

# NORTH PENN WATER AUTHORITY

Statements of Net Assets - December 31, 2008 and 2007

<b>Assets</b>	<b>2008</b>	<b>2007</b>
<b>Current Assets:</b>		
Cash and cash equivalents	\$9,521,585	\$11,544,490
Accounts receivable - customers	1,454,372	1,487,402
Accounts receivable - PECO Energy Company	1,429,676	1,194,605
Accounts receivable - other	161,241	222,449
Assessments - current portion	14,079	4,546
Unbilled revenues	1,545,149	1,631,409
Materials inventory	682,420	669,469
Interest receivable	8,222	22,493
Other	76,935	64,464
<b>Total Current Assets</b>	<b>14,893,679</b>	<b>16,841,327</b>
<b>Restricted Assets:</b>		
Cash and cash equivalents	5,423,970	16,345
Investments at fair value	14,260,358	21,547,498
Prepaid pension asset	1,701,497	1,920,543
Interest receivable	128,383	204,100
<b>Total Restricted Assets</b>	<b>21,514,208</b>	<b>23,688,486</b>
<b>Utility Plant:</b>		
Property, plant and equipment, net	76,901,399	70,013,872
Investment in Forest Park Water, net	54,115,125	56,430,397
<b>Total Utility Plant</b>	<b>131,016,524</b>	<b>126,444,269</b>
<b>Other Assets:</b>		
Other assets - assessments receivable (non-current portion)	36,276	15,486
Unamortized debt cost and discount, net	2,861,064	2,133,747
<b>Total Other Assets</b>	<b>2,897,340</b>	<b>2,149,233</b>
<b>Total Assets</b>	<b>\$170,321,751</b>	<b>\$169,123,315</b>
<b>Liabilities and Net Assets</b>		
<b>Current Liabilities:</b>		
Accounts payable	\$565,985	\$864,355
Main extension deposits	2,152,380	2,964,504
Other	668,014	554,535
Current liabilities payable from restricted assets:		
Accrued interest on bonds	309,491	275,084
Current portion of bonds payable	2,235,000	2,140,000
Deferred cost of refunded bonds	(149,787)	(149,787)
<b>Total Current Liabilities</b>	<b>5,781,083</b>	<b>6,648,691</b>
<b>Deferred Credits and Other Liabilities:</b>		
Long-term debt - bonds payable	56,930,000	59,165,000
Deferred cost of refunded bonds	(1,997,387)	(2,147,173)
Deferred pension credit	1,701,497	1,920,543
<b>Total Deferred Credits and Other Liabilities</b>	<b>56,634,110</b>	<b>58,938,370</b>
<b>Total Liabilities</b>	<b>62,415,193</b>	<b>65,587,061</b>
<b>Net Assets:</b>		
Invested in capital assets, net of related debt	99,371,944	95,426,583
Restricted assets	6,489,519	6,489,519
Unrestricted assets	2,045,095	1,620,152
<b>Total Net Assets</b>	<b>107,906,558</b>	<b>103,536,254</b>
<b>Total Liabilities and Net Assets</b>	<b>\$170,321,751</b>	<b>\$169,123,315</b>

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Statement of Revenue, Expenses and Changes in Net Assets • Years Ended December 31, 2008 and 2007

<b>Operating revenues:</b>	<b>2008</b>	<b>2007</b>
Metered sales	\$13,279,990	\$13,268,025
Unmetered sales	401,278	398,143
Other	50,667	55,813
<b>Total Operating Revenues</b>	<b><u>13,731,935</u></b>	<b><u>13,721,981</u></b>
<b>Operating Expenses:</b>		
Water collection system	2,388,847	2,395,038
Purification system	30,188	28,099
Laboratory costs	378,864	338,704
Pumping system	616,445	582,955
Metering and customer service	323,232	303,072
Distribution system	1,060,608	1,042,140
Landscape maintenance	100,177	110,898
Administration and engineering	1,654,922	1,524,373
General expenses	2,336,931	2,187,312
<b>Total Operating Expenses</b>	<b><u>8,890,214</u></b>	<b><u>8,512,591</u></b>
<b>Operating Income</b>	<b><u>4,841,721</u></b>	<b><u>5,209,390</u></b>
<b>Non-operating Income</b>	<b><u>8,572,682</u></b>	<b><u>5,014,348</u></b>
<b>Income before debt service costs and depreciation and amortization</b>	<b><u>13,414,403</u></b>	<b><u>10,223,738</u></b>
<b>Debt Service Costs:</b>		
Interest on bonds	3,647,969	2,910,758
Amortization of debt costs	160,308	124,392
<b>Total Debt Service Costs</b>	<b><u>3,808,277</u></b>	<b><u>3,035,150</u></b>
<b>Income exclusive of depreciation and amortization</b>	<b><u>9,606,126</u></b>	<b><u>7,188,588</u></b>
<b>Depreciation and Amortization:</b>		
Property, plant and equipment	2,846,937	2,748,304
Forest Park Water	2,388,885	1,735,314
<b>Total Depreciation and Amortization</b>	<b><u>5,235,822</u></b>	<b><u>4,483,618</u></b>
<b>Change in Net Assets</b>	<b><u>4,370,304</u></b>	<b><u>2,704,970</u></b>
<b>Net Assets, Beginning of Year</b>	<b><u>103,536,254</u></b>	<b><u>100,831,284</u></b>
<b>Net Assets, End of Year</b>	<b><u>\$107,906,558</u></b>	<b><u>\$103,536,254</u></b>