

**BOROUGH OF OAKLAND**  
**County of Bergen, New Jersey**

**NJ Comprehensive Annual Financial Report**  
**Year Ended December 31, 2013**

**BOROUGH OF OAKLAND**  
**NJ COMPREHENSIVE ANNUAL FINANCIAL REPORT**  
**YEAR ENDED DECEMBER 31, 2013**  
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BOROUGH OF OAKLAND

NJ Comprehensive Annual Financial Report

Introductory Section

**BOROUGH OF OAKLAND  
ROSTER OF OFFICIALS**

Name	Title	Term Expires
Linda Schwager	Mayor	12/31/15
Christopher Visconti	Councilman	12/31/15
Pasquale Pignatelli	Councilman	12/31/15
Sandra Coira	Councilwoman	12/31/14
Elizabeth Stagg	Councilwoman	12/31/14
Eric Kulmala	Councilman	12/31/16
Timothy Jensen	Councilman	12/31/16
Richard Kunze	Administrator	
Lisa Duncan	Municipal Clerk	
	Assessment Search Officer	
James Mangin	Chief Financial Officer	
	Treasurer	
Ellen Amorino	Tax Collector	
	Utility Collector	
	Tax Search Officer	
Nancy Lightbody	Water/Sewer Account Clerk	
Marjorie Angermueller	Payroll Supervisor	
Karin Dubowick	Registrar of Vital Statistics	
Brian Chewcaskie, Esq.	Borough Attorney	
Di Maria & Di Maria LLP	Borough Auditor	
Rogut McCarthy, LLC	Bond Counsel	
Matthew J. Giacobbe, Esq.	Labor Attorney	
Boswell McClave Engineering	Borough Engineer	
Crew Engineers	Water & Sewer Engineers	
Joseph Burgis	Planner	
Scott Holzhauer	Tax Assessor	
Edward Kasper	Chief of Police	
John A. Conte Jr., Esq.	Municipal Court Judge	12/31/15
Dawn Baron	Municipal Court Administrator	
Terrie Mallone	Violations Clerk	
Thomas Buonocore, Esq.	Prosecutor	
Holly Schepisi, Esq.	Public Defender	
Daniel Hagberg	Construction Code Official	
	Fire Official	
	Building Sub-Code Official	
Thomas Zaconie	Plumbing Sub-Code Official	
Christopher Walthour	Electrical Sub-Code Official	
Ralph Porrino	Fire Sub-Code Official	
Brown & Brown	Risk Management Consultants	
Vozza Agency	Health Benefits Risk Management Consultants	

BOROUGH OF OAKLAND  
NJ Comprehensive Annual Financial Report  
Financial Section



# *Di Maria & Di Maria LLP*

*Accountants & Consultants*

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245 Union Street  
Lodi, New Jersey 07644  
Voice 973.779.6890  
Facsimile 973.779.6891

## Independent Auditors' Report

Honorable Mayor and Members of the Borough Council  
Borough of Oakland, County of Bergen, 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 Borough of Oakland, in the County of Bergen (the "Borough") as of and for the years ended December 31, 2013 and 2012, 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, 2013, and the related notes to the financial statements, which collectively comprise the Borough basic financial statements as listed in the foregoing 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 (the "Division"). 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 misstatement, whether due to fraud or error.

Independent Auditors' Report (Continued)

Auditors' 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, audit requirements prescribed by 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 from 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 Borough'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 Borough'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.

Independent Auditors' Report (Continued)

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

As described in Note 1, these financial statements have been prepared in conformity with accounting principles prescribed by the Division, 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 the 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 the Borough as of December 31, 2013 and 2012, or the changes in financial position for the years then ended.

Basis for Qualified Opinion on Regulatory Basis of Accounting

As described in Note 13 of the financial statements, the Borough participates in a Length of Service Award Program ("LOSAP") for its volunteer fire and rescue personnel. The amount reflected in the trust fund statements of \$946,957 and \$728,842 for 2013 and 2012 respectively were not audited and, therefore, we express no opinion on the LOSAP program.

Qualified Opinion on Regulatory Basis of Accounting

In our opinion, except for the effects of the matter described in the "*Basis for Qualified Opinion on Regulatory Basis of Accounting*" paragraph, the financial statements referred to above present fairly, in all material respects, the regulatory basis balance sheets and account group as of December 31, 2013 and 2012, 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, 2013 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.

Independent Auditors' Report (Continued)

Other Matters

*Other Information*

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the Borough's basic financial statements. The supplementary data schedules listed in the table of contents and the letter of comments and recommendations section are presented for purposes of additional analysis and are not a required part of the financial statements. The accompanying schedules of expenditures of federal awards and the schedule of expenditures of state financial assistance, as required by the U. S. Office of Management and Budget Circular A-133, Audits of States, Local Governments, and Non-profit Organizations; and New Jersey OMB's Circular 04-04, Single Audit Policy for Recipients of Federal Grants, State Grants and State Aid, respectively, are presented for purposes of additional analysis and are not a required part of the financial statements.

The supplementary data schedules listed in the table of contents and the schedules of expenditures of federal awards and schedule of expenditures of state financial assistance are the responsibility of management and were derived from and relate 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 supplementary data schedules listed in the table of contents, the schedules of expenditures of federal awards, and the schedule of expenditures of state financial assistance are fairly stated, in all material respects, in relation to the basic financial statements as a whole on the basis of accounting as described in Note 1.

The letter of comments and recommendations section has not been subjected 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.

Independent Auditors' Report (Continued)

Other Reporting Required by Government Auditing Standards

In accordance with *Government Auditing Standards*, we have also issued our report dated June 30, 2014 on our consideration of the Borough'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 Borough's internal control over financial reporting and compliance.

DI MARIA & DI MARIA LLP  
Accountants and Consultants

*Frank Di Maria*

Frank Di Maria  
Registered Municipal Accountant  
RMA No. CR00463

June 30, 2014

**BOROUGH OF OAKLAND  
COMBINED COMPARATIVE BALANCE SHEET (REGULATORY BASIS)  
DECEMBER 31, 2013**

A-1

	Current Fund	Federal and State Grant Fund	Trust Fund	General Capital Fund	Water Utility Operating Fund	Water Utility Capital Fund	Sewer Utility Operating Fund	Sewer Utility Capital Fund	Fixed Asset Account Group	Totals	
										2013	2012
<b>ASSETS AND OTHER DEBITS</b>											
Cash	\$ 5,003,413	\$ 286,238	\$ 4,424,932	\$ 283,146	\$ 850,924	\$ 600,965	\$ 334,723	\$ 91,615	\$ -	\$ 11,875,956	\$ 11,334,299
Deferred Compensation Assets	-	-	946,957	-	-	-	-	-	-	946,957	728,842
Taxes Receivable	1,215,624	-	-	-	-	-	-	-	-	1,215,624	1,219,321
Assessments Receivable	-	-	-	-	-	-	-	-	-	-	-
Consumer Accounts Receivable	-	-	-	-	174,473	-	71,104	-	-	245,577	276,252
Interfunds Receivable	-	-	1,250,000	-	-	-	-	-	-	1,250,000	306
Intergovernmental Receivable	-	221,561	-	-	-	-	-	-	-	221,561	478,548
Deferred Charges	53,200	-	-	16,640,739	-	-	-	-	-	16,693,939	16,195,589
Fixed Capital	-	-	-	-	-	10,589,757	-	74,100	-	10,663,857	10,663,857
Fixed Capital Authorized & Uncompleted	-	-	-	-	-	3,227,409	-	864,760	-	4,092,169	3,737,169
Fixed Assets	-	-	-	-	-	-	-	-	43,019,952	43,019,952	43,019,952
Total Assets and Other Debits	\$ 6,272,237	\$ 507,799	\$ 6,621,889	\$ 16,923,885	\$ 1,025,397	\$ 14,418,131	\$ 405,827	\$ 1,030,475	\$ 43,019,952	\$ 90,225,592	\$ 87,654,135
<b>LIABILITIES, RESERVES AND FUND BALANCE</b>											
Accounts Payable	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 29,672
Interfunds Payable	-	-	-	1,250,000	-	-	-	-	-	1,250,000	306
Reserve for Encumbrances	617,978	95,444	-	1,598,000	30,217	88,265	30,696	29,734	-	2,490,334	923,924
Appropriation Reserves	1,162,372	-	-	-	95,592	-	21,117	-	-	1,279,081	1,513,114
Other Liabilities and Reserves	719,640	412,355	6,621,889	125,786	118,166	11,186,286	32,998	197,100	-	19,414,220	17,248,951
Improvement Authorizations	-	-	-	4,183,618	-	657,649	-	531,641	-	5,372,908	8,901,095
Intergovernmental Payable	14,325	-	-	-	-	-	-	-	-	14,325	12,065
Serial Bonds Payable	-	-	-	1,850,000	-	674,000	-	-	-	2,524,000	3,784,000
Bond Anticipation Notes Payable	-	-	-	7,871,020	-	1,660,000	-	272,000	-	9,803,020	7,581,020
Loan Payable	-	-	-	-	-	-	-	-	-	-	-
Reserve for Receivables & Other Assets	1,215,624	-	-	-	174,473	-	71,104	-	-	1,461,201	1,495,573
Reserve for Investment in Fixed Assets	-	-	-	-	-	-	-	-	43,019,952	43,019,952	43,019,952
Fund Balance	2,542,298	-	-	45,461	606,949	151,931	249,912	-	-	3,596,551	3,144,463
Total Liabilities, Reserves and Fund Balance	\$ 6,272,237	\$ 507,799	\$ 6,621,889	\$ 16,923,885	\$ 1,025,397	\$ 14,418,131	\$ 405,827	\$ 1,030,475	\$ 43,019,952	\$ 90,225,592	\$ 87,654,135

**BOROUGH OF OAKLAND**  
**COMBINED STATEMENT OF OPERATIONS AND CHANGE IN FUND BALANCE (REGULATORY BASIS)**  
**YEAR ENDED DECEMBER 31, 2013**

	Current Fund	Water Utility Fund	Sewer Utility Fund	Total
<b>REVENUES AND OTHER CREDITS TO INCOME</b>				
Revenues:				
Fund Balance Anticipated	\$ 511,000	\$ 50,000	\$ 25,000	\$ 586,000
Utility Rents	-	1,829,844	380,621	2,210,465
Miscellaneous	3,658,578	12,880	-	3,671,458
Deficit (General Budget)	-	-	-	-
Fund Balance - Water Capital	-	-	-	-
Receipts from Delinquent Taxes	18,349	-	-	18,349
Amount to be Raised by Taxation - Municipal	13,324,805	-	-	13,324,805
Amount to be Raised by Taxation - Library	797,480	-	-	797,480
Total Revenues	18,310,212	1,892,724	405,621	20,608,557
Other Credits to Income	42,350,416	184,331	51,497	42,586,244
Total Revenues and Other Credits to Income	\$ 60,660,628	\$ 2,077,055	\$ 457,118	\$ 63,194,801
<b>EXPENDITURES AND OTHER CHARGES TO INCOME</b>				
Expenditures:				
Within "CAPS":				
Operations:				
Salaries and Wages	\$ 6,672,648	\$ -	\$ -	\$ 6,672,648
Other Expenses	5,890,462	-	-	5,890,462
Deferred Charges	-	-	-	-
Statutory Expenditures	1,534,945	-	-	1,534,945
Excluded From "CAPS":				
Operations:				
Salaries and Wages	474,700	584,000	103,150	1,161,850
Other Expenses	952,374	651,800	226,850	1,831,024
Capital Improvements	219,500	89,228	19,127	327,855
Debt Service	1,427,900	487,821	11,889	1,927,610
Deferred Charges	654,007	96,251	17,984	768,242
Judgments	-	-	-	-
Deficit in Operations in Prior Years	-	-	-	-
Surplus (General Budget)	-	-	-	-
Reserve for Uncollected Taxes	180,800	-	-	180,800
Total Expenditures	18,007,336	1,909,100	379,000	20,295,436
Other Charges to Income	41,824,993	-	-	41,824,993
Total Expenditures and Charges to Income	\$ 59,832,329	\$ 1,909,100	\$ 379,000	\$ 62,120,429
Statutory Excess to Fund Balance	828,299	167,955	78,118	1,074,372
Deferred Charges to Budget of Succeeding Year	-	-	-	-
Fund Balance, January 1	2,224,999	488,994	196,794	2,910,787
	3,053,298	656,949	274,912	3,985,159
Decreased by:				
Utilization as Anticipated Revenue	511,000	50,000	25,000	586,000
Fund Balance, December 31	\$ 2,542,298	\$ 606,949	\$ 249,912	\$ 3,399,159

**BOROUGH OF OAKLAND**  
**CURRENT FUND**  
**STATEMENT OF OPERATIONS AND CHANGE IN FUND BALANCE (REGULATORY BASIS)**  
**BUDGET AND ACTUAL**  
**YEAR ENDED DECEMBER 31, 2013**

	Budget as Modified	Actual	Variance
<b><u>REVENUES AND OTHER CREDITS TO INCOME</u></b>			
Revenues:			
Fund Balance Anticipated	\$ 511,000	\$ 511,000	\$ -
Miscellaneous Revenues	3,566,034	3,658,578	92,544
Receipts from Delinquent Taxes	17,000	18,349	1,349
Amount to be Raised by Taxation - Municipal	13,115,822	13,324,805	208,983
Amount to be Raised by Taxation - Library	797,480	797,480	-
Total Revenues	18,007,336	18,310,212	302,876
Other Credits to Income	41,781,393	42,350,416	569,023
Total Revenues and Other Credits to Income	<u>\$ 59,788,729</u>	<u>\$ 60,660,628</u>	<u>\$ 871,899</u>
<b><u>EXPENDITURES AND OTHER CHARGES TO INCOME</u></b>			
Expenditures:			
Within "CAPS":			
Operations:			
Salaries and Wages	\$ 6,672,648	\$ 6,672,648	\$ -
Other Expenses	5,890,462	5,890,462	-
Deferred Charges	-	-	-
Statutory Expenditures	1,534,945	1,534,945	-
Excluded From "CAPS":			
Operations:			
Salaries and Wages	474,700	474,700	-
Other Expenses	952,374	952,374	-
Capital Improvements	219,500	219,500	-
Municipal Debt Service	1,427,900	1,427,900	-
Deferred Charges	654,007	654,007	-
Reserve for Uncollected Taxes	180,800	180,800	-
Total Expenditures	18,007,336	18,007,336	-
Other Charges to Income	41,781,393	41,824,993	43,600
Total Expenditures and Charges to Income	<u>\$ 59,788,729</u>	<u>\$ 59,832,329</u>	<u>\$ 43,600</u>
Statutory Excess to Fund Balance		828,299	
Deferred Charges to Budget of Succeeding Year		-	
Fund Balance, January 1		2,224,999	
		<u>\$ 3,053,298</u>	
Decreased by:			
Utilization as Anticipated Revenue		511,000	
Fund Balance, December 31		<u>\$ 2,542,298</u>	



**BOROUGH OF OAKLAND**  
**WATER UTILITY OPERATING FUND**  
**STATEMENT OF OPERATIONS AND CHANGE IN FUND BALANCE (REGULATORY BASIS)**  
**BUDGET AND ACTUAL**  
**YEAR ENDED DECEMBER 31, 2013**

	Budget as Modified	Actual	Variance
<b><u>REVENUES AND OTHER CREDITS TO INCOME</u></b>			
Revenues:			
Fund Balance Anticipated	\$ 50,000	\$ 50,000	\$ -
Rents	1,841,100	1,829,844	(11,256)
Miscellaneous	18,000	12,880	(5,120)
Deficit (General Budget)	-	-	-
Total Revenues	1,909,100	1,892,724	(16,376)
Other Credits to Income	-	184,331	184,331
Total Revenues and Other Credits to Income	<u>\$ 1,909,100</u>	<u>\$ 2,077,055</u>	<u>\$ 167,955</u>
<b><u>EXPENDITURES AND OTHER CHARGES TO INCOME</u></b>			
Expenditures:			
Operations:			
Salaries and Wages	\$ 584,000	\$ 584,000	\$ -
Other Expenses	651,800	651,800	-
Capital Improvements	89,228	89,228	-
Debt Service	487,821	487,821	-
Deferred Charges	-	-	-
Statutory Expenditures	96,251	96,251	-
Judgments	-	-	-
Deficit in Operations in Prior Years	-	-	-
Surplus (General Budget)	-	-	-
Total Expenditures	1,909,100	1,909,100	-
Other Charges to Income	-	-	-
Total Expenditures and Charges to Income	<u>\$ 1,909,100</u>	<u>\$ 1,909,100</u>	<u>\$ -</u>
Statutory Excess to Fund Balance		167,955	
Deferred Charges to Budget of Succeeding Year		-	
Fund Balance, January 1		488,994	
		656,949	
Decreased by:			
Utilization as Anticipated Revenue		50,000	
Fund Balance, December 31		<u>\$ 606,949</u>	

**BOROUGH OF OAKLAND**  
**SEWER UTILITY OPERATING FUND**  
**STATEMENT OF OPERATIONS AND CHANGE IN FUND BALANCE (REGULATORY BASIS)**  
**BUDGET AND ACTUAL**  
**YEAR ENDED DECEMBER 31, 2013**

	Budget as Modified	Actual	Variance
<b><u>REVENUES AND OTHER CREDITS TO INCOME</u></b>			
Revenues:			
Fund Balance Anticipated	\$ 25,000	\$ 25,000	\$ -
Rents	354,000	380,621	26,621
Miscellaneous	-	-	-
Deficit (General Budget)	-	-	-
Total Revenues	379,000	405,621	26,621
Other Credits to Income	-	51,497	51,497
Total Revenues and Other Credits	<u>\$ 379,000</u>	<u>\$ 457,118</u>	<u>\$ 78,118</u>
<b><u>EXPENDITURES AND OTHER CHARGES TO INCOME</u></b>			
Expenditures:			
Operations:			
Salaries and Wages	\$ 103,150	\$ 103,150	\$ -
Other Expenses	226,850	226,850	-
Capital Improvements	19,127	19,127	-
Debt Service	11,889	11,889	-
Deferred Charges	-	-	-
Statutory Expenditures	17,984	17,984	-
Judgments	-	-	-
Deficit in Operations in Prior Years	-	-	-
Surplus (General Budget)	-	-	-
Total Expenditures	379,000	379,000	-
Other Charges to Income	-	-	-
Total Expenditures and Charges	<u>\$ 379,000</u>	<u>\$ 379,000</u>	<u>\$ -</u>
Statutory Excess to Fund Balance		78,118	
Deferred Charges to Budget of Succeeding Year		-	
Fund Balance, January 1		196,794	
		<u>\$ 274,912</u>	
Decreased by:			
Utilization as Anticipated Revenue		25,000	
Fund Balance, December 31		<u>\$ 249,912</u>	

**BOROUGH OF OAKLAND  
NOTES TO FINANCIAL STATEMENTS  
YEAR ENDED DECEMBER 31, 2013**

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**Note 1 - Reporting Entity, Organization and Function**

A. Introduction

The Borough of Oakland (the "Borough") is a municipal corporation of the State of New Jersey located in the county of Bergen and is located approximately 20 miles west of the City of New York. The Borough's population according to the 2010 census is 12,754.

The Borough operates under a "Mayor-Council" form of government. The Mayor is the chief executive officer. The Borough operates on a calendar fiscal year, January 1 to December 31.

The municipal budget includes the following generally stated municipal services:

- General Government Functions
- Land Use Administration Functions
- Public Safety Functions
- Health and Human Service Functions
- Park and Recreation Functions
- Educational Functions
- Code Enforcement Functions
- Municipal Court Functions
- Capital Improvements
- Debt Service

B. Component Units

The financial statements of the component units of the municipality are not presented in accordance with Governmental Accounting Standards Board Statement No. 14. If the provisions of GASBS No. 14 had been complied with, the financial statements of the following component units would have been either blended or discretely presented with the financial statements of the municipality:

- Volunteer Fire Department
- Volunteer Ambulance Corp.
- Free Public Library

**BOROUGH OF OAKLAND**  
**NOTES TO FINANCIAL STATEMENTS**  
**YEAR ENDED DECEMBER 31, 2013**

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**Note 2 - Summary of Significant Accounting Policies**

Financial Statement Reporting

The financial statements contain all applicable funds and account groups in accordance with the "Requirements of Audit" and the "N.J. Comprehensive Annual Financial Report" as promulgated by the State of New Jersey, Department of Community Affairs, Division of Local Government Services. 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 respect to public funds. Under this method of accounting, the municipality accounts for its financial transactions through the following separate funds which differs from the funds required by generally accepted accounting principles (GAAP).

A. Funds and Account Groups

The accounts are organized into the following funds and account groups:

Current Fund - The Current Fund accounts for resources and expenditures for governmental operations of a general nature.

Federal and State Grant Fund - The Federal and State Grant Fund accounts for the budgeted and unbudgeted revenue/receipt, expenditure/disbursement of federal and state grants which qualify for accounting treatment more closely related to GAAP.

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

General Capital Fund - The General Capital fund accounts for receipt and disbursement of funds for the acquisition of general capital facilities, other than those acquired in the Current Fund. It is also the only fund, other than the Current Fund, that possesses the statutory authority to issue debt.

General Fixed Asset Account Group - The General Fixed Asset Account Group accounts for Township owned real and personal property in accordance with N.J.A.C 5:30-5.6

Water & Sewer Utility Funds - The Water and Sewer Utility Funds are used to account for the revenues and expenditures for the operation of the water and sewer utilities and the related assets and liabilities. Acquisition or improvement of capital facilities and assets are accounted for in the capital section of the funds.

**BOROUGH OF OAKLAND**  
**NOTES TO FINANCIAL STATEMENTS**  
**YEAR ENDED DECEMBER 31, 2013**

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**Note 2 - Summary of Significant Accounting Policies (Continued)**

B. Budgets and Budgetary Accounting

The municipality must adopt an annual budget in accordance with N.J.S.A. 40A:4 et al. N.J.S.A. 40A:4-5 requires the governing body to introduce and approve the annual municipal budget no later than February 10 of each year. At introduction, the governing body shall fix the time and place for a public hearing on the budget and must advertise the time and place at least ten (10) days prior to the hearing in a newspaper published and circulated in the municipality. The public hearing must not be held less than twenty-eight (28) days after the date the budget was introduced. After the hearing has been held, the governing body may, by majority vote, adopt the budget or may amend the budget in accordance with N.J.S.A. 40A:4-9. An extension of the statutory dates for introduction, approval and adoption of the municipal budget may be granted by the Director of the Division of Local Government Services, with the permission of Local Finance Board. Budgets are adopted on the same basis of accounting utilized for the preparation of the municipality's financial statements.

C. Cash and Investments

New Jersey municipal units are required by N.J.S.A. 40A:5-14 to deposit public funds in a bank or trust company having its place of business in the State of New Jersey and organized under the laws of the United States or of the State of New Jersey or New Jersey Cash Management Fund. N.J.S.A. 40A:5-15.1 provides a list of securities which may be purchased by New Jersey municipal units.

The cash management plan adopted by the municipality requires that funds be deposited in public depositories protected from loss under the provisions of the Governmental Unit Deposit Protection Act ("GUDPA"). GUDPA was enacted in 1970 to protect governmental units from a loss of funds on deposit with a failed banking institution in New Jersey.

N.J.S.A. 17:9-42 requires government units to deposit public funds only in public depositories located in New Jersey, where the funds are secured in accordance with the Act. Public funds are defined as the funds of any government unit. Public depositories include banks (both state and national banks), savings and loan institutions and savings banks, the deposits of which are federally insured. All public depositories pledge collateral, having a market value of five percent of the average daily balance of collected public funds, to secure the deposits of governmental units. If a public depository fails, the collateral it has pledged, plus the collateral of all other public depositories in the collateral pool, is available to pay the full amount of their deposits to the governmental units. All certificates of deposit are recorded as cash regardless of date of maturity.

**BOROUGH OF OAKLAND**  
**NOTES TO FINANCIAL STATEMENTS**  
**YEAR ENDED DECEMBER 31, 2013**

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**Note 2 - Summary of Significant Accounting Policies (Continued)**

D. Interfunds

Interfund receivables and payables that arise from transactions between funds are recorded by all funds affected by such transactions in the period in which the transaction is executed. 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. GAAP does not require the establishment of an offsetting reserve.

E. Inventories of Supplies

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

F. General Fixed Assets

Property and equipment purchased by the Current and the General Capital Funds are recorded as expenditures at the time of purchase and are not capitalized. Accounting for Governmental Fixed Assets, as promulgated by N.J.A.C. 5:30-5.6 differs in certain respects from generally accepted accounting principles. The following is a brief description of the provisions of the statute. 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. No depreciation on general fixed assets is recorded in the financial statements. Expenditures for construction in progress are recorded in the Capital Funds until such time as the construction is completed and put into operation. Fixed assets acquired through grants-in-aid or contributed capital have not been accounted for separately.

**BOROUGH OF OAKLAND**  
**NOTES TO FINANCIAL STATEMENTS**  
**YEAR ENDED DECEMBER 31, 2013**

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**Note 2 - Summary of Significant Accounting Policies (Continued)**

G. Foreclosed Property

Foreclosed property is recorded in the Current Fund at the assessed value when such property was acquired and is fully reserved. Ordinarily it is the intention of the municipality to resell foreclosed property in order to recover all or a portion of the delinquent taxes or assessments and to return the property to a taxpaying basis. For this reason the value of foreclosed property has not been included in the General Fixed Asset Account Group. If such property is converted to a municipal use, it will be capitalized in the General Fixed Asset Account Group. GAAP requires property to be recorded in the General Fixed Asset Account Group at the market value at the time of acquisition.

H. Deferred Charges

The recognition of certain expenditures is deferred to future periods. These expenditures, or deferred charges, are generally overexpenditures of legally adopted budget appropriations or emergency appropriations made in accordance with N.J.S.A. 40A:4-46 et al. Deferred charges are subsequently raised as items of appropriation in budgets of succeeding years.

I. Appropriation Reserves

Appropriation reserves covering unexpended appropriation balances are automatically created at year end and recorded as liabilities, except for amounts which 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. Appropriation Reserves are not established under GAAP.

J. Liens Sold for Other Governmental Units

Liens sold on behalf of other governmental units are not recorded on the records of the tax collector until such liens are collected. Upon their collection, such liens are recorded as a liability due to the governmental unit net of the costs of the initial sale. The related costs of sale are recognized as revenue when received.

K. Fund Balance

Fund Balances included in the current fund represent amounts available for anticipation as revenue in future years budgets, with certain restrictions.

**BOROUGH OF OAKLAND**  
**NOTES TO FINANCIAL STATEMENTS**  
**YEAR ENDED DECEMBER 31, 2013**

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**Note 2 - Summary of Significant Accounting Policies (Continued)**

L. Revenues

Revenues are recorded when received in cash except for certain amounts which are due from other governmental units. Revenue from Federal and State grants are realized as and when anticipated as such in the Borough's budget. Other amounts that are due the Borough which are susceptible to accrual are also recorded as receivables with offsetting reserves and recorded as revenue when received. GAAP generally requires that grant revenues be recognized when the actual expenditures financed by the grant are made.

M. Property Tax Revenues

Property tax revenues are collected in quarterly installments due February 1, May 1, August 1, and November 1. Property taxes unpaid on April 1 of the year following their final due date are subject to tax sale in accordance with the statutes. The amount of taxes levied includes not only the amount required in support of the Borough's annual budget, but also the amounts required in support of the budgets of the local free public library (if applicable), municipal open space (if applicable) and the entities described in "N" and "O" below. Receivables for property taxes are recorded with offsetting reserves on the balance sheet of the Borough's Current Fund; accordingly, such amounts are not recorded as revenue until collected. GAAP requires such revenue to be recognized when available and measurable reduced by an allowance for doubtful accounts.

