



FORD-SCOTT

& ASSOCIATES, L.L.C.

CITY OF ATLANTIC CITY

ATLANTIC COUNTY

NEW JERSEY

AUDIT REPORT

**FOR THE YEAR ENDED
DECEMBER 31, 2020**

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CITY OF ATLANTIC CITY

ATLANTIC COUNTY

NEW JERSEY

AUDIT REPORT

FOR THE YEAR ENDED
DECEMBER 31, 1978

CITY OF ATLANTIC CITY

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CITY OF ATLANTIC CITY

PART 1

REPORT ON AUDIT OF FINANCIAL STATEMENTS

AND SUPPLEMENTARY DATA

YEAR ENDED DECEMBER 31, 2020

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FORD-SCOTT

& ASSOCIATES, L.L.C.

CERTIFIED PUBLIC ACCOUNTANTS

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Independent Auditor's Report

The Honorable Mayor and
Members of City Council
City of Atlantic City, New Jersey

Report on the Financial Statements

We have audited the accompanying balance sheets - regulatory basis of the various funds and account group of the City of Atlantic City, as of December 31, 2020 and 2019, the related statement of operations and changes in fund balance - regulatory basis for the years then ended, and the related statement of revenues - regulatory basis and statement of expenditures - regulatory basis of the various funds for the year ended December 31, 2020, and the related notes to the financial statements, which collectively comprise the City's basic financial statements as listed in the table of contents.

Management's Responsibility for the Financial Statements

Management is responsible for the preparation and fair presentation of these financial statements in accordance with the basis of accounting prescribed by the Division of Local Government Services, Department of Community Affairs, State of New Jersey. Management is also responsible for the design, implementation, and maintenance of internal control relevant to the preparation and fair presentation of financial statements that are free from material misstatements, whether due to fraud or error.

Auditor's Responsibility

Our responsibility is to express an opinion on these financial statements based on our audit. We conducted our audit in accordance with auditing standards generally accepted in the United States of America, the audit requirements prescribed by the Division of Local Government Services, Department of Community Affairs, State of New Jersey (the "Division"), and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States. 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 involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control. Accordingly, we express no such opinion. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinions.

Basis for Adverse Opinion on U.S Generally Accepted Accounting Principles.

As described in Note 1 of the financial statements, the financial statements are prepared by the City of Atlantic City on the basis of the financial reporting provisions prescribed by the Division of Local Government Services, Department of Community Affairs, State of New Jersey, which is a basis of accounting other than accounting principles generally accepted in the United States of America, to meet the requirements of New Jersey.

The effects on the financial statements of the variances between the regulatory basis of accounting described in Note 1 and accounting principles generally accepted in the United States of America, although not reasonably determinable, are presumed to be material.

Adverse Opinion on U.S. Generally Accepted Accounting Principles

In our opinion, because of the significance of the matter discussed in the "Basis for Adverse Opinion on U.S Generally Accepted Accounting Principles" paragraph, the financial statements referred to above do not present fairly, in accordance with accounting principles generally accepted in the United States of America, the financial position of each fund of the City of Atlantic City as of December 31, 2020 and 2019, or changes in financial position for the years then ended.

Opinion on Regulatory Basis of Accounting

In our opinion, the financial statements referred to above present fairly, in all material respects, the regulatory basis balance sheets and account group as of December 31, 2020 and 2019, the regulatory basis statements of operations for the years then ended and the regulatory basis statements of revenues and expenditures for the year ended December 31, 2020 in accordance with the basis of financial reporting prescribed by the Division of Local Government Services, Department of Community Affairs, State of New Jersey as described in Note 1.

Other Matters

Other Information

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the City of Atlantic City's basic financial statements. The supplementary information listed in the table of contents and schedule of expenditures of federal awards, as required by Office of Management and Budget Uniform Guidance and the schedule of expenditures of state financial assistance as required by NJ OMB 15-08 and the letter of comments and recommendations section are presented for purposes of additional analysis and are not a required part of the basic financial statements.

The supplemental information listed in the table of contents and the schedule of expenditures of federal awards, as required by Title 2 U.S. Code of Federal Regulations Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards* (Uniform Guidance), *Audits of States, Local Governments, and Non-Profit Organizations*, the schedule of federal awards and the schedule of expenditures of state financial assistance as required by NJ OMB 15-08 are the responsibility of management and were derived from and relates directly to the underlying accounting and other records used to prepare the basic financial statements. Such information has been subjected to the auditing procedures applied in the audit of the basic financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the basic financial statements or to the basic financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the supplemental information listed in the table of contents, schedule of expenditures of federal awards and the schedule of state financial assistance are fairly stated, in all material respects, in relation to the basic financial statements as a whole.

Our audit was conducted for the purpose of forming an opinion on the financial statements as a whole. The supplemental information listed in the table of contents is presented for the purposes of additional analysis and is not a required part of the financial statements. Because of the significance of the variances between the regulatory basis of accounting and accounting principles generally accepted in the United States of America, it is inappropriate to and we do not express an opinion on the supplementary information referred to above.

The letter of comments and recommendations section has not been subject to the auditing procedures applied in the audit of the basic financial statements, and accordingly, we do not express an opinion or provide any assurance on it.

Other Reporting Required by *Government Auditing Standards*

In accordance with *Government Auditing Standards*, we have also issued our report August 6, 2021 on our consideration of the City of Atlantic City's internal control over financial reporting and on 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 internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the City of Atlantic City's internal control over financial reporting and compliance.

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

Nancy Sbrolla
Nancy Sbrolla
Certified Public Accountant
Registered Municipal Accountant
No. 542

August 6, 2021

EXHIBIT A - CURRENT FUND

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**CURRENT FUND
COMPARATIVE BALANCE SHEET - REGULATORY BASIS
AS OF DECEMBER 31,**

	<u>2020</u>	<u>2019</u>
<u>ASSETS</u>		
Regular Fund:		
Cash:		
Cash Treasurer	\$ 82,196,383.48	61,102,791.27
Cash - Collector	-	-
Cash - Change	1,470.00	1,470.00
Total Cash	<u>82,197,853.48</u>	<u>61,104,261.27</u>
Other Receivables:		
Due from State - Chapter 20 P.L. 1971	177,157.37	166,469.59
State - Qualified Bonds, Prepaid	10,735,583.88	10,698,708.88
Due from State	-	12,784,423.88
Total Other Receivables	<u>10,912,741.25</u>	<u>23,649,602.35</u>
Receivables and Other Assets with Full Reserves:		
Delinquent Property Taxes Receivable	522,191.35	1,231,538.66
Tax Title and Other Liens	6,966,907.26	6,576,201.49
Property Acquired for Taxes - at Assessed Valuation	57,548,451.79	57,548,451.79
Demolition Assessments and Liens	3,209,928.29	3,217,728.29
Revenue Accounts Receivable	42,321.77	71,145.79
Prepaid School Tax	294,968.39	-
Interfund Receivable:		
Payroll	1,670.42	193,870.67
Atlantic City Municipal Utility Authority	76,906.52	76,906.52
Animal Control Fund	2,417.60	2,075.70
CDBG	3,994,484.46	2,366,841.10
Federal and State Grant Fund	4,638,272.00	3,001,723.89
Trust	1,666,643.99	857,977.30
Total Receivables and Other Assets	<u>78,965,163.84</u>	<u>75,144,461.20</u>
Deferred Charges:		
Deficit in Operations	3,692,222.24	4,922,962.24
Prior Outstanding Payables	-	-
Special Emergency Appropriation	-	-
Total Deferred Charges	<u>3,692,222.24</u>	<u>4,922,962.24</u>
Total Regular Fund	<u>175,767,980.81</u>	<u>164,821,287.06</u>
Federal and State Grant Fund:		
Cash	-	-
Federal and State Grants Receivable	75,223,709.12	36,018,343.66
Due from Trust Fund - Other	756.09	756.09
Total Federal and State Grant Fund	<u>75,224,465.21</u>	<u>36,019,099.75</u>
Total Current Fund	<u>\$ 250,992,446.02</u>	<u>200,840,386.81</u>

**CURRENT FUND
COMPARATIVE BALANCE SHEET - REGULATORY BASIS
AS OF DECEMBER 31,**

	<u>2020</u>	<u>2019</u>
<u>LIABILITIES, RESERVES AND FUND BALANCE</u>		
Regular Fund:		
Liabilities:		
Appropriation Reserves	\$ 14,071,960.94	9,476,406.30
Reserve for Encumbrances	6,764,649.94	8,815,599.10
Accounts Payable	432,588.46	877,600.84
Other Payables	37,862.56	16,213.38
Prepaid Taxes	1,185,722.39	1,048,993.05
Overpaid Taxes	2,754,348.36	5,268,477.80
Due Library Casino Pilot	-	492,261.59
County Added Tax Payable	8,244.72	42,784.77
Due to State:		
Marriage Licenses	895.00	960.00
CCO Fees	63,049.00	13,972.00
Interfund Payable:		
AC Endowment Trust	-	-
General Capital Fund	174,636.85	-
Performance Bond Trust	-	-
Other Trust Funds	14,630,424.42	14,374,310.84
Other		
Payroll Deductions Payable	1,193,862.57	1,273,297.97
Reserve for Revaluation	57,193.19	192,424.94
Reserve for Police Property Room	50,338.71	50,338.71
Reserve for State Tax Appeals Pending	9,549,600.53	11,103,232.35
Reserve for FEMA	5,086,295.65	6,322,670.65
Reserve for Debt Service - IAT Excess	8,012,025.34	5,628,963.00
Reserve for Preparation of Approved Tax Map	0.55	0.55
Reserve for Road Paving	4,053,320.00	2,026,660.00
Reserve for Sale of Municipal Property	4,006,268.70	3,224,760.89
	<u>72,133,287.88</u>	<u>70,249,928.73</u>
Reserve for Receivables and Other Assets	78,965,163.84	75,144,461.20
Fund Balance	24,669,529.09	19,426,897.13
Total Regular Fund	<u>175,767,980.81</u>	<u>164,821,287.06</u>
Federal and State Grant Fund:		
Unappropriated Reserves	13,798.01	48.01
Appropriated Reserves	53,405,886.76	27,984,558.65
Encumbrances Payable	17,157,023.13	5,023,283.90
Due to Current Fund	4,638,272.00	3,001,723.89
Due to Agencies	9,485.31	9,485.30
Total Federal and State Grant Fund	<u>75,224,465.21</u>	<u>36,019,099.75</u>
Total Current Fund	<u>\$ 250,992,446.02</u>	<u>200,840,386.81</u>

CURRENT FUND
COMPARATIVE STATEMENT OF OPERATIONS AND CHANGES
IN FUND BALANCE - REGULATORY BASIS
FOR THE YEAR ENDED DECEMBER 31,

	<u>2020</u>	<u>2019</u>
Revenue and Other Income Realized		
Fund Balance	\$ -	-
Miscellaneous Revenue Anticipated	197,211,944.48	162,103,241.34
Receipts from Delinquent Taxes	741,490.72	1,850,560.64
Receipts from Current Taxes	96,124,301.92	95,800,940.97
Non Budget Revenue	2,654,893.80	1,927,215.77
Interfund Returned		
Other Credits to Income:		
Unexpended Balance of Appropriation Res.	13,607,439.41	11,109,486.67
Reserves and Accounts Payables Canceled	-	365,313.49
Reserve for State Tax Appeals	-	-
Total Income	<u>310,340,070.33</u>	<u>273,156,758.88</u>
Expenditures		
Budget and Emergency Appropriations:		
Appropriations Within "CAPS"		
Operations:		
Salaries and Wages	72,437,809.00	71,108,269.00
Other Expenses	59,483,401.00	60,915,517.00
Deferred Charges & Statutory Expenditures	21,024,374.73	21,000,809.73
Appropriations Excluded from "CAPS"		
Operations:		
Salaries and Wages	3,000,000.00	26,013.00
Other Expenses	42,686,413.12	11,353,814.49
Capital Improvements	2,400,000.00	2,850,000.00
Debt Service	36,891,490.26	35,298,705.38
Deferred Charges	-	100,000.00
Judgements	1,237,387.67	1,237,387.67
Local District School Tax	42,631,859.00	42,702,131.00
County Tax	12,401,867.54	11,539,834.72
County Share of Added Tax	8,244.72	42,784.77
Interfund Created	3,936,715.29	2,847,367.51
Refund of Prior Year's Revenue	-	11,656.00
Other:		
Cancelled Grant Balances	-	122,386.95
Prior Year Senior Citizens and Veterans	13,976.02	13,525.34
Prepaid Created	294,968.39	-
State Tax Appeals	6,648,931.63	6,087,591.65
Total Expenditures	<u>305,097,438.37</u>	<u>267,257,794.21</u>
Excess/(Deficit) in Revenue	5,242,631.96	5,898,964.67

CURRENT FUND
COMPARATIVE STATEMENT OF OPERATIONS AND CHANGES
IN FUND BALANCE - REGULATORY BASIS
FOR THE YEAR ENDED DECEMBER 31,

	<u>2020</u>	<u>2019</u>
Adjustments to Income before Fund Balance:		
Expenditures included above which are by		
Statute Deferred Charges to Budgets of		
Succeeding Year		
Emergency Appropriation		
Special Emergency Appropriation		
Total Adjustments	<u>-</u>	<u>-</u>
Statutory Excess to Fund Balance	<u>5,242,631.96</u>	<u>5,898,964.67</u>
Fund Balance January 1	<u>19,426,897.13</u>	<u>13,527,932.46</u>
	24,669,529.09	19,426,897.13
Decreased by:		
Utilization as Anticipated Revenue	<u>-</u>	<u>-</u>
Fund Balance December 31	<u>\$ 24,669,529.09</u>	<u>19,426,897.13</u>

CURRENT FUND
STATEMENT OF REVENUES - REGULATORY BASIS
FOR THE YEAR ENDED DECEMBER 31, 2020

	Anticipated		Realized	Excess or (Deficit)
	Budget	N.J.S. 40A:4-87		
Fund Balance Anticipated	\$ -	-	-	-
Total Fund Balance Anticipated	-	-	-	-
Miscellaneous Revenues:				
Section A: Local Revenues				
Licenses:				
Alcoholic Beverages	200,000.00		226,434.94	26,434.94
Other	700,000.00		717,272.05	17,272.05
Fees and Permits	1,500,000.00		1,283,091.06	(216,908.94)
Fines and Costs:				
Municipal Court	1,000,000.00		621,939.30	(378,060.70)
Interest and Costs on Taxes	720,000.00		1,024,345.39	304,345.39
Interest Earned on Investments	1,350,000.00		728,942.45	(621,057.55)
Parking Meters	915,000.00		673,786.44	(241,213.56)
Boardwalk Tram Fees	450,000.00		137,477.25	(312,522.75)
Mortgage Registration Fees	120,000.00		55,200.00	(64,800.00)
Refunds and Reimbursements	100,000.00		970,911.90	870,911.90
Rent and Sale of City Property	525,000.00		414,950.88	(110,049.12)
Towing Fees	370,000.00		355,095.00	(14,905.00)
Payments in Lieu of Taxes				
Magellan Manor	85,000.00		92,136.00	7,136.00
Maryland Ave	5,700.00		14,188.16	8,488.16
Metropolitan Plaza	22,000.00		30,863.72	8,863.72
New York Ave Apt	88,000.00		185,167.74	97,167.74
Beachview	11,350.00		18,387.00	7,037.00
School House Liberty	29,900.00		23,001.00	(6,899.00)

CURRENT FUND
STATEMENT OF REVENUES - REGULATORY BASIS
FOR THE YEAR ENDED DECEMBER 31, 2020

	Anticipated		Realized	Excess or (Deficit)
	Budget	N.J.S. 40A:4-87		
Urban - Connecticut	52,000.00		69,531.20	17,531.20
Town House Terraces East I	74,000.00		78,133.00	4,133.00
Baltic Plaza Apt	100,000.00		117,700.00	17,700.00
Community Haven	375,600.00		439,679.00	64,079.00
Hamilton Venice Apartments	53,500.00		73,215.00	19,715.00
Carver Hall	300,000.00		334,089.73	34,089.73
Barclay Arms	54,000.00		59,560.00	5,560.00
Brigantine Homes	125,000.00		133,765.00	8,765.00
Bass Pro Shop	165,000.00		172,470.85	7,470.85
The Walk Phase I	648,000.00		648,048.01	48.01
The Walk Phase II	258,000.00		258,236.57	236.57
The Walk Phase III	91,000.00		91,717.00	717.00
Atlantic Marina	450,000.00		492,272.00	42,272.00
Atlantic City Townhouses	192,000.00		195,504.81	3,504.81
Atlantic City Development Corp.	550,000.00		383,652.38	(166,347.62)
Casinos Pilot	86,200,000.00		85,393,051.50	(806,948.50)
IAT Funds	2,972,324.00		2,972,324.00	-
Total Section A: Local Revenues	100,852,374.00	-	99,486,140.33	(1,366,233.67)
Section B: State Aid Without Offsetting Appropriations				
Consolidated Municipal Property Tax Relief Act	27,258,988.00		27,258,988.01	0.01
Energy Receipts Tax	14,001,726.00		14,001,726.00	-
Transitional Aid	2,817,750.00		2,817,750.00	-
ACA Funds	5,000,000.00		5,000,000.00	-
Total Section B: State Aid Without Offsetting Appropriations	49,078,464.00	-	49,078,464.01	0.01
Section C: Uniform Construction Code Fees				
Uniform Construction Code Fees	1,200,000.00		1,276,067.50	76,067.50
Total Section C: Uniform Construction Code Fees	1,200,000.00	-	1,276,067.50	76,067.50

CURRENT FUND
STATEMENT OF REVENUES - REGULATORY BASIS
FOR THE YEAR ENDED DECEMBER 31, 2020

	Anticipated		Realized	Excess or (Deficit)
	Budget	N.J.S. 40A-4-87		
Section F: Special Items - Public and Private Programs				
Off-Set with Appropriations				
NJ Transportation Trust Fund Authority Act	501,029.00			(501,029.00)
Drunk Driving Enforcement Fund	9,107.07		9,107.07	-
Clean Communities	80,499.31		80,499.31	-
Distracted Driving Crackdown	8,250.00		8,250.00	-
FEMA - Pre Disaster Mitigation		3,596,088.97	3,596,088.97	-
Recycling Tonnage Grant	58,176.74		58,176.74	-
Body Armor Replacement Fund	22,994.45		22,994.45	-
Bulletproof Vest Partnership Grant		24,750.00	24,750.00	-
NJ DOT Indiana Ave, New York Ave, Kentucky Ave Repaving	501,029.00		- 501,029.00	-
NJ DOT New York Ave Construction Project	400,000.00		400,000.00	-
NJ DOT Caspian Pointe Bikeway	328,475.00		328,475.00	-
NJ DOT Chelsea Albany Avenue Repaving	100,000.00		100,000.00	-
NJ DOT Bikeway Connection		99,833.52	99,833.52	-
NJ DOT		480,177.00	480,177.00	-
CRDA		2,192,150.00	2,192,150.00	-
CRDA Police Officers & Class II Officers	1,500,000.00		1,500,000.00	-
CRDA Class 2 Officers	1,500,000.00		1,500,000.00	-
CRDA Feeding Program Grant	139,104.00		1,500,000.00	(69,552.00)
CRDA Beach & Boardwalk Opening Grant	45,873.20		69,552.00	-
NJ DOJ Overdose Fatality		100,000.00	45,873.20	-
COPS in Shops	7,920.00		100,000.00	-
Alliance on Alcoholism and Drugs	32,814.00		7,920.00	-
SAFER		10,328.19	43,142.19	-
Covid19		1,910,987.55	1,910,987.55	-
US DOJ Justice and Mental Health		229,462.00	229,462.00	-
South Jersey Transportation Planning		740,576.00	740,576.00	-
FEMA - Resiliency Program		1,590,025.49	1,590,025.49	-
County Environmental Health Act	45,000.00	20,000,000.00	20,000,000.00	-
Childhood Poisoning Prevention Project			45,000.00	-
Hot Meals Initiative		94,000.00	94,000.00	-
NJ Historic Trust Preservation - Architectural Survey	24,999.00	30,000.00	30,000.00	-
NJ DCA Atlantic Pump Gate Station		2,450,000.00	24,999.00	-
Justice Assistance Grant (JAG) 2019	68,318.00		2,450,000.00	-
Atlantis Gate Pump Station	1,440,000.00		68,318.00	-
US Census Grant	20,050.00	5,000.00	1,440,000.00	-
			25,050.00	-

The accompanying Notes to Financial Statements are an integral part of this statement

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**CURRENT FUND
STATEMENT OF REVENUES - REGULATORY BASIS
FOR THE YEAR ENDED DECEMBER 31, 2020**

Analysis of Realized Revenues

Allocation of Current Tax Collections:

Revenue from Collections	\$	96,124,301.92
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Less: Reserve for Tax Appeals Pending		-
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Net Revenue from Collections		96,124,301.92
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Allocated to:

School, County and Other Taxes		55,041,971.26
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Balance for Support of Municipal Budget Appropriations		41,082,330.66
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Increased by:

Appropriation "Reserved for Uncollected Taxes"		5,390,393.21
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Amount for Support of Municipal Budget Appropriations		<u>46,472,723.87</u>
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Receipts from Delinquent Taxes:

Delinquent Tax Collection	\$	182,669.93
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Tax Title Lien Collections		<u>558,820.79</u>
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Total Receipts from Delinquent Taxes		<u>741,490.72</u>
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Analysis of Non-Budget Revenue:

Miscellaneous Revenue Not Anticipated:

Bader Field Rental		8,000.00
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Dispatch Fees		174,000.00
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Fees		76,904.75
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Bingo		1,610.00
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Special Events		3,327.65
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Reimbursements		478,251.21
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Senior Citizens Veterans Admin Fee		1,555.48
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PILOT's not Anticipated		1,810,927.67
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Lien Agreement Interest		43,187.04
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Recycling		3,363.60
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Construction Office		12,752.00
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Auction		14,725.00
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Miscellaneous		<u>26,289.40</u>
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Total Miscellaneous Revenue Not Anticipated:	\$	<u>2,654,893.80</u>
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Non-cash		404,823.49
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Treasurer		<u>2,250,070.31</u>
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	\$	<u>2,654,893.80</u>
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CURRENT FUND
STATEMENT OF EXPENDITURES - REGULATORY BASIS
FOR THE YEAR ENDED DECEMBER 31, 2020

	Appropriations		Paid or Charged	Expended		(Over expended) Unexpended Balance Cancelled
	Budget	Budget After Modifications		Encumbered	Reserved	
OPERATIONS WITHIN "CAPS"						
DEPARTMENT OF ADMINISTRATION						
Mayor's Office						
Salaries and Wages	\$ 480,000.00	480,000.00	476,678.91		3,321.09	-
Other Expenses	89,700.00	89,700.00	82,935.95	1,231.09	5,532.96	-
Business Administrator						
Salaries and Wages	310,000.00	310,000.00	221,658.55		88,341.45	-
Other Expenses	429,920.00	309,920.00	187,209.86	47,298.14	75,412.00	-
Administrative Services - Mail Room						
Salaries and Wages	64,500.00	64,500.00	60,715.25		3,784.75	-
Other Expenses	112,054.00	112,054.00	89,752.49	1,072.33	21,229.18	-
Special Events						
Salaries and Wages	109,368.00	106,368.00	60,019.71		46,348.29	-
Other Expenses	13,700.00	13,700.00	-		13,700.00	-
Solicitor's Office						
Salaries and Wages	800,000.00	800,000.00	751,911.09		48,088.91	-
Other Expenses	951,800.00	951,800.00	430,758.62	423,253.55	97,787.83	-
Tax Assessor						
Salaries and Wages	258,500.00	258,500.00	223,592.65		34,907.35	-
Other Expenses	390,230.00	326,655.00	131,278.85	119,456.25	75,919.90	-
Management Information System						
Salaries and Wages	250,000.00	250,000.00	236,379.01		13,620.99	-
Other Expenses	1,702,596.00	1,773,778.00	1,273,543.14	45,543.49	454,691.37	-
Municipal Court						
Salaries and Wages	1,159,600.00	1,159,600.00	1,111,770.01		47,829.99	-
Other Expenses	57,210.00	57,210.00	36,288.95	7,986.65	12,934.40	-
Public Defender						
Salaries and Wages	175,000.00	175,000.00	164,734.54		10,265.46	-
Other Expenses	141,600.00	141,600.00	21,700.43	62,424.92	57,474.65	-
Prosecutor's Office						
Salaries and Wages	280,000.00	283,000.00	281,311.04		1,688.96	-
Other Expenses	41,180.00	38,180.00	7,190.48	16,247.46	14,742.06	-
Insurance						
Liability	6,862,500.00	6,862,500.00	6,815,534.64	28,491.75	18,473.61	-
Workers Compensation	1,150,000.00	1,150,000.00	1,132,000.00	12,250.00	5,750.00	-
Employee Group	28,041,000.00	25,559,818.00	21,339,019.95	128,180.86	4,092,617.19	-
Health Waiver - Employee Opt Out						
Financial Incentive Program - Health						
Social Services Agencies	7,250.00	7,250.00	-	-	7,250.00	-
Other Expenses	6,800.00	6,800.00	-		6,800.00	-
Economic Development						
Salaries and Wages	70,000.00	73,000.00	70,854.49		2,145.51	-

The accompanying Notes to Financial Statements are an integral part of this statement

CURRENT FUND
STATEMENT OF EXPENDITURES - REGULATORY BASIS
FOR THE YEAR ENDED DECEMBER 31, 2020

	Appropriations		Paid or Charged	Expended		(Over expended) Unexpended Balance Cancelled
	Budget	Budget After Modifications		Encumbered	Reserved	
DEPARTMENT OF HUMAN RESOURCES						
Director's Office						
Salaries and Wages	425,000.00	425,000.00	276,903.26		148,096.74	-
Other Expenses	272,575.00	323,650.00	153,982.66	13,954.85	155,712.49	-
Personnel Division						
Salaries and Wages	69,173.00	69,173.00	67,090.25		2,082.75	-
Health Division						
Salaries and Wages	8,323.00	8,323.00	8,072.34		250.66	-
DEPARTMENT OF PLANNING AND DEVELOPMENT						
Director's Office						
Salaries and Wages	230,000.00	230,000.00	212,303.91		17,696.09	-
Other Expenses	152,900.00	152,900.00	37,797.13	6,425.65	108,677.22	-
Planning Division						
Salaries and Wages	385,900.00	385,900.00	347,950.61		37,949.39	-
Other Expenses	74,050.00	74,050.00	15,411.30	2,000.00	56,638.70	-
Zoning Board						
Other Expenses	14,000.00	14,000.00	9,000.00	5,000.00	-	-
Economic Development - CDBG						
Salaries and Wages	21,502.00	21,502.00	21,176.54		325.46	-
DEPARTMENT OF REVENUE AND FINANCE						
Director's Office						
Salaries and Wages	27,885.00	27,885.00	26,845.18		1,039.82	-
Other Expenses	2,190.00	2,190.00	1,852.68		337.32	-
Comptroller's Office						
Salaries and Wages	970,000.00	970,000.00	825,752.16		144,247.84	-
Other Expenses	414,970.00	330,970.00	138,928.17	107,005.09	85,036.74	-
Tax Collector's Office						
Salaries and Wages	400,000.00	400,000.00	363,548.58		36,451.42	-
Other Expenses	83,900.00	83,900.00	41,816.60	22,984.10	19,099.30	-
Audit Services						
Other Expenses	114,500.00	114,500.00	89,500.00	16,700.00	8,300.00	-
Purchasing						
Salaries and Wages	262,500.00	262,500.00	232,194.91		30,305.09	-
Other Expenses	19,455.00	19,455.00	10,677.27	7,271.34	1,506.39	-
Finance Division						
Salaries and Wages	22,245.00	22,245.00	22,240.69		4.31	-
Other Expenses						-

