

**CITY OF OXFORD, OHIO**

Independent Auditors' Report on  
Internal Controls and Compliance

December 31, 2007





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, 2007 through December 31, 2007. 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

August 4, 2008

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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 City Council  
City of Oxford, Ohio:

We have audited the 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 (City) as of and for the year ended December 31, 2007, which collectively comprise the City's basic financial statements and have issued our report thereon dated June 27, 2008. 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 entity'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 entity's financial statements that is more than inconsequential will not be prevented or detected by the entity's internal control.

A material weakness is a significant deficiency, or combination of significant deficiencies, that results in more than a remote likelihood that a material misstatement of the financial statements will not be prevented or detected by the entity'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 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 grants agreements, noncompliance with which could have a direct and material effect on the determination of financial statement amounts. However, providing an opinion on compliance with those provisions was not an objective of our audit, and accordingly, we do not express such an opinion. The results of our tests disclosed no instances of noncompliance or other matters that are required to be reported under *Government Auditing Standards*.

We noted certain matters that we reported to management of the City of Oxford, Ohio in a separate letter dated June 27, 2008.

This report is intended solely for the information and use of management, others within the organization, and the 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 27, 2008

# THE CITY OF OXFORD, OHIO



## COMPREHENSIVE ANNUAL FINANCIAL REPORT

For the Year Ended December 31, 2007

**CITY OF OXFORD, OHIO**

**COMPREHENSIVE ANNUAL FINANCIAL REPORT**

**FOR THE YEAR ENDED DECEMBER 31, 2007**

**ISSUED BY:**

**DEPARTMENT OF FINANCE**

*Joseph G. Newlin, Finance Director*

*Heidi Hill, Accounting Manager*



**CITY OF OXFORD, OHIO  
COMPREHENSIVE ANNUAL FINANCIAL REPORT  
YEAR ENDED DECEMBER 31, 2007**

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

June 27, 2008

### THE COMPREHENSIVE ANNUAL FINANCIAL REPORT

We are pleased to present our 2007 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, 2007. 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, 2007 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, 2007, 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 compliment 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 6.29 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 15,766, 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 their 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 67 for the General fund, page 73 for the Parking fund, and beginning on page 74 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, 2007, 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 15. The General fund has an unreserved fund balance of \$5,708,868, or 45.37% of the total governmental funds expenditures of \$12,584,294. The Capital Improvement fund has an unreserved fund balance of \$2,349,005. For the utility funds, the Water and Sewer funds have unrestricted net assets of \$5,103,500 and \$6,211,771 each representing 229.4% and 208.8%, 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 2008 operating budget increased from the 2007 original budget by 6.60%. 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. 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 loose approximately \$155,600 in revenue based on 2007 receipts.

For the 2008 budget, the City continues to phase-out its reliance on personal property and estate taxes to fund General Fund operating costs, budgeting \$26,000 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 to 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 and in 2006 \$37,575 respectively. The amount of revenue collected for 2007 was an anomaly at \$391,013. 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 2007, the City earned \$1,585,573 of investment earnings compared to \$1,112,153, \$858,575, \$339,477, and in 2006, 2005, and 2004, 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 2007. The increase from 2004 to 2005 is reflective of the market recovery and stabilization that occurred during the fiscal year 2005. In 2008, 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 2007, revenues of \$1,178,367 exceeded expenses of \$1,037,736 by \$140,631 and the overall change in net assets was \$165,248 which increased net assets of \$216,564 last year to \$381,812 by year-end 2007. 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 all expenditures are 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 2007. In the fall of 2006 the City's Charter review committee was formed and one of its suggestions for the City Of Oxford city council to consider was removing the three dwelling unit restriction in the Uptown Business District. This proposal was to encourage redevelopment in the Uptown Business District. A subcommittee was formed and brought back ballot language to council. In November, Issue 20 passed by a vote of 59% and two projects are a direct result of its passing.

The City through its Community Investment Corporation has also partnered with private sector to initiate a technology park, Miami Heritage Technology Park, in the northeastern region of the Oxford Township. The Community Investment Corporation has recently submitted a \$2.5 Million "Job Ready Site" grant application to the Ohio Department of Development.

**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, approximately 18 million dollars have been earmarked 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, 2006. 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 2006 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.

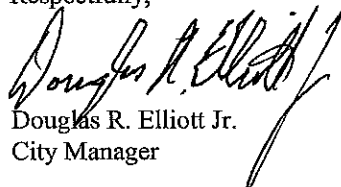
A Certificate of Achievement is valid for a period of one year only. The City of Oxford has received a Certificate of Achievement for the last twenty-three consecutive years (years ended 1984-2006). We believe this report conforms to the reporting standards set forth by the GFOA, and we are submitting it to the GFOA to determine its eligibility for another certificate.

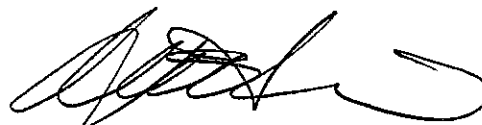
#### **Acknowledgments**

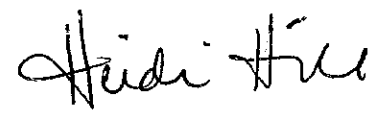
This report is the culmination of months of hard work by many individuals. I want to thank former Finance Director Harlita Robinson, Accounting Manager Heidi Hill, Accounting Specialist LeAnn Isenhardt, Payroll and Benefits Specialist Katrina Bockover, Accounting Assistant Rosemary Frazee. I also wish 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 are 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,

  
Douglas R. Elliott Jr.  
City Manager

  
Joseph G. Newlin  
Finance Director

  
Heidi Hill  
Accounting Manager



## CITY OF OXFORD, OHIO

CITY OFFICIALS AS OF DECEMBER 31, 2007

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### City Council (Elected Officials)

Prue Dana	Mayor
Ken Bogard	Vice-Mayor
Alysia Fischer	Council Member
Richard Keebler	Council Member
Katie Currie	Council Member
Greig Rutherford	Council Member
Doug Ross	Council Member

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### Administration

Douglas R. Elliott, Jr.	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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# 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, 2006

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.



*Charles S. Cox*

President

*Jeffrey R. Emswiler*

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, 2007, 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, 2007, and the respective changes in financial position and cash flows, where applicable, and the respective budgetary comparison for the General Fund and Parking Fund thereof 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 27, 2008, 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 through 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 27, 2008



## 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, 2007. 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 14.

### I. FINANCIAL HIGHLIGHTS

Key financial highlights for 2007 are as follows:

- ❑ In total, net assets increased by \$3,964,773. Net assets of governmental activities increased by \$1,999,591, which represents a 4.75% increase from 2006. The reason for the increase in net assets is primarily due to the City's capital outlay projects for improving and expanding major thoroughfares in the City. The capital outlays account for \$1,645,575 of the increase in governmental activities net assets, which represents 3.91% of the 4.75% increase in net governmental activities. The change in net assets from 2006 to 2007 is 0.84% excluding the change in capital assets. The net assets of business-type activities increased by \$1,965,182, or 7.01% from 2006. The reason for the increase in net assets is primarily due to the City's capital outlay projects for the completion of the engineering and construction of the Phase II of mandated waste water improvements in the City. The capital outlays account for \$1,465,676 of the increase in business-type activities net assets, which represents 5.23% of the 7.01% increase in net business-type activities. The change in net assets from 2006 to 2007 is 1.78% excluding the change in capital assets.
- ❑ General revenues account for \$10,961,102 in revenue, or 51.66% of all revenues. Program specific revenues in the form of charges for services and grants and contributions accounted for \$10,258,649, or 48.34% of total revenues of \$21,219,751.
- ❑ The City had \$10,706,055 in expenses related to governmental activities; only \$2,716,873 of these expenses were offset by program specific charges for services, grants, or contributions. General revenues (primarily taxes) of \$10,075,273 and Program Revenues of \$2,716,873 were able to fully provide for these programs.
- ❑ Among major funds, the general fund had \$10,895,349 in revenues and \$8,040,543 in expenditures. The general fund's fund balance increased by \$961,363.

### 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 59) 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 68.

### **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 four enterprise funds (water, sewer, refuse and storm water 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 two 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 Statement of Fiduciary Net Assets.

### III. THE CITY AS A WHOLE

#### A. Net assets at year-end

The 2007 fiscal year activities generated a \$3,964,773 increase in City net assets. This is a 5.65 % increase from 2006 to 2007. Governmental activities accounted for \$1,999,591 of the increase and the balance \$1,965,182 attributed to Business-type activities.

The following table presents a condensed summary of the City's overall financial position at December 31, 2007 and 2006:



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

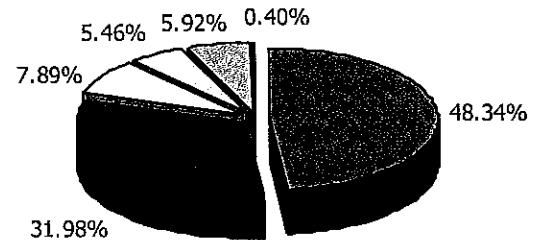
	<u>Governmental</u> <u>Activities</u>		<u>Business-</u> <u>Type</u> <u>Activities</u>		<u>Total</u>	
	2007	2006	2007	2006	2007	2006
Current and other assets	\$ 17,675	\$ 17,504	\$ 16,210	\$ 17,170	\$ 33,885	\$ 34,674
Capital assets	31,124	29,478	28,244	26,779	59,368	56,257
Total assets	<u>48,799</u>	<u>46,982</u>	<u>44,454</u>	<u>43,949</u>	<u>93,253</u>	<u>90,931</u>
Long-term debt outstanding	3,291	3,436	14,117	15,640	17,408	19,076
Other liabilities	1,414	1,453	326	263	1,740	1,716
Total liabilities	<u>4,705</u>	<u>4,889</u>	<u>14,443</u>	<u>15,903</u>	<u>19,148</u>	<u>20,792</u>
Net assets:						
Invested in capital assets, net of debt	28,314	26,501	17,612	14,781	45,926	41,282
Restricted:						
Capital Outlay	7,862	9,831	-	-	7,862	9,831
Other purposes	1,340	1,038	1,311	1,437	2,651	2,475
Unrestricted	6,578	4,725	11,088	11,827	17,666	16,552
Total net assets	<u>44,094</u>	<u>42,095</u>	<u>30,011</u>	<u>28,045</u>	<u>74,105</u>	<u>70,140</u>
Beginning net assets	42,095	39,806	28,046	26,140	70,141	65,946
Net increase	1,999	2,289	1,965	1,906	3,964	4,195
Ending net assets	<u>\$ 44,094</u>	<u>\$ 42,095</u>	<u>\$ 30,011</u>	<u>\$ 28,046</u>	<u>\$ 74,105</u>	<u>\$ 70,141</u>

The City deliberately utilizes conservative budgeting and spending practices. Actual 2007 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 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 2007 the details of changes are discussed in Note 9 to the financial statements. Long-term debt decreased as a result principal payments made during 2007.

**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 \$7,946,052 which represents 37.45% of revenues for the City in fiscal year 2007. The City's reliance upon tax revenues is demonstrated by the following graph:

<u>Revenue Sources</u>	<u>2007</u>	<u>Percent of</u> <u>Total</u>
Program Revenues	10,258,649	48.34%
Income Tax	6,786,737	31.98%
Investment Earnings	1,673,779	7.89%
Property and other local tax	1,159,315	5.46%
Grants and Entitlements (unrestricted)	1,255,664	5.92%
Other General Revenues	85,607	0.40%
	<u>21,219,751</u>	<u>100.00%</u>



The following table presents a condensed summary of the City's activities during 2007 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>			
	2007	2006	2007	2006	2007	2006
<b>Revenues</b>						
<b>Program revenues:</b>						
Charges for services	\$ 1,892	\$ 1,780	\$ 7,344	\$ 7,197	\$ 9,236	\$ 8,977
Operating grants and contributions	822	675	6	3	828	678
Capital grants and contributions	3	236	192	183	195	419
<b>Total program revenues</b>	<b><u>2,717</u></b>	<b><u>2,691</u></b>	<b><u>7,542</u></b>	<b><u>7,383</u></b>	<b><u>10,259</u></b>	<b><u>10,074</u></b>
<b>General revenues:</b>						
Property taxes	1,159	1,007	-	-	1,159	1,007
Income taxes	6,787	6,630	-	-	6,787	6,630
Grants and entitlements not restricted to specific programs	1,255	992	-	-	1,255	992
Unrestricted Contributions	-	-	-	-	-	-
Investment earnings	800	687	874	731	1,674	1,418
Miscellaneous	(13)	51	98	22	85	73
<b>Total general revenues</b>	<b><u>9,988</u></b>	<b><u>9,367</u></b>	<b><u>972</u></b>	<b><u>753</u></b>	<b><u>10,960</u></b>	<b><u>10,120</u></b>
<b>Total revenues</b>	<b><u>12,705</u></b>	<b><u>12,058</u></b>	<b><u>8,514</u></b>	<b><u>8,136</u></b>	<b><u>21,219</u></b>	<b><u>20,194</u></b>
<b>Program expenses</b>						
General government	1,687	1,626	-	-	1,687	1,626
Security of persons and property	4,619	4,124	-	-	4,619	4,124
Public health services	167	106	-	-	167	106
Leisure time activities	1,302	1,356	-	-	1,302	1,356
Community environment	774	1,060	-	-	774	1,060
Transportation	1,997	1,329	-	-	1,997	1,329
Interest on long-term debt	160	168	-	-	160	168
Water utility operations	-	-	2,187	2,010	2,187	2,010
Sewer utility operations	-	-	2,975	2,841	2,975	2,841
Refuse utility operations	-	-	1,368	1,380	1,368	1,380
Stormwater operations	-	-	19	-	19	-
<b>Total program expenses</b>	<b><u>10,706</u></b>	<b><u>9,769</u></b>	<b><u>6,549</u></b>	<b><u>6,231</u></b>	<b><u>17,255</u></b>	<b><u>16,000</u></b>
<b>Increase in net assets</b>	<b><u>\$ 1,999</u></b>	<b><u>\$ 2,289</u></b>	<b><u>\$ 1,965</u></b>	<b><u>\$ 1,905</u></b>	<b><u>\$ 3,964</u></b>	<b><u>\$ 4,194</u></b>

The municipal income tax and property tax of the City has constantly remained a solid and stable revenue stream to support City services. Investment earnings are substantially greater than in 2006. 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 investment earnings over the short-term and continued this practice in 2007. 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. The continual rise and stability in long-term market rates is responsible for the remainder of the increase. The decrease in capital grants and contributions is the fact that in 2006, the governmental activities reflected a large contribution from Miami University for the street resurfacing program. The increase in unrestricted grants and entitlements can be attributed to increased Estate tax received by the City in 2007. 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 25.38% of the cost of the general governmental activities was recouped in program revenues in 2007 compared with 27.55% in 2006 and 26.13% in 2005.

### Cost of Services

In 2007, employees average wage increase was 3.82%. The change in 2007 as compared to 2006 for general government and security of persons and property are a result of increased costs of labor and capital spending. Public health increased due to increased donations to community assistance programs. Leisure time services reflect a reduction in capital expenditures for the year. The community and economic development expenditures declined for the year as a result of not having an economic development director all year and decrease in spending attributed to a grant that was received in 2006 was also spent that year. Transportation cost rose again due to increased labor costs and the rise in the cost of materials for the department and road work in CIP not yet capitalized.

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

	<u>Total Cost</u> <u>of Services</u>		<u>Program</u> <u>Revenues</u>		<u>Net Cost</u> <u>of Services *</u>	
	<u>2007</u>	<u>2006</u>	<u>2007</u>	<u>2006</u>	<u>2007</u>	<u>2006</u>
General government	1,687	1,626	226	161	\$ 1,461	\$ 1,465
Security of persons and property	4,619	4,124	879	726	3,740	3,398
Public health	167	106	2	31	165	75
Leisure time services	1,302	1,356	252	254	1,050	1,102
Community and economic development	774	1,060	407	682	367	378
Transportation	1,997	1,329	951	837	1,046	492
Interest and fiscal charges	160	168	-	-	160	168
<b>Total</b>	<b>\$ 10,706</b>	<b>\$ 9,769</b>	<b>\$ 2,717</b>	<b>\$ 2,691</b>	<b>\$ 7,989</b>	<b>\$ 7,078</b>

### Program revenues

Revenues for general government and security of persons and property remained consistent for 2007 when compared to 2006. 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 year determines the revenue generated. Public health decreased by \$29,805 from 2006 to 2007. Revenues for leisure time services also remained relatively flat from 2006 to 2007.

Community and economic development revenue decrease is attributed to a \$207,000 grant that it received in 2006. Transportation revenues reflect increase on gas and license fees collected as well as investment income.

## 2) Business-type activities

The City's water and sewer operations generated revenues in excess of the cost of services in 2007 and 2006. In 2007 the City's refuse utility operation reflects a surplus of \$339,647 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 2007 as well as the refuse rates in an effort to recoup the cost to deliver the service. 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>	
	2007	2006	2007	2006	2007	2006
	Water utility operations	\$ 2,187	\$ 2,010	\$ 2,776	\$ 2,743	\$ 589
Sewer utility operations	2,975	2,841	3,248	3,200	273	359
Refuse utility operations	1,368	1,380	1,518	1,440	150	60
Stormwater utility operations	19	-	-	-	(19)	-
Rounding	-	-	-	-	-	-
<b>Total</b>	<b>\$ 6,549</b>	<b>\$ 6,231</b>	<b>\$ 7,542</b>	<b>\$ 7,383</b>	<b>\$ 993</b>	<b>\$ 1,152</b>

#### IV. 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, 2007 comprise \$16,911,051 (86.82%) of the total \$19,477,679 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>Capital Improvement Fund</u>	
	2007	2006	2007	2006	2007	2006
	Total assets	\$ 9,046	\$ 7,584	\$ 935	\$ 841	\$ 6,930
Total liabilities	2,898	2,398	2,075	2,183	27	1
Fund balance	<u>6,148</u>	<u>5,186</u>	<u>(1,140)</u>	<u>(1,342)</u>	<u>6,903</u>	<u>8,683</u>
Total reservations of fund balance	439	403	10	2	4,554	4,561
Unreserved, undesignated fund balance	<u>\$ 5,709</u>	<u>\$ 4,783</u>	<u>\$ (1,150)</u>	<u>\$ (1,344)</u>	<u>\$ 2,349</u>	<u>\$ 4,122</u>
Revenues	\$ 10,895	\$ 10,624	\$ 589	\$ 528	\$ 10	\$ 245
Expenditures	8,041	7,529	324	385	2,540	875
Excess of revenues over (under) expenditures	<u>2,854</u>	<u>3,095</u>	<u>265</u>	<u>143</u>	<u>(2,530)</u>	<u>(630)</u>
Other financing sources (uses)	<u>(1,893)</u>	<u>(2,484)</u>	<u>(63)</u>	<u>(6)</u>	<u>750</u>	<u>1,400</u>
Net change in fund balance	<u>\$ 961</u>	<u>\$ 611</u>	<u>\$ 202</u>	<u>\$ 137</u>	<u>\$ (1,780)</u>	<u>\$ 770</u>

**General Fund.** Total assets in 2007 show a healthy increase over 2006, the result of revenues exceeding expenditures and other financing uses. Total liabilities increased 20.85% over the 2006 total liabilities. The majority of this increase is the recognition of unearned revenue. The fund balance at the end of 2007 was

\$6,147,783 including \$5,708,868 of undesignated, unreserved fund balance. The undesignated unreserved fund balance represents 45.37% of annual governmental funds expenditures.

Revenues increased from \$10,624,118 in 2006 to \$10,895,349 in 2007. Revenue items saw an overall change from 2006 to 2007 of 2.55% which echoes the slow recovery from recessionary economic conditions. Property taxes reflect an increase of 15.16%. Municipal income tax slight decrease of 5.88% can be attributed to the fact that midyear the City switched collection agencies and with the transition some delays in collections were inevitable during the first year. Charges for services saw an increase of 7.00%, while License and Permits saw a slight decrease of 2.40%. The investment market for 2007 was very stable and interest rates continually improved throughout the year. Fines and forfeitures in the General Fund remained stable from 2006 to 2007.

Expenditures increased by 6.80% from 2006 to 2007 from \$7,528,540 to \$8,040,543 respectively. The average wage increase was 3.82% and .15% in a state mandate supplement to the contribution amounts for all members of the Ohio Public Employees Retirement System (OPERS). Annual expenditure cost increases of 5% are normal for southwestern Ohio. For the year, the increase in revenues was less than the increase in expenditure which results in a decrease in the excess revenues over expenditures from \$3,095,578 in 2006 to \$2,854,806 in 2007 or 7.78% decline.

