

BOROUGH OF OAKLAND
County of Bergen, New Jersey

NJ Comprehensive Annual Financial Report
Year Ended December 31, 2015

BOROUGH OF OAKLAND
NJ COMPREHENSIVE ANNUAL FINANCIAL REPORT
YEAR ENDED DECEMBER 31, 2014
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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	12/31/17
Russell Talamini	Councilman	12/31/17
Eric Kulmala	Councilman	12/31/16
Timothy Jensen	Councilman	12/31/16
Richard Kunze	Administrator	
Lisa Duncan	Municipal Clerk	
	Assessment Search Officer	
Donna Mollineaux	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	
	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	
Thomas Buonocore, Esq.	Prosecutor	
Nina Remson, 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

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, 2015 and 2014, 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, 2015, and the related notes to the financial statements, which collectively comprise the Borough's 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 accounting practices prescribed or permitted by the Division of Local Government Services, Department of Community Affairs, State of New Jersey (the "Division") to demonstrate compliance with the Division's regulatory basis of accounting, and the budget laws of New Jersey. Management is also responsible for the design, implementation, and maintenance of internal control relevant to the preparation and fair presentation of financial statements that are free from material 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 audits. We conducted our audits 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 2, these financial statements have been prepared on the basis of accounting practices prescribed or permitted by the Division to demonstrate compliance with the Division's regulatory basis of accounting and the budget laws of New Jersey, which is a basis of accounting other than accounting principles generally accepted in the United States of America. The effects on the financial statements of the variances between the regulatory basis of accounting described in Note 2 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 each fund and account group of the Borough as of December 31, 2015 and 2014, or the changes in financial position for the years then ended.

Basis for Qualified Opinion on Regulatory Basis of Accounting

As described in Note 11 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 \$961,460 and \$944,835 for 2015 and 2014 respectively were not audited and, therefore, we express no opinion on the LOSAP program. The LOSAP Trust Fund balance is included in the Borough's Trust Fund financial activities and represented 15% and 13% of the Trust Fund's assets and liabilities as of December 31, 2015 and 2014 respectively.

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 - regulatory basis referred to above present fairly, in all material respects, the financial position - regulatory basis of the various funds and account group as of December 31, 2015 and 2014, and the results of operations and changes in fund balance - regulatory basis of such funds for the years then ended and the respective revenues - regulatory basis and expenditures - regulatory basis of the various funds for the year ended December 31, 2015 in accordance with the financial accounting and reporting principles and practices prescribed or permitted by the Division to demonstrate compliance with the Division's regulatory basis of accounting and the budget laws of New Jersey, as described in Note 2.

Independent Auditors' Report (Continued)

Other Matters

Other Information

Our audit was conducted for the purpose of forming an opinion on the financial statements that collectively comprise the Borough's basic financial statements. The supplementary data schedules listed in the table of contents, the letter of comments and recommendations section, and the accompanying schedules of expenditures of federal awards and the schedule of expenditures of state financial assistance, as required by Title 2 U.S. Code of Federal Regulations Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards* ("Uniform Guidance"); and New Jersey OMB's Circular 15-08, *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 and schedules listed above 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 2.

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, 2016 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, 2016

**BOROUGH OF OAKLAND
COMBINED COMPARATIVE BALANCE SHEET (REGULATORY BASIS)
DECEMBER 31, 2015**

A-1

	Current Fund	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	
										2015	2014
ASSETS AND OTHER DEBITS											
Cash	\$ 6,376,586	\$ 34,481	\$ 6,263,594	\$ 4,735,503	\$ 1,696,414	\$ 805,800	\$ 451,954	\$ 79,149	\$ -	\$ 20,443,481	\$ 22,049,767
Deferred Compensation Assets	-	-	961,460	-	-	-	-	-	-	961,460	944,835
Taxes Receivable	1,314,044	-	-	-	-	-	-	-	-	1,314,044	1,266,037
Consumer Accounts Receivable	-	-	-	-	231,569	-	82,596	-	-	314,165	328,915
Interfunds Receivable	18,047	132,190	217,252	32,000	70	-	13	-	-	399,572	1,036,955
Intergovernmental Receivable	-	384,155	-	1,980,000	-	-	-	-	-	2,364,155	2,230,180
Deferred Charges	-	-	-	18,609,807	-	2,000	-	2,000	-	18,613,807	18,140,353
Fixed Capital	-	-	-	-	-	12,584,757	-	304,100	-	12,888,857	10,663,857
Fixed Capital Authorized & Uncompleted	-	-	-	-	-	1,230,409	-	634,760	-	1,865,169	4,092,169
Fixed Assets	-	-	-	-	-	-	-	-	45,005,663	45,005,663	43,019,952
Total Assets and Other Debits	<u>\$ 7,708,677</u>	<u>\$ 550,826</u>	<u>\$ 7,442,306</u>	<u>\$ 25,357,310</u>	<u>\$ 1,928,053</u>	<u>\$ 14,622,966</u>	<u>\$ 534,563</u>	<u>\$ 1,020,009</u>	<u>\$ 45,005,663</u>	<u>\$ 104,170,373</u>	<u>\$ 103,773,020</u>

LIABILITIES, RESERVES AND FUND BALANCE

Interfunds Payable	\$ 283,442	\$ -	\$ 17,660	\$ 98,387	\$ -	\$ 70	\$ -	\$ 13	\$ -	\$ 399,572	\$ 1,036,955
Intergovernmental Payable	5,576	-	-	-	-	-	-	-	-	5,576	12,970
Reserve for Encumbrances	979,879	38,792	-	982,685	50,233	60,079	18,618	26,334	-	2,156,620	3,846,993
Appropriation Reserves	1,282,617	-	-	-	276,442	-	48,688	-	-	1,607,747	1,722,722
Other Liabilities and Reserves	483,025	512,034	7,424,646	1,630,197	117,200	11,934,549	30,483	248,100	-	22,380,234	21,027,311
Improvement Authorizations	-	-	-	5,221,874	-	460,182	-	527,097	-	6,209,153	7,204,849
Serial Bonds Payable	-	-	-	14,396,000	-	1,987,000	-	215,000	-	16,598,000	1,243,000
Bond Anticipation Notes Payable	-	-	-	2,718,000	-	-	-	-	-	2,718,000	18,964,121
Reserve for Receivables & Other Assets	1,332,091	-	-	-	231,569	-	82,596	-	-	1,646,256	1,832,011
Reserve for Investment in Fixed Assets	-	-	-	-	-	-	-	-	45,005,663	45,005,663	43,019,952
Fund Balance	3,342,047	-	-	310,167	1,252,609	181,086	354,178	3,465	-	5,443,552	3,862,136
Total Liabilities, Reserves and Fund Balance	<u>\$ 7,708,677</u>	<u>\$ 550,826</u>	<u>\$ 7,442,306</u>	<u>\$ 25,357,310</u>	<u>\$ 1,928,053</u>	<u>\$ 14,622,966</u>	<u>\$ 534,563</u>	<u>\$ 1,020,009</u>	<u>\$ 45,005,663</u>	<u>\$ 104,170,373</u>	<u>\$ 103,773,020</u>

BOROUGH OF OAKLAND
COMBINED STATEMENT OF OPERATIONS AND CHANGE IN FUND BALANCE (REGULATORY BASIS)
YEAR ENDED DECEMBER 31, 2015

	Current Fund	Water Utility Fund	Sewer Utility Fund	Total
REVENUES AND OTHER CREDITS TO INCOME				
Revenues:				
Fund Balance Anticipated	\$ 660,000	\$ 50,000	\$ 25,000	\$ 735,000
Utility Rents	-	2,139,013	408,716	2,547,729
Miscellaneous	3,604,203	12,647	-	3,616,850
Deficit (General Budget)	-	-	-	-
Fund Balance - Water Capital	-	-	-	-
Receipts from Delinquent Taxes	5,834	-	-	5,834
Amount to be Raised by Taxation - Municipal	13,692,804	-	-	13,692,804
Amount to be Raised by Taxation - Library	779,371	-	-	779,371
Total Revenues	18,742,212	2,201,660	433,716	21,377,588
Other Credits to Income	44,755,917	417,777	95,377	45,269,071
Total Revenues and Other Credits to Income	\$ 63,498,129	\$ 2,619,437	\$ 529,093	\$ 66,646,659
EXPENDITURES AND OTHER CHARGES TO INCOME				
Expenditures:				
Within "CAPS":				
Operations:				
Salaries and Wages	\$ 6,926,825	\$ -	\$ -	\$ 6,926,825
Other Expenses	6,020,450	-	-	6,020,450
Deferred Charges	-	-	-	-
Statutory Expenditures	1,601,575	-	-	1,601,575
Excluded From "CAPS":				
Operations:				
Salaries and Wages	469,300	538,000	110,050	1,117,350
Other Expenses	1,013,541	680,500	200,950	1,894,991
Capital Improvements	700,000	73,785	12,028	785,813
Debt Service	1,382,000	525,000	50,000	1,957,000
Deferred Charges	146,600	101,715	17,272	265,587
Judgments	-	-	-	-
Deficit in Operations in Prior Years	-	-	-	-
Surplus (General Budget)	-	-	-	-
Reserve for Uncollected Taxes	189,000	-	-	189,000
Total Expenditures	18,449,291	1,919,000	390,300	20,758,591
Other Charges to Income	43,755,578	-	-	43,755,578
Total Expenditures and Charges to Income	\$ 62,204,869	\$ 1,919,000	\$ 390,300	\$ 64,514,169
Statutory Excess to Fund Balance	1,293,260	700,437	138,793	2,132,490
Deferred Charges to Budget of Succeeding Year	-	-	-	-
Fund Balance, January 1	2,708,787	602,172	240,385	3,551,344
	4,002,047	1,302,609	379,178	5,683,834
Decreased by:				
Utilization as Anticipated Revenue	660,000	50,000	25,000	735,000
Fund Balance, December 31	\$ 3,342,047	\$ 1,252,609	\$ 354,178	\$ 4,948,834

BOROUGH OF OAKLAND
CURRENT FUND
STATEMENT OF OPERATIONS AND CHANGE IN FUND BALANCE (REGULATORY BASIS)
BUDGET AND ACTUAL
YEAR ENDED DECEMBER 31, 2015

	Budget as Modified	Actual	Variance
REVENUES AND OTHER CREDITS TO INCOME			
Revenues:			
Fund Balance Anticipated	\$ 660,000	\$ 660,000	\$ -
Miscellaneous Revenues	3,483,587	3,604,203	120,616
Receipts from Delinquent Taxes	17,000	5,834	(11,166)
Amount to be Raised by Taxation - Municipal	13,509,333	13,692,804	183,471
Amount to be Raised by Taxation - Library	779,371	779,371	-
Total Revenues	18,449,291	18,742,212	292,921
Other Credits to Income	43,626,445	44,755,917	1,129,472
Total Revenues and Other Credits to Income	<u>\$ 62,075,736</u>	<u>\$ 63,498,129</u>	<u>\$ 1,422,393</u>

EXPENDITURES AND OTHER CHARGES TO INCOME

Expenditures:			
Within "CAPS":			
Operations:			
Salaries and Wages	\$ 6,926,825	\$ 6,926,825	\$ -
Other Expenses	6,020,450	6,020,450	-
Deferred Charges	-	-	-
Statutory Expenditures	1,601,575	1,601,575	-
Excluded From "CAPS":			
Operations:			
Salaries and Wages	469,300	469,300	-
Other Expenses	1,013,541	1,013,541	-
Capital Improvements	700,000	700,000	-
Municipal Debt Service	1,382,000	1,382,000	-
Deferred Charges	146,600	146,600	-
Reserve for Uncollected Taxes	189,000	189,000	-
Total Expenditures	18,449,291	18,449,291	-
Other Charges to Income	43,626,445	43,755,578	129,133
Total Expenditures and Charges to Income	<u>\$ 62,075,736</u>	<u>\$ 62,204,869</u>	<u>\$ 129,133</u>

Statutory Excess to Fund Balance 1,293,260

Deferred Charges to Budget of Succeeding Year -

Fund Balance, January 1 2,708,787
 \$ 4,002,047

Decreased by:
 Utilization as Anticipated Revenue 660,000
 Fund Balance, December 31 \$ 3,342,047

BOROUGH OF OAKLAND
WATER UTILITY OPERATING FUND
STATEMENT OF OPERATIONS AND CHANGE IN FUND BALANCE (REGULATORY BASIS)
BUDGET AND ACTUAL
YEAR ENDED DECEMBER 31, 2015

	Budget as Modified	Actual	Variance
<u>REVENUES AND OTHER CREDITS TO INCOME</u>			
Revenues:			
Fund Balance Anticipated	\$ 50,000	\$ 50,000	\$ -
Rents	1,862,000	2,139,013	277,013
Miscellaneous	7,000	12,647	5,647
Deficit (General Budget)	-	-	-
Total Revenues	1,919,000	2,201,660	282,660
Other Credits to Income	-	417,777	417,777
Total Revenues and Other Credits to Income	<u>\$ 1,919,000</u>	<u>\$ 2,619,437</u>	<u>\$ 700,437</u>
<u>EXPENDITURES AND OTHER CHARGES TO INCOME</u>			
Expenditures:			
Operations:			
Salaries and Wages	\$ 538,000	\$ 538,000	\$ -
Other Expenses	680,500	680,500	-
Capital Improvements	73,785	73,785	-
Debt Service	525,000	525,000	-
Deferred Charges	-	-	-
Statutory Expenditures	101,715	101,715	-
Judgments	-	-	-
Deficit in Operations in Prior Years	-	-	-
Surplus (General Budget)	-	-	-
Total Expenditures	1,919,000	1,919,000	-
Other Charges to Income	-	-	-
Total Expenditures and Charges to Income	<u>\$ 1,919,000</u>	<u>\$ 1,919,000</u>	<u>\$ -</u>
Statutory Excess to Fund Balance		700,437	
Deferred Charges to Budget of Succeeding Year		-	
Fund Balance, January 1		602,172	
		1,302,609	
Decreased by:			
Utilization as Anticipated Revenue		50,000	
Fund Balance, December 31		<u>\$ 1,252,609</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, 2015

	Budget as Modified	Actual	Variance
<u>REVENUES AND OTHER CREDITS TO INCOME</u>			
Revenues:			
Fund Balance Anticipated	\$ 25,000	\$ 25,000	\$ -
Rents	365,300	408,716	43,416
Miscellaneous	-	-	-
Deficit (General Budget)	-	-	-
Total Revenues	390,300	433,716	43,416
Other Credits to Income	-	95,377	95,377
Total Revenues and Other Credits	<u>\$ 390,300</u>	<u>\$ 529,093</u>	<u>\$ 138,793</u>
<u>EXPENDITURES AND OTHER CHARGES TO INCOME</u>			
Expenditures:			
Operations:			
Salaries and Wages	\$ 110,050	\$ 110,050	\$ -
Other Expenses	200,950	200,950	-
Capital Improvements	12,028	12,028	-
Debt Service	50,000	50,000	-
Deferred Charges	-	-	-
Statutory Expenditures	17,272	17,272	-
Judgments	-	-	-
Deficit in Operations in Prior Years	-	-	-
Surplus (General Budget)	-	-	-
Total Expenditures	390,300	390,300	-
Other Charges to Income	-	-	-
Total Expenditures and Charges	<u>\$ 390,300</u>	<u>\$ 390,300</u>	<u>\$ -</u>
Statutory Excess to Fund Balance		138,793	
Deferred Charges to Budget of Succeeding Year		-	
Fund Balance, January 1		240,385	
		<u>\$ 379,178</u>	
Decreased by:			
Utilization as Anticipated Revenue		25,000	
Fund Balance, December 31		<u>\$ 354,178</u>	

**BOROUGH OF OAKLAND
NOTES TO FINANCIAL STATEMENTS
YEAR ENDED DECEMBER 31, 2015**

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, 2015

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, 2015**

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 the Local Finance Board. The budget is prepared by fund, function, activity and line item (salary or other expense) and includes information on the previous year. The legal level of control for appropriations is exercised at the individual line item level for all operating budgets adopted. The governing body of the municipality may authorize emergency appropriations and the inclusion of certain special items of revenue to the budget after its adoption and determination of the tax rate. During the last 2 months of the fiscal year, the governing body may, by a 2/3 vote; amend the budget through line item transfers. Management has no authority to amend the budget without the approval of the governing body. Expenditures may not legally exceed budgeted appropriations at the line item level.

The Borough is not required to adopt budgets for the Trust and General Capital Funds.

BOROUGH OF OAKLAND
NOTES TO FINANCIAL STATEMENTS
YEAR ENDED DECEMBER 31, 2015

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, 2015**

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

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. Property and equipment purchased after December 31, 1985 are stated at cost. Donated fixed assets are recorded at estimated fair market value at the date of donation. Purchases prior to December 31, 1985 are stated as assessed value for Land & Buildings and estimated historical cost for Machinery & Equipment. 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, 2015

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, 2015

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, 2015

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, 2015

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. 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, does not have any effect on the Borough's financial reporting. However, the provisions of this statement do require significant modifications to the disclosure requirements related to the Borough's proportionate share of the cost-sharing defined benefit plans reported at the State of New Jersey level. Refer to Note 10 for the disclosures pertaining to this pronouncement.

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 also 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. Refer to Note 10 for the disclosures pertaining to this pronouncement.

**BOROUGH OF OAKLAND
NOTES TO FINANCIAL STATEMENTS
YEAR ENDED DECEMBER 31, 2015**

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

The Borough's deposits of public funds are insured by either the Federal Deposit Insurance Corporation (FDIC), Securities Investor Protection Corporation (SIPC) or by New Jersey's Governmental Unit Deposit Protection Act (GUDPA). The Borough is required to deposit their funds in a depository which is protecting such funds pursuant to GUDPA which requires all banks doing business in the State of New Jersey to pledge collateral equal to at least 5% of the average amount of its public deposits and 100% of the average amount of its public funds in excess of the lesser of 75% of its capital funds or \$200 million for all deposits not covered by the FDIC.

Bank balances are insured up to \$250,000 in the aggregate by the FDIC for each bank. SIPC replaces cash claims up to a maximum of \$250,000 for each failed brokerage firm.

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

<u>Year</u>	<u>Bank Balance</u>	<u>Book Balance</u>
2015	\$ 21,196,056	\$ 20,443,481

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, 2015 the Borough did not have any cash deposited with the New Jersey Cash Management Fund.

BOROUGH OF OAKLAND
NOTES TO FINANCIAL STATEMENTS
YEAR ENDED DECEMBER 31, 2015

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).

In addition, the Borough is permitted to invest LOSAP Funds with the types of eligible investments authorized in N.J.A.C. 5:30-14.19. LOSAP investments include interest bearing accounts or securities, in which savings banks of New Jersey are authorized to invest their funds, New Jersey Cash Management Fund, fixed and variable individual or group annuity contracts, mutual fund shares or fixed and variable life insurance contracts.

As of December 31, 2015 and 2014, the Borough had LOSAP investments of \$961,460 and \$944,835, respectively, which are subject to custodial credit risk as they are held in the pledging financial institution's trust department but are not in the Borough's name. In the event of the failure of the counterparty, the Borough may not be able to recover the value of the investments held by the outside party.

No other investments were held at December 31, 2015 or 2014.

BOROUGH OF OAKLAND
NOTES TO FINANCIAL STATEMENTS
YEAR ENDED DECEMBER 31, 2015

Note 5 - Fixed Assets

The following is a summary of general fixed asset additions, deletions and adjustments for the year ended December 31, 2015:

	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	-	-	652,912	3,305,057
Vehicles	4,226,706	-	-	1,332,799	5,559,505
Construction in Progress	-	-	-	-	-
	<u>\$ 43,019,952</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 1,985,711</u>	<u>\$ 45,005,663</u>

Threshold: \$ 500

Depreciation Method: Not Applicable - N.J.A.C. 5:30-5.6

Useful Lives: Not Applicable - N.J.A.C. 5:30-5.6

**BOROUGH OF OAKLAND
NOTES TO FINANCIAL STATEMENTS
YEAR ENDED DECEMBER 31, 2015**

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, 2015:

\$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, 2015 is \$521,000.

\$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, 2015 is \$215,000.

\$14,235,000 - General Obligation Bonds Series 2015 issued 6/01/2015 payable in annual installments through 12/01/2029. Interest is paid semi-annually at varying rates from 2.00% to 3.125% per annum. The balance remaining on this issue as of December 31, 2015 is \$13,660,000.

The Borough's long term debt paid by the Water Utility Operating Fund consisted of the following at December 31, 2015:

\$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, 2015 is \$122,000.

\$1,995,000 - General Obligation Bonds Series 2015 issued 6/01/2015 payable in annual installments through 12/01/2029. Interest is paid semi-annually at varying rates from 2.00% to 3.125% per annum. The balance remaining on this issue as of December 31, 2015 is \$1,865,000.

The Borough's long term debt paid by the Sewer Utility Operating Fund consisted of the following at December 31, 2015:

\$230,000 - General Obligation Bonds Series 2015 issued 6/01/2015 payable in annual installments through 12/01/2029. Interest is paid semi-annually at varying rates from 2.00% to 3.125% per annum. The balance remaining on this issue as of December 31, 2015 is \$215,000.

BOROUGH OF OAKLAND
NOTES TO FINANCIAL STATEMENTS
YEAR ENDED DECEMBER 31, 2015

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>2015</u>	<u>2014</u>
Issued:		
School Bonds and Notes	\$ 22,637,000	\$ 23,665,000
General Bonds and Notes	19,316,000	20,192,121
	<u>\$ 41,953,000</u>	<u>\$ 43,857,121</u>
Authorized but not Issued:		
General Bonds and Notes	<u>\$ 2,506,762</u>	<u>\$ 1,398,587</u>
Gross Debt	<u>\$ 44,459,762</u>	<u>\$ 45,255,708</u>
Deductions	<u>\$ 25,868,955</u>	<u>\$ 27,211,488</u>
Net Debt	<u><u>\$ 18,590,807</u></u>	<u><u>\$ 18,044,220</u></u>
Equalized Valuation Basis	\$ 2,339,462,112	\$ 2,350,052,761
Statutory Net Debt Percentage	0.795%	0.768%
3-1/2% of Equalized Valuation Basis	\$ 81,881,174	\$ 82,251,847
Remaining Borrowing Power	\$ 63,290,367	\$ 64,207,627

BOROUGH OF OAKLAND
NOTES TO FINANCIAL STATEMENTS
YEAR ENDED DECEMBER 31, 2015

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, 2015 are as follows:

Loans and General Bonds

Calendar Year	12/01/06 - A General Improvement Bonds		12/01/06 - C General Improvement Bonds	
	Principal	Interest	Principal	Interest
2016	\$ 75,000	\$ 20,840	\$ 215,000	\$ 11,825
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	-	-
2022	-	-	-	-
2023	-	-	-	-
2024	-	-	-	-
2025	-	-	-	-
2026	-	-	-	-
2027	-	-	-	-
2028	-	-	-	-
2029	-	-	-	-
	<u>\$ 521,000</u>	<u>\$ 76,040</u>	<u>\$ 215,000</u>	<u>\$ 11,825</u>

Calendar Year	6/01/15 General Improvement Bonds		Total	
	Principal	Interest	Principal	Interest
2016	\$ 600,000	\$ 374,950	\$ 890,000	\$ 407,615
2017	800,000	362,950	880,000	380,790
2018	850,000	346,950	935,000	361,590
2019	900,000	329,950	990,000	341,190
2020	950,000	311,950	1,045,000	319,590
2021	1,000,000	288,200	1,096,000	292,040
2022	1,025,000	258,200	1,025,000	258,200
2023	1,025,000	227,450	1,025,000	227,450
2024	1,050,000	196,700	1,050,000	196,700
2025	1,050,000	165,200	1,050,000	165,200
2026	1,075,000	133,700	1,075,000	133,700
2027	1,100,000	101,450	1,100,000	101,450
2028	1,115,000	68,450	1,115,000	68,450
2029	1,120,000	35,000	1,120,000	35,000
	<u>\$ 13,660,000</u>	<u>\$ 3,201,100</u>	<u>\$ 14,396,000</u>	<u>\$ 3,288,965</u>

BOROUGH OF OAKLAND
NOTES TO FINANCIAL STATEMENTS
YEAR ENDED DECEMBER 31, 2015

Note 6 - Municipal Debt (Continued)

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

Water Utility Bonds

Calendar Year	12/01/06		6/01/15	
	General Improvement Bonds		General Improvement Bonds	
	Principal	Interest	Principal	Interest
2016	\$ 122,000	\$ 4,880	\$ 130,000	\$ 50,269
2017	-	-	130,000	47,669
2018	-	-	130,000	45,069
2019	-	-	130,000	42,469
2020	-	-	130,000	39,869
2021	-	-	135,000	36,619
2022	-	-	135,000	32,569
2023	-	-	135,000	28,519
2024	-	-	135,000	24,469
2025	-	-	135,000	20,419
2026	-	-	135,000	16,369
2027	-	-	135,000	12,318
2028	-	-	135,000	8,268
2029	-	-	135,000	4,218
	<u>\$ 122,000</u>	<u>\$ 4,880</u>	<u>\$ 1,865,000</u>	<u>\$ 409,113</u>

Calendar Year	Total	
	Principal	Interest
2016	\$ 252,000	\$ 55,149
2017	130,000	47,669
2018	130,000	45,069
2019	130,000	42,469
2020	130,000	39,869
2021	135,000	36,619
2022	135,000	32,569
2023	135,000	28,519
2024	135,000	24,469
2025	135,000	20,419
2026	135,000	16,369
2027	135,000	12,318
2028	135,000	8,268
2029	135,000	4,218
	<u>\$ 1,987,000</u>	<u>\$ 413,993</u>

BOROUGH OF OAKLAND
NOTES TO FINANCIAL STATEMENTS
YEAR ENDED DECEMBER 31, 2015

Note 6 - Municipal Debt (Continued)

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

Sewer Utility Bonds

Calendar Year	6/01/15			
	General Improvement Bonds		Total	
	Principal	Interest	Principal	Interest
2016	\$ 15,000	\$ 5,800	\$ 15,000	\$ 5,800
2017	15,000	5,500	15,000	5,500
2018	15,000	5,200	15,000	5,200
2019	15,000	4,900	15,000	4,900
2020	15,000	4,600	15,000	4,600
2021	15,000	4,225	15,000	4,225
2022	15,000	3,775	15,000	3,775
2023	15,000	3,325	15,000	3,325
2024	15,000	2,875	15,000	2,875
2025	15,000	2,425	15,000	2,425
2026	15,000	1,975	15,000	1,975
2027	15,000	1,525	15,000	1,525
2028	15,000	1,075	15,000	1,075
2029	20,000	625	20,000	625
	<u>\$ 215,000</u>	<u>\$ 47,825</u>	<u>\$ 215,000</u>	<u>\$ 47,825</u>

BOROUGH OF OAKLAND
NOTES TO FINANCIAL STATEMENTS
YEAR ENDED DECEMBER 31, 2015

Note 6 - Municipal Debt (Continued)

