

Synopsis of audit report of the Berkeley Township Municipal Utilities Authority for the fiscal year ended December 31, 2013, as required by N.J.S.A. 40A:5A-16:

Comparative Statements of Net Position
December 31, 2013 and 2012

<u>ASSETS</u>	<u>2013</u>	<u>2012</u>
Current unrestricted assets:		
Cash and cash equivalents	\$ 1,459,895	\$ 2,258,010
Investments	723,580	-
Interest receivable	8,447	2,616
Billed user fees receivable	695,607	606,360
Connection fee installment receivable	4,350	141,850
Other receivables	7,556	11,579
Prepaid expenses	10,121	12,299
Total current assets	2,909,556	3,032,714
Current restricted assets:		
Cash and cash equivalents	1,268,440	1,618,528
Investments	145,600	-
Interest receivable	5,613	166
Other restricted receivables	1,426	720
Total current restricted assets	1,421,079	1,619,414
Property, plant and equipment, net	18,520,590	19,079,370
Total assets	22,851,225	23,731,498

Comparative Statements of Net Position (continued)
December 31, 2013 and 2012

	<u>2013</u>	<u>2012</u>
<u>LIABILITIES</u>		
Current unrestricted liabilities:		
Accounts payable	\$ 50,062	\$ 13,497
Customer overpayments	11,909	2,093
Accrued expenses	55,317	49,670
Unearned revenue	589	434
Unearned connection fee revenue	36,978	60,752
Total current liabilities	154,855	126,446
Current restricted liabilities:		
Current portion of bonds payable	189,641	603,701
Current portion of loans payable	188,130	190,047
Accrued interest payable	68,204	48,047
Developer deposits	305,089	237,332
Total current restricted liabilities	751,064	1,079,127
Long-term liabilities:		
Bonds payable - long-term	6,885,984	7,075,631
Loans payable - long-term	2,759,926	2,948,054
Total long-term liabilities	9,645,910	10,023,685
Total liabilities	10,551,829	11,229,258
<u>DEFERRED INFLOW OF RESOURCES</u>		
Bond premium, net of accumulated amortization	183,664	188,912
Loan premium, net of accumulated amortization	23,261	26,331
Total deferred inflow of resources	206,925	215,243
<u>NET POSITION</u>		
Net investment in capital assets	8,356,085	8,114,684
Restricted and unrestricted net position:		
Debt service	623,448	713,448
Capital	300,000	280,000
Unrestricted net position:		
Reserved by board designation	540,000	490,000
Unreserved	2,339,039	2,756,855
Total restricted and unrestricted net position	3,802,487	4,240,303
Total net position	12,158,572	12,354,987
Total liabilities, deferred inflow of resources and net position	\$ 22,917,326	\$ 23,799,488

Statements of Revenues, Expenditures and Changes in Net Position
December 31, 2013 and 2012

	<u>2013</u>	<u>2012</u>
Operating revenues:		
User charges	\$ 1,640,130	\$ 1,698,213
Connection fees	40,815	24,051
Interest earned on connection fees	1,460	6,048
Other operating revenue	2,463	1,175
Total revenues	<u>1,684,868</u>	<u>1,729,487</u>
Operating expenses:		
Cost of providing services	500,265	512,418
Administrative and general	639,051	491,487
Depreciation	701,090	698,659
Total operating expenses	<u>1,840,406</u>	<u>1,702,564</u>
Non-operating revenues (expenses)		
Water tower rental	240,633	232,765
Interest income	17,187	21,575
Interest expense	(309,654)	(402,198)
Township appropriation	(88,100)	(88,547)
Amortization premium/(bond costs), net	6,429	3,183
Donated property	84,337	-
Debt issuance expense	-	(141,880)
Gain on disposal of asset	-	962
FEMA reimbursements	8,291	-
Total non-operating revenue/(expenses)	<u>(40,877)</u>	<u>(374,140)</u>
Changes in net position	(196,415)	(347,217)
Net position, January 1	<u>12,354,987</u>	<u>12,702,204</u>
Net position, December 31	<u>\$ 12,158,572</u>	<u>\$ 12,354,987</u>

For the year ended December 31, 2013 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, 2013.

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.