N. School Taxes

The municipality is responsible for levying, collecting and remitting school taxes for the Local School District. Operations are charged for the full amount required to be raised from taxation to operate the local school district for the period from July 1 to June 30. GAAP would require the recording of a deferred revenue.

O. County Taxes

The municipality is responsible for levying, collecting and remitting taxes for the County. Operations are charged for the amount due the County for the year, based upon the ratables required to be certified to the County Board of Taxation by January 10 of the current year. In addition, operations are charged for the County share of Added and Omitted Taxes certified to the County Board of Taxation by October 10 of the current year and due to be paid to the County by February 15 of the following year.



**BOROUGH OF OAKLAND**  
**NOTES TO FINANCIAL STATEMENTS**  
**YEAR ENDED DECEMBER 31, 2013**

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**Note 2 - Summary of Significant Accounting Policies (Continued)**

P. Reserve for Uncollected Taxes

The inclusion of the "Reserve for Uncollected Taxes" appropriation in the municipality's annual budget protects from taxes not paid currently. The reserve, the minimum amount of which is determined on the percentage of collections experienced in the immediate preceding year, is required to provide assurance that cash collected in the current year will provide sufficient cash flow to meet expected obligations. A Reserve for Uncollected Taxes is not established under GAAP.

Q. Expenditures

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 recorded as a cash liability. Appropriations for principal payments on outstanding general capital bonds and notes are provided on the cash basis; interest on general capital indebtedness is on the cash basis. GAAP requires expenditures to be recognized in the accounting period in which the fund liability is incurred, if measurable, except for unmatured interest on long term debt which is recognized when due.

R. Compensated Absences and Postemployment Benefits

Compensated absences for vacation, sick leave and other compensated absences are recorded and provided for in the annual budget in the year in which they are paid, on a pay-as-you-go basis. Likewise, no accrual is made for postemployment benefits, if any, which are also funded on a pay-as-you-go basis. GAAP requires that the amount that would normally be liquidated with expendable financial resources be recorded as an expenditure in the operating funds and the remaining obligations be recorded as long term obligations.

S. Total Columns on Combined Statements

Total columns are captioned "memorandum only" to indicate that they are presented only to facilitate financial analysis. Data in these columns do not present financial position, results of operations, or changes in financial position in conformity with generally accepted accounting principles. Neither is such data comparable to a consolidation. Interfund eliminations have not been made in the aggregation of this data.

**BOROUGH OF OAKLAND**  
**NOTES TO FINANCIAL STATEMENTS**  
**YEAR ENDED DECEMBER 31, 2013**

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**Note 2 - Summary of Significant Accounting Policies (Continued)**

T. Use of Estimates

The preparation of financial statements requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities at the date of the financial statements and the reported amounts of revenues and expenses during the reporting period. Accordingly, actual results could differ from those estimates.

U. New Reporting Standard(s)

In June 2012, the Governmental Accounting Standards Board (GASB) issued Statement No. 67 "Financial Reporting for Pension Plans – an amendment of GASB Statement No. 25". This statement, which is effective for fiscal periods beginning after June 15, 2013, will not have any effect on the Borough's financial reporting.

In June 2012, the Governmental Accounting Standards Board (GASB) issued Statement No. 68 "Accounting and Financial Reporting for Pensions – an amendment of GASB Statement No. 27". This statement, which is effective for fiscal periods beginning after June 15, 2014, will not have any effect on the Borough's financial reporting. However, the provisions of this statement will require significant modifications to the disclosure requirements related to the entity's proportionate share of the cost-sharing defined benefit plans reported at the State of New Jersey level.

In January 2013, the Governmental Accounting Standards Board (GASB) issued Statement No. 69 "Government Combinations and Disposals of Government Operations". This statement, which is effective for fiscal periods beginning after December 15, 2013, will not have any effect on the Borough's financial reporting.

In April 2013, the Governmental Accounting Standards Board (GASB) issued Statement No. 70 "Accounting and Financial Reporting for Nonexchange Financial Guarantees". This statement, which is effective for fiscal years beginning after June 15, 2013, will not have any impact on the financial position of the Borough.

In November 2013, Governmental Accounting Standards Board (GASB) issued Statement No. 71 "Pension Transition for Contributions Made Subsequent to the Measurement Date-an amendment of GASB Statement No. 68". The provisions of this statement are required to be applied simultaneously with the provisions of Statement 68 which is effective for periods beginning after June 15, 2014. The provisions of this statement will require significant modifications to the disclosure requirements related to the entity's proportionate share of the cost-sharing defined benefit plans reported at the State of New Jersey level.

**BOROUGH OF OAKLAND  
NOTES TO FINANCIAL STATEMENTS  
YEAR ENDED DECEMBER 31, 2013**

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**Note 3 - Cash and Cash Equivalents**

Change funds, petty cash, cash in banks, certificates of deposit and funds on deposit with the New Jersey Cash Management Fund are considered cash and cash equivalents.

A. Deposits

New Jersey Statutes permit the deposit of public funds in institutions located in New Jersey which are insured by the Federal Deposit Insurance Corporation (FDIC), or by any other agencies of the United States that insures deposits, or the New Jersey Cash Management Fund.

All bank deposits as of the balance sheet date are entirely insured or collateralized by a collateral pool maintained by public depositories as required by the Governmental Unit Deposit Protection Act.

At December 31, the municipality's deposits are summarized as follows:

<u>Year</u>	<u>Bank Balance</u>	<u>Book Balance</u>
2013	\$ 12,017,484	\$ 11,875,956
2012	\$ 11,544,765	\$ 11,334,299

B. New Jersey Cash Management Fund

The State of New Jersey Cash Management Fund is managed by the State of New Jersey, Division of Investment under the Department of Treasury. It consists of U.S. Treasury obligations, government agency obligations, certificates of deposit and commercial paper. At December 31, 2013 the municipality did not have any cash deposited with the New Jersey Cash Management Fund.

**BOROUGH OF OAKLAND**  
**NOTES TO FINANCIAL STATEMENTS**  
**YEAR ENDED DECEMBER 31, 2013**

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**Note 4 - Investments**

New Jersey Statutes permit the municipality to purchase the following types of securities for investment:

- a. Bonds or other obligations of the United States or obligations guaranteed by the United States of America.
- b. Government Money Market Mutual Funds.
- c. Any obligation that a federal agency or federal instrumentality has issued, which security has a maturity date not greater than 397 days from the date of purchase, provided that such obligation bears a fixed rate of interest.
- d. Bonds or other obligations of municipalities or bonds or other obligations of school districts.
- e. Bonds or other obligations, having a maturity date of not more than 397 days from the date of purchase that are approved by the New Jersey Department of Treasury, Division of Investments.
- f. Local government investment pools.
- g. Agreement for the repurchase of fully collateralized securities, if transacted in accordance with N.J.S.A. 40A:5-15.1(8a-8e).

No investments were held as of December 31, 2013.

**BOROUGH OF OAKLAND**  
**NOTES TO FINANCIAL STATEMENTS**  
**YEAR ENDED DECEMBER 31, 2013**

**Note 5 - Fixed Assets**

The following is a summary of general fixed asset additions, deletions and adjustments:

2013

	Beginning Balance	Additions	Deletions	Adjustments	Ending Balance
Land	\$ 26,856,400	\$ -	\$ -	\$ -	\$ 26,856,400
Improvements	9,284,701	-	-	-	9,284,701
Buildings	-	-	-	-	-
Equipment	2,652,145	-	-	-	2,652,145
Vehicles	4,226,706	-	-	-	4,226,706
Construction in Progress	-	-	-	-	-
	<u>\$ 43,019,952</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 43,019,952</u>

2012

	Beginning Balance	Additions	Deletions	Adjustments	Ending Balance
Land	\$ 9,854,476	\$ -	\$ -	\$ 17,001,924	\$ 26,856,400
Improvements	5,246,212	-	-	4,038,489	9,284,701
Buildings	-	-	-	-	-
Equipment	7,274,056	-	-	(4,621,911)	2,652,145
Vehicles	-	-	-	4,226,706	4,226,706
Construction in Progress	2,563,047	-	-	(2,563,047)	-
	<u>\$ 24,937,791</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 18,082,161</u>	<u>\$ 43,019,952</u>

Threshold: \$ 500

Depreciation Method: Not Applicable

Useful Lives: Not Applicable

**BOROUGH OF OAKLAND  
NOTES TO FINANCIAL STATEMENTS  
YEAR ENDED DECEMBER 31, 2013**

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**Note 6 - Municipal Debt**

A. Types of Municipal Debt

Capital Debt

The "Local Bond Law" of New Jersey Statutes governs the issuance of bonds and notes to finance capital expenditures, and are permitted only from the General Capital Fund. Bonds and Notes are backed by the full faith and credit of the municipality. Capital projects financed under the Local Bond Law must have a minimum useful life of five years.

Bond Anticipated Notes - Bond Anticipation Note ("BANs") are issued to temporarily finance projects prior to the issuance of permanent bonds. Generally, the term of BANs can not exceed one year, but may be renewed from time to time for periods not exceeding one year, and ultimately paid or permanently financed no later than the first day of the fifth month following the close of the tenth fiscal year following the original issue date of the BAN. New Jersey Statutes require that on or before the third anniversary date of the original BAN issue date, an amount at least equal to the first legally payable installment must be paid towards the BAN upon each renewal until permanently funded or retired.

Bonds - Bonds issued are retired in serial installments within statutory periods of usefulness. New Jersey Statutes limit installment increments unless approval for a non-conforming maturity schedule is approved by the Local Finance Board.

**The Borough's long term debt paid by the Current Fund consisted of the following at December 31, 2013:**

\$4,494,000 - General Obligation Bonds Series 2003 issued 6/01/2003 payable in annual installments through 12/01/2014. Interest is paid semi-annually at 3.30% per annum. The balance remaining on this issue as of December 31, 2013 is \$584,000.

\$1,096,000 - General Obligation Bonds Series 2007A issued 6/01/2007 payable in annual installments through 12/01/2021. Interest is paid semi-annually at varying rates from 3.75% to 4.00% per annum. The balance remaining on this issue as of December 31, 2013 is \$666,000.

\$1,580,000 - General Obligation Bonds Series 2007C issued 6/01/2007 payable in annual installments through 12/01/2016. Interest is paid semi-annually at varying rates from 5.25% to 5.50% per annum. The balance remaining on this issue as of December 31, 2013 is \$600,000.

**The Borough's long term debt paid by the Water Utility Operating Fund consisted of the following at December 31, 2013:**

\$1,997,000 - General Obligation Bonds Series 2003 issued 6/01/2003 payable in annual installments through 12/01/2014. Interest is paid semi-annually at 3.30% per annum. The balance remaining on this issue as of December 31, 2013 is \$337,000.

\$932,000 - General Obligation Bonds Series 2007 issued 6/01/2007 payable in annual installments through 12/01/2016. Interest is paid semi-annually at varying rates from 3.75% to 4.00% per annum. The balance remaining on this issue as of December 31, 2013 is \$337,000.

**BOROUGH OF OAKLAND**  
**NOTES TO FINANCIAL STATEMENTS**  
**YEAR ENDED DECEMBER 31, 2013**

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**Note 6 - Municipal Debt (Continued)**

B. Comparative Summary of Debt and Remaining Borrowing Power

The following comparative information summarizes the statutory debt calculations of the municipality as reported on the municipality's Annual Debt Statement.

	<u>2013</u>	<u>2012</u>
Issued:		
School Bonds and Notes	\$ 7,264,133	\$ 7,701,363
General Bonds and Notes	12,327,020	11,365,020
	<u>\$ 19,591,153</u>	<u>\$ 19,066,383</u>
Authorized but not Issued:		
General Bonds and Notes	<u>\$ 8,982,087</u>	<u>\$ 9,539,137</u>
Gross Debt	<u>\$ 28,573,240</u>	<u>\$ 28,605,520</u>
Deductions	<u>\$ 12,007,034</u>	<u>\$ 12,638,251</u>
Net Debt	<u><u>\$ 16,566,206</u></u>	<u><u>\$ 15,967,269</u></u>
Equalized Valuation Basis	\$ 2,387,178,815	\$ 2,467,933,234
Statutory Net Debt Percentage	0.694%	0.647%
3-1/2% of Equalized Valuation Basis	\$ 83,551,259	\$ 86,377,663
Remaining Borrowing Power	\$ 66,985,053	\$ 70,410,394

**BOROUGH OF OAKLAND**  
**NOTES TO FINANCIAL STATEMENTS**  
**YEAR ENDED DECEMBER 31, 2013**

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**Note 6 - Municipal Debt (Continued)**

C. Long-Term Bonded Debt Service Requirements to Maturity

The annual debt service requirement for long-term obligations requirements to maturity, including principal and interest as of December 31, 2013 are as follows:

**Loans and General Bonds**

Calendar Year	10/01/02 General Improvement Bonds		12/01/06 - A General Improvement Bonds	
	Principal	Interest	Principal	Interest
2014	584,000	19,272	70,000	26,640
2015	-	-	75,000	23,840
2016	-	-	75,000	20,840
2017	-	-	80,000	17,840
2018	-	-	85,000	14,640
2019	-	-	90,000	11,240
2020	-	-	95,000	7,640
2021	-	-	96,000	3,840
	<u>\$ 584,000</u>	<u>\$ 19,272</u>	<u>\$ 666,000</u>	<u>\$ 126,520</u>

Calendar Year	12/01/06 - C General Improvement Bonds		Total	
	Principal	Interest	Principal	Interest
2014	185,000	33,000	839,000	78,912
2015	200,000	22,825	275,000	46,665
2016	215,000	11,825	290,000	32,665
2017	-	-	80,000	17,840
2018	-	-	85,000	14,640
2019	-	-	90,000	11,240
2020	-	-	95,000	7,640
2021	-	-	96,000	3,840
	<u>\$ 600,000</u>	<u>\$ 67,650</u>	<u>\$ 1,850,000</u>	<u>\$ 213,442</u>



**BOROUGH OF OAKLAND**  
**NOTES TO FINANCIAL STATEMENTS**  
**YEAR ENDED DECEMBER 31, 2013**

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**Note 6 - Municipal Debt (Continued)**

C. Long-Term Bonded Debt Service Requirements to Maturity (Continued)

**Water Utility Bonds**

Calendar Year	12/01/02		12/01/06	
	General Improvement Bonds		General Improvement Bonds	
	Principal	Interest	Principal	Interest
2014	337,000	11,121	105,000	13,480
2015	-	-	110,000	9,280
2016	-	-	122,000	4,880
	<u>\$ 337,000</u>	<u>\$ 11,121</u>	<u>\$ 337,000</u>	<u>\$ 27,640</u>

Calendar Year	Total	
	Principal	Interest
2014	442,000	24,601
2015	110,000	9,280
2016	122,000	4,880
	<u>\$ 674,000</u>	<u>\$ 38,761</u>

**BOROUGH OF OAKLAND**  
**NOTES TO FINANCIAL STATEMENTS**  
**YEAR ENDED DECEMBER 31, 2013**

**Note 6 - Municipal Debt (Continued)**

D. Summary of Changes in Municipal Debt

During the fiscal year ended December 31, 2013 the following changes occurred in liabilities reported as general long-term debt:

**Loans and General Bonds**

	Beginning Balance	Issued	Retired	Ending Balance
Short-Term Debt:				
Tax Anticipation Notes	\$ -	\$ -	\$ -	\$ -
Bond Anticipation Notes	6,459,020	7,871,020	(6,459,020)	7,871,020
Emergency Notes	-	-	-	-
	<u>\$ 6,459,020</u>	<u>\$ 7,871,020</u>	<u>\$ (6,459,020)</u>	<u>\$ 7,871,020</u>
Long-Term Debt:				
Serial Bonds	\$ 2,680,000	\$ -	\$ (830,000)	\$ 1,850,000
Loan Payable	-	-	-	-
Authorized but not Issued	6,971,769	2,880,400	(2,932,450)	6,919,719
	<u>\$ 9,651,769</u>	<u>\$ 2,880,400</u>	<u>\$ (3,762,450)</u>	<u>\$ 8,769,719</u>
	<u>\$ 16,110,789</u>	<u>\$ 10,751,420</u>	<u>\$ (10,221,470)</u>	<u>\$ 16,640,739</u>

	Ending Balance	Amounts Due within One Year	Long-term Portion
Short-Term Debt:			
Tax Anticipation Notes	\$ -		\$ -
Bond Anticipation Notes	7,871,020	7,871,020	-
Emergency Notes	-	-	-
	<u>\$ 7,871,020</u>	<u>\$ 7,871,020</u>	<u>\$ -</u>
Long-Term Debt:			
Serial Bonds	\$ 1,850,000	\$ 839,000	\$ 1,011,000
Loan Payable	-	-	-
Authorized but not Issued	6,919,719	-	6,919,719
	<u>\$ 8,769,719</u>	<u>\$ 839,000</u>	<u>\$ 7,930,719</u>
	<u>\$ 16,640,739</u>	<u>\$ 8,710,020</u>	<u>\$ 7,930,719</u>

**BOROUGH OF OAKLAND**  
**NOTES TO FINANCIAL STATEMENTS**  
**YEAR ENDED DECEMBER 31, 2013**

**Note 6 - Municipal Debt (Continued)**

D. Summary of Changes in Municipal Debt (Continued)

**Water Utility Bonds**

	Beginning Balance	Issued	Retired	Ending Balance
Short-Term Debt:				
Tax Anticipation Notes	\$ -	\$ -	\$ -	-
Bond Anticipation Notes	840,000	1,660,000	(840,000)	1,660,000
Emergency Notes	-	-	-	-
	<u>\$ 840,000</u>	<u>\$ 1,660,000</u>	<u>\$ (840,000)</u>	<u>\$ 1,660,000</u>
Long-Term Debt:				
Serial Bonds	\$ 1,104,000	\$ -	\$ (430,000)	\$ 674,000
Loan Payable	-	-	-	-
Authorized but not Issued	1,303,195	315,000	(820,000)	798,195
	<u>\$ 2,407,195</u>	<u>\$ 315,000</u>	<u>\$ (1,250,000)</u>	<u>\$ 1,472,195</u>
	<u>\$ 3,247,195</u>	<u>\$ 1,975,000</u>	<u>\$ (2,090,000)</u>	<u>\$ 3,132,195</u>

	Ending Balance	Amounts Due within One Year	Long-term Portion
Short-Term Debt:			
Tax Anticipation Notes	\$ -		\$ -
Bond Anticipation Notes	1,660,000	1,660,000	-
Emergency Notes	-		-
	<u>\$ 1,660,000</u>	<u>\$ 1,660,000</u>	<u>\$ -</u>
Long-Term Debt:			
Serial Bonds	\$ 674,000	\$ 442,000	\$ 232,000
Loan Payable	-	-	-
Authorized but not Issued	798,195	-	798,195
	<u>\$ 1,472,195</u>	<u>\$ 442,000</u>	<u>\$ 1,030,195</u>
	<u>\$ 3,132,195</u>	<u>\$ 2,102,000</u>	<u>\$ 1,030,195</u>

**BOROUGH OF OAKLAND**  
**NOTES TO FINANCIAL STATEMENTS**  
**YEAR ENDED DECEMBER 31, 2013**

**Note 6 - Municipal Debt (Continued)**

D. Summary of Changes in Municipal Debt (Continued)

**Sewer Utility Bonds**

	Beginning Balance	Issued	Retired	Ending Balance
Short-Term Debt:				
Tax Anticipation Notes	\$ -	\$ -	\$ -	-
Bond Anticipation Notes	282,000	272,000	(282,000)	272,000
Emergency Notes	-	-	-	-
	<u>\$ 282,000</u>	<u>\$ 272,000</u>	<u>\$ (282,000)</u>	<u>\$ 272,000</u>
Long-Term Debt:				
Serial Bonds	\$ -	\$ -	\$ -	-
Loan Payable	-	-	-	-
Authorized but not Issued	592,760	-	-	592,760
	<u>\$ 592,760</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 592,760</u>
	<u>\$ 874,760</u>	<u>\$ 272,000</u>	<u>\$ (282,000)</u>	<u>\$ 864,760</u>

	Ending Balance	Amounts Due within One Year	Long-term Portion
Short-Term Debt:			
Tax Anticipation Notes	\$ -		\$ -
Bond Anticipation Notes	272,000	272,000	-
Emergency Notes	-		-
	<u>\$ 272,000</u>	<u>\$ 272,000</u>	<u>\$ -</u>
Long-Term Debt:			
Serial Bonds	\$ -	\$ -	\$ -
Loan Payable	-	-	-
Authorized but not Issued	592,760	-	592,760
	<u>\$ 592,760</u>	<u>\$ -</u>	<u>\$ 592,760</u>
	<u>\$ 864,760</u>	<u>\$ 272,000</u>	<u>\$ 592,760</u>

**Note 7 - Risk Management**

The Borough is exposed to various risks of loss related to general liability, automobile coverage, damage and destruction of assets; errors and omissions; injuries to employees; and natural disasters. The Borough has obtained insurance coverage to guard against these events which will provide minimum exposure to the Borough should they occur. The Borough of Oakland is a member of the Bergen County Municipal Joint Insurance Fund (BJIF) and Municipal Excess Liability Joint Insurance Fund (MEL). The joint insurance funds are both an insured and self-administered group of municipalities established for the purpose of insuring against property damage, general liability, motor vehicles and equipment and worker's compensation. The BJIF and MEL coverage amounts are on file with the Borough. The relationship between the Borough and respective insurance funds is governed by a contract and by-laws that have been adopted by resolution of each unit's governing body. The Borough is contractually obligated to make all annual and supplementary contributions to insurance, to report claims on a timely basis, cooperate with the management of the Fund, its claims investigation and settlement, and to follow risk management procedures as outlined by the insurance pools. Members have a contractual obligation to fund any deficit of the insurance fund attributable to a membership year during which the municipality was a member. The funds provide its members with risk management services, including the defense of and settlement of claims, and established reasonable and necessary loss reduction and preventive procedures to be followed by the members. There has been no significant reduction in insurance coverage from the previous year nor have there been any settlements in excess of insurance coverage in any of the prior three years. Contributions to the Funds, including a reserve for contingencies, are payable in four installments and are based on actuarial assumptions determined by the Fund's actuary. The Commissioner of Insurance may order additional assessments to supplement the Fund's claim, loss retention or administrative accounts to assure the payment of the Fund's obligations.

The Borough has elected to fund its New Jersey Unemployment Compensation Insurance under the "Benefit Reimbursement Method". Under this plan the State of New Jersey provides the administration of payments to former employees of the Borough. The Borough is billed quarterly for benefits paid to former employees.

Unemployment expenditures for the past 3 years are as follows:

CY2013 - \$0

CY2012 - \$0

CY2011 - \$0

**BOROUGH OF OAKLAND**  
**NOTES TO FINANCIAL STATEMENTS**  
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**Note 8 - Interfunds**

As of December 31, 2013, interfund balances on the Borough's various balance sheets were as follows:

	<u>Interfunds Receivable</u>	<u>Interfunds Payable</u>
Current Fund	\$ -	\$ -
Federal and State Grant Fund	-	-
Trust Fund	1,250,000	-
General Capital Fund	-	1,250,000
Water Utility Operating Fund	-	-
Water Utility Capital Fund	-	-
Sewer Utility Operating Fund	-	-
Sewer Utility Capital Fund	-	-
Sewer Assessment Trust Fund	-	-
	<u>\$ 1,250,000</u>	<u>\$ 1,250,000</u>
		-

Interfund balances are comprised of the following:

General Capital Fund owes the Other Trust Fund \$1,250,000 for operating cash advances. It is anticipated that all interfunds will be liquidated during the subsequent fiscal year.

**BOROUGH OF OAKLAND**  
**NOTES TO FINANCIAL STATEMENTS**  
**YEAR ENDED DECEMBER 31, 2013**

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**Note 9 - Deferred Charges to be Raised in Succeeding Budgets**

Certain expenditures are required to be deferred to budgets of succeeding years. At December 31, the following deferred charges are shown on the balance sheet of the Current Fund:

	Balance December 31,	Appropriated in Subsequent Year's Budget	Balance to Succeeding
<u>2013</u>			
Current Fund:			
Overexpenditures	\$ -	\$ -	\$ -
Expenditures Without Appropriations	-	-	-
Deficit in Operations	-	-	-
Emergency Authorizations	-	-	-
Special Emergency	-		
Authorizations (40A:4-53) - Wastewater Plan	10,000	10,000	-
Special Emergency	-		
Authorizations (40A:4-53) - Re-Assessment	43,200	21,600	21,600
Special Emergency	-		
Authorizations (40A:4-53) - Master Plan	-	-	-
	<u>\$ 53,200</u>	<u>\$ 31,600</u>	<u>\$ 21,600</u>

2012

Current Fund:			
Overexpenditures	\$ -	\$ -	\$ -
Expenditures Without Appropriations	-	-	-
Deficit in Operations	-	-	-
Emergency Authorizations	-	-	-
Special Emergency	-		
Authorizations (40A:4-53) - Wastewater Plan	20,000	10,000	10,000
Special Emergency	-		
Authorizations (40A:4-53) - Re-Assessment	64,800	21,600	43,200
Special Emergency	-		
Authorizations (40A:4-53) - Master Plan	-	-	-
	<u>\$ 84,800</u>	<u>\$ 31,600</u>	<u>\$ 53,200</u>

**BOROUGH OF OAKLAND**  
**NOTES TO FINANCIAL STATEMENTS**  
**YEAR ENDED DECEMBER 31, 2013**

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**Note 10 - Retirement Plans**

Those employees who are eligible for pension coverage are enrolled in either the Public Employees Retirement System of New Jersey (PERS) or the Police and Firemans' Retirement System of New Jersey (PFRS) and the Defined Contribution Retirement Program (DCRP). The systems are cost-sharing multiple-employer contributory defined benefit pension plans, and are component units of the State of New Jersey. Each retirement system has a Board of Trustees which is responsible for its organization and administration.

A. Public Employees' Retirement System (PERS)

Description of the System - The State of New Jersey Public Employees' Retirement System (the System; PERS) is a cost-sharing multiple-employer contributory defined benefit plan which was established as of January 1, 1955, under the provisions of N.J.S.A. 43:15A. The System is included along with other state-administered pension trust and agency funds in the basic financial statements of the State of New Jersey.

At June 30, 2011 and 2010, the dates of the most recent actuarial valuations, participating employers consisted of the following:

	2011	2010
State of New Jersey	1	1
County Agencies	65	65
Municipalities	579	580
School Districts	580	581
Other Public Agencies	481	483
Total	<u>1,706</u>	<u>1,710</u>

The System's designated purpose is to provide retirement, death, disability and medical benefits to certain qualified members. Membership in the System is mandatory for substantially all full-time employees of the State of New Jersey 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 pension fund or local jurisdiction's pension fund. The System's Board of Trustees is primarily responsible for the administration of the System.

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.



**Note 10 - Retirement Plans (Continued)**

A. Public Employees' Retirement System (PERS) (Continued)

Vesting and Benefit Provisions - The vesting and benefit provisions are set by N.J.S.A. 43:15A and 43:3B. The System provides retirement, death and disability benefits. All benefits vest after eight to ten years of service, except for medical benefits, which vest after 25 years of service or under the disability provisions of the System.

For Tier 1 members, retirement benefits for age and service are available at age 60 and are generally determined to be 1/55 of final average salary for each year of service credit, as defined Final average salary equals the average salary for the final three years of service prior to retirement (or highest three years' compensation if other than the final three years). Members may seek early retirement after achieving 25 years service credit, as defined, or they may elect deferred retirement after achieving eight to ten years of service credit, in which case benefits would begin the first day of the month after the member attains normal retirement age.