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CURRENT FUND
STATEMENT OF EXPENDITURES - REGULATORY BASIS
FOR THE YEAR ENDED DECEMBER 31, 2020

	Appropriations		Paid or Charged	Expended		(Over expended) Unexpended Balance Cancelled
	Budget	Budget After Modifications		Encumbered	Reserved	
DEPARTMENT OF PUBLIC SAFETY						
Police						
Salaries and Wages	26,697,344.00	26,697,344.00	25,827,390.60		869,953.40	-
Other Expenses	2,474,750.00	2,474,750.00	1,107,196.81	1,209,402.48	158,150.71	-
Police Civilian Division						
Salaries and Wages	3,054,600.00	3,054,600.00	2,734,618.34		319,981.66	-
Other Expenses	8,490.00	8,490.00	1,450.42	4,999.53	2,040.05	-
Communications Dispatch Services						
Salaries and Wages	1,800,000.00	1,800,000.00	1,638,763.82		161,236.18	-
Other Expenses	557,170.00	557,170.00	152,186.96	288,707.93	116,275.11	-
Emergency Services						
Salaries and Wages	2,015,682.00	2,015,682.00	1,974,591.44		41,090.56	-
Other Expenses	303,668.00	483,668.00	213,272.40	73,820.87	196,574.73	-
Fire						
Salaries and Wages	19,077,687.00	19,077,687.00	18,607,368.91		470,318.09	-
Other Expenses	283,193.00	310,612.00	157,184.55	93,338.50	60,088.95	-
Fire Civilian						
Salaries and Wages	124,600.00	124,600.00	122,175.49		2,424.51	-
Uniform Fire Safety Act						
Salaries and Wages	749,600.00	749,600.00	695,445.72		54,154.28	-
Other Expenses	2,739.00	2,739.00	2,739.00		-	-
DEPARTMENT OF PUBLIC WORKS						
Director's Office						
Salaries and Wages	754,000.00	789,000.00	756,789.81		32,210.19	-
Other Expenses	1,689,827.00	1,828,827.00	649,567.92	627,669.76	551,589.32	-
Electrical Bureau						
Salaries and Wages	450,000.00	450,000.00	299,118.33		150,881.67	-
Other Expenses	26,925.00	26,925.00	8,749.55	14,434.52	3,740.93	-
Parks						
Salaries and Wages	408,800.00	408,800.00	383,268.27		25,531.73	-
Other Expenses	2,600.00	2,600.00	2,137.28	258.80	203.92	-
Beach and Boardwalk						
Salaries and Wages	775,000.00	775,000.00	668,508.45		108,491.55	-
Other Expenses	17,750.00	17,750.00	9,701.56	8,048.44	-	0.00
Vehicle Maintenance						
Other Expenses	2,264,980.00	2,237,561.00	1,938,509.76	212,912.84	86,138.40	-
Facilities						
Salaries and Wages	430,000.00	430,000.00	334,633.79		95,366.21	-
Other Expenses	22,800.00	22,800.00	18,024.39	3,851.35	924.26	-
Sanitation						
Salaries and Wages	650,000.00	650,000.00	580,137.37		69,862.63	-
Other Expenses	2,907,853.00	2,907,853.00	2,897,557.12		10,295.88	-

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CURRENT FUND
STATEMENT OF EXPENDITURES - REGULATORY BASIS
FOR THE YEAR ENDED DECEMBER 31, 2020

	Appropriations		Paid or Charged	Expended		(Over expended) Unexpended Balance Cancelled
	Budget	Budget After Modifications		Encumbered	Reserved	
Asphalt Plant & Street Repairs						
Salaries and Wages	583,200.00	583,200.00	470,445.21		112,754.79	-
Other Expenses	48,000.00	48,000.00	25,169.14	17,772.68	5,058.18	-
Paint and Sign Shop						
Salaries and Wages	65,400.00	65,400.00	59,999.50		5,400.50	-
Other Expenses	20,250.00	20,250.00	18,107.00	947.20	1,195.80	-
Building Maintenance Division						
Salaries and Wages	1,161,500.00	1,161,500.00	1,018,677.93		142,822.07	-
Other Expenses	21,700.00	21,700.00	12,677.50	2,285.92	6,736.58	-
City Engineer						
Salaries and Wages	575,000.00	575,000.00	533,144.50		41,855.50	-
Other Expenses	1,308,355.00	1,308,355.00	530,629.47	340,732.88	436,992.65	-
Gardner's Basin						
Salaries and Wages	400,000.00	400,000.00	278,567.55		121,432.45	-
Other Expenses	550,000.00	550,000.00	140,607.94	9,498.59	399,893.47	-
DEPARTMENT OF HEALTH AND HUMAN SERVICES						
Director's Office						
Salaries and Wages	61,600.00	61,600.00	39,950.95		21,649.05	-
Other Expenses	997,432.00	997,432.00	805,556.38	146,809.11	45,066.51	-
Health Administration						
Salaries and Wages	560,000.00	659,000.00	632,538.92		26,461.08	-
Other Expenses	21,198.00	253,698.00	7,934.40	11,169.61	234,593.99	-
Social Services - Parking						
Salaries and Wages	238,700.00	238,700.00	196,408.33		42,291.67	-
Other Expenses	4,600.00	4,600.00	2,900.00		1,700.00	-
Recreational and Cultural Affairs						
Salaries and Wages	825,000.00	825,000.00	577,097.80		247,902.20	-
Other Expenses	29,600.00	29,600.00	2,392.12	2,589.68	24,618.20	-
Animal Control Expense						
Other Expenses	43,200.00	43,200.00	43,200.00		-	-
DEPARTMENT OF LICENSES AND INSPECTIONS						
Director's Office						
Salaries and Wages	280,000.00	280,000.00	278,333.19		1,666.81	-
Other Expenses	25,533.00	25,533.00	17,141.91	4,750.20	3,640.89	-
Inspections - Code Enforcement						
Salaries and Wages	550,000.00	590,000.00	586,556.24		3,443.76	-
Other Expenses	238,565.00	238,565.00	73,025.80	79,495.38	86,043.82	-
Regulatory Division - Mercantile						
Salaries and Wages	525,000.00	525,000.00	500,629.80		24,370.20	-
Other Expenses	13,970.00	13,970.00	6,586.84	5,326.85	2,056.31	-

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CURRENT FUND
STATEMENT OF EXPENDITURES - REGULATORY BASIS
FOR THE YEAR ENDED DECEMBER 31, 2020

	Appropriations		Expended		(Over expended) Unexpended Balance Cancelled
	Budget	Budget After Modifications	Paid or Charged	Encumbered	
CITY COUNCIL					
Salaries and Wages	306,300.00	306,300.00	306,237.05		62.95
Other Expenses	6,127.00	6,127.00	3,934.63	45.00	2,147.37
CITY CLERK					
Salaries and Wages	312,300.00	312,300.00	301,429.97		10,870.03
Other Expenses	116,300.00	116,300.00	93,909.27	54.51	22,336.22
UNIFORM CONSTRUCTION CODE					
Construction Official					
Salaries and Wages	1,350,000.00	1,350,000.00	1,302,180.88		47,819.12
Other Expenses	6,746.00	6,746.00	4,228.42	668.98	1,848.60
UNCLASSIFIED					
Gas	350,000.00	350,000.00	228,645.67	1,322.11	120,032.22
Street Lighting	1,800,000.00	1,900,000.00	1,701,750.62	163,405.16	34,844.22
Electricity	1,450,000.00	1,450,000.00	1,149,877.31	7,827.54	292,295.15
Telephone	850,000.00	850,000.00	847,810.85	23.96	2,165.19
Sewer	350,000.00	350,000.00	200,516.28	104.48	149,379.24
Gasoline	750,000.00	650,000.00	334,949.18	155,371.95	159,678.87
City Water Usage	350,000.00	350,000.00	339,388.65	2,225.61	8,385.74
Codification of Ordinances					
Compensated Absence Reserve	700,000.00	700,000.00	700,000.00		
Reserve for Tax Appeals	500,000.00	500,000.00			500,000.00
TOTAL OPERATIONS WITHIN "CAPS"	131,821,210.00	131,920,210.00	114,264,108.11	4,564,649.94	0.00
Contingent	1,000.00	1,000.00			
TOTAL OPERATIONS INCLUDING CONTINGENT WITHIN "CAPS"	131,822,210.00	131,921,210.00	114,264,108.11	4,564,649.94	0.00
Detail:					
Salaries and Wages	72,260,809.00	72,437,809.00	68,468,711.84		3,969,097.16
Other Expenses	59,561,401.00	59,483,401.00	45,795,396.27	4,564,649.94	9,123,354.79
DEFERRED CHARGES AND STATUTORY EXPENDITURES:					
Deferred Charges:					
Operating Deficit	1,230,740.00	1,230,740.00	1,230,740.00		

The accompanying Notes to Financial Statements are an integral part of this statement

CURRENT FUND
STATEMENT OF EXPENDITURES - REGULATORY BASIS
FOR THE YEAR ENDED DECEMBER 31, 2020

	Appropriations		Expended		(Over expended) Unexpended Balance Cancelled
	Budget	Budget After Modifications	Paid or Charged	Encumbered Reserved	
Statutory Expenditures:					
Contributions to:					
Public Employees' Retirement System	2,444,620.00	2,444,620.00	2,444,620.00	-	-
Social Security System (O.A.S.I.)	2,650,000.00	2,551,000.00	2,384,925.88	-	-
Consolidated Police and Firemen's Pension Fund	109.33	109.33	-	166,074.12	-
Police and Firemen's Retirement System	12,949,844.00	12,949,844.00	12,949,844.00	109.33	-
Unemployment Compensation Insurance	500,000.00	500,000.00	500,000.00	-	-
Defined Contribution Retirement Program	40,000.00	40,000.00	39,455.19	-	-
Lifeguard Pension	1,280,000.00	1,280,000.00	1,059,247.48	-	-
Pension Increase Act - CPF	28,061.40	28,061.40	28,061.40	-	-
TOTAL DEFERRED CHARGES AND					
STATUTORY EXPENDITURES:	21,123,374.73	21,024,374.73	20,636,893.95	387,480.78	-
TOTAL GENERAL APPROPRIATIONS FOR					
MUNICIPAL PURPOSES WITHIN "CAPS"	152,945,584.73	152,945,584.73	134,901,002.06	4,564,649.94	0.00
OPERATIONS - EXCLUDED FROM "CAPS"					
(A) Operations - Excluded from "CAPS"					
Maintenance of Library	956,082.84	956,082.84	956,082.84	-	-
Additional Library Appropriation	697,036.16	697,036.16	697,036.16	-	-
Interlocal Service Agreement - CRDA Class 2's					
	1,653,119.00	1,653,119.00	1,653,119.00	-	-
(A) Public and Private Programs Off-Set by					
Revenues					
FEMA - Flood Mitigation Assistance Program	16,714.66	16,714.66	16,714.66	-	-
FEMA - Flood Mitigation Assistance Program - Match	5,571.56	5,571.56	5,571.56	-	-
FEMA - Assistance to Firefighters	-	64,185.91	64,185.91	-	-
FEMA - Pre-Disaster Mitigation	-	3,596,088.97	3,596,088.97	-	-
FEMA - Resiliency Program	80,499.31	20,000,000.00	20,000,000.00	-	-
Clean Communities	-	80,499.31	80,499.31	-	-
Bulletproof Vest Partnership	58,176.74	24,750.00	24,750.00	-	-
Recycling Tonnage Grant	9,107.07	58,176.74	58,176.74	-	-
Drunk Driving Enforcement Fund	-	9,107.07	9,107.07	-	-
Drive Sober or Get Pulled Over	-	-	-	-	-
NJA Strategies Policing Innovation	8,250.00	699,990.00	699,990.00	-	-
Distracted Driving Crackdown	1,500,000.00	8,250.00	8,250.00	-	-
CRDA Police Officers & Additional Class 2 Officers	1,500,000.00	1,500,000.00	1,500,000.00	-	-
CRDA Class 2 Officers	139,104.00	139,104.00	139,104.00	-	-
CRDA Feeding Program Grant	45,873.20	45,873.20	45,873.20	-	-
CRDA Beach & Boardwalk Opening Grant	-	-	-	-	-
CRDA	-	2,192,150.00	2,192,150.00	-	-

CURRENT FUND
STATEMENT OF EXPENDITURES - REGULATORY BASIS
FOR THE YEAR ENDED DECEMBER 31, 2020

	Appropriations		Paid or Charged	Expended		(Over expended) Unexpended Balance Cancelled
	Budget	Budget After Modifications		Encumbered	Reserved	
Covid19						
NJ Transportation Trust - Venice Lagoon Bridge	1,000,000.00	229,462.00	229,462.00	-	-	-
NJ DOT Indiana, New York and Kentucky Ave. Repaving	501,029.00	1,000,000.00	1,000,000.00	-	-	-
NJ DOT New York Ave Construction Project	400,000.00	501,029.00	501,029.00	-	-	-
NJ DOT Caspian Pointe Bikeway	328,475.00	400,000.00	400,000.00	-	-	-
NJ DOT Chelsea Albany Avenue Repaving	100,000.00	328,475.00	328,475.00	-	-	-
NJ DOT Bikeway Connection		100,000.00	100,000.00	-	-	-
NJ DOT		99,833.52	99,833.52	-	-	-
NJ Historic Trust Preservation - Architectural Survey	24,999.00	480,177.00	480,177.00	-	-	-
Click It or Ticket		24,999.00	24,999.00	-	-	-
COPS in Shops	7,920.00	-	-	-	-	-
Childhood Poisoning Prevention Project		7,920.00	7,920.00	-	-	-
Alliance on Alcoholism and Drugs	32,814.00	94,000.00	94,000.00	-	-	-
Alliance on Alcoholism and Drugs - Match	8,203.50	43,142.19	43,142.19	-	-	-
Hot Meals Initiative		8,203.50	8,203.50	-	-	-
County Environmental Health Act	45,000.00	30,000.00	30,000.00	-	-	-
Body Armor Replacement Fund	22,994.45	45,000.00	45,000.00	-	-	-
NJSH - Drive Sober or Get Pulled Over		22,994.45	22,994.45	-	-	-
NJ DOH Overdose Fatality		-	-	-	-	-
South Jersey Transportation Planning		100,000.00	100,000.00	-	-	-
US DOJ Justice and Mental Health		1,590,025.49	1,590,025.49	-	-	-
SAFER		740,576.00	740,576.00	-	-	-
Atlantis Gate Pump Station	1,440,000.00	1,910,987.55	1,910,987.55	-	-	-
US Census Grant	20,050.00	3,890,000.00	3,890,000.00	-	-	-
Green Acres Program - Gardners Basin	1,000,000.00	25,050.00	25,050.00	-	-	-
US Dept of Justice COPS	1,250,000.00	1,000,000.00	1,000,000.00	-	-	-
Child Safety Seat	2,640.00	1,250,000.00	1,250,000.00	-	-	-
Justice Assistance Grant (JAG) 2019	68,318.00	2,640.00	2,640.00	-	-	-
Matching Funds	100,000.00	68,318.00	68,318.00	-	-	-
		100,000.00	9,000.79	-	90,999.21	-
Total Public and Private Programs Off-Set by Revenues	9,715,739.49	44,033,294.12	43,942,294.91	-	90,999.21	-
Total Operations - Excluded from "CAPS"	11,368,858.49	45,686,413.12	45,595,413.91	-	90,999.21	-
Detail:						
Salaries and Wages	3,000,000.00	3,000,000.00	3,000,000.00	-	-	-
Other Expenses	8,368,858.49	42,686,413.12	42,595,413.91	-	90,999.21	-
(C) Capital Improvements						
Capital Improvement Fund	200,000.00	200,000.00	200,000.00	-	-	-
Improvements to Municipal Buildings and Infrastructure	1,200,000.00	1,200,000.00	-	1,200,000.00	-	-
Purchase of Equipment (all departments)	700,000.00	700,000.00	-	700,000.00	-	-
Beach Improvements	300,000.00	300,000.00	-	300,000.00	-	-
New Jersey Transportation Trust Fund Authority Act	501,029.00	501,029.00	-	-	501,029.00	-
Total Capital Improvements	2,901,029.00	2,901,029.00	200,000.00	2,200,000.00	501,029.00	-

The accompanying Notes to Financial Statements are an integral part of this statement

CURRENT FUND
STATEMENT OF EXPENDITURES - REGULATORY BASIS
FOR THE YEAR ENDED DECEMBER 31, 2020

	Appropriations		Expended		(Over expended) Unexpended Balance Cancelled
	Budget	Budget After Modifications	Paid or Charged	Encumbered	
(D) Debt Service					
Payment of Bond Principal	19,485,000.00	19,485,000.00	19,485,000.00	-	-
Payment of Bond Anticipation Notes					-
Interest on Bonds	17,406,490.26	17,406,490.26	17,406,490.26	-	-
Interest on Notes					-
Total Debt Service	36,891,490.26	36,891,490.26	36,891,490.26	-	-
(E) Deferred Charges					
Emergency Authorizations		-			
Total Deferred Charges	-	-	-	-	-
(J) Judgments (N.J.S.A. 40A:4-45.3cc)	1,237,387.67	1,237,387.67	1,237,387.67		
TOTAL GENERAL APPROPRIATIONS FOR MUNICIPAL PURPOSES EXCLUDED FROM "CAPS"	52,398,765.42	86,716,320.05	83,924,291.84	2,200,000.00	-
SUBTOTAL GENERAL APPROPRIATIONS	205,344,350.15	239,661,904.78	218,825,293.90	6,764,649.94	0.00
(M) Reserve for Uncollected Taxes	5,390,393.21	5,390,393.21	5,390,393.21		-
TOTAL GENERAL APPROPRIATIONS	\$ 210,734,743.36	245,052,297.99	224,215,687.11	6,764,649.94	0.00
Budget		210,734,743.36			-
Appropriations by 40A:4-87		34,317,554.63			-
Emergency Appropriations		245,052,297.99			-
Reserve for Uncollected Taxes			5,390,393.21		
Federal and State Grants			43,942,294.91		
Qualified Bond Act			16,679,292.76		
Accumulated Leave Reserve			700,000.00		
Unemployment Compensation Insurance			500,000.00		
Deferred Charges - Deficit in Operations			1,230,740.00		
Disbursements			155,772,966.23		
			224,215,687.11		
				Cancelled	
				Overexpended	

The accompanying Notes to Financial Statements are an integral part of this statement

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EXHIBIT B - TRUST FUND

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TRUST FUND
COMPARATIVE BALANCE SHEET - REGULATORY BASIS
AS OF DECEMBER 31,

<u>ASSETS</u>	<u>Ref.</u>	<u>2020</u>	<u>2019</u>
Dog License Fund:			
Cash		\$ 4,586.60	4,216.20
		<u>4,586.60</u>	<u>4,216.20</u>
Community Development Block Grant:			
Cash		4,284,873.64	2,343,384.91
CDBG Receivable		2,027,444.17	2,372,714.79
HOME Receivable		1,576,955.48	1,473,887.57
Loans Receivable		570,964.69	563,731.67
Deferred Loan		6,372,133.97	5,712,825.81
		<u>14,832,371.95</u>	<u>12,466,544.75</u>
Other Funds:			
Cash - Treasurer		8,472,954.86	8,571,906.06
Cash - Collector		9,804,786.85	5,549,645.61
Police Detail Receivable		149,336.90	120,780.75
Due from Current Fund		12,963,780.43	13,516,333.54
		<u>31,390,859.04</u>	<u>27,758,665.96</u>
		<u>46,227,817.59</u>	<u>40,229,426.91</u>
<u>LIABILITIES, RESERVES AND FUND BALANCE</u>			
Dog License Fund:			
Due to Current Fund		2,417.60	2,075.70
Reserve for Dog Fund Expenditures		2,169.00	2,140.50
		<u>4,586.60</u>	<u>4,216.20</u>
Community Development Block Grant:			
Reserve for Community Development			
Block Grant - Appropriated		3,883,939.48	3,812,296.82
Reserve for Loans Receivable		6,943,098.66	6,276,557.48
Reserve for Neighborhood Preservation		10,849.35	10,849.35
Due to Current Fund		3,994,484.46	2,366,841.10
		<u>14,832,371.95</u>	<u>12,466,544.75</u>
Other Funds:			
Deposits for Redemption of Tax Sale Certificates		6,236,773.05	1,788,645.61
Premiums on Tax Sale Deposits		3,568,013.80	3,761,000.00
Overpaid Special Detail Services		59,097.89	103,339.07
Due to Federal and State Grant Fund		756.09	756.09
Miscellaneous Reserves		21,526,218.21	22,104,925.19
		<u>31,390,859.04</u>	<u>27,758,665.96</u>
		<u>46,227,817.59</u>	<u>40,229,426.91</u>
Total		\$ 46,227,817.59	40,229,426.91

The accompanying Notes to Financial Statements are an integral part of this statement

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EXHIBIT C - CAPITAL FUND

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GENERAL CAPITAL FUND
COMPARATIVE BALANCE SHEET - REGULATORY BASIS
AS OF DECEMBER 31,

	<u>Ref.</u>	<u>2020</u>	<u>2019</u>
<u>ASSETS</u>			
Cash	\$	10,112,518.29	11,049,192.31
Deferred Charges to Future Taxation -			
Funded		337,854,000.00	357,339,000.00
Unfunded		480,000.00	480,000.00
Interfunds and Receivables			
Due from Current Fund		174,636.85	-
Due from State of New Jersey		270,000.00	270,000.00
		<u>348,891,155.14</u>	<u>369,138,192.31</u>
<u>LIABILITIES, RESERVES AND FUND BALANCE</u>			
Encumbrances Payable		1,923,086.22	1,599,812.21
Bond Anticipation Notes Payable		-	-
Serial Bonds Payable		71,264,000.00	75,039,000.00
Tax Appeal Refunding Bonds		266,590,000.00	282,300,000.00
Improvement Authorizations:			
Funded		4,071,269.92	5,356,581.10
Unfunded		7,986.05	7,986.05
Capital Improvement Fund		1,711,292.97	1,511,292.97
Fund Balance		3,323,519.98	3,323,519.98
	\$	<u>348,891,155.14</u>	<u>369,138,192.31</u>

There were bonds and notes authorized but not issued at December 31

2019	480,000.00
2020	480,000.00

**GENERAL CAPITAL FUND
COMPARATIVE STATEMENT OF FUND BALANCE -
REGULATORY BASIS
FOR THE YEAR ENDED DECEMBER 31,**

	<u>2020</u>	<u>2019</u>
Beginning Balance January 1	\$ 3,323,519.98	3,323,519.98
No current year activity		
Ending Balance December 31	\$ <u>3,323,519.98</u>	<u>3,323,519.98</u>

EXHIBIT G - GENERAL FIXED ASSETS ACCOUNT GROUP

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**STATEMENT OF GENERAL FIXED ASSETS
REGULATORY BASIS
AS OF DECEMBER 31,**

	<u>2020</u>	<u>2019</u>
General Fixed Assets:		
Land	\$ 622,642,682.64	622,642,682.64
Land Improvements	10,295,441.92	10,295,441.92
Buildings	65,427,473.23	65,427,473.23
Machinery and Equipment	34,676,484.99	33,760,128.41
Vehicles	10,584,509.01	10,495,276.01
	<u>743,626,591.79</u>	<u>742,621,002.21</u>
Investment in General Fixed Assets	<u>\$ 743,626,591.79</u>	<u>742,621,002.21</u>

The accompanying Notes to Financial Statements are an integral part of this statement

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CITY OF ATLANTIC CITY
NOTES TO FINANCIAL STATEMENTS
YEARS ENDED DECEMBER 31, 2020 AND 2019

Note 1: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

A. Reporting Entity

The City of Atlantic City is a resort community in the County of Atlantic, State of New Jersey. The City covers an area of approximately 12 square miles with a population according to the 2010 census of 39,558. The City operates under a Mayor and Council form of government with the Mayor being the chief executive officer of the City and directly elected by the voters. The City Council is the law making body and passes all resolutions and ordinances. The City also employs a City Administrator who is responsible for the day to day operations of the City. Except as noted below, the financial statements of the City of Atlantic City include every board, body, office or commission supported and maintained wholly or in part by funds appropriated by the City of Atlantic City, as required by N.J.S. 40A:5-5.

Component units are legally separate organizations for which the City is financially accountable. The City is financially accountable for an organization if the City appoints a voting majority of the organization's governing board and (1) the City is able to significantly influence the programs or services performed or provided by the organization; or (2) the City is legally entitled to or can otherwise access the organization's resources; the City is legally obligated or has otherwise assumed the responsibility to finance the deficits of or provide financial support to the organization; or the City is obligated for the debt of the organization. Component units may also include organizations that are fiscally dependent on the City in that the City approves the budget, the issuance of debt or the levying of taxes. If the City reported under GAAP, the Atlantic City Municipal Utility Authority, 401 N. Virginia Avenue, Atlantic City and the Atlantic City Public Library, 1600 Atlantic Ave, Atlantic City would be considered component units. Complete financial statements for the component units may be obtained at the entity's administrative offices.

B. Description of Funds

The accounting policies of the City of Atlantic City conform to the accounting principles applicable to municipalities that have been prescribed by the Division of Local Government Services, Department of Community Affairs, State of New Jersey. Such principles and practices are designed primarily for determining compliance with legal provisions and budgetary restrictions and as a means of reporting on the stewardship of public officials with the respect to public funds. Under this method of accounting, the City of Atlantic City accounts for its financial transactions through the following separate funds:

Current Fund -- resources and expenditures for governmental operations of a general nature, including Federal and State grant funds.

Trust Funds -- receipts, custodianship and disbursement of funds in accordance with the purpose for which each reserve was created.

CITY OF ATLANTIC CITY
NOTES TO FINANCIAL STATEMENTS
YEARS ENDED DECEMBER 31, 2020 AND 2019

General Capital Fund -- receipt and disbursement of funds for the acquisition of general facilities, other than those acquired in the Current Fund.

General Fixed Assets Account Group -- All fixed assets used in governmental fund type operations (general fixed assets) are accounted for in the general fixed assets account group, rather than in governmental funds.

C. Basis of Accounting

The accounting principles and practices prescribed for municipalities by the State of New Jersey differ in certain respects from accounting principles generally accepted in the United States of America applicable to local governmental units. The more significant policies in New Jersey follow. A modified accrual basis of accounting is followed with minor exceptions.

Revenues -- are recorded as received in cash except for certain amounts that are due from other governmental units. Receipts from Federal and State grants are realized as revenue when anticipated in the City budget. Receivables for property taxes are recorded with offsetting reserves on the balance sheet of the City's Current Fund; accordingly, such amounts are not recorded as revenue until collected. Other amounts that are due to the City which are susceptible to accrual are also recorded as receivables with offsetting reserves and recorded as revenue when received.

Expenditures -- are recorded on the "budgetary" basis of accounting. Generally expenditures are recorded when an amount is encumbered for goods or services through the issuance of a purchase order in conjunction with the Encumbrance Accounting System. Outstanding encumbrances at December 31, are reported as a cash liability in the financial statements. Appropriation reserves covering unexpended appropriation balances are automatically created at December 31st of each year and recorded as liabilities, except for amounts that may be canceled by the Governing Body. Appropriation reserves are available, until lapsed at the close of the succeeding year, to meet specific claims, commitments or contracts incurred during the preceding fiscal year. Lapsed appropriation reserves are recorded as income. Appropriations for principal payments on outstanding general capital and notes are provided on the cash basis; interest on general capital indebtedness is on the cash basis.

Foreclosed Property -- Foreclosed property is recorded in the Current Fund at the assessed valuation when such property was acquired and is fully reserved.

