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	BASIC FINANCIAL STATEMENTS
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## THE BORDENTOWN SEWERAGE AUTHORITY STATEMENT OF NET POSITION NOVEMBER 30, 2013 AND 2012

ASSETS  Current Assets: Cash and Cash Equivalents Investments Accounts Receivable: Consumer Accounts Receivable Unbilled Revenue Other Prepaid Expenses  Total Current Assets: Restricted Assets: Revenue Account Cash and Cash Equivalents Operating Account Cash and Cash Equivalents Investments Debt Service Account Cash and Cash Equivalents Debt Service Reserve Account Cash and Cash Equivalents Debt Service Reserve Account Cash and Cash Equivalents Investments Debt Service Reserve Account Cash and Cash Equivalents Investments Debt Service Reduction Account Cash and Cash Equivalents	\$ 2,776,23 <sup>2</sup> 87 <sup>4</sup> 150,769	, ,
Cash and Cash Equivalents Investments Accounts Receivable: Consumer Accounts Receivable Unbilled Revenue Other Prepaid Expenses  Total Current Assets  Noncurrent Assets: Restricted Assets: Revenue Account Cash and Cash Equivalents Operating Account Cash and Cash Equivalents Investments Debt Service Account Cash and Cash Equivalents Debt Service Reserve Account Cash and Cash Equivalents Debt Service Reserve Account Cash and Cash Equivalents Investments Debt Service Reserve Account	874	, ,
Investments Accounts Receivable: Consumer Accounts Receivable Unbilled Revenue Other Prepaid Expenses  Total Current Assets  Noncurrent Assets: Restricted Assets: Revenue Account Cash and Cash Equivalents Operating Account Cash and Cash Equivalents Investments Debt Service Account Cash and Cash Equivalents Debt Service Reserve Account Cash and Cash Equivalents Debt Service Reserve Account Cash and Cash Equivalents Debt Service Reserve Account Cash and Cash Equivalents Investments Debt Service Reduction Account	874	, ,
Accounts Receivable:     Consumer Accounts Receivable     Unbilled Revenue     Other Prepaid Expenses  Total Current Assets  Noncurrent Assets: Restricted Assets: Revenue Account     Cash and Cash Equivalents Operating Account     Cash and Cash Equivalents     Investments Debt Service Account Cash and Cash Equivalents Debt Service Reserve Account Cash and Cash Equivalents Debt Service Reserve Account Cash and Cash Equivalents Debt Service Reserve Account Cash and Cash Equivalents Investments Debt Service Reduction Account		425,082
Consumer Accounts Receivable Unbilled Revenue Other Prepaid Expenses  Total Current Assets  Noncurrent Assets: Restricted Assets: Revenue Account Cash and Cash Equivalents Operating Account Cash and Cash Equivalents Investments Debt Service Account Cash and Cash Equivalents Debt Service Reserve Account Cash and Cash Equivalents Debt Service Reserve Account Cash and Cash Equivalents Debt Service Reserve Account Cash and Cash Equivalents Investments Debt Service Reduction Account	150,769	
Unbilled Revenue Other Prepaid Expenses  Total Current Assets  Noncurrent Assets: Restricted Assets: Revenue Account Cash and Cash Equivalents Operating Account Cash and Cash Equivalents Investments Debt Service Account Cash and Cash Equivalents Debt Service Reserve Account Cash and Cash Equivalents Debt Service Reserve Account Cash and Cash Equivalents Debt Service Reserve Account Cash and Cash Equivalents Investments Debt Service Reduction Account	150,769	
Other Prepaid Expenses  Total Current Assets  Noncurrent Assets: Restricted Assets: Revenue Account Cash and Cash Equivalents Operating Account Cash and Cash Equivalents Investments Debt Service Account Cash and Cash Equivalents Debt Service Reserve Account Cash and Cash Equivalents Debt Service Reserve Account Cash and Cash Equivalents Investments Debt Service Reduction Account		,
Prepaid Expenses  Total Current Assets  Noncurrent Assets:  Restricted Assets:  Revenue Account  Cash and Cash Equivalents Operating Account  Cash and Cash Equivalents Investments  Debt Service Account  Cash and Cash Equivalents Debt Service Reserve Account  Cash and Cash Equivalents  Debt Service Reserve Account  Cash and Cash Equivalents  Debt Service Reduction Account	10,640	
Total Current Assets  Noncurrent Assets: Restricted Assets: Revenue Account Cash and Cash Equivalents Operating Account Cash and Cash Equivalents Investments Debt Service Account Cash and Cash Equivalents Debt Service Reserve Account Cash and Cash Equivalents Debt Service Reserve Account Cash and Cash Equivalents Investments Debt Service Reduction Account	0.00	175
Noncurrent Assets:  Restricted Assets:  Revenue Account  Cash and Cash Equivalents  Operating Account  Cash and Cash Equivalents  Investments  Debt Service Account  Cash and Cash Equivalents  Debt Service Reserve Account  Cash and Cash Equivalents  Debt Service Reserve Account  Cash and Cash Equivalents  Investments  Debt Service Reduction Account	8,290	8,217
Restricted Assets: Revenue Account Cash and Cash Equivalents Operating Account Cash and Cash Equivalents Investments Debt Service Account Cash and Cash Equivalents Debt Service Reserve Account Cash and Cash Equivalents Debt Service Reserve Account Cash and Cash Equivalents Investments Debt Service Reduction Account	2,946,807	3,030,978
