FINANCIAL REPORT

CITY OF OXFORD

Oxford, Mississippi

September 30, 2017

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

CITY OF OXFORD, MISSISSIPPI
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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, 2017, 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 43 percent and 69 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, 2017, 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.

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 52, and the schedule of the City's contributions on page 53 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, 2016 and ending June 30, 2017.

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 Title 2 U.S. Code of Federal Regulations (CFR) Part 200, Uniform Administrative Requirements, Costs Principles, and Suit Requirements for Federal Awards, 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 March April 17, 2018 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
April 17, 2018

CITY OF OXFORD, MISSISSIPPI
MANAGEMENT'S DISCUSSION AND ANALYSIS

Required Supplementary Information for the Year ended September 30, 2017

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, 2017. 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 $126,342,162. 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 $120,089,356, of which $0 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 $63,888,403, an increase of $11,962,528 in comparison to the prior year. Approximately 20% of the combined fund balances, $12,939,788 is considered unassigned and is available for spending at the City of Oxford's discretion.

- The City's total net position increased by $6,252,806. 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 $47,086,468. New debt in the amount of $7,500,000 was issued in the current fiscal year. Debt in the amount of $4,658,881 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 $126,342,162 at the close of the most recent fiscal year.

A large portion, 68 %, 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	
	2017	2016	2017	2016	2017	2016
Current and Other Assets	$ 66,914,941	$ 54,038,878	$ 29,502,457	$ 28,152,724	$ 96,417,398	$ 82,191,602
Capital Assets	68,529,865	67,801,014	64,549,989	64,028,892	133,079,854	131,829,906
Total Assets	135,444,806	121,839,892	94,052,446	92,181,616	229,497,252	214,021,508
Deferred Outflows	3,031,412	7,263,761	1,548,542	1,819,030	4,579,954	9,082,791
Total Deferred Outflows	3,031,412	7,263,761	1,548,542	1,819,030	4,579,954	9,082,791
Current and Other Liabilities	5,246,459	4,143,975	11,778,485	11,617,571	17,024,944	15,761,546
Long-Term Liabilities	57,814,065	55,432,598	31,249,749	30,901,497	89,063,814	86,334,095
Total Liabilities	63,060,524	59,576,573	43,028,234	42,519,068	106,088,758	102,095,641
Deferred Inflows	1,207,917	442,116	438,369	477,186	1,646,286	919,302
Total Deferred Inflows	1,207,917	442,116	438,369	477,186	1,646,286	919,302
Net Position:						
Net Investment in						
Capital Assets	42,603,542	46,535,143	43,389,844	41,049,414	85,993,386	87,584,557
Restricted	50,551,838	40,588,317	2,025,751	2,018,175	52,577,589	42,606,492
Unrestricted	(18,947,603)	(18,038,496)	6,718,790	7,936,803	(12,228,813)	(10,101,693)
Total Net Position	$ 74,207,777	$69,084,964	$ 52,134,385	$ 51,004,392	$ 126,342,162	$ 120,089,356

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 $6,718,790 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 31 percent of all revenue coming from some type of tax. (See Table A-2.) Another 57 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	
	2017	2016	2017	2016	2017	2016
Revenues						
Program Revenues:						
Charges for Services	$ 11,003,850	$ 10,044,924	$ 35,684,494	$ 33,641,227	$ 46,688,344	$ 43,686,151
Operating Grants & Contributions	2,581,442	2,094,142	0	0	2,581,442	2,094,142
Capital Grants & Contributions	43,609	999,614	0	479,120	43,609	1,478,734
General Revenues:						
Property Taxes	9,702,635	8,794,506	0	0	9,702,635	8,794,506
Sales Tax	9,721,820	9,146,938	0	0	9,721,820	9,146,938
Other Taxes	6,098,314	5,609,130	0	0	6,098,314	5,609,130
Intergovernmental Revenues	3,756,287	3,610,465	0	0	3,756,287	3,610,465
Investment Income	2,237,698	2,128,628	25,597	44,431	2,263,295	2,173,059
Other	588,724	1,011,325	262,323	286,146	851,047	1,297,471
Total Revenues	**45,734,379**	**43,439,672**	**35,972,414**	**34,450,924**	**81,706,793**	**77,890,596**
Expenses						
General Government	5,342,751	6,704,211	0	0	5,342,751	6,704,211
Public Safety	13,855,310	13,581,555	0	0	13,855,310	13,581,555
Public Works	9,277,464	8,968,684	0	0	9,277,464	8,968,684
Tourism Promotion	1,053,941	1,550,483	0	0	1,053,941	1,550,483
Culture & Recreation	7,011,880	6,245,649	0	0	7,011,880	6,245,649
Transit Operation	2,792,674	2,251,231	0	0	2,792,674	2,251,231
Other Functions	215,927	218,143	0	0	215,927	218,143
Debt Service	611,702	961,857	0	0	611,702	961,857
Water & Sewer	0	0	11,068,080	9,339,086	11,068,080	9,339,086
Electric	0	0	22,436,809	20,604,638	22,436,809	20,604,638
Capital Projects	0	251,973	0	0	0	251,973
Miscellaneous	0	0	0	0	0	0
Total Expenses	**40,161,649**	**40,733,786**	**33,504,889**	**29,943,724**	**73,666,538**	**70,677,510**
Excess of Revenue Over Expenses	5,572,730	2,705,886	2,467,525	4,507,200	8,040,255	7,213,086
Transfers	(449,917)	(1,195,779)	(1,337,532)	(522,244)	(1,787,449)	(1,718,023)
Increase (Decrease) in Net Position	**5,122,813**	**1,510,107**	**1,129,993**	**3,984,956**	**6,252,806**	**5,495,063**
Net Position--Beginning, as previously stated	**69,084,964**	**67,574,857**	**51,004,392**	**47,533,632**	**120,089,356**	**115,108,489**
Prior Period Adjustment	**0**	**0**	**0**	**(514,196)**	**0**	**(514,196)**
Net Position--Beginning, as restated	**69,084,964**	**67,574,857**	**51,004,392**	**47,019,436**	**120,089,356**	**114,594,293**
Net Position--Ending	**$ 74,207,777**	**$ 69,084,964**	**$ 52,134,385**	**$ 51,004,392**	**$ 126,342,162**	**$ 120,089,356**

Governmental Activities

Governmental activities increased the City's net position by $5,122,813, thereby accounting for 81.93 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 (24%), property taxes (21%), and sales tax (21%).

The largest expense categories for the City's governmental activities are public safety (34%) and public works (23%).

Business-type Activities

Business-type activities increased the City's net position by $1,129,993, thereby accounting for 18.07 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 $11,115,976 for water and $24,568,518 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 $12,676,979. 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 45% of total fund expenditures. The fund balance of the City's general fund increased by $2,093,608 during the current fiscal year.

Debt Service Fund—The debt service fund has a total fund balance of $86,681, all of which is committed for the payment of debt service. The net decrease in fund balance during the current year in the debt service fund was $76,296.

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 $5,184,292, 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 $9,281,255.

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 $52,134,385. Changes in net position, which totaled $1,129,993, were as follows: the electric fund increased by $1,156,325 and the water & sewer fund decreased by $26,332.

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 2016 -17 general fund operating budget increased by approximately $865,432 during the current fiscal year. This increase was primarily related to increases in expenditures that are related to capital projects and personnel expenses. The City's tax millage increased from 29.22 mills to 30.22 mills from 2016 to 2017.

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, 2017, amounted to $133,079,854, net of accumulated depreciation of $89,648,431. 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	
	2017	2016	2017	2016	2017	2016
Land	$ 6,750,620	$ 6,750,620	$ 1,108,463	$ 1,108,463	$ 7,859,083	$ 7,859,083
Plant, Buildings & Improvements	35,377,215	34,051,717	100,539,231	93,086,630	135,916,446	127,138,347
Machinery & Equipment	19,562,391	17,900,232	6,296,486	6,090,587	25,858,877	23,990,819
Infrastructure	47,507,837	47,183,494	0	0	47,507,837	47,183,494
Construction-in-progress	1,439,610	905,982	4,146,432	8,260,673	5,586,042	9,166,655
Accumulated Depreciation	(42,107,808)	(38,991,031)	(47,540,623)	(44,517,461)	(89,648,431)	(83,508,492)
Total	$ 68,529,865	$ 67,801,014	$ 64,549,989	$ 64,028,892	$ 133,079,854	$ 131,829,906

Long-term Debt—At year-end, the city had $47,086,468 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	
	2017	2016	2017	2016	2017	2016
General Obligation Bonds	$ 22,490,000	$ 16,915,000	$15,335,000	$ 16,740,000	$ 37,825,000	$ 33,655,000
Special Assessment Bonds	1,340,000	1,430,000	0	0	1,340,000	1,430,000
General Obligation Notes	1,509,154	1,934,937	0	0	1,509,154	1,934,937
Promissory Notes	587,169	985,934	5,825,145	6,239,478	6,412,314	7,225,412
Total	**$ 25,926,323**	**$ 21,265,871**	**$21,160,145**	**$ 22,979,478**	**$ 47,086,468**	**$ 44,245,349**

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 2018 budget. The total budgeted appropriations for the City general fund operations are $33,035,566. This budget reflects an increase of approximately $1,041,670. Notable increases included other services and charges in Highway and Street Maintenance and personnel services and capital outlay 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, 2017

	Primary Government		
	Governmental Activities	Business-Type Activities	Total
ASSETS:			
Cash and Cash Equivalents	$ 24,979,319	$ 17,757,011	$ 42,736,330
Investments	36,603,374	3,175,987	39,779,361
Accounts Receivable, net	-	5,080,599	5,080,599
Court Fines Receivable, net	552,693	-	552,693
Ad Valorem Taxes Receivable, net	173,364	-	173,364
Other Receivables	763,894	-	763,894
Due From Other Funds	4,200	-	4,200
Due From Other Governments	3,835,710	42,614	3,878,324
Prepaid Expenses	2,387	87,802	90,189
Inventories	-	1,293,776	1,293,776
Restriced Assets:			
Cash and Cash Equivalents - Restricted	-	5,000	5,000
Investments - Restricted	-	2,025,189	2,025,189
Unamortized Debt Expense	-	17,115	17,115
Investment in CSA	-	17,364	17,364
Capital Assets:			
Land	6,750,620	1,108,463	7,859,083
Plant, Buildings and Improvements	35,377,215	100,539,231	135,916,446
Machinery and Equipment	19,562,391	6,296,486	25,858,877
Infrastructure	47,507,837	-	47,507,837
Construction in Progress	1,439,610	4,146,432	5,586,042
Accumulated Depreciation	(42,107,808)	(47,540,623)	(89,648,431)
TOTAL ASSETS	$ 135,444,806	$ 94,052,446	$ 229,497,252
DEFERRED OUTFLOWS OF RESOURCES:			
Deferred Outflows - Pensions	3,031,412	1,548,542	4,579,954
TOTAL DEFERRED OUTFLOWS OF RESOURCES	$ 3,031,412	$ 1,548,542	$ 4,579,954

CITY OF OXFORD, MISSISSIPPI
STATEMENT OF NET POSITION
September 30, 2017

	Primary Government		
	Governmental Activities	Business-Type Activities	Total
LIABILITIES:			
Checks Issued in Excess of Cash Deposits	$ 765,509	$ -	$ 765,509
Accounts Payable and Accrued Expenses	1,521,652	5,996,587	7,518,239
Accrued Interest Payable	-	218,958	218,958
Due to Other Funds	4,200	-	4,200
Due to Other Governments	9,120	-	9,120
Long-Term Liabilities, due within one year			
Revenue Bonds & Notes Payable	2,945,978	1,875,871	4,821,849
Long-Term Liabilities, due in more than one year			
Revenue Bonds & Notes Payable	22,980,345	19,284,274	42,264,619
Customer Deposits	-	3,715,917	3,715,917
Net Pension Liability	33,664,567	11,635,190	45,299,757
Accrued Compensated Absences	1,169,153	301,437	1,470,590
TOTAL LIABILITIES	$ 63,060,524	$ 43,028,234	$ 106,088,758
DEFERRED INFLOWS OF RESOURCES:			
Deferred Inflows - Pensions	809,118	167,504	976,622
Deferred Charge on Refunding of Bonds, net Accumulated Amortization of $289,013	398,799	270,865	669,664
TOTAL DEFERRED INFLOWS OF RESOURCES	$ 1,207,917	$ 438,369	$ 1,646,286
NET POSITION:			
Net Investment in Capital Assets	42,603,542	43,389,844	85,993,386
Restricted for:			
Unemployment Benefits	-	5,000	5,000
Debt Service	193,162	2,020,751	2,213,913
Capital Projects	9,813,595	-	9,813,595
Special Revenue	40,545,081	-	40,545,081
Unrestricted	(18,947,603)	6,718,790	(12,228,813)
TOTAL NET POSITION	$ 74,207,777	$ 52,134,385	$ 126,342,162

See accompanying notes to financial statements.

CITY OF OXFORD, MISSISSIPPI
STATEMENT OF ACTIVITIES
For the Year Ended September 30, 2017

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	$ 5,342,751	$ 1,489,982	$ -	$ -	$ 1,489,982	$ (3,852,769)	$ -	$ (3,852,769)
Public Safety	13,855,310	1,493,879	423,035	23,000	1,939,914	(11,915,396)	-	(11,915,396)
Public Works	9,277,464	5,711,768	200,079	20,609	5,932,456	(3,345,008)	-	(3,345,008)
Culture and Recreation	7,011,880	1,984,212	90,236	-	2,074,448	(4,937,432)	-	(4,937,432)
Tourism Promotion	1,053,941	-	206,047	-	206,047	(847,894)	-	(847,894)
Transit Operation	2,792,674	324,009	1,662,045	-	1,986,054	(806,620)	-	(806,620)
Other Functions	215,927	-	-	-	-	(215,927)	-	(215,927)
Capital Projects	-	-	-	-	-	-	-	-
Debt Service	611,702	-	-	-	-	(611,702)	-	(611,702)
TOTAL GOVERNMENTAL ACTIVITIES	40,161,649	11,003,850	2,581,442	43,609	13,628,901	(26,532,748)	-	(26,532,748)
Business-Type Activities:								
Water and Sewer	11,068,080	11,115,976	-	-	11,115,976	-	47,896	47,896
Electric	22,436,809	24,568,518	-	-	24,568,518	-	2,131,709	2,131,709
TOTAL BUSINESS-TYPE ACTIVITIES	33,504,889	35,684,494	-	-	35,684,494	-	2,179,605	2,179,605
TOTAL PRIMARY GOVERNMENT	$ 73,666,538	$ 46,688,344	$ 2,581,442	$ 43,609	$ 49,313,395	$ (26,532,748)	$ 2,179,605	$ (24,353,143)
GENERAL REVENUES:								
Taxes:								
Property Taxes, Levied for General Purposes						$ 7,949,716	$ -	$ 7,949,716
Property Taxes, Levied for Debt Service						1,752,919	-	1,752,919
Sales Taxes						9,721,820	-	9,721,820
Special Taxes						4,420,567	-	4,420,567
County Pro Rata Taxes						910,394	-	910,394
Franchise Taxes						767,353	-	767,353
In Lieu Taxes						1,226,008	-	1,226,008
Gasoline Taxes & Other Taxes						200,366	-	200,366
Homestead Reimbursement						139,907	-	139,907
Fire Protection Allocation						105,912	-	105,912
Intergovernmental Revenues						2,074,661	-	2,074,661
Grants and Contributions not Restricted to Specific Programs						9,433	-	9,433
Investment Earnings						2,237,698	25,597	2,263,295
Gain (Loss) on Asset Disposal						2,364	(13)	2,351
Rental Revenue						-	238,628	238,628
Miscellaneous						586,360	23,708	610,068
Transfers						(449,917)	(1,337,532)	(1,787,449)
TOTAL GENERAL REVENUES AND TRANSFERS						31,655,561	(1,049,612)	30,605,949
CHANGE IN NET POSITION						5,122,813	1,129,993	6,252,806
NET POSITION--BEGINNING						69,084,964	51,004,392	120,089,356
NET POSITION--ENDING						$ 74,207,777	$ 52,134,385	$ 126,342,162

See accompanying notes to financial statements.

