

BASIC FINANCIAL STATEMENTS

THE BORDENTOWN SEWERAGE AUTHORITY
STATEMENT OF NET POSITION
NOVEMBER 30, 2013 AND 2012

ASSETS	<u>2013</u>	<u>2012</u>
Current Assets:		
Cash and Cash Equivalents	\$ 2,776,234	\$ 2,492,803
Investments	874	425,082
Accounts Receivable:		
Consumer Accounts Receivable	150,769	104,701
Unbilled Revenue	10,640	-
Other	-	175
Prepaid Expenses	8,290	8,217
Total Current Assets	<u>2,946,807</u>	<u>3,030,978</u>
Noncurrent Assets:		
Restricted Assets:		
Revenue Account		
Cash and Cash Equivalents	5,161	5,607
Operating Account		
Cash and Cash Equivalents	836,199	675,222
Investments	152,111	291,861
Debt Service Account		
Cash and Cash Equivalents	1,978,779	1,461,696
Debt Service Reserve Account		
Cash and Cash Equivalents	283,298	691,692
Investments	1,994,226	1,639,105
Debt Service Reduction Account		
Cash and Cash Equivalents	500,005	989,339
Investments	-	10,630
Renewal and Replacement Account		
Cash and Cash Equivalents	400,000	400,000
Unexpended Bond Proceeds		
Cash Held by NJEIT	495,400	2,597,917
Accrued Interest Receivable	2,155	2,594
Total Restricted Assets	<u>6,647,334</u>	<u>8,765,663</u>
Capital Assets		
Land	2,264,000	2,264,000
Buildings, Plant and Equipment (Net of Accumulated Depreciation)	22,221,365	21,490,989
Construction in Progress	-	214,980
Total Capital Assets	<u>24,485,365</u>	<u>23,969,969</u>
Total Assets	<u>34,079,506</u>	<u>35,766,610</u>
Deferred Outflows of Resources		
Unamortized Charge on Refunding Bonds	690,268	796,389
Total Deferred Outflows of Resources	<u>\$ 690,268</u>	<u>\$ 796,389</u>

See Notes to Financial Statements.

THE BORDENTOWN SEWERAGE AUTHORITY
STATEMENT OF NET POSITION
NOVEMBER 30, 2013 AND 2012

	2013	2012
LIABILITIES		
Current Liabilities:		
Accounts Payable	\$ 25,330	\$ 36,398
Payroll Deductions Payable	3,959	4,080
Deposits for Future Claims		
Deposits for Connection Fees	544,848	460,337
Developers' Escrow Deposits	91,426	91,671
State Unemployment Compensation	24,667	24,042
	690,230	616,528
Current Liabilities Payable From Restricted Assets:		
Revenue Bonds Payable - Current Portion	1,153,922	1,039,082
Bond Interest Payable	403,164	422,614
	1,557,086	1,461,696
Noncurrent Liabilities		
Revenue Bonds Payable - Net of Unamortized Costs	20,320,860	21,706,461
Compensated Absences	65,253	62,469
	20,386,113	21,768,930
Total Liabilities	22,633,429	23,847,154
NET POSITION		
Net Position:		
Investment in Capital Assets, Net of Related Debt	4,196,251	4,618,732
Restricted Net Position:		
Reserved for Debt Service	4,355,299	4,369,848
Reserved for Operating Costs	987,858	965,473
Reserved for Renewal and Replacement	400,000	400,000
Unrestricted Net Position	2,196,937	2,361,792
	12,136,345	12,715,845
Total Net Position	\$ 12,136,345	\$ 12,715,845

See Notes to Financial Statements.

THE BORDENTOWN SEWERAGE AUTHORITY
COMPARATIVE STATEMENT OF REVENUES AND EXPENSES
AND CHANGES IN NET POSITION
FOR THE YEARS ENDED NOVEMBER 30, 2013 AND 2012