**Parking Fund.** Total assets increased from \$841,142 to \$934,973 as a result of increases in revenue. Total liabilities decreased in 2007 when compared to 2006 by 4.30%. 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 2007 was \$2,055,312. 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 \$527,821 in 2006 to \$588,733 in 2007. 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 decreased slightly from \$384,906 in 2006 to \$323,754 in 2007 due to a capital upgrade in 2006 offset by slightly higher personnel cost in 2007.

**Capital Improvement Fund.** Total assets of \$6,930,400 for 2007 are the product of a decrease in cash from \$6,497,454 in 2006 to \$4,875,088 in 2007. The decrease can be attributed to the completion or near completion of various major projects, including but not limited to US 27 Phase II Improvement project and Kay Rench Drive Extension in Oxford Community Park. The Reserve for Advances decreased due to the repayment made by the Parking Fund. The Unreserved, Undesignated Fund Balance decreased from \$4,121,803 in 2006 to \$2,349,005 in 2007.

The change in revenue from 2006 to 2007 is primarily from the one time reimbursement for Miami University for street resurfacing projects received in 2006. Expenditures in 2007 were \$2,539,879 which is substantial higher than the 2006 level of \$875,053. The change in expenditure denotes an increase in capital projects performed in 2007 when compared to 2006.

## 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 III. 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)**

	Water Fund		Sewer Fund		Refuse Fund	
	2007	2006	2007	2006	2007	2006
Total assets	\$ 17,337	\$ 17,157	\$ 23,941	\$ 23,857	\$ 2,976	\$ 2,845
Total liabilities	5,612	6,261	5,516	6,118	3,315	3,524
Total net assets	<u>11,725</u>	<u>10,896</u>	<u>18,425</u>	<u>17,739</u>	<u>(339)</u>	<u>(679)</u>
Restricted net assets	<u>6,621</u>	<u>6,043</u>	<u>12,214</u>	<u>10,090</u>	<u>88</u>	<u>86</u>
Unrestricted net assets	<u>\$ 5,104</u>	<u>\$ 4,853</u>	<u>\$ 6,211</u>	<u>\$ 7,649</u>	<u>\$ (427)</u>	<u>\$ (765)</u>
Operating revenues	\$ 2,673	\$ 2,645	\$ 3,171	\$ 3,132	\$ 1,512	\$ 1,437
Operating expenses	1,975	1,772	2,714	2,545	1,278	1,282
Net non-operating rev(exp)	26	(26)	142	61	106	37
Capital contributions	104	120	87	78	-	-
Transfer (Net)	<u>-</u>	<u>-</u>	<u>-</u>	<u>(9)</u>	<u>-</u>	<u>-</u>
Net change in net assets	<u>\$ 828</u>	<u>\$ 967</u>	<u>\$ 686</u>	<u>\$ 717</u>	<u>\$ 340</u>	<u>\$ 192</u>

**Water Fund.** Total assets showed a slight increase in 2007. Total liabilities decreased by 10.37% from \$6,261,385 in 2006 to \$5,611,807 in 2007. Because assets increase while liabilities decreased the total net assets for the Water Fund increased by \$828,745, or 7.60%. The last time the water rate was increased was October of 2004. The revenue remained flat when you compare 2007 to 2006. The revenue increased 1.06% and expense increased 11.46% due to wage and benefit increases and deferred compensation adjustment in 2007, while the capital contribution decreased 13.33% in 2007 when compared to 2006.

**Sewer Fund.** The sewer fund was stable in 2007 with a solid operating margin. Like the Water Fund the total assets show a slight increase in 2007. Total liabilities decreased by 9.85% from \$6,118,274 in 2006 to \$5,515,671 in 2007. The reduction in liabilities are a direct indication of effect of making annual loan payments. Unrestricted net assets decreased from \$7,649,145 in 2006 to \$6,211,771 in 2007 as major capital improvements were implemented. Operating revenue increased slightly and expenses increased 6.6% due to wage and benefit increases and deferred compensation adjustment in 2007.

**Refuse Fund.** The City contracts with a private vendor for refuse service provided to its customers. The City is currently in the first option year of a three year Contract with two additional options for a one year extensions. 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.

**V. 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 61. During the year, the City made the following significant changes to its original General Fund budget:

- An appropriation of \$250,000 in the form of a transfer from the general fund to the capital improvement fund for the US 27 North Phase II construction project, land acquisition and Phase III design.
- An appropriation of \$80,000 to the general fund for legal services.
- An appropriation of \$59,800 to the general fund for salaries and benefits for two new positions added, additional part-time positions and separation payment.
- An appropriation of \$46,964 to the general fund for various contracted services.

**VI. CAPITAL ASSET AND DEBT ADMINISTRATION**

**A. Capital assets**

At the end of 2007, the City had \$59,368,750 invested in a broad range of capital assets, including police and fire equipment, buildings, computer software and hardware upgrades, road improvements, 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 Note 9 to the financial statements.

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

	Governmental Activities		Business- Type Activities		Total	
	2007	2006	2007	2006	2007	2006
	Land	\$ 1,623	\$ 1,623	\$ 369	\$ 369	\$ 1,992
Construction in progress	2,436	1,095	2,278	352	4,714	1,447
Buildings	4,171	4,259	4,791	5,010	8,962	9,269
Improvements	4,627	4,706	445	627	5,072	5,333
Equipment	2,737	2,517	1,131	954	3,868	3,471
Infrastructure	15,530	15,279	19,230	19,467	34,760	34,746
Total	<u>\$ 31,124</u>	<u>\$ 29,479</u>	<u>\$ 28,244</u>	<u>\$ 26,779</u>	<u>\$ 59,368</u>	<u>\$ 56,257</u>

The City's 2007 capital improvement program for governmental activities included expenditures for police cruiser replacements and conversion, Phase III of US 27N improvements, extension of Kay Rench Dr. (Oxford Community Park), railroad crossing improvements, street sweeper, and computer software and hardware upgrades. 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 2007 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, replacement of video inspection

van, and the replacement of primary clarifier drive. The Water Fund projects include the completion of various necessary water main improvements and, vehicle replacements.

## **B. Debt**

Debt activity for 2007 consisted of scheduled principal and interest payments on existing debt. There were no debt issuances during the year. Total long term obligations outstanding at year-end were \$17,408,155. 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 \$2,810,000, are paid from the General fund revenues. The 2002 Water refunding bonds are general obligation bonds with an outstanding balance of \$5,610,000 at year-end, but are paid by Water Utility revenues. The City has four individual debts borrowed by the Sewer fund (year end balance \$5,239,443) and one by the Refuse fund (year-end balance \$1,901,399). 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 13 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. This rating was reaffirmed on August 17, 2007.

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

### **Governmental Funds**

Sound financial budgeting and conservative cost management continued in 2007 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 2007 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 2007 was to evaluate municipal locations and facilities and address community concerns related to existing swimming pool.

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 2007 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 2006 the amount was \$750 per employee per month; for 2007, the amount was \$800 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 2007 year end this fund has net assets of \$381,812.

#### **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, 2007**

	Governmental Activities	Business-Type Activities	Total
<b>Assets</b>			
Equity in Pooled Cash and Investments	\$ 14,426,096	\$ 15,173,433	\$ 29,599,529
Taxes Receivable	2,183,507	0	2,183,507
Accounts Receivable	83,646	479,748	563,394
Loans Receivable	8,638	0	8,638
Accrued Interest Receivable	155,681	169,066	324,747
Intergovernmental Receivable	741,828	0	741,828
Prepaid Items	38,132	10,292	48,424
Materials and Supplies Inventory	165,090	214,570	379,660
Internal Balances	(127,474)	127,474	0
Deferred Charges	0	35,045	35,045
Non-Depreciable Capital Assets	4,058,392	2,647,133	6,705,525
Depreciable Capital Assets, net	27,065,897	25,597,328	52,663,225
<i>Total Assets</i>	<u>48,799,433</u>	<u>44,454,089</u>	<u>93,253,522</u>
<b>Liabilities</b>			
Accounts Payable	124,434	235,148	359,582
Accrued Wages	57,050	5,889	62,939
Contracts Payable	0	26,651	26,651
Intergovernmental Payable	221,827	41,692	263,519
Accrued Interest Payable	12,755	16,771	29,526
Claims Payable	80,968	0	80,968
Unearned Revenue	916,865	0	916,865
Long-Term Liabilities:			
Due Within One Year	440,016	1,802,508	2,242,524
Due in More Than One Year	2,850,993	12,314,638	15,165,631
<i>Total Liabilities</i>	<u>4,704,908</u>	<u>14,443,297</u>	<u>19,148,205</u>
<b>Net Assets</b>			
Invested in Capital Assets, Net of Related Debt	28,314,289	17,612,297	45,926,586
Restricted for Capital Outlay	7,861,611	0	7,861,611
Restricted for Other Purposes	1,340,122	1,310,801	2,650,923
Unrestricted	6,578,503	11,087,694	17,666,197
<i>Total Net Assets</i>	<u>\$ 44,094,525</u>	<u>\$ 30,010,792</u>	<u>\$ 74,105,317</u>

See accompanying notes and accountant's compilation report.

**City of Oxford, Ohio**  
**Statement of Activities**  
**For the Year Ended December 31, 2007**

	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	\$ 1,686,891	\$ 194,145	\$ 31,572	\$ 0	\$ (1,461,174)	\$ 0	\$ (1,461,174)
Security of Persons and Property	4,619,279	665,130	214,446	0	(3,739,703)	0	(3,739,703)
Public Health	167,033	1,550	0	0	(165,483)	0	(165,483)
Leisure Time Services	1,301,751	241,856	9,599	0	(1,050,296)	0	(1,050,296)
Community and Economic Development	774,120	221,608	184,573	1,286	(366,653)	0	(366,653)
Transportation	1,996,544	567,485	381,623	2,000	(1,045,436)	0	(1,045,436)
Interest and Fiscal Charges	160,437	0	0	0	(160,437)	0	(160,437)
<b>Total Governmental Activities</b>	<b>10,706,055</b>	<b>1,891,774</b>	<b>821,813</b>	<b>3,286</b>	<b>(7,989,182)</b>	<b>0</b>	<b>(7,989,182)</b>
<b>Business-Type Activities</b>							
Water	2,187,290	2,671,728	0	104,221	0	588,659	588,659
Sewer	2,974,446	3,160,378	0	87,470	0	273,402	273,402
Refuse	1,368,052	1,511,839	6,140	0	0	149,927	149,927
Stormwater	19,155	0	0	0	0	(19,135)	(19,135)
<b>Total Business-Type Activities</b>	<b>6,548,923</b>	<b>7,343,945</b>	<b>6,140</b>	<b>191,691</b>	<b>0</b>	<b>992,853</b>	<b>992,853</b>
<b>Totals</b>	<b>\$ 17,254,978</b>	<b>\$ 9,235,719</b>	<b>\$ 827,953</b>	<b>\$ 194,977</b>	<b>(7,989,182)</b>	<b>992,853</b>	<b>(6,996,329)</b>
<b>General Revenues</b>							
Property and Other Local Taxes Levied for General Purposes					1,159,315	0	1,159,315
Income Taxes Levied for General Purposes					6,786,737	0	6,786,737
Grants and Earnings not Restricted to Specific Programs					1,255,664	0	1,255,664
Investment Earnings					799,987	873,792	1,673,779
Miscellaneous					73,570	12,037	85,607
<b>Total General Revenues</b>					<b>10,075,273</b>	<b>885,829</b>	<b>10,961,102</b>
Transfers					(86,500)	86,500	0
<b>Total General Revenues and Transfers</b>					<b>9,988,773</b>	<b>972,329</b>	<b>10,961,102</b>
<b>Change in Net Assets</b>					<b>1,999,591</b>	<b>1,965,182</b>	<b>3,964,773</b>
<b>Net Assets Beginning of Year</b>					<b>42,094,934</b>	<b>28,045,610</b>	<b>70,140,544</b>
<b>Net Assets End of Year</b>					<b>\$ 44,094,525</b>	<b>\$ 30,010,792</b>	<b>\$ 74,105,317</b>

See accompanying notes and accountant's compilation report.

**City of Oxford, Ohio**  
*Balance Sheet*  
**Governmental Funds**  
*December 31, 2007*

	General	Parking	Capital Improvement	All Other Governmental Funds	Total Governmental Funds
<b>Assets</b>					
Equity in Pooled Cash and Investments	\$ 5,947,717	\$ 925,601	\$ 4,875,088	\$ 2,171,036	\$ 13,919,442
Taxes Receivable	2,183,507	0	0	0	2,183,507
Accounts Receivable	83,646	0	0	0	83,646
Loans Receivable	0	0	0	8,638	8,638
Accrued Interest Receivable	131,745	9,372	0	9,986	151,103
Intergovernmental Receivable	488,332	0	0	253,496	741,828
Prepaid Items	38,132	0	0	0	38,132
Materials and Supplies Inventory	22,599	0	0	123,472	146,071
Advances to Other Funds	150,000	0	2,055,312	0	2,205,312
<b>Total Assets</b>	<b>\$ 9,045,678</b>	<b>\$ 934,973</b>	<b>\$ 6,930,400</b>	<b>\$ 2,566,628</b>	<b>\$ 19,477,679</b>
<b>Liabilities</b>					
Accounts Payable	62,546	1,397	27,327	21,550	112,820
Accrued Wages	54,321	1,558	0	1,171	57,050
Intergovernmental Payable	203,537	7,312	0	10,978	221,827
Unearned Revenue	2,577,491	9,372	0	244,467	2,831,330
Advances From Other Funds	0	2,055,312	0	150,000	2,205,312
<b>Total Liabilities</b>	<b>2,897,895</b>	<b>2,074,951</b>	<b>27,327</b>	<b>428,166</b>	<b>5,428,339</b>
<b>Fund Balances</b>					
Reserved for Encumbrances	288,915	9,866	2,498,756	230,537	3,028,074
Reserved for Advances	150,000	0	2,055,312	0	2,205,312
Unreserved, Undesignated, Reported in:					
General Fund	5,708,868	0	0	0	5,708,868
Special Revenue Funds	0	(1,149,844)	0	1,070,083	(79,761)
Capital Projects Funds	0	0	2,349,005	837,842	3,186,847
<b>Total Fund Balances (Deficit)</b>	<b>6,147,783</b>	<b>(1,139,978)</b>	<b>6,903,073</b>	<b>2,138,462</b>	<b>14,049,340</b>
<b>Total Liabilities and Fund Balances</b>	<b>\$ 9,045,678</b>	<b>\$ 934,973</b>	<b>\$ 6,930,400</b>	<b>\$ 2,566,628</b>	<b>\$ 19,477,679</b>

See accompanying notes and accountant's compilation report.

**City of Oxford, Ohio**  
*Reconciliation of Total Governmental Fund Balances to  
 Net Assets of Governmental Activities  
 December 31, 2007*

<b>Total Governmental Fund Balances</b>		<b>\$ 14,049,340</b>
 <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.		31,120,298
Other long-term assets are not available to pay for current period expenditures and therefore are deferred in the funds:		
Income Tax	\$ 1,039,606	
Intergovernmental and Other Receivables	<u>874,859</u>	
Total		1,914,465
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.		314,186
In the statement of activities, interest is accrued on outstanding bonds, whereas in governmental funds, an interest expenditure is reported when due.		(12,755)
Long-term liabilities are not due and payable in the current period and therefore are not reported in the funds:		
General Obligation Bonds	(2,810,000)	
Compensated Absences	<u>(481,009)</u>	
Total		<u>(3,291,009)</u>
<i>Net Assets of Governmental Activities</i>		<u><u>\$ 44,094,525</u></u>

See accompanying notes and accountant's compilation report.

**City of Oxford, Ohio**  
*Statement of Revenues, Expenditures and Changes in Fund Balances*  
**Governmental Funds**  
*For the Year Ended December 31, 2007*

	General	Parking	Capital Improvement	All Other Governmental Funds	Total Governmental Funds
<b>Revenues</b>					
Property and Other Local Taxes	\$ 1,159,315	\$ 0	\$ 0	\$ 0	\$ 1,159,315
Income Taxes	6,190,198	0	0	0	6,190,198
Charges for Services	681,607	388,303	0	30,595	1,100,505
Licenses and Permits	365,531	0	0	0	365,531
Fines and Forfeitures	262,016	148,587	0	3,358	413,961
Intergovernmental	1,473,678	0	2,000	405,713	1,881,391
Interest	665,115	51,127	0	54,499	770,741
Contributions and Donations	34,599	0	1,286	75,192	111,077
Other	63,290	716	6,666	28,789	99,461
<b>Total Revenues</b>	<b>10,895,349</b>	<b>588,733</b>	<b>9,952</b>	<b>598,146</b>	<b>12,092,180</b>
<b>Expenditures</b>					
<b>Current:</b>					
General Government	1,709,069	0	0	0	1,709,069
Security of Persons and Property	4,410,508	0	0	68,574	4,479,082
Public Health	164,757	0	0	0	164,757
Leisure Time Services	1,133,251	0	0	0	1,133,251
Community and Economic Development	620,514	0	0	29,951	650,465
Transportation	0	323,754	0	748,761	1,072,515
Capital Outlay	0	0	2,539,879	506,769	3,046,648
<b>Debt Service:</b>					
Principal Retirements	2,403	0	0	165,000	167,403
Interest and Fiscal Charges	41	0	0	161,063	161,104
<b>Total Expenditures</b>	<b>8,040,543</b>	<b>323,754</b>	<b>2,539,879</b>	<b>1,680,118</b>	<b>12,584,294</b>
<b>Excess of Revenues Over(Under) Expenditures</b>	<b>2,854,806</b>	<b>264,979</b>	<b>(2,529,927)</b>	<b>(1,081,972)</b>	<b>(492,114)</b>
<b>Other Financing Sources (Uses)</b>					
Transfers In	18,120	0	750,000	1,119,683	1,887,803
Transfers Out	(1,911,563)	(62,740)	0	0	(1,974,303)
<b>Total Other Financing Sources (Uses)</b>	<b>(1,893,443)</b>	<b>(62,740)</b>	<b>750,000</b>	<b>1,119,683</b>	<b>(86,500)</b>
<b>Net Change in Fund Balances</b>	<b>961,363</b>	<b>202,239</b>	<b>(1,779,927)</b>	<b>37,711</b>	<b>(578,614)</b>
<b>Fund Balances (Deficit) Beginning of Year</b>	<b>5,186,420</b>	<b>(1,342,217)</b>	<b>8,683,000</b>	<b>2,100,751</b>	<b>14,627,954</b>
<b>Fund Balances (Deficit) End of Year</b>	<b>\$ 6,147,783</b>	<b>\$ (1,139,978)</b>	<b>\$ 6,903,073</b>	<b>\$ 2,138,462</b>	<b>\$ 14,049,340</b>

See accompanying notes and accountant's compilation report.

**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, 2007*

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**Net Change in Fund Balances - Total Governmental Funds** \$ (578,614)

*Amounts reported for governmental activities in the statement of activities are different because*

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	\$	2,677,284	
Current Year Depreciation		<u>(1,013,250)</u>	
<b>Total</b>			<b>1,664,034</b>

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. (18,459)

Revenues in the statement of activities that do not provide current financial resources are not reported as revenues in the funds.

Income Tax		596,539	
Intergovernmental and Other Receivables		<u>75,830</u>	
<b>Total</b>			<b>672,369</b>

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. 167,403

In the statement of activities, interest is accrued on outstanding bonds, whereas in governmental funds, an interest expenditure is reported when due. 667

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. (22,887)

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. 115,078

*Change in Net Assets of Governmental Activities* \$ 1,999,591

See accompanying notes and accountant's compilation report.

