

**CITY OF OXFORD, OHIO**

Independent Auditors' Report on  
Internal Controls and Compliance

December 31, 2006





Mary Taylor, CPA  
Auditor of State

City Council  
City of Oxford  
101 East High Street  
Oxford, Ohio 45056

We have reviewed the *Independent Auditors' Report* of the City of Oxford, Butler County, prepared by Clark, Schaefer, Hackett & Co., for the audit period January 1, 2006, through December 31, 2006. Based upon this review, we have accepted these reports in lieu of the audit required by Section 117.11, Revised Code. The Auditor of State did not audit the accompanying financial statements and, accordingly, we are unable to express, and do not express an opinion on them.

Our review was made in reference to the applicable sections of legislative criteria, as reflected by the Ohio Constitution, and the Revised Code, policies, procedures and guidelines of the Auditor of State, regulations and grant requirements. The City of Oxford is responsible for compliance with these laws and regulations.

*Mary Taylor*

Mary Taylor, CPA  
Auditor of State

July 23, 2007

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**Clark, Schaefer, Hackett & Co.**  
CERTIFIED PUBLIC ACCOUNTANTS  
BUSINESS CONSULTANTS

**REPORT ON INTERNAL CONTROL OVER FINANCIAL  
REPORTING AND ON COMPLIANCE AND OTHER MATTERS BASED ON AN  
AUDIT OF FINANCIAL STATEMENTS PERFORMED IN ACCORDANCE  
WITH *GOVERNMENT AUDITING STANDARDS***

To the City Council  
City of Oxford, Ohio:

We have audited the financial statements of the governmental activities, business-type activities, each major fund, and the aggregate remaining fund information of City of Oxford, Ohio (the City) as of and for the year ended December 31, 2006, which collectively comprise the City's basic financial statements and have issued our report thereon dated June 25, 2007. We conducted our audit in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States.

Internal Control Over Financial Reporting

In planning and performing our audit, we considered the City's internal control over financial reporting as a basis for designing our auditing procedures 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 City's internal control over financial reporting. Accordingly, we do not express an opinion on the effectiveness of the City's internal control over financial reporting.

A control deficiency 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 misstatements on a timely basis. A significant deficiency is a control deficiency, or combination of control deficiencies, that adversely affects the City's ability to initiate, authorize, record, process or report financial data reliably in accordance with generally accepted accounting principles such that there is more than a remote likelihood that a misstatement of the City's financial statements that is more than inconsequential will not be prevented or detected by the City's internal control.

A material weakness is a significant deficiency, or combination of significant deficiencies, that result in more than a remote likelihood that a material misstatement of the financial statements will not be prevented or detected by the City's internal control.

Our consideration of internal control over financial reporting was for the limited purpose described in the first paragraph of this section and would not necessarily identify all deficiencies in internal control over financial reporting that might be significant deficiencies or material weaknesses. We did not identify any deficiencies in internal control over financial reporting that we consider to be material weaknesses, as defined above.

#### Compliance And Other Matters

As part of obtaining reasonable assurance about whether the City'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*.

This report is intended solely for the information and use of management, others within the City, and City Council and is not intended to be and should not be used by anyone other than these specified parties.

*Clark, Schaefer, Hackett & Co.*

Cincinnati, Ohio  
June 25, 2007

# THE CITY OF OXFORD, OHIO



## COMPREHENSIVE ANNUAL FINANCIAL REPORT

For the Year Ended December 31, 2006



# **CITY OF OXFORD, OHIO**

## **COMPREHENSIVE ANNUAL FINANCIAL REPORT**

**FOR THE YEAR ENDED DECEMBER 31, 2006**

**ISSUED BY:**

**DEPARTMENT OF FINANCE**

*Harlita H. Robinson, CPA, CPFA*  
*Finance Director*

*Heidi Hill, Accounting Manager*



**CITY OF OXFORD, OHIO  
 COMPREHENSIVE ANNUAL FINANCIAL REPORT  
 YEAR ENDED DECEMBER 31, 2006**

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The Citizens of Oxford, Ohio,  
Honorable Mayor and Members of City Council,

June 28, 2007

### **THE COMPREHENSIVE ANNUAL FINANCIAL REPORT**

We are pleased to present our 2006 Comprehensive Annual Financial Report (CAFR) for the City of Oxford for your review. This report has been prepared in conformity with generally accepted accounting principles (GAAP) and is audited in accordance with generally accepted auditing standards. State law requires that every general purpose local government publish a complete set of financial statements. This report is published to fulfill that requirement for the year ended December 31, 2006. This report contains the basic financial statements and other financial and statistical data that provide a complete and full disclosure of all material financial aspects of the City of Oxford. The report information is presented in three major sections:

1. **The Introductory Section** includes the table of contents, this letter of transmittal which presents the City's organization, operational structure and accomplishments, a list of elected officials and key administrative personnel, an organizational chart, and the Certificate of Achievement for Excellence in Financial Reporting.
2. **The Financial Section** contains the Independent Auditors Report, Management's Discussion and Analysis, and the City's General Purpose Financial Statements, which include explanatory notes thereto. This section also includes additional supplementary information including the combining financial schedules and the individual fund budget-versus-actual schedules.
3. **The Statistical Section** presents social, economic, and historical data in a multi-year format which can be used to identify financial trends and data relative to the fiscal capacity of the City.

A complete CAFR is not required to be prepared, but by doing so it represents a commitment by the City of Oxford (the City) to achieve the highest nationally recognized standards of excellence in financial reporting as established by the Government Accounting Standards Board (GASB) and the Government Finance Officers Association (GFOA).

This report consists of management's representations concerning the finances of the City of Oxford. Consequently, management assumes full responsibility for the completeness and reliability of all of the information presented in this report. To provide a basis for making these representations, management has established a comprehensive internal control framework that is designed both to protect the government's assets from loss, theft, or misuse and to compile reliable information for the preparation of the City's financial statements in conformity with GAAP. Because the cost of internal controls should not outweigh their benefits, the City's comprehensive framework of internal controls has been designed to provide reasonable rather than absolute assurance that the financial statements will be free from material misstatement. As management, we assert that, to the best of our knowledge and belief, this financial report is complete and reliable in all material respects.

The City's financial statements have been audited by Clark, Schaefer, Hackett, and Co., Certified Public Accountants. The goal of the independent audit was to provide reasonable assurance that the financial statements of the City for the fiscal year ended December 31, 2006 are free of material misstatement. The independent audit involved examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements; assessing the accounting principles used and significant estimates made by management; and evaluating the overall financial statement presentation. The independent auditor concluded, based upon the audit, that there was a reasonable basis for rendering an unqualified opinion that the City's financial statements for the fiscal year ended December 31, 2006, are fairly

presented in conformity with GAAP. The independent auditor's opinion is presented as the first component of the financial section of this report.

GAAP require management provide a narrative introduction, overview, and analysis to accompany the basic financial statements in the form of Management's Discussion and Analysis (MD&A). This letter of transmittal is designed to complement MD&A and should be read in conjunction with it. The City's MD&A can be found immediately following the report of the independent auditors.

## **PROFILE OF THE GOVERNMENT**

Oxford is located southwest of Dayton and north of Cincinnati in a primarily rural area in the Miami Valley Region of Southwestern Ohio. The City lies approximately 6 miles east of the Indiana state line in the northwest corner of Butler County. The City has a population of 21,943 (2000 census) and covers an area of approximately 6.19 square miles. Oxford was organized as a municipality in 1830 as a direct result of the growing prominence of Miami University, which was founded in 1809 as a state university and plays a significant role in the community. Oxford possesses a college-town environment in a beautiful rural setting. The University, with a student population of approximately 15,726, is both a direct and indirect source of many jobs in the City. Because of its prestigious reputation, Miami University has a freshman applicant-to-acceptance ratio of 4:1. This assures continuing financial stability for the University and hence of the community. The University also contributes substantially to the social and cultural environment.

The City of Oxford is a home-rule municipal corporation created under the laws of the State of Ohio. The City operates under its own Charter. The Charter, which provides for a Council-Manager form of government, was adopted in 1960. The governing Council is responsible for the enactment of ordinances and resolutions to establish policies and to conduct City business, including the annual budget ordinances, and resolutions approving the expenditure of money. The seven-member Council is elected by its citizens as follows: Four members are elected in an odd-numbered year with the remaining three elected in the following odd-numbered year. Council members serve four-year terms and are limited to two consecutive terms. The Mayor and Vice Mayor are chosen by Council from among its members to serve a two-year term. The City Council appoints a City Manager, a Law Director/City Solicitor, and Finance Director/City Auditor. The City Manager is responsible for appointing the Department Heads and City staff. The City Manager is also responsible for the implementation of the Council's policies and other day-to-day administration and service delivery to its constituents. The City provides numerous services, including, among others, police, fire, and emergency services protection; the construction and maintenance of highways and streets; parks and recreational program services; and water, sewer, stormwater management, and refuse services.

The annual budget is the foundation for the City's financial planning and control. The budget process begins in the summer with the preparation of the 5-year Capital Improvement Plan (CIP). The City Manager typically presents her proposed CIP to the Council the fourth Tuesday in August. The approved capital projects for the forthcoming year are then incorporated into next year's annual operating budget. The operational budget preparation for the coming year begins in August. Department heads submit their budget requests in September, and meetings are held with the City Manager to discuss their requests. The City Manager's proposed budget is published in early October, and budget hearings with Council are held in mid-to-late October. The budget is then approved by ordinance in November.

The legal level of budgetary control, that is, the level at which transfers cannot be made without legislative approval, is established at the division level. The City Manager with the approval of the Finance Director can make transfers of appropriations for an unlimited amount within a division. Transfers may also be made for up to \$10,000 between divisions within a department or a 'function' by the City Manager with the concurrence of the Finance Director. Budget-to-actual comparisons are provided in this report beginning on page 65 for the General and Parking funds, and beginning on page 67 for all other governmental funds for which an appropriation has been adopted.

## FACTORS AFFECTING FINANCIAL CONDITION

**Local economy.** The local Oxford economy grew modestly during the year, mostly due to the fact that the primary employer, Miami University, is not subject to significant cyclical fluctuations. As the largest employer in Oxford, Miami University generally provides stable employment despite any changes in the national or regional economy. Therefore, the City has a stable employment base providing a consistent income tax revenue stream. This provides for financial stability and a solid basis for management and long-term planning decisions.

At December 31, 2006, the City's net asset and fund balances are in strong financial condition as shown in the government-wide and fund financial statements beginning on page 13. The General fund has an unreserved fund balance of \$7,528,540, or 73% of the total governmental funds expenditures of \$10,312,562. The Capital Improvement fund has an unreserved fund balance of \$8,683,000. For the utility funds, the Water and Sewer funds have unrestricted net assets of \$4,834,959 and \$7,906,684 each representing 87.6% and 143.3%, respectively, of annual operating and non-operating expenses. While the fund balances as a percentage of operating costs appear significant, fund reserves have been accumulated to fund both working capital and to fund a portion of the total future capital improvements. Refer to the discussion of future proposed capital project costs in the City's 5-year capital plan found later in this report.

**Future Long-term financial factors.** Management is confident it will continue to financially manage the government in order to continue the strong financial condition of the City. Planning for capital outlays, continual increases in the cost for fuel, and rising healthcare costs. The 2007 operating budget increased from the 2006 original budget by 2.29%. This minimal increase is due to the addition of much needed staff throughout the City to sustain the basic levels of service to the community. Fund balance reserves will provide adequate working capital, and are sufficient to fund a number of capital improvement projects as planned under the Council's five-year improvement plan. Over the long-term, the next ten years, management is positive regarding the economic outlook of the City, but is aware of greater financial challenges. The State continues to reduce and eliminate taxes in an effort to attract corporate residents to the State of Ohio. Recently, the State passed legislation to phasing –out personal property tax, and to change the calculation of estate tax which will virtually eliminate this tax. The looming threat to cut funding exists with every new biennial budget year for the State of Ohio. The focus may change from one revenue stream to another, but the State legislators are clear that local governments should monitor and be mindful to reduce or eliminate reliance upon taxes, other than real property taxes, to support local services. Anticipating a continual reduction in shared taxes from the State, the City has continued to eliminate its reliance upon local government revenue sharing, estate taxes, and personal property tax to support City services.

Additionally, State budget funding to Miami University could also be reduced. Because the University is the City's largest employer and is reliant upon the State for funding assistance, any reduction of funding by the State to the University could have an impact on its employment growth, and hence City income tax revenues. However, as mentioned before, the University has a 4:1 ratio of student applicants to acceptances. Any reduction in State funding is expected to be offset by tuition increases to maintain their revenue stream, unless such increases are capped by the State (which presently is a 6% annual cap). And with a 4:1 applicant-to-acceptance ratio, the demand for Miami enrollment would seem to support the ability to increase tuition. Therefore, we anticipate little impact to employment levels at the University, and hence to City income tax revenue withheld from their employees paychecks.

Senate Bill 108 of the 123<sup>rd</sup> General Assembly of the State of Ohio resulted in significant tax cuts to the Ohio estate tax. The City conservatively has not relied on estate tax revenue to materially fund annual operating costs. The current General Assembly is also considering implementing a statewide franchisee fee which could result in a substantial loss of revenue to the City. Senate Bill 117 could allow cable companies to opt-out of local franchise agreement and enter into a statewide agreement to deliver cable television service. If this legislation passes and the current service provider elected to opt-out of its agreement the City of Oxford could lose approximately \$145,000 in revenue.

For the 2007 budget, the City continues to phase-out its reliance on personal property and estate taxes to fund General Fund operating costs, budgeting \$40,000 and \$0 respectively. In the late 1990s and early 2000s, the City received roughly \$400,000 - \$500,000 of estate taxes annually though the year 2003. In 2004 and 2005 the City began to feel the effect of the change in the law, the amount of the revenue collected in 2004 was \$130,896 and in 2005 it was \$122,879 respectively. The amount of revenue collected for 2006 was less than \$38,000. In past years, the actual estate tax in excess of the budget historically has been used by Council to fund capital improvements. Therefore, the City is being forced to look to other revenue streams to fund capital projects.

In 2006, the City earned \$1,112,153 of investment earnings compared to \$858,575, \$339,477, and \$321,965 in 2005, 2004, and 2003, respectively. Fortunately, the City does not budget to spend the full investment earnings to fund operations. Instead, a portion of the earnings have historically been used to fund capital expenditures. Therefore, the funds lost in estate tax revenue are partially recovered through planned investment activities. The City became proactive in investing by developing a short-term and long-term investment strategy during 2006. The City began to understand the economic realities of their current situation and sought to obtain optimal income with the least amount of risk. The program has been successful as reflected in the increase in revenue from 2005 to 2006. The increase from 2004 to 2005 is reflective of the market recovery and stabilization that occurred during the fiscal year 2005. In 2007, the City will continue to explore short-term investment opportunities that are safe for governmental entities.. The City will have to plan for future capital expenditures in the near-term, two to five years, to control spending and to eliminate or minimize the use of cash reserves as a source of funding.

The City has been experiencing a significant increase in its employee health care costs in the last several years. In 2002, the City completed a study of its employee health care program and implemented changes effective January 1, 2003 to manage the cost of benefits provided, and to provide adequate funding of the costs. Primary changes include raising deductible and co-pay levels and initiating monthly employee contributions, where formerly the plan was non-contributory. The City also raised the amount by which it funds the benefit plan from \$600 per month in 2003 to \$800 for 2007.. During 2006, revenues of \$1,107,836 exceeded expenses of \$1,079,956 by \$27,880 and the overall change in net assets was \$5,576 which increased fund balance of \$228,522 last year to \$234,098 by year-end 2006. The City continues to be vigilant in monitoring and controlling health care costs for the future.

The potential future economic factors above are presented to enable the reader to understand factors which may have an influence on the City's long-term finances. To summarize, the City expects to experience for two-to-three years a period of limited growth or no revenue growth to some revenue streams in its General fund. To accommodate this, the City has established a controlled spending approach, whereby every expenditure is evaluated as to its appropriateness and necessity to be performed this fiscal year. The delicate balance of revenue to expenditures are monitored and managed at all levels to not incur extreme fluctuations where costs can be controlled. As a result of conservative financial management, the City has successfully minimized the impact of the tightening of the past couple of years and looks forward to continual progress to improve its financial condition while maintaining both its existing services and its strong financial position. Management is confident from past performance that it will be able to recognize and respond effectively to future changes in economic conditions. The City will continue to carefully monitor these proposals and continue to be conservative in its management philosophy.

### **CITY-WIDE INITIATIVES**

Improved productivity and efficiency continues to drive the management function in the City of Oxford.

**Economic Development** – Several new commercial initiatives have occurred in 2006. Stewart Square is a re-use project transitioning an older school property to a large mixed use development providing an expanded commercial base with new housing infrastructure.

The City has also partnered with private sector to initiate a technology park in the southeastern region of the City. The partnership has provided the ability to install a water line replacement, the right-of-way required for a connector road between US 27 & SR 73 and the initiation of a revenue sharing partnership between the City and Oxford Township.

**Five-Year Capital Improvement Plan (CIP)** – The City's capital plan includes an aggressive infrastructure replacement component based on a continuous improvement philosophy. Every year the City invests in improvements in equipment, utility replacement and infrastructure improvements. In addition, the City is in the planning process for development of a new municipal facilities building and a new aquatic center.

The North West Butler County regions transportation improvement needs are being addresses through a partnership of the regions townships, the City, Miami University, County, State, and Federal governments. Currently, 22 million dollars have been appropriated via the Federal government to implement six safety improvement projects. Four

The North West Butler County regions transportation improvement needs are being addresses through a partnership of the regions townships, the City, Miami University, County, State, and Federal governments. Currently, 22 million dollars have been appropriated via the Federal government to implement six safety improvement projects. Four intersections are scheduled for safety upgrades; a new connector road is planned for construction and US 27 south of Oxford will be upgraded. While many of these improvements are outside the corporation limits of the City, the City is acting in the capacity of technical and financial coordinator.

### AWARDS AND ACKNOWLEDGEMENTS

#### **GFOA Certificate of Achievement Award**

The Government Finance Officers Association of the United States and Canada (GFOA) awarded a Certificate of Achievement for Excellence in Financial Reporting to the City of Oxford, Ohio for its CAFR for the fiscal year ended December 31, 2005. The Certificate of Achievement is a prestigious national award-recognizing presentation in accordance with the highest standards in state and local government financial reporting. To be awarded a Certificate of Achievement, a governmental unit must publish an easily readable and efficiently organized Comprehensive Annual Financial Report whose contents satisfy all program standards. The 2005 CAFR satisfied both GAAP and applicable legal standards.

The Certificate of Achievement is the highest form of recognition in the area of governmental financial reporting, and its attainment is a significant accomplishment by a governmental unit. The publication of this CAFR is indicative of the City's commitment to provide significantly enhanced financial information and accountability to the citizens, its elected officials, City management, and investors.

A Certificate of Achievement is valid for a period of one year only. The City of Oxford has received a Certificate of Achievement for the last twenty-two consecutive years (years ended 1984-2005). We believe this report conforms to the reporting standards set forth by the GFOA, and we are submitting it to the GFOA to determine its eligibility for another certificate.

#### **Acknowledgments**

This report is the culmination of months of hard work by many individuals. I want to thank Accounting Manager Heidi Hill, Accounting Specialist LeAnn Isenhardt, Payroll and Benefits Specialist Katrina Bockover, Accounting Assistant Rosemary Frazee. I also wish to thank Faye Harsh, Utility Billing and Collections Supervisor, Joanna Murray, Utility Collections Specialist, and Mary Moore, Accounting Assistant, for their assistance with this CAFR and their continued high-quality work in diligently carrying out their responsibilities within the finance department. Additional thanks is also due to the staff of the accrual conversion and CAFR preparation CPA firm, Rea and Associates. Additionally, we wish to thank the independent accounting firm of Clark, Schaefer, Hackett, and Co., Certified Public Accountants. Members of the staff of both firms contributed greatly working with City finance department staff toward the preparation and audit of these financial statements.

Finally, a special word of thanks is necessary to recognize the efforts of members of City Council and the City Administration past and present whose conservative fiscal management and solid decision-making are reflected in the sound financial position of the City of Oxford. As a result of their hard work, under the GASB 34 reporting model format, this report presents information in an organized manner to provide greater insight regarding the City's finances. We hope readers of this financial report will find the report beneficial in understanding the City's financial organization, financial position and condition, net assets and results of operations.

Respectfully,



Harlita H. Robinson, CPA, CPFA  
Finance Director

## CITY OF OXFORD, OHIO

### CITY OFFICIALS AS OF DECEMBER 31, 2005

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#### City Council (Elected Officials)

Jerome Conley	Mayor
Ken Bogard	Council Member
Prue Dana	Vice-Mayor
Alysia Fischer	Council Member
Alan Kyger	Council Member
Dave Prows	Council Member
Doug Ross	Council Member

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#### Administration

Jane Howington	City Manager
Gail Brahier	Parks & Recreation Director
Mike Dreisbach	Service Director
Jung-Han Chen	Community Development Director
Len Endress	Fire Chief
Donna Heck	Human Resources Director/ Clerk of Council
Steve McHugh	Law Director
Harlita Robinson	Finance Director
Steve Schwein	Police Chief

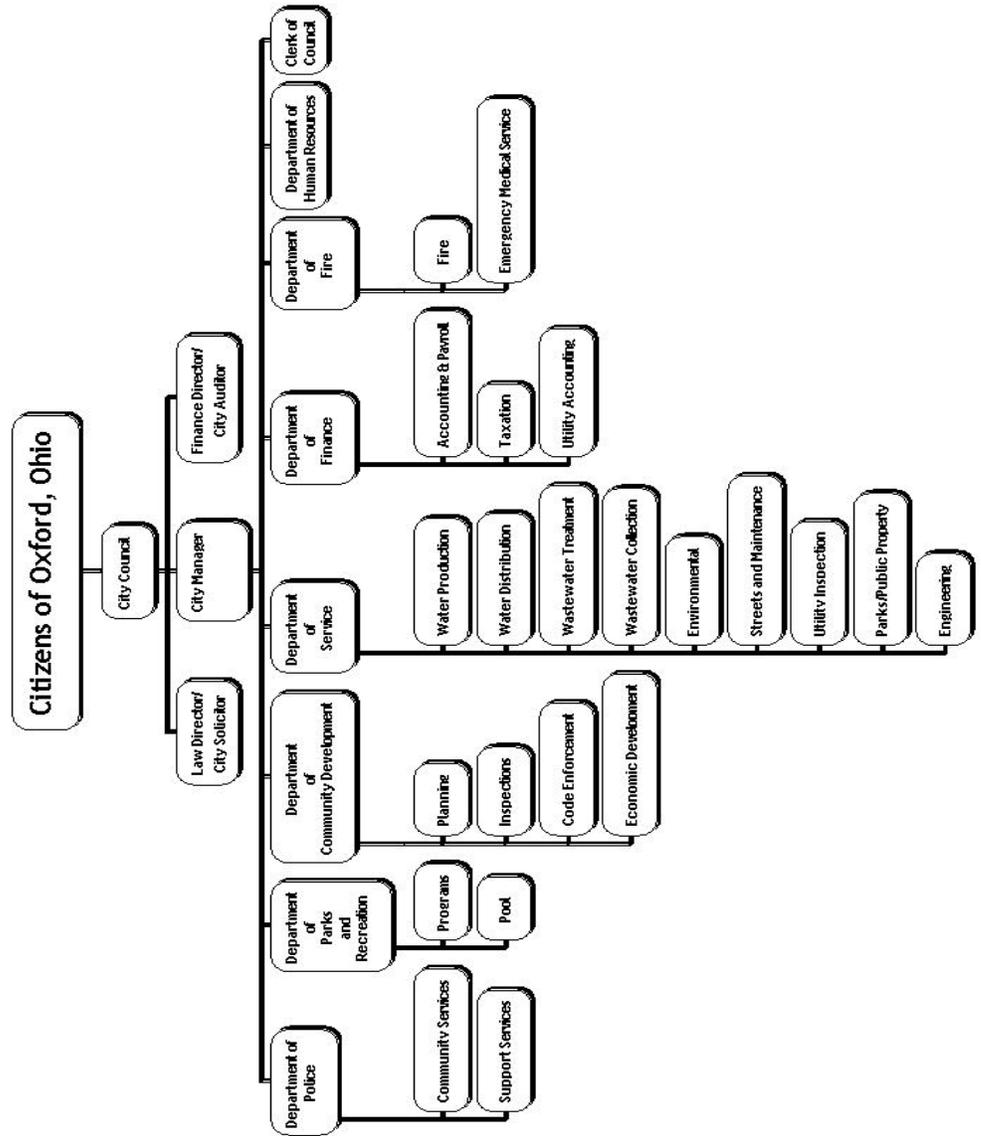
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#### Department of Finance

Harlita Robinson	Finance Director
Heidi Hill	Accounting Manager
Faye Harsh	Utility Billing and Collections Supervisor
Katrina Bockover	Payroll and Benefits Specialist
Rose Frazee	Accounting Assistant
LeAnn Isenhardt	Accounting Specialist
Mary Moore	Accounting Assistant
Joanna Murray	Utility Collections Specialist

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# City of Oxford Organizational Chart



# Certificate of Achievement for Excellence in Financial Reporting

Presented to

City of Oxford  
Ohio

For its Comprehensive Annual  
Financial Report  
for the Fiscal Year Ended  
December 31, 2005

A Certificate of Achievement for Excellence in Financial Reporting is presented by the Government Finance Officers Association of the United States and Canada to government units and public employee retirement systems whose comprehensive annual financial reports (CAFRs) achieve the highest standards in government accounting and financial reporting.



President

Executive Director



Clark, Schaefer, Hackett & Co.  
CERTIFIED PUBLIC ACCOUNTANTS  
BUSINESS CONSULTANTS

## INDEPENDENT AUDITORS' REPORT

To the City Council  
City of Oxford, Ohio:

We have audited the accompanying financial statements of the governmental activities, the business-type activities, each major fund, and the aggregate remaining fund information of the City of Oxford, Ohio as of and for the year ended December 31, 2006, which collectively comprise the City of Oxford, Ohio's basic financial statements as listed in the table of contents. These financial statements are the responsibility of the City of Oxford, Ohio's management. Our responsibility is to express opinions on these financial statements based on our audit.

We conducted our audit in accordance with auditing standards generally accepted in the United States of America 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 of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation. We believe that our audit provides a reasonable basis for our opinions.

In our opinion, the financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities, the business-type activities, each major fund, and the aggregate remaining fund information of the City of Oxford, Ohio as of December 31, 2006, and the respective changes in financial position and cash flows, where applicable, thereof and the respective budgetary comparison for the General Fund and Parking Fund for the year then ended in conformity with accounting principles generally accepted in the United States of America.

In accordance with *Government Auditing Standards*, we have also issued our report dated June 25, 2007, on our consideration of the City of Oxford, Ohio's internal control over financial reporting and 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 the internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* and should be considered in assessing the results of our audit.

The management's discussion and analysis on pages 3 – 14 is not a required part of the basic financial statements but is supplementary information required by accounting principles generally accepted in the United States of America. We have applied certain limited procedures, which consisted principally of inquiries of management regarding the methods of measurement and presentation of the required supplementary information. However, we did not audit the information and express no opinion on it.

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the City of Oxford, Ohio's basic financial statements. The introductory section, combining and individual nonmajor fund financial statements and schedules, and statistical section are presented for purposes of additional analysis and are not a required part of the basic financial statements. The combining and individual nonmajor fund financial statements and schedules have been subjected to the auditing procedures applied in the audit of the basic financial statements and, in our opinion, are fairly stated in all material respects in relation to the basic financial statements taken as a whole. The introductory and statistical sections have not been subjected to the auditing procedures applied in the audit of the basic financial statements and, accordingly, we express no opinion on them.

*Clark, Schaefer, Haskett & Co.*

Cincinnati, Ohio  
June 25, 2007



## MANAGEMENT'S DISCUSSION AND ANALYSIS

This discussion and analysis provides key information from management highlighting the overall financial performance of the City of Oxford for the year ended December 31, 2006. This is meant to be an easily readable summary of the most important financial information regarding the accompanying financial statements. Please read it in conjunction with the transmittal letter on page v, and the City's financial statements, which begin on page 15.

### I. FINANCIAL HIGHLIGHTS

Key financial highlights for 2006 are as follows:

- ❑ In total, net assets increased by \$18,271,261. Net assets of governmental activities increased by \$16,178,972, which represents a 63.43% increase from 2005. The reason for the large increase in net assets is due the City's early implementation of the final reporting requirement of GASB 34 regarding the restatement of governmental activities infrastructure assets from 1980 through 2001 when the City converted to the new financial reporting model. The impact of this change accounts for \$13,890,135 of the increase in governmental activities net assets, which represents 53.60% of the 63.43% increase in net governmental activities. The change in net assets from 2005 to 2006 is 8.09% excluding the restatement. The net assets of business-type activities increased by \$2,092,289, or 8.06% from 2005.
- ❑ General revenues account for \$10,120,322 in revenue, or 50.11% of all revenues. Program specific revenues in the form of charges for services and grants and contributions accounted for \$10,074,382, or 49.89% of total revenues of \$20,194,704.
- ❑ The City had \$9,769,407 in expenses related to governmental activities; only \$2,691,398 of these expenses were offset by program specific charges for services, grants, or contributions. General revenues (primarily taxes) of \$9,372,353 and Program Revenues of \$2,691,398 were adequate to fully provide for these programs.
- ❑ Among major funds, the general fund had \$10,624,118 in revenues and \$7,528,540 in expenditures. The general fund's fund balance increased \$611,915.

### II. OVERVIEW OF THE FINANCIAL STATEMENTS

This annual report consists of three parts – *management's discussion and analysis*, the *basic financial statements*, *required supplementary information*, which includes the presentation of *combining statements* for non-major governmental funds. This annual report consist of a series of financial statements that are as follows:

#### The Basic Financial Statements

- Financial Statements for the City as Whole. The Statement of Net Assets and the Statement of Activities (on pages 15 and 16) provide information about the activities of the City as a whole and present a longer-term view of the City's finances.
- Individual Fund Financial Statements. Fund financial statements also reflect the City's operations in more detail than the government-wide financial statements by providing information about the City's major funds. For governmental activities, these statements tell how these services were financed in the short-term as well as what remains for future spending. These statements begin on page 17.

- Fiduciary Financial Statement. The fiduciary financial statement (page 27) provides financial information about activities for which the City acts solely as agent for the benefit of those outside the government.
- Notes to the Basic Financial Statements. The Notes (beginning on page 28) provide helpful information explaining the City’s significant accounting procedures and provide greater detail regarding financial statement components.
- Schedules of Revenue, Expenditures and Changes in Fund Balances - Budget and Actual - Budget (Non-GAAP) Basis. Schedules (pages 21 to 22) are presented for the General Fund and major special revenue funds that compare actual results to the original and final budgets for those funds.

Supplementary Information

- Combining Financial Statements. These statements (starting on page 57) provide financial information regarding non-major individual funds, which have been aggregated in the basic financial statements.
- Schedules of Revenue, Expenditures and Changes in Fund Balances - Budget and Actual - Budget (Non-GAAP) Basis. These schedules compare actual results to the original and final budgets for the non-major governmental funds. These schedules begin on page 66.

**A. Reporting the City as a Whole**

Government-wide statements

Our analysis of the City as a whole begins on page 5. One of the most important questions asked about the City’s finances is, “Is the City as a whole better off or worse off as a result of the year’s activities?” The Statement of Net Assets and the Statement of Activities report information about the City as a whole and about its activities in a way that helps answer this question. These statements include *all* assets and liabilities using the accrual basis of accounting, which is similar to the accounting used by most private-sector companies. All of the current year’s revenues and expenses are taken into account, regardless of when cash is received or paid.

These two statements report the City’s *net assets* and changes in them. You can think of the City’s net assets – the difference between assets and liabilities - as one way to measure the City’s financial health, or *financial position*. Over time, *increases or decreases* in the City’s net assets are one indicator of whether its *financial health* is improving or deteriorating. You will want to consider other nonfinancial factors, however, such as changes in the City’s property tax base and the condition of the City’s roads, to assess the overall health of the City.

In the Statement of Net Assets and the Statement of Activities, we divide the City into two kinds of activities:

- Governmental activities – Most of the City’s basic services are reported here, including the police, fire and life squad, parking, parks and recreation departments, community environment, public health and welfare and general government administration. Income taxes, property taxes, and state and federal grants finance most of these activities.
- Business-type activities – These services are provided on a charge for goods or services basis in an effort to recover all of the expenses of the goods or services provided. The City provides water, sewer, and refuse utility services as business activities.