D. Summary of Changes in Municipal Debt

Loans and General Bonds

	Beginning Balance	Issued	Retired	Ending Balance
Short-Term Debt:				
Tax Anticipation Notes	\$ -	\$ -	\$ -	\$ -
Bond Anticipation Notes	17,100,121	2,718,000	(17,100,121)	2,718,000
Emergency Notes	-	-	-	-
	<u>\$ 17,100,121</u>	<u>\$ 2,718,000</u>	<u>\$ (17,100,121)</u>	<u>\$ 2,718,000</u>
Long-Term Debt:				
Serial Bonds	\$ 1,011,000	\$ 14,235,000	\$ (850,000)	\$ 14,396,000
Loan Payable	-	-	-	-
Authorized but not Issued	7,632	1,488,175	-	1,495,807
	<u>\$ 1,018,632</u>	<u>\$ 15,723,175</u>	<u>\$ (850,000)</u>	<u>\$ 15,891,807</u>
	<u>\$ 18,118,753</u>	<u>\$ 18,441,175</u>	<u>\$ (17,950,121)</u>	<u>\$ 18,609,807</u>

	Ending Balance	Amounts Due within One Year	Long-term Portion
Short-Term Debt:			
Tax Anticipation Notes	\$ -		\$ -
Bond Anticipation Notes	2,718,000	2,718,000	-
Emergency Notes	-		-
	<u>\$ 2,718,000</u>	<u>\$ 2,718,000</u>	<u>\$ -</u>
Long-Term Debt:			
Serial Bonds	\$ 14,396,000	\$ 890,000	\$ 13,506,000
Loan Payable	-	-	-
Authorized but not Issued	1,495,807	-	1,495,807
	<u>\$ 15,891,807</u>	<u>\$ 890,000</u>	<u>\$ 15,001,807</u>
	<u>\$ 18,609,807</u>	<u>\$ 3,608,000</u>	<u>\$ 15,001,807</u>

BOROUGH OF OAKLAND
NOTES TO FINANCIAL STATEMENTS
YEAR ENDED DECEMBER 31, 2015

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	1,632,000	-	(1,632,000)	-
Emergency Notes	-	-	-	-
	<u>\$ 1,632,000</u>	<u>\$ -</u>	<u>\$ (1,632,000)</u>	<u>\$ -</u>
Long-Term Debt:				
Serial Bonds	\$ 232,000	\$ 1,995,000	\$ (240,000)	\$ 1,987,000
Loan Payable	-	-	-	-
Authorized but not Issued	798,195	-	(380,000)	418,195
	<u>\$ 1,030,195</u>	<u>\$ 1,995,000</u>	<u>\$ (620,000)</u>	<u>\$ 2,405,195</u>
	<u>\$ 2,662,195</u>	<u>\$ 1,995,000</u>	<u>\$ (2,252,000)</u>	<u>\$ 2,405,195</u>

	Ending Balance	Amounts Due within One Year	Long-term Portion
Short-Term Debt:			
Tax Anticipation Notes	\$ -		\$ -
Bond Anticipation Notes	-	-	-
Emergency Notes	-		-
	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>
Long-Term Debt:			
Serial Bonds	\$ 1,987,000	\$ 252,000	\$ 1,735,000
Loan Payable	-	-	-
Authorized but not Issued	418,195	-	418,195
	<u>\$ 2,405,195</u>	<u>\$ 252,000</u>	<u>\$ 2,153,195</u>
	<u>\$ 2,405,195</u>	<u>\$ 252,000</u>	<u>\$ 2,153,195</u>

BOROUGH OF OAKLAND
NOTES TO FINANCIAL STATEMENTS
YEAR ENDED DECEMBER 31, 2015

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	232,000	232,000	(464,000)	-
Emergency Notes	-	-	-	-
	<u>\$ 232,000</u>	<u>\$ 232,000</u>	<u>\$ (464,000)</u>	<u>\$ -</u>
Long-Term Debt:				
Serial Bonds	\$ -	\$ 230,000	\$ (15,000)	\$ 215,000
Loan Payable	-	-	-	-
Authorized but not Issued	592,760	-	-	592,760
	<u>\$ 592,760</u>	<u>\$ 230,000</u>	<u>\$ (15,000)</u>	<u>\$ 807,760</u>
	<u>\$ 824,760</u>	<u>\$ 462,000</u>	<u>\$ (479,000)</u>	<u>\$ 807,760</u>

	Ending Balance	Amounts Due within One Year	Long-term Portion
Short-Term Debt:			
Tax Anticipation Notes	\$ -		\$ -
Bond Anticipation Notes	-	-	-
Emergency Notes	-		-
	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>
Long-Term Debt:			
Serial Bonds	\$ 215,000	\$ 15,000	\$ 200,000
Loan Payable	-	-	-
Authorized but not Issued	592,760	-	592,760
	<u>\$ 807,760</u>	<u>\$ 15,000</u>	<u>\$ 792,760</u>
	<u>\$ 807,760</u>	<u>\$ 15,000</u>	<u>\$ 792,760</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:

CY2015 - \$0

CY2014 - \$0

CY2013 - \$0

BOROUGH OF OAKLAND
NOTES TO FINANCIAL STATEMENTS
YEAR ENDED DECEMBER 31, 2015

Note 8 - Interfunds

As of December 31, 2015, interfund balances on the Borough's various balance sheets were as follows:

	Interfunds Receivable	Interfunds Payable
Current Fund	\$ 18,047	\$ 283,442
Grant Fund	132,190	-
Trust Fund	217,252	17,660
General Capital Fund	32,000	98,387
Water Utility Operating Fund	70	-
Water Utility Capital Fund	-	70
Sewer Utility Operating Fund	13	-
Sewer Utility Capital Fund	-	13
	<u>\$ 399,572</u>	<u>\$ 399,572</u>

Interfund balances are comprised of the following:

All interfund balances are due to interest not being turned over and/or expenditures paid from an incorrect fund. 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, 2015

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, 2015 the following deferred charges are shown on the balance sheet of the Current Fund:

	<u>Balance</u> <u>December 31,</u>		<u>Appropriated in</u> <u>Subsequent</u> <u>Year's Budget</u>		<u>Balance to</u> <u>Succeeding</u>
Current Fund:					
Overexpenditures	\$ -		\$ -		\$ -
Expenditures Without Appropriations	-		-		-
Deficit in Operations	-		-		-
Emergency Authorizations	-		-		-
Special Emergency					
Authorizations (40A:4-53)	-		-		-
	<u>\$ -</u>		<u>\$ -</u>		<u>\$ -</u>

Note 10 - Retirement Plans

Description of the Plans

All required employees of the Borough are covered by either the Public Employees' Retirement System (PERS) or the Police and Fireman's Retirement System (PFRS) which have been established by state statute and are administered by the New Jersey Division of Pension and Benefits (the "Division"). According to the State of New Jersey Administrative Code, all obligations of both Systems will be assumed by the State of New Jersey should the Systems terminate. The Division issues a publicly available financial report that includes the financial statements and required supplementary information for the Public Employees Retirement System and the Police and Fireman's Retirement System. These reports may be obtained by writing to the Division of Pension and Benefits, PO Box 295, Trenton, New Jersey, 08625 or on the internet at <http://www.state.nj.us/treasury/pensions/annrpts.shtml>.

The State also established and administers a Supplemental Annuity Collective Trust Fund ("SACT") which is available to active members of the State-administered retirement systems to purchase annuities to supplement the guaranteed benefits provided by their retirement system. The state or local governmental employers do not appropriate funds to SACT.

Additionally, the State also administers the Pensions Adjustment Fund ("PAF"). Prior to the adoption of pension reform legislation, P.L. 2011, C.78, it provided cost of living increases equal to 60% of the change in the average consumer price index, to eligible retirees in some State-sponsored pension systems. Cost-of-living increases provided under the State's pension adjustment program are currently suspended as a result of the reform legislation. This benefit is funded by the State as benefit allowances become payable.

The cost-of-living increase for PERS and PFRS are funded directly by each of the respective systems, but are currently suspended as a result of reform legislation.

Funded Status and Funding Progress

As of July 1, 2014, the most recent actuarial valuation date, which was rolled forward to June 30, 2015, the aggregate funded ratio for the local PERS system is 47.93% and \$22.5 billion, respectively and the aggregate funded ratio and unfunded accrued liability for the local PFRS is 56.3% and \$18.1 billion, respectively.

The funded status and funding progress of the retirement systems includes actuarial valuations which involve estimates of the value of reported amounts and assumptions about the probability of events far into the future. These amounts are subject to continual revision as actual results are compared to past expectations and new estimates are made about the probability of future events.

Actuarial calculations reflect a long-term perspective and are based on the benefits provided under the terms of the retirement systems in effect at the time of each valuation and also consider the pattern of the sharing of costs between the employer and members at that point in time. The projection of benefits for financial reporting purposes does not explicitly incorporate the potential effects of legal or contractual funding limitations on the pattern of cost sharing between the employer and members in the future.

Actuarial Methods and Assumptions

In the July 1, 2014 PERS and PFRS actuarial valuations, the date of the most recent actuarial valuations, the five year average of market value was used as the asset valuation method. The actuarial assumptions included (a) 7.9% for investment rate of return and (b) changes to projected salary increases of 2.15% to 5.40% based on age for PERS and 2.60% to 10.48% based on age for PFRS.

BOROUGH OF OAKLAND
NOTES TO FINANCIAL STATEMENTS
YEAR ENDED DECEMBER 31, 2015

Note 10 - Retirement Plans (Continued)

Public Employees' Retirement System (PERS)

The Public Employees' Retirement System (PERS) was established as of January 1, 1955 under the provisions of N.J.S.A. 43:15A to provide retirement, death, disability and medical benefits to certain qualified members. PERS is a cost-sharing multiple-employer plan. Membership 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 or local jurisdiction.

Summary of Significant Accounting Policies

For purposes of measuring the net pension liability, deferred outflows of resources and deferred inflows of resources related to pensions, and pension expense, information about the fiduciary net position of the PERS and additions to/deductions from PERS fiduciary net position have been determined on the same basis as they are reported by PERS. For this purpose, employer contributions and benefit payments (including refunds of employee contributions) are recognized when due and payable in accordance with the benefit terms consistent with the accrual basis of accounting. Investments are reported at fair value.

Pension Liabilities, Pension Expense, and Deferred Outflows of Resources and Deferred Inflows of Resources Related to Pensions

At December 31, 2015, the Borough's liability for its proportionate share of the net pension liability was \$9,979,941 which is not required to be reflected in the financial statements but is a required disclosure under GASB 68. The net pension liability was measured as of June 30, 2015, and the total pension liability to calculate the net pension liability was determined by an actuarial valuation as of July 1, 2014, which was rolled forward to June 30, 2015. The Borough's proportion of the net pension liability is based on the ratio of the contributions as an individual employer to total contributions to the PERS during the years ended June 30, 2015 and 2014. At June 30, 2015, the Borough's proportion was 0.04446%, which was a decrease of 0.00235% from its proportion measured as of June 30, 2013 which was rolled forward to June 30, 2014.

For the year ended December 31, 2015, the Borough recognized PERS related pension expense of \$392,705 representing the required annual contribution. At December 31, 2015, the Borough reported deferred outflows of resources and deferred inflows of resources related to PERS from the following sources:

	Deferred Outflows of Resources	Deferred Inflows of Resources
Differences between expected and actual experience	\$ 238,086	\$ -
Changes of assumptions	1,071,766	-
Net difference between projected and actual earnings on pension plan investments	-	160,458
Changes in proportion and differences between Borough contributions and proportionate share of contributions	369,053	373,634
Borough contributions subsequent to the measurement date	392,705	-
Total	<u>\$ 2,071,610</u>	<u>\$ 534,092</u>

Other amounts reported as deferred outflows of resources and deferred inflows of resources related to pensions will be recognized in pension expense as follows:

	Year Ended 12/31:
2016	\$ (208,470)
2017	(208,470)
2018	(208,470)
2019	(331,881)
2020	(187,522)
	<u>\$ (1,144,813)</u>

BOROUGH OF OAKLAND
NOTES TO FINANCIAL STATEMENTS
YEAR ENDED DECEMBER 31, 2015

Note 10 - Retirement Plans (Continued)
Public Employees' Retirement System (PERS) (Continued)

Collective balances are as follows:

	<u>6/30/2015</u>	<u>6/30/2014</u>
Collective deferred outflows of resources (Local Group)	\$ 3,578,755,666	\$ 952,194,675
Collective deferred inflows of resources (Local Group)	\$ 993,410,555	\$ 1,479,224,662
Collective net pension liability (Non State - Local Group)	\$ 22,447,996,119	\$ 18,722,735,003
Borough's Portion of net pension liability	\$ 9,979,941	\$ 8,764,160
Borough's Proportion	0.0444580485%	0.0468102550%

Actuarial Assumptions

The total pension liability in the July 1, 2014 actuarial valuation, which was rolled forward to June 30, 2015, was determined using the following actuarial assumptions, applied to all periods included in the measurement:

Inflation	3.04%
Salary Increases:	
2012-2021	2.15% - 4.40% based on age
Thereafter	3.15% - 5.40% based on age
Investment Rate of Return	7.90%

Mortality rates were based on the RP-2000 Combined Healthy Male and Female Mortality Tables (setback 1 year for males and females) for service retirement and beneficiaries of former members with adjustments for mortality improvements from the base year of 2012 Based on Projection Scale AA. The RP-2000 Disabled Mortality Tables (setback 3 years for males and 1 year for females) are used to value disabled retirees.

The actuarial assumptions used in the July 1, 2014 valuation were based on the results of an actuarial experience study for the period July 1, 2008 to June 30, 2011. It is likely that future experience will not exactly conform to these assumptions. To the extent that actual experience deviates from these assumptions, the emerging liabilities may be higher or lower than anticipated. The more the experience deviates, the larger the impact on future financial statements.

Long-Term Expected Rate of Return

In accordance with State statute, the long-term expected rate of return on plan investments (7.90% at June 30, 2015) is determined by the State Treasurer, after consultation with the Directors of the Division of Investments and Division of Pensions and Benefits, the board of trustees and the actuaries. The long-term expected rate of return was determined using a building block method in which best-estimate ranges of expected future real rates of return (expected returns, net of pension plan investment expense and inflation) are developed for each major asset class. These ranges are combined to produce the long-term expected rate of return by weighting the expected future real rates of return by the target asset allocation percentage and by adding expected inflation. Best estimates of arithmetic rates of return for each major asset class included in PERS's target asset allocation as of June 30, 2015 are summarized in the following table:

<u>Asset Class</u>	<u>Target Allocation</u>	<u>Long-Term Expected Real Rate of Return</u>
Cash	5.00%	1.04%
U.S. Treasuries	1.75%	1.64%
Investment Grade Credit	10.00%	1.79%
Mortgages	2.10%	1.62%
High Yield Bonds	2.00%	4.03%
Inflation-Indexed Bonds	1.50%	3.25%
Broad US Equities	27.25%	8.52%
Developed Foreign Equities	12.00%	6.88%
Emerging Market Equities	6.40%	10.00%
Private Equity	9.25%	12.41%
Hedge Funds/Absolute Return	12.00%	4.72%
Real Estate (Property)	2.00%	6.83%
Commodities	1.00%	5.32%
Global Debt ex US	3.50%	-0.40%
REIT	4.25%	5.12%
	<u>100.00%</u>	

Note 10 - Retirement Plans (Continued)
PERS Actuarial Assumptions (Continued)

Discount rate

The discount rate used to measure the total pension liability was 4.90% and 5.39% as of June 30, 2015 and 2014, respectively. This single blended discount rate was based on the long-term expected rate of return on pension plan investments of 7.90%, and a municipal bond rate of 3.80% and 4.29% as of June 30, 2015 and 2014, respectively, based on the Bond Buyer Go 20-Bond Municipal Bond Index which includes tax-exempt general obligation municipal bonds with an average rating of AA/Aa or higher. The projection of cash flows used to determine the discount rate assumed that contributions from plan members will be made at the current member contribution rates and that contributions from employers will be made based on the average of the last five years of contributions made in relation to the last five years of actuarially determined contributions.

Based on those assumptions, the plan's fiduciary net position was projected to be available to make projected future benefit payments of current plan members through 2033. Therefore, the long-term expected rate of return on plan investments was applied to projected benefit payments through 2033, and the municipal bond rate was applied to projected benefit payments after that date in determining the total pension liability.

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

The following presents the Borough's December 31, 2015 proportionate share of the net pension liability measured as of June 30, 2015, calculated using the discount rate of 4.90%, as well as what the Borough's proportionate share of the net pension liability would be if it were calculated using a discount rate that is 1-percentage-point lower (3.90%) or 1-percentage-point higher (5.90%) than the current rate. A sensitivity analysis specific to the Borough's net pension liability was not provided by the pension system.

	1% Decrease (3.90%)	Current Discount Rate (4.90%)	1% Increase (5.90%)
Borough's proportionate share of the \$ net pension liability	12,403,869	\$ 9,979,941	\$ 7,947,726

Pension plan fiduciary net position

Detailed information about the pension plan's fiduciary net position is available in the separately issued State of New Jersey Divisions of Pensions and Benefits financial report at <http://www.nj.gov/treasury/pensions/financial-rpts-home.shtml>.

Defined Contribution Retirement Plan (DCRP)

The Defined Contribution Retirement Program (DCRP) was established as of July 1, 2007 under the provisions of Chapter 92, P.L. 2007 and Chapter 103, P.L. 2008 and was expanded under the provisions of Chapter 89, P.L. 2008 and Chapter 1, P.L. 2010 effective May 21, 2010 to new Tier 2 employees of the PFRS and new employees who would otherwise be eligible to participate in PERS and do not work the minimum required hours but earn a base salary of at least \$5,000. The DCRP is a cost-sharing multiple-employer defined contribution pension fund. The DCRP provides eligible members, and their beneficiaries with a tax-sheltered, defined contribution retirement benefit, along with life insurance and disability coverage. Vesting and benefit provisions are established by N. J.S.A. 43:15C-1 et. seq.

The contribution requirements of plan members are determined by state statute. In accordance with Chapter 92, P.L. 2007, Chapter 103, P.L. 2007, Chapter 89, P.L. 2008 and Chapter 1, P.L. 2010, plan members are required to contribute 5.5% of their annual covered salary and employers contribute 3% of employees base salary. The State Treasurer has the right under current law to make temporary reductions in member rates based on the existence of surplus plan assets in the retirement system; however statute also requires the return to the normal rate when such surplus pension assets no longer exist.

PERS Vesting and Benefit Provisions

The vesting and benefit provisions for PERS are set by N.J.S.A. 43:15A. All benefits vest after ten years of service, except for medical benefits that vest after 25 years of service or under the disability provisions of PERS. Retirement benefits for age and service are available at ages 60, 62 or 65 and are generally determined to be 1/55 or 1/60 of the final average salary for each year of service credit, as defined depending on the employees membership tier. 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). Early retirement benefits are available to tiers 1 and 2 members before reaching age 60, tiers 3 and 4 before age 62 with 25 or more years of service credit and tier 5 with 30 or more years of service credit before age 65. Benefits are reduced by a fraction of a percent for each month that a member retires prior to the age at which a member can receive full early retirement benefits in accordance with their respective tier. Tier 1 members can receive an unreduced benefit from age 55 to 60 if they have at least 25 years of service. Deferred retirement is available to members who have at least 10 years of service credit and have not reached the service retirement age for the respective tier.

Note 10 - Retirement Plans (Continued)
PERS Vesting and Benefit Provisions (Continued)

The PERS provides for specified medical benefits for members who retire after achieving 25 years of qualified service, as defined, or under the disability provisions of the System. 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.

Significant Legislation

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

1. New members of the PERS hired on or after June 28, 2011 (Tier 5 members) will need 30 years of creditable service and age 65 for receipt of the early retirement benefit without a reduction of $\frac{1}{4}$ of 1% for each month that the member is under age 65.
2. The eligibility age to qualify for a service retirement in the PERS is increased from age 63 to 65 for Tier 5 members.
3. The annual benefit under special retirement for new PFRS members enrolled after June 28, 2011 (Tier 3 members), will be 60% instead of 65% of the member's final compensation plus 1% for each year of creditable service over 25 years but not to exceed 30 years.
4. Increases in active member contribution rates. PERS active member rates increase from 5.5% of annual compensation to 6.5% plus an additional 1% phased-in over 7 years; PFRS active member rate increase from 8.5% to 10%. For fiscal year 2012, the member contribution rates increased in October 2011.
5. The phase-in of the additional incremental member contribution rates for PERS members will take place in July of each subsequent fiscal year.
6. The payment of automatic cost-of-living adjustment (COLA) additional increases to current and future retirees and beneficiaries is suspended until reactivated as permitted by this law.
7. New employee contribution requirements towards the cost of employer-provided health benefit coverage. Employees are required to contribute a certain percentage of the cost of coverage. The rate of contribution is determined based on the employee's annual salary and the selected level of coverage. The increased employee contributions will be phased in over a 4-year period for those employed prior to Chapter 78's effective date with a minimum contribution required to be at least 1.5% of salary.
8. In addition, this new legislation changes the method for amortizing the pension systems' unfunded accrued liability (from a level percent of pay method to a level dollar of pay).

Contribution Requirements

The PERS contribution policy is set by N.J.S.A. 43:15A, Chapter 62, P.L. of 1994, Chapter 115, P.L. of 1997 and requires contributions by active members and contributing employers. Plan member and employer contributions may be amended by State of New Jersey legislation. PERS provides for employee contributions of 7.06% of employees' annual compensation, as defined. Employers are required to contribute at an actuarially determined rate for PERS. The current PERS rate is 12.46% of covered payroll.

BOROUGH OF OAKLAND
NOTES TO FINANCIAL STATEMENTS
YEAR ENDED DECEMBER 31, 2015

Note 10 - Retirement Plans (Continued)

Police and Firemen's Retirement System (PFRS)

The Police and Firemen's Retirement System (PFRS) was established as of July 1, 1944 under the provisions of N.J.S.A. 43:16A to provide retirement, death, disability and medical benefits to certain qualified members. The Police and Firemen's Retirement System is a cost-sharing multiple-employer plan. Membership 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 or local jurisdiction.

Summary of Significant Accounting Policies

For purposes of measuring the net pension liability, deferred outflows of resources and deferred inflows of resources related to pensions, and pension expense, information about the fiduciary net position of the PFRS and additions to/deductions from PFRS fiduciary net position have been determined on the same basis as they are reported by PFRS. For this purpose, employer contributions and benefit payments (including refunds of employee contributions) are recognized when due and payable in accordance with the benefit terms consistent with the accrual basis of accounting. Investments are reported at fair value.

Pension Liabilities, Pension Expense, and Deferred Outflows of Resources and Deferred Inflows of Resources Related to Pensions

At December 31, 2015, the Borough's liability of for its proportionate share of the net pension liability was \$15,562,887 which is not required to be reflected in the financial statements but is a required disclosure under GASB 68. The net pension liability was measured as of June 30, 2015, and the total pension liability to calculate the net pension liability was determined by an actuarial valuation as of July 1, 2014, rolled forward to June 30, 2015. The Borough's proportion of the net pension liability is based on the ratio of the contributions as an individual employer to total contributions to the PFRS during the years ended June 30, 2015 and 2014. At June 30, 2015, the Borough's proportion was 0.0934%, which was a decrease of 0.0009% from its proportion measured as of June 30, 2013 rolled forward to June 30, 2014.

For the year ended December 31, 2015, the Borough recognized PFRS related pension expense of \$724,369 representing the required annual contribution. At December 31, 2015, the Borough reported deferred outflows of resources and deferred inflows of resources related to PFRS from the following sources:

	Deferred Outflows of Resources	Deferred Inflows of Resources
Differences between expected and actual experience	\$ -	\$ 134,235
Changes of assumptions	1,424,036	-
Net difference between projected and actual earnings on pension plan investments	-	270,858
Changes in proportion and differences between District contributions and proportionate share of contributions	169,335	218,792
Township contributions subsequent to the measurement date	724,369	-
Total	<u>\$ 2,317,740</u>	<u>\$ 623,885</u>

Other amounts reported as deferred outflows of resources and deferred inflows of resources related to pensions will be recognized in pension expense as follows:

	Year Ended 12/31:
2015	\$ (184,105)
2016	(184,105)
2017	(184,105)
2018	(301,898)
2019	(115,273)
	<u>\$ (969,486)</u>

BOROUGH OF OAKLAND
NOTES TO FINANCIAL STATEMENTS
YEAR ENDED DECEMBER 31, 2015

Note 10 - Retirement Plans (Continued)
Police and Firemen's Retirement System (PFRS) (Continued)

Collective balances are as follows:

	6/30/2015	6/30/2014
Collective deferred outflows of resources (Non Special Funding)	\$ 3,512,729,953	\$ 750,532,959
Collective deferred inflows of resources (Non Special Funding)	\$ 871,083,367	\$ 1,561,923,934
Collective net pension liability (Non Special Funding)	\$16,656,514,197	\$12,579,072,492
Borough's Portion of net pension liability	\$ 15,562,887	11,863,373
Borough's Proportion	0.0934342373%	0.0943103954%

Actuarial Assumptions

The total pension liability in the July 1, 2014 actuarial valuation, which was rolled forward to June 30, 2015, was determined using the following actuarial assumptions, applied to all periods included in the measurement:

Inflation	3.04%
Salary Increases:	
2012-2021	2.60% - 9.48% based on age
Thereafter	3.60% - 10.48% based on age
Investment Rate of Return	7.90%

Mortality rates were based on the RP-2000 Combined Healthy Mortality Tables projected one year using Projection Scale AA and one year using Projection Scale BB for male service retirements with adjustments for mortality improvements from the base year based on Projection Scale BB. Mortality rates were based on the RP-2000 Combined Healthy Mortality Tables projected fourteen years using Projection Scale BB for female service retirements and beneficiaries with adjustments for mortality improvements from the base year of 2014 based on Projection Scale BB.

The actuarial assumptions used in the July 1, 2014 valuation were based on the results of an actuarial experience study for the period July 1, 2010 to June 30, 2013.