Revenue Account Cash and Cash Equivalents Operating Account Cash and Cash Equivalents Investments Debt Service Account Cash and Cash Equivalents Debt Service Reserve Account Cash and Cash Equivalents Investments Debt Service Reduction Account		
Cash and Cash Equivalents Operating Account Cash and Cash Equivalents Investments Debt Service Account Cash and Cash Equivalents Debt Service Reserve Account Cash and Cash Equivalents Investments Debt Service Reduction Account		
Cash and Cash Equivalents Operating Account Cash and Cash Equivalents Investments Debt Service Account Cash and Cash Equivalents Debt Service Reserve Account Cash and Cash Equivalents Investments Debt Service Reduction Account		
Operating Account Cash and Cash Equivalents Investments Debt Service Account Cash and Cash Equivalents Debt Service Reserve Account Cash and Cash Equivalents Investments Debt Service Reduction Account	5,161	5 607
Cash and Cash Equivalents Investments Debt Service Account Cash and Cash Equivalents Debt Service Reserve Account Cash and Cash Equivalents Investments Debt Service Reduction Account	3,101	5,607
Investments Debt Service Account Cash and Cash Equivalents Debt Service Reserve Account Cash and Cash Equivalents Investments Debt Service Reduction Account	926 100	(75.000
Debt Service Account Cash and Cash Equivalents Debt Service Reserve Account Cash and Cash Equivalents Investments Debt Service Reduction Account	836,199 152,111	,
Cash and Cash Equivalents Debt Service Reserve Account Cash and Cash Equivalents Investments Debt Service Reduction Account	132,111	291,861
Debt Service Reserve Account Cash and Cash Equivalents Investments Debt Service Reduction Account	1,978,779	1 461 606
Cash and Cash Equivalents Investments Debt Service Reduction Account	1,976,779	1,461,696
Investments Debt Service Reduction Account	283,298	691,692
Debt Service Reduction Account	1,994,226	,
	1,994,220	1,639,105
	500,005	989,339
Investments	500,005	10,630
Renewal and Replacement Account		10,050
Cash and Cash Equivalents	400,000	400,000
Unexpended Bond Proceeds	100,000	100,000
Cash Held by NJEIT	495,400	2,597,917
Accrued Interest Receivable	2,155	2,594
Total Restricted Assets	6,647,334	8,765,663
	0,017,001	0,, 05,005
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	24,485,365	23,969,969
Total Assets	34,079,506	35,766,610
Deferred Outflows of Resources		
Unamortized Charge on Refunding Bonds		
Total Deferred Outflows of Resources	690,268	796,389

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

Payroll Deductions Payable         3,959         4           Deposits for Future Claims         544,848         466           Developers' Escrow Deposits         91,426         91           State Unemployment Compensation         24,667         24           Current Liabilities Payable From Restricted Assets:         690,230         616           Revenue Bonds Payable - Current Portion         1,153,922         1,035           Bond Interest Payable         403,164         422           Total Current Liabilities Payable From Restricted Assets         1,557,086         1,461           Noncurrent Liabilities         20,320,860         21,706           Compensated Absences         65,253         62           Total Noncurrent Liabilities         20,386,113         21,768           Total Noncurrent Liabilities         20,386,113         21,768           Total Liabilities         22,633,429         23,847           NET POSITION         Net Position:         1,196,251         4,618           Reserved for Debt Service         4,355,299         4,365           Reserved for Operating Costs         987,858         965           Reserved for Renewal and Replacement         400,000         400		2013	2012
Accounts Payable   \$ 25,330	LIABILITIES		
Payroll Deductions Payable         3,959         4           Deposits for Future Claims         544,848         466           Developers' Escrow Deposits         91,426         91           State Unemployment Compensation         24,667         24           Current Liabilities Payable From Restricted Assets:         690,230         616           Revenue Bonds Payable - Current Portion         1,153,922         1,035           Bond Interest Payable         403,164         422           Total Current Liabilities Payable From Restricted Assets         1,557,086         1,461           Noncurrent Liabilities         20,320,860         21,706           Compensated Absences         65,253         62           Total Noncurrent Liabilities         20,386,113         21,768           Total Noncurrent Liabilities         20,386,113         21,768           Total Liabilities         22,633,429         23,847           NET POSITION         Net Position:         1,196,251         4,618           Reserved for Debt Service         4,355,299         4,365           Reserved for Operating Costs         987,858         965           Reserved for Renewal and Replacement         400,000         400	Current Liabilities:		