Members are always fully vested for their own contributions and, after three years of service credit, become vested for earnings on their contributions at 2% per annum. In the case of death before retirement, members' beneficiaries are entitled to full interest credited to the members' accounts.

Eligible retirees receiving monthly benefits are entitled to cost-of-living increases equal to 60% of the change in the average consumer price index for the calendar year in which the pensioner retired, as compared to the average consumer price index for a 12-month period ending with each August 31st immediately preceding the year in which the adjustment becomes payable. The regular retirement allowance is multiplied by the 60% factor as developed and results in a dollar amount of the adjustment payable. Retired members become eligible for pension adjustment benefits after 24 months of retirement. The COLA increases are funded by the retirement system and are included in the annual actuarial calculations of the required state and state-related employer contributions. Pursuant to the provisions of Chapter 78, P.L. 2011, COLA increases are suspended for all current and future retirees of all retirement systems. No further COLA increases will be granted. The law does not reduce any COLA increases that have already been added to retiree benefits.

Significant Legislation - Chapter 103, P.L. 2007 amended the early retirement reduction formula for members hired on or after July 1, 2007 and prior to November 2, 2008 (Tier 2 members) and retiring with 25 years of service to be reduced by 1% for every year between age 55 and 60, plus 3% for every year under age 55. Also, this law provided that the amount of compensation for Tier 2 members used for employer and member contributions and benefits under the PERS cannot exceed the annual maximum wage contribution base for Social Security, pursuant to the Federal Insurance Contributions Act.

Chapter 89, P.L. 2008 increased the PERS eligibility age for unreduced benefits from age 60 to age 62 for members hired on or after November 1, 2008 and on or before May 21, 2010 (Tier 3 members). It also increased the minimum annual compensation required for membership eligibility for new Tier 3 members from \$1,500 to \$7,500 in addition to amending the early retirement reduction formula for Tier 3 members retiring with 25 years of service to 1% for every year between age 55 and 62, plus 3% for every year under age 55.

Chapter 1, P.L. 2010, effective May 21, 2010, changed the membership eligibility criteria for new members of PERS hired after May 21, 2010 (Tier 4 and Tier 5 members) from the amount of annual compensation to the number of hours worked weekly. Also, it returned the benefit multiplier for these members of PERS to 1/60 from 1/55, and it provided that the retirement allowance for these members be calculated using the average annual compensation for the last five years of service instead of the last three years of service. Tier 4 and Tier 5 members of PERS no longer receive pension service credit from more than one employer. Pension service credit is earned for the highest paid position only. This law also closed the Prosecutors Part of the PERS to new members.

Chapter 3, P.L. 2010, effective May 21, 2010, replaced the accidental and ordinary disability retirement for Tier 4 and Tier 5 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 78, P.L. 2011, provided that new members of PERS hired on or after June 28, 2011 (Tier 5 members) need 30 years of creditable service and age 65 for receipt of the early retirement benefit without a reduction of ¼ of 1% for each month that the member is under age 65. Tier 5 members are eligible for a service retirement benefit at age 65.

Membership in the system consisted of the following at June 30, 2011 and 2010, the dates of the most recent actuarial valuations:

	2011	2010
Retirees and beneficiaries currently receiving benefits and terminated employees entitled to benefits but not yet receiving them	149,218	141,973
Active Members:		
Vested	149,719	149,506
Non-Vested	142,107	159,593
Total Active Members	291,826	309,099
Total	441,044	451,072

**BOROUGH OF OAKLAND  
NOTES TO FINANCIAL STATEMENTS  
YEAR ENDED DECEMBER 31, 2013**

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**Note 10 - Retirement Plans (Continued)**

B. Police and Firemen's Retirement System (PFRS)

Description of the System

State of New Jersey Police and Firemen's Retirement System (the System; PFRS) is a cost-sharing multiple-employer contributory defined benefit plan which was established as of July 1, 1944, under the provisions of N.J.S.A. 43:16A. The System is included along with other state-administered pension trust and agency funds in the basic financial statements of the State of New Jersey.

At June 30, 2011 and 2010, the dates of the most recent actuarial valuations, participating employers consisted of the following:

	2011	2010
State of New Jersey	1	1
Municipalities	585	588
Total	<u>586</u>	<u>589</u>

The System's designated purpose is to provide retirement, death and disability benefits to its members. Membership in the System is mandatory for substantially all full-time county and municipal police or firemen, and state firemen or officer employees with police powers appointed after June 30, 1944. The System's Board of Trustees is primarily responsible for its administration.

According to State of New Jersey Administrative Code, all obligations of the System will be assumed by the State of New Jersey should the System terminate.

**Note 10 - Retirement Plans (Continued)**

B. Police and Firemen's Retirement System (PFRS) (Continued)

Vesting and Benefit Provisions

The vesting and benefit provisions are set by N.J.S.A. 43:16A and 43:3B. The PFRS provides retirement as well as death and disability benefits. All benefits vest after ten years of service, except disability benefits which vest after four years of service. Retirement benefits for age and service are available at age 55 and are generally determined to be 2% of final compensation for each year of creditable service, as defined, up to 30 years plus 1% for each year of service in excess of 30 years. Final compensation equals the compensation for the final year of service prior to retirement. Members may seek special retirement after achieving 25 years of creditable service or they may elect deferred retirement after achieving ten years of service, in which case benefits would begin at age 55 equal to 2% of final compensation for each year of service. The annual benefit under special retirement is 65% of the member's final compensation plus 1% for each year of creditable service over 25 years but not to exceed 30 years. The maximum allowance is therefore 70% of final compensation. Pursuant to the provisions of Chapter 78, P.L. 2011, the annual benefit under special retirement for members enrolled after June 28, 2011 (Tier 3 members), is 60% of the member's final compensation plus 1% for each year of creditable service over 25 years but not to exceed 30 years. The maximum allowance is therefore 65% of final compensation.

Widow/widowers of members retired since December 18, 1967 receive 50% of the retiree's final compensation. The minimum annual widow/widower's benefits of an accidental disability retiree prior to December 18, 1967 and of all retirees since December 18, 1967 is \$4,500.

Members are always fully vested for their own contributions. In the case of death before retirement, members' beneficiaries are entitled to full payment of members' contributions providing no survivor death benefits are payable.

Eligible retirees receiving monthly benefits are entitled to cost-of-living (COLA) increases equal to 60% of the change in the average consumer price index for the calendar year in which the pensioner retired, as compared to the average consumer price index for a 12-month period ending with each August 31st immediately preceding the year in which the adjustment becomes payable. The regular retirement allowance is multiplied by the 60% factor as developed and results in the dollar amount of the adjustment payable. Retired members become eligible for pension adjustment benefits after 24 months of retirement. The COLA increases are funded by the retirement system and are included in the annual actuarial calculations of the required state and state-related employer contributions. Pursuant to the provisions of Chapter 78, P.L. 2011, COLA increases are suspended for all current and future retirees of all retirement systems. No further COLA increases will be granted. The law does not reduce any COLA increases that have already been added to retiree benefits.

**Note 10 - Retirement Plans (Continued)**

B. Police and Firemen's Retirement System (PFRS) (Continued)

Significant Legislation:

Pursuant to Chapter 1, P.L. 2010, for new members of PFRS hired after May 21, 2010 (Tier 2 members), this 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 required the pension benefit to be calculated using a three-year average annual compensation instead of the last year's salary.

Membership in the System consisted of the following at June 30, 2011 and 2010 the dates of the most recent actuarial valuations:

	2011	2010
Retirees and beneficiaries currently receiving benefits and terminated employees entitled to benefits but not yet receiving them	38,091	35,973
Active members:		
Vested	28,817	29,552
Non-vested	13,182	14,652
Total active members	41,999	44,204
Total	80,090	80,177

**Note 10 - Retirement Plans (Continued)**

C. Defined Contribution Retirement Program (DCRP)

The Defined Contribution Retirement Program (DCRP) was established July 1, 2007, under the provisions of Chapter 92, P.L. 2007 and Chapter 103, P.L. 2007, and expanded under the provisions of Chapter 89, P.L. 2008,

The DCRP provides eligible members with a tax-sheltered, defined contribution retirement benefit, along with life insurance and disability coverage.

Eligibility

Individuals eligible for membership in the DCRP include:

- 1) State or local officials who are elected or appointed on or after July 1, 2007
- 2) Employees enrolled in the Public Employees Retirement System (PERS) or Teachers Pension and Annuity Fund (TPAF) on or after July 1, 2007, who earn salary in excess of established "maximum compensation" limits; and
- 3) Employees otherwise eligible to enroll in the PERS or TPAF on or after November 2, 2008, who do not earn the minimum annual salary for PERS or TPAF Membership Tier 3 enrollment (\$7,500 in 2009, subject to adjustment in future years) but who earn salary of at least \$1,500 annually.)

Employees enrolled in the PERS or TPAF on or after July 1, 2007 are subject to a maximum compensation limit for PERS and TPAF pension contributions. The maximum compensation is based on the annual maximum wage for Social Security (see chart below) and is subject to change at the start of each calendar year.

Enrollment

Eligible PERS or TPAF members are enrolled in the DCRP when the annual salary exceeds the maximum compensation limit. This may occur either:

Upon enrollment into the PERS or TPAF when an annual base salary is reported on the Enrollment Application that will exceed the maximum compensation; or when a PERS or TPAF member's annual salary is increased to where it will exceed the maximum compensation and it is reported by the employer to the Division of Pensions and Benefits (either by directly contacting the Division, or when submitted by the employer on the Quarterly Report of Contributions). When enrolled in the DCRP, members contribute 5.5% of the base salary in excess of the maximum compensation limit to a tax-deferred investment account established with Prudential Financial, which jointly administers the DCRP investments with the Division of Pensions and Benefits. Member contributions are matched by a 3% employer contribution based on the salary in excess of the maximum compensation limit.

It is important that an employer enroll a DCRP eligible PERS or TPAF member as soon as it is known that the employee's annual salary will exceed the maximum compensation, so that the DCRP account can be established in advance of collection of any required contributions.

**Note 10 - Retirement Plans (Continued)**

C. Defined Contribution Retirement Program (DCRP)

Retirement

Six months before retirement, a member should contact the employer and Prudential Financial for information regarding DCRP benefits and options.

A DCRP member may elect to receive all or a portion of his/her account in a lump-sum distribution, or in a variety of periodic payment methods. Please contact your administrative services provider for more information. All returns of contributions and earnings are considered taxable in the year they are received; therefore, the type of payout plan should be considered carefully prior to retirement.

There is no minimum retirement age under the DCRP. The member will automatically be considered retired, regardless of age, if there is any distribution of mandatory contributions.

A member may take a distribution at any time after termination of employment; however, if you return to public employment in New Jersey, you cannot participate in any State-administered retirement system.

**BOROUGH OF OAKLAND**  
**NOTES TO FINANCIAL STATEMENTS**  
**YEAR ENDED DECEMBER 31, 2013**

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**Note 10 - Retirement Plans (Continued)**

D. Contributions Required by Employer

	<u>Year</u>	<u>Pension Cost</u>	<u>Percentage Contributed</u>
<i>Police and Firemens' Pension Fund (PFRS)</i>			
	2013	\$ 726,912	100.00%
	2012	\$ 691,937	100.00%
<i>Public Employees Retirement System (PERS)</i>			
	2013	\$ 345,283	100.00%
	2012	\$ 316,278	100.00%
<i>Defined Contribution Retirement Program (DCRP)</i>			
	2013	\$ 443	100.00%
	2012	\$ 392	100.00%

E. Trend Information

Historical trend information showing the plan's progress in accumulating sufficient assets to pay benefits when due are presented in the State of New Jersey's PERS, PFRS and DCRP financial reports. Those reports may be obtained by writing to the State of New Jersey, Department of Treasury Division of Pensions, Trenton, New Jersey.

**BOROUGH OF OAKLAND**  
**NOTES TO FINANCIAL STATEMENTS**  
**YEAR ENDED DECEMBER 31, 2013**

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**Note 11 - Deferred Compensation Plan**

A. Description

The Borough offers its qualifying volunteers participation in a deferred compensation plan created in accordance with Internal Revenue Code Section 457. The plan, which is administered by an outside contractor, permits participants to defer a portion of their Borough contributions on behalf of volunteers until future years. Amounts deferred under the plan are not available to employees until termination, retirement, death or unforeseeable emergency.

All amounts of compensation deferred under the plan and all income attributable to those amounts are (until paid or made available to the employee or other beneficiary) solely the property and rights of the Borough's subject only to the claims of the Borough's general creditors. Participants' rights under the plan are equal to those of general creditors of the Borough in an equal amount to the fair value of the deferred account for each participant.

It is the opinion of the Borough's legal counsel that the Borough has no liability for losses under the plan. Under the plan, participants select investments from alternatives offered by the plan administrators, who manages the plan on behalf of the Borough. Investment selection by the participants may change from time to time, as the Borough manages none of the investment selections. By making the selection, participants accept and assume all risks that adhere in the plan and its administration.

Information pertaining to the plan offered by the Borough is as follows:

Lincoln National Life Insurance Co.

This plan administers Borough contributions towards its Volunteer Length of Service Award Program (LOSAP).

	2013
Assets, Beginning of Year (Market Value)	\$ 728,842
Municipal Contribution	70,736
Earnings and Adjustments to Market Value	170,360
Payments to Eligible Employees	(16,799)
Charges and Credits	(6,182)
Assets, Ending of Year (Market Value)	<u>\$ 946,957</u>



**BOROUGH OF OAKLAND**  
**NOTES TO FINANCIAL STATEMENTS**  
**YEAR ENDED DECEMBER 31, 2013**

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**Note 12 - Other Post Retirement Benefits**

A. Compensated Absences (Unaudited)

The Borough has permitted certain employees and bargaining units to accumulate (with certain restrictions) unused sick pay which may be taken in cash (with certain limitations), upon death, retirement or by extended time off immediately preceding retirement. A detail of amounts due is on file in the Office of the Borough Clerk - Municipal Plaza, Oakland, NJ 07436 - (201) 337-8111. In accordance with accounting practices prescribed by the Division of Local Government Services, this amount is not recorded as either an expenditure or a liability. The Borough approximates this liability at December 31, 2013 to be \$1,000,000. The Borough has \$350,646 in cash on hand to fund this liability, and anticipates funding an additional \$60,000 during CY2014.

B. Health Care Benefits

In addition to the pension benefits described in Note 10, the Borough provides, at its cost, post-employment health care benefits in accordance with the provisions of Chapter 88, P.L. 1974 as amended by Chapter 436, P.L. 1981 which permits local public employers to pay the premium charges for certain eligible pensioners and their dependents and to reimburse Part B Medicare premiums for such retirees and their spouses covered by the New Jersey State Health Benefits Program.

Pursuant to GASB Statement No. 45 ("GASB 45"), Accounting and Financial Reporting by Employers for Postemployment Benefits Other Than Pensions, the Borough obtained an actuarially determined calculation for this obligation.

The Borough's annual other postemployment benefits ("OPEB") costs for the Plan, which is currently funded on a pay-as-you-go basis and is a non-contributory plan with all plan payments for plan benefits being funded by the Borough, is calculated based on the annual required contribution ("ARC"), an amount actuarially determined in accordance with the parameters of GASB 45. The ARC represents a level of funding that, if paid on an ongoing basis, is projected to cover normal cost each year and interest on the net OPEB obligation and to amortize any unfunded actuarial liabilities (or funding excess) over a period not to exceed 30 years. The Borough's annual OPEB cost for the year ended December 31, 2012, and the related information for the plan are as follows:

**BOROUGH OF OAKLAND  
NOTES TO FINANCIAL STATEMENTS  
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**Note 12 - Other Post Retirement Benefits (Continued)**

B. Health Care Benefits (Continued)

Actuarial Accrued Liability

The Actuarial Accrued Liability ("AAL") as of December 31, 2012 is \$15,746,616 based upon a discount rate of 4.50% per annum and the plan provisions in effect on December 31, 2011. This represents the liability or obligation for benefits earned through the valuation date, based on certain actuarial methods and assumptions. The majority of this obligation is for current active employees.

Annual Required Contribution

The Annual Required Contribution ("ARC") is the measure of annual cost on an accrual basis. It is comprised of the "Normal Cost" which is the portion of future liabilities attributable to the measurement year, plus 30 year amortization of the Unfunded Actuarial Accrued Liability ("UAAL"). As of the measurement date, the plan had no assets to offset any portion of the AAL, so the UAAL and AAL are equal.

The ARC as of December 31, 2012 is \$1,194,235 based upon a discount rate of 4.50% per annum and the plan provisions in effect on December 31, 2012. The breakdown of the ARC is as follows:

(1) Normal Cost	\$227,526
(2) Actuarial Accrued Liability (AAL)	\$15,746,616
(3) Assets	\$0
(4) UAAL = (2)-(3)	\$15,746,616
(5) 30 Year Amortization of UAAL at Discount Rate	\$966,709
(6) ARC = (1)+(5)	\$1,194,235

**BOROUGH OF OAKLAND  
NOTES TO FINANCIAL STATEMENTS  
YEAR ENDED DECEMBER 31, 2013**

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**Note 12 - Other Post Retirement Benefits (Continued)**

B. Health Care Benefits (Continued)

Basis of Valuation

This valuation has been conducted as of December 31, 2012 based upon census, plan design and claims information provided by The Fund. Census includes 23 participants currently receiving retiree benefits, and 71 active participants of whom 15 are eligible to retire as of the valuation date. The average age of the active population is 48 and the average age of the retiree population is 68.

Actuarial assumptions were selected with the intention of satisfying the requirements of New Jersey Local Finance Notice 2007-15 in addition to Statement of Government Accounting Standard Number 45.

Demographic assumptions were selected based on those used in by the State Division of Pensions and Benefits in calculating pension benefits taken from the July 1, 2011 report from Buck Consultants. While some assumptions were simplified to reflect the smaller population, and to simplify the valuation process, the valuation results reasonably conform to the requirements of LFN 2007-15.

Health care (economic) assumptions were selected based on those used by the State Health Benefits Program in calculating SHBP member OPEB requirements taken from the July 1, 2011 report from Aon Consultants.

**BOROUGH OF OAKLAND  
NOTES TO FINANCIAL STATEMENTS  
YEAR ENDED DECEMBER 31, 2013**

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**Note 12 - Other Post Retirement Benefits (Continued)**

B. Health Care Benefits (Continued)

Key Actuarial Assumptions

Mortality - RP 2000 Combined Healthy Male Mortality Rates Set Forward Three Years

Turnover - NJ State Pensions Ultimate Withdrawal Rates- prior to benefits eligibility

Assumed Retirement Age - At first eligibility after completing 25 years of service

Full Attribution Period - Service to Assumed Retirement Age

Annual Discount Rate - 4.50%

Medical Trend - 8% in 2014, reducing by 0.5% per annum, leveling at 5% per annum in 2020

Medical Cost Aging Factor - NJ SHBP Medical Morbidity Rates

Attribution period – The attribution period begins with the date of hire and ends with full benefits eligibility date.

Per capita cost methods – The valuation reflects per capita net premium costs based on actual 2012 medical and dental premiums and the plan option selected. Plan selections are assumed to remain unchanged in retirement. The age specific cost was derived based on per person costs at the average age of the active population (48) and scaled to each age based on the medical cost aging factors. At age 65, Medicare becomes the primary payor of medical benefits and consequentially, per capita plan costs are offset by Medicare payments. Thus, post 65 costs were decreased using the assumption that Medicare picks up 66.7% of combined medical/prescription drug costs. 2012 employer contributions for retiree benefits as reported by the Fund are \$452,000.

**BOROUGH OF OAKLAND  
NOTES TO FINANCIAL STATEMENTS  
YEAR ENDED DECEMBER 31, 2013**

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**Note 12 - Other Post Retirement Benefits (Continued)**

B. Health Care Benefits (Continued)

Retiree Contributions – NJ Chapter 78 requires that certain future retirees contribute toward the cost of their benefits. Specifically, those who had retired prior to passage of Chapter 78 and those employees that had more than 25 years of service on the date of passage are grandfathered. All others are subject to the contribution rates in effect when they retire, but not less than 1.5% of their annual retirement allowance from the Public Employees Retirement System. For purposes of this valuation, we have assumed that future retiree contributions will be equal to the current contribution increased by trend so as not to understate actuarial measurements. Based on retiree data, 70% of future retirees are assumed to be married and 30% are assumed to be single.

Actuarial valuation method – Projected Unit Credit Funding Method

In the opinion of UHY Advisors (the Borough's Employee Benefits Consultants and actuaries), the actuarial assumptions are reasonable, taking into account the experience of the plan and reasonable expectations and individually represent their best estimate of anticipated experience under the plan.

Their measurements are based on the Borough's census, demographic, financial, and plan design information as provided to them by The Fund. Should any of this information change, their measurements could differ significantly.

**BOROUGH OF OAKLAND**  
**NOTES TO FINANCIAL STATEMENTS**  
**YEAR ENDED DECEMBER 31, 2013**

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**Note 13 - Contingencies**

A. Litigation

The Borough is a party to various legal proceedings which normally occur in the operation of government. These proceedings are not likely to have a materially adverse affect on the various funds of the Borough.

B. Tax Appeals

Various tax appeal cases were pending in the New Jersey Tax Court at December 31, 2013 and 2012. Amounts claimed have not yet been determined. The Borough is vigorously defending its assessments in each case. Under the accounting principles prescribed by the Division of Local Government Services, Department of Community Affairs, State of New Jersey, the Borough does not recognize a liability, if any, until these cases have been adjudicated. The Borough expects such amounts, if any, to be material. The Borough has \$335,949 in cash on hand to fund this liability, and anticipates funding an additional \$50,000 during CY2014. Funding of any additional liability would be provided for in succeeding years' budgets, from fund balance or by issuance of refunding bonds.

C. Federal and State Grants

The Borough participates in a number of federal and state programs that are fully or partially funded by grants received from other governmental units. Expenditures financed by grants are subject to audit by the appropriate grantor agency. If expenditures are disallowed, the Borough may be required to reimburse the grantor agency. As of December 31, 2013, significant amounts of grant expenditures have not been audited. The Borough believes that any future disallowed expenditures will not have a material effect on its financial position.

D. Refund of Prior Year Revenue

The Borough may have to refund prior year municipal court fines as a result of an order issued by the Bergen County Prosecutors Office. No written orders/instructions have been received by the Borough as of the date of this report. The Borough estimates the maximum exposure to be \$270,000. Funding of this liability would be provided for by use of Current Fund balance.

**BOROUGH OF OAKLAND  
NOTES TO FINANCIAL STATEMENTS  
YEAR ENDED DECEMBER 31, 2013**

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**Note 14 - Fund Balances Appropriated**

Fund balances at December 31 2013 and 2012 which were appropriated and included as anticipated revenue in their respective funds for the years ending December 31, 2014 and 2013 were as follows:

	<u>2014</u>	<u>2013</u>
Current Fund	\$ 570,000	\$ 511,000
Water Utility	87,000	50,000
Sewer Utility	36,000	25,000

**BOROUGH OF OAKLAND  
NOTES TO FINANCIAL STATEMENTS  
YEAR ENDED DECEMBER 31, 2013**

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**Note 15 - Economic Dependency**

The Borough of Oakland is not economically dependent on any one business or industry as a major source of tax revenue for the Borough.



**BOROUGH OF OAKLAND**  
**NOTES TO FINANCIAL STATEMENTS**  
**YEAR ENDED DECEMBER 31, 2013**

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**Note 16 - Subsequent Events**

As of the date of this report, the following are considered material subsequent events:

A. Subsequent Year Capital Projects

The Borough adopted a 6 year capital budget substantially consistent with policies established by the Governing Body. Copies of the most updated Capital Budget is on file in the office of the Borough Clerk. As of the date of this report, the Capital Budget planned for various public improvements with an estimated cost of \$3,076,500, with \$111,000 being funded from the 2014 Capital Improvement Fund, \$150,000 from 2014 budget appropriations, \$1,050,000 from future budget appropriations, and authorizing debt for the balance of \$1,765,500.

B. Bond Anticipation Notes

On February 7, 2014 the Borough issued Bond Anticipation Notes in the amount of \$9,823,121 comprised of \$7,959,121 of General Capital notes, \$1,632,000 of Water Utility Capital notes and \$232,000 of Sewer Utility Capital Notes to temporarily finance expenditures related to various capital projects. The Borough paid down \$579,899 to the maturing notes derived from the 2014 Current Fund budget (\$511,899), the 2014 Sewer Utility budget (\$40,000), and the 2014 Water Utility budget (\$28,000). The Borough has awarded the sale of said notes to TD Securities (USA), LLC, at a gross interest rate of 1.00% receiving a premium of \$50,884 producing a blended reduced effective interest rate. These notes will mature on December 10, 2014.