Interfunds -- Interfund receivables in the Current Fund are recorded with offsetting reserves which are created by charges to operations. Income is recognized in the year the receivables are liquidated. Interfund receivables in the other funds are not offset by reserves.

Inventories of Supplies - The cost of inventories of supplies for all funds are recorded as expenditures at the time individual items are purchased. The cost of inventories are not included on the various balance sheets.

CITY OF ATLANTIC CITY
NOTES TO FINANCIAL STATEMENTS
YEARS ENDED DECEMBER 31, 2020 AND 2019

General Fixed Assets -- The City has developed a fixed assets accounting and reporting system, as promulgated by the Division of Local Government Services, which differs in certain respects from accounting principles generally accepted in the United States of America.

As required by New Jersey Statutes, foreclosed property is reported in the current operating fund of the municipality.

Fixed assets used in governmental operations (general fixed assets) are accounted for in the General Fixed Assets Account Group. Public domain ("infrastructure") general fixed assets consisting of certain improvements other than buildings, such as roads, bridges, curbs and gutters, streets and sidewalks and drainage systems are not capitalized.

All fixed assets are valued at historical cost or estimated historical cost if actual historical cost is not available except for land which is valued at estimated market value at the time the land is foreclosed or donated. Land purchased by the City is valued at cost.

No depreciation has been provided for in the financial statements.

Expenditures for construction in progress are recorded in the Capital Funds until such time that construction is completed and put into operation.

Fixed assets acquired through grants in aid or contributed capital have been accounted for separately.

The following schedule is a summarization of the changes in general fixed assets for the most recent calendar year ended December 31, 2020 and 2019:

	Balance as of 12/31/18	Additions	Disposals/ Adjustments	Balance as of 12/31/19
Land	\$622,642,683			622,642,683
Land Improvements	10,295,442			10,295,442
Buildings	65,427,473			65,427,473
Machinery and Equipment	30,296,757	402,830	(3,060,542)	33,760,129
Vehicles	26,148,798	429,600	16,083,123	10,495,275
	<u>\$754,811,153</u>	<u>832,430</u>	<u>13,022,581</u>	<u>742,621,002</u>

CITY OF ATLANTIC CITY
NOTES TO FINANCIAL STATEMENTS
YEARS ENDED DECEMBER 31, 2020 AND 2019

	Balance as of 12/31/19	Additions	Disposals/ Adjustments	Balance as of 12/31/20
Land	\$ 622,642,683			622,642,683
Land Improvements	10,295,442			10,295,442
Buildings	65,427,473			65,427,473
Machinery and Equipment	33,760,129	916,357		34,676,486
Vehicles	10,495,275	89,233		10,584,508
	<u>\$ 742,621,002</u>	<u>1,005,590</u>	<u>-</u>	<u>743,626,592</u>

Levy of Taxes -- The County Board of Taxation certifies the tax levy of the municipality each year. The tax levy is based on the assessed valuation of taxable property within the municipality. Taxes are payable on the first day of February, May, August, and November. Any taxes that have not been paid by the 11th day of the 11th month in the fiscal year levied are subject to being included in the tax sale and the lien enforced by selling the property in accordance with NJSA 54:5 et seq.

The municipality is responsible for remitting 100% of the school and county taxes to the respective agency. The loss for delinquent or uncollectible accounts is borne by the municipality and not the school district, or county.

Capitalization of Interest -- It is the policy of the City of Atlantic City to treat interest on projects as a current expense and the interest is included in the current operating budget.

Use of Estimates -- The preparation of financial statements in conformity with accounting principles generally accepted in the United States of America or the regulatory basis of accounting requires management to make estimates and assumptions that affect certain reported amounts and disclosures. Accordingly, actual results could differ from those estimates.

D. Comparative Data

Comparative total data for the prior year has been presented in the accompanying Balance Sheets and Statement of Operations in order to provide an understanding of changes in the City's financial position. However, comparative (i.e., presentation of prior year totals by fund type) data have not been presented in the Statement of Revenue-Regulatory Basis and Statement of Expenditures-Regulatory Basis since their inclusion would make the statements unduly complex and difficult to read.

E. Recent Accounting Pronouncements Not Yet Effective

In June 2017, the Governmental Accounting Standards Board (GASB) issued Statement No. 87 "Leases". This statement, which is effective for fiscal periods beginning after June 15, 2021, may have an effect on the City's financial reporting.

CITY OF ATLANTIC CITY
NOTES TO FINANCIAL STATEMENTS
YEARS ENDED DECEMBER 31, 2020 AND 2019

In June 2018, the Governmental Accounting Standards Board (GASB) issued Statement No. 89 "Accounting for Interest Cost Incurred before the End of a Construction Period". This statement, which is effective for fiscal periods beginning after December 15, 2020, will not have any an effect on the City's financial reporting.

In May 2019, the Governmental Accounting Standards Board (GASB) issued Statement No. 91 "Conduit Debt Obligations". This statement, which is effective for fiscal periods beginning after December 15, 2021, will not have any an effect on the City's financial reporting.

In January 2020, the Governmental Accounting Standards Board (GASB) issued Statement No. 92 "Omnibus 2020". This statement, which is effective for fiscal periods beginning after June 15, 2021, will not have any an effect on the City's financial reporting.

In March 2020, the Governmental Accounting Standards Board (GASB) issued Statement No. 93 "Replacement of Interbank Offered Rates". This statement, which is effective for fiscal periods beginning after June 15, 2020, will not have any an effect on the City's financial reporting.

In March 2020, the Governmental Accounting Standards Board (GASB) issued Statement No. 94 "Public-Private and Public-Private Partnerships and Availability Payment Arrangements". This statement, which is effective for fiscal periods beginning after June 15, 2022, will not have any an effect on the City's financial reporting.

In May 2020, the Government Accounting Standards Board (GASB) issued Statement No. 95, Postponement of the Effective Dates of Certain Authoritative Guidance, which provides temporary relief from certain newer accounting and financial reporting requirements to governments due to the COVID-19 pandemic. The effective date of certain Statements and Implementation Guides – through GASB Statement No. 93 and Implementation Guide No. 2019-03 – that first became effective or were scheduled to become effective for periods beginning after June 15, 2018, are not deferred by either one year or eighteen months.

In May 2020, the Governmental Accounting Standards Board (GASB) issued Statement No. 96 "Subscription-Based Information Technology Arrangements". This statement, which is effective for fiscal periods beginning after June 15, 2022, will not have any an effect on the City's financial reporting.

In June 2020, the Governmental Accounting Standards Board (GASB) issued Statement No. 97 "Certain Component Unit Criteria, and Accounting and Financial Reporting for Internal Revenue Code Section 457 Deferred Compensation Plans – an amendment of GASB Statements No. 14 and No. 84, and a supersession of GASB Statement No. 32". This statement is partially effective immediately and also for fiscal years beginning after June 15, 2021. This statement will not have any an effect on the City's financial reporting.

CITY OF ATLANTIC CITY
NOTES TO FINANCIAL STATEMENTS
YEARS ENDED DECEMBER 31, 2020 AND 2019

Note 2: BUDGETARY INFORMATION

Under New Jersey State Statutes, the annual budget is required to be a balanced cash basis document. To accomplish this, the municipality is required to establish a reserve for uncollected taxes. The 2020 and 2019 statutory budgets included a reserve for uncollected taxes in the amount of \$5,390,393 and \$5,505,836. To balance the budget, the municipality is required to show a budgeted fund balance. The amount of fund balance budgeted to balance the 2020 and 2019 statutory budgets was \$0 and \$0.

The Chief Financial Officer has the discretion of approving intra department budgetary transfers throughout the year. Inter department transfers are not permitted prior to November 1. After November 1, these transfers can be made in the form of a resolution and approved by City Council. The following significant budget transfers were approved in the 2020 and 2019 calendar years:

CITY OF ATLANTIC CITY
NOTES TO FINANCIAL STATEMENTS
YEARS ENDED DECEMBER 31, 2020 AND 2019

Budget Category	2020	2019
Mayor's Office		
Salaries and Wages		70,000
Business Administrator		
Other Expenses	(120,000)	50,000
Tax Assessor		
Other Expenses	(63,575)	
Solicitor's Office		
Other Expenses		400,000
Prosecutor's Office		
Other Expenses		50,000
Insurance		
Liability		1,000,000
Workers Compensation		(200,000)
Employee Group	(481,182)	(1,930,000)
MIS		
Salaries and Wages		50,000
Other Expenses	71,182	
Human Resources Director's Office		
Salaries and Wages		(70,000)
Other Expenses	51,075	
Personnel Division		
Salaries and Wages		50,000
Planning and Development Director's Office		
Salaries and Wages		(100,000)
Planning Division		
Salaries and Wages		(60,000)
City Engineer		
Other Expenses		600,000
Director of Revenue and Finance		
Other Expenses		100,000
Comptroller's Office		
Salaries and Wages		80,000
Other Expenses	(84,000)	
Tax Collector's Office		
Salaries and Wages		(100,000)
Purchasing		
Salaries and Wages		50,000
Communications		
Salaries and Wages		200,000
Police Civilian Division		
Salaries and Wages		120,000
Director of Public Works		
Salaries and Wages		170,000
Other Expenses	139,000	200,000

CITY OF ATLANTIC CITY
NOTES TO FINANCIAL STATEMENTS
YEARS ENDED DECEMBER 31, 2020 AND 2019

Parks		
Salaries and Wages		70,000
Beach and Boardwalk		
Salaries and Wages		60,000
Sanitation		
Salaries and Wages		85,000
Building Maintenance Division		
Salaries and Wages		150,000
Vehicle Maintenance		
Other Expenses		(55,000)
Facilities		
Salaries and Wages		50,000
Health Administration		
Salaries and Wages	99,000	70,000
Other Expenses	232,500	
Recreational and Cultural Affair		
Salaries and Wages		122,000
Other Expenses		(100,000)
Regulatory Division		
Salaries and Wages		70,000
City Clerk		
Salaries and Wages		100,000
Uniform Construction Code		
Salaries and Wages		135,000
Gas		(50,000)
Street Lighting		(100,000)
Electricity		(100,000)
Telephone		(50,000)
Gasoline		(50,000)
City Water Usage		(50,000)
Compensated Absence Reserve		(1,000,000)

CITY OF ATLANTIC CITY
NOTES TO FINANCIAL STATEMENTS
YEARS ENDED DECEMBER 31, 2020 AND 2019

NJSA 40A:4-87 permits special items of revenue and appropriations to be inserted into the annual budget when the item has been made available by any public or private funding source and the item was not determined at the time of budget adoption. During 2020, the following budget insertions were approved:

SAFER	1,910,987.55
FEMA Assistance to Firefighters	64,185.91
CRDA	2,192,150.00
Bulletproof Vest Partnership	24,750.00
Municipal Alliance	10,328.19
COVID19	229,462.00
NJ DOT Bikeway Connection	99,833.52
Childhood Lead Poisoning	94,000.00
NJDCA Atlantic Pump Gate Station	2,450,000.00
US Census	5,000.00
NJDOT	480,177.00
US DOJ - Justice and Mental Health	740,576.00
South Jersey Transportation Planning	1,590,025.49
FEMA - Pre-Disaster Mitigation	3,596,088.97
NJ DOH Overdose Fatality	100,000.00
FEMA - Resiliency Program	20,000,000.00
Hot Meals Initiative	30,000.00
NJA Strategies Policing Innovation	699,990.00

The municipality may make emergency appropriations, after the adoption of the budget, for a purpose which was not foreseen at the time the budget was adopted or for which adequate provision was not made therein. This type of appropriation shall be made to meet a pressing need for public expenditure to protect or promote the public health, safety, morals or welfare or to provide temporary housing or public assistance prior to the next succeeding fiscal year. Emergency appropriations, except those classified as a special emergency, must be raised in the budgets of the succeeding year. Special emergency appropriations are permitted to be raised in the budgets of the succeeding three or five years.

Note 3: INVESTMENTS

Interest Rate Risk. The municipality does not have a formal investment policy that limits investment maturities as a means of managing its exposure to fair value losses arising from increasing interest rates. However, New Jersey Statutes 40A:5-15.1(a) limits the length of time for most investments to 397 days.

CITY OF ATLANTIC CITY
NOTES TO FINANCIAL STATEMENTS
YEARS ENDED DECEMBER 31, 2020 AND 2019

Credit Risk. New Jersey Statutes 40A:5-15.1(a) limits municipal investments to those specified in the Statutes. The type of allowable investments are Bonds of the United States of America or of the local unit or school districts of which the local unit is a part of; obligations of federal agencies not exceeding 397 days; government money market mutual funds; the State of New Jersey Cash Management Plan; local government investment pools; or repurchase of fully collateralized securities.

Concentration of Credit Risk. The municipality places no limit on the amount the City may invest in any one issuer.

Note 4: CASH

Custodial Credit Risk – Deposits. Custodial credit risk is the risk that in the event of a bank failure, the government's deposits may not be returned to it. The municipality's policy is based on New Jersey Statutes requiring cash be deposited only in New Jersey based banking institutions that participate in the New Jersey Governmental Depository Protection Act (GUDPA) or in qualified investments established in New Jersey Statutes 40A:5-15.1(a) that are treated as cash equivalents. As of December 31, 2020 and 2019, \$0 and \$0 of the municipality's bank balance of \$123,837,827.09 and \$97,876,362.91, respectively were exposed to custodial credit risk.

Note 5: LONG TERM DEBT

Long-term debt as of December 31, 2020 and 2019 consisted of the following:

	Balance Beginning 12/31/2018	Additions	Reductions	Balance Ending 12/31/2019	Due in One Year
General	\$376,229,000.00		18,890,000.00	357,339,000.00	19,485,000.00
PERS	51,065,146.00		8,968,651.00	42,096,495.00	
PFRS	171,582,942.00		24,723,449.00	146,859,493.00	
Comp Absences	7,697,019.67		807,503.56	6,889,516.11	
Total	<u>\$606,574,107.67</u>	<u>-</u>	<u>53,389,603.56</u>	<u>553,184,504.11</u>	<u>19,485,000.00</u>

	Balance Beginning 12/31/2019	Additions	Reductions	Balance Ending 12/31/2020	Due in One Year
General	\$ 357,339,000.00		19,485,000.00	337,854,000.00	21,910,000.00
PERS	42,096,495.00		6,778,288.00	35,318,207.00	
PFRS	146,859,493.00		2,074,466.00	144,785,027.00	
Comp Absences	6,889,516.11	3,688,180.37	578,172.12	9,999,524.36	
Total	<u>\$ 553,184,504.11</u>	<u>3,688,180.37</u>	<u>28,915,926.12</u>	<u>527,956,758.36</u>	<u>21,910,000.00</u>

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Paid by Current Fund:

\$16,354,000 General Improvement bonds dated 2/1/11 with principal payments starting 2/1/12 and ending 2/1/22. \$1,600,000 of principal was paid on 2/1/16. Semiannual interest payments began 8/1/11 with annual rates of 3.0% to 5.00%. The balance remaining as of December 31, 2020 was \$3,199,000.

\$5,450,000 Pension refunding bonds dated 4/1/12 with principal payments starting 4/1/13 and ending 4/1/21. \$585,000.00 of principal was paid on 4/1/16. Semiannual interest payments began 4/1/13 with annual rates of 2.314% to 4.756%. The balance remaining as of December 31, 2020 was \$720,000. \$5,450,000 of the pension refunding bonds replaced \$5,325,035 of State of New Jersey PERS ERI Program debt. The net present value savings exceeded \$421,000.

\$93,000,000 Tax appeal refunding bonds dated 12/5/12 with principal payments starting 11/1/13 and ending 11/1/32. \$7,565,000.00 of principal was paid on 11/1/16. Semiannual interest payments began 5/1/13 with annual rates of 1.388% to 5.00%. The balance remaining as of December 31, 2020 was \$62,340,000. \$2,620,000 of this issue was taxable for federal and state income taxes based on the purpose of the bond ordinance and in the opinion of Bond Council.

\$48,976,000 Tax appeal refunding bonds dated 12/5/13 with principal payments starting 12/1/17 and ending 12/1/33. Semiannual interest payments began 6/1/14 with annual rates of 3.00% to 5.00%. The balance remaining as of December 31, 2020 was \$33,660,000.

\$13,901,000 General Obligation bonds dated 12/5/13 with principal payments starting 12/1/14 and ending 12/1/28. \$790,000.00 of principal was paid on 12/1/16. Semiannual interest payments began 6/1/14 with annual rates of 3.00% to 5.00%. The balance remaining as of December 31, 2020 was \$8,480,000.

\$41,760,000 Tax appeal refunding bonds dated 5/21/15 with principal payments starting 3/1/20 and ending 3/1/40. Semiannual interest payments will begin in 2016 with annual rates of 7.00% to 7.50%. The balance remaining as of December 31, 2020 was \$41,235,000.

\$12,000,000 General obligation bonds dated 5/28/15 with principal payments starting 3/1/16 and ending 3/1/30. \$425,000.00 of principal was paid on 3/1/16. Semiannual interest payments will begin in 2016 with annual rates of 6.00%. The balance remaining as of December 31, 2020 was \$9,700,000.

\$69,800,000 Tax appeal refunding bonds dated 5/24/2017 with principal payments starting 3/1/20 and ending 3/1/42. Semiannual interest payments will begin in 2017 with annual rates of 5.00%. The balance remaining as of December 31, 2020 was \$68,130,000.

\$68,325,000 Tax appeal refunding bonds dated 9/20/2017 with principal payments starting 9/1/18 and ending 3/1/42. Semiannual interest payments will begin in 2017 with annual rates of 5.00%. The balance remaining as of December 31, 2020 was \$61,225,000.

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\$49,165,000 General Obligation bonds dated 4/4/2018 with principal payments starting 9/1/21 and ending 9/1/26. Semiannual interest payments will begin in 2021 with annual rates of 3.66% to 4.29%. The balance remaining as of December 31, 2020 was \$49,165,000.

Schedule of Annual Debt Service for Principal and Interest for Bonded Debt Issued and Outstanding

Calendar Year	General Capital Principal	Total Interest	Total
2021	21,910,000.00	16,415,339.36	38,325,339.36
2022	25,744,000.00	15,357,237.76	41,101,237.76
2023	26,010,000.00	14,178,425.56	40,188,425.56
2024	25,055,000.00	12,990,873.46	38,045,873.46
2025	25,955,000.00	11,841,455.50	37,796,455.50
2026-2030	80,915,000.00	44,471,868.75	125,386,868.75
2031-2035	56,710,000.00	27,967,000.00	84,677,000.00
2036-2040	58,540,000.00	12,423,125.00	70,963,125.00
2041-2042	17,015,000.00	784,875.00	17,799,875.00
	<u>\$ 337,854,000.00</u>	<u>156,430,200.39</u>	<u>494,284,200.39</u>

As of December 31, 2020, the carrying value of the above bonds approximates the fair value of the bonds.

<u>Summary of Municipal Debt</u>	<u>Year 2020</u>	<u>Year 2019</u>	<u>Year 2018</u>
<u>Issued:</u>			
General:			
Bonds & Notes Issued	\$337,854,000.00	357,339,000.00	376,229,000.00
Notes/Loans	-	-	-
Less: Funds Temporarily Held to Pay			
Bonds and Notes	-	-	-
Net Debt Issued	<u>337,854,000.00</u>	<u>357,339,000.00</u>	<u>376,229,000.00</u>

Authorized but not issued:

General:			
Bonds and notes	<u>480,000.00</u>	<u>480,000.00</u>	<u>480,000.00</u>
Bonds & Notes Authorized But Not Issued	<u>480,000.00</u>	<u>480,000.00</u>	<u>480,000.00</u>
Net Bonds & Notes Issued and Authorized But Not Issued	<u>\$338,334,000.00</u>	<u>357,819,000.00</u>	<u>376,709,000.00</u>

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Summary of Statutory Debt Condition - Annual Debt Statement

The summarized statement of debt condition which follows is prepared in accordance with the required method of setting up the Annual Debt Statement and indicates a statutory net debt of 11.873%.

	Gross Debt	Deductions	Net Debt
Local School District Debt	\$ 57,753,000.00	57,753,000.00	-
General Debt	338,334,000.00	-	338,334,000.00
	<u>\$ 396,087,000.00</u>	<u>57,753,000.00</u>	<u>338,334,000.00</u>

Net Debt \$338,334,000/ Equalized Valuation Basis per NJSA 40A:2-2 as amended,
\$2,849,619,030.67 = 11.873%

The foregoing information is in agreement with the Annual Debt Statement filed with the Division of Local Government Services.

Borrowing Power Under N.J.S.A. 40A:2-6 as Amended

3 1/2 % of Equalized Valuation Basis (Municipal)	\$ 99,736,666.07
Net Debt	338,334,000.00
Remaining Borrowing Power (Deficit)	<u>\$ (238,597,333.93)</u>

The City of Atlantic City School District, as a K-12 school district, is permitted to borrow up to 4% of the average equalized valuation for the past three years. State statutes allow a school district to exceed the districts limitation with voter approval. Any amounts approved by the voters in excess of the limit is treated as an impairment of the municipal limit.

Note 6: SHORT-TERM OBLIGATIONS

There were no short term obligations during the 2020 year. The City had no outstanding short term obligations as of December 31, 2020 and 2019.

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Note 7: FUND BALANCES APPROPRIATED

Fund balances at December 31, 2020 and 2019, which were appropriated and included as anticipated revenue in their own respective funds for the years ending December 31, 2021 and 2020 were as follows:

	<u>2021</u>	<u>2020</u>
Current Fund	\$0	\$0

Note 8: DEFERRED CHARGES TO BE RAISED IN SUCCEEDING BUDGETS

Certain expenditures are required to be deferred to budgets of succeeding years. At December 31, 2020, the following deferred charges are shown on the balance sheets of the various funds:

	Balance December 31, 2020	2021 Budget Appropriation	Balance to Succeeding
Current fund:			
Deficit in Operations	\$ 3,692,222.24	1,230,740.00	2,461,482.24
	<u>\$ 3,692,222.24</u>	<u>1,230,740.00</u>	<u>2,461,482.24</u>

The 2021 budget has been adopted. The City is currently under the supervision of a State Monitor, and the amounts required to be appropriated for the Deficit in Operations and will be determined by the State prior to the budget being adopted.

The appropriations in the 2021 Budget are not less than that required by statute and State agreement.

Note 9: SCHOOL TAXES

Local District School Tax in the amount of \$42,631,859.00 has been raised for the 2020 calendar year and \$42,631,859.00 remitted to the school district leaving a \$0 balance payable. Since the school district operates on a July 1 to June 30 fiscal year the school tax levy is determined by taking 50% of the prior year and 50% of the current year requirements, plus the actual amount needed for debt service.

Note 10: TAXES COLLECTED IN ADVANCE

Taxes collected in advance are recorded as cash liabilities in the financial statements. Following is a comparison of the liability for the previous two years:

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	<u>Balance 12/31/20</u>	<u>Balance 12/31/19</u>
Prepaid Taxes	\$ 1,185,722.39	1,048,993.05
Cash Liability for Taxes Collected in Advance	<u>\$ 1,185,722.39</u>	<u>1,048,993.05</u>

Note 11: PENSION FUNDS

Description of Plans

Substantially all of the City's employees are covered by the Public Employees' Retirement System (PERS) and Police and Fireman's Retirement System (PFRS), a cost-sharing multiple-employer defined benefit pension plan which has been established by state statute and is administered by the New Jersey Division of Pension and Benefits (Division). According to the State of New Jersey Administrative Code, all obligations of the System will be assumed by the State of New Jersey should the System terminate. The Division issues a publicly available financial report that includes the financial statements and required supplementary information for the Public Employees Retirement System and Police and Fireman's Retirement System. This report may be obtained by writing to the Division of Pensions and Benefits, PO Box 295, Trenton, New Jersey, 08625 or the report can be accessed on the internet at <http://www.state.nj.us/treasury/pensions/annrpts.shtml>.

Public Employees' Retirement System

The Public Employees' Retirement System was established in January, 1955 under the provisions of N.J.S.A. 43:15A to provide retirement, death, disability and medical benefits to certain qualified members. The Public Employees' Retirement System is a cost-sharing multiple-employer plan. Membership is mandatory for substantially all full time employees of the State or any county, municipality, school district or public agency provided the employee is not required to be a member of another State-administered retirement system or other state or local jurisdiction.

Police and Fireman's Retirement System

The contribution policy for the PFRS is set by N.J.S.A. 43:16 and requires contributions by active members and contributing employers. Plan member and employer contributions may be amended by State of New Jersey legislation. PFRS provides for employee contributions of 10% of employees' annual compensation, as defined. Employers are required to contribute at an actuarially determined rate.

Defined Contribution Retirement Program (DCRP)

The Defined Contribution Retirement Program (DCRP) was established as of July 1, 2008 under the provisions of Chapter 92, P.L. 2008 and Chapter 103, P.L. 2008 (NJSA43:15C-1 et seq). The DCRP is a cost sharing multiple-employer defined contribution pension fund. The DCRP provides eligible members, and their beneficiaries with a tax-sheltered, defined contribution retirement

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benefit, along with life insurance and disability coverage. Vesting and benefit provisions are established by NJSA 43:15C-1 et seq.

Funding Policy

The contribution policy is set by N.J.S.A. 43:15A, Chapter 62, P.L. of 1994, Chapter 115, P.L. of 1997 and N.J.S.A. 18:66, and requires contributions by active members and contributing employers. Plan member and employer contributions may be amended by State of New Jersey legislation. PERS provide for employee contributions of 7.50% of employees' annual compensation, as defined. Employers are required to contribute at an actuarially determined rate in PERS and PFRS. The current PERS rate is 7.50% of covered payroll and for PFRS a rate of 10.0% of covered payroll. The City's contributions to PERS for the years ending December 31, 2020, 2019 and 2018 were \$2,444,620.00, \$2,751,463.00 and \$3,125,841.61 respectively, equal to the required contributions for each year. The City's contributions to PFRS for the years ending December 31, 2020, 2019 and 2018 were \$12,949,844.00, \$13,220,436.00 and \$14,954,170.99 respectively, equal to the required contributions for each year.

Significant Legislation

Chapter 78, P.L. 2011, effective June 28, 2011 made various changes to the manner in which the Public Employees' Retirement System (PERS) and the Police and Firemen's Retirement System (PFRS) operate and to the benefit provisions of those systems.

Chapter 78's provisions impacting employee pension and health benefits include:

- New members of the PERS hired on or after June 28, 2011 (Tier 5 members) will need 30 years of creditable service and age 65 for receipt of the early retirement benefit without a reduction of $\frac{1}{4}$ of 1% for each month that the member is under age 65.
- The eligibility age to qualify for a service retirement in the PERS is increased from age 63 to 65 for Tier 5 members.
- The annual benefit under special retirement for new PFRS members enrolled after June 28, 2011 (Tier 3 members), will be 60% instead of 65% of the member's final compensation plus 1% for each year of creditable service over 25 years but not to exceed 30 years.
- Increases in active member contribution rates. PERS active member rates increase from 5.5% of annual compensation to 6.5% plus an additional 1% phased-in over 7 years; PFRS active member rate increase from 8.5% to 10%. For fiscal year 2012, the member contribution rates increased in October 2011. The phase-in of the additional incremental member contribution rates for PES members will take place in July of each subsequent fiscal year.
- The payment of automatic cost-of-living adjustment (COLA) additional increases to current and future retirees and beneficiaries is suspended until reactivated as permitted by this law.
- New employee contribution requirements towards the cost of employer-provided health benefit coverage. Employees are required to contribute a certain percentage of the cost of

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coverage. The rate of contribution is determined based on the employee's annual salary and the selected level of coverage. The increased employee contributions will be phased in over a 4-year period for those employed prior to Chapter 78's effective date with a minimum contribution required to be at least 1.5% of salary.

