FINANCIAL REPORT

CITY OF OXFORD

Oxford, Mississippi

September 30, 2015

Franks, Franks, Jarrell & Wilemon, P.A.
Certified Public Accountants

CITY OF OXFORD, MISSISSIPPI
TABLE OF CONTENTS

INDEPENDENT AUDITORS' REPORT 1

MANAGEMENT'S DISCUSSION AND ANALYSIS 4

BASIC FINANCIAL STATEMENTS:
- Statement of Net Position 13
- Statement of Activities 15
- Balance Sheet – Governmental Funds 16
- Reconciliation of Governmental Funds Balance Sheet to the Government-Wide Statement of Net Position 17
- Statement of Revenues, Expenditures and Changes in Fund Balances- Governmental Funds 18
- Reconciliation of Governmental Funds Statement of Revenues, Expenditures and Changes in Fund-Balances to the Government-Wide Statement of Activities 19
- General Fund Statement of Revenues, Expenditures and Changes in Fund Balances-Budget and Actual - Budgetary Basis 20
- Statement of Net Position - Proprietary Funds 22
- Statement of Revenues, Expenses and Changes in Fund Net Position - Proprietary Funds 24
- Statement of Cash Flows - Proprietary Funds 25
- Notes to Financial Statements 26

COMBINING AND INDIVIDUAL FUND FINANCIAL STATEMENTS AND SCHEDULES:
- Combining Balance Sheet Non-Major Governmental Funds 53
- Combining Statement of Revenues, Expenditures, and Changes in Fund Balance Non-Major Governmental Funds 54
- Balance Sheet - General Fund 55
- Statement of Revenues, Expenditures and Changes in Fund Balance - General Fund 56
- Statement of Revenues, Expenditures and Changes in Fund Balance - Budget and Actual - General Fund - Budgetary Basis 64
- Combining Balance Sheet - Special Revenue Funds 72
- Combining Statement of Revenues, Expenditures and Changes in Fund Balances - Special Revenue Funds 73
- Combining Statement of Net Position - Proprietary Fund Types 74
- Combining Statement of Revenues, Expenses and Changes in Fund Net Position-Proprietary Fund Types 76
- Combining Statement of Cash Flows - Proprietary Fund Types 77
- Combining Balance Sheet – Capital Projects Funds 78
- Combining Statements of Revenues, Expenditures and Changes in Fund Balances - Capital Projects Funds 79
- Combining Balance Sheet- Debt Service Funds 80
- Combining Statements of Revenues, Expenditures and Changes in Fund Balances - Debt Service Funds 81

OTHER SUPPLEMENTAL INFORMATION:
- Schedule of the City's Proportionate Share of the Net Pension Liability 82
- Schedule of the City's Contributions 83
- Schedule of Surety Bonds for Municipal Officials 84
- Schedule of Long-Term Debt 85
- Schedule of Expenditures of Federal Awards 86

OTHER REPORTS:
- Independent Auditors' 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* 87
- Independent Auditors' Report on Compliance for Each Major Program and on Internal Control over Compliance Required by OMB Circular A-133 89
- Independent Auditors' Report on Compliance with State Laws and Regulations 91
- Schedule of Findings and Questioned Costs 92

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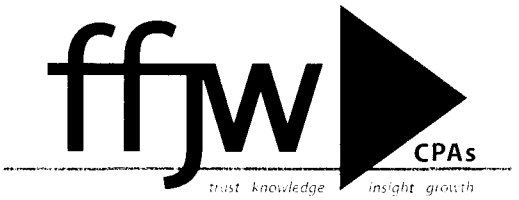

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INDEPENDENT AUDITORS' REPORT

To the Honorable Mayor and Board of Aldermen
City of Oxford, Mississippi
Oxford, Mississippi 38655

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, Mississippi, as of and for the year ended September 30, 2015, and the related notes to the financial statements, which collectively comprise the City's basic financial statements as listed in the table of contents.

Management's Responsibility for the Financial Statements

Management is responsible for the preparation and fair presentation of these financial statements in accordance with accounting principles generally accepted in the United States of America; this includes the design, implementation, and maintenance of internal control relevant to the preparation and fair presentation of financial statements that are free from material misstatement, whether due to fraud or error.

Auditors' Responsibility

Our responsibility is to express opinions on these financial statements based on our audit. We did not audit the financial statements of the City of Oxford Electric Department, which represent approximately 42 percent and 70 percent, respectively of the assets and revenues of the Proprietary Fund. Those financial statements were audited by other auditors whose reports have been furnished to us, and our opinion, insofar as it relates to the amounts included for the City of Oxford Electric Department, is based solely on the reports of the other auditors. 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 from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditors' judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control. Accordingly, we express no such opinion. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinions.

Basis for Qualified Opinion

Management has not adopted a methodology to accumulate the amount of liability related to customer meter deposits in the Water and Sewer fund of the City. Accounting principles generally accepted in the United States of America require presentation of all liabilities associated with each fund in the statement of net position. The liability for customer meter deposits would increase the liabilities and decrease the net position in the Water and Sewer Fund and Business Type Activities of the City. Additionally, the liability related to meter deposits of the Electric Fund is not properly presented. The liability related to meter deposits in the Electric Fund includes the amount of deposits for the Electric Fund and the amount for the Water and Sewer Fund. The correction of this issue in the Electric Fund would decrease the liabilities and increase the net position in the Electric Fund.

The amount by which the departures would affect the assets, liabilities, net position, revenues and expenses of the City's financial statements has not been determined.

Qualified Opinion

In our opinion, except for the effects of the matters described in the "Basis for Qualified Opinion" paragraph, the financial statements referred to above present fairly, in all material respects, the respective financial position of governmental activities, the business-type activities, each major fund, and the aggregate remaining fund information of the City of Oxford, Mississippi, as of September 30, 2015, and the respective changes in financial position, and , where applicable, cash flows and the respective budgetary comparison for the General Fund, thereof for the year then ended in accordance with accounting principles generally accepted in the United States of America.

Emphasis of a Matter

As disclosed in Note 6 to the financial statements, in 2015, the City of Oxford, Mississippi implemented new accounting standards prescribed by GASB Statement No. 68 for its pension plan, a multiple-employer, cost-sharing, defined benefit pension plan that has a special funding situation. Because GASB Statement No. 68 implements new measurement criteria and reporting provisions, significant information has been added to the Government-Wide Statements. Our opinion is not modified with respect to these matters.

Other Matters

Required Supplementary Information

Accounting principles generally accepted in the United States of America require that the management's discussion and analysis on pages 4 through 12, the schedule of the City's proportionate share of the net pension liability on page 82, and the schedule of the City's contributions on page 83 be presented to supplement the basic financial statements. Such information, although not a part of the basic financial statements, is required by the Governmental Accounting Standards Board, who considers it to be an essential part of financial reporting for placing the basic financial statements in an appropriate operational, economic, or historical context. We have applied certain limited procedures to the required supplementary information in accordance with auditing standards generally accepted in the United States of America, which consisted of inquiries of management about the methods of preparing the information and

comparing the information for consistency with management's responses to our inquiries, the basic financial statements, and other knowledge we obtained during our audit of the basic financial statements. We do not express an opinion or provide any assurance on the information because the limited procedures do not provide us with sufficient evidence to express an opinion or provide any assurance.

Other Information

The City of Oxford - Electric Department's financial year ends on June 30, as required by regulatory bodies, and, therefore, all statements and information relating to the Electric Department in this report are for the fiscal year beginning July 1, 2014 and ending June 30, 2015.

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the City of Oxford, Mississippi's basic financial statements. The combining and individual fund financial statements, schedules and other supplemental information are presented for purposes of additional analysis and are not a required part of the basic financial statements. The schedule of expenditures of expenditures of federal awards is presented for purposes of additional analysis as required by U.S. Office of Management and Budget Circular A-133, Audits of States, Local Governments, and Non-Profit Organizations, and is also not a required part of the basic financial statements.

The combining and individual fund financial statements, schedules, other supplemental information and the schedule of expenditures of federal awards are the responsibility of management and were derived from and relate directly to the underlying accounting and other records used to prepare the basic financial statements. Such information has been subjected to the auditing procedures applied in the audit of the basic financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the basic financial statements or to the basic financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the combining and individual fund financial statements, schedules, other supplemental information and the schedule of expenditures of federal awards are fairly stated, in all material respects, in relation to the basic financial statements as a whole.

Other Reporting Required by *Government Auditing Standards*

In accordance with *Government Auditing Standards*, we have also issued our report dated May 11, 2016 on our consideration of the City of Oxford, Mississippi's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, and grants 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* in considering the City of Oxford, Mississippi's internal control over financial reporting and compliance.

Franks, Franks, Jarrell & Wilemon, P.A.

FRANKS, FRANKS, JARRELL & WILEMON, P.A.
Tupelo, Mississippi
May 11, 2016

CITY OF OXFORD, MISSISSIPPI
MANAGEMENT'S DISCUSSION AND ANALYSIS

Required Supplementary Information for the Year ended September 30, 2015

This section of the City of Oxford's Financial Report presents our discussion and analysis of the City's financial performance during the fiscal year ending September 30, 2015. Please read it in conjunction with the City of Oxford financial statements, which follow this section.

FINANCIAL HIGHLIGHTS

- The assets of the City exceeded its liabilities at the close of the most recent fiscal year by $115,108,489. Of this amount, $0 may be used to meet the City of Oxford ongoing obligations to citizens and creditors. This compares to the previous year when assets exceeded liabilities by $139,170,420, of which $23,102,269 was available to meet the City's ongoing obligations.

- As of the close of the current fiscal year, the City of Oxford's governmental funds reported combined ending fund balances of $47,757,602, an increase of $318,159 in comparison to the prior year. Approximately 18% of the combined fund balances, $8,388,437 is considered unassigned and is available for spending at the City of Oxford's discretion.

- The City's total net position increased by $3,885,737. This increase is considered reasonable considering the budgeted revenues and expenditures and the amount of grant funds received for the fiscal year.

- The City of Oxford's total debt is $47,213,912. New debt in the amount of $4,755,000 was issued in the current fiscal year. Debt in the amount of $7,830,005 was repaid during the current fiscal year.

OVERVIEW OF THE FINANCIAL STATEMENTS

This annual report consists of four parts—management's discussion and analysis (this section), the basic financial statements, required supplementary information, and an optional section that presents combining statements for non-major governmental funds. The basic financial statements include two kinds of statements that present different views of the City of Oxford.

- The first two statements are government-wide financial statements that provide both long-term and short-term information about the City of Oxford's overall financial status.

- The remaining statements are fund financial statements that focus on individual parts of the City of Oxford's operations in more detail than the government-wide statements.

  The Governmental Funds statements tell how general government services such as public safety were financed in the short term as well as what remains for future spending. The City has four Governmental Fund types: the General, Special Revenue, Capital Projects and Debt Service.

  Proprietary fund statements offer short- and long-term financial information about the activities the government operates in a similar manner as businesses, and include the Electric and Water & Sewer funds.

  The financial statements also include notes that explain some of the information in the statements and provide more detailed data.

OVERVIEW OF THE FINANCIAL STATEMENTS (continued)

In addition to these required elements, we included combining statements that provide details about non-major governmental funds, each of which are added together and presented in single columns in the financial statements.

Figure A-1 summarizes the major features of the City of Oxford's financial statements, including the portion of the City of Oxford they cover and the types of information they contain. The remainder of this overview section of management's discussion and analysis explains the structure and contents of each of the statements.

Figure A-1
Major Features of the City of Oxford's Government-wide and Fund Financial Statements

		Fund Statements	
	Government-wide Statements	**Governmental Funds**	**Proprietary Funds**
Scope	Entire City Government (except fiduciary funds) and the City's component units.	The activities of the City that are not proprietary or fiduciary, such as police, fire, and parks and recreation	Activities the City operates similar to private businesses: Electric Department and Water & Sewer.
Required financial statements	Statement of Net Position; Statement of Activities	Balance Sheet; Statement of Revenues, Expenditures, and Changes in Fund Balances	Statement of Net Position; Statement of Revenues, Expenses, and Changes in Net Position; Statement of Net Cash Flows
Accounting basis and measurement focus	Accrual accounting and economic resources focus	Modified accrual accounting and current financial resources focus	Accrual accounting and economic resources focus
Type of Asset/liability information	All assets and liabilities, both financial and capital, and short-term and long-term	Only assets expected to be used up and liabilities that come due during the year or soon thereafter, no capital assets included	All assets and liabilities, both financial and capital, and short-term and long-term
Type of inflow/outflow information	All revenues and expenses during year, regardless of when cash is received or paid	Revenues for which cash is received during or soon after the end of the year, expenditures when goods or services have been received and payment is due during the year or soon thereafter	All revenues and expenses during year, regardless of when cash is received or paid

Government-wide Statements

The government-wide statements report information about the City of Oxford as a whole using accounting methods similar to those used by private-sector companies. The statement of net position includes all of the government's assets and liabilities. All of the current year's revenues and expenses are accounted for in the statement of activities regardless of when cash is received or paid. The government-wide financial statements include not only the City itself (known as the primary government), but also one blended component unit (Oxford Tourism Council). Financial information for the component unit is reported with the financial information from the primary government. The financial statements for the component unit are available from the City Clerk upon request.

The two government-wide statements report the City of Oxford's net position and how they have changed. Net position—the difference between the City of Oxford's assets and liabilities—is one way to measure the City of Oxford's financial health, or position.

- Over time, increases or decreases in the City of Oxford's net position are an indicator of whether its financial health is improving or deteriorating, respectively.

- To assess the overall health of the City of Oxford, the reader should consider additional non-financial factors such as changes in the City of Oxford's property tax base.

- *Governmental activities* –Most of the City of Oxford's basic services are included here, such as the police, fire, public works, and parks and recreation departments, tourism promotion, transit operation and general administration. Property taxes, sales and use taxes, and state and federal grants finance most of these activities.

- *Business-type activities* – The City of Oxford charges fees to customers to help it cover the costs of certain services it provides. The City of Oxford's water and sewer systems and electric department services are included here.

Fund Financial Statements

The fund financial statements provide more detailed information about the City of Oxford's most significant funds—not the City as a whole. The "fund" level is where the basic unit of financial organization and operation within the City of Oxford exists. Funds are accounting tools that are used to keep track of specific sources of funding and spending for particular purposes. They are the basic budgetary and accounting entities.

- Some funds are required by State law and by bond covenants.

- The Board of Alderman establishes other funds to control and manage money for particular purposes or to show that it is properly using certain taxes and grants.

The City of Oxford has two types of funds:

- **Governmental funds**—most of the City of Oxford's basic services are included in governmental funds, which focus on (1) how cash and other financial assets that can readily be converted to cash flow in and out and (2) the balances left at year-end that are available for spending. Consequently, the governmental funds statements provide a detailed short-term view that help determine whether there are more or fewer financial resources that can be spent in the near future to finance the City of Oxford's programs. Because this information does not encompass the additional long-term focus of the government-wide statements, we provide additional information at the bottom of the governmental funds statement, or on the subsequent page, that explains the relationship (or differences) between them. The measurement focus of governmental funds is upon determination of financial position and changes in financial position (sources, uses, and balance of financial resources) rather than upon net income determination. These funds are maintained on a modified accrual basis of accounting (explained further in the notes to the financial statements under "Summary of Significant Accounting Policies"). The basic financial statements for governmental funds are the Balance Sheet and the Statement of Revenues, Expenditures, and Changes in Fund Balance. The City of Oxford utilizes four types of governmental funds: the General Fund, Special Revenue Funds, Capital Projects Funds and Debt Service Funds.

- **Proprietary funds**—Services for which the City of Oxford charges customers a fee are generally reported in proprietary funds. Proprietary funds, like the government-wide statements, provide both long- and short-term financial information. The City has only one type of proprietary funds—enterprise funds. The City of Oxford's enterprise funds are the same as its business-type activities yet provide more detail and additional information, such as cash flows. The measurement focus of proprietary funds is upon determination of net income, financial position and change in financial position. These funds are maintained on the accrual basis of accounting. The Statement of Net Position, Statement of Revenues, Expenses and Changes in Net Position, and Statement of Cash Flows are all required statements.

Government-wide Financial Analysis

As noted earlier, net position may serve over time as a useful indicator of a government's financial position. The City of Oxford's assets exceeded liabilities by $115,108,489 at the close of the most recent fiscal year.

A large portion, 70 %, of the City's net position reflects its investment in capital assets (such as land, buildings, machinery, equipment, and infrastructure), less any related debt used to acquire those assets that is still outstanding. The City uses these capital assets to provide services to citizens; however, these assets are not available for future spending. Although the City's investment in its capital assets is reported net of related debt, it should be noted that the resources needed to repay this debt must be provided from other sources, since the capital assets themselves cannot be used to liquidate these liabilities.

Table A-1

City of Oxford's Net Position

	Governmental Activities		Business-Type Activities		Total	
	2015	2014	2015	2014	2015	2014
Current and Other Assets	$ 49,932,661	$ 50,174,026	$ 28,102,542	$ 27,143,848	$ 78,035,203	$ 77,317,874
Capital Assets	67,013,252	65,551,019	61,233,228	59,455,408	128,246,480	125,006,427
Total Assets	116,945,913	115,725,045	89,335,770	86,599,256	206,281,683	202,324,301
Deferred Outflows	5,052,716	0	1,100,903	53,358	6,153,619	53,358
Total Deferred Outflows	5,052,716	0	1,100,903	53,358	6,153,619	53,358
Current and Other Liabilities	4,067,134	4,572,320	11,242,150	11,060,702	15,309,284	15,633,022
Long-Term Liabilities	49,763,498	22,489,701	30,852,990	24,753,655	80,616,488	47,243,356
Total Liabilities	53,830,632	27,062,021	42,095,140	35,814,357	95,925,772	62,876,378
Deferred Inflows	593,140	245,640	807,901	85,221	1,401,041	330,861
Total Deferred Inflows	593,140	245,640	807,901	85,221	1,401,041	330,861
Net Position:						
Net Investment in						
Capital Assets	44,536,924	41,659,751	36,495,644	33,055,640	81,032,568	74,715,391
Restricted	38,685,093	40,245,957	2,005,146	1,106,803	40,690,239	41,352,760
Unrestricted	(15,647,160)	6,511,676	9,032,842	16,590,593	(6,614,318)	23,102,269
Total Net Position	$ 67,574,857	$88,417,384	$ 47,533,632	$ 50,753,036	$ 115,108,489	$ 139,170,420

An additional portion of the City's net position represents resources that are subject to external restrictions on how they may be used.

Unrestricted net position of our business-type activities was $9,032,842 at the end of the current fiscal year. These resources cannot be used to add to the net position surplus in governmental activities. The City of Oxford generally can only use this net position to finance the continuing operations of the business type activities.

Changes in net position. Approximately 12 percent of the City of Oxford's revenue comes from property taxes and approximately 12 percent from sales tax, with 30 percent of all revenue coming from some type of tax. (See Table A-2.) Another 58 percent comes from fees charged for services, and the balance is from operating and capital grants and contributions, intergovernmental revenue, investment earnings and miscellaneous revenues.

Table A-2 and the narrative that follows consider the operations of governmental and business-type activities separately.

Table A-2

Changes in The City of Oxford's Net Position

	Governmental Activities		Business-Type Activities		Total	
	2015	2014	2015	2014	2015	2014
Revenues						
Program Revenues:						
Charges for Services	$ 8,284,178	$ 7,629,313	$ 32,746,225	$ 32,347,682	$ 41,030,403	$ 39,976,995
Operating Grants & Contributions	1,820,040	2,520,255	0	0	1,820,040	2,520,255
Capital Grants & Contributions	672,591	1,669,811	1,498,389	336,183	2,170,980	2,005,994
General Revenues:						
Property Taxes	8,154,450	8,163,563	0	0	8,154,450	8,163,563
Sales Tax	8,142,926	7,457,265	0	0	8,142,926	7,457,265
Other Taxes	4,966,759	3,174,107	0	0	4,966,759	3,174,107
Intergovernmental Revenues	3,697,694	3,251,195	0	0	3,697,694	3,251,195
Investment Income	(211,406)	1,736,086	28,148	30,211	(183,258)	1,766,297
Other	546,325	728,246	400,217	150,583	946,542	878,829
Total Revenues	**36,073,557**	**36,329,841**	**34,672,979**	**32,864,659**	**70,746,536**	**69,194,500**
Expenses						
General Government	6,012,874	5,372,132	0	0	6,012,874	5,372,132
Public Safety	11,231,125	8,935,589	0	0	11,231,125	8,935,589
Public Works	8,317,891	7,402,613	0	0	8,317,891	7,402,613
Tourism Promotion	1,375,293	1,517,227	0	0	1,375,293	1,517,227
Culture & Recreation	4,971,831	5,075,195	0	0	4,971,831	5,075,195
Transit Operation	2,203,892	2,139,280	0	0	2,203,892	2,139,280
Other Functions	86,797	84,921	0	0	86,797	84,921
Debt Service	670,177	687,339	0	0	670,177	687,339
Water & Sewer	0	0	9,286,214	7,867,217	9,286,214	7,867,217
Electric	0	0	20,681,988	20,831,014	20,681,988	20,831,014
Capital Projects	520,316	263,415	0	0	520,316	263,415
Miscellaneous	0	0	0	0	0	0
Total Expenses	**35,390,196**	**31,477,711**	**29,968,202**	**28,698,231**	**65,358,398**	**60,175,942**
Excess of Revenue Over Expenses	683,361	4,852,130	4,704,777	4,166,428	5,388,138	9,018,558
Transfers	(239,067)	402,916	(1,263,334)	(1,126,624)	(1,502,401)	(723,708)
Increase (Decrease) in Net Position	**444,294**	**5,255,046**	**3,441,443**	**3,039,804**	**3,885,737**	**8,294,850**
Net Position--Beginning, as previously stated	**88,417,384**	**84,309,214**	**50,753,036**	**48,506,876**	**139,170,420**	**132,816,090**
Prior Period Adjustment	**(21,286,821)**	**(1,146,876)**	**(6,660,847)**	**(793,644)**	**(27,947,668)**	**(1,940,520)**
Net Position--Beginning, as restated	**67,130,563**	**83,162,338**	**44,092,189**	**47,713,232**	**111,222,752**	**130,875,570**
Net Position--Ending	**$ 67,574,857**	**$ 88,417,384**	**$ 47,533,632**	**$ 50,753,036**	**$ 115,108,489**	**$ 139,170,420**

Governmental Activities

Governmental activities increased the City's net position by $444,294, thereby accounting for 11.43 percent of the total increase in the net position of the City. Key elements of this increase are as follows:

The largest funding sources for the City's governmental activities, as a percent of total revenues, are charges for services (23%), property taxes (23%), and sales tax (23%).

The largest expense categories for the City's governmental activities are public safety (32%) and public works (24%).

Business-type Activities

Business-type activities increased the City's net position by $3,441,443, thereby accounting for 88.57 percent of the increase in the City's net position.

Charges for services are the major revenue categories for the enterprise funds. Total business-type revenues are comprised of $9,805,853 for water and $22,940,372 for electric.

Financial Analysis of the Government's Funds

As noted earlier, the City uses fund accounting to ensure and demonstrate compliance with finance-related legal requirements.

Governmental funds—The focus of the City's governmental funds is to provide information on near-term inflows, outflows, and balances of spendable resources. Such information is useful in assessing the City's financing requirements. In particular, unassigned fund balance may serve as a useful measure of the City's net resources available for spending at the end of the fiscal year.

