

Synopsis of audit report of the Berkeley Township Municipal Utilities Authority for the fiscal year ended December 31, 2011, as required by N.J.S.A. 40A:5A-16:

Comparative Statements of Net Assets  
December 31, 2011 and 2010

<u>ASSETS</u>	<u>2011</u>	<u>2010</u>
Current unrestricted assets:		
Cash and cash equivalents	\$ 1,143,384	\$ 1,413,809
Investments	1,056,200	600,000
Interest receivable	4,553	2,987
Billed user fees receivable	609,610	599,970
Connection fee installment receivable	209,440	76,250
Other receivables	5,514	59,827
Prepaid expenses	16,175	8,286
Total current assets	3,044,876	2,761,129
Current restricted assets:		
Cash and cash equivalents	392,692	345,922
Investments	1,190,422	1,061,900
Interest receivable	6,641	569
Other restricted receivables	406	419,376
Total current restricted assets	1,590,161	1,827,767
Property, plant and equipment, net	19,740,170	20,438,777
Other assets	127,719	142,141
Total assets	\$ 24,502,926	\$ 25,169,814

Comparative Statements of Net Assets (continued)  
December 31, 2011 and 2010

<u>LIABILITIES AND NET ASSETS</u>	<u>2011</u>	<u>2010</u>
Current unrestricted liabilities:		
Accounts payable	\$ 14,363	\$ 21,666
Customer overpayments	3,108	1,604
Accrued expenses	41,197	36,346
Deferred revenue	279	397
Deferred connection fee revenue	63,307	60,314
Total current liabilities	122,254	120,327
Current restricted liabilities:		
Accounts payable	-	37,470
Current portion of bonds payable	324,434	308,721
Current portion of loans payable	206,480	238,526
Accrued interest payable	89,319	94,903
Developer deposits	255,517	268,371
Total current restricted liabilities	875,750	947,991
Long-term liabilities:		
Bonds payable - long-term	7,508,281	7,832,762
Loans payable - long-term	3,138,101	3,516,678
Loan premium, net of accumulated amortization	29,514	32,836
Total long-term liabilities	10,675,896	11,382,276
Total liabilities	11,673,900	12,450,594
Investments in capital assets, net of related debt	8,661,079	8,651,395
Restricted and unrestricted net assets:		
Debt service	911,744	1,551,718
Capital	260,000	277,207
Unrestricted net assets:		
Reserved by board designation	440,000	390,000
Unreserved	2,556,203	1,848,900
Total restricted and unrestricted net assets	4,167,947	4,067,825
Total net assets	12,829,026	12,719,220
Total liabilities and net assets	\$ 24,502,926	\$ 25,169,814

Statements of Revenues, Expenditures and Changes in Net Assets  
December 31, 2011 and 2010

	<u>2011</u>	<u>2010</u>
Operating revenues:		
User charges	\$ 1,682,119	\$ 1,717,693
Connection fees	272,421	48,725
Interest earned on connection fees	6,025	2,200
Hydrant fees	108,800	108,800
Other operating revenue	1,960	1,287
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Total operating revenues	2,071,325	1,878,705
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Operating expenses:		
Cost of providing services	492,113	459,456
Administrative and general	495,115	490,707
Depreciation	697,658	696,978
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Total operating expenses	1,684,886	1,647,141
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Non-operating revenues (expenses)		
Water tower rental	224,692	198,930
Interest income	29,446	33,512
Grant income	-	222,821
Interest expense	(429,325)	(444,958)
Township appropriation	(87,380)	(81,299)
Amortization expense	(11,100)	(14,415)
Loss on disposal of asset	(2,966)	-
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Total non-operating revenue/(expenses)	(276,633)	(85,409)
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Change in net assets	109,806	146,155
Net assets, beginning of year	12,719,220	12,573,065
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Net assets, end of year	\$ 12,829,026	\$ 12,719,220
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For the year ended December 31, 2011 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, 2011.

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.