



# FORD - SCOTT

& ASSOCIATES, L.L.C.

CERTIFIED PUBLIC ACCOUNTANTS

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## INDEPENDENT AUDITOR'S REPORT

To the Honorable Mayor and  
Members of the City Council  
City of Absecon  
County of Atlantic, New Jersey

We have audited the accompanying balance sheets – statutory basis of the various funds and account groups of the City of Absecon, State of New Jersey (the “City”), as of December 31, 2009 and 2008 and the related statements of operations and changes in fund balance – statutory basis for the years then ended and the related statement of revenues – statutory basis and statement of expenditures – statutory basis for the year ended December 31, 2009, as listed in the accompanying table of contents. These financial statements – statutory basis are the responsibility of the City’s management. Our responsibility is to express opinions on these financial statements based on our audits.

We conducted our audits in accordance with auditing standards generally accepted in the United States of America, and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States and the audit requirements prescribed by the Division of Local Government Services, Department of Community Affairs, State of New Jersey (the “Division”). Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation. We believe that our audits provide a reasonable basis for our opinions.

As described in Note 1, the City, prepares its financial statements on a basis of accounting prescribed by the Division that demonstrates compliance with a modified accrual basis, with certain exceptions, and the budget laws of the State of New Jersey, which is a comprehensive basis of accounting other than accounting principles generally accepted in the United States of America. The effects on the financial statements of the variances between these statutory accounting practices and accounting principles generally accepted in the United States of America, although not reasonably determinable, are presumed to be material.


In our opinion, because of the City’s policy to prepare its financial statements on the prescribed basis of accounting discussed in the preceding paragraph, the financial statements referred to above do not present fairly, in conformity with accounting principles generally accepted in the United States of America, the financial position of the various funds and account groups of the City, as of December 31, 2009 and 2008 and the results of operations and changes in fund balance of such funds for the years then ended, and the statement of revenues and statement of expenditures of the various funds for the year ended December 31, 2009.

In our opinion, the financial statements referred to above present fairly, in all material respects, the financial position of the City, as of December 31, 2009 and 2008 and the results of operations and changes in fund balances of such funds for the years then ended and the statement of revenues and statement of expenditures of the various funds for the year ended December 31, 2009 on the basis of accounting described in Note 1.

In accordance with *Government Auditing Standards*, we have also issued a report dated May 24, 2010 on our consideration of the City's internal control structure over financial reporting and our tests of its compliance with certain provisions of laws, regulations, contracts and grant agreements and other matters. The purpose of that report is to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on the internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* and should be considered in assessing the results of our audits.

Our audits were conducted for the purpose of forming an opinion on the financial statements taken as a whole. The supplemental schedules as listed in the table of contents have been subjected to the auditing procedures applied to the audit of the financial statements and, in our opinion, are fairly stated, in all material respects, in relation to the financial statements taken as a whole.

*Ford, Scott & Associates, L.L.C.*  
**FORD, SCOTT & ASSOCIATES, L.L.C.**  
**CERTIFIED PUBLIC ACCOUNTANTS**



**Leon P. Costello**  
**Certified Public Accountant**  
**Registered Municipal Accountant**  
**No. 393**

**May 24, 2010**

**EXHIBIT - A  
CURRENT FUND**

**CITY OF ABSECON**  
**CURRENT FUND**  
**COMPARATIVE BALANCE SHEET - STATUTORY BASIS**

	<u>Ref.</u>	<u>Balance Dec. 31, 2009</u>		<u>Balance Dec. 31, 2008</u>
<b><u>Assets</u></b>				
Regular Fund:				
Cash:				
Treasurer	A-4	\$ 3,886,752.47	\$	4,167,468.66
Change and Petty Cash Funds		450.00		450.00
Due from State of New Jersey (c.73, P.L. 1976)		5,204.65		4,408.44
		<u>3,892,407.12</u>		<u>4,172,327.10</u>
Receivables and Other Assets with				
Full Reserves:				
Delinquent Property Taxes Receivable	A-7	734,908.61		477,810.06
Tax Title Liens Receivable	A-8	8,034.60		10,336.57
Property Acquired/Assessed Valuation		416,200.00		416,200.00
Revenue Accounts Receivable	A-9	6,705.48		6,617.81
Police Detail Receivable		231.00		3,252.00
Interfunds:				
Due from State & Federal Grant Fund		75,945.22		147,940.44
Due from Animal Control Fund		686.60		180.20
		<u>1,242,711.51</u>		<u>1,062,337.08</u>
Deferred Charges:				
Special Emergency Authorization		106,000.00		159,000.00
		<u>106,000.00</u>		<u>159,000.00</u>
		<u>5,241,118.63</u>		<u>5,393,664.18</u>
Federal and State Grant Fund:				
Grant Receivables	A-11	1,428,248.63		300,649.43
		<u>1,428,248.63</u>		<u>300,649.43</u>
		<u>\$ 6,669,367.26</u>	\$	<u>5,694,313.61</u>