**B. Reporting the City’s Most Significant Funds**

Fund financial statements

The City accounts for its activities using many individual funds. The most significant funds are reported in separate columns in the fund financial statements that begin on page 17. These statements provide detailed information about the individual major funds – unlike the government-wide financial statements, which report on the City as a whole. Some funds are required to be established by State law. However, the City Council establishes many other funds to help it control and manage money for particular purposes, like parking, water, sewer, and refuse activities. City

Council may also establish separate funds to show that it is meeting legal responsibilities for using certain taxes, grants, or other money. The City's three of funds –*governmental proprietary and fiduciary* - use different accounting methods.

- Governmental funds - Most of the City's basic services are reported in governmental funds. The fund statements present how cash flows into and out of those funds, and show the balances remaining at year-end that are available for future spending. These funds are reported using an accounting method called modified accrual accounting, which measures cash and all other financial assets that can readily be converted to cash. *Information in governmental fund statements helps you determine whether there are more or fewer financial resources that can be spent in the near future to finance the City's programs.* The governmental fund statements provide a detailed short-term view of the City's general government operations and the basic services it provides. The government-wide financials, as previously described, present the government funds on the whole using the full accrual accounting basis. The differences between governmental activities as reported in the government-wide financial statements and as reported in the fund statements are presented in reconciliation on the right-hand side of the fund financial statements.
- Proprietary funds – There are two types of proprietary funds, enterprise funds and internal service funds. Proprietary funds are reported using the full accrual accounting basis. When the City charges customers for the services it provides with the intention that the charges will fully cover the cost of the services, these activities are reported in enterprise funds. Enterprise funds are generally reported in the same way that all activities are reported in the government-wide Statements of Net Assets and Statement of Activities. In fact, the City's three enterprise funds (water, sewer, and refuse funds) are the same as we report in the combined business-type activities column in the government-wide statements. The individual fund statements for water, sewer, and refuse operations provide more detail and additional information, such as cash flows. Internal service funds are used to report activities within the government that are centralized for efficiency in separate funds in order to provide supplies and services to the other City programs and activities. The City has three separate funds: for fuel, postage services; and employee health insurance. These internal service funds are combined and shown in a separate column in the proprietary funds statements. In the government-wide financials, their activities are consolidated into the governmental and business-type activities.
- Fiduciary funds – Fiduciary funds are used to account for resources held for the benefit of parties outside the government. Fiduciary funds are *not* reflected in the government-wide financial statement because the resources of those funds are *not* available to support the City's own programs. All of the City's fiduciary activities are reported in separate Statements of Fiduciary Net Assets.

## II. THE CITY AS A WHOLE

### A. Net assets at year-end

Net assets of the City reflect a significant increase in value. It should be noted majority of the increase is because the financial statements reflect a restatement from prior periods in its capital assets to add \$14,077,156 in restated capital assets to the financial statements. The 2006 fiscal year activities generated a \$1,835,681 increase in City net assets. This is a 3.54 % increase from 2005 to 2006. The increase in capital assets increased the investment in capital assets, net of debt and the beginning net assets amounts in the 2006 governmental activities. The effect to the business-type activities was not material, but does reflected the assets original contributed by the general government toward building that ultimately became plants in the utility funds, as well as the initial land acquisition that began the closed landfill of the City. The additional of these assets cause the business-type activities to be restated to incorporate these capital assets in the of beginning balances of the impacted funds for water, sewer and refuse; but to each fund respectively the assets added are immaterial to the fund as a whole.

The following table presents a condensed summary of the City's overall financial position at December 31, 2006 and 2005:

**Table 1**  
**Net Assets (in thousands)**

	<u>Governmental</u>		<u>Business-</u>		<u>Total *</u>	
	<u>Activities</u>		<u>Type</u>			
	<u>2006</u>	<u>2005</u>	<u>2006</u>	<u>2005</u>	<u>2006</u>	<u>2005</u>
Current and other assets	\$ 17,504	\$ 15,615	\$ 17,170	\$ 16,074	\$ 34,675	\$ 31,689
Capital assets	29,479	15,307	26,779	27,315	56,257	42,623
Total assets	<u>46,983</u>	<u>30,922</u>	<u>43,949</u>	<u>43,389</u>	<u>90,932</u>	<u>74,311</u>
Long-term debt outstanding	3,436	3,626	15,640	17,203	19,076	20,829
Other liabilities	1,453	1,380	263	233	1,716	1,613
Total liabilities	<u>4,888</u>	<u>5,006</u>	<u>15,904</u>	<u>17,436</u>	<u>20,792</u>	<u>22,442</u>
Net assets:						
Invested in capital assets, net of debt	26,501	12,164	14,781	13,960	41,282	26,123
Restricted:						
Capital Outlay	9,831	8,961	-	-	9,831	8,961
Other purposes	1,038	937	1,437	618	2,475	1,556
Unrestricted	4,725	3,854	11,827	11,375	16,552	15,229
Total net assets	<u>42,095</u>	<u>25,916</u>	<u>28,046</u>	<u>25,953</u>	<u>70,141</u>	<u>51,869</u>
Beginning net assets	39,806	23,663	26,140	24,458	65,946	48,121
Net increase	2,289	2,252	1,905	1,496	4,194	3,748
Ending net assets	<u>\$ 42,095</u>	<u>\$ 25,916</u>	<u>\$ 28,046</u>	<u>\$ 25,953</u>	<u>\$ 70,141</u>	<u>\$ 51,869</u>

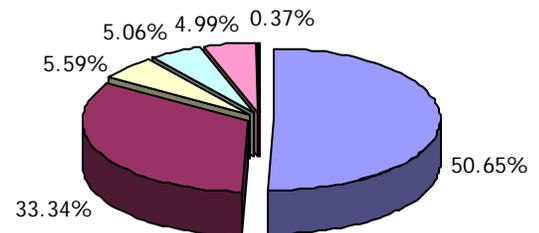
\*Crossfooted totals reflect rounding.

The City deliberately utilizes conservative budgeting and spending practices. Actual 2006 revenues exceeded estimates, and expenses were lower than budgeted. The result was an increase in cash reserves both restricted and unrestricted as well as in total net assets. The growth in current assets from current year activities is mostly from cash and cash equivalents and they reflect the overall progression in net assets. The implementation of retroactive reporting of governmental activities general government infrastructure is primary reason for the substantial increase in capital asset for governmental activities from 2005 to 2006. The City over the past several years has designated cash for specific future capital expenditures in the hope that less debt or no debt would be issued to perform specific infrastructure projects and to construct future public facilities. Net capital assets increased in 2006 the details of changes are discussed in Note 3 and Note 10 to the financial statements. Long-term debt decreased as a result principal payments made during 2006.

## B. Governmental and Business-Type Activities

The City receives an income tax based on 1.75% of all salaries, wages, commissions and other compensation and on net profits earned from residents living within the City and businesses operating in the City. Taxes total \$7,637,190 which represents 37.82% of revenues for governmental activities for the City in fiscal year 2006. The City's reliance upon tax revenues is demonstrated by the following graph:

<u>Revenue Sources</u>	<u>2006</u>	<u>Percent of</u>
		<u>Total</u>
Program Revenues	10,074,382	50.65%
Income Tax	6,630,531	33.34%
Investment Earnings	1,417,974	5.59%
Proptery and other local tax	1,006,659	5.06%
Grants and Entitlements (unrestricted)	992,315	4.99%
Other General Revenues	72,843	0.37%
	<u>20,194,704</u>	<u>100.00%</u>



The following table presents a condensed summary of the City's activities during 2006 and the resulting change in net assets.

**Table 2**  
**Changes in Net Assets (in thousands)**

	<u>Governmental</u>		<u>Business-</u>		<u>Total</u>	
	<u>Activities</u>		<u>Type</u>			
	<u>2006</u>	<u>2005</u>	<u>2006</u>	<u>2005</u>	<u>2006</u>	<u>2005</u>
<b>Revenues</b>						
<u>Program revenues:</u>						
Charges for services	\$ 1,780	\$ 1,734	\$ 7,197	\$ 7,334	\$ 8,977	\$ 9,068
Operating grants and contributions	676	542	3	-	679	542
Capital grants and contributions	236	41	183	140	419	181
Total program revenues	<u>2,691</u>	<u>2,317</u>	<u>7,383</u>	<u>7,474</u>	<u>10,074</u>	<u>9,791</u>
<u>General revenues:</u>						
Property taxes	1,007	905	-	-	1,007	905
Income taxes	6,631	6,441	-	-	6,631	6,441
Grants and entitlements not restricted						
to specific programs	992	990	-	-	992	990
Investment earnings	687	345	731	484	1,418	829
Miscellaneous	51	121	22	6	73	126
Total general revenues	<u>9,367</u>	<u>8,801</u>	<u>753</u>	<u>490</u>	<u>10,120</u>	<u>9,291</u>
Total revenues	<u>12,058</u>	<u>11,118</u>	<u>8,136</u>	<u>7,964</u>	<u>20,195</u>	<u>19,082</u>
<b>Program expenses</b>						
General government	1,626	1,556	-	-	1,626	1,556
Security of persons and property	4,124	3,983	-	-	4,124	3,983
Public health services	106	144	-	-	106	144
Leisure time activities	1,356	1,445	-	-	1,356	1,445
Community environment	1,060	487	-	-	1,060	487
Transportation	1,329	1,076	-	-	1,329	1,076
Interest on long-term debt	168	176	-	-	168	176
Water utility operations	-	-	2,010	2,102	2,010	2,102
Sewer utility operations	-	-	2,841	2,944	2,841	2,944
Refuse utility operations	-	-	1,380	1,422	1,380	1,422
Total program expenses	<u>9,769</u>	<u>8,866</u>	<u>6,231</u>	<u>6,468</u>	<u>16,001</u>	<u>15,334</u>
<b>Increase in net assets</b>	<u>\$ 2,289</u>	<u>\$ 2,252</u>	<u>\$ 1,905</u>	<u>\$ 1,496</u>	<u>\$ 4,194</u>	<u>\$ 3,748</u>

The City of Oxford received more grant revenue and donations than in 2005. General revenues from property taxes reflect an increase due to a reassessment of the assessed valuation for the taxing districts in the City. The municipal income tax of the City has constantly remained a solid and stable revenue stream to support City services. Investment earnings are substantially greater than in 2005. In 2006, the City began investing cash in a laddered set of certificates of deposit to enhance the investment program in an effort to increase investments earnings over the short-term. The City has utilized an investment advisor to invest cash over the long-term; but the new program was a pilot program to increase funds and develop a liquidity schedule to maximize investment earnings. This new approach resulted in slightly more than \$65,000 in additional investment earnings. The continual rise and stability in long-term market rates is responsible for the remainder of the increase. The only revenue to decrease from 2005 to 2006 was miscellaneous revenues. In 2005, the governmental activities reflect a large contribution from Miami University for the street resurfacing program. The City of Oxford also received a FEMA grant reimbursement for the winter snow storm that occurred during the 2004-2005 winter season that is reflected in the 2005 financial statements. Program expenses are discussed in the following section.

## 1) Governmental activities

Table 3 presents the total cost of each of the government's primary services, and the comparative net cost after deducting the revenues generated by each function. Approximately 27.55% of the cost of the general governmental activities was recouped in program revenues in 2006 compared with 26.13% in 2005 and 26.03% in 2004.

### Cost of Services

The change in 2006 as compared to 2005 for general government and security of persons and property are a result of increased costs of labor. Leisure time services reflect a reduction in cost for pool maintenance; instead the City decided to do a feasibility analysis on aquatic activities. Expenditures for leisure time services in 2005 were higher than the prior years because the municipal pool incurred some unexpected repairs which resulted in significant costs. The community and economic development expenditures rose significantly due to a restoration in the level of service delivery in 2006 that did not occur in 2005. The 2005 fiscal year reveal a decline in the program revenue from community and economic development and the related reduction in the expense to collect the revenue. Expenditures in transportation rebounded back to normal from the decline felt in 2005. The 2004 transportation expenses were \$1,230,327 the 2006 transportation expenses are 7.99% increase over 2004 costs. This addition is due to increased labor costs and the rise in the cost of materials for the department.

**Table 3**  
Governmental Activities (in thousands)

	<u>Total Cost of Services</u>		<u>Program Revenues</u>		<u>Net Cost of Services *</u>	
	<u>2006</u>	<u>2005</u>	<u>2006</u>	<u>2005</u>	<u>2006</u>	<u>2005</u>
General government	1,626	1,556	161	142	\$ 1,465	\$ 1,413
Security of persons and property	4,124	3,983	726	789	3,398	3,194
Public health	106	144	31	2	75	143
Leisure time services	1,356	1,445	254	260	1,102	1,185
Community and economic development	1,060	487	682	353	378	133
Transportation	1,329	1,076	837	771	492	305
Interest and fiscal charges	168	176	-	-	168	176
Total	<u>\$ 9,769</u>	<u>\$ 8,866</u>	<u>\$ 2,691</u>	<u>\$ 2,317</u>	<u>\$ 7,078</u>	<u>\$ 6,549</u>

\*Crossfooted totals reflect rounding

### Program revenues

Revenues for general government and security of persons and property remained consistent for 2006 when compared to 2005. Both categories have minimal change. The major factor in the revenue for security of persons and property is the level of fiscal activity for the year; the more parking tickets or emergency medical runs in a fiscal years determines the revenue generates. Compared to 2005 the level of service was slightly lower than in 2006. Revenues for leisure time services also remained relatively flat from 2005 to 2006. A summer of poor weather conditions for many of the outdoor activities impacts the ability of this category to recover cost of providing the service.

Public health increased by \$29,805 from 2005 to 2006. Building permit fees were restored back to more active service delivery levels. The 2006 program revenue is 8.12% increase over the 2004 service delivery levels. The increased cost is directly correlated to the revenue received. Revenues in the transportation services category were flat compared with the prior year.

## 2) Business-type activities

The City's water and sewer operations generated revenues in excess of the cost of services in 2006 and 2005. In 2006 the City's refuse utility operation reflects a surplus of \$192,084 as net income. For water and sewer operations the funds will be used to fund capital expenditures planned under the City's Five-year Capital Improvement Plan. For the Refuse utility, the services are contracted out to a private hauler and the contract costs increased in 2006 as well as the refuse rates in an effort to recoup the cost to deliver the service. In 2005, the Refuse Fund earned

operating income of \$80,023 and a net income of \$49,502. Revenues and expenses for the individual business-type activities are discussed in greater detail in the following section. The following table (rounded to nearest thousand) summarizes the business-type activities:

**Table 4**  
**Business-Type Activities (in thousands)**

	<u>Total Cost of Services</u>		<u>Program Revenues</u>		<u>Net Revenue from Operations *</u>	
	<u>2006</u>	<u>2005</u>	<u>2006</u>	<u>2005</u>	<u>2006</u>	<u>2005</u>
Water utility operations	\$ 2,010	\$ 2,102	\$ 2,743	\$ 2,760	\$ 734	\$ 658
Sewer utility operations	2,841	2,944	3,200	3,319	359	375
Refuse utility operations	1,380	1,422	1,440	1,395	60	(27)
Rounding	-	-	-	-	-	-
<b>Total</b>	<b>\$ 6,231</b>	<b>\$ 6,468</b>	<b>\$ 7,383</b>	<b>\$ 7,474</b>	<b>\$ 1,152</b>	<b>\$ 1,006</b>

### III. THE CITY'S INDIVIDUAL FUNDS

#### A. Governmental funds

The financial statements for the City's governmental funds, accounted for under the modified accrual basis of accounting, are presented beginning on page 17. The City has fifteen governmental funds, three of which are considered major funds: the General Fund, the Parking Fund, and the Capital Improvement Fund. Assets of these three funds at December 31, 2006 comprise \$17,109,409 (87.49%) of the total \$19,557,749 governmental funds assets. The following provides an analysis of these major funds.

**Table 5**  
**Financial Highlights**  
**Government Funds (in thousands)**

	<u>General Fund</u>		<u>Parking Fund</u>		<u>Improvement Fund</u>	
	<u>2006</u>	<u>2005</u>	<u>2006</u>	<u>2005</u>	<u>2006</u>	<u>2005</u>
Total assets	\$ 7,584	\$ 6,760	\$ 841	\$ 783	\$ 8,684	\$ 7,970
Total liabilities	2,398	2,185	2,183	2,262	1	57
Fund balance	5,186	4,575	(1,342)	(1,479)	8,683	7,913
Total reservations of fund balance	403	312	2	7	4,561	3,702
Unreserved, undesignated fund balance	\$ 4,783	\$ 4,262	\$ (1,344)	\$ (1,486)	\$ 4,122	\$ 4,210
Revenues	\$ 10,624	\$ 10,026	\$ 528	\$ 505	\$ 245	\$ 150
Expenditures	7,529	6,946	385	282	875	1,638
Excess of revenues over (under) expenditures	3,096	3,080	143	224	(630)	(1,488)
Other financing sources (uses)	(2,484)	(2,183)	(6)	(3)	1,400	1,000
Net change in fund balance	\$ 612	\$ 898	\$ 137	\$ 221	\$ 770	\$ (488)

**General Fund.** Total assets in 2006 show a moderate increase over 2005, the result of revenues exceeding expenditures and other financing uses. Total liabilities reveal a minimal rise in cost of 9.73% from the 2005 total liabilities. This minimal increase is a result of natural inflationary costs. The fund balance at the end of 2006 was \$5,186,420 including \$4,783,330 of undesignated, unreserved fund balance. The undesignated unreserved fund balance represents 48.96% of annual governmental activities expenditures.

Revenues increased from \$10,026,067 in 2005 to \$10,624,118 in 2006. Revenue items saw an overall change from 2005 to 2006 of 5.96% which echoes the slow recovery from recessionary economic conditions. Property taxes reflect an increase of 11.26% and municipal income tax remains steady with mild annual growth of 1.06%. The restoration in inspection activities is the cause for the \$77,160 supplement to the 2006 revenue as compared to the 2005 revenue. The investment market for 2006 was very stable and interest rates continually improved throughout the year. Fines and forfeitures in the General Fund decreased by \$54,088, or 18.16%. The reduction is a direct indication of the court cases processed at the Area II court located in the City of Oxford. The case load processed for 2005 exceeded to the case load processed during 2006.

Expenditures increased by 8.39% from 2005 to 2006 from \$6,945,601 to \$7,528,540 respectively. Generally, the raise in cost is caused by the natural annual inflationary cost of 4.89% and the customary labor cost raising by 3.5%, with 3% in cost of living adjustments for all employees and .5% in a state mandate supplement to the contribution amounts for all members of the Public Employees Retirement System (PERS). Annual expenditure cost increases of 5% are normal for southwestern Ohio. The increase in revenues is greater than the increase in expenditure which results in an increase in the excess revenues over expenditures from \$3,080,466 in 2005 to \$3,095,578 in 2006.

**Parking Fund.** Total assets increased from \$782,740 to \$841,142 as a result of increases in revenue. Total liabilities decreased in 2006 when compared to 2005 by 3.47%. Liabilities reflect a no-interest interfund loan, originally \$2,700,312 in 2001, from the Capital Improvement Fund. The funds were used in 2001 to construct a four-story parking garage with 224 spaces in uptown Oxford. The loan balance at year-end net of repayment in 2006 was \$2,155,312. Future revenues from parking meter fees and fines and leased garage spaces will be the source for repayment of the interfund loan to the Capital Improvement Fund, anticipated to be over a 20-25 year period. The Parking Fund shows a fund deficit because the advance repayment obligation maintained in this fund.

Total Parking revenues increased from \$505,149 in 2005 to \$527,821 in 2006 (4.49%). The increase in revenue can be attributed to increases in charges for services as well as fines and fees; however, the primary factor in the revenue growth has been a more aggressive enforcement and collection process. The City organized a parking task force in 2005 to review the parking program for the City and to make recommendations on the potential development of a separate parking authority. In 2006, the task force recommended and the City Council approved the creation of Parking Advisory Board to guide in the creation of a parking authority. Expenditures continue to arise from \$281,501 in 2005 to \$384,906 in 2006 due to the continuation of a long-term capital plan to upgrade the software management system and to replace or install new meters in quadrants of the City.

**Capital Improvement Fund.** Total assets of \$8,683,840 for 2006 are the product of an increase in cash from \$5,674,453 in 2005 to \$6,497,454 in 2006. Total liabilities decreased from 2005 to 2006 from \$57,201 to \$840, respectively. The cause of the reduction is the decrease in accounts payable. Fund balance of the Capital Improvement Fund denotes several changes. The Reserve for Encumbrances increased which is goes hand-in-hand with the reduction in accounts payable. The Reserve for Advances decreased due to the repayment made by the Parking Fund. The Unreserved, Undesignated Fund Balance decreased from \$4,210,409 in 2005 to \$4,121,803 in 2006 (2.10%).

The change in revenue from 2005 to 2006 is primarily from the increase in revenue generated from investment activities. The interest income in 2005 was \$2,773 and the interest in 2006 was \$207,000. Other financing sources reflect the transfer-in during 2006 from the General Fund of \$1,400,000; \$1,000,000 is the normal investment in capital assets in accordance with the financial plan of the City and the remaining \$400,000 is the annual planned set-aside funding for the future construction of new municipal facilities. Expenditures in 2006 were \$875,053, which is substantial lower than the 2005 level of \$1,637,565. The change in expenditure denotes a reduction in capital projects perform in 2006 when compared to 2005.

## B. Proprietary funds

### 1) Enterprise funds

The following table provides financial highlights regarding the City's three enterprise funds for its water, sewer and refuse utility operations. The information differs slightly from the government-wide proprietary fund information shown in section II. B. 2 in that the information below does not include the consolidation of internal service fund activity. For greater detail, please refer to the financial statements for the City's proprietary funds, which are presented beginning on page 23.

**Table 6**  
**Financial Highlights**  
**Enterprise Funds (in thousands)**

	<u>Water</u> <u>Fund</u>		<u>Sewer</u> <u>Fund</u>		<u>Refuse</u> <u>Fund</u>	
	<u>2006</u>	<u>2005</u>	<u>2006</u>	<u>2005</u>	<u>2006</u>	<u>2005</u>
Total assets	\$ 17,157	\$ 16,874	\$ 23,857	\$ 23,690	\$ 2,845	\$ 2,764
Total liabilities	6,261	6,968	6,118	6,780	3,524	3,688
Total net assets	<u>10,896</u>	<u>9,906</u>	<u>17,739</u>	<u>16,910</u>	<u>(679)</u>	<u>(924)</u>
	<u>6,043</u>	<u>5,148</u>	<u>10,090</u>	<u>9,390</u>	<u>86</u>	<u>40</u>
Unrestricted net assets	<u>\$ 4,853</u>	<u>\$ 4,758</u>	<u>\$ 7,649</u>	<u>\$ 7,520</u>	<u>\$ (765)</u>	<u>\$ (963)</u>
Operating revenues	\$ 2,645	\$ 2,678	\$ 3,132	\$ 3,267	\$ 1,437	\$ 1,395
Operating expenses	1,771	1,837	2,545	2,614	1,282	1,315
Net non-operating rev (exp)	(26)	(123)	61	(84)	37	(31)
Capital contributions	120	82	78	58	-	-
Transfer (Net)	<u>-</u>	<u>-</u>	<u>(9)</u>	<u>-</u>	<u>-</u>	<u>-</u>
Net change in net assets	<u>\$ 968</u>	<u>\$ 800</u>	<u>\$ 717</u>	<u>\$ 626</u>	<u>\$ 192</u>	<u>\$ 50</u>

**Water Fund.** Total assets showed a slight increase in 2006. Total liabilities decreased by 10.14% from \$6,967,726 in 2005 to \$6,261,385 in 2006. Because assets increase while liabilities decreased the total net assets for the Water Fund increased by \$989,913, or 10%. The last time the water rate was increased was October of 2004. The revenue and expense in this fund remained flat when you compare 2006 to 2005. The revenue and expense in 2006 are slightly lower than in 2005 while the capital contribution increased in 2006 when compared to 2005.

**Sewer Fund.** The sewer fund was stable in 2006 with a solid operating margin. Like the Water Fund the total assets show a moderate increase in 2006 of .70%. Total liabilities decreased by 9.77% from \$6,780,346 in 2005 to \$6,118,274 in 2006. The reduction in liabilities are a direct indication of effect of making annual loan payments. Unrestricted net assets increased from \$7,520,055 in 2005 to \$7,649,145 in 2006 disclosing the strength in the financial position in this fund. Operating revenue and expenses decrease from 2005 to 2006. The reason for the decrease is because usage of the sewer system declined from 2005 to 2006, not at a drastic level but revenue and expense are directly related to usage of the system by consumers.

**Refuse Fund.** The City contracts with a private vendor for refuse service provided to its customers. The City is currently in the third year of a three year Contract with one additional options for a one year extension. The Fund also serves to fund annual operating and debt service costs for the landfill post-closure requirements. The City has met all post-closure requirements with no findings from Ohio EPA.

### 2) Internal service funds

Net assets at year-end and activity for the year for the City's two internal service funds is reported in a combined column in the proprietary fund statements beginning on page 23. The major impact to these funds pertains to the large increase in energy costs and health care costs.

#### IV. BUDGETED ACTIVITY AND ACTUAL RESULTS

The statements comparing the City's original and final budgets and actual results are for the General and Parking funds beginning on page 21. Other governmental funds with adopted budgets are presented in schedules beginning on page 66. During the year, the City made the following significant changes to its original General Fund budget:

- An appropriation of \$73,500 to the general fund for legal services.
- An appropriation of \$31,500 to the general fund to increased inspection activity costs.
- An appropriation of \$700,000 in the form of a transfer from the general fund to the capital improvement fund for the US 27 North Phase II construction project.

#### V. CAPITAL ASSET AND DEBT ADMINISTRATION

##### A. Capital assets

At the end of 2006, the City had \$56,257,499 invested in a broad range of capital assets, including police and fire equipment, buildings, park facilities, a parking garage, and water and sewer lines and related plant facilities. The capital assets were restated in 2006 to reflect the investment in general government infrastructure made prior to 2001. The City has implemented the retroactive capitalization of general government infrastructure as part of the conversion to GASB Statement 34. More detailed information regarding the City's capital assets is presented in Notes 10 to the financial statements.

**Table 7**  
**Capital Assets at Year-End (in thousands)**  
**(Net of Depreciation)**

	<b>Governmental</b>		<b>Business-</b>		<b>Total</b>	
	<b>Activities</b>		<b>Type</b>			
	<b>2006</b>	<b>2005</b>	<b>2006</b>	<b>2005</b>	<b>2006</b>	<b>2005</b>
Land	\$ 1,623	\$ 1,623	\$ 369	\$ 369	\$ 1,991	\$ 1,991
Construction in progress	1,095	600	352	-	1,447	600
Buildings	4,259	4,363	5,010	5,343	9,269	9,706
Improvements	4,706	4,726	627	1,012	5,333	5,738
Equipment	2,517	1,913	954	1,129	3,471	3,042
Infrastructure	15,279	838	19,467	20,393	34,746	21,231
<b>Total</b>	<b>\$ 29,479</b>	<b>\$ 14,063</b>	<b>\$ 26,779</b>	<b>\$ 28,245</b>	<b>\$ 56,257</b>	<b>\$ 42,308</b>

The City's 2006 capital improvement program for governmental activities included expenditures for police cruiser replacements and 911 mapping of wireless calls. The Traffic Control Division received a much needed upgrade to its parking management software package to maintain and monitor enforcement. The capital projects completed during 2006 included expenditures for the construction of a new playground structure installation at the Oxford Community Park. This playground structure project received grant funding from the Ohio Department of Natural Resources to offset the cost. The completion of a thoroughfare plan study for the City was part of the 2006 capital expenditures. The purchase of rights-of-way for roadway improvements for the US 27 North Phase II construction, and the design for this project were part of the 2006 capital outlay expenditures. The City annually budgets for programs including a comprehensive street resurfacing program, normal replacement of major equipment and revolving replacements for equipment including vehicles.

The 2006 capital improvements for the business-type activities included the completion of the engineering and construction of the Phase II of mandated waste water improvements. The other key Sewer Fund project was to complete an as-built sanitary sewer survey for the northwest quadrant of the City. The Water Fund projects include the completion of necessary water plant improvements, well maintenance and completion of the Patterson Avenue water main upgrade.

## **B. Debt**

Debt activity for 2006 consisted of scheduled principal and interest payments on existing debt. There were no debt issuances during the year. Total long term debt outstanding at year-end was \$19,075,750. There were no debt notes issued during the year, and no note balances were outstanding at year-end. The City has a total of seven individual long-term debt issuances outstanding, with two being general obligation debts. The Parks Improvement Bonds issued in 1999, with principal outstanding at year-end of \$2,975,000, are paid from the General fund revenues. The 2002 Water refunding bonds are general obligation bonds with an outstanding balance of \$6,320,000 at year-end, but are paid by Water Utility revenues. The City has four individual debts borrowed by the Sewer fund (year end balance \$5,926,302) and one by the Refuse fund (year-end balance \$2,111,647). Both are paid from their respective utility revenues. These five borrowings were issued by the Ohio Water Development Authority for capital improvements between 1987 and 1998. Refer to Note 14 for additional debt information.

The City's most recent general obligation bond rating was received in the fall of 2002 in conjunction with the issuance of the \$9 million 12-year Water refunding bonds. The City's general obligation credit rating was upgraded by Moody's Investor Services, Inc., from A1 to Aa3.

## **VI. ECONOMIC FACTORS AND NEXT YEAR'S BUDGETS AND RATES**

### **Governmental Funds**

Sound financial budgeting and conservative cost management continued in 2006 to increase the governmental fund balances. The national economic climate and the return of stable market conditions assisted in increasing interest income. Miami University's large capital construction campaign continues to provide a steady source of growth to the municipal income tax generated on an annual basis. The City has begun to experience growth in its property tax base because of recent economic development thrusts and community development activities. Recent housing projects and construction of new retail space have added to the assessed valuation of the community.

In 2004, the City completed a succession planning study for the Fire and Emergency Medical Service functions in anticipation of having to look toward some form of paid department. The primary finding of this study was to initiate billing for emergency service runs. 2005 was the first year such fees were in place thus creating a revenue source to begin offsetting additional paid functions in this department. The revenue generated from Emergency Medical Service far exceeded the estimate for 2006 of what the City anticipated earning for the year. The increase is directly related to the number of runs performed by the Fire Department.

The focus of the City for 2006 was to evaluate municipal facilities and address community concerns related to parking. The City embarked on assessing the need to separate parking control from the law enforcement by creating a Parking Advisory Board.

Besides Miami University, the City of Oxford is home to McCullough-Hyde Hospital. The hospital is a key employer for the City that has major capital improvements for 2006 and beyond. The City works diligently with the hospital to assist them in any way it can with planning and financing, by way of tax-exempt conduit debt issues to encourage partnerships among entities serving the same tax base to insure a quality of life for the community. Both the University and the Hospital create a solid business base for the City of Oxford.

### **Enterprise Funds**

Miami University's large capital construction campaign will have an impact on the enterprise funds. Connections of new buildings will have an initial impact while use of City utilities will be modified due to the new facilities. The City is also cognizant of Miami's aggressive water conservation program so will not realize the full impact of the new facilities until they are put in operation.

The City is active in its efforts to reduce storm water infiltration into the City's sanitary sewer system. These efforts have increased the efficiency and effectiveness of the waste water utility which, in turn, has aided in compliance with EPA regulations as we move into Phase II mandated upgrades.

Energy costs have impacted many of the services provided by the City including the utilities funded through the enterprise funds. The trend in the high cost of energy is projected to continue for the foreseeable future.

Development pressures in the area surrounding the City of Oxford are increasing the interest in tying onto City water and sewer. This in turn, is creating an increasing demand for "edge" properties to request being annexed into

the City. This trend will continue over the next several decades as the population in the region is expected to more than double. Capacity of City utilities is monitored closely and will have a direct impact on these annexation requests.

#### **Employee Benefits (Health Insurance) Fund**

For a number of years since 2000, the Employee Benefits (health insurance) internal service fund has experienced health care cost increases in excess of amounts billed to the interfund departments, funding them with carryover balances in the Employee Benefits fund. A study was completed during 2002 using an outside consultant to determine appropriate changes to the funding levels and benefits of the plan. These changes were implemented effective in January of 2003, resulting in restricting cost growth for that year. The City has increased its funding to the internal service fund from the operating funds in 2003 from \$500 per employee per month to \$600 and continues to incrementally increase the per employee per month amount annually. In 2005 the amount was \$700 per employee per month; for 2006, the amount was \$750 per employee per month. Revenues of the affected funds have been sufficient to absorb these increases in cost. The funds affected are the General Fund, the Parking Fund, the Street Fund, the Water Fund, the Sewer, and Refuse funds. The City's stop loss level was increased from \$25,000 to \$35,000 in 2003 and maintained at that level from 2004. Insurance premiums from various health insurance stop loss carriers have been solicited annually to obtain the most cost-effective choice. Employee contributions were also implemented with the plan changes and the increases in City funding. At 2006 year end this fund has net assets of \$216,564.

