

**CAMDEN COUNTY
MUNICIPAL UTILITIES AUTHORITY**

REPORT OF AUDIT

**WITH
SUPPLEMENTARY INFORMATION**

**FOR THE YEARS ENDED
DECEMBER 31, 2023 AND 2022**



CAMDEN COUNTY MUNICIPAL UTILITIES AUTHORITY
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CAMDEN COUNTY MUNICIPAL UTILITIES AUTHORITY

Roster of Officials
December 31, 2023

Commissioners

Michael G. Brennan
James Bresch
Jeffrey S. Swartz
Woodrow Cuffee
Erin Johnson
Bradford Stokes
Stella Sytnik
Vacant
Vacant

Position

Chairperson
Vice – Chairperson
Treasurer
Commissioner
Commissioner
Commissioner
Commissioner
Commissioner
Commissioner

Other Officials

Scott Schreiber
Oleg Zonis
Kim Michelini
Robert Cornforth

Leonard Gipson
Wayne Planamento
Dhaval Shah
Stephanie Madden
Bank of New York Mellon (NJ)

Position

Executive Director
Deputy Executive Director / Chief Engineer
Director of Administrative Operations / Authority Secretary
Director of Operations and Maintenance, Interceptors (until May 2023)
Director of Operations and Maintenance
Chief Financial Officer (until October 2023)
Chief Financial Officer (from October 2023)
Director of Legal Affairs / General Counsel
Trustee

**CAMDEN COUNTY
MUNICIPAL UTILITIES AUTHORITY**

PART I

FINANCIAL SECTION

**FOR THE YEARS ENDED
DECEMBER 31, 2023 AND 2022**

INDEPENDENT AUDITOR'S REPORT

The Chairman and Commissioners of
Camden County Municipal Utilities Authority
Camden County, New Jersey

Report on the Audit of the Financial Statements

Opinion

We have audited the accompanying financial statements of the business-type activities of the Camden County Municipal Utilities Authority, in the County of Camden, State of New Jersey, a component unit of the County of Camden (Authority), as of and for the years ended December 31, 2023 and 2022 and the related notes to the financial statements, which collectively comprise the Authority's basic financial statements as listed in the table of contents.

In our opinion, the accompanying financial statements referred to above present fairly, in all material respects, the financial position of the business-type activities of the Camden County Municipal Utilities Authority, in the County of Camden, State of New Jersey, a component unit of the County of Camden, as of December 31, 2023 and 2022, and the changes in its financial position and its cash flows thereof for the years then ended in accordance with accounting principles generally accepted in the United States of America.

Basis for Opinion

We conducted our audits in accordance with auditing standards generally accepted in the United States of America; the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States; and audit requirements as prescribed by the Bureau of Authority Regulation, Division of Local Government Services, Department of Community Affairs, State of New Jersey. Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Financial Statements section of our report. We are required to be independent of the Camden County Municipal Utilities Authority, in the County of Camden, State of New Jersey, a component unit of the County of Camden, and to meet our other ethical responsibilities, in accordance with the relevant ethical requirements relating to our audits. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

Responsibilities of Management for the Financial Statements

Management is responsible for the preparation and fair presentation of the financial statements in accordance with accounting principles generally accepted in the United States of America, and for the design, implementation, and maintenance of internal control relevant to the preparation and fair presentation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, management is required to evaluate whether there are conditions or events, considered in the aggregate, that raise substantial doubt about the Authority's ability to continue as a going concern for twelve months beyond the financial statement date, including any currently known information that may raise substantial doubt shortly thereafter.

Auditor's Responsibilities for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance but is not absolute assurance and therefore is not a guarantee that an audit conducted in accordance with auditing standards generally accepted in the United States of America and *Government Auditing Standards* will always detect a material misstatement when it exists. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control. Misstatements are considered material if there is a substantial likelihood that, individually or in the aggregate, they would influence the judgment made by a reasonable user based on the financial statements.

In performing an audit in accordance with auditing standards generally accepted in the United States of America and *Government Auditing Standards*, we:

- Exercise professional judgment and maintain professional skepticism throughout the audit.
- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, and design and perform audit procedures responsive to those risks. Such procedures include examining, on a test basis, evidence regarding the amounts and disclosures in the financial statements.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Authority's internal control. Accordingly, no such opinion is expressed.
- Evaluate the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluate the overall presentation of the financial statements.
- Conclude whether, in our judgment, there are conditions or events, considered in the aggregate, that raise substantial doubt about the Authority's ability to continue as a going concern for a reasonable period of time.

We are required to communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit, significant audit findings, and certain internal control-related matters that we identified during the audit.

Required Supplementary Information

Accounting principles generally accepted in the United States of America require that the management's discussion and analysis, schedule of the Authority's proportionate share of the net pension liability, schedule of the Authority's pension contributions, schedule of the Authority's proportionate share of the net OPEB liability, schedule of the Authority's OPEB contributions, and schedule of changes in the Authority's total OPEB liability and related ratios, be presented to supplement the basic financial statements. Such information is the responsibility of management and, although not a part of the basic financial statements, is required by the Governmental Accounting Standards Board, who considers it to be an essential part of financial reporting for placing the basic financial statements in an appropriate operational, economic, or historical context. We have applied certain limited procedures to the required supplementary information in accordance with auditing standards generally accepted in the United States of America, which consisted of inquiries of management about the methods of preparing the information and comparing the information for consistency with management's responses to our inquiries, the basic financial statements, and other knowledge we obtained during our audit of the basic financial statements. We do not express an opinion or provide any assurance on the information because the limited procedures do not provide us with sufficient evidence to express an opinion or provide any assurance.

Supplementary Information

Our audit was conducted for the purpose of forming an opinion on the financial statements that collectively comprise the Authority's basic financial statements. The accompanying supplementary schedules as listed in the table of contents are presented for purposes of additional analysis and are not a required part of the basic financial statements. The accompanying schedules of expenditures of federal awards and state financial assistance, as required by Title 2 U.S. Code of Federal Regulations Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards* (Uniform Guidance), and State of New Jersey Circular 15-08-OMB, *Single Audit Policy for Recipients of Federal Grants, State Grants and State Aid*, respectively, are also presented for purposes of additional analysis and are not a required part of the basic financial statements.

The accompanying supplementary schedules and the schedules of expenditures of federal awards and state financial assistance are the responsibility of management and were derived from and relate directly to the underlying accounting and other records used to prepare the basic financial statements. The information has been subjected to the auditing procedures applied in the audit of the basic financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the basic financial statements or to the basic financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the accompanying supplementary schedules and the schedules of expenditures of federal awards and state financial assistance are fairly stated, in all material respects, in relation to the basic financial statements as a whole.

Other Reporting Required by *Government Auditing Standards*

In accordance with *Government Auditing Standards*, we have also issued our report dated September 3, 2025 on our consideration of the Authority's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements and other matters. The purpose of that report is solely to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the Authority's internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the Authority's internal control over financial reporting and compliance.

Respectfully submitted,

Bowman & Company LLP

BOWMAN & COMPANY LLP
Certified Public Accountants
& Consultants

Voorhees, New Jersey
September 3, 2025

**REPORT ON INTERNAL CONTROL OVER FINANCIAL REPORTING AND ON COMPLIANCE AND
OTHER MATTERS BASED ON AN AUDIT OF FINANCIAL STATEMENTS PERFORMED IN
ACCORDANCE WITH GOVERNMENT AUDITING STANDARDS**

INDEPENDENT AUDITOR'S REPORT

The Chairman and Members of
Camden County Municipal Utilities Authority
Camden County, New Jersey

We have audited, in accordance with the auditing standards generally accepted in the United States of America, the standards applicable to financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States, and audit requirements as prescribed by the Bureau of Authority Regulation, Division of Local Government Services, Department of Community Affairs, State of New Jersey, the financial statements of the business-type activities of the Camden County Municipal Utilities Authority, in the County of Camden, State of New Jersey, a component unit of the County of Camden, (Authority), as of and for the year ended December 31, 2023, and the related notes to the financial statements, which collectively comprise the Authority's basic financial statements, and have issued our report thereon dated September 3, 2025.

Report on Internal Control Over Financial Reporting

In planning and performing our audit of the financial statements, we considered the Authority's internal control over financial reporting (internal control) as a basis for designing audit procedures that are appropriate in the circumstances for the purpose of expressing our opinions on the financial statements, but not for the purpose of expressing an opinion on the effectiveness of the Authority's internal control. Accordingly, we do not express an opinion on the effectiveness of the Authority's internal control.

A *deficiency in internal control* exists when the design or operation of a control does not allow management or employees, in the normal course of performing their assigned functions, to prevent, or detect and correct, misstatements on a timely basis. A *material weakness* is a deficiency, or a combination of deficiencies, in internal control such that there is a reasonable possibility that a material misstatement of the entity's financial statements will not be prevented, or detected and corrected on a timely basis. A *significant deficiency* is a deficiency, or a combination of deficiencies, in internal control that is less severe than a material weakness, yet important enough to merit attention by those charged with governance.

Our consideration of internal control was for the limited purpose described in the first paragraph of this section and was not designed to identify all deficiencies in internal control that might be material weaknesses or significant deficiencies and therefore, material weaknesses or significant deficiencies may exist that have not been identified. However, as described in the accompanying *Schedule of Findings and Questioned Costs*, we did identify a deficiency in internal control that we consider to be a material weakness as finding no. 2023-001.

Report on Compliance and Other Matters

As part of obtaining reasonable assurance about whether the Authority's financial statements are free from material misstatement, we performed tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements, noncompliance with which could have a direct and material effect on the financial statements. However, providing an opinion on compliance with those provisions was not an objective of our audit, and accordingly, we do not express such an opinion. The results of our tests disclosed no instances of noncompliance or other matters that are required to be reported under *Government Auditing Standards* and the audit requirements as prescribed by the Bureau of Authority Regulation, Division of Local Government Services, Department of Community Affairs, State of New Jersey.

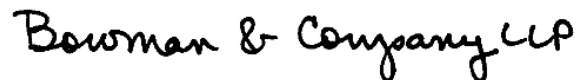
The Authority's Response to Findings

The Authority's response to the finding identified in our audit is described in the accompanying *Schedule of Findings and Questioned Costs*. The Authority's response was not subjected to the auditing procedures applied in the audit of the financial statements and, accordingly, we express no opinion on it.

Purpose of this Report

The purpose of this report is solely to describe the scope of our testing of internal control and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the entity's internal control or on compliance. This report is an integral part of an audit performed in accordance with *Government Auditing Standards* and audit requirements as prescribed by the Bureau of Authority Regulation, Division of Local Government Services, Department of Community Affairs, State of New Jersey, and federal and state awarding agencies and pass-through entities, in considering the entity's internal control and compliance. Accordingly, this communication is not suitable for any other purpose.

Respectfully submitted,



BOWMAN & COMPANY LLP
Certified Public Accountants
& Consultants

Voorhees, New Jersey
September 3, 2025

**CAMDEN COUNTY MUNICIPAL UTILITIES AUTHORITY
MANAGEMENT’S DISCUSSION AND ANALYSIS
For the Years Ended December 31, 2023 and 2022 (unaudited)**

INTRODUCTION TO THE ANNUAL REPORT

The following Management’s Discussion and Analysis (MD&A) of the Camden County Municipal Utilities Authority provides an introduction to the financial statements of the Authority for the year ended December 31, 2023 and 2022. The financial section of the annual report consists of four sections: Management’s Discussion and Analysis (this section), the basic financial statements together with the notes thereto, required supplementary information and related notes, and supplemental information. The financial statements section provides comparisons between current and prior years’ results as well as budgeted and actual results on a supplemental schedule.

The Authority’s financial statements are prepared on an accrual basis in accordance with accounting principles generally accepted in the United States of America, promulgated by the Governmental Accounting Standards Board. The Authority is structured as a single enterprise fund with revenues recognized when earned and expenses recognized when incurred. Capital assets are capitalized and depreciated over their useful lives (with the exception of land and construction in progress). See notes to the financial statements for a summary of the Authority’s significant accounting policies.

MANAGEMENT’S DISCUSSION AND ANALYSIS

This section of the Authority’s financial statements, the Management’s Discussion and Analysis (MD&A), presents an overview of the Authority’s financial performance during the year ended December 31, 2023 compared to December 31, 2022 and December 31, 2021. It provides an assessment of how the Authority’s position has improved or deteriorated and identifies the factors that, in management’s view, significantly affected the Authority’s overall financial position. It may contain opinions, assumptions or conclusions by the Authority’s management that should not be considered a replacement for, and must be read in conjunction with, the financial statements described below.

THE FINANCIAL STATEMENTS

The “Comparative Statements of Net Position” provide information about the nature and amounts of investments in resources (assets), future period reductions of net position (deferred outflows of resources), the obligations to Authority’s creditors (liabilities) and future period acquisitions of net position (deferred inflows of resources) with the difference reported as net position.

The “Comparative Statements of Revenues, Expenses and Changes in Net Position” account for all of the current year’s revenues and expenses, measures the success of the Authority’s operations over the past two years and can be used to determine how the Authority has funded its costs.

The “Comparative Statements of Cash Flows” provide information about the Authority’s cash receipts, cash payments, and net changes in cash resulting from operations, investing, and financing activities.

The “Notes to Financial Statements” contain information that is essential to understanding the basic financial statements, such as the Authority’s accounting methods and policies. The details of contractual obligations and future commitments and contingencies of the Authority are also included. Likewise, any other events or developing situations that could materially affect the Authority’s financial position are noted.

**CAMDEN COUNTY MUNICIPAL UTILITIES AUTHORITY
MANAGEMENT’S DISCUSSION AND ANALYSIS (CONT’D)
For the Years Ended December 31, 2023 and 2022 (unaudited)**

REQUIRED SUPPLEMENTARY INFORMATION

This section provides presentations of the Authority’s financial information in accordance with the requirements of Governmental Accounting Standard Board (GASB) Statement No. 68 and Statement No. 75 as more fully described in the Changes in Financial Position section below.

SUPPLEMENTARY INFORMATION

This section provides presentations of the Authority’s financial information in accordance with the requirements of the various Bond Resolutions.

FINANCIAL HIGHLIGHTS

Management believes the financial position of the Camden County Municipal Utilities Authority (the “Authority”) is strong. Key financial highlights for the Authority’s current year were:

- Total assets as of December 31, 2023 were \$622,863,827. After adding deferred outflows of resources of \$11,213,719 and deducting liabilities of \$281,247,640 and deferred inflows of resources of \$17,072,382; the resulting net position is \$335,757,524.
- Operating revenues were \$92,817,908, \$93,554,810, and \$95,247,266 for the years ended December 31, 2023, 2022 and 2021, respectively.
- Operating expenses were \$78,297,462, \$70,707,764, and \$61,674,756 for the years ended December 31, 2023, 2022 and 2021, respectively.
- Interest and Investment Income for the year ended December 31, 2023 was \$4,249,713, an increase of \$3,232,769 from the prior year. The increase was due to higher interest rates and the Authority’s increased cash position in 2023.
- Interest expense for the year ended December 31, 2023 was \$1,377,156, compared to \$1,373,001 in 2022.
- The Authority received \$5,265,535 in reimbursements from the insurance company relating to additional expenditures incurred in prior years as a result of sludge dryer fire incidents.
- Payments to the County of Camden for Shared Service Agreement for the years ended December 31, 2023 and 2022 were \$15,000,000, in accordance with the Authority’s adopted budgets.
- Net investment in capital assets was \$277,863,348 as of December 31, 2023, a decrease of \$19,165,412 from the prior year. Net position restricted for Bond Covenants was \$10,230,000 as of December 31, 2023, an increase of \$797,511 from the prior year. Unrestricted net position was \$47,664,176 as of December 31, 2023.

**CAMDEN COUNTY MUNICIPAL UTILITIES AUTHORITY
MANAGEMENT'S DISCUSSION AND ANALYSIS (CONT'D)
For the Years Ended December 31, 2023 and 2022 (unaudited)**

NET POSITION

The following table provides a summary of the Authority's net position for 2023, 2022 and 2021.

<u>SUMMARY OF FINANCIAL POSITION</u>				Change from 2022 to 2023	
	<u>2023</u>	<u>2022</u>	<u>2021</u>	<u>Amount</u>	<u>%</u>
ASSETS					
Unrestricted Assets	\$ 118,204,627	\$ 89,655,527	\$ 73,426,044	\$ 28,549,100	31.84%
Restricted Assets	47,657,184	43,249,872	31,583,564	4,407,312	10.19%
Capital Assets, Net	457,002,016	464,797,859	483,358,345	(7,795,843)	-1.68%
Total Assets	622,863,827	597,703,258	588,367,953	25,160,569	4.21%
DEFERRED OUTFLOWS OF RESOURCES	11,213,719	9,538,778	8,820,780	1,674,941	17.56%
LIABILITIES					
Current Liabilities	39,641,517	35,176,956	35,541,492	4,464,561	12.69%
Total Long-Term Liabilities	241,606,123	225,213,730	222,544,543	16,392,393	7.28%
Total Liabilities	281,247,640	260,390,686	258,086,035	20,856,954	8.01%
DEFERRED INFLOWS OF RESOURCES	17,072,382	19,234,119	22,894,261	(2,161,737)	-11.24%
NET POSITION					
Net Investment in Capital Assets	277,863,348	297,028,760	300,230,082	(19,165,412)	-6.45%
Restricted for Bond Covenants	10,230,000	9,432,489	9,524,000	797,511	8.45%
Unrestricted (Deficit)	47,664,176	21,155,982	6,454,355	26,508,194	125.30%
Total Net Position	\$ 335,757,524	\$ 327,617,231	\$ 316,208,437	\$ 8,140,293	2.48%

CHANGES IN FINANCIAL POSITION

During the year ended December 31, 2015, the Authority was required to implement Governmental Accounting Standard Board (GASB) Statement No. 68, *Accounting and Financial Reporting for Pensions - an amendment of GASB Statement No. 27*, and GASB Statement No. 71, *Pension Transition for Contributions Made Subsequent to the Measurement Date - an amendment of GASB Statement No. 68*. The pension liability is based on an actuarial estimate and the actual payments may vary as they will be paid over the employees' lifetime through retirement.

During the year ended December 31, 2018, the Authority was required to implement Governmental Accounting Standard Board (GASB) Statement No. 75 – *Accounting and Financial Reporting for Postemployment Benefits Other Than Pensions*. The net OPEB liability is based on an actuarial estimate and the actual payments may vary as they are paid as billed by the health benefit plans.

**CAMDEN COUNTY MUNICIPAL UTILITIES AUTHORITY
MANAGEMENT'S DISCUSSION AND ANALYSIS (CONT'D)
For the Years Ended December 31, 2023 and 2022 (unaudited)**

CHANGES IN FINANCIAL POSITION (CONT'D)

The notes to the financial statements provide a more thorough discussion of the implementation of these GASB Statements and the effects to the financial statements. The following table provides an illustration of the impact that GASBS 68, 71 and 75 had to the Authority's Unrestricted Net Position.

Statement of Net Position - Effect of Pension and OPEB Related Items

	<u>2023</u>	<u>2022</u>	<u>2021</u>
Unrestricted Net Position (Deficit)	\$ 47,664,176	\$ 21,155,982	\$ 6,454,355
Pension Related Items:			
Deferred Outflows Related to Pensions	2,307,213	2,458,142	1,823,942
Less: Accounts Payable Related to Pensions	(1,633,149)	(1,461,656)	(1,332,117)
Less: Accrued Liability Related to Pensions	(816,575)	(730,828)	(666,059)
Less: Net Pension Liability	(17,698,959)	(17,492,118)	(13,475,113)
Less: Deferred Inflows Related to Pensions	(1,797,307)	(3,780,011)	(10,027,599)
	<u>(19,638,777)</u>	<u>(21,006,471)</u>	<u>(23,676,946)</u>
OPEB Related Items:			
Deferred Outflows Related to OPEB	8,752,834	6,871,838	6,725,385
Less: Net OPEB Liability	(24,897,005)	(24,305,497)	(27,441,361)
Less: Deferred Inflows Related to OPEB	(15,038,256)	(15,156,688)	(12,502,082)
	<u>(31,182,427)</u>	<u>(32,590,347)</u>	<u>(33,218,058)</u>
Unrestricted Net Position (Deficit), net of the effect of Pension and OPEB	<u>\$ 98,485,380</u>	<u>\$ 74,752,800</u>	<u>\$ 63,349,359</u>

Since pension and net OPEB liability are considered long-term liabilities, the Authority's management does not include these amounts when making current operating decisions. Management feels the current ratio, which is the comparison of current assets to current liabilities, is the best way to evaluate the operations of the Authority.

In 2023, the Authority's net position increased by 2.48% from 2022 and increased by 6.18% from 2021. The increase over 2022 was because total operating revenues of \$92,817,908, subtracting total operating expense of \$78,297,462 and non-operating items of \$6,380,153 resulted in the change of net position of \$8,140,293.

The Authority's Bond Resolutions and State Regulations govern Restricted Assets. The category Restricted Assets increased by 10.19% from 2022 and increased by 50.89% from 2021. The increase in 2023 was due to the closing of several interim construction financing programs with New Jersey Infrastructure Bank (NJIB), therefore, increasing Cash Held by Fiscal Agent.

**CAMDEN COUNTY MUNICIPAL UTILITIES AUTHORITY
MANAGEMENT'S DISCUSSION AND ANALYSIS (CONT'D)
For the Years Ended December 31, 2023 and 2022 (unaudited)**

CHANGES IN FINANCIAL POSITION (CONT'D)

The Authority's total liabilities increased \$20,856,954 or 8.01% from 2022 and increased \$23,161,605 or 8.97% from 2021. As mentioned above, the Authority closed on various interim construction financing programs in 2023 and 2022 with NJIB. In addition, the Authority closed on one permanent financing in 2023 that defeased one construction interim financing program with NJIB. It is anticipated that additional permanent long-term financing will be obtained through the New Jersey Infrastructure Bank before or upon completion of the projects in 2025.

The following table reflects changes in net position for 2023, 2022 and 2021.

<u>CHANGES IN NET POSITION</u>				Change from 2022 to 2023	
	<u>2023</u>	<u>2022</u>	<u>2021</u>	<u>Amount</u>	<u>%</u>
OPERATING REVENUE					
User Charges and Fees	\$ 85,930,197	\$ 85,145,803	\$ 84,731,755	\$ 784,394	0.92%
Other Revenue	6,887,711	8,409,007	10,515,511	(1,521,296)	-18.09%
Total Operating Revenues	92,817,908	93,554,810	95,247,266	(736,902)	-0.79%
OPERATING EXPENSES					
Administration	8,410,673	7,872,328	8,157,368	538,345	6.84%
Cost of Providing Services	36,795,994	33,125,646	28,477,890	3,670,348	11.08%
Depreciation	33,090,795	29,709,790	25,039,498	3,381,005	11.38%
Total Operating Expenses	78,297,462	70,707,764	61,674,756	7,589,698	10.73%
OPERATING INCOME	14,520,446	22,847,046	33,572,510	(8,326,600)	-36.44%
NONOPERATING REVENUE (EXPENSES):					
Investment Income	4,249,713	1,016,944	39,502	3,232,769	317.89%
Grant Revenues	527,962	851,989	23,301	(324,027)	-38.03%
Grant Expenditure		(124,000)		124,000	-100.00%
Interest Expense	(1,377,156)	(1,373,001)	(1,156,341)	(4,155)	0.30%
Bond Issuance Costs	(46,207)	(124,446)	(917,187)	78,239	-62.87%
Shared Services Agreement County of Camden	(15,000,000)	(15,000,000)	(15,000,000)		
Community Service Projects			1,128,877		
Refund of Prior Year Expenditures	5,265,535	1,572,446		3,693,089	234.86%
Net Loss on Disposal and Abandonment of Capital Assets			(774,867)		
TOTAL NON-OPERATING ITEMS	(6,380,153)	(13,180,068)	(16,656,715)	6,799,915	-51.59%
Income Before Contributions	8,140,293	9,666,978	16,915,795	(1,526,685)	-15.79%
Capital Contributions		1,741,816	14,345,096	(1,741,816)	-100.00%
Increase in Net Position	8,140,293	11,408,794	31,260,891	(3,268,501)	-28.65%
Total Net Position Jan. 1	327,617,231	316,208,437	284,947,546	11,408,794	3.61%
Net Position Dec. 31	\$ 335,757,524	\$ 327,617,231	\$ 316,208,437	\$ 8,140,293	2.48%

**CAMDEN COUNTY MUNICIPAL UTILITIES AUTHORITY
MANAGEMENT'S DISCUSSION AND ANALYSIS (CONT'D)
For the Years Ended December 31, 2023 and 2022 (unaudited)**

CHANGES IN NET POSITION (CONT'D)

The Authority's overall financial position is firm. User fees and other operating revenues remained consistent from 2023 to 2022. The decrease of \$736,902 or 0.79% was due to decrease in connection fee revenues as construction activities in the County leveled off.

In 2023, total operating expenses increased \$7,589,698 or 10.73% from 2022 and increased \$16,622,706 or 26.95% from 2021. The increases over 2022 are mainly contributed to: (1) increase in property and liability insurance expense as the Authority reevaluated all locations that were previously combined with other assets or were not listed; (2) increase in chemicals due significant price increase for sodium hypochlorite; and (3) increase in depreciation expense as the Authority placed into service several significant plant improvements in late 2022 and during 2023 including the City / County interceptor separation project and the Newton Lake dredging project.

In 2023, non-operating expenses, net of revenues, decreased by 51.59% compared to 2022 and decreased by 61.70% compared to 2021. As previously mentioned, the Authority realized significant investment and interest income due to higher interest rates and improved cash position. Additionally, the Authority received \$5,265,535 in reimbursements from the insurance company relating to additional expenditures incurred in prior years as a result of sludge dryer fire incidents.

BUDGETARY HIGHLIGHTS

The Camden County Municipal Utilities Authority must adopt a budget in accordance with N.J.A.C. 5:31-2. The budget is adopted on the accrual basis of accounting with provisions for cash payments for bond principal. In 2023, actual revenues exceeded the anticipated revenues by \$6,626,182 [\$97,595,583 vs. \$90,969,401]. Interest on investments and deposits realized was significantly higher than anticipated in the 2023 budget due to higher interest rates and improved cash position. Total operating appropriations came in well under the budget for 2023 in the amount of \$6,123,938 [\$61,484,309 vs. \$67,608,247]. Actual costs for items such as professional fees, fringe benefits, and sludge disposals were lower than anticipated in the budget.

DEBT ADMINISTRATION

During the year 2023, the Authority continued to pay down its outstanding debt from operating revenues.

As mentioned above, on December 15, 2023, the Authority closed on permanent financing loans from the New Jersey Infrastructure Bank totaling \$13,990,109 from the Trust and \$6,504,018 from the Fund. The loan proceeds were used to pay off funds drawn down by the Authority from interim loan 640-26. The Fund Loan is a non-interest bearing loan with its semi-annual principal payments due August 1 and February 1, with a final maturity of August 1, 2053. The Trust Loan carries interest rates from 3.03% to 5%, with a final maturity of August 1, 2053.

**CAMDEN COUNTY MUNICIPAL UTILITIES AUTHORITY
MANAGEMENT'S DISCUSSION AND ANALYSIS (CONT'D)
For the Years Ended December 31, 2023 and 2022 (unaudited)**

CAPITAL IMPROVEMENTS AND CONSTRUCTION ACTIVITY

The major projects in the Authority's capital improvements plan include the following:

- Renovation of Administration and Service Buildings – Upgrades to the existing Administrations and Services Buildings; these facilities were constructed over 40 years ago and do not meet current building code requirements. Updates will bring both buildings into compliance with current health, safety, and welfare compliances, and include upgrades to life saving and safety, ventilation, and fire systems. The project was completed in December 2024.
- Return Sludge Piping Replacement - The project consists of replacing most of the return sludge piping system, including pipes varying in size between 8 and 36 in. in diameter, valves, valve operators, and controls. Original piping had reached the limit of its useful life and experienced frequent failures. The goal of the project is to provide an updated piping system which will minimize emergency repairs of the return sludge piping system and provide reliable and efficient operation of the secondary treatment system. The project was completed in March 2024.
- Preliminary Treatment Facility Upgrade - Upgrades to existing PTF including replacement of Bar Screens and ancillary systems, Grit Washers, Grit Piping, HVAC fans and ductwork, and hazardous gas monitoring systems upgrades. Notice to proceed was issued on June 23, 2023. The anticipated completion date is November 2025.
- Large Pump Station Electrical Upgrade - Replacement of outdated and failing 4160 V switch gear in 4 largest CCMUA pumping stations. The current system has reached its useful life and has failed on multiple occasions. Notice to proceed was issued on September 15, 2021. The project was completed in June 2025.
- Pump Station Roof Replacement - The pump stations to be rehabilitated are the Berlin Borough Pump Station, the Brookfield Pump Station, the Bellmawr Pump Station, the Blackwood Pump Station, the Collingswood Pump Station, the Chews Landing Pump Station, the Gloucester City Pump Station, the Kingston Pump Station, the Lakeland Pump Station, the Pennsauken Creek Pump Station, the Runnemede Pump Station, and the West Collingswood Pump Station. The extent of the replacement work includes removal of the existing roofing and installation of a new roofing system. The anticipated completion of this project is in 2025.

**CAMDEN COUNTY MUNICIPAL UTILITIES AUTHORITY
MANAGEMENT'S DISCUSSION AND ANALYSIS (CONT'D)
For the Years Ended December 31, 2023 and 2022 (unaudited)**

CAPITAL IMPROVEMENTS AND CONSTRUCTION ACTIVITY (CONT'D)

The major projects in the Authority's capital improvements plan include the following (cont'd):

- Pump Stations Door Replacement - The pump stations to be rehabilitated are the Berlin Borough Pump Station, the Brookfield Pump Station, the Bellmawr Pump Station, the Blackwood Pump Station, the Collingswood Pump Station, the Chews Landing Pump Station, the Gloucester City Pump Station, the Kingston Pump Station, the Lakeland Pump Station, the Pennsauken Creek Pump Station, the Runnemede Pump Station, and the West Collingswood Pump Station. The extent of the replacement work includes replacement of existing metal doors with new corrosion resistant Fiberglass Reinforced Plastic Doors. The anticipated completion of this project is in 2025.
- Cleaning of the Camden Collection System in Support of the CCMUA Bar Screen and Grit System Upgrades - The project consists of the cleaning and televising of approximately 169,200 LF of 6" through 78" diameter sanitary sewer piping, and manholes located throughout the City of Camden. The anticipated completion of this project is in 2025.
- Various Pump Station Mechanical Rehabilitation and Upgrades. This project consists of the rehabilitation of three (3) pump stations and the 32nd Street CSO facility. The pump stations to be rehabilitated are the Berlin Borough Pump Station, the Collingswood Pump Station, and the West Collingswood Pump Station. The extent of the rehabilitation work includes cleaning, repairing, and coating of concrete surfaces, replacing the sluice and slide gates and operators, new floor grating, new LED lighting, ventilation and odor control systems, mechanical upgrades to water and sewer piping. The rehabilitation work at the CSO facility includes replacing the influent sluice gates, check valves, and new floor grating and safety railing. The anticipated completion of this project is in 2025.

