

Summary or Synopsis of Audit Report for Publication
Summary or Synopsis of 2025 Audit Report
Merchantville-Pennsauken Water Commission
as Required by N.J.S. 40A:5A-7

Comparative Statements of Net Position
As of December 31, 2025 and 2024

	<u>2025</u>	<u>2024</u>
ASSETS		
Current Assets:		
Unrestricted Assets:		
Cash and Cash Equivalents	\$ 8,457,250.52	\$ 6,395,489.89
Investments	15,596,349.98	12,076,708.16
Customer Accounts Receivable (Net of an Allowance for Doubtful Accounts of \$65,000.00 for 2025 and 2024)	2,084,684.12	2,317,330.09
Unbilled Revenue	1,285,716.64	1,180,256.01
Current Portion of Legal Settlement	352,653.72	
NJIB Interim Loan Receivable	7,454,406.00	672,144.00
Accrued Interest Receivable	20,365.99	16,066.45
Current Portion of Lease Receivable	124,833.25	111,902.74
Inventory	342,702.97	334,210.80
Total Current Assets	35,718,963.19	23,104,108.14
Noncurrent Assets:		
Lease Receivable	5,312,067.59	5,436,900.76
Legal Settlement Receivable	1,542,860.01	
Capital Assets (Net of Accumulated Depreciation)	39,456,352.95	38,135,048.07
Total Noncurrent Assets	46,311,280.55	43,571,948.83
Total Assets	82,030,243.74	66,676,056.97
DEFERRED OUTFLOWS OF RESOURCES		
Related to Pensions	392,164.00	373,565.00
Related to OPEB	3,856,643.00	5,191,284.00
Total Deferred Outflows of Resources	4,248,807.00	5,564,849.00

(Continued)

20252024**LIABILITIES**

Current Liabilities Payable from Unrestricted Assets:

Accounts Payable

Other	\$ 928,266.91	\$ 638,912.11
Related to Pension	390,869.00	385,427.00
Accrued Expenses	244,632.53	185,325.70
Accrued Interest Payable	78,694.51	36,969.89
Customer Prepayments	130,247.75	124,732.48
Payroll Deductions Payable	27,298.10	27,837.52
Escrow Deposits	21,534.52	21,390.55
Current Portion of NJIB Loans Payable	554,445.04	8,944,937.42
Current Portion of Compensated Absences	11,342.34	9,362.77
Current Portion of OPEB Liability	389,362.00	389,362.00

Total Current Liabilities Payable from Unrestricted Assets

2,776,692.70 10,764,257.44

Long-term Liabilities:

Unrestricted Liabilities:

Compensated Absences	102,081.05	84,264.92
OPEB Liability	5,676,373.00	5,838,875.00
NJIB Loans Payable	16,988,667.52	1,510,812.04
Net Pension Liability	3,517,418.00	3,848,843.00
Accrued Liabilities - Related to Pension	195,435.00	192,714.00

Total Long-term Liabilities

26,479,974.57 11,475,508.96

Total Liabilities

29,256,667.27 22,239,766.40

DEFERRED INFLOWS OF RESOURCES

Related to Pensions	454,467.00	457,445.00
Related to Connection Fees	299,433.87	290,776.65
Related to Leases	4,540,498.92	4,782,388.36
Related to OPEB	4,408,873.00	4,949,054.50

Total Deferred Inflows of Resources

9,703,272.79 10,479,664.51

NET POSITION

Net Investment in Capital Assets	28,100,876.18	28,339,942.35
Unrestricted	19,218,234.50	11,181,532.71
Total Net Position	\$ 47,319,110.68	\$ 39,521,475.06

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Comparative Statements of Revenues, Expenses and Changes in Net Position
For the Years Ended December 31, 2025 and 2024

	<u>2025</u>	<u>2024</u>
Operating Revenues:		
Metered Sales to General Public	\$ 11,800,200.00	\$ 11,261,470.72
Private Fire Protection	1,265,161.07	1,245,543.45
Public Fire Protection	103,576.00	100,672.00
Connection Fees	23,148.78	312,696.60
Late Charges	127,439.68	120,377.53
Tapping Fees	14,140.00	8,585.00
Shared Service Agreement	155,000.00	196,666.67
Miscellaneous Income	76,939.76	82,377.96
Total Operating Revenues	13,565,605.29	13,328,389.93
Operating Expenses:		
Administration:		
Salaries and Wages	1,158,153.48	1,177,772.54
Employee Benefits	874,282.73	847,335.58
Other Expenses	1,145,459.68	1,099,728.39
Cost of Providing Service:		
Salaries and Wages	1,971,535.08	1,816,886.61
Employee Benefits	1,426,461.29	1,382,494.89
Other Expenses	3,748,946.62	3,084,234.18
Depreciation	2,360,968.48	2,417,614.11
Total Operating Expenses	12,685,807.36	11,826,066.30
Operating Income	879,797.93	1,502,323.63
Non-operating Income (Expense):		
Investment Income	581,949.54	564,655.31
Interest on Debt	(112,613.63)	(54,723.51)
Cost of Issuance	(139,706.00)	
Net Legal Settlements	5,107,787.98	
Loss on Disposal of Capital Assets	(23,800.00)	
Tower Lease Income	302,328.88	
Lease Interest Income	201,890.92	202,453.10
Total Non-operating Income	5,917,837.69	712,384.90
Income Before Contributions	6,797,635.62	2,214,708.53
Contributed Capital	1,000,000.00	
Change in Net Position	7,797,635.62	2,214,708.53
Net Position - Beginning	39,521,475.06	37,306,766.53
Net Position - Ending	\$ 47,319,110.68	\$ 39,521,475.06

RECOMMENDATIONS:

None

The above summary or synopsis, which omits all audit opinions and disclosures, was prepared from the Report of Audit of the Merchantville-Pennsauken Water Commission, County of Camden, for the year ended December 31, 2025. This Report of Audit, submitted by Michael P. Cragin, Jr., Certified Public Accountant, Registered Municipal Accountant of PKF O'Connor Davies, LLP, Accountants and Advisors, is on file with John Killion, Chief Operating Officer at the Commission's office and may be inspected by any interested person. This information included herein is not intended to represent complete financial information as presented in the Report of Audit.

Chief Operating Officer