#### **VII. REQUESTS FOR ADDITIONAL INFORMATION**

This financial report is designed to provide our citizens, taxpayers, customers, and investors and creditors with a general overview of the City's finances and to show the City's accountability for the money it receives. If you have questions about this report or need additional financial information, contact the Finance Department at the City of Oxford, 101 East High Street, Oxford, OH, 45056.

**City of Oxford, Ohio**  
*Statement of Net Assets*  
*December 31, 2006*

	Governmental Activities	Business-Type Activities	Total
<b>Assets</b>			
Equity in Pooled Cash and Investments	\$ 14,444,197	\$ 16,160,102	\$ 30,604,299
Taxes Receivable	1,962,118	0	1,962,118
Accounts Receivable	63,413	493,034	556,447
Loans Receivable	34,529	0	34,529
Accrued Interest Receivable	152,910	152,911	305,821
Intergovernmental Receivable	775,477	0	775,477
Prepaid Items	35,552	3,007	38,559
Materials and Supplies Inventory	125,974	231,583	357,557
Internal Balances	(89,689)	89,689	0
Deferred Charges	0	40,051	40,051
Non-Depreciable Capital Assets	2,717,496	721,029	3,438,525
Depreciable Capital Assets, net	26,761,218	26,057,756	52,818,974
<i>Total Assets</i>	<u>46,983,195</u>	<u>43,949,162</u>	<u>90,932,357</u>
<b>Liabilities</b>			
Accounts Payable	186,498	135,031	321,529
Accrued Wages	39,280	2,578	41,858
Contracts Payable	0	41,834	41,834
Intergovernmental Payable	288,300	65,486	353,786
Accrued Interest Payable	13,422	18,398	31,820
Claims Payable	56,509	0	56,509
Unearned Revenue	868,727	0	868,727
Long-Term Liabilities:			
Due Within One Year	402,712	1,685,355	2,088,067
Due in More Than One Year	3,032,813	13,954,870	16,987,683
<i>Total Liabilities</i>	<u>4,888,261</u>	<u>15,903,552</u>	<u>20,791,813</u>
<b>Net Assets</b>			
Invested in Capital Assets, Net of Related Debt	26,501,311	14,780,802	41,282,113
Restricted for Capital Outlay	9,830,986	0	9,830,986
Restricted for Other Purposes	1,037,940	1,437,467	2,475,407
Unrestricted	4,724,697	11,827,341	16,552,038
<i>Total Net Assets</i>	<u>\$ 42,094,934</u>	<u>\$ 28,045,610</u>	<u>\$ 70,140,544</u>

See accompanying notes.

**City of Oxford, Ohio**  
*Statement of Activities*  
For the Year Ended December 31, 2006

	Program Revenues				Net (Expense) Revenue and Changes in Net Assets		
	Expenses	Charges for Services and Sales	Operating Grants and Contributions	Capital Grants and Contributions	Governmental Activities	Business-Type Activities	Total
<b>Governmental Activities</b>							
General Government	\$ 1,626,013	\$ 119,626	\$ 41,233	\$ 0	\$ (1,465,154)	\$ 0	\$ (1,465,154)
Security of Persons and Property	4,124,123	617,656	108,675	0	(3,397,792)	0	(3,397,792)
Public Health	105,972	31,355	0	0	(74,617)	0	(74,617)
Leisure Time Services	1,356,112	242,793	11,272	0	(1,102,047)	0	(1,102,047)
Community and Economic Development	1,060,056	243,148	202,997	236,074	(377,837)	0	(377,837)
Transportation	1,328,636	525,119	311,450	0	(492,067)	0	(492,067)
Interest and Fiscal Charges	168,495	0	0	0	(168,495)	0	(168,495)
<i>Total Governmental Activities</i>	<u>9,769,407</u>	<u>1,779,697</u>	<u>675,627</u>	<u>236,074</u>	<u>(7,078,009)</u>	<u>0</u>	<u>(7,078,009)</u>
<b>Business-Type Activities</b>							
Water	2,009,675	2,637,925	0	105,400	0	733,650	733,650
Sewer	2,841,435	3,122,402	0	77,600	0	358,567	358,567
Refuse	1,380,082	1,436,575	3,082	0	0	59,575	59,575
<i>Total Business-Type Activities</i>	<u>6,231,192</u>	<u>7,196,902</u>	<u>3,082</u>	<u>183,000</u>	<u>0</u>	<u>1,151,792</u>	<u>1,151,792</u>
<i>Totals</i>	<u>\$ 16,000,599</u>	<u>\$ 8,976,599</u>	<u>\$ 678,709</u>	<u>\$ 419,074</u>	<u>(7,078,009)</u>	<u>1,151,792</u>	<u>(5,926,217)</u>
<b>General Revenues</b>							
Property and Other Local Taxes Levied for General Purposes					1,006,659	0	1,006,659
Income Taxes Levied for General Purposes					6,630,531	0	6,630,531
Grants and Entitlements not Restricted to Specific Programs					992,315	0	992,315
Investment Earnings					686,592	731,382	1,417,974
Miscellaneous					56,256	16,587	72,843
<i>Total General Revenues</i>					<u>9,372,353</u>	<u>747,969</u>	<u>10,120,322</u>
Transfers					(5,507)	5,507	0
<i>Total General Revenues and Transfers</i>					<u>9,366,846</u>	<u>753,476</u>	<u>10,120,322</u>
<i>Change in Net Assets</i>					<u>2,288,837</u>	<u>1,905,268</u>	<u>4,194,105</u>
<i>Net Assets Beginning of Year - Restated (See Note 3)</i>					<u>39,806,097</u>	<u>26,140,342</u>	<u>65,946,439</u>
<i>Net Assets End of Year</i>					<u>\$ 42,094,934</u>	<u>\$ 28,045,610</u>	<u>\$ 70,140,544</u>

See accompanying notes.

**City of Oxford, Ohio**  
*Balance Sheet*  
*Governmental Funds*  
*December 31, 2006*

	General	Parking	Capital Improvement	All Other Governmental Funds	Total Governmental Funds
<b>Assets</b>					
Equity in Pooled Cash and Investments	\$ 4,725,003	\$ 832,457	\$ 6,497,454	\$ 2,084,343	\$ 14,139,257
Taxes Receivable	1,962,118	0	0	0	1,962,118
Accounts Receivable	61,413	0	2,000	0	63,413
Loans Receivable	0	0	0	34,529	34,529
Accrued Interest Receivable	131,258	8,685	0	9,511	149,454
Intergovernmental Receivable	531,440	0	29,074	214,963	775,477
Prepaid Items	20,946	0	0	0	20,946
Materials and Supplies Inventory	2,249	0	0	104,994	107,243
Advances to Other Funds	150,000	0	2,155,312	0	2,305,312
<i>Total Assets</i>	<u>\$ 7,584,427</u>	<u>\$ 841,142</u>	<u>\$ 8,683,840</u>	<u>\$ 2,448,340</u>	<u>\$ 19,557,749</u>
<b>Liabilities</b>					
Accounts Payable	129,544	8,366	840	47,330	186,080
Accrued Wages	38,429	851	0	0	39,280
Intergovernmental Payable	261,896	10,145	0	16,259	288,300
Unearned Revenue	1,968,138	8,685	0	134,000	2,110,823
Advances From Other Funds	0	2,155,312	0	150,000	2,305,312
<i>Total Liabilities</i>	<u>2,398,007</u>	<u>2,183,359</u>	<u>840</u>	<u>347,589</u>	<u>4,929,795</u>
<b>Fund Balances</b>					
Reserved for Encumbrances	253,090	1,873	2,405,885	273,379	2,934,227
Reserved for Advances	150,000	0	2,155,312	0	2,305,312
Unreserved, Undesignated, Reported in:					
General Fund	4,783,330	0	0	0	4,783,330
Special Revenue Funds	0	(1,344,090)	0	908,159	(435,931)
Capital Projects Funds	0	0	4,121,803	919,213	5,041,016
<i>Total Fund Balances (Deficit)</i>	<u>5,186,420</u>	<u>(1,342,217)</u>	<u>8,683,000</u>	<u>2,100,751</u>	<u>14,627,954</u>
<i>Total Liabilities and Fund Balances</i>	<u>\$ 7,584,427</u>	<u>\$ 841,142</u>	<u>\$ 8,683,840</u>	<u>\$ 2,448,340</u>	<u>\$ 19,557,749</u>

See accompanying notes.

**City of Oxford, Ohio**  
*Reconciliation of Total Governmental Fund Balances to  
 Net Assets of Governmental Activities  
 December 31, 2006*

<b>Total Governmental Fund Balances</b>		\$ 14,627,954
 <i>Amounts reported for governmental activities in the statement of net assets are different because</i>		
Capital assets used in governmental activities are not financial resources and therefore are not reported in the funds.		29,474,723
Other long-term assets are not available to pay for current period expenditures and therefore are deferred in the funds:		
Income Tax	\$ 443,067	
Intergovernmental and Other Receivables	<u>799,029</u>	
Total		1,242,096
Internal service funds are used to charge the costs of certain activities to individual funds. The assets and liabilities of the internal service funds are included in governmental activities in the statement of net assets.		199,108
In the statement of activities, interest is accrued on outstanding bonds, whereas in governmental funds, an interest expenditure is reported when due.		(13,422)
Long-term liabilities are not due and payable in the current period and therefore are not reported in the funds:		
General Obligation Bonds	(2,975,000)	
Capital Leases	(2,403)	
Compensated Absences	<u>(458,122)</u>	
Total		<u>(3,435,525)</u>
<i>Net Assets of Governmental Activities</i>		<u><u>\$ 42,094,934</u></u>

See accompanying notes.

**City of Oxford, Ohio**  
*Statement of Revenues, Expenditures and Changes in Fund Balances*  
*Governmental Funds*  
*For the Year Ended December 31, 2006*

	General	Parking	Capital Improvement	All Other Governmental Funds	Total Governmental Funds
<b>Revenues</b>					
Property and Other Local Taxes	\$ 1,006,659	\$ 0	\$ 0	\$ 0	\$ 1,006,659
Income Taxes	6,576,810	0	0	0	6,576,810
Special Assessments	0	0	4,164	0	4,164
Charges for Services	637,005	315,918	0	24,783	977,706
Licenses and Permits	374,513	0	0	0	374,513
Fines and Forfeitures	243,810	185,618	0	5,321	434,749
Intergovernmental	1,184,877	0	29,074	516,187	1,730,138
Interest	531,037	25,874	0	28,545	585,456
Contributions and Donations	39,865	0	207,000	23,320	270,185
Other	29,542	411	4,916	15,441	50,310
<i>Total Revenues</i>	<u>10,624,118</u>	<u>527,821</u>	<u>245,154</u>	<u>613,597</u>	<u>12,010,690</u>
<b>Expenditures</b>					
Current:					
General Government	1,589,484	0	0	0	1,589,484
Security of Persons and Property	4,010,368	0	0	41,359	4,051,727
Public Health	103,110	0	0	0	103,110
Leisure Time Services	1,102,575	0	0	0	1,102,575
Community and Economic Development	716,149	0	0	302,540	1,018,689
Transportation	0	384,906	0	646,390	1,031,296
Capital Outlay	0	0	875,053	205,112	1,080,165
Debt Service:					
Principal Retirements	6,389	0	0	160,000	166,389
Interest and Fiscal Charges	465	0	0	168,663	169,128
<i>Total Expenditures</i>	<u>7,528,540</u>	<u>384,906</u>	<u>875,053</u>	<u>1,524,064</u>	<u>10,312,563</u>
<i>Excess of Revenues Over(Under) Expenditures</i>	<u>3,095,578</u>	<u>142,915</u>	<u>(629,899)</u>	<u>(910,467)</u>	<u>1,698,127</u>
<b>Other Financing Sources (Uses)</b>					
Transfers In	0	59,000	1,400,000	1,089,663	2,548,663
Transfers Out	(2,483,663)	(65,000)	0	0	(2,548,663)
<i>Total Other Financing Sources (Uses)</i>	<u>(2,483,663)</u>	<u>(6,000)</u>	<u>1,400,000</u>	<u>1,089,663</u>	<u>0</u>
<i>Net Change in Fund Balances</i>	611,915	136,915	770,101	179,196	1,698,127
<i>Fund Balances (Deficit) Beginning of Year</i>	<u>4,574,505</u>	<u>(1,479,132)</u>	<u>7,912,899</u>	<u>1,921,555</u>	<u>12,929,827</u>
<i>Fund Balances (Deficit) End of Year</i>	<u>\$ 5,186,420</u>	<u>\$ (1,342,217)</u>	<u>\$ 8,683,000</u>	<u>\$ 2,100,751</u>	<u>\$ 14,627,954</u>

See accompanying notes.

**City of Oxford, Ohio**  
*Reconciliation of the Statement of Revenues, Expenditures and Changes  
in Fund Balances of Governmental Funds to the Statement of Activities  
For the Year Ended December 31, 2006*

<b>Net Change in Fund Balances - Total Governmental Funds</b>		\$ 1,698,127
<i>Amounts reported for governmental activities in the statement of activities are different because</i>		
Governmental funds report capital outlays as expenditures. However, in the statement of activities, the cost of those assets is allocated over their estimated useful lives as depreciation expense. This is the amount by which capital outlays exceeded depreciation in the current period.		
Capital Asset Additions	\$ 1,277,411	
Current Year Depreciation	<u>(981,766)</u>	
Total		295,645
Governmental funds only report the disposal of capital assets to the extent proceeds are received from the sale. In the statement of activities, a gain or loss is reported for each disposal.		
		(14,442)
Revenues in the statement of activities that do not provide current financial resources are not reported as revenues in the funds.		
Income Tax	53,721	
Intergovernmental and Other Receivables	<u>(4,116)</u>	
Total		49,605
Repayment of bond principal and capital lease payments are an expenditure in the governmental funds, but the repayment reduces long-term liabilities in the statement of net assets.		
		166,389
In the statement of activities, interest is accrued on outstanding bonds, whereas in governmental funds, an interest expenditure is reported when due.		
		633
Compensated absences reported in the statement of activities do not require the use of current financial resources, and therefore are not reported as expenditures in governmental funds.		
		24,148
The internal service funds are used to charge the costs of certain activities to individual funds. The net revenue (expense) of the internal service funds is reported with governmental activities.		
		<u>68,732</u>
<i>Change in Net Assets of Governmental Activities</i>		<u><u>\$ 2,288,837</u></u>

See accompanying notes.

**City of Oxford**  
*Statement of Revenues, Expenditures and Changes*  
*in Fund Balances - Budget and Actual - Budget (Non-GAAP) Basis*  
*General Fund*  
*For the Year Ended December 31, 2006*

	Original Budget	Final Budget	Actual	Variance with Final Budget
<b>Revenues</b>				
Property Taxes	\$ 877,814	\$ 987,614	\$ 1,007,941	\$ 20,327
Income Taxes	6,022,355	5,833,355	6,556,224	722,869
Charges for Services	479,400	479,400	630,689	151,289
Licenses and Permits	376,500	376,500	380,319	3,819
Fines and Forfeitures	270,000	270,000	249,980	(20,020)
Intergovernmental	1,071,721	1,150,921	1,137,215	(13,706)
Interest	252,379	252,379	416,060	163,681
Contributions and Donations	41,500	41,500	39,865	(1,635)
Other	2,000	5,500	29,542	24,042
<i>Total Revenues</i>	<u>9,393,669</u>	<u>9,397,169</u>	<u>10,447,835</u>	<u>1,050,666</u>
<b>Expenditures</b>				
General Government	1,526,560	1,775,449	1,691,021	84,428
Security of Persons and Property	4,207,170	4,199,970	4,119,089	80,881
Public Health	113,268	113,268	109,222	4,046
Leisure Time Services	1,153,717	1,159,217	1,126,160	33,057
Community and Economic Development	752,911	778,891	748,320	30,571
<i>Total Expenditures</i>	<u>7,753,626</u>	<u>8,026,795</u>	<u>7,793,812</u>	<u>232,983</u>
Excess of Revenues Over Expenditures	<u>1,640,043</u>	<u>1,370,374</u>	<u>2,654,023</u>	<u>1,283,649</u>
<b>Other Financing Sources and Uses</b>				
Transfers Out	(1,783,663)	(2,483,663)	(2,483,663)	0
Total Other Financing Sources and Uses	<u>(1,783,663)</u>	<u>(2,483,663)</u>	<u>(2,483,663)</u>	<u>0</u>
Net Change in Fund Balance	(143,620)	(1,113,289)	170,360	1,283,649
Fund Balance Beginning of Year	3,916,177	3,916,177	3,916,177	0
Prior Year Encumbrances Appropriated	240,318	240,318	240,318	0
Fund Balance End of Year	<u>\$ 4,012,875</u>	<u>\$ 3,043,206</u>	<u>\$ 4,326,855</u>	<u>\$ 1,283,649</u>

See accompanying notes.

**City of Oxford**  
*Statement of Revenues, Expenditures and Changes*  
*in Fund Balances - Budget and Actual - Budget (Non-GAAP) Basis*  
*Parking Fund*  
*For the Year Ended December 31, 2006*

	<u>Original Budget</u>	<u>Final Budget</u>	<u>Actual</u>	<u>Variance with Final Budget</u>
<b>Revenues</b>				
Charges for Services	\$ 352,000	\$ 352,000	\$ 315,918	\$ (36,082)
Fines and Forfeitures	125,000	125,000	185,618	60,618
Interest	15,412	15,412	26,540	11,128
Other	<u>0</u>	<u>0</u>	<u>411</u>	<u>411</u>
Total Revenues	<u>492,412</u>	<u>492,412</u>	<u>528,487</u>	<u>36,075</u>
<b>Expenditures</b>				
Transportation	<u>385,132</u>	<u>385,132</u>	<u>381,913</u>	<u>3,219</u>
Excess of Revenues Over Expenditures	<u>107,280</u>	<u>107,280</u>	<u>146,574</u>	<u>39,294</u>
<b>Other Financing Sources and Uses</b>				
Transfers In	59,000	59,000	59,000	0
Transfers Out	(65,000)	(65,000)	(65,000)	0
Advances Out	<u>(100,000)</u>	<u>(100,000)</u>	<u>(100,000)</u>	<u>0</u>
Total Other Financing Sources and (Uses)	<u>(106,000)</u>	<u>(106,000)</u>	<u>(106,000)</u>	<u>0</u>
Net Change in Fund Balance	1,280	1,280	40,574	39,294
Fund Balance Beginning of Year	768,792	768,792	768,792	0
Prior Year Encumbrances Appropriated	<u>7,318</u>	<u>7,318</u>	<u>7,318</u>	<u>0</u>
Fund Balance End of Year	<u>\$ 777,390</u>	<u>\$ 777,390</u>	<u>\$ 816,684</u>	<u>\$ 39,294</u>

See accompanying notes.

**City of Oxford, Ohio**  
*Statement of Fund Net Assets*  
*Proprietary Funds*  
*December 31, 2006*

	Enterprise Funds				Governmental Activities - Internal Service Funds
	Water	Sewer	Refuse	Totals	
<b>Assets</b>					
<i>Current Assets</i>					
Equity in Pooled Cash and Investments	\$ 5,359,787	\$ 8,065,024	\$ 2,735,291	\$ 16,160,102	\$ 304,940
Accounts Receivable	209,366	266,538	17,130	493,034	0
Accrued Interest Receivable	58,504	87,740	6,667	152,911	3,456
Prepaid Items	1,481	1,526	0	3,007	14,606
Materials and Supplies Inventory	177,164	54,419	0	231,583	18,731
<i>Total Current Assets</i>	<u>5,806,302</u>	<u>8,475,247</u>	<u>2,759,088</u>	<u>17,040,637</u>	<u>341,733</u>
<i>Non-Current Assets</i>					
Deferred Charges	40,051	0	0	40,051	0
Non-Depreciable Capital Assets	341,882	362,147	17,000	721,029	0
Depreciable Capital Assets, Net	10,969,195	15,019,633	68,928	26,057,756	3,991
<i>Total Non-Current Assets</i>	<u>11,351,128</u>	<u>15,381,780</u>	<u>85,928</u>	<u>26,818,836</u>	<u>3,991</u>
<i>Total Assets</i>	<u>17,157,430</u>	<u>23,857,027</u>	<u>2,845,016</u>	<u>43,859,473</u>	<u>345,724</u>
<b>Liabilities</b>					
<i>Current Liabilities</i>					
Accounts Payable	7,315	35,544	92,172	135,031	418
Accrued Wages	2,316	262	0	2,578	0
Contracts Payable	0	41,834	0	41,834	0
Intergovernmental Payable	28,615	33,325	3,546	65,486	0
Accrued Interest Payable	18,398	0	0	18,398	0
Claims Payable	0	0	0	0	56,509
Compensated Absences Payable	33,475	35,611	9,162	78,248	0
General Obligation Bonds Payable	710,000	0	0	710,000	0
OWDA Loans Payable	0	686,859	210,248	897,107	0
<i>Total Current Liabilities</i>	<u>800,119</u>	<u>833,435</u>	<u>315,128</u>	<u>1,948,682</u>	<u>56,927</u>
<i>Long-Term Liabilities</i>					
Compensated Absences Payable - Net of Current Portion	59,534	45,296	7,888	112,718	0
General Obligation Bonds Payable - Net of Current Portion	5,401,732	0	0	5,401,732	0
OWDA Loans Payable - Net of Current Portion	0	5,239,443	1,901,399	7,140,842	0
Landfill Postclosure Care Payable	0	0	1,299,578	1,299,578	0
<i>Total Long-Term Liabilities</i>	<u>5,461,266</u>	<u>5,284,739</u>	<u>3,208,865</u>	<u>13,954,870</u>	<u>0</u>
<i>Total Liabilities</i>	<u>6,261,385</u>	<u>6,118,174</u>	<u>3,523,993</u>	<u>15,903,552</u>	<u>56,927</u>
<b>Net Assets</b>					
Invested in Capital Assets, Net of Related Debt	5,239,396	9,455,478	85,928	14,780,802	3,991
Restricted for Other Purposes	803,237	634,230	0	1,437,467	0
Unrestricted	4,853,412	7,649,145	(764,905)	11,737,652	284,806
<i>Total Net Assets</i>	<u>\$ 10,896,045</u>	<u>\$ 17,738,853</u>	<u>\$ (678,977)</u>		<u>\$ 288,797</u>

Adjustment to reflect the consolidation of internal service fund activities related to enterprise funds \$ 89,689  
Total net assets from above 27,955,921

Net assets of business-type activities \$ 28,045,610

See accompanying notes.

**City of Oxford, Ohio**  
*Statement of Revenues, Expenses and Changes in Fund Net Assets*  
*Proprietary Funds*  
*For the Year Ended December 31, 2006*

	Enterprise Funds				Governmental Activities - Internal Service Funds
	Water	Sewer	Refuse	Totals	
<b>Operating Revenues</b>					
Charges for Services	\$ 2,637,925	\$ 3,122,402	\$ 1,436,575	\$ 7,196,902	\$ 1,265,307
Other	7,297	9,290	0	16,587	0
<i>Total Operating Revenues</i>	<u>2,645,222</u>	<u>3,131,692</u>	<u>1,436,575</u>	<u>7,213,489</u>	<u>1,265,307</u>
<b>Operating Expenses</b>					
Personal Services	885,300	1,026,529	116,640	2,028,469	0
Contractual Services	366,135	580,033	1,146,427	2,092,595	113,266
Materials and Supplies	123,721	152,809	12,178	288,708	159,187
Claims	0	0	0	0	909,839
Depreciation	395,645	785,736	6,225	1,187,606	0
Other	0	0	162	162	0
<i>Total Operating Expenses</i>	<u>1,770,801</u>	<u>2,545,107</u>	<u>1,281,632</u>	<u>5,597,540</u>	<u>1,182,292</u>
<i>Operating Income</i>	<u>874,421</u>	<u>586,585</u>	<u>154,943</u>	<u>1,615,949</u>	<u>83,015</u>
<b>Non-Operating Revenues (Expenses)</b>					
Interest Revenue	241,273	357,600	132,509	731,382	14,584
Intergovernmental	0	0	3,082	3,082	0
Interest and Fiscal Charges	(267,741)	(296,328)	(98,450)	(662,519)	0
<i>Total Non-Operating Revenues (Expenses)</i>	<u>(26,468)</u>	<u>61,272</u>	<u>37,141</u>	<u>71,945</u>	<u>14,584</u>
<i>Income Before Contributions and Transfers</i>	847,953	647,857	192,084	1,687,894	97,599
Capital Contributions	119,842	77,600	0	197,442	0
Transfers Out	0	(8,935)	0	(8,935)	0
<i>Change in Net Assets</i>	967,795	716,522	192,084	1,876,401	97,599
<i>Net Assets Beginning of Year - Restated (See Note 3)</i>	<u>9,928,250</u>	<u>17,022,331</u>	<u>(871,061)</u>		<u>191,198</u>
<i>Net Assets (Deficit) End of Year</i>	<u>\$ 10,896,045</u>	<u>\$ 17,738,853</u>	<u>\$ (678,977)</u>		<u>\$ 288,797</u>
Adjustment to reflect the consolidation of internal service fund activities related to enterprise funds				<u>28,867</u>	
Changes in net assets of business-type activities				<u>\$ 1,905,268</u>	

See accompanying notes.

**City of Oxford, Ohio**  
*Statement of Cash Flows*  
*All Proprietary Funds*  
*For the Year Ended December 31, 2006*

	Enterprise Funds				Governmental Activities - Internal Service Funds
	Water	Sewer	Refuse	Totals	
<b><i>Increase in Cash and Cash Equivalents</i></b>					
<b>Cash Flows from Operating Activities</b>					
Cash Received from Customers	\$ 2,641,760	\$ 3,128,704	\$ 1,435,938	\$ 7,206,402	\$ 166,980
Cash Received from Interfund Services Provided	0	0	0	0	1,098,327
Other Operating Receipts	7,297	9,290	0	16,587	0
Cash Payments to Suppliers for Goods and Services	(161,577)	(162,759)	(7,470)	(331,806)	(172,597)
Cash Payments to Employees	(900,034)	(1,074,635)	(109,397)	(2,084,066)	0
Cash Payments for Employee Medical Claims	0	0	0	0	(964,912)
Cash Payments for Contractual Services	(392,445)	(585,123)	(1,111,829)	(2,089,397)	(115,044)
Cash Payments for Other Operating Expenses	0	0	(162)	(162)	0
<i>Net Cash Provided by Operating Activities</i>	<u>1,195,001</u>	<u>1,315,477</u>	<u>207,080</u>	<u>2,717,558</u>	<u>12,754</u>
<b>Cash Flows from Capital and Related Financing Activities</b>					
Acquisition of Capital Assets	(98,486)	(318,276)	0	(416,762)	0
Principal Payments on Debt	(695,000)	(648,714)	(201,393)	(1,545,107)	0
Interest Payments	(238,150)	(296,328)	(98,450)	(632,928)	0
Intergovernmental	0	0	3,082	3,082	0
Capital Contributions	105,400	77,600	0	183,000	0
<i>Net Cash Used For Capital and Related Financing Activities</i>	<u>(926,236)</u>	<u>(1,185,718)</u>	<u>(296,761)</u>	<u>(2,408,715)</u>	<u>0</u>
<b>Cash Flows from Investing Activities</b>					
Interest	242,055	358,807	132,592	733,454	14,629
<i>Net Cash Provided by Investing Activities</i>	<u>242,055</u>	<u>358,807</u>	<u>132,592</u>	<u>733,454</u>	<u>14,629</u>
<i>Net Increase in Cash and Cash Equivalents</i>	510,820	488,566	42,911	1,042,297	27,383
<i>Cash and Cash Equivalents Beginning of Year</i>	<u>4,848,967</u>	<u>7,576,458</u>	<u>2,692,380</u>	<u>15,117,805</u>	<u>277,557</u>
<i>Cash and Cash Equivalents End of Year</i>	<u>\$ 5,359,787</u>	<u>\$ 8,065,024</u>	<u>\$ 2,735,291</u>	<u>\$ 16,160,102</u>	<u>\$ 304,940</u>

(continued)

**City of Oxford, Ohio**  
*Statement of Cash Flows*  
*All Proprietary Funds*  
*For the Year Ended December 31, 2006*

	Enterprise Funds				Governmental Activities - Internal Service Funds
	Water	Sewer	Refuse	Totals	
<b>Reconciliation of Operating Income to Net Cash Provided by Operating Activities</b>					
<i>Operating Income</i>	\$ 874,421	\$ 586,585	\$ 154,943	1,615,949	\$ 83,015
Adjustments:					
Depreciation	395,645	785,736	6,225	1,187,606	0
(Increase) Decrease in Assets:					
Accounts Receivable	3,835	6,302	(637)	9,500	900
Materials and Supplies Inventory	(43,263)	(7,555)	0	(50,818)	(4,777)
Prepaid Items	289	(299)	8,914	8,904	(1,778)
Increase (Decrease) in Liabilities:					
Accounts Payable	(21,192)	(7,186)	7,501	(20,877)	(8,633)
Claims Payable	0	0	0	0	(55,973)
Accrued Wages	1,589	(31)	0	1,558	0
Compensated Absences Payable	(19,784)	(53,070)	6,549	(66,305)	0
Intergovernmental Payable	3,461	4,995	694	9,150	0
Landfill Post-Closure Payable	0	0	22,891	22,891	0
<i>Net Cash Provided by Operating Activities</i>	<u>\$ 1,195,001</u>	<u>\$ 1,315,477</u>	<u>\$ 207,080</u>	<u>\$ 2,717,558</u>	<u>\$ 12,754</u>

**Noncash Capital Financing Activities:**

During 2006, capital assets were transferred from the governmental activities to the water enterprise fund in the amount of \$14,442. The sewer enterprise fund also transferred capital assets to the governmental activities in the amount of \$8,935.

See accompanying notes.

**City of Oxford, Ohio**  
*Statement of Fiduciary Assets and Liabilities*  
*Agency Funds*  
*December 31, 2006*

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	<u>Agency Funds</u>
<b>Assets</b>	
Equity in Pooled Cash and Investments	\$ 2,680
Taxes Receivable	<u>9,222</u>
<i>Total Assets</i>	<u><u>11,902</u></u>
<b>Liabilities</b>	
Undistributed Monies	<u>11,902</u>
<i>Total Liabilities</i>	<u><u>\$ 11,902</u></u>

See accompanying notes.

**CITY OF OXFORD, OHIO**  
**NOTES TO THE BASIC FINANCIAL STATEMENTS**  
**DECEMBER 31, 2006**

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**NOTE 1: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES**

The accompanying financial statements of the City of Oxford are prepared in conformity with generally accepted accounting principles (GAAP) for local governmental units. The Governmental Accounting Standards Board (GASB) is the accepted standard-setting body for establishing governmental accounting and financial reporting principles. The City follows Financial Accounting Standards Board (FASB) standards of accounting and financial reporting issued on or before November 30, 1989 in its government-wide and proprietary fund financial statements to the extent that those standards do not conflict with or contradict GASB guidance. Governments also have the option of following subsequent FASB guidance for their business-type activities and enterprise funds, subject to the same limitation. The City has elected not to follow subsequent FASB guidance. The significant accounting policies used in the preparation of these financial statements are summarized below.

**A. Reporting Entity**

The City of Oxford (the "City") is a home rule municipal corporation organized under the laws of the State of Ohio that operates under its own charter. The City was organized as a village in 1830 and the municipal charter was adopted in 1960. The municipal government provided by the charter is known as a council-manager form of government. A seven-member council is elected and the council selects one of its members to serve as a mayor. The council appoints a city manager, an auditor/finance director, and a law director who executes the laws and administers the government of the City. The city manager appoints all other employees of the City.

The reporting entity is comprised of the primary government, component units, and other organizations that are included to ensure that the financial statements are fairly presented. The City follows the guidelines of GASB Statement No. 14, "The Financial Reporting Entity." The primary government of the City consists of all funds and departments that comprise the legal entity of the City. They provide various services including police and fire protection, parks and recreation, planning, street maintenance and repair, community development, water, sewer and refuse collection.

Component units are legally separate organizations for which the City is financially accountable. The City is financially accountable for an organization if the City appoints a voting majority of the organization's governing board and (1) the City is able to significantly influence the programs or services performed or provided by the organization; or (2) the City is legally entitled to or can otherwise access the organization's resources; or (3) the City is legally obligated or has otherwise assumed the responsibility to finance the deficits of, or provide financial support to, the organization; or (4) the City is obligated for the debt of the organization. Component units may also include organizations for which the City approves the budget, the issuance of debt, or the levying of taxes. The City has no component units.

The City is associated with McCullough-Hyde Hospital, Inc., which is defined as a related organization (Note 20).

**CITY OF OXFORD, OHIO**  
**NOTES TO THE BASIC FINANCIAL STATEMENTS**  
**DECEMBER 31, 2006 (CONTINUED)**

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**NOTE 1: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)**

**B. Basis of Presentation**

*Government-wide Financial Statements*

The Statement of net assets and the statement of activities display information about the City as a whole. The statements distinguish between those activities that are governmental in nature, which are normally supported by taxes and intergovernmental revenues; and business-type activities, which rely to a significant extent upon fees and charges for support. Interfund and internal service fund activities are generally eliminated to avoid the “doubling-up” effect on revenues and expenses.