General Fund—The general fund is the chief operating fund of the City. At the end of the current fiscal year, unassigned fund balance of the general fund was $8,591,869. As a measure of the general fund's liquidity, it may be useful to compare both the fund balance, assigned and unassigned, to total fund expenditures. Total fund balance represents 36% of total fund expenditures. The fund balance of the City's general fund increased by $2,022,954 during the current fiscal year.

Debt Service Fund—The debt service fund has a total fund balance of $8,527, all of which is committed for the payment of debt service. The net increase in fund balance during the current year in the debt service fund was $186,671.

Special Revenue Fund—The special revenue fund is used to account for the programs and projects primarily funded by grants from the federal and state governments. At the end of the current fiscal year, the fund balance was $5,341,999, which will be used for future expenditures.

Capital Projects Fund— The capital projects fund accounts for the construction and reconstruction of general public improvements, excluding projects related to business-type activities, which are accounted for elsewhere. At the end of the current fiscal year, the fund balance was $1,400,376.

Proprietary Funds—The City's proprietary funds provide the same type of information found in the government-wide financial statements, but in more detail. The net position of the proprietary funds at the end of the current fiscal year totaled $47,533,632. Changes in net position, which totaled $3,441,443, were as follows: the electric fund increased by $1,286,324 and the water & sewer fund increased by $2,155,119.

Budgetary Highlights

The City's annual budget, which is prepared on an operating basis, includes estimated revenues and annual appropriations for the proprietary funds as well as the governmental funds.

The City's 2014 -15 general fund operating budget increased by approximately $256,062 during the current fiscal year. This increase was primarily related to increases in expenditures that are directly related to capital grant projects. The City's tax millage increased from 27.25 mills to 28.22 mills from 2014 to 2015.

CAPITAL ASSET AND DEBT ADMINISTRATION

Capital Assets—In accordance with GASB 34, the City has recorded depreciation expense associated with all of its capital assets, including infrastructure. The City's investment in capital assets for its governmental and business-type activities as of September 30, 2015, amounted to $128,246,480, net of accumulated depreciation of $76,693,616. This investment in capital assets includes land, buildings, improvements other than buildings, machinery & equipment, infrastructure, and construction in progress.

Table A-3
City of Oxford's Capital Assets

	Governmental Activities		Business-Type Activities		Total	
	2015	2014	2015	2014	2015	2014
Land	$ 6,365,620	$ 6,365,620	$ 1,108,463	$ 1,108,463	$ 7,474,083	$ 7,474,083
Plant, Buildings & Improvements	27,172,170	26,530,241	89,511,885	87,701,831	116,684,055	114,232,072
Machinery & Equipment	16,948,577	16,236,002	5,980,625	5,609,924	22,929,202	21,845,926
Infrastructure	44,098,534	44,089,089	0	0	44,098,534	44,089,089
Construction-in-progress	8,550,011	6,005,156	5,204,211	2,334,172	13,754,222	8,339,328
Accumulated Depreciation	(36,121,660)	(33,675,087)	(40,571,956)	(37,298,982)	(76,693,616)	(70,974,069)
Total	$ 67,013,252	$ 65,551,021	$ 61,233,228	$ 59,455,408	$ 128,246,480	$ 125,006,429

Long-term Debt—At year-end, the city had $47,213,912 in bonds and notes outstanding. More detailed information about the city of Oxford's long-term liabilities is presented in the notes to the financial statements.

Table A-4
City of Oxford's Outstanding Debt

	Governmental Activities		Business-Type Activities		Total	
	2015	2014	2015	2014	2015	2014
General Obligation Bonds	$ 18,335,000	$ 20,235,000	$ 18,095,000	$ 19,365,000	$ 36,430,000	$ 39,600,000
Special Assessment Bonds	1,515,000	1,600,000	0	0	1,515,000	1,600,000
General Obligation Notes	1,508,273	805,000	0	0	1,508,273	805,000
Promissory Notes	1,118,055	1,249,149	6,642,584	7,034,768	7,760,639	8,283,917
Total	**$ 22,476,328**	**$ 23,889,149**	**$ 24,737,584**	**$ 26,399,768**	**$ 47,213,912**	**$ 50,288,917**

ECONOMIC FACTORS AND NEXT YEAR'S BUDGETS AND RATES

The City considered current year operational expenses and estimated increases based on economic factors when establishing the fiscal year 2016 budget. The total budgeted appropriations for the City general fund operations are $28,945,300. This budget reflects an increase of approximately $1,947,740. This increase is due primarily to a large capital outlay project in the Street Department. Other notable increases included personnel services in the police and fire departments.

CONTACTING THE CITY OF OXFORD FINANCIAL MANAGEMENT

This financial report is designed to provide our citizens, taxpayers, customers, and investors and creditors with a general overview of the City of Oxford finances and to demonstrate the City's accountability for the money it receives. If you have questions about this report or need additional financial information, contact the City of Oxford's Finance Department, 107 Courthouse Square, Oxford, MS 38655.

CITY OF OXFORD, MISSISSIPPI
STATEMENT OF NET POSITION
September 30, 2015

	Primary Government		
	Governmental Activities	Business-Type Activities	Total
ASSETS:			
Cash and Cash Equivalents	$ 12,691,469	$ 16,343,427	$ 29,034,896
Investments	33,105,438	3,136,050	36,241,488
Accounts Receivable, net	-	5,141,352	5,141,352
Court Fines Receivable, net	334,124	-	334,124
Ad Valorem Taxes Receivable, net	154,862	-	154,862
Other Receivables	44,794	-	44,794
Due From Other Funds	4,200	-	4,200
Due From Other Governments	3,595,448	258,073	3,853,521
Prepaid Expenses	2,326	45,234	47,560
Inventories	-	1,105,928	1,105,928
Restriced Assets:			
Cash and Cash Equivalents - Restricted	-	5,000	5,000
Investments - Restricted	-	2,008,042	2,008,042
Unamortized Debt Expense	-	41,277	41,277
Investment in CSA	-	18,159	18,159
Capital Assets:			
Land	6,365,620	1,108,463	7,474,083
Plant, Buildings and Improvements	27,172,170	89,511,885	116,684,055
Machinery and Equipment	16,948,577	5,980,625	22,929,202
Infrastructure	44,098,534	-	44,098,534
Construction in Progress	8,550,011	5,204,211	13,754,222
Accumulated Depreciation	(36,121,660)	(40,571,956)	(76,693,616)
TOTAL ASSETS	$ 116,945,913	$ 89,335,770	$ 206,281,683
DEFERRED OUTFLOWS OF RESOURCES:			
Deferred Outflows - Pensions	5,052,716	1,100,903	6,153,619
TOTAL DEFERRED OUTFLOWS OF RESOURCES	$ 5,052,716	$ 1,100,903	$ 6,153,619

CITY OF OXFORD, MISSISSIPPI
STATEMENT OF NET POSITION
September 30, 2015

	Primary Government		
	Governmental Activities	Business-Type Activities	Total
LIABILITIES:			
Checks Issued in Excess of Cash Deposits	$ 696,165	$ -	$ 696,165
Accounts Payable and Accrued Expenses	983,398	5,892,471	6,875,869
Accrued Interest Payable	-	276,323	276,323
Due to Other Funds	4,200	-	4,200
Due to Other Governments	2,310	-	2,310
Long-Term Liabilities, due within one year			
Revenue Bonds & Notes Payable	2,381,061	1,893,106	4,274,167
Long-Term Liabilities, due in more than one year			
Revenue Bonds & Notes Payable	20,095,267	22,844,478	42,939,745
Customer Deposits	-	3,213,153	3,213,153
Net Pension Liability	28,802,833	7,724,163	36,526,996
Accrued Compensated Absences	865,398	251,446	1,116,844
TOTAL LIABILITIES	53,830,632	42,095,140	95,925,772
DEFERRED INFLOWS OF RESOURCES:			
Deferred Inflows - Pensions	370,836	478,215	849,051
Deferred Charge on Refunding of Bonds, net Accumulated Amortization of $177,312	222,304	329,686	551,990
TOTAL DEFERRED INFLOWS OF RESOURCES	$ 593,140	$ 807,901	$ 1,401,041
NET POSITION:			
Net Investment in Capital Assets	44,536,924	36,495,644	81,032,568
Restricted for:			
Unemployment Benefits	-	5,000	5,000
Debt Service	60,718	2,000,146	2,060,864
Capital Projects	1,400,376	-	1,400,376
Special Revenue	37,223,999	-	37,223,999
Unrestricted	(15,647,160)	9,032,842	(6,614,318)
TOTAL NET POSITION	$ 67,574,857	$ 47,533,632	$ 115,108,489

See accompanying notes to financial statements.

CITY OF OXFORD, MISSISSIPPI
STATEMENT OF ACTIVITIES
For the Year Ended September 30, 2015

FUNCTIONS/ PROGRAMS	Expenses	PROGRAM REVENUES: Charge for Services	Operating Grants and Contributions	Capital Grants and Contributions	Total	Net (Expense) Revenue and Changes in Net Position: PRIMARY GOVERNMENT: Governmental Activities	Business-Type Activities	Total
PRIMARY GOVERNMENT								
Government Activities:								
General Government	$ 6,012,874	$ 971,698	$ -	$ -	$ 971,698	$ (5,041,176)	$ -	$ (5,041,176)
Public Safety	11,231,125	1,014,697	480,314	573,930	2,068,941	(9,162,184)	-	(9,162,184)
Public Works	8,317,891	4,008,560	29,429	-	4,037,989	(4,279,902)	-	(4,279,902)
Culture and Recreation	4,971,831	2,007,618	109,747	98,661	2,216,026	(2,755,805)	-	(2,755,805)
Tourism Promotion	1,375,293	82,327	184,481	-	266,808	(1,108,485)	-	(1,108,485)
Transit Operation	2,203,892	199,278	1,016,069	-	1,215,347	(988,545)	-	(988,545)
Other Functions	86,797	-	-	-	-	(86,797)	-	(86,797)
Capital Projects	520,316	-	-	-	-	(520,316)	-	(520,316)
Debt Service	670,177	-	-	-	-	(670,177)	-	(670,177)
TOTAL GOVERNMENTAL ACTIVITIES	35,390,196	8,284,178	1,820,040	672,591	10,776,809	(24,613,387)	-	(24,613,387)
Business-Type Activities:								
Water and Sewer	9,286,214	9,805,853	-	1,498,389	11,304,242	-	2,018,028	2,018,028
Electric	20,681,988	22,940,372	-	-	22,940,372	-	2,258,384	2,258,384
TOTAL BUSINESS-TYPE ACTIVITIES	29,968,202	32,746,225	-	1,498,389	34,244,614	-	4,276,412	4,276,412
TOTAL PRIMARY GOVERNMENT	$ 65,358,398	$ 41,030,403	$ 1,820,040	$ 2,170,980	$ 45,021,423	$ (24,613,387)	$ 4,276,412	$ (20,336,975)
GENERAL REVENUES:								
Taxes:								
Property Taxes, Levied for General Purposes						$ 5,787,270	$ -	$ 5,787,270
Property Taxes, Levied for Debt Service						2,367,180	-	2,367,180
Sales Taxes						8,142,926	-	8,142,926
Special Taxes						3,484,994	-	3,484,994
County Pro Rata Taxes						815,813	-	815,813
Franchise Taxes						665,952	-	665,952
In Lieu Taxes						1,212,775	-	1,212,775
Gasoline Taxes & Other Taxes						231,277	-	231,277
Homestead Reimbursement						172,416	-	172,416
Fire Protection Allocation						102,925	-	102,925
Intergovernmental Revenues						1,968,868	-	1,968,868
Grants and Contributions not Restricted to Specific Programs						9,433	-	9,433
Investment Earnings						(211,406)	28,148	(183,258)
Gain (Loss) on Asset Disposal						36,282	-	36,282
Miscellaneous						510,043	400,217	910,260
Transfers						(239,067)	(1,263,334)	(1,502,401)
TOTAL GENERAL REVENUES AND TRANSFERS						25,057,681	(834,969)	24,222,712
CHANGE IN NET POSITION						444,294	3,441,443	3,885,737
NET POSITION--BEGINNING, as previously stated						88,417,384	50,753,036	139,170,420
PRIOR PERIOD ADJUSTMENT						(21,286,821)	(6,660,847)	(27,947,668)
NET POSITION--BEGINNING, as restated						67,130,563	44,092,189	111,222,752
NET POSITION--ENDING						$ 67,574,857	$ 47,533,632	$ 115,108,489

See accompanying notes to financial statements.

CITY OF OXFORD, MISSISSIPPI
BALANCE SHEET
GOVERNMENTAL FUNDS
September 30, 2015

	Major Funds			
	General Fund	Oxford Reserve & Trust Fund	Other Governmental Funds	Total Governmental Funds
ASSETS:				
Cash on Deposit	$ 6,356,465	$ -	$ 6,335,004	$ 12,691,469
Investments	1,027,065	31,882,000	196,373	33,105,438
Prepaid Expenses	-	-	2,326	2,326
Other Receivables	14,883	-	29,911	44,794
Due From Other Funds	-	-	4,200	4,200
Due From Other Governments	2,549,531	-	1,045,917	3,595,448
TOTAL ASSETS	$ 9,947,944	$ 31,882,000	$ 7,613,731	$ 49,443,675
LIABILITIES:				
Checks Issued in Excess of Cash Deposits	$ -	$ -	$ 696,165	$ 696,165
Accounts Payable and Accrued Expenses	816,734	-	166,664	983,398
Due to Other Funds	4,200	-	-	4,200
Due to Other Governments	2,310	-	-	2,310
TOTAL LIABILITIES	823,244	-	862,829	1,686,073
FUND BALANCES (DEFICIT):				
Nonspendable	52,171	-	-	52,171
Committed				
Public Safety	1,437	-	-	1,437
Cultural and Recreation	14,732	-	595,199	609,931
Debt Service	-	-	60,718	60,718
Tourism	-	-	15,074	15,074
Restricted				
Capital Projects	-	-	1,426,407	1,426,407
Forestry	14,990	-	-	14,990
Transit Operations	-	-	13,002	13,002
Tourism	-	-	2,704,040	2,704,040
Cultural and Recreation	-	-	43,352	43,352
Permanent Fund Principal	-	31,882,000	1,635,511	33,517,511
Public Safety	-	-	461,031	461,031
Economic Development	-	-	-	-
Assigned				
Cemetery	385,189	-	-	385,189
London Bus	31,195	-	-	31,195
Historic Homes Fund	33,117	-	-	33,117
Unassigned	8,591,869	-	(203,432)	8,388,437
TOTAL FUND BALANCES	9,124,700	31,882,000	6,750,902	47,757,602
TOTAL LIABILITIES AND FUND BALANCES	$ 9,947,944	$ 31,882,000	$ 7,613,731	$ 49,443,675

See accompanying notes to financial statements.

CITY OF OXFORD, MISSISSIPPI
RECONCILIATION OF GOVERNMENTAL FUNDS BALANCE SHEET
TO THE STATEMENT OF NET POSITION
September 30, 2015

TOTAL FUND BALANCES - TOTAL GOVERNMENTAL FUNDS	$	47,757,602
Amounts reported for Governmental Activities in the Statement of Net Position are different because:		
Capital assets used in governmental activities are not current financial resources and therefore are not reported in the Governmental Funds Balance Sheet.		67,013,252
Long-term liabilities are not due and payable in the current period and therefore they are not reported in the Governmental Funds Balance Sheet.		(22,476,328)
Deferred revenues for deliquent property taxes deferred in the governmental funds because they will not be received within sixty days of the Consolidated Government's year end.		154,862
Accrued compensated absences are not due and payable in the current period and therefore they are not reported in the governmental funds balance sheet.		(865,398)
Some liabilities, including net pension obligations, are not due and payable in the current period and, therefore are not reported in the funds		
Net pension liability		(28,802,833)
Deferred outflows and inflows of resources, related to pensions are applicable to future periods and, therefore are not reported in the funds:		
Deferred outflows of resources related to pensions		5,052,716
Deferred inflows of resources related to pensions		(370,836)
Bond issuance costs are reported as expenditures on the Governmental Funds financial statements in the year incurred. However, in the Statement of Activities, the cost of issuing bonds is amoritzed overthe life of the related bonds. This is the amount of unamortized premium remaining.		(222,304)
Accrual of court fine revenues to qualify as financial resources.		334,124
NET POSITION OF GOVERNMENTAL ACTIVITIES	$	67,574,857

See accompanying notes to financial statements.

CITY OF OXFORD, MISSISSIPPI
STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE - GOVERNMENTAL FUNDS
For the Year Ended September 30, 2015

	Major Funds			
	General Fund	Oxford Reserve & Trust Fund	Other Governmental Funds	Total Governmental Funds
REVENUES:				
General Property Taxes	$ 5,772,774	$ -	$ 2,367,180	$ 8,139,954
Sales and Use Taxes	8,142,926	-	-	8,142,926
Special Taxes	-	-	3,484,994	3,484,994
Licenses and Permits	776,362	-	-	776,362
Franchise Fees	665,952	-	-	665,952
In Lieu - Utility Department	965,000	-	-	965,000
Penalties and Interest	195,336	-	-	195,336
Intergovernmental Revenues	2,521,997	-	365,477	2,887,474
Grant Income	580,451	-	1,765,552	2,346,003
Local Matching Funds	-	-	661,033	661,033
Charges for Services	5,182,740	-	281,605	5,464,345
Fines and Forfeitures	950,867	-	65,827	1,016,694
Interest Income	11,376	-	1,076	12,452
Net Investment Income	-	862,667	-	862,667
Sale of Land and Surplus Equipment	110,474	-	-	110,474
Cemetery	138,065	-	-	138,065
FNC Parking Lease	11,250	-	822,188	833,438
Sponsorships	-	-	106,691	106,691
Donations/Contributions	39,937	-	-	39,937
Miscellaneous Revenues	302,000	-	69,978	371,978
TOTAL REVENUES	26,367,507	862,667	9,991,601	37,221,775
EXPENDITURES:				
Current:				
General Government	5,417,192	-	-	5,417,192
Public Safety	9,317,651	-	396,118	9,713,769
Public Works	6,746,385	-	-	6,746,385
Culture and Recreation	3,769,140	-	932,922	4,702,062
Tourism Promotion	-	-	1,457,101	1,457,101
Transit Operation	-	-	2,113,762	2,113,762
Other Functions	-	-	84,288	84,288
Capital Projects	-	-	3,237,131	3,237,131
Debt Service	367,226	-	2,639,108	3,006,334
TOTAL EXPENDITURES	25,617,594	-	10,860,430	36,478,024
EXCESS OF REVENUES OVER (UNDER) EXPENDITURES	749,913	862,667	(868,829)	743,751
OTHER FINANCING SOURCES (USES)				
Transfers from (to) Oxford Tourism Council	-	-	(582,398)	(582,398)
Transfers (to) Other Funds	-	(1,665,002)	-	(1,665,002)
Transfers from Other Funds	373,041	-	1,635,292	2,008,333
Unrealized Gain (Loss) from Investments	-	(1,086,525)	-	(1,086,525)
Proceeds from Issuance of Debt and Capital Leases	900,000	-	-	900,000
TOTAL OTHER FINANCING SOURCES (USES)	1,273,041	(2,751,527)	1,052,894	(425,592)
NET CHANGE IN FUND BALANCES	2,022,954	(1,888,860)	184,065	318,159
FUND BALANCES - Beginning, as previously stated	7,101,746	33,770,860	6,564,495	47,437,101
PRIOR PERIOD ADJUSTMENT	-	-	2,342	2,342
FUND BALANCES - Beginning, as restated	7,101,746	33,770,860	6,566,837	47,439,443
FUND BALANCES - Ending	$ 9,124,700	$ 31,882,000	$ 6,750,902	$ 47,757,602

See accompanying notes to financial statements.

CITY OF OXFORD, MISSISSIPPI
RECONCILIATION OF GOVERNMENTAL FUNDS STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES TO THE STATEMENT OF ACTIVITIES
For the Year Ended September 30, 2015

NET CHANGE IN FUND BALANCES - TOTAL GOVERNMENTAL FUNDS	$	318,159
Amounts reported for Governmental Activities in the Statement of Activities are different because:		
Governmental Funds report capital outlay as expenditures. However, in the Government Wide Statement of Activities the cost of those assets is allocated over their estimated useful lives as depreciation expense. This is the amount of capital assets recorded in the current period.		4,433,143
Depreciation expense on capital assets is reported in the Government-Wide Statement of Activities, but they do not require the use of current financial resources. Therefore, depreciation expense is not reported as expenditures in Governmental Funds.		(2,896,720)
Proceeds from the disposition of capital assets is reported as income in the Governmental Funds. The gain or loss on the sale of the capital assets and not the gross proceeds are reported as income in the Government-Wide Statement of Activities.		(74,192)
Because some property taxes will not be collected for several months after the Government's fiscal year ends, they are not considered "available" revenues in the governmental funds.		14,496
Decrease in accrual of compensated absences.		68,794
Revenues in the statement of activities that do not provide current financial resources and are not reported as revenues in the funds.		(1,997)
Pension expense reported in the statement of activities relating to implementation of GASB 68 is not reported in the governmental funds. These activities include:		
Direct pension contributions		2,183,683
Pension expense		(5,037,229)
Bond issuance costs are reported as expenditures on the Governmental Funds financial statements in the year incurred. However, in the Statement of Activities, the cost of issuing bonds is amortized over the life of the related bonds, This is the amount of the current amortization of premium.		23,336
Bond proceeds provide current financial resources to Governmental Funds, but issuing debt increases long-term liabilities in the Government-Wide Statement of Net Position. Repayment of bond principal is an expenditure in Governmental Funds, but the repayment reduces long-term liabilities in the Government-Wide Statement of Net Position.		
This amount represents bond proceeds and premiums.		(900,000)
This amount represents long-term debt repayments and issuance costs.		2,312,821
CHANGE IN NET POSITION OF GOVERNMENTAL ACTIVITIES	$	444,294

See accompanying notes to financial statements.

CITY OF OXFORD, MISSISSIPPI
GENERAL FUND STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES-BUDGET AND ACTUAL - BUDGETARY BASIS
For the Year Ended September 30, 2015

	Budget			Variance with Final Budget
	Original	Final	Actual	Over (Under)
REVENUES:				
General Property Taxes	$ 7,068,147	$ 6,571,147	$ 6,573,704	$ 2,557
Sales and Use Taxes	7,487,473	7,487,474	7,989,062	501,588
Licenses and Permits	514,000	632,000	776,362	144,362
Franchise Fees	610,000	610,000	662,306	52,306
In Lieu - Utility Department	-	965,000	965,000	-
Penalties and Interest	195,000	195,000	195,336	336
Intergovernmental Revenues	1,362,177	1,609,000	1,705,159	96,159
Grant Income	167,970	409,970	263,660	(146,310)
Charges for Services	3,983,000	4,002,500	4,463,925	461,425
Fines and Forfeits	629,775	807,244	950,867	143,623
Parking Meter Revenues	500,000	500,000	706,567	206,567
Interest Income	25,000	25,000	11,376	(13,624)
Sale of Land and Surplus Equipment	-	-	110,474	110,474
Cemetery	90,000	90,000	138,065	48,065
Miscellaneous Revenues	570,800	813,619	341,937	(471,682)
TOTAL REVENUES	23,203,342	24,717,954	25,853,800	1,135,846
EXPENDITURES:				
Current:				
General Government	5,902,916	6,198,233	5,417,192	781,041
Public Safety	9,898,512	9,649,315	9,317,651	331,664
Public Works	7,297,988	7,083,990	6,746,385	337,605
Culture and Recreation	3,345,273	3,695,312	3,769,140	(73,828)
Debt Service	296,809	370,710	367,226	3,484
TOTAL EXPENDITURES	26,741,498	26,997,560	25,617,594	1,379,966
EXCESS OF REVENUES OVER (UNDER) EXPENDITURES	(3,538,156)	(2,279,606)	236,206	2,515,812
OTHER FINANCING SOURCES (USES):				
Transfers (to) from Other Funds	2,425,627	995,519	373,041	(622,478)
Proceeds from Issuance of Debt	-	-	900,000	900,000
TOTAL OTHER FINANCING SOURCES (USES)	2,425,627	995,519	1,273,041	277,522
EXCESS (DEFICIENCY) OF REVENUES AND OTHER SOURCES OVER FINANCING AND OTHER USES	$ (1,112,529)	$ (1,284,087)	$ 1,509,247	$ 2,793,334

See accompanying notes to financial statements.

