

ATLANTIC COUNTY UTILITIES AUTHORITY
CITY OF ATLANTIC, NEW JERSEY

WASTEWATER DIVISION

COMPARATIVE BALANCE SHEET

December 31, 1999 and 1998

<u>Assets</u>	<u>1999</u>	<u>1998</u>	<u>Liabilities, Reserves and Fund Equity</u>	<u>1999</u>	<u>1998</u>
Unrestricted Assets:			Current Liabilities Payable From		
Cash	\$ 2,357,026	\$ 506,697	Unrestricted Assets:		
Investments (Note 10)	6,353,444	5,272,449	Accounts Payable - Operations	\$ 1,706,639	\$ 1,434,307
Accrued Interest Receivable	95,601	4,326	Deferred Revenue	68,645	71,564
Accounts Receivable	<u>464,053</u>	<u>2,397,553</u>	Due To Solid Waste Division	<u>620,016</u>	<u>675,280</u>
Total Unrestricted Assets	<u>9,270,124</u>	<u>8,181,025</u>	Total Current Liabilities Payable From	<u>2,395,300</u>	<u>2,181,151</u>
			Unrestricted Assets		
Restricted Assets:			Current Liabilities Payable From		
Investments (Note 10)	13,940,141	13,793,783	Restricted Assets:		
Accrued Interest Receivable	1,778	61,023	Construction Contracts Payable		181,295
Loans Receivable	<u>7,064,131</u>	<u>8,718,176</u>	Current Maturities of Long-Term Debt (Note 5)	3,667,847	3,403,338
Total Restricted Assets	<u>21,006,050</u>	<u>22,572,982</u>	Accrued Interest	<u>1,804,558</u>	<u>1,780,199</u>
			Total Current Liabilities Payable From	<u>5,472,405</u>	<u>5,364,832</u>
			Restricted Assets		
			Long-Term Portion of Bonds Payable (Note 5)		
			(Net of Unamortized Bond Premium and Discount of		
			\$1,359,301 and \$1,413,526 in 1999 and 1998,		
			respectively)	<u>77,915,120</u>	<u>81,722,816</u>
			Deferred Revenue	<u>1,572,605</u>	<u>1,638,332</u>
			Total Liabilities	<u>87,355,430</u>	<u>90,907,131</u>
			Fund Equity:		
			Contributed Capital	111,961,686	111,961,686
			Less: Accumulated Depreciation	<u>(63,352,519)</u>	<u>(62,420,695)</u>
			Net Contributed Capital	<u>48,609,167</u>	<u>49,540,991</u>
Property, Plant and Equipment (Note 4)	191,430,242	189,786,983	Retained Earnings:		
Less: Accumulated Depreciation	<u>(77,893,308)</u>	<u>(73,859,253)</u>	Reserved For:		
Net Property, Plant and Equipment	<u>113,536,934</u>	<u>115,927,730</u>	Renewal and Replacement	3,800,000	2,500,000
			Debt Service Fund	4,344,464	3,633,158
			Debt Service Reserve Fund	2,398,605	2,398,605
			Unreserved:		
			Retained Earnings	<u>1,375,365</u>	<u>2,020,423</u>
Other Assets:			Total Retained Earnings	<u>11,918,434</u>	<u>10,552,186</u>
Unamortized Costs	<u>4,069,923</u>	<u>4,318,571</u>	Total Fund Equity	<u>60,527,601</u>	<u>60,093,177</u>
Total Other Assets	<u>4,069,923</u>	<u>4,318,571</u>	Total Liabilities, Reserves and Fund Equity	<u>\$ 147,883,031</u>	<u>\$ 151,000,308</u>
Total Assets	<u>\$ 147,883,031</u>	<u>\$ 151,000,308</u>			