	2013	2012
Operating Revenues		
User Charges and Fees	\$ 3,726,886	\$ 3,695,462
Delinquent Penalties	18,056	15,859
Connection Fees	571,619	26,870
Miscellaneous	110,997	75,039
Total Operating Revenues	4,427,558	3,813,230
Operating Expenses:		
Personnel Services	876,195	867,748
Employee Benefits	525,947	522,806
Administrative Expenses	328,660	358,696
Operations and Maintenance	778,301	730,405
Depreciation	1,534,063	1,536,405
Total Operating Expenses	4,043,166	4,016,060
Operating Income	384,392	(202,830)
Non-Operating Revenues (Expenses):		
Investment Income / (Loss)	(70,411)	132,685
Refund of Prior Year Revenue	-	(31,212)
Interest Expense	(893,481)	(927,719)
Bond Issuance Costs	-	(79,799)
Total Non-Operating Revenues (Expenses)	(963,892)	(906,045)
Income (Loss)	(579,500)	(1,108,875)
Capital Contributions:		
Capital Assets Acquired through Contribution	-	507,000
Capital Grant - ARRA Principal Forgiveness	-	448,560
Change in Net Position	(579,500)	(153,315)
Net Position, December 1	12,715,845	13,332,428
Prior Period Adjustment-Cumulative Effect	-	(463,268)
Net Position, December 1 as Restated	12,715,845	12,869,160
Net Position, November 30	\$ 12,136,345	\$ 12,715,845

See Notes to Financial Statements.

THE BORDENTOWN SEWERAGE AUTHORITY
COMPARATIVE STATEMENT OF CASH FLOWS
FOR THE YEARS ENDED NOVEMBER 30, 2013 AND 2012

	2013	2012
Cash Flows From Operating Activities:		
Cash Received from Customers and Users	\$ 4,455,536	\$ 4,069,884
Cash Payments for Goods and Supplies	(1,119,791)	(1,108,029)
Cash Payments for Employee Expenses	(1,399,358)	(1,397,861)
Net Cash Provided by Operating Activities	1,936,387	1,563,994
Cash Flows From Capital and Related Financing Activities:		
General and Construction Outlays	(2,047,511)	(860,066)
Proceeds of Bonds	-	1,757,120
Capital Grant	-	448,560
Bond Premium / (Discount)	-	112,458
Cost of Issuance	-	(79,800)
Debt Service:		
Principal	(1,251,043)	(999,082)
Interest	(826,528)	(839,569)
Net Cash (Used) or Provided by Capital and Related Financing Activities	(4,125,082)	(460,379)
Cash Flows From Investing Activities:		
Investment Income	(69,972)	134,391
Net Change in Investments	219,467	1,351,995
Net Cash (Used) Or Provided by Investing Activities	149,495	1,486,386
Net Cash Increase (Decrease) for the Year	(2,039,200)	2,590,001
Cash at Beginning of Year	9,314,276	6,724,275
Cash at End of Year	\$ 7,275,076	\$ 9,314,276
Noncash Investing, Capital and Financing Activities		
Capital Assets Acquired through Contribution	\$ -	\$ 507,000

See Notes to Financial Statements.

THE BORDENTOWN SEWERAGE AUTHORITY
COMPARATIVE STATEMENT OF CASH FLOWS
FOR THE YEARS ENDED NOVEMBER 30, 2013 AND 2012

Reconciliation of Operating Income to Net Cash Used by Operating Activities:	<u>2013</u>	<u>2012</u>
Operating Income	\$ 384,392	\$ (202,830)
Adjustments to Reconcile Operating Income to Net Cash Used by Operating Activities:		
Depreciation	1,534,063	1,536,405
Other Nonoperating Expenses	-	(31,211)
(Increase) Decrease in:		
Accounts Receivable	(56,533)	(8,498)
Prepaid Expenses	(73)	167
(Decrease) Increase in:		
Accounts Payable	(11,068)	12,703
Payroll Deductions Payable	(121)	1,018
Deposits for Connection Fees	84,511	265,152
Developers' Escrow Deposits	(245)	(2,357)
Reserve for Unemployment Insurance	625	752
Compensated Absences	2,784	(7,307)
Total Adjustments	<u>1,553,943</u>	<u>1,766,824</u>
Net Cash Provided by Operating Activities	<u>\$ 1,938,335</u>	<u>\$ 1,563,994</u>
 <u>Reconciliation of Cash to the Statement of Net Position</u>		
Current Assets:		
Cash	\$ 2,776,234	\$ 2,492,803
Restricted Assets:		
Cash	<u>4,498,842</u>	<u>6,821,473</u>
	<u>\$ 7,275,076</u>	<u>\$ 9,314,276</u>