**CITY OF ABSECON**  
**CURRENT FUND**  
**COMPARATIVE BALANCE SHEET - STATUTORY BASIS**

	<u>Ref.</u>	<u>Balance</u> <u>Dec. 31, 2009</u>		<u>Balance</u> <u>Dec. 31, 2008</u>
<u>Liabilities, Reserves and Fund Balance</u>				
Regular Fund:				
Liabilities:				
Appropriation Reserves	A-3:A-10	\$ 485,949.97	\$	734,832.85
Encumbrances Payable	A-3	294,541.31		269,466.85
Prepaid Taxes		212,223.17		151,725.50
Tax Overpayments		1.23		315.20
Due to County for Added and Omitted Taxes		9,184.82		-
Local School Tax Payable		2,256,956.63		2,181,315.11
Due to State - DCA Fees		783.00		822.00
Due to State - Vital Statistics		225.00		235.00
Reserves:				
Sales of Municipal Land		-		150,000.00
Land Sale Deposits		-		28,000.00
		<u>3,259,865.13</u>		<u>3,516,712.51</u>
Reserve for Receivables		1,242,711.51		1,062,337.08
Fund Balance	A-1	738,541.99		814,614.59
		<u>5,241,118.63</u>		<u>5,393,664.18</u>
Federal and State Grant Fund:				
Due to Current Fund		75,945.22		147,940.44
Reserve for Grants:				
Appropriated	A-13	1,199,175.73		63,388.47
Unappropriated	A-12	24,365.58		6,949.43
Encumbrances Payable	A-13	128,762.10		82,371.09
		<u>1,428,248.63</u>		<u>300,649.43</u>
		<u>\$ 6,669,367.26</u>	\$	<u>\$ 5,694,313.61</u>

**CITY OF ABSECON**  
**CURRENT FUND**  
**COMPARATIVE STATEMENT OF OPERATIONS AND CHANGE IN FUND BALANCE**  
**STATUTORY BASIS**

	<u>Ref.</u>	<u>Year 2009</u>	<u>Year 2008</u>
<u>Revenue and Other Income Realized</u>			
Fund Balance Utilized	\$	524,000.00	\$ 1,046,900.00
Miscellaneous Revenue Anticipated		4,475,437.07	2,175,957.16
Receipts from Delinquent Taxes		482,603.35	311,975.83
Receipts from Current Taxes		18,890,883.22	18,578,709.39
Non-Budget Revenue		20,794.56	31,997.21
Other Credits to Income:			
Unexpended Balance of Appropriation Reserves		604,770.46	394,144.50
Grants Appropriated Cancelled		12,638.32	-
Interfund Returned		151,372.64	178,829.77
Total Income		<u>25,162,499.62</u>	<u>22,718,513.86</u>
 <u>Expenditures</u>			
Budget and Emergency Appropriations:			
Appropriations Within "CAP"			
Operations:			
Salaries and Wages		3,613,400.00	3,602,200.00
Other Expenses		3,289,547.00	3,473,366.00
Deferred Charges & Statutory Expenditures		868,610.00	305,964.00
Appropriations Excluded from "CAP"			
Operations:			
Salaries and Wages		44,111.35	35,765.15
Other Expenses		2,732,439.67	995,865.44
Capital Improvements		183,500.00	358,600.00
Municipal Debt Service		995,862.74	1,055,642.57
Deferred Charges		53,000.00	53,000.00
County Taxes		2,661,663.13	2,545,441.55
Due County for Added and Omitted Taxes		9,184.82	13,073.64
Local District School Tax		10,166,985.00	10,015,702.00
Senior Citizen Deduction Disallowed		250.00	250.00
Interfund Created		76,631.82	148,120.64
Grants Receivable Cancelled		19,386.69	-
		<u>24,714,572.22</u>	<u>22,602,990.99</u>

**CITY OF ABSECON**  
**CURRENT FUND**  
**COMPARATIVE STATEMENT OF OPERATIONS AND CHANGE IN FUND BALANCE**  
**STATUTORY BASIS**

	<u>Ref.</u>	<u>Year 2009</u>		<u>Year 2008</u>
Excess in Revenues	\$	<u>447,927.40</u>	\$	<u>115,522.87</u>
Adjustments to Income before Fund Balance:				
Expenditures Included Above Which are by				
Statute Deferred Charges to Budget of				
Succeeding Year		-		-
Statutory Excess of Fund Balance		<u>447,927.40</u>		<u>115,522.87</u>
Fund Balance January 1		<u>814,614.59</u>		<u>1,745,991.72</u>
		<u>1,262,541.99</u>		<u>1,861,514.59</u>
Decreased by:				
Utilization as Anticipated Revenue		<u>524,000.00</u>		<u>1,046,900.00</u>
Fund Balance December 31	\$	<u><u>738,541.99</u></u>	\$	<u><u>814,614.59</u></u>

**CITY OF ABSECON  
CURRENT FUND  
STATEMENT OF REVENUES - STATUTORY BASIS**

	Anticipated		Realized	Excess or (Deficit)
	Budget	N.J.S. 40A:4-87		
Ref.	\$	\$	\$	\$
Fund Balance Anticipated			524,000.00	-
<u>Miscellaneous Revenues:</u>				
Licenses:				
Alcoholic Beverages	8,700.00		12,651.94	3,951.94
Other	12,700.00		11,876.00	(824.00)
Uniform Construction Code Fees	65,000.00		81,036.00	16,036.00
Fees and Permits	61,000.00		54,691.83	(6,308.17)
Fines and Costs - Municipal Court	118,000.00		95,981.89	(22,018.11)
Interest and Costs on Taxes	80,000.00		55,482.30	(24,517.70)
Interest on Investments	40,000.00		37,843.49	(2,156.51)
Consolidated Municipal Property Tax	74,022.00		74,021.93	(0.07)
Energy Receipts Tax	874,393.00		874,393.02	0.02
Library Funds Returned to Taxpayer	100,000.00		100,000.00	-
Reserve for Garden State Preservation Trust Fund	3,443.00		3,069.38	(373.62)
Occupancy Tax	220,000.00		236,810.79	16,810.79
Cable-Franchise Fee	31,477.68		31,477.68	-
Communications Tower Rental	60,000.00		79,646.93	19,646.93
Elevator Inspections	4,500.00		3,458.00	(1,042.00)
Watershed Moratorium Offset	3,337.00		3,337.00	-
Land Sale	150,000.00		150,000.00	-
Uniform Fire Safety Act	10,021.00		11,786.12	1,765.12
Special Items:				
Public and Private Revenues Offset With Appropriations:				
N.J. Transportation Trust Fund Authority Act	160,000.00		160,000.00	-
Atlantic County-NJ Avenue Improvements		1,520,022.00	1,520,022.00	-
NJ Safe Streets to Transit	275,000.00		275,000.00	-
Emergency Management Assistance Program	5,000.00		5,000.00	-
Drunk Driving Enforcement Fund	5,722.52		5,722.52	-
Clean Communities Grant	12,020.51	1,787.07	13,807.58	-

