

THE NEW JERSEY MARITIME PILOT  
AND DOCKING PILOT COMMISSION

FINANCIAL STATEMENTS

JUNE 30, 2009

THE NEW JERSEY MARITIME PILOT AND DOCKING PILOT COMMISSION

JUNE 30, 2009

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# GELTRUDE

## INDEPENDENT AUDITORS' REPORT

To the Members of  
The New Jersey Maritime Pilot and  
Docking Pilot Commission  
Newark, New Jersey

We have audited the accompanying statement of assets, liabilities and fund balance of The New Jersey Maritime Pilot and Docking Pilot Commission as of June 30, 2009 and the related statements of revenue and expenses and changes in fund balance and cash flows, and supplementary statement of revenue and expenses for the year then ended. These financial statements are the responsibility of the Commission's management. 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. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation. We believe that our audit provides a reasonable basis for our opinion.

In our opinion, the financial statements referred to above present fairly, in all material respects, the financial position of The New Jersey Maritime Pilot and Docking Pilot Commission as of June 30, 2009 and the results of its operations, changes in its fund balance and cash flows and supplementary statement of revenue and expenses for the year then ended in conformity with accounting principles generally accepted in the United States of America.

GELTRUDE & COMPANY, LLC

Nutley, New Jersey  
December 10, 2009

GELTRUDE & COMPANY, LLC • CERTIFIED PUBLIC ACCOUNTANTS

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THE NEW JERSEY MARITIME PILOT AND DOCKING PILOT COMMISSION  
STATEMENT OF ASSETS, LIABILITIES AND FUND BALANCE  
JUNE 30, 2009

ASSETS

Current Assets	
Cash and cash equivalents	\$ 51,048
License fees receivable	750
Statutory fees receivable	55,050
Amount on account with State of New Jersey / DOT	<u>232,101</u>
Total Current Assets	338,949
 TOTAL ASSETS	 <u>\$ 338,949</u>

LIABILITIES AND FUND BALANCE

Commitments and contingencies	
Fund Balance	<u>338,949</u>
 TOTAL LIABILITIES AND FUND BALANCE	 <u>\$ 338,949</u>

*See Notes to Financial Statements*

THE NEW JERSEY MARITIME PILOT AND DOCKING PILOT COMMISSION  
STATEMENT OF REVENUE AND EXPENSES AND CHANGES IN FUND BALANCE  
FOR THE YEAR ENDED JUNE 30, 2009

Revenue	\$ 653,495
Expenses	<u>509,478</u>
Net income from operations	144,017
Distribution to State of NJ / DOT	(675,000)
Fund Balance, beginning of year	<u>869,932</u>
Fund Balance, end of year	<u>\$ 338,949</u>

*See Notes to Financial Statements*

THE NEW JERSEY MARITIME PILOT AND DOCKING PILOT COMMISSION  
STATEMENT OF CASH FLOWS  
FOR THE YEAR ENDED JUNE 30, 2009

CASH FLOWS FROM OPERATING ACTIVITIES:	
Net income	\$ 144,017
Adjustments to reconcile changes in net assets to net cash provided by operating activities:	
(Increase) decrease in assets:	
Statutory fees receivable	3,910
License fees receivable	(750)
Amount on account with State of New Jersey / DOT	<u>540,297</u>
CASH PROVIDED BY OPERATING ACTIVITIES	<u>687,474</u>
CASH FLOWS FROM FINANCING ACTIVITIES:	
Distributions to State of New Jersey / DOT	<u>(675,000)</u>
CASH USED IN FINANCING ACTIVITIES	<u>(675,000)</u>
NET INCREASE IN CASH AND CASH EQUIVALENTS	12,474
CASH AND CASH EQUIVALENTS, BEGINNING OF YEAR	<u>38,574</u>
CASH AND CASH EQUIVALENTS, END OF YEAR	<u>\$ 51,048</u>

*See Notes to Financial Statements*

## THE NEW JERSEY MARITIME PILOT AND DOCKING PILOT COMMISSION

## NOTES TO FINANCIAL STATEMENTS

JUNE 30, 2009

## NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

A summary of the significant accounting policies consistently applied in the accompanying financial statements is as follows:

Organization

The New Jersey Maritime Pilot and Docking Commission (the "Commission") is a public agency, created by the New Jersey State Legislature, Laws of 1837, as amended, to provide for the competitive selection, training, licensing, and regulation of State Pilots, who navigate large oceangoing vessels which operate on New Jersey/New York State waters. All of the Commissions, expenses including the salary and benefits expenses, are paid from revenues received from pilots licensed by the Commission.

Basis of Accounting

The financial statements are prepared on the accrual basis of accounting, as are consistent with prior years. Using this method, revenues are recognized when earned and expenses are recognized when incurred.

Estimates

The preparation of financial statements in conformity with generally accepted accounting principles requires management to make estimates and assumptions that affect certain reported amounts and disclosures. Accordingly, actual results could differ from those estimates.

Cash and cash equivalents

For purposes of the financial statements, the Commission considers all highly liquid debt instruments purchased with a maturity of three months or less to be cash equivalents.

THE NEW JERSEY MARITIME PILOT AND DOCKING PILOT COMMISSION

NOTES TO FINANCIAL STATEMENTS

JUNE 30, 2009

NOTE 2 - STATUTORY FEES RECEIVABLE

Statutory fees receivable totaling \$55,050 represented commissioner fees for the month of June, 2009 for the New Jersey Sandy Hook Pilots Benevolent Association.

NOTE 3 - AMOUNT ON ACCOUNT WITH STATE OF NEW JERSEY / DOT

The Commission, from revenues received, had \$232,101 on deposit in an account maintained by the State of New Jersey / DOT. The account is used to pay certain operating expenses of the Commission including all salary and benefit expenses. The State of New Jersey prepares the payroll for the Commission which is funded by this account. A separate account maintained by the Commission totaled \$51,048. This account is used to pay certain non-salary and non-benefit operating expenses as they become payable.

NOTE 4 - DISTRIBUTION TO STATE OF NEW JERSEY / DOT

In January of 2009, the Commission was notified by the State of New Jersey / DOT that \$500,000 of prior year unencumbered funds will be taken from the Commission to help fund the state budget deficit. In May of 2009, an additional \$175,000 was also taken by the State of New Jersey / DOT for the same purpose.

**THE NEW JERSEY MARITIME PILOT AND DOCKING PILOT COMMISSION**  
**SUPPLEMENTARY STATEMENT OF REVENUE AND EXPENSES**  
**FOR THE YEAR ENDED JUNE 30, 2009**

Revenue:	
Statutory fee income	\$ 653,295
Licensing fee income	200
Total revenue	<u>653,495</u>
Expenses:	
Annual memberships	350
Awards and plaques	31
Commissioner incidentals	140
Conferences	1,723
Dues and subscriptions	301
Fringe benefits	123,449
Harbor inspection tour	500
Industry relations	9,790
Legal fees	8,070
Meetings	3,743
Miscellaneous	1,054
Newspaper announcements	2,462
Office expense	4,155
Per diem	1,890
Payroll and taxes	343,760
Printing	3,442
Travel	4,618
Total expenses	<u>509,478</u>
Net income for the year ended	
June 30, 2009	<u>\$ 144,017</u>

*See Notes to Financial Statements*