- In addition, this new legislation changes the method for amortizing the pension systems' unfunded accrued liability (from a level percent of pay method to a level dollar of pay).

Chapter 1, P.L. 2010, effective May 21, 2010, made a number of changes to the State-administered retirement systems concerning eligibility, the retirement allowance formula, the definition of compensation, the positions eligible for service credit, the non-forfeitable right to a pension, the prosecutor's part of the PERS, special retirement under the PFRS, and employer contributions to the retirement systems.

Also, Chapter 1, P.L. 2010 changed the membership eligibility criteria for new members of PERS from the amount of annual compensation to the number of hours worked weekly. Also, it returned the benefit multiplier for new members of PERS to 1/60th from 1/55th, and it provided that new members of PERS have the retirement allowance calculated using the average annual compensation for the last five years of service instead of the last three years of service. New members of PERS will no longer receive pension service credit from more than one employer. Pension service credit will be earned for the highest paid position only. For new members of the PFRS, the law capped the maximum compensation that can be used to calculate a pension from these plans at the annual wage contribution base for social security, and requires the pension to be calculated using a three year average annual compensation instead of the last year's salary. This law also closed the Prosecutors Part of the PERS to new members and repealed the law for new members that provided a non-forfeitable right to receive a pension based on the laws of the retirement system in place at the time 5 years of pension service credit is attained. The law also requires the State to make its full pension contribution, defined a 1/7th of the required amount, beginning in fiscal years 2012.

Chapter 3, P.L. 2010, effective May 21, 2010, replaced the accidental and ordinary disability retirement for new members of the PERS with disability insurance coverage similar to that provided by the State to individuals enrolled in the State's Defined Contribution Retirement Program.

Chapter 92, P.L. 2007 implemented certain recommendations contained in the December 1, 2006 report of the Joint Legislative Committee on Public Employee Benefits Reform; established a DCRP for elected and certain appointed officials, effective July 1, 2007; the new pension loan interest rate became 4.69% per year, and an \$8.00 processing fee per loan was charged, effective January 1, 2008. The legislation also removed language from existing law that permits the State Treasurer to reduce employer pension contributions needed to fund the Funds and Systems when excess assets are available.

Note 12: PENSION LIABILITIES

In 2012, the Governmental Accounting Standards Board issued GASB statement 68. This statement is effective for fiscal years beginning after June 15, 2014. This statement changes the method of

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reporting the municipality's pension liabilities. However, due to the fact that the municipality reports on the regulatory basis of accounting, no financial statement impact will be recognized.

The following represents the municipality's pension liabilities as June 30, 2020:

Public Employees' Retirement System

The Municipality has a liability of \$35,318,207 for its proportionate share of the net pension liability. The net pension liability was measured as of June 30, 2020, and the total pension liability used to calculate the net pension liability was determined by an actuarial valuation as of July 1, 2019 that was rolled forward to June 30, 2020. The Municipality's proportion of the net pension liability was based on a projection of the Municipality's long-term share of contributions to the pension plan relative to the projected contributions of all participating employers, actuarially determined. At June 30, 2020, the Municipality's proportion would be 0.21657799230%, which would be a decrease of 7.30% from its proportion measured as of June 30, 2018.

For the year ended December 31, 2020, the Municipality would have recognized pension expense of (\$8,725,320). At December 31, 2020, the Municipality would report deferred outflows of resources and deferred inflows of resources related to PERS from the following sources:

	Deferred Outflows of Resources	Deferred Inflows of Resources
Differences between expected & actual experience	\$ 643,087	\$ (124,900)
Changes of assumptions	1,145,763	(14,788,067)
Changes in proportion		(18,632,279)
Net difference between projected and actual earnings on pension plan investments	1,207,205	
Total	<u>\$ 2,996,055</u>	<u>\$ (33,545,246)</u>

Amounts that would be reported as deferred outflows of resources and deferred inflows of resources related to pensions would be recognized in pension expense as follows:

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	Year ended June 30,
2021	\$ (11,360,959)
2022	(10,357,741)
2023	(5,919,184)
2024	(2,393,618)
2025	(517,689)
Total	<u>\$ (30,549,191)</u>

Actuarial Assumptions

The total pension liability for the June 30, 2020 measurement date was determined by an actuarial valuation as of July 1, 2019, which was rolled forward to June 30, 2020. This actuarial valuation used the following assumptions, applied to all periods in the measurement:

Inflation rate

Price 2.75%

Wage 3.25%

Salary increases:

Through 2026 2.00% – 6.00% (based on years of service)

Thereafter 3.00% - 7.00% (based on years of service)

Investment rate of return: 7.00%

Pre-retirement mortality rates were based on the Pub-2010 General Below-Median Income Employee mortality table with an 82.2% adjustment for males and 101.4% adjustment for females, and with future improvement from the base year of 2010 on a generational basis. Post-retirement mortality rates were based on the Pub-2010 General Below-Median Income Healthy Retiree mortality table with a 91.4% adjustment for males and 99.7% adjustment for females, and with future improvement from the base year of 2010 on a generational basis. Disability retirement rates used to value disable retirees were based on the Pub-2010 Non-Safety Disabled Retiree mortality table with a 127.7% adjustment for males and 117.2% adjustment for females, and with future improvement from the base year of 2010 on generational basis. Mortality improvement is based on Scale MP-2019.

The actuarial assumptions used in the July 1, 2019 valuation were based on the results of an actuarial experience study for the period July 1, 2014 to June 30, 2018.

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In accordance with State statute, the long-term expected rate of return on plan investments (7.00% at June 30, 2020) is determined by the State Treasurer, after consultation with the Directors of the Division of Investments and Division of Pensions and Benefits, the board of trustees and the actuaries. The long term expected rate of return was determined using a building block method in which best-estimate ranges of expected future real rates of return (expected returns, net of pension plan investment expense and inflation) are developed for each major asset class. These ranges are combined to produce the long-term expected rate of return by weighting the expected future real rates of return by the target asset allocation percentage and by adding expected inflation. Best estimates of arithmetic real rates of return for each major asset class included in PERS's target asset allocation as of June 30, 2020 are summarized in the following table:

Asset Class	Target Allocation	Long-Term Expected Real Rate of Return
US equity	27.00%	7.71%
Non-U.S. developed markets equity	13.50%	8.57%
Emerging markets equity	5.50%	10.23%
Private equity	13.00%	11.42%
Real assets	3.00%	9.73%
Real estate	8.00%	9.56%
High yield	2.00%	5.95%
Private Credit	8.00%	7.59%
Investment grade credit	8.00%	2.67%
Cash equivalents	4.00%	0.50%
U.S. Treasuries	5.00%	1.94%
Risk mitigation strategies	3.00%	3.40%

Discount Rate

The discount rate used to measure the total pension liability was 7.00% as of June 30, 2020. The projection of cash flows used to determine the discount rate assumed that contributions from plan members will be made at the current member contribution rates and that contributions from employers will be made based on 78% of the actuarially determined contributions for the State employer and 100% of actuarially determined contributions for local employers. Based on those assumptions, the plan's fiduciary net position was projected to be available to make projected future benefit payments of current plan members through 2057. Therefore, the long-term expected rate of return on plan investments was applied to all projected benefit payments to determine the total pension liability.

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Sensitivity of the Municipality's proportionate share of the net pension liability to changes in the discount rate.

The following presents the Municipality's proportionate share of the net pension liability calculated using the discount rate of 7.00%, as well as what the Municipality's proportionate share of the net pension liability would be if it were calculated using a discount rate that is 1-percentage point lower (6.00%) or 1-percentage point higher (8.00%) than the current rate:

	1% Decrease (6.00%)	Current Discount Rate (7.00%)	1% Increase (8.00%)
Municipality's proportionate share of the net pension liability	\$ 42,063,887	\$ 35,318,207	\$29,601,673

Pension plan fiduciary net position.

Detailed information about the pension plan's fiduciary net position is available in the separately issued PERS financial report.

Police and Firemen's Retirement System

The Municipality has a liability of \$144,785,027 for its proportionate share of the net pension liability. The net pension liability was measured as of June 30, 2020, and the total pension liability used to calculate the net pension liability was determined by an actuarial valuation as July 1, 2019 that was rolled forward to June 30, 2020. The Municipality's proportion of the net pension liability was based on a projection of the Municipality's long-term share of contributions to the pension plan relative to the projected contributions of all participating employers, actuarially determined. At June 30, 2020, the Municipality's proportion would be 1.12051276270%, which would be a decrease of 6.63% from its proportion measured as of June 30, 2019.

For the year ended December 31, 2020, the Municipality would have recognized pension expense of (\$10,589,906). At December 31, 2020, the Municipality would have reported deferred outflows of resources and deferred inflows of resources related to PFRS from the following sources:

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	Deferred Outflows of Resources	Deferred Inflows of Resources
Differences between expected & actual experience	\$ 1,459,679	\$ (519,616)
Changes of assumptions	364,351	(38,816,000)
Changes in proportion		(46,757,518)
Net difference between projected and actual earnings on pension plan investments	8,489,423	
Total	<u>\$ 10,313,453</u>	<u>\$ (86,093,134)</u>

Amounts that would be reported as deferred outflows of resources and deferred inflows of resources related to pensions would be recognized in pension expense as follows:

Year ended June 30,	
2021	\$ (35,363,768)
2022	(23,866,258)
2023	(9,716,120)
2024	(3,670,403)
2025	(3,163,132)
Total	<u>\$ (75,779,681)</u>

Actuarial Assumptions

The total pension liability for the June 30, 2020 measurement date was determined by an actuarial valuation of July 1, 2019, which was rolled forward to June 30, 2020. This actuarial valuation used the following assumptions, applied to all periods in the measurement:

Inflation rate	
Price	2.75%
Wage	3.25%
Salary increases:	3.25% - 15.25% (based on years of service)
Investment rate of return:	7.00%

Pre-retirement mortality rates were based on the Pub-2010 Safety Employee mortality table with a 105.6% adjustment for males and 102.5% adjustment for females, and with future improvement

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from the base year of 2010 on a generational basis. For healthy annuitants, post-retirement mortality rates were based on the Pub-2010 Safety Retiree Below-Median Income Weighted mortality table with a 96.7% adjustment for males and 96% adjustment for females, and with future improvement from the base year of 2010 on a generational basis. For beneficiaries, the Pub-2010 General Retiree Below-Median Income Weighted mortality table was used, unadjusted, and with future improvement from the base year of 2010 on a generational basis. Disability rates were based on the Pub-2010 Safety Disabled Retiree mortality table with a 152% adjustment for males and 109.3% adjustment for females, and with future improvement from the base year of 2010 on a generational basis. Mortality improvement is based on Scale MP-2020.

The actuarial assumptions used in the July 1, 2019 valuation were based on the results of an actuarial experience study for the period July 1, 2013 to June 30, 2018.

In accordance with State statute, the long-term expected rate of return on plan investments (7.00% at June 30, 2020) is determined by the State Treasurer, after consultation with the Directors of the Division of Investments and Division of Pensions and Benefits, the board of trustees and the actuaries. The long-term expected rate of return was determined using a building block method in which best-estimate ranges of expected future real rates of return (expected returns, net of pension plan investment expense and inflation) are developed for each major asset class. These ranges are combined to produce the long-term expected rate of return by weighting the expected future real rates of return by the target asset allocation percentage and by adding expected inflation. Best estimates of arithmetic rates of return for each major asset class included in PFRS's target asset allocation as of June 30, 2020 are summarized in the following table:

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<u>Asset Class</u>	<u>Target Allocation</u>	<u>Long-Term Expected Real Rate of Return</u>
US equity	27.00%	7.71%
Non-U.S. developed markets equity	13.50%	8.57%
Emerging markets equity	5.50%	10.23%
Private equity	13.00%	11.42%
Real assets	3.00%	9.73%
Real estate	8.00%	9.56%
High yield	2.00%	5.95%
Private credit	8.00%	7.59%
Investment grade credit	8.00%	2.67%
Cash equivalents	4.00%	0.50%
U.S. Treasuries	5.00%	1.94%
Risk mitigation strategies	3.00%	3.40%

Discount Rate

The discount rate used to measure the total pension liability was 7.00% as of June 30, 2020. The projection of cash flows used to determine the discount rate assumed that contributions from plan members will be made at the current member contribution rates and that contributions from employers and the non-employer contributing entity will be made based 78% of the actuarially determine contributions for the State employer and 100% of actuarially determined contributions for local employers. Based on those assumptions, the plan's fiduciary net position was projected to be available to make all projected future benefit payments of current plan members. Therefore, the long-term expected rate of return on plan investments was applied to all projected benefit payments to determine the total pension liability.

Sensitivity of the Municipality's proportionate share of the net pension liability to changes in the discount rate.

The following presents the collective net pension liability of the participating employers as of June 30, 2020, calculated using the discount rate as disclosed above as well as what the collective net pension liability would be if it was calculated using a discount rate that is 1-percentage point lower or 1-percentage point higher than the current rate:

CITY OF ATLANTIC CITY
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	1% Decrease (6.00%)	Current Discount Rate (7.00%)	1% Increase (8.00%)
District's proportionate share of the net pension liability	187,127,654.96	144,785,027.00	109,617,178.32

In addition to the PFRS liabilities listed above, a special funding situation exists for the Local employers of the Police and Fire Retirement System of New Jersey. The State of New Jersey, as a non-employer, is required to pay the additional costs incurred by Local employers under Chapter 8, P.L. 2000, Chapter 318, P.L. 2001, Chapter 86, P.L. 2001, Chapter 511, P.L. 1991, Chapter 109, P.L. 1979, Chapter 247, P.L. 1993 and Chapter 201, P.L. 2001. The June 30, 2020 State special funding situation net pension liability amount of \$2,005,329,818.00 is the accumulated differences between the annual actuarially determined State obligation under the special funding situation and the actual State contribution through the valuation date. The fiscal year ending June 30, 2020 State special funding situation pension expense of \$227,263,993.00 is the actuarially determined contribution amount that the State owes for the fiscal year ending June 30, 2020. The pension expense is deemed to be a State administrative expense due to the special funding situation.

The contribution policy for PFRS is set by N.J.S.A. 43:16A and required contributions by active members and contributing employers. State legislation has modified the amount that is contributed by the State. The State's contribution amount is based on an actuarially determined rate which includes the normal cost and unfunded accrued liability. For fiscal year 2020, the State contributed an amount less than the actuarially determined amount.

Although the liabilities related to the special funding situation are the liabilities of the State of New Jersey, the proportionate share of the statewide liability allocated to the Municipality was 1.12051276270% for 2020. The net pension liability amount allocated to the Municipality was \$22,469,977. For the fiscal year ending June 30, 2020 State special funding situation pension expense of \$2,546,522.00 is allocated to the Municipality.

Pension plan fiduciary net position.

Detailed information about the pension plan's fiduciary net position is available in the separately issued PFRS financial report.

Note 13: PENSION PLAN FOR LIFEGUARDS

The City of Atlantic City has established a pension plan to provide retirement, disability and survivor pension benefits for the individuals who serve on the City's lifeguard force. An eligible employee becomes a plan member upon employment. Employee contributions shall be withheld from the member's salary at the rate of 4.0% and contributed to the plan for his benefit. Retiree

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benefits are paid out of the current fund and charged to the current operating budget of the City. A plan member may retire with a pension only after his 45th birthday and after he has completed 20 years of service, the last 10 must have been completed immediately preceding his application. Employee contributions to the pension fund were \$73,240.68 and \$70,025.60 and benefits paid to retirees was \$1,132,488.16 and \$1,160,485.56 for the years ended December 31, 2020 and 2019, respectively. The City has not established a separate trust fund for the accumulation of contributions and the payment of retiree benefits.

Note 14: POST-RETIREMENT BENEFITS

General Information about the Plan:

The City offers Other Post-Retirement Benefits (OPEB) to its employees through the State Health Benefit Local Government Retired Employees Plan (the Plan) a cost-sharing multiple employer defined benefit other postemployment benefit plan with a special funding situation. It covers employees of local government employers that have adopted a resolution to participate in the Plan. For additional information about the Plan, please refer to the State of New Jersey (the State), Division of Pensions and Benefits' (the Division) Comprehensive Annual Financial Report (CAFR), which can be found at:

<https://www.state.nj.us/treasury/pensions/financial-reports.shtml>.

The Plan provides medical and prescription drug to retirees and their covered dependents of the participating employers. Under the provisions of Chapter 88, P.L. 1974 and Chapter 48, P.L. 1999, local government employers electing to provide postretirement medical coverage to their employees must file a resolution with the Division. Under Chapter 88, local employers elect to provide benefit coverage based on the eligibility rules and regulations promulgated by the State Health Benefits Commission. Chapter 48 allows local employers to establish their own age and service eligibility for employer paid health benefits coverage for retired employees. Under Chapter 48, the employer may assume the cost of post retirement medical coverage for employees and their dependents who:

1) retired on a disability pension;

or 2) retired with 25 or more years of service credit in a State or locally administered retirement system and a period of service of up to 25 years with the employer at the time of retirement as established by the employer;

or 3) retired and reached the age of 65 with 25 or more years of service credit in a State or locally administered retirement system and a period of service of up to 25 years with the employer at the time of retirement as established by the employer;

or 4) retired and reached age 62 with at least 15 years of service with the employer. Further, the law provides that the employer paid obligations for retiree coverage may be determined by means of a collective negotiations agreement.

CITY OF ATLANTIC CITY
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In accordance with Chapter 330, P.L. 1997, which is codified in N.J.S.A 52:14-17.32i, the State provides medical and prescription coverage to local police officers and firefighters, who retire with 25 years of service or on a disability from an employer who does not provide postretirement medical coverage. Local employers were required to file a resolution with the Division in order for their employees to qualify for State-paid retiree health benefits coverage under Chapter 330. The State also provides funding for retiree health benefits to survivors of local police officers and firefighters who die in the line of duty under Chapter 271, P.L.1989.

Pursuant to Chapter 78, P.L. 2011, future retirees eligible for postretirement medical coverage who have less than 20 years of creditable service on June 28, 2011 will be required to pay a percentage of the cost of their health care coverage in retirement provided they retire with 25 or more years of pension service credit. The percentage of the premium for which the retiree will be responsible will be determined based on the retiree's annual retirement benefit and level of coverage.

Allocation Methodology:

GASB Statement No. 75 requires participating employers in the Plan to recognize their proportionate share of the collective net OPEB liability, collective deferred outflows of resources, collective deferred inflows of resources, and collective OPEB expense, however under the Regulatory Basis of Accounting followed by the City these amounts are not accrued or recorded in the financial statements and the information listed in this note is for disclosure purposes only. Statewide across all member employers, the special funding situation's and nonspecial funding situation's net OPEB liability, deferred outflows of resources, deferred inflows of resources, and OPEB expense are based on separately calculated total OPEB liabilities. For the special funding situation and the nonspecial funding situation, the Collective Total OPEB liabilities for the year ended June 30, 2019 were \$5,637,151,775 and \$8,182,092,807, respectively. The nonspecial funding situation's net OPEB liability, deferred outflows of resources, deferred inflows of resources, and OPEB expense are further allocated to employers based on the ratio of the plan members of an individual employer to the total members of the Plan's non special funding situation during the measurement period July 1, 2018 through June 30, 2019. Employer and non-employer allocation percentages have been rounded for presentation purposes.

Special Funding Situation:

Under Chapter 330, P.L. 1997, the State shall pay the premium or periodic charges for the qualified local police and firefighter retirees and dependents equal to 80 percent of the premium or periodic charge for the category of coverage elected by the qualified retiree under the State managed care plan or a health maintenance organization participating in the program providing the lowest premium or periodic charge. The State also provides funding for retiree health benefits to survivors of local police officers and firefighters who die in the line of duty under Chapter 271, P.L.1989.

CITY OF ATLANTIC CITY
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Therefore, these employers are considered to be in a special funding situation as defined by GASB Statement No. 75 and the State is treated as a non-employer contributing entity. Since the local participating employers do not contribute under this legislation directly to the plan, there is no net OPEB liability, deferred outflows of resources or deferred inflows of resources to report in the financial statements of the local participating employers related to this legislation. However, the notes to the financial statements of the local participating employers must disclose the portion of the non-employer contributing entities' total proportionate share of the collective net OPEB liability that is associated with the local participating employer.

Net OPEB Liability:

Components of Net OPEB Liability

The components of the collective net OPEB liability of the participating employers in the Plan as of June 30, 2019 is as follows:

	June 30, 2019	
	Collective Total	Proportionate Share
Total OPEB Liability	\$ 13,819,244,582	\$ 134,446,739
Plan Fiduciary Net Position	273,173,482	2,657,691
Net OPEB Liability	<u>\$ 13,546,071,100</u>	<u>\$ 131,789,048</u>
Plan Fiduciary Net Position as a Percentage of the Total OPEB Liability	1.98%	1.98%

At June 30, 2019 the City's proportionate share of the Collective Net OPEB Liability was \$131,789,048. The State's proportionate share for the Special Funding Situation that is associated with the City is \$111,026,001. The City's proportion of the Collective Net OPEB Liability was 0.972895% which was a decrease from the prior year of 6.36%. The State's proportionate share attributable to the City of the Collective Net OPEB Liability for the Special Funding Situation was 2.009259% which was a decrease from the prior year of 8.35%.

City's Proportionate Share of Collective Net OPEB Liability \$ 131,789,048

State's proportionate share that is associated with the City 111,026,001

Total \$ 242,815,049

For the Year ended June 30, 2019 the City's Total OPEB Expense was \$(7,418,466) and the

CITY OF ATLANTIC CITY
NOTES TO FINANCIAL STATEMENTS
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State of New Jersey realized Total OPEB Expense in the amount of \$1,471,678 for its proportionate share of Total OPEB Expense that is associated with the City.

The total OPEB liability as of June 30, 2019 was determined by an actuarial valuation as of June 30, 2018, which was rolled forward to June 30, 2019. The actuarial assumptions vary for each plan member depending on the pension plan the member is enrolled in. This actuarial valuation used the following actuarial assumptions, applied to all periods in the measurement:

Inflation rate	2.50%
Salary increases*:	
PERS Initial fiscal year applied	
Rate through 2026	2.00% to 6.00%
Rate thereafter	3.00% to 7.00%
PFRS	
Rate for all future years	3.25% to 15.25%

* Salary increases are based on years of service within the respective plan.

Mortality:

PERS: Pub-2010 General classification headcount weighted mortality with fully generational mortality improvement projections from the central year using Scale MP-2019

PFRS: Pub-2010 Safety classification headcount weighted mortality with fully generational mortality improvement projections from the central year using Scale MP-2019

Actuarial assumptions used in the July 1, 2018 valuation were based on the results of the PFRS and PERS experience studies prepared for July 1, 2013 to June 30, 2018 and July 1, 2014 to June 30, 2018, respectively.

100% of active members are considered to participate in the Plan upon retirement.

Health Care Trend Assumptions

For pre-Medicare medical benefits, the trend is initially 5.7% and decreases to a 4.5% long-term trend rate after eight years. For post-65 medical benefits, the actual fully-insured Medicare Advantage trend rates for fiscal year 2020 are reflected. The assumed post-65 medical trend is 4.5% for all future years. For prescription drug benefits, the initial trend rate is 7.5% and decreases to a 4.5% long-term trend rate after eight years.

Discount Rate

CITY OF ATLANTIC CITY
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The discount rate for June 30, 2019 was 3.50%. This represents the municipal bond return rate as chosen by the State. The source is the Bond Buyer Go 20-Bond Municipal Bond Index, which includes tax-exempt general obligation municipal bonds with an average rating of AA/Aa or higher. As the long-term rate of return is less than the municipal bond rate, it is not considered in the calculation of the discount rate, rather the discount rate is set at the municipal bond rate.

Sensitivity of Net OPEB Liability to Changes in the Discount Rate

The following presents the Net OPEB liability as of June 30, 2019, calculated using the discount rate as disclosed above as well as what the Net OPEB liability would be if it was calculated using a discount rate that is 1-percentage point lower or 1-percentage-point higher than the current rate:

		1% Decrease (2.50%)		Discount Rate (3.50%)		1% Increase (4.50%)
Collective						
Net OPEB Liability	\$	15,662,704,137	\$	13,546,071,100	\$	11,826,026,995
Proportionate Share						
Net OPEB Liability	\$	152,381,665	\$	131,789,048	\$	115,054,825

Sensitivity of Net OPEB Liability to Changes in the Healthcare Trend Rate

The following presents the net OPEB liability as of June 30, 2019, calculated using the healthcare trend rate as disclosed above as well as what the net OPEB liability would be if it was calculated using a healthcare trend rate that is 1-percentage point lower or 1-percentage point higher than the current rate:

		1% Decrease		Healthcare Cost Trend Rate		1% Increase
Collective						
Net OPEB Liability	\$	11,431,214,644	\$	13,546,071,100	\$	16,243,926,531
Proportionate Share						
Net OPEB Liability	\$	111,213,715	\$	131,789,048	\$	158,036,349

Deferred Outflows of Resources and Deferred Inflows of Resources Related to OPEB

CITY OF ATLANTIC CITY
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At June 30, 2019, the State reported deferred outflows of resources and deferred inflows of resources related to retired employees' OPEB from the following sources:

	Collective Totals		Proportionate Share	
	Deferred Outflows of Resources	Deferred Inflows of Resources	Deferred Outflows of Resources	Deferred Inflows of Resources
Differences between expected and actual experience	\$	\$ (3,961,399,180)	\$	\$ (38,540,255)
Changes of assumptions		(4,800,426,301)		(46,703,108)
Net difference between projected and actual earnings on OPEB plan investments	11,158,226		108,558	
Changes in proportion and differences between contributions and proportionate share of contributions			27,713	(35,134,466)
Total	\$ 11,158,226	\$ (8,761,825,481)	\$ 136,271	\$ (120,377,829)

Amounts reported as deferred outflows of resources and deferred inflows of resources related to retired employees' OPEB will be recognized in OPEB expense as follows:

Year ended June 30,	Collective Totals	Proportionate Share
2020	\$ (1,425,201,517)	\$ (19,583,472)
2021	(1,425,201,517)	(19,583,472)
2022	(1,426,076,187)	(19,595,491)
2023	(1,427,489,995)	(19,614,918)
2024	(1,428,781,861)	(19,632,669)
Thereafter	(1,617,916,178)	(22,231,535)
Total	\$ (8,750,667,255)	\$ (120,241,558)

Detailed information about the plan's fiduciary net position is available in the separately issued OPEB financial report.

Collective OPEB Expenses reported by the State of New Jersey

The components of allocable OPEB Expense related to specific liabilities of individual employers for the year ending June 30, 2019 are as follows:

Service cost	\$ 666,574,660
Interest on Total OPEB Liability	636,082,461
Expected Investment Return	(11,286,267)
Administrative Expenses	9,478,435
Changes of Benefit Terms	(1,903,958)
Current Period Recognition (Amortization) of Deferred Inflows/ Outflows of Resources:	
Differences between Expected and Actual Experience	(619,405,071)
Changes in Assumptions	(809,376,790)
Differences between Projected and Actual Investment Earnings on OPEB Plan Investments	3,580,344
Total Collective OPEB Expense	\$ (126,256,186)

CITY OF ATLANTIC CITY
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Schedule of City's Share of Net OPEB Liability

	<u>2019</u>	<u>2018</u>
City's Proportionate Share of Net OPEB Liability	0.972895%	1.038979%
City's Share of Net OPEB Liability	\$ 131,789,048	162,772,873
City's Covered Payroll	15,176,184	15,493,038
City's Proportionate Share of the Net OPEB Liability as a Percentage of its Covered-Employee Payroll	868.39%	1050.62%
Plan Fiduciary Net Position as a Percentage of the Total OPEB Liability	1.98%	1.97%

Note 15: DEFERRED COMPENSATION

Employees of the City of Atlantic City may participate in a deferred compensation plan adopted under the provisions of Internal Revenue Code Section 457 (Deferred Compensation Plans With Respect to Service For State and Local Governments).