See notes to financial statements

ATLANTIC COUNTY UTILITIES AUTHORITY
CITY OF ATLANTIC, NEW JERSEY

WASTEWATER DIVISION

COMPARATIVE STATEMENT OF REVENUES, EXPENSES AND CHANGES IN FUND EQUITY

Years ended December 31, 1999 and 1998

	<u>1999</u>	<u>1998</u>
Operating Revenues:		
User Service Agreements:		
Operating	\$ 10,294,853	\$ 10,485,651
General	7,263,763	6,725,516
Sludge	1,074,071	920,704
Septic and Leachate	527,359	541,298
Other	<u>592,112</u>	<u>823,674</u>
Total Operating Revenues	<u>19,752,158</u>	<u>19,496,843</u>
Operating Expenses:		
Salaries	4,981,808	5,174,975
Employee Benefits	1,317,051	1,378,401
Power and Utilities	2,169,282	2,371,252
Chemicals	496,680	805,691
Fuel	735,087	768,007
Supplies and Miscellaneous Maintenance	1,254,270	842,429
Contractual Services	349,645	361,784
Indirect Operating	81,498	182,167
Administrative	620,364	498,245
Licenses and Permits	<u>162,288</u>	<u>218,669</u>
Total Operating Expenses	<u>12,167,973</u>	<u>12,601,620</u>
Depreciation	<u>4,034,055</u>	<u>4,022,313</u>
Total Operating Expenses	<u>16,202,028</u>	<u>16,623,933</u>
Operating Income	<u>3,550,130</u>	<u>2,872,910</u>
Non-Operating Revenues/(Expenses):		
Interest Expense	(3,740,021)	(3,553,993)
Interest Income	872,963	1,096,179
Refunding Transfer Proceeds Penalty		(987,652)
Amortization of Bond Issue Costs	<u>(248,648)</u>	<u>(586,080)</u>
Total Non-Operating Revenues/(Expenses)	<u>(3,115,706)</u>	<u>(4,031,546)</u>
Net Income/(Loss) Before Transfer of Depreciation on Assets Purchased With Contributed Capital	434,424	(1,158,636)
Transfer of Depreciation To Contributed Capital	<u>931,824</u>	<u>1,851,819</u>
Net Income	1,366,248	693,183
Retained Earnings, January 1	<u>10,552,186</u>	<u>9,859,003</u>
Retained Earnings, December 31	<u>11,918,434</u>	<u>10,552,186</u>
Contributed Capital - Net, January 1	49,540,991	51,392,810
Transfer of Depreciation From Operations To Contributed Capital	<u>(931,824)</u>	<u>(1,851,819)</u>
Contributed Capital - Net, December 31	<u>48,609,167</u>	<u>49,540,991</u>
Fund Equity, December 31	<u>\$ 60,527,601</u>	<u>\$ 60,093,177</u>

See notes to financial statements

ATLANTIC COUNTY UTILITIES AUTHORITY
CITY OF ATLANTIC, NEW JERSEY

WASTEWATER DIVISION

COMPARATIVE STATEMENT OF CASH FLOWS

Years ended December 31, 1999 and 1998

	<u>1999</u>	<u>1998</u>
Cash Flows From Operating Activities:		
Operating Income	\$ 1,366,248	\$ 693,183
Adjustments To Reconcile Net Income To Net Cash		
Provided By Operating Activities:		
Depreciation	3,102,231	2,170,494
Amortization	248,648	586,080
Changes in Assets and Liabilities:		
(Increase)/Decrease in Accounts Receivable	1,901,470	(1,682,533)
Increase/(Decrease) Due To Solid Waste Division	(55,264)	96,977
Increase/(Decrease) in Accounts Payable - Operations	296,691	341,260
Decrease in Construction Contracts Payable	(181,295)	(2,825,648)
Decrease in Deferred Revenue	(68,646)	(71,563)
	<u>5,243,835</u>	<u>(1,384,933)</u>
Total Adjustments To Operating Income		
	<u>6,610,083</u>	<u>(691,750)</u>
Net Cash Provided By Operating Activities		
Cash Flows From Capital and Related Financing Activities:		
Property, Plant and Equipment Additions	(1,643,259)	(112,572)
Repayment of Bonds	(3,543,187)	(5,051,868)
Proceeds From Wastewater Trust	1,654,045	4,458,680
	<u>(3,532,401)</u>	<u>(705,760)</u>
Net Cash Used By Financing Activities		
Cash Flows From Investing Activities:		
Decrease/(Increase) in Investments	(1,227,353)	219,181
	<u>1,850,329</u>	<u>(1,178,329)</u>
Net Increase/(Decrease) in Cash And Cash Equivalents		
Cash and Cash Equivalentents at Beginning of Year	<u>506,697</u>	<u>1,685,026</u>
Cash and Cash Equivalentents at End of Year	<u>\$ 2,357,026</u>	<u>\$ 506,697</u>