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CITY OF OXFORD, MISSISSIPPI
STATEMENT OF NET POSITION -
PROPRIETARY FUND TYPES
September 30, 2015

	BUSINESS-TYPE ACTIVITIES-- PROPRIETARY FUND		
	ELECTRIC FUND	WATER & SEWER FUND	TOTAL
ASSETS:			
Current Assets:			
Cash and Cash Equivalents	$ 9,401,513	$ 6,941,914	$ 16,343,427
Investments	10,242	3,125,808	3,136,050
Receivables, net	3,218,716	1,922,636	5,141,352
Due from Other Funds	-	-	-
Due from Other Governments	-	258,073	258,073
Inventories	672,289	433,639	1,105,928
Prepaid Expenses	45,234	-	45,234
Total Current Assets	13,347,994	12,682,070	26,030,064
Noncurrent Assets:			
Restricted Assets			
Cash and Cash Equivalents - Restricted	5,000	-	5,000
Investments - Restricted	343,445	1,664,597	2,008,042
Unamortized Debt Expense	41,277	-	41,277
Investment in CSA	18,159	-	18,159
Capital Assets:			
Land	908,953	199,510	1,108,463
Plants, Buildings & Improvements	29,941,264	59,570,621	89,511,885
Machinery & Equipment	2,882,615	3,098,010	5,980,625
Accumulated Depreciation	(10,338,038)	(30,233,918)	(40,571,956)
Construction Work In Progress	507,453	4,696,758	5,204,211
Total Noncurrent Assets	24,310,128	38,995,578	63,305,706
TOTAL ASSETS	37,658,122	51,677,648	89,335,770
DEFERRED OUTFLOWS OF RESOURCES			
Deferred Outflows - Pensions	286,296	814,607	1,100,903
TOTAL DEFERRED OUTFLOWS OF RESOURCES	$ 286,296	$ 814,607	$ 1,100,903

CITY OF OXFORD, MISSISSIPPI
STATEMENT OF NET POSITION -
PROPRIETARY FUND TYPES
September 30, 2015

	BUSINESS-TYPE ACTIVITIES-ENTERPRISE FUNDS		
	ELECTRIC FUND	WATER & SEWER FUND	TOTAL
LIABILITIES			
Current Liabilities:			
Accounts Payable and Accrued Expenses	$ 5,556,361	$ 303,207	$ 5,859,568
Accrued Interest Payable	7,896	268,427	276,323
Due to Other Funds	-	-	-
Current Portion of Long-Term Debt	390,000	1,503,106	1,893,106
Customer Deposits	3,213,153	-	3,213,153
Total Current Liabilities	9,167,410	2,074,740	11,242,150
Long-Term Liabilities:			
Other Liabilities	32,903	-	32,903
Compensated Absences	96,646	154,800	251,446
Net Pension Liability	3,079,841	4,644,322	7,724,163
Bonds, Notes, & Loans Payable, net of current portion	1,235,000	21,609,478	22,844,478
Total Long-Term Liabilities	4,444,390	26,408,600	30,852,990
Total Liabilities	13,611,800	28,483,340	42,095,140
DEFERRED INFLOWS OF RESOURCES			
Deferred Charge on Refunding Bonds, net	-	329,686	329,686
Deferred Inflows - Pensions	446,178	32,037	478,215
TOTAL DEFERRED INFLOWS OF RESOURCES	446,178	361,723	807,901
NET POSITION			
Net Investmet in Capital Assets	22,277,247	14,218,397	36,495,644
Reserved for Unemployment Benefits	5,000	-	5,000
Reserved for Debt Service	335,549	1,664,597	2,000,146
Unrestricted	1,268,644	7,764,198	9,032,842
TOTAL NET POSITION	$ 23,886,440	$ 23,647,192	$ 47,533,632

See accompanying notes to financial statements.

CITY OF OXFORD, MISSISSIPPI
STATEMENT OF REVENUES, EXPENSES, AND CHANGES IN FUND NET POSITION-
PROPRIETARY FUNDS
For The Year Ended September 30, 2015

	BUSINESS-TYPE ACTIVITIES-PROPRIETARY FUND		
	ELECTRIC FUND	WATER & SEWER FUND	TOTALS
OPERATING REVENUE:			
Charges For Services	$ 22,649,269	$ 9,805,853	$ 32,455,122
Other	291,103	-	291,103
Total Operating Revenue	22,940,372	9,805,853	32,746,225
OPERATING EXPENSES:			
Operations	19,343,814	5,151,144	24,494,958
Maintenance	327,041	161,219	488,260
Depreciation and Amortization Expense	919,129	2,677,032	3,596,161
Taxes	-	-	-
Total Operating Expenses	20,589,984	7,989,395	28,579,379
Net Operating Income (Loss)	2,350,388	1,816,458	4,166,846
NON-OPERATING INCOME (EXPENSES):			
Interest Income	2,581	25,567	28,148
Gain (Loss) on Disposal of Fixed Asset	-	-	-
Grant Income/ Capital Contributions	-	1,498,389	1,498,389
Amortization of Debt Expense	(12,081)	(126,298)	(138,379)
Miscellaneous Income (Expense)	(9,641)	409,858	400,217
Interest Expense	(79,923)	(1,170,521)	(1,250,444)
Total Non-Operating Income (Loss)	(99,064)	636,995	537,931
Income before Operating Transfers	2,251,324	2,453,453	4,704,777
OPERATING TRANSFERS IN (OUT):	(965,000)	(298,334)	(1,263,334)
Change in Net Position	1,286,324	2,155,119	3,441,443
Total Net Position - Beginning, as previously stated	25,869,658	24,883,378	50,753,036
Prior Period Adjustment	(3,269,542)	(3,391,305)	(6,660,847)
Total Net Position - Beginning, as restated	22,600,116	21,492,073	44,092,189
Total Net Position - Ending	$ 23,886,440	$ 23,647,192	$ 47,533,632

See accompanying notes to financial statements.

CITY OF OXFORD, MISSISSIPPI
STATEMENT OF CASH FLOWS - PROPRIETARY FUNDS
For the Year Ended September 30, 2015

	ELECTRIC FUND	WATER & SEWER FUND	TOTALS
Cash Flows from Operating Activities:			
Receipts from Customers	$ 22,944,543	$ 9,428,819	$ 32,373,362
Payments to Suppliers	(19,081,115)	(1,117,465)	(20,198,580)
Payments to Employees	(607,495)	(1,805,783)	(2,413,278)
Payments for Other Services and Charges	(965,000)	(1,630,694)	(2,595,694)
Other Receipts (Payments)	-	-	-
Net Cash Provided By (Used In) Operating Activities	2,290,933	4,874,877	7,165,810
Cash Flows from Noncapital Financing Activities:			
Transfers In (Out)	-	(298,334)	(298,334)
Net Cash Provided By (Used In) Noncapital Financing Activities	-	(298,334)	(298,334)
Cash Flows from Capital and Related Financing Activities:			
Proceeds From Capital Debt	-	3,728,702	3,728,702
Purchases of Capital Assets	(1,455,615)	(3,978,260)	(5,433,875)
Proceeds From Sale of Capital Assets	22,737	-	22,737
Principal Paid on Capital Debt	(385,000)	(5,132,184)	(5,517,184)
Interest Paid on Capital Debt	(81,367)	(1,135,626)	(1,216,993)
Other Receipts (Payments)	-	409,858	409,858
Net Cash Provided By (Used In) Capital and Related Financing Activities	(1,899,245)	(6,107,510)	(8,006,755)
Cash Flows from Investing Activities:			
Purchase of Investments	(353,687)	(532,740)	(886,427)
Proceeds From Sale of Investments	343,870	-	343,870
Cash Received from Grants	-	1,498,389	1,498,389
Interest and Dividends	2,581	25,567	28,148
Other Receipts (Payments)	(9,641)	-	(9,641)
Net Cash Provided By (Used In) Investing Activities	(16,877)	991,216	974,339
Net Increase (Decrease) In Cash and Cash Equivalents	374,811	(539,751)	(164,940)
Cash and Cash Equivalents--Beginning	9,031,702	7,481,665	16,513,367
Cash and Cash Equivalents--Ending	$ 9,406,513	$ 6,941,914	$ 16,348,427
Reconciliation of Operating Income (Loss) to Net Cash Provided By (Used In) Operating Activities:			
Operating Income (Loss)	$ 2,350,388	$ 1,816,458	$ 4,166,846
Adjustments to Reconcile Operating Income (Loss) to Net Cash Provided By (Used In) Operating Activities:			
Depreciation and Amortization Expense	919,129	2,677,032	3,596,161
Amounts Paid to City - Tax Equivalents	(965,000)	-	(965,000)
Pension Expense - Actuarially Determined	208,461	1,189,151	1,397,612
(Increase) Decrease in Accounts Receivable	(187,844)	(377,034)	(564,878)
(Increase) Decrease in Prepaid Items	24,744	-	24,744
(Increase) Decrease in Deferred Charges	(238,280)	(471,977)	(710,257)
(Increase) Decrease in Inventory	(12,622)	12,956	334
(Increase) Decrease in Compensated Absences	-	2,950	2,950
Increase (Decrease) in Accounts Payable	13,110	(9,554)	3,556
Increase (Decrease) in Accrued Interest Payable	(13,168)	34,895	21,727
Increase (Decrease) in Customer Deposits	192,015	-	192,015
Total Adjustments	(59,455)	3,058,419	2,998,964
Net Cash Provided By (Used In) Operating Activities	$ 2,290,933	$ 4,874,877	$ 7,165,810

See accompanying notes to financial statements.

NOTE 1 - SUMMARY OF SIGNIFICANT POLICIES

The City of Oxford, Mississippi operates under a Mayor - Alderman form of government and provides the following services: public safety (police & fire), public works (street and waste collection), culture and recreation, building and ground improvements, tourism promotion, transit operation, utilities (electric and water & sewer), community services, urban redevelopment and housing, public improvements and general administrative services.

The City has elected to apply all Governmental Accounting Standards Board (GASB) pronouncements, applicable Financial Accounting Standards Board (FASB) pronouncements, and Accounting Principles Board (APB) opinions issued on or before November 30, 1989, unless those pronouncements conflict with or contradict GASB pronouncements. The accounting policies of the City of Oxford conform to generally accepted accounting principles as applicable to governments. The following is a summary of the more significant policies:

FINANCIAL REPORTING ENTITY - BASIS OF PRESENTATION

Government-Wide and Fund Financial Statements

The City's basic financial statements consist of government-wide statements, including a statement of net position and a statement of activities, and fund financial statements which provide a more detailed level of financial information.

Government-Wide Financial Statements

The statement of net position and the statement of activities display information on all non-fiduciary activities of the primary government and its component units. The statement distinguishes between those activities of the City that are governmental, which are normally supported by taxes and intergovernmental revenues, and those that are considered business-type activities, which rely to a significant extent on fees and charges for support. The primary government is reported separately from certain legally separate component units for which the primary government is financially accountable.

The statement of net position presents the financial condition of the governmental and business-type activities for the City at year-end. The statement of activities presents a comparison between direct expenses and program revenues for each program or function of the City's governmental activities and for the business-type activities of the City. Direct expenses are those that are specifically associated with a service, program or department and therefore clearly identifiable to a particular function. Program revenues include charges paid by the recipient for the goods and services offered by the program, grants and contributions that are restricted to meeting the operational or capital requirements of a particular program and interest earned on grants that is required to be used to support a particular program. Revenues that are not classified as program revenues are presented as general revenues of the City, with certain limited exceptions. The comparison of direct expenses with program revenues identifies the extent to which each business segment or governmental function is self-financing or draws from the general revenues of the City.

NOTE 1 - SUMMARY OF SIGNIFICANT POLICIES (continued)

Fund Financial Statements

During the year, the City segregates transactions related to certain City functions or activities in separate funds in order to aid financial management and to demonstrate legal compliance. Fund financial statements are designed to present financial information of the City at this more detailed level. Separate financial statements are provided for governmental funds, proprietary funds, and fiduciary funds, even though the latter are excluded from the governmental-wide financial statements. Major individual governmental funds and major individual enterprise funds are reported in separate columns in the fund financial statements. Non-major funds, where applicable, are aggregated and presented in a single column. Fiduciary funds are reported by type.

Measurement Focus, Basis of Accounting and Financial Statement Presentation

The government-wide financial statements are reported using the economic resources measurement focus and the accrual basis of accounting, as are proprietary fund and fiduciary fund financial statements. Revenues are recorded when earned and expenses are recorded when a liability is incurred, regardless of the timing of the related cash flows. Property taxes are recognized as revenues in the year for which they are levied. Grants and similar items are recognized as revenue as soon as all eligibility requirements imposed by the provider have been met.

Government fund financial statements are reported using the current financial resources measurement focus and the modified accrual basis of accounting. Revenues are recognized as soon as they are both measurable and available. Revenues are considered to be available when they are collectible in the current period or soon enough thereafter to pay liabilities of the current period. For this purposes, the government considers revenues to be available if they are collected within 60 days of the end of the current fiscal period. Expenditures generally are recorded when a liability is incurred, as under accrual accounting. However, debt services expenditures, as well as expenditures related to compensated absences and claims and judgments, are recorded only when payment is due.

Significant revenues considered to be susceptible to accrual in addition to general property taxes include sales tax and various categorical grants. As a general rule the effect of interfund activity has been eliminated from the government-wide financial statements.

Fund Types

Governmental Funds

General Fund – The General Fund is used to account for all financial resources of the primary government except those required to be accounted for in another fund. The majority of current operations are financed by this fund. Transfers to other funds and agencies are made from this fund. Monies from other funds may be received unless prohibited by the purpose and object of such funds. This is a major fund.

Debt Service Fund – The Debt Service Fund was established to receive and account for resources restricted for the payment of interest and principal on general improvement and school bonds, and notes and capital leases. This is a non-major governmental fund.

NOTE 1 - SUMMARY OF SIGNIFICANT POLICIES (continued)

Special Revenue Fund – The Special Revenue Fund is used to account for the proceeds of specific federal and state grants that are legally restricted to expenditures for specified purposes. These are non-major governmental funds except for the Oxford Reserve and Trust Fund.

Capital Projects Funds – Capital Projects Funds are used to account for financial resources such as proceeds from the sale of bonds, bond anticipation notes, capital notes, transfers from governmental funds, and federal and state grants, all provided for the specific purpose of constructing, reconstructing or acquiring permanent or semi-permanent capital improvements. Capital improvements intended for Enterprise Fund use are not included in the Capital Projects Funds.

Proprietary Funds

Proprietary funds distinguish operating revenues and expenses from non-operating items. Operating revenues and expenses generally result from providing services and producing and delivering goods in connection with a proprietary fund's principal ongoing operations. The principal operating revenues for the proprietary funds are as follows: sale of water for the Water Fund and sale of electricity for the Electric Fund. Operating expenses for the enterprise funds include the cost of sales and services, administrative expenses, and depreciation of capital assets. All revenues and expenses not meeting this definition are reported as non-operating revenues and expenses.

When both restricted and unrestricted resources are available for use, it is the government's policy to use restricted resources first, and then unrestricted resources as they are needed.

The Electric Fund – This fund is used to account for the City's electric distribution system. This fund is responsible for electric power delivery to the residents of the City of Oxford.

Combined Water and Sewer Fund – This fund is used to account for the City's water treatment and distribution system. This fund is responsible for water delivery to the residents of the City of Oxford.

As a general rule the effect of interfund activity has been eliminated from the government-wide financial statements.

Reporting Entity

In evaluating the City as a reporting entity, management has addressed all potential component units (traditionally separate reporting entities) for which the City may be financially accountable and, as such, should be included within the City's financial statements. The City (the primary government) is financially accountable if it appoints a voting majority of the organization's governing board and (1) it is able to impose its will on the organization or (2) there is a potential for the organization to provide specific financial benefits to or impose specific financial burdens on the City. Organizations for which the City is not financially accountable are also included when doing so is necessary in order to prevent the City's financial statements from being misleading.

Reclassifications

Certain accounts in the prior-year financial statements have been reclassified for comparative purposes to conform to the presentation in the current-year financial statements.

NOTE 1 - SUMMARY OF SIGNIFICANT POLICIES (continued)

The financial statements are formatted to allow the user to clearly distinguish between the primary government and its component units. Because of the closeness of their relationship with the primary government (the City), some component units are blended as though they are part of the primary government.

Blended Component Units

Oxford Park Commission – Created by a 1950 ordinance of the City. The Commission is composed of five commissioner appointed by the City's mayor and board of aldermen. Although it is legally separate from the City, the Commission is reported as if it were part of the primary government because its primary purpose is to provide recreation activities on behalf of the City.

The Oxford Tourism Council – Established by the Legislature of the State of Mississippi in August 1998 for the promotion of tourism within the City. The Council is composed of five board members appointed by the City's mayor and board of aldermen with one of the five board members being a current alderman of the City. Although it is legally separate from the City, the Council is reported as if it were part of the primary government because its primary purpose is to provide tourism activities on behalf of the City.

Payments Between The City And Component Units

Resource flows between the primary government and blended component units are classified as interfund transactions in the financial statements.

Budgets and Budgetary Accounting

The Mayor and Board of Aldermen generally follow the following proposed budget calendar of the State Department of Audit in establishing the budgetary data reflected in the financial statements:

(1) The Mayor and Board of Aldermen formulate the budget policy at the May board meeting.

(2) Department budget requests are prepared by the appropriate people and submitted by the July board meeting.

(3) A proposed budget is presented at the August meeting and a notice of public budget hearings and availability of the budget for inspection is published.

NOTE 1 - SUMMARY OF SIGNIFICANT POLICIES (continued)

(4) Between August 15th-30th a public hearing is held and the budget is adopted. The anticipated tax levy is reviewed to determine whether public notice is required on any levy.

(5) Between September 1st-15th the budget must be adopted and the tax levy set.

(6) Between September 1st-30th, in accordance with the City's population, the budget must be published in a municipal newspaper.

(7) And, between September 15th-30th the budget as adopted should be written up, filed with the municipal clerk and public notice given of the availability of the budget for inspection.

Expenditures may not legally exceed budgeted appropriations at the activity level. During the year, several supplementary appropriations were necessary.

(8) Further, budgets are used as management control devices in the General Debt Service and Proprietary Funds. These budgets are adopted on a basis consistent with generally accepted accounting principles (GAAP), except the Proprietary Fund recognizes all expenditures for debt as expense and no depreciation expense is recognized.

Budgetary data for the Capital Projects Fund has not been presented in the accompanying combined financial statements as such funds are budgeted over the life of the respective project and not on an annual basis.

Unused appropriations for all of the above annually budgeted funds lapse at the end of the year. The budget amounts shown in the financial statements are the final authorized amounts after appropriate revisions during the year.

Expenditures may not legally exceed budgeted appropriations at the activity level except for capital outlays, election expenses and emergency expenditures.

Revenue Recognition - Property Taxes

Property taxes attach as an enforceable lien on property as of January 1. Taxes are levied on October 1 and are due and payable at that time. All unpaid taxes levied October 1 become delinquent February 1 of the following year.

Encumbrances

State law does not require that funds be available when goods or services are ordered, only when paid for. Due to this circumstance, the City does not employ an encumbrance system.

Cash and Cash Equivalents

For purposes of the statement of cash flows, all highly liquid debt instruments purchased with an original maturity of three months or less when acquired are considered to be cash equivalents.

NOTE 1 - SUMMARY OF SIGNIFICANT POLICIES (continued)

Receivables

Receivables at September 30, 2015, consisted primarily of property and other taxes, accounts (billings for user charged services including unbilled utility services), intergovernmental receivables arising from entitlements and shared revenues, and accrued interest on investments.

The accrual amount of court fine receivables on the Statement of Net Position – Government-Wide has been reduced by $696,361 to reflect the provision for uncollectible fines as determined by management's estimate.

Business Information

The City of Oxford, Mississippi provides electric, water and sewer services to customers located within the city limits of Oxford, Mississippi as well as a limited number of customers outside the city limits. Credit is extended to all of these customers for services.

Inventories

Inventories for proprietary fund types are valued at cost. The City does not maintain inventory records for any other fund types.

Prepaid Items

Prepaid items, such as prepaid insurance, are not reported for governmental fund types. This is permitted by generally accepted accounting principles.

Compensated Absences

The City's policy allows employees to accumulate unused vacation leave with no maximum. Upon termination, any accumulated vacation leave of up to 30 days will be paid to the employee. Sick leave will be paid only upon illness while an employee of the City.

Cash and Investments

The City deposits funds in the financial institutions selected by the Board of Alderman in accordance with state statutes.

The collateral for public entities' deposits in financial institutions is now held in the name of the State Treasurer under a program established by the Mississippi State Legislature and is governed by Section 27-105-5 Miss. Code Ann. (1972). Under this program, the entities are protected through a collateral pool administered by the State Treasurer. Financial institutions holding deposits of public funds must pledge securities as collateral against those deposits. In the event of failure of a financial institution, securities pledged by that institution would be liquidated by the State Treasurer to replace the public deposits not covered by the FDIC.

NOTE 1 - SUMMARY OF SIGNIFICANT POLICIES (continued)

Investments - State statutes, city bond ordinances and city resolutions authorize the City's investments. The City is authorized, by statute, to invest excess funds in any bonds or other direct obligations of the United States of America or the State of Mississippi, or of any county, municipality or school district of this state, when such county, municipal or school district bonds have been properly approved; or in interest-bearing time certificates of deposit with any financial institution approved for the deposit of funds.

For reporting purposes, certificates of deposit are classified as investments. Investments are valued at cost or amortized cost except for investments in the Oxford Reserve and Trust Fund that are reported at market value.