The deferred compensation plan is available to all employees of the City. Under the plan, employees may elect to defer a portion of their salaries and avoid paying taxes on the deferred portion until the withdrawal date. The deferred compensation amount is not available for withdrawal by employees until termination, retirement, death, or unforeseeable emergency.

The deferred compensation plan is administered by an unrelated financial institution. Under the terms of an IRC Section 457 deferred compensation plan, all deferred compensation and income attributable to the investment of the deferred compensation amounts held by the financial institution, until paid or made available to the employees or beneficiaries, are the property of the employees.

As part of its fiduciary role, the City has an obligation of due care in selecting the third party administrator. In the opinion of the City's legal counsel, the City has acted in a prudent manner and is not liable for losses that may arise from the administration of the plan.

CITY OF ATLANTIC CITY
NOTES TO FINANCIAL STATEMENTS
YEARS ENDED DECEMBER 31, 2020 AND 2019

Note 16: LABOR CONTRACTS

As of December 31, 2020, the City's employees are organized in the following collective bargaining units. Contracts are continually being negotiated the following table shows their current status.

Contract	Category	Expiration	Covers
ACWCPA	White Collar	12/31/21	All employees except police, fire, craft and blue collar workers. Supervisors are also excluded.
PBA	Police	12/31/15	All uniformed police, detectives, and other special police units, excluding the chief, deputy chief, inspectors, captains, and all other employees of the City.
IAFF	Firefighters	12/31/14	All uniformed firefighters
IBEW #351	Construction Code Inspectors	12/31/14	All Construction Office inspectors.
GWU # 910	Supervisors	12/31/14	All supervisors
AFL-CIO #2303	Blue Collar	12/31/21	Blue collar workers
AFL-CIO # 2303C	Beach Patrol	12/31/12	All lifeguards, lieutenants and captains, but excludes chief, assistant chief, area chief, beach surgeon, medical assistant.
SOA	Superior Officers'	12/31/15	Police captains, excluding chief, deputy chief, inspectors, and all other employees of the City.

Note 17: ACCRUED SICK AND VACATION BENEFITS

The City has permitted full time employees to accrue unused sick and vacation time, which may be taken as time off or paid at a later date at an agreed upon rate. The monetary value of these earned and unused employee benefits has not been accrued by either charges to operations or to budgets of prior years, although in some cases they might be material, since the realization of this liability may be affected by conditions which preclude an employee from receiving full payment of the accrual. At December 31, 2020 and 2019, the City estimates this liability to approximate \$9,999,524.36 and \$6,889,516.11, respectively. The policy of not reflecting the accrued benefit is not in agreement with GASB Statement No. 12. Effective January 1, 2002 the State of New Jersey is allowing municipalities to accrue a compensated absences liability. The City has established a reserve that as of December 31, 2020 and 2019 was \$6,607,342.68 and \$6,437,712.04, respectively.

CITY OF ATLANTIC CITY
NOTES TO FINANCIAL STATEMENTS
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Note 18: ECONOMIC DEPENDENCY

The City of Atlantic City is economically dependent on one industry as a major source of revenue for the City. The City receives approximately 33% of their revenue from the Casino industry.

Note 19: COMMITMENTS AND CONTINGENCIES

During the normal course of operations, lawsuits are frequently brought against the governmental unit. There are presently numerous suits pending against the City.

The City has not prepared an Incurred But Not Reported ("IBNR") report for the General Liability or Workers Compensation self funded insurance. The General Liability loss reserve calculated by the insurance consultant is approximately \$4,265,000. This Reserve is underfunded without including an IBNR calculation, by over \$5,500,000. Based on verification by the City's Insurance Broker and Solicitor the loss reserves include an adequate basis for estimating potential liabilities to the City at December 31, 2020. Also, estimates of payments to be made in 2020 were included in the City's 2020 budget. Additionally, the City has purchased an excess loss policy for any losses over \$500,000.

The Worker Compensation report, prepared by the City's other consultant, indicated current claims of over \$9,323,000. This Reserve is underfunded without including an IBNR calculation, by over \$15,000,000. Based on verification by the City's Insurance Broker and Solicitor the loss reserves include an adequate basis for estimating potential liabilities to the City at December 31, 2020. Also, estimates of payments to be made in 2020 will be included in the City's 2020 budget.

Note 20: RISK MANAGEMENT

The City is exposed to various risks of loss related to torts; theft of, damage to, and destruction of assets; errors and omissions; injuries to employees; and natural disasters.

Property and Liability Insurance – The City is self insured for property, liability some employee health plans and workers compensation. The City has commercial coverage for surety bonds and employee health insurance.

The self insurance has an excess policy for covered claims over \$500,000.

CITY OF ATLANTIC CITY
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The following is the activity for the years ended December 31,

	2020		2019	
	General Liability	Worker Compensation	General Liability	Worker Compensation
Beginning of Year:				
Unencumbered Reserve	\$ 6,485,534.54	4,996,738.96	3,973,745.31	4,333,367.96
Other	4,599.53	266,706.55	35,467.27	505,312.83
Funded by Budget Appropriation	4,500,000.00	1,000,000.00	5,904,243.91	3,800,000.00
	<u>10,990,134.07</u>	<u>6,263,445.51</u>	<u>9,913,456.49</u>	<u>8,638,680.79</u>
Paid	2,933,359.26	3,723,042.99	3,427,921.95	3,641,941.83
End of Year	<u>8,056,774.81</u>	<u>2,540,402.52</u>	<u>6,485,534.54</u>	<u>4,996,738.96</u>
Analysis of Balance				
Unencumbered Reserve	8,056,774.81	2,540,402.52	6,485,534.54	4,996,738.96
Encumbrances/Payables	<u>\$ 8,056,774.81</u>	<u>2,540,402.52</u>	<u>6,485,534.54</u>	<u>4,996,738.96</u>

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CITY OF ATLANTIC CITY
NOTES TO FINANCIAL STATEMENTS
YEARS ENDED DECEMBER 31, 2020 AND 2019

Note 21: INTERFUND BALANCES

As of December 31, 2020, the following interfunds were included on the balance sheets of the various funds of the City of Atlantic City:

	<u>Due From</u>	<u>Due to</u>
Current Fund:		
CDBG Trust	\$ 3,994,484.46	
Grant Fund	4,638,272.00	
Trust Fund - Dog Fund	2,417.60	
Trust Funds - Other	1,666,643.99	14,630,424.42
Capital Fund		174,636.85
Grant Fund:		
Current Fund		4,638,272.00
Trust Funds - Other	756.09	
Capital Fund	174,636.85	
Current		
Trust Fund:		
Current -		
Dog Fund		2,417.60
Other Trusts	14,630,424.42	1,666,643.99
CDBG		3,994,484.46
Grant Fund -		
Other Trusts		756.09
	\$ <u>25,107,635.41</u>	<u>25,107,635.41</u>

The Grant Fund only maintains a bank account for specific grants. All other grant activity is transacted through Current Fund bank accounts. A number of the Trust Funds do not maintain bank accounts. Their activity is transacted through the Current Fund bank accounts. The CDBG interfund is due to a timing issue based on the drawdown of Federal funds.

Note 22: SUBSEQUENT EVENTS

The City has evaluated events through August 6, 2021 the date which the financial statements were available to be issued and no additional items were noted for disclosure.

SUPPLEMENTARY DATA

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FORD - SCOTT

& ASSOCIATES, L.L.C.

CERTIFIED PUBLIC ACCOUNTANTS

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Independent Auditor's Report

The Honorable Mayor and
Members of the City Council
City of Atlantic City, New Jersey

We have audited, in accordance with the 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, the regulatory basis financial statements of the various funds and account group as of and for the year ended December 31, 2020, and the related notes to the financial statements, which collectively comprise the City's basic financial statements, and have issued our report thereon dated August 6, 2021, which was adverse due to being presented in accordance with the New Jersey regulatory basis of accounting.

Internal Control over Financial Reporting

In planning and performing our audit of the financial statements, we considered the City's control over financial reporting (internal control) to determine the audit procedures that are appropriate in the circumstances for the purpose of expressing our opinions on the financial statements but not for the purpose of expressing an opinion on the effectiveness of the City's internal control. Accordingly, we do not express an opinion on the effectiveness of the City's internal control.

Our consideration of internal control was for the limited purpose described in the first paragraph of this section and was not designed to identify all deficiencies in internal control that might be material weaknesses or significant deficiencies. Given these limitations, during our audit we did not identify any deficiencies in internal control that we consider to be material weaknesses. However, material weaknesses may exist that have not been identified.

A deficiency in internal control exists when the design or operation of a control does not allow management or employees, in the normal course of performing their assigned functions, to prevent, or detect and correct, misstatements on a timely basis. A *material weakness* is a deficiency, or a combination of deficiencies, in internal control, such that there is a reasonable possibility that a material misstatement of the entity's financial statements will not be prevented, or detected and corrected on a timely basis. A *significant deficiency* is a deficiency, or a combination of deficiencies, in internal control that is less severe than a material weakness, yet important enough to merit attention by those charged with governance.

Compliance and Other Matters

As part of obtaining reasonable assurance about whether the City's financial statements are free from material misstatement, we performed tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements, noncompliance with which could have a direct and material effect on the determination of financial statement amounts. However, providing an opinion on compliance with those provisions was not an objective of our audit, and accordingly, we do not express such an opinion. The results of our tests disclosed no instances of noncompliance or other matters that are required to be reported under *Government Auditing Standards*.

City's Responses to Findings

The City of Atlantic City's response to the findings identified in our audit are described in the accompanying *schedule of findings and questioned costs*. The City's response was not subjected to the auditing procedures applied in the audit of the financial statements and, accordingly, we express no opinion on it.

Purpose of this Report

The purpose of this report is solely to describe the scope of our testing of internal control and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the entity's internal control or on compliance. This report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the entity's internal control and compliance. Accordingly, this communication is not suitable for any other purpose.

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

Nancy Sbrolla
Nancy Sbrolla
Certified Public Accountant
Registered Municipal Accountant
No. 542

August 6, 2021



FORD-SCOTT

& ASSOCIATES, L.L.C.

CERTIFIED PUBLIC ACCOUNTANTS

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Independent Auditor's Report

The Honorable Mayor and
Members of City Council
City of Atlantic City, New Jersey

Report on Compliance for Each Major Federal and State Program

We have audited the City of Atlantic City's compliance with the types of compliance requirements described in the *Uniform Guidance Compliance Supplement* and the New Jersey OMB *State Grant Compliance Supplement* that could have a direct and material effect on each of the City of Atlantic City's major federal and state programs for the year ended December 31, 2020. The City of Atlantic City's major federal and state programs are identified in the summary of auditor's results section of the accompanying schedule of findings and questioned costs.

Management's Responsibility

Management is responsible for compliance with the requirements of laws, regulations, contracts, and grants applicable to its federal and state programs.

Auditor's Responsibility

Our responsibility is to express an opinion on compliance for each of City of Atlantic City's major federal and state programs based on our audit of the types of compliance requirements referred to above. We conducted our audit of compliance in accordance with auditing standards generally accepted in the United States of America; the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States; and the audit requirements of Title 2 U.S. Code of Federal Regulations Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards* (Uniform Guidance) and New Jersey OMB 15-08. Those standards, the Uniform Guidance and NJ OMB 15-08 require that we plan and perform the audit to obtain reasonable assurance about whether noncompliance with the types of compliance requirements referred to above that could have a direct and material effect on a major federal or state program occurred. An audit includes examining, on a test basis, evidence about City of Atlantic City's compliance with those requirements and performing such other procedures as we considered necessary in the circumstances.

We believe that our audit provides a reasonable basis for our opinion on compliance for each major federal and state program. However, our audit does not provide a legal determination of the City of Atlantic City's compliance.

Opinion on Each Major Federal and State Program

In our opinion, the City of Atlantic City complied, in all material respects, with the types of compliance requirements referred to above that could have a direct and material effect on each of its major federal and state programs for the year ended December 31, 2020.

Report on Internal Control Over Compliance

Management of City of Atlantic City is responsible for establishing and maintaining effective internal control over compliance with the types of compliance requirements referred to above. In planning and performing our audit of compliance, we considered the City of Atlantic City's internal control over compliance with the types of requirements that could have a direct and material effect on each major federal and state program to determine the auditing procedures that are appropriate in the circumstances for the purpose of expressing an opinion on compliance for each major federal program and to test and report on internal control over compliance in accordance with the Uniform Guidance and NJ OMB 15-08, but not for the purpose of expressing an opinion on the effectiveness of internal control over compliance. Accordingly, we do not express an opinion on the effectiveness of the City of Atlantic City's internal control over compliance.

A deficiency in internal control over compliance exists when the design or operation of a control over compliance does not allow management or employees, in the normal course of performing their assigned functions, to prevent, or detect and correct, noncompliance with a type of compliance requirement of a federal or state program on a timely basis. *A material weakness in internal control over compliance* is a deficiency, or combination of deficiencies, in internal control over compliance, such that there is a reasonable possibility that material noncompliance with a type of compliance requirement of a federal program will not be prevented, or detected and corrected, on a timely basis. *A significant deficiency in internal control over compliance* is a deficiency, or a combination of deficiencies, in internal control over compliance with a type of compliance requirement of a federal or state program that is less severe than a material weakness in internal control over compliance, yet important enough to merit attention by those charged with governance.

Our consideration of internal control over compliance was for the limited purpose described in the first paragraph of this section and was not designed to identify all deficiencies in internal control over compliance that might be material weaknesses or significant deficiencies. We did not identify any deficiencies in internal control over compliance that we consider to be material weaknesses. However, material weaknesses may exist that have not been identified.

The purpose of this report on internal control over compliance is solely to describe the scope of our testing of internal control over compliance and the results of that testing based on the requirements of the Uniform Guidance. Accordingly, this report is not suitable for any other purpose.

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

Nancy Sbrolla
Nancy Sbrolla
Certified Public Accountant
Registered Municipal Accountant
No. 542

August 6, 2021

SCHEDULE OF FEDERAL AWARDS
FOR THE YEAR ENDED DECEMBER 31, 2020

Federal or State Grantor/Pass-Through Grantor/Program Title	CFDA Number	Federal FAIN Number	State Project Number	Grant Period From To	Program or Award Amount	Receipts or Revenue Recognized	Budgetary Expenditures				(MEMO) Passed Through to Sub-Recipients
							Pass Through	Source	Direct	Total	
FEDERAL:											
Department of Housing and Urban Development											
Community Development Block Grant	14.218	B18MC340001		1/1/20	1,337,463.00	1,337,463.00					
Community Development Block Grant	14.218	B18MC340001		1/1/19	1,214,260.00						
Community Development Block Grant	14.218	B18MC340001		1/1/18	1,195,390.00						
Community Development Block Grant	14.218	B18MC340001		1/1/17	1,084,202.00						
HOME Investment Partnership Program	14.239	M18-MC340200		1/1/20	509,348.00	509,348.00					
HOME Investment Partnership Program	14.239	M18-MC340200		1/1/19	428,991.00						
HOME Investment Partnership Program	14.239	M18-MC340200		1/1/18	785,573.00						
HOME Investment Partnership Program	14.239	M17-MC340200		1/1/17	316,930.00						
HOME Investment Partnership Program	14.239	M16-MC340200		1/1/16	312,970.00						
HOME Investment Partnership Program	14.239	M15-MC340200		1/1/15	305,462.00						
CDBG Post Sandy Planning Grant	14.269	B13DS340001		1/1/14	345,000.00						
CDBG Disaster Recovery - Inlet Seawall	14.218	B12DT340001		1/1/13	765,534.62						
CDBG Main Street AC Streetscape	14.XXX			1/1/15	588,095.00						
CDBG DR - Atlantic City Resiliency Program	14.XXX			1/1/20	17,982,680.70	17,982,680.70					
CDBG DR - Lower Chelsea Bulkhead	14.XXX			1/1/20	103,941.67	103,941.67					
CDBG-CV	14.XXX			1/1/20	786,810.00	786,810.00					
Total Department of Housing and Urban Development											
Passed through NJ Department of Education Summer Food Program	10.555	14141NJ04N1099		1/1/14	87,003.00						
Total Department of Agriculture											
Department of Commerce											
Ballic Ave Canal Project	11.300			1/1/20	2,450,000.00	2,450,000.00					
US Census Grant	11.016			1/1/20	25,050.00	25,050.00					
Total Department of Commerce											
Department of the Treasury											
Coronavirus Relief Fund	21.019			3/27/20	906,120.00	906,120.00					
Total Department of the Treasury											
Department of Transportation											
COPS in Shops	20.616			1/1/20	7,920.00	7,920.00					
COPS in Shops	20.616			1/1/19	10,120.00						
COPS in Shops	20.616			1/1/18	6,160.00						
COPS in Shops	20.616			1/1/17	8,960.00						
COPS in Shops	20.616			1/1/16	5,000.00						
Total Department of Transportation											
Department of Justice											
Bullet Proof Vest Partnership	16.607			1/1/20	24,750.00	24,750.00					
Bullet Proof Vest Partnership	16.607			1/1/19	23,750.13						
Bullet Proof Vest Partnership	16.607			1/1/15	69,209.00						
Bullet Proof Vest Partnership	16.607			1/1/14	31,832.00						
Bullet Proof Vest Partnership	16.607			1/1/13	44,903.00						
FBI - Police Equipment				1/1/17	270,000.00						
National Crime Statistics Exchange Program				1/1/19	26,013.00						
JFS Mental Health Collaborate				1/1/20	740,576.00	740,576.00					
BJA Strategies Policing Innovation				1/1/20	699,990.00	699,990.00					
COPS Hiring Grant				1/1/20	1,250,000.00	1,250,000.00					
Coronavirus Emergency Funding				1/1/20	175,838.00	175,838.00					

See Accompanying Notes to Schedule of Federal Awards

SCHEDULE OF EXPENDITURES OF STATE FINANCIAL ASSISTANCE
FOR THE YEAR ENDED DECEMBER 31, 2020

Schedule 2

State Grantor Department Program Title / Name	Grant Award Number	Grant Period From To	Program or Award Amount	Receipts or Revenue Recognized	Grant Disbursements/ Expenditures	Adjustments	Cumulative Expenditures
STATE OF NEW JERSEY							
NJ Department of Environmental Protection							
Clean Communities	4900-765-042-4900-004	1/1/2020	Open	80,499.31			-
Clean Communities	4900-765-042-4900-004	1/1/2019	Open				-
Clean Communities	4900-765-042-4900-004	1/1/2018	Open		50,384.86		50,384.86
Clean Communities	4900-765-042-4900-004	1/1/2017	Open		21,506.43		51,288.60
Clean Communities	4900-765-042-4900-004	1/1/2016	Open		677.45		98,077.72
Clean Communities	4900-765-042-4900-004	1/1/2015	Open				85,863.23
Clean Communities	4900-765-042-4900-004	1/1/2014	Open				70,858.00
Clean Communities	4900-765-042-4900-004	1/1/2013	Open		(285.58)		75,339.42
Clean Communities	4900-765-042-4900-004	1/1/2012	Open				64,412.00
Recycling Tonnage	4900-752-042-4900-001	1/1/2020	12/31/2020				18,512.00
Recycling Tonnage	4900-752-042-4900-001	1/1/2019	12/31/2019	58,176.74	18,512.00		34,341.18
Recycling Tonnage	4900-752-042-4900-001	1/1/2018	12/31/2018		20,349.65		92,255.47
Recycling Tonnage	4900-752-042-4900-001	1/1/2017	12/31/2017		7,029.46		80,893.82
Recycling Tonnage	4900-752-042-4900-001	1/1/2016	12/31/2016				108,226.89
Recycling Tonnage	4900-752-042-4900-001	1/1/2015	12/31/2015				32,255.02
Recycling Tonnage	4900-752-042-4900-001	1/1/2014	12/31/2014				100,000.00
Recycling Tonnage	4900-752-042-4900-001	1/1/2013	12/31/2013				450,000.00
Recycling Tonnage	4900-752-042-4900-001	1/1/2012	12/31/2012				-
Innovation Planning Challenge							
NJ Electric Vehicle Workplace Charging							
Green Acres							
Green Acres - Altman Playground							
Green Acres - Gardners Basin							
Harold Brown Memorial Park							
National Fish and Wildlife							
Hazardous Site Remediation - Riverside Business Park							
Hazardous Site Remediation - Motor Vehicle Inspection							
Brownsfield Cleanup Riverside Park	BF-97250207-0	1/1/2017	Open				666,296.00
Brownsfield Cleanup Riverside Park	BF-97250207-0	1/1/2016	Open				162,840.00
Brownsfield Cleanup Riverside Park	BF-97250207-0	1/1/2015	Open				50,000.00
Brownsfield Cleanup Riverside Park	BF-97250207-0	1/1/2014	Open				32,032.00
Brownsfield Cleanup Riverside Park	BF-97250207-0	1/1/2013	Open				187,085.00
Brownsfield Cleanup Riverside Park	BF-97250207-0	1/1/2012	Open				163,658.00
Brownsfield Cleanup Riverside Park	BF-97250207-0	1/1/2011	Open				199,000.00
Brownsfield Cleanup Riverside Park	BF-97250207-0	1/1/2010	Open				181,994.00
Brownsfield Cleanup Riverside Park	BF-97250207-0	1/1/2009	Open				84,400.00
Brownsfield Cleanup Riverside Park	BF-97250207-0	1/1/2008	Open				78,560.00
Brownsfield Cleanup Riverside Park	BF-97250207-0	1/1/2007	Open				47,985.00
NJ Department of Homeland Security							
Secure the Shore							
NJ Economic Development Authority							
Transit Village Grant							
NJ State Police							
OEM - PAL and All Wars Generator							

See Accompanying Notes to Schedule of Federal Awards

NJ Division of Law and Public Safety									
Body Armor - 2020	1020-718-066-1020	1/1/2020	12/31/20	22,994.45	22,994.45	3,430.00	3,430.00		3,430.00
Body Armor - 2019	1020-718-066-1020	1/1/2019	12/31/19	23,431.67	23,431.67	14,086.80	14,086.80		22,173.20
Body Armor - 2018	1020-718-066-1020	1/1/2018	12/31/18	24,042.50	24,042.50	15,874.60	15,874.60		23,961.00
Body Armor - 2017	1020-718-066-1020	1/1/2017	12/31/17	21,389.73	21,389.73				-
Body Armor - 2016	1020-718-066-1020	1/1/2016	12/31/16	23,035.81	23,035.81				22,223.00
Body Armor - 2015	1020-718-066-1020	1/1/2015	12/31/15	41,166.00	41,166.00				39,398.41
Body Armor - 2014	1020-718-066-1020	1/1/2014	12/31/14	28,926.00	28,926.00				28,926.00
Body Armor - 2013	1020-718-066-1020	1/1/2013	12/31/13	46,166.00	46,166.00				46,165.99
Body Worn Camera		1/1/2016	12/31/16	30,000.00	30,000.00				-
Drive Sober or Get Pulled Over		1/1/2019	12/31/19	17,000.00	17,000.00				-
Distracted Driving Crackdown		1/1/2020	12/31/20	8,250.00	8,250.00				-
Distracted Driving Crackdown		1/1/2019	12/31/19	5,500.00	5,500.00				-
SAGE Grant for Evaluation of Health Services		1/1/2019	12/31/19	22,900.00	22,900.00				-
Alcohol Education and Rehab		1/1/2016	12/31/16	2,849.83	2,849.83				280.92
Alcohol Education and Rehab		1/1/2013	12/31/13	8,829.01	8,829.01				2,714.28
Click It or Ticket		1/1/2018	12/31/18	11,000.00	11,000.00				5,390.00
Drunk Driving Enforcement		1/1/2020	12/31/20	9,107.07	9,107.07				-
Drunk Driving Enforcement		1/1/2019	12/31/19	12,661.44	12,661.44				-
Drunk Driving Enforcement		1/1/2018	12/31/18	78,846.79	78,846.79				39,325.52
NJ Department of Transportation									
NJ Transportation Trust Fund	6320-480-601385-61	1/1/2016	Open	196,000.00	196,000.00				171,122.00
NJ Transportation Trust Fund	6320-480-601385-61	1/1/2015	Open	200,000.00	200,000.00				186,260.25
NJ Transportation Trust Fund	6320-480-601385-61	1/1/2014	Open	1,026,057.00	1,026,057.00				1,004,699.00
NJ DOT Ventnor Ave. 2017	6320-480-601385-61	1/1/2017	Open	272,848.00	272,848.00	(7.95)			272,840.05
NJ DOT Bikeway Connection	6320-480-601385-61	1/1/2017	Open	558,000.00	558,000.00	558,000.00			558,000.00
NJ DOT Bikeway Improvement	6320-480-601385-61	1/1/2017	Open	300,000.00	300,000.00	-			300,000.00
NJ DOT Inlet Bike Loop	6320-480-601385-61	1/1/2017	Open	296,000.00	296,000.00	-			266,425.00
NJ DOT Chelsea & Albany Ave Repaving	6320-480-601385-61	1/1/2018	Open	1,119,983.00	1,119,983.00	1,019,983.00			1,119,983.00
NJ DOT CMAC/Traffic Signal Synchronization	6320-480-601385-61	1/1/2018	Open	200,000.00	200,000.00	-			200,000.00
NJ DOT Resurface Atlantic/Morris/Rhode Island	6320-480-601385-61	1/1/2018	Open	200,000.00	200,000.00	-			297,466.75
NJ DOT Resurface Arctic Ave	6320-480-601385-61	1/1/2015	Open	210,000.00	210,000.00				-
NJ DOT Resurface Ventnor Ave	6320-480-601385-61	1/1/2015	Open	210,000.00	210,000.00				210,000.00
NJ DOT Resurface Fairmont Ave	6320-480-601385-61	1/1/2019	Open	515,531.00	515,531.00	212,166.65			245,411.65
NJ DOT Ohio Avenue Bridge Replacement	6320-480-601385-61	1/1/2018	Open	2,000,000.00	2,000,000.00	-			195,365.00
NJ DOT Main Avenue Parking	6320-480-601385-61	1/1/2018	Open	567,330.00	567,330.00	510,597.00			567,330.00
NJ DOT Venice Lagoon Bridge	6320-480-601385-61	1/1/2020	Open	1,000,000.00	1,000,000.00	100,000.00			100,000.00
NJ DOT Indiana, New York and Kentucky Ave	6320-480-601385-61	1/1/2020	Open	501,029.00	501,029.00	501,029.00			501,029.00
NJ DOT New York Avenue		1/1/2020	Open	400,000.00	400,000.00	-			-
NJ DOT Caspian Point Bikeway		1/1/2020	Open	328,475.00	328,475.00	328,475.00			328,475.00
NJ DOT Caspian Point Bikeway Connection		1/1/2020	Open	99,833.52	99,833.52	99,833.52			99,833.52
NJ DOT Chelsea Albany Avenue		1/1/2020	Open	100,000.00	100,000.00	100,000.00			100,000.00
NJ DOT Trust 2020		1/1/2020	Open	1,590,025.49	1,590,025.49	448,534.51			448,534.51
NJ DOT Wisteria, Mediterranean, Drexel		1/1/2020	Open	480,177.00	480,177.00				-
Disaster Relief Opportunity Act		1/1/2013	Open	1,130,000.00	1,130,000.00				999,125.37
Traffic Light Synchronization		1/1/2015	Open	917,246.00	917,246.00				917,246.00
Traffic Light Synchronization		1/1/2014	Open	963,947.00	963,947.00				963,947.00
Transportation Alternative Program		1/1/2018	Open	966,000.00	966,000.00	(0.66)			730,271.02
NJ Department of Health and Senior Services									
Childhood Poisoning Prevention Project		1/1/2018	Open	152,431.00	152,431.00				56,330.00
Childhood Poisoning Prevention Project		1/1/2020	Open	94,000.00	94,000.00				-
Child Safety Seat		1/1/2020	Open	2,640.00	2,640.00				-
Overdose Fatality Review		1/1/2020	Open	100,000.00	100,000.00	9,712.02			9,712.02
LHD Covid19		1/1/2020	Open	53,624.00	53,624.00	53,468.27			53,468.27

See Accompanying Notes to Schedule of Federal Awards

NJBP Lmicogrid Feasibility Study LED Upgrade Lighting Program	1/1/2017	Open	175,000.00		175,000.00
	1/1/2016	Open	2,000,000.00	(160,997.58)	1,742,252.58
NJ Department of Community Affairs Boardwalk Reconstruction New Jersey Historic Trust New Jersey Historic Trust Ducktown Atlantic Pump Gate Station Sustainable Jersey	1/1/2015	Open	5,032,288.00		4,957,385.50
	1/1/2015	Open	598,650.00		66,801.88
	1/1/2020	Open	24,999.00	24,999.00	24,999.00
	1/1/2015	Open	7,940,000.00	1,440,000.00	7,667,400.00
	1/1/2015	Open	20,000.00	7,627,500.00	19,902.53
Total State Assistance			\$ 7,393,830.58	11,571,171.45	-

See Accompanying Notes to Schedule of Federal Awards

**Notes to Schedule of Expenditures of Federal and State Awards
December 31, 2020**

Note 1: BASIS OF PRESENTATION

The accompanying schedule of federal and state awards includes the federal and state grant activity of the City of Atlantic City, State of New Jersey and is presented on the basis of accounting prescribed by the Division of Local Government Services, Department of Community Affairs, State of New Jersey, which is a comprehensive basis of accounting other than generally accepted accounting principles. Encumbrances are considered in determining single audit threshold on major programs. The Township has elected not to use the 10% de minimis indirect cost rate.