ADDITIONAL FINANCIAL INFORMATION

This Financial Report is designed to provide the Authority's customers, investors and other interested parties with an overview of the Authority's financial operations and financial condition. Should the reader have questions regarding the information contained in this report or wish to request additional financial information, please contact the Chief Financial Officer, at 1645 Ferry Avenue, Camden, New Jersey 08104.

BASIC FINANCIAL STATEMENTS

CAMDEN COUNTY MUNICIPAL UTILITIES AUTHORITY

Comparative Statements of Net Position

As of December 31, 2023 and 2022

	<u>2023</u>	<u>2022</u>
ASSETS		
Current Assets:		
Unrestricted Assets:		
Cash and Cash Equivalents	\$ 106,914,896	\$ 79,276,646
Accounts Receivable, Net of Allowance for Doubtful Accounts	10,846,715	10,180,897
Accrued Interest Receivable	442,516	197,484
Other	500	500
Total Unrestricted Assets	<u>118,204,627</u>	<u>89,655,527</u>
Restricted Assets:		
Cash and Cash Equivalents	18,140,137	21,920,756
Cash Held by Fiscal Agent	19,009,340	10,811,724
Due from City of Camden - Debt Repayment	6,495,586	6,735,972
Grants Receivable	210,737	
Grants Receivable - Due from NJ DCA	3,750,000	3,750,000
Accrued Interest Receivable	51,384	31,420
Total Restricted Assets	<u>47,657,184</u>	<u>43,249,872</u>
Total Current Assets	<u>165,861,811</u>	<u>132,905,399</u>
Noncurrent Assets:		
Restricted Assets:		
Capital Assets:		
Utility Plant-In Service, Net of Accumulated Depreciation	413,140,977	411,110,060
Construction in Progress	25,413,621	35,759,897
Other Capital Assets, Net of Accumulated Depreciation	18,447,418	17,927,902
Total Capital Assets	<u>457,002,016</u>	<u>464,797,859</u>
Total Noncurrent Assets	<u>457,002,016</u>	<u>464,797,859</u>
Total Assets	<u>622,863,827</u>	<u>597,703,258</u>
DEFERRED OUTFLOWS OF RESOURCES		
Deferred Loss on Refunding of Debt	153,672	208,798
Related to OPEB	8,752,834	6,871,838
Related to Pensions	2,307,213	2,458,142
Total Deferred Outflows of Resources	<u>11,213,719</u>	<u>9,538,778</u>

(Continued)

CAMDEN COUNTY MUNICIPAL UTILITIES AUTHORITY

Comparative Statements of Net Position

As of December 31, 2023 and 2022

	<u>2023</u>	<u>2022</u>
LIABILITIES		
Current Liabilities Payable from Unrestricted Assets:		
Accounts Payable	\$ 11,054,130	\$ 6,490,386
Accounts Payable - Related to Pension	1,633,149	1,461,656
Accrued Expenses	798,606	555,774
Reserve for Grant Expenditures:		
Clean Water Enforcement Act	3,279,170	3,222,080
	<u>16,765,055</u>	<u>11,729,896</u>
Total Current Liabilities Payable from Unrestricted Assets		
Current Liabilities Payable from Restricted Assets:		
Grant Reserve - NJ DCA	9,037,272	9,354,497
Retainages Payable	352,272	525,580
Current Maturities of Long-Term Debt	12,797,892	12,856,386
Accrued Interest Payable	689,026	710,597
	<u>22,876,462</u>	<u>23,447,060</u>
Total Current Liabilities Payable from Restricted Assets		
Long-Term Liabilities Payable:		
Net Pension Liability	17,698,959	17,492,118
Net OPEB Liability	24,897,005	24,305,497
Accrued Liabilities - Related to Pension	816,575	730,828
Long-term Debt	198,193,584	182,685,287
	<u>241,606,123</u>	<u>225,213,730</u>
Total Long-Term Liabilities		
Total Liabilities	<u>281,247,640</u>	<u>260,390,686</u>
DEFERRED INFLOWS OF RESOURCES		
Deferred Gain on Refunding of Debt	236,819	297,420
Related to OPEB	15,038,256	15,156,688
Related to Pensions	1,797,307	3,780,011
	<u>17,072,382</u>	<u>19,234,119</u>
Total Deferred Inflows of Resources		
NET POSITION		
Net Investment in Capital Assets	277,863,348	297,028,760
Restricted	10,230,000	9,432,489
Unrestricted	47,664,176	21,155,982
	<u>335,757,524</u>	<u>327,617,231</u>
Total Net Position	<u>\$ 335,757,524</u>	<u>\$ 327,617,231</u>

The accompanying Notes to Financial Statements are an integral part of these statements.

CAMDEN COUNTY MUNICIPAL UTILITIES AUTHORITY
 Comparative Statements of Revenues, Expenses and Changes in Net Position
 For the Years Ended December 31, 2023 and 2022

	<u>2023</u>	<u>2022</u>
Operating Revenues		
User Charges and Fees	\$ 85,930,197	\$ 85,145,803
Connection Fees	4,679,474	5,761,642
Other	2,208,237	2,647,365
Total Operating Revenues	<u>92,817,908</u>	<u>93,554,810</u>
Operating Expenses		
Administration:		
Salary & Wages	2,638,006	2,509,091
Fringe Benefits	988,629	901,164
Other Expenses	4,784,038	4,462,073
Cost of Providing Services:		
Salary & Wages	8,715,230	9,155,604
Fringe Benefits	1,835,048	1,107,227
Other Expenses	26,245,716	22,862,815
Depreciation	33,090,795	29,709,790
Total Operating Expenses	<u>78,297,462</u>	<u>70,707,764</u>
Operating Income	<u>14,520,446</u>	<u>22,847,046</u>
Non-operating Revenue (Expenses):		
Investment Income	4,249,713	1,016,944
Grant Revenues	527,962	727,989
Grant Revenue - American Rescue Act		124,000
Grant Expenditure - American Rescue Act		(124,000)
Interest Expense on Long Term Debt	(1,377,156)	(1,373,001)
Bond Issuance Costs	(46,207)	(124,446)
Shared Services Agreement County of Camden	(15,000,000)	(15,000,000)
Refund of Prior Year Expenditures	5,265,535	1,572,446
Total Non-operating Revenues (Expenses)	<u>(6,380,153)</u>	<u>(13,180,068)</u>
Income Before Capital Contributions	8,140,293	9,666,978
Capital Contributions		<u>1,741,816</u>
Change in Net Position	8,140,293	11,408,794
Net Position - Beginning	<u>327,617,231</u>	<u>316,208,437</u>
Net Position - Ending	<u>\$ 335,757,524</u>	<u>\$ 327,617,231</u>

The accompanying Notes to Financial Statements are an integral part of these statements.

CAMDEN COUNTY MUNICIPAL UTILITIES AUTHORITY

Comparative Statements of Cash Flows
For the Years Ended December 31, 2023 and 2022

	<u>2023</u>	<u>2022</u>
Cash Flows from Operating Activities:		
Receipts from Customers and Users	\$ 85,264,379	\$ 82,727,993
Other Operating Receipts	6,944,801	8,423,107
Payments to Suppliers	(26,223,178)	(27,545,398)
Payments to Employees	(16,952,527)	(16,971,272)
Net Cash Provided by Operating Activities	<u>49,033,475</u>	<u>46,634,430</u>
Cash Flows from Capital and Related Financing Activities:		
Principal Paid on Bonds	(12,856,388)	(12,442,269)
Payments of Defeased Bonds	(23,711,831)	(20,288,066)
Interest Paid on Bonds	(1,712,697)	(1,686,224)
Cash Received from City of Camden for Principal Payment	240,386	361,408
Proceeds from Issuance of Long Term Debt	38,126,991	20,366,445
Proceeds from Refunding Bonds	13,990,109	4,835,000
Receipt of Cash Held by Fiscal Agents	20,377,888	16,486,324
Deposit of Cash Held by Fiscal Agents	(28,575,504)	(15,367,822)
Premium Received on Debt Issued	209,417	
Bond Issuance Costs	(46,207)	(124,446)
Receipts from Grants		6,332,486
Payment of Shared Services Agreement to County of Camden	(15,000,000)	(15,000,000)
Acquisition and Construction of Capital Assets	(25,468,260)	(16,755,515)
Cash Received from Refund of Prior Year Expenditures	5,265,535	
Capital Contributions		1,741,816
Net Cash Used in Capital and Related Financing Activities	<u>(29,160,561)</u>	<u>(31,540,863)</u>
Cash Flows from Investing Activities:		
Investment Income	<u>3,984,717</u>	<u>788,392</u>
Net Cash Provided by Investing Activities	<u>3,984,717</u>	<u>788,392</u>
Net Increase in Cash and Cash Equivalents	23,857,631	15,881,959
Cash and Cash Equivalents - January 1	<u>101,197,402</u>	<u>85,315,443</u>
Cash and Cash Equivalents - December 31	<u>\$ 125,055,033</u>	<u>\$ 101,197,402</u>

(Continued)

CAMDEN COUNTY MUNICIPAL UTILITIES AUTHORITY

Comparative Statements of Cash Flows
For the Years Ended December 31, 2023 and 2022

	<u>2023</u>	<u>2022</u>
Cash Flows from Operating Activities:		
Operating Income	\$ 14,520,446	\$ 22,847,046
Adjustments to Reconcile Operating Income to		
Net Cash Provided by Operating Activities:		
Depreciation and Amortization Expenses	33,090,795	29,709,790
Net Pension (Benefit) - GASB 68	(1,367,694)	(2,670,475)
Net OPEB (Benefit) - GASB 75	(1,407,920)	(627,711)
Changes in Assets and Liabilities:		
(Increase) Decrease in Accounts Receivable	(665,818)	(2,417,810)
Increase (Decrease) in Unrestricted Accounts		
Payable and Accrued Expenses	4,806,576	(220,510)
Increase (Decrease) in Reserve for Grants	57,090	14,100
Net Cash Provided by Operating Activities	<u>\$ 49,033,475</u>	<u>\$ 46,634,430</u>

The accompanying Notes to Financial Statements are an integral part of these statements.

CAMDEN COUNTY MUNICIPAL UTILITIES AUTHORITY

Notes to Financial Statements
For the Years Ended December 31, 2023 and 2022

Note 1: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

The financial statements of the Camden County Municipal Utilities Authority (the "Authority") have been prepared to conform with accounting principles generally accepted in the United States of America ("GAAP") as applied to governmental units. The Governmental Accounting Standards Board ("GASB") is the accepted standard setting body for establishing governmental accounting and financial reporting principles. The following is a summary of the more significant of these policies.

Reporting Entity

The Camden County Municipal Utilities Authority is a public body corporate and politic of the State of New Jersey and was originally created by an ordinance duly adopted on March 15, 1972 by the Board of Commissioners of the County of Camden, State of New Jersey.

The Authority was created for the purpose of acquiring, constructing, maintaining and operating facilities for the collection, treatment, purification or disposal of sewerage or other wastes for the relief of waters in, bordering or entering the County of Camden (the "County") from pollution or threatened pollution and for the improvement of conditions affecting the public health.

The Authority has entered into a service agreement with its member municipalities within the County. The Authority bills and collects its revenue from the users of the system sufficient to pay or provide for the expenses of operation, repair and maintenance of the system, debt service, deficits (if any), and maintain reserves and sinking funds as may be required.

The County is obligated to pay the Authority, pursuant to a Deficiency Agreement, any annual charges equal to any deficits in revenues necessary to pay or provide for (i) operation and maintenance expenses, (ii) principal and interest payments on bonds and notes in an aggregate principal amount not to exceed \$685,500,000 and (iii) the maintenance of reserves required under the Bond Resolution securing the Authority's bonds and notes.

Component Unit

In evaluating how to define the Authority for financial reporting purposes, management has considered all potential component units. The decision to include any potential component units in the financial reporting entity was made by applying the criteria set forth in GASB Statement No. 14, *The Financial Reporting Entity*, as amended. Blended component units, although legally separate entities, are in-substance part of the government's operations. Each discretely presented component unit would be reported in a separate column in the financial statements to emphasize that it is legally separate from the government.

The basic-but not the only-criterion for including a potential component unit within the reporting entity is the governing body's ability to exercise oversight responsibility. The most significant manifestation of this ability is financial interdependency. Other manifestations of the ability to exercise oversight responsibility include, but are not limited to, the selection of governing authority, the designation of management, the ability to significantly influence operations, and accountability for fiscal matters. A second criterion used in evaluating potential component units is the scope of public service. Application of this criterion involves considering whether the activity benefits the government and / or its citizens.

A third criterion used to evaluate potential component units for inclusion or exclusion from the reporting entity is the existence of special financing relationships, regardless of whether the government is able to exercise oversight responsibilities. Finally, the nature and significance of a potential component unit to the primary government could warrant its inclusion within the reporting entity.

Based upon the application of these criteria, the Authority has no component units and is a component unit of the County of Camden.

Note 1: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONT'D)**Basis of Presentation**

The financial statements of the Authority have been prepared in accordance with accounting principles generally accepted in the United States of America applicable to enterprise funds of State and Local Governments on a going concern basis. The focus of enterprise funds is the measurement of economic resources, that is, the determination of operating income, changes in net position (or cost recovery), financial position and cash flows. The Governmental Accounting Standards Board ("GASB") is the accepted standard setting body for establishing governmental accounting and financial reporting principles.

The Authority is a single enterprise fund and maintains its records on the accrual basis of accounting. Enterprise funds account for activities (i) that are financed with debt that is secured solely by a pledge of the net revenues from fees and charges of the activity; or (ii) that are required by law or regulations that the activity's cost of providing services, including capital cost (such as depreciation or debt service), be recovered with fees and charges, rather than with taxes or similar revenues; or (iii) that the pricing policies of the activity establish fees and charges designed to recover its costs, including capital costs (such as depreciation or debt service). Under this method, revenues are recorded when earned and expenses are recorded when the related liability is incurred.

Basis of Accounting

Basis of accounting determines when transactions are recorded in the financial records and reported on the financial statements. Enterprise funds are accounted for using the accrual basis of accounting.

Revenues -- Exchange and Non-Exchange Transactions - Revenue resulting from exchange transactions, in which each party gives and receives essentially equal value is recorded on the accrual basis when the exchange takes place. Sewer service charges are recognized as revenue when services are provided. Connection fees are paid to the Authority at the time a property applies for connection to the regional sewer system and are recognized as revenue when the funds are received. At the time the municipality issues a release for certificate of occupancy, the Authority determines that sewage collection services are being provided to the properties and begins the billing process.

Non-exchange transactions, in which the Authority receives value without directly giving equal value in return, include grants, contributed capital, and donations. Revenue from grants, contributed capital, and donations is recognized in the year in which all eligibility requirements have been satisfied. Eligibility requirements include timing requirements, which specify the year when the resources are required to be used or the year when use is first permitted, matching requirements, in which the Authority must provide local resources to be used for a specified purpose, and expenditure requirements, in which the resources are provided to the Authority on a reimbursement basis.

Expenses - On the accrual basis of accounting, expenses are recognized at the time they are incurred.

Budgets and Budgetary Accounting

The Authority must adopt an annual budget in accordance with N.J.A.C. 5:31-2. N.J.A.C. 5:31-2 requires the governing body to introduce the annual Authority budget at least 60 days prior to the end of the current year and to adopt not later than the beginning of the Authority's year. The governing body may amend the budget at any point during the year. The budget is adopted on the accrual basis of accounting with provisions for cash payments for bond principal. Depreciation expense, bond issue costs, bond premiums, deferred gain and loss on defeasance and the annual required contribution for the Authority's pension and other postemployment benefits (OPEB) plans are not included in the budget appropriations.

The legal level of budgetary control is established at the same level of detail shown on the Statement of Revenues, Expenses and Changes in Net Position. All budget transfers and amendments to those accounts must be approved by resolution of the Authority as required by the Local Finance Board. Management may transfer among supplementary line items as long as the legal level line items are not affected. There are no statutory requirements that budgetary line items not be over-expended. The Authority did not adopt an amending budget resolution during the year.

Note 1: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONT'D)**Budgets and Budgetary Accounting (Cont'd)**

The Authority records encumbrances. An encumbrance represents a commitment related to unperformed contracts for goods or services. The issuance of a purchase order or the signing of a contract would create an encumbrance. The encumbrance does not represent an expenditure for the period, only a commitment to expend resources. At year-end, the accounting records are adjusted to record only expenses in accordance with accounting principles generally accepted in the United States of America.

Cash, Cash Equivalents and Investments

Cash and cash equivalents include petty cash, change funds and cash in banks and all highly liquid investments with a maturity of three months or less at the time of purchase and are stated at cost plus accrued interest. Such is the definition of cash and cash equivalents used in the statement of cash flows. U.S. treasury and agency obligations and certificates of deposit with maturities of one year or less when purchased are stated at cost. All other investments are stated at fair value.

New Jersey governmental units are required by N.J.S.A. 40A:5-14 to deposit public funds in a bank or trust company having its place of business in the State of New Jersey and organized under the laws of the United States or of the State of New Jersey or in the New Jersey Cash Management Fund. N.J.S.A. 40A:5-15.1 provides a list of investments which may be purchased by New Jersey governmental units. These permissible investments generally include bonds or other obligations of the United States of America or obligations guaranteed by the United States of America, government money market mutual funds, any obligation that a federal agency or a federal instrumentality has issued in accordance with an act of Congress, bonds or other obligations of the local unit or bonds or other obligations of the school district of which the local unit is a part or within which the school district is located, bonds or other obligations approved by the Division of Local Government Services in the Department of Community Affairs for investment by local units, local government investment pools, deposits with the State of New Jersey Cash Management Fund, and agreements for the purchase of fully collateralized securities with certain provisions. In addition, other State statutes permit investments in obligations issued by local authorities and other state agencies.

N.J.S.A. 17:9-41 et seq. establishes the requirements for the security of deposits of governmental units. The statute requires that no governmental unit shall deposit public funds in a public depository unless such funds are secured in accordance with the Governmental Unit Deposit Protection Act ("GUDPA"), a multiple financial institutional collateral pool, which was enacted in 1970 to protect governmental units from a loss of funds on deposit with a failed banking institution in New Jersey. Public depositories include State or federally chartered banks, savings banks or associations located in or having a branch office in the State of New Jersey, the deposits of which are federally insured. All public depositories must pledge collateral, having a market value at least equal to five percent of the average daily balance of collected public funds, to secure the deposits of governmental units. If a public depository fails, the collateral it has pledged, plus the collateral of all other public depositories, is available to pay the amount of their deposits to the governmental units.

Additionally, the Authority has adopted a cash management plan which requires it to deposit public funds in public depositories protected from loss under the provisions of the Governmental Unit Deposit Protection Act. In lieu of designating a depository, the cash management plan may provide that the local unit make deposits with the State of New Jersey Cash Management Fund.

Inventories

Inventory consists principally of chemicals for the treatment of water, sewerage and sludge and is valued at cost. The Authority has determined that the inventories are immaterial and are not recorded in the financial statements.

Prepaid Expenses

Prepaid expenses recorded on the financial statements represent payments made to vendors for services that will benefit periods beyond the applicable year end. The Authority had no prepaid expenses for the years ended December 31, 2023 and 2022.

Note 1: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONT'D)**Lease Receivable**

Lease receivables recorded on the statements of net position represents a contract that conveys control of the right to use the Authority's (lessor) nonfinancial asset. At the commencement of the lease term, the lessor recognizes a lease receivable and a deferred inflow of resources. The lease receivable is measured at the present value of lease payments expected to be received during the lease term. The Authority was not a lessor during the years ended December 31, 2023 and 2022.

Capital Assets

Capital assets primarily consist of expenditures to acquire, construct, place in operation and improve the facilities of the Authority. Assets purchased are stated at actual cost. Donated capital assets are recorded at their fair market value as of the date received. The Authority has no infrastructure capital assets.

Expenditures, which enhance the asset or significantly extend the useful life of the asset are considered improvements and are added to the capital asset's currently capitalized cost. The cost of normal repairs and maintenance are not capitalized. Costs incurred during construction of an asset are recorded as construction in progress. In the year that the project is completed, these costs are transferred to Capital Assets - Completed. Interest costs incurred during construction are not capitalized into the cost of the asset.

Lease assets are measured on the statements of net position at the amount of the initial measurement of the related lease liability, plus any payments made to the lessor at or before the commencement of the lease term and certain direct costs.

Subscription assets are measured on the statements of net position at the amount of the initial measurement of the related subscription liability, plus any payments associated with the arrangement made to the vendor at the commencement of the subscription term and capitalizable initial implementation costs.

Expenditures are capitalized when they meet the following requirements:

- 1) Cost of \$5,000 or more
- 2) Useful life of more than one year
- 3) Asset is not affected by consumption

Amortization and Depreciation

Amortization on lease and subscription assets and depreciation on other capital assets is computed using the straight-line method over the shorter of the lease term or the following useful lives:

	<u>Years</u>
Plant	10-50
Interceptors	75
Heavy Duty Vehicles	10
Office Furniture and Equipment	10
Other	5
Subscription Assets	2-10

Bond Premiums

Bond premiums arising from the issuance of long-term debt (bonds) are amortized over the life of the bonds, in a systematic and rational method, from the issue date to maturity as a component of interest expense. Bond premiums are presented as an adjustment of the face amount on the bonds.

Note 1: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONT'D)**Deferred Outflows and Deferred Inflows of Resources**

The comparative statements of net position reports separate sections for deferred outflows of resources and deferred inflows of resources. Deferred outflows of resources, reported after total assets, represents a reduction of net position that applies to a future period(s) and will be recognized as an outflow of resources (expense) at that time. Deferred inflows of resources, reported after total liabilities, represents an acquisition of net position that applies to a future period(s) and will be recognized as an inflow of resources (revenue) at that time.

Transactions are classified as deferred outflows of resources and deferred inflows of resources only when specifically prescribed by the Governmental Accounting Standards Board (GASB) standards. The Authority is required to report the following as deferred outflows of resources and deferred inflows of resources: gain and loss on refunding of debt, defined benefit pension plans and postemployment benefit plans.

Compensated Absences

Compensated absences are those absences for which employees will be paid, such as vacation, sick leave, and sabbatical leave. A liability for compensated absences that are attributable to services already rendered, and that are not contingent on a specific event that is outside the control of the Authority and its employees, is accrued as the employees earn the rights to the benefits. Compensated absences that relate to future services, or that are contingent on a specific event that is outside the control of the Authority and its employees, are accounted for in the period in which such services are rendered or in which such events take place.

Unearned Revenue

Unearned revenue arises when assets are recognized before revenue recognition criteria have been satisfied. Unearned revenue is recorded as a liability until the revenue is measurable and the Authority is eligible to realize the assets as revenue.

Pensions

For purposes of measuring the net pension liability, deferred outflows of resources and deferred inflows of resources related to pensions, and pension (benefit) expense, information about the fiduciary net position of the Public Employees' Retirement System ("PERS") and additions to/deductions from PERS's fiduciary net position have been determined on the same basis as they are reported by the plans. For this purpose, benefit payments (including refunds of employee contributions) are recognized when due and payable in accordance with the benefit terms. Investments are reported at fair value.

Postemployment Benefits Other Than Pensions (OPEB) - State Health Benefits Local Government Retired Employees Plan

For purposes of measuring the net OPEB liability, deferred outflows of resources and deferred inflows of resources related to OPEB, and OPEB (benefit) expense, information about the respective fiduciary net position of the State Health Benefits Local Government Retired Employees Plan (the Plan) and additions to/deductions from the Plan's respective fiduciary net position have been determined on the same basis as they are reported by the Plan. Accordingly, contributions (including refunds of employee contributions) are recognized when due and payable in accordance with the benefit terms. Investments are reported at fair value.

Note 1: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONT'D)**Net Position**

In accordance with the provisions of GASB Statement No. 34 ("Statement 34") of the Governmental Accounting Standards Board "*Basic Financial Statements – and Management's Discussion and Analysis – for State and Local Governments*", the Authority has classified its net position into three components – net investment in capital assets; restricted; and unrestricted. These classifications are defined as follows:

Net Investment in Capital Assets - This component of net position consists of capital assets, net of accumulated depreciation, or amortization of intangible capital assets, reduced by the outstanding balances of any bonds, notes or other borrowings that are attributable to the acquisition, construction, or improvement of those assets. Deferred outflows of resources and deferred inflows of resources that are attributable to the acquisition, construction, or improvement of those assets or related debt also should be included in this component of net position. If there are significant unspent related debt proceeds or deferred inflows of resources at year-end, the portion of the debt attributable to the unspent proceeds is not included in the calculation of net investment in capital assets. Instead, that portion of the debt or deferred inflows of resources should be included in the same net position component as the unspent amount.

Restricted - Net position is reported as restricted when there are limitations imposed on their use either through the enabling legislation adopted by the Authority or through external restrictions imposed by creditors, grantors or laws or regulations of other governments.

Unrestricted - This component of net position consists of net position that does not meet the definition of "restricted" or "net investment in capital assets." This component includes net position that may be allocated for specific purposes by the Board.

Income Taxes

The Authority operates as defined by the Internal Revenue Code Section 115 and appropriately is exempt from income taxes under Section 115.

Operating and Non-Operating Revenues and Expenses

Operating revenues include all revenues derived from wastewater treatment and sewer collection facilities (i.e., user service charges and connection fees) and other revenue sources. Non-operating revenues principally consist of certain grant revenues, interest income earned on various interest-bearing accounts and refund of prior year expenditures.

Operating expenses include expenses associated with the operation, maintenance and repair of the wastewater treatment and sewer collection facilities and general administrative expenses. Non-operating expenses principally include expenses attributable to the Authority's interest on funded debt, bond issuance costs, and payments to the County of Camden pursuant to shared services agreements.

Accounting Estimates

The preparation of financial statements in conformity with accounting principles generally accepted in the United States of America requires management to make estimates and assumptions that affect the amounts reported in the financial statements and accompanying notes. Actual results may differ from those estimates.

Note 1: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONT'D)**Impact of Recently Issued Accounting Policies****Recently Issued and Adopted Accounting Pronouncements**

Statement No. 94, *Public-Private and Public-Public Partnerships and Availability Payment Arrangements*. The primary objective of this Statement is to improve financial reporting by addressing issues related to public-private and public-public partnership arrangements (PPPs). As used in this Statement, a PPP is an arrangement in which a government (the transferor) contracts with an operator (a governmental or nongovernmental entity) to provide public services by conveying control of the right to operate or use a nonfinancial asset, such as infrastructure or other capital asset (the underlying PPP asset), for a period of time in an exchange or exchange-like transaction. This Statement also provides guidance for accounting and financial reporting for availability payment arrangements (APAs). As defined in this Statement, an APA is an arrangement in which a government compensates an operator for services that may include designing, constructing, financing, maintaining, or operating an underlying nonfinancial asset for a period of time in an exchange or exchange-like transaction. The adoption of this Statement had no impact on the Authority's financial statements.

Statement No. 96, *Subscription-Based Information Technology Arrangements*. This Statement provides guidance on the accounting and financial reporting for subscription-based information technology arrangements (SBITAs) for government end users (governments). This Statement (1) defines a SBITA; (2) establishes that a SBITA results in a right-to-use subscription asset—an intangible asset—and a corresponding subscription liability; (3) provides the capitalization criteria for outlays other than subscription payments, including implementation costs of a SBITA; and (4) requires note disclosures regarding a SBITA. To the extent relevant, the standards for SBITAs are based on the standards established in Statement No. 87, *Leases*, as amended. The adoption of this Statement had no impact on the Authority's financial statements.

Statement No. 99, *Omnibus 2022*. The objectives of this Statement are to enhance comparability in accounting and financial reporting and to improve the consistency of authoritative literature by addressing (1) practice issues that have been identified during implementation and application of certain GASB Statements and (2) accounting and financial reporting for financial guarantees. The adoption of this Statement had no impact on the Authority's financial statements.

Recently Issued Accounting Pronouncements

The GASB has issued the following Statements which will become effective in future years as indicated below:

Statement No. 100, *Accounting Changes and Error Corrections*. The primary objective of this Statement is to enhance accounting and financial reporting requirements for accounting changes and error corrections to provide more understandable, reliable, relevant, consistent, and comparable information for making decisions or assessing accountability. The Statement will become effective for the Authority in the year ending December 31, 2024. Management is currently evaluating the impact this Statement will have on the basic financial statements of the Authority.

Statement No. 101, *Compensated Absences*. The objective of this Statement is to better meet the information needs of financial statement users by updating the recognition and measurement guidance for compensated absences. That objective is achieved by aligning the recognition and measurement guidance under a unified model and by amending certain previously required disclosures. The Statement will become effective for the Authority in the year ending December 31, 2024. Management is currently evaluating the impact this Statement will have on the basic financial statements of the Authority.

Note 1: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONT'D)**Impact of Recently Issued Accounting Policies (Cont'd)****Recently Issued Accounting Pronouncements (Cont'd)**

Statement No. 102, *Certain Risk Disclosures*. The objective of this Statement is to provide users of government financial statements with essential information about risks related to a government's vulnerabilities due to certain concentrations or constraints. That objective is achieved by requiring a government to assess whether a concentration or constraint makes the primary government reporting unit or other reporting units that report a liability for revenue debt vulnerable to the risk of a substantial impact. The Statement will become effective for the Authority in the year ending December 31, 2025. Management is currently evaluating the impact this Statement will have on the basic financial statements of the Authority.

Statement No. 103, *Financial Reporting Model Improvements*. The objective of this Statement is to improve key components of the financial reporting model to enhance its effectiveness in providing information that is essential for decision making and assessing a government's accountability. This Statement also addresses certain application issues. That objective is achieved by improving the quality of the analysis of changes from the prior year, which will enhance the relevance of that information. They also will provide clarity regarding what information should be presented in MD&A. The Statement will become effective for the Authority in the year ending December 31, 2026. Management is currently evaluating the impact this Statement will have on the basic financial statements of the Authority.

Statement No. 104, *Disclosure of Certain Capital Assets*. The objective of this Statement is to provide users of government financial statements with essential information about certain types of capital assets. This Statement also requires additional disclosures for capital assets held for sale. That objective is achieved by improving financial reporting by providing users of financial statements with essential information about certain types of capital assets in order to make informed decisions and assess accountability. Additionally, the disclosure requirements will improve consistency and comparability between governments. The Statement will become effective for the Authority in the year ending December 31, 2026. Management is currently evaluating the impact this Statement will have on the basic financial statements of the Authority.

Note 2: STEWARDSHIP, COMPLIANCE, AND ACCOUNTABILITY**Compliance with Finance Related Legal and Contractual Provisions**

Management of the Authority is unaware of any material violations of finance related legal and contractual provisions.

General Bond Resolution

The Authority is subject to the provisions and restrictions of the 1987 Sewer Revenue Bond Resolution adopted May 26, 1987 and all subsequent supplemental resolutions. An Amended and Restated Sewer Revenue Bond Resolution was adopted on October 10, 1995, in order to consolidate all previous supplemental resolutions to date. A summary of the activities of each fund created by the Bond Resolution is covered below.