CITY OF OXFORD, MISSISSIPPI
BALANCE SHEET
GOVERNMENTAL FUNDS
September 30, 2017

	Major Funds				
	General Fund	Oxford Reserve & Trust Fund	2017A $7.5M GO Bond Fund	Other Governmental Funds	Total Governmental Funds
ASSETS:					
Cash on Deposit	$ 10,100,381	$ -	$ 532,340	$ 14,346,598	$ 24,979,319
Investments	1,038,529	35,360,789	-	204,056	36,603,374
Prepaid Expenses	-	-	-	2,387	2,387
Other Receivables	597,346	-	-	166,548	763,894
Due From Other Funds	-	-	-	4,200	4,200
Due From Other Governments	2,629,206	-	-	1,206,504	3,835,710
TOTAL ASSETS	$ 14,365,462	$ 35,360,789	$ 532,340	$ 15,930,293	$ 66,188,884
LIABILITIES:					
Checks Issued in Excess of Cash Deposits	$ -	$ -	$ -	$ 765,509	$ 765,509
Accounts Payable and Accrued Expenses	909,096	-	-	612,556	1,521,652
Due to Other Funds	4,200	-	-	-	4,200
Due to Other Governments	9,120	-	-	-	9,120
TOTAL LIABILITIES	922,416	-	-	1,378,065	2,300,481
FUND BALANCES:					
Nonspendable	52,171	-	-	2,387	54,558
Committed					
Public Safety	4,844	-	-	-	4,844
Cultural and Recreation	41,732	-	-	847,475	889,207
Debt Service	-	-	-	193,162	193,162
Tourism	-	-	-	55,573	55,573
Restricted					
Capital Projects	-	-	532,340	9,281,255	9,813,595
Forestry	30,513	-	-	-	30,513
IDF Interlock Device Funds	6,709	-	-	-	6,709
Transit Operations	-	-	-	73,214	73,214
Tourism	-	-	-	2,507,232	2,507,232
Cultural and Recreation	-	-	-	24,322	24,322
Permanent Fund Principal	-	35,360,789	-	681,202	36,041,991
Public Safety	-	-	-	623,597	623,597
Economic Development	-	-	-	-	-
Assigned					
Cemetery	574,061	-	-	-	574,061
London Bus	5,535	-	-	-	5,535
Historic Homes Fund	50,502	-	-	-	50,502
Unassigned	12,676,979	-	-	262,809	12,939,788
TOTAL FUND BALANCES	13,443,046	35,360,789	532,340	14,552,228	63,888,403
TOTAL LIABILITIES AND FUND BALANCES	$ 14,365,462	$ 35,360,789	$ 532,340	$ 15,930,293	$ 66,188,884

See accompanying notes to financial statements.

CITY OF OXFORD, MISSISSIPPI
RECONCILIATION OF GOVERNMENTAL FUNDS BALANCE SHEET
TO THE STATEMENT OF NET POSITION
September 30, 2017

TOTAL FUND BALANCES - TOTAL GOVERNMENTAL FUNDS	$	63,888,403
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.		68,529,865
Long-term liabilities are not due and payable in the current period and therefore they are not reported in the Governmental Funds Balance Sheet.		(25,926,323)
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.		173,364
Accrued compensated absences are not due and payable in the current period and therefore they are not reported in the governmental funds balance sheet.		(1,169,153)
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		(33,664,567)
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		3,031,412
Deferred inflows of resources related to pensions		(809,118)
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.		(398,799)
Accrual of court fine revenues to qualify as financial resources.		552,693
NET POSITION OF GOVERNMENTAL ACTIVITIES	$	74,207,777

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, 2017

	Major Funds				
	General Fund	Oxford Reserve & Trust Fund	2017A $7.5M GO Bond Fund	Other Governmental Funds	Total Governmental Funds
REVENUES:					
General Property Taxes	$ 7,942,541	$ -	$ -	$ 1,752,919	$ 9,695,460
Sales and Use Taxes	9,721,820	-	-	-	9,721,820
Special Taxes	-	-	-	4,420,567	4,420,567
Licenses and Permits	1,279,491	-	-	-	1,279,491
Franchise Fees	767,353	-	-	-	767,353
In Lieu - Utility Department	965,000	-	-	-	965,000
Penalties and Interest	210,491	-	-	-	210,491
Intergovernmental Revenues	2,591,251	-	-	205,651	2,796,902
Grant Income	676,414	-	-	1,735,792	2,412,206
Local Matching Funds	-	-	-	904,779	904,779
Charges for Services	6,512,223	-	-	324,009	6,836,232
Fines and Forfeitures	1,032,485	-	-	391,917	1,424,402
Interest Income	14,732	-	-	1,536	16,268
Net Investment Income	-	806,048	-	-	806,048
Sale of Land and Surplus Equipment	23,747	-	-	-	23,747
Cemetery	114,797	-	-	-	114,797
Facility Rental Income	-	-	-	1,183,757	1,183,757
Sponsorships	-	-	-	145,300	145,300
Donations/Contributions	57,545	-	-	-	57,545
Miscellaneous Revenues	466,463	-	-	5,100	471,563
TOTAL REVENUES	32,376,353	806,048	-	11,071,327	44,253,728
EXPENDITURES:					
Current:					
General Government	4,874,940	-	-	-	4,874,940
Public Safety	11,524,005	-	-	434,531	11,958,536
Public Works	8,029,147	-	-	-	8,029,147
Culture and Recreation	4,500,537	-	-	1,192,230	5,692,767
Tourism Promotion	-	-	-	1,911,865	1,911,865
Transit Operation	-	-	-	2,808,831	2,808,831
Other Functions	-	-	-	66,156	66,156
Capital Projects	-	-	-	2,106,405	2,106,405
Debt Service	881,584	-	137,332	2,458,774	3,477,690
TOTAL EXPENDITURES	29,810,213	-	137,332	10,978,792	40,926,337
EXCESS OF REVENUES OVER (UNDER) EXPENDITURES	2,566,140	806,048	(137,332)	92,535	3,327,391
OTHER FINANCING SOURCES (USES):					
Transfers from (to) Oxford Tourism Council	-	-	-	(869,147)	(869,147)
Transfers from (to) Other Funds	(472,532)	(848,677)	(7,000,000)	8,740,439	419,230
Unrealized Gain (Loss) from Investments	-	1,415,382	-	-	1,415,382
Proceeds from Issuance of Debt	-	-	7,669,672	-	7,669,672
TOTAL OTHER FINANCING SOURCES (USES)	(472,532)	566,705	669,672	7,871,292	8,635,137
NET CHANGE IN FUND BALANCES	2,093,608	1,372,753	532,340	7,963,827	11,962,528
FUND BALANCES - Beginning,	11,349,438	33,988,036	-	6,588,401	51,925,875
FUND BALANCES - Ending	$ 13,443,046	$ 35,360,789	$ 532,340	$ 14,552,228	$ 63,888,403

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, 2017

NET CHANGE IN FUND BALANCES - TOTAL GOVERNMENTAL FUNDS	$	11,962,528
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.		4,073,973
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.		(3,333,739)
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.		(21,383)
Donations of capital assets increase net position in the statement of activities, but do not appear in the governmental funds because they are not financial resources.		10,000
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.		7,175
Increase in accrual of compensated absences.		(60,461)
Revenues in the statement of activities that do not provide current financial resources and are not reported as revenues in the funds.		69,477
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		2,194,721
Pension expense		(4,975,794)
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.		26,440
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.		(7,500,000)
This amount represents long-term debt repayments and issuance costs.		2,839,548
This amount represents premium on issuance of bonds		(169,672)
CHANGE IN NET POSITION OF GOVERNMENTAL ACTIVITIES	$	5,122,813

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, 2017

	Budget			Variance with Final Budget
	Original	Final	Actual	Over (Under)
REVENUES:				
General Property Taxes	$ 8,823,374	$ 8,944,374	$ 8,846,517	$ (97,857)
Sales and Use Taxes	8,720,690	9,816,000	9,785,750	(30,250)
Licenses and Permits	910,500	1,270,500	1,279,491	8,991
Franchise Fees	610,000	756,000	756,316	316
In Lieu - Utility Department	965,000	965,000	965,000	-
Penalties and Interest	175,000	205,000	210,491	5,491
Intergovernmental Revenues	1,662,000	1,990,000	1,845,507	(144,493)
Grant Income	653,065	842,106	704,080	(138,026)
Charges for Services	4,538,820	5,065,820	5,678,581	612,761
Fines and Forfeits	817,500	962,400	1,032,485	70,085
Parking Meter Revenues	624,000	820,000	821,798	1,798
Interest Income	30,000	30,000	14,732	(15,268)
Sale of Land and Surplus Equipment	-	-	23,747	23,747
Cemetery	50,000	113,000	114,797	1,797
Miscellaneous Revenues	471,927	693,427	524,008	(169,419)
TOTAL REVENUES	29,051,876	32,473,627	32,603,300	129,673
EXPENDITURES:				
Current:				
General Government	5,225,388	5,436,875	4,874,940	561,935
Public Safety	11,721,010	11,884,313	11,524,005	360,308
Public Works	9,126,992	9,269,205	8,029,147	1,240,058
Culture and Recreation	4,395,925	4,513,925	4,500,537	13,388
Debt Service	659,149	889,578	881,584	7,994
TOTAL EXPENDITURES	31,128,464	31,993,896	29,810,213	2,183,683
EXCESS OF REVENUES OVER (UNDER) EXPENDITURES	(2,076,588)	479,731	2,793,087	2,313,356
OTHER FINANCING SOURCES (USES):				
Transfers (to) from Other Funds	(564,783)	(383,783)	(472,532)	(88,749)
Proceeds from Issuance of Debt	-	-	-	-
TOTAL OTHER FINANCING SOURCES (USES)	(564,783)	(383,783)	(472,532)	(88,749)
EXCESS (DEFICIENCY) OF REVENUES AND OTHER SOURCES OVER FINANCING AND OTHER USES	$ (2,641,371)	$ 95,948	$ 2,320,555	$ 2,224,607

See accompanying notes to financial statements.

CITY OF OXFORD, MISSISSIPPI
2017A $7.5M GO BOND FUND STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES-BUDGET AND ACTUAL - BUDGETARY BASIS
For the Year Ended September 30, 2017

	Budget			Variance with Final Budget
	Original	Final	Actual	Over (Under)
REVENUES:				
Miscellaneous Revenues	$ -	$ -	$ -	$ -
TOTAL REVENUES	-	-	-	-
EXPENDITURES:				
Current:				
Debt Service	-	150,000	137,332	12,668
TOTAL EXPENDITURES	-	150,000	137,332	12,668
EXCESS OF REVENUES OVER (UNDER) EXPENDITURES	-	(150,000)	(137,332)	12,668
OTHER FINANCING SOURCES (USES):				
Transfers (to) from Other Funds	-	-	(7,000,000)	(7,000,000)
Proceeds from Issuance of Debt	-	7,550,000	7,669,672	119,672
TOTAL OTHER FINANCING SOURCES (USES)	-	7,550,000	669,672	(6,880,328)
EXCESS (DEFICIENCY) OF REVENUES AND OTHER SOURCES OVER FINANCING AND OTHER USES	$ -	$ 7,400,000	$ 532,340	$ (6,867,660)

See accompanying notes to financial statements.