Fund Balance Classification

The City has implemented GASB Statement No. 54, "Fund Balance Reporting and Governmental Fund Type Definitions. In accordance with GASB Statement No. 54, the governmental fund financial statements present fund balances based on classifications that comprise a hierarchy that is based primarily on the extent to which the City is bound to honor constraints on the specific purposes for which amounts in the respective governmental funds can be spent. The classifications used in the governmental fund financial statements are as follows:

- Nonspendable: This classification includes amounts that cannot be spent because they are either (a) not in spendable form or (b) are legally or contractually required to be maintained intact. The City has an obligation to maintain unemployment comp funds intact in lieu of periodic contributions to the state unemployment insurance program. The City has classified all funds associated with the unemployment comp fund as nonspendable. The City has $52,171 of nonspendable fund balance as of September 30, 2015.
- Restricted: This classification includes amounts for which constraints have been placed on the use of the resources either (a) externally imposed by creditors (such as through a debt covenant), grantors, contributors, or laws or regulations of other governments, or (b) imposed by law through constitutional provisions or enabling legislation. The City has classified the Forestry Grant and Volunteer Grant funds in the General Fund as restricted. The City has classified all special revenue grant funds as restricted to the appropriate expenditure category. The City has also classified the 2 % Food and Beverage Tax, Hotel/Motel Tax, and MDJ Unit Fund as restricted. The City has classified the $5.5 M Bond Issue-2012 Fund and all other capital projects funds as restricted for capital projects. The City also considers the balance in the Oxford Municipal Reserve & Trust Fund as restricted due to a state senate bill.
- Committed: This classification includes amounts that can be used only for specific purposes pursuant to constraints imposed by formal action of the City's Board of Aldermen. These amounts cannot be used for any other purpose unless the Board of Aldermen removes or changes the specified use by taking the same type of action (ordinance or resolution) that was employed when the funds were initially committed. This classification also includes contractual obligations to the extent that existing resources have been specifically committed for use in satisfying those contractual requirements. The City has classified the Crime Prevention/OPD Mounted Unit fund, the Fire Truck/Bull Dozer fund and the Tennis Sponsorships fund in the General Fund, as being committed because they were set aside for specific purposes by the Board of Aldermen. The City considers the balance in the debt service fund as committed based on Board authorization. The City also considers the Conference Center and Oxford Tourism Council funds as committed to tourism.

NOTE 1 - SUMMARY OF SIGNIFICANT POLICIES (continued)

- Assigned: This classification includes amounts that are constrained by the City's intent to be used for a specific purpose but are neither restricted nor committed. This intent can be expressed by the Board of Aldermen or through the Board of Aldermen delegating this responsibility to the City's management through the budgetary process. This classification also includes the remaining positive fund balance for all governmental funds except for the General Fund. The City has classified the Cemetery Fund, London Bus Fund and Historic Homes Fund balances as assigned. The City has $449,501 of assigned fund balance as of September 30, 2015.
- Unassigned: This classification includes the residual fund balance for the General Fund and all other amounts not included in other spendable classifications.

Use of Estimates

The preparation of financial statements in conformity with generally accepted accounting principles requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities at the date of the financial statements and the reported amounts of revenues and expenditures during the reporting period. Actual results could differ from those estimates. Significant estimates used in preparing these financial statements include those assumed in computing the provision for uncollectible court fines. It is as least reasonably possible that the significant estimate used will change within the next year.

Pensions

For purposes of measuring the net pension liability, deferred outflows of resources and deferred inflows of resources related to pensions, and pension expense, information about the fiduciary net position of the City of Oxford's participation in the Public Employees' Retirement System of Mississippi (PERS), and additions to/deductions from the City of Oxford's fiduciary net position have been determined on the same basis as they are reported by the Public Employees' Retirement System of Mississippi (PERS). For this purpose, benefits (including refunds of employee contributions) are recognized when due and payable in accordance with the benefit terms of the Public Employees' Retirement System of Mississippi (PERS).

NOTE 2 - PROPERTY TAXES

Property taxes, except motor vehicles, attach as an enforceable lien on property as of January 1st. The City bills and collects its own property taxes, except motor vehicle taxes, and also collects taxes for the Separate School District. Motor vehicle taxes are collected by the County Tax Collector and remitted to the City. Taxes are levied on October 1st and are due and payable at that time. All unpaid taxes levied October 1st become delinquent February 1st of the following year. Property tax revenues are recognized when they become available. Available includes those property tax receivables expected to be collected within thirty days after year end.

NOTE 2 - PROPERTY TAXES (continued)

The millage was allocated as follows:

	2015		2014	
	City	School District	City	School District
General Fund	17.30	0.00	16.29	0.00
Park & Recreation	2.00	0.00	2.00	0.00
Library	1.02	0.00	1.02	0.00
City Debt Service				
2012 GO Bonds	1.56	0.00	1.47	0.00
2010 GO Bonds	1.61	0.00	1.33	0.00
2004 GO Bonds	0.76	0.00	1.06	0.00
2005 GO Bonds	0.62	0.00	0.64	0.00
2007 GO Bonds	2.47	0.00	2.31	0.00
2009 GO Bonds	0.88	0.00	1.13	0.00
School Bond & Interest	0.00	10.95	0.00	11.43
School Votec Center	0.00	0.62	0.00	0.65
School Maintenance Fund	0.00	47.10	0.00	45.36
Total	28.22	58.67	27.25	57.44

NOTE 3 - CONTINGENT LIABILITIES

Litigation

From time to time, the City is a defendant in various litigations arising out of normal business activities. Although the City carries commercial insurance to protect itself against damage claims, it is possible that the ultimate resolution of cases may exceed the City's insured limits. Management, with the advice of legal counsel, is of the opinion that the ultimate resolution of these matters will not have a material adverse effect on the financial statements.

Federally Assisted Programs – Compliance Audits

Amounts received or receivable from grantor agencies are subject to audit and adjustment by grantor agencies, principally the federal government. Any disallowed claims, including amounts already collected, may constitute a liability of the applicable funds. The amount, if any, of expenditures which may be disallowed by the grantor cannot be determined at this time, although the City expects such amounts, if any, to be immaterial.

NOTE 4 - FIXED ASSETS

The following is a summary of governmental activities capital asset activity as of September 30, 2015:

Primary Government:

	Balance 10/1/2014	Additions	Transfers/ Disposals	Balance 9/30/2015
Capital Assets, not being depreciated:				
Land	$ 6,365,620	$ 0	$ 0	$ 6,365,620
Construction in Progress	6,005,156	2,565,567	(20,712)	8,550,011
Total Capital Assets, not being depreciated	12,370,776	2,565,567	(20,712)	14,915,631
Capital Assets being depreciated				
Plant, Buildings & Improvements	26,530,241	630,553	11,376	27,172,170
Infrastructure	44,089,089	110	9,335	44,098,534
Machinery & Equipment	16,236,002	1,236,913	(524,338)	16,948,577
Total Capital Assets being depreciated	86,855,332	1,867,576	(503,627)	88,219,281
Less: Accumulated Depreciation for:				
Plant, Buildings & Improvements	(5,535,286)	(669,420)	0	(6,204,706)
Infrastructure	(18,427,850)	(943,912)	0	(19,371,762)
Machinery & Equipment	(9,711,951)	(1,283,388)	450,147	(10,545,192)
Total Accumulated Depreciation	(33,675,087)	(2,896,720)	450,147	(36,121,660)
Total Capital Assets, depreciated, net	53,180,245	(1,029,144)	(53,480)	52,097,621
Governmental Activities Capital Assets	$ 65,551,021	$ 1,536,423	$ (74,192)	$ 67,013,252

The City has adopted a capitalization threshold of $1,000 for general fixed assets and a threshold of $5,000 for infrastructure assets. The City has retroactively applied these thresholds to all general fixed assets in service.

NOTE 4 - FIXED ASSETS (continued)

A summary of business-type capital asset activity at September 30, 2015 follows:

	Balance 10/1/2014	Additions	Transfers/ Disposals	Balance 9/30/2015
Capital Assets, not being depreciated:				
Land	$ 1,108,463	$ 0	$ 0	$ 1,108,463
Construction in Progress	2,334,172	3,464,337	(594,298)	5,204,211
Total Capital Assets, not being depreciated	3,442,635	3,464,337	(594,298)	6,312,674
Capital Assets being depreciated				
Plant, Buildings & Improvements	87,701,831	2,010,720	(200,666)	89,511,885
Machinery & Equipment	5,609,924	370,701	0	5,980,625
Total Capital Assets being depreciated	93,311,755	2,381,421	(200,666)	95,492,510
Less: Accumulated Depreciation for:				
Plant, Buildings & Improvements	(33,347,928)	(3,405,636)	439,325	(36,314,239)
Machinery & Equipment	(3,951,054)	(306,663)	0	(4,257,717)
Total Accumulated Depreciation	(37,298,982)	(3,712,299)	439,325	(40,571,956)
Total Capital Assets, depreciated, net	56,012,773	(1,330,878)	238,659	54,920,554
Business Type Activities Capital Assets	$ 59,455,408	$ 2,133,459	$ (355,639)	$ 61,233,228

Depreciation of all exhaustible fixed assets used by proprietary funds is charged as an expense against operations. Accumulated depreciation is reported on proprietary statement of net position. Depreciation has been provided over the estimated useful lives using the straight-line method. Depreciation has been calculated on the fixed assets using the following useful lives:

Plant, Building, and Improvements	5 – 40 Years
Machinery and Equipment	5 – 15 Years
Furniture and Fixtures	5 – 20 Years
Vehicles	5 – 10 Years

Depreciation expense was charged to functions/programs of the primary government as follows:

Governmental Activities:	
General Government	$ 183,549
Public Safety	500,898
Public Works	1,394,184
Culture & Recreation	647,011
Tourism Promotion	17,974
Transit Operations	153,104
Total Depreciation Expense – Governmental Activities	$ 2,896,720

NOTE 4 - FIXED ASSETS (continued)

Business-type Activities:	
Electric Department	$ 998,110
Water and Sewer	2,714,189
Total Depreciation Expense – Business-type Activities	$ 3,712,299

NOTE 5 - LONG-TERM DEBT

General obligation bonds issued for governmental activity purposes are liquidated by the debt service fund, whereas, general obligation bonds issued for component unit purposes are liquidated by the component unit. Revenue bonds and promissory notes issued for business-type activities or by component units are repaid from those activities or component units.

The annual requirements to amortize all general obligation bonds, special assessment bonds, revenue bonds and notes outstanding as of September 30, 2015 are as follows:

Fiscal Year Ending	Governmental Activities		Business-type Activities		
September 30,	Principal	Interest	Principal	Interest	Total
2016	$ 2,381,061	$ 630,378	$ 1,893,106	$ 782,970	$ 5,687,515
2017	2,455,377	567,841	1,684,332	720,483	5,428,033
2018	2,429,774	505,712	1,875,871	672,669	5,484,026
2019	2,499,984	441,458	1,957,731	608,509	5,507,682
2020	2,229,329	376,998	1,629,922	552,206	4,788,455
2021-2025	7,647,799	1,046,027	9,034,687	1,930,779	19,659,292
2026-2030	2,833,004	120,393	6,011,935	583,411	9,548,743
2031	0	0	650,000	24,376	674,376
Total	$ 22,476,328	$ 3,688,807	$ 24,737,584	$ 5,875,403	$ 56,778,122

NOTE 5 - LONG-TERM DEBT (continued)

A summary of general long-term debt is a follows:

Governmental Activities	Balance 10/01/14	Issued	Retired	Balance 09/30/15	Current Maturity
General Obligation Bonds & Notes:					
General Obligation Bond Series 2004, $3,000,000 with interest at 3.0% to 3.8% maturing in 2019	$ 810,000	$ 0	$ 150,000	$ 660,000	$ 155,000
General Obligation Bond Series 2005, $1,500,000 with interest at 3.375% to 4.8% maturing in 2015	180,000	0	180,000	0	0
General Obligation Bond Series 2007, $9,000,000 with interest at 4.0% to 5.0% maturing in 2027	6,715,000	0	390,000	6,325,000	405,000
General Obligation Refunding Bond Series 2010, $7,085,000 with interest at 2.0% to 3.0% maturing in 2021	4,850,000	0	635,000	4,215,000	660,000
General Obligation Bond Series 2009, $3,800,000 with interest at 3.0% to 3.75% maturing in 2024	2,800,000	0	225,000	2,575,000	240,000
General Obligation Bond Series 2012, $5,500,000 with interest at 1.625% to 2.25% maturing in 2027	4,880,000	0	320,000	4,560,000	330,000
General Obligation Note Series 2012, $500,000 with interest at 1.43% maturing in 2017	305,000	0	100,000	205,000	100,000
General Obligation Note Series 2014, $500,000 with interest at 1.66% maturing in 2019	500,000	0	96,727	403,273	98,336
General Obligation Note Series 2014, $900,000 with interest at 1.45% maturing in 2019	0	900,000	0	900,000	175,000
Total General Obligation Bonds & Notes	$ 21,040,000	$ 900,000	$ 2,096,727	$ 19,843,273	$ 2,163,336

NOTE 5 - LONG-TERM DEBT (continued)

	Balance 10/01/14	Issued	Retired	Balance 09/30/15	Current Maturity
Special Assessment Bonds:					
Special Assessment Bond Series 2014, $1,600,000 with interest at 2.250% to 2.625% maturing in 2029	$ 1,600,000	$ 0	$ 85,000	$ 1,515,000	$ 85,000
Total Special Assessment Bonds	$ 1,600,000	$ 0	$ 85,000	$ 1,515,000	$ 85,000
Other Notes Payable:					
State of Mississippi - CAP Loan $533,477 with interest at 2.0% maturing 2019	$ 280,692	$ 0	$ 53,729	$ 226,963	$ 54,874
State of Mississippi - CAP Loan $1,000,000 with interest at 2.0% maturing 2028	735,126	0	47,577	687,549	47,408
State of Mississippi - CAP Loan $310,000 with interest at 2.0% maturing 2021	233,331	0	29,788	203,543	30,443
Total Other Notes Payable	1,249,149	0	131,094	1,118,055	132,725
Total Governmental Activities	$ 23,889,149	$ 900,000	$ 2,312,821	$ 22,476,328	$ 2,381,061

Business-Type Activities	Balance 10/01/14	Issued	Retired	Balance 09/30/15	Current Maturity
Revenue Bonds:					
Water & Sewer Refunding Bonds Series 2014- $3,855,000 original issue with interest at 1.05% to 5.0%, maturing 2027	$ 0	$ 3,855,000	$ 0	$ 3,855,000	$ 10,000
Water & Sewer Revenue Bonds Series 2004- $1,800,000 original issue with interest at 3.25% to 4.5%, maturing 2024- Refunded by 2012 Issue	85,000	0	85,000	0	0

NOTE 5 - LONG-TERM DEBT (continued)

	Balance 10/01/14	Issued	Retired	Balance 09/30/15	Current Maturity
Water & Sewer Revenue Bonds Series 2006- $3,400,000 original issue with interest at 4.0% to 5.625%, maturing 2026- Refunded by 2014 Issue	$ 2,415,000	$ 0	$ 2,255,000	$ 160,000	$ 160,000
Water & Sewer Revenue Bonds Series 2007- $2,800,000 original issue with interest at 4.5% to 6.0%, maturing 2027- Refunded by 2014 Issue	2,100,000	0	1,840,000	260,000	260,000
Water & Sewer Revenue Bonds Series 2008- $3,450,000 original issue with interest at 3.625% to 4.5%, maturing 2028	2,735,000	0	140,000	2,595,000	145,000
Water & Sewer Revenue Bonds Series 2011- $8,500,000 original issue with interest at 3.0% to 4.3%, maturing 2031	7,690,000	0	295,000	7,395,000	310,000
Water & Sewer Refunding Bonds Series 2012- $2,360,000 original issue with interest at 1.0% to 2.625%, maturing 2025	2,330,000	0	125,000	2,205,000	215,000
Electric System Revenue Bonds Series 2011- $3,335,000 original issue with interest at 2.25% to 3.125%, maturing 2019	2,010,000	0	385,000	1,625,000	390,000
Total Revenue Bonds	$ 19,365,000	$ 3,855,000	$ 5,125,000	$ 18,095,000	$ 1,490,000
Other Notes Payable:					
State of Mississippi – DEQ RLF $8,813,809 with interest at 2.75% maturing 2029	$ 7,034,768	$ 0	$ 392,184	$ 6,642,584	$ 403,106
Total Other Notes Payable	7,034,768	0	392,184	6,642,584	403,106
Total Business-Type Activities	$ 26,399,768	$ 3,855,000	$ 5,517,184	$ 24,737,584	$ 1,893,106

NOTE 5 - LONG-TERM DEBT (continued)

Defeased Debt

Certain outstanding revenue bonds of the City have been defeased by placing the proceeds of refunding bonds in irrevocable escrow accounts held and managed by bank trustees, and invested in U.S. Treasury obligations, the principal and interest on which would provide amounts sufficient to pay the principal and interest on the defeased bonds in accordance with the schedule of remaining payments due. Accordingly, the escrow account and the defeased bonds are not included in the City's financial statements. The defeased bonds outstanding at September 30, 2015 considered extinguished are as follows:

Water & Sewer Series 2006	$ 2,105,000
Water & Sewer Series 2007	$ 1,720,000

Advance Refunding

On December 11, 2014, the City issued a $3,855,000 Combined Water and Sewer Revenue Refunding Bond, Series 2014, with interest rates from 1.05% to 5.00%. The bonds consist of term bonds bearing a fixed rate of interest of 1.05% and serial bonds with interest rates from 2.75% to 5.00% with semi-annual maturities from June 2015 through June 2027.

The net proceeds of $3,855,000 (after issuance costs of $126,298) were used to advance refund $3,825,000 of the outstanding Water and Sewer Revenue Bonds, Series 2006 and 2007, with interest rates from 4.00% to 6.00%.

The net proceeds were used to partially redeem the Series 2006 and 2007 Water and Sewer Revenue Bonds in the current fiscal year. As a result, the related redeemed liability associated with these bonds has been removed from the City's liabilities in the statement of net position.

The advanced refunding reduced total debt payments over the next thirteen years by $264,993. This results in an economic gain (difference between the present values of the debt service payments on the old and new debt) of $116,693.

NOTE 6 - DEFINED BENEFIT PENSION PLAN

Plan Description- Employees of the City of Oxford are provided a defined benefit pension plan through the Public Employees' Retirement System of Mississippi (PERS), a cost-sharing agent multiple-employer pension plan. The Public Employees' Retirement System of Mississippi (PERS) was created with the purpose to provide pension benefits for all state and public education employees, sworn officers of the Mississippi Highway Safety Patrol, other public employees whose employers have elected to participate in the System, and elected members of the State Legislature and the President of the Senate. PERS issues a publicly available financial report that includes financial statements and required supplementary information. That report may be obtained by writing to Public Employees' Retirement System of Mississippi, PERS Building, 429 Mississippi Street, Jackson, MS 39201 or by calling (601) 359-3589 or 1-800-444-PERS.

NOTE 6 - DEFINED BENEFIT PENSION PLAN (continued)

Benefits Provided- For the cost-sharing plan participating members who are vested and retire at or after age 60 or those retire regardless of age with at least 30 years of creditable service (25 years of creditable service for employees who became members of PERS before July 1, 2011) are entitled, upon application, to an annual retirement allowance payable monthly for life in an amount equal to 2.00% of their average compensation for each year of creditable service up to and including 30 years (25 years for those who became members of PERS before July 1, 2011), plus 2.50% for each additional year of creditable service with an actuarial reduction in the benefit for each year of creditable service below 30 years or the number of years in age the member is below 65, whichever is less. Average compensation is the average of the employee's earnings during the four highest compensated years of creditable service.

A member may elect a reduced retirement allowance payable for life with the provision that, after death, a beneficiary receives benefits for life or for a specified number of years. Benefits vest upon completion of eight years of membership service (four years of membership service for those who became members of PERS before July 1, 2007). PERS also provides certain death and disability benefits. In the event of death prior to retirement of any member whose spouse and/or children are not entitled to a retirement allowance, the deceased member's accumulated contributions and interest are paid to the designated beneficiary. Retirees and beneficiaries who have been receiving benefit payments for at least one full fiscal year are eligible to receive an annual Cost-of-Living Adjustment (COLA). Designed to help offset the effects of inflation, the COLA is equal to 3% of your annual base benefit for each full fiscal year of retirement up to the year in which the retired member reaches age 60 (55 for those who became members of PERS before July 1, 2011), with 3 % compounded for each fiscal year thereafter.

Employee membership data related to the Plan, as of June 30, 2015 was as follows:

Retirees and Survivors	96,338
Terminated Vested Employees	19,005
Inactive Nonvested Members	118,021
Active Members	157,215
Total	390,579

Employee membership data related to the Plan, as of June 30, 2014 was as follows

Retirees and Survivors	93,504
Terminated Vested Employees	18,064
Inactive Nonvested Members	114,489
Active Members	161,360
Total	387,417

Contributions- The contribution requirements of PERS members and employers are established and may be amended only by the State of Mississippi Legislature. PERS members are required to contribute 9.00% of their annual covered salary and the City of Oxford is required to contribute at an actuarially determined rate. The current rate is 15.75% of annual covered payroll. The contributions are deducted from the employees' wages or salary and remitted by the City to PERS on a monthly basis. By law, employer contributions are required to be paid. The employer's actuarially determined contribution and member contributions are expected to finance the costs of benefits earned by members during the year, the cost of administration, as well as an amortized portion of any unfunded liability.

NOTE 6 - DEFINED BENEFIT PENSION PLAN (continued)

For the year ended September 30, 2015, the City of Oxford's total payroll for all employees was $15,423,770. Total covered payroll was $15,416,030. Covered payroll refers to all compensation paid by the City (including Oxford Tourism Council) to active employees covered by the Plan.

Pension Liabilities, Pension Expense, Deferred Outflows of Resources, and Deferred Inflows of Resources Related to Pensions- At September 30, 2015, the City of Oxford (including the Oxford Tourism Council) reported a liability of $33,447,155 for its proportionate share of the net pension liability. The net pension liability was measured as of June 30, 2015, and the total pension liability used to calculate the net pension liability was determined by an actuarial valuation as of that date. At June 30, 2015, the City of Oxford-Electric Department reported a liability of $3,079,841 for its proportionate share of the net pension liability.

The net pension liability was measured as of June 30, 2014, and the total pension liability used to calculate the net pension liability was determined by an actuarial valuation as of that date. The City of Oxford's proportion of the net pension liability was based on a projection of the City of Oxford's long-term share of contributions to the pension plan relative to the projected contributions of all participating entities, actuarially determined. At June 30, 2015, the City of Oxford (including Oxford Tourism Council)'s proportion was 0.216479%. At June 30, 2014, The City of Oxford-Electric's proportion was 0.025%.