See notes to financial statements

ATLANTIC COUNTY UTILITIES AUTHORITY
CITY OF ATLANTIC, NEW JERSEY

SOLID WASTE DIVISION

COMPARATIVE BALANCE SHEET

December 31, 1999 and 1998

<u>Assets</u>	<u>1999</u>	<u>1998</u>	<u>Liabilities, Reserves and Fund Equity</u>	<u>1999</u>	<u>1998</u>
Unrestricted Assets:			Current Liabilities Payable From		
Cash	\$ 72,497	\$ 158,119	Unrestricted Assets:		
Investments (Note 10)	4,130,230	1,763,665	Accounts Payable - Operations	\$ 1,245,474	\$ 1,860,760
Accrued Interest Receivable	141,361	156,103	Customer Deposits	296,005	314,508
Accounts Receivable	13,945,307	11,310,050	Deferred Revenue	2,240	
Other Accounts Receivable	134,121				
Due From Wastewater Division	620,016	675,280	Total Current Liabilities Payable From		
Prepaid Expense	24,575		Unrestricted Assets	1,543,719	2,175,268
Total Unrestricted Assets	<u>19,068,107</u>	<u>14,063,217</u>	Current Liabilities Payable From		
			Restricted Assets:		
Restricted Assets:			Bond Anticipation Notes Payable (Note 5)	6,862,000	7,562,000
Investments (Note 10)	14,003,905	16,356,267	Bonds Payable - Current Portion	2,510,000	2,340,000
Accrued Interest Receivable	8,841	66,553	Construction Contracts Payable	519,635	200,063
			Accrued Interest Payable	1,897,548	1,952,250
Total Restricted Assets	<u>14,012,746</u>	<u>16,422,820</u>	Total Current Liabilities Payable From		
			Restricted Assets	11,789,183	12,054,313
			Long-Term Portion of Bonds Payable (Note 5)		
			(Net of Unamortized Premium and Discount of \$677,916		
			and \$747,007 in 1999 and 1998, respectively)	76,337,084	78,777,993
			Accrued Landfill Closure and Post-Closure		
Property, Plant and Equipment (Note 4)	71,956,410	68,544,470	Care Cost (Note 8)	1,951,347	300,000
Less: Accumulated Depreciation	<u>(26,146,619)</u>	<u>(23,550,650)</u>	Total Liabilities	91,621,333	93,307,574
Net Property, Plant and Equipment	<u>45,809,791</u>	<u>44,993,820</u>	Fund Equity:		
			Contributed Capital	8,412,500	7,312,500
			Less: Accumulated Depreciation	(285,557)	
			Net Contributed Capital	8,126,943	7,312,500
Other Assets:			Reserved for:		
Preoperating Costs			Debt Service Reserve	8,053,769	8,053,769
(Net of Accumulated Depreciation of \$5,211,151 and			Unreserved Deficit	(23,171,661)	(26,877,929)
\$4,693,762 in 1999 and 1998, respectively)	4,648,350	5,165,739	Total Deficit	(15,117,892)	(18,824,160)
Unamortized Bond Discount and Costs	1,091,390	1,150,318	Total Fund Equity	(6,990,949)	(11,511,660)
Total Other Assets	<u>5,739,740</u>	<u>6,316,057</u>	Total Liabilities, Reserves and Fund Equity	\$ 84,630,384	\$ 81,795,914
Total Assets	<u>\$ 84,630,384</u>	<u>\$ 81,795,914</u>			

See notes to financial statements

ATLANTIC COUNTY UTILITIES AUTHORITY
CITY OF ATLANTIC, NEW JERSEY

SOLID WASTE DIVISION

COMPARATIVE STATEMENT OF REVENUES, EXPENSES AND CHANGES IN FUND EQUITY

Years ended December 31, 1999 and 1998

	<u>1999</u>	<u>1998</u>
Operating Revenues:		
Tipping Fees	\$ 19,738,514	\$ 20,444,613
Recycling Income	5,092,383	4,026,535
Grant Income	142,435	181,038
Composting Income	687,918	565,004
Other	<u>592,564</u>	<u>609,993</u>
Total Operating Revenues	<u>26,253,814</u>	<u>25,827,183</u>
Operating Expenses:		
Contractual Services:		
Disposal		1,687,515
Hauling		<u>981,089</u>
		2,668,604
Salaries	5,170,324	5,633,903
Employee Benefits	1,541,166	2,112,205
Power And Utilities	450,630	434,647
Indirect Operating	2,192,434	1,847,720
Administrative	702,597	1,242,591
Community Benefit	1,258,533	1,369,458
Recycling and Other Taxes	400,521	283,171
Fuel	193,114	238,941
Supplies and Miscellaneous Maintenance	<u>1,163,752</u>	<u>1,434,271</u>
	13,073,071	17,265,511
Depreciation	<u>3,113,358</u>	<u>4,424,795</u>
Total Operating Expenses	<u>16,186,429</u>	<u>21,690,306</u>
Operating Income	<u>10,067,385</u>	<u>4,136,877</u>
Non-Operating Revenues/(Expenses):		
Interest Income	571,952	755,740
Interest Expense	(5,956,070)	(5,923,999)
Amortization Bond Issue Costs	<u>(58,928)</u>	<u>(129,998)</u>
Total Non-Operating Revenues/(Expenses)	<u>(5,443,046)</u>	<u>(5,298,257)</u>
Net Income/(Loss) before Transfer of Depreciation on Assets Purchased with Contributed Capital	4,624,339	(1,161,380)
Transfer of Depreciation to Contributed Capital	<u>285,557</u>	
Net Income/(Loss)	4,909,896	(1,161,380)
Deficit, January 1	(18,824,160)	(19,648,964)
Prior Period Adjustment to Fund Deficit (Note 12)	<u>(1,203,628)</u>	<u>1,986,184</u>
Retained Earnings/(Deficit), December 31	<u>(15,117,892)</u>	<u>(18,824,160)</u>
Contributed Capital, Net, January 1	7,312,500	7,312,500
Additions	<u>1,100,000</u>	
	8,412,500	7,312,500
Transfer of Depreciation from Operations to Contributed Capital	<u>(285,557)</u>	
Contributed Capital, Net, December 31	<u>8,126,943</u>	<u>7,312,500</u>
Fund Equity, December 31	<u>\$ (6,990,949)</u>	<u>\$ (11,511,660)</u>