CITY OF OXFORD, MISSISSIPPI
STATEMENT OF NET POSITION -
PROPRIETARY FUND TYPES
September 30, 2017

	BUSINESS-TYPE ACTIVITIES-- PROPRIETARY FUND		
	ELECTRIC FUND	WATER & SEWER FUND	TOTAL
ASSETS:			
Current Assets:			
Cash and Cash Equivalents	$ 7,331,157	$ 10,425,854	$ 17,757,011
Investments	10,283	3,165,704	3,175,987
Receivables, net	3,139,723	1,940,876	5,080,599
Due from Other Funds	-	-	-
Due from Other Governments	-	42,614	42,614
Inventories	710,626	583,150	1,293,776
Prepaid Expenses	87,802	-	87,802
Total Current Assets	11,279,591	16,158,198	27,437,789
Noncurrent Assets:			
Restricted Assets			
Cash and Cash Equivalents - Restricted	5,000	-	5,000
Investments - Restricted	344,650	1,680,539	2,025,189
Unamortized Debt Expense	17,115	-	17,115
Investment in CSA	17,364	-	17,364
Capital Assets:			
Land	908,953	199,510	1,108,463
Plants, Buildings & Improvements	35,119,488	65,419,743	100,539,231
Machinery & Equipment	2,844,553	3,451,933	6,296,486
Accumulated Depreciation	(11,574,307)	(35,966,316)	(47,540,623)
Construction Work In Progress	765,905	3,380,527	4,146,432
Total Noncurrent Assets	28,448,721	38,165,936	66,614,657
TOTAL ASSETS	39,728,312	54,324,134	94,052,446
DEFERRED OUTFLOWS OF RESOURCES			
Deferred Outflows - Pensions	903,802	644,740	1,548,542
TOTAL DEFERRED OUTFLOWS OF RESOURCES	$ 903,802	$ 644,740	$ 1,548,542

CITY OF OXFORD, MISSISSIPPI
STATEMENT OF NET POSITION -
PROPRIETARY FUND TYPES
September 30, 2017

	BUSINESS-TYPE ACTIVITIES-ENTERPRISE FUNDS		
	ELECTRIC FUND	WATER & SEWER FUND	TOTAL
LIABILITIES			
Current Liabilities:			
Accounts Payable and Accrued Expenses	$ 5,825,862	$ 141,877	$ 5,967,739
Accrued Interest Payable	4,438	214,520	218,958
Due to Other Funds	-	-	-
Current Portion of Long-Term Debt	410,000	1,465,871	1,875,871
Customer Deposits	3,715,917	-	3,715,917
Total Current Liabilities	9,956,217	1,822,268	11,778,485
Long-Term Liabilities:			
Other Liabilities	28,848	-	28,848
Compensated Absences	133,748	167,689	301,437
Net Pension Liability	4,514,925	7,120,265	11,635,190
Bonds, Notes, & Loans Payable, net of current portion	425,000	18,859,274	19,284,274
Total Long-Term Liabilities	5,102,521	26,147,228	31,249,749
Total Liabilities	15,058,738	27,969,496	43,028,234
DEFERRED INFLOWS OF RESOURCES			
Deferred Charge on Refunding Bonds, net	-	270,865	270,865
Deferred Inflows - Pensions	11,998	155,506	167,504
TOTAL DEFERRED INFLOWS OF RESOURCES	11,998	426,371	438,369
NET POSITION			
Net Investmet in Capital Assets	27,229,592	16,160,252	43,389,844
Reserved for Unemployment Benefits	5,000	-	5,000
Reserved for Debt Service	340,212	1,680,539	2,020,751
Unrestricted	(2,013,426)	8,732,216	6,718,790
TOTAL NET POSITION	$ 25,561,378	$ 26,573,007	$ 52,134,385

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, 2017

	BUSINESS-TYPE ACTIVITIES-PROPRIETARY FUND		
	ELECTRIC FUND	WATER & SEWER FUND	TOTALS
OPERATING REVENUE:			
Charges For Services	$ 24,280,638	$ 11,115,976	$ 35,396,614
Other	287,880	-	287,880
Total Operating Revenue	24,568,518	11,115,976	35,684,494
OPERATING EXPENSES:			
Operations	20,866,663	7,320,594	28,187,257
Maintenance	531,122	201,693	732,815
Depreciation and Amortization Expense	965,499	2,942,545	3,908,044
Taxes	-	-	-
Total Operating Expenses	22,363,284	10,464,832	32,828,116
Net Operating Income (Loss)	2,205,234	651,144	2,856,378
NON-OPERATING INCOME (EXPENSES):			
Interest Income	2,869	22,728	25,597
Gain (Loss) on Disposal of Fixed Asset	-	(13)	(13)
Grant Income/ Capital Contributions	-	-	-
Debt Issue Expense	-	-	-
Amortization of Debt Expense	(12,081)	88,232	76,151
Rent Revenue	-	238,628	238,628
Miscellaneous Income (Expense)	(13,253)	36,961	23,708
Interest Expense	(61,444)	(691,480)	(752,924)
Total Non-Operating Income (Loss)	(83,909)	(304,944)	(388,853)
Income before Operating Transfers	2,121,325	346,200	2,467,525
OPERATING TRANSFERS IN (OUT):	(965,000)	(372,532)	(1,337,532)
Change in Net Position	1,156,325	(26,332)	1,129,993
Total Net Position - Beginning, as previously stated	24,405,053	26,599,339	51,004,392
Total Net Position - Ending	$ 25,561,378	$ 26,573,007	$ 52,134,385

See accompanying notes to financial statements.

CITY OF OXFORD, MISSISSIPPI
STATEMENT OF CASH FLOWS - PROPRIETARY FUNDS
For the Year Ended September 30, 2017

	ELECTRIC FUND	WATER & SEWER FUND	TOTALS
Cash Flows from Operating Activities:			
Receipts from Customers	$ 24,660,811	$ 11,227,028	$ 35,887,839
Payments to Suppliers	(20,174,574)	(1,200,803)	(21,375,377)
Payments to Employees	(1,002,436)	(3,344,786)	(4,347,222)
Payments for Other Services and Charges	(965,000)	(981,946)	(1,946,946)
Other Receipts (Payments)	-	-	-
Net Cash Provided By (Used In) Operating Activities	2,518,801	5,699,493	8,218,294
Cash Flows from Noncapital Financing Activities:			
Transfers In (Out)	-	(372,532)	(372,532)
Net Cash Provided By (Used In) Noncapital Financing Activities	-	(372,532)	(372,532)
Cash Flows from Capital and Related Financing Activities:			
Purchases of Capital Assets	(1,798,524)	(2,150,565)	(3,949,089)
Plant Removal Cost	(537,269)	-	(537,269)
Materials Salvaged from Retirements	57,204	-	57,204
Proceeds From Sale of Capital Assets	-	-	-
Principal Paid on Capital Debt	(400,000)	(1,419,333)	(1,819,333)
Interest Paid on Capital Debt	(63,277)	(603,248)	(666,525)
Other Receipts (Payments)	-	36,961	36,961
Net Cash Provided By (Used In) Capital and Related Financing Activities	(2,741,866)	(4,136,185)	(6,878,051)
Cash Flows from Investing Activities:			
Purchase of Investments	(359,933)	(17,675)	(377,608)
Proceeds From Sale of Investments	359,981	-	359,981
Interest and Dividends	2,869	22,728	25,597
Other Receipts (Payments)	(13,253)	238,628	225,375
Net Cash Provided By (Used In) Investing Activities	(10,336)	243,681	233,345
Net Increase (Decrease) In Cash and Cash Equivalents	(233,401)	1,434,457	1,201,056
Cash and Cash Equivalents--Beginning	7,569,558	8,991,397	16,560,955
Cash and Cash Equivalents--Ending	$ 7,336,157	$ 10,425,854	$ 17,762,011
Reconciliation of Operating Income (Loss) to Net Cash Provided By (Used In) Operating Activities:			
Operating Income (Loss)	$ 2,205,234	$ 651,144	$ 2,856,378
Adjustments to Reconcile Operating Income (Loss) to Net Cash Provided By (Used In) Operating Activities:			
Depreciation and Amortization Expense	965,499	2,942,545	3,908,044
Amounts Paid to City - Tax Equivalents	(965,000)	-	(965,000)
Pension Expense - Actuarially Determined	(320,128)	1,508,068	1,187,940
(Increase) Decrease in Accounts Receivable	(114,289)	111,052	(3,237)
(Increase) Decrease in Prepaid Items	(85,863)	-	(85,863)
(Increase) Decrease in Deferred Charges	673,450	551,799	1,225,249
(Increase) Decrease in Inventory	52,477	(106,508)	(54,031)
(Increase) Decrease in Compensated Absences	37,082	4,234	41,316
Increase (Decrease) in Accounts Payable	(152,486)	37,159	(115,327)
Increase (Decrease) in Accrued Interest Payable	1,290	-	1,290
Increase (Decrease) in Customer Deposits	221,535	-	221,535
Total Adjustments	313,567	5,048,349	5,361,916
Net Cash Provided By (Used In) Operating Activities	$ 2,518,801	$ 5,699,493	$ 8,218,294

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, 2017, 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 $921,198 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 $54,558 of nonspendable fund balance as of September 30, 2017.
- 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 IDF Interlock Device 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 $7.5M GO Bond 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 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 $630,098 of assigned fund balance as of September 30, 2017.
- 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:

	2017		2016	
	City	School District	City	School District
General Fund	22.18	0.00	19.53	0.00
Park & Recreation	2.00	0.00	2.00	0.00
Library	0.96	0.00	1.02	0.00
City Debt Service				
2012 GO Bonds	1.42	0.00	1.40	0.00
2010 GO Bonds	1.27	0.00	1.25	0.00
2004 GO Bonds	0.00	0.00	0.60	0.00
2007 GO Bonds	0.00	0.00	2.20	0.00
2009 GO Bonds	1.24	0.00	1.22	0.00
2015 GO Bonds	1.15	0.00	0.00	0.00
School Bond & Interest	0.00	10.27	0.00	10.91
School Votec Center	0.00	0.55	0.00	0.60
School Maintenance Fund	0.00	47.85	0.00	47.16
Total	30.22	58.67	29.22	58.67

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, 2017:

Primary Government:

	Balance 10/1/2016	Additions	Transfers/ Disposals	Balance 9/30/2017
Capital Assets, not being depreciated:				
Land	$ 6,750,620	$ 0	$ 0	$ 6,750,620
Construction in Progress	905,982	1,459,665	(926,037)	1,439,610
Total Capital Assets, not being depreciated	7,656,602	1,459,665	(926,037)	8,190,230
Capital Assets being depreciated				
Plant, Buildings & Improvements	34,051,717	723,804	601,694	35,377,215
Infrastructure	47,183,494	0	324,343	47,507,837
Machinery & Equipment	17,900,232	1,900,504	(238,345)	19,562,391
Total Capital Assets being depreciated	99,135,443	2,624,308	687,692	102,447,443
Less: Accumulated Depreciation for:				
Plant, Buildings & Improvements	(6,990,337)	(886,691)	0	(7,877,028)
Infrastructure	(20,399,011)	(1,060,822)	0	(21,459,833)
Machinery & Equipment	(11,601,683)	(1,386,226)	216,962	(12,770,947)
Total Accumulated Depreciation	(38,991,031)	(3,333,739)	216,962	(42,107,808)
Total Capital Assets, depreciated, net	60,144,412	(709,431)	904,654	60,339,635
Governmental Activities Capital Assets	$ 67,801,014	$ 750,234	$ (21,383)	$ 68,529,865

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, 2017 follows:

	Balance 10/1/2016	Additions	Transfers/ Disposals	Balance 9/30/2017
Capital Assets, not being depreciated:				
Land	$ 1,108,463	$ 0	$ 0	$ 1,108,463
Construction in Progress	8,260,673	1,990,241	(6,104,482)	4,146,432
Total Capital Assets, not being depreciated	9,139,136	1,990,241	(6,104,482)	5,254,895
Capital Assets being depreciated				
Plant, Buildings & Improvements	93,086,630	1,735,129	5,717,472	100,539,231
Machinery & Equipment	6,090,587	319,382	(113,483)	6,296,486
Total Capital Assets being depreciated	99,177,217	2,054,511	5,603,989	106,835,717
Less: Accumulated Depreciation for:				
Plant, Buildings & Improvements	(40,122,453)	(3,666,082)	878,816	(42,909,719)
Machinery & Equipment	(4,395,008)	(337,627)	101,731	(4,630,904)
Total Accumulated Depreciation	(44,517,461)	(4,003,709)	980,547	(47,540,623)
Total Capital Assets, depreciated, net	54,659,756	(1,949,198)	6,584,536	59,295,094
Business Type Activities Capital Assets	$ 64,028,892	$ 41,043	$ (480,054)	$ 64,549,989

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	$ 226,353
Public Safety	664,733
Public Works	1,461,805
Culture & Recreation	804,477
Tourism Promotion	30,221
Transit Operations	146,150
Total Depreciation Expense – Governmental Activities	$ 3,333,739

NOTE 4 - FIXED ASSETS (continued)

Business-type Activities:	
Electric Department	$ 965,499
Water and Sewer	2,942,545
Total Depreciation Expense – Business-type Activities	$ 3,908,044

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, 2017 are as follows:

Fiscal Year Ending	Governmental Activities		Business-type Activities		
September 30,	Principal	Interest	Principal	Interest	Total
2018	$ 2,945,978	$ 639,527	$ 1,875,871	$ 672,669	$ 6,134,045
2019	2,912,855	576,219	1,957,731	608,509	6,055,314
2020	2,706,353	510,968	1,629,922	552,206	5,399,449
2021	2,597,390	446,522	1,702,452	498,991	5,245,355
2022	1,733,447	381,148	1,755,331	445,000	4,314,926
2023-2027	8,378,862	1,259,335	8,937,749	1,352,698	19,928,644
2028-2032	2,301,438	1,295,496	3,301,089	241,877	7,139,900
2033-2037	2,350,000	216,000	0	0	2,566,000
Total	$ 25,926,323	$ 5,325,215	$ 21,160,145	$ 4,371,950	$ 56,783,633

NOTE 5 - LONG-TERM DEBT (continued)

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

Governmental Activities General Obligation Bonds & Notes:	Balance 10/01/16	Issued	Retired	Balance 09/30/17	Current Maturity
General Obligation Bond Series 2017A, $7,500,000 with interest at 3.0% maturing in 2037	$ 0	$ 7,500,000	$ 0	$ 7,500,000	$ 270,000
General Obligation Bond Series 2007, $9,000,000 with interest at 4.0% to 5.0% maturing in 2027 (refunded in 2016)	425,000	0	425,000	0	0
General Obligation Refunding Bond Series 2010, $7,085,000 with interest at 2.0% to 3.0% maturing in 2021	3,555,000	0	675,000	2,880,000	695,000
General Obligation Bond Series 2009, $3,800,000 with interest at 3.0% to 3.75% maturing in 2024	2,335,000	0	250,000	2,085,000	260,000
General Obligation Bond Series 2012, $5,500,000 with interest at 1.625% to 2.25% maturing in 2027	4,230,000	0	340,000	3,890,000	345,000
General Obligation Note Series 2012, $500,000 with interest at 1.43% maturing in 2017	105,000	0	0	105,000	105,000
General Obligation Note Series 2014, $500,000 with interest at 1.66% maturing in 2019	304,937	0	100,783	204,154	101,636
General Obligation Note Series 2014, $900,000 with interest at 1.45% maturing in 2019	725,000	0	175,000	550,000	180,000
General Obligation Note Series 2016, $800,000 with interest at 2.19% maturing in 2021	800,000	0	150,000	650,000	155,000

NOTE 5 - LONG-TERM DEBT (continued)

	Balance 10/01/16	Issued	Retired	Balance 09/30/17	Current Maturity
General Obligation Refunding Bond Series 2015, $6,590,000 with interest at 2.0% to 2.5% maturing in 2027	$ 6,370,000	$ 0	$ 235,000	$ 6,135,000	$ 690,000
Total General Obligation Bonds & Notes	$ 18,849,937	$ 7,500,000	$ 2,350,783	$ 23,999,154	$ 2,801,636
Special Assessment Bonds:					
Special Assessment Bond Series 2014, $1,600,000 with interest at 2.250% to 2.625% maturing in 2029	$ 1,430,000	$ 0	$ 90,000	$ 1,340,000	$ 95,000
Total Special Assessment Bonds	$ 1,430,000	$ 0	$ 90,000	$ 1,340,000	$ 95,000
Other Notes Payable:					
State of Mississippi - CAP Loan $533,477 with interest at 2.0% maturing 2019	$ 172,201	$ 0	$ 172,201	$ 0	$ 0
State of Mississippi - CAP Loan $1,000,000 with interest at 2.0% maturing 2028	640,525	0	53,356	587,169	49,342
State of Mississippi - CAP Loan $310,000 with interest at 2.0% maturing 2021	173,208	0	173,208	0	0
Total Other Notes Payable	$ 985,934	0	$ 398,765	$ 587,169	$ 48,342
Total Governmental Activities	$ 21,265,871	$ 7,500,000	$ 2,839,548	$ 25,926,323	$ 2,945,978

NOTE 5 - LONG-TERM DEBT (continued)

Business-Type Activities	Balance 10/01/16	Issued	Retired	Balance 09/30/17	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	$ 3,845,000	$ 0	$ 175,000	$ 3,670,000	$ 320,000
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	135,000	0	135,000	0	0
Water & Sewer Revenue Bonds Series 2008- $3,450,000 original issue with interest at 3.625% to 4.5%, maturing 2028	2,450,000	0	155,000	2,295,000	160,000
Water & Sewer Revenue Bonds Series 2011- $8,500,000 original issue with interest at 3.0% to 4.3%, maturing 2031	7,085,000	0	330,000	6,755,000	345,000
Water & Sewer Refunding Bonds Series 2012- $2,360,000 original issue with interest at 1.0% to 2.625%, maturing 2025	1,990,000	0	210,000	1,780,000	215,000
Electric System Revenue Bonds Series 2011- $3,335,000 original issue with interest at 2.25% to 3.125%, maturing 2019	1,235,000	0	400,000	835,000	410,000
Total Revenue Bonds	$ 16,740,000	$ 0	$ 1,405,000	$ 15,335,000	$ 1,450,000

NOTE 5 - LONG-TERM DEBT (continued)

	Balance 10/01/16	Issued	Retired	Balance 09/30/17	Current Maturity
Other Notes Payable:					
State of Mississippi – DEQ RLF $8,813,809 with interest at 2.75% maturing 2029	$ 6,239,478	$ 0	$ 414,333	$ 5,825,145	$ 425,871
Total Other Notes Payable	6,239,478	0	414,333	5,825,145	425,871
Total Business-Type Activities	$ 22,979,478	$ 0	$ 1,819,333	$ 21,160,145	$ 1,875,871

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.

