

Synopsis of audit report of the Berkeley Township Municipal Utilities Authority for the fiscal year ended December 31, 2012, as required by N.J.S.A. 40A:5A-16:

Comparative Statements of Net Position

December 31, 2012 and 2011

	<u>2012</u>	<u>2011</u>
<u>ASSETS</u>		
Current unrestricted assets:		
Cash and cash equivalents	\$ 2,258,010	\$ 1,143,384
Investments	-	1,056,200
Interest receivable	2,616	4,553
Billed user fees receivable	606,360	609,610
Connection fee installment receivable	141,850	209,440
Other receivables	11,579	5,514
Prepaid expenses	12,299	16,175
Total current assets	3,032,714	3,044,876
Current restricted assets:		
Cash and cash equivalents	1,618,528	392,692
Investments	-	1,190,422
Interest receivable	166	6,641
Other restricted receivables	720	406
Total current restricted assets	1,619,414	1,590,161
Property, plant and equipment, net	19,079,370	19,740,170
Other assets	67,093	897
Total assets	23,798,591	24,376,104
 <u>DEFERRED OUTFLOW OF RESOURCES</u>		
Loss on bond refunding, net of accumulated amortization	897	-
Total deferred outflow of resources	897	-
Total assets and deferred outflow of resources	\$ 23,799,488	\$ 24,376,104

Comparative Statements of Net Position (continued)
December 31, 2012 and 2011

	<u>2012</u>	<u>2011</u>
<u>LIABILITIES AND NET POSITION</u>		
Current unrestricted liabilities:		
Accounts payable	\$ 13,497	\$ 14,363
Customer overpayments	2,093	3,108
Accrued expenses	49,670	41,197
Unearned revenue	434	279
Unearned connection fee revenue	<u>60,752</u>	<u>63,307</u>
Total current liabilities	<u>126,446</u>	<u>122,254</u>
Current restricted liabilities:		
Current portion of bonds payable	603,701	324,434
Current portion of loans payable	190,047	206,480
Accrued interest payable	48,047	89,319
Developer deposits	<u>237,332</u>	<u>255,517</u>
Total current restricted liabilities	<u>1,079,127</u>	<u>875,750</u>
Long-term liabilities:		
Bonds payable - long-term	7,075,631	7,508,281
Loans payable - long-term	2,948,054	3,138,101
Bond premium, net of accumulated amortization	188,912	-
Loan premium, net of accumulated amortization	<u>26,331</u>	<u>29,514</u>
Total long-term liabilities	<u>10,238,928</u>	<u>10,675,896</u>
Total liabilities	<u>11,444,501</u>	<u>11,673,900</u>
Net investment in capital assets	8,113,787	8,534,257
Restricted and unrestricted net position:		
Debt service	713,448	911,744
Capital	280,000	260,000
Unrestricted net position:		
Reserved by board designation	490,000	440,000
Unreserved	<u>2,757,752</u>	<u>2,556,203</u>
Total restricted and unrestricted net position	<u>4,241,200</u>	<u>4,167,947</u>
Total net position	<u>12,354,987</u>	<u>12,702,204</u>
Total liabilities and net position	<u>\$ 23,799,488</u>	<u>\$ 24,376,104</u>

Statements of Revenues, Expenditures and Changes in Net Position
December 31, 2012 and 2011

	<u>2012</u>	<u>2011</u>
Operating revenues:		
User charges	\$ 1,698,213	\$ 1,682,119
Connection fees	24,051	272,421
Interest earned on connection fees	6,048	6,025
Hydrant fees	-	108,800
Other operating revenue	1,175	1,960
Total operating revenues	<u>1,729,487</u>	<u>2,071,325</u>
Operating expenses:		
Cost of providing services	512,418	492,113
Administrative and general	491,487	495,115
Depreciation	698,659	697,658
Total operating expenses	<u>1,702,564</u>	<u>1,684,886</u>
Non-operating revenues (expenses)		
Water tower rental	232,765	224,692
Interest income	21,575	29,446
Interest expense	(402,198)	(429,325)
Township appropriation	(88,547)	(87,380)
Amortization premium/(bond costs), net	3,183	(11,100)
Debt issuance expense	(141,880)	-
Gain/(loss) on disposal of asset	962	(2,966)
Total non-operating revenue/(expenses)	<u>(374,140)</u>	<u>(276,633)</u>
Change in net position	(347,217)	109,806
Net position, beginning of year	12,702,204	12,719,220
Prior period adjustment	-	(126,822)
Net position, January 1 (adjusted)	<u>12,702,204</u>	<u>12,592,398</u>
Net position, end of year	<u>\$ 12,354,987</u>	<u>\$ 12,702,204</u>

For the year ended December 31, 2012 no recommendations were made.

The above synopsis was prepared from the report of the audit of the Berkeley Township Municipal Utilities Authority as of December 31, 2012.

This report of audit, submitted by Holman & Frenia, P.C., Certified Public Accountants, is on file at the office of the Berkeley Township Municipal Utilities Authority, Bayville, New Jersey, and may be inspected by any interested person.