See notes to financial statements

ATLANTIC COUNTY UTILITIES AUTHORITY
CITY OF ATLANTIC, NEW JERSEY

SOLID WASTE DIVISION

COMPARATIVE STATEMENT OF CASH FLOWS

Years ended December 31, 1999 and 1998

	<u>1999</u>	<u>1998</u>
Cash Flows From Operating Activities:		
Operating Income/(Loss)	\$ 4,909,896	\$ (1,161,380)
Adjustments To Reconcile Net Income To Net Cash		
Provided By Operating Activities:		
Depreciation	2,827,801	4,424,795
Amortization of Bond Issuance Costs	58,928	129,998
Landfill Closure	447,719	
Changes in Assets and Liabilities:		
(Increase)/Decrease in Accounts Receivable	(2,769,378)	(4,561,278)
(Increase)/Decrease Due From Wastewater Division	55,264	(96,977)
(Increase)/Decrease in Interest Receivable	72,454	(55,173)
(Decrease)/Increase in Accounts Payable	(350,416)	260,081
Decrease in Customer Deposits	(18,503)	(194,156)
Increase in Prepaid Expenses	(24,575)	
Increase in Deferred Revenue	2,240	
Total Adjustments To Operating Income	<u>301,534</u>	<u>(92,710)</u>
Net Cash Provided By Operating Activities	<u>5,211,430</u>	<u>(1,254,090)</u>
Cash Flows From Capital and Related Financing Activities:		
Property, Plant and Equipment Additions	(3,411,940)	(3,865,794)
Notes Payable	(700,000)	7,562,000
Repayment of Bonds	(2,270,909)	(2,185,000)
State Contribution	1,100,000	
Net Cash Used By Financing Activities	<u>(5,282,849)</u>	<u>1,511,206</u>
Cash Flows From Investing Activities:		
Decrease/(Increase) in Investments	<u>(14,203)</u>	<u>(2,294,300)</u>
Net Decrease in Cash And Cash Equivalents	(85,622)	(2,037,184)
Cash and Cash Equivalents at Beginning of Year	<u>158,119</u>	<u>2,195,303</u>
Cash and Cash Equivalents at End of Year	<u>\$ 72,497</u>	<u>\$ 158,119</u>

See notes to financial statements

ATLANTIC COUNTY UTILITIES AUTHORITY
CITY OF ATLANTIC, NEW JERSEY

WASTEWATER DIVISION

COMPARATIVE BALANCE SHEET
MODIFIED GAAP BASIS

December 31, 1999 and 1998

<u>Assets</u>	<u>1999</u>	<u>1998</u>	<u>Liabilities, Reserves and Fund Equity</u>	<u>1999</u>	<u>1998</u>
Unrestricted Assets:			Current Liabilities Payable From		
Cash	\$ 2,357,026	\$ 506,697	Unrestricted Assets:		
Investments	6,353,444	5,272,449	Accounts Payable - Operations	\$ 2,182,847	\$ 1,982,499
Accrued Interest Receivable	95,601	4,326	Deferred Revenue	68,645	71,564
Accounts Receivable	<u>464,053</u>	<u>2,397,553</u>	Due To Solid Waste Division	<u>620,016</u>	<u>675,280</u>
Total Unrestricted Assets	<u>9,270,124</u>	<u>8,181,025</u>	Total Current Liabilities Payable From		
			Unrestricted Assets	<u>2,871,508</u>	<u>2,729,343</u>
Restricted Assets:			Current Liabilities Payable From		
Investments	13,940,141	13,793,783	Restricted Assets:		
Accrued Interest Receivable	1,778	61,023	Construction Contracts Payable	334,028	1,940,063
Loans Receivable	<u>7,064,131</u>	<u>8,718,176</u>	Current Maturities of Long-Term Debt	3,667,847	3,403,338
Total Restricted Assets	<u>21,006,050</u>	<u>22,572,982</u>	Accrued Interest	<u>1,804,558</u>	<u>1,780,199</u>
			Total Current Liabilities Payable From	<u>5,806,433</u>	<u>7,123,600</u>
			Restricted Assets		
			Long-Term Portion of Bonds Payable		
			(Net of Unamortized Bond Premium and Discount of		
			\$1,359,301 and \$1,413,526 in 1999 and 1998, respectively)	<u>77,915,120</u>	<u>81,722,816</u>
Property, Plant and Equipment	190,852,862	190,634,343	Deferred Revenue	<u>1,572,605</u>	<u>1,638,332</u>
Less: Accumulated Depreciation	<u>(77,893,308)</u>	<u>(73,859,253)</u>	Total Liabilities	<u>88,165,666</u>	<u>93,214,091</u>
Net Property, Plant and Equipment	<u>112,959,554</u>	<u>116,775,090</u>	Fund Equity:		
			Contributed Capital	111,961,686	111,961,686
			Less: Accumulated Depreciation	<u>(63,352,519)</u>	<u>(62,420,695)</u>
			Net Contributed Capital	<u>48,609,167</u>	<u>49,540,991</u>
			Retained Earnings:		
			Reserved For:		
			Renewal and Replacement	3,800,000	2,500,000
			Debt Service Fund	4,344,464	3,633,158
			Debt Service Reserve Fund	2,398,605	2,398,605
			Unreserved:		
			Retained Earnings/(Deficit)	<u>(12,251)</u>	<u>560,823</u>
			Total Retained Earnings	<u>10,530,818</u>	<u>9,092,586</u>
Other Assets:			Total Fund Equity	<u>59,139,985</u>	<u>58,633,577</u>
Unamortized Costs	<u>4,069,923</u>	<u>4,318,571</u>	Total Liabilities, Reserves and Fund Equity	<u>\$ 147,305,651</u>	<u>\$ 151,847,668</u>
Total Assets	<u>\$ 147,305,651</u>	<u>\$ 151,847,668</u>			