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.

NOTE 6 - DEFINED BENEFIT PENSION PLAN (continued)

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 you reach age 55 (Retirement Tiers 1 through 3) or age 60 (Retirement Tier 4), plus 3% compounded for each fiscal year thereafter, beginning with the fiscal year in which you turn age 55.

Employee membership data related to the Plan, as of June 30, 2017 was as follows:

Retirees and Survivors	102,260
Terminated Vested Employees	16,682
Inactive Nonvested Members	50,170
Active Members	152,382
Total	321,494

Employee membership data related to the Plan, as of June 30, 2016 was as follows

Retirees and Survivors	99,483
Terminated Vested Employees	19,400
Inactive Nonvested Members	123,235
Active Members	154,104
Total	396,222

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.

For the year ended September 30, 2017, the City of Oxford's total payroll for all employees was $17,483,551. Total covered payroll was $17,475,137. Covered payroll refers to all compensation paid by the City (including Oxford Tourism Council and Oxford-Electric Department) 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, 2017, the City of Oxford (including the Oxford Tourism Council) reported a liability of $40,784,832 for its proportionate share of the net pension liability. The net pension liability was measured as of June 30, 2017, 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, 2017, the City of Oxford-Electric Department reported a liability of $4,514,925 for its

NOTE 6 - DEFINED BENEFIT PENSION PLAN (continued)

proportionate share of the net pension liability. The net pension liability was measured as of June 30, 2016, 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, 2017, the City of Oxford (including Oxford Tourism Council)'s proportion was 0.245346%. At June 30, 2016, The City of Oxford-Electric's proportion was 0.025276%.

For the year ended September 30, 2017, the City of Oxford (including Oxford Tourism Council) recognized pension expense of $7,392,241. At September 30, 2017, 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	$ 585,947	$ 297,595
City Pension Contributions Subsequent to the Measurement Date	675,418	0
Changes of Assumptions	906,492	69,498
Net Difference Between Projected and Actual Investment Earnings on Investments	0	523,642
Changes in Proportion and Differences Between ER Contributions and Proportionate Share of ER Contributions	1,508,295	73,889
Total	$ 3,676,152	$ 964,624

The $675,418 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, 2018. 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
2017	$ 1,314,635
2018	1,247,353
2019	261,936
2020	(787,814)
Total	$ 2,036,110

NOTE 6 - DEFINED BENEFIT PENSION PLAN (continued)

For the year ended June 30, 2017, the City of Oxford-Electric Department recognized pension expense of $555,668. At June 30, 2017, 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	$ 125,933	$ 0
City Pension Contributions Subsequent to the Measurement Date	259,162	0
Changes in Assumptions	212,843	11,998
Net Difference Between Projected and Actual Earnings on Pension Plan Assets	305,864	0
Total	$ 903,802	$ 11,998

The $259,162 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, 2018. Other amounts reported as deferred outflows of resources and deferred inflows of resources will be recognized in pension.

Fiscal Year Ending June 30,	Amount
2017	$ 219,389
2018	165,183
2019	158,261
2020	89,809
Total	$ 632,642

Actuarial Assumptions-The City of Oxford-Electric pension liability was determined by an actuarial valuation as of June 30, 2016, 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

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, 2017, using the following actuarial assumptions, applied to all periods included in the measurement:

Inflation	3.00%
Salary increases	3.25-18.50%, average, including inflation
Investment rate of return	7.75%, net of pension plan investment expense, including inflation

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-Electric Department.

Mortality rates were based on the RP-2014 Healthy Annuitant Blue Collar MortalityTable projected with Scale BB to 2022, with male rates set forward one year for males with adjustments for the City of Oxford.

The actuarial assumptions used in the June 30, 2016 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 actuarial assumptions used in the June 30, 2017 valuation were based on the results of an actuarial experience study for the period July 1, 2012 to June 30, 2016. The experience report is dated April 18, 2017.

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, 2017 and 2016, are summarized in the following table:

	2016		2017	
Asset Class	Target Allocation	Long-Term Expected Real Rate of Return	Target Allocation	Long-Term Expected Real Rate of Return
U.S. Broad	34.00%	5.20%	27.00%	4.60%
International Equity	19.00%	5.00%	18.00%	4.50%
Emerging Markets Equity	8.00%	5.45%	4.00%	4.75%
Global	0.00%	0.00%	12.00%	4.75%
Fixed Income	20.00%	0.25%	18.00%	0.75%
Real Assets	10.00%	4.00%	10.00%	3.50%
Private Equity	8.00%	6.15%	8.00%	5.10%
Emerging Debt	0.00%	0.00%	2.00%	2.25%
Cash	1.00%	(0.50)%	1.00%	0.00%
Total	100.00%		100.00%	

NOTE 6 - DEFINED BENEFIT PENSION PLAN (continued)

Discount Rate-The discount rate used to measure the total pension liability was 7.75% 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 7.75%, 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 (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%	$5,789,000
Current discount rate	7.75%	$4,514,925
1% increase	8.75%	$3,458,000

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%	$53,492,030
Current discount rate	7.75%	$40,784,832
1% increase	8.75%	$30,235,096

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, 2017, 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	(869,147)
Transfers to City General Fund reported as Expenses by Electric Department	46,698
Difference	$ (1,787,449)

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, 2017, was $35,360,789.

Concentration of Credit Risk:

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

	Amount	Percent
Glenmede Intermediate Government Credit-Bond Funds	$ 17,265,005	50.79%

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, 2017:

Investments:	Cost	Market value (Level 1)
Bond funds	$ 20,765,943	$ 20,077,597
Stock funds	11,400,778	13,296,190
Accrued income	0	162,221
Short-term investments	1,824,781	1,824,781
Total investments	$ 33,991,502	$ 35,360,789

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, 2017	Remaining Commitment at September 30, 2017
General City	Sisk Avenue Extension	$ 2,833,752	$ 134,641	$ 2,699,111
General City	Activities Center	11,207,469	242,016	10,965,453
General City	West Oxford Loop Extension	5,813,463	849,375	4,964,088
Water and Sewer	Lagoon Liner Rehab Project	1,337,140	1,322,858	14,282
Water and Sewer	Price Street Relocations	1,604,520	1,576,963	27,557
		$ 22,796,344	$ 4,125,853	$ 18,670,491

NOTE 12 - DEFICIT FUND BALANCES

The following funds have a deficit fund balance at September 30, 2017:

FUND NAME	AMOUNT
2015 G.O. Bonds	$ 106,414
2004 G.O. Bonds	67
Farmers Market Grant	744
O.U.T. – Oxford Transit Grant	68,622
TOTAL	$ 175,847

NOTE 14 - INTERFUND RECEIVABLES AND PAYABLES

Individual fund interfund receivable and payable balances at September 30, 2017, 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 $226,947 less 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:			
Executive			
Supplies	$ 6,500	$ 8,052	$ 1,552
Finance			
Supplies	12,500	12,530	30
Fire Department			
Supplies	149,800	151,033	1,233
Rubbish Collection			
Personnel Services	553,128	553,134	6
Recycling Grant			
Supplies	83,000	85,680	2,680

NOTE 17 - SUBSEQUENT EVENTS

Management has evaluated subsequent events through April 17, 2018, the date on which the financial statements were available to be issued.

CITY OF OXFORD, MISSISSIPPI
SCHEDULE OF THE CITY'S PROPORTIONATE SHARE OF THE NET PENSION LIABILITY
Last 10 Fiscal Years
For the Year Ended September 30, 2017

	2017	2016	2015
A. Oxford's proportion of net pension liability (%)	0.270622%	0.256494%	0.241479%
B. Oxford's proportionate share of net pension liability	$45,299,757	$45,192,084	$36,526,996
C. Oxford's covered employee payroll	$17,570,115	$17,235,669	$15,416,030
D. Oxford's proportionate share of net pension liability as a percentage of its covered employee payroll (%)	257.82%	262.20%	236.94%
E. Plan fiduciary net position as a percentage of total pension liability	61.49%	57.47%	61.70%

The notes to the required supplementary information are an integral part of this schedule.

The amounts presented for each fiscal year were determined as of the measurement date of 6/30 of the fiscal year presented.

This schedule is presented to illustrate the requirement to show information for 10 years. However, GASB 68 was implemented in FYE 9/30/2015, and until a full 10-year trend is compiled, the City has only presented information for the years in which information was available.

CITY OF OXFORD, MISSISSIPPI
SCHEDULE OF THE CITY'S CONTRIBUTIONS
For the Last 10 Fiscal Years
For the Year Ended September 30, 2017

	2017	2016	2015	2014
A. Statutorily required contributions	$2,767,291	$2,714,614	$2,428,025	$2,250,203
B. Contributions in relation to statutorily required contributions	$2,767,291	$2,714,614	$2,428,025	$2,250,203
C. Contribution deficiency (excess)	$0	$0	$0	$0
D. Oxford's covered employee payroll	$17,570,115	$17,235,669	$15,416,030	$14,287,003
E. Contributions as a percentage of covered employee payroll	15.75%	15.75%	15.75%	15.75%

The notes to the required supplementary information are an integral part of this schedule.

This schedule is presented to illustrate the requirement to show information for 10 years. However, GASB 68 was implemented in FYE 9/30/2015, and until a full 10-year trend is compiled, the City has only presented information for the years in which information was available.

PENSION SCHEDULES

(1) Changes in benefit provisions

a. 2016

- Effective July 1, 2016, the interest rate on employee contributions shall be calculated based on the money market rate as published by the Wall Street Journal on December 31 of each preceding year with a minimum rate of one percent and a maximum rate of five percent.

(2) Changes in assumptions

a. 2017

- The expectation of retired life mortality was changed to the RP-2014 Healthy Annuitant Blue Collar Mortality Table projected with Scale BB to 2022. Small adjustments were also made to the Mortality Table for disable lives.
- The wage inflation assumption was reduced from 3.75% to 3.25%.
- Withdrawal rates, pre-retirement mortality rates, disability rates and service retirement rates were also adjusted to more closely reflect actual experience.
- The percentage of active member disabilities assumed to be in the line of duty was increased from 6% to 7%.

b. 2016

- The assumed rate of interest credited to employee contributions was changed from 3.50% to 2.00%.

c. 2015

- The expectation of retired life mortality was changed to the RP-2014 Healthy Annuitant Blue Collar Table projected to 2016 using Scale BB rather that the RP-2000 Mortality Table, which was used prior to 2015.
- The expectation of disabled mortality was changed to the RP-2014 Disable Retiree Table, rather than the RP-2000 Disabled Mortality Table, which was used prior to 2015.
- Withdrawal rates, pre-retirement mortality rates, disability rates and service retirement rates were also adjusted to more closely reflect actual experience.
- Assumed rates of salary increase were adjusted to more closely reflect actual and anticipated experience.
- The price inflation and investment rate of return assumptions were changed from 3.50% to 3.00% and 8.00% to 7.75%, respectively.

(3) The comparative information presented on the Schedule of the Department's Contributions does not include information for years prior to 2014 because GASB 68 was implemented in the 2015 fiscal year. Information for the 2014 year was included because it was necessary to record the prior period adjustment in the implementation of GASB 68.