Deposits for Future Claims   Deposits for Connection Fees   544,848   466   Developers' Escrow Deposits   91,426   91   State Unemployment Compensation   24,667   24   690,230   616   690,	Accounts Payable	\$ 25,330	
Deposits for Connection Fees   544,848   466   Developers' Escrow Deposits   91,426   91   State Unemployment Compensation   24,667   24   690,230   616   6	Payroll Deductions Payable	3,959	4,080
Developers' Escrow Deposits   91,426   91     State Unemployment Compensation   24,667   24     Current Liabilities Payable From Restricted Assets:   Revenue Bonds Payable - Current Portion   1,153,922   1,035     Bond Interest Payable   403,164   422     Total Current Liabilities Payable From Restricted Assets   1,557,086   1,461     Noncurrent Liabilities   Revenue Bonds Payable - Net of Unamortized Costs   20,320,860   21,706     Compensated Absences   65,253   62     Total Noncurrent Liabilities   20,386,113   21,768     Total Liabilities   22,633,429   23,847     NET POSITION     Net Position:   Investment in Capital Assets, Net of Related Debt   4,196,251   4,618     Restricted Net Position:   Reserved for Debt Service   4,355,299   4,366     Reserved for Operating Costs   987,858   965     Reserved for Renewal and Replacement   400,000   400     Reserved for Renewal and Replacement   400,000   400     Current Liabilities   24,667   24     Current Liabilities   22,633,429   23,847     Current Liabilities   22,6	Deposits for Future Claims		
State Unemployment Compensation   24,667   24	Deposits for Connection Fees	-	460,337
Current Liabilities Payable From Restricted Assets:   Revenue Bonds Payable - Current Portion   1,153,922   1,035     Bond Interest Payable   403,164   422     Total Current Liabilities Payable From Restricted Assets   1,557,086   1,461     Noncurrent Liabilities   Revenue Bonds Payable - Net of Unamortized Costs   20,320,860   21,706     Compensated Absences   65,253   62     Total Noncurrent Liabilities   20,386,113   21,768     Total Liabilities   22,633,429   23,847     NET POSITION     Net Position:   Investment in Capital Assets, Net of Related Debt   4,196,251   4,618     Restricted Net Position:   Reserved for Debt Service   4,355,299   4,366     Reserved for Operating Costs   987,858   965     Reserved for Renewal and Replacement   400,000   400     Additional Contract of the	Developers' Escrow Deposits	91,426	91,671
Current Liabilities Payable From Restricted Assets:           Revenue Bonds Payable - Current Portion         1,153,922         1,035           Bond Interest Payable         403,164         422           Total Current Liabilities Payable From Restricted Assets         1,557,086         1,461           Noncurrent Liabilities         20,320,860         21,706           Compensated Absences         65,253         62           Total Noncurrent Liabilities         20,386,113         21,768           Total Liabilities         22,633,429         23,847           NET POSITION           Net Position:         3,196,251         4,618           Restricted Net Position:         4,196,251         4,618           Reserved for Debt Service         4,355,299         4,365           Reserved for Operating Costs         987,858         965           Reserved for Renewal and Replacement         400,000         400	State Unemployment Compensation	24,667	24,042
Revenue Bonds Payable - Current Portion         1,153,922         1,035           Bond Interest Payable         403,164         422           Total Current Liabilities Payable From Restricted Assets         1,557,086         1,461           Noncurrent Liabilities         20,320,860         21,706           Compensated Absences         65,253         62           Total Noncurrent Liabilities         20,386,113         21,768           Total Liabilities         22,633,429         23,847           NET POSITION           Net Position:         1nvestment in Capital Assets, Net of Related Debt         4,196,251         4,618           Restricted Net Position:         28,2633,429         4,365         4,365           Reserved for Debt Service         4,355,299         4,365         4,365           Reserved for Operating Costs         987,858         965           Reserved for Renewal and Replacement         400,000         400		690,230	616,528
Revenue Bonds Payable - Current Portion         1,153,922         1,035           Bond Interest Payable         403,164         422           Total Current Liabilities Payable From Restricted Assets         1,557,086         1,461           Noncurrent Liabilities         20,320,860         21,706           Compensated Absences         65,253         62           Total Noncurrent Liabilities         20,386,113         21,768           Total Liabilities         22,633,429         23,847           NET POSITION           Net Position:         1nvestment in Capital Assets, Net of Related Debt         4,196,251         4,618           Restricted Net Position:         Reserved for Debt Service         4,355,299         4,369           Reserved for Operating Costs         987,858         963           Reserved for Renewal and Replacement         400,000         400	Current Liabilities Payable From Restricted Assets:		
