

Synopsis of the audit report of the Brick Township Municipal Utilities Authority for the fiscal year ended March 31, 2008 as required by the N.J.S.A. 40A:5A-16.

BRICK TOWNSHIP MUNICIPAL UTILITIES AUTHORITY
Statements of Net Assets
March 31, 2008 and 2007

	2008	2007
ASSETS		
Unrestricted current assets:		
Cash and investments	\$ 13,444,345	\$ 11,795,958
Accounts receivable	2,766,467	2,789,945
Note receivable - current portion	3,162	2,983
Accrued interest receivable	53,690	25,208
Inventory	562,254	625,275
Prepaid expenses	175,170	189,240
Total unrestricted current assets	17,005,088	15,428,609
Restricted current assets:		
Cash and investments	33,979,917	34,404,273
Due from infrastructure trust	5,396,539	12,956,023
Accrued interest receivable	234,064	234,064
Total restricted current assets	39,610,520	47,594,360
Property and equipment, net	113,396,821	116,956,292
Other assets:		
Note receivable - long-term portion	6,905	10,067
Debt issue costs, net	1,668,708	1,796,412
Loss on defeasement, net	832,215	1,032,027
Bond discount, net	821,155	908,843
Total other assets	3,328,983	3,747,349
Total assets	173,341,412	183,726,610

BRICK TOWNSHIP MUNICIPAL UTILITIES AUTHORITY

Statements of Net Assets (continued)

March 31, 2008 and 2007

	2008	2007
LIABILITIES		
Unrestricted current liabilities:		
Accounts payable and accrued expenses	714,710	668,928
Deferred income	1,539,229	1,449,729
Total unrestricted current liabilities	<u>2,253,939</u>	<u>2,118,657</u>
Restricted current liabilities:		
Accounts payable	418,415	421,920
Bonds payable	6,174,768	5,931,119
Accrued interest payable	1,184,242	1,283,958
Deferred revenue	403,108	386,022
Developer escrow	344,666	353,575
Retainage payable	459,761	439,717
Total restricted current liabilities	<u>8,984,960</u>	<u>8,816,311</u>
Long-term liabilities:		
Bonds payable	84,453,797	97,436,884
Unamortized bond premium, net	2,564,339	2,710,424
Reserve for compensated absences	838,859	816,485
Total long-term liabilities	<u>87,856,995</u>	<u>100,963,793</u>
Total liabilities	<u>99,095,894</u>	<u>111,898,761</u>
NET ASSETS		
Investments in capital assets, net of related debt	22,768,256	13,588,288
Restricted and unrestricted net assets:		
Reserved for debt service	10,391,517	12,140,475
Reserved for renewal and replacement	500,000	500,000
Reserved for future construction	12,893,648	10,124,551
Unreserved	27,692,097	35,456,568
Total retained earnings	<u>51,477,262</u>	<u>58,221,594</u>
Total net assets	<u>\$ 74,245,518</u>	<u>\$ 71,809,882</u>
	74,245,518	71,827,849

BRICK TOWNSHIP MUNICIPAL UTILITIES AUTHORITY
Statements of Revenues, Expenses, and Changes in Net Assets
For the years ended March 31, 2008 and 2007

	2008	2007
Operating revenues:		
Operating revenue	30,507,947	30,820,164
Other fees	309,300	386,823
Interest on delinquent fees	110,754	101,372
Miscellaneous income	192,684	191,876
Total revenues	31,120,685	31,500,235
Operating expenses:		
Cost of providing service	15,042,386	14,069,983
General and administrative	6,729,802	5,999,400
Depreciation	6,367,704	6,319,577
Total operating expenses	28,139,892	26,388,960
Operating income	2,980,793	5,111,275
Non-operating revenues (expenses):		
Interest on investments	2,340,893	2,265,335
Interest expense	(3,920,235)	(4,557,218)
Loss on disposal of assets	(39,895)	(119,645)
Amortization of bond premium	-	1,482
Reservoir sponsorship and scrap fund deposits	46,360	10,722
Amortization of debt issue cost	(69,308)	(110,289)
Amortization on loss on refunding	(199,812)	(199,812)
Total non-operating expenses	(1,841,997)	(2,709,425)
Net income (loss)	1,138,796	2,401,850
Extraordinary gain	1,117,522	-
Net income after extraordinary gain	2,256,318	2,401,850
Restricted and unrestricted net assets, April 1	58,221,594	57,818,821
Contributed capital	179,318	390,295
Net increase in investments in capital assets, net of related debt	(9,179,967)	(2,389,372)
Restricted and unrestricted net assets, March 31	51,477,263	58,221,594
Investments in capital assets, net of related debt, April 1	13,588,288	11,198,916
Net decrease in capital assets	(3,559,471)	(3,467,441)
Decrease in related debt	12,739,438	5,856,813
Investments in capital assets, net of related debt, March 31	22,768,255	13,588,288
Total net assets, March 31	\$ 74,245,518	\$ 71,809,882

For the year ended March 31, 2008 there were no recommendations submitted.

The above synopsis was prepared from the report of the audit of the Brick Township Municipal Utilities Authority as of March 31, 2008.

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.