CITY OF OXFORD, MISSISSIPPI
COMBINING BALANCE SHEET
NON-MAJOR GOVERNMENTAL FUNDS
September 30, 2017

	Non-Major Debt Service	Non-Major Special Revenue	Non-Major Capital Projects	Total Non-Major Governmental Funds
ASSETS:				
Cash	$ 199,864	$ 4,411,019	$ 9,735,715	$ 14,346,598
Investments	-	204,056	-	204,056
Prepaid Expenses	-	2,387	-	2,387
Receivables	11,027	155,521	-	166,548
Due From Other Funds	-	4,200	-	4,200
Due From Other Government Units	-	1,206,504	-	1,206,504
TOTAL ASSETS	$ 210,891	$ 5,983,687	$ 9,735,715	$ 15,930,293
LIABILITIES AND FUND BALANCES:				
LIABITILIES:				
Checks Issued in Excess of Deposits	$ 124,210	$ 641,299	$ -	$ 765,509
Accounts Payable	-	158,096	454,460	612,556
TOTAL LIABILITIES	124,210	799,395	454,460	1,378,065
FUND BALANCES (DEFICIT):				
Committed	193,162	903,048	-	1,096,210
Restricted				
Capital Projects	-	-	9,281,255	9,281,255
Transit Operations	-	73,214	-	73,214
Tourism	-	2,507,232	-	2,507,232
Cultural and Recreational	-	24,322	-	24,322
Permanent Fund Principal	-	681,202	-	681,202
Public Safety	-	623,597	-	623,597
Economic Development	-	-	-	-
Nonspendable	-	2,387	-	2,387
Unassigned	(106,481)	369,290	-	262,809
TOTAL FUND BALANCES (DEFICIT)	86,681	5,184,292	9,281,255	14,552,228
TOTAL LIABILITIES AND FUND BALANCES	$ 210,891	$ 5,983,687	$ 9,735,715	$ 15,930,293

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, 2017

	Non-Major Debt Service	Non-Major Special Revenue	Non-Major Capital Projects	Total Non-Major Governmental Funds
REVENUES:				
General Property Taxes	$ 1,752,919	$ -	$ -	$ 1,752,919
Special Taxes	-	4,420,567	-	4,420,567
Intergovernmental Revenues	-	205,651	-	205,651
Federal & State Grants	-	1,735,792	-	1,735,792
Local Matching Funds	-	904,779	-	904,779
Charges for Services	-	324,009	-	324,009
Fines & Forfeitures	-	391,917	-	391,917
Interest	293	1,243	-	1,536
Facility Rental Income	-	1,183,757	-	1,183,757
Sponsorships	-	145,300	-	145,300
Miscellaneous	-	5,100	-	5,100
TOTAL REVENUES	1,753,212	9,318,115	-	11,071,327
EXPENDITURES:				
Current:				
Tourism Promotion	-	1,911,865	-	1,911,865
Public Safety	-	434,531	-	434,531
RSVP County Transit	-	65,906	-	65,906
Farmers Market	-	250	-	250
Culture and Recreation	-	1,192,230	-	1,192,230
Transit Operation	-	2,808,831	-	2,808,831
Capital Projects	-	1,320,036	786,369	2,106,405
Debt Service	2,458,774	-	-	2,458,774
TOTAL EXPENDITURES	2,458,774	7,733,649	786,369	10,978,792
EXCESS OF REVENUES OVER (UNDER) EXPENDITURES	(705,562)	1,584,466	(786,369)	92,535
OTHER FINANCING SOURCES (USES):				
Proceeds from Issuance of Debt	-	-	-	-
Transfers from (to) Oxford Tourism Council	-	(869,147)	-	(869,147)
Transfers from (to) Other Funds	629,266	(419,073)	8,530,246	8,740,439
TOTAL OTHER FINANCING SOURCES (USES)	629,266	(1,288,220)	8,530,246	7,871,292
NET CHANGE IN FUND BALANCES	(76,296)	296,246	7,743,877	7,963,827
FUND BALANCES - Beginning	162,977	4,888,046	1,537,378	6,588,401
FUND BALANCES - Ending	$ 86,681	$ 5,184,292	$ 9,281,255	$ 14,552,228

See accompanying notes to financial statements.

CITY OF OXFORD, MISSISSIPPI
BALANCE SHEET - GENERAL FUND
September 30, 2017

	TOTALS 2017
ASSETS:	
Cash	$ 10,100,381
Investments	1,038,529
Due From Other Governments	2,629,206
Due From Other Funds	-
Other Receivables	597,346
TOTAL ASSETS	$ 14,365,462
LIABILITIES:	
Accounts Payable and Accrued Expenses	$ 909,096
Due to Other Funds	4,200
Due to Other Governments	9,120
TOTAL LIABILITIES	922,416
FUND BALANCE:	
Nonspendable	52,171
Committed	
Public Safety	4,844
Culture & Recreation	41,732
Restricted	
Forestry	30,513
IDF Interlock Device Funds	6,709
Assigned	
Cemetary	574,061
London Bus	5,535
Historic Homes Fund	50,502
Unassigned	12,676,979
TOTAL FUND BALANCE	13,443,046
TOTAL LIABILITIES AND FUND BALANCE	$ 14,365,462

CITY OF OXFORD, MISSISSIPPI
STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE
GENERAL FUND
For the Year Ended September 30, 2017

	TOTALS 2017
REVENUES:	
Ad Valorem Taxes:	
Real & Personal	$ 7,942,541
Penalties and Interest	210,491
Licenses and Permits	1,279,491
State of Mississippi:	
Sales Tax	9,721,820
Municipal Aid	9,433
Fire Protection	105,912
Utility Tax	18,789
ABC Licenses	181,577
Homestead Reimbursement	139,908
In Lieu of Taxes	261,008
Lafayette County:	
Pro Rata Tax	910,394
In Lieu - Other:	
Utility Department	965,000
State and Federal Grants	676,414
Intergovernmental Revenues	964,230
Fines and Forfeitures	1,032,485
FNC Parking Lease	-
Interest Income	14,732
Recreation Fees	1,491,141
Charges for Services	5,021,082
Franchise Fees	767,353
Donations/Contributions	57,545
Sale of Land & SurplusEquipment	23,747
Cemetary	114,797
Miscellaneous Income	466,463
TOTAL REVENUES	$ 32,376,353
EXPENDITURES:	
General Government:	
Legislative:	
Personal Services	$ 141,569
Supplies	3,720
Other Services and Charges	7,277
Capital Outlay	3,630
Total	156,196

CITY OF OXFORD, MISSISSIPPI
STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE
GENERAL FUND
For the Year Ended September 30, 2017

	TOTALS 2017
Judicial:	
Personnel Services	$ 327,175
Supplies	12,016
Other Services and Charges	30,259
Capital Outlay	-
Total	369,450
Executive:	
Personnel Services	97,224
Supplies	8,052
Other Services and Charges	2,975
Capital Outlay	4,958
Total	113,209
Department of Planning:	
Personnel Services	346,603
Supplies	14,862
Other Services and Charges	95,411
Capital Outlay	5,255
Total	462,131
Elections:	
Personnel Services	-
Supplies	12,820
Other Services and Charges	-
Total	12,820
Finance:	
Personnel Services	331,284
Supplies	12,530
Other Services and Charges	58,823
Capital Outlay	2,101
Total	404,738

CITY OF OXFORD, MISSISSIPPI
STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE
GENERAL FUND
For the Year Ended September 30, 2017

	TOTALS 2017
Human Resources:	
Personnel Services	$ 283,142
Supplies	26,063
Other Services and Charges	74,504
Capital Outlay	1,592
Total	385,301
Law:	
Personnel Services	46,262
Supplies	-
Other Services and Charges	201,620
Total	247,882
Building and Grounds:	
Personnel Services	746,298
Supplies	138,769
Other Services and Charges	49,174
Capital Outlay	2,640
Total	936,881
Building and Code Enforcement:	
Personnel Services	305,641
Supplies	8,795
Other Services and Charges	5,622
Capital Outlay	19,298
Total	339,356
General Government:	
Personnel Services	490,422
Supplies	12,264
Other Services and Charges	715,851
Capital Outlay	130,304
Total	1,348,841
Community Promotions:	
Other Services and Charges	98,135
Total	98,135
Total General Government	4,874,940

CITY OF OXFORD, MISSISSIPPI
STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE
GENERAL FUND
For the Year Ended September 30, 2017

	TOTALS 2017
Public Safety:	
Police Department:	
Personnel Services	$ 5,374,855
Supplies	515,259
Other Services and Charges	277,862
Capital Outlay	500,822
Total	6,668,798
Parking Division:	
Personnel Services	145,035
Supplies	21,611
Other Services and Charges	59,878
Capital Outlay	7,913
Total	234,437
Emergency Management:	
Personnel Services	76,065
Supplies	15,425
Other Services and Charges	22,819
Capital Outlay	65,692
Total	180,001
Fire Department:	
Personnel Services	4,155,091
Supplies	151,033
Other Services and Charges	105,080
Capital Outlay	29,565
Total	4,440,769
Total Public Safety	11,524,005
Public Works:	
Highway and Street Maintenance:	
Personnel Services	556,620
Supplies	784,228
Other Services and Charges	1,001,932
Capital Outlay	186,995
Total	2,529,775

CITY OF OXFORD, MISSISSIPPI
STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE
GENERAL FUND
For the Year Ended September 30, 2017

	TOTALS 2017
Sanitation Administration:	
Personnel Services	$ 294,170
Supplies	9,020
Other Services and Charges	26,055
Capital Outlay	31,729
Total	360,974
Street Cleaning:	
Personnel Services	106,899
Supplies	1,794
Other Services and Charges	-
Capital Outlay	-
Total	108,693
Waste Collection:	
Personnel Services	488,190
Supplies	123,413
Other Services and Charges	114,075
Capital Outlay	7,694
Total	733,372
Waste Disposal:	
Personnel Services	194,630
Supplies	84,396
Other Services and Charges	592,766
Capital Outlay	195,682
Total	1,067,474
City Garage Department:	
Personnel Services	476,331
Supplies	422,587
Other Services and Charges	14,656
Capital Outlay	2,025
Total	915,599
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, 2017

	TOTALS 2017
Rubbish Collection:	
Personnel Services	$ 553,134
Supplies	75,600
Other Services and Charges	12,029
Capital Outlay	-
Total	640,763
Weed & Grass Control:	
Personnel Services	295,848
Supplies	9,105
Other Services and Charges	24,468
Capital Outlay	7,339
Total	336,760
Cemetary Maintenance:	
Personnel Services	171,066
Supplies	4,819
Other Services and Charges	7,524
Capital Outlay	5,860
Total	189,269
Family Crisis Services:	
Other Services and Charges	15,000
Total	15,000
Recycling Grant	
Personnel Services	516,123
Supplies	85,680
Other Services and Charges	35,916
Capital Outlay	309,657
Total	947,376
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, 2017

	TOTALS 2017
London Bus:	
Personnel Services	$ 816
Supplies	2,796
Other Services and Charges	15,480
Total	19,092
Total Public Works	8,029,147
Culture & Recreation:	
Parks and Recreation:	
Personnel Services	1,206,355
Supplies	184,443
Other Services and Charges	653,212
Capital Outlay	453,121
Total	2,497,131
Swimming Pools - Parks:	
Personnel Services	30,276
Supplies	49,166
Other Services and Charges	17,466
Capital Outlay	-
Total	96,908
Library:	
Personnel Services	-
Supplies	-
Other Services and Charges	304,722
Capital Outlay	-
Total	304,722
RSVP - Park/Recreation:	
Personnel Services	157,220
Supplies	6,337
Other Services and Charges	39,820
Capital Outlay	-
Total	203,377

CITY OF OXFORD, MISSISSIPPI
STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE
GENERAL FUND
For the Year Ended September 30, 2017

	TOTALS 2017
FNC Park:	
Personnel Services	$ 616,566
Supplies	356,309
Other Services and Charges	295,606
Capital Outlay	3,705
Total	1,272,186
Historic Homes:	
Personnel Services	-
Supplies	36,540
Other Services and Charges	42,136
Capital Outlay	47,537
Total	126,213
Total Culture and Recreation	4,500,537
Debt Service:	
Principal Retirement	824,548
Interest and Fiscal Charges	57,036
Total Debt Service	881,584
TOTAL EXPENDITURES	29,810,213
Excess (Deficiency) of Revenues Over (Under) Expenditures	2,566,140
OTHER FINANCING SOURCES (USES):	
Proceeds from Capital Leases	-
Proceeds from Issuance of Debt	-
Transfers (to) from Other Funds	(472,532)
TOTAL OTHER FINANCING SOURCES (USES)	(472,532)
Excess (Deficiency) of Revenues and Other Financing Sources Over (Under) Expenditures and Other Financing Uses	2,093,608
FUND BALANCE:	
October 1, Beginning	11,349,438
SEPTEMBER 30, Ending	$ 13,443,046

CITY OF OXFORD, MISSISSIPPI
STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES - BUDGET AND ACTUAL
GENERAL FUND - BUDGETARY BASIS
Year Ended September 30, 2017

	BUDGET	ACTUAL	VARIANCE FAVORABLE (UNFAVORABLE)
REVENUES:			
Ad Valorem Taxes:			
Real & Personal	$ 8,034,374	$ 7,936,123	$ (98,251)
Penalties and Interest	205,000	210,491	5,491
Licenses and Permits	1,270,500	1,279,491	8,991
State of Mississippi:			
Sales Tax	9,816,000	9,785,750	(30,250)
Municipal Aid	28,000	9,433	(18,567)
Fire Protection	105,000	105,912	912
Utility Tax	-	18,789	18,789
ABC Licenses	188,000	188,475	475
Homestead Reimbursement	123,000	139,908	16,908
In Lieu of Taxes	336,000	261,008	(74,992)
Lafayette County:			
Pro Rate Tax	910,000	910,394	394
In Lieu - Other:			
Utility Department	965,000	965,000	-
State, Federal and Local Grants	842,106	704,080	(138,026)
Intergovernmental Revenues	1,210,000	1,121,982	(88,018)
Fines and Forfeitures	962,400	1,032,485	70,085
Parking Meter Revenues	820,000	821,798	1,798
FNC Parking Lease	15,000	-	(15,000)
Interest Income	30,000	14,732	(15,268)
Recreation Fees	1,386,820	1,491,141	104,321
Charges for Services	3,664,000	4,187,440	523,440
Franchise Fees	756,000	756,316	316
Donations/Contributions	49,000	57,545	8,545
Sale of Land and Surplus Equipment	-	23,747	23,747
Cemetary	113,000	114,797	1,797
Miscellaneous Income	644,427	466,463	(177,964)
TOTAL REVENUES	$ 32,473,627	$ 32,603,300	$ 129,673
EXPENDITURES:			
General Government:			
Legislative:			
Personnel Services	$ 184,303	$ 141,569	$ 42,734
Supplies	4,500	3,720	780
Other Services and Charges	7,500	7,277	223
Capital Outlay	4,500	3,630	870
Total	200,803	156,196	44,607
Judicial:			
Personnel Services	375,750	327,175	48,575
Supplies	14,150	12,016	2,134
Other Services and Charges	31,300	30,259	1,041
Capital Outlay	3,000	-	3,000
Total	424,200	369,450	54,750

CITY OF OXFORD, MISSISSIPPI
STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES - BUDGET AND ACTUAL
GENERAL FUND - BUDGETARY BASIS
Year Ended September 30, 2017

	BUDGET	ACTUAL	VARIANCE FAVORABLE (UNFAVORABLE)
Executive:			
Personnel Services	$ 107,789	$ 97,224	$ 10,565
Supplies	6,500	8,052	(1,552)
Other Services and Charges	4,750	2,975	1,775
Capital Outlay	9,500	4,958	4,542
Total	128,539	113,209	15,330
Department of Planning:			
Personnel Services	387,221	346,603	40,618
Supplies	16,500	14,862	1,638
Other Services and Charges	95,875	95,411	464
Capital Outlay	5,000	5,255	(255)
Total	504,596	462,131	42,465
Elections:			
Personnel Services	-	-	-
Supplies	13,000	12,820	180
Other Services and Charges	-	-	-
Total	13,000	12,820	180
Finance:			
Personnel Services	333,013	331,284	1,729
Supplies	12,500	12,530	(30)
Other Services and Charges	84,910	58,823	26,087
Capital Outlay	4,500	2,101	2,399
Total	434,923	404,738	30,185
Human Resources:			
Personnel Services	285,746	283,142	2,604
Supplies	26,400	26,063	337
Other Services and Charges	75,780	74,504	1,276
Capital Outlay	1,600	1,592	8
Total	389,526	385,301	4,225
Law:			
Personnel Services	46,904	46,262	642
Supplies	500	-	500
Other Services and Charges	201,650	201,620	30
Total	249,054	247,882	1,172