Bond Interest Payable		1,153,922	1,039,082
Noncurrent Liabilities           Revenue Bonds Payable - Net of Unamortized Costs         20,320,860         21,706           Compensated Absences         65,253         62           Total Noncurrent Liabilities         20,386,113         21,768           Total Liabilities         22,633,429         23,847           NET POSITION           Net Position:           Investment in Capital Assets, Net of Related Debt         4,196,251         4,618           Restricted Net Position:         4,355,299         4,369           Reserved for Debt Service         4,355,299         4,369           Reserved for Operating Costs         987,858         965           Reserved for Renewal and Replacement         400,000         400	<del>_</del> <del>-</del>	403,164	422,614
Revenue Bonds Payable - Net of Unamortized Costs	Total Current Liabilities Payable From Restricted Assets	1,557,086	1,461,696
Compensated Absences         65,253         62           Total Noncurrent Liabilities         20,386,113         21,768           Total Liabilities         22,633,429         23,847           NET POSITION           Net Position:           Investment in Capital Assets, Net of Related Debt         4,196,251         4,618           Restricted Net Position:         4,355,299         4,369           Reserved for Debt Service         4,355,299         4,369           Reserved for Operating Costs         987,858         965           Reserved for Renewal and Replacement         400,000         400	Noncurrent Liabilities		
Compensated Absences         65,253         62           Total Noncurrent Liabilities         20,386,113         21,768           Total Liabilities         22,633,429         23,847           NET POSITION           Net Position:           Investment in Capital Assets, Net of Related Debt         4,196,251         4,618           Restricted Net Position:         4,355,299         4,369           Reserved for Debt Service         4,355,299         4,369           Reserved for Operating Costs         987,858         965           Reserved for Renewal and Replacement         400,000         400		20,320,860	21,706,461
NET POSITION   22,633,429   23,847	•		62,469
NET POSITION  Net Position: Investment in Capital Assets, Net of Related Debt 4,196,251 4,618 Restricted Net Position: Reserved for Debt Service 4,355,299 4,369 Reserved for Operating Costs 987,858 965 Reserved for Renewal and Replacement 400,000 400	Total Noncurrent Liabilities	20,386,113	21,768,930
Net Position: Investment in Capital Assets, Net of Related Debt 4,196,251 4,618 Restricted Net Position: Reserved for Debt Service 4,355,299 4,369 Reserved for Operating Costs 987,858 965 Reserved for Renewal and Replacement 400,000 400	Total Liabilities	22,633,429	23,847,154
Investment in Capital Assets, Net of Related Debt 4,196,251 4,618 Restricted Net Position: Reserved for Debt Service 4,355,299 4,369 Reserved for Operating Costs 987,858 965 Reserved for Renewal and Replacement 400,000 400	NET POSITION		
Restricted Net Position:  Reserved for Debt Service 4,355,299 4,369 Reserved for Operating Costs 987,858 965 Reserved for Renewal and Replacement 400,000 400	Net Position:		
Reserved for Debt Service4,355,2994,365Reserved for Operating Costs987,858965Reserved for Renewal and Replacement400,000400		4,196,251	4,618,732
Reserved for Operating Costs 987,858 965 Reserved for Renewal and Replacement 400,000 400		4,355,299	4,369,848
Reserved for Renewal and Replacement 400,000 400	Reserved for Operating Costs		965,473
Unrestricted Net Position 2,196,937 2,367			400,000
	Unrestricted Net Position	2,196,937	2,361,792
Total Net Position \$ 12,136,345 \$ 12,715	Total Net Position	\$ 12.136.345	\$ 12,715,845

# 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	6 2 70 ( 00 (	<b># 9.505.455</b>
Delinquent Penalties	\$ 3,726,886	\$ 3,695,462
Connection Fees	18,056	15,859
Miscellaneous	571,619	26,870
Missonancous	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	
	1,554,005	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	<u> </u>	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	12,713,013	(463,268)
Net Position, December 1 as Restated	12,715,845	12,869,160
Net Position, November 30		\$ 12,715,845

### 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)
Cash Fayinents for Employee Expenses	(1,399,330)	(1,377,001)
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	le.	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

### 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:	2013	2012
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	<u> </u>	(31,211)
(Increase) Decrease in:		ζ, /
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	1,553,943	1,766,824
Net Cash Provided by Operating Activities	\$ 1,938,335 \$	1,563,994
Reconciliation of Cash to the Statement of Net Position		
Current Assets:		
Cash	\$ 2,776,234 \$	2,492,803
Restricted Assets:		
Cash	4,498,842	6,821,473
	\$ 7,275,076 \$	9,314,276