Revenue Fund - The Revenue Fund accounts for resources and expenditures of a general nature. If the Authority is not in default in the payment of bond principal or interest and all fund requirements are satisfied, the excess funds may be used by the Authority for any lawful purpose.

Debt Service - The Debt Service Fund must maintain a balance on deposit sufficient to enable the Trustee to withdraw amounts equal to interest due on bonds and loans, principal amounts maturing on bonds and loans and sinking fund installments, when such payments are required.

Note 2: STEWARDSHIP, COMPLIANCE, AND ACCOUNTABILITY (CONT'D)

General Bond Resolution (Cont'd)

Debt Service Reserve Fund - The amount of funds on deposit must be maintained at a level equal to Maximum Debt Service to insure funds are available for payment of debt service.

Renewal and Replacement Fund - These funds are maintained for reasonable and necessary expenses with respect to the system for major repairs, renewals, replacements or maintenance items of a type not recurring annually.

Construction Account - The Construction Fund is held by the Trustee and shall be applied to pay the cost of projects and is pledged, pending application to such costs, for the security of the payment of principal and interest on the Sewer Revenue Bonds.

Special Reserve Fund - The Special Reserve Fund accounts for funds in accordance with the Special Reserve Fund Deposit Requirement.

Excess Expenditures over Appropriations

The following appropriation category had expenditures that exceeded appropriation for the year ended December 31, 2023:

<u>Category</u>	<u>Appropriation</u>	<u>Expenditures</u>	<u>Excess</u>	<u>Comment on Excess</u>
Administration:				
Salary & Wages	\$ 2,619,928	\$ 2,638,006	\$ 18,078	Unanticipated overtime costs.

Debt Service Coverage

Section 4.01 of the Amended and Restated Bond Resolution adopted October 10, 1995 requires certain ratios of Net Revenues at least equal to 1.00 times the Debt Service Requirements of Bonds within the coverage of the County Agreement for such Bond Year. Pursuant to the understanding at the time of issuance of the Sewer Revenue Capital Appreciation Bonds any accretion in value of the Capital Appreciation Bonds above the original principal amount of the Bonds at initial issuance is treated as accreted interest for the purpose of defining coverage within the County Agreement.

Note 2: STEWARDSHIP, COMPLIANCE, AND ACCOUNTABILITY (CONT'D)**Debt Service Coverage (Cont'd)**

Compliance with this covenant is calculated as follows:

<u>1995 Bond Resolution</u>	<u>Bond Year Ending December 31, 2023</u>	<u>Bond Year Ending December 31, 2022</u>
Gross Revenues:		
Operating Revenues	\$ 92,817,908	\$ 93,554,810
Interest Income	4,249,713	1,016,944
Total Gross Revenues	97,067,621	94,571,754
Operating Expenses, exclusive of depreciation	45,206,667	40,997,974
Net Revenues	51,860,954	53,573,780
Debt Service Requirement of all Bonds issued under this Resolution (treating all Bonds as a single issue of Bonds for purposes of this calculation) *	682,393	685,101
Sufficiency of Net Revenues	<u>\$ 51,178,561</u>	<u>\$ 52,888,679</u>

The amount of outstanding bonds is less than \$685,500,000 and all such bonds are entitled to the benefits of the County Agreement.

* Annual Debt Service stated above does not include amortization of bond premiums or deferred amount on defeasance.

Renewal and Replacement/System Reserve Requirement

In accordance with Section 6.15 of the Amended and Restated Bond Resolution adopted October 10, 1995, within thirty (30) days prior to the end of each year, the Authority shall certify as of the end of such year or the beginning of the succeeding year the amount which is reasonably required to be held in the System Reserve Account in the Renewal and Replacement Fund as the then-current System Reserve Requirement. As defined in the bond resolution, the system reserve requirement shall mean the greater of:

	<u>Bond Year Ending December 31, 2023</u>	<u>Bond Year Ending December 31, 2022</u>
(a1) the amount stated as required as a reserve in the System Reserve Account in the Consulting Engineer's Certificate most recently filed with the Trustee pursuant to Section 6.15 hereof, plus the	\$ 3,590,000	\$ 2,685,000
(a2) Consulting Engineer's Certificate for Plant Renewal and Replacement	6,640,000	6,747,489
Total Consulting Engineer's Certified Amount	<u>\$ 10,230,000</u>	<u>\$ 9,432,489</u>
or (b) five percent (5%) of the Gross Revenues set forth in the Authority's then current Annual Budget (\$92,345,887 x 5% for 2023) and (\$89,392,009 x 5% for 2022)	<u>\$ 4,617,294</u>	<u>\$ 4,469,600</u>
Total Renewal and Replacement / System Reserve	\$ 10,230,000	\$ 9,432,489
Amount of Renewal and Replacement / System Reserve Funded	10,406,299	9,969,489
Overfunded Total Renewal and Replacement / System Reserve	<u>\$ 176,299</u>	<u>\$ 537,000</u>

Note 2: STEWARDSHIP, COMPLIANCE, AND ACCOUNTABILITY (CONT'D)**Debt Service Reserve Requirement**

The bond resolution established four (4) levels of funds that must be maintained and are ordered by priority. The fourth and lowest prioritized level is the Renewal and Replacement Fund/System Reserve Account. If there are insufficient funds in this account, the Trustee is directed to transfer funds into the reserve as they become available.

Section 1.01 of the Amended and Restated Bond Resolution adopted October 10, 1995 indicates the debt service reserve requirement shall mean the lesser of:

	Bond Year Ending December 31, 2023	Bond Year Ending December 31, 2022
(a) the Maximum Annual Debt Service Requirement of all Bonds issued under this Resolution (treating all Bonds as a single issue of Bonds for purposes of this calculation),	\$ 384,160	\$ 685,461
or		
(b) the sum of:		
(i) the then applicable Periodic Debt Service Reserve Requirement,	\$ 40,387,238	\$ 40,387,238
(ii) upon the issuance of any series of Additional Bonds after the 1990 Bonds, the Maximum Annual Debt Service Requirement on all Outstanding Bonds of such series less the amount, if any, of the reduction in the Maximum Annual Debt Service on any series of Bonds refunded with such series of Additional Bonds:		
2003 Series A		104,401
2006 Series A	384,160	384,160
(iii) on December 2, 1997, the Maximum Annual Debt Service Requirement on any 1987 Bonds maturing on December 31, 2007 Or December 1, 2018 then outstanding.	-	-
	\$ 40,771,398	\$ 40,875,799

Therefore, the defined Debt Service Reserve Requirement as of December 31, 2023 and 2022 shall equal \$384,160 and \$685,461, respectively.

The Authority has funded the Debt Service Reserve Requirement as of December 31, 2023 and 2022 as follows:

	Bond Year Ending December 31, 2023	Bond Year Ending December 31, 2022
Amount on Deposit	\$ 1,161,274	\$ 1,112,187
Interest Receivable	5,158	3,247
	\$ 1,166,432	\$ 1,115,434

Note 3: DETAIL NOTES - ASSETS**Cash and Cash Equivalents**

Custodial Credit Risk Related to Deposits - Custodial credit risk is the risk that, in the event of a bank failure, the Authority's deposits might not be recovered. Although the Authority does not have a formal policy regarding custodial credit risk, N.J.S.A. 17:9-41 et seq. requires that governmental units shall deposit public funds in public depositories protected from loss under the provisions of the Governmental Unit Deposit Protection Act (GUDPA). Under the Act, the first \$250,000 of governmental deposits in each insured depository is protected by the Federal Deposit Insurance Corporation (FDIC). Public funds owned by the Authority in excess of FDIC insured amounts are protected by GUDPA. However, GUDPA does not protect intermingled trust funds, salary withholdings or funds that may pass to the Authority relative to the happening of a future condition. If the Authority had any such funds, they would be shown as Uninsured and Uncollateralized in the schedule below.

As of December 31, 2023 and 2022, the Authority's bank balances were exposed to custodial credit risk as follows:

	<u>2023</u>	<u>2022</u>
Insured by F.D.I.C.	\$ 1,000,000	\$ 1,000,000
Insured by GUDPA	120,545,750	93,120,223
Uninsured and Uncollateralized	<u>977,994</u>	<u>1,589,417</u>
Total Bank Balance	<u>\$122,523,744</u>	<u>\$ 95,709,640</u>

Service Fees

The following is a three-year comparison of service charge billings and collections for all types of accounts maintained by the Authority:

<u>Year</u>	<u>Beginning Balance</u>	<u>Billings</u>	<u>Total Collections</u>	<u>Percentage of Collections</u>
2023	\$ 10,180,897	\$ 85,930,197	\$ 85,264,379	88.71%
2022	7,763,087	85,145,803	82,727,993	89.04%
2021	8,364,258	84,731,755	85,332,926	91.66%

Accounts Receivable

Accounts receivable at December 31, 2023 and 2022 consisted of miscellaneous revenue receivable, due from Camden County for shared service agreements, due from the City of Camden from user fees collected at tax sale, and other user fees. The Authority's policy for allowance for doubtful accounts is to consider any account with a balance greater than 18 months old as doubtful accounts.

Accounts receivable as of year end for the Authority are as follows:

<u>Description</u>	<u>Balance Dec. 31, 2023</u>	<u>Balance Dec. 31, 2022</u>
Miscellaneous Revenues	\$ 174,877	\$ 76,887
Due from Camden County	581,457	411,045
Due from City of Camden - Tax Sale		733,988
User Fees	<u>27,756,232</u>	<u>28,042,033</u>
	28,512,566	29,263,953
Less: Allowance for Doubtful Accounts	<u>(17,665,851)</u>	<u>(19,083,056)</u>
	<u>\$ 10,846,715</u>	<u>\$ 10,180,897</u>

Note 3: DETAIL NOTES – ASSETS (CONT'D)**Capital Assets**

During the year ended December 31, 2023, the following changes in Capital Assets occurred:

	<u>Balance</u> <u>Jan. 1, 2023</u>	<u>Additions</u>	<u>Transfers</u>	<u>Deletions</u>	<u>Balance</u> <u>Dec. 31, 2023</u>
Capital Assets, not being depreciated:					
Land	\$ 6,440,900				\$ 6,440,900
Construction in Progress	35,759,897	\$ 21,323,071	\$ (31,669,347)		25,413,621
Total Capital Assets not being depreciated	42,200,797	21,323,071	(31,669,347)	\$ -	31,854,521
Capital Assets, being depreciated:					
Plant, In Service:					
Preliminary Treatment Facility	30,970,507				30,970,507
Secondary Treatment Plant	372,382,134		31,669,347		404,051,481
Interceptors	174,526,643				174,526,643
Compost Facility	55,342,819				55,342,819
Pump Stations	185,149,925				185,149,925
Metering Stations	5,139,651				5,139,651
Consulting & Engineering	40,121,442				40,121,442
Capitalized Interest	73,517,899				73,517,899
Other:					
Administrative Building	3,096,215				3,096,215
Plant Machinery	39,234,468	2,849,356			42,083,824
Sundry	9,510,346	1,122,525		(25,590)	10,607,281
Total Capital Assets being depreciated	988,992,049	3,971,881	31,669,347	(25,590)	1,024,607,687
Less Accumulated Depreciation:					
Plant, In Service:					
Preliminary Treatment Facility	28,100,277	312,298		(25,590)	28,386,985
Secondary Treatment Plant	232,626,568	20,714,845			253,341,413
Interceptors	86,645,239	3,261,717			89,906,956
Compost Facility	21,035,841	1,106,676			22,142,517
Pump Stations	88,361,247	2,201,934			90,563,181
Metering Stations	3,720,994	92,952			3,813,946
Consulting & Engineering	24,770,972	680,739			25,451,711
Capitalized Interest	47,220,723	1,292,858			48,513,581
Other:					
Administrative Building	2,180,584	109,803			2,290,387
Plant Machinery	24,761,163	2,902,480			27,663,643
Sundry	6,971,379	414,493			7,385,872
Total Accumulated Depreciation	566,394,987	33,090,795	-	(25,590)	599,460,192
Total Capital Assets being depreciated, Net	422,597,062	(29,118,914)	31,669,347	-	425,147,495
Total Capital Assets, Net	\$ 464,797,859	\$ (7,795,843)	\$ -	\$ -	\$ 457,002,016

Note 3: DETAIL NOTES – ASSETS (CONT'D)**Capital Assets (Cont'd)**

During the year ended December 31, 2022, the following changes in Capital Assets occurred:

	<u>Balance</u> <u>Jan. 1, 2022</u>	<u>Additions</u>	<u>Transfers</u>	<u>Deletions</u>	<u>Balance</u> <u>Dec. 31, 2022</u>
Capital Assets, not being depreciated:					
Land	\$ 6,440,900				\$ 6,440,900
Construction in Progress	41,961,916	\$ 13,046,656	\$ (19,248,675)		35,759,897
Total Capital Assets not being depreciated	48,402,816	13,046,656	(19,248,675)	\$ -	42,200,797
Capital Assets, being depreciated:					
Plant, In Service:					
Preliminary Treatment Facility	30,970,507				30,970,507
Secondary Treatment Plant	359,224,484		19,248,675	(6,091,025)	372,382,134
Interceptors	174,526,643				174,526,643
Compost Facility	55,342,819				55,342,819
Pump Stations	185,149,925				185,149,925
Metering Stations	5,139,651				5,139,651
Consulting & Engineering	40,121,442				40,121,442
Capitalized Interest	73,517,899				73,517,899
Other:					
Administrative Building	3,096,215				3,096,215
Plant Machinery	35,666,344	3,568,124			39,234,468
Sundry	9,450,888	59,458			9,510,346
Total Capital Assets being depreciated	972,206,817	3,627,582	19,248,675	(6,091,025)	988,992,049
Less Accumulated Depreciation:					
Plant, In Service:					
Preliminary Treatment Facility	27,484,907	615,370			28,100,277
Secondary Treatment Plant	215,913,569	17,279,090		(566,091)	232,626,568
Interceptors	83,383,523	3,261,716			86,645,239
Compost Facility	19,929,164	1,106,677			21,035,841
Pump Stations	86,159,313	2,201,934			88,361,247
Metering Stations	3,628,042	92,952			3,720,994
Consulting & Engineering	24,005,727	765,245			24,770,972
Capitalized Interest	45,927,864	1,292,859			47,220,723
Other:					
Administrative Building	2,052,609	127,975			2,180,584
Plant Machinery	22,215,444	2,545,719			24,761,163
Sundry	6,551,126	420,253			6,971,379
Total Accumulated Depreciation	537,251,288	29,709,790	-	(566,091)	566,394,987
Total Capital Assets being depreciated, Net	434,955,529	(26,082,208)	19,248,675	(5,524,934)	422,597,062
Total Capital Assets, Net	\$ 483,358,345	\$ (13,035,552)	\$ -	\$ (5,524,934)	\$ 464,797,859

Note 4: DETAIL NOTES – DEFERRED OUTFLOWS OF RESOURCES**Deferred Gain/Loss of Defeasance of Debt**

In 2016 and 2017, the New Jersey Environmental Infrastructure Trust advance refunded the Authority's 2008A, 2010B, and 2010A Serial Bonds. Furthermore, in 2020, New Jersey Environmental Infrastructure Trust refunded the Authority's 2003A, 2006A, and 2012A Serial Bonds. The refundings resulted in net differences between the reacquisition price and net carrying amount of the old debt in the aggregate amount of \$208,264. This difference, reported in the accompanying financial statements as a deferred outflow of resources of \$667,909 and deferred inflow of resources of \$459,645, is being charged to operations as a component of interest expense over the life of the refunding bonds.

Note 5: DETAIL NOTES – LIABILITIES**Long-term Liabilities**

During the year ended December 31, 2023, the following changes occurred in long-term obligations:

	<u>Balance</u> <u>Jan. 1, 2023</u>	<u>Additions</u>	<u>Reductions</u>	<u>Balance</u> <u>Dec. 31, 2023</u>	<u>Due Within</u> <u>One Year</u>
Bonds and Loans Payable:					
Revenue Bonds Payable	\$ 67,384,715	\$ 23,541,596	\$ 15,498,727	\$ 75,427,584	\$ 3,626,498
Loans Payable	125,800,389	28,575,504	21,069,493	133,306,400	9,171,394
Add:					
Premium on Bonds	2,356,569	209,417	308,494	2,257,492	
Total Bonds and Loans Payable	195,541,673	52,326,517	36,876,714	210,991,476	12,797,892
Other Liabilities:					
Net Pension Liability	17,492,118	5,482,106	5,275,265	17,698,959	
Accrued Liability - Related to Pensions	730,828	816,575	730,828	816,575	
Net OPEB Liability	24,305,497	22,007,244	21,415,736	24,897,005	
Total Other Liabilities	42,528,443	28,305,925	27,421,829	43,412,539	-
Total Long-Term Liabilities	\$ 238,070,116	\$ 80,632,442	\$ 64,298,543	\$ 254,404,015	\$ 12,797,892

Note 5: DETAIL NOTES – LIABILITIES (CONT'D)**Long-term Liabilities (Cont'd)**

During the year ended December 31, 2022, the following changes occurred in long-term obligations:

	<u>Balance</u> <u>Jan. 1, 2022</u>	<u>Additions</u>	<u>Reductions</u>	<u>Balance</u> <u>Dec. 31, 2022</u>	<u>Due Within</u> <u>One Year</u>
Bonds and Loans Payable:					
Revenue Bonds Payable	\$ 66,840,742	\$ 9,833,623	\$ 9,289,650	\$ 67,384,715	\$ 3,642,811
Loans Payable	133,873,252	15,367,822	23,440,685	125,800,389	9,213,575
Add:					
Premium on Bonds	2,667,037		310,468	2,356,569	
Total Bonds and Loans Payable	203,381,031	25,201,445	33,040,803	195,541,673	12,856,386
Other Liabilities:					
Net Pension Liability	13,475,113	11,754,913	7,737,908	17,492,118	
Accrued Liability - Related to Pensions	666,059	730,828	666,059	730,828	
Net OPEB Liability	27,441,361	19,244,564	22,380,428	24,305,497	
Total Other Liabilities	41,582,533	31,730,305	30,784,395	42,528,443	-
Total Long-Term Liabilities	\$ 244,963,564	\$ 56,931,750	\$ 63,825,198	\$ 238,070,116	\$ 12,856,386

Revenue Bonds Payable - Series 2006A

The Revenue Bonds Series 2006A are direct obligations of the Authority. The Bonds are secured by a pledge on the Revenues derived by the Authority from the operation of its sewerage treatment facilities. On October 11, 2006, the Authority issued County Agreement Sewer Revenue Bonds, Series 2006A dated September 26, 2006, in the amount of \$5,000,000 to pay expenses incurred in the repair of a force main in the City of Camden and other various projects. The 2006A Bonds have interest rates ranging from 3.45% to 4.05% and mature in various increments through 2026.

Special Reserve Fund

Pursuant to the Thirteenth Supplemental Resolution adopted December 27, 1993, the provision to prepay the 1987 Sewer Revenue Bonds and the New Jersey Wastewater Treatment Trust Bonds was eliminated and amended to pay all or any portion of the principal of or interest on the 1990 Bonds when due. The Authority, however, is not obligated to use Special Reserve Fund moneys to redeem the 1990 Bonds and may, with the consent of Financial Guaranty Insurance Company, the issuer of the Municipal Bond New Issue Insurance Policy, apply such moneys to future capital projects or pay administrative costs or expenses of the Authority, including, without limitation, any costs and expenses in any way related to the issuance of Authority obligations or the restructuring of the Special Reserve Fund. The Authority does not have an obligation to further fund the Special Reserve Fund and has paid approximately \$191,650,287 into the Special Reserve Fund as of December 31, 2023 and 2022.

Note 5: DETAIL NOTES – LIABILITIES (CONT'D)**New Jersey Infrastructure Bank (NJIB) (f.k.a. New Jersey Environmental Infrastructure Trust)**

On November 8, 2003, the Authority closed on loans from the New Jersey Environmental Infrastructure Trust totaling \$1,465,000 from the Trust and \$3,755,879 from the Fund. The loan proceeds were used to: 1) replace sludge dewatering belt filter press; 2) install additional sludge thickening equipment, and 3) extend the plant effluent outfall. The Fund Loan is a non-interest bearing loan with its semi-annual principal payments due August 1 and February 1, with a final maturity of August 1, 2023. On August 18, 2010, the Authority closed on a refunding loan of \$1,083,972 to refund the original Trust Loan. On June 17, 2020, the Authority further closed on a refunding loan of \$295,077 to refund the 2010 refunding loans. The 2020 refunding loan carries annual interest rate of 3% with a final maturity of August 1, 2023.

On November 9, 2006, the Authority closed on loans from the New Jersey Environmental Infrastructure Trust totaling \$9,750,000 from the Trust and \$25,351,847 from the Fund. The loan proceeds were used to supplement the 2003 loans in funding the three projects noted above. The Fund Loan is a non-interest bearing loan with its semi-annual principal payments due August 1 and February 1. Fund Loan amounts not drawn down by the Authority totaling \$1,796,411 were de-obligated, and the adjusted final maturity after de-obligation is August 1, 2025. On August 18, 2010, the Authority closed on a refunding loan of \$9,249,100 to refund the original Trust Loan. On August 14, 2012, the Authority further closed on a refunding loan of \$5,808,090 to partially refund the 2010 refunding loan except for the 2024 principal installment of \$609,100. The 2012 refunding loan carries an interest rate of 4% with a final maturity of August 1, 2026. On June 17, 2020, the Authority closed on a refunding loan in the amount of \$562,216 to refund the 2024 principal installment, with an annual interest rate of 3% with a final maturity of August 1, 2024.

On November 8, 2007, the Authority closed on loans from the New Jersey Environmental Infrastructure Trust totaling \$2,940,000 from the Trust and \$7,612,500 from the Fund. The loan proceeds were used to fund the replacement and upgrade of pure oxygen system and aeration tanks. The Fund Loan is a non-interest bearing loan with its semi-annual principal payments due August 1 and February 1, with a final maturity of August 1, 2027. On November 24, 2015, the Authority closed on a refunding loan of \$1,876,000 to refund the original Trust Loan; the refunding loan carries an interest rate of 5% with a final maturity of August 1, 2027.

On November 6, 2008, the Authority closed on loans from the New Jersey Environmental Infrastructure Trust totaling \$6,110,000 from the Trust and \$16,042,800 from the Fund. The loan proceeds were used to fund the construction of a new sludge drying facility. The Fund Loan is a non-interest bearing loan with its semi-annual principal payments due August 1 and February 1, with a final maturity of August 1, 2028. On May 10, 2016, the Authority closed on a refunding loan of \$3,641,000 to refund the original Trust Loan; the refunding loan carries interest rates from 4.5% to 5% with a final maturity of August 1, 2028.

On March 20, 2010, the Authority closed on loans from the New Jersey Environmental Infrastructure Trust totaling \$2,105,000 from the Trust and \$2,070,000 from the Fund. The loan proceeds were used to fund the replacement of odor control system. This project also included a Federal ARRA grant of \$4,412,000. The ARRA funds do not require repayment and were recorded as a capital contribution in the financial statements. The Fund Loan is a non-interest bearing loan with its semi-annual principal payments due August 1 and February 1, with a final maturity of August 1, 2029. On January 31, 2017, the Authority closed on a refunding loan of \$1,356,000 to refund the original Trust Loan; the refunding loan carries an interest rate of 4% with a final maturity of August 1, 2029.

On March 20, 2010, the Authority also closed on loans from the New Jersey Environmental Infrastructure Trust totaling \$4,865,000 from the Trust and \$14,867,980 from the Fund. The loan proceeds were used supplementally fund the following projects: 1) construction of a new sludge drying facility; 2) replacement and upgrade of pure oxygen system and aeration tanks; and 3) the replacement of odor control system. The Fund Loan is a non-interest bearing loan with its semi-annual principal payments due August 1 and February 1, with a final maturity of August 1, 2030. On May 10, 2016, the Authority closed on a refunding loan of \$3,031,000 to refund the original Trust Loan; the refunding loan carries interest rates from 4.5% to 5% with a final maturity of August 1, 2030.

Note 5: DETAIL NOTES – LIABILITIES (CONT'D)**New Jersey Infrastructure Bank (NJIB) (f.k.a. New Jersey Environmental Infrastructure Trust) (Cont'd)**

On May 3, 2012, the Authority closed on loans from the New Jersey Environmental Infrastructure Trust totaling \$1,100,000 from the Trust and \$3,397,500 from the Fund. The loan proceeds were used to fund the rehabilitation of existing deteriorating concrete structures within the Primary Treatment Facility. The Fund Loan is a non-interest-bearing loan with its semi-annual principal payments due August 1 and February 1, with a final maturity of August 1, 2031. On June 17, 2020, the Authority closed on a refunding loan of \$687,872 to refund the original Trust Loan; the refunding loan carries an interest rate of 4% with a final maturity of August 1, 2031.

On May 3, 2012, the Authority also closed on loans from the New Jersey Environmental Infrastructure Trust totaling \$14,375,000 from the Trust and \$34,037,500 from the Fund. The loan proceeds were used to fund the construction of the Atlantic Basin interceptor extension. This project also included a Federal ARRA grant of \$2,000,000. The ARRA funds do not require repayment and were recorded as a capital contribution in the financial statements. The Fund Loan is a non-interest bearing loan with its semi-annual principal payments due August 1 and February 1, with a final maturity of August 1, 2031. On June 17, 2020, the Authority closed on a refunding loan of \$9,293,438 to refund the original Trust Loan; the refunding loan carries an interest rate of 4% with a final maturity of August 1, 2031.

On May 22, 2013, the Authority closed on loans from the New Jersey Environmental Infrastructure Trust totaling \$1,820,000 from the Trust and \$4,625,562 from the Fund. The loan proceeds were used to supplementally fund the Atlantic Basin interceptor extension project. The Fund Loan is a non-interest bearing loan with its semi-annual principal payments due August 1 and February 1, with a final maturity of August 1, 2032. The Trust Loan carries interest rates from 3.4% to 5%, with a final maturity of August 1, 2032.

On May 28, 2015, the Authority closed on loans from the New Jersey Environmental Infrastructure Trust totaling \$355,000 from the Trust and \$993,413 from the Fund. The loan proceeds were used to supplementally fund the Atlantic Basin interceptor extension project. The Fund Loan is a non-interest bearing loan with its semi-annual principal payments due August 1 and February 1, with a final maturity of August 1, 2032. The Trust Loan carries interest rates from 4% to 5%, with a final maturity of August 1, 2032.

On May 28, 2015, the Authority also closed on loans from the New Jersey Environmental Infrastructure Trust totaling \$1,325,000 from the Trust and \$2,242,750 from the Fund. The loan proceeds were used to fund the Camden City green and gray project. This project also included a Federal ARRA grant of \$2,000,000. The ARRA funds do not require repayment and were recorded as a capital contribution in the financial statements. The Fund Loan is a non-interest bearing loan with its semi-annual principal payments due August 1 and February 1, with a final maturity of August 1, 2034. The Trust Loan carries interest rates from 4% to 5%, with a final maturity of August 1, 2034.

On November 24, 2015, the Authority closed on loans from the New Jersey Environmental Infrastructure Trust totaling \$365,000 from the Trust and \$1,159,679 from the Fund. The loan proceeds were used to supplementally fund the construction of a new sludge drying facility. The Fund Loan is a non-interest bearing loan with its semi-annual principal payments due August 1 and February 1, with a final maturity of August 1, 2030. The Trust Loan carries interest rates from 3% to 5%, with a final maturity of August 1, 2030.

On November 24, 2015, the Authority also closed on loans from the New Jersey Environmental Infrastructure Trust totaling \$105,000 from the Trust and \$317,250 from the Fund. The loan proceeds were used to supplementally fund the Camden City green and gray project. The Fund Loan is a non-interest bearing loan with its semi-annual principal payments due August 1 and February 1. As of December 31, 2021, Fund Loan totaling \$201,151 has been de-obligated; the adjusted final maturity for the Fund Loan was February 1, 2023. The Trust Loan carries interest rates from 3% to 5%, with a final maturity of August 1, 2034.

Note 5: DETAIL NOTES – LIABILITIES (CONT'D)**New Jersey Infrastructure Bank (NJIB) (f.k.a. New Jersey Environmental Infrastructure Trust) (Cont'd)**

On May 25, 2017, the Authority closed on loans from the New Jersey Environmental Infrastructure Trust totaling \$1,370,000 from the Trust and \$3,000,174 from the Fund. The loan proceeds were used to fund the Camden City green and gray project phase II. This project also included a Federal ARRA grant of \$1,000,000. The ARRA funds do not require repayment and were recorded as a capital contribution in the financial statements. The Fund Loan is a non-interest bearing loan with its semi-annual principal payments due August 1 and February 1, with a final maturity of August 1, 2046. In 2020, Fund Loan amounts not drawn down by the Authority totaling \$209,232 were de-obligated, and the adjusted final maturity after de-obligation is August 1, 2044. The Trust Loan carries interest rates from 3% to 5%, with a final maturity of August 1, 2046.

On September 25, 2020, the Authority closed on an interim loan (640-26) from the New Jersey Infrastructure Bank in the amount of \$23,711,831. The loan consists of 50% DEP interest-free funding and 50% I-Bank market rate financing. The loan proceeds held by NJIB are being used to fund the costs of the Newton Lake dredging project. On December 15, 2023, the New Jersey Infrastructure Bank issued permanent financing for this interim loan through Environmental Infrastructure Bonds, Series 2023 A-W1 and Series 2023 C-W1.

On June 10, 2021, the Authority closed on permanent financing loans from the New Jersey Infrastructure Bank totaling \$4,595,000 from the Trust and \$14,126,023 from the Fund. The loan proceeds were used pay off funds drawn down by the Authority from interim loans 640-16, 640-22, 640-23, and 640-24. The Fund Loan is a non-interest bearing loan with its semi-annual principal payments due August 1 and February 1, with a final maturity of August 1, 2050. The Trust Loan carries interest rates from 2% to 5%, with a final maturity of August 1, 2050.

On June 10, 2021, the Authority also closed on permanent financing loans from the New Jersey Infrastructure Bank totaling \$17,770,000 from the Trust and \$40,318,114 from the Fund, net of principal forgiveness in the amount of \$14,345,096. The principal forgiveness portion does not require repayment and was recorded as a capital contribution in the financial statements for the year ended December 31, 2022. The loan proceeds were used to pay off funds drawn down by the Authority from interim loans 640-17 and 640-18. The Fund Loan is a non-interest bearing loan with its semi-annual principal payments due August 1 and February 1, with a final maturity of August 1, 2050. The Trust Loan carries interest rates from 2% to 5%, with a final maturity of August 1, 2050.