Note 2: RELATIONSHIP TO GENERAL PURPOSE FINANCIAL STATEMENTS

Amounts reported in the accompanying schedule do not agree with amounts reported in the City's financial statements. Receipts from Federal and State grants are realized as revenue when anticipated in the City's budget. Expenditures are recognized when they become payable. Following is a reconciliation of expenditures:

Expenditures per Schedule of Federal and State Awards	\$ 17,472,929.01
Less: Community Development Block Grant	(2,453,164.16)
Less: Coronavirus Relief Fund	(906,120.00)
Plus: Local Grants and Local Match	4,338,621.39
Expenditures reported on Schedule A-12	<u>\$ 18,452,266.24</u>

**CITY OF ATLANTIC CITY
SCHEDULE OF FINDINGS AND QUESTIONED COSTS
FOR THE FISCAL YEAR ENDED DECEMBER 31, 2020**

Part I – Summary of Auditor's Results

Financial Statement Section

- A) Type of auditor's report issued: Adverse under GAAP/Unmodified under Regulatory
- B) Internal control over financial reporting:
- 1) Material weakness(es) identified? yes X no
- 2) Significant Deficiencies identified that are not considered to be material weaknesses? yes X no
- C) Noncompliance material to general-purpose financial statements noted? yes X no

Federal Awards Section

- D) Dollar threshold used to determine type A programs: \$ 750,000
- E) Auditee qualified as low-risk auditee? X yes no
- F) Type of auditor's report on compliance for major programs Unmodified
- G) Internal control over major programs:
- 1) Material weakness(es) identified? yes X no
- 2) Significant Deficiencies identified that are not considered to be material weaknesses? yes X no
- H) Any audit findings disclosed that are required to be reported in accordance with the Uniform Guidance? yes X no
- I) Identification of major programs:

CFDA Number(s)

21.019
14.218
14.XXX

Name of Federal Program or Cluster

Coronavirus Relief Fund
CDBG
CDBG – DR: Resiliency Grant

**CITY OF ATLANTIC CITY
SCHEDULE OF FINDINGS AND QUESTIONED COSTS
FOR THE FISCAL YEAR ENDED DECEMBER 31, 2020**

Part I – Summary of Auditor's Results

State Awards Section

- J) Dollar threshold used to determine Type A programs: \$750,000
- K) Auditee qualified as low-risk auditee? X yes no
- L) Type of auditor's report issued on compliance for major programs: Unmodified
- M) Internal Control over major programs:
- 1) Material weakness(es) identified? yes X no
- 2) Significant Deficiencies identified that are not considered to be material weaknesses? yes X no
- N) Any audit findings disclosed that are required to be reported in accordance with NJOMB Circular Letter 15-08? yes X no
- O) Identification of major programs:

GMIS Number(s)

N/A

Name of State Program

NJ Atlantic Pump Station Grant

Part 2 -- Schedule of Financial Statement Findings

NONE

Part 3 -- Schedule of Federal Award Findings and Questioned Costs

NONE

**CURRENT FUND
SCHEDULE OF CASH - TREASURER**

		<u>Current Fund</u>
Balance December 31, 2019	\$	61,102,791.27
Increased by Receipts:		
Tax Collector	97,924,410.68	
Revenue Accounts Receivable	134,421,964.27	
Miscellaneous Revenue	2,250,070.31	
Due from Payroll	192,200.25	
Due to Trust Fund	540,043.22	
Due to Capital	174,636.85	
State of New Jersey		
Senior Citizens and Veterans	77,773.98	
DCA Training Fees	49,077.00	
Casino Pilot	66,400,000.00	
Reserve for Road Paving	2,026,660.00	
IAT Funds	2,383,062.34	
Reserve for Sale of Municipal Assets	781,507.81	
Federal and State Unappropriated	13,750.00	
Federal and State Receivables	4,586,425.31	
		<u>311,821,582.02</u>
		372,924,373.29
Decreased by Disbursements:		
Current Year Appropriation	155,772,966.23	
Prior Year Appropriations	4,684,565.99	
County Taxes	12,401,867.54	
County Added	42,784.77	
County Taxes - Casino Pilot	20,601,000.00	
Local District School Taxes	42,631,859.00	
School Taxes - Casino Pilot	44,678,942.80	
Library - Casino Pilot	1,207,261.59	
Due from CDBG	1,627,643.36	
State of New Jersey		
Marriage Licenses	65.00	
Reserve for Reval	135,231.75	
Refunds	725.00	
Payroll Deductions Payable	79,435.40	
Prepaid School Tax	294,968.39	
Refund of Tax Overpayments	250,145.98	
Federal and State Disbursements	6,318,527.01	
		<u>290,727,989.81</u>
Balance December 31, 2020	\$	<u><u>82,196,383.48</u></u>

**CURRENT FUND
SCHEDULE OF CURRENT CASH - COLLECTOR**

Balance December 31, 2019		\$	-
Increased by Receipts:			
Prepaid Taxes	1,185,722.39		
Taxes Receivable	95,155,522.11		
Revenue Accounts Receivable	1,024,345.39		
Tax Title Lien Collections	558,820.79		
			<u>97,924,410.68</u>
			97,924,410.68
Payments to Treasurer			<u>97,924,410.68</u>
		\$	<u><u>-</u></u>

CURRENT FUND
SCHEDULE OF TAXES RECEIVABLE AND ANALYSIS OF PROPERTY TAX LEVY

Year	Balance Dec. 31, 2019	Current Year Levy	Added Taxes	Collections by Cash		Overpayments	Adjustments	Transferred To Tax Title Lien	Arrears	Balance Dec. 31, 2020
				2019	2020					
2014	\$ 8,234.32									8,234.32
2015	49,409.74									49,409.74
2016	78,347.37									78,347.37
2017	26.76									26.76
2018	60,441.78									3,817.52
2019	1,035,078.69		13,976.02		182,669.93		56,624.26			42,684.15
	1,231,538.66	-	13,976.02	-	182,669.93	-	879,324.89	1,000.00		182,519.86
2020		98,784,545.82		1,049,011.96	95,075,289.96		1,372,045.85	948,526.56		339,671.49
	\$ 1,231,538.66	98,784,545.82	13,976.02	1,049,011.96	95,257,959.89	-	2,251,370.74	949,526.56	-	522,191.35

Cash Receipts
Senior Citizens and Veterans

95,155,522.11
102,437.78
95,257,959.89

Analysis of Current Year Tax Levy

Tax Yield:

General Property Tax
Added Taxes (54.4-63.1 et. Seq.)

98,784,545.82

98,784,545.82

Tax Levy:

General County Taxes
County Open Space Taxes
County Added and Omitted Taxes
Total County Taxes

12,370,358.19
31,509.35
8,244.72

12,410,112.26

Local School District Tax

Local Tax for Municipal Purposes
Add: Additional Tax Levied

43,697,149.26
45,425.30

42,631,859.00

43,742,574.56

98,784,545.82

**CURRENT FUND
SCHEDULE OF TAX TITLE AND OTHER LIENS**

Balance December 31, 2019		\$	6,576,201.49
Increased by:			
Transfers from Taxes Receivable	949,526.56		
Interest and Costs Accrued by Sale			
December 18, 2020			
			<u>949,526.56</u>
			7,525,728.05
Decreased by:			
Collections	558,820.79		
Transfer to Foreclosed Property			
Other			
			<u>558,820.79</u>
Balance December 31, 2020		\$	<u><u>6,966,907.26</u></u>

CURRENT FUND **SCHEDULE OF REVENUE ACCOUNTS RECEIVABLE**

	Balance Dec. 31, 2019	Accrued in 2020	Collected by Collector	Treasurer	Balance Dec. 31, 2020
Licenses:					
Alcoholic Beverages		226,434.94		226,434.94	-
Other		717,272.05		717,272.05	-
Fees and Permits		1,283,091.06		1,283,091.06	-
Fines and Costs:					
Municipal Court	71,145.79	593,115.28		621,939.30	42,321.77
Interest and Costs on Taxes		1,024,345.39	1,024,345.39		-
Interest Earned on Investments		728,942.45		728,942.45	-
Parking Meters		673,786.44		673,786.44	-
Boardwalk Tram Fees		137,477.25		137,477.25	-
Mortgage Registration Fees		55,200.00		55,200.00	-
Payments in Lieu of Taxes		3,911,318.17		3,911,318.17	-
Refunds and Reimbursements		970,911.90		970,911.90	-
Rent and Sale of Property		414,950.88		414,950.88	-
Towing Fees		355,095.00		355,095.00	-
Uniform Fire Safety Act		268,824.66		268,824.66	-
Atlantic City Municipal Utilities Authority		548,746.24		548,746.24	-
Consolidated Municipal Property Tax Relief Act		27,258,988.01		27,258,988.01	-
Energy Receipts Tax		14,001,726.00		14,001,726.00	-
Transitional Aid		2,817,750.00		2,817,750.00	-
ACA Funds		5,000,000.00		5,000,000.00	-
IAT Funds		2,972,324.00		2,972,324.00	-
Reserve for FEMA		1,236,375.00		1,236,375.00	-
Uniform Construction Code Fees		1,276,067.50		1,276,067.50	-
Casino PILOT		85,393,051.50		85,393,051.50	-
Reserve for Tax Appeals		1,237,387.67		1,237,387.67	-
Gardners Basin (Aquarium)		230,172.01		230,172.01	-
Reserve for Sale of Municipal Property		-		-	-
Miscellaneous Revenue Not Anticipated		2,654,893.80		2,654,893.80	-
	<u>\$ 71,145.79</u>	<u>155,988,047.20</u>	<u>1,024,345.39</u>	<u>154,992,525.83</u>	<u>42,321.77</u>
		Cash		136,672,034.58	
		Non-Cash - Due from Trust		404,823.49	
		Non-Cash - Qualified Bond Act		16,679,292.76	
		Reserve for FEMA		1,236,375.00	
		Reserve for Sale of Municipal Property		-	
				<u>154,992,525.83</u>	

CURRENT FUND
SCHEDULE OF APPROPRIATION RESERVES - PRIOR YEAR

	Balance Dec. 31, 2019	Balance After Transfers	Paid or Charged	Balance Lapsed	Over- Expended
OPERATIONS WITHIN "CAPS"					
DEPARTMENT OF ADMINISTRATION					
Mayor's Office					
Salaries and Wages	\$ 76,879.54	76,879.54	-	76,879.54	-
Other Expenses	3,167.93	3,167.93	1,404.72	1,763.21	-
Business Administrator's Office					
Salaries and Wages	51,632.93	51,632.93	-	51,632.93	-
Other Expenses	41,519.79	41,519.79	16,420.41	25,099.38	-
Administrative Services - Mail Room					
Salaries and Wages	23,302.38	23,302.38	-	23,302.38	-
Other Expenses	64,498.64	64,498.64	4,277.35	60,221.29	-
Solicitor's Office					
Salaries and Wages	81,883.22	81,883.22	-	81,883.22	-
Other Expenses	807,777.22	807,777.22	224,462.84	583,314.38	-
Prosecutor's Office					
Salaries and Wages	19,672.18	19,672.18	-	19,672.18	-
Other Expenses	6,623.82	6,623.82	2,250.00	4,373.82	-
Public Defender					
Salaries and Wages	23,987.28	23,987.28	-	23,987.28	-
Other Expenses	22,547.67	22,547.67	526.25	22,021.42	-
Insurance					
Liability	832,256.14	832,256.14	618,613.49	213,642.65	-
Workers Compensation	14,750.00	14,750.00	12,000.00	2,750.00	-
Employee Group	2,809,178.50	2,809,178.50	420,506.85	2,388,671.65	-
Financial Incentive Program - Health	7,250.00	7,250.00	-	7,250.00	-
Social Services Agencies	6,800.00	6,800.00	-	6,800.00	-
Municipal Court					
Salaries and Wages	47,039.19	47,039.19	-	47,039.19	-
Other Expenses	5,605.77	5,605.77	4,915.96	689.81	-
Assessor					
Salaries and Wages	96,289.16	96,289.16	-	96,289.16	-
Other Expenses	159,765.56	159,765.56	106,070.50	53,695.06	-
Data Processing/Management Information (MIS)					
Salaries and Wages	28,389.27	28,389.27	-	28,389.27	-
Other Expenses	486,707.46	486,707.46	95,881.42	390,826.04	-

CURRENT FUND
SCHEDULE OF APPROPRIATION RESERVES - PRIOR YEAR

	Balance Dec. 31, 2019	Balance After Transfers	Paid or Charged	Balance Lapsed	Over- Expended
DEPARTMENT OF HUMAN RESOURCES					
Director's Office					
Salaries and Wages	5,192.29	5,192.29	-	5,192.29	-
Other Expenses	82,645.14	82,645.14	34,347.96	48,297.18	-
Personnel Division					
Salaries and Wages	12,501.09	12,501.09	-	12,501.09	-
Health Division					
Salaries and Wages	5,537.23	5,537.23	-	5,537.23	-
DEPARTMENT OF PLANNING AND DEVELOPMENT					
Director's Office					
Salaries and Wages	14,505.73	14,505.73	-	14,505.73	-
Other Expenses	17,335.06	17,335.06	-	17,335.06	-
Planning Division					
Salaries and Wages	20,003.73	20,003.73	-	20,003.73	-
Other Expenses	36,014.90	36,014.90	1,305.00	34,709.90	-
Zoning Board					
Other Expenses	6,000.00	6,000.00	2,000.00	4,000.00	-
City Engineer					
Salaries and Wages	25,904.63	25,904.63	-	25,904.63	-
Other Expenses	807,853.77	807,853.77	89,331.59	718,522.18	-
Economic Development - CDBG					
Salaries and Wages	12,984.93	12,984.93	-	12,984.93	-
DEPARTMENT OF REVENUE AND FINANCE					
Director's Office					
Salaries and Wages	15,255.06	15,255.06	-	15,255.06	-
Other Expenses	144,950.92	144,950.92	56,268.37	88,682.55	-
Comptroller's Office					
Salaries and Wages	45,645.82	45,645.82	-	45,645.82	-
Other Expenses	50,060.05	50,060.05	27,316.03	22,744.02	-
Tax Collector's Office					
Salaries and Wages	39,922.52	39,922.52	-	39,922.52	-
Other Expenses	28,060.00	28,060.00	-	28,060.00	-

CURRENT FUND
SCHEDULE OF APPROPRIATION RESERVES - PRIOR YEAR

	Balance Dec. 31, 2019	Balance After Transfers	Paid or Charged	Balance Lapsed	Over- Expended
Audit Service					
Other Expenses	700.00	700.00	-	700.00	-
Purchasing					
Salaries and Wages	15,165.96	15,165.96	-	15,165.96	-
Other Expenses	6,709.93	6,709.93	3,566.35	3,143.58	-
Finance Division					
Salaries and Wages	16,997.24	16,997.24	-	16,997.24	-
Other Expenses	865.00	865.00	-	865.00	-
DEPARTMENT OF PUBLIC SAFETY					
Communications					
Salaries and Wages	141,023.42	141,023.42	-	141,023.42	-
Other Expenses	407,857.42	407,857.42	336,463.91	71,393.51	-
Police					
Salaries and Wages	1,282,050.34	1,282,050.34	-	1,282,050.34	-
Other Expenses	1,189,205.22	1,189,205.22	962,222.99	226,982.23	-
Police Civilian Division					
Salaries and Wages	74,496.23	74,496.23	-	74,496.23	-
Other Expenses	5,238.51	5,238.51	-	5,238.51	-
Emergency Services					
Salaries and Wages	125,885.54	125,885.54	-	125,885.54	-
Other Expenses	47,008.81	47,008.81	17,356.77	29,652.04	-
Fire					
Salaries and Wages	403,763.96	403,763.96	-	403,763.96	-
Other Expenses	56,658.37	56,658.37	53,056.75	3,601.62	-
Fire Civilian					
Salaries and Wages	39,726.44	39,726.44	-	39,726.44	-
Uniform Fire Safety Act					
Salaries and Wages	168,677.64	168,677.64	-	168,677.64	-
DEPARTMENT OF PUBLIC WORKS					
Director's Office					
Salaries and Wages	84,556.16	84,556.16	-	84,556.16	-
Other Expenses	769,181.74	769,181.74	310,107.79	459,073.95	-

CURRENT FUND
SCHEDULE OF APPROPRIATION RESERVES - PRIOR YEAR

	Balance Dec. 31, 2019	Balance After Transfers	Paid or Charged	Balance Lapsed	Over- Expended
Electrical Bureau					
Salaries and Wages	70,269.10	70,269.10	-	70,269.10	-
Other Expenses	7,301.75	7,301.75	76.80	7,224.95	-
Parks					
Salaries and Wages	66,599.92	66,599.92	-	66,599.92	-
Other Expenses	2,615.75	2,615.75	-	2,615.75	-
Beach and Boardwalk					
Salaries and Wages	91,768.62	91,768.62	-	91,768.62	-
Other Expenses	931.67	931.67	233.25	698.42	-
Sanitation					
Salaries and Wages	101,389.83	101,389.83	-	101,389.83	-
Other Expenses	328,753.74	328,753.74	204,855.58	123,898.16	-
Asphalt Plant/Street Repairs					
Salaries and Wages	53,429.29	53,429.29	-	53,429.29	-
Other Expenses	7,575.71	7,575.71	6,083.92	1,491.79	-
Paint and Sign Shop					
Salaries and Wages	29,159.78	29,159.78	-	29,159.78	-
Other Expenses	1,283.50	1,283.50	-	1,283.50	-
Building Maintenance Division					
Salaries and Wages	37,829.33	37,829.33	-	37,829.33	-
Other Expenses	4,684.13	4,684.13	734.98	3,949.15	-
Community Services Act					
Other Expenses					
Vehicle Maintenance					
Other Expenses	622,490.48	622,490.48	556,398.46	66,092.02	-
Facilities					
Salaries and Wages	53,017.67	53,017.67	-	53,017.67	-
Other Expenses	2,300.96	2,300.96	141.94	2,159.02	-
Gardner's Basin					
Salaries and Wages	76,072.12	76,072.12	-	76,072.12	-
Other Expenses	297,158.81	297,158.81	22,927.23	274,231.58	-
DEPARTMENT OF HEALTH AND HUMAN SERVICES					
Director's Office					
Other Expenses	145,799.70	145,799.70	81,673.97	64,125.73	-
Health Administration					
Salaries and Wages	96,636.24	96,636.24	-	96,636.24	-
Other Expenses	2,139.91	2,139.91	1,148.22	991.69	-
Social Services					
Salaries and Wages	36,978.52	36,978.52	-	36,978.52	-
Other Expenses	4,875.00	4,875.00	-	4,875.00	-

CURRENT FUND
SCHEDULE OF APPROPRIATION RESERVES - PRIOR YEAR

	Balance Dec. 31, 2019	Balance After Transfers	Paid or Charged	Balance Lapsed	Over- Expended
Recreational and Cultural Affairs					
Salaries and Wages	101,125.21	101,125.21	-	101,125.21	-
Other Expenses	18,462.61	18,462.61	948.45	17,514.16	-
Animal Control Expenses					
Other Expenses	7,200.00	7,200.00	7,200.00	-	-
DEPARTMENT OF LICENSES AND INSPECTIONS					
Director's Office					
Salaries and Wages	17,359.10	17,359.10	-	17,359.10	-
Other Expenses	25,968.99	25,968.99	20,544.76	5,424.23	-
Inspections					
Salaries and Wages	87,014.74	87,014.74	-	87,014.74	-
Other Expenses	105,988.37	105,988.37	39,534.50	66,453.87	-
Regulatory Division					
Salaries and Wages	70,316.10	70,316.10	-	70,316.10	-
Other Expenses	3,487.20	3,487.20	2,918.00	569.20	-
CITY COUNCIL					
Salaries and Wages	13,162.88	13,162.88	-	13,162.88	-
Other Expenses	446.55	446.55	-	446.55	-
CITY CLERK					
Salaries and Wages	44,023.48	44,023.48	-	44,023.48	-
Other Expenses	45,752.14	45,752.14	10,222.16	35,529.98	-
UNIFORM CONSTRUCTION CODE					
Salaries and Wages	88,096.33	88,096.33	-	88,096.33	-
Other Expenses	2,346.02	2,346.02	624.89	1,721.13	-
UNCLASSIFIED					
Electricity	145,393.51	145,393.51	17,866.21	127,527.30	-
Street Lighting	302.49	35,302.49	34,031.77	1,270.72	-
Telephone	110,634.80	110,634.80	27,085.82	83,548.98	-
City Water Usage	97,715.96	97,715.96	90,963.59	6,752.37	-
Gas	146,317.43	146,317.43	530.38	145,787.05	-
Sewer	8,530.67	8,530.67	-	8,530.67	-
Gasoline	200,269.28	200,269.28	45,412.05	154,857.23	-
Contingent					
STATUTORY EXPENDITURES					
Contribution to					
Public Employees' Retirement System					
Social Security	113,693.40	78,693.40	-	78,693.40	-
Police and Firemen's Retirement System					
Defined Contribution Retirement	5,748.20	5,748.20	-	5,748.20	-
Lifeguard Pension	71,050.28	71,050.28	-	71,050.28	-

CURRENT FUND
SCHEDULE OF APPROPRIATION RESERVES - PRIOR YEAR

	Balance Dec. 31, 2019	Balance After Transfers	Paid or Charged	Balance Lapsed	Over- Expended
Maintenance of Library	0.96	0.96	0.96	-	-
Additional Library Appropriation	33,857.04	33,857.04	33,857.04	-	-
PUBLIC AND PRIVATE PROGRAMS OFF-SET BY REVENUES					
Matching Funds	13,015.68	13,015.68		13,015.68	-
CAPITAL IMPROVEMENTS					
Improvements to Municipal Buildings and Infrastructure	2,000,000.00	2,000,000.00	45,754.00	1,954,246.00	-
Purchase of Equipment (all departments)	650,000.00	650,000.00	32,123.76	617,876.24	-
DEBT SERVICE					
Interest on Bonds	-	-	-	-	-
\$	18,292,005.40	18,292,005.40	4,684,565.99	13,607,439.41	-
		Cash Disbursements	4,684,565.99		
		Accounts Payable	-		
			<u>4,684,565.99</u>		

**CURRENT FUND
SCHEDULE OF LOCAL DISTRICT SCHOOL TAX**

Balance December 31, 2019	\$ -
Increased by:	
Levy - Calender Year 2020	<u>42,631,859.00</u>
	42,631,859.00
Decreased by:	
Payments	<u>42,631,859.00</u>
Balance December 31, 2020	\$ <u><u>-</u></u>

**CURRENT FUND
SCHEDULE OF FEDERAL AND STATE GRANTS RECEIVABLE**

Purpose	Balance 12/31/2019	Transferred From 2020 Revenues	Received	Adjustments	Balance 12/31/2020
FEDERAL GRANTS:					
Bulletproof Vest Partnership - 2013	\$ 44,902.99				44,902.99
Bulletproof Vest Partnership - 2014	-				-
Bulletproof Vest Partnership - 2015	7,660.20				7,660.20
Bulletproof Vest Partnership - 2018	24,042.50		8,086.40		15,956.10
Bulletproof Vest Partnership - 2019	23,790.13				23,790.13
Bulletproof Vest Partnership - 2020	-	24,750.00			24,750.00
FEMA-Assistance to Firefighters	-	64,186.36			64,186.36
FEMA-Assistance to Firefighters - 2017	138,864.00				138,864.00
FEMA-Assistance to Firefighters - 2018	77.00				77.00
FEMA-Flood Hazard Mitigation	55,626.75				55,626.75
FEMA-Flood Hazard Mitigation	1,752,418.98				1,735,399.79
FEMA-Flood Hazard Mitigation	-		17,019.19		16,714.66
FEMA - Caspian Ave & Gardner's Basin Bulkhead	3,672,000.00				3,672,000.00
FEMA - PW#5195 Boardwalk Ramps & Lighting	261,680.00				261,680.00
FEMA - PW#5235 Fire Emergency Generator	135,000.00				135,000.00
FEMA - PW#5235 Caspian Point Seawall	27,837.90				27,837.90
FEMA - PW#5235 Massachusetts Bulkhead	515,250.00				515,250.00
FEMA - PW#5235 Sunset Ave Bulkhead	935,475.05		61,308.00		874,167.05
FEMA - PW#5235 SCADA Baltic Canal	90,000.00		54,000.00		36,000.00
FEMA - PW#5235 Tallahassee Bulkhead	196,110.00		141,346.80		54,763.20
FEMA - PW#5235 Boardwalk Demo Section 3	351,164.95				351,164.95
SAFER	124,552.79				124,552.79
SAFER		1,910,987.55			1,910,987.55
Sunset Avenue Bulkhead		3,596,088.97			3,596,088.97
CDBG - Post Sandy Planning Grant	166,222.50				166,222.50
CDBG DR - Atlantic City Resiliency Program		20,000,000.00			20,000,000.00
Ed Byrne Memorial Justice Assistance Grant - 2020	-	68,318.00			68,318.00
Ed Byrne Memorial Justice Assistance Grant - 2018	74,909.00				74,909.00
Ed Byrne Memorial Justice Assistance Grant - 2017	80,652.00		80,652.00		-
Atlantis Pump Gate Station	6,500,000.00		3,567.20		7,936,432.80
JFS Mental Health Collaborate		1,440,000.00			740,576.00
BJA Strategies Policing Innovation		740,576.00			699,990.00
COPS Hiring Grant		699,990.00			1,250,000.00
COPS in SHOPS - 2020		1,250,000.00			3,300.00
COPS in SHOPS - 2019	3,295.68	7,920.00	4,620.00		3,295.68
COPS in SHOPS - 2017	119.87				119.87
COPS in SHOPS - 2014	3,600.00				3,600.00
National Crime Statistics Exchange	26,013.00				26,013.00
Coronavirus Emergency Funding		175,838.00			175,838.00
US Census Grant		25,050.00			25,050.00
Baltic Avenue Canal Project		2,450,000.00	13,571.50		11,478.50
Total Federal	15,211,265.29	32,470,419.54	384,171.09	-	47,297,513.74