See Accompanying Notes to Financial Statements - Statutory Basis



**CITY OF ABSECON  
CURRENT FUND  
STATEMENT OF REVENUES - STATUTORY BASIS**

Ref.	Anticipated		Realized	Excess or (Deficit)
	Budget	N.J.S. 40A:4-87		
	\$	\$	\$	
COPS In Shops		1,200.00	1,200.00	-
Body Armor	2,528.19		2,528.19	-
Recycling Tonnage	5,751.48		5,751.48	-
COPS in Shops - College/Fall 08-09		3,200.00	3,200.00	-
Justice Assistance Grant		21,936.00	21,936.00	
Transportation Enhancement Grant		529,000.00	529,000.00	
Municipal Alliance on Alcoholism and Drug Abuse	14,705.00		14,705.00	
	<u>2,921,321.38</u>	<u>2,077,145.07</u>	<u>4,999,437.07</u>	<u>970.62</u>
Receipts from Delinquent Taxes	<u>462,000.00</u>		<u>482,603.35</u>	<u>20,603.35</u>
Subtotal General Revenues	3,383,321.38	2,077,145.07	5,482,040.42	21,573.97
Amount to be Raised by Taxes for Support to Municipal Budget - Local Tax for Municipal Purposes	6,808,693.11	-	6,521,738.90	(286,954.21)
Budget Totals	<u>10,192,014.49</u>	<u>2,077,145.07</u>	<u>12,003,779.32</u>	<u>(265,380.24)</u>
Nonbudget Revenues	<u>10,192,014.49</u>	<u>2,077,145.07</u>	<u>20,794.56</u>	<u>20,794.56</u>
	\$	\$	\$	\$
	<u>10,192,014.49</u>	<u>2,077,145.07</u>	<u>12,024,573.88</u>	<u>(244,585.68)</u>

See Accompanying Notes to Financial Statements - Statutory Basis

**CITY OF ABSECON**  
**CURRENT FUND**  
**STATEMENT OF REVENUES - STATUTORY BASIS**

Ref.

Analysis of Realized Revenues

Allocation of Current Tax Collections:

Revenues from Collections	\$	18,890,883.22
Allocated to:		
School, County and Other Taxes		<u>12,837,832.95</u>
Balance for Support of Municipal Budget Appropriations		6,053,050.27
Add: Appropriation		
"Reserve for Uncollected Taxes"		<u>468,688.63</u>
 Amount for Support of Municipal Budget Appropriations	 \$	 <u><u>6,521,738.90</u></u>

Receipts from Delinquent Taxes:

Delinquent Tax Collections	\$	478,015.76
Tax Title Lien Collections		<u>4,587.59</u>
	\$	<u><u>482,603.35</u></u>

Interest on Investments and Deposits

	\$	<u><u>37,843.49</u></u>
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**CITY OF ABSECON**  
**CURRENT FUND**  
**STATEMENT OF REVENUES - STATUTORY BASIS**

Analysis of Non-Budget Revenues:

Miscellaneous Revenue Not Anticipated:

	\$			
Senior Citizen and Veterans Administrative Fee		2,667.27		
Reimbursements		4,465.80		
Detail Administration Fees		4,901.27		
Statutory Excess-Animal Control Fund		686.60		
Property Damage		857.00		
Cancelled Checks		355.21		
Miscellaneous		2,708.91		
Inspection fines		500.00		
Recycling		453.60		
Utility Refunds		2,123.90		
Ceremony Fees		575.00		
In Lieu of Taxes		500.00		
		20,794.56	\$	20,794.56
Total Miscellaneous Revenue Not Anticipated			\$	20,794.56
Due from Trust Fund			\$	686.60
Cash Receipts	A-4			20,107.96
			\$	20,794.56