Long-Term Expected Rate of Return

In accordance with State statute, the long-term expected rate of return on plan investments (7.90% at June 30, 2015) is determined by the State Treasurer, after consultation with the Directors of the Division of Investments and Division of Pensions and Benefits, the board of trustees and the actuaries. The long-term expected rate of return was determined using a building block method in which best-estimate ranges of expected future real rates of return (expected returns, net of pension plan investment expense and inflation) are developed for each major asset class. These ranges are combined to produce the long-term expected rate of return by weighting the expected future real rates of return by the target asset allocation percentage and by adding expected inflation. Best estimates of arithmetic rates of return for each major asset class included in PFRS's target asset allocation as of June 30, 2015 are summarized in the following table:

Asset Class	Target Allocation	Long-Term Expected Real Rate of Return
Cash	5.00%	1.04%
U.S. Treasuries	1.75%	1.64%
Investment Grade Credit	10.00%	1.79%
Mortgages	2.10%	1.62%
High Yield Bonds	2.00%	4.03%
Inflation-Indexed Bonds	1.50%	3.25%
Broad US Equities	27.25%	8.52%
Developed Foreign Equities	12.00%	6.88%
Emerging Market Equities	6.40%	10.00%
Private Equity	9.25%	12.41%
Hedge Funds/Absolute Return	12.00%	4.72%
Real Estate (Property)	2.00%	6.83%
Commodities	1.00%	5.32%
Global Debt ex US	3.50%	-0.40%
REIT	4.25%	5.12%
	<u>100.00%</u>	

Note 10 - Retirement Plans (Continued)
PFRS Actuarial Assumptions (Continued)

Discount rate

The discount rate used to measure the total pension liability was 5.79% and 6.32% as of June 30, 2015 and 2014, respectively. This single blended discount rate was based on the long-term expected rate of return on pension plan investments of 7.90%, and a municipal bond rate of 3.80% and 4.29% as of June 30, 2015 and 2014, respectively, based on the Bond Buyer Go 20-Bond Municipal Bond Index which includes tax-exempt general obligation municipal bonds with an average rating of AA/Aa or higher. The projection of cash flows used to determine the discount rate assumed that contributions from plan members will be made at the current member contribution rates and that contributions from employers and the nonemployer contributing entity will be made based on the average of the last five years of contributions.

Based on those assumptions, the plan's fiduciary net position was projected to be available to make projected future benefit payments of current plan members through 2045. Therefore, the long-term expected rate of return on plan investments was applied to projected benefit payments through 2045, and the municipal bond rate was applied to projected benefit payments after that date in determining the total pension liability.

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

The following presents the Borough's December 31, 2015 proportionate share of the net pension liability measured as of June 30, 2015, calculated using the discount rate of 5.79%, as well as what the Borough's proportionate share of the net pension liability would be if it were calculated using a discount rate that is 1-percentage-point lower (4.79%) or 1-percentage-point higher (6.79%) than the current rate:

	1% Decrease (4.79%)	Current Discount Rate (5.79%)	1% Increase (6.79%)
Borough's proportionate share of the \$ net pension liability	20,516,554	\$ 15,562,887	\$ 11,522,762

Pension plan fiduciary net position

Detailed information about the pension plan's fiduciary net position is available in the separately issued State of New Jersey Divisions of Pensions and Benefits financial report at <http://www.nj.gov/treasury/pensions/financial-rprts-home.shtml>.

PFRS Vesting and Benefit Provisions

The vesting and benefit provisions for PFRS are set by N.J.S.A. 43:16A. All benefits vest after ten years of service, except for disability benefits that 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. Members may seek early retirement after achieving 25 years of service credit, in which benefits would equal 65% (tiers 1 and 2 members) and 60% (tier 3 members) of final compensation plus 1% for each year of creditable service over 25 years but not to exceed 30 years. Members may elect deferred retirement benefits 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.

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.

Contribution Requirements

The PFRS contribution policy is set by N.J.S.A. 43:16A and requires contributions by active members and contributing employers. Plan member and employer contributions may be amended by State of New Jersey legislation. PFRS provides for employee contributions of 10.0% of employees' annual compensation, as defined. Employers are required to contribute at an actuarially determined rate for PFRS. The current PFRS rate is 25.67% of covered payroll.

BOROUGH OF OAKLAND
NOTES TO FINANCIAL STATEMENTS
YEAR ENDED DECEMBER 31, 2015

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).

	<u>2015</u>
Assets, Beginning of Year (Market Value)	\$ 944,835
Municipal Contribution	60,393
Earnings and Adjustments to Market Value	6,859
Payments to Eligible Employees	(47,977)
Charges and Credits	(2,650)
Assets, Ending of Year (Market Value)	<u>\$ 961,460</u>

BOROUGH OF OAKLAND
NOTES TO FINANCIAL STATEMENTS
YEAR ENDED DECEMBER 31, 2015

Note 12 - Other Post Employment 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, 2015 to be \$1,025,000. The Borough has approximately \$515,000 in cash on hand to fund this liability, and anticipates funding an additional \$110,000 during CY2016.

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, 2015, and the related information for the plan are as follows:

BOROUGH OF OAKLAND
NOTES TO FINANCIAL STATEMENTS
YEAR ENDED DECEMBER 31, 2015

Note 12 - Other Post Retirement Benefits (Continued)

B. Health Care Benefits (Continued)

Actuarial Accrued Liability

The Actuarial Accrued Liability ("AAL") as of December 31, 2014 is \$16,510,507 based upon a discount rate of 4.50% per annum and the plan provisions in effect on December 31, 2014. 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, 2014 is \$1,222,986 based upon a discount rate of 4.50% per annum and the plan provisions in effect on December 31, 2014. The breakdown of the ARC is as follows:

(1) Normal Cost	\$209,381
(2) Actuarial Accrued Liability (AAL)	\$16,510,507
(3) Assets	\$0
(4) UAAL = (2)-(3)	\$16,510,507
(5) 30 Year Amortization of UAAL at Discount Rate	\$1,013,605
(6) ARC = (1)+(5)	\$1,222,986

**BOROUGH OF OAKLAND
NOTES TO FINANCIAL STATEMENTS
YEAR ENDED DECEMBER 31, 2015**

Note 12 - Other Post Retirement Benefits (Continued)

B. Health Care Benefits (Continued)

Basis of Valuation

This valuation has been conducted as of December 31, 2014 based upon census, plan design and claims information provided by The Fund. Census includes 45 retirees and spouses currently receiving retiree benefits, and 70 active participants of whom 5 are eligible to retire as of the valuation date. The average age of the active population is 47 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, 2013 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, 2013 report from Aon Consultants.

**BOROUGH OF OAKLAND
NOTES TO FINANCIAL STATEMENTS
YEAR ENDED DECEMBER 31, 2015**

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 15 years of service police & white collar, later of 15 years of service and age 62 library, 25 years of service all others.

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 2014 medical and prescription drug 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 (47) 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. 2014 employer contributions for retiree benefits as reported by the Fund are \$775,000.

**BOROUGH OF OAKLAND
NOTES TO FINANCIAL STATEMENTS
YEAR ENDED DECEMBER 31, 2015**

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.

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.

UHY Advisors has no relationship with the Borough that would objectively impair, or appear to impair their ability to perform the work to prepare the above information. They are members of the American Academy of Actuaries and meet its Qualification Standards to provide an actuarial opinion in accordance with Statement of Government Accounting Standard 45 and New Jersey Local Finance Notice 2007-15.

**BOROUGH OF OAKLAND
NOTES TO FINANCIAL STATEMENTS
YEAR ENDED DECEMBER 31, 2015**

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, 2015. 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. As of December 31, 2015, the Borough has \$55,170 in cash on hand to fund this liability, and anticipates funding an additional \$100,000 during CY2016. 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, 2015, 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.

BOROUGH OF OAKLAND
NOTES TO FINANCIAL STATEMENTS
YEAR ENDED DECEMBER 31, 2015

Note 14 - Fund Balances Appropriated

Fund balances at December 31, 2015 and 2014 which were appropriated and included as anticipated revenue in their respective funds for the years ending December 31, 2016 and 2015 were as follows:

	<u>2016</u>	<u>2015</u>
Current Fund	\$ 650,000	\$ 660,000
Water Utility	50,000	50,000
Sewer Utility	25,000	25,000

**BOROUGH OF OAKLAND
NOTES TO FINANCIAL STATEMENTS
YEAR ENDED DECEMBER 31, 2015**

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, 2015

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 2016 Capital Budget planned for various public improvements with an estimated cost of \$3,494,500, with \$400,000 being funded from amounts reserved in prior years, \$200,000 from 2016 budget appropriations, \$742,675 from the 2016 Capital Improvement Fund, \$100,000 from Grants, \$600,000 from future budget appropriations, and authorizing debt for the balance of \$1,551,825.

B. Bond Anticipation Notes

On March 24, 2016 the Borough issued Bond Anticipation Notes in the amount of \$2,622,000 comprised of \$2,622,000 of General Capital notes, \$0 of Water Utility Capital notes and \$0 of Sewer Utility Capital Notes to temporarily finance expenditures related to various capital projects. The Borough paid down \$96,000 to the maturing notes derived from the 2016 Current Fund budget (\$96,000), the 2016 Sewer Utility budget (\$0), and the 2016 Water Utility budget (\$0). No new money was borrowed in this renewal. The Borough has awarded the sale of said notes to Columbia Bank, at a gross interest rate of .79% receiving no premium. These notes will mature on March 24, 2017.

<u>Fund</u>	<u>Balance December 31, 2015</u>	<u>New Money</u>	<u>Paydowns</u>	<u>Issued March 24, 2016</u>
General Capital Fund	\$ 2,718,000	\$ -	\$ (96,000)	\$ 2,622,000
Water Capital Utility Fund	-	-	-	-
Sewer Capital Utility Fund	-	-	-	-
	<u>\$ 2,718,000</u>	<u>\$ -</u>	<u>\$ (96,000)</u>	<u>\$ 2,622,000</u>

The Borough has evaluated subsequent events through June 30, 2016, the date which the financial statements were available to be issued and no additional items were noted for disclosure or adjustment.

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

	2015	2014
<u>ASSETS AND OTHER DEBITS</u>		
Cash:		
Current Account	\$ 6,376,311	\$ 6,172,994
Change Funds	275	275
	<u>\$ 6,376,586</u>	<u>\$ 6,173,269</u>
Interfunds Receivable:		
Due From - Grant Fund	\$ -	\$ 101,566
Due From - General Capital Fund	387	-
Due From - Animal Control Trust	17,602	27,319
Due From - Snow Removal Trust	-	51,175
Due From - COAH Trust	58	1,635
Due From - Municipal Open Space Trust	-	19,000
Due From - Unemployment Trust	-	10,258
Due From - Accumulated Absence Trust	-	26,106
	<u>\$ 18,047</u>	<u>\$ 237,059</u>
Intergovernmental Receivable:		
Due From State of New Jersey	\$ -	\$ -
Other Receivables:		
Delinquent Property Taxes Receivable	\$ 30,829	\$ 8,900
Tax Title Liens Receivable	228,265	202,187
Property Acquired for Taxes - Assessed Valuation	1,054,950	1,054,950
	<u>\$ 1,314,044</u>	<u>\$ 1,266,037</u>
Deferred Charges:		
Special Emergency Authorizations (40A:4-53)	\$ -	\$ 21,600
Total Assets and Other Debits	<u>\$ 7,708,677</u>	<u>\$ 7,697,965</u>
<u>LIABILITIES, RESERVES AND FUND BALANCE</u>		
Interfunds Payable:		
General Capital Fund	\$ 32,000	\$ 286,791
Grant Fund	34,190	157,084
Health Benefit Trust Fund	-	138,047
Municipal Open Space Trust Fund	217,252	217,974
	<u>\$ 283,442</u>	<u>\$ 799,896</u>
Appropriation Reserves	<u>\$ 1,282,617</u>	<u>\$ 1,347,426</u>
Reserve for Encumbrances	<u>\$ 979,879</u>	<u>\$ 643,496</u>
Other Liabilities and Reserves:		
Reserve for Tax Appeals	\$ 55,170	\$ 321,734
Reserve for Special Emergency Authorizations	19,012	19,012
Reserve for Library Tax Payable	10,138	10,138
Pre-Paid Taxes	310,886	226,584
Tax Overpayments	87,819	104,826
	<u>\$ 483,025</u>	<u>\$ 682,294</u>
Intergovernmental Payable		
Due County for Added & Omitted Taxes	\$ -	\$ 6,183
Due to State of New Jersey	5,576	6,787
	<u>\$ 5,576</u>	<u>\$ 12,970</u>
Reserve for Receivables and Other Assets	<u>\$ 1,332,091</u>	<u>\$ 1,503,096</u>
Fund Balance	<u>\$ 3,342,047</u>	<u>\$ 2,708,787</u>
Total Liabilities, Reserves and Fund Balance	<u>\$ 7,708,677</u>	<u>\$ 7,697,965</u>

BOROUGH OF OAKLAND
CURRENT FUND
SCHEDULE OF REVENUES AND OTHER CREDITS TO INCOME - REGULATORY BASIS
YEAR ENDED DECEMBER 31, 2015

	Budget As Modified	Realized	Excess/ (Deficit)
REVENUES			
Fund Balance Anticipated	\$ 660,000	\$ 660,000	\$ -
Miscellaneous Revenues:			
Alcoholic Beverage Licenses	\$ 24,000	\$ 24,450	\$ 450
Other Licenses	21,500	14,139	(7,361)
Fees and Permits	585,500	608,495	22,995
Municipal Court Fines and Costs	120,000	116,691	(3,309)
Interest and Costs on Taxes	55,000	66,988	11,988
Interest on Investments and Deposits	10,000	17,246	7,246
Energy Receipts Tax	1,312,169	1,312,169	-
Uniform Construction Code Fees	190,000	275,673	85,673
Clean Communities Program	22,872	22,872	-
Recycling Tonnage Grant	29,982	29,982	-
Municipal Alliance for Alcoholism & Drug Abuse	9,876	9,876	-
NJ Motor Vehicle Police Fees	86,000	94,085	8,085
Body Armor Replacement Program (CH159)	2,521	2,521	-
Highlands Plan Conformance Grant (CH159)	230,150	230,150	-
FEMA - OEM Grant	5,000	5,000	-
Uniform Fire Safety Act (LEA Rebates)	29,000	31,665	2,665
Reserve for Payment of Debt Service	-	-	-
Reserve for Payment of Open Space Debt Service	200,000	200,000	-
Cellular Tower Lease	150,000	156,081	6,081
Cablevision Franchise Fee	127,000	127,756	756
Verizon Franchise Fee	59,000	59,506	506
Real Property Lease	65,000	62,276	(2,724)
Sale of Recyclables	20,000	7,229	(12,771)
Shared Service Agreement - School Crossing Guards	5,500	6,262	762
Off-Duty Police Officer Administrative Fees	17,000	16,574	(426)
Pension Reimbursement From Library	37,830	37,830	-
Pension Reimbursement From Water Utility	59,715	59,715	-
Pension Reimbursement From Sewer Utility	8,972	8,972	-
Total Miscellaneous Revenues	\$ 3,483,587	\$ 3,604,203	\$ 120,616
Receipts From Delinquent Taxes	\$ 17,000	\$ 5,834	\$ (11,166)
Amount to be Raised by Taxation for Municipal Budget	\$ 13,509,333	\$ 13,692,804	\$ 183,471
Minimum Library Tax	\$ 779,371	\$ 779,371	\$ -
Total Revenues	\$ 18,449,291	\$ 18,742,212	\$ 292,921

BOROUGH OF OAKLAND
CURRENT FUND
SCHEDULE OF REVENUES AND OTHER CREDITS TO INCOME - REGULATORY BASIS
YEAR ENDED DECEMBER 31, 2015

	Budget As Modified	Realized	Excess/ (Deficit)
<u>OTHER CREDITS TO INCOME</u>			
Non-Budget Revenues:			
Unexpended Balances of Appropriation Reserves	\$ -	\$ 787,185	\$ 787,185
Interfund Loans Returned	-	237,059	237,059
Miscellaneous Revenue Not Anticipated	-	92,142	92,142
Unexpended Balances Cancelled	-	-	-
Cancellations & Non-Cash Adjustments	-	-	-
Taxes Allocated to School and County:			
Local District School Tax	27,055,578	27,055,578	-
Regional High School Tax	10,734,398	10,734,398	-
County Tax Levy	5,560,661	5,560,661	-
County Open Space	58,556	58,556	-
Municipal Open Space Preservation	217,252	217,252	-
Added County Taxes (Including Open Space)	-	11,112	11,112
Added Municipal Library	-	1,545	1,545
Added Municipal Open Space	-	429	429
Total Other Credits to Income	\$ 43,626,445	\$ 44,755,917	\$ 1,129,472
Total Revenues and Other Credits to Income	\$ 62,075,736	\$ 63,498,129	\$ 1,422,393

BOROUGH OF OAKLAND

CURRENT FUND

SCHEDULE OF EXPENDITURES AND OTHER CHARGES TO INCOME - REGULATORY BASIS

YEAR ENDED DECEMBER 31, 2015

B-3

	Appropriated		Expended		Unexpended	
	2015 Budget	Budget After Modification	Paid or Charged	Reserved	Balance Canceled	Overexpended
OPERATIONS - WITHIN "CAPS"						
<u>General Government Functions</u>						
General Administration:						
Salaries and Wages	\$ 216,000	\$ 216,000	\$ 192,753	\$ 23,247	\$ -	\$ -
Other Expenses	7,500	4,500	2,905	1,595	-	-
Communication Committee:						
Other Expenses	15,000	18,000	17,137	863	-	-
General Services:						
Salaries and Wages	94,000	94,000	81,409	12,591	-	-
Other Expenses	66,000	66,000	61,955	4,045	-	-
Mayor and Council:						
Salaries and Wages	47,000	47,000	46,834	166	-	-
Other Expenses	30,000	35,500	33,289	2,211	-	-
Municipal Clerk:						
Salaries and Wages	77,800	77,800	77,700	100	-	-
Other Expenses	20,800	20,800	17,465	3,335	-	-
Elections:						
Salaries and Wages	2,150	2,450	2,326	124	-	-
Other Expenses	12,500	12,200	9,849	2,351	-	-
Financial Administration:						
Salaries and Wages	232,650	232,650	225,719	6,931	-	-
Other Expenses	23,500	23,500	21,731	1,769	-	-
Audit Services:						
Other Expenses	37,000	37,000	36,530	470	-	-
Information Technology:						
Other Expenses	75,000	75,000	68,209	6,791	-	-
Revenue Administration:						
Salaries and Wages	95,300	95,300	90,448	4,852	-	-
Other Expenses	8,500	8,500	4,434	4,066	-	-

BOROUGH OF OAKLAND

B-3

CURRENT FUND

SCHEDULE OF EXPENDITURES AND OTHER CHARGES TO INCOME - REGULATORY BASIS

YEAR ENDED DECEMBER 31, 2015

	Appropriated		Expended		Unexpended	
	2015 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	124,900	124,900	124,869	31	-	-
Other Expenses	16,100	16,100	13,750	2,350	-	-
Legal Services:						
Other Expenses	205,000	205,000	168,750	36,250	-	-
Engineering Services:						
Other Expenses	35,000	45,000	41,980	3,020	-	-
<u>Land Use Administration</u>						
Planning Board:						
Salaries and Wages	11,800	11,800	11,800	-	-	-
Other Expenses	42,350	42,350	41,606	744	-	-
Zoning Board of Adjustment:						
Salaries and Wages	11,800	11,800	11,647	153	-	-
Other Expenses	7,800	7,800	6,013	1,787	-	-
<u>Insurance</u>						
General Liability	470,700	470,700	450,440	20,260	-	-
Employee Group Health	2,050,000	2,050,000	1,584,964	465,036	-	-

BOROUGH OF OAKLAND

CURRENT FUND

SCHEDULE OF EXPENDITURES AND OTHER CHARGES TO INCOME - REGULATORY BASIS

YEAR ENDED DECEMBER 31, 2015

B-3

	Appropriated		Expended		Unexpended Balance Canceled	Overexpended
	2015 Budget	Budget After Modification	Paid or Charged	Reserved		
OPERATIONS - WITHIN "CAPS" (Continued)						
<u>Public Safety Functions</u>						
Police:						
Salaries and Wages	\$ 4,246,750	\$ 4,246,750	\$ 4,038,830	\$ 207,920	\$ -	\$ -
Other Expenses	162,600	162,600	160,550	2,050	-	-
Aid to Volunteer Ambulance Companies:						
Other Expenses	30,000	30,000	30,000	-	-	-
Flood Control Committee:						
Salaries and Wages	4,550	4,550	4,546	4	-	-
Other Expenses	1,500	1,500	-	1,500	-	-
Office of Emergency Management:						
Salaries and Wages	8,050	8,050	8,038	12	-	-
Other Expenses	10,500	10,500	4,456	6,044	-	-
Fire Department:						
Salaries and Wages	76,725	72,225	72,213	12	-	-
Other Expenses	103,100	107,600	105,174	2,426	-	-

BOROUGH OF OAKLAND

B-3

CURRENT FUND

SCHEDULE OF EXPENDITURES AND OTHER CHARGES TO INCOME - REGULATORY BASIS

YEAR ENDED DECEMBER 31, 2015

	Appropriated		Expended		Unexpended	
	2015 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	485,400	485,400	485,308	92	-	-
Other Expenses	130,500	120,500	63,975	56,525	-	-
Snow Removal:						
Salaries and Wages	60,000	60,000	59,269	731	-	-
Other Expenses	81,000	81,000	80,994	6	-	-
Shade Tree Commission:						
Other Expenses	28,000	28,000	23,042	4,958	-	-
Solid Waste Collection:						
Salaries and Wages	79,800	79,800	79,736	64	-	-
Other Expenses	1,060,000	1,012,500	956,545	55,955	-	-
Buildings and Grounds:						
Salaries and Wages	217,200	217,200	217,133	67	-	-
Other Expenses	135,000	145,000	139,797	5,203	-	-
Vehicle Maintenance:						
Salaries and Wages	60,300	60,300	60,224	76	-	-
Other Expenses	82,500	82,500	76,592	5,908	-	-
<u>Health and Human Services</u>						
Board of Health:						
Salaries and Wages	66,300	66,300	64,322	1,978	-	-
Other Expenses	144,000	144,000	114,432	29,568	-	-
Environmental Health Services Commission:						
Salaries and Wages	1,200	1,200	1,200	-	-	-
Other Expenses	1,000	1,000	390	610	-	-

BOROUGH OF OAKLAND

B-3

CURRENT FUND

SCHEDULE OF EXPENDITURES AND OTHER CHARGES TO INCOME - REGULATORY BASIS

YEAR ENDED DECEMBER 31, 2015

	Appropriated		Expended		Unexpended	
	2015 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	\$ 163,400	\$ 163,400	\$ 160,710	\$ 2,690	\$ -	\$ -
Other Expenses	304,850	304,850	274,418	30,432	-	-
Senior Citizens Activities						
Salaries and Wages	66,550	66,550	61,574	4,976	-	-
Other Expenses	31,500	31,500	30,670	830	-	-
<u>Other Common Operating Functions</u>						
Accumulated Leave Compensation:						
Salaries and Wages	110,000	110,000	110,000	-	-	-
<u>Municipal Court</u>						
Municipal Court Administration:						
Salaries and Wages	119,600	119,600	113,935	5,665	-	-
Other Expenses	9,450	9,450	5,629	3,821	-	-
Public Defender (P.L. 1997, C.256):						
Other Expenses	10,000	10,000	9,900	100	-	-
Municipal Prosecutor:						
Other Expenses	23,000	23,000	18,900	4,100	-	-
<u>Code Enforcement Administration</u>						
Uniform Construction Code Enforcement Functions:						
Salaries and Wages	251,800	251,800	250,182	1,618	-	-
Other Expenses	7,000	7,000	4,818	2,182	-	-

BOROUGH OF OAKLAND

CURRENT FUND

SCHEDULE OF EXPENDITURES AND OTHER CHARGES TO INCOME - REGULATORY BASIS

YEAR ENDED DECEMBER 31, 2015

B-3

	Appropriated		Expended		Unexpended Balance Canceled	Overexpended
	2015 Budget	Budget After Modification	Paid or Charged	Reserved		
OPERATIONS - WITHIN "CAPS" (Continued)						
<u>Utility Expenses and Bulk Purchases</u>						
Electricity	115,000	115,000	93,214	21,786	-	-
Street Lighting	145,000	145,000	139,674	5,326	-	-
Telephone and Telegraph	100,000	100,000	89,831	10,169	-	-
Natural Gas	30,000	30,000	28,776	1,224	-	-
Gasoline	175,000	175,000	174,207	793	-	-
Total Operations - Within "CAPS"	\$ 12,974,275	\$ 12,942,275	\$ 11,859,716	\$ 1,082,559	\$ -	\$ -
Contingent	5,000	5,000	-	5,000	-	-
Total Operations Including Contingent - Within "CAPS"	\$ 12,979,275	\$ 12,947,275	\$ 11,859,716	\$ 1,087,559	\$ -	\$ -
Detail:						
Salaries and Wages	\$ 6,931,025	\$ 6,926,825	\$ 6,652,725	\$ 274,100	\$ -	\$ -
Other Expenses	\$ 6,048,250	\$ 6,020,450	\$ 5,206,991	\$ 813,459	\$ -	\$ -

BOROUGH OF OAKLAND

CURRENT FUND

SCHEDULE OF EXPENDITURES AND OTHER CHARGES TO INCOME - REGULATORY BASIS

YEAR ENDED DECEMBER 31, 2015

B-3

	Appropriated		Expended		Unexpended Balance Canceled	Overexpended
	2015 Budget	Budget After Modification	Paid or Charged	Reserved		
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 (PERS)	\$ 392,706	\$ 392,706	\$ 392,705	\$ 1	\$ -	\$ -
Social Security System (O.A.S.I.)	480,000	\$ 480,000	\$ 453,955	26,045	-	-
Police and Firemen's Retirement System (PFRS)	724,369	\$ 724,369	\$ 724,369	-	-	-
Defined Contribution Retirement Program (DCRP)	4,500	\$ 4,500	\$ 3,706	794	-	-
	<u>\$ 1,601,575</u>	<u>\$ 1,601,575</u>	<u>\$ 1,574,735</u>	<u>\$ 26,840</u>	<u>\$ -</u>	<u>\$ -</u>
Total General Appropriations for Municipal Purposes - Within "CAPS"	\$ 14,580,850	\$ 14,548,850	\$ 13,434,451	\$ 1,114,399	\$ -	\$ -

BOROUGH OF OAKLAND

B-3

CURRENT FUND

SCHEDULE OF EXPENDITURES AND OTHER CHARGES TO INCOME - REGULATORY BASIS

YEAR ENDED DECEMBER 31, 2015

	Appropriated		Expended		Unexpended	
	2015 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)	88,000	88,000	-	88,000	-	-
<u>Other Public Works Functions</u>						
Stormwater Management - Salary & Wages	45,600	45,600	45,531	69	-	-
Stormwater Management - Other	31,000	31,000	8,000	23,000	-	-
<u>Public Safety</u>						
"9-1-1 System"	12,500	12,500	12,465	35	-	-
<u>Education</u>						
Maintenance of Free Public Library - Salary & Wages	442,700	423,700	410,109	13,591	-	-
Maintenance of Free Public Library - Other	371,671	390,671	384,148	6,523	-	-
<u>Reserve for Tax Appeals</u>						
Other Expenses	100,000	100,000	63,000	37,000	-	-

BOROUGH OF OAKLAND

CURRENT FUND

SCHEDULE OF EXPENDITURES AND OTHER CHARGES TO INCOME - REGULATORY BASIS

YEAR ENDED DECEMBER 31, 2015

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OPERATIONS - EXCLUDED FROM "CAPS" (Continued)