<u>Fund</u>	<u>Balance December 31, 2013</u>	<u>New Money</u>	<u>Paydowns</u>	<u>Issued February 7, 2014</u>
General Capital Fund	\$ 7,871,020	\$ 600,000	\$ (511,899)	\$ 7,959,121
Water Capital Utility Fund	1,660,000	-	(28,000)	1,632,000
Sewer Capital Utility Fund	272,000	-	(40,000)	232,000
	<u>\$ 9,803,020</u>	<u>\$ 600,000</u>	<u>\$ (579,899)</u>	<u>\$ 9,823,121</u>

**BOROUGH OF OAKLAND**  
**CURRENT FUND**  
**COMPARATIVE BALANCE SHEET (REGULATORY BASIS)**

	2013	2012
<u>ASSETS AND OTHER DEBITS</u>		
Cash:		
Current Account	\$ 5,003,138	\$ 5,019,000
Change Funds	275	275
	<u>\$ 5,003,413</u>	<u>\$ 5,019,275</u>
Intergovernmental Receivable:		
Due From State of New Jersey	\$ -	\$ 2,296
Other Receivables:		
Delinquent Property Taxes Receivable	\$ 43,973	\$ 46,920
Tax Title Liens Receivable	116,701	117,451
Property Acquired for Taxes - Assessed Valuation	1,054,950	1,054,950
	<u>\$ 1,215,624</u>	<u>\$ 1,219,321</u>
Deferred Charges:		
Special Emergency Authorizations (40A:4-53)	\$ 53,200	\$ 84,800
Total Assets and Other Debits	<u>\$ 6,272,237</u>	<u>\$ 6,325,692</u>
<u>LIABILITIES, RESERVES AND FUND BALANCE</u>		
Interfunds Payable:		
Municipal Open Space Trust Fund	\$ -	\$ 306
Appropriation Reserves	<u>\$ 1,162,372</u>	<u>\$ 1,367,486</u>
Reserve for Encumbrances	<u>\$ 617,978</u>	<u>\$ 644,751</u>
Other Liabilities and Reserves:		
Reserve for Tax Appeals	\$ 335,949	\$ 450,661
Reserve for Special Emergency Authorizations	27,386	29,360
Due Municipal Library for Added Taxes	-	1,129
Reserve for Library Tax Payable	56,264	57,448
Pre-Paid Taxes	175,438	210,840
Tax Overpayments	124,603	107,326
	<u>\$ 719,640</u>	<u>\$ 856,764</u>
Intergovernmental Payable		
Due County for Added & Omitted Taxes	\$ 9,850	\$ 7,590
Due to State of New Jersey	4,475	4,475
	<u>\$ 14,325</u>	<u>\$ 12,065</u>
Reserve for Receivables and Other Assets	<u>\$ 1,215,624</u>	<u>\$ 1,219,321</u>
Fund Balance	<u>\$ 2,542,298</u>	<u>\$ 2,224,999</u>
Total Liabilities, Reserves and Fund Balance	<u>\$ 6,272,237</u>	<u>\$ 6,325,692</u>

**BOROUGH OF OAKLAND**  
**CURRENT FUND**  
**SCHEDULE OF REVENUES AND OTHER CREDITS TO INCOME - REGULATORY BASIS**  
**YEAR ENDED DECEMBER 31, 2013**

	Budget As Modified	Realized	Excess/ (Deficit)
<b>REVENUES</b>			
Fund Balance Anticipated	\$ 511,000	\$ 511,000	\$ -
Miscellaneous Revenues:			
Alcoholic Beverage Licenses	\$ 24,000	\$ 24,450	\$ 450
Other Licenses	25,000	27,075	2,075
Fees and Permits	571,500	583,813	12,313
Municipal Court Fines and Costs	145,000	107,648	(37,352)
Interest and Costs on Taxes	56,500	55,151	(1,349)
Interest on Investments and Deposits	9,500	10,378	878
Consolidated Municipal Property Tax Relief	7,445	7,445	-
Energy Receipts Tax	1,304,724	1,304,724	-
Uniform Construction Code Fees	180,000	261,318	81,318
FEMA Hazard Mitigation Grant	98,000	98,000	-
Clean Communities Program	20,770	20,770	-
Recycling Tonnage Grant	29,565	29,565	-
Alcohol Education Rehabilitation Program	1,187	1,187	-
Body Armor Replacement Program	2,689	2,689	-
Municipal Alliance on Alcoholism and Drug Abuse - CY2013	9,876	9,876	-
Municipal Alliance on Alcoholism and Drug Abuse - 2014/2015	4,938	4,938	-
Police Accreditation Grant	25,000	25,000	-
Bergen County Open Space - Ramapo Valley Park	40,000	40,000	-
Bergen County Open Space - Van Allen/Stream House	44,400	44,400	-
NJ Motor Vehicle Fees	94,000	94,000	-
Uniform Fire Safety Act	30,500	33,048	2,548
Reserve for Payment of Debt Service	143,000	143,000	-
Reserve for Payment of Open Space Debt Service	100,000	100,000	-
General Capital Fund Balance	41,907	41,907	-
Cellular Tower Lease	122,000	133,089	11,089
Cablevision Franchise Fee	117,500	117,928	428
Verizon Franchise Fee	50,000	50,065	65
Real Property Lease	55,000	83,528	28,528
Sale of Recyclables	72,500	71,318	(1,182)
Shared Service Agreement - School Crossing Guards	5,500	6,084	584
Off-Duty Police Officer Administrative Fees	25,000	17,151	(7,849)
Pension Reimbursement From Library	46,798	46,798	-
Pension Reimbursement From Water	52,251	52,251	-
Pension Reimbursement From Sewer	9,984	9,984	-
Total Miscellaneous Revenues	\$ 3,566,034	\$ 3,658,578	\$ 92,544
Receipts From Delinquent Taxes	\$ 17,000	\$ 18,349	\$ 1,349
Amount to be Raised by Taxation for Municipal Budget	\$ 13,115,822	\$ 13,324,805	\$ 208,983
Minimum Library Tax	\$ 797,480	\$ 797,480	\$ -
Total Revenues	\$ 18,007,336	\$ 18,310,212	\$ 302,876

**BOROUGH OF OAKLAND**  
**CURRENT FUND**  
**SCHEDULE OF REVENUES AND OTHER CREDITS TO INCOME - REGULATORY BASIS**  
**YEAR ENDED DECEMBER 31, 2013**

	Budget As Modified	Realized	Excess/ (Deficit)
<u>OTHER CREDITS TO INCOME</u>			
Non-Budget Revenues	\$ -	\$ 80,096	\$ 80,096
Unexpended Balances of Appropriation Reserves	-	472,851	472,851
Interfund Loans Returned	-	-	-
Unexpended Balances Cancelled	-	4,677	4,677
Cancellations & Non-Cash Adjustments	-	11,399	11,399
Taxes Allocated to School and County:			
Local District School Tax	26,021,535	26,021,535	-
Regional High School Tax	10,036,751	10,036,751	-
County Tax Levy	5,436,285	5,436,285	-
County Open Space	59,928	59,928	-
Municipal Open Space Preservation	217,045	217,045	-
Added County Taxes	8,336	8,336	-
Added Municipal Library	1,184	1,184	-
Added Municipal Open Space	329	329	-
Total Other Credits to Income	<u>\$ 41,781,393</u>	<u>\$ 42,350,416</u>	<u>\$ 569,023</u>
Total Revenues and Other Credits to Income	<u>\$ 59,788,729</u>	<u>\$ 60,660,628</u>	<u>\$ 871,899</u>

**BOROUGH OF OAKLAND**

**CURRENT FUND**

**SCHEDULE OF EXPENDITURES AND OTHER CHARGES TO INCOME - REGULATORY BASIS**

**YEAR ENDED DECEMBER 31, 2013**

B-3

	Appropriated		Expended		Unexpended	
	2013 Budget	Budget After Modification	Paid or Charged	Reserved	Balance Canceled	Overexpended
OPERATIONS - WITHIN "CAPS"						
<u>General Government Functions</u>						
General Administration:						
Salaries and Wages	\$ 199,700	\$ 199,700	\$ 192,564	\$ 7,136	\$ -	\$ -
Other Expenses	7,500	7,500	2,119	5,381	-	-
Communication Committee:						
Other Expenses	15,000	15,000	10,579	4,421	-	-
General Services:						
Salaries and Wages	89,000	89,000	74,529	14,471	-	-
Other Expenses	62,000	62,000	57,170	4,830	-	-
Mayor and Council:						
Salaries and Wages	46,075	47,375	47,283	92	-	-
Other Expenses	30,000	30,000	18,832	11,168	-	-
Municipal Clerk:						
Salaries and Wages	75,525	75,775	75,738	37	-	-
Other Expenses	20,400	21,400	21,106	294	-	-
Elections:						
Salaries and Wages	2,300	4,300	4,300	-	-	-
Other Expenses	12,500	12,500	10,662	1,838	-	-
Financial Administration:						
Salaries and Wages	200,300	202,700	202,325	375	-	-
Other Expenses	22,000	22,000	18,516	3,484	-	-
Audit Services:						
Other Expenses	37,000	36,000	36,000	-	-	-
Computerized Data Processing:						
Other Expenses	44,000	44,000	37,750	6,250	-	-
Revenue Administration:						
Salaries and Wages	90,250	90,250	85,100	5,150	-	-
Other Expenses	16,450	16,450	4,216	12,234	-	-

## BOROUGH OF OAKLAND

B-3

## CURRENT FUND

## SCHEDULE OF EXPENDITURES AND OTHER CHARGES TO INCOME - REGULATORY BASIS

YEAR ENDED DECEMBER 31, 2013

	Appropriated		Expended		Unexpended	
	2013 Budget	Budget After Modification	Paid or Charged	Reserved	Balance Canceled	Overexpended
OPERATIONS - WITHIN "CAPS"						
<u>General Government Functions</u>						
Tax Assessment Administration:						
Salaries and Wages	117,600	117,600	117,563	37	-	-
Other Expenses	16,125	16,125	14,214	1,911	-	-
Legal Services:						
Other Expenses	195,000	195,000	153,788	41,212	-	-
Engineering Services:						
Other Expenses	35,000	35,000	27,500	7,500	-	-
<u>Land Use Administration</u>						
Planning Board:						
Salaries and Wages	30,500	30,500	30,085	415	-	-
Other Expenses	17,350	17,350	13,742	3,608	-	-
Zoning Board of Adjustment:						
Salaries and Wages	15,800	15,800	15,149	651	-	-
Other Expenses	7,800	7,800	5,883	1,917	-	-
<u>Insurance</u>						
General Liability	449,500	449,500	303,237	146,263	-	-
Worker Compensation Insurance	-	-	-	-	-	-
Employee Group Health	2,005,000	2,005,000	1,976,715	28,285	-	-

## BOROUGH OF OAKLAND

B-3

## CURRENT FUND

## SCHEDULE OF EXPENDITURES AND OTHER CHARGES TO INCOME - REGULATORY BASIS

YEAR ENDED DECEMBER 31, 2013

	Appropriated		Expended		Unexpended Balance Canceled	Overexpended
	2013 Budget	Budget After Modification	Paid or Charged	Reserved		
OPERATIONS - WITHIN "CAPS" (Continued)						
<u>Public Safety Functions</u>						
Police:						
Salaries and Wages	\$ 4,107,900	\$ 4,100,548	\$ 3,808,482	\$ 292,066	\$ -	\$ -
Other Expenses	143,750	148,187	145,813	2,374	-	-
Aid to Volunteer Ambulance Companies:						
Other Expenses	30,000	30,000	30,000	-	-	-
Flood Control Committee:						
Salaries and Wages	4,400	4,400	4,400	-	-	-
Other Expenses	1,500	1,500	255	1,245	-	-
Office of Emergency Management:						
Salaries and Wages	7,700	7,700	7,687	13	-	-
Other Expenses	10,500	10,500	4,964	5,536	-	-
Other Expenses - Emergency	-	-	-	-	-	-
Fire Department:						
Salaries and Wages	72,725	74,925	71,847	78	3,000	-
Other Expenses	105,100	104,100	66,103	37,997	-	-

## BOROUGH OF OAKLAND

B-3

## CURRENT FUND

## SCHEDULE OF EXPENDITURES AND OTHER CHARGES TO INCOME - REGULATORY BASIS

YEAR ENDED DECEMBER 31, 2013

	Appropriated		Expended		Unexpended	
	2013 Budget	Budget After Modification	Paid or Charged	Reserved	Balance Canceled	Overexpended
OPERATIONS - WITHIN "CAPS" (Continued)						
<u>Public Works Functions</u>						
Streets and Road Maintenance:						
Salaries and Wages	486,000	486,000	462,820	23,180	-	-
Other Expenses	119,650	119,650	115,160	4,490	-	-
Snow Removal:						
Salaries and Wages	45,000	45,000	45,000	-	-	-
Other Expenses	91,500	91,500	45,970	45,530	-	-
Shade Tree Commission:						
Other Expenses	20,000	20,000	16,437	3,563	-	-
Solid Waste Collection:						
Salaries and Wages	73,500	73,500	72,911	589	-	-
Other Expenses	1,060,000	1,060,000	937,356	122,644	-	-
Buildings and Grounds:						
Salaries and Wages	207,400	207,400	201,871	5,529	-	-
Other Expenses	133,000	133,000	126,548	6,452	-	-
Vehicle Maintenance:						
Salaries and Wages	64,400	64,400	63,629	771	-	-
Other Expenses	82,500	80,500	72,785	7,715	-	-
<u>Health and Human Services</u>						
Board of Health:						
Salaries and Wages	63,200	63,200	61,430	1,770	-	-
Other Expenses	147,000	147,000	110,735	36,265	-	-
Environmental Health Services Commission:						
Salaries and Wages	1,200	1,200	1,200	-	-	-
Other Expenses	700	700	579	121	-	-



## BOROUGH OF OAKLAND

B-3

## CURRENT FUND

## SCHEDULE OF EXPENDITURES AND OTHER CHARGES TO INCOME - REGULATORY BASIS

YEAR ENDED DECEMBER 31, 2013

	Appropriated		Expended		Unexpended	
	2013 Budget	Budget After Modification	Paid or Charged	Reserved	Balance Canceled	Overexpended
OPERATIONS - WITHIN "CAPS" (Continued)						
<u>Park and Recreation Functions</u>						
Board of Recreation Commissioners						
(R.S. 40:12-1 et seq.):						
Salaries and Wages	\$ 178,000	\$ 178,000	\$ 167,809	\$ 10,191	\$ -	\$ -
Other Expenses	302,400	302,400	279,477	22,923	-	-
Senior Citizens Activities						
Salaries and Wages	62,850	58,850	55,582	3,268	-	-
Other Expenses	33,550	33,550	27,608	5,942	-	-
<u>Other Common Operating Functions</u>						
Accumulated Leave Compensation:						
Salaries and Wages	60,000	60,000	60,000	-	-	-
<u>Municipal Court</u>						
Municipal Court Administration:						
Salaries and Wages	138,425	134,425	121,491	12,934	-	-
Other Expenses	8,650	8,650	5,135	3,515	-	-
Public Defender (P.L. 1997, C.256):						
Other Expenses	10,000	10,000	9,700	300	-	-
Municipal Prosecutor:						
Other Expenses	23,000	23,000	21,945	1,055	-	-
<u>Code Enforcement Administration</u>						
Uniform Construction Code Enforcement Functions:						
Salaries and Wages	240,100	240,100	237,638	2,462	-	-
Other Expenses	6,600	6,600	4,881	1,719	-	-

## BOROUGH OF OAKLAND

B-3

## CURRENT FUND

## SCHEDULE OF EXPENDITURES AND OTHER CHARGES TO INCOME - REGULATORY BASIS

YEAR ENDED DECEMBER 31, 2013

	Appropriated		Expended		Unexpended Balance Canceled	Overexpended
	2013 Budget	Budget After Modification	Paid or Charged	Reserved		
OPERATIONS - WITHIN "CAPS" (Continued)						
<u>Utility Expenses and Bulk Purchases</u>						
Gasoline	175,000	175,000	170,351	4,649	-	-
Electricity	115,000	115,000	90,584	24,416	-	-
Telephone and Telegraph	97,000	97,000	91,533	5,467	-	-
Natural Gas	25,000	25,000	15,880	9,120	-	-
Street Lighting	150,000	150,000	116,166	33,834	-	-
Total Operations - Within "CAPS"	\$ 12,563,875	\$ 12,558,110	\$ 11,506,427	\$ 1,048,683	\$ 3,000	\$ -
Contingent	5,000	5,000	-	5,000	-	-
Total Operations Including Contingent - Within "CAPS"	\$ 12,568,875	\$ 12,563,110	\$ 11,506,427	\$ 1,053,683	\$ 3,000	\$ -
Detail:						
Salaries and Wages	\$ 6,679,850	\$ 6,672,648	\$ 6,288,433	\$ 381,215	\$ 3,000	\$ -
Other Expenses	\$ 5,889,025	\$ 5,890,462	\$ 5,217,994	\$ 672,468	\$ -	\$ -

## BOROUGH OF OAKLAND

## CURRENT FUND

## SCHEDULE OF EXPENDITURES AND OTHER CHARGES TO INCOME - REGULATORY BASIS

YEAR ENDED DECEMBER 31, 2013

B-3

	Appropriated		Expended		Unexpended	
	2013 Budget	Budget After Modification	Paid or Charged	Reserved	Balance Canceled	Overexpended
DEFERRED CHARGES AND STATUTORY EXPENDITURES - WITHIN "CAPS"						
<u>Deferred Charges</u>						
Emergency Authorizations	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Overexpenditures of Appropriations	-	-	-	-	-	-
Expenditure Without Appropriation	-	-	-	-	-	-
	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>
<u>Statutory Expenditures</u>						
Public Employees' Retirement System	\$ 345,283	\$ 345,283	\$ 345,283	\$ -	\$ -	\$ -
Social Security System (O.A.S.I.)	462,000	462,000	454,369	7,631	-	-
Defined Contribution Retirement Program	750	750	443	307	-	-
Police and Firemen's Retirement System	726,912	726,912	726,912	-	-	-
	<u>\$ 1,534,945</u>	<u>\$ 1,534,945</u>	<u>\$ 1,527,007</u>	<u>\$ 7,938</u>	<u>\$ -</u>	<u>\$ -</u>
Total General Appropriations for Municipal Purposes - Within "CAPS"	\$ 14,103,820	\$ 14,098,055	\$ 13,033,434	\$ 1,061,621	\$ 3,000	\$ -

## BOROUGH OF OAKLAND

B-3

## CURRENT FUND

## SCHEDULE OF EXPENDITURES AND OTHER CHARGES TO INCOME - REGULATORY BASIS

YEAR ENDED DECEMBER 31, 2013

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	Appropriated		Expended		Unexpended	
	2013 Budget	Budget After Modification	Paid or Charged	Reserved	Balance Canceled	Overexpended
OPERATIONS - EXCLUDED FROM "CAPS"						
<u>Statutory Expenditures</u>						
Length of Service Awards Program (LOSAP)	83,000	83,000	-	83,000	-	-
<u>Other Public Works Functions</u>						
Stormwater Management - Salary & Wages	52,700	52,700	50,079	2,621	-	-
Stormwater Management - Other	31,000	31,000	24,616	6,384	-	-
<u>Public Safety</u>						
"9-1-1 System"	12,500	12,500	12,466	34	-	-
<u>Education</u>						
Maintenance of Free Public Library - Salary & Wages	422,000	422,000	422,000	-	-	-
Maintenance of Free Public Library - Other	375,480	375,480	375,480	-	-	-
<u>Reserve for Tax Appeals</u>						
Other Expenses	50,000	50,000	50,000	-	-	-

**BOROUGH OF OAKLAND**

B-3

**CURRENT FUND**

**SCHEDULE OF EXPENDITURES AND OTHER CHARGES TO INCOME - REGULATORY BASIS**

**YEAR ENDED DECEMBER 31, 2013**

	Appropriated		Expended		Unexpended	
	2013 Budget	Budget After Modification	Paid or Charged	Reserved	Balance Canceled	Overexpended
OPERATIONS - EXCLUDED FROM "CAPS" (Continued)						
<u>Public and Private Programs Offset by Revenues</u>						
Cash Match for Grants	\$ 27,500	\$ 27,500	\$ 27,500	\$ -	\$ -	\$ -
Municipal Alliance on Alcoholism and Drug Abuse - County	9,876	9,876	9,876	-	-	-
Municipal Alliance on Alcoholism and Drug Abuse - Local	2,469	2,469	2,469	-	-	-
Clean Communities Program	20,770	20,770	20,770	-	-	-
Recycling Tonnage Grant	29,565	29,565	29,565	-	-	-
Alcohol Education and Rehab Fund	1,187	1,187	1,187	-	-	-
FEMA - Hazard Mitigation	98,000	98,000	98,000	-	-	-
NJ Motor Vehicle Fees	94,000	94,000	92,422	-	1,578	-
Body Armor Replacement	2,689	2,689	2,689	-	-	-
Police Accreditation**	25,000	25,000	25,000	-	-	-
Bergen County Open Space - Ramapo Valley Park**	40,000	40,000	40,000	-	-	-
Bergen County Open Space - Van Allen/Stream House**	44,400	44,400	44,400	-	-	-
Municipal Alliance on Alcoholism and Drug Abuse - 14/15**	4,938	4,938	4,938	-	-	-
Total Operations Excluded from "CAPS"	\$ 1,427,074	\$ 1,427,074	\$ 1,333,457	\$ 92,039	\$ 1,578	\$ -
Detail:						
Salaries and Wages	\$ 474,700	\$ 474,700	\$ 472,079	\$ 2,621	\$ -	\$ -
Other Expenses	\$ 952,374	\$ 952,374	\$ 861,378	\$ 89,418	\$ 1,578	\$ -

**BOROUGH OF OAKLAND**

**CURRENT FUND**

**SCHEDULE OF EXPENDITURES AND OTHER CHARGES TO INCOME - REGULATORY BASIS**

**YEAR ENDED DECEMBER 31, 2013**

B-3

	Appropriated		Expended		Unexpended	
	2013 Budget	Budget After Modification	Paid or Charged	Reserved	Balance Canceled	Overexpended
<b>CAPITAL IMPROVEMENTS - EXCLUDED FROM "CAPS"</b>						
Capital Improvement Fund	\$ 150,000	\$ 150,000	\$ 150,000	\$ -	\$ -	\$ -
Capital Outlay	69,500	69,500	60,788	8,712	-	-
Total Capital Improvements - Excluded From "CAPS"	\$ 219,500	\$ 219,500	\$ 210,788	\$ 8,712	\$ -	\$ -
<b>DEBT SERVICE - EXCLUDED FROM "CAPS"</b>						
<u>Municipal Debt Service</u>						
Bond Principal	\$ 830,000	\$ 830,000	\$ 830,000	\$ -	\$ -	\$ -
Bond Interest	99,943	110,144	110,144	-	-	-
Note Interest	43,276	43,276	43,177	-	99	-
Payment of Bond Anticipation Notes	448,916	444,480	444,480	-	-	-
Total Debt Service - Excluded From "CAPS"	\$ 1,422,135	\$ 1,427,900	\$ 1,427,801	\$ -	\$ 99	\$ -
<b>DEFERRED CHARGES - EXCLUDED FROM "CAPS"</b>						
Shortfall in Grants Receivable	\$ 22,407	\$ 22,407	\$ 22,407	\$ -	\$ -	\$ -
Deferred Charges to Future Taxation - Unfunded	600,000	600,000	600,000	-	-	-
Special Emergency Authorizations - 5 Years (N.J.S. 40A:4-55)	31,600	31,600	31,600	-	-	-
	\$ 654,007	\$ 654,007	\$ 654,007	\$ -	\$ -	\$ -

**BOROUGH OF OAKLAND**

**CURRENT FUND**

**SCHEDULE OF EXPENDITURES AND OTHER CHARGES TO INCOME - REGULATORY BASIS**

**YEAR ENDED DECEMBER 31, 2013**

B-3

	Appropriated		Expended		Unexpended	
	2013 Budget	Budget After Modification	Paid or Charged	Reserved	Balance Canceled	Overexpended
Total General Appropriations for Municipal Purposes - Excluded from "CAP	\$ 3,722,716	\$ 3,728,481	\$ 3,626,053	\$ 100,751	\$ 1,677	\$ -
Subtotal General Appropriations	\$ 17,826,536	\$ 17,826,536	\$ 16,659,487	\$ 1,162,372	\$ 4,677	\$ -
Reserve for Uncollected Taxes	180,800	180,800	180,800	-	-	-
Total General Appropriations	<u>\$ 18,007,336</u>	<u>\$ 18,007,336</u>	<u>\$ 16,840,287</u>	<u>\$ 1,162,372</u>	<u>\$ 4,677</u>	<u>\$ -</u>
Budget Appropriations - Adopted Budget	\$ 17,892,998	\$ 17,892,998				
Budget Appropriations - Added by <u>N.J.S.</u> 40A:4-87	114,338	114,338				
Emergency Appropriations	-	-				
	<u>\$ 18,007,336</u>	<u>\$ 18,007,336</u>				
Other Charges to Income:						
Interfund Advances Originating in Current Year						
Refund of Prior Year's Revenue			43,600			
Taxes Allocated to School and County:						
Local District School Tax		26,021,535	26,021,535			
Regional High School Tax		10,036,751	10,036,751			
County Tax Levy		5,436,285	5,436,285			
County Open Space		59,928	59,928			
Municipal Open Space Preservation		217,045	217,045			
Added County Taxes		8,336	8,336			
Added Municipal Library		1,184	1,184			
Added Municipal Open Space		329	329			
		<u>\$ 41,781,393</u>	<u>\$ 41,824,993</u>			

**BOROUGH OF OAKLAND  
GRANT FUND  
COMPARATIVE BALANCE SHEET (REGULATORY BASIS)**

	2013	2012
<u>ASSETS</u>		
Cash	\$ 286,238	\$ 161,787
Intergovernmental Receivable: Grants Receivable	\$ 221,561	\$ 129,527
Total Assets	<u>\$ 507,799</u>	<u>\$ 291,314</u>
<u>LIABILITIES AND RESERVES</u>		
Reserve for Encumbrances	\$ 95,444	\$ 774
Other Liabilities and Reserves:		
Appropriated Reserves	\$ 344,313	\$ 236,329
Unappropriated Reserves	68,042	54,211
	<u>\$ 412,355</u>	<u>\$ 290,540</u>
Total Liabilities and Reserves	<u>\$ 507,799</u>	<u>\$ 291,314</u>



**BOROUGH OF OAKLAND**  
**GRANT FUND**  
**SCHEDULE OF GRANTS RECEIVABLE**  
**YEAR ENDED DECEMBER 31, 2013**

C-2

Program	Balance December 31, 2012	2013		Received	Unappropriated Reserve Applied	Adjustments	Balance December 31, 2013
		Budget	Appropriation By 40A:4-87				
<u>Federal:</u>							
U.S. Department of HUD - CDBG Grant	\$ 60,010	\$ -	\$ -	\$ 22,407	\$ -	\$ (37,603)	\$ -
FEMA Hazard Mitigation Grant	-	98,000	-	-	-	-	98,000
	<u>\$ 60,010</u>	<u>\$ 98,000</u>	<u>\$ -</u>	<u>\$ 22,407</u>	<u>\$ -</u>	<u>\$ (37,603)</u>	<u>\$ 98,000</u>
<u>State:</u>							
Municipal Alliance on Alcoholism and Drug Abuse - CY2013	\$ 3,156	\$ 9,876	\$ -	\$ 10,840	\$ -	\$ -	\$ 2,192
Municipal Alliance on Alcoholism and Drug Abuse - 2014/2015	-	-	4,938	-	-	-	4,938
Clean Communities Program	-	20,770	-	-	20,770	-	-
Recycling Tonnage Grant	-	29,565	-	-	29,565	-	-
Alcohol Education & Rehabilitation Fund	-	1,187	-	-	1,187	-	-
Body Armor Replacement Program - State	-	2,689	-	-	2,689	-	-
ANJEC Sustainable Land Use Grant	8,000	-	-	-	-	-	8,000
Police Accreditation Grant	-	-	25,000	25,000	-	-	-
New Jersey DOT - Passed Thru County of Bergen - ADA Ramps	5,000	-	-	-	-	(5,000)	-
Highlands - Plan Conformance	48,537	-	-	29,330	-	-	19,207
Highlands - Transfer Development Rights	4,824	-	-	-	-	-	4,824
	<u>\$ 69,517</u>	<u>\$ 64,087</u>	<u>\$ 29,938</u>	<u>\$ 65,170</u>	<u>\$ 54,211</u>	<u>\$ (5,000)</u>	<u>\$ 39,161</u>
<u>Other:</u>							
Bergen County Open Space - Ramapo Valley Park	\$ -	\$ -	\$ 40,000	\$ -	\$ -	\$ -	\$ 40,000
Bergen County Open Space - Van Allen/Stream House	-	-	44,400	-	-	-	44,400
NJ Motor Vehicle Service	-	94,000	-	86,245	-	(7,755)	-
	<u>\$ -</u>	<u>\$ 94,000</u>	<u>\$ 84,400</u>	<u>\$ 86,245</u>	<u>\$ -</u>	<u>\$ (7,755)</u>	<u>\$ 84,400</u>
Grand Total	<u>\$ 129,527</u>	<u>\$ 256,087</u>	<u>\$ 114,338</u>	<u>\$ 173,822</u>	<u>\$ 54,211</u>	<u>\$ (50,358)</u>	<u>\$ 221,561</u>