**CITY OF ABSECON  
CURRENT FUND  
STATEMENT OF EXPENDITURES - STATUTORY BASIS**

	Appropriations		Paid or Charged	Expended		Reserved	(Overexpended) Unexpended Balance Cancelled
	Budget	Budget After Modification		Encumbered	Reserved		
<b>OPERATIONS WITHIN "CAPS"</b>							
<b>GENERAL GOVERNMENT:</b>							
General Administration	\$ 87,000.00	\$ 87,000.00	\$ 85,211.26	\$ -	\$ 1,788.74	\$ -	
Salaries and Wages	10,000.00	10,000.00	1,189.50	3,492.50	5,318.00		
Other Expenses							
Mayor and Council	81,500.00	81,500.00	80,803.40	50.00	646.60		
Salaries and Wages	4,100.00	4,100.00	3,274.73	-	825.27		
Other Expenses							
Municipal Clerk	80,000.00	80,000.00	71,536.14	-	8,463.86		
Salaries and Wages	36,000.00	36,000.00	22,656.28	679.61	12,664.11		
Other Expenses							
Elections	6,000.00	6,000.00	5,038.49	-	961.51		
Other Expenses							
Financial Administration	84,000.00	84,000.00	83,178.74	-	821.26		
Salaries and Wages	12,800.00	12,800.00	1,509.11	4,202.64	7,088.25		
Other Expenses							
Audit Services	22,600.00	22,600.00	22,600.00	-	-		
Annual Audit							
Collection of Taxes	106,000.00	106,200.00	106,161.97	-	38.03		
Salaries and Wages	5,000.00	5,000.00	3,504.17	30.00	1,465.83		
Other Expenses							
Assessment of Taxes	75,000.00	75,000.00	74,285.35	-	714.65		
Salaries and Wages	9,000.00	9,000.00	7,129.16	1,001.75	869.09		
Other Expenses							
Legal Services	100,000.00	100,000.00	93,761.72	3,432.05	2,806.23		
Other Expenses							
Engineering Services and Costs	85,000.00	85,000.00	77,326.27	3,216.50	4,457.23		
Other Expenses							
Information Technology	16,800.00	15,600.00	8,735.45	189.00	6,675.55		
Other Expenses							
Municipal Prosecutor	12,500.00	12,500.00	12,500.00	-	-		
Other Expenses							
<b>LAND USE ADMINISTRATION:</b>							
Planning Board	22,000.00	22,000.00	20,931.26	-	1,068.74		
Salaries and Wages	4,200.00	4,200.00	1,738.42	125.00	2,336.58		
Other Expenses							
Zoning Board of Adjustment	2,200.00	2,200.00	1,017.38	-	1,182.62		
Other Expenses							
Public Defender	3,600.00	3,600.00	3,600.00	-	-		
Other Expenses							
Municipal Court	99,000.00	99,600.00	99,369.10	-	230.90		
Salaries and Wages	7,200.00	7,200.00	2,509.20	1,230.00	3,460.80		
Other Expenses							

See Accompanying Notes to Financial Statements - Statutory Basis

**CITY OF ABSECON  
CURRENT FUND  
STATEMENT OF EXPENDITURES - STATUTORY BASIS**

	Appropriations		Paid or Charged	Expended		(Overexpended) Unexpended Balance Cancelled
	Budget	Budget After Modification		Encumbered	Reserved	
<b>PUBLIC SAFETY:</b>						
Fire Department	\$ 75,000.00	\$ 75,000.00	\$ 73,221.38	\$ 1,429.05	\$ 349.57	\$ -
Other Expenses	75,000.00	75,300.00	69,006.59	6,266.96	26.45	-
Fire Hydrant Service						
Police	2,313,000.00	2,313,000.00	2,196,800.31	30,222.62	85,977.07	-
Salaries and Wages	194,000.00	194,000.00	124,642.91	17,942.61	51,414.48	-
Other Expenses						
Police Dispatch	185,000.00	185,000.00	182,283.54	-	2,716.46	-
Salaries and Wages	38,000.00	38,000.00	17,895.27	5,231.75	14,872.98	-
Other Expenses						
<b>PUBLIC WORKS:</b>						
Public Works Department						
Salaries and Wages	300,000.00	300,000.00	300,000.00	-	-	-
Other Expenses	85,000.00	85,000.00	70,932.44	14,058.92	8.64	-
Street Lighting	140,000.00	140,000.00	121,554.90	11,719.77	6,725.33	-
Maintenance of Motor Vehicles						
Other Expenses	70,000.00	70,000.00	49,012.28	14,121.49	6,866.23	-
Sanitation and Trash Removal						
Contractual	125,000.00	125,000.00	113,530.94	10,371.38	1,097.68	-
Tippings Fees	525,000.00	525,000.00	474,273.57	43,000.00	7,726.43	-
Clean Communities						
Salaries and Wages	12,000.00	12,000.00	6,173.81	-	5,826.19	-
Recycling Program						
Salaries and Wages	13,000.00	13,000.00	6,538.44	-	6,461.56	-
Other Expenses	3,000.00	3,000.00	2,588.81	-	411.19	-
<b>HEALTH AND WELFARE:</b>						
Animal Control						
Other Expenses	8,400.00	8,400.00	8,400.00	-	-	-
Ambulance Service - Contractual	70,500.00	70,500.00	70,496.00	-	4.00	-
<b>RECREATION AND EDUCATION:</b>						
Recreation						
Other Expenses	31,500.00	31,500.00	16,594.50	-	14,905.50	-
Shade Tree Commission						
Other Expenses	11,480.00	11,480.00	467.51	-	11,012.49	-
Public Events						
Other Expenses	61,000.00	61,000.00	45,025.49	5,348.26	10,626.25	-
Insurance						
General Liability	140,000.00	140,000.00	139,931.00	-	69.00	-
Workers' Compensation Insurance	241,167.00	241,167.00	241,167.00	-	-	-
Employee Group Health	650,000.00	650,000.00	520,574.86	86,960.01	42,465.13	-
Uniform Fire Safety Act						
Salaries and Wages	13,000.00	13,000.00	12,949.84	-	50.16	-
Other Expenses	2,300.00	2,300.00	861.00	1,050.00	389.00	-