Note: This schedule has been prepared on a modified GAAP basis which includes outstanding purchase orders as expenses in the year they are encumbered.

ATLANTIC COUNTY UTILITIES AUTHORITY
CITY OF ATLANTIC, NEW JERSEY

WASTEWATER DIVISION

COMPARATIVE STATEMENT OF REVENUES, EXPENSES AND CHANGES IN FUND EQUITY
MODIFIED GAAP BASIS

Years ended December 31, 1999 and 1998

	<u>1999</u>	<u>1998</u>
Operating Revenues:		
User Service Agreements:		
Operating	\$ 10,294,853	\$ 10,485,651
General	7,263,763	6,725,516
Sludge	1,074,071	920,704
Septic and Leachate	527,359	541,298
Other	<u>592,112</u>	<u>823,674</u>
Total Operating Revenues	<u>19,752,158</u>	<u>19,496,843</u>
Operating Expenses:		
Salaries	4,981,808	5,174,975
Employee Benefits	1,311,107	1,392,362
Power and Utilities	2,192,889	2,247,268
Chemicals	415,179	707,951
Fuel	671,244	652,062
Supplies and Miscellaneous Maintenance	1,353,192	886,166
Contractual Services	309,021	316,306
Indirect Operating	63,656	154,883
Administrative	635,605	476,226
Licenses and Permits	<u>162,288</u>	<u>218,669</u>
Total Operating Expenses	<u>12,095,989</u>	<u>12,226,868</u>
Depreciation	<u>4,034,055</u>	<u>4,022,313</u>
Total Operating Expenses	<u>16,130,044</u>	<u>16,249,181</u>
Operating Income	<u>3,622,114</u>	<u>3,247,662</u>
Non-Operating Revenues/(Expenses):		
Interest Expense	(3,740,021)	(3,553,993)
Interest Income	872,963	1,096,179
Refunding Transfer Proceeds Penalty		(987,652)
Amortization of Bond Premium	<u>(248,648)</u>	<u>(586,080)</u>
Total Non-Operating Revenues/(Expenses)	<u>(3,115,706)</u>	<u>(4,031,546)</u>
Net Income/(Loss) Before Transfer of Depreciation on Assets Purchased With Contributed Capital	506,408	(783,884)
Transfer of Depreciation To Contributed Capital	<u>931,824</u>	<u>1,851,819</u>
Net Income	1,438,232	1,067,935
Deficit, January 1	<u>9,092,586</u>	<u>8,024,651</u>
Retained Earnings/(Deficit), December 31	<u>10,530,818</u>	<u>9,092,586</u>
Contributed Capital - Net, January 1	49,540,991	51,392,810
Transfer of Depreciation From Operations To Contributed Capital	<u>(931,824)</u>	<u>(1,851,819)</u>
Contributed Capital - Net, December 31	<u>48,609,167</u>	<u>49,540,991</u>
Fund Equity, December 31	<u>\$ 59,139,985</u>	<u>\$ 58,633,577</u>

Note: This schedule has been prepared on a modified GAAP basis which includes outstanding purchase orders as expenses in the year they are encumbered.

ATLANTIC COUNTY UTILITIES AUTHORITY
CITY OF ATLANTIC, NEW JERSEY

WASTEWATER DIVISION

SCHEDULE OF OPERATING REVENUES AND COSTS FUNDED BY OPERATING REVENUES
COMPARED TO BUDGET - RATE BASIS

Year ended December 31, 1999

	<u>1999 Budget</u>	<u>1999 Actual</u>
Revenues:		
User Service Agreements:		
Operating Charge	\$ 10,294,855	\$ 10,294,853
General Charge	7,263,763	7,263,763
Interest on Investments and Deposits	600,000	872,963
Sludge, Septage and Leachate Disposal Fees	1,335,895	1,532,785
Miscellaneous	448,504	495,958
Fund Balance	<u>512,196</u>	<u> </u>
Total Revenues	<u>20,455,213</u>	<u>20,460,322</u>
Expenses:		
Operating Expenses:		
Salaries and Wages	5,043,765	4,981,808
Employee Benefits	1,387,226	1,331,012
Power and Utilities	2,293,000	2,192,890
Chemicals	603,725	415,179
Fuel	740,000	671,244
Supplies and Maintenance	725,400	698,706
Contractual Services	389,603	309,021
Indirect Operating	443,473	322,139
Administrative	895,345	731,800
Maintenance Program Expenditures	669,913	634,581
Cancelled Purchase Orders	<u> </u>	<u>(192,391)</u>
	<u>13,191,450</u>	<u>12,095,989</u>
Debt Service	<u>7,263,763</u>	<u>7,263,763</u>
Total Expenses	<u>\$ 20,455,213</u>	<u>\$ 19,359,752</u>