The government-wide statements are prepared using the economic resources measurement focus and the accrual basis of accounting, as are the proprietary and fiduciary fund statements. Revenues are recorded when earned and expenses are recorded when a liability is incurred, regardless of the timing of the related cash flows.

The government-wide statement of activities presents a comparison between direct expenses and program revenues for each segment of the business-type activities of the City and for each function of the City’s governmental activities. Program revenues include charges paid by the recipient of the goods or services offered by the program and grants and contributions that are restricted to meeting the operational or capital requirements of a particular program. Revenues not classified as program revenues are presented as general revenues. The comparison of expenses with program revenues identifies the extent to which each governmental function or business-type segment is self-financing or relies upon general revenue of the City.

The caption “capital assets, net of related debt” consists of capital assets net of accumulated depreciation and reduced by outstanding balances of any bonds, mortgages, notes or other borrowings that are attributable to the acquisition, construction, or improvement of those assets.

Net assets are reported as restricted when constraints placed upon their use are either: 1) externally imposed by creditors (such as debt covenants), grantors, contributors, or laws or regulations of other governments, or 2) imposed by law through constitutional provisions or enabling legislation. The net assets restricted for other purposes result from special revenue funds and the restriction on their net asset use. When both restricted and non-restricted resources are available for use, it is the City’s policy to use non-restricted resources first, and then restricted resources as they are needed.

*Fund Financial Statements*

Separate financial statements are provided for governmental funds, proprietary funds, and fiduciary funds, even though the latter are excluded from the government-wide financial statements. The focus of fund financial statements is on major funds rather than reporting funds by type. Each major fund is presented in a separate column. All other funds are aggregated and reported as non-major governmental or non-major proprietary funds.

**CITY OF OXFORD, OHIO**  
**NOTES TO THE BASIC FINANCIAL STATEMENTS**  
**DECEMBER 31, 2006 (CONTINUED)**

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**NOTE 1: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)**

The City uses funds to report on its financial position and the results of its operations. Fund accounting is designed to demonstrate legal compliance and to aid financial management by segregating transactions related to certain functions or activities. A fund is defined as a fiscal and accounting entity with a self-balancing set of accounts recording cash and other financial resources, together with all related liabilities and residual equities or balances and changes therein, which are segregated for the purpose of carrying on specific activities or attaining certain objectives in accordance with special regulations, restrictions or limitations.

**Governmental Funds** are those through which most governmental functions typically are financed. The following are the City's major governmental funds:

*General Fund* – The General Fund is used to account for all financial resources except those required to be accounted for in another fund. The General Fund balance is available to the City for any purpose provided it is expended or transferred according to the general laws of Ohio and the Charter of the City.

*Parking Fund* – To account for operation of parking control activities within the City funded by revenues from meter collections, garage fees and fines.

*Capital Improvement Fund* – To account for financial resources for the acquisition or construction of major capital facilities.

**Proprietary Funds** are used to account for the City's ongoing activities that are similar to those found in the private sector where the intent of the governing body is that the cost of providing goods and services to the general public be financed or recovered primarily through user charges. The following are the City's major proprietary funds:

*Water Fund* – Accounts for the provision of water service to the City and surrounding areas.

*Sewer Fund* – Accounts for the provision of sanitary sewer service to the City and surrounding areas.

*Refuse Fund* – Accounts for the provision of refuse collection and disposal to the City as well as costs associated with the municipal landfill post-closure monitoring.

Additionally, the City reports the following fund types:

*Internal Service Funds* – To account for medical self-insurance and supplies provided to other departments of the City on a cost-reimbursement basis.

*Agency Funds* – To account for assets held in a fiduciary capacity on behalf of others. The City has three agency funds: one to collect and allocate hotel tax; one for the Board of Building Standards; and one for monies to be refunded to City residents from the Oxford Natural Gas Company.

**CITY OF OXFORD, OHIO**  
**NOTES TO THE BASIC FINANCIAL STATEMENTS**  
**DECEMBER 31, 2006 (CONTINUED)**

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**NOTE 1: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)**

**C. Basis of Accounting**

*Governmental Funds.* The accounting and financial reporting treatment applied to a fund is determined by its measurement focus. All governmental fund types are accounted for using current financial resources measurement focus. With this measurement focus, only current assets and current liabilities are included on the balance sheet. Operating statements of these funds present increases (i.e., revenues and other financing sources) and decreases (i.e., expenditures and other financing uses) in current financial resources.

All governmental fund types are accounted for using the modified accrual basis of accounting. Under this basis, revenues are recognized in the accounting period when they become both measurable and available. "Measurable" means the amount of the transaction can be determined and "available" means collectible within the current period or soon enough thereafter to be used to pay liabilities of the current period. The available period for the City is thirty-one days after year-end. Expenditures are generally recognized in the accounting period in which the related fund liability is incurred, if measurable. However, debt service expenditures, as well as expenditures related to compensated absences, are recorded only when payment is due.

In applying the susceptible to accrual concept under the modified accrual basis, the following revenue sources are deemed both measurable and available: interest earnings, state-levied locally shared taxes (including gasoline tax), fines and forfeitures, grants, and municipal income tax.

The City reports deferred revenues on its governmental funds' balance sheet. Deferred revenues arise when potential revenue does not meet both the measurable and available criteria recognition in the current period. Deferred revenues also arise when the City receives resources before it has a legal claim to them, as when grant monies are received prior to the incurrence of qualifying expenditures. In subsequent periods, when both revenue recognition criteria are met, or when the City has a legal claim to the resource, the liability for deferred revenue is removed from the combined balance sheet and revenue is recognized.

Current and delinquent property taxes measurable as of December 31, 2006, whose availability is indeterminable and which are not intended to finance current period obligations, have been recorded as a receivable and deferred revenue.

Since governmental funds' financial statements use a different measurement focus and basis of accounting than the government-wide statements, governmental funds' financial statements include reconciliations to the government-wide statements.

**CITY OF OXFORD, OHIO**  
**NOTES TO THE BASIC FINANCIAL STATEMENTS**  
**DECEMBER 31, 2006 (CONTINUED)**

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**NOTE 1: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)**

*Proprietary Funds.* All proprietary funds – enterprise funds and internal service funds – are accounted for on a flow of economic resources measurement focus. With this measurement focus, all assets and all liabilities associated with the operation of these funds are included on the balance sheet.

Proprietary fund operating statements present increases (i.e., revenues) and decreases (i.e., expenses) in total assets. Proprietary funds distinguish operating revenues and expenses from non-operating items. Operating revenues and expenses generally result from providing services and producing and delivering services in connection with a proprietary fund's principal ongoing operations. All revenues and expenses not meeting this definition are reported as non-operating revenues and expenses.

The accrual basis of accounting is utilized by the proprietary fund types. Under this method, revenues are recognized when they are earned, and expenses are recognized at the time liabilities are incurred.

*Fiduciary Funds.* Agency funds are custodial in nature (assets equal liabilities) and do not involve measurement of results of operations. Agency funds are accounted for using the accrual basis of accounting.

**D. Pooled Cash and Investments**

Cash balances of the City's funds are pooled and invested to improve cash management. For purposes of the statement of cash flows, investments with original maturities of three months or less are considered to be cash equivalents. GASB Statement No. 31 "Accounting and Financial Reporting for Certain Investments and for External Investment Pools," requires that investments be recorded at their fair value and that changes in the fair value be reported in the operating statement. Interest earned by the City is distributed to the funds according to City Ordinance. Interest earned during 2006 amounted to \$1,417,974.

**E. Prepaid Items**

Payments made to vendors for services that will benefit periods beyond December 31, 2006 are recorded as prepaid items using the consumption method by recording a current asset for the prepaid amount and reflecting the expenditure/expense in the year in which services are consumed.

**F. Supplies Inventory**

Inventories are presented at cost on first-in, first-out basis and are expended/expensed when used. Inventory consists of expendable supplies.

**CITY OF OXFORD, OHIO**  
**NOTES TO THE BASIC FINANCIAL STATEMENTS**  
**DECEMBER 31, 2006 (CONTINUED)**

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**NOTE 1: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)**

**G. Capital Assets**

Capital assets, which include property, infrastructure, plant and equipment, are reported in the applicable governmental or business-type columns in the government-wide financial statements. Capital assets utilized by governmental activities are reported in the governmental activities column of the government-wide statement of net assets but are not reported in the fund financial statements. Capital assets utilized by the proprietary funds are reported both in the business-type column of the government-wide statement of net assets and in the respective funds.

The City defines capital assets as those with an individual cost of more than \$2,500 and an estimated useful life in excess of one year. All capital assets are valued at cost where historical records are available and at estimated historical cost where no historical records exist. Donated capital assets are valued at their estimated fair value on the date received. Interest on constructed capital assets is capitalized. When capital assets are purchased, they are capitalized and depreciated in the government-wide statements and the proprietary fund statements. Capital assets are recorded as expenditures of the current period in the governmental fund financial statements.

Depreciation is calculated using the straight line method over the estimated useful lives of the assets. The estimated useful lives are as follows:

Buildings	20-60 years
Equipment	5-20 years
Improvements	20-60 years
Sewer lines/water lines	50 years
Infrastructure	50 years

**H. Interfund Balances**

During the course of operations, transactions occur between individual funds for goods provided or services rendered. On fund financial statements, receivables and payables resulting from short-term interfund loans are classified as "interfund receivables/payables." Long-term interfund loans (advances) are classified as "advances to other funds" and "advances from other funds". These amounts are eliminated in the governmental columns of the statement of net assets, except for any net residual amounts due between governmental and business-type activities, which are presented as internal balances.

**I. Deferred Charges**

Bond issuance costs for proprietary fund types are deferred and amortized over the terms of the bonds using the straight-line method.

**CITY OF OXFORD, OHIO**  
**NOTES TO THE BASIC FINANCIAL STATEMENTS**  
**DECEMBER 31, 2006 (CONTINUED)**

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**NOTE 1: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)**

**J. Compensated Absences**

The City follows the provisions of GASB Statement No. 16, "Accounting for Compensated Absences." Vacation and compensatory time benefits are accrued as a liability as the benefits are earned if the employees' rights to receive compensation are attributable to services already rendered and it is probable that the City will compensate the employees for the benefits through paid time off or some other means. Sick leave termination benefits are accrued using the vesting method. The liability includes the employees who are currently eligible to receive termination benefits and those employees for whom it is probable that they will become eligible to receive payment in the future. The amount is based on accumulated sick leave and employees' wage rates at year end.

Vested vacation and sick leave is recorded as an expense in the government-wide statements for the period in which the leave was earned. For governmental funds, a liability is recorded for compensated absences only if they have matured, for example, as a result of employee resignations or retirements.

Payment of vacation and sick leave recorded in the government-wide financial statements is dependent upon many factors; therefore, timing of future payments is not readily determinable. Management believes that sufficient resources will be available when payment is due.

**K. Reservations of Fund Balances**

Reservations of fund balances are established to identify the existence of assets that, because of their non-monetary nature or lack of liquidity, represent financial resources not available for current appropriation or expenditure, or the portion of fund balance that is legally segregated for specific future use. Fund balances have been reserved for encumbrances and advances.

**L. Accounting Estimates**

The preparation of financial statements in conformity with generally accepted accounting principles requires management to make estimates and assumptions that affect the amounts reported in the financial statements and accompanying notes. Actual results may differ from those estimates.

**M. Grants and Other Intergovernmental Revenues**

Grants made on the basis of entitlement periods are recorded as intergovernmental receivables and revenues when entitlement occurs. All other reimbursement-type grants are recorded as receivables and revenues when the related expenditures are incurred.

**CITY OF OXFORD, OHIO**  
**NOTES TO THE BASIC FINANCIAL STATEMENTS**  
**DECEMBER 31, 2006 (CONTINUED)**

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**NOTE 1: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)**

**N. Budgetary Process**

The budgetary process is prescribed by provisions of the Ohio Revised Code and entails the preparation of budgetary documents within an established timetable. The major documents prepared are the tax budget, the certificate of estimated resources, and the appropriation ordinance, all of which are prepared on the budgetary basis of accounting. The certificate of estimated resources and the appropriations ordinance are subject to amendment throughout the year with the legal restriction that appropriations cannot exceed estimated resources, as certified. All funds, other than fiduciary funds, are legally required to be budgeted and appropriated.

The legal level of budgetary control (the level at which transfers of budget amounts cannot be made without legislative approval) is established at the department level. Budget transfers over \$10,000 made between departments within a function require council approval. Transfers of any amount from one function to another, or increases in budget, require legal approval. For budgetary presentation, all funds have two functions one functions for personnel services, and another function for other services and charges.

***Tax Budget***

A tax budget of estimated revenues and expenditures is submitted to the County Auditor, as Secretary of the County Budget Commission, by July 20 of each year, for the period January 1 to December 31 of the following year.

***Estimated Resources***

The County Budget Commission determines if the budget substantiates a need to levy all of the previously authorized taxes and reviews estimated revenue. The Commission certifies its actions to the City by September 1. As part of this certification, the City receives the official certificate of estimated resources that states the projected revenue of each fund. Prior to December 31, the City must revise its budget so that total contemplated expenditures from any fund during the ensuing year will not exceed the amount available as stated in the certificate of estimated resources. The revised budget then serves as the basis for the appropriation ordinance. On or before January 31, the certificate of estimated resources is amended to include any unencumbered fund balances at December 31 of the preceding year. The certificate may be further amended during the year if the fiscal officer determines that the revenue collected is greater or less than the current estimates.

***Appropriations***

The annual appropriation ordinance must be passed no later than April 1 of each year for the period January 1 to December 31. A temporary appropriation measure to control expenditures may be passed on or about January 1 of each year for the period from January 1 to March 31. The appropriation ordinance fixes spending authority at the fund and department level. The appropriation ordinance may be amended during the year, as new information becomes available, provided that total fund appropriations do not exceed current estimated resources, as certified. The allocation of appropriations among departments and functions within a fund may be modified with approval of both the city manager and finance director for those up to \$10,000 made between departments, which are within a function. All other modifications may only be made by resolution of City Council.

**CITY OF OXFORD, OHIO**  
**NOTES TO THE BASIC FINANCIAL STATEMENTS**  
**DECEMBER 31, 2006 (CONTINUED)**

**NOTE 2: FUND DEFICITS**

At December 31, 2006, the Refuse Fund had deficit net assets of \$685,644. The Refuse Fund deficit reflects the expense to operations in previous years to properly account for the landfill closure and post-closure liability in accordance with GASB 18. This fund deficit will be eliminated over time by increased rates charged for solid waste removal. The Parking Fund has a deficit fund balance of \$1,342,217 which is due to interfund borrowing for the construction of the new parking garage. The Community Development Block Grant Fund has a deficit fund balance of \$40,000. The fund deficit balance in this non-major fund was due to current grant-related expenditures exceeding revenue. The General Fund provides transfers to cover these non-major fund deficit balances, however, this is done when cash is needed rather than when accruals occur.

**NOTE 3: RESTATEMENT OF NET ASSETS AND CHANGE IN ACCOUNTING PRINCIPLES**

**A. Restatement of Net Assets**

GASB Statement No. 34 requires infrastructure assets to be reported as a part of capital assets in the statement of net assets. Prior to GASB Statement No. 34, governments were not required to report general infrastructure assets associated with and arising from governmental activities. The City is retroactively reporting infrastructure assets that were not reported in years prior to the implementation of GASB Statement No. 34.

	Governmental Activities	Business-Type Activities			
Previously Reported Net Assets 12/31/05	\$ 25,915,962	\$ 25,953,321			
Retroactive Restatement of Capital Assets	13,890,135	187,021			
Restated Net Assets 01/01/06	\$ 39,806,097	\$ 26,140,342			
	Water	Sewer	Refuse		
Previously Reported Net Assets 12/31/05	\$ 9,906,132	\$ 16,910,043	\$ (923,676)		
Retroactive Restatement of Capital Assets	22,118	112,288	52,615		
Restated Net Assets 01/01/06	\$ 9,928,250	\$ 17,022,331	\$ (871,061)		

**CITY OF OXFORD, OHIO**  
**NOTES TO THE BASIC FINANCIAL STATEMENTS**  
**DECEMBER 31, 2006 (CONTINUED)**

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**NOTE 3: RESTATEMENT OF NET ASSETS AND CHANGE IN ACCOUNTING PRINCIPLES**  
**(Continued)**

**B. Changes in Accounting Principles**

For the year ended December 31, 2006, the City has implemented GASB Statement No. 46 “*Net Assets Restricted by Enabling Legislation*”, and Statement No. 47 “*Accounting for Termination Benefits*.”

Statement No. 46 establishes that any amount of the primary government’s net assets at the end of the reporting period restricted by enabling legislation should be disclosed in the notes to the financial statements. At December 31, 2006, none of the City’s net assets were restricted by enabling legislation.

Statement No. 47 provides guidance to governmental employers for measuring, recognizing, and reporting liabilities and expenses/expenditures related to *all* termination benefits without limitation as to the period of time during which the benefits are offered.

The implementation of these GASB Statements did not have an effect on the financial statements of the City.

**NOTE 4: BUDGETARY BASIS OF ACCOUNTING**

While the City reports financial position, results of operations, and changes in fund balance on the basis of generally accepted accounting principals (GAAP), the budgetary basis, as provided by law, requires accounting for certain transactions according to cash receipts, disbursements, appropriations, and encumbrances. The Schedules of Revenues, Expenditures and Changes in Fund Balances – Budget and Actual – Budget (Non-GAAP) Basis, are presented on the budgetary basis to provide a meaningful comparison of actual results with the budget. The major differences between the budget basis and GAAP basis are as follows:

1. Revenues are recorded when received in cash (budget basis) as opposed to when susceptible to accrual (GAAP basis).
2. Expenditures are recorded when paid in cash (budget basis) as opposed to when the liability is incurred (GAAP basis).
3. Outstanding year-end encumbrances are treated as expenditures (budget basis) rather than as a reservation of fund balance.
4. Advances in and advances out are operating transactions (budget basis) as opposed to balance sheet transactions (GAAP basis).

**CITY OF OXFORD, OHIO**  
**NOTES TO THE BASIC FINANCIAL STATEMENTS**  
**DECEMBER 31, 2006 (CONTINUED)**

**NOTE 4: BUDGETARY BASIS OF ACCOUNTING (Continued)**

The following table summarizes the adjustments necessary to reconcile the GAAP basis statements to the budgetary basis statements for the general and parking funds.

	Net Change in Fund Balance	
	General	Parking
GAAP Basis	\$ 611,915	\$ 136,915
Net Adjustment for Revenue Accruals	(176,283)	666
Net Adjustment for Expenditure Accruals	43,809	13,232
Advances Out	0	(100,000)
Encumbrances	(309,081)	(10,239)
Budget Basis	\$ 170,360	\$ 40,574

**NOTE 5: POOLED CASH AND INVESTMENTS**

The City maintains a cash deposit and investment pool for all funds. Each fund's share of cash deposits and investments is shown separately on the statement of net assets and balance sheet as "Pooled Cash and Investments."

State statutes classify monies held by the City into three categories.

Active deposits are public deposits necessary to meet current demands on the treasury. Such monies must be maintained either as cash in the City Treasury, in commercial accounts payable or withdrawable on demand, including negotiable order of withdrawal (NOW) accounts, or in money market deposit accounts.

Inactive deposits are public deposits that the City has identified as not required for use within the current two-year period of designation of depositories. Inactive deposits must either be evidenced by certificates of deposit maturing not later than the end of the current period of designation of depositories, or by savings or deposit accounts including, but not limited to, passbook accounts.

Interim monies are those monies which are not needed for immediate use but which will be needed before the end of the current period of designation of depositories. Interim deposits must be evidenced by time certificates of deposit maturing not more than one year from the date of deposit, or by savings or deposit accounts including passbook accounts.

Protection of the City's deposits is provided by the Federal Deposit Insurance Corporation (FDIC), by eligible securities pledged by the financial institution as security for repayment, by surety company bonds deposited with the treasurer by the financial institution, or by a single collateral pool established by the financial institution to secure the repayment of all public monies deposited with the institution.

Interim monies may be deposited or invested in the following securities:

1. United States treasury notes, bills, bonds, or any other obligation or security issued by the United States treasury or any other obligation guaranteed as to principal or interest by the United States;

**CITY OF OXFORD, OHIO**  
**NOTES TO THE BASIC FINANCIAL STATEMENTS**  
**DECEMBER 31, 2006 (CONTINUED)**

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**NOTE 5: POOLED CASH AND INVESTMENTS (Continued)**

2. Bonds, notes, debentures, or any other obligations or securities issued by any federal government agency or instrumentality, including but not limited to, the Federal National Mortgage Association, Federal Home Loan Bank, Federal Farm Credit Bank, Federal Home Loan Mortgage Corporation, Government National Mortgage Association, and Student Loan Marketing Association. All federal agency securities shall be direct issuances of federal government agencies or instrumentalities;
3. Written repurchase agreements in the securities listed above provided that the market value of the securities subject to the repurchase agreement must exceed the principal value of the agreement by at least two percent and be marked to market daily, and that the term of the agreement must not exceed thirty days;
4. Bonds and other obligations of the State of Ohio;
5. No-load money market mutual funds consisting exclusively of obligations described in division (1) or (2) of this section and repurchase agreements secured by such obligations, provided that investments in securities described in this division are made only through eligible institutions;
6. The State Treasurer's investment pool (STAR Ohio);
7. Certain bankers acceptances and commercial paper notes for a period not to exceed one hundred and eighty days from the purchase date in any amount not to exceed twenty-five percent of the interim monies available for investment at any one time; and
8. Under limited circumstances, corporate debt interests noted in either of the two highest rating classifications by at least two nationally recognized rating agencies.

Investments in stripped principal or interest obligations, reverse repurchase agreements and derivatives are prohibited. The issuance of taxable notes for the purpose of arbitrage, the use of leverage and short selling are also prohibited. An investment must mature within five years from the date of purchase unless matched to a specific obligation or debt of the City, and must be purchased with the expectation that it will be held to maturity.

Investments may only be made through specified dealers and institutions. Payment for investments may be made only upon delivery of the securities representing the investments to the Treasurer or, if the securities are not represented by a certificate, upon receipt of confirmation of transfer from the custodian.

According to State law, public depositories must give security for all public funds on deposit. These institutions may either specifically collateralize individual accounts in lieu of amounts insured by FDIC, or may pledge a pool of government securities valued at least 105 percent of the total value of public monies on deposit at the institution. Repurchase agreements must be secured by the specific government securities upon which the repurchase agreements are based. These securities must be obligations of or guaranteed by the United States and mature or be redeemable within 5 years of the date of the related repurchase agreement. State law does not require security for public deposits and investments to be maintained in the City's name. During 2006, the City and public depositories complied with the provisions of these statutes.

**CITY OF OXFORD, OHIO**  
**NOTES TO THE BASIC FINANCIAL STATEMENTS**  
**DECEMBER 31, 2006 (CONTINUED)**

**NOTE 5: POOLED CASH AND INVESTMENTS (Continued)**

**Deposits with Financial Institutions**

Custodial credit risk is the risk that, in the event of a bank failure, the City's deposits may not be returned. All deposits are collateralized with eligible securities in amounts equal to at least 105 percent of the carrying value of the deposits. Such collateral, as permitted by the Ohio Revised Code, is held in single financial institution collateral pools at Federal Reserve Banks, or at member banks of the federal reserve system, in the name of the respective depository bank and pledged as collateral against all of the public deposits it holds or as specific collateral held at the Federal Reserve Bank in the name of the City.

At fiscal year-end, the carrying amount of the City's deposits was \$4,394,358. Based on the criteria described in GASB Statement No. 40, "Deposits and Investment Risk Disclosures," as of December 31, 2006, \$4,446,232 of the City's bank balance of \$4,667,034 was exposed to custodial risk as discussed above, while \$220,801 was covered by Federal Deposit Insurance Corporation. However, the State of Ohio has established by statute a collateral pooling system for financial institutions acting as public depositories. At year end, the City had deposits of \$4,446,232 covered by collateral pools.

As of December 31, 2006, the City had the following investments and maturities:

Investment Type	Fair Value	Investment Maturities				
		6 Months or Less	7 to 12 Months	13 to 18 Months	19 to 24 Months	19 to 24 Months
U.S. Treasury Notes	\$ 1,515,712	\$ 0	\$ 0	\$ 0	\$ 1,515,712	\$ 0
Federal National Mortgage Assoc. Notes	7,137,728	209,647	4,500,680	1,449,060	728,341	250,000
Federal Home Loan Bank Notes	8,235,937	0	7,143,711	1,092,226	0	0
Federal Home Loan Mortgage Corp. Notes	8,221,944	2,584,084	734,706	3,053,709	0	1,849,445
Treasury Mutal Funds	176,873	0	176,873	0	0	0
Federal Farm Credit Bank Notes	924,427	0	0	0	924,427	0
<b>Total Investments</b>	<b>\$26,212,621</b>	<b>\$ 2,793,731</b>	<b>\$12,555,970</b>	<b>\$ 5,594,995</b>	<b>\$ 3,168,480</b>	<b>\$ 2,099,445</b>

**Interest Rate Risk.** As a means of limiting its exposure to fair value losses arising from rising interest rates and according to state law, the City's investment policy limits investment portfolio maturities to five years or less unless related to a bond indenture.

**Credit Risk.** The Federal National Mortgage Association Notes, Federal Home Loan Bank Notes, Federal Home Loan Mortgage Corporation Notes, Federal Farm Credit Bank Notes, and the Treasury Mutual Funds all carry a credit risk rating of AAA as assigned by Standard & Poor's. The US Treasury Notes have no credit risk.

**CITY OF OXFORD, OHIO**  
**NOTES TO THE BASIC FINANCIAL STATEMENTS**  
**DECEMBER 31, 2006 (CONTINUED)**

**NOTE 5: POOLED CASH AND INVESTMENTS (Continued)**

***Custodial Credit Risk.*** For an investment, custodial credit risk is the risk that, in the event of the failure of the counterparty, the City will not be able to recover the value of its investment or collateral securities that are in the possession of an outside party. For the City's investments in certificates of deposit the entire balance is collateralized by underlying securities pledged by the investment's counterparty, not in the name of the City.

***Concentration of Credit Risk.*** The City places no limit on the amount that may be invested in any one issuer. The following table includes the percentage to total of each investment type held by the City at December 31, 2006:

<u>Investment Type</u>	<u>Fair Value</u>	<u>Percent of Total</u>
U.S. Treasury Notes	\$ 1,515,712	6%
Federal National Mortgage Assoc. Notes	7,137,728	27%
Federal Home Loan Bank Notes	8,235,937	31%
Federal Home Loan Mortgage Corp. Notes	8,221,944	31%
Treasury Mutal Funds	176,873	1%
Federal Farm Credit Bank Notes	924,427	4%
 Total Investments	 <u>\$ 26,212,621</u>	 <u>100%</u>

**NOTE 6: LOANS RECEIVABLE**

Loans receivable consist of low-interest loans for development projects granted to eligible businesses under the Community Development Block Grant (CDBG) program. The amount of loans outstanding at December 31, 2006 is \$34,529 and is considered fully collectible.

**NOTE 7: PROPERTY TAXES**

Property taxes are levied against all real, public utility and tangible (used in business) property located in the City. Real property and public utility taxes collected during 2006 were levied on December 31, 2005 on assessed values listed as of January 1, 2005, the lien date. One-half of these taxes were due on February 15, 2006 with the remaining balance due on July 20, 2006. Tangible personal property taxes collected during 2006 had a levy date of December 31, 2005. One-half of these taxes were due between February 15, 2006 and April 30, 2006, with the remaining balance due on October 20, 2006.

Assessed values of real property are established by State law at 35% of appraised market value. A revaluation of all property is required to be completed no less than every six years with equalization adjustments in the third year following the reappraisal. The most recent revaluation was completed in 2005. Public utility property taxes are assessed on tangible personal property as well as land improvements at true value (50% of cost). Tangible personal property assessments are 25% of true value.

**CITY OF OXFORD, OHIO**  
**NOTES TO THE BASIC FINANCIAL STATEMENTS**  
**DECEMBER 31, 2006 (CONTINUED)**

**NOTE 7: PROPERTY TAXES (Continued)**

The Butler County Treasurer collects property taxes on behalf of all taxing districts in the County, including the City of Oxford. The County Auditor periodically remits to the City its portion of the taxes collected. The full tax rate for all City operations for the year ended December 31, 2006 was \$3.65 per \$1,000 of assessed value.

The assessed values of real and tangible personal property upon which 2006 property tax receipts were based are as follows:

Real Property Assessed Valuation	\$	244,694,180
Public Utility Real Property Assessed Valuation		6,852,480
Tangible Personal Property Assessed Valuation		7,536,472
 Total	 \$	 <u><u>259,083,132</u></u>

**NOTE 8: INCOME TAX**

The City levies a municipal income tax of 1.75 percent on substantially all income earned within the City. In addition, the residents of the City are required to pay income tax on income earned outside of the City; however, the City allows a credit for income taxes paid to another municipality up to 100% of the City's current tax rate. Employers within the City are required to withhold income tax on employee compensation and remit the tax to the City quarterly. Corporations and other individual taxpayers are required to pay their estimated tax quarterly and file a declaration annually.

Income tax proceeds are used for general fund operations, capital improvements, debt service and other governmental functions when needed, as determined by the Council. In 2006 the proceeds were receipted to the General Fund.

**NOTE 9: INTERFUND ASSETS/LIABILITIES**

	Advances to Other Funds	Advances From Other Funds
General Fund	\$ 150,000	\$ 0
Parking Fund	0	2,155,312
Capital Improvement Fund	2,155,312	0
Non-major Governmental Fund	0	150,000
	<u>\$ 2,305,312</u>	<u>\$ 2,305,312</u>

The General Fund advanced \$150,000 to the Community Development Block Grant Fund to provide operating capital for projects since the federal program is funded on a reimbursement basis. The Parking Fund originally borrowed \$2,700,312 from the Capital Improvement Fund to construct a parking garage. Neither of these interfund loans is expected to be repaid within one year.