Public and Private Programs Offset by Revenues

	Appropriated		Expended		Unexpended	
	2015 Budget	Budget After Modification	Paid or Charged	Reserved	Balance Canceled	Overexpended
Cash Match for Grants	\$ 2,500	\$ 2,500	\$ 2,500	\$ -	\$ -	\$ -
Municipal Alliance on Alcohol & Drug Abuse (State)	9,876	9,876	9,876	-	-	-
Municipal Alliance on Alcohol & Drug Abuse (Local)	2,469	2,469	2,469	-	-	-
Clean Communities Program	22,872	22,872	22,872	-	-	-
Recycling Tonnage Grant	29,982	29,982	29,982	-	-	-
NJ Motor Vehicle Police Fees	86,000	86,000	86,000	-	-	-
Body Armor Replacement Fund (CH159)	2,521	2,521	2,521	-	-	-
FEMA - OEM Grant	5,000	5,000	5,000	-	-	-
Highlands Plan Conformance Grant (CH159)	230,150	230,150	230,150	-	-	-
Total Operations Excluded from "CAPS"	\$ 1,482,841	\$ 1,482,841	\$ 1,314,623	\$ 168,218	\$ -	\$ -

Detail:

Salaries and Wages	\$ 488,300	\$ 469,300	\$ 455,640	\$ 13,660	\$ -	\$ -
Other Expenses	\$ 994,541	\$ 1,013,541	\$ 858,983	\$ 154,558	\$ -	\$ -

BOROUGH OF OAKLAND

B-3

CURRENT FUND

SCHEDULE OF EXPENDITURES AND OTHER CHARGES TO INCOME - REGULATORY BASIS

YEAR ENDED DECEMBER 31, 2015

	Appropriated		Expended		Unexpended	
	2015 Budget	Budget After Modification	Paid or Charged	Reserved	Balance Canceled	Overexpended
CAPITAL IMPROVEMENTS - EXCLUDED FROM "CAPS"						
Capital Improvement Fund	\$ 500,000	\$ 500,000	\$ 500,000	\$ -	\$ -	\$ -
Reserve for Acquisition of Fire Truck	200,000	200,000	200,000	-	-	-
Total Capital Improvements - Excluded From "CAPS"	\$ 700,000	\$ 700,000	\$ 700,000	\$ -	\$ -	\$ -
DEBT SERVICE - EXCLUDED FROM "CAPS"						
<u>Municipal Debt Service</u>						
Bond Principal	\$ 840,000	\$ 850,000	\$ 850,000	\$ -	\$ -	\$ -
Bond Interest	244,879	257,879	257,879	-	-	-
Note Interest	150,000	127,000	127,000	-	-	-
Payment of Bond Anticipation Notes	115,121	147,121	147,121	-	-	-
Total Debt Service - Excluded From "CAPS"	\$ 1,350,000	\$ 1,382,000	\$ 1,382,000	\$ -	\$ -	\$ -
DEFERRED CHARGES - EXCLUDED FROM "CAPS"						
Deferred Charges to Future Taxation - Unfunded	\$ 125,000	\$ 125,000	\$ 125,000	\$ -	\$ -	\$ -
Special Emergency Authorizations - 5 Years (N.J.S. 40A:4-55)	21,600	21,600	21,600	-	-	-
	\$ 146,600	\$ 146,600	\$ 146,600	\$ -	\$ -	\$ -

BOROUGH OF OAKLAND

CURRENT FUND

SCHEDULE OF EXPENDITURES AND OTHER CHARGES TO INCOME - REGULATORY BASIS

YEAR ENDED DECEMBER 31, 2015

B-3

	Appropriated		Expended		Unexpended	
	2015 Budget	Budget After Modification	Paid or Charged	Reserved	Balance Canceled	Overexpended
Total General Appropriations for Municipal Purposes - Excluded from "CAP	\$ 3,679,441	\$ 3,711,441	\$ 3,543,223	\$ 168,218	\$ -	\$ -
Subtotal General Appropriations	\$ 18,260,291	\$ 18,260,291	\$ 16,977,674	\$ 1,282,617	\$ -	\$ -
Reserve for Uncollected Taxes	189,000	189,000	189,000	-	-	-
Total General Appropriations	<u>\$ 18,449,291</u>	<u>\$ 18,449,291</u>	<u>\$ 17,166,674</u>	<u>\$ 1,282,617</u>	<u>\$ -</u>	<u>\$ -</u>
Budget Appropriations - Adopted Budget	\$ 18,216,620	\$ 18,216,620				
Budget Appropriations - Added by <u>N.J.S.</u> 40A:4-87	232,671	232,671				
Emergency Appropriations	-	-				
	<u>\$ 18,449,291</u>	<u>\$ 18,449,291</u>				
Other Charges to Income:						
Interfund Advances Originating in Current Year		\$ -	\$ 18,047			
Refund of Prior Year's Revenue		-	98,000			
Taxes Allocated to School and County:						
Local District School Tax		27,055,578	27,055,578			
Regional High School Tax		10,734,398	10,734,398			
County Tax Levy		5,560,661	5,560,661			
County Open Space		58,556	58,556			
Municipal Open Space Preservation		217,252	217,252			
Added County Taxes (Including Open Space)		-	11,112			
Added Municipal Library		-	1,545			
Added Municipal Open Space		-	429			
		<u>\$ 43,626,445</u>	<u>\$ 43,755,578</u>			

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

	2015	2014
<u>ASSETS</u>		
Cash	\$ 34,481	\$ 97,457
Intergovernmental Receivable:		
Grants Receivable	\$ 384,155	\$ 250,180
Interfunds Receivable:		
Due From - Current Fund	\$ 34,190	\$ 157,084
Due From - General Capital Fund	98,000	-
	\$ 132,190	\$ 157,084
Total Assets	\$ 550,826	\$ 504,721
<u>LIABILITIES AND RESERVES</u>		
Reserve for Encumbrances	\$ 38,792	\$ 78,892
Interfunds Payable:		
Due To - Current Fund	\$ -	\$ 101,566
Other Liabilities and Reserves:		
Appropriated Reserves	\$ 451,051	\$ 263,733
Unappropriated Reserves	60,983	60,530
	\$ 512,034	\$ 324,263
Total Liabilities and Reserves	\$ 550,826	\$ 504,721

BOROUGH OF OAKLAND
GRANT FUND
SCHEDULE OF GRANTS RECEIVABLE
YEAR ENDED DECEMBER 31, 2015

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Program	Balance December 31, 2014	2015		Received	Unappropriated Reserve Applied	Adjustments	Balance December 31, 2015
		Budget	Appropriation By 40A:4-87				
<u>Federal:</u>							
U.S. Department of Homeland Security - NJSP OEM Grant	\$ -	\$ 5,000	\$ -	\$ -	\$ 5,000	\$ -	\$ -
FEMA Hazard Mitigation Grant	98,000	-	-	98,000	-	-	-
	<u>\$ 98,000</u>	<u>\$ 5,000</u>	<u>\$ -</u>	<u>\$ 98,000</u>	<u>\$ 5,000</u>	<u>\$ -</u>	<u>\$ -</u>
<u>State:</u>							
Municipal Alliance on Alcoholism and Drug Abuse - CY2013	\$ 2,192	\$ -	\$ -	\$ 2,192	\$ -	\$ -	\$ -
Municipal Alliance on Alcoholism and Drug Abuse - 2014/2015	4,938	-	-	4,938	-	-	-
Municipal Alliance on Alcoholism and Drug Abuse - 2015/2016	-	9,876	-	921	-	-	8,955
Clean Communities Program	-	22,872	-	-	22,872	-	-
Recycling Tonnage Grant	-	29,982	-	-	29,982	-	-
Body Armor Replacement Program	-	-	2,521	2,521	-	-	-
ANJEC Sustainable Land Use Grant	8,000	-	-	-	-	-	8,000
Highlands - Plan Conformance	19,207	-	230,150	-	-	-	249,357
Highlands - Transfer Development Rights	4,824	-	-	-	-	-	4,824
	<u>\$ 39,161</u>	<u>\$ 62,730</u>	<u>\$ 232,671</u>	<u>\$ 10,572</u>	<u>\$ 52,854</u>	<u>\$ -</u>	<u>\$ 271,136</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
Bergen County - Park Improvement Program	28,619	-	-	-	-	-	28,619
NJ Motor Vehicle Service Police Fees	-	86,000	-	94,085	-	8,085	-
	<u>\$ 113,019</u>	<u>\$ 86,000</u>	<u>\$ -</u>	<u>\$ 94,085</u>	<u>\$ -</u>	<u>\$ 8,085</u>	<u>\$ 113,019</u>
Grand Total	<u>\$ 250,180</u>	<u>\$ 153,730</u>	<u>\$ 232,671</u>	<u>\$ 202,657</u>	<u>\$ 57,854</u>	<u>\$ 8,085</u>	<u>\$ 384,155</u>

BOROUGH OF OAKLAND
GRANT FUND
SCHEDULE OF RESERVE FOR ENCUMBRANCES
YEAR ENDED DECEMBER 31, 2015

Balance, December 31, 2014		\$	78,892
Increased by:			
Accrued	\$	38,792	
			<u>38,792</u>
			117,684
Decreased by:			
Paid	\$	78,892	
Cancelled		-	
			<u>78,892</u>
Balance, December 31, 2015		\$	<u><u>38,792</u></u>

BOROUGH OF OAKLAND
GRANT FUND
SCHEDULE OF APPROPRIATED RESERVES
YEAR ENDED DECEMBER 31, 2015

C-4

Program	Balance December 31, 2014	2015		Appropriation By 40A:4-87	Paid or Charged	Cancellations and Adjustments	Balance December 31, 2015
		Budget	Transfers				
<u>Federal:</u>							
U.S. Department of Homeland Security - NJ State Police OEM Grant	\$ -	\$ 5,000	\$ -	\$ -	\$ 1,992	\$ -	\$ 3,008
	-	5,000	-	-	1,992	-	3,008
<u>State:</u>							
Recycling Tonnage Grant	104,683	29,982	-	-	24,772	-	109,893
Clean Communities Program	38,550	22,872	-	-	17,861	-	43,561
Body Armor Replacement Program - State	305	-	-	2,521	-	-	2,826
Drunk Driving Enforcement Fund	13,686	-	-	-	3,513	-	10,173
Alcohol Education & Rehabilitation Fund	3,591	-	-	-	316	-	3,275
Municipal Alliance on Alcoholism and Drug Abuse - State - CY2013	13,391	-	-	-	13,391	-	-
Municipal Alliance on Alcoholism and Drug Abuse - Local - CY2013	1,021	-	-	-	736	-	285
Municipal Alliance on Alcoholism and Drug Abuse - Local - 2014/2015	7,407	-	-	-	-	-	7,407
Municipal Alliance on Alcoholism and Drug Abuse - State - 2015/2016	-	9,876	-	-	-	-	9,876
Municipal Alliance on Alcoholism and Drug Abuse - Local - 2015/2016	-	2,469	-	-	-	-	2,469
Police Accreditation Grant	11,000	-	-	-	7,750	-	3,250
Highlands - Plan Conformance	7,233	-	-	230,150	11,602	-	225,781
	200,867	65,199	-	232,671	79,941	-	418,796
<u>Other:</u>							
Bergen County Open Space - Ramapo Valley Park	33,741	-	-	-	5,000	-	28,741
Bergen County Open Space - Van Allen/Stream House	352	-	-	-	-	-	352
Bergen County - Park Improvement Program	28,619	-	-	-	28,619	-	-
NJ Motor Vehicle Service Police Fees	154	86,000	-	-	86,000	-	154
	62,866	86,000	-	-	119,619	-	29,247
Grand Total	\$ 263,733	\$ 156,199	\$ -	\$ 232,671	\$ 201,552	\$ -	\$ 451,051
	-						-
	Grants	386,401					
	Local Match	2,469					
		388,870					

**BOROUGH OF OAKLAND
GRANT FUND
SCHEDULE OF UNAPPROPRIATED RESERVES
YEAR ENDED DECEMBER 31, 2015**

C-5

Program	Balance December 31, 2014	Appropriated in 2015	Received in 2015	Adjustments	Balance December 31, 2015
<u>State:</u>					
Clean Communities Program	\$ 22,872	\$ 22,872	\$ 27,793	\$ -	\$ 27,793
Body Armor Replacement Program	2,440	-	-	-	2,440
Recycling Tonnage Grant	29,982	29,982	23,950	-	23,950
Alcohol Education & Rehabilitation Grant	236	-	-	-	236
Drunk Driving Enforcement Fund	-	-	6,564	-	6,564
Emergency Management Grant	5,000	5,000	-	-	-
	<u>\$ 60,530</u>	<u>\$ 57,854</u>	<u>\$ 58,307</u>	<u>\$ -</u>	<u>\$ 60,983</u>

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

	2015	2014
<u>ASSETS</u>		
Cash:		
Trust & Escrow Deposit Account	\$ 2,456,265	\$ 2,368,595
Unemployment Account	165,574	199,432
Municipal Open Space Trust Account	529,315	542,472
Landfill Closure Account	2,088	2,086
Net Payroll Account	78,372	80,040
Payroll Agency Account	90,415	31,423
Animal Control Account	20,318	37,173
Animal Control - Change Fund	50	50
COAH Trust Fund	641,946	637,126
Health Benefits Account	1,763,336	1,288,348
Lien Redemption Trust Fund	509,308	506,095
Flexible Spending Account	6,607	765
Court Ticket Refund Account	-	84,139
Community Development Account	-	-
	<u>\$ 6,263,594</u>	<u>\$ 5,777,744</u>
Deferred Compensation Plan Assets:		
Lincoln Financial Group	\$ 961,460	\$ 944,835
Interfund Receivable:		
Current Fund	\$ 217,252	\$ 138,047
Municipal Open Space Trust	-	217,974
	<u>\$ 217,252</u>	<u>\$ 356,021</u>
Total Assets	<u>\$ 7,442,306</u>	<u>\$ 7,078,600</u>
<u>LIABILITIES AND RESERVES</u>		
Interfund Payable:		
Due To Current Fund (Animal Control Trust)	\$ 17,602	\$ 27,319
Due To Current Fund (Snow Removal Trust)	-	51,175
Due To Current Fund (COAH Trust)	58	1,635
Due To Current Fund (Municipal Open Space Trust)	-	19,000
Due To Current Fund (Unemployment Trust)	-	10,258
Due To Current Fund (Accumulated Absence Trust)	-	26,106
	<u>\$ 17,660</u>	<u>\$ 135,493</u>
Other Liabilities and Reserves:		
Net Payroll & Deductions Payable	\$ 168,787	\$ 111,463
Outside Lien Redemptions Payable	509,308	506,095
	<u>\$ 678,095</u>	<u>\$ 617,558</u>
Reserve for Animal Control Expenditures	\$ 2,766	\$ 9,904
Reserve for Landfill Closure Expenditures	2,088	2,086
Reserve for Municipal Open Space Expenditures	746,567	741,446
Reserve for Unemployment Claims	165,574	189,173
Reserve for Flexible Spending Account Expenditures	6,607	765
Reserve for COAH Expenditures	641,888	635,491
Reserve for Health Benefit Claims	1,763,336	1,426,395
Reserve for Court Ticket Refund Expenditures	-	84,139
Reserve for Community Development Expenditures	-	-
Reserve for Deferred Compensation	961,460	944,835
Reserve for Developers Escrow Deposits and Other Trust Expenditures	2,456,265	2,291,315
	<u>\$ 6,746,551</u>	<u>\$ 6,325,549</u>
	<u>\$ 7,442,306</u>	<u>\$ 7,078,600</u>

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

	2015	2014
<u>ASSETS</u>		
Cash:		
General Capital Account	\$ 4,735,503	\$ 7,929,317
Interfunds Receivable:		
Due From - Current Fund	32,000	286,791
Intergovernmental Receivable:		
Grants Receivable	1,980,000	1,980,000
Deferred Charges:		
Funded	14,396,000	1,011,000
Unfunded	4,213,807	17,107,753
	18,609,807	18,118,753
Total Assets	\$ 25,357,310	\$ 28,314,861
<u>LIABILITIES AND FUND BALANCE</u>		
Reserve for Encumbrances	\$ 982,685	\$ 3,024,345
Interfund Payables:		
Due To - Current Fund	387	-
Due To - Grant Fund	98,000	-
	98,387	-
Other Liabilities and Reserves:		
Capital Improvement Fund	91,417	18,942
Reserve for Preliminary Plan Expenses	9,000	9,000
Reserve for Acquisition of Ladder Truck	400,000	200,000
Reserve for Payment of Debt Service	1,129,780	731,466
	1,630,197	959,408
Improvement Authorizations:		
Funded	4,094,222	2,278,115
Unfunded	1,127,652	3,791,374
	5,221,874	6,069,489
Serial Bonds Payable	14,396,000	1,011,000
Bond Anticipation Notes Payable	2,718,000	17,100,121
Fund Balance	310,167	150,498
Total Liabilities and Fund Balance	\$ 25,357,310	\$ 28,314,861

**BOROUGH OF OAKLAND
GENERAL CAPITAL FUND
SCHEDULE OF INTERFUND RECEIVABLE
YEAR ENDED DECEMBER 31, 2015**

E-2

Description	Balance December 31, 2014	Interfunds Advanced	Interfunds Returned	Balance December 31, 2015
Due From - Current Fund	\$ 286,791	\$ 32,000	\$ 286,791	\$ 32,000
	<u>\$ 286,791</u>	<u>\$ 32,000</u>	<u>\$ 286,791</u>	<u>\$ 32,000</u>

**BOROUGH OF OAKLAND
GENERAL CAPITAL FUND
SCHEDULE OF GRANTS RECEIVABLE
YEAR ENDED DECEMBER 31, 2015**

E-3

<u>Improvement Description</u>	<u>Balance December 31, 2014</u>	<u>Improvement Authorized</u>	<u>Cash Received</u>	<u>Cancellations & Adjustments</u>	<u>Balance December 31, 2015</u>
<u>Federal:</u>					
Department of Environmental Protection -- Passed Thru the State of N.J. Department of Environmental Protection:					
#14-705	\$ 325,000	\$ -	\$ -	\$ -	\$ 325,000
<u>State:</u>					
Land Conservancy of New Jersey					
#14-705	\$ 200,000	\$ -	\$ -	\$ -	\$ 200,000
<u>Other:</u>					
Bergen County Open Space Trust Fund					
#14-705	\$ 1,455,000	\$ -	\$ -	\$ -	\$ 1,455,000
Total Grants Receivable	\$ 1,980,000	\$ -	\$ -	\$ -	\$ 1,980,000

BOROUGH OF OAKLAND
GENERAL CAPITAL FUND
SCHEDULE OF DEFERRED CHARGES TO FUTURE TAXATION - FUNDED
YEAR ENDED DECEMBER 31, 2015

E-4

Description	Balance December 31, 2014	Issued In 2015	Paid by Budget Appropriation	Balance December 31, 2015
6/1/2007 General Improvement Bonds (A)	\$ 596,000	\$ -	\$ 75,000	\$ 521,000
6/1/2007 General Improvement Bonds (C)	415,000	-	200,000	215,000
6/1/2015 General Improvement Bonds	-	14,235,000	575,000	13,660,000
	<u>\$ 1,011,000</u>	<u>\$ 14,235,000</u>	<u>\$ 850,000</u>	<u>\$ 14,396,000</u>
	-			-
Serial Bonds Payable	<u>\$ 1,011,000</u>			<u>\$ 14,396,000</u>

BOROUGH OF OAKLAND
GENERAL CAPITAL FUND
SCHEDULE OF DEFERRED CHARGES TO FUTURE TAXATION - UNFUNDED
YEAR ENDED DECEMBER 31, 2015

E-5

Improvement	Balance December 31, 2014	Authorized	BAN Paydowns	Raised By Budget Appropriation	Other Cash Receipts	Serial Bonds Issued	Cancellations	Balance December 31, 2015	Analysis of Balance		
									Outstanding BANs	B&N Authorized	Capital Cash
#07-561/#09-588 Various Capital Improvements	\$ 156,103	\$ -	\$ (50,103)	\$ -	\$ -	\$ (106,000)	\$ -	\$ -	\$ -	\$ -	\$ -
#08-567 Acquisition of Real Property	2,264,000	-	(64,000)	-	-	(1,050,000)	-	1,150,000	1,150,000	-	-
#08-586 Various Capital Improvements	746,917	-	(917)	-	-	(746,000)	-	-	-	-	-
#09-607 Acquisition of Real Property	2,226,000	-	(32,000)	-	-	(626,000)	-	1,568,000	1,568,000	-	-
#10-617 Various Capital Improvements	28,776	-	-	-	-	(25,000)	-	3,776	-	3,776	-
#10-636 Various Capital Improvements	987,353	-	-	-	-	(987,000)	-	353	-	353	-
#11-643 Various Capital Imp (10-636 Supp)	226,349	-	-	-	-	(226,000)	-	349	-	349	-
#11-652 Various Capital Improvements	1,211,962	-	-	-	-	(1,211,000)	-	962	-	962	-
#12-663 New DPW Building	1,966,101	-	(101)	-	-	(1,966,000)	-	-	-	-	-
#12-670 Various Capital Improvements	1,519,541	-	-	-	-	(1,519,000)	-	541	-	541	-
#12-677 Monhegan Ave. Drainage Improvements	65,338	-	-	-	-	(65,000)	-	338	-	338	-
#13-684 New DPW Building - Supplemental	190,000	-	-	-	-	(190,000)	-	-	-	-	-
#13-690 Recreation Improvements	2,690,400	-	-	-	-	(2,690,000)	-	400	-	400	-
#14-704 Various Public Improvements	2,608,913	-	-	-	-	(2,608,000)	-	913	-	913	-
#14-705 Acquisition & Demolition of Flood Prone Properties	220,000	-	-	-	-	(220,000)	-	-	-	-	-
#15-718 Various Public Improvements	-	1,488,175	-	-	-	-	-	1,488,175	-	1,488,175	-
	<u>\$ 17,107,753</u>	<u>\$ 1,488,175</u>	<u>\$ (147,121)</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ (14,235,000)</u>	<u>\$ -</u>	<u>\$ 4,213,807</u>	<u>\$ 2,718,000</u>	<u>\$ 1,495,807</u>	<u>\$ -</u>
									-	-	
Bond Anticipation Notes Payable	\$ 17,100,121							\$ 2,718,000			
Bond Anticipation Notes Paid With Capital Cash	-							-			
Bonds and Notes Authorized but not Issued	7,632							1,495,807			
	<u>\$ 17,107,753</u>							<u>\$ 4,213,807</u>			

**BOROUGH OF OAKLAND
GENERAL CAPITAL FUND
SCHEDULE OF RESERVE FOR ENCUMBRANCES
YEAR ENDED DECEMBER 31, 2015**

E-6

Vendor	Ordinance Number	Contract Number	Balance December 31, 2014	Accrued	Paid	Cancellations and Adjustments	Balance December 31, 2015
#99-362/02-429/02-430 Library Addition			-	\$ -	-	-	-
#07-561 Various Public Improvements			9,304	-	-	-	9,304
#08-567 Acquisition of Real Property			-	-	-	-	-
#08-586 Various Public Improvements			188,635	-	168,519	-	20,116
#09-607 Acquisition of Real Property			30,500	-	1,755	-	28,745
#10-618 Various Public Improvements			-	-	-	-	-
#10-636 Various Public Improvements			34,422	-	34,422	-	-
#11-643 Various Public Improvements			-	-	-	-	-
#11-652 Various Public Improvements			175,000	-	175,000	-	-
#12-663 New DPW Building			41,128	-	-	-	41,128
#12-670 Various Public Improvements			613,670	-	612,468	-	1,202
#12-671 Purchase of Capital Equipment			29,707	-	29,707	-	-
#13-684 New DPW Building - Supplemental			33,190	-	-	-	33,190
#13-689 Various Public Improvements			-	3,279	-	-	3,279
#13-690 Recreation Improvements			1,122,264	-	1,033,060	-	89,204
#14-704 Various Public Improvements			726,855	-	469,597	-	257,258
#14-705 Acquisition & Demolition of Flood Prone Properties			19,670	758	-	-	20,428
#15-717 Various Public Improvements			-	108,047	-	-	108,047
#15-718 Various Public Improvements			-	370,784	-	-	370,784
			<u>3,024,345</u>	<u>482,868</u>	<u>2,524,528</u>	<u>-</u>	<u>982,685</u>

**BOROUGH OF OAKLAND
GENERAL CAPITAL FUND
SCHEDULE OF INTERFUND PAYABLE
YEAR ENDED DECEMBER 31, 2015**

E-7

Description	Balance December 31, 2014	Interfunds Advanced	Interfunds Returned	Balance December 31, 2015
Due to - Current Fund	\$ -	\$ 6,908	\$ 6,521	\$ 387
Due to - Grant Fund	-	98,000	-	98,000
	<u>\$ -</u>	<u>\$ 104,908</u>	<u>\$ 6,521</u>	<u>\$ 98,387</u>

**BOROUGH OF OAKLAND
GENERAL CAPITAL FUND
SCHEDULE OF CAPITAL IMPROVEMENT FUND
YEAR ENDED DECEMBER 31, 2015**

E-8

<u>Description</u>	<u>Balance December 31, 2014</u>	<u>Current Fund Appropriation</u>	<u>Used to Finance Authorizations</u>	<u>Cancelled Funded Authorizations</u>	<u>Balance December 31, 2015</u>
Capital Improvement Fund	\$ 18,942	\$ 500,000	\$ 427,525	\$ -	\$ 91,417

**BOROUGH OF OAKLAND
GENERAL CAPITAL FUND
SCHEDULE OF RESERVE FOR PRELIMINARY PLAN EXPENSES
YEAR ENDED DECEMBER 31, 2015**

E-9

<u>Description</u>	<u>Balance December 31, 2014</u>	<u>Current Fund Appropriation</u>	<u>Used to Finance Authorizations</u>	<u>Canelled</u>	<u>Balance December 31, 2015</u>
Ramapo River Project	\$ 9,000	\$ -	\$ -	\$ -	\$ 9,000

**BOROUGH OF OAKLAND
GENERAL CAPITAL FUND
SCHEDULE OF RESERVE FOR ACQUISITION OF LADDER TRUCK
YEAR ENDED DECEMBER 31, 2015**

E-10

<u>Description</u>	<u>Balance December 31, 2014</u>	<u>Current Fund Appropriation</u>	<u>Used to Finance Authorizations</u>	<u>Canelled</u>	<u>Balance December 31, 2015</u>
New Ladder Truck	\$ 200,000	\$ 200,000	\$ -	\$ -	\$ 400,000

**BOROUGH OF OAKLAND
GENERAL CAPITAL FUND
SCHEDULE OF RESERVE FOR PAYMENT OF DEBT SERVICE
YEAR ENDED DECEMBER 31, 2015**

E-11

Ordinance	Balance December 31, 2014	Current Fund Revenue	Other Cash Receipts	Current Fund Appropriation	Cancelled Funded Authorizations	Balance December 31, 2015
Unidentified	\$ 33	\$ -	\$ -	\$ -	\$ 124,314	\$ 124,347
#13-690	219,683	-	-	-	-	219,683
#14-704	111,750	-	149,000	-	-	260,750
Unspecified Budget Appropriations	400,000	-	-	125,000	-	525,000
	<u>\$ 731,466</u>	<u>\$ -</u>	<u>\$ 149,000</u>	<u>\$ 125,000</u>	<u>\$ 124,314</u>	<u>\$ 1,129,780</u>