ATLANTIC COUNTY UTILITIES AUTHORITY
CITY OF ATLANTIC, NEW JERSEY

WASTEWATER DIVISION

SCHEDULE OF CASH RECEIPTS, CASH DISBURSEMENTS
AND CHANGES IN CASH AND INVESTMENTS

Year ended December 31, 1999

Cash and Investments, December 31, 1998	\$ 19,572,929
Cash Receipts:	
Accounts Receivable	21,093,546
Other	592,112
Proceeds From Wastewater Trust	1,654,045
Due From Solid Waste Division	55,264
Interest Received	<u>840,933</u>
Total Cash and Investments Available	<u>43,808,829</u>
Cash Disbursements:	
Operations	12,141,322
Additions to Property, Plant and Equipment/ Contracts Payable	1,824,554
Bond Principal	3,488,963
Bond Interest	<u>3,703,379</u>
Total Cash Disbursements	<u>21,158,218</u>
Cash and Investments, December 31, 1999	<u>\$ 22,650,611</u>
Balance Comprised of:	
Unrestricted Cash	\$ 2,357,026
Unrestricted Investments	6,353,444
Restricted Investments	<u>13,940,141</u>
	<u>\$ 22,650,611</u>

ATLANTIC COUNTY UTILITIES AUTHORITY
CITY OF ATLANTIC, NEW JERSEY

SOLID WASTE DIVISION

COMPARATIVE BALANCE SHEET
MODIFIED GAAP BASIS

December 31, 1999 and 1998

<u>Assets</u>	<u>1999</u>	<u>1998</u>	<u>Liabilities, Reserves and Fund Equity</u>	<u>1999</u>	<u>1998</u>
Unrestricted Assets:					
Cash	\$ 72,497	\$ 158,119	Current Liabilities Payable From		
Investments	4,130,230	1,763,665	Unrestricted Assets:		
Accrued Interest Receivable	141,361	156,103	Accounts Payable - Operations	\$ 2,098,955	\$ 2,532,287
Accounts Receivable	13,945,307	11,310,050	Customer Deposits	296,005	314,508
Other Accounts Receivable	134,121		Deferred Revenue	2,240	
Due From Wastewater Division	620,016	675,280		<u>2,397,200</u>	<u>2,846,795</u>
Prepaid Expenses	24,575		Total Current Liabilities Payable From		
	<u>19,068,107</u>	<u>14,063,217</u>	Unrestricted Assets		
Total Unrestricted Assets				<u>2,397,200</u>	<u>2,846,795</u>
			Current Liabilities Payable From		
Restricted Assets:			Restricted Assets:		
Investments	14,003,905	16,356,267	Bond Anticipation Notes Payable	6,862,000	7,562,000
Accrued Interest Receivable	8,841	66,553	Bonds Payable - Current Portion	2,510,000	2,340,000
	<u>14,012,746</u>	<u>16,422,820</u>	Construction Contracts Payable	1,858,182	1,688,782
Total Restricted Assets			Accrued Interest Payable	1,897,548	1,952,250
				<u>13,127,730</u>	<u>13,543,032</u>
			Total Current Liabilities Payable From		
Property, Plant and Equipment	73,260,476	69,998,708	Restricted Assets	<u>13,127,730</u>	<u>13,543,032</u>
Less: Accumulated Depreciation	(26,146,619)	(23,550,650)			
Net Property, Plant and Equipment	<u>47,113,857</u>	<u>46,448,058</u>	Long-Term Portion of Bonds Payable		
			(Net of Unamortized Premium and Discount of		
			\$677,916 and \$747,007 in 1999 and 1998,		
			respectively)	<u>76,337,084</u>	<u>78,777,993</u>
			Accrued Landfill Closure and Postclosure		
			Care Cost (Note 8)	<u>1,951,347</u>	<u>300,000</u>
			Total Liabilities	<u>93,813,361</u>	<u>95,467,820</u>
			Fund Equity:		
			Net Contributed Capital	8,412,500	7,312,500
			Less: Accumulated Depreciation	(285,557)	
				<u>8,126,943</u>	<u>7,312,500</u>
			Reserved for:		
			Debt Service Reserve	8,053,769	8,053,769
			Unreserved Deficit	(24,345,180)	(27,583,937)
			Total Deficit	<u>(16,291,411)</u>	<u>(19,530,168)</u>
			Total Fund Deficit	<u>(7,878,911)</u>	<u>(12,217,668)</u>
			Total Liabilities, Reserves and Fund Equity	<u>\$ 85,934,450</u>	<u>\$ 83,250,152</u>
Total Assets	<u>\$ 85,934,450</u>	<u>\$ 83,250,152</u>			

Note: This schedule has been prepared on a modified GAAP basis which includes outstanding purchase orders as expenses in the year they are encumbered.