See Accompanying Notes to Financial Statements - Statutory Basis

**CITY OF ABSECON  
CURRENT FUND  
STATEMENT OF EXPENDITURES - STATUTORY BASIS**

	Appropriations		Paid or Charged	Expended		(Overexpended) Unexpended Balance Cancelled
	Budget	Budget After Modification		Encumbered	Reserved	
<b>UNIFORM CONSTRUCTION CODE:</b>						
Appropriations Offset by Dedicated Revenues						
Construction Code Official	\$ 129,000.00	\$ 129,000.00	\$ 127,426.93	\$ -	\$ 1,573.07	\$ -
Salaries and Wages	9,700.00	9,700.00	3,669.01		6,030.99	
Other Expenses	4,500.00	4,500.00	212.00	212.00	4,076.00	
Elevator Inspections						
<b>UNCLASSIFIED:</b>						
<b>UTILITY EXPENSES AND BULK PURCHASES:</b>						
Electric	115,000.00	115,000.00	99,815.63	8,177.64	7,006.73	
Water	16,000.00	16,000.00	9,668.23		6,331.77	
Telephone	82,000.00	82,000.00	75,927.12	1,888.78	4,184.10	
Gas	35,000.00	35,000.00	25,652.24	2,960.70	6,387.06	
Gasoline	90,000.00	90,000.00	41,764.57	12,997.23	35,238.20	
Salary Adjustment	10,000.00	10,000.00	579.03	-	9,420.97	
Office Supplies	56,000.00	56,000.00	36,452.68	598.11	18,949.21	
CONTINGENT	2,000.00	2,000.00	297.85		1,702.15	
<b>TOTAL OPERATIONS INCLUDING CONTINGENT WITHIN "CAPS"</b>	<b>6,903,047.00</b>	<b>6,902,947.00</b>	<b>6,175,954.78</b>	<b>292,206.33</b>	<b>434,785.89</b>	<b>-</b>
Detail:						
Salaries and Wages	3,609,500.00	3,613,400.00	3,457,379.28	30,272.62	125,748.10	-
Other Expenses (including Contingent)	3,293,547.00	3,289,547.00	2,718,575.50	292,206.33	309,037.79	-
<b>DEFERRED CHARGES AND STATUTORY EXPENDITURES - MUNICIPAL WITHIN "CAPS"</b>						
Deferred Charges						
Statutory Expenditures:						
Contributions to:						
Public Employees' Retirement System	13,067.00	13,067.00	13,067.00		-	
Social Security System (O.A.S.I.)	277,000.00	277,000.00	268,858.82	2,334.98	5,806.20	
Unemployment Compensation Insurance	9,000.00	9,000.00	8,670.13		329.87	
Police and Firemen's Retirement System	437,046.00	437,046.00	437,046.00		-	
Public Employees' Retirement System	132,047.00	132,047.00	132,047.00		-	
DCRP	350.00	450.00	421.99		28.01	
<b>TOTAL DEFERRED CHARGES AND STATUTORY EXPENDITURES - MUNICIPAL WITHIN "CAPS"</b>	<b>868,510.00</b>	<b>868,610.00</b>	<b>860,110.94</b>	<b>2,334.98</b>	<b>6,164.08</b>	<b>-</b>
<b>TOTAL GENERAL APPROPRIATIONS FOR MUNICIPAL PURPOSES WITHIN "CAPS"</b>	<b>7,771,557.00</b>	<b>7,771,557.00</b>	<b>7,036,065.72</b>	<b>294,541.31</b>	<b>440,949.97</b>	<b>-</b>

See Accompanying Notes to Financial Statements - Statutory Basis

**CITY OF ABSECON  
CURRENT FUND  
STATEMENT OF EXPENDITURES - STATUTORY BASIS**

	Appropriations		Paid or Charged	Expended		(Overexpended) Unexpended Balance Cancelled
	Budget	Budget After Modification		Encumbered	Reserved	
<b>OPERATIONS EXCLUDED FROM "CAPS"</b>						
LOSAP						
Aid to Library (N.J.S.A. 40:54-35)	\$ 45,000.00	\$ 45,000.00	\$ 330,002.00	\$ -	\$ 45,000.00	\$ -
	330,002.00	330,002.00	330,002.00	-	45,000.00	-
<b>TOTAL OPERATIONS-EXCLUDED FROM "CAPS"</b>	<b>375,002.00</b>	<b>375,002.00</b>	<b>330,002.00</b>	<b>-</b>	<b>45,000.00</b>	<b>-</b>
<b>PUBLIC AND PRIVATE PROGRAMS OFFSET</b>						
<b>BY REVENUES</b>						
Drunk Driving Enforcement Fund	5,722.52	5,722.52	5,722.52	-	-	-
NJ Safe Streets to Transit	275,000.00	275,000.00	275,000.00	-	-	-
Municipal Alliance on Alcoholism and Drug Abuse County Share	14,705.00	14,705.00	14,705.00	-	-	-
Local Share	3,676.25	3,676.25	3,676.25	-	-	-
Atlantic County- Open Space (40A-4-87, \$1,520,022+)			1,520,022.00	-	-	-
Cops in Shops-College/Fall (40A:4-87, \$3,200+)			3,200.00	-	-	-
Body Armor Grant	2,528.19	2,528.19	2,528.19	-	-	-
Cops in Shops (40A-4-87, \$1,200+)			1,200.00	-	-	-
Emergency Management Assistance Act	5,000.00	5,000.00	5,000.00	-	-	-
Clean Communities (40A-4-87, \$1,787.07+)	12,020.51	13,807.58	13,807.58	-	-	-
Recycling Tonnage Grant	5,751.48	5,751.48	5,751.48	-	-	-
Justice Assistance Grant (40A-4-87, \$21,936.00+)			21,936.00	-	-	-
Transportation Enhancement Grant (40A-4-87, \$529,000.00+)			529,000.00	-	-	-
	<b>324,403.95</b>	<b>2,401,549.02</b>	<b>2,401,549.02</b>	<b>-</b>	<b>45,000.00</b>	<b>-</b>
<b>TOTAL PUBLIC AND PRIVATE PROGRAMS OFFSET</b>						
<b>BY REVENUES</b>	<b>699,405.95</b>	<b>2,776,551.02</b>	<b>2,731,551.02</b>	<b>-</b>	<b>45,000.00</b>	<b>-</b>
<b>TOTAL OPERATIONS - EXCLUDED FROM "CAPS"</b>						
Detail						
Salaries and Wages	41,124.28	44,111.35	44,111.35	-	-	-
Other Expenses	658,281.67	2,732,439.67	2,687,439.67	-	45,000.00	-

