

SOUTH JERSEY INDUSTRIES INC
Form 11-K
June 28, 2010

UNITED STATES
SECURITIES AND EXCHANGE COMMISSION
Washington, D.C. 20549

FORM 11-K

(Mark One):

ANNUAL REPORT PURSUANT TO SECTION 15(d) OF THE SECURITIES EXCHANGE ACT OF 1934.

For the fiscal year ended December 31, 2009.

TRANSITION REPORT PURSUANT TO SECTION 15 (d) OF THE SECURITIES EXCHANGE ACT OF 1934.

For the transition period from _____ to _____.

Commission File Number 1-6364

A. Full title of the plan and the address of the plan, if different from that of the issuer named below:

South Jersey Industries, Inc. 401(K) Plan

B. Name of issuer of the securities held pursuant of the plan and the address of its principal executive office:

SOUTH JERSEY INDUSTRIES, INC.
One South Jersey Plaza
Folsom, NJ 08037

South Jersey Industries, Inc.

401(K)Plan

Financial Statements as of December 31, 2009
and 2008, and for the Year Ended December 31,
2009, and Supplemental Schedule as of
December 31, 2009, and Report of Independent
Registered Public Accounting Firm.

SOUTH JERSEY INDUSTRIES, INC. 401(K) PLAN

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SUPPLEMENTAL SCHEDULE:	
<u>Form 5500, Schedule H, Part IV, Line 4i—Schedule of Assets (Held at End of Year) as of December 31, 2009</u>	11

NOTE: All other schedules required by Section 2520.103-10 of the Department of Labor's Rules and Regulations for Reporting and Disclosure under the Employee Retirement Income Security Act of 1974 have been omitted because they are not applicable.

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REPORT OF INDEPENDENT REGISTERED PUBLIC ACCOUNTING FIRM

To the Trustees and Participants of
South Jersey Industries, Inc. 401(k) Plan
Folsom, New Jersey

We have audited the accompanying statements of net assets available for benefits of South Jersey Industries, Inc. 401(k) Plan (the "Plan") as of December 31, 2009 and 2008, and the related statement of changes in net assets available for benefits for the year ended December 31, 2009. These financial statements are the responsibility of the Plan's management. Our responsibility is to express an opinion on these financial statements based on our audits.

We conducted our audits in accordance with standards of the Public Company Accounting Oversight Board (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. The Plan is not required to have, nor were we engaged to perform, an audit of its internal control over financial reporting. Our audits included consideration of internal control over financial reporting as a basis for designing audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Plan's internal control over financial reporting. Accordingly, we express no such opinion. An audit also includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements, assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation. We believe that our audits provide a reasonable basis for our opinion.

In our opinion, such financial statements present fairly, in all material respects, the net assets available for benefits of the Plan as of December 31, 2009 and 2008, and the changes in net assets available for benefits for the year ended December 31, 2009, in conformity with accounting principles generally accepted in the United States of America.

Our audits were conducted for the purpose of forming an opinion on the basic financial statements taken as a whole. The supplemental schedule of assets (held at end of year) as of December 31, 2009, is presented for the purpose of additional analysis and is not a required part of the basic financial statements, but is supplementary information required by the Department of Labor's Rules and Regulations for Reporting and Disclosure under the Employee Retirement Income Security Act of 1974. This schedule is the responsibility of the Plan's management. Such supplemental schedule has been subjected to the auditing procedures applied in our audit of the basic 2009 financial statements and, in our opinion, is fairly stated in all material respects when considered in relation to the basic financial statements taken as a whole.

/s/ DELOITTE & TOUCHE LLP

Philadelphia, Pennsylvania
June 24, 2010

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SOUTH JERSEY INDUSTRIES, INC. 401(K) PLAN

STATEMENTS OF NET ASSETS AVAILABLE FOR BENEFITS
DECEMBER 31, 2009 AND 2008

ASSETS	2009	2008
INVESTMENTS - AT FAIR VALUE:		
Cash	\$66,704	\$47,122
South Jersey Industries, Inc. Common Stock	79,904,590	83,026,825
Mutual Funds	18,881,510	13,724,836
Pending Settlement Funds	181,758	4,846
Common/Collective Trusts	5,824,458	4,976,929
Participant Loan Funds	830,089	631,621
Total Investments	105,689,109	102,412,179
RECEIVABLES:		
Participants Contributions	432,081	386,222
Employer Contributions	115,418	106,343
Accrued Investment Income	14,228	14,017
Total Receivables	561,727	506,582
NET ASSETS AVAILABLE FOR BENEFITS AT FAIR VALUE	106,250,836	102,918,761
Adjustments from fair value to contract value for fully benefit-responsive investment contracts	424,960	803,476
NET ASSETS AVAILABLE FOR BENEFITS	\$106,675,796	\$103,722,237

See notes to financial statements.

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SOUTH JERSEY INDUSTRIES, INC. 401(K) PLAN

STATEMENT OF CHANGES IN NET ASSETS AVAILABLE FOR BENEFITS
YEAR ENDED DECEMBER 31, 2009

ADDITIONS:

Investment Income:

Dividends and Interest	\$3,055,909
Net Depreciation in Fair Value of Investments	(67,578)
Net Investment Income	2,988,331

Contributions:

Participant Contributions	3,754,840
Employer Contributions	1,275,110
Total Contributions	5,029,950

DEDUCTIONS:

Benefits Paid to Participants	5,060,612
Administration Fees	4,110
Total Deductions	5,064,722

INCREASE IN NET ASSETS	2,953,559
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NET ASSETS AVAILABLE FOR BENEFITS - Beginning of year	103,722,237
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NET ASSETS AVAILABLE FOR BENEFITS - End of year	\$ 106,675,796
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See notes to financial statements.