**BOROUGH OF OAKLAND**  
**GRANT FUND**  
**SCHEDULE OF APPROPRIATED RESERVES**  
**YEAR ENDED DECEMBER 31, 2013**

C-3

Program	Balance December 31, 2012	2013			Paid or Charged	Cancellations and Adjustments	Balance December 31, 2013
		Budget	Transfers	Appropriation By 40A:4-87			
<u>Federal:</u>							
U.S. Department of HUD - CDBG Grant	\$ 37,604	\$ -	\$ -	\$ -	\$ -	\$ (37,604)	\$ -
U.S. Department of Homeland Security - NJ State Police OEM Grant	5,000	-	-	-	2,973	-	2,027
FEMA Hazard Mitigation Grant	-	98,000	-	-	2,000	-	96,000
	<u>\$ 42,604</u>	<u>\$ 98,000</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 4,973</u>	<u>\$ (37,604)</u>	<u>\$ 98,027</u>
<u>State:</u>							
Recycling Tonnage Grant	\$ 95,478	\$ 29,565	\$ -	\$ -	\$ 26,813	\$ -	\$ 98,230
Clean Communities Program	33,477	20,770	-	-	15,251	-	38,996
Body Armor Replacement Program - State	5,522	2,689	-	-	-	-	8,211
Drunk Driving Enforcement Fund	9,677	-	-	-	1,776	-	7,901
Alcohol Education & Rehabilitation Fund	979	1,187	-	-	-	-	2,166
Municipal Alliance on Alcoholism and Drug Abuse - County - CY2013	19,435	9,876	-	-	8,462	-	20,849
Municipal Alliance on Alcoholism and Drug Abuse - Local - CY2013	1,021	2,469	-	-	2,469	-	1,021
Municipal Alliance on Alcoholism and Drug Abuse - Local - 2014/2015	-	-	-	4,938	-	-	4,938
H1N1 Flu Grant	211	-	-	-	-	(211)	-
New Jersey DOT - Passed Thru County of Bergen - ADA Improvements - Local	5,000	-	-	-	-	(5,000)	-
ANJEC Sustainable Land Use Grant	8,000	-	-	-	8,000	-	-
Police Accreditation Grant	-	-	25,000	25,000	39,000	-	11,000
Emergency Management Assistance	2,460	-	-	-	2,460	-	-
Highlands - Plan Conformance	12,465	-	-	-	5,232	-	7,233
	<u>\$ 193,725</u>	<u>\$ 66,556</u>	<u>\$ 25,000</u>	<u>\$ 29,938</u>	<u>\$ 109,463</u>	<u>\$ (5,211)</u>	<u>\$ 200,545</u>
<u>Other:</u>							
Bergen County Open Space - Ramapo Valley Park	\$ -	\$ -	\$ 5,000	\$ 40,000	\$ 11,259	\$ -	\$ 33,741
Bergen County Open Space - Van Allen/Stream House	-	-	3,000	44,400	35,400	-	12,000
NJ Motor Vehicle Service	-	94,000	-	-	86,245	(7,755)	-
	<u>\$ -</u>	<u>\$ 94,000</u>	<u>\$ 8,000</u>	<u>\$ 84,400</u>	<u>\$ 132,904</u>	<u>\$ (7,755)</u>	<u>\$ 45,741</u>
Grand Total	<u>\$ 236,329</u>	<u>\$ 258,556</u>	<u>\$ 33,000</u>	<u>\$ 114,338</u>	<u>\$ 247,340</u>	<u>\$ (50,570)</u>	<u>\$ 344,313</u>

**BOROUGH OF OAKLAND  
GRANT FUND  
SCHEDULE OF UNAPPROPRIATED RESERVES  
YEAR ENDED DECEMBER 31, 2013**

C-4

Program	Balance December 31, 2012	Appropriated in 2013	Received in 2013	Adjustments	Balance December 31, 2013
<u>State:</u>					
Clean Communities Program	\$ 20,770	\$ 20,770	\$ 24,386	\$ -	\$ 24,386
Body Armor Replacement Program	2,689	2,689	-	-	-
Recycling Tonnage Grant	29,565	29,565	27,368	-	27,368
Alcohol Education & Rehabilitation Grant	1,187	1,187	1,425	-	1,425
Drunk Driving Enforcement Fund	-	-	9,863	-	9,863
Emergency Management Grant	-	-	5,000	-	5,000
	<u>\$ 54,211</u>	<u>\$ 54,211</u>	<u>\$ 68,042</u>	<u>\$ -</u>	<u>\$ 68,042</u>

**BOROUGH OF OAKLAND**  
**TRUST FUND**  
**COMPARATIVE BALANCE SHEET (REGULATORY BASIS)**

	2013	2012
<u>ASSETS</u>		
Cash:		
Trust & Escrow Deposit Account	\$ 2,473,981	\$ 2,173,066
Unemployment Account	199,432	199,230
Municipal Open Space Trust Account	642,151	536,786
Landfill Closure Account	2,084	2,082
Payroll Agency Account	904	53,685
Animal Control Account	22,977	25,577
Animal Control - Change Fund	50	50
COAH Trust Fund	611,521	604,549
Lien Redemption Trust Fund	436,705	280,583
Flexible Spending Account	2,469	2,684
Health Benefits Account	32,658	58,725
	<u>\$ 4,424,932</u>	<u>\$ 3,937,017</u>
Deferred Compensation Plan Assets:		
Lincoln Financial Group	\$ 946,957	\$ 728,842
Interfund Receivable:		
Current Fund	\$ -	\$ 306
General Capital	1,250,000	-
	<u>\$ 1,250,000</u>	<u>\$ 306</u>
Total Assets	<u>\$ 6,621,889</u>	<u>\$ 4,666,165</u>
<u>LIABILITIES AND RESERVES</u>		
Other Liabilities and Reserves:		
Payroll Deductions Payable	\$ 904	\$ 53,685
Outside Lien Redemptions Payable	436,705	280,583
	<u>\$ 437,609</u>	<u>\$ 334,268</u>
Reserve for Animal Control Expenditures	\$ 23,027	\$ 25,627
Reserve for Developers and Escrow Deposits	286,925	283,020
Reserve for Landfill Closure	2,084	2,082
Reserve for Municipal Open Space	642,151	537,092
Reserve for Unemployment Claims	199,432	199,230
Reserve for Flexible Spending Account Expenditures	2,469	2,684
Reserve for COAH Expenditures	611,521	604,549
Reserve for Board of Recreation Commission Expenditures	95,937	68,457
Reserve for Celebration of Public Events and Centennial Celebration	108,840	105,181
Reserve for Municipal Alliance on Alcohol & Drug Abuse Expenditures	10,745	15,168
Reserve for Library Settlement Expenditures	314,675	242,070
Reserve for Health Benefit Claims	2,089,350	574,451
Reserve for Deferred Compensation	946,957	728,842
Reserve for Soil Movement	15,367	13,367
Reserve for Performance Bond	245,861	196,843
Reserve for Board of Health - Marriage Licenses	2,305	2,305
Reserve for Recycling Containers	599	2,790
Reserve for Shade Tree	11,728	10,753
Reserve for POAA	970	890
Reserve for Oakland Farmers Market Expenditures	4,718	2,539
Reserve for Public Defender	11,312	8,862
Reserve for Snow Removal	153,999	105,107
Reserve for Accumulated Absence	350,646	578,575
Reserve for Off-Duty Police Officer	52,662	21,413
	<u>\$ 6,184,280</u>	<u>\$ 4,331,897</u>
	<u>\$ 6,621,889</u>	<u>\$ 4,666,165</u>

**BOROUGH OF OAKLAND  
GENERAL CAPITAL FUND  
COMPARATIVE BALANCE SHEET (REGULATORY BASIS)**

	2013	2012
<u>ASSETS</u>		
Cash:		
General Capital Account	\$ 283,145	\$ 774,695
Community Development Account	1	1
	<u>\$ 283,146</u>	<u>\$ 774,696</u>
Intergovernmental Receivable:		
Grants Receivable	<u>\$ -</u>	<u>\$ 346,725</u>
Deferred Charges:		
Funded	\$ 1,850,000	\$ 2,680,000
Unfunded	14,790,739	13,430,789
	<u>\$ 16,640,739</u>	<u>\$ 16,110,789</u>
Total Assets	<u>\$ 16,923,885</u>	<u>\$ 17,232,210</u>
<u>LIABILITIES AND FUND BALANCE</u>		
Reserve for Encumbrances	<u>\$ 1,598,000</u>	<u>\$ 50,667</u>
Interfund Payables:		
Due To - Other Trust Fund	<u>\$ 1,250,000</u>	<u>\$ -</u>
Other Liabilities and Reserves:		
Capital Improvement Fund	\$ 42,253	\$ 294,853
Reserve for Preliminary Plan Expenses - Ramapo River	9,000	29,549
Reserve for Payment of Debt Service	74,533	143,520
	<u>\$ 125,786</u>	<u>\$ 467,922</u>
Improvement Authorizations:		
Funded	\$ 400,090	\$ 1,049,820
Unfunded	3,783,528	6,443,036
	<u>\$ 4,183,618</u>	<u>\$ 7,492,856</u>
Serial Bonds Payable	<u>\$ 1,850,000</u>	<u>\$ 2,680,000</u>
Bond Anticipation Notes Payable	<u>\$ 7,871,020</u>	<u>\$ 6,459,020</u>
Fund Balance	<u>\$ 45,461</u>	<u>\$ 81,745</u>
Total Liabilities and Fund Balance	<u>\$ 16,923,885</u>	<u>\$ 17,232,210</u>

**BOROUGH OF OAKLAND**  
**GENERAL CAPITAL FUND**  
**SCHEDULE OF DEFERRED CHARGES TO FUTURE TAXATION - FUNDED**  
**YEAR ENDED DECEMBER 31, 2013**

E-2

Description	Balance December 31, 2012	Issued In 2013	Paid by Budget Appropriation	Balance December 31, 2013
6/1/2003 General Improvement Bonds	\$ 1,174,000	\$ -	\$ 590,000	\$ 584,000
6/1/2007 General Improvement Bonds (A)	736,000	-	70,000	666,000
6/1/2007 General Improvement Bonds (C)	770,000	-	170,000	600,000
	<u>\$ 2,680,000</u>	<u>\$ -</u>	<u>\$ 830,000</u>	<u>\$ 1,850,000</u>

**BOROUGH OF OAKLAND  
GENERAL CAPITAL FUND  
SCHEDULE OF DEFERRED CHARGES TO FUTURE TAXATION - UNFUNDED  
YEAR ENDED DECEMBER 31, 2013**

E-3

Improvement	Balance December 31, 2012	Authorized	Raised In Budget Paydowns	Raised In Budget Def. Charges	Other Cash Receipts	Serial Bonds Issued	Cancellations	Balance December 31, 2013	Analysis of Balance		
									Outstanding BANs	B&N Authorized	Capital Cash
#06-544 Various Capital Improvements	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
#07-558 Various Capital Improvements	-	-	-	-	-	-	-	-	-	-	-
#07-561/#09-588 Various Capital Improvements	560,623	-	(156,480)	(143,520)	-	-	-	260,623	260,623	-	-
#08-567 Acquisition of Real Property	2,400,000	-	(68,000)	-	-	-	-	2,332,000	2,332,000	-	-
#08-586 Various Capital Improvements	980,397	-	(188,000)	-	-	-	-	792,397	792,397	-	-
#09-607 Acquisition of Real Property	2,290,000	-	(32,000)	-	-	-	-	2,258,000	2,258,000	-	-
#07-561/09-588 Various Capital Improvements	228,000	-	-	-	-	-	-	228,000	228,000	-	-
#10-617 Various Capital Improvements	430,067	-	-	(401,291)	-	-	-	28,776	-	28,776	-
#10-621 Allerman Brook - Supplemental	65,500	-	-	-	-	-	(65,500)	-	-	-	-
#10-636 Various Capital Improvements	1,045,277	-	-	-	(40,118)	-	(17,806)	987,353	-	987,353	-
#11-643 Various Capital Imp (10-636 Supp)	282,388	-	-	-	(56,039)	-	-	226,349	-	226,349	-
#11-652 Various Capital Improvements	1,211,962	-	-	-	-	-	-	1,211,962	-	1,211,962	-
#12-663 New DPW Building	2,000,000	-	-	-	-	-	-	2,000,000	2,000,000	-	-
#12-670 Various Capital Improvements	1,808,325	-	-	-	(276,375)	-	(12,409)	1,519,541	-	1,519,541	-
#12-677 Monhegan Ave. Drainage Improvements	128,250	-	-	-	-	-	(62,912)	65,338	-	65,338	-
#13-684 New DPW Building - Supplemental	-	190,000	-	-	-	-	-	190,000	-	190,000	-
#13-690 Recreation Improvements	-	2,690,400	-	-	-	-	-	2,690,400	-	2,690,400	-
	<u>\$ 13,430,789</u>	<u>\$ 2,880,400</u>	<u>\$ (444,480)</u>	<u>\$ (544,811)</u>	<u>\$ (372,532)</u>	<u>\$ -</u>	<u>\$ (158,627)</u>	<u>\$ 14,790,739</u>	<u>\$ 7,871,020</u>	<u>\$ 6,919,719</u>	<u>\$ -</u>
Bond Anticipation Notes Payable	\$ 6,459,020							\$ 7,871,020			
Bond Anticipation Notes Paid With Capital Cash	-							-			
Bonds and Notes Authorized but not Issued	6,971,769							6,919,719			
	<u>\$ 13,430,789</u>							<u>\$ 14,790,739</u>			

BOROUGH OF OAKLAND  
GENERAL CAPITAL FUND  
SCHEDULE OF IMPROVEMENT AUTHORIZATIONS  
YEAR ENDED DECEMBER 31, 2013

E-4

Description	Authorized										Cancellations and Adjustments	Balance - December 31, 2013	
	Balance - January 1, 2013		Capital Improvement Fund	Capital Surplus	Grants	Bonds & Notes	Expended	Refunded	Funded	Unfunded			
	Funded	Unfunded											
#99-362/02-429/02-430 Library Addition	\$ 329,323	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 73,569	\$ -	\$ -	\$ 255,754	\$ -		
#06-534 Flood Control Allerman Brook	-	158,500	-	-	-	-	-	-	(158,500)	-	-		
#07-561 Various Capital Improvements	-	160,848	-	-	-	-	63,266	-	2,321	-	99,903		
#08-567 Acquisition of Real Property	-	93,516	-	-	-	-	1,035	-	1,079	-	93,560		
#08-586 Various Capital Improvements	-	513,712	-	-	-	-	510,985	-	7,181	-	9,908		
#09-607 Acquisition of Real Property	-	173,783	-	-	-	-	3,317	-	-	-	170,466		
#10-618 Various Capital Improvements	6,000	-	-	-	-	-	750	-	(5,000)	250	-		
#10-621 Allerman Brook - Supplemental	-	31,290	-	-	-	-	-	-	(31,290)	-	-		
#10-636 Various Capital Improvements	-	305,650	-	-	-	-	95,626	-	(10,406)	-	199,618		
#11-643 Various Capital Imp (10-636 Supp)	-	230,667	-	-	-	-	-	-	-	-	230,667		
#11-652 Various Capital Improvements	-	1,153,492	-	-	-	-	960,076	-	-	-	193,416		
#11-653 Purchase of Capital Equipment	70,866	-	-	-	-	-	76,127	-	5,261	-	-		
#12-663 New DPW Building	326,363	2,000,000	-	-	-	-	2,310,178	-	-	-	16,185		
#12-670 Various Capital Improvements	-	1,493,328	-	-	-	-	824,030	-	(12,409)	-	656,889		
#12-671 Purchase of Capital Equipment	310,518	-	-	-	-	-	273,250	-	(1,222)	36,046	-		
#12-677 Monhegan Ave. Drainage Improvements	6,750	128,250	-	-	-	-	72,089	-	(62,911)	-	-		
#13-684 New DPW Building - Supplemental	-	-	10,000	-	-	190,000	196,477	-	-	-	3,523		
#13-689 Various Capital Improvements	-	-	270,500	-	-	-	162,460	-	-	108,040	-		
#13-690 Recreation Improvements	-	-	141,600	-	-	2,690,400	722,607	-	-	-	2,109,393		
	\$ 1,049,820	\$ 6,443,036	\$ 422,100	\$ -	\$ -	\$ 2,880,400	\$ 6,345,842	\$ -	\$ (265,896)	\$ 400,090	\$ 3,783,528		



**BOROUGH OF OAKLAND  
GENERAL CAPITAL FUND  
SCHEDULE OF SERIAL BONDS PAYABLE  
YEAR ENDED DECEMBER 31, 2013**

E-5

<u>Date of Issue - Purpose</u>	<u>Total Amount of Issue</u>	<u>Balance December 31, 2012</u>	<u>Issued In 2013</u>	<u>Paid by Budget Appropriation</u>	<u>Balance December 31, 2013</u>
6/1/2003 General Improvement Bonds	4,494,000	\$ 1,174,000	\$ -	\$ 590,000	\$ 584,000
6/1/2007 General Improvement Bonds (A)	1,096,000	736,000	-	70,000	666,000
6/1/2007 General Improvement Bonds (C)	1,580,000	770,000	-	170,000	600,000
		<u>\$ 2,680,000</u>	<u>\$ -</u>	<u>\$ 830,000</u>	<u>\$ 1,850,000</u>

**BOROUGH OF OAKLAND  
GENERAL CAPITAL FUND  
SCHEDULE OF BOND ANTICIPATION NOTES PAYABLE  
YEAR ENDED DECEMBER 31, 2013**

E-6

Improvement Description	Amount of Original Note	Date of Original Note	Date of Issue	Date of Maturity	Interest Rate	Balance December 31, 2012	Issued	Decreased	Budget Appropriation and Receipts	Receipts Applied	Balance December 31, 2013
<u>12-4R</u>											
#07-561/09-588 Various Capital Improvements	997,500	10/30/08	02/10/12	02/08/13	0.67%	560,623	-	260,623	300,000	-	-
#08-567 Various Capital Improvements	5,045,000	10/30/08	02/10/12	02/08/13	0.67%	2,400,000	-	2,332,000	68,000	-	-
<u>12-3R</u>											
#08-586 Various Capital Improvements	1,067,695	02/11/09	02/10/12	02/08/13	0.67%	980,397	-	792,397	188,000	-	-
#07-561/09-588 Various Capital Improvements	228,000	02/11/09	02/10/12	02/08/13	0.67%	228,000	-	228,000	-	-	-
<u>12-2R</u>											
#09-607 Acquisition of Real Property	2,490,000	05/27/10	02/10/12	02/08/13	0.67%	2,290,000	-	2,258,000	32,000	-	-
<u>13-6R</u>											
#07-561/09-588 Various Capital Improvements	997,500	10/30/08	02/08/13	02/08/14	1.25%	-	260,623	-	-	-	260,623
#08-567 Various Capital Improvements	5,045,000	10/30/08	02/08/13	02/08/14	1.25%	-	2,332,000	-	-	-	2,332,000
<u>13-5R</u>											
#08-586 Various Capital Improvements	1,067,695	02/11/09	02/08/13	02/08/14	1.25%	-	792,397	-	-	-	792,397
#07-561/09-588 Various Capital Improvements	228,000	02/11/09	02/08/13	02/08/14	1.25%	-	228,000	-	-	-	228,000
<u>13-4R</u>											
#09-607 Acquisition of Real Property	2,490,000	05/27/10	02/08/13	02/08/14	1.25%	-	2,258,000	-	-	-	2,258,000
<u>13-2R</u>											
#12-663 New DPW Building	2,000,000	02/08/13	02/08/13	02/08/14	1.25%	-	2,000,000	-	-	-	2,000,000
						<u>\$ 6,459,020</u>	<u>\$ 7,871,020</u>	<u>\$ 5,871,020</u>	<u>\$ 588,000</u>	<u>\$ -</u>	<u>\$ 7,871,020</u>

**BOROUGH OF OAKLAND**  
**GENERAL CAPITAL FUND**  
**SCHEDULE OF BONDS AND NOTES AUTHORIZED BUT NOT ISSUED**  
**YEAR ENDED DECEMBER 31, 2013**

E-7

Improvement Description	Balance December 31, 2012	Authorized	BANs Issued	Raised	Cancellations/ Adjustments	Balance December 31, 2013
#10-617 Various Capital Improvements	\$ 430,067	\$ -	\$ -	\$ (401,291)	\$ -	\$ 28,776
#10-621 Allerman Brook - Supplemental	65,500	-	-	-	(65,500)	-
#10-636 Various Capital Improvements	1,045,277	-	-	-	(57,924)	987,353
#11-643 Various Capital Imp (10-636 Supp)	282,388	-	-	-	(56,039)	226,349
#11-652 Various Capital Improvements	1,211,962	-	-	-	-	1,211,962
#12-663 New DPW Building	2,000,000	-	(2,000,000)	-	-	-
#12-670 Various Capital Improvements	1,808,325	-	-	-	(288,784)	1,519,541
#12-677 Monhegan Ave. Drainage Improvements	128,250	-	-	-	(62,912)	65,338
#13-684 New DPW Building - Supplemental	-	190,000	-	-	-	190,000
#13-690 Recreation Improvements	-	2,690,400	-	-	-	2,690,400
	<u>\$ 6,971,769</u>	<u>\$ 2,880,400</u>	<u>\$ (2,000,000)</u>	<u>\$ (401,291)</u>	<u>\$ (531,159)</u>	<u>\$ 6,919,719</u>

**BOROUGH OF OAKLAND  
WATER UTILITY OPERATING FUND  
COMPARATIVE BALANCE SHEET - REGULATORY BASIS**

	2013	2012
<u>ASSETS</u>		
Cash:		
Operating Account	\$ 850,874	\$ 768,764
Change Funds	50	50
	<u>\$ 850,924</u>	<u>\$ 768,814</u>
Consumer Accounts Receivable	<u>\$ 174,473</u>	<u>\$ 217,388</u>
Total Assets	<u><u>\$ 1,025,397</u></u>	<u><u>\$ 986,202</u></u>
<u>LIABILITIES AND FUND BALANCE</u>		
Reserve for Encumbrances	<u>\$ 30,217</u>	<u>\$ 61,358</u>
Appropriation Reserves	<u>\$ 95,592</u>	<u>\$ 100,559</u>
Other Liabilities and Reserves:		
Accrued Interest on Bonds	\$ 2,050	\$ 4,120
Overpayments	16,116	13,783
Reserve for Rate Stabilization	100,000	100,000
	<u>\$ 118,166</u>	<u>\$ 117,903</u>
Reserve for Receivables	<u>\$ 174,473</u>	<u>\$ 217,388</u>
Fund Balance	<u>\$ 606,949</u>	<u>\$ 488,994</u>
Total Liabilities and Fund Balance	<u><u>\$ 1,025,397</u></u>	<u><u>\$ 986,202</u></u>

**BOROUGH OF OAKLAND**  
**WATER UTILITY OPERATING FUND**  
**SCHEDULE OF REVENUES AND OTHER CREDITS TO INCOME - REGULATORY BASIS**  
**YEAR ENDED DECEMBER 31, 2013**

	Anticipated Budget	Realized	Excess/ (Deficit)
Operating Surplus Anticipated	\$ 50,000	\$ 50,000	\$ -
Rents	\$ 1,841,100	\$ 1,829,844	\$ (11,256)
Miscellaneous:			
Interest on Delinquent Accounts	\$ 18,000	\$ 12,880	\$ (5,120)
Hydrants	-	-	-
Reserve for Debt Service	-	-	-
Total Miscellaneous	\$ 18,000	\$ 12,880	\$ (5,120)
	\$ 1,909,100	\$ 1,892,724	\$ (16,376)
Other Credits to Income:			
Non-Budget Revenues	\$ -	\$ -	\$ -
Unexpended Balance of Appropriation Reserves	-	119,278	119,278
Unexpended Balances Cancelled	-	65,053	65,053
Cancellations and Adjustments	-	-	-
	\$ -	\$ 184,331	\$ 184,331
Total Revenues and Credits to Income	\$ 1,909,100	\$ 2,077,055	\$ 167,955

**BOROUGH OF OAKLAND**  
**WATER UTILITY OPERATING FUND**  
**SCHEDULE OF EXPENDITURES AND OTHER CHARGES TO INCOME - REGULATORY BASIS**  
**YEAR ENDED DECEMBER 31, 2013**

F-3

	Appropriations		Expended		Unexpended		
	Adopted Budget	Budget After Modification	Paid or Charged	Reserved	Balance Canceled	Overexpenditure	
Operating:							
Salaries and Wages	\$ 584,000	\$ 584,000	\$ 558,647	\$ 25,353	\$ -	\$ -	
Other Expenses:							
Other Expenses	\$ 239,800	\$ 239,800	\$ 160,231	\$ 29,569	\$ 50,000	\$ -	
Utilities	257,500	257,500	218,906	38,594	-	-	
Group Insurance	105,000	105,000	105,000	-	-	-	
Other Insurance	49,500	49,500	49,500	-	-	-	
	<u>\$ 651,800</u>	<u>\$ 651,800</u>	<u>\$ 533,637</u>	<u>\$ 68,163</u>	<u>\$ 50,000</u>	<u>\$ -</u>	
Capital Improvements:							
Capital Improvement Fund	\$ 89,000	\$ 89,000	\$ 89,000	\$ -	\$ -	\$ -	
Capital Outlay	228	228	-	228	-	-	
	<u>\$ 89,228</u>	<u>\$ 89,228</u>	<u>\$ 89,000</u>	<u>\$ 228</u>	<u>\$ -</u>	<u>\$ -</u>	
Debt Service:							
Payment of Bonds	\$ 430,000	\$ 430,000	\$ 430,000	\$ -	\$ -	\$ -	
Interest on Bonds	52,193	52,193	37,171	-	15,022	-	
Interest on Notes	5,628	5,628	5,597	-	31	-	
	<u>\$ 487,821</u>	<u>\$ 487,821</u>	<u>\$ 472,768</u>	<u>\$ -</u>	<u>\$ 15,053</u>	<u>\$ -</u>	
Deferred Charges:							
Emergency Authorizations	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	
Overexpenditures	-	-	-	-	-	-	
	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	
Statutory Expenditures:							
Public Employees Retirement System	\$ 52,251	\$ 52,251	\$ 52,251	\$ -	\$ -	\$ -	
Social Security System	44,000	44,000	42,152	1,848	-	-	
Unemployment Compensation	-	-	-	-	-	-	
	<u>\$ 96,251</u>	<u>\$ 96,251</u>	<u>\$ 94,403</u>	<u>\$ 1,848</u>	<u>\$ -</u>	<u>\$ -</u>	
Deficit in Operations in Prior Years	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	
Total Appropriations	<u>\$ 1,909,100</u>	<u>\$ 1,909,100</u>	<u>\$ 1,748,455</u>	<u>\$ 95,592</u>	<u>\$ 65,053</u>	<u>\$ -</u>	

**BOROUGH OF OAKLAND  
WATER UTILITY CAPITAL FUND  
COMPARATIVE BALANCE SHEET - REGULATORY BASIS**

	2013	2012
<u>ASSETS</u>		
Cash:		
Operating Account	\$ 600,965	\$ 328,593
Investments - Certificate of Deposit	-	-
	<u>\$ 600,965</u>	<u>\$ 328,593</u>
Fixed Capital	<u>\$ 10,589,757</u>	<u>\$ 10,589,757</u>
Fixed Capital Authorized & Uncompleted	<u>\$ 3,227,409</u>	<u>\$ 2,862,409</u>
Total Assets	<u><u>\$ 14,418,131</u></u>	<u><u>\$ 13,780,759</u></u>
<u>LIABILITIES AND FUND BALANCE</u>		
Reserve for Encumbrances	<u>\$ 88,265</u>	<u>\$ 142,041</u>
Other Liabilities and Reserves:		
Capital Improvement Fund	\$ 446,890	\$ 407,890
Reserve for Amortization	9,915,757	9,485,757
Reserve for Deferred Amortization	769,214	719,214
Reserve for Payment of Debt Service	54,425	54,425
	<u>\$ 11,186,286</u>	<u>\$ 10,667,286</u>
Improvement Authorizations:		
Funded	\$ 30,983	\$ 90,804
Unfunded	626,666	784,697
	<u>\$ 657,649</u>	<u>\$ 875,501</u>
Bond Anticipation Notes Payable	<u>\$ 1,660,000</u>	<u>\$ 840,000</u>
Serial Bonds Payable	<u>\$ 674,000</u>	<u>\$ 1,104,000</u>
Fund Balance	<u>\$ 151,931</u>	<u>\$ 151,931</u>
Total Liabilities and Reserves	<u><u>\$ 14,418,131</u></u>	<u><u>\$ 13,780,759</u></u>