**CURRENT FUND
SCHEDULE OF FEDERAL AND STATE GRANTS RECEIVABLE**

Purpose	Balance 12/31/2019	Transferred From 2020 Revenues	Received	Adjustments	Balance 12/31/2020
LOCAL GRANTS:					
CRDA - Street Lighting	911,933.66				911,933.66
CRDA - Street Lighting	-	500,000.00			500,000.00
CRDA - Demolition	686,293.66		268,660.02		417,633.64
CRDA - Law Enforcement Technology	713,081.78				713,081.78
CRDA - Boardwalk Demolition	359,770.00				359,770.00
CRDA - Police Officers & Class II Officers	1,500,000.00				1,500,000.00
CRDA - Class II Officers - 2019	1,412,459.25				232,389.92
CRDA - Class II Officers - 2018	98,921.96		1,180,069.33		98,921.96
CRDA - Class II Officers	15,618.71				15,618.71
CRDA - Garden Pier	45,303.07				45,303.07
CRDA - Boardwalk/Street Lighting	1,853,058.81				1,853,058.81
CRDA - Boardwalk Repairs	45,682.89				45,682.89
CRDA - Enhanced Enforcement Building Maintenance	108,442.22				108,442.22
CRDA - Demolition	412,601.35		64,298.80		348,302.55
CRDA - Demolition Funds	1,000,000.00		60,058.42		939,941.58
CRDA - Boardwalk Revitalization Project Lumber	500,000.00		381,996.29		118,003.71
CRDA - Feeding Program		139,104.00	69,552.00	69,552.00	-
CRDA - Beach and Boardwalk Opening		45,873.20			45,873.20
CRDA - Tourism District Class II Officers		1,500,000.00			1,500,000.00
CRDA - Regular Police Grant		1,500,000.00			1,500,000.00
CRDA - Gardners Basin		1,692,150.00			1,692,150.00
Local Law Enforcement Block Grant Interest	-				-
AC Devco	-				-
AC Housing Authority	-				-
South Jersey Gas Fire Responders	2,500.00		2,500.00		-
County of Atlantic:					
Atlantic County Alliance - 2016	10,613.44				10,613.44
Atlantic County Alliance - 2017	12,933.76				12,933.76
Atlantic County Alliance - 2018	521.77				521.77
Atlantic County Alliance - 2019	30,059.00		11,594.55		18,464.45
Atlantic County Alliance - 2020		43,142.19			43,142.19
Meals on Wheels - 2016	-				-
Meals on Wheels - 2020	-	30,000.00	30,000.00		-
CEHA - 2016	-				-
CEHA - 2017	-				-
CEHA - 2019	-				-
CEHA - 2020	-	45,000.00	45,000.00		-
Boys and Girls Club	660,350.00				660,350.00
Total Local	10,380,145.33	5,495,269.39	2,113,729.41	69,552.00	13,692,133.31

CURRENT FUND
SCHEDULE OF FEDERAL AND STATE GRANTS RECEIVABLE

Purpose	Balance 12/31/2019	Transferred From 2020 Revenues	Received	Adjustments	Balance 12/31/2020
STATE GRANTS:					
NJ DOT: Trust Fund Authority Act of 1984					
Ventnor Avenue	-				-
Ventnor Avenue	13,715.33				13,715.33
Route 187 to Pacific	13,268.83				13,268.83
NJ DOT - Ohio / MLK	31,326.28				31,326.28
Disaster Relief Opportunity - Atlantis Ave	-				-
Compressed Natural Gas	62,464.00				62,464.00
Maryland to Route 187	42,731.12				42,731.12
Resurface Artic Ave	-				-
Resurface Ventnor Ave	-				-
Casplan Point Bikeway Connection	558,000.00	428,308.52			986,308.52
Bikeway Improvement	75,000.00		75,000.00		-
Inlet Bike Loop	95,736.00				95,736.00
Chelsea and Albany Ave Repaving	1,065,920.13	100,000.00	54,172.06		1,111,748.07
CMAC Traffic Synchronization	200,000.00				200,000.00
Main Ave Parking Enhancement	567,330.00		386,737.50		180,592.50
Ohio Ave Bridge Replacement	2,000,000.00				2,000,000.00
Atlantic Avenue Repaving	1,186,445.25		112,251.31		1,074,193.94
Repaving Fairmount/Atlantic Project	515,531.00		131,899.99		383,631.01
Venice Lagoon Bridge		1,000,000.00			1,000,000.00
Indiana, New York, and Kentucky Ave		501,029.00			501,029.00
New York Avenue		400,000.00			400,000.00
Trust 2020		1,590,025.49			1,590,025.49
Wisteria, Mediterranean, Drexel		480,177.00			480,177.00
AC Traffic Light Synchronization	21,197.30				21,197.30
Transportation Alternative Program	303,203.29				303,203.29
NJBPU - LED Lighting Upgrade Program	1,150,749.84				1,150,749.84
Childhood Poisoning Prevention Project	79,830.00		79,830.00		-
Childhood Poisoning Prevention Project	-		94,000.00		-
Child Safety Seat	-	94,000.00			-
Overdose Fatality Review	-	2,640.00			2,640.00
LHD Covid 19	-	100,000.00			100,000.00
SAGE Grant for Evaluation of Health Services in AC	-	53,624.00			53,624.00
NJ Historic Trust Preservation	50,000.00		40,000.00		10,000.00
NJ Historic Trust Ducktown	-	24,999.00			24,999.00
NJEDA - Transit Village Grant	15,000.00				15,000.00
NJ Department of Law & Public Safety					
Body Armor	-	22,994.45	22,994.45		-
Drunk Driving Enforcement	12,561.44	9,107.07	9,107.07		12,661.44
Click or Ticket	110.00				110.00
Click or Ticket	-				-
Distracted Driving Crackdown	-	8,250.00			8,250.00
Distracted Driving Crackdown	110.00				110.00
Drive Sober or Get Pulled Over - 2018	220.00				220.00
Drive Sober or Get Pulled Over - 2019	330.00				330.00
Drive Sober or Get Pulled Over - Holiday Crackdown	6,000.00				6,000.00

CURRENT FUND
SCHEDULE OF FEDERAL AND STATE GRANTS RECEIVABLE

Purpose	Balance 12/31/2019	Transferred From 2020 Revenues	Received	Adjustments	Balance 12/31/2020
NJ Department of Environmental Protection					
Brownfield Cleanup Riverside Park	-				-
Brownfield Cleanup South Boulevard	186,215.00				186,215.00
Brownfield - Bungalow Park Site Cleanup	4,500.00				4,500.00
Brownfield Cleanup - AC Delta Basin	191,525.00		175,000.00		16,525.00
Brownfield - Hazardous Contamination	143,066.00		38,460.00		104,606.00
Brownfields- Petroleum Contamination	189,865.00		31,147.50		158,717.50
Hazardous Discharge Site Remediation - Riverside	-				-
HDSRF - Motor Vehicle Inspection Station	-				-
Clean Community	-	80,499.31	80,499.31		-
Harold Brown Memorial Park	295,173.60				295,173.60
Green Acres - Altman Playground Acquisition	189,135.62		189,135.62		-
Green Acres	450,000.00		450,000.00		-
Green Acres - Gardners Basin	-	1,000,000.00			1,000,000.00
Recycling Tonnage	-	58,176.74	58,176.74		-
Sustainable Jersey	-				-
PAL and All Wars Generator	430,000.00				430,000.00
Altman Field Playground - Site Remediation	39,974.00				39,974.00
James Ury Center - Site Remediation	118,290.00		118,290.00		0.01
EDA - Boardwalk Reconstruction	0.01				0.01
EDA - Innovation Planning Challenge	100,000.00				100,000.00
National Fish and Wildlife	10,309.00				10,309.00
NJ'S Electric Vehicle Workplace Charging	12,000.00				12,000.00
Total State	10,426,933.04	5,953,830.58	2,146,701.55	-	14,234,062.07
\$	36,018,343.66	43,919,519.51	4,644,602.05	69,552.00	75,223,709.12
		Cash	4,586,425.31		
		Unappropriated Reserves	58,176.74		
		(1,386,376.00)	4,644,602.05		

**CURRENT FUND
SCHEDULE OF APPROPRIATED RESERVES FOR FEDERAL AND STATE GRANTS**

	Balance December 31, 2019		2020	Disbursed	Encumbrances	Adjustments/ Canceled	Balance Dec. 31, 2020
	Appropriated	Reserve for Encumbrances	Appropriations				
FEDERAL GRANTS:							
SAFER	\$ 94,528.01		1,910,987.55	67,692.83			94,528.01
SAFER							1,843,294.72
Federal Emergency Management							
Assistance to Firefighters	86.00						86.00
Assistance to Firefighters	200,500.00	2,343.75			2,343.75		200,500.00
Assistance to Firefighters	-						-
Assistance to Firefighters	-						-
Firefighters Grant			64,186.36		62,385.00		1,801.36
Firefighters Grant - Match			6,418.64				6,418.64
Hazard Mitigation Fisherman's Park							5,366.87
FEMA-Flood Hazard Mitigation	1,677,929.98	5,366.87					1,677,929.98
FEMA - AFG Fire Prevention Study	564.27	76,220.00					564.27
FEMA-Flood Hazard Mitigation - Match			16,714.66	17,920.00	58,300.00		-
FEMA - Boardwalk Ramps			5,571.56	735.00	15,979.66		1,760.62
FEMA - Fire Station Generators				116,500.36	84,274.00	(200,774.36)	-
FEMA - PA - Lower Chelsea Bulkhead				7,229.50		(7,229.50)	-
FEMA - PDM - Lower Chelsea Bulkhead			734,682.38				734,682.38
Casplan Ave & Gardner's Basin Bulkhead			1,198,695.25				1,198,695.25
Sunset Avenue Bulkhead	2,068,880.00	493,323.86				208,003.86	2,354,200.00
PV#5195 - Boardwalk Ramps			3,596,088.97				3,596,088.97
PV#5235 - Casplan Pointe Seawall	30,931.00						30,931.00
PV#5235 - Fire Emergency Generators	150,000.00						150,000.00
PV#5235 - Massachusetts Ave Bulkhead	57,250.00	515,250.00			514,000.00		58,500.00
PV#5235 - Sunset Ave Bulkhead	935,475.05	103,941.67		68,120.00	126,880.00		844,416.72
PV#5235 - SCADA System Baltic Canal		100,000.00		95,461.95	4,538.05		0.00
PV#5235 - Tallahassee Ave Bulkhead	38,900.00	25,088.04		3,150.04	21,948.00		38,900.00
PV#5235 - Boardwalk Demo Section 3	390,183.28						390,183.28
Department of Justice							
Bullet Proof Vest Partnership 2013	467.00						467.00
Bullet Proof Vest Partnership 2014	18,680.00						18,680.00
Bullet Proof Vest Partnership 2015	447.10						447.10
Bullet Proof Vest Partnership 2019	23,790.13			1,094.80	547.40		22,147.93
Bullet Proof Vest Partnership 2020			24,750.00				24,750.00
Ed Byrne Memorial Justice Assistance Grant - 2020			68,318.00				68,318.00
Ed Byrne Memorial Justice Assistance Grant - 2019	20,667.58	43,544.42		43,929.22			20,282.78
Ed Byrne Memorial Justice Assistance Grant - 2018	74,909.00			11,033.10	13,743.00		50,132.90
Ed Byrne Memorial Justice Assistance Grant - 2017	10,293.00			1,583.32			8,709.68
Ed Byrne Memorial Justice Assistance Grant - 2015	6,532.64			6,439.38			93.26
Ed Byrne Memorial Justice Assistance Grant - 2014	-						-
Local Law Enforcement Block Grant - Interest	21,058.48	10,533.70		10,533.70			21,058.48
FBI - Police Equipment							
JFS Mental Health Collaborate			740,576.00				740,576.00
BJA Strategies Policing Innovation			699,990.00				699,990.00
COPS Hiring Grant			1,250,000.00	157,230.83			1,092,769.17
COPS in SHOPS - 2020			7,920.00				7,920.00
COPS in SHOPS - 2019	10,120.00						10,120.00
COPS in SHOPS - 2018	6,160.00						6,160.00
COPS in SHOPS - 2017	8,960.00						8,960.00
COPS in SHOPS - 2016	3,599.85						3,599.85
COPS in SHOPS - 2015	3,278.87						3,278.87
National Crime Statistics Exchange Program (ACPD)	26,013.00						26,013.00
Coronavirus Emergency Funding			175,638.00				175,638.00

**CURRENT FUND
SCHEDULE OF APPROPRIATED RESERVES FOR FEDERAL AND STATE GRANTS**

	Balance December 31, 2019		2020	Disbursed	Encumbrances	Adjustments/ Canceled	Balance Dec. 31, 2020
	Appropriated	Reserve for Encumbrances	Appropriations				
US Census Grant			25,050.00	22,124.00			2,926.00
Baltic Avenue Canal Project			2,450,000.00				2,450,000.00
CDBG - Post Sandy Planning Grant	96,766.80						96,766.80
CDBG - Disaster Recovery Inlet Seawall	728,046.62	1,162.51					727,209.13
CDBG - Main Street AC Streetscape							
CDBG DR - Atlantic City Resiliency Program			17,962,680.70		2,383,541.33		15,579,139.37
CDBG DR - Lower Chelsea Bulkhead			103,941.67				103,941.67
Pass through New Jersey Department of Education Summer Food Program - 2014	23,623.47						23,623.47
Total Federal	6,726,641.13	1,376,784.82	31,042,409.74	630,778.03	3,292,291.13	-	35,222,766.53
LOCAL GRANTS:							
CRDA - Street Lighting	725,000.00						725,000.00
CRDA - Street Lighting							242,893.51
CRDA - Demolition	130,006.35	36,975.00	500,000.00	28,106.49	229,000.00		128,873.35
CRDA - Law Enforcement Technology	678,772.38			32,339.51	5,788.49		151,772.38
CRDA - Boardwalk Demolition	329,770.80				527,000.00		329,770.80
CRDA - Demolition within Tourism District	6,070.71	5,611.53		4,755.00	6,927.24		
CRDA - Garden Pier	55,521.02						55,521.02
CRDA - Boardwalk/Street Lighting	1,853,058.81						1,853,058.81
CRDA - Boardwalk Repairs	43,713.91						43,713.91
CRDA - Class II Officers - 2018	162,920.89					(850.99)	163,771.88
CRDA - Class II Officers	30,617.18						30,617.18
CRDA - Demolition	15,566.90	1,185.00		425.00	16,326.90		0.00
CRDA - Police Officers & Additional Class 2 Officers	980,676.66			243,794.48			736,882.18
CRDA - Class 2 Officers	634,733.27			607,812.05	497.46		26,423.76
CRDA - Demolition Funds	1,000,000.00			513,739.66	440,836.86		45,423.48
CRDA - Boardwalk Revitalization Project Lumber	109,753.77	390,246.23	139,104.00	381,986.92	24,094.86		93,908.22
CRDA - Feeding Program			45,873.20	69,552.00		69,552.00	
CRDA - Beach and Boardwalk Opening			45,872.52	45,872.52	0.68		0.00
CRDA - Tourism District Class II Officers			1,500,000.00	916,248.07	21,570.09		562,181.84
CRDA - Regular Police Grant			1,500,000.00	613,120.28			886,879.72
CRDA - Gardners Basin			1,692,150.00				1,692,150.00
Atlantic County:							
Municipal Alliance - 2020			43,142.19				43,142.19
Municipal Alliance - 2020 Match			10,785.65				10,785.65
Municipal Alliance - 2019						(0.00)	
Municipal Alliance - 2019 Match							
Municipal Alliance - 2018							
Municipal Alliance - 2017							
Municipal Alliance - 2016							
CEHA - 2020			45,000.00	4,392.15			4,395.97
CEHA - 2019							4,395.97
CEHA - 2017							14,013.44
CEHA - 2016							45,000.00
Meals on Wheels - 2017							40,607.85
Meals on Wheels - 2020							38,091.62
Boys and Girls Club							31,529.71
Total Local	6,931,757.72	542,655.59	5,506,055.04	3,588,295.16	1,289,170.88	68,701.01	8,034,301.30

CURRENT FUND
SCHEDULE OF APPROPRIATED RESERVES FOR FEDERAL AND STATE GRANTS

	Balance December 31, 2019		2020	Disbursed	Encumbrances	Adjustments/ Canceled	Balance Dec. 31, 2020
	Appropriated	Reserve for Encumbrances	Appropriations				
STATE GRANTS:							
New Jersey Department of Transportation							
NJ DOT - Ohio / MLK	8,823.19						8,823.19
NJ DOT Route 187 to Pacific	13,103.72						13,103.72
Disaster Relief Opportunity - Atlantis Ave							
NJ DOT Compressed Natural Gas	62,464.00						62,464.00
NJ DOT Maryland Ave to Route 187	41,506.12						41,506.12
NJ DOT Resurface Aric Ave	13,739.75						13,739.75
NJ DOT Ventnor Ave, 2017	-	68,043.40					7.95
NJ DOT Bikeway Connection	558,000.00				68,035.45		558,000.00
NJ DOT Bikeway Improvement		20,809.26			20,809.26		-
NJ DOT Inlet Bike Loop	29,575.00	66,161.00			66,161.00		-
NJ DOT Chelsea & Albany Ave Repaving	1,019,983.00	25,414.59		18,370.86	1,027,026.73		29,575.00
NJ DOT CMACTraffic Signal Synchronization		200,000.00			200,000.00		-
NJ DOT Main Ave Parking	510,597.00	53,100.00		563,697.00			-
NJ DOT Ohio Ave Bridge Replacement	1,804,635.00	147,121.84		71,932.41	75,189.43		1,804,635.00
NJ DOT Resurface Atlantic/Morris/Rhode Island	912,533.25	211,108.87		49,448.18	161,660.69		912,533.25
NJ DOT Fairmount & Atlantic Ave Repaving	482,286.00	21,548.75		137,424.01	96,291.39		270,119.35
NJ DOT Venice Lagoon Bridge			1,000,000.00		100,000.00		900,000.00
NJ DOT Indiana, New York, and Kentucky Ave			501,029.00		501,029.00		-
NJ DOT New York Avenue			400,000.00				400,000.00
NJ DOT Caspian Point Bikeway			328,475.00		328,475.00		-
NJ DOT Caspian Point Bikeway Connection			99,833.52		99,833.52		-
NJ DOT Chelsea Albany Avenue			100,000.00		100,000.00		-
NJ DOT Trust 2020			1,590,025.49		448,534.51		1,141,490.98
NJ DOT Wisteria, Mediterranean, Drexel			480,177.00				480,177.00
AC Traffic Light Synchronization	21,177.80						21,177.80
Transportation Alternative Program	235,728.32	66,694.97			66,694.31		235,728.98
NJBPU LED Lighting Upgrade Program	96,749.84	1,032,400.00		171,435.42	699,967.00		257,747.42
New Jersey Department of Health and Senior Services							
Childhood Lead Poisoning Prevention	96,101.00						96,101.00
Childhood Lead Poisoning Prevention			94,000.00				94,000.00
Child Safety Seat			2,640.00				2,640.00
Overdose Fatality Review			100,000.00	9,712.02			90,287.98
LHD Covid19			53,624.00	37,268.27	16,200.00		155.73
New Jersey Department of Law & Public Safety							
Alcohol Education & Rehab. -2015	2,568.91						2,568.91
Alcohol Education & Rehab. -2014	118.16						118.16
Alcohol Education & Rehab. -2013	6,114.73						6,114.73
Body Armor - 2020							
Body Armor - 2019	15,345.27		22,994.45	3,430.00			19,564.45
Body Armor - 2018 - in acct status as federal	15,956.10			13,539.40	547.40		1,288.47
Body Armor - 2017	232.33			15,874.60			81.50
Body Armor - 2016	812.82						232.33
Body Armor - 2014	2,802.07						812.82
Body Armor - 2013	467.01						2,802.07
Body Armor - 2012	28,696.17						467.01
Body Armor - 2010	1,896.50						28,696.17
Click it or Ticket	5,610.00						1,896.50
Drunk Driving Enforcement	52,182.71		9,107.07				5,610.00
Drive Sober or Get Pulled Over	5,500.00						61,289.78
Drive Sober or Get Pulled Over - Holiday Crackdown	6,000.00						5,500.00
Drive Sober or Get Pulled Over	5,500.00						5,500.00
Distracted Driving Crackdown	5,500.00						5,500.00
SAGE Grant for Evaluation of Health Services in AC	22,900.00		8,250.00				13,750.00
							22,900.00

**CURRENT FUND
SCHEDULE OF APPROPRIATED RESERVES FOR FEDERAL AND STATE GRANTS**

	Balance December 31, 2019		2020		Encumbrances	Disbursed	Adjustments/ Canceled	Balance Dec. 31, 2020
	Appropriated	Reserve for Encumbrances	Appropriations					
New Jersey Department of Homeland Security Secure the Shore	-	-	-	-	-	-	-	-
New Jersey State Police	-	-	-	-	-	-	-	-
OEM - PAL and All Wars Generator	-	583,874.40	-	583,874.40	-	-	-	-
New Jersey Economic Development Authority Transit Village Grant	-	-	-	-	-	-	-	-
New Jersey Department of Community Affairs	531,848.12	66,650.00	24,999.00	49,234.30	17,415.70	24,999.00	531,848.12	531,848.12
New Jersey Historic Trust	-	-	-	-	-	-	-	-
NJDEP Historic Trust Ducktown	74,902.50	-	-	-	-	-	74,902.50	74,902.50
EDA - Boardwalk Reconstruction	-	-	-	-	-	-	-	-
Sustainable Jersey	6,460,100.00	36,260.00	1,440,000.00	26,125.34	7,637,634.66	-	272,600.00	272,600.00
Atlantic Pump Gate Station	-	-	-	-	-	-	-	-
New Jersey Department of Environmental Protection	-	-	-	-	-	-	-	-
Clean Communities Program - 2012	-	392.84	-	-	107.26	-	285.58	285.58
Clean Communities Program - 2013	-	-	-	-	-	-	-	-
Clean Communities Program - 2014	-	-	-	-	-	-	-	-
Clean Communities Program - 2015	271.41	-	-	-	-	-	271.41	271.41
Clean Communities Program - 2016	1,060.97	604.47	-	1,281.92	582.97	-	383.52	383.52
Clean Communities Program - 2017	53,866.83	2,863.77	-	23,787.23	6,259.98	-	32,360.40	32,360.40
Clean Communities Program - 2018	79,955.09	-	-	44,124.88	-	-	29,570.23	29,570.23
Clean Communities Program - 2019	89,273.44	-	-	-	-	-	89,273.44	89,273.44
Clean Communities Program - 2020	-	-	80,499.31	-	-	-	80,499.31	80,499.31
Brownfield Cleanup Riverside Park	5,253.44	-	-	-	-	-	5,253.44	5,253.44
Brownfield Cleanup South Boulevard	121,440.00	74,785.00	-	2,715.00	72,070.00	-	121,440.00	121,440.00
Brownfield - Bungalow Park Site Cleanup	-	1,300.00	-	-	1,300.00	-	-	-
Brownfield Cleanup - AC Delta Basin	1,000.00	190,525.00	-	175,000.00	15,525.00	-	1,000.00	1,000.00
Brownfield - Hazardous Contamination	24,720.00	94,271.00	-	30,713.70	70,271.30	-	18,006.00	18,006.00
Brownfields- Petroleum Contamination	95,200.00	91,480.00	-	31,262.50	39,817.50	-	115,600.00	115,600.00
Hazardous Site Remediation - Riverside Business Park	-	-	-	-	-	-	-	-
Hazardous Site Remediation - Motor Vehicle Inspection	-	22,700.00	-	-	22,700.00	-	-	-
Recycling Tonnage Grant - 2020	-	-	58,176.74	13,037.00	5,475.00	-	39,664.74	39,664.74
Recycling Tonnage Grant - 2019	30,360.38	-	-	16,718.25	3,631.40	-	10,010.73	10,010.73
Recycling Tonnage Grant - 2018	39,265.36	3,317.67	-	9,447.13	900.00	-	32,235.90	32,235.90
Recycling Tonnage Grant - 2017	97.04	-	-	-	-	-	97.04	97.04
Recycling Tonnage Grant - 2014	1,578.81	-	-	-	-	-	1,578.81	1,578.81
Recycling Tonnage Grant - 2013	-	-	-	-	-	-	-	-
Recycling Tonnage Grant - 2009	-	-	-	-	-	-	-	-
Recycling Tonnage Grant-2008	66.98	-	-	-	-	-	66.98	66.98
Green Acres - Gardners Basin	-	-	1,000,000.00	-	-	-	1,000,000.00	1,000,000.00
Green Acres - Altman Playground Acquisition	378,271.25	-	-	-	-	-	378,271.25	378,271.25
Harold Brown Memorial Park	-	-	-	-	-	-	-	-
Altman Field - Site Remediation	51,673.41	-	-	-	-	-	51,673.41	51,673.41
James Usry Center - Site Remediation	157,720.00	-	-	-	-	-	157,720.00	157,720.00
National Fish and Wildlife	31,029.00	-	-	-	-	-	31,029.00	31,029.00
Innovation Planning Challenge	-	-	-	-	-	-	-	-
NJ's Electric Vehicle Workplace Charging	12,000.00	22,416.66	-	-	22,416.66	-	12,000.00	12,000.00
Total State	14,326,159.80	3,103,843.49	7,393,830.58	2,099,453.82	12,575,561.12	-	10,148,818.93	10,148,818.93
Total Federal State and Local	27,984,558.65	5,023,283.90	43,942,295.35	6,318,527.01	17,157,023.13	68,701.01	53,405,886.76	53,405,886.76

CURRENT FUND
SCHEDULE OF FEDERAL AND STATE GRANTS - UNAPPROPRIATED RESERVES

<u>Purpose</u>	<u>Balance 12/31/2019</u>	<u>Transferred To 2020 Appropriations</u>	<u>Received</u>	<u>Adjustments</u>	<u>Balance 12/31/2020</u>
FEDERAL GRANTS:					
Total Federal	\$ -	-	-	-	-
STATE GRANTS:					
Interest	48.01				48.01
Drunk Driving Enforcement Fund	-				-
Childhood Lead Poisoning Prevention	-		13,750.00		13,750.00
Recycling Tonnage Grant	-	58,176.74		(58,176.74)	-
Total State	48.01	58,176.74	13,750.00	(58,176.74)	13,798.01
	\$ 48.01	58,176.74	13,750.00	(58,176.74)	13,798.01

**TRUST FUND
SCHEDULE OF CASH - TREASURER**

<u>Ref.</u>	<u>Dog Licenses</u>	<u>Community Development Block Grant</u>	<u>Other</u>
Balance December 31, 2019	\$ 4,216.20	2,343,384.91	8,571,906.06
Increased by Receipts:			
Dog License Fees 2020	326.00		
Due to State of New Jersey	44.40		
Police Detail Net Accounts Receivables			
Payroll Deductions Payable			
Miscellaneous Trust Reserves			2,329,480.23
Account Receivable Police Detail			
CDBG Draws		1,941,488.73	
CDBG Program Income			
Due from Current			
	370.40	1,941,488.73	2,329,480.23
	4,586.60	4,284,873.64	10,901,386.29
Decreased by Disbursements			
Statutory Expenditures			
Due to State of New Jersey			
Payroll Deductions Payable			2,189,576.97
Miscellaneous Trust Reserves			238,854.46
Due to Current Fund			
CDBG - Expenditures			
			2,428,431.43
Balance December 31, 2020	\$ 4,586.60	4,284,873.64	8,472,954.86

**TRUST FUND
SCHEDULE OF CASH - COLLECTOR**

Ref.