For the year ended September 30, 2015, the City of Oxford (including Oxford Tourism Council) recognized pension expense of $5,512,521. At September 30, 2015, the City of Oxford (including Oxford Tourism Council) reported deferred outflows of resources and deferred inflows of resources related to pensions from the following sources:

	Deferred Outflows of Resources	Deferred Inflows of Resources
Difference Between Expected and Actual Results - Pensions	$ 514,734	$ 0
City Pension Contributions Subsequent to the Measurement Date	514,214	0
Changes of Assumptions	2,881,358	0
Net Difference Between Projected and Actual Investment Earnings on Investments	1,957,017	0
Changes in Proportion and Differences Between ER Contributions and Proportionate Share Of ER Contributions	0	402,873
Total	$ 5,867,323	$ 402,873

NOTE 6 - DEFINED BENEFIT PENSION PLAN (continued)

For the year ended June 30, 2015, the City of Oxford-Electric Department recognized pension expense of $208,461. At June 30, 2015, the City of Oxford-Electric Department reported deferred outflows of resources and deferred inflows of resources related to pensions from the following sources:

	Deferred Outflows of Resources	Deferred Inflows of Resources
Difference Between Expected and Actual Results - Pensions	$ 48,016	$ 0
City Pension Contributions Subsequent to the Measurement Date	238,280	0
Net Difference Between Projected and Actual Earnings on Pension Plan Assets	0	446,178
Total	$ 286,296	$ 446,178

The $238,280 of deferred outflows of resources resulting from the City of Oxford-Electric Department's contributions subsequent to the measurement date will be recognized as a reduction of the net pension liability in the year ending June 30, 2016. Other amounts reported as deferred outflows of resources and deferred inflows of resources will be recognized in pension expense as follows:

Fiscal Year Ending June 30,	Amount
2016	$ 94,273
2017	94,273
2018	98,073
2019	111,543
Total	$ 398,162

The $514,214 of deferred outflows of resources resulting from the City of Oxford (including Oxford Tourism Council)'s contributions subsequent to the measurement date will be recognized as a reduction of the net pension liability in the year ending September 30, 2016. Other amounts reported as deferred outflows of resources and deferred inflows of resources will be recognized in pension expense as follows:

Fiscal Year Ending September 30,	Amount
2016	$ 1,589,703
2017	1,589,703
2018	1,281,577
2019	489,253
Total	$ 4,950,236

Actuarial Assumptions-The City of Oxford-Electric pension liability was determined by an actuarial valuation as of June 30, 2014, using the following actuarial assumptions, applied to all periods included in the measurement:

Inflation	3.50%
Salary increases	4.25-19.50%, average, including inflation
Investment rate of return	8.00%, net of pension plan investment expense, including inflation

NOTE 6 - DEFINED BENEFIT PENSION PLAN (continued)

Actuarial Assumptions-The City of Oxford pension liability was determined by an actuarial valuation as of June 30, 2015, using the following actuarial assumptions, applied to all periods included in the measurement:

Inflation	3.00%
Salary increases	3.75-19.00%, average, including inflation
Investment rate of return	7.75%, net of pension plan investment expense, including inflation

Mortality rates were based on the RP-2000 Combined Mortality Table Projected with Scale AA to 2025, set forward two years for males for the City of Oxford-Electric Department.

Mortality rates were based on the RP-2014 Healthy Annuitant Blue Collar Table projected with Scale BB to 2016, with male rates set forward one year for the City of Oxford.

The actuarial assumptions used in the June 30, 2014 valuation were based on the results of an actuarial experience study for the period July 1, 2008 to June 30, 2012. The experience report is dated June 12, 2013.

The actuarial assumptions used in the June 30, 2015 valuation were based on the results of an actuarial experience study for the period July 1, 2010 to June 30, 2014. The experience report is dated May 4, 2015.

The long-term expected rate of return on pension plan investments was determined using a log-normal distribution analysis in which best-estimate ranges of expected future real rates of return (expected nominal returns, net of pension plan investment expense and the assumed rate of inflation) are developed for each major asset class. These ranges are combined to produce the long-term expected rate of return by weighting the expected future real rates of return by the target asset allocation percentage and by adding expected inflation.

The target asset allocation and best estimates of arithmetic real rates of return for each major asset class as of June 30, 2015 and 2014, are summarized in the following table:

Asset Class	Target Allocation	Long-Term Expected Real Rate of Return
U.S. Broad	34.00%	5.20%
International Equity	19.00%	5.00%
Emerging Markets Equity	8.00%	5.45%
Fixed Income	20.00%	0.25%
Real Assets	10.00%	4.00%
Private Equity	8.00%	6.15%
Cash	1.00%	(0.50)%
Total	100.00%	

NOTE 6 - DEFINED BENEFIT PENSION PLAN (continued)

Discount Rate-The discount rate used to measure the total pension liability was 8.00% for the City of Oxford-Electric Department and 7.75% for the City of Oxford (including Oxford Tourism Council). The projection of cash flows used to determine the discount rate assumed that plan member contributions will be made at the current contribution rate (9.00%) and that employer contributions will be made at the current employer contribution rate (15.75%). Based on those assumptions, the pension plan's fiduciary net position was projected to be available to make all projected future benefit payments of current plan members. Therefore, the long-term expected rate of return on pension plan investments was applied to all periods of projected benefit payments to determine the total pension liability.

Sensitivity of the City of Oxford's Proportionate Share of the Net Pension Liability to Changes in the Discount Rate-The following presents the City of Oxford-Electric Department's proportionate share of the net pension liability using the discount rate of 8.00%, as well as what the City of Oxford-Electric Department's proportionate share of the net pension liability would be if it were calculated using a discount rate that is 1-percentage-point lower (7.0%) or 1-percentage-point higher (9.0%) than the current rate:

	Discount Rate	City's Proportionate Share of Net Pension Liability
1% decrease	7.0%	$4,196,228
Current discount rate	8.0%	$3,079,841
1% increase	9.0%	$2,145,226

The following presents the City of Oxford (including Oxford Tourism Council)'s proportionate share of the net pension liability using the discount rate of 7.75%, as well as what the City of Oxford (including Oxford Tourism Council)'s proportionate share of the net pension liability would be if it were calculated using a discount rate that is 1-percentage-point lower (6.75%) or 1-percentage-point higher (8.75%) than the current rate:

	Discount Rate	City's Proportionate Share of Net Pension Liability
1% decrease	6.75%	$44,086,413
Current discount rate	7.75%	$33,447,155
1% increase	8.75%	$24,618,558

Plan Fiduciary Net Position-Detailed information about the Plan's fiduciary net position is available in the separately issued Public Employees' Retirement System of Mississippi (PERS) financial report.

NOTE 7 - RISK MANAGEMENT

The City of Oxford is exposed to various risks of losses related to torts: theft of, damage to, and destruction of assets; errors and omissions; injuries to employees; and natural disasters. Significant losses are covered by commercial insurance for all major programs of the City except for certain employment practices liabilities, certain environmental liabilities, worker's compensation liabilities funded through a public entity risk pool, and catastrophic natural disasters that may exceed insurance coverage for which the City retains the risk of loss.

NOTE 7 - RISK MANAGEMENT (continued)

Risk of loss related to workers compensation for injuries to City employees is covered through the Mississippi Municipal Workers' Compensation Group, a public entity risk pool. The pool was formed on March 28, 1989, by the Mississippi Nonprofit Corporation Act, pursuant to Section 71-3-75, Mississippi Code Annotated (1972), to provide public entities within the State of Mississippi workers compensation and employer's liability coverage. The City pays premiums to the pool for its workers' compensation insurance coverage based on total payroll. The participation agreement provides that the pool will be self-sustaining through member premiums. The risk of loss is remote for claims exceeding the pool's retention liability. Expenditures and claims are recognized when it is probable that a loss has occurred and the amount of the loss can be reasonably estimated. In determining claims, events that might create claims, but for which none have been reported, are considered.

For insured programs there have been no significant reductions in insurance coverage. Settlement amounts have not exceeded insurance coverage for the current year or the three prior years. The City Attorney estimates that the amount of actual or potential claims against the City as of September 30, 2015, will not materially affect the financial condition of the City. Therefore, no provisions have been made for estimated claims. There have been no material claims paid by the City during the current or prior year.

NOTE 8 - TRANSFERS IN AND OUT

Transfers between the primary government and blended component units do not balance on the Statement of Activities because the Electric Department and Oxford Tourism Council report differently from the City. The following is a reconciliation of the difference:

Transfers from Electric Department reported as In lieu of taxes revenue in The City General Fund	$ (965,000)
Transfers from Special Revenue funds reported as Revenues by Oxford Tourism Council	(582,398)
Transfers to City General Fund reported as Expenses by Electric Department	44,997
Difference	$ (1,502,401)

NOTE 9 - COMMITMENTS

The electric systems has a power contract with the Tennessee Valley Authority (TVA) whereby the electric system purchases all its electric power from TVA and is subject to certain restrictions and conditions as provided for in the power contract. Such restrictions include, but are not limited to, prohibitions against furnishing, advancing, lending, pledging or otherwise diverting electric system funds, revenues or property to other operations of the city and the purchase or payment of, or providing security for indebtedness on other obligations applicable to such other operations.

NOTE 10 - THE CITY OF OXFORD MUNICIPAL RESERVE AND TRUST FUND

This fund was established by Senate Bill Number 3128 for a period of twenty years. All proceeds received by the City from the sale of the Oxford-Lafayette Medical Center shall be deposited into this fund. The fund is to be administered, managed, invested and governed by a board of trustees. The board is to consist of nine members: the mayor; the mayor pro tem; an alderman; and six non aldermen with terms of one year, two years, three years, four years, five years, and six years. The alderman will serve for two years. The trustees shall establish a comprehensive investment plan for the purpose of this act. The comprehensive investment plan shall specify the policies to be utilized by the board of trustees in its administration of the fund. The board of trustees shall invest the fund in any of the investments authorized for the Mississippi Prepaid Affordable College Tuition Program under Section 37-155-9, Mississippi Code of 1972, and those investments shall be subject to the limitations prescribed in Section 37-155-9, except the fund shall be restricted from investment in the covered call and put options allowed in Section 37-155-9(v) (xi) or in the pooled or commingled real estate funds or real estate securities as outlined in Section 37-155-9(v) (xiii).

The fund shall be divided into two components, the corpus component and the earnings component. The corpus component shall consist of the initial deposit of $30,000,000 and subsequent deposits from the annual income earned. Except, as otherwise provided in the trust agreement, the corpus shall be inviolate and maintained and used to generate income and shall not be invaded or used by the Board of Trustees or the Governing Authorities.

The earnings component shall be considered an amount equal to three percent (3%) of the amount of the full fund balance whether or not the corpus component has generated any income in that fiscal year. All remaining portions of the accrued income earned shall remain in the fund as part of the corpus component. Funds comprising the earnings component shall be transferred from the fund to the general fund of the City at the direction of the Clerk and shall be available for appropriation and spending by the Governing Authorities.

The corpus component can be used upon a three-fourths majority vote of the board of aldermen and with approval by the mayor, the governing authorities are authorized to withdraw monies from the corpus component and have the monies disbursed to the City for appropriation and spending, in the event of the following:

(a) A state of emergency or local emergency has been declared under federal, state, or local law; or

(b) Overall budgeted collections of the city are more than five percent (5%) below that fiscal year's budgeted estimates for at least three (3) consecutive calendar months. In this instance, corpus monies may be withdrawn by the City to meet up to ninety-eight percent (98%) of projected budget shortfalls.

In the event of withdrawal of any portion of the corpus component by the City, annual disbursements by the trustees of the earnings components shall cease and all income shall be retained by the trustees and repaid to the corpus until such time as the corpus component equals its full pre withdrawal amount, at which time, disbursement of earning components may continue.

In addition, upon a unanimous vote of the board of aldermen and with approval by the mayor, the governing authorities are authorized to withdraw monies from the corpus component and have them disbursed to the City for appropriation and spending.

NOTE 10 - THE CITY OF OXFORD MUNICIPAL RESERVE AND TRUST FUND (continued)

The withdrawal by the governing authorities shall be limited in the following manner:

(a) No such vote or withdrawal may occur without the governing authorities first conducting a full public, open municipal hearing on consideration of the matter for which such appropriation and spending would be made;

(b) Withdrawal pursuant to this subsection may occur only one time during each four-year term of the then board of aldermen and mayor;

(c) Withdrawal shall not exceed ten percent (10%) of the corpus component of the fund, as determined by the trustees; and

(d) The withdrawal must be repaid to the fund before a withdrawal under this subsection could be authorized within a subsequent four-year term.

Custodial Credit Risk:

The investments are held by the Glenmede Trust Company. The Company has presented a certificate of Liability Insurance for Errors and Omissions of $50,000,000 and a Fidelity Bond of $30,000,000. The balance of the City of Oxford Municipal Reserve and Trust Fund at September 30, 2015, was $31,882,000.

Concentration of Credit Risk:

The following investments represent five percent or more of the total:

	Amount	Percent
Glenmede Intermediate Government Credit-Bond Funds	$ 17,100,916	53.64

The investments are reported at fair value. The Oxford Municipal Reserve and Trust Fund does not participate in an external investment pool. Investments consisted of the following at September 30, 2015:

Investments:	Cost	Market value (Level 1)
Bond funds	$ 19,476,983	$ 18,679,547
Stock funds	13,325,122	12,674,289
Accrued income	0	176,993
Short-term investments	351,171	351,171
Total investments	$ 33,153,276	$ 31,882,000

Level 1: Common stocks, bond funds, stock funds, and short-term investments are valued at the closing price reported in the active market on which the individual securities or funds are traded.

NOTE 11 - CONSTRUCTION AND OTHER COMMITMENTS

The City of Oxford and its component units have entered in the following commitments:

To Be Paid By	Description	Amount Authorized	Expended through September 30, 2015	Remaining Commitment at September 30, 2015
General City	Pathways Phase II	$ 2,700,000	$ 1,421,520	$ 1,278,480
General City	Central Fire Station/Emergency Operations Center	3,500,000	3,029,724	470,276
General City	Oxford Commons Blvd Extension	1,711,308	1,326,884	384,424
General City	Tennis Complex	1,643,441	1,624,241	19,200
General City	Columbarium	548,220	289,907	258,313
General City	Armory Garden ADA Improvements	45,000	18,170	26,830
General City	Armory Garden Parking Lot	100,000	87,385	12,615
Water and Sewer	Wells & Water Treatment Plant	386,040	310,945	75,095
Water and Sewer	Whirlpool Water Plant	1,142,330	993,395	148,935
Water and Sewer	FNC Frontage Road Utility Relocation	2,710,755	1,967,773	742,982
Water and Sewer	Bio-Solids Land Ap	538,250	528,434	9,816
		$ 15,025,344	$ 11,598,378	$ 3,426,966

NOTE 12 - DEFICIT FUND BALANCES

The following funds have a deficit fund balance at September 30, 2015:

FUND NAME	AMOUNT
2009 G.O. Bonds	$ 51,447
Oxford Commons Special Assessment 2014	744
EDI Grant-Burns Belfry Church	85,569
Multi-Modal Grant Funds (MDOT)	5,246
O.U.T.-Oxford Transit Grant	214,706
Pathways Grant Funds	26,031
TOTAL	$ 369,148

NOTE 13 - PRIOR PERIOD ADJUSTMENTS AND NEW ACCOUNTING STANDARD

The beginning balances of certain accounts have been restated to correct previous errors. Subsequent to issuing the financial statements for the year ended September 30, 2015, management discovered errors in accrued compensated absences and prepaid expenses for the Oxford Tourism Council.

Prepaid expenses were understated by $2,342 in the Visit Oxford fund. The beginning prepaid expense and fund balance in this fund has been restated to correct this error.

The prior year financial statements did not have an accrual for compensated absences for the Oxford Tourism Council. The result of this error was a $21,814 understatement of accrued compensated absences liability in the governmental activities. The beginning liability and fund balance has been restated in the governmental activities to correct these errors.

During the Year ended September 30, 2015, the City implemented GASB Statement No. 68 *Accounting and Financial Reporting for Pensions*. The primary objective of this Statement is to improve accounting and financial reporting by state and local governments for pensions. Implementation resulted in a direct decrease of $27,928,254 to net position.

NOTE 14 - INTERFUND RECEIVABLES AND PAYABLES

Individual fund interfund receivable and payable balances at September 30, 2015, were:

	Interfund Receivables	Interfund Payables
General Fund	$ 0	$ 4,200
Special Revenue Funds	4,200	0
	$ 4,200	$ 4,200

NOTE 15 - FUND BALANCE RECONCILIATION – GENERAL FUND BUDGET BASIS

Mississippi state law requires, for budget purposes, that the general fund record revenues on the cash basis. Generally accepted accounting principles (GAAP) would require that the revenues be accounted for on the modified accrual basis; therefore, the required budgetary basis would not be considered to be GAAP. Any accruals of revenues included on the "Combined Statement of Revenues, Expenditures and Changes - All Governmental Fund Types" are eliminated for budget purposes. In the current fiscal year, accrued revenues were $513,707 more than cash revenues.

NOTE 16 - EXPENDITURES OVER APPROPRIATIONS FOR INDIVIDUAL FUNDS

Any expenditures over appropriations at the legal level of budgetary control for the respective funds are disclosed in the Combined Statement or Revenues, Expenditures, and Changes in Fund Balance – Budget (Non-GAAP Basis) and Actual for the respective fund. Expenditures over appropriations at the legal level of budgetary control are as follows:

	Budget	Actual	Overage
General Fund:			
Judicial			
Personnel Services	$ 243,139	$ 262,439	$ 19,300
Cemetery Maintenance			
Other Services and Charges	3,500	5,038	1,538
Culture & Recreation			
Other Services and Charges	287,233	701,063	413,830

NOTE 17 - SUBSEQUENT EVENTS

Management has evaluated subsequent events through May 11, 2016, the date on which the financial statements were available to be issued. On November 3, 2015, the City issued a Series 2015 general obligation refunding bond in the amount of $6,750,000. On January 19, 2016, the City also issued a general obligation note in the amount of $800,000 to purchase machinery and equipment for Oxford Fire Department, to equip athletic fields at FNC Park, to purchase financial software for the City Clerk's office and to replace the chiller unit at City Hall.

CITY OF OXFORD, MISSISSIPPI
COMBINING BALANCE SHEET
NON-MAJOR GOVERNMENTAL FUNDS
September 30, 2015

	Non-Major Debt Service	Non-Major Special Revenue	Non-Major Capital Projects	Total Non-Major Governmental Funds
ASSETS:				
Cash	$ 55,537	$ 4,973,686	$ 1,305,781	$ 6,335,004
Investments	-	196,373	-	196,373
Prepaid Expenses	-	2,326	-	2,326
Receivables	6,119	23,792	-	29,911
Due From Other Funds	-	4,200	-	4,200
Due From Other Government Units	-	899,447	146,470	1,045,917
TOTAL ASSETS	$ 61,656	$ 6,099,824	$ 1,452,251	$ 7,613,731
LIABILITIES AND FUND BALANCES:				
LIABITILIES:				
Checks Issued in Excess of Deposits	$ 53,062	$ 643,103	$ -	$ 696,165
Accounts Payable	67	114,722	51,875	166,664
TOTAL LIABILITIES	53,129	757,825	51,875	862,829
FUND BALANCES (DEFICIT):				
Committed	60,718	610,273	-	670,991
Restricted				
Capital Projects	-	-	1,426,407	1,426,407
Transit Operations	-	13,002	-	13,002
Tourism	-	2,704,040	-	2,704,040
Cultural and Recreational	-	43,352	-	43,352
Permanent Fund Principal	-	1,635,511	-	1,635,511
Public Safety	-	461,031	-	461,031
Economic Development	-	-	-	-
Unassigned	(52,191)	(125,210)	(26,031)	(203,432)
TOTAL FUND BALANCES (DEFICIT)	8,527	5,341,999	1,400,376	6,750,902
TOTAL LIABILITIES AND FUND BALANCES	$ 61,656	$ 6,099,824	$ 1,452,251	$ 7,613,731

See accompanying notes to financial statements.

CITY OF OXFORD, MISSISSIPPI
COMBINING STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE - NON-MAJOR GOVERNMENTAL FUNDS
For the Year Ended September 30, 2015

	Non-Major Debt Service	Non-Major Special Revenue	Non-Major Capital Projects	Total Non-Major Governmental Funds
REVENUES:				
General Property Taxes	$ 2,367,180	$ -	$ -	$ 2,367,180
Special Taxes	-	3,484,994	-	3,484,994
Intergovernmental Revenues	48,267	317,210	-	365,477
Federal & State Grants	-	1,108,561	656,991	1,765,552
Local Matching Funds	-	661,033	-	661,033
Charges for Services	-	281,605	-	281,605
Fines & Forfeitures	-	65,827	-	65,827
Interest	332	744	-	1,076
Rental	-	822,188	-	822,188
Sponsorships	-	106,691	-	106,691
Miscellaneous	-	69,978	-	69,978
TOTAL REVENUES	2,415,779	6,918,831	656,991	9,991,601
EXPENDITURES:				
Current:				
Tourism Promotion	-	1,457,101	-	1,457,101
Public Safety	-	396,118	-	396,118
RSVP County Transit	-	52,195	-	52,195
Farmers Market	-	32,093	-	32,093
Culture and Recreation	-	932,922	-	932,922
Transit Operation	-	2,113,762	-	2,113,762
Capital Projects	-	513,502	2,723,629	3,237,131
Debt Service	2,639,108	-	-	2,639,108
TOTAL EXPENDITURES	2,639,108	5,497,693	2,723,629	10,860,430
EXCESS OF REVENUES OVER (UNDER) EXPENDITURES	(223,329)	1,421,138	(2,066,638)	(868,829)
OTHER FINANCING SOURCES (USES):				
Transfers from (to) Oxford Tourism Council	-	(582,398)	-	(582,398)
Transfers from Other Funds	410,000	872,378	352,914	1,635,292
TOTAL OTHER FINANCING SOURCES (USES)	410,000	289,980	352,914	1,052,894
NET CHANGE IN FUND BALANCES	186,671	1,711,118	(1,713,724)	184,065
FUND BALANCES - Beginning as previously stated	(178,144)	3,628,539	3,114,100	6,564,495
PRIOR PERIOD ADJUSTMENT	-	2,342	-	2,342
FUND BALANCES - Beginning as restated	(178,144)	3,630,881	3,114,100	6,566,837
FUND BALANCES - Ending	$ 8,527	$ 5,341,999	$ 1,400,376	$ 6,750,902

See accompanying notes to financial statements.