On March 10, 2022, the Authority closed on an interim loan (640-29) from the New Jersey Infrastructure Bank in the amount of \$9,997,247. The loan consists of 50% DEP interest-free funding and 50% I-Bank market rate financing. The maturity date of the loan is June 30, 2026 or the date of closing for the anticipated permanent financing program of NJIB. The loan proceeds held by NJIB are being used to fund the costs of upgrades, replacement and rehabilitation to the CCMUA's Delaware #1 Water Pollution Control facility (WPCF) including sludge return lines and the grit system including piping and washing system.

On June 23, 2022, the Authority closed on permanent financing loans from the New Jersey Infrastructure Bank totaling \$3,745,000 from the Trust and \$8,645,480 from the Fund. The loan proceeds were used pay off funds drawn down by the Authority from interim loans 640-13 and 640-28. The Fund Loan is a non-interest bearing loan with its semi-annual principal payments due August 1 and February 1, with a final maturity of August 1, 2051. The Trust Loan carries interest rates from 3.25% to 5%, with a final maturity of August 1, 2051.

On December 22, 2022, the Authority closed on permanent financing loans from the New Jersey Infrastructure Bank totaling \$1,090,000 from the Trust and \$1,723,718 from the Fund, net of principal forgiveness in the amount of \$1,741,816. The principal forgiveness portion does not require repayment and was recorded as a capital contribution in the financial statements. The loan proceeds were used to pay off funds drawn down by the Authority from interim loans 345040-01, 640-18R, and 640-20. The Fund Loan is a non-interest bearing loan with its semi-annual principal payments due August 1 and February 1, with a final maturity of August 1, 2052. The Trust Loan carries interest rate of 5%, with a final maturity of August 1, 2052.

Note 5: DETAIL NOTES – LIABILITIES (CONT'D)**New Jersey Infrastructure Bank (NJIB) (f.k.a. New Jersey Environmental Infrastructure Trust) (Cont'd)**

On March 31, 2023, the Authority closed on an interim loan (640-30) from the New Jersey Infrastructure Bank in the amount of \$5,037,034. The loan consists of 50% DEP interest-free funding and 50% I-Bank market rate financing. The maturity date of the loan is June 30, 2026 or the date of closing for the anticipated permanent financing program of NJIB. The loan proceeds held by NJIB are being used to fund the costs of purchasing a new portable emergency generator, and the upgrades of the electrical systems at four pumping stations.

On March 31, 2023, the Authority closed on an interim loan (640-36) from the New Jersey Infrastructure Bank in the amount of \$10,935,939. The loan consists of 50% DEP interest-free funding and 50% I-Bank market rate financing. The maturity date of the loan is June 30, 2026 or the date of closing for the anticipated permanent financing program of NJIB. The loan proceeds held by NJIB are being used to fund the costs of improvements to the Authority's Administration Building and the Support Services Building.

On June 30, 2023, the Authority closed on an interim loan (640-33) from the New Jersey Infrastructure Bank in the amount of \$15,650,000. 80% of the loan is expected to be forgiven through the SFY2023 ARPA financing package. The remaining 20% of the loan consists of 10% DEP interest-free funding and 10% I-Bank market rate financing. The maturity date of the loan is June 30, 2026 or the date of closing for the anticipated permanent financing program of NJIB. The loan proceeds held by NJIB are being used to fund the costs of upgrades to the preliminary treatment system in the building of the Preliminary Treatment Facility at the WPCF.

On December 15, 2023, the Authority closed on permanent financing loans from the New Jersey Infrastructure Bank totaling \$13,990,109 from the Trust and \$6,504,018 from the Fund. The loan proceeds were used to pay off funds drawn down by the Authority from interim loan 640-26. The Fund Loan is a non-interest bearing loan with its semi-annual principal payments due August 1 and February 1, with a final maturity of August 1, 2053. The Trust Loan carries interest rates from 3.03% to 5%, with a final maturity of August 1, 2053.

Authority Subordinate Bonds

The 2006, 2007, 2008, 2010, 2012, 2013, 2015, 2016, 2017, 2020, 2021, 2022 and 2023 NJIB Trust and Fund Loans were issued as Authority Subordinate Bonds. The Bonds are subordinate to the Revenue Bonds issued under the 1995 Bond Resolution of the Authority. In the event of any insolvency and bankruptcy proceedings, all holders of the Revenue Bonds shall be entitled to receive payment in full of all payments due before the holders of all outstanding Authority Subordinate Bonds are entitled to receive any payment from the Gross Revenues (as defined in the General Bond Resolution).

Note 5: DETAIL NOTES – LIABILITIES (CONT'D)

The following schedule reflects the Debt Requirements of Revenue Bonds and NJIB Loans until 2053.

	<u>Principal</u>	<u>Interest</u>	<u>Total</u>
2024	\$ 12,797,892	\$ 1,945,521	\$ 14,743,413
2025	13,095,057	1,938,901	15,033,958
2026	53,689,244	1,754,615	55,443,859
2027	11,144,285	1,566,019	12,710,304
2028	10,624,643	1,427,193	12,051,836
2029-2033	35,151,753	5,415,809	40,567,562
2034-2038	20,879,436	3,779,824	24,659,260
2039-2043	20,712,617	2,623,808	23,336,425
2044-2048	19,570,460	1,547,756	21,118,216
2049-2053	11,068,597	432,889	11,501,486
	<u>208,733,984</u>	<u>\$ 22,432,335</u>	<u>\$ 231,166,319</u>
Adjustments:			
Bond Premium	<u>2,257,492</u>		
	<u>\$ 210,991,476</u>		

Compensated Absences

The Authority accounts for compensated absences (e.g., unused vacation, sick leave) as directed by Governmental Accounting Standards Board Statement No. 16, *Accounting for Compensated Absences*. A liability for compensated absences attributable to services already rendered and not contingent on a specific event that is outside the control of the employer and employee is accrued as employees earn the rights to the benefits.

Full-time employees are entitled to fifteen paid sick leave days each year. Unused sick leave may be accumulated and carried forward to the subsequent year. Up to ten days of sick leave may also be sold back in accordance with the Authority's Personnel Policy and Labor Contracts for those employees hired prior to January 1, 2012. As a result of changes in these contracts, effective December 31, 2013, and changes in the Authority's personnel policy, any unused sick leave accumulated upon retirement or death will no longer be compensated. Vacation days not used during the year may be accumulated and carried forward to the next subsequent year only. The value of vacation days not utilized will be paid to the employee upon separation of employment. Permanent part-time employees are entitled to sick and vacation leave on a prorated basis.

The Authority has recorded the following accrued liabilities for compensated absences which are accounted for as a component of accrued expenses at December 31, 2023 and 2022:

	<u>December 31,</u>	
	<u>2023</u>	<u>2022</u>
Vacation Time	<u>\$ 286,943</u>	<u>\$ 335,747</u>

Note 5: DETAIL NOTES – LIABILITIES (CONT'D)**Unearned Clean Water Act Fines**

In 1972, Congress enacted the first comprehensive national clean water legislation in response to growing public concern for serious and widespread water pollution. The Clean Water Act (CWA) is the primary federal law that protects our nation's waters, including lakes, rivers, aquifers and coastal areas.

The CWA established the basic structure for regulating discharges of pollutants into the waters of the United States by making it unlawful for any person to discharge any pollutant from a point source unless a permit was obtained under its provisions. The Water Pollution Control Act (WPCA), enacted in 1977, enabled New Jersey to implement the New Jersey Pollutant Discharge Elimination System (NJPDDES) permitting system required under the CWA, whereby a person must obtain a NJPDDES permit in order to discharge a pollutant into surface water or ground water of the State or to release a pollutant into a municipal treatment works.

In 1990, the Legislature enacted substantial amendments to the WPCA, commonly known as the Clean Water Enforcement Act, P.L. 1990, c. 28 (CWEA). The CWEA requires the department to inspect permitted facilities and municipal treatment works at least annually. Additional inspections are required when the permittee is identified as a significant noncomplier. The CWEA also requires the assessment of mandatory minimum penalties for violations of the WPCA that are considered serious violations and for violations by permittees designated as significant noncompliers.

The CWEA mandates that 10 percent of the fines and penalties collected for violations of the CWEA be deposited in the State Licensed Operator Training Account at the NJDEP. The balance collected can be utilized by the Local Agency (the Authority) to offset the cost of the pretreatment program, funding for enforcement purposes and for upgrading municipal treatment facilities.

At December 31, 2023 and 2022, the penalties receivable amounted to \$58,000 and \$9,000, respectively. In accordance with the state statute, no allowance has been made for the collectability of this amount. Also, at December 31, 2023 and 2022, the amount due to the NJDEP for 10 percent of the penalties collected was \$63,951 and \$248,621, respectively.

Net Pension Liability

For details on the net pension liability, see the Pension Plans section of this note that follows. The Authority's annual required contribution to the Public Employees' Retirement System is budgeted and paid on an annual basis.

Net OPEB Liability

For details on other postemployment benefits, see the Postemployment Benefits Other Than Pensions (OPEB) section of this note that follows. The Authority's contributions to the postemployment benefits plan are budgeted and paid as they are due.

Pension Plans

A substantial number of the Authority's employees participate in the Public Employees' Retirement System ("PERS") which is administered by the New Jersey Division of Pensions and Benefits. In addition, several Authority employees participate in the Defined Contribution Retirement Program ("DCRP"), which is a defined contribution pension plan. This Plan is administered by Empower (formerly Prudential Financial) for the New Jersey Division of Pensions and Benefits. Each Plan has a Board of Trustees that is primarily responsible for its administration. As a local participation employer of these pension plans, the Authority is referred to as "Employer" throughout this note. The Division issues a publicly available financial report that includes financial statements, required supplementary information and detailed information about the PERS plan's fiduciary net position which can be obtained by writing to or at the following website:

State of New Jersey
Division of Pensions and Benefits
P.O. Box 295
Trenton, New Jersey 08625-0295
<https://www.state.nj.us/treasury/pensions/financial-reports.shtml>

Note 5: DETAIL NOTES – LIABILITIES (CONT'D)**Pension Plans (Cont'd)****General Information about the Pension Plans****Plan Descriptions**

Public Employees' Retirement System - The Public Employees' Retirement System is a cost-sharing multiple-employer defined benefit pension plan, which was established as of January 1, 1955, under the provisions of N.J.S.A. 43:15A. The PERS' designated purpose is to provide retirement, death, and disability benefits to certain qualified members. Membership in the PERS is mandatory for substantially all full-time employees of the Employer, provided the employee is not required to be a member of another state-administered retirement system or other state pensions fund or local jurisdiction's pension fund. The PERS' Board of Trustees is primarily responsible for the administration of the PERS.

Defined Contribution Retirement Program - The Defined Contribution Retirement Program is a multiple-employer defined contribution pension fund established on July 1, 2007 under the provisions of P.L. 2007, c. 92 and P.L. 2007, c. 103, and expanded under the provisions of P.L. 2008, c. 89 and P.L. 2010, c. 1. The DCRP is a tax-qualified defined contribution money purchase pension plan under Internal Revenue Code (IRC) § 401(a) et seq., and is a "governmental plan" within the meaning of IRC § 414(d). The DCRP provides retirement benefits for eligible employees and their beneficiaries. Individuals covered under DCRP are state or local officials who are elected or appointed on or after July 1, 2007; employees enrolled in PERS on or after July 1, 2007, who earn salary in excess of established "maximum compensation" limits; employees enrolled in New Jersey State Police Retirement System (SPRS) or the Police and Firemen's Retirement System (PFRS) after May 21, 2010, who earn salary in excess of established "maximum compensation" limits; employees otherwise eligible to enroll in PERS on or after November 2, 2008, who do not earn the minimum annual salary for tier 3 enrollment but who earn salary of at least \$5,000 annually; and employees otherwise eligible to enroll in PERS after May 21, 2010 who do not work the minimum number of hours per week required for tiers 4 or 5 enrollment, but who earn salary of at least \$5,000 annually.

Vesting and Benefit Provisions

Public Employees' Retirement System - The vesting and benefit provisions are set by N.J.S.A. 43:15A. The PERS provides retirement, death and disability benefits. All benefits vest after 10 years of service.

The following represents the membership tiers for PERS:

Tier Definition

- 1 Members who were enrolled prior to July 1, 2007
- 2 Members who were eligible to enroll on or after July 1, 2007 and prior to November 2, 2008
- 3 Members who were eligible to enroll on or after November 2, 2008 and prior to May 22, 2010
- 4 Members who were eligible to enroll on or after May 22, 2010 and prior to June 28, 2011
- 5 Members who were eligible to enroll on or after June 28, 2011

Service retirement benefits of 1/55th of final average salary for each year of service credit is available to tiers 1 and 2 members upon reaching age 60 and to tier 3 members upon reaching age 62. Service retirement benefits of 1/60th of final average salary for each year of service credit is available to tier 4 members upon reaching age 62 and tier 5 members upon reaching age 65. Early retirement benefits are available to tiers 1 and 2 members before reaching age 60, tiers 3 and 4 with 25 years or more of service credit before age 62, and tier 5 with 30 or more years of service credit before age 65. Benefits are reduced by a fraction of a percent for each month that a member retires prior to the age at which a member can receive full early retirement benefits in accordance with their respective tier. Tier 1 members can receive an unreduced benefit from age 55 to age 60 if they have at least 25 years of service. Deferred retirement is available to members who have at least 10 years of service credit and have not reached the service retirement age for the respective tier.

Note 5: DETAIL NOTES – LIABILITIES (CONT'D)**Pension Plans (Cont'd)****General Information about the Pension Plans (Cont'd)****Vesting and Benefit Provisions (Cont'd)**

Defined Contribution Retirement Program - Eligible members are provided with a defined contribution retirement plan intended to qualify for favorable Federal income tax treatment under IRC Section 401(a), a noncontributory group life insurance plan and a noncontributory group disability benefit plan. A participant's interest in that portion of his or her defined contribution retirement plan account attributable to employee contributions shall immediately become and shall at all times remain fully vested and non-forfeitable. A participant's interest in that portion of his or her defined contribution retirement plan account attributable to employer contributions shall be vested and non-forfeitable on the date the participant commences the second year of employment or upon his or her attainment of age 65, while employed by an employer, whichever occurs first.

Contributions

Public Employees' Retirement System - The contribution policy is set by N.J.S.A. 43:15A and requires contributions by active members and contributing employers. Pursuant to the provisions of P.L. 2011, C. 78, the member contribution rate is currently 7.50% of base salary, effective July 1, 2018. The rate for members who are eligible for the Prosecutors Part of PERS (P.L. 2001, C. 366) is 10.0%. Employers' contributions are based on an actuarially determined amount, which includes the normal cost and unfunded accrued liability.

Special Funding Situation Component - Under N.J.S.A. 43:15A, local participating employers are responsible for their own contributions based on actuarially determined amounts, except where legislation was passed which legally obligated the State if certain circumstances occurred. One of such legislations, which legally obligate the State, is Chapter 133, P.L. 2001. This legislation increased the accrual rate from 1/60 to 1/55. In addition, it lowered the age required for a veteran benefit equal to 1/55 of highest 12-month compensation for each year of service from 60 to 55. Chapter 133, P.L. 2001 also established the Benefit Enhancement Fund (BEF) to fund the additional annual employer normal contribution due to the State's increased benefits. If the assets in the BEF are insufficient to cover the normal contribution for the increased benefits for a valuation period, the State will pay such amount for both the State and local employers.

The Employer's contractually required contribution rate for the years ended December 31, 2023 and December 31, 2022 was 18.04% and 16.02% of the Employer's covered payroll. This amount was actuarially determined as the amount that, when combined with employee contributions, is expected to finance the costs of benefits earned by employees during the year, including an additional amount to finance any unfunded accrued liability.

Based on the most recent PERS measurement date of June 30, 2023, the Employer's contractually required contribution to the pension plan for the year ended December 31, 2023 was \$1,633,149, and was payable by April 1, 2024. For the prior year measurement date of June 30, 2022, the Employer's contractually required contribution to the pension plan for the year ended December 31, 2022 was \$1,461,656, and was paid by April 1, 2023.

Employee contributions to the Plan for the year ended December 31, 2023 and December 31, 2022 were \$690,324 and \$689,990, respectively.

The amount of contractually required contribution for the State of New Jersey's proportionate share, associated with the Employer, under Chapter 133, P.L. 2001, for the years ended December 31, 2023 and December 31, 2022 was 0.61% and 0.40% of the Employer's covered payroll.

Based on the most recent PERS measurement date of June 30, 2023, the State's contractually required contribution, under Chapter 133, P.L. 2001, on-behalf of the Employer, to the pension plan for the year ended December 31, 2023 was \$55,196, and is payable by April 1, 2024. For the prior year measurement date of June 30, 2022, the State's contractually required contribution, under Chapter 133, P.L. 2001, on-behalf of the Employer, to the pension plan for the year ended December 31, 2022 was \$36,804, and was paid by April 1, 2023.

Note 5: DETAIL NOTES – LIABILITIES (CONT'D)**Pension Plans (Cont'd)****General Information about the Pension Plans (Cont'd)****Contributions (Cont'd)**

Defined Contribution Retirement Program - The contribution policy is set by N.J.S.A. 43:15C-3 and requires contributions by active members and contributing employers. In accordance with Chapter 92, P.L. 2007 and Chapter 103, P.L. 2007, Plan members are required to contribute 5.5% of their annual covered salary. In addition to the employee contributions, the Employer contributes 3% of the employees' base salary, for each pay period.

For the year ended December 31, 2023 and December 31, 2022, employee contributions totaled \$2,905 and \$3,856, respectively. The Employer recognized pension expense of \$1,584 and \$2,103 for the years ended December 31, 2023 and December 31, 2022, which equaled the required contributions. There were no forfeitures during the years.

Pension Liabilities, Pension (Benefit) Expense, and Deferred Outflows of Resources and Deferred Inflows of Resources Related to Pensions**Public Employees' Retirement System**

Pension Liability - As of December 31, 2023, there is no net pension liability associated with the special funding situation under Chapter 133, P.L. 2001, as there was no accumulated difference between the annual additional normal cost and the actual State contribution through the valuation date. The Employer's proportionate share of the PERS net pension liability was \$17,698,959. The net pension liability was measured as of June 30, 2023 and the total pension liability used to calculate the net pension liability was determined by an actuarial valuation as of July 1, 2022. The total pension liability was calculated through the use of updated procedures to roll forward from the actuarial valuation date to the measurement date of June 30, 2023. The Employer's proportion of the net pension liability was based on a projection of the Employer's long-term share of contributions to the pension plan relative to the projected contributions of all participating employers, actuarially determined. For the June 30, 2023 measurement date, the Employer's proportion was .1221934674%, which was an increase of .0062854310% from its proportion measured as of June 30, 2022.

As of December 31, 2022, there is no net pension liability associated with the special funding situation under Chapter 133, P.L. 2001, as there was no accumulated difference between the annual additional normal cost and the actual State contribution through the valuation date. The Employer's proportionate share of the PERS net pension liability was \$17,492,118. The net pension liability was measured as of June 30, 2022 and the total pension liability used to calculate the net pension liability was determined by an actuarial valuation as of July 1, 2021. The total pension liability was calculated through the use of updated procedures to roll forward from the actuarial valuation date to the measurement date of June 30, 2022. The Employer's proportion of the net pension liability was based on a projection of the Employer's long-term share of contributions to the pension plan relative to the projected contributions of all participating employers, actuarially determined. For the June 30, 2022 measurement date, the Employer's proportion was .1159080364%, which was an increase of .0021604022% from its proportion measured as of June 30, 2022.

Pension (Benefit) Expense - For the years ended December 31, 2023 and December 31, 2022, the Employer recognized its proportionate share of the PERS pension (benefit) expense of \$211,457 and (\$1,324,985), respectively. These amounts were based on the Plan's June 30, 2023 and 2022 measurement dates, respectively.

For the years ended December 31, 2023 and December 31, 2022, the Employer has recognized as a revenue and an expenditure on-behalf payments made by the State for the State's proportionate share of the PERS pension expense, associated with the Employer, under Chapter 133, P.L. 2001, calculated by the Plan as of the June 30, 2023 and 2022 measurement date. The amounts recognized as a revenue and an expenditure in the financial statements was \$55,196 and \$36,804, respectively.

Note 5: DETAIL NOTES – LIABILITIES (CONT'D)**Pension Plans (Cont'd)****Pension Liabilities, Pension (Benefit) Expense, and Deferred Outflows of Resources and Deferred Inflows of Resources Related to Pensions (Cont'd)****Public Employees' Retirement System (Cont'd)**

Deferred Outflows of Resources and Deferred Inflows of Resources – At December 31, 2023 and 2022, the Employer had deferred outflows of resources and deferred inflows of resources related to pensions from the following sources:

	<u>December 31, 2023</u>		<u>December 31, 2022</u>	
	<u>Measurement Date</u>		<u>Measurement Date</u>	
	<u>June 30, 2023</u>		<u>June 30, 2022</u>	
	<u>Deferred Outflows of Resources</u>	<u>Deferred Inflows of Resources</u>	<u>Deferred Outflows of Resources</u>	<u>Deferred Inflows of Resources</u>
Differences between Expected and Actual Experience	\$ 169,225	\$ 72,348	\$ 126,250	\$ 111,335
Changes of Assumptions	38,881	1,072,633	54,196	2,619,263
Net Difference between Projected and Actual Earnings on Pension Plan Investments	81,506	-	723,983	-
Changes in Proportion and Differences between Contributions and Proportionate Share of Contributions	1,201,026	652,326	822,885	1,049,413
Contributions Subsequent to the Measurement Date	816,575	-	730,828	-
	<u>\$ 2,307,213</u>	<u>\$ 1,797,307</u>	<u>\$ 2,458,142</u>	<u>\$ 3,780,011</u>

Deferred outflows of resources in the amounts of \$816,575 and \$730,828 will be included as a reduction of the net pension liability during the years ending December 31, 2024 and 2023, respectively. These amounts are based on an estimated April 1, 2025 and April 1, 2024 contractually required contribution, prorated from the pension plan's measurement date of June 30, 2023 and 2022 to the Authority's year end of December 31, 2023 and 2022.

Note 5: DETAIL NOTES – LIABILITIES (CONT'D)**Pension Plans (Cont'd)****Pension Liabilities, Pension (Benefit) Expense, and Deferred Outflows of Resources and Deferred Inflows of Resources Related to Pensions (Cont'd)****Public Employees' Retirement System (Cont'd)**

Deferred Outflows of Resources and Deferred Inflows of Resources (Cont'd) - The Authority will amortize the other deferred outflows of resources and deferred inflows of resources related to pensions over the following number of years:

	<u>Deferred Outflows of Resources</u>	<u>Deferred Inflows of Resources</u>		<u>Deferred Outflows of Resources</u>	<u>Deferred Inflows of Resources</u>
Differences between Expected and Actual Experience			Difference between Projected and Actual Earnings on Pension Plan Investments		
Year of Pension Plan Deferral:			Year of Pension Plan Deferral:		
June 30, 2018	-	5.63	June 30, 2019	5.00	-
June 30, 2019	5.21	-	June 30, 2020	5.00	-
June 30, 2020	5.16	-	June 30, 2021	5.00	-
June 30, 2021	-	5.13	June 30, 2022	5.00	-
June 30, 2022	-	5.04	June 30, 2023	5.00	-
June 30, 2023	5.08	-			
Changes of Assumptions			Changes in Proportion		
Year of Pension Plan Deferral:			Year of Pension Plan Deferral:		
June 30, 2018	-	5.63	June 30, 2018	5.63	5.63
June 30, 2019	-	5.21	June 30, 2019	5.21	5.21
June 30, 2020	-	5.16	June 30, 2020	5.16	5.16
June 30, 2021	5.13	-	June 30, 2021	5.13	5.13
June 30, 2022	-	5.04	June 30, 2022	5.04	5.04
			June 30, 2023	5.08	5.08

Other amounts included as deferred outflows of resources and deferred inflows of resources related to pensions will be recognized in future periods as follows:

**Year Ending
December 31,**

2024	\$ (846,480)
2025	(534,744)
2026	976,795
2027	79,044
2028	18,716
	<hr/>
	\$ (306,669)

Note 5: DETAIL NOTES – LIABILITIES (CONT'D)

Pension Plans (Cont'd)

Actuarial Assumptions - Public Employee's Retirement System (PERS)

The net pension liability was measured as of June 30, 2023 and 2022, and the total pension liability used to calculate the net pension liability was determined by an actuarial valuation as of July 1, 2022 and 2021. The total pension liability was calculated through the use of updated procedures to roll forward from the actuarial valuation date to the measurement date of June 30, 2023 and 2022. This actuarial valuation used the following actuarial assumptions, applied to all periods included in the measurement:

Inflation Rate:	
Price	2.75%
Wage	3.25%
Salary Increases:	
Through 2026	2.75% - 6.55%
	Based on Years of Service
Investment Rate of Return	7.00%
Period of Actuarial Experience	
Study upon which Actuarial	
Assumptions were Based	July 1, 2018 - June 30, 2021

For the June 30, 2023 and June 30, 2022 measurement dates, pre-retirement mortality rates were based on the Pub-2010 General Below-Median Income Employee mortality table with an 82.2% adjustment for males and 101.4% adjustment for females, and with future improvement from the base year of 2010 on a generational basis. Post-retirement mortality rates were based on the Pub-2010 General Below-Median Income Healthy Retiree mortality table with a 91.4% adjustment for males and 99.7% adjustment for females, and with future improvement from the base year of 2010 on a generational basis. Disability retirement rates used to value disabled retirees were based on the Pub-2010 Non-Safety Disabled Retiree mortality table with a 127.7% adjustment for males and 117.2% adjustment for females, and with future improvement from the base year of 2010 on a generational basis. Mortality improvement is based on Scale MP-2021.

In accordance with State statute, the long-term expected rate of return on Plan investments (7.00% at June 30, 2023 and 2022) is determined by the State Treasurer, after consultation with the Directors of the Division of Investments and Division of Pensions and Benefits, the board of trustees and the actuaries. The long-term expected rate of return was determined using a building block method in which best-estimate ranges of expected future real rates of return (expected returns, net of pension Plan investment expense and inflation) are developed for each major asset class. These ranges are combined to produce the long-term expected rate of return by weighting the expected future real rates of return by the target asset allocation percentage and by adding expected inflation. Best estimates of arithmetic rates of return for each major asset class included in PERS' target asset allocation as of June 30, 2023 and 2022 are summarized in the following page.

Note 5: DETAIL NOTES – LIABILITIES (CONT'D)**Pension Plans (Cont'd)****Actuarial Assumptions - Public Employee's Retirement System (PERS) (Cont'd)**

<u>Asset Class</u>	<u>Measurement Date</u> <u>June 30, 2023</u>		<u>Measurement Date</u> <u>June 30, 2022</u>	
	<u>Target</u> <u>Allocation</u>	<u>Long-Term</u> <u>Expected Real</u> <u>Rate of Return</u>	<u>Target</u> <u>Allocation</u>	<u>Long-Term</u> <u>Expected Real</u> <u>Rate of Return</u>
U.S. Equity	28.00%	8.98%	27.00%	8.12%
Non-U.S. Developed Markets Equity	12.75%	9.22%	13.50%	8.38%
International Small Cap Equity	1.25%	9.22%		
Emerging Markets Equity	5.50%	11.13%	5.50%	10.33%
Private Equity	13.00%	12.50%	13.00%	11.80%
Real Estate	8.00%	8.58%	8.00%	11.19%
Real Assets	3.00%	8.40%	3.00%	7.60%
High Yield	4.50%	6.97%	4.00%	4.95%
Private Credit	8.00%	9.20%	8.00%	8.10%
Investment Grade Credit	7.00%	5.19%	7.00%	3.38%
Cash Equivalents	2.00%	3.31%	4.00%	1.75%
U.S. Treasuries	4.00%	3.31%	4.00%	1.75%
Risk Mitigation Strategies	3.00%	6.21%	3.00%	4.91%
	<u>100.00%</u>		<u>100.00%</u>	

Discount Rate - The discount rate used to measure the total pension liability was 7.00% as of June 30, 2023. The projection of cash flows used to determine the discount rate assumed that contributions from Plan members will be made at the current member contribution rates and that contributions from employers and the nonemployer contributing entity would be based on 100% of the actuarially determined contributions for the State employer and 100% of actuarially determined contributions for the local employers. Based on those assumptions, the Plan's fiduciary net position was projected to be available to make all projected future benefit payments of current plan members. Therefore, the long-term expected rate of return on Plan investments was applied to all projected benefit payments to determine the total pension liability.

The discount rate used to measure the total pension liability was 7.00% as of June 30, 2022. This single blended discount rate was based on the long-term expected rate of return on pension plan investments of 7.00% and a municipal bond rate of 3.54% as of the June 30, 2022 measurement date based on the Bond Buyer Go 20-Bond Municipal Bond Index, which includes tax-exempt general obligation municipal bonds with an average rating of AA/Aa or higher. The projection of cash flows used to determine the discount rate assumed that contributions from Plan members will be made at the current member contribution rates and that contributions from employers and the nonemployer contributing entity would be based on 100% of the actuarially determined contributions for the State employer and 100% of actuarially determined contributions for the local employers. Based on those assumptions, the Plan's fiduciary net position was projected to be available to make projected future benefit payments of current plan members. Therefore, the long-term expected rate of return on Plan investments was applied to all projected benefit payments to determine the total pension liability.

Note 5: DETAIL NOTES – LIABILITIES (CONT'D)**Pension Plans (Cont'd)****Sensitivity of Proportionate Share of Net Pension Liability to Changes in the Discount Rate****Public Employees' Retirement System**

The following presents the Employer's proportionate share of the net pension liability as of the June 30, 2023 measurement date, calculated using a discount rate of 7.00%, as well as what the Employer's proportionate share of the net pension liability would be if it were calculated using a discount rate that is 1% lower or 1% higher than the current rates used:

	1% Decrease (6.00%)	Current Discount Rate (7.00%)	1% Increase (8.00%)
Proportionate Share of the Net Pension Liability	<u>\$ 23,040,279</u>	<u>\$ 17,698,959</u>	<u>\$ 13,152,790</u>

The following presents the Employer's proportionate share of the net pension liability as of the June 30, 2022 measurement date, calculated using a discount rate of 7.00%, as well as what the Employer's proportionate share of the net pension liability would be if it were calculated using a discount rate that is 1% lower or 1% higher than the current rates used:

	1% Decrease (6.00%)	Current Discount Rate (7.00%)	1% Increase (8.00%)
Proportionate Share of the Net Pension Liability	<u>\$ 22,472,248</u>	<u>\$ 17,492,118</u>	<u>\$ 13,253,827</u>

Pension Plan Fiduciary Net Position**Public Employees' Retirement System**

For purposes of measuring the net pension liability, deferred outflows of resources and deferred inflows of resources related to pensions, and pension (benefit) expense, information about the respective fiduciary net position of the PERS and additions to/deductions from PERS' respective fiduciary net position have been determined on the same basis as they are reported by PERS. Accordingly, benefit payments (including refunds of employee contributions) are recognized when due and payable in accordance with the benefit terms. Investments are reported at fair value.