**City of Oxford, Ohio**  
*Statement of Revenues, Expenditures and Changes*  
*in Fund Balances - Budget and Actual - Budget (Non-GAAP) Basis*  
**General Fund**  
*For the Year Ended December 31, 2007*

	Original Budget	Final Budget	Actual	Variance with Final Budget
<b>Revenues</b>				
Property Taxes	\$ 1,026,514	\$ 1,026,514	\$ 1,159,806	\$ 133,292
Income Taxes	6,205,271	6,205,271	6,539,441	334,170
Charges for Services	588,500	588,500	685,145	96,645
Licenses and Permits	386,700	386,700	364,645	(22,055)
Fines and Forfeitures	265,000	265,000	248,908	(16,092)
Intergovernmental	1,190,804	1,190,804	1,469,198	278,394
Interest	447,069	447,069	661,744	214,675
Contributions and Donations	40,500	40,500	34,599	(5,901)
Other	2,000	2,000	63,290	61,290
<i>Total Revenues</i>	<u>10,152,358</u>	<u>10,152,358</u>	<u>11,226,776</u>	<u>1,074,418</u>
<b>Expenditures</b>				
General Government	1,923,342	2,217,617	1,872,224	345,393
Security of Persons and Property	4,681,784	4,673,430	4,542,016	131,414
Public Health	179,562	179,562	178,871	691
Leisure Time Services	1,236,495	1,239,495	1,161,292	78,203
Community and Economic Development	791,807	788,557	680,294	108,263
<i>Total Expenditures</i>	<u>8,812,990</u>	<u>9,098,661</u>	<u>8,434,697</u>	<u>663,964</u>
<i>Excess of Revenues Over Expenditures</i>	<u>1,339,368</u>	<u>1,053,697</u>	<u>2,792,079</u>	<u>1,738,382</u>
<b>Other Financing Source (Use)</b>				
Transfers In	18,120	18,120	18,120	0
Transfers Out	(1,661,563)	(1,911,563)	(1,911,563)	0
<i>Total Other Financing Sources and (Uses)</i>	<u>(1,643,443)</u>	<u>(1,893,443)</u>	<u>(1,893,443)</u>	<u>0</u>
<i>Net Change in Fund Balance</i>	(304,075)	(839,746)	898,636	1,738,382
<i>Fund Balance Beginning of Year</i>	4,326,855	4,326,855	4,326,855	0
<i>Prior Year Encumbrances Appropriated</i>	<u>309,081</u>	<u>309,081</u>	<u>309,081</u>	<u>0</u>
<i>Fund Balance End of Year</i>	<u>\$ 4,331,861</u>	<u>\$ 3,796,190</u>	<u>\$ 5,534,572</u>	<u>\$ 1,738,382</u>

See accompanying notes and accountant's compilation report.



**City of Oxford, Ohio**  
*Statement of Revenues, Expenditures and Changes*  
*in Fund Balances - Budget and Actual - Budget (Non-GAAP) Basis*  
*Parking Fund*  
*For the Year Ended December 31, 2007*

	Original Budget	Final Budget	Actual	Variance with Final Budget
<b>Revenues</b>				
Charges for Services	\$ 394,600	\$ 394,600	\$ 388,303	\$ (6,297)
Fines and Forfeitures	160,000	160,000	148,587	(11,413)
Interest	28,957	28,957	49,811	20,854
Other	0	0	716	716
<i>Total Revenues</i>	<u>583,557</u>	<u>583,557</u>	<u>587,417</u>	<u>3,860</u>
<b>Expenditures</b>				
Transportation	427,056	427,056	343,269	83,787
<i>Excess of Revenues Over Expenditures</i>	<u>156,501</u>	<u>156,501</u>	<u>244,148</u>	<u>87,647</u>
<b>Other Financing Uses</b>				
Transfers Out	(62,740)	(62,740)	(62,740)	0
Advances Out	(100,000)	(100,000)	(100,000)	0
<i>Total Other Financing Sources and (Uses)</i>	<u>(162,740)</u>	<u>(162,740)</u>	<u>(162,740)</u>	<u>0</u>
<i>Net Change in Fund Balance</i>	(6,239)	(6,239)	81,408	87,647
<i>Fund Balance Beginning of Year</i>	816,684	816,684	816,684	0
<i>Prior Year Encumbrances Appropriated</i>	<u>10,239</u>	<u>10,239</u>	<u>10,239</u>	<u>0</u>
<i>Fund Balance End of Year</i>	<u>\$ 820,684</u>	<u>\$ 820,684</u>	<u>\$ 908,331</u>	<u>\$ 87,647</u>

See accompanying notes and accountant's compilation report.

**City of Oxford, Ohio**  
**Statement of Fund Net Assets**  
**Proprietary Funds**  
**December 31, 2007**

	Enterprise Funds				Totals	Governmental Activities - Internal Service Funds
	Water	Sewer	Refuse	Other Enterprise		
<b>Assets</b>						
<i>Current Assets</i>						
Equity in Pooled Cash and Investments	\$ 5,677,723	\$ 6,569,651	\$ 2,854,408	\$ 71,651	\$ 15,173,433	\$ 506,654
Accounts Receivable	207,339	260,345	12,064	0	479,748	0
Accrued Interest Receivable	59,425	87,356	21,640	645	169,066	4,578
Prepaid Items	8,570	1,362	360	0	10,292	0
Materials and Supplies Inventory	156,586	57,984	0	0	214,570	19,019
<i>Total Current Assets</i>	<u>6,109,643</u>	<u>6,976,698</u>	<u>2,888,472</u>	<u>72,296</u>	<u>16,047,109</u>	<u>530,251</u>
<i>Non-Current Assets</i>						
Deferred Charges	35,045	0	0	0	35,045	0
Non-Depreciable Capital Assets	343,480	2,286,653	17,000	0	2,647,133	0
Depreciable Capital Assets, Net	10,848,429	14,677,882	71,017	0	25,597,328	3,991
<i>Total Non-Current Assets</i>	<u>11,226,954</u>	<u>16,964,535</u>	<u>88,017</u>	<u>0</u>	<u>28,279,506</u>	<u>3,991</u>
<i>Total Assets</i>	<u>17,336,597</u>	<u>23,941,233</u>	<u>2,976,489</u>	<u>72,296</u>	<u>44,326,615</u>	<u>534,242</u>
<b>Liabilities</b>						
<i>Current Liabilities</i>						
Accounts Payable	29,770	112,974	92,404	0	235,148	11,614
Accrued Wages	3,225	2,374	290	0	5,889	0
Contracts Payable	6,777	18,704	1,170	0	26,651	0
Intergovernmental Payable	18,233	21,213	2,246	0	41,692	0
Accrued Interest Payable	16,771	0	0	0	16,771	0
Claims Payable	0	0	0	0	0	80,968
Compensated Absences Payable	57,059	62,523	5,914	0	125,496	0
General Obligation Bonds Payable	730,000	0	0	0	730,000	0
OWDA Loans Payable	0	727,518	219,494	0	947,012	0
<i>Total Current Liabilities</i>	<u>861,835</u>	<u>945,306</u>	<u>321,518</u>	<u>0</u>	<u>2,128,659</u>	<u>92,582</u>
<i>Long-Term Liabilities</i>						
Compensated Absences Payable - Net of Current Portion	52,206	58,440	9,876	0	120,522	0
General Obligation Bonds Payable - Net of Current Portion	4,697,766	0	0	0	4,697,766	0
OWDA Loans Payable - Net of Current Portion	0	4,511,925	1,681,905	0	6,193,830	0
Landfill Postclosure Care Payable	0	0	1,302,520	0	1,302,520	0
<i>Total Long-Term Liabilities</i>	<u>4,749,972</u>	<u>4,570,365</u>	<u>2,994,301</u>	<u>0</u>	<u>12,314,638</u>	<u>0</u>
<i>Total Liabilities</i>	<u>5,611,807</u>	<u>5,515,671</u>	<u>3,315,819</u>	<u>0</u>	<u>14,443,297</u>	<u>92,582</u>
<b>Net Assets</b>						
Invested in Capital Assets, Net of Related Debt	5,799,188	11,725,092	88,017	0	17,612,297	3,991
Restricted for Other Purposes	822,102	488,699	0	0	1,310,801	0
Unrestricted	5,103,500	6,211,771	(427,347)	72,296	10,960,220	437,669
<i>Total Net Assets</i>	<u>\$ 11,724,790</u>	<u>\$ 18,425,562</u>	<u>\$ (339,330)</u>	<u>\$ 72,296</u>	<u>\$ 29,357,615</u>	<u>\$ 481,650</u>

Adjustment to reflect the consolidation of internal service fund activities related to enterprise funds

Total net assets from above

127,474

Net assets of business-type activities

\$ 30,010,792

See accompanying notes and accountant's compilation report.

**City of Oxford, Ohio**  
*Statement of Revenues, Expenses and Changes in Fund Net Assets*  
*Proprietary Funds*  
*For the Year Ended December 31, 2007*

	Enterprise Funds				Totals	Governmental Activities - Internal Service Funds
	Water	Sewer	Refuse	Other Enterprise		
<b>Operating Revenues</b>						
Charges for Services	\$ 2,671,728	\$ 3,160,378	\$ 1,511,839	\$ 0	\$ 7,343,945	\$ 1,355,285
Other	1,187	10,704	126	20	12,037	0
<i>Total Operating Revenues</i>	<u>2,672,915</u>	<u>3,171,082</u>	<u>1,511,965</u>	<u>20</u>	<u>7,355,982</u>	<u>1,355,285</u>
<b>Operating Expenses</b>						
Personal Services	961,873	1,171,955	115,369	0	2,249,197	0
Contractual Services	431,139	633,384	1,151,510	19,135	2,235,168	98,824
Materials and Supplies	177,170	135,328	393	0	312,891	192,283
Claims	0	0	0	0	0	938,912
Depreciation	404,705	773,312	6,225	0	1,184,242	0
Other	0	0	4,960	0	4,960	0
<i>Total Operating Expenses</i>	<u>1,974,887</u>	<u>2,713,979</u>	<u>1,278,457</u>	<u>19,135</u>	<u>5,986,458</u>	<u>1,230,019</u>
<i>Operating Income (Loss)</i>	<u>698,028</u>	<u>457,103</u>	<u>233,508</u>	<u>(19,115)</u>	<u>1,369,524</u>	<u>125,266</u>
<b>Non-Operating Revenues (Expense)</b>						
Interest Revenue	276,684	402,603	189,594	4,911	873,792	27,597
Intergovernmental	0	0	6,140	0	6,140	0
Interest and Fiscal Charges	(250,188)	(260,467)	(89,595)	0	(600,250)	0
<i>Total Non-Operating Revenues (Expenses)</i>	<u>26,496</u>	<u>142,136</u>	<u>106,139</u>	<u>4,911</u>	<u>279,682</u>	<u>27,597</u>
<i>Income (Loss) Before Contributions and Transfers</i>	<u>724,524</u>	<u>599,239</u>	<u>339,647</u>	<u>(14,204)</u>	<u>1,649,206</u>	<u>152,863</u>
Capital Contributions	104,221	87,470	0	0	191,691	0
Transfers In	0	0	0	86,500	86,500	0
<i>Total Contributions and Transfers</i>	<u>104,221</u>	<u>87,470</u>	<u>0</u>	<u>86,500</u>	<u>278,191</u>	<u>0</u>
<i>Change in Net Assets</i>	<u>828,745</u>	<u>686,709</u>	<u>339,647</u>	<u>72,296</u>	<u>1,927,397</u>	<u>152,863</u>
<i>Net Assets (Deficit) Beginning of Year</i>	<u>10,896,045</u>	<u>17,738,853</u>	<u>(678,977)</u>	<u>0</u>		<u>288,797</u>
<i>Net Assets (Deficit) End of Year</i>	<u>\$ 11,724,790</u>	<u>\$ 18,425,562</u>	<u>\$ (339,330)</u>	<u>\$ 72,296</u>		<u>\$ 441,660</u>
Adjustment to reflect the consolidation of internal service fund activities related to enterprise funds					<u>37,785</u>	
Changes in net assets of business-type activities					<u>\$ 1,965,182</u>	

See accompanying notes and accountant's compilation report.

City of Oxford, Ohio  
Statement of Cash Flows  
All Proprietary Funds  
For the Year Ended December 31, 2007

	Enterprise Funds					Governmental Activities - Internal Service Funds
	Water	Sewer	Refuse	Other Enterprise	Totals	
<i>Increase (Decrease) in Cash and Cash Equivalents</i>						
<b>Cash Flows from Operating Activities</b>						
Cash Received from Customers	\$ 2,673,755	\$ 3,166,571	\$ 1,516,905	\$ 0	\$ 7,357,231	\$ 176,918
Cash Received from Interfund Services Provided	0	0	0	0	0	1,178,367
Other Operating Receipts	1,187	10,704	126	20	12,037	0
Cash Payments to Suppliers for Goods and Services	(153,682)	(136,699)	(6,769)	0	(297,150)	(181,375)
Cash Payments to Employees	(955,090)	(1,141,899)	(117,639)	0	(2,214,628)	0
Cash Payments for Employee Medical Claims	0	0	0	0	0	(914,453)
Cash Payments for Contractual Services	(418,683)	(557,984)	(1,142,320)	(19,135)	(2,138,122)	(84,218)
Cash Payments for Other Operating Expenses	0	0	(4,960)	0	(4,960)	0
<i>Net Cash Provided by (Used for) Operating Activities</i>	<u>1,147,487</u>	<u>1,340,693</u>	<u>245,343</u>	<u>(19,115)</u>	<u>2,714,408</u>	<u>175,239</u>
<b>Cash Flows from Noncapital Financing Activities</b>						
Transfers In	0	0	0	86,500	86,500	0
<b>Cash Flows from Capital and Related Financing Activities</b>						
Acquisition of Capital Assets	(278,760)	(2,379,197)	(7,144)	0	(2,665,101)	0
Principal Payments on Debt	(710,000)	(686,859)	(210,248)	0	(1,607,107)	0
Interest Payments	(220,775)	(260,467)	(89,595)	0	(570,837)	0
Intergovernmental	0	0	6,140	0	6,140	0
Capital Contributions	104,221	87,470	0	0	191,691	0
<i>Net Cash Used For Capital and Related Financing Activities</i>	<u>(1,105,314)</u>	<u>(3,239,053)</u>	<u>(300,847)</u>	<u>0</u>	<u>(4,645,214)</u>	<u>0</u>
<b>Cash Flows from Investing Activities</b>						
Interest	275,763	402,987	174,621	4,266	857,637	26,475
<i>Net Increase (Decrease) in Cash and Cash Equivalents</i>	317,936	(1,495,373)	119,117	71,651	(986,669)	201,714
<i>Cash and Cash Equivalents Beginning of Year</i>	<u>5,359,787</u>	<u>8,065,024</u>	<u>2,735,291</u>	<u>0</u>	<u>16,160,102</u>	<u>304,940</u>
<i>Cash and Cash Equivalents End of Year</i>	<u>\$ 5,677,723</u>	<u>\$ 6,569,651</u>	<u>\$ 2,854,408</u>	<u>\$ 71,651</u>	<u>\$ 15,173,433</u>	<u>\$ 506,654</u>

(continued)

City of Oxford, Ohio  
Statement of Cash Flows  
All Proprietary Funds  
For the Year Ended December 31, 2007

	Enterprise Funds				Totals	Governmental Activities - Internal Service Funds
	Water	Sewer	Refuse	Other Enterprise		
<b>Reconciliation of Operating Income (Loss) to Net Cash Provided by (Used for) Operating Activities</b>						
<i>Operating Income (Loss)</i>	\$ 698,028	\$ 457,103	\$ 233,508	\$ (19,115)	1,369,524	\$ 125,266
Adjustments:						
Depreciation	404,705	773,312	6,225	0	1,184,242	0
(Increase) Decrease in Assets:						
Accounts Receivable	2,027	6,193	5,066	0	13,286	0
Materials and Supplies Inventory	20,578	(3,565)	0	0	17,013	(288)
Prepaid Items	(7,089)	164	(360)	0	(7,285)	14,606
Increase (Decrease) in Liabilities:						
Accounts Payable	22,455	77,430	232	0	100,117	11,196
Claims Payable	0	0	0	0	0	24,459
Accrued Wages	909	2,112	290	0	3,311	0
Compensated Absences Payable	16,256	40,056	(1,260)	0	55,052	0
Intergovernmental Payable	(10,382)	(12,112)	(1,300)	0	(23,794)	0
Landfill Post-Closure Payable	0	0	2,942	0	2,942	0
<i>Net Cash Provided by (Used for) Operating Activities</i>	<u>\$ 1,147,487</u>	<u>\$ 1,340,693</u>	<u>\$ 245,343</u>	<u>\$ (19,115)</u>	<u>\$ 2,714,408</u>	<u>\$ 175,239</u>

See accompanying notes and accountant's compilation report.

**City of Oxford, Ohio**  
*Statement of Fiduciary Assets and Liabilities*  
*Agency Funds*  
*December 31, 2007*

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	<u>Agency Funds</u>
<b>Assets</b>	
Equity in Pooled Cash and Investments	\$ 10,265
Accrued Interest Receivable	31
Taxes Receivable	<u>6,365</u>
<i>Total Assets</i>	<u><u>16,661</u></u>
<b>Liabilities</b>	
Undistributed Monies	<u>16,661</u>
<i>Total Liabilities</i>	<u><u>\$ 16,661</u></u>

See accompanying notes and accountant's compilation report.

**CITY OF OXFORD, OHIO**  
*Notes To The Basic Financial Statements*  
*December 31, 2007*

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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 18).

**CITY OF OXFORD, OHIO**  
*Notes To The Basic Financial Statements*  
*December 31, 2007 (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 include the financial activities of the primary government, except for fiduciary funds. The activity of the internal service fund is also eliminated to avoid the “doubling-up” effect on revenues and expenses. The statements distinguish between those activities of the City that are governmental and those that are considered business-type.

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, 2007 (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.

**CITY OF OXFORD, OHIO**  
*Notes To The Basic Financial Statements*  
*December 31, 2007 (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, 2007, 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, 2007 (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.*** Fiduciary fund reporting focuses on net assets and changes in net assets. The fiduciary fund category is split into four classifications: pension trust funds, investment trust funds, private purpose trust funds and agency funds. Trust funds are used to account for assets held by the City under a trust agreement for individuals, private organizations, or other governments and are therefore not available to support the City's own programs. The City has no trust 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. The City's agency funds account for monies received for hotel taxes and building permits along with monies to be refunded to City residents from the Oxford Natural Gas Company.

**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 2007 amounted to \$1,673,779.

**E. Prepaid Items**

Payments made to vendors for services that will benefit periods beyond December 31, 2007 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, 2007 (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, 2007 (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, 2007 (Continued)*

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

**N. Net Assets**

Net assets represent the difference between assets and liabilities. Net assets invested in capital assets, net of related debt consists of capital assets, net of accumulated depreciation, reduced by the outstanding balances of any borrowings used for the acquisition, construction, or improvement of those assets. Net assets are reported as restricted when there are limitations imposed on their use either through constitutional provisions, enabling legislation or through external restrictions imposed by creditors, grantors, or laws or regulations of other governments. At December 31, 2007, none of the City's net assets were restricted by enabling legislation.

Net assets restricted for other purposes include recreation, street construction and repair, and the operation of the police department.

The City applies restricted resources first when an expense is incurred for purposes for which both restricted and unrestricted net assets are available.

**O. 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 departments except for the General Fund; one department for personnel services, and another department 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.

**CITY OF OXFORD, OHIO**  
*Notes To The Basic Financial Statements*  
*December 31, 2007 (Continued)*

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

*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.

**NOTE 2: FUND DEFICITS**

At December 31, 2007, the Refuse Fund had deficit net assets of \$339,330. 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 General Fund provides transfers to cover fund deficit balances, however, this is done when cash is needed rather than when accruals occur.

**CITY OF OXFORD, OHIO**  
*Notes To The Basic Financial Statements*  
*December 31, 2007 (Continued)*

**NOTE 3: 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 Statements 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).

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	\$ 961,363	\$ 202,239
Net Adjustment for Revenue Accruals	331,427	(1,316)
Net Adjustment for Expenditure Accruals	(73,447)	(9,095)
Advances Out	0	(100,000)
Encumbrances	(320,707)	(10,420)
Budget Basis	\$ 898,636	\$ 81,408



**CITY OF OXFORD, OHIO**  
*Notes To The Basic Financial Statements*  
*December 31, 2007 (Continued)*

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**NOTE 4: 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 equity in "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;
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;

**CITY OF OXFORD, OHIO**  
*Notes To The Basic Financial Statements*  
*December 31, 2007 (Continued)*

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**NOTE 4: POOLED CASH AND INVESTMENTS (Continued)**

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 uninsured 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 2007, the City and public depositories complied with the provisions of these statutes.