BOROUGH OF OAKLAND
GENERAL CAPITAL FUND
SCHEDULE OF IMPROVEMENT AUTHORIZATIONS
YEAR ENDED DECEMBER 31, 2015

E-12

Description	Authorized											Cancellations and Adjustments		Balance - December 31, 2015	
	Balance - January 1, 2015		Capital Improvement Fund	Capital Surplus	Grants	Bonds & Notes	Expended	Encumbered	Refunded						
	Funded	Unfunded								Funded	Unfunded				
#99-362/02-429/02-430 Library Addition	\$ 252,754	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 252,754	\$ -		
#07-561 Various Public Improvements	-	106,189	-	-	-	-	-	-	-	-	(2,320)	103,869	-		
#08-567 Acquisition of Real Property	-	93,078	-	-	-	-	69,505	-	-	-	(23,573)	-	-		
#08-586 Various Public Improvements	-	10,626	-	-	-	-	481	-	-	-	502	10,647	-		
#09-607 Acquisition of Real Property	-	139,484	-	-	-	-	50,288	-	-	-	-	89,196	-		
#10-618 Various Public Improvements	250	-	-	-	-	-	250	-	-	-	-	-	-		
#10-636 Various Public Improvements	-	199,136	-	-	-	-	-	-	-	-	(1,045)	198,091	-		
#11-643 Various Public Improvements	-	230,667	-	-	-	-	-	-	-	-	-	230,667	-		
#11-652 Various Public Improvements	-	8,750	-	-	-	-	1,650	-	-	-	(7,100)	-	-		
#12-663 New DPW Building	-	10,165	-	-	-	-	-	-	-	-	-	10,165	-		
#12-670 Various Public Improvements	-	41,158	-	-	-	-	18,780	-	-	-	-	22,378	-		
#12-671 Purchase of Capital Equipment	30,886	-	-	-	-	-	27,686	-	-	-	-	3,200	-		
#13-684 New DPW Building - Supplemental	-	3,523	-	-	-	-	-	-	-	-	-	3,523	-		
#13-689 Various Public Improvements	33,895	-	-	-	-	-	19,561	3,279	-	-	-	11,055	-		
#13-690 Recreation Improvements	-	676,535	-	-	-	-	81,660	-	-	-	-	594,875	-		
#14-704 Various Public Improvements	-	2,052,063	-	-	-	-	1,196,841	-	57,174	-	-	912,396	-		
#14-705 Acquisition & Demolition of Flood Prone Properties	1,960,330	220,000	-	-	-	-	632,461	758	20	-	-	1,547,131	-		
#15-717 Various Public Improvements	-	-	349,200	-	-	-	136,878	108,047	-	-	-	104,275	-		
#15-718 Various Public Improvements	-	-	78,325	-	-	1,488,175	68,064	370,784	-	-	-	-	1,127,652		
	\$ 2,278,115	\$ 3,791,374	\$ 427,525	\$ -	\$ -	\$ 1,488,175	\$ 2,304,105	\$ 482,868	\$ 57,194	\$ (33,536)	\$ 4,094,222	\$ 5,221,874			

**BOROUGH OF OAKLAND
GENERAL CAPITAL FUND
SCHEDULE OF SERIAL BONDS PAYABLE
YEAR ENDED DECEMBER 31, 2015**

E-13

<u>Date of Issue - Purpose</u>	<u>Total Amount of Issue</u>	<u>Balance December 31, 2014</u>	<u>Issued In 2015</u>	<u>Paid by Budget Appropriation</u>	<u>Balance December 31, 2015</u>
6/1/2007 General Improvement Bonds (A)	1,096,000	\$ 596,000	\$ -	\$ 75,000	\$ 521,000
6/1/2007 General Improvement Bonds (C)	1,580,000	415,000	-	200,000	215,000
6/1/2015 General Improvement Bonds	14,235,000	-	14,235,000	575,000	13,660,000
		<u>\$ 1,011,000</u>	<u>\$ 14,235,000</u>	<u>\$ 850,000</u>	<u>\$ 14,396,000</u>

**BOROUGH OF OAKLAND
GENERAL CAPITAL FUND
SCHEDULE OF BOND ANTICIPATION NOTES PAYABLE
YEAR ENDED DECEMBER 31, 2015**

E-14

Improvement Description	Amount of Original Note	Date of Original Note	Date of Issue	Date of Maturity	Interest Rate	Balance December 31, 2014	Issued	Retired	Budget Appropriation Paydowns	Serial Bonds Issued	Receipts Applied	Balance December 31, 2015
14-2R												
#07-561/#09-588 Various Capital Improvements	997,500	10/30/08	12/10/14	02/10/15	0.75%	\$ 156,103	\$ -	\$ 106,000	\$ 50,103	\$ -	\$ -	\$ -
#08-567 Various Capital Improvements	5,045,000	10/30/08	12/10/14	02/10/15	0.75%	2,264,000	-	2,200,000	64,000	-	-	-
#08-586 Various Capital Improvements	1,067,695	02/11/09	12/10/14	02/10/15	0.75%	746,917	-	746,000	917	-	-	-
#09-607 Acquisition of Real Property	2,490,000	05/27/10	12/10/14	02/10/15	0.75%	2,226,000	-	2,226,000	-	-	-	-
#10-636/#11-643 Various Capital Improvements	600,000	02/07/14	12/10/14	02/10/15	0.75%	600,000	-	600,000	-	-	-	-
#12-663 New DPW Building	2,000,000	02/08/13	12/10/14	02/10/15	0.75%	1,966,101	-	1,966,000	101	-	-	-
						<u>\$ 7,959,121</u>	<u>\$ -</u>	<u>\$ 7,844,000</u>	<u>\$ 115,121</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>
15-1R												
#07-561/#09-588 Various Capital Improvements	997,500	10/30/08	02/04/15	05/26/15	0.75%	\$ -	\$ 106,000	\$ -	\$ -	\$ 106,000	\$ -	\$ -
#08-567 Various Capital Improvements	5,045,000	10/30/08	02/04/15	05/26/15	0.75%	-	2,200,000	1,150,000	-	1,050,000	-	-
#08-586 Various Capital Improvements	1,067,695	02/11/09	02/04/15	05/26/15	0.75%	-	746,000	-	-	746,000	-	-
#09-607 Acquisition of Real Property	2,490,000	05/27/10	02/04/15	05/26/15	0.75%	-	2,226,000	1,568,000	32,000	626,000	-	-
#10-636/#11-643 Various Capital Improvements	600,000	02/07/14	02/04/15	05/26/15	0.75%	-	600,000	-	-	600,000	-	-
#12-663 New DPW Building	2,000,000	02/08/13	02/04/15	05/26/15	0.75%	-	1,966,000	-	-	1,966,000	-	-
						<u>\$ -</u>	<u>\$ 7,844,000</u>	<u>\$ 2,718,000</u>	<u>\$ 32,000</u>	<u>\$ 5,094,000</u>	<u>\$ -</u>	<u>\$ -</u>
14-1												
#10-617 Various Public Improvements	25,000	12/30/14	12/30/14	05/26/15	0.75%	\$ 25,000	\$ -	\$ -	\$ -	\$ 25,000	\$ -	\$ -
#10-636/#11-643 Various Public Improvements	613,000	12/30/14	12/30/14	05/26/15	0.75%	613,000	-	-	-	613,000	-	-
#11-652 Various Public Improvements	1,211,000	12/30/14	12/30/14	05/26/15	0.75%	1,211,000	-	-	-	1,211,000	-	-
#12-670 Various Public Improvements	1,519,000	12/30/14	12/30/14	05/26/15	0.75%	1,519,000	-	-	-	1,519,000	-	-
#12-677 Monhegan Avenue Stormwater Drainage Impts.	65,000	12/30/14	12/30/14	05/26/15	0.75%	65,000	-	-	-	65,000	-	-
#13-684 DPW Building - Supplemental	190,000	12/30/14	12/30/14	05/26/15	0.75%	190,000	-	-	-	190,000	-	-
#13-690 Various Public Improvements	2,690,000	12/30/14	12/30/14	05/26/15	0.75%	2,690,000	-	-	-	2,690,000	-	-
#14-704 Various Public Improvements	2,608,000	12/30/14	12/30/14	05/26/15	0.75%	2,608,000	-	-	-	2,608,000	-	-
#14-705 Acquisition and Demolition of Flood Prone Properties	220,000	12/30/14	12/30/14	05/26/15	0.75%	220,000	-	-	-	220,000	-	-
						<u>\$ 9,141,000</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 9,141,000</u>	<u>\$ -</u>	<u>\$ -</u>
15-2R												
#08-567 Various Capital Improvements	5,045,000	10/30/08	05/01/15	03/24/16	0.49%	\$ -	\$ 1,150,000	\$ -	\$ -	\$ -	\$ -	\$ 1,150,000
#09-607 Acquisition of Real Property	2,490,000	05/27/10	05/01/15	03/24/16	0.49%	-	1,568,000	-	-	-	-	1,568,000
						<u>\$ -</u>	<u>\$ 2,718,000</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 2,718,000</u>
						<u>\$ 17,100,121</u>	<u>\$ 10,562,000</u>	<u>\$ 10,562,000</u>	<u>\$ 147,121</u>	<u>\$ 14,235,000</u>	<u>\$ -</u>	<u>\$ 2,718,000</u>

**BOROUGH OF OAKLAND
GENERAL CAPITAL FUND
SCHEDULE OF FUND BALANCE
YEAR ENDED DECEMBER 31, 2015**

E-15

Description	Balance December 31, 2014	Increased by			Decreased by Fund Balance Anticipated	Balance December 31, 2015
		BAN Premium	Bond Premium	Accrued Interest		
Fund Balance	\$ 150,498	\$ 10,664	\$ 141,556	\$ 7,449	\$ -	\$ 310,167

**BOROUGH OF OAKLAND
GENERAL CAPITAL FUND
SCHEDULE OF BONDS AND NOTES AUTHORIZED BUT NOT ISSUED
YEAR ENDED DECEMBER 31, 2015**

E-16

Improvement Description	Balance December 31, 2014	Authorized	BANs Issued	Raised	Cancellations/ Adjustments	Balance December 31, 2015
#10-617 Various Capital Improvements	\$ 3,776	\$ -	\$ -	\$ -	\$ -	\$ 3,776
#10-636 Various Capital Improvements	353	-	-	-	-	353
#11-643 Various Capital Imp (10-636 Supp)	349	-	-	-	-	349
#11-652 Various Capital Improvements	962	-	-	-	-	962
#12-670 Various Capital Improvements	541	-	-	-	-	541
#12-677 Monhegan Ave. Drainage Improvements	338	-	-	-	-	338
#13-690 Recreation Improvements	400	-	-	-	-	400
#14-704 Various Public Improvements	913	-	-	-	-	913
#15-717 Various Improvements	-	1,488,175	-	-	-	1,488,175
	<u>\$ 7,632</u>	<u>\$ 1,488,175</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 1,495,807</u>

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

	<u>2015</u>	<u>2014</u>
<u>ASSETS</u>		
Cash:		
Operating Account	\$ 1,696,364	\$ 1,064,343
Change Funds	50	50
	<u>1,696,414</u>	<u>1,064,393</u>
Consumer Accounts Receivable	<u>231,569</u>	<u>247,742</u>
Interfund Receivable - Water Utility Capital Fund	<u>70</u>	<u>-</u>
Total Assets	<u>\$ 1,928,053</u>	<u>\$ 1,312,135</u>
<u>LIABILITIES AND FUND BALANCE</u>		
Reserve for Encumbrances	\$ 50,233	\$ 37,224
Appropriation Reserves	<u>276,442</u>	<u>315,196</u>
Other Liabilities and Reserves:		
Accrued Interest on Bonds	4,596	773
Accrued Interest on Notes	-	680
Overpayments	12,604	8,348
Reserve for Rate Stabilization	100,000	100,000
	<u>117,200</u>	<u>109,801</u>
Reserve for Receivables	<u>231,569</u>	<u>247,742</u>
Fund Balance	<u>1,252,609</u>	<u>602,172</u>
Total Liabilities and Fund Balance	<u>\$ 1,928,053</u>	<u>\$ 1,312,135</u>

BOROUGH OF OAKLAND
WATER UTILITY OPERATING FUND
SCHEDULE OF REVENUES AND OTHER CREDITS TO INCOME - REGULATORY BASIS
YEAR ENDED DECEMBER 31, 2015

F-2

	Anticipated Budget	Realized	Excess/ (Deficit)
Operating Surplus Anticipated	\$ 50,000	\$ 50,000	\$ -
Rents	1,862,000	2,139,013	277,013
Miscellaneous	7,000	12,647	5,647
	1,919,000	2,201,660	282,660
Other Credits to Income:			
Non-Budget Revenues	-	8,644	8,644
Unexpended Balance of Appropriation Reserves	-	186,272	186,272
Unexpended Balances Cancelled	-	222,861	222,861
Cancellations and Adjustments	-	-	-
	-	417,777	417,777
Total Revenues and Credits to Income	\$ 1,919,000	\$ 2,619,437	\$ 700,437

BOROUGH OF OAKLAND
WATER UTILITY OPERATING FUND
SCHEDULE OF EXPENDITURES AND OTHER CHARGES TO INCOME - REGULATORY BASIS
YEAR ENDED DECEMBER 31, 2015

F-3

	Appropriations		Expended		Unexpended	
	Adopted	Budget After	Paid or	Reserved	Balance	Overexpenditure
	Budget	Modification	Charged		Canceled	
Operating:						
Salaries and Wages	\$ 538,000	\$ 538,000	\$ 471,117	\$ 66,883	\$ -	\$ -
Other Expenses:						
Other Expenses	\$ 246,000	\$ 246,000	\$ 178,926	\$ 67,074	\$ -	\$ -
Utilities	273,000	273,000	246,730	26,270	-	-
Group Insurance	109,500	109,500	-	109,500	-	-
Other Insurance	52,000	52,000	52,000	-	-	-
	<u>\$ 680,500</u>	<u>\$ 680,500</u>	<u>\$ 477,656</u>	<u>\$ 202,844</u>	<u>\$ -</u>	<u>\$ -</u>
Capital Improvements:						
Capital Improvement Fund	\$ 73,785	\$ 73,785	\$ 73,785	\$ -	\$ -	\$ -
Capital Outlay	-	-	-	-	-	-
	<u>\$ 73,785</u>	<u>\$ 73,785</u>	<u>\$ 73,785</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>
Debt Service:						
Payment of Bonds	\$ 400,000	\$ 379,000	\$ 240,000	\$ -	\$ 139,000	\$ -
Payment of Notes	-	15,000	15,000	-	-	-
Interest on Bonds	125,000	125,000	41,887	-	83,113	-
Interest on Notes	-	6,000	5,252	-	748	-
	<u>\$ 525,000</u>	<u>\$ 525,000</u>	<u>\$ 302,139</u>	<u>\$ -</u>	<u>\$ 222,861</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	\$ 59,815	\$ 59,715	\$ 59,715	\$ -	\$ -	\$ -
Social Security System	42,000	42,000	35,285	6,715	-	-
Unemployment Compensation	-	-	-	-	-	-
	<u>\$ 101,815</u>	<u>\$ 101,715</u>	<u>\$ 95,000</u>	<u>\$ 6,715</u>	<u>\$ -</u>	<u>\$ -</u>
Deficit in Operations in Prior Years	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Total Appropriations	<u>\$ 1,919,100</u>	<u>\$ 1,919,000</u>	<u>\$ 1,419,697</u>	<u>\$ 276,442</u>	<u>\$ 222,861</u>	<u>\$ -</u>
			Cash Disbursements	1,330,837		
			Encumbered	50,233	Other Charges to Income	\$ -
			Journal	41,887		
			Refunds	(3,260)		
				<u>1,419,697</u>		

**BOROUGH OF OAKLAND
WATER UTILITY OPERATING FUND
SCHEDULE OF CASH
YEAR ENDED DECEMBER 31, 2015**

Cash Balance, December 31, 2014 \$ 1,064,393

Receipts:

Rents	\$ 2,139,013	
Miscellaneous Revenues	12,647	
Non-Budget Revenue	8,574	
Budget Refunds	3,260	
Overpayments	4,256	
	<hr/>	2,167,750
		<hr/> 3,232,143

Disbursements:

Budget Appropriations	\$ 1,330,837	
Appropriation Reserves	128,924	
Reserve for Encumbrances	37,224	
Accrued Interest on Bonds	38,064	
Accrued Interest on Notes	680	
	<hr/>	1,535,729
		<hr/>

Cash Balance, December 31, 2015 \$ 1,696,414

**BOROUGH OF OAKLAND
WATER UTILITY OPERATING FUND
SCHEDULE OF CONSUMER ACCOUNTS RECEIVABLE
YEAR ENDED DECEMBER 31, 2015**

Balance, December 31, 2014		\$	247,742
Increased by:			
Billed	\$	2,132,975	
Record Current Year Overpayments		12,604	
Adjustments		558	
			<u>2,146,137</u>
			2,393,879
Decreased by:			
Collections - Cash	\$	2,153,962	
Overpayments Applied		8,348	
			<u>2,162,310</u>
Balance, December 31, 2015		\$	<u><u>231,569</u></u>

**BOROUGH OF OAKLAND
 WATER UTILITY OPERATING FUND
 SCHEDULE OF INTERFUND RECEIVABLE
 YEAR ENDED DECEMBER 31, 2015**

Balance, December 31, 2014		\$	-
Increased by:			
Interest Due From Water Utility Capital	\$	662	
			<u>662</u>
			662
Decreased by:			
Interest Received From Water Utility Capital	\$	592	
			<u>592</u>
Balance, December 31, 2015		\$	<u><u>70</u></u>

**BOROUGH OF OAKLAND
WATER UTILITY OPERATING FUND
SCHEDULE OF RESERVE FOR ENCUMBRANCES
YEAR ENDED DECEMBER 31, 2015**

Balance, December 31, 2014		\$	37,224
Increased by:			
Accrued	\$	50,233	
			<u>50,233</u>
			87,457
Decreased by:			
Paid	\$	37,224	
Cancelled		-	
			<u>37,224</u>
Balance, December 31, 2015		\$	<u><u>50,233</u></u>

**BOROUGH OF OAKLAND
WATER UTILITY OPERATING FUND
SCHEDULE OF APPROPRIATION RESERVES LAPSED
YEAR ENDED DECEMBER 31, 2015**

F-8

	Appropriations		Expended			Unexpended	
	Adopted Budget	Budget After Modification	Paid or Charged	Encumbered	Lapsed	Balance Canceled	Overexpenditure
Operating:							
Salaries and Wages	\$ 112,668	\$ 112,668	\$ 893	\$ -	\$ 111,775	\$ -	\$ -
Other Expenses:							
Other Expenses	\$ 57,064	\$ 57,064	\$ 3,626	\$ -	\$ 53,438	\$ -	\$ -
Utilities	31,428	31,428	19,405	-	12,023	-	-
Group Insurance	105,000	105,000	105,000	-	-	-	-
Other Insurance	-	-	-	-	-	-	-
	<u>\$ 193,492</u>	<u>\$ 193,492</u>	<u>\$ 128,031</u>	<u>\$ -</u>	<u>\$ 65,461</u>	<u>\$ -</u>	<u>\$ -</u>
Capital Improvements:							
Capital Improvement Fund	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Capital Outlay	517	517	-	-	517	-	-
	<u>\$ 517</u>	<u>\$ 517</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 517</u>	<u>\$ -</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	8,519	8,519	-	-	8,519	-	-
Unemployment Compensation	-	-	-	-	-	-	-
	<u>\$ 8,519</u>	<u>\$ 8,519</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 8,519</u>	<u>\$ -</u>	<u>\$ -</u>
Deficit in Operations in Prior Years	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Total Appropriations	<u>\$ 315,196</u>	<u>\$ 315,196</u>	<u>\$ 128,924</u>	<u>\$ -</u>	<u>\$ 186,272</u>	<u>\$ -</u>	<u>\$ -</u>

**BOROUGH OF OAKLAND
WATER UTILITY OPERATING FUND
SCHEDULE OF ACCRUED INTEREST ON BONDS
YEAR ENDED DECEMBER 31, 2015**

Balance, December 31, 2014		\$	773
Increased by:			
Accrued	\$	41,887	
Adjustment to Prior Year		-	
			<u>41,887</u>
			42,660
Decreased by:			
Paid	\$	38,064	
Cancelled		-	
			<u>38,064</u>
Balance, December 31, 2015		\$	<u><u>4,596</u></u>

BOROUGH OF OAKLAND
WATER UTILITY OPERATING FUND
SCHEDULE OF ACCRUED INTEREST ON NOTES
YEAR ENDED DECEMBER 31, 2015

Balance, December 31, 2014		\$	680
Increased by:			
Current Year Budget Appropriation	\$	-	
			-
			680
Decreased by:			
Paid	\$	680	
Adjustments		-	
			680
Balance, December 31, 2015		\$	-

**BOROUGH OF OAKLAND
WATER UTILITY OPERATING FUND
SCHEDULE OF OVERPAYMENTS
YEAR ENDED DECEMBER 31, 2015**

Balance, December 31, 2014		\$	8,348
Increased by:			
Current Year Overpayments	\$	12,604	
			<u>12,604</u>
			20,952
Decreased by:			
Applied to Rents	\$	8,348	
			<u>8,348</u>
Balance, December 31, 2015		\$	<u><u>12,604</u></u>

**BOROUGH OF OAKLAND
 WATER UTILITY OPERATING FUND
 SCHEDULE OF RESERVE FOR RATE STABILIZATION
 YEAR ENDED DECEMBER 31, 2015**

Balance, December 31, 2014		\$	100,000
Increased by:			
Budget Appropriation	\$	-	
			-
			<u>100,000</u>
Decreased by:			
	\$	-	
			-
Balance, December 31, 2015		\$	<u><u>100,000</u></u>

**BOROUGH OF OAKLAND
WATER UTILITY OPERATING FUND
SCHEDULE OF FUND BALANCE
YEAR ENDED DECEMBER 31, 2015**

Description	Balance December 31, 2014	Increased by			Decreased by Fund Balance Anticipated	Balance December 31, 2015
		Bond/BAN Premiums	Results of Current Year Operations	Other Cash Receipts		
Fund Balance	\$ 602,172	\$ -	\$ 700,437	\$ -	\$ 50,000	\$ 1,252,609

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

	2015	2014
<u>ASSETS</u>		
Cash:		
Operating Account	\$ 805,800	\$ 554,138
Fixed Capital	\$ 12,584,757	\$ 10,589,757
Fixed Capital Authorized & Uncompleted	\$ 1,230,409	\$ 3,227,409
Deferred Charge	\$ 2,000	\$ -
Total Assets	<u>\$ 14,622,966</u>	<u>\$ 14,371,304</u>
<u>LIABILITIES AND FUND BALANCE</u>		
Contracts Payable	\$ 60,079	\$ 20,348
Interfund Payable - Water Utility Operating Fund	70	-
Other Liabilities and Reserves:		
Capital Improvement Fund	\$ 470,153	\$ 512,583
Reserve for Amortization	10,597,757	10,357,757
Reserve for Deferred Amortization	812,214	797,214
Reserve for Payment of Debt Service	54,425	54,425
	<u>\$ 11,934,549</u>	<u>\$ 11,721,979</u>
Improvement Authorizations:		
Funded	\$ 377,139	\$ 3,849
Unfunded	83,043	600,834
	<u>\$ 460,182</u>	<u>\$ 604,683</u>
Bond Anticipation Notes Payable	\$ -	\$ 1,632,000
Serial Bonds Payable	\$ 1,987,000	\$ 232,000
Fund Balance	\$ 181,086	\$ 160,294
Total Liabilities and Reserves	<u>\$ 14,622,966</u>	<u>\$ 14,371,304</u>

**BOROUGH OF OAKLAND
WATER UTILITY CAPITAL FUND
SCHEDULE OF CASH
YEAR ENDED DECEMBER 31, 2015**

Cash Balance, December 31, 2014		\$	554,138
Receipts:			
Capital Improvement Fund	\$	73,785	
Serial Bond Proceeds		1,995,000	
Bond/BAN Premiums		20,862	
Due to Water Utility Operating Fund:			
Interest Earned		655	
			<u>2,090,302</u>
			2,644,440
Disbursements:			
Improvement Authorizations	\$	41,502	
Contracts Payable		93,268	
Reserve for Preliminary Plan Expenses		86,215	
Bond Anticipation Notes		1,617,000	
Due to Water Utility Operating Fund:			
Interest Earned		655	
			<u>1,838,640</u>
Cash Balance, December 31, 2015		\$	<u>805,800</u>

**BOROUGH OF OAKLAND
WATER UTILITY CAPITAL FUND
SCHEDULE OF FIXED CAPITAL
YEAR ENDED DECEMBER 31, 2015**

F-16

Description	Balance December 31, 2014	Transferred From Fixed Capital Authorized & Uncompleted	Adjustments	Cancellations	Balance December 31, 2015
Unallocated	\$ 10,589,757	\$ 1,995,000	\$ -	\$ -	\$ 12,584,757
				Reserve for Amortization	\$ 10,597,757
				Serial Bonds Payable	1,987,000
					<u>\$ 12,584,757</u>

BOROUGH OF OAKLAND
WATER UTILITY CAPITAL FUND
SCHEDULE OF FIXED CAPITAL AUTHORIZED AND UNCOMPLETED
YEAR ENDED DECEMBER 31, 2015

F-17

Description	Balance December 31, 2014	Authorized	Transferred to Fixed Capital	Transferred to Deferred Charge	Cancellations	Balance December 31, 2015
Unallocated	\$ 1,152,409	\$ -	\$ -	\$ 2,000	\$ -	\$ 1,150,409
#08-585 Water Improvements - Well #8	560,000	-	560,000	-	-	-
#11-637 Various Water Improvements	810,000	-	810,000	-	-	-
#12-659 Algonquin Trail Water Main	275,000	-	245,000	-	-	30,000
#12-667 Algonquin Water Main - Supplemental	65,000	-	65,000	-	-	-
#13-681 Lehigh/West Oakland Water Mains	365,000	-	315,000	-	-	50,000
	<u>\$ 3,227,409</u>	<u>\$ -</u>	<u>\$ 1,995,000</u>	<u>\$ 2,000</u>	<u>\$ -</u>	<u>\$ 1,230,409</u>

Reserve for Deferred Amortization	\$ 812,214
Bond Anticipation Notes Payable	-
Bonds & Notes Authorized but not Issued	418,195
	<u>\$ 1,230,409</u>