CITY OF OXFORD, MISSISSIPPI
BALANCE SHEET - GENERAL FUND
September 30, 2015

		TOTALS
		2015
ASSETS:		
Cash	$	6,356,465
Investments		1,027,065
Due From Other Governments		2,549,531
Due From Other Funds		-
Other Receivables		14,883
TOTAL ASSETS	$	9,947,944
LIABILITIES:		
Accounts Payable and Accrued Expenses	$	816,734
Due to Other Funds		4,200
Due to Other Governments		2,310
TOTAL LIABILITIES		823,244
FUND BALANCE:		
Nonspendable		52,171
Committed		
Public Safety		1,437
Culture & Recreation		14,732
Restricted		
Forestry		14,990
Assigned		
Cemetary		385,189
London Bus		31,195
Historic Homes Fund		33,117
Unassigned		8,591,869
TOTAL FUND BALANCE		9,124,700
TOTAL LIABILITIES AND FUND BALANCE	$	9,947,944

CITY OF OXFORD, MISSISSIPPI
STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE
GENERAL FUND
For the Year Ended September 30, 2015

	TOTALS 2015
REVENUES:	
Ad Valorem Taxes:	
Real & Personal	$ 5,772,774
Penalties and Interest	195,336
Licenses and Permits	776,362
State of Mississippi:	
Sales Tax	8,142,926
Municipal Aid	9,433
Fire Protection	102,925
Utility Tax	73,652
ABC Licenses	157,625
Homestead Reimbursement	124,149
In Lieu of Taxes	247,775
Lafayette County:	
Pro Rata Tax	815,813
In Lieu - Other:	
Utility Department	965,000
State and Federal Grants	580,451
Intergovernmental Revenues	990,625
Recreation Fees	1,174,180
Fines and Forfeitures	950,867
FNC Parking Lease	11,250
Interest Income	11,376
Charges for Services	4,008,560
Franchise Fees	665,952
Donations/Contributions	39,937
Sale of Land & SurplusEquipment	110,474
Cemetary	138,065
Miscellaneous Income	302,000
TOTAL REVENUES	$ 26,367,507
EXPENDITURES:	
General Government:	
Legislative:	
Personal Services	$ 113,278
Supplies	-
Other Services and Charges	4,955
Capital Outlay	-
Total	118,233

CITY OF OXFORD, MISSISSIPPI
STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE
GENERAL FUND
For the Year Ended September 30, 2015

	TOTALS
	2015
Judicial:	
Personnel Services	$ 262,439
Supplies	9,448
Other Services and Charges	2,152
Capital Outlay	4,816
Total	278,855
Executive:	
Personnel Services	89,684
Supplies	-
Other Services and Charges	2,373
Capital Outlay	-
Total	92,057
Department of Planning:	
Personnel Services	225,001
Supplies	9,800
Other Services and Charges	156,868
Capital Outlay	2,604
Total	394,273
Elections:	
Personnel Services	-
Supplies	-
Other Services and Charges	-
Total	-
Finance:	
Personnel Services	290,024
Supplies	9,388
Other Services and Charges	24,509
Capital Outlay	1,087
Total	325,008

CITY OF OXFORD, MISSISSIPPI
STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE
GENERAL FUND
For the Year Ended September 30, 2015

	TOTALS 2015
Human Resources:	
Personnel Services	$ 221,425
Supplies	23,326
Other Services and Charges	38,200
Capital Outlay	2,779
Total	285,730
Law:	
Personnel Services	45,934
Supplies	-
Other Services and Charges	211,385
Total	257,319
Building and Grounds:	
Personnel Services	547,369
Supplies	137,394
Other Services and Charges	19,958
Capital Outlay	9,786
Total	714,507
Building and Code Enforcement:	
Personnel Services	223,438
Supplies	8,193
Other Services and Charges	3,718
Capital Outlay	3,090
Total	238,439
General Government:	
Personnel Services	1,914,340
Supplies	13,329
Other Services and Charges	711,437
Capital Outlay	-
Total	2,639,106
Community Promotions:	
Other Services and Charges	73,665
Total	73,665
Total General Government	5,417,192

CITY OF OXFORD, MISSISSIPPI
STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE
GENERAL FUND
For the Year Ended September 30, 2015

	TOTALS 2015
Public Safety:	
Police Department:	
Personnel Services	$ 4,074,915
Supplies	373,533
Other Services and Charges	226,732
Capital Outlay	336,173
Total	5,011,353
Parking Division:	
Personnel Services	149,161
Supplies	9,832
Other Services and Charges	44,297
Capital Outlay	15,780
Total	219,070
Emergency Management:	
Personnel Services	62,496
Supplies	28,353
Other Services and Charges	25,462
Capital Outlay	1,847
Total	118,158
Fire Department:	
Personnel Services	3,608,361
Supplies	156,195
Other Services and Charges	101,671
Capital Outlay	102,843
Total	3,969,070
Total Public Safety	9,317,651
Public Works:	
Highway and Street Maintenance:	
Personnel Services	422,152
Supplies	1,084,149
Other Services and Charges	811,432
Capital Outlay	173,464
Total	2,491,197

CITY OF OXFORD, MISSISSIPPI
STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE
GENERAL FUND
For the Year Ended September 30, 2015

	TOTALS 2015
Sanitation Administration:	
Personnel Services	$ 196,088
Supplies	13,391
Other Services and Charges	19,149
Capital Outlay	-
Total	228,628
Street Cleaning:	
Personnel Services	86,347
Supplies	1,913
Other Services and Charges	-
Capital Outlay	-
Total	88,260
Waste Collection:	
Personnel Services	407,368
Supplies	121,924
Other Services and Charges	65,362
Capital Outlay	20,706
Total	615,360
Waste Disposal:	
Personnel Services	99,063
Supplies	82,673
Other Services and Charges	481,387
Capital Outlay	-
Total	663,123
City Garage Department:	
Personnel Services	402,268
Supplies	404,071
Other Services and Charges	19,174
Capital Outlay	19,098
Total	844,611
Airport:	
Other Services and Charges	30,000
Total	30,000

CITY OF OXFORD, MISSISSIPPI
STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE
GENERAL FUND
For the Year Ended September 30, 2015

	TOTALS 2015
Rubbish Collection:	
Personnel Services	$ 473,921
Supplies	83,168
Other Services and Charges	13,694
Capital Outlay	8,847
Total	579,630
Weed & Grass Control:	
Personnel Services	245,644
Supplies	6,300
Other Services and Charges	20,115
Capital Outlay	9,316
Total	281,375
Cemetary Maintenance:	
Personnel Services	149,750
Supplies	5,075
Other Services and Charges	5,038
Capital Outlay	440
Total	160,303
Family Crisis Services:	
Other Services and Charges	12,000
Total	12,000
Recycling Grant	
Personnel Services	292,807
Supplies	103,353
Other Services and Charges	43,483
Capital Outlay	146,978
Total	586,621
Human Society:	
Other Services and Charges	135,000
Total	135,000

CITY OF OXFORD, MISSISSIPPI
STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE
GENERAL FUND
For the Year Ended September 30, 2015

	TOTALS 2015
London Bus:	
Personnel Services	$ 279
Supplies	4,117
Other Services and Charges	25,881
Total	30,277
Total Public Works	6,746,385
Culture & Recreation:	
Parks and Recreation:	
Personnel Services	881,311
Supplies	188,874
Other Services and Charges	701,063
Capital Outlay	82,407
Total	1,853,655
Swimming Pools - Parks:	
Personnel Services	34,174
Supplies	38,588
Other Services and Charges	15,747
Capital Outlay	-
Total	88,509
Library:	
Personnel Services	-
Supplies	-
Other Services and Charges	292,509
Capital Outlay	-
Total	292,509
RSVP - Park/Recreation:	
Personnel Services	113,811
Supplies	10,368
Other Services and Charges	31,008
Capital Outlay	7,893
Total	163,080

CITY OF OXFORD, MISSISSIPPI
STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE
GENERAL FUND
For the Year Ended September 30, 2015

	TOTALS 2015
FNC Park:	
Personnel Services	$ 528,819
Supplies	265,717
Other Services and Charges	260,492
Capital Outlay	252,874
Total	1,307,902
Historic Homes:	
Personnel Services	-
Supplies	4,131
Other Services and Charges	59,354
Capital Outlay	-
Total	63,485
Total Culture and Recreation	3,769,140
Debt Service:	
Principal Retirement	327,821
Interest and Fiscal Charges	39,405
Total Debt Service	367,226
TOTAL EXPENDITURES	25,617,594
Excess (Deficiency) of Revenues Over (Under) Expenditures	749,913
OTHER FINANCING SOURCES (USES):	
Proceeds from Capital Leases	-
Proceeds from Issuance of Debt	900,000
Transfers (to) from Other Funds	373,041
TOTAL OTHER FINANCING SOURCES (USES)	1,273,041
Excess (Deficiency) of Revenues and Other Financing Sources Over (Under) Expenditures and Other Financing Uses	2,022,954
FUND BALANCE:	
October 1, as previously stated	7,101,746
Prior Period Adjustment	-
October 1, as restated	7,101,746
SEPTEMBER 30,	$ 9,124,700

CITY OF OXFORD, MISSISSIPPI
STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES - BUDGET AND ACTUAL
GENERAL FUND - BUDGETARY BASIS
Year Ended September 30, 2015

	BUDGET	ACTUAL	VARIANCE FAVORABLE (UNFAVORABLE)
REVENUES:			
Ad Valorem Taxes:			
Real & Personal	$ 5,771,147	$ 5,757,891	$ (13,256)
Penalties and Interest	195,000	195,336	336
Licenses and Permits	632,000	776,362	144,362
State of Mississippi:			
Sales Tax	7,487,474	7,989,062	501,588
Municipal Aid	28,000	9,433	(18,567)
Fire Protection	103,000	102,925	(75)
Utility Tax	58,000	73,652	15,652
ABC Licenses	125,000	156,600	31,600
Homestead Reimbursement	103,000	124,149	21,149
In Lieu of Taxes	336,000	247,775	(88,225)
Lafayette County:			
Pro Rate Tax	800,000	815,813	15,813
In Lieu - Other:			
Utility Department	965,000	965,000	-
State, Federal and Local Grants	409,970	263,660	(146,310)
Intergovernmental Revenues	856,000	990,625	134,625
Recreation Fees	682,500	1,174,180	491,680
Fines and Forfeitures	807,244	950,867	143,623
Parking Meter Revenues	500,000	706,567	206,567
FNC Parking Lease	15,000	11,250	(3,750)
Interest Income	25,000	11,376	(13,624)
Charges for Services	3,305,000	3,278,495	(26,505)
Franchise Fees	610,000	662,306	52,306
Donations/Contributions	-	39,937	39,937
Sale of Land and Surplus Equipment	-	110,474	110,474
Cemetary	90,000	138,065	48,065
Miscellaneous Income	813,619	302,000	(511,619)
TOTAL REVENUES	$ 24,717,954	$ 25,853,800	$ 1,135,846
EXPENDITURES:			
General Government:			
Legislative:			
Personnel Services	$ 120,932	$ 113,278	$ 7,654
Supplies	-	-	-
Other Services and Charges	8,425	4,955	3,470
Capital Outlay	-	-	-
Total	129,357	118,233	11,124
Judicial:			
Personnel Services	243,139	262,439	(19,300)
Supplies	12,150	9,448	2,702
Other Services and Charges	3,450	2,152	1,298
Capital Outlay	5,000	4,816	184
Total	263,739	278,855	(15,116)

CITY OF OXFORD, MISSISSIPPI
STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES - BUDGET AND ACTUAL
GENERAL FUND - BUDGETARY BASIS
Year Ended September 30, 2015

	BUDGET	ACTUAL	VARIANCE FAVORABLE (UNFAVORABLE)
Executive:			
Personnel Services	$ 89,835	$ 89,684	$ 151
Supplies	-	-	-
Other Services and Charges	4,750	2,373	2,377
Capital Outlay	1,500	-	1,500
Total	96,085	92,057	4,028
Department of Planning:			
Personnel Services	231,827	225,001	6,826
Supplies	11,500	9,800	1,700
Other Services and Charges	505,925	156,868	349,057
Capital Outlay	5,000	2,604	2,396
Total	754,252	394,273	359,979
Elections:			
Personnel Services	-	-	-
Supplies	5,000	-	5,000
Other Services and Charges	-	-	-
Total	5,000	-	5,000
Finance:			
Personnel Services	290,394	290,024	370
Supplies	9,500	9,388	112
Other Services and Charges	25,100	24,509	591
Capital Outlay	5,000	1,087	3,913
Total	329,994	325,008	4,986
Human Resources:			
Personnel Services	229,658	221,425	8,233
Supplies	24,500	23,326	1,174
Other Services and Charges	55,307	38,200	17,107
Capital Outlay	6,000	2,779	3,221
Total	315,465	285,730	29,735
Law:			
Personnel Services	45,934	45,934	-
Supplies	500	-	500
Other Services and Charges	211,500	211,385	115
Total	257,934	257,319	615

CITY OF OXFORD, MISSISSIPPI
STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES - BUDGET AND ACTUAL
GENERAL FUND - BUDGETARY BASIS
Year Ended September 30, 2015

	BUDGET	ACTUAL	VARIANCE FAVORABLE (UNFAVORABLE)
Building and Grounds:			
Personnel Services	$ 547,421	$ 547,369	$ 52
Supplies	142,278	137,394	4,884
Other Services and Charges	66,170	19,958	46,212
Capital Outlay	220,480	9,786	210,694
Total	976,349	714,507	261,842
Building and Code Enforcement:			
Personnel Services	224,980	223,438	1,542
Supplies	10,400	8,193	2,207
Other Services and Charges	7,500	3,718	3,782
Capital Outlay	3,000	3,090	(90)
Total	245,880	238,439	7,441
General Government:			
Personnel Services	2,011,878	1,914,340	97,538
Supplies	14,300	13,329	971
Other Services and Charges	714,000	711,437	2,563
Capital Outlay	-	-	-
Total	2,740,178	2,639,106	101,072
Community Promotions:			
Other Services and Charges	84,000	73,665	10,335
Total	84,000	73,665	10,335
Total General Government	6,198,233	5,417,192	781,041
Public Safety:			
Police Department:			
Personnel Services	4,122,342	4,074,915	47,427
Supplies	417,372	373,533	43,839
Other Services and Charges	324,645	226,732	97,913
Capital Outlay	379,366	336,173	43,193
Total	5,243,725	5,011,353	232,372
Parking Division:			
Personnel Services	156,425	149,161	7,264
Supplies	23,720	9,832	13,888
Other Services and Charges	61,000	44,297	16,703
Capital Outlay	30,500	15,780	14,720
Total	271,645	219,070	52,575
Emergency Management:			
Personnel Services	62,500	62,496	4
Supplies	32,570	28,353	4,217
Other Services and Charges	37,860	25,462	12,398
Capital Outlay	-	1,847	(1,847)
Total	132,930	118,158	14,772

CITY OF OXFORD, MISSISSIPPI
STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES - BUDGET AND ACTUAL
GENERAL FUND - BUDGETARY BASIS
Year Ended September 30, 2015

	BUDGET	ACTUAL	VARIANCE FAVORABLE (UNFAVORABLE)
Fire Department:			
Personnel Services	$ 3,608,855	$ 3,608,361	$ 494
Supplies	182,222	156,195	26,027
Other Services and Charges	106,460	101,671	4,789
Capital Outlay	103,478	102,843	635
Total	4,001,015	3,969,070	31,945
Other Protection Department:			
Other Services and Charges	-	-	-
Total	-	-	-
Total Public Safety	9,649,315	9,317,651	331,664
Public Works:			
Highway and Street Maintenance:			
Personnel Services	487,503	422,152	65,351
Supplies	1,087,000	1,084,149	2,851
Other Services and Charges	918,100	811,432	106,668
Capital Outlay	73,500	173,464	(99,964)
Total	2,566,103	2,491,197	74,906
Sanitation Administration:			
Personnel Services	197,440	196,088	1,352
Supplies	14,000	13,391	609
Other Services and Charges	19,500	19,149	351
Capital Outlay	-	-	-
Total	230,940	228,628	2,312
Street Cleaning:			
Personnel Services	86,849	86,347	502
Supplies	2,800	1,913	887
Other Services and Charges	800	-	800
Capital Outlay	-	-	-
Total	90,449	88,260	2,189
Waste Collection:			
Personnel Services	407,745	407,368	377
Supplies	125,500	121,924	3,576
Other Services and Charges	95,421	65,362	30,059
Capital Outlay	21,000	20,706	294
Total	649,666	615,360	34,306

CITY OF OXFORD, MISSISSIPPI
STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES - BUDGET AND ACTUAL
GENERAL FUND - BUDGETARY BASIS
Year Ended September 30, 2015

	BUDGET	ACTUAL	VARIANCE FAVORABLE (UNFAVORABLE)
Waste Disposal:			
Personnel Services	$ 106,988	$ 99,063	$ 7,925
Supplies	89,000	82,673	6,327
Other Services and Charges	493,300	481,387	11,913
Capital Outlay	-	-	-
Total	689,288	663,123	26,165
City Garage Department:			
Personnel Services	454,563	402,268	52,295
Supplies	407,000	404,071	2,929
Other Services and Charges	19,500	19,174	326
Capital Outlay	35,000	19,098	15,902
Total	916,063	844,611	71,452
Airport:			
Other Services and Charges	30,000	30,000	-
Total	30,000	30,000	-
Rubbish Collection:			
Personnel Services	474,648	473,921	727
Supplies	87,674	83,168	4,506
Other Services and Charges	15,000	13,694	1,306
Capital Outlay	7,989	8,847	(858)
Total	585,311	579,630	5,681
Weed & Grass Control:			
Personnel Services	293,902	245,644	48,258
Supplies	7,500	6,300	1,200
Other Services and Charges	22,000	20,115	1,885
Capital Outlay	9,500	9,316	184
Total	332,902	281,375	51,527
Cemetary Maintenance:			
Personnel Services	154,251	149,750	4,501
Supplies	7,500	5,075	2,425
Other Services and Charges	3,500	5,038	(1,538)
Capital Outlay	3,000	440	2,560
Total	168,251	160,303	7,948
Family Crisis Services:			
Other Services and Charges	12,000	12,000	-
Total	12,000	12,000	-

CITY OF OXFORD, MISSISSIPPI
STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES - BUDGET AND ACTUAL
GENERAL FUND - BUDGETARY BASIS
Year Ended September 30, 2015

	BUDGET	ACTUAL	VARIANCE FAVORABLE (UNFAVORABLE)
Recycling Grant:			
Personnel Services	$ 293,000	$ 292,807	$ 193
Supplies	299,667	103,353	196,314
Other Services and Charges	45,000	43,483	1,517
Capital Outlay	6,300	146,978	(140,678)
Total	643,967	586,621	57,346
Humane Society:			
Other Services and Charges	135,000	135,000	-
Total	135,000	135,000	-
London Bus:			
Personnel Services	27,100	25,881	1,219
Supplies	6,450	4,117	2,333
Other Services and Charges	500	279	221
Total	34,050	30,277	3,773
Total Public Works	7,083,990	6,746,385	337,605
Culture & Recreation:			
Parks and Recreation:			
Personnel Services	907,318	881,311	26,007
Supplies	331,168	188,874	142,294
Other Services and Charges	287,233	701,063	(413,830)
Capital Outlay	233,226	82,407	150,819
Total	1,758,945	1,853,655	(94,710)
Swimming Pools - Parks:			
Personnel Services	36,715	34,174	2,541
Supplies	38,700	38,588	112
Other Services and Charges	16,559	15,747	812
Capital Outlay	-	-	-
Total	91,974	88,509	3,465
Library:			
Personnel Services	-	-	-
Supplies	-	-	-
Other Services and Charges	302,250	292,509	9,741
Capital Outlay	-	-	-
Total	302,250	292,509	9,741

CITY OF OXFORD, MISSISSIPPI
STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES - BUDGET AND ACTUAL
GENERAL FUND - BUDGETARY BASIS
Year Ended September 30, 2015

	BUDGET	ACTUAL	VARIANCE FAVORABLE (UNFAVORABLE)
RSVP - Park/Recreation:			
Personnel Services	$ 123,549	$ 113,811	$ 9,738
Supplies	12,775	10,368	2,407
Other Services and Charges	32,525	31,008	1,517
Capital Outlay	11,200	7,893	3,307
Total	180,049	163,080	16,969
FNC Park:			
Personnel Services	528,844	528,819	25
Supplies	268,908	265,717	3,191
Other Services and Charges	264,750	260,492	4,258
Capital Outlay	224,592	252,874	(28,282)
Total	1,287,094	1,307,902	(20,808)
Historic Homes:			
Personnel Services	-	-	-
Supplies	10,000	4,131	5,869
Other Services and Charges	59,500	59,354	146
Capital Outlay	5,500	-	5,500
Total	75,000	63,485	11,515
Total Culture and Recreation	3,695,312	3,769,140	(73,828)
Debt Service:			
Principal Retirement	370,710	327,821	42,889
Interest and Fiscal Charges	-	39,405	(39,405)
Total	370,710	367,226	3,484
TOTAL EXPENDITURES	26,997,560	25,617,594	1,379,966
Excess (Deficiency) of Revenues Over (Under) Expenditures	(2,279,606)	236,206	2,515,812

CITY OF OXFORD, MISSISSIPPI
STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES - BUDGET AND ACTUAL
GENERAL FUND - BUDGETARY BASIS
Year Ended September 30, 2015

	BUDGET	ACTUAL	VARIANCE FAVORABLE (UNFAVORABLE)
OTHER FINANCING SOURCES (USES):			
Proceeds from Capital Leases	$ -	$ -	$ -
Proceeds from Issuance of Debt	-	900,000	(900,000)
Transfers (to) from Other Funds	995,519	373,041	(622,478)
Lease Payments	-	-	-
TOTAL OTHER FINANCING SOURCES (USES)	995,519	1,273,041	(1,522,478)
Excess (Deficiency) of Revenues and Other Sources Over (Under) Expenditures and Other Uses	(1,284,087)	1,509,247	993,334
FUND BALANCE:			
October 1, as previously stated	7,101,746	7,101,746	-
Prior Period Adjustment	-	-	-
October 1, as restated	7,101,746	7,101,746	-
(Non-GAAP Budgetary Basis) September 30,	$ 5,817,659	8,610,993	$ 993,334
Adjustments to GAAP Basis:			
Accrued Revenue		513,707	
FUND BALANCE (GAAP) September 30,		$ 9,124,700	

CITY OF OXFORD, MISSISSIPPI
COMBINING BALANCE SHEET
SPECIAL REVENUE FUNDS
September 30, 2015

	2% FOOD & BEVERAGE TAX	HOTEL/ MOTEL TAX	$30M TRUST PROCEEDS	OXFORD TRANSIT FUND	MDJ UNIT FUND	CONFERENCE CENTER	OXFORD TOURISM COUNCIL	VARIOUS GRANT FUNDS	VARIOUS NON-GRANT FUNDS	TOTALS 2015
ASSETS:										
Cash	$ 1,996,544	$ 23,792	$ 1,635,511	$ 200	$ 409,974	$ 618,275	$ 185,876	$ 61,643	$ 41,871	$ 4,973,686
Investments	196,373	-	-	-	-	-	-	-	-	196,373
Accrued Interest	-	-	-	-	-	-	-	-	-	-
Prepaid Expenses	-	-	-	-	-	-	2,326	-	-	2,326
Receivables	-	-	-	-	-	-	23,792	-	-	23,792
Due From Other Governments	464,226	59,624	-	371,797	-	-	-	3,800	-	899,447
Due From Other Funds	-	-	-	-	4,200	-	-	-	-	4,200
TOTAL ASSETS	2,657,143	83,416	1,635,511	371,997	414,174	618,275	211,994	65,443	41,871	6,099,824
LIABILITIES:										
Checks Isssued in Excess of Deposits	-	-	-	548,639	-	-	-	94,464	-	643,103
Accounts Payable	12,727	23,792	-	38,064	334	23,076	16,609	120	-	114,722
TOTAL LIABILITIES	12,727	23,792	-	586,703	334	23,076	16,609	94,584	-	757,825
FUND BALANCE (DEFICIT):										
Committed	-	-	-	-	-	595,199	15,074	-	-	610,273
Restricted	2,644,416	59,624	1,635,511	-	413,840	-	-	61,674	41,871	4,856,936
Unassigned	-	-	-	(214,706)	-	-	180,311	(90,815)	-	(125,210)
TOTAL FUND BALANCE	2,644,416	59,624	1,635,511	(214,706)	413,840	595,199	195,385	(29,141)	41,871	5,341,999
TOTAL LIABILITIES AND FUND BALANCE	$ 2,657,143	$ 83,416	$ 1,635,511	$ 371,997	$ 414,174	$ 618,275	$ 211,994	$ 65,443	$ 41,871	$ 6,099,824

CITY OF OXFORD, MISSISSIPPI
COMBINING STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE
SPECIAL REVENUE FUNDS
For the Year Ended September 30, 2015