**CITY OF OXFORD, OHIO**  
**NOTES TO THE BASIC FINANCIAL STATEMENTS**  
**DECEMBER 31, 2006 (CONTINUED)**

**NOTE 10: CAPITAL ASSETS**

Capital assets activity for the year ended December 31, 2006 was as follows:

	Restated Beginning Balance	Increases	Decreases	Ending Balance
<b>Governmental Activities</b>				
<b>Capital assets not being depreciated:</b>				
Land	\$ 1,622,731	\$ 0	\$ 0	\$ 1,622,731
Construction in progress	974,354	195,411	(75,000)	1,094,765
<i>Total capital assets not being depreciated</i>	<u>2,597,085</u>	<u>195,411</u>	<u>(75,000)</u>	<u>2,717,496</u>
<b>Capital assets being depreciated:</b>				
Buildings	5,758,969	28,814	0	5,787,783
Improvements	5,533,698	10,854	(35,549)	5,509,003
Equipment	5,558,555	442,880	(256,654)	5,744,781
General infrastructure	19,993,926	674,452	0	20,668,378
<i>Total capital assets being depreciated</i>	<u>36,845,148</u>	<u>1,157,000</u>	<u>(292,203)</u>	<u>37,709,945</u>
<b>Less: accumulated depreciation:</b>				
Buildings	(1,434,480)	(94,129)	0	(1,528,609)
Improvements	(729,308)	(109,405)	35,549	(803,164)
Equipment	(3,100,957)	(368,773)	242,212	(3,227,518)
General infrastructure	(4,979,977)	(409,459)	0	(5,389,436)
<i>Total accumulated depreciation</i>	<u>(10,244,722)</u>	<u>(981,766)</u>	<u>277,761</u>	<u>(10,948,727)</u>
<i>Total capital assets being depreciated, net</i>	<u>26,600,426</u>	<u>175,234</u>	<u>(14,442)</u>	<u>26,761,218</u>
<i>Capital assets, net</i>	<u>\$ 29,197,511</u>	<u>\$ 370,645</u>	<u>\$ (89,442)</u>	<u>\$ 29,478,714</u>

Depreciation expense was charged to governmental functions as follows:

General government	\$ 56,786
Security of persons and property	207,850
Leisure time services	169,620
Community environment	20,735
Transportation	523,913
Public health	2,862
Total depreciation expense	<u>\$ 981,766</u>

**CITY OF OXFORD, OHIO**  
**NOTES TO THE BASIC FINANCIAL STATEMENTS**  
**DECEMBER 31, 2006 (CONTINUED)**

**NOTE 10: CAPITAL ASSETS (Continued)**

	Restated Beginning Balance	Increases	Decreases	Ending Balance
<b>Business-Type Activities</b>				
<b>Capital assets not being depreciated:</b>				
Land	\$ 368,605	\$ 0	\$ 0	\$ 368,605
Construction in progress	49,380	303,044	0	352,424
<i>Total assets not being depreciated</i>	<u>417,985</u>	<u>303,044</u>	<u>0</u>	<u>721,029</u>
<b>Capital assets being depreciated:</b>				
Buildings	8,520,104	10,113	(184,956)	8,345,261
Improvements	8,042,496	0	(125,934)	7,916,562
Equipment	4,117,051	74,709	(180,142)	4,011,618
Infrastructure	26,810,937	95,404	0	26,906,341
<i>Total capital assets being depreciated</i>	<u>47,490,588</u>	<u>180,226</u>	<u>(491,032)</u>	<u>47,179,782</u>
<b>Less: accumulated depreciation:</b>				
Buildings	(3,302,388)	(218,101)	184,956	(3,335,533)
Improvements	(7,202,956)	(212,680)	125,934	(7,289,702)
Equipment	(2,994,656)	(230,760)	167,544	(3,057,872)
Infrastructure	(6,906,285)	(532,634)	0	(7,438,919)
<i>Total accumulated depreciation</i>	<u>(20,406,285)</u>	<u>(1,194,175)</u>	<u>478,434</u>	<u>(21,122,026)</u>
<i>Total capital assets being depreciated, net</i>	<u>27,084,303</u>	<u>(1,013,949)</u>	<u>(12,598)</u>	<u>26,057,756</u>
<i>Capital assets, net</i>	<u>\$ 27,502,288</u>	<u>\$ (710,905)</u>	<u>\$ (12,598)</u>	<u>\$ 26,778,785</u>

Depreciation expense was charged to segments as follows:

Water	\$ 395,645
Sewer	785,736
Refuse	6,225
Accumulated Depreciation Transferred In	<u>6,569</u>
Total depreciation expense	<u>\$ 1,194,175</u>

**CITY OF OXFORD, OHIO**  
**NOTES TO THE BASIC FINANCIAL STATEMENTS**  
**DECEMBER 31, 2006 (CONTINUED)**

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**NOTE 11: DEFINED BENEFIT PENSION PLANS**

***A. Ohio Public Employees Retirement System***

The City of Oxford participates in the Ohio Public Employees Retirement System (OPERS). OPERS administers three separate pension plans. The traditional plan is a cost-sharing, multiple-employer defined benefit pension plan. The member-directed plan is a defined contribution plan in which the member invests both member and employer contributions (employer contributions vest over five years at 20 percent per year). Under the member directed plan, members accumulate retirement assets equal to the value of the member and vested employer contributions plus any investment earnings. The combined plan is a cost-sharing, multiple-employer defined benefit pension plan that has elements of both a defined benefit and defined contribution plan. Under the combined plan, employer contributions are invested by the retirement system to provide a formula retirement benefit similar to the traditional plan benefit. Member contributions, whose investment is self-directed by the member, accumulate retirement assets in a manner similar to the member directed plan.

OPERS provides retirement, disability, survivor and death benefits and annual cost of living adjustments to members of the traditional and combined plans. Members of the member directed plan do not qualify for ancillary benefits. Authority to establish and amend benefits is provided by Chapter 145 of the Ohio Revised Code. OPERS issues a stand-alone financial report which may be obtained by writing to the Ohio Public Employees Retirement System, 277 East Town Street, Columbus, Ohio 43215-4642 or by calling (614) 222-6705 or (800) 222-7377.

For the year ended December 31, 2006, the members of all three plans, except those in law enforcement or public safety participating in the traditional plan, were required to contribute 9 percent of their annual covered salaries. Members participating in the traditional plan who were in law enforcement contributed 10.1 percent of their annual covered salary; members in public safety contributed 9 percent. The employer contribution rate for pension benefits for 2006 was 13.7 percent, except for those plan members in law enforcement or public safety. For those classifications, the employer's pension contributions were 16.93 percent of covered payroll. The Ohio Revised Code provides statutory authority for member and employer contributions.

The City's required contributions for pension obligations to the traditional and combined plans for the years ended December 31, 2006, 2005 and 2004 were \$578,964, \$546,759 and \$560,150, respectively; 90.2 percent has been contributed for 2006 and 100 percent for 2005 and 2004.

**CITY OF OXFORD, OHIO**  
**NOTES TO THE BASIC FINANCIAL STATEMENTS**  
**DECEMBER 31, 2006 (CONTINUED)**

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**NOTE 11: DEFINED BENEFIT PENSION PLANS (Continued)**

***B. Ohio Police and Fire Pension Fund***

The City contributes to the Ohio Police and Fire Pension Fund (OP&F), a cost-sharing multiple employer public employee deferred benefit pension plan. OP&F provides retirement and disability benefits, annual cost-of-living adjustments, and death benefits to plan members and beneficiaries. Benefit provisions are established by the Ohio State Legislature and are codified in Chapter 742 of the Ohio Revised Code. OP&F issues a publicly available financial report that includes financial information and required supplementary information for the plan. That report may be obtained by writing to the Ohio Police and Fire Pension Fund, 140 East Town Street, Columbus, Ohio 43215-5164. Plan members are required to contribute 10 percent of their annual covered salary, while the City is required to contribute 19.5 percent for police officers and 24 percent for firefighters. The City's contribution to OP&F for police and firefighters was \$354,442, \$309,895 and \$316,589 for the years ended December 31, 2006, 2005 and 2004, respectively. 78.1 percent has been contributed for 2006, and 100 percent for 2005 and 2004.

**NOTE 12: POSTEMPLOYMENT BENEFITS**

***A. Ohio Public Employees Retirement System***

The Ohio Public Employees Retirement System of Ohio (OPERS) provides postretirement health care coverage to age and service retirees with ten or more years of qualifying Ohio service credit. Health care coverage for disability recipients and primary survivor recipients is available. The health care coverage provided by the retirement system is considered an Other Postemployment Benefit (OPEB) as described in *GASB Statement No. 12*. A portion of each employer's contribution to PERS is set aside for the funding of postretirement health care based on authority granted by State statute. The 2006 local government employer contribution rate was 13.7 percent of covered payroll (16.93 percent for public safety and law enforcement); 4.50 percent of covered payroll was the portion that was used to fund health care.

Benefits are advanced-funded using the age normal cost method. Significant actuarial assumptions, based on PERS's latest actuarial review performed as of December 31, 2005, include a rate of return on investments of 6.5 percent, an annual increase in active employee total payroll of 4.00 percent compounded annually (assuming no change in the number of active employees) and an additional increase in total payroll of between .50 percent and 6.3 percent based on additional annual pay increases. Health care premiums were assumed to increase at the projected wage inflation rate plus an additional factor ranging from .5 percent and 6 percent annually for the next nine years and 4 percent annually after nine years.

All investments are carried at market. For actuarial valuation purposes, a smoothed market approach is used. Assets are adjusted to reflect 25 percent of unrealized market appreciation or depreciation on investment assets annually.

**CITY OF OXFORD, OHIO**  
**NOTES TO THE BASIC FINANCIAL STATEMENTS**  
**DECEMBER 31, 2006 (CONTINUED)**

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**NOTE 12: POSTEMPLOYMENT BENEFITS (Continued)**

As of December 31, 2006, the number of active contributing participants in the traditional and combined plans was 369,214. The City's actual contributions for 2006 which were used to fund postemployment benefits were \$190,190. The actual contribution and the actuarially required contribution amounts are the same. PERS's net assets available for payment of benefits at December 31, 2005 (the latest information available) was \$11.1 billion. The actuarially accrued liability and the unfunded actuarial accrued liability was \$31.3 billion and \$20.2 billion, respectively.

On September 9, 2004, the OPERS Retirement Board adopted a Health Care Preservation Plan (HCPP) with an effective date of January 1, 2007. The HCPP restructures OPERS' health care coverage to improve the financial solvency of the fund in response to increasing health care costs. Member and employer contribution rates increased as of January 1, 2006 and January 1, 2007, which will allow additional funds to be allocated to the health care plan.

***B. Ohio Police and Fire Pension Fund***

The Ohio Police and Fire Pension Fund (OP&F) provides access to postretirement health care coverage for any person who receives or is eligible to receive a monthly service, disability or survivor benefit check or is a spouse or eligible dependent child of such person. An eligible dependent child is any child under the age of 18 whether or not the child is attending school or under the age of 22 if attending school full-time or on a 2/3 basis.

The health care coverage provided by the retirement system is considered an Other Postemployment Benefit (OPEB) as described in GASB Statement No. 12. The Ohio Revised Code provides the authority allowing the Ohio Police and Fire Pension Fund's board of trustees to provide health care coverage and states that health care cost paid from the Ohio Police and Fire Pension Fund shall be included in the employer's contribution rate. Health care funding and accounting is on a pay-as-you-go basis. The total police employer contribution is 19.5 percent of covered payroll and the total firefighter employer contribution rate is 24 percent of covered payroll, of which 7.75 percent of covered payroll was applied to the postemployment health care program during 2006 and 2005. In addition, since July 1, 1992, most retirees have been required to contribute a portion of the cost of their health care coverage through a deduction from their monthly benefit payment. Beginning in 2001, all retirees and survivors have monthly health care contributions.

The City's actual contribution for 2006 that was used to fund postemployment benefits was \$140,713. The OP&F's total health care expenses for the year ended December 31, 2005 (the latest information available) were \$108,039,449 which was net of member contributions of \$55,271,881. The number of OP&F participants eligible to receive health care benefits as of December 31, 2005 was 13,922 for police and 10,537 for firefighters.

**Deferred Compensation Plans**

City employees and elected officials have the option to participate in two independently-managed deferred compensation plans, both created in accordance with Internal Revenue Code Section 457. Participation is on a voluntary payroll deduction basis. According to the plans, the deferred compensation is not available until termination, retirement, death or an unforeseen emergency.

**CITY OF OXFORD, OHIO**  
**NOTES TO THE BASIC FINANCIAL STATEMENTS**  
**DECEMBER 31, 2006 (CONTINUED)**

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**NOTE 12: POSTEMPLOYMENT BENEFITS (Continued)**

**Compensated Absences**

*Accumulated Unpaid Vacation and Compensatory Time*

City employees earn vacation leave at varying rates based upon length of service. They may earn compensatory time at one and one-half times their regular rate of pay in lieu of overtime pay for all hours worked in excess of the 40-hour work week. In the case of death or separation from employment, an employee (or their estate) is paid for any unused vacation or compensatory leave. The obligation for accrued unpaid vacation and compensatory time for the City as a whole amounted to \$431,188 at December 31, 2006.

*Accumulated Unpaid Sick Leave*

City employees earn sick leave at the rate of 10 hours a month. Sick leave is cumulative without limit. In the event of death or separation, a non-police employee (or their estate) is paid one-third of their accumulated sick leave up to a maximum of 1,200 hours. Police officers grandfathered per the contract beginning January 1, 1992 may convert their first 600 hours at one-half and an additional 600 hours at one-to-one ratio. During the month of April, all other employees have the option to convert a maximum of 1,200 hours of sick leave to cash at a five-to-one ratio. This payout option requires an employee to retain a 240 hour sick leave balance. The obligation for accrued unpaid sick leave for the City as a whole amounted to \$217,900 at December 31, 2006.

**NOTE 13: RISK MANAGEMENT**

The City maintains comprehensive insurance coverage with private carriers for real property, building contents, vehicle, property and general liability insurance, commercial inland marine coverage, crime policies, property, and general liability for the closed municipal landfill, police professional liability, and public official's errors and omissions insurance, as well as employment practices liability. Vehicle policies include liability coverage for bodily injury and property damage. Claim payments have not exceeded coverage in the past three years. There was no decline in the level of coverage from the prior year.

The City has established a medical self-insurance fund. The purpose of this fund is to pay medical claims of employees and their covered dependents and minimize the total cost of annual medical insurance to the City. Medical claims exceeding \$35,000 per individual or \$759,368 in the aggregate in a given year are covered through a private insurance carrier.

The claims liability of \$56,509 reported in the fund at December 31, 2006 is based on the requirements of GASB Statement No. 10 which requires that a liability for unpaid claims costs be reported if information prior to the issuance of the financial statements indicates that it is probable that the liability has been incurred at the date of the financial statements and the amount of the loss can be reasonably estimated. Liabilities include an amount for claims that have been incurred but not reported (IBNR). The estimate was not affected by incremental claim adjustment expenses and does not include other allocated or unallocated claim adjustment expenses.

**CITY OF OXFORD, OHIO**  
**NOTES TO THE BASIC FINANCIAL STATEMENTS**  
**DECEMBER 31, 2006 (CONTINUED)**

**NOTE 13: RISK MANAGEMENT (Continued)**

Changes to the fund's claims liability amount for the past two years were:

	<u>2006</u>	<u>2005</u>
Unpaid claims, beginning of year	\$ 112,482	\$ 58,921
Incurred claims (including (IBNR)	909,839	871,754
Claim payments	<u>(965,812)</u>	<u>(818,193)</u>
 Unpaid claims, end of year	 <u>\$ 56,509</u>	 <u>\$ 112,482</u>

**NOTE 14: LONG-TERM LIABILITIES**

<u>Debt Issue</u>	<u>Interest Rate</u>	<u>Original Issue Amount</u>	<u>Date of Maturity</u>
<b>Governmental Activities</b>			
Park Improvement Bonds - 1999	3.9-5.5%	\$ 3,915,000	December 1, 2019
<b>Business-Type Activities</b>			
Water Supply System Refunding Bonds - 2002	1.75-3.9	2,134,187	December 1, 2014
OWDA Loan - Sewer Plant - 1987	7.73	7,082,996	January 1, 2009
OWDA Loan - Landfill Closure - 1995	4.35	3,978,072	July 1, 2015
OWDA Loan - Sewer Collection System - 1997	4.12	681,351	July 1, 2015
OWDA Loan - Sewer Pump Station/EQ Basin - 1997	4.12	6,368,862	January 1, 2019
OWDA Loan - Sandra Drive Sewers - 1998	3.98	309,250	January 1, 2019

The following is a summary of changes during 2006 and balances for long-term liabilities of the City as of December 31, 2006:

	<u>Balance 1/1/2006</u>	<u>Additions</u>	<u>Reductions</u>	<u>Balance 12/31/2006</u>	<u>Due Within One Year</u>
<b>Governmental Activities:</b>					
General Obligation Bonds:					
1999 Park Improvement	\$ 3,135,000	\$ 0	\$ (160,000)	\$ 2,975,000	\$ 165,000
Capital lease obligations	8,792	0	(6,389)	2,403	2,403
Compensated absences	<u>482,270</u>	<u>573,019</u>	<u>(597,167)</u>	<u>458,122</u>	<u>235,309</u>
 Total	 <u>\$ 3,626,062</u>	 <u>\$ 573,019</u>	 <u>\$ (763,556)</u>	 <u>\$ 3,435,525</u>	 <u>\$ 402,712</u>

**CITY OF OXFORD, OHIO**  
**NOTES TO THE BASIC FINANCIAL STATEMENTS**  
**DECEMBER 31, 2006 (CONTINUED)**

**NOTE 14: LONG-TERM LIABILITIES (Continued)**

For the governmental activities, compensated absences are liquidated by the fund which pays the employee's salary.

	Balance 1/1/2006	Additions	Reductions	Balance 12/31/2006	Due Within One Year
<b>Business-type activities:</b>					
<b>Water Fund:</b>					
General Obligation Bonds:					
Water Supply System	\$ 7,015,000	\$ 0	\$ (695,000)	\$ 6,320,000	\$ 710,000
Less: deferred amount on refunding	(234,301)	0	26,033	(208,268)	0
Subtotal	6,780,699	0	(668,967)	6,111,732	710,000
<b>Sewer Fund:</b>					
OWDA Loans					
Sewer Plant	1,013,189	0	(312,898)	700,291	337,085
Sewer Collection System	457,423	0	(31,820)	425,603	33,144
Sewer Pump Station/EQ Basin	4,873,254	0	(290,111)	4,583,143	302,187
Sandra Drive Sewers	231,150	0	(13,885)	217,265	14,443
Subtotal	6,575,016	0	(648,714)	5,926,302	686,859
<b>Refuse Fund:</b>					
OWDA Loan					
Landfill Closure	2,313,040	0	(201,393)	2,111,647	210,248
Landfill post-closure payable	1,276,687	208,167	(185,276)	1,299,578	0
Subtotal	3,589,727	208,167	(386,669)	3,411,225	210,248
Compensated absences	257,271	141,615	(207,920)	190,966	78,248
Total	\$ 17,202,713	\$ 349,782	\$ (1,912,270)	\$ 15,640,225	\$ 1,685,355

The general obligation refunding bonds are paid from operating revenues of the Water Fund. The 1995 Ohio Works Development Authority (OWDA) loans payable, representing amounts borrowed from the OWDA for closure costs for the landfill, are paid from Refuse Fund revenue. The remaining OWDA loans were for sewer plant and collection system construction and will be paid from Sewer Fund revenue.

**CITY OF OXFORD, OHIO**  
**NOTES TO THE BASIC FINANCIAL STATEMENTS**  
**DECEMBER 31, 2006 (CONTINUED)**

**NOTE 14: LONG-TERM LIABILITIES (Continued)**

As of December 31, 2006, the City's overall legal debt margin (the ability to issue additional amounts of general obligation bonded debt) was \$24,228,729. Principal and interest requirements to retire the City's outstanding obligations at December 31, 2006 were:

	<u>Government Activities</u>		<u>Business-Type Activities</u>			
	<u>Park Improvement Bonds</u>		<u>Water Refunding Bonds</u>		<u>OWDA Loans</u>	
	<u>Principal</u>	<u>Interest</u>	<u>Principal</u>	<u>Interest</u>	<u>Principal</u>	<u>Interest</u>
2007	\$ 165,000	\$ 161,063	\$ 710,000	\$ 220,775	\$ 897,107	\$ 350,062
2008	175,000	153,060	730,000	201,250	947,015	302,617
2009	180,000	144,397	750,000	179,350	608,601	252,462
2010	190,000	135,397	770,000	153,100	634,450	226,615
2011	200,000	125,708	795,000	126,150	661,396	199,667
2012-2016	1,185,000	448,995	2,565,000	199,050	3,293,415	554,141
2017-2019	880,000	99,622	0	0	995,965	50,961
Total	<u>\$ 2,975,000</u>	<u>\$ 1,268,242</u>	<u>\$ 6,320,000</u>	<u>\$ 1,079,675</u>	<u>\$ 8,037,949</u>	<u>\$ 1,936,525</u>

**NOTE 15: CAPITALIZED LEASES**

The City has leased a copier under a capital lease. The asset under capital lease was recorded at \$21,087, which represented the present value of the future minimum lease payments at acquisition. The following is a schedule of future minimum lease payments under the capital leases and net present value of the minimum lease payments as of December 31, 2006:

Year Ending December 31, 2007	\$ 2,444
Less: Amount Representing Interest	<u>(41)</u>
Present Value of Minimum Lease Payments	<u>\$ 2,403</u>

**NOTE 16: CONTRACTUAL COMMITMENTS**

As of December 31, 2006 the City had a contractual commitment for the following project:

	<u>Contractual</u>		<u>Balance</u>
	<u>Commitment</u>	<u>Expended</u>	<u>12/31/2006</u>
Waste Water Plant	\$ 41,834	\$ 0	\$ 41,834

**CITY OF OXFORD, OHIO**  
**NOTES TO THE BASIC FINANCIAL STATEMENTS**  
**DECEMBER 31, 2006 (CONTINUED)**

**NOTE 17: TRANSFERS**

The City made the following transfers during 2006:

<b>Transfer To</b>	<b>Transfer From</b>		
	General	Parking	Total
<b>Major Funds:</b>			
General	\$ 0	\$ 0	\$ 0
Capital Improvement Fund	1,400,000	0	1,400,000
Parking Fund	59,000	0	59,000
<b>Nonmajor Funds:</b>			
Street Fund	396,000	0	396,000
Capital Replacement	300,000	0	300,000
Parking Lot Improvement Fund	0	65,000	65,000
Debt Service Fund	328,663	0	328,663
	<u>\$ 2,483,663</u>	<u>\$ 65,000</u>	<u>\$2,548,663</u>

The General Fund transfers money to the Debt Service Fund for general obligation bond retirement and to the Street Fund for operating costs associated with street maintenance. The General Fund transferred money to the Capital Improvement and Capital Replacement funds each for capital projects and equipment purchases. The General Fund also transferred money to the Parking Fund for operating costs associated with current operations. The Parking Fund transferred money to the Parking Lot Improvement fund for improvements. Governmental activities transferred capital assets to the water fund with a net book value of \$14,442. The sewer fund transferred capital assets to the governmental activities with a net book value of \$8,935.

**NOTE 18: LANDFILL POST-CLOSURE CARE**

During 1986 the City stopped receiving refuse in its public landfill. State and federal laws and regulations require the City to permanently close the landfill and to perform certain maintenance and monitoring functions at the site for thirty years after closure. This amount is based on what it would cost to perform all future post-closure care in 1996. The Ohio Environmental Protection Agency officially certified the closure of the landfill in May 1996. The remaining post-closure liability recorded in the Refuse Fund is \$1,299,578. However, the actual cost of post-closure care may be higher due to inflation, changes in technology, or changes in landfill laws and regulations. This liability will be paid from the Refuse Fund revenue. The reporting of the landfill closure and post-closure liability in the refuse fund follows the guidelines set by GASB Statement No. 18.

**CITY OF OXFORD, OHIO**  
**NOTES TO THE BASIC FINANCIAL STATEMENTS**  
**DECEMBER 31, 2006 (CONTINUED)**

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**NOTE 19: CONDUIT DEBT**

In 1995 the City issued \$6,300,000 of First Mortgage Hospital Facilities Revenue Bonds under a lease-purchase agreement between a bank, the City, and McCullough-Hyde Memorial Hospital. The bonds are to be repaid in varying monthly amounts through January 1, 2013. In 1998 the City issued \$3,658,000 of First Mortgage Hospital Facilities Revenue Bonds under a lease-purchase agreement between a bank, the City and McCullough Hyde Memorial Hospital for current and future equipment purchases. The total outstanding at December 31, 2006 is \$2,868,259. Under the terms of the debt agreements, the Hospital is responsible for all principal and interest payments. The rights to debt service payments on the hospital revenue bonds have been assigned to a third-party financial institution as trustee. The City does not act as agent in any capacity to collect or disburse debt service payments. The City has no liability for repayment of these bonds and, therefore, they are not included in these financial statements. The Hospital property acts as security for the indebtedness.

The City issued \$6,250,000 of Industrial Development Revenue Bonds on September 14, 2001 under an agreement between UHI Acquisition Corp., a bank and the City for the acquisition of Utility Holdings, Inc. The bonds are to be repaid over fifteen years at a variable interest rate. In May 2006, the Industrial Revenue Bonds were paid off through a conversion of the debt from bonds to a loan. Therefore, the amount outstanding at December 31, 2006 was \$0.

Under the terms of the debt agreements, UHI Acquisition Corp. is responsible for all principal and interest payments. The City does not act as agent in any capacity to collect or disburse debt service payments. The City has no liability for repayment of these bonds and, therefore, they are not included in these financial statements.

On December 1, 2006 the City authorized the issuance of a master lease-purchase and sublease-purchase agreement between the City, as Lessee, a third-party financial institution, as lessor and the McCullough-Hyde Memorial Hospital, as Sublessee. The master lease was for the purpose of constructing, equipping, improving, renovating and installing the fit-out of certain space to be leased by the hospital. The total outstanding at December 31, 2006 is \$5,167,000. Under the terms of the lease agreements, the Hospital is responsible for all principal and interest payments. The rights to rental payments on the hospital lease obligations have been assigned to a third-party financial institution as lessor. The City does not act as agent in any capacity to collect or disburse rental payments. The City has no liability for repayment of the leases and, therefore, they are not included in these financial statements. The Hospital property acts as security forth indebtedness.

**NOTE 20: RELATED ORGANIZATIONS**

The Mayor of Oxford, with approval of City Council, appoints the Board of Trustees of McCullough-Hyde Hospital, Inc. The City's accountability for the Hospital does not extend beyond making the appointments. During 2006, the City made no contributions to the Hospital.

**CITY OF OXFORD, OHIO**  
**NOTES TO THE BASIC FINANCIAL STATEMENTS**  
**DECEMBER 31, 2006 (CONTINUED)**

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**NOTE 21: CONTINGENT LIABILITIES**

**Litigation**

The City is of the opinion that ultimate disposition of claims and legal proceedings will not have a material effect on the financial condition of the City.

**Federal and State Grants**

The City received federal and state grants for specific purposes that are subject to review and audit by grantor agencies or designee. Such audits could lead to a request for reimbursement to the grantor agency for expenditures disallowed under the terms of the grant. The City believes all expenditures meet grant qualifications.

# SUPPLEMENTAL SECTION

## Combining Statements and Individual Fund Statements

# LISTING OF CITY FUNDS

During 2005, the City had 23 funds for reporting purposes, as follows:

## GENERAL FUND (1)

The General Fund is used to account for all financial resources traditionally associated with governments, except those required to be accounted for in another fund.

## SPECIAL REVENUE FUNDS (9)

Special Revenue Funds are used to account for financial resources for which specific uses are mandated by City ordinances or Federal and State statutes.

### **Major Special Revenue Fund:**

Parking Fund – To account for operation of parking control activities within the City, funded by revenues from meter collections, garage fees and fines.

### **Non-major Special Revenue Funds:**

Street Fund – Required by State law to account for that portion of the gasoline tax and motor vehicle license fees designated for maintenance of streets within the City.

State Highway Fund – Required by State law to account for that portion of the gasoline tax and motor vehicle license fees designated for maintenance of state highways within the City.

Community Development Block Grant Fund – To account for monies received from the federal government under the Community Development Block Grant Program.

Community Development Block Grant Loan Fund – To account for monies received from the federal government under the Community Development Block Grant Program. The monies are used for economic development loans.

Law Enforcement Fund – To account for monies received from the State for purposes of drug enforcement.

Enforcement and Education Fund – To account for monies received from the State for purposes of law enforcement and education.

Life Squad Fund – To account for contributions from private sources for the purpose of improving life squad services in the City and surrounding area.

Federal Emergency Management Agency Grant Fund – To account for federal grant monies used for snow emergency assistance. The financials reflect the grant receivable and a payable for the related transfer to the Street fund. There were no receipts or expenditures in 2004, and therefore no budget was adopted. As a result, a budget-versus-actual statement is not included.

## DEBT SERVICE FUND (1)

The Debt Service Fund is used to account for the accumulation of resources for, and the payment of, general long-term debt principal and interest.

## CAPITAL PROJECTS FUNDS (3)

The Capital Projects Funds are used to account for financial resources used for the acquisition or construction of major capital facilities.

### **Major Capital Projects Fund:**

Capital Improvement Fund – To account for financial resources for the acquisition or construction of various capital projects.

### **Non-major Capital Projects Funds:**

Capital Equipment Fund – To account for financial resources used for the acquisition of equipment.

Parking Improvement Fund – To account for financial resources used for the acquisition, construction, or improvement to municipal parking lots and garage.

## ENTERPRISE FUNDS (3)

Enterprise Funds are established to account for operations where the intent of the City is that the costs of providing goods or services on a continuing basis be recovered primarily through user charges.

### **Major Enterprise Funds:**

Water Fund – To account for the provision of water service to the City and surrounding areas.

Sewer Fund – To account for the provision of sanitary sewer service to the City and surrounding areas.

Refuse Fund – To account for the provision of refuse collection and disposal services to the City as well as costs associated with the municipal landfill post-closure monitoring.

## INTERNAL SERVICE FUNDS (2)

The Internal Service Funds are used to account for the financing of services provided by one department to other departments of the City, on a cost-reimbursement basis.

*Employee Benefits Fund* – To accumulate monies for the payment of employee health insurance, life insurance and medical claims under a self-insured plan. The City charges departments for insurance and pays actual claims, administrative costs, and insurance premiums from this fund.

*Internal Service Fund* – To account for financing of services provided by one department to another department for postage, gasoline and copies.

## AGENCY FUNDS (3)

Agency funds are used to account for assets held in a custodial capacity.

*Hotel Tax Fund* – Used as a clearing fund for guest tax revenues collected by the City from hotels within the City for the benefit of the Oxford Visitors and Convention Bureau.

*Board of Building Standards Fund* – To account for monies received on building permits which will be disbursed to the State of Ohio.

*Oxford Natural Gas Refund Fund* – To account for monies to be refunded to City residents from the Oxford Natural Gas Company.