ATLANTIC COUNTY UTILITIES AUTHORITY
CITY OF ATLANTIC, NEW JERSEY

SOLID WASTE DIVISION

COMPARATIVE STATEMENT OF REVENUES, EXPENSES AND CHANGES IN FUND EQUITY
MODIFIED GAAP BASIS

Years ended December 31, 1999 and 1998

	<u>1999</u>	<u>1998</u>
Operating Revenues:		
Tipping Fees	\$ 19,738,514	\$ 20,444,613
Recycling Income	5,092,383	4,026,535
Grant Income	142,435	181,038
Composting Income	687,918	565,004
Other	<u>592,564</u>	<u>609,993</u>
Total Operating Revenues	<u>26,253,814</u>	<u>25,827,183</u>
Operating Expenses:		
Contractual Services:		
Disposal		1,601,729
Hauling		<u>581,012</u>
		2,182,741
Salaries	5,170,324	5,633,903
Employee Benefits	1,541,166	2,139,831
Power And Utilities	478,776	458,838
Indirect Operating	2,225,029	1,559,848
Administrative	708,302	1,246,394
Community Benefit	1,348,055	1,263,590
Recycling and Other Taxes	400,521	283,171
Fuel	195,244	151,513
Supplies and Miscellaneous Maintenance	<u>1,187,608</u>	<u>1,419,529</u>
	13,255,025	16,339,358
Depreciation	<u>3,113,358</u>	<u>4,424,795</u>
Total Operating Expenses	<u>16,368,383</u>	<u>20,764,153</u>
Operating Income	<u>9,885,431</u>	<u>5,063,030</u>
Non-Operating Revenues/(Expenses):		
Interest Income	571,952	755,740
Interest Expense	(5,956,070)	(5,923,999)
Amortization Bond Issue Costs and Premium	<u>(58,928)</u>	<u>(129,998)</u>
Total Non-Operating Revenues/(Expenses)	<u>(5,443,046)</u>	<u>(5,298,257)</u>
Net Income/(Loss) before Transfer of Depreciation on Assets Purchased with Contributed Capital	4,442,385	(235,227)
Transfer of Depreciation to Contributed Capital	<u>285,557</u>	
Net Income/(Loss)	4,727,942	(235,227)
Deficit, January 1	(19,530,168)	(21,281,125)
Prior Period Adjustment	<u>(1,203,628)</u>	<u>1,986,184</u>
Retained Earnings/(Deficit), December 31	<u>(16,005,854)</u>	<u>(19,530,168)</u>
Contributed Capital, Net, January 1	7,312,500	7,312,500
Additions	<u>1,100,000</u>	
	8,412,500	7,312,500
Transfer of Depreciation from Operations to Contributed Capital	<u>(285,557)</u>	
Contributed Capital - Net, December 31	<u>8,126,943</u>	<u>7,312,500</u>
Fund Equity, December 31	<u>\$ (7,878,911)</u>	<u>\$ (12,217,668)</u>

Note: This schedule has been prepared on a modified GAAP basis which includes outstanding purchase orders as expenses in the year they are encumbered.

ATLANTIC COUNTY UTILITIES AUTHORITY
CITY OF ATLANTIC, NEW JERSEY

SOLID WASTE DIVISION

SCHEDULE OF OPERATING REVENUES AND COSTS FUNDED BY OPERATING
REVENUES COMPARED TO BUDGET

Year ended December 31, 1999

	<u>1999 Budget</u>	<u>1999 Actual</u>
Revenues:		
Tipping Fees	\$ 1,886,446	\$ 2,133,527
Tipping Fees - Landfill	8,180,833	8,160,779
Tipping Fees - Other	225,000	836,847
Environmental Investment Charge	8,131,600	7,183,552
Recycling Income	4,722,709	5,092,383
Earnings on Investments and Gain on Sale	400,000	571,952
Composting Income	717,123	687,918
Other	<u>377,798</u>	<u>734,999</u>
Total Revenues	<u>\$ 24,641,509</u>	<u>\$ 25,401,957</u>
Expenses:		
Operating Expenses:		
Administration	2,133,221	1,814,764
Transfer Station	831,196	840,415
Landfill	4,902,479	4,697,017
Recycling Collection and Processing	4,475,525	4,412,529
Maintenance Center	2,144,723	1,963,083
Composting	482,975	403,576
Cancelled Purchase Orders	<u> </u>	<u>(238,949)</u>
Total Expenses	<u>14,970,119</u>	<u>13,892,435</u>
Debt Service	9,485,679	9,485,679
Renewal and Replacement	185,712	200,000
Add:		
Excess	<u> </u>	<u>1,823,842</u>
	<u>9,671,391</u>	<u>11,509,521</u>
Total Expenses and Debt Service	<u>\$ 24,641,510</u>	<u>\$ 25,401,956</u>