See Accompanying Notes to Financial Statements - Statutory Basis

**CITY OF ABSECON  
CURRENT FUND  
STATEMENT OF EXPENDITURES - STATUTORY BASIS**

	Appropriations		Paid or Charged	Expended		(Overexpended) Unexpended Balance Cancelled
	Budget	Budget After Modification		Encumbered	Reserved	
<b>CAPITAL IMPROVEMENTS - EXCLUDED FROM "CAPS"</b>						
Capital Improvement Fund	\$ -	\$ -	\$ -	\$ -	\$ -	
Well & Irrigation	23,500.00	23,500.00	23,500.00	-	-	10,000.00
HVAC System	10,000.00	10,000.00	-	-	-	10,000.00
NJ Ave Irrigation	10,000.00	10,000.00	-	-	-	
NJ Transportation Trust Fund Authority Act	160,000.00	160,000.00	160,000.00	-	-	
<b>TOTAL CAPITAL IMPROVEMENTS - EXCLUDED FROM "CAPS"</b>	<b>203,500.00</b>	<b>203,500.00</b>	<b>183,500.00</b>	<b>-</b>	<b>-</b>	<b>20,000.00</b>
<b>MUNICIPAL DEBT SERVICE - EXCLUDED FROM "CAPS"</b>						
Payment of Bond Principal	745,000.00	745,000.00	745,000.00	-	-	0.17
Interest on Bonds	245,746.00	245,746.00	245,745.83	-	-	
Loan Repayments for Principal and Interest	5,116.91	5,116.91	5,116.91	-	-	
<b>TOTAL MUNICIPAL DEBT SERVICE - EXCLUDED FROM "CAPS"</b>	<b>995,862.91</b>	<b>995,862.91</b>	<b>995,862.74</b>	<b>-</b>	<b>-</b>	<b>0.17</b>
<b>DEFERRED CHARGES - MUNICIPAL - EXCLUDED FROM "CAPS"</b>						
Special Emergency Authorizations- 5 Years(NJS 40A:4-55)	53,000.00	53,000.00	53,000.00	-	-	
<b>TOTAL DEFERRED CHARGES - MUNICIPAL - EXCLUDED FROM "CAPS"</b>	<b>53,000.00</b>	<b>53,000.00</b>	<b>53,000.00</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>TOTAL GENERAL APPROPRIATIONS FOR MUNICIPAL PURPOSES EXCLUDED FROM "CAPS"</b>	<b>1,951,768.86</b>	<b>4,028,913.93</b>	<b>3,963,913.76</b>	<b>-</b>	<b>45,000.00</b>	<b>20,000.17</b>

See Accompanying Notes to Financial Statements - Statutory Basis



**CITY OF ABSECON  
CURRENT FUND  
STATEMENT OF EXPENDITURES - STATUTORY BASIS**

	Appropriations		Paid or Charged	Expended		(Overexpended) Unexpended Balance Cancelled
	Budget	Budget After Modification		Encumbered	Reserved	
<b>TOTAL GENERAL APPROPRIATIONS EXCLUDED FROM "CAPS"</b>	\$ 1,951,768.86	\$ 4,028,913.93	\$ 3,963,913.76	\$ -	\$ 45,000.00	\$ 20,000.17
<b>SUBTOTAL GENERAL APPROPRIATIONS</b>	9,723,325.86	11,800,470.93	10,999,979.48	294,541.31	485,949.97	20,000.17
Reserve for Uncollected Taxes	468,688.63	468,688.63	468,688.63			
<b>TOTAL GENERAL APPROPRIATIONS</b>	\$ 10,192,014.49	\$ 12,269,159.56	\$ 11,468,668.11	\$ 294,541.31	\$ 485,949.97	\$ 20,000.17
Original Adopted Budget	\$	\$ 10,192,014.49				
Added Appropriations N.J.S.A. 40A:4-87		2,077,145.07				
		\$ 12,269,159.56				
Cash Disbursements		\$	\$ 8,385,430.46			
Federal & State Grant Fund			2,561,549.02			
Reserve for Uncollected Taxes			468,688.63			
Special Emergency Authorization			53,000.00			
			\$ 11,468,668.11			

**EXHIBIT - B  
TRUST FUND**

**CITY OF ABSECON**  
**TRUST FUND**  
**COMPARATIVE BALANCE SHEET - STATUTORY BASIS**

	<u>Ref.</u>	<u>Balance</u> <u>Dec. 31, 2009</u>	<u>Balance</u> <u>Dec. 31, 2008</u>
<b><u>Assets</u></b>			
<b><u>Animal Control Fund</u></b>			
Cash and Investments	B-1	\$ 2,177.40	\$ 1,619.40
		<u>2,177.40</u>	<u>1,619.40</u>
<b><u>Library Fund</u></b>			
Cash and Investments	B-2	<u>527,469.20</u>	<u>475,957.84</u>
<b><u>Other Funds</u></b>			
Cash and Investments - Treasurer	B-3	1,253,726.89	1,406,807.76
Cash - Collector	B-3	10,900.00	680.97
Small Cities Revolving Loan Receivable		102,104.20	118,769.20
		<u>1,366,731.09</u>	<u>1,526,257.93</u>
		<u>\$ 1,896,377.69</u>	<u>\$ 2,003,835.17</u>