**City of Oxford, Ohio**  
*Combining Balance Sheet*  
*Nonmajor Governmental Funds*  
*December 31, 2006*

	Nonmajor Special Revenue Funds	Nonmajor Debt Service Fund	Nonmajor Capital Projects Funds	Total Nonmajor Governmental Funds
<b>Assets</b>				
Equity in Pooled Cash and Investments	\$ 935,277	\$ -	\$ 1,149,066	\$ 2,084,343
Loans Receivable	34,529	-	-	34,529
Accrued Interest Receivable	9,511	-	-	9,511
Intergovernmental Receivable	214,963	-	-	214,963
Materials and Supplies Inventory	104,994	-	-	104,994
<i>Total Assets</i>	<u>\$ 1,299,274</u>	<u>\$ -</u>	<u>\$ 1,149,066</u>	<u>\$ 2,448,340</u>
<b>Liabilities</b>				
Accounts Payable	\$ 46,250	\$ -	\$ 1,080	\$ 47,330
Intergovernmental Payable	16,259	-	-	16,259
Deferred Revenue	134,000	-	-	134,000
Advances From Other Funds	150,000	-	-	150,000
<i>Total Liabilities</i>	<u>346,509</u>	<u>-</u>	<u>1,080</u>	<u>347,589</u>
<b>Fund Balances</b>				
Reserved for Encumbrances	44,606	-	228,773	273,379
Unreserved, Undesignated, Reported in:				
Special Revenue Funds	908,159	-	-	908,159
Capital Projects Funds	-	-	919,213	919,213
<i>Total Fund Balances</i>	<u>952,765</u>	<u>-</u>	<u>1,147,986</u>	<u>2,100,751</u>
<i>Total Liabilities and Fund Balances</i>	<u>\$ 1,299,274</u>	<u>\$ -</u>	<u>\$ 1,149,066</u>	<u>\$ 2,448,340</u>

**City of Oxford, Ohio**  
*Combining Statement of Revenues, Expenditures and Changes in Fund Balances*  
*Nonmajor Governmental Funds*  
*For the Year Ended December 31, 2006*

	Nonmajor Special Revenue Funds	Nonmajor Debt Service Fund	Nonmajor Capital Projects Funds	Total Nonmajor Governmental Funds
<b>Revenues</b>				
Charges for Services	\$ 24,783	\$ -	\$ -	\$ 24,783
Fines and Forfeitures	5,321	-	-	5,321
Intergovernmental	516,187	-	-	516,187
Interest	28,545	-	-	28,545
Contributions and Donations	23,320	-	-	23,320
Other	15,441	-	-	15,441
<i>Total Revenues</i>	<u>613,597</u>	<u>-</u>	<u>-</u>	<u>613,597</u>
<b>Expenditures</b>				
Current:				
Security of Persons and Property	41,359	-	-	41,359
Community and Economic Development	246,521	-	56,019	302,540
Transportation	646,390	-	-	646,390
Capital Outlay	-	-	205,112	205,112
Debt Service:				
Principal Retirements	-	160,000	-	160,000
Interest and Fiscal Charges	-	168,663	-	168,663
<i>Total Expenditures</i>	<u>934,270</u>	<u>328,663</u>	<u>261,131</u>	<u>1,524,064</u>
<i>Excess of Revenues Under Expenditures</i>	<u>(320,673)</u>	<u>(328,663)</u>	<u>(261,131)</u>	<u>(910,467)</u>
<b>Other Financing Source</b>				
Transfers In	<u>396,000</u>	<u>328,663</u>	<u>365,000</u>	<u>1,089,663</u>
<i>Net Change in Fund Balances</i>	75,327	-	103,869	179,196
<i>Fund Balances (Deficit) Beginning of Year</i>	<u>877,438</u>	<u>-</u>	<u>1,044,117</u>	<u>1,921,555</u>
<i>Fund Balances (Deficit) End of Year</i>	<u>\$ 952,765</u>	<u>\$ -</u>	<u>\$ 1,147,986</u>	<u>\$ 2,100,751</u>

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**City of Oxford, Ohio**  
*Combining Balance Sheet*  
*Nonmajor Special Revenue Funds*  
*December 31, 2006*

	Street	State Highway	Community Development Block Grant	Community Development Block Loan
<b>Assets</b>				
Equity in Pooled Cash and Investments	\$ 178,983	\$ 32,532	\$ 45,522	\$ 548,043
Loans Receivable	-	-	-	34,529
Accrued Interest Receivable	1,682	306		6,025
Intergovernmental Receivable	102,033	8,452	104,478	-
Materials and Supplies Inventory	104,994	-	-	-
<i>Total Assets</i>	<u>\$ 387,692</u>	<u>\$ 41,290</u>	<u>\$ 150,000</u>	<u>\$ 588,597</u>
<b>Liabilities</b>				
Accounts Payable	\$ 3,600	\$ -	\$ 40,000	\$ -
Intergovernmental Payable	16,259	-	-	-
Deferred Revenue	84,729	7,219	-	40,554
Advances From Other Funds	-	-	150,000	-
<i>Total Liabilities</i>	<u>104,588</u>	<u>7,219</u>	<u>190,000</u>	<u>40,554</u>
<b>Fund Balances</b>				
Reserved for Encumbrances	8,843	16,951	-	-
Unreserved, Undesignated, Reported in: Special Revenue Funds	274,261	17,120	(40,000)	548,043
<i>Total Fund Balances</i>	<u>283,104</u>	<u>34,071</u>	<u>(40,000)</u>	<u>548,043</u>
<i>Total Liabilities and Fund Balances</i>	<u>\$ 387,692</u>	<u>\$ 41,290</u>	<u>\$ 150,000</u>	<u>\$ 588,597</u>

Law Enforcement	Enforcement and Education	Life Squad	Total Nonmajor Special Revenue Funds
\$ 84,343	\$ 4,894	\$ 40,960	\$ 935,277
-	-	-	34,529
887	122	489	9,511
-	-	-	214,963
-	-	-	104,994
<u>\$ 85,230</u>	<u>\$ 5,016</u>	<u>\$ 41,449</u>	<u>\$ 1,299,274</u>
\$ -	\$ -	\$ 2,650	\$ 46,250
-	-	-	16,259
887	122	489	134,000
-	-	-	150,000
<u>887</u>	<u>122</u>	<u>3,139</u>	<u>346,509</u>
8,187	-	10,625	44,606
<u>76,156</u>	<u>4,894</u>	<u>27,685</u>	<u>908,159</u>
<u>84,343</u>	<u>4,894</u>	<u>38,310</u>	<u>952,765</u>
<u>\$ 85,230</u>	<u>\$ 5,016</u>	<u>\$ 41,449</u>	<u>\$ 1,299,274</u>

**City of Oxford, Ohio**  
*Combining Statement of Revenues, Expenditures and Changes in Fund Balances*  
*Nonmajor Special Revenue Funds*  
*For the Year Ended December 31, 2006*

	Street	State Highway	Community Development Block Grant	Community Development Block Loan
<b>Revenues</b>				
Charges for Services	\$ 23,583	\$ -	\$ -	\$ -
Fines and Forfeitures	-	-	-	-
Intergovernmental	306,185	20,980	186,522	-
Interest	5,560	911	-	17,791
Contributions and Donations	-	-	-	-
Other	-	-	-	15,441
<i>Total Revenues</i>	<u>335,328</u>	<u>21,891</u>	<u>186,522</u>	<u>33,232</u>
<b>Expenditures</b>				
Current:				
Security of Persons and Property	-	-	-	-
Community and Economic Development	-	-	226,522	19,999
Transportation	638,493	7,897	-	-
<i>Total Expenditures</i>	<u>638,493</u>	<u>7,897</u>	<u>226,522</u>	<u>19,999</u>
<i>Excess of Revenues Over(Under) Expenditures</i>	<u>(303,165)</u>	<u>13,994</u>	<u>(40,000)</u>	<u>13,233</u>
<b>Other Financing Source</b>				
Transfers In	396,000	-	-	-
<i>Net Change in Fund Balances</i>	92,835	13,994	(40,000)	13,233
<i>Fund Balances (Deficit) Beginning of Year</i>	<u>190,269</u>	<u>20,077</u>	<u>-</u>	<u>534,810</u>
<i>Fund Balances (Deficit) End of Year</i>	<u>\$ 283,104</u>	<u>\$ 34,071</u>	<u>\$ (40,000)</u>	<u>\$ 548,043</u>

Law Enforcement	Enforcement and Education	Life Squad	Total Nonmajor Special Revenue Funds
\$ 1,200	\$ -	\$ -	\$ 24,783
2,240	3,081	-	5,321
-	-	2,500	516,187
2,789	124	1,370	28,545
19,100	-	4,220	23,320
-	-	-	15,441
<u>25,329</u>	<u>3,205</u>	<u>8,090</u>	<u>613,597</u>
21,271	2,001	18,087	41,359
-	-	-	246,521
-	-	-	646,390
<u>21,271</u>	<u>2,001</u>	<u>18,087</u>	<u>934,270</u>
<u>4,058</u>	<u>1,204</u>	<u>(9,997)</u>	<u>(320,673)</u>
-	-	-	396,000
4,058	1,204	(9,997)	75,327
<u>80,285</u>	<u>3,690</u>	<u>48,307</u>	<u>877,438</u>
<u>\$ 84,343</u>	<u>\$ 4,894</u>	<u>\$ 38,310</u>	<u>\$ 952,765</u>

**City of Oxford, Ohio**  
*Combining Balance Sheet*  
*Nonmajor Capital Projects Funds*  
*December 31, 2006*

	<u>Capital Equipment</u>	<u>Parking Improvement</u>	<u>Total Nonmajor Capital Projects Funds</u>
<b>Assets</b>			
Equity in Pooled Cash and Investments	<u>\$ 1,138,771</u>	<u>\$ 10,295</u>	<u>\$ 1,149,066</u>
<b>Liabilities</b>			
Accounts Payable	<u>\$ 1,080</u>	<u>\$ -</u>	<u>\$ 1,080</u>
<b>Fund Balances</b>			
Reserved for Encumbrances	223,594	5,179	228,773
Unreserved, Undesignated, Reported in: Capital Projects Funds	<u>914,097</u>	<u>5,116</u>	<u>919,213</u>
<i>Total Fund Balances</i>	<u>1,137,691</u>	<u>10,295</u>	<u>1,147,986</u>
<i>Total Liabilities and Fund Balances</i>	<u>\$ 1,138,771</u>	<u>\$ 10,295</u>	<u>\$ 1,149,066</u>

**City of Oxford, Ohio**  
*Combining Statement of Revenues, Expenditures and Changes in Fund Balances*  
*Nonmajor Capital Projects Funds*  
*For the Year Ended December 31, 2006*

	Capital Equipment	Parking Improvement	Total Nonmajor Capital Projects Funds
<b>Expenditures</b>			
Current:			
Community and Economic Development	\$ -	\$ 56,019	\$ 56,019
Capital Outlay	205,112	-	205,112
<i>Total Expenditures</i>	<u>205,112</u>	<u>56,019</u>	<u>261,131</u>
<i>Excess of Revenues Under Expenditures</i>	<u>(205,112)</u>	<u>(56,019)</u>	<u>(261,131)</u>
<b>Other Financing Source</b>			
Transfers In	300,000	65,000	365,000
<i>Net Change in Fund Balances</i>	94,888	8,981	103,869
<i>Fund Balances Beginning of Year</i>	<u>1,042,803</u>	<u>1,314</u>	<u>1,044,117</u>
<i>Fund Balances End of Year</i>	<u>\$ 1,137,691</u>	<u>\$ 10,295</u>	<u>\$ 1,147,986</u>

**City of Oxford, Ohio**  
*Schedule of Revenues, Expenditures and Changes*  
*in Fund Balance - Budget (Non-GAAP Basis) and Actual*  
*General Fund*  
*For the Year Ended December 31, 2006*

	<u>Budgeted Amounts</u>			Variance with Final Budget Positive (Negative)
	<u>Original</u>	<u>Final</u>	<u>Actual</u>	
<b>Revenues</b>				
Property and Other Taxes	\$ 877,814	\$ 987,614	\$ 1,007,941	\$ 20,327
Municipal Income Taxes	6,022,355	5,833,355	6,556,224	722,869
Charges for Services	479,400	479,400	630,689	151,289
Licenses and Permits	376,500	376,500	380,319	3,819
Fines and Forfeitures	270,000	270,000	249,980	(20,020)
Intergovernmental	1,071,721	1,150,921	1,137,215	(13,706)
Interest	252,379	252,379	416,060	163,681
Contributions and Donations	41,500	41,500	39,865	(1,635)
Other	2,000	5,500	29,542	24,042
<i>Total Revenues</i>	<u>9,393,669</u>	<u>9,397,169</u>	<u>10,447,835</u>	<u>1,050,666</u>
<b>Expenditures</b>				
Current:				
General Government				
Management Information Systems	79,261	82,398	78,240	4,158
City Manager	138,937	161,937	150,242	11,695
Administrative Support	62,100	104,072	96,265	7,807
Finance Department	259,425	266,675	255,693	10,982
Income Tax Collections	141,522	164,522	153,978	10,544
Law	125,361	292,861	290,608	2,253
Civil Service and Personnel	48,407	49,477	41,658	7,819
Clerk of Council	110,131	119,361	118,563	798
Legislative	39,346	38,496	38,141	355
Municipal Building	128,815	125,815	123,562	2,253
City Garage	103,932	103,932	95,548	8,384
Court House	32,200	32,200	27,255	4,945
Engineering	98,881	94,401	84,432	9,969
Insurance	158,242	139,302	136,836	2,466
<i>Total General Government</i>	<u>1,526,560</u>	<u>1,775,449</u>	<u>1,691,021</u>	<u>84,428</u>
Security of Persons and Property				
Police Law Enforcement	2,892,976	2,892,976	2,879,931	13,045
Traffic Control	68,864	68,864	68,005	859
Animal Control	45,731	45,731	37,784	7,947
Communications	776,555	722,555	685,708	36,847
Firefighting and Training	239,471	249,098	235,207	13,891
Life Squad	104,343	141,516	137,701	3,815
Emergency Management	9,450	9,450	8,844	606
Street Lighting	69,780	69,780	65,909	3,871
<i>Total Security of Persons and Property</i>	<u>4,207,170</u>	<u>4,199,970</u>	<u>4,119,089</u>	<u>80,881</u>

(Continued)

**City of Oxford, Ohio**  
*Schedule of Revenues, Expenditures and Changes*  
*in Fund Balance - Budget (Non-GAAP Basis) and Actual*  
*General Fund*  
*For the Year Ended December 31, 2006*

	<u>Budgeted Amounts</u>			Variance with Final Budget Positive (Negative)
	<u>Original</u>	<u>Final</u>	<u>Actual</u>	
Public Health Services				
Cemeteries	17,418	17,418	14,173	3,245
Public Health	6,200	6,200	5,499	701
Community Assistance	89,650	89,650	89,550	100
<i>Total Public Health Services</i>	<u>113,268</u>	<u>113,268</u>	<u>109,222</u>	<u>4,046</u>
Leisure Time Services				
Senior Citizens and Community Center	42,532	45,957	41,979	3,978
Swimming Pool	98,915	98,840	95,953	2,887
Recreation Programs	551,918	549,388	531,542	17,846
Parks Maintenance	326,050	326,050	319,894	6,156
Recreation Administration	134,302	138,982	136,792	2,190
<i>Total Leisure Time Services</i>	<u>1,153,717</u>	<u>1,159,217</u>	<u>1,126,160</u>	<u>33,057</u>
Community and Economic Development				
Planning Department	242,241	246,721	241,028	5,693
Inspections	365,224	396,724	379,226	17,498
Affordable Housing	25,000	25,000	25,000	0
Urban Forestry	25,000	25,000	24,995	5
Economic Development	95,446	85,446	78,071	7,375
<i>Total Community and Economic Development</i>	<u>752,911</u>	<u>778,891</u>	<u>748,320</u>	<u>30,571</u>
<i>Total Expenditures</i>	<u>7,753,626</u>	<u>8,026,795</u>	<u>7,793,812</u>	<u>232,983</u>
<i>Excess of Revenues Over Expenditures</i>	<u>1,640,043</u>	<u>1,370,374</u>	<u>2,654,023</u>	<u>1,283,649</u>
<b>Other Financing Use</b>				
Transfers Out	(1,783,663)	(2,483,663)	(2,483,663)	0
<i>Net Change in Fund Balances</i>	(143,620)	(1,113,289)	170,360	1,283,649
<i>Fund Balances Beginning of Year</i>	3,916,177	3,916,177	3,916,177	0
Prior Year Encumbrances Appropriated	240,318	240,318	240,318	0
<i>Fund Balances End of Year</i>	<u>\$ 4,012,875</u>	<u>\$ 3,043,206</u>	<u>\$ 4,326,855</u>	<u>\$ 1,283,649</u>

**City of Oxford, Ohio**  
*Schedule of Revenues, Expenditures and Changes*  
*in Fund Balance - Budget (Non-GAAP Basis) and Actual*  
*Street Fund*  
*For the Year Ended December 31, 2006*

	<u>Budgeted Amounts</u>			Variance with Final Budget Positive (Negative)
	<u>Original</u>	<u>Final</u>	<u>Actual</u>	
<b>Revenues</b>				
Charges for Services	\$ 5,000	\$ 18,400	\$ 23,583	\$ 5,183
Intergovernmental	289,500	299,500	303,860	4,360
Interest	3,070	3,070	5,407	2,337
<i>Total Revenues</i>	<u>297,570</u>	<u>320,970</u>	<u>332,850</u>	<u>11,880</u>
<b>Expenditures</b>				
Current:				
Transportation	688,417	693,417	689,316	4,101
<i>Total Expenditures</i>	<u>688,417</u>	<u>693,417</u>	<u>689,316</u>	<u>4,101</u>
<i>Excess of Revenues Under Expenditures</i>	<u>(390,847)</u>	<u>(372,447)</u>	<u>(356,466)</u>	<u>15,981</u>
<b>Other Financing Source</b>				
Transfers In	396,000	396,000	396,000	-
<i>Net Change in Fund Balances</i>	5,153	23,553	39,534	15,981
<i>Fund Balances Beginning of Year</i>	116,216	116,216	116,216	-
Prior Year Encumbrances Appropriated	9,572	9,572	9,572	-
<i>Fund Balances End of Year</i>	<u>\$ 130,941</u>	<u>\$ 149,341</u>	<u>\$ 165,322</u>	<u>\$ 15,981</u>

**City of Oxford, Ohio**  
*Schedule of Revenues, Expenditures and Changes*  
*in Fund Balance - Budget (Non-GAAP Basis) and Actual*  
*State Highway Fund*  
*For the Year Ended December 31, 2006*

	<u>Budgeted Amounts</u>			Variance with Final Budget Positive (Negative)
	<u>Original</u>	<u>Final</u>	<u>Actual</u>	
<b>Revenues</b>				
Intergovernmental	\$ 19,200	\$ 19,200	\$ 20,792	\$ 1,592
Interest	300	300	918	618
<i>Total Revenues</i>	<u>19,500</u>	<u>19,500</u>	<u>21,710</u>	<u>2,210</u>
<b>Expenditures</b>				
Current:				
Transportation	36,028	36,028	35,940	88
<i>Total Expenditures</i>	<u>36,028</u>	<u>36,028</u>	<u>35,940</u>	<u>88</u>
<i>Net Change in Fund Balances</i>	(16,528)	(16,528)	(14,230)	2,298
<i>Fund Balances Beginning of Year</i>	13,075	13,075	13,075	-
Prior Year Encumbrances Appropriated	<u>16,528</u>	<u>16,528</u>	<u>16,528</u>	<u>-</u>
<i>Fund Balances End of Year</i>	<u>\$ 13,075</u>	<u>\$ 13,075</u>	<u>\$ 15,373</u>	<u>\$ 2,298</u>

**City of Oxford, Ohio**  
*Schedule of Revenues, Expenditures and Changes*  
*in Fund Balance - Budget (Non-GAAP Basis) and Actual*  
*Community Development Block Grant*  
*For the Year Ended December 31, 2006*

	<u>Budgeted Amounts</u>			Variance with Final Budget Positive (Negative)
	<u>Original</u>	<u>Final</u>	<u>Actual</u>	
<b>Revenues</b>				
Intergovernmental	\$ 228,102	\$ 228,102	\$ 82,044	\$ (146,058)
<i>Total Revenues</i>	<u>228,102</u>	<u>228,102</u>	<u>82,044</u>	<u>(146,058)</u>
<b>Expenditures</b>				
Current:				
Community and Economic Development	226,845	226,845	226,522	323
<i>Total Expenditures</i>	<u>226,845</u>	<u>226,845</u>	<u>226,522</u>	<u>323</u>
<i>Net Change in Fund Balances</i>	1,257	1,257	(144,478)	(145,735)
<i>Fund Balances Beginning of Year</i>	130,261	130,261	130,261	-
Prior Year Encumbrances Appropriated	<u>19,739</u>	<u>19,739</u>	<u>19,739</u>	<u>-</u>
<i>Fund Balances End of Year</i>	<u>\$ 151,257</u>	<u>\$ 151,257</u>	<u>\$ 5,522</u>	<u>\$ (145,735)</u>

**City of Oxford, Ohio**  
*Schedule of Revenues, Expenditures and Changes*  
*in Fund Balance - Budget (Non-GAAP Basis) and Actual*  
*Community Development Block Grant Loan Fund*  
*For the Year Ended December 31, 2006*

	<u>Budgeted Amounts</u>			Variance with Final Budget Positive (Negative)
	<u>Original</u>	<u>Final</u>	<u>Actual</u>	
<b>Revenues</b>				
Interest	\$ 15,423	\$ 15,423	\$ 18,280	\$ 2,857
Other	13,186	13,186	15,441	(2,255)
<i>Total Revenues</i>	<u>28,609</u>	<u>28,609</u>	<u>33,721</u>	<u>602</u>
<b>Expenditures</b>				
Current:				
Community and Economic Development	450,000	450,000	19,999	430,001
<i>Net Change in Fund Balances</i>	(421,391)	(421,391)	13,722	430,603
<i>Fund Balances Beginning of Year</i>	<u>530,501</u>	<u>530,501</u>	<u>530,501</u>	<u>-</u>
<i>Fund Balances End of Year</i>	<u><u>\$ 109,110</u></u>	<u><u>\$ 109,110</u></u>	<u><u>\$ 544,223</u></u>	<u><u>\$ 430,603</u></u>

**City of Oxford, Ohio**  
*Schedule of Revenues, Expenditures and Changes*  
*in Fund Balance - Budget (Non-GAAP Basis) and Actual*  
*Law Enforcement Fund*  
*For the Year Ended December 31, 2006*

	<u>Budgeted Amounts</u>			Variance with Final Budget Positive (Negative)
	<u>Original</u>	<u>Final</u>	<u>Actual</u>	
<b>Revenues</b>				
Charges for Services	\$ 1,000	\$ 1,000	\$ 1,200	\$ 200
Fines and Forfeitures	500	500	2,240	1,740
Interest	200	200	2,833	2,633
Contributions and Donations	10,000	10,000	19,100	9,100
Other	500	500	-	(500)
<i>Total Revenues</i>	<u>12,200</u>	<u>12,200</u>	<u>25,373</u>	<u>13,173</u>
<b>Expenditures</b>				
Current:				
Security of Persons and Property	<u>29,510</u>	<u>29,510</u>	<u>29,458</u>	<u>52</u>
<i>Net Change in Fund Balances</i>	(17,310)	(17,310)	(4,085)	13,225
<i>Fund Balances Beginning of Year</i>	67,632	67,632	67,632	-
Prior Year Encumbrances Appropriated	<u>12,010</u>	<u>12,010</u>	<u>12,010</u>	<u>-</u>
<i>Fund Balances End of Year</i>	<u>\$ 62,332</u>	<u>\$ 62,332</u>	<u>\$ 75,557</u>	<u>\$ 13,225</u>

**City of Oxford, Ohio**  
*Schedule of Revenues, Expenditures and Changes  
in Fund Balance - Budget (Non-GAAP Basis) and Actual  
Enforcement and Education Fund  
For the Year Ended December 31, 2006*

	<u>Budgeted Amounts</u>			Variance with Final Budget Positive (Negative)
	<u>Original</u>	<u>Final</u>	<u>Actual</u>	
<b>Revenues</b>				
Fines and Forfeitures	\$ -	\$ -	\$ 3,081	\$ 3,081
Interest	-	-	160	160
<i>Total Revenues</i>	-	-	3,241	3,241
<b>Expenditures</b>				
Current:				
Security of Persons and Property	8,561	8,561	8,561	-
<i>Net Change in Fund Balances</i>	(8,561)	(8,561)	(5,320)	3,241
<i>Fund Balances Beginning of Year</i>	3,613	3,613	3,613	-
Prior Year Encumbrances Appropriated	6,560	6,560	6,560	-
<i>Fund Balances End of Year</i>	<u>\$ 1,612</u>	<u>\$ 1,612</u>	<u>\$ 4,853</u>	<u>\$ 3,241</u>

**City of Oxford, Ohio**  
*Schedule of Revenues, Expenditures and Changes*  
*in Fund Balance - Budget (Non-GAAP Basis) and Actual*  
*Life Squad Budget*  
*For the Year Ended December 31, 2006*

	<u>Budgeted Amounts</u>			Variance with Final Budget Positive (Negative)
	<u>Original</u>	<u>Final</u>	<u>Actual</u>	
<b>Revenues</b>				
Intergovernmental	\$ 2,000	\$ 4,500	\$ 2,500	\$ (2,000)
Interest	-	-	1,435	1,435
Contributions and Donations	1,000	1,000	5,220	4,220
<i>Total Revenues</i>	<u>3,000</u>	<u>5,500</u>	<u>9,155</u>	<u>3,655</u>
<b>Expenditures</b>				
Current:				
Security of Persons and Property	<u>32,277</u>	<u>34,777</u>	<u>28,712</u>	<u>6,065</u>
<i>Total Expenditures</i>	<u>32,277</u>	<u>34,777</u>	<u>28,712</u>	<u>6,065</u>
<i>Net Change in Fund Balances</i>	(29,277)	(29,277)	(19,557)	9,720
<i>Fund Balances Beginning of Year</i>	37,676	37,676	37,676	-
Prior Year Encumbrances Appropriated	<u>542</u>	<u>542</u>	<u>542</u>	<u>0</u>
<i>Fund Balances End of Year</i>	<u>\$ 8,941</u>	<u>\$ 8,941</u>	<u>\$ 18,661</u>	<u>\$ 9,720</u>

**City of Oxford, Ohio**  
*Schedule of Revenues, Expenditures and Changes*  
*in Fund Balance - Budget (Non-GAAP Basis) and Actual*  
*Debt Service Fund*  
*For the Year Ended December 31, 2006*

	<u>Budgeted Amounts</u>			Variance with Final Budget Positive (Negative)
	<u>Original</u>	<u>Final</u>	<u>Actual</u>	
<b>Expenditures</b>				
Debt Service:				
Principal Retirements	\$ 160,000	\$ 160,000	\$ 160,000	\$ -
Interest and Fiscal Charges	<u>168,663</u>	<u>168,663</u>	<u>168,663</u>	<u>-</u>
<i>Total Expenditures</i>	<u>328,663</u>	<u>328,663</u>	<u>328,663</u>	<u>-</u>
<b>Other Financing Source</b>				
Transfers In	<u>328,663</u>	<u>328,663</u>	<u>328,663</u>	<u>-</u>
<i>Net Change in Fund Balances</i>	-	-	-	-
<i>Fund Balances Beginning of Year</i>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
<i>Fund Balances End of Year</i>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>

**City of Oxford, Ohio**  
*Schedule of Revenues, Expenditures and Changes*  
*in Fund Balance - Budget (Non-GAAP Basis) and Actual*  
*Capital Improvement Fund*  
*For the Year Ended December 31, 2006*

	<u>Budgeted Amounts</u>			Variance with Final Budget Positive (Negative)
	<u>Original</u>	<u>Final</u>	<u>Actual</u>	
<b>Revenues</b>				
Special Assessments	\$ -	\$ -	\$ 4,164	\$ 4,164
Intergovernmental	-	-	36,171	36,171
Contributions and Donations	207,000	207,000	207,000	-
Other	-	-	2,916	2,916
<i>Total Revenues</i>	<u>207,000</u>	<u>207,000</u>	<u>250,251</u>	<u>43,251</u>
<b>Expenditures</b>				
Capital Outlay	<u>4,588,124</u>	<u>5,378,124</u>	<u>3,333,135</u>	<u>2,044,989</u>
<i>Total Expenditures</i>	<u>4,588,124</u>	<u>5,378,124</u>	<u>3,333,135</u>	<u>2,044,989</u>
<i>Excess of Revenues Under Expenditures</i>	<u>(4,381,124)</u>	<u>(5,171,124)</u>	<u>(3,082,884)</u>	<u>2,088,240</u>
<b>Other Financing Sources</b>				
Transfers In	700,000	1,400,000	1,400,000	-
Advances In	<u>100,000</u>	<u>100,000</u>	<u>100,000</u>	<u>-</u>
<i>Total Other Financing Sources</i>	<u>800,000</u>	<u>1,500,000</u>	<u>1,500,000</u>	<u>-</u>
<i>Net Change in Fund Balances</i>	(3,581,124)	(3,671,124)	(1,582,884)	2,088,240
<i>Fund Balances Beginning of Year</i>	4,174,237	4,174,237	4,174,237	-
Prior Year Encumbrances Appropriated	<u>1,500,215</u>	<u>1,500,215</u>	<u>1,500,215</u>	<u>-</u>
<i>Fund Balances End of Year</i>	<u>\$ 2,093,328</u>	<u>\$ 2,003,328</u>	<u>\$ 4,091,568</u>	<u>\$ 2,088,240</u>

**City of Oxford, Ohio**  
*Schedule of Revenues, Expenditures and Changes*  
*in Fund Balance - Budget (Non-GAAP Basis) and Actual*  
*Parking Improvement Fund*  
*For the Year Ended December 31, 2006*

	<u>Budgeted Amounts</u>			Variance with Final Budget Positive (Negative)
	<u>Original</u>	<u>Final</u>	<u>Actual</u>	
<b>Expenditures</b>				
Current:				
Community and Economic Development	\$ 64,703	\$ 64,703	\$ 61,198	\$ 3,505
<i>Total Expenditures</i>	<u>64,703</u>	<u>64,703</u>	<u>61,198</u>	<u>3,505</u>
<i>Excess of Revenues Under Expenditures</i>	<u>(64,703)</u>	<u>(64,703)</u>	<u>(61,198)</u>	<u>3,505</u>
<b>Other Financing Source</b>				
Transfers In	<u>65,000</u>	<u>65,000</u>	<u>65,000</u>	<u>-</u>
<i>Net Change in Fund Balances</i>	297	297	3,802	3,505
<i>Fund Balances Beginning of Year</i>	<u>1,314</u>	<u>1,314</u>	<u>1,314</u>	<u>-</u>
<i>Fund Balances End of Year</i>	<u>\$ 1,611</u>	<u>\$ 1,611</u>	<u>\$ 5,116</u>	<u>\$ 3,505</u>

**City of Oxford, Ohio**  
*Schedule of Revenues, Expenditures and Changes*  
*in Fund Balance - Budget (Non-GAAP Basis) and Actual*  
*Capital Equipment Fund*  
*For the Year Ended December 31, 2006*

	<u>Budgeted Amounts</u>			Variance with Final Budget Positive (Negative)
	<u>Original</u>	<u>Final</u>	<u>Actual</u>	
<b>Revenues</b>				
Contributions and Donations	\$ 2,000	\$ -	\$ -	\$ -
<i>Total Revenues</i>	<u>2,000</u>	<u>-</u>	<u>-</u>	<u>-</u>
<b>Expenditures</b>				
Capital Outlay	466,378	466,378	436,288	30,090
<i>Total Expenditures</i>	<u>466,378</u>	<u>466,378</u>	<u>436,288</u>	<u>30,090</u>
<i>Excess of Revenues Under Expenditures</i>	<u>(464,378)</u>	<u>(466,378)</u>	<u>(436,288)</u>	<u>30,090</u>
<b>Other Financing Source</b>				
Transfers In	300,000	300,000	300,000	-
<i>Net Change in Fund Balances</i>	(164,378)	(166,378)	(136,288)	30,090
<i>Fund Balances Beginning of Year</i>	1,001,625	1,001,625	1,001,625	-
Prior Year Encumbrances Appropriated	48,760	48,760	48,760	-
<i>Fund Balances End of Year</i>	<u>\$ 886,007</u>	<u>\$ 884,007</u>	<u>\$ 914,097</u>	<u>\$ 30,090</u>

**City of Oxford, Ohio**  
*Combining Statement of Net Assets*  
*Internal Service Funds*  
*December 31, 2006*

	Employee Benefits	Internal Service	Total Internal Service Funds
<b>Assets</b>			
Equity in Pooled Cash and Investments	\$ 258,467	\$ 46,473	\$ 304,940
Accrued Interest Receivable	-	3,456	3,456
Prepaid Items	14,606	-	14,606
Materials and Supplies Inventory	-	18,731	18,731
Depreciable Capital Assets	-	3,991	3,991
<i>Total Assets</i>	<u>273,073</u>	<u>72,651</u>	<u>\$ 345,724</u>
<b>Liabilities</b>			
Accounts Payable	-	418	418
Claims Payable	56,509	-	56,509
<i>Total Liabilities</i>	<u>56,509</u>	<u>418</u>	<u>56,927</u>
<b>Net Assets</b>			
Invested in Capital Assets, Net of Related Debt	-	3,991	3,991
Unrestricted	216,564	68,242	284,806
<i>Total Net Assets</i>	<u>\$ 216,564</u>	<u>\$ 72,233</u>	<u>\$ 288,797</u>

**City of Oxford, Ohio**  
*Combining Statement of Revenues, Expenses and Changes in Fund Net Assets*  
*Internal Service Funds*  
*For the Year Ended December 31, 2006*

	Employee Benefits	Internal Service	Total Internal Service Funds
<b>Operating Revenues</b>			
Charges for Services	\$ 1,098,327	\$ 166,980	\$ 1,265,307
<b>Operating Expenses</b>			
Contractual Services	113,266	-	113,266
Materials and Supplies	-	159,187	159,187
Claims	909,839	-	909,839
<i>Total Operating Expenses</i>	<u>1,023,105</u>	<u>159,187</u>	<u>1,182,292</u>
<i>Operating Income</i>	<u>75,222</u>	<u>7,793</u>	<u>83,015</u>
<b>Non-Operating Revenue</b>			
Interest Revenue	9,549	5,035	14,584
<i>Change in Net Assets</i>	84,771	12,828	97,599
<i>Net Assets Beginning of Year</i>	<u>131,793</u>	<u>59,405</u>	<u>191,198</u>
<i>Net Assets End of Year</i>	<u>\$ 216,564</u>	<u>\$ 72,233</u>	<u>\$ 288,797</u>

**City of Oxford, Ohio**  
*Combining Statement of Cash Flows*  
*Internal Service Funds*  
*For the Year Ended December 31, 2006*

	Employee Benefits	Internal Service	Total
<b>Increase (Decrease) in Cash and Cash Equivalents</b>			
<b>Cash Flows from Operating Activities</b>			
Cash Received from Customers	\$ -	\$ 166,980	\$ 166,980
Cash Received from Interfund Services Provided	1,098,327	-	1,098,327
Cash Payments to Suppliers for Goods and Services	-	(172,597)	(172,597)
Cash Payments for Contractual Services	(115,044)	-	(115,044)
Cash Payments for Employee Medical Claims	(964,912)	-	(964,912)
<i>Net Cash Provided by (Used for) Operating Activities</i>	<u>18,371</u>	<u>(5,617)</u>	<u>12,754</u>
<b>Cash Flows from Investing Activities</b>			
Interest	12,423	2,206	14,629
<i>Net Cash Provided by Investing Activities</i>	<u>12,423</u>	<u>2,206</u>	<u>14,629</u>
<i>Net Increase (Decrease) in Cash and Cash Equivalents</i>	30,794	(3,411)	27,383
<i>Cash and Cash Equivalents at Beginning of Year</i>	<u>227,673</u>	<u>49,884</u>	<u>277,557</u>
<i>Cash and Cash Equivalents at End of Year</i>	<u>\$ 258,467</u>	<u>\$ 46,473</u>	<u>\$ 304,940</u>
<b>Reconciliation of Operating loss to Net Cash Provided by (Used for) Operating Activities</b>			
Operating Income (Loss)	\$ 75,222	\$ 7,793	\$ 83,015
Adjustments:			
(Increase) Decrease in Assets:			
Accounts Receivable	900	-	900
Materials and Supplies Inventory	-	(4,777)	(4,777)
Prepaid Items	(1,778)	-	(1,778)
Increase (Decrease) in Liabilities:			
Accounts Payable	-	(8,633)	(8,633)
Claims Payable	(55,973)	-	(55,973)
<i>Net Cash Provided by (Used for) Operating Activities</i>	<u>\$ 18,371</u>	<u>\$ (5,617)</u>	<u>\$ 12,754</u>