CITY OF OXFORD, MISSISSIPPI
STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES - BUDGET AND ACTUAL
GENERAL FUND - BUDGETARY BASIS
Year Ended September 30, 2017

	BUDGET	ACTUAL	VARIANCE FAVORABLE (UNFAVORABLE)
Building and Grounds:			
Personnel Services	$ 747,733	$ 746,298	$ 1,435
Supplies	142,707	138,769	3,938
Other Services and Charges	74,050	49,174	24,876
Capital Outlay	81,117	2,640	78,477
Total	*1,045,607*	*936,881*	*108,726*
Building and Code Enforcement:			
Personnel Services	318,107	305,641	12,466
Supplies	14,300	8,795	5,505
Other Services and Charges	8,100	5,622	2,478
Capital Outlay	23,000	19,298	3,702
Total	363,507	339,356	24,151
General Government:			
Personnel Services	491,020	490,422	598
Supplies	14,000	12,264	1,736
Other Services and Charges	790,850	715,851	74,999
Capital Outlay	187,750	130,304	57,446
Total	1,483,620	1,348,841	134,779
Community Promotions:			
Other Services and Charges	199,500	98,135	101,365
Total	199,500	98,135	101,365
Total General Government	5,436,875	4,874,940	561,935
Public Safety:			
Police Department:			
Personnel Services	5,494,391	5,374,855	119,536
Supplies	523,691	515,259	8,432
Other Services and Charges	338,706	277,862	60,844
Capital Outlay	533,891	500,822	33,069
Total	6,890,679	6,668,798	221,881
Parking Division:			
Personnel Services	159,569	145,035	14,534
Supplies	25,000	21,611	3,389
Other Services and Charges	60,500	59,878	622
Capital Outlay	9,500	7,913	1,587
Total	254,569	234,437	20,132
Emergency Management:			
Personnel Services	77,684	76,065	1,619
Supplies	23,000	15,425	7,575
Other Services and Charges	47,500	22,819	24,681
Capital Outlay	61,000	65,692	(4,692)
Total	209,184	180,001	29,183

CITY OF OXFORD, MISSISSIPPI
STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES - BUDGET AND ACTUAL
GENERAL FUND - BUDGETARY BASIS
Year Ended September 30, 2017

	BUDGET	ACTUAL	VARIANCE FAVORABLE (UNFAVORABLE)
Fire Department:			
Personnel Services	$ 4,220,191	$ 4,155,091	$ 65,100
Supplies	149,800	151,033	(1,233)
Other Services and Charges	121,890	105,080	16,810
Capital Outlay	38,000	29,565	8,435
Total	4,529,881	4,440,769	89,112
Other Protection Department:			
Other Services and Charges	-	-	-
Total	-	-	-
Total Public Safety	11,884,313	11,524,005	360,308
Public Works:			
Highway and Street Maintenance:			
Personnel Services	633,064	556,620	76,444
Supplies	850,500	784,228	66,272
Other Services and Charges	1,045,700	1,001,932	43,768
Capital Outlay	1,129,215	186,995	942,220
Total	3,658,479	2,529,775	1,128,704
Sanitation Administration:			
Personnel Services	294,371	294,170	201
Supplies	11,500	9,020	2,480
Other Services and Charges	26,487	26,055	432
Capital Outlay	28,000	31,729	(3,729)
Total	360,358	360,974	(616)
Street Cleaning:			
Personnel Services	108,974	106,899	2,075
Supplies	2,800	1,794	1,006
Other Services and Charges	4,500	-	4,500
Capital Outlay	-	-	-
Total	116,274	108,693	7,581
Waste Collection:			
Personnel Services	492,550	488,190	4,360
Supplies	123,500	123,413	87
Other Services and Charges	114,500	114,075	425
Capital Outlay	8,000	7,694	306
Total	738,550	733,372	5,178

CITY OF OXFORD, MISSISSIPPI
STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES - BUDGET AND ACTUAL
GENERAL FUND - BUDGETARY BASIS
Year Ended September 30, 2017

	BUDGET	ACTUAL	VARIANCE FAVORABLE (UNFAVORABLE)
Waste Disposal:			
Personnel Services	$ 194,884	$ 194,630	$ 254
Supplies	87,500	84,396	3,104
Other Services and Charges	604,800	592,766	12,034
Capital Outlay	175,000	195,682	(20,682)
Total	1,062,184	1,067,474	(5,290)
City Garage Department:			
Personnel Services	537,715	476,331	61,384
Supplies	442,000	422,587	19,413
Other Services and Charges	15,500	14,656	844
Capital Outlay	10,000	2,025	7,975
Total	1,005,215	915,599	89,616
Airport:			
Other Services and Charges	30,000	30,000	-
Total	30,000	30,000	-
Rubbish Collection:			
Personnel Services	553,128	553,134	(6)
Supplies	77,000	75,600	1,400
Other Services and Charges	12,500	12,029	471
Capital Outlay	-	-	-
Total	642,628	640,763	1,865
Weed & Grass Control:			
Personnel Services	297,998	295,848	2,150
Supplies	9,500	9,105	395
Other Services and Charges	30,000	24,468	5,532
Capital Outlay	10,000	7,339	2,661
Total	347,498	336,760	10,738
Cemetary Maintenance:			
Personnel Services	194,265	171,066	23,199
Supplies	6,000	4,819	1,181
Other Services and Charges	10,500	7,524	2,976
Capital Outlay	34,000	5,860	28,140
Total	244,765	189,269	55,496
Family Crisis Services:			
Other Services and Charges	15,000	15,000	-
Total	15,000	15,000	-

CITY OF OXFORD, MISSISSIPPI
STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES - BUDGET AND ACTUAL
GENERAL FUND - BUDGETARY BASIS
Year Ended September 30, 2017

	BUDGET	ACTUAL	VARIANCE FAVORABLE (UNFAVORABLE)
Recycling Grant:			
Personnel Services	$ 520,770	$ 516,123	$ 4,647
Supplies	83,000	85,680	(2,680)
Other Services and Charges	54,936	35,916	19,020
Capital Outlay	215,711	309,657	(93,946)
Total	874,417	947,376	(72,959)
Humane Society:			
Other Services and Charges	135,000	135,000	-
Total	135,000	135,000	-
London Bus:			
Personnel Services	33,587	15,480	18,107
Supplies	4,000	2,796	1,204
Other Services and Charges	1,250	816	434
Total	38,837	19,092	19,745
Total Public Works	9,269,205	8,029,147	1,240,058
Culture & Recreation:			
Parks and Recreation:			
Personnel Services	1,227,531	1,206,355	21,176
Supplies	740,310	698,376	41,934
Other Services and Charges	227,011	196,822	30,189
Capital Outlay	265,700	395,578	(129,878)
Total	2,460,552	2,497,131	(36,579)
Swimming Pools - Parks:			
Personnel Services	43,060	30,276	12,784
Supplies	51,200	49,166	2,034
Other Services and Charges	24,500	17,466	7,034
Capital Outlay	-	-	-
Total	118,760	96,908	21,852
Library:			
Personnel Services	-	-	-
Supplies	-	-	-
Other Services and Charges	314,000	304,722	9,278
Capital Outlay	-	-	-
Total	314,000	304,722	9,278

CITY OF OXFORD, MISSISSIPPI
STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES - BUDGET AND ACTUAL
GENERAL FUND - BUDGETARY BASIS
Year Ended September 30, 2017

	BUDGET	ACTUAL	VARIANCE FAVORABLE (UNFAVORABLE)
RSVP - Park/Recreation:			
Personnel Services	$ 169,715	$ 157,220	$ 12,495
Supplies	6,500	6,337	163
Other Services and Charges	41,040	39,820	1,220
Capital Outlay	-	-	-
Total	217,255	203,377	13,878
FNC Park:			
Personnel Services	617,158	616,566	592
Supplies	359,200	356,309	2,891
Other Services and Charges	296,000	295,606	394
Capital Outlay	-	3,705	(3,705)
Total	1,272,358	1,272,186	172
Historic Homes:			
Personnel Services	-	-	-
Supplies	37,000	36,540	460
Other Services and Charges	44,000	42,136	1,864
Capital Outlay	50,000	47,537	2,463
Total	131,000	126,213	4,787
Total Culture and Recreation	4,513,925	4,500,537	13,388
Debt Service:			
Principal Retirement	889,578	824,548	65,030
Interest and Fiscal Charges	-	57,036	(57,036)
Total	889,578	881,584	7,994
TOTAL EXPENDITURES	31,993,896	29,810,213	2,183,683
Excess (Deficiency) of Revenues Over (Under) Expenditures	479,731	2,793,087	2,313,356

CITY OF OXFORD, MISSISSIPPI
STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES - BUDGET AND ACTUAL
GENERAL FUND - BUDGETARY BASIS
Year Ended September 30, 2017

	BUDGET	ACTUAL	VARIANCE FAVORABLE (UNFAVORABLE)
OTHER FINANCING SOURCES (USES):			
Proceeds from Capital Leases	$ -	$ -	$ -
Proceeds from Issuance of Debt	-	-	-
Transfers (to) from Other Funds	(383,783)	(472,532)	(88,749)
Lease Payments	-	-	-
TOTAL OTHER FINANCING SOURCES (USES)	(383,783)	(472,532)	(88,749)
Excess (Deficiency) of Revenues and Other Sources Over (Under) Expenditures and Other Uses	95,948	2,320,555	2,224,607
FUND BALANCE:			
October 1, Beginning	11,349,438	11,349,438	-
(Non-GAAP Budgetary Basis) September 30,	$ 11,445,386	13,669,993	$ 2,224,607
Adjustments to GAAP Basis:			
Accrued Revenue		(226,947)	
FUND BALANCE (GAAP) September 30,		$ 13,443,046	

CITY OF OXFORD, MISSISSIPPI
COMBINING BALANCE SHEET
SPECIAL REVENUE FUNDS
September 30, 2017

	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 2017
ASSETS:										
Cash	$ 1,713,168	$ 34,696	$ 683,318	$ -	$ 569,303	$ 906,586	$ 407,530	$ 49,289	$ 47,129	$ 4,411,019
Investments	204,056	-	-	-	-	-	-	-	-	204,056
Accrued Interest	-	-	-	-	-	-	-	-	-	-
Prepaid Expenses	-	-	-	-	-	-	2,387	-	-	2,387
Receivables	-	-	-	120,825	-	-	34,696	-	-	155,521
Due From Other Governments	508,313	84,309	-	610,082	-	-	-	3,800	-	1,206,504
Due From Other Funds	-	-	-	-	4,200	-	-	-	-	4,200
TOTAL ASSETS	2,425,537	119,005	683,318	730,907	573,503	906,586	444,613	53,089	47,129	5,983,687
LIABILITIES:										
Checks Isssued in Excess of Deposits	-	-	-	640,555	-	-	-	744	-	641,299
Accounts Payable	2,614	34,696	2,116	38,149	4,791	59,111	16,619	-	-	158,096
TOTAL LIABILITIES	2,614	34,696	2,116	678,704	4,791	59,111	16,619	744	-	799,395
FUND BALANCE (DEFICIT):										
Committed	-	-	-	-	-	847,475	55,573	-	-	903,048
Restricted	2,422,923	84,309	681,202	52,203	568,712	-	-	53,089	47,129	3,909,567
Nonspendable	-	-	-	-	-	-	2,387	-	-	2,387
Unassigned	-	-	-	-	-	-	370,034	(744)	-	369,290
TOTAL FUND BALANCE (DEFICIT)	2,422,923	84,309	681,202	52,203	568,712	847,475	427,994	52,345	47,129	5,184,292
TOTAL LIABILITIES AND FUND BALANCE	$ 2,425,537	$ 119,005	$ 683,318	$ 730,907	$ 573,503	$ 906,586	$ 444,613	$ 53,089	$ 47,129	$ 5,983,687

CITY OF OXFORD, MISSISSIPPI
COMBINING STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE
SPECIAL REVENUE FUNDS
For the Year Ended September 30, 2017

	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 2017
REVENUES:										
Special Taxes	$ 3,101,048	$ 450,372	$ -	$ -	$ -	$ -	$ 869,147	$ -	$ -	$ 4,420,567
Intergovernmental Revenues	-	-	-	-	-	-	70,000	135,651	-	205,651
Federal & State Grants	-	-	-	1,662,045	-	-	60,747	13,000	-	1,735,792
Local Matching Funds	-	-	-	904,779	-	-	-	-	-	904,779
Charges for Services	109,968	-	-	91,854	-	-	122,187	-	-	324,009
Fines & Forfeitures	-	-	-	-	391,917	-	-	-	-	391,917
Interest Income	-	-	-	-	340	695	208	-	-	1,243
Facility Rental Income	-	-	-	-	-	1,183,757	-	-	-	1,183,757
Sponsorships	-	-	-	-	-	-	145,300	-	-	145,300
Miscellaneous Revenues	-	-	-	-	-	-	5,100	-	-	5,100
TOTAL REVENUES	3,211,016	450,372	-	2,658,678	392,257	1,184,452	1,272,689	148,651	-	9,318,115
EXPENDITURES:										
Tourism Promotion:										
Personnel Services	9,700	-	-	-	-	-	233,869	-	-	243,569
Supplies	34,717	-	-	-	-	-	28,018	-	-	62,735
Other Services and Charges	712,374	-	-	-	-	-	893,187	-	-	1,605,561
Capital Outlay							2,254	-		2,254
Public Safety:										
Personnel Services	-	-	-	-	348,503	-	-	-	-	348,503
Supplies	-	-	-	-	21,515	-	-	6,934	-	28,449
Other Services and Charges	-	-	-	-	57,489	-	-	90	-	57,579
Capital Outlay	-	-	-	-	1,709	-	-	5,100	-	6,809
RSVP County Transit:										
Supplies	-	-	-	-	-	-	-	1,415	-	1,415
Personnel Services	-	-	-	-	-	-	-	61,618	-	61,618
Other Services and Charges	-	-	-	-	-	-	-	2,873	-	2,873
Farmers Market:										
Personnel Services	-	-	-	-	-	-	-	-	-	-
Supplies	-	-	-	-	-	-	-	250	-	250
Other Services and Charges	-	-	-	-	-	-	-	-	-	-
Capital Outlay	-	-	-	-	-	-	-	-	-	-
Culture and Recreation:										
Personnel Services						407,181	-	-		407,181
Supplies	-	-	-	-	-	344,446	-	-	-	344,446
Other Services and Charges	-	-	35,000	-	-	405,603	-	-	-	440,603
Capital Outlay	-	-	61,188	-	-	15,797	-	-	-	76,985
Transit Operation:										
Personnel Services	-	-	-	1,640,419	-	-	-	-	-	1,640,419
Supplies	-	-	-	630,823	-	-	-	-	-	630,823
Other Services and Charges	-	-	-	537,589	-	-	-	-	-	537,589
Capital Outlay	911,119	-	-	322,869	-	-	-	-	-	1,233,988
Debt Service	-	-	-	-	-	-	-	-	-	-
TOTAL EXPENDITURES	1,667,910	-	96,188	3,131,700	429,216	1,173,027	1,157,328	78,280	-	7,733,649
Excess (Deficiency) of Revenues Over (Under) Expenditures	1,543,106	450,372	(96,188)	(473,022)	(36,959)	11,425	115,361	70,371	-	1,584,466
OTHER FINANCING SOURCES (USES):										
Transfers from (to) Oxford Tourism Council	(405,246)	(463,901)	-	-	-	-	-	-	-	(869,147)
Transfers from (to) Other Funds	(1,678,119)	-	523,889	597,390	150,000	-	-	(12,233)	-	(419,073)
TOTAL OTHER FINANCING SOURCES (USES)	(2,083,365)	(463,901)	523,889	597,390	150,000	-	-	(12,233)	-	(1,288,220)
Excess (Deficiency) of Revenues Over (Under) Expenditures and Other Uses	(540,259)	(13,529)	427,701	124,368	113,041	11,425	115,361	58,138	-	296,246
FUND BALANCE(Deficit) - October 1,	2,963,182	97,838	253,501	(72,165)	455,671	836,050	312,633	(5,793)	47,129	4,888,046
FUND BALANCE(Deficit) - September 30,	$ 2,422,923	$ 84,309	$ 681,202	$ 52,203	$ 568,712	$ 847,475	$ 427,994	$ 52,345	$ 47,129	$ 5,184,292