Postemployment Benefits Other Than Pensions (OPEB) - State Health Benefits Local Government Retired Employees Plan**General Information about the State Health Benefit Local Government Retired Employees Plan**

Plan Description and Benefits Provided - The Authority contributes to the State Health Benefits Local Government Retired Employees Plan (the "Plan"), which is a cost-sharing multiple-employer defined benefit other postemployment benefit ("OPEB") plan with a special funding situation. It covers employees of local government employers that have adopted a resolution to participate in the Plan. The Plan meets the definition of an equivalent arrangement as defined in paragraph 4 of GASB Statement No. 75, *Accounting and Financial Reporting for the Postemployment Benefits Other Than Pensions* (GASB Statement No. 75); therefore, assets are accumulated to pay associated benefits. For additional information about the Plan, please refer to the State of New Jersey (the "State"), Division of Pensions and Benefits' (the "Division") annual financial statements, which can be found at <https://www.state.nj.us/treasury/pensions/financial-reports.shtml>.

Note 5: DETAIL NOTES – LIABILITIES (CONT'D)**Postemployment Benefits Other Than Pensions (OPEB) - State Health Benefits Local Government Retired Employees Plan (Cont'd)****General Information about the State Health Benefit Local Government Retired Employees Plan (Cont'd)**

Plan Description and Benefits Provided (Cont'd) - The Plan provides medical and prescription drug to retirees and their covered dependents of the participating employers. Under the provisions of Chapter 88, P.L. 1974 and Chapter 48, P.L. 1999, local government employers electing to provide postretirement medical coverage to their employees must file a resolution with the Division. Under Chapter 88, local employers elect to provide benefit coverage based on the eligibility rules and regulations promulgated by the State Health Benefits Commission. Chapter 48 allows local employers to establish their own age and service eligibility for employer paid health benefits coverage for retired employees. Under Chapter 48, the employer may assume the cost of postretirement medical coverage for employees and their dependents who: 1) retired on a disability pension; or 2) retired with 25 or more years of service credit in a State or locally administered retirement system and a period of service of up to 25 years with the employer at the time of retirement as established by the employer; or 3) retired and reached the age of 65 with 25 or more years of service credit in a State or locally administered retirement system and a period of service of up to 25 years with the employer at the time of retirement as established by the employer; or 4) retired and reached age 62 with at least 15 years of service with the employer. Further, the law provides that the employer paid obligations for retiree coverage may be determined by means of a collective negotiations agreement.

Pursuant to Chapter 78, P.L. 2011, future retirees eligible for postretirement medical coverage who have less than 20 years of creditable service on June 28, 2011 will be required to pay a percentage of the cost of their health care coverage in retirement provided they retire with 25 or more years of pension service credit. The percentage of the premium for which the retiree will be responsible will be determined based on the retiree's annual retirement benefit and level of coverage.

Contributions - The funding policy for the OPEB plan is pay-as-you-go; therefore, there is no prefunding of the liability. However, due to premium rates being set prior to each calendar year, there is a minimal amount of net position available to cover benefits in future years. Contributions to pay for the health benefit premiums of participating employees in the OPEB plan are collected from the State of New Jersey, participating local employers, and retired members.

The Authority was billed monthly by the Plan and paid \$293,191 and \$257,586, for the years ended December 31, 2023 and 2022, respectively. These amounts represent 3.24% and 2.82% of the Authority's covered payroll. During the years ended December 31, 2023 and 2022, retirees were not required to contribute to the Plan.

OPEB Liability, OPEB (Benefit) Expense, and Deferred Outflows of Resources and Deferred Inflows of Resources

OPEB Liability - At December 31, 2023, the Authority's proportionate share of the net OPEB liability was \$23,030,686.

The net OPEB liability was measured as of June 30, 2023, and the total OPEB liability used to calculate the net OPEB liability was determined by an actuarial valuation as of July 1, 2022, which was rolled forward to June 30, 2023.

The Authority's proportion of the net OPEB liability was based on the ratio of the Plan members of an individual employer to the total members of the Plan' during the measurement period July 1, 2022 through June 30, 2023. For the June 30, 2023 measurement date, the Authority's proportion was .153471%, which was an increase of .013242% from its proportion measured as of the June 30, 2022 measurement date.

At December 31, 2022, the Authority's proportionate share of the net OPEB liability was \$22,646,416.

The net OPEB liability was measured as of June 30, 2022, and the total OPEB liability used to calculate the net OPEB liability was determined by an actuarial valuation as of June 30, 2021, which was rolled forward to June 30, 2022.

Note 5: DETAIL NOTES – LIABILITIES (CONT'D)**Postemployment Benefits Other Than Pensions (OPEB) - State Health Benefits Local Government Retired Employees Plan (Cont'd)****OPEB Liability, OPEB (Benefit) Expense, and Deferred Outflows of Resources and Deferred Inflows of Resources (Cont'd)**

OPEB Liability (Cont'd) - The Authority's proportion of the net OPEB liability was based on the ratio of the Plan members of an individual employer to the total members of the Plan' during the measurement period July 1, 2021 through June 30, 2022. For the June 30, 2022 measurement date, the Authority's proportion was .140229%, which was an increase of .003041% from its proportion measured as of the June 30, 2021 measurement date, as adjusted.

OPEB (Benefit) Expense - At December 31, 2023, the Authority's proportionate share of the OPEB (benefit) expense, calculated by the Plan as of the June 30, 2023 measurement date, is (\$568,291).

At December 31, 2022, the Authority's proportionate share of the OPEB (benefit) expense, calculated by the Plan as of the June 30, 2022 measurement date, is \$22,478.

Deferred Outflows of Resources and Deferred Inflows of Resources - At December 31, 2023 and 2022, the Authority had deferred outflows of resources and deferred inflows of resources from the following sources:

	<u>December 31, 2023</u>		<u>December 31, 2022</u>	
	<u>Measurement Date</u>		<u>Measurement Date</u>	
	<u>June 30, 2023</u>		<u>June 30, 2022</u>	
	<u>Deferred</u>	<u>Deferred</u>	<u>Deferred</u>	<u>Deferred</u>
	<u>Outflows</u>	<u>Inflows</u>	<u>Outflows</u>	<u>Inflows</u>
	<u>of Resources</u>	<u>of Resources</u>	<u>of Resources</u>	<u>of Resources</u>
Differences between Expected and Actual Experience	\$ 1,062,056	\$ 6,254,382	\$ 1,169,485	\$ 4,197,683
Changes of Assumptions	2,983,338	6,510,038	3,022,258	7,728,785
Net Difference between Projected and Actual Earnings on OPEB Plan Investments	-	3,800	5,962	-
Changes in Proportion	4,206,409	1,331,257	2,215,891	2,034,767
Contributions Subsequent to the Measurement Date	146,403	-	147,004	-
	<u>\$ 8,398,206</u>	<u>\$ 14,099,477</u>	<u>\$ 6,560,600</u>	<u>\$ 13,961,235</u>

Deferred outflows of resources in the amount of \$146,403 was the result of the Authority contributions subsequent to the Plan's measurement date of June 30, 2023. This amount will be included as a reduction of the Authority's net OPEB liability during the year ending December 31, 2024. Deferred outflows of resources in the amount of \$147,004 was the result of the Authority contributions subsequent to the Plan's measurement date of June 30, 2022. This amount was included as a reduction of the Authority's net OPEB liability during the year ending December 31, 2023.

Note 5: DETAIL NOTES – LIABILITIES (CONT'D)**Postemployment Benefits Other Than Pensions (OPEB) - State Health Benefits Local Government Retired Employees Plan (Cont'd)****OPEB Liability, OPEB (Benefit) Expense, and Deferred Outflows of Resources and Deferred Inflows of Resources (Cont'd)**

Deferred Outflows of Resources and Deferred Inflows of Resources (Cont'd) - The Authority will amortize the above other deferred outflows of resources and deferred inflows of resources related to the OPEB liability over the following number of years:

	<u>Deferred Outflows of Resources</u>	<u>Deferred Inflows of Resources</u>		<u>Deferred Outflows of Resources</u>	<u>Deferred Inflows of Resources</u>
Differences between Expected and Actual Experience			Net Difference between Projected and Actual Investment Earnings on OPEB Plan Investments		
Year of OPEB Plan Deferral:			Year of OPEB Plan Deferral:		
June 30, 2018	-	8.14	June 30, 2018	5.00	-
June 30, 2019	-	8.05	June 30, 2019	5.00	-
June 30, 2020	7.87	-	June 30, 2020	5.00	-
June 30, 2021	-	7.82	June 30, 2021	5.00	-
June 30, 2022	7.82	-	June 30, 2022	5.00	-
June 30, 2023	-	7.89	June 30, 2023	5.00	-
Changes of Assumptions			Changes in Proportion		
Year of OPEB Plan Deferral:			Year of OPEB Plan Deferral:		
June 30, 2017	-	8.04	June 30, 2017	8.04	8.04
June 30, 2018	-	8.14	June 30, 2018	8.14	8.14
June 30, 2019	-	8.05	June 30, 2019	8.05	8.05
June 30, 2020	7.87	-	June 30, 2020	7.87	7.87
June 30, 2021	7.82	-	June 30, 2021	7.82	7.82
June 30, 2022	-	7.82	June 30, 2022	7.82	7.82
June 30, 2023	7.89	-	June 30, 2023	7.89	7.89

Other amounts included as deferred outflows of resources and deferred inflows of resources related to the OPEB liability will be recognized in future periods as follows:

<u>Year Ending</u>	
December 31, 2024	\$ (2,442,080)
December 31, 2025	(1,556,235)
December 31, 2026	(782,974)
December 31, 2027	6,133
December 31, 2028	(669,708)
Thereafter	(402,810)
	<u>\$ (5,847,674)</u>

Note 5: DETAIL NOTES – LIABILITIES (CONT'D)

Postemployment Benefits Other Than Pensions (OPEB) - State Health Benefits Local Government Retired Employees Plan (Cont'd)

Actuarial Assumptions

The actuarial valuation at June 30, 2023 and 2022 used the following actuarial assumptions, applied to all periods in the measurement:

	<u>Measurement Date</u> <u>June 30, 2023</u>	<u>Measurement Date</u> <u>June 30, 2022</u>
Salary Increases *		
PERS:		
Rate for All Future Years	2.75% to 6.55%	2.75% to 6.55%

Mortality:

PERS - Pub-2010 General classification headcount weighted mortality with fully generational mortality improvement projections from the central year using Scale MP-2021

* salary increases are based on years of service within the respective Plan

Actuarial assumptions used in the valuation were based on the results of the PERS experience studies prepared for July 1, 2018 to June 30, 2021.

100% of active members in both the June 30, 2023 and June 30, 2022 measurement dates are considered to participate in the Plan upon retirement.

All of the Plan’s investments are in the State of New Jersey Cash Management Fund (the “CMF”). The New Jersey Division of Investments manages the CMF, which is available on a voluntary basis for investment by State and certain non-State participants. The CMF is considered to be an investment trust fund as defined in GASB Statement No. 31, Certain Investments and External Investment Pools. The CMF invests in U.S. government and agency obligations, commercial paper, corporate obligations and certificates of deposit. Units of ownership in the CMF may be purchased or redeemed on any given business day (excluding State holidays) are the unit cost of value of \$1.00. Participant shares are valued on a fair value basis. The CMF pay interest to participants on a monthly basis.

Discount Rate - The discount rate used to measure the OPEB liability at June 30, 2023 and 2022 were 3.65% and 3.54%, respectively. This represents the municipal bond return rate as chosen by the State. The source is the Bond Buyer Go 20-Bond Municipal Bond Index, which includes tax-exempt general obligation municipal bonds with an average rating of AA/Aa or higher. As the long-term rate of return is less than the municipal bond rate, it is not considered in the calculation of the discount rate, rather the discount rate is set at the municipal bond rate.

Note 5: DETAIL NOTES – LIABILITIES (CONT'D)**Postemployment Benefits Other Than Pensions (OPEB) - State Health Benefits Local Government Retired Employees Plan (Cont'd)****Actuarial Assumptions (Cont'd)**

Health Care Trend Assumptions - The health care trend assumptions used is as follows:

Fiscal Year Ending	Annual Rate of Increase					
	Medical Trend			Prescription Drug Trend		
	Pre-65	PPO Post-65	HMO Post-65	Pre-65	Post-65	EGWP
2024	6.50%	-5.63%	-6.04%	14.00%	9.50%	14.28%
2025	6.25%	8.22%	8.33%	10.00%	8.75%	11.21%
2026	6.00%	16.85%	17.28%	7.50%	7.50%	7.50%
2027	5.75%	14.31%	14.65%	6.75%	6.75%	6.75%
2028	5.50%	12.43%	12.71%	6.00%	6.00%	6.00%
2029	5.25%	11.02%	11.24%	5.25%	5.25%	5.25%
2030	5.00%	9.91%	10.09%	4.50%	4.50%	4.50%
2031	4.75%	8.98%	9.14%	4.50%	4.50%	4.50%
2032	4.50%	6.46%	6.53%	4.50%	4.50%	4.50%
2033 and Later	4.50%	4.50%	4.50%	4.50%	4.50%	4.50%

Sensitivity of the Net OPEB Liability to Changes in the Discount Rate

The net OPEB liability as of June 30, 2023, the Plan's measurement date, for the Authority calculated using a discount rate of 3.65%, as well as using a discount rate that is 1% lower or 1% higher than the current rate used, is as follows:

	1% Decrease (2.65%)	Current Discount Rate (3.65%)	1% Increase (4.65%)
Authority's Proportionate Share of the Net OPEB Liability	\$ 26,676,875	\$ 23,030,686	\$ 20,097,889

The net OPEB liability as of June 30, 2022, the Plan's measurement date, for the Authority calculated using a discount rate of 3.54%, as well as using a discount rate that is 1% lower or 1% higher than the current rate used, is as follows:

	1% Decrease (2.54%)	Current Discount Rate (3.54%)	1% Increase (4.54%)
Authority's Proportionate Share of the Net OPEB Liability	\$ 26,251,755	\$ 22,646,416	\$ 19,745,583

Note 5: DETAIL NOTES – LIABILITIES (CONT'D)**Postemployment Benefits Other Than Pensions (OPEB) - State Health Benefits Local Government Retired Employees Plan (Cont'd)****Sensitivity of the Net OPEB Liability to Changes in the Healthcare Cost Trend Rate**

The Authority's proportionate share of the net OPEB liability as of June 30, 2023, using a healthcare cost trend rate that is 1% lower or 1% higher than the current healthcare cost trend rate used, is as follows:

	<u>1% Decrease</u>	<u>Healthcare Cost Trend Rate</u>	<u>1% Increase</u>
Authority's Proportionate Share of the Net OPEB Liability	\$ 19,573,373	\$ 23,030,686	\$ 27,457,103

The Authority's proportionate share of the net OPEB liability as of June 30, 2022, using a healthcare cost trend rate that is 1% lower or 1% higher than the current healthcare cost trend rate used, is as follows:

	<u>1% Decrease</u>	<u>Healthcare Cost Trend Rate</u>	<u>1% Increase</u>
Authority's Proportionate Share of the Net OPEB Liability	\$ 19,211,636	\$ 22,646,416	\$ 27,045,401

OPEB Plan Fiduciary Net Position

For purposes of measuring the net OPEB liability, deferred outflows of resources and deferred inflows of resources related to OPEB, and OPEB (benefit) expense, information about the respective fiduciary net position of the State Health Benefits Local Government Retired Employees Plan and additions to/deductions from the Plan's respective fiduciary net position have been determined on the same basis as they are reported by the Plan. Accordingly, contributions (including refunds of employee contributions) are recognized when due and payable in accordance with the benefit terms. Investments are reported at fair value.

Postemployment Benefits Other Than Pensions (OPEB) – Authority Plan**General Information about the OPEB Plan****Plan Description and Benefits Provided**

The Authority has established a postemployment benefit plan to assist retirees in paying for medical coverage. No assets are accumulated in a trust. In accordance with GASB Statement 75, this plan is considered a Single Employer, Defined Benefit OPEB Plan that is not administered through a Trust that meets the criteria in paragraph 4 of GASB Statement 75.

Employees Covered by Benefit Terms

At December 31, 2023 and 2022, the following employees were covered by the benefit terms:

	<u>December 31, 2023</u>	<u>December 31, 2022</u>
Inactive Employees or Beneficiaries Currently Receiving Benefit Payments	58	56
Inactive Employees Entitled to but Not Yet Receiving Benefit Payments		
Active Employees	98	96
	<u>156</u>	<u>152</u>

Note 5: DETAIL NOTES – LIABILITIES (CONT'D)**Postemployment Benefits Other Than Pensions (OPEB) – Authority Plan (Cont'd)****General Information about the OPEB Plan (Cont'd)****Contributions**

Employees are not required to contribute to the plan.

Total OPEB Liability

The Authority's total OPEB liability of \$1,866,319 as of December 31, 2023 and \$1,659,081 as of December 31, 2022 was measured as of December 31, 2023 and December 31, 2022, respectively. The liabilities were determined by an actuarial valuation as of December 31, 2022 and December 31, 2021, respectively.

Actuarial Assumptions and Other Inputs

The following actuarial assumptions and other inputs, applied to all periods included in the measurement, unless otherwise specified:

	<u>December 31, 2023</u>	<u>December 31, 2022</u>
Inflation	2.70%	2.70%
Salary Increases	2.75%	2.75%
Discount Rate	3.26%	3.72%
Healthcare Cost Trend Rates:		
Medical	8.00% decreasing to 4.29% ultimate	8.00% decreasing to 4.29% ultimate
Prescription	8.00% decreasing to 4.29% ultimate	8.00% decreasing to 4.29% ultimate
Dental & Vision	4.29%	4.29%

Mortality rates used were as follows:

- Active Employees – RP-2000 Employee Mortality with Blue Collar Adjustment projected with scale AA to 2022.
- Non-disabled Retiree – RP-2000 Healthy Annuitant projected with scale AA to 2022.
- Disabled Retiree – RP-2000 Disabled Retiree Mortality projected with scale AA to 2022.

Termination rates were based on a 30% for male employees and 25% for female employees with less than 1 year of service grading down to 0.00% for employees with more than 10 years of service.

An experience study was not performed on the actuarial assumptions used in the December 31, 2022 valuation since the plan had insufficient data to produce a study with credible results. Mortality rates and termination rates were based on standard tables either issued by the SOA or developed for the applicable grade of employee. The actuary has used his/her professional judgement in applying these assumptions to this plan.

Note 5: DETAIL NOTES – LIABILITIES (CONT'D)**Postemployment Benefits Other Than Pensions (OPEB) – Authority Plan (Cont'd)****Changes in the Total OPEB Liability**

The following table shows the changes in the total OPEB liability for the years ended December 31, 2023 and 2022, respectively:

	<u>December 31, 2023</u>	<u>December 31, 2022</u>
Balance at Beginning of Year	\$ 1,659,081	\$ 2,884,259
Changes for the Year:		
Service Cost	\$ 94,778	\$ 224,844
Interest Cost	60,603	59,818
Benefit Payments	(155,257)	(185,567)
Changes of Assumptions	67,740	(1,348,750)
Differences Between Expected and Actual Demographic Experience	<u>139,374</u>	<u>24,477</u>
Net Changes	<u>207,238</u>	<u>(1,225,178)</u>
Balance at End of Year	<u>\$ 1,866,319</u>	<u>\$ 1,659,081</u>

Changes in Benefits Terms – There were no significant changes of benefit terms at December 31, 2023.

Changes in Assumptions – For 2023, the discount rate changed from 3.72% as of December 31, 2022 to 3.26% as of December 31, 2023 to reflect the most recent 20-year municipal bond rate expectation. There were changes in assumptions during the measurement year including updates to the claim curves, administrative expense, and trend assumption to reflect actual and anticipated experience, as well as the updates to the discount rate and retirement decrement.

Sensitivity of the Total OPEB Liability to Changes in the Discount Rate

The following presents the total OPEB liability of the Authority, as well as what the Authority's total OPEB liability would be if it were calculated for using a discount rate that is 1-percentage-point lower or 1-percentage-point higher than the current discount rate:

	<u>December 31, 2023</u>		
	<u>1.00% Decrease (2.26%)</u>	<u>Current Discount Rate (3.26%)</u>	<u>1.00% Increase (4.26%)</u>
Total OPEB Liability	<u>\$ 2,033,411</u>	<u>\$ 1,866,319</u>	<u>\$ 1,720,975</u>
	<u>December 31, 2022</u>		
	<u>1.00% Decrease (2.72%)</u>	<u>Current Discount Rate (3.72%)</u>	<u>1.00% Increase (4.72%)</u>
Total OPEB Liability	<u>\$ 1,804,799</u>	<u>\$ 1,659,081</u>	<u>\$ 1,532,556</u>

Note 5: DETAIL NOTES – LIABILITIES (CONT'D)**Postemployment Benefits Other Than Pensions (OPEB) – Authority Plan (Cont'd)****Sensitivity of the Total OPEB Liability to Changes in the Healthcare Cost Trend Rates**

The following presents the total OPEB liability of the Authority, as well as what the Authority's total OPEB liability would be if it were calculated using healthcare cost trend rates that are 1-percentage-point lower or 1-percentage-point higher than the current healthcare cost trend rates:

December 31, 2023			
	<u>1.00% Decrease</u>	<u>Healthcare Cost Trend Rate</u>	<u>1.00% Increase</u>
Total OPEB Liability	<u>\$ 1,668,298</u>	<u>\$ 1,866,319</u>	<u>\$ 2,105,285</u>
December 31, 2022			
	<u>1.00% Decrease</u>	<u>Healthcare Cost Trend Rate</u>	<u>1.00% Increase</u>
Total OPEB Liability	<u>\$ 1,488,006</u>	<u>\$ 1,659,081</u>	<u>\$ 1,865,975</u>

OPEB (Benefit) Expense and Deferred Outflows of Resources and Deferred Inflows of Resources Related to OPEB

For the years ended December 31, 2023 and 2022, the Authority recognized OPEB (benefit) expense of \$62,431 and \$173,114, respectively. At December 31, 2023 and 2022, the Authority reported deferred outflows of resources and deferred inflows of resources related to OPEB from the following sources:

	December 31, 2023		December 31, 2022	
	<u>Deferred Outflows of Resources</u>	<u>Deferred Inflows of Resources</u>	<u>Deferred Outflows of Resources</u>	<u>Deferred Inflows of Resources</u>
Changes of Assumptions	\$ 143,139	\$ 899,166	\$ 123,354	\$ 1,136,033
Differences Between Expected and Actual Demographic Experience	211,489	39,613	187,884	59,420
	<u>\$ 354,628</u>	<u>\$ 938,779</u>	<u>\$ 311,238</u>	<u>\$ 1,195,453</u>

Amounts reported as deferred outflows of resources and deferred inflows of resources related to OPEB will be recognized in OPEB (benefit) expense as follows:

<u>Year Ending December 31,</u>	
2024	\$ (142,992)
2025	(142,992)
2026	(146,492)
2027	(186,194)
2028	34,519
	<u>\$ (584,151)</u>

Note 5: DETAIL NOTES – LIABILITIES (CONT'D)**Postemployment Benefits Other Than Pensions (OPEB) – Summary of State and Authority Plans**

At December 31, 2023 and 2022, the Authority reported deferred outflows of resources, net OPEB liability and deferred inflows of resources related to OPEB from the following sources:

	<u>Balance December 31, 2022</u>	<u>Additions</u>	<u>Reductions</u>	<u>Balance December 31, 2023</u>
Deferred Outflows of Resources - Related to OPEB				
State Plan	\$ 6,560,600.00	\$ 3,710,662.53	\$ (1,873,056.53)	\$ 8,398,206.00
Authority Plan	311,238	207,114	(163,724)	354,628
Total Deferred Outflows of Resources - Related to OPEB	<u>\$ 6,871,838</u>	<u>\$ 3,917,777</u>	<u>\$ (2,036,781)</u>	<u>\$ 8,752,834</u>
Net OPEB Liability				
State Plan	\$ 22,646,416	\$ 21,644,749	\$ (21,260,479)	\$ 23,030,686
Authority Plan	1,659,081	362,495	(155,257)	1,866,319
Total Net OPEB Liability	<u>\$ 24,305,497</u>	<u>\$ 22,007,244</u>	<u>\$ (21,415,736)</u>	<u>\$ 24,897,005</u>
Deferred Inflows of Resources - Related to OPEB				
State Plan	\$ 13,961,235	\$ 4,669,461	\$ (4,531,219)	\$ 14,099,477
Authority Plan	1,195,453		(256,674)	938,779
Total Deferred Inflows of Resources - Related to OPEB	<u>\$ 15,156,688</u>	<u>\$ 4,669,461</u>	<u>\$ (4,787,893)</u>	<u>\$ 15,038,256</u>
	<u>Balance December 31, 2021</u>	<u>Additions</u>	<u>Reductions</u>	<u>Balance December 31, 2022</u>
Deferred Outflows of Resources - Related to OPEB				
State Plan	\$ 6,257,706.00	\$ 2,031,226.52	\$ (1,728,332.52)	\$ 6,560,600.00
Authority Plan	467,679	24,477	(180,918)	311,238
Total Deferred Outflows of Resources - Related to OPEB	<u>\$ 6,725,385</u>	<u>\$ 2,055,704</u>	<u>\$ (1,909,251)</u>	<u>\$ 6,871,838</u>
Net OPEB Liability				
State Plan	\$ 24,557,102	\$ 18,935,425	\$ (20,846,111)	\$ 22,646,416
Authority Plan	2,884,259	309,139	(1,534,317)	1,659,081
Total Net OPEB Liability	<u>\$ 27,441,361</u>	<u>\$ 19,244,564</u>	<u>\$ (22,380,428)</u>	<u>\$ 24,305,497</u>
Deferred Inflows of Resources - Related to OPEB				
State Plan	\$ 12,362,913	\$ 5,471,603	\$ (3,873,281)	\$ 13,961,235
Authority Plan	139,169	1,348,750	(292,466)	1,195,453
Total Deferred Inflows of Resources - Related to OPEB	<u>\$ 12,502,082</u>	<u>\$ 6,820,353</u>	<u>\$ (4,165,747)</u>	<u>\$ 15,156,688</u>

Note 5: DETAIL NOTES – LIABILITIES (CONT'D)**Unearned Federal and State Grants**

On April 5, 2022, the Authority signed an agreement with the Department of Community Affairs, State of New Jersey to receive Coronavirus State and Local Fiscal Recovery Fund, authorized by American Rescue Plan Act of 2021, in the amount of \$10,000,000 for the Camden City Sewer / Pennsauken Disconnect project. The grant is for the period April 5, 2022 to December 31, 2024. As of December 31, 2023, the Authority received the first installment payment of \$6,250,000 pursuant to the agreement, and has spent \$962,727 in management consulting and permit related expenses. The unspent grant amounts are recorded as a liability until the Authority expends the funds to meet the eligibility requirement.

Note 6: INTERGOVERNMENTAL AGREEMENTS**Shared Service Agreement – County of Camden**

The Authority and the County of Camden ("County") signed an agreement dated October 19, 2015, for the purpose of the Authority to provide funding to the County to be utilized for the repair and/or replacement of certain County infrastructure projects in accordance with the provisions of N.J.S.A. 40:14B-40.2. The term of the agreement is January 1, 2016 through the completion of the program or December 31, 2025, whichever comes first. A revised list of projects was approved by the Director of Local Government Services, Department of Community Affairs, State of New Jersey ("DLGS") in accordance with N.J.S.A. 40:14B-40.2. This statute established a pilot program that permits certain county utility authorities, upon approval by DLGS to fund such infrastructure improvements within their County. During the year ended December 31, 2023 and 2022, the Authority paid \$15,000,000 and \$15,000,000, respectively, to the County under this agreement.

Shared Service Agreement – City of Camden

The Authority and the City of Camden ("City") signed an agreement dated November 30, 2016, for the purpose of accomplishing the stormwater improvement project in the City. The agreement requires the Authority to be responsible for the design and construction of upgrades to the Authority's wastewater treatment plant and for design and construction of a stormwater and / or combined sewer pump station at the City waterfront and requires the City to make necessary upgrades to the existing Arch Street sanitary pump station. The agreement also requires the Authority and the City to file a joint application for a New Jersey Infrastructure Bank ("I-Bank") loan, to finance the construction work; and if the Authority shall obtain an I-Bank loan, the City shall reimburse to the Authority pro rata over the term of the loan as debt payments become due. On June 10, 2021, the Authority closed on permanent financing loans from the I-Bank totaling \$4,595,000 from the Trust and \$14,126,023 from the Fund. The City's pro rata share of the debt service payments, including interest is \$7,833,948 until 2050. As of December 31, 2023 and December 31, 2022, the City reimbursed the Authority \$664,247 and \$398,914, respectively.

Note 7: COMMITMENTS

The Authority had several outstanding or planned construction projects as of December 31, 2023. These projects are evidenced by contractual commitments with contractors and include:

<u>Project</u>	<u>Awarded</u>	<u>Commitments Remaining</u>
Preliminary Treatment Facility (PTF) Upgrade	Stone Hill Contracting, Co. Inc.	\$ 15,394,377
Administration and Service Building Renovation	Newport Construction	2,753,917
Return Sludge Piping Contract	Allied Construction	934,255
Large Pump Station Electrical Upgrades	Huges Electric	1,893,218
Various Pump Stations Roof Replacement	Noble Roofing & Sheet Metal	2,974,745
Various Pump Stations Doors Replacement	Extreme Buildings PM	999,617
Various Pump Stations Rehabilitation and Upgrades	Railroad Construction	8,395,133
Cleaning of the Camden Collection System	Mobile Dredging	6,301,979
		<u>\$ 39,647,241</u>

Change Orders to Contracts

During the year 2023, the Authority had contracts that resulted in the total amount of change orders executed for the project to exceed the originally awarded contract price by more than 20 percent. The resolution numbers and project descriptions are as follows:

<u>Resolution No.</u>	<u>Project Description</u>
R-23:1-8	Expert consulting services
R-23:11-188	Design engineering services for Harrison Ave. stormwater infrastructure & Complete Streets project

Note 8: DEFERRED COMPENSATION

The Authority offers its employees a Deferred Compensation Plan in accordance with Internal Revenue Code Section 457 which has been approved by the Director of the Division of Local Government Services. The Plan, available to all full time employees at their option, permits employees to defer a portion of their salary to future years. The deferred compensation is not available to participants until termination, retirement, death or unforeseeable emergency.

Amounts deferred under Section 457 plans must be held in trust for the exclusive benefit of participating employees and not be accessible by the Authority or its creditors. Since the Authority does not have a fiduciary relationship with the Plan, the balances and activities of the Plan are not reported in the Authority's financial statements.

Note 9: RISK MANAGEMENT

The Authority is a member of the Camden County Insurance Commission (the "Commission"), established on January 21, 2010, by a Camden County Board resolution pursuant to N.J.S.A. 40A:10-6. The Commission is a public entity risk pool serving several government entities located in the County of Camden. The Commission provides the following insurance: Workers' Compensation including Employers' Liability, General Liability other than motor vehicles, Property damage other than motor vehicles, Automobile Liability and damage Public Officials Liability, Legal/Employment Practices Liability, Crime, Pollution Liability, and Medical Professional Liability Employed Lawyers Liability.