**CITY OF OXFORD, OHIO**  
*Notes To The Basic Financial Statements*  
*December 31, 2007 (Continued)*

**NOTE 4: 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 uninsured 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 \$2,929,587. Based on the criteria described in GASB Statement No. 40, "Deposits and Investment Risk Disclosures," as of December 31, 2007, \$2,857,310 of the City's bank balance of \$3,134,755 was exposed to custodial risk as discussed above, while \$277,445 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 \$2,857,310 covered by collateral pools.

As of December 31, 2007, the City had the following investments and maturities:

<u>Investment Type</u>	<u>Fair Value</u>	<u>Investment Maturities</u>			
		<u>6 Months or Less</u>	<u>7 to 12 Months</u>	<u>13 to 18 Months</u>	<u>19 to 24 Months</u>
Federal National Mortgage Assoc. Notes	\$ 5,604,027	\$ 2,666,217	\$ 737,301	\$ 548,283	\$ 1,652,226
Federal Home Loan Mortgage Corp. Notes	7,533,393	3,046,218	208,034	3,209,779	1,069,362
Federal Home Loan Bank Notes	7,760,810	1,103,619	1,217,934	1,904,887	3,534,370
Federal Farm Credit Bank Notes	933,677	0	933,677	0	0
U.S. Treasury Notes	2,589,627	0	0	0	2,589,627
Treasury Mutual Funds	2,258,673	2,258,673	0	0	0
<i>Total Investments</i>	<u>\$ 26,680,207</u>	<u>\$ 9,074,727</u>	<u>\$ 3,096,946</u>	<u>\$ 5,662,949</u>	<u>\$ 8,845,585</u>

***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, 2007 (Continued)*

**NOTE 4: 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, 2007:

<u>Investment Type</u>	<u>Fair Value</u>	<u>Percent of Total</u>
Federal National Mortgage Assoc. Notes	\$ 5,604,027	21.00%
Federal Home Loan Mortgage Corp. Notes	7,533,393	28.24%
Federal Home Loan Bank Notes	7,760,810	29.08%
Federal Farm Credit Bank Notes	933,677	3.50%
U.S. Treasury Notes	2,589,627	9.71%
Treasury Mutual Funds	2,258,673	8.47%
<i>Total Investments</i>	<u>\$ 26,680,207</u>	<u>100.00%</u>

**NOTE 5: 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, 2007 is \$8,638 and is considered fully collectible.

**NOTE 6: 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 2007 were levied on December 31, 2006 on assessed values listed as of January 1, 2006, the lien date. One-half of these taxes were due on February 15, 2007 with the remaining balance due on July 20, 2007. Tangible personal property taxes collected during 2007 had a levy date of December 31, 2006. One-half of these taxes were due between February 15, 2007 and April 30, 2007, with the remaining balance due on October 20, 2007.

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, 2007 (Continued)*

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**NOTE 6: 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, 2007 was \$3.65 per \$1,000 of assessed value.

Tangible personal property tax revenue received during calendar 2007 (other than public utility property) represents the collection of 2007 taxes. Tangible personal property taxes received in calendar year 2007 were levied after April 1, 2007, on the value as of December 31, 2006. For 2007, tangible personal property is assessed at 12.5 percent for property including inventory. This percentage will be reduced 6.25 percent for 2008 and zero percent for 2009. Payments by multi-county taxpayers are due September 20. Single county taxpayers may pay annually or semi-annually. If paid annually, payment is due April 30; if paid semi-annually, the first payment is due April 30, with the remainder payable by September 20. Tangible personal property taxes paid by April 30 are usually received by the City prior to June 30.

House Bill No. 66 was signed into law on June 30, 2005. House Bill No. 66 phases out the tax on tangible personal property of general businesses, telephone and telecommunications companies, and railroads. The tax on general business and railroad property will be eliminated by calendar year 2009, and the tax on telephone and telecommunications property will be eliminated by calendar year 2011. The tax is phased out by reducing the assessment rate on the property each year. The bill replaced the revenue lost by the City due the phasing out of the tax. In calendar years 2006-2010, the City will be fully reimbursed for the lost revenue. In calendar years 2011-2017, the reimbursements will be phased out.

The assessed values of real and tangible personal property upon which 2007 property tax receipts were based are as follows:

Real Property Assessed Valuation	\$ 254,403,410
Public Utility Real Property Assessed Valuation	5,966,510
Tangible Personal Property Assessed Valuation	<u>6,239,949</u>
Total	<u>\$ 266,609,869</u>

**NOTE 7: 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 2007 the proceeds were receipted to the General Fund.

**CITY OF OXFORD, OHIO**  
*Notes To The Basic Financial Statements*  
*December 31, 2007 (Continued)*

**NOTE 8: INTERFUND ASSETS/LIABILITIES**

	Advances to Other Funds	Advances From Other Funds
General Fund	\$ 150,000	\$ 0
Parking Fund	0	2,055,312
Capital Improvement Fund	2,055,312	0
Non-major Governmental Fund	0	150,000
	\$ 2,205,312	\$ 2,205,312

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.

**NOTE 9: CAPITAL ASSETS**

Capital assets activity for the year ended December 31, 2007 was as follows:

	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	1,094,765	1,340,896	0	2,435,661
<i>Total capital assets not being depreciated</i>	2,717,496	1,340,896	0	4,058,392
<b>Capital assets being depreciated:</b>				
Buildings	5,787,783	6,150	0	5,793,933
Improvements	5,509,003	31,613	0	5,540,616
Equipment	5,744,781	618,219	(188,387)	6,174,613
General infrastructure	20,668,378	680,406	0	21,348,784
<i>Total capital assets being depreciated</i>	37,709,945	1,336,388	(188,387)	38,857,946
<b>Less: accumulated depreciation:</b>				
Buildings	(1,528,609)	(94,421)	0	(1,623,030)
Improvements	(803,164)	(110,267)	0	(913,431)
Equipment	(3,227,518)	(379,835)	169,928	(3,437,425)
General infrastructure	(5,389,436)	(428,727)	0	(5,818,163)
<i>Total accumulated depreciation</i>	(10,948,727)	(1,013,250)	169,928	(11,792,049)
<i>Total capital assets being depreciated, net</i>	26,761,218	323,138	(18,459)	27,065,897
<i>Capital assets, net</i>	\$ 29,478,714	\$ 1,664,034	\$ (18,459)	\$ 31,124,289

**CITY OF OXFORD, OHIO**  
*Notes To The Basic Financial Statements*  
 December 31, 2007 (Continued)

**NOTE 9: CAPITAL ASSETS (Continued)**

Depreciation expense was charged to governmental functions as follows:

General government	\$	66,501
Security of persons and property		212,780
Leisure time services		171,007
Community environment		26,449
Transportation		534,237
Public Health		2,276
		2,276
Total depreciation expense	\$	1,013,250

	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	352,424	1,926,104	0	2,278,528
<i>Total assets not being depreciated</i>	721,029	1,926,104	0	2,647,133
<b>Capital assets being depreciated:</b>				
Buildings	8,345,261	0	0	8,345,261
Improvements	7,916,562	0	0	7,916,562
Equipment	4,011,618	424,650	(27,027)	4,409,241
Infrastructure	26,906,341	299,164	0	27,205,505
<i>Total capital assets being depreciated</i>	47,179,782	723,814	(27,027)	47,876,569
<b>Less: accumulated depreciation:</b>				
Buildings	(3,335,533)	(218,187)	0	(3,553,720)
Improvements	(7,289,702)	(182,038)	0	(7,471,740)
Equipment	(3,057,872)	(247,438)	27,027	(3,278,283)
Infrastructure	(7,438,919)	(536,579)	0	(7,975,498)
<i>Total accumulated depreciation</i>	(21,122,026)	(1,184,242)	27,027	(22,279,241)
<i>Total capital assets being depreciated, net</i>	26,057,756	(460,428)	0	25,597,328
<i>Capital assets, net</i>	\$ 26,778,785	\$ 1,465,676	\$ 0	\$ 28,244,461

Depreciation expense was charged to segments as follows:

Water	\$	404,705
Sewer		773,312
Refuse		6,225
		6,225
Total depreciation expense	\$	1,184,242

**CITY OF OXFORD, OHIO**  
*Notes To The Basic Financial Statements*  
*December 31, 2007 (Continued)*

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**NOTE 10: 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, 2007, the members of all three plans, except those in law enforcement or public safety participating in the traditional plan, were required to contribute 9.5 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 9.75 percent. The employer contribution rate for pension benefits for 2007 was 13.85 percent, except for those plan members in law enforcement or public safety. For those classifications, the employer's pension contributions were 17.17 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, 2007, 2006 and 2005 were \$621,144, \$578,964 and \$546,759, respectively; 95 percent has been contributed for 2007 and 100 percent for 2006 and 2005.

***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.



**CITY OF OXFORD, OHIO**  
*Notes To The Basic Financial Statements*  
*December 31, 2007 (Continued)*

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**NOTE 10: DEFINED BENEFIT PENSION PLANS (Continued)**

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. Contributions are authorized by state statute. The City's contribution to OP&F for police and firefighters was \$378,737, \$354,442 and \$309,895 for the years ended December 31, 2007, 2006 and 2005, respectively. The full amount has been contributed for 2006 and 2005; 80 percent has been contributed for 2007.

**NOTE 11: 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 with either the traditional or combined plans. Health care coverage for disability benefit recipients and qualified survivor benefit recipients is available. Members of the member-directed plan do not qualify for postretirement health care coverage. 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 the traditional or combined plans is set aside for the funding of postretirement health care based on authority granted by State statute. The 2007 local government employer contribution rate was 13.85 percent of covered payroll (17.17 percent for public safety and law enforcement). The portion of employer contributions allocated to health care was 5 percent from January 1 through June 30, 2007, and 6 percent from July 1 through December 31, 2007.

Benefits are advanced-funded using the entry age normal actuarial cost method. Significant actuarial assumptions, based on OPERS's latest actuarial review performed as of December 31, 2006 (the latest information available), 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 .50 percent and 5 percent annually for the next eight years and 4 percent annually after eight 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, not to exceed a 12 percent corridor.

**CITY OF OXFORD, OHIO**  
*Notes To The Basic Financial Statements*  
*December 31, 2007 (Continued)*

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**NOTE 11: POSTEMPLOYMENT BENEFITS (Continued)**

As of December 31, 2007, the number of active contributing participants in the traditional and combined plans was 374,979. The City's actual contributions for 2007 which were used to fund postemployment benefits were \$382,872. The actual contribution and the actuarially required contribution amounts are the same. OPERS's net assets available for payment of benefits at December 31, 2006 (the latest information available), was \$12.1 billion. The actuarially accrued liability and the unfunded actuarial accrued liability were \$30.7 billion and \$18.7 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, 2007, which will allow additional funds to be allocated to the health care plan.

***B. Ohio Police and Fire Pension Fund (OP&F)***

The Ohio Police and Fire Pension Fund (OP&F) provides postretirement health care coverage to 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 6.75 percent of covered payroll was applied to the postemployment health care program during 2007 and 7.75 percent during 2006. 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 contributions for 2007 that were used to fund postemployment benefits were \$144,989. The OP&F's total health care expense for the year ended December 31, 2006 (the latest information available) was \$120,373,722 which was net of member contributions of \$58,532,848. The number of OP&F participants eligible to receive health care benefits as of December 31, 2006 was 14,120 for police and 10,563 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, 2007 (Continued)*

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**NOTE 11: 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 \$515,760 at December 31, 2007.

*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 \$211,267 at December 31, 2007.

**NOTE 12: 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 \$892,347 in the aggregate in a given year are covered through a private insurance carrier.

The claims liability of \$80,968 reported in the fund at December 31, 2007 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, 2007 (Continued)*

**NOTE 12: RISK MANAGEMENT (Continued)**

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

	2007	2006
Unpaid claims, beginning of year	\$ 56,509	\$ 112,482
Incurred claims (including (IBNR)	938,912	909,839
Claim payments	(914,453)	(965,812)
Unpaid claims, end of year	\$ 80,968	\$ 56,509

**NOTE 13: LONG-TERM LIABILITIES**

Debt Issue	Interest Rate	Original Issue Amount	Date of Maturity
<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 Revenue 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 2007 and balances for long-term liabilities of the City as of December 31, 2007:

	Balance 1/1/2007	Additions	Reductions	Balance 12/31/2007	Due Within One Year
<b>Governmental Activities:</b>					
<b>General Obligation Bonds:</b>					
1999 Park Improvement	\$ 2,975,000	\$ 0	\$ (165,000)	\$ 2,810,000	\$ 175,000
Capital lease obligations	2,403	0	(2,403)	0	0
Compensated absences	458,122	536,922	(514,035)	481,009	265,016
<i>Total</i>	\$ 3,435,525	\$ 536,922	\$ (681,438)	\$ 3,291,009	\$ 440,016

**CITY OF OXFORD, OHIO**  
*Notes To The Basic Financial Statements*  
 December 31, 2007 (Continued)

**NOTE 13: LONG-TERM LIABILITIES (Continued)**

	Balance 1/1/2007	Additions	Reductions	Balance 12/31/2007	Due Within One Year
<b>Business-Type Activities:</b>					
<b>Water Fund:</b>					
General Obligation Bonds:	\$ 6,320,000	\$ 0	\$ (710,000)	\$ 5,610,000	\$ 730,000
Water Supply System					
Less: Deferred Amount on Refunding	(208,268)	0	26,034	(182,234)	0
Subtotal	<u>6,111,732</u>	<u>0</u>	<u>(683,966)</u>	<u>5,427,766</u>	<u>730,000</u>
<b>Sewer Fund:</b>					
OWDA Loans:					
Sewer Plant	700,291	0	(337,085)	363,206	363,206
Sewer Collection System	425,603	0	(33,144)	392,459	34,523
Sewer Pump Station/EQ Basin	4,583,143	0	(302,187)	4,280,956	314,765
Sandra Drive Sewers	217,265	0	(14,443)	202,822	15,024
Subtotal	<u>5,926,302</u>	<u>0</u>	<u>(686,859)</u>	<u>5,239,443</u>	<u>727,518</u>
<b>Refuse Fund:</b>					
OWDA Loan:					
Landfill Closure	2,111,647	0	(210,248)	1,901,399	219,494
Landfill Post-Closure Payable	1,299,578	142,283	(139,341)	1,302,520	0
Subtotal	<u>3,411,225</u>	<u>142,283</u>	<u>(349,589)</u>	<u>3,203,919</u>	<u>219,494</u>
Compensated Absences	190,966	238,243	(183,191)	246,018	125,496
<b>Total</b>	<u><u>\$ 15,640,225</u></u>	<u><u>\$ 380,526</u></u>	<u><u>\$ (1,903,605)</u></u>	<u><u>\$ 14,117,146</u></u>	<u><u>\$ 1,802,508</u></u>

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

The mortgage revenue 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, 2007 (Continued)**

**NOTE 13: LONG-TERM LIABILITIES (Continued)**

As of December 31, 2007, the City's overall legal debt margin (the ability to issue additional amounts of general obligation bonded debt) was \$25,184,036. Principal and interest requirements to retire the City's outstanding obligations at December 31, 2007 were:

	Government Activities		Business-Type Activities			
	Park Improvement Bonds		General Obligation Bonds		OWDA Loans	
	Principal	Interest	Principal	Interest	Principal	Interest
2008	\$ 175,000	\$ 153,060	\$ 730,000	\$ 201,250	\$ 947,012	\$ 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	210,000	114,608	825,000	97,530	689,490	169,574
2013-2017	1,250,000	383,227	1,740,000	101,520	3,104,354	420,188
2018-2019	605,000	50,782	0	0	495,539	15,340
<i>Total</i>	<u>\$ 2,810,000</u>	<u>\$ 1,107,179</u>	<u>\$ 5,610,000</u>	<u>\$ 858,900</u>	<u>\$ 7,140,842</u>	<u>\$ 1,586,463</u>

**NOTE 14: CONTRACTUAL COMMITMENTS**

As of December 31, 2007 the City had contractual commitments for the following projects:

	Contractual Commitment	Expended	Balance 12/31/2007
Barret Paving - street resurfacing	\$ 196,000	\$ 195,300	\$ 700
Don S. Cisle Contractor, Inc. - resurfacing & maintenance	388,563	344,379	44,184
Arcadis G&M, Inc. - design & engineering of WWTP improvements	477,400	477,147	253
Brandstetter Carrol, Inc. - architectural services for new building	995,100	170,400	824,700
Mt. Pleasant Blacktopping - street resurfacing & improvements	238,868	204,504	34,364
Arcadis US Inc. - engineering services for design mechanism	19,500	13,899	5,601
Capital Electric Line Builders - traffic signals	10,388	0	10,388
E.J. Prescott, Inc. - upgrade meter reading system	36,000	521	35,479
Lithko Restoration Technologies - upgrade parking garage	19,975	0	19,975
URS Corporation - design services	55,000	49,590	5,410
ME Companies - consulting services US 27	202,405	0	202,405
R.A. Miller Construction Co. - curb, gutter and sidewalk improvements	170,150	0	170,150
<i>Totals</i>	<u>\$ 2,809,349</u>	<u>\$ 1,455,740</u>	<u>\$ 1,353,609</u>

**CITY OF OXFORD, OHIO**  
*Notes To The Basic Financial Statements*  
*December 31, 2007 (Continued)*

**NOTE 15: TRANSFERS**

The City made the following transfers during 2007:

<b>Transfer To</b>	<b>Transfer From</b>		
	<b>General</b>	<b>Parking</b>	<b>Total</b>
<b>Major Funds:</b>			
General	\$ 0	\$ 18,120	\$ 18,120
Capital Improvement	750,000	0	750,000
<b>Nonmajor Funds:</b>			
Street	384,000	22,120	406,120
Capital Replacement	300,000	0	300,000
Parking Lot Improvement	0	22,500	22,500
Debt Service	326,063	0	326,063
Special Assessment	65,000	0	65,000
Stormwater	86,500	0	86,500
<i>Totals</i>	<u>\$ 1,911,563</u>	<u>\$ 62,740</u>	<u>\$ 1,974,303</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 Special Assessment and Stormwater Funds for operating costs associated with current operations. The Parking Fund transferred money to the Street and Parking Lot Improvement fund for improvements

**NOTE 16: 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 \$1,302,520. 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, 2007 (Continued)*

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**NOTE 17: 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, 2007 is \$2,448,902. 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.

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 space to be leased by the hospital. The total outstanding at December 31, 2007 is \$4,753,407. 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 provides security for the indebtedness.

**NOTE 18: RELATED ORGANIZATION**

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 2007, the City made no contributions to the Hospital.

**NOTE 19: 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

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# LISTING OF CITY FUNDS

During 2007, 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 (4)

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.

Storm Water Fund – To account for the provision of operation of the City's storm water utility.