**City of Oxford, Ohio**  
*Combining Statement of Assets and Liabilities*  
*Agency Funds*  
*December 31, 2006*

	Hotel Tax Fund	Board of Building Standards Fund	Oxford Natural Gas Refund Fund	Total Agency Funds
<b>Assets</b>				
Equity in Pooled Cash and Investments	\$ 1	\$ 96	\$ 2,583	\$ 2,680
Taxes Receivable	9,222	-	-	9,222
<i>Total Assets</i>	<u>\$ 9,223</u>	<u>\$ 96</u>	<u>\$ 2,583</u>	<u>\$ 11,902</u>
<b>Liabilities</b>				
Undistributed Monies	<u>\$ 9,223</u>	<u>\$ 96</u>	<u>\$ 2,583</u>	<u>\$ 11,902</u>

**City of Oxford, Ohio**  
*Combining Statement of Changes in Assets and Liabilities*  
*Agency Funds*  
*For the Year Ended December 31, 2006*

	Balance 1/1/2006	Additions	Deductions	Balance 12/31/2006
<b>Hotel Tax Fund</b>				
<b>Assets</b>				
Equity in Pooled Cash and Investments	\$ -	\$ 1	\$ -	\$ 1
Taxes Receivable	8,138	9,222	8,138	9,222
<b>Total Assets</b>	<b>\$ 8,138</b>	<b>\$ 9,223</b>	<b>\$ 8,138</b>	<b>\$ 9,223</b>
<b>Liabilities</b>				
Undistributed Monies	\$ 8,138	\$ 9,223	\$ 8,138	\$ 9,223
<b>Board of Building Standards Fund</b>				
<b>Assets</b>				
Equity in Pooled Cash and Cash Equivalents	\$ 38	\$ 58	\$ -	\$ 96
<b>Liabilities</b>				
Undistributed Monies	\$ 38	\$ 58	\$ -	\$ 96
<b>Oxford Natural Gas Refund Fund</b>				
<b>Assets</b>				
Equity in Pooled Cash and Cash Equivalents	\$ 11,866	\$ 73	\$ 9,356	\$ 2,583
Accrued Interest Receivable	178	-	178	-
<b>Total Assets</b>	<b>\$ 6,165</b>	<b>\$ 73</b>	<b>\$ 9,534</b>	<b>\$ 2,583</b>
<b>Liabilities</b>				
Accounts Payable	\$ 3,242	\$ -	\$ 3,242	\$ -
Undistributed Monies	8,802	3,315	9,534	2,583
<b>Total Liabilities</b>	<b>\$ 12,044</b>	<b>\$ 3,315</b>	<b>\$ 12,776</b>	<b>\$ 2,583</b>
<b>Totals - All Agency Funds</b>				
<b>Assets</b>				
Equity in Pooled Cash and Cash Equivalents	\$ 11,904	\$ 132	\$ 9,356	\$ 2,680
Taxes Receivable	8,138	9,222	8,138	9,222
Accrued Interest Receivable	178	-	178	-
<b>Total Assets</b>	<b>\$ 20,220</b>	<b>\$ 9,354</b>	<b>\$ 17,672</b>	<b>\$ 11,902</b>
<b>Liabilities</b>				
Accounts Payable	\$ 3,242	\$ -	\$ 3,242	\$ -
Undistributed Monies	16,978	12,596	17,672	11,902
<b>Total Liabilities</b>	<b>\$ 20,220</b>	<b>\$ 12,596</b>	<b>\$ 20,914</b>	<b>\$ 11,902</b>

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# Statistical Section

This part of the City of Oxford Ohio's Comprehensive Annual Financial Report presents detailed information as a context for understanding what the information in the financial statements, note disclosures, and required supplementary information says about

<b><u>Contents</u></b>	<b><u>Page(s)</u></b>
<b>Financial Trends</b> These schedules contain trend information to help the reader understand how the city's financial position has changed over time.	<b>88 - 99</b>
<b>Revenue Capacity</b> These schedules contain information to help the reader understand and assess the factors affecting the City's ability to generate its most significant local revenue sources, the property tax and the sales tax.	<b>100 - 106</b>
<b>Debt Capacity</b> These schedules present information to help the reader assess the affordability of the City's current levels of outstanding debt and the City's ability to issue additional debt in the future.	<b>107 - 116</b>
<b>Economic and Demographic Information</b> These schedules offer economic and demographic indicators to help the reader understand the environment within which the City's financial activities take place and to provide information that facilitates comparisons of financial information over time and	<b>117 - 120</b>
<b>Operating Information</b> These schedules contain service and infrastructure data to help the reader understand how the information in the City's financial report relates to the services the city provides and the activities it performs.	<b>122 - 125</b>

**Sources:** Unless otherwise noted, the information in these schedules is derived from the Comprehensive Annual Financial Reports for the relevant year. The county implemented GASB Statement 34 in 2001; schedules presenting government-wide information includ

**CITY OF OXFORD**  
*Net Assets by Component*  
*Last Six Years*  
*(accrual basis of accounting)*

	2001	2002	2003
<b>Governmental Activities:</b>			
Invested in Capital Assets, Net of Related Debt	9767590	9,002,748	\$10,198,505
Restricted for:			
Capital Outlay	3663577	816,577	175,339
Other Purposes	838078	837,917	789,458
Unrestricted (Deficit)	5343864	9,778,088	11,226,798
<b>Total Governmental Activities Net Assets</b>	<b>\$19,613,109</b>	<b>\$20,435,330</b>	<b>\$22,390,100</b>
<b>Business-type Activities:</b>			
Invested in Capital Assets, Net of Related Debt	\$11,119,735	\$13,259,832	\$13,388,790
Restricted for:			
Capital Outlay	-	-	-
Other Purposes	1,286,587	538,760	618,471
Unrestricted (Deficit)	7,342,297	7,880,653	8,858,506
<b>Total Business-type Activities Net Assets</b>	<b>\$19,748,619</b>	<b>\$21,679,245</b>	<b>\$22,865,767</b>
<b>Primary Government:</b>			
Invested in Capital Assets, Net of Related Debt	\$20,887,325	\$22,262,580	\$23,587,295
Restricted for:			
Capital Outlay	3,663,577	816,577	175,339
Other Purposes	2,124,665	1,376,677	1,407,929
Unrestricted (Deficit)	12,686,161	17,658,741	20,085,304
<b>Total Primary Government Net Assets</b>	<b>\$39,361,728</b>	<b>\$42,114,575</b>	<b>\$45,255,867</b>

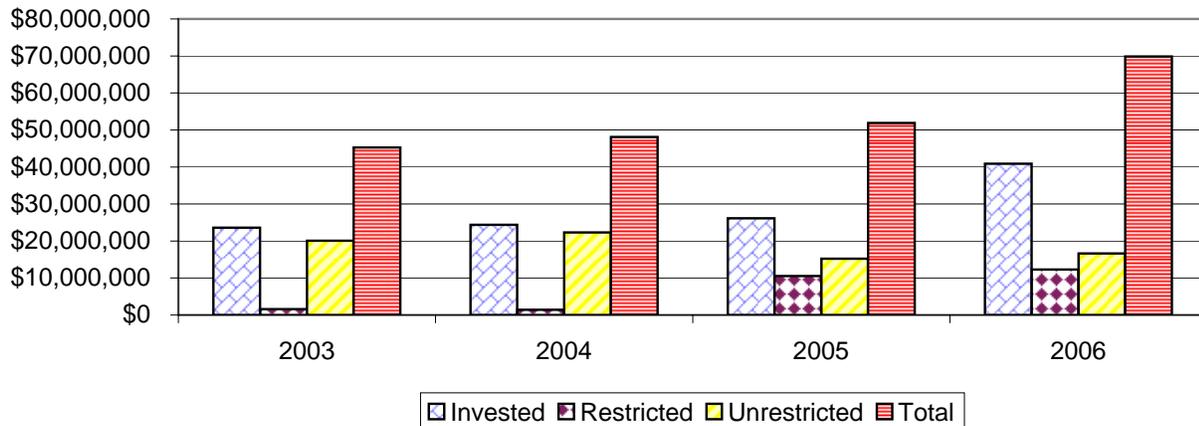
**Note:** The City implemented GASB 34 in fiscal year 2001.

2004	2005	2006
\$10,763,535	\$12,163,584	\$26,501,311
-	8,961,180	9,830,986
811,876	937,362	1,037,940
12,088,068	3,853,836	4,571,788
<u>\$23,663,479</u>	<u>\$25,915,962</u>	<u>\$41,942,025</u>
\$13,622,770	\$13,959,553	\$14,395,472
-	-	0
618,471	618,471	1,437,467
10,216,285	11,375,297	12,059,760
<u>\$24,457,526</u>	<u>\$25,953,321</u>	<u>\$27,892,699</u>
\$24,386,305	\$26,123,137	\$40,896,783
0	8,961,180	9,830,986
1,430,347	1,555,833	2,475,407
22,304,353	15,229,133	16,631,548
<u>\$48,121,005</u>	<u>\$51,869,283</u>	<u>\$69,834,724</u>

**CITY OF OXFORD**  
*Net Assets by Component*  
*Last Six Years*  
*(accrual basis of accounting)*

	2001	2002	2003
Invested in Capital Assets, Net of Related Debt	\$20,887,325	\$22,262,580	\$23,587,295
Restricted for:			
Capital Outlay	3,663,577	816,577	175,339
Other Purposes	2,124,665	1,376,677	1,407,929
Unrestricted (Deficit)	12,686,161	17,658,741	20,085,304
<b>Total Net Assets</b>	<b>\$39,361,728</b>	<b>\$42,114,575</b>	<b>\$45,255,867</b>

**Net Assets**



2004	2005	2006
\$24,386,305	\$26,123,137	\$40,896,783
0	8,961,180	9,830,986
1,430,347	1,555,833	2,475,407
22,304,353	15,229,133	16,631,548
\$48,121,005	\$51,869,283	\$69,834,724

**CITY OF OXFORD**  
*Changes in Net Assets*  
*Last Six Years*  
*(accrual basis of accounting)*

	2001	2002	2003	2004	2005	2006
<b>Expenses</b>						
<b>Governmental Activities:</b>						
General Government:	\$ 1,364,191	\$ 1,607,227	\$ 1,378,313	\$ 1,459,258	\$ 1,555,665	\$ 1,626,013
Security of Persons and Property	3,311,140	3,568,033	4,001,941	4,002,239	3,982,613	4,124,123
Public health services	93,150	129,143	119,514	117,057	144,446	105,972
Leisure time activities	1,002,380	1,148,401	1,002,450	1,282,124	1,444,845	1,356,112
Community environment	236,937	1,216,854	729,345	904,090	486,504	1,060,056
Transportation	1,072,392	1,228,329	1,401,055	1,230,327	1,075,809	1,328,636
Interest on long term debt	198,810	193,588	187,761	183,472	175,948	168,494
<i>Total Governmental</i>						
<i>    Activities Expenses</i>	<u>7,279,000</u>	<u>9,091,575</u>	<u>8,820,379</u>	<u>9,178,567</u>	<u>8,865,830</u>	<u>9,769,406</u>
<b>Business-type Activities:</b>						
Water	2,419,327	2,360,881	2,062,456	2,147,710	2,101,610	2,009,675
Sewer	2,544,675	2,666,563	2,772,287	2,975,150	2,944,496	2,841,435
Refuse	1,290,757	1,133,177	1,223,886	1,097,558	1,422,302	1,380,082
<i>Total Business-type</i>						
<i>    Activities Expenses</i>	<u>6,254,759</u>	<u>6,160,621</u>	<u>6,058,629</u>	<u>6,220,418</u>	<u>6,468,408</u>	<u>6,231,192</u>
<i>Total Primary Government</i>						
<i>    Expenses</i>	<u>13,533,759</u>	<u>15,252,196</u>	<u>14,879,008</u>	<u>15,398,985</u>	<u>15,334,238</u>	<u>16,000,598</u>
<b>Program Revenues</b>						
<b>Governmental Activities:</b>						
Charges for Services	\$986,370	\$1,128,106	\$1,263,975	\$1,506,892	\$1,733,916	\$ 1,779,697
Operating Grants and Contributions	357,359	379,016	493,844	661,842	542,022	675,627
Capital Grants and Contributions	46,738	83,375	273,525	220,590	41,009	236,074
Property Taxes	690,027	712,771	780,850	840,967	904,765	1,006,659
Income Taxes	5,537,896	5,466,898	5,796,651	5,883,833	6,441,179	6,630,531
Other Taxes	1,253,510	1,708,355	1,398,993	-	-	-
Grants and Entitlements	170,807	149,863	104,841	1,123,952	990,269	992,315
(not restricted to specific program)						
Unrestricted Contributions	-	-	-	-	100	-
Investment earnings	1,731,993	663,627	317,965	339,477	828,575	533,682
Miscellaneous	289,284	53,998	542,648	49,459	126,228	56,256
<i>Total Governmental Activities</i>						
<i>    Program Revenues</i>	<u>11,063,984</u>	<u>10,346,009</u>	<u>10,973,292</u>	<u>10,627,012</u>	<u>11,608,063</u>	<u>11,910,841</u>

(continued)

**CITY OF OXFORD**  
*Changes in Net Assets of Governmental Activities (continued)*  
*Last Six Years*  
*(accrual basis of accounting)*

	2001	2002	2003	2004	2005	2006
<b>Business-type Activities:</b>						
Charges for Services						
Water	2,500,785	2,565,524	2,415,535	2,620,849	2,677,808	2,637,925
Sewer	3,306,904	3,559,278	3,286,386	3,275,774	3,261,053	3,122,402
Refuse	1,210,076	1,236,284	1,273,687	1,331,688	1,395,392	1,436,575
Operating Grants and Contributions	-	-	-	-	-	3,082
Capital Grants and Contributions	46,738	297,948	71,400	408,800	140,200	183,000
<i>Total Business-type Activities</i>						
<i>Program Revenues</i>	<u>7,064,503</u>	<u>7,659,034</u>	<u>7,047,008</u>	<u>7,637,111</u>	<u>7,474,453</u>	<u>7,382,984</u>
<i>Total Primary Government</i>						
<i>Program Revenues</i>	<u>18,128,487</u>	<u>18,005,043</u>	<u>18,020,300</u>	<u>18,264,123</u>	<u>19,082,516</u>	<u>19,293,825</u>
<b>Net (Expense)/Revenue</b>						
Governmental Activities	3,784,984	1,254,434	2,152,913	1,448,445	2,742,233	2,141,435
Business-type Activities	<u>809,744</u>	<u>1,498,413</u>	<u>988,379</u>	<u>1,416,693</u>	<u>1,006,045</u>	<u>1,151,792</u>
<i>Total Primary Government</i>						
<i>Net (Expense)/Revenue</i>	<u>\$4,594,728</u>	<u>\$2,752,847</u>	<u>\$3,141,292</u>	<u>\$2,865,138</u>	<u>\$3,748,278</u>	<u>\$3,293,227</u>
<b>General Revenues and Other</b>						
<b>Changes in Net Assets</b>						
Governmental Activities:						
Property Taxes Levied for:						
General Purposes	\$690,027	\$712,771	\$780,850	\$840,967	\$904,765	\$1,006,659
Income Taxes	5,537,896	5,466,898	5,796,651	5,883,833	6,441,179	6,630,531
Other Taxes	1,253,510	1,708,355	1,398,993	0	0	0
Grants and Entitlements (not restricted to specific program)	170,807	149,863	104,841	1,123,952	990,269	992,315
Unrestricted Contributions	0	0	-	-	100	0
Investment earnings	1,731,993	663,627	120,765	168,002	344,521	533,682
Miscellaneous	289,284	53,998	541,705	45,868	120,532	56,256
<i>Total Governmental Activities</i>	<u>9,673,517</u>	<u>8,755,512</u>	<u>8,743,805</u>	<u>8,062,622</u>	<u>8,801,366</u>	<u>9,219,443</u>
Business-type Activities:						
Investment Earnings	880,916	427,071	197,200	171,475	484,054	578,471
Miscellaneous	127,656	5,142	943	3,591	5,696	16,587
<i>Total Business-type Activities</i>	<u>1,008,572</u>	<u>432,213</u>	<u>198,143</u>	<u>175,066</u>	<u>489,750</u>	<u>595,058</u>
<i>Total Primary Government</i>	<u>10,682,089</u>	<u>9,187,725</u>	<u>8,941,948</u>	<u>8,237,688</u>	<u>9,291,116</u>	<u>9,814,501</u>
<b>Change in Net Assets</b>						
Governmental Activities	5,888,533	7,501,078	6,590,892	6,614,177	6,059,133	7,078,008
Business-type Activities	<u>198,828</u>	<u>(1,066,200)</u>	<u>(790,236)</u>	<u>(1,241,627)</u>	<u>(516,295)</u>	<u>(556,734)</u>
<i>Total Primary Government</i>						
<i>Change in Net Assets</i>	<u>\$6,087,361</u>	<u>\$6,434,878</u>	<u>\$5,800,656</u>	<u>\$5,372,550</u>	<u>\$5,542,838</u>	<u>\$6,521,274</u>

**Note:** The City began to report accrual information when it implemented GASB Statement 34 in fiscal year 2001.

**CITY OF OXFORD**

*Program Revenues by Function/Program*

*Last Six Years*

*(accrual basis of accounting)*

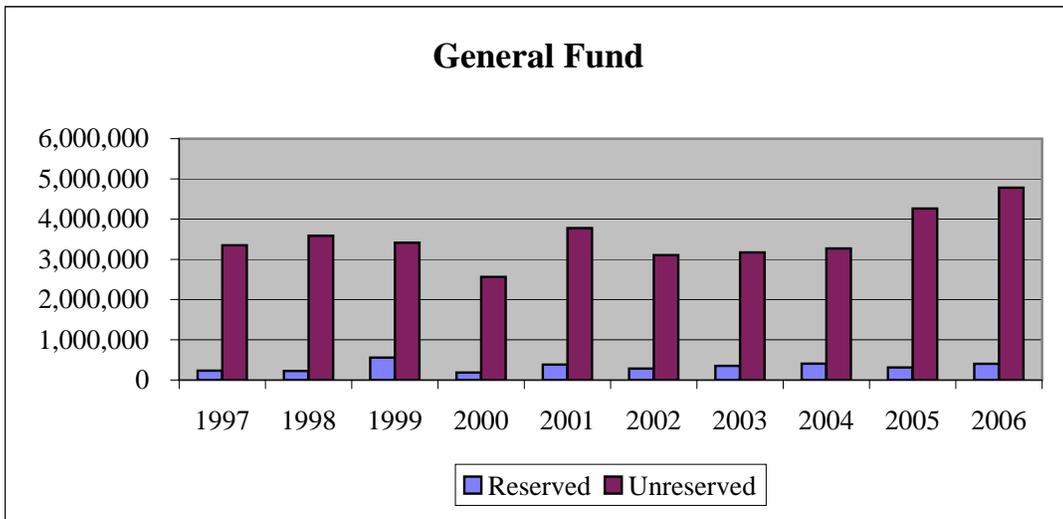
<b>Function/Program</b>	<b>Program Revenues</b>		
	<u>2001</u>	<u>2002</u>	<u>2003</u>
Governmental activities:			
Charges for Services	\$986,370	\$1,128,106	\$1,263,975
Operating Grants and Contributions	357,359	379,016	493,844
Capital Grants and Contributions	46,738	83,375	273,525
Property Taxes	690,027	712,771	780,850
Income Taxes	5,537,896	5,466,898	5,796,651
Other Taxes	1,253,510	1,708,355	1,398,993
Grants and Entitlements	170,807	149,863	104,841
(not restricted to specific program)			
Unrestricted Contributions	-	-	-
Investment earnings	1,731,993	663,627	317,965
Miscellaneous	289,284	53,998	542,648
<i>Total Governmental Activities Program Revenues</i>	<u>11,063,984</u>	<u>10,346,009</u>	<u>10,973,292</u>
	<u>2001</u>	<u>2002</u>	<u>2003</u>
Business-Type Activities:			
Charges for Services			
Water	2,500,785	2,565,524	2,415,535
Sewer	3,306,904	3,559,278	3,286,386
Refuse	1,210,076	1,236,284	1,273,687
Operating Grants and Contributions	-	-	-
Capital Grants and Contributions	46,738	297,948	71,400
<i>Total Business-type Activities Program Revenues</i>	<u>7,064,503</u>	<u>7,659,034</u>	<u>7,047,008</u>
<i>Total Primary Government</i>	<u><u>18,128,487</u></u>	<u><u>18,005,043</u></u>	<u><u>18,020,300</u></u>

**Program Revenues**

<u>2004</u>	<u>2005</u>	<u>2006</u>
\$1,506,892	\$1,733,916	1,779,697
661,842	542,022	675,627
220,590	41,009	236,074
840,967	904,765	1,006,659
5,883,833	6,441,179	6,630,531
-	-	0
1,123,952	990,269	992,315
-	100	0
339,477	828,575	533,682
49,459	126,228	56,256
<u>10,627,012</u>	<u>11,608,063</u>	<u>11,910,841</u>
<u>2004</u>	<u>2005</u>	<u>2006</u>
2,620,849	2,677,808	2,637,925
3,275,774	3,261,053	3,122,402
1,331,688	1,395,392	1,436,575
-	-	3,082
408,800	140,200	183,000
<u>7,637,111</u>	<u>7,474,453</u>	<u>7,382,984</u>
<u>18,264,123</u>	<u>19,082,516</u>	<u>19,293,825</u>

**CITY OF OXFORD**  
*Fund Balances, Governmental Funds*  
*Last Ten Years*  
*(modified accrual basis of accounting)*

	1997	1998	1999	2000
<b>General Fund</b>				
Reserved	\$232,823	\$225,370	\$556,201	\$184,155
Unreserved	3,350,415	3,587,581	3,415,058	2,562,475
<b>Total General Fund</b>	<u>3,583,238</u>	<u>3,812,951</u>	<u>3,971,259</u>	<u>2,746,630</u>
<b>All Other Governmental Funds</b>				
Reserved	\$ 516,144	\$ 645,580	\$ 2,696,593	\$ 641,125
Unreserved, Undesignated, Reported in:				
Special Revenue Funds	779,892	1,165,705	1,258,473	1,135,580
Debt Service Funds	36,357	2,654	2,142	-
Capital Projects Funds	1,174,469	1,971,662	4,827,288	8,306,781
Permanent Fund	-	-	-	-
<b>Total All Other Governmental Funds</b>	<u>2,506,862</u>	<u>3,785,601</u>	<u>8,784,496</u>	<u>10,083,486</u>
<b>Total Governmental Funds</b>	<u><u>\$6,090,100</u></u>	<u><u>\$7,598,552</u></u>	<u><u>\$12,755,755</u></u>	<u><u>\$12,830,116</u></u>



2001	2002	2003	2004	2005	2006
\$384,071	\$283,944	\$350,869	\$408,019	\$312,492	\$403,090
3,777,679	3,105,222	3,173,063	3,271,034	4,262,013	4,783,330
4,161,750	3,389,166	3,523,932	3,679,053	4,574,505	5,186,420
\$ 3,180,245	\$ 3,707,134	\$ 3,011,813	\$ 3,133,622	\$ 3,869,167	\$ 4,836,449
(1,599,040)	(1,553,702)	(1,363,851)	(1,018,946)	(727,193)	(435,931)
757	1,703	-	-		1
6,417,794	4,768,417	6,138,877	6,045,618	5,213,348	5,041,016
-	-	-	-	-	-
7,999,756	6,923,552	7,786,839	8,160,294	8,355,322	9,441,535
<u>\$12,161,506</u>	<u>\$10,312,718</u>	<u>\$11,310,771</u>	<u>\$11,839,347</u>	<u>\$12,929,827</u>	<u>\$14,627,955</u>

**CITY OF OXFORD**  
*Changes in Fund Balances, Governmental Funds*  
*Last Ten Years*  
*(modified accrual basis of accounting)*

	1997	1998	1999	2000
<b>Revenues</b>				
Property and Other Taxes	\$698,772	\$590,466	\$610,860	\$699,254
Municipal Income Taxes	4,562,889	4,769,853	5,093,693	5,412,771
Intergovernmental	1,511,178	2,283,539	1,797,751	1,777,536
Charges for Services	451,166	536,202	519,316	575,533
Fines and Forfeitures	345,327	326,554	211,638	266,803
Licenses and Permits	230,403	253,640	306,405	259,644
Special Assessments	10,841	7,991	7,818	6,489
Interest	258,330	349,681	387,415	806,230
Contributions and Donations	26,163	20,919	47,309	302,524
Other	32,105	226,991	18,863	26,300
<i>Total Revenues</i>	<u>8,127,174</u>	<u>9,365,836</u>	<u>9,001,068</u>	<u>10,133,084</u>
<b>Expenditures</b>				
Current:				
Security of Persons and Property	2,469,600	2,712,829	2,921,136	3,060,053
Public Health Services	63,870	74,364	65,820	79,450
Leisure Time Activities	533,122	562,200	703,067	733,136
Community Environment	823,971	975,852	811,216	606,858
Transportation	483,715	576,046	645,045	710,463
General Government	1,182,371	1,176,293	1,234,501	1,329,800
Capital Outlay	967,221	2,065,350	1,214,492	3,223,963
Debt Service:				
Principal Retirement	3,571	1,000	1,000	93,655
Interest and Fiscal Charges	8,630	270	203	237,401
<i>Total Expenditures</i>	<u>6,536,071</u>	<u>8,144,204</u>	<u>7,596,480</u>	<u>10,074,779</u>
<i>Excess of Revenues Over (Under) Expenditures</i>	<u>1,591,103</u>	<u>1,221,632</u>	<u>1,404,588</u>	<u>58,305</u>
<b>Other Financing Sources (Uses)</b>				
Operating Transfers - In	2,084,324	3,018,980	3,227,764	4,620,972
Operating Transfers - Out	(2,084,324)	(3,028,988)	(3,088,764)	(4,620,972)
Proceeds from Sale of Bonds	0	0	0	0
Proceeds from Capital Lease	0	0	3,915,000	10,658
<i>Total Other Financing Sources (Uses)</i>	<u>0</u>	<u>(10,008)</u>	<u>4,054,000</u>	<u>10,658</u>
<i>Net Change in Fund Balances</i>	<u>\$1,591,103</u>	<u>\$1,211,624</u>	<u>\$5,458,588</u>	<u>\$68,963</u>
Debt Service as a Percentage of				
Noncapital Expenditures	0.22%	0.02%	0.02%	5.08%

2001	2002	2003	2004	2005	2006
\$689,552	\$705,495	\$785,100	\$840,967	\$904,765	\$1,006,659
5,535,437	5,649,198	6,035,339	5,858,965	6,473,251	6,576,810
1,824,656	1,930,985	1,908,992	1,767,729	1,767,657	1,730,138
590,228	677,582	887,628	718,848	937,897	977,706
252,287	311,089	335,960	359,125	419,727	434,749
294,155	304,287	353,467	383,112	357,915	374,513
7,519	6,718	7,374	7,057	6,726	4,164
718,038	297,911	130,781	204,342	292,747	585,456
61,544	179,469	193,155	81,989	79,008	270,185
141,959	19,787	465,823	40,986	132,662	50,310
<u>10,115,375</u>	<u>10,082,521</u>	<u>11,103,619</u>	<u>10,263,120</u>	<u>11,372,355</u>	<u>12,010,690</u>
3,037,664	3,438,323	3,655,200	3,688,519	3,708,926	4,051,727
93,150	129,143	119,514	111,157	144,446	103,110
794,010	883,344	1,001,366	1,087,593	1,055,704	1,102,575
713,293	1,219,167	709,028	1,287,121	669,163	1,018,689
680,714	849,020	894,284	834,048	973,903	1,031,296
1,251,747	1,360,079	1,420,844	1,422,888	1,439,754	1,589,484
3,772,896	3,757,645	1,934,721	983,771	1,942,252	1,080,165
125,000	130,000	150,354	155,426	155,615	166,389
199,243	194,054	191,189	183,836	176,529	169,127
<u>10,667,717</u>	<u>11,960,775</u>	<u>10,076,500</u>	<u>9,754,359</u>	<u>10,266,292</u>	<u>10,312,562</u>
<u>(552,342)</u>	<u>(1,878,254)</u>	<u>1,027,119</u>	<u>508,761</u>	<u>1,106,063</u>	<u>1,698,128</u>
4,740,312	3,095,000	2,976,763	2,246,564	2,224,385	2,548,663
(4,740,312)	(3,105,000)	(2,976,763)	(2,246,564)	(2,224,385)	(2,548,663)
0	0	0	0	0	0
9,930	26,058	0	0	0	0
<u>9,930</u>	<u>16,058</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>
<u>(\$542,412)</u>	<u>(\$1,862,196)</u>	<u>\$1,027,119</u>	<u>\$508,761</u>	<u>\$1,106,063</u>	<u>\$1,698,128</u>
4.93%	4.11%	4.38%	4.02%	4.16%	3.77%

**CITY OF OXFORD**  
*Assessed and Estimated Actual Value of Taxable Property*  
*Last Ten Years*

Collection Year	Real Property			Tangible Personal Property	
	Assessed Value		Estimated Actual Value	Public Utility	
	Residential/ Agricultural	Commercial/ Industrial/PU *		Assessed Value	Estimated Actual Value
1997	\$96,165,359	\$47,758,871	\$411,212,086	\$8,933,890	\$ 10,152,148
1998	98,603,505	48,969,735	421,637,829	8,951,300	10,171,932
1999	115,103,778	57,164,312	492,194,543	8,882,460	10,093,705
2000	116,763,724	57,988,696	499,292,629	7,815,440	8,881,182
2001	116,878,870	58,045,880	499,785,000	6,939,160	7,885,409
2002	130,651,854	64,885,996	558,679,571	7,056,880	8,019,182
2003	133,874,194	66,486,316	572,458,600	7,055,870	8,018,034
2004	136,864,587	67,971,443	585,245,800	7,385,770	8,392,920
2005	237,167,700	78,700,172	677,622,000	6,952,660	7,900,750
2006	163,496,470	81,197,710	699,126,229	6,852,480	7,786,909

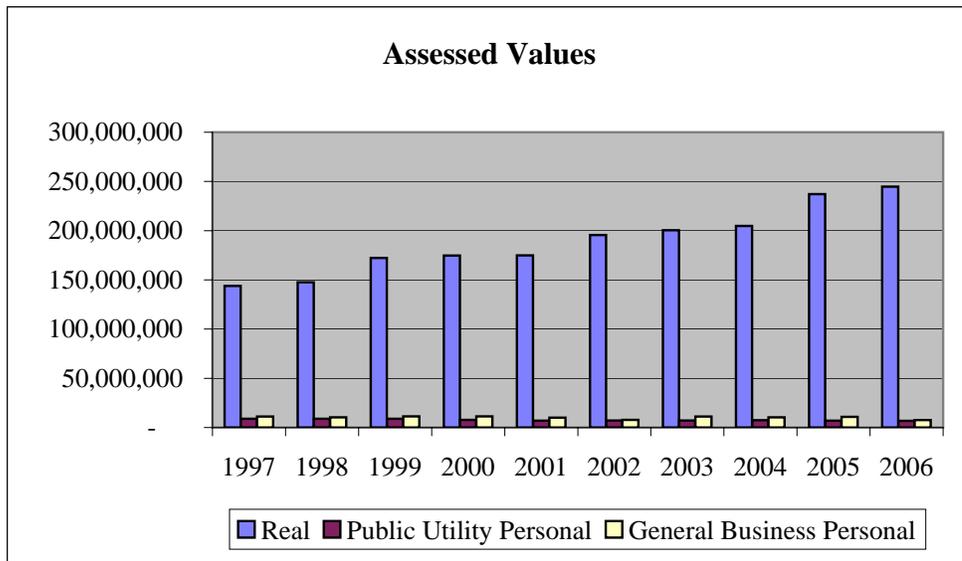
Property is assessed every year. The assessed value of real property (including public utility real property) is 35 percent of estimated true value. Personal property tax is assessed on all tangible personal property used in business in Ohio. The assessed value of public utility personal property ranges from 25 percent of true value for railroad property to 88 percent for electric transmission and distribution property. General business tangible personal property is assessed at 25 percent for everything except inventories, which are assessed at 23 percent.

The tangible personal property values associated with each year are the values that, when multiplied by the applicable rates, generated the property tax revenue billed in that year. For real property, the amounts generated by multiplying the assessed values by the applicable rates would be reduced by the 10%, 2 1/2% and homestead exemptions before being billed.

\*1997-2005 - Real Property Assessed Value breakdown between the Residential/Agricultural and Commercial/Industrial/PU is based on the percentage average using 2006 as the base year. The value reported are estimates since the County did not have records to report the actual amounts.