Note 9: RISK MANAGEMENT (CONT'D)

Contributions to the Commission, including reserves for contingencies, are payable installments that are established by the Commission and are based on assumptions determined by each Commission's actuaries. The Commissioner of Insurance of the State of New Jersey may order additional assessments imposed on each member to supplement each Commission's claim, loss retention or administrative accounts to assure the payment of each Commission's obligations.

The Commission's publish their own financial reports each year, which may be obtained from:

Camden County Insurance Commission
9 Campus Drive – Suite 16
Parsippany, NJ 07054

New Jersey Counties Excess Joint Insurance Fund
9 Campus Drive – Suite 16
Parsippany, NJ 07054

The Authority is partially self-insured for workers' compensation through a joint insurance program with the County of Camden. The County submits invoices to the Authority for their share of the workers' compensation costs incurred for the year. The County has established this trust fund and as of December 31, 2023 and 2022, the balance in the Reserve for Workers' Compensation Insurance Trust Fund was \$4,613,670 and \$4,601,096, respectively. The 2024 County Budget did not include an appropriation in to provide for future claims.

Note 10: CONTINGENCIES

Litigation - The Authority is a defendant in several legal proceedings that are in various stages of litigation. It is believed that the outcome, or exposure to the Authority, from such litigation is either unknown or potential losses, if any, would not be material to the financial statements.

Note 11: SUBSEQUENT EVENTS

NJIB Permanent Financing - On May 15, 2025, the New Jersey Infrastructure Bank issued Environmental Infrastructure Bonds, Series 2025A-SW1 for the benefits of the "Series 2025 Borrowers". The Authority is a "Series 2025 Borrower" and received permanent financing on interim financing loans as follows:

		I-Bank Loan Amount		Fund Loan
		Traditional	WIFIA	Amount
Series 2025A-SW1/C-SW1	S340640-26 / 29	\$ 6,245,000	\$4,325,156	\$ 10,570,156

REQUIRED SUPPLEMENTARY INFORMATION

CAMDEN COUNTY MUNICIPAL UTILITIES AUTHORITY
Required Supplementary Information
Schedule of the Authority's Proportionate Share of the Net Pension Liability
Public Employees' Retirement System (PERS)
Last Ten Plan Years

	Measurement Date Ending June 30,				
	<u>2023</u>	<u>2022</u>	<u>2021</u>	<u>2020</u>	<u>2019</u>
Authority's Proportion of the Net Pension Liability	0.1221934674%	0.1159080364%	0.1137476342%	0.1209512801%	0.1201879785%
Authority's Proportionate Share of the Net Pension Liability	\$ 17,698,959	\$ 17,492,118	\$ 13,475,113	\$ 19,723,991	\$ 21,656,050
Authority's Covered Payroll (Plan Measurement Period)	\$ 9,261,040	\$ 8,434,720	\$ 8,296,160	\$ 8,666,376	\$ 8,546,900
Authority's Proportionate Share of the Net Pension Liability as a Percentage of its Covered Payroll	191.11%	207.38%	162.43%	227.59%	253.38%
Plan Fiduciary Net Position as a Percentage of the Total Pension Liability	65.23%	62.91%	70.33%	58.32%	56.27%
	Measurement Date Ending June 30,				
	<u>2018</u>	<u>2017</u>	<u>2016</u>	<u>2015</u>	<u>2014</u>
Authority's Proportion of the Net Pension Liability	0.1121747151%	0.1157735181%	0.1201912615%	0.1119680574%	0.1107869940%
Authority's Proportionate Share of the Net Pension Liability	\$ 22,086,642	\$ 26,950,224	\$ 35,597,204	\$ 25,134,585	\$ 20,742,355
Authority's Covered Payroll (Plan Measurement Period)	\$ 7,810,320	\$ 8,072,408	\$ 8,089,364	\$ 7,714,388	\$ 7,438,099
Authority's Proportionate Share of the Net Pension Liability as a Percentage of its Covered Payroll	282.79%	333.86%	440.05%	325.81%	278.87%
Plan Fiduciary Net Position as a Percentage of the Total Pension Liability	53.60%	48.10%	40.14%	47.93%	52.08%

CAMDEN COUNTY MUNICIPAL UTILITIES AUTHORITY

Required Supplementary Information
Schedule of the Authority's Contributions
Public Employees' Retirement System (PERS)
Last Ten Years

	Year Ended December 31,				
	<u>2023</u>	<u>2022</u>	<u>2021</u>	<u>2020</u>	<u>2019</u>
Authority's Contractually Required Contribution	\$ 1,633,149	\$ 1,461,656	\$ 1,332,117	\$ 1,323,146	\$ 1,169,075
Authority's Contribution in Relation to the Contractually Required Contribution	(1,633,149)	(1,461,656)	(1,332,117)	(1,323,146)	(1,169,075)
Authority's Contribution Deficiency (Excess)	\$ -	\$ -	\$ -	\$ -	\$ -
Authority's Covered Payroll (Calendar Year)	\$ 9,054,253	\$ 9,122,248	\$ 8,438,568	\$ 8,266,871	\$ 8,584,163
Authority's Contributions as a Percentage of its Covered Payroll	18.04%	16.02%	15.79%	16.01%	13.62%
	Year Ended December 31,				
	<u>2018</u>	<u>2017</u>	<u>2016</u>	<u>2015</u>	<u>2014</u>
Authority's Contractually Required Contribution	\$ 1,115,776	\$ 1,072,518	\$ 1,067,762	\$ 962,625	\$ 913,312
Authority's Contribution in Relation to the Contractually Required Contribution	(1,115,776)	(1,072,518)	(1,067,762)	(962,625)	(913,312)
Authority's Contribution Deficiency (Excess)	\$ -	\$ -	\$ -	\$ -	\$ -
Authority's Covered Payroll (Calendar Year)	\$ 8,600,601	\$ 7,958,244	\$ 8,052,123	\$ 8,003,763	\$ 7,738,097
Authority's Contributions as a Percentage of its Covered Payroll	12.97%	13.48%	13.26%	12.03%	11.80%

CAMDEN COUNTY MUNICIPAL UTILITIES AUTHORITY
Required Supplementary Information
Schedule of the Authority's Proportionate Share of the Net OPEB Liability -
State Health Benefits Local Government Retired Employees Plan
Last Seven Plan Years

	Measurement Date Ended June 30,			
	<u>2023</u>	<u>2022</u>	<u>2021 (a)</u>	<u>2020</u>
Authority's Proportion of the Net OPEB Liability	0.153471%	0.140229%	0.137188%	0.138196%
Authority's Proportionate Share of the Net OPEB Liability	\$ 23,030,686	\$ 22,646,416	\$ 24,693,540	\$ 24,801,501
Authority's Covered Payroll (Plan Measurement Period)	\$ 8,974,570	\$ 8,897,987	\$ 8,306,719	\$ 8,429,527
Authority's Proportionate Share of the Net OPEB Liability as a Percentage of Covered Payroll	256.62%	254.51%	297.27%	294.22%
Plan Fiduciary Net Position as a Percentage of the Total OPEB Liability	-0.79%	-0.36%	0.28%	0.91%

	Measurement Date Ended June 30,		
	<u>2019</u>	<u>2018</u>	<u>2017</u>
Authority's Proportion of the Net OPEB Liability	0.132342%	0.140977%	0.131533%
Authority's Proportionate Share of the Net OPEB Liability	\$ 17,927,141	\$ 22,086,328	\$ 26,853,499
Authority's Covered Payroll (Plan Measurement Period)	\$ 8,630,909	\$ 8,378,371	\$ 7,884,195
Authority's Proportionate Share of the Net OPEB Liability as a Percentage of Covered Payroll	207.71%	263.61%	340.60%
Plan Fiduciary Net Position as a Percentage of the Total OPEB Liability	1.98%	1.97%	1.03%

(a) The Proportionate Share of the June 30, 2021 Net OPEB Liability was adjusted within the June 30, 2022 Plan Audit.

Note: This schedule is presented to illustrate the requirement to show information for 10 years. However, until a full 10-year trend is compiled, this presentation will only include information for those years for which information is available.

CAMDEN COUNTY MUNICIPAL UTILITIES AUTHORITY
Required Supplementary Information
Schedule of the Authority's OPEB Contributions -
State Health Benefits Local Government Retired Employees Plan
Last Seven Years

	Year Ended December 31,			
	<u>2023</u>	<u>2022</u>	<u>2021</u>	<u>2020</u>
Authority's Required Contributions	\$ 293,191	\$ 257,586	\$ 198,686	\$ 175,480
Authority's Contributions in Relation to the Required Contribution	<u>(293,191)</u>	<u>(257,586)</u>	<u>(198,686)</u>	<u>(175,480)</u>
Authority's Contribution Deficiency (Excess)	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>
Authority's Covered Payroll (Calendar Year)	\$ 9,054,253	\$ 9,122,248	\$ 8,438,568	\$ 8,266,871
Authority's Contributions as a Percentage of Covered Payroll	3.24%	2.82%	2.35%	2.12%

	Year Ended December 31,		
	<u>2019</u>	<u>2018</u>	<u>2017</u>
Authority's Required Contributions	\$ 160,831	\$ 291,047	\$ 332,198
Authority's Contributions in Relation to the Required Contribution	<u>(160,831)</u>	<u>(291,047)</u>	<u>(332,198)</u>
Authority's Contribution Deficiency (Excess)	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>
Authority's Covered Payroll (Calendar Year)	\$ 8,584,163	\$ 8,600,601	\$ 7,958,244
Authority's Contributions as a Percentage of Covered Payroll	1.87%	3.38%	4.17%

Note: This schedule is presented to illustrate the requirement to show information for 10 years. However, until a full 10-year trend is compiled, this presentation will only include information for those years for which information is available.

CAMDEN COUNTY MUNICIPAL UTILITIES AUTHORITY
Required Supplementary Information
Schedule of Changes in the Authority's Total OPEB Liability and Related Ratios - Authority Plan
Last Six Years

	Year Ended December 31,		
	<u>2023</u>	<u>2022</u>	<u>2021</u>
Total OPEB Liability			
Service Cost	\$ 94,778	\$ 224,844	\$ 214,716
Interest Cost	60,603	59,818	55,153
Benefit Payments	(155,257)	(185,567)	(235,977)
Differences Between Expected and Actual Experience	139,374	24,777	158,056
Actuarial Assumption Changes	67,740	(1,348,750)	80,180
Net Change in Total OPEB Liability	207,238	(1,224,878)	272,128
Total OPEB Liability - Beginning of Year	1,659,381	2,884,259	2,612,131
Total OPEB Liability - End of Year	<u>\$ 1,866,619</u>	<u>\$ 1,659,381</u>	<u>\$ 2,884,259</u>
Covered Payroll	\$ 9,261,040	\$ 8,434,720	\$ 8,296,160
Total OPEB Liability as a Percentage of Covered Payroll	20.16%	19.67%	34.77%

	Year Ended December 31,		
	<u>2020</u>	<u>2019</u>	<u>2018</u>
Total OPEB Liability			
Service Cost	\$ 190,769	\$ 168,012	\$ 178,346
Interest Cost	69,750	94,221	79,321
Benefit Payments	(238,858)	(312,572)	(367,039)
Differences Between Expected and Actual Experience	(118,841)	310,601	258,565
Actuarial Assumption Changes	139,805	(60,379)	(178,955)
Net Change in Total OPEB Liability	42,625	199,883	(29,762)
Total OPEB Liability - Beginning of Year	2,569,506	2,369,623	2,399,385
Total OPEB Liability - End of Year	<u>\$ 2,612,131</u>	<u>\$ 2,569,506</u>	<u>\$ 2,369,623</u>
Covered Payroll	\$ 8,666,376	\$ 8,546,900	\$ 7,810,000
Total OPEB Liability as a Percentage of Covered Payroll	30.14%	30.06%	30.34%

Note: This schedule is presented to illustrate the requirement to show information for 10 years. However, until a full 10-year trend is compiled, this presentation will only include information for those years for which information is available.

CAMDEN COUNTY MUNICIPAL UTILITIES AUTHORITY

Required Supplementary Information
Notes to Required Supplementary Information
For the Year Ended December 31, 2023

Note 1: POSTEMPLOYMENT BENEFITS - PENSION**Public Employees' Retirement System (PERS)*****Changes in Benefit Terms:***

The Division of Pensions and Benefits adopted a new policy regarding the crediting of interest on member contributions for the purpose of refund of accumulated deductions. Previously, after termination of employment, but prior to retirement or death, interest was credited on member accumulated deductions at the valuation interest rate for the entire period. Effective July 1, 2018, interest is only credited at the valuation interest rate for the first two years of inactivity prior to retirement or death.

Changes in Assumptions:

The discount rate used as of June 30 measurement date is as follows:

<u>Year</u>	<u>Rate</u>	<u>Year</u>	<u>Rate</u>
2023	7.00%	2018	5.66%
2022	7.00%	2017	5.00%
2021	7.00%	2016	3.98%
2020	7.00%	2015	4.90%
2019	6.28%	2014	5.39%

The long-term expected rate of return used as of June 30 measurement date is as follows:

<u>Year</u>	<u>Rate</u>	<u>Year</u>	<u>Rate</u>
2023	7.00%	2018	7.00%
2022	7.00%	2017	7.00%
2021	7.00%	2016	7.65%
2020	7.00%	2015	7.90%
2019	7.00%	2014	7.90%

(Continued)

CAMDEN COUNTY MUNICIPAL UTILITIES AUTHORITY
Required Supplementary Information
Notes to Required Supplementary Information (Cont'd)
For the Year Ended December 31, 2023

Note 2: POSTEMPLOYMENT BENEFITS OTHER THAN PENSION BENEFITS (OPEB)

State Health Benefits Local Government Retired Employees Plan

Change in Benefit Terms:

The actuarial valuation as of July 1, 2022, which was rolled forward to June 30, 2023, included changes due to employers adopting and /or changing Chapter 48 provisions.

Changes in Assumptions:

The discount rate used as of the June 30 measurement date is as follows:

<u>Year</u>	<u>Rate</u>	<u>Year</u>	<u>Rate</u>
2023	3.65%	2019	3.50%
2022	3.54%	2018	3.87%
2021	2.16%	2017	3.58%
2020	2.21%		

The expected investment rate of return is based on guidance provided by the State. These expected rates of return are the same as the discount rates listed above.

In addition to changes in the discount rate, other factors that affected the valuation of the net OPEB liability included changes in the trend update.

There were no changes to mortality projections.

Authority Plan

Change in Benefit Terms:

None.

Changes in Assumptions:

For 2023, the discount rate was updated from 3.72% to 3.26% to reflect the most recent 20-year municipal bond rate expectation. There were changes in assumptions during the measurement year including updates to the claim curves, administrative expense, and trend assumption to reflect actual and anticipated experience, as well as the updates to the discount rate and retirement decrement.

SUPPLEMENTARY SCHEDULES

CAMDEN COUNTY MUNICIPAL UTILITIES AUTHORITY
Combining Schedule of Revenues, Expenses and Changes in Net Position
Restricted and Unrestricted Accounts
For the Year Ended December 31, 2023

	<u>Unrestricted</u>		<u>Restricted</u>			
	<u>Revenue</u>	<u>General Reserve</u>	<u>Debt Service</u>	<u>Debt Service Reserve</u>	<u>Renewal and Replacement</u>	<u>Total</u>
Operating Revenues	\$ 92,817,908					\$ 92,817,908
Operating Expenses	45,206,667	\$ 33,090,795				78,297,462
Operating Income (Loss)	47,611,241	(33,090,795)	\$ -	\$ -	\$ -	14,520,446
Non-operating Revenue (Expenses):						
Investment Income	3,737,152			57,698	454,863	4,249,713
Grant Revenues	527,962					527,962
Interest Expense on Long Term Debt			(1,377,156)			(1,377,156)
Bond Issuance Costs		(46,207)				(46,207)
Payment of Shared Services Agreement to County of Camden		(15,000,000)				(15,000,000)
Refund of Prior Year Expenditures		5,265,535				5,265,535
Total Non-operating Revenue (Expenses)	4,265,114	(9,780,672)	(1,377,156)	57,698	454,863	(6,380,153)
Income (Loss) Before Transfers	51,876,355	(42,871,467)	(1,377,156)	57,698	454,863	8,140,293
Transfers	(25,368,161)	23,706,055	1,377,156	(57,698)	342,648	-
Change in Net Position	26,508,194	(19,165,412)			797,511	8,140,293
Total Net Position, January 1	21,155,982	297,028,760			9,432,489	327,617,231
Total Net Position, December 31	\$ 47,664,176	\$ 277,863,348	\$ -	\$ -	\$ 10,230,000	\$ 335,757,524
Analysis of Balance, December 31:						
Net Investment in Capital Assets		\$ 277,863,348				\$ 277,863,348
Restricted for Bond Resolution Covenants					\$ 10,230,000	10,230,000
Unrestricted	\$ 47,664,176					47,664,176
	\$ 47,664,176	\$ 277,863,348	\$ -	\$ -	\$ 10,230,000	\$ 335,757,524

CAMDEN COUNTY MUNICIPAL UTILITIES AUTHORITY

Schedule of Cash Receipts, Cash Disbursements
and Changes in Cash and Cash Equivalents
For the Year Ended December 31, 2023

	<u>Unrestricted</u>	<u>Restricted</u>			
	<u>Operating Accounts</u>	<u>Debt Service Reserve</u>	<u>Renewal and Replacement</u>	<u>Construction</u>	<u>Total</u>
Cash and Cash Equivalents -- January 1, 2023	\$ 79,276,646	\$ 1,112,187	\$ 9,969,489	\$ 10,839,080	\$ 101,197,402
Cash Receipts:					
User Charges	85,264,379				85,264,379
Investment Income	3,492,120	55,787	436,810		3,984,717
Proceeds from Issuance of Long Term Debt, Net of Cash Held by Fiscal Agents		44,128,901			44,128,901
Non-operating Revenues	5,265,535				5,265,535
Transfer from Unrestricted Accounts		8,951,136		21,201,744	30,152,880
Connection Fees and Other Revenues	6,944,801				6,944,801
Total Cash Receipts and Investments Available	<u>180,243,481</u>	<u>54,248,011</u>	<u>10,406,299</u>	<u>32,040,824</u>	<u>276,938,615</u>
Cash Disbursements:					
Operating Expenditures	43,175,705				43,175,705
Payments of Defeased Bonds		23,711,831			23,711,831
Debt Principal Payments		12,856,388			12,856,388
Interest Paid		1,472,311			1,472,311
Bond Issuance Costs		46,207			46,207
Payment of Shared Services Agreement to County of Camden		15,000,000			15,000,000
Capital Expenditures, Net of Change in Retainages				25,468,260	25,468,260
Transfer to Restricted Accounts	30,152,880				30,152,880
Total Cash Disbursements	<u>73,328,585</u>	<u>53,086,737</u>	<u>-</u>	<u>25,468,260</u>	<u>151,883,582</u>
Cash and Cash Equivalents -- December 31, 2023	<u>\$ 106,914,896</u>	<u>\$ 1,161,274</u>	<u>\$ 10,406,299</u>	<u>\$ 6,572,564</u>	<u>\$ 125,055,033</u>

CAMDEN COUNTY MUNICIPAL UTILITIES AUTHORITY
Schedule of Sewer Operations -- Revenues, Operating Appropriations,
Principal Payments and Non-Operating Appropriations Compared To Budget -- Non-GAAP Budgetary Basis
For the Year Ended December 31, 2023

	<u>Adopted Budget</u>	<u>Final Budget</u>	<u>Actual</u>	<u>Variance Favorable-- (Unfavorable)</u>
Operating Revenues:				
User Charges and Fees	\$ 85,388,730	\$ 85,388,730	\$ 85,930,197	\$ 541,467
Connection Fees	3,260,852	3,260,852	4,679,474	1,418,622
Other Operating Revenues	2,307,819	2,307,819	2,208,237	(99,582)
Total Operating Revenues	90,957,401	90,957,401	92,817,908	1,860,507
Non-Operating Revenues:				
Interest on Investments and Deposits	12,000	12,000	4,249,713	4,237,713
Grant Revenues			527,962	527,962
Total Non-Operating Revenues	12,000	12,000	4,777,675	4,765,675
Total Budget Revenues	90,969,401	90,969,401	97,595,583	6,626,182
Operating Appropriations:				
Administration:				
Salary & Wages	2,619,928	2,619,928	2,638,006	(18,078)
Fringe Benefits	3,448,224	3,448,224	3,256,092	192,132
Other Expenses	5,815,492	5,815,492	4,784,038	1,031,454
Total Administration	11,883,644	11,883,644	10,678,136	1,205,508
Cost of Providing Services:				
Salary & Wages	9,184,960	9,184,960	8,715,230	469,730
Fringe Benefits	3,315,906	3,315,906	2,988,839	327,067
Other Expenses	30,367,349	30,367,349	26,245,716	4,121,633
Total Cost of Providing Services	42,868,215	42,868,215	37,949,785	4,918,430
Total Principal Payments on Debt Service	12,856,388	12,856,388	12,856,388	
Total Operating Appropriations	67,608,247	67,608,247	61,484,309	6,123,938
Non-Operating Appropriations:				
Renewal and Replacement Reserve	8,000,000	8,000,000		8,000,000
Shared Services Agreement County of Camden	15,000,000	15,000,000	15,000,000	
Interest Payments	1,737,640	1,737,640	1,377,156	360,484
Total Non-Operating Appropriations	24,737,640	24,737,640	16,377,156	8,360,484
Total Budget Appropriations	92,345,887	92,345,887	77,861,465	14,484,422
Excess (Deficit) Revenues over Expenses and Other Costs	\$ (1,376,486)	\$ (1,376,486)	\$ 19,734,118	\$ 21,110,604

(Continued)

CAMDEN COUNTY MUNICIPAL UTILITIES AUTHORITY
Schedule of Sewer Operations -- Revenues, Operating Appropriations,
Principal Payments and Non-Operating Appropriations Compared To Budget -- Non-GAAP Budgetary Basis
For the Year Ended December 31, 2023

Adjustments to Reconcile Excess Revenues over Expenses and

Other Costs to GAAP Basis Operating Income:

Excess Revenues over Expenses and Other Costs (Schedule 3)	\$ 19,734,118
Less: Investment Income	(4,249,713)
Less: Grant Revenues	(527,962)
Less: Depreciation	(33,090,795)
Add: GASB 68 Pension Benefit	1,312,498
Add: Shared Services Agreement Payment to the County of Camden	15,000,000
Add: GASB 75 OPEB Expense Adjustment	2,108,756
Add: Principal Payments on Bonds	12,856,388
Add: Interest Payments	<u>1,377,156</u>

Total Operating Income (Exhibit B)	<u><u>\$ 14,520,446</u></u>
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CAMDEN COUNTY MUNICIPAL UTILITIES AUTHORITY

Analysis of Investment Income Receivable

For the Year Ended December 31, 2023

	<u>Balance Jan. 1, 2023</u>	<u>Investment Income Earned</u>	<u>Investment Income Collected</u>	<u>Balance Dec. 31, 2023</u>
Unrestricted Assets:				
Revenue Account	<u>\$ 197,484</u>	<u>\$ 3,737,152</u>	<u>\$ 3,492,120</u>	<u>\$ 442,516</u>
Restricted Assets:				
Debt Service Reserve Account	3,247	57,698	55,787	5,158
Renewal and Replacement Account	<u>28,173</u>	<u>454,863</u>	<u>436,810</u>	<u>46,226</u>
	<u>31,420</u>	<u>512,561</u>	<u>492,597</u>	<u>51,384</u>
	<u><u>\$ 228,904</u></u>	<u><u>\$ 4,249,713</u></u>	<u><u>\$ 3,984,717</u></u>	<u><u>\$ 493,900</u></u>

CAMDEN COUNTY MUNICIPAL UTILITIES AUTHORITY
Schedule of Revenue Bonds
For the Year Ended December 31, 2023

<u>Purpose</u>	<u>Date of Issue</u>	<u>Original Issue</u>	<u>Maturities of Bonds</u>		<u>Interest Rate</u>	<u>Balance Jan. 1, 2023</u>	<u>Debt Issued</u>	<u>Paid 2023</u>	<u>Refunded</u>	<u>Balance Dec. 31, 2023</u>
County Agreement Sewer Revenue Bonds, Series 2006A	10/11/06	\$ 5,000,000	07/15/24	\$ 340,000	4.05%					
			07/15/25	355,000	4.05%					
			07/15/26	365,000	4.05%					
				<u>\$ 1,060,000</u>		\$ 1,385,000	\$ -	\$ 325,000	\$ -	\$ 1,060,000
NJ EIT Sewer Wastewater Treatment Refunding Bonds, Series 2012B-R (Partial Refunding 2006A)	08/14/12	5,808,090	08/01/25	\$ 687,611	4.00%					
			08/01/26	713,173	4.00%					
				<u>\$ 1,400,784</u>		2,031,166	-	630,382	-	1,400,784
NJ EIT Sewer Wastewater Treatment Bonds, Series 2013A (CW)	05/22/13	1,820,000	08/01/24	\$ 105,000	4.00%					
			08/01/25	110,000	4.00%					
			08/01/26	110,000	5.00%					
			08/01/27	115,000	5.00%					
			08/01/28	120,000	4.25%					
			08/01/29	120,000	4.50%					
			08/01/30	125,000	4.50%					
			08/01/31	130,000	4.50%					
			08/01/32	130,000	4.25%					
				<u>\$ 1,065,000</u>		1,165,000	-	100,000	-	1,065,000
NJ EIT Sewer Wastewater Treatment Bonds, Series 2015A-1 (CW) 14	05/28/15	1,325,000	08/01/24	\$ 65,000	5.00%					
			08/01/25	70,000	5.00%					
			08/01/26	70,000	5.00%					
			08/01/27	75,000	4.00%					
			08/01/28	80,000	4.00%					
			08/01/29	80,000	4.00%					
			08/01/30	85,000	4.00%					
			08/01/31	90,000	4.00%					
			08/01/32	90,000	4.00%					
			08/01/33	95,000	4.00%					
			08/01/34	100,000	4.00%					
				<u>\$ 900,000</u>		965,000	-	65,000	-	900,000
NJ EIT Sewer Wastewater Treatment Bonds, Series 2015A-1 (CW) 10-2	05/28/15	355,000	08/01/24	\$ 20,000	5.00%					
			08/01/25	20,000	5.00%					
			08/01/26	20,000	5.00%					
			08/01/27	25,000	4.00%					
			08/01/28	25,000	4.00%					
			08/01/29	25,000	4.00%					
			08/01/30	25,000	4.00%					
			08/01/31	30,000	4.00%					
			08/01/32	30,000	4.00%					
				<u>\$ 220,000</u>		240,000	-	20,000	-	220,000

(Continued)

CAMDEN COUNTY MUNICIPAL UTILITIES AUTHORITY
Schedule of Revenue Bonds
For the Year Ended December 31, 2023

<u>Purpose</u>	<u>Date of Issue</u>	<u>Original Issue</u>	<u>Maturities of Bonds</u>		<u>Interest Rate</u>	<u>Balance Jan. 1, 2023</u>	<u>Debt Issued</u>	<u>Paid 2023</u>	<u>Refunded</u>	<u>Balance Dec. 31, 2023</u>
NJEIT Sewer Wastewater Treatment Refunding Bonds, Series 2015B-R (Refunding 2007A)	11/24/15	\$ 1,876,000	08/01/24	\$ 185,000	5.00%					
			08/01/25	195,000	5.00%					
			08/01/26	204,000	5.00%					
			08/01/27	214,000	5.00%					
				<u>\$ 798,000</u>		\$ 977,000	\$ -	\$ 179,000	\$ -	\$ 798,000
NJEIT Sewer Wastewater Treatment Bonds, Series 2015A-2 (CW) 06-02	11/24/15	365,000	08/01/24	\$ 25,000	5.00%					
			08/01/25	30,000	5.00%					
			08/01/26	30,000	3.00%					
			08/01/27	30,000	3.00%					
			08/01/28	30,000	3.00%					
			08/01/29	30,000	3.00%					
			08/01/30	35,000	3.00%					
				<u>\$ 210,000</u>		235,000	-	25,000	-	210,000
NJEIT Sewer Wastewater Treatment Bonds, Series 2015A-2 (CW) 14-1	11/24/15	105,000	08/01/24	\$ 5,000	5.00%					
			08/01/25	5,000	5.00%					
			08/01/26	5,000	3.00%					
			08/01/27	5,000	3.00%					
			08/01/28	5,000	3.00%					
			08/01/29	5,000	3.00%					
			08/01/30	5,000	3.00%					
			08/01/31	5,000	3.00%					
			08/01/32	10,000	3.00%					
			08/01/33	10,000	3.125%					
			08/01/34	10,000	3.125%					
				<u>\$ 70,000</u>		75,000	-	5,000	-	70,000
NJEIT Sewer Wastewater Treatment Refunding Bonds, Series 2016A-R1 (Refunding 2008A)	05/10/16	3,641,000	08/01/24	\$ 371,000	5.00%					
			08/01/25	389,000	5.00%					
			08/01/26	407,000	4.50%					
			08/01/27	427,000	4.50%					
			08/01/28	447,000	4.50%					
				<u>\$ 2,041,000</u>		2,392,000	-	351,000	-	2,041,000
NJEIT Sewer Wastewater Treatment Refunding Bonds, Series 2016A-R2 (Refunding 2010B)	05/10/16	3,031,000	08/01/24	\$ 260,000	5.00%					
			08/01/25	273,000	5.00%					
			08/01/26	287,000	5.00%					
			08/01/27	300,000	4.50%					
			08/01/28	317,000	4.50%					
			08/01/29	329,000	4.50%					
			08/01/30	345,000	4.50%					
				<u>\$ 2,111,000</u>		2,357,000	-	246,000	-	2,111,000

(Continued)

CAMDEN COUNTY MUNICIPAL UTILITIES AUTHORITY
Schedule of Revenue Bonds
For the Year Ended December 31, 2023

