

SYNOPSIS OF THE AUDIT REPORT OF THE
 RAHWAY VALLEY SEWERAGE AUTHORITY
 FOR THE YEARS ENDED DECEMBER 31, 2021 AND 2020
AS REQUIRED BY N.J.S.40A:5A-16
STATEMENTS OF NET POSITION

	<u>2021</u>	<u>2020</u>
<u>ASSETS</u>		
Cash and Cash Equivalents	\$ 9,296,367	\$ 10,514,542
Trade Receivables	110,566	109,609
Other Current Assets	430,600	210,818
Total Current Assets	<u>9,837,533</u>	<u>10,834,969</u>
Fixed Assets	284,224,060	282,364,342
Less: Accumulated Depreciation	119,710,057	110,143,381
Net Fixed Assets	<u>164,514,003</u>	<u>172,220,961</u>
Other Receivable – Long Term	3,717,755	3,839,787
Deferred Outflow of Resources – Pension Related	1,094,563	1,293,649
Deferred Outflow of Resources – OPEB Related	4,589,429	5,191,200
<u>TOTAL ASSETS</u>	<u>\$ 183,753,283</u>	<u>\$ 193,380,566</u>
<u>LIABILITIES AND NET POSITION</u>		
Liabilities:		
Accounts Payable	\$ 901,660	\$ 2,512,981
NJIB Interim Financing	---	6,567,507
Bonds Payable	120,556,793	122,848,527
Accrued Interest Payable	400,578	508,029
Net Pension Liability	7,238,585	9,314,465
Net OPEB Liability	14,836,680	15,156,453
Total Liabilities	<u>145,123,353</u>	<u>156,907,962</u>
Deferred Inflows of Resources – Credits on Debt Refundings	901,660	1,259,267
Deferred Inflows of Resources – Pension Related	4,963,719	4,503,632
Deferred Inflows of Resources – OPEB Related	7,260,976	7,582,411
Deferred Inflows of Resources – Deferred Bond Premium	80,700	46,857
Total Deferred Inflows of Resources	<u>13,207,055</u>	<u>13,392,167</u>
Net Position:		
Invested in Capital Assets, Net of Related Liabilities	42,774,011	41,620,652
Unrestricted	(26,032,171)	(27,581,232)
Restricted	8,681,035	9,041,017
Total Net Position	<u>25,422,875</u>	<u>23,080,437</u>
<u>TOTAL LIABILITIES, DEFERRED OUTFLOWS AND NET POSITION</u>	<u>\$ 183,753,283</u>	<u>\$ 193,380,566</u>

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

	<u>2021</u>	<u>2020</u>
Operating Revenues:		
Member Annual Assessments	\$ 27,426,500	\$ 27,052,500
Discharge, Permit and Other Fees	1,270,788	1,316,211
Food Waste Fees	170,476	217,129
Other Income, Net	177,259	20,740
<u>Total Operating Revenues</u>	<u>29,045,023</u>	<u>28,606,580</u>
Operating Expenses:		
Costs of Providing Services	10,872,569	10,990,893
General and Administrative	3,766,189	3,404,733
Depreciation	9,566,677	9,243,843
Pension and OPEB Expense Adjustments	(1,456,144)	24,531
<u>Total Operating Expenses</u>	<u>22,749,291</u>	<u>23,664,000</u>
<u>Operating Income (Loss)</u>	<u>6,295,732</u>	<u>4,942,580</u>
Non-Operating Revenues (Expenses):		
Interest Income	142,880	162,770
Interest Expense	(4,127,531)	(4,168,697)
Grants	31,357	683,092
<u>Total Non-Operating Revenues (Expenses)</u>	<u>(3,953,294)</u>	<u>(3,322,835)</u>
Net Income (Loss)	2,342,438	1,619,745
Net Position, Beginning of Year	23,080,437	21,460,692
Net Position, End of Year	\$ <u><u>25,422,875</u></u>	\$ <u><u>23,080,437</u></u>

FINDINGS AND RECOMMENDATIONS

We recommend that a control procedure be implemented to ensure that the computed amounts for payment for the Sick/Sellback program are accurately paid and reconcile to the calculations performed.

We recommend that a control procedure be implemented to ensure that the amounts withheld in payroll are correct and that the employee deduction amounts are accurately reported and remitted.

The above summary or synopsis was prepared from the report of audit of the Rahway Valley Sewerage Authority for the years ended December 31, 2021 and 2020. 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