,841	\$ 9,606,869
Receivables	1,025,310	1,038,825
Prepaid Expenses	92,244	142,844
Other Receivable	3,958,361	4,245,867
Property, Plant and Equipment, at Cost	\$ 282,364,342	\$ 279,764,638
Less: Accumulated Depreciation	<u>110,143,381</u>	<u>100,917,362</u>
<u>Net Property, Plant and Equipment</u>	\$ 172,220,961	\$ 178,847,276
Deferred Outflows of Resources – Pension Related	1,293,649	2,351,700
Deferred Outflows of Resources - OPEB Related	<u>5,191,200</u>	<u>841,625</u>
<u>TOTAL ASSETS</u>	\$ <u>193,380,566</u>	\$ <u>197,075,006</u>
<u>LIABILITIES</u>		
Accounts Payable and Accrued Expenses	\$ 2,512,981	\$ 2,328,673
Bonds Payable	122,848,527	131,182,222
Accrued Interest Payable	508,029	627,824
NJIB Interim Financing	6,567,507	6,567,507
Net Pension Liability	9,314,465	10,783,169
OPEB Related	<u>15,156,453</u>	<u>10,174,860</u>
Total Liabilities	\$ 156,907,962	\$ 161,664,255
Deferred Inflows of Resources - Credits on Debt Refunding	\$ 1,259,267	\$ 1,616,874
Deferred Inflows of Resources - Pension Related	4,503,632	4,066,414
Deferred Inflows of Resources - OPEB Related	7,582,411	8,216,464
Deferred Inflows of Resources - Deferred Bond Premium	<u>46,857</u>	<u>50,307</u>
<u>Total Deferred Inflows of Resources</u>	\$ 13,392,167	\$ 13,950,059
<u>NET POSITION</u>		
Net Investment in Capital Assets	\$ 41,620,652	\$ 39,661,787
Unrestricted	(27,581,232)	(27,762,615)
Restricted	<u>9,041,017</u>	<u>9,561,520</u>
<u>Total Net Position</u>	\$ <u>23,080,437</u>	\$ <u>21,460,692</u>
<u>TOTAL LIABILITIES, DEFERRED INFLOWS AND NET POSITION</u>	\$ <u>193,380,566</u>	\$ <u>197,075,006</u>

STATEMENTS OF REVENUES, EXPENSES
AND CHANGES IN NET POSITION
FOR THE YEARS ENDED DECEMBER 31, 2020 AND 2019

	<u>2020</u>	<u>2019</u>
Operating Revenues:		
Member Annual Assessments	\$ 27,052,500	\$ 26,290,500
Discharge, Permit and Other Fees	1,533,340	1,507,629
Other Income, Net	<u>20,740</u>	<u>8,843</u>
<u>Total Operating Revenues</u>	\$ 28,606,580	\$ 27,806,972
Operating Expenses:		
Costs of Providing Services	\$ 10,990,893	\$ 9,879,345
General and Administrative	3,404,733	3,498,608
Pension Expense Charge	26,566	482,700
OPEB Expense Charge/(Adjustment)	(2,035)	(498,030)
Depreciation	<u>9,243,843</u>	<u>8,961,850</u>
<u>Total Operating Expenses</u>	\$ 23,664,000	\$ 22,324,473
<u>Operating Income</u>	\$ 4,942,580	\$ 5,482,499
Non-Operating Revenues (Expenses):		
Interest Income	\$ 162,770	\$ 246,496
Grant Income and Loan Forgiveness	683,092	225,000
Interest Expense, Net	<u>(4,168,697)</u>	<u>(4,286,343)</u>
<u>Net Income (Loss)</u>	\$ 1,619,745	\$ 1,667,652
Net Position, Beginning of Year - As Originally Reported	\$ <u>21,460,692</u>	\$ <u>19,793,040</u>
Net Position, End of Year	\$ <u>23,080,437</u>	\$ <u>21,460,692</u>

FINDINGS AND RECOMMENDATIONS

NONE

The above summary or synopsis was prepared from the report of audit of the Rahway Valley Sewerage Authority, County of Union, for the years ended December 31, 2020 and 2019. This report of audit, submitted by Suplee, Clooney & Company, Certified Public Accountants, is on file at the Executive Director's Office and may be inspected by any interested person.


EXECUTIVE DIRECTOR