**BOROUGH OF OAKLAND  
WATER UTILITY CAPITAL FUND  
SCHEDULE OF FIXED CAPITAL  
YEAR ENDED DECEMBER 31, 2013**

F-5

Description	Balance December 31, 2012	Transferred From Fixed Capital Authorized & Uncompleted	Adjustments	Cancellations	Balance December 31, 2013
Unallocated	\$ 10,589,757	\$ -	\$ -	\$ -	\$ 10,589,757
					Reserve for Amortization \$ 9,915,757
					Serial Bonds Payable 674,000
					<u>\$ 10,589,757</u>



**BOROUGH OF OAKLAND  
WATER UTILITY CAPITAL FUND  
SCHEDULE OF FIXED CAPITAL AUTHORIZED AND UNCOMPLETED  
YEAR ENDED DECEMBER 31, 2013**

F-6

Description	Balance December 31, 2012	Authorized	Transferred to Fixed Capital	Adjustments	Cancellations	Balance December 31, 2013
Unallocated	\$ 2,522,409	\$ -	\$ -	\$ -	\$ -	\$ 2,522,409
#12-659 Algonquin Trail Water Main	275,000	-	-	-	-	275,000
#12-667 Algonquin Water Main - Supplemental	65,000	-	-	-	-	65,000
#13-681 Lehigh/West Oakland Water Mains	-	365,000	-	-	-	365,000
	<u>\$ 2,862,409</u>	<u>\$ 365,000</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 3,227,409</u>

Reserve for Deferred Amortization	\$ 769,214
Bond Anticipation Notes Payable	1,660,000
Bonds & Notes Authorized but not Issued	798,195
	<u>\$ 3,227,409</u>

**BOROUGH OF OAKLAND  
WATER UTILITY CAPITAL FUND  
SCHEDULE OF IMPROVEMENT AUTHORIZATIONS  
YEAR ENDED DECEMBER 31, 2013**

F-7

Description	Authorized								Balance - December 31, 2013	
	Balance - January 1, 2013		Capital Improvement Fund	Capital Surplus	Bonds & Notes	Expended	Adjustments	Cancellations	Funded	Unfunded
	Funded	Unfunded								
#06-539 Various Capital Improvements	\$ 90,804	\$ -	\$ -	\$ -	\$ -	\$ 59,821	\$ -	\$ -	\$ 30,983	\$ -
#07-563 Lawlor/Walnut Water Mains	-	238,031	-	-	-	37,888	-	-	-	200,143
#08-585 Water Improvements - Well #8	-	36,738	-	-	-	5,767	-	(2,639)	-	33,610
#11-637 Various Water Improvements	-	459,348	-	-	-	215,154	-	(24,118)	-	268,312
#12-659 Algonquin Trail Water Main	-	1,898	-	-	-	517	-	(5,637)	-	7,018
#12-667 Algonquin Water Main - Supplemental	-	48,682	-	-	-	-	-	-	-	48,682
#13-681 Lehigh/West Oakland Water Mains	-	-	50,000	-	315,000	296,099	-	-	-	68,901
	<u>\$ 90,804</u>	<u>\$ 784,697</u>	<u>\$ 50,000</u>	<u>\$ -</u>	<u>\$ 315,000</u>	<u>\$ 615,246</u>	<u>\$ -</u>	<u>\$ (32,394)</u>	<u>\$ 30,983</u>	<u>\$ 626,666</u>

**BOROUGH OF OAKLAND  
WATER UTILITY CAPITAL FUND  
SCHEDULE OF SERIAL BONDS PAYABLE  
YEAR ENDED DECEMBER 31, 2013**

F-8

<u>Date of Issue - Purpose</u>	<u>Total Amount of Issue</u>	<u>Balance December 31, 2012</u>	<u>Issued In 2013</u>	<u>Paid by Budget Appropriation</u>	<u>Balance December 31, 2013</u>
6/1/2003 General Improvement Bonds	1,997,000	667,000	-	330,000	337,000
6/1/2007 General Improvement Bonds	932,000	437,000	-	100,000	337,000
		<u>\$ 1,104,000</u>	<u>\$ -</u>	<u>\$ 430,000</u>	<u>\$ 674,000</u>

**BOROUGH OF OAKLAND  
WATER UTILITY CAPITAL FUND  
SCHEDULE OF BOND ANTICIPATION NOTES PAYABLE  
YEAR ENDED DECEMBER 31, 2013**

F-9

Improvement Description	Amount of Original Note	Date of Original Note	Date of Issue	Date of Maturity	Interest Rate	Balance December 31, 2012	Issued	Decreased	Budget Appropriation and Receipts	Receipts Applied	Balance December 31, 2013
#11-637 Various Water Improvements	840,000	02/10/12	02/08/13	02/07/14	1.25%	840,000	840,000	840,000	-	-	840,000
#08-585 Water Improvements - Well #8	570,000	02/08/13	02/08/13	02/07/14	1.25%	-	570,000	-	-	-	570,000
#12-659 Algonquin Trail Water Main	250,000	02/08/13	02/08/13	02/07/14	1.25%	-	250,000	-	-	-	250,000
						<u>\$ 840,000</u>	<u>\$ 1,660,000</u>	<u>\$ 840,000</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 1,660,000</u>

**BOROUGH OF OAKLAND**  
**WATER UTILITY CAPITAL FUND**  
**SCHEDULE OF BONDS AND NOTES AUTHORIZED BUT NOT ISSUED**  
**YEAR ENDED DECEMBER 31, 2013**

F-10

Improvement Description	Balance December 31, 2012	Authorized	BANs Issued	Bonds Issued	Cancellations/ Adjustments	Balance December 31, 2013
#06-539 Various Water Improvements	\$ 47,695	\$ -	\$ -	\$ -	\$ -	\$ 47,695
#07-563 Lawlor/Walnut Water Mains	370,500	-	-	-	-	370,500
#08-585 Water Improvements - Well #8	570,000	-	570,000	-	-	-
#12-659 Algonquin Trail Water Main	250,000	-	250,000	-	-	-
#12-667 Algonquin Water Main - Supplemental	65,000	-	-	-	-	65,000
#13-681 Lehigh/West Oakland Water Mains	-	315,000	-	-	-	315,000
	<u>\$ 1,303,195</u>	<u>\$ 315,000</u>	<u>\$ 820,000</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 798,195</u>

**BOROUGH OF OAKLAND**  
**SEWER UTILITY OPERATING FUND**  
**COMPARATIVE BALANCE SHEET (REGULATORY BASIS)**

	2013	2012
<u>ASSETS</u>		
Cash:		
Operating Account	\$ 334,698	\$ 295,442
Change Funds	25	25
	<u>\$ 334,723</u>	<u>\$ 295,467</u>
Consumer Accounts Receivable	<u>\$ 71,104</u>	<u>\$ 58,864</u>
Total Assets	<u><u>\$ 405,827</u></u>	<u><u>\$ 354,331</u></u>
<u>LIABILITIES AND FUND BALANCE</u>		
Reserve for Encumbrances	<u>\$ 30,696</u>	<u>\$ 24,333</u>
Appropriation Reserves	<u>\$ 21,117</u>	<u>\$ 45,069</u>
Other Liabilities and Reserves:		
Accrued Interest on Notes	\$ 2,602	\$ 3,771
Overpayments	396	4,500
Reserve for Rate Stabilization	30,000	21,000
	<u>\$ 32,998</u>	<u>\$ 29,271</u>
Reserve for Receivables	<u>\$ 71,104</u>	<u>\$ 58,864</u>
Fund Balance	<u>\$ 249,912</u>	<u>\$ 196,794</u>
Total Liabilities and Fund Balance	<u><u>\$ 405,827</u></u>	<u><u>\$ 354,331</u></u>

**BOROUGH OF OAKLAND**  
**SEWER UTILITY OPERATING FUND**  
**SCHEDULE OF REVENUES AND OTHER CREDITS TO INCOME - REGULATORY BASIS**  
**YEAR ENDED DECEMBER 31, 2013**

	Anticipated Budget	Realized	Excess/ (Deficit)
Operating Surplus Anticipated	\$ 25,000	\$ 25,000	\$ -
Rents	\$ 354,000	\$ 380,621	\$ 26,621
Miscellaneous:			
Interest on Delinquent Accounts	\$ -	\$ -	\$ -
Deficit (General Budget)	-	-	-
Total Miscellaneous	\$ -	\$ -	\$ -
	\$ 379,000	\$ 405,621	\$ 26,621
Other Credits to Income:			
Non-Budget Revenues	\$ -	\$ 385	\$ 385
Unexpended Balances Cancelled	-	1,179	1,179
Unexpended Balance of Appropriation Reserves	-	44,824	44,824
Cancellations and Adjustments	-	5,109	5,109
	\$ -	\$ 51,497	\$ 51,497
Total Revenues and Credits to Income	\$ 379,000	\$ 457,118	\$ 78,118

**BOROUGH OF OAKLAND**  
**SEWER UTILITY OPERATING FUND**  
**SCHEDULE OF EXPENDITURES AND OTHER CHARGES TO INCOME - REGULATORY BASIS**  
**YEAR ENDED DECEMBER 31, 2013**

G-3

	Appropriations		Expended			Unexpended Balance Canceled	Overexpenditure
	Adopted Budget	Budget After Modification	Paid or Charged	Encumbered	Reserved		
Operating:							
Salaries and Wages	\$ 103,150	\$ 103,150	\$ 103,150	\$ -	\$ -	\$ -	\$ -
Other Expenses:							
Other Expenses	\$ 138,000	\$ 138,000	\$ 127,368	\$ -	\$ 10,632	\$ -	\$ -
Utilities	32,600	32,600	22,463	-	10,137	-	-
Group Insurance	21,000	21,000	21,000	-	-	-	-
Other Insurance	10,250	10,250	10,250	-	-	-	-
Reserve for Debt Service	25,000	25,000	25,000	-	-	-	-
	<u>\$ 226,850</u>	<u>\$ 226,850</u>	<u>\$ 206,081</u>	<u>\$ -</u>	<u>\$ 20,769</u>	<u>\$ -</u>	<u>\$ -</u>
Capital Improvements:							
Capital Improvement Fund	\$ 19,000	\$ 19,000	\$ 19,000	\$ -	\$ -	\$ -	\$ -
Capital Outlay	127	127	-	-	127	-	-
	<u>\$ 19,127</u>	<u>\$ 19,127</u>	<u>\$ 19,000</u>	<u>\$ -</u>	<u>\$ 127</u>	<u>\$ -</u>	<u>\$ -</u>
Debt Service:							
Payment of Bonds	\$ 10,000	\$ 10,000	\$ 10,000	\$ -	\$ -	\$ -	\$ -
Interest on Bonds	-	-	-	-	-	-	-
Interest on Notes	1,889	1,889	710	-	-	1,179	-
	<u>\$ 11,889</u>	<u>\$ 11,889</u>	<u>\$ 10,710</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 1,179</u>	<u>\$ -</u>
Deferred Charges:							
Emergency Authorizations	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Overexpenditures	-	-	-	-	-	-	-
	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>
Statutory Expenditures:							
Public Employees Retirement System	\$ 9,984	\$ 9,984	\$ 9,984	\$ -	\$ -	\$ -	\$ -
Social Security System	8,000	8,000	7,779	-	221	-	-
Unemployment Compensation	-	-	-	-	-	-	-
	<u>\$ 17,984</u>	<u>\$ 17,984</u>	<u>\$ 17,763</u>	<u>\$ -</u>	<u>\$ 221</u>	<u>\$ -</u>	<u>\$ -</u>
Deficit in Operations in Prior Years	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Total Appropriations	<u>\$ 379,000</u>	<u>\$ 379,000</u>	<u>\$ 356,704</u>	<u>\$ -</u>	<u>\$ 21,117</u>	<u>\$ 1,179</u>	<u>\$ -</u>
Other Charges to Income:							
Refund of Prior Year's Revenue			<u>\$ -</u>				



**BOROUGH OF OAKLAND  
SEWER UTILITY OPERATING FUND  
SCHEDULE OF CASH  
YEAR ENDED DECEMBER 31, 2013**

---

Cash Balance, December 31, 2012		\$	295,467
Receipts:			
Rents	\$	376,517	
Reserve for Rate Stabilization		9,000	
Surplus		25,000	
Non-Budget Revenue			
Interest Earned		385	
			<u>410,902</u>
			706,369
Disbursements:			
Budget Appropriations	\$	357,873	
Appropriation Reserves		245	
Reserve for Encumbrances		19,224	
		-	
			<u>377,342</u>
Cash Balance, December 31, 2013		\$	<u><u>329,027</u></u>

**BOROUGH OF OAKLAND**  
**SEWER UTILITY OPERATING FUND**  
**SCHEDULE OF CONSUMER ACCOUNTS RECEIVABLE**  
**YEAR ENDED DECEMBER 31, 2013**

---

Balance, December 31, 2012		\$	58,864
Increased by:			
Billed	\$	392,861	
		-	
		<u>          </u>	<u>392,861</u>
			451,725
Decreased by:			
Collections - Cash	\$	376,517	
Overpayments Applied		4,104	
		-	
		<u>          </u>	<u>380,621</u>
Balance, December 31, 2013		\$	<u>71,104</u>

**BOROUGH OF OAKLAND  
SEWER UTILITY OPERATING FUND  
SCHEDULE OF RESERVE FOR ENCUMBRANCES  
YEAR ENDED DECEMBER 31, 2013**

---

Balance, December 31, 2012		\$	24,333
Increased by:			
Accrued	\$	30,696	
		-	
		<hr/>	<hr/>
			30,696
			55,029
Decreased by:			
Paid	\$	19,224	
Cancelled		5,109	
		-	
		-	
		<hr/>	<hr/>
			24,333
Balance, December 31, 2013		\$	<u>30,696</u>

**BOROUGH OF OAKLAND  
SEWER UTILITY OPERATING FUND  
SCHEDULE OF APPROPRIATION RESERVES  
YEAR ENDED DECEMBER 31, 2013**

G-7

	Appropriations		Expended			Unexpended	
	Adopted Budget	Budget After Modification	Paid or Charged	Encumbered	Reserved	Balance Canceled	Overexpenditure
Operating:							
Salaries and Wages	\$ 1,298	\$ 1,298	\$ -	\$ -	\$ -	\$ 1,298	\$ -
Other Expenses:							
Other Expenses	\$ 27,693	\$ 27,693	\$ 245	\$ -	\$ -	\$ 27,448	\$ -
Utilities	11,470	11,470	-	-	-	11,470	-
Group Insurance	-	-	-	-	-	-	-
Other Insurance	-	-	-	-	-	-	-
Reserve for Debt Service	-	-	-	-	-	-	-
	<u>\$ 39,163</u>	<u>\$ 39,163</u>	<u>\$ 245</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 38,918</u>	<u>\$ -</u>
Capital Improvements:							
Capital Improvement Fund	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Capital Outlay	242	242	-	-	-	242	-
	<u>\$ 242</u>	<u>\$ 242</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 242</u>	<u>\$ -</u>
Debt Service:							
Payment of Bonds	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Interest on Bonds	-	-	-	-	-	-	-
Interest on Notes	-	-	-	-	-	-	-
	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>
Deferred Charges:							
Emergency Authorizations	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Overexpenditures	-	-	-	-	-	-	-
	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>
Statutory Expenditures:							
Public Employees Retirement System	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Social Security System	4,366	4,366	-	-	-	4,366	-
Unemployment Compensation	-	-	-	-	-	-	-
	<u>\$ 4,366</u>	<u>\$ 4,366</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 4,366</u>	<u>\$ -</u>
Deficit in Operations in Prior Years	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Total Appropriations	<u>\$ 45,069</u>	<u>\$ 45,069</u>	<u>\$ 245</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 44,824</u>	<u>\$ -</u>

**BOROUGH OF OAKLAND  
SEWER UTILITY OPERATING FUND  
SCHEDULE OF ACCRUED INTEREST ON NOTES  
YEAR ENDED DECEMBER 31, 2013**

---

Balance, December 31, 2012		\$	3,771
Increased by:			
Accrued	\$	710	
		-	
			710
			4,481
Decreased by:			
Paid	\$	1,879	
Cancelled		-	
		-	
		-	
			1,879
Balance, December 31, 2013		\$	<u>2,602</u>

**BOROUGH OF OAKLAND  
SEWER UTILITY OPERATING FUND  
SCHEDULE OF OVERPAYMENTS  
YEAR ENDED DECEMBER 31, 2013**

---

Balance, December 31, 2012		\$	4,500
Increased by:			
	\$	-	
		-	
			-
			4,500
Decreased by:			
Applied to Rents	\$	4,104	
		-	
			4,104
Balance, December 31, 2013		\$	<u>396</u>

**BOROUGH OF OAKLAND  
SEWER UTILITY OPERATING FUND  
SCHEDULE OF RESERVE FOR RATE STABILIZATION  
YEAR ENDED DECEMBER 31, 2013**

---

Balance, December 31, 2012		\$	21,000
Increased by:			
Budget Appropriation	\$	9,000	
		-	
			<u>9,000</u>
			30,000
Decreased by:			
	\$	-	
		-	
			<u>-</u>
Balance, December 31, 2013		\$	<u><u>30,000</u></u>

**BOROUGH OF OAKLAND  
SEWER UTILITY CAPITAL FUND  
COMPARATIVE BALANCE SHEET (REGULATORY BASIS)**

	2013	2012
<u>ASSETS</u>		
Cash - Sewer Capital Account	\$ 91,615	\$ 48,650
Fixed Capital	\$ 74,100	\$ 74,100
Fixed Capital Authorized & Uncompleted	\$ 864,760	\$ 874,760
Total Assets	<u>\$ 1,030,475</u>	<u>\$ 997,510</u>
<u>LIABILITIES AND FUND BALANCE</u>		
Contracts Payable	\$ 29,734	\$ 29,672
Other Liabilities and Reserves:		
Capital Improvement Fund	\$ 63,000	\$ 44,000
Reserve for Amortization	74,100	74,100
Reserve for Debt Service	60,000	35,000
	<u>\$ 197,100</u>	<u>\$ 153,100</u>
Improvement Authorizations - Unfunded	\$ 531,641	\$ 532,738
Bond Anticipation Notes Payable	\$ 272,000	\$ 282,000
Total Liabilities and Fund Balance	<u>\$ 1,030,475</u>	<u>\$ 997,510</u>



**BOROUGH OF OAKLAND  
SEWER UTILITY CAPITAL FUND  
SCHEDULE OF CASH  
YEAR ENDED DECEMBER 31, 2013**

---

Cash Balance, December 31, 2012		\$	48,650
Receipts:			
Capital Improvement Fund	\$	19,000	
Reserve for Debt Service		25,000	
Due to Sewer Utility Operating Fund:			
Interest Earned		67	
			<u>44,067</u>
			92,717
Disbursements:			
Improvement Authorizations	\$	1,035	
Contracts Payable		-	
Due to Sewer Utility Operating Fund:			
Interest Earned		67	
			<u>1,102</u>
Cash Balance, December 31, 2013		<u>\$</u>	<u>91,615</u>

**BOROUGH OF OAKLAND  
SEWER UTILITY CAPITAL FUND  
SCHEDULE OF FIXED CAPITAL  
YEAR ENDED DECEMBER 31, 2013**

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Description	Balance December 31, 2012	Transferred From Fixed Capital Authorized & Uncompleted	Adjustments	Cancellations	Balance December 31, 2013
Unidentified from CY2004 Audit	\$ 74,100	\$ -	\$ -	\$ -	\$ 74,100

---

**BOROUGH OF OAKLAND  
SEWER UTILITY CAPITAL FUND  
SCHEDULE OF FIXED CAPITAL AUTHORIZED AND UNCOMPLETED  
YEAR ENDED DECEMBER 31, 2013**

G-14

Description	Balance December 31, 2012	Authorized	Transferred to Fixed Capital	Adjustments	Cancellations	Balance December 31, 2013
#08-575 Various Public Improvements	\$ 232,000	\$ -	\$ -	\$ -	\$ 7,500	\$ 224,500
#08-584 Various Public Improvements	50,000	-	-	-	-	50,000
#11-638 Various Public Improvements	592,760	-	-	-	2,500	590,260
	<u>\$ 874,760</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 10,000</u>	<u>\$ 864,760</u>

**BOROUGH OF OAKLAND  
SEWER UTILITY CAPITAL FUND  
SCHEDULE OF CONTRACTS PAYABLE  
YEAR ENDED DECEMBER 31, 2013**

G-15

Vendor	Ordinance Number	Contract Number	Original Amount	Balance December 31, 2012	Paid	Accrued	Cancellations and Adjustments	Balance December 31, 2013
Crew Engineers, Inc.	11-638	C1-00020	\$ 57,000	\$ 22,871	\$ -	\$ -	\$ -	\$ 22,871
Crew Engineers, Inc.	08-575	C2-00004	4,000	1,660	-	-	-	1,660
National Water Main Cleaning	08-575	C1-00039	51,475	5,141	-	-	62	5,203
				<u>\$ 29,672</u>	<u>\$ -</u>	<u>\$ -</u>	<u>62</u>	<u>\$ 29,734</u>

**BOROUGH OF OAKLAND  
SEWER UTILITY CAPITAL FUND  
SCHEDULE OF CAPITAL IMPROVEMENT FUND  
YEAR ENDED DECEMBER 31, 2013**

G-16

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<u>Description</u>	<u>Balance December 31, 2012</u>	<u>Sewer Operating Fund Appropriation</u>	<u>Used to Finance Authorizations</u>	<u>Cancelled Funded Authorizations</u>	<u>Balance December 31, 2013</u>
Capital Improvement Fund	\$ 44,000	\$ 19,000	\$ -	\$ -	\$ 63,000

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**BOROUGH OF OAKLAND  
SEWER UTILITY CAPITAL FUND  
SCHEDULE OF RESERVE FOR AMORTIZATION  
YEAR ENDED DECEMBER 31, 2013**

G-17

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Description	Balance December 31, 2012	Transferred From Fixed Capital Authorized & Uncompleted	Adjustments	Cancellations	Balance December 31, 2013
Unidentified from CY2004 Audit	\$ 74,100	\$ -	\$ -	\$ -	\$ 74,100

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**BOROUGH OF OAKLAND  
SEWER UTILITY CAPITAL FUND  
SCHEDULE OF RESERVE FOR DEBT SERVICE  
YEAR ENDED DECEMBER 31, 2013**

G-18

<u>Ordinance</u>	<u>Balance December 31, 2012</u>	<u>Raised in Current Year Budget</u>	<u>Appropriated</u>	<u>Adjustments</u>	<u>Balance December 31, 2013</u>
Unallocated - CY2010 Budget	\$ 5,000	\$ -	\$ -	\$ -	\$ 5,000
Unallocated - CY2011 Budget	15,000	-	-	-	15,000
Unallocated - CY2012 Budget	15,000	-	-	-	15,000
Unallocated - CY2013 Budget	-	25,000	-	-	25,000
	<u>\$ 35,000</u>	<u>\$ 25,000</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 60,000</u>

**BOROUGH OF OAKLAND**  
**SEWER UTILITY CAPITAL FUND**  
**SCHEDULE OF IMPROVEMENT AUTHORIZATIONS**  
**YEAR ENDED DECEMBER 31, 2013**

G-19

Description	Balance - January 1, 2013		Bonds & Notes Authorized	Paid or Charged	Encumbered	Cancellations	Adjustments	Balance - December 31, 2013	
	Funded	Unfunded						Funded	Unfunded
#08-575 Various Sewer Improvements	\$ -	\$ 7,689	\$ -	\$ 1,035	\$ -	\$ 1,872	\$ -	\$ -	\$ 4,782
#08-584 Various Sewer Improvements	-	8,064	-	-	-	-	-	-	8,064
#11-638 Various Sewer Improvements	-	516,985	-	-	-	(1,810)	-	-	518,795
<b>\$</b>	<b>-</b>	<b>\$ 532,738</b>	<b>\$ -</b>	<b>\$ 1,035</b>	<b>\$ -</b>	<b>\$ 62</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ 531,641</b>



**BOROUGH OF OAKLAND  
SEWER UTILITY CAPITAL FUND  
SCHEDULE OF BOND ANTICIPATION NOTES PAYABLE  
YEAR ENDED DECEMBER 31, 2013**

G-20

Improvement Description	Amount of Original Note	Date of Original Note	Date of Issue	Date of Maturity	Interest Rate	Balance December 31, 2012	Issued	Decreased	Paydown	Balance December 31, 2013
<u>12-1SU</u>										
#08-575 Skyview Sewer Plant Improvements	232,000	05/27/10	02/10/12	02/08/13	0.67%	\$ 232,000	\$ -	\$ 224,500	\$ 7,500	\$ -
#08-584 Skyview Sewer Plant Improvements	50,000	05/27/10	02/10/12	02/08/13	0.67%	50,000	-	47,500	2,500	-
						<u>\$ 282,000</u>	<u>\$ -</u>	<u>\$ 272,000</u>	<u>\$ 10,000</u>	<u>\$ -</u>
<u>13-1RSU</u>										
#08-575 Skyview Sewer Plant Improvements	232,000	05/27/10	02/08/13	02/07/14	1.25%	\$ -	\$ 224,500	\$ -	\$ -	\$ 224,500
#08-584 Skyview Sewer Plant Improvements	50,000	05/27/10	02/08/13	02/07/14	1.25%	-	47,500	-	-	47,500
						<u>\$ -</u>	<u>\$ 272,000</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 272,000</u>
						<u>\$ 282,000</u>	<u>\$ 272,000</u>	<u>\$ 272,000</u>	<u>\$ 10,000</u>	<u>\$ 272,000</u>

**BOROUGH OF OAKLAND  
SEWER UTILITY CAPITAL FUND  
SCHEDULE OF BONDS AND NOTES AUTHORIZED BUT NOT ISSUED  
YEAR ENDED DECEMBER 31, 2013**

G-21

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<u>Description</u>	<u>Balance December 31, 2012</u>	<u>Authorized</u>	<u>Issued</u>	<u>Cancellations and Adjustments</u>	<u>Balance December 31, 2013</u>
#11-638 Various Sewer Improvements	\$ 592,760	\$ -	\$ -	\$ -	\$ 592,760

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**BOROUGH OF OAKLAND  
GENERAL FIXED ASSET ACCOUNT GROUP  
COMPARATIVE BALANCE SHEET (REGULATORY BASIS)**

	2013	2012
<u>ASSETS</u>		
Land	\$ 26,856,400	\$ 26,856,400
Improvements	9,284,701	9,284,701
Equipment	2,652,145	2,652,145
Vehicles	4,226,706	4,226,706
	<u>\$ 43,019,952</u>	<u>\$ 43,019,952</u>
<u>FUND BALANCE</u>		
Reserve for Investment in		
General Fixed Assets	<u>\$ 43,019,952</u>	<u>\$ 43,019,952</u>
	-	-

**BOROUGH OF OAKLAND**  
**GENERAL FIXED ASSET ACCOUNT GROUP**  
**SCHEDULE OF CHANGES IN RESERVE FOR GENERAL FIXED ASSETS**

H-2

	Balance December 31, 2012	Additions	Retirements	Adjustments	Balance December 31, 2013
Land	\$ 26,856,400	\$ -	\$ -	\$ -	\$ 26,856,400
Improvements	9,284,701	-	-	-	9,284,701
Equipment	2,652,145	-	-	-	2,652,145
Vehicles	4,226,706	-	-	-	4,226,706
	<u>\$ 43,019,952</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 43,019,952</u>

BOROUGH OF OAKLAND  
NJ Comprehensive Annual Financial Report  
Statistical Section