<u>Purpose</u>	<u>Date of Issue</u>	<u>Original Issue</u>	<u>Maturities of Bonds</u>		<u>Interest Rate</u>	<u>Balance Jan. 1, 2023</u>	<u>Debt Issued</u>	<u>Paid 2023</u>	<u>Refunded</u>	<u>Balance Dec. 31, 2023</u>
NJEIT Environmental Infrastructure Refunding Bonds, Series 2017A-R2 (Refunding 2010A) (Green Bonds)	01/31/17	\$ 1,356,000	08/01/24	\$ 123,000	4.00%					
			08/01/25	128,000	4.00%					
			08/01/26	133,000	4.00%					
			08/01/27	138,000	4.00%					
			08/01/28	143,000	4.00%					
			08/01/29	148,000	4.00%					
				<u>\$ 813,000</u>		<u>\$ 931,000</u>	<u>\$ -</u>	<u>\$ 118,000</u>	<u>\$ -</u>	<u>\$ 813,000</u>
NJEIT Environmental Infrastructure Green Bonds, Series 2017A-1	05/25/17	1,370,000	08/01/24	\$ 35,000	5.000%					
			08/01/25	35,000	5.000%					
			08/01/26	40,000	3.000%					
			08/01/27	40,000	3.000%					
			08/01/28	40,000	3.000%					
			08/01/29	40,000	3.000%					
			08/01/30	45,000	3.000%					
			08/01/31	45,000	3.000%					
			08/01/32	45,000	3.000%					
			08/01/33	45,000	3.125%					
			08/01/34	50,000	3.250%					
			08/01/35	50,000	3.250%					
			08/01/36	50,000	3.375%					
			08/01/37	55,000	3.375%					
			08/01/38	55,000	3.375%					
			08/01/39	55,000	3.375%					
			08/01/40	60,000	3.375%					
			08/01/41	60,000	3.500%					
			08/01/42	65,000	3.500%					
			08/01/43	65,000	3.500%					
			08/01/44	70,000	3.500%					
			08/01/45	70,000	3.500%					
			08/01/46	75,000	3.500%					
				<u>\$ 1,190,000</u>		<u>1,225,000</u>	<u>-</u>	<u>35,000</u>	<u>-</u>	<u>1,190,000</u>
Environmental Infrastructure Refunding Bonds, Series 2020A-R1 (Refunding 2003A)	06/17/20	295,077				100,637	-	100,637	-	-
Environmental Infrastructure Refunding Bonds, Series 2020A-R1 (Refunding 2006A)	06/17/20	562,216	08/01/24	<u>\$ 562,216</u>	3.000%	562,216	-	-	-	562,216
Environmental Infrastructure Refunding Bonds, Series 2020C-R1 (Refunding 2012A - 640-10)	06/17/20	9,293,438	08/01/24	\$ 847,499	4.000%					
			08/01/25	880,127	4.000%					
			08/01/26	914,399	4.000%					
			08/01/27	952,608	4.000%					
			08/01/28	980,767	4.000%					
			08/01/29	1,008,930	4.000%					

(Continued)

CAMDEN COUNTY MUNICIPAL UTILITIES AUTHORITY
Schedule of Revenue Bonds
For the Year Ended December 31, 2023

<u>Purpose</u>	<u>Date of Issue</u>	<u>Original Issue</u>	<u>Maturities of Bonds</u>		<u>Interest Rate</u>	<u>Balance Jan. 1, 2023</u>	<u>Debt Issued</u>	<u>Paid 2023</u>	<u>Refunded</u>	<u>Balance Dec. 31, 2023</u>
Environmental Infrastructure Refunding Bonds, Series 2020C-R1 (Refunding 2012A - 640-10) (Cont'd)			08/01/30	\$ 1,040,510	4.000%					
			08/01/31	1,071,240	4.000%					
				<u>\$ 7,696,080</u>		\$ 8,510,299	\$ -	\$ 814,219	\$ -	\$ 7,696,080
Environmental Infrastructure Refunding Bonds, Series 2020C-R1 (Refunding 2012A - 640-12)	06/17/20	\$ 687,872	08/01/24	\$ 62,783	4.000%					
			08/01/25	66,928	4.000%					
			08/01/26	66,338	4.000%					
			08/01/27	70,392	4.000%					
			08/01/28	74,234	4.000%					
			08/01/29	75,082	4.000%					
			08/01/30	75,001	4.000%					
			08/01/31	79,528	4.000%					
				<u>\$ 570,286</u>		628,859	-	58,573	-	570,286
NJIB Construction Financing Program, Series 2020 CFP-2020-3 (640-26)	09/25/20	11,855,915				11,855,915	-	-	11,855,915	-
NJIB Environmental Infrastructure Bonds, Series 2021A-1 (640-16/22/23/24)	06/10/21	4,595,000	08/01/24	\$ 100,000	5.000%					
			08/01/25	105,000	5.000%					
			08/01/26	105,000	5.000%					
			08/01/27	115,000	5.000%					
			08/01/28	125,000	5.000%					
			08/01/29	130,000	5.000%					
			08/01/30	130,000	4.000%					
			08/01/31	145,000	3.000%					
			08/01/32	145,000	3.000%					
			08/01/33	150,000	3.000%					
			08/01/34	150,000	3.000%					
			08/01/35	155,000	3.000%					
			08/01/36	160,000	2.000%					
			08/01/37	160,000	3.000%					
			08/01/38	170,000	3.000%					
			08/01/39	180,000	2.000%					
			08/01/40	180,000	2.000%					
			08/01/41	185,000	2.000%					
			08/01/42	185,000	2.000%					
			08/01/43	185,000	2.000%					
			08/01/44	195,000	2.000%					
			08/01/45	200,000	2.000%					
			08/01/46	200,000	2.000%					
			08/01/47	200,000	2.250%					
			08/01/48	210,000	2.250%					
			08/01/49	215,000	2.250%					
			08/01/50	225,000	2.250%					
				<u>\$ 4,405,000</u>		4,500,000	-	95,000	-	4,405,000

(Continued)

CAMDEN COUNTY MUNICIPAL UTILITIES AUTHORITY
Schedule of Revenue Bonds
For the Year Ended December 31, 2023

<u>Purpose</u>	<u>Date of Issue</u>	<u>Original Issue</u>	<u>Maturities of Bonds</u>		<u>Interest Rate</u>	<u>Balance Jan. 1, 2023</u>	<u>Debt Issued</u>	<u>Paid 2023</u>	<u>Refunded</u>	<u>Balance Dec. 31, 2023</u>	
NJIB Environmental Infrastructure Bonds, Series 2021A-1 (640-17/18)	06/10/21	\$ 17,770,000	08/01/24	\$ 390,000	5.000%						
			08/01/25	410,000	5.000%						
			08/01/26	430,000	5.000%						
			08/01/27	450,000	5.000%						
			08/01/28	470,000	5.000%						
			08/01/29	495,000	5.000%						
			08/01/30	520,000	4.000%						
			08/01/31	540,000	3.000%						
			08/01/32	555,000	3.000%						
			08/01/33	575,000	3.000%						
			08/01/34	590,000	3.000%						
			08/01/35	610,000	3.000%						
			08/01/36	625,000	2.000%						
			08/01/37	640,000	3.000%						
			08/01/38	660,000	3.000%						
			08/01/39	675,000	2.000%						
			08/01/40	690,000	2.000%						
			08/01/41	705,000	2.000%						
			08/01/42	720,000	2.000%						
			08/01/43	730,000	2.000%						
			08/01/44	745,000	2.000%						
			08/01/45	760,000	2.000%						
			08/01/46	775,000	2.000%						
			08/01/47	790,000	2.250%						
			08/01/48	815,000	2.250%						
			08/01/49	830,000	2.250%						
			08/01/50	850,000	2.250%						
					<u>\$ 17,045,000</u>	<u>\$ 17,415,000</u>	<u>\$ -</u>	<u>\$ 370,000</u>	<u>\$ -</u>	<u>\$ 17,045,000</u>	
NJIB Construction Financing Program, Series 2022 CFP-2022-1 (640-29)	03/10/22	4,998,623	06/30/26	<u>\$ 4,998,623</u>		<u>4,998,623</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>4,998,623</u>	
NJIB Environmental Infrastructure Bonds, Series 2022A-1 (640-13/28)	06/23/22	3,745,000	08/01/24	\$ 110,000	5.000%						
			08/01/25	115,000	5.000%						
			08/01/26	125,000	5.000%						
			08/01/27	130,000	5.000%						
			08/01/28	135,000	5.000%						
			08/01/29	145,000	5.000%						
			08/01/30	150,000	5.000%						
			08/01/31	155,000	5.000%						
			08/01/32	160,000	5.000%						
			08/01/33	170,000	5.000%						
			08/01/34	180,000	3.250%						
			08/01/35	185,000	3.375%						
			08/01/36	190,000	3.375%						
			08/01/37	195,000	3.375%						
			08/01/38	200,000	3.500%						

(Continued)

CAMDEN COUNTY MUNICIPAL UTILITIES AUTHORITY
Schedule of Revenue Bonds
For the Year Ended December 31, 2023

<u>Purpose</u>	<u>Date of Issue</u>	<u>Original Issue</u>	<u>Maturities of Bonds</u>		<u>Interest Rate</u>	<u>Balance Jan. 1, 2023</u>	<u>Debt Issued</u>	<u>Paid 2023</u>	<u>Refunded</u>	<u>Balance Dec. 31, 2023</u>
NJIB Environmental Infrastructure Bonds, Series 2022A-1 (640-13/28) (Cont'd)			08/01/39	\$ 210,000	3.500%					
			08/01/40	220,000	3.500%					
			08/01/41	225,000	3.500%					
			08/01/42	55,000	3.625%					
			08/01/43	55,000	3.625%					
			08/01/44	60,000	3.500%					
			08/01/45	60,000	4.000%					
			08/01/46	60,000	4.000%					
			08/01/47	65,000	4.000%					
			08/01/48	65,000	4.000%					
			08/01/49	70,000	4.000%					
			08/01/50	75,000	4.000%					
			08/01/51	75,000	4.000%					
				<u>\$ 3,640,000</u>		<u>\$ 3,745,000</u>	<u>\$ -</u>	<u>\$ 105,000</u>	<u>\$ -</u>	<u>\$ 3,640,000</u>
NJIB Environmental Infrastructure Bonds, Series 2022A-2 (345040-01/18R/20)	12/22/22	\$ 1,090,000	08/01/24	\$ 20,000	5.000%					
			08/01/25	20,000	5.000%					
			08/01/26	20,000	5.000%					
			08/01/27	20,000	5.000%					
			08/01/28	25,000	5.000%					
			08/01/29	25,000	5.000%					
			08/01/30	25,000	5.000%					
			08/01/31	25,000	5.000%					
			08/01/32	25,000	5.000%					
			08/01/33	25,000	5.000%					
			08/01/34	25,000	5.000%					
			08/01/35	35,000	5.000%					
			08/01/36	35,000	5.000%					
			08/01/37	35,000	5.000%					
			08/01/38	40,000	5.000%					
			08/01/39	40,000	5.000%					
			08/01/40	40,000	5.000%					
			08/01/41	45,000	5.000%					
			08/01/42	45,000	5.000%					
			08/01/43	45,000	5.000%					
			08/01/44	45,000	5.000%					
			08/01/45	45,000	5.000%					
			08/01/46	60,000	5.000%					
			08/01/47	60,000	5.000%					
			08/01/48	60,000	5.000%					
			08/01/49	60,000	5.000%					
			08/01/50	65,000	5.000%					
			08/01/51	40,000	5.000%					
			08/01/52	40,000	5.000%					
				<u>\$ 1,090,000</u>		<u>1,090,000</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>1,090,000</u>

(Continued)

CAMDEN COUNTY MUNICIPAL UTILITIES AUTHORITY
Schedule of Revenue Bonds
For the Year Ended December 31, 2023

<u>Purpose</u>	<u>Date of Issue</u>	<u>Original Issue</u>	<u>Maturities of Bonds</u>		<u>Interest Rate</u>	<u>Balance Jan. 1, 2023</u>	<u>Debt Issued</u>	<u>Paid 2023</u>	<u>Refunded</u>	<u>Balance Dec. 31, 2023</u>
NJIB Construction Financing Program, Series 2023 CFP-2023-1 (640-30)	03/31/23	\$ 2,518,517	06/30/26	<u>\$ 2,518,517</u>		\$ -	\$ 2,518,517	\$ -	\$ -	\$ 2,518,517
NJIB Construction Financing Program, Series 2023 CFP-2023-2 (640-36)	03/31/23	5,467,970	06/30/26	<u>\$ 5,467,970</u>		-	5,467,970	-	-	5,467,970
NJIB Construction Financing Program, Series 2023 CFP-2023-3 (640-33)	06/30/23	1,565,000	06/30/26	<u>\$ 1,565,000</u>		-	1,565,000	-	-	1,565,000
NJIB Environmental Infrastructure Bonds, Series 2023A-W1/C-W1 (640-26)	12/15/23	13,990,109	08/01/25	\$ 255,000	5.000%					
			08/01/26	270,000	5.000%					
			08/01/27	280,000	5.000%					
			08/01/28	295,000	5.000%					
			08/01/29	310,000	5.000%					
			08/01/30	330,000	5.000%					
			08/01/31	345,000	5.000%					
			08/01/32	360,000	5.000%					
			08/01/33	380,000	5.000%					
			08/01/34	395,000	5.000%					
			08/01/35	420,000	5.000%					
			08/01/36	441,019	3.030%					
			08/01/37	456,382	3.030%					
			08/01/38	466,461	3.030%					
			08/01/39	481,344	3.030%					
			08/01/40	495,929	3.030%					
			08/01/41	510,206	3.030%					
			08/01/42	529,165	3.030%					
			08/01/43	542,699	3.030%					
			08/01/44	560,892	3.030%					
			08/01/45	578,637	3.030%					
			08/01/46	595,920	3.030%					
			08/01/47	612,726	3.030%					
			08/01/48	629,042	3.030%					
			08/01/49	649,852	3.030%					
			08/01/50	670,043	3.030%					
			08/01/51	689,595	3.030%					
			08/01/52	708,490	3.030%					
			08/01/53	731,707	3.030%					
				<u>\$ 13,990,109</u>		-	13,990,109	-	-	13,990,109
Grand Total (Carried Forward)						\$ 67,384,715	\$ 23,541,596	\$ 3,642,811	\$ 11,855,915	\$ 75,427,585

(Continued)

CAMDEN COUNTY MUNICIPAL UTILITIES AUTHORITY
Schedule of Revenue Bonds
For the Year Ended December 31, 2023

<u>Purpose</u>	<u>Date of Issue</u>	<u>Original Issue</u>	<u>Maturities of Bonds</u>		<u>Interest Rate</u>	<u>Balance Jan. 1, 2023</u>	<u>Debt Issued</u>	<u>Paid 2023</u>	<u>Refunded</u>	<u>Balance Dec. 31, 2023</u>
			Grand Total (Brought Forward)			\$ 67,384,715	\$ 23,541,596	\$ 3,642,811	\$ 11,855,915	\$ 75,427,585
			Refunding Cash				\$ 13,990,109		\$ 11,855,915	
			Cash				9,551,487	\$ 3,642,811		
							\$ 23,541,596	\$ 3,642,811	\$ 11,855,915	
			County Agreement Sewer Revenue Bonds							\$ 1,060,000
			NJEIT / NJIB Refunding Bonds							15,992,366
			NJEIT / NJIB Serial Bonds							43,825,109
			NJIB Interim / Construction Financing Program							14,550,110
										\$ 75,427,585

CAMDEN COUNTY MUNICIPAL UTILITIES AUTHORITY
Schedule of Loans Payable
For the Year Ended December 31, 2023

<u>Purpose</u>	<u>Date of Award</u>	<u>Original Award</u>	<u>Date</u>	<u>Loan Payments</u> <u>Amount</u>	<u>Balance</u> <u>Jan. 1, 2023</u>	<u>Loans</u> <u>Issued</u>	<u>Paid</u> <u>2023</u>	<u>Balance</u> <u>Dec. 31, 2023</u>
2003 NJEIT Loan Series 2003	11/08/03	\$ 3,755,879			\$ 196,900	\$ -	\$ 196,900	\$ -
2006 NJEIT Loan Series 2006B	11/09/06	25,351,847	02/01/24	\$ 92,179				
			08/01/24	1,395,122				
			02/01/25	59,605				
			08/01/25	1,128,900				
				<u>\$ 2,675,806</u>	<u>4,171,318</u>	<u>-</u>	<u>1,495,512</u>	<u>2,675,806</u>
2007 NJEIT Loan Series 2007A	11/08/07	7,612,500	02/01/24	\$ 35,589				
			08/01/24	410,206				
			02/01/25	27,160				
			08/01/25	419,616				
			02/01/26	18,329				
			08/01/26	428,625				
			02/01/27	9,098				
			08/01/27	437,232				
				<u>\$ 1,785,855</u>	<u>2,238,273</u>	<u>-</u>	<u>452,418</u>	<u>1,785,855</u>
2008 NJEIT Loan Series 2008A	11/06/08	16,042,800	02/01/24	\$ 96,547				
			08/01/24	796,406				
			02/01/25	79,050				
			08/01/25	812,638				
			02/01/26	60,711				
			08/01/26	828,026				
			02/01/27	41,528				
			08/01/27	851,004				
			02/01/28	21,291				
			08/01/28	872,927				
				<u>\$ 4,460,128</u>	<u>5,347,095</u>	<u>-</u>	<u>886,967</u>	<u>4,460,128</u>
2010 NJEIT Loan Series 2010A	03/20/10	2,070,000	02/01/24	\$ 36,964				
			08/01/24	73,929				
			02/01/25	36,964				
			08/01/25	73,929				
			02/01/26	36,964				
			08/01/26	73,929				
			02/01/27	36,964				
			08/01/27	73,929				
			02/01/28	36,964				
			08/01/28	73,928				

(Continued)

CAMDEN COUNTY MUNICIPAL UTILITIES AUTHORITY
Schedule of Loans Payable
For the Year Ended December 31, 2023

<u>Purpose</u>	<u>Date of Award</u>	<u>Original Award</u>	<u>Date</u>	<u>Loan Payments Amount</u>	<u>Balance Jan. 1, 2023</u>	<u>Loans Issued</u>	<u>Paid 2023</u>	<u>Balance Dec. 31, 2023</u>
2010 NJEIT Loan Series 2010A (Cont'd)			02/01/29	\$ 36,964				
			08/01/29	73,929				
				<u>\$ 665,357</u>	<u>\$ 776,250</u>	<u>\$ -</u>	<u>\$ 110,893</u>	<u>\$ 665,357</u>
2010 NJEIT Loan Series Fall 2010B	03/20/10	\$ 14,867,980	02/01/24	\$ 260,842				
			08/01/24	521,683				
			02/01/25	260,842				
			08/01/25	521,683				
			02/01/26	260,842				
			08/01/26	521,683				
			02/01/27	260,842				
			08/01/27	521,684				
			02/01/28	260,842				
			08/01/28	521,683				
			02/01/29	260,842				
			08/01/29	521,683				
			02/01/30	260,842				
			08/01/30	521,684				
				<u>\$ 5,477,677</u>	<u>6,260,203</u>	<u>-</u>	<u>782,526</u>	<u>5,477,677</u>
2012 NJEIT Loan Series 2012ABC (CW)	05/03/12	3,397,500	02/01/24	\$ 62,917				
			08/01/24	125,833				
			02/01/25	62,917				
			08/01/25	125,833				
			02/01/26	62,917				
			08/01/26	125,833				
			02/01/27	62,917				
			08/01/27	125,833				
			02/01/28	62,917				
			08/01/28	125,833				
			02/01/29	62,917				
			08/01/29	125,833				
			02/01/30	62,917				
			08/01/30	125,833				
			02/01/31	62,917				
			08/01/31	125,833				
				<u>\$ 1,510,000</u>	<u>1,698,750</u>	<u>-</u>	<u>188,750</u>	<u>1,510,000</u>

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CAMDEN COUNTY MUNICIPAL UTILITIES AUTHORITY
Schedule of Loans Payable
For the Year Ended December 31, 2023

<u>Purpose</u>	<u>Date of Award</u>	<u>Original Award</u>	<u>Date</u>	<u>Loan Payments</u> <u>Amount</u>	<u>Balance</u> <u>Jan. 1, 2023</u>	<u>Loans</u> <u>Issued</u>	<u>Paid</u> <u>2023</u>	<u>Balance</u> <u>Dec. 31, 2023</u>
2012 NJEIT Loan Series 2012ABC (PF) (CW)	05/03/12	\$ 34,037,500	02/01/24	\$ 728,030				
			08/01/24	1,456,061				
			02/01/25	728,030				
			08/01/25	1,456,061				
			02/01/26	728,030				
			08/01/26	1,456,061				
			02/01/27	728,030				
			08/01/27	1,456,061				
			02/01/28	728,030				
			08/01/28	1,456,061				
			02/01/29	728,030				
			08/01/29	1,456,061				
			02/01/30	728,030				
			08/01/30	1,456,061				
			02/01/31	728,030				
			08/01/31	1,092,044				
				<u>\$ 17,108,711</u>	<u>\$ 19,292,802</u>	<u>\$ -</u>	<u>\$ 2,184,091</u>	<u>\$ 17,108,711</u>
2013 NJEIT Loan Series 2013A (CW) 640-10-1	05/22/13	4,625,562	02/01/24	\$ 88,106				
			08/01/24	176,212				
			02/01/25	88,106				
			08/01/25	176,212				
			02/01/26	88,106				
			08/01/26	176,212				
			02/01/27	88,106				
			08/01/27	176,212				
			02/01/28	88,106				
			08/01/28	176,212				
			02/01/29	88,106				
			08/01/29	176,212				
			02/01/30	88,106				
			08/01/30	176,212				
			02/01/31	88,106				
			08/01/31	176,212				
			02/01/32	88,106				
			08/01/32	132,159				
				<u>\$ 2,334,808</u>	<u>2,599,125</u>	<u>-</u>	<u>264,318</u>	<u>2,334,807</u>
2015 NJEIT Loan Series 2015A-1 (CW) 14	05/28/15	2,242,750	02/01/24	\$ 39,347				
			08/01/24	78,693				
			02/01/25	39,346				
			08/01/25	78,693				

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CAMDEN COUNTY MUNICIPAL UTILITIES AUTHORITY
Schedule of Loans Payable
For the Year Ended December 31, 2023

<u>Purpose</u>	<u>Date of Award</u>	<u>Original Award</u>	<u>Date</u>	<u>Loan Payments Amount</u>	<u>Balance Jan. 1, 2023</u>	<u>Loans Issued</u>	<u>Paid 2023</u>	<u>Balance Dec. 31, 2023</u>
2015 NJEIT Loan Series 2015A-1 (CW) 14 (Cont'd)			02/01/26	\$ 39,347				
			08/01/26	78,693				
			02/01/27	39,346				
			08/01/27	78,693				
			02/01/28	39,347				
			08/01/28	78,693				
			02/01/29	39,346				
			08/01/29	78,693				
			02/01/30	39,347				
			08/01/30	78,693				
			02/01/31	39,346				
			08/01/31	78,693				
			02/01/32	39,347				
			08/01/32	78,693				
			02/01/33	39,346				
			08/01/33	78,693				
			02/01/34	39,346				
			08/01/34	78,693				
				<u>\$ 1,298,434</u>	<u>\$ 1,416,473</u>	<u>\$ -</u>	<u>\$ 118,039</u>	<u>\$ 1,298,434</u>
2015 NJEIT Loan Series 2015A-1 (CW) 10-2	05/28/15	\$ 993,413	02/01/24	\$ 18,744				
			08/01/24	37,487				
			02/01/25	18,744				
			08/01/25	37,487				
			02/01/26	18,744				
			08/01/26	37,487				
			02/01/27	18,744				
			08/01/27	37,487				
			02/01/28	18,744				
			08/01/28	37,487				
			02/01/29	18,744				
			08/01/29	37,487				
			02/01/30	18,744				
			08/01/30	37,487				
			02/01/31	18,744				
			08/01/31	37,487				
			02/01/32	18,743				
			08/01/32	37,487				
				<u>\$ 506,078</u>	<u>562,309</u>	<u>-</u>	<u>56,231</u>	<u>506,078</u>

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CAMDEN COUNTY MUNICIPAL UTILITIES AUTHORITY
Schedule of Loans Payable
For the Year Ended December 31, 2023

<u>Purpose</u>	<u>Date of Award</u>	<u>Original Award</u>	<u>Date</u>	<u>Loan Payments Amount</u>	<u>Balance Jan. 1, 2023</u>	<u>Loans Issued</u>	<u>Paid 2023</u>	<u>Balance Dec. 31, 2023</u>
2015 NJEIT Loan Series 2015A-2 (CW) 06-02	11/24/15	\$ 1,159,679	02/01/24	\$ 26,356				
			08/01/24	52,713				
			02/01/25	26,356				
			08/01/25	52,713				
			02/01/26	26,356				
			08/01/26	52,713				
			02/01/27	26,356				
			08/01/27	52,713				
			02/01/28	26,356				
			08/01/28	52,713				
			02/01/29	26,356				
			08/01/29	52,713				
			02/01/30	26,356				
			08/01/30	52,713				
				<u>\$ 553,483</u>	<u>\$ 632,552</u>	<u>\$ -</u>	<u>\$ 79,069</u>	<u>\$ 553,483</u>
2015 NJEIT Loan Series 2015A-2 (CW) 14-1	11/24/15	317,250			2,796	-	2,796	-
2017 NJEIT Loan Series 2017A-1 (PF)	05/25/17	3,000,174	02/01/24	\$ 34,485				
			08/01/24	68,969				
			02/01/25	34,485				
			08/01/25	68,969				
			02/01/26	34,485				
			08/01/26	68,970				
			02/01/27	34,485				
			08/01/27	68,969				
			02/01/28	34,485				
			08/01/28	68,969				
			02/01/29	34,485				
			08/01/29	68,969				
			02/01/30	34,485				
			08/01/30	68,970				
			02/01/31	34,485				
			08/01/31	68,969				
			02/01/32	34,485				
			08/01/32	68,969				
			02/01/33	34,485				
			08/01/33	68,969				
			02/01/34	34,485				
			08/01/34	68,970				
			02/01/35	34,485				
			08/01/35	68,969				
			02/01/36	34,485				

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CAMDEN COUNTY MUNICIPAL UTILITIES AUTHORITY
Schedule of Loans Payable
For the Year Ended December 31, 2023

<u>Purpose</u>	<u>Date of Award</u>	<u>Original Award</u>	<u>Date</u>	<u>Loan Payments Amount</u>	<u>Balance Jan. 1, 2023</u>	<u>Loans Issued</u>	<u>Paid 2023</u>	<u>Balance Dec. 31, 2023</u>
2017 NJEIT Loan Series 2017A-1 (PF) (Cont'd)			08/01/36	\$ 68,969				
			02/01/37	34,485				
			08/01/37	68,969				
			02/01/38	34,485				
			08/01/38	68,970				
			02/01/39	34,485				
			08/01/39	68,969				
			02/01/40	34,485				
			08/01/40	68,969				
			02/01/41	34,485				
			08/01/41	68,969				
			02/01/42	34,485				
			08/01/42	68,970				
			02/01/43	34,485				
			08/01/43	68,969				
			02/01/44	34,485				
			08/01/44	66,647				
				<u>\$ 2,170,217</u>	<u>\$ 2,273,671</u>	<u>\$ -</u>	<u>\$ 103,454</u>	<u>\$ 2,170,217</u>
NJIB Construction Financing Program, Series 2020 CFP-2020-3 (640-26)	09/25/20	\$ 11,855,916			11,855,916	-	11,855,916	-
2021 NJIB Loan Series 2021A-1 (640-16/22/23/24)	06/10/21	14,126,023	2/1 & 8/1/24	\$ 476,158				
			2/1 & 8/1/25	476,158				
			2/1 & 8/1/26	476,158				
			2/1 & 8/1/27	476,158				
			2/1 & 8/1/28	476,158				
			2/1 & 8/1/29	476,158				
			2/1 & 8/1/30	476,158				
			2/1 & 8/1/31	476,158				
			2/1 & 8/1/32	476,158				
			2/1 & 8/1/33	476,158				
			2/1 & 8/1/34	476,158				
			2/1 & 8/1/35	476,158				
			2/1 & 8/1/36	476,158				
			2/1 & 8/1/37	476,158				
			2/1 & 8/1/38	476,158				
			2/1 & 8/1/39	476,158				
			2/1 & 8/1/40	476,158				
			2/1 & 8/1/41	476,158				
			2/1 & 8/1/42	476,158				
			2/1 & 8/1/43	476,158				
			2/1 & 8/1/44	476,158				

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CAMDEN COUNTY MUNICIPAL UTILITIES AUTHORITY
Schedule of Loans Payable
For the Year Ended December 31, 2023

<u>Purpose</u>	<u>Date of Award</u>	<u>Original Award</u>	<u>Date</u>	<u>Loan Payments Amount</u>	<u>Balance Jan. 1, 2023</u>	<u>Loans Issued</u>	<u>Paid 2023</u>	<u>Balance Dec. 31, 2023</u>
2021 NJIB Loan Series 2021A-1 (640-16/22/23/24) (Cont'd)			2/1 & 8/1/45	\$ 476,158				
			2/1 & 8/1/46	476,158				
			2/1 & 8/1/47	476,158				
			2/1 & 8/1/48	476,158				
			2/1 & 8/1/49	476,159				
			2/1 & 8/1/50	476,159				
				<u>\$ 12,856,268</u>	<u>\$ 13,332,426</u>	<u>\$ -</u>	<u>\$ 476,158</u>	<u>\$ 12,856,268</u>
2021 NJIB Loan Series 2021A-1 Principal Forgiveness (640-17/18)	06/10/21	\$ 40,318,114	2/1 & 8/1/24	\$ 1,359,038				
			2/1 & 8/1/25	1,359,037				
			2/1 & 8/1/26	1,359,038				
			2/1 & 8/1/27	1,359,037				
			2/1 & 8/1/28	1,359,038				
			2/1 & 8/1/29	1,359,037				
			2/1 & 8/1/30	1,359,038				
			2/1 & 8/1/31	1,359,037				
			2/1 & 8/1/32	1,359,038				
			2/1 & 8/1/33	1,359,037				
			2/1 & 8/1/34	1,359,038				
			2/1 & 8/1/35	1,359,037				
			2/1 & 8/1/36	1,359,038				
			2/1 & 8/1/37	1,359,037				
			2/1 & 8/1/38	1,359,038				
			2/1 & 8/1/39	1,359,037				
			2/1 & 8/1/40	1,359,038				
			2/1 & 8/1/41	1,359,037				
			2/1 & 8/1/42	1,359,038				
			2/1 & 8/1/43	1,359,037				
			2/1 & 8/1/44	1,359,038				
			2/1 & 8/1/45	1,359,037				
			2/1 & 8/1/46	1,359,038				
			2/1 & 8/1/47	1,359,037				
			2/1 & 8/1/48	1,359,038				
			2/1 & 8/1/49	1,359,038				
			2/1 & 8/1/50	1,359,038				
				<u>\$ 36,694,014</u>	<u>38,053,051</u>	<u>-</u>	<u>1,359,037</u>	<u>36,694,014</u>
NJIB Construction Financing Program, Series 2022 CFP-2022-1 (640-29)	03/10/22	4,998,624	06/30/26	<u>\$ 4,998,624</u>	<u>4,998,624</u>	<u>-</u>	<u>-</u>	<u>4,998,624</u>

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CAMDEN COUNTY MUNICIPAL UTILITIES AUTHORITY
Schedule of Loans Payable
For the Year Ended December 31, 2023