**Source:** Butler County Auditor's Office

Tangible Personal Property					
General Business		Total			Direct Tax Rate (in mills)
Assessed Value	Estimated Actual Value	Assessed Value	Estimated Actual Value	Ratio	
\$11,180,473	\$49,874,336	\$164,038,593	\$471,238,569	34.81%	3.65
10,372,048	41,488,192	166,896,588	473,297,952	35.26%	3.65
11,324,795	45,299,180	192,475,345	547,587,427	35.15%	3.65
11,324,809	45,295,912	193,892,669	553,469,722	35.03%	3.65
9,965,115	39,860,460	191,829,025	547,530,869	35.04%	3.65
7,772,421	31,089,684	210,367,151	597,788,437	35.19%	3.65
11,081,358	44,325,432	218,497,738	624,802,066	34.97%	3.65
10,402,590	41,610,360	222,624,390	635,249,080	35.05%	3.65
10,851,129	40,707,676	254,971,489	726,230,426	35.11%	3.65
7,536,472	27,409,920	259,083,132	734,323,058	35.28%	3.65



**CITY OF OXFORD**  
*Property Tax Rates*  
(per \$1,000 of assessed value)  
*Last Ten Years*

	1997	1998	1999	2000
<b>Unvoted Millage</b>				
Operating	3.65	3.65	3.65	3.65
<b>Total Unvoted Millage</b>	3.65	3.65	3.65	3.65
<b>Voted Millage - by levy</b>				
None	0.00	0.00	0.00	0.00
<b>Total Voted millage</b>	0.00	0.00	0.00	0.00
<b>Total millage</b>	3.65	3.65	3.65	3.65

The rates presented for a particular calendar year are the rates that, when applied to the assessed values presented in the Assessed Value Table, generated the property tax revenue billed in that year.

Rates may only be raised by obtaining the approval of a majority of the voters at a public election.

*Property Tax Rates of Direct and Overlapping Governments*  
(per \$1,000 of assessed value)  
*Last Ten Years*

	1997	1998	1999	2000
Butler County	8.45	8.45	8.45	8.45
Talawanda School	43.8	43.8	43.8	50.3
Butler County Vocational School	1.93	1.93	1.93	1.93
Cities:				
Oxford City	3.65	3.65	3.65	3.65
Townships:				
Oxford Township	0.24	0.24	0.24	0.24
<b>Total Millage</b>	58.07	58.07	58.07	64.57

The rates presented in this Table represent the original voted rates.

**Source:** Butler County Treasurer's Office for both tables

2001	2002	2003	2004	2005	2006
3.65	3.65	3.65	3.65	3.65	3.65
3.65	3.65	3.65	3.65	3.65	3.65
0.00	0.00	0.00	0.00	0.00	0.00
0.00	0.00	0.00	0.00	0.00	0.00
3.65	3.65	3.65	3.65	3.65	3.65

2001	2002	2003	2004	2005	2006
8.75	8.75	8.74	8.74	9.44	10.95
50.3	50.3	51.49	51.49	51.47	51.47
1.93	1.93	1.93	1.93	1.93	1.93
3.65	3.65	3.65	3.65	3.65	3.65
0.24	0.24	0.24	0.24	0.24	0.24
64.87	64.87	66.05	66.05	66.73	68.24

**CITY OF OXFORD**  
*Property Tax Levies and Collections*  
*Last Ten Years*

Collection Year	Current Tax Levy	Current Tax Collections	Percent of Current Tax Collections to Current Tax Levy	Delinquent Tax Collections	Total Tax Collections	Percent of Total Tax Collections to Current Tax Levy
1997	\$482,023	\$474,506	98.44%	\$12,277	\$486,783	100.99%
1998	542,976	535,143	98.56	12,170	547,313	100.80
1999	571,315	554,900	97.13	14,712	569,612	99.70
2000	647,975	646,301	99.74	9,538	655,839	101.21
2001	707,705	641,337	90.62	9,811	651,148	92.01
2002	700,176	661,680	94.50	15,741	677,421	96.75
2003	767,840	737,389	96.03	15,901	753,290	98.11
2004	757,070	742,134	98.03	19,794	761,928	100.64
2005	812,195	767,481	94.49	15,542	783,023	96.41
2006	928,185	865,490	93.25	18,709	884,199	95.26

**Source:** Butler County Auditor's Office

**CITY OF OXFORD**

*Principal Taxpayers*

*Real Estate Tax*

*January 1, 2005 and January 1, 1996*

Name of Taxpayer	January 1, 2005	
	Assessed Value	Percent of Real Property Assessed Value
Cincinnati Gas & Electric	5,095,970	0.53%
D & B Family LTD PRT	4,635,070	0.48%
Southwestern Ohio	3,535,190	0.37%
Ogden Investments LTD PRT	3,484,500	0.36%
University Commons PRT	2,965,440	0.31%
Brookside at Chestnut LLC	2,339,400	0.24%
Red Brick Pride LTD	1,807,520	0.19%
Square D Co	1,692,460	0.18%
Rodbro Christopher M	1,758,330	0.18%
Redskin LTD	1,638,070	0.17%
Totals	<u>\$28,951,950</u>	<u>3.01%</u>
Total Assessed Valuation	963,050,843	

Name of Taxpayer	January 1, 1996	
	Assessed Value	Percent of Real Property Assessed Value
Edward Redpath	\$2,616,780	1.58%
D & B Family Ltd Prt	2,557,980	1.55
University Commons Prt	2,160,320	1.31
Ogden Investments Prt	2,038,750	1.23
Ray Day	1,082,750	0.65
Totals	<u>\$10,456,580</u>	<u>6.32%</u>
Total Assessed Valuation	<u>\$165,326,704</u>	

Real property taxes paid in 2006 are based on January 1, 2005 values.

Real property taxes paid in 1997 are based on January 1, 1996 values.

**Source:** Butler County Auditor's Office

**CITY OF OXFORD**  
*Income Tax Revenue Base and Collections*  
*Last Ten Years*

<u>Tax Year</u>	<u>Tax Rate</u>	<u>Total Tax Collected</u>	<u>Taxes from Withholding</u>	<u>Percentages of Taxes From Withholding</u>	<u>Taxes from Net Profits</u>	<u>Percentage of Taxes from Net Profits</u>	<u>Taxes from Individuals</u>	<u>Percentage of Taxes from Individuals</u>
1997	1.75%	4,602,479	4,134,947	89.84%	228,280	4.96%	239,252	5.20%
1998	1.75%	4,693,824	4,174,076	88.93%	278,161	5.93%	241,587	5.15%
1999	1.75%	5,063,858	4,444,417	87.77%	324,447	6.41%	294,994	5.83%
2000	1.75%	5,366,885	4,707,163	87.71%	368,924	6.87%	290,798	5.42%
2001	1.75%	5,579,047	4,974,879	89.17%	276,317	4.95%	327,851	5.88%
2002	1.75%	5,615,304	5,066,202	90.22%	263,852	4.70%	285,250	5.08%
2003	1.75%	5,524,502	4,912,736	88.93%	227,341	4.12%	384,425	6.96%
2004	1.75%	5,855,034	5,250,516	89.68%	239,701	4.09%	364,816	6.23%
2005	1.75%	6,738,316	5,992,437	88.93%	344,556	5.11%	401,324	5.96%
2006	1.75%	6,670,508	5,795,838	86.89%	478,138	7.10%	396,533	5.88%

**Source:** City of Hamilton, Income Tax Division

**CITY OF OXFORD**  
*Computation of Direct and Overlapping  
Debt Attributable to Governmental Activities  
December 31, 2006*

	<u>Debt Outstanding</u>	<u>Percentage Applicable to County (1)</u>	<u>Amount of Direct and Overlapping Debt</u>
Direct:			
City of Oxford	\$3,135,000	100.00%	\$3,135,000
Overlapping:			
Talawanda School District	\$8,865,000	42.66%	\$3,781,809
	<u>                    </u>	<u>                    </u>	<u>                    </u>
Total	<u><u>\$12,000,000</u></u>		<u><u>\$6,916,809</u></u>

**Source:** Ohio Municipal Advisory Council

(1) Percentages were determined by dividing the assessed valuation of the political subdivision located within the boundaries of the County by the total assessed valuation of the subdivision. The valuations used were for the 2005 collection year.

**CITY OF OXFORD**  
*Ratio of Outstanding Debt By Type*

*Last Ten Years*

Year	Governmental Activities				Business-Type Activities		
	General Obligation Bonds	Special Assessment Bonds	Other Obligations	Capital Leases	Mortgage Revenue Bonds Payable	Landfill Bonds Payable	OWDA Loans Payable
1997	\$0	\$4,000	\$414,395	\$0	\$12,580,000	\$1,400,000	\$9,175,725
1998	0	3,000.00	390,138	0	12,120,000	1,350,000	13,377,948
1999	3,915,000	2,000.00	467,467	\$0	11,640,000	0	12,787,730
2000	3,825,000	0	506,193	9,003	11,135,000	0	12,521,396
2001	3,700,000	0	418,449	17,803	10,600,000	0	11,869,408
2002	3,570,000	0	434,913	35,187	8,712,598	0	11,182,224
2003	3,430,000	0	409,250	24,833	8,083,632	0	10,457,765
2004	3,285,000	0	450,333	14,407	7,434,665	0	9,693,827
2005	3,135,000	0	482,270	8,792	6,780,699	0	8,888,056
2006	2,975,000	0	458,122	2,403	6,111,732	0	8,037,949

Business-Type Activities					
Landfill Closure & Post Closure Care Payable	Other Obligations	Capital Leases	Total Primary Government	Percentage of Personal Income	Per Capita
\$1,319,295	\$169,082	\$13,339	\$25,075,836	15.00%	\$1,235.08
1,265,492	170,944	10,716	\$28,688,238	17.00%	\$1,399.02
1,236,221	188,541	7,877	\$30,244,836	17.00%	\$1,460.33
1,182,326	185,323	4,801	\$29,369,042	11.00%	\$1,338.42
1,323,909	159,511	0	\$28,089,080	11.00%	\$1,277.59
1,272,023	183,028	0	\$25,389,973	9.00%	\$1,152.47
1,300,072	210,596	0	\$23,916,148	9.00%	\$1,083.31
1,150,429	232,857	0	\$22,261,518	8.00%	\$1,007.58
1,276,687	257,271	0	\$20,828,775	8.00%	\$942.09
1,299,578	190,966	0	19,075,750	7.00%	\$860.74

**CITY OF OXFORD**  
*Ratio of Debt  
to Assessed Value and Debt per Capita  
Last Ten Years*

Year	Population (1)		Estimated Actual Value of Taxable Property(2)	General Bonded Debt				Ratio of Net Bonded Debt to Estimated Actual Value	Net Bonded Debt per Capita
				General Bonded Debt Outstanding	Resources Available to Pay Principal	Net General Bonded Debt			
1997	20,303	a	\$471,238,569	\$0	\$0	\$0	0.00%	\$0.00	
1998	20,506	a	473,297,952	0	0	0	0.00%	0.00	
1999	20,711	a	547,587,427	3,915,000	0	3,915,000	0.71%	\$189.03	
2000	21,943	b	553,469,722	3,915,000	90,000	3,825,000	0.69%	174.32	
2001	21,986	c	547,530,869	3,825,000	125,000	3,700,000	0.68%	168.29	
2002	22,031	c	597,788,437	3,700,000	130,000	3,570,000	0.60%	162.04	
2003	22,077	c	624,802,066	3,570,000	140,000	3,430,000	0.55%	155.37	
2004	22,094	c	635,249,080	3,430,000	145,000	3,285,000	0.52%	148.68	
2005	22,109	c	726,230,426	3,285,000	150,000	3,135,000	0.43%	141.80	
2006	22,162	c	734,323,058	3,135,000	160,000	2,975,000	0.41%	134.24	

**Sources:** (1) U.S. Bureau of Census, Census of Population  
(a) 1990 Federal Census  
(b) 2000 Federal Census  
(c) 2006 Population Estimates  
(2) Butler County Auditor's Office

*This format is only appropriate when there is no debt related to business type activities and personal income amounts are not available for the government's jurisdiction.*

*Columns C and F are not required if presented elsewhere in the Tables.*

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General Debt

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Special Assessment Bonds Outstanding	Capital Leases	Other Obligations	Total Debt	Ratio of General Debt to Estimated Actual Value	General Debt Per Capita
\$4,000	\$0	\$414,395	\$418,395	0.09%	\$20.61
3,000	0	390,138	393,138	0.08%	19.17
2,000	0	467,467	4,384,467	0.80%	\$211.70
0	9,003	506,193	4,340,196	0.78%	197.79
0	17,803	418,449	4,136,252	0.76%	188.13
0	35,187	434,913	4,040,100	0.68%	183.38
0	24,833	409,250	3,864,083	0.62%	175.03
0	14,407	450,333	3,749,740	0.59%	169.72
0	8,792	482,270	3,626,062	0.50%	164.01
0	2,403	458,122	3,435,525	0.47%	155.02

**CITY OF OXFORD**  
*Computation of Legal Debt Margin*  
*Last Ten Years*

	1997	1998	1999	2000
Assessed Valuation	<u>\$164,038,593</u>	<u>\$166,896,588</u>	<u>\$192,475,345</u>	<u>\$193,892,669</u>
Overall Debt Limit - 10 ½ % of Assessed Value (1)	<u>\$17,224,052</u>	<u>\$17,524,142</u>	<u>\$20,209,911</u>	<u>\$20,358,730</u>
Amount of Debt Applicable to Debt Limit				
Total Outstanding Bonded Debt	23,159,725	26,847,948	28,342,730	27,481,396
Less Debt Outside the Limitations	<u>(23,159,725)</u>	<u>(26,847,948)</u>	<u>(24,427,730)</u>	<u>(23,656,396)</u>
Debt within Limitations	0	0	3,915,000	3,825,000
Less Amount Available in Debt Service	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>
Amount of Debt Subject to Limitations	<u>0</u>	<u>0</u>	<u>3,915,000</u>	<u>3,825,000</u>
Overall Legal Debt Margin	<u>\$17,224,052</u>	<u>\$17,524,142</u>	<u>\$16,294,911</u>	<u>\$16,533,730</u>
Legal Debt Margin as a Percentage of the Debt Limit	100.00%	100.00%	80.63%	81.21%
Unvoted Debt Limit - 5 ½ % of Assessed Value (1)	\$9,022,123	\$9,179,312	\$10,586,144	\$10,664,097
Amount of Debt Applicable to Debt Limit				
Total Outstanding Bonded Debt	23,159,725	26,847,948	28,342,730	27,481,396
Less Debt Outside the Limitations	<u>(23,159,725)</u>	<u>(26,847,948)</u>	<u>(24,427,730)</u>	<u>(23,656,396)</u>
Debt within Limitations	0	0	3,915,000	3,825,000
Less Amount Available in Debt Service	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>
Amount of Debt Subject to Limitations	<u>0</u>	<u>0</u>	<u>3,915,000</u>	<u>3,825,000</u>
Unvoted Legal Debt Margin	<u>\$9,022,123</u>	<u>\$9,179,312</u>	<u>\$6,671,144</u>	<u>\$6,839,097</u>
Unvoted Legal Debt Margin as a Percentage of the Unvoted Debt Limit	100.00%	100.00%	63.02%	64.13%

**Source:** Office of the Auditor, Sample County, Ohio

(1) Ohio Bond Law sets a limit of 10 ½ % for overall debt and 5 ½ % for unvoted debt.

2001	2002	2003	2004	2005	2006
<u>\$191,829,025</u>	<u>\$210,367,151</u>	<u>\$218,497,738</u>	<u>\$222,624,390</u>	<u>\$254,971,489</u>	<u>\$259,083,132</u>
<u>\$20,142,048</u>	<u>\$22,088,551</u>	<u>\$22,942,262</u>	<u>\$23,375,561</u>	<u>\$26,772,006</u>	<u>\$27,203,729</u>
26,169,407	25,389,973	21,971,397	20,673,827	19,038,056	17,332,949
(22,469,407)	(21,819,973)	(18,541,397)	(17,388,827)	(15,903,056)	(14,357,949)
3,700,000	3,570,000	3,430,000	3,285,000	3,135,000	2,975,000
(757)	0	0	0	0	0
<u>3,699,243</u>	<u>3,570,000</u>	<u>3,430,000</u>	<u>3,285,000</u>	<u>3,135,000</u>	<u>2,975,000</u>
<u>\$16,442,805</u>	<u>\$18,518,551</u>	<u>\$19,512,262</u>	<u>\$20,090,561</u>	<u>\$23,637,006</u>	<u>\$24,228,729</u>
81.63%	83.84%	85.05%	85.95%	88.29%	89.06%
\$10,550,596	\$11,570,193	\$12,017,376	\$12,244,341	\$14,023,432	\$14,249,572
26,169,407	25,389,973	21,971,397	20,673,827	19,038,056	17,332,949
(22,469,407)	(21,819,973)	(18,541,397)	(17,388,827)	(15,903,056)	(14,357,949)
3,700,000	3,570,000	3,430,000	3,285,000	3,135,000	2,975,000
(757)	0	0	0	0	0
<u>3,699,243</u>	<u>3,570,000</u>	<u>3,430,000</u>	<u>3,285,000</u>	<u>3,135,000</u>	<u>2,975,000</u>
<u>\$6,851,353</u>	<u>\$8,000,193</u>	<u>\$8,587,376</u>	<u>\$8,959,341</u>	<u>\$10,888,432</u>	<u>\$11,274,572</u>
64.94%	69.14%	71.46%	73.17%	77.64%	79.12%

**CITY OF OXFORD**  
*Pledged Revenue Coverage*

*Last Ten Years*

Refunding Bonds - Water						
Year	Water Service Charges	Less: Operating Expenses	Net Available Revenue	Debt Service (1)		Coverage
				Principal	Interest	
1997	\$2,573,876	\$1,701,747	\$872,129	\$440,000	\$759,355	73.00%
1998	2,685,442	1,820,484	864,958	460,000	738,675	72.00%
1999	2,920,211	1,741,054	1,179,157	480,000	716,135	99.00%
2000	2,619,128	1,694,897	924,231	505,000	691,655	77.00%
2001	2,500,785	2,419,327	81,458	535,000	664,890	7.00%
2002	2,565,524	2,360,881	204,643	560,000	636,000	17.00%
2003	2,415,535	2,062,456	353,079	595,000	602,400	29.00%
2004	2,620,849	2,147,710	473,139	630,000	566,700	40.00%
2005	2,677,808	2,101,610	576,198	670,000	528,900	48.00%
2006	2,637,925	2,009,675	628,250	710,000	488,700	52.00%

(continued)

**Source:** City of Oxford Finance Department

(1) These bonds were called @12/1/02 and paid if full via a G/O refunding in 2002

OWDA Loans - Sewer

Year	Sewer Service Charges	Less: Operating Expenses	Net Available Revenue	Debt Service		Coverage
				Principal	Interest	
1997	\$3,215,677	\$1,955,146	\$1,260,531	\$154,350	\$2,369	804.00%
1998	3,432,078	2,109,083	1,322,995	177,645	238,744	318.00%
1999	3,571,647	2,074,328	1,497,319	310,492	375,032	218.00%
2000	3,415,367	2,138,565	1,276,802	445,380	495,585	136.00%
2001	3,306,904	2,544,675	762,229	476,326	476,113	80.00%
2002	3,559,278	2,666,563	892,715	521,248	431,191	94.00%
2003	3,286,386	2,772,287	514,099	551,225	401,214	54.00%
2004	3,275,774	2,975,150	300,624	583,088	369,350	32.00%
2005	3,261,053	2,944,496	316,557	616,968	335,471	33.00%
2006	3,122,402	2,841,435	280,967	653,002	299,437	29.00%

OWDA Loans - Refuse

Year	Refuse Service Charges	Less: Operating Expenses	Net Available Revenue	Debt Service		Coverage
				Principal	Interest	
1997	\$0	\$0	\$0	\$0	\$0	
1998	0	0	0	0	0	
1999	0	0	0	0	0	
2000	0	0	0	0	0	
2001	1,210,076	1,290,757	(80,681)	80,328	69,593	-54.00%
2002	1,236,284	1,133,177	103,107	165,936	133,907	34.00%
2003	1,273,687	1,223,886	49,801	173,233	126,610	17.00%
2004	1,331,688	1,097,558	234,130	180,851	118,993	78.00%
2005	1,395,392	1,422,302	(26,910)	188,803	111,040	-9.00%
2006	1,436,575	1,380,082	56,493	197,105	102,738	19.00%

**CITY OF OXFORD**  
*Ratios of General Bonded Debt Outstanding*

*Last Ten Years*

Year	General Obligation Bonds	Resources Available to Pay Principal	Net General Bonded Debt	Ratio of Net Bonded Debt to Estimated Actual Value	Net Bonded Debt per Capita
1997	\$0	\$0	\$0		\$0.00
1998	0	0	0		\$0.00
1999	3,915,000	0	\$3,915,000	0.80%	\$189.03
2000	3,915,000	90,000	\$3,825,000	0.77%	\$174.32
2001	3,825,000	125,000	\$3,700,000	0.74%	\$168.29
2002	3,700,000	130,000	\$3,570,000	0.64%	\$162.04
2003	3,570,000	140,000	\$3,430,000	0.60%	\$155.37
2004	3,430,000	145,000	\$3,285,000	0.56%	\$148.68
2005	3,285,000	150,000	\$3,135,000	0.46%	\$141.80
2006	3,135,000	160,000	\$2,975,000	0.43%	\$134.24

**CITY OF OXFORD**  
*Demographic and Economic Statistics*

*Last Ten Years*

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Year	Population (1)	Personal Income (2) (in thousands)	Per Capita Personal Income	Unemployment Rate (3)
1997	20,303	172,088,228	\$8,476	3.50%
1998	20,506	173,808,856	8,476	3.00%
1999	20,711	175,546,436	8,476	2.60%
2000	21,943	266,936,595	12,165	2.60%
2001	21,986	267,459,690	12,165	3.20%
2002	22,031	268,007,115	12,165	3.70%
2003	22,077	268,566,705	12,165	4.00%
2004	22,094	268,773,510	12,165	5.90%
2005	22,109	268,955,985	12,165	5.30%
2006	22,162	269,600,730	12,165	4.90%

**Sources:** (1) 1990 and 2000 US Census Bureau; US Census Population Estimates  
(2) U. S. Census Bureau, Census 1990 and Census 2000  
(3) Ohio Bureau of Employment Services; rates are for Butler County

CITY OF OXFORD  
City Government Employees by Function/Activity  
Last Ten Years

	1997*	1998*	1999*	2000	2001
General Government					
Office of the City Manager	4.00	4.00	4.00	7.50	4.00
Finance Department	8.00	8.00	8.00	8.00	8.00
Law Department	1.00	1.00	1.00	1.00	1.00
Management Information Systems			1.00	1.00	1.00
Community Environment					
Economic Development					
Community Development	7.00	8.00	8.00	9.00	5.00
Leisure Time Activities					
Parks and Recreation	5.00	5.00	5.00	23.25	21.50
Security of Persons and Property					
Police Division	34.00	34.00	36.00	42.00	42.00
Fire Division	1.00	1.00	1.00	36.50	36.50
Public Service					
Administration	8.00	8.00	9.00	9.00	9.00
Streets and Maintenance	12.00	12.00	13.00	12.50	15.25
Wastewater Division	13.00	13.00	13.00	13.25	13.25
Water Division	10.00	10.00	10.00	10.25	10.25
Total	<u>103.00</u>	<u>104.00</u>	<u>109.00</u>	<u>173.25</u>	<u>166.75</u>

**Method:** 1.00 for each full-time, 0.50 for each part-time and 0.25 for each seasonal employee

**Source:** City of Oxford HR Department

\* Detailed information prior to 2000 was not available and did not include PT positions

2002	2003	2004	2005	2006
4.00	4.00	4.00	4.00	4.00
8.00	8.00	8.00	8.00	8.00
1.00	1.00	1.00	1.00	1.00
1.00	1.00	1.00		
1.00	1.00	1.00	1.00	1.00
5.00	5.00	5.00	5.00	5.00
22.50	22.50	21.75	20.75	20.75
42.00	43.50	44.50	44.50	46.50
36.50	36.50	36.50	36.50	36.50
9.00	9.00	9.00	8.00	8.00
15.25	16.75	17.25	16.25	16.25
13.25	13.25	13.50	13.50	13.50
10.25	10.25	10.25	10.25	10.25
<u>168.75</u>	<u>171.75</u>	<u>172.75</u>	<u>168.75</u>	<u>170.75</u>

**CITY OF OXFORD**  
*Principal Employers*  
*Current Year and Nine Years Ago\**

Employer	Nature of Business	2006		
		Number of Employees	Rank	Percentage of Total Employment
Miami University	Education	13,294	1	87%
McCullough-Hyde Hospital	Hospital	550	2	4%
Talawanda School District	Education	405	3	3%
Square D Company	Manufacturing	255	4	2%
City of Oxford	Government	241	5	2%
Wal-Mart Associates, Inc.	Retail	261	6	2%
Kroger LTD Partnership	Retail	125	7	1%
Lifesphere	Healthcare		8	0%
Liberty Matrix of Oxford, LLC	Healthcare	115	9	1%
RDI Marketing Services, Inc.	Service		10	0%
Total		15,246		
Total Employment within the City				100%

\*Information not available for nine years ago.

**Source:** City of Hamilton, Income Tax Division

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CITY OF OXFORD  
Operating Indicators by Function/Activity  
Last Ten Years

	1997	1998	1999	2000	2001
General Government					
Legislative and Executive					
City Council					
Number of ordinances	71.00	59.00	45.00	45.00	31.00
Number of resolutions	94.00	102.00	95.00	85.00	84.00
Number of meetings	29.00	25.00	26.00	24.00	23.00
Management Information Systems					
Number of devices					
Finance Department - Purchasing					
Number of bid contracts awarded	38.00	32.00	42.00	34.00	45.00
Number of purchase orders issued	439.00	458.00	497.00	447.00	462.00
Risk Management					
Number of claims	3.00	43.00	26.00	15.00	3.00
Public Safety					
Enforcement					
Number of incidents reported				2,595	2,643
Number of accidents investigated					592
Number of parking citations					11,888
Number of traffic non-moving citations					232
Number of traffic moving citations					1,363
Number of minor misdemeanor citations					704
Number of DUI citations					177
Number of arrests					1,058
Number of OPD CFS (calls for service)				31,816	31,663
Number of parking meters	594.00	594.00	592.00	521.00	502.00
Emergency Medical Services					
Number of emergency responses	1,119.00	1,225.00	1,219.00	1,227.00	1,273.00
Public Works					
Engineer					
Miles of roads resurfaced	2.98	3.10	2.99	3.90	3.10
Number of bridges replaced/improved	0.00	0.00	0.00	0.00	0.00
Number of culverts built/replaced/improved	0.00	0.00	0.00	0.00	0.00
Water District					
Annual water treated (in million gallons)	803.00	808.93	878.38	820.39	846.44
Number of tap-ins	11.00	25.00	12.00	20.00	22.00
Number of customers	4,107.00	4,044.00	4,186.00	4,179.00	4,225.00
Miles of water mains	70.00	70.00	70.00	70.00	70.00
Sewer District					
Annual sewage treated (in million gallons)	1,117.37	1,053.39	1,108.91	1,061.25	1,141.90
Number of tap-ins	60.00	68.00	32.00	39.00	57.00
Number of customers	3,807.00	3,753.00	3,902.00	3,889.00	3,933.00
Miles of sanitary sewers	62.00	62.00	62.00	62.00	62.00
Parks and Recreation					
Parks					
Number of parks	10.00	11.00	11.00	11.00	11.00
Acreage developed		16.95	16.95	16.95	128.95
Acreage undeveloped		23.00	135.00	135.00	23.00
Community and Economic Development					
Number of contacts					
Number of projects					1.00
Number of jobs created					4.50
Building Department					
Number of permits issued	419.00	414.00	364.00	342.00	237.00
Number of inspections performed					

Source: City of Oxford Departmental Staff

2002	2003	2004	2005	2006
30.00	31.00	32.00	52.00	54.00
79.00	83.00	82.00	107.00	80.00
23.00	25.00	22.00	26.00	23.00
	139.00	139.00	139.00	139.00
23.00	35.00	31.00	30.00	32.00
481.00	524.00	518.00	513.00	496.00
12.00	15.00	8.00	8.00	5.00
2,813	2,850	2,554	2,422	2,261
586	617	487	476	490
13,568	15,495	14,168	16,207	18,107
341	396	314	469	638
2,333	2,959	1,679	1,924	1,466
744	864	645	629	637
108	125	113	Included in arrests	
1,299	1,624	1,416	1,195	1,514
35,814	38,600	30,507	30,421	28,074
519.00	728.00	733.00	733.00	
1,281.00	1,330.00	1,392.00	1,484.00	1,529.00
3.43	3.01	2.89	3.17	5.14
0.00	0.00	0.00	0.00	0.00
0.00	0.00	0.00	0.00	0.00
920.06	883.31	858.93	878.10	834.91
7.00	10.00	49.00	20.00	41.00
4,175.00	4,170.00	4,337	4,368	
70.00	70.49	70.83	71.49	71.49
932.80	997.11	870.00	889.00	993.00
33.00	31.00	90.00	57.00	55.00
3,882.00	3,885.00	4,036	4,067	
62.40	63.53	63.84	64.51	64.51
11.00	11.00	11.00	11.00	11.00
128.95	128.95	128.95	128.95	128.95
23.00	23.00	23.00	23.00	23.00
1.00	-	1.00	-	1.00
5.00	-	1.50	-	6.00
402.00	481.00	501.00	526.00	555.00
			1,961.00	2,131.00

CITY OF OXFORD  
Capital Asset Statistics by Function/Activity  
Last Ten Years

	1997	1998	1999	2000	2001
General Government					
Legislative and Executive					
City Council					
Administrative office space (sq. ft.)				300.00	300.00
City Manager's Office					
Administrative office space	460.00	460.00	460.00	460.00	460.00
Finance Department					
Administrative office space	821.00	821.00	821.00	821.00	821.00
Management Information Systems					
Administrative office space	221.00	221.00	221.00	221.00	221.00
Public Safety					
Police					
Jail capacity	11	11	11	11	11
Number of patrol vehicles	24	23	25	26	28
Fire					
Number of fire fighting vehicles	5.00	5.00	5.00	5.00	5.00
Emergency Medical Services					
Number of stations	1.00	1.00	1.00	1.00	1.00
Number of emergency squads	2.00	2.00	2.00	2.00	2.00
Public Service					
Engineer					
Centerline miles of roads	48.46	48.46	48.46	48.90	48.90
Number of bridges	1.00	1.00	1.00	1.00	1.00
Number of culverts	20.00	20.00	20.00	20.00	20.00
Number of vehicles	3.00	3.00	3.00	3.00	3.00
Water District					
Number of treatment facilities	1.00	1.00	1.00	1.00	1.00
Miles of water lines	70.00	70.00	70.00	70.00	70.00
Sewer District					
Number of treatment facilities	1.00	1.00	1.00	1.00	1.00
Number of pumping stations	1.00	1.00	1.00	1.00	1.00
Miles of sewer lines	62.00	62.00	62.00	62.00	62.00
Parks and Recreation					
Parks					
Number of parks	10.00	11.00	11.00	11.00	11.00
Acreage developed	16.95	16.95	16.95	128.95	128.95
Acreage undeveloped	23.00	135.00	135.00	23.00	23.00
Miles of trails				4.10	4.10
Community and Economic Development					
Number of related infrastructure projects				9.00	8.00
Building Department					
Administrative office space	306.00	306.00	306.00	306.00	306.00

**Source:** City of Oxford Departmental Staff

2002	2003	2004	2005	2006
300.00	300.00	300.00	300.00	300.00
460.00	460.00	460.00	460.00	460.00
821.00	821.00	821.00	821.00	821.00
221.00	221.00	221.00	221.00	221.00
11	11	11	11	11
28	30	30	30	31
5.00	5.00	5.00	5.00	5.00
1.00	1.00	1.00	1.00	1.00
2.00	2.00	2.00	2.00	2.00
49.92 #	49.92	50.25	50.25	50.91
1.00	1.00	1.00	1.00	1.00
20.00	20.00	20.00	20.00	20.00
3.00	3.00	3.00	3.00	3.00
1.00	1.00	1.00	1.00	1.00
70.00	70.49	70.83	71.49	71.49
1.00	1.00	1.00	1.00	1.00
1.00	1.00	1.00	1.00	1.00
62.40	63.53	63.84	64.51	64.51
11.00	11.00	11.00	11.00	11.00
128.95	128.95	128.95	128.95	128.95
23.00	23.00	23.00	23.00	23.00
4.10	4.10	4.10	4.85	4.85
7.00	11.00	13.00	16.00	36.00
306.00	306.00	306.00	306.00	306.00

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**Mary Taylor, CPA**  
Auditor of State

**CITY OF OXFORD**

**BUTLER COUNTY**

**CLERK'S CERTIFICATION**

This is a true and correct copy of the report which is required to be filed in the Office of the Auditor of State pursuant to Section 117.26, Revised Code, and which is filed in Columbus, Ohio.

*Susan Babbitt*

**CLERK OF THE BUREAU**

**CERTIFIED  
AUGUST 2, 2007**