CITY OF OXFORD, MISSISSIPPI
COMBINING STATEMENT OF NET POSITION
PROPRIETARY FUND TYPES
September 30, 2017

	BUSINESS-TYPE ACTIVITIES-PROPRIETARY FUND		
	ELECTRIC FUND	WATER & SEWER FUND	TOTAL
ASSETS:			
Current Assets:			
Cash and Cash Equivalents	$ 7,331,157	$ 10,425,854	$ 17,757,011
Investments	10,283	3,165,704	3,175,987
Accounts Receivable, Net of Provision for Bad Debts	3,139,723	1,940,876	5,080,599
Due from Other Funds	-	-	-
Due from Other Governments	-	42,614	42,614
Inventories	710,626	583,150	1,293,776
Prepaid Expenses	87,802	-	87,802
Total Current Assets	11,279,591	16,158,198	27,437,789
Noncurrent Assets:			
Restricted Assets			
Cash and Cash Equivalents - Restricted	5,000	-	5,000
Investments - Restricted	344,650	1,680,539	2,025,189
Unamortized Debt Expense	17,115	-	17,115
Investment in CSA	17,364	-	17,364
Land	908,953	199,510	1,108,463
Plant, Buildings & Improvements	35,119,488	65,419,743	100,539,231
Machinery & Equipment	2,844,553	3,451,933	6,296,486
Accumulated Depreciation	(11,574,307)	(35,966,316)	(47,540,623)
Construction Work In Progress	765,905	3,380,527	4,146,432
Net Noncurrent Assets	28,448,721	38,165,936	66,614,657
TOTAL ASSETS	39,728,312	54,324,134	94,052,446
DEFERRED OUTFLOWS OF RESOURCES:			
Deferred Outflows - Pensions	903,802	644,740	1,548,542
TOTAL DEFERRED OUTFLOWS OF RESOURCES	$ 903,802	$ 644,740	$ 1,548,542

CITY OF OXFORD, MISSISSIPPI
COMBINING STATEMENT OF NET POSITION
PROPRIETARY FUND TYPES
September 30, 2017

	ELECTRIC FUND	WATER & SEWER FUND	TOTAL
LIABILITIES:			
Current Liabilities:			
Accounts Payable and Accrued Expenses	$ 5,825,862	$ 141,877	$ 5,967,739
Accrued Interest Payable	4,438	214,520	218,958
Due to Other Funds	-	-	-
Current Portion of Long-Term Debt	410,000	1,465,871	1,875,871
Customer Deposits	3,715,917	-	3,715,917
Total Current Liabilities	9,956,217	1,822,268	11,778,485
Noncurrent Liabilities:			
Other Liabilities	28,848	-	28,848
Compensated Absences	133,748	167,689	301,437
Net Pension Liability	4,514,925	7,120,265	11,635,190
Bonds, Notes, and Loans Payable, net of current portion	425,000	18,859,274	19,284,274
Total Noncurrent Liabilities	5,102,521	26,147,228	31,249,749
TOTAL LIABILITIES	15,058,738	27,969,496	43,028,234
DEFERRED INFLOWS OF RESOURCES:			
Deferred Charge on Refunding Bonds, net	-	270,865	270,865
Deferred Inflows - Pensions	11,998	155,506	167,504
TOTAL DEFERRED INFLOWS OF RESOURCES	11,998	426,371	438,369
NET POSITION:			
Net Investmet in Capital Assets	27,229,592	16,160,252	43,389,844
Reserved for Unemployment Benefits	5,000	-	5,000
Reserved for Debt Service	340,212	1,680,539	2,020,751
Unrestricted	(2,013,426)	8,732,216	6,718,790
TOTAL NET POSITION	$ 25,561,378	$ 26,573,007	$ 52,134,385

CITY OF OXFORD, MISSISSIPPI
COMBINING STATEMENT OF REVENUES, EXPENSES, AND CHANGES IN FUND NET POSITION
PROPRIETARY FUNDS
For The Year Ended September 30, 2017

	ELECTRIC FUND	WATER & SEWER FUND	TOTALS
OPERATING REVENUE:			
Charges For Services	$ 24,280,638	$ 11,115,976	$ 35,396,614
Other	287,880	-	287,880
Total Operating Revenue	24,568,518	11,115,976	35,684,494
OPERATING EXPENSES:			
Operations	20,866,663	7,320,594	28,187,257
Maintenance	531,122	201,693	732,815
Depreciation and Amortization Expense	965,499	2,942,545	3,908,044
Taxes	-	-	-
Total Operating Expenses	22,363,284	10,464,832	32,828,116
Net Operating Income (Loss)	2,205,234	651,144	2,856,378
NON-OPERATING INCOME (EXPENSES):			
Interest Income	2,869	22,728	25,597
Gain (Loss) on Disposal of Fixed Asset	-	(13)	(13)
Grant Income/ Capital Contributions	-	-	-
Debt Issuance Expense	-	-	-
Amortization of Debt Expense	(12,081)	88,232	76,151
Rent Revenue	-	238,628	238,628
Miscellaneous Income (Expense)	(13,253)	36,961	23,708
Interest Expense	(61,444)	(691,480)	(752,924)
Total Non-Operating Income (Loss)	(83,909)	(304,944)	(388,853)
Income Before Operating Transfers	2,121,325	346,200	2,467,525
OPERATING TRANSFERS IN (OUT):			
Operating Transfers In (Out)	(965,000)	(372,532)	(1,337,532)
Change in Net Position	1,156,325	(26,332)	1,129,993
Total Net Position - Beginning, as previously stated	24,405,053	26,599,339	51,004,392
Total Net Position - Ending	$ 25,561,378	$ 26,573,007	$ 52,134,385

CITY OF OXFORD, MISSISSIPPI
COMBINING STATEMENT OF CASH FLOWS - PROPRIETARY FUNDS
For the Year Ended September 30, 2017

	ELECTRIC FUND	WATER & SEWER FUND	TOTALS
Cash Flows from Operating Activities:			
Receipts from Customers	$ 24,660,811	$ 11,227,028	$ 35,887,839
Payments to Suppliers	(20,174,574)	(1,200,803)	(21,375,377)
Payments to Employees	(1,002,436)	(3,344,786)	(4,347,222)
Payments for Other Services and Charges	(965,000)	(981,946)	(1,946,946)
Other Receipts (Payments)	-	-	-
Net Cash Provided By (Used) In Operating Activities	2,518,801	5,699,493	8,218,294
Cash Flows from Noncapital Financing Activities:			
Advances From Home Insulation Program	-	-	-
Transfers In	-	(372,532)	(372,532)
Net Cash Provided By (Used In) Noncapital Financing Activities	-	(372,532)	(372,532)
Cash Flows from Capital and Related Financing Activities:			
Purchases of Capital Assets	(1,798,524)	(2,150,565)	(3,949,089)
Plant Removal Cost	(537,269)	-	(537,269)
Materials Salvaged from Retirements	57,204	-	57,204
Proceeds From Sale of Capital Assets	-	-	-
Principal Paid on Capital Debt	(400,000)	(1,419,333)	(1,819,333)
Interest Paid on Capital Debt	(63,277)	(603,248)	(666,525)
Other Receipts (Payments)	-	36,961	36,961
Net Cash Provided By (Used In) Capital and Related Financing Activities	(2,741,866)	(4,136,185)	(6,878,051)
Cash Flows from Investing Activities:			
Purchase of Investments	(359,933)	(17,675)	(377,608)
Proceeds From Sale of Investments	359,981	-	359,981
Interest and Dividends	2,869	22,728	25,597
Other Receipts (Payments)	(13,253)	238,628	225,375
Net Cash Provided By (Used In) Investing Activities	(10,336)	243,681	233,345
Net Increase (Decrease) In Cash and Cash Equivalents	(233,401)	1,434,457	1,201,056
Cash and Cash Equivalents--Beginning	7,569,558	8,991,397	16,560,955
Cash and Cash Equivalents--Ending	$ 7,336,157	$ 10,425,854	$ 17,762,011
Reconciliation of Operating Income (Loss) to Net Cash Provided (Used) in Operating Activities:			
Operating Income (Loss)	$ 2,205,234	$ 651,144	$ 2,856,378
Adjustments to Reconcile Operating Income (Loss) to Net Cash Provided By (Used) In Operating Activities:			
Depreciation and Amortization Expense	965,499	2,942,545	3,908,044
Amounts Paid to City - Tax Equivalents	(965,000)	-	(965,000)
Pension Expense - Actuarially Determined	(320,128)	1,508,068	1,187,940
(Increase) Decrease in Accounts Receivable	(114,289)	111,052	(3,237)
(Increase) Decrease in Prepaid Items	(85,863)	-	(85,863)
(Increase) Decrease in Deferred Charges	673,450	551,799	1,225,249
(Increase) Decrease in Inventory	52,477	(106,508)	(54,031)
(Increase) Decrease in Compensated Absences	37,082	4,234	41,316
Increase (Decrease) in Accounts Payable	(152,486)	37,159	(115,327)
Increase (Decrease) in Accrued Liabilities	1,290	-	1,290
Increase (Decrease) in Customer Deposits	221,535	-	221,535
Total Adjustments	313,567	5,048,349	5,361,916
Net Cash Provided By (Used) In Operating Activities	$ 2,518,801	$ 5,699,493	$ 8,218,294

CITY OF OXFORD, MISSISSIPPI
COMBINING BALANCE SHEET
CAPITAL PROJECTS FUNDS
September 30, 2017

	NEW ACTIVITY CENTER PROJECT FUND	INTERSECTION IMPROVEMENTS ESCROW	JACKSON AVENUE PROPERTY	OXFORD LOOP EXTENSION PROJECT	SISK AVENUE EXTENSION PROJECT	OXFORD COMMONS FRONTAGE RD	$5.5M BOND ISSUE 2012	TOTALS 2017
ASSETS:								
Cash	$ 1,864,984	$ 505,000	$ 17,225	$ 4,606,990	$ 2,377,176	$ 247,638	$ 116,702	$ 9,735,715
Investments	-	-	-	-	-	-	-	-
Accrued Interest	-	-	-	-	-	-	-	-
Other Receivable	-	-	-	-	-	-	-	-
Due From Other Funds	-	-	-	-	-	-	-	-
Due From Other Governments	-	-	-	-	-	-	-	-
TOTAL ASSETS	1,864,984	505,000	17,225	4,606,990	2,377,176	247,638	116,702	9,735,715
LIABILITIES:								
Accounts Payable	-	-	-	385,481	68,979	-	-	454,460
Due to Other Funds	-	-	-	-	-	-	-	-
TOTAL LIABILITIES	-	-	-	385,481	68,979	-	-	454,460
FUND BALANCE:								
Restricted	1,864,984	505,000	17,225	4,221,509	2,308,197	247,638	116,702	9,281,255
Unassigned	-	-	-	-	-	-	-	-
TOTAL FUND BALANCE	1,864,984	505,000	17,225	4,221,509	2,308,197	247,638	116,702	9,281,255
TOTAL LIABILITIES AND FUND BALANCE	$ 1,864,984	$ 505,000	$ 17,225	$ 4,606,990	$ 2,377,176	$ 247,638	$ 116,702	$ 9,735,715

CITY OF OXFORD, MISSISSIPPI
COMBINING STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE
CAPITAL PROJECTS FUNDS
For the Year Ended September 30, 2017

	NEW ACTIVITY CENTER PROJECT FUND	INTERSECTION IMPROVEMENTS ESCROW	JACKSON AVENUE PROPERTY	OXFORD LOOP EXTENSION PROJECT	SISK AVENUE EXTENSION PROJECT	OXFORD COMMONS FRONTAGE RD	$5.5 M BOND ISSUE 2012	TOTALS 2017
REVENUES:								
Grant Income	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -
Interest	-	-	-	-	-	-	-	-
Other	-	-	-	-	-	-	-	-
TOTAL REVENUES	-	-	-	-	-	-	-	-
EXPENDITURES:								
Capital Projects:								
Supplies	-	-	-	-	-	-	-	-
Other Services and Charges	-	-	-	-	-	-	-	-
Capital Outlay	-	-	-	684,101	102,268	-	-	786,369
TOTAL EXPENDITURES	-	-	-	684,101	102,268	-	-	786,369
Excess (Deficiency) of Revenues Over (Under) Expenditures	-	-	-	(684,101)	(102,268)	-	-	(786,369)
OTHER FINANCING SOURCES (USES):								
Proceeds of Debt Issuance	-	-	-	-	-	-	-	-
Transfers from (to) Other Funds	1,864,984	505,000	-	4,332,262	1,828,000	-	-	8,530,246
TOTAL OTHER FINANCING SOURCES (USES)	1,864,984	505,000	-	4,332,262	1,828,000	-	-	8,530,246
Excess (Deficiency) of Revenues Over (Under) Expenditures and Other Uses	1,864,984	505,000	-	3,648,161	1,725,732	-	-	7,743,877
FUND BALANCE - October 1,	-	-	17,225	573,348	582,465	247,638	116,702	1,537,378
FUND BALANCE - September 30,	$ 1,864,984	$ 505,000	$ 17,225	$ 4,221,509	$ 2,308,197	$ 247,638	$ 116,702	$ 9,281,255