**CITY OF ABSECON**  
**TRUST FUND**  
**COMPARATIVE BALANCE SHEET - STATUTORY BASIS**

<u>Liabilities, Reserves and Fund Balance</u>	<u>Ref.</u>	<u>Balance</u> <u>Dec. 31, 2009</u>	<u>Balance</u> <u>Dec. 31, 2008</u>
<u>Animal Control Fund</u>			
Reserve for Animal Control Expenditures	B-4	\$ 1,490.80	\$ 1,435.00
Due to Current Fund	B-5	686.60	180.20
Due to State of New Jersey	B-6	-	4.20
		<u>2,177.40</u>	<u>1,619.40</u>
<u>Library Fund</u>			
Fund Balance		527,469.20	475,957.84
		<u>527,469.20</u>	<u>475,957.84</u>
<u>Other Funds</u>			
Redemption for Outside Liens		-	680.97
Premiums Received at Tax Sale		10,900.00	-
Payroll Deductions Payable		29,318.28	25,924.30
Reserve for Cat Licenses		719.36	686.36
Reserve for Planning and Zoning Escrow		119,428.41	132,019.08
Reserve for Disposal of Forfeited Property		5,080.54	4,980.54
Reserve for P.O.A.A.		322.00	280.00
Reserve for Security Bond		1,900.00	1,900.00
Reserve for Security Deposits		1,200.00	1,700.00
Reserve for Fire Safety Penalty Act		2,681.62	3,074.04
Reserve for Accumulated Leave		579,505.40	765,993.64
Reserve for Revolving Loan Fund		102,104.20	118,769.20
Reserve for Small Cities Grant		85,368.63	68,467.44
Reserve for Performance Bond		405,236.35	394,065.00
Reserve for Recreation Trust		22,936.48	7,687.54
Reserve for ABTV		29.82	29.82
		<u>1,366,731.09</u>	<u>1,526,257.93</u>
		<u>\$ 1,896,377.69</u>	<u>\$ 2,003,835.17</u>

**EXHIBIT - C**  
**GENERAL CAPITAL FUND**

**CITY OF ABSECON**  
**GENERAL CAPITAL FUND**  
**COMPARATIVE BALANCE SHEET - STATUTORY BASIS**

<u>Assets</u>	<u>Ref.</u>	<u>Balance</u> <u>Dec. 31, 2009</u>	<u>Balance</u> <u>Dec. 31, 2008</u>
Cash and Investments	C-2,C-3	\$ 123,973.35	\$ 236,372.14
Deferred Charges to Future Taxation: Funded	C-5	5,811,417.28	6,561,213.78
		<u>\$ 5,935,390.63</u>	<u>\$ 6,797,585.92</u>
 <u>Liabilities, Reserves and Fund Balance</u>			
Serial Bonds Payable	C-8	\$ 5,799,000.00	\$ 6,544,000.00
Green Trust Loan Payable		12,417.28	17,213.78
Improvement Authorizations: Funded	C-7	61,852.66	8,813.15
Contracts Payable		40,601.65	108,539.95
Capital Improvement Fund	C-4	2,000.00	2,000.00
Fund Balance	C-1	19,519.04	117,019.04
		<u>\$ 5,935,390.63</u>	<u>\$ 6,797,585.92</u>

**CITY OF ABSECON**  
**GENERAL CAPITAL FUND**  
**STATEMENT OF FUND BALANCE - STATUTORY BASIS**

Balance December 31, 2008	<u>Ref.</u> C		\$	117,019.04
Increased By:				
None		\$	-	
				<u>117,019.04</u>
Decreased By:				
Improvement Authorization Funded	C-7	<u>97,500.00</u>		<u>97,500.00</u>
Balance December 31, 2009	C		\$	<u><u>19,519.04</u></u>

**EXHIBIT - D**  
**SEWER UTILITY FUND**



**CITY OF ABSECON**  
**SEWER UTILITY FUND**  
**COMPARATIVE BALANCE SHEET - STATUTORY BASIS**

	<u>Ref.</u>	<u>Balance Dec. 31, 2009</u>	<u>Balance Dec. 31, 2008</u>
<u>Assets</u>			
Operating Fund:			
Cash and Investments	D-5	\$ 394,410.93	\$ 380,291.62
		<u>394,410.93</u>	<u>380,291.62</u>
Receivables With Full Reserves: Sewer Rents Receivable	D-7	79,115.50	55,033.78
		<u>79,115.50</u>	<u>55,033.78</u>
Total Operating Fund		<u>473,526.43</u>	<u>435,325.40</u>
Capital Fund:			
Cash and Investments	D-5	29,917.40	29,917.40
Fixed Capital: Completed		3,367,978.74	3,330,818.74
Total Capital Fund		<u>3,397,896.14</u>	<u>3,360,736.14</u>
		<u>\$ 3,871,422.57</u>	<u>\$ 3,796,061.54</u>

**CITY OF ABSECON**  
**SEWER UTILITY FUND**  
**COMPARATIVE BALANCE SHEET - STATUTORY BASIS**

	<u>Ref.</u>	<u>Balance Dec. 31, 2009</u>	<u>Balance Dec. 31, 2008</u>
<b><u>Liabilities, Reserves and Fund Balance</u></b>			
<b>Operating Fund:</b>			
Appropriation Reserves	D-4	\$ 33,722.69	\$ 14,988.86
Encumbrances Payable		25,274.48	32,896.78
Sewer Overpayments		94.00	94.00
Prepaid Rents		218,865.50	220,697.78
		<u>277,956.67</u>	<u>268,677.42</u>
Reserve for Receivables	D	79,115.50	55,033.78
Fund Balance	D-1	116,454.26	111,614.20
		<u>473,526.43</u>	<u>435,325.40</u>
<b>Total Operating Fund</b>			
<b>Capital Fund:</b>			
Reserve for Amortization		3,367,978.74	3,330,818.74
Capital Improvement Fund	D-10	27,814.11	27,814.11
Fund Balance	D-2	2,103.29	2,103.29
		<u>3,397,896.14</u>	<u>3,360,736.14</u>
<b>Total Capital Fund</b>		<u>\$ 3,871,422.57</u>	<u>\$ 3,796,061.54</u>