**BOROUGH OF OAKLAND  
STATISTICAL DATA  
ADOPTED BUDGETS  
(UNAUDITED)**

J-1

	2013	2012	2011	2010	2009	2008	2007	2006	2005	2004
<u>CURRENT FUND</u>										
<u>REVENUES</u>										
Fund Balance	\$ 511,000	\$ 1,036,000	\$ 486,000	\$ 886,000	\$ 361,000	\$ 445,000	\$ 290,000	\$ -	\$ 700,000	\$ 725,000
Miscellaneous Revenues	3,451,696	3,429,270	3,205,269	3,050,302	3,828,951	4,068,754	3,817,348	4,692,111	3,872,836	4,327,255
Receipts From Delinquent Taxes	17,000	30,000	122,300	499,250	395,000	380,000	400,000	360,000	300,000	250,000
Amount to be Raised by Taxation:										
Municipal	13,115,822	13,028,227	13,028,228	13,719,459	13,245,980	12,635,789	11,657,044	10,626,801	9,325,820	8,400,141
Library	797,480	816,497	855,637	-	-	-	-	-	-	-
Total Revenues	<u>\$ 17,892,998</u>	<u>\$ 18,339,994</u>	<u>\$ 17,697,434</u>	<u>\$ 18,155,011</u>	<u>\$ 17,830,931</u>	<u>\$ 17,529,543</u>	<u>\$ 16,164,392</u>	<u>\$ 15,678,912</u>	<u>\$ 14,198,656</u>	<u>\$ 13,702,396</u>
<u>APPROPRIATIONS</u>										
Within "CAPS":										
Operations:										
Salaries and Wages	\$ 6,679,850	\$ 6,392,585	\$ 6,341,385	\$ 6,177,800	\$ 6,066,249	\$ 5,853,851	\$ 5,086,656	\$ 5,237,908	\$ 5,214,615	\$ 4,875,652
Other Expenses	5,889,025	6,157,940	6,257,116	6,310,450	6,157,395	6,256,925	6,399,253	3,804,524	2,925,107	2,653,857
Deferred Charges	-	-	-	-	28,602	46,168	99,866	484,129	494,215	392,466
Statutory Expenditures	1,534,945	1,483,461	1,548,700	1,278,031	433,500	413,000	382,500	-	-	-
Judgments	-	-	-	-	-	-	-	-	-	-
Excluded From "CAPS":										
Operations:										
Salaries and Wages	474,700	487,775	495,420	601,255	650,977	4,025	-	35,000	45,000	176,270
Other Expenses	838,036	774,896	746,437	1,052,123	1,912,670	2,203,958	1,762,566	3,891,662	3,123,379	2,629,656
Capital Improvements	219,500	708,000	208,000	120,000	120,000	100,000	136,612	100,000	100,000	100,000
Municipal Debt Service	1,422,135	1,473,292	1,205,476	1,364,352	1,279,299	1,158,251	1,575,785	1,183,821	1,166,237	1,224,495
Deferred Charges	654,007	684,790	647,600	626,000	646,000	887,843	146,000	430,000	130,000	100,000
Reserve for Uncollected Taxes	180,800	177,255	247,300	625,000	536,239	605,522	575,154	511,868	1,000,103	1,550,000
Total Appropriations	<u>\$ 17,892,998</u>	<u>\$ 18,339,994</u>	<u>\$ 17,697,434</u>	<u>\$ 18,155,011</u>	<u>\$ 17,830,931</u>	<u>\$ 17,529,543</u>	<u>\$ 16,164,392</u>	<u>\$ 15,678,912</u>	<u>\$ 14,198,656</u>	<u>\$ 13,702,396</u>
	-	-	-	-	-	-	-	-	-	-

**BOROUGH OF OAKLAND  
STATISTICAL DATA  
ADOPTED BUDGETS  
(UNAUDITED)**

J-1

	2013	2012	2011	2010	2009	2008	2007	2006	2005	2004
<u>WATER UTILITY FUND</u>										
<u>REVENUES</u>										
Fund Balance Anticipated	\$ 50,000	\$ 50,000	\$ 50,000	\$ 100,000	\$ 135,000	\$ 35,000	\$ 235,000	\$ -	\$ -	\$ 350,000
Rents	1,841,100	1,850,000	1,866,000	1,827,000	1,679,121	1,785,000	1,700,000	1,805,000	1,451,352	1,213,318
Water Capital Fund Balance	-	-	-	-	110,000	-	-	-	-	-
Reserve for Debt Service	-	-	-	-	155,879	-	-	-	-	-
Deficit (General Budget)	-	-	-	-	-	25,000	-	-	-	-
Miscellaneous	18,000	8,000	4,000	17,000	40,000	40,000	10,000	10,000	168,658	12,759
Total Revenues	<u>\$ 1,909,100</u>	<u>\$ 1,908,000</u>	<u>\$ 1,920,000</u>	<u>\$ 1,944,000</u>	<u>\$ 2,120,000</u>	<u>\$ 1,885,000</u>	<u>\$ 1,945,000</u>	<u>\$ 1,815,000</u>	<u>\$ 1,620,010</u>	<u>\$ 1,576,077</u>
<u>APPROPRIATIONS</u>										
Operations:										
Salaries and Wages	\$ 584,000	\$ 546,500	\$ 524,900	\$ 514,715	\$ 524,000	\$ 510,318	\$ 466,174	\$ 480,000	\$ 480,052	\$ 457,600
Other Expenses	651,800	698,400	738,290	768,010	893,501	835,759	762,188	731,293	641,813	639,313
Capital Improvements	89,228	79,279	75,468	20,106	-	-	100,000	100,000	100,000	81,754
Municipal Debt Service	487,821	483,710	481,950	482,120	478,854	479,195	467,181	456,540	356,145	355,410
Deferred Charges	-	-	-	-	9,495	14,728	54,457	10,367	-	-
Statutory Expenditures	96,251	100,111	99,392	91,815	103,081	45,000	45,000	36,800	42,000	42,000
Judgments	-	-	-	-	-	-	-	-	-	-
Surplus (General Budget)	-	-	-	-	-	-	50,000	-	-	-
Deficit in Operations	-	-	-	67,234	111,069	-	-	-	-	-
Total Appropriations	<u>\$ 1,909,100</u>	<u>\$ 1,908,000</u>	<u>\$ 1,920,000</u>	<u>\$ 1,944,000</u>	<u>\$ 2,120,000</u>	<u>\$ 1,885,000</u>	<u>\$ 1,945,000</u>	<u>\$ 1,815,000</u>	<u>\$ 1,620,010</u>	<u>\$ 1,576,077</u>
	-	-	-	-	-	-	-	-	-	-

**BOROUGH OF OAKLAND  
STATISTICAL DATA  
ADOPTED BUDGETS  
(UNAUDITED)**

J-1

	2013	2012	2011	2010	2009	2008	2007	2006	2005	2004
<b>SEWER UTILITY FUND</b>										
<b>REVENUES</b>										
Fund Balance Anticipated	\$ 25,000	\$ 25,000	\$ 25,000	\$ -	\$ -	\$ 25,000	\$ -	\$ 20,000	\$ 30,540	\$ -
Rents	354,000	344,500	344,500	385,000	390,000	340,000	325,000	283,000	284,136	285,981
Miscellaneous	-	-	-	-	-	-	-	-	5,718	5,267
Deficit (General Budget)	-	-	-	-	-	-	50,000	-	-	-
Total Revenues	<u>\$ 379,000</u>	<u>\$ 369,500</u>	<u>\$ 369,500</u>	<u>\$ 385,000</u>	<u>\$ 390,000</u>	<u>\$ 365,000</u>	<u>\$ 375,000</u>	<u>\$ 303,000</u>	<u>\$ 320,394</u>	<u>\$ 291,248</u>
<b>APPROPRIATIONS</b>										
Operations:										
Salaries and Wages	\$ 103,150	\$ 99,300	\$ 94,500	\$ 95,400	\$ 97,550	\$ 84,671	\$ 110,259	\$ 110,705	\$ 103,000	\$ 99,848
Other Expenses	226,850	225,000	231,830	262,910	264,554	241,829	224,449	181,741	203,000	179,400
Capital Improvements	19,127	19,242	19,279	6,372	-	-	-	-	-	-
Municipal Debt Service	11,889	4,269	1,830	-	-	-	-	-	-	-
Deferred Charges	-	-	-	-	-	-	20,597	2,054	-	-
Statutory Expenditures	17,984	21,689	22,061	20,318	23,962	13,500	13,000	8,500	13,000	12,000
Surplus (General Budget)	-	-	-	-	-	25,000	-	-	-	-
Deficit in Operations	-	-	-	-	3,934	-	6,695	-	1,394	-
Total Appropriations	<u>\$ 379,000</u>	<u>\$ 369,500</u>	<u>\$ 369,500</u>	<u>\$ 385,000</u>	<u>\$ 390,000</u>	<u>\$ 365,000</u>	<u>\$ 375,000</u>	<u>\$ 303,000</u>	<u>\$ 320,394</u>	<u>\$ 291,248</u>
	-	-	-	-	-	-	-	-	-	-



**BOROUGH OF OAKLAND  
STATISTICAL DATA  
FUND BALANCE SUMMARY  
(UNAUDITED)**

J-2

	2013	2012	2011	2010	2009	2008	2007	2006	2005	2004
<u>CURRENT FUND</u>										
Fund Balance, Beginning	\$ 2,224,999	\$ 2,508,370	\$ 2,229,288	\$ 2,181,030	\$ 1,382,530	\$ 690,824	\$ 619,017	\$ 573,165	\$ 1,273,165	\$ 1,293,232
Generated Current Year	828,299	752,629	765,082	934,258	1,159,500	1,136,706	361,807	45,852	-	704,933
Utilized Current Year	(511,000)	(1,036,000)	(486,000)	(886,000)	(361,000)	(445,000)	(290,000)	-	(700,000)	(725,000)
Fund Balance, Ending	<u>\$ 2,542,298</u>	<u>\$ 2,224,999</u>	<u>\$ 2,508,370</u>	<u>\$ 2,229,288</u>	<u>\$ 2,181,030</u>	<u>\$ 1,382,530</u>	<u>\$ 690,824</u>	<u>\$ 619,017</u>	<u>\$ 573,165</u>	<u>\$ 1,273,165</u>
<u>WATER UTILITY FUND</u>										
Fund Balance, Beginning	\$ 488,994	\$ 412,879	\$ 416,458	\$ 173,150	\$ 308,150	\$ 343,150	\$ 528,981	\$ 462,702	\$ 125,253	\$ 364,556
Generated Current Year	167,955	126,115	46,421	343,308	-	-	49,169	66,279	337,449	110,697
Utilized Current Year	(50,000)	(50,000)	(50,000)	(100,000)	(135,000)	(35,000)	(235,000)	-	-	(350,000)
Fund Balance, Ending	<u>\$ 606,949</u>	<u>\$ 488,994</u>	<u>\$ 412,879</u>	<u>\$ 416,458</u>	<u>\$ 173,150</u>	<u>\$ 308,150</u>	<u>\$ 343,150</u>	<u>\$ 528,981</u>	<u>\$ 462,702</u>	<u>\$ 125,253</u>
<u>SEWER UTILITY FUND</u>										
Fund Balance, Beginning	\$ 196,794	\$ 156,048	\$ 87,666	\$ 4,247	\$ 2,695	\$ 27,695	\$ 16,867	\$ 36,867	\$ 51,643	\$ 51,643
Generated Current Year	76,949	65,746	93,382	83,419	1,552	-	10,828	-	15,764	-
Utilized Current Year	(25,000)	(25,000)	(25,000)	-	-	(25,000)	-	(20,000)	(30,540)	-
Fund Balance, Ending	<u>\$ 248,743</u>	<u>\$ 196,794</u>	<u>\$ 156,048</u>	<u>\$ 87,666</u>	<u>\$ 4,247</u>	<u>\$ 2,695</u>	<u>\$ 27,695</u>	<u>\$ 16,867</u>	<u>\$ 36,867</u>	<u>\$ 51,643</u>

**BOROUGH OF OAKLAND  
STATISTICAL DATA  
TAX LEVY AND COLLECTION DATA  
(UNAUDITED)**

J-3

	2013	2012	2011	2010	2009	2008	2007	2006	2005	2004
<u>CURRENT YEAR % COLLECTION RATES</u>										
Current Tax Levy	\$ 55,769,077	\$ 54,959,288	\$ 54,186,791	\$ 53,550,515	\$ 52,331,471	\$ 50,362,212	\$ 48,406,730	\$ 45,556,641	\$ 42,275,231	\$ 39,644,108
Current Collections	\$ 55,722,878	\$ 54,860,183	\$ 54,158,022	\$ 53,310,631	\$ 51,610,493	\$ 49,907,149	\$ 48,024,958	\$ 45,132,501	\$ 41,779,757	\$ 39,157,974
Percentage of Collections	99.92%	99.82%	99.95%	99.55%	98.62%	99.10%	99.21%	99.07%	98.83%	98.77%
<u>DELINQUENT TAX %</u>										
Delinquent Taxes	\$ 43,973	\$ 46,920	\$ 44,498	\$ 42,383	\$ 539,674	\$ 393,549	\$ 370,101	\$ 438,341	\$ 495,473	\$ 355,901
Tax Title Liens	116,701	117,451	117,387	120,623	99,092	81,584	69,381	69,381	69,381	75,547
Total Delinquent	\$ 160,674	\$ 164,371	\$ 161,885	\$ 163,006	\$ 638,766	\$ 475,133	\$ 439,482	\$ 507,722	\$ 564,854	\$ 431,448
Tax Levy	\$ 55,769,077	\$ 54,959,288	\$ 54,186,791	\$ 53,550,515	\$ 52,331,471	\$ 50,362,212	\$ 48,406,730	\$ 45,556,641	\$ 42,275,231	\$ 39,644,108
Percentage of Tax Levy	0.29%	0.30%	0.30%	0.30%	1.22%	0.94%	0.91%	1.11%	1.34%	1.09%

BOROUGH OF OAKLAND  
STATISTICAL DATA  
ASSESSED AND COUNTY EQUALIZED VALUATION DATA  
(UNAUDITED)

J-4

Description	2013		2012		2011		2010		2009		2008		2007		2006		2005**		2004	
	# of Parcels	Total Value	# of Parcels	Total Value	# of Parcels	Total Value	# of Parcels	Total Value	# of Parcels	Total Value	# of Parcels	Total Value	# of Parcels	Total Value	# of Parcels	Total Value	# of Parcels	Total Value	# of Parcels	Total Value
NET VALUATIONS TAXABLE																				
Vacant Land	174	\$ 24,211,200	179	\$ 26,098,000	181	\$ 28,272,400	185	\$ 42,187,500	188	\$ 42,396,400	193	\$ 44,786,500	193	\$ 45,082,600	203	\$ 50,027,500	198	\$ 57,551,100	259	\$ 29,915,900
Residential	4411	1,802,856,800	4413	1,800,660,000	4410	1,788,418,300	4413	2,142,909,700	4414	2,141,264,100	4413	2,135,944,700	4415	2,128,715,000	4410	2,120,500,400	4411	2,113,284,400	4376	936,779,700
Farm (Regular)	4	2,885,500	3	2,577,300	3	2,577,300	3	2,982,300	4	3,305,200	4	3,578,600	4	3,578,600	4	3,578,600	5	4,855,200	7	2,609,900
Farm (Qualified)	12	39,900	8	25,900	8	25,900	8	22,700	8	65,800	8	65,800	8	25,800	8	25,800	9	29,400	10	33,100
Commercial	139	171,359,400	139	172,464,500	140	173,457,800	140	182,765,500	140	176,488,900	140	173,664,700	140	172,988,100	140	174,877,400	139	174,470,800	140	102,739,300
Industrial	60	169,098,100	60	170,032,900	60	168,479,300	59	174,344,700	59	174,344,700	59	174,344,700	59	172,016,600	58	172,195,400	57	172,170,700	56	102,303,400
Apartments	0	-	0	-	0	-	0	-	0	-	0	-	0	-	0	-	0	-	0	-
Sub-Total	4800	2,170,450,900	4802	2,171,858,600	4802	2,171,231,000	4808	2,545,212,400	4813	2,537,865,100	4817	2,532,385,000	4819	2,522,406,700	4823	2,521,205,100	4819	2,522,361,600	4848	1,174,381,300
Personal Property		91		100		100		5,049,895		4,707,334		4,422,455		4,588,960		3,708,659		2,286,750		2,594,717
Net Valuations Taxable		2,170,450,991		2,171,858,700		2,171,231,100		2,550,262,295		2,542,572,434		2,536,807,455		2,526,995,660		2,524,913,759		2,524,648,350		1,176,976,017
Bergen County Equalization Adjustment		226,654,449		284,429,118		199,607,102		128,435,177		233,161,742		134,336,033		77,560,134		(134,660,402)		(419,544,911)		701,192,247
Bergen County Equalized Valuations		<u>\$ 2,397,105,440</u>		<u>\$ 2,456,287,818</u>		<u>\$ 2,370,838,202</u>		<u>\$ 2,678,697,472</u>		<u>\$ 2,775,734,176</u>		<u>\$ 2,671,143,488</u>		<u>\$ 2,604,555,794</u>		<u>\$ 2,390,253,357</u>		<u>\$ 2,105,103,439</u>		<u>\$ 1,878,168,264</u>
Bergen County Equalization Ratio		90.78%		88.64%		91.85%		95.46%		91.83%		95.23%		97.29%		105.95%		120.33%		62.83%
Average Improved Residential Assessment		<u>\$ 408,718</u>		<u>\$ 408,035</u>		<u>\$ 407,805</u>		<u>\$ 485,590</u>		<u>\$ 485,107</u>		<u>\$ 484,012</u>		<u>\$ 482,155</u>		<u>\$ 480,839</u>		<u>\$ 479,094</u>		<u>\$ 214,072</u>

\*\*Revaluation Year

**BOROUGH OF OAKLAND**  
**STATISTICAL DATA**  
**TAX REQUIREMENT AND RATE DATA**  
**(UNAUDITED)**

J-5

	2013	2012	2011	2010	2009	2008	2007	2006	2005**	2004
<b><u>TAX REQUIREMENTS</u></b>										
County	\$ 5,436,285	\$ 5,332,218	\$ 4,852,258	\$ 5,177,795	\$ 5,051,134	\$ 4,662,797	\$ 4,437,288	\$ 4,230,763	\$ 3,974,395	\$ 3,715,430
County Open Space	59,928	61,407	59,271	66,967	277,573	267,114	260,455	239,025	210,510	187,817
Municipal Open Space	217,045	222,103	260,000	260,000	260,000	253,681	252,500	252,500	252,500	117,700
District School	26,021,535	25,518,325	24,901,454	24,122,035	23,413,368	22,741,261	22,002,323	20,780,983	19,754,160	18,874,318
Regional High School	10,036,751	9,897,661	10,087,200	10,142,565	9,912,969	9,698,905	9,583,163	9,140,589	8,575,981	8,108,765
Library	797,480	816,497	855,637	-	-	-	-	-	-	-
Municipal	13,115,822	13,028,227	13,028,228	13,719,460	13,245,980	12,635,789	11,657,044	10,626,801	9,325,821	8,400,141
Total Tax Requirements	\$ 55,684,846	\$ 54,876,438	\$ 54,044,048	\$ 53,488,822	\$ 52,161,024	\$ 50,259,547	\$ 48,192,773	\$ 45,270,661	\$ 42,093,367	\$ 39,404,171
<b><u>TAX RATES</u></b>										
County	0.251	0.246	0.224	0.204	0.199	0.184	0.176	0.168	0.157	0.316
County Open Space	0.003	0.003	0.003	0.003	0.011	0.011	0.010	0.010	0.010	0.010
Municipal Open Space	0.010	0.010	0.012	0.010	0.010	0.011	0.010	0.010	0.010	0.010
District School	1.199	1.175	1.147	0.946	0.921	0.896	0.871	0.823	0.782	1.604
Regional High School	0.463	0.456	0.465	0.398	0.390	0.382	0.379	0.362	0.340	0.689
Library	0.036	0.037	0.039	-	-	-	-	-	-	-
Municipal	0.604	0.600	0.600	0.537	0.521	0.499	0.464	0.427	0.371	0.721
Total Tax Rates	2.566	2.527	2.490	2.098	2.052	1.983	1.910	1.800	1.670	3.350

**BOROUGH OF OAKLAND  
STATISTICAL DATA  
RATIO OF GROSS AND NET DEBT TO COUNTY EQUALIZED VALUE AND DEBT PER CAPITA  
(UNAUDITED)**

	2013	2012	2011	2010	2009	2008	2007	2006	2005	2004
Population	12,873	12,873	12,836	12,754	13,293	13,249	13,254	13,270	13,415	13,512
County Equalized Valuation	\$ 2,397,105,440	\$ 2,456,287,818	\$ 2,370,838,202	\$ 2,678,697,472	\$ 2,775,734,176	\$ 2,671,143,488	\$ 2,604,555,794	\$ 2,390,253,357	\$ 2,105,103,439	\$ 1,878,168,264
Gross Debt	\$ 28,573,240	\$ 28,605,519	\$ 27,530,654	\$ 31,954,183	\$ 31,457,371	\$ 26,642,370	\$ 24,136,982	\$ 24,345,195	\$ 20,914,805	\$ 23,749,548
Gross Debt Per Capita	\$ 2,220	\$ 2,222	\$ 2,145	\$ 2,505	\$ 2,366	\$ 2,011	\$ 1,821	\$ 1,835	\$ 1,559	\$ 1,758
Ratio of Gross Debt to County Equalized Valuations	1.19%	1.16%	1.16%	1.19%	1.13%	1.00%	0.93%	1.02%	0.99%	1.26%
Net Debt	\$ 16,566,206	\$ 15,967,269	\$ 13,897,194	\$ 16,722,790	\$ 22,320,440	\$ 17,028,550	\$ 8,531,044	\$ 12,154,742	\$ 14,837,647	\$ 11,599,549
Ratio of Net Debt to County Equalized Valuations	0.69%	0.65%	0.59%	0.62%	0.80%	0.64%	0.33%	0.51%	0.70%	0.62%
Net Debt per Capita	\$ 1,287	\$ 1,240	\$ 1,083	\$ 1,311	\$ 1,679	\$ 1,285	\$ 644	\$ 916	\$ 1,106	\$ 858

**BOROUGH OF OAKLAND  
STATISTICAL DATA  
LEGAL DEBT MARGIN  
(UNAUDITED)**

J-7

	2013	2012	2011	2010	2009	2008	2007	2006	2005	2004
Equalized Valuation Basis (State)	\$ 2,387,178,815	\$ 2,467,933,234	\$ 2,556,640,626	\$ 2,659,372,180	\$ 2,688,334,733	\$ 2,665,957,743	\$ 2,540,298,167	\$ 2,346,571,678	\$ 2,105,378,877	\$ 1,872,415,959
Municipal Borrowing Power:										
3 1/2% of Equalized Valuation Basis	\$ 83,551,259	\$ 86,377,663	\$ 89,482,422	\$ 93,078,026	\$ 94,091,716	\$ 93,308,521	\$ 88,910,436	\$ 82,130,009	\$ 73,688,261	\$ 65,534,559
Net Debt	16,566,206	15,967,269	13,897,194	16,722,790	22,320,440	17,028,550	8,531,044	12,154,742	14,837,647	11,599,549
Remaining Borrowing Power	<u>\$ 66,985,053</u>	<u>\$ 70,410,394</u>	<u>\$ 75,585,228</u>	<u>\$ 76,355,236</u>	<u>\$ 71,771,276</u>	<u>\$ 76,279,971</u>	<u>\$ 80,379,392</u>	<u>\$ 69,975,267</u>	<u>\$ 58,850,614</u>	<u>\$ 53,935,010</u>
School Borrowing Power:										
3% of Equalized Valuation Basis	\$ 71,615,364	\$ 74,037,997	\$ 76,699,219	\$ 79,781,165	\$ 80,650,042	\$ 79,978,732	\$ 76,208,945	\$ 70,397,150	\$ 63,161,366	\$ 56,172,479
Net School Debt	7,264,133	7,701,363	8,123,802	8,594,070	9,136,930	9,534,279	8,695,615	8,796,453	6,077,158	6,551,109
School Borrowing Margin Available	<u>\$ 64,351,231</u>	<u>\$ 66,336,634</u>	<u>\$ 68,575,417</u>	<u>\$ 71,187,095</u>	<u>\$ 71,513,112</u>	<u>\$ 70,444,453</u>	<u>\$ 67,513,330</u>	<u>\$ 61,600,697</u>	<u>\$ 57,084,208</u>	<u>\$ 49,621,370</u>

**BOROUGH OF OAKLAND  
STATISTICAL DATA  
DIRECT AND OVERLAPPING DEBT  
(UNAUDITED)**

	2013	2012	2011	2010	2009	2008	2007	2006	2005	2004
<u><b>DIRECT DEBT</b></u>										
Municipal Debt (Net)	\$ 16,566,206	\$ 15,967,269	\$ 13,897,194	\$ 16,722,790	\$ 22,320,440	\$ 17,028,550	\$ 8,531,044	\$ 12,154,742	\$ 14,837,647	\$ 11,599,549
Local School Debt	2,520,000	2,755,000	2,980,000	3,200,000	3,555,000	3,750,000	2,733,000	2,733,000	-	-
Regional School Debt	4,744,133	4,946,363	5,143,802	5,394,070	5,581,930	5,784,279	5,962,615	6,063,453	6,077,158	6,551,109
	<u>\$ 23,830,339</u>	<u>\$ 23,668,632</u>	<u>\$ 22,020,996</u>	<u>\$ 25,316,860</u>	<u>\$ 31,457,370</u>	<u>\$ 26,562,829</u>	<u>\$ 17,226,659</u>	<u>\$ 20,951,195</u>	<u>\$ 20,914,805</u>	<u>\$ 18,150,658</u>
	-	-	-	-	-	-	-	-	-	-
<u><b>OVERLAPPING DEBT</b></u>										
County of Bergen	<u>\$ 19,484,922</u>	<u>\$ 18,641,731</u>	<u>\$ 16,573,312</u>	<u>\$ 18,224,793</u>	<u>\$ 16,849,880</u>	<u>\$ 16,097,574</u>	<u>\$ 16,425,135</u>	<u>\$ 12,796,765</u>	<u>\$ 12,450,935</u>	<u>\$ 10,032,493</u>

(1) County Debt:

Municipal Equalized Valuations	\$ 2,397,105,440	\$ 2,456,287,818	\$ 2,370,838,202	\$ 2,678,697,472	\$ 2,775,734,176	\$ 2,671,143,488	\$ 2,604,555,794	\$ 2,390,253,357	\$ 2,105,103,439	\$ 1,878,168,264
Total County Equalized Valuations	\$ 165,008,934,260	\$ 168,748,014,772	\$ 173,258,537,441	\$ 183,412,099,706	\$ 187,580,071,463	\$ 182,767,512,263	\$ 172,863,500,734	\$ 153,984,695,626	\$ 136,528,998,442	\$ 121,601,699,827
	1.45%	1.46%	1.37%	1.46%	1.48%	1.46%	1.51%	1.55%	1.54%	1.54%
X's Outstanding County Debt	1,343,787,738	1,276,830,919	1,209,730,830	1,248,273,490	1,138,505,430	1,102,573,565	1,087,757,268	825,597,736	808,502,305	651,460,590
	<u>\$ 19,484,922</u>	<u>\$ 18,641,731</u>	<u>\$ 16,573,312</u>	<u>\$ 18,224,793</u>	<u>\$ 16,849,880</u>	<u>\$ 16,097,574</u>	<u>\$ 16,425,135</u>	<u>\$ 12,796,765</u>	<u>\$ 12,450,935</u>	<u>\$ 10,032,493</u>

## BOROUGH OF OAKLAND

## STATISTICAL DATA

RATIO OF ANNUAL DEBT SERVICE APPROPRIATIONS TO TOTAL ADOPTED CURRENT FUND APPROPRIATIONS  
(UNAUDITED)