<u>Purpose</u>	<u>Date of Award</u>	<u>Original Award</u>	<u>Date</u>	<u>Loan Payments Amount</u>	<u>Balance Jan. 1, 2023</u>	<u>Loans Issued</u>	<u>Paid 2023</u>	<u>Balance Dec. 31, 2023</u>
2022 NJIB Loan Series 2022A-1 (640-13/28)	06/23/22	\$ 8,645,480	2/1 & 8/1/24	\$ 416,015				
			2/1 & 8/1/25	416,015				
			2/1 & 8/1/26	416,015				
			2/1 & 8/1/27	416,015				
			2/1 & 8/1/28	416,015				
			2/1 & 8/1/29	416,015				
			2/1 & 8/1/30	416,015				
			2/1 & 8/1/31	416,016				
			2/1 & 8/1/32	416,015				
			2/1 & 8/1/33	416,015				
			2/1 & 8/1/34	416,015				
			2/1 & 8/1/35	416,015				
			2/1 & 8/1/36	416,015				
			2/1 & 8/1/37	416,015				
			2/1 & 8/1/38	416,015				
			2/1 & 8/1/39	416,015				
			2/1 & 8/1/40	416,016				
			2/1 & 8/1/41	416,015				
			2/1 & 8/1/42	46,385				
			2/1 & 8/1/43	46,385				
			2/1 & 8/1/44	46,385				
			2/1 & 8/1/45	46,385				
			2/1 & 8/1/46	46,385				
			2/1 & 8/1/47	46,385				
			2/1 & 8/1/48	46,385				
			2/1 & 8/1/49	46,385				
			2/1 & 8/1/50	46,385				
			2/1 & 8/1/51	46,385				
				<u>\$ 7,952,122</u>	<u>\$ 8,368,137</u>	<u>\$ -</u>	<u>\$ 416,015</u>	<u>\$ 7,952,122</u>
2022 NJIB Loan Series 2022A-2 Principal Forgiveness (345040-01/18R/20)	12/22/22	1,723,718	2/1 & 8/1/24	\$ 60,606				
			2/1 & 8/1/25	60,605				
			2/1 & 8/1/26	60,606				
			2/1 & 8/1/27	60,605				
			2/1 & 8/1/28	60,606				
			2/1 & 8/1/29	60,605				
			2/1 & 8/1/30	60,606				
			2/1 & 8/1/31	60,605				
			2/1 & 8/1/32	60,606				
			2/1 & 8/1/33	60,605				
			2/1 & 8/1/34	60,606				
			2/1 & 8/1/35	60,605				
			2/1 & 8/1/36	60,606				

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CAMDEN COUNTY MUNICIPAL UTILITIES AUTHORITY
Schedule of Loans Payable
For the Year Ended December 31, 2023

<u>Purpose</u>	<u>Date of Award</u>	<u>Original Award</u>	<u>Date</u>	<u>Loan Payments Amount</u>	<u>Balance Jan. 1, 2023</u>	<u>Loans Issued</u>	<u>Paid 2023</u>	<u>Balance Dec. 31, 2023</u>
2022 NJIB Loan Series 2022A-2 Principal Forgiveness (345040-01/18R/20) (Cont'd)			2/1 & 8/1/37	\$ 60,605				
			2/1 & 8/1/38	60,606				
			2/1 & 8/1/39	60,605				
			2/1 & 8/1/40	60,606				
			2/1 & 8/1/41	60,605				
			2/1 & 8/1/42	60,606				
			2/1 & 8/1/43	60,605				
			2/1 & 8/1/44	60,606				
			2/1 & 8/1/45	60,605				
			2/1 & 8/1/46	60,606				
			2/1 & 8/1/47	60,605				
			2/1 & 8/1/48	60,605				
			2/1 & 8/1/49	60,605				
			2/1 & 8/1/50	60,605				
			2/1 & 8/1/51	23,484				
			2/1 & 8/1/52	23,484				
				<u>\$ 1,683,315</u>	<u>\$ 1,723,718</u>	<u>\$ -</u>	<u>\$ 40,403</u>	<u>\$ 1,683,315</u>
NJIB Construction Financing Program, Series 2023 CFP-2023-1 (640-30)	03/31/23	\$ 2,518,517	06/30/26	<u>\$ 2,518,517</u>	-	2,518,517	-	2,518,517
NJIB Construction Financing Program, Series 2023 CFP-2023-2 (640-36)	03/31/23	5,467,969	06/30/26	<u>\$ 5,467,969</u>	-	5,467,969	-	5,467,969
NJIB Construction Financing Program, Series 2023 CFP-2023-3 (640-33)	06/30/23	14,085,000	06/30/26	<u>\$ 14,085,000</u>	-	14,085,000	-	14,085,000
2023 NJIB Loan Series 2023A-W1/C-W1 (640-26)	12/15/23	6,504,018	08/01/24	\$ 146,158				
			2/1 & 8/1/25	219,237				
			2/1 & 8/1/26	219,236				
			2/1 & 8/1/27	219,237				
			2/1 & 8/1/28	219,236				
			2/1 & 8/1/29	219,237				
			2/1 & 8/1/30	219,236				
			2/1 & 8/1/31	219,237				
			2/1 & 8/1/32	219,236				
			2/1 & 8/1/33	219,237				
			2/1 & 8/1/34	219,236				
			2/1 & 8/1/35	219,237				
			2/1 & 8/1/36	219,236				
			2/1 & 8/1/37	219,237				
			2/1 & 8/1/38	219,236				
			2/1 & 8/1/39	219,237				

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CAMDEN COUNTY MUNICIPAL UTILITIES AUTHORITY
Schedule of Loans Payable
For the Year Ended December 31, 2023

<u>Purpose</u>	<u>Date of Award</u>	<u>Original Award</u>	<u>Date</u>	<u>Loan Payments Amount</u>	<u>Balance Jan. 1, 2023</u>	<u>Loans Issued</u>	<u>Paid 2023</u>	<u>Balance Dec. 31, 2023</u>
2023 NJIB Loan Series 2023A-W1/C-W1 (640-26) (Cont'd)			2/1 & 8/1/40	\$ 219,236				
			2/1 & 8/1/41	219,237				
			2/1 & 8/1/42	219,236				
			2/1 & 8/1/43	219,237				
			2/1 & 8/1/44	219,236				
			2/1 & 8/1/45	219,237				
			2/1 & 8/1/46	219,236				
			2/1 & 8/1/47	219,237				
			2/1 & 8/1/48	219,236				
			2/1 & 8/1/49	219,237				
			2/1 & 8/1/50	219,236				
			2/1 & 8/1/51	219,237				
			2/1 & 8/1/52	219,237				
			2/1 & 8/1/53	219,237				
				<u>\$ 6,504,018</u>	<u>\$ -</u>	<u>\$ 6,504,018</u>	<u>\$ -</u>	<u>\$ 6,504,018</u>
			Grand Total		<u>\$ 125,800,389</u>	<u>\$ 28,575,504</u>	<u>\$ 21,069,493</u>	<u>\$ 133,306,400</u>
						\$ 28,575,504	\$ 11,855,916	
							<u>9,213,577</u>	
						<u>\$ 28,575,504</u>	<u>\$ 21,069,493</u>	

**CAMDEN COUNTY
MUNICIPAL UTILITIES AUTHORITY**

PART II

SINGLE AUDIT SECTION

**FOR THE YEAR ENDED
DECEMBER 31, 2023**

**REPORT ON COMPLIANCE FOR EACH MAJOR PROGRAM AND REPORT ON INTERNAL CONTROL
OVER COMPLIANCE REQUIRED BY THE UNIFORM GUIDANCE AND
STATE OF NEW JERSEY CIRCULAR 15-08-OMB**

INDEPENDENT AUDITOR'S REPORT

The Chairman and Members of
Camden County Municipal Utilities Authority
Camden County, New Jersey

Report on Compliance for Each Major Federal and State Program

Opinion on Each Major Federal and State Program

We have audited the Camden County Municipal Utilities Authority's (the Authority), in the County of Camden, State of New Jersey, a component unit of the County of Camden, compliance with the types of compliance requirements identified as subject to audit in the *OMB Compliance Supplement* and the *New Jersey State Grant Compliance Supplement* that could have a direct and material effect on each of the Authority's major federal and state programs for the year ended December 31, 2023. The Authority's major federal and state programs are identified in the *Summary of Auditor's Results* section of the accompanying *Schedule of Findings and Questioned Costs*.

In our opinion, the Camden County Municipal Utilities Authority, in the County of Camden, State of New Jersey, complied, in all material respects, with the compliance requirements referred to above that could have a direct and material effect on each of its major federal and state programs for the year ended December 31, 2023.

Basis for Opinion on Each Major Federal and State Program

We conducted our audit of compliance in accordance with auditing standards generally accepted in the United States of America; the standards applicable to financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States; the audit requirements as prescribed by the Bureau of Authority Regulation, Division of Local Government Services, Department of Community Affairs, State of New Jersey; the audit requirements of Title 2 U.S. *Code of Federal Regulations Part 200, Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards* (Uniform Guidance); and the audit requirements of State of New Jersey Circular 15-08-OMB, *Single Audit Policy for Recipients of Federal Grants, State Grants and State Aid*. Our responsibilities under those standards, the Uniform Guidance, and State of New Jersey Circular 15-08-OMB, are further described in the *Auditor's Responsibilities for the Audit of Compliance* section of our report.

We are required to be independent of the Authority and to meet our other ethical responsibilities, in accordance with relevant ethical requirements relating to our audit. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion on compliance for each major federal and state program. Our audit does not provide a legal determination of the Authority's compliance with the compliance requirements referred to above.

Responsibilities of Management for Compliance

Management is responsible for compliance with the requirements referred to above and for the design, implementation, and maintenance of effective internal control over compliance with the requirements of laws, statutes, regulations, rules, and provisions of contracts or grant agreements applicable to the Authority's federal and state programs.

Auditor's Responsibilities for the Audit of Compliance

Our objectives are to obtain reasonable assurance about whether material noncompliance with the compliance requirements referred to above occurred, whether due to fraud or error, and express an opinion on the Authority's compliance based on our audit. Reasonable assurance is a high level of assurance but is not absolute assurance and therefore is not a guarantee that an audit conducted in accordance with auditing standards generally accepted in the United States of America; *Government Auditing Standards*; the Bureau of Authority Regulation, Department of Community Affairs, State of New Jersey; Uniform Guidance; and State of New Jersey Circular 15-08-OMB, will always detect material noncompliance when it exists. The risk of not detecting material noncompliance resulting from fraud is higher than for that resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control. Noncompliance with the compliance requirements referred to above is considered material, if there is a substantial likelihood that, individually or in the aggregate, it would influence the judgement made by a reasonable user of the report on compliance about the Authority's compliance with the requirements of each major federal and state program as a whole.

In performing an audit in accordance with auditing standards generally accepted in the United States of America, *Government Auditing Standards*, the Uniform Guidance, and State of New Jersey Circular 15-08-OMB, we:

- Exercise professional judgment and maintain professional skepticism throughout the audit.
- Identify and assess the risks of material noncompliance, whether due to fraud or error, and design and perform audit procedures responsive to those risks. Such procedures include examining, on a test basis, evidence regarding the Authority's compliance with the compliance requirements referred to above and performing such other procedures as we considered necessary in the circumstances.
- Obtain an understanding of the Authority's internal control over compliance relevant to the audit in order to design audit procedures that are appropriate in the circumstances and to test and report on internal control over compliance in accordance with the Uniform Guidance and State of New Jersey Circular 15-08-OMB, but not for the purpose of expressing an opinion on the effectiveness of the Authority's internal control over compliance. Accordingly, no such opinion is expressed.

We are required to communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and any significant deficiencies and material weaknesses in internal control over compliance that we identified during the audit.

Other Matters

The results of our auditing procedures disclosed instances of noncompliance, which are required to be reported in accordance with the Uniform Guidance and State of New Jersey Circular 15-08-OMB, and which is described in the accompanying *Schedule of Findings and Questioned Costs* as finding numbers 2023-002 and 2023-003. Our opinion on each major federal and state program is not modified with respect to this matter.

Government Auditing Standards requires the auditor to perform limited procedures on the Camden County Municipal Utilities Authority's response to the noncompliance finding identified in our audit described in the accompanying *Schedule of Findings and Questioned Costs*. The Authority's response was not subjected to the other auditing procedures applied in the audit of compliance and, accordingly, we express no opinion on the response.

Report on Internal Control Over Compliance

Our consideration of internal control over compliance was for the limited purpose described in the *Auditor's Responsibilities for the Audit of Compliance* section above and was not designed to identify all deficiencies in internal control over compliance that might be material weaknesses or significant deficiencies in internal control over compliance and therefore, material weaknesses or significant deficiencies may exist that were not identified. However, as discussed below, we did identify certain deficiencies in internal control over compliance that we consider to be material weaknesses.

A *deficiency in internal control over compliance* exists when the design or operation of a control over compliance does not allow management or employees, in the normal course of performing their assigned functions, to prevent, or detect and correct, noncompliance with a type of compliance requirement of a federal and state program on a timely basis. A *material weakness in internal control over compliance* is a deficiency, or a combination of deficiencies, in internal control over compliance, such that there is a reasonable possibility that material noncompliance with a type of compliance requirement of a federal and state program will not be prevented, or detected and corrected, on a timely basis. We consider the deficiencies in internal control over compliance described in the accompanying *Schedule of Findings and Questioned Costs* as finding numbers 2023-002 and 2023-003 to be material weaknesses.

A *significant deficiency in internal control over compliance* is a deficiency, or a combination of deficiencies, in internal control over compliance with a type of compliance requirement of a federal and state program that is less severe than a material weakness in internal control over compliance, yet important enough to merit attention by those charged with governance.

Our audit was not designed for the purpose of expressing an opinion on the effectiveness of internal control over compliance. Accordingly, no such opinion is expressed.

Government Auditing Standards requires the auditor to perform limited procedures on the Authority's response to the internal control over compliance findings identified in our audit described in the accompanying *Schedule of Findings and Questioned Costs*. The Authority's response was not subjected to the other auditing procedures applied in the audit of compliance and, accordingly, we express no opinion on the response.

The purpose of this report on internal control over compliance is solely to describe the scope of our testing of internal control over compliance and the results of that testing based on the requirements of the Uniform Guidance and State of New Jersey Circular 15-08-OMB. Accordingly, this report is not suitable for any other purpose.

Respectfully submitted,

Bowman & Company LLP

BOWMAN & COMPANY LLP
Certified Public Accountants
& Consultants

Voorhees, New Jersey
September 3, 2025

CAMDEN COUNTY MUNICIPAL UTILITIES AUTHORITY

Schedule of Expenditures of Federal Awards

For the Year Ended December 31, 2023

Federal Grantor/ Pass-through Grantor/ Program or Cluster Title	Assistance Listing Number	Additional Award Identification	Pass-through Entity Id Number	Total Federal Expenditures	Passed- Through to Subrecipients
<u>U.S. Department of Environmental Protection Agency</u>					
Pass Through N.J. Department of Environmental Protection					
Capitalization Grants for Clean Water State Revolving					
Funds (CWSRF) Cluster:					
Dredging of Newton Lake	66.458	N/A	S340640-26	\$ 4,426,341	\$ -
Upgrades to Delaware #1 WPCF (Sludge Return Line and Piping)	66.458	N/A	S340640-29	3,880,835	
Generator and Electrical Systems at 4 Pump Stations	66.458	N/A	S340640-30	1,376,191	
Administration and Support Buildings Improvements	66.458	N/A	S340640-36	2,614,161	
Upgrades to the Preliminary Treatment System	66.458	N/A	S340640-33	284,153	
Total Capitalization Grants for Clean Water State Revolving Fund (CWSRF) Cluster				12,581,681	-
Total U.S. Department of Environmental Protection Agency				12,581,681	-
<u>U.S. Department of Treasury</u>					
Pass Through N.J. Department of Community Affairs					
Coronavirus State and Local Fiscal Recovery Funds	21.027	COVID-19	not available	317,225	
Total U.S. Department of Treasury				317,225	-
<u>U.S. Department of Homeland Security</u>					
Pass Through N.J. Office of Emergency Management (NJOEM)					
Hazard Mitigation Grant Program	97.039	COVID-19	4488-0016	86,504	
Total U.S. Department of Homeland Security				86,504	-
Total Federal Awards				\$ 12,985,410	\$ -

The accompanying Notes to the Schedules of Expenditures of Federal Awards and State Financial Assistance and Notes to Financial Statements are an integral part of these schedules.

CAMDEN COUNTY MUNICIPAL UTILITIES AUTHORITY

Schedule of Expenditures of State Financial Assistance

For the Year Ended December 31, 2023

State Grantor/ Program Title	State Grant / Project Number	Pass-through Grantors' Number	Expenditures	Passed- Through to Subrecipients	Cumulative Expenditures
State of New Jersey,					
NJ Environmental Infrastructure Bank Financing Program:					
Dredging of Newton Lake	Unknown	S340640-26	\$ 4,426,342	\$ -	\$ 10,351,772
Upgrades to Delaware #1 WPCF (Sludge Return Line and Piping)	Unknown	S340640-29	3,880,835		3,820,835
Generator and Electrical Systems at 4 Pump Stations	Unknown	S340640-30	1,376,191		1,376,191
Administration and Support Buildings Improvements	Unknown	S340640-36	2,614,161		2,614,161
Upgrades to the Preliminary Treatment System	Unknown	S340640-33	31,572		31,572
Total NJ Environmental Infrastructure Bank Financing Program			12,329,101		18,194,531
New Jersey Department of Community Affairs					
Legislative Grant In Aid - Gloucester City Pump Station	2024-09153-0547-00	not available	124,233	-	124,233
Total State Financial Assistance			\$ 12,453,334	\$ -	\$ 18,318,764

The accompanying Notes to the Schedules of Expenditures of Federal Awards and State Financial Assistance and Notes to Financial Statements are an integral part of these schedules.

CAMDEN COUNTY MUNICIPAL UTILITIES AUTHORITY

Notes to Schedules of Expenditures of Federal Awards and State Financial Assistance
For the Year Ended December 31, 2023

Note 1: BASIS OF PRESENTATION

The accompanying schedules of expenditures of federal awards and state financial assistance ("the schedules") include federal and state award activity of the Camden County Municipal Utilities Authority (hereafter referred to as the "Authority") under programs of the federal government and state government for the year ended December 31, 2023. The Authority is defined in note 1 to the Authority's basic financial statements. The information in these schedules is presented in accordance with the requirements of Title 2 U.S. Code of Federal Regulations (CFR) Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards* (Uniform Guidance) and State of New Jersey Circular 15-08-OMB, *Single Audit Policy for Recipients of Federal Grants, State Grants and State Aid*. All federal and state awards received directly from federal and state agencies, as well as federal awards and state financial assistance passed through other government agencies, are included on the schedules. Because these schedules present only a selected portion of the operations of the Authority, it is not intended to and does not present the financial position and changes in operations of the Authority.

Note 2: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

The accompanying schedules are presented using the accrual basis of accounting. This basis of accounting is described in note 1 to the Authority's basic financial statements. Such expenditures are recognized following the cost principles contained in Title 2 U.S. Code of Federal Regulations (CFR) Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards*, and State of New Jersey Circular 15-08-OMB, *Single Audit Policy for Recipients of Federal Grants, State Grants and State Aid*, wherein certain types of expenditures are not allowed or are limited as to reimbursement. The expenditures reflected in the schedules are presented at the federal and state participation level; thus, any matching portion is not included.

Note 3: INDIRECT COST RATE

The Authority has elected not to use the 10-percent de minimis indirect cost rate allowed under the Uniform Guidance.

Note 4: RELATIONSHIP TO BASIC FINANCIAL STATEMENTS

Amounts reported in the accompanying schedules agree with amounts reported in the Authority's basic financial statements.

Note 5: RELATIONSHIP TO FEDERAL AND STATE FINANCIAL REPORTS

Amounts reported in the accompanying schedules agree with the amounts reported in the related federal and state financial reports.

Note 6: MAJOR PROGRAMS

Major programs are identified in the *Summary of Auditor's Results* section of the *Schedule of Findings and Questioned Costs*.

**CAMDEN COUNTY
MUNICIPAL UTILITIES AUTHORITY**

PART III

**SCHEDULE OF FINDINGS
AND QUESTIONED COSTS**

**FOR THE YEAR ENDED
DECEMBER 31, 2023**

CAMDEN COUNTY MUNICIPAL UTILITIES AUTHORITY

Schedule of Findings and Questioned Costs

For the Year Ended December 31, 2023

Section 1- Summary of Auditor's Results

Financial Statements

Type of auditor's report issued	Unmodified
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Internal control over financial reporting:

Material weakness(es) identified?	X	yes	no
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Significant deficiency(ies) identified? _____ yes X none reported

Noncompliance material to financial statements noted? yes X no

Federal Awards

Internal control over major programs:

Material weakness(es) identified?	X	yes	no
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Significant deficiency(ies) identified? yes X none reported

Type of auditor's report issued on compliance for major programs	Unmodified
--	------------

Any audit findings disclosed that are required to be reported in accordance with Section 516 of Title 2 U.S. Code of Federal Regulations Part 200, <i>Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards</i> (Uniform Guidance)?	X	yes	no
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Identification of major programs:

Assistance Listing Number(s)

Name of Federal Program or Cluster

66.458

Capitalization Grants for Clean Water State Revolving Funds (CWSRF) Cluster

Dollar threshold used to determine Type A programs	\$ 750,000
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Auditee qualified as low-risk auditee? yes ☒ no ☐

CAMDEN COUNTY MUNICIPAL UTILITIES AUTHORITY

Schedule of Findings and Questioned Costs

For the Year Ended December 31, 2023

Section 1- Summary of Auditor's Results (Cont'd)

State Financial Assistance

Internal control over major programs:

Material weakness(es) identified?

X yes no

Significant deficiency(ies) identified?

yes X none reported

Type of auditor's report issued on compliance for major programs

Unmodified

Any audit findings disclosed that are required to be reported in accordance with New Jersey Circular 15-08-OMB?

X yes no

Identification of major programs:

GMIS Number(s)

Name of State Program

Unknown

New Jersey Infrastructure Bank Financing Program

Dollar threshold used to determine Type A programs

\$ 750,000

Auditee qualified as low-risk auditee?

yes X no

CAMDEN COUNTY MUNICIPAL UTILITIES AUTHORITY

Schedule of Findings and Questioned Costs
For the Year Ended December 31, 2023

Section 2- Schedule of Financial Statement Findings

This section identifies the significant deficiencies, material weaknesses, fraud, noncompliance with provisions of laws, regulations, contracts, and grant agreements related to financial statements for which *Government Auditing Standards* and audit requirements as prescribed by the Bureau of Authority Regulation, Division of Local Government Services, Department of Community Affairs, State of New Jersey, requires.

Finding No. 2023-001**Criteria or Specific Requirement**

Management is responsible for establishing and maintaining internal controls in the financial reporting system to facilitate timely and fair presentation of the financial statements and related disclosures in conformity with accounting principles generally accepted in the United States of America (GAAP). This requires timely reconciliations of all bank accounts; and a complete and accurate general ledger be properly maintained, together with the books of original entry and supporting subsidiary ledgers. This also requires a repository of relevant grant information that is accessible to those who administer the grants, as well as grant-specific coding in the charts of accounts in order to identify eligible grant expenditures.

Condition

The bank reconciliations for several bank accounts were not completed on a timely basis, the financial records/general ledger were not complete, reconciled to supporting documentation, or maintained in order to produce financial statements in accordance with GAAP. Grant awards were not recorded in the general ledger, and grant expenditures were not recorded in grant-specific accounts. Material adjusting journal entries were necessary in order to achieve proper presentation of the financial statements and related disclosures.

Context

During the audit, several items were noted, including failure to record all cash activity in the general ledger; errors in recording the issuance of permanent and interim loans; failure to adjust balances of several balance sheet accounts for the current year activity, and the lack of accounting for grant receivables and grant expenditures.

Effect or Potential Effect

Without a properly maintained general ledger and grant management process, the immediate and current identification of assets, liabilities, revenues, expenditures and net position, and the fair presentation of the financial statements cannot be achieved. The overall condition of the general ledger combined with the amount of adjusting entries that were required to balance the general ledger result in a strong indication of ineffective controls over the preparation of financial statements. There is a significant likelihood that the Authority's internal controls are not effective in detecting material misstatements in the preparation of the financial statements and related disclosures.

Cause

Turnover in the Director of Finance position caused a breakdown in internal controls and the lack of effective grant management.

Recommendation

That the Finance Office accurately and timely record the Authority's financial activity, maintain the general ledger, subsidiary ledgers, timely complete bank reconciliations, and properly record all grant activity, in order to achieve proper presentation in the financial statements and related disclosures.

View of Responsible Officials and Planned Corrective Action

The responsible officials agree with the finding and will address the matter as part of their corrective action plan.

CAMDEN COUNTY MUNICIPAL UTILITIES AUTHORITY

Schedule of Findings and Questioned Costs
For the Year Ended December 31, 2023

Section 3- Schedule of Federal Award Findings and Questioned Costs

This section identifies the significant deficiencies, material weaknesses, material instances of noncompliance, including questioned costs, and significant instances of abuse related to the audit of major Federal programs, as required by Title 2 U.S. Code of Federal Regulations Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards* (Uniform Guidance).

Finding No. 2023-002**Information on the Federal Program**

Federal Agency: U.S. Department of Environmental Protection Agency

Federal Program: Capitalization Grants for Clean Water State Revolving Funds (CWSRF) Cluster

Assistance Listing Number (ALN): 66.458

Award Number: S340640-26/29/30/36/33

Award Year: 2022 and 2023

Pass-through Entity: New Jersey Department of Environmental Protection

Criteria or Specific Requirement

Per 2 CFR §200.302(b)(1) and (3), non-federal entities must maintain records that identify the source and application of federal funds and must provide accurate, current, and complete disclosure of financial results for each federal award. Proper accounting for grant revenues and expenditures is essential for compliance with federal reporting and cost principles.

Condition

During our audit of federal grant activity, we noted that certain federal grant awards were not recorded in the Authority's general ledger. Additionally, expenditures related to these grants were not posted to grant-specific accounts but were instead recorded in general expense accounts, making it difficult to track and reconcile grant activity.

Questioned Costs

None noted at this time. However, due to the lack of proper tracking, the full extent of potential questioned costs could not be determined.

Context

During the audit, it was noted that grant awards were not recorded in the general ledger and grant expenditures were not posted to grant-specific accounts. The sample was not statistically valid.

Effect or Potential Effect

Failure to record grant awards and expenditures accurately may result in (1) inaccurate financial reporting to federal agencies; (2) inaccurate reporting on the Schedule of Expenditures of Federal Awards; and (3) potential noncompliance with grant terms and federal audit requirements.

Cause

The Authority did not have adequate procedures in place to ensure that all federal grant awards were promptly recorded in the general ledger and that expenditures were tracked using grant-specific accounts.

Identification as a Repeat Finding

Not applicable.

CAMDEN COUNTY MUNICIPAL UTILITIES AUTHORITY
Schedule of Findings and Questioned Costs
For the Year Ended December 31, 2023

Section 3- Schedule of Federal Award Findings and Questioned Costs (Cont'd)

Finding No. 2023-002 (Cont'd)

Recommendation

We recommend that the Authority, (1) implement procedures to ensure all federal grant awards are recorded in the general ledger upon receipt; (2) establish and use grant-specific accounts to track all related expenditures; (3) conduct periodic reconciliations between grant award letters, project expenditures, and general ledger postings; and (4) provide training to accounting personnel on federal grant accounting, compliance and reporting requirements.

View of Responsible Officials and Planned Corrective Action

The responsible officials agree with the finding and will address the matter as part of their corrective action plan.

CAMDEN COUNTY MUNICIPAL UTILITIES AUTHORITY

Schedule of Findings and Questioned Costs
For the Year Ended December 31, 2023

Section 4- Schedule of State Financial Assistance Findings and Questioned Costs

This section identifies the significant deficiencies, material weaknesses, material instances of noncompliance, including questioned costs, and significant instances of abuse related to the audit of major State programs, as required by State of New Jersey Circular 15-08-OMB.

Finding No. 2023-003**Information on the State Program**

State Agency: New Jersey Environmental Infrastructure Bank

State Program: NJ Environmental Infrastructure Water Bank Financing Program

GMIS Number: Unknown

State Award Number: S340640-26/29/30/36/33

Award Year: 2022 and 2023

Criteria or Specific Requirement

Per the New Jersey State Grant Compliance Supplement and OMB Circular 15-08-OMB, recipients of state financial assistance must maintain accounting records that accurately reflect the source and application of grant funds. This includes (1) recording grant awards in the general ledger upon receipt of the award notice; (2) posting expenditures to grant-specific accounts to ensure proper tracking and reporting; and (3) ensuring compliance with reporting and internal control requirements as outlined in the state grant agreements and applicable state regulations.

Condition

During our audit of state grant activity, we noted that certain state grant awards were not recorded in the Authority's general ledger. Additionally, expenditures related to these grants were not posted to grant-specific accounts but were instead recorded in general expense accounts, making it difficult to track and reconcile grant activity.

Questioned Costs

None noted at this time. However, due to the lack of proper tracking, the full extent of potential questioned costs could not be determined.

Context

During the audit, it was noted that grant awards were not recorded in the general ledger and grant expenditures were not posted to grant-specific accounts. The sample was not statistically valid.

Effect or Potential Effect

Failure to record grant awards and expenditures accurately may result in (1) inaccurate financial reporting to state agencies; (2) inaccurate reporting on the Schedule of Expenditures of State Financial Assistance; and (3) potential noncompliance with grant terms and state audit requirements.

Cause

The Authority did not have adequate procedures in place to ensure that all state grant awards were promptly recorded in the general ledger and that expenditures were tracked using grant-specific accounts.

Identification as a Repeat Finding

Not applicable.

CAMDEN COUNTY MUNICIPAL UTILITIES AUTHORITY
Schedule of Findings and Questioned Costs
For the Year Ended December 31, 2023

Section 4- Schedule of State Financial Assistance Findings and Questioned Costs (Cont'd)

Finding No. 2023-003 (cont'd)

Recommendation

We recommend that the Authority, (1) implement procedures to ensure all state grant awards are recorded in the general ledger upon receipt; (2) establish and use grant-specific accounts to track all related expenditures; (3) conduct periodic reconciliations between grant award letters, project expenditures, and general ledger postings; and (4) provide training to accounting personnel on state grant accounting, compliance and reporting requirements.

View of Responsible Officials and Planned Corrective Action

The responsible officials agree with the finding and will address the matter as part of their corrective action plan.

CAMDEN COUNTY MUNICIPAL UTILITIES AUTHORITY
Summary Schedule of Prior Year Audit Findings
and Questioned Costs as Prepared by Management

This section identifies the status of prior year findings related to the financial statements and federal awards and state financial assistance that are required to be reported in accordance with *Government Auditing Standards*, Title 2 U.S. Code of Federal Regulations Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards* (Uniform Guidance), and State of New Jersey Circular 15-08-OMB.

FINANCIAL STATEMENT FINDINGS

None.

FEDERAL AWARDS

None.

STATE FINANCIAL ASSISTANCE

None.

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APPRECIATION

We express our appreciation for the assistance and courtesies rendered by the Authority officials during the course of the audit.

Respectfully submitted,

Bowman & Company LLP

BOWMAN & COMPANY LLP
Certified Public Accountants
& Consultants