## 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, 2007*

	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	\$ 1,205,771	\$ 0	\$ 965,265	\$ 2,171,036
Loans Receivable	8,638	0	0	8,638
Accrued Interest Receivable	9,986	0	0	9,986
Intergovernmental Receivable	253,496	0	0	253,496
Materials and Supplies Inventory	123,472	0	0	123,472
<i>Total Assets</i>	<u>\$ 1,601,363</u>	<u>\$ 0</u>	<u>\$ 965,265</u>	<u>\$ 2,566,628</u>
<b>Liabilities</b>				
Accounts Payable	\$ 14,823	\$ 0	\$ 6,727	\$ 21,550
Accrued Wages	1,171			1,171
Intergovernmental Payable	10,978	0	0	10,978
Deferred Revenue	244,467	0	0	244,467
Advances From Other Funds	150,000	0	0	150,000
<i>Total Liabilities</i>	<u>421,439</u>	<u>0</u>	<u>6,727</u>	<u>428,166</u>
<b>Fund Balances</b>				
Reserved for Encumbrances	109,841	0	120,696	230,537
Unreserved, Undesignated, Reported in:				
Special Revenue Funds	1,070,083	0	0	1,070,083
Capital Projects Funds	0	0	837,842	837,842
<i>Total Fund Balances</i>	<u>1,179,924</u>	<u>0</u>	<u>958,538</u>	<u>2,138,462</u>
<i>Total Liabilities and Fund Balances</i>	<u>\$ 1,601,363</u>	<u>\$ 0</u>	<u>\$ 965,265</u>	<u>\$ 2,566,628</u>

**City of Oxford, Ohio**  
*Combining Balance Sheet*  
*Nonmajor Governmental Funds*  
*December 31, 2007*

	Nonmajor Special Revenue Funds	Nonmajor Debt Service Fund	Nonmajor Capital Projects Funds	Total Nonmajor Governmental Funds
<b>Revenues</b>				
Charges for Services	\$ 30,595	\$ 0	\$ 0	\$ 30,595
Fines and Forfeitures	3,358	0	0	3,358
Intergovernmental	405,713	0	0	405,713
Interest	54,499	0	0	54,499
Contributions and Donations	75,192	0	0	75,192
Other	28,789	0	0	28,789
<i>Total Revenues</i>	<u>598,146</u>	<u>0</u>	<u>0</u>	<u>598,146</u>
<b>Expenditures</b>				
Current:				
Security of Persons and Property	68,574	0	0	68,574
Community and Economic Development	24,772	0	5,179	29,951
Transportation	748,761	0	0	748,761
Capital Outlay	0	0	506,769	506,769
Debt Service:				
Principal Retirements	0	165,000	0	165,000
Interest and Fiscal Charges	0	161,063	0	161,063
<i>Total Expenditures</i>	<u>842,107</u>	<u>326,063</u>	<u>511,948</u>	<u>1,680,118</u>
<i>Excess of Revenues Under Expenditures</i>	<u>(243,961)</u>	<u>(326,063)</u>	<u>(511,948)</u>	<u>(1,081,972)</u>
<b>Other Financing Source</b>				
Transfers In	471,120	326,063	322,500	1,119,683
<i>Net Change in Fund Balances</i>	227,159	0	(189,448)	37,711
<i>Fund Balances Beginning of Year</i>	<u>952,765</u>	<u>0</u>	<u>1,147,986</u>	<u>2,100,751</u>
<i>Fund Balances End of Year</i>	<u>\$ 1,179,924</u>	<u>\$ 0</u>	<u>\$ 958,538</u>	<u>\$ 2,138,462</u>

**City of Oxford, Ohio**  
*Combining Balance Sheet*  
*Nonmajor Special Revenue Funds*  
*December 31, 2007*

	Street	State Highway	Community Development Block Grant	Community Development Block Loan
<b>Assets</b>				
Equity in Pooled Cash and Investments	\$ 209,968	\$ 22,458	\$ 150,001	\$ 608,492
Loans Receivable	0	0	0	8,638
Accrued Interest Receivable	1,874	246	0	5,961
Intergovernmental Receivable	147,042	11,654	94,800	0
Materials and Supplies Inventory	123,472	0	0	0
<i>Total Assets</i>	<u>\$ 482,356</u>	<u>\$ 34,358</u>	<u>\$ 244,801</u>	<u>\$ 623,091</u>
<b>Liabilities</b>				
Accounts Payable	\$ 11,737	\$ 1,987	\$ 0	\$ 0
Accrued Wages	1,171	0	0	0
Intergovernmental Payable	10,978	0	0	0
Deferred Revenue	123,337	9,826	94,800	14,599
Advances From Other Funds	0	0	150,000	0
<i>Total Liabilities</i>	<u>147,223</u>	<u>11,813</u>	<u>244,800</u>	<u>14,599</u>
<b>Fund Balances</b>				
Reserved for Encumbrances	2,403	2,213	94,800	0
Unreserved, Undesignated, Reported in: Special Revenue Funds	<u>332,730</u>	<u>20,332</u>	<u>(94,799)</u>	<u>608,492</u>
<i>Total Fund Balances</i>	<u>335,133</u>	<u>22,545</u>	<u>1</u>	<u>608,492</u>
<i>Total Liabilities and Fund Balances</i>	<u>\$ 482,356</u>	<u>\$ 34,358</u>	<u>\$ 244,801</u>	<u>\$ 623,091</u>



<u>Law Enforcement</u>	<u>Enforcement and Education</u>	<u>Life Squad</u>	<u>Special Assessment</u>	<u>Total Nonmajor Special Revenue Funds</u>
\$ 113,730	\$ 4,892	\$ 27,731	\$ 68,499	\$ 1,205,771
0	0	0	0	8,638
983	61	369	492	9,986
0	0	0	0	253,496
0	0	0	0	123,472
<u>\$ 114,713</u>	<u>\$ 4,953</u>	<u>\$ 28,100</u>	<u>\$ 68,991</u>	<u>\$ 1,601,363</u>
\$ 0	\$ 0	\$ 1,099	\$ 0	\$ 14,823
0	0	0	0	1,171
0	0	0	0	10,978
983	61	369	492	244,467
0	0	0	0	150,000
<u>983</u>	<u>61</u>	<u>1,468</u>	<u>492</u>	<u>421,439</u>
0	0	10,425	0	109,841
<u>113,730</u>	<u>4,892</u>	<u>16,207</u>	<u>68,499</u>	<u>1,070,083</u>
<u>113,730</u>	<u>4,892</u>	<u>26,632</u>	<u>68,499</u>	<u>1,179,924</u>
<u>\$ 114,713</u>	<u>\$ 4,953</u>	<u>\$ 28,100</u>	<u>\$ 68,991</u>	<u>\$ 1,601,363</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, 2007*

	<u>Street</u>	<u>State Highway</u>	<u>Community Development Block Grant</u>	<u>Community Development Block Loan</u>
<b>Revenues</b>				
Charges for Services	\$ 30,595	\$ 0	\$ 0	\$ 0
Fines and Forfeitures	0	0	0	0
Intergovernmental	319,123	21,417	64,773	0
Interest	10,217	1,253	0	32,199
Contributions and Donations	0	0	0	0
Other	539	0	0	28,250
<i>Total Revenues</i>	<u>360,474</u>	<u>22,670</u>	<u>64,773</u>	<u>60,449</u>
<b>Expenditures</b>				
Current:				
Security of Persons and Property	0	0	0	0
Community and Economic Development	0	0	24,772	0
Transportation	714,565	34,196	0	0
<i>Total Expenditures</i>	<u>714,565</u>	<u>34,196</u>	<u>24,772</u>	<u>0</u>
<i>Excess of Revenues Over(Under) Expenditures</i>	<u>(354,091)</u>	<u>(11,526)</u>	<u>40,001</u>	<u>60,449</u>
<b>Other Financing Source</b>				
Transfers In	406,120	0	0	0
<i>Net Change in Fund Balances</i>	52,029	(11,526)	40,001	60,449
<i>Fund Balances (Deficit) Beginning of Year</i>	<u>283,104</u>	<u>34,071</u>	<u>(40,000)</u>	<u>548,043</u>
<i>Fund Balances (Deficit) End of Year</i>	<u>\$ 335,133</u>	<u>\$ 22,545</u>	<u>\$ 1</u>	<u>\$ 608,492</u>

<u>Law Enforcement</u>	<u>Enforcement and Education</u>	<u>Life Squad</u>	<u>Special Assessment</u>	<u>Total Nonmajor Special Revenue Funds</u>
\$ 0	\$ 0	\$ 0	\$ 0	\$ 30,595
1,630	1,728	0	0	3,358
0	0	400	0	405,713
5,425	270	1,636	3,499	54,499
72,269	0	2,923	0	75,192
0	0	0	0	28,789
<u>79,324</u>	<u>1,998</u>	<u>4,959</u>	<u>3,499</u>	<u>598,146</u>
49,937	2,000	16,637	0	68,574
0	0	0	0	24,772
0	0	0	0	748,761
<u>49,937</u>	<u>2,000</u>	<u>16,637</u>	<u>0</u>	<u>842,107</u>
<u>29,387</u>	<u>(2)</u>	<u>(11,678)</u>	<u>3,499</u>	<u>(243,961)</u>
<u>0</u>	<u>0</u>	<u>0</u>	<u>65,000</u>	<u>471,120</u>
29,387	(2)	(11,678)	68,499	227,159
<u>84,343</u>	<u>4,894</u>	<u>38,310</u>	<u>0</u>	<u>952,765</u>
<u>\$ 113,730</u>	<u>\$ 4,892</u>	<u>\$ 26,632</u>	<u>\$ 68,499</u>	<u>\$ 1,179,924</u>

**City of Oxford, Ohio**  
*Combining Balance Sheet*  
*Nonmajor Capital Projects Funds*  
*December 31, 2007*

	Capital Equipment	Parking Improvement	Total Nonmajor Capital Projects Funds
<b>Assets</b>			
Equity in Pooled Cash and Investments	\$ 937,649	\$ 27,616	\$ 965,265
<b>Liabilities</b>			
Accounts Payable	\$ 6,727	\$ 0	\$ 6,727
<b>Fund Balances</b>			
Reserved for Encumbrances	98,221	22,475	120,696
Unreserved, Undesignated, Reported in: Capital Projects Funds	832,701	5,141	837,842
<i>Total Fund Balances</i>	930,922	27,616	958,538
<i>Total Liabilities and Fund Balances</i>	\$ 937,649	\$ 27,616	\$ 965,265

**City of Oxford, Ohio**  
*Combining Statement of Revenues, Expenditures and Changes in Fund Balances*  
*Nonmajor Capital Projects Funds*  
*For the Year Ended December 31, 2007*

	<u>Capital Equipment</u>	<u>Parking Improvement</u>	<u>Total Nonmajor Capital Projects Funds</u>
<b>Expenditures</b>			
Current:			
Community and Economic Development	\$ 0	\$ 5,179	\$ 5,179
Capital Outlay	<u>506,769</u>	<u>0</u>	<u>506,769</u>
<i>Total Expenditures</i>	<u>506,769</u>	<u>5,179</u>	<u>511,948</u>
<i>Excess of Revenues Under Expenditures</i>	<u>(506,769)</u>	<u>(5,179)</u>	<u>(511,948)</u>
<b>Other Financing Source</b>			
Transfers In	<u>300,000</u>	<u>22,500</u>	<u>322,500</u>
<i>Net Change in Fund Balances</i>	(206,769)	17,321	(189,448)
<i>Fund Balances Beginning of Year</i>	<u>1,137,691</u>	<u>10,295</u>	<u>1,147,986</u>
<i>Fund Balances End of Year</i>	<u>\$ 930,922</u>	<u>\$ 27,616</u>	<u>\$ 958,538</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, 2007*

	<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	\$ 1,026,514	\$ 1,026,514	\$ 1,159,806	\$ 133,292
Municipal Income Taxes	6,205,271	6,205,271	6,539,441	334,170
Charges for Services	588,500	588,500	685,145	96,645
Licenses and Permits	386,700	386,700	364,645	(22,055)
Fines and Forfeitures	265,000	265,000	248,908	(16,092)
Intergovernmental	1,190,804	1,190,804	1,469,198	278,394
Interest	447,069	447,069	661,744	214,675
Contributions and Donations	40,500	40,500	34,599	(5,901)
Other	2,000	2,000	63,290	61,290
<i>Total Revenues</i>	<u>10,152,358</u>	<u>10,152,358</u>	<u>11,226,776</u>	<u>1,074,418</u>
<b>Expenditures</b>				
Current:				
General Government				
Management Information Systems				
Other	66,572	69,772	68,260	1,512
City Manager				
Personal Services	203,079	273,179	242,465	30,714
Other	9,750	29,700	28,336	1,364
Total City Manager	212,829	302,879	270,801	32,078
Administrative Support				
Personal Services	6,000	27,044	22,165	4,879
Other	53,243	74,287	58,622	15,665
Total Administrative Support	59,243	101,331	80,787	20,544
Finance Department				
Personal Services	196,387	196,387	195,049	1,338
Other	79,732	82,152	81,802	350
Total Finance Department	276,119	278,539	276,851	1,688
Income Tax Collections				
Personal Services	107,400	0	0	0
Other	144,225	273,525	163,877	109,648
Total Income Tax Collections	251,625	273,525	163,877	109,648

(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, 2007*

	<u>Budgeted Amounts</u>		<u>Actual</u>	<u>Variance with Final Budget Positive (Negative)</u>
	<u>Original</u>	<u>Final</u>		
Law				
Personal Services	90,086	90,086	89,482	604
Other	121,724	201,724	169,107	32,617
<b>Total Law</b>	<b>211,810</b>	<b>291,810</b>	<b>258,589</b>	<b>33,221</b>
Civil Service and Personnel				
Personal Services	34,315	37,315	35,735	1,580
Other	16,350	18,550	20,713	(2,163)
<b>Total Civil Service and Personnel</b>	<b>50,665</b>	<b>55,865</b>	<b>56,448</b>	<b>(583)</b>
Clerk of Council				
Personal Services	104,568	121,268	121,444	(176)
Other	13,400	13,400	13,290	110
<b>Total Clerk of Council</b>	<b>117,968</b>	<b>134,668</b>	<b>134,734</b>	<b>(66)</b>
Legislative				
Personal Services	19,067	19,067	18,666	401
Other	26,825	26,825	20,992	5,833
<b>Total Legislative</b>	<b>45,892</b>	<b>45,892</b>	<b>39,658</b>	<b>6,234</b>
Municipal Building				
Personal Services	49,102	49,552	47,914	1,638
Other	88,488	88,488	78,341	10,147
<b>Total Municipal Building</b>	<b>137,590</b>	<b>138,040</b>	<b>126,255</b>	<b>11,785</b>
City Garage				
Personal Services	75,121	75,121	73,315	1,806
Other	37,226	37,226	24,626	12,600
<b>Total City Garage</b>	<b>112,347</b>	<b>112,347</b>	<b>97,941</b>	<b>14,406</b>
Court House				
Other	44,160	44,160	23,307	20,853

(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, 2007*

	<u>Budgeted Amounts</u>		<u>Actual</u>	<u>Variance with Final Budget Positive (Negative)</u>
	<u>Original</u>	<u>Final</u>		
Engineering				
Personal Services	90,703	90,703	80,135	10,568
Other	14,150	14,150	12,384	1,766
<b>Total Engineering</b>	<b>104,853</b>	<b>104,853</b>	<b>92,519</b>	<b>12,334</b>
Insurance				
Other	156,669	164,169	154,579	9,590
Contingency				
Other	75,000	99,767	27,618	72,149
<b>Total General Government</b>	<b>1,923,342</b>	<b>2,217,617</b>	<b>1,872,224</b>	<b>345,393</b>
Security of Persons and Property				
Police Law Enforcement				
Personal Services	2,883,875	2,883,875	2,829,273	54,602
Other	247,790	247,790	240,383	7,407
<b>Total Police Law Enforcement</b>	<b>3,131,665</b>	<b>3,131,665</b>	<b>3,069,656</b>	<b>62,009</b>
Traffic Control				
Personal Services	30,684	30,684	29,788	896
Other	43,972	43,972	43,001	971
<b>Total Traffic Control</b>	<b>74,656</b>	<b>74,656</b>	<b>72,789</b>	<b>1,867</b>
Animal Control				
Personal Services	43,864	43,864	42,015	1,849
Other	8,200	13,217	9,938	3,279
<b>Total Animal Control</b>	<b>52,064</b>	<b>57,081</b>	<b>51,953</b>	<b>5,128</b>
Communications				
Personal Services	622,753	622,753	619,796	2,957
Other	247,251	217,251	214,174	3,077
<b>Total Communications</b>	<b>870,004</b>	<b>840,004</b>	<b>833,970</b>	<b>6,034</b>

(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, 2007*

	<u>Budgeted Amounts</u>		<u>Actual</u>	<u>Variance with Final Budget Positive (Negative)</u>
	<u>Original</u>	<u>Final</u>		
Firefighting and Training				
Personal Services	265,930	265,930	212,962	52,968
Other	67,168	79,796	77,889	1,907
<b>Total Firefighting and Training</b>	<b>333,098</b>	<b>345,726</b>	<b>290,851</b>	<b>54,875</b>
Life Squad				
Personal Services	106,021	106,021	104,834	1,187
Other	29,160	33,161	35,001	(1,840)
<b>Total Life Squad</b>	<b>135,181</b>	<b>139,182</b>	<b>139,835</b>	<b>(653)</b>
Emergency Management				
Other	9,820	9,820	8,945	875
Street Lighting				
Other	75,296	75,296	74,017	1,279
<b>Total Security of Persons and Property</b>	<b>4,681,784</b>	<b>4,673,430</b>	<b>4,542,016</b>	<b>131,414</b>
Public Health Services				
Cemeteries				
Other	17,112	17,112	16,861	251
Public Health				
Other	6,200	6,200	5,760	440
Community Assistance				
Other	156,250	156,250	156,250	0
<b>Total Public Health Services</b>	<b>179,562</b>	<b>179,562</b>	<b>178,871</b>	<b>691</b>
Leisure Time Services				
Senior Citizens and Community Center				
Personal Services	23,670	23,670	23,319	351
Other	23,860	23,860	18,716	5,144
<b>Total Senior Citizens and Community Center</b>	<b>47,530</b>	<b>47,530</b>	<b>42,035</b>	<b>5,495</b>

(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, 2007*

	<u>Budgeted Amounts</u>		<u>Actual</u>	<u>Variance with Final Budget Positive (Negative)</u>
	<u>Original</u>	<u>Final</u>		
Swimming Pool				
Personal Services	53,532	51,032	47,863	3,169
Other	48,969	54,469	54,052	417
<b>Total Swimming Pool</b>	<b>102,501</b>	<b>105,501</b>	<b>101,915</b>	<b>3,586</b>
Recreation Programs				
Personal Services	371,103	371,103	346,713	24,390
Other	200,823	200,823	185,670	15,153
<b>Total Recreation Programs</b>	<b>571,926</b>	<b>571,926</b>	<b>532,383</b>	<b>39,543</b>
Parks Maintenance				
Personal Services	233,126	233,126	219,292	13,834
Other	137,950	137,950	123,285	14,665
<b>Total Parks Maintenance</b>	<b>371,076</b>	<b>371,076</b>	<b>342,577</b>	<b>28,499</b>
Recreation Administration				
Personal Services	130,912	130,912	134,655	(3,743)
Other	12,550	12,550	7,727	4,823
<b>Total Recreation Administration</b>	<b>143,462</b>	<b>143,462</b>	<b>142,382</b>	<b>1,080</b>
<b>Total Leisure Time Services</b>	<b>1,236,495</b>	<b>1,239,495</b>	<b>1,161,292</b>	<b>78,203</b>
Community and Economic Development				
Planning Department				
Personal Services	231,604	231,604	206,928	24,676
Other	36,450	36,450	24,309	12,141
<b>Total Community and Economic Development</b>	<b>268,054</b>	<b>268,054</b>	<b>231,237</b>	<b>36,817</b>
Inspections				
Personal Services	63,047	63,047	56,509	6,538
Other	291,215	291,215	284,164	7,051
<b>Total Inspections</b>	<b>354,262</b>	<b>354,262</b>	<b>340,673</b>	<b>13,589</b>
Affordable Housing				
Other	36,250	36,250	36,250	0

(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, 2007*

	<u>Budgeted Amounts</u>		<u>Actual</u>	<u>Variance with Final Budget Positive (Negative)</u>
	<u>Original</u>	<u>Final</u>		
Urban Forestry				
Other	33,657	33,657	33,653	4
Economic Development				
Personal Services	83,234	83,234	29,971	53,263
Other	16,350	13,100	8,510	4,590
Total Economic Development	99,584	96,334	38,481	57,853
<i>Total Community and Economic Development</i>	791,807	788,557	680,294	108,263
<i>Total Expenditures</i>	8,812,990	9,098,661	8,434,697	663,964
<i>Excess of Revenues Over Expenditures</i>	1,339,368	1,053,697	2,792,079	1,738,382
<b>Other Financing Source (Use)</b>				
Transfers In	18,120	18,120	18,120	0
Transfers Out	(1,661,563)	(1,911,563)	(1,911,563)	0
<i>Total Other Financing Source (Use)</i>	(1,643,443)	(1,893,443)	(1,893,443)	0
<i>Net Change in Fund Balances</i>	(304,075)	(839,746)	898,636	1,738,382
<i>Fund Balances Beginning of Year</i>	4,326,855	4,326,855	4,326,855	0
Prior Year Encumbrances Appropriated	309,081	309,081	309,081	0
<i>Fund Balances End of Year</i>	<u>\$ 4,331,861</u>	<u>\$ 3,796,190</u>	<u>\$ 5,534,572</u>	<u>\$ 1,738,382</u>

**City of Oxford, Ohio**  
*Schedule of Revenues, Expenditures and Changes*  
*in Fund Balance - Budget (Non-GAAP Basis) and Actual*  
*Parking Fund*  
*For the Year Ended December 31, 2007*

