

SUMMARY OF THE AUDIT REPORT OF
THE EATONTOWN SEWERAGE AUTHORITY
A COMPONENT UNIT OF THE BOROUGH OF EATONTOWN
AS REQUIRED BY N.J.S.A. 40A:5A-16

STATEMENTS OF NET POSITION
DECEMBER 31, 2025 AND 2024

	<u>2025</u>	<u>2024</u>
Assets:		
Unrestricted current assets-		
Cash and cash equivalents	\$5,877,042	\$5,674,888
Customer accounts receivable, net	284,462	219,715
Customer interest receivable, net	17,233	12,493
Accounts receivable	3,806	-
Total unrestricted current assets	<u>6,182,543</u>	<u>5,907,096</u>
Restricted current assets-		
Cash and cash equivalents	<u>421,626</u>	<u>839,495</u>
Total current assets	<u>6,604,169</u>	<u>6,746,591</u>
Noncurrent assets-		
Construction in progress	143,728	448,409
Property, plant, and equipment, net	<u>11,701,606</u>	<u>10,988,997</u>
Total noncurrent assets	<u>11,845,334</u>	<u>11,437,406</u>
Total assets	<u>18,449,503</u>	<u>18,183,997</u>
Deferred outflows of resources-		
Pension and other post-employment benefit deferrals	<u>441,368</u>	<u>535,964</u>
Total assets and deferred outflows of resources	<u><u>\$18,890,871</u></u>	<u><u>\$18,719,961</u></u>

	2025	2024
Liabilities:		
Current liabilities payable from unrestricted current assets-		
Accounts payable and accrued expenses	\$137,456	\$144,317
Prepaid revenue	52,232	22,037
Total current liabilities payable from unrestricted current assets	189,688	166,354
Current liabilities payable from restricted current assets-		
Loans payable	234,831	234,831
Bonds payable	150,000	140,000
Accrued interest payable	7,396	8,863
Developer deposits	117,500	105,285
Total current liabilities payable from restricted current assets	509,727	488,979
Total current liabilities	699,415	655,333
Noncurrent liabilities-		
Compensated Absences	120,657	85,035
Other post-employment benefits	1,484,632	1,483,294
Net pension liability	419,406	506,176
Bonds payable, net of unamortized premium	551,108	717,790
Loans payable, net of unamortized premium	469,356	705,675
	3,045,159	3,497,970
Total liabilities	3,744,574	4,153,303
Deferred inflows of resources-		
Pension and other post-employment benefit deferrals	342,217	356,325
Net Position:		
Invested in capital assets, net of related debt	10,440,039	9,639,110
Restricted	296,730	725,347
Unrestricted	4,067,311	3,845,876
Total net position	14,804,080	14,210,333
Total liabilities, deferred inflows of resources and net position	\$18,890,871	\$18,719,961

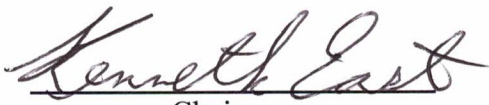
STATEMENTS OF REVENUES, EXPENSES, AND CHANGES
IN NET POSITION
YEARS ENDED DECEMBER 31, 2025 AND 2024

	<u>2025</u>	<u>2024</u>
Operating revenues:		
Charges for services	\$3,841,366	\$3,393,738
Other operating revenues	<u>321,129</u>	<u>323,913</u>
Total operating revenues	4,162,495	3,717,651
Operating expenses	<u>3,623,289</u>	<u>3,089,628</u>
Operating income	<u>539,206</u>	<u>628,023</u>
Nonoperating revenues (expenses):		
Interest income	246,188	289,753
Municipal appropriation	(150,000)	(177,627)
Interest expense	(31,852)	(20,906)
Bond issuance costs	<u>(9,795)</u>	<u>(17,941)</u>
Net nonoperating revenues	<u>54,541</u>	<u>73,279</u>
Net income	593,747	701,302
Net position - beginning	<u>14,210,333</u>	<u>13,509,031</u>
Net position - ending	<u><u>\$14,804,080</u></u>	<u><u>\$14,210,333</u></u>

RECOMMENDATIONS

None

The above summary was prepared from the audit report of The Eatontown Sewerage Authority, for the years ended December 31, 2025 and 2024. This audit report, submitted by Oliwa & Company, CPAs, is on file with the Authority and may be inspected by any interested person.


Chairman