	2% FOOD & BEVERAGE TAX	HOTEL/ MOTEL TAX	$30M TRUST PROCEEDS	OXFORD TRANSIT FUND	MDJ UNIT FUND	CONFERENCE CENTER	OXFORD TOURISM COUNCIL	VARIOUS GRANT FUNDS	VARIOUS NON-GRANT FUNDS	TOTALS 2015
REVENUES:										
Special Taxes	$ 2,589,359	$ 314,136	$ -	$ -	$ -	$ -	$ 581,499	$ -	$ -	$ 3,484,994
Intergovernmental Revenues	-	-	-	-	200,000	-	55,000	62,210	-	317,210
Federal & State Grants	-	-	-	1,016,069	14,702	-	77,790	-	-	1,108,561
Local Matching Funds	-	-	-	661,033	-	-	-	-	-	661,033
Charges for Services	124,266	-	-	75,012	-	-	82,327	-	-	281,605
Fines & Forfeitures	-	-	-	-	65,827	-	-	-	-	65,827
Interest Income	-	-	-	-	282	374	88	-	-	744
Rental	-	-	-	-	-	822,188	-	-	-	822,188
Sponsorships	-	-	-	-	-	-	106,691	-	-	106,691
Miscellaneous Revenues	-	-	-	-	-	-	43,448	26,530	-	69,978
TOTAL REVENUES	2,713,625	314,136	-	1,752,114	280,811	822,562	946,843	88,740	-	6,918,831
EXPENDITURES:										
Tourism Promotion:										
Personnel Services	7,090	-	-	-	-	-	206,892	-	-	213,982
Supplies	-	-	-	-	-	-	16,232	-	-	16,232
Other Services and Charges	569,885	-	-	-	-	-	657,002	-	-	1,226,887
Capital Outlay							30,649	-		30,649
Public Safety:										
Personnel Services	-	-	-	-	337,841	-	-	-	-	337,841
Supplies	-	-	-	-	27,205	-	-	2,283	-	29,488
Other Services and Charges	-	-	-	-	28,567	-	-	222	-	28,789
Capital Outlay	-	-	-	-	32,202	-	-	999	-	33,201
RSVP County Transit:										
Supplies	-	-	-	-	-	-	-	463	-	463
Personnel Services	-	-	-	-	-	-	-	48,204	-	48,204
Other Services and Charges	-	-	-	-	-	-	-	3,528	-	3,528
Farmers Market:										
Personnel Services	-	-	-	-	-	-	-	20,279	-	20,279
Supplies	-	-	-	-	-	-	-	7,795	-	7,795
Other Services and Charges	-	-	-	-	-	-	-	4,019	-	4,019
Capital Outlay	-	-	-	-	-	-	-	-	-	-
Culture and Recreation:										
Personnel Services						363,036	-	-		363,036
Supplies	-	-	-	-	-	272,114	-	-	-	272,114
Other Services and Charges	-	-	-	-	-	297,772	-	-	-	297,772
Capital Outlay	-	-	249,889	-	-	80,857	-	-	-	330,746
Transit Operation:										
Personnel Services	-	-	-	1,223,598	-	-	-	-	-	1,223,598
Supplies	-	-	-	505,044	-	-	-	-	-	505,044
Other Services and Charges	-	-	-	385,120	-	-	-	-	-	385,120
Capital Outlay	55,924	-	-	62,982	-	-	-	-	-	118,906
TOTAL EXPENDITURES	632,899	-	249,889	2,176,744	425,815	1,013,779	910,775	87,792	-	5,497,693
Excess (Deficiency) of Revenues Over (Under) Expenditures	2,080,726	314,136	(249,889)	(424,630)	(145,004)	(191,217)	36,068	948	-	1,421,138
OTHER FINANCING SOURCES (USES):										
Transfers from (to) Oxford Tourism Council	(279,456)	(302,942)	-	-	-	-	-	-	-	(582,398)
Transfers from (to) Other Funds	(1,853,986)	-	1,576,512	347,857	100,000	661,995	-	40,000	-	872,378
TOTAL OTHER FINANCING SOURCES (USES)	(2,133,442)	(302,942)	1,576,512	347,857	100,000	661,995	-	40,000	-	289,980
Excess (Deficiency) of Revenues Over (Under) Expenditures and Other Uses	(52,716)	11,194	1,326,623	(76,773)	(45,004)	470,778	36,068	40,948	-	1,711,118
FUND BALANCE(Deficit) - October 1, as previously stated	2,697,132	48,430	308,888	(137,933)	458,844	124,421	156,975	(70,089)	41,871	3,628,539
PRIOR PERIOD ADJUSTMENT	-	-	-	-	-	-	2,342	-	-	2,342
FUND BALANCE(Deficit) - October 1, as restated	2,697,132	48,430	308,888	(137,933)	458,844	124,421	159,317	(70,089)	41,871	3,630,881
FUND BALANCE(Deficit) - September 30,	$ 2,644,416	$ 59,624	$ 1,635,511	$ (214,706)	$ 413,840	$ 595,199	$ 195,385	$ (29,141)	$ 41,871	$ 5,341,999

CITY OF OXFORD, MISSISSIPPI
COMBINING STATEMENT OF NET POSITION
PROPRIETARY FUND TYPES
September 30, 2015

	BUSINESS-TYPE ACTIVITIES-PROPRIETARY FUND		
	ELECTRIC FUND	WATER & SEWER FUND	TOTAL
ASSETS:			
Current Assets:			
Cash and Cash Equivalents	$ 9,401,513	$ 6,941,914	$ 16,343,427
Investments	10,242	3,125,808	3,136,050
Accounts Receivable, Net of Provision for Bad Debts	3,218,716	1,922,636	5,141,352
Due from Other Funds	-	-	-
Due from Other Governments	-	258,073	258,073
Inventories	672,289	433,639	1,105,928
Prepaid Expenses	45,234	-	45,234
Total Current Assets	13,347,994	12,682,070	26,030,064
Noncurrent Assets:			
Restricted Assets			
Cash and Cash Equivalents - Restricted	5,000	-	5,000
Investments - Restricted	343,445	1,664,597	2,008,042
Unamortized Debt Expense	41,277	-	41,277
Investment in CSA	18,159	-	18,159
Land	908,953	199,510	1,108,463
Plant, Buildings & Improvements	29,941,264	59,570,621	89,511,885
Machinery & Equipment	2,882,615	3,098,010	5,980,625
Accumulated Depreciation	(10,338,038)	(30,233,918)	(40,571,956)
Construction Work In Progress	507,453	4,696,758	5,204,211
Net Noncurrent Assets	24,310,128	38,995,578	63,305,706
TOTAL ASSETS	37,658,122	51,677,648	89,335,770
DEFERRED OUTFLOWS OF RESOURCES:			
Deferred Outflows - Pensions	286,296	814,607	1,100,903
TOTAL DEFERRED OUTFLOWS OF RESOURCES	$ 286,296	$ 814,607	$ 1,100,903

CITY OF OXFORD, MISSISSIPPI
COMBINING STATEMENT OF NET POSITION
PROPRIETARY FUND TYPES
September 30, 2015

	ELECTRIC FUND	WATER & SEWER FUND	TOTAL
LIABILITIES:			
Current Liabilities:			
Accounts Payable and Accrued Expenses	$ 5,556,361	$ 303,207	$ 5,859,568
Accrued Interest Payable	7,896	268,427	276,323
Due to Other Funds	-	-	-
Current Portion of Long-Term Debt	390,000	1,503,106	1,893,106
Customer Deposits	3,213,153	-	3,213,153
Total Current Liabilities	9,167,410	2,074,740	11,242,150
Noncurrent Liabilities:			
Other Liabilities	32,903	-	32,903
Compensated Absences	96,646	154,800	251,446
Net Pension Liability	3,079,841	4,644,322	7,724,163
Bonds, Notes, and Loans Payable, net of current portion	1,235,000	21,609,478	22,844,478
Total Noncurrent Liabilities	4,444,390	26,408,600	30,852,990
TOTAL LIABILITIES	13,611,800	28,483,340	42,095,140
DEFERRED INFLOWS OF RESOURCES:			
Deferred Charge on Refunding Bonds, net	-	329,686	329,686
Deferred Inflows - Pensions	446,178	32,037	478,215
TOTAL DEFERRED INFLOWS OF RESOURCES	446,178	361,723	807,901
NET POSITION			
Net Investmet in Capital Assets	22,277,247	14,218,397	36,495,644
Reserved for Unemployment Benefits	5,000	-	5,000
Reserved for Debt Service	335,549	1,664,597	2,000,146
Unrestricted	1,268,644	7,764,198	9,032,842
TOTAL NET POSITION	$ 23,886,440	$ 23,647,192	$ 47,533,632

CITY OF OXFORD, MISSISSIPPI
COMBINING STATEMENT OF REVENUES, EXPENSES, AND CHANGES IN FUND NET POSITION
PROPRIETARY FUNDS
For The Year Ended September 30, 2015

	ELECTRIC FUND	WATER & SEWER FUND	TOTALS
OPERATING REVENUE:			
Charges For Services	$ 22,649,269	$ 9,805,853	$ 32,455,122
Other	291,103	-	291,103
Total Operating Revenue	22,940,372	9,805,853	32,746,225
OPERATING EXPENSES:			
Operations	19,343,814	5,151,144	24,494,958
Maintenance	327,041	161,219	488,260
Depreciation and Amortization Expense	919,129	2,677,032	3,596,161
Taxes	-	-	-
Total Operating Expenses	20,589,984	7,989,395	28,579,379
Net Operating Income (Loss)	2,350,388	1,816,458	4,166,846
NON-OPERATING INCOME (EXPENSES):			
Interest Income	2,581	25,567	28,148
Gain (Loss) on Disposal of Fixed Asset	-	-	-
Grant Income/ Capital Contributions	-	1,498,389	1,498,389
Debt Issuance Expense	-	(126,298)	(126,298)
Amortization of Debt Expense	(12,081)	-	(12,081)
Miscellaneous Income (Expense)	(9,641)	409,858	400,217
Interest Expense	(79,923)	(1,170,521)	(1,250,444)
Total Non-Operating Income (Loss)	(99,064)	636,995	537,931
Income Before Operating Transfers	2,251,324	2,453,453	4,704,777
OPERATING TRANSFERS IN (OUT):			
Operating Transfers In (Out)	(965,000)	(298,334)	(1,263,334)
Change in Net Position	1,286,324	2,155,119	3,441,443
Total Net Position - Beginning, as previously stated	25,869,658	24,883,378	50,753,036
Prior Period Adjustment	(3,269,542)	(3,391,305)	(6,660,847)
Total Net Position - Beginning, as restated	22,600,116	21,492,073	44,092,189
Total Net Position - Ending	$ 23,886,440	$ 23,647,192	$ 47,533,632

CITY OF OXFORD, MISSISSIPPI
COMBINING STATEMENT OF CASH FLOWS - PROPRIETARY FUNDS
Year Ended September 30, 2015

	ELECTRIC FUND	WATER & SEWER FUND	TOTALS
Cash Flows from Operating Activities:			
Receipts from Customers	$ 22,944,543	$ 9,428,819	$ 32,373,362
Payments to Suppliers	(19,081,115)	(1,117,465)	(20,198,580)
Payments to Employees	(607,495)	(1,805,783)	(2,413,278)
Payments for Other Services and Charges	(965,000)	(1,630,694)	(2,595,694)
Other Receipts (Payments)	-	-	-
Net Cash Provided (Used) In Operating Activities	2,290,933	4,874,877	7,165,810
Cash Flows from Noncapital Financing Activities:			
Advances From Home Insulation Program	-	-	-
Transfers In	-	(298,334)	(298,334)
Net Cash Provided By (Used In) Noncapital Financing Activities	-	(298,334)	(298,334)
Cash Flows from Capital and Related Financing Activities:			
Proceeds From Capital Debt	-	3,728,702	3,728,702
Purchases of Capital Assets	(1,455,615)	(3,978,260)	(5,433,875)
Proceeds From Sale of Capital Assets	22,737	-	22,737
Principal Paid on Capital Debt	(385,000)	(5,132,184)	(5,517,184)
Interest Paid on Capital Debt	(81,367)	(1,135,626)	(1,216,993)
Other Receipts (Payments)	-	409,858	409,858
Net Cash Provided by (Used In) Capital and Related Financing Activities	(1,899,245)	(6,107,510)	(8,006,755)
Cash Flows from Investing Activities:			
Purchase of Investments	(353,687)	(532,740)	(886,427)
Proceeds From Sale of Investments	343,870	-	343,870
Cash Received From Grants	-	1,498,389	1,498,389
Interest and Dividends	2,581	25,567	28,148
Other Receipts (Payments)	(9,641)	-	(9,641)
Net Cash Provided By (Used In) Investing Activities	(16,877)	991,216	974,339
Net Increase (Decrease) In Cash and Cash Equivalents	374,811	(539,751)	(164,940)
Cash and Cash Equivalents--Beginning	9,031,702	7,481,665	16,513,367
Cash and Cash Equivalents--Ending	$ 9,406,513	$ 6,941,914	$ 16,348,427
Reconciliation of Operating Income (Loss) to Net Cash Provided (Used) in Operating Activities:			
Operating Income (Loss)	$ 2,350,388	$ 1,816,458	$ 4,166,846
Adjustments to Reconcile Operating Income (Loss) to Net Cash Provided (Used) In Operating Activities:			
Depreciation and Amortization Expense	919,129	2,677,032	3,596,161
Amounts Paid to City - Tax Equivalents	(965,000)	-	(965,000)
Pension Expense - Actuarially Determined	208,461	1,189,151	1,397,612
(Increase) Decrease in Accounts Receivable	(187,844)	(377,034)	(564,878)
(Increase) Decrease in Prepaid Items	24,744	-	24,744
(Increase) Decrease in Deferred Charges	(238,280)	(471,977)	(710,257)
(Increase) Decrease in Inventory	(12,622)	12,956	334
(Increase) Decrease in Compensated Absences	-	2,950	2,950
Increase (Decrease) in Accounts Payable	13,110	(9,554)	3,556
Increase (Decrease) in Accrued Liabilities	(13,168)	34,895	21,727
Increase (Decrease) in Customer Deposits	192,015	-	192,015
Total Adjustments	(59,455)	3,058,419	2,998,964
Net Cash Provided (Used) In Operating Activities	$ 2,290,933	$ 4,874,877	$ 7,165,810

CITY OF OXFORD, MISSISSIPPI
COMBINING BALANCE SHEET
CAPITAL PROJECTS FUNDS
September 30, 2015

	PATHWAYS GRANT FUND	$3.8 M GO BOND ISSUE 2009	JACKSON AVENUE PROPERTY	OXFORD LOOP EXTENSION PROJECT	SISK AVENUE EXTENSION PROJECT	GARDEN TERRACE PARK PROJECT	OXFORD COMMONS FRONTAGE RD	$5.5M BOND ISSUE 2012	TOTALS 2015
ASSETS:									
Cash	$ 25,844	$ 281,745	$ 17,225	$ 160,626	$ 60,063	$ -	$ 387,163	$ 373,115	$ 1,305,781
Investments	-	-	-	-	-	-	-	-	-
Accrued Interest	-	-	-	-	-	-	-	-	-
Other Receivable	-	-	-	-	-	-	-	-	-
Due From Other Funds	-	-	-	-	-	-	-	-	-
Due From Other Governments	-	-	-	-	-	-	-	146,470	146,470
TOTAL ASSETS	25,844	281,745	17,225	160,626	60,063	-	387,163	519,585	1,452,251
LIABILITIES:									
Accounts Payable	51,875	-	-	-	-	-	-	-	51,875
Due to Other Funds	-	-	-	-	-	-	-	-	-
TOTAL LIABILITIES	51,875	-	-	-	-	-	-	-	51,875
FUND BALANCE:									
Restricted	-	281,745	17,225	160,626	60,063	-	387,163	519,585	1,426,407
Unassigned	(26,031)	-	-	-	-	-	-	-	(26,031)
TOTAL FUND BALANCE	(26,031)	281,745	17,225	160,626	60,063	-	387,163	519,585	1,400,376
TOTAL LIABILITIES AND FUND BALANCE	$ 25,844	$ 281,745	$ 17,225	$ 160,626	$ 60,063	$ -	$ 387,163	$ 519,585	$ 1,452,251

CITY OF OXFORD, MISSISSIPPI
COMBINING STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE
CAPITAL PROJECTS FUNDS
For the Year Ended September 30, 2015

	PATHWAYS GRANT FUND	$3.8 M GO BOND ISSUE 2009	JACKSON AVENUE PROPERTY	OXFORD LOOP EXTENSION PROJECT	SISK AVENUE EXTENSION PROJECT	GARDEN TERRACE PARK PROJECT	OXFORD COMMONS FRONTAGE RD	$5.5 M BOND ISSUE 2012	TOTALS 2015
REVENUES:									
Grant Income	$ -	$ -	$ -	$ -	$ -	$ 98,661	$ -	$ 558,330	$ 656,991
Interest	-	-	-	-	-	-	-	-	-
Other	-	-	-	-	-	-	-	-	-
TOTAL REVENUES	-	-	-	-	-	98,661	-	558,330	656,991
EXPENDITURES:									
Capital Projects:									
Supplies	-	-	-	-	-	-	-	4,706	4,706
Other Services and Charges	-	-	-	-	-	260	-	1,848	2,108
Capital Outlay	78,420	-	133,250	53,124	11,187	123,550	966,177	1,351,107	2,716,815
TOTAL EXPENDITURES	78,420	-	133,250	53,124	11,187	123,810	966,177	1,357,661	2,723,629
Excess (Deficiency) of Revenues Over (Under) Expenditures	(78,420)	-	(133,250)	(53,124)	(11,187)	(25,149)	(966,177)	(799,331)	(2,066,638)
OTHER FINANCING SOURCES (USES):									
Proceeds of Debt Issuance	-	-	-	-	-	-	-	-	-
Transfers from (to) Other Funds	-	-	39,674	213,750	71,250	25,149	-	3,091	352,914
TOTAL OTHER FINANCING SOURCES (USES)	-	-	39,674	213,750	71,250	25,149	-	3,091	352,914
Excess (Deficiency) of Revenues Over (Under) Expenditures and Other Uses	(78,420)	-	(93,576)	160,626	60,063	-	(966,177)	(796,240)	(1,713,724)
FUND BALANCE - October 1,	52,389	281,745	110,801	-	-	-	1,353,340	1,315,825	3,114,100
FUND BALANCE - September 30,	$ (26,031)	$ 281,745	$ 17,225	$ 160,626	$ 60,063	$ -	$ 387,163	$ 519,585	$ 1,400,376

CITY OF OXFORD, MISSISSIPPI
COMBINING BALANCE SHEET
DEBT SERVICE FUNDS
September 30, 2015

	$3 M GO BOND ISSUE 2004	$1.5 M GO BOND ISSUE 2005	$9 M GO BOND ISSUE 2007	$3.8 M GO BOND ISSUE 2009	$7.085 M GO BOND ISSUE 2010	$5.5 M GO BOND ISSUE 2012	$1.6M SA BOND ISSUE 2014	TOTALS 2015
ASSETS:								
Cash	$ 12,136	$ 3,311	$ 3,977	$ -	$ 27,850	$ 8,263	$ -	$ 55,537
Ad Valorem Taxes Receivable, net	817	493	1,780	871	1,025	1,133	-	6,119
TOTAL ASSETS	12,953	3,804	5,757	871	28,875	9,396	-	61,656
LIABILITIES:								
Checks Issued in Excess of Deposits	-	-	-	52,318	-	-	744	53,062
Accounts Payable	67	-	-	-	-	-	-	67
TOTAL LIABILITIES	67	-	-	52,318	-	-	744	53,129
FUND BALANCE:								
Committed	12,886	3,804	5,757	-	28,875	9,396	-	60,718
Unassigned	-	-	-	(51,447)	-	-	(744)	(52,191)
TOTAL FUND BALANCE	12,886	3,804	5,757	(51,447)	28,875	9,396	(744)	8,527
TOTAL LIABILITIES AND FUND BALANCE	$ 12,953	$ 3,804	$ 5,757	$ 871	$ 28,875	$ 9,396	$ -	$ 61,656

CITY OF OXFORD, MISSISSIPPI
COMBINING STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE
DEBT SERVICE FUNDS
For the Year Ended September 30, 2015

	$3 M GO BOND ISSUE 2004	$1.5 M GO BOND ISSUE 2005	$9 M GO BOND ISSUE 2007	$3.8 M GO BOND ISSUE 2009	$7.085 M GO BOND ISSUE 2010	$5.5 M GO BOND ISSUE 2012	$1.6M SA BOND ISSUE 2014	TOTALS 2015
REVENUES:								
General Property Taxes	$ 219,080	$ 176,597	$ 700,240	$ 252,758	$ 455,409	$ 442,258	$ 120,838	$ 2,367,180
Intergovernmental Revenues	4,643	3,788	15,091	5,377	9,837	9,531	-	48,267
Interest Income	28	41	263	-	-	-	-	332
TOTAL REVENUES	223,751	180,426	715,594	258,135	465,246	451,789	120,838	2,415,779
EXPENDITURES:								
Fees	2,500	285	1,183	2,390	1,940	2,000	662	10,960
Payments - Principal	150,000	180,000	390,000	225,000	635,000	320,000	85,000	1,985,000
Payments - Interest	27,315	3,038	270,725	92,725	115,225	98,200	35,920	643,148
TOTAL EXPENDITURES	179,815	183,323	661,908	320,115	752,165	420,200	121,582	2,639,108
Excess (Deficiency) of Revenues Over (Under) Expenditures	43,936	(2,897)	53,686	(61,980)	(286,919)	31,589	(744)	(223,329)
OTHER FINANCING SOURCES (USES):								
Transfers from (to) Other Funds	-	-	-	-	410,000	-	-	410,000
Excess (Deficiency) of Revenues Over (Under) Expenditures and Other Uses	43,936	(2,897)	53,686	(61,980)	123,081	31,589	(744)	186,671
FUND BALANCE - October 1,	(31,050)	6,701	(47,929)	10,533	(94,206)	(22,193)	-	(178,144)
FUND BALANCE - September 30,	$ 12,886	$ 3,804	$ 5,757	$ (51,447)	$ 28,875	$ 9,396	$ (744)	$ 8,527

CITY OF OXFORD, MISSISSIPPI
SCHEDULE OF THE CITY'S PROPORTIONATE SHARE OF THE NET PENSION LIABILITY
For the Year Ended September 30, 2015

	2015
A. Oxford's proportion of net pension liability (%)	0.241479%
B. Oxford's proportionate share of net pension liability	$36,526,996
C. Oxford's covered employee payroll	$15,416,030
D. Oxford's proportionate share of net pension liability as a percentage of its covered employee payroll (%)	236.94%
E. Plan fiduciary net position as a percentage of total pension liability	61.70%

CITY OF OXFORD, MISSISSIPPI
SCHEDULE OF THE CITY'S CONTRIBUTIONS
For the Years Ended September 30, 2015 and 2014

	2015	2014
A. Statutorily required contributions	$2,428,025	$2,250,203
B. Contributions in relation to statutorily required contributions	$2,428,025	$2,250,203
C. Contribution deficiency (excess)	$0	$0
D. Oxford's covered employee payroll	$15,416,030	$14,287,003
E. Contributions as a percentage of covered employee payroll	15.75%	15.75%

CITY OF OXFORD, MISSISSIPPI
SCHEDULE OF SURETY BONDS FOR MUNICIPAL OFFICIALS
September 30, 2015

NAME	POSITION	COMPANY	BOND AMOUNT	BOND EXPIRATION
George G. Patterson	Mayor	FCCI Insurance Group	100,000	7/6/2016
J.P. Hughes	Alderman-Ward 1	FCCI Insurance Group	100,000	7/1/2016
Robyn Tannehill	Alderman-Ward 2	FCCI Insurance Group	100,000	7/1/2016
Janice Ann Antonow	Alderman-Ward 3	FCCI Insurance Group	100,000	7/1/2016
Ulysses L. Howell	Alderman-Ward 4	FCCI Insurance Group	100,000	7/2/2016
Preston Edward Taylor	Alderman-Ward 5	FCCI Insurance Group	100,000	7/2/2016
Jason Bailey	Alderman-Ward 6	FCCI Insurance Group	100,000	7/1/2016
John Morgan	Alderman-At Large	FCCI Insurance Group	100,000	7/6/2016
Lisa D. Carwyle	City Clerk	FCCI Insurance Group	50,000	5/1/2016
Ashley Atkinson	Deputy Clerk	FCCI Insurance Group	50,000	8/20/2016
Kaitiln Wilkinson	Admin Parking Dept	FCCI Insurance Group	50,000	5/1/2016
Lesia Chandler	Deputy City Clerk	FCCI Insurance Group	50,000	8/20/2016
Joey East	Police Chief	FCCI Insurance Group	50,000	7/1/2016
Blanket Bond	Police Officers	Travelers Casualty & Surety	25,000	7/1/2016

