

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

BRICK TOWNSHIP MUNICIPAL UTILITIES AUTHORITY
Statements of Net Assets
March 31, 2012 and 2011

	2012	2011
ASSETS		
Unrestricted current assets:		
Cash and investments	\$ 14,499,884	\$ 12,876,142
Accounts receivable	2,647,758	2,611,492
Grants receivable	44,798	328,800
Inventory - supplies	535,379	483,591
Prepaid expenses	319,043	235,396
Total unrestricted current assets	18,046,862	16,535,421
Restricted current assets:		
Cash and cash equivalents	16,335,799	17,429,143
Investments	2,364,000	5,410,000
Assets held in trust with NJ Environmental Infrastructure Trust	2,170,649	3,803,011
Accrued interest receivable	5,118	2,196
Total restricted current assets	20,875,566	26,644,350
Property and equipment, net	101,131,198	105,389,472
Other assets:		
Debt issue costs, net	1,413,593	1,335,227
Loss on defeasement, net	2,251,224	1,494,488
Bond discount, net	478,140	563,894
Total other assets	4,142,957	3,393,609
Total assets	144,196,583	151,962,852

BRICK TOWNSHIP MUNICIPAL UTILITIES AUTHORITY
Statements of Net Assets (continued)
March 31, 2012 and 2011

	2012	2011
LIABILITIES		
Unrestricted current liabilities:		
Accounts payable and accrued expenses	686,412	927,028
Accrued estimated litigation settlement	629,103	629,103
Deferred income	1,408,829	1,777,091
Total unrestricted current liabilities	2,724,344	3,333,222
Restricted current liabilities:		
Accounts payable	79,557	677,401
Bonds payable, current portion	7,322,602	7,011,295
Accrued interest payable	872,362	960,334
Deferred income	402,087	387,304
Developer escrow	186,101	219,888
Retainage payable	108,098	97,829
Total restricted current liabilities	8,970,807	9,354,051
Long-term liabilities:		
Bonds payable, net of current portion	59,274,224	65,846,825
Net OPEB obligation	35,292,400	29,367,531
Unamortized bond premium, net	2,064,747	2,135,019
Reserve for compensated absences	1,092,515	1,026,302
Total long-term liabilities	97,723,886	98,375,677
Total liabilities	109,419,037	111,062,950
NET ASSETS		
Investments in capital assets, net of related debt	36,612,582	33,789,942
Restricted and unrestricted net assets:		
Reserved for debt service	10,548,564	10,479,585
Reserved for renewal and replacement	500,000	500,000
Reserved for future construction	3,035,580	5,504,892
Unreserved	(15,919,180)	(9,374,517)
Total restricted and unrestricted net assets	(1,835,036)	7,109,960
Total net assets	\$ 34,777,546	\$ 40,899,902

BRICK TOWNSHIP MUNICIPAL UTILITIES AUTHORITY
Statements of Revenues, Expenses, and Changes in Net Assets
For the years ended March 31, 2012 and 2011

	2012	2011
Operating revenues:		
Operating revenue	\$ 33,490,915	\$ 33,533,223
Other fees	423,242	401,313
Interest on delinquent fees	165,905	151,617
Miscellaneous income	443,492	341,964
Total revenues	34,523,554	34,428,117
Operating expenses:		
Cost of providing service	16,545,735	16,688,823
General and administrative	7,810,425	7,482,323
Depreciation	6,799,357	6,838,793
Total operating expenses	31,155,517	31,009,939
Operating income	3,368,037	3,418,178
Non-operating revenues (expenses):		
Interest on investments	208,637	277,104
Interest expense	(2,616,418)	(3,252,859)
Grant revenue	67,998	394,799
Change in net OPEB obligation	(5,924,869)	(2,866,557)
Transfer to the Township of Brick	(1,000,000)	(1,000,000)
Loss on disposal of assets	(3,182)	(20,360)
Amortization of bond premium/discount	61,649	60,730
Reservoir sponsorship and scrap fund deposits	13,210	1,503
Amortization of debt issue cost	(132,761)	(130,316)
Amortization on loss on defeasement	(263,665)	(274,030)
Total non-operating expenses	(9,589,401)	(6,809,986)
Net income (loss)	(6,221,364)	(3,391,808)
Extraordinary gain	-	100,598
Extraordinary loss	-	(629,103)
Net loss after extraordinary items	(6,221,364)	(3,920,313)
Restricted and unrestricted net assets, April 1	7,109,960	16,523,363
Contributed capital	99,008	712,792
Net change in investments in capital assets, net of related debt	(2,822,640)	(6,205,882)
Restricted and unrestricted net assets, March 31	(1,835,036)	7,109,960
Investments in capital assets, net of related debt, April 1	33,789,942	27,584,060
Net decrease in capital assets	(4,258,274)	(2,831,203)
Decrease in related debt	7,080,914	9,037,085
Investments in capital assets, net of related debt, March 31	36,612,582	33,789,942
Total net assets, March 31	\$ 34,777,546	\$ 40,899,902

There were no recommendations for the year ended March 31, 2012.

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

This report of audit, submitted by Holman & Frenia, P.C., Certified Public Accountants, is on file at the office of the Brick Township Municipal Utilities Authority, 1551 Highway 88 West, Brick, New Jersey 08724 and may be inspected by any interested person.