	2013	2012	2011	2010	2009	2008	2007	2006	2005	2004
Serial Bonds:										
Principal	\$ 830,000	\$ 805,000	\$ 790,000	\$ 898,000	\$ 890,000	\$ 875,000	\$ 1,063,000	\$ 860,000	\$ 820,000	\$ 785,000
Interest	99,943	130,143	160,296	193,995	229,328	261,960	300,495	227,530	263,446	298,204
Notes:										
Principal	448,916	435,687	116,688	101,240	-	-	-	-	-	100,000
Interest	43,276	102,462	127,952	149,826	137,615	-	191,000	75,000	61,500	20,000
Loans:										
Principal	-	-	10,540	20,768	20,358	19,958	19,564	19,179	18,801	18,430
Interest	-	-	-	523	932	1,333	1,726	2,112	2,490	2,861
	<u>\$ 1,422,135</u>	<u>\$ 1,473,292</u>	<u>\$ 1,205,476</u>	<u>\$ 1,364,352</u>	<u>\$ 1,278,233</u>	<u>\$ 1,158,251</u>	<u>\$ 1,575,785</u>	<u>\$ 1,183,821</u>	<u>\$ 1,166,237</u>	<u>\$ 1,224,495</u>
Total Current Fund Budget Appropriations	<u>\$ 17,892,998</u>	<u>\$ 18,339,994</u>	<u>\$ 17,697,434</u>	<u>\$ 18,155,011</u>	<u>\$ 17,830,930</u>	<u>\$ 17,529,543</u>	<u>\$ 16,164,392</u>	<u>\$ 15,678,913</u>	<u>\$ 14,198,656</u>	<u>\$ 13,702,396</u>
Ratio of Debt Service to Current Fund Budget Appropriations	<u>7.95%</u>	<u>8.03%</u>	<u>6.81%</u>	<u>7.52%</u>	<u>7.17%</u>	<u>6.61%</u>	<u>9.75%</u>	<u>7.55%</u>	<u>8.21%</u>	<u>8.94%</u>



**BOROUGH OF OAKLAND  
STATISTICAL DATA  
DEMOGRAPHIC STATISTICS  
(UNAUDITED)**

J-10

	2013	2012*	2011	2010	2009	2008	2007	2006	2005	2004
Average Labor Force Estimates by Municipality:										
Labor Force	6,639	7,242	7,190	7,193	7,246	7,271	7,213	7,200	7,112	7,058
Employment	6,133	6,799	6,758	6,753	6,814	7,030	7,030	6,997	6,918	6,847
Unemployment	505	443	432	439	432	241	183	203	194	212
Unemployment Rate	7.6%	6.1%	6.0%	6.1%	6.0%	3.3%	2.5%	2.8%	2.7%	3.0%
Per Capital Personal Income - Bergen Cty.										
	\$ 66,096	\$ 66,096	\$ 66,096	\$ 63,385	\$ 62,604	\$ 68,227	\$ 67,394	\$ 62,714	\$ 56,706	\$ 54,462
Subcounty Population Estimates:										Corrected Census 2010 Count
	Estimates as of July 1,									
Oakland BORO	12,873	12,873	12,836	12,754	13,293	13,249	13,254	13,270	13,415	12,754
County of Bergen	918,888	918,888	911,004	906,184	895,250	889,915	885,664	884,581	887,322	884,118

\* Latest Information Available

**BOROUGH OF OAKLAND  
STATISTICAL DATA  
TEN LARGEST TAXPAYERS BY ASSESSMENT  
(UNAUDITED)**

Taxpayer	2013 Assessed Valuation	As a Percent of Total Net
		Valuations Taxable \$ 2,170,450,991
1 Jayare Associates, LLC	15,500,000	0.71%
2 Washington Square Owner, LLC	13,500,000	0.62%
3 40 Potash Road Associates, LLC	12,084,100	0.56%
4 Shiseido America, Inc.	11,511,700	0.53%
5 The Realty Associates Fund VII, L.P.	10,216,600	0.47%
6 5 Thorton Road Associates, LLC	9,908,200	0.46%
7 Oakland Care Ctr Real Estate Co., LLC	9,725,000	0.45%
8 Lincoln Realty Associates, LLC	7,427,100	0.34%
9 PSEG Services Corp. - Corp. Property Dept.	6,679,600	0.31%
10 1 Raritan Road Realty LLC	6,235,900	0.29%
	<u>\$ 102,788,200</u>	<u>4.74%</u>

**BOROUGH OF OAKLAND**  
**STATISTICAL DATA**  
**VALUE OF NEW CONSTRUCTION, IMPROVEMENTS, ALTERATIONS AND DEMOLITIONS**  
**(UNAUDITED)**

J-12

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	2013	2012	2011	2010	2009	2008	2007	2006	2005	2004
# of Permits Issued	878	866	872	751	719	761	806	965	980	976
Value of Construction	\$ 11,307,947	\$ 12,233,930	\$ 10,052,280	\$ 16,200,353	\$ 13,094,373	\$ 13,495,793	\$ 9,569,674	\$ 17,246,498	\$ 19,235,756	\$ 16,063,955

BOROUGH OF OAKLAND  
NJ Comprehensive Annual Financial Report  
Single Audit Section

*Di Maria & Di Maria LLP*  
*Accountants and Consultants*

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245 Union Street  
Lodi, New Jersey 07644  
Voice 973.779.6890  
Facsimile 973.779.6891

Independent Auditors' Report

Honorable Mayor and Members of the Borough Council  
Borough of Oakland, County of Bergen, New Jersey

We have audited, in accordance with auditing standards generally accepted in the United States of America, 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, the financial statements - *regulatory basis* - of the various funds and account group of the Borough of Oakland, in the County of Bergen (the "Borough") as of and for the year ended December 31, 2013, and the related notes to the financial statements, which collectively comprise the Borough's basic financial statements, and have issued our report thereon dated June 30, 2014, which was adverse due to the financial statements being prepared in conformity 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 Borough's control over financial reporting ("internal control") to determine the audit procedures that are appropriate in the circumstances for the purpose of expressing our opinion on the financial statements, but not for the purpose of expressing an opinion on the effectiveness of the Borough's internal control. Accordingly, we do not express an opinion on the effectiveness of the Borough's internal control.

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 combination of deficiencies, in internal control, such that there is a reasonable possibility that a material misstatement of the Borough'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.

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, as defined above. However, material weaknesses may exist that have not been identified.

## *Di Maria & Di Maria LLP*

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### Independent Auditors' Report (Continued)

#### Compliance and Other Matters

As part of obtaining reasonable assurance about whether the Borough's financial statements are free of 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* and audit requirements as prescribed by the Division of Local Government Services, Department of Community Affairs, State of New Jersey.

We noted certain other matters that we reported to management of the Borough of Oakland, New Jersey in a separate letter dated June 30, 2014.

#### 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 result of that testing, and not to provide an opinion on the effectiveness of the Borough'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 Borough's internal control and compliance. Accordingly, this communication is not suitable for any other purpose.

DI MARIA & DI MARIA LLP  
Accountants and Consultants

*Frank Di Maria*

Frank Di Maria  
Registered Municipal Accountant  
RMA No. CR00463

June 30, 2014

**BOROUGH OF OAKLAND**  
**SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS**  
**YEAR ENDED DECEMBER 31, 2013**

K-3  
Schedule A

Catalog of Federal Domestic Assistance Program Title	Federal C.F.D.A. Number	State Aid/Grant Program Titles	Award Amount	Grant Period		Balance December 31, 2012	Carryover Amount	Cash Received	Budgetary Expenditures	Adjustments	Repayment of Prior Years Balances	(Accounts Receivable)	Deferred	Due to
				From	To							December 31, 2013	Revenue December 31, 2013	Grantor at December 31, 2013
Federal and State Grant Fund														
US Department of Housing and Urban Development -														
CDBG Grant		Community Development	\$ 103,700	01/01/09	12/31/09	\$ (60,010)	\$ -	\$ 22,407	\$ -	\$ 37,603	\$ -	\$ -	\$ -	\$ -
CDBG Grant		Community Development	103,700	01/01/09	12/31/09	37,604	-	-	-	(37,604)	-	-	-	-
US Department of Homeland Security - Passed thru the State of NJ Division of Law & Public Safety -														
N.J. State Police OEM Grant			5,000	01/01/10	12/31/10	5,000	-	-	(2,973)	-	-	-	2,027	-
FEMA Hazard Mitigation Grant			98,000	01/01/13	12/31/13	-	-	-	(2,000)	-	-	(98,000)	96,000	-
Total Federal Financial Assistance						\$ (17,406)	\$ -	\$ 22,407	\$ (4,973)	\$ (1)	\$ -	\$ (98,000)	\$ 98,027	\$ -

**BOROUGH OF OAKLAND**  
**SCHEDULE OF EXPENDITURES OF STATE FINANCIAL ASSISTANCE**  
**YEAR ENDED DECEMBER 31, 2013**

K-4  
Schedule B

State Grantor / Program Title	Grant or State Project Number	Award Amount	Grant Period		Balance December 31, 2012	Carryover Amount	Cash Received	Budgetary Expenditures	Adjustments	Repayment of Prior Years Balances	(Accounts Receivable)	Deferred Revenue	Due to Grantor at December 31, 2013
			From	To							December 31, 2013	December 31, 2013	
<i>State of N.J., Department of Community Affairs --</i>													
Consolidated Municipal Property Tax Relief Aid	082-495-6020	\$ 7,445	01/01/13	12/31/13	\$ -	\$ -	\$ 7,445	\$ (7,445)	\$ -	\$ -	\$ -	\$ -	\$ -
LEA Rebates	022-100-6120	33,048	01/01/13	12/31/13	-	-	33,048	(33,048)	-	-	-	-	-
<i>State of N.J., Department of Treasury --</i>													
Energy Receipts Tax	082-100-6020	1,304,724	01/01/13	12/31/13	-	-	1,304,724	(1,304,724)	-	-	-	-	-
Veterans & Senior Citizens (Including Admin. Fee)	082-495-6020	117,706	01/01/13	12/31/13	-	-	117,706	(117,706)	-	-	-	-	-
<i>State of N.J., Department of Environmental Protection --</i>													
Clean Communities Program	042-4900-765-004	20,770	01/01/13	01/01/13	-	-	20,770	-	-	-	-	20,770	-
Clean Communities Program	042-4900-765-004	21,100	01/01/12	01/01/12	21,100	-	-	(2,874)	-	-	-	18,226	-
Clean Communities Program	042-4900-765-004	21,948	01/01/11	01/01/11	12,377	-	-	(12,377)	-	-	-	-	-
Highlands - Plan Conformance		50,000	01/01/11	12/31/11	12,465	-	-	(5,232)	-	-	-	7,233	-
Highlands - Plan Conformance		50,000	01/01/09	12/31/09	(48,537)	-	29,330	-	-	-	(19,207)	-	-
Highlands - Transfer Development Rights		25,000	01/01/09	12/31/09	(4,824)	-	-	-	-	-	(4,824)	-	-
Recycling Tonnage Grant	042-752-6020	29,565	Non-Expiring		-	-	29,565	-	-	-	-	29,565	-
Recycling Tonnage Grant	042-752-6020	30,416	Non-Expiring		30,416	-	-	-	-	-	-	30,416	-
Recycling Tonnage Grant	042-752-6020	26,756	Non-Expiring		26,756	-	-	-	-	-	-	26,756	-
Recycling Tonnage Grant	042-752-6020	43,406	Non-Expiring		38,306	-	-	(26,813)	-	-	-	11,493	-
<i>State of N.J., Department of Law and Public Safety --</i>													
Body Armor Replacement Program	066-1020-718-001	2,689	Non-Expiring		-	-	2,689	-	-	-	-	2,689	-
Body Armor Replacement Program	066-1020-718-001	2,630	Non-Expiring		2,630	-	-	-	-	-	-	2,630	-
Body Armor Replacement Program	066-1020-718-001	2,550	Non-Expiring		2,550	-	-	-	-	-	-	2,550	-
Body Armor Replacement Program	066-1020-718-001	2,732	Non-Expiring		342	-	-	-	-	-	-	342	-
Drunk Driving Enforcement Fund		7,758	01/01/12	12/31/12	7,758	-	-	-	-	-	-	7,758	-
Drunk Driving Enforcement Fund		3,374	01/01/11	12/31/11	1,919	-	-	(1,776)	-	-	-	143	-
Alcohol Education & Rehabilitation Fund		1,187	01/01/13	12/31/13	-	-	1,187	-	-	-	-	1,187	-
Alcohol Education & Rehabilitation Fund		979	01/01/12	12/31/12	979	-	-	-	-	-	-	979	-
Police Accreditation Grant		25,000	01/01/13	12/31/13	-	-	50,000	(39,000)	-	-	-	11,000	-
Emergency Management Assistance Grant (EMMA)		5,000	01/01/12	12/31/12	2,460	-	-	(2,460)	-	-	-	-	-
<i>State of N.J., Department of Transportation --</i>													
Passed Thru County of Bergen - ADA Ramps		5,000	01/01/10	12/31/10	(5,000)	-	-	-	5,000	-	-	-	-
Passed Thru County of Bergen - ADA Ramps		5,000	01/01/10	12/31/10	5,000	-	-	-	(5,000)	-	-	-	-
<i>State of N.J., Association of Environmental Commissions --</i>													
ANJEC Sustainable Land Use Grant		8,000	01/01/12	12/31/12	(8,000)	-	-	-	-	-	(8,000)	-	-
ANJEC Sustainable Land Use Grant		8,000	01/01/12	12/31/12	8,000	-	-	(8,000)	-	-	-	-	-
<i>State of N.J., Department of Health --</i>													
H1N1 Flu Grant		3,500	01/01/10	12/31/10	211	-	-	-	(211)	-	-	-	-
<i>State of N.J., Department of State --</i>													
Per Capita Library State Aid	100-074-6010	5,644	Non-Expiring		-	-	5,588	(5,588)	-	-	-	-	-
<i>State of N.J., Department of Human Services --</i>													
<i>Passed thru the County of Bergen --</i>													
Municipal Alliance on Alcoholism & Drug Abuse		4,938	07/01/14	06/30/15	-	-	-	-	-	-	(4,938)	4,938	-
Municipal Alliance on Alcoholism & Drug Abuse		9,876	01/01/13	12/31/13	-	-	7,684	-	-	-	(2,192)	9,876	-
Municipal Alliance on Alcoholism & Drug Abuse		10,356	01/01/12	12/31/12	(3,156)	-	3,156	-	-	-	-	-	-
Municipal Alliance on Alcoholism & Drug Abuse		10,356	01/01/12	12/31/12	17,004	-	-	(6,031)	-	-	-	10,973	-
Municipal Alliance on Alcoholism & Drug Abuse		10,356	01/01/10	12/31/10	2,431	-	-	(2,431)	-	-	-	-	-
Municipal Alliance on Alcoholism & Drug Abuse		2,469	01/01/13	12/31/13	-	-	2,469	(2,469)	-	-	-	-	-
Municipal Alliance on Alcoholism & Drug Abuse		2,589	01/01/10	12/31/10	1,021	-	-	-	-	-	-	1,021	-
<b>Total State Financial Assistance</b>		<b>\$ 124,208</b>	<b>\$ -</b>	<b>\$ 1,615,361</b>	<b>\$ (1,577,974)</b>	<b>\$ (211)</b>	<b>\$ -</b>	<b>\$ (39,161)</b>	<b>\$ 200,545</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>



**BOROUGH OF OAKLAND  
NOTES TO SCHEDULES OF EXPENDITURES OF FEDERAL AWARDS AND  
STATE FINANCIAL ASSISTANCE  
YEAR ENDED DECEMBER 31, 2013**

---

**Note 1 - General**

The accompanying schedules of expenditures of federal awards and state financial assistance include federal and state award activity of the Borough of Oakland, County of Bergen, State of New Jersey. The Borough of Oakland is defined in Note I to the basic financial statements. All federal and state awards received directly from federal and state agencies, as well as federal awards and state financial assistance passed through other government agencies is included on the schedule of expenditures of federal awards and state financial assistance.

**Note 2 - Basis of Accounting**

The accompanying schedules of expenditures of awards and financial assistance are presented on the budgetary basis of accounting with the exception of programs recorded in the food service fund, which are presented using the accrual basis of accounting. These bases of accounting are described in Note 1 to the basic financial statements. The information in this schedule is presented in accordance with the requirements of OMB Circular A-133, Audits of States, Local Governments, and Non-Profit Organizations. Therefore, some amounts presented in this schedule may differ from amounts presented in, or used in the preparation of, the basic financial statements.

**BOROUGH OF OAKLAND  
NOTES TO SCHEDULES OF EXPENDITURES OF FEDERAL AWARDS AND  
STATE FINANCIAL ASSISTANCE  
YEAR ENDED DECEMBER 31, 2013**

---

**Note 3 - Relationship to General-Purpose Financial Statements**

Organization

The Borough of Oakland, New Jersey is the prime sponsor and recipient of various federal and state grant funds. The Borough has delegated the general administration of grant programs and the reporting function to the Borough Treasurer. Substantially all grant and program cash funds are commingled with the Borough's other funds, although each grant is accounted for separately within the Borough's financial records. The Borough Treasurer's office performs accounting functions for all grants.

Basis of Accounting

The Borough's grants are presented on the modified accrual basis of accounting utilizing the following methods:

Current Fund Grants -

In accordance with a directive from the State Department of Community Affairs, Division of Local Government Services, all grant revenues and expenditures are fully realized within the current fund budget and corresponding receivables and spending reserves are recorded to account for grant activity.

Trust Fund and Capital Fund Grants -

In accordance with accounting principles prescribed by the State of New Jersey, grant receivables are offset with grant spending reserves.

Local Contributions

Local matching contributions are raised in the current fund budget. The percentage of matching contributions varies with each program. Local and state shares of grants are reflected in total on the Schedule of State Financial Assistance.

**BOROUGH OF OAKLAND  
NOTES TO SCHEDULES OF EXPENDITURES OF FEDERAL AWARDS AND  
STATE FINANCIAL ASSISTANCE  
YEAR ENDED DECEMBER 31, 2013**

---

**Note 3 - Relationship to General-Purpose Financial Statements (continued)**

Expenditures

Expenditures, as reported on the accompanying schedules of federal and state grants, reflect actual cash disbursements charged directly to a grant program and, in certain instances, do not include allocated expenses or accrued expenses. Differences between budget and actual cash disbursements, as well as differences between budget revenues and actual cash receipts, are transferred to current fund balance when the grant is closed out.

Expenditures per Financial Reports

Expenditures, as reported on the accompanying schedules of federal and state grants, reflect the sum of all expenditures including allocated expenses and accrued expenses reported to the grant funding agency from January 1, 2013 to December 31, 2013.

**Note 4 - Relationship to Federal and State Financial Reports**

Amounts reported in the accompanying schedules agree with the amounts reported in the related federal and state financial reports.

**Note 5 - Federal and State Loans Outstanding**

The municipality did not have any federal and state loans outstanding at of December 31, 2013.

**Note 6 - Contingencies**

Each of the grantor agencies reserve the right to conduct additional audits of the Borough's grant programs for economy, efficiency and program results.

**BOROUGH OF OAKLAND  
SCHEDULE OF FINDINGS AND QUESTIONED COSTS  
YEAR ENDED DECEMBER 31, 2013**

---

**Section I -- Summary of Auditors' Results**

Financial Statements

- A) Type of auditors' report issued: Adverse - GAAP; Qualified - Regulatory
- B) Internal control over financial reporting:
- |  |                       |                         |
|--|-----------------------|-------------------------|
| 1. Material weakness(es) identified?       | <u>          </u> yes | <u>      X      </u> no |
| 2. Significant deficiency(ies) identified? | <u>          </u> yes | <u>      X      </u> no |
- C) Noncompliance material to general-purpose financial statements noted?
- |                       |                         |
|-----------------------|-------------------------|
| <u>          </u> yes | <u>      X      </u> no |
|-----------------------|-------------------------|

**BOROUGH OF OAKLAND  
SCHEDULE OF FINDINGS AND QUESTIONED COSTS  
YEAR ENDED DECEMBER 31, 2013**

---

**Section I -- Summary of Auditors' Results (Continued)**

Federal Awards

**\*\*NOT APPLICABLE - EXPENDITURES UNDER \$500,000\*\***

A) Internal control over major programs:

- |  |           |          |
|--|-----------|----------|
| 1. Material weakness(es) identified?       | _____ yes | _____ no |
| 2. Significant deficiency(ies) identified? | _____ yes | _____ no |

B) Type of auditors' report issued on compliance for major programs:

- |  |           |          |
|--|-----------|----------|
| C) Any audit findings disclosed that are required to be reported in accordance with section .510(a) of Circular A-133? | _____ yes | _____ no |
|--|-----------|----------|

D) Identification of major programs:

CFDA Number(s)

Name of Federal Program or Cluster

_____	_____
_____	_____
_____	_____

E) Dollar threshold used to distinguish between type A and type B programs:

- |   |           |          |
|---|-----------|----------|
| F) Auditee qualified as low-risk auditee? | _____ yes | _____ no |
|---|-----------|----------|

**BOROUGH OF OAKLAND  
SCHEDULE OF FINDINGS AND QUESTIONED COSTS  
YEAR ENDED DECEMBER 31, 2013**

---

**Section I -- Summary of Auditors' Results (Continued)**

State Awards

**\*\*NOT APPLICABLE - EXPENDITURES UNDER \$500,000\*\***

A) Internal control over major programs:

1. Material weakness(es) identified? \_\_\_\_\_ yes \_\_\_\_\_ no

2. Significant deficiency(ies) identified? \_\_\_\_\_ yes \_\_\_\_\_ no

B) Type of auditors' report issued on compliance for major programs:

C) Any audit findings disclosed that are required to be reported in accordance with NJ OMB Circular Letter 04-04? \_\_\_\_\_ yes \_\_\_\_\_ no

D) Identification of major programs:

<u>Program GMIS Number(s)</u>	<u>Name of State Program</u>

E) Dollar threshold used to distinguish between type A and type B programs:

F) Auditee qualified as low-risk auditee? \_\_\_\_\_ yes \_\_\_\_\_ no

**BOROUGH OF OAKLAND  
SCHEDULE OF FINDINGS AND QUESTIONED COSTS  
YEAR ENDED DECEMBER 31, 2013**

---

**Section II -- Financial Statement Findings**

*Criteria:* N.J.A.C. 5:30-5.6 requires a permanent fixed asset accounting system be maintained.

*Condition:* The Chief Financial Officer did not implement the required fixed asset accounting system after December 31, 2012.

*Cause:* The Chief Financial Officer did not implement the required fixed asset accounting system after December 31, 2012.

*Effect:* The Statement of Fixed Assets may be overstated or understated.

**BOROUGH OF OAKLAND  
SCHEDULE OF FINDINGS AND QUESTIONED COSTS  
YEAR ENDED DECEMBER 31, 2013**

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**Section III -- Federal and State Award Findings and Questioned Costs**

Current Year

Federal Awards:

There were no findings or questioned costs identified.

State Awards:

There were no findings or questioned costs identified.

Prior Year

Federal Awards:

There were no prior year findings or questioned costs.

State Awards:

There were no prior year findings or questioned costs.



**BOROUGH OF OAKLAND  
SUMMARY SCHEDULE OF PRIOR AUDIT FINDINGS  
YEAR ENDED DECEMBER 31, 2013**

---

Not Applicable - None in 2012

BOROUGH OF OAKLAND

NJ Comprehensive Annual Financial Report

General Comments and Recommendations Section

**BOROUGH OF OAKLAND  
GENERAL COMMENTS AND RECOMMENDATIONS  
YEAR ENDED DECEMBER 31, 2013**

---

**Cash Cycle**

Ref.

Chief Financial Officer

None

N/A

**BOROUGH OF OAKLAND  
GENERAL COMMENTS AND RECOMMENDATIONS  
YEAR ENDED DECEMBER 31, 2013**

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<u>Revenues/Receipts Cycle</u>	<u>Ref.</u>
<u>Tax Collector</u>	
None	N/A
<u>Municipal Court</u>	
Disbursement checks in the General Account require only one authorizing signature.	#3
It is suggested that the the Borough utilize a private collection agency to collect outstanding municipal court debts.	N/A
<u>Construction Official</u>	
None	N/A
<u>Recreation</u>	
None	N/A
<u>Volunteer Ambulance Corp.</u>	
It is suggested that a third party ambulance fee billing system be implemented.	N/A

**BOROUGH OF OAKLAND  
GENERAL COMMENTS AND RECOMMENDATIONS  
YEAR ENDED DECEMBER 31, 2013**

---

**Expenditures/Disbursements Cycle**

Ref.

There were instances of missing committee signatures, and committee signatures obtained after council meeting dates noted during our purchase order/voucher testing; however, these instances pre-dated Ordinance #14-CODE-699 which modified the payment of claims process. No errors were noted within the timeframe following adoption of Ordinance #14-CODE-699.

N/A

**BOROUGH OF OAKLAND  
GENERAL COMMENTS AND RECOMMENDATIONS  
YEAR ENDED DECEMBER 31, 2013**

---

**Payroll Cycle**

**Ref.**

None

N/A

**BOROUGH OF OAKLAND  
GENERAL COMMENTS AND RECOMMENDATIONS  
YEAR ENDED DECEMBER 31, 2013**

---

**Other Significant Matters**

Ref.

Affordable Housing Trust Funds

It is suggested that experienced professional(s) be retained who are proficient with existing and expected laws and/or regulations pertaining to the administration of Affordable Housing Trust Funds; for guidance in light of impending changes to affordable housing laws and regulations.

N/A

Health Benefits

It is suggested that experienced professional(s) be retained who are proficient with existing and expected laws and/or regulations pertaining to the Affordable Care Act; for guidance in light of impending changes to Affordable Care Act laws and regulations.

N/A

Tax Collector

The Lien Redemption Account was not maintained on an imprest basis. There is a significant unidentified balance which needs to be reviewed and cleared of record.

#2

**BOROUGH OF OAKLAND  
GENERAL COMMENTS AND RECOMMENDATIONS  
YEAR ENDED DECEMBER 31, 2013**

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**Water Utility**

**Ref.**

It is suggested that rate increases be implemented as early as possible in the fiscal year in order to maximize revenue collections, and keep rates consistent throughout the fiscal year.

N/A



**BOROUGH OF OAKLAND  
GENERAL COMMENTS AND RECOMMENDATIONS  
YEAR ENDED DECEMBER 31, 2013**

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**Sewer Utility**

**Ref.**

It is suggested that rate increases be implemented as early as possible in the fiscal year in order to maximize revenue collections, and keep rates consistent throughout the fiscal year.

N/A

**BOROUGH OF OAKLAND**  
**GENERAL COMMENTS AND RECOMMENDATIONS**  
**YEAR ENDED DECEMBER 31, 2013**

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**Recommendations**

1. That the Chief Financial Officer maintain a fixed asset accounting system in accordance with N.J.A.C. 5:30-5.6.
2. That the Tax Collector maintain the lien redemption account on an imprest basis, and that any unidentified balance be removed and cleared of record.
3. That disbursement checks in the municipal court general account require at least two authorizing signatures.

**BOROUGH OF OAKLAND  
GENERAL COMMENTS AND RECOMMENDATIONS  
YEAR ENDED DECEMBER 31, 2013**

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**Status of Prior Years' Recommendations**

A review was made of all prior year's recommendations, and corrective action was taken on all with the exception of those denoted with an asterisk.

The synopsis of this report, together with the recommendations must be published as required by statute. We wish to express our appreciation of the assistance and courtesies extended by the Municipal Officials during the course of the audit.

**DI MARIA & DI MARIA LLP  
Accountants and Consultants**

*Frank Di Maria*

**Registered Municipal Accountant  
RMA No. CR00463**

June 30, 2014