	<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	\$ 394,600	\$ 394,600	\$ 388,303	\$ (6,297)
Fines and Forfeitures	160,000	160,000	148,587	(11,413)
Interest	28,957	28,957	49,811	20,854
Other	0	0	716	716
<i>Total Revenues</i>	<u>583,557</u>	<u>583,557</u>	<u>587,417</u>	<u>3,860</u>
<b>Expenditures</b>				
Current:				
Transportation				
Personal Services	331,882	331,882	282,192	49,690
Other	95,174	95,174	61,077	34,097
<i>Total Expenditures</i>	<u>427,056</u>	<u>427,056</u>	<u>343,269</u>	<u>83,787</u>
<i>Excess of Revenues Over Expenditures</i>	<u>156,501</u>	<u>156,501</u>	<u>244,148</u>	<u>87,647</u>
<b>Other Financing Uses</b>				
Transfers Out	(62,740)	(62,740)	(62,740)	0
Advances Out	(100,000)	(100,000)	(100,000)	0
<i>Total Other Financing Sources (Uses)</i>	<u>(162,740)</u>	<u>(162,740)</u>	<u>(162,740)</u>	<u>0</u>
<i>Net Change in Fund Balances</i>	(6,239)	(6,239)	81,408	87,647
<i>Fund Balances Beginning of Year</i>	816,684	816,684	816,684	0
Prior Year Encumbrances Appropriated	10,239	10,239	10,239	0
<i>Fund Balances End of Year</i>	<u>\$ 820,684</u>	<u>\$ 820,684</u>	<u>\$ 908,331</u>	<u>\$ 87,647</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, 2007*

	<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	\$ 16,000	\$ 16,000	\$ 30,595	\$ 14,595
Intergovernmental	296,000	296,000	312,530	16,530
Interest	6,350	6,350	10,065	3,715
Other	0	0	539	539
<i>Total Revenues</i>	<u>318,350</u>	<u>318,350</u>	<u>353,729</u>	<u>35,379</u>
<b>Expenditures</b>				
Current:				
Transportation				
Personal Services	595,158	606,558	591,014	15,544
Other	141,113	153,113	151,543	1,570
<i>Total Expenditures</i>	<u>736,271</u>	<u>759,671</u>	<u>742,557</u>	<u>17,114</u>
<i>Excess of Revenues Under Expenditures</i>	<u>(417,921)</u>	<u>(441,321)</u>	<u>(388,828)</u>	<u>52,493</u>
<b>Other Financing Source</b>				
Transfers In	406,120	406,120	406,120	0
<i>Net Change in Fund Balances</i>	(11,801)	(35,201)	17,292	52,493
<i>Fund Balances Beginning of Year</i>	165,322	165,322	165,322	0
Prior Year Encumbrances Appropriated	12,443	12,443	12,443	0
<i>Fund Balances End of Year</i>	<u>\$ 165,964</u>	<u>\$ 142,564</u>	<u>\$ 195,057</u>	<u>\$ 52,493</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, 2007*

	<u>Budgeted Amounts</u>			Variance with Final Budget Positive (Negative)
	<u>Original</u>	<u>Final</u>	<u>Actual</u>	
<b>Revenues</b>				
Intergovernmental	\$ 19,300	\$ 19,300	\$ 20,882	\$ 1,582
Interest	570	570	1,280	710
<i>Total Revenues</i>	<u>19,870</u>	<u>19,870</u>	<u>22,162</u>	<u>2,292</u>
<b>Expenditures</b>				
Current:				
Transportation				
Other	36,451	36,451	36,409	42
<i>Net Change in Fund Balances</i>	(16,581)	(16,581)	(14,247)	2,334
<i>Fund Balances Beginning of Year</i>	15,373	15,373	15,373	0
Prior Year Encumbrances Appropriated	16,951	16,951	16,951	0
<i>Fund Balances End of Year</i>	<u>\$ 15,743</u>	<u>\$ 15,743</u>	<u>\$ 18,077</u>	<u>\$ 2,334</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, 2007*

	<u>Budgeted Amounts</u>			Variance with Final Budget Positive (Negative)
	<u>Original</u>	<u>Final</u>	<u>Actual</u>	
<b>Revenues</b>				
Intergovernmental	\$ 130,000	\$ 130,000	\$ 169,251	\$ 39,251
<b>Expenditures</b>				
Current:				
Community and Economic Development				
Other	172,062	160,562	159,572	990
<i>Net Change in Fund Balances</i>	(42,062)	(30,562)	9,679	40,241
<i>Fund Balances Beginning of Year</i>	5,522	5,522	5,522	0
Prior Year Encumbrances Appropriated	40,000	40,000	40,000	0
<i>Fund Balances End of Year</i>	<u>\$ 3,460</u>	<u>\$ 14,960</u>	<u>\$ 55,201</u>	<u>\$ 40,241</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, 2007*

	<u>Budgeted Amounts</u>			Variance with Final Budget Positive (Negative)
	<u>Original</u>	<u>Final</u>	<u>Actual</u>	
<b>Revenues</b>				
Interest	\$ 21,168	\$ 21,168	\$ 31,662	\$ 10,494
Other	0	0	28,250	(28,250)
<i>Total Revenues</i>	<u>21,168</u>	<u>21,168</u>	<u>59,912</u>	<u>(17,756)</u>
<b>Expenditures</b>				
Current:				
Community and Economic Development				
Other	450,000	450,000	0	450,000
<i>Net Change in Fund Balances</i>	(428,832)	(428,832)	59,912	432,244
<i>Fund Balances Beginning of Year</i>	<u>544,223</u>	<u>544,223</u>	<u>544,223</u>	<u>0</u>
<i>Fund Balances End of Year</i>	<u>\$ 115,391</u>	<u>\$ 115,391</u>	<u>\$ 604,135</u>	<u>\$ 432,244</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, 2007*

	<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	\$ 0	\$ (1,000)
Fines and Forfeitures	500	500	1,630	1,130
Interest	2,500	2,500	5,305	2,805
Contributions and Donations	10,000	10,000	72,269	62,269
Other	500	500	0	(500)
<i>Total Revenues</i>	<u>14,500</u>	<u>14,500</u>	<u>79,204</u>	<u>64,704</u>
<b>Expenditures</b>				
Current:				
Security of Persons and Property				
Other	<u>55,187</u>	<u>55,187</u>	<u>49,937</u>	<u>5,250</u>
<i>Net Change in Fund Balances</i>	(40,687)	(40,687)	29,267	69,954
<i>Fund Balances Beginning of Year</i>	75,557	75,557	75,557	0
Prior Year Encumbrances Appropriated	<u>8,187</u>	<u>8,187</u>	<u>8,187</u>	<u>0</u>
<i>Fund Balances End of Year</i>	<u>\$ 43,057</u>	<u>\$ 43,057</u>	<u>\$ 113,011</u>	<u>\$ 69,954</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, 2007*

	<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	\$ 3,000	\$ 3,000	\$ 1,728	\$ (1,272)
Interest	169	169	266	97
<i>Total Revenues</i>	<u>3,169</u>	<u>3,169</u>	<u>1,994</u>	<u>(1,175)</u>
<b>Expenditures</b>				
Current:				
Security of Persons and Property				
Personal Services	<u>2,000</u>	<u>2,000</u>	<u>2,000</u>	<u>0</u>
<i>Net Change in Fund Balances</i>	1,169	1,169	(6)	(1,175)
<i>Fund Balances Beginning of Year</i>	<u>4,853</u>	<u>4,853</u>	<u>4,853</u>	<u>0</u>
<i>Fund Balances End of Year</i>	<u>\$ 6,022</u>	<u>\$ 6,022</u>	<u>\$ 4,847</u>	<u>\$ (1,175)</u>

**City of Oxford, Ohio**  
*Schedule of Revenues, Expenditures and Changes*  
*in Fund Balance - Budget (Non-GAAP Basis) and Actual*  
*Life Squad Fund*  
*For the Year Ended December 31, 2007*

	<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	\$ 2,000	\$ 400	\$ (1,600)
Interest	1,227	1,227	1,655	428
Contributions and Donations	100	100	2,923	2,823
<i>Total Revenues</i>	<u>3,327</u>	<u>3,327</u>	<u>4,978</u>	<u>1,651</u>
<b>Expenditures</b>				
Current:				
Security of Persons and Property				
Other	33,275	33,276	29,712	3,564
<i>Net Change in Fund Balances</i>	(29,948)	(29,949)	(24,734)	5,215
<i>Fund Balances Beginning of Year</i>	18,661	18,661	18,661	0
Prior Year Encumbrances Appropriated	22,010	22,010	22,010	0
<i>Fund Balances End of Year</i>	<u>\$ 10,723</u>	<u>\$ 10,722</u>	<u>\$ 15,937</u>	<u>\$ 5,215</u>

**City of Oxford, Ohio**  
*Schedule of Revenues, Expenditures and Changes*  
*in Fund Balance - Budget (Non-GAAP Basis) and Actual*  
*Special Assessment Fund*  
*For the Year Ended December 31, 2007*

	<u>Budgeted Amounts</u>			Variance with Final Budget Positive (Negative)
	<u>Original</u>	<u>Final</u>	<u>Actual</u>	
<b>Revenues</b>				
Interest	\$ 0	\$ 0	\$ 3,140	\$ 3,140
Other	1,000	1,000	0	(1,000)
<i>Total Revenues</i>	<u>1,000</u>	<u>1,000</u>	<u>3,140</u>	<u>2,140</u>
<b>Expenditures</b>				
Current:				
Security of Persons and Property				
Other	65,000	65,000	0	65,000
<i>Excess of Revenues Over (Under) Expenditures</i>	<u>(64,000)</u>	<u>(64,000)</u>	<u>3,140</u>	<u>67,140</u>
<b>Other Financing Sources (Uses)</b>				
Transfers In	65,000	65,000	65,000	0
<i>Net Change in Fund Balances</i>	1,000	1,000	68,140	67,140
<i>Fund Balances Beginning of Year</i>	0	0	0	0
Prior Year Encumbrances Appropriated	0	0	0	0
<i>Fund Balances End of Year</i>	<u>\$ 1,000</u>	<u>\$ 1,000</u>	<u>\$ 68,140</u>	<u>\$ 67,140</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, 2007*

	<u>Budgeted Amounts</u>		<u>Actual</u>	Variance with Final Budget Positive (Negative)
	<u>Original</u>	<u>Final</u>		
<b>Expenditures</b>				
Debt Service:				
Principal Retirements	\$ 165,000	\$ 165,000	\$ 165,000	\$ 0
Interest and Fiscal Charges	161,063	161,063	161,063	0
<i>Total Expenditures</i>	<u>326,063</u>	<u>326,063</u>	<u>326,063</u>	<u>0</u>
<b>Other Financing Source</b>				
Transfers In	<u>326,063</u>	<u>326,063</u>	<u>326,063</u>	<u>0</u>
<i>Net Change in Fund Balances</i>	0	0	0	0
<i>Fund Balances Beginning of Year</i>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>
<i>Fund Balances End of Year</i>	<u>\$ 0</u>	<u>\$ 0</u>	<u>\$ 0</u>	<u>\$ 0</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, 2007*

	<u>Budgeted Amounts</u>			Variance with Final Budget Positive (Negative)
	<u>Original</u>	<u>Final</u>	<u>Actual</u>	
<b>Revenues</b>				
Intergovernmental	\$ 0	\$ 0	\$ 31,074	\$ 31,074
Contributions and Donations	0	0	1,286	1,286
Other	139,430	139,430	8,666	(130,764)
<i>Total Revenues</i>	<u>139,430</u>	<u>139,430</u>	<u>41,026</u>	<u>(98,404)</u>
<b>Expenditures</b>				
Capital Outlay	7,708,894	7,953,694	5,028,902	2,924,792
<i>Excess of Revenues Under Expenditures</i>	<u>(7,569,464)</u>	<u>(7,814,264)</u>	<u>(4,987,876)</u>	<u>2,826,388</u>
<b>Other Financing Sources</b>				
Transfers In	600,000	750,000	750,000	0
Advances In	100,000	100,000	100,000	0
<i>Total Other Financing Sources</i>	<u>700,000</u>	<u>850,000</u>	<u>850,000</u>	<u>0</u>
<i>Net Change in Fund Balances</i>	(6,869,464)	(6,964,264)	(4,137,876)	2,826,388
<i>Fund Balances Beginning of Year</i>	4,091,568	4,091,568	4,091,568	0
Prior Year Encumbrances Appropriated	2,405,885	2,405,885	2,405,885	0
<i>Fund Balances End of Year</i>	<u>\$ (372,011)</u>	<u>\$ (466,811)</u>	<u>\$ 2,359,577</u>	<u>\$ 2,826,388</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, 2007*

	<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				
Other	\$ 27,679	\$ 27,679	\$ 27,654	\$ 25
<b>Other Financing Source</b>				
Transfers In	22,500	22,500	22,500	0
<i>Net Change in Fund Balances</i>	(5,179)	(5,179)	(5,154)	25
<i>Fund Balances Beginning of Year</i>	5,116	5,116	5,116	0
Prior Year Encumbrances Appropriated	5,179	5,179	5,179	0
<i>Fund Balances End of Year</i>	<u>\$ 5,116</u>	<u>\$ 5,116</u>	<u>\$ 5,141</u>	<u>\$ 25</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, 2007*

	<u>Budgeted Amounts</u>			Variance with Final Budget Positive (Negative)
	<u>Original</u>	<u>Final</u>	<u>Actual</u>	
<b>Revenues</b>				
Other	\$ 50,000	\$ 50,000	\$ 0	\$ (50,000)
<i>Total Revenues</i>	<u>50,000</u>	<u>50,000</u>	<u>0</u>	<u>(50,000)</u>
<b>Expenditures</b>				
Capital Outlay	711,420	665,280	601,370	63,910
<i>Excess of Revenues Under Expenditures</i>	<u>(661,420)</u>	<u>(615,280)</u>	<u>(601,370)</u>	<u>13,910</u>
<b>Other Financing Source</b>				
Transfers In	300,000	300,000	300,000	0
<i>Net Change in Fund Balances</i>	(361,420)	(315,280)	(301,370)	13,910
<i>Fund Balances Beginning of Year</i>	914,097	914,097	914,097	0
Prior Year Encumbrances Appropriated	224,674	224,674	224,674	0
<i>Fund Balances End of Year</i>	<u>\$ 777,351</u>	<u>\$ 823,491</u>	<u>\$ 837,401</u>	<u>\$ 13,910</u>



**City of Oxford, Ohio**  
*Combining Statement of Net Assets*  
*Internal Service Funds*  
*December 31, 2007*

	Employee Benefits	Internal Service	Total Internal Service Funds
<b>Assets</b>			
Equity in Pooled Cash and Investments	\$ 462,180	\$ 44,474	\$ 506,654
Accrued Interest Receivable	600	3,978	4,578
Materials and Supplies Inventory	0	19,019	19,019
Depreciable Capital Assets	0	3,991	3,991
<i>Total Assets</i>	<u>462,780</u>	<u>71,462</u>	<u>534,242</u>
<b>Liabilities</b>			
Accounts Payable	0	11,614	11,614
Claims Payable	80,968	0	80,968
<i>Total Liabilities</i>	<u>80,968</u>	<u>11,614</u>	<u>92,582</u>
<b>Net Assets</b>			
Invested in Capital Assets, Net of Related Debt	0	3,991	3,991
Unrestricted	381,812	55,857	437,669
<i>Total Net Assets</i>	<u>\$ 381,812</u>	<u>\$ 59,848</u>	<u>\$ 441,660</u>

**City of Oxford, Ohio**  
*Combining Statement of Revenues, Expenses and Changes in Fund Net Assets*  
*Internal Service Funds*  
*December 31, 2007*

	Employee Benefits	Internal Service	Total Internal Service Funds
<b>Operating Revenues</b>			
Charges for Services	\$ 1,178,367	\$ 176,918	\$ 1,355,285
<b>Operating Expenses</b>			
Contractual Services	98,824	0	98,824
Materials and Supplies	0	192,283	192,283
Claims	938,912	0	938,912
<i>Total Operating Expenses</i>	<u>1,037,736</u>	<u>192,283</u>	<u>1,230,019</u>
<i>Operating Income</i>	<u>140,631</u>	<u>(15,365)</u>	<u>125,266</u>
<b>Non-Operating Revenue</b>			
Interest Revenue	<u>24,617</u>	<u>2,980</u>	<u>27,597</u>
<i>Change in Net Assets</i>	165,248	(12,385)	152,863
<i>Net Assets Beginning of Year</i>	<u>216,564</u>	<u>72,233</u>	<u>288,797</u>
<i>Net Assets End of Year</i>	<u>\$ 381,812</u>	<u>\$ 59,848</u>	<u>\$ 441,660</u>

City of Oxford, Ohio  
Combining Statement of Cash Flows  
Internal Service Funds  
For the Year Ended December 31, 2007

	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	\$ 0	\$ 176,918	\$ 176,918
Cash Received from Interfund Services Provided	1,178,367	0	1,178,367
Cash Payments to Suppliers for Goods and Services	0	(181,375)	(181,375)
Cash Payments for Contractual Services	(84,218)	0	(84,218)
Cash Payments for Employee Medical Claims	(914,453)	0	(914,453)
<i>Net Cash Provided by (Used for) Operating Activities</i>	<u>179,696</u>	<u>(4,457)</u>	<u>175,239</u>
<b>Cash Flows from Investing Activities</b>			
Interest	24,017	2,458	26,475
<i>Net Cash Provided by Investing Activities</i>	<u>24,017</u>	<u>2,458</u>	<u>26,475</u>
<i>Net Increase (Decrease) in Cash and Cash Equivalents</i>	203,713	(1,999)	201,714
<i>Cash and Cash Equivalents at Beginning of Year</i>	<u>258,467</u>	<u>46,473</u>	<u>304,940</u>
<i>Cash and Cash Equivalents at End of Year</i>	<u>\$ 462,180</u>	<u>\$ 44,474</u>	<u>\$ 506,654</u>
<b>Reconciliation of Operating loss to Net Cash Provided by (Used for) Operating Activities</b>			
Operating Income (Loss)	\$ 140,631	\$ (15,365)	\$ 125,266
Adjustments:			
(Increase) Decrease in Assets:			
Materials and Supplies Inventory	0	(288)	(288)
Prepaid Items	14,606	0	14,606
Increase (Decrease) in Liabilities:			
Accounts Payable	0	11,196	11,196
Claims Payable	24,459	0	24,459
<i>Net Cash Provided by (Used for) Operating Activities</i>	<u>\$ 179,696</u>	<u>\$ (4,457)</u>	<u>\$ 175,239</u>

**City of Oxford, Ohio**  
*Combining Statement of Assets and Liabilities*  
*Agency Funds*  
*December 31, 2007*

	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	\$ 7,458	\$ 75	\$ 2,732	\$ 10,265
Accrued Interest Receivable	0	0	31	31
Taxes Receivable	6,365	0	0	6,365
<i>Total Assets</i>	<u>\$ 13,823</u>	<u>\$ 75</u>	<u>\$ 2,763</u>	<u>\$ 16,661</u>
<b>Liabilities</b>				
Undistributed Monies	<u>\$ 13,823</u>	<u>\$ 75</u>	<u>\$ 2,763</u>	<u>\$ 16,661</u>

**City of Oxford, Ohio**  
*Combining Statement of Assets and Liabilities*  
*Agency Funds*  
*December 31, 2007*

	Balance 1/1/2007	Additions	Deductions	Balance 12/31/2007
<b><i>Hotel Tax Fund</i></b>				
<b>Assets</b>				
Equity in Pooled Cash and Investments	\$ 1	\$ 7,457	\$ 0	\$ 7,458
Taxes Receivable	9,222	6,365	9,222	6,365
<b>Total Assets</b>	<b>\$ 9,223</b>	<b>\$ 13,822</b>	<b>\$ 9,222</b>	<b>\$ 13,823</b>
<b>Liabilities</b>				
Undistributed Monies	\$ 9,223	\$ 13,822	\$ 9,222	\$ 13,823
<b><i>Board of Building Standards Fund</i></b>				
<b>Assets</b>				
Equity in Pooled Cash and Cash Equivalents	\$ 96	\$ 0	\$ 21	\$ 75
<b>Liabilities</b>				
Undistributed Monies	\$ 96	\$ 0	\$ 21	\$ 75
<b><i>Oxford Natural Gas Refund Fund</i></b>				
<b>Assets</b>				
Equity in Pooled Cash and Cash Equivalents	\$ 2,583	\$ 170	\$ 21	\$ 2,732
Accrued Interest Receivable	0	31	0	31
<b>Total Assets</b>	<b>\$ 2,583</b>	<b>\$ 201</b>	<b>\$ 21</b>	<b>\$ 2,763</b>
<b>Liabilities</b>				
Undistributed Monies	\$ 2,583	\$ 201	\$ 21	\$ 2,763
<b><i>Totals - All Agency Funds</i></b>				
<b>Assets</b>				
Equity in Pooled Cash and Cash Equivalents	\$ 2,680	\$ 7,627	\$ 42	\$ 10,265
Taxes Receivable	9,222	6,365	9,222	6,365
Accrued Interest Receivable	0	31	0	31
<b>Total Assets</b>	<b>\$ 11,902</b>	<b>\$ 14,023</b>	<b>\$ 9,264</b>	<b>\$ 16,661</b>
<b>Liabilities</b>				
Undistributed Monies	\$ 11,902	\$ 14,023	\$ 9,264	\$ 16,661

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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 the City's overall financial health.