**BOROUGH OF OAKLAND
 WATER UTILITY CAPITAL FUND
 SCHEDULE OF DEFERRED CHARGES
 YEAR ENDED DECEMBER 31, 2015**

Balance, December 31, 2014		\$	-
Increased by:			
Ordinance #08-585 Water Improvements - Well #8	\$	2,000	
			<u>2,000</u>
			2,000
Decreased by:			
Raised in Operating Budget	\$	-	
			<u>-</u>
Balance, December 31, 2015		\$	<u><u>2,000</u></u>

**BOROUGH OF OAKLAND
 WATER UTILITY CAPITAL FUND
 SCHEDULE OF RESERVE FOR ENCUMBRANCES
 YEAR ENDED DECEMBER 31, 2015**

Balance, December 31, 2014		\$	-
Increased by:			
Accrued	\$	-	-
			-
Decreased by:			
Paid	\$	-	-
Cancelled		-	-
			-
Balance, December 31, 2015		\$	-

**BOROUGH OF OAKLAND
WATER UTILITY CAPITAL FUND
SCHEDULE OF CONTRACTS PAYABLE
YEAR ENDED DECEMBER 31, 2015**

F-20

Vendor	Ordinance Number	Contract Number	Original Amount	Balance December 31, 2014	Accrued	Paid	Cancellations and Adjustments	Balance December 31, 2015
Crew Engineers, Inc.	11-637	C1-00022	\$ 56,000	\$ 3,513	\$ -	\$ -	\$ -	\$ 3,513
Crew Engineers, Inc.	11-637	C1-00023	45,000	122	-	-	-	122
Crew Engineers, Inc.	11-637	C1-00024	40,100	3,240	-	3,240	-	-
JNP Construction Corp.	11-637	C2-00034	10,885	-	10,885	9,310	-	1,575
Boswell McClave Engineering	11-637	C5-00002	18,000	-	18,000	5,503	-	12,497
CFM Construction, Inc.	07-563	C3-00057	31,000	5,961	-	-	-	5,961
CFM Construction, Inc.	07-563	C3-00057	100,400	-	100,400	75,215	-	25,185
DR Mullen Construction Co.	13-681	C3-00027	245,150	7,512	-	-	-	7,512
Water Works Supply	15-719	N/A	3,714	-	3,714	-	-	3,714
				<u>\$ 20,348</u>	<u>\$ 132,999</u>	<u>\$ 93,268</u>	<u>\$ -</u>	<u>\$ 60,079</u>

**BOROUGH OF OAKLAND
WATER UTILITY CAPITAL FUND
SCHEDULE OF INTERFUND PAYABLE
YEAR ENDED DECEMBER 31, 2015**

Balance, December 31, 2014		\$	-
Increased by:			
Interest Due To Water Utility Operating Fund	<u>662</u>		<u>662</u>
			662
Decreased by:			
Remitted to Water Utility Operating Fund	<u>592</u>		<u>592</u>
Balance, December 31, 2015		\$	<u><u>70</u></u>

**BOROUGH OF OAKLAND
WATER UTILITY CAPITAL FUND
SCHEDULE OF CAPITAL IMPROVEMENT FUND
YEAR ENDED DECEMBER 31, 2015**

F-22

<u>Description</u>	<u>Balance December 31, 2014</u>	<u>Water Operating Fund Appropriation</u>	<u>Used to Finance Authorizations</u>	<u>Used To Finance Preliminary Plan Expenses</u>	<u>Cancelled Funded Authorizations</u>	<u>Balance December 31, 2015</u>
Capital Improvement Fund	\$ 512,583	\$ 73,785	\$ 30,000	\$ 86,215	\$ -	\$ 470,153

**BOROUGH OF OAKLAND
WATER UTILITY CAPITAL FUND
SCHEDULE OF RESERVE FOR AMORTIZATION
YEAR ENDED DECEMBER 31, 2015**

F-23

Description	Balance December 31, 2014	Transferred From Fixed Capital Authorized & Uncompleted	Serial Bond Principal Payments	Cancellations	Balance December 31, 2015
Unidentified from CY2004 Audit	\$ 10,357,757	\$ -	\$ 240,000	\$ -	\$ 10,597,757

**BOROUGH OF OAKLAND
WATER UTILITY CAPITAL FUND
SCHEDULE OF RESERVE FOR DEFERRED AMORTIZATION
YEAR ENDED DECEMBER 31, 2015**

F-24

Description	Balance December 31, 2014	BAN Paydowns	Adjustments	Cancellations	Balance December 31, 2015
Unidentified from CY2004 Audit	\$ 797,214	\$ 15,000	\$ -	\$ -	\$ 812,214

**BOROUGH OF OAKLAND
WATER UTILITY CAPITAL FUND
SCHEDULE OF RESERVE FOR DEBT SERVICE
YEAR ENDED DECEMBER 31, 2015**

F-25

<u>Ordinance</u>	<u>Balance December 31, 2014</u>	<u>Raised in Current Year Budget</u>	<u>Appropriated</u>	<u>Adjustments</u>	<u>Balance December 31, 2015</u>
Unallocated - CY2012 Budget	\$ 54,425	\$ -	\$ -	\$ -	\$ 54,425
	<u>\$ 54,425</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 54,425</u>

BOROUGH OF OAKLAND
WATER UTILITY CAPITAL FUND
SCHEDULE OF IMPROVEMENT AUTHORIZATIONS
YEAR ENDED DECEMBER 31, 2015

F-26

Description	Authorized								Balance - December 31, 2015	
	Balance - January 1, 2015		Capital Improvement Fund	Capital Surplus	Bonds & Notes	Expended	Adjustments	Cancellations	Funded	Unfunded
	Funded	Unfunded								
#06-539 Various Capital Improvements	\$ 3,849	\$ -	\$ -	\$ -	\$ -	\$ 3,487	\$ -	\$ -	\$ 362	\$ -
#07-563 Lawlor/Walnut Water Mains	-	183,443	-	-	-	100,400	-	-	-	83,043
#08-585 Water Improvements - Well #8	-	33,128	-	-	-	481	-	-	32,647	-
#11-637 Various Water Improvements	-	261,775	-	-	-	29,396	-	-	232,379	-
#12-659 Algonquin Trail Water Main	-	4,905	-	-	-	481	-	-	4,424	-
#12-667 Algonquin Water Main - Supplemental	-	48,682	-	-	-	-	-	-	48,682	-
#13-681 Lehigh/West Oakland Water Mains	-	68,901	-	-	-	10,464	-	-	58,437	-
#15-719 Water Meters	-	-	30,000	-	-	29,792	-	-	208	-
	<u>\$ 3,849</u>	<u>\$ 600,834</u>	<u>\$ 30,000</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 174,501</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 377,139</u>	<u>\$ 83,043</u>

BOROUGH OF OAKLAND
WATER UTILITY CAPITAL FUND
SCHEDULE OF BOND ANTICIPATION NOTES PAYABLE
YEAR ENDED DECEMBER 31, 2015

F-27

Improvement Description	Amount of Original Note	Date of Original Note	Date of Issue	Date of Maturity	Interest Rate	Balance December 31, 2014	Increased	Decreased	Budget Appropriation Paydowns	Paid With Capital Cash	Serial Bonds Issued	Balance December 31, 2015
<u>14-2RWU</u>												
#11-637 Various Water Improvements	840,000	02/10/12	12/10/14	02/10/15	0.75%	\$ 825,000	\$ -	\$ 810,000	\$ 15,000	\$ -	\$ -	\$ -
#08-585 Water Improvements - Well #8	570,000	02/08/13	12/10/14	02/10/15	0.75%	562,000	-	562,000	-	-	-	-
#12-659 Algonquin Trail Water Main	250,000	02/08/13	12/10/14	02/10/15	0.75%	245,000	-	245,000	-	-	-	-
						<u>\$ 1,632,000</u>	<u>\$ -</u>	<u>\$ 1,617,000</u>	<u>\$ 15,000</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>
<u>15-1RWU</u>												
#11-637 Various Water Improvements	840,000	02/10/12	02/04/15	05/26/15	0.75%	\$ -	\$ 810,000	\$ -	\$ -	\$ -	\$ 810,000	\$ -
#08-585 Water Improvements - Well #8	570,000	02/08/13	02/04/15	05/26/15	0.75%	-	562,000	-	-	2,000	560,000	-
#12-659 Algonquin Trail Water Main	250,000	02/08/13	02/04/15	05/26/15	0.75%	-	245,000	-	-	-	245,000	-
						<u>\$ -</u>	<u>\$ 1,617,000</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 2,000</u>	<u>\$ 1,615,000</u>	<u>\$ -</u>
						<u>\$ 1,632,000</u>	<u>\$ 1,617,000</u>	<u>\$ 1,617,000</u>	<u>\$ 15,000</u>	<u>\$ 2,000</u>	<u>\$ 1,615,000</u>	<u>\$ -</u>

**BOROUGH OF OAKLAND
WATER UTILITY CAPITAL FUND
SCHEDULE OF SERIAL BONDS PAYABLE
YEAR ENDED DECEMBER 31, 2015**

F-28

<u>Date of Issue - Purpose</u>	<u>Total Amount of Issue</u>	<u>Balance December 31, 2014</u>	<u>Issued In 2015</u>	<u>Paid by Budget Appropriation</u>	<u>Balance December 31, 2015</u>
6/1/2007 General Improvement Bonds	932,000	232,000	-	110,000	122,000
6/1/2015 General Improvement Bonds	1,995,000	-	1,995,000	130,000	1,865,000
		<u>\$ 232,000</u>	<u>\$ 1,995,000</u>	<u>\$ 240,000</u>	<u>\$ 1,987,000</u>

**BOROUGH OF OAKLAND
WATER UTILITY CAPITAL FUND
SCHEDULE OF FUND BALANCE
YEAR ENDED DECEMBER 31, 2015**

F-29

Description	Balance December 31, 2014	Increased by			Decreased by Fund Balance Anticipated	Balance December 31, 2015
		Bond Premium	Accrued Interest	Other Cash Receipts		
Fund Balance	\$ 160,294	\$ 19,752	\$ 1,040	\$ -	\$ -	\$ 181,086

BOROUGH OF OAKLAND
WATER UTILITY CAPITAL FUND
SCHEDULE OF BONDS AND NOTES AUTHORIZED BUT NOT ISSUED
YEAR ENDED DECEMBER 31, 2015

F-30

Improvement Description	Balance December 31, 2014	Authorized	BANs Issued	Bonds Issued	Cancellations/ Adjustments	Balance December 31, 2015
#06-539 Various Water Improvements	\$ 47,695	\$ -	\$ -	\$ -	\$ -	\$ 47,695
#07-563 Lawlor/Walnut Water Mains	370,500	-	-	-	-	370,500
#12-667 Algonquin Water Main - Supplemental	65,000	-	-	65,000	-	-
#13-681 Lehigh/West Oakland Water Mains	315,000	-	-	315,000	-	-
	<u>\$ 798,195</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 380,000</u>	<u>\$ -</u>	<u>\$ 418,195</u>

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

	<u>2015</u>	<u>2014</u>
<u>ASSETS</u>		
Cash:		
Operating Account	\$ 451,929	\$ 347,173
Change Funds	25	25
	<u>451,954</u>	<u>347,198</u>
Consumer Accounts Receivable	<u>82,596</u>	<u>81,173</u>
Interfund Receivable - Sewer Utility Capital Fund	<u>13</u>	<u>-</u>
Total Assets	<u>\$ 534,563</u>	<u>\$ 428,371</u>
<u>LIABILITIES AND FUND BALANCE</u>		
Reserve for Encumbrances	<u>\$ 18,618</u>	<u>\$ 16,354</u>
Appropriation Reserves	<u>48,688</u>	<u>60,100</u>
Other Liabilities and Reserves:		
Accrued Interest on Notes	-	98
Accrued Interest on Bonds	483	-
Overpayments	-	261
Reserve for Rate Stabilization	<u>30,000</u>	<u>30,000</u>
	<u>30,483</u>	<u>30,359</u>
Reserve for Receivables	<u>82,596</u>	<u>81,173</u>
Fund Balance	<u>354,178</u>	<u>240,385</u>
Total Liabilities and Fund Balance	<u>\$ 534,563</u>	<u>\$ 428,371</u>

BOROUGH OF OAKLAND
SEWER UTILITY OPERATING FUND
SCHEDULE OF REVENUES AND OTHER CREDITS TO INCOME - REGULATORY BASIS
YEAR ENDED DECEMBER 31, 2015

	Anticipated Budget	Realized	Excess/ (Deficit)
Operating Surplus Anticipated	\$ 25,000	\$ 25,000	\$ -
Rents	\$ 365,300	\$ 408,716	\$ 43,416
Miscellaneous:			
Interest on Delinquent Accounts	\$ -	\$ -	\$ -
Deficit (General Budget)	-	-	-
Total Miscellaneous	\$ -	\$ -	\$ -
	\$ 390,300	\$ 433,716	\$ 43,416
Other Credits to Income:			
Non-Budget Revenues	\$ -	\$ 777	\$ 777
Unexpended Balances Cancelled	-	30,498	30,498
Unexpended Balance of Appropriation Reserves	-	64,004	64,004
Cancellations and Adjustments	-	98	98
	\$ -	\$ 95,377	\$ 95,377
Total Revenues and Credits to Income	\$ 390,300	\$ 529,093	\$ 138,793

BOROUGH OF OAKLAND
SEWER UTILITY OPERATING FUND
SCHEDULE OF EXPENDITURES AND OTHER CHARGES TO INCOME - REGULATORY BASIS
YEAR ENDED DECEMBER 31, 2015

G-3

	Appropriations		Expended			Unexpended	
	Adopted Budget	Budget After Modification	Paid or Charged	Encumbered	Reserved	Balance Canceled	Overexpenditure
Operating:							
Salaries and Wages	\$ 110,050	\$ 110,050	\$ 109,085	\$ -	\$ 965	\$ -	\$ -
Other Expenses:							
Other Expenses	\$ 134,500	\$ 134,500	\$ 84,337	\$ 18,618	\$ 31,545	\$ -	\$ -
Utilities	32,000	32,000	28,119	-	3,881	-	-
Group Insurance	23,750	23,750	23,750	-	-	-	-
Other Insurance	10,700	10,700	10,700	-	-	-	-
	<u>\$ 200,950</u>	<u>\$ 200,950</u>	<u>\$ 146,906</u>	<u>\$ 18,618</u>	<u>\$ 35,426</u>	<u>\$ -</u>	<u>\$ -</u>
Capital Improvements:							
Capital Improvement Fund	\$ 12,028	\$ 12,028	\$ -	\$ -	\$ 12,028	\$ -	\$ -
Capital Outlay	-	-	-	-	-	-	-
	<u>\$ 12,028</u>	<u>\$ 12,028</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 12,028</u>	<u>\$ -</u>	<u>\$ -</u>
Debt Service:							
Payment of Bonds	\$ 40,000	\$ 40,000	\$ 15,000	\$ -	\$ -	\$ 25,000	\$ -
Interest on Bonds	10,000	10,000	4,502	-	-	5,498	-
Interest on Notes	-	-	-	-	-	-	-
	<u>\$ 50,000</u>	<u>\$ 50,000</u>	<u>\$ 19,502</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 30,498</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	\$ 8,972	\$ 8,972	\$ 8,972	\$ -	\$ -	\$ -	\$ -
Social Security System	8,300	8,300	8,031	-	269	-	-
Unemployment Compensation	-	-	-	-	-	-	-
	<u>\$ 17,272</u>	<u>\$ 17,272</u>	<u>\$ 17,003</u>	<u>\$ -</u>	<u>\$ 269</u>	<u>\$ -</u>	<u>\$ -</u>
Deficit in Operations in Prior Years	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Total Appropriations	<u>\$ 390,300</u>	<u>\$ 390,300</u>	<u>\$ 292,496</u>	<u>\$ 18,618</u>	<u>\$ 48,688</u>	<u>\$ 30,498</u>	<u>\$ -</u>

Other Charges to Income:
Refund of Prior Year's Revenue

\$ -

**BOROUGH OF OAKLAND
SEWER UTILITY OPERATING FUND
SCHEDULE OF CASH
YEAR ENDED DECEMBER 31, 2015**

Cash Balance, December 31, 2014		\$	347,198
Receipts:			
Rents	\$	408,716	
Reserve for Rate Stabilization		-	
Surplus		-	
Non-Budget Revenue			
Interest Earned		503	
			<u>409,219</u>
			756,417
Disbursements:			
Budget Appropriations	\$	292,013	
Appropriation Reserves		-	
Reserve for Encumbrances		12,450	
Other Adjustments		-	
Accrued Interest on Notes		-	
			<u>304,463</u>
Cash Balance, December 31, 2015		\$	<u><u>451,954</u></u>

BOROUGH OF OAKLAND
SEWER UTILITY OPERATING FUND
SCHEDULE OF CONSUMER ACCOUNTS RECEIVABLE
YEAR ENDED DECEMBER 31, 2015

Balance, December 31, 2014		\$	81,173
Increased by:			
Billed	\$	409,828	
Adjustments		572	
Record Current Year Overpayments		-	
			<u>410,400</u>
			491,573
Decreased by:			
Collections - Cash	\$	408,716	
Overpayments Applied		261	
			<u>408,977</u>
Balance, December 31, 2015		\$	<u><u>82,596</u></u>

**BOROUGH OF OAKLAND
SEWER UTILITY OPERATING FUND
SCHEDULE OF INTERFUND RECEIVABLE
YEAR ENDED DECEMBER 31, 2015**

Balance, December 31, 2014		\$	-
Increased by:			
Interest Due From Sewer Utility Capital	\$	88	
			<u>88</u>
			88
Decreased by:			
Interest Received From Sewer Utility Capital	\$	75	
			<u>75</u>
Balance, December 31, 2015		\$	<u><u>13</u></u>

**BOROUGH OF OAKLAND
SEWER UTILITY OPERATING FUND
SCHEDULE OF RESERVE FOR ENCUMBRANCES
YEAR ENDED DECEMBER 31, 2015**

Balance, December 31, 2014		\$	16,354
Increased by:			
Accrued	\$	18,618	
			<u>18,618</u>
			34,972
Decreased by:			
Paid	\$	12,450	
Cancelled		<u>3,904</u>	
			<u>16,354</u>
Balance, December 31, 2015		\$	<u><u>18,618</u></u>

**BOROUGH OF OAKLAND
SEWER UTILITY OPERATING FUND
SCHEDULE OF APPROPRIATION RESERVES LAPSED
YEAR ENDED DECEMBER 31, 2015**

G-8

	Appropriations		Expended			Unexpended	
	Adopted Budget	Budget After Modification	Paid or Charged	Encumbered	Lapsed	Balance Canceled	Overexpenditure
Operating:							
Salaries and Wages	\$ 4,154	\$ 4,154	\$ -	\$ -	\$ 4,154	\$ -	\$ -
Other Expenses:							
Other Expenses	\$ 48,215	\$ 48,215	\$ -	\$ -	\$ 48,215	\$ -	\$ -
Utilities	5,882	5,882	-	-	5,882	-	-
Group Insurance	-	-	-	-	-	-	-
Other Insurance	-	-	-	-	-	-	-
Reserve for Debt Service	-	-	-	-	-	-	-
	<u>\$ 54,097</u>	<u>\$ 54,097</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 54,097</u>	<u>\$ -</u>	<u>\$ -</u>
Capital Improvements:							
Capital Improvement Fund	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Capital Outlay	1,235	1,235	-	-	1,235	-	-
	<u>\$ 1,235</u>	<u>\$ 1,235</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 1,235</u>	<u>\$ -</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	614	614	-	-	614	-	-
Unemployment Compensation	-	-	-	-	-	-	-
	<u>\$ 614</u>	<u>\$ 614</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 614</u>	<u>\$ -</u>	<u>\$ -</u>
Deficit in Operations in Prior Years	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Total Appropriations	<u>\$ 60,100</u>	<u>\$ 60,100</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 60,100</u>	<u>\$ -</u>	<u>\$ -</u>

**BOROUGH OF OAKLAND
SEWER UTILITY OPERATING FUND
SCHEDULE OF ACCRUED INTEREST ON NOTES
YEAR ENDED DECEMBER 31, 2015**

Balance, December 31, 2014		\$	98
Increased by:			
Current Year Budget Appropriation	\$	-	
			-
			98
Decreased by:			
Paid	\$	-	
Lapsed		98	
			98
Balance, December 31, 2015		\$	-

**BOROUGH OF OAKLAND
SEWER UTILITY OPERATING FUND
SCHEDULE OF ACCRUED INTEREST ON BONDS
YEAR ENDED DECEMBER 31, 2015**

Balance, December 31, 2014		\$	-
Increased by:			
Current Year Budget Appropriation	\$	-	
Accrued		<u>4,502</u>	
			<u>4,502</u>
			4,502
Decreased by:			
Paid	\$	4,019	
Cancelled		<u>-</u>	
			<u>4,019</u>
Balance, December 31, 2015		<u>\$</u>	<u>483</u>

**BOROUGH OF OAKLAND
SEWER UTILITY OPERATING FUND
SCHEDULE OF OVERPAYMENTS
YEAR ENDED DECEMBER 31, 2015**

Balance, December 31, 2014		\$	261
Increased by:			
Current Year Overpayments	\$	-	
			-
			261
Decreased by:			
Applied to Rents	\$	261	
			261
Balance, December 31, 2015		\$	-

**BOROUGH OF OAKLAND
SEWER UTILITY OPERATING FUND
SCHEDULE OF RESERVE FOR RATE STABILIZATION
YEAR ENDED DECEMBER 31, 2015**

Balance, December 31, 2014		\$	30,000
Increased by:			
Budget Appropriation	\$	-	
			-
			<u>30,000</u>
Decreased by:			
	\$	-	
			-
Balance, December 31, 2015		\$	<u><u>30,000</u></u>

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

	<u>2015</u>	<u>2014</u>
<u>ASSETS</u>		
Cash - TD Bank #425-0698855	\$ 79,149	\$ 106,251
Fixed Capital	304,100	74,100
Fixed Capital Authorized & Uncompleted	634,760	864,760
Deferred Charge	2,000	-
Total Assets	<u>\$ 1,020,009</u>	<u>\$ 1,045,111</u>
<u>LIABILITIES AND FUND BALANCE</u>		
Interfund Payable - Sewer Utility Operating Fund	\$ 13	\$ -
Reserve for Encumbrances	26,334	26,334
Other Liabilities and Reserves:		
Capital Improvement Fund	57,000	82,000
Reserve for Amortization	89,100	74,100
Reserve for Deferred Amortization	42,000	40,000
Reserve for Debt Service	60,000	60,000
	<u>248,100</u>	<u>256,100</u>
Improvement Authorizations:		
Funded	10,111	-
Unfunded	516,986	530,677
	<u>527,097</u>	<u>530,677</u>
Bond Anticipation Notes Payable	-	232,000
Serial Bonds Payable	215,000	-
Fund Balance	3,465	-
Total Liabilities and Fund Balance	<u>\$ 1,020,009</u>	<u>\$ 1,045,111</u>

BOROUGH OF OAKLAND
SEWER UTILITY CAPITAL FUND
SCHEDULE OF CASH
YEAR ENDED DECEMBER 31, 2015

Balance, December 31, 2014		\$	106,251
Receipts:			
Capital Improvement Fund	\$	-	
Due to Sewer Utility Operating Fund:			
Interest Earned		88	
Serial Bond Proceeds		230,000	
Bond Sale Premium		3,292	
Accrued Interest		173	
Contra		173	
			<u>233,726</u>
			339,977
Disbursements:			
Improvement Authorizations	\$	3,580	
Reserve for Preliminary Plan Expenses		25,000	
Bond Anticipation Notes		232,000	
Due to Sewer Utility Operating Fund:			
Interest Earned		75	
Contra		173	
			<u>260,828</u>
Balance, December 31, 2015		\$	<u>79,149</u>

**BOROUGH OF OAKLAND
SEWER UTILITY CAPITAL FUND
SCHEDULE OF FIXED CAPITAL
YEAR ENDED DECEMBER 31, 2015**

G-15

Description	Balance December 31, 2014	Transferred From Fixed Capital Authorized & Uncompleted	Adjustments	Cancellations	Balance December 31, 2015
Unidentified from CY2004 Audit	\$ 74,100	\$ 230,000	\$ -	\$ -	\$ 304,100

**BOROUGH OF OAKLAND
SEWER UTILITY CAPITAL FUND
SCHEDULE OF FIXED CAPITAL AUTHORIZED AND UNCOMPLETED
YEAR ENDED DECEMBER 31, 2015**

G-16

Description	Balance December 31, 2014	Authorized	Transferred to Fixed Capital	Adjustments	Cancellations	Balance December 31, 2015
#08-575 Various Public Improvements	\$ 224,500	\$ -	\$ 190,000	\$ (2,500)	\$ -	\$ 32,000
#08-584 Various Public Improvements	50,000	-	40,000	-	-	10,000
#11-638 Various Public Improvements	590,260	-	-	2,500	-	592,760
	<u>\$ 864,760</u>	<u>\$ -</u>	<u>\$ 230,000</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 634,760</u>

**BOROUGH OF OAKLAND
SEWER UTILITY CAPITAL FUND
SCHEDULE OF DEFERRED CHARGES
YEAR ENDED DECEMBER 31, 2015**

G-17

Description	Balance December 31, 2014	Increased	Decreased	Balance December 31, 2015
2015 BANs paid with Capital Cash	\$ -	\$ 2,000	\$ -	\$ 2,000

BOROUGH OF OAKLAND
SEWER UTILITY CAPITAL FUND
SCHEDULE OF INTERFUND PAYABLE - SEWER UTILITY OPERATING FUND
YEAR ENDED DECEMBER 31, 2015

Balance, December 31, 2014		\$	-
Increased by:			
Interest Earned	<u>88</u>		<u>88</u>
			88
Decreased by:			
Remitted to Sewer Utility Operating Fund	<u>75</u>		<u>75</u>
			75
Balance, December 31, 2015		\$	<u><u>13</u></u>

**BOROUGH OF OAKLAND
SEWER UTILITY CAPITAL FUND
SCHEDULE OF RESERVE FOR ENCUMBRANCES
YEAR ENDED DECEMBER 31, 2015**

G-19

Vendor	Ordinance Number	Contract Number	Original Amount	Balance December 31, 2014	Accrued	Paid	Cancellations and Adjustments	Balance December 31, 2015
Crew Engineers, Inc.	11-638	C1-00020	\$ 57,000	\$ 19,471	\$ -	\$ -	\$ -	\$ 19,471
Crew Engineers, Inc.	08-575	C2-00004	4,000	1,660	-	-	-	1,660
National Water Main Cleaning	08-575	C1-00039	51,475	5,203	-	-	-	5,203
				<u>\$ 26,334</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 26,334</u>

**BOROUGH OF OAKLAND
SEWER UTILITY CAPITAL FUND
SCHEDULE OF CAPITAL IMPROVEMENT FUND
YEAR ENDED DECEMBER 31, 2015**

G-20

<u>Description</u>	<u>Balance December 31, 2014</u>	<u>Sewer Operating Fund Appropriation</u>	<u>Used to Finance Authorizations</u>	<u>Cancelled Funded Authorizations</u>	<u>Balance December 31, 2015</u>
Capital Improvement Fund	\$ 82,000	\$ -	\$ 25,000	\$ -	\$ 57,000