ATLANTIC COUNTY UTILITIES AUTHORITY
CITY OF ATLANTIC, NEW JERSEY

SOLID WASTE DIVISION

SCHEDULE OF CASH RECEIPTS, CASH DISBURSEMENTS
AND CHANGES IN CASH AND INVESTMENTS

Year ended December 31, 1999

Cash and Investments, December 31, 1998	\$ 18,278,051
Cash Receipts:	
Accounts Receivable	22,883,558
Interest Received	644,406
Grants	142,435
State Subsidy	1,100,000
Miscellaneous	594,804
Due From Wastewater Division	<u>55,264</u>
Total Cash and Investments	<u>\$ 43,698,518</u>
Cash Disbursements:	
Operations	\$ 13,330,243
Additions To Property, Plant and Equipment and Other Capitalized Costs	3,092,368
Customer Deposits	18,503
Bond Principal	2,340,000
Interest on Debt	6,010,772
Note Payable	<u>700,000</u>
Total Cash Disbursements	<u>25,491,886</u>
Cash and Investments, December 31, 1999	<u>\$ 18,206,632</u>
Balance Comprised of:	
Unrestricted Cash	\$ 72,497
Unrestricted Investments	4,130,230
Restricted Investments	<u>14,003,905</u>
	<u>\$ 18,206,632</u>

ATLANTIC COUNTY UTILITIES AUTHORITY
CITY OF ATLANTIC, NEW JERSEY

WASTEWATER DIVISION

SPECIAL-PURPOSE STATEMENT OF REVENUES AND EXPENSES
TO COMPLY WITH BOND RESOLUTIONS

Year ended December 31, 1999

Operating Revenues:	
User Service Agreements:	
Operating	\$ 10,294,853
General	7,263,763
Sludge	1,074,071
Septic and Leachate	527,359
Other	592,112
	<hr/>
Total	19,752,158
	<hr/>
Operating Expenses:	
Salaries	4,981,808
Employee Benefits	1,317,051
Power and Utilities	2,169,282
Chemicals	496,680
Fuel	735,087
Supplies and Miscellaneous Maintenance	1,254,270
Contractual Services	349,645
Indirect Operating	81,498
Administrative	620,364
Licenses and Permits	162,288
	<hr/>
Total Operating Expenses	12,167,973
	<hr/>
Excess of Revenues Over Expenses From Operations	7,584,185
	<hr/>
Nonoperating Revenues/(Expenses):	
Interest Expense	(3,740,021)
Interest Income	872,963
Amortization Bond Discount	(248,648)
	<hr/>
	(3,115,706)
	<hr/>
Excess of Revenues Over Expenses	\$ 4,468,479
	<hr/> <hr/>

ATLANTIC COUNTY UTILITIES AUTHORITY
CITY OF ATLANTIC, NEW JERSEY

SOLID WASTE DIVISION

SPECIAL-PURPOSE STATEMENT OF REVENUES AND EXPENSES
TO COMPLY WITH BOND RESOLUTIONS

Year ended December 31, 1999

Operating Revenues:	
Tipping Fees	\$ 19,738,514
Recycling Income	5,092,383
Grant Income	142,435
Composting Income	687,918
Other	592,564
	<hr/>
Total	26,253,814
	<hr/>
Operating Expenses:	
Salaries	5,170,324
Employee Benefits	1,541,166
Power and Utilities	450,630
Indirect Operating	2,192,434
Administrative	702,597
Community Benefit	1,258,533
Recycling and Other Taxes	400,521
Fuel	193,114
Supplies and Miscellaneous Maintenance	1,163,752
	<hr/>
Total Operating Expenses	13,073,071
	<hr/>
Excess of Revenues Over Expenses From Operations	13,180,743
	<hr/>
Nonoperating Revenues/(Expenses):	
Interest Income	571,952
Interest Expense	(5,956,070)
Amortization Bond Issue Costs and Premiums	(58,928)
	<hr/>
	(5,443,046)
	<hr/>
Excess of Revenues Over Expenses	\$ 7,737,697
	<hr/> <hr/>

ATLANTIC COUNTY UTILITIES AUTHORITY
CITY OF ATLANTIC, NEW JERSEY

SOLID WASTE DIVISION

DEBT SERVICE REQUIREMENT

December 31, 1999

Debt Service Requirement:	
Interest Payable During 1999	\$ 5,710,044
Principal Maturing During 1999	<u>2,340,000</u>
Subtotal	<u>8,050,044</u>
Plus: Coverage Requirement	110%
Debt Service Requirement	<u>\$ 8,855,048</u>
Actual Debt Service Coverage	178.58%
Net Revenues Provided:	
Gross Revenues	\$ 27,630,770
Operating Expenses	<u>(13,255,025)</u>
Net Revenues Provided	<u>\$ 14,375,745</u>