Balance December 31, 2019		\$	5,549,645.61
Increased by Receipts:			
Deposits for Redemption of Tax Sale Certificates and Premiums	<u>9,875,227.44</u>		<u>9,875,227.44</u>
			15,424,873.05
Decreased by Disbursements:			
Tax Sale Redemptions and Premiums	<u>5,620,086.20</u>		<u>5,620,086.20</u>
Balance December 31, 2020		\$	<u><u>9,804,786.85</u></u>

TRUST FUND
SCHEDULE OF RESERVE FOR DOG FUND EXPENDITURES

	Ref.		
Balance December 31, 2019		\$	2,140.50
Increased by:			
Dog License Fees Collected		326.00	
		<u> </u>	<u>326.00</u>
			2,466.50
Decreased by:			
Statutory Excess		78.50	
Expenditures under N.J.S. 4:19-15:11		<u>219.00</u>	
			<u>297.50</u>
Balance December 31, 2020		\$	<u><u>2,169.00</u></u>

License Fees Collected:

Year	Amount
2019	\$ 987.00
2018	<u>1,182.00</u>
	<u><u>\$ 2,169.00</u></u>

TRUST FUND
SCHEDULE OF AMOUNT DUE TO CURRENT FUND - DOG LICENSE FUND

	<u>Ref.</u>	
Balance December 31, 2019		\$ 2,075.70
Increased by:		
Payments made by Current Fund	263.40	
Statutory Excess	<u>78.50</u>	
		<u>341.90</u>
		2,417.60
Decreased by:		
Payment	<u>-</u>	
		<u>-</u>
Balance December 31, 2020		\$ <u><u>2,417.60</u></u>

TRUST FUND
SCHEDULE OF AMOUNT DUE TO(FROM) STATE OF NEW JERSEY - DEPARTMENT OF HEALTH

	<u>Ref.</u>	
Balance December 31, 2019		\$ -
Increased by:		
2020 State License Fees	44.40	
	<u>44.40</u>	
		<u>44.40</u>
Decreased by:		
Disbursements to the State	<u>-</u>	
		<u>44.40</u>
Balance December 31, 2020		\$ <u><u>-</u></u>

**TRUST FUND
SCHEDULE OF RESERVE FOR
COMMUNITY DEVELOPMENT BLOCK GRANT - APPROPRIATED**

	Ref.	
Balance December 31, 2019		\$ 3,812,296.82
Increased by:		
Program Awards:		
CDBG	\$ 1,337,463.00	
HOME	509,348.00	
		<u>1,846,811.00</u>
		5,659,107.82
Decreased by:		
Program Expenditures:		
CDBG	1,292,889.12	
HOME	482,279.22	
		<u>1,775,168.34</u>
Balance December 31, 2020		\$ <u><u>3,883,939.48</u></u>
Analysis of Balance:		
Community Development Block Grant		2,398,086.91
HOME		1,470,748.01
Program Income		<u>15,104.56</u>
		<u><u>3,883,939.48</u></u>

**TRUST FUND
COMMUNITY DEVELOPMENT BLOCK GRANT
DUE TO(FROM) CURRENT FUND**

Balance December 31, 2019		\$	2,366,841.10
Increase by:			
Receipts	1,775,168.34		
			1,775,168.34
			4,142,009.44
Decreased by:			
Disbursements	147,524.98		
			147,524.98
Balance December 31, 2020		\$	<u><u>3,994,484.46</u></u>

TRUST - OTHER FUNDS
SCHEDULE OF DUE TO/(FROM) CURRENT FUND
FOR THE YEAR ENDED DECEMBER 31, 2020

<u>Reserve</u>	<u>Balance</u> <u>Dec 31, 2019</u>	<u>Receipts</u>	<u>Disbursements</u>	<u>Balance</u> <u>Dec 31, 2020</u>
	\$			
Uniform Fire Safety	(203,996.28)	26,634.14	166,923.62	(63,706.80)
Law Enforcement	231,955.36	440.00	47,564.32	279,079.68
Parking Offense Adjudication Act	(51,539.93)	3,390.00	2,249.04	(52,680.89)
Unemployment Compensation	(1,390,412.20)	1,804,069.78	1,229,635.00	(1,964,846.98)
Workers Compensation	(4,996,738.96)	1,266,706.55	3,723,042.99	(2,540,402.52)
Self Insurance Fund	(6,485,534.54)	4,636,484.86	3,065,244.59	(8,056,774.81)
Environmental Quality and Enforcement	(10,445.07)	-	-	(10,445.07)
Police Detail	573,274.20	1,039,406.45	1,468,609.60	1,002,477.35
Terminal Leave	(1,192,663.43)	1,394,422.53	688,499.04	(1,898,586.92)
Planning Developer's Escrow	(42,980.43)			(42,980.43)
Developer Fees Trust	52,747.74	4,157.06	4,157.06	52,747.74
AC Endowment Fund	-		332,339.22	332,339.22
Performance Bonds	-		-	-
	<u>\$ (13,516,333.54)</u>	<u>10,175,711.37</u>	<u>10,728,264.48</u>	<u>(12,963,780.43)</u>

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**GENERAL CAPITAL FUND
SCHEDULE OF CASH - TREASURER**

Balance December 31, 2019		\$	11,049,192.31
Increased by:			
Receipts	200,000.00		
			200,000.00
			11,249,192.31
Decreased by:			
Disbursements	1,136,674.02		
			1,136,674.02
Balance December 31, 2020		\$	<u><u>10,112,518.29</u></u>
			(3,066,334.58)

**GENERAL CAPITAL FUND
ANALYSIS OF CASH**

	Balance Dec. 31, 2019	Receipts		Debt Issued	Disbursements		Transfers		Balance Dec. 31, 2020
		Miscellaneous			Improvement Authorizations	Miscellaneous	From	To	
Fund Balance	\$ 3,323,519.98								3,323,519.98
Capital Improvement Fund	1,511,292.97	200,000.00							1,711,292.97
Due from Current Fund	1,599,812.21					174,636.85	1,599,812.21	1,923,086.22	(174,636.85)
Contracts Payable	(270,000.00)								1,923,086.22
Grant Receivable									(270,000.00)
Improvement Authorizations:									
86-08 Various Improvements	3,781.45				9,192.68		2,588.53	7,999.76	-
32-09 Recreation Playground Acquisition	826.99				800.00				26.99
51-10 Various Improvements	723,618.79				176,099.64		127,701.17	264,060.60	683,878.58
74-11/51-11 Improvements to Garden Pier	-								-
27-12 Various Improvements	-								-
03-13 Construction of Playground	(480,000.00)								(480,000.00)
25-13 Street Reconstruction	-								-
33-13 Various Capital Improvements	-								-
51-13 General Obligation	1,673,024.31				223,258.75		110,603.00	124,768.00	14,165.00
51-13/40-14 Road and Sidewalk Improvements	-						472,868.21	781,719.17	1,758,616.52
85-15 Various Improvements	434,210.80				336,182.52		22,361.86	7,237.84	7,237.84
7-17 Tax Appeal Refund	-							316,840.56	392,506.98
20-17 Tax Appeal Refund	-								-
01-18 Pension and Health Benefits	-								-
08-18 Buildings and Improvements	7,986.05				89,548.78		7,637.50	97,186.28	7,986.05
39-19 Acquisition of Equipment	500,000.00								500,000.00
39-19 Buildings and Improvements	412,453.99				126,954.80		10,645.20		274,853.99
40-19 Road Improvements	1,608,664.77						1,168,680.75		439,984.02
	<u>\$ 11,049,192.31</u>	<u>200,000.00</u>		<u>-</u>	<u>962,037.17</u>	<u>174,636.85</u>	<u>3,522,898.43</u>	<u>3,522,898.43</u>	<u>10,112,518.29</u>

**GENERAL CAPITAL FUND
SCHEDULE OF CAPITAL IMPROVEMENT FUND**

Balance December 31, 2019		\$	1,511,292.97
Increased by:			
2020 Budget Appropriation	200,000.00		
			200,000.00
			1,711,292.97
Decreased by:			
Appropriated to Finance Improvement Authorizations	-		
			-
Balance December 31, 2020		\$	<u><u>1,711,292.97</u></u>

GENERAL CAPITAL FUND
SCHEDULE OF DEFERRED CHARGES TO FUTURE TAXATION - FUNDED

Balance December 31, 2019		\$ 357,339,000.00
Increased by:		
Bonds issued	-	
		357,339,000.00
Decreased by:		
Bonds redeemed	19,485,000.00	
		19,485,000.00
Balance December 31, 2020		\$ <u><u>337,854,000.00</u></u>

GENERAL CAPITAL FUND
SCHEDULE OF DEFERRED CHARGES TO FUTURE TAXATION - UNFUNDED

Ord #	Improvement Description	Balance Dec. 31, 2019	2020 Authorizations	Raised in 2020 Budget	Adjustment or Debt Issued	Balance Dec. 31, 2020	Analysis of Balance		
							Bond Anticipation Notes	Expenditures	Unexpended Improvement Authorizations
08-18	Buildings and Improvements	\$ 480,000.00				480,000.00		472,013.95	7,986.05
		<u>\$ 480,000.00</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>480,000.00</u>	<u>-</u>	<u>472,013.95</u>	<u>7,986.05</u>
									7,986.05
									</

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**GENERAL CAPITAL FUND
SCHEDULE OF GENERAL SERIAL BONDS**

Purpose	Date of Issue	Amount of Original Issue	Maturities of Bonds Outstanding December 31, 2020		Interest Rate	Balance Dec. 31, 2019	Increased	Decreased	Balance Dec. 31, 2020
			Date	Amount					
General Obligation Bonds of 2011	2/1/2011	16,354,000	2/1/2021	1,600,000.00	4.50%				
			2/1/2022	1,599,000.00	5.00%	4,799,000.00		1,600,000.00	3,199,000.00
Pension Refunding Bonds	4/1/2012	5,450,000	4/1/2021	720,000.00	4.756%	1,405,000.00		685,000.00	720,000.00
			12/1/2021	920,000.00	5.00%				
General Obligation	12/1/2013	13,901,000	12/1/2022	950,000.00	5.00%				
			12/1/2023	990,000.00	5.00%				
			12/1/2024	1,030,000.00	5.00%				
			12/1/2025	1,070,000.00	5.00%				
			12/1/2026	1,115,000.00	5.00%				
			12/1/2027	1,175,000.00	5.00%				
			12/1/2028	1,230,000.00	5.00%	9,370,000.00		890,000.00	8,480,000.00
			3/1/2021	600,000.00	6.375%				
General Obligation	3/1/2015	12,000,000	3/1/2022	600,000.00	6.375%				
			3/1/2023	600,000.00	6.375%				
			3/1/2024	600,000.00	6.375%				
			3/1/2025	600,000.00	6.375%				
			3/1/2026	600,000.00	6.375%				
			3/1/2027	600,000.00	6.375%				
			3/1/2028	600,000.00	6.375%				
			3/1/2029	2,265,000.00	6.375%				
			3/1/2030	2,635,000.00	6.375%	10,300,000.00		600,000.00	9,700,000.00
			General Obligation - Health and Pension	4/4/18	49,165,000	9/1/2021	3,000,000.00	3.666%	
9/1/2022	8,055,000.00	3.804%							
9/1/2023	8,365,000.00	3.954%							
9/1/2024	8,695,000.00	4.081%							
9/1/2025	9,050,000.00	4.231%				49,165,000.00			49,165,000.00
9/1/2026	12,000,000.00	4.290%							
						\$ 75,039,000.00	-	3,775,000.00	71,264,000.00
							Refunded Redeemed	3,775,000.00	
								3,775,000.00	

**GENERAL CAPITAL FUND
SCHEDULE OF TAX APPEAL REFUNDING BONDS**

Purpose	Date of Issue	Amount of Original Issue	Maturities of Bonds Outstanding December 31, 2020		Interest Rate	Balance Dec. 31, 2019	Increased	Decreased	Balance Dec. 31, 2020
			Date	Amount					
Series 2012 (tax exempt)	12/5/2012	90,380,000	11/1/2021	4,680,000.00	5.00%				
			11/1/2022	4,155,000.00	5.00%				
			11/1/2023	5,730,000.00	4.00%				
			11/1/2024	5,780,000.00	4.00%				
			11/1/2025	5,790,000.00	4.00%				
			11/1/2026	5,590,000.00	4.00%				
			11/1/2027	5,610,000.00	4.00%				
			11/1/2028	5,630,000.00	3.00%				
			11/1/2029	5,140,000.00	3.00%				
			11/1/2030	5,095,000.00	3.00%				
			11/1/2031	4,600,000.00	3.125%				
			11/1/2032	4,560,000.00	3.125%	67,375,000.00		5,035,000.00	62,340,000.00
			12/1/2021	6,235,000.00	5.00%				
			12/1/2022	6,055,000.00	5.00%				
Series 2013 (tax exempt)	12/1/2013	48,576,000	12/1/2023	5,790,000.00	5.00%				
			12/1/2024	4,145,000.00	5.00%				
			12/1/2025	4,315,000.00	5.00%				
			12/1/2026	890,000.00	5.00%				
			12/1/2027	890,000.00	5.00%				
			12/1/2028	890,000.00	5.00%				
			12/1/2029	890,000.00	5.00%				
			12/1/2030	890,000.00	5.00%				
			12/1/2031	890,000.00	5.00%				
			12/1/2032	890,000.00	5.00%				
			12/1/2033	890,000.00	5.00%	40,340,000.00		6,680,000.00	33,660,000.00
			3/1/2021	605,000.00	7.00%				
			3/1/2022	685,000.00	7.00%				
			3/1/2023	770,000.00	7.00%				
Series 2015A (taxable)	5/21/2015	41,760,000	3/1/2024	865,000.00	7.00%				
			3/1/2025	965,000.00	7.00%				
			3/1/2026	1,070,000.00	7.00%				
			3/1/2027	1,185,000.00	7.00%				
			3/1/2028	1,310,000.00	7.00%				
			3/1/2029		7.00%				
			3/1/2030		7.00%				
			3/1/2031	2,355,000.00	7.50%				
			3/1/2032	2,540,000.00	7.50%				
			3/1/2033	2,735,000.00	7.50%				
			3/1/2034	2,950,000.00	7.50%				
			3/1/2035	3,180,000.00	7.50%				
			3/1/2036	3,430,000.00	7.50%				
			3/1/2037	3,685,000.00	7.50%				
Series 2017A	5/24/2017	69,800,000	3/1/2038	3,960,000.00	7.50%				
			3/1/2039	4,250,000.00	7.50%				
			3/1/2040	4,625,000.00	7.50%	41,760,000.00		525,000.00	41,235,000.00
			3/1/2021	1,750,000.00	5.00%				
			3/1/2022	1,845,000.00	5.00%				
			3/1/2023	1,945,000.00	5.00%				
			3/1/2024	2,045,000.00	5.00%				
			3/1/2025	2,150,000.00	5.00%				
			3/1/2026	2,255,000.00	5.00%				
			3/1/2027	2,365,000.00	5.00%				
			3/1/2028		5.00%				
			3/1/2029		5.00%				
			3/1/2030		5.00%				
			3/1/2031	13,185,000.00	5.00%				
			3/1/2032		5.00%				
			3/1/2033		5.00%				
			3/1/2034		5.00%				
			3/1/2035		5.00%				
			3/1/2036		5.00%				
			3/1/2037	17,750,000.00	5.00%				
			3/1/2038		5.00%				
			3/1/2039		5.00%				
			3/1/2040		5.00%				
			3/1/2041		5.00%				

**GENERAL CAPITAL FUND
SCHEDULE OF TAX APPEAL REFUNDING BONDS**

Purpose	Date of Issue	Amount of Original Issue	Maturities of Bonds Outstanding		Interest Rate	Balance Dec. 31, 2019	Increased	Decreased	Balance Dec. 31, 2020
			Date	Amount					
Series 2017B	9/20/2017	68,325,000	3/1/2042	22,810,000.00	5.000%	69,800,000.00		1,670,000.00	68,130,000.00
			3/1/2021	1,800,000.00	5.000%				
			3/1/2022	1,800,000.00	5.000%				
			3/1/2023	1,820,000.00	5.000%				
			3/1/2024	1,915,000.00	5.000%				
			3/1/2025	2,015,000.00	5.000%				
			3/1/2026	2,115,000.00	5.000%				
			3/1/2027	2,225,000.00	5.000%				
			3/1/2028		5.000%				
			3/1/2029		5.000%				
			3/1/2030		5.000%				
			3/1/2031		5.000%				
			3/1/2032	12,960,000.00	5.000%				
			3/1/2033		5.000%				
			3/1/2034		5.000%				
			3/1/2035		5.000%				
			3/1/2036		5.000%				
			3/1/2037	16,575,000.00	5.000%				
			3/1/2038		4.000%				
			3/1/2039		4.000%				
			3/1/2040		4.000%				
			3/1/2041		4.000%				
			3/1/2042	18,000,000.00	4.000%				63,025,000.00
						\$ 262,300,000.00	-	15,710,000.00	266,590,000.00

**GENERAL CAPITAL FUND
SCHEDULE OF BOND ANTICIPATION NOTES**

Improvement Description	Ordinance Number	Date of Original Issue	Date of Issue	Date of Maturity	Interest Rate	Balance Dec. 31, 2019	Increased	Decreased	Balance Dec. 31, 2020
No current year activity						\$ -			-
							Raised in Budget Bonds Issued		-

**GENERAL CAPITAL FUND
SCHEDULE OF BOND AND NOTES AUTHORIZED BUT NOT ISSUED**

Ordinance Number	Improvement Description	Balance Dec. 31, 2019	2020 Authorizations	Debt Issued	Raised in Budget	Transfers/ Cancelled	Balance Dec. 31, 2020
08-18	Buildings and Improvements	480,000.00					480,000.00
		<u>\$ 480,000.00</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>480,000.00</u>

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CITY OF ATLANTIC CITY

PART II

LETTER OF COMMENTS AND RECOMMENDATIONS

YEAR ENDED DECEMBER 31, 2020

10-27-2007/10-27-2007

10-27-2007

10-27-2007 10-27-2007 10-27-2007 10-27-2007

10-27-2007 10-27-2007 10-27-2007

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GENERAL COMMENTS

Contracts and Agreements Required to be Advertised for N.J.S. 40A:11-4

N.J.S. 40A:11-4 states "Every contract or agreement, for the performance of any work or the furnishing or hiring of any materials or supplies, the cost of the contract price whereof is to be paid with or out of public funds not included within the terms of Section 3 of this act, shall be made or awarded only after public advertising for bids and bidding therefore, except as provided otherwise in this act or specifically by any other law. No work, materials or supplies shall be undertaken, acquired or furnished for a sum exceeding in the aggregate \$40,000, except by contract or agreement

The governing body of the municipality has the responsibility of determining whether the expenditures of any category will exceed \$40,000 within the fiscal year. Where question arises as to whether any contract or agreement might result in violation of the statute, the City Counsel's opinion should be sought before a commitment is made.

The minutes indicate bids were requested by public advertising for the following items:

- Animal Control Services
- Supply & Delivery of Network Surveillance Cameras and Accessories
- Maine Avenue Parking Enhancements
- Turf Management Services
- Fairmount Ave Improvement Project
- Lawn Mowing Services
- Interior Repair to Fire Station #4
- Street Light Maintenance and Repair
- Prepare Hot Meals for City's Hot Meal Initiative
- HVAC at City Hall
- Replacement of Concrete Floor at Public Works Facility
- Pop-Up Testing Services
- Traffic Signal Upgrades
- Uniforms and Related Accessories for AC Fire Dept.
- Repaving & Mill & Overlay of Various Streets: Indiana Ave, NY Ave and Kentucky Ave
- Replacement of Bulkhead & Stormwater Improvement – N. Massachusetts Ave.
- Integrated Pest Management Program
- Purchase of Fire Hose
- Paving at Various Streets
- Supply Holiday Food Boxes

The minutes indicate resolutions were adopted and advertised authorizing the awarding of contracts or agreements for "Professional Services" per N.J.S. 40A:11-5.

Inasmuch as the system of records did not provide for an accumulation of payments for categories for the performance of any work or hiring of any materials or supplies, the results of such an accumulation could not reasonably be ascertained. Disbursements were reviewed, however, to determine whether any clear cut violations existed.

Our examination of expenditures did not reveal any payments in excess of \$40,000 "for the performance of any work or the furnishing or hiring of any materials or supplies: other than those where bids had been previously sought by public advertisement, awarded under state or county cooperative purchasing agreements, or where a resolution had been previously adopted under the provisions of N.J.S. 40A:11-6.

Collection of Interest on Delinquent Taxes and Assessments

The statute provides the method for authorizing interest and the maximum rates to be charged for the nonpayment of taxes or assessments on or before the date when they become delinquent. The governing body adopted the following resolution authorizing interest to be charged on delinquent taxes.

"BE IT RESOLVED" by the City Council of the City of Atlantic City, in accordance with Chapter 435, New Jersey Laws of 1979, and N.J.S.A. 54:4-67, 54:5-24, 54:5-32 and 54:5-35, which authorizes the Governing Body to fix the rate of interest to be charged, in the City of Atlantic City, for the nonpayment of taxes and assessments, said rate of interest shall be and is hereby fixed at 8 percent per annum on the first \$1,500 of delinquency and 18% per annum on any amount in excess of \$1,500 to be calculated from the date when the taxes and assessments become delinquent. In addition, a 6% penalty is authorized for delinquencies in excess of \$10,000 at the end of the year.

It appears from an examination of the collector's records that interest was collected in accordance with the foregoing resolution.

Delinquent Taxes and Tax Title Liens

The last tax sale was held on December 18, 2020 and was complete. There are several bankruptcies from prior years not sold.

The following comparison is made of the number of the tax title liens receivable on December 31 of the last three years:

<u>Year</u>	<u>Number of Liens</u>
2020	484
2019	294
2018	502

It is essential to good management that all means provided by statute be utilized to liquidate tax title liens in order to get such properties back on tax-paying basis.

Verification of Delinquent Taxes and Other Charges

A test verification of delinquent charges and current payments was made in accordance with the regulation of the Division of Local Government Services, including the mailing of verification notices as follows:

<u>Type</u>	<u>Number Mailed</u>
Payment of 2020 and 2021 Taxes	5
Delinquent Taxes	5
Municipal Court	5

All delinquent taxes, except those in bankruptcy, were included in the accelerated tax sale. Therefore, no delinquent tax balances were available to verify. As of the date of this audit report, all verifications have not been returned. However, no problems were noted with those that have been returned.

Comparison of Tax Levies and Collections Currently

A study of this tabulation could indicate a possible trend in future tax levies. A decrease in the percentage of current collection could be an indication of a probable increase in future tax levies.

Year	Currently		
	Tax Levy	Cash Collections	Percentage of Collections
2020	\$ 98,784,546	96,124,302	97.31%
2019	101,007,764	95,800,941	94.85%
2018	94,447,985	87,883,759	93.05%
2017	100,460,165 **	96,542,661	96.10%
2016	243,392,800 \$\$	231,758,652	95.22%

** Reduced by \$7,218,614 in tax appeals

\$\$ Reduced by \$8,120,219 in tax appeals

Comparative Schedule of Tax Rate Information

	<u>2020</u>	<u>2019</u>	<u>2018</u>	<u>2017</u>	<u>2016</u>
Tax Rate	3.934	3.984	3.533	3.421	3.860
Apportionment of Tax Rate:					
Municipal	1.702	1.799	1.799	1.798	1.898
Municipal Library	0.038	0.036	0.032	0.033	0.043
County	0.495	0.458	0.209	0.241	0.383
Local School	1.699	1.691	1.493	1.349	1.536
Assessed Valuation:	2,509,823,023	2,524,921,690	2,646,814,938	3,106,630,800	6,515,881,304

Delinquent Taxes and Tax Title Liens

This tabulation includes a comparison, expressed in percentage, of the total of delinquent taxes and tax title liens, in relation to the tax levies of the last five years.

<u>Year</u>	<u>Amount of Tax Title Liens</u>	<u>Amount of Delinquent Taxes</u>	<u>Total Delinquent Taxes</u>	<u>Percentage of Tax Levy</u>
2020	\$ 6,996,907	522,191	7,519,099	7.61%
2019	6,576,201	1,231,539	7,807,740	7.73%
2018	5,218,471	1,533,764	6,752,235	7.15%
2017	9,741,800	1,223,006	10,964,806	10.91%
2016	10,907,385	8,716,807	19,624,192	8.06%

Uniform Construction Code

The City of Atlantic City construction code official is in compliance with uniform construction code rules NJAC 5:23.17(b) 2 and NJAC 5:23.4.17(b) 3.

Law Enforcement Trust Fund

In order to promote statewide uniformity and accountability, the State Attorney General has issued standards concerning the administration of seized and forfeited property and monies. Funds distributed to a municipality from seizures or forfeitures, or the sale of forfeited property is to be deposited into a special law enforcement trust fund to be used for a law enforcement purpose. NJAC 13:77-1.4 defines a law enforcement purpose as a purpose which is calculated to enhance a law enforcement agency's ability to conduct criminal investigations, surveillance, arrests, and prosecutions and to respond more fully to the effects of crime and, for the purposes of these rules, shall be beyond that allocated by the law enforcement agency's annual budget. This special law enforcement trust fund must be under the direct control of the funding entity. Any local governmental body that receives forfeited proceeds or property shall comply with auditing requirements specified under NJSA 40A:5-4.

FINDINGS AND RECOMMENDATIONS

Finding 20-1

Criteria

Accurate records for all PILOT agreements should be maintained and reconciled to amounts remitted to ensure the City's revenues are properly calculated.

Condition

The PILOT revenues received are not being recalculated and reconciled to the amounts due per the approved PILOT agreements.

Cause

Procedures for the reconciliation of PILOT revenues are not in place to ensure the City is receiving the proper amount of PILOT revenues.

Effect

City management is unaware if all PILOT revenues have been received, or if any refunds are due based upon the approved PILOT agreements.

Recommendation

Procedures should be approved and implemented to ensure that all PILOT payments received are calculated properly based upon the approved agreement, in addition to procedures for follow up of non-payment of PILOT revenues.

Management Response

Procedures will be implemented to ensure proper revenues are received for all PILOT programs.

STATUS OF PRIOR RECOMMENDATIONS

Finding 19-1

Procedures should be approved and implemented to ensure that all required forms and documentation is maintained in the human resources and payroll departments.

This finding was corrected in 2020

Finding 19-2

Procedures should be approved and implemented to ensure that all PILOT payments received are calculated properly based upon the approved agreement, in addition to procedures to follow up for non-payment of PILOT revenues.

This finding was not corrected in 2020

RECOMMENDATIONS

Procedures should be approved and implemented to ensure that all PILOT payments received are calculated properly based upon the approved agreement, in addition to procedures to follow up for non-payment of PILOT revenues.

In accordance with the Uniform Guidance, Audits of States, Local Governments and Non-Profit Organizations, and Division of Local Government Services Regulations, a corrective action plan must be prepared and filed by the City Council in response to my comments.

The problems and weaknesses noted in my review were not of such magnitude that they would affect my ability to express an opinion on the financial statements taken as a whole.

Should any questions arise as to my comments or recommendations, or should you desire assistance in implementing my recommendations, please do not hesitate to call me.

Very truly yours,

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

Nancy Sbrolla
Nancy Sbrolla
Certified Public Accountant
Registered Municipal Accountant
No. 542

August 6, 2021