CITY OF OXFORD, MISSISSIPPI
COMBINING BALANCE SHEET
DEBT SERVICE FUNDS
September 30, 2017

	$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	$6.6M GO BOND ISSUE 2015	TOTALS 2017
ASSETS:									
Cash	$ -	$ -	$ -	$ 68,784	$ 99,835	$ 31,079	$ 166	$ -	$ 199,864
Ad Valorem Taxes Receivable, net	2,433	-	-	1,270	1,398	3,533	-	2,393	11,027
TOTAL ASSETS	2,433	-	-	70,054	101,233	34,612	166	2,393	210,891
LIABILITIES:									
Checks Issued in Excess of Deposits	2,500	-	-	12,903	-	-	-	108,807	124,210
Accounts Payable	-	-	-	-	-	-	-	-	-
TOTAL LIABILITIES	2,500	-	-	12,903	-	-	-	108,807	124,210
FUND BALANCE (DEFICIT):									
Committed	-	-	-	57,151	101,233	34,612	166	-	193,162
Unassigned	(67)	-	-	-	-	-	-	(106,414)	(106,481)
TOTAL FUND BALANCE (DEFICIT)	(67)	-	-	57,151	101,233	34,612	166	(106,414)	86,681
TOTAL LIABILITIES AND FUND BALANCE	$ 2,433	$ -	$ -	$ 70,054	$ 101,233	$ 34,612	$ 166	$ 2,393	$ 210,891

CITY OF OXFORD, MISSISSIPPI
COMBINING STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE
DEBT SERVICE FUNDS
For the Year Ended September 30, 2017

	$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	$6.6M GO BOND ISSUE 2015	TOTALS 2017
REVENUES:									
General Property Taxes	$ -	$ -	$ -	$ 399,025	$ 406,290	$ 454,038	$ 124,207	$ 369,359	$ 1,752,919
Intergovernmental Revenues	-	-	-	-	-	-	-	-	-
Interest Income	-	-	-	293	-	-	-	-	293
TOTAL REVENUES	-	-	-	399,318	406,290	454,038	124,207	369,359	1,753,212
EXPENDITURES:									
Fees	-	-	-	2,423	1,940	4,250	645	5,547	14,805
Payments - Principal	-	-	-	250,000	675,000	340,000	90,000	660,000	2,015,000
Payments - Interest	-	-	-	77,931	89,325	85,456	33,463	142,794	428,969
TOTAL EXPENDITURES	-	-	-	330,354	766,265	429,706	124,108	808,341	2,458,774
Excess (Deficiency) of Revenues Over (Under) Expenditures	-	-	-	68,964	(359,975)	24,332	99	(438,982)	(705,562)
OTHER FINANCING SOURCES (USES):									
Proceeds from Issuance of Debt	-	-	-	-	-	-	-	-	-
Transfers from (to) Other Funds	-	-	-	-	410,000	-	-	219,266	629,266
TOTAL OTHER FINANCING SOURSES (USES)	-	-	-	-	410,000	-	-	219,266	629,266
Excess (Deficiency) of Revenues Over (Under) Expenditures and Other Uses	-	-	-	68,964	50,025	24,332	99	(219,716)	(76,296)
FUND BALANCE - October 1,	(67)	-	-	(11,813)	51,208	10,280	67	113,302	162,977
FUND BALANCE - September 30,	$ (67)	$ -	$ -	$ 57,151	$ 101,233	$ 34,612	$ 166	$ (106,414)	$ 86,681

CITY OF OXFORD, MISSISSIPPI
SCHEDULE OF SURETY BONDS FOR MUNICIPAL OFFICIALS
September 30, 2017

NAME	POSITION	COMPANY	BOND AMOUNT	BOND EXPIRATION
Robyn Tannehill	Mayor	FCCI Insurance Group	100,000	7/1/2018
Rick Addy	Alderman Ward I	Travelers	100,000	7/1/2018
Mark Huelse	Alderman Ward II	FCCI Insurance Group	100,000	7/1/2018
Janice Antonow	Alderman Ward III	FCCI Insurance Group	100,000	7/1/2018
Ulysses L. Howell	Alderman Ward IV	FCCI Insurance Group	100,000	7/2/2018
Preston Edward Taylor	Alderman Ward V	FCCI Insurance Group	100,000	7/2/2018
Jason Bailey	Alderman Ward VI	FCCI Insurance Group	100,000	7/1/2018
John Morgan	Alderman At Large	FCCI Insurance Group	100,000	7/6/2018
Ashley Atkinson	City Clerk	FCCI Insurance Group	50,000	8/20/2018
Lesia Chandler	Deputy Clerk	FCCI Insurance Group	50,000	8/20/2018
Joey East	Police Chief	FCCI Insurance Group	50,000	7/1/2018
Matt Davis	Dir. Parking Enforcement	FCCI Insurance Group	50,000	4/1/2018
Daphanie Vaughn	Deputy Clerk	Travelers	50,000	5/12/2018
Donna Buchanan	Admin. Asst.-Court	Travelers	25,000	1/6/2018
Jessica Fort Tolleson	Deputy Clerk	Travelers	50,000	1/6/2018
Caitlan Cole Carpenter	Deputy Clerk	Travelers	50,000	11/6/2018
Steven Clay Brownlee	Asst. Park Dir.-FNC Pk.	Travelers	50,000	1/25/2018
Brad Freeman	Park Dir.-FNC Park	Travelers	50,000	1/25/2018
Alex Jay Fauver	Narcotics Officer	Travelers	50,000	4/9/2018
Rodney G. Waller	Narcotics Officer	Travelers	50,000	1/9/2018
Lloyd Caleb East	Narcotics Officer	Travelers	50,000	10/20/2018
Blanket Bond	Police Officers	Travelers	25,000	7/1/2018

CITY OF OXFORD, MISSISSIPPI
SCHEDULE OF LONG-TERM DEBT
For the Year Ended September 30, 2017

	INTEREST RATE	BALANCE 9-30-16	DEBT ISSUED	DEBT RETIRED	BALANCE 9-30-17	CURRENT MATURITIES
LONG-TERM DEBT:						
Governmental Activities						
General Obligation Bonds:						
General Obligation-Series 2007	4-5%	$ 425,000	$ -	$ 425,000	$ -	$ -
General Obligation-Series 2010 (Refunding)	2-3%	3,555,000	-	675,000	2,880,000	695,000
General Obligation-Series 2009	3-3.75%	2,335,000	-	250,000	2,085,000	260,000
General Obligation-Series 2012	1.625-2.25%	4,230,000	-	340,000	3,890,000	345,000
G.O. Note Series 2012-BancorpSouth	1.43%	105,000	-	-	105,000	105,000
G.O. Note Series 2014-Regions	1.66%	304,937	-	100,783	204,154	101,636
G.O. Note Series 2014-Hancock	1.45%	725,000		175,000	550,000	180,000
G.O. Note Series 2015-Peoples	2-2.25 %	6,370,000	-	235,000	6,135,000	690,000
G.O. Note Series 2016-Trustmark	2.19%	800,000	-	150,000	650,000	155,000
General Obligation-Series 2017A	3.00%	-	7,500,000	-	7,500,000	270,000
Total General Obligation Bonds and Notes		18,849,937	7,500,000	2,350,783	23,999,154	2,801,636
Special Assessment Bonds:						
Special Assessment Bond-Series 2014	2.225-2.625%	1,430,000	-	90,000	1,340,000	95,000
Total Special Assessment Bonds		1,430,000	-	90,000	1,340,000	95,000
Notes Payable:						
CAP Loan - State of Mississippi	2%	172,201	-	172,201	-	-
CAP Loan - State of Mississippi	2%	640,525	-	53,356	587,169	49,342
CAP Loan - State of Mississippi	2%	173,208	-	173,208	-	-
Total Notes Payable		985,934	-	398,765	587,169	49,342
Total Governmental Activities		21,265,871	7,500,000	2,839,548	25,926,323	2,945,978
Business-Type Activities						
Revenue Bonds:						
2007 Water & Sewer Revenue Bond	4.5-6%	135,000	-	135,000	-	-
2008 Water & Sewer Revenue Bond	3.625-4.5%	2,450,000	-	155,000	2,295,000	160,000
2011 Water & Sewer Revenue Bond	3-4.3%	7,085,000	-	330,000	6,755,000	345,000
2012 Water & Sewer Revenue Bond	1-2.625%	1,990,000	-	210,000	1,780,000	215,000
2014 Water & Sewer Revenue Bond (Refunding)	1.05-5%	3,845,000	-	175,000	3,670,000	320,000
Electric Department						
2011 Electric System Revenue	2.25-3.125%	1,235,000	-	400,000	835,000	410,000
Total Revenue Bonds		16,740,000	-	1,405,000	15,335,000	1,450,000
Notes Payable:						
State Revolving Fund-Water & Sewer	2.75%	6,239,478	-	414,333	5,825,145	425,871
Total Notes Payable		6,239,478	-	414,333	5,825,145	425,871
Total Business-Type Activities		22,979,478	-	1,819,333	21,160,145	1,875,871
Total Long-Term Debt		$ 44,245,349	$ 7,500,000	$ 4,658,881	$ 47,086,468	$ 4,821,849

CITY OF OXFORD
SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
For the Year Ended September 30, 2017

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	15LB2251	16.738	$ 4,016
Edward Byrne Memorial Justice Assistance Grant Program	15HS2251	16.738	16,172
Total U.S. Department of Justice			$ 20,188
U. S. Department of Transportation			
Passed through Mississippi Department of Transportation			
Alcohol Open Container Requirements	154AL-2017-ST-22-52	20.607	$ 115,055
State and Community Highway Safety	17-0P-22-51	20.600	5,776
National Priority Safety Programs	M5TR-2017-MD-22-51	20.616	20,017
* Formula Grants for Rural Areas	MS 2017-009-00	20.509	1,589,399
Total U.S. Department of Transportation			$ 1,730,247
U. S. Department of Homeland Security			
Passed through Mississippi Emergency Management Agency			
Homeland Security Grant Program	16HS286T	97.067	$ 7,317
Total U. S. Department of Homeland Security			$ 7,317
U.S. Department of Health and Human Services			
Medical Reserve Corps Small Grant Program	MRC 17-1954	93.008	$ 13,000
Total Corporation for National and Community Service			$ 13,000
Corporation for National and Community Service			
Retired and Senior Volunteer Program		94.002	$ 32,691
Total Corporation for National and Community Service			$ 32,691
TOTAL FEDERAL EXPENDITURES			$ 1,803,443

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 Title 2 U.S. Code of *Federal Regulations Part 200, Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards* (Uniform Guidance).'Therefore, some amounts 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, 2017, 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 April 17, 2018.

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 1, 2, 3 and 4 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 5, 6 and 7 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, 5, 6 and 7. We noted certain other matters that we reported to management of the City of Oxford, Mississippi in a separate letter dated April 17, 2018.

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
April 17, 2018

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INDEPENDENT AUDITORS' REPORT ON COMPLIANCE FOR EACH MAJOR PROGRAM AND ON INTERNAL CONTROL OVER COMPLIANCE REQUIRED BY THE UNIFORM GUIDANCE

Honorable Mayor and Board of Aldermen
Oxford, Mississippi

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 Compliance Supplement* that could have a direct and material effect on each of the City of Oxford, Mississippi's major federal programs for the year ended September 30, 2017. 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 federal statutes, regulations, and the terms and conditions of its federal awards 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 the audit requirements of Title 2 U.S. *Code of Federal Regulations* Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards* (Uniform Guidance). Those standards and the Uniform Guidance 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 City of Oxford, Mississippi's compliance

Opinion on Each Major Federal Program

In our opinion, the City of Oxford, Mississippi, complied, 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, 2017.

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 the Uniform Guidance, 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.

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.

Our consideration of internal control over compliance was for the limited purpose described in the first paragraph of this section 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.

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 the Uniform Guidance. Accordingly, this report is not suitable for any other purpose.

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

FRANKS, FRANKS, JARRELL & WILEMON, P.A.
Tupelo, Mississippi
April 17, 2018

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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, 2017 and have issued our report dated April 17, 2018. 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, 5, 6 and 7.

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
April 17, 2018

CITY OF OXFORD, MISSISSIPPI
SCHEDULE OF FINDINGS AND QUESTIONED COSTS
September 30, 2017

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 2 CFR 200.516(a)?	____ Yes X No

Identification of major program:

CFDA Number(s)	Name of Federal Program or Cluster
20.509	U.S. Dept. of Transportation- Formula Grants for Rural Areas

Dollar threshold used to distinguish between Type A and Type B programs:	$ 750,000
Auditee qualified as low-risk auditee?	____ Yes X No

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 and accounted for in compliance with state laws. The City did not provide adequate documentation for certain expenditures that were requested during the audit of fixed assets. Also, we noted one instance for which compliance with state purchase laws was not documented related to a fixed asset purchase.

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. The City should ensure adequate support and documentation is maintained on all assets purchased.

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. The City does not reconcile the capital outlay in the general ledger to the depreciation schedule.

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. The City should ensure that the capital outlay in the general ledger is reconciled to the depreciation schedule on a routine basis.

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 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. 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 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. 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 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. 5

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.

Cause of Condition: The City had budget overages in some expense categories for the year ended September 30, 2017.

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.

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.

FINDING NO. 6

Criteria: The City is to ensure that fund expenditures do not exceed fund revenues and fund cash reserves. The City is to ensure millage rates are established or transfers are made to provide adequate funds to service the debt obligations of the City.

Cause of Condition: The City disbursed funds in excess of cash reserves for two debt service funds. The tax millage rates or transfers of funds did not provide adequate amounts to service debt obligations of the two funds. This resulted in bank overdrafts as well as a deficit fund balance in the two funds.

Recommendation: The City should implement adequate controls to ensure that adequate funds are available to service debt obligations either by means of ad valorem tax millage or by transfers from other funds. The City should ensure bank overdrafts or deficit fund balances do not occur in the debt service funds.

Response: The City will ensure that sufficient millage rates are set or transfers are made to provide adequate funds to service all debt obligations of the governmental funds of the City. The bank overdraft and the deficit fund balance were related to a remaining payment on a refunded bond issue that will not be a repeat occurrence in the future.

FINDING NO. 7

Criteria: The City is to maintain adequate internal controls to ensure accurate processing of transactions for the fair presentation of its financial records in the area of court fine administration and processing.

Cause of Condition: The City had instances of court fine tickets being remanded to file or retired to file by the issuing police officer without evidence of approval by the judge.

Recommendation: The City should implement controls to ensure that all tickets issued by officer are accounted for and that a disposition is approved by the judge. An officer should not have the ability to remand or retire an issued ticket without sign off or approval by the municipal judge.

Response: The City will ensure that adequate documentation of a disposition of all issued tickets is documented by approval of the municipal judge.

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

SECTION 3 – FEDERAL AWARD FINDINGS:

NONE