

Synopsis of audit report of the Berkeley Township Municipal Utilities Authority for the fiscal year ended December 31, 2015, as required by N.J.S.A. 40A:5A-16:

Comparative Statements of Net Position  
December 31, 2015 and 2014

	<u>2015</u>	<u>2014</u>
<u>ASSETS</u>		
Current unrestricted assets:		
Cash and cash equivalents	\$ 731,943	\$ 910,003
Investments	1,835,500	1,500,000
Interest receivable	7,615	2,147
Billed user fees receivable	607,563	621,069
Connection fee installment receivable	37,430	15,200
Other receivables	10,324	6,460
Prepaid expenses	11,408	14,511
Total current assets	3,241,783	3,069,390
Current restricted assets:		
Cash and cash equivalents	911,331	1,648,176
Investments	753,800	-
Interest receivable	4,901	4,475
Other restricted receivables	85,405	412,555
Total current restricted assets	1,755,437	2,065,206
Property, plant and equipment, net	19,232,159	19,264,447
Total assets	24,229,379	24,399,043
 <u>DEFERRED OUTFLOW OF RESOURCES</u>		
Unamortized issuance costs, net of accumulated amortization	61,502	63,366
Loss on bond refunding, net of accumulated amortization	822	847
Deferred outflows related to pension	201,383	-
Total deferred outflow of resources	263,707	64,213
Total assets and deferred outflow of resources	\$ 24,493,086	\$ 24,463,256

Comparative Statements of Net Position (continued)  
December 31, 2015 and 2014

	<u>2015</u>	<u>2014</u>
<u>LIABILITIES</u>		
Current unrestricted liabilities:		
Accounts payable	\$ 38,426	\$ 77,004
Customer overpayments	9,374	10,480
Accrued expenses	60,224	51,529
Unearned revenue	995	1,074
Unearned connection fee revenue	42,288	57,928
Pensions payable	47,697	-
Total current liabilities	199,004	198,015
Current restricted liabilities:		
Current portion of bonds payable	196,615	195,612
Current portion of loans payable	251,167	241,716
Construction loan payable	522,868	-
Accrued interest payable	54,047	71,234
Developer deposits	321,730	335,638
Total current restricted liabilities	1,346,427	844,200
Long-term liabilities:		
Bonds payable - long-term	6,493,742	6,690,364
Loans payable - long-term	2,941,431	3,689,748
Net pension liability	1,245,391	-
Total long-term liabilities	10,680,564	10,380,112
Total liabilities	12,225,995	11,422,327
<u>DEFERRED INFLOW OF RESOURCES</u>		
Bond premium, net of accumulated amortization	173,169	178,417
Loan premium, net of accumulated amortization	17,508	20,311
Gain on loan refundings, net of accumulated amortization	174,000	-
Deferred inflows related to pension	20,023	-
Total deferred inflow of resources	384,700	198,728
<u>NET POSITION</u>		
Net investment in capital assets	8,523,983	8,312,492
Restricted and unrestricted net position:		
Debt service fund	489,868	489,868
Debt service reserve fund	677,889	694,889
Capital	340,000	320,000
Unrestricted net position:		
Reserved by board designation	540,000	540,000
Unreserved	1,310,651	2,484,952
Total restricted and unrestricted net position	3,358,408	4,529,709
Total net position	11,882,391	12,842,201
Total liabilities, deferred inflow of resources and net position	\$ 24,493,086	\$ 24,463,256

Statements of Revenues, Expenditures and Changes in Net Position  
December 31, 2015 and 2014

	<u>2015</u>	<u>2014</u>
Operating revenues:		
User charges	\$ 1,736,629	\$ 1,657,026
Connection fees	72,289	51,715
Other operating revenue	64,760	11,208
Total revenues	<u>1,873,678</u>	<u>1,719,949</u>
Operating expenses:		
Cost of providing services	556,009	533,086
Administrative and general	459,251	426,434
Depreciation	717,310	700,709
Total operating expenses	<u>1,732,570</u>	<u>1,660,229</u>
Non-operating revenues (expenses)		
Water tower rental	256,891	250,227
Interest income	20,091	15,291
Interest expense	(280,756)	(300,853)
Township appropriation	(86,254)	(81,786)
Amortization premium/(bond costs), net	6,162	6,309
Donated property	8,294	94,598
Debt issuance expense	-	(36,874)
FEMA reimbursements	41,278	-
NJEIT debt forgiveness	-	500,000
Total non-operating revenue/(expenses)	<u>(34,294)</u>	<u>446,912</u>
Changes in net position	106,814	506,632
Net position, January 1	12,842,201	12,335,569
Prior period restatement	(1,066,624)	-
Net position January 1, as restated	<u>11,775,577</u>	<u>12,335,569</u>
Net position, December 31	<u>\$ 11,882,391</u>	<u>\$ 12,842,201</u>

For the year ended December 31, 2015, 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, 2015.

This report of audit, submitted by Holman Frenia Allison, 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.