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SOUTH JERSEY INDUSTRIES, INC. 401(K) PLAN

NOTES TO FINANCIAL STATEMENTS

AS OF DECEMBER 31, 2009 AND 2008, AND FOR THE YEAR ENDED DECEMBER 31, 2009

1. DESCRIPTION OF THE PLAN

The following description of the South Jersey Industries, Inc. 401(k) Plan (the “Plan”) is provided for general information purposes only. Participants should refer to the Plan Document for more complete information.

General – The Plan is a defined contribution plan covering substantially all full time employees of South Jersey Industries, Inc. and subsidiaries (“SJI” or the “Company”) and part-time employees who have one or more years of service. The Compensation Committee of the Board of Directors of the Company controls and manages the operation and administration of the Plan. Bank of America, N.A. serves as the trustee of the Plan. The Plan is subject to the provisions of the Employee Retirement Income Security Act of 1974 (“ERISA”).

Enrollment – Beginning May 1, 2007, all newly hired employees are automatically enrolled into the Plan at a 1% deferral rate. Participants have 60 days from their effective date of enrollment to opt out of the Plan.

Contributions – Each year, participants may contribute up to 75% of their pretax compensation up to the maximum allowed by the IRS, excluding overtime, bonuses and all forms of incentive compensation (except commissions), to the Plan. The Company matches 50% of the percentage of employee deferral contributions as determined by the Plan document as summarized below:

50% of the first 6% of salary deferral contributions

§	Non-union employees hired before 7/1/2003
§	Local 95 and Local 76 union employees hired before 11/4/2004
§	Local 1293 union employees hired before 12/17/2004

50% of the first 8% of salary deferral contributions

§	Non-union employees hired on or after 7/1/2003
§	Local 95 and Local 76 union employees hired on or after 11/4/2004
§	Local 1293 union employees hired on or after 12/17/2004
§	South Jersey Energy Service Plus employees hired on or after 4/15/2003

The Plan also allows for an after-tax contribution to the Plan of the cash equivalent of unused personal and vacation time off for the Plan year up to a maximum of forty hours, as well as providing for an additional year-end Company contribution for the same groups of employees eligible for the match on the first 8% of salary deferral contributions. These additional year-end contributions are \$1,000 for participants with under 10 years of service, and \$1,500 for participants with 10 years of service or greater.

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Per the Plan guidelines, additional amounts may be contributed at the discretion of the Company's Board of Directors. Contributions are subject to certain IRC limitations. Participants may also contribute amounts representing distributions from other qualified defined benefit or defined contribution plans.

Participant Accounts – Individual accounts are maintained for each Plan participant. Each participant's account is credited with the participant's contribution, the Company's matching contribution, and allocations of (1) Company discretionary contributions and (2) Plan earnings, and charged with an allocation of Plan losses and administrative expenses. Allocations are based on participant earnings or account balances, as defined. The benefit to which a participant is entitled is the benefit that can be provided from the participant's vested account. Principal and interest are paid ratably through payroll deductions.

Investments – Participants direct the investment of their contributions into various investment options offered by the Plan. Beginning in September 2005, participants were given the option to self-direct their Company match. If no direction was made, Company contributions automatically defaulted to the Bank of America, N.A. Retirement Preservation Trust, except for members of one of the Company's union groups which default to SJI Common Stock. Beginning May 1, 2007, unless directed by the Participant, Company contributions were automatically invested in a Personal Manager Account from Merrill Lynch Advice Access, or SJI Common Stock for members of one of the Company's union groups. Participants may transfer amounts related to Company contributions as soon as they are contributed to the Participants' account, thus all investments are participant-directed. The Plan offered the following as investment options in 2008 and 2009:

Name	Objective
South Jersey Industries, Inc. Common Stock	Growth & Income
Bank of America Retirement Preservation Trust (2)	Capital Preservation
AIM Capital Development Fund (1)	Growth
AIM International Growth Fund	Growth
Alger Small Cap Growth Fund (1)	Growth
AllianceBern Small/Mid Cap Value Fund (1)	Growth
Allianz CCM Capital Appreciation Fund (1)	Growth
American Growth Fund of America	Growth
BlackRock Basic Value Fund	Growth & Income
BlackRock Large Cap Value Fund (1)	Growth
BlackRock S&P 500 Index Fund	Growth
Columbia Small Cap Value Fund (1)	Growth
Columbia Marsico International Opportunity Fund (1)	Growth
Columbia Mid Cap Value Fund (1)	Growth
Eaton Vance Dividend Builder Fund	Growth & Income
Eaton Vance Large Cap Value Fund	Growth & Income
Franklin Small Cap Value Fund	Growth
Franklin Total Return Fund	Income
ING Intermediate Bond Fund (1)	Income
ING International Value Fund	Growth
Janus Advisor Forty Fund	Growth
Janus Advisor International Growth Fund	Growth
Jennison Small Company Fund	Growth

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Jennison Utility Fund (1)	Growth & Income
MFS Utilities Fund (1)	Growth & Income
Munder Mid Cap Core Growth Fund (1)	Growth
Pioneer Bond Fund	Income
Van Kampen Growth & Income Fund (1)	Growth & Income
Van Kampen Mid Cap Growth Fund	Growth
Van Kampen Small Cap Growth Fund (1)	Growth
Virtus Mid Cap Value Fund	Growth

(1) Effective December 18, 2009, these investment options were removed from the Plan.