**BOROUGH OF OAKLAND
SEWER UTILITY CAPITAL FUND
SCHEDULE OF RESERVE FOR AMORTIZATION
YEAR ENDED DECEMBER 31, 2015**

G-21

Description	Balance December 31, 2014	Transferred From Fixed Capital Authorized & Uncompleted	Serial Bonds Retired	Cancellations	Balance December 31, 2015
Unidentified from CY2004 Audit	\$ 74,100	\$ -	\$ 15,000	\$ -	\$ 89,100

**BOROUGH OF OAKLAND
SEWER UTILITY CAPITAL FUND
SCHEDULE OF RESERVE FOR DEFERRED AMORTIZATION
YEAR ENDED DECEMBER 31, 2015**

G-22

Description	Balance December 31, 2014	BAN Paydowns	Adjustments	Cancellations	Balance December 31, 2015
#08-575 Various Public Improvements	\$ 30,500	\$ 1,500	\$ -	\$ -	\$ 32,000
#08-584 Various Public Improvements	9,500	500			10,000
	<u>\$ 40,000</u>	<u>\$ 2,000</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 42,000</u>

**BOROUGH OF OAKLAND
SEWER UTILITY CAPITAL FUND
SCHEDULE OF RESERVE FOR DEBT SERVICE
YEAR ENDED DECEMBER 31, 2015**

G-23

<u>Ordinance</u>	<u>Balance December 31, 2014</u>	<u>Raised in Current Year Budget</u>	<u>Appropriated</u>	<u>Adjustments</u>	<u>Balance December 31, 2015</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>\$ 60,000</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 60,000</u>

**BOROUGH OF OAKLAND
SEWER UTILITY CAPITAL FUND
SCHEDULE OF RESERVE FOR PRELIMINARY PLAN EXPENSES
YEAR ENDED DECEMBER 31, 2015**

Balance, December 31, 2014		\$	-
Increased by:			
Appropriated from Capital Improvement Fund - Res #15-67	<u>25,000</u>		<u>25,000</u>
			25,000
Decreased by:			
Expenditures	<u>25,000</u>		<u>25,000</u>
Balance, December 31, 2015		\$	-

BOROUGH OF OAKLAND
SEWER UTILITY CAPITAL FUND
SCHEDULE OF IMPROVEMENT AUTHORIZATIONS
YEAR ENDED DECEMBER 31, 2015

G-25

Description	Balance - January 1, 2015		Bonds & Notes Authorized	Expended	Encumbered	Cancellations	Adjustments	Balance - December 31, 2015	
	Funded	Unfunded						Funded	Unfunded
#08-575 Various Sewer Improvements	\$ -	\$ 4,300	\$ -	\$ 3,580	\$ -	\$ -	\$ (1,809)	\$ 2,529	\$ -
#08-584 Various Sewer Improvements	-	7,582	-	-	-	-	-	7,582	-
#11-638 Various Sewer Improvements	-	518,795	-	-	-	-	1,809	-	516,986
\$	-	\$ 530,677	\$ -	\$ 3,580	\$ -	\$ -	\$ (1,809)	\$ 10,111	\$ 516,986

**BOROUGH OF OAKLAND
SEWER UTILITY CAPITAL FUND
SCHEDULE OF BOND ANTICIPATION NOTES PAYABLE
YEAR ENDED DECEMBER 31, 2015**

G-26

Improvement Description	Amount of Original Note	Date of Original Note	Date of Issue	Date of Maturity	Interest Rate	Balance December 31, 2014	Issued	Retired	Serial Bonds Issued	Budget Appropriation Paydown	Balance December 31, 2015
<u>14-2RSU</u>											
#08-575 Skyview Sewer Plant Improvements	\$ 232,000	05/27/10	12/10/14	02/10/15	0.75%	\$ 191,500	\$ -	\$ 191,500	\$ -	\$ -	\$ -
#08-584 Skyview Sewer Plant Improvements	50,000	05/27/10	12/10/14	02/10/15	0.75%	40,500	-	40,500	-	-	-
						<u>\$ 232,000</u>	<u>\$ -</u>	<u>\$ 232,000</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>

**BOROUGH OF OAKLAND
SEWER UTILITY CAPITAL FUND
SCHEDULE OF SERIAL BONDS PAYABLE
YEAR ENDED DECEMBER 31, 2015**

G-27

<u>Date of Issue - Purpose</u>	<u>Total Amount of Issue</u>	<u>Balance December 31, 2014</u>	<u>Issued</u>	<u>Paid by Budget Appropriation</u>	<u>Balance December 31, 2015</u>
6/1/15 General Improvement Bonds	\$ 230,000	\$ -	\$ 230,000	\$ 15,000	\$ 215,000

**BOROUGH OF OAKLAND
SEWER UTILITY CAPITAL FUND
SCHEDULE OF FUND BALANCE
YEAR ENDED DECEMBER 31, 2015**

Balance, December 31, 2014		\$	-
Increased by:			
Bond Sale Premium	3,292		
Bond Sale Accrued Interest	<u>173</u>		
			<u>3,465</u>
			3,465
Decreased by:			
	<u>-</u>		
			<u>-</u>
Balance, December 31, 2015		\$	<u><u>3,465</u></u>

**BOROUGH OF OAKLAND
SEWER UTILITY CAPITAL FUND
SCHEDULE OF BONDS AND NOTES AUTHORIZED BUT NOT ISSUED
YEAR ENDED DECEMBER 31, 2015**

G-29

Description	Balance December 31, 2014	Authorized	Issued	Cancellations and Adjustments	Balance December 31, 2015
#11-638 Various Sewer Improvements	\$ 592,760	\$ -	\$ -	\$ -	\$ 592,760

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

	<u>2015</u>	<u>2014</u>
<u>ASSETS</u>		
Land	\$ 26,856,400	\$ 26,856,400
Improvements	9,284,701	9,284,701
Equipment	3,305,057	2,652,145
Vehicles	5,559,505	4,226,706
	<u>\$ 45,005,663</u>	<u>\$ 43,019,952</u>
<u>FUND BALANCE</u>		
Reserve for Investment in		
General Fixed Assets	<u>\$ 45,005,663</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, 2014	Additions	Retirements	Adjustments	Balance December 31, 2015
Land	\$ 26,856,400	\$ -	\$ -	\$ -	\$ 26,856,400
Improvements	9,284,701	-	-	-	9,284,701
Equipment	2,652,145	-	-	652,912	3,305,057
Vehicles	4,226,706	-	-	1,332,799	5,559,505
	<u>\$ 43,019,952</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 1,985,711</u>	<u>\$ 45,005,663</u>

BOROUGH OF OAKLAND

NJ Comprehensive Annual Financial Report

Annual Financial Information and Operating Data Section

BOROUGH OF OAKLAND
ANNUAL FINANCIAL INFORMATION AND OPERATING DATA
ADOPTED BUDGETS
(UNAUDITED)

J-1

	2015	2014	2013	2012	2011	2010	2009	2008	2007	2006
<u>CURRENT FUND</u>										
<u>REVENUES</u>										
Fund Balance	\$ 660,000	\$ 570,000	\$ 511,000	\$ 1,036,000	\$ 486,000	\$ 886,000	\$ 361,000	\$ 445,000	\$ 290,000	\$ -
Miscellaneous Revenues	3,250,916	3,232,865	3,451,696	3,429,270	3,205,269	3,050,302	3,828,951	4,068,754	3,817,348	4,692,111
Receipts From Delinquent Taxes	17,000	17,000	17,000	30,000	122,300	499,250	395,000	380,000	400,000	360,000
Amount to be Raised by Taxation:										
Municipal	13,509,333	13,280,789	13,115,822	13,028,227	13,028,228	13,719,459	13,245,980	12,635,789	11,657,044	10,626,801
Library	779,371	773,200	797,480	816,497	855,637	-	-	-	-	-
Total Revenues	<u>\$ 18,216,620</u>	<u>\$ 17,873,854</u>	<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>APPROPRIATIONS</u>										
Within "CAPS":										
Operations:										
Salaries and Wages	\$ 6,931,026	\$ 6,788,150	\$ 6,679,850	\$ 6,392,585	\$ 6,341,385	\$ 6,177,800	\$ 6,066,249	\$ 5,853,851	\$ 5,086,656	\$ 5,237,908
Other Expenses	6,048,250	5,988,610	5,889,025	6,157,940	6,257,116	6,310,450	6,157,395	6,256,925	6,399,253	3,804,524
Deferred Charges	-	-	-	-	-	-	28,602	46,168	99,866	484,129
Statutory Expenditures	1,601,575	1,539,716	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	-	562,358	474,700	487,775	495,420	601,255	650,977	4,025	-	35,000
Other Expenses	1,250,169	624,753	838,036	774,896	746,437	1,052,123	1,912,670	2,203,958	1,762,566	3,891,662
Capital Improvements	700,000	400,000	219,500	708,000	208,000	120,000	120,000	100,000	136,612	100,000
Municipal Debt Service	1,350,000	1,353,667	1,422,135	1,473,292	1,205,476	1,364,352	1,279,299	1,158,251	1,575,785	1,183,821
Deferred Charges	146,600	431,600	654,007	684,790	647,600	626,000	646,000	887,843	146,000	430,000
Reserve for Uncollected Taxes	189,000	185,000	180,800	177,255	247,300	625,000	536,239	605,522	575,154	511,868
Total Appropriations	<u>\$ 18,216,620</u>	<u>\$ 17,873,854</u>	<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>
	-	-	-	-	-	-	-	-	-	-

BOROUGH OF OAKLAND
ANNUAL FINANCIAL INFORMATION AND OPERATING DATA
ADOPTED BUDGETS
(UNAUDITED)

J-1

	2015	2014	2013	2012	2011	2010	2009	2008	2007	2006
<u>WATER UTILITY FUND</u>										
<u>REVENUES</u>										
Fund Balance Anticipated	\$ 50,000	\$ 87,000	\$ 50,000	\$ 50,000	\$ 50,000	\$ 100,000	\$ 135,000	\$ 35,000	\$ 235,000	\$ -
Rents	1,862,000	1,820,000	1,841,100	1,850,000	1,866,000	1,827,000	1,679,121	1,785,000	1,700,000	1,805,000
Water Capital Fund Balance	-	-	-	-	-	-	110,000	-	-	-
Reserve for Debt Service	-	-	-	-	-	-	155,879	-	-	-
Deficit (General Budget)	-	-	-	-	-	-	-	25,000	-	-
Miscellaneous	7,000	12,000	18,000	8,000	4,000	17,000	40,000	40,000	10,000	10,000
Total Revenues	<u>\$ 1,919,000</u>	<u>\$ 1,919,000</u>	<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>APPROPRIATIONS</u>										
Operations:										
Salaries and Wages	\$ 538,000	\$ 583,650	\$ 584,000	\$ 546,500	\$ 524,900	\$ 514,715	\$ 524,000	\$ 510,318	\$ 466,174	\$ 480,000
Other Expenses	680,500	658,500	651,800	698,400	738,290	768,010	893,501	835,759	762,188	731,293
Capital Improvements	73,785	66,210	89,228	79,279	75,468	20,106	-	-	100,000	100,000
Municipal Debt Service	525,000	515,001	487,821	483,710	481,950	482,120	478,854	479,195	467,181	456,540
Deferred Charges	-	-	-	-	-	-	9,495	14,728	54,457	10,367
Statutory Expenditures	101,715	95,639	96,251	100,111	99,392	91,815	103,081	45,000	45,000	36,800
Judgments	-	-	-	-	-	-	-	-	-	-
Surplus (General Budget)	-	-	-	-	-	-	-	-	50,000	-
Deficit in Operations	-	-	-	-	-	67,234	111,069	-	-	-
Total Appropriations	<u>\$ 1,919,000</u>	<u>\$ 1,919,000</u>	<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>
	-	-	-	-	-	-	-	-	-	-

BOROUGH OF OAKLAND
ANNUAL FINANCIAL INFORMATION AND OPERATING DATA
ADOPTED BUDGETS
(UNAUDITED)

J-1

	2015	2014	2013	2012	2011	2010	2009	2008	2007	2006
<u>SEWER UTILITY FUND</u>										
<u>REVENUES</u>										
Fund Balance Anticipated	\$ 25,000	\$ 36,300	\$ 25,000	\$ 25,000	\$ 25,000	\$ -	\$ -	\$ 25,000	\$ -	\$ 20,000
Rents	365,300	354,000	354,000	344,500	344,500	385,000	390,000	340,000	325,000	283,000
Miscellaneous	-	-	-	-	-	-	-	-	-	-
Deficit (General Budget)	-	-	-	-	-	-	-	-	50,000	-
Total Revenues	<u>\$ 390,300</u>	<u>\$ 390,300</u>	<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>APPROPRIATIONS</u>										
Operations:										
Salaries and Wages	\$ 110,050	\$ 106,100	\$ 103,150	\$ 99,300	\$ 94,500	\$ 95,400	\$ 97,550	\$ 84,671	\$ 110,259	\$ 110,705
Other Expenses	200,950	203,100	226,850	225,000	231,830	262,910	264,554	241,829	224,449	181,741
Capital Improvements	12,028	20,235	19,127	19,242	19,279	6,372	-	-	-	-
Municipal Debt Service	50,000	42,900	11,889	4,269	1,830	-	-	-	-	-
Deferred Charges	-	-	-	-	-	-	-	-	20,597	2,054
Statutory Expenditures	17,272	17,965	17,984	21,689	22,061	20,318	23,962	13,500	13,000	8,500
Surplus (General Budget)	-	-	-	-	-	-	-	25,000	-	-
Deficit in Operations	-	-	-	-	-	-	3,934	-	6,695	-
Total Appropriations	<u>\$ 390,300</u>	<u>\$ 390,300</u>	<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>
	-	-	-	-	-	-	-	-	-	-

BOROUGH OF OAKLAND
ANNUAL FINANCIAL INFORMATION AND OPERATING DATA
FUND BALANCE SUMMARY
(UNAUDITED)

J-2

	2015	2014	2013	2012	2011	2010	2009	2008	2007	2006
<u>CURRENT FUND</u>										
Fund Balance, Beginning	\$ 2,708,787	\$ 2,542,298	\$ 2,224,999	\$ 2,508,370	\$ 2,229,288	\$ 2,181,030	\$ 1,382,530	\$ 690,824	\$ 619,017	\$ 573,165
Generated Current Year	1,293,260	736,489	828,299	752,629	765,082	934,258	1,159,500	1,136,706	361,807	45,852
Utilized Current Year	(660,000)	(570,000)	(511,000)	(1,036,000)	(486,000)	(886,000)	(361,000)	(445,000)	(290,000)	-
Fund Balance, Ending	<u>\$ 3,342,047</u>	<u>\$ 2,708,787</u>	<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>WATER UTILITY FUND</u>										
Fund Balance, Beginning	\$ 602,172	\$ 606,949	\$ 488,994	\$ 412,879	\$ 416,458	\$ 173,150	\$ 308,150	\$ 343,150	\$ 528,981	\$ 462,702
Generated Current Year	700,437	82,223	167,955	126,115	46,421	343,308	-	-	49,169	66,279
Utilized Current Year	(50,000)	(87,000)	(50,000)	(50,000)	(50,000)	(100,000)	(135,000)	(35,000)	(235,000)	-
Fund Balance, Ending	<u>\$ 1,252,609</u>	<u>\$ 602,172</u>	<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>SEWER UTILITY FUND</u>										
Fund Balance, Beginning	\$ 240,385	\$ 249,912	\$ 196,794	\$ 156,048	\$ 87,666	\$ 4,247	\$ 2,695	\$ 27,695	\$ 16,867	\$ 36,867
Generated Current Year	138,793	26,773	78,118	65,746	93,382	83,419	1,552	-	10,828	-
Utilized Current Year	(25,000)	(36,300)	(25,000)	(25,000)	(25,000)	-	-	(25,000)	-	(20,000)
Fund Balance, Ending	<u>\$ 354,178</u>	<u>\$ 240,385</u>	<u>\$ 249,912</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>

BOROUGH OF OAKLAND
ANNUAL FINANCIAL INFORMATION AND OPERATING DATA
TAX LEVY AND COLLECTION DATA
(UNAUDITED)

	2015	2014	2013	2012	2011	2010	2009	2008	2007	2006
<u>CURRENT YEAR % COLLECTION RATES</u>										
Current Tax Levy	\$ 58,033,896	\$ 56,826,230	\$ 55,769,077	\$ 54,959,288	\$ 54,186,791	\$ 53,550,515	\$ 52,331,471	\$ 50,362,212	\$ 48,406,730	\$ 45,556,641
Current Collections	\$ 57,920,732	\$ 56,711,985	\$ 55,722,878	\$ 54,860,183	\$ 54,158,022	\$ 53,310,631	\$ 51,610,493	\$ 49,907,149	\$ 48,024,958	\$ 45,132,501
Percentage of Collections	99.81%	99.80%	99.92%	99.82%	99.95%	99.55%	98.62%	99.10%	99.21%	99.07%
<u>DELINQUENT TAX %</u>										
Delinquent Taxes	\$ 30,829	\$ 8,900	\$ 43,973	\$ 46,920	\$ 44,498	\$ 42,383	\$ 539,674	\$ 393,549	\$ 370,101	\$ 438,341
Tax Title Liens	228,265	202,187	116,701	117,451	117,387	120,623	99,092	81,584	69,381	69,381
Total Delinquent	\$ 259,094	\$ 211,087	\$ 160,674	\$ 164,371	\$ 161,885	\$ 163,006	\$ 638,766	\$ 475,133	\$ 439,482	\$ 507,722
Tax Levy	\$ 58,033,896	\$ 56,826,230	\$ 55,769,077	\$ 54,959,288	\$ 54,186,791	\$ 53,550,515	\$ 52,331,471	\$ 50,362,212	\$ 48,406,730	\$ 45,556,641
Percentage of Tax Levy	0.45%	0.37%	0.29%	0.30%	0.30%	0.30%	1.22%	0.94%	0.91%	1.11%

BOROUGH OF OAKLAND
ANNUAL FINANCIAL INFORMATION AND OPERATING DATA
ASSESSED AND COUNTY EQUALIZED VALUATION DATA
(UNAUDITED)

J-4

Description	2015		2014		2013		2012		2011		2010		2009		2008		2007		2006	
	# 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	175	\$ 24,381,700	172	\$ 23,633,700	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
Residential	4408	1,809,728,300	4412	1,808,154,900	4411	1,802,856,800	4413	1,800,660,000	4410	1,798,418,300	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
Farm (Regular)	4	2,885,500	4	2,885,500	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
Farm (Qualified)	12	39,900	12	39,900	12	39,900	8	25,900	8	25,900	8	22,700	8	65,800	8	65,800	8	25,800	8	25,800
Commercial	140	170,363,300	139	170,811,100	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
Industrial	60	165,125,700	60	168,454,500	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
Apartments	0	-	0	-	0	-	0	-	0	-	0	-	0	-	0	-	0	-	0	-
Sub-Total	<u>4799</u>	<u>2,172,524,400</u>	<u>4799</u>	<u>2,173,979,600</u>	<u>4800</u>	<u>2,170,450,900</u>	<u>4802</u>	<u>2,171,858,600</u>	<u>4802</u>	<u>2,171,231,000</u>	<u>4808</u>	<u>2,545,212,400</u>	<u>4813</u>	<u>2,537,865,100</u>	<u>4817</u>	<u>2,532,385,000</u>	<u>4819</u>	<u>2,522,406,700</u>	<u>4823</u>	<u>2,521,205,100</u>
Personal Property		-		94		91		100		100		5,049,895		4,707,334		4,422,455		4,588,960		3,708,659
Net Valuations Taxable		<u>2,172,524,400</u>		<u>2,173,979,694</u>		<u>2,170,450,991</u>		<u>2,171,858,700</u>		<u>2,171,231,100</u>		<u>2,550,262,295</u>		<u>2,542,572,434</u>		<u>2,536,807,455</u>		<u>2,526,995,660</u>		<u>2,524,913,759</u>
Bergen County Equalization Adjustment		169,723,311		155,368,426		226,654,449		284,429,118		199,607,102		128,435,177		233,161,742		134,336,033		77,560,134		(134,660,402)
Bergen County Equalized Valuations		<u>\$ 2,342,247,711</u>		<u>\$ 2,329,348,120</u>		<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>
Bergen County Equalization Ratio		<u>92.98%</u>		<u>93.57%</u>		<u>90.78%</u>		<u>88.64%</u>		<u>91.85%</u>		<u>95.46%</u>		<u>91.83%</u>		<u>95.23%</u>		<u>97.29%</u>		<u>105.95%</u>
Average Improved Residential Assessment		<u>\$ 410,555</u>		<u>\$ 409,827</u>		<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>

BOROUGH OF OAKLAND
ANNUAL FINANCIAL INFORMATION AND OPERATING DATA
TAX REQUIREMENT AND RATE DATA
(UNAUDITED)

J-5

	2015	2014	2013	2012	2011	2010	2009	2008	2007	2006
<u>TAX REQUIREMENTS</u>										
County	\$ 5,560,661	\$ 5,366,033	\$ 5,436,285	\$ 5,332,218	\$ 4,852,258	\$ 5,177,795	\$ 5,051,134	\$ 4,662,797	\$ 4,437,288	\$ 4,230,763
County Open Space	58,556	58,234	59,928	61,407	59,271	66,967	277,573	267,114	260,455	239,025
Municipal Open Space	217,252	217,398	217,045	222,103	260,000	260,000	260,000	253,681	252,500	252,500
District School	27,055,578	26,514,591	26,021,535	25,518,325	24,901,454	24,122,035	23,413,368	22,741,261	22,002,323	20,780,983
Regional High School	10,734,398	10,546,184	10,036,751	9,897,661	10,087,200	10,142,565	9,912,969	9,698,905	9,583,163	9,140,589
Library	779,371	773,200	797,480	816,497	855,637	-	-	-	-	-
Municipal	13,509,333	13,280,789	13,115,822	13,028,227	13,028,228	13,719,460	13,245,980	12,635,789	11,657,044	10,626,801
Total Tax Requirements	\$ 57,915,149	\$ 56,756,429	\$ 55,684,846	\$ 54,876,438	\$ 54,044,048	\$ 53,488,822	\$ 52,161,024	\$ 50,259,547	\$ 48,192,773	\$ 45,270,661
<u>TAX RATES</u>										
County	0.256	0.247	0.251	0.246	0.224	0.204	0.199	0.184	0.176	0.168
County Open Space	0.003	0.003	0.003	0.003	0.003	0.003	0.011	0.011	0.010	0.010
Municipal Open Space	0.010	0.010	0.010	0.010	0.012	0.010	0.010	0.011	0.010	0.010
District School	1.246	1.220	1.199	1.175	1.147	0.946	0.921	0.896	0.871	0.823
Regional High School	0.494	0.485	0.463	0.456	0.465	0.398	0.390	0.382	0.379	0.362
Library	0.036	0.036	0.036	0.037	0.039	-	-	-	-	-
Municipal	0.621	0.610	0.604	0.600	0.600	0.537	0.521	0.499	0.464	0.427
Total Tax Rates	2.666	2.611	2.566	2.527	2.490	2.098	2.052	1.983	1.910	1.800

**Revaluation Year

Source: County of Bergen, Board of Taxation

BOROUGH OF OAKLAND
ANNUAL FINANCIAL INFORMATION AND OPERATING DATA
RATIO OF GROSS AND NET DEBT TO COUNTY EQUALIZED VALUE AND DEBT PER CAPITA
(UNAUDITED)

	2015	2014	2013	2012	2011	2010	2009	2008	2007	2006
Population	13,165	13,090	13,015	12,934	12,866	12,781	13,293	13,249	13,254	13,270
County Equalized Valuation	\$ 2,342,247,711	\$ 2,329,348,120	\$ 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
Gross Debt	\$ 44,459,762	\$ 45,255,708	\$ 28,573,240	\$ 28,605,519	\$ 27,530,654	\$ 31,954,183	\$ 31,457,371	\$ 26,642,370	\$ 24,136,982	\$ 24,345,195
Gross Debt Per Capita	\$ 3,377	\$ 3,457	\$ 2,195	\$ 2,212	\$ 2,140	\$ 2,500	\$ 2,366	\$ 2,011	\$ 1,821	\$ 1,835
Ratio of Gross Debt to County Equalized Valuations	1.90%	1.94%	1.19%	1.16%	1.16%	1.19%	1.13%	1.00%	0.93%	1.02%
Net Debt	\$ 18,590,807	\$ 18,044,220	\$ 16,566,206	\$ 15,967,269	\$ 13,897,194	\$ 16,722,790	\$ 22,320,440	\$ 17,028,550	\$ 8,531,044	\$ 12,154,742
Ratio of Net Debt to County Equalized Valuations	0.79%	0.77%	0.69%	0.65%	0.59%	0.62%	0.80%	0.64%	0.33%	0.51%
Net Debt per Capita	\$ 1,412	\$ 1,378	\$ 1,273	\$ 1,235	\$ 1,080	\$ 1,308	\$ 1,679	\$ 1,285	\$ 644	\$ 916

BOROUGH OF OAKLAND
ANNUAL FINANCIAL INFORMATION AND OPERATING DATA
LEGAL DEBT MARGIN
(UNAUDITED)

J-7

	2015	2014	2013	2012	2011	2010	2009	2008	2007	2006
Equalized Valuation Basis (State)	\$ 2,339,462,112	\$ 2,350,052,761	\$ 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
Municipal Borrowing Power:										
3 1/2% of Equalized Valuation Basis	\$ 81,881,174	\$ 82,251,847	\$ 83,551,259	\$ 86,377,663	\$ 89,482,422	\$ 93,078,026	\$ 94,091,716	\$ 93,308,521	\$ 88,910,436	\$ 82,130,009
Net Debt	18,590,807	18,044,220	16,566,206	15,967,269	13,897,194	16,722,790	22,320,440	17,028,550	8,531,044	12,154,742
Remaining Borrowing Power	\$ 63,290,367	\$ 64,207,627	\$ 66,985,053	\$ 70,410,394	\$ 75,585,228	\$ 76,355,236	\$ 71,771,276	\$ 76,279,971	\$ 80,379,392	\$ 69,975,267
School Borrowing Power:										
3% of Equalized Valuation Basis	\$ 70,183,863	\$ 70,501,583	\$ 71,615,364	\$ 74,037,997	\$ 76,699,219	\$ 79,781,165	\$ 80,650,042	\$ 79,978,732	\$ 76,208,945	\$ 70,397,150
Net School Debt	22,637,000	23,665,000	7,264,133	7,701,363	8,123,802	8,594,070	9,136,930	9,534,279	8,695,615	8,796,453
School Borrowing Margin Available	\$ 47,546,863	\$ 46,836,583	\$ 64,351,231	\$ 66,336,634	\$ 68,575,417	\$ 71,187,095	\$ 71,513,112	\$ 70,444,453	\$ 67,513,330	\$ 61,600,697