<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>91-102</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>103 - 109</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>110 - 119</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 among governments.	<b>120 - 123</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>124 - 127</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 include information beginning in that year.

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

	2001	2002	2003
<b>Governmental Activities:</b>			
Invested in Capital Assets, Net of Related Debt	9,767,590	9,002,748	\$10,198,505
Restricted for:			
Capital Outlay	3,663,577	816,577	175,339
Other Purposes	838,078	837,917	789,458
Unrestricted (Deficit)	5,343,864	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	2007
\$10,763,535	\$12,163,584	\$26,501,311	\$31,165,917
-	8,961,180	9,830,986	7,861,611
811,876	937,362	1,037,940	1,340,122
12,088,068	3,853,836	4,724,697	6,578,503
<u>\$23,663,479</u>	<u>\$25,915,962</u>	<u>\$42,094,934</u>	<u>\$46,946,153</u>
\$13,622,770	\$13,959,553	\$14,780,802	\$17,612,297
-	-	0	0
618,471	618,471	1,437,467	1,310,801
10,216,285	11,375,297	11,827,341	11,087,694
<u>\$24,457,526</u>	<u>\$25,953,321</u>	<u>\$28,045,610</u>	<u>\$30,010,792</u>
\$24,386,305	\$26,123,137	\$41,282,113	\$48,778,214
0	8,961,180	9,830,986	7,861,611
1,430,347	1,555,833	2,475,407	2,650,923
22,304,353	15,229,133	16,552,038	17,666,197
<u>\$48,121,005</u>	<u>\$51,869,283</u>	<u>\$70,140,544</u>	<u>\$76,956,945</u>

**CITY OF OXFORD, OHIO**

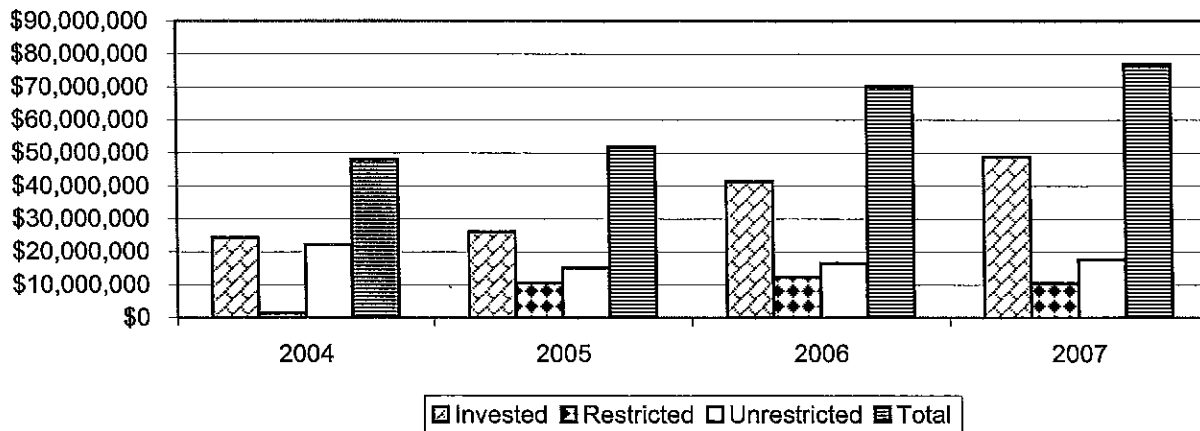
*Net Assets by Component*

*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	2007
\$24,386,305	\$26,123,137	\$41,282,113	\$48,778,214
0	8,961,180	9,830,986	7,861,611
1,430,347	1,555,833	2,475,407	2,650,923
22,304,353	15,229,133	16,552,038	17,666,197
\$48,121,005	\$51,869,283	\$70,140,544	\$76,956,945

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

	2001	2002	2003	2004	2005	2006	2007
<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	\$ 1,686,891
Security of Persons and Property	3,311,140	3,568,033	4,001,941	4,002,239	3,982,613	4,124,123	4,619,279
Public health services	93,150	129,143	119,514	117,057	144,446	105,972	167,033
Leisure time activities	1,002,380	1,148,401	1,002,450	1,282,124	1,444,845	1,356,112	1,301,751
Community environment	236,937	1,216,854	729,345	904,090	486,504	1,060,056	774,120
Transportation	1,072,392	1,228,329	1,401,055	1,230,327	1,075,809	1,328,636	1,996,544
Interest on long term debt	198,810	193,588	187,761	183,472	175,948	168,494	160,437
<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>	<u>10,706,055</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	2,187,290
Sewer	2,544,675	2,666,563	2,772,287	2,975,150	2,944,496	2,841,435	2,974,446
Refuse	1,290,757	1,133,177	1,223,886	1,097,558	1,422,302	1,380,082	1,368,052
Stormwater							19,135
<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>	<u>6,548,923</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>	<u>17,254,978</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	\$ 1,891,774
Operating Grants and Contributions	357,359	379,016	493,844	661,842	542,022	675,627	821,813
Capital Grants and Contributions	46,738	83,375	273,525	220,590	41,009	236,074	2,854,914
Property Taxes	690,027	712,771	780,850	840,967	904,765	1,006,659	1,159,315
Income Taxes	5,537,896	5,466,898	5,796,651	5,883,833	6,441,179	6,630,531	6,786,737
Other Taxes	1,253,510	1,708,355	1,398,993	-	-	-	-
Grants and Entitlements (not restricted to specific program)	170,807	149,863	104,841	1,123,952	990,269	992,315	1,255,664
Unrestricted Contributions	-	-	-	-	100	-	-
Investment earnings	1,731,993	663,627	317,965	339,477	828,575	686,592	799,987
Miscellaneous	289,284	53,998	542,648	49,459	126,228	56,256	73,570
<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>12,063,751</u>	<u>15,643,774</u>
						(continued)	(continued)

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

	2001	2002	2003	2004	2005	2006	2007
<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	2,671,728
Sewer	3,306,904	3,559,278	3,286,386	3,275,774	3,261,053	3,122,402	3,160,378
Refuse	1,210,076	1,236,284	1,273,687	1,331,688	1,395,392	1,436,575	1,511,839
Operating Grants and Contributions	-	-	-	-	-	3,082	6,140
Capital Grants and Contributions	46,738	297,948	71,400	408,800	140,200	183,000	191,691
<b>Total Business-type Activities</b>							
Program Revenues	7,064,503	7,659,034	7,047,008	7,637,111	7,474,453	7,382,984	7,541,776
<b>Total Primary Government</b>							
Program Revenues	18,128,487	18,005,043	18,020,300	18,264,123	19,082,516	19,446,735	7,541,776
<b>Net (Expense)/Revenue</b>							
Governmental Activities	3,784,984	1,254,434	2,152,913	1,448,445	2,742,233	2,294,345	4,937,719
Business-type Activities	809,744	1,498,413	988,379	1,416,693	1,006,045	1,151,792	7,541,776
<b>Total Primary Government</b>							
Net (Expense)/Revenue	\$4,594,728	\$2,752,847	\$3,141,292	\$2,865,138	\$3,748,278	\$3,446,137	\$12,479,495
<b>General Revenues and Other</b>							
Changes in Net Assets							
Governmental Activities:							
Property Taxes Levied for:							
General Purposes	\$690,027	\$712,771	\$780,850	\$840,967	\$904,765	\$1,006,659	1,159,315
Income Taxes	5,537,896	5,466,898	5,796,651	5,883,833	6,441,179	6,630,531	6,786,737
Other Taxes	1,253,510	1,708,355	1,398,993	0	0	0	0
Grants and Entitlements (not restricted to specific program)	170,807	149,863	104,841	1,123,952	990,269	992,315	1,255,664
Unrestricted Contributions	0	0	-	-	100	0	0
Investment earnings	1,731,993	663,627	120,765	168,002	344,521	686,592	799,987
Miscellaneous	289,284	53,998	541,705	45,868	120,532	56,256	73,570
<b>Total Governmental Activities</b>	9,673,517	8,755,512	8,743,805	8,062,622	8,801,366	9,372,353	10,075,273
Business-type Activities:							
Investment Earnings	880,916	427,071	197,200	171,475	484,054	731,382	873,792
Miscellaneous	127,656	5,142	943	3,591	5,696	16,587	12,037
<b>Total Business-type Activities</b>	1,008,572	432,213	198,143	175,066	489,750	747,969	885,829
<b>Total Primary Government</b>	10,682,089	9,187,725	8,941,948	8,237,688	9,291,116	10,120,322	10,961,102
<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	5,137,554
Business-type Activities	198,828	(1,066,200)	(790,236)	(1,241,627)	(516,295)	(403,823)	(6,655,947)
<b>Total Primary Government</b>							
Change in Net Assets	\$6,087,361	\$6,434,878	\$5,800,656	\$5,372,550	\$5,542,838	\$6,674,185	(\$1,518,393)

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

**CITY OF OXFORD, OHIO**  
*Program Revenues by Function/Program*  
*Last Six Years*  
*(accrual basis of accounting)*

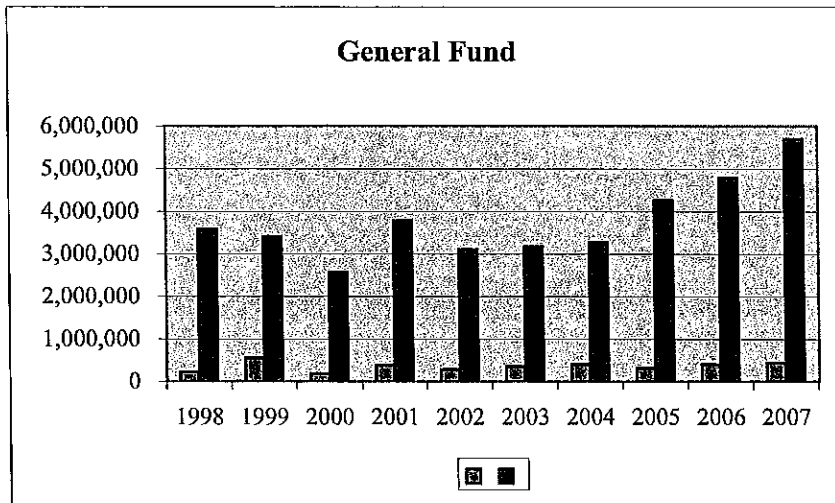
<b>Function/Program</b>	<b>Program Revenues</b>		
	<u>2001</u>	<u>2002</u>	<u>2003</u>
<b>Governmental activities:</b>			
Charges for Services	\$986,370	\$1,128,106	\$1,263,975
Operating Grants and Contributions	357,359	379,016	493,844
Capital Grants and Contributions	46,738	83,375	273,525
Property Taxes	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 (not restricted to specific program)	170,807	149,863	104,841
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>
<b>Business-Type Activities:</b>			
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
Stormwater			
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>18,128,487</u>	<u>18,005,043</u>	<u>18,020,300</u>

**Program Revenues**

<u>2004</u>	<u>2005</u>	<u>2006</u>	<u>2007</u>
\$1,506,892	\$1,733,916	1,779,697	1,891,774
661,842	542,022	675,627	821,813
220,590	41,009	236,074	2,854,914
840,967	904,765	1,006,659	1,159,315
5,883,833	6,441,179	6,630,531	6,786,737
-	-	0	0
1,123,952	990,269	992,315	1,255,664
-	100	0	0
339,477	828,575	686,592	799,987
49,459	126,228	56,256	73,570
<u>10,627,012</u>	<u>11,608,063</u>	<u>12,063,751</u>	<u>15,643,774</u>
<u>2004</u>	<u>2005</u>	<u>2006</u>	<u>2007</u>
2,620,849	2,677,808	2,637,925	2,671,728
3,275,774	3,261,053	3,122,402	3,160,378
1,331,688	1,395,392	1,436,575	1,511,839
-	-	3,082	0
-	-	3,082	6,140
408,800	140,200	183,000	191,691
<u>7,637,111</u>	<u>7,474,453</u>	<u>7,382,984</u>	<u>7,541,776</u>
<u>18,264,123</u>	<u>19,082,516</u>	<u>19,446,735</u>	<u>23,185,550</u>

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

	1998	1999	2000	2001
<b>General Fund</b>				
Reserved	\$225,370	\$556,201	\$184,155	\$384,071
Unreserved	3,587,581	3,415,058	2,562,475	3,777,679
<b>Total General Fund</b>	<u>3,812,951</u>	<u>3,971,259</u>	<u>2,746,630</u>	<u>4,161,750</u>
<b>All Other Governmental Funds</b>				
Reserved	\$ 645,580	\$ 2,696,593	\$ 641,125	\$ 3,180,245
Unreserved, Undesignated, Reported in:				
Special Revenue Funds	1,165,705	1,258,473	1,135,580	(1,599,040)
Debt Service Funds	2,654	2,142	-	757
Capital Projects Funds	1,971,662	4,827,288	8,306,781	6,417,794
Permanent Fund	-	-	-	-
<b>Total All Other Governmental Funds</b>	<u>3,785,601</u>	<u>8,784,496</u>	<u>10,083,486</u>	<u>7,999,756</u>
<b>Total Governmental Funds</b>	<u><u>\$7,598,552</u></u>	<u><u>\$12,755,755</u></u>	<u><u>\$12,830,116</u></u>	<u><u>\$12,161,506</u></u>





2002	2003	2004	2005	2006	2007
\$283,944	\$350,869	\$408,019	\$312,492	\$403,090	\$438,915
3,105,222	3,173,063	3,271,034	4,262,013	4,783,330	5,708,868
3,389,166	3,523,932	3,679,053	4,574,505	5,186,420	6,147,783
\$ 3,707,134	\$ 3,011,813	\$ 3,133,622	\$ 3,869,167	\$ 4,836,449	\$ 4,794,471
(1,553,702)	(1,363,851)	(1,018,946)	(727,193)	(435,931)	(79,761)
1,703	-	-	-	1	-
4,768,417	6,138,877	6,045,618	5,213,348	5,041,016	3,186,847
-	-	-	-	-	-
6,923,552	7,786,839	8,160,294	8,355,322	9,441,535	7,901,557
\$10,312,718	\$11,310,771	\$11,839,347	\$12,929,827	\$14,627,955	\$14,049,340

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

	1998	1999	2000	2001
<b>Revenues</b>				
Property and Other Taxes	\$590,466	\$610,860	\$699,254	\$689,552
Municipal Income Taxes	4,769,853	5,093,693	5,412,771	5,535,437
Intergovernmental	2,283,539	1,797,751	1,777,536	1,824,656
Charges for Services	536,202	519,316	575,533	590,228
Fines and Forfeitures	326,554	211,638	266,803	252,287
Licenses and Permits	253,640	306,405	259,644	294,155
Special Assessments	7,991	7,818	6,489	7,519
Interest	349,681	387,415	806,230	718,038
Contributions and Donations	20,919	47,309	302,524	61,544
Other	226,991	18,863	26,300	141,959
<b>Total Revenues</b>	<b>9,365,836</b>	<b>9,001,068</b>	<b>10,133,084</b>	<b>10,115,375</b>
<b>Expenditures</b>				
Current:				
Security of Persons and Property	2,712,829	2,921,136	3,060,053	3,037,664
Public Health Services	74,364	65,820	79,450	93,150
Leisure Time Activities	562,200	703,067	733,136	794,010
Community Environment	975,852	811,216	606,858	713,293
Transportation	576,046	645,045	710,463	680,714
General Government	1,176,293	1,234,501	1,329,800	1,251,747
Capital Outlay	2,065,350	1,214,492	3,223,963	3,772,896
Debt Service:				
Principal Retirement	1,000	1,000	93,655	125,000
Interest and Fiscal Charges	270	203	237,401	199,243
<b>Total Expenditures</b>	<b>8,144,204</b>	<b>7,596,480</b>	<b>10,074,779</b>	<b>10,667,717</b>
<i>Excess of Revenues Over (Under) Expenditures</i>	<i>1,221,632</i>	<i>1,404,588</i>	<i>58,305</i>	<i>(552,342)</i>
<b>Other Financing Sources (Uses)</b>				
Operating Transfers - In	3,018,980	3,227,764	4,620,972	4,740,312
Operating Transfers - Out	(3,028,988)	(3,088,764)	(4,620,972)	(4,740,312)
Proceeds from Sale of Bonds	0	0	0	0
Proceeds from Capital Lease	0	3,915,000	10,658	9,930
<b>Total Other Financing Sources (Uses)</b>	<b>(10,008)</b>	<b>4,054,000</b>	<b>10,658</b>	<b>9,930</b>
<b>Net Change in Fund Balances</b>	<b>\$1,211,624</b>	<b>\$5,458,588</b>	<b>\$68,963</b>	<b>(\$542,412)</b>
<b>Debt Service as a Percentage of Noncapital Expenditures</b>	<b>0.02%</b>	<b>0.02%</b>	<b>5.08%</b>	<b>4.93%</b>

2002	2003	2004	2005	2006	2007
\$705,495	\$785,100	\$840,967	\$904,765	\$1,006,659	\$1,159,315
5,649,198	6,035,339	5,858,965	6,473,251	6,576,810	6,190,198
1,930,985	1,908,992	1,767,729	1,767,657	1,730,138	4,733,019
677,582	887,628	718,848	937,897	977,706	1,100,505
311,089	335,960	359,125	419,727	434,749	413,961
304,287	353,467	383,112	357,915	374,513	365,531
6,718	7,374	7,057	6,726	4,164	0
297,911	130,781	204,342	292,747	585,456	770,741
179,469	193,155	81,989	79,008	270,185	111,077
19,787	465,823	40,986	132,662	50,310	99,461
<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>	<u>14,943,808</u>
3,438,323	3,655,200	3,688,519	3,708,926	4,051,727	4,479,082
129,143	119,514	111,157	144,446	103,110	164,757
883,344	1,001,366	1,087,593	1,055,704	1,102,575	1,133,251
1,219,167	709,028	1,287,121	669,163	1,018,689	650,465
849,020	894,284	834,048	973,903	1,031,296	1,072,515
1,360,079	1,420,844	1,422,888	1,439,754	1,589,484	1,709,069
3,757,645	1,934,721	983,771	1,942,252	1,080,165	5,898,276
130,000	150,354	155,426	155,615	166,389	167,403
194,054	191,189	183,836	176,529	169,127	161,104
<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>15,435,922</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>	<u>(492,114)</u>
3,095,000	2,976,763	2,246,564	2,224,385	2,548,663	1,887,803
(3,105,000)	(2,976,763)	(2,246,564)	(2,224,385)	(2,548,663)	(1,974,303)
0	0	0	0	0	0
26,058	0	0	0	0	0
<u>16,058</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>(86,500)</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>	<u>(\$578,614)</u>
4.11%	4.38%	4.02%	4.16%	3.77%	3.57%

**CITY OF OXFORD, OHIO**  
*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
2007	166,202,450	88,200,960	726,866,886	5,966,510	6,780,125