CITY OF OXFORD, MISSISSIPPI
SCHEDULE OF LONG-TERM DEBT
For the Year Ended September 30, 2015

	INTEREST RATE	BALANCE 9-30-14	DEBT ISSUED	DEBT RETIRED	BALANCE 9-30-15	CURRENT MATURITIES
LONG-TERM DEBT:						
Governmental Activities						
General Obligation Bonds:						
General Obligation-Series 2004	3-3.8 %	$ 810,000	$ -	$ 150,000	$ 660,000	$ 155,000
General Obligation-Series 2005	3.375-4.8 %	180,000	-	180,000	-	-
General Obligation-Series 2007	4-5 %	6,715,000	-	390,000	6,325,000	405,000
General Obligation-Series 2010 (Refunding)	2-3 %	4,850,000	-	635,000	4,215,000	660,000
General Obligation-Series 2009	3-3.75 %	2,800,000	-	225,000	2,575,000	240,000
General Obligation-Series 2012	1.625-2.25 %	4,880,000	-	320,000	4,560,000	330,000
G.O. Note Series 2012-BancorpSouth	1.43%	305,000	-	100,000	205,000	100,000
G.O. Note Series 2014-Regions	1.66%	500,000	-	96,727	403,273	98,336
G.O. Note Series 2014-Hancock	1.45%	-	900,000	-	900,000	175,000
Total General Obligation Bonds and Notes		21,040,000	900,000	2,096,727	19,843,273	2,163,336
Special Assessment Bonds:						
Special Assessment Bond-Series 2014	2.225-2.625%	1,600,000	-	85,000	1,515,000	85,000
Total Special Assessment Bonds		1,600,000	-	85,000	1,515,000	85,000
Notes Payable:						
CAP Loan - State of Mississippi	2%	280,692	-	53,729	226,963	54,874
CAP Loan - State of Mississippi	2%	735,126	-	47,577	687,549	47,408
CAP Loan - State of Mississippi	2%	233,331	-	29,788	203,543	30,443
Total Notes Payable		1,249,149	-	131,094	1,118,055	132,725
Total Governmental Activities		23,889,149	900,000	2,312,821	22,476,328	2,381,061
Business-Type Activities						
Revenue Bonds:						
2004 Water & Sewer Revenue Bond	3.25-4.5%	85,000	-	85,000	-	-
2006 Water & Sewer Revenue Bond	4-5.625%	2,415,000	-	2,255,000	160,000	160,000
2007 Water & Sewer Revenue Bond	4.5-6%	2,100,000	-	1,840,000	260,000	260,000
2008 Water & Sewer Revenue Bond	3.625-4.5%	2,735,000	-	140,000	2,595,000	145,000
2011 Water & Sewer Revenue Bond	3-4.3%	7,690,000	-	295,000	7,395,000	310,000
2012 Water & Sewer Revenue Bond	1-2.625%	2,330,000	-	125,000	2,205,000	215,000
2014 Water & Sewer Revenue Bond (Refunding)		-	3,855,000	-	3,855,000	10,000
Electric Department						
2011 Electric System Revenue	2.25-3.125%	2,010,000	-	385,000	1,625,000	390,000
Total Revenue Bonds		19,365,000	3,855,000	5,125,000	18,095,000	1,490,000
Notes Payable:						
State Revolving Fund-Water & Sewer	2.75%	7,034,768	-	392,184	6,642,584	403,106
Total Notes Payable		7,034,768	-	392,184	6,642,584	403,106
Total Business-Type Activities		26,399,768	3,855,000	5,517,184	24,737,584	1,893,106
Total Long-Term Debt		$ 50,288,917	$ 4,755,000	$ 7,830,005	$ 47,213,912	$ 4,274,167

CITY OF OXFORD
SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
For the Year Ended September 30, 2015

Federal Grantor/ Pass Through Grantor/ Program Title	Grantor Agency Id Number	Federal CFDA Number	Federal Expenditures
PRIMARY GOVERNMENT:			
U. S. Department of Justice			
Passed through Mississippi Department of Public Safety			
Edward Byrne Memorial Justice Assistance Grant Program	13NM2251	16.738	$ 14,701
Total U.S. Department of Justice			$ 14,701
U. S. Department of Transportation			
Passed through Mississippi Department of Transportation			
Alcohol Impaired Driving Countermeasures Incentive Grants I	15-ST-225-1	20.601	$ 107,008
State and Community Highway Safety	15-OP-225-1	20.600	5,593
* ARRA-Highway Planning and Construction	102168-302000	20.205	1,169,513
* Formula Grants for Rural Areas	18-X037	20.509	1,050,345
Total U.S. Department of Transportation			$ 2,332,459
U. S. Department of Homeland Security			
Passed through Mississippi Emergency Management Agency			
* Emergency Operations Center	11EC286	97.052	$ 411,861
Hazard Mitigation Grant Program	DR-1916-0018	97.039	146,470
Homeland Security Grant Program	14HS286	97.067	15,600
Total U. S. Department of Homeland Security			$ 573,931
Corporation for National and Community Service			
Retired and Senior Volunteer Program	15SRSMS001	94.002	$ 51,809
Total Corporation for National and Community Service			$ 51,809
TOTAL FEDERAL EXPENDITURES			$ 2,972,900

SIGNIFICANT ACCOUNTING POLICIES:
The Schedule of Expenditures of Federal Awards includes the federal grant activity of the City of Oxford, Mississippi and is presented on the accrual basis of accounting. The information in this schedule is presented in accordance with the requirements of OMB Circular A-133, *Audits of States, Local Governments, and Non-Profit Organization* . Therefore, some amounts presented in this schedule may differ from amounts presented in, or used in the preparation of, the basic financial statements.

* - Major Program

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

To the Honorable Mayor and Board of Aldermen
City of Oxford, Mississippi
Oxford, Mississippi 38655

We have audited, in accordance with the 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, 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, Mississippi as of and for the year ended September 30, 2015, and the related notes to the financial statements, which collectively comprise the City of Oxford, Mississippi's basic financial statements and have issued our report thereon dated May 11, 2016.

Internal Control over Financial Reporting

In planning and performing our audit of the financial statements, we considered the City of Oxford, Mississippi's internal control over financial reporting (internal control) to determine the audit procedures that are appropriate in the circumstances for the purpose of expressing our opinions on the financial statements, but not for the purpose of expressing an opinion on the effectiveness of the City of Oxford, Mississippi's internal control. Accordingly, we do not express an opinion on the effectiveness of the City of Oxford, Mississippi's internal control.

Our consideration of internal control was for the limited purpose described in the preceding paragraph and was not designed to identify all deficiencies in internal control that might be material weaknesses or significant deficiencies and therefore, material weaknesses or significant deficiencies may exist that were not identified. However, as described in the accompanying schedule of findings and questioned costs, we identified certain deficiencies in internal control that we consider to be material weaknesses and significant deficiencies.

A *deficiency in internal control* exists when the design or operation of a control does not allow management or employees, in the normal course of performing their assigned functions, to prevent, or detect and correct, misstatements on a timely basis. A *material weakness* is a deficiency, or a combination of deficiencies, in internal control such that there is a reasonable possibility that a material misstatement of the entity's financial statements will not be prevented, or detected and corrected on a timely basis. We consider the deficiencies described in the accompanying schedule of findings and questioned costs as 2, 3, 4, 5 and 6 to be material weaknesses.

A *significant deficiency* is a deficiency, or a combination of deficiencies, in internal control that is less severe than a material weakness, yet important enough to merit attention by those charged with governance. We consider the deficiencies described in the accompany schedule of findings and questioned costs as 7 and 9 to be significant deficiencies.

Compliance and Other Matters

As part of obtaining reasonable assurance about whether the City of Oxford, Mississippi's financial statements are free from material misstatement, we performed tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements, noncompliance with which could have a direct and material effect on the determination of financial statement amounts. However, providing an opinion on compliance with those provisions was not an objective of our audit, and accordingly, we do not express such an opinion. The results of our tests disclosed instances of noncompliance or other matters that are required to be reported under *Government Auditing Standards and which are* described in the accompanying schedule of findings and questioned costs as 1, 2, 3, 5, 7, 8 and 9. We noted certain other matters that we reported to management of the City of Oxford, Mississippi in a separate letter dated May 11, 2016.

City of Oxford, Mississippi's Response to Findings

The City of Oxford, Mississippi's response to the findings identified in our audit is described in the accompanying schedule of findings and questioned costs. The City of Oxford, Mississippi's response was not subjected to the auditing procedures applied in the audit of the financial statements and, accordingly, we express no opinion on it.

Purpose of this Report

The purpose of this report is solely to describe the scope of our testing of internal control and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the entity's internal control or on compliance. This report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the entity's internal control and compliance. Accordingly, this communication is not suitable for any other purpose.

Franks, Franks, Jarrell & Wilemon, P.A.

FRANKS, FRANKS, JARRELL & WILEMON, P.A.
Tupelo, Mississippi
May 11, 2016

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INDEPENDENT AUDITORS' REPORT ON COMPLIANCE FOR EACH MAJOR PROGRAM AND ON INTERNAL CONTROL OVER COMPLIANCE REQUIRED BY OMB CIRCULAR A-133

To The Honorable Mayor and Board of Aldermen
City of Oxford, Mississippi
Oxford, Mississippi 38655

Report on Compliance for Each Major Federal Program

We have audited the City of Oxford, Mississippi's compliance with the types of compliance requirements described in the *OMB Circular A-133 Compliance Supplement* that could have direct and material effect on each of City of Oxford, Mississippi's major federal programs for the year ended September 30, 2015. The City of Oxford, Mississippi's major federal programs are identified in the summary of auditors' results section of the accompanying schedule of findings and questioned costs.

Management's Responsibility

Management is responsible for compliance with the requirements of laws, regulations, contracts, and grants applicable to its federal programs.

Auditors' Responsibility

Our responsibility is to express an opinion on compliance for each of the City of Oxford, Mississippi's major federal programs based on our audit of the types of compliance requirements referred to above. We conducted our audit of compliance in accordance with auditing standards generally accepted in the United States of America; the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States; and OMB Circular A-133, *Audits of States, Local Governments, and Non-Profit Organizations*. Those standards and OMB Circular A-133 require that we plan and perform the audit to obtain reasonable assurance about whether noncompliance with the types of compliance requirements referred to above that could have a direct and material effect on a major federal program occurred. An audit includes examining, on a test basis, evidence about the City of Oxford, Mississippi's compliance with those requirements and performing such other procedures as we considered necessary in the circumstances.

We believe that our audit provides a reasonable basis for our opinion on compliance for each major federal program. However, our audit does not provide a legal determination of the City of Oxford, Mississippi's compliance.

Opinion on Each of the Major Federal Programs

In our opinion, the City of Oxford, Mississippi, in all material respects, with the types of compliance requirements referred to above that could have a direct and material effect on each of its major federal programs for the year ended September 30, 2015.

Report on Internal Control Over Compliance

Management of the City of Oxford, Mississippi, is responsible for establishing and maintaining effective internal control over compliance with the types of compliance requirements referred to above. In planning and performing our audit of compliance, we considered the City of Oxford, Mississippi's internal control over compliance with the types of requirements that could have a direct and material effect on each major federal program to determine the auditing procedures that are appropriate in the circumstances for the purpose of expressing an opinion on compliance for each major federal program and to test and report on internal control over compliance in accordance with OMB Circular A-133, but not for the purpose of expressing an opinion on the effectiveness of internal control over compliance. Accordingly, we do not express an opinion on the effectiveness of the City of Oxford, Mississippi's internal control over compliance.

Our consideration of internal control over compliance was for the limited purpose described in the preceding paragraph and was not designed to identify all deficiencies in internal control over compliance that might be material weaknesses or significant deficiencies. We did not identify any deficiencies in internal control over compliance that we consider to be material weaknesses. However, material weaknesses may exist that have not been identified.

A *deficiency in internal control over compliance* exists when the design or operation of a control over compliance does not allow management or employees, in the normal course of performing their assigned functions, to prevent, or detect and correct, noncompliance with a type of compliance requirement of a federal program on a timely basis. A *material weakness in internal control over compliance* is a deficiency, or combination of deficiencies, in internal control over compliance, such that there is a reasonable possibility that material noncompliance with a type of compliance requirement of a federal program will not be prevented, or detected and corrected, on a timely basis. A *significant deficiency in internal control over compliance* is a deficiency, or a combination of deficiencies, in internal control over compliance with a type of compliance requirement of a federal program that is less severe than a material weakness in internal control over compliance, yet important enough to merit attention by those charged with governance.

The purpose of this report on internal control over compliance is solely to describe the scope of our testing of internal control over compliance and the results of that testing based on the requirements of OMB Circular A-133. Accordingly, this report is not suitable for any other purpose.

Franks, Franks, Jarrell & Wilemon, P.A.

FRANKS, FRANKS, JARRELL & WILEMON, P.A.
Tupelo, Mississippi
May 11, 2016

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INDEPENDENT AUDITORS' REPORT ON COMPLIANCE WITH STATE LAWS AND REGULATIONS

To the Honorable Mayor and Board of Aldermen
City of Oxford, Mississippi
Oxford, Mississippi 38655

We have audited the financial statements of the City of Oxford, Mississippi, as of and for the year ended September 30, 2015 and have issued our report dated May 11, 2016. We have 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*.

As required by the state legal compliance audit program prescribed by the Office of the State Auditor, we have also performed procedures to test compliance with certain state laws and regulations. However, providing an opinion on compliance with state laws and regulations was not an objective of our audit and, accordingly, we do not express such an opinion.

The results of those procedures and our audit of the general purpose financial statements disclosed the following material instances of noncompliance with state laws and regulations. Our findings and recommendations and your responses are included in the Schedule of Findings and Questioned Costs as findings 1, 2, 3, 5, 7, 8 and 9.

The Office of the State Auditor or a public accounting firm will review, on a subsequent year's audit engagement, the findings in this report to ensure that corrective action has been taken.

This report is intended for the information of the City's management and the Office of the State Auditor and is not intended to be and should not be used by anyone other than these specified parties. However, this report is a matter of public record and its distribution is not limited.

Franks, Franks, Jarrell & Wilemon, P.A.

FRANKS, FRANKS, JARRELL & WILEMON, P.A.
Tupelo, Mississippi
May 11, 2016

CITY OF OXFORD, MISSISSIPPI
SCHEDULE OF FINDINGS AND QUESTIONED COSTS
September 30, 2015

SECTION 1 – SUMMARY OF AUDITORS' RESULTS

Financial Statements

Type of auditors' report issued:	Qualified
Internal control over financial reporting:	
Material weakness identified?	X Yes ____ No
Significant deficiency identified not considered to be a material weakness?	X Yes ____ None reported
Noncompliance material to financial statements noted?	X Yes ____ No

Federal Awards

Internal Control over major programs:	
Material weakness identified?	____ Yes X No
Significant deficiency identified not considered to be a material weakness?	____ Yes X None reported
Type of auditors' report issued on compliance for major programs:	Unmodified
Any audit findings disclosed that are required to be reported in accordance with Circular A-133, Section .510(a)?	____ Yes X No

Identification of major program:

CFDA Number(s)	Name of Federal Program or Cluster
20.205	U.S. Dept. of Transportation – Highway Planning and Construction
20.509	U.S. Dept. of Transportation- Formula Grants for Rural Areas
97.052	Emergency Management Agency - Emergency Operations Center

Dollar threshold used to distinguish between Type A and Type B programs:	$ 300,000
Auditee qualified as low-risk auditee?	____ Yes X No

CITY OF OXFORD, MISSISSIPPI
SCHEDULE OF FINDINGS AND QUESTIONED COSTS
September 30, 2015

SECTION 2 – FINANCIAL STATEMENT FINDINGS:

FINDING NO. 1

Criteria: The City is to maintain adequate subsidiary records substantiating the existence, completeness, and valuation of fixed assets.

Cause of Condition: The City did not conduct an annual inventory observation of fixed assets pursuant to guidelines set forth by the Mississippi Office of the State Auditor. The City does not have an accurate listing of fixed assets. The City has not ensured that all fixed assets are properly tagged.

Recommendation: The City should conduct a year-end inventory of its fixed assets and ensure that all assets owned by the City are properly tagged and accounted for in accordance with state requirements.

Response: The City will establish an inventory policy that will require a complete annual inventory of all fixed assets. All assets will be properly tagged and numbered, and relevant information will be gathered on all assets and included on the master fixed asset listing. The City is currently working with all departments to conduct an annual inventory and accurately tag and account for all fixed assets.

FINDING NO. 2

Criteria: The City is to maintain adequate internal controls to ensure accurate processing of transactions for the fair presentation of its financial records.

Cause of Condition: The City's depreciation schedule has several assets without a description of the assets. The City disposed of several assets by approval in the minutes, however, the assets could not be removed from the depreciation schedule due to lack of adequate descriptions.

Recommendation: The City should develop a process to ensure fixed asset depreciation schedules are maintained with adequate descriptions and relevant information. The City should ensure that all assets declared surplus are identified on the depreciation schedule and properly removed.

Response: The City will establish a fixed asset policy to address the issues raised with fixed assets. The City will continue working on the deprecation schedule to ensure it is maintained and updated each year.

FINDING NO. 3

Criteria: The City is to maintain adequate internal controls to ensure accurate processing of transactions for the fair presentation of its financial records.

Cause of Condition: The City did not ensure full accountability for ticket books during the fiscal year. We noted three tickets that could not be located and were not in the court clerk's system from our sampled population of tickets. We also noted that ticket books are not returned to the Court Clerk once all tickets in the books have been issued by the officers.

Recommendation: The City should implement adequate internal controls over all court collection functions. The City should ensure full accountability for all ticket books from issuance to officer to return to Court Clerk.

Response: The City will implement a system to ensure accountability for all ticket books of the City.

FINDING NO. 4

Criteria: The City is to maintain adequate internal controls to ensure accurate processing of transactions for the fair presentation of its financial records.

Cause of Condition: The City did not ensure all liabilities of the City were properly recorded on the general ledger of the City in the appropriate funds. The City accounts for all meter deposits of the City on the general ledger of the Electric Department. The meter deposits for the Water and Sewer fund cannot be identified and segregated from the deposits of the Electric Fund. Therefore, the general ledger and financial statements of the Water and Sewer Fund do not accurately report the liabilities associated with this fund.

Recommendation: The City should implement adequate internal controls to ensure proper presentation of liabilities of each fund of the City. The meter deposit listing should be segregated between amounts held for deposit by Electric Fund and Water and Sewer Fund.

Response: The City will take steps to develop a system to adequately segregate the meter deposits between the two funds and ensure the liability is recorded in the proper fund of the City.

FINDING NO. 5

Criteria: The City is to maintain adequate internal controls to ensure accurate processing of transactions for the fair presentation of its financial records. The City is to comply with state purchasing laws for all applicable purchases over certain dollar thresholds.

Cause of Condition: The City did not obtain comparative quotes or bids for several purchases during the year, as required by state statutes. Also, the City contracted for numerous improvements associated with an improvement project. The City did not satisfy the bid requirements for these improvements. The City obtained quotes for each individual improvement. However, according to state purchase laws, the City should have followed the bid requirements for the improvements.

Recommendation: The City should implement adequate internal controls over all state purchase laws to ensure that the City strictly adheres to the purchase laws in all departments of the City.

Response: The City will take steps necessary to ensure that controls over purchasing are revised to ensure future compliance.

FINDING NO. 6

Criteria: The City is to maintain adequate internal controls to ensure accurate processing of transactions for the fair presentation of its financial records.

Cause of Condition: The City does not have a computerized inventory system for tracking or valuing inventory for the Water and Sewer fund. Inventory counts were performed on all items on hand at year end. However, all items counted were not included on the year-end inventory listing used to value and record inventory. We noted some inventory tags used for counting inventory were not included in the final inventory valuation listing of the City. We noted several inventory items in which inventory pricing or valuation was not adequately documented.

Recommendation: The City should continue to develop an inventory system for the Water and Sewer fund. Inventory count procedures have improved but the City should continue to stress the importance of an accurate inventory count. The City should develop a system to ensure that all items on hand and counted are accurately reflected on the year-end inventory listing. The City should develop a system to adequately price and value all inventory items.

Response: The City has made significant improvements in accounting for the inventory of the Water and Sewer fund. The City will continue to improve and develop a system to adequately track and value all inventory of the water and sewer fund.

FINDING NO. 7

Criteria: The City is required, by state statutes, to prepare a budget for all required governmental funds of the City and to monitor and modify the budget as necessary to ensure all expenses are within the budgeted amounts. The City is further required to publish notice of any departmental budget amendments in excess of 10% of the originally adopted departmental budgeted amount.

Cause of Condition: The City had budget overages in some expense categories for the year ended September 30, 2015. The City failed to publish notice of amendments of greater than 10% of departmental expenditures during the fiscal year.

Recommendation: The City should ensure that all expenses are within the final amended budget amounts. The City Clerk should generate monthly budget to actual revenue and expense reports that should be used to ensure budgets are amended before expenses are disbursed in excess of budgeted amounts. The City should ensure that notice is published anytime that the City amends a departmental budget in excess of 10% of the originally budgeted amounts.

Response: The City will take steps necessary to provide the Board with accurate revenue and expense budget to actual comparisons on a monthly basis for all required accounts. The City will take steps necessary to ensure that budgets are amended prior to budget overages occurring. The City will ensure that the proper notice is published for all amendments of departmental budgets in excess of 10%.

FINDING NO. 8

Criteria: The City is required, by state statutes, to obtain a bond for employees handling or having custody of public funds.

Cause of Condition: The City did not obtain bonds for some employees handling or having custody of public funds.

Recommendation: The City should make a list of all city employees who are required by state statutes to be bonded and obtain bonds for each of them.

Response: The City will make a list of all city employees who are required by state statutes to be bonded and will obtain bonds for each of these employees.

FINDING NO. 9

Criteria: The City is to participate in the centralized pledging program (State Collateral Pool) to satisfy pledging requirements for deposits at financial institutions where the City maintains public funds.

Cause of Condition: The City did not ensure that all bank accounts were covered under the State Treasurer pool for the year ended September 30, 2015. Therefore, the City was not adequately covered by pledged securities under the State Collateral Pool.

Recommendation: The City should implement adequate controls to ensure that all relevant reports regarding the State Collateral Pool are maintained and should reconcile the reports with the financial records of the City.

Response: The City will ensure that it has all current State Collateral Pool reports from the State Treasurer so as to ensure that all City deposits are properly collateralized. The City will file the annual report with the State Treasurer and ensure all accounts are included in the future.

CITY OF OXFORD, MISSISSIPPI
SCHEDULE OF FINDINGS AND QUESTIONED COSTS
September 30, 2015

SECTION 3 – FEDERAL AWARD FINDINGS:

NONE

Findings 1, 2, 3, 5, 7, 8 and 9 are noncompliance findings.
Findings 2, 3, 4, 5 and 6 are material weaknesses.
Findings 7 and 9 are significant deficienies.