BOROUGH OF OAKLAND
ANNUAL FINANCIAL INFORMATION AND OPERATING DATA
DIRECT AND OVERLAPPING DEBT
(UNAUDITED)

	2015	2014	2013	2012	2011	2010	2009	2008	2007	2006
<u>DIRECT DEBT</u>										
Municipal Debt (Net)	\$ 18,590,807	\$ 18,044,220	\$ 16,566,206	\$ 15,967,269	\$ 13,897,194	\$ 16,722,790	\$ 22,320,440	\$ 17,028,550	\$ 8,531,044	\$ 12,154,742
Local School Debt	2,082,000	2,450,000	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	20,555,000	21,215,000	4,744,133	4,946,363	5,143,802	5,394,070	5,581,930	5,784,279	5,962,615	6,063,453
	<u>\$ 41,227,807</u>	<u>\$ 41,709,220</u>	<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>OVERLAPPING DEBT</u>										
County of Bergen	<u>\$ 22,415,162</u>	<u>\$ 21,193,872</u>	<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>

(1) County Debt:

Municipal Equalized Valuations	\$ 2,342,247,711	\$ 2,329,348,120	\$ 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
Total County Equalized Valuations	\$ 164,459,857,393	\$ 162,301,130,131	\$ 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
	1.42%	1.44%	1.45%	1.46%	1.37%	1.46%	1.48%	1.46%	1.51%	1.55%
X's Outstanding County Debt	1,578,532,537	1,471,796,641	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
	<u>\$ 22,415,162</u>	<u>\$ 21,193,872</u>	<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>

BOROUGH OF OAKLAND
ANNUAL FINANCIAL INFORMATION AND OPERATING DATA
RATIO OF ANNUAL DEBT SERVICE APPROPRIATIONS TO TOTAL ADOPTED CURRENT FUND APPROPRIATIONS
(UNAUDITED)

	2015	2014	2013	2012	2011	2010	2009	2008	2007	2006
Serial Bonds:										
Principal	\$ 840,000	\$ 839,000	\$ 830,000	\$ 805,000	\$ 790,000	\$ 898,000	\$ 890,000	\$ 875,000	\$ 1,063,000	\$ 860,000
Interest	244,879	78,912	99,943	130,143	160,296	193,995	229,328	261,960	300,495	227,530
Notes:										
Principal	115,121	337,367	448,916	435,687	116,688	101,240	-	-	-	-
Interest	150,000	98,388	43,276	102,462	127,952	149,826	137,615	-	191,000	75,000
Loans:										
Principal	-	-	-	-	10,540	20,768	20,358	19,958	19,564	19,179
Interest	-	-	-	-	-	523	932	1,333	1,726	2,112
	<u>\$ 1,350,000</u>	<u>\$ 1,353,667</u>	<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>
Total Current Fund Budget Appropriations	<u>\$ 18,216,619</u>	<u>\$ 17,873,854</u>	<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>
Ratio of Debt Service to Current Fund Budget Appropriations	<u>7.41%</u>	<u>7.57%</u>	<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>

BOROUGH OF OAKLAND
ANNUAL FINANCIAL INFORMATION AND OPERATING DATA
DEMOGRAPHIC STATISTICS
(UNAUDITED)

J-10

	2015*	2014	2013	2012	2011	2010	2009	2008	2007	2006
Average Labor Force Estimates by Municipality:										
Labor Force	6,728	6,673	6,639	7,242	7,190	7,193	7,246	7,271	7,213	7,200
Employment	6,425	6,307	6,133	6,799	6,758	6,753	6,814	7,030	7,030	6,997
Unemployment	303	366	505	443	432	439	432	241	183	203
Unemployment Rate	4.5%	5.5%	7.6%	6.1%	6.0%	6.1%	6.0%	3.3%	2.5%	2.8%
Per Capital Personal Income - Bergen Cty.										
	\$ 73,536	\$ 73,536	\$ 70,498	\$ 71,380	\$ 68,244	\$ 65,275	\$ 64,571	\$ 68,548	\$ 68,147	\$ 63,814
Estimates as of July 1,										Corrected Census 2010 Count
Subcounty Population Estimates:										
Oakland BORO	13,165	13,090	13,015	12,934	12,866	12,781	13,293	13,249	13,254	12,754
County of Bergen	938,506	932,836	926,284	920,006	914,018	906,895	895,250	889,915	885,664	884,118

* Latest Information Available

BOROUGH OF OAKLAND
ANNUAL FINANCIAL INFORMATION AND OPERATING DATA
TEN LARGEST TAXPAYERS BY ASSESSMENT
(UNAUDITED)

Taxpayer	2015 Assessed Valuation	As a Percent of Total Net Valuations
		Taxable \$ 2,172,524,400
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 Unicorn Real Estate Investment, LLC	11,511,700	0.53%
5 BD Oakland Owner, LLC	10,216,600	0.47%
6 Oakland Care Ctr Real Estate Co., LLC	9,725,000	0.45%
7 5 Thornton Road Associates, LLC	8,750,000	0.40%
8 1 Raratin Road Realty LLC	6,235,900	0.29%
9 Ramapo Valley Resources, LTD	6,087,700	0.28%
10 PSEG Services Corp. - Corp. Property Dept.	6,000,000	0.28%
	<u>\$ 99,611,000</u>	<u>4.59%</u>

BOROUGH OF OAKLAND
ANNUAL FINANCIAL INFORMATION AND OPERATING DATA
VALUE OF NEW CONSTRUCTION, IMPROVEMENTS, ALTERATIONS AND DEMOLITIONS
(UNAUDITED)

J-12

	2015	2014	2013	2012	2011	2010	2009	2008	2007	2006
# of New Permits Issued	840	776	827	804	872	751	719	761	806	965
# of Permit Updates	64	55	50	61						
Value of Construction	\$ 18,125,230	\$ 11,049,311	\$ 11,304,747	\$ 11,786,930	\$ 10,052,280	\$ 16,200,353	\$ 13,094,373	\$ 13,495,793	\$ 9,569,674	\$ 17,246,498

Source: Borough of Oakland, Office of Construction Official

BOROUGH OF OAKLAND
NJ Comprehensive Annual Financial Report
Single Audit Section

Di Maria & Di Maria LLP
Accountants and Consultants

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, 2015, 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, 2016, which was adverse due to the financial statements being prepared in conformity with the New Jersey regulatory basis of accounting as prescribed by the Division which is a basis of accounting other than accounting principles generally accepted in the United States. In addition, our report on the financial statements - *regulatory basis* was modified on the regulatory basis of accounting because of the presentation of the unaudited LOSAP Trust Fund financial statements.

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

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*.

We also noted certain matters that are not required to be reported under *Government Auditing Standards* that we reported to management of the Borough of Oakland in the section of this report of audit entitled; "General Comments and Recommendations Section".

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, 2016

BOROUGH OF OAKLAND
SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
YEAR ENDED DECEMBER 31, 2015

K-3
Schedule A

Catalog of Federal Domestic Assistance Program Title	Federal C.F.D.A. Number	Award Amount	Grant Period		Balance December 31, 2014	Carryover Amount	Cash Received	Budgetary Expenditures	Adjustments	Repayment of Prior Years Balances	(Accounts Receivable) December 31, 2015	Deferred Revenue December 31, 2015	Due to Grantor at December 31, 2015
			From	To									
General Capital Fund													
<i>US Department of Environmental Protection - Passed thru the State of NJ Division of Environmental Protection - #14-705</i>													
		\$ 325,000	01/01/14	12/31/14	\$ (325,000)	\$ -	\$ -	\$ -	\$ -	\$ -	\$ (325,000)	\$ -	\$ -
		Total General Capital Fund			\$ (325,000)	\$ -	\$ -	\$ -	\$ -	\$ -	\$ (325,000)	\$ -	\$ -
Grant Fund													
<i>US Department of Homeland Security - Passed thru the State of NJ Division of Law & Public Safety -</i>													
N.J. State Police OEM Grant		5,000	01/01/15	12/31/15	-	-	5,000	(1,992)	-	-	-	3,008	-
FEMA Hazard Mitigation Grant		98,000	01/01/13	12/31/13	(98,000)	-	98,000	-	-	-	-	-	-
		Total Grant Fund			\$ (98,000)	\$ -	\$ 103,000	\$ (1,992)	\$ -	\$ -	\$ -	\$ 3,008	\$ -
Total Federal Financial Assistance					\$ (423,000)	\$ -	\$ 103,000	\$ (1,992)	\$ -	\$ -	\$ (325,000)	\$ 3,008	\$ -

BOROUGH OF OAKLAND
SCHEDULE OF EXPENDITURES OF STATE FINANCIAL ASSISTANCE
YEAR ENDED DECEMBER 31, 2015

K-4
Schedule B

State Grantor / Program Title	Grant or State Project Number	Award Amount	Grant Period		Balance December 31, 2014	Carryover Amount	Cash Received	Budgetary Expenditures	Adjustments	Repayment of Prior Years Balances	(Accounts Receivable)	Deferred Revenue	Due to Grantor at
			From	To							December 31, 2015	December 31, 2015	December 31, 2015
State of N.J., Department of Community Affairs --													
LEA Rebates	022-100-6120	\$ 31,665	\$ 42,005	\$ 42,369	-	-	31,665	(31,665)	-	-	-	-	-
Consolidated Municipal Property Tax Relief Aid	082-495-6020	-	42,005	42,369	-	-	-	-	-	-	-	-	-
State of N.J., Department of Treasury --													
Energy Receipts Tax	082-100-6020	1,312,169	01/01/15	12/31/15	-	-	1,312,169	(1,312,169)	-	-	-	-	-
Veterans & Senior Citizens (Including Admin. Fee)	082-495-6020	107,754	01/01/15	12/31/15	-	-	107,754	(107,754)	-	-	-	-	-
State of N.J., Department of Environmental Protection --													
Clean Communities Program	042-4900-765-004	22,872	01/01/15	01/01/15	-	-	22,872	-	-	-	-	22,872	-
Clean Communities Program	042-4900-765-004	24,386	01/01/14	01/01/14	24,386	-	-	(3,697)	-	-	-	20,689	-
Clean Communities Program	042-4900-765-004	20,770	01/01/13	01/01/13	14,164	-	-	(14,164)	-	-	-	-	-
Highlands - Plan Conformance		230,150	01/01/15	12/31/15	-	-	-	(4,369)	-	-	(230,150)	225,781	-
Highlands - Plan Conformance		50,000	01/01/11	12/31/11	7,233	-	-	(7,233)	-	-	-	-	-
Highlands - Plan Conformance		50,000	01/01/09	12/31/09	(19,207)	-	-	-	-	-	(19,207)	-	-
Highlands - Transfer Development Rights		25,000	01/01/09	12/31/09	(4,824)	-	-	-	-	-	(4,824)	-	-
Recycling Tonnage Grant	042-752-6020	29,982	Non-Expiring		-	-	29,982	-	-	-	-	29,982	-
Recycling Tonnage Grant	042-752-6020	27,368	Non-Expiring		27,368	-	-	-	-	-	-	27,368	-
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	-	-	(7,438)	-	-	-	22,978	-
Recycling Tonnage Grant	042-752-6020	26,756	Non-Expiring		17,334	-	-	(17,334)	-	-	-	-	-
State of N.J., Department of Law and Public Safety --													
Body Armor Replacement Program	066-1020-718-001	2,521	Non-Expiring		-	-	2,521	-	-	-	-	2,521	-
Body Armor Replacement Program	066-1020-718-001	2,689	Non-Expiring		305	-	-	-	-	-	-	305	-
Drunk Driving Enforcement Fund		9,863	01/01/14	12/31/14	9,863	-	-	-	-	-	-	9,863	-
Drunk Driving Enforcement Fund		7,758	01/01/12	12/31/12	3,823	-	-	(3,513)	-	-	-	310	-
Alcohol Education & Rehabilitation Fund		1,425	01/01/14	12/31/14	1,425	-	-	-	-	-	-	1,425	-
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	-	-	(316)	-	-	-	663	-
Police Accreditation Grant		25,000	01/01/13	12/31/13	11,000	-	-	(7,750)	-	-	-	3,250	-
State of N.J., Association of Environmental Commissions --													
ANJEC Sustainable Land Use Grant		8,000	01/01/12	12/31/12	(8,000)	-	-	-	-	-	(8,000)	-	-
State of N.J., Department of State --													
Per Capita Library State Aid	100-074-6010	5,577	Non-Expiring		-	-	5,577	(5,577)	-	-	-	-	-
State of N.J., Department of Human Services --													
Passed thru the County of Bergen --													
Municipal Alliance on Alcoholism & Drug Abuse		9,876	07/01/15	06/30/16	-	-	921	-	-	-	(8,955)	9,876	-
Municipal Alliance on Alcoholism & Drug Abuse		9,876	07/01/15	06/30/16	-	-	2,469	-	-	-	-	2,469	-
Municipal Alliance on Alcoholism & Drug Abuse		4,938	07/01/14	06/30/15	(4,938)	-	4,938	-	-	-	-	-	-
Municipal Alliance on Alcoholism & Drug Abuse		4,938	07/01/14	06/30/15	7,407	-	-	-	-	-	-	7,407	-
Municipal Alliance on Alcoholism & Drug Abuse		9,876	07/01/14	06/30/15	(2,192)	-	2,192	-	-	-	-	-	-
Municipal Alliance on Alcoholism & Drug Abuse		9,876	07/01/14	06/30/15	9,876	-	-	(9,591)	-	-	-	285	-
Municipal Alliance on Alcoholism & Drug Abuse		10,356	01/01/12	12/31/12	3,515	-	-	(3,515)	-	-	-	-	-
Municipal Alliance on Alcoholism & Drug Abuse		2,589	01/01/10	12/31/10	1,021	-	-	(1,021)	-	-	-	-	-
Total Grant Fund					\$ 161,706	\$ -	\$ 1,523,060	\$ (1,537,106)	\$ -	\$ -	\$ (271,136)	\$ 418,796	\$ -
Total State Financial Assistance					\$ (38,294)	\$ -	\$ 1,523,060	\$ (1,537,106)	\$ -	\$ -	\$ (471,136)	\$ 418,796	\$ -

**BOROUGH OF OAKLAND
NOTES TO SCHEDULES OF EXPENDITURES OF FEDERAL AWARDS AND
STATE FINANCIAL ASSISTANCE
YEAR ENDED DECEMBER 31, 2015**

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 1 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 using the regulatory basis of accounting which differ in certain respects from accounting principles generally accepted in the United States of America (GAAP) applicable to local government units. This basis of accounting is further described in Note 2 to the basic financial statements. The information in this schedule is presented in accordance with the requirements of the Title 2 U.S. Code of Federal Regulations Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards* ("Uniform Guidance") and New Jersey's OMB Circular 15-08, *Single Audit Policy for Recipients of Federal Grants, State Grants and State Aid*. 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, 2015**

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 separately on the Schedule of State Financial Assistance.

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, 2015 to December 31, 2015.

**BOROUGH OF OAKLAND
NOTES TO SCHEDULES OF EXPENDITURES OF FEDERAL AWARDS AND
STATE FINANCIAL ASSISTANCE
YEAR ENDED DECEMBER 31, 2015**

Note 4 - Relationship to Federal and State Financial Reports

Amounts reported in the accompanying schedules may not necessarily agree with the amounts reported in the related federal and state financial reports due to timing differences between the Borough's fiscal year and grant program years.

Note 5 - Federal and State Loans Outstanding

The Borough did not have any federal and state loans outstanding at of December 31, 2015.

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, 2015

Section I -- Summary of Auditors' Results

Financial Statements

- | | | |
|---|---|-------------------------|
| A) Type of auditors' report issued: | <u>Adverse - GAAP; Qualified - Regulatory</u> | |
| B) Internal control over financial reporting: | | |
| 1. Material weakness(es) identified? | <u> </u> yes | <u> X </u> no |
| 2. Significant deficiency(ies) identified not considered to be material weakness(es)? | <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, 2015**

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

Federal Awards

****NOT APPLICABLE - EXPENDITURES UNDER \$750,000****

A) Internal control over major programs:

- | | | |
|---|-----------|----------|
| 1. Material weakness(es) identified? | _____ yes | _____ no |
| 2. Significant deficiency(ies) identified not considered to be material weakness(es)? | _____ 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 2 CFR section 200.516(a) section .510(a)?

_____ 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, 2015**

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

State Awards

****NOT APPLICABLE - EXPENDITURES UNDER \$750,000****

A) Internal control over major programs:

- | | | |
|---|-----------|----------|
| 1. Material weakness(es) identified? | _____ yes | _____ no |
| 2. Significant deficiency(ies) identified not considered to be material weakness(es)? | _____ 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 15-08?

_____ yes _____ no

D) Identification of major programs:

Program GMIS Number(s)

Name of State Program

_____	_____
_____	_____
_____	_____

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, 2015**

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.

Cause: The Chief Financial Officer did not implement the required fixed asset accounting system.

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

**BOROUGH OF OAKLAND
SCHEDULE OF FINDINGS AND QUESTIONED COSTS
YEAR ENDED DECEMBER 31, 2015**

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, 2015**

Not Applicable - None in 2014

REQUIRED SUPPLEMENTAL INFORMATION - GASB 68

SECTION "L" - SCHEDULES RELATED TO ACCOUNTING AND REPORTING FOR
PENSIONS (GASB 68)

BOROUGH OF OAKLAND
SCHEDULE OF THE BOROUGH'S PROPORTIONATE SHARE OF THE NET PENSION LIABILITY - PERS
LAST 10 FISCAL YEARS*

L-1

	June 30,									
	2015	2014	2013	2012	2011	2010	2009	2008	2007	2006
Borough's proportion of the net pension liability	0.0444580505%	0.0468102561%	0.0440094212%							
Borough's proportionate share of the net pension liability	\$ 9,979,941	\$ 8,764,160	\$ 8,411,075							
Borough's covered employee payroll (Calendar Year)	\$ 2,961,910	\$ 2,964,514	\$ 3,163,663							
Borough's proportionate share of the net pension liability as a percentage of its calendar year covered employee payroll	336.94%	295.64%	265.87%							
Plan fiduciary net position as a percentage of the total pension liability (Local)	47.93%	52.08%	48.72%							

* The amounts presented for each fiscal year were determined as of the calendar year-end that occurred within the fiscal year.

Note: This schedule is presented to illustrate the requirement to show information for 10 years. However, until a full 10 year trend is compiled, Boroughs should present information for those years for which information is available.

BOROUGH OF OAKLAND
SCHEDULE OF BOROUGH CONTRIBUTIONS - PERS
LAST 10 FISCAL YEARS*

L-2

	June 30,									
	2015	2014	2013	2012	2011	2010	2009	2008	2007	2006
Contractually required contribution	\$ 392,705	\$ 340,607	\$ 345,283							
Contributions in relation to the contractually required contribution	(392,705)	(340,607)	(345,283)							
Contribution deficiency (excess)	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>							
Borough's covered employee payroll (Calendar Year)	\$ 2,961,910	\$ 2,964,514	\$ 3,163,663							
Contributions as a percentage of covered employee payroll	13.26%	11.49%	10.91%							

*Note: This schedule is presented to illustrate the requirement to show information for 10 years. However, until a full 10 year trend is compiled, Boroughs should present information for those years for which information is available.

BOROUGH OF OAKLAND
SCHEDULE OF THE BOROUGH'S PROPORTIONATE SHARE OF THE NET PENSION LIABILITY - PFRS
LAST 10 FISCAL YEARS*

L-3

	2015	2014	2013	2012	2011	June 30, 2010	2009	2008	2007	2006
Borough's proportion of the net pension liability	0.0934342390%	0.0943103988%	0.0956758898%							
Borough's proportionate share of the net pension liability	\$ 15,562,887	\$ 11,863,373	\$ 12,719,246							
Borough's covered employee payroll (Calendar Year)	\$ 3,092,703	\$ 2,955,240	\$ 2,928,937							
Borough's proportionate share of the net pension liability as a percentage of its calendar year covered employee payroll	503.21%	401.44%	434.26%							
Plan fiduciary net position as a percentage of the total pension liability (Local)	56.31%	62.41%	58.70%							

* The amounts presented for each fiscal year were determined as of the calendar year-end that occurred within the fiscal year.

Note: This schedule is presented to illustrate the requirement to show information for 10 years. However, until a full 10 year trend is compiled, Boroughs should present information for those years for which information is available.

BOROUGH OF OAKLAND
SCHEDULE OF BOROUGH CONTRIBUTIONS - PFRS
LAST 10 FISCAL YEARS*

L-4

	June 30,									
	2015	2014	2013	2012	2011	2010	2009	2008	2007	2006
Contractually required contribution	\$ 724,369	\$ 716,260	\$ 726,912							
Contributions in relation to the contractually required contribution	(724,369)	(716,260)	(726,912)							
Contribution deficiency (excess)	\$ -	\$ -	\$ -							
Borough's covered employee payroll (Calendar Year)	\$ 3,092,703	\$ 2,955,240	\$ 2,928,937							
Contributions as a percentage of covered employee payroll	23.42%	24.24%	24.82%							

*Note: This schedule is presented to illustrate the requirement to show information for 10 years. However, until a full 10 year trend is compiled, Boroughs should present information for those years for which information is available.

**BOROUGH OF OAKLAND
NOTES TO REQUIRED SUPPLEMENTARY INFORMATION
YEAR ENDED DECEMBER 31, 2015**

Note 1. **Police and Firemen's Retirement System (PFRS)**

Changes of benefit terms

The vesting and benefit provisions for PFRS are set by N.J.S.A. 43:16A. All benefits vest after ten years of service, except for disability benefits that 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. Members may seek early retirement after achieving 25 years of service credit, in which benefits would equal 65% (tiers 1 and 2 members) and 60% (tier 3 members) of final compensation plus 1% for each year of creditable service over 25 years but not to exceed 30 years. Members may elect deferred retirement benefits 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.

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.

Changes of assumptions

Mortality rates were based on the RP-2000 Combined Healthy Mortality Tables projected one year using Projection Scale AA and one year using Projection Scale BB for male service retirements with adjustments for mortality improvements from the base year based on Projection Scale BB. Mortality rates were based on the RP-2000 Combined Healthy Mortality Tables projected fourteen years using Projection Scale BB for female service retirements and beneficiaries with adjustments for mortality improvements from the base year of 2014 based on Projection Scale BB.

The actuarial assumptions used in the July 1, 2014 valuation were based on the results of an actuarial experience study for the period July 1, 2010 to June 30, 2013.

Public Employees' Retirement System (PERS)

Changes of benefit terms

The vesting and benefit provisions for PERS are set by N.J.S.A. 43:15A. All benefits vest after ten years of service, except for medical benefits that vest after 25 years of service or under the disability provisions of PERS. Retirement benefits for age and service are available at ages 60, 62 or 65 and are generally determined to be 1/55 or 1/60 of the final average salary for each year of service credit, as defined depending on the employees membership tier. 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). Early retirement benefits are available to tiers 1 and 2 members before reaching age 60, tiers 3 and 4 before age 62 with 25 or more years of service credit and tier 5 with 30 or more years of service credit before age 65. Benefits are reduced by a fraction of a percent for each month that a member retires prior to the age at which a member can receive full early retirement benefits in accordance with their respective tier. Tier 1 members can receive an unreduced benefit from age 55 to 60 if they have at least 25 years of service. Deferred retirement is available to members who have at least 10 years of service credit and have not reached the service retirement age for the respective tier.

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.

Changes of assumptions

Mortality rates were based on the RP-2000 Combined Healthy Male and Female Mortality Tables (setback 1 year for males and females) for service retirement and beneficiaries of former members with adjustments for mortality improvements from the base year of 2012 Based on Projection Scale AA. The RP-2000 Disabled Mortality Tables (setback 3 years for males and 1 year for females) are used to value disabled retirees.

The actuarial assumptions used in the July 1, 2014 valuation were based on the results of an actuarial experience study for the period July 1, 2008 to June 30, 2011.

Deviation from Assumptions

It is likely that future experience will not exactly conform to any of these assumptions. To the extent that actual experience deviates from these assumptions, the emerging PERS and PFRS liabilities may be higher or lower than anticipated. The more the experience deviates, the larger the impact on future financial statements.

BOROUGH OF OAKLAND

NJ Comprehensive Annual Financial Report

General Comments and Recommendations Section

**BOROUGH OF OAKLAND
GENERAL COMMENTS AND RECOMMENDATIONS
YEAR ENDED DECEMBER 31, 2015**

Cash Cycle

Ref.

Chief Financial Officer

None

N/A

**BOROUGH OF OAKLAND
GENERAL COMMENTS AND RECOMMENDATIONS
YEAR ENDED DECEMBER 31, 2015**

Revenues/Receipts Cycle

Ref.

Tax Collector

The lien redemption account balance is not fully identified. 3.

Overpayments were not reviewed and cleared of record during the course of, and by the end of the fiscal year. 4.

There are both overpayment and open balances still reflected in prior years' taxes which appear to be erroneous. 4.

Municipal Court

It is suggested that the the Borough utilize a private collection agency to collect outstanding municipal court debts. N/A

Construction Official

None N/A

Recreation

None N/A

Volunteer Ambulance Corp.

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, 2015**

Expenditures/Disbursements Cycle

Ref.

The improvement authorization subsidiary ledger was not reconciled to control accounts. An adjusting entry crediting reserve for payment of debt service was made to bring the ledger into agreement. Erroneous cancellations appeared to contribute to this situation.

2.

It is suggested that capital projects be financed with one appropriation, rather than split amount various appropriations.

N/A

**BOROUGH OF OAKLAND
GENERAL COMMENTS AND RECOMMENDATIONS
YEAR ENDED DECEMBER 31, 2015**

Fixed Assets

Ref.

The Borough did not update the fixed asset inventory to December 31, 2015 either through the in-house Edmunds system, or TPA Acclaim Inventory LLC. 1.

The fixed asset threshold was not codified, or set by the governing body by resolution. 1.

**BOROUGH OF OAKLAND
GENERAL COMMENTS AND RECOMMENDATIONS
YEAR ENDED DECEMBER 31, 2015**

Payroll Cycle

Ref.

None

N/A

**BOROUGH OF OAKLAND
GENERAL COMMENTS AND RECOMMENDATIONS
YEAR ENDED DECEMBER 31, 2015**

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

**BOROUGH OF OAKLAND
GENERAL COMMENTS AND RECOMMENDATIONS
YEAR ENDED DECEMBER 31, 2015**

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, 2015**

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, 2015**

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 Chief Financial Officer reconcile the improvement authorization ledger to control accounts on a monthly basis.
3. That the Tax Collector fully identify the reconciled balance in the lien redemption account.
4. That the Tax Collector review and clear prior years' open and overpaid tax balances.

**BOROUGH OF OAKLAND
GENERAL COMMENTS AND RECOMMENDATIONS
YEAR ENDED DECEMBER 31, 2015**

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

**Frank Di Maria
Registered Municipal Accountant
RMA No. CR00463**

June 30, 2016