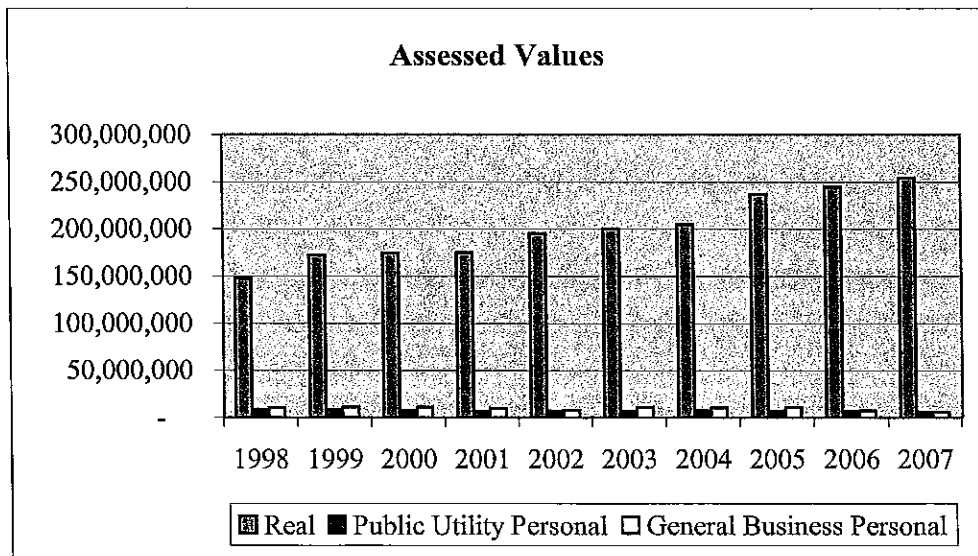
Property is assessed every year. The assessed value of real property (including public utility real property) is 35 percent of estimated true value. Personal property tax is assessed on all tangible personal property used in business in Ohio. The assessed value of public utility personal property ranges 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		Total		Ratio	Direct Tax Rate (in mills)
General Business		Assessed Value	Estimated Actual Value		
Assessed Value	Estimated Actual Value	Assessed Value	Estimated Actual Value		
\$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
6,239,949	24,959,796	266,609,869	758,606,807	35.14%	3.65



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

	1998	1999	2000	2001	2002
<b>Unvoted Millage</b>					
Operating	3.65	3.65	3.65	3.65	3.65
<b>Total Unvoted Millage</b>	3.65	3.65	3.65	3.65	3.65
<b>Voted Millage - by levy</b>					
None	0.00	0.00	0.00	0.00	0.00
<b>Total Voted millage</b>	0.00	0.00	0.00	0.00	0.00
<b>Total millage</b>	3.65	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*

	1998	1999	2000	2001	2002
Butler County	8.45	8.45	8.45	8.75	8.75
Talawanda School	43.8	43.8	50.3	50.3	50.3
Butler County Vocational School	1.93	1.93	1.93	1.93	1.93
Cities:					
Oxford City	3.65	3.65	3.65	3.65	3.65
Townships:					
Oxford Township	0.24	0.24	0.24	0.24	0.24
<b>Total Millage</b>	58.07	58.07	64.57	64.87	64.87

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

Source: Butler County Treasurer's Office for both tables

2003	2004	2005	2006	2007
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
3.65	3.65	3.65	3.65	3.65

2003	2004	2005	2006	2007
8.74	8.74	9.44	10.95	10.45
51.49	51.49	51.47	51.47	51.45
1.93	1.93	1.93	1.93	1.93
3.65	3.65	3.65	3.65	3.65
0.24	0.24	0.24	0.24	0.24
66.05	66.05	66.73	68.24	67.72

**CITY OF OXFORD, OHIO**  
*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
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
2007	973,126	885,777	91.02	42,010	927,787	95.34

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



**CITY OF OXFORD, OHIO**  
*Principal Taxpayers*  
*Real Estate Tax*  
*January 1, 2006 and January 1, 1997*

Name of Taxpayer	January 1, 2007	
	Assessed Value	Percent of Real Property Assessed Value
Southwestern Ohio	6,980,830	2.62%
Duke Energy	5,481,000	2.06%
D & B Family LTD PRT	4,511,220	1.69%
Wal Mart Real Estate	3,915,450	1.47%
Ogden Investment LTD PRT	3,484,500	1.31%
Brown Road Associates	2,965,440	1.11%
Stewart Developers LLC	2,680,690	1.01%
Brookside at Chestnut LLC	2,339,400	0.88%
Christopher Rodbro	1,874,990	0.70%
Red Brick Pride LTD	1,807,520	0.68%
Totals	\$36,041,040	13.52%
Total Assessed Valuation	266,609,869	

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	\$10,456,580	6.32%
Total Assessed Valuation	\$165,326,704	

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, OHIO**  
*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>
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%
2007	1.75%	6,110,009	5,343,075	87.45%	403,424	5.99%	390,350	5.79%

**Source:** Regional Income Tax Agency

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**CITY OF OXFORD, OHIO**  
*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	General Obligation Bonds	Landfill Bonds Payable
1998	0	3,000.00	390,138	0	12,120,000		1,350,000
1999	3,915,000	2,000.00	467,467	\$0	11,640,000		0
2000	3,825,000	0	506,193	9,003	11,135,000		0
2001	3,700,000	0	418,449	17,803	10,600,000		0
2002	3,570,000	0	434,913	35,187	8,712,598		0
2003	3,430,000	0	409,250	24,833		8,083,632	0
2004	3,285,000	0	450,333	14,407		7,434,665	0
2005	3,135,000	0	482,270	8,792		6,780,699	0
2006	2,975,000	0	458,122	2,403		6,111,732	0
2007	2,810,000	0	481,009	0		5,427,766	0

Business-Type Activites						
OWDA Loans Payable	Landfill Closure & Post Closure Care Payable	Other Obligations	Capital Leases	Total Primary Government	Percentage of Personal Income	Per Capita
13,377,948	1,265,492	170,944	10,716	\$28,688,238	17.00%	\$1,399.02
12,787,730	1,236,221	188,541	7,877	\$30,244,836	17.00%	\$1,460.33
12,521,396	1,182,326	185,323	4,801	\$29,369,042	11.00%	\$1,338.42
11,869,408	1,323,909	159,511	0	\$28,089,080	11.00%	\$1,277.59
11,182,224	1,272,023	183,028	0	\$25,389,973	9.00%	\$1,152.47
10,457,765	1,300,072	210,596	0	\$23,916,148	9.00%	\$1,083.31
9,693,827	1,150,429	232,857	0	\$22,261,518	8.00%	\$1,007.58
8,888,056	1,276,687	257,271	0	\$20,828,775	8.00%	\$942.09
8,037,949	1,299,578	190,966	0	19,075,750	7.00%	\$860.74
7,140,842	1,302,520	246,018	0	17,408,155	6.00%	\$777.36

**CITY OF OXFORD, OHIO**  
*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
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
2007	2,975,000	165,000	\$2,810,000	0.39%	\$125.48

**CITY OF OXFORD, OHIO**  
*Computation of Direct and Overlapping  
Debt Attributable to Governmental Activities  
December 31, 2007*

	<u>Debt Outstanding</u>	<u>Percentage Applicable to County (1)</u>	<u>Amount of Direct and Overlapping Debt</u>
<b>Direct:</b>			
City of Oxford	\$2,810,000	100.00%	\$2,810,000
<b>Overlapping:</b>			
Butler County	\$72,294,680	3.25%	\$2,349,577
Talawanda School District	\$8,370,000	42.64%	\$3,568,968
Butler Technology & Career Center Jt. Voc School District	\$2,000,000	3.69%	\$73,800
<b>Total</b>	<u>\$85,474,680</u>		<u>\$8,802,345</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, OHIO**  
*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			
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	
2007	22,394		758,606,807	2,975,000	165,000	2,810,000	0.37%	125.48	

**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.*



General Debt

Special Assessment Bonds Outstanding	Capital Leases	Other Obligations	Total Debt	Ratio of General Debt to Estimated Actual Value	General Debt Per Capita
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
0	0	481,009	3,291,009	0.43%	146.96

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

	1998	1999	2000	2001
Assessed Valuation	\$166,896,588	\$192,475,345	\$193,892,669	\$191,829,025
Overall Debt Limit - 10 ½ % of Assessed Value (1)	\$17,524,142	\$20,209,911	\$20,358,730	\$20,142,048
Amount of Debt Applicable to Debt Limit				
Total Outstanding Bonded Debt	26,847,948	28,342,730	27,481,396	26,169,407
Less Debt Outside the Limitations	(26,847,948)	(24,427,730)	(23,656,396)	(22,469,407)
Debt within Limitations	0	3,915,000	3,825,000	3,700,000
Less Amount Available in Debt Service	0	0	0	(757)
Amount of Debt Subject to Limitations	0	3,915,000	3,825,000	3,699,243
Overall Legal Debt Margin	\$17,524,142	\$16,294,911	\$16,533,730	\$16,442,805
Legal Debt Margin as a Percentage of the Debt Limit	100.00%	80.63%	81.21%	81.63%
Unvoted Debt Limit - 5 ½ % of Assessed Value (1)	\$9,179,312	\$10,586,144	\$10,664,097	\$10,550,596
Amount of Debt Applicable to Debt Limit				
Total Outstanding Bonded Debt	26,847,948	28,342,730	27,481,396	26,169,407
Less Debt Outside the Limitations	(26,847,948)	(24,427,730)	(23,656,396)	(22,469,407)
Debt within Limitations	0	3,915,000	3,825,000	3,700,000
Less Amount Available in Debt Service	0	0	0	(757)
Amount of Debt Subject to Limitations	0	3,915,000	3,825,000	3,699,243
Unvoted Legal Debt Margin	\$9,179,312	\$6,671,144	\$6,839,097	\$6,851,353
Unvoted Legal Debt Margin as a Percentage of the Unvoted Debt Limit	100.00%	63.02%	64.13%	64.94%

**Source:** Butler County Auditors Office

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

2002	2003	2004	2005	2006	2007
<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>\$266,609,869</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>	<u>\$27,994,036</u>
25,389,973 <u>(21,819,973)</u>	21,971,397 <u>(18,541,397)</u>	20,673,827 <u>(17,388,827)</u>	19,038,056 <u>(15,903,056)</u>	17,332,949 <u>(14,357,949)</u>	15,560,842 <u>(12,750,842)</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>2,810,000</u>
<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</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>2,810,000</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>	<u>\$25,184,036</u>
83.84%	85.05%	85.95%	88.29%	89.06%	89.96%
\$11,570,193	\$12,017,376	\$12,244,341	\$14,023,432	\$14,249,572	\$14,663,543
25,389,973 <u>(21,819,973)</u>	21,971,397 <u>(18,541,397)</u>	20,673,827 <u>(17,388,827)</u>	19,038,056 <u>(15,903,056)</u>	17,332,949 <u>(14,357,949)</u>	15,560,842 <u>(12,750,842)</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>2,810,000</u>
<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</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>2,810,000</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>	<u>\$11,853,543</u>
69.14%	71.46%	73.17%	77.64%	79.12%	80.84%

**CITY OF OXFORD, OHIO**

*Pledged Revenue Coverage*

*Last Ten Years*

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(Mortgage Revenue) General Obligation Bonds - Water

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Year	Water Service Charges	Less: Operating Expenses	Net Available Revenue	Debt Service (1)		Coverage
				Principal	Interest	
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	1,713,931	786,854	535,000	664,890	66.00%
2002	2,565,524	1,712,706	852,818	560,000	636,000	71.00%
2003	2,415,535	1,762,587	652,948	655,000	292,562	69.00%
2004	2,620,849	1,861,878	758,971	675,000	268,650	80.00%
2005	2,677,808	1,837,438	840,370	680,000	255,150	90.00%
2006	2,637,925	1,770,801	867,124	695,000	238,150	93.00%
2007	2,671,728	1,974,887	696,841	710,000	220,775	75.00%

**Source:** City of Oxford Finance Department

(1) These bonds were called @12/1/02 and paid in 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	
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	2,055,874	1,251,030	476,326	476,113	131.00%
2002	3,559,278	2,193,461	1,365,817	521,248	431,191	143.00%
2003	3,286,386	2,386,608	899,778	551,225	401,214	94.00%
2004	3,275,774	2,613,350	662,424	583,088	369,350	70.00%
2005	3,261,053	2,614,435	646,618	616,968	335,471	68.00%
2006	3,122,402	2,545,107	577,295	653,002	299,437	61.00%
2007	3,160,378	2,713,979	446,399	691,334	261,105	47.00%

OWDA Loans - Refuse

Year	Refuse Service Charges	Less: Operating Expenses	Net Available Revenue	Debt Service		Coverage
				Principal	Interest	
1998	0	0	0	0	0	
1999	0	0	0	0	0	
2000	0	0	0	0	0	
2001	1,210,076	1,150,804	59,272	80,328	69,593	40.00%
2002	1,236,284	999,296	236,988	165,936	133,907	79.00%
2003	1,273,687	1,102,173	171,514	173,233	126,610	57.00%
2004	1,331,688	982,499	349,189	180,851	118,993	116.00%
2005	1,395,392	1,315,369	80,023	188,803	111,040	27.00%
2006	1,436,575	1,281,632	154,943	197,105	102,738	52.00%
2007	1,511,839	1,278,457	233,382	205,773	94,070	78.00%

**CITY OF OXFORD, OHIO**  
*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)
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%
2007	22,394	272,423,010	12,165	5.10%

**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, OHIO**  
*Principal Employers*  
*Current Year and Nine Years Ago\**

Employer	Nature of Business	2007		
		Number of Employees	Rank	Percentage of Total Employment
Miami University	Education	13,294	1	86%
McCullough-Hyde Hospital	Hospital	500	2	3%
Talawanda School District	Education	390	3	3%
Square D Company	Manufacturing	244	4	2%
City of Oxford	Government	243	5	2%
Wal-Mart Associates, Inc.	Retail	260	6	2%
Kroger LTD Partnership	Retail	244	7	2%
Liberty Matrix of Oxford, LLC	Healthcare	135	8	1%
McDonald's	Food Service	76	9	0%
RDI Marketing Services, Inc.	Service		10	0%
Total		15,386		
Total Employment within the City				100%

\*Information not available for nine years ago.

**Source:** Oxford Chamber of Commerce

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

	<u>1998*</u>	<u>1999*</u>	<u>2000</u>	<u>2001</u>	<u>2002</u>
<b>General Government</b>					
Office of the City Manager	4.00	4.00	7.50	4.00	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	1.00
<b>Community Environment</b>					
Economic Development					1.00
Community Development	8.00	8.00	9.00	5.00	5.00
<b>Leisure Time Activities</b>					
Parks and Recreation	5.00	5.00	23.25	21.50	22.50
<b>Security of Persons and Property</b>					
Police Division	34.00	36.00	42.00	42.00	42.00
Fire Division	1.00	1.00	36.50	36.50	36.50
<b>Public Service</b>					
Administration	8.00	9.00	9.00	9.00	9.00
Streets and Maintenance	12.00	13.00	12.50	15.25	15.25
Wastewater Division	13.00	13.00	13.25	13.25	13.25
Water Division	10.00	10.00	10.25	10.25	10.25
<b>Total</b>	<u>104.00</u>	<u>109.00</u>	<u>173.25</u>	<u>166.75</u>	<u>168.75</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



2003	2004	2005	2006	2007
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
5.00	5.00	5.00	5.00	5.00
22.50	21.75	20.75	20.75	22.75
43.50	44.50	44.50	46.50	46.50
36.50	36.50	36.50	36.50	36.50
9.00	9.00	8.00	8.00	8.00
16.75	17.25	16.25	16.25	16.25
13.25	13.50	13.50	13.50	13.50
10.25	10.25	10.25	10.25	10.25
<u>171.75</u>	<u>172.75</u>	<u>168.75</u>	<u>170.75</u>	<u>172.75</u>

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

	1998	1999	2000	2001
<b>General Government</b>				
<b>Legislative and Executive</b>				
<b>City Council</b>				
Number of ordinances	59.00	45.00	45.00	31.00
Number of resolutions	102.00	95.00	85.00	84.00
Number of meetings	25.00	26.00	24.00	23.00
<b>Management Information Systems</b>				
<b>Number of devices</b>				
<b>Finance Department - Purchasing</b>				
Number of bid contracts awarded	32.00	42.00	34.00	45.00
Number of purchase orders issued	458.00	497.00	447.00	462.00
<b>Risk Management</b>				
Number of claims	43.00	26.00	15.00	3.00
<b>Public Safety</b>				
<b>Enforcement</b>				
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	592.00	521.00	502.00
<b>Emergency Medical Services</b>				
Number of emergency responses	1,225.00	1,219.00	1,227.00	1,273.00
<b>Public Works</b>				
<b>Engineer</b>				
Miles of roads resurfaced	3.10	2.99	3.90	3.10
Number of bridges replaced/improved	0.00	0.00	0.00	0.00
Number of culverts built/replaced/improved	0.00	0.00	0.00	0.00
<b>Water District</b>				
Annual water treated (in million gallons)	808.93	878.38	820.39	846.44
Number of tap-ins	25.00	12.00	20.00	22.00
Number of customers	4,044	4,186	4,179	4,225
Miles of water mains	70.00	70.00	70.00	70.00
<b>Sewer District</b>				
Annual sewage treated (in million gallons)	1,053.39	1,108.91	1,061.25	1,141.90
Number of tap-ins	68.00	32.00	39.00	57.00
Number of customers	3,753.00	3,902.00	3,889.00	3,933.00
Miles of sanitary sewers	62.00	62.00	62.00	62.00
<b>Parks and Recreation</b>				
<b>Parks</b>				
Number of parks	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
<b>Community and Economic Development</b>				
<b>Number of contacts</b>				
Number of projects				1.00
Number of jobs created				4.50
<b>Building Department</b>				
Number of permits issued	414.00	364.00	342.00	237.00
Number of inspections performed				

**Source:** City of Oxford Departmental Staff

2002	2003	2004	2005	2006	2007
30.00	31.00	32.00	52.00	54.00	49.00
79.00	83.00	82.00	107.00	80.00	91.00
23.00	25.00	22.00	26.00	23.00	37.00
	139.00	139.00	139.00	139.00	139.00
23.00	35.00	31.00	30.00	32.00	37.00
481.00	524.00	518.00	513.00	496.00	454.00
12.00	15.00	8.00	8.00	5.00	6.00
2,813	2,850	2,554	2,422	2,261	2,404
586	617	487	476	490	441
13,568	15,495	14,168	16,207	18,107	16,774
341	396	314	469	638	572
2,333	2,959	1,679	1,924	1,466	2,149
744	864	645	629	637	579
108	125	113	Included in arrests		146
1,299	1,624	1,416	1,195	1,514	1,578
35,814	38,600	30,507	30,421	28,074	29,791
519.00	728.00	733.00	733.00	733.00	804.00
1,281.00	1,330.00	1,392.00	1,484.00	1,529.00	1,560.00
3.43	3.01	2.89	3.17	5.14	2.76
0.00	0.00	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	856.27
7.00	10.00	49.00	20.00	41.00	27.00
4,175	4,170	4,337	4,368		4,394.00
70.00	70.49	70.83	71.49	71.49	71.49
932.80	997.11	870.00	889.00	993.00	875.00
33.00	31.00	90.00	57.00	55.00	44.00
3,882.00	3,885.00	4,036	4,067		4,100.00
62.40	63.53	63.84	64.51	64.51	64.51
11.00	11.00	11.00	11.00	11.00	11.00
128.95	128.95	128.95	128.95	128.95	128.95
23.00	23.00	23.00	23.00	23.00	23.00
1.00	-	1.00	-	1.00	1.00
5.00	-	1.50	-	6.00	7.00
402.00	481.00	501.00	526.00	555.00	453.00
			1,961.00	2,131.00	1,628.00

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

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

**Source:** City of Oxford Departmental Staff

2002	2003	2004	2005	2006	2007
300.00	300.00	300.00	300.00	300.00	300.00
460.00	460.00	460.00	460.00	460.00	460.00
821.00	821.00	821.00	821.00	821.00	821.00
221.00	221.00	221.00	221.00	221.00	221.00
11 28	11 30	11 30	11 30	11 31	11 33
5.00	5.00	5.00	5.00	5.00	5.00
1.00 2.00	1.00 2.00	1.00 2.00	1.00 2.00	1.00 2.00	1.00 2.00
49.92 #	49.92	50.25	50.25	50.91	50.91
1.00	1.00	1.00	1.00	1.00	1.00
20.00	20.00	20.00	20.00	20.00	20.00
3.00	3.00	3.00	3.00	3.00	3.00
1.00	1.00	1.00	1.00	1.00	1.00
70.00	70.49	70.83	71.49	71.49	71.49
1.00	1.00	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	64.51
11.00	11.00	11.00	11.00	11.00	11.00
128.95	128.95	128.95	128.95	128.95	128.95
23.00	23.00	23.00	23.00	23.00	23.00
4.10	4.10	4.10	4.85	4.85	4.85
7.00	11.00	13.00	16.00	36.00	17.00
306.00	306.00	306.00	306.00	306.00	306.00





**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 14, 2008**