**CITY OF ABSECON**  
**SEWER UTILITY FUND**  
**COMPARATIVE STATEMENT OF OPERATIONS**  
**AND CHANGES IN OPERATING FUND BALANCE - STATUTORY BASIS**

	Ref.	Year 2009	Year 2008
Revenue and Other Income Realized			
Fund Balance Utilized	\$	100,000.00	\$ 108,000.00
Sewer Rents		1,378,950.28	1,301,226.00
Miscellaneous		19,739.09	31,393.52
Other Credits to Income:			
Unexpended Balance of Appropriation			
Reserves		11,150.69	2,421.68
Total Income		<u>1,509,840.06</u>	<u>1,443,041.20</u>
 Expenditures:			
Operations:			
Salaries and Wages		168,000.00	165,000.00
Other Expenses		1,223,500.00	1,166,500.00
Deferred Charges and Statutory Expenditures		13,500.00	13,500.00
Total Expenditures		<u>1,405,000.00</u>	<u>1,345,000.00</u>
Excess in Revenue		104,840.06	98,041.20
 Fund Balance January 1	D	<u>111,614.20</u>	<u>121,573.00</u>
		216,454.26	219,614.20
Decreased By:			
Utilization as Anticipated Revenue		100,000.00	108,000.00
Balance December 31	D	<u>\$ 116,454.26</u>	<u>\$ 111,614.20</u>

**CITY OF ABSECON**  
**SEWER UTILITY CAPITAL FUND**  
**STATEMENT OF CAPITAL FUND BALANCE - STATUTORY BASIS**

Balance December 31, 2008	<u>Ref.</u> D		\$	2,103.29
Increased By:				
None		\$		-
				-
				2,103.29
Decreased By:				
None				-
				-
Balance December 31, 2009	D		\$	2,103.29

**CITY OF ABSECON**  
**SEWER UTILITY OPERATING FUND**  
**STATEMENT OF REVENUES - STATUTORY BASIS**

	<u>Anticipated Budget</u>	<u>Realized</u>	<u>Excess or (Deficit)</u>
Operating Fund Balance Anticipated	\$ 100,000.00	\$ 100,000.00	\$ -
Anticipated Revenue:			
Sewer Rents	1,274,000.00	1,378,950.28	104,950.28
Miscellaneous Receipts	31,000.00	19,739.09	(11,260.91)
	1,305,000.00	1,398,689.37	93,689.37
Total Revenue	\$ 1,405,000.00	\$ 1,498,689.37	\$ 93,689.37

**Analysis of Realized Revenue:**

Sewer Rents			
Accounts Receivable	\$ 1,378,950.28		
Total Sewer Rents		\$ 1,378,950.28	
Miscellaneous Revenue			
Interest on Investments	\$ 2,865.09		
Connection Fees	1,500.00		
Interest & Penalties on Rents	15,220.00		
Tax Sale Cost	74.00		
Bad Check Fee	80.00		
Total Miscellaneous		\$ 19,739.09	

**CITY OF ABSECON**  
**SEWER UTILITY OPERATING FUND**  
**STATEMENT OF EXPENDITURES - STATUTORY BASIS**

	Appropriations		Expended		(Overexpended) Unexpended Balance Cancelled
	Budget	Budget After Modification	Paid or Charged	Reserved	
Operations:					
Salaries and Wages	\$ 168,000.00	\$ 168,000.00	\$ 161,720.86	\$ 6,279.14	\$
Other Expenses	1,223,500.00	1,223,500.00	1,196,854.62	26,645.38	
	<u>1,391,500.00</u>	<u>1,391,500.00</u>	<u>1,358,575.48</u>	<u>32,924.52</u>	
Deferred Charges and Statutory Expenditures:					
Social Security System (O.A.S.I.)	13,200.00	13,200.00	12,412.87	787.13	
Unemployment Compensation Insurance	300.00	300.00	288.96	11.04	
	<u>13,500.00</u>	<u>13,500.00</u>	<u>12,701.83</u>	<u>798.17</u>	
	<u>\$ 1,405,000.00</u>	<u>\$ 1,405,000.00</u>	<u>\$ 1,371,277.31</u>	<u>\$ 33,722.69</u>	<u>\$</u>
Ref.	D			D	
Cash Disbursed		D-5	\$ 1,346,002.83		
Encumbrances Payable		D	25,274.48		
			<u>1,371,277.31</u>		

See Accompanying Notes to Financial Statements - Statutory Basis

**EXHIBIT - E**  
**GENERAL FIXED ASSETS ACCOUNT GROUP**

**CITY OF ABSECON**  
**GENERAL FIXED ASSETS ACCOUNT GROUP**  
**COMPARATIVE BALANCE SHEET - STATUTORY BASIS**

	Balance <u>Dec. 31, 2009</u>	Balance <u>Dec. 31, 2008</u>
<u>Assets</u>		
Land and Land Improvements	\$ 30,765,700.00	\$ 30,552,600.00
Building and Building Improvements	6,400,000.00	6,284,100.00
Machinery, Equipment and Vehicles	4,873,115.89	4,898,900.89
	<hr/>	<hr/>
Total General Fixed Assets	\$ <u>42,038,815.89</u>	\$ <u>41,735,600.89</u>
<u>Liabilities, Reserves, and Fund Balance</u>		
Investment in General Fixed Assets	\$ <u>42,038,815.89